

**KOMPUTRONIK S.A. CAPITAL GROUP  
POZNAŃ, UL. WOLCZYŃSKA 37**

**CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR  
ENDED 31 MARCH 2014  
WITH  
AUDITOR'S OPINION  
AND  
AUDIT REPORT**

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**CONSOLIDATED FINANCIAL STATEMENTS OF THE KOMPUTRONIK S.A. CAPITAL GROUP FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014**

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**REPORT ON THE ACTIVITIES OF THE KOMPUTRONIK S.A. CAPITAL GROUP FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014**

## AUDITOR'S OPINION

### **To the Shareholders and Supervisory Board of Komputronik S.A.**

We have audited the attached consolidated financial statements of the Komputronik S.A. Capital Group (“the Group”) with Komputronik S.A. (“the Parent Company”), with its registered office in Poznań at Wołczyńska 37 Street, as the Parent Company, including consolidated balance sheet prepared as of 31 March 2014, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from 1 April 2013 to 31 March 2014 and notes comprising a summary of significant accounting policies and other explanatory information.

Preparation of consolidated financial statements and a report on the activities of the capital group in line with the law is the responsibility of the Management Board of the Parent Company.

The Management Board of the Parent Company and members of its Supervisory Board are obliged to ensure that the consolidated financial statements and the report on the activities of the Capital Group meet the requirements of the Accounting Act of 29 September 1994 (Journal of Laws of 2013, item 330, as amended), hereinafter referred to as the “Accounting Act”.

Our responsibility was to audit and express an opinion on compliance of the consolidated financial statements with the accounting principles (policy) adopted by the Capital Group and whether the financial statements present fairly and clearly, in all material respects, the financial and economic position as well as the financial result of the Capital Group.

Our audit of the financial statements has been planned and performed in accordance with:

- section 7 of the Accounting Act,
- national auditing standards, issued by the National Council of Statutory Auditors in Poland.

We have planned and performed our audit of the consolidated financial statements in such a way as to obtain reasonable assurance to express an opinion on the financial statements. Our audit included, in particular, verification of the correctness of the accounting principles (policy) applied by the Parent Company and the subsidiaries, verification – largely on a test basis – of the basis for the amounts and disclosures in the consolidated financial statements, as well as overall evaluation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the audited consolidated financial statements in all material respects:

- present fairly and clearly the information material to evaluate the economic and financial position of the Capital Group as of 31 March 2014 as well as its profit or loss in the financial year from 1 April 2013 to 31 March 2014,
- have been prepared in accordance with the International Accounting Standards, International Financial Reporting Standards and related interpretations published as European Commission regulations, and in all matters not regulated in the standards – in accordance with the provisions of the Accounting Act and secondary legislation to the Act,
- comply with the provisions of law applicable to the Capital Group which affect the contents of the consolidated financial statements.

Without raising any qualifications to the financial statements, we would like to emphasize pending litigations between the Company and its subsidiary Contanisimo Limited with its registered office in Nicosia and Clean&Carbon Energy S.A. relating to realization of articles of investment agreement dated 24 July 2010 and to bills of exchange payment, described by the Company in details in note 2 and 12 to consolidated financial statements. Unfavorable litigation settlement can impact the Group's economic and financial position in a negative way.

The Report on the activities of the Capital Group for the financial year ended 31 March 2014 is complete within the meaning of Article 49.2 of the Accounting Act and the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the rules of equal treatment of the information required by the laws of non-member states and consistent with underlying information disclosed in the audited consolidated financial statements.

.....  
Piotr Waliński  
Key certified auditor  
conducting the audit  
No. 4254

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. – entity authorized to audit financial statements entered under number 73 on the list kept by the National Council of Statutory Auditors:

.....  
Jacek Mateja  
Deputy Chairman of the Management Board of Deloitte Polska Sp. z o.o. - which is the General Partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 16 June 2014

*The above audit opinion together with audit report is a translation from the original Polish version. In case of any discrepancies between the Polish and English version, the Polish version shall prevail.*

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL  
STATEMENTS OF THE KOMPUTRONIK S.A CAPITAL GROUP  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014**

**I. GENERAL INFORMATION**

**1. Details of the audited Parent Company**

The Parent Company of the Capital Group operates under the business name Komputronik S.A. The Company's registered office is located in Poznań at Wołczyńska 37 Street.

