

**FINANCIAL SUPERVISION AUTHORITY****ANNUAL REPORT RR 2020**

(pursuant to §60 sec.1, pt.3 of the Regulation regarding current and periodical information)  
 (for issuers of securities managing production, construction, trade and services activities)

For financial year 2020 from 2020-01-01 to 2020-12-31  
 including financial statement compliant with Polish Accountancy Principles

Date of publication: 2021-04-30

<b>COMARCH SA</b>	
(full name of an issuer)	
<b>COMARCH</b>	<b>INFORMATION TECHNOLOGY</b>
(abbreviated name of issuer)	(sector according to WSE classification)
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BDO sp. o.o. sp.k.

(An auditor entitled to audit financial statements)

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	2020	2019	2020	2019
I. Net revenues from sales of products, goods and materials	999,401.00	951,698	223,370.00	221,233
II. Profit (loss) on operating activities	64,525.00	33,519	14,422.00	7,792
III. Gross profit (loss)	93,878.00	67,397	20,982.00	15,667
IV. Net profit (loss)	80,008.00	57,627	17,882.00	13,396
V. Cash flows from operating activities	120,949.00	60,958	27,033.00	14,170
VI. Cash flows from investing activities	-42,096.00	-7,665	-9,409.00	-1,782
VII. Cash flows from financing activities	-53,115.00	-53,199	-11,871.00	-12,367
VIII. Total net cash flows	25,738.00	94	5,753.00	22
IX. Total assets	1,447,977.00	1,395,045	313,768.00	327,591
X. Liabilities and provisions for liabilities	498,539.00	513,505	108,030.00	120,584
XI. Non-current liabilities	96,103.00	120,946	20,825.00	28,401
XII. Current liabilities	165,331.00	160,942	35,826.00	37,793
XIII. Equity	949,438.00	881,540	205,738.00	207,007
XIV. Share capital	8,133.00	8,133	1,762.00	1,910
XV. Number of shares	8,133,349.00	8,133,349	8,133,349.00	8,133,349
XVI. Earnings (losses) per single share (PLN/EUR)	9.84	7.09	2.20	1.65
XVII. Diluted earnings (losses) per single share (PLN/EUR)	9.84	7.09	2.20	1.65
XVIII. Book value per single share (PLN/EUR)	116.73	108.39	25.29	25.45
XIX. Diluted book value per single share (PLN/EUR)	116.73	108.39	25.29	25.45
XX. Dividend per one share (paid or declared)	1.50	1.50	0.34	0.35
Euro exchange rates used for calculation of the selected financial data:				

Arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2020 to 31.12.2020: 4.4742;  
 Arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2019 to 31.12.2019: 4.3018;  
 The balance sheet items were presented based on NBP average exchange rates as of the end of the period:  
 31.12.2020: 4.6148;  
 31.12.2019: 4.2585.

#### **ANNUAL REPORT INCLUDES:**

File	Description
SzBJSFComarch_2020.xhtml	Report of an Auditor authorized to audit Financial Statements- attachment no. 1a
SzBJSFComarch_2020.xhtml.XAdES	Report of an Auditor authorized to audit Financial Statements- attachment no. 1b
RR 2020 Pismo Prezesa Zarządu.xhtml	Letter of the President of The Management Board- attachment no. 2a
RR 2020 Pismo Prezesa Zarządu.xhtml.XAdES	Letter of the President of The Management Board- attachment no. 2b
RR 2020 Sprawozdanie finansowe.xhtml	Financial Statement- attachment no. 3a
RR 2020 Sprawozdanie finansowe.xhtml.BES.XAdES.xades	Financial Statement- attachment no. 3b
RR 2020 Sprawozdanie Zarządu Comarch SA.xhtml	Report of the Management Board- attachment no. 4a
RR 2020 Sprawozdanie Zarządu Comarch SA.xhtml.BES.XAdES.xades	Report of the Management Board- attachment no. 4b
RR 2020 Oświadczenie Rady Nadzorczej w sprawie komitetu audytu.xhtml	Supervisory Board's statement regarding the Audit Committee - attachment no. 5
RR 2020 Ocena przez Radę Nadzorczą zgodności sprawozdania.xhtml	Assessment by the Supervisory Board of the compliance - attachment no. 6
RR 2020 Informacja Zarządu w sprawie wyboru firmy audytorskiej.xhtml	Information of the Management Board regarding the selection of the auditor- attachment no. 7a
RR 2020 Informacja Zarządu w sprawie wyboru firmy audytorskiej.xhtml.BES.XAdES.xades	Information of the Management Board regarding the selection of the auditor- attachment no. 7b
RR 2020 Oświadczenie Zarządu w sprawie rzetelności sporządzenia.xhtml	The Management Board's statement regarding the reliability of the financial statement- attachment no. 8a
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RR 2020 Oświadczenie o stosowaniu ładu korporacyjnego.xhtml.BES.XAdES.xades	Report regarding Corporate Governance Principles- attachment no. 9b
2020 Sprawozdanie na temat informacji niefinansowych.xhtml	2020 Non-financial Statement – attachment no. 10a
2020 Sprawozdanie na temat informacji niefinansowych.xhtml.BES.XAdES.xades	2020 Non-financial Statement – attachment no. 10b

## **Report of the Independent Auditor from the Audit for the General Meeting and the Supervisory Board of Comarch S.A.**

### **Report from the audit of the annual financial statement**

#### **Opinion**

We have audited the attached annual financial statement of COMARCH S.A. ("Company"), which consists of: balance sheet prepared as at 31<sup>st</sup> of December, 2020, profit and loss account, statement of changes in equity and cash flow statement for the financial year ending on 31<sup>st</sup> of December, 2020 and introduction to the financial statement containing a description of adopted accounting principles and additional information and clarifications ("financial statement").

In our opinion, attached financial statement:

- presents a reliable and clear picture of the property and financial situation of the Company as at 31<sup>st</sup> of December, 2020 and its financial result and cash flows for the financial year ending on that day, in accordance with the applicable provisions of the Accounting Act ("Act on Accounting" – Journal of Laws of 2021, pos. 217) and adopted accounting principles (policy);
- agrees on the form and content of the applicable laws and the Company's Articles of Association,
- it has been prepared on the basis of correctly kept accounting books, in accordance with the provisions of Chapter 2 of the Accounting Act.

This opinion is consistent with the additional report for the Audit Committee, which we issued on the day of this report.

#### **Basis of the opinion**

We conducted our research in accordance with the International Standards of Research as adopted as National Standards of Research by the National Council of Expert Auditors ("KSB") and in accordance with Act of 11<sup>th</sup> of May, 2017 on Expert Auditors, Audit firms and Public Supervision ("Act on Expert Auditors" - Journal of Laws of 2020, item 1415) and EU Regulation No. 537/2014 of 16<sup>th</sup> of April, 2014 on Detailed Statutory Requirement Audits of Financial Statements of Public-Interest Entities ("EU Regulation" - Journal of Laws of the EU L158). Our liability in accordance with these standards is further described in our section Auditor's Responsibility for Auditing the Financial Statements.

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants of the International Federation of Accountants ("IFAC Code"), adopted by the resolutions of the National Council of Expert Auditors and other ethical requirements that apply to the audit of financial statement in Poland. We have fulfilled our other ethical obligations in accordance with these requirements and the IFAC Code. During the audit, the expert auditor and the audit firm remained independent of the Company in accordance with the independence requirements set out in the Act on Expert Auditors and the EU Regulation.

We believe that the audit evidence we have obtained is adequate and appropriate to provide the basis for our opinion.

#### **Key research matters**

The key audit matters are matters that, according to our professional judgment, were the most significant when auditing the financial statement for the current reporting period. They include the most significant assessed risks of material misstatement, including the assessed risks of material misstatement due to fraud. We referred to these matters in the context of our audit of the financial statement as a whole and in the formulation of our opinion, and summarized our reaction to these risks and in cases where we deemed it necessary we presented the most important observations related to these risks.

We do not express a separate opinion on these matters.

## **1. The risk of loss of value of net investment in subsidiaries**

### **Key research matter**

As at 31<sup>st</sup> of December, 2020, the company holds shares or stocks in related entities. Their value disclosed in the financial statement is PLN 353,371 thousand (this value includes shares in subsidiaries: PLN 231,482 thousand and investment certificates in Comarch Corporate FIZ: PLN 121,529 thousand), which accounts for 24.4% of the balance sheet total.

In accordance with the accounting policy adopted by the Company, shares and stocks in related entities are disclosed at cost less impairment losses.

The issue was identified as a risk of material misstatement due to the significant value of shares and the potential material impact on the Company's financial result in the event of impairment triggers referred to in Art. 28 para. 7 of the Accounting Act.

### **Disclosures in the financial statement**

The accounting policy applied to the valuation of shares in subsidiaries was disclosed by the Company in the introduction to the financial statement.

Additional information is included in note 3b, 3c and further in the annual report of RR.

### **Auditor procedures in response to the identified risk**

As part of the audit of the unit financial statement of the Company:

1. An analysis of the accounting policy applied by the Company in the scope regarding the valuation of shares was carried out,
2. The analysis of the reports of subsidiaries, including in particular their financial results, values and capital structure, indebtedness and liquidity in terms of the existence of indications of impairment, was performed,
3. The impact of events after the balance sheet date on possible impairment loss was assessed,
4. Management Board's explanations regarding factors triggering indications of impairment, including negative financial results, as well as plans and perspectives concerning the activities of individual companies were obtained,
5. Within the scope of impairment tests performed by the Company:
  - we have made a critical evaluation of the testing process,
  - we assessed the key assumptions of the test,
  - we have verified their mathematical correctness and methodological coherence
6. The correctness and completeness of required disclosures in the financial statement was assessed.

## **2. The risk related to work in progress**

### **Key research matter**

Work in progress are capitalized costs associated with creating new or upgrading existing software. The value of production in progress as at 31<sup>st</sup> of December, 2020 is PLN 51,528 thousand, which is 3.6% of the balance sheet total.

In accordance with the accounting policy, capitalized costs should be included in the financial result for a period not longer than 36 months from the date of their payment in the form of either the cost of sale or the write-down.

The issue was considered a key audit matter due to the possible omission of the recognition of capitalized costs for work in progress as a result of the relevant period - in accordance with the accounting policy adopted by the Company and the capitalization of costs that may not generate economic benefits, in accordance with the assumptions adopted by the Management Board as to the possibility of future use of the effects of production in progress.

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**Disclosures in the financial statement**

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The accounting policy applied to the valuation of shares in subsidiaries was disclosed by the Company in the introduction to the financial statement.

Additional information can be found in note 5a of the RR annual report.

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**Auditor procedures in response to the identified risk**

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As part of the audit of the unit financial statement of the Company:

1. Accounting policy records have been verified,
2. A list of items treated as production of work was obtained, with periods of bearing the capitalized costs,
3. The correctness of applying the adopted accounting principles was assessed in the scope of:
  - recognizing the cost of sales of capitalized costs in other comprehensive income in connection with obtaining revenues from the sale of software,
  - compliance with the adopted accounting policy, recognition of other capitalized costs in other comprehensive income if the software is in the development phase (planned revaluation write-offs),
  - explanations of the management board regarding the factors causing delays in the settlement of individual items, as well as plans and prospects for the settlement of these items in the future.
4. Rated for significant production items in the course of capacity to generate economic benefits.
5. the correctness and completeness of the required disclosures in the financial statements were assessed.

### **3. Revenue from contracts with customers**

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**Key research matter**

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Sales revenue for the year ended 31<sup>st</sup> of December, 2020 amounted to PLN 991,401 thousand. An important part of the revenue generated by the Company were revenue from the implementation of IT implementation contracts, which are recognized by the Company in accordance with Article 34a paragraph. 1 and par. 2 point 2 of the Accounting Act. For settling implementation contracts, the Company adopts the method of percentage involvement of costs and revenue.

The issue was considered a key risk area due to the significance of revenue from the sale of implementation services and the complex nature of the balance sheet valuation process based on significant estimates of the Management Board.

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**Disclosures in the financial statement**

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The details of the accounting policy applied by the Company in the scope of revenue recognition are disclosed in Note 7.1. introduction to the RR financial statement.

Additional information can be found in note 9a, 17a, 20a of the RR annual report.

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**Auditor procedures in response to the identified risk**

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As part of the audit of the separate financial statement of Comarch S.A. we reviewed the adopted accounting policy in the field of recognition and recognition of sales revenues in terms of compliance with the provisions of the Accounting Act.

In particular, we have carried out procedures aimed at understanding and evaluating internal controls that the Company has implemented in relation to the valuation of long-term contracts.

During the audit, we also carried out the following procedures related to the identified risk:

- we have assessed how the budgets used to calculate revenue are analysed and updated, and finally accepted;
- we have reconciled the actual data from the books up to the last day of the audited period with the updated figures in the budgets as at the valuation date;
- we have analysed the consistency of the structure of budgets through mutual comparisons and agreements to real subcontracts;
- we performed an analysis of the mathematical correctness of the calculation of all long-term contracts in terms of their mutual coherence and the assessment of the occurrence of the risk of creating a provision for loss on the contract;
- in the case of contracts executed over a period longer than one year, the budgets of revenues and costs in these periods were compared and the changes in the budget amount with the source documentation were evaluated for the selected sample and the changes in the value of the assumed margin on the contract were explained;
- information on the progress of works was obtained for contracts with a high degree of cost involvement;
- for a selected sample of contracts (including the largest contracts), detailed procedures have been carried out to compare data from the spreadsheet with data derived from contracts with the Customer;

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### **Responsibility of the Management Board and the Supervisory Board for the financial statement**

The Management Board of the Company is responsible for preparing, on the basis of correctly kept accounting books, financial statement which presents a reliable and clear picture of the property and financial situation and financial result of the Company in accordance with the Accounting Act, adopted accounting principles (policy) and the applicable laws and articles of association as well as internal control, which the Management Board deems necessary to enable the preparation of financial statement without a significant distortion caused by fraud or error.

When preparing the financial statement, the Management Board of the Company is responsible for assessing the Company's ability to continue operations, disclosing, if applicable, matters related to going concern and adopting the principle of going concern as an accounting basis, except when the Management Board intends either to liquidate the Company or to discontinue conducting business or there is no real alternative to liquidation or discontinuation of activity.

The Management Board and members of the Company's Supervisory Board are obliged to ensure that the financial statement meets the requirements provided for in the Accounting Act. Members of the Supervisory Board are responsible for overseeing the financial reporting process of the Company.

### **Auditor's responsibility for auditing the financial statement**

Our goals are to obtain reasonable assurance that the financial statement as a whole do not contain any material misstatement due to fraud or error and to issue a report containing our opinion. Reasonable assurance is a high level of certainty, but it does not guarantee that a test conducted in accordance with the KSB will always detect the existing significant distortion. Distortions may arise as a result of fraud or error and are considered material if it can reasonably be expected that, individually or in aggregate, they could influence users' business decisions made on the basis of this financial statement.

The concept of materiality is used by the auditor both in planning and conducting the audit as well as in assessing the impact of the distortions identified during the audit and the unadjusted distortions, if any, on the financial statement, as well as when formulating the auditor's opinion. In connection with the above, all opinions and statements included in the audit report are expressed with regard to the qualitative and valuable level of significance determined in accordance with the audit standards and professional judgment of the expert auditor.

The scope of the audit does not include assurance as to the future profitability of the Company or the effectiveness or efficiency of conducting its affairs by the Company's Management Board currently or in the future.

During a study in accordance with the KSB, we apply professional judgment and maintain professional scepticism, as well as:

- we identify and assess the risks of material misstatement of the financial statement due to fraud or error, design and conduct audit procedures that address these risks, and obtain audit evidence that is adequate and adequate to provide a basis for our opinion. The risk of not recognizing a significant misstatement due to fraud is greater than that resulting from the error, as the fraud may involve collusion, falsification, intentional omissions, misrepresentation or circumvention of internal control;
- we gain an understanding of the internal control appropriate to the audit to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control;
- we assess the appropriateness of the accounting principles (policy) used and the reasonableness of accounting estimates and related disclosures made by the Company's Management Board;
- we draw a conclusion on the appropriateness of the Company's Management's application of the going concern principle as an accounting basis and, based on the audit evidence obtained, whether there is significant uncertainty related to events or conditions that may significantly doubt the Company's ability to continue as a going concern. If we come to the conclusion that there is significant uncertainty, we require that we draw attention in our auditor's report to related disclosures in the financial statement or if such disclosures are inadequate, we modify our opinion. Our applications are based on audit evidence obtained up to the date of our audit report, however future events or conditions may cause the Company to cease its operations;
- we assess the overall presentation, structure and content of the financial statement, including disclosure, and whether the financial statement presents the underlying transactions and events in a manner that ensures a fair presentation.

We provide the Supervisory Board with information about, among other things, the planned scope and time of the audit and significant findings of the audit, including any significant weaknesses of internal control that we will identify during the audit.

We submit to the Supervisory Board a statement that we have complied with the relevant ethical requirements regarding independence and that we will inform them of all connections and other matters that could reasonably be considered to jeopardize our independence and, where applicable, we inform about the safeguards applied.

From among the matters forwarded to the Supervisory Board, we determined those matters which were most significant during the audit of the financial statement for the current reporting period and that is why we considered them to be key issues of the audit. We describe these matters in our auditor's report, unless laws or regulations prohibit public disclosure or when, in exceptional circumstances, we determine that the issue should not be presented in our report because it would reasonably be expected that the negative consequences would outweigh the benefits of such a report to the public interest.

### **Other information, including an activity report**

Other information consists of a report on the Company's operations for the financial year ended 31st of December, 2019 ("Activity Report") together with a statement on the application of corporate governance and a statement on non-financial information referred to in Art. 49b section 1 of the Accounting Act, which are separate parts of this Report (together "Other information").

### **Responsibility of the Management Board and the Supervisory Board**

The Management Board of the Company is responsible for preparing Other information in accordance with the law.

The Management Board of the Company and members of the Supervisory Board are obliged to ensure that the Report on the Company's activities along with the separated parts meet the requirements provided for in the Accounting Act.

## **Responsibility of the auditor**

Our opinion on the audit of the financial statement does not include Other information. In connection with the audit of the financial statement, it is our duty to read other information and, in doing so, consider whether other information is not materially inconsistent with the financial statement or our knowledge obtained during the audit or otherwise appear significantly distorted. If, based on the work performed, we find significant distortions in other information, we are required to inform you in our audit report. Our duty in accordance with the requirements of the Act on Expert Auditors is also to issue an opinion on whether the report on operations has been prepared in accordance with the regulations and whether it is consistent with the information contained in the financial statement. In addition, we are required to inform you whether the Company has made a statement about non-financial information and issuing an opinion on whether the Company has included the required information in the corporate governance statement.

We obtained the report on the Company's activity before the date of this audit report, and the Annual Report will be available after this date. In the event that we find a significant distortion in the Annual Report, we are obliged to inform the Supervisory Board of the Company about it.

## **Opinion on the Report on operations**

Based on the work carried out during the study, in our opinion, the Report on the Company's operations:

- it has been drawn up in accordance with Article 49 of the Accounting Act and paragraph 70 of the Regulation of the Minister of Finance of 29<sup>th</sup> of March, 2018 regarding current and periodic information published by issuers of securities and conditions for recognizing information required by the law of a non-member state as equivalent ("Current Information Regulation" Journal of Laws of 2018, item 757);
- is consistent with the information contained in the financial statement.

In addition, in the light of knowledge about the Company and its environment obtained during our audit, we declare that we have not identified significant distortions in the Report on the Company's operations.

## **Opinion on the statement on the application of corporate governance**

In our opinion, in the statement on the application of corporate governance, the Company has included the information specified in paragraph 70, para. 6 point 5 of the Regulation on current information. In addition, in our opinion, the information indicated in paragraph 70 para. 6 point 5 lit. c-f, h and lit. and the Regulations contained in the statement on the application of corporate governance are consistent with the applicable regulations and information contained in the financial statement.

## **Information on non-financial information**

In accordance with the requirements of the Act on Expert Auditors, we confirm that the Company has prepared a statement on non-financial information, referred to in art. 49 section 9 1 of the Accounting Act as a separate part of the Report on operations.

We have not done any assurance work regarding a statement about non-financial information and we do not give any assurance about it.

## **Report on other legal and regulatory requirements**

### **Declaration on services provided that are not auditing the financial statement**

To the best of our knowledge and belief, we declare that the non-audit services we provide to the Company and its subsidiaries comply with the laws and regulations in force in Poland and that we have not provided non-audit services that are prohibited under Art. 5 sec. 1 of the EU Regulation and art. 136 of the Act on statutory auditors. The non-audit services we provided to the Company and its subsidiaries during the audited period are listed in 46 of the Company's financial statements.

## **Choosing an auditing company**

We have been selected to audit the financial statements with a resolution of the Company's Supervisory Board of 29<sup>th</sup> of May, 2017 and again with a resolution of 27<sup>th</sup> of May, 2019. The Company's financial statements are tested continuously starting from the financial year ended 31<sup>st</sup> of December, 2017, that is for the next four years.



The key expert auditor responsible for the audit, which resulted in this report of the independent expert auditor is Marcin Krupa.

**BDO spółka z ograniczoną odpowiedzialnością sp.k. with its registered office in Warsaw,**  
entered into the list of audit firms under number **3355**

**on behalf of which the expert auditor operates**

*Signed by a qualified  
electronic signature*

**Marcin Krupa**

Expert auditor  
No. in the register 11142

*Signed by a qualified  
electronic signature*

**doctor André Helin**

President of the Management Board of the  
General Partner  
Expert auditor, no. in the register 90004

Krakow, 30<sup>th</sup> of April, 2021

Krakow, 30<sup>th</sup> of April, 2021

Dear Shareholders,

I am pleased to announce you today that Comarch S.A. achieved record financial results in the challenging 2020. Sales revenue amounted to nearly PLN 1 billion, operating profit amounted PLN 64.5 million, and net profit reached PLN 80 million. The operating margin in 2020 was 6.5%, and the net margin was 8.0%. The achievement of these results was possible thanks to the very good diversification of the Company's operations, a wide product offer and the Company's ability to efficiently adapt to a rapidly changing environment, which was particularly important in the conditions of a global pandemic.

In 2020, Comarch S.A. successfully continued its growth strategy based on the development of proprietary IT products for many industries and selling them on international markets. Last year there was an increase in revenue from the sale of Comarch's software and related services, but the situation in individual business areas has changed significantly. Business on foreign markets (an increase of 15.9%), especially in Asia and Western Europe, developed much faster than in Poland. Solutions for financial and telecommunications sectors, as well as ERP systems enjoyed particular interest of customers. Thanks to the wide and comprehensive offer of modern IT solutions and high quality services, Comarch S.A. strengthened in 2020 its position as a leading Polish software producer and one of the leading IT suppliers in the world. Thanks to the global sales network that has been operating for many years, Comarch S.A. was able - despite the pandemic and the related limitations - to successfully develop the sale of its solutions in new markets. A visible effect of these actions was the signing last year of the largest contract in the company's history, worth over PLN 300 million, with a telecommunications operator from New Zealand.

In 2020, Comarch S.A. continued the intensive development of new and improving existing IT products. Expenditures for research work exceeded PLN 230 million, which represents over 23% of the Company's sales revenue - these key investments were financed primarily from the Company's own funds. Comarch S.A. intensively developed a new generation of telecommunications systems dedicated to 5G technology, e-commerce solutions, ERP systems, IT solutions for financial sector and the Internet of Things. In 2020, the Company invariably focused on the development of IT solutions in the service model - Comarch is one of the market leaders in this field. In order to accelerate the development in the area of e-Health, last year the Company acquired 2CSI, a French IT company that has been providing solutions for this sector for many years.

Last year Comarch S.A. was a stable employer, at the end of the year the Company employed 5,006 people in Poland. As every year, the program of summer student internships was very popular, thanks to which Comarch is perceived as the first-choice employer on the labour market in the IT industry.

The Management Board of Comarch S.A. makes efforts to effectively implement the mission of disseminating the innovative technical thought created in Poland worldwide. In addition to the business activities, Comarch S.A. implements the corporate social responsibility policy and is involved in activities for environmental protection, preservation and reconstruction of the national heritage, and actively supports non-governmental organizations and charity campaigns, is a patron of culture, art and sport.

The past year has proved that Comarch S.A. has been very well prepared to operate also in the conditions of economic slowdown caused by the Covid-19 pandemic. I am convinced that also in the next year, Comarch will be able to strengthen its market position as a global provider of IT solutions, thanks to a very good current financial situation, significant product, industry and geographical diversification of its offer and a high commitment of employees.

*Professor Janusz Filipiak, President of the Management Board of Comarch S.A.*



**COMARCH**

**ANNUAL FINANCIAL STATEMENT  
COMARCH S.A.  
FOR THE PERIOD  
1 JANUARY 2020 – 31 DECEMBER 2020**

**Krakow, 30<sup>th</sup> of April, 2021**

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## **INTRODUCTION TO THE COMARCH S.A.'S FINANCIAL STATEMENT**

### **I. General Information about Comarch S.A. (the "Company")**

The basic activities of Comarch S.A. with its registered seat in Krakow at Al. Jana Pawła II 39 A include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, Eleventh Economic Division of the National Court Register. The company's KRS number is 0000057567. The duration of the Parent Company is not limited.

In the tables of this statement:

- the previous period means period 01.01.2019 - 31.12.2019 and refers to 12 months,
- the current period means period 01.01.2020 - 31.12.2020 and refers to 12 months.

As at 31<sup>st</sup> of December, 2020, Members of the Board of Supervisors:

- Elżbieta Filipiak - Chairman of the Board of Supervisors,
- Andrzej Ryszard Pach - Vice-Chairman of the Board of Supervisors,
- Danuta Drobniak - Member of the Board of Supervisors,
- Łukasz Kalinowski - Member of the Board of Supervisors,
- Joanna Krasodomska - Member of the Board of Supervisors,
- Anna Pruska - Member of the Board of Supervisors,
- Tadeusz Włudyka – Member of the Board of Supervisors.

As at 31<sup>st</sup> of December, 2020, Members of the Management Board:

- Janusz Filipiak - President of the Management Board,
- Paweł Prokop - Vice-President of the Management Board,
- Andrzej Przewięźlikowski - Vice-President of the Management Board,
- Zbigniew Rymarczyk - Vice-President of the Management Board,
- Konrad Tarański - Vice-President of the Management Board,
- Marcin Warwas - Vice-President of the Management Board.

*\*) On 29<sup>th</sup> of January, 2020, Mr. Marcin Dąbrowski, head of the telecommunications sector, resigned from the position of Vice President of the Management Board of Comarch S.A. with effect from 29<sup>th</sup> of January, 2020.*

The financial statement was prepared with the assumption of the continuation of commercial activities by Comarch S.A. in the foreseeable future. According to the company's management, there are no circumstances suggesting any threat to the continuation of activities. The financial statement includes financial data from Comarch S.A.'s branch in Albania.

Comarch S.A. is a parent company in the Capital Group. In addition to financial statement that is prepared pursuant to Act on Accounting, the company prepares also consolidated financial statement according to International Financial Reports Standards that are approved by the European Union.

### **II. There Were no Reservations in the Opinion of an Auditor Entitled to Audit Financial Statements of Comarch S.A. for 2019**



### III. Principles of Valuation of Assets and Equity and Liabilities and Measure of Financial Result

This financial statement was prepared according to the Act passed on 29<sup>th</sup> of September, 1994 on Accounting ("Act on Accounting") and the Regulation issued by the Minister of Finance on 18<sup>th</sup> of October, 2005 concerning information presented in financial statements and consolidated financial statements, required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones, and according to the Regulation issued by the Minister of Finance on 29<sup>th</sup> of March, 2018 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state.

#### 1. Non-Current Assets

##### 1.1. Intangible Assets

Intangible assets are recorded at their acquisition prices with reference to the current redemption. The company carries out depreciation write-offs using the straight-line method. The following depreciation rates have been adopted:

■ computer software	30%
■ licences	30%
■ copyrights	30%
■ other rights	10-20%

Adopted depreciation rates are related to the estimated useful life of intangible assets. If the useful life of intangible assets resulting from the contract is shorter than it results from the periods determined above, depreciation write-offs are carried out in the period resulting from the contract. In the case of intangible assets that were acquired for a particular project, the depreciation period is established as the duration of the project.

##### 1.2. Property, Plant and Equipment

###### a) Proprietary property, plant and equipment in use

Proprietary property, plant and equipment in use were valued according to acquisition prices or production costs less depreciation write-offs in proportion to their useful life and write-offs due to permanent losses in value.

The following detailed principles of depreciation of proprietary property, plant and equipment in use have been adopted by the company:

assets are depreciated with the straight-line method with application of depreciation rates corresponding with periods of their economic utility. In most cases, depreciation rates are: 2.5% (for group number I), 30% (for group number IV), 15% (for group number VII) and 20% (for group number VIII). In case of proprietary property, plant and equipment in use that were acquired in order to be used in a specific project, the depreciation period is set as equal to the project duration.

Lands and the right of perpetual usufruct of land are not depreciated.

**b) Proprietary property, plant and equipment under construction** are valued according to acquisition prices less write-offs due to permanent losses in value.

**c) Improvements in third party's proprietary property, plant and equipment** are valued according to the acquisition price less depreciation. They are related to buildings and structures and depreciated with the straight-line method corresponding with periods of their economic utility.

**d) Proprietary property, plant and equipment, which are used according to the lease agreements** concluded after 1<sup>st</sup> of January, 2002, are classified as company's non-current

assets if conditions resulting from article 3, section 4 of Act on Accounting are met and they are valued at fair value established as at the date of the beginning of the agreement or as at reception of the lease object into use, or at the current value of minimum lease fees, if it is lower than the fair value.

### **1.3. Long-Term Investments**

#### **a) Real estates**

Real estates are valued according to acquisition price or production costs less depreciation write-offs in proportion to their useful life and write-offs due to permanent losses in value and principles specified in art. 31, art. 32 section 1-5 and art. 33 section 1 of the Act.

Costs and revenue related to real estate's maintenance costs, their updating or reclassification are recognised as other operating revenue/costs (pursuant to art. 3 section 1, point 32 of the Act).

#### **b) Non-current financial assets**

As at the balance sheet date, financial assets are classified as non-current in the financial statement if the estimated period of their further owning exceeds 12 months from the balance sheet date.

Shares are recognised at the acquisition or originate date according to acquisition price, and at the balance sheet date according to acquisition price less write-offs due to permanent loss in value. When permanent loss in value appears, the revaluation of write-offs is carried out no later than at the balance sheet date.

Participation units in Comarch Corporate Investment Closed Investment Fund ("CCF FIZ") are valued at fair value and effects of valuation are settled with revaluation reserve.

Loans are valued according to value of depreciated cost using effective interest rate. In case of lack of differences that are significant for valuation, loans are classified at nominal value plus accrued interest based on interest rate resulting from contracts.

## **2. Current Assets**

### **2.1. Inventories (Products in Progress, Materials, Finished Goods and Goods)**

Materials are valued according real purchase prices. When loss in value in use is observed, revaluing write-offs are carried not later than as at the balance sheet date.

Components and servicing equipment purchased as inventory, in order to fulfil warranty obligations related to the performed contracts, are recognised according to their acquisition prices and then settled by value in proportion to the guarantee period. Production in progress given in the statement refers to software produced by Comarch S.A. and allocated for multiple sales. Production in progress is valued according to direct technical production costs.

Application software produced by Comarch S.A. and allocated for multiple sales is valued in the period when it benefits, no longer than 36 months from an initial sale, in the amount of surplus of software production costs over net revenues obtained from sales of these products within the following 36 months.

Depending on the nature of the produced software and the assessment of its possible sales, expenditures incurred for software production, in the amount of 50% to 100% of the invoiced sale in the above time period of sales, are written off into its own costs. If the company is aware of limits to sales capacity at an earlier point, it immediately performs a write-off revaluing production in progress in the amount of expenses in reference to which there is a probability that they will not be recovered, or does a one-time write-off of the entirety of unsettled expenses (depending on the degree of risk valuation) into its own cost of sales.

Goods are appraised according to actual purchase prices, no higher than net selling prices.

Finished goods are appraised according to technical direct manufacturing costs, no higher than net selling prices.

## **2.2. Receivables**

Receivables are recognised initially at nominal value and as at the balance sheet date in the amount of required payment. Receivables due to deliveries and services are classified as current receivables. Other receivables are recognised as current or non-current receivables depending on maturity (depending on whether this is less than or over 12 months from the balance sheet date).

In order to make their value real, receivables are decreased by write-offs revaluating bad debts.

Receivables in foreign currencies were valued as at the balance sheet date at NBP average exchange rates. The realised and resulting from balance valuation exchange differences are classified as financial revenues and financial costs respectively, after they were compensated.

## **2.3. Current Financial Assets**

Assets recognised in the financial statement consist mostly of monetary assets and loans to other entities. Monetary assets consist of cash in hand, cash at banks and accrued interest on financial assets. Cash in domestic currency was valued at nominal value, while cash in foreign currencies was valued at NBP average exchange rates.

Loans are valued according to value of depreciated cost using effective interest rate. In case of lack of differences that are significant for valuation, loans are classified at nominal value plus accrued interest based on interest rate resulting from contracts.

Securities are valued according to acquisition cost or market value, depending on which of the values is lower.

## **2.4. Current and Non-current Prepayments of Costs**

Expenses incurred in advance, but related to future reporting periods are settled by prepayments of costs. Prepayments of costs that last longer than 12 months starting with the balance sheet date are regarded as a non-current item.

Prepayments include also surplus of sales in long-term contracts made according to article 34a, section 1 and section 2, point 2 of Act on Accounting over value of sales invoiced to contractors.

## **3. Equity**

Equity includes, among others:

- share capital of the Company presented at nominal value,
- supplementary capital from profit-sharing in compliance with principles and limitations specified in the Commercial Companies Code and from surpluses of shares sold above their nominal value,
- other reserve capitals from profit-sharing intended for investment targets and other specified in statute - valued at nominal value,
- retained profit from adjustments due to changes in accounting principles in 2002 resulting from amendments to Act on Accounting and adjustments due to changes to the rules of recognising of built-in derivatives,
- revaluation reserve due to valuation of investment certificates in CCF FIZ and settlement of deferred tax on valuation.

## **4. Liabilities and Provisions for Liabilities**

### **4.1. Provisions for Liabilities**

Provisions for Liabilities are created for reliable and possible losses due to business activities and probable future losses concerning the current reporting period. In particular, it is related to:

- expected expenses that will incur during the next reporting period due to costs that are related to the current period,
- provisions for additional costs of contracts completion that are expected to incur and that exceed the amount of possible to achieve revenues; and provisions for guarantees,
- provisions due to rewards (premium) expected to be paid in the next reporting period, but related to the previous period,
- provisions for leaves.,
- provisions for pensions and comparable.

Provisions for Liabilities include also provisions due to deferred income tax.

## **4.2. Liabilities**

At the time of initial recognition, financial liabilities are valued at nominal value and as at the balance sheet date, in the amount of required payment. Liabilities due to deliveries and services are classified as current liabilities. Other liabilities are recognised as current or non-current receivables depending on maturity (depending on whether this is less than or over 12 months from the balance sheet date). Liabilities in foreign currencies were valued as at the balance sheet date at NBP average exchange rates.

## **4.3. Special Funds**

Special Funds consist of Social Services and Residential Fund that was created from profit-sharing for 1998 and 1999.

## **4.4. Accruals of Revenue**

Accruals of revenue include subsidies for financing of research and development works that are received from union funds and domestic funds for science.

Accruals of revenue include also surplus of sales invoiced to contractors over the value of proceeds from sales in long-term contracts determined according to article 34a, section 1 and section 2, point 2 of Act on Accounting.

# **5. Valuation of Assets and Equity and Liabilities Presented in Foreign Currencies and Principles of Determining Exchange Differences**

## **5.1. Within Reporting Year**

Economic operations which are expressed in foreign currencies are presented in accounting books as of the date of their conducting with the exchange rate respectively:

- Operations related to sale and purchase of goods and services at the average NBP exchange rate as of the date preceding conducting the operation; however, import purchases that require customs clearance and export sales of goods are valued according to exchange rates set within evidence for customs clearance,
- Operations regarding an influx of foreign currency to a bank account, resulting from payment of receivables for goods and services, securities and additional interest by the bank - at the average NBP exchange rate as of the date preceding conducting the operation.
- Incurring credit or loans in foreign currencies at the moment of their inflow to a bank account in addition to inflow of added interest on these credits - at the average NBP exchange rate as of the date preceding conducting the operation.

- Purchase and sale of interest, shares and securities stated in foreign currency - at the average NBP exchange rate as of the date preceding conducting the operation.
- Operations related to sales or purchases of currencies – at the exchange rate actually applied by the bank on a given day (purchase or sales exchange rate, respectively, applied by the bank).
- Payment of receivables in foreign currency (including loans), if the currency does not directly influence the currency account – at the purchase exchange rate, with the bank that converted (acquired) these currencies.
- Payment of liabilities, credit and loans with the foreign currency purchased at the bank (i.e. not directly from a currency banking account) – at the sales exchange rate applied by the bank.
- Other operations at the average NBP exchange rate – as of the date preceding conducting the operation or exchange rate actually applied (depending on the type of operation).

## **5.2. As at Balance Sheet Date**

Items of assets and equity and liabilities are valued at binding NBP average exchange rates.

## **5.3. Principles of Determining Exchange Differences**

- Exchange differences related to non-current investment are accounted for adequately with revaluation reserve or revenues and financial costs (according to article 35, section 2 and 4 of Act on Accounting).
- Exchange differences related to the other assets and equity and liabilities and those arising on payment of receivables and liabilities are classified to revenues and financial costs, respectively.
- Realised exchange differences, related to receivables and liabilities, are determined up to date, while unrealised exchange differences, related to receivables and liabilities and cash at banks are valued at the end of the quarter (in compliance with materiality principle).

## **6. Financial Instruments**

Derivative financial instruments designated as 'hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12<sup>th</sup> of December, 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, qualified as fair value hedging, are valued at fair value and change in their valuation refers to the result from financial operations.

Derivative financial instruments designated as 'hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12<sup>th</sup> of December, 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, qualified as cash flow hedging, are valued at fair value change in their valuation refers to:

- the revaluation reserve (in the part that constitutes the effective hedging),
- the result from financial operations (in part that doesn't constitute the effective hedging).

Derivative financial instruments designated as 'non-hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12<sup>th</sup> of December, 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, are valued at fair value and change in their valuation refers to the result from financial operations.

## **7. Financial Result**

Comarch S.A. prepares its income statement in calculation version in compliance with matching principal revenue and costs.

Comarch S.A.'s operations mostly consist of producing software for multiple sales and implementing IT integration contracts. As part of its integration contracts, Comarch offers the implementation of IT turnkey systems consisting of (own and third party) software and/or computer hardware and/or services such as:

- implementation services,
- installation services,
- guarantee and post-guarantee services,
- technical assistance services,
- software customisation services,
- other IT and non-IT services necessary for system implementation.

Integration contracts realised by Comarch S.A. are classified according to article 34 a-d of Act on Accounting, whereas degree of progress for contract is determined by share of incurred costs compared to total costs of service execution.

In determining the total revenue from contracts, the following items are taken into account:

- revenue from proprietary software (irrespective of form, i.e. licences, property rights, etc.),
- revenue from services.

Unit managers may decide to include estimated revenue that are highly probable to be realised into the total revenue from a contract (e.g. during the implementation of the contract, project modifications are carried out for technical reasons and it is justified to assume with some probability that the ordering party will accept the modifications and that there will be revenue flowing from them).

When integration contracts under which software is allocated for multiple sales are Comarch property, the revenue and costs related to this software and the revenue and costs related to the other part of the integration contract are recognised separately.

Several integration contracts are combined and recognised as one contract, if:

- the agreements are executed at the same time or sequentially one after another and the precise separation of the costs of their execution is impossible, or
- the agreements are so closely inter-related that they are actually parts of a single project and share a single profit margin for the entire project.

### **7.1. Revenues is Classified according to Accrual Basis**

Revenue from uncompleted non-current services (contracts) is classified in proportion to the level of service according to article 34 a, section 2, point 1 of Act on Accounting.

Revenue from sales of other services, products, finished goods and other item of assets is recognised at the moment of delivery of products, finished goods and other items of assets, if the entity transferred significant risk and benefits resulting from their ownership or at the moment of executing the service. Sales are presented in net value, i.e. without commodity and services taxes and taking into account all discounts.

### **7.2. Costs Consist of:**

- In relation to long-term contracts, total expenditures incurred in the period, on execution of contracts that were valued at production costs.
- In relation to other services, finished goods and other assets – value of sold (invoiced) products, finished goods and other items valued at production cost or acquisition price.
- Total administrative costs and cost of sales incurred in the period.

In the item "Costs of sold products, finished goods and materials from related parties" in the income statement the company presents the value of products, finished goods and materials purchased from related parties excluding these included in administrative costs, cost of sales and other operating costs.

Costs of sales consist of marketing costs and the costs of order acquisition by sales centres (departments) in the Comarch S.A.

General costs consist of the costs of the Comarch S.A. functioning as a whole and include administrative expenses and the costs of departments that operate for the general needs of the Company.



### **7.3. Other Revenue and Operating Costs**

These consist of revenue and costs not related directly to the ordinary activities of entities and comprise mostly: result from sale of property, plant and equipment and intangible assets, subsidies, provisions created, effects of revaluation of assets and result from research and development financed by union.

According to the materiality principle, content-related items are compensated and they are presented resultantly, respectively in operating revenue or costs. In particular, it refers to:

- result on sales and decommissioning of property, plant and equipment; recovered communication damages and costs of repairs after damage,
- received and paid penalties,
- recognised and dissolved write-offs that revalue receivables,
- subsidies, costs of realisation of research and development works financed by them.

### **7.4. Revenue and Financial Costs**

Revenues and financial costs consist of revenue and costs due to interest, result from exchange differences, from disposal of financial assets and effects of investment revaluation.

### **7.5. Deferred Income Tax**

Due to temporary differences between the presented value of assets and liabilities as well as their tax value and tax loss it will possible to deduct in the future, a provision is established and deferred income tax assets are defined.

Deferred income tax assets are defined in the amount that it is anticipated will have to be deducted from income tax in the future in reference to negative temporary differences which shall result in the future in reducing the amount of the basis of taxation and the deductible tax loss defined using the precautionary principle.

Deferred income tax provisions are established in the amount of income tax payable in the future in reference to positive temporary differences, which would result in increasing the basis of taxation in the future.

Provisions and assets due to deferred income tax are established fiscal rates which are legally binding in the tax point year.

The difference between deferred income tax provisions and deferred income tax assets at the end and at the beginning of the reporting period affects the financial results. In addition, provisions and assets due to deferred income tax related to operations settled with equity are referred into equity.

Due to the fact that the Company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised on the basis of the annual settlement of income tax, after the end of the fiscal year. Therefore, as at the balance sheet date, the company determines only an asset and provision for deferred income tax only in relation to the types of activities, which are always taxable according to principles that are applied by the company, i.e. financial activities and other operating activities.

On the 22<sup>nd</sup> of March, 1999, Comarch S.A. obtained a permit for conducting activity in the Special Economic Zone in Krakow ("SEZ"). According to the regulation of the Council of Ministers of the 14<sup>th</sup> of October, 1997 on establishment of a Special Economic Zone in Krakow (Journal of Laws No. 135, item 912 and changes to this act), the entities, which invested in the Krakow special economic zone at least EUR 2 million, were granted the tax allowances applicable for the income tax from legal entities from the income obtained from the activity specified in the permit. As a result of Poland joining the European Union, an Act was passed on the 2nd of October, 2003, that changed the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840) that changed the conditions for tax exemptions for entities operating in special economic zones. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on

the value of investments made. In the case of Comarch S.A., the maximum value of public aid cannot exceed 75% of the value of investment expenditures, which the company has incurred since obtaining the permit, i.e. from the 22nd of March, 1999, to the 31<sup>st</sup> of December, 2006. Comarch S.A. approached the Minister of the Economy in order to change the terms and conditions of its permit. On the 1st of July, 2004, it received a decision from the Minister of the Economy dated the 24<sup>th</sup> of June, 2004, on the topic of changes to the terms and conditions of the permit (those mentioned above and those compliant with the act). At the same time, the period of time for which the permit for Comarch S.A. was issued was extended to the 31<sup>st</sup> of December, 2017, in the changed permit.

In total Comarch S.A. holds four permits to operate in the Special Economic Zone in Krakow:

- obtained in 2007, originally with the validity period until 31<sup>st</sup> of December, 2017, currently its validity term has not been specified in accordance with the decision of the Ministry of Development and Finance of 18<sup>th</sup> of October, 2017;
- obtained in 2013, validity of this permit has not been specified;
- obtained in February, 2016, validity of this permit has not been specified;
- obtained in March, 2016, validity of this permit has not been specified.

At the same time, the company notes that on the 23<sup>rd</sup> of July, 2013, Council of Ministers adopted a regulation extending to 2026 the term of functioning of special economic zones on Polish territory.

The investment relief in respect of the permit obtained in 1999 was fully used (its period of validity expired on 31 December 2017). The investment relief in respect of the permit obtained in 2007 was fully used, as at the 31<sup>st</sup> of December, 2020 is zero. Limit of the unused investment relief in respect of the authorization obtained in 2013 as at the 31<sup>st</sup> of December, 2020, (discounted as at the permit date), is about PLN 27,335 thousand. Limit of the unused investment relief in respect of the authorization obtained in March, 2016, related to investment in office building SSE7 in Krakow, as at the 31<sup>st</sup> of December, 2020, (discounted as at the permit date) is PLN 22,809 thousand.

Financial result is determined according to article 42 of Act on Accounting dated 29<sup>th</sup> of September, 1994 r. Cash flow statement is prepared using the indirect method.

## IV. Principles of Conversion PLN to EURO and selected currencies

### EUR rates used when calculating financial data

#### NBP average exchange rates

As at 31.12.2020	4.6148
As at 31.12.2019	4.2585

#### NBP arithmetic average exchange rates as at the end of every month

For the period 1.01 - 31.12.2020	4.4742
For the period 1.01 - 31.12.2019	4.3018

#### NBP minimum rate

For the period 1.01 - 31.12.2020	4.2279
For the period 1.01 - 31.12.2019	4.2406

#### NBP maximum rate



In the period 1.01 - 31.12.2020	4.6330
In the period 1.01 - 31.12.2019	4.3891

In the table "Selected financial data" points I-VIII and XVI-XVII are valued at NBP arithmetic average exchange rates as at the end of every month in the period, while points IX-XIV and XVIII-XIX at NBP rate binding at the end of the period.

#### Selected exchange rates used when calculating financial data

##### NBP average exchange rates for USD

As at 31.12.2020	3.7584
As at 31.12.2019	3.7977

##### NBP average exchange rates for CHF

As at 31.12.2020	4.2641
As at 31.12.2019	3.9213

##### NBP average exchange rates for GBP

As at 31.12.2020	5.1327
As at 31.12.2019	4.9971

##### NBP average exchange rates for DKK

As at 31.12.2020	0.6202
As at 31.12.2019	0.5700

##### NBP average exchange rates for CAD

As at 31.12.2020	2.9477
As at 31.12.2019	2.9139

## V. Differences between Polish Accounting Principles and International Financial Reporting Standards

### Differences:

#### 1. The Right of Perpetual Usufruct of Land

In IFRS, the method of presentation of the right of perpetual usufruct of land is not defined explicitly. There are different opinions in that case. Comarch S.A. as the Parent Company prepares consolidated financial statement according to IFRS and presents the right of perpetual usufruct of land as intangible assets. According to Act on Accounting the law of perpetual usufruct of land is presented as "lands" in property, plant and equipment and is not depreciated.

#### 2. Operating in the Special Economic Zone ("SEZ")

Unused tax relief as at the balance sheet date constitutes a deferred income tax asset.

As at 31<sup>st</sup> of December, 2019, the company determined the asset that is worth PLN 9,958 thousand and presented it in the consolidated financial statement according to IFRS. Within 2020 the assets were dissolved, however as at 31<sup>st</sup> of December, 2020, an asset worth PLN 8,384 thousand was created.

Total effect on result would amount to minus PLN 1,574 thousand.

### 3. Managerial Option Programme

Not concern.

### 4. Adjustment of Revenue from the Application of IFRS 15

In 2018, the revenue was adjusted for the first time in accordance with IFRS 15. After applying the principles resulting from IFRS 15, the result in 2020 would increase by PLN 11,600 thousand.

### 5. Adjustment of Receivables from the Application of IFRS 9

Comarch S.A. has trade receivables from related entities and the nominal value of these receivables as at 31<sup>st</sup> of December, 2020 amounts to PLN 83,325 thousand, and the current value using the 5.8% discount rate amounts to PLN 76,862 thousand. If Comarch S.A. applied the measurement principles resulting from IFRS 9, the result would be reduced by PLN 4,463 thousand.

