

OEX S.A.

REPORT ON THE ACTIVITIES OF THE ISSUER

Poznań, 16 March 2016

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22.	Wartość wynagrodzeń, nagród lub korzyści, w tym wynikających z programów motywacyjnych lub premii opartych na kapitale emitenta, w tym programów opartych na obligacjach z prawem pierwszeństwa, zamiennych, warrantach subskrypcyjnych (w pieniądzu lub jakiegokolwiek innej formie), wypłaconych, należnych lub potencjalnie należnych, odrębnie dla każdej z osób zarządzających i nadzorujących emitenta w przedsiębiorstwie emitenta, bez względu na to, czy odpowiednio były one zaliczane w koszty, czy też wynikały z podziału zysku; w przypadku gdy emitentem jest jednostka dominująca, wspólnik jednostki współzależnej lub znaczący inwestor - oddzielnie informacje o wartości wynagrodzeń i nagród otrzymanych z tytułu pełnienia funkcji we władzach jednostek podporządkowanych; jeżeli odpowiednie informacje zostały przedstawione w sprawozdaniu finansowym - obowiązek uznaje się za spełniony poprzez wskazanie miejsca ich zamieszczenia w sprawozdaniu finansowym;	18
23.	W przypadku spółek kapitałowych - określenie łącznej liczby i wartości nominalnej wszystkich akcji (udziałów) emitenta oraz akcji i udziałów w jednostkach powiązanych emitenta, będących w posiadaniu osób zarządzających i nadzorujących emitenta (dla każdej osoby oddzielnie) na 31.12.2015;	19
24.	Informacje o znanych emitentowi umowach (w tym również zawartych po dniu bilansowym), w wyniku których mogą w przyszłości nastąpić zmiany w proporcjach posiadanych akcji przez dotychczasowych akcjonariuszy i obligatariuszy;	20
25.	Informacje o nabyciu akcji własnych, w szczególności celu ich nabycia, liczbie i wartości nominalnej ze wskazaniem, jaka część kapitału zakładowego reprezentują, cenę nabycia oraz cenę sprzedaży w przypadku ich zbycia;	20
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1. Information about the Issuer

Name:	OEX
Legal form:	Spółka Akcyjna (<i>Polish joint-stock company</i>)
Seat:	61-362 Poznań, ul. Forteczna 19a
Country of incorporation:	Poland
Basic objects of business:	<ul style="list-style-type: none">- other telecommunications activities,- retail sale of telecommunications equipment in specialised stores,- retail sale of computers, peripheral equipment and software in specialised stores,- wholesale of electronic and telecommunications equipment and parts,- wholesale of computers, peripheral equipment and software,- other retail sale not in stores, stalls or markets,- computer facilities management activities,- other business and management consultancy activities.
Registration authority:	
District Court Poznań- Nowe Miasto i Wilda, 8th Commercial Division of the National Court Register	
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 issuer's Management Board wishes to point out to the fact that as of 31/01/2016, by virtue of the above-mentioned resolution of the General Meeting of Shareholders, the organised part of business comprising the sale network for Orange Polska S.A. was transferred as a contribution in kind to subsidiary Tell Sp. z o.o., in which the issuer holds 100% of shares. In relation with the above, the information in these statements referring to the future do not concern the situation resulting from the activities by OEX S.A. on the mobile phone market or the cooperation with Orange Polska S.A. The relevant information in this regard can be found in the report on the activities attached to the consolidated financial statements of the Group.

2. Principles of the preparation of the annual financial statements;

The principles governing the preparation of the annual financial statements were described in the annual financial statements of the issuer for 2015.

3. Information about basic products, goods or services, with a breakdown into volumes and value as well as the shares of particular products, goods and services (if they are material) or their groups in total sale of the issuer, changes in this respect during the year.

OEX S.A. was the Authorised Polish-wide Representative of Orange S.A. It operated on the mobile phone service retail market. As at 31/12/2015, the sale was conducted in a Orange brand network of 148 sale outlets (channel dedicated to individual clients) and 46 Business Client Consultants (channel dedicated to business clients). On the basis of an Agency Agreement with Orange Polska S.A., OEX S.A. offered to the clients - on the exclusivity basis - the services of the Orange operator.

In relation with the transfer of the organised part of business related to the sale network for Orange Polska S.A. as of 1 February 2016, the role of OEX S.A. in relations with Orange Polska was assumed by Tell Sp z o.o., a subsidiary of the Issuer (more information on the transfer can be found in ongoing reports Nos.: 40/2015, 6/2016, 7/2016, 8/2016 and correction of report 8/2016 dated 1/02/2016, 9/2016).

