

FINANCIAL SUPERVISION AUTHORITY**CONSOLIDATED ANNUAL REPORT SRR 2021**

(year)

(pursuant to §60 sec.2 of the Regulation in relation to current and periodical reports)
for issuers of securities managing production, construction, trade and services activities
(type of an issuer - if the option "for other issuers" is selected)

for financial year 2021, from 2021-01-01 to 2021-12-31
including consolidated annual financial statement according to IRS approved in the EU
in currency PLN
date of publication 2022-04-29

COMARCH SA	
(full name of an issuer)	
COMARCH	Information Technology (IT)
(abbreviated name of issuer)	(sector according to WSE classification)
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(postal code)	(city)
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(LEI)	(KRS)

BDO Sp. z o.o. sp. K.

(An auditor entitled to audit financial statements)

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	2021	2020	2021	2020
I. Net revenues from sales of products, goods and materials	1,627,149	1,536,753	355,467	343,470
II. Profit (loss) on operating activities	187,227	191,561	40,902	42,815
III. Gross profit (loss)	174,290	164,254	38,075	36,711
IV. Net profit (loss)	123,038	120,631	26,879	26,961
V. Cash flows from operating activities	197,447	308,205	43,134	68,885
VI. Cash flows from investing activities	-150,955	-111,299	-32,978	-24,876
VII. Cash flows from financing activities	-62,773	-74,727	-13,713	-16,702
VIII. Total net cash flows	-16,281	122,179	-3,557	27,307
IX. Total assets	2,110,248	2,003,558	458,809	434,159
X. Liabilities and provisions for liabilities	912,886	905,011	198,479	196,111
XI. Non-current liabilities	244,006	252,430	53,052	54,700
XII. Current liabilities	668,880	652,581	145,428	141,410
XIII. Equity	1,197,362	1,098,547	260,330	238,049
XIV. Share capital	8,133	8,133	1,768	1,762
XV. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349
XVI. Earnings (losses) per single share (PLN/EURO)	15.13	14.83	3.31	3.31
XVII. Diluted earnings (losses) per single share (PLN/EURO)	15.13	14.83	3.31	3.31
XVIII. Book value per single share (PLN/EURO)	147.22	135.07	32.01	29.27
XIX. Diluted book value per single share (PLN/EURO)	147.22	135.07	32.01	29.27

☐ corrected

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 01.01.2021 to 31.12.2021: 4.5775;
 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;
 The balance sheet items were presented based on NBP average exchange rates as of the end of the period:
 31.12.2021: 4.5994;
 31.12.2020: 4.6148.

ANNUAL REPORT INCULDES:

File	Description
SzB_GK_Comarch_2021.xhtml	Report of an Auditor authorized to audit Financial Statements - attachment no. 1a
SzB_GK_Comarch_2021.xhtml.XAdES	Report of an Auditor authorized to audit Financial Statements - attachment no. 1b
SRR 2021 Pismo Prezesa Zarządu.xhtml	Letter of the President of The Management Board - attachment no. 2a
SRR 2021 Pismo Prezesa Zarządu.xhtml.XAdES	Letter of the President of The Management Board – signatures - attachment no. 2b
Comarch-2021-12-31-pl.zip	Consolidated Financial Statement - attachment no. 3a
Comarch-2021-12-31-pl.zip.BES.XAdES.xades	Consolidated Financial Statement - signatures - attachment no. 3b
SRR 2021 Sprawozdanie Zarządu.xhtml	Report of the Management Board - attachment no. 4a
SRR 2021 Sprawozdanie Zarządu.xhtml.BES.XAdES.xades	Report of the Management Board - signatures - attachment no. 4b
SRR 2021 Oświadczenie Rady Nadzorczej w sprawie komitetu audytu.xhtml	Supervisory Board's statement regarding the Audit Committee - attachment no. 5
SRR 2021 Ocena przez Radę Nadzorczą zgodności sprawozdania.xhtml	Assessment by the Supervisory Board of the compliance of the consolidated financial statements - attachment no. 6
SRR 2021 Informacja Zarządu w sprawie wyboru firmy audytorskiej.xhtml	Information of the Management Board regarding the selection of the auditor - attachment no. 7a
SRR 2021 Informacja Zarządu w sprawie wyboru firmy audytorskiej.xhtml.BES.XAdES.xades	Information of the Management Board regarding the selection of the auditor – signatures - attachment no. 7b
SRR 2021 Oświadczenie Zarządu w sprawie rzetelności sporządzenia.xhtml	The Management Board's statement regarding the reliability of the financial statement - attachment no. 8a
SRR 2021 Oświadczenie Zarządu w sprawie rzetelności sporządzenia.xhtml.BES.XAdES.xades	The Management Board's statement regarding the reliability of the financial statement- signatures - attachment no. 8b
SRR 2021 Oświadczenie o stosowaniu ładu korporacyjnego.xhtml	Report regarding Corporate Governance Principles- attachment no. 9a
SRR 2021 Oświadczenie o stosowaniu ładu korporacyjnego.xhtml.BES.XAdES.xades	Report regarding Corporate Governance Principles – signatures - attachment no. 9b
2021 Sprawozdanie na temat informacji niefinansowych.xhtml	Non-financial Data Report - attachment no. 10a
2021 Sprawozdanie na temat informacji niefinansowych.xhtml.BES.XAdES.xades	Non-financial Data Report – signatures - 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 annual consolidated financial statement of the capital group, in which the parent company is Comarch S.A. ("Parent Company"), ("Group") containing consolidated balance sheet as at 31st of December, 2021 and consolidated profit and loss account, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement for the year ended the 31st of December, 2021, and additional information including a description of the accounting principles adopted and other clarifying information ("consolidated financial statement").

In our opinion, attached consolidated financial statement:

- presents a reliable and clear picture of the Group's consolidated property and financial situation as at 31st of December, 2021 and its consolidated financial result and consolidated cash flows for the financial year ended on that day in accordance with those applicable International Financial Reporting Standards approved by the Union European and accepted accounting principles (policy);
- agrees on the form and content with the applicable law and the Articles of Association of the Parent Company.

This opinion is consistent with the additional report for the Audit Committee that we have issued as of the date 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 11th of November, 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 16th 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 Consolidated Financial Statements.

We are independent of the Group companies in accordance with the Code of Ethics for Professional Accountants International Federation of Accountants including International Standards for independency) adopted by the resolutions of the National Council of Experts Auditors ("IFAC Code") and other ethical requirements that apply to the audit of reports financial in Poland. We have fulfilled our other ethical obligations in accordance with these requirements and the IFAC Code. During the audit, a key expert auditor and an audit company they remained independent of the Parent Company in accordance with the independence requirements set out in the Act on Expert Auditors and in 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 matters of investigation are matters that, according to our professional judgment, were the most significant during the audit of the consolidated financial statement for the current period reporting. They include the most significant assessed significant risks distortions, including assessed risks of material misstatement due to fraud. We referred to these matters in the context of our audit of the consolidated report as a whole and when formulating our opinion and summarized our response to these types of risks, and in those cases in which we deemed it appropriate we presented the most important observations related to these types of risk.

We do not express a separate opinion on these matters.

1. The risk of distortion of the financial result due to the recognition of revenue in accordance with the degree of advancement of long-term contracts not completed as at the balance sheet date

Key research matter

Sales revenue for the year ended the 31st of December, 2021 amounted to PLN 1,627,149 thousand. A significant part of the revenue realized by the Capital Group were revenue from the execution of IT implementation contracts, which are recognized by the Capital Group in accordance with the guidelines of IFRS 15 "Revenue from contracts with customers". The value of revenue recognized on this account is PLN 644,653 thousand, which accounts for 39.6% of the Group's revenue. For the settlement of long-term implementation contracts, the Capital Group uses the method of the degree of advancement, measured as the proportion of costs incurred until the balance sheet date in relation to the estimated total costs. The issue was recognized as the key area of the audit due to the significant value of revenue recognized in the fulfilment of the obligation to perform the service and due to the complex nature of the valuation process based on significant estimates of the Parent Company's Management Board.

Disclosures in the financial statement

Details of the accounting policy applied by the Group in the field of recognizing revenue are disclosed in note 2.2 of the additional notes to the consolidated financial statement.

Additional information can be found in note 3.15. of additional notes to the consolidated financial statement.

Auditor procedures in response to the identified risk

As part of the audit of the consolidated financial statement of the Comarch Capital Group, we reviewed the adopted accounting policy in the field of recognizing and recognizing sales revenue in terms of compliance with the regulations of relevant accounting standards.

In particular, we performed procedures to understand and evaluate the internal controls that the Parent Company implemented in relation to the valuation of long-term contracts.

