



**DIRECTORS' REPORT
ON OPERATIONS
OF
WORK SERVICE
Spółka Akcyjna**

for the period from 1 January to 31 December 2016

Wrocław, 24 April 2017

1. Work Service SA — Company information

Work Service SA with its registered office in Wrocław at ul. Gwiaździsta 66 is entered in the National Court Register kept by the District Court in Wrocław under KRS number 0000083941. The company was established by notarial deed dated 12 December 2000 prepared in a Notary Office in Oleśnica (Repertory A No 7712/2000). The Company was registered on 28 January 2002. Work Service Spółka Akcyjna operates under Polish law. The Company operates primarily on the basis of the Commercial Companies Code and regulations of the General Meeting, Supervisory Board and Management Board. Work Service SA is a company specialising in employment services, in modern human resource solutions, providing services in the area of recruitment, the provision of employees to clients, consultancy and human resources management.

As at the balance sheet date of 31 December 2016, the Management Board of Work Service SA was composed of the following persons:

- Maciej Witucki — President
- Piotr Gajek — Vice-President
- Robert Knights — Vice-President
- Paul Andrew Christodoulou — Vice-President
- Tomasz Ślęzak — Vice-President
- Iwona Szmitkowska — Vice-President

On 13 April 2016 the Management Board of Work Service SA was notified on the resignation of Mr. Hubert Rozpędek from the position of the Vice-President of the Management Board of Work Service S.A. with effect on 30 April 2016. Mr. Hubert Rozpędek indicated that the resignation was caused by personal reasons.

On 13 April 2016 the Management Board of Work Service SA was notified on the resignation of Mr. Dariusz Rochman from the position of the Vice-President of the Management Board of Work Service S.A. with effect on 17 April 2016. Mr. Dariusz Rochman did not indicate reasons of the resignation.

On 13th April the Supervisory Board of the Issuer, acting pursuant to §17(2) of the Company's Articles of Association and §14(2)(b) of the Bye-laws of the Supervisory Board, appointed Mr. Piotr Gajek to perform the duties of Vice-President of the Management Board of Work Service S.A. as of 1 May 2016.

On 13th April 2016 the Supervisory Board of the Issuer, acting pursuant to §17(2) of the Company's Articles of Association and § 14(2)(b) of the Bye-laws of the Supervisory Board, appointed Mr. Adam Pawłowicz to perform the duties of Vice-President of the Management Board of Work Service S.A. as of 18 April 2016.

On 30 December 2016, the Management Board of Work Service S.A. received a letter dated 30 December 2016 containing the resignation of Mr Adam Pawłowicz from the position of the Vice President of the Management Board of Work Service S.A. with effect on 31 December 2016.

As at 31 December 2016, the Supervisory Board of Work Service SA was composed of the following persons:

- Panagiotis Sofianos — Chairman of Supervisory Board
- Tomasz Misiak — Vice-Chairman of the Supervisory Board
- Krzysztof Kaczmarczyk — Member of the Supervisory Board
- Everett Kamin — Member of the Supervisory Board
- Pierre Mellinger — Member of the Supervisory Board
- Piotr Maciej Kamiński — Member of the Supervisory Board
- Robert Ługowski — Member of the Supervisory Board
- Tomasz Hanczarek — Member of the Supervisory Board
- John Leone — Member of the Supervisory Board

The Supervisory Board of Work Service SA in the co-option mode appointed Mr Tomasz Hanczarek as the Member of Supervisory Board. The Resolution shall come into force on 10 January 2016.

On 18th May 2016 the Extraordinary General Meeting of the Issuer, acting pursuant to §12(2) of the Company's Articles of Association, approved the appointment of the member of the Supervisory Board Tomasz Hanczarek made by the Supervisory Board.

On 13th May 2016 the Management Board of Work Service SA received a letter dated on 20 April 2016 containing the resignation of Mr Piotr Żabski from the position of the Member of the Supervisory Board of Work Service S.A. with effect on 17 May 2016. Mr Piotr Żabski did not indicate reasons of the resignation.

On 18th May 2016 the Management Board of Work Service SA received a letter dated on 18 May 2016 containing the resignation of Mr Wiesław Skrobowski from the position of the Member of the Supervisory Board of Work Service SA with effect on 18 May 2016. Mr Wiesław Skrobowski did not indicate reasons of the resignation.

On 18th May 2016 the Extraordinary General Meeting of the Issuer, acting pursuant to §12(5) of the Company's Articles of Association, appointed Mr Krzysztof Kaczmarczyk to perform the duties of Member of the Supervisory Board of Work Service S.A. as of 18 May 2016.

On 18th May 2016 the Extraordinary General Meeting of the Issuer, acting pursuant to §12(5) of the Company's Articles of Association, appointed Mr Robert Ługowski to perform the duties of Member of the Supervisory Board of Work Service SA as of 18 May 2016.

On 1 December 2016, the Management Board of Work Service S.A. received a letter dated 1 December 2016 containing the resignation of Mr. Geza Szephalmi from the position of the Member of the Supervisory Board of Work Service S.A. with effect on 1 December 2016.

On 1 December 2016 shareholder – WorkSource Investments S.a.r.l. – acting according to § 12 sec. 4 of the Articles of Association of Work Service S.A. appointed Mr John Leone for a member of Supervisory Board of Work Service S.A.

Key economic data of Work Service SA

| SPECIFICATION | 01.01.2016– 31.12.2016 | 01.01.2015– 31.12.2015 | 01.01.2016– 31.12.2016 | 01.01.2015– 31.12.2015 |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| Work Service SA | in PLN '000 | in PLN '000 | in EUR '000 | in EUR '000 |
| Sales revenue | 580 771 | 483 493 | 132 727 | 115 536 |
| EBITDA (operating profit + depreciation and amortisation) | -4 728 | 9 587 | -1 081 | 2 291 |
| Profit on sales | -12 409 | 3 887 | -2 836 | 929 |
| Operating profit (EBIT) | -10 117 | 5 860 | -2 312 | 1 400 |
| Gross profit (loss) | -7 251 | 14 864 | -1 657 | 3 552 |
| Net profit (loss) | -2 693 | 14 869 | -615 | 3 553 |
| Net cash flows from operating activities | 29 243 | 4 893 | 6 683 | 1 169 |
| Net cash flows from investing activities | -86 850 | -144 570 | -19 848 | -34 547 |
| Net cash flows from financing activities | 56 782 | 140 079 | 12 977 | 33 474 |
| Total net cash flows | -825 | 402 | -188 | 96 |
| | 31.12.2016 | 31.12.2015 | 31.12.2016 | 31.12.2015 |
| Assets | 855 124 | 744 529 | 193 292 | 174 711 |
| Liabilities and provisions for liabilities | 563 848 | 452 161 | 127 452 | 106 104 |
| Long-term liabilities | 217 447 | 207 637 | 49 152 | 48 724 |
| Short-term liabilities | 342 493 | 241 318 | 77 417 | 56 627 |
| Equity | 291 276 | 292 368 | 65 840 | 68 607 |
| Share capital | 6 509 | 6 509 | 1 471 | 1 528 |
| Supplementary capital | 287 459 | 270 989 | 64 977 | 63 590 |

Selected financial data was presented in EUR in accordance with § 85 section 7 of the Regulation of the Minister of Finances of 19 February 2009 (Journal of Laws 2014 item 133). The exchange rate as of the last day was used for balance sheet items and for items from the income statement and statement of cash flows, the average exchange rate during the period was used.

| | Average EUR exchange rate in the period | EUR exchange rate as at the last day of the period |
|------------------|---|--|
| 01.01-31.12.2016 | 4,3757 | 4,4240 |
| 01.01-31.12.2015 | 4,1848 | 4,2615 |

2. Information about basic products and the structure of sales and revenue of the Company

The core business of the Company includes:

- temporary work — offering work for temporary employees;
- outsourcing, personnel consultancy;
- personnel consultancy.

Temporary work — these services are provided to entities who seek flexible employment solutions due to high volatility of demand for products and services provided. These services enable the customers to optimise the personnel structure of an enterprise, by adjusting the number to such factors as: seasonal growth in production, winning a large order, scheduled vacations, excessive absenteeism and staff rotation, as well as fluctuating manufacturing cycles. By using temporary work services, they are able to adjust, on a daily basis, the number of employees to the current needs, reducing operating costs and focusing on core operations of the company. These services include: searching for and selecting employees, recruitment and induction, supervision and reporting of results, calculation of salary components and maintaining payroll records, as well as payment of remuneration.

Personnel consultancy — this service is offered to companies who search for appropriate specialists for key positions. Work Service carries out a tailored recruitment process using modern tools for assessment of competences and selection of candidates. As part of personnel consultancy services, Work Service SA also verifies currently employed staff in terms of the desired skills needed to achieve goals set for an employee. Based on the independent analysis, the customer may make appropriate changes and plan further development of its personnel, streamline its remuneration system or improve incentive systems.

As part of personnel consultancy, the Company also offers specialist assessment and development centre services, mass recruitment (recruitment of large numbers of employees within a single project, e.g. commercial representatives) and outplacement (preparing employees to change their jobs and active help in finding it). In the process of providing the service, WSSA applies advanced selection tools and access to own, extensive database of candidates.

Outsourcing — this service aims at relieving the entrepreneur from the need to carry out certain auxiliary functions which are necessary for the company's operations, but are outside its core business. By offering this service, the Company assumes responsibility for the entire process and for the final result. Owing to outsourcing services, WSSA's customers may focus their own resources and funds on strategic tasks, achieving transparency of costs and complete control of outsourcing services.

Structure of revenue by sectors

| Sectors | 2016 | | 2015 | |
|----------------------------------|----------------|----------------|----------------|----------------|
| | (PLN '000) | % | (PLN '000) | % |
| Sales and distribution | 10 606 | 1,83% | 13,650 | 2.82% |
| Healthcare services | 31 | 0,01% | -47 | -0.01% |
| Financial and insurance services | 799 | 0,14% | 681 | 0.14% |
| Other services | 177 159 | 30,50% | 159,569 | 33.00% |
| Call centre | 95 050 | 16,37% | 99,453 | 20.57% |
| Administration — other | 10 311 | 1,78% | 11,280 | 2.33% |
| Automotive industry | 133 629 | 23,01% | 61,234 | 12.66% |
| Electronics | 45 919 | 7,91% | 51,902 | 10.73% |
| FMCG | 30 758 | 5,30% | 23,095 | 4.78% |
| Industry — other | 76 479 | 13,15% | 62,652 | 12.96% |
| Engineering | 30 | 0,00% | 24 | 0.00% |
| Total | 580 771 | 100,00% | 483,493 | 100.00% |

Sales structure

| Specification | 2016 | | 2015 | |
|-----------------------|----------------|-------------|----------------|----------------|
| | (PLN '000) | (%) | (PLN '000) | (%) |
| Temporary work | 548 193 | 94,39% | 444,944 | 92.03% |
| Outsourcing | 2 483 | 5,18% | 35,845 | 7.41% |
| Personnel consultancy | 30 095 | 0,43% | 2,704 | 0.56% |
| Total | 580 771 | 100% | 483,493 | 100.00% |

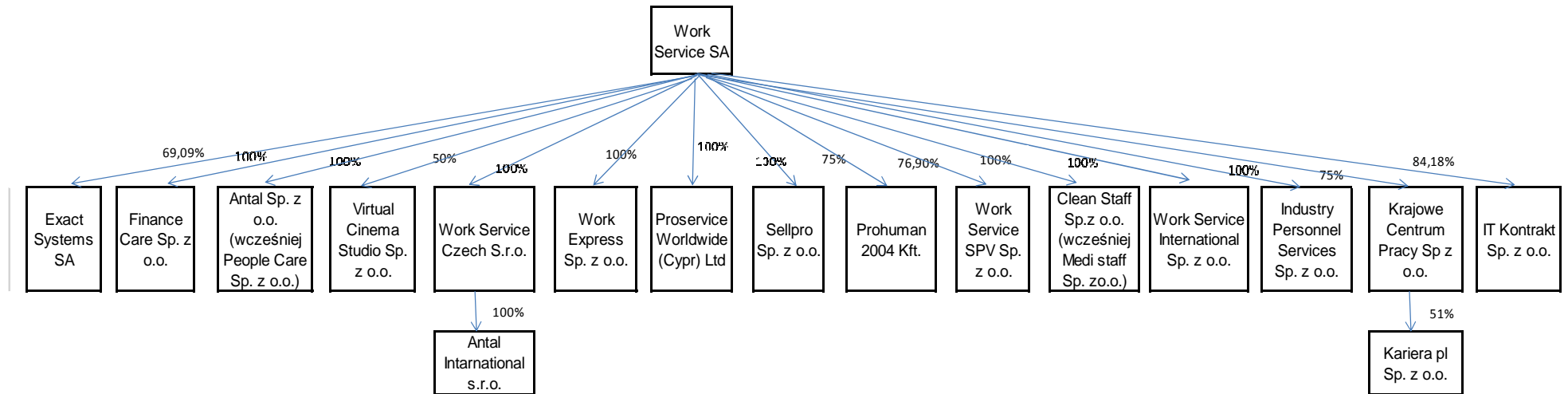
3. Information about concluded agreements significant for the Company's business, including agreements concluded between shareholders, insurance agreements, partnership and cooperation agreements known to the Company

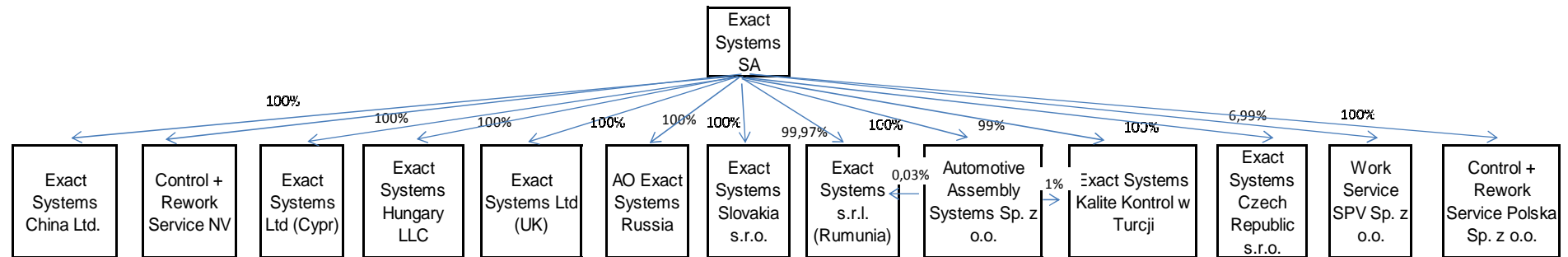
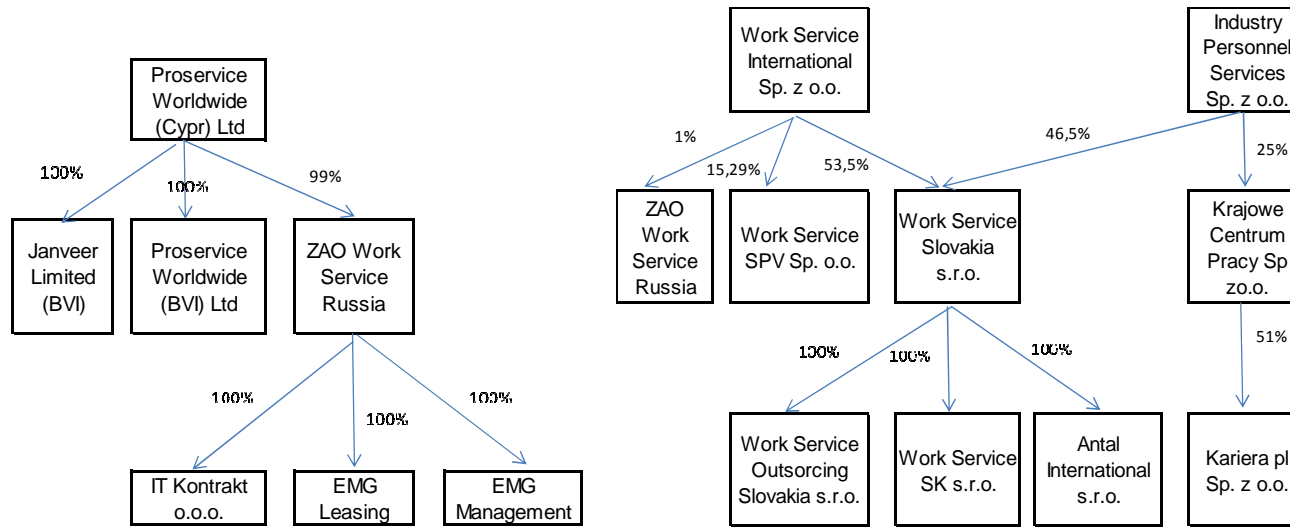
| Sector | Sales revenue in 2016 | Agreement date | Agreement term |
|---|-----------------------|----------------|-----------------|
| Automotive industry Telecommunications | 84 565 667 | 2010-01-04 | Indefinite term |
| Telecommunications | 43 961 583 | 2014-03-01 | Indefinite term |
| Telecommunications | 26 701 913 | 2014-06-26 | Indefinite term |
| Telecommunications | 25 418 571 | 2014-10-06 | Indefinite term |
| Other services | 18 549 441 | 2012-10-11 | Indefinite term |
| Telecommunications | 15 730 608 | 2014-06-26 | Indefinite term |
| Other services | 10 204 710 | 2015-03-30 | Indefinite term |
| Other services | 8 929 134 | 2012-08-28 | Indefinite term |
| Other industry | 7 120 548 | 2015-08-27 | Indefinite term |
| Telecommunications | 6 440 432 | 2003-12-31 | Indefinite term |
| Automotive industry | 6 262 309 | 2009-01-12 | Indefinite term |

