

OEX GROUP

CONSOLIDATED QUARTERLY REPORT FOR THE FIRST QUARTER OF 2019

Warsaw, 16 May 2019

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SELECTED CONSOLIDATED FINANCIAL DATA OF THE OEX GROUP

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SELECTED CONSOLIDATED FINANCIAL DATA OF THE OEX GROUP

SELECTED CONSOLIDATED FINANCIAL DATA OF THE OEX GROUP

The basic items of the consolidated statement of financial position, consolidated statement of profit or loss and consolidated cash flow statements and the same values after conversion into EUR are presented in the table:

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
	in k PLN		k EUR	
Consolidated statement of profit or loss				
Sale revenues	149,764	138,870	34,847	33,235
Operating profit (loss)	4,797	4,311	1,116	1,032
Profit (loss) before taxation	2,818	2,113	656	506
Net profit (loss)	1,715	1,659	399	397
Net profit (loss) - share of the shareholders of the Parent Company	1,488	1,506	346	360
Earnings per share (PLN; EUR)	0.19	0.22	0.04	0.05
Diluted earnings per share (PLN; EUR)	0.19	0.22	0.04	0.05
Average exchange rate PLN / EUR in the period	X	X	4.2978	4.1784
Consolidated Cash Flow Statement				
Net cash flows provided by operating activities	20,019	3,382	4,658	809
Net cash flows provided / (used) by investing activities	-3,212	-1,303	-747	-312
Net cash flows provided / (used) by financing activities	-15,181	-2,382	-3,533	-570
Total net cash flow	1,626	-303	378	-73
Average exchange rate PLN / EUR in the period	X	X	4.2978	4.1784
	31/03/2019	31/12/2018	31/03/2019	31/12/2018
	k PLN		k EUR	
Consolidated Statement of Financial Position				
Assets	449,651	355,093	104,538	82,580
Long-term liabilities	151,955	69,202	35,328	16,094
Short-term liabilities	152,485	142,395	35,451	33,115
Equity	145,211	143,496	33,760	33,371
Equity - share of the parent company shareholders	142,509	141,021	33,132	32,796
PLN / EUR exchange rate at period end	X	X	4.3013	4.3000

In the periods presented, the following exchange rates were applied to convert the basic items in the financial statements:

- for data resulting from the statements of financial position - mean exchange rate of EURO as at the end of each period,
- for data resulting from the income statements and cash flow statements - mean exchange rate for the given period calculated as an arithmetical average of exchange rates as at the last day of each month in the given period.

SELECTED CONSOLIDATED FINANCIAL DATA OF THE OEX GROUP

Content	Period of 3 months ended on 31 March 2019	Year ended on 31 December 2018	Period of 3 months ended on 31 March 2018
average exchange rate as at the period end	4.3013	4.3000	4.2085
average exchange rate of the period	4.2978	4.2669	4.1784

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	31/03/2019	31/03/2018	31/12/2018
Non-current assets			
Goodwill	116,545	116,545	116,545
Intangible fixed assets	16,708	11,789	16,764
Tangible fixed assets	27,215	25,089	25,413
Rights to use assets (IFRS 16)	103,080		
Lease receivables (IFRS 16)	5,637		
Investments in associates	22		34
Investments in other parties	500	500	500
Receivables and loans	1,067	2,432	1,285
Long-term prepayments	1,668	1,404	1,667
Deferred income tax assets	5,842	4,998	5,492
Non-current assets	278,284	162,757	167,700
Current assets			
Inventories	10,094	22,799	8,629
Trade Receivables and Other Receivables	114,134	103,865	137,099
Current income tax assets	149	469	33
Loans	10	21	21
Lease receivables (IFRS 16)	2,591		
Short-term prepayments	16,183	16,379	15,031
Cash and cash equivalents	28,206	11,144	26,580
Fixed assets classified as held for sale			
Current assets	171,367	154,677	187,393
Total assets	449,651	317,434	355,093

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TOTAL EQUITY & LIABILITIES	31/03/2019	31/03/2018	31/12/2018
Equity			
Equity - share of the parent company shareholders:			
Share capital	1,598	1,378	1,598
Share premium	63,004	44,960	63,004
Other Capitals	1,459	1,459	1,459
Retained profits:	76,448	60,931	74,960
- retained profit from previous years	74,960	59,425	59,425
- net profit for the parent company's shareholders	1,488	1,506	15,535
Equity - share of the parent company shareholders	142,509	108,728	141,021
Non-controlling shares	2,702	1,876	2,475
Equity	145,211	110,604	143,496
Liabilities			
Long-term liabilities			
Loans, credits	45,980	27,105	48,248
Finance lease	8,011	5,678	6,227
Liabilities related to the rights to use assets (IFRS 16)	83,151		
Deferred tax liabilities	10,624	9,991	10,383
Employee benefit liabilities	121	121	121
Other long-term provisions	31	31	31
Long-term prepayments	4,037	2,738	4,192
Long-term liabilities	151,955	45,664	69,202
Short-term liabilities			
Trade liabilities and other liabilities	68,894	79,508	79,005
Factoring liabilities	10,961	9,036	11,312
Liabilities related to the purchase of shares		34,733	
Current tax liabilities	265	635	1,734
Loans, credits, other debt instruments	32,603	25,285	36,850
Finance lease	3,972	4,858	3,557
Liabilities related to the rights to use assets (IFRS 16)	28,344		
Employee benefit liabilities	5,976	4,009	7,259
Other short-term provisions	126	543	116
Short-term prepayments	1,344	2,559	2,562
Liabilities related to fixed assets held for sale			
Short-term liabilities	152,485	161,166	142,395
Total provisions	304,440	206,830	211,597
Total equity and liabilities	449,651	317,434	355,093

Book value	145,211	110,604	143,496
Number of shares as at the balance sheet day	7,989,984	6,888,539	7,989,984
Diluted number of shares as at the balance sheet day	7,989,984	6,888,539	7,989,984

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

BOOK VALUE PER ORDINARY SHARE AS AT THE BALANCE SHEET DAY (PLN)

	31/03/2019	31/03/2018	31/12/2018
Book value of one share	18.17	16.06	17.96
Diluted book value per one share	18.17	16.06	17.96

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
Continued activities		
Sale revenues	149,764	138,870
Revenue from the sale of services	113,903	94,608
Revenue from the sale of goods and materials	35,861	44,262
Cost of sales	126,887	117,568
Costs of services sold	93,249	75,148
Cost of goods and materials sold	33,638	42,420
Gross profit on sale	22,877	21,302
Selling costs	8,648	7,900
Administrative expenses	9,950	8,871
Other operating revenue	934	322
Other operating expenses	416	542
Profit (loss) on the sale of subsidiaries (+/-)		
Operating profit	4,797	4,311
Financial income	183	35
Financial costs	2,151	2,233
Share in the profit (loss) of companies measured using the equity method (+/-)	-11	
Profit before taxes	2,818	2,113
Income tax	1,102	454
Net profit on continued activities	1,715	1,659
Discontinued Activity		
Net profit (loss) on discontinued operations		
Net profit - share of		
- the parent company shareholders	1,488	1,506
- non-controlling shares	227	153

Average weighted number of ordinary shares (items)	7,989,984	6,888 539
Average weighted diluted number of ordinary shares (items)	7,989,984	6,888 539

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

NET PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY - PER ORDINARY SHARE (PLN)

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
on continued operations		
- basic	0.19	0.22
- diluted	0.19	0.22
on continued and discontinued operations		
- basic	0.19	0.22
- diluted	0.19	0.22

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
Net profit	1,715	1,659
Other comprehensive income		
Items not carried as financial profit or loss		
Items carried as financial profit or loss		
Comprehensive income		
Comprehensive income - share of:	1,715	1,659
- the parent company shareholders	1,488	1,506
- non-controlling shares	227	153

CONSOLIDATED CASH FLOW STATEMENT

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
Cash flow from operating activity		
Profit (loss) before taxation	2,818	2,113
Adjustments:		
Depreciation and amortisation of fixed assets	2,412	1,992
Depreciation and amortization of assets used on the basis of lease and rental agreements (IFRS 16)	5,718	
Impairment loss on financial assets		
Profit (loss) on the sale of non-financial fixed assets	-41	95
Profit (loss) on the sale of financial assets (other than derivatives)		
Exchange difference gains (losses)		
Interest expense	1,860	758
Interest and dividend income	-143	-1
Other adjustments	40	-101
Total adjustments	9,846	2,743
Change in inventories	-1,465	-17
Change in receivables	23,054	14,269
Change in liabilities	-10,116	-8,113
Change in provisions and prepayments	-2,545	-5,955
Changes in working capital	8,928	184
Taxes paid	-1,573	-1,658
Net cash flows provided by operating activities	20,019	3,382

CONSOLIDATED CASH FLOW STATEMENT

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
<i>Cash flow from investing activity</i>		
Expenses to purchase fixed assets	-3,312	-943
Inflows from the sale of fixed assets	56	-100
Net expenses to purchase subsidiaries less cash of such subsidiaries		
Received repayments of loans granted	11	9
Loans granted	-50	-19
Expenses to purchase other financial assets		-250
Inflows from the sale of other financial assets		
Interest income	83	
Net cash flows provided / (used) by investing activities	-3,212	-1,303
<i>Cash flow from financial activity</i>		
Inflows from the issue of shares		
Debt securities in issue		
Redemption of debt securities		-20,000
Inflows from loans and credits contracted	3,169	30,495
Repayment of loans and advances	-9,771	-14,693
Repayment of financial lease liabilities	-1,124	-1,115
Repayment of liabilities related to the assets used on the basis of lease and rental agreements (IFRS 16)	-6,340	
Repayment of lease receivables (IFRS 16)	411	
Interest paid	-1,184	-1,311
Factoring inflows	12,725	9,404
Repayment of factoring liabilities	-13,080	-5,162
Loan commissions paid	13	
Dividends paid		
Net flows provided / (used) by financing activities	-15,181	-2,382
Total net cash flows	1,626	-303
Net change in cash and cash equivalents	1,626	-303
Cash and cash equivalents at period beginning	26,580	11,447
Cash and cash equivalents at period end	28,206	11,144