During the course of the audit, we also performed the following procedures to address the identified risks:

- we assessed how the budgets used to calculate revenue are analysed and updated, and finally accepted;
- we reconciled the actual data from the books up to the last day of the audited period with the updated data in the budgets as at the valuation date;
- we analysed the consistency of budget structure through mutual comparisons and arrangements to actual subcontracting contracts;
- we performed an analysis of the mathematical correctness of the calculation of all long-term contracts in terms of their mutual consistency and assessment of the risk of creating a provision for contract loss;

- in the case of contracts carried out over a period longer than a year, the budgets of revenue and costs in these periods were compared and the compliance of changes in the budget amount with the source documentation for the selected sample was assessed, and changes in the value of the assumed margin on the contract were explained;
- for contracts with a high degree of cost involvement, information was obtained on the progress of works;
- for the selected sample contracts (including the largest contracts) the detailed procedures were performed to compare the data originating from the sheet with the data from the customer contract.

2. Goodwill - impairment analysis

Key research matter

In accordance with the IFRS regulations, the Group is required to conduct an annual impairment test goodwill. The test for impairment was a key issue of the study due to the annual obligation test for loss of value by the Management Board of the Company. The company values subject to tests amount to PLN 45,774 thousand, which is 2.2% of the balance sheet total and is significant for the consolidated financial statement. The goodwill impairment test is based on significant assumptions and estimates prepared by Management such as the Group's strategy, future revenues, costs and cash flows, weighted average cost of capital ("WACC"). As a result, the future implementation of these assumptions depends on expectations with respect to future ones market and economic conditions, thus being exposed to a significant risk of distortion.

Disclosures in the financial statement

The applied accounting policy regarding the goodwill of subsidiaries has been disclosed by the Company in the additional notes to the consolidated financial statement, in note 2.1.4 and 2.5.5. Additional information can be found in note 3.6. of additional notes.

Auditor procedures in response to the identified risk

As part of the audit procedures of the consolidated financial statement of the Capital Group:

1. we have made a critical evaluation of the impairment test process,
2. we assessed the identification of the cash generating unit,
3. we have analysed the key assumptions of the test,
4. we tested the test for its mathematical correctness,
5. we have verified the applied discount rates,
6. we assessed the Company's analysis of the sensitivity of the test to key input factors model,
7. we have assessed the correctness and completeness of the required disclosures in the consolidated financial statement.

3. 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 31st of December, 2021 is PLN 76,395 thousand and represents 3.6% of the consolidated balance sheet total. In accordance with the accounting policy, capitalized costs should be recognized as an item in total income in the period not longer than 36 months from the date of their payment in the form of a cost of sales or write-down. The issue was considered a key audit matter in connection with the possible omission of recognition of capitalized

costs for work in progress in the result of the relevant period - in accordance with the accounting policy adopted by the Group and the capitalization of costs that may not generate economic benefits, in accordance with the assumptions adopted by the Management Board of the Parent Company as to the possibility of future use of the effects of work in progress.

Disclosures in the financial statement

The applied accounting policy regarding capitalization of costs of work-in-progress was disclosed by the Company in the additional notes to the consolidated financial statement in note 2.1.5. Additional information is included in the additional notes to the consolidated financial statement in note 3.13.

Auditor procedures in response to the identified risk

As part of the audit procedures of the consolidated financial statement of the Capital Group:

1. accounting policy records have been verified,
 2. a list of items treated as work-in-progress was obtained, with reference to periods of incurring 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 total incomes in connection with obtaining revenues from the sale of software,
 - compliance with the adopted accounting policy, recognized in other total income capitalized costs in case the software is in the development phase (planned write-offs),
 - explanations of the Parent Company's Management Board regarding factors causing delays in the individual settlement position, 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. rated correctness and completeness of required disclosures in the consolidated financial statement
-

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

The Management Board of the Parent Company is responsible for preparing the consolidated financial statement which provide a reliable and clear picture of the property and financial situation and result in accordance with the International Financial Reporting Standards approved by the European Union, accepted accounting principles (policy) and the Group's legal regulations and articles of association, as well as internal control, which the Management Board of the Parent Company considers necessary to enable preparation of consolidated financial statement not causing material distortion due to fraud or mistake.

When preparing consolidated financial statement, the Management Board of the Parent Company is responsible for assessing the Group's ability to continue its activities, disclosing if applicable, matters related to the continuation of activities, and adoption of the continuation principle as an accounting basis, except when the Management Board intends to do so liquidation of the Group, either abandon business or there is no real alternative to its liquidation or discontinuation of activities.

The Management Board of the Parent Company and members of the Supervisory Board of the Parent Company are obliged to ensure that the consolidated financial statement meets the requirements provided for in the Act of the 29th of September, 1994, on accounting ("Accounting Act" - Journal of Laws of 2021, item 217 with subsequent changes). The members of the Supervisory Board of the Parent Company are responsible for supervision the financial reporting process.

Auditor's responsibility for auditing the financial statement

Our goals are to gain reasonable assurance whether the consolidated financial statement as the whole does not contain significant distortion caused by fraud or error and release test reports containing our

opinion. Rational certainty is a high level certainty, but it does not guarantee that the test carried out in accordance with the KSB will always detect existing significant distortion. Distortions can arise from fraud or error and are considered to be important if it can reasonably be expected that one or both of them could affect business decisions of users undertaken on the basis of this consolidated financial statement.

The concept of materiality is used by the auditor both in planning and conducting the study as well as when assessing the impact of the distortions detected during the study, and uncorrected misstatements, if any, on the financial statement, as well as on formulating the auditor's opinion. Therefore, all opinions and statements contained in the audit report are expressed in terms of quality and value the level of significance determined in accordance with the auditor's standards and the professional judgment of an expert auditor.

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

We use professional judgment while maintaining a professional scepticism, and:

- we identify and assess the risks of material misstatement of the consolidated financial statement due to fraud or error, we design and carry out procedures research corresponding to these risks and we obtain audit evidence that is sufficient and appropriate to form the basis for our opinion. The risk of not finding a significant distortion resulting from the fraud is greater than that resulting from the error, because fraud may involve collusion, falsification, intentional omissions, misrepresentation or circumvention of internal control;
- we gain an understanding of the internal control appropriate for the study to be designed audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we assess the appropriateness of the accounting principles (policy) used and the reasonableness of the estimates accountants and related disclosures made by the Management Board of the Parent Company;
- we draw a conclusion on the appropriateness of the Parent Company Management Board's application the continuity of activities' principle as the accounting basis and, based on the obtained evidence of audit whether there is a significant uncertainty related to events or conditions that may be subject to significant doubt to the Group's ability to continue its activities. If we come to the conclusion that there is a significant uncertainty, it is required to pay attention to us in our auditor's report on related disclosures in the consolidated financial statement or, if such disclosures are inadequate, we modify our opinion. Our conclusions are based on evidence of audit obtained up to the date of our preparation the auditor's reports, however future events or conditions may cause that the Group will cease its operations;
- we assess the overall presentation, structure and content of the consolidated financial statement, including disclosure, and whether the consolidated financial statement presents, being their basis, transactions and events, in a manner that ensures a fair presentation;
- we obtain sufficient relevant audit evidence about financial information units or business activities within the Group to express an opinion on the consolidated financial statement. We are responsible for management, supervision and conducting the Group's audit and we remain solely responsible for our opinion from the audit.

We provide the Supervisory Board of the Parent Company with information about, among other things, 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 a declaration to the Supervisory Board of the Parent Company that we have observed applicable laws ethical requirements for independence and that we will inform them about all connections and other matters that could be reasonably considered to pose a threat to our independence, and where applicable, we inform about the applied securities.

From among the matters forwarded to the Supervisory Board of the Parent Company, we have established those matters which were the most significant during the audit of the consolidated financial

statement as current reporting period and that is why we considered them key issues of the audit. We describe these matters in our auditor's report, unless laws or regulations prohibit us to disclose them publicly or when, in exceptional circumstances, we determine that the issue should not be presented in our report, because it would be reasonable to expect that the negative consequences would outweigh the benefits of such information to the public interest.

Other information, including an activity report

Other information includes a report on the Group's activities for the financial year ended 31st of December, 2021 ("Activity Report") together with a statement on corporate governance referred to in Art. 49b (1) of the Act on Accounting, which is a separate part of this report ("Other Information") ("Annual Report").

Responsibility of the Management Board and the Supervisory Board of the Parent Company

The Management Board of the Parent Company is responsible for preparing Other Information in accordance with the law. The Management Board of the Parent Company and members of the Supervisory Board of the Parent Company are obliged to ensure that the Report on the Group's activities along with the separated part meet requirements provided for in the Act on Accounting.