Postpaid activations

There are two basic types of services on the mobile phone market: postpaid and prepaid. The activation of the postpaid type (the service is paid in arrears) is characterised by a long-term contract signed by the client with the operator (usually for 2 years) and a necessity to pay a monthly subscription fee. As part of postpaid services, the ever growing share is taken by data transmission services, allowing a mobile Internet access based on a separate SIM card. For the client acquisition in the postpaid system and for the extension of the client's past contract, OEX S.A. received a commission from Orange Polska. **The commission was the most important source of margin for OEX S.A.**

Wide-band Internet access services

In its sale network, OEX S.A. offered the services of Orange Polska S.A. For the acquisition of clients and for clients extending their previous contracts with the operator, the Company received a commission in accordance with the same rules as in case of postpaid activations.

Prepaid activations

The prepaid activation (service paid up front) does not require the client to conclude a contract with the operator and pay a monthly subscription fee. The remuneration for including a client in Orange's network was a trade margin realised on the sale of the so-called starting sets (SIM card plus a phone number).

Prepaid account refilling

Another source of revenue for OEX S.A. were the calling cards (electronic refilling), which allow the client to top up his prepaid account with a definite amount to be then used to make calls, send text messages and use other services. The remuneration for the sale to the client of such time was based on a trade margin.

Sale of mobile phone accessories

The only accessories provider was the Orange network operator.

Sale of postpaid mobile phones

Mobile phones offered jointly with the postpaid activation were not a source of margin for OEX S.A. (their sale was neutral for OEX S.A.). They were sold at promotional prices, much lower than the market prices. This phenomenon is a form of subsidising the mobile phones by operators in order to lower the network entry barrier for the client. The subvention is a form of the operator's investment in the client and is repaid to the operator by the client on the basis of invoices for services over the subscription period.

The tables below present the sale as broken down into ranges offered by OEX S.A. and sale volumes in the main revenue lines.

Revenue from the sale of services and goods (in kPLN)	2015	2014	2015/2014
Revenue from the sale of telecommunication services	56,940	56,669	100.5%
Sets and pre-paid refillments	8,310	8,259	100.6%
Postpaid contract phones	28,107	25,320	111.0%
Other revenue	5,931	7,093	83.6%
Total	99,288	97,341	102.0%

Service sale volume	2015	2014	2015/2014
Postpaid activations	279,774	279,969	99.93%
Prepaid activations	66,972	72,720	92.10%
Total	346,746	352,689	98.31%

Services of Orange Finance

In October 2014, Orange Polska S.A. launched the sale of banking products under the brand of Orange Finance – banking products are offered by mBank. This is an offer of a mobile retail bank to mobile device clients that comprises: current accounts, savings accounts, loans, deposits, credit cards and debit cards.

4. Information on markets, with a breakdown into domestic and foreign markets, information about sources of materials for production, goods and services, with an indication of dependence on one or more supplier or client, and in case the share of one supplier or client reaches at least 10% of total sale revenue - name of supplier or client, his share in sale or supply as well as formal links with the issuer.

The basic market for the business of OEX S.A. was the mobile phone market and the market of wide band Internet access as well as paid television through fixed phones. In 2015, the Company revenues based, similarly as in previous years, on the transaction model. i.e. the remuneration received from the operator for the new client acquisition or for the extension of the old client's contract for telecommunications services. A supplementary source of income of the Company were bonuses related to the after-sale service and maintenance of sale standards.

In case of a new client acquisition, particular attention must be paid to the fact that these are not only clients who have not had a mobile phone so far but also those migrating from the pre-paid to the post-paid segment as well as clients migrating between mobile phone operators in the post-paid service segment.

The market of the mobile phone voice services is saturated when it comes to the number of mobile phone users. The number of SIM cards decreased when compared to 31 December 2014 by -2.4%, achieving at the end of December 2015 the mobile phone market penetration ratio (among the population) at the level of 146.2% (data of the Polish Main Office of Statistics).

According to the estimates of Orange Polska S.A., the share of four leading operators was maintained at the level of 98%, when comparing the state as at the end of December 2015 and the end of December 2014. According to the data given by Orange Polska S.A., the share of this operator on the mobile phone market at the end of 2015 amounted to 28.4% in terms on the number of SIM cards. In 2015, Orange maintained its second place when it came to the share in the market of number transferability, however due to the methodological differences concerning the data presented by operators, e.g. a different way of defining the actively pre-paid SIM cards as well as different ways of client acquisition and maintenance (instalment sale, subsidies), the positioning becomes ever less and less trustworthy. The number of phone numbers transferred to Orange amounted to 420 thousand, i.e. 25% of the market share. The number transferability balance for the period from January to December 2015 amounted to -35 thousand and slightly improved when compared to 2014, when it was -47 thousand. It should be stressed that this balance was positive as regards the post-paid services. It amounted to +116 thousand and noted an improvement for the second consecutive year.

The mobile phone operators service distribution market.

The three key rules applicable to distributors did not change:

- ✓ exclusivity regarding the offer of one single operator in one single store;
- ✓ exclusive competence of operators as regards the number and location of shops offering their services;
- ✓ standardisation of the offer, visualisation and sale standards within the entire sale network (there are slight variances in this regard).