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Parent company shareholding					Non-controlling shares	TOTAL EQUITY
	Share capital	Share premium	Other Capitals	Retained profits	Total		
As at 01/01/2019	1,598	63,004	1,459	74,960	141,021	2,475	143,496
Changes in accounting policies							
Error Correction							
Balance after changes	1,598	63,004	1,459	74,960	141,021	2,475	143,496
Issue of shares							
Business combination							
Option measurement (share-based payment programme)							
Changes in the group structure (transactions with non-controlling parties)							
Dividends							
Financial result recognised as equity							
Total transactions with shareholders							
Net profit for the period from 01/01 to 31/03/2019				1,488	1,488	227	1,715
Other comprehensive income after taxation in the period from 01/01 to 31/03/2019							
Total comprehensive income				1,488	1,488	227	1,715
As at 31/03/2019	1,598	63,004	1,459	76,448	142,509	2,702	145,211

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Parent company shareholding					Non-controlling shares	TOTAL EQUITY
	Share capital	Share premium	Other Capitals	Retained profits	Total		
As at 01/01/2018	1,378	44,960	1,459	59,425	107,222	1,723	108,945
Changes in accounting policies							
Error Correction							
Balance after changes	1,378	44,960	1,459	59,425	107,222	1,723	108,945
Issue of shares							
Business combination							
Option measurement (share-based payment programme)							
Changes in the group structure (transactions with non-controlling parties)							
Dividends							
Financial result recognised as equity							
Total transactions with shareholders							
Net profit for the period from 01/01 to 31/03/2018				1,506	1,506	153	1,659
Other comprehensive income after taxation in the period from 01/01 to 31/03/2018							
Total comprehensive income				1,506	1,506	153	1,659
As at 31/03/2018	1,378	44,960	1,459	60,931	108,728	1,876	110,604

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

1. Rules applied in preparing this report, including information about changes to accounting policies (rules)

1.1 Drawing up basis

The abbreviated interim consolidated financial statements of the Group (financial statements) comprise the period of 3 months ended on 31 March 2019 and contain the comparable data for the period of 3 months ended on 31 March 2018 and as at 31 December 2018.

The financial statements as at 31 March 2019 and as at 31 March 2018 were not audited or reviewed by a statutory auditor.

The published consolidated financial data of the Group were presented as comparable data.

These financial statements were presented in accordance with IAS 34 Interim Financial Reporting with the application of the principles of valuation of assets and liabilities and the measurement of the net financial result as defined at the end of the reporting period. They were drawn up in using the historical cost principle, with the exception of derivative financial instruments, which were carried at fair value.

The financial statements do not contain all the information that is disclosed in the annual consolidated financial statements prepared in accordance with IFRS. These financial statements should be read together with the consolidated financial statements of the Group for the year 2018 published on 10 April 2019.

The functional currency of the parent company and its subsidiaries is the Polish zloty. The presentation currency of the Group is the Polish zloty.

All values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated.

The consolidated interim financial statements was prepared in accordance with the going concern principle. As at the date of the approval of these consolidated financial statements for publication there are no circumstances which may pose a risk to the going concern assumption with regard to the Group companies.

1.2 Accounting Policies

The consolidated financial statements presented herein were prepared in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union.

As at the date of the approval of these consolidated financial statements for publication, considering the existing process of implementation of IFRS standards in the EU and the Group's operations, there are no differences between the IFRS standards that have come into effect and IFRS standards approved by the EU as regards the accounting principles applied by the Group. IFRS comprise standards and interpretations accepted by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

The accounting policies applied during the preparation of the abbreviated interim consolidated financial statements are compliant with the ones applied during the preparation of the Group's annual consolidated financial statements for the year ended on 31 December 2018, with the exception of the application of the new standards and interpretations effective for annual periods beginning on or after 01 January 2019:

New and Revised Standards or Interpretations Applied:

The following new standards and amendments to standards that became effective on 01 January 2019 were adopted for the first time in these abbreviated interim consolidated financial statements:

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

- IFRS 16 *Leases* is effective for annual periods beginning on or after 01 January 2019. The new standard specified how to recognise, measure, present and disclose leases. All lease transactions result in the acquisition by the lessee of the right to use the asset and a liability related to the payment obligation. Consequently, IFRS 16 eliminated the classification of an operating lease and a financial lease as per IAS 17 and introduced a single model for the book-keeping recognition of lease by the lessor. The lessee is obliged to recognise: (a) assets and liabilities for all lease transactions made for a period of time exceeding 12 months, with the exception of situations when the given asset is of low value and (b) depreciation (amortisation) of the leased asset separately from the interest on the lease liability in the statement of profit or loss. IFRS 16 to a considerable extent has redone the regulations of IAS 17 concerning the book recognition of lease by the lessor. In consequence, the lessor continues the classification into operating lease and financial lease and differentiates the book recognition. A detailed description of the IFRS 16 implementation and its impact on the consolidated statement of profit or loss and the consolidated cash flow statement have been given in item 31.
- Amendments to IFRS 9: *Prepayment Features with Negative Compensation*. IFRS 9 is effective for annual periods beginning on or after 01 January 2019 with an option of an earlier application. In consequence of the amendment to IFRS 9, entities will be allowed to measure the prepayment features with negative compensation at amortised cost or at fair value through other comprehensive income, if a defined condition has been satisfied - instead of measurement at fair value through profit or loss. The application of these amendments does not have any material impact on the consolidated financial statements of the Group.
- Amendments to IAS 28 *Investments in Associates and Joint Ventures*. The amendment is effective for annual periods beginning on or after 01 January 2019. Amendments to IAS 28 *Investments in Associates and Joint Ventures* clarify that an entity applies IFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied. Additionally, the Board also published an example to illustrate the application of the requirements of IFRS 9 and IAS 28 to long-term interest in an associate or joint venture. The application of these amendments does not have any material impact on the consolidated financial statements of the Group.
- IFRIC 23: *Uncertainty over Income Tax Treatments*. IFRIC 23 clarifies the requirements concerning the treatment and measurement contained in IAS 12 in the situation of uncertainty over income tax treatments. The application of these amendments does not have any material impact on the consolidated financial statements of the Group.
- Annual Improvements to IFRSs 2015 - 2017 Cycle. In December 2017, the International Accounting Standards Board issued *Annual Improvements to IFRSs 2015-2017 Cycle*, which amend 4 standards: IFRS 3 *Business Combinations*, IFRS 11 *Joint Arrangements*, IAS 12 *Income Tax* and IAS 23 *Borrowing Costs*. The improvements provide explanations and clarify the guidelines of the standards with regard to recognition and measurement. The application of these amendments does not have any material impact on the consolidated financial statements of the Group.
- IAS 19 *Employee Benefits*. The amendments to IAS 19 are effective for annual periods beginning on or after 01 January 2019. The amendments to the standard define requirements concerning the recognition of the defined benefit plan amendment, curtailment or settlement. The application of these amendments does not have any material impact on the consolidated financial statements of the Group.

1.3 Principle of Materiality

Particular pieces of information are material if, when omitted or misstated, they could influence the economic decisions that users make on the basis of the financial statements. The information materiality depends on the item amount or error - assessed in the specific circumstances - in case the given item is omitted or misstated. The materiality, therefore, is a threshold or a limit, and not a fundamental feature the given information must have to be useful. The principle of materiality concerns the presentations in

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

the financial statements of information that is useful for and influencing on the assessment of the economic and financial situation as well as the financial result. The principle of materiality concerns the presentation of the economic and financial situation as well as the financial result in the financial statements.

The following criteria of materiality have been assumed for the Group:

- 1% of the balance sheet total or
- 0.5% of total revenues.

When assessing the materiality, the lower of the values as determined on the basis of the above-mentioned criteria is assumed.

The application of the principle of materiality means that the detailed requirements concerning the disclosures as given in the standard or interpretation need not be fulfilled, if the information is not material.

1.4 Estimation Uncertainty

When preparing these consolidated quarterly financial statements, the Parent Company's Management Board uses its best judgement to make the estimates and assumptions that influence the accounting policies (rules) applied and the presented values of assets, liabilities, revenue and costs. The actually realised values may differ from the estimates made by the Management Board.

Information about the estimates and assumptions that are material for the consolidated financial statements have been presented in the consolidated financial statements for the year 2018.

Additionally, the uncertainty of estimates results from the implementation of IFRS 16. The implementation required subjective judgements to be made when preparing estimates and assumptions, all of which influenced the measurement of financial lease liabilities and the rights to use the assets:

- when determining the remaining lease period with regard to the agreements made for an indefinite period of time and executed before 1 January 2019, a 5-year time horizon has been adopted as their outstanding duration,
- when determining the lessee's incremental borrowing rate of interest to be applied when discounting future cash flows, the rate fixed centrally at the level of OEX SA, was adopted,
- when indicating the useful lives and amortisation rates for the rights to use the assets recognised as at 01 January 2019, periods adequate to the assumed outstanding lease period were adopted.

2. Description of the organisation of the Issuer's group and indication of consolidated entities

The OEX S.A. Group comprises:

- the parent company - OEX S.A.

OEX S.A. (Company, Parent Company, Issuer) was established in consequence of a transformation of Tell Sp. z o.o. on the basis of a Resolution of the Extraordinary General Meeting of Shareholders No. 1 of 15 November 2004.

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

The Company is entered into the register of companies of the National Court Register maintained by the District Court for the capital city of Warsaw in Warsaw, XIII Commercial Division of the National Court Register, under number KRS 0000222514.

The Company received the following statistical number (REGON): 630822208. 'OEX S.A.' is a new business name of a company previously trading as 'TELL S.A.', changed by virtue of resolution of the Extraordinary General Meeting of Shareholders dated 30 September 2015. The change was registered by the District Court for Poznań — Nowe Miasto i Wilda in Poznań, VIII Commercial Division of the National Court Register on 30 December 2015.