Responsibility of the auditor

Our opinion on the audit of the consolidated financial statement does not include Other Information. In connection with the audit of the consolidated financial statement, our duty is getting acquainted with Other Information, and by doing so, considering whether Other Information is not significant inconsistent with the consolidated financial statement or our knowledge gained during the audit, or otherwise appear to be significantly distorted. If based on the work done, we find out significant distortions in other information, we are obliged to inform you in our audit report. Our duty in accordance with the requirements of the Act on Expert Auditors is also issuing an opinion or report whether the Group's activities has been prepared in accordance with the regulations and whether it is consistent with the information contained in the consolidated financial statement. Also we are required to give an opinion on whether the Group has included the required information in a statement on the application of corporate governance.

We obtained a report on the Group's activities before the date of this audit report, and the Annual Report will be available after this date. In the case when we find a significant distortion in the Annual Report we are obliged to inform the Supervisory Board of the Parent Company.

Opinion on the Report on activities

Based on the work carried out during the audit, in our opinion, the Report on the Group's activities:

- it has been drawn up in accordance with Article 49 of the Act on Accounting and paragraph 71 of the Regulation Minister of Finance of the 29th of March, 2018, regarding current and periodic information provided by issuers of securities and conditions for recognition as equivalent to information required by the laws of a non-state member ("Regulation on Current Information" - Journal of Laws of 2018, item 757 with subsequent changes);
- is consistent with the information contained in the consolidated financial statement.

In addition, in the light of knowledge about the Group and its surroundings obtained during our audit, we declare that we have not identified material misstatements in the Group's Report on the Group's activities.

Opinion on the statement on the application of corporate governance

In our opinion, the Group has all information in the statement on the application of corporate governance referred to in paragraph 70, paragraph 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. i of this Regulation included in the statement on the application of corporate governance are in accordance with applicable provisions and information contained in the consolidated financial statement.

Report on other legal and regulatory requirements

Opinion on the compliance of the consolidated financial statement prepared in the uniform electronic reporting format with the requirements of the regulation on technical standards regarding the specification of the uniform electronic reporting format

In connection with the audit of the consolidated financial statement, we were engaged to perform a reasonable assurance service to express an opinion on whether the Group's consolidated financial statement for the year ended 31st of December, 2021 prepared in a uniform electronic reporting format included in the file named Comarch-2021-12-31-pl.zip ("consolidated financial statement in ESEF format") has been labelled in accordance with the requirements set out in Commission Delegated Regulation (EU) 2019/815 of the 17th of December, 2018, supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory standards technical specifications on the specifications of the single electronic reporting format and other regulation of the Commission (EU) with regard to updating the taxonomy to be used for the purpose of the single electronic reporting format, hereinafter referred to as the "Regulation on the ESEF "and meets the technical requirements for the specification of a uniform electronic reporting format, which are set out in these regulations.

Identification of criteria and description of the subject of the service

The consolidated financial statement in the ESEF format has been prepared by the Management Board of the Parent Company in order to meet the labelling requirements and technical requirements for the specification of a uniform electronic reporting format, which are set out in the ESEF Regulation.

The subject of our assurance service is the compliance of the consolidated financial statements in the ESEF format with the requirements of the ESEF Regulation, and, in our opinion, the requirements set out in these regulations constitute appropriate criteria for our opinion.

Responsibility of the Management Board and Supervisory Board of the Parent Company

The Management Board is responsible for the preparation of the consolidated financial statement in the ESEF format in accordance with the labelling requirements and the technical requirements for the specification of a uniform electronic reporting format, which are set out in the ESEF Regulation. This responsibility includes the selection and application of appropriate XBRL tags, using the taxonomy specified in these regulations.

The responsibility of the Management Board also includes the design, implementation and maintenance of the internal control system ensuring the preparation of consolidated financial statements in the ESEF format free from material non-compliance with ESEF requirements.

Members of the Supervisory Board of the Parent Company are responsible for overseeing the financial reporting process, including the preparation of financial statements in accordance with the format resulting from applicable law.

Responsibility of the statutory auditor

Our goal was to express an opinion, based on the assurance service that provides reasonable assurance, whether the consolidated financial statement in the ESEF format has been marked in accordance with the requirements of the ESEF Regulation and comply with the technical standards regarding the specification of a uniform electronic reporting format set out in these regulations.

We have provided the service in accordance with the National Standard of Attestation Services Other than Audit and Review 3001PL- "Audit of financial statements prepared in a uniform electronic reporting format" adopted by the resolution of the National Council of Statutory Auditors No. 1975 / 32a / 2021 of December 17, 2021 (hereinafter: "KSUA 3001PL ") and, where applicable, in accordance with the National Standard on Assurance Services Other than Audit and Review 3000 (Z) in the wording of International Standard on Assurance Engagements 3000 (Revised) -" Assurance services other than audits or reviews of historical financial information "adopted by resolution National Council of Statutory Auditors No. 3436 / 52e / 2019 of April 8, 2019, as amended d. (hereinafter: "KSUA 3000 (Z)").

This standard requires the auditor to plan and perform procedures in such a way as to obtain reasonable assurance that the consolidated financial statements in the ESEF format have been prepared in accordance with specific criteria.

Reasonable assurance is a high level of assurance, but it does not guarantee that a service performed in accordance with KSUA 3001PL and, where applicable, in accordance with KSUA 3000 (Z), will always detect existing material misstatement.

The procedures selected depend on the auditor's judgment, including the auditor's assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor shall consider the internal control related to the preparation of the consolidated financial statements in the ESEF format in order to plan appropriate procedures to provide the auditor with sufficient evidence appropriate to the circumstances. The assessment of the functioning of the internal control system was not carried out in order to express an opinion on the effectiveness of its operation.

Summary of the work performed

The procedures planned and carried out by us included, among others:

- obtaining an understanding of the process of preparing consolidated financial statement in the ESEF format, including the process of selecting and applying the XBRL markers by the Company and ensuring compliance with the ESEF Regulation, including understanding of the internal control mechanisms related to this process;
- reconciliation of tagged information contained in the consolidated financial statement in the ESEF format to the audited consolidated financial statement;
- using specialized IT tools, assessment of compliance with the technical standards regarding the specification of a single electronic reporting format, including the use of XHTML;
- assessment of the completeness of the marking of information in the consolidated financial statement in the ESEF format with XBRL tags;
- assessment of whether the applied XBRL tags from the taxonomy specified in the ESEF Regulation have been properly applied and that the taxonomy extensions have been used in situations where no relevant elements have been identified in the basic taxonomy specified in the ESEF Regulation;
- assessment of the correctness of anchoring the applied taxonomy extensions in the basic taxonomy specified in the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the compliance of the labelling with the requirements of the ESEF Regulation.

Ethical requirements, including independence

In performing the service, the statutory auditor and the audit firm complied with the independence and other ethical requirements set out in the IFAC Code. The IFAC Code is based on the fundamental principles of integrity, objectivity, professional competence and due diligence, confidentiality and professional conduct. We have also complied with other independence and ethical requirements that apply to this assurance engagement in Poland.

Quality control requirements

The audit firm applies the national quality control standards in the wording of the International Standard on Quality Control 1 - "Quality control of companies conducting audits and reviews of financial statements and performing other assurance and related services orders" adopted by a resolution of the National Council of Statutory Auditors no. 2040 / 37a / 2018 of the 3rd of March, 2018, on national quality control standards with subsequent changes (hereinafter "KSKJ").

In accordance with the requirements of the KSKJ, the audit firm maintains a comprehensive quality control system that includes documented policies and procedures for compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion on compliance with the requirements of the ESEF Regulation

The auditor's opinion is based on the matters described above and the opinion should therefore be read with these considerations in mind.

In our opinion, the consolidated financial statements in the ESEF format have been marked, in all material respects, in accordance with the requirements of the ESEF Regulation.

Non-audit services statement

To the best of our knowledge and belief, we declare that the non-audit services we have provided to the Group 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 (1) of the EU Regulation and Article 136 of the Act on statutory auditors. The non-audit services that we provided to the Group in the audited period are listed in Note 27 to the Report on the Activities.