In view of these circumstances, the competition between various distributors of services of the same operator is limited and concerns such areas as acquisition of new shop locations (this factor lost its significance in view of the market maturity), quality of sale force and operating efficiency of logistic and settlement processes. The competition between distributors of services of particular operators is, in turn, a reflection of the strategy and marketing policy of the operators themselves.

In 2015, Orange Polska continued the process of optimisation of the sales network, which consisted mainly in closing down of ineffective stores.

The Company's main supplier is Orange Polska S.A. with registered office in Warsaw. Approx. 95% of sales of OEX S.A. in 2015 was effected based on the contract with Orange Polska.

OEX S.A. and Orange Polska S.A. do not have any capital or personal links.

5. Discussion of the basic economic and financial data disclosed in the annual financial statements;

a) Discussion of the main income statement items

The revenues from the sale in 2015 amounted to kPLN 99,288 and were higher by 2% than in the corresponding period of previous year.

The operating profit for 2015 amounted to kPLN 5,983 and was lower by 14.1% than in the corresponding period of previous year.

EBITDA of 2015 amounted to kPLN 7,314 and was lower by 10.3% than in the previous year.

The 2015 gross profit was kPLN 8,208 and was higher than in the previous year by 19.2%. The rise in the gross profit is a consequence of increased income from dividends. The dividends obtained in 2015 amounted to kPLN 3,312 while in 2014 they were kPLN 1,814.

The 2015 net profit was kPLN 7,126 and was higher than in the previous year by 28.8%.

Profit and loss account

	From 01/01 to 31/12/2015	From 01.01 to 31.12.2014	2015/2014
Sale revenues	99,288	97,341	102.0%
Revenue from the sale of services	60,567	60,515	100.1%
Revenue from the sale of goods	38,721	36,826	105.1%
Sale costs	83,193	81,084	102.6%
Costs of services sold	44,840	44,923	99.8%
Costs of goods sold	38,353	36,161	106.1%
Gross profit on sales	16,095	16,257	99.0%
Sale costs	3,847	3,875	99.3%
Administration costs	5,946	5,583	106.5%
Other operating income	76	928	8.2%
Other operating expense	395	764	51.7%
Profit on operating activities	5,983	6,963	85.9%
Financial income	3,791	2,469	153.5%
Financial costs	1,566	2,543	61.6%
Profit before tax	8,208	6,889	119.2%
Income Tax	1,082	1,356	79.8%
Net profit	7,126	5,533	128.8%

Basic ROS indicators:

	From 01/01 to 31/12/2015	From 01.01 to 31.12.2014	2015/2014
EBITDA	7,314	8,155	89.7%
EBITDA rate	7.4%	8.4%	87.9%
Gross profit on sales	16.2%	16.7%	97.1%

Profit on sales	6.3%	7.0%	90.9%
Operating profit	6.0%	7.2%	84.2%
Gross profit	8.3%	7.1%	116.8%
Net profit	7.2%	5.7%	126.3%

b) Discussion of the main items of the balance sheet

In the presented balance sheet, the balance sheet total amounts to kPLN 111,419 and is 20.5% higher than last year's total. The share of fixed assets and current assets in total assets is, respectively, 65.0% and 35.0% (2014: 54.4% and 45.6%). The value of non-current assets rose when compared to the previous year by 43.9% from kPLN 50,325 to kPLN 72,397 in 2015. The increase in the value of non-current assets is a result of the acquisition of 100% of shares in Cursor S. A. and 51.03% of shares in Divante Sp. z o.o. on 05 March 2015. The total carrying value of 163,517,500 shares in Cursor and 592 shares in Divante acquired in exchange for a contribution in kind is PLN 20,621.

When compared to the previous year, the share of intangible fixed assets grew considerably - the growth is a result of the acquisition of the trademarks of OEX for kPLN 300.

Also when compared to the previous year, the value of tangible fixed assets went up from kPLN 3,672 in 2014 to kPLN 4,975, which means a growth of 35.5%. It is mainly the result of the expenditures made on the change of visualisation of Orange stores. The value of expenditures made amounted to kPLN 1,539.

The share of current assets in total assets fell from 45.6 % in 2014 to 35.0% in 2015. Also the value of current assets went down from kPLN 42,101 in 2014 to kPLN 39,022 in 2015 – i.e. by 7.3%. The highest decrease in the share in current assets from 27.4% in 2014 to 19.1% in 2015 concerns the trade receivables as well as other receivables, whose value went down from kPLN 25,281 to kPLN 21,293 in 2015.

With regard to the equity and liabilities, the equity constituted 71.1% and the liabilities 28.9% (2014: 60.4% and 39.6%). The value of equity rose from kPLN 55,792 to kPLN 79,237 in 2015 – a growth by 42.0%, and the value of liabilities and provisions fell from kPLN 36,634 to kPLN 32,182 in 2015 – a fall by 12.2%. The rise in the equity results mainly from the issue of 1,777,692 shares in the company taken over in exchange for a contribution in kind in the form of 163,517,500 shares in Cursor S.A. and 592 shares in Divante Sp. z o.o. In consequence of that issue, the share capital went up by kPLN 356 and the supplementary capital by kPLN 20,097.