The shares of the parent company are listed at the Warsaw Stock Exchange.

The principal place of business of the parent company is in Warsaw, at ul. Franciszka Klimczaka 1.

The composition of the Management Board of the parent company as at the day of approval of the consolidated financial statements for publication, i.e. 16 May 2019, was the following:

- Jerzy Motz President of the Management Board
- Rafał Stempniewicz Member of the Management Board
- Robert Krasowski Member of the Management Board
- Artur Wojtaszek Member of the Management Board
- Tomasz Słowiński Member of the Management Board

The composition of the Supervisory Board of the parent company as at the day of approval of the consolidated financial statements for publication, i.e. 16 May 2019, was the following:

- Piotr Beaupre Chairman of the Supervisory Board
- Michał Szramowski Member of the Supervisory Board
- Tomasz Mazurczak Member of the Supervisory Board
- Piotr Cholewa Member of the Supervisory Board
- Tomasz Kwiecień Member of the Supervisory Board

The objects of the business of OEX S.A. comprises the activity of holding companies, consisting in the provision for the benefit of companies from its Group, a number of services supporting their operational business such as, without limitation, HR and payroll services, legal and compliance support services, as well as services concerning the strategic consulting, controlling, finance, and public relations.

- subsidiaries presented in the table below:

Name of the Company	Registered office	% of shares/participations held directly	% of shares/participations held indirectly
Tell Sp. z o.o.	ul. Forteczna 19A, 61-362 Poznań	100	
Europhone Sp. z o.o.	ul. Forteczna 19A, 61-362 Poznań	100	
PTI Sp. z o.o.	ul. Forteczna 19A, 61-362 Poznań	100	
OEX Cursor S.A.	ul. Równoległa 4A, 02-235 Warszawa	100	
Merservice Sp. z o.o.	ul. Równoległa 4A, 02-235 Warszawa	100	
Pro People Sp. z o.o.	ul. Równoległa 4A, 02-235 Warszawa	100	
OEX E-Business Sp. z o.o.	ul. Równoległa 4A, 02-235 Warszawa	100	
Divante Sp. z o.o.	ul. Dmowskiego 17, 50-203 Wrocław	51.03	
ArchiDoc S.A.	ul. Niedźwiedziniec 10, 41-506 Chorzów	100	
Archidoc MED Sp. z o.o.	ul. Niedźwiedziniec 10, 41-506 Chorzów		100
Voice Contact Center Sp. z o.o.	ul. Równoległa 4A, 02-235 Warszawa	100	
OEX24 Sp. z o.o.	ul. Klimczaka 1, 02-797 Warszawa	100	

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The Group also comprises Connex Sp. z o.o. in liquidation seated in Poznań. This company is no longer active and is not subject to consolidation. As regards the shares in this company, OEX S.A. made impairment charges equal to 100% of their value.

Moreover, the OEX Group holds 30% of shares in Toys4boys Sp. z o.o. By decision dated 19 February 2018, the District Court for Gdańsk – Północ, VI Commercial Division, declared that company bankrupt. All the shares were covered by impairment charges in previous financial years. The company is not subject to consolidation.

As at 31 March 2019, the Group also comprises an associate company – Face and Look S.A. with registered office in Warsaw.

The following companies are subject to full consolidation:

- Europhone Sp. z o.o.
- PTI Sp. z o.o.
- OEX Cursor S.A. (since 01/03/2015)
- Divante Sp. z o.o. (since 01/03/2015)
- Tell Sp. z o.o. (since 01/01/2016)
- Pro People Sp. z o.o. (since 01/07/2016)
- Merservice Sp. z o.o. (since 01/09/2016)
- ArchiDoc S.A. (since 01/01/2017)
- Voice Contact Center Sp. o.o. (since 01/01/2017)
- OEX E-Business Sp. z o.o. (since 22/03/2017)
- Archidoc MED Sp. z o.o. (since 18/04/2018)
- OEX 24 Sp. a o.o. (since 10/11/2018).

The associate is consolidated using the equity method.

The object of the business of the Group companies is to provide services for the business.

Descriptions of the objects of business of particular subsidiaries and associates are given in item 6 of the Explanatory Notes to the consolidated financial statements.

3. Indication of consequences of changes in the structure of the entity, including the resulting mergers, take-overs or sales of the Issuer's group companies, long-term investments, divisions, restructuring or business discontinuations;

In the first quarter of 2019, there were no changes to the structure of the OEX Group.

4. Description of the issuer's significant successes or failures in the period this report refers to, with an indication of the most important events concerning the Issuer

The sale revenues reported in the first quarter of 2019 amounted to kPLN 149,764 and were higher by 7.8% than the revenue generated in the corresponding period of the previous year. The application of IFRS 16 had a marginal impact on the revenues – after the exclusion of that impact, the y/y change in revenue rose by 8.1%. Of significant impact on the revenues was the change in the settlement system with Orange Polska S.A., described in detail in the Group's 2018 annual financial statements, which consisted in the replacement of the merchandise trade in mobile phones with a consignment system. After the exclusion of the impact of the fall in non-margin revenues from the sale of mobile phones and the impact of the IFRS 16 adoption, the Group noted a y/y rise in revenues of 25,7%.

The operating profit reported in the first quarter of 2019 amounted to kPLN 4,797 and as higher by 11.3% than the one earned in the first quarter of 2018. The IFRS 16 adoption had a positive impact on the

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operating profit, increasing it by PLN 390 thousand. After the exclusion of the above-mentioned impact, the operating profit amounted to kPLN 4,407 and the y/y change equalled 2.2%. In result of the above-mentioned changes to the settlement system with Orange Polska S.A., in 2019 the Group does not generate revenue from the commission on the instalment sale service and the corresponding financial costs in the Retail Sale Network Management segment. This change is neutral as regards the Group's gross profit but leads to a decrease in the y/y operating profit by PLN 898 thousand. After the exclusion of the impact of this factor on the operating profit of the first quarter of 2018 and of the impact of the IFRS 16 adoption in the first quarter of 2019, the Group noted a y/y rise in the operating profit by 29.1%.

The operating profit plus depreciation (EBITDA) reported in the first quarter of 2019 amounted to kPLN 12,927 and was higher by 105.1% than in the corresponding period of the previous year. The IFRS 16 adoption had a significant positive impact on the EBITDA, in consequence of a considerable rise in the depreciation amount on this account which in the first quarter of 2019 amounted to PLN 5,718 thousand. In aggregate, the impact of the IFRS 16 adoption on EBITDA amounted to PLN 6,108 thousand. After the exclusion of the above-mentioned impact, the operating profit plus depreciation (EBITDA) amounted to kPLN 6,817 and the y/y change equalled 8.2%. The changes to the settlement system with Orange Polska S.A. described herein above had an analogous impact also on the level of EBITDA. After the exclusion of the impact of this factor on the results of the first quarter of 2018 and of the impact of the IFRS 16 adoption in the first quarter of 2019, the Group noted a rise in EBITDA by 26.1%.

The financial costs reported in the first quarter of 2019 amounted to kPLN 2,151 and were higher by 3.7% than the financial costs incurred in the first quarter of 2019. The IFRS 16 adoption impacted the growth in the financial costs by PLN 637 thousand. After the exclusion of the above-mentioned impact, the financial costs amounted to kPLN 1,514, which is a y/y fall by 32.2%. In result of the above-mentioned changes to the settlement system with Orange Polska S.A. in the first quarter of 2019, there were no costs resulting from the fees for servicing the instalment sales for Orange Polska S.A. In the first quarter of 2018, in turn, they amounted to kPLN 898 out of the total of kPLN 1,335. After the exclusion of the fees for servicing the instalment sales in the first quarter of 2018 and of the impact of the IFRS 16 adoption in the first quarter of 2019, the financial costs of the Group saw a y/y rise by kPLN 179, i.e. by 13.4%.

The gross profit reported in the first quarter of 2019 amounted to kPLN 2,818 and was higher than in the corresponding period of the previous year by 33.3%. The IFRS 16 adoption impacted the decrease in the gross profit by kPLN 185. After the exclusion of the above-mentioned impact, the gross profit amounted to kPLN 3,003, which translates into a y/y rise by 42.1%. The above-mentioned changes to the settlement system with Orange Polska S.A. did not have any impact on the gross profit in 2019 and in 2018.

The net profit reported in the first quarter of 2019 amounted to kPLN 1,715 and was higher on a y/y basis by 3.4%. The IFRS 16 adoption impacted the decrease in the net profit by kPLN 64. After the exclusion of the above-mentioned impact, the net profit amounted to kPLN 1,780, which translates into a y/y rise by 7.3%. The above-mentioned changes to the settlement system with Orange Polska S.A. did not have any impact on the net profit in 2019 and in 2018.

5. Indication of factors and events, in particular extraordinary ones, having a material influence on the financial results achieved

In the first quarter of 2019, there were no extraordinary factors or events.

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6. Operating segments

The OEX Group has 4 operational segments:

- Retail Sale Network Management Segment
- Sale Support Segment
- E-business Segment
- BPO Segment

6.1 Retail Sale Network Management Segment

The retail sale network management segment comprises comprehensive services related to the sale of the client's products and services in a network of stores and retail outlets, and in particular the creation and management of retail sale outlet networks and the sale and sale force management. The OEX Group concentrates on the management of the mobile phone service distribution network, whereby the experience and unique competences related to sale network building may be used in other sectors on the basis on a similar distribution model. At present, the OEX Group is the provider of these services to three mobile phone operators in Poland – Orange, T-Mobile and Plus. The sale of the T-Mobile network services is ensured by Europhone Sp. z o. o., the sale of the PLUS network services is ensured by PTI Sp. z o. o., and the sale of the Orange network services until 31 January 2016 was ensured by OEX S.A., and as of 1 February 2016, by Tell Sp. z o.o. The Group achieved its position by a gradual and consistent increase of the number of its own stores and acquisition of smaller store operators.