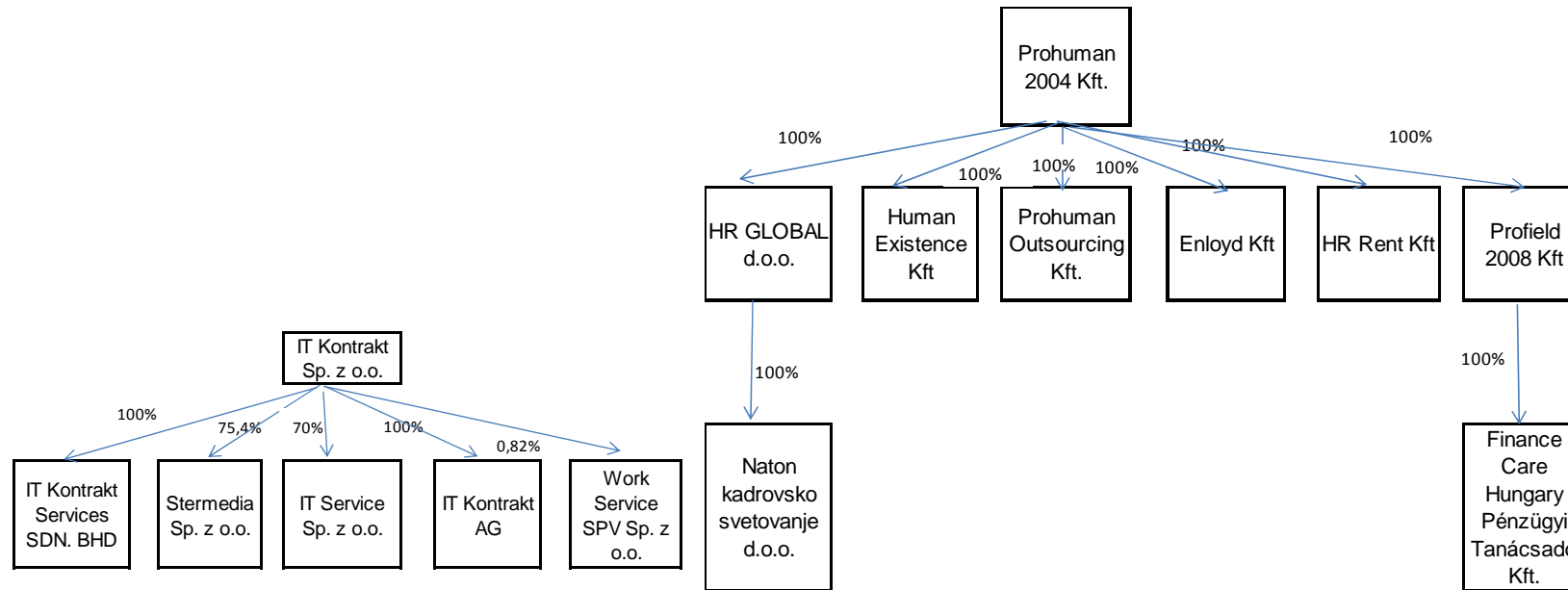
Due to trade secrecy, we provide sectors in which our customers operate instead of the customers' names.

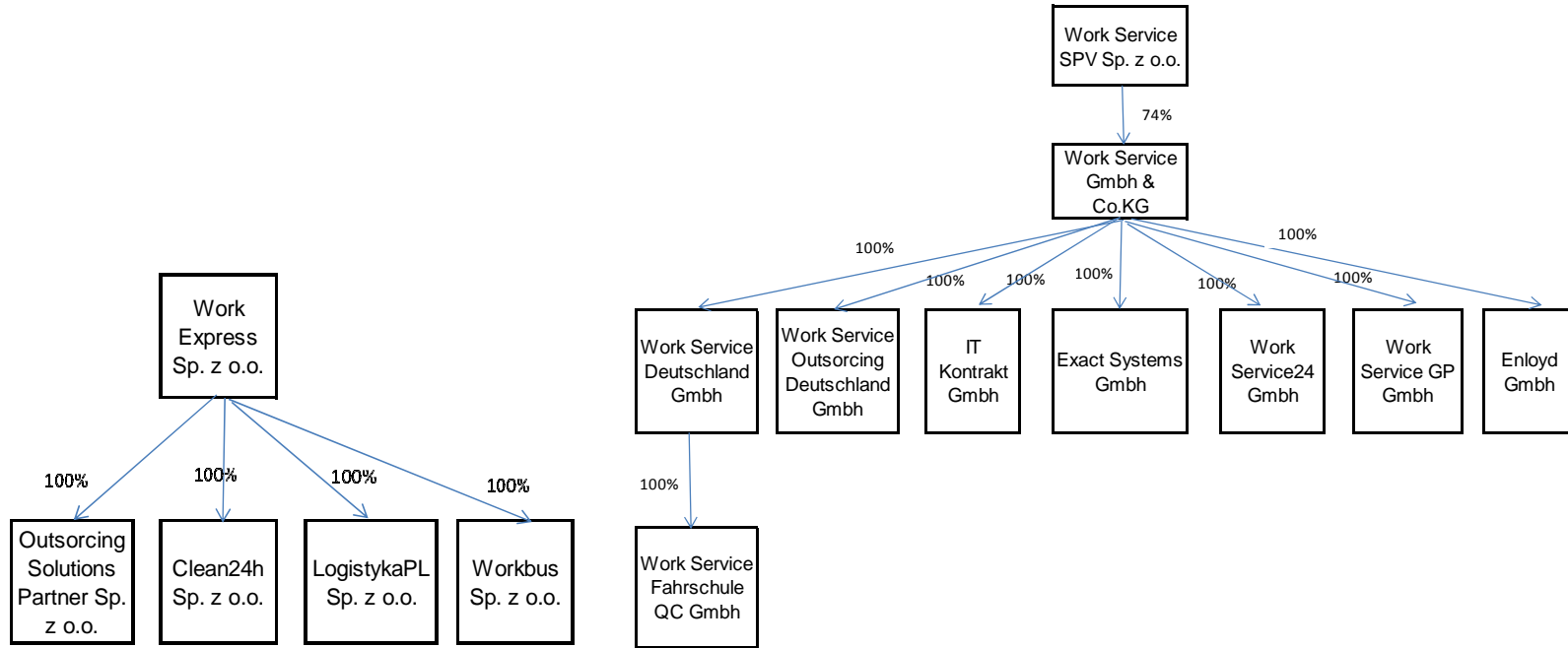
4. Information about organisational links.

Structure of the Work Service Capital Group as at 31 December 2016









5. Related party transactions

5.1. Transactions with equity-related entities

| | FC | IPS | ANT | WSI | czWS | skWS | rumEXT | gerKON | EXT | AAS |
|------------------------|--------------|---------------|--------------|---------------|--------------|--------------|------------|--------|---------------|------------|
| Revenue | 3 464 681,32 | 4 693 702,63 | 4 189 712,79 | 682 112,06 | 2 021 153,01 | 388 531,03 | 0,00 | 500,00 | 15 440 167,83 | 339 907,13 |
| Costs | 221 029,62 | 36 879 273,76 | 964 007,26 | 14 491 844,61 | 969 045,64 | 8 405,32 | 0,00 | 0,00 | 621 865,72 | 0,00 |
| Receivables | 1 262 233,98 | 0,00 | 889 828,32 | 0,00 | 1 979 824,79 | 822 183,44 | 134 627,39 | 0,00 | 31 344,49 | 99 516,23 |
| Long-term liabilities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Short-term liabilities | 3 840 677,68 | 17 029 104,87 | 4 051 873,71 | 11 336 051,28 | 227 653,24 | 0,00 | 0,00 | 0,00 | 15 582 553,78 | 0,00 |
| Borrowings granted | 1 517 552,41 | 0,00 | 1 517 328,83 | 0,00 | 5 967 546,06 | 1 545 078,97 | 0,00 | 0,00 | 38 813 284,95 | 0,00 |

| | cyPRO | zaoPRO | SEL | gerEXT | CLEAN | ruEXT | KCP | ger24WS | skoutWS | itKON |
|------------------------|---------------|---------------|---------------|----------|--------------|-----------|---------------|------------|----------|---------------|
| Revenue | 448 498,08 | 2 407 637,59 | 49 520 814,05 | 0,00 | 384 314,68 | 0,00 | 3 242 967,99 | 50 248,36 | 8 400,00 | 2 515 664,75 |
| Costs | 0,00 | 22,04 | 5 104 534,35 | 0,00 | 371 970,86 | 10 326,31 | 18 605 424,12 | 8 400,00 | 8 405,32 | 1 136 408,52 |
| Receivables | 40 615 684,26 | 9 034 203,47 | 0,00 | 3 190,00 | 27 895,17 | 0,00 | 276 401,24 | 407 496,94 | 0,00 | 99 523,32 |
| Long-term liabilities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Short-term liabilities | 0,00 | 0,00 | 22 512 038,37 | 0,00 | 5 945 209,44 | 0,00 | 1 898 279,94 | 51 129,09 | 0,00 | 33 023 752,76 |
| Borrowings granted | 11 696 134,11 | 24 075 998,92 | 0,00 | 0,00 | 308 094,02 | 0,00 | 1 934 599,30 | 22 436,02 | 0,00 | 0,00 |

| | cyLWS | cyLEXT | presWS | presBUS | presLOG | presCL | presOSP | humPRO | humOUT | fiegSPV |
|------------------------|------------|----------|---------------|------------|--------------|------------|--------------|---------------|----------|---------------|
| Revenue | 654 007,50 | 0,00 | 5 806 058,99 | 43 455,10 | 810 771,89 | 44 841,54 | 2 076 632,72 | 51 663,44 | 8 400,00 | 331 576,35 |
| Costs | 0,00 | 0,00 | 3 431 926,14 | 81 499,72 | 4 775 811,98 | 231 794,65 | 300 858,65 | 2 803 250,38 | 8 400,00 | 0,00 |
| Receivables | 0,00 | 5 827,07 | 527 103,42 | 6 588,85 | 6 418,28 | 6 834,18 | 0,00 | 23 598,24 | 8 400,00 | 84 084,00 |
| Long-term liabilities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Short-term liabilities | 0,00 | 0,00 | 26 308 466,22 | 103 944,32 | 1 789 094,97 | 213 388,12 | 21 189,42 | 50 090 287,12 | 8 400,00 | 0,00 |
| Borrowings granted | 0,00 | 0,00 | 8 531 599,88 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 10 338 241,80 |

| | fiegOUT | fiegKG | humEXI | antCZ | antGER | antSK | anthU | trKON | crsPEXT | natSLV |
|------------------------|----------------|---------------|---------------|--------------|---------------|--------------|--------------|--------------|----------------|---------------|
| Revenue | 8 400,00 | 33 735,39 | 8 400,00 | 500,00 | 10 121,53 | 6 975,22 | 14 719,39 | 0,00 | 161 383,28 | 1 860,00 |
| Costs | 8 400,00 | 8 400,00 | 8 400,00 | 0,00 | 8 400,00 | 0,00 | 8 400,00 | 0,00 | 0,00 | 0,00 |
| Receivables | 8 400,00 | 30 917,69 | 8 400,00 | 500,00 | 17 123,58 | 6 975,22 | 8 400,00 | 5 706,30 | 1 343,76 | 50,56 |
| Long-term liabilities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Short-term liabilities | 8 400,00 | 145 741,59 | 8 400,00 | 0,00 | 0,00 | 0,00 | 8 400,00 | 200 134,00 | 0,00 | 0,00 |
| Borrowings granted | 0,00 | 3 531 085,07 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 3 086 125,60 | 0,00 |

| | humFIE | skWSK | KAR | skEXT | sterKON | fiegWS | humHR | fiegKG | skWSK | Total |
|------------------------|---------------|--------------|------------|--------------|----------------|---------------|--------------|---------------|--------------|----------------|
| Revenue | 8 400,00 | 545 449,46 | 465 721,08 | 0,00 | 24 800,00 | 129 329,45 | 8 400,00 | 33 735,39 | 545 449,46 | 101 054 615,63 |
| Costs | 8 400,00 | 0,00 | 0,00 | 314 851,14 | 1 864 024,18 | 8 400,00 | 8 400,00 | 8 400,00 | 0,00 | 93 280 640,29 |
| Receivables | 8 400,00 | 550 699,52 | 572 836,93 | 0,00 | 16 359,00 | 127 929,44 | 8 400,00 | 30 917,69 | 550 699,52 | 57 725 249,08 |
| Long-term liabilities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Short-term liabilities | 8 400,00 | 0,00 | 0,00 | 314 188,58 | 364 886,95 | 0,00 | 8 400,00 | 145 741,59 | 0,00 | 195 100 045,45 |
| Borrowings granted | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 3 543 168,74 | 0,00 | 108 099 950,67 |

Glossary — Work Service Capital Group Companies

| ABBREVIATION | NAME |
|-----------------|---|
| WSSA | Work Service S.A. |
| IPS | I Industry Personnel Services Sp. z o.o. |
| ANT | ANTAL Sp.z o.o. |
| FC | Finance Care Sp. z o.o. |
| WSI | Work Service International Sp. z o.o. |
| SEL | Sellpro Sp. z o.o. |
| CLEAN | Clean Sp.z o.o. |
| KCP | Krajowe Centrum Pracy Sp.z o.o. |
| EXT | Exact Systems S.A. |
| AAS | Automotive Assembly Systems Sp. z o.o. |
| skEXT | Exact Systems S owacja s.r.o. |
| czEXT | Exact Systems Czech Republic s.r.o. |
| gerEXT | Exact Systems GmbH |
| ruEXT | Zao Exact Systems |
| rumEXT | Exact Systems s.r.l. |
| turEXT | Exact Systems Kalite Kontrol Ltd. Sti. |
| skWS | Work Service Slovakia s.r.o. |
| skoutWS | Work Service Slovakia Outsourcing s.r.o. |
| czWS | Work Service Czech s.r.o. |
| ger24WS | Work Service 24 GmbH |
| cyPRO | Proservice Worldwide Limited |
| bviPRO | Proservice Worldwide Limited (BVI) |
| zaoPRO | ZAO Work Service Russia |
| itKON | IT Kontrakt |
| gerKON | IT Kontrakt GmbH |
| sterKON | Stermedia sp. z o.o. |
| cyLEXT | Exact Systems Ltd |
| presWS | WorkExpress Sp.zo.o. |
| ukEXT | Exact Systems Ltd (UK) |
| presBUS | Workbus Sp.z o.o. |
| presLOG | LogistykaPL Sp.z o.o. |
| presCL | Clean24h Sp.z o.o. |
| presOSP | Outsourcing Solutions Partner Sp.o.o. |
| humPRO | Prohuman 2004 Kft |
| humOUT | Prohuman Outsourcing Kft |
| fiegSPV | Work Service SPV Sp.zo.o. |
| fiegGP | Work Service GP GmbH |
| fiegWS | Work Service Deutschland GmbH |
| fiegOUT | Work Service Outsourcing Deutschland GmbH |
| fiegKG | Workservice GmbH & Co.KG |
| humEXI | Human Existence Kft |
| swissKON | IT Kontrakt AG |
| antGER | Enloyd GmbH |
| antCZ | Antal International s.r.o.(Czechy) |
| antSK | Antal International s.r.o. (S owacja) |
| antHU | Enloyd Kft |

| | |
|----------------|---------------------------------------|
| mgtPRO | OOO EMG-Management |
| leasPRO | OOO EMG-Leasing |
| hunEXT | Exact Systems Hungary Kft |
| trKON | IT Service Sp. z o.o. |
| janePRO | Janeever |
| fiegWSF | Work Service Fahrshuhe QC GmbH |
| crsPEXT | Control+Rework Service Sp. z o. o. |
| crsBEXT | Control+Rework Service NV |
| natHR | HR Global d.o.o. |
| natSLV | Naton kadrovsko-svetanoje d.o.o. |
| humHR | HR-Rent Kft |
| humFIE | Profield 2008 rt kes t s T mogat Kft. |
| itkPRO | IT Kontrakt OOO |
| chnEXT | Exact Systems China Limited |
| skWSK | Work Service SK s.r.o. |
| malKON | It Kontrakt Services Sendirian Berhad |
| KAR | Kariera.pl Sp.zo.o. |
| humFC | Finance Care Hungar Kft |