### 6. Adjustment from the Application of IFRS 16

In 2019, IFRS 16 was applied for the first time. Lease contracts included lease contracts for buildings and office spaces, perpetual usufruct right to land, as well as leasing of means of transport and computer equipment.

The assets include the right to use determined in the amount of discounted future payments during the leasing period. The liabilities include the leasing liability determined in the amount of discounted future payments under the leasing contracts.

If the statements of Comarch S.A. were prepared in accordance with IFRS, as 31<sup>st</sup> of December, 2020, the asset due to right of use would amount to PLN 94,052 thousand and leasing liability would amount to PLN 102,812 thousand, total effect on result for 2020 would amount to minus PLN 8,306 thousand.

### 7. Differences compared to IFRS (000'PLN)

Item	Equity as at 31 December 2020	Net result for 2020
Corrections according to the Polish accounting principles:	949,438	80,008
■ presentation of managerial option (point V 3)	0	0
■ an asset due to tax exemption in the SEZ (point V 2)	8,384	-1,574
■ depreciation due to the right of perpetual usufruct of lands (point V 1)	-1,552	-93
■ adjustment due to IFRS 15	9,999	11,600
■ adjustment due to IFRS 16	-8,761	-8,306
■ adjustment to receivable due to IFRS 9	-4,463	-4,463
Equity and net result after adjusting above-mentioned differences:	953,045	77,172

## BALANCE SHEET

	Note	2020	2019
<b>ASSETS</b>			
I <b>Non-current assets</b>		<b>746,673</b>	<b>735,752</b>
1 Intangible assets	1	7,332	10,770
2 Property, plant and equipment	2	330,914	331,755
3 Non-current investment		401,539	384,927
3.1 Non-current financial assets	3	381,947	364,443
a) in related parties		381,350	361,704
b) in other entities where the issuer holds interest in capital		0	0
c) in other entities		597	2,739
3.2 Real estates	3	19,549	20,441
3.3 Other non-current investment	3	43	43
4 Non-current prepayments		6,888	8,300
4.1 Deferred income tax assets	4	5,755	6,082
4.2 Other prepayments	4	1,133	2,218
II <b>Current assets</b>		<b>701,304</b>	<b>659,293</b>
1 Inventories	5	54,546	62,751
2 Current receivables	6,7	437,982	395,319
2.1 from related parties		292,387	254,508
2.2 from other entities where the issuer holds interest in capital		0	50
2.3 from other entities		145,595	140,761
3 Current investment		115,876	72,825
3.1 Current financial assets	8	115,876	72,825
a) related parties		680	900
b) in other entities where the issuer holds interest in capital		0	0
c) in other entities		22,120	4,923
- Other securities		20,001	0
- other current financial assets		2,119	4,923
d) cash and cash equivalents		93,076	67,002
4 Current prepayments	9	92,900	128,398
<b>Total assets</b>		<b>1,447,977</b>	<b>1,395,045</b>
<b>EQUITY AND LIABILITIES</b>			
I Equity		949,438	881,540
1 Share capital	10	8,133	8,133
2 Capital from merger settlement		0	0
3 Supplementary capital	11	763,377	717,950
4 Revaluation reserve	12	97,175	97,085
5 Other reserve capitals	13	745	745
6 Previous years' profit (loss)		0	0
7 Net profit (loss)		80,008	57,627
II <b>Liabilities and provisions for liabilities</b>		<b>498,539</b>	<b>513,505</b>
1 1. Provisions for liabilities		179,422	160,732
1.1 Provisions due to deferred income tax	14	23,661	24,786

1.2	Other provisions		155,761	135,946
a)	current		154,363	135,946
b)	non-current		1,398	0
2	Non-current liabilities	15	96,103	120,946
2.1	to related parties		10,897	19,539
2.2	to other entities where the issuer holds interest in capital		0	0
2.3	to other entities		85,206	101,407
3	Current liabilities	16	165,331	160,942
3.1	to related parties		33,403	29,077
3.2	to other entities where the issuer holds interest in capital		350	0
3.3	to other entities		130,408	130,657
3.4	special funds		1,170	1,208
4	Accruals		57,683	70,885
4.1	Other accruals	17	57,683	70,885
a)	current		57,683	70,885
	<b>Total equity and liabilities</b>		<b>1,447,977</b>	<b>1,395,045</b>

Book value		949,438	881,540
Number of shares		8,133,349	8,133,349
Book value per single share (PLN)	18	116,73	108,39
Diluted number of shares		8,133,349	8,133,349
Diluted book value per single share (PLN)	18	116,73	108,39

## OFF-BALANCE SHEET ITEMS

	Note	2020	2019	
1	Contingent liabilities to related parties (due to)	19	48,094	51,078
-	granted bank guarantees and suretyships		48,094	51,078
2	Contingent liabilities to other entities (due to)	33	93,224	90,725
-	received bank guarantees and suretyships		93,224	90,725
<b>Total off-balance sheet items</b>			<b>141,318</b>	<b>141,803</b>

## INCOME STATEMENT

	Nota	2020	2019
<b>I Net revenue from sales of products, goods and materials, including:</b>		<b>999,401</b>	<b>951,698</b>
- revenue from related parties		373,515	326,412
1 Net revenue from sales of products	20	941,143	883,758
2 Net revenue from sales of goods and materials	21	58,258	67,940
<b>II Costs of products, goods and materials sold, including:</b>		<b>763,676</b>	<b>761,532</b>
- to related parties		35,515	34,068
1 Manufacturing cost of products sold	22	710,820	698,907
2 Value of products, goods and materials sold		52,856	62,625
<b>III Gross profit (loss) on sales</b>		<b>235,725</b>	<b>190,166</b>
IV Costs of sales	22	72,291	74,033
V Administrative costs	22	75,852	74,952
<b>VI Profit (loss) on sales</b>		<b>87,582</b>	<b>41,181</b>
<b>VII Other operating revenue</b>		<b>7,519</b>	<b>14,260</b>
1 Profit on disposal of non-financial non-current assets		491	607
2 Other operating revenue	23	7,028	13,653
<b>VIII Other operating costs</b>		30,576	21,922
1 Other operating costs	24	30,576	21,922
<b>IX Profit (loss) on operating activities</b>		<b>64,525</b>	<b>33,519</b>
<b>X Financial revenue</b>	25	<b>50,068</b>	<b>45,416</b>
1 Dividends and share in profits		45,098	37,140
- from related parties		45,098	37,140
2 Profit on disposal of investment		647	3,355
3 Interest, including:		1,462	1,401
- from related parties		1,207	943
4 Other		2,861	3,520
<b>XI Finance costs</b>	26	<b>20,715</b>	<b>11,538</b>
1 Interest, including:		2,442	3,193
- to related parties		428	722
2 Loss on disposal of financial assets		4,692	7,845
3 Other		13,581	500
<b>XII Gross profit (loss)</b>		<b>93,878</b>	<b>67,397</b>
<b>XIII Income tax</b>	27	<b>13,870</b>	<b>9,770</b>
a) current		14,689	9,044
b) deferred		-819	726
<b>XIV Net profit (loss)</b>		<b>80,008</b>	<b>57,627</b>
Net profit (loss) (annualised)	29	80,008	57,627
Weighted average number of shares		8,133,349	8,133,349
Earnings (losses) per single share (PLN)	29	9.84	7.09
Diluted weighted average number of shares		8,133,249	8,133,249
Diluted earnings (losses) per single share (PLN)		9.84	7.09

## CHANGES IN EQUITY

	2020	2019
I Opening balance of equity (BO)	881,540	834,190
I.a. Opening balance of equity after adjustments	881,540	834,190
1 Opening balance of share capital	8,133	8,133
1.1 Changes in share capital	-	-
a) increases (due to)	-	-
- shares issue	-	-
1.2 Closing balance of share capital	8,133	8,133
2 Opening balance of supplementary capital	717,950	680,501
2.1 Changes in supplementary capital	45,427	37,449
a) increases (due to)	45,427	37,449
- profit-sharing for the previous years	45,427	37,449
2.2 Closing balance of supplementary capital	763,377	717,950
3 Opening balance of revaluation reserve	97,085	95,162
- changes in applied accounting principles	0	0
3.1 Changes in revaluation reserve	90	1,923
a) increases (due to)	110	2,374
- provision for deferred income tax due to certificates valuation	-	-
- balance sheet valuation of investment certificates	110	2,374
b) decreases (due to)	20	451
- provision for deferred income tax due to certificates valuation	-	-
- balance sheet valuation of investment certificates	20	451
3.2 Closing balance of revaluation reserve	97,175	97,085
4 Opening balance of capital from merger	0	0
4.1 Closing balance of capital from merger	0	0
5 Opening balance of other reserve capitals	745	745
5.1 Closing balance of other reserve capitals	745	745
6 Opening balance of the previous years' profit (loss)	57,627	49,649
6.1 Opening balance of the previous years' profit	57,627	49,649
a) changes in accounting principles (policy)	0	0
b) decreases (due to)	57,627	49,649
- transferring the result for the previous years to supplementary capital	45,427	37,449
- payment of dividends	12,200	12,200
6.2 Closing balance of the previous years' profit	0	0
7 Net result	80,008	57,627
a) net profit	80,008	57,627
II Closing balance of equity	949,438	881,540
III Equity including proposed profit-sharing (loss coverage)	949,438	881,540

## CASH FLOW STATEMENT

	2020	2019
<b>A Cash flows from operating activities</b>		
<b>I Net profit (loss)</b>	<b>80,008</b>	<b>57,627</b>
<b>II Total adjustments</b>	<b>20,941</b>	<b>3,331</b>
1 Depreciation	42,974	44,622
2 Exchange gains (losses)	-332	83
3 Interest and shares in profits (dividends)	-44,126	-34,700
4 Profit (loss) on investing activities	3,222	5,710
5 Change in provisions	18,669	15,971
6 Change in inventories	8,204	-1,567
7 Change in receivables	-49,696	-26,065
8 Change in current liabilities, excluding credits and loans	18,318	13,355
9 Change in prepayments and accruals	23,708	-14,078
10 Other adjustments	-	-
<b>III Net cash used in operating activities (I+/-II)-indirect method</b>	<b>100,949</b>	<b>60,958</b>
<b>B Cash flows from investing activities</b>		
<b>I Inflows</b>	<b>73,465</b>	<b>47,354</b>
1 Disposal of property, plant and equipment and intangible assets	925	4,262
2 From financial assets, including:	72,540	43,092
a) in related parties	71,893	39,738
- dividends and share in profits	45,098	37,140
- repaid loans	25,373	1,968
- repaid interest	1,422	630
b) in other entities	647	3,354
- other inflows from financial assets	647	3,354
<b>II Outflows</b>	<b>-95,561</b>	<b>-55,019</b>
1 Purchase of property, plant and equipment and intangible assets	-37,104	-27,503
2 Expenses for investment in real estates	-148	-908
3 For financial assets, including:	-58,309	-26,608
a) in related parties	-47,857	-26,608
- purchase of financial assets	-22,627	-6,324
- granted non-current loans	-25,230	-20,284
b) in other entities	-10,452	-
- purchase of financial assets	-10,452	-
<b>III Net cash flow investing activities (I-II)</b>	<b>-22,096</b>	<b>-7,665</b>
<b>C Cash flow from financing activities</b>		
<b>I Inflows</b>	<b>5,077</b>	<b>12,302</b>
1 Loans and credits	3,780	10,773
2 Other financial inflows (subsidies received)	1,297	1,529
<b>II Outflows</b>	<b>-58,192</b>	<b>-65,501</b>
1 Expenses due to distribution of profit (other than payments to owners)	-12,200	-12,200
2 Repayment of loans and credits	-43,597	-50,209

3	Interest	-2,395	-3,069
4	Granted loans	-	-23
<b>III</b>	<b>Net cash (used in)/generated from financing activities (I-II)</b>	<b>-53,115</b>	<b>-53,199</b>
<b>D</b>	<b>Total net cash flows (A.III+/-B.III+/-C.III)</b>	<b>25,738</b>	<b>94</b>
E	Balance sheet change in cash and cash equivalents, including:	26,075	12
-	change in cash and cash equivalents due to exchange differences	337	-82
F	Cash and cash equivalents opening balance	67,001	66,989
<b>G</b>	<b>Closing balance of cash and equivalents (F+/-E), including:</b>	<b>93,076</b>	<b>67,001</b>
-	limited disposal	1,272	783

## ADDITIONAL INFORMATION AND COMMENTARY

### A. COMMENTARY NOTES

#### BALANCE SHEET COMMENTARY NOTES

##### Note 1a Intangible Assets

	2020	2019
a) costs of finished development works	-	-
b) goodwill	-	-
c) licences, patents and similar items, including:	7,332	10,316
- computer software	-	-
d) other intangible assets	-	454
e) advance payments for intangible assets	-	-
<b>Total intangible assets</b>	<b>7,332</b>	<b>10,770</b>



### Note 1b Changes in Intangible Assets (by Types)

	a	b	c	d	e
	costs of completed development work	goodwill	licences, patents and similar items, including  computer software	other intangible assets	advanc intangible
<b>a) opening balance of gross value of intangible assets</b>	<b>0</b>	<b>0</b>	<b>58,195</b>	<b>1,275</b>	<b>0</b>
b) increases (due to)	-	-	2,491	-	-
- purchase	-	-	2,491	-	-
c) decreases (due to)	-	-	107	-	-
- decommissioning	-	-	107	-	-
- -sales	-	-	0	-	-
<b>d) closing balance of gross value of intangible assets</b>	<b>0</b>	<b>0</b>	<b>60,579</b>	<b>1,275</b>	<b>0</b>
<b>e) opening balance of accumulated depreciation (amortisation)</b>	<b>0</b>	<b>0</b>	<b>47,425</b>	<b>1,275</b>	<b>0</b>
f) depreciation for the period (due to)	-	-	5,822	-	-
- increases (costs depreciation)	-	-	5,920	-	-
- decreases	-	-	98	-	-
<b>g) closing balance of accumulated depreciation (amortisation)</b>	<b>0</b>	<b>0</b>	<b>53,247</b>	<b>1,275</b>	<b>0</b>
<b>h) closing balance of net value of intangible assets</b>	<b>0</b>	<b>0</b>	<b>7,332</b>	<b>0</b>	<b>0</b>

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**Note 1c Intangible Assets (Proprietary Structure)**

	2020	2019
a) proprietary	7,332	10,770
<b>Total intangible assets</b>	<b>7,332</b>	<b>10,770</b>

**Note 2a Property, Plant and Equipment**

	2020	2019
a) property, plant and equipment in use, including:	330,798	329,463
- lands (including right of perpetual usufruct of land)	32,095	32,095
- buildings, premises and water and civil engineering structures	201,688	207,353
- technical equipment and machines	59,451	68,508
- means of transport	33,841	16,470
- other property, plant and equipment	3,723	5,037
b) property, plant and equipment under construction	116	218
c) advances for property, plant and equipment under construction	-	2,074
<b>Total property, plant and equipment</b>	<b>330,914</b>	<b>331,755</b>

### Note 2b Changes in Property, Plant and Equipment in use (by types)

	- lands (including right of perpetual usufruct of land)	- buildings, premises and water and civil engineering structures	- technical equipment and machines	- means of transport	
a) opening balance of gross value of property, plant and equipment in use	32,095	259,751	253,251	28,193	
b) increases (due to)	0	1,054	14,853	21,810	
- purchase	-	1,054	14,853	21,810	
c) decreases (due to)	0	218	4,581	1,050	
- decommissioning	-	218	3,127	219	
- sales	-	-	1,454	831	
d) closing balance of gross value of property, plant and equipment in use	32,095	260,587	263,523	48,953	
e) opening balance of accumulated depreciation (amortisation)	0	52,397	184,743	11,723	
f) depreciation for the period (due to)	-	6,502	19,329	3,389	
- increases (costs depreciation for the period)	-	6,664	23,653	4,204	
- decreases (decommissioning)	-	162	3,045	217	
- decreases (sales)	-	-	1,279	598	
g) closing balance of accumulated depreciation (amortisation)	0	58,899	204,072	15,112	
h) closing balance of net value of property, plant and equipment in use	32,095	201,688	59,451	33,841	

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**Note 2c Balance Sheet Property, Plant and Equipment in use (proprietary structure)**

	2020	2019
a) proprietary	330,798	329,461
- used on the basis of an agreement of rental, lease or others, including lease agreements	-	2
<b>Total balance sheet property, plant and equipment in use</b>	<b>330,798</b>	<b>329,463</b>

**Note 3a Changes in Real Estates (by Types)**

	2020	2019
<b>a) opening balance</b>	<b>20,441</b>	<b>40,265</b>
b) increases (due to)	147	1,640
- fittings of a building dedicated for rent	-	904
- transferring the building and land dedicated for rent	147	736
c) decreases (due to)	1,039	21,464
- depreciation for the period	1,031	963
- decreases due to transfer to property, plant and equipment in use	-	20,501
- decreases due to liquidation	8	-
<b>d) closing balance</b>	<b>19,549</b>	<b>20,441</b>

**Note 3b Non-Current Financial Assets**

	2020	2019
a) in related parties	381,350	361,704
- interest or shares	231,842	203,490
- granted loans	27,979	36,794
- other securities	121,529	121,420
b) in other entities where the issuer holds interest in capital	-	-
c) in other entities	597	2,739
- other non-current financial assets (by types)	597	2,739
-- forward contracts	597	2,739
<b>Total non-current financial assets</b>	<b>381,947</b>	<b>364,443</b>

## Note 3c Changes in Non-Current Financial Assets (by Types)

	2020	2019
<b>a) opening balance</b>	<b>364,443</b>	<b>343,518</b>
<b>Interest and shares</b>		
<b>b) opening balance</b>	<b>203,490</b>	<b>204,977</b>
c) increases (due to)	33,079	6,358
- purchase of shares in subsidiaries	33,079	6,324
- balance sheet valuation of shares	-	34
d) decreases (due to)	4,727	7,845
- revaluation of shares	4,692	7,845
- balance sheet valuation of shares	35	-
<b>e) closing balance</b>	<b>231,842</b>	<b>203,490</b>
<b>Other securities</b>		
<b>f) opening balance</b>	<b>121,420</b>	<b>119,046</b>
g) increases (due to)	109	2,374
- purchase of investment certificates of FIZ	109	2,374
h) decreases (due to)	-	-
- valuation of shares in CCF Closed Investment Fund	-	-
<b>i) closing balance</b>	<b>121,529</b>	<b>121,420</b>
<b>Non-current loans and other non-current assets in subsidiaries</b>		
<b>j) opening balance</b>	<b>36,794</b>	<b>18,560</b>
k) increases (due to)	25,787	21,420
- loans granted to subsidiaries	25,230	20,284
- balance sheet valuation of loans in subsidiaries	557	-
- dissolving write-offs revaluating loans in subsidiaries	-	1,136
l) decreases (due to)	34,602	3,186
- repayment of subsidiaries' loans	25,373	1,968
- transferring non-current loans from entities where the issuer holds interest in capital to current loans	-	80
- cancelling the loans in subsidiaries	-	1,075
- creating write-offs revaluating loans in subsidiaries	9,229	-
- balance sheet valuation and adjusted interest on loans	-	63
<b>m) closing balance</b>	<b>27,979</b>	<b>36,794</b>
<b>Other non-current assets</b>		
<b>n) opening balance</b>	<b>2,739</b>	<b>935</b>
o) increases (due to)	-	1,804
- valuation of forward contracts	-	1,804
p) closing balance	2,142	-
- valuation of forward contracts	2,142	-
<b>q) closing balance</b>	<b>597</b>	<b>2,739</b>
<b>r) closing balance</b>	<b>381,947</b>	<b>364,443</b>

### Note 3d Interest or Shares in Related Parties

No	a	b	c	d	e	f	g	h	i	j	k	l
	name of entity (company) including legal form	seat	activities	nature of relationship (subsidiary, correlate or associate, including direct and indirect relationship)	the applied method of consolidation / equity method valuation or indication that an entity is not subject to consolidation / valuated by equity method	date of control / co-control accession / obtaining major share	value of interest / shares by acquisition price	revaluating corrections (total)	balance sheet value of interest / shares	% of share capital held	share in total number of votes at AGM	indication of basis for control / co control / major share different than the one specified under clauses j) or k)
1	<b>Comarch AG</b>	Dresden	sales of software and services in European and South American market	subsidiary	consolidated	13.09.1999	154,456	-1,320	153,136	100.00	100.00	
2	<b>Comarch Software und Beratung AG</b>	Munich	provider of IT solutions (especially ERP) and integrator of IT solutions	second degree subsidiary (subsidiary of Comarch AG)	consolidated	18.11.2008	115,932	-38,485	77,447	100.00	100.00	subsidiary of Comarch AG (100%)

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3	<b>Comarch Solutions GmbH</b>	Innsbruck	producer of software (especially ERP) and integrator of IT systems	third degree subsidiary (subsidiary of Comarch Software und Beratung AG)	consolidated	18.11.2008	6,286	0	6,286	100.00	100.00	subsidiary of Comarch Software und Beratung AG (100%)
4	<b>Comarch Sistemas LTDA</b>	Sao Paulo	sales of software and services in Central and South American markets and support of delivered IT systems	second degree subsidiary (subsidiary of Comarch AG)	consolidated	02.09.2014	1,208	0	1,208	100.00	100.00	subsidiary of Comarch AG (80%) and Comarch SuB (20%)
5	<b>Comarch Peru S.A.C.</b>	Lima	sales of software and services in Central and South American markets and support of delivered IT systems	second degree subsidiary (subsidiary of Comarch AG)	consolidated	14.12.2016	1,845	-92	1,753	100.00	100.00	subsidiary of Comarch SuB AG
6	<b>Comarch S.A.S.</b>	Lezennes	sales of software and services in European and North American market	subsidiary	consolidated	14.09.2007	54,883	-37,114	17,769	100.00	100.00	

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7	<b>Comarch R&amp;D S.a r.l.</b>	Montbonnot-Saint-Martin	sales of software and services in European and North American market	subsidiary	consolidated	16.09.2008	714	-714	0	100.00	100.00	
8	<b>Comarch Luxembourg S.a r.l.</b>	Luxemburg	sales of software and services in European market	subsidiary	consolidated	21.04.2011	1,981	0	1,981	100.00	100.00	
9	<b>Comarch, Inc.</b>	Rosemont	sales and production of IT systems in American Markets	subsidiary	consolidated	24.06.1999	991	-991	0	100.00	100.00	
10	<b>Comarch Panama, Inc.</b>	Panama	sales of software and services in European, Central and South American market	second degree subsidiary (subsidiary of Comarch, Inc.)	consolidated	22.11.2004	914	0	914	100.00	100.00	subsidiary of Comarch Inc. (100%)
11	<b>Comarch Canada Corp.</b>	New Brunswick	sales of IT systems in the Canadian and South American market	subsidiary	consolidated	01.06.2011	162	-21	141	100.00	100.00	

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12	<b>Comarch Espace Connecte Inc.</b>	Montreal	sales of IT systems in Canadian Market	subsidiary	consolidated	16.04.2015	1,164	-54	1,110	100.00	100.00
13	<b>Comarch Middle East FZ- LLC</b>	Dubai	sales of IT systems in Middle East and support of delivered IT systems	subsidiary	consolidated	08.04.2004	203	-203	0	100.00	100.00
14	<b>Comarch LLC</b>	Kiev	sales of IT systems in Ukraine and support of delivered IT systems	subsidiary	consolidated	01.06.2004	34	-34	0	100.00	100.00
15	<b>OOO Comarch</b>	Moscow	sales of IT systems in Russia and support of delivered IT systems	subsidiary	consolidated	26.01.2005	147	-147	0	100.00	100.00
16	<b>Comarch Software (Shanghai ) Co. Ltd.</b>	Shanghai	sales of IT systems in China and support of delivered IT systems	subsidiary	consolidated	q3 2009	597	-597	0	100.00	100.00
17	<b>Comarch Technolog ies Oy</b>	Espoo	sales of IT systems in Scandinavian markets and support of delivered IT systems	subsidiary	consolidated	16.12.2010	198	-198	0	100.00	100.00

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18	<b>Comarch UK Ltd.</b>	Londyn	sales of IT systems in GB, Ireland and Poland and support of delivered IT systems	subsidiary	consolidated	20.03.2012	271	-36	235	100.00	100.00	
19	<b>Comarch Japan KK</b>	Tokyo	sales of IT systems in Japan and support of delivered IT systems	second degree subsidiary	consolidated	07.07.2017	490	0	490	100.00	100.00	100% subsidiary of Comarch UK
20	<b>Comarch Chile SpA</b>	Santiago	sales of IT systems in Chile and support of delivered IT systems	subsidiary	consolidated	23.05.2013	920	-920	0	100.00	100.00	
21	<b>Comarch Software Spain S.L.U.</b>	Madrid	sales of IT systems in European markets and South American markets and support of delivered IT systems	subsidiary	consolidated	11.11.2014	4,641	-4,641	0	100.00	100.00	
22	<b>Comarch Colombia S.A.S.</b>	Bogota	sales of IT systems in and South American markets and support of delivered IT systems	second degree subsidiary (through Comarch Software Spain S.L.U.)	consolidated	04.05.2016	3,860	0	3,860	100.00	100.00	100% subsidiary of Comarch Software Spain S.L.U.

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23	<b>Comarch Yazilim A.S.</b>	Istanbul	sales of IT systems in Turkey and support of delivered IT systems	subsidiary	consolidated	18.12.2014	825	-825	0	100.00	100.00
24	<b>Comarch SRL</b>	Milan	sales of IT systems and services in Europe	subsidiary	consolidated	05.02.2015	12,172	-9,805	2,367	100.00	100.00
25	<b>Comarch Malaysia SDN. BHD.</b>	Kuala Lumpur	sales of IT systems and services in Asia	subsidiary	consolidated	02.04.2015	517	-517	0	100.00	100.00
26	<b>Comarch s.r.o.</b>	Bratislava	limited operations	subsidiary	consolidated	31.08.2004	494	-494	0	100.00	100.00
27	<b>Comarch Pointshub Inc.</b>	Rosemont	sales of IT systems and services in America	subsidiary	consolidated	24.08.2015	32,876	-32,876	0	100.00	100.00
28	<b>Comarch AB</b>	Stockholm	sales of IT systems and services in Europe	subsidiary	consolidated	18.08.2015	22	0	22	100.00	100.00
29	<b>Comarch Argentina S.A.</b>	Buenos Aires	sales of IT systems in Central and South American markets	subsidiary	consolidated	11.11.2015	929	-882	47	100.00	100.00

95% subsidiary of Comarch SA, 5% held by Comarch AG

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30	<b>Comarch Saudi Arabia Co.</b>	Riyadh	sales of IT systems in Saudi Arabia	subsidiary	consolidated	19.03.2017	1,016	-9	1,007	100.00	100.00	95% subsidiary of Comarch SA, 5% held by Comarch Infrastruktura SA 99% subsidiary of Comarch S.A., 1% held by CA Consulting S.A.
31	<b>Comarch Mexico S.A. de C.V.</b>	Mexico	sales of IT systems in Mexico	subsidiary	consolidated	13.04.2018	102	0	102	100.00	100.00	
32	<b>Comarch Yuhan Hoesa (Comarch Ltd.)</b>	Seul	sales of IT systems in South Korea	subsidiary	consolidated	11.09.2018	340	0	340	100.00	100.00	
33	<b>Comarch (Thailand) Limited</b>	Bangkok	sales of IT systems in Thailand	subsidiary	consolidated	01.10.2018	2,204	0	2,204	100.00	100.00	98% subsidiary of Comarch S.A., 1% held by CA Consulting S.A., 1% held by Comarch Technologies Sp. z o.o.
34	<b>Comarch BV</b>	Rotterdam	sales of IT systems in Saudi Netherlands	subsidiary	consolidated	23.11.2018	2,149	0	2,149	100.00	100.00	

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35	<b>Comarch Pty. Ltd.</b>	Sydney	sales of IT systems in Australia	subsidiary	consolidated	22.05.2019	3,398	0	3,398	100.00	100.00
36	<b>CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)</b>	Cergy	sale of software and services for medical entities in France	subsidiary	consolidated	23.04.2020	10,452	0	10,452	100.00	100.00
37	<b>Comarch New Zealand Limited</b>	Auckland	sale of software and services for medical entities in New Zealand responsible for the development of technologies related to the design and production of electronic devices and software delivery of network connections and outsourcing services	subsidiary	consolidated	26.11.2020	0	0	0	100.00	100.00
38	<b>Comarch Technologies sp. z o.o.</b>	Kraków	sale of software and services for medical entities in New Zealand responsible for the development of technologies related to the design and production of electronic devices and software delivery of network connections and outsourcing services	subsidiary	consolidated	18.11.2008	298	0	298	100.00	100.00
39	<b>CA Consulting SA</b>	Warszawa	sale of software and services for medical entities in New Zealand responsible for the development of technologies related to the design and production of electronic devices and software delivery of network connections and outsourcing services	subsidiary	consolidated	18.06.2004	1,053	0	1,053	100.00	100.00

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40	<b>Comarch Management Sp. z o.o.</b>	Kraków	activities related to IT	subsidiary	consolidated	19.10.2007	400	-300	100	100.00	100.00	
41	<b>Comarch Corporate Finance FIZ</b>	Kraków	investment activity on capital market and activities related to IT	subsidiary	consolidated	24.10.2007	1,563	119,967	121,530	100.00	100.00	100.0% of certificates held by Comarch S.A.
42	<b>Comarch Management Sp z o.o. SK-A</b>	Kraków	activities related to IT	second degree subsidiary	consolidated	21.11.2007	11,275	-11,239	36	100.00	100.00	25.0% of votes held by CCF FIZ; 75.0% of votes held by Comarch S.A.; there are no votes from shares purchased by Comarch Management sp. z o.o. SK-A to be redeemed
43	<b>Bonus Management Sp. z o.o. SK-A</b>	Kraków	investment activity on capital market and activities related to IT	second degree subsidiary	consolidated	24.02.2011	28,344	-1,206	27,138	100.00	100.00	100.0% held by CCF FIZ
44	<b>Bonus MANAGEMENT spółka z ograniczoną</b>	Kraków	investment activities in sport	second degree subsidiary	consolidated	25.03.2014	2,400	0	2,400	100.00	100.00	33.33% of votes held by MKS Cracovia SSA, 66.67%

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odpowiedzialnością Cracovia Park SK-A												held by Bonus Management spółka z ograniczoną odpowiedzialnością SK-A
45	<b>Bonus Development Sp. z o.o. SK-A</b>	Kraków	activities related to real estates in Comarch	second degree subsidiary	consolidated	24.02.2011	55,950	-25,566	30,384	100.00	100.00	100.0 % held by CCF FIZ
46	<b>Bonus Management Sp. z o.o. II Activia SK-A Bonus Development Sp. z o.o. II Koncept SK-A</b>	Kraków	investment activity on capital market and activities related to IT investment in real estates and activities related to real estates	second degree subsidiary	consolidated	07.10.2010	15,552	-5,364	10,188	100.00	100.00	100.0 % held by CCF FIZ
47	<b>Bonus Development Sp. z o.o. II Koncept SK-A</b>	Kraków	activities related to IT investment in real estates and activities related to real estates	second degree subsidiary	consolidated	25.10.2010	8,933	1,305	10,238	100.00	100.00	100.0 % held by CCF FIZ
48	<b>Comarch Healthcare S.A.</b>	Kraków	production and supply of comprehensive solutions for the health sector and medical diagnostic centre in Krakow iMed24	second degree subsidiary	consolidated	08.04.2008	132,183	-108,183	24,000	100.00	100.00	38.27% held by CCF FIZ, 17.33% held by Comarch S.A., 33.02% held by Comarch Software und Beratung AG,

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												11.38% held by CASA Manageme nt and Consulting sp. z o.o. SKA
49	<b>Comarch Polska S.A.</b>	Kraków	acquires IT contracts in the domestic market and implements them in whole or in part activity consisting in the production and implementatio n of new generation loyalty software	second degree subsidiary	consolidated	09.06.2008	10,000	-10,000	0	100.00	100.00	100.0 % held by CCF FIZ
50	<b>Comarch Cloud S.A.</b>	Kraków		second degree subsidiary	consolidated	21.10.2008	3,000	-497	2,503	100.00	100.00	100.0 % held by CCF FIZ
51	<b>Comarch Infrastruk tura S.A.</b>	Kraków	data centre services and IT outsourcing	second degree subsidiary	consolidated	09.12.2008	1,150	6,159	7,309	100.00	100.00	100.0 % held by CCF FIZ
52	<b>iComarch 24 S.A.</b>	Kraków	provides accounting services for domestic subsidiaries of Comarch S.A. and leads projects related	second degree subsidiary	consolidated	04.05.2009	2,500	3,018	5,518	100.00	100.00	100.0 % held by CCF FIZ

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			to e-accounting and ecommerce								
			Geopolis sp. z o.o. supports informatization in public administration units by creating and implementing integrated registers and records of a spatial nature, systems for managing of state surveying and cartographic resource database as well as geoportals. Does not operate, conducts preparations for the launch of the e-commerce portal under the name Wszystko.pl								
53	<b>Geopolis sp. z o.o.</b>	Toruń	subsidary	consolidated	03.04.2017	4,050	-4,050	0	100.00	100.00	
54	<b>Wszystko.pl ("Unitec" Sp. z o. o.)</b>	Warszawa	subsidary	consolidated	02.12.2020	1	0	1	100.00	100.00	

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55	<b>CASA Management and Consulting Sp. z o.o. SK-A</b>	Kraków	investment activity on capital market	second degree subsidiary	consolidated	12.10.2009	31,140	-5,527	25,613	100.00	100.00	100.0 % held by CCF FIZ
56	<b>Comarch Swiss AG</b>	Luzern	sales and implementation of software (especially ERP) and systems integrator	third degree subsidiary	consolidated	18.11.2008	175	0	175	100.00	100.00	100% w held by CASA Management and Consulting Sp. z o.o. SK-A
57	<b>CAMS AG</b>	Luzern	investment activity in the capital and IT market	third degree subsidiary	consolidated	21.01.2013	12,198	0	12,198	51.00	51.00	51% of votes held by CASA Management and Consulting Sp. z o.o. SK-A
58	<b>Comarch Finance Connect sp. z o.o. (previousl y: Opso sp. z o.o.)</b>	Kraków	does not conduct operating activities, conducts proceedings to obtain an entry in the register of payment service providers and electronic money issuers	subsidiary	consolidated	20.12.2011	205	0	205	100.00	100.00	

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59	<b>MKS Cracovia SSA</b>	Kraków	activities in the field of physical culture and sports	subsidiary	consolidated	29.09.2003	37,209	-3,341	33,868	66.11	66.11	66.11% held by Comarch SA
60	<b>SoInteractive S.A.*</b>	Kraków	activities in the field of interactive web technologies	associate	equity method valuation	29.09.2008	5,400	-3,919	1,481	42.98	27.37	16.10% of votes held by CCF FIZ, 11.27% held by Bonus Management Sp. z o.o. II Activia SK-A

(\*) the balance sheet value of shares in associates is presented in the value corresponding to valuation by the equity method (as described in the consolidated financial statement of Comarch S.A.)

The note presents interests and shares held by Comarch S.A. as well as by other entities in the Comarch Group.

The balance sheet valuation of interests and shares held by Comarch S.A. in subsidiaries amounts to PLN 231,842 thousand and value of securities amounts to PLN 121,530 thousand.

The balance sheet value of shares in associates is presented at the value corresponding to the PLN 231,842 thousand, valuation according to the equity method (analogically to the consolidated financial statements of Comarch S.A.)

### Nota 3e Interest or Shares in Related Parties

No	a	m	n	o	p	r	s	t
	Name of entity	Equity, including:	liabilities and provisions for liabilities, including:	receivables of entity, including:	Total assets	Revenue from sales	Value of interest / shares in entity unpaid by issuer	Interest / shares in entity unpaid by issuer dividends from

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																entity received or due for the financial year	
			- share capital	- supplem entary capital	- other equity, including:			- non- current liabilities	- current liabilities		- non- current receivabl es	- current receivabl es					
						Profit (loss) from previous years									Net profit (loss)		
1	Comarch AG Grupa	139,467	61,888	90,973	-13,394	-18,268	-2,681	108,732	20,144	88,588	60,023	0	60,023	248,199	124,715	0	0
2	Comarch Software und Beratung AG	154,723	24,590	62,947	67,186	50,690	17,195	53,625	4,048	49,577	46,598	0	46,598	208,347	155,028	0	0
3	Comarch Sistemas LTDA	-7,032	1,208	0	-8,240	-8,299	-1,608	38,847	7,206	31,641	1,632	35	1,597	31,816	8,371	0	655*
4	Comarch Peru S.A.C.	878	1,845	0	-967	-558	-147	135	0	135	719	0	719	1,013	1,464	0	0
5	Comarch S.A.S.	13,241	52,521	0	-39,280	-37,032	-5,270	105,775	14,020	91,755	22,672	0	22,672	119,016	52,838	0	0
6	Comarch R&D S.a.r.l	2,352	26	0	2,326	1,527	518	10,648	4,776	5,872	8,615	128	8,487	13,001	10,789	0	0
7	Comarch Luxembourg S.a.r.l.	3,460	1,981	0	1,479	-1,030	2,070	9,195	0	9,195	6,688	0	6,688	12,655	10,299	0	4,088
8	Comarch, Inc.	23,926	154	853	22,919	15,954	7,316	32,343	4,758	27,585	18,853	0	18,853	56,270	66,160	0	0
9	Comarch Panama, Inc.	12,178	914	0	11,264	9,662	950	2,997	0	2,997	8,302	0	8,302	15,175	3,547	0	0

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10	Comarch Canada Corp.	6,374	162	0	6,212	6,324	1,063	5,936	1,176	4,760	4,495	0	4,495	12,309	9,047	0	7,263
11	Comarch Espace Connecte Inc.	1,185	1,164	0	21	24	18	9	0	9	47	0	47	1,194	0	0	0
12	Comarch Middle East FZ-LLC	-7,379	200	0	-7,579	-19,732	11,873	36,430	0	36,430	18,263	0	18,263	29,052	52,093	0	0
13	Comarch LLC	-8,445	15	0	-8,460	-6,884	-3,899	17,185	0	17,185	6,114	0	6,114	8,740	8,164	0	0
14	OOO Comarch	6,919	140	585	6,194	-566	9,947	7,675	0	7,675	5,345	0	5,345	14,595	26,796	0	13,433
15	Comarch Software (Shanghai) Co. Ltd.	-387	597	0	-984	-608	-115	661	0	661	206	0	206	274	67	0	0
16	Comarch Technologies Oy	432	198	0	234	-26	186	4,254	0	4,254	3,291	0	3,291	4,686	12,060	0	0
17	Comarch UK LTD	5,241	271	0	4,970	-6,998	12,244	66,573	6,980	59,593	45,861	0	45,861	71,814	54,004	0	10,315
18	Comarch Japan KK	9,295	490	0	8,805	1,099	6,404	18,699	59	18,640	7,280	114	7,166	27,994	21,600	0	0
19	Comarch Chile SpA	-14,265	920	0	-15,185	-12,449	-2,571	16,599	2,445	14,154	1,327	0	1,327	2,332	4,220	0	0
20	Comarch Software Spain S.L.U.	-4,615	4,641	0	-9,256	-4,662	-3,829	22,716	9,280	13,436	11,429	6,024	5,405	18,101	4,808	0	0
21	Comarch Colombia S.A.S.	1,819	3,857	3	-2,041	292	-1,918	5,947	78	5,869	5,171	0	5,171	7,766	3,260	0	0
22	Comarch Yazilim A.S.	2,198	825	0	1,373	537	1,347	1,194	0	1,194	582	0	582	3,391	3,055	0	0
23	Comarch SRL	-2,995	8,552	0	-11,547	-6,361	-5,355	6,142	0	6,142	1,237	0	1,237	3,147	4,041	0	0
24	Comarch Malaysia SDN. BHD.	-5,201	517	0	-5,718	-5,137	-428	8,738	5,307	3,431	284	0	284	3,536	1,171	0	0
25	Comarch s.r.o.	550	487	0	63	-78	-25	6	0	6	1	0	1	556	0	0	0
26	Comarch Pointshub Inc.	-1,213	32,875	0	-34,088	-30,547	-92	5,667	5,663	4	42	0	42	4,454	0	3,345	0
27	Comarch AB	1,953	22	0	1,931	1,900	-31	1,066	0	1,066	785	0	785	3,019	1,979	0	0

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28	Comarch Argentina S.A.	-8,227	929	0	-9,156	-12,655	-3,783	10,504	0	10,504	1,122	0	1,122	2,277	592	0	0
29	Comarch Saudi Arabia Co.	-231	1,016	0	-1,247	-2,842	1,814	1,312	0	1,312	184	0	184	1,081	150	0	0
30	Comarch Mexico S.A. de C.V.	-232	102	0	-334	-120	-218	309	282	27	46	6	40	77	0	0	0
31	Comarch Yuhan Hoesa (Comarch Ltd.)	1,336	340	0	996	2,147	108	12,906	0	12,906	473	0	473	14,243	12,635	0	0
32	Comarch (Thailand) Limited	3,255	2,204	0	1,051	-2,417	2,590	11,080	0	11,080	5,346	0	5,346	14,335	15,152	0	0
33	Comarch BV	484	2,150	0	-1,666	-841	-901	448	0	448	378	25	353	933	423	0	0
34	Comarch Pty. Ltd.	3,177	3,405	0	-228	-16	-540	180	0	180	138	0	138	3,358	95	0	0
35	CABINET CONSEIL EN STRATEGIE INFORMATIQ UE S.A.S. (2CSI)	3,317	2,271	0	1,046	9,297	-1,259	16,464	4,689	11,775	6,293	0	6,293	19,781	5,953	0	0
36	Comarch New Zealand Limited	-8	0	0	-8	0	-8	8	0	8	0	0	0	0	0	0	0
37	Comarch Technologies sp. z o.o.	9,981	50	1,646	8,285	7,064	982	820	25	795	3,107	0	3,107	10,802	6,989	0	5,000
38	CA Consulting S.A.	18,151	1,050	14,025	3,076	-814	3,892	5,722	104	5,618	6,228	0	6,228	23,872	22,605	0	5,000
39	Comarch Management Sp. z o.o.	33	400	0	-367	-353	-14	3	0	3	14	0	14	36	0	0	0
40	Comarch Corporate Finance FIZ	121,530	1,503	0	120,027	119,917	110	100	0	100	0	0	0	121,630	0	0	0

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41	Comarch Management Sp. z o.o. SK-A Bonus	133	170	6,634	-6,671	2,516	-30	9	0	9	22	0	22	142	0	0	0
42	Comarch Management Sp. z o.o. SK-A Bonus	26,938	2,879	22,498	1,561	1,598	-1,374	4,519	52	4,467	6,270	2,500	3,770	31,457	423	0	0
43	MANAGEMENT spółka z ograniczoną odpowiedzialnością Cracovia Park SK-A Bonus	1,386	800	1,601	-1,015	-968	-47	1,805	13	1,792	1,481	0	1,481	3,191	343	0	0
44	Development Sp. z o.o. SK-A Bonus	38,710	5,640	42,401	-9,331	-9,126	-215	35,427	30,946	4,481	614	0	614	74,137	7,868	0	0
45	Management Sp. z o.o. II Activia SK-A Bonus	11,480	1,555	13,998	-4,073	-2,779	-1,295	2,790	19	2,771	2,796	0	2,796	14,270	1,084	0	0
46	Development Sp. z o.o. II Koncept SK-A	10,399	101	8,832	1,466	1,106	360	94	5	89	2,282	0	2,282	10,494	1,013	0	0
47	Comarch Healthcare S.A.	-51,056	12,115	109,124	-172,295	-157,024	-23,170	90,400	72,541	17,859	8,674	114	8,560	39,344	42,940	0	0
48	Comarch Polska S.A.	10,726	500	9,500	726	-11,382	12,108	36,015	5,532	30,483	19,852	596	19,256	46,741	127,563	0	0
49	Comarch Cloud S.A.	2,207	750	2,250	-793	-476	-317	1,018	1	1,017	773	0	773	3,225	571	0	0
50	Comarch Infrastruktura S.A.	7,521	575	575	6,371	6,216	155	2,792	11	2,781	2,006	0	2,006	10,312	5,414	0	0
51	iComarch24 S.A.	5,587	500	2,000	3,087	1,969	1,119	959	14	945	772	0	772	6,546	3,618	0	0

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52	Geopolis sp. z o.o. CASA Management and Consulting Sp. z o.o. SK-A	-1,082	450	5,108	-6,640	-5,623	-1,017	1,418	0	1,418	258	0	258	336	29	0	0
53	Comarch Swiss AG	18,568	3,114	28,027	-12,573	-12,504	-69	15	0	15	234	0	234	18,582	0	0	0
54	CAMS AG	32,535	1,016	508	31,011	14,511	8,116	21,670	582	21,088	17,565	0	17,565	54,206	51,985	0	0
55	Comarch Finance Connect sp. z o.o. (previously: Opso sp. z o.o.)	-72	343	0	-415	-129	-341	90	0	90	3	0	3	18	0	0	0
56	MKS Cracovia S.A. Wszystko.pl sp. z o.o. ("Unitec" Sp. z o.o.)	512	205	0	307	321	-14	9	0	9	13	0	13	521	37	0	0
57		54,715	21,840	22,728	10,147	-13,088	87	47,539	26,714	20,825	9,030	0	9,030	102,254	39,936	0	0
58		0	60	0	-60	-60	0	0	0	0	0	0	0	0	0	0	0

A dividend of PLN 655 thousand was paid to Comarch AG and Comarch Software und Beratung AG and the remaining dividend of PLN 45,099 thousand was paid to Comarch S. A.

### Transactions with associates and personally related entities:

2020

2019

-purchases from personally related entities

3,346

4,380

-sales to personally related entities

1,736

1,578

-purchases from associates:

-

534

-sales to associates

16

79

The note presents selected financial data from the reports of subsidiaries prepared for the purpose of the consolidated financial statement (according to the principles of IFRS).