Number of stores as at the end of the reporting quarter

	as at 31/03/2019	as at 31/03/2018	y/y change quantity	y/y change in %
Orange network stores	185	127	58	145.7%
T-Mobile network stores	97	99	-2	98.0%
Plus network stores	66	69	-3	95.7%
Total stores	348	295	53	118.0%

Average number of stores in the reporting period

	average in the period from 01/01. to 31/03/2019	average in the period from 01/01. to 31/03/2018	y/y change quantity	y/y change in %
Orange network stores	184.7	127.0	57.7	145.4%
T-Mobile network stores	97.0	99.0	-2.0	98.0%
Plus network stores	66.0	69.0	-3.0	95.7%
Total stores	347.7	295.0	52.7	117.9%

Breakdown of revenue

	01/01 to 31/03/2019	01/01 to 31/03/2018	change y/y in %
Sale of telecommunications services	29,300	25,166	116.4%
Sets and pre-paid refillments	1,406	3,081	45.6%
Postpaid contract phones	10,817	27,974	38.7%
Other revenue	2,916	2,629	110.9%
Total	44,439	58,850	75.5%

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Volumes of services sold

	01/01 to 31/03/2019	01/01 to 31/03/2018	change y/y in %
Postpaid activations	205,256	176,550	116.3%
Prepaid activations	32,446	17,602	184.3%
Total	237,702	194,152	122.4%

6.2 Sale Support Segment

Operations of this segment are carried out by OEX Cursor S.A., Merservice Sp. z o.o. and Pro People Sp. z o.o. Services provided by the companies as part of their business support the sale of clients' products and services and contribute to the improvement of digital distribution. The services also comprise activities aimed at building and increasing consumer loyalty to the brands promoted. The services are mainly pursued using the outsourcing model, which consists in the take over from the clients of the sale support processes in whole or in part. The cooperation includes the process design, preparation of procedures and operating instructions, adjustment of IT systems to project requirements. The provision of services also comprises the provision of human resources (teams of salesmen or sale advisers), as well as working tools (car fleet and IT systems). The cooperation may concern the team management as well as the management of entire sale and marketing processes of clients and may entail that the remuneration for the services rendered is linked to the performance of the KPIs assumed at the appropriate level.

Field activities are pursued in accordance with dedicated models (the team works exclusively for the given client) or shared models (the team pursues orders for a few or a few dozen clients at the same time).

The basic services offered to clients under this segment comprise:

- outsourcing of sales representatives
- merchandising
- examination of goods exposure and availability and communication standards
- product promotion services
- human resources management services

The outsourcing of sales representatives consists in the provision of a field team of sales representatives, provision of all the necessary working tools for that team and the supervision over its proper activities. The tasks of the team is, depending on the given project pursued, the acquisition of new or the support of the existing consumers of the client's goods and services. The sales representative outsourcing service is addressed to the entire market (modern, traditional and specialist sales). The activities are carried out in accordance with the ISO 9001:2008 standards.

Merchandising consists in the service related to the exposure of goods in commercial networks by on-site teams as well as the service provided to retail outlets by mobile teams (provided with appropriate vehicles). The service is rendered using IT tools. The work takes place in accordance with the ISO 9001:2008 compliant standards.

The examination of goods exposure and availability and consumer communication standards supplements the merchandising offer. The examination is carried out in the form of audits made in commercial networks and retail outlets. Their purpose is to obtain information from the market, verify the arrangements made between the retail outlet and the producer and control the effectiveness of sales structures of the client. An element supplementing the process is the construction and update of databases. The data acquisition process takes place using IT tools, which guarantee the quality and reliability of materials collected. The offer also comprises the analyses and presentations of data.

Product promotion services comprise activities related to a direct contact with the consumer. They concern project related to the provision to the producers of teams defined as 'Client Advisers' who stimulate the sale in modern or traditional sale outlets or in commercial networks by ensuring additional

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information about the product, allowing the clients to try product samples or realize individual orders of consumers. Such activities are reinforced by organisation of consumer programmes such as lotteries or contests.

HR services - in this segment, also the HR management services, recruitment services and personnel lease services, i.e. object of the business of Pro People Sp. z o.o., are rendered.

6.3 E-business Segment

In the E-business segment provides services dedicated to e-commerce, including the areas of technology, marketing and fulfilment. The segment encompasses the business of Divante Sp. z o.o. (area related to IT), as well logistic operations and purchasing process services carried out by OEX E-Business Sp. z o.o. The E-business segment comprises also the business of OEX 24 Sp. z o.o. established in 2018. The company was created in order to carry out support processes for the modern domestic and international trade and to connect sellers by means of technology. The Company manages the eCommerceB2B platform - a global B2B marketplace platform which supports producers and distributors in the digitalisation of sale channels. It enables and facilitates international sales, providing access to clients at selected markets. It also provides a wide range of sale support services, e.g. e-marketing.

The services for e-commerce provided by companies from the E-business segment are comprehensive services for companies involved in online sales or those which have offline sales but plan to expand to the online sale. The provision of such services may follow the end to end model and may comprise strategic consulting on the Internet commerce, creation of business plans, e-shop platform designing and creation on the basis of various technologies, e-marketing and traffic generation, platform usability optimisation (UX – user experience) as well as the logistic support for the e-sales, including warehousing, packaging, deliveries and sale registration for tax purposes as well as handling of returns and the help line. The services may also be rendered as individual components of the entire chain.

Fulfilment is the product logistics consisting in the product warehousing, preparation for dispatch at the client's or the consumer's order and delivery of the package to the designated address. The fulfilment services may be rendered as logistics for e-commerce (comprising both the area of b2b and b2c) and as logistics of the sale support products, i.e. a solution related to the management and distribution of marketing materials as well as the support of loyalty programmes and consumer promotions. Workshops and consultations on optimal process management, construction and provision of product and material ordering supporting the sale and order delivery processes and management IT solutions integrated with the clients' systems are ensured as part of the services. As part of the loyalty and consumer programme logistic support, OEX E-Business is responsible for the project strategy as well as the tactics: selection of products and prizes, negotiations with suppliers, collection of personal data, prize personalization and communication, distribution, tax registration settlements.

Services related to product, marketing materials and packaging purchase processing as well as those related to the search for and purchase of products for loyalty programmes and purchase organisation for the B2B segment clients consist in the market survey, recommendation of product purchase selection criteria, optimisation of the purchase costs and the administrative support of the process. In case of orders executed on foreign markets, the services comprise the analysis of the supplier's potential, verification of the quality of raw materials (standard observance, quality standard certificates, including, but not limited to FDA, CE, EN 71), supervision over the performance of prototypes and ensuring the consistency of product batches.

OEX E-Business Sp. z o.o. manages an extended warehouse infrastructure with an area of almost 44,000 sq.m. and capacity of 71,000 pallet places - based on WMS (warehouse management system). The operation quality consistency is ensured by ISO 9001:2008.

6.4 BPO Segment

The main services of the BPO (Business Process Outsourcing) Segment include document registration, sorting and processing. In effect, the client's systems have the available data, document scans, mail copies and call registrations in an electronic archive and the original documents are stored too. The central

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archive of paper documents located in Chorzów is managed by the proprietary system INDO and is one of the most modern in Poland. The second area of business in this segment comprises activities related to the services of all end client contact channels. These services are rendered by Voice Contact Center Sp. z o. o.

The services provided by the BPO Segment include, but are not limited to:

1. Traditional archiving, scanning, digitalisation and electronic archiving (i.e. fast paper document processing and conversion into electronic documents on the basis of own software solutions of ArchiDoc S.A.) They ensure a limitation of the risk of loss of important data, guaranteeing smooth access to both the originals, digital copies and to the data therein contained.
2. Electronic document flow, i.e. a service aimed at automation, optimisation and improvement of document flow processes, as well as procedure arrangement and document flow control assurance. This service comprises an analysis of the client's needs, construction of dedicated solutions, implementation of the same and provision of support services. The projects include the performance of such tasks as inflowing document digitalisation or acceptance path process pursuit. The electronic document flow is implemented most often in processes related to the flow of orders, complaints and invoices that need to be handled on time.
3. Business process support. The offer of these services is personalised to suit the needs of specific branches, including: banks and insurance undertakings, telecoms, power engineering companies and companies providing services to the general population, public administration and large b2b enterprises. As part of this service, the client may entrust all the back-office processes to the contractor. The services will be provided in the location indicated by the client or in the contractor's location using the INDO software and own infrastructure.

The projects pursued as part of the business process support include, but are not limited to the following:

- for insurance undertakings - loss registration support, including event registration and assistance in emergencies, helpline, documentation support, incoming document office support;
- for financial institutions and public sector companies - digitalisation, incoming document office support, archiving, digital archive creation and management.

The document management and back office services are provided in modern operational centres located in Chorzów and Warsaw or in locations indicated by the clients or in a mixed model. The data are collected in two mutually independent data centres managed by Archidoc S.A. The added value is the offer concerning the performance of projects using the unique know-how and proprietary IT solutions. The system may be integrated with the INDO platform, which simplifies the back-office processes. The services are provided using restrictive security standards, which ensures maximum data and document protection level.

4. Client support services. The services are provided by Voice Contact Center Sp. z o.o. and comprise the handling of calls, text messages, e-mails, chats, social media, as well as traditional correspondence and personal contact. These activities aim at, among other things, acquiring and maintaining the clients' loyalty, and upselling. Another area of activity is the client satisfaction survey, market survey and opinion polling as well as the survey of client service quality on the basis of our own research centre and a team of carefully selected and trained interviewers. Main services offered to clients are the following: client support centre management, helplines, image campaigns, phone traffic surplus servicing.

The projects pursued as part of the client support includes, but are not limited to the following:

- for medical companies - appointment scheduling, assistance in selecting a physician, commercial service upselling, remote diagnostics support;

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- for retail and distribution companies - phone surveys, services supporting the sales, such as product and service helplines; selling, customer loyalty creation and maintenance, lead generation, reception and registration of agreements from various sale channels, data inputting, formal and legal support concerning returns, verification and validation of agreements, correspondence management, etc.