5.2. Transactions with personally related entities

| 2016 | Hubert Rozpdek | Prologics UK | PTM Pawlos Mandzios | Pawlos Mandzios | Rochamn Dariusz GRUPA AIDE | Everett Kamin | Worksource Investments S.A.R.L. |
|-------------|----------------|--------------|---------------------|-----------------|----------------------------|---------------|---------------------------------|
| Revenue | 500,00 | 178 365,76 | 856,87 | 175,49 | 20 603,02 | 4 415,66 | |
| Costs | | 913 531,72 | | | | | |
| Receivables | 500,00 | 978 365,76 | 856,87 | 175,49 | 20 603,02 | 4 415,66 | |
| Liabilities | | | | | | | 587 810,61 |

| 2016 | Christodoulos G. Vassiliades and Co LLC | Panos N. Sofianos | Hanna Witucka | Dariusz Rochman | Tomasz Hanczarek | Ewa Misiak | Tomasz Misiak |
|-------------|---|-------------------|---------------|-----------------|------------------|------------|---------------|
| Revenue | | | | | | | |
| Costs | 4 712,42 | | 6 899,07 | | 256 834,38 | | 560 460,54 |
| Receivables | | | | 97,76 | 52 424,13 | 15 301,62 | 39 478,13 |
| Liabilities | 4 712,42 | 63 001,88 | 6 899,07 | 2 070,16 | | 1 815,98 | |

| 2016 | Tomasz Ślęzak | Robert Knights | Maciej Witucki | Paul Christodoulou | Tomasz Hanczarek Doradztwo | Total |
|-------------|---------------|----------------|----------------|--------------------|----------------------------|--------------|
| Revenue | | | | | | 204 916,80 |
| Costs | 409,17 | | | | | 1 742 847,30 |
| Receivables | | 250 967,66 | 1 980,46 | 425 679,33 | 15 000,00 | 1 805 845,89 |
| Liabilities | 409,17 | | | | | 666 719,29 |

| 2015 | Prologic UK | PTM Pawlos Mandzios | Pawlos Mandzios | Everett Kamin | Workseource Investments S.A.R.L. | Panos N. Sofianos | Dariusz Rochman |
|-------------|-------------|---------------------|-----------------|---------------|----------------------------------|-------------------|-----------------|
| Revenue | 0,00 | 1 029,49 | 175,49 | | 0,00 | | |
| Costs | 266 013,29 | 0,00 | | 73 438,14 | 72 899,35 | 63 001,88 | |
| Receivables | 0,00 | 1 029,49 | 175,49 | | 0,00 | | 156 289,55 |
| Liabilities | 0,00 | 0,00 | | 73 438,14 | 0,00 | 63 001,88 | |

| 2015 | Tomasz Hanczarek | Ewa Misiak | Tomasz Misiak | Tomasz Ślęzak | Robert Knights | Paul Christodoulou | Total |
|-------------|------------------|------------|---------------|---------------|----------------|--------------------|---------------------|
| Revenue | | | | | | | 1 204,98 |
| Costs | 50 359,84 | | 142 622,56 | 403,70 | 484,00 | | 669 222,76 |
| Receivables | 50 000,00 | 14 168,27 | 12 451,41 | | 251 451,66 | 561 954,96 | 1 047 520,83 |
| Liabilities | | | | 403,70 | 484,00 | | 137 327,72 |

6. Information on material transactions with related parties concluded by the Company on terms other than at arm's length.

Transactions with related parties are concluded on an arm's length basis.

7. Information about guarantees and sureties

| 7.1. Contingent liabilities | | | |
|-------------------------------|--|----------------|----------------|
| Title of contingent liability | Type of collateral | 31.12.2016 | 31.12.2015 |
| Loan collateral* | transfer of ownership of the financed assets | - | - |
| | assignment of receivables | 0.00 | 0.00 |
| | blank promissory note with a blank promissory note agreement | - | - |
| | surety | 82 880 000,00 | 82,880,000.00 |
| | bank enforcement title | 315 000 000,00 | 216,000,000.00 |
| | registered pledge on movable property | - | - |
| Lease collateral | registered pledge on assets | - | - |
| | blank promissory note with a blank promissory note agreement | 4 144 375,13 | 4,878,476.94 |
| Performance guarantee | endorsement | - | - |
| | guarantee | 9 294 100,46 | 4,360,296.87 |

* up to the actual amount of loans taken, together with additional costs, i.e. up to the amount of bank performance titles issued.

Investment agreement of 5 August 2016 concluded between Work Service S.A., Exact Systems S.A., Paweł Gos, Lesław Walaszczyk, Tomasz Wojciech Misiak, Tomasz Hanczarek and other investors

On 5 August 2016, Work Service, Exact Systems S.A., Paweł Gos, Lesław Walaszczyk, Tomasz Wojciech Misiak, Tomasz Hanczarek and other investors concluded an investment agreement defining the terms of investors' investments in shares of Exact Systems S.A., lock-up of the ability to dispose of or pledge the shares of the Company (Exact Systems S.A.) acquired by the investors and exit of the investors from this investment.

In order to implement the investment agreement, on 4 August 2016, the General Meeting of Shareholders of the Company adopted resolution to increase the Company's share capital by issuing 56,950 registered shares

of the Company of series B, BA, BB, BC, BD, BE, BF, BG, BH (“Series B Shares”) with exclusion of pre-emptive rights, and the Company offered these shares to the investors at an issue price of PLN 300 per share (“Issue Price”) to obtain funds for acquisitions and for the implementation of its organic growth, as well as for the optimisation of its financing structure.

The investors took up all the Company shares offered, representing approximately 5.3881% of the total number of shares in Exact Systems S.A. and accounting for approximately 5.3881% of votes at the General Meeting for the total amount of PLN 17,085,000 with the intention of obtaining a favourable return on investment in the Company by selling the Company’s shares on the private market (to the Company, to a majority shareholder of the Company or to a strategic investor) or regulated market (in the case of introducing the Company’s shares to trading on a regulated market).

Pursuant to the agreement, the investors guarantee that the Company may acquire — after the period of 6 months from the date of signing the Agreement and until 18 November 2018 — Series B Shares at the Company’s request (Call Option), on condition of receiving a fixed remuneration from the Company. Acquisition by the Company of Series B Shares, i.e. exercising of the Call Option, will be carried out — according to the decision of the Management Board — pursuant to Article 362 § 1 item 8 of the Code of Commercial Companies (for further resale) or pursuant to Article 362 §1 item 5 of the Code of Commercial Companies (for redemption). The Management Board has the right to decide how many shares to acquire and in what mode. The sale price of Series B Shares for the purpose of exercising the Call Option was determined in accordance with the formula set out in the investment agreement, depending on the date of execution of the Call Option. On 21 September 2016, the Company made a statement in which it committed itself to the investors not to exercise the Call Option. The commitment not to exercise the Call Option is effective from the date of approval of the Prospectus to the date of completion of 90% of issue objectives indicated by the Company in the Prospectus.

The agreement will remain in force as long as any of the investors is a shareholder of the Company, but no longer than until 31 December 2020.

Investment agreement of 24 November 2016 concluded between Work Service, Exact Systems S.A., Paweł Gos, Lesław Walaszczyk, Tomasz Wojciech Misiak, Tomasz Hanczarek and other investors.

On 24 November 2016, Work Service, Exact Systems S.A., Paweł Gos, Lesław Walaszczyk, Tomasz Wojciech Misiak, Tomasz Hanczarek and other investors concluded an investment agreement defining the terms of investors’ investments in shares of Exact Systems S.A., lock-up of the ability to dispose of or pledge the shares of the Company acquired by the investors and exit of the investors from this investment.

In order to implement the investment agreement, on 24 November 2016, the General Meeting of Shareholders of the Company adopted resolution to increase the Company’s share capital by issuing 43,500 registered shares of the Company of series C, CA, CB, CC, CD, CE, CF, CG, CH (“Series C Shares”) with exclusion of pre-emptive rights, and the Company offered these shares to the investors at an issue price of PLN 30 per share (“Issue Price”) to obtain funds for acquisitions and for the implementation of its organic growth, as well as for the optimisation of its financing structure.

The investors took up all the Company shares offered, representing approximately 3.914% of the total number of shares in Exact Systems S.A. and accounting for approximately 3.914% of votes at the General Meeting for the total amount of PLN 12,915,000 with the intention of obtaining a favourable return on investment in the Company by selling the Company’s shares on the private market (to the Company, to a majority shareholder of the Company or to a strategic investor) or regulated market (in the case of introducing the Company’s shares to trading on a regulated market).

Pursuant to the agreement, the investors guarantee that the Company may acquire — after the period of 6 months from the date of signing the Agreement and until 18 November 2018 — Series C Shares at the

Company's request (Call Option), on condition of receiving a fixed remuneration from the Company. Acquisition by the Company of Series C Shares, i.e. exercising of the Call Option, will be carried out — according to the decision of the Management Board — pursuant to Article 362 § 1 item 8 of the Code of Commercial Companies (for further resale) or pursuant to Article 362 §1 item 5 of the Code of Commercial Companies (for redemption). The Management Board has the right to decide how many shares to acquire and in what mode. The sale price of Series C Shares for the purpose of exercising the Call Option was determined in accordance with the formula set out in the investment agreement, depending on the date of execution of the Call Option. The estimate exercise value of the Call Option for all Series C Shares ranges from PLN 14,723,100 to PLN 16,501,477 (without the value of possible adjustments reducing those values by the amount of dividends and remuneration for the Lock-up Period).

Under the agreement, the Company guarantees to the investors that the Company will acquire, upon their request submitted to the Company between 19 November 2018 and 19 January 2019, Series C Shares (Put I Option). Should the Company fail to exercise the Put I Option between 20 March 2019 and 20 April 2019, Work Service guarantees to the investors that these shares will be acquired by Work Service or an entity designated by Work Service (Put II Option). Acquisition by the Company of Series C Shares, i.e. exercising of the Put I Option, will be carried out pursuant to Article 362 § 1 item 8 of the Code of Commercial Companies (for further resale) or pursuant to Article 362 §1 item 5 of the Code of Commercial Companies (for redemption). The Company has the right to decide how many shares to acquire and from whom.

The agreement will remain in force as long as any of the investors is a shareholder of the Company, but no longer than until 31 December 2020.

The Company valued the put options embedded in the above investment agreements using the Cox-Ross-Rubinstein model. The valuation was based on the following assumptions:

Share price as at the valuation date – as the Company is not listed at the stock exchange at the end of 2016 and on the date of launching the investment programs, the valuation was based on the share issue price.

Dividend – it was assumed that the Company will pay dividends for 2016, 2017 and 2018.

Price volatility of the underlying instrument was estimated using historical data and based on sectoral volatility.

The option value as at the date of conclusion of the investment agreements and as at the balance sheet date is as follows:

valuation of the Put II Option in

| PLN | series B | series C | total |
|------------------------|---------------|---------------|---------------|
| as at 31 December 2016 | 22 236 241.40 | 16 537 614.45 | 38 773 855.85 |

As at 31 December 2016, the Company disclosed the value of the Put II Option valuation as a contingent liability.

On 24 February 2016, a Factoring Agreement (with client's policy) and Factoring Agreement (without policy) were signed by the Issuer.

The subject matter of the Agreement is:

Financing the Issuer and its subsidiaries (IT Kontrakt Sp. z o.o., Work Express Sp. z o.o.) in the amount of PLN 37,000,000 by Raiffeisen Bank Polska S.A.

The Agreement provides for establishing of standard collateral for this type of agreements, including in particular:

1. Assignment of rights to compensation under the policy in relation to counterparties' liabilities covered by the Factoring Agreement.

2. Promissory note declaration pursuant to the Civil Law issued to the Issuer.

3. Authorisation to bank accounts.

The Factoring Agreement does not deviate from market standards followed in similar factoring agreements. The said Agreement meets the criteria for recognition as valid agreement due to the fact that its value exceeds the equivalent of at least 10% of the Issuer's equity.

On 15 June 2016, Work Service SA signed Annex No 3 to the Framework Agreement on concluding treasury transactions at Bank Millennium S.A. together with the agreement on transfer of ownership of monetary amounts No 4686/13/410/04 of 12 June 2013.

The Subject matter of the Annex is:

Increasing the Treasury Limits granted to the Issuer,

Establishing collateral for the Framework Agreement in the form of a Notarial Deed,

Introducing changes to the wording of the "Rules for Spot, Futures and Derivative Transactions in Bank Millennium S.A." within the scope of the definitions of Interest Basis, DREF/BREF and the formulas for calculating the interest periods.

Detailed conditions of the Annexes to the Agreement within the scope of concluding treasury transactions do not differ from market standards used in similar agreements.

On 18 November 2015, a loan agreement was signed between Bank BGŻ BNP Paribas S.A. as the creditor and agent, banks: Millennium S.A., Raiffeisen Bank Polska S.A., Bank Zachodni WBK S.A. as creditors and Work Service SA as the borrower, and guarantors.

Under this agreement, the above creditors granted a working capital loan aimed at financing working capital of the Work Service Group, including in particular for the refinancing of repaid debt and debt repaid in 2015, as well as refinancing loan for refinancing of an acquisition loan. On 30 December 2016, a working capital credit agreement was signed with PKO BP Bank Polski. Under this agreement, the bank provided the Company with cash to be used for the financing of working capital needs or acquisition liabilities. Main liabilities under the refinancing loan and working capital loan, in accordance with the loan agreement, are presented in the following table:

| Creditor | Liabilities under the refinancing loan | Liabilities under the working capital loan |
|--|--|--|
| Bank BGŻ BNP Paribas S.A. | 12 112 500 PLN | PLN 32,000,000 |
| Bank Millennium S.A. | 12 112 500 PLN | PLN 32,000,000 |
| Bank Zachodni WBK S.A. | 12 112 500 PLN | PLN 32,000,000 |
| Raiffeisen Bank Polska S.A. | 12 112 500 PLN | PLN 32,000,000 |
| Powszechna Kasa Oszczędności Bank Polski S.A. | | PLN 55,000,000 |

Collaterals to the loan agreement

- Assignment of receivables,
- Pledge on bank accounts,
- Pledge on shares,
- Pledge on receivables,
- Authorisation to bank accounts,
- Submission to enforcement,
- Subordination agreement,
- Mortgages.