The Parent Company operates as a joint stock company established by a transformation of limited liability company Komputronik Sp. z o.o. into a joint stock company based on the resolution of Extraordinary Shareholders Meeting dated 11 December 2006 (notarized deed on 11 December 2006 before Andrzej Adamski, Notary Public in Poznań - repertory A No. 10810/2006). The Company is recorded in the Register of Entrepreneurs kept by the District Court Poznań - Nowe Miasto and Wilda in Poznań, VIII Business-Registry Division, under KRS number 0000270885.

The Parent Company's tax identification number NIP assigned by the First Tax Office in Poznań on 1 May 2004 is: 9720902729.

The REGON number assigned by the Statistical Office on 13 November 2002 is: 634404229.

The Company operates based on the provisions of the Code of Commercial Companies.

In the audited period the scope of the Group's activities included mainly retail and wholesale trade of hardware and software as well as trade of electronics. The Group also rendered services relating to implementation of information management systems like ERP, creating individualized IT solutions, creating software against order and maintenance.

As of 31 March 2014, the Parent Company's share capital amounted to PLN 957,234.90 and was divided into 9,572,349 shares with a face value of PLN 0.10 each.

As of 31 March 2014 the Parent Company's shareholders included:

- |                              |                  |
|------------------------------|------------------|
| – Ewa i Krzysztof Buczkowscy | – 18.63% shares, |
| – WB Investments             | – 28.55% shares, |
| – EKB Investments            | – 8.71% shares,  |
| – Other Shareholders         | – 44.11% shares. |

During the financial year ended 31 March 2014 no changes in the Parent Company's share capital took place.

As of 31 March 2014, the Parent Company's equity amounted to PLN 147,432 thousand.

The Group's financial year is period from 1 April to 31 March of the following year.

Composition of the Management Board of the parent Company as of the date of the opinion:

- |                       |                                     |
|-----------------------|-------------------------------------|
| – Wojciech Buczkowski | – Chairman of the Management Board, |
| – Krzysztof Nowak     | – Member of the Management Board.   |

Composition of the Capital Group as of 31 March 2014:

- Parent Company – Komputronik S.A.
- subsidiaries:
  - Activa S.A. (formerly: Komputronik Biznes S.A.),
  - B2C Mobile Sp. z o.o. (formerly: KEN Komputer IV Sp. z o.o.),
  - Benchmark Sp. z o.o.,
  - Cogitary Sp. z o.o. Sp. k.,
  - Contanisimo Limited,
  - Idea Nord Sp. z o.o.,
  - K24 International s.r.o.,
  - Komputronik API Sp. z o.o. ,
  - Komputronik Biznes Sp. z o.o. (formerly: KEN Technologie Informatyczne Sp. z o.o.),
  - Komputronik GmbH,
  - Komputronik Signum Sp. z o.o.,
  - Movity Sp. z o.o.,
  - Signum Komputronik S.A. Sp. j.,
  - SSK Sp. z o.o.,
  - SSK Sp. z o.o. SKA,
  - Tradus Sp. z o.o.,
- associate – Log Systems Sp. z o.o.

The consolidated financial statements as of 31 March 2014 included the following entities:

a) Komputronik S.A.

We have audited the financial statements of Komputronik S.A., the Parent Company, for the period from 1 April to 31 March 2014. As a result of our audit, on 16 June 2014 we issued an emphasis of matter opinion on those financial statements relating to pending litigations between the Company and its subsidiary Contanisimo Limited with its registered office in Nicosia and Clean&Carbon Energy S.A.

b) Companies subject to full consolidation:

<b>Name and address of the Company</b>	<b>Interest in the capital (%)</b>	<b>Name of entity that audited the financial statements and type of opinion issued</b>	<b>Balance sheet date of the consolidated entity</b>	<b>Opinion date</b>
Activa S.A. (formerly: Komputronik Biznes S.A.)	100%	Kancelaria Audytorska Małgorzata Jurga	31 March 2014	20 May 2014
B2C Mobile Sp. z o.o. (formerly: KEN Komputer IV Sp. z o.o)	100%	ECA Seredyński i Wspólnicy Sp.k.	31 March 2014	20 May 2014
Benchmark Sp. z o.o.	80%	The financial statements were not audited	31 March 2014	-
Cogitary Sp. z o.o. Sp. k.	80%	The financial statements were not audited	31 March 2014	-
Contanisimo Limited	100%	P. KALOPETRIDES & CO CHARTERED CERTIFIED ACCOUNTANTS	31 March 2014	4 June 2014
Idea Nord Sp. z o.o.	100%	The financial statements were not audited	31 March 2014	-
K24 International s.r.o.	100%	The financial statements were not audited	31 March 2014	-

Komputronik API Sp. z o.o.	70%	The financial statements were not audited	31 March 2014	-
Komputronik Biznes Sp. z o.o. (formerly: KEN Technologie Informatyczne Sp. z o.o.)	100%	The financial statements were not audited	31 March 2014	-
Komputronik GmbH	100%	The financial statements were not audited	31 March 2014	-
Komputronik Signum Sp. z o.o.	100%	The financial statements were not audited	31 March 2014	-
Movity Sp. z o.o.	70%	The financial statements were not audited	31 March 2014	-
Signum Komputronik S.A. Sp. j.	99%	The financial statements were not audited	31 March 2014	-
SSK Sp. z o.o.	100%	The financial statements were not audited	31 March 2014	-
SSK Sp. z o.o. SKA	100%	The financial statements were not audited	31 March 2014	-
Tradus Sp. z o.o.	100%	The financial statements were not audited	31 March 2014	-

## c) Companies subject to equity method of consolidation:

Name and address of the Company	Interest in the capital (%)	Name of entity that audited the financial statements and type of opinion issued	Balance sheet date of the consolidated entity	Opinion date
Log Systems Sp. z o.o.	33%	The financial statements were not audited	31 March 2014	-

The Parent Company preparing the consolidated financial statements did not simplify or alter consolidation principles in relation to the consolidated entities.

In the financial year the Parent Company included in consolidation the following entities:

- Signum Komputronik S.A. Sp. j.,
- SSK Sp. z o.o.,
- SSK Sp. z o.o. SKA ,
- Tradus Sp. z o.o.

**2. Information about the consolidated financial statements for the prior financial year**

The activities of the Capital Group in the financial year ended 31 March 2013 resulted in a net profit of PLN 2,512. The consolidated financial statements of the Capital Group for the financial year ended 31 March 2013 were audited by a certified auditor. The audit was performed by authorized entity Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. On 19 June 2013 the certified auditor issued an emphasis of matter opinion on those financial statements, stating as follows:

“Without raising any qualifications to the financial statements, we would like to emphasize pending litigations between the Company and its subsidiary Contanisimo Limited with its registered office in Nicosia and Clean&Carbon Energy S.A. relating to realization of articles of investment agreement dated 24 July 2010 and to bills of exchange payment, described by the Company

in details in note 3 and 9 to consolidated financial statements. Unfavorable litigation settlement can significantly impact the Group's economic and financial position in a negative way. "

The General Shareholders' Meeting which approved the consolidated financial statements for the financial year ended 31 March 2013 was held on 11 September 2013.

The consolidated financial statements for the financial year ended 31 March 2013 were submitted to the National Court Register (KRS) on 25 September 2013.

### **3. Details of the authorized entity and the key certified auditor acting on its behalf**

The audit of the consolidated financial statements was performed based on the agreement of 27 September 2013 concluded between Komputronik S.A. and Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. with its registered office in Warsaw, al. Jana Pawła II 19, recorded under number 73 on the list of entities authorized to provide audit services kept by the National Council of Statutory Auditors. On behalf of the authorized entity, the audit of the consolidated financial statements was conducted under the supervision of Piotr Waliński, key certified auditor (No. 4254) in the registered office of the Parent Company from 12 to 30 May 2014 as well as outside the Company's premises until the date of this opinion.

The entity authorized to audit the consolidated financial statements was appointed by the resolution of the Supervisory Board of 2 October 2013.