The services are provided in modern operational centres in Warsaw, Łódź and Lublin, where there are over 600 professional contact centre work stations.

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Revenues and results of operating segments:

	Sale network management	Sale Support	E-business	BPO	Not allocated	Total
For the period from 01/01 to 31/03/2019						
Revenue from external customers	44,427	43,171	40,976	21,173	17	149,764
Revenue from the sales between segments	12	266	658	19	1,554	2,509
Total revenue	44,439	43,437	41,634	21,193	1,571	152,274
Segment's operating result	4,080	-343	100	2,003	-1,043	4,797
EBITDA	7,466	427	2,186	3,773	-925	12,927
Amortisation and depreciation	3,386	770	2,086	1,770	118	8,130
Financial income						183
Financial costs						2,151
Gross profit						2,818
Income tax						1,102
Net profit						1,715
For the period from 01/01 to 31/03/2018						
Revenue from external customers	58,817	28,258	34,853	16,912	30	138,870
Revenue from the sales between segments	33	396	414	6	1,527	2,376
Total revenue	58,850	28,654	35,267	16,918	1,557	141,246
Segment's operating result	2,822	284	396	1,831	-1,021	4,311
EBITDA	3,294	806	865	2,312	-974	6,303
Amortisation and depreciation	472	522	470	481	47	1,992
Financial income						35
Financial costs						2,233
Gross profit						2,113
Income tax						454
Net profit						1,659

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In order to ensure the comparability of data presented, below are presented the results of the OEX Group's operating segments for the first quarter of 2019 before the impact of IFRS 16.

	Sale network management	Sale Support	E-business	BPO	Not allocated	Total
For the period from 01/01 to 31/03/2019						
Operating result of the segment, excluding the impact of IFRS 16	3,820	-363	61	1,940	-1,051	4,407
EBITDA, excluding the impact of IFRS 16	4,438	251	676	2,443	-991	6,817

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Geographical areas - revenues:

	01/01 to 31/03/2019	01/01 to 31/03/2018
Poland	123,509	124,057
Europe	25,209	14,798
Asia	751	12
Africa	41	3
North America	254	
Total	149,764	138,870

7. Explanations concerning the seasonality or cyclicity of the issuer's activities in the presented period

The seasonality of sales in the mobile phone service sector (the Retail Sale Network Management segment - of companies: Tell sp. z o.o., Euro Phone Sp. z o.o. and PTI Sp. z o.o.) is visible mainly in the growth of the sales in the fourth quarter, especially in December. Sometimes, the natural cycle of seasonality is modified in consequence of marketing activities of operators.

The characteristic feature of the business of OEX Cursor S.A., Merservice Sp. z o.o., OEX E-Business Sp. z o.o., OEX 24 Sp. z o.o. and Divante Sp. z o.o. (segments Sale Support and E-business) is the seasonality of sales, which is such that the first quarter of each financial year is the period decidedly different from the remaining quarters and constitutes approximately 20% of the annual sales. The second and third quarters are similar in terms of revenues and each one of them constitutes - historically - approximately 25% of the sale value. The highest sales are noted in the fourth quarter - approximately 30% of the annual sales. In the fourth quarter, there is increased demand for products in the pre-Christmas period. The intensity of promotional projects and the logistics of marketing materials and goods distributed directly to the consumers under e-commerce projects is growing. Lower sale values on the first quarter of the year result from reduced orders made by traditional commerce in the post-Christmas period. New projects, whose functional cycle spans annual periods, start with lower intensity, acquisition of IT projects to be followed is in progress. Such project will be carried out in the second, third and fourth quarter.

In case of the BPO Segment companies and Pro People Sp. z o.o., the cyclicity phenomenon is marginal.

8. Information on the impairment of inventories to the net realisable value and reversal of impairment charge

Impairment of inventories:

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018	from 01/01 to 31/12/2018
State as at period beginning	1,348	688	688
Loss expensed as cost in the period			660
Reversal of impairments in the period (-)			
Increase by business			
State as at period end	1,348	688	1,348

9. Information about impairment of financial assets or other assets and on the reversal of impairment charges;

Impairment of receivables and loans:

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	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018	from 01/01 to 31/12/2018
State as at period beginning	6,315	4,397	4,397
Loss expensed as cost in the period		178	2,262
Reversal of impairments carried as revenue in the period	-51	-2	-69
Provisions used			-274
Increase by business			
State as at period end	6,264	4,573	6,315

10. Information on the creation, increase, utilisation and write-back of provisions

The value of provisions recognised in the abbreviated consolidated financial statements and changes thereto in particular periods have been as follows:

	Provisions for long-term employee benefits	Other provisions, including provisions for:				
		Accrued holiday s	Payroll costs	Other costs	Other benefits	Total
For the period from 01/01 to 31/03/2019						
State as at period beginning	121	1,879	1,917		8	3,925
Provision increase carried as expense in the period		327	48			374
Provision increase carried as income in the period (-)			-15			-15
Utilisation of provisions (-)		-214	- 1,143			-1,358
Increase in result of business combination						
Other changes (net exchange differences on conversion)						
Provisions as at 31/03/2019	121	1,992	806		8	2,927
For the period from 01/01 to 31/03/2018						
State as at period beginning	121	1,753	945			2,698
Provision increase carried as expense in the period		243				243
Provision increase carried as income in the period (-)			-7			-7
Utilisation of provisions (-)		-177	-45			-222
Increase in result of business combination						
Other changes (net exchange differences on conversion)						
Provisions as at 31/03/2018	121	1,819	893			2,712
For the period from 01/01 to 31/12/2018						
State as at period beginning	121	1,753	945		8	2,827
Provision increase carried as expense in the period		580	1,917			2,497

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Provision increase carried as income in the period		-277	-759			-1,036
Provisions utilised		-177	-186			-363
Increase in result of business combination						
Other changes (net exchange differences on conversion)						
Provisions as at 31/12/2018	121	1,879	1,917		8	3,925

11. Information about deferred tax assets and liabilities

	31/03/2019	31/03/2018	31/12/2018
As at period beginning:			
Deferred income tax assets	5,492	4,111	4,111
Deferred tax liabilities	-10,383	-10,207	-10,207
Deferred tax at period beginning	-4,891	-6,096	-6,096
Change in the period influencing:			
Result (+/-)	109	1,103	1,206
Other comprehensive income (+/-)			
Deferred tax assets - acquisition			
Deferred tax liabilities - acquisition			
Deferred tax at period end	-4,782	-4,993	-4,891
Deferred income tax assets	5,842	4,998	5,492
Deferred tax liabilities	-10,624	-9,991	-10,383

12. Information about material transactions of acquisition and disposal of tangible fixed assets

The table below presents the acquisitions and disposals as well as impairment charges concerning tangible fixed assets:

	Machinery and equipment	Vehicles	Other fixed assets	In construction	Total
for the period from 01/01 to 31/03/2019					
Net carrying amount as at 01/01/2019	6,259	6,350	11,376	1,164	25,149
Acquisition by a business combination					
Increase (acquisition, production, lease)	732	2,093	1,279	661	4,765
Disposal by a sale of a subsidiary (-)					
Decrease (disposal, liquidation) (-)	-213	-20	-33	-740	-1,006
Revaluation to fair value (+/-)					
Depreciation and amortisation (-)	-570	-727	-403		-1,700
Impairment losses					
Reversal of impairment charges					
Net carrying amount as at 31/03/2019	6,208	7,696	12,219	1,085	27,208
for the period from 01/01 to 31/03/2018					
Net carrying amount as at 01/01/2018	6,349	4,506	11,612	770	23,238
Acquisition by a business combination					

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

Increase (acquisition, production, lease)	281	3,044	116	224	3,665
Disposal by a sale of a subsidiary (-)					
Decrease (disposal, liquidation) (-)		-3	-106	-125	-234
Revaluation to fair value (+/-)					
Depreciation and amortisation (-)	-532	-664	-385	0	-1,581
Impairment losses					
Reversal of impairment charges					
Net carrying amount as at 31/03/2018	6,098	6,884	11,238	869	25,089
for the period from 01/01 to 31/12/2018					
Net carrying amount as at 01/01/2018	6,349	4,506	11,612	770	23,238
Acquisition by a business combination					
Increase (acquisition, production, lease)	2,530	5,396	1,678	2,697	12,301
Disposal by a sale of a subsidiary (-)					
Decrease (disposal, liquidation) (-)	-474	-551	-321	-2,101	-3,446
Other changes in the value		-211		-203	-413
Depreciation and amortisation (-)	-2,146	-2,790	-1,593	0	-6,530
Impairment losses					
Reversal of impairment charges					
Net carrying amount as at 31/12/2018	6,259	6,350	11,376	1,164	25,149

13. Information about material liabilities related to the purchase of tangible fixed assets

As at 31 March 2019, the Group did not have any material liabilities related to the purchase of tangible fixed assets.

14. Information about material settlements resulting from cases vindicated in court

In the period from 01 January 2019 to 31 March 2019, there were no material settlements related to cases vindicated in court in the Group.

15. Indication of adjustments of errors of previous periods

In the reporting period, there were no events resulting in the necessity to adjust errors of previous periods.

16. Information about changes in the economic situation and business conditions which have material impact on the fair value of financial assets and financial liabilities of the company

There were no changes in the economic situation and business conditions which would have any impact on the fair value of financial assets and financial liabilities.

17. Information about a failure to repay a loan or credit or about a violation of material provisions of a loan or credit agreement

In the reporting period, there were no cases of a failure to repay a loan, payment of interest or any other terms and conditions of liability buyback. There were no cases of default on the terms and conditions of credit or loan agreements.

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

18. Information about the execution by the company or its subsidiary of a single or more transactions with related parties, if such transactions were made on conditions other than at arm's length

All transactions between the Group companies are at arm's length transactions.

19. In case of financial instruments carried at fair value - information about a change of the method of its determination

During the reporting period, there were no changes in the method (manner) of determination of financial instruments carried at fair value.