The share of these liabilities in total liabilities & equity fell from 39.6 % in 2014 to 28.9% in 2015. Also the value of liabilities went down from kPLN 36,634 in 2014 to kPLN 32,182 in 2015 – i.e. a fall by 12.2%. The credit liabilities (overdraft facilities) amount to kPLN 2,127 (2014: kPLN 4,036), which is a fall by 47.3% when compared to the previous year. In 2015, the Company signed an operating lease agreement related to the purchase of cars to be used by sales representatives. The total liability on this account as at 31 December 2015 amounted to kPLN 372, of which kPLN 299 are a long-term liabilities and kPLN 73 - short-term liabilities. The agreement was executed for a period of 36 months.

Balance Sheet

ASSETS	31/12/2015	31/12/2014	2015/2014
Non-current assets			

Goodwill	21,298	19.1%	21,298	23.0%	100.0%
Intangible fixed assets	626	0.6%	343	0.4%	182.4%
Tangible fixed assets	4,974	4.5%	3,672	4.0%	135.5%
Interests in related parties	44,975	40.4%	24,349	26.3%	184.7%
Receivables and loans	217	0.2%	348	0.4%	62.4%
Deferred income tax assets	305	0.3%	314	0.3%	97.2%
Fixed assets	72,397	65.0%	50,325	54.4%	143.9%

Current assets

Inventories	11,173	10.0%	10,087	10.9%	110.8%
Trade receivables and other	21,293	19.1%	25,281	27.4%	84.2%
Loans	6,282	5.6%	6,282	6.8%	100.0%
Short-term prepayments	98	0.1%	248	0.3%	39.7%
Cash and cash equivalents	175	0.2%	203	0.2%	86.3%
Current assets	39,022	35.0%	42,101	45.6%	92.7%
Total assets	111,419	100.0%	92,426	100.0%	120.5%

EQUITY AND LIABILITIES

	31/12/2015		31/12/2014		2015/2014
Shareholder's equity					
Equity - share of the shareholders of the					
Share capital	1,378	1.2%	1,022	1.1%	134.8%
- Share	44,960	40.4%	24,863	26.9%	180.8%
Other reserve capitals	1,459	1.3%	1,459	1.6%	100.0%
Retained profits:					
- retained profit from previous years	24,314	21.8%	22,914	24.8%	106.1%
- net profit for the company's shareholders	7,126	6.4%	5,533	6.0%	128.8%
Equity - share of the shareholders of the	79,237	71.1%	55,792	60.4%	142.0%
Shareholder's equity	79,237	71.1%	55,792	60.4%	142.0%

Liabilities

Long-term liabilities

Finance lease	299	0.3%			100.0%
Deferred tax liabilities	4,048	3.6%	4,047	4.4%	100.0%
Employee benefits	50	0.04%	50	0.05%	100.0%
Long-term liabilities	4,397	3.9%	4,097	4.4%	107.3%

Short-term liabilities

Trade liabilities and other	22,719	20.4%	25,659	27.8%	88.5%
Current tax	502	0.5%	578	0.6%	86.9%
Loans, credits, other debt instruments	2,127	1.9%	4,036	4.4%	52.7%
Finance lease	73	0.1%			100.0%
Employee benefits	2,363	2.1%	2,264	2.4%	104.4%
Short-term liabilities	27,785	24.9%	32,537	35.2%	85.4%
Total provisions	32,182	28.9%	36,634	39.6%	87.8%
Total equity and liabilities	111,419	100.0%	92,426	100.0%	120.5%

c) Discussion of the main items of the cash flow statement

Cash flows of the Company – are characterised by a positive flow from operating and investing activities and a negative flow from the financial activities.

The analysis of flows from operating activities indicates that the Company noted a rise in inventories by kPLN 1,086, a fall in receivables by kPLN 4,118 and a fall in liabilities by kPLN 2,454 – which all influenced the creation of a positive change in the working capital in the amount of kPLN 728. The flows from operating activities reached the value of kPLN 5,493, while in 2014 they amounted to kPLN 2,203. The flows from investment activities achieved the value of kPLN 852. The maintenance of a positive value and the simultaneous expenditures on the purchase of fixed assets increased when compared to the previous year have their impact on the value of dividends received. The Company received kPLN 3,312 in dividends from subsidiaries, while in 2014 it was kPLN 1,814. The flows from financial activities were negative. The Company repaid its credit liabilities in the amount of kPLN 1,909 and paid a dividend of kPLN 4,133.