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## Note 3f Securities, Shares and Other Non-Current Financial Assets (Currency Structure)

		unit	currency	2020	2019
a)	in polish currency	in thousand	PLN	157,053	157,037
b)	in foreign currencies (by currencies and after conversion to PLN)	in thousand	PLN	196,915	170,612
b1	in currency	in thousand	USD	90	98
	after conversion to thousands of PLN			339	373
b2	in currency	in thousand	EUR	44,996	38,570
	after conversion to thousands of PLN			189,744	166,542
b3	other currencies in thousands of PLN			6,832	3,697
	<b>Total securities, shares and other non-current financial assets</b>	<b>in thousand</b>	<b>PLN</b>	<b>353,968</b>	<b>327,649</b>

## Note 3g Securities, Shares and Other Non-Current Financial Assets (by Disposal)

		2020	2019
A	Total securities, shares and other non-current financial assets	353,968	327,649
a	shares (balance sheet value) – admitted do public trading	-	-
-	opening balance value	-	-
-	value according to the acquisition price	-	-
b	shares (balance sheet value)-other	190,788	195,503
-	opening balance value	195,503	194,982
-	revaluating corrections (for the period)	-5,992	-
-	increase - purchase of shares	1,277	521
-	value according to the acquisition price	226,696	263,289
-	change of legal form	-	-37,114
-	value according to the acquisition price	227,973	226,696
c	participation units	121,529	121,420
-	opening balance value	109	2,374
-	value according to the acquisition price	121,420	119,046
-	revaluating corrections (for the period)	1,563	1,563
d	shares in limited companies	41,054	7,987
-	opening balance value	7,987	9,995
-	revaluating corrections (for the period)	1,300	-7,845
-	increase in value – purchase of shares	31,767	5,837
-	value according to the acquisition price	105,673	61,957
-	change of legal form	-	37,114
-	value according to the acquisition price	137,440	105,673
e	others-interest on non-current loans and valuation of futures contracts (balance sheet value)	597	2,739
-	opening balance value	2,739	935
-	revaluating corrections (for the period)	-2,142	1,804

Total value according to the acquisition price	366,976	333,932
Total opening balance value	327,649	324,958
Total revaluating corrections (for the period)	250,787	257,512
Total balance sheet value	353,968	327,649

**Note 3h Granted Non-Current Loans (Currency Structure)**

	unit	currency	2020	2019
a) in polish currency			27,979	27,099
b) in foreign currencies (by currencies and after conversion to PLN)			-	9,695
b1 in currency	in thousands	EUR	-	2,000
after conversion to thousands of PLN			-	8,517
b2 in currency	in thousands	USD	-	170
after conversion to thousands of PLN			-	646
b3 other currencies to thousands of PLN			-	532
<b>Total non-current loans</b>			<b>27,979</b>	<b>36,794</b>

**Note 3i Other Non-Current Investments (by Types)**

	2020	2019
- works of art	43	43
<b>Total other non-current investments</b>	<b>43</b>	<b>43</b>

**Note 3j Changes in Other Non-Current Investments (by Types)**

	2020	2019
a) opening balance	43	43
b) closing balance	43	43

**Note 3k Other Non-Current Investment (Currency Structure)**

	unit	currency	2020	2019
a) in polish currency			43	43
<b>Total other non-current investment</b>			<b>43</b>	<b>43</b>

**Note 4a Change in deferred income tax assets**

	2020	2019
1 Opening balance of deferred income tax assets	6,082	6,204
2 Increases	1,305	228
a) referred into the financial result of the period	1,305	228

3	Decreases	1,632	350
a)	referred into the financial result of the period	1,632	350
<b>4</b>	<b>Closing balance of deferred income tax assets, including:</b>	<b>5,755</b>	<b>6,082</b>
a)	referred into the financial result	5,755	6,082

**Note 4b Other Prepayments**

	2020	2019
a) prepayments of costs, including:	1,133	2,218
- non-current prepayments due to costs	1,133	2,218
<b>Total other prepayments</b>	<b>1,133</b>	<b>2,218</b>

**Note 5a Inventories**

		2020	2019
a)	materials	1,923	2,244
b)	rough products and products in progress	51,528	58,951
c)	finished goods	191	54
d)	goods	843	1,293
e)	advances for deliveries	61	209
<b>Total inventories</b>		<b>54,546</b>	<b>62,751</b>

**Note 6a Current Receivables**

	2020	2019
a) from related parties	292,387	254,508
- due to deliveries and services with payment period of:	292,043	254,035
- up to 12 months	292,043	254,035
- other	344	473
b) from other entities where the issuer holds interest in capital	-	50
- due to deliveries and services with payment period of:	-	50
- up to 12 months	-	50
c) from other entities	145,595	140,761
- due to deliveries and services with payment period of:	144,741	139,236
- up to 12 months	144,741	139,236
- other, including:	854	1,525
- settlements with employees due to advances and loans	161	194
- deposits, securities, overpayments	350	213
- due subsidies	183	807
- other	160	311
<b>Total net current receivables</b>	<b>437,982</b>	<b>395,319</b>
d) write-offs revaluating receivables	51,573	40,325
<b>Total gross current receivables</b>	<b>489,555</b>	<b>435,644</b>

## Note 6b Current Receivables from Related Parties

	2020	2019
a) due to deliveries and services, including:	292,043	254,035
- from subsidiaries	292,043	254,035
b) others, including:	344	473
- from subsidiaries	344	473
<b>Total net current receivables from related parties</b>	<b>292,387</b>	<b>254,508</b>
c) write-offs revaluating receivables from related parties	40,232	32,126
<b>Total gross current receivables from related parties</b>	<b>332,619</b>	<b>286,634</b>

## Note 6c Current Receivables from Other Entities where the Issuer Holds Interest in Capital

	2020	2019
a) due to deliveries and services, including:	-	50
- from associated companies	-	50
<b>Total net current receivables from other entities where the issuer holds interest in capital</b>	<b>0</b>	<b>50</b>
b) write-offs revaluating receivables from other entities where the issuer holds interest in capital	-	-
<b>Total gross current receivables from other entities where the issuer holds interest in capital</b>	<b>0</b>	<b>50</b>

## Note 6d Change in Write-Offs that Revalue Current Receivables

	2020	2019
Opening balance	40,325	25,341
a) increases (due to)	22,186	19,075
- establishing write-offs for bad debts	22,186	19,075
b) decreases (due to)	10,938	4,091
- dissolution of write-offs for receivables	3,068	2,832
- using of write-offs for receivables - listing of outdated receivables	7,870	1,259
<b>Closing balance of write-offs that revalue current receivables</b>	<b>51,573</b>	<b>40,325</b>

## Note 6e Gross Current Receivables (Currency Structure)

	unit	currency	2020	2019
a) in polish currency	in thousands	PLN	118,586	145,817
b) in foreign currencies (by currencies and after conversion to PLN)	in thousands	PLN	370,969	289,827

b1.	in currency	in thousands	EUR	46,870	46,882
	after conversion to thousands of PLN	in thousands	PLN	216,161	199,702
b2.	in currency	in thousands	USD	27,540	21,048
	after conversion to thousands of PLN	in thousands	PLN	103,580	79,861
b3.	in currency	in thousands	CHF	2,617	1
	after conversion to thousands of PLN	in thousands	PLN	11,159	2
b4.	in currency	in thousands	GBP	3,739	1,077
	after conversion to thousands of PLN	in thousands	PLN	19,189	5,384
	other currencies in thousands of PLN			20,880	4,878
<b>Total current receivables</b>				<b>489,555</b>	<b>435,644</b>

**Note 6f Gross Receivables due to Deliveries and Services with Payment Period as of the Balance Sheet Date**

	2020	2019
a) less than 1 month	147,638	149,986
b) over 1 month and less than 3 months	50,750	44,745
c) over 3 month and less than 6 months	1,679	1,564
d) over 6 months and less than 1 year	57	457
e) over 1 year	-	-
f) outdated receivables	288,233	236,894
<b>Total gross receivables due to deliveries and services</b>	<b>488,357</b>	<b>433,646</b>
write-offs that revalue receivables due to deliveries and services	51,573	40,325
<b>Total net receivables due to deliveries and services</b>	<b>436,784</b>	<b>393,321</b>

**Note 6g Gross Receivables due to Deliveries and Services, Outdated, by Receivables Outstanding in the Period**

	2020	2019
a) less than 1 month	27,674	33,883
b) over 1 month and less than 3 months	57,301	43,187
c) over 3 month and less than 6 months	36,748	22,797
d) over 6 months and less than 1 year	40,321	25,783
e) over 1 year	126,189	111,244
<b>Total gross receivables due to deliveries and services, outdated</b>	<b>288,233</b>	<b>236,894</b>
write-offs that revalue receivables due to deliveries and services, outdated	51,573	40,325
<b>Total net receivables due to deliveries and services, outdated</b>	<b>236,660</b>	<b>196,569</b>

**Note 7a Contested Debts and Outdated Receivables (by Titles) as at the date**

	31 <sup>st</sup> of December 2020	31 <sup>st</sup> of December 2019
a) contested receivables – comprised by revaluating write-offs:	1,555	1,077

b) gross outdated receivables:	288,233	236,894
- due to deliveries of finished goods and services:	288,233	236,894
Outdated receivables on which revaluating write-offs were not made:	236,660	196,569
Outdated receivables comprised by revaluating write-offs:	51,573	40,325
Including receivables that are prosecuted – comprised by revaluating write-offs:	2,230	1,990

**Note 8a Current Financial Assets**

	2020	2019
a) in related parties	680	900
- granted loans	402	402
- other current financial assets	278	498
b) in other entities where the issuer holds interest in capital	-	-
c) in other entities	22,120	4,923
- interest and shares	20,001	-
- other current financial assets	2,119	4,923
-- forward contracts	2,119	4,923
d) cash and cash equivalents	93,076	67,002
- cash in hand and at banks	93,076	67,001
- other monetary assets	-	1
<b>Total current financial assets</b>	<b>115,876</b>	<b>72,825</b>

**Note 8b Securities, Shares and Other Current Financial Assets (Currency Structure)**

	unit	currency	2020	2019
a) in polish currency	in thousands	PLN	22,120	4,923
<b>Total securities, shares and other current financial assets</b>	<b>in thousands</b>	<b>PLN</b>	<b>22,120</b>	<b>4,923</b>

**Note 8c Securities, Shares and Other Current Financial Assets (by Disposal)**

	2020	2019
A. participation unit	20,001	-
- market value	20,001	-
- value by acquisition price	20,000	-
B. Shares registered in regulated market (balance sheet value)	-	-
-market value	-	-
-value by acquisition price	-	-
C. Derivatives (balance sheet value)	2,119	4,923
-market value	2,119	4,923
<b>Total balance sheet value</b>	<b>22,120</b>	<b>4,923</b>

## Note 8d Granted Current Loans (Currency Structure)

		unit	currency	2020	2019
a)	in polish currency	in thousands	PLN	402	402
	in foreign currencies (by currencies and after conversion to PLN)	in thousands	PLN	-	-
b)	Other currencies in thousands of PLN	in thousands	PLN	-	-
	<b>Total granted current loans</b>	<b>in thousands</b>	<b>PLN</b>	<b>402</b>	<b>402</b>

## Note 8e Cash and Cash Equivalents (Currency Structure)

		unit	currency	2020	2019
a)	in polish currency	in thousands	PLN	84,522	34,987
	in foreign currencies (by currencies and after conversion to PLN)	in thousands	PLN	8,554	32,015
b1.	in currency	in thousands	EUR	551	6,304
	after conversion to thousands of PLN	in thousands	PLN	2,545	26,847
b2.	in currency	in thousands	USD	865	1,171
	after conversion to thousands of PLN	in thousands	PLN	3,252	4,449
b3.	in currency	in thousands	GBP	73	111
	after conversion to thousands of PLN	in thousands	PLN	377	554
b4.	in currency	in thousands	DKK	-	13
	after conversion to thousands of PLN	in thousands	PLN	-	7
b5.	in currency	in thousands	CHF	6	8
	after conversion to thousands of PLN	in thousands	PLN	25	31
b6.	in currency	in thousands	CAD	48	-
	after conversion to thousands of PLN	in thousands	PLN	142	-
	other currencies in thousands of PLN			2,213	127
	<b>Total cash and cash equivalents</b>			<b>93,076</b>	<b>67,002</b>

## Note 9a Current Prepayments

		2020	2019
a)	current prepayments of costs, including:	6,196	7,701
-	costs related to the future sales	5,126	6,728
-	property and motor insurance	1,070	973
b)	other prepayments, including:	86,704	120,697
-	prepayments due to revenue from non-current contracts	86,704	120,697
	<b>Total current prepayments</b>	<b>92,900</b>	<b>128,398</b>



## Nota 10a Share Capital (Structure)

Series/ issue	Type of shares	Type of shares preference	Type of limitation of rights to shares	Number of shares	Value of series/ issue by nominal value	Capital covering	Register date
A	Registered preference	vote 5:1	not limited	864,800	865	transformation of limited company	20.12.
A	ordinary bearer shares		not limited	75,200	75	transformation of limited company	20.12.
B	Registered preference	vote 5:1	not limited	883,600	884	cash	24.03.
B	ordinary bearer shares		not limited	56,400	56	cash	24.03.
C	ordinary bearer shares		not limited	3,008,000	3008	cash	20.06.
D	ordinary bearer shares		not limited	1,200,000	1200	cash	01.03.
E	ordinary bearer shares		not limited	638,600	638	cash	08.03.
G	ordinary bearer shares		not limited	125,787	126	cash	29.06.
G3	ordinary bearer shares		not limited	102,708	103	cash	23.06.
H	ordinary bearer shares		not limited	543,025	543	conversion of convertible bonds into shares	20.03.
H	ordinary bearer shares		not limited	20,650	21	conversion of convertible bonds into shares	31.03.
I2	ordinary bearer shares		not limited	441,826	442	execution of managerial option programme	20.04.
J2	ordinary bearer shares		not limited	91,041	91	execution of managerial option programme	31.03.
K3	ordinary bearer shares		not limited	73,953	74	execution of managerial option programme	31.03.
L1	ordinary bearer shares		not limited	7,759	8	execution of managerial option programme	14.05.
<b>Total number of shares</b>				<b>8,133,349</b>			
<b>Total share capital</b>					<b>8,133</b>		
Nominal value of one share (PLN)				1.00			

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**Shareholders holding directly or indirectly by subsidiary entities at least 5% of the total number of votes in the general meeting of Comarch S.A.**

As at 31<sup>st</sup> of December, 2020, shareholders holding directly or indirectly by subsidiary entities at least 5% of the total number of votes in the general meeting of Comarch S.A. were:

-Janusz Filipiak held 1,997,027 shares (24.55% of the company's share capital), which gave him 5,569,027 votes at the AGM and constituted 36.82% of all votes at the AGM;

-Elżbieta Filipiak held 846,000 shares (10.40% of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 27.96% of all votes at the AGM;

-MetLife Open Pension Fund managed by MetLife PTE S.A. held 841,097 shares (10.34% of the company's share capital), which gave him 841,097 votes at the AGM and constituted 5.56% of all votes at the AGM;

-Nationale-Nederlanden Open Pension Fund i Nationale-Nederlanden Voluntary Pension Fund managed by Nationale-Nederlanden PTE S.A. held including 846,571 shares Comarch S.A. (10.34% of the company's share capital), which gave 846,571 votes at the AGM (5.60%), included Nationale-Nederlanden Voluntary Pension Fund managed by Nationale-Nederlanden PTE S.A. held 843,071 shares Comarch S.A. ((10.37 % of the company's share capital), which gave 843,071 votes at the AGM (5.57%).

**AFTER THE BALANCE SHEET DATE:**

None present.

**Note 11a Supplementary Capital**

	2020	2019
a) from sales of shares above par	84,448	84,448
b) created according to the law	2,711	2,711
c) created according to the statute/agreement, above the (minimal) value that is required by law	676,218	630,791
<b>Total supplementary capital</b>	<b>763,377</b>	<b>717,950</b>

**Note 12a Revaluation Reserve**

	2020	2019
a) opening balance of revaluation of reserve	97,085	95,162
b) increases	110	2,374
- balance-sheet valuation of investment certificates	110	2,374
b) decreases	20	451
- provision for deferred tax due to certificates valuation	20	451
<b>Total revaluation reserve</b>	<b>97,175</b>	<b>97,085</b>

**Note 13a Other Reserve Capitals (by Purposes)**

	2020	2019
- investment capital	79	79
- supplementary capital for covering the tax liabilities	666	666
<b>Total reserve capitals</b>	<b>745</b>	<b>745</b>

**Note 14a Changes in Provision due to Deferred Income Tax**

	2020	2019
<b>1 Opening balance of provision due to deferred income tax</b>	<b>24,786</b>	<b>23,732</b>
2 Increases	20	1,098
- referred into revaluation reserve due to CCF FIZ investment certificates valuation	20	451
- reference to the financial result for the period due to positive temporary differences	-	647
3 Decreases	1,145	44
- referred into revaluation reserve due to CCF FIZ investment certificates valuation	-	-
- referred into the financial result	1,145	44
<b>4 Closing balance of provision due to deferred income tax</b>	<b>23,661</b>	<b>24,786</b>
a) referred into the financial result	868	2,013
b) referred into the equity	22,793	22,773

**Note 14b Change in Non-Current Provision for Pensions and Similar Benefits (by Titles)**

	2020	2019
a) opening balance	0	0
b) increases (due to)	1,398	-
- pension benefits	1,398	-
c) closing balance	1,398	0

**Note 14c Changes in Other Current Provisions (by Titles)**

	2020	2019
a) opening balance	135,946	120,577
b) increases (due to)	134,574	125,402
creating provisions due to contractual penalties and recoveries related to delays in contract execution and withdrawal from the contracts	432	2,181
- provisions for leaves	21,310	17,310
- provisions for contracts costs	9,020	8,899
- provisions for rewards	103,812	97,012
c) decreases	116,157	110,033
- dissolving provisions for leaves	13,834	13,958
dissolving provisions for contractual penalties due to no reasons for creating them	5,608	15,848
- provisions for contracts costs	9,082	6,945
- provisions for rewards	87,633	73,282
d) closing balance	154,363	135,946

**Note 15a Non-Current Liabilities**

	2020	2019
a) to related parties, including:	10,897	19,539
aa) to subsidiaries	10,897	19,539
- other (by types)	10,897	19,539
-- liabilities due to lease	-	-
-- received loans	10,897	19,539
b) to other entities where the issuer holds interest in capital	-	-
c) to other entities	85,206	101,407
- credits and loans	80,806	99,388
- other	4,400	2,019
<b>Total non-current liabilities</b>	<b>96,103</b>	<b>120,946</b>

**Note 15b Non-Current Liabilities with Payment Period (from the Balance Sheet Date)**

	2020	2019
a) over 1 year up to 3 years	60,799	70,540
b) over 3 years up to 5 years	17,753	29,055
c) over 5 years	17,551	21,351
<b>Total non-current liabilities</b>	<b>96,103</b>	<b>120,946</b>

**Note 15c Non-Current Liabilities**

	unit	currency	2020	2019
a) in polish currency			9,888	17,483
b) in foreign currencies (by currencies and after conversion to PLN)			86,215	103,463
b1. in currency	in thousands	EUR	18,682	24,296
after conversion to thousands of PLN			86,215	103,463
<b>Total non-current liabilities</b>			<b>96,103</b>	<b>120,946</b>

## Nota 15d Non-Current Liabilities due to Credits and Loans

Name of the entity (Company), including legal form	Office	Total amount of credit/loan				Liability due to credit / loan as at the balance sheet date				Interest conditions	Repayment date	Securities	Other
		PLN'000	In currency	unit	currency	PLN'000	In currency	unit	currency				
BNP Paribas Bank Polska S.A.	Warszawa	44,000		thou.	PLN	7,827	1,696	thou.	EUR	EURIBOR1M +0.95%; IRS at level of 0.77% until 29.07.2024	29.07.2024	A promissory note, the mortgage on land in the amount of PLN 53,815 thousand, assignment of the insurance policy and declaration of submission to enforcement	related to SEZ4 building; in October, 2011 there was a currency change in this credit
Powszechna Kasa Oszczędności Bank Polski SA	Warsaw	17,396	4,126	thou.	EUR	-	-	thou.	EUR	EURIBOR1M +1.2%	29.09.2021	the mortgage on land in the amount of EUR 6,189 thousand, assignment of the insurance policy and declaration of submission to enforcement	related to SEZ5 building

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Santander Bank Polska S.A. (previously Bank Zachodni WBK S.A.)	Warsaw	30,925	7,400	thou.	EUR	-	-	thou.	EUR	EURIBOR1M +1.3%	31.12.2020	The mortgage in the amount of EUR 11,100 thousand, assignment of policy insurance, declaration of submission to enforcement	related to SEZ3 building
Bank Pekao S.A.	Warsaw	56,000	13,323	thou.	EUR	14,717	3,189	thou.	EUR	EURIBOR1M +1.4%; IRS at the level of 0.2% until 30.11.2023	30.11.2023	contractual mortgage up to PLN 84,000, assignment of rights under the property insurance contract, assignment of rights under the guarantee proper performance and warranty guarantee, statement about submission to execution	related to SEZ6 building

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Bank Handlowy w Warszawie S.A.	Warsaw	58,144	13,333	thou.	EUR	45,035	9,759	thou.	EUR	EURIBOR1M +1.32%; IRS at the level of 0.385% until 29.02.2028	29.02.2028	contractual mortgage in the amount of EUR 16 666 thousand, assignment of rights under the property insurance contract, declaration on submission to enforcement	related to SEZ7 building
DNB Bank Polska S.A.	Warsaw	10,854	2,531	thou.	EUR	3,231	700	thou.	EUR	EURIBOR1M +1.25%	30.12.2023	registered pledge on devices subject to financing, assignment of rights under the equipment insurance contract, declaration on submission to enforcement	relates to fixed assets - equipment of the Internet of Things Laboratory in Krakow
CaixaBank S.A. Oddział w Polsce	Warsaw	14,980	3,500	thou.	EUR	7,539	1,634	thou.	EUR	EURIBOR1M +0.70%	23.08.2023	declaration of submission to enforcement	relates to the Comarch infrastructure modernization program
CaixaBank S.A. Oddział w Polsce	Warsaw	10,272	2,300	thou.	EUR	1,768	383	thou.	EUR	EURIBOR1M +0.80%	29.06.2025	declaration of submission to enforcement	applies to corporate-wide goals

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IBM Global Financing Polska Sp. z o.o.	Warsaw	12,980	12,980	thou.	PLN	106	106	thou.	PLN	Fixed interest	01.03.2022	none	relates to purchase of IT products in relation to IT project realised by the Comarch Group
IBM Global Financing Polska Sp. z o.o.	Warsaw	3,139	3,139	thou.	PLN	355	355	thou.	PLN	Fixed interest	01.05.2022	none	relates to purchase of IT products in relation to IT project realised by the Comarch Group
IBM Global Financing Polska Sp. z o.o.	Warsaw	1,814	1,814	thou.	PLN	-	-	thou.	PLN	Fixed interest	01.05.2020	none	relates to purchase of IT products in relation to IT project realised by the Comarch Group
IBM Global Financing Polska Sp. z o.o.	Warsaw	1,825	1,825	thou.	PLN	228	228	thou.	PLN	Fixed interest	01.03.2022	none	relates to purchase of IT products in relation to IT project realised by the Comarch Group

PKO Leasing S.A.	Łódź	22,738	5,000	thou.	EUR	-	-	thou.	EUR	EURIBOR1M +1.3%	31.01.2028	blank promissory note, registered pledge on the subject of financing, conditional transfer of title to secure the subject of financing, assignment from the insurance policy of the subject of financing	applies to the purchase of a fixed asset
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The long-term portion of loans and borrowings as at the balance sheet date amounts to PLN 80,806 thousand.

The above long-term liabilities due to credits and loans include only liabilities from other entities.

## Note 16a Current Liabilities

	2020	2019
a) to related parties, including:	33,403	29,077
aa) to subsidiaries	33,403	29,077
- due to deliveries and services with payment period of:	28,988	25,488
-- up to 12 months	28,988	25,488
- other (by types)	4,415	3,589
-- liabilities due to lease	12	11
-- investment liabilities	96	67
-- liabilities due to payments for capital	3,345	3,380
-- other	962	131
b) to other entities where the issuer holds interest in capital	350	-
- other financial liabilities, including:	350	-
- other (by type)	350	-
-- investment liabilities	350	-
c) to other entities	130,408	130,657
- credits and loans	29,519	31,929
- other financial liabilities	3,820	0
- due to deliveries and services with payment period of:	23,325	31,272
-- up to 12 months	23,325	31,272
- advances for received deliveries	294	42
- due to taxes, customs, insurance and other benefits	41,878	37,529
- due to remuneration	28,247	27,040
- other (by titles)	3,325	2,845
-- investment liabilities	1,798	1,092
-- liabilities to employees	363	718
-- other	1,164	1,035
d) special funds (by types)	1,170	1,208
-- Social Services Fund and Residential Fund	1,170	1,208
<b>Total current liabilities</b>	<b>165,331</b>	<b>160,942</b>

## Note 16b Current Liabilities (Currency Structure)

	unit	currency	2020	2019
a) in polish currency	in thousands	PLN	111,461	110,057
b) in foreign currencies (by currencies and after conversion to PLN)	in thousands	PLN	53,870	50,885
b1. in currency	in thousands	EUR	11,248	11,349
after conversion to thousands of PLN			51,907	48,331
b2. in currency	in thousands	USD	403	518
after conversion to thousands of PLN			1,513	1,969
b3. in currency	in thousands	GBP	40	39
after conversion to thousands of PLN			203	193

b4.	in currency	in thousands	CHF	1	1
	after conversion to thousands of PLN			6	5
	Other currencies in thousands of PLN	in thousands	PLN	241	387
	<b>Total current liabilities</b>	<b>in thousands</b>	<b>PLN</b>	<b>165,331</b>	<b>160,942</b>

## Note 16c Current Liabilities due to Credits and Loans

Name of the company	Office	Value of credit / loan according to a contract				Liability due to credit / loan as at the balance sheet date				Interest rate	Maturity date	Securities
		PLN'000	In currency	unit	currency	PLN'000	In currency	unit	currency			
BNP Paribas Bank Polska S.A.	Warsaw	44,000		thou.	PLN	2,828	613	thou.	EUR	EURIBOR1M+0.95% IRS at the level of 0.77% until 29.07.2024	29.07.2024	promissory note, the mortgage on land in the amount of EUR 53,815 thousand, assignment of the insurance policy and declaration of submission to enforcement
Powszechna Kasa Oszczędności Bank Polski SA	Warsaw	17,396	4,126	thou.	EUR	1,784	387	thou.	EUR	EURIBOR1M+1.2%	29.09.2021	the mortgage on land in the amount of EUR 6,189 thousand, the building insurance policy and declaration of submission to enforcement

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Santander Bank Polska S.A. (previously Bank Zachodni WBK S.A.)	Warsaw	30,925	7,400	thou.	EUR	-	-	thou.	EUR	EURIBOR1M+1.3%	31.12.2020	the mortgage on land in the amount of EUR 11,100 thousand and assignment of the insurance policy
Bank Pekao S.A.	Warsaw	56,000	13,323	thou.	EUR	7,655	1,659	thou.	EUR	EURIBOR1M+1.4% IRS at the level of 0.2% until 30.11.2023	30.11.2023	Contractual mortgage to the amount of PLN 84,000 thousand PLN, assignment of rights from property insurance agreement, assignment of performance bond and warranties and declaration of submission to enforcement

Bank Handlowy w Warszawie S.A.	Warsaw	58,144	13,333	thou.	EUR	7,295	1,581	thou.	EUR	EURIBOR1M+1.32% IRS at the level of 0.385% until 29.02.2028	29.02.2028	Contractual mortgage to the amount of EUR 16,666 thousand Comarch's declaration of submission to enforcement assignment of rights from property insurance agreement.
DNB Bank Polska S.A.	Warsaw	10,854	2,531	thou.	EUR	1,617	350	thou.	EUR	EURIBOR1M+1.25%	30.12.2023	Registered pledge on equipment be the subject of financing, assignment of rights from equipment insurance agreement and declaration of submission to enforcement
CaixaBank S.A. Oddział w Polsce	Warsaw	14,980	3,500	thou.	EUR	4,304	933	thou.	EUR	EURIBOR1M+0.70%	23.08.2023	Comarch's declaration of submission to enforcement
CaixaBank S.A. Oddział w Polsce	Warsaw	10,272	2,300	thou.	EUR	250	54	thou.	EUR	EURIBOR1M+0.80%	29.06.2025	Comarch's declaration of submission to enforcement

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IBM Global Financing Polska Sp. z o o.	Warsaw	12,980	12,980	thou.	PLN	2,036	2,036	thou.	PLN	fixed interest rate	01.03.2022	none
IBM Global Financing Polska Sp. z o o.	Warsaw	3,139	3,139	thou.	PLN	838	838	thou.	PLN	fixed interest rate	01.05.2022	none
IBM Global Financing Polska Sp. z o o.	Warsaw	1,814	1,814	thou.	PLN	-	-	thou.	PLN	fixed interest rate	01.05.2020	none
IBM Global Financing Polska Sp. z o o.	Warsaw	1,825	1,825	thou.	PLN	912	912	thou.	PLN	fixed interest rate	01.03.2022	none
PKO Leasing S.A.	Łódź	22,738	5,000	thou.	EUR	-	-	thou.	EUR	EURIBOR1M+1.3%	31.01.2028	blank promissory note, registered pledge on the subject of financing, conditional trans of title to secure the subject of financing, assignment from the insurance po

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												of the subject of financing
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*The short-term portion of credits and loans as at the balance sheet date amounts to PLN 29,519 thousand.*

*The above short-term liabilities due to credits and loans include only liabilities from other entities.*

**Note 17a Other Accruals**

	2020	2019
a) costs related to the current period that will be incurred in future	521	1,229
b) accruals of revenues	57,162	69,656
- current (by titles)	57,162	69,656
-- subsidies received	1,713	2,114
-- accruals due to long-term contracts	55,449	67,542
<b>Total other accruals</b>	<b>57,683</b>	<b>70,885</b>

**Note 18a Book Value per Single Share**

Book value per single share in column "2020" is equal to book value (equity) divided by number of shares as at 31<sup>st</sup> of December, 2020.

Book value per single share in column "2019" is equal to book value (equity) divided by number of shares as at 31<sup>st</sup> of December, 2019.

Diluted book value per single share in column "2020" is equal to book value (equity) divided by number of shares as at 31<sup>st</sup> of December, 2020, pursuant to IAS 33.

Diluted book value per single share in column "2019" is equal to book value (equity) divided by diluted number of shares as at 31<sup>st</sup> of December, 2019, pursuant to IAS 33.

Pursuant to IAS 33 in calculation of diluted profit per single share (diluted book value per single share) ordinary shares should be regarded as diluting if and only if their conversion to ordinary shares would reduce net profit (book value).

**OFF-BALANCE ITEMS COMMENTARY NOTES****Note 19a Contingent Liabilities (due to)**

	2020	2019
a) granted bank guarantees and suretyships	48,094	51,078
- to related parties, including:	48,094	51,078
-- to subsidiaries	48,094	51,078
<b>Total contingent liabilities to related parties</b>	<b>48,094</b>	<b>51,078</b>

## INCOME STATEMENT COMMENTARY NOTES

## Note 20a Net Revenue from Sales of Products (Material Structure – Types of Activities)

	2020	2019
- sales of IT services	715,691	678,986
-- from related parties, including:	321,520	276,801
--- from subsidiaries	321,520	276,801
-- from other entities where the issuer holds interest in capital	-	40
--- from associated companies	-	40
- <b>sales of proprietary software and licences</b>	<b>215,287</b>	<b>187,475</b>
-- including: from related parties	35,782	32,746
- <b>sales of finished goods</b>	<b>3,723</b>	<b>11,326</b>
-- including: from related parties	2,526	3,587
including: from other entities where the issuer holds interest in capital	-	-
- <b>other sales</b>	<b>6,442</b>	<b>5,971</b>
-- including: from related parties	3,743	3,547
including: from other entities where the issuer holds interest in capital	1	-
<b>Total net revenue from sales of products</b>	<b>941,143</b>	<b>883,758</b>
- from related parties, including:	363,571	316,681
-- from subsidiaries	363,571	316,681
- from other entities where the issuer holds interest in capital	1	40
-- from associated companies	1	40

## Note 20b Net Revenue from Sales of Products (Geographical Structure)

	2020	2019
a) domestic	459,304	467,750
- from related parties, including:	75,622	64,116
-- from subsidiaries	75,622	64,116
- from other entities where the issuer holds interest in capital	1	40
-- from associated companies	1	40
b) export	481,839	416,008
- from related parties, including:	287,949	252,565
-- from subsidiaries	287,949	252,565
- from other entities where the issuer holds interest in capital	-	-
-- from associated companies	-	-
<b>Total net revenue from sales of products</b>	<b>941,143</b>	<b>883,758</b>
- from related parties, including:	363,571	316,681
-- from subsidiaries	363,571	316,681
- from other entities where the issuer holds interest in capital	1	40
-- from associated companies	1	40

**Note 21a Net Revenue from Sales of Goods and Materials (Material Structure – Type of Activities)**

	2020	2019
- <b>computer hardware</b>	<b>9,075</b>	<b>15,080</b>
-- from related parties, including:	4,531	6,570
--- from subsidiaries	4,531	6,570
-- from other entities where the issuer holds interest in capital	-	-
- <b>proprietary software and licences</b>	<b>15,422</b>	<b>27,954</b>
-- including: from related parties	1,455	1,373
-- including: from other entities where the issuer holds interest in capital	-	-
- <b>other</b>	<b>33,761</b>	<b>24,906</b>
-- including: from related parties	3,957	1,748
-- including: from other entities where the issuer holds interest in capital	-	-
<b>Total net revenue from sales of goods and materials</b>	<b>58,258</b>	<b>67,940</b>
- from related parties, including:	9,943	9,691
-- from subsidiaries	9,943	9,691
- from other entities where the issuer holds interest in capital	-	-

**Note 21b Net Revenue from Sales of Goods and Materials (Geographic Structure)**

	2020	2019
a) domestic	52,869	63,520
- from related parties, including:	5,397	5,916
-- from subsidiaries	5,397	5,916
- from other entities where the issuer holds interest in capital	-	-
b) export	5,389	4,420
- from related parties, including:	4,546	3,775
-- from subsidiaries	4,546	3,775
- from other entities where the issuer holds interest in capital	-	-
<b>Total net revenue from sales of goods and materials</b>	<b>58,258</b>	<b>67,940</b>
- from related parties, including:	9,943	9,691
-- from subsidiaries	9,943	9,691
- from other entities where the issuer holds interest in capital	-	-

**Note 22a Costs by Types**

	2020	2019
a) depreciation	42,974	44,622
b) consumption of materials and energy	17,240	20,016
c) third party services	125,472	157,663
d) taxes and charges	6,548	7,851

e)	remuneration	516,836	481,677
f)	social insurances and other benefits, including pensions	91,756	86,016
g)	other (by types)	29,291	30,150
	<b>Total costs by types</b>	<b>830,117</b>	<b>827,995</b>
	Change in inventories, products and prepayments	28,846	19,897
	Costs of sales (negative value)	-72,291	-74,033
	Administrative costs (negative value)	-75,852	-74,952
	Manufacturing costs of products sold	710,820	698,907

**Note 23a Other Operating Revenue**

	2020	2019
a) provision dissolution (due to)	5,032	12,347
- write-offs that revalue materials and finished goods	125	31
- for penalties, damages	4,907	12,316
b) recovered communication damages	1,996	1,306
- expired liabilities	35	67
- refund of VAT which paid abroad	207	113
- received contractual penalties, compensation	341	195
remuneration of taxpayer, refunds from Social Securities		
- Institution	84	287
- cancelled training contracts	152	136
- recovered communication damages	22	52
- money bonus	6	167
- maintenance of investment properties	790	128
- subsidy to electricity costs	142	-
- other	217	161
<b>Total operating revenue</b>	<b>7,028</b>	<b>13,653</b>

## Note 24a Other Operating Costs

	2020	2019
a) other, including:	30,576	21,922
- membership fees	575	670
- donations	35	57
- paid penalties and damages, provisions for penalties, damages and claims	-	886
- dissolving the receivables	25	2,560
- costs of projects that are in part financed with subsidies	1,329	1,912
- social costs	39	155
- creating-dissolving the write-offs revaluating receivables	28,326	15,130
- other	247	552
<b>Total operating costs</b>	<b>30,576</b>	<b>21,922</b>

## Note 25a Financial Revenue due to Dividends and Shares in Profits

	2020	2019
a) dividends from related parties, including	45,098	37,140
- dividends from subsidiaries:	45,098	37,140
<b>Total financial revenue due to dividends and shares in profits</b>	<b>45,098</b>	<b>37,140</b>

## Note 25b Financial Revenue due to Interest

	2020	2019
a) due to granted loans	1,207	943
- from related parties, including:	1,207	943
-- from subsidiaries	1,207	943
- from other entities where the issuer holds interest in capital	-	-
-- from associated companies	-	-
b) other interest	255	458
- from other parties, including:	255	458
<b>Total financing revenue due to interest</b>	<b>1,462</b>	<b>1,401</b>

## Note 25c Other Financing Revenue

	2020	2019
a) a) other, including:	2 861	3 520
- exchange differences	2 861	433
- forward valuation	-	3 087
- other	-	-
<b>Total financing revenue</b>	<b>2 861</b>	<b>3 520</b>

**Note 26a Financing Costs due to Interest**

	2020	2019
a) other interest	2,442	3,193
- from related parties, including:	428	722
-- from subsidiaries	428	722
- from other parties, including:	2,014	2,471
-- from other parties	2,014	2,471
<b>Total financing costs due to interest</b>	<b>2,442</b>	<b>3,193</b>

**Note 26b Other Financing Costs**

	2020	2019
a) other, including:	13,581	500
- commissions on guarantees	379	393
- valuation of financial instruments	11,225	-
- tax on subsidiary's income (receipt of dividend)	1,702	-
- other	275	107
<b>Total other financing costs</b>	<b>13,581</b>	<b>500</b>

**Note 27a Current Income Tax**

	2020	2019
1 Gross profit (loss)	93,878	67,397
2 Permanent differences between gross profit (loss) and basis of taxation for income tax	3,186	26,602
3 Temporary differences between gross profit (loss) and basis of taxation for income tax	49,590	4,907
4 Other differences between gross profit (loss) and basis of taxation for income tax, including:	-49,069	-43,911
- income exempt due to activities in Special Economic Zone	-47,685	-44,233
5 Basis of taxation for income tax	97,585	54,995
6 Income tax at the rate of 19% in Poland and 10% in Albany	18,541	10,449
7 Tax deductions	-3,865	-1,459
8 Tax payable	14,676	8,990
<b>9 Income tax recognised in income statement</b>	<b>13,870</b>	<b>9,770</b>
- presented in tax declaration (current tax to be paid)	14,689	9,044
- deferred tax	-819	726

**Note 27b Deferred Income Tax Recognised in Income Statement**

	2020	2019
- deferred income tax due to temporary differences	-819	726
Total deferred income tax	<b>-819</b>	<b>726</b>

**Note 28a Method of Distribution of Net Profit**

On the 24<sup>th</sup> of June, 2020, General Meeting approved the resolution no. 9 regarding the distribution of net profit for the fiscal year 1.01.2019 - 31.12.2019. The net profit in the amount of PLN in 57,627,263.86 (writing: fifty-seven million, six hundred and twenty-seven thousand two hundred sixty-three zlotys 86/100) will be divided as follows:

1. PLN 12,200,023.50 (twelve million two hundred thousand twenty-three zlotys and 50/100) will be paid as dividend. Persons who will be the company's shareholders at the 6<sup>th</sup> of July, 2020, will get the dividend in the amount of PLN 1.50 per one share. The dividend will be allocated to 8,133,349 shares. According to the Resolution dividend will be paid on the 16<sup>th</sup> of July, 2020.

2. The remaining part of the net profit in the amount of PLN 45,427,240.36 (forty five million four hundred and twenty seven thousand two hundred forty zlotys and 36/100) is passed to supplementary capital.

Comarch S.A.'s Management Board has not made a decision until publication date of this report concerning a proposed profit-sharing for 2020.

**Note 29a Earnings per Share**

Net profit per single share in column "2020" is equal to net profit for the period from 1<sup>st</sup> of January, 2020 to 31<sup>st</sup> of December, 2020, divided by weighted average number of shares between 1<sup>st</sup> of January, 2020 and 31<sup>st</sup> of December, 2020, where number of days is the weight.

Net profit per single share in column "2019" is equal to net profit for the period from 1<sup>st</sup> of January, 2019 to 31<sup>st</sup> of December, 2019, divided by weighted average number of shares between 1<sup>st</sup> of January, 2019 and 31<sup>st</sup> of December, 2019, where number of days is the weight.

Diluted net profit per single share in column "2020" is equal to net profit for the period from 1<sup>st</sup> of January, 2020 to 31<sup>st</sup> of December, 2020 divided by weighted average number of shares between 1<sup>st</sup> of January, 2020 and 31<sup>st</sup> of December, 2020 that was calculated according to IAS 33.

Diluted net profit per single share in column "2019" is equal to net profit for the period from 1<sup>st</sup> of January, 2019 to 31<sup>st</sup> of December, 2019 divided by weighted average number of shares between 1<sup>st</sup> of January, 2019 and 31<sup>st</sup> of December, 2019 that was calculated according to IAS 33. Pursuant to IAS 33, in calculation of diluted profit per single share (diluted book value per single share) ordinary shares should be regarded as diluting if and only if their conversion to ordinary shares would reduce net profit (book value).



## CASH FLOW COMMENTARY NOTES

## Note 30 Cash Structure (Current Year)

	31 December 2020	31 December 2019	Change
Cash in hand	439	621	-182
Cash in banks	92,637	66,380	26,257
<i>-including cash on VAT accounts</i>	<i>3,234</i>	<i>2,291</i>	<i>943,</i>
<b>Total</b>	<b>93,076</b>	<b>67,001</b>	<b>26,075</b>
<i>-including exchange differences</i>	<i>187</i>	<i>783</i>	<i>-596</i>

## Note 31 Calculation Details of Selected Items in Cash Flow Statement (Current Year)

## Operating activities

Pos. A II 1 Depreciation	2020	2019
Depreciation of intangible assets	5,920	6,526
Depreciation of property, plant and equipment	36,023	36,988
Depreciation of investment real estates	1,031	1,108
<b>Total</b>	<b>42,974</b>	<b>44,622</b>

Pos. A II 3	2020	2019
Paid-out interest on credits	1,831	2,138
Received and paid interest on loans	-859	302
Received dividend	-45,098	-37,140
<b>Total</b>	<b>-44,126</b>	<b>-34,700</b>

Pos. A II 4	2020	2019
Revenue from sales of property, plant and equipment	-708	-3,572
Cost of sold and decommissioned property, plant and equipment	535	2,965
Subsidies received	-1,297	-1,528
Non-returnable payments to capital	-	-
Revaluation of investments	-	-
Revaluation of shares	4,692	7,845
<b>Total</b>	<b>3,222</b>	<b>5,710</b>

Pos. A II 7	2020	2019
Change in trade receivables	-31,789	-42,527
Change in other receivables	-	-
Investment receivables	-256	-690
Advances transferred for investments	-2,027	2,007
Granted loans	25,230	20,307
Paid loans (granted)	-25,373	1,968
Derivative instruments	-15,481	-7,130
<b>Total</b>	<b>-49,696</b>	<b>-26,065</b>

Pos. A II 8	2020	2019
Change in current liabilities excluding loans, credits and other financial liabilities	579	-5,320
Change in investment liabilities	-1,085	1,355
Change in financial liabilities	18,825	17,559
Change in liabilities (unpaid shares)	35	-34
Change in Social Services Fund	-36	-205
<b>Total</b>	<b>18,318</b>	<b>13,355</b>

Pos. A II 9	2020	2019
Change in prepayments	36,583	-38,116
Change in accruals	-13,202	23,915
Change in tax asset	327	123
Subsidies received for non-current assets	-	-
Subsidies received for costs	-	-
<b>Total</b>	<b>23,708</b>	<b>-14,078</b>

### Investment activities

#### Inflows

Pos. B I 1	2020	2019
Revenue from sales of property, plant and equipment	708	3,572
Investment receivables	217	690
<b>Total</b>	<b>925</b>	<b>4,262</b>

Pos. B I 2	2020	2019
Dividends and share in profits	45,098	37,140
Repaid loans	25,373	1,968
Received loans	1,422	630
Interest on loans	647	3,354
Other inflows	<b>72,540</b>	<b>43,092</b>

## Outflows

Pos. B II 1 i 2	2020	2019
Purchase of intangible assets and property, plant and equipment and real estates	-40,216	-25,049
Change of investment liabilities	937	-1,355
Change of investment receivables	2,027	-2,007
<b>Change in investment liabilities</b>	<b>-37,252</b>	<b>-28,411</b>

Pos. B II 3a	2020	2019
Purchase of financial assets	-22,627	-6,324
Granted and paid non-current loans and interests from related parties	-25,230	-20,284
<b>Total</b>	<b>-47,857</b>	<b>-26,608</b>

CASH FLOWS FROM OPERATING ACTIVITIES (INDIRECT METHOD)		2020	2019
I	Net profit (loss)	80,008	57,627
II	Total adjustments	20,941	3,331
1	Depreciation	42,974	44,622
2	Exchange gains (losses)	-332	83
3	Interest and shares in profits (dividends)	-44,126	-34,700
4	Profit (loss) on investing activities	3,222	5,710
5	Change in provisions	18,669	15,971
6	Change in inventories	8,204	-1,567

7	Change in receivables	-49,696	-26,065
8	Change in current liabilities, excluding credits and loans	18,318	13,355
9	Change in prepayments and accruals	23,708	-14,078
III	Net cash used in operating activities (I+/-II)	100,949	60,958

## B. ADDITIONAL COMMENTARY NOTES

### Note 32 Financial Instruments

#### a) Changes in Financial Instruments (by categories)

Changes in particular categories of financial assets (excluding cash and cash equivalents) from 1<sup>st</sup> of January, 2020 to 31<sup>st</sup> of December, 2020, were as follows:

Change in financial instruments by categories	Financial assets held for trading	Held to maturity financial assets	Granted loans	Financial liabilities
<b>1 January 2020</b>	<b>7,662</b>	<b>0</b>	<b>37,196</b>	<b>156,371</b>
+ increases	2,716	20,001	25,811	22,664
- decreases	-7,662	-	-34,626	46,215
<b>31 December 2020</b>	<b>2,716</b>	<b>20,001</b>	<b>28,381</b>	<b>132,820</b>

#### Balance sheet approach

<b>Non-current financial assets</b>	<b>597</b>	<b>0</b>	<b>27,979</b>	<b>0</b>
in related parties	-	-	27,979	-
in other entities	597	-	-	-
<b>Current financial assets</b>	<b>2,119</b>	<b>20,001</b>	<b>402</b>	<b>0</b>
in related parties	-	-	402	-
in other entities	2,119	20,001	-	-
<b>Current financial liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,718</b>
in related parties	-	-	-	3,379
in other entities	-	-	-	33,339
<b>Non-current financial liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>96,102</b>
in related parties	-	-	-	10,897
in other entities	0	0	0	85,205

Changes in particular categories of financial assets (excluding cash and cash equivalents) from 1<sup>st</sup> of January, 2019 to 31<sup>st</sup> of December, 2019, were as follows:

Change in financial instruments by categories	Financial assets held for trading	Held to maturity financial assets	Granted loans	Financial liabilities
<b>1 January 2019</b>	<b>4,199</b>	<b>0</b>	<b>18,881</b>	<b>196,354</b>
+ increases	7,662	-	21,443	13,374
- decreases	4,199	-	3,128	53,357
<b>31 December 2019</b>	<b>7,662</b>	<b>0</b>	<b>37,196</b>	<b>156,371</b>

### Balance sheet approach

<b>Non-current financial assets</b>	<b>2739</b>	<b>0</b>	<b>36,794</b>	<b>0</b>
in related parties	-	-	36,794	-
in other entities	2739	-	-	-
<b>Current financial assets</b>	<b>4,923</b>	<b>0</b>	<b>402</b>	<b>0</b>
in related parties	-	-	402	-
in other entities	4,923	-	-	-
<b>Current financial liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,425</b>
in related parties	-	-	-	3,495
in other entities	-	-	-	31,930
<b>Non-current financial liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>120,946</b>
in related parties	-	-	-	19,539
in other entities	-	-	-	101,407

### Financial assets held for trading

It applies to forward and IRS contracts concluded in order to limit the impact on the financial result of changes in cash flows related to probable planned transactions, resulting from the risk of changes in currency exchange rates.

### Financial assets held for sale

Financial assets available for sale include participation units in investment funds held by the Company, acquired as a free cash investment.

### Granted loans and proprietary receivables

Granted loans are appraised to according to depreciated costs using the effective interest method. When there are no differences significant for valuation, they are recognised according to nominal value accrued interest using interest rate resultant from contracts.

### Financial liabilities

Liabilities are related to investment credit and liabilities due to lease, received loans and forward contracts held to reduce the effect of changes in cash flows on financial result, where cash flows are related to the planned transactions and changes are the result of foreign exchange risk.

## b) Interest on financial liabilities for 2020

	Executed	Not executed with maturity			Total	Interest
		up to 3 months	3-12 months	over 12 months		
Interest on financial liabilities held for trading (loans)	563		22	559	<b>581</b>	<b>1,144</b>
Interest on other current financial liabilities (leasing)	1		12	-	<b>12</b>	<b>13</b>
Interest on non-current financial liabilities (credit)	1,832		-	-	-	<b>1,832</b>
<b>Total</b>	<b>2,396</b>		<b>34</b>	<b>559</b>	<b>593</b>	<b>2,989</b>

## c) Interest on granted loans and debt financial instruments for 2020

	Executed	Not executed with maturity			Total	Interest
		up to 3 months	3-12 months	up to 3 months		
Interest on granted loans	1,422	-	278	-	<b>278</b>	<b>1,700</b>
Interest on debts	-	-	-	-	-	-
<b>Total</b>	<b>1,422</b>	-	<b>278</b>	-	<b>278</b>	<b>1,700</b>



**Note 33 Contingent Liabilities**

On the 31<sup>st</sup> of December, 2020, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was PLN 91,066 thousand, whereas it was PLN 90,725 thousand on the 31<sup>st</sup> of December, 2019.

Comarch S.A. declared a possibility to grant a financial support ("letters of comfort") for its subsidiaries: Comarch R&D S.à r.l. (valid for an indefinite period), Comarch Argentina S.A. (valid for an indefinite period), Comarch Malaysia SDN. BHD. (valid for an indefinite period) Comarch Healthcare S.A. (valid for an indefinite period and till the 30<sup>th</sup> of June, 2021), Comarch Middle East FZ-LLC (valid for an indefinite period), Comarch Japan KK (valid for an indefinite period) and Comarch SAS (valid for an indefinite period).

Comarch S.A. is the defendant in court proceedings, in which the potential total amount of third-party claims is PLN 14,491 thousand, of which the amount of PLN 1,174 thousand is covered by provisions included in the balance sheet as at 31st of December, 2020. In 2020, Comarch S.A. created provisions for claims covered by court proceedings in the amount of PLN 122 thousand, while released provisions on this account for the amount of PLN 5,294 thousand.

Comarch S.A. remains in disputes, not covered by court proceedings, in which the potential total amount of third-party claims amounts to PLN 3,524 thousand, of which the amount of PLN 1,973 thousand is covered by provisions included in the balance sheet as at 31st of December, 2020. In 2020, Comarch S.A. created provisions for claims covered by litigation proceedings, not covered by court proceedings, in the amount of PLN 310 thousand, while it released provisions on this account for the amount of PLN 314 thousand.

