Dear Shareholders,

On behalf of the Company and the Management Board, I present to you the Work Service S.A. Annual Report and the Work Service S.A. Group Annual Report (together "Reports"), summarising the activities of Work Service S.A. and the Work Service S.A. Capital Group ("Group") in 2020.

It was a year of finalising the search for strategic options that had begun earlier and, as a result, finalising the transaction with the strategic investor, the Gi group. The necessity to look for a new strategic investor for the Group, negotiations with banks and bondholders resulted from the balance sheet of our activities in previous years.

Let me remind you of the context of our operational, financial and strategic situation both now and in previous years, which will allow you to summarise the activities of our Group more extensively.

The Group's international expansion period

Thanks to the debut on the Warsaw Stock Exchange in 2012 and the acquisition in 2013 of a financial investor - the Pinebridge fund - the Group obtained a total of approximately PLN 130 million in cash. As a result, in the years 2012-2014 the Group was able not only to continue the policy of domestic and international expansion, but also to significantly accelerate it. In 2012, the Group acquired IT Kontrakt (activities in the field of IT specialists and programmers), in 2013 - Antal International (recruitment services), Work Express (a company specialising in cross-border exchange of employees) and Prohuman (Hungary), and in 2014 we established a joint venture on the German market. Through acquisitions, the Work Service Group pursued the strategy of market consolidation at that time in order to become the industry leader in the Berlin-Moscow-Istanbul triangle.

Based on the acquired companies, in the following years, the Group shaped business centers operating in the temporary employment industry (including Polish, German, Russian, Hungarian, Czech and Slovak businesses) and additionally in the IT, quality control and recruitment industries. Most of these business centers have been characterised by a high degree of operational and financial independence.

However, the historically pursued investment policy shaped such a state that the Polish center, through Work Service S.A., was directly or indirectly a shareholder in foreign entities. As a result, the Polish company had to not only finance acquisitions and their further development, but also incur and recognise acquisition liabilities, e.g. towards minority shareholders of subsidiaries due to further stages of the investment project. At the same time, in addition to its investment activities (and the costs associated with them), the Polish centre ran its local large HR business, which was growing dynamically until 2017, but was not generating (also due to the costs of handling the holding and investment activities) adequate profitability. Additionally, some of the implemented investments did not bring the expected revenues (e.g. the Russian operations, which encountered huge market problems, and operations in Western Europe, which encountered regulatory problems and very high competition).

As a result, the described holding activities and the investment strategy implemented also formed in the balance sheet of Work Service S.A. (in addition to the above-mentioned acquisition obligations) a large bank debt towards the banking syndicate as well as bond and public and law debt, which could *not be repaid from the individual results of Work Service S.A. or from the financial results of consolidated foreign entities because these results were insufficient or the consolidated entities were not 100% dependent on Work Service S.A.*

Disinvestment period

In view of the relatively high debt in relation to results, the process of extensive restructuring activities began in the Work Service Group in 2017. As a result of arrangements with financial creditors, we sold the two best investment projects implemented as part of the development strategy - ITK Group (sale in mid-2017) and Exact Group (sale at the end of 2018), which aimed at significant debt repayment. The next big step of these restructuring processes was the annexation of the terms and conditions of repayment of the remaining liabilities to Polish banks and bondholders in December 2018, which were already reduced after the deinvestment of Exact Group. Work Service then committed to the financial creditors to complete the restructuring process by planning the sale of Hungarian, Czech and Slovak assets (according to estimates, the proceeds from these transactions were to fully satisfy the Polish banks and bondholders) and by concluding agreements with the Social Insurance Institution (ZUS). This process had a significant chance of success, the scale of operations in Poland was to increase along with the profitability of operations, and foreign assets were to be bought.

Over the course of the following months of 2019, it turned out that the Group was facing a confidence crisis, not only among its current and potential clients, but also among a diverse group of institutions and investors. Potential clients and new financial institutions noticed the unfinished restructuring process, which was to last until the full closing of transactions (mainly the Hungarian one, which was supposed to allow for repaying Polish banks) and identified the current liquidity risks. At the turn of 2018 and 2019, we also started to feel the first signs of a slowdown in the automotive sector in Central Europe. All this resulted in a reduction in the scale of operations in Poland, Germany, the Czech Republic and Slovakia in 2019, which forced the Management Board to undertake further restructuring activities in the area of reducing indirect costs of business services. The expected restructuring effect (sale of Hungarian, Czech and Slovak businesses) was not achieved in 2019. As a result, 2019 budgetary targets were not achieved and, in January 2020, we had to apply for the conclusion of new instalment arrangements with ZUS.

Additionally, due to the lack of required progress in finding an investor or financing for the purchase of Prohumán 2004 Kft., as part of a process that began in 2019 based on Human Investors Kft. (a special purpose vehicle established by managers associated with Prohumán and a minority shareholder of Prohumán), in early April 2020, Work Service terminated a call option agreement for Prohumán 2004 Kft. shares, which was granted to Human Investors Kft.

It cannot be denied that as a result of the COVID-19 pandemic, from March / April 2020, almost in the entire Group, we have been observing a decrease in the number of orders and amount of revenues related to the decline in economic activity in Europe. There was a clear and gradual rebound in autumn months, which, also thanks to the stabilisation of our liquidity situation, we are now trying to make the most of.

Review of strategic options and entry into the structures of a global investor in the international HR market, the Gi group.

The Management Board of Work Service, being aware of the risks associated with prolonged deinvestment processes and the ongoing crisis of confidence, began in March 2019, in addition to the activities described above, a wider process of reviewing strategic options. As a consequence of this process: i) in December 2019, we sold the Antal company, and most importantly; ii) after intensive negotiations, there were significant changes made in the shareholding of Work Service S.A. and financing was obtained under the Financing Agreement in the amount of PLN 210 million; iii) parallel to the transaction described above, bondholders were repaid after partial cancellation of the bond debt and a favourable agreement was concluded with the Banks, also providing for a partial cancellation of the debt owed to the Banks. We have presented all this information in detail in the Group's Report for 2020.

These events result in the final and long-term arrangement of the Group's financing structure and, above all, in stabilisation of the assets and capital situation.

Return to the path of organic growth

We must not forget that Work Service S.A., in addition to investment activities and restructuring progress, is mainly, and perhaps above all, extensive business experience in the HR area. As a creator of the HR services market in Poland, despite the past mistakes and difficulties described above, we are still a leading entity in the industry. After years of aggressive development through M&A transactions, we are returning to our roots and organic growth. Over the years, we have invested in the recruitment and then development of leading employees in Poland and the CEE region, who supported the entire cycle of the service that we offer to our Clients. The wide portfolio of satisfied customers proves this fact. We want to develop it further and better with our new strategic investor, the Gi Group.

I would like to emphasise that by taking over the leadership of the group in 2019, at probably the most difficult moment in its history, and continuing to lead until August 2020, when the financing agreement was signed with the new majority shareholder, the Gi Group, I have created a new good future for Work Service S.A. together with our employees. Improvement of our collaboration with the Gi group, looking for synergy on the local market and the potential for further development of the joint Gi Group is extremely important for us. This process will not take place without the continued capital commitment of the Gi Group and the full integration of Work Service and the Gi Group, which I am personally looking forward to.

On behalf of the Management Board and all employees of Work Service, I would like to thank the Shareholders, the Supervisory Board and all Clients and units cooperating with us for the trust we have experienced so far and I would like to invite you to read the Work Service S.A. Annual Report and the Work Service S.A. Group Report for the financial year 2020.

Iwona Szmitkowska

President of the Management Board of Work Service S.A.