Choosing an auditing company

We have been selected to audit the financial statements with a resolution of the Company's Supervisory Board of the 29th of May, 2017, and again the 27th of May, 2019. The Group's consolidated financial statements are audited continuously starting from the financial year ended 31st of December, 2017, that is for the subsequent five 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 key 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, 29th of April, 2022

COMARCH



Comarch Group Consolidated Financial Statement for For the period 01.01.2021- 31.12.2021

**Financial Statement Prepared Compliant
with International Financial Reporting Standards**

Krakow, the 29th of April, 2022

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60+ locations on **6** continents
– we carry out projects all over the world



PLN 1,627 million
of sales revenue



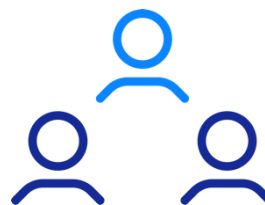
PLN 123 million
of net profit attributable to shareholders



61
companies in the Comarch Group



11.5%
net margin



6,700+
professional employed

Comarch Group Consolidated Financial Statement for 12 months ended 31 December 2021

I. Consolidated Balance Sheet

ASSETS	Note	31 December 2021	31 December 2020
I. NON-CURRENT ASSETS		886,885	856,573
Property, plant and equipment	3.3	611,324	582,158
Right-of-use assets	3.4	86,501	88,222
Investment in real estates	3.5	38,198	39,874
Goodwill	3.6	45,774	45,774
Other intangible assets	3.7	59,988	55,528
Non-current prepayments	3.8	1,026	1,298
Investments in associates	3.9	-	-
Other assets at fair value	3.11a	305	597
Other investments		210	216
Deferred income tax assets	3.12	35,964	35,864
Other receivables		7,595	7,042
II. CURRENT ASSETS		1,223,363	1,146,985
Inventories	3.13	91,877	88,115
Trade and other receivables	3.14	472,822	429,858
Current income tax receivables		2,241	1,430
Long-term contracts receivables	3.15	144,041	157,441
Available-for-sale financial assets	3.10	74,184	20,001
Other financial assets at fair value – derivative financial instruments	3.11a	413	2,119
Cash and cash equivalents	3.17	437,785	448,021
TOTAL ASSETS		2,110,248	2,003,558

EQUITY AND LIABILITIES	Note	31 December 2021	31 December 2020
I. EQUITY		1,197,362	1,098,547
Capital and reserves attributable to the company's equity holders		1,185,912	1,080,039
Share capital	3.18	8,133	8,133
Supplementary capital from sales of shares over their nominal value	3.19	84,446	84,446
Other capitals		58,595	58,595
Exchange differences		38,238	29,653
Retained earnings and net profit for the current period		996,500	899,212
Equities attributable to non-controlling interests		11,450	18,508
II. LIABILITIES		912,886	905,011
Non-current liabilities		244,006	252,430
Credits and loans	3.20	104,564	116,760
Other financial liabilities		5,450	-
Other liabilities		550	6,305
Zobowiązanie z tytułu leasingu	3.21	71,415	75,145
Financial assets at fair value – derivative financial instruments	3.11b	9,662	5,639
Provision for deferred income tax	3.12	49,960	46,778
Provisions for other liabilities and charges	3.23	2,405	1,803
Current liabilities		668,880	652,581
Trade and other payables	3.24	245,756	216,128
Current income tax liabilities		33,368	24,794
Long-term contracts liabilities	3.15	141,902	147,651
Credits and loans	3.20	40,443	40,176
Lease liabilities	3.21	21,023	19,142
Financial assets at fair value – derivative financial instruments	3.11b	4,906	3,820
Other financial liabilities	3.22	-	5,249
Provisions for other liabilities and charges	3.23	181,482	195,621
TOTAL EQUITY AND LIABILITIES		2,110,248	2,003,558

II. Consolidated Income Statement

	Note	12 months 2021	12 months 2020
Revenue	3.26	1,627,149	1,536,753
Cost of sales	3.27	(1,148,303)	(1,086,229)
Gross profit		478,846	450,524
Other operating income	3.28	21,504	54,259
Sales and marketing costs		(152,545)	(143,874)
Administrative expenses		(129,887)	(121,024)
Other operating expenses	3.29	(30,691)	(48,324)
Operating profit		187,227	191,561
Finance revenue/(costs)-net	3.30	(12,937)	(27,307)
Profit before income tax		174,290	164,254
Income tax expense	3.31	(58,308)	(43,761)
Net profit for the period		115,982	120,493
Net profit attributable to parent company shareholders		123,038	120,631
Net profit / (loss) attributable to interests not entitled to control		(7,056)	(138)
Earnings per share for profit attributable to the equity holders of the company during the period (expressed in PLN per share)			
– basic	3.33	15.13	14.83
– diluted	3.33	15.13	14.83

III. Total Income Consolidated Statement

	12 months 2021	12 months 2020
Net profit for the period	115,982	120,493
Other total income		
currency translation differences from currency translation in related parties	8,583	19,498
Total other total income	8,583	19,498
Sum of total income for the period	124,565	139,991
attributable to shareholders of the parent company	131,623	140,116
attributable to interests not entitled to control	(7,058)	(125)

Other total income comprises items, which may be transferred to income statement in the following periods

IV. Consolidated Statement of Changes in Shareholders' Equity

	Attributable to the shareholders of the parent company					Capitals attributable to non-controlling interests	Total equity
	Share capital	Share capital from sales of shares over their nominal value	Other capitals	Exchange differences	Retained earnings and net profit / (loss) for the current period		
Balance at 1 January 2020	8,133	84,446	58,595	10,168	790,781	18,633	970,756
Dividend paid	-	-	-	-	(12,200)	-	(12,200)
Currency translation differences ⁽¹⁾	-	-	-	19,485	-	13	19,498
Profit for the period ⁽²⁾	-	-	-	-	120,631	(138)	120,493
Total income recognised in equity ⁽¹⁺²⁾	-	-	-	19,485	120,631	(125)	139,991
Balance at 31 December 2020	8,133	84,446	58,595	29,653	899,212	18,508	1,098,547
Balance at 1 January 2021	8,133	84,446	58,595	29,653	899,212	18,508	1,098,547
Dividend paid	-	-	-	-	(25,750)	-	(25,750)
Currency translation differences ⁽¹⁾	-	-	-	8,585	-	(2)	8,583
Profit for the period ⁽²⁾	-	-	-	-	123,038	(7,056)	115,982
Total income recognised in equity ⁽¹⁺²⁾	-	-	-	8,585	123,038	(7,058)	124,565
Balance at 31 December 2021	8,133	84,446	58,595	38,238	996,500	11,450	1,197,362

Pursuant to the resolution of the Comarch S.A. Annual General Meeting hold at the 24th of June, 2020, the net profit for 2020 was partly allocated for dividend for shareholders outside the Group. Details are described in point 3.19.1. As at the 31st of December, 2021, in subsidiaries of the Group, there is no reason to make dividend payments for 2020 to entities outside the Group.

V. Consolidated Cash Flow Statement

	12 months 2021	12 months 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	115,982	120,493
Total adjustments	134,967	216,188
Depreciation	92,099	86,291
Exchange gains (losses)	(6,845)	11,331
Interest and profit-sharing (dividends)	2,207	2,259
Profit (loss) on investing activities	(2,370)	(3,976)
Change in inventories	(4,131)	13,782
Change in receivables	2,496	67,500
Change in liabilities and provisions excluding credits and loans	51,511	39,001
Net profit less total adjustments	250,949	336,681
Income tax paid	(53,502)	(28,476)
Net cash from operating activities	197,447	308,205
Income tax paid	(53,502)	(28,476)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(63,797)	(87,818)
Proceeds from sale of property, plant and equipment	1,172	912
Purchases of intangible assets	(5,617)	(8,229)
Proceeds from sales of investment in intangible assets	1,044	10,127
Expenses for acquisition of financial assets	(175,173)	(30,454)
Expenses for investment in real estates	(18)	(4,046)
Repayment of granted loans	2,188	7,214
Interest on granted loans	40	626
Proceeds from financial instruments	90,362	647
Expenses for financial instruments	(1,156)	(278)
Net cash used from investing activities	(150,955)	(111,299)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from credits and loans	33,320	4,696
Repayments of credits and loans	(45,080)	(45,506)
Interest on the loan and credits	(2,315)	(2,765)
Dividend and expenses due to profit sharing but other than those to owners	(25,750)	(12,200)
Payments of liabilities in relation to finance lease agreements	(23,464)	(21,249)
Other financial proceeds	516	2,297
Net cash from financing activities	(62,773)	(74,727)
Net change in cash, cash equivalents and bank overdrafts	(16,281)	122,179
Cash, cash equivalents and bank overdrafts at beginning of the period	448,021	322,702
Positive (negative) exchange differences in cash and bank overdrafts	6,042	3,140
Cash, cash equivalents and bank overdrafts at end of the period	437,782	448,021
including limited disposal	7,318	10,131