| No. | Surety on behalf of | Promissory note beneficiary | Surety subject | Agreement date | Agreement expiry date | Amount covered by the surety (gross) |
|-----|--|-------------------------------|---|--|-----------------------|--------------------------------------|
| 1. | Sellpro Sp. z o.o. | BNP PARIBAS factor Sp. z o.o. | Amount receivable under a factoring agreement | Annex increasing the limit dated 19 October 2015 | Indefinite term | 41 800 000,00 |
| 2. | Finance Care Sp. z o.o. | BNP PARIBAS factor Sp. z o.o. | Amount receivable under a factoring agreement | Annex increasing the limit dated 19 October 2015 | Indefinite term | 41 800 000,00 |
| 3. | Industry Personnel Services Sp. z o.o. | BNP PARIBAS factor Sp. z o.o. | Amount receivable under a factoring agreement | Annex increasing the limit dated 19 October 2015 | Indefinite term | 41 800 000,00 |
| 4. | Work Service International Sp. z o.o. | BNP PARIBAS factor Sp. z o.o. | Amount receivable under a factoring agreement | Annex increasing the limit dated 19 October 2015 | Indefinite term | 41 800 000,00 |
| 5. | IT Kontrakt Sp. z o.o. | BNP PARIBAS factor Sp. z o.o. | Amount receivable under a factoring agreement | 1 October 2014/ launching + Annex increasing the limit dated 19 October 2015 | Indefinite term | 41 800 000,00 |
| 6. | Work Express Sp. z o.o. | BNP PARIBAS factor Sp. z o.o. | Amount receivable under a factoring agreement | 1 October 2014/ launching + Annex increasing the limit dated 19 October 2015 | Indefinite term | 41 800 000,00 |
| 7. | Industry Personnel Services Sp. z o.o. | BZWBK Factor Sp. z o.o. | Amount receivable under a factoring agreement | 23 November 2015/ launching | 30.09.2017 | 37 500 000,00 |
| 8. | Finance Care Sp. z o.o. | BZWBK Factor Sp. z o.o. | Amount receivable under a factoring agreement | 23 November 2015/ launching | 30.09.2017 | 37 500 000,00 |
| 9. | Sellpro Sp. z o.o. | BZWBK Factor Sp. z o.o. | Amount receivable under a factoring agreement | 23 November 2015/ launching | 30.09.2017 | 37 500 000,00 |
| 10 | Industry Personnel Services Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 3 June 2016 | 09.05.2017 | 41 800 000,00 |
| 11 | Sellpro Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 18 August 2015 | 09.05.2017 | 41 800 000,00 |
| 12 | Finance Care Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 2 June 2016 | 09.05.2017 | 41 800 000,00 |

| | | | | | | |
|----|--|-----------------------------|---|---|------------|---------------|
| 13 | Exact Systems S.A. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 30May 2016 | 09.05.2017 | 41 800 000,00 |
| 14 | Automotive Assembly Systems Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 30May 2016 | 09.05.2017 | 41 800 000,00 |
| 15 | Work Service International Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 16 June 2016 | 09.05.2017 | 41 800 000,00 |
| 16 | Antal Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 16 June 2016 | 09.05.2017 | 10 000 000,00 |
| 17 | Krajowe Centrum Pracy Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 23 June 2016 | 09.05.2017 | 10 000 000,00 |
| 18 | Logistyka Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Annex increasing the limit dated 16 June 2016 | 09.05.2017 | 10 000 000,00 |
| 19 | Outsourcing Solutions Partner Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Agreement concluded on 13 April 2015 + Annex increasing the limit dated 26 June 2015. Annex increasing the limit dated 16 June 2016 | 09.05.2017 | 41 800 000,00 |
| 20 | Work Express Sp. z o.o. | Bank Millennium S.A. | Amount receivable under a factoring agreement | Agreement concluded on 9 April 2015 + Annex increasing the limit dated 26 June 2015. Annex increasing the limit dated 18 July 2016 | 09.05.2017 | 10 000 000,00 |
| 21 | IT Kontrakt Sp. z o.o. | Raiffeisen Bank Polska S.A. | Amount receivable under a factoring agreement | 2 September 2014/ launching + Annex increasing the limit dated 9 February 2016 | 09.05.2019 | 37 000 000,00 |
| 22 | Work Express Sp. z o.o. | Raiffeisen Bank Polska S.A. | Amount receivable under a factoring agreement | 2 September 2014/ launching + Annex increasing the limit dated 4 February 2016 | 09.05.2019 | 37 000 000,00 |

8. Information about agreements acknowledged by the Company with a possible future effect on the current ownership structure of the current shareholders and bondholders. Evaluation of the ability to complete the investment plans, including equity investments, in relation to owned assets, including the possible changes in the financing structure of these activities

There are no agreements in the Parent Company with a possible future effect on the current ownership structure of the current shareholders and bondholders.

9. System of control over employee share incentive programs

Managers programme

On 27 June 2013 The Annual General Meeting of the Company Work Service SA by Resolution No. 24/2013 adopted the Incentive Program addressed at executives, including members of the Management Board and key employees Capital Group Work Service. The program is based on the subscription warrants – its objective is:

- to motivate Key managers to increase the scale and profitability of the business in the long term and
- to ensure stability of the management by the permanent binding with the Capital Group.

The Incentive Programme will be implemented in years 2013-2017. Within its framework up to 2.5% of the total number of shares as at the date of adoption of the program, i.e. 1,498,700 shares can be issued. These shares will be distributed in the following way:

- entitled Key Managers will cover warrants for the duration of the Programme on an annual basis,
- warrants will be converted into shares on 30 June 2018 with the exception of warrants granted to entitled key Managers, who were employed by the Company for less than 18 months during the Programme - warrants shall be transferred to the reserve and will be used at the discretion of the Supervisory Board,
- warrants will be issued on 30 June of each calendar year beginning on 30 June 2014. Based on the audited results for 2013 to 30 June 2018 based on the audited results for 2017 in five separate emissions,
- number of warrants subscribed for by Entitled Key Managers each year will depend on the implementation of the budget for the year in relation to the Business Plan, with maximal number of warrants to be issued for each year is 291,000. Furthermore:
 - if the actual value of the EBIT at the consolidated level will be equal to the value of the planned EBIT or exceeds this value, the maximum number of warrants will be issued,
 - if the actual value of EBIT, on a consolidated level will fall within the range of 85% to 100% of the planned value of EBIT, number of warrants issued for the year will rise in proportion from 0% for the implementation of the plan at 85% or below 85%, to 291,000 for the implementation of the plan at 100% or more,
- all warrants, which will not be distributed for any reason, will be transferred to the reserve, which may be allocated by the Supervisory Board at its discretion,
- the shares, to which the warrants will be exchanged, will be subject to blockade preventing their disposal until the disposal of all the shares of the Company by WorkService Investments S. à r l.

- additional condition for determining acquisition of rights is remaining in the employment relation for the duration of the Programme. If the Entitled Key Manager resigns from work for serious health reasons and will be unable to work or will be dismissed during the Programme, he will be entitled to subscribe for warrants under the Programme only for the period of his employment with the Company (100% of the warrants vested to the last day of work). If the Entitled Key Manager resign for reasons other than health during the Programme, he will be entitled to subscribe for 50% of warrants under Programme for the period of his employment.

The costs of Incentive Programme - description plus valuation.

The valuation of Incentive Programme was based on the analytical model of Black-Scholes-Merton. The valuation includes the number of warrants to be issued which was determined on the basis of the value of the expected business objective implementation (nonmarket condition), during the vesting period for Entitled Key Managers. The valuation of warrants for the years 2013–2015 was a certain valuation, and the valuation for the years 2016–2017 is a provisional valuation. It is justified to recognise warrants not granted in the valuation of the Programme due to the fact that the Entitled Persons provide services and the valuation made takes into account the possibility of achieving the business objective. Until warrants for the years 2016–2017 are granted, the programme valuation is updated on a quarterly basis.

The basic assumptions of the valuation

The basic assumptions for the valuation of options, which entitle to subscribe for the warrants, are presented in the following table. Volatility of share price was estimated based on the historical volatility rate of return on the shares of the Company Work Service SA in the period from the date of stock exchange debut until the adoption of Incentive Programme, i.e. from 26 April 2012 to 28 June 2013.

| Assumptions for option pricing | | |
|---------------------------------------|---------------------------------------|-------------|
| No. | Specification | Date/Value |
| 1. | Date of grant | 2013-06-27 |
| 2. | The last possible date of exercise | 2018-06-30 |
| 3. | The lifetime of the option | 5.010958904 |
| 4. | The current price of the basic shares | 8.89 |
| 5. | The exercise price | 0.10 |
| 6. | Coefficient of variation | 0.203997781 |
| 7. | Risk-free rate | 3.00% |
| 8. | Dividend payout ratio | 2.81% |

(*)Risk-free rate was adopted on the basis of the interest rates on bonds with fixed interest rate and term - DOS0515.

Given the above, the total number of options to be issued on the balance sheet date, i.e. 31 December 2016 is 742,006,00 which at the value of option of the valuation based on the model used – PLN 7,63, gives the value of Incentive Programme equal to PLN 5,664,115.32

*On the basis of the applied valuation model, i.e. the Black–Scholes–Merton model, the value of one option is 7.633516868... – what multiplied by the total number of warrants to be issued, i.e. 742,006 produces the value of the managers programme of 5,664,115.32. For presentation purposes, the value of options was provided to 2 decimal places.

Valuation of Incentive Programme - as on 31 December 2016

| Specification | Number of warrants | Value of single warrant (PLN) | Value of Incentive Programme |
|--------------------------------------|--------------------|-------------------------------|------------------------------|
| Incentive Programme | 742.006 | 7.63 | 5.664.115,32 |
| The value charged to the year 2016 | | | 1.599.897,24 |
| Total amount at the end of 2016 year | | | 4.294.910,37 |

10. Utilisation of funds raised from issues.

Funds raised from the issue of series U shares

The purpose of the issuance of Series U Bonds was to refinance the financial debt of the Company, resulting from Series Q and R Bonds issued by the Company.

11. Explanation of differences between financial results presented in the annual report and the previously published forecasts of results.

Work Service SA does not prepare a separate forecast of results. Forecasts are made for the Work Service Capital Group.

12. Assessment, with justification, of financial resources management, in particular the ability to meet obligations incurred, and specification of potential threats and actions taken or planned by the Company to prevent these threats

Financial Resources Management of Work Service is subject to achievement of core business aims of the Company, which consists of:

- Constant increase in value of Work Service through consistent and effective implementation of the strategy,
- Optimisation of operating costs,
- Ensuring optimal financing conditions, enabling the implementation of the development plans of the Company,
- Constant access to diverse sources of funding.

The increase in value of the Company, in addition to organic growth, takes place on the basis of external growth, the tool of which are the acquisitions of entities, providing complementary services to the services offered by Work Service. The Company constantly optimises financial management strategy, taking into account conditions prevailing in the financial market and the availability of capital. The adopted strategy is largely the result of the operating model applied. The most important element is to manage the current liquidity, in particular taking into account the fact that a substantial part of production costs are the costs of salaries and associated social security costs. The above-mentioned items of expenses are, by nature, payable in a relatively short period, and moreover, the terms of payment are rigid and cannot be exceeded. In addition, the Company actively uses various

forms of external financing measures to secure cash in the period in which they are required. The use of banking products in the form of overdraft or factoring facilities, makes the Company largely independent of possible delays in payment by the customers. Management of this area allows for effective acceleration of the flow of funds, as well as reduction of administrative and financial costs through:

- ongoing control of the flow of receivables,
- ongoing control of liabilities,
- effective management of information and liquidity.

As part of strategy, the Company conducts activities aimed at monitoring the flow of receivables and their collection. This strategy also takes into account negotiating the adequate terms of payment of trade payables.

The Company manages its equity in order to preserve its ability to continue operations, accounting for capital needs resulting from planned and ongoing investment projects, so as to generate the expected rate of return for shareholders. Managing equity structure of the Company is done by tools such as dividend policy, issue of shares, bonds, changes in the use of external sources of financing. Moreover, the Company monitors equity on the basis of the equity ratio, debt ratio, debt service ratio and the leverage ratio.

In its current operations, Work Service SA uses overdraft facilities. The following table presents loan liabilities as at 31 December 2016.

| Liabilities due to loans and borrowings as at 31 December 2016 | | | | | | | |
|---|--|--------|---|--------|---------------------------------|----------------------|---|
| Entity business name | Amount of loan/borrowing according to the agreement | | Outstanding amount of loan/borrowing | | Interest rate conditions | Maturity date | Collaterals |
| Loans: | PLN | waluta | PLN | waluta | | | |
| Bank Zachodni WBK S.A. | 32 000 000,00 | PLN | 27 888 901,99 | PLN | WIBOR 1M + bank margin | 18.11.2018 | Guarantee, pledge on bank accounts, assignment of rights under insurance policy, contractual pledges on assets, contractual pledges on shares, mortgage. Declaration on submission to enforcement |
| Bank Millennium S.A. | 32 000 000,00 | PLN | 29 594 276,62 | PLN | WIBOR 1M + bank margin | 18.11.2018 | as above |
| BGŻ BNP Paribas S.A. | 32 000 000,00 | PLN | 21 951 382,61 | PLN | WIBOR 1M + bank margin | 18.11.2018 | as above |
| Raiffeisen Bank Polska S.A. | 32 000 000,00 | PLN | 27 841 162,73 | PLN | WIBOR 1M + bank margin | 18.11.2018 | as above |
| Bank Zachodni WBK S.A. | 14 250 000,00 | PLN | 12 112 500,00 | PLN | WIBOR 3M + bank margin | 25.11.2018 | Guarantee, pledge on bank accounts, assignment of rights under insurance policy, contractual pledges on assets, contractual pledges on shares, mortgage. Declaration on submission to enforcement |
| Bank Millennium S.A. | 14 250 000,00 | PLN | 12 112 500,00 | PLN | WIBOR 3M + bank margin | 25.11.2018 | as above |
| Raiffeisen Bank Polska S.A. | 14 250 000,00 | PLN | 12 112 500,00 | PLN | WIBOR 3M + bank margin | 25.11.2018 | as above |
| BGŻ BNP Paribas S.A. | 14 250 000,00 | PLN | 12 112 500,00 | PLN | WIBOR 3M + bank margin | 25.11.2018 | as above |
| Powszechna Kasa Oszczędności Bank Polski S.A. | 55 000 000,00 | PLN | 54 500 000,00 | PLN | WIBOR 1M + bank margin | 30.08.2019 | Pledge on shares in the Hungarian company, statement of submission to enforcement proceedings |
| TOTAL LOANS | | | | | | | |
| TOTAL LOANS | | | 149 726 385,74 | PLN | | | |
| ADJUSTMENT TO ADJUSTED ACQUISITION PRICE | | | 1 109 093,63 | PLN | | | |
| TOTAL LOANS | | | 148 617 292,11 | PLN | | | |

13. Investments.

Loss of control over Work Service Acquisition

On 2 January 2016, an agreement was concluded under which Work Service SA temporarily, until the end of 2016 (with possible extension), resigned from its control over Work Service Acquisition Ltd. Control over said company was transferred to a professional external entity in order to improve its efficiency and profitability.

Closing-down of IP Work Service Cypr. Ltd

On 31 March 2016, IP Work Service Cypr. Ltd, residing in Cyprus, was closed down.

Acquisition of additional shares of Medi Staff Sp. z o.o. and a change of name to Clean Staff Sp. z o.o.

On 22 March 2016, an agreement was concluded under which Work Service SA purchased 32 shares of Medi Staff Sp. z o.o., each with a face value of PLN 10,000, for PLN 250,000. As of 31 December 2016, Work Service SA held 100% of the shares of Medi Staff Sp. z o.o. Payment for said shares took place on 6 April 2016.

On 29 April 2016, Medi Staff Sp. z o.o. changed its name to Clean Staff Sp. z o.o.

Closing-down of WS Cyprus Ltd

On 6 April 2016, WS Cyprus Ltd residing in Cyprus, were closed down.

Increasing the capital in Exact Systems S.A.

On 4 August 2016 the Extraordinary General Meeting of Exact Systems S.A. adopted Resolution no. 04/08/2016 pursuant to which the share capital of Exact Systems S.A. was increased from PLN 100,000.00 to PLN 105,695.00. Shares were acquired by minority shareholders, as a result of which the shareholding of Work Service SA decreased from 76% to 71.91%.

On 24 November 2016 the Extraordinary General Meeting of Exact Systems S.A. adopted Resolution no. 03/11/2016 pursuant to which the share capital of Exact Systems S.A. was increased from PLN 105,695.00 to PLN 110,000.00. Shares were acquired by minority shareholders, as a result of which the shareholding of Work Service SA decreased from 71.91% to 69.09%.

Execution of the term sheet for the acquisition transaction by a subsidiary

On 15 July 2016, a subsidiary of the Issuer, i.e. Exact Systems S.A. with its registered office in Częstochowa ("Subsidiary") signed the "term sheet" document ("Term Sheet") concerning to the operations relating to the future acquisition transaction, involving acquisition of 100% of the existing shares of the French limited liability company, acquisition of 100% of the existing shares in the Romanian limited liability company, acquisition of 100% of the existing shares in the Turkish limited liability company and acquisition of 100% of the existing shares in the Moroccan limited liability company ("Target Companies"), operating in the outsourcing industry and specializing in quality control for the automotive industry ("Potential Transaction"), while the Potential Transaction assumes — in the first place — the acquisition of 75% of the existing shares in the Target Companies ("First Stage of Potential Transaction"), followed by the acquisition by the Subsidiary, by means of Call Option or by the current shareholders of the Target Companies by means

of Put Option under the terms of the Term Sheet, of the remaining 25% of the existing shares in the Target Companies ("Second Stage of Potential Transaction").

Based on the Term Sheet, the parties agreed to conduct negotiations and due diligence examination to agree on the final terms of the Potential Transaction.

The total price of the First Stage of Potential Transaction relating to the Target Companies was established

in the amount of EUR 8,000,000 (the "Basic Price of the First Stage of Potential Transaction") with the earn-out mechanism provided for in the Term Sheet which is 75% x 5.15x EBITDA indicator of the Target Companies for the financial year ending on 31 December 2016 decreased by EUR 8,000,000, while EBITDA is to be defined by the Parties to the Potential Transaction in the preliminary contract of sale of shares.

The Parties to the Potential Transaction envisage also correcting mechanisms to the price of the First Stage of Potential Transaction.