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. and Piotr Waliński, key certified auditor, confirm that they are authorized to carry out audits and meet the requirements of Article 56 of the Act on statutory auditors and their self-governing body, auditing firms and on public oversight (Journal of Laws of 2009, No. 77, item 649, as amended) to express an unbiased and independent opinion on the consolidated financial statements of the Komputronik S.A. Capital Group.

### **4. Availability of data and management's representations**

The scope of our audit was not limited.

During the audit, all necessary documents and data as well as detailed information and explanations, were provided to the authorized entity and the key certified auditor, as confirmed e.g. in the written representation of the Management Board of the Parent Company of 16 June 2014.



**II. ECONOMIC AND FINANCIAL POSITION OF THE CAPITAL GROUP**

Presented below are the main items from the consolidated income statement as well as financial ratios describing the financial performance of the Capital Group and its economic and financial position compared to the prior years.

<u>Main items from the income statement (PLN '000)</u>	<u>31.03.2014</u>	<u>31.03.2013</u>	<u>31.03.2012</u>
Sales revenue	1,715,561	1,244,969	1,021,893
Operating expenses	(1,694,173)	(1,236,577)	(1,006,688)
Other operating revenue	3,534	4,003	8,953
Other operating expenses	(3,773)	(3,592)	(5,169)
Gain on sale of subsidiaries	-	-	-
Financial revenue	2,949	2,680	15,580
Financial expenses	(11,107)	(7,928)	(21,155)
Contribution in gain (loss) of entities measured using equity method	-	-	(34)
Income tax	(11,090)	(1,043)	(4,724)
Net profit (loss)	24,081	2,512	8,656
Total comprehensive income	24,108	2,520	8,659

<u>Profitability ratios</u>	<u>31.03.2014</u>	<u>31.03.2013</u>	<u>31.03.2012</u>
- gross profit margin	1.2%	0.7%	1.9%
- net profit margin	1.4%	0.2%	0.8%
- net return on equity	20%	2.0%	7.2%

Effectiveness ratios

- assets turnover ratio	3.7	3.2	2.9
- receivables turnover in days	30	43	42
- liabilities turnover in days	41	44	43
- inventory turnover in days	25	26	24

Liquidity/Net working capital

- debt ratio	68%	67%	64%
- net working capital (PLN '000)	54,158	47,344	50,259
- current ratio	1.2	1.2	1.2
- quick ratio	0.7	0.8	0.9

An analysis of the above figures and ratios indicated the following trends in 2013:

- increase of gross profit margin and net return on equity,
- improvement in assets turnover ratio,
- shortening of receivables, payables and inventory turnover,
- increase of debt ratio,
- increase in net working capital,
- the same level of liquidity ratios compared to prior years.

### **III. DETAILED INFORMATION**

#### **1. Information about the audited consolidated financial statements**

The audited consolidated financial statements were prepared as of 31 March 2014 and include:

- consolidated balance sheet prepared as of 31 March 2014, with total assets and liabilities plus equity of PLN 461,467 thousand,
- consolidated income statement for the period from 1 April 2013 to 31 March 2014, with a net profit of PLN 24,081 thousand,
- consolidated statement of comprehensive income for the period from 1 April 2013 to 31 March 2014, with a total comprehensive income of PLN 24,108 thousand,
- consolidated statement of changes in equity for the period from 1 April 2013 to 31 March 2014, disclosing an increase in equity of PLN 19,888 thousand,
- consolidated cash flow statement for the period from 1 April 2013 to 31 March 2014, showing a cash inflow of PLN 2,804 thousand,
- notes, comprising a summary of significant accounting policies and other explanatory information.

The structure of assets and liabilities plus equity as well as items affecting the financial profit or loss has been presented in the consolidated financial statements.

The audit covered the period from 1 April 2013 to 31 March 2014 and focused mainly on:

- verification of the correctness and fairness of the consolidated financial statements prepared by the Management Board of the Parent Company,
- verification of the consolidation documentation,
- evaluation of the correctness of the consolidation methods and procedures applied during consolidation,
- review of opinions and reports on audits of financial statements of subsidiaries and associated companies included in consolidation, prepared by other certified auditors.