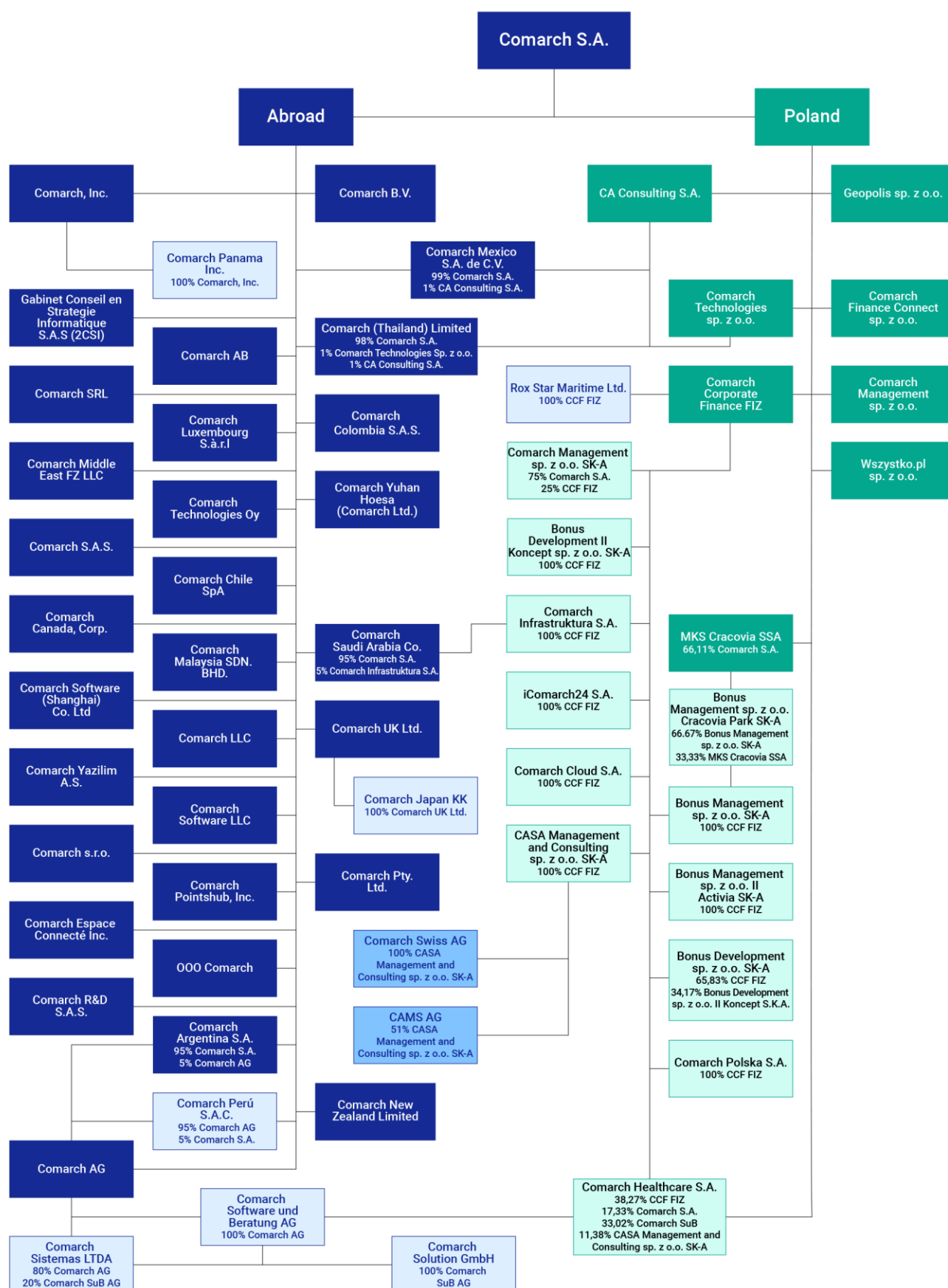
*) includes the amortization of the right-of-use asset resulting from the application of IFRS 16 (details in note 2.6)

VI. Supplementary Information

1. Information about Group Structure and Activities

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered office in Krakow at Al. Jana Pawła II 39 A is a Parent Company, 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, The Eleventh Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in Group regarding realised revenue value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the Parent Company is not limited. There have been no changes in the name of the reporting entity or in other identifying data since the end of the previous reporting period.

1.1. Capital Structure of the Comarch Group



100% Comarch S.A., unless otherwise indicated.

On the 31st of December, 2021, associate of the parent company was:

- SolInteractive S.A. with its registered office in Krakow in Poland (16.10% votes held by CCF FIZ, 11.27% held by Bonus Management sp. z o.o. Activia SK-A).

On the 11th of April, 2022, the Extraordinary General Meeting of SolInteractive S.A. adopted a resolution to dissolve the company and appoint a liquidator to liquidate the company

Associated companies are not consolidated. Shares in them are valued using the equity method.

The structure of activities of the Comarch Group is as follows:

- The parent company Comarch S.A. acquires the majority of contracts and in large part executes them,
- Spółki Comarch AG, Comarch S.A.S., Comarch R&D S.A.S., Comarch Luxembourg S.à r.l., Comarch Inc., Comarch Panama Inc., Comarch Canada, Corp., Comarch Middle East FZ-LLC, Comarch LLC, Comarch Technologies Oy, Comarch UK Ltd, Comarch Chile SpA, Comarch Sistemas LTDA, Comarch Yazilim A.S., Comarch SRL, Comarch Malaysia SDN. BHD., Comarch AB, Comarch Argentina S.A., Comarch Colombia S.A.S., Comarch Japan KK, Comarch Saudi Arabia Co., Comarch Mexico S.A. de C.V., Comarch Yuhan Hoesa (Comarch Ltd.), Comarch (Thailand) Limited, Comarch BV, Comarch Software (Shanghai) Co. Ltd, Comarch Pty. LTD., Comarch New Zealand Limited i LLC „Comarch Software” acquire IT contracts in foreign markets and execute them in their entirety or in part,
- Comarch Software und Beratung AG is an important provider of ERP and an integrator of IT solutions in Germany. Activities of Comarch Solutions GmbH are identical as activities of Comarch Software und Beratung AG,
- Comarch Swiss AG sells and implements Comarch IT solutions, especially ERP and ECM on the Swiss market,
- CABINET CONSEIL EN STRATEGIE INFORMATIQUE S. A. S. provides IT solutions and services for medical entities on the French market,
- OOO Comarch dealt with the sale and implementation of Comarch products in Russia and support for IT systems delivered to client
- Comarch Polska S.A. acquires IT contracts in domestic markets and executes them in their entirety or in part,
- Comarch Technologies sp. z o.o. is responsible for the development of technologies related to the design and production of electronic devices and software,,
- CA Consulting S.A. specialises in data communications relating to the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch’s contractor,
- Comarch Cloud S.A., acquire IT contracts in domestic markets and execute them in their entirety or in part,
- Purpose of the Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty is investment activity, through its subsidiaries, in the scope of new technologies and services, as well as investment activities on capital market,
- Comarch Management sp. z o.o., Comarch Management sp. z o.o. SK-A, CASA Management and Consulting sp. z o.o. SK-A, Bonus Management sp. z o.o. SK-A oraz Bonus Management sp. z o.o. II Activia SK-A, Comarch Pointshub, Inc. conduct investment activities on capital market and activities related to IT,
- The subject matter of activities of Bonus Development sp. z o.o. SK-A and Bonus Development sp. z o.o. II Koncept SK-A are activities related to real estates,

- Comarch Healthcare S.A. produces and sells IT software related to medicine, provides medical and diagnostic services, as well as produces and provides complex IT solutions for medicine,
- Comarch Infrastruktura S.A. offers services related to Data Centre and IT services outsourcing,
- iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as provides accounting services for domestic subsidiaries in the Comarch Group,
- MKS Cracovia SSA conducts sports activities and promotes physical education,
- „Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością” Cracovia Park SK-A conducts investment activities related to sport, wellness and recreation,
- Rox Star Maritime Ltd. conducts activities related to tourism,
- Comarch Finance Connect sp. z o.o. conducts activities in the field of services related to the financial market,
- Wszystko.pl sp. z o.o. conducts proceedings to launch e-commerce website under the name of Wszystko.pl,
- Geopolis sp. z o.o. – company is currently not operating, in January, 2021, a petition for bankruptcy has been filed, dismissed in December, 2021,
- Comarch s.r.o., Comarch Espace Connecté Inc., Comarch Peru S.A.C. oraz CAMS AG are currently not operating.