Cash flow statement:

	from 01/01 to 31/12/2015	from 01/01 to 31/12/2014
Flows from operating activities		
Profit (loss) before taxation	8,208	6,889
Adjustments:		
Depreciation of tangible fixed assets	1,137	1,032
Amortisation of intangible fixed	194	160
Impairment loss on financial assets		1,287
Profit (loss) on the sale of non-financial fixed assets	18	-2
Interest costs	147	291
Interest and dividend income	-3,791	-2,469
Total adjustments	-2,295	299
Change in inventories	-1,086	-2,525
Change in receivables	4,118	374
Change in liabilities	-2,454	-72
Change in provisions and prepayments	149	-638
Changes in working capital	728	-2,861
Taxes paid	-1,149	-2,124
Net cash flow from operating activity	5,493	2,203
Flows from investing activities		
Expenses to purchase intangible fixed assets	-476	-79
Expenses to purchase fixed assets	-2,596	-1,987
Inflows from the sale of fixed assets	138	78
Net expenses to purchase subsidiaries	-5	
Received repayments of loans granted	1,160	8,350
Loans granted	-1,160	-8,050
Interest income	479	655
Dividend income	3,312	1,814
Net cash flow from investing activity	852	783
Flows from financial activities		
Expenditure related to emissions	-169	

Inflows from loans and credits contracted		2,383
Repayment of loans and advances	-1,909	
Repayment of financial lease liabilities	-15	
Interest paid	-147	-291
Dividends paid	-4,133	-5,100
Net cash flow from financial activity	-6,373	-3,009
Change in net cash position	-28	-23
Cash at the period beginning	203	226
Cash and cash equivalents at period end	175	203

d) Ratio analysis

For the correct interpretation of ratios characterising the efficiency of management of the Company's current assets, it is necessary to explain the way of reflecting in the Company's books the mechanisms by which Operator subsidises the postpaid activation phones.

The Company acquires phones from the Operator at market prices. After the purchase, the Company incurs 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 sells such phones in two variants:

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

In this case, the sale is made at the promotional price (allowing for a subsidy at the level agreed with the Operator). Thus, the Company makes a temporary loss on this particular transaction. However, immediately after the promotional sale, in accordance with the procedures agreed with the Operator in the contract, the Operator issues 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 has 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 this case, the sale is made at the original Operator's purchase price and then the process is analogous as above, whereby it is the Company that issues a corrective invoice to the sub-agent, adjusting the original selling price.

The consequence of this mechanism, the so-called refunding, is a situation, when the management efficiency ratios may, in the Company's opinion, suggest excessive values. This situation results directly from the fact that balance sheet items (inventories, receivables and liabilities to the main supplier of phones sold in the post-paid service activation) are registered in the original purchase prices (without accounting for subsidies), and the sale and value of goods sold at the phone purchase price, are registered at promotional prices (allowing for the refund). As results from the below-presented turnover ratio formula, in each case they present two values registered in accordance with different principles (e.g. receivables / revenue from sale).

Additionally, the refunding process directly influences the level of mutual receivables and liabilities between the Operator and the Company. If a mathematical operation of compensating mutual settlements were conducted, the level of receivables and liabilities of the Company would be lower than disclosed in

the financial statements. The Company makes assurances that the inventory, receivables and liabilities turnovers are in practice much shorter than the ratios below suggest.

Irrespective of the values we receive after the application of these ratio formulas, the fact that they are applied to both the 2015 and 2014 results allows one to analyse changes in particular values.

No.	Name of ratio	Formula	Measure	2015	2014
1	Efficiency ratio				
1.1	Cost level ratio	$\frac{\text{tax deductible cost}}{\text{sale revenue}}$		0.94	0.93
1.2	Asset turnover ratio	$\frac{\text{sale revenue}}{\text{total assets}}$		0.89	1.05
1.3	Fixed asset turnover ratio	$\frac{\text{sale revenue}}{\text{fixed assets}}$		1.37	1.93
1.4	Current asset turnover ratio	$\frac{\text{sale revenue}}{\text{current assets}}$		2.54	3.85
1.5	Inventory turnover ratio	$\frac{\text{sale revenue}}{\text{inventories}}$		8.89	9.65
1.6	Inventory cycle indicator	$\frac{\text{inventories} \times \text{number of days in the period}}{\text{sale revenue}}$	days	41.07	37.82
1.7	Receivables turnover ratio	$\frac{\text{sale revenue}}{\text{trade receivables}}$		4.62	3.85
1.8	Receivables cycle indicator	$\frac{\text{receivables} \times \text{number of days in the period}}{\text{sale revenue}}$	days	79.08	94.79
2	Effectiveness ratios				
2.1	ROS - gross	$\frac{\text{operating profit} \times 100}{\text{sale revenue}}$	%	8.83%	7.61%
2.2	ROS - net	$\frac{\text{net profit} \times 100}{\text{sale revenue}}$	%	7.18%	5.68%
2.3	Rate of return	$\frac{\text{net profit} \times 100}{\text{total assets at period end}}$	%	6.40%	5.99%
2.4	ROE	$\frac{\text{net profit} \times 100}{\text{equity}}$	%	8.99%	9.92%
3	Financial liquidity ratios				
3.1	Liquidity I	$\frac{\text{total current assets}}{\text{current liabilities}}$		1.40	1.32
3.2	Liquidity II	$\frac{\text{current assets} - \text{inventories}}{\text{current liabilities}}$		1.00	1.00
3.3	Liquidity III	$\frac{\text{cash}}{\text{current liabilities}}$		0.01	0.01
4	Capital structure, ratios				
4.1	Debt ratio	$\frac{\text{total debt}}{\text{shareholders' equity}}$		0.41	0.66
4.2	Equity to debt ratio	$\frac{\text{shareholders' equity}}{\text{total debt}}$		2.46	1.52