#### **2. Consolidation documentation**

The Parent Company presented the consolidation documentation including:

- 1) financial statements of entities, included in the consolidated financial statements including adjustments to the accounting principles (policy) applied during consolidation,
- 2) financial statements of controlled entities translated into the Polish currency,
- 3) all consolidation adjustments and eliminations necessary for preparation of the consolidated financial statements,
- 4) calculation of the fair value of the net assets of controlled entities,
- 5) calculation of goodwill,
- 6) calculation of non-controlling interests,
- 7) calculation of exchange differences arising from translation of the financial statements of controlled entities denominated in foreign currencies.

### Basis for the preparation of the consolidated financial statements

The consolidated financial statements of the Capital Group for the financial year ended 31 March 2014 have been prepared in accordance with the International Financial Reporting Standards.

### Entities in the Capital Group

The scope and method of consolidation as well as the relationship between entities in the capital group have been determined based on the criteria specified in the International Financial Reporting Standards.

### Financial period

The consolidated financial statements have been prepared as of the same balance sheet date and for the same financial year as the financial statements of the Parent Company – Komputronik S.A. Subsidiaries and associated company included in consolidation prepared their financial statements as of the same balance sheet date as the Parent Company. The financial year of all subsidiaries and associated companies included in consolidation ended on 31 March 2014.

### Consolidation method

The financial statements of the subsidiaries were consolidated using the full method, i.e. full amounts of all relevant items of the financial statements of the Parent Company and the subsidiaries included in consolidation were summed up.

Once the values had been summed up, consolidation adjustments and eliminations were applied to:

- the cost of shares held by the Parent Company in subsidiaries and the part of net assets of subsidiaries corresponding to the interest of the Parent Company in these companies,
- mutual receivables and liabilities of entities included in consolidation,
- material revenue and expenses related to transactions between entities included in consolidation.

The equity method was applied with respect to associated entity. The value of the Parent Company's interest in the associated company was adjusted by increases or decreases in the equity of the associated company attributable to the Parent Company, which occurred in the period covered by consolidation, and decreased by dividends due from such company.

### **3. Completeness and correctness of drawing up notes and explanations and the report on the activities of the Capital Group**

The Parent Company confirmed the validity of the going concern basis in preparation of the consolidated financial statements. The notes to the consolidated financial statements give a correct and complete description of measurement principles regarding assets, liabilities, profit or loss and principles of preparation of the consolidated financial statements.

The Parent Company prepared notes in the form of tables to individual items of the consolidated balance sheet and statement of comprehensive income as well as narrative descriptions, in line with the requirement of IFRS.

Notes describing property, plant and equipment, intangible assets, investments, liabilities and provisions correctly present increases and decreases as well as their basis during the financial year.

Limitations imposed on individual assets disclosed in the consolidated balance sheet arising from security granted to creditors have been described.

Individual assets and liabilities as well as revenue and expenses have been correctly presented by the Parent Company in the consolidated financial statements. The consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement as well as notes which constitute an integral part of the financial statements include all items required for disclosure in the consolidated financial statements under IFRS.

The Management Board prepared and supplemented the consolidated financial statements with a report on the activities of the Capital Group in the financial year ended 31 March 2014. The report contains all information required under Article 49.2 of the Accounting Act and the Ordinance of the Minister of Finance Ordinance of 19 February 2009 on current and periodic information published by issuers of securities and the rules of equal treatment of the information required by the laws of non-member states. We have audited the report with respect to the disclosed information derived directly from the audited consolidated financial statements.

#### **IV. CLOSING COMMENTS**

##### Management Board's Representation

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. and the key certified auditor received a representation letter from the Parent Company's Management Board, in which the Board stated that the Capital Group complied with the laws in force.

.....  
Piotr Waliński  
Key certified auditor  
conducting the audit  
No. 4254

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. – entity authorized to audit financial statements entered under number 73 on the list kept by the National Council of Statutory Auditors:

.....  
Jacek Mateja  
Deputy Chairman of the Management Board of Deloitte Polska Sp. z o.o. - which is the General Partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 16 June 2014