In connection with the court proceedings in 2020, Comarch S.A. did not create new write-offs updating the value of receivables. In connection with the dispute proceedings in 2020, Comarch S.A. created write-offs updating the value of receivables in the amount of PLN 915 thousand.

**Suretyships granted:**

- Due to conclusion of a contract for implementation, hosting and maintenance of loyalty system, signed by Comarch Inc., a subsidiary of Comarch S.A., on the 28<sup>th</sup> of April, 2011, Comarch S.A. granted a surety for obligations of Comarch Inc. The value of the surety amounts to USD 3,000 thousand and it is valid for the whole term of the contract.
- Due to conclusion of a contract for sales of licences and implementation of Comarch Network & Service Inventory, Comarch Next Generation Service Assurance and Comarch OSS Mediations, as well as sales of licences for Comarch SLA Management, signed by Comarch AG, a subsidiary of Comarch S.A., on the 11<sup>th</sup> of August, 2011, Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of obligations resulting from the contract, i.e. EUR 5,495 thousand.
- Due to Bank Pekao S.A. granting an investment loan in the amount of PLN 15,889 thousand to Comarch Healthcare S.A., a Comarch S.A. subsidiary, on the 1<sup>st</sup> of September, 2011, Comarch S.A. granted a surety in order to guarantee the fulfilment of any obligations resulting from the contract. The value of the surety equals PLN 23,833 thousand and is valid until the 31<sup>st</sup> of December, 2021.
- Due to conclusion of a contract for implementation and maintenance of BSS system by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch UK. The surety was granted up to the amount of liabilities of Comarch UK resulting from the aforementioned agreement, i.e. to the amount of GBP 808 thousand and in addition, GBP 86 thousand annually for SLA, and it is valid for the whole term of the agreement.
- Due to conclusion of a contract for implementation of Next Generation Performance Management Solution, signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any

obligations resulting from the contract by Comarch AG. The value of the surety equals value of a maximum of EUR 3,823 thousand and is valid for the whole term of the contract.

- Due to conclusion of a contract for implementation of Planning and Inventory Application (PIA), signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. signed a letter of comfort upon which it ensures proper contract performance by Comarch AG. The letter of comfort is valid for 24 months from contract completion. Contract's value amounts to EUR 3,505 thousand.
- Due to conclusion of an investment credit agreement between Comarch AG, a subsidiary of Comarch S.A., with BGŻ BNP Paribas Bank Polska S.A., resulting in granting the financing in the amount of EUR 6,000 thousand, on the 15<sup>th</sup> of May, 2013 Comarch S.A. granted a surety for obligations of Comarch AG resulting from the agreement. The surety was granted up to the amount of EUR 9,000 thousand and is valid till the 15<sup>th</sup> of May, 2020.
- Due to conclusion of a contract for implementation of Comarch Loyalty Management, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer for obligations of Comarch UK. The surety was granted up to the maximum amount of GBP 2,351 thousand and is valid for the whole term of the contract.
- Due to conclusion of a contract for implementation and licence of Comarch Loyalty Management, as well as services related to data centre and Support & Maintenance, signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch SAS resulting from this project. The surety was granted up to the maximum amount of the signed agreements, i.e. EUR 2,807 thousand and is valid till the end of this project.
- Due to conclusion of an agreement signed by branch of Comarch AG in Belgium with a customer, Comarch S.A. granted a surety for liabilities of Comarch AG resulting from this project. The surety was granted up to the amount of the agreement, i.e. EUR 236 thousand and is valid till the termination of the project.
- Due to conclusion of a contract for purchase of licences, maintenance and support, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for future obligations of Comarch UK resulting from this project. The surety was granted up to the amount of GBP 11,244 thousand and is valid for 12 years after the contract completion.
- Due to conclusion of a contract for fuel cards service signed by Comarch Healthcare S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by Comarch Healthcare S.A. After the entry into force of the amendment to the agreement, the total amount of granted surety is PLN 100 thousand and is valid till the 31<sup>st</sup> of May, 2021.
- Due to conclusion of a contract for implementation of Comarch ECM, maintenance and SaaS, signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the liabilities of Comarch SAS, resulting from the project. The surety was granted up to the amount of EUR 838 thousand and is valid till the termination of the contract.
- Due to conclusion of a contract for fuel cards service signed by CA Consulting S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by CA Consulting S.A. The surety has been renewed, the total amount of granted surety is PLN 50 thousand and is valid till the 31<sup>st</sup> of May, 2021.
- Due to conclusion of a framework agreement signed by branch of Comarch AG in Belgium with a customer, Comarch S.A. granted a surety for liabilities of Comarch AG. The surety was granted up to the amount of the agreement, i.e. EUR 3,241 thousand and is valid till the termination of the project.
- Due to conclusion of a contract for implementation of Comarch Customer Engagement Platform by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., Comarch S.A. granted a surety („Parent Guarantee”) for the liabilities of Comarch Middle East FZ-LLC resulting from this project. The contract was concluded for five years. The surety is valid until fulfilment by

Comarch Middle East FZ-LLC of all obligations under the contract and has been granted up to a maximum liability of the contract, i.e. USD 10,000 thousand.

- Due to conclusion of a contract for investment credit by Bonus Development Sp. z o.o. SK-A, a subsidiary of Comarch S.A., with Bank Pekao S.A. under which the bank grants Bonus Development Sp. o.o. SK-A funding in the amount of PLN 38,800 thousand (EUR 9,262 thousand on the date of signing the agreement) and due to the conclusion of the agreement on treasury transactions related to securing exchange rate risk and interest rate of above mentioned credit, Comarch S.A. granted a sureties for the liabilities of Bonus Development Sp. z o.o. SK-A resulting from these contracts. Sureties are valid until repayment of all obligations under the credit agreement, the maturity date is on the 28<sup>th</sup> of June, 2030.
- Due to conclusion of a contract by Comarch Chile SpA, a subsidiary of Comarch S.A., for IT Out-Tasking Services, Comarch S.A. granted a surety for liabilities of Comarch Chile SpA resulting from this contract. The surety was granted up to the amount of EUR 200 thousand and is valid till the termination of the project, i.e. the 30<sup>th</sup> of October, 2020.
- Due to conclusion of a contract by Comarch Polska S.A., a subsidiary of Comarch S.A., for service of fuel cards, Comarch S.A. granted a surety for the benefit of an operator of fuel cards for liabilities of Comarch Polska S.A. resulting from this contract. The surety has been renewed and was granted up to the amount of PLN 10 thousand and is valid till the 14<sup>th</sup> of September, 2021.
- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Loyalty Management Solutions, Comarch S.A. granted a surety for liabilities of Comarch AB. The surety is valid until fulfilment of all obligations under the contract by Comarch AB and was granted up to the amount of SEK 39,747 thousand.
- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Master Services Agreement, Comarch S.A. granted a surety for Comarch AB. The surety was granted up to the amount of PLN 3,827 thousand and is valid till the termination of the contract.
- Due to conclusion of a contract by Comarch UK, a subsidiary of Comarch S.A., for implementation and service of Comarch Loyalty Management, Comarch Campaign Management, Comarch Social Mining and Comarch Smart Analytics, Comarch S.A. granted a surety for Comarch UK. The surety was granted up to the amount of GBP 3,318 thousand and is valid till the termination of the contract.
- Due to conclusion of a contract by Comarch Healthcare S.A., a subsidiary of Comarch S.A., the contract for service of payment cards, a surety for Comarch Healthcare S.A. was granted to the amount of PLN 450 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch UK, a subsidiary of Comarch S.A., the contract for service of payment cards, a surety for Comarch UK was granted to the amount of PLN 330 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Software und Beratung AG, a subsidiary of Comarch S.A., the contract for implementation and service of Telco BSS and Telco OSS, a surety for Comarch Software und Beratung AG was granted to the amount of EUR 11,524 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract for implementation of Comarch Retail, Comarch Mobile Sale and Comarch POS, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 1,444 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Colombia S.A.S., a subsidiary of Comarch S.A., the contract for implementation of Comarch Loyalty Management service, a surety for liabilities of Comarch Colombia S.A.S. was granted to the amount of USD 10,710 thousand and is valid for the duration of the contract.

- Due to conclusion of a contract by Comarch Luxembourg S.a.R.L., a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for the implementation of the Billing System project, a surety for liabilities of Comarch Luxembourg S.a.R.L. was granted to the amount of EUR 7,240 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Polska S.A., a subsidiary of Comarch S.A., the contract for the purchase of IT equipment in order to perform a contract with one of the clients, a surety for liabilities of Comarch Polska S.A. was granted to the amount of PLN 3,660 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch AG, a subsidiary of Comarch S.A., the contract for the implementation, servicing and delivery of necessary licenses for the implementation of the e-invoicing service, a surety for liabilities of Comarch AG was granted to the amount of EUR 2,095 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch UK Ltd, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for the Comarch NRM service, a surety for liabilities of Comarch UK Ltd was granted to the amount of GBP 9,966 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Yuhan Hoesa, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for the NW Next Generation service, a surety for liabilities of Comarch Yuhan Hoesa was granted to the amount of EUR 18,467 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for ERP, POS and MoS services, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 1,254 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for the e-Care service, a surety for liabilities of Comarch AB was granted to the amount of EUR 1,151 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by COMARCH Middle East FZ-LLC, a subsidiary of Comarch S.A., the contract for the implementation, servicing and delivery of necessary licenses CLM, a surety for liabilities of COMARCH Middle East FZ-LLC was granted to the amount of USD 3,155 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch AG, a subsidiary of Comarch S.A., the contract for the implementation, servicing and providing e-invoicing service, a surety for liabilities of Comarch AG was granted to the amount of EUR 784 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Japan KK, a subsidiary of Comarch S.A., the contract for the rent of office space, a surety for liabilities of Comarch Japan KK was granted to the amount of JPY 9,604 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract for delivery of BSSv7 platform, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 11,175 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Swiss AG, a subsidiary of Comarch S.A., the contract for implementation of Convergent Billing together with license, a surety for liabilities of Comarch Swiss AG was granted to the amount of CHF 12,144 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch UK Ltd, a subsidiary of Comarch S.A., the contract for implementation of NRM & SI services with a license, a surety for liabilities of Comarch UK

Ltd was granted to the amount of GBP 10,659 thousand by Comarch S.A. and is valid for the duration of the contract.

The above list of suretyships includes items that the Company does not treat as contingent liabilities.

### Nota 34 Revenue and Costs from Discarded Activities

Not concern.

### Nota 35 Planned Investment Expenditures

As at the publication date, Comarch S.A. does not plan new investment.

### Nota 36 Comarch S.A.'s Revenue from Sales of Finished Goods and Services to Other Entities of the Group and Associates (thousands of PLN)

	2020	2019
Comarch AG	60,935	72,179
Grupa Comarch SuB	34,064	30,442
Comarch SAS	17,934	21,604
Comarch R&D S.à r.l.	239	72
Comarch, Inc.	28,183	31,285
Comarch Panama, Inc.	1,177	1,410
Comarch Canada, Corp.	1,877	2,985
Comarch Espace Connecté Inc. (Comarch Smart City) Canada	-	-
Comarch LLC	3,545	3,285
Comarch Middle East FZ-LLC	26,944	11,431
OOO Comarch	11,690	17,664
Comarch Software (Shanghai) Co. Ltd.	107	138
Comarch Vietnam Company Ltd.	0	-
Comarch Technologies Oy	11,809	6,719
UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	4,622	2,836
Comarch UK Ltd.	32,444	22,284
Comarch Swiss AG	18,902	3,246
Comarch Chile SpA	554	1,410
Comarch Sistemas LTDA Brazil	3,641	3,226
Comarch Software Spain S.L.U.	1,598	5,107
Comarch Yazilim A.S.	0	4
Comarch SRL Italy	2,213	1,779

Comarch Malaysia SDN. BHD.	193	191
Comarch AB Sweden	1,653	4,674
Comarch Argentina S.A.	-	45
Comarch Saudi Arabia Co.	-	1,126
Comarch Japan KK	8,845	2,825
CAMS AG	-	-
Comarch Colombia S.A.S	20	17
Comarch Peru S.A.C	1	-
Comarch Mexico S.A. de C.V.	-	-
Comarch Yuhan Hoesa (Comarch Ltd.)	11,697	7,262
Comarch (Thailand) Limited	7,332	1,069
Comarch BV	91	21
Comarch Pty	127	-
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	52	-
Comarch New Zealand Limited	8	-
CA Consulting S.A.	9,153	9,421
Comarch Technologies sp. z o.o.	2,394	2,483
MKS Cracovia SSA	30	38
Comarch Management sp. z o.o.	-	-
Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	-	-
Comarch Healthcare S.A.	12,560	10,330
Comarch Polska S.A.	55,690	46,528
Comarch Cloud S.A.	40	19
Comarch Infrastruktura S.A.	55	31
iComarch24 S.A.	899	229
Comarch Finance Connect sp. z o.o. (previously: Opso sp. z o.o.)	13	243
Geopolis sp. z o.o.	22	535
Wszystko.pl sp. z o.o. (previously: "Unitec" Sp. z o. o.)	-	-
Bonus Development sp. z o.o. SK-A	162	172
Bonus Management sp. z o.o. SK-A	-	-
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SoInteractive S.A.	-	41
Thanks Again LLC	-	6
Comarch S.A.'s branch in Albany	-	-
<b>Total</b>	<b>373,515</b>	<b>326,412</b>



**Comarch S.A.'s trade receivables from subsidiaries and associates are:**

	31 December 2020	31 December 2019
Comarch AG	37,281	46,723
Grupa Comarch SuB	14,072	8,923
Comarch SAS	60,582	49,532
Comarch R&D S.à r.l.	416	158
Comarch, Inc.	17,643	4,768
Comarch Panama, Inc.	545	463
Comarch Canada, Corp.	1,116	1,404
Comarch Espace Connecté Inc. (Comarch Smart City)	-	-
Comarch LLC	8,092	7,750
Comarch Middle East FZ-LLC	27,046	29,730
OOO Comarch	3,467	4,444
Comarch Software (Shanghai) Co. Ltd.	474	374
Comarch Vietnam Company Ltd.	-	-
Comarch Technologies Oy	3,666	1,647
UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	3,229	2,442
Comarch UK Ltd.	24,825	10,975
Comarch Swiss AG	12,730	2,429
Comarch Chile SpA	-	3
Comarch Sistemas LTDA	21,670	23,988
Comarch Software Spain S.L.U.	-	3,509
Comarch Yazilim A.S.	-	-
Comarch SRL	2,761	4,012
Comarch Malaysia SDN. BHD.	-	-
Comarch AB	828	1,072
Comarch Argentina S.A.	-	-
Comarch Saudi Arabia Co.	1	1,112
Comarch Japan KK	9,884	1,111
CAMS AG	-	-
Comarch Colombia S.A.S	58	40
Comarch Peru S.A.C	5	4
Comarch Mexico S.A. de C.V.	6	-
Comarch Yuhan Hoesa (Comarch Ltd.)	12,304	4,712

Comarch (Thailand) Limited	7,870	1,075
Comarch BV	110	21
Comarch Pty. Ltd	126	-
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	50	-
Comarch New Zealand Limited	8	-
CA Consulting S.A.	1,113	4,198
Comarch Technologies sp. z o.o.	489	865
MKS Cracovia SSA	3	4
Comarch Management sp. z o.o.	-	-
Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	-	-
Comarch Healthcare S.A.	6,995	9,493
Comarch Polska S.A.	12,071	26,654
Comarch Cloud S.A.	32	2
Comarch Infrastruktura S.A.	18	8
iComarch24 S.A.	414	61
Comarch Finance Connect sp. z o.o. (previously: Opso sp. z o.o.)	3	-
Geopolis Sp. z o.o.	-	288
Wszystko.pl sp. z o.o. (previously: "Unitec" Sp. z o. o.)	-	-
Bonus Development sp. z o.o. SK-A	40	41
Bonus Management sp. z o.o. SK-A	-	-
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SoInteractive S.A.	-	50
Thanks Again LLC	-	3
Oddział Comarch S.A. in Albany	-	-
<b>Total</b>	<b>292,043</b>	<b>254,088</b>

**Nota 37 Comarch S.A.'S Purchases from Other Entities of the Group and Associates (Finished Goods and Services)**

	2020	2019
Comarch AG	5,081	4,493
Grupa Comarch SuB	8	9
Comarch SAS	1,365	7,786
Comarch R&D S.à r.l.	127	724



Comarch, Inc.	-	-
Comarch Panama, Inc.	-	-
Comarch Canada, Corp.	-	-
Comarch Espace Connecté Inc. (Comarch Smart City)	-	-
Comarch LLC	2,178	1,817
Comarch Middle East FZ-LLC	-	-
OOO Comarch	-	-
Comarch Software (Shanghai) Co. Ltd.	-	-
Comarch Vietnam Company Ltd.	-	-
Comarch Technologies Oy	-	62
UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	114	150
Comarch UK Ltd.	26	118
Comarch Swiss AG	-	-
Comarch Chile SpA	96	-
Comarch Sistemas LTDA	-	-
Comarch Software Spain S.L.U.	363	254
Comarch Yazilim A.S.	96	153
Comarch SRL	20	164
Comarch Malaysia SDN. BHD.	-	4
Comarch AB	-	-
Comarch Argentina S.A.	-	-
Comarch Saudi Arabia Co.	-	206
Comarch Japan KK	-	-
CAMS AG	-	-
Comarch Colombia S.A.S	232	167
Comarch Peru S.A.C	479	-
Comarch Mexico S.A. de C.V.	-	-
Comarch Yuhan Hoesa (Comarch Ltd.)	-	-
Comarch (Thailand) Limited	787	601
Comarch BV	259	-
Comarch Pty. Ltd	-	-
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	-	-
Comarch New Zealand Limited	-	-
CA Consulting S.A.	4,566	3,924
Comarch Technologies sp. z o.o.	5	3
MKS Cracovia SSA	-	-
Comarch Management sp. z o.o.	-	-

Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	-	-
Comarch Healthcare S.A.	586	707
Comarch Polska S.A.	4,621	916
Comarch Cloud S.A.	567	-
Comarch Infrastruktura S.A.	5,209	3,543
iComarch24 S.A.	1,662	1,300
Comarch Finance Connect sp. z o.o. (previously: Opso sp. z o.o.)	-	123
Geopolis Sp. z o.o.	-	-
Wszystko.pl sp. z o.o. (previously: "Unitec" Sp. z o. o.)	-	-
Bonus Development sp. z o.o. SK-A	7,068	6,744
Bonus Management sp. z o.o. SK-A	-	-
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SoInteractive S.A.	-	156
Thanks Again LLC	-	-
Oddział Comarch S.A. in Albany	-	-
<b>Total</b>	<b>35,515</b>	<b>34,124</b>

**Comarch S.A.'s trade liabilities to subsidiaries and associates are:**

	<b>31 December 2020</b>	<b>31 December 2019</b>
Comarch AG	14,366	7,559
Grupa Comarch SuB	947	599
Comarch SAS	451	6,520
Comarch R&D S.à r.l.	1,175	310
Comarch, Inc.	-	-
Comarch Panama, Inc.	-	-
Comarch Canada, Corp.	2	2
Comarch Espace Connecté Inc. (Comarch Smart City)	-	-
Comarch LLC	2,305	1,576
Comarch Middle East FZ-LLC	-	-
OOO Comarch	-	-
Comarch Software (Shanghai) Co. Ltd.	-	-
Comarch Vietnam Company Ltd.	-	-
Comarch Technologies Oy	-	-

UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	29	25
Comarch UK Ltd.	-	137
Comarch Swiss AG	-	-
Comarch Chile SpA	98	-
Comarch Sistemas LTDA	-	-
Comarch Software Spain S.L.U.	64	218
Comarch Yazilim A.S.	240	149
Comarch SRL	7	205
Comarch Malaysia SDN. BHD.	-	4
Comarch AB	-	-
Comarch Argentina S.A.	-	-
Comarch Saudi Arabia Co.	-	-
Comarch Japan KK	-	-
CAMS AG	-	-
Comarch Colombia S.A.S	358	136
Comarch Peru S.A.C	429	-
Comarch Mexico S.A. de C.V.	-	-
Comarch Yuhan Hoesa (Comarch Ltd.)	-	-
Comarch (Thailand) Limited	1,451	598
Comarch BV	268	-
Comarch Pty. Ltd	-	-
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	-	-
Comarch New Zealand Limited	-	-
CA Consulting S.A.	1,698	2,417
Comarch Technologies sp. z o.o.	6	-
MKS Cracovia SSA	930	798
Comarch Management sp. z o.o.	-	-
Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	-	-
Comarch Healthcare S.A.	359	381
Comarch Polska S.A.	364	1,106
Comarch Cloud S.A.	697	-
Comarch Infrastruktura S.A.	1,706	2,306
iComarch24 S.A.	499	422
Comarch Finance Connect sp. z o.o. (previously: Opso sp. z o.o.)	-	20
Geopolis Sp. z o.o.	-	-

Wszystko.pl sp. z o.o. (previously: "Unitec" Sp. z o. o.)	-	-
Bonus Development sp. z o.o. SK-A	539	-
Bonus Management sp. z o.o. SK-A	-	-
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SoInteractive S.A.	-	-
Thanks Again LLC	-	-
Oddział Comarch S.A. in Albany	-	-
<b>Total</b>	<b>28,988</b>	<b>25,488</b>

### Nota 38 Information on Transactions with Related Units and Other Related Persons on Terms Different from Market Conditions

None present.

### Nota 39 An Average Employment in Comarch S.A.

An average number of employees	2020	2019
Labour agreements	4,117	4,057
Other forms of employment	925	930
<b>Total</b>	<b>5,042</b>	<b>4,987</b>

An average number of employees	2020	2019
directly production and technical consultants	4,395	4,330
marketing and sales	176	180
management and administrative employees	413	414
others	58	63
<b>Total</b>	<b>5,042</b>	<b>4,987</b>

## Nota 40 Remuneration for Managing and Supervising Persons (Current Period) in PLN

## a) Comarch S.A.'s Management Board

No	Name and surname	Paid Comarch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	12,490,414.93	6,344,926.15	18,835,341.08
2	Marcin Dąbrowski*	69,154.50	322,139.40	391,293.90
3	Paweł Prokop	265,545.07	158,832.93	424,378.00
4	Andrzej Przewięźlikowski	595,942.71	161,069.70	757,012.41
5	Zbigniew Rymarczyk	3,265,361.88	329,772.33	3,595,134.21
6	Konrad Tarański	904,997.05	343,722.80	1,248,719.85
7	Marcin Warwas	3,084,191.06	168,702.63	3,252,893.69
<b>Total</b>		<b>20,675,607.20</b>	<b>7,829,165.94</b>	<b>28,504,773.14</b>

\*) On the 29<sup>th</sup> of January, 2020 Marcin Dąbrowski, head of telecommunication sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board, effective as of the 29<sup>th</sup> of January, 2020. The company announced details in current report no. [RB-4-2020](#), ENG: [RB-4-2020](#), dated the 27<sup>th</sup> of January, 2020.

## b) Comarch S.A.'s Supervisory Board

No	Name and surname	Paid Comarch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	240,000.00	1,075,569.77	1,315,569.77
2	Andrzej Pach	60,000.00	0.00	60,000.00
3	Danuta Drobniak	60,000.00	0.00	60,000.00
4	Łukasz Kalinowski	60,000.00	0.00	60,000.00
5	Joanna Krasodomska	61,770.91	0.00	61,770.91
6	Anna Pruska	60,468.10	21,721.57	82,189.67
7	Tadeusz Włudyka	61,041.92	0.00	61,041.92
<b>Total</b>		<b>603,280.93</b>	<b>1,097,291.34</b>	<b>1,700,572.27</b>

The salaries in this note include salaries actually paid in 2020 (including bonus salaries for earlier periods covered by provisions as at 31<sup>st</sup> of December, 2019). Salaries do not include unpaid bonuses for 2020 (covered by provisions as at 31<sup>st</sup> December, 2020).

As at 31<sup>st</sup> of December 31, 2020, there are no outstanding loans as well as loans granted by Comarch S.A. guarantees and sureties for the benefit of Members of the Management Board, Supervisory Board of the Company and their relatives.

#### Managerial Option Program for Members of the Management Board and Other Key Employees

Not concern.

## Nota 41 Liabilities and Loans Against Other Entities

Comarch S.A. has the following credits:

Company of Comarch Group / Subject of the funding	Financial Institution	Total amount of credit/loan		Liability due as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	PLN			
Comarch S.A.  office buildings SSE4 in Krakow	BNP Paribas Bank Polska S.A.	44,000	PLN	2,309  (2,919 as at 31 December 2019)	EUR	10,655  (12,432 as at 31 December 2019)	PLN	EURIBOR1M + bank margin  IRS do 29-07-2024	29.07.2024	mortgage, cession of rights in the insurance policy, the promissory note and declaration of submission to enforcement The real estate mortgage, cession of rights in the insurance policy, declaration of submission to enforcement
Comarch S.A.  office buildings SSE5 in Krakow - refinancing	Powszechna Kasa Oszczędności Bank Polski S.A.	4,126	EUR	387  (902 as at 31 December 2019)	EUR	1,784  (3,840 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	29.09.2021	The real estate mortgage, cession of rights in the insurance policy, declaration of submission to enforcement
Comarch S.A.  Non-revolving operating credit	Santander Bank Polska S.A. (previously Bank Zachodni WBK S.A.)	7,400	EUR	0  (953 as at 31 December 2019)	EUR	0  (4,057 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	31.12.2020	The real estate mortgage, cession of rights in the insurance policy, the promissory note and declaration of submission to enforcement
Comarch S.A.  office buildings SSE6 in Krakow	Bank Polska Kasa Opieki S.A.	13,323	EUR	4,848  (6,507 as at 31 December 2019)	EUR	22,372  (27,711 as at 31 December 2019)	PLN	EURIBOR1M + bank margin  IRS until 30-11-2023	30.11.2023	mortgage on the SSE6 building, assignment of rights from the building's insurance policy, assignment of rights from the guarantee of due performance and guarantee of the warranty, declaration on submission to enforcement
Comarch S.A.  office buildings SSE7 in Krakow	Bank Handlowy w Warszawie S.A.	13,333	EUR	11,340  (12,920 as at 31 December 2019)	EUR	52,330  (55,018 as at 31 December 2019)	PLN	EURIBOR1M + bank margin  IRS until 29-02-2028	29.02.2028	mortgage on the SSE7 building, assignment of rights from the building insurance policy, declaration on submission to enforcement
Comarch S.A.  Non-current assets - equipment of Internet of Things laboratory in Krakow	DNB Bank Polska S.A.	2,531	EUR	1,050  (1,400 as at 31 December 2019)	EUR	4,848  (5,961 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	30.12.2023	registered pledge on fixed assets being the subject of financing, assignment of rights under the insurance policy for financed fixed assets, declaration on submission to enforcement
Comarch S.A.	CaixaBank S.A. Oddział w Polsce	3,500	EUR	2,567	EUR	11,843	PLN	EURIBOR1M + bank margin	23.08.2023	Declaration of submission to enforcement

Comarch infrastructure modernization program				(3,499 as at 31 December 2019)		(14,899 as at 31 December 2019)				
<b>Comarch S.A.</b>				437		2,018				
Comarch infrastructure modernization program	CaixaBank S.A. Oddział w Polsce	2,300	EUR	(0 as at 31 December 2019)	EUR	(0 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	29.06.2025	Declaration of submission to enforcement
<b>Comarch S.A.</b>				0		0				
Non-current asset	PKO Leasing S.A.	5,000	EUR	(0 as at 31 December 2019)		(0 as at 31 December 2019)	PLN	EURIBOR1M + margin	29.02.2028	a blank promissory note, registered pledge on the Subject of Financing, transfer of ownership to secure the Subject of Financing
<b>Comarch S.A.</b>						2,142				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	12,980	PLN			(4,850 as at 31 December 2019)	PLN	fixed	01.03.2022	-
<b>Comarch S.A.</b>						1,193				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	3,139	PLN			(1,944 as at 31 December 2019)	PLN	fixed	01.05.2022	-
<b>Comarch S.A.</b>						0				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	1,814	PLN			(605 as at 31 December 2019)	PLN	fixed	01.05.2020	-
<b>Comarch S.A.</b>						1,140				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	1,825	PLN			(0 as at 31 December 2019)	PLN	fixed	01.03.2022	-

### Note 42 Significant Events Related to the Previous Years

Not concern.

### Nota 43 Events after Balance Sheet Date

#### a) Dates of Periodical Financial Reports in 2021

On the 7<sup>th</sup> of January, 2021, in the current report no. RB-1-2021 (ENG: RB-1-2021) Comarch S.A.'s Management Board set dates of periodical financial reports in 2021:

- Q4 2020 - on 1<sup>st</sup> of March, 2021
- Q1 2021 - on 21<sup>st</sup> of May, 2021
- Q3 2021 - on 17<sup>th</sup> of November, 2021.

- Annual report for 2020 - on 30<sup>th</sup> of April, 2021
- Consolidated annual report for 2019 - on 30<sup>th</sup> of April, 2021
- Consolidated half-year report which includes condensed consolidated financial statement and condensed financial statement for the first half of 2021 - on 31<sup>st</sup> of August, 2021.

**b) Impact of SARS-CoV-2 Coronavirus and COVID-19 Incidents on the Company's Operations and Financial Results**

In reference to the recommendations of the European Securities and Markets Authority and the Polish Financial Supervision Authority of the 12<sup>th</sup> of March, 2020, the Management Board of Comarch S.A. in the current report no. [RB-5-2020](#) (ENG: [RB-5-2020](#)) dated the 19<sup>th</sup> of March, 2020, provided information on the possible impact of the SARS-CoV-2 coronavirus spread and COVID-19 incidence on the Company's operations and financial results.

The Comarch Group's Management Board monitors on an ongoing basis the development of the situation related to the continuing effects of the spread of SARS-CoV-2 coronavirus and COVID-19 incidence and their impact on the Comarch Group's operations. The Comarch Group companies implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Comarch Group's operational activity, with particular regard to employee's safety, health and hygiene recommendations. Business trips to countries identified by the Chief Sanitary Inspectorate as high-risk countries were suspended, direct contacts of employees within the organization were limited, and the remote work mode of office workers was launched on a large scale. Remote communication methods are commonly used in business contacts. The Management Board of the Comarch Group notes that the activities of the Comarch Group are very well diversified in terms of industry, products and geography, and the effects of a pandemic do not currently pose a threat to the financial stability of the company. At present, the Management Board of the Comarch Group has not diagnosed significant disruptions in the implementation of existing contracts or significant disruptions in the supply chains of products and materials necessary for the Comarch Group's operations.

During the epidemic, i.e. in the second, third and fourth quarter of 2020, there was no decrease in revenue from sales of services and products offered by the Comarch Group. The operating activity of the Comarch Group and the financial results achieved in the coming periods will be influenced by factors such as: the duration and extent of the epidemic, the number of people suffering from COVID-19, further administrative restrictions in the functioning of states and entrepreneurs, restrictions in the movement of workers, the possibility of using aid packages launched by individual countries, as well as, the volatility of exchange rates occurring in connection with the pandemic.

**c) Forward Contracts Concluded after the Balance Sheet Date**

Comarch S.A. in the period from 1<sup>st</sup> of January, 2021 to 30<sup>th</sup> of April, 2021, concluded new forward contracts for the sales of EUR 14,800 thousand, USD 11,000 thousand, JPY 100,000 thousand, GBP 3,200 thousand and NZD 3,000 thousand. The net value of forward contracts unsettled as at 29<sup>th</sup> of April, 2021 amounted to EUR 74,900 thousand, USD 19,500 thousand, JPY 100,000 thousand, GBP 3,200 thousand and NZD 3,000 thousand. Forward contracts are due within 44 months from the balance sheet date. All forward contracts were concluded in order to limit the impact of currency exchange rate changes on the financial result related to commercial contracts implemented by the companies of the Comarch Group, where the remuneration or costs are determined in foreign currencies. Balance sheet valuation of forward contracts as at 31<sup>st</sup> of March, 2021 was minus PLN 9,200 thousand, while as at 31<sup>st</sup> of December, 2020 it was minus PLN 3,243 thousand. Such a large change in the value of the balance sheet valuation of forward contracts within the first quarter of 2021 was caused by a significant depreciation of the PLN exchange rate against major foreign currencies.

**d) Transaction on change of IRS**

None present.



**Note 44 Changes in Applied Accounting Principles**

In 2020, the Company did not make any significant changes in accounting principles in comparison to the previous year. The details of the applied accounting principles were presented in the introduction to the financial statement.

**Note 45 Description and Economic Goal of Contracts not Presented in the Balance Sheet within the Scope of Their Influence on the Equity and Financial Situation as well as the Financial Result of the Company**

Not concern.

**Note 46 Information on Paid or due Remuneration of an Expert Auditor or an Entity Entitled to Audit Financial Statements for the Financial Year**

No.	Type of Services	Remuneration (net value)- paid	Remuneration (net value)- due
<b>2020</b>			
<b>BDO sp. z o.o. sp. k.</b>			
1	Obligatory audit of annual financial statements for 2020	PLN 50,000.00	PLN 80,000.00
2	Review of half-year financial statement for H1 2020 and agreed additional costs related to consolidation process	PLN 70,000.00	PLN 0.00
3	Other services for Comarch S.A.	PLN 0.00	PLN 32,000.00
<b>2019</b>			
<b>BDO sp. z o.o. sp. k.</b>			
1	Obligatory audit of annual financial statements for 2019	PLN 130,000.00	PLN 0.00
2	Review of half-year financial statement for H1 2019 and agreed additional costs related to consolidation process	PLN 70,000.00	PLN 0.00
3	Other services for Comarch S.A.	PLN 0.00	PLN 0.00

**Nota 47 Connection between Balance Sheet Positions, in Case the Element of Assets or Equity Is Presented in More than One Position of the Balance Sheet, Its Relation between Those Positions. It is Related to Division of Receivables and Liabilities to the Long-Term and Short-Term Parties**

2020	Short-term	Long-term	Total
<b>Assets</b>			
Loans	402	27,979	28,381
Other accruals	92,900	1,133	94,033
Other financial assets	22,120	597	22,717
<b>Equity</b>			
Loans	3,786	689	4,475
Credits	25,733	80,117	105,850
Financial liabilities	3,820	4,400	8,220

2019	Short-term	Long-term	Total
<b>Assets</b>			
Loans	402	36,794	37,196
Other accruals	128,398	2,218	130,616
Other financial assets	4,923	2,739	7,662
<b>Equity</b>			
Loans	3,230	3,564	6,794
Credits	28,699	95,824	124,523
Financial liabilities	-	2,019	2,019

30.04.2021

**SIGNATURES OF MANAGEMENT BOARD MEMBERS**

NAME AND SURNAME	POSITION	SIGNATURE
Janusz Filipiak	President of the Management Board	
Paweł Prokop	Vice-president of the Management Board	
Andrzej Przewięźlikowski	Vice-president of the Management Board	
Zbigniew Rymarczyk	Vice-president of the Management Board	
Konrad Tarański	Vice-president of the Management Board	
Marcin Warwas	Vice-president of the Management Board	

**SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS**

NAME AND SURNAME	POSITION	SIGNATURE
Maria Smolińska	Head Accountant	

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## Comarch S.A.

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[www.comarch.com/investors](http://www.comarch.com/investors)

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**COMARCH**

**REPORT OF  
COMARCH S.A.'s MANAGEMENT BOARD  
REGARDING THE ACTIVITIES IN 2020**

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**PLN 80.0  
million of net  
profit**

**Business  
activities in  
over 60  
countries on 6  
continents**

**PLN 999.4  
million of  
sales revenue**

**5,000  
professionals  
employed**

**60  
subsidiaries  
worldwide**

**PLN 1.6 billion  
of Comarch S.A.  
capitalisation  
on WSE  
(31.12.2020)**

**8.0% of net  
margin**

## 1. Information about the Company

Name of the company:	Comarch Spółka Akcyjna („Company”)
Address of the company:	31-864 Kraków, Aleja Jana Pawła II 39 A
Telephone:	(12) 646 10 00
Fax:	(12) 646 11 00
Regon (the National Official Register of Business Entities):	350527377
Tax identification number (NIP):	677-00-65-406

This Report of Comarch S.A.'s Management Board regarding the activities in 2020 was prepared according to the Act passed on the 29<sup>th</sup> of September, 1994, on Accounting (unified text - Journal of Laws 2021, pos. 217) and the requirements specified in the Regulation issued by the Minister of Finance on the 29<sup>th</sup> of March, 2018, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (unified text - Journal of Laws, 2018, No. 757).

### 1.1. Shareholders Holding at Least 5% of the Total Number of Votes at the General Meeting of Comarch S.A.

Comarch S.A.'s share capital consists of 8,133,349 shares at total nominal value of PLN 8,133,349. According to the information possessed by Comarch S.A., as at 31<sup>st</sup> of December, 2020, shareholders holding at least 5% of votes at the Company's AGM are Janusz Filipiak, Elżbieta Filipiak, Nationale-Nederlanden OFE (open pension fund) + DFE (voluntary pension fund) and MetLife OFE (open pension fund).

#### AT THE 31<sup>ST</sup> OF DECEMBER, 2020

Shareholders	Number of shares	% of share capital	Number of votes at the Company's AGM	% of votes at the Company's AGM
Janusz Filipiak	1,997,027	24.55	5,569,027	36.82
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96
Other members of the Company's Management Board	85,366	1.05	122,504	0.81
Nationale-Nederlanden OFE + DFE	846,571	10.41	846,571	5.60
MetLife OFE	841,097	10.34	841,097	5.56
Other shareholders	3,517,288	43.25	3,517,288	23.25
<b>Total</b>	<b>8,133,349</b>	<b>100.00</b>	<b>15,126,949</b>	<b>100.00</b>

#### AT THE 30<sup>TH</sup> OF APRIL, 2021

Shareholders	Number of shares	% of share capital	Number of votes at the Company's AGM	% of votes at the Company's AGM
Janusz Filipiak	1,997,027	24.55	5,569,027	36.82
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96
Other members of the Company's Management Board	85,366	1.05	122,966	0.81

Nationale-Nederlanden OFE + DFE	846,571	10.41	846,571	5.60
MetLife OFE	841,097	10.34	841,097	5.56
Other shareholders	3,517,288	43.25	3,517,288	23.25
<b>Total</b>	<b>8,133,349</b>	<b>100.00</b>	<b>15,126,949</b>	<b>100.00</b>

## 1.2. Comarch S.A.'s Board of Supervisors and Management Board

### a) Members of Comarch S.A.'s Board of Supervisors as at 31<sup>st</sup> of December, 2020:

Comarch S.A.		
Name and surname	Position	Number of shares / nominal value in PLN
Elżbieta Filipiak	Chairman of the Supervisory Board	846,000/ PLN 846,000
Andrzej Pach	Vice-Chairman of the Supervisory Board	-
Danuta Drobnik	Member of the Supervisory Board	-
Łukasz Kalinowski	Member of the Supervisory Board	-
Joanna Krasodomska	Member of the Supervisory Board	-
Anna Pruska	Member of the Supervisory Board	-
Tadeusz Włudyka	Member of the Supervisory Board	-

### AT THE 30<sup>TH</sup> OF APRIL, 2021

Comarch S.A.		
Name and surname	Position	Number of shares / nominal value in PLN
Elżbieta Filipiak	Chairman of the Supervisory Board	846,000/ PLN 846,000
Andrzej Pach	Vice-Chairman of the Supervisory Board	-
Danuta Drobnik	Member of the Supervisory Board	-
Łukasz Kalinowski	Member of the Supervisory Board	-
Joanna Krasodomska	Member of the Supervisory Board	-
Anna Pruska	Member of the Supervisory Board	-
Tadeusz Włudyka	Member of the Supervisory Board	-

### b) Members of Comarch S.A.'s Management Board as at 31<sup>st</sup> of December, 2020:

Name and surname	Position	Number of Comarch S.A. shares	Nominal value in PLN
Janusz Filipiak	President of the Management Board	1,997,027	1,997,027 PLN
Paweł Prokop	Vice-President of the Management Board	30,150	30,150 PLN
Andrzej Przewięźlikowski	Vice-President of the Management Board	-	- PLN
Zbigniew Rymarczyk	Vice-President of the Management Board	34,000	34,000 PLN

Konrad Tarański	Vice-President of the Management Board	10,608	10,608 PLN
Marcin Warwas	Vice-President of the Management Board	10,608	10,608 PLN

**AT THE 30<sup>TH</sup> OF APRIL, 2021**

Name and surname	Position	Number of Comarch S.A. shares	Nominal value in PLN
Janusz Filipiak	President of the Management Board	1,997,027	1,997,027 PLN
Paweł Prokop	Vice-President of the Management Board	30,150	30,150 PLN
Andrzej Przewięźlikowski	Vice-President of the Management Board	-	- PLN
Zbigniew Rymarczyk	Vice-President of the Management Board	34,000	33,358 PLN
Konrad Tarański	Vice-President of the Management Board	10,608	10,608 PLN
Marcin Warwas	Vice-President of the Management Board	10,608	10,608 PLN

Michał Bajcar, Anna Kleszcz, Maria Smolińska, Iwona Kasprzyk, Dorota Klentak-Łyżwa, Jacek Lonc, Andrzej Zasadziński and Paweł Workiewicz are the Company's proxies.

**c) Contracts that May Result in Future Changes in Holdings of Shareholders or Bondholders**

None present.

**d) Agreements between the Issuer and the Managing Persons, which Plan for Compensation in Case of Resignation or Discharge from the Occupied Post without a Substantial Reason, or when Their Dismissing or Discharge are Caused by Merger through Takeover**

None present.

**e) Value of Paid, Due or Potentially Due Remuneration, Awards or Benefits, including those Resulting from Managerial or Bonus Programmes based on Issuer's Equity, Separately for Each of the Managing and Supervising Persons in the Parent Company**

Information is included in [note 40](#) of the financial statement.

**f) The Liability under the Pensions or similar Benefits for Former Managers, Supervisors or Former Members of Administrative Bodies and the Liabilities that are incurred in relations to such Pensions**

None present.

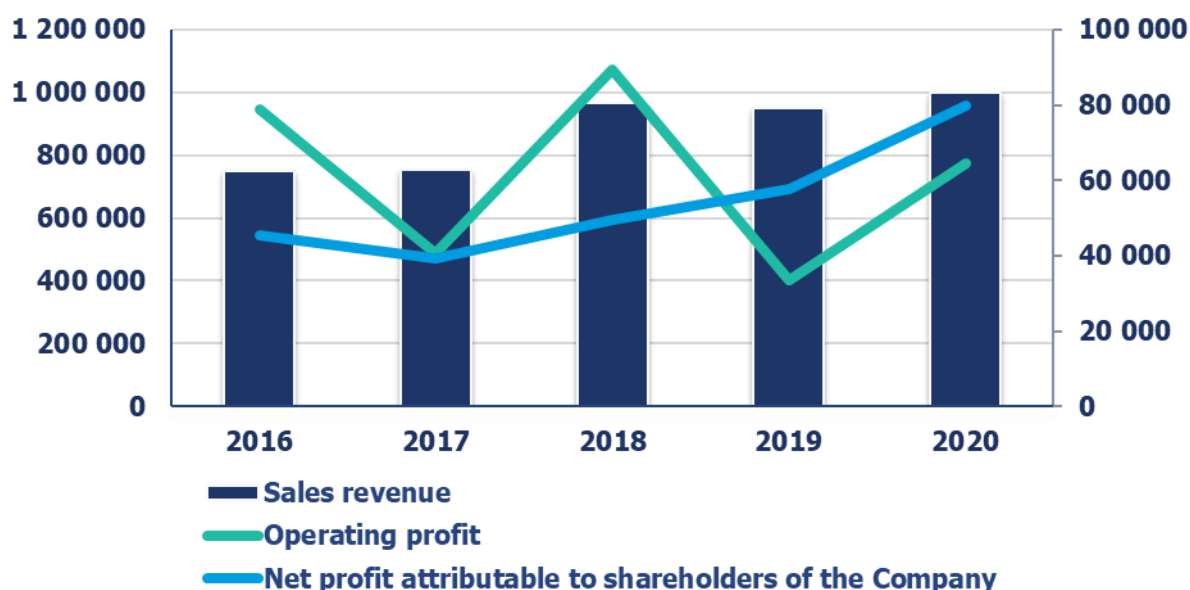
## 2. Basic Economics and Financial Values

### 2.1. Selected Financial Data

	2020	2019	2018	2017	2016
Revenues from sales	999,401	951,698	966,100	755,517	749,213
Revenues from sales of proprietary IT solutions	963,992	900,384	899,001	730,197	720,021
Operating profit	64,525	33,519	89,389	40,533	78,834
EBITDA*	107,499	78,141	132,825	78,585	114,135
Net profit	80,008	57,627	49,649	39,338	45,588
Profit per share (in PLN)	9.84	7.09	6.10	4.84	5.61
Assets	1,447,977	1,395,045	1,334,901	1,247,206	1,162,245
Book value	949,438	881,540	834,190	796,984	771,742
Book value per share (in PLN)	116.73	108.39	102.56	97.99	94.89

\*) Operating profit + Depreciation

In 2020, sales revenue amounted to PLN 999,401 thousand and were higher by 5.0% compared to that in 2019. Operating profit amounted to PLN 64,525 thousand and was higher by PLN 31,006 thousand, i.e. by 92.5% compared to that achieved in the previous year. Net profit in 2020 increased by PLN 22,381 thousand, i.e. by 38.8% compared to the level in 2019.



In 2020, EBIT margin was 6.5%, while net margin was 8.0%.

### 2.2. Employment and Production Capacity of Comarch S.A.

As at 31<sup>st</sup> of December, 2020, in Comarch S.A. there were 5,006 employees compared to 4,979 persons as at 31<sup>st</sup> of December, 2019.

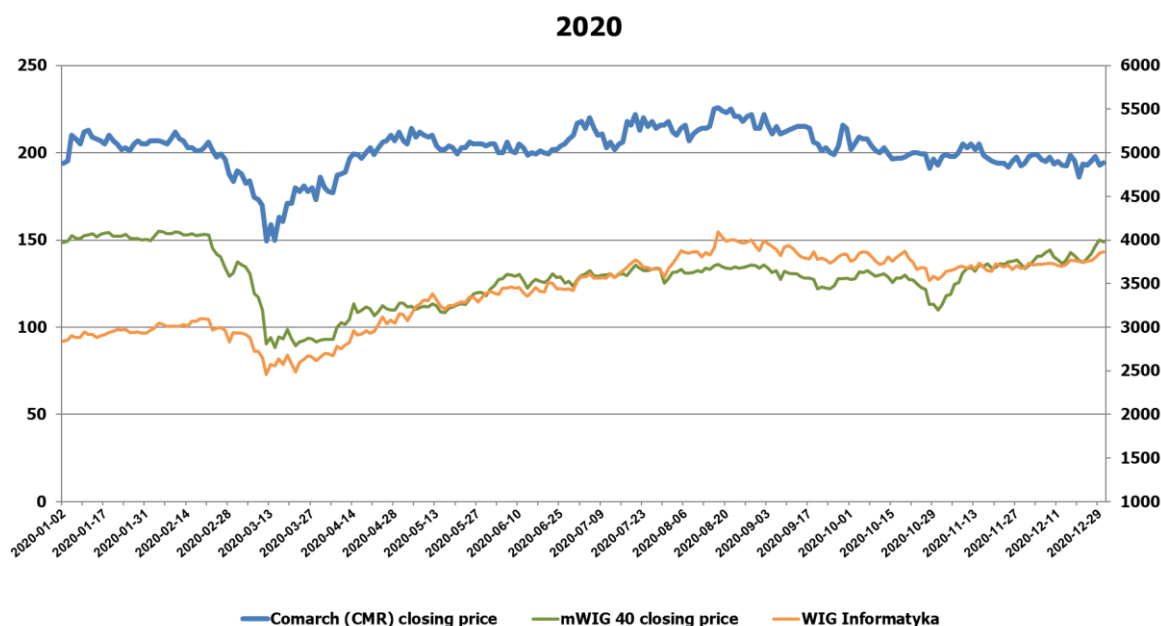
Average employment in Comarch S.A. from 2016 to 2020 is presented in tables below:

Average number of employees	2020	2019	2018	2017	2016
Employment agreement	4,117	4,057	3,753	3,492	3,416
Other form of employment	925	930	934	844	888
<b>Total</b>	<b>5,042</b>	<b>4,987</b>	<b>4,687</b>	<b>4,336</b>	<b>4,304</b>

Average number of employees	2020	2019	2018	2017	2016
Production employees and technical consultants	4,395	4,330	4,052	3,733	3,698
Marketing and sales	176	180	168	161	179
Management and administrative employees	413	414	407	372	353
Other	58	63	60	70	74
<b>Total</b>	<b>5,042</b>	<b>4,987</b>	<b>4,687</b>	<b>4,336</b>	<b>4,304</b>

The services provided by Comarch include the creation and implementation of its proprietary universal IT products, as well as the production and implementation of computer software on a turn-key basis. The basic factor limiting the production capacity is human resources. As the company makes active investments in new products and technologies, it strives to provide appropriately wide range of competencies for all its employees. The company flexibly manages teams of employees through continuous optimisation of placements for current commercial projects and internal R&D projects (developing new products and updating the existing ones, which are not directly connected to contractual requirements), using proprietary IT solutions for this target. In effect, there are almost no unused resources. The Company diversifies the risk of limitations in availability of human resources by conducting business in 20 branches located in urban centres in Poland. As at 31<sup>st</sup> of December, 2020, 3,010 employees were employed in Krakow, 1,966 in other cities in Poland.