Execution of the Call Option by the Subsidiary, as provided for in the Second Stage of the Potential Transaction will be guaranteed and it will be possible to execute it by 31 December 2021.

Execution of the Put Option provided for in the Second Stage of the Potential Transaction by the current shareholders of the Target Companies it will be possible to execute it in the period between 1 March 2019 and 31 December 2021.

The conclusion of the preliminary agreement of sale of shares in the Target Companies is subject to the following conditions: (i) positive outcome of the financial, tax and legal due diligence examination in the Target Companies, (ii) completion of the negotiations on transaction documentation by the Parties, (iii) consent to carry out the Potential Transaction by the Supervisory Board of the Subsidiary. The fulfilment of the above conditions does not, however bind any of the parties to execute the Potential Transaction. The final terms and conditions of the Potential Transaction will be included in the preliminary contract of sale of shares in the Target Companies.

The potential Transaction is an element of the acquisition strategy of the Subsidiary.

Change of the name People Care Sp. z o.o.

On 16 November 2016, the business name of the company People Care Sp. z o.o. was changed to Antal Sp. z o.o.

Conclusion of a share purchase agreement

On 13 December 2016, the Issuer, as the buyer, concluded an agreement with Profólió Projekt Tanácsadó Kft. (the "Seller") with its registered office in Budapest, Hungary, a new, conditional agreement on the purchase of 25% of shares in the share capital of Prohuman 2004 Kft. with its registered office in Budapest, Hungary ("Prohuman") of total value of HUF 6,100,000,000.00 representing 25% votes on meeting of shareholders of Prohuman (the "Shares") ("Agreement") which replaced the existing option agreement concluded between the Issuer and the Seller on 28 March 2014 regarding 25% of shares in the share capital of Prohuman.

The subject of the Agreement is a conditional sale of Shares to Work Service SA, as a result of which the Issuer on the day of completion of the Agreement, i.e. 27 June 2017 (the "Completion Date") will acquire 25% of shares in the share capital of Prohuman, which together with currently held shares gives 100% in the share capital of Prohuman.

Detailed information on this agreement was announced in CR No 69/2016 on 13 December 2016.

Merger of Antal Sp. z o.o. and Antal International Sp. z o.o.

On 30 December 2016, a merger of companies Antal Sp. z o.o. and Antal International Sp. z o.o. took place. Antal Sp. z o.o. acquired all assets, rights and obligations of Antal International Sp. z o.o. and will continue all of its business activities. As a result, Antal International Sp. z o.o. ceased to exist.

Merger of Finance Care Sp. z o.o. and Work Service Finance Sp. z o.o.

On 30 December 2016, a merger of companies Finance Care Sp. z o.o. and Work Service Finance Sp. z o.o. took place. The merger was effected by way of acquisition by Finance Care Sp. z o.o. (the Acquirer) of Work Service Finance Sp. z o.o. (the Acquiree). As a result, on 30 December 2016 Work Service Finance Sp. z o.o. (the Acquiree) ceased to exist.

Merger of IT Kontrakt Sp. z o.o. and IT Kontrakt Centrum Kształcenia Sp. z o.o.

On 30 December 2016, a merger of companies IT Kontrakt Sp. z o.o. and IT Kontrakt Centrum Kształcenia Sp. z o.o. took place. The merger was effected by way of acquisition by IT Kontrakt Sp. z o.o. (the Acquirer) of IT Kontrakt Centrum Kształcenia Sp. z o.o. (the Acquiree).

14. Assessment of factors and unusual events affecting the result from operations for the financial year, with the specification of the extent to which such factors or unusual events affect the result achieved.

In the audited period, there were no unusual factors affecting the results generated by Work Service SA in 2016.

15. External and internal factors material for the development of the Company.**a) Risk associated with personal data protection**

Due to the nature of the business, the Company has an extensive database of employees' personal data, the size of which exceeds hundreds of thousands of records. According to the Act on personal data protection of 29 August 1997 (Dz. U. 2016r. poz. 922), information relating to these data are secret and shall not be disclosed to unauthorised persons. Nevertheless, there is a risk of access to databases by unauthorised persons as a result of theft, hacking or forced entry, or other unwanted actions. In such a case, the information stored by Work Service SA could be used to the detriment of the Company and its customers, which would adversely affect the image of the Company, and thus worsened its position in the market. To reduce this risk of providing unauthorised persons with access to the database, Work Service created technical infrastructure based on a properly secured server facility, electronic security systems and high-end servers. These measures contributed to the reduction of the above risk.

b) Liquidity risk

By offering so-called flexible employment services, the Company conducts comprehensive trainings to prepare employees for a particular job. Then, those employees are delegated to enterprises that have reported their demand for this kind of service. Until receipt of payment for the service, Work Service SA bears all costs relating to employment (salaries, insurance, etc.) of people taking up the employment. Companies renting the workers pay for the service on specific, contractual payment dates. This business model requires the effective working capital management, while causing

vulnerability to the risk of periodical and relevant decrease in liquidity. To minimise the risk, the Company has signed agreements authorising the use of credit lines and is able to immediately conclude such agreements with financial institutions, especially with banks. Moreover, the Company enters into agreements with counterparties in such a way as to optimise the cost of foreign capital. In order to maintain liquidity, as well as creditworthiness, the Management Board of the Company strives to ensure that:

- debt ratio, calculated as the ratio of net debt to EBITDA, is maintained at a level not higher than 3.5;
- debt coverage ratio, calculated as the ratio of free cash flow to interest instalments, is maintained at a level no lower than 1.6;
- leverage ratio, calculated as the ratio of adjusted net debt to net assets, is maintained at a level not higher than 1.0.

c) Risks associated with integration of acquired entities

The Company's development policy envisages expanding the market share in the Polish and international market by acquiring entities with a similar business profile, in accordance with the implemented development strategy. Implementation of M&A transactions, changes made at the level of managers, differences in the culture of an organization may involve acquisition costs that accompany transactions of this kind. The risk of occurrence of such costs is high due to the number and value of such transactions. There is also a risk that the acquired entities will be burdened by the obligations, may be involved in disputes or proceedings or have different problems of organisational, legal or financial nature, that may generate additional costs.

In order to minimise risks associated with the M&A process, the Company acquires entities whose integration can bring the expected synergies. The main factor of acquisitions made is to complement each existing and acquired companies leading to the achievement of their complementarities, e.g. the acquisition of IT Kontrakt group companies, conducted in the first half of 2012, allowed for the entrance to the new high-margin segment of IT outsourcing services, and the acquisition of Antal International Sp. z o.o., which took place in the third quarter of 2013, allowed for the strong entry in the highly profitable segment of personnel consultancy. Acquisitions conducted in 2014 enabled quick entry in the Hungarian and German market.

The most significant synergy effects can include a summary of the high potential of current and possible to obtain — by the acquired entities — contracts with customers in markets that are characterised by significant labour shortages with above-average potential for Work Service in terms of access to human resources in the Polish market, as well as other markets in Central and Eastern Europe. The fact of foreign employers perceive Polish work force as the most mobile and ensuring the highest quality of work is also of significance. Maximising the likelihood of such synergies is a key

factor in the selection of object of acquisition, especially in Western Europe, where a significant increase in the demand for skilled work force from Central and Eastern Europe is noticeable.

The Management Board of the Company takes any kind of action associated with a reduction of risk of integration. This applies, above all, to skilful identification of common areas as well as areas of differences, in order to, prior to the conclusion of the agreement, have sufficient confidence that a difference will not cause problems in the future. Each transaction is preceded by a collection of

information and in-depth due diligence process in the financial and legal area, conducted by specialised auditing, advisory, tax and financial companies.

d) Risks associated with social and economic situation in Poland and Europe

The activities of companies related to the offering of services on the labour market depends on the socioeconomic situation in Poland and abroad. The financial results of companies are particularly affected by macroeconomic factors such as the level of business investment resulting in an increase in employment, GDP growth rate, the growth rate of wages, interest rates and inflation, and, with the increasing globalisation of economies, foreign direct investments. The factor that had a significant impact on the development of the industry, in which the Company operates is the degree of absorption of funds from the European Union budget. In the event of breakdown or deterioration of market conditions there is a risk of a reduction in demand for the product offered by the Company. The Management Board of the Company conducts on-going analysis of the market situation and makes suitable strategic decisions.

e) Risk associated with the competitor's operation

Temporary work market in Central and Eastern Europe is attractive due to its size (EUR 3.52 billion in 2016 vs EUR 3.19 billion in 2015) and projected dynamic growth (the weighted average growth rate of the market value in the period between 2015 and 2019 is 111%). Recognized global brands such as Adecco, Manpower and Randstad treat the Central European market as a strategic market and have been competing strongly with the Work Service Group for years. Work Service S.A. as the market leader in this part of Europe, with market share of 13.7% in value terms, has the greatest experience and recognised brand, it can react early enough to actions of competition and flexibly respond to the needs of both the candidate/employee and the employer/customer. By consolidating the personnel services market, the Work Service Group not only acquires new skills while diversifying its sources of revenue, but also expands its geographical presence. This allows to effectively compete with global players for international customers without losing the local nature of the business which is so vital in the case of labour market operator. There are no indications of the entry of a new global personnel services provider to the market, however, Company anticipates further consolidation of the market in which it is a leader. In addition, Work Service Group provides services based on long-term contracts, within a stable group of Customers, the largest of which accounts for less than 5% of the Group's revenue. Work Service, as the largest labour market agent, also has the largest recruiting facilities effectively managing mobility and flexibility of employees based on cross-border employee exchange solutions, which constitute a strong competitive advantage of Work Service.

f) Risk associated with fluctuations in the market

In recent years we have seen dynamic development of temporary work as well as the changing needs of this market. Entrepreneurs expect Temporary Employment Agencies to provide prepared employees who are trained and do not require additional investment in the form of various types of training and courses. As a market leader in Poland and in CEE-5, the Company has adequate technical facilities, knowledge and years of experience, monitors, can anticipate and knows the needs of this market. With the knowledge of the characteristics of local and regional markets, Work Service increases its competitiveness. Through the presence in Poland and Europe, it is able to respond to changes in trends in the market. However, in the case of activities on the markets of European countries one should pay attention to the possible presence of periodic changes caused by e.g. a short presence in the markets or cultural differences.

g) Risk associated with changes in legal regulations

The macroeconomic situation of the country may force a change in tax law, labour law, changes in the area of social insurance or in the area of trade activities. Any such change can result in increased operating costs of the Company, which in turn translate into financial results and may cause difficulty in assessing the impact of future events or decisions. In addition, the risk in this area is strengthened by the fact of conducting the activities by the companies of Work Service Group across several countries, including the Russian Federation. The Management Board of the Company monitors, on an ongoing basis, changes in legislation in the markets on which it operates and reacts in advance to ensure that its operations comply with local laws.

16. Changes in the basic principles of managing the enterprise.

In the analysed period, there were no changes in the basic principles of managing the Company's enterprise.

17. Agreements concluded between the Company and the managerial staff, providing for compensation in the event of their resignation or dismissal from the occupied post.

Mr Dariusz Rochman, acting as Vice-President of the Management Board of Work Service SA, concluded, on 30 July 2008, a non-competition agreement, guaranteeing the payment of compensation for refraining from competitive activities in the period after termination of employment. On 17 October 2016, an annex to the aforementioned agreement was signed, pursuant to which Mr Dariusz Rochman is entitled to a compensation for compliance with the non-competition agreement in the gross amount of PLN 727,354, payable in seven installments. The instalments will amount to PLN 70,000 PLN, and the seventh instalment will amount to PLN 307,354.

Mr Hubert Rozpędek concluded with Sellpro sp. z o.o. a co-operation agreement on 12.04.2014, stipulating that he has the payment of compensation guaranteed for refraining from competitive activities, in the amount PLN 13,750 + VAT per each month of refraining from competitive activity, within 8 months after the termination of the agreement.

Mr Hubert Rozpędek concluded with Work Service S.A a management agreement on 11.04.2014, stipulating that he has the payment of compensation guaranteed for refraining from competitive activities, in the amount equal PLN 5.000 + VAT per each month of refraining from competitive activity, within 8 months after the termination of the agreement.

Ms Iwona Szmitkowska concluded with the Company Industry Personnel Services Sp. z o.o. a non-competition agreement after termination of co-operation agreement, on 1.03.2007, stipulating that he has the payment of compensation guaranteed for refraining from competitive activities, in the amount PLN 3.520 + VAT per each month of refraining from competitive activity, within 6 months after the termination of the agreement on co-operation, concluded on 1.09.2005.

On 10 October 2014, Ms. Iwona Szmitkowska concluded a non-competition agreement after termination of employment contract with the Company Work Service SA which stipulates that she is provided with a payment of compensation in respect of refraining from competitive activity in the amount of gross PLN 15,000 for each month of refraining from competitive activity for a period of 8 months after termination of the contract.

Mr Tomasz Hanczarek concluded with Work Service S.A a non-competition agreement on 15.02.2013, stipulating that he has the payment of compensation guaranteed for refraining from competitive activities, in the amount of PLN 30,000 gross per each month of commitment to refrain from competitive activity, if the employment relationship with a member of the management board will be terminated before the expiry of 5 years from date of the agreement. Due to the fulfilment of premises from the abovementioned agreement, since 1 January 2016 Tomasz Hanczarek has been receiving compensation in respect of refraining from competitive activity in the amount of gross PLN 20,000 from the company Work Service SA.

On 4 January 2016, Mr. Tomasz Hanczarek concluded a non-competition agreement with Industry Personnel Services sp. z o.o., guaranteeing the payment of compensation for compliance with the non-competition clause in the amount of 50% of the average monthly gross remuneration calculated for 3 months preceding the month of termination of employment, for a period of 6 months from the date of termination (expiry) of the employment contract.

Mr Tomasz Ślęzak concluded with Work Service SA, a non-competition agreement in the course of employment and after termination of employment, on 17.04.2013, stipulating that he has guaranteed the payment of compensation for refraining from competitive activities in the amount of 50% of the average monthly gross remuneration calculated from the 3 months preceding the month of termination of employment, within 8 months from the date of termination / expiry of the contract of employment.

On 4 January 2016, Mr Maciej Witucki, serving as President of the Management Board of Work Service SA concluded a non-competition agreement which stipulates that he is provided with a payment of compensation in respect of refraining from competitive activity in the amount of gross PLN 50,000 a month for 12 months from the termination of the employment contract.

On 18 April 2016, Mr Adam Pawłowicz concluded a non-competition agreement with Work Service SA guaranteeing the payment of compensation for refraining from competitive activities in the amount of PLN 35,000 per month for a period of 6 months from the date of termination (expiry) of the employment contract.

On 15 September 2016, Mr Piotr Gajek concluded a non-competition agreement with Work Service SA guaranteeing the payment of compensation for refraining from competitive activities in the amount of PLN 60,000 per month for a period of 8 months from the date of termination (expiry) of the employment contract.

18. Values of remuneration, awards or benefits, including those resulting from the incentive or bonus programs based on the Company's equity, including programs based on bonds with pre-emptive rights, convertibles, subscription warrants (in cash, kind or other potentially payable separately for each of the managing or supervising persons of the company, regardless of whether they were included in costs or resulted from profit distribution).

Information on the remuneration paid to Members of the Management Board and Supervisory Board in 2016 is provided in the following tables.

| Gross benefits for persons holding functions in the Management Board of WSSA (in PLN) | |
|--|--------------|
| Full name | 2016 |
| Witucki Maciej Krzysztof | 1.165.000,00 |
| Rochman Dariusz | 728.576,00 |
| Christodoulou Paul | 121.080,00 |
| Knights Robert | 93.750,00 |
| Ślęzak Tomasz | 423.780,00 |
| Rozpędek Hubert | 983.824,02 |
| Szmitkowska Iwona | 248.351,10 |
| Pawłowicz Adam | 711.411,94 |
| Gajek Piotr | 639.000,00 |

| Gross benefits for persons holding functions in the Supervisory Board of WSSA (in PLN) | |
|---|-------------|
| Full name | 2016 |
| Sofianos Panagiotis | 16.000,00 |
| Misiak Tomasz | 142.000,00 |
| Ługowski Tomasz | 6.000,00 |
| Kamin Everett | 9.000,00 |
| Kamiński Piotr | 32.000,00 |
| Hanczarek Tomasz | 117.000,00 |
| Kaczmarczyk Krzysztof | 3.000,00 |
| Skrobowski Wiesław | 6.000,00 |
| Żabski Piotr | 3.000,00 |

In 2016, there were no new liabilities resulting from pensions or similar benefits for former members of management, supervisory or administration bodies, and no new liabilities were incurred in relation to such pensions.