20. Information about a change in the classification of financial assets in consequence of a change of the purpose of utilisation of such assets

In the reporting period, there were no changes in the classification of financial assets resulting from a change in the purpose or way of utilisation of such assets.

21. Information on the issue, redemption and repayment of non-share and equity securities

In the reporting period, there were no issues, redemptions or repayments of non-share and equity securities.

22. Information on the dividends paid (or declared), in total and as divided per share, with a breakdown into ordinary and preferential shares

In the reporting period, OEX S.A. did not pay dividends. No dividends were declared either.

23. Indication of events occurring after the date of these abbreviated quarterly financial statement which were not included in the statements and which could significantly influence the future financial results of the Issuer

In the period covered by these consolidated quarterly financial statements, there occurred no events that were not but should have been recognised in the accounting books of the reporting period. Additionally, these consolidated quarterly financial statements do not comprise any significant events concerning the previous years.

After the date on which the abbreviated interim consolidated financial statements were made, there were no significant events.

24. Information on changes in contingent liabilities and contingent assets that occurred in the period after the end of the last financial year

The value of contingent liabilities did not change materially when compared to the end of the previous financial year. The Group does not have any contingent assets.

Liabilities to other parties:	31/03/2019	31/12/2018
Guarantees originated	17,178	15,744
Guarantees originated in relation with the building services contracts		
Disputed cases and cases in court	589	589
Disputed cases and cases in court related to the IRS		
Other Contingent Liabilities	4,725	4,725
Total contingent liabilities	22,492	21,058

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

25. Information about material changes in estimates

With the exception of disclosures made in items 8-11 herein, there were no material changes in estimates.

26. Statement of the Management Board concerning the possibility of achieving the earlier published forecasts of results for the given year in the light of results presented in the quarterly statements (as compared to the forecasts)

In the reporting period, the Management Board of OEX S.A. did not publish the forecast of the 2019 results.

27. Indication of shareholders holding, directly or indirectly through subsidiary entities, at least 5% of total votes at the general meeting of shareholders of the issuer as at the date of publication of the quarterly statements, indication of the number of shares held, their percentage of share capital, number of votes resulting and percentage of total votes at the general meeting of shareholders and indication of changes in the structure of significant blocks of shares in the issuer in the period from the publication of the previous quarterly statements

As at the date of presentation of the report for the first quarter of 2019, the registered share capital of the Company amounted to PLN 1,597,996.80 (in 2018: PLN 1,597,996.80) and was divided into:

- 1,381,312 registered series A preferential shares, the preference entitling to two votes from one share;
- 3,729,535 ordinary bearer shares - issued as series A and B shares;
- 1,777,692 ordinary series C bearer shares,
- 1,101,445 ordinary series D bearer shares.

All shares equally participate in the dividend distribution. The shares are divided into ordinary bearer shares, which entitle to one vote at the General Meeting of Shareholders, and preferential shares, where 1 preferential share entitles to two votes.

Shareholders holding at least 5% of votes at the General Meeting of Shareholders as at the date of the publication of the statements for the first quarter of 2019.

Shareholder	Total shares	Total votes	Percentage of share	% of votes
Neo Investment S.A. indirectly via subsidiaries:	2,535,101	3,756 805	31.73%	40.09%
- Neo Fund 1 Sp. z o.o. directly	1,661,688	2,883 392	20.80%	30.77%
- Neo Found 1 Sp. z o.o. indirectly via Neo BPO S.a r.l.	873,413	873,413	10.93%	9.32%
Jerzy Motz, indirectly via subsidiaries:	2,002,687	2,162,295	25.06%	23.07%
- Precordia Capital Sp. z o.o. directly	1,034,433	1,194 041	12.95%	12.74%
- Precordia Capital Sp. z o.o. indirectly via Real Management S.A.	968,254	968,254	12.12%	10.33%
Piotr Cholewa , indirectly via subsidiary Silquern S.a r.l.	801,096	801,096	10.03%	8.55%

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

Michał Szramowski, directly and indirectly via MS Investments Sp. z o.o. sp.k.	468,770	468,770	5.87%	5.00%
Others	2,182,330	2,182,330	27.31%	23.29%
Total	7,989,984	9,371 296	100.00%	100.00%

Shareholders holding at least 5% of votes at the General Meeting of Shareholders as at the date of the publication of the previous quarterly report (16 November 2018).

Shareholder	Total shares	Total votes	Percentage of share	% of votes
Neo Investment S.A. indirectly via subsidiaries:	2,535,101	3,756 805	31.73%	40.09%
- Neo Fund 1 Sp. z o.o. directly	1,661,688	2,883,392	20.80%	30.77%
- Neo Found 1 Sp. z o.o. indirectly via Neo BPO S.a r.l.	873,413	873,413	10.93%	9.32%
Piotr Cholewa , indirectly via subsidiary Silquern S.a r.l.	1,484,905	1,644 513	18.58%	17.55%
Jerzy Motz, indirectly via subsidiaries:	1,128,743	1,128,743	14.13%	12.04%
- Precordia Capital Sp. z o.o. directly	160,489	160,489	2.01%	1.71%
- Precordia Capital Sp. z o.o. indirectly via Real Management S.A.	968,254	968,254	12.12%	10.33%
Others	2,841,235	2,841,235	35.56%	30.32%
Total	7,989,984	9,371 296	100.00%	100.00%

The above statements were made in the basis of information given to the Company by the shareholders, in particular in the form of notifications about considerable blocks of shares, taking into account changes in the amount and structure of the Company's share capital, including changes related to the share issue.

28. List of issuer's shares and entitlements thereto held by persons managing or supervising the issuer upon the date of the publication of the quarterly statements, indication of changes thereto in the period from the publication of the previous quarterly report, separately for each such person

List of shares held by persons managing or supervising the Issuer as at the date of publication of this report for the first quarter of 2019.

	Total shares	Total votes	Percentage of share	% of votes
Members of the Supervisory Board				
Piotr Cholewa , indirectly via Silquern S.a r.l.	801,096	801,096	10.03%	8.55%
Michał Szramowski, directly and indirectly via MS Investments Sp. z o.o. sp.k.	468,770	468,770	5.87%	5.00%
Tomasz Kwiecień	17,650	17,650	0.22%	0.19%
Members of the Management Board				
Jerzy Motz, indirectly via Precordia Capital Sp. z o.o. and Real Management S.A.	2,002,687	2,162,295	25.06%	23.07%
Rafał Stempniewicz	94,590	94,590	1.18%	1.01%
Artur Wojtaszek	59,000	59,000	0.74%	0.63%
Robert Krasowski	10,889	10,889	0.14%	0.12%

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

List of shares held by persons managing or supervising the issuer as at the date of publication of the previous quarterly report (16 November 2018).

	Total shares	Total votes	Percentage of share	% of votes
Members of the Supervisory Board				
Piotr Cholewa, indirectly via Silquern S.a r.l.	1,484,905	1,644 513	18.58%	17.55%
Michał Szramowski, directly and indirectly via MS Investments Sp. z o.o. sp.k.	452,770	452,770	5.67%	4.83%
Tomasz Kwiecień	17,650	17,650	0.22%	0.19%
Members of the Management Board				
Jerzy Motz, indirectly via Precordia Capital Sp. z o.o. and Real Management S.A.	1,128,743	1,128,743	14.13%	12.04%
Rafał Stempniewicz	94,590	94,590	1.18%	1.01%
Artur Wojtaszek	59,000	59,000	0.74%	0.63%
Robert Krasowski	10,889	10,889	0.14%	0.12%

29. Indication of significant court, arbitration or public administration proceedings

Neither the Parent Company nor the subsidiaries are parties to significant legal proceedings in courts of law.

There are no proceedings with the participation of the Parent Company or its subsidiaries before any arbitration court.

30. Information on the grant by the issuer or its subsidiary of a loan collateral or guarantee to one entity or subsidiary of such entity (jointly) if the total value of the existing collaterals or guarantees is significant

Neither the Issuer nor the Group's subsidiaries granted any security for a loan or a credit and did not give any significant guarantees.

31. Impact of the International Financial Reporting Standard 16 on the consolidated financial statements of the OEX Group for the first quarter of 2019

IFRS 16 *Leases* is effective for annual periods beginning on or after 01 January 2019. The new standard specified how to recognise, measure, present and disclose leases. All lease transactions result in the acquisition by the lessee of the right to use the asset and a liability related to the payment obligation. Consequently, IFRS 16 eliminated the classification of an operating lease and a financial lease as per IAS 17 and introduced a single model for the book-keeping recognition of lease by the lessor. The lessee is obliged to recognise: (a) assets and liabilities for all lease transactions made for a period of time exceeding 12 months, with the exception of situations when the given asset is of low value and (b) depreciation (amortisation) of the leased asset separately from the interest on the lease liability in the statement of profit or loss. IFRS 16 to a considerable extent has repeated the regulations of IAS 17 concerning the book recognition of lease by the lessor. In consequence, the lessor continues the classification into operating lease and financial lease and differentiates the book recognition.

At the lessor's side, the lease is classified as financial lease, when substantially there is a transfer of all the risks and rewards of ownership of the given assets. Otherwise, the lease is classified as operating lease.

The Group implemented the changes resulting from the new standard as of 1 January 2019.

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

The Group decided to use the modified retrospective application (with the aggregate effect of the first application) as per IFRS 16:C5(b). Therefore, the Group did not convert the comparable data but recognised the accumulated IFRS 16 adoption effect as an adjustment of the shareholder's equity (retained profit) as at the date of the first standard adoption. Upon the first IFRS 16 adoption, the liability under lease was measured at the present value of the outstanding lease payments as discounted using the lessee's incremental borrowing rate of interest on the first adoption day. Upon the first IFRS 16 adoption, the right to use the asset was measured at the amount equal to the liability under lease as adjusted by the amounts of all downpayments or accrued lease payments concerning the given lease, as recognised in the statement of financial position directly preceding the date of the first adoption. No changes were foreseen as regards the operating lease agreements in which the agreement validity as at 1 January 2019 was up to 12 months and lease agreements concerning low value assets. In those cases, the Group decided to recognise the lease costs using the straight line method. The Group excluded from the estimation the intercompany agreements due to their expected immaterial influence on the financial statements.