1.2. Changes in Ownership and Organisational Structure in 2021

- On the 21st of January, 2020, the Management Board of Geopolis sp. z o.o. filed an application to the District Court in Toruń, the 5th Commercial Division for a declaration of bankruptcy including liquidation of the debtor's assets. On the 16th of March, 2021, the District Court in Toruń, the 5th Commercial Division, after considering the case at the request of Geopolis sp. z o.o. for bankruptcy decided to secure the debtor's assets by appointing a temporary court supervisor. The District Court in Toruń, the 5th Commercial Division, by a decision of the 29th of December, 2021, dismissed the application for bankruptcy of Geopolis sp. z o.o. The Management Board of Company is currently analyzing the possibility of conducting liquidation proceedings,
- On the 10th of March, 2021, was registered change name of the company Unitec sp. z o.o. on Wszystko.pl sp. z o.o. and change of the company's office to Krakow,
- On the 22th of March, 2021, was registered in Lviv a subsidiary company LLC "Comarch Software" in the share capital of PLN 14,000. Comarch S.A. owns 100% of shares and votes in LLC "Comarch Software". On the 22th of March, 2021, the share capital of LLC "Comarch Software" in the amount of PLN 14,000 was paid by Comarch S.A.,
- On the 29th of March, 2021, was adopted a resolution to increase the share capital in Comarch S.R.L by the amount of EUR 1,000,000 (i.e. PLN 4,656,000 at the rate from the 29th of March, 2021) intended to cover the loss in the amount of EUR 900,000 after it was reduced to cover the loss. On the 6th of May, 2021 Comarch S.A. made a transfer of funds. The share capital of Comarch S.R.L as a result of these operations did not change and amounted EUR 900,000 (i.e. PLN 4,190,400 at the rate from the 29th of March, 2021),
- On the 8th of April, 2021, was registered an increase in the share capital of Comarch (Thailand) Co., Ltd. The share capital was increased from THB 18,500,000 (i.e. PLN 2,257,000 at the rate from the date of registration of the share capital increase) to the amount THB 32,000,000 (i.e. PLN 3,904,000 at the rate from the date of registration of the share capital increase) and currently amounts to THB 50,500,000 (i.e. PLN 6,161,000 at the rate from the date of registration of the share capital),
- On the 7th of May, 2021, started the formal liquidation process of Comarch Software Spain S.L.U. and the company started operating under the name Comarch Software Spain S.L.U. en liquidación,

- On the 30th of July, 2021, Comarch R&D S.à r.l. was transformed into a joint-stock company Comarch R&D S.A.S. The transformation has been registered in the appropriate register,
- On the 31st of August, 2021, an increase in the share capital of Comarch New Zealand Limited was registered at the local trade register. Currently, the share capital of Comarch New Zealand Limited is NZD 550,000 (i.e. PLN 1,489,125, according to the exchange rate on the registration date) and consists of from 550,000 shares with a value of NZD 1 each,
- On the 27th of September, 2021, the Extraordinary Meeting of Shareholders Wszystko.pl sp. z o.o. adopted a resolution to increase the share capital from PLN 60,000 to PLN 540,000 by creating 800 new shares with a nominal value of PLN 600 each and a total nominal value of PLN 480,000. All newly created shares were acquired by the current partner, i.e. Comarch S.A. On the 16th of March, 2022, this increase was registered in the relevant register,
- On the 28th of October, 2021, Comarch S.A. acquired 567 series C investment certificates issued by Comarch Corporate Finance Closed-End Investment Fund (CCF FIZ) for a total issue price of PLN 25,993,831.50,
- On the 2nd of November, 2021, Comarch Corporate Finance Closed-End Investment Fund (CCF FIZ) acquired 100% of shares in the company Rox Star Maritime Ltd. with headquarters on Malta for the amount EUR 6,540,000 (i.e. PLN 30 168 366 according to rate of 2nd of November, 2021,
- On the 25th of November, 2021, was concluded a contract for the sale of 100% of shares in Comarch Colombia S.A.S. by Comarch Software Spain S.L.U. en liquidación to Comarch S.A. for the amount EUR 680,289,31 (i.e. 3 176 134,73 according to rate of 25th of November, 2021. On the 1st of December, 2021, Comarch S.A. made a transfer as a transaction.

1.3. Changes in Ownership and Organisational Structure after the Balance Sheet Date

- On the 5th of January, 2022, the share capital of Cabinet Conseil en Strategie Informatique SAS was increased from EUR 500,000 EUR to EUR 2,500,000 (e.g. 11,418,000 PLN, according to the exchange rate from the day of capital increase),
- On the 7th of February, 2022, Extraordinary Meeting of Shareholders of Comarch Management sp. z o.o. adopted a resolution to increase the company's share capital by PLN 100,000 through the issue of 1,000 new shares. The new shares were acquired entirely by Comarch S.A. After the registration of the above increase, the company will have a share capital of PLN 500,000, which will be divided into 5,000 shares, PLN 100 each,
- On the 8th of February, 2022, the share capital of Comarch Pty. Ltd. was increased from AUD 1,300,100 AUD to AUD 2,300,100 (e.g. PLN 6 514 343,22, according to the exchange rate from the date of Capital increase), through the issue of 1,000,000 new shares. The shares were fully acquired by Comarch S.A.
- On the 15th of March, 2022 Comarch Software Spain S.L.U. en liquidación was liquidated,
- On the 29th of March, 2022, Extraordinary Meeting of Shareholders of Wszystko.pl adopted a resolution to increase the company's share capital by PLN 990,000 through the issue of 1,650 new shares, PLN 600 each. After the registration of the above increase, the company will have a share capital of PLN 1,530,000, which will be divided into 2,550 shares, PLN 600 each. As at the date of publication of this statement, the increase has not been registered in the relevant register,
- On the 1st of April, 2022 CCF FIZ (Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty) transferred to Bonus Development sp. z o.o. II Koncept S.K.A. 1,944,436 registered shares of C series of Bonus Development sp. z o.o. S.K.A.

2. Description of the Applied Accounting Principles

This consolidated financial statement for the 12 months ended the 31st of December, 2021 was prepared pursuant to the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and interpretations published by the Committee for Interpretation of International Financial Reporting, as approved by the European Union.

This financial statement was prepared pursuant to the historical cost principle with the exception of those items that are appraised in another way pursuant to these principles.

Preparation of the statement pursuant to IFRS requires a number of estimates to be done and the application of individual judgement. Note 2.5. presents those areas of the financial statement, which require significant estimates or for which significant judgement is required.

The financial statement was prepared with the assumption of the continuation of commercial activities by the Comarch Group in the foreseeable future. According to Parent Company's management, there are no circumstances suggesting any threat to the continuation of activities.

The Comarch Group prepares its income statement in the calculation version, whereas the cash flow statement is prepared according to the indirect method.

The consolidated financial statement of the Comarch Group for the 12 months ended the 31st of December, 2021, comprises the financial statements of the following companies:

Company name	Relationship	Consolidation method	% held by Comarch S.A. in a subsidiary's share capital
Comarch S.A.	Parent company	Full	
Comarch AG	Subsidiary	Full	100%
Comarch Sistemas LTDA	Subsidiary	Full	80% held by Comarch AG, 20% held by Comarch Software und Beratung AG
Comarch Peru S.A.C.	Subsidiary	Full	95% held by Comarch AG, 5% held by Comarch S.A.
Comarch Software und Beratung AG	Subsidiary	Full	100% held by Comarch AG
Comarch Solutions GmbH	Subsidiary	Full	100% held by Comarch Software und Beratung AG
Comarch S.A.S.	Subsidiary	Full	100%
Comarch R&D S.A.S.	Subsidiary	Full	100%
Comarch Luxembourg S.à r.l.	Subsidiary	Full	100%
Comarch Inc.	Subsidiary	Full	100%
Comarch Panama Inc.	Subsidiary	Full	100% held by Comarch Inc
Comarch Canada, Corp.	Subsidiary	Full	100%
Comarch Espace Connecté Inc.	Subsidiary	Full	100%
Comarch Middle East FZ-LLC	Subsidiary	Full	100%
Comarch LLC	Subsidiary	Full	100%
OOO Comarch	Subsidiary	Full	100%
Comarch Software (Shanghai) Co. Ltd.	Subsidiary	Full	100%
Comarch Technologies Oy	Subsidiary	Full	100%