19. Number of shares held by managing persons.

| | As at the date of publishing statements for the third quarter of 2016 | Change in holdings — acquisition/(disposal) | As at the date of publishing this report |
|---|--|---|--|
| Tomasz Hanczarek – Member of the Supervisory Board | 3 255 000 | 0 | 3 255 000 |
| Jarosław Dymitruk - proxy | 1 000 | 0 | 1 000 |
| Paul Christodoulou – Vice President of the Management Board | 34 680 | 0 | 34 680 |
| Tomasz Misiak – Vice-Chairman of the Supervisory Board | 9 534 861 | 0 | 9 534 861 |

20. Information about the entity authorised to audit financial statements.

Under an agreement dated 29 July 2016, the entity authorised to audit the Financial Statements of Work Service SA for 2016 is BDO Sp. z o.o.

| Specification | Net value for 2016 | Net value for 2015 |
|---|--------------------|--------------------|
| Statutory audit of the separate annual financial statements and interim review of the separate financial statements | 65 000,00 | 70,000.00 |
| Other assurance services | 0.00 | 0.00 |
| Tax advisory services | 0.00 | 0.00 |
| Other services | 0.00 | 0.00 |
| Total | 70,000.00 | 70,000.00 |

21. Indication of proceedings pending before a public court, arbitration body or public administration authority.

| Claimant/ Creditor | Defendant/ Debtor | Subject matter of the dispute/ Value of the subject of the dispute | Anticipated costs of court proceedings | Current status of proceedings |
|---|---|--|---|--|
| Work Service SA | Dominik Urbański Maciej Czysz Lechosław Olszewski | PLN 366,029.98 | Incurred costs of court entry and prepayments in the enforcement. The enforcement may involve additional prepayments. | The court proceedings against Maciej Czysz are pending, currently at the stage of the appeal proceedings, the next hearing on 30 March 2017; the payment order in the proceedings by writ of payment issued by the District Court in Poznań, 9th Commercial Division, against Dominik Urbański and Lechosław Olszewski became final on 02.02.2015 (file no.: IX GNc1544/14) and the enforcement proceedings against Marek Przywecki are pending by the Court Enforcement Officer at the District Court Poznań-Grunwald and Jeżyce in Poznań (file no.: KM 482/15 and KM 755/15). So far, both proceedings have been ineffective. |
| Work Service SA | Pielle sp. z o. o. | PLN 122,465.49 | Court registration costs incurred. | Case at the stage of the enforcement proceedings, currently two real properties have been seized. It is difficult to estimate chances for the settlement. |
| Tomasz Bernecki | Work Service SA | PLN 188,587.00 | At the moment, the proceedings are not generating any costs. | Case in progress, the next court hearing was scheduled for 29 March 2017. |
| BCT – Bałtycki Terminal Kontenerowy sp. z o. o. | Work Service SA | PLN 122,000.00 | At the moment, the proceedings are not generating any costs. If Work Service loses the case, it will be obliged to pay PLN 6,925 on account of the costs of the proceedings before the Court of First Instance and the amount awarded by the Court of Appeal. | On 22 December 2016, the decision was issued which ordered the payment of PLN 122,000.00 to the claimant. WSSA petitioned for the justification of the decision. The appeal will be filed in connection with the case. |
| Elżbieta Niewolik | Work Service SA | PLN 50,000.00 | At the moment, the proceedings are not generating any costs. | Case in progress, the date of the first hearing has not been set yet. |

22. Information about shareholders holding at least 5% of the total number of votes at the general meeting of shareholders.

The following table presents the shareholding structure, together with information about shareholders holding at least 5% of votes at the General Meeting of Shareholders, as at the date of drawing up this report, taking into account all notifications received by Work Service SA pursuant to Article 69 section 1 item 1 of the Act on Public Offering and the Terms and Conditions of Introducing Financial Instruments to an Organised System of Trading and on Public Companies.

| Shareholder | Number of shares | Share in the share capital | Number of votes | Share in the total number of votes |
|---------------------------------|-------------------|----------------------------|-------------------|------------------------------------|
| PROLOGICS UK LLP | 18 514 621 | 28.44% | 18 514 621 | 28.44% |
| WorkSource Investments S.a.r.l. | 13 714 286 | 21.07% | 13 714 286 | 21.07% |
| Tomasz Misiak | 9 534 861 | 14.65% | 9 534 861 | 14.65% |
| Tomasz Hanczarek | 3 255 000 | 5.00% | 3 255 000 | 5.00% |
| MetLife PTE S.A. | 3 254 743 | 5.00% | 3 254 743 | 5.00% |
| Others | 16 821 312 | 25.84% | 16 821 312 | 25.84% |
| Total | 65 094 823 | 100.00% | 65 094 823 | 100.00% |

23. Information about concluded significant agreements, including agreements concluded between shareholders (partners), insurance agreements, partnership and cooperation agreements known to the Company.

According to current reports given to the public the following agreements were concluded in 2016:

- agreement regarding the performance of services by the Issuer for TP Teltech Sp. z o. o. on the basis of individual contracts from the Client, of technical and administrative maintenance, including warehouse operations, logistics and purchase operations, estimation operations in the field of construction for telecommunication, telecommunication network design, project development and coordination, administration of automat TP maintenance process, telecommunication works, conservation and maintenance of machines and carriers, administrative support and services settlements. The Management Board of the Company Work Service SA reported this in CR No 57/2016 of 7 November 2016;

24. Information about material borrowings granted during the accounting year, including in particular loans granted to related parties of the Company, with indication of, at least, their amounts, types, interest rates and maturity dates

| Customer's name | Borrowing amount (in PLN) | Interest rate | Maturity date of the borrowing |
|------------------------------------|---------------------------|--|--------------------------------|
| EXACT SYSTEMS S.A. | 38 689 680,63 | WIBOR 1M+2,6% | 2017-31-12 |
| SELLPRO Sp. z o.o. | 0,00 | WIBOR 1M+3% | 2017-12-31 |
| PROSERVICE WORLDWIDE CYPUS LIMITED | 8 120 386,76 | 9% | 2017-06-30 |
| ZAO WORK SERVICE RUSSIA | 21 640 384,27 | variable | 2017-06-01 |
| ANTAL Sp. z o.o. | 1 517 328,83 | WIBOR 1M+3% | 2017-12-31 |
| WORK SERVICE SPV Sp. z o.o. | 9 580 640,66 | WIBOR 1 M+3% (PLN), EURIBOR 3M+3,4% | 2017-06-27 |
| PERSONNEL SERVICE Sp. z o.o. | 13 560 000,06 | WIBOR 1M+2,6% | 2017-12-31 |
| WORK EXPRESS Sp. z o.o. | 8 483 619,29 | WIBOR 1 M+2% (PLN), EURIBOR 3M + 3,4% | 2017-04-01 |

25. Information about material borrowings received during the financial year, including in particular loans received from related parties of the Company, with indication of, at least, their amounts, types, interest rates and maturity dates

| Customer's name | Amount of the borrowing received (PLN) | Interest rate | Maturity date of the borrowing |
|--|--|---|--------------------------------|
| FINANCE CARE Sp. z o.o. | 3 774 936,84 | WIBOR 1M+3% | 2017-12-31 |
| INDUSTRY PERSONNEL SERVICES Sp. z o.o. | 8 560 000,04 | WIBOR 1M+3% | 2017-12-31 |
| IT KONTRAKT Sp. z o.o. | 32 698 029,32 | WIBOR 1M+1.75% | 2017-03-31 |
| PROHUMAN 2004 | 44 430 730,00 | variable | 2017-11-17 |
| WORK EXPRESS Sp. z o.o. | 25 797 157,13 | WIBOR 1 M+2% (PLN), EURIBOR 3M + 3,4% (EUR) | 2017-04-01 |
| SELLPRO Sp. z o.o. | 22 511 922,42 | WIBOR 1M+3% | 2017-12-31 |
| EXACT SYSTEMS S.A. | 14 878 421,20 | WIBOR 1M+2,6% | 2017-12-31 |

26. Restrictions on transferring ownership rights to securities

In accordance with the provisions of the Articles of Association of the Company there are no restrictions on the free transferability of shares, apart from the restrictions regarding disposal of shares resulting from obligations of lock-up type, in terms of temporary exclusion from disposal of shares deposited by the shareholders of the Issuer, referred to in Section IV, item 19.1.1 and items 19.6.3–19.6.7 of the Prospectus — “Registration Document”.

As part of realisation of collateral provided for in the credit agreement dated 18 November 2015, Work Service SA concluded registered pledge agreements in favour of Bank BGŻ BNP Paribas S.A. and financial pledge agreements in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., “Bank Zachodni WBK S.A.”, Raiffeisen Bank Polska S.A. on shares in IT Kontrakt sp. z o. o., Work Service International sp. z o. o., Industry Personnel Service sp. z o. o., Work Express sp. z o. o. and in Exact Systems S.A.

In addition, shareholders of Worksource Investment s.a.r.l.. Prologics (UK), Tomasz Hanczarek and Tomasz Misiak concluded agreements for registered pledges and financial pledges on shares in Work Service SA with Bank BGŻ BNP Paribas S.A.

To provide additional collateral, on 30 January 2017 Work Service S.A. concluded registered pledge agreements in favour of Bank BGŻ BNP Paribas S.A. and financial pledge agreements in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., “Bank Zachodni WBK S.A.”, Raiffeisen Bank Polska S.A. on shares in Antal Sp. z o.o., as well as registered pledge agreements in favour of Bank BGŻ BNP Paribas S.A. and financial pledge agreements in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., “Bank Zachodni WBK S.A.”, Raiffeisen Bank Polska S.A. on shares in Finance Care Sp. z o.o.

In addition, on 30 January 2017 shareholders of Worksource Investment s.a.r.l.. Prologics (UK), Tomasz Hanczarek and Tomasz Misiak concluded agreements for registered pledges and financial pledges on shares in Work Service SA with Bank BGŻ BNP Paribas S.A.

Additionally: The credit agreement with PKO BP Bank Polski SA is secured by a pledge on shares in Prohuman, covering 75% of WSSA’s share in the share capital of Prohuman. The pledge agreement on shares in Prohuman represents a pledge agreement on shares in Prohuman governed by Hungarian law, securing the Bank’s claims under the credit agreement concluded on 30 December 2016 between WSSA as the pledgor and the Bank as the pledgee.

27. Statement on the application of Corporate Governance

In consideration with entry into force as on 1 January 2016 of the amended Best Practices of WSE Listed Companies 2016, in accordance with obligation effecting from § 29(3) of the Rules of Conduct of the Stock Exchange, Management Board of Work Service S.A. published a report on non-application by the Company of some rules of corporate governance effecting from amended set of “Best Practices of WSE Listed Companies 2016”

1. Corporate governance policies at the Company and public availability of the underlying document

Work Service, declaring operation in accordance with the highest standards of communications of capital market and corporate governance principles applies the “Best Practices of WSE Listed Companies 2016”, developed by the Warsaw Stock Exchange.

The Company, as the issuer of the shares listed on the main market of the Warsaw Stock Exchange, is governed by principles of corporate governance contained in the “Best Practice for WSE Listed Companies 2016”, adopted by Resolution No 26/1413/2015 of the WSE Board dated 13 October 2015 in the version annexed to that resolution “Best Practices of WSE Listed Companies 2016” which is available on the website of the Warsaw Stock Exchange at: https://static.gpw.pl/pub/files/PDF/RG/DPSN2016_GPW.pdf

2. *The extent to which the Parent Company has departed from the provisions of corporate governance principles, an indication of such provisions and explanation of the reasons*

Starting from stock exchange debut in April 2012, the Company's intention is to follow best practices of corporate governance, as evidenced by the statement of the Company's Management Board, filed in the IPO Prospectus 2008 and Prospectus 2011.

At present, the Company complies with the corporate governance rules set out in the Code of Best Practice for WSE Listed Companies 2016, except for the following rules:

I.Z.1.3. A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation, a chart showing the division of duties and responsibilities among members of the management board.

The Company does not apply a rule thoroughly. As a rule, diagram of division of tasks and responsibilities among member of Management Board is included in Regulations of the Management Board made available on website, and considering pending development of the whole Work Service Capital Group, the Company is planning to elaborate detailed and updated division of competences and responsibilities among members of the management board of the company.

I.Z.1.5. A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation, current and periodic reports, prospectuses and information memoranda with annexes, published by the company at least in the last 5 years.

The Company satisfies the above rule since April 2012, namely from its debut on Warsaw Stock Exchange. Considering this fact, time requirement of 5 years is not observed.

I.Z.1.6. A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation, information on the dates of corporate events leading to the acquisition or limitation of rights of a shareholder, information on the dates of publication of financial reports and other events relevant to investors, within a timeframe enabling investors to make investment decisions.

The Company does not apply the above mentioned rule only in scope of publication of the calendar of corporate events resulting in purchase or limitation of right on side of a shareholder. However, the Company intends to implement its application in the future, elaborating for this purpose necessary procedures specifying the rules for creation of calendar and description of events included therein.

I.Z.1.15. A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation, information about the company's diversity policy applicable to the company's governing bodies and key managers; the

description should cover the following elements of the diversity policy: gender, education, age, professional experience, and specify the goals of the diversity policy and its implementation in the reporting period; where the company has not drafted and implemented a diversity policy, it should publish the explanation of its decision on its website.

The Company does not observe the above rule considering the fact that it did not formally implemented diversity policy until this day, however, it shows that in current activity the Company observes elements of this policy, including in particular sex criterion, profile of education, age and professional experience. It shows also that as at 01.06.2013 the Company was accepted to the circle of Polish Diversity Chart. In 2017, the Company is planning to elaborate relevant document that will be published on www site of the Company.

I.Z.1.16. A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation, information about the planned transmission of a general meeting, not later than 7 days before the date of the general meeting.

This rule is not applied, because the Company does not broadcast debates held on general assembly. Nevertheless, if this situation occurs, the Company will publish information in this scope on website.

II.Z.1. The internal division of responsibilities for individual areas of the company's activity among management board members should be clear and transparent, and a chart describing that division should be available on the company's website.

With reference to the rule I.Z.1.3., the Company shows that does not apply this rule thoroughly. As a rule, diagram of division of tasks and responsibilities among member of Management Board is included in Regulations of the Management Board made available on website, and considering pending development of the whole Work Service Capital Group, the Company is planning to elaborate detailed and updated division of competences and responsibilities among members of the management board of the company.

II.Z.2. A company's management board members may sit on the management board or supervisory board of companies other than members of its group subject to the approval of the supervisory board.

The Company does not apply the above rule. At the same time, it is assumed that membership of members of management board in management boards or supervisory boards of other companies has no negative impact upon activity of Work Service.

II.Z.5. Each supervisory board member should provide the other members of the supervisory board as well as the company's management board with a statement of meeting the independence criteria referred to in principle II.Z.4.

The Company does not apply the above rule, because it did not consider submission of abovementioned statements as necessary for correct functioning of member of the Supervisory Board. Nevertheless, the Company plans to implement this rule in 2017.

II.Z.6 The supervisory board should identify any relationships or circumstances which may affect a supervisory board member's fulfilment of the independence criteria. An assessment of supervisory board members' fulfilment of the independence criteria should be presented by the supervisory board according to principle II.Z.10.2.

The above rule is not applied in full, however the Company is planning to implement it in 2017, as a consequence of implementation of rule II.Z.5.

II.Z.10.4 In addition to its responsibilities laid down in the legislation, the supervisory board should prepare and present to the ordinary general meeting once per year an assessment of the rationality of the company's policy referred to in recommendation I.R.2 or information about the absence of such policy.

The rule is not applied considering the fact that according to the Company, scale of its activity specified in recommendation I.R.2 does not justify preparation of detailed assessment of rationality by the supervisory board.

IV.R.2. If justified by the structure of shareholders or expectations of shareholders notified to the company, and if the company is in a position to provide the technical infrastructure necessary for a general meeting to proceed efficiently using electronic communication means, the company should enable its shareholders to participate in a general meeting using such means, in particular through:

- 1) real-time broadcast of the general meeting;
- 2) real-time bilateral communication where shareholders may take the floor during a general meeting from a location other than the general meeting;
- 3) exercise of the right to vote during a general meeting either in person or through a plenipotentiary.

The Company informs that shareholders did not report to the company expectations in terms of performance of abovementioned recommendation. Moreover, the company does not currently have relevant technical (IT) infrastructure which would facilitate implementation of recommendation. However, it cannot be excluded that the recommendation could be applied in the future, after creation of relevant technical capacities and making of relevant assets.

IV.Z.2. If justified by the structure of shareholders, companies should ensure publicly available real-time broadcasts of general meetings.

With regards to recommendation IV.R.2., the company does not have currently relevant technical (IT) infrastructure which could facilitate implementation of this rule, and there was a lack of any signals reported by the shareholders as that form was expected. However, it cannot be excluded that this rule could be applied in the future.