In the table below, the Group presented a comparison of the consolidated statement of profit or loss and the cash flow statement of the Group for the first quarter of 2019 with and without the impact of IFRS 16.

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2019	
	Including IFRS 16	Excluding IFRS 16	Impact of IFRS 16
Sale revenues	149,764	150,175	-411
Operating expense	145,485	146,251	-766
Other operating revenue	934	899	35
Other operating expenses	416	416	-
Operating profit	4,797	4,407	390
Financial income	183	122	61
Financial costs	2,151	1,514	637
Share in the profit (loss) of entities measured using the equity method (+/-)	-11	-11	-
Profit before tax	2,818	3,003	-185
Income tax	1,102	1,223	121
Net profit on continued activities	1,715	1,780	-64
Net profit - share of			
- the parent company shareholders	1,488	1,557	-69
- non-controlling shares	227	223	4

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2019	
	Including IFRS 16	Excluding IFRS 16	Impact of IFRS 16
Profit before tax	2,818	3,003	-185
Adjustment of flows provided /(used) by operating activities	17,201	11,086	6,115
Net cash flows provided by operating activities	20,019	14,090	5,930
Net cash flows provided / (used) by investing activities	-3,212	-3,212	-
Net cash flows provided / (used) by financing activities	-15,181	-9,252	-5,930
Total cash flow	1,626	1,626	-

32. Other information, which in the issuer's opinion is important for the assessment of its personnel, economic, financial position and the financial result, as well as changes thereto; information that is important for the assessment of the issuer's obligation discharge possibilities

The statements contain basic information which is important for the assessment of the situation of the OEX Group, whereby, for the correct interpretation of the financial results obtained by the companies: TELL Sp. z o.o., Europhone Sp. z o.o. and PTI Sp. z o.o. it is necessary to explain different ways of recognition in the books of the Companies of subsidies for the sale of mobile phones sold with post-paid activations by particular mobile phone operators. Irrespective of a different way of mobile phone sale settlement by particular operators, the result on such operations is neutral.

ORANGE

In the second quarter of 2018, there was a change in the settlement system concerning the telecommunications equipment. Instead of the current system, where Tell Sp. z o.o. acquired the equipment on its own account from Orange Polska S.A. an consignment system has been implemented since 21 May 2018.

Until 20 May 2018, Tell Sp. z o.o. would acquire phones from the Operator at market prices. After the purchase, the company incurred a liability in an amount equal to the market price of the phone. At the same time, the company recognised in its assets an inventory stock valued at the phones' market prices. The Company would sell such phones in two variants:

- a sale of the phone directly to the client in a sale outlet

In this case, the sale was made at the promotional price (allowing for a subsidy at the level agreed with the Operator). Thus, the Company made a temporary loss on that particular transaction. However, immediately after the promotional sale, in accordance with the procedures agreed with the Operator in the contract, the Operator issued corrective invoices decreasing the original phone purchase price for the Company to the promotional price (allowing for the subsidy level). Thus, in effect, the transaction had a neutral effect on the Company's financial result.

- sale of the phone to a sub-agent, who then sells it to a client in a sale outlet

In that case, the sale was made at the original Operator's purchase price and then the process was analogous as in the first case, whereby it was the Company that issued a corrective invoice to the sub-agent, adjusting the original selling price.

Since 21 May 2018, Tell Sp. z o.o. has been receiving the phones on the consignment system basis (and, consequently, does not recognise their values in its financial statements). The sale is made on behalf of and for the Operator and the systems and electronic cash registration devices of Orange Polska S.A. are used. If the sale is made in accordance with the valid procedures in force, the phone is considered settled.

T-Mobile

The Company receives phones to be sold together with subscription services from the Operator on a trust basis. If the sale is made in accordance with the valid procedures in force, the phone is considered settled. In case of some offers, it is necessary that the equipment is purchased at request and an invoice is issued with a 7-day term of payment. The phone may still be sold to the client together with a subscription offer.

PLUS

PTI Sp. z o.o. acquires the phones from the operator's distribution company by purchase and on the basis of the so-called consignment. In the former case, the purchase is made at market prices. Consequently, the company incurs a liability in an amount equal to the market price of the phone. At the same time, the company recognises in its assets an inventory stock valued at the phones' market prices.

EXPLANATORY NOTES TO THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OEX GROUP

In the latter case, the Company receives phones from the operator's distribution company on the consignment basis. Consequently, there is no liability on the side of the company and no inventory stock. The sale of a consignment phone is an external sale.

The sale of phones to clients may take place in the form of a cash sale or instalment sale. It is effected in the outlet.

In case of a cash sale, the transaction is made at the promotional price (allowing for a subsidy at the level agreed with the operator). Thus, the Company makes a loss on this particular transaction. However, immediately after the promotional sale, as agreed with the Operator in the contract, the Operator grants the company a commission in an amount equal to the value of loss incurred at the given transaction. In effect, the transaction has a neutral effect on the company's financial result. It is the company's own sale.

In case of an instalment sale of a phone owned by the Company, a correction is issued by the operator to the purchase invoice and, at the same time, the Company's liability is decreased and so is the inventory stock. In this case, an external sale transaction is effected.

The Company also sells the phones to salesmen operating on the business market who resell them to their clients. In this case, the sale is made at the original price of purchase from the operator's distribution company, but then the process is similar to a cash sale transaction, whereby it is the Company that sets off the salesmen's loss on the mobile phone sale transaction to a client by paying an appropriate commission (received earlier from the operator).

33. Indication of factors which, in the Issuer's opinion, will have an influence on its results within the perspective of at least next quarter.

The main external factors that are significant for the development of the Group concern the situation on the sector-specific market, where the subsidiaries operate, with particular attention put to the FMCG segment, e-commerce, mobile telephony, commerce, media as well as the public, banking and insurance sector. They shall comprise, in particular:

- a) uninterrupted performance of existing contracts in the Sale Support, the E-Business and the BPO segments and acquisition of new contracts as per the internal plans;
- b) performance of agreements with the mobile phone operators, taking into account:
 - a. seasonality;
 - b. promotional actions planned by the mobile phone operators;
 - c. performance level of sale plans imposed on the Group companies by operators;

Among external factors that are important for the Group's development, the following can also be mentioned:

- a) general macroeconomic situation of Poland;
- b) situation on the labour market;

Among the internal factors, of key significance will be the following:

- c) further optimisation of the Group's management systems, in particular the systems monitoring the pursuit of objectives, demand for external funds and cash flows as well as an efficient implementation of the cost control policies;
- d) potential equity transactions on the market on which the Group operates.

The factor that would potentially have a material impact on the financial performance of the Group would be the possible sale of 100% of shares in ArchiDoc S.A. The Issuer published information about a preliminary and non-binding offer from a foreign investor from the sector and about the inception of negotiations and the execution of the Term Sheet, where all the single most important terms and conditions of the potential transactions are contained. The information was provided in ongoing reports No. 11/2019 and 15/2019. The negotiation process related to this transaction is still under way.

SELECTED QUARTERLY FINANCIAL DATA OF OEX S.A.

The basic items of the statement of financial position, statement of profit or loss and cash flow statements and the same values after conversion into EUR are presented in the table below:

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
	k PLN		k EUR	
Statement of profit or loss				
Sale revenues	1,571	1,543	366	369
Operating profit (loss)	7	16	2	4
Profit (loss) before taxation	-316	-463	-74	-111
Net profit (loss)	-259	-381	-60	-91
Earnings per share (PLN; EUR)	-0.03	-0.06	-0.01	-0.01
Diluted earnings per share (PLN; EUR)	-0.03	-0.06	-0.01	-0.01
Average exchange rate PLN / EUR in the period	X	X	4.2978	4.1784
Cash Flow Statement				
Net cash flows provided by operating activities	-944	-602	-220	-144
Net cash flows provided / (used) by investing activities	-303	-140	-71	-34
Net cash flows provided / (used) by financing activities	-2,641	-634	-614	-152
Total net cash flows	-3,888	-1,376	-905	-330
Average exchange rate PLN / EUR in the period	X	X	4.2978	4.1784
	31/03/2019	31/12/2018	31/03/2019	31/12/2018
	k PLN		k EUR	
Statement of financial position				
Assets	166,019	168,175	38,597	39,110
Long-term liabilities	43,355	44,603	10,080	10,373
Short-term liabilities	9,050	9,699	2,104	2,256
Equity	113,614	113,873	26,413	26,482
PLN / EUR exchange rate at period end	X	X	4.3013	4.3000

SELECTED QUARTERLY FINANCIAL DATA OF OEX S.A.

In the periods presented, the following exchange rates were applied to convert the basic items in the financial statements:

- for data resulting from the statements of financial position - mean exchange rate of EURO as at the end of each period,
- for data resulting from the income statements and cash flow statements - mean exchange rate for the given period calculated as an arithmetical average of exchange rates as at the last day of each month in the given period.

Content	Period of 3 months ended on 31 March 2019	Year ended on 31 December 2018	Period of 3 months ended on 31 March 2018
average exchange rate as at the period end	4.3013	4.3000	4.2085
average exchange rate of the period	4.2978	4.2669	4.1784

SEPARATE STATEMENT OF FINANCIAL POSITION OF OEX S.A.

ASSETS	31/03/2019	31/03/2018	31/12/2018
Non-current assets			
Intangible fixed assets	208	226	218
Tangible fixed assets	436	594	482
Assets used on the basis of lease and rental agreements (IFRS 16)	992		
Interests in subsidiaries	126,859	124,158	125,158
Receivables		35	
Other long-term financial assets			
Long-term prepayments	1,030	108	
Deferred income tax assets		615	974
Non-current assets	129,525	125,736	126,832
Current assets			
Inventories			
Trade Receivables and Other Receivables	2,478	3,548	2,387
Current income tax assets			
Loans	15,082	11,400	16,232
Other short-term financial assets			
Short-term prepayments	116	741	18
Cash and cash equivalents	18,818	1,835	22,706
Fixed assets classified as held for sale			
Current assets	36,494	17,524	41,343
Total assets	166,019	143,260	168,175

SEPARATE STATEMENT OF FINANCIAL POSITION OF OEX S.A.