4.3	Asset financing structure ratio	shareholders' equity	0.71	0.60
	equity	total capital		
4.4.	Asset financing structure ratio	bank loans	0.02	0.04
	bank loan	total capital		
4.5.	Asset financing structure ratio	liabilities to suppliers	0.19	0.26
	liabilities	total capital		
5	Share value ratios			
5.1.	PER	market price of shares*	11.39	9.16
		earnings per share **		

* market price of shares = closing rate as at 30/12/2014 - PLN 9.32 per 1 share.

* market price of shares = closing rate as at 30/12/2015 - PLN 12.80 per 1 share.

** - with reference to the weighted average number of shares

Efficiency ratio

The inventories and receivables turnover cycles show similar values in subsequent years. The Company enters into transactions only with entities with a good credit standing. All clients wishing to take advantage of the merchant's credit are subject to a verification procedure. The Company monitors its receivables on an on-going basis.

Effectiveness ratio

The Company's return rates are higher than those of 2014. The Company noted a higher net profit, therefore the net profit-based ratios improved.

Financial liquidity ratio

The liquidity I indicator was at the level of 1.40, which reflects a very good liquidity position of the Company. The Company is fully solvable and does not have any tax or social security contribution arrears. The Company maintains current liquidity and systematically makes settlements with its clients as part of its restrictive credit policy.

Capital structure ratio

The capital structure indicators deteriorated due to the rise in the share of equity.

6. Assessment of the factors and non-typical events influencing the result of the financial year, specifying the degree of influence of such factors or non-typical events on the result achieved;

There were no non-typical factors or events that would influence the separate result on the issuer's activities.

7. Characteristics of external and internal factors significant for the development of the issuer's business and description of the issuer's activity development perspective at least until the end of the financial year following the financial year for which the financial statements were made, including elements of the issuer's market strategy;

In relation with the transfer of the organised part of business in the form of a sale network for Orange Polska S.A. to subsidiary TELL Sp. z o.o., the development perspectives of OEX S.A. should be seen in the

context of the new role OEX S.A. plays within the Group. OEX S.A. will focus on further diversification of the Group's business, mainly by take-overs and strategic management of subsidiaries.

8. Description of risk and threat factors, with a specification to what extent the issuer is exposed to them;

In relation with the transfer of the organised part of business to subsidiary TELL Sp. z oo., in the Company's opinion, the main risk factors the issuer will be exposed to will be the following:

- ✓ General macroeconomic situation of Poland;
- ✓ The risk of loss of asset value in consequence of deterioration of the financial situation of subsidiaries;
- ✓ Insufficient access to sources of financing necessary for further development by means of take-overs;

9. Assessment of financial resources management and its grounds, in particular the ability to discharge liabilities incurred, determination of possible threats and measures undertaken or to planned by the issuer to counteract such threats.

In 2015, OEX S.A. conducted a rational financial management. The Company timely discharged its liabilities, carried out a restrictive credit policy with regard to its clients and ensured a tight monitoring of receivables. The Company has not been a party to any currency contracts (options, futures, forward), and did not hedge against currency risk in any manner.

10. Indication of legal, arbitration and administrative proceedings (with the unit value or accumulated value equal to or exceeding 10% of the equity);

Both the Company and the subsidiaries are parties to legal proceedings in courts of law, however none of such proceedings concerns liabilities or receivables whose value constitutes at least 10 % of the equity of the issuer. Similarly, the total value of, respectively, liabilities and receivables litigated in court does not constitute at least 10 % of the equity of the issuer.

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

11. Information on contracts significant for the business of the issuer, including contracts between shareholders known to the issuer, insurance contracts and cooperation contracts;

a) Agreements significant for the issuer's business

The key contract for OEX S.A. in 2015 was the Agency Contract with Orange of 20 November 2012 (superseding previous contracts and effective as of 1 October 2012) on the basis of which OEX S.A. provided mobile phone system agency services for Orange Polska S.A.

b) Agreements made between the shareholders

Currently, the issuer is not aware of any agreements made between the shareholders. The agreement dated 23 December 2014 between the Issuer's shareholders Neo Investment S.A. and Grupa Archidoc S.A. was dissolved and the issuer was notified of this fact on 14 December 2015 (ongoing report No. 61/2015).