V.Z.6. In its internal regulations, the company should define the criteria and circumstances under which a conflict of interest may arise in the company, as well as the rules of conduct where a conflict of interest has arisen or may arise. The company's internal regulations should among others provide for ways to prevent, identify and resolve conflicts of interest, as well as rules of excluding members of the management board or the supervisory board from participation in reviewing matters subject to a conflict of interest which has arisen or may arise.

The rule does not apply, because in the Company there is no detailed procedure specifying criteria and circumstances under which there can be conflict of interests in the company, neither the rule of conduct in face of the conflict of interest or possibility of occurrence. The company is planning elaboration and implementation of relevant procedure.

VI.R.1. The remuneration of members of the company's governing bodies and key managers should follow the approved remuneration policy.

In terms of policy of remuneration for member of Management Board and Supervisory Board of the Company as well as rules for its establishment in the Company, the rules of remuneration and levels of pays specified by General Assembly are valid – with regards to members of Supervisory Board, by Supervisory Board – with regards to members of Management Board and by Management Board with reference to the key managers; amount of remuneration depends on scope of individual obligations and areas of responsibilities entrusted to individual persons being in composition of these bodies and key managers.

VI.R.3. If the supervisory board has a remuneration committee, principle II.Z.7 applies to its operations.

Recommendation is applied partially. The Remuneration Committee is composed of three members of Supervisory Board, including one independent member having relevant qualifications.

VI.Z.4. In this activity report, the company should report on the remuneration policy including at least the following:

- 1) general information about the company's remuneration system;
- 2) information about the conditions and amounts of remuneration of each management board member broken down by fixed and variable remuneration components, including the key parameters of setting the variable remuneration components and the terms of payment of severance allowances and other amounts due on termination of employment, contract or other similar legal relationship, separately for the company and each member of its group;
- 3) information about non-financial remuneration components due to each management board member and key manager;
- 4) significant amendments of the remuneration policy in the last financial year or information about their absence;
- 5) assessment of the implementation of the remuneration policy in terms of achievement of its goals, in particular long-term shareholder value creation and the company's stability.

This rule is not applied by the Company in full. Numerous information is included in annual report of management board on activity of the company, including among the others, information on conditions and amount of remuneration of each member of management board or information on non-financial components of remuneration allocated to individual members of management board and the key managers. However, the rule requires detailed implementation, what the Company is planning to do.

3. Description of the main features of the Issuer's internal audit and risk management systems in relation to the process of compiling financial statements and consolidated financial statements

In accordance with the recommendations of the European Commission of 15 February 2005 on the role of non executive directors or members of supervisory board of listed companies and the committees of the (supervisory) board and pursuant to § 13 section 9 Articles of Association of the Company, an Audit Committee was established. The composition of the Committee results from the resolution of the Supervisory Board No 1 dated 16 January 2014. Appointment of the above

Committee constituted adjustment of corporate structures of Work Service Capital Group to the requirements of the public market. Composition of the Committee and its tasks are described in paragraph "Composition, changes and a description of the management and supervisory bodies" Statements on corporate governance.

Guidelines for risk management in the Company are discussed in item 12 "Assessment, with justification, of financial resources management, in particular the ability to meet obligations incurred, and specification of potential threats and actions taken or planned by the Company to prevent these threats" of the Directors' Report on operations of Work Service.

Control over the implementation of market risk management process is exercised by the Department of Finance and Controlling Department, while supervision of the risk management process is performed by a Member of the Board supervising the area of finance.

Starting from stock exchange debut in April 2012, the Company applies internal procedures governing the preparation, approval, publication and purpose of individual and consolidated financial statements of the Company and the Group. The Company also applies uniform information policy for the entire Capital Group.

Internal Control and risk management systems, applied in the Parent Company, are to ensure the provision of reliable and defect-free financial information to be included in current and periodic reports. The internal control system involves, among others:

- appointment of persons responsible for the preparation of financial reports,
- carrying out regular reviews of financial results by the Management Board,
- respecting the principle of authorisation of current and periodic reports prior to their publication,
- multistage control of consolidated and individual statements in particular with regard to the accuracy of the accounting reconciliations, analysis of the merits and reliability of information,
- regular (at least once a year) defining the risks that in Management Board's opinion could affect the financial results of Company.

The Management Work Service SA reviews and verifies the strategy at least once a year. On the basis of the review and the conclusions resulting therefrom, the budgeting process is performed, covering all areas of functioning. The budgeting process involves middle and senior management. The annual budget is approved by the Supervisory Board.

4. Shareholding

The following table presents the shareholding structure, together with information about shareholders holding at least 5% of votes at the General Meeting of Shareholders taking into account all notifications received by Work Service SA pursuant to Article 69 section 1 item 1 of the Act on Public Offering and the Terms and Conditions of Introducing Financial Instruments to an Organised System of Trading and on Public Companies (Journal of Laws of 2005, No. 184, item 1539).

| Shareholder | Number of shares | Share in the share capital | Number of votes | Share in the total number of votes |
|---------------------------------|-------------------|----------------------------|-------------------|------------------------------------|
| PROLOGICS UK LLP | 18 514 621 | 28.44% | 18 514 621 | 28.44% |
| WorkSource Investments S.a.r.l. | 13 714 286 | 21.07% | 13 714 286 | 21.07% |
| Tomasz Misiak | 9 534 861 | 14.65% | 9 534 861 | 14.65% |
| Tomasz Hanczarek | 3 255 000 | 5.00% | 3 255 000 | 5.00% |
| MetLife PTE S.A. | 3 254 743 | 5.00% | 3 254 743 | 5.00% |
| Others | 16 821 312 | 25.84% | 16 821 312 | 25.84% |
| Total | 65 094 823 | 100.00% | 65 094 823 | 100.00% |

5. Identification of holders of any securities with special control rights and a description of those rights

There are no holders of securities which confer special control rights.

6. Indication of restrictions on exercising voting rights

The Company's Articles of Association do not provide for any restrictions on exercising voting rights.

7. Indication of restrictions on transferring ownership rights to securities

In accordance with the provisions of the Articles of Association of the Company there are no restrictions on the free transferability of shares, apart from the restrictions regarding disposal of shares resulting from obligations of lock-up type, in terms of temporary exclusion from disposal of shares deposited by the shareholders of the Issuer, referred to in Section IV, item 19.1.1 and items 19.6.3–19.6.7 of the Prospectus — “Registration Document”.

As part of realisation of collateral provided for in the credit agreement dated 18 November 2015, Work Service SA concluded registered pledge agreements in favour of Bank BGŻ BNP Paribas S.A. and financial pledge agreements in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., “Bank Zachodni WBK S.A.”, Raiffeisen Bank Polska S.A. on shares in IT Kontrakt sp. z o. o., Work Service International sp. z o. o., Industry Personnel Service sp. z o. o., Work Express sp. z o. o. and in Exact Systems S.A.

In addition, shareholders of Worksource Investment s.a.r.l., Prologics (UK), Tomasz Hanczarek and Tomasz Misiak concluded agreements for registered pledges and financial pledges on shares in Work Service SA with Bank BGŻ BNP Paribas S.A.

To provide additional collateral, on 30 January 2017 Work Service S.A. concluded registered pledge agreements in favour of Bank BGŻ BNP Paribas S.A. and financial pledge agreements in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., “Bank Zachodni WBK S.A.”, Raiffeisen Bank Polska S.A. on shares in Antal Sp. z o.o., as well as registered pledge agreements in favour of Bank BGŻ BNP Paribas S.A. and financial pledge agreements in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., “Bank Zachodni WBK S.A.”, Raiffeisen Bank Polska S.A. on shares in Finance Care Sp. z o.o.

In addition, on 30 January 2017 shareholders of Worksource Investment s.a.r.l., Prologics (UK), Tomasz Hanczarek and Tomasz Misiak concluded agreements for registered pledges and financial pledges on shares in Work Service SA with Bank BGŻ BNP Paribas S.A.

Additionally: The credit agreement with PKO BP Bank Polski SA is secured by a pledge on shares in Prohuman, covering 75% of WSSA's share in the share capital of Prohuman. The pledge agreement on shares in Prohuman represents a pledge agreement on shares in Prohuman governed by Hungarian law, securing the Bank's claims under the credit agreement concluded on 30 December 2016 between WSSA as the pledgor and the Bank as the pledgee.

8. *Regulations concerning appointment or removal of Management or Supervisory Board Members, the rights of those persons, in particular, the right to take decision on share issue or redemption*

Principles of appointing and dismissing managerial staff

Management Board of the Company

The Management Board manages the operations of the Company and represents it. The Management Board is composed of one to seven members appointed and dismissed by the Supervisory Board, subject to the occurrence of Important, Serious Failure. The Supervisory Board determines the number of members of the Management Board, subject to the following: In the case of Important, Serious Failure to Perform, the Investor is entitled to change the majority but not all (i.e. one member if the Management Board is composed of one or two members, two members if the Management Board is composed of three members, three members if the Management Board is composed of four or five members and four members if the Management Board is composed of six members) members of the Management Board under the following procedure:

- The Investor is entitled to dismiss members of the Management Board indicated at his/her exclusive discretion,
- The Investor is entitled to propose to the Supervisory Board three qualified, independent candidates to any vacant position in the Management Board, of which the Supervisory Board shall be obliged to appoint a new member of the Management Board to any vacant position.

During the whole duration of the Important, Serious Failure to Perform the Supervisory Board is not entitled to change the number of members of the Management Board or the composition of the Management Board in any manner different than in compliance with the following procedure: if the Important, Serious Failure to Perform lasts, as described above, for the period of 18 months, after such designation, the Supervisory Board is entitled to dismiss the majority, but not all (i.e. one member of the Management Board if the Management Board is composed of one or two members, two members if the Management Board is composed of three members, three members if the Management Board is composed of four or five members and four members if the Management Board is composed of six members) members of the Management Board by the ordinary majority of votes.

The Management Board is appointed for the term in office lasting five years. Members of the Management Board may be appointed for subsequent terms in office. A member of the Management Board may not, without consent of the Supervisory Board, take up competitive activities or have interest in a competitive company as a partner or a member of the governing bodies. In the case of conflict of interest of a member of the Management Board and the Company, the member of the Management Board should inform the Management Board about the fact and refrain from taking part in the discussion and voting over resolutions in that matter.

The following persons are authorized to submit declarations on behalf of the Company: if the Management Board is a single-member management board – President of the Management Board independently; if the Management Board is composed of more than one member – two members of the Management Board jointly or a member of the Management Board jointly with a holder of a commercial proxy.

The Company may appoint proxies to perform the activities of specific type or special tasks acting independently within the authorization granted to them by the Management Board in powers of proxy. Consent of all members of the Management Board is required to issue a power of proxy.

Subject to as provided for below, the Management Board takes decisions in a form of resolutions at meetings convened by the President of the Management Board at his/her initiative or on request of a member of the Management Board or request of the Supervisory Board. Resolutions of the Management Board may be adopted outside the meeting of the Management Board in writing or with the use of direct communications means provided all members of the Management Board were duly notified on the content of the resolution draft. Voting under the procedure specified in the preceding sentence may be ordered by the President of the Management Board at his/her own initiative or on request of other members of the Management Board. Resolutions of the Management Board are adopted by an absolute majority of votes, however, if adopted at the meeting of the Management Board they will be valid if all members are present and in management boards composed of more than three members – presence of at least three members of the Management Board. In the case of equal number of votes the President of the Management Board shall have a casting vote.

The Management Board shall prepare and provide the Supervisory Board with the draft of the financial plan (budget) with the Supervisory Board by 30 November of the year preceding the year which the plan concerns for the next financial year. The budget should contain the plan of expenses and revenues for the next financial year. The budget for the subsequent financial year is approved by the Supervisory Board by 31 December of the year preceding the year it concerns. If the Management Board fails to present the budget or if the budget is not approved by the Supervisory Board, the Supervisory Board may set a time limit for presentation of the new budget plan by the Management Board, including comments of the Supervisory Board. By the time the budget for a given year is adopted, the budget adopted for the previous calendar year shall be effective, however, every item shall be increased by the inflation rate in a given year calculated in accordance with the Consumer Price Index. Detailed rules of organization and operations of the Management Board are specified in the Management Board regulations, adopted by the Management Board and approved by the Supervisory Board.

Supervisory Board

As long as the Investor is the shareholder of the Company, the Supervisory Board shall be composed of 9 members, including the Chairperson and Deputy Chairperson. As long as the shares of the Company are traded in the regulated market in the Republic of Poland, at least two members of the Supervisory Board should meet the criterion of independence from the Company and entities which are in significant relation with the Company, due to the corporate governance rules applicable in the regulated market in the Republic of Poland which the Company's shares are listed in.

In the case of resignation prior to lapse of the term in office or in the case of death of a member of the Supervisory Board or in the case an Investor fails to designate a member or members of the Supervisory Board under the procedure provided for in § 12 section 4 of the Company's Articles of Association, the remaining members of the Supervisory Board, regardless of their number, shall be entitled to co-opt a new member in the place of a resigning or a deceased member of the Supervisory

Board. The number of the co-opted members of the Supervisory Board and non-approved by the General Meeting of Shareholders may not exceed the one-fourth of the members of the Supervisory Board in a given term in office. The co-opted members of the Supervisory Board shall be approved at the nearest General Meeting of Shareholders and their term in office shall expire with the expiry of the Supervisory Board's term in office. In the event the co-opted members of the Supervisory Board are not approved by the General Meeting of Shareholders, their term in office shall expire on closing the General Meeting of Shareholders mentioned above.

In the event the Investor ceases to be the shareholder of the Company, the Supervisory Board shall be composed of 5-10 members. The number of members of the Supervisory Board in a given term in office shall be determined by the General Meeting. As long as the Investor is a shareholder of the Company, the Investor shall have an individual right to appoint and dismiss two members of the Supervisory Board in a form of a written notice on appointment or dismissal of a members of the Supervisory Board served to the Company. The remaining members of the Supervisory Board are appointed by the General Meeting. In the case the Investor fails to appoint a member or members of the Supervisory Board within 21 days of expiry of a term in office of a member or members of the Supervisory Board appointed by the Investor, such members of the Supervisory Board shall be appointed and dismissed by the General Meeting by the time the Investor exercises the right available to it under § 12 section 5 above and in such case the term in office of the members of the Supervisory Board appointed by the General Meeting in accordance with the above provision shall expire automatically provided it does not affect the term in office of the whole Supervisory Board.

Together with granting consent for appointment of a member of the Supervisory Board, a candidate for an Independent Member of the Supervisory Board submits a written statement that he/she complies with the independence criterion, mentioned in section 1 above. An independent Member of the Supervisory Board shall comply with the independence criterion mentioned on point 1 above for the whole term in office. If during the term in office the Independent Member of the Supervisory Board stops to meet any of the criteria mentioned in the preceding sentence, he/she shall notify the Management Board of the Company in writing immediately, however, no later than within 3 days of occurrence of an event which caused that he/she stopped to comply with the criteria or of becoming aware of the fact. Failure to comply with the independence criteria by any member of the Supervisory Board or loss of the status of an Independent Member of the Supervisory Board during a term in office, shall not cause expiry of the mandate and shall not affect the capability of the Supervisory Board to perform its competences provided for in the Code of Commercial Companies and Partnerships and these Articles of Association.

The Supervisory Board is appointed for a joint, three-year term in office. It is acceptable to appoint the same persons members of the Supervisory Board for subsequent terms in office. A member of the Supervisory Board may not, without consent of the General Meeting, participate in a competitive company as a shareholder of a partnership, capital company or as a member of a governing body of a capital company or participate in another competitive legal entity as a member of the governing body. The above prohibition does not concern taking up functions or shares in companies belonging to the capital group of the Company. In the case of a conflict of interests of a member of the Supervisory Board and the Company, a member of the Supervisory Board should inform the Supervisory Board about the fact and refrain from taking part in the discussion and voting over resolutions in that matter. A member of the Supervisory Board should provide the Management Board with information concerning his/her connections with the shareholder holding no less than 5% of the general number of votes at the General Meeting.

The Supervisory Board may appoint commissions and committees, both permanent and to clarify specific issues – by determining organization, manner of operations and specific competences of the

commissions and committees – unless the object of the commission or committee work falls within the competences of the Supervisory Board, however as part of the Supervisory Board only permanent committees should be established:

- **The Audit Committee** whose operations are regulated by provisions of a relevant act, competent in particular in matters related to supervision over financial reporting of the Company and the process of reviewing the financial statements of the Company,
- **The Remuneration Committee** competent in particular in matters related to supervision and manner and form of remuneration of members of the Management Board and issues of implementing incentive programs in the Company.