## 2.3. Comarch S.A. Stock Price Performance



Period	The highest	The lowest
I quarter of 2020	213.00	149.50
II quarter of 2020	214.00	177.00
III quarter of 2020	226.00	199.00
IV quarter of 2020	209.00	186.00

Between the 1<sup>st</sup> of January, 2020, and 31<sup>st</sup> of December, 2020, the closing rate of Comarch S.A. shares increased from PLN 194.00 to PLN 194.50, i.e. by 0.3%. During the year, the maximum closing rate amounted to PLN 226.00.

<i>Data in PLN</i>	12 months ended 31 December 2020 / 31 December 2020	12 months ended 31 December 2019 / 31 December 2019
Closing rate at the balance sheet date	194.50	187.00
Average price during the reporting period	202.00	177.36
MIN price during the reporting period	149.50	148.00
MAX price during the reporting period	226.00	199.00
Average volume during the reporting period	3 837	3 123
Capitalization at the balance sheet date	1,581,936,381	1,520,936,263
Ratios for unconsolidated data		
P/E at the balance sheet date	19.77	26.39
P/BV at the balance sheet date	1.67	1.73
P/S at the balance sheet date	1.58	1.60

### 3. Products and Services Offered by Comarch in 2020

Comarch is a producer of innovative IT systems for key sectors of economy: telecommunications, finance and banking, public administration, medical, as well as large, small and medium-sized companies. A wide range of Comarch's offer includes ERP systems, financial and accounting systems, CRM systems, loyalty software, sales support systems and electronic document exchange, electronic banking systems, ICT network management systems, billing systems, Business Intelligence software, security management and data protection services, electronic devices and many other solutions. Apart from providing innovative IT solutions to its customers, Comarch is focused on professional customer service and providing consulting, advisory and integration services, as well as IT infrastructure as a coherent package, thanks to which recipients of products and services offered by Comarch can fully use the opportunities offered by modern IT systems. including those offered in the cloud model.

#### 3.1. Telecommunications Sector

Since 1993, Comarch's telecommunications sector has specialized in providing IT solutions for telecommunications operators around the world. Our customers in this industry include Telefónica, LG U +, Deutsche Telekom, Vodafone, KPN and Orange. Comarch BSS and OSS products help operators in transformations that are designed to increase business revenues and efficiency, simplify the IT environment, reduce costs, increase customer satisfaction, and create innovative services quickly. The group has also been awarded many times for its activities in the telecommunications industry, by analytical companies such as Gartner, Forrester, Informa, and Frost & Sullivan.

#### IOT CONNECT

**Comarch IoT Connectivity Management** enables mobile operators to provide managed connectivity in multi-national, multi-level and multi-operator environments. The system is an M2M/IoT connectivity management platform that helps launch IoT offers for vertical industries such as automotive, consumer



electronics, retail, energy and utilities, finance and banking, healthcare, manufacturing, public services, security, and transport and logistics.

**Comarch IoT Analytics Platform** is a module that focuses on delivering measurable business value, using intelligent big data processing and real-time data analytics for M2M/IoT business purposes. It provides thorough information about the way in which customers are using your IoT products. Additionally, it handles some issues related to quality of service (QoS) within operations, by helping discover which devices (or types of devices) generate issues, revealing data patterns and trends, and providing reports and analysis of anomalies.

**Comarch IoT Billing** is tailored to the needs of your IoT operations. It enables you to charge not only for connectivity, but also for IoT devices, vertical applications and bundled services. IoT customers are looking for solutions in this field that best meet their businesses in the most appropriate way. The system supports all kinds of multi-level business relations (B2B, B2B2C and B2B2B).

**IoT Solution Management** helps businesses function in today's IT world. It includes comprehensive support for selling, storing and managing IoT connectivity services, devices and applications.

## ENHANCING DIGITAL CUSTOMER JOURNEYS

**Digital Sales and Customer Care** enables you to introduce, recommend, sell and maintain traditional telco and advanced digital services with the pace and simplicity required by today's market. Customers are guided through the digital shopping and buying process, which includes offer browsing and comparison, online availability checks, customer onboarding, omnichannel shopping cart support and the check-out process.

**Real-time Data Control and Presentation** calculates service charges, controlling buckets, balances, and limits in real time. The module improves customers' digital experience by providing readable and easily digestible visual cues, giving a clear view of current bundle consumption, data usage, balances and limits. It is also a source of data for multidimensional reporting, 360-degree customer views, analytical actions, recommendations and personalization engines – all of which greatly impact the entirety of the customer journey.

## DIGITIZING ENTERPRISE CUSTOMERS

**Comarch Enterprise Billing, Charging & Revenue Management** is a telecom invoicing software product that addresses the needs of even the most complex corporate environments by providing features such as multi-branch and multi-department organizational structure support, split-billing with flexible definition of rules based on time of connection or service type, ad hoc reporting of data with current bucket consumption, charging based on thresholds, shared bundles at the level of company or branch, closed user groups, availability of usage data and financial data in the middle of the cycle.

**Comarch Telecom B2B Self-enablement Platform** is a system for managing telecommunications services for business clients. The telecom B2B platform delivers a single and comprehensive 360-degree view where the customer can see data and statistics related to orders, cases and financial information. Business customers can easily manage even the most complex hierarchies representing their own organizational structure, access detailed reporting in context, and set up real-time control or split-bill policies over service use.

**B2B Sales & Ordering** is a proven tool that provides a full lead to cash experience within a single package. It ensures accurate, automatic and near-instant quotes which, thanks to the product catalogue-driven mechanism, become agreements seamlessly upon approval.

## PROVIDING ENTERPRISE SERVICES GLOBALLY

**Enterprise Product Catalo** enables simple and flexible storage of the entire CSP product portfolio in one place. The system sets up several slave catalogues per domain or business line. These are used for selling offers to end customers and driving appropriate charging and billing systems.

**Digital Billing and Revenue Management** delivers multi-currency and multi-taxation handling as well as generating financial documents not only for customers, but also for partners involved in the entire process of service delivery.



**Partner Management** provides flexibility in liaising between enterprises and various third parties by allowing the modelling of any type of service from SLAs and offers up to central Product Catalogue. The system is secure and easy to deploy, with multi-currency, multi-tenancy and multi-national support.

**Wholesale Billing** allows service and content providers to exchange billing data and invoices, and to share revenue or cost information with partners. The product facilitates the management of relations with domestic and international business partners, and supports various business models which include revenue sharing, wholesale and roaming services. The easily scalable product is fully prepared to support the newest services, and is open to business evolution. Comarch Wholesale Billing processes high volumes of any kind of services (voice, data, messaging, content and others) within any kind of agreement, including bilateral, hubbing, revenue sharing, roaming, MVNO and content-based.

## 5G NETWORK OPERATIONS

**Zero-touch Network Provisioning** is a product to meet IoT and 5G demands for rapid, automatic implementation of telecom network elements. The system allows devices to be connected, pre-configured and updated.

**Real-Time OSS for SDN/NFV Orchestration** is a platform for provisioning and managing services over VNFs, PNFs and SDN-controlled networks, facilitating comprehensive orchestration of complex multi-domain topologies.

**Comarch Resource Order Management** simplifies network planners' daily activities. All repeatable tasks can be delegated to the ROM smart engine, allowing planners to focus on strategic network planning and optimization. In addition, Comarch ROM gives operators the ability to design and automatically provision complex, hybrid, multi-technology and multi-vendor network services, and to automate day-two operations.

**Comarch Intelligent Assurance & Analytics** is a system that was created as a result of extending the Integrated Assurance product with the functions of OSS/BSS data analysis, the ability to process large data sets, an artificial intelligence module using machine learning algorithms to enable predictive maintenance, and automatic knowledge-gathering in the field of good practices in preventing and counteracting network problems and incidents. Comarch IA&A is part of the Comarch OSS product range, which supports comprehensive orchestration of hybrid networks (consisting of physical and virtualized elements), and is one of the pillars of Comarch's broad strategy for embedding artificial intelligence in all products.

## INTELLIGENT ANALYSIS OF NETWORKS AND SERVICES AND THEIR QUALITY MANAGEMENT

**Comarch AI Control Desk** is a dedicated part of Intelligent Service Desk, focused on the supervision of results of machine learning use cases realized by the AI module in different Comarch products. AI Control Desk supports the following use cases: automated situation detection, automated problem detection, automated baseline generation and anomaly detection, and knowledge accumulation.

**Customer Experience Management (CEM)** plays an overarching role in service monitoring and service quality management, transforming service management by providing insight into customers' perceptions of services provided by telecoms operators. It helps network providers make the leap from network/resource-centric operations to customer-focused ones, delivering effective telecom customer experience management tools.

**Comarch Service Quality Management (SQM)** transforms traditional network-centric telecom monitoring into customer-centric telecom service quality management. Telecom service quality management delivers insight into customers' perceptions of service quality.

**Comarch Service Monitoring** lets you monitor services implemented over various network technologies and management domains. Events originating from different sources are correlated and processed in Comarch Service Monitoring to perform impact analysis for the service. The results are presented graphically on a service tree to give the operator rapid insight into the prevailing situation at any time.

## NETWORK RESOURCE MANAGEMENT

**Real-time Network Inventory Management** stores complete information about physical, logical and virtual network resources. It is a shared, central fixed-access inventory to capture all details of a very complex IT/telecom environment with advanced micro-services technology underneath.

**Network Planning & Design** enables CSPs to manage telecom network planning, design and optimization processes comprehensively and efficiently. Process-orchestrated planning is a future-proof way of making network investments, where the business value of the investment becomes ever more important in response to developing telecom opportunities.

**Comarch Auto-discovery & Reconciliation** provides comprehensive and up to date insight into the multi-vendor, multi-domain network, enabling effective network management. The system supports reconciliation of RAN, transport, core, access and IT domains. Thanks to integration with Network Inventory, it also provides a single, comprehensive and integrated view of the live state of the network.

**Comarch Configuration Management** enables service providers to automate network provisioning for all network domains. It is a product that manages configuration in a manner that goes beyond the traditional radio access network (RAN) approach, implementing network provisioning in the transmission, core and access domains too.

## SERVICE DESIGN & FULFILLMENT

**Comarch Service Catalogue** acts as a placeholder for defining service rules and enables the centralization of service specification management, which aims to increase automation of the end-to-end service fulfilment and service assurance processes. The system is compliant with the TMF SID standard and enables the management of customer-facing service (CFS) specifications, as well as their decomposition and mapping into resource-facing service specifications. In this way, the product enables customer services to be translated into supporting technical services.

**Comarch Service Activation** is responsible for activation of the delivery of service components on legacy (based on NMS) and modern (employing NFS/SDN technologies) service platforms. Pre-integrated with Service Fulfilment & Orchestration that enables coordinated activation steps on various platforms, it facilitates provisioning of converged services and complex value-chain products.

**Comarch Service Inventory** facilitates the end-to-end management of your network and all related products from the service perspective. It is a product that can be pre-integrated with the Comarch Service Catalogue system in a manner that enables you to fully describe the services and products offered via your network. In this way, Comarch Telecom Service Inventory acts in accordance not only with the TMF SID (addressing customer facing services (CFS)) model, but also with the resource-facing services (RFS) one.

**Service Fulfilment & Orchestration** is a product designed to reduce time to market and automate the telecom service fulfilment process for customer service delivery on top of a hybrid network. The system employs the model-driven (catalogue-driven) concept, which enables the orchestration of hybrid networks where virtual network functions and network services are modelled consistently, with physical network functions and legacy network services employing the TMF SID model. SFO (using ETSI NFV ISG terminology) can implement end to end service and MANO orchestration, and manage the VNF instantiation process.

**Comarch Field Service Management (FSM)** is a comprehensive workforce management system for scheduling, staffing, managing, and supporting the workforce in the field, which results in significantly increased efficiency of operations. Thanks to this tool, customer and network operations can utilize the available resources more efficiently and improve the team's coordination. The system selects the most suitable resources for each task, considering all aspects and bearing in mind KPIs according to the company's business model. Comarch FSM addresses the needs of field workforce managers, allowing them to manage resources, tasks, time and knowledge effortlessly. Full mobility support for all on-site activities allows the time needed for task execution to be shortened, work quality to be improved, and changes to be performed in real time.

## PROFESSIONAL SERVICES

**Business Consulting** is a service that helps telecoms optimize and automate their business processes and increase their efficiency in OSS and BSS, by eliminating multi-vendor and cross-organization redundancy and by rethinking IT architectures and configurations.

**Managed Services** offer telecom operators the opportunity to outsource system and/or process management, enabling them to optimize the delivery of services to customers and increase their availability, while decreasing the workload and business costs without compromising process quality or business/technology independence.

**BSS/OSS Transformations** – as a software vendor and a business partner for global telecoms companies we understand the nature and complexity of telecom transformation projects. Based on our experience, we have developed a comprehensive offer of products and services to support local and multi-country transformation projects in the OSS and BSS domains.

**BSS/OSS Cloud Transformation** - is one of the foundations of digital reinvention that telecoms are going through. It is designed in the spirit of agile, microservice-based architecture that ensures full automation of platform integration and delivery, rapid deployment, and cloud-readiness from the start.

**E2E Project Delivery** adds extra value on top of delivering a system to the customer, and encompasses the following services: requirement analysis and system design, training, implementation and integration, maintenance and support.

### 3.2. Finance, Banking and Insurance Sector

Comarch Finance, Banking and Insurance Sector specializes in creating sophisticated software and IT systems for major financial institutions in banking, insurance and capital markets. Our portfolio of satisfied clients includes Polish and international financial institutions, among others: ING Bank Śląski S.A., Alior Bank S.A., Bank Pekao S.A., BNP Paribas Bank Polska S.A., Santander Bank Polska S.A., Siam Commercial Bank PCL, TMB Bank, Swiss Life (Luxembourg), AXA, Crelan.

**Comarch SME and Corporate Banking** is an omnichannel platform designed for the specific needs of large and medium-sized companies, and offered to banks providing services to such companies. It's a transactional banking system, a financial management tool, and a solution to facilitate handling of bulk payments – all rolled up into one. It also supports corporates in managing accounts of different types, buying currencies, making local and international payments, or consolidating balances across the world.

**Comarch Small Business Mobile Banking** is an application for small business owners to facilitate their daily tasks. It is based on cash management, invoicing and financing possibilities. Comarch Small Business Mobile Banking is a comprehensive solution that helps banks to reach micro and small enterprises with digital services.

**Comarch Factoring** is a platform that allows factors and their customers to manage the whole life cycle of receivables. Comarch Factoring is a customer service tool which has an advanced billing engine and multi-channel access to factoring services.

**Comarch Cloud Factoring** is a platform for debtors and creditors using microservices, available in the cloud. The modularity of the system allows you to easily adjust the solution to customer needs. Thanks to supporting end-to-end processes, the cost and workload of a factoring company are kept to a minimum.

**Comarch Trade Finance** is an application that allows entrepreneurs to manage the life cycle of such products as guarantees, collections and letters of credit. The solution helps to automate and digitalize the whole process of trade finance.

**Comarch Relationship Manager Assistant** supports banks and other financial institutions in building and maintaining solid relationships with their business customers. Designed to effectively manage sales processes, the system helps in lead scoring, performance monitoring and effective communication

**Comarch Wealth Management** is an integrated, multi-module platform dedicated to retail, affluent and private banking client segments. The system supports different recipients: relationship managers - in advisory and financial planning processes, end-clients – in self-driven robo-advisory processes and bank-client communication with the use of newest technologies, wealth managers - in discretionary portfolio management in line with regulations and investment mandates, and analysts - in running performance and risk calculations to assess client portfolio efficiency.

**Comarch Loan Origination** enables more efficient control of credit risk and allows for a significant reduction of time needed to grant a loan. The system automates the work of client advisors managing the credit-granting process at its every stage. It allows banks to optimize the most vital elements of credit management: loan simulation, application verification, analysis of customer financial situation (including database checks), decision making and fund disbursement. The platform incorporates a full portfolio of credit products – starting from quick loans for retail customers, through mortgage origination processes, up to complex business loans for SMEs or corporations.

**Comarch Custody** is a modern back-office system for post-trade operations carried out by custodian banks. As a comprehensive custody software, Comarch Custody covers all functions required by custodians operating on domestic and foreign markets: Settlement & clearing, Safekeeping, Asset servicing, Client & regulatory reporting, Automated data exchange, Billing & taxation.

**Comarch Digital Insurance** is, on one hand, a system dedicated to insurance agents, brokers or intermediaries. It helps them not only advise on and sell insurance products but also provide post-sales support, manage their tasks and monitor own business performance. On the other hand, Comarch Digital Insurance allows individual customers to smoothly purchase a policy online and manage their insurance product portfolio.

**Comarch Anti-Money Laundering** allows banks to significantly decrease the time and increase the precision of transaction monitoring – a routine task requiring much knowledge and experience. The system takes the burden of performing routine tasks off bankers' shoulders, reduces the total time it takes to analyse alerts, and lets the bankers to focus on more demanding and complex challenges.

**Comarch RPA for KYC** is a Robotic Process Automation (RPA) software designed for banks and financial institutions. It optimizes KYC in AML – heavily manual, routine and prone to human error – by enhancing data collection and input. The system uses automatic processes to derive data from different sources, both external and internal, and turn them into user-friendly reports ready for further analysis in line with regulatory requirements. RPA in banking reduces the number of manual tasks.

**Comarch Cyber Threat Protection** is an online threat prevention and anti-identity theft platform for workstations and mobile devices. The platform tracks both end-user activity and their devices to calculate partial and general scoring for authentication, authorization, or any other operations. The scoring is reflective of device recognition and cyber threat-repository data. For this purpose, a lot of different artifacts are collected, based on tamper detection, or browser and device fingerprints.

**Comarch Identity and Access Management (IAM)** is a solution that allows full control over the access to company's applications, VPNs and workstations. It comes with world-class methods for identity lifecycle, authentication, authorization and accountability. Its modular architecture makes it easy to adapt to specific types of organizations across hierarchies and geographies.

Designed primarily for banks, the **Transaction Protection - tPro Suite** consists of two solutions for customer authentication and transaction authorization: **tPro ECC** and **tPro Mobile**. Comarch tPro ECC is a USB token for making digital signatures. Comarch tPro Mobile is a variant of this solution based on what the user has - a phone with the application, and what the user knows - a PIN code or a template.

## CROSS-SECTOR OFFER FOR FINANCIAL INSTITUTIONS

**Comarch PowerCloud** for finances allows you to gain access to disk resources and computing power - paying only for the subscription service, without the need to purchase devices. The tool is based on IBM Power Systems™ servers, so it is irreplaceable wherever business continuity, high availability and security are important.

**Comarch e-healthcare** solutions for banking provide Comarch's clients with advanced healthcare for banking solutions that can boost your banking operations. This is especially important in times of pandemic when easily accessible healthcare services are of great value.

**Comarch Loyalty and Marketing Suite** for Financial Sector is a modern IT system that allows enterprises - including banks and insurance companies - to create and manage successful, user-oriented loyalty programs with ease. Supporting both B2C and B2B operators, CLM incorporates mechanisms of emerging technologies such artificial intelligence & machine learning so you could identify patterns in customers' behaviour and provide offers that meet their personal needs.

**Comarch Fraud Protection** software is a platform which significantly increases the efficiency of suspicious event detection compared to rule-based methods. The solution is based on machine learning, which is a state-of-the-art approach where Artificial Intelligence (AI) is used for creating models that, based on historical data, can determine the occurrence of suspicious events with high accuracy. (AML, Cyber Threat Protection, Credit Card fraud protection).

### 3.3. ERP Sector

The ERP sector provides solutions supporting the management of an enterprise and its resources for many clients on the Polish market, in the DACH region and in France. The offered products are:

**Comarch ERP Enterprise** – a new generation ERP system for active enterprises operating on international markets using the Internet. It operates an ergonomic user interface, a built-in WorkFlow module and is optimized to best reflect business processes and the structure of the organization. The system is also available in the service model (SaaS).

**Comarch ERP XL** – for years the most frequently selected ERP class system in Poland, used by over 5,500 companies from various sectors; annually, 400 companies decide to implement it to manage their core business processes. The solution meets specific requirements of manufacturing companies as well as trading companies and those involved in services. The system is also available in the service model (SaaS).

**Comarch ERP Optima** – a program for micro, small and medium-sized enterprises supporting sales, management, accounting, and HR and payroll. Along with the additional Accountancy Office module and the portal of Accounting Office Communities iKsięgowość24, Comarch ERP Optima is a tool to operate and promote accountancy offices and tax advisory firms. The program is available in the service model (SaaS).

**Comarch ERP XT** – an innovative application for online invoicing, warehouse operating and keeping simplified and full accounting made available over a web browser or mobile applications for Android and iOS. The solution is dedicated to micro and small businesses in Poland and Germany. The core advantages are the following: simplicity of use, full process automation, a possibility of integration with an accountancy office, Comarch e-Store, and Comarch BI Point. The application is provided with a POS module for fast support of retail sales. The program is available solely in the service model (SaaS).

**Comarch OCR** – a device for Optical Character Recognition from scanned invoices. The service reads the documents and then transfers the recognized data to accounting software, e.g. to VAT registers. Thanks to the available OCR API, the service can be integrated with external programs.

**Comarch Retail** – this is a standalone system to carry on retail sales in a full omnichannel model. It supports effective and comprehensive management of retail networks, starting from the head office through store's back office to points of sale (POS).

**Comarch Mobile** – is a solution dedicated to management teams and mobile staff, e.g. trade representatives, maintenance technicians, or sales assistants, who perform their tasks outside offices, using their smartphones or tablets. The packet is composed of: **Comarch Mobile Management**,



**Comarch Mobile Sales, Comarch Mobile Service, and Comarch Mobile Procurement.** The individual applications in the Comarch Mobile packet provide for management of mobile staff and their sales, for monitoring of results of their performance and current location of staff on a map and the routes registered by them. They provide for effective vanselling and preselling directly during visits paid to customers, as well as registration of offers and purchase orders with suppliers, e.g. at specialised fairs. Additionally, Comarch Mobile provides for execution of maintenance orders, e.g. during inspections, assembly, or repair of devices.

**Comarch WMS** – a solution providing for comprehensive handling of high-storage warehouses. The packet is composed of: **Comarch WMS Management** and **Comarch WMS Warehouse Manager**. Comarch WMS Management is a tool addressed to warehouse managers to control storage operations and manage flows of goods within warehouses. Comarch WMS Warehouse enhances the performance of staff operations directly in warehouses by applying data collectors operating online.

**Comarch Warehouse Manager** – an application used for mobile support of simple warehouse processes. With its help, the user can carry out the tasks of goods receipts and releases from the warehouse, record transfers of goods between warehouses and carry out inventory.

**Comarch Business Intelligence** – a system based on data warehouse technology, addressed to large and medium-sized enterprises and international corporations. The solution supports decision processes and reporting tasks. It is destined for the following industries: financial and insurance institutions, trade, services, and services and production.

**Comarch BI Point** – a web Business Intelligence reporting tool that supports generation, exploration, and provision of comprehensive reports and interactive managerial cockpits. An integrated repository and an embedded rights management mechanism allows supporting management of users' access to the selected reports and individual data models. As a result of its responsiveness, the application can also be used on mobile devices. With its intuitive interface and many interesting forms of data visualisation, even less experienced users can develop attractive dashboards with this application. The tool is used by all types of enterprises or varying size. It is addressed primarily to analysts, controllers, and managers.

**Comarch MyPoint** – an analytical tool offering quick and transparent verification of users' work who use Comarch ERP systems. It allows monitoring working time in the system, effectiveness at specific times and average productivity of operators.

**Comarch mPOS** – Comarch Mobile mPOS is an application for sellers and sales assistants in brick-and-mortar stores and in pop-up stores, too. It offers support for the store's back office allowing recording receipts and issues on a mobile device, and also execution of sales directly on a store's floor without sending a customer back to the check-out.

**Comarch IBARD** – is an easy to use, multi-functional tool that can be used for instance to perform and schedule back-ups of file, directories, and databases from PCs, laptops, and servers, to perform backups of mobile devices, to transfer and safely store data in cloud. The service ensures uninterrupted 24h access to data from any device and place. Comarch IBARD is available in five languages (Polish, English, German, French, and Spanish). The service is universal and may be used by both small and medium-sized enterprises, as well as service providers like telecoms that offer services to their customers under their own brands (White Label model).

**Comarch TNA (Time and Attendance)** – is a modern system to record and manage working time, business trips, annual leaves, and other processes focused on company employees. It is a tool that facilitates manual recording of hours of remote working both on a web and mobile application. With it the employer knows what time an employee has started and ended their work, and also has an option of controlling an employee's availability in real time. In turn, an employee has a statement and evidence of hours of work that have been agreed with a superior.

**Comarch CSM Comarch Cloud Service Management** – a complex platform to sell and manage cloud services that supports providers in offering services, applications, infrastructure, and other cloud products. Comarch CSM collects all information on orders, prices, service validity, and provides for contact with customers. It can be integrated with any service via third-party API.

**Comarch SSO (Single Sign-On)** – a secure single sign-on system – logging into one service, other services can be used without repeating access data. Comarch SSO provides full user security when logging to a multi-service environment.

**Comarch Hosting** – an integrated comprehensive solution tailored to customers' individual needs which consists in renting a hardware platform located in the Comarch Data Centre along with the required licences of external providers (e.g. Microsoft). Additionally, the offer covers a number of services relating to management and administration of the hardware platform and software. The solution is characterised by flexible management of resources that are scaled up along with the customer's growing needs.

**iKsięgowość24** – accounting and booking services for enterprises, used by over 2,600 accountancy offices operating Comarch ERP Optima.

**Comarch B2B** – a B2B platform that among others provides for ordering of products online. A logged-in business partner has access to a history of their orders, payments, or submitted complaints. Selected customers will use a web browser to have a preview of our always updated commercial offer that may be individually tailored.

**Comarch e-Store** – online store software for small and medium-sized enterprises fully integrated with Comarch ERP management systems, price comparison and Allegro and eBay auction platforms, as well online payment platforms. It facilitates shopping using a web browser and mobile applications running on iOS and Android.

**Wszystko.pl** – is a trading platform supporting e-sales directly from invoicing and warehousing systems operated by enterprises. Products may be offered by any company operating Comarch ERP management software.

**Comarch HRM** – an application to be used by staff themselves, operated in a web browser or as a mobile application for employees and their superiors. The key task of the application is to provide ongoing access to data on daily activities relating to a formal aspect of work in an enterprise – working time and a work plan and holidays/leaves, business trips/secondments, or other absences. In addition, the tool also provides support for such aspects of the employee's functioning in a company as training records, or the evaluation system.

**Comarch e-Reports** – a program to generate electronic financial statements, which, among others, are compliant with the Accounting Act, characterised by abundant functionalities (with electronic signature in the application), easy to handle and that can be integrated with ERP systems. The program may be used in a desktop version installed on a computer and in cloud – in a subscription model from any computer with Internet access. The application generates structures of financial statements compliant with the requirements of the Ministry of Finance.

**Comarch ESEF** – is an application facilitating generation of annual financial reports in an ESEF tool for generation of financial reports/statements compliant with the European Single Electronic Format (ESEF) that defines a form in which annual financial statements of companies listed on the EU regulated markets will be created.

**Comarch Moje BR** – a free program for invoicing and communication with the Accounting Office. Information about the company's current payments has been collected on the app's dashboard. Cost documents are added to the program by taking photos of invoices thanks to the Comarch OCR service.

The application is intended for the smallest companies and for the self-employed who need a mobile tool for invoicing and entering cost documents to dynamically develop and save their time as much as possible.

**Comarch Shipping** - a service that communicates with the programs of courier companies in order to prepare waybills and send shipments. These documents can be prepared on the basis of commercial documents downloaded automatically from Comarch ERP systems as well as manually entered shipping orders.

### 3.4. Public Administration Sector

Comarch specialises in designing, implementing and integrating modern IT systems for public administration, companies and public sector institutions. The company has experience in creating complex turnkey solutions and in developing hardware and network infrastructure. Comarch has created a number of e-government solutions that meet the needs of public sector entities. The solutions are based on international standards. The most important solutions implemented in the public administration sector include:

**Comarch EOS** is a platform for electronic handling of matters in the office. The system ensures the digitisation of case-handling activities, enabling citizens and businesses to handle them remotely, and office staff to handle cases remotely. The platform ensures the transition from electronic document management to electronic case management, overseeing the steps that need to be taken to deal with a case.

The platforms form integrated systems: Comarch e-Urząd, Comarch EZD, Comarch ERGO and Comarch ERP Egeria. Case handling is based on electronic documents, the data of which is transferred in the process to the systems involved in the case handling using Comarch BPMN. The Comarch EOS platform provides GIS functions used in case handling, which can be run directly from the level of systems included in the platform.

**Comarch ERGO** - system supporting the implementation of public tasks related to spatial management. It allows keeping over 60 registers and records in the areas of geodesy and cartography, real estate management, spatial planning, road infrastructure management, construction, environmental protection, agricultural and forestry land protection, protection of monuments, spatial information portals. The modular structure of the system enables the exchange of information between local government units and cooperating units, their departments and employees. Comarch ERGO is a comprehensive solution enabling the launch of the electronic platform of the Spatial Management Shared Services Centre.

**Comarch Workflow** - the platform supports the electronic (as well as paper) circulation of documents in companies and institutions (branch versions specialized for particular entities have been created). The solution makes it possible to manage documents in institutions in accordance with the guidelines of the office instruction and to define and support any workflow and document processes. For this purpose, a mature business process editor based on BPMN is used, which in cooperation with components enabling the creation of dedicated registers and forms is able to provide each institution with a fully customisable Workflow class system.

**Comarch e-Government** is an online public services platform allowing local government units and central offices to perform their tasks. Intuitive tools enable self-management of the application, providing support for content creation and publishing processes. The components available on the platform include: The Digital Office, the Resident's Profile with support for electronic payments for liabilities to institutions, the Public Information Bulletin, the Information Portal and the Intranet, as well as elements supporting social activity related to the handling of the civic budget or opinions on legal acts.

**Comarch ERP Egeria** is an integrated ERP II system, which supports organisation management, administration and accounting/financial service of public institutions, hospitals, universities and enterprises. The system ensures data security, fast access to information, transparency and integration



of processes. Comarch ERP Egeria is a tool that effectively supports and streamlines management of institutions and offers comprehensive support in decision-making processes, necessary for functioning of institutions in today's economic and legal environment. It is highly configurable and flexible, allowing the system to be adapted to the individual needs of each Client. It ensures full support of the implemented business processes and efficient exchange of information with the environment. It facilitates and automates the daily recording of data and the making of appropriate management decisions.

**Comarch Security Platform** is a range of products dedicated to clients associated with national and physical security and defence. The solutions are based on original and innovative projects, which are implemented in products related to video analytics, personal and object protection systems, as well as in advanced tools for controlling financial flow and monitoring ICT networks.

**Comarch Video Cut** is a solution for quick analysis of secured video materials conducted post factum. The tool effectively reduces the working time of forensic analysts or security services. It enables the detection of all objects recorded on secured video footage from various devices, recorders, CCTV systems and in various formats.

The system enables events and objects to be found and video footage to be quickly filtered based on characteristics. The solution is used in special units, security services and facilities such as airports, stadiums, railway stations, car parks, large-format shops or other restricted access zones.

**Comarch Smart Parking** - An extensive platform for the comprehensive management of Smart City parking policies. The solution makes it possible to connect a number of sensor systems based on different technologies, such as RFID tags, radar, radio sensors, surface sensors (e.g. magnetic), cameras with video analytics, providing basic information on parking space occupancy in real time. In addition, it offers a range of configuration and management tools to improve the work of municipal units and subordinate services. In this solution, Comarch offers its own sensor layer based on cameras and Intelligent Video Analysis (IVA) technology, which makes it possible to detect not only free parking spaces but also potential offences, together with vehicle identification - number plates (ANPR). Development work in this area focused on hardware (cooperation with many camera models, including PTZ cameras), as well as functionality - new modules were created, such as billing, control, or related to payments based on e-Wallet.

**Comarch Monitoring&Automotion Platform** - A tool for monitoring infrastructure and configuration items of client systems. The primary goal of creating Comarch MAP was to provide a single, consistent tool for monitoring a client's extensive infrastructure, along with the ability to model business processes and track architectural dependencies. The complex infrastructure detection and maintenance process is fully automated thanks to the Discovery module, and the unified and consistent interface provides visualization of the monitored infrastructure while maintaining business logic.

**Comarch eRecording** is a comprehensive and coherent solution combining the convenience of classic audio/video recorders with sound systems and a dedicated application for controlling the audio/video recording process. The system makes it possible to record meetings, sessions or public speeches along with the associated metadata and comments to enable efficient search of the recording during playback. Additional sources of recorded data can be external multimedia data and remote transmissions carried out via video terminals. Comarch eRecording provides (along with the recording) a platform-independent multi-track media player

**Comarch Wideoterminal** is a solution which supports popular connection and audio-video transmission standards. It is a perfect complement to Comarch eRecording solution, ensuring point-to-point connections as well as setting up multi-party calls based on standards and infrastructure of videoconferencing bridges of leading suppliers and popular platforms supporting Simulcast technology.

### 3.5. Services Sector

Comarch Services Sector designs, implements and integrates modern IT solutions for loyalty programs, marketing campaign management, employee motivation management, electronic data and business information exchange, the management and flow of documents within the company, and sales process

management using support systems and mobile applications. The offer also includes a comprehensive range of enterprise IT infrastructure management services.

The Services Sector carries out projects in 40 countries on five continents. Among our clients are BP, Circle K, Mapco, Prudential, Livelio, Carlsberg, Unilever, X5 Retail Group, Carrefour, Metro-Nom, Auchan, Heathrow Airport, Etihad, Scandinavian Airlines, XL Axiata and True Telecommunications.

## LOYALTY MANAGEMENT AND MARKETING SOLUTIONS

The offer is addressed to medium and large enterprises, and constitutes a comprehensive package of IT solutions and services that helps to build and manage loyalty programs, implement personalized and multi-channel communication, automate marketing processes and increase profits. Big data analysis tools and gamification-based systems for building engagement enable relationships between customers, partners and the brand to be strengthened.

**Comarch Loyalty Management** - a system for managing loyalty programs, supporting B2C and B2B operators. It enables the launch of multiple programs on one platform and support for all areas related to running those programs (customer registration, profile management, promotions based on different currencies, communication with participants, rewarding with gifts and offers). The product is also targeted at transport and tourism companies, in particular airlines. The platform supports loyalty programs of all types of carriers, for individual customers (Frequent Flyer Programs) and in the B2B model. The system supports the creation of rules for calculating points, defining rewards and privileges.

**Comarch Loyalty Cloud** - a system that enables companies to comprehensively manage the full lifecycle of a loyalty program, from analysis of collected data to configuration of promotions and rewards and multi-channel targeted communication. The application is available in the service model, based on monthly subscription fees. Just a few days after signing the contract, Comarch customers can use the range of application functionalities, and access system configuration services and comprehensive business support for their loyalty program. Comarch Loyalty Cloud is periodically updated in terms of functionality, and extensions are implemented in accordance with the Comarch roadmap.

**Comarch Campaign Management** - is a solution enabling rapid and cost-effective design and launch of customer-oriented marketing campaigns. The system optimizes the campaign planning process, provides an intuitive segmentation tool, simplifies the management and creation of personalized messages, automates multi-channel communication with customers, and allows you to monitor campaign progress and shipment statistics. The solution also helps to optimize the strategy and frequency of contact with customers.

**Comarch Business Intelligence** - the solution supports companies that want to build loyalty strategies through in-depth analysis of a large amount of collected data and provide a detailed picture of purchasing patterns, shopping cart value, campaign effectiveness and statistics related to the program. The system offers many types of interactive visualizations, such as charts, graphs, trend indicators, maps and tables that facilitate the presentation and interpretation of data.

**Customer Analytics** - a set of support services from a BI expert or a team of data scientists in the field of collecting, cleaning and auditing customer data, improving and maintaining data quality, analysing data, creating advanced customer segmentation models, migration analysis and customer activation strategy, predictive and scoring models, marketing databases and analysis of the level of customer satisfaction.

**Comarch Location Based Services** - a modern technological platform enabling highly personalized marketing communication directed through mobile application channels to people, customers, residents or passengers who are currently in a given location. The solution uses geolocation and micro-location data, on the basis of which it sends notifications via native iOS and Android applications. The platform also has a navigation module, thanks to which the user of the mobile application can find their way inside a given building. This is very helpful for large facilities such as shopping malls, hospitals, and municipal offices. Comarch Location Based Services is integrated with beacons produced by Comarch, thanks to which the micro-location of a user is determined via the Bluetooth channel.

**Loyalty Consulting** – professional support services at every stage of loyalty program development and management. We help build complete, innovative programs or reorganize existing ones. We prepare concepts that attract customers, build a stronger bond between the customer and the brand, thus allowing you to increase profits and strengthen your competitive advantage. Our services enable the development of an effective program strategy and concept, participant reward mechanisms, marketing communication, development of procedures and analysis of IT requirements.

**Management Services** – support in the process of organizing the program, creating and selecting marketing service providers, managing relationships with strategic partners, day-to-day administration of applications, monitoring key program performance indicators and reporting activities, detecting and preventing fraud, communication management.

## **DATA EXCHANGE AND DOCUMENT MANAGEMENT**

As part of its offer, Comarch enables effective document management and automation of sales and business processes in the supply chain. A comprehensive approach to communication with partners from around the world, including electronic exchange of product, commercial, logistics and financial data, allows companies to achieve tangible benefits including faster access to information and a significant reduction in costs.

As part of data exchange and document management, the following solutions are offered:

**Comarch EDI (Electronic Data Interchange)** - a B2B2G platform based on cloud technology, which enables the automation of business processes through rapid and secure data exchange, connecting partners in the supply chain around the world regardless of the sector in which they operate. In an accessible, modern and comprehensive way, it enables business communication, allows you to fully manage the purchase and sales processes, increases the efficiency of cooperation by synchronizing data with partners, and fully controls and manages the flow of documents. It offers a number of solutions for everyone, from handling automatic document transmission processes and full integration, to support for web service and API solutions, and a web portal that does not require any integration.

**Comarch MDM (Master Data Management)** - a catalogue of product data in the cloud based on GS1 standards, which is a certified data pool that enables direct exchange of information between business partners within the GDSN network and outside it. Data can be entered manually or automatically thanks to integration with external systems such as EDI, ERP, etc. This enables the initiation of adding products to the portfolio by creating inquiries, international cooperation through translation tools, and negotiating prices and margins. The created product cards contain comprehensive data models that can be modified depending on the target market, partner or sales channel (online or offline), ensuring the coherence of information shared within the organization and externally.

**Comarch e-Invoicing** - a cloud-based product compliant with the latest regulations, improving and automating invoicing processes for buyers (accounts payable) and sellers (accounts receivable). By supporting many document formats (including exchange with public administration entities) and distribution channels (from paper to EDI), it enables the secure and efficient exchange of e-invoices. Comarch e-Invoicing customers can use numerous functionalities as part of the service, such as electronic signature, multi-stage validation of document correctness, electronic archiving, and an e-Invoicing portal tailored to needs.

**Comarch Online Distribution** - a modern reporting and communication platform used by manufacturers to improve cooperation with a network of commercial partners (distributors, wholesalers and retail chains). It automatically creates detailed reports on inventory and resale, using data collected on an ongoing basis from the systems of trading partners.

**Comarch e-Invoicing Cloud** - a web application based on the latest cloud technology for sending structured e-invoices in a B2G relationship. It enables intuitive creation of invoices, searching for business partners from the public sector connected to the PEPPOL network, and the possibility of sending additional files (such as attachments). E-invoices created thanks to this solution are compliant with the latest EU regulations and adapted to general national requirements (e-invoice format adjustment, for example X-Rechnung in Germany).

## COMARCH ICT

Comarch ICT solutions allow the easy management of a company's IT infrastructure in the field of telecommunications, outsourcing or data centre services based on industry standards and technological partnerships with IT market leaders.

Comarch ICT products are designed so that the latest technologies serve the development of business. In an era of rapid changes in market and customer requirements, an experienced technological partner who will adjust their strategy and provide appropriate services in the field of IT infrastructure, outsourcing, data centre services and security is a must.

**Comarch Infraspaces Cloud** - is a unified and flexible cloud infrastructure with the highest security standards. The platform includes a wide range of tools supporting applications built on the basis of microservices. The cloud solution provided by Comarch was created to help solve the problems related to the lack (or excess) of computing power, allowing performance to be adjusted to the actual demand for IT resources. The solution allows customers to take advantage of all the benefits of the cloud, such as lower IT costs, greater efficiency and flexibility of the company, and full control of resources. All this in a secure IT environment located in Comarch Data Centre.

**Comarch PowerCloud** - is a ready-to-use platform that provides all the benefits of cloud solutions with the support of the expert IBM Power Platform and management services. Using advanced tools, it provides simplified management virtualization and cloud deployment for AIX, IBM and Linux virtual machines.

**Comarch IT Services** - due to the dynamic changes on the IT infrastructure market, an experienced technology partner is of key importance for business development. Placing the company's IT environment in the hands of Comarch engineers and analysts is a guarantee of service continuity and required system availability.

The digital (r)evolution continues. As a company with over 25 years of experience, we provide a wide range of IT services designed with the needs of our clients in mind, so that we can deliver appropriate technical and business support.

- **Comarch IT Integration** - services designed to adapt the client's IT environment to new business and technical requirements. We support clients from the stage of analysis and design of a new IT platform, to the delivery of appropriate devices and software and beyond that to the implementation phase.
- **IT Outsourcing** - a set of services aimed at optimizing costs related to IT servicing. We offer full end-user support (Service Desk and on-site care), administration of LAN/WAN networks, server infrastructure and security infrastructure, as well as management of IT processes in accordance with good practices and the latest recommendations (such as ITIL) and agreed SLA parameters. As part of IT Outsourcing, Comarch provides services related to advanced server, matrix and database systems both remotely and directly at customer locations.
- **Network and Security Operations Centre** - a solution constituting a single point of contact with the customer, providing comprehensive technical support in the field of IT infrastructure monitoring and business applications for all types of enterprises and institutions. Provides customers with up-to-date knowledge of the availability and performance of individual elements of their IT infrastructure, and helps detect disruptions before they affect the customer's business.
- **Comarch Network Services** - solutions for creating and maintaining data transmission networks (including WAN/LAN/WLAN). CNMS is a comprehensive product for the construction or modernization of existing transmission networks, for the management and administration of these networks, and for their security.
- **Comarch Service Desk** - a 24/7 multi-channel and multilingual single point of contact with a team of Comarch IT specialists. Providing full support for end users, this service is responsible for handling requests (in the form agreed with the client - chat, ticket system or telephone), reporting (in accordance with the service level agreement) and solving problems related to your IT infrastructure.

**Comarch Data Centre** - advanced technological centres with high availability and TIER III and TIER IV architecture. They are an alternative for customers who would rather not expand their own IT infrastructure resources. Comarch SA has 15 data centres all over the world.

- **Hosting Managed Services** - transforms data centre and IT management to provide the technological flexibility you need and maximize application performance and availability. We guarantee the right specialists, processes, security and technology in local cloud and networks to optimize data centre services.
- **Comarch PowerHosting** - fully managed services for the IBM Power platform. The comprehensive service for the delivery and maintenance of the IBM Power platform is provided in three models - a virtualized cloud, hosting of the client's hardware in the Comarch Data Centre, and remote services implemented on the client's existing equipment at his premises.
- **Mainframe Services** - Provides fully managed support and services for mainframe systems. Provides technical and business assistance in the process of installation, configuration and maintenance of Db2 products. Additionally, we provide consulting services in the field of capacity management, progress tracking and migration to higher versions of data management software.

### 3.6. e-Health

Comarch S.A. provides part of the Comarch Group solutions dedicated to the health market.

#### CITY OF HEALTH

"City of Health" is a service-IT platform, consisting of a set of mutually interconnected applications and IT systems. The service addressed to regions and cities is an effective tool for implementing regional health policy. The concept of "City of Health" focuses on residents as recipients and clients of provided health care services. It is the result of Comarch's practical experience in implementing regional platforms for healthcare.

## 4. Position of the Group in the IT Market and Information about Markets and Sources of Supply

Due to the type of IT systems offered by Comarch S.A., medium-size and large companies (who are the largest clients of advanced IT solutions all over the world) constitute the main group of clients. Majority of company's products are addressed to specific groups of customers, while IT services are of universal nature and are offered to all groups of customers. The Company's offer is dedicated to both Polish and foreign customers. Since many years, the Company's strategy is based on the sale of an increasing number of products on international markets, especially in Western Europe, Asia and the Americas. Sale in the Company is highly diversified, with no dependency on one major client. In 2020, the share of sale to none of the customer exceeded 10% of the Comarch S.A. sales.

Due to the specific nature of the industry, in which Comarch S.A. manages its operations, international concerns, which are producers of computer systems and programmer's tools, Polish branches and representatives of such concerns, as well as Polish distributing companies and subcontractors for systems, have to be considered sources of supply. In 2020, share of none of the product provider exceeded 10% of the value of Comarch S.A. sales.



## 5. Sales Structure

### 5.1. Revenue from Sales- Geographical Structure (in thousands of PLN)

	2020	%	2019	%	2018	%
Domestic	512,173	51.2%	531,270	55.8%	537,266	55.6%
Export	487,228	48.8%	420,428	44.2%	428,834	44.4%
<b>Total</b>	<b>999,401</b>	<b>100.0%</b>	<b>951,698</b>	<b>100.0%</b>	<b>966,100</b>	<b>100.0%</b>

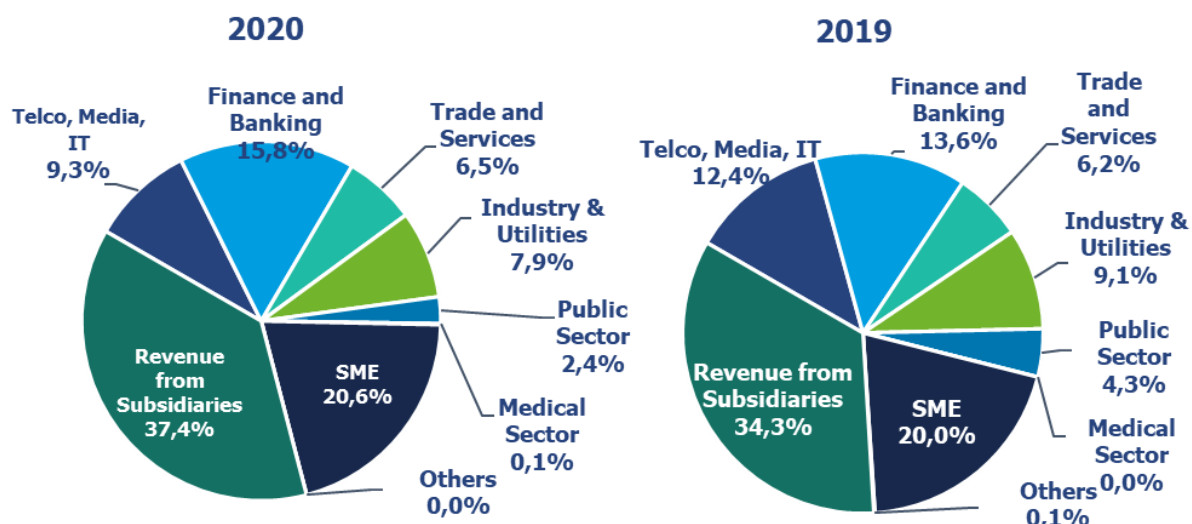
In 2020, sales revenue increased by PLN 47,703 thousand, i.e. by 5.0% compared to 2019. Export sales also increased by PLN 66,800 thousand, i.e. by 15.9%. Revenue from domestic sales decreased by PLN 19,097 thousand, i.e. by 3.6%.

The geographical structure of sales remained stable during the financial year.