12. Information about organisational or capital links of the issuer with other entities and determination of its main domestic and foreign investments (securities, financial instruments, intangible assets and real estates), including equity investments made outside the group of related entities as well as description of their financing;

List of shares held by the issuer directly and indirectly - via subsidiary companies:

Name of the Company	Registered office	% of shares/participations held	
		directly controlled	indirectly controlled
OTI Sp. z o.o. (currently TELL Sp. z	ul. Forteczna 19A, 61-362 Poznań	100	
Euro-Phone Sp. z o. o.	ul. Puławska 40a, 05-500 Piaseczno	100	
PTI Sp. z o. o.	ul. Forteczna 19A, 61-362 Poznań	100	
Cursor S.A.	ul. Równoległa 4A, 02-235 Warszawa	100	
Divante Sp. z o.o.	ul. Kościuszki 14, 50-038 Wrocław	51.03	
Toys4Boys Pl. Sp. z o. o.	ul. Nowy Świat 11B, 80-299 Gdańsk	30	
Connex Sp. z o. o.	ul. Forteczna 19A, 61-362 Poznań	100	
TRS Services Sp. z o. o.	ul. Równoległa 4A, 02-235 Warszawa		100

The Companies: Cursor S.A. and Divante Sp. z o.o. became members of the issuer's group on 05/03/2015.

On 18 September 2015, OEX S.A. established OTI Sp. z o.o. (*Polish limited liability company*) in the execution of resolution of the General Meeting of Shareholders of 30 September 2015 concerning the spin-off from OEX S.A. of operating activities concerning the provision of services on the basis of the agency agreement with Orange Polska S.A. Spółka OTI Sp. z o.o. was registered by the District Court for Poznań-Nowe Miasto i Wilda in Poznań on 4 November 2015. On 11 January 2016, by virtue of resolution No. 1 of the Extraordinary General Meeting the business name of a company was changed from OTI Sp. z o.o. to TELL Sp. z o.o. The change was registered by the District Court for Poznań-Nowe Miasto i Wilda in Poznań on 17 February 2016.

The only shareholder in TRS Services Sp. z o.o. is Cursor S.A. TRS Services Sp. z o.o. was established on 8 July 2015 in order to accommodate the future spin-off of the Sale Support Segment from Cursor S.A. As at the date of this report, the above-mentioned company does not carry on any business activities.

The Issuer did not make any domestic or foreign investments (securities, financial instruments, intangible assets and real estates), including equity investments made outside the group of related entities.

13. Information about significant transactions made by the issuer or its subsidiary with related parties at terms and conditions other than those at arm's length, including amounts of such transactions and information on the transaction character - the

obligations is deemed to have been fulfilled by indicating the place where the information is included in the financial statements;

The Issuer enters into transactions with related parties at arm's length only.

14. Information about loan and credit contracts signed or terminated in the given financial year, with a specification of at least their values, type and amount of the interest rates, currency and maturity dates.

The Company did not take out any new loans or credits in 2015.

No loan agreement has been terminated in the current year.

15. Information on the loans extended in the given financial year, with particular attention paid to loans extended to the Issuer's related parties, with a specification of at least the loan amounts, types and interest rates, currencies and maturity dates;

In 2015, OEX S.A. extended loans in the total amount of kPLN 1,160 to its subsidiary Euro-Phone Sp. z o.o. and the loans were duly repaid in 2015. The loans were granted at variable interest rates calculated as the sum of the following components: interest rate determined as above plus a margin of 3.50%.

The interest rate changed with each first day of a calendar month of the contract validity pro rata to the reference rate calculated and rounded up/down to the second digit on the basis of the arithmetical average of 1M WIBOR for deposits over the last 10 working days of the previous calendar month.

16. Information on sureties and guarantees granted and received in the given financial year, in particular the sureties and guarantees granted to the Issuer's related parties;

No new sureties were granted or received in 2015. The amount of sureties granted by the Issuer to its subsidiaries equalled to, as at the end of 2015, kPLN 27,670 (in 2014 – kPLN 29,585). The amount of sureties received amounts to kPLN 2,700 (in 2014 - kPLN -2,700).

17. In case of issue of securities in the reporting period, description of the use by the issuer of the proceeds from the issue until the date of the report on activities;

In 2015, there were no cases of the issue, redemption or repayment of non-equity securities and equity securities, with a reservation of the Issuer's offer and the take over by Grupa Archidoc S.A. (acting then under the business name of OEX S.A. with registered office in Warsaw) on 5 March 2015 of 1,777,692 shares of the issuer issued on the basis of the resolution of the Extraordinary General Meeting of Shareholders of the Issuer No. 3/2014 dated 18 December 2014. The above-mentioned registration of share capital increase by a District Court in Poznań took place on 23 April 2015.

The above mentioned issue was subscribed in exchange for a contribution in kind in the form of:

- ✓ 163,517,500 shares in Cursor S.A. with registered office in Warsaw, at ul. Równoległa 4A (02-235 Warszawa), constituting in total 100% of the share capital of the said company and entitling to the same percentage of votes at the general meeting of shareholders of the company;
- ✓ 592 shares in Divante Sp. z o.o. with registered office in Wrocław, at ul. Kościuszki 14 (50-038 Wrocław), constituting the total of 51.03% (after rounding-up) of the share capital of the said

company and entitling to the same percentage of votes at the general meeting of shareholders of the said company.