The Supervisory Board takes decisions in a form of resolutions at meetings convened by the Chairperson of the Supervisory Board or, if impossible to convene by the Chairperson, by the Deputy Chairperson of the Supervisory Board. The eligible person mentioned in the preceding sentence convenes the meeting of the Supervisory Board at his/her own initiative or within two weeks of receipt of a motion of the Management Board or member of the Supervisory Board. The motion should be submitted in writing together with the proposed agenda.

Members of the Supervisory Board exercise their rights and obligations in person and are obliged to maintain confidentiality of the business secret of the undertaking. Meetings of the Supervisory Board are held without participation of the Management Board. If necessary, members of the Management Board may be invited to the meeting of the Supervisory Board. The meetings of the Supervisory Board are held on an as needed basis, however, at least once a quarter.

Subject to provisions of section 6 of § 13 of Articles of Association of Work Service SA, resolutions of the Supervisory Board may be adopted if at least half of Supervisory Board members is present at the meeting and all its members were invited at least 7 business days prior to the planned meeting. Resolutions of the Supervisory Board are valid and binding also when a given member was informed of the meeting within a shorter time limit, mentioned in the preceding sentence but submits a written statement in which he/she accepts the content of the resolution of the Supervisory Board or appears at the Supervisory Board. In the case and at the time when the Investor is a shareholder of the Company, at least one member of the Supervisory Board appointed in accordance with provisions of § 12 section 4 of the Articles of Association must participate in all meetings of the Supervisory Board. In the event that a given member of the Supervisory Board appointed in line with § 12 section 4 does not participate in the meeting of the Supervisory Board, another meeting of the Supervisory Board is convened which is held no later than within 14 (fourteen) days of the date of the meeting which the member of the Supervisory Board appointed in accordance with provisions of § 12 section 4 of the Articles of Association did not participate in and such meeting is capable of adopting resolutions regardless of presence of such members of the Supervisory Board.

Members of the Supervisory Board may take part in adopting resolutions of the Supervisory Board, by casting a vote in writing via another member of the Supervisory Board. Casting a vote in writing may not concern matters included in the agenda at the meeting of the Supervisory Board.

The Supervisory Board may adopt resolutions outside the meeting in writing or with the use of direct communications means provided all members were duly notified on the content of the resolution draft. Voting under the procedure specified in the preceding sentence may be ordered by the Chairperson of the Supervisory Board at his/her own initiative or on request of a member of the Supervisory Board or Management Board.

As long as the Investor is a shareholder of the Company, resolutions of the Supervisory Board adopted in § 16 section 2 point a), e), f), h), i), j), k), o), p), q), r) s), t), v), w), x), y), z), aa), bb), cc), dd) and ee) of the Company's Articles of Association are adopted by a qualified majority of 8/9 of cast votes and the remaining resolutions are adopted by the ordinary majority of cast votes. In the event the Investor ceases to be the shareholder of the Company, resolutions of the Supervisory Board shall be adopted by an ordinary majority of cast votes. In the case of equal number of votes, when an ordinary majority of votes is required, the person chairing the meeting shall have the casting vote. In the case a specific resolution in a form and content which was provided in the invitation to the meeting of the Supervisory Board is not adopted, then such resolution may be voted on again at the nearest meeting of the Supervisory Board which should be held no earlier than after forty two (42) and no later than after forty five (45) days of the meeting of Supervisory Board which did not adopt a given resolution. Such meeting is entitled to adopt such a resolution by an ordinary majority of votes, provided at least two, additional meetings of the Supervisory Board are held by the time and provided that such resolution requiring the majority of 8/9 votes to be adopted is not adopted.

In an agreement between the Company and a member of the Management Board and in a dispute with a member, the Company is represented by the Supervisory Board or a proxy appointed by virtue of a resolution of the General Meeting. Detailed rules of organization and operations of the Supervisory Board are specified in the Regulations of the Supervisory Board adopted by the General Meeting.

The Supervisory Board exercises constant supervision over the operations of the Company. Specific rights of the Supervisory Board comprise:

- review of the financial statements of the Company and report of the Management Board and motions of the Management Board concerning distribution of profit or coverage of loss and submission of the annual written statement on the review results, its own work and a concise evaluation of the standing of the Company, including the assessment of the internal control and the system of managing the risk crucial for the Company with the General Meeting;
- appointment and dismissal of members of the Management Board, subject to § 17 section 3-6 of the Company's Articles of Association;
- suspension in performance of duties, for important reasons, of particular members of the Management Board and delegation of members of the Supervisory Board to temporary performance of the activities of the members of the Management Board who may not perform their activities;
- approval of the Management Board regulations; granting consent to any benefits to be paid by the Company under any title and any entities related with the Company to members of the Management Board;
- granting consent to effecting a transaction by the Company and: (i) its shareholders eligible to cast more than 5% votes at the General Meeting of the Company, (ii) any persons related with the shareholders, including persons controlling such shareholders, (iii) members of governing bodies of the Company, their relatives and entities which are subsidiaries of the members of the governing bodies of the Company; granting consent to payment of advances to the anticipated dividend;
- selection and change of the entity authorized to audit the financial statements, including a consolidated financial statement of the Company and its capital group; selection of an independent, external certified auditor of the Company; approval of annual and periodical financial plans and significant changes in the plans provided by the Management Board;
- employment and determination of employment conditions (including remuneration, awards and bonuses) of the members of the Management Board of the Company;

granting consent to issue of ordinary bonds, m) granting consent to merger, transformation or winding up of the Company or its subsidiaries;

- granting consent to acquisition or disposal of real property, perpetual usufruct or an interest in a real property;
- granting consent to lease, establishing a perpetual usufruct, rent, pledge, encumbering with mortgage, establishing other burdens, pre-emption rights or awarding other rights on any part of the undertaking or assets of the Company, except for awarding the above mentioned to direct or indirect subsidiaries of the Company except for burdens related to credit facilities or loans which require consent of the Supervisory Board in accordance with § 16 section 2 (r) of the Articles of Association;
- granting consent to conclude agreements concerning strategic cooperation, for instance in a form of partnerships or joint venture unless they are approved in the Business Plan or the annual budget;
- granting consent to make capital expenditure of the total amount in excess of EUR 1,000,000 (one million euro) unless such expenditure was planned and approved in the Business Plan or the annual budget;
- granting consent to taking loans or credit facilities if a value of an individual credit or individual loan exceeds EUR 2,500,000 (two million five hundred thousand euro), unless such loans and credit facilities were planned and approved in the Business Plan or annual budget;
- granting consent to issue of one or more guarantees to perform an obligation by a single third party or more in the total value in excess of EUR 100,000 (one hundred euro) which is not related to the normal business activity and everyday operating activities, however, excluding direct or indirect guarantee of subsidiaries of the Company,
- granting consent to acquisition, covering or disposal of shares, stocks, participation units or other securities in other capital companies, partnerships or entities by the Company and to enter into partnerships by the Company with the exclusion of acquisition and disposal of government or bank securities for the period no longer than 360 days as a means of managing the cash position of the Company;
- granting consent to founding and winding up of new companies or branches;
- granting consent to introduction of incentive programs in the Company, in particular to awarding by the Company the right to cover or acquire shares as part of the managerial options and to changes in such programs;
- approval of unusual issues which are not related to the Company's undertaking or in any other manner are outside the normal objects of the Company of the value in excess of EUR 1,000,000 (one million euro) or transactions which limit the operations of the Company (geographically or in any other manner, in particular containing non-competition clauses) unless they are approved in the Business Plan and the annual budget;
- instituting or amicable settlement of litigations or arbitration proceedings concerning a claim of value no greater than EUR 200 000 (two hundred thousand Euro) or several similar proceedings of the total value of the claim in excess of EUR 500,000 (five hundred thousand euro);
- granting consent to concluding a single agreement or a larger number of agreements with the same entity or a natural person for performance of work or services if the fee or expenses related to such work or services exceed EUR 500,000 (five hundred thousand euro) in any period of three months;
- granting consent to donations, including charity purposes, of the value in excess in total of EUR 15,000 (fifteen thousand euro) in any year or to donations to political organizations;
- issue of controlling interests in the Company or any subsidiary of the Company other than the

issue of the capital issued by a subsidiary of the Company or under managerial incentive programs;

- purchase of assets by the Company of the total value exceeding EUR 500,000 (five hundred thousand euro) unless it was approved in the Business Plan or annual budget;
- granting consent to amending the Business Plan;
- granting consent to conclusion of any important agreement which may entail obligations of the Company in the amount in excess of EUR 2,000,000 (two million euro) unless such agreements were approved in the Business Plan or annual budget;
- granting consent to granting loans to third parties of the value in excess of EUR 500,000 (five hundred thousand euro), excluding loans granted to direct or indirect subsidiaries of the Company.

For a resolution of the Supervisory Board granting consent in matters specified in § 16 section 2 point e, f and h of the Articles of Association to be valid it is required that the resolution is voted over by at least one Independent Member of the Supervisory Board if a person of such status is among members of the Supervisory Board.

Right to make decisions on the issue or redemption of shares

Pursuant to §10.1 of the Company's Articles of Association, the competences of the General Meeting include:

- increase or decrease of the Company's share capital;
- issuing convertible bonds or bonds with pre-emptive rights, or subscription warrants.

9. Description of principles of amending the Company's Articles of Association

Pursuant to §10.1g and §10.11 of the Company's Articles of Association, each amendment to the Articles of Association and change in the business object of the Company lies within the exclusive competences of the General Meeting.

10. General Meeting — manner of operations

The competences of the General Meeting are specified in the Code of Commercial Companies and Partnerships, provisions of other acts and the Articles of Association. In particular, the competences of the General Meeting comprise:

- a) review and approval of the Management Board's report on the Company's operations and the financial statement for the previous financial year;
- b) adoption of resolutions on distribution of profit equal to 20% of net profit in a given financial year;
- c) adoption of resolutions on distribution of profit above 20% of net profit in a given financial year;
- d) acknowledgement of fulfilment of duties by members of the governing bodies of the Company;
- e) appointment and dismissal of members of the Supervisory Board, subject to § 12 section 4 if the Articles of Association;
- f) increase or decrease of the share capital;
- g) amending the Company's Articles of Association;
- h) adoption of resolutions concerning disposal or lease of the Company's undertaking or its organized part and establishing usufruct or another limited property right on its undertaking;
- i) dissolution of the Company;
- j) adoption of regulations of the Supervisory Board and General Meeting and their amendments;
- k) issue of bonds, convertibles or bonds with the pre-emption right and issue of subscription warrants mentioned in Art. 453 § 2 of the Code of Commercial Companies and Partnerships and other financial instruments, except for currency transactions and derivatives.
- l) merging the Company with other companies, division of the Company, separation of a part of the Company's undertaking or transformation of the Company;
- m) issuing a decision in all matters concerning claims for reparation of a damage caused while founding the Company or managing or supervising it;
- n) determination of a manner and amount of the remuneration of the members of the Supervisory Board;
- o) specifying a day, on which a list of shareholders eligible for dividend for a given financial year is determined – the dividend day and determination of the dividend payment term;
- p) creation of reserve capitals which are not required under the applicable law;
- q) granting consent to extend the objects of the Company by including all sorts of the elderly care services.

The Ordinary Meeting of Shareholders is held annually within six months of the end of each financial year. The Extraordinary Meeting of Shareholders is convened if the governing bodies or persons authorized to convene the General Meeting consider it necessary. The General Meeting is convened by the Management Board. The Supervisory Board is entitled to convene the ordinary General Meeting if the Management Board fails to convene the General Meeting within the prescribed time limit. The Supervisory Board and shareholders or a shareholder holding at least one-twelfth of the share capital may require to convene the Extraordinary Meeting of Shareholders.

Shareholders or a shareholder holding at least one-twentieth of the share capital may require to include specific items in the agenda of the nearest General Meeting. The demands mentioned above together with justification allowing for adoption of an informed resolution, shall be submitted by eligible shareholders in writing or in a digital form with the Management Board. If the demand does not contain a justification, the Management Board will ask the shareholders for justification of the motion. The General Meeting is valid regardless of the number of shares represented at it unless provisions of the Code of Commercial Companies and Partnerships and of the Statutes provide otherwise. Resolutions of the General Meeting are adopted by an absolute majority of votes, unless the Code of Commercial Companies and Partnerships and of other acts and the Statutes provide for other conditions of their adoption.

An item included in the agenda of the General Meeting at the initiative of the eligible shareholder or shareholders who submitted such demand, may be – if justified and supported by material reasons – deleted from the agenda by a resolution adopted by the majority of 80% cast votes and on consent of all present shareholders who submitted the above demand. In the case when the Management Board in a justified manner moves for deletion of the item from the agenda which was previously included in it on its own request requires an absolute majority of cast votes. Shareholders participate in the General Meeting in person or by a proxy appointed in writing.

A change of the objects of the Company may be executed without shares buyout. A respective resolution to be effective requires two-thirds of cast votes with presence of the persons representing at least half of the share capital of the Company. Acquisition or disposal of real property, perpetual usufruct or interest in a real property does not require consent of the General Meeting.

11. Composition, changes and a description of the management and supervisory bodies

Composition of the Management Board and Supervisory Board was presented in item 1 of information about Work Service SA in this report.

In accordance with the recommendations of the European Commission of 15 February 2005 on the role of non executive directors or members of supervisory board of listed companies and the committees of the (supervisory) board and pursuant to § 12 section 9 Articles of Association of the Company, two permanent committees have been established: the Audit Committee and the Remuneration Committee. The composition of these committees was specified in resolutions of the Supervisory Board No 1 and 2 dated 12 January 2011. Appointment of the above Committees constituted adjustment of corporate structures of the Company to the requirements of the public market.

The current composition of the Audit Committee established by resolution No 1 of the Supervisory Board of 17 February 2017 is as follows:

1. Piotr Kamiński — Chairman of the Audit Committee,
2. John Leone — member of the Audit Committee,
3. Everett Kamin — member of the Audit Committee.

The Audit Committee is competent in particular in matters related to supervision over financial reporting of the Company and the process of reviewing the financial statements of the Company. The tasks of the Committee include:

- monitoring of the process of financial reporting;
- monitoring of the effectiveness of internal control systems, internal audit and risk management;

- monitoring performance of financial audit;
- monitoring the independence of the authorized entity (the audit firm) to audit financial statements and operating within the expert auditor of the entity;
- advising the Supervisory Board on proper supervision of the Company's financial reporting and audit process of the financial statements of the Company, the implementation of financial reporting and internal controls in the Company and cooperation with entities authorised (audit firms) to audit the Company's financial statements and expert auditors acting within these entities.

In particular, the Committee is required to:

- recommend to Supervisory Board the company authorised (an audit firm) to audit the Company's financial statements, including the consolidated financial statements, as well as the terms of the contract with such an entity and the amount of its remuneration;
- assess the scope of the independence of the selected audit firm and expert auditor,
- prepare draft resolutions of the Supervisory Board on financial matters of the Company,
- examine the quarterly, semi-annual and annual financial statements,
- discuss any problems or objections that may arise from the audit of the financial statements of the Company,
- ensure the most efficient communication between the auditor and the Supervisory Board,
- cooperate with the internal auditor of the Company,
- analyse the comments addressed to the Management Board by the Company's expert auditors and Management Board responses,
- analyse the reports of internal auditors of the Company and Management Board responses on observations and postulates contained in these reports,
- analyse and evaluate relations and dependencies within the Company and in the same Supervisory Board and the Management Board of the Company in terms of the existence or possibility of conflicts of interest, and take measures to eliminate this kind of events,
- consider any other issues related to the audit of the Company, which drew the attention of the Committee or the Supervisory Board.

The Remuneration Committee

Present composition of Remuneration Committee is as follows.

1. Panagiotis Sofianos — Chairman of the Remuneration Committee
2. Pierre Mellinger — Member of the Remuneration Committee.

The duties of the Remuneration Committee include, in particular:

- planning the remuneration policy for the Members of the Management Board,
- supervision over the way and form of remuneration of the members of the Management Board, providing recommendations to Supervisory Board in this regard,
- adjusting the salaries of Members of the Management Board to the long-term interests of the Company and the Company's financial results,

- issues associated with the implementation of incentive programs and those already introduced in the Company, addressed to the Management Board and employees of the Company.

In view of the fact that the Company Work Service SA became a publicly traded company in 2012, the Audit and Remuneration Committees started its operations in 2012.

SIGNATURES:

1. **Maciej Witucki** —**President of the Management Board**
2. **Piotr Gajek** —**Vice-President of the Management Board**.....
3. **Robert Knights** —**Vice-President of the Management Board**.....
4. **Paul Christodoulou** —**Vice-President of the Management Board**.....
5. **Tomasz Ślęzak** —**Vice-President of the Management Board**.....
6. **Iwona Szmitkowska** —**Vice-President of the Management Board**.....

Wrocław, 24 April 2017