Comarch UK Ltd.	Subsidiary	Full	100%
Comarch Japan KK	Subsidiary	Full	100% held by Comarch UK Ltd.
Comarch Chile SpA	Subsidiary	Full	100%
Comarch Software Spain S.L.U. en liquidación	Subsidiary	Full	100%
Comarch Colombia S.A.S.	Subsidiary	Full	100%
Comarch Yazilim A.S.	Subsidiary	Full	100%
Comarch SRL	Subsidiary	Full	100%
Comarch Malaysia SDN. BHD.	Subsidiary	Full	100%
Comarch s.r.o.	Subsidiary	Full	100%
Comarch Pointshub, Inc.	Subsidiary	Full	100%
Comarch AB	Subsidiary	Full	100%
Comarch Argentina S.A.	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch AG
Comarch Saudi Arabia Co.	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch Infrastruktura S.A.
Comarch Mexico S.A. de C.V.	Subsidiary	Full	99% held by Comarch S.A., 1% held by CA Consulting S.A.
Comarch Yuhan Hoesa (Comarch Ltd.)	Subsidiary	Full	100%
Comarch (Thailand) Limited	Subsidiary	Full	98% held by Comarch S.A., 1% held by CA Consulting S.A., 1% held by Comarch Technologies sp. z o.o.
Comarch BV	Subsidiary	Full	100%
Comarch Pty. LTD	Subsidiary	Full	100%
Cabinet Conseil en Strategie Informatique S.A.S.	Subsidiary	Full	100%
Comarch New Zealand Limited	Subsidiary	Full	100%
LLC "Comarch Software"	Subsidiary	Full	100%
Comarch Technologies sp. z o.o.	Subsidiary	Full	100%
CA Consulting S.A.	Subsidiary	Full	100%
Geopolis sp. z o.o.	Subsidiary	Full	100%
Wszystko.pl sp. z o.o.	Subsidiary	Full	100%
Comarch Management sp. z o.o.	Subsidiary	Full	100%
Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty	Subsidiary	Full	100% of total number of investment certificates,
Comarch Management sp. z o.o. SK-A	Subsidiary	Full	26.45% held by Comarch S.A., 8.82% held by CCF FIZ, 64.73% purchased by Comarch Management sp. z o.o. SK-A to be redeemed
Bonus Management sp. z o.o. SK-A	Subsidiary	Full	65.52% held by CCF FIZ 34.48% held by Bonus Development sp. z o.o. II Koncept S.K.A
Bonus Management sp. z o.o. Cracovia Park SK-A	Subsidiary	Full	50% held by Bonus Management sp. z o.o. SK-A, 50% held by MKS Cracovia SSA
Bonus Development sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus Management sp. z o.o. II Activia SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus Development sp. z o.o. II Koncept SK-A	Subsidiary	Full	100% held by CCF FIZ
Rox Star Maritime Limited	Subsidiary	Full	100% held by CCF FIZ

	Subsidiary	Full	38.27% held by CCF FIZ 17.33% held by Comarch S.A., 33.02% held by Comarch Software und Beratung AG, 11.38% held by CASA Management and Consulting sp. z o.o. SKA
Comarch Healthcare S.A.			
Comarch Polska S.A.	Subsidiary	Full	100% held by CCF FIZ
Comarch Cloud S.A.	Subsidiary	Full	100% held by CCF FIZ
Comarch Infrastruktura S.A.	Subsidiary	Full	100% held by CCF FIZ
iComarch24 S.A.	Subsidiary	Full	100% held by CCF FIZ
CASA Management and Consulting sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Comarch Swiss AG	Subsidiary	Full	100% held by CASA Management and Consulting sp. z o.o. SK-A
CAMS AG	Subsidiary	Full	51% held by CASA Management and Consulting sp. z o.o. SK-A
Comarch Finance Connect sp. z o.o.	Subsidiary	Full	100%
MKS Cracovia SSA	Subsidiary	Full	66.11%

2.1. Methods of Valuation of Assets and Liabilities and the Determination of Financial Results

2.1.1. Segment Information

In the Comarch Group, the business segments are basic type of operating segments, and geographical segments are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities:

- the sale of IT systems and services, as well as sales of IT hardware (hereinafter referred to as the "IT segment"),
- professional sports (hereinafter referred to as the "Sport segment"; MKS Cracovia SSA),
- investment activity on capital market and activity in relation with real estate investment, (hereinafter referred to as the "Investment segment"),
- activity in relation to medical services (hereinafter referred to as the "Medical segment").

IT segment has a dominant share in sales revenue, profits and assets. IT segment is divided into the DACH (Germany, Austria and Switzerland) market, Polish market and other markets according to the specific character of the activity in the segment.

On account of geographical distribution of activities, Comarch Group distinguishes the following market segments: Poland, DACH Region (Germany, Austria, and Switzerland), Other countries. Sport Segment, Investment Segment and Medical Segment carry out their activities exclusively in Poland. Due to the fact that only the IT Segment operates outside of the country and at the same time incurred in the IT segment costs are largely common to export and domestic sales, it is not intentionally to set the result separately for export and domestic activities.

Comarch Group's sales is highly diversified and is not dependent on a single customer. In 2021, the share of none of the contractor exceeded 10% of the sales of Comarch Group.

Over 2021, Comarch Group revenue structure was as follows: 24% of annual sales were achieved in the first quarter, 21% in the second quarter, 23% in the third quarter and 32% in the fourth quarter. Over 2022, the company expects sales revenue to be similar to those in 2021.

2.1.2. Consolidation

a) Subsidiaries

Subsidiaries are all entities (including special purpose entities), over which Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Acquisitions of companies and the individual parts of the activity are accounted for with the purchase method. The cost of merging companies is evaluated in the aggregated fair value of the assets transferred, born or acquired and capital instruments issued by the Group in return for taking control over the acquired entity. Acquisition-related costs are recognised in profit or loss as incurred.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. All other changes are recognised in accordance with the respective IFRS regulations. Changes in the fair value of the contingent consideration that qualify as equity transactions are not recognised.

Identifiable assets, liabilities and contingent liabilities of the acquire meeting the requirements of recognition in accordance with the IFRS 3 "Merging economic entities" is recognized at fair value as at the day of acquisition, except exclusions in accordance with the IFRS 3.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquire is remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquire prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss.

Goodwill arising on an acquisition of a business is recognised in assets and initially carried at cost, assumed exceed the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities. If, after reassessment, the share of the Group in net of the acquisition-date amounts of the identifiable assets, liabilities and contingent liabilities of the acquire, assumed exceeds the sum of the consideration transferred, the excess is recognised immediately in profit or loss.

Transactions, settlements and unrealised gains on transactions between parties in the Comarch Group are eliminated. Unrealised gains are also eliminated, unless a transaction gives evidence for impairment of assets. Accounting principles applied by subsidiaries have been changed everywhere it has been necessary to ensure compliance with accounting principles applied by the Comarch Group.

b) Associates

Associates are all entities over which the Group has significant influence but not control; this generally accompanies a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised as costs. The Group's investment in associates includes goodwill identified on acquisition.

The Comarch Group's share of the post-acquisition profits or losses of its associates is recognised in the income statement and its share of post-acquisition movements in reserves is recognised in reserves. Cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Comarch Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Comarch Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Comarch Group and its associates are eliminated to the extent of the Comarch Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Comarch Group.

c) Principles for the Presentation of the Comarch SuB Group within the Financial Statement

Comarch Software und Beratung AG is the parent company for the companies of the Comarch SuB Group and from 2013 has not prepared independently the consolidated financial statement, including data from Comarch Software und Beratung AG and its subsidiaries. Comarch S.A. is the Parent Company of the Comarch Group and prepares directly the consolidated financial statement, including data from Comarch S.A. and all other subsidiaries (including Comarch SuB and its subsidiaries).

2.1.3. Foreign Currency Translation

a) Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Polish zlotys (PLN), which is the Parent Company's functional and presentation currency.

b) Transactions and Balances in Foreign Currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary items, such as equities held at fair value through profit and loss, are reported as part of their fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale assets, are included in the available-for-sale reserve in equity.

c) The Comarch Group Companies

The results and financial position of all group entities (none of which operates in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate of the date of the balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expense are translated at the dates of the transactions); and all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of credits and loans and other currency instruments designated as hedges of such investments, are included in shareholder equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

EURO rates used to financial data	
NBP average exchange rates	
at 31.12.2021	4.5994
at 31.12.2020	4.6148
NBP arithmetic average exchange rates as at the end of every month	
for the period 1.01 - 31.12.2021	4.5775
for the period 1.01 - 31.12.2020	4.4742

Selected currency rates used to financial data	
NBP average exchange rates for USD	
at 31.12.2021	4.0600
at 31.12.2020	3.7584
NBP average exchange rates for CHF	
at 31.12.2021	4.4484
at 31.12.2020	4.2641
NBP average exchange rates for GBP	
at 31.12.2021	5.4846
at 31.12.2020	5.1327
NBP average exchange rates for DKK	
at 31.12.2021	0.6184
at 31.12.2020	0.6202

NBP average exchange rates for NZD

at 31.12.2021	2.7775
at 31.12.2020	2.7132

NBP average exchange rates for CAD

at 31.12.2021	3.1920
at 31.12.2020	2.9477

2.1.4. Investment

a) Financial Assets and Liabilities at Fair Value through Profit or Loss

This category comprises two subcategories: financial assets held for trading, and those designated at fair value through profit and loss at inception. A financial asset is classified in this category if acquired principally for the purpose of sale in the short term or if so designated by management. Derivatives are also classified as held for trading unless they are designated as hedges. This type of derivative is classified separately in 'Derivative financial instruments' in the balance sheet. Assets in this category are classified as current if they are either held for trading or are expected to be realised within 12 months from the balance sheet.

b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. These arise when the Group gives cash, goods or services directly to the debtor, without the intention of introducing its receivables into trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the balance sheet.

c) Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

d) Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months from the balance sheet date.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Comarch Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are no longer recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets available-for-sale and financial assets carried at fair value, through profit or loss are initially recognised at fair value. Loans, receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other (losses)/gains – net, in the period in which they arise. Unrealised gains or losses arising from changes in the fair value of the non-monetary securities classified as 'available-for-sale' are recognised in equity. When

securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (or if a security is unlisted), the Comarch Group establishes fair value by using valuation techniques. These comprise the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis and models (commonly regarded as correct) of the valuation of derivative instruments based on input data from the active market.