### 5.2. Revenue from Sales – Market Structure (in thousands of PLN)

	2020	%	2019	%	2018	%
Telecommunication, Media, IT	93,429	9.3%	118,502	12.4%	95,498	9.8%
Finance and Banking	157,402	15.8%	129,363	13.6%	128,770	13.3%
Trade and Services	64,923	6.5%	58,763	6.2%	52,681	5.5%
Industry & Utilities	79,351	7.9%	86,767	9.1%	72,734	7.5%
Public Sector	23,858	2.4%	40,636	4.3%	33,505	3.5%
Medical Sector	557	0.1%	405	0.0%	606	0.1%
Small and Medium Enterprises	205,946	20.6%	190,348	20.0%	160,419	16.6%
Others	420	0.0%	502	0.1%	2,456	0.3%
Revenue from Subsidiaries	373,515	37.4%	326,412	34.3%	419,431	43.4%
<b>Total</b>	<b>999,401</b>	<b>100.0%</b>	<b>951,698</b>	<b>100.0%</b>	<b>966,100</b>	<b>100.0%</b>

In 2020, a significant increase was recorded in sales revenue from subsidiaries (an increase of PLN 47,103 thousand, i.e. of 14.4%), which resulted from the increase in sales made through subsidiaries to end customers. Last year, as in previous years, sales revenue to customers from the SME Sector increased (an increase of PLN 15,598 thousand, i.e. of 8.2%), their share in total sales amounted to 20.6%. Sales to clients in the Finance and Banking Sector also increased significantly (an increase of PLN 28,039 thousand, i.e. of 21.7%), its share amounted to 15.8%. A large increase in revenue also related to the Trade and Services Sector (an increase of PLN 6,160 thousand, i.e. of 10.5%), the share of this sector in total sales amounted to 6.5%. Sales to clients from the TMT sector decreased by PLN 25,073 thousand, i.e. by 21.2%. The decrease also concerned sales to the customers of the Industry & Utilities sector and the Public Sector (a decrease of PLN 7,416 thousand, i.e. of 8.5% and a decrease of PLN 16,778 thousand, i.e. of 41.3%, respectively). Sales to the Medical Sector remained at a level similar to last year's value.

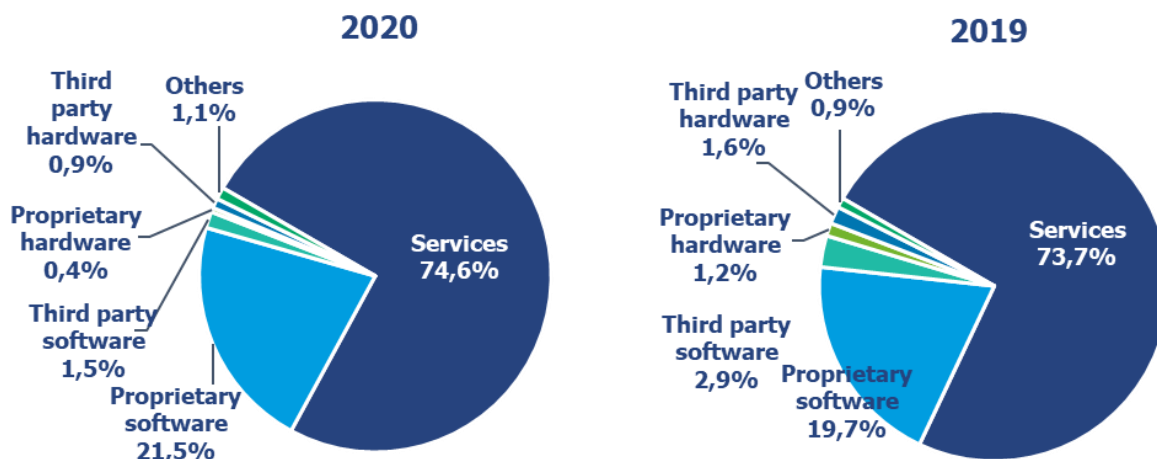


The structure of sales remained stable during the financial year.

### 5.3. Revenue from Sales – Products Structure (in thousands of PLN)

	2020	%	2019	%	2018	%
Services	744,982	74.6%	701,583	73.7%	662,341	68.6%
Proprietary Software	215,287	21.5%	187,475	19.7%	203,323	21.0%
Third party Software	15,422	1.5%	27,953	2.9%	14,850	1.5%
Finished goods	3,723	0.4%	11,326	1.2%	33,337	3.5%
Hardware	9,075	0.9%	15,080	1.6%	44,189	4.6%
Others	10,912	1.1%	8,281	0.9%	8,060	0.8%
<b>Total</b>	<b>999,401</b>	<b>100.0%</b>	<b>951,698</b>	<b>100.0%</b>	<b>966,100</b>	<b>100.0%</b>

In 2020, as in the previous years, the largest part of the sales revenue of Comarch S.A. were services. It is related to the business model of services in sales of IT solutions adopted by Comarch. In 2020 there was an increase in sales of services of PLN 43,399 thousand, i.e. of 6.2%. Revenue from sales of proprietary software increased by PLN 27,812 thousand, i.e. by 14.8%. The share of services and proprietary software in total sales amounted to 96.1%. Revenue from the sales of third-party software decreased by PLN 12,531 thousand, i.e. by 44.8%, and sales of hardware decreased by PLN 6,005 thousand, i.e. by 39.8%, their combined share in total sales of Comarch S.A. amounted to 2.4%. The sales of finished goods were lower than in 2019 (a decrease of PLN 7,603 thousand, i.e. of 67.1%), mainly as the result of a decreased supply of proprietary software to customers from the public sector, realized in 2020 directly by Comarch S.A.



Over the whole 2020, sales structure by products remained stable.

## 6. Factors Essential for Development of the Issuer

### 6.1. Internal Factors

- a) High degree of diversification of the conducted activity, both in terms of industry, geography and products;
- b) Steady increase in export sales and significance of foreign sales;
- c) Position and reputation of the Company affecting the nature of clients acquired;
- d) Commercial operations of Comarch S.A. in the special economic zone in Krakow;
- e) Significant share of standard (repetitive) products offered for sale, which means:
  - lower costs, especially variable costs related to a single contract,
  - the possibility of significant increase in profitability of a single contract with simultaneous reduction in charges for clients (license fees),
  - broader and more diversified circle of clients, which means a broader scale of activities.
- f) Attractive training policy and attractive work conditions offered for employees of the Company;
- g) Increasing awareness of the Comarch brand among prospective clients by promotion managed through marketing campaigns, including sports marketing (MKS Cracovia SSA) and pro-social activities;
- h) Necessity of continuous investment in human resources to maintain the Company's competitive edge in following years;
- i) High levels of investment expenditure designated for research and development activity and development of new products and IT services;
- j) High level of investment expenditure designated for the development of production sources in Poland (material investment) and for expansion on foreign markets (capital investment).

### 6.2. External Factors

- a) Enhanced requirements from clients for IT systems. There is an increase in demand for large, complex IT systems dedicated for specific users. This gives advantage to large IT companies such as Comarch S.A., which offer a number of different technologies and products and which are able to provide technologically advanced solutions;



- b) Increased significance of mobile technologies broadly used in IT solutions for all groups of customers;
- c) Change in business models in many branches as well as change in business strategies of many companies related to technological progress and economic growth, which shape the demand for new IT systems, broadening software sales in the cloud computing model means an increase in capital and resources requirements for IT companies;
- d) An access of Polish companies to resources from structural funds related to Polish membership in European Union that will be dedicated in part to develop IT systems and finance research and development works;
- e) increasing competition, affecting the reduction of margins achieved; competition between IT companies;
- f) Constant pressure to increase wages in the IT industry; decreasing number of technical university graduates with IT education;
- g) Increasing competition on the local job market in the IT sector in Krakow and other business locations of the Company;
- h) The international economic situation, taking into particular consideration the situation on financial markets that effects levels of demand for products and IT services;
- i) Exchange rate levels fluctuations, especially EUR/PLN, USD/PLN, GBP/PLN, CAD/PLN, CHF/EUR, BRL/PLN, NZD/PLN and RUB/PLN, which affect the profitability of export sales;
- j) The international economic situation, in particular in Europe, which influences the demand for IT products and services on this market, as well as the financial credibility of the customers in this region;
- k) The international political situation, including increasing risk of terrorist attacks in places of project management complicates their implementation;
- l) Epidemiological situation in the world, related to the SARS-CoV-2 coronavirus spread and COVID-19 incidents, which has an impact on the business activity of the Group and the financial condition of the Group's clients and the demand for IT products and services generated by them.

## 7. Other Significant Factors, including Risks and Threats

Comarch S.A. is exposed to the following main types of financial risk:

### 7.1. Credit Risk

Comarch S.A. establishes the financial credibility of potential clients before signing contracts for the supply of IT systems and adjusts the conditions of each contract to the potential risk depending on its assessment of the financial standing of the client. Concentration of credit risk is limited due to diversification of the Comarch's sales to a significant number of customers in different branch of economy, in different world's regions.

### 7.2. Risk of Change in Interest Rates

The Company is exposed to the risk of changes in interest rates related to cash and cash equivalents, as well as long-term investment credits to finance the construction of new production buildings in the Special Economic Zone in Krakow. These are credits at variable interest rates based on the WIBOR and EURIBOR index. The group has been hedging this interest rate risk using IRS contracts and it continuously monitors market situation in this scope. The influence of interest rate changes on the amount of interest on credit paid is partly compensated for by a change in the amount of interest received on cash and cash equivalents.

### 7.3. Risk of Fluctuation in the Exchange Rates

The Company is exposed to foreign exchange risk in relation to export sales and sales denominated in foreign currencies, especially in relation to foreign exchange of EUR/PLN, USD/PLN, GBP/PLN, CAD/PLN, BRL/PLN, NZD/PLN, CHF/EUR, RUB/PLN, UAH/PLN and AED/PLN. At the same time, part of the Parent Company's costs are also expressed in, or related to exchange rates for foreign currencies. In individual cases, the Company hedges future payments with forward contracts, as well as tries to use natural hedging through adjusting structures of assets, liabilities and equity denominated in foreign currencies (for example through a change of credit's currency from PLN to EUR performed lately). The balance sheet value of assets and financial liabilities of the Company denominated in foreign currencies is related to receivables and liabilities due to deliveries and services as well as cash as at the balance sheet date.

### 7.4. Financial Liquidity Risk

The Company has a liquidity risk management system to manage its short, medium and long-term funds. The fundamental financial liquidity risk arises because the majority of costs incurred by the Company are fixed, while revenue from sales, as is typical for a services Company, fluctuates. The Company manages liquidity risk by holding the appropriate amount of working capital, by holding reserve credit lines in the current account, by constantly monitoring the forecasted and actual cash flows and by analysing the maturity profiles of financial assets and liabilities.

## 8. Perspectives of Development in the Company and Anticipated Financial Situation in 2021

In 2020, the demand for IT services and IT products has been stable close to those in the previous year, however there were changes in its structure. The share of sales to the Company's subsidiaries increased, and the Company's direct sales to end customers remained unchanged. The company observed an increase in demand for ERP solutions for SME sector and solutions for the finance and banking sector, with a simultaneous decrease in demand for IT solutions for clients from the telecommunications and public sectors. The Company's backlog now ensures full use of its production capacity in several subsequent periods.

The Company's operations in 2021 will be significantly affected by the epidemiological situation in the world, related to the SARS-CoV-2 coronavirus spread and COVID-19 incidents, which has an impact on the business activity of the Company and the financial condition of the Company's clients and the demand for IT products and services generated by them. As at the date of this report, the operational activity of the Company is conducted without any disruptions. The Company implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Group's operational activity, with particular regard to employee's safety, health and hygiene recommendations. Business trips to countries identified by the Chief Sanitary Inspectorate as high-risk countries were suspended, direct contacts of employees within the organization were limited, and the remote work mode of office workers was launched on a large scale and the possibility of performing tests on Covid-19. Remote communication methods are commonly used in business contacts. The Management Board of the Company notes that the activities of the Comarch Group are very well diversified in terms of industry, products and geography, and the effects of a pandemic do not currently pose a threat to the financial stability of the company.

In terms of revenue from sales, there was a temporary decrease in revenue from sales of services and products in industries negatively affected by lockdowns, but there was also an increase in revenue in industries that benefited from this situation (including online trade, logistics, telemedicine). The financial results achieved in the coming periods will also be influenced by: the duration of the epidemic, further administrative restrictions in the functioning of countries, restrictions imposed on entrepreneurs, the possibility of using aid packages launched by individual countries, the pace of implementation of the preventive vaccination program, as well as exchange rate volatility and financial matters of the Company's clients.

Comarch's activities and financial results in 2021 will also be influenced by the development of the political and economic situation in Poland and worldwide, as well as the situation on the labour market. Thanks to the strategy of positioning itself on the market as a technology and product company, which has been consistently implemented for many years, Comarch's offer is very well diversified. The group of clients is constantly expanding, and a significant part of them are international companies, which allows the company to continue developing. The dynamically developing activity of Comarch S.A. on foreign markets, it additionally increases the sales volume and improves the image of Comarch among customers, thus contributing to the strengthening of the Company's competitive position. It also means the necessity to make numerous capital investments outside Poland (mainly by establishing foreign subsidiaries). The implementation of the Company's strategy depends to a large extent on the macroeconomic conditions beyond Comarch's control, in particular on the level of IT investments made by medium and large companies in the country and abroad, and on the intensifying competition on the labour market in the IT sector. At the same time, the necessary condition for the implementation of the strategy is the effective management of operational risk. The opportunity for the company is its great innovation and increased demand for IT delivery in the service model - Comarch S.A. thanks to a wide range of proprietary products, infrastructure, human and capital resources, it can flexibly adapt to the business models expected by customers.

The most important areas of operational risk related to the activities of the Company include:

- risk related to R&D works (production of own software products);
- risk related to the performance of long-term contracts;
- the risk related to failure to comply with the terms of contracts and the use by contractors of the provided performance guarantees or the contractual penalties due to them;
- risk of foreign economic, legal and political environment related to the implementation of export contracts;
- credit risk related to sales with deferred payment terms and often long-term contracts;
- risk of staff rotation, risk of not being able to hire a sufficient number of qualified employees, risk of rising labour costs;
- the risk of changes in exchange rates and the level of interest rates;
- the risk related to international terrorism, which makes it difficult to post employees on business trips to some regions of the world;
- the risk related to the spread of the SARS-CoV-2 coronavirus and COVID-19 disease, which affects the way the Company conducts business and the financial condition of its customers and the demand generated by them for IT products and services.

## 9. Financial Analysis

	31 December 2020	%	31 December 2019	%	Change	Change %
<b>I. Non-current assets</b>	<b>746,673</b>	<b>51.6%</b>	<b>735,752</b>	<b>52.7%</b>	<b>10,921</b>	<b>1.5%</b>
Intangible assets	7,332	0.5%	10,770	0.7%	-3,438	-31.9%
Property, plant and equipment	330,914	22.9%	331,755	23.8%	-841	-0.3%
Long-term investment	401,539	27.7%	384,927	27.6%	16,612	4.3%
Non-current prepayments	6,888	0.5%	8,300	0.6%	-1,412	-17.0%
<b>II. Current assets</b>	<b>701,304</b>	<b>48.4%</b>	<b>659,293</b>	<b>47.3%</b>	<b>42,011</b>	<b>6.4%</b>
Inventories	54,546	3.8%	62,751	4.5%	-8,205	-13.1%
Current receivables	437,982	30.2%	395,319	28.4%	42,663	10.8%
Short-term investment	115,876	8.0%	72,825	5.2%	43,051	59.1%
Current prepayments	92,900	6.4%	128,398	9.2%	-35,498	-27.6%
<b>TOTAL ASSETS</b>	<b>1,447,977</b>	<b>100.0%</b>	<b>1,395,045</b>	<b>100.0%</b>	<b>52,932</b>	<b>3.8%</b>

As of the end of 2020, the value of the Company's assets increased by 3.8% compared to 2019, i.e. from PLN 1,395,045 thousand to PLN 1,447,977 thousand, as a result of an increase of current assets of PLN 42,011 thousand, i.e. of 6.4%. This increase was mainly due to an increase in the value of current investment (increase of PLN 43,051 thousand, i.e. of 59.1%) and current receivables (increase of PLN 42,663 thousand, i.e. of 10.8%). Values of inventories and current prepayments decreased by PLN 8,205 thousand, i.e. by 13.1% and by PLN 35,498 thousand, i.e. by 27.6%, respectively).

The value of non-current assets remained at a level similar to last year. Value of intangible assets decreased by PLN 3,438, i.e. by 31.9%. Non-current prepayments also decreased by PLN 1,412 thousand, i.e. by 17.0%. Value of property, plant and equipment remained at the previous year's level. Non-current investment grew by PLN 16,612 thousand, i.e. by 4.3%

	31 December 2020	%	31 December 2019	%	Change	Change %
<b>I. Equity</b>	<b>949,438</b>	<b>65.6%</b>	<b>881,540</b>	<b>63.2%</b>	<b>67,898</b>	<b>7.7%</b>
Share capital	8,133	0.6%	8,133	0.6%	0	0.0%
Supplementary capital	763,378	52.7%	717,950	51.5%	45,428	6.3%
Revaluation reserve	97,175	6.7%	97,085	7.0%	90	0.1%
Other reserve capitals	745	0.1%	745	0.1%	0	0.0%
Previous years' profit (loss)	-	-	-	-	0	0.0%
Net profit (loss)	80,008	5.5%	57,627	4.1%	22,381	38.8%
<b>II. Liabilities and provisions for liabilities</b>	<b>498,539</b>	<b>34.4%</b>	<b>513,505</b>	<b>36.8%</b>	<b>-14,966</b>	<b>-2.9%</b>
Provisions for liabilities	179,422	12.4%	160,732	11.5%	18,690	11.6%
Non-current liabilities	96,103	6.6%	120,946	8.7%	-24,843	-20.5%
Current liabilities	165,331	11.4%	160,942	11.5%	4,389	2.7%
Accruals	57,683	4.0%	70,885	5.1%	-13,202	-18.6%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,447,977</b>	<b>100.0%</b>	<b>1,395,045</b>	<b>100.0%</b>	<b>52,932</b>	<b>3.8%</b>

The value of equity increased in 2020 by 7.7% and its share increased from 63.2% to 65.6% in 2020. The increase in equity is related to the transfer of retained profit for 2019 to supplementary capital and the net profit generated in 2020. Share capital, revaluation reserve and other reserve capitals maintained a level similar to the last year.

Liabilities and provisions for liabilities constituted 34.4% of total equity and liabilities versus 36.8% a year earlier. In 2020, the balance of current liabilities amounted to PLN 96,103 thousand and was lower by PLN 24,843 than in 2019. This decrease results mainly from regular repayments of bank credits related to those implemented by Comarch S.A. infrastructure investments. The value of accruals decreased by PLN 13,202 thousand, i.e. by 18.6%. The value of provisions for liabilities increased by PLN 18,690 thousand, i.e. by 11.6% and the value of non-current liabilities increased by PLN 4,389 thousand, i.e. by 2.7% compared to 2019.

	2020	%	2019	%	Change	Change %
<b>I. Net revenues from sales of products, finished goods and materials</b>	<b>999,401</b>	<b>100.0%</b>	<b>951,698</b>	<b>100.0%</b>	<b>47,703</b>	<b>5.0%</b>
II. Cost of products, finished goods and materials sold	763,676	76.4%	761,532	80.0%	2,144	0.3%
<b>III. Gross profit (loss) from sales (I-II)</b>	<b>235,725</b>	<b>23.6%</b>	<b>190,166</b>	<b>20.0%</b>	<b>45,559</b>	<b>24.0%</b>
IV. Costs of sales	72,291	7.2%	74,033	7.8%	-1,742	-2.4%
V. Administrative costs	75,852	7.6%	74,952	7.9%	900	1.2%
<b>VI. Profit (loss) on sales (III-IV-V)</b>	<b>87,582</b>	<b>8.8%</b>	<b>41,181</b>	<b>4.3%</b>	<b>46,401</b>	<b>112.7%</b>
VII. Other operating revenues	7,519	0.8%	14,260	1.5%	-6,741	-47.3%
VIII. Other operating costs	30,576	3.1%	21,922	2.3%	8,654	39.5%

<b>IX. Profit (loss) on operating activities (VI+VII-VIII)</b>	<b>64,525</b>	<b>6.5%</b>	<b>33,519</b>	<b>3.5%</b>	<b>31,006</b>	<b>92.5%</b>
X. Financial revenues	50,068	5.0%	45,416	4.8%	4,652	10.2%
XI. Finance costs	20,715	2.1%	11,538	1.2%	9,177	79.5%
<b>XII. Profit (loss) on business activities (IX+X-XI)</b>	<b>93,878</b>	<b>9.4%</b>	<b>67,397</b>	<b>7.1%</b>	<b>26,481</b>	<b>39.3%</b>
<b>XIII. Gross profit (loss) (XII)</b>	<b>93,878</b>	<b>9.4%</b>	<b>67,397</b>	<b>7.1%</b>	<b>26,481</b>	<b>39.3%</b>
XIV. Income tax	13,870	1.4%	9,770	1.0%	4,100	42.0%
<b>XV. Net profit (loss) (XIII-XIV)</b>	<b>80,008</b>	<b>8.0%</b>	<b>57,627</b>	<b>6.1%</b>	<b>22,381</b>	<b>38.8%</b>

In 2020, Comarch S.A. generated PLN 999,401 thousand of sales revenue, which is an increase of 5% compared to 2019. The Company's operating profit in 2020 amounted to PLN 64,525 thousand and was higher by PLN 31,006 thousand, i.e. by 92.5% compared to those in the previous year. Net profit increased by PLN 22,381 thousand, i.e. by 38.8%. Value of other operating revenues decreased by PLN 6,741 thousand, i.e. by 47.3%) and value of other operating costs grew by PLN 8,654 thousand, i.e. by 39.5%.

<b>Profitability Analysis</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Margin on sales	23.6%	20.0%	25.6%	23.7%	29.3%
EBIT margin	6.5%	3.5%	9.3%	5.4%	10.5%
Gross margin	9.4%	7.1%	5.9%	5.9%	7.5%
Net margin	8.0%	6.1%	5.1%	5.2%	6.1%
Return on assets	5.5%	4.1%	3.7%	3.2%	3.9%
Return on equity	9.2%	7.0%	6.3%	5.2%	6.3%

The margin on sales increased from 20% to 23.6%. EBIT margin in 2020 increased from 3.5% to 6.5%. Other indicators also increased: gross margin from 7.1% to 9.4%, while net margin from 6.1% to 8.0%. Return on assets and return on equity increased and reached respectively 5.5% and 9.2%.

<b>Liquidity analysis</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Current ratio	3.1	2.8	2.9	2.8	3.2
Quick ratio	2.5	2.0	2.2	2.1	2.6
Cash to current liabilities ratio	0.5	0.3	0.3	0.3	0.4

As in previous years, also in 2020 the Company was characterized by very good financial liquidity. In 2020, the ratios increased slightly in relation to 2019. In the opinion of the Management Board, Comarch S.A. has no problems with meeting contracted financial liabilities on time. Temporarily free funds are invested by the Company in safe financial instruments such as bank deposits and shares in financial investment funds.

Turnover analysis	2020	2019	2018	2017	2016
Current asset turnover ratio	1.4	1.4	1.6	1.5	1.6
Receivables turnover ratio (days)	158	150	140	149	156
Inventories turnover ratio (days)	1	2	2	12	1
Liabilities turnover ratio (days)	103	111	131	159	137
Liabilities turnover excluding liabilities due to investment credit ratio (days)	65	64	67	80	70

Turnover ratios confirm the effective use of the Company's funds. In 2020, current asset turnover ratio remained at the similar to the previous year's level, inventories turnover ratio slightly decreased, while both liabilities turnover ratios slightly increased. Receivables turnover ratio slightly increased.

Debt analysis	2020	2019	2018	2017	2016
Debt ratio	34.4%	36.8%	37.5%	36.1%	33.6%
Debt ratio due to non-current credits	6.6%	8.7%	11.4%	12.4%	10.4%
Debt/equity ratio	52.5%	58.3%	60.0%	56.5%	50.6%

Wskaźnik zadłużenia z tytułu kredytów spadł z 8,7% do poziomu 6,6%. Spółka finansuje się środkami własnymi w 65,6% a kapitałem obcym w 34,4%.

Due to the smaller increase in the value of liabilities in relation to equity, the debt ratio and debt/equity ratio slightly decreased compared to the previous year and remain at a safe level in 2020. Debt ratio due to non-current credits dropped from 8.7% to 6.6%. 65.6% of the Company's funds come from internal financing and 34.4% come from outside financing.

### Methods of Calculation of Financial Ratios

#### Debt ratios

$$\text{debt ratio} = \frac{\text{liabilities and provisions for liabilities}}{\text{total equity and liabilities}}$$

$$\text{debt ratio due to non-current credits} = \frac{\text{non-current liabilities}}{\text{total equity and liabilities}}$$

$$\text{debt/equity ratio} = \frac{\text{liabilities and provisions for liabilities}}{\text{equity}}$$

#### Profitability Ratios

$$\text{margin on sales} = \frac{\text{gross profit from sales}}{\text{net revenues from sales of products, finished goods and materials}}$$

$$\text{EBIT margin} = \frac{\text{operating profit}}{\text{net revenues from sales of products, finished goods and materials}}$$



$$\text{gross margin} = \frac{\text{gross profit}}{\text{net revenues from sales of products, finished goods and materials}}$$

$$\text{net margin} = \frac{\text{net profit}}{\text{net revenues from sales of products, finished goods and materials}}$$

$$\text{return on assets} = \frac{\text{net profit}}{\text{total assets}}$$

$$\text{return on equity} = \frac{\text{net profit}}{\text{equity} - \text{net profit}}$$

**Liquidity ratios**

$$\text{current ratio} = \frac{\text{current assets}}{\text{current liabilities} + \text{accruals}}$$

$$\text{quick ratio} = \frac{\text{current investment} + \text{current receivables}}{\text{current liabilities} + \text{accruals}}$$

$$\text{cash to current liabilities ratio} = \frac{\text{current investment}}{\text{current liabilities} + \text{accruals}}$$

**Turnover ratios**

$$\text{current asset turnover ratio} = \frac{\text{Revenue}}{\text{current assets}}$$

$$\text{receivables turnover ratio} = \frac{(\text{Trade and Other Receivables}) * 360}{\text{Revenue}}$$

$$\text{inventories turnover ratio (days)} = - \frac{(\text{inventories} - \text{production in progress}) * 360}{\text{Costs of Sold Products, Goods and Materials}}$$

$$\text{liabilities turnover ratio (days)} = - \frac{(\text{current} + \text{non-current liabilities}) * 360}{\text{Sales and Marketing Costs} + \text{Administrative Expenses} + \text{Costs of Sold Products, Goods and Materials}}$$

$$\text{liabilities turnover excl. liabilities due to invest. credit ratio (days)} = - \frac{\text{current liabilities} * 360}{\text{Sales and Marketing Costs} + \text{Administrative Expenses} + \text{Other Operating Expenses} + \text{Costs of Sold Products, Goods and Materials}}$$



## 10. Credits, Loans, suretyships, Guarantees

### 10.1. Credits and Loans from Non-Related Entities

#### a) Non-Revolving Credits and Loans from Non-Related Entities

As at the 31<sup>st</sup> of December, 2020, Comarch S.A. had liabilities due to non-revolving credits and loans from non-related entities in the amount of PLN 110,325 thousand.

In 2020, all covenants under the loan agreements concluded by Comarch S.A. were met. The Management Board of Comarch S.A. expects no problems in meeting them in the future

Company of Comarch Group / Subject of the funding	Financial Institution	Total amount of credit/loan		Liability due as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	PLN			
<b>Comarch S.A.</b>  office buildings SSE4 in Krakow	BNP Paribas Bank Polska S.A.	44,000	PLN	2,309  (2,919 as at 31 December 2019)	EUR	10,655  (12,432 as at 31 December 2019)	PLN	EURIBOR1M + bank margin  IRS do 29-07-2024	29.07.2024	mortgage, cession of rights in the insurance policy, the promissory note and declaration of submission to enforcement The real estate mortgage, cession of rights in the insurance policy, declaration of submission to enforcement
<b>Comarch S.A.</b>  office buildings SSE5 in Krakow - refinancing	Powszechna Kasa Oszczędności Bank Polski S.A.	4,126	EUR	387  (902 as at 31 December 2019)	EUR	1,784  (3,840 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	29.09.2021	The real estate mortgage, cession of rights in the insurance policy, declaration of submission to enforcement
<b>Comarch S.A.</b>  Non-revolving operating credit	Santander Bank Polska S.A. (previously Bank Zachodni WBK S.A.)	7,400	EUR	0  (953 as at 31 December 2019)	EUR	0  (4,057 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	31.12.2020	The real estate mortgage, cession of rights in the insurance policy, the promissory note and declaration of submission to enforcement
<b>Comarch S.A.</b>  office buildings SSE6 in Krakow	Bank Polska Kasa Opieki S.A.	13,323	EUR	4,848  (6,507 as at 31 December 2019)	EUR	22,372  (27,711 as at 31 December 2019)	PLN	EURIBOR1M + bank margin  IRS until 30-11-2023	30.11.2023	mortgage on the SSE6 building, assignment of rights from the building's insurance policy, assignment of rights from the guarantee of due performance and guarantee of the warranty, declaration on submission to enforcement
<b>Comarch S.A.</b>  office buildings SSE7 in Krakow	Bank Handlowy w Warszawie S.A.	13,333	EUR	11,340  (12,920 as at 31 December 2019)	EUR	52,330  (55,018 as at 31 December 2019)	PLN	EURIBOR1M + bank margin  IRS until 29-02-2028	29.02.2028	mortgage on the SSE7 building, assignment of rights from the building insurance policy, declaration on submission to enforcement

<b>Comarch S.A.</b>	Non-current assets - equipment of Internet of Things laboratory in Krakow	DNB Bank Polska S.A.	2,531	EUR	1,050 (1,400 as at 31 December 2019)	EUR	4,848 (5,961 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	30.12.2023	registered pledge on fixed assets being the subject of financing, assignment of rights under the insurance policy for financed fixed assets, declaration on submission to enforcement
<b>Comarch S.A.</b>	Comarch infrastructure modernization program	CaixaBank S.A. Oddział w Polsce	3,500	EUR	2,567 (3,499 as at 31 December 2019)	EUR	11,843 (14,899 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	23.08.2023	Declaration of submission to enforcement
<b>Comarch S.A.</b>	Comarch infrastructure modernization program	CaixaBank S.A. Oddział w Polsce	2,300	EUR	437 (0 as at 31 December 2019)	EUR	2,018 (0 as at 31 December 2019)	PLN	EURIBOR1M + bank margin	29.06.2025	Declaration of submission to enforcement
<b>Comarch S.A.</b>	Non-current asset	PKO Leasing S.A.	5,000	EUR	0 (0 as at 31 December 2019)		0 (0 as at 31 December 2019)	PLN	EURIBOR1M + margin	29.02.2028	a blank promissory note, registered pledge on the Subject of Financing, transfer of ownership to secure the Subject of Financing
<b>Comarch S.A.</b>	Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	12,980	PLN			2,142 (4,850 as at 31 December 2019)	PLN	fixed	01.03.2022	-
<b>Comarch S.A.</b>	Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	3,139	PLN			1,193 (1,944 as at 31 December 2019)	PLN	fixed	01.05.2022	-
<b>Comarch S.A.</b>	Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	1,814	PLN			0 (605 as at 31 December 2019)	PLN	fixed	01.05.2020	-
<b>Comarch S.A.</b>	Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska Sp. z o.o.	1,825	PLN			1,140 (0 as at 31 December 2019)	PLN	fixed	01.03.2022	-

**b) Revolving Credits from Non-Related Entities**

As at the 31<sup>st</sup> of December, 2020, Comarch S.A. was granted limits on revolving overdraft facilities in the amount of PLN 80,000 thousand PLN, the limits were not used.

In 2020, all covenants under the loan agreements concluded by Comarch S.A. were met. The Management Board of Comarch S.A. expects no problems in meeting them in the future.

Company of Comarch Group / Subject of the funding	Financial Institution	Total amount of credit/loan		Liability due as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	PLN			
Comarch S.A. Financing operating activities	BNP Paribas Bank Polska S.A	20,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	17.12.2021	Blank promissory note
Comarch S.A. Financing operating activities	Bank Polska Kasa Opieki S.A.	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	30.06.2021	declaration of submission to enforcement
Comarch S.A. Financing operating activities	CaixaBank S.A. Oddział w Polsce	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	23.08.2021	declaration of submission to enforcement

**10.2. Loans from Related Parties**

Według stanu na dzień 31 grudnia 2020 r. Spółka Comarch S.A. posiadała zobowiązania z tytułu niespłaconego kapitału pożyczek od podmiotów powiązanych w wysokości 10 338 tys. PLN.

As at 31<sup>st</sup> of December, 2020, Comarch S.A. held liabilities due to unpaid capital of loans from related parties in the amount of PLN 10,338 thousand.

Company	Due date	The loan amount remaining to be repaid	Currency	Interest conditions	Value in PLN
Comarch Sistemas LTDA	31.08.2022	1,200	EUR	EURIBOR3M + margin	5,538
Comarch Infrastruktura S.A.	20.12.2022	1,300	PLN	WIBOR3M + margin	1,300
Comarch s.r.o.	20.12.2022	500	PLN	WIBOR3M + margin	500
iComarch24 S.A.	18.07.2023	1,500	PLN	WIBOR3M + margin	1,500
Comarch Cloud S.A.	31.12.2023	1,500	PLN	WIBOR3M + margin	1,500
<b>Total</b>					<b>10,338</b>

### 10.3. Loans Granted

#### a) Loans Granted by Comarch S.A. to Related Parties

Według stanu na dzień 31 grudnia 2020 r. następujące spółki Grupy Comarch były zadłużone wobec Comarch S.A. z tytułu udzielonych pożyczek:

As at 31<sup>st</sup> of December, 2020, the following companies of the Capital Group were indebted towards Comarch S.A. for loans granted:

Company	Due date	The loan amount remaining to be repaid	Currency	Interest conditions	Value (PLN)
Bonus Development sp. z o.o. SK-A	31.01.2029	2,680	PLN	WIBOR3M + margin	2,680
Comarch Healthcare S.A.	26.11.2023	5,000	PLN	WIBOR3M + margin	5,000
Comarch Healthcare S.A.	30.07.2024	1,500	PLN	WIBOR3M + margin	1,500
Comarch Healthcare S.A.	03.05.2025	2,000	PLN	WIBOR3M + margin	2,000
Comarch Healthcare S.A.	25.05.2025	4,200	PLN	WIBOR3M + margin	4,200
Comarch Healthcare S.A.	12.07.2025	5,000	PLN	WIBOR3M + margin	5,000
Comarch Healthcare S.A.	09.08.2025	4,000	PLN	WIBOR3M + margin	4,000
Comarch Software Spain S.L.U.	03.12.2024	2,000	EUR	EURIBOR3M + margin	9,230
MKS Cracovia SSA	14.09.2025	1,000	PLN	WIBOR3M + margin	1,000
MKS Cracovia SSA	06.10.2025	3,000	PLN	WIBOR3M + margin	3,000
<b>Total</b>					<b>37,610</b>

#### b) Loans Granted to Employees of Comarch S.A.

Na dzień 31 grudnia 2020 r. nie istnieją żadne niespłacone pożyczki jak również udzielone przez spółki Comarch S.A. gwarancje i poręczenia na rzecz pracowników. Wg stanu na dzień publikacji raportu za 2020 rok nie istnieją żadne niespłacone pożyczki jak również udzielone przez Comarch S.A. gwarancje i poręczenia na rzecz pracowników.

As at 31<sup>st</sup> of December, 2020, there are no unpaid loans, as well as guarantees and sureties granted by Comarch S.A. to the employees. As at the date of publication of the report for 2020, there are no unpaid loans, as well as guarantees and sureties granted by Comarch S.A. to the employees.

#### c) Loans Granted to Members of the Management Board and Members of the Supervisory Board

As at 31<sup>st</sup> of December, 2020, there are no unpaid loans, as well as guarantees and sureties granted by Comarch S.A. to members of the Management Board, members of the Supervisory Board and their relatives.

## 10.4. Suretyships

- Due to conclusion of a contract for implementation, hosting and maintenance of loyalty system, signed by Comarch Inc., a subsidiary of Comarch S.A., on the 28<sup>th</sup> of April, 2011, Comarch S.A. granted a surety for obligations of Comarch Inc. The value of the surety amounts to USD 3,000 thousand and it is valid for the whole term of the contract.
- Due to conclusion of a contract for sales of licences and implementation of Comarch Network & Service Inventory, Comarch Next Generation Service Assurance and Comarch OSS Mediations, as well as sales of licences for Comarch SLA Management, signed by Comarch AG, a subsidiary of Comarch S.A., on the 11<sup>th</sup> of August, 2011, Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of obligations resulting from the contract, i.e. EUR 5,495 thousand.
- Due to Bank Pekao S.A. granting an investment loan in the amount of PLN 15,889 thousand to Comarch Healthcare S.A., a Comarch S.A. subsidiary, on the 1<sup>st</sup> of September, 2011, Comarch S.A. granted a surety in order to guarantee the fulfilment of any obligations resulting from the contract. The value of the surety equals PLN 23,833 thousand and is valid until the 31<sup>st</sup> of December, 2021.
- Due to conclusion of a contract for implementation and maintenance of BSS system by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch UK. The surety was granted up to the amount of liabilities of Comarch UK resulting from the aforementioned agreement, i.e. to the amount of GBP 808 thousand and in addition, GBP 86 thousand annually for SLA, and it is valid for the whole term of the agreement.
- Due to conclusion of a contract for implementation of Next Generation Performance Management Solution, signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of a maximum of EUR 3,823 thousand and is valid for the whole term of the contract.
- Due to conclusion of a contract for implementation of Planning and Inventory Application (PIA), signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. signed a letter of comfort upon which it ensures proper contract performance by Comarch AG. The letter of comfort is valid for 24 months from contract completion. Contract's value amounts to EUR 3,505 thousand.
- Due to conclusion of an investment credit agreement between Comarch AG, a subsidiary of Comarch S.A., with BGŻ BNP Paribas Bank Polska S.A., resulting in granting the financing in the amount of EUR 6,000 thousand, on the 15<sup>th</sup> of May, 2013 Comarch S.A. granted a surety for obligations of Comarch AG resulting from the agreement. The surety was granted up to the amount of EUR 9,000 thousand and is valid till the 15<sup>th</sup> of May, 2020.
- Due to conclusion of a contract for implementation of Comarch Loyalty Management, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer for obligations of Comarch UK. The surety was granted up to the maximum amount of GBP 2,351 thousand and is valid for the whole term of the contract.
- Due to conclusion of a contract for implementation and licence of Comarch Loyalty Management, as well as services related to data centre and Support & Maintenance, signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch SAS resulting from this project. The surety was granted up to the maximum amount of the signed agreements, i.e. EUR 2,807 thousand and is valid till the end of this project.
- Due to conclusion of an agreement signed by branch of Comarch AG in Belgium with a customer, Comarch S.A. granted a surety for liabilities of Comarch AG resulting from this project. The surety was granted up to the amount of the agreement, i.e. EUR 236 thousand and is valid till the termination of the project.

- Due to conclusion of a contract for purchase of licences, maintenance and support, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for future obligations of Comarch UK resulting from this project. The surety was granted up to the amount of GBP 11,244 thousand and is valid for 12 years after the contract completion.
- Due to conclusion of a contract for fuel cards service signed by Comarch Healthcare S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by Comarch Healthcare S.A. After the entry into force of the amendment to the agreement, the total amount of granted surety is PLN 100 thousand and is valid till the 31<sup>st</sup> of May, 2021.
- Due to conclusion of a contract for implementation of Comarch ECM, maintenance and SaaS, signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the liabilities of Comarch SAS, resulting from the project. The surety was granted up to the amount of EUR 838 thousand and is valid till the termination of the contract.
- Due to conclusion of a contract for fuel cards service signed by CA Consulting S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by CA Consulting S.A. The surety has been renewed, the total amount of granted surety is PLN 50 thousand and is valid till the 31<sup>st</sup> of May, 2021.
- Due to conclusion of a framework agreement signed by branch of Comarch AG in Belgium with a customer, Comarch S.A. granted a surety for liabilities of Comarch AG. The surety was granted up to the amount of the agreement, i.e. EUR 3,241 thousand and is valid till the termination of the project.
- Due to conclusion of a contract for implementation of Comarch Customer Engagement Platform by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., Comarch S.A. granted a surety („Parent Guarantee”) for the liabilities of Comarch Middle East FZ-LLC resulting from this project. The contract was concluded for five years. The surety is valid until fulfilment by Comarch Middle East FZ-LLC of all obligations under the contract and has been granted up to a maximum liability of the contract, i.e. USD 10,000 thousand.
- Due to conclusion of a contract for investment credit by Bonus Development Sp. z o.o. SK-A, a subsidiary of Comarch S.A., with Bank Pekao S.A. under which the bank grants Bonus Development Sp. o.o. SK-A funding in the amount of PLN 38,800 thousand (EUR 9,262 thousand on the date of signing the agreement) and due to the conclusion of the agreement on treasury transactions related to securing exchange rate risk and interest rate of above mentioned credit, Comarch S.A. granted a sureties for the liabilities of Bonus Development Sp. z o.o. SK-A resulting from these contracts. Sureties are valid until repayment of all obligations under the credit agreement, the maturity date is on the 28<sup>th</sup> of June, 2030.
- Due to conclusion of a contract by Comarch Chile SpA, a subsidiary of Comarch S.A., for IT Out-Tasking Services, Comarch S.A. granted a surety for liabilities of Comarch Chile SpA resulting from this contract. The surety was granted up to the amount of EUR 200 thousand and is valid till the termination of the project, i.e. the 30<sup>th</sup> of October, 2020.
- Due to conclusion of a contract by Comarch Polska S.A., a subsidiary of Comarch S.A., for service of fuel cards, Comarch S.A. granted a surety for the benefit of an operator of fuel cards for liabilities of Comarch Polska S.A. resulting from this contract. The surety has been renewed and was granted up to the amount of PLN 10 thousand and is valid till the 14<sup>th</sup> of September, 2021.
- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Loyalty Management Solutions, Comarch S.A. granted a surety for liabilities of Comarch AB. The surety is valid until fulfilment of all obligations under the contract by Comarch AB and was granted up to the amount of SEK 39,747 thousand.
- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Master Services Agreement, Comarch S.A. granted a surety for Comarch AB. The

surety was granted up to the amount of PLN 3,827 thousand and is valid till the termination of the contract.

- Due to conclusion of a contract by Comarch UK, a subsidiary of Comarch S.A., for implementation and service of Comarch Loyalty Management, Comarch Campaign Management, Comarch Social Mining and Comarch Smart Analytics, Comarch S.A. granted a surety for Comarch UK. The surety was granted up to the amount of GBP 3,318 thousand and is valid till the termination of the contract.
- Due to conclusion of a contract by Comarch Healthcare S.A., a subsidiary of Comarch S.A., the contract for service of payment cards, a surety for Comarch Healthcare S.A. was granted to the amount of PLN 450 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch UK, a subsidiary of Comarch S.A., the contract for service of payment cards, a surety for Comarch UK was granted to the amount of PLN 330 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Software und Beratung AG, a subsidiary of Comarch S.A., the contract for implementation and service of Telco BSS and Telco OSS, a surety for Comarch Software und Beratung AG was granted to the amount of EUR 11,524 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract for implementation of Comarch Retail, Comarch Mobile Sale and Comarch POS, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 1,444 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Colombia S.A.S., a subsidiary of Comarch S.A., the contract for implementation of Comarch Loyalty Management service, a surety for liabilities of Comarch Colombia S.A.S. was granted to the amount of USD 10,710 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Luxembourg S.a.R.L., a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for the implementation of the Billing System project, a surety for liabilities of Comarch Luxembourg S.a.R.L. was granted to the amount of EUR 7,240 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Polska S.A., a subsidiary of Comarch S.A., the contract for the purchase of IT equipment in order to perform a contract with one of the clients, a surety for liabilities of Comarch Polska S.A. was granted to the amount of PLN 3,660 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch AG, a subsidiary of Comarch S.A., the contract for the implementation, servicing and delivery of necessary licenses for the implementation of the e-invoicing service, a surety for liabilities of Comarch AG was granted to the amount of EUR 2,095 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch UK Ltd, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for the Comarch NRM service, a surety for liabilities of Comarch UK Ltd was granted to the amount of GBP 9,966 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Yuhan Hoesa, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for the NW Next Generation service, a surety for liabilities of Comarch Yuhan Hoesa was granted to the amount of EUR 18,467 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for ERP, POS and MoS services, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 1,254 thousand and is valid for the duration of the contract.



- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation, servicing and delivery of necessary licenses for the e-Care service, a surety for liabilities of Comarch AB was granted to the amount of EUR 1,151 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by COMARCH Middle East FZ-LLC, a subsidiary of Comarch S.A., the contract for the implementation, servicing and delivery of necessary licenses CLM, a surety for liabilities of COMARCH Middle East FZ-LLC was granted to the amount of USD 3,155 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch AG, a subsidiary of Comarch S.A., the contract for the implementation, servicing and providing e-invoicing service, a surety for liabilities of Comarch AG was granted to the amount of EUR 784 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Japan KK, a subsidiary of Comarch S.A., the contract for the rent of office space, a surety for liabilities of Comarch Japan KK was granted to the amount of JPY 9,604 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract for delivery of BSSv7 platform, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 11,175 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Swiss AG, a subsidiary of Comarch S.A., the contract for implementation of Convergent Billing together with license, a surety for liabilities of Comarch Swiss AG was granted to the amount of CHF 12,144 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch UK Ltd, a subsidiary of Comarch S.A., the contract for implementation of NRM & SI services with a license, a surety for liabilities of Comarch UK Ltd was granted to the amount of GBP 10,659 thousand by Comarch S.A. and is valid for the duration of the contract.

The above list of suretyships includes items that the Company does not treat as contingent liabilities.

## 10.5. Bank Guarantees

On the 31<sup>st</sup> of December, 2020, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was PLN 91,066 thousand, whereas it was PLN 90,725 thousand on the 31<sup>st</sup> of December, 2019.

Comarch S.A. declared a possibility to grant a financial support ("letters of comfort") for its subsidiaries: Comarch R&D S.à r.l. (valid for an indefinite period), Comarch Argentina S.A. (valid for an indefinite period), Comarch Malaysia SDN. BHD. (valid for an indefinite period) Comarch Healthcare S.A. (valid for an indefinite period and till the 30<sup>th</sup> of June, 2021), Comarch Middle East FZ-LLC (valid for an indefinite period), Comarch Japan KK (valid for an indefinite period) and Comarch SAS (valid for an indefinite period).

## 11. The Most Important Events in 2020 and After the Balance-Sheet

### 11.1. Contracts Significant for Issuers' Activities

The most important contracts signed by Comarch S.A. in 2020 include:

#### 11.1.1. 2CSI Shares Purchase Agreement

The Management Board of Comarch S.A. informed in current report no. [RB-6-2020](#) (ENG: [RB-6-2020](#)) dated on the 23<sup>rd</sup> of April, 2020, about the signing on the 23<sup>rd</sup> of April, 2020 the purchase agreement by Comarch S.A. of 100% shares in the company CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. with its registered office in Cergy, France (hereinafter referred to as the "2CSI"), providing IT



solutions and services for medical entities on the French market. As part of the transaction, Comarch S.A. acquired 500,000 2CSI shares from the company's existing shareholders with a nominal value of EUR 1 each. 2CSI shares were acquired at a unit price of EUR 4.20 (four euros and twenty cents), i.e. PLN 19.09 per share, and the total value of the transaction is EUR 2,100,000 (two million, one hundred thousand euros), i.e. PLN 9,543,240 (as of the date of current report).

#### **11.1.2. Settlement with One of the Clients**

In April 2020, a settlement was concluded with one of the clients, ending many years of court proceedings.

After the settlement, the Comarch Group released the provision in the amount of PLN 5,294 thousand, which was included in the financial statements for the first quarter of 2020, and the value of potential, total third-party claims in which the Comarch Group was the defendant in court proceedings decreased by PLN 26,387 thousand.

#### **11.1.3. Non-Revolving Credit Agreement with CaixaBank S.A. Branch in Poland**

The Management Board of Comarch S.A. informed in current report no. [RB-12-2020](#) (ENG: [RB-12-2020](#)) dated on the 30<sup>th</sup> of June, 2020, about the signing on the 30<sup>th</sup> of June, 2020 the non-revolving credit agreement with CaixaBank, S.A. branch in Poland with its registered office in Warsaw (hereinafter: "the Bank") to finance general corporate expenditures. The credit amounts to EUR 2,300,000.00, i.e. PLN 10,271,800.00 according to the euro exchange rate as of the date of signing the agreement. The crediting period lasts until the 30<sup>th</sup> of June, 2025, the interest rate on the credit is based on the variable rate. The credit should be used until the 30<sup>th</sup> of June, 2021.