TOTAL EQUITY & LIABILITIES	31/03/2019	31/03/2018	31/12/2018
<i>Equity</i>			
Share capital	1,598	1,378	1,598
Share premium	63,004	44,960	63,004
Other Capitals	1,459	1,459	1,459
Retained profits:	47,553	36,671	47,812
- retained profit (loss)	47,812	37,052	37,052
- net profit (loss)	-259	-381	10,760
Equity	113,614	84,468	113,873
<i>Liabilities</i>			
<i>Long-term liabilities</i>			
Loans, credits, other debt instruments	42,405	22,080	44,348
Finance lease	213	385	252
Liabilities related to the assets used on the basis of lease and rental agreements (IFRS 16)	735		
Bond liabilities			
Other liabilities			
Deferred tax liabilities	2	9	3
Employee benefit liabilities			
Other long-term provisions			
Long-term prepayments			
Long-term liabilities	43,355	22,474	44,603
<i>Short-term liabilities</i>			
Trade liabilities and other liabilities	668	942	1,595
Current tax liabilities			
Loans, credits, other debt instruments	7,735	390	7,711
Finance lease	156	136	155
Liabilities related to the assets used on the basis of lease and rental agreements (IFRS 16)	253		
Bond liabilities			
Liabilities related to the purchase of shares		34,733	
Employee benefit liabilities	238	117	238
Other short-term provisions			
Short-term prepayments			
Liabilities related to fixed assets held for sale			
Short-term liabilities	9,050	36,318	9,699
Total provisions	52,405	58,792	54,302
Total equity and liabilities	166,019	143,260	168,175

SEPARATE STATEMENT OF FINANCIAL POSITION OF OEX S.A.

Book value	113,614	84,468	113,873
Number of shares as at the balance sheet day	7,989,984	6,888 539	7,989,984
Diluted number of shares as at the balance sheet day	7,989,984	6,888 539	7,989,984

BOOK VALUE AS AT THE BALANCE SHEET DATE PER ORDINARY SHARE (PLN)

	31/03/2019	31/03/2018	31/12/2018
Book value of one share	14.22	12.26	14.25
Diluted book value per one share	14.22	12.26	14.25

SEPARATE STATEMENT OF PROFIT OR LOSS OF OEX S.A.

SEPARATE STATEMENT OF PROFIT OR LOSS OF OEX S.A.

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
Continued activities		
Sale revenues	1,571	1,543
Revenue from the sale of services	1,571	1,543
Revenue from the sale of goods and materials		
Cost of sales	1,392	1,398
Costs of services sold	1,392	1,398
Cost of goods and materials sold		
Gross profit (loss) on sales	179	145
Selling costs		
Administrative expenses	154	42
Other operating revenue		3
Other operating expenses	18	90
Profit (loss) on the sale of subsidiaries (+/-)		
Operating profit (loss)	7	16
Financial income	301	124
Financial costs	624	603
Share in the profit (loss) of entities measured using the equity method (+/-)		0
Profit (loss) before taxation	-316	-463
Income tax	-57	-82
Net profit (loss) on continued activities	-259	-381
Discontinued Activity		
Net profit (loss) on discontinued operations		
Net profit (loss):	-259	-381

Average weighted number of ordinary shares (items)	7,989,984	6,888,539
Average weighted diluted number of ordinary shares (items)	7,989,984	6,888,539

SEPARATE STATEMENT OF PROFIT OR LOSS OF OEX S.A.

NET PROFIT (LOSS) PER ORDINARY SHARE (PLN)

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
<i>on continued operations</i>		
- basic	-0.03	-0.06
- diluted	-0.03	-0.06
<i>on continued and discontinued operations</i>		
- basic	-0.03	-0.06
- diluted	-0.03	-0.06

SEPARATE COMPREHENSIVE INCOME STATEMENT

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
Net profit (loss)	-259	-381
<i>Other comprehensive income</i>		
<i>Items not carried as financial profit or loss</i>		
<i>Items carried as financial profit or loss</i>		
Comprehensive income	-259	-381

SEPARATE CASH FLOW STATEMENT OF OEX S.A.

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
<i>Cash flow from operating activity</i>		
Profit (loss) before taxation	-316	-463
<i>Adjustments:</i>		
Depreciation and amortisation of fixed assets	60	47
Depreciation and amortization of assets used on the basis of lease and rental agreements (IFRS 16)	59	
Change in the fair value of investment properties		
Change in the fair value of financial assets (liabilities) measured at fair value through profit or loss		
Cash flow hedging instruments transferred from equity		
Impairment loss on financial assets		
Profit (loss) on the sale of non-financial fixed assets		
Profit (loss) on the sale of financial assets (other than derivatives)		
Exchange difference gains (losses)		
Interest expense	623	269
Interest and dividend income	-251	-125
Cost of share-based payment		
Share in the profit (loss) of associate companies		
Other adjustments		
Total adjustments	491	191
Change in inventories		
Change in receivables	-90	792
Change in liabilities	-930	-666
Change in provisions and prepayments	-99	-456
Changes in working capital	-1,119	-330
Inflows (outflows) from the settlement of derivatives		
Interest paid on operating activities		
Taxes paid		
Net cash flows provided by operating activities	-944	-602

SEPARATE CASH FLOW STATEMENT OF OEX S.A.

	from 01/01 to 31/03/2019	from 01/01 to 31/03/2018
<i>Cash flow from investing activity</i>		
Expenses to purchase fixed assets	-4	
Inflows from the sale of fixed assets		
Expenses to purchase investment properties		
Inflows from the sale of investment properties		
Net expenses to purchase subsidiaries	-1,700	
Net inflows from the sale of subsidiaries		
Received repayments of loans granted	3,750	1,600
Loans granted	-2,600	-2,350
Expenses to purchase other financial assets		
Inflows from the sale of other financial assets		
Inflows from government subsidies received		
Interest income	251	110
Dividend income		500
Net cash flows provided / (used) by investing activities	-303	-140
<i>Cash flow from financial activity</i>		
Inflows from the issue of bonds		
Inflows from the issue of shares		
Redemption of debt securities		-20,000
Inflows from loans and credits contracted		22,600
Repayment of loans and advances	-2,005	-2,380
Repayment of financial lease liabilities	-38	-35
Repayment of liabilities related to the assets used on the basis of lease and rental agreements (IFRS 16)	-63	
Interest paid	-550	-819
Loan commissions paid	15	
Net cash flows provided / (used) by financing activities	-2,641	-634
Total net cash flows	-3,888	-1,376
Net change in cash and cash equivalents	-3,888	-1,376
Cash and cash equivalents at period beginning	22,706	3,211
Exchange differences		
Cash and cash equivalents at period end	18,818	1,835

SEPARATE STATEMENT OF CHANGES IN EQUITY OF OEX S.A.

SEPARATE STATEMENT OF CHANGES IN EQUITY OF OEX S.A.

	Share capital	Share premium	Other capitals	Retained profits	Total	TOTAL EQUITY
As at 01/01/2019	1,598	63,004	1,459	47,812	113,873	113,873
Changes in accounting policies						
Error Correction						
Balance after changes	1,598	63,004	1,459	47,812	113,873	113,873
Changes in equity in the period from 01/01 to 31/03/2019						
Issue of shares						
Option measurement (share-based payment programme)						
Dividends						
Financial result recognised as equity						
Total transactions with shareholders						
Net profit for the period from 01/01 to 31/03/2019				-259	-259	-259
Other comprehensive income after taxation in the period from 01/01 to 31/03/2019						
Total comprehensive income				-259	-259	-259
As at 31/03/2019	1,598	63,004	1,459	47,553	113,614	113,614

SEPARATE STATEMENT OF CHANGES IN EQUITY OF OEX S.A.

	Share capital	Share premium	Other capitals	Retained profits	Total	TOTAL EQUITY
As at 01/01/2018	1,378	44,960	1,459	37,052	84,849	84,849
Changes in accounting policies						
Error Correction						
Balance after changes	1,378	44,960	1,459	37,052	84,849	84,849
Changes in equity in the period from 01/01 to 31/03/2018						
Issue of shares						
Option measurement (share-based payment programme)						
Dividends						
Financial result recognised as equity						
Total transactions with shareholders						
Net profit for the period from 01/01 to 31/03/2018				-381	-381	-381
Other comprehensive income after taxation in the period from 01/01 to 31/03/2018						
Total comprehensive income				-381	-381	-381
As at 31/03/2018	1,378	44,960	1,459	36,671	84,468	84,468

SUPPLEMENTARY NOTES

The remaining information and disclosures as required by the provisions of the Regulation of the Minister of Finance of 29 March 2018 on current and periodical information to be disclosed by security on conditions of recognition of information required by the laws of a state that is not a member-state, including: a description of significant achievements made in the period of the first quarter of 2019 and factors and events with an impact on the financial performance of OEX S.A., explanations concerning the seasonal or cyclical character of the activities of the Company, information on the issue, redemption and repayment of non-share and equity securities as well as events after the balance sheet date were provided in the supplementary notes to the abbreviated quarterly consolidated financial statements.

APPROVAL FOR PUBLICATION

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The consolidated quarterly financial statements made for the period of 3 months ended on 31 March 2019 (including comparable data) have been approved for publication by the Parent Company's Management Board on 16 May 2019.

Signatures of all Management Board Members

Date	Name and Surname	Function	Signature
16 May 2019	Jerzy Motz	President of the Management Board	
16 May 2019	Rafał Stempniewicz	Management Board Member	
16 May 2019	Robert Krasowski	Management Board Member	
16 May 2019	Artur Wojtaszek	Management Board Member	
16 May 2019	Tomasz Słowiński	Management Board Member	