18. Explanation of differences between the financial results disclosed in the annual statement and result forecasts published earlier for the given year;

The issuer's Management Board did not publish any forecasts of the issuer's separate results.

19. Description of the possibilities of investment plans, including equity investments, when compared to the funds held, taking into account possible changes in the financing structure;

The investment intentions will be pursued with the utilisation of funds from the Company's current activities and, possibly, bank loans.

20. Changes in basic business management principles concerning the issuer and the group;

In 2015, the Company did not change the company's and the group's business management principles.

21. All contracts made between the issuer and the managing persons providing for compensation in case of resignation or dismissal from the position without a goof reason or when the recalling or dismissal takes place due to the combination of the issuer by merger;

There are no contracts made between the issuer and the managing persons providing for compensation in case of resignation or dismissal from the position without a goof reason or when the recalling or dismissal takes place due to the combination of the issuer by merger.

22. The value of remuneration, bonuses or benefits, including the ones resulting from incentive programmes or bonus programmes based on the issuer's equity, of which also programmes based on pre-emptive bonds, convertible bonds, share warrants (in cash, in kind and in any other form), paid, due or potentially due, separately for each person managing or supervising the issuer in the Issuer's business, irrespective of the fact whether or not they were duly recognised as costs or resulted from profit sharing; in case when the issuer is a parent company, a shareholders in a jointly-controlled entity or a significant investor - separate information about the value of remuneration and bonuses achieved in relation with the performance of functions in the governing bodies of subsidiaries; of appropriate information is presented in the financial statements - the obligation is considered fulfilled by indicating the place where it is included in the financial statements;

The Issuer does not have equity-based incentive or bonus programmes, including programmes based on pre-emptive bonds, convertible bonds, share warrants (in cash, in kind and in any other form).

The members of the Issuer's management board receive remuneration under their work contracts and remuneration under their appointments. The company's Supervisory Board members receive remuneration for their functions performed in the supervisory body.

Information about the value of remuneration and other benefits was provided in the table below.

Period from 01/01 to	In the Company:		In subsidiaries:		Total
	Remuneration under work contract or appointment	Other benefits	Remuneration under work contract or appointment	Other benefits	
Rafał Stempniewicz	640	6			646
Stanisław Górski	276	6			282
Robert Krasowski	400	6			406
Artur Wojtaszek	72	0	285		357
Total	1,388	18	285		1,691

The total value of remuneration and other benefits received by members of the Supervisory Board of the Parent Company was as follows:

	from 01/01 to
Jerzy Motz	27
Paweł Turno	26
Piotr Cholewa	24
Tomasz Słowiński	24
Tomasz Mazurczak	24
Total	125

23. In case of companies - determination of the total number and the nominal value of shares in the issuer and shares in issuer's related parties that are held by the persons in management and supervisory bodies (separately for each such person) as at 31/12/2015.

The persons in the management and supervisory bodies of the issuer do not have any shares in subsidiaries.

List of issuer's shares held by the persons in the managing and supervising bodies of the company:

	Total shares	Total votes	Share capital held	% of votes
Members of the Supervisory Board				
Paweł Turno	30,000	30,000	0.44%	0.36%
Piotr Cholewa,	879,384	879,384	12.77%	10.63%
including indirectly via Silquern S.a.r.l.	826,558	826,558	12.00%	9.99%
Management Board				

Rafał Stempniewicz	94,590	94,590	1.37%	1.14%
Robert Krasowski	4,924	4,924	0.07%	0.06%
Artur Wojtaszek	36,890	36,890	0.54%	0.45%

24. Information about contracts known to the issuer (including also contracts concluded after the balance sheet date) in result of which they may be in the future any changes in the proportion of shares held by present shareholders and debenture holders;

The issuer has no such information.

25. Information about the acquisition of treasury shares, in particular the purpose of the acquisition, the number and nominal value, specifying the part of the share capital they represent, the purchase price and the sale price in case they were sold;

The issuer did not purchase its own (treasury) shares in 2015.

26. Information about the most important achievements in research and development;

The issuer does not carry on any research activity.

27. Information about the employee shareholding plan control system;

The issuer does not have any employee programmes in place.

28. Information on the Issuer's agreement with an entity authorised to audit financial statements.

Information about the agreement made and the remuneration was provided in the annual financial statements.

29. Approval for publication;

These 2015 financial statements were approved for publication by the Management Board of the Parent Company on 16 March 2016.

Signatures of all Management Board Members

Date	Name and surname	Position	Signature
16 March 2016	Rafał Stempniewicz	President of the Management Board	
16 March 2016	Robert Krasowski	Member of the Management Board	

16 March 2016	Artur Wojtaszek	Member of the Management Board	
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