The credit collaterals:

- a) power of attorney granted to the Bank by Comarch S.A. to dispose of funds on settlement accounts operated by the Bank;
- b) statement by Comarch S.A. on submission to enforcement up to 150% of the credit amount.

#### **11.1.4. Signing the Agreement on "Delivery of Software and Maintenance Services of IT Systems" for VFNZ**

On the 17<sup>th</sup> of August, 2020, Comarch S.A. signed the framework agreement with Vodafone New Zealand Limited. The subject of the Agreement is delivery of software and maintenance services of IT systems, on the terms specified in the Agreement. Total expected amount of the remuneration due to Comarch S.A. shall not be lower than to NZD 122,013,649.00 (that is PLN 295,382,842.86) for the 10 years run period after the delivery. Expected delivery date is the second quarter of 2022. The company announced about details in the current report no. [RB-13-2020](#) (ENG: [RB-13-2020](#)) dated on the 17<sup>th</sup> of August, 2020.

#### **11.1.5. Loan Agreement with PKO Leasing Spółka Akcyjna**

The Management Board of Comarch S.A. informed in current report no. [RB-15-2020](#) (ENG: [RB-15-2020](#)) dated on the 25<sup>th</sup> of September, 2020, about the signing on the 25<sup>th</sup> of September, 2020, a loan agreement with PKO Leasing Spółka Akcyjna with its registered office in Łódź for the purpose of financing the purchase of a property, plant and equipment in use (hereinafter the "Subject of Financing"). The loan amounts to EUR 5,000,000, i.e. PLN 22,738,500 according to the euro exchange rate as of the date of signing the agreement. The financing period is 7 years, the interest on the loan is based on a variable rate, and the loan should be used until the 28<sup>th</sup> of February, 2021.

The loan securities:

- a) a blank promissory note
- b) registered pledge on the Subject of Financing

- c) conditional (i.e. until the establishment of a registered pledge) transfer of ownership to secure the Subject of Financing
- d) insurance policy assignment for the Subject of Financing.

Management Board of Comarch S.A. considered this information as inside information due to its significant impact on the value of Comarch S.A.'s financial liabilities

#### **11.1.6. Annex to the Contract for the Support, Operation and Maintenance of the Comprehensive IT System KSI ZUS and Statement from ZUS on Partial Withdrawal from the Agreement**

The Management Board of Comarch S.A. informed on the 23<sup>rd</sup> of December, 2020, about the signing an annex to the contract for the support, operation and maintenance of the KSI ZUS Comprehensive IT System (hereinafter referred to as the "Agreement") with Zakład Ubezpieczeń Społecznych in Warsaw (the Polish Social Insurance Institution in Warsaw; hereinafter referred to as the "ZUS"). The subject of this amendment is to grant the Consortium a supplementary contract, to update the Agreement, and to establish a uniform text specified in the amendment to the appendixes to the Agreement. The supplementary order includes: entrusting the operation and maintenance support services of KSI ZUS currently covered by the contract with Asseco Poland from the 1<sup>st</sup> of May, 2021 for a period of not less than 3 months and not longer than until the 1<sup>st</sup> of October, 2022, entrusting operation support services and maintenance of KSI ZUS from the 1<sup>st</sup> of January, 2022 to the 1<sup>st</sup> of October, 2022. The value of the supplementary order is not more than PLN 71,733,359.23 net (in words: seventy one million seven hundred thirty three thousand three hundred fifty nine and 23/100) , which together with the tax due on goods and services - at the rate of 23% - in the amount of PLN 16,498,672.62 (in words: sixteen million four hundred ninety eight thousand six hundred seventy two and 62/100) is PLN 88,232,031.85 gross (in words: eighty eight million two hundred thirty two thousand thirty one and 85/100).

The Management Board of Comarch S.A. informed on the 20<sup>th</sup> of February, 2021, about the receipt on 19<sup>th</sup> of February, 2021 of a statement from ZUS on partial withdrawal from the Agreement, submitted on the basis of the right under the Agreement, in terms of part of the supplementary order referred to in § 2 sec. 1 point 1 of the Annex of 23<sup>rd</sup> of December, 2020, pursuant to which the Consortium was entrusted with the provision of services supporting the operation and maintenance of KSI ZUS currently covered by the Agreement with Asseco Poland S.A. According to the statement of ZUS, the decision to exercise the right of partial withdrawal from the Agreement was influenced by the judgment of the National Appeals Chamber of 19<sup>th</sup> of February, 2021 (ref. KIO 18/21). Maximum value of services covered by part of the supplementary order to the extent indicated in § 2 section 1 point 1 of the Annex of 23<sup>rd</sup> of December 2020, to which the ZUS declaration relates, amounts to PLN 37,550,399.67 net (PLN 46,186,991.59 gross). The remaining scope of services covered by the Agreement remains unchanged.

The company announced details in current reports no. [RB-17-2020](#) (ENG: [RB-17-2020](#)) dated the 23<sup>rd</sup> of December, 2020 and no. [RB-3-2020](#) (ENG: [RB-3-2021](#)) dated the 20<sup>th</sup> of February, 2021.

#### **AFTER THE BALANCE SHEET DATE**

#### **11.1.7. Selection of the Most Advantageous Offer in the Public Procurement for Providing the Support, Operation and Maintenance of the KSI ZUS**

The Management Board of Comarch S.A. informed in current report no. [RB-2-2021](#) (ENG: [RB-2-2021](#)) dated the 5<sup>th</sup> of February, 2021, about the receipt of the notification dated the 4<sup>th</sup> of February, 2021 about the selection of the most advantageous offer in the public procurement for providing the support, operation and maintenance of the Comprehensive IT System for the Social Insurance Institution (KSI ZUS), tender procedure no. TZ/271/65/19, organized by the Social Insurance Institution in Warsaw (hereinafter referred to as the "ZUS"), which indicate that the offer submitted by the Consortium of

Comarch Polska S.A. and Comarch S.A. (hereinafter referred to as the "Consortium") was selected. The total value of the offer submitted by the Consortium under this tender is PLN 203,886,156.11 gross. The term of the contract is a maximum of 77 months from the date of the contract conclusion. The Management Board of Comarch S.A. will inform about the contract conclusion with the separate current report. Comarch S.A.'s Management Board recognized this information as an inside information due to its potential influence for the financial and economic situation of the Company.

## **11.2. Other**

### **11.2.1. Resignation of the Managing Person**

The Management informed in the current report no. [RB-4-2020](#) (ENG: [RB-4-2020](#)) dated on the 29<sup>th</sup> of January, 2020, that Mr. Marcin Dąbrowski, head of the telecommunication sector resigned from the position of the Vice-President of the Management Board of Comarch S.A. with effect from 29<sup>th</sup> of January, 2020.

### **11.2.2. Opinion of the Supervisory Board Regarding the Distribution of Net Profit for 2019**

On the 26<sup>th</sup> of May, 2020, the Management Board of Comarch S.A. informed in the current report no. [RB-7-2020](#) (ENG: [RB-7-2020](#)), that on the 26<sup>th</sup> of May, 2020, the Supervisory Board of Comarch S.A., by virtue of Resolution No. 09/05/2020 of 26<sup>th</sup> of May, 2020, positively expressed the opinion of the Management Board of Comarch S.A. dated on 25<sup>th</sup> of May, 2020, so that the Company's net profit for 2019 in the amount of PLN 57,627,263.86 was divided in such a way that:

- 1) part of the net profit of PLN 12,200,023.50 will be used to pay dividend in the amount of PLN 1.50 per share;
- 2) the remaining part of the net profit in the amount of PLN 45,427,240.36 will be transferred to supplementary capital.

#### **AFTER THE BALANCE SHEET DATE**

None present.

## **12. Major Domestic and Foreign Investment (Securities, Financial Instruments, Intangible Assets and Real Estate), including Capital Investment Made outside the Group of Related Parties, as well as a Description of their Financing, as well as an Appraisal of Ability for Executing Investment Plans, Including Capital Investment Compared to the Amount of Resources Owned**

Comarch S.A. does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, the Group will consistently aim at increase in international sales, especially in Western Europe. The sales will be executed directly to the final client (through Comarch S.A. or another Company from the Comarch Group) or through partner companies.

Within the following years, the Company will continue investment projects which will enable further expansion of the Company to new commercial areas and new markets. They will be financed with the means accorded by the companies at the Comarch Group, but also with bank credits.

### **12.1. Capital Investments**

All capital investments are described in point [17.2.](#) and [17.3.](#)

### **12.2. Real Estates**

In 2020, no land property purchases were made.

## **13. Resolutions of the AGM and the Board of Supervisors**

### **13.1. Corporate Governance Principles**

According to the detailed rule no. II.Z.10. included in Part II of the Code of Best Practice for WSE Listed Companies 2016 "The Management Board of Comarch S.A. published in current report no. [EBI-1-2021](#) (ENG: [EBI-1-2021](#)) dated on 11<sup>th</sup> of May 2021 a report on the activities of the Supervisory Board of Comarch S.A. for the period from 1<sup>st</sup> of January, 2020 to 31<sup>st</sup> of December, 2020, evaluation of the Company's situation including the internal control system, significant risk management system for the Company, compliance and internal audit function, assessment of compliance with information obligations regarding the application of corporate governance and assessment of the rationality conducted by a policy company in the area of sponsorship and charity.

According to the detailed rule No. II.Z.11. included in Part II of "the Code of Best Practice for WSE Listed Companies 2016" the Management Board of Comarch S.A. informed in the current report no. [EBI-2-2021](#) (ENG: [EBI-2-2021](#)) on the 18<sup>th</sup> of May, 2021 that by virtue of Resolution No. 10/05/2021 of 18<sup>th</sup> of May, 2021, the Supervisory Board of Comarch S.A. gave positive opinion on the draft resolutions of the Ordinary General Meeting of Shareholders of the Company, which will be held on the 24<sup>th</sup> of June, 2021.

### **13.2. Annual General Meeting – 24<sup>th</sup> of June 2020**

#### **a) Convention of the AGM, Agenda of the Meeting and Information on Participation in the Company's General Meeting**

On the 26<sup>th</sup> of May, 2020, pursuant to article 395, 399 § 1, article 402 with index 1 and 402 with index 2 of the Code of Commercial Companies and Partnerships, and pursuant to article 14 of the Company's Statute, the Management Board of Comarch S.A. convened the Annual General Shareholders' Meeting of Comarch S.A., to be held at 10:00 o'clock on the 24<sup>th</sup> of June, 2020, at ul. Prof. Michała Życzkowskiego 33 in Krakow, Poland. Agenda of the meeting and projects of resolutions to be presented on AGM, and their grounds, were also published on that day. Pursuant to art. 402 with index 2 of the Code of Commercial Companies and Partnerships, the Company's Management Board has presented information on participation in the Company's General Meeting, including:

- Shareholder's right to demand the inclusion of specific issues in the agenda of the nearest General Meeting,

- A shareholder's right to introduce projects of resolutions,
- Method of exercising the right to vote by proxy,
- The possibility and the method of participating in the General Meeting using means of electronic communication,
- The method of giving one's opinion during the General Meeting using means of electronic communication,
- The method of exercising a voting right in by correspondence or by using means of electronic communication,
- Date of registration for participation in the General Meeting: 8<sup>th</sup> of June, 2020,
- Information about the right to participate in the General Meeting,
- List of shareholders,
- Access to documentation,
- The Company's website and e-mail address,
- Other information,
- Information clause regarding the processing of personal data in connection with the organization and participation in the General Meeting.

The Company announced details in current report no. [RB-8-2020](#), ENG: [RB-8-2020](#), dated the 26<sup>th</sup> of May, 2020.

#### **b) Content of the Resolutions Passed at the AGM**

The AGM passed the resolutions related to:

- election of Chairman of the General Meeting;
- removing from the agenda of the meeting the point regarding the election of the Returns Committee;
- passing the agenda of the meeting;
- approving the Company financial statement for the fiscal year 1.01.2019 - 31.12.2019;
- approving the report of the Management Board regarding the activities of the Company in 2019;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2019 - 31.12.2019;
- approving the report of the Management Board of Comarch S.A. regarding the activities of the Capital Group in 2019;
- approving the reports of the Company's Board of Supervisors on the activities of the Board of Supervisors and the assessment of the Company's and Comarch Capital Group's situation, from the audit of the Comarch S.A.'s financial statement and report of Management Board regarding the activities of the Company in 2019 and from the audit of the consolidated financial statements and report of Management Board regarding the activities of capital group in 2019;
- distribution of the Company's net profit for the fiscal year 1.01.2019 - 31.12.2019;
- acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2019 - 31.12.2019;
- adopting the remuneration policy for Comarch S.A.'s Management Board and Supervisory Board;
- adopting rules for the Supervisory Board;
- amendment to the Company's Articles of Association.

The full content of the resolutions were published on in the current report no. [RB-9-2020](#) (ENG: [RB-9-2020](#)) dated the 24<sup>th</sup> of June, 2020.

#### **c) Resolution of the AGM Regarding Dividend for 2019**

The General Shareholder's Meeting passed the resolution no. 9, related to distribution of the net profit earned in the fiscal year 1 January 2019 - 31 December 2019. The General Shareholder's Meeting decided that net profit in the amount of PLN 57,627,263.86 will be divided as follows:

1. PLN 12,200,023.50 was paid as dividend. Persons who were the company's shareholders at the 5<sup>th</sup> of July, 2019 (dividend day), got the dividend in the amount of PLN 1.50 per one share. The dividend was allocated to 8,133,349 shares. Dividend was paid on 16<sup>th</sup> of July, 2020;
2. The remaining part of the net profit in the amount of PLN 45,427,240.36 was passed to supplementary capital.

Dividend was paid at the 16<sup>th</sup> of July, 2020. The Company announced details in current report no. [RB-10-2020](#) (ENG: [RB-10-2020](#)) dated the 24<sup>th</sup> of June, 2020.

#### **d) The List of Shareholders Participating the Annual General Shareholders Meeting**

Accordingly, to the list of shareholders participating the Annual General Meeting of Comarch S.A. on the 24<sup>th</sup> of June, 2020, Elżbieta Filipiak, Janusz Filipiak and Nationale-Nederlanden Otwarty Fundusz Emerytalny represented by Nationale-Nederlanden Powszechne Towarzystwo Emerytalne Spółka Akcyjna held at least 5% of the total number of votes represented at this Meeting:

- Janusz Filipiak – 893,000 shares, of which 4,465,000 votes were cast at the AGM and constituted 44.30% of votes at the AGM; share in the total number of votes of the Company: 29.52%;
- Elżbieta Filipiak – 846,000 shares, of which 4,230,000 votes were cast at the AGM and which constituted 41.97% of votes at the AGM; share in the total number of votes of the Company: 27.96%;
- Nationale-Nederlanden Otwarty Fundusz Emerytalny represented by Nationale-Nederlanden Powszechne Towarzystwo Emerytalne Spółka Akcyjna – 843,000 shares of Comarch SA, of which 843,000 were votes at the General Meeting of Shareholders of the Company and accounted for 8.36% of votes at the General Meeting of Shareholders; share in the total number of votes of the Company: 5.57%.

Total number of votes resulting from all issued shares of Comarch S.A. is 15,126,949 votes. At the AGM on the 24<sup>th</sup> of June, 2020, shareholders representing 10,079,631 votes participated, which is 66.63% of the total number of votes of the Company. The Company announced details in current report no. [RB-11-2020](#) (ENG: [RB-11-2020](#)) dated the 24<sup>th</sup> of June, 2020.

## **14. Operations on Comarch S.A. Shares**

### **14.1. Purchase/Disposal Transactions on Comarch S.A. Shares**

On the 27<sup>th</sup> of January, 2020, the Management Board of Comarch S.A. received from the person discharging managerial responsibilities notification of the transaction referred to in art. 19 par. 1 of Regulation No. 596/2014 of the European Parliament and of the Council of the 16<sup>th</sup> of April, 2014 on market abuse. The notification concerned the disposal of 335,926 ordinary bearer shares on the regulated market on the basis of the weighted average price of PLN 198.00 per 1 share, which value amounted to PLN 66,513,348, on the 24<sup>th</sup> of January, 2020. The company announced details in current report no. [RB-2-2020](#) (ENG: [RB-2-2020](#)) dated on the 27<sup>th</sup> of January, 2020.

In addition, the Management Board of Comarch S.A. received a notification from Mrs. Elżbieta Filipiak pursuant to art. 69 clause 2 point 1) letter a) The Act on public offering and conditions for introducing financial instruments to organized trading, and on public companies on changing the share in the total number of votes in Comarch S.A. The current number of votes held by Mrs. Elżbieta Filipiak amounts to 4,230,000, i.e. 27.96% of total number of votes at the AGM. The company announced details in current report no. [RB-3-2020](#) (ENG: [RB-3-2020](#)) dated on the 27<sup>th</sup> of January, 2020.

On the 19<sup>th</sup> of December, 2020, the Management Board of Comarch S.A. received from the person discharging managerial responsibilities (Zbigniew Rymarczyk) notification of the transaction referred to in art. 19 par. 1 of Regulation No. 596/2014 of the European Parliament and of the Council of the 16<sup>th</sup> of April, 2014 on market abuse. The notification concerned the purchase of 462 ordinary bearer shares on the regulated market on the basis of the weighted average price of PLN 186.00 per 1 share, which value amounted to PLN 85,932, on the 18<sup>th</sup> of December, 2020. The company announced details in current report no. [RB-16-2020](#) (ENG: [RB-16-2020](#)) dated the 20<sup>th</sup> of December, 2020.



**AFTER THE BALANCE SHEET DATE**

None present.

**14.2. Managerial Option Program for Members of the Management Board**

None present.

**15. Other Events in 2020 and after the Balance Sheet Date****15.1. Dates of Periodical Financial Reports in 2020**

Pursuant to § 103 sec. 1 of the Regulation issued by the Minister of Finance on the 19<sup>th</sup> of February, 2009, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, with current report no. [RB-1-2021](#) (ENG: [RB-1-2021](#)) dated the 3<sup>rd</sup> of January, 2020, Comarch S.A. Management Board presented terms of periodical financial reports in 2020.

**15.2. Impact of SARS-CoV-2 Coronavirus and COVID-19 Incidents on the Company's Operations and Financial Results**

In reference to the recommendations of the European Securities and Markets Authority and the Polish Financial Supervision Authority of the 12<sup>th</sup> of March, 2020, the Management Board of Comarch S.A. in the current report no. [RB-5-2020](#) (ENG: [RB-5-2020](#)) dated the 19<sup>th</sup> of March, 2020, provided information on the possible impact of the SARS-CoV-2 coronavirus spread and COVID-19 incidence on the Company's operations and financial results.

The Comarch Group's Management Board monitors on an ongoing basis the development of the situation related to the continuing effects of the spread of SARS-CoV-2 coronavirus and COVID-19 incidence and their impact on the Comarch Group's operations. The Comarch Group companies implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Comarch Group's operational activity, with particular regard to employee's safety, health and hygiene recommendations. Business trips to countries identified by the Chief Sanitary Inspectorate as high-risk countries were suspended, direct contacts of employees within the organization were limited, and the remote work mode of office workers was launched on a large scale. Remote communication methods are commonly used in business contacts. The Management Board of the Comarch Group notes that the activities of the Comarch Group are very well diversified in terms of industry, products and geography, and the effects of a pandemic do not currently pose a threat to the financial stability of the company. At present, the Management Board of the Comarch Group has not diagnosed significant disruptions in the implementation of existing contracts or significant disruptions in the supply chains of products and materials necessary for the Comarch Group's operations.

During the epidemic, i.e. in the second, third and fourth quarter of 2020, there was no decrease in revenue from sales of services and products offered by the Comarch Group. The operating activity of the Comarch Group and the financial results achieved in the coming periods will be influenced by factors such as: the duration and extent of the epidemic, the number of people suffering from COVID-19, further administrative restrictions in the functioning of states and entrepreneurs, restrictions in the movement of workers, the possibility of using aid packages launched by individual countries, as well as, the volatility of exchange rates occurring in connection with the pandemic.

**15.3. The Management Board Statement regarding the Corporate Governance Principles**

Pursuant to § 29, section 5 of the Rules of the Warsaw Stock Exchange, the Management Board of Comarch S.A. presented report regarding the corporate governance principles in the Company in 2019 as attachment to the annual statement published on 29<sup>th</sup> of April, 2020.

#### 15.4. Registration of Changes in the Statute of Comarch S.A. by the Court

On the 11<sup>th</sup> of September, 2020, the Management Board of Comarch S.A. informed in the current report no. [RB-14-2020](#) (ENG: [RB-14-2020](#)) registration on 1<sup>st</sup> of September, 2020 by the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register of changes in the Company's Articles of Association adopted by the General Meeting on the 24<sup>th</sup> of June, 2020, by resolution no. 30.

1. In Art. 15 of the Articles of Association point 14) was given the following wording:  
„14) Passing other resolutions referred to in the Code of Commercial Companies and Partnerships reserved for the exclusive competence of the General Meeting,”

2. In Art. 15 of the Articles of Association after point 14) points 15) and 16) has been added as follows:  
„15) adopting the remuneration policy for members of the Management Board and Supervisory Board,  
16) adopting resolutions giving opinions on the remuneration report.”

3. Art. 18 of the Articles of Association was given a new, following wording:  
„1. General Shareholders' Meeting shall appoint from among members of the Supervisory Board the Chairperson, the Vice Chairperson, and also the Secretary of the Supervisory Board, as needed.

2. Resolutions of the Supervisory Board are passed with majority of present votes and in the case of meetings taking place using means of direct remote communication - by a majority of votes attending the meeting. In case of the equal number of votes, the vote of the Chairperson is decisive.

3. Any resolution of the Supervisory Board is passed valid if all members of the Supervisory Board have been invited to its session and more than half of members of the Supervisory Board participate in the session, including the Chairperson or the Vice Chairperson of the Board.

4. Any session of the Supervisory Board may also be held with means of direct remote communication, in particular in the form of teleconference, video conference, using electronic mail, the Internet or other available means of electronic communication. If this is the case, it is assumed that the place of the session and of preparing the minutes is the office of the Company.

5. Resolutions of the Supervisory Board may also be adopted without holding a meeting by voting in writing or using means of direct remote communication.

6. Resolutions adopted at the meeting which takes place in accordance with section 4 or in the manner and in the mode described in section 5 shall be valid if all members of the Supervisory Board have been notified of the content of the draft resolution and at least half of the members of the Supervisory Board, including the Chairman or Vice-Chairman of the Board, took part in adopting the resolution.

7. Members of the Board execute their duties in person.

8. Members of the Supervisory Board may participate in passing resolutions of the Supervisory Board by casting their votes in writing through another member of the Supervisory Board. Casting the vote in writing may not concern matters placed on the agenda at the meeting of the Supervisory Board.

9. Members of the Board are remunerated for their activities following the principles set forth by the General Meeting.

10. Organisation of the Supervisory Board and the procedure for executing its activities are defined by the regulations set forth by the General Meeting.”

4. In art. 19 section 2 of the Articles of Association point 5) was given the following wording:  
„5) selecting an audit firm authorized to audit the Company's financial statements,”

5. In art. 19 section 2 of the Articles of Association point 8) was given the following wording:  
„8) preparing an annual report on the remuneration of the Company's Management Board and Supervisory Board,”

6. In art. 20 of the Articles of Association, after section 4, new sections 5 and 6 has been added as follows:

„5. The Management Board's meeting may also be attended by means of direct remote communication.

6. The Management Board may adopt resolutions in writing or by using means of direct remote communication.”



**AFTER THE BALANCE SHEET DATE****15.5. Dates of Periodical Financial Reports in 2021**

On the 7<sup>th</sup> of January, 2021, in the current report no. [RB-1-2021](#) (ENG: [RB-1-2021](#)) Comarch S.A.'s Management Board set dates of periodical financial reports in 2021:

- Q4 2020 - on 1<sup>st</sup> of March, 2021
- Q1 2021 - on 21<sup>st</sup> of May, 2021
- Q2 2021 - Pursuant to §79 sec. 2 of the Regulation issued by the Minister of Finance concerning current and periodical information pertaining to companies traded on the stock exchange and on the conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, Comarch S.A. will not publish quarterly report for the second quarter of 2021
- Q3 2021 - on 17<sup>th</sup> of November, 2021.
- Annual report for 2020 - on 30<sup>th</sup> of April, 2021
- Consolidated annual report for 2019 - on 30<sup>th</sup> of April, 2021
- Consolidated half-year report which includes condensed consolidated financial statement and condensed financial statement for the first half of 2021 - on 31<sup>st</sup> of August, 2021.

**15.6. Forward Contracts Concluded after the Balance Sheet Date**

Comarch S.A. in the period from 1<sup>st</sup> of January, 2021 to 30<sup>th</sup> of April, 2021, concluded new forward contracts for the sales of EUR 14,800 thousand, USD 11,000 thousand, JPY 100,000 thousand, GBP 3,200 thousand and NZD 3,000 thousand. The net value of forward contracts unsettled as at 29<sup>th</sup> of April, 2021 amounted to EUR 74,900 thousand, USD 19,500 thousand, JPY 100,000 thousand, GBP 3,200 thousand and NZD 3,000 thousand. Forward contracts are due within 44 months from the balance sheet date. All forward contracts were concluded in order to limit the impact of currency exchange rate changes on the financial result related to commercial contracts implemented by the companies of the Comarch Group, where the remuneration or costs are determined in foreign currencies. Balance sheet valuation of forward contracts as at 31<sup>st</sup> of March, 2021 was minus PLN 9,200 thousand, while as at 31<sup>st</sup> of December, 2020 it was minus PLN 3,243 thousand. Such a large change in the value of the balance sheet valuation of forward contracts within the first quarter of 2021 was caused by a significant depreciation of the PLN exchange rate against major foreign currencies.

**16. Achievements within Research and Development**

Globalisation of world economy, as well as liberalisation of trade, result in disappearance of barriers for companies and their products. The IT market becomes an open and global market where prices and quality of available products are continuously compared against each other. Along with increase in the presence of foreign capital in Poland, even IT companies conducting operations solely in the Polish market must offer competitive products from the point of view of the global market. Comarch, since the very beginning of its operations, has had reputation of a technological Company developing and successfully selling products competitive internationally. Therefore, the main strategic objectives of the Company are still development of new competitive products to enable further development of Comarch and, as a result, increasing its value. Maintaining dynamics of sales requires expenditures for development of products as well as their proper promotion and marketing. This applies to both modifications of already existing products and technologies as well as developing new products.

The present policy of Comarch assumes running research and development work related to implementation of new products and standardisation of products from the very beginning of their preparation for the client. Thus, even in cases when a product was developed for the needs of a particular client, a part or whole of software / code may be then used for preparation of a standard product. This results in higher profitability of particular contracts and expansion of the client base. Expenses for research and development works amounted to PLN 231,603 thousand, thus reached

23.2% of revenue in 2020. Comarch allocated their internal funds, as well as acquired actively European funds.

#### Comarch S.A.

In 2020, as part of Measure 1.1 of the **Intelligent Development Operational Program 2014-2020** co-financed by the European Regional Development Fund, a contract was signed for co-financing the project "Production of technology" IoT Mesh "and supporting tools".



**Fundusze Europejskie**  
Inteligentny Rozwój

**Unia Europejska**  
Europejski Fundusz  
Rozwoju Regionalnego



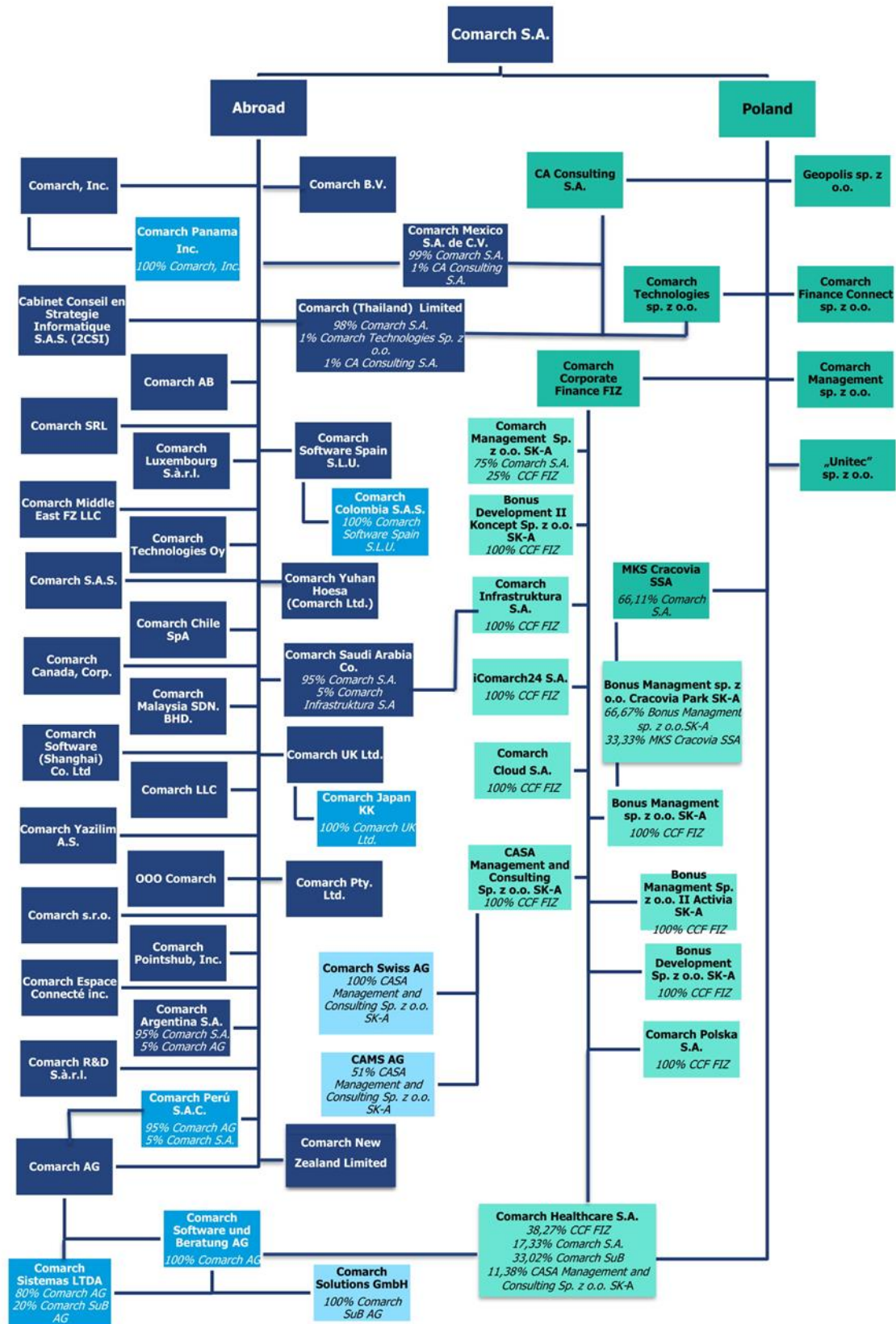
Under the **Horizon 2020** Program, a contract for financing the "LIVING INNOVATION - Implementing RRI through co-creation of smart futures with industry and citizens" - LIV.IN." project was implemented.



**Komisja Europejska**

## 17. Capital Affiliations of the Issuer

### 17.1. Capital Structure of the Comarch Group



■ 100% Comarch S.A., unless otherwise indicated.

## 17.2. Changes in Ownership and Organisational Structure in 2020

On the 10<sup>th</sup> of February, 2020, the share capital of Comarch Pty. Ltd. was increased from the amount AUD 100,100 (i.e. PLN 266,506) to AUD 1,300,100 (i.e. PLN 3,461,386), i.e. by AUD 1,200,000 (i.e. PLN 3,194,880). The above capital increase was registered.

On the 21<sup>st</sup> of February 2020, has been registered the capital increase in Comarch BV from the amount of EUR 200,000 (i.e. PLN 851,700) to the amount of EUR 500,00 (i.e. PLN 2,129,250), i.e. by EUR 300,000 (i.e. PLN 1,277,550). The above capital increase was registered.

On the 24<sup>th</sup> of February, 2020, a resolution was adopted to increase the share capital in Comarch SRL from the amount of EUR 900,000 (i.e. PLN 3,832,650) to the amount EUR 2,000,000 (i.e. PLN 8,517,000), i.e. by EUR 1,100,000 (i.e. PLN 4,684,350).

On the 16<sup>th</sup> of April, 2020, an increase in share capital of Comarch SRL was registered.

The Management Board of Comarch S.A. informed in current report no. [RB-6-2020](#) (ENG: [RB-6-2020](#)) dated on the 23<sup>rd</sup> of April, 2020, about the signing on the 23<sup>rd</sup> of April, 2020 of the purchase agreement by Comarch S.A. of 100% shares in the company CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. with its registered office in Cergy, France (hereinafter referred to as the "2CSI"), providing IT solutions and services for medical entities on the French market. As part of the transaction, Comarch S.A. will acquire 500,000 2CSI shares from the company's existing shareholders with a nominal value of EUR 1 each. 2CSI shares will be acquired at a unit price of EUR 4.20 (four euros and twenty cents), i.e. PLN 19.09 per share, and the total value of the transaction is EUR 2,100,000 (two million, one hundred thousand euros), i.e. PLN 9,543,240 (as of the publication of the current report).

On 18<sup>th</sup> of June, 2020, Metrum Capital S.A. was merged with an entity from outside the Comarch Group and is no longer an associate of the parent company.

On the 26<sup>th</sup> of November, 2020, a subsidiary company Comarch New Zealand LTD was registered in Auckland. The share capital of the company amounts to NZD 50,000 (i.e. PLN 135,660) and consists of 50,000 shares with nominal value of NZD 1 (i.e. PLN 2.71) each. Comarch S.A. owns 100% in share capital and votes of New Zealand LTD.

On the 2<sup>nd</sup> of December, 2020, the name of the company was changed from Opso Sp. z o.o. on Comarch Finance Connect Sp. z o.o.

On the 2<sup>nd</sup> of December, 2020, Comarch S.A. acquired 100% of shares in the company "Unitec" Sp. z o.o. The share capital of "Unitec" Sp. z o.o. amounts to PLN 60,000 and is divided into 100 shares with nominal value PLN 600 each. The total value of the transaction was PLN 1,000.

On the 31<sup>st</sup> of December, 2020, the share capital of Comarch SAS was increased by EUR 3,000,000 (i.e. PLN 13,844,400) to EUR 4,000,000 (i.e. PLN 18 459 200).

## 17.3. Changes in Ownership and Organisational Structure in Comarch Group after the Balance Sheet Date

On the 21<sup>st</sup> of January, 2021, the Management Board of Geopolis Sp. z o.o. filed an application to the District Court for Toruń, The Fifth Economic Division, for bankruptcy including liquidation of the debtor's assets, i.e. the company. On the 16<sup>th</sup> of March, 2021, the District Court for Toruń, The Fifth Economic Division, after considering the case at the request of Geopolis sp. z o.o. in Toruń for bankruptcy, decided to secure the debtor's assets by appointing a temporary court supervisor.

On the 10<sup>th</sup> of March, 2021, the name of the company was changed from Unitec sp. z o.o. to Wszystko.pl sp. z o.o. and the change of the company's seat to Kraków.

On the 22<sup>nd</sup> of March, 2021, a subsidiary company LLC „Comarch Software” was registered in Lvov. The share capital of the company amounts to PLN 14,000. Comarch S.A. owns 100% in share capital and votes of LLC „Comarch Software”.

## 18. Branches of Comarch S.A.

As at the 31<sup>st</sup> of December, 2020, Comarch S.A. had branches in the following cities: Tirana (branch in Albania), Białystok, Bielsko-Biała, Częstochowa, Gdańsk, Gliwice, Katowice, Kielce, Kraków, Lublin, Łódź, Płock, Poznań, Opole, Rzeszów, Tarnów, Toruń, Zielona Góra, Warszawa, Włocławek and Wrocław.

Activities conducted in branches are related to the basic activities of the Company.

## 19. Non-business Activities of Comarch S.A.

### 19.1. The Scope of the Comarch S.A.'s Impact on the Environment

The Comarch S.A., due to the size of the company and the scope of its activity, exerts a significant influence on its environment, especially in the economic and social spheres. Sustainable development is one of the key foundations of the company's strategy from the very beginning.

Through its activities, the Comarch S.A. exerts particular influence on the following groups of stakeholders:

- **Employees** (full-time employees and co-workers, interns, apprentices, students and potential employees, employees of subcontractors and suppliers, labour inspection and other similar supervisory institutions),
- **Investors** (shareholders, institutional investors, individual investors, Warsaw Stock Exchange, brokerage houses, banks, Polish Financial Supervision Authority, KDPW),
- **Customers** (institutional clients, individual clients, business partners, key suppliers, subcontractors, local self-government administration, government administration),
- **Society** (local communities within the Comarch Group's activity, residents, government and self-government authorities, media, including IT journalists and press, universities and research workers, technical and industry organizations),
- **Natural environment** (environmental organizations, recycling companies).

Comarch S.A. provides a detailed description of its impact in the annual report on non-financial information. In this document, the Company assesses the level of significance of aspects of its impact in management, environmental, social and employee areas, assigning to them performance indicators related to Comarch operations prepared in accordance with the guidelines of the Non-Financial Information Standard (SIN) developed by the Reporting Standards Foundation and the Association of Stock Exchange Issuers. The report identifies the principles and policies used by the Comarch Group in relation to social, labour, environmental, human rights and anti-corruption issues. The report also contains information on human resources broken down by age, sex, form and place of employment, as well as data on suppliers and recipients, and thus about processes used within the supply chain

On 30<sup>th</sup> of April, 2021, the Company has published on the website <https://www.comarch.pl/relacje-inwestorskie/raporty-okresowe/2020/> (ENG: [2020 | COMARCH SA](#)) Consolidated Non-Financial Data Report for 2020.

### 19.2. Description of the Conducted Policy in the Field of Sponsorship and Charity

From the beginning of its activity, Comarch has been extensively involved in social activities, in activities promoting sport and a healthy lifestyle, in environmental protection, in activities to support people in need and help animals, as well as is involved in science, education, culture and supporting local community initiatives. Detailed information on this subject can be found in the report on non-financial activities and in the report on corporate social responsibility (CSR), which is posted on the Internet at: <http://www.comarch.pl/o-firmie/zrownowazony-biznes/csr/> (ENG: <https://www.comarch.com/company/corporate-social-responsibility/>)

The most important sponsorship and charity activities in individual areas of activity undertaken by the Comarch in 2020:



**In the field of culture**

- continuation of the cooperation with St. Mary's church in the project revitalization of the musical space in the church;
- Last Night of the Proms concert.

**In the field of education and popularization of science**

- support for the Inter-school IT Festival "Project worth 6", which has been organized for 15 years by the Upper-Secondary Schools of Communications in cooperation with the Mikromakro Institute Foundation and the Krakow Technology Park. Pupils from schools in Małopolska take part in the struggle, and the festival's goal is to promote young talents with IT interests;
- cooperation with schools, universities and other educational institutions by sharing knowledge by Comarch employees during various conferences and events, among others: business game implemented by the University of Parma, Room Room project for French doctors, career days in Poland and Belgium;
- popularization of knowledge about ERP systems and controlling among universities and vocational schools with economic profiles by granting Comarch ERP systems, meetings, seminars and trainings;
- creation of the Comarch Innovation Space, in which Comarch's technological achievements in the field of IT systems, telecommunications, the Internet of Things or artificial intelligence are presented;
- cooperation with the Polish Development Fund Foundation and the Central House of Technology in the field of popularization of the STEAM methodology, i.e. a trend in education developing interdisciplinary competences in the fields of technology, engineering, art and mathematics.

**In terms of local communities and the natural environment**

- involvement of employees in the blood donation campaign on the company's campus in Krakow, thanks to which it was possible to obtain a total of 18,800 ml of blood;
- involvement of the company and employees in the Mieszkanie dla Medyka (An Apartment for a Medic) campaign.

**In the field of sport and healthy lifestyle**

For 25 years, Comarch has been involved in promoting sport among young people and residents of the Lesser Poland Voivodeship, mainly through sponsorship of the Cracovia sports club. Since 2003, the company has been the titular sponsor of the oldest existing football club in Poland, and the five-time Polish Champion - Cracovia, including the hockey section. The Company also promotes a healthy and active lifestyle among its employees. In Poland, Comarch encourages employees to cycle to work, providing bicycle infrastructure and occasional bicycle-related campaigns. Comarch also encourages its employees to participate in external sports events, and the income from many of them is donated to social purposes.

**20. Transactions Concluded by the Issuer or its Subsidiary with Related Parties on Terms Different from Market Conditions**

None present.

**21. Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the Given Year Published Before**

The Company has not published the results forecast for 2020.

## **22. Factors and Events of Unusual Nature that Affect the Issuer Activities and the Achieved Results, as well as Their Appraisal**

### **22.1. Deferred Tax Assets and Deferred Tax Provisions**

In 2020, an asset was established due to temporary differences in income tax in the amount of PLN 1,305 thousand and at the same time settled an asset in the amount of PLN 1,632 thousand, a deferred tax provision was not established for temporary differences and the provision for deferred tax due to temporary differences in the amount of PLN 1,145 thousand was settled. The total impact of the above operations on the result of 2020 was plus PLN 818 thousand.

The provision for deferred tax related to the valuation of investment certificates in CCF FIZ in the amount of PLN 20 thousand was increased. This provision, as well as the valuation of certificates, is accounted for with revaluation capital.

### **22.2. Valuation of Exchange Differences and Financial Instruments Based on Exchange Rates**

Realized foreign exchange rate differences and balance sheet valuation of exchange rates on receivables and liabilities as at the 31<sup>st</sup> of December, 2020, decreased revenue and operating profit of Comarch S.A. by PLN 7,835 thousand (while during the corresponding period in 2019 decreased by PLN 858 thousand). Exchange rate differences from other activities decreased the result of Comarch S.A. by PLN 10,550 thousand (while during the corresponding period in 2019 increased by PLN 1,290 thousand). The valuation of financial instruments and realised transactions (mostly forward contracts), as well as provision for deferred income tax in reference to the valuation of the financial instruments, decreased Comarch S.A.'s net result by PLN 10,174 thousand (while in the corresponding period of 2019 they increased it by PLN 5,856 thousand). The total effect of exchange rate differences and valuation and realization of derivative financial instruments on the net result of Comarch S.A. in 2020 was minus PLN 28,559 thousand (plus PLN 6,288 thousand in 2019).

### **22.3. Write-offs due to Losses in Value in Subsidiaries**

As at 31<sup>st</sup> of December, 2020, Comarch S.A. created write-offs for impairment of shares in subsidiaries in the total amount of PLN 4,692 thousand.

### **22.4. Received Dividends**

In 2020, Comarch S.A. received dividends from subsidiaries (Comarch UK, OOO Comarch (Russia), Comarch Canada, Corp., Comarch Technologies sp. z o.o., CA Consulting SA, Comarch Luxembourg SARL) in the amount of PLN 45,098 thousand.

## **23. Changes in Methods of Company Management and Its Capital Group Management**

None present.

## **24. Data Referring to the Agreement Signed with the Entity Entitled to Audit Financial Statements**

On the 27<sup>th</sup> of May, 2019, the Management Board of Comarch S.A. informed that the Supervisory Board, acting pursuant to Art. 19 sec. 2 point 5) of the Articles of Association of the Company chose - as an entity authorized to audit the financial statements of the Company and the consolidated financial statements of the Comarch Capital Group - BDO Spółka z ograniczoną odpowiedzialnością sp. K., Ul. Postępu 12, 02-676 Warszawa (KRS 0000729684), and agreed to enter into agreements with this entity by Comarch S.A. in the scope of:

- a) review of the separate financial statements of Comarch S.A. and the consolidated financial statements of the Comarch Capital Group as at 30<sup>th</sup> of June, 2019;
- b) audit of the annual separate financial statements of Comarch S.A. and the annual consolidated financial statements of the Comarch Capital Group as at 31<sup>st</sup> of December 2019;

- c) review of the separate financial statements of Comarch S.A. and the consolidated financial statements of the Comarch Capital Group as at 30<sup>th</sup> of June, 2020;
- d) audit of the annual separate financial statements of Comarch S.A. and the annual consolidated financial statements of the Comarch Capital Group as at 31<sup>st</sup> of December, 2020.
- e) review of the separate financial statements of Comarch S.A. and the consolidated financial statements of the Comarch Capital Group as at 30<sup>th</sup> of June, 2021;
- f) audit of the annual separate financial statements of Comarch S.A. and the annual consolidated financial statements of the Comarch Capital Group as at 31<sup>st</sup> of December 2021.

The Company announced details in current report no. [RB-10-2019](#) (ENG: [RB-10-2019](#)), dated the 27<sup>th</sup> of May, 2019.

Details of the remuneration of entities authorized to audit financial statements have been included in [note 46](#) of the financial statement in additional explanatory notes to the SA-R report 2019 of Comarch S.A.

## **25. Systems that Control Employees Shares Programmes**

None present.

## **26. Significant Legal, Arbitration or Administrative Proceedings Related to Liabilities or Receivables of the Issuer or a Subsidiary with an Indication of the Subject Matter of the Proceedings, the Value of the Matter of the dispute, the Date of Initiation of the Proceedings, the Parties to the Initiated Proceedings and the Issuer's Opinion on the Matter**

None present.

Information on the potential total amount of third-party claims against the Comarch S.A. in connection with legal proceedings and matters in disputes, but not legal proceedings can be found in [note 33](#) of the financial statement.



Krakow, 30<sup>th</sup> of April, 2021

Name and surname	Position	Signature
Janusz Filipiak	President of the Management Board	
Paweł Prokop	Vice-President of the Management Board	
Andrzej Przewięźlikowski	Vice-President of the Management Board	
Zbigniew Rymarczyk	Vice-President of the Management Board	
Konrad Tarański	Vice-President of the Management Board	
Marcin Warwas	Vice-President of the Management Board	

## Comarch S.A.

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<https://www.comarch.com/investors/>

## The Management Board's statement regarding the reliability of the financial statement

The Management Board of Comarch S.A. states that to the best of our knowledge, the annual financial statement for the year 2020 and comparable data are prepared compliant with binding accounting principles and present the true, fair and clear financial standing of the issuer and its financial results. Furthermore, the annual report regarding the issuer's activities truly describes the development image and achievements as well as the issuer's situation including basic threats and risk.

Krakow, 30<sup>th</sup> of April, 2021

Name and surname	Position	Signature
Janusz Filipiak	President of the Management Board	
Paweł Prokop	Vice-President of the Management Board	
Andrzej Przewięźlikowski	Vice-President of the Management Board	
Zbigniew Rymarczyk	Vice-President of the Management Board	
Konrad Tarański	Vice-President of the Management Board	
Marcin Warwas	Vice-President of the Management Board	

## Information of the Management Board of Comarch S.A. prepared on the basis of the statement of the Supervisory Board of Comarch S.A. on the selection of an audit firm

The Management Board of Comarch S.A. informs that:

- a) the selection of the audit firm conducting the audit of the annual consolidated financial statements has been carried out in accordance with the regulations, including the selection and procedure for the selection of an audit firm,
- b) the auditing company and the members of the audit team met the conditions for drawing up an unbiased and independent audit report on the annual consolidated financial statements in accordance with applicable regulations, professional standards and professional ethics,
- c) the applicable regulations regarding the rotation of the auditing company and the key statutory auditor and mandatory grace periods are respected,
- d) the Company has a policy regarding the selection of an auditing company and a policy for providing the Company with an auditor, an entity related to the auditing company or a member of its network of additional non-audit services, including conditionally exempt services from the audit company.

Krakow, 30<sup>th</sup> of April, 2021

Name and surname	Position	Signature
Janusz Filipiak	President of the Management Board	
Paweł Prokop	Vice-President of the Management Board	
Andrzej Przewięźlikowski	Vice-President of the Management Board	
Zbigniew Rymarczyk	Vice-President of the Management Board	
Konrad Tarański	Vice-President of the Management Board	
Marcin Warwas	Vice-President of the Management Board	

## **REPORT OF COMARCH S.A.'s MANAGEMENT BOARD REGARDING THE ACCEPTANCE OF CORPORATE GOVERNANCE PRINCIPLES IN 2020**

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Statement of the Management Board of Comarch S.A. on the application in the Company of corporate governance rules in accordance with § 70 section 6 point 5 of the Regulation issued by the Minister of Finance on the 29<sup>th</sup> of March, 2018, concerning current and periodical information pertaining to companies traded on the stock exchange and on the conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (consolidated text, Journal of Laws from 2018, pos. 757).

## 1. Corporate Governance Principles that Apply to an Issuer

Comarch S.A., a company listed on the Warsaw Stock Exchange, was in 2020 a subject to the corporate governance principles set out in the document "Best Practices of WSE Listed Companies 2016" (Annex to Resolution of the WSE Council No 26/1413/2015 of the 13<sup>th</sup> October 2015). The rules are available on the website [https://www.gpw.pl/pub/GPW/files/PDF/GPW\\_1015\\_17\\_DOBRE\\_PRAKTYKI\\_v2.pdf](https://www.gpw.pl/pub/GPW/files/PDF/GPW_1015_17_DOBRE_PRAKTYKI_v2.pdf) ([https://www.gpw.pl/pub/GPW/o-nas/DPSN2016\\_EN.pdf](https://www.gpw.pl/pub/GPW/o-nas/DPSN2016_EN.pdf)) which is the official website of the Warsaw Stock Exchange devoted to these issues.

The Best Practices include six sections:

- Disclosure Policy, Investor Communications,
- Management Board, Supervisory Board,
- Internal Systems and Functions,
- General Meeting, Shareholder Relations,
- Conflict of Interest, Related Party Transactions,
- Remuneration.

Additionally, on 29<sup>th</sup> of April, 2016, the Management Board of Comarch S.A. presented statement of the Company's compliance with the corporate governance recommendations and principles contained in the Best Practices of WSE Listed Companies 2016 which is available at <http://www.comarch.pl/relacje-inwestorskie/lad-korporacyjny/> (<http://www.comarch.com/investors/corporate-governance/>).

On 29<sup>th</sup> of March, 2021, the Stock Exchange Supervisory Board, at the request of the Stock Exchange Management Board, adopted new corporate governance rules for companies listed on the WSE Main Market - "Best Practices of WSE Listed Companies 2021", which will enter into force on 1<sup>st</sup> of July, 2021.

## 2. Recommendations for Corporate Governance Principles not Implemented by the Issuer along with an Explanation of the Circumstances and Reasons surrounding the Decision not to Implement a Particular Principle

### a) Recommendations for Best Practices of Listed Companies

*IV.R.2. f 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-life 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.*

In 2020, the principle was applied in full by the Company. A shareholder could participate in the General Meeting and exercise the voting right personally or by proxy. The power of attorney to participate in the General Meeting and exercise voting rights could be granted in writing or in electronic form. Granting the power of attorney in an electronic form did not require safe electronic signature verified with the valid classified certificate. The company enabled voting by means of electronic communication and

participation in the General Meeting by means of electronic communication, it also ensured on-line broadcasts of General Meetings over the Internet and real-time bilateral communication. However, the company did not declare the constant application of this recommendation, and its full fulfilment depends, among others on the epidemiological situation occurring during the organization of the general meeting.

## **b) Detailed Principles for Best Practices of Listed Companies**

*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.*

In terms of disclosures of remuneration, the Company applies generally applicable laws. The Company complies with the principle VI.Z.4 partially. Comarch S.A. has a remuneration policy which defines the form, structure and level of remuneration of the Company's employees, including members of Management and Supervisory Boards. The remuneration of the members of the Management Board is determined by the Supervisory Board on the basis of qualifications, experience and responsibilities of a Board member. Remunerations of the Management Board members include variable components, the amount of which depends on the financial performance and the degree of implementation of goals designated by the Supervisory Board. The remuneration of the Management Board members is paid by the Company and the subsidiaries, depending on the degree of involvement in the operations of individual subsidiaries. Remuneration of the Supervisory Board members is determined by General Meeting of Shareholders and it does not contain variable components. The Company presents in annual reports the amount of total remuneration of Management Board members (without division into fixed and variable components) and the Supervisory Board members, in division for paid by the Company and jointly by the other Group entities.



### 3. Shareholders Holding Directly or Indirectly Significant Shares in Votes at the General Shareholders Meeting as at 30<sup>th</sup> of April, 2021

Shareholders	Number of shares	% of share capital	Number of votes at the Company's AGM	% of votes at the Company's AGM
Janus Filipiak	1,997,027	24.55	5,569,027	36.82
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96
Other members of the Board	85,366	1.05	122,966	0.81
NN OFE + DFE	846,571	10.41	846,571	5.60
MetLife OFE	841,097	10.34	841,097	5.56
Other shareholders	3,517,288	43.25	3,517,288	23.25
<b>Total</b>	<b>8,133,349</b>	<b>100.00</b>	<b>15,126,949</b>	<b>100.00</b>

### 4. Owners of Securities Entitling them to Special Control Rights as well as a Description of these Rights

Janusz Filipiak, President of the Management Board, holds 893,000 registered share preference votes (1:5). These entitle him to 4,465,000 votes at the company's general shareholders' meeting. Elżbieta Filipiak, Chairman of the Supervisory Board, holds 846,000 registered share preference votes (1:5). These entitle her to 4,230,000 votes at the Company's general shareholders' meeting. Paweł Prokop, Vice-President of the Management Board, holds 9,400 registered share preference votes (1:5). These entitle him to 47,000 votes at the Company's general shareholders' meeting.

### 5. All Restrictions Relating to Execution of Voting Rights, i.e. Restriction of Voting Rights through Holding a Particular Share or Number of Votes, Time Restrictions regarding Voting Rights or Records according to which, in Collaboration with the Company, Capital Rights Related to Securities are Separated from Securities Holdings

None present.

### 6. All Restrictions Regarding Transferring the Holding Rights of an Issuer's Securities

According to art. 8 point 7 of Comarch S.A.'s Articles of Association:

*„7. Disposing registered shares requires consent of the Management Board provided in writing. In case of refusal of disposing, the Management, within 2 months of filing with the Company of the intention of assigning shares, appoints the purchaser and price of shares. Price of shares may not be lower than average stock exchange price from the three recent months preceding the month of filing, provided that shares of the Company are in stock exchange trading. Otherwise, price of shares may not be lower than the book value per share as of the last balance sheet date. Price is due within one month of the date of resolution of the Management indicating the purchaser of shares.”*

## **7. Principles for the Appointing and Dismissing of Management and their Rights, notably the Right for Decision Making on Shares Issue or Buyout**

### **a) Principles for Appointing and Dismissing**

According to the Articles of Association of the Company, the Management Board of the Company consists of 2 to 8 persons appointed and dismissed by the Annual General Meeting. Members of the Management Board are appointed for the common term of office of three years. The AGM defines salaries for the Management Board, provided that this competency may be passed on in part or in entirety to the Supervisory Board. The Supervisory Board suspends on important reasons, selected or all members of the Management Board in their duties and delegating members of the Supervisory Board for the period not longer than 3 months for temporary execution of activities of those members of the Management Board who have been dismissed, who resigned or who cannot execute their duties on other reasons.

### **b) Rights according to art. 9, 20 - 22 of the Comarch S.A.'s Articles of Association and the Commercial Companies Code**

- The Management Board may appoint proxies;
- In 2020, President of the Management Board single-handedly or two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy are authorised for making statements on behalf of the Company and representing the Company in Court and off Court;
- In agreements between the Company and members of the Management Board and in disputes with them, the Company is represented by the Supervisory Board or by a proxy appointed with a resolution of the General Meeting. The Supervisory Board may authorise, by way of a resolution, one or more members of the Supervisory Board to perform such legal actions;
- The Management Board defines internal organisation of the Company;
- According to art. 445 and 446 of the Commercial Companies Code, the General Meeting passes a resolution on amendments to the statutes, providing for the authorisation for the management board to increase the share capital within the limits of the authorised capital. According to art. 9 sec. point 5 of the Comarch S.A.'s Articles of Association, within the target capital, the Management Board of the Company may issue shares only in conversion for cash contributions and may not issue preferential shares or allocate personal rights for the shareholder, referred to in Article 354 of the Code of Trade Companies. In the scope of all the issues related to increasing the share capital within the target capital, in particular on excluding or limiting collection right and determining the issue price, obtaining consent of the Supervisory Board is required.

## **8. Description of Principles for Changes in Articles of Association**

A General shareholders' Meeting may pass a resolution regarding changes in articles of association, including an increase or a decrease in share capital, and a resolution on a significant change in the Company's subject matter.

## **9. Description of Operating Principles for General Meetings and Their Essential Rights and Shareholders' Rights as well as Modality, in particular Principles resulting from Rules for General Shareholders' Meeting if such Rules were passed, unless these Information Results from Law**

General Meeting of Comarch S.A. operates on the basis of the provisions of the Commercial Companies Code, the Articles of Association, the principles of Good Practices of Listed Companies on the WSE applicable in the company, Regulations of the General Meeting of Comarch S.A. with its registered office in Kraków, adopted on 28<sup>th</sup> of June, 2010 by the General Meeting of Shareholders (as amended) and

the Regulations defining the detailed rules for participation in the General Meeting of Comarch S.A. by means of electronic communication adopted by Resolution of the Supervisory Board of Comarch S.A. No. 11/05/2020 on 26<sup>th</sup> of May, 2020. A detailed description of the activities of the General Meeting of the company can be found in the above documents.

1. Annual General Shareholders' Meetings may be ordinary or extraordinary.
2. An ordinary General Meeting of the Management Board shall be called no later than the end of June each year.
3. Meetings shall take place at the Company's headquarters.
4. At least two members of the Company's Management Board and at least two members of its Supervisory Board should take part in the Annual General Shareholders' Meeting.
5. If the subject of debate is to concern the financial affairs of the Company an auditor shall be present.
6. Representatives of the media may attend the General Shareholders' Meeting as observers.
7. Only persons who are Company's shareholders 16 (sixteen) days prior the date of the General Meeting are entitled to participate in the General Meeting.
8. Shareholders who are physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote themselves or via a proxy.
9. Shareholders who are not physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote via a person empowered to submit a declaration of intent in their name, or via a proxy.
10. The chairman of the Annual General Shareholders' Meeting conducts debates, takes decisions in matters of the agenda and procedure, and is authorized to interpret the present rules.
11. The duties of the chairman of the Annual General Shareholders' Meeting include:
  - Ensuring that debates are conducted in accordance with the agenda and procedure as stipulated,
  - Directing the debate: deciding who shall speak and in what order,
  - Receiving proposed and draft resolutions and opening them to debate and
  - Organizing and conducting the voting.
12. The Annual General Shareholders' Meeting shall choose a three-person returns committee from the candidates notified by the chairman. The returns committee shall ensure that each vote is correctly conducted, supervise the practical aspects of the vote and check, confirm and declare the results. Where the Annual General Shareholders' Meeting is attended by a small number of shareholders a returns committee shall not be selected unless a shareholder or proxy submits a request for a returns committee to be selected. Where a returns committee is not selected its functions shall be performed by the chairman of the Annual General Shareholders' Meeting.
13. The Annual General Shareholders' Meeting shall take decisions in the form of resolutions adopted by open voting except:
  - Voting on an issue of selecting or deselecting members of bodies of the Company, or liquidators,
  - Motions to prosecute members of bodies of the Company or liquidators,
  - In personal matters,
  - At the request of at least one shareholder,
  - In other circumstances stipulated in the regulations currently binding.
14. Shareholders shall notify the chairman of the Annual General Shareholders' Meeting of their candidates for membership of the Supervisory Board in writing or verbally.
15. Proposals for Supervisory Board candidates should be supported in detail with particular emphasis placed on the candidate's education, qualifications and professional experience.

16. Before a resolution is adopted on the composition of the Supervisory Board the General Shareholders' Meeting shall vote on a resolution to determine the number of members the Supervisory Board is to have.
17. The Company may organise the General Meeting in such a way as to enable shareholders to participate at the General Meeting using means of electronic communication.
18. The person convening the General Meeting decides about the possibility to participate in the General Meeting of the Company by means of electronic communication.
19. Shareholder's participation in the General Meeting by means of electronic communication includes:
  - a) two-way real-time communication of all persons participating in the General Meeting, in which they may speak during the General Meeting, staying in a different place than the place of the General Meeting,
  - b) exercising voting rights in person or by proxy during the General Meeting via electronic means of communication.

## **10. Membership, Changes in Membership during Last Financial Year and Rules of Operations of the Company's Managing and Supervising Persons as well as Their Committees**

### **a) Members of the Comarch S.A.'s Supervisory Board as at 31<sup>st</sup> of December, 2020:**

<b>Name and Surname</b>	<b>Position</b>
Elżbieta Filipiak	Chairman of the Supervisory Board
Andrzej Pach	Vice-Chairman of the Supervisory Board
Danuta Drobnik	Member of the Supervisory Board
Łukasz Kalinowski	Member of the Supervisory Board
Joanna Krasodomska	Member of the Supervisory Board
Anna Pruska	Member of the Supervisory Board
Tadeusz Włudyka	Member of the Supervisory Board

The Supervisory Board shall undertake constant supervision of all areas of the Company's operations. The Supervisory Board shall operate according to the regulations of the Polish Commercial Companies Code, the Company's Articles of Association, the Corporate Governance Principles in force at the Company and the Rules for the Supervisory Board dated the 30<sup>th</sup> of June, 2003 approved at the Annual General Shareholders' Meeting (and amendments). The detailed operations of the Supervisory Board were presented in the above-mentioned documents.

### **b) The most important rules included in the Rules for the Supervisory Board are:**

1. The Supervisory Board shall contain three to seven people, subject to special provisions relating to public companies, chosen by the Annual General Shareholders' Meeting. The Meeting shall, by a resolution, specify the number of members of the Supervisory Board before voting commences to select candidates for that Board.
2. Supervisory Board members shall be appointed for a common term of office lasting three years.
3. Members of the Supervisory Board shall perform their rights and duties directly and in person. Any member of the Supervisory Board may be dismissed before their term of office has been completed. Members of the Supervisory Board may be re-elected.
4. General Shareholders' Meeting shall appoint from among members of the Supervisory Board the Chairperson, the Vice Chairperson, and also the Secretary of the Supervisory Board, as needed.

5. The chairman of the Supervisory Board:
  - convenes meetings of the Supervisory Board;
  - conducts meetings of the Supervisory Board
  - opens debates at the Annual General Shareholders' Meeting.
6. When the chairman is absent his place shall be taken by the vice-chairman of the Supervisory Board, and in his absence, a previously appointed member of the Supervisory Board.
7. The Supervisory Board may select supervisory committees from amongst its members for specific scope of the Company's operations, in particular the Audit Committee.
8. These committees may sit separately and may vote on resolutions. These may concern the findings of inspections and audits concerning the way the Company operates.
9. Meetings of the Supervisory Board shall be convened by the chairman of the Supervisory Board. The Management Board or another member of the Supervisory Board may demand that the chairman convene a meeting of the Supervisory Board. This demand should be accompanied by a proposed agenda. The chairman of the Supervisory Board shall convene a meeting within two weeks of receiving the demand. If the meeting is not convened in accordance with the above provisions, the petitioner may himself call the meeting.
10. The agenda of meetings of the Supervisory Board shall be stipulated by the convener and, along with any relevant materials, be sent to members of the Supervisory Board three (3) days before the planned date of the meeting unless circumstances arise to justify shortening this period.
11. The agenda of meetings of the Supervisory Board may only be changed or supplemented.
12. Meetings of the Supervisory Board should be convened at least four times in each financial year.
13. Meetings of the Supervisory Board may also be held using means of direct remote communication, in particular in the form of teleconference, video conference, using electronic mail, the Internet or other available means of electronic communication. In such a case, it is assumed that the place of the meeting and preparation of the minutes is the place of stay of the Chairman of the Supervisory Board or the Vice-Chairman, if the meeting is chaired by him.
14. Meetings of the Supervisory Board may be registered in the form of audio or audio-video, if everyone participating in the meeting of the Supervisory Board agrees.
15. Resolutions of the Supervisory Board shall be adopted by a majority of the votes present, and in the case of meetings taking place using means of direct remote communication - by a majority of votes attending the meeting. In the event of an equal number of votes, the Chairman has the casting vote.
16. A resolution of the Supervisory Board is validly adopted if all members have been invited to participate in the meeting of the Supervisory Board and more than half of the members of the Supervisory Board participate in the meeting, including the Chairman or Vice-Chairman of the Supervisory Board.
17. Resolutions of the Supervisory Board may also be adopted without holding a meeting by voting in writing or using means of direct remote communication.
18. Resolutions adopted at the meeting held in accordance with point 13 or point 17 will be valid when all members of the Supervisory Board have been notified of the content of the draft resolution and at least half of the members of the Supervisory Board, including the Chairman or Vice-Chairman of the Supervisory Board, participated in adopting the resolution.
19. Members of the Supervisory Board may take part in voting on resolutions of the Supervisory Board by voting in writing via another member of the Supervisory Board. Voting in writing may not apply to matters introduced to the agenda during the meeting of the Supervisory Board.
20. The Supervisory Board may adopt resolutions in writing or by using means of direct remote communication also in matters for which the Company's Articles of Association provide for secret voting, provided that no member of the Supervisory Board objects.

21. Resolutions, after their adoption, are signed by all members of the Supervisory Board participating in the voting, while in the case of resolutions adopted using means of direct remote communication, such resolutions may also be confirmed by the Chairman or Vice-Chairman of the Supervisory Board who receives votes from other members of the Supervisory Board. The resolution is confirmed by noting in the resolution the mode of its adoption and the votes cast by members of the Supervisory Board.
22. Members of the Management Board may take part in meetings of the Supervisory Board. The Management Board shall be informed of all dates and agendas of meetings of the Supervisory Board.
23. The Supervisory Board may invite indicated members of the Management Board to take part in a meeting.
24. At each of its meetings the Supervisory Board shall be informed by the Company of the current individual and consolidated financial results of the Company and of significant matters concerning the Company's operations. Where this is justified by the Company's situation, this shall include the risk associated with operations and ways to manage this risk.
25. Members of the Management Board shall not take part in those sections of meetings of the Supervisory Board which concern the dismissal, scope of responsibility, or pay and conditions of Management Board members.
26. Meetings of the Supervisory Board shall be minuted. The minutes should include the agenda for debate, the name and surname of all the Supervisory Board members participating in the meeting and the results of the votes on resolutions.
27. The Supervisory Board shall undertake constant supervision of all areas of the Company's operations.
28. The specific competences of the Supervisory Board are as follows:
  - Assessing the Company's annual financial statement and the consolidated financial statement of the Comarch capital group;
  - Assessing the Management Board's reports on the Company's operations and on the Comarch capital group and, in addition, assessing the Management Board's conclusions on distributing profits and covering losses;
  - Submitting a written report containing the information required by points above of the present section;
  - Scrutinizing the work of the Management Board in effecting resolutions adopted at the Annual General Shareholders' Meeting;
  - Selecting statutory auditors for the financial statements of the Company and of the Comarch capital group. The Supervisory Board may adopt a resolution to apply stricter criteria for the statutory auditor's independence than are demanded by the legal regulations;
  - suspending, for important reasons, individual or all members of the Management Board and delegating members of the Supervisory Board for a period not longer than 3 months to temporarily perform the duties of members of the Management Board who have been dismissed, resigned or cannot perform their duties for other reasons;
  - Giving consent to increase share capital within the context of authorized capital;
  - Giving consent to acquire and dispose of real estate or shares in real estate;
  - Giving consent to conclude an agreement with an issue underwriter in accordance with the provisions set out in art. 433 paragraph 3 of the Polish Commercial Companies Code;
  - Exercising, in respect of members of the Management Board and on behalf of the Company, rights and privileges arising from an employment relationship;
  - Approving the Company's growth strategy;
  - Expressing its opinion on draft resolutions for the Annual General Shareholders' Meeting sent to it by the Management Board and shareholders;
  - Giving consent to the members of the Company's Management Board on the management boards or supervisory boards of companies from outside the Comarch Capital Group;



- Giving consent to the conclusion by the Company of a significant agreement with a shareholder holding at least 5% of the total number of votes in the Company or a related entity;
  - Preparation of an annual report on the remuneration of the Company's Management Board and Supervisory Board;
  - Performance and monitoring of the performance of obligations arising from the Best Practices of WSE Listed Companies.
29. Once every year the Supervisory Board must adopt a resolution in the matter of its assessment of the Company's situation, the Supervisory Board's report on its activities, assessment of the Company's compliance with information obligations regarding the corporate governance principles, assessment of the rationality of the Company's policy in the area of sponsorship, charity or other similar activities. These documents shall be passed on to the Annual General Shareholders' Meeting.
30. To aid it in performing its function, the Supervisory Board has the right to see all the Company's documents and may demand reports and explanations from the Executive Board and from Company's employees. The Supervisory Board may also conduct a review of the state of the Company's assets.
31. The Supervisory Board operates as a collective body but may, however, delegate its individual members to particular supervisory activities.
32. Members of the Supervisory Board should hold the interests of the Company as their highest priority. A member of the Supervisory Board should avoid undertaking professional or non-professional activity that could lead to a conflict of interests or adversely affect his reputation as a member of the company's governing body, and should he disclose a conflict of interest immediately.
33. Members of the Supervisory Board shall be bound to inform other members of the Supervisory Board of any conflict of interest arising and, following this, not take place in the debate concerning the matter that is subject to a conflict of interest. Where it is uncertain whether a conflict of interest has arisen, the Supervisory Board shall vote on a resolution to resolve this uncertainty.
34. Members of the Supervisory Board shall keep secret all information they acquire in the course of their duties concerning the Company's activities and the activities of companies within the Comarch Capital Group.
35. Within fourteen days of their selection a member of the Supervisory Board shall make a written submission of any economical, familial or other involvements with a shareholder holding five per cent or more of the votes at the Annual General Shareholders' Meeting. The Management Board shall inform the Supervisory Board in writing at that board's next meeting of any case where any entity acquires five per cent or more of the votes at the Annual General Shareholders' Meeting. Where information of this nature is passed to them, the members of the Supervisory Board shall submit – within fourteen days of the sitting of the Supervisory Board at which they were informed – written information concerning any conflict of interest arising. Should the involvements referred to in the present section change, members of the Supervisory Board are obliged – without summoning the Company to meet – to provide details of these changes within fourteen days.
36. Members of the Supervisory Board delegated to long-term, individual supervisory duties may not, unless the Company gives permission, involve themselves in competing business interests or participate in the business of a competitor Company as a partner or associate, or as a member of a body of a joint-stock Company. Further, they may not participate in the business of a competitor Company in a different legal personality as a member of a Company body. Additionally, members of the Supervisory Board are forbidden to participate in a competitor capital group where they hold ten per cent or more of the shares or participation rights, or where they enjoy the right to appoint at least one member of the Management Board.
37. Permission for members of the Supervisory Board delegated to long-term, individual supervisory duties to pursue competing commercial interests shall be granted according to a decision of the Supervisory Board.

38. A member of the Supervisory Board may not accept benefits that could affect impartiality and objectivity in making decisions or may adversely affect the assessment of the independence of his opinions and courts.
39. If a member of the Supervisory Board finds that a decision of the Supervisory Board is contrary to the interests of the Company, he may request that his opinion be included in the minutes of the meeting of the Supervisory Board.
40. Duties of members of the Supervisory Board:
- Members of the Supervisory Board are obliged to draw up a list of persons closely associated with them and to deliver it to the Company immediately, no later than within 7 days.
  - Members of the Supervisory Board and persons closely associated with them are obliged to provide the Company and the Polish Financial Supervision Authority with information on each transaction concluded for their own account in relation to Company's shares or debt instruments or to derivative instruments or other related financial instruments - if the value of this transaction or the sum of transaction values exceeds € 5,000. The obligation to notify transactions applies to each subsequent transaction when the total amount of EUR 5,000 is reached during one calendar year. The threshold of 5,000 euros is calculated by adding without offsetting the position of all transactions. Members of the Supervisory Board are obliged to provide information about transactions immediately, but no later than within two business days after the transaction date. Members of the Supervisory Board are obliged to notify persons closely related to their obligations under the above content and to keep a copy of this notification. In the case of the appearance of new people closely related, a member of the Supervisory Board is obliged to notify them in writing about the obligations arising from the above content and sanctions for violation of these obligations, as well as to keep a copy of this notification. A declaration signed by a person closely related should be forwarded to the Company immediately, but no later than within 7 days.
  - Members of the Supervisory Board delegated to long-term supervisory tasks shall submit a monthly, written report detailing their activities to the Supervisory Board.
  - Members of the Supervisory Board should not resign their positions in mid-term where this would make it impossible for the Supervisory Board to function or where, especially, this would delay the adoption of vital resolutions.
  - Members of the Supervisory Board shall receive compensation according to terms stipulated by the Annual General Shareholders' Meeting.
  - Two members of the Supervisory Board shall participate in the debates at the Annual General Shareholders' Meeting. Members of the Supervisory Board shall themselves select these delegates to represent the Board at the Annual General Shareholders' Meeting.
  - Members of the Supervisory Board should make all efforts to participate in Supervisory Board meetings.
  - In the case of election of Supervisory Board members by voting in separate groups, each group has the right to delegate one of the Supervisory Board members elected by it to permanent, individual performance of supervisory activities.
  - Members delegated to long-term, individual supervisory tasks have the right to participate in meetings of the Management Board.
  - The compensation for members of the Supervisory Board delegated to long-term, individual supervisory tasks shall be stipulated by the Supervisory Board.
41. The Company shall cover the costs of the Supervisory Board's operation.
42. The Supervisory Board shall use the Company's office space, equipment and material.
43. The Company's Management Board shall provide the Supervisory Board with administrative and technical support.

## c) Committees

In 2020, the Audit Committee (equivalent of the Audit Committee within the meaning of Annex I to the European Commission Recommendation of the 15<sup>th</sup> of February, 2005 concerning executive directors



(...)), consisted of Joanna Krasodomska- Chairman of the Audit Committee, Danuta Drobniak- Member of the Audit Committee and Andrzej Pach- Member of the Audit Committee.

In 2020, the Audit Committee held four meetings.

According to the information available to the Company, two members of the Audit Committee fulfilled the conditions for independence (Joanna Krasodomska and Andrzej Pach).

Joanna Krasodomska (PhD of Economic Sciences, licensed accountant, academic staff, since 2016 as Associate Professor at the Faculty of Finance and Law at the Department of Financial Accounting at the Cracow University of Economics conducts scientific research, didactic activity, promoting and reviewing master's and doctoral dissertations, organizational activity for the University and the Department) and Danuta Drobniak (statutory auditor no. 9578) have knowledge and skills in accounting or auditing.

The knowledge of the IT industry is held by Andrzej Pach (professor of technical sciences, author of over 250 scientific publications in the field of modelling and analysis of computer networks and radio networks, participant and manager of many research projects, full professor at the Department of Telecommunications AGH, whose head was in the years 1998 - 2016, currently performs the function Vice-Rector for Science of AGH and is a member of the Electronics and Telecommunications Committee of the Polish Academy of Sciences).

#### **d) The most important rules included in the Regulations of the Audit Committee of the Supervisory Board of Comarch S.A.:**

1. The Audit Committee operates in accordance with the Regulations of the Audit Committee of the Supervisory Board of Comarch S.A. adopted on 27<sup>th</sup> of November, 2017 with Resolution No. 2/11/2017 of the Audit Committee of Comarch S.A, and its subsequent amendments.
2. The Audit Committee consists of at least three members, including the Chairman of the Audit Committee, appointed or removed by the Supervisory Board for the term of its term from among the members of the Supervisory Board.
3. Most members of the Audit Committee, including the Chairman, are independent of the Company, i.e. they meet the independence criteria.
4. At least one member of the Audit Committee possesses knowledge and skills in accounting or auditing.
5. At least one member of the Audit Committee possesses knowledge and skills in the field in which Comarch S.A. operates. or individual members in specific areas have the knowledge and skills in this industry.
6. The Committee performs its functions jointly.
7. The Committee's meetings shall be held at the registered office of the Company or other place indicated by the person convening the meeting.
8. The Chairman of the Audit Committee may invite to the meetings of the Audit Committee other members of the Supervisory Board, members of the Management Board and employees of the Company, a certified auditor and other persons whose participation in the Committee's meetings considers important from the point of view of the Committee's tasks.
9. The Committee shall meet as often as it is necessary for the effective performance of its tasks, but not less frequently than four times in a financial year.
10. Every member of the Committee, as well as members of the Supervisory Board and the Management Board, have the right to bring matters to committee meetings.
11. A resolution of the Audit Committee is valid if all of its members have been invited to the Audit Committee meeting and at least half of the members of the Audit Committee participate in the meeting.
12. Meetings of the Audit Committee may also take place using means of direct remote communication, in particular in the form of teleconferencing, video conferencing, using electronic mail, the Internet

or other available means of electronic communication. In this case, it is assumed that the place of the meeting and preparation of the minutes is the office of the Company.

13. Resolutions of the Audit Committee are adopted by a majority of votes present and in the case of meetings taking place using means of direct remote communication - by a majority of votes attending the meeting. In the case of an equal number of votes, the Chairman's vote is decisive.
14. Resolutions of the Audit Committee may also be adopted without holding a meeting by way of a written vote or using means of direct remote communication.
15. Minutes of meetings of the Audit Committee together with conclusions, recommendations and recommendations of the Audit Committee are submitted to the Supervisory Board as well as to the Management Board of the Company.
16. Task and rights of the Audit Committee:
  - monitoring the financial reporting process;
  - submitting recommendations aimed at ensuring the reliability of the financial reporting process in the Company;
  - monitoring the performance of auditing activities;
  - controlling and monitoring the independence of the statutory auditor and the audit firm;
  - informing the Supervisory Board about the results of the audit;
  - assessing the independence of the certified auditor and consenting to the provision of permitted non-audit services in the Company;
  - developing a policy of selecting an audit firm to conduct the audit;
  - development of a policy by the audit firm conducting the audit, by entities related to this auditing company and by a member of the auditing company's network of permitted non-audit services;
  - determination of the procedure for the selection of an audit firm by the Company;
  - presenting recommendations to the Supervisory Board regarding the selection of an audit firm;
  - examining the issues that give rise to resignation from the services of the external auditor and issuing recommendations on the required activities;
  - monitoring the effectiveness of internal control systems and risk management systems as well as internal audit;
  - the Committee has the right to investigate every matter in its area of responsibility.
17. Once every six months before the date of approving annual and semi-annual reports, the Committee prepares and presents to the Supervisory Board a report on its activities.
18. A member of the Audit Committee should make every effort to participate in the meetings of the Audit Committee.

As at 31<sup>st</sup> of December, 2020, the Supervisory Board of Comarch S.A. did not set up a nomination committee and a remuneration committee.

## **e) Audit Committee and the auditor – policies, procedures**

The issuer was not provided by an auditing company examining its non-audit services' financial statements.

The recommendation regarding the selection of an audit firm to conduct the audit met the applicable statutory conditions and was consistent with the principles contained in the document "Policy and procedures for selecting an audit firm to audit the statutory financial statements of Comarch S.A. and the Comarch Capital Group and the policy for the provision of additional services by the auditing company, an entity related to the auditing company or a member of its network adopted by the Resolution by the Audit Committee of Comarch SA " available at [https://www.comarch.com/files-com/file\\_280/policy-to-select-auditor-updated.pdf](https://www.comarch.com/files-com/file_280/policy-to-select-auditor-updated.pdf) (ENG: [https://www.comarch.com/files-com/file\\_280/policy-to-select-auditor-updated.pdf](https://www.comarch.com/files-com/file_280/policy-to-select-auditor-updated.pdf)). It was prepared following an election procedure organized by the issuer that met the issuer's criteria.

The main assumptions of the policy elaborated for the selection of an audit firm to conduct the audit and the policy of the auditing company conducting the audit by entities related to this auditing company and by a member of the auditing company's network of permitted non-audit services:

## **The policy of Comarch S.A. regarding choosing an audit firm for statutory audit of financial statements**

1. In accordance with the regulations in force at the Company, the audit firm is selected by the Supervisory Board in the form of a resolution, acting on the recommendation of the Audit Committee.
2. It is forbidden to introduce any contractual clauses that would require the Supervisory Board to choose an audit firm from among a specific category or list of entities authorized to audit. Such clauses shall be automatically void.
3. The Supervisory Board, when making a selection, and the Audit Committee during the preparation of recommendations, are guided by the following guidelines regarding the audit firm:
  - Confirmation of impartiality, independence and the highest quality of auditing work
  - Knowledge of the IT industry in which the companies of the Comarch Capital Group operate,
  - Confirmation of operating within international network in most of the countries in which the companies of the Comarch Capital Group operate,
  - Confirmation of having experience in examining the reports of public interest entities,
  - The ability to provide the required range of services within timeframes specified by the Company,
  - Professional qualifications and experience of persons directly involved in the audit,
  - The price proposed by the entity authorized to audit.
4. The contract with the audit firm for the audit of financial statements shall be concluded in time for the audit firm to take part in inventory-taking of important assets.
5. In the case of the statutory audit as defined by Article 2 item 1 of the Act on Statutory Auditors, the first contract for the audit of financial statements shall be concluded with the audit firm for a period not shorter than two years with the possibility of extending it to subsequent biennial periods. The costs of conducting the audit of the financial statement shall be borne by the audited entity.
6. A maximum uninterrupted duration of orders for the statutory audits, conducted by the same audit firm, an affiliated audit firm or any member of the network operating in the European Union countries to which these audit firms belong, must not exceed 5 years. The key statutory auditor may re-conduct the statutory audit of the Company after at least 3 years from the end of the last statutory audit.

## **The procedure for selecting an audit firm to audit the statutory financial statements**

The Chief Financial Officer of Comarch S.A. prepares a request for selection of an auditing company to carry out a statutory audit of Comarch S.A.'s financial statement and consolidated financial statement of Comarch S.A. Capital Group by the end of March of the year, which should be audited. The request should be published on the website [www.comarch.pl](http://www.comarch.pl) and sent to the selected auditing service providers. Companies of the Comarch S.A. Capital Group operating outside Poland should be audited, mostly, by subsidiaries of the selected auditing company operating in the international network.

In cases other than the extension of the audit contract with the existing auditing company, the Company conducts the tender procedure in accordance with the following procedures.

Tender documentation, prepared by Comarch S.A., for the invited audit firms:

- enables these companies to learn about the operations of the Company and the Comarch S.A. Capital Group,
- contains an indication of financial statements subject to examination,
- contains transparent and non-discriminatory selection criteria that are used to assess the offers made by audit firms.

The selection procedure of the audit firm does not exclude from the participation companies that obtained less than 15% of their total remuneration for research from public interest entities in a given European Union country in the previous calendar year, which are listed in the list of audit firms referred to in art. 91 of the Act on Chartered Auditors.

Auditing companies operating in the international network, which audit public interest entities, submit their offers for statutory audits of Comarch S.A.'s financial statement and consolidated financial statement of Comarch Capital Group to the Chief Financial Officer of Comarch S.A. with the timeframes laid down in the request published on the Company's website.

All offers received from the auditing companies operating in the international network are submitted to the Members of the Comarch S.A.'s Audit Committee.

Members of the Comarch S.A.'s Audit Committee analyse the received offers, determine the date of a meetings with representatives of auditing companies and, on the basis of these actions, recommend the choice of an auditor to the Supervisory Board of Comarch S.A. The Audit Committee presents the Supervisory Board with a recommendation regarding the selection of an audit firm. In its recommendation, members of the Audit Committee:

- Indicate the auditing company they propose to entrust with the statutory audit,
- Declare that the recommendation is free from the influence of third parties,
- State that the Company did not conclude agreements containing contractual clauses that would require the Supervisory Board to choose an audit firm from among a specific category or list of entities authorized to audit.

The recommendation contains at least two options for the selection of the audit firm along with justification and indication of the justified preference of the Audit Committee with respect to one of them.

Comarch S.A. evaluates the offers submitted by the audit firms in accordance with the selection criteria set out in the tender documentation and prepares a report containing the conclusions of the selection procedure approved by the Audit Committee.

During the procedure of the selection of an audit firm, Comarch S.A. and the Audit Committee take into consideration any findings or conclusions contained in the annual report referred to in art. 90 sec. 5 of the Act on Chartered Auditors, which may affect the selection of an audit firm.

If the decision of the Supervisory Board regarding the selection of an audit firm deviates from the recommendation of the Audit Committee, the Supervisory Board justifies the reasons for non-compliance with the recommendation of the Audit Committee and forwards such justification to the body approving the financial statements.

The decision of the Supervisory Board shall be announced publicly by the Management Board in the form of a current report on the selection of the audit firm.

The Supervisory Board, based on the recommendation of the Audit Committee, may extend the contract with the current auditing company to audit financial statements for subsequent at least two-year periods without the need to conduct a tender procedure after taking into account the rules of rotation of the audit firm and the key certified auditor resulting from the law.

### **Policy in the scope of providing additional services by an audit firm, an entity affiliated to an auditing company or a member of its network.**

A statutory auditor or an audit firm that performs statutory audits of the Company or an entity affiliated to the auditing firm or any member of the network to which the statutory auditor or audit firm belongs does not directly or indirectly provide to the Company or its controlled entities any prohibited services that are not audit services.

Prohibited services shall not include services indicated in Art. 136 sec. 2 of the Act on Chartered Auditors. Services that are not prohibited, are possible to the extent not related to the Company's tax policy, after approval by the Audit Committee preceded by the Audit Committee's assessment of threats and safeguards of the independence of the audit firm.

Where applicable, the Audit Committee issues guidelines on services that are not prohibited.

**f) Members of Comarch S.A.'s Management Board as at 31<sup>st</sup> December, 2020:**

Name and surname	Position
Janusz Filipiak	President of the Management Board
Paweł Prokop	Vice-President of the Management Board
Andrzej Przewięźlikowski	Vice-President of the Management Board
Zbigniew Rymarczyk	Vice-President of the Management Board
Konrad Tarański	Vice-President of the Management Board
Marcin Warwas	Vice-President of the Management Board

The Management Board leads the affairs of the Company and operates according to the provisions of the Polish Commercial Companies Code, the Company's Articles of Association, resolutions of the Supervisory Board, resolutions of the Annual General Shareholders' Meeting, the Rules for the Management Board dated the 25<sup>th</sup> of May, 2020, and to the generally binding legal regulations. The detailed operations of the Management Board were presented in the above-mentioned documents.

**g) The most important rules included in the Rules for the Management Board are:**

1. The Management Board performs its functions jointly and takes resolutions at meetings of the Management Board and in the manner stipulated below.
2. Meetings of the Management Board shall be held at least once every month. Meetings of the Management Board shall be held on the company's premises at ul. Prof. Życzkowskiego 23 in Krakow or in any other place indicated by a person calling the meeting. Meetings of the Management Board may also be held using means of direct remote communication, in particular in the form of teleconferences, videoconferences, using e-mail, the Internet or other available means of electronic communication. In such a case, it is assumed that the place where the meeting is held and the minutes are drawn up is the place of residence of the President of the Management Board or the member of the Management Board replacing the President of the Management Board.
3. A meeting of the Management Board shall be called by the President of the Management Board or, in his absence, a member of the Management Board acting as the President of the Management Board.
4. Where all members of the Management Board are present at a meeting of the Management Board, a meeting of the Management Board may be called informally.
5. The President of the Management Board or, in his absence, the person acting as President of the Management Board, may call a meeting of the Management Board at the request of any member of that Board and with the agenda specified by the member making the request. Meetings of the Management Board called in this way shall, however, not be restricted exclusively to this agenda and may consider other items placed on the agenda.
6. Meetings of the Management Board shall be chaired by the President of the Management Board, a person acting as the President of the Management Board or a person nominated by the President of the Management Board.
7. The Management Board shall take decisions in the form of resolutions adopted by open vote.
8. The chairman shall order a secret vote where even one member of the Management Board taking part in the meeting requests this.
9. Resolutions shall be adopted by an absolute majority of votes.

10. A resolution adopted at a meeting of the Management Board is valid only where at least four members of the Management Board, including the President of the Management Board or the person acting as the President of the Management Board, are present.
11. The Management Board may adopt resolutions at the meeting also using means of direct remote communication.
12. Members of the Management Board may participate in the process of resolution adoption, by casting their votes in writing through another member of the Management Board.
13. The Management Board may adopt a resolution outside meetings of the Management Board in the following ways:
  - By written vote – in this case each member of the Management Board votes in writing and gives this to the President of the Management Board or to the person acting as President of the Management Board;
  - By written vote – each member of the Management Board signs the contents of the resolution and gives this to the President of the Management Board or to the person acting as the President of the Management Board;
  - Voting using electronic means of communication, including e-mail, communicators, the Internet or other means of distance communication;
  - Votes cast in the manner set forth above shall be recorded in the book of resolutions and appended to the minutes of the meeting of the Management Board.
  - Where adopted in the manner set out in the third indent, a resolution shall require the votes of all members of the Management Board to be valid.
14. Non-members of the Management Board may be invited to attend its meetings.
15. All meetings of the Management Board require that minutes be taken. These should include at least:
  - The date and place of the meeting;
  - The agenda of the meeting;
  - The names and surnames of the members of the Management Board present at the meeting;
  - The names and surnames of people invited to the meeting of the Management Board and present at the meeting;
  - The exact content of resolutions;
  - The number of votes cast for and against resolutions including the number of abstentions.
  - The subjects discussed;
  - A written record of dissenting opinions expressed;
  - The signatures of the members of the Management Board present at the meeting.
16. The minutes of Management Board meetings shall be kept in the Minutes Book. The Minutes Book shall be maintained by the CEO secretariat.
17. The minutes of Management Board meetings shall be drawn up immediately by CEO secretariat.
18. Performing functions in the Management Board of the Company is the main area of professional activity of a member of the Management Board. Additional professional activity of a member of the Management Board cannot lead to such a commitment of time and effort to negatively affect the proper performance of the function performed in the Company. In particular, a member of the Management Board should not be a member of bodies of other entities, if the time devoted to the performance of functions in other entities prevents him from diligently performing his duties in the Company.
19. In the case of resignation or inability to perform activities by a member of the Supervisory Board, the Management Board of the Company immediately takes appropriate actions to supplement or change the composition of the Supervisory Board.
20. The Management Board of the Company is responsible for the implementation and maintenance of the effective internal control systems, risk management, compliance and internal audit functions



21. The Management Board of the Company presents to the Supervisory Board at least once a year its own assessment of the effectiveness of the systems and functions with the relevant report.
22. A member of the Management Board of the Company should avoid undertaking professional or non-professional activity that could lead to a conflict of interest or adversely affect his reputation as a member of the Company's body. A member of the Management Board in the case of a direct or indirect conflict of interests of the Company with the interests of a member of the Management Board is obliged to notify the Supervisory Board of the Company about the conflict.
23. A member of the Management Board cannot accept benefits that could affect impartiality and objectivity in making decisions, or negatively affect the assessment of the independence of his opinions and courts.
24. If a member of the Management Board decides that the Management Board's decision conflicts with the Company's interests, he may request that his position on the subject be included in the minutes of the Management Board meeting.
25. Two members of the Management Board shall participate in the debates of the Annual General Shareholders' Meeting. Members of the Management Board shall themselves decide on which of their number should represent them at the Annual General Shareholders' Meeting.

## **11. A Description of the Basic Features of the Internal Control and Risk Management Systems the Issuer Uses and How These Relate to the Process of Preparing the Financial Statements**

The Company's Management Board is responsible for the Company's accounting in accordance with the Act on Accounting of 29<sup>th</sup> of September, 1994 (consolidated text, Journal of Laws from 2021, pos. 217) and compliant with the Regulation issued by the Minister of Finance on 29<sup>th</sup> of March, 2018 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (consolidated text, Journal of Laws from 2018, pos. 757).

When preparing financial statements and consolidated financial statements internal control and risk management at Comarch S.A. are effected in accordance with the Company's internal procedures for drawing up and approving financial statements. In accordance with the Act on Accounting of 29<sup>th</sup> of September, 1994, the Company maintains documents describing the accounting principles it has adopted. These include, but are not limited to, information on the methods for valuing assets, for valuing equity and liabilities, for determining the financial result, for maintaining the accounting ledgers and for the protection and security of data and sets of data. The accounting for all economic events is computerized and uses a system called EGERIA and XL. This system is protected against unauthorized access and access limitations set according to the function a person performs or the post a person occupies.

Both financial statements and consolidated financial statements are prepared jointly by people working in the accountancy, the capital market, the control and the finance departments under the supervision of the Head Accountant and Chief Financial Officer. Financial statements and consolidated financial statements are audited, and half-year financial statements are reviewed by an independent expert auditor elected by the Company's Supervisory Board.

## **12. Description of the Diversity Policy**

The Comarch Group consists of 61 companies located in over 30 countries around the world, most of the sales revenue come from foreign markets, Comarch is currently an international company with Polish roots. Entering new markets and functioning efficiently in them requires knowledge of local law and customs, respect for the culture and identity of local communities. It would not be possible without employing citizens of the countries in which the companies of the Comarch Group operate. Comarch S.A. employs approx. 2.3% of foreigners. Compliant with Working Rules for employees in Comarch SA, employer is obliged to: „*counteract discrimination in employment, in particular in relation to gender,*

*age, disability, race, religion, nationality, political beliefs, union affiliation, ethnic origin, creed, sexual orientation."*

Moreover, employees in Comarch S.A. *„should be treated equally within the scope of beginning and terminating work, employment conditions, promotion and trainings availability in order to improve professional qualification, in particular regardless of gender, age, disability, race, religion, nationality, political beliefs, union affiliation, ethnic origin, creed, sexual orientation, and regardless whether employed definite or indefinite time, full-time or part-time."*

Comarch S.A. policy does not create any barriers in relation to gender, views, sexual orientation, ethnic or race origin within the scope of employing and personal policy. It does not contribute to direct or indirect discrimination due to gender, age, disability, race, religion, nationality, politic beliefs, union affiliation, ethnic origin, creed and sexual orientation.

Comarch S.A. makes every effort to ensure balanced share of women and men in performing functions of management and supervisory boards' members in companies.

In the composition of a seven-person supervisory board, Comarch S.A. there are four women. The seven-member board of Comarch S.A. only men are involved, which is primarily associated with the nature of the company's operations and the specifics of the IT industry, in which men make up the vast majority. It should also be emphasized that current members of the Comarch S.A. Management Board are people associated with the Company for many years, (management positions over 5 years), possessing extensive knowledge in the field of IT technology and qualifications necessary for the positions held.

Comarch S.A. constantly increases the percentage share of women's employment, however, when deciding about employment, the employee's qualifications are taken into account, not the gender. Women constitute approx. 27% of employees employed by the Comarch S.A. and about 24% of the management staff of the Company, which is a high proportion of women in total employment, especially taking into account the technical nature of Comarch S.A.

The age structure of the Company is very diverse. Comarch S.A. employs a lot of people under 30, which is typical for the industry. Persons in managerial positions are usually in the 30-50 age group, which also characterizes the management board and the supervisory board.



## Declaration of the Supervisory Board regarding the Audit Committee

The Supervisory Board of Comarch S.A. declares that:

a) provisions regarding the appointment, composition and functioning of the Audit Committee are respected, including the fulfilment by its members of the independence criteria and requirements regarding the possession of knowledge and skills in the industry in which the Company operates and in the field of accounting or auditing of financial statements,

b) The Audit Committee performed the tasks of the audit committee provided for in the applicable regulations.

Krakow, 27<sup>th</sup> of April, 2021

Name and surname	Position	Signature
Elżbieta Filipiak	Chairman of the Supervisory Board	
Andrzej Ryszard Pach	Vice Chairman of the Supervisory Board	
Danuta Drobnia	Member of the Supervisory Board	
Łukasz Kalinowski	Member of the Supervisory Board	
Joanna Krasodomska	Member of the Supervisory Board	
Anna Pruska	Member of the Supervisory Board	
Tadeusz Włudyka	Member of the Supervisory Board	

## **The Assessment Made by the Supervisory Board of Comarch S.A. with Justification, Regarding the Report on the Activities of the Issuer and the Financial Statement in Terms of Their Compliance with the Books, Documents and the Actual Situation**

In the period covered by the report, the Supervisory Board of Comarch S.A. monitored the current situation of the Company and gave its opinion on Comarch S.A.'s ongoing and planned activities. In particular, the Supervisory Board reviewed the quarterly, semi-annual and annual financial statements of the Comarch S.A. Each time, after the publication of financial reports, the Supervisory Board meetings took place at which the Supervisory Board got acquainted with financial results and analysed the scope, reliability, correctness and transparency of data presented in the financial statements published by the Company. The Audit Committee of the Supervisory Board also held meetings with representatives of the entity authorized to audit and review the financial statements of Comarch S.A. Based on the actions taken, the Supervisory Board states that the financial statements and the report on the operations of the Company present the required information in a reliable, correct and clear manner, and the accounting methods adopted by the Company have been applied in accordance with the applicable laws. In the opinion of the Supervisory Board, the report on the activities of the issuer and the financial statement are consistent with the books, documents and the actual situation.

Krakow, 27<sup>th</sup> of April, 2021

Name and surname	Position	Signature
Elżbieta Filipiak	Chairman of the Supervisory Board	
Andrzej Ryszard Pach	Vice Chairman of the Supervisory Board	
Danuta Drobniak	Member of the Supervisory Board	
Łukasz Kalinowski	Member of the Supervisory Board	
Joanna Krasodomska	Member of the Supervisory Board	
Anna Pruska	Member of the Supervisory Board	
Tadeusz Włudyka	Member of the Supervisory Board	