The Comarch Group assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired at each balance sheet date. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2.1.5. Non-Current Assets

a) Intangible Assets

Intangible assets are recorded at their acquisition prices less the current redemption as well as possible write-offs due to permanent loss in value. The Group 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, excluding the players' cards (MKS Cracovia SSA), which are depreciated within the period of the agreement signed with a given player.

In the case of intangible assets that were acquired for a particular project, the depreciation period is established as the duration of the project.

The right of perpetual usufruct of land relating to MKS Cracovia SSA is classified as an intangible asset with an undefined useful life, therefore it is not depreciated. Lands that MKS Cracovia SSA holds in perpetual usufruct are not depreciated, because of an undefined useful life, since the company expects that the perpetual usufruct rights will be renewed without any major costs, as it is not obliged to meet any conditions, upon which the extension of these rights depends.

In Poland, perpetual usufruct is considered synonymous to ownership, as opposed to a lease after which a user releases land. The company does not expect to incur any major costs for the renewal of perpetual usufruct rights as the co-owner of MKS Cracovia SSA is the City of Krakow. The city supports sports activities, including those of MKS Cracovia SSA through initiatives that include:

- refinancing sports infrastructure;
- redeeming real estate taxes;
- providing fees for perpetual usufruct.

The right of perpetual usufruct of land relating to the Parent Company is depreciated for a defined useful life, which depends on the time of acquisition and amounts from 84 till 99 years. The average depreciation rate equals 1.2%.

Intangible assets purchased as a result of the acquisition of the A-MEA Informatik AG (currently Comarch Swiss AG) are comprised of the value of the company's relationships with customers. These assets were presented in fair value in the Comarch Group's balance sheet. The Group performs by way of the linear method depreciation write-offs of intangible assets purchased as a result of the acquisition of the A-MEA Informatik AG. It was assumed the depreciation period is equal to the predicted period of economic benefit from the company's relationships with customers, i.e. 60 months. The depreciation settlement was completed in 2016.

Intangible assets purchased as a result of the acquisition of the ESAProjekt sp. z o.o. (currently Comarch Healthcare S.A.) are comprised of property rights for the software: Optimed, OptiNFZKom, BaKS, Carber, SDK, Repos. These assets were presented in fair value in the Comarch Group's balance sheet. The Group performs by way of the linear method depreciation write-offs of intangible assets purchased as a result of the acquisition of the ESAProjekt sp. o.o. It was assumed the depreciation period is equal to the predicted period of economic benefit from the software sales, i.e. 60 months. The depreciation settlement was completed in 2016.

b) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Comarch Group's share of the net identifiable assets (including identifiable assets acquired as well as liabilities and contingent liabilities assumed in the merger) of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill recognised separately is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carriage of an amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

c) Property, Plant and Equipment

Property, Plant and Equipment in Use

Property, plant and equipment in use were valued according to acquisition prices or production costs less current redemption and possible write-offs due to losses in value. The adopted depreciation rates correspond to the economic utility of property, plant and equipment in use.

The following detailed principles of depreciation of 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 buildings), 30% (for machines and devices) and 20% (for furniture, equipment and other assets). In case of property, plant and equipment in use acquired in order to be used in a specific project, the depreciation period is set as equal to the project duration.

Property, Plant and Equipment under Construction

Property, plant and equipment under construction are valued according to the acquisition price less any possible write-offs due to permanent loss in value. The company applies the rule that interests on investment credit, in the period when the investment is realised, are recognised as property, plant and equipment under construction. Interests on investment credit decrease the annual result within finance costs, after non-current asset, financed by credit, was brought to use.

Improvements in Third Party Property, Plant and Equipment Assets

Improvements in third party property, plant and equipment are valued according to the acquisition price less any current redemptions and possible write-offs due to loss in value.

d) Leasing

As of 1st of January, 2019, the Group has been applying the IFRS 16 standard for lease agreements.

In accordance with IFRS 16, the contract is a lease if the lessee has the right to exercise control, including economic benefits, over the use of the identified asset for a specified period of time in exchange for remuneration.

For lease agreements subject to IFRS 16, the Group included rental agreements for buildings and office space, the right to perpetual usufruct of land, leasing of means of transport and leasing of computer equipment.

For contracts concluded for a definite period, the Group has adopted a lease period consistent with the lease agreement period, unless circumstances indicating the use of the option of extension or termination were known. Contracts concluded for an indefinite period with a notice period shorter than 12 months are not subject to measurement according to IFRS 16 (except for the agreement for lease of the stadium in Krakow at ul. Kałuży 1, which was valued according to IFRS 16 due to the strategic nature of rented property, and for which the Comarch Group accepts a 5 years lease period). Contracts of lease for an indefinite period with a notice period longer than 12 months the Group has not identified.

The Group recognizes the right to use the asset together with an appropriate leasing liability determined in the amount of discounted future payments during the lease term. Instead of the previously included in the costs of the basic activity of fees for the use of leased assets, depreciation calculated on the value of the asset due to the right of use was introduced. Depreciation is allocated according to production costs, overheads or selling costs. Assets due to the right of use are amortized on a straight-line basis.

e) Non-Current Prepayments

Non-current prepayment Impairment of Assets s refer to the nun-current part of prepayments costs.

f) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the amount carried may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less sales costs and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

2.1.6. Current Assets

a) Inventories, Products in Progress and Finished Goods

Production in progress given in the statement refers to software produced by the Comarch Group and allocated for multiple sales. Production in progress is valued according to direct technical production costs.

Application software produced by the Comarch Group 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 revenue obtained from sales of these products within the following 36 months. Software production costs, not written off after this period of time, increase other operational costs.

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, provided that the 50% rate is the basic rate. If the company is aware of limits to sales capacity at an earlier point, it immediately performs a write-off revaluating 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.

The register of materials and finished goods is managed at current purchase prices. Expenses are appraised according to the FIFO principle. Finished goods are appraised according to actual purchase prices, no higher than net selling prices.

b) Receivables

Receivables are recognised initially at fair value and subsequently according to adjusted acquisition prices (at amortised cost).

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. Write-offs due to loss in value correspond with the difference between balance sheet value and the current value of actual cash flows from the given item of assets. Due to the specific nature of activities (limited scope of receivables from mass contractors), appropriate updating of write-offs is carried out by way of a detailed identification of receivables and an assessment of risk of the inflow of funds resulting from contractual and business conditions.

c) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at banks, bank deposit payable on demand, liquid current securities and other current investment with high liquidity.

d) Settlement of Long-Term Contracts

Costs related to long-term contracts are given when they occur. The result in contracts is determined according to the progress of work if a reliable determination of such is possible. If it is not possible to determine the results in contracts, revenue is recognised uniquely up to the amount of a contract's costs incurred, which are probable to recover. The progress of work is measured based on the value of costs incurred by the balance sheet date divided by the total estimated costs due to contracts, expressed as a percentage. If it is probable that the total costs due to an agreement exceed total revenue, the anticipated loss is recognised immediately.

In assets, the Comarch Group presents 'Long-term contracts receivables' for cases where there is a surplus in incurred costs and recognised profits due to long-term contracts over the value of invoiced sales for contractors. Otherwise, when there is a surplus of the invoiced sales to contractors over the value of incurred costs and recognised profits due to long-term contracts, the Group presents an item in the liabilities called 'Long-term contracts liabilities'. The above surpluses are determined for each contract separately and are presented separately without balancing particular items.

e) Assets Designated for Sales

be recovered more as a result of sales transactions than in the result of their further usage. This condition is considered to be met only when a sale transaction is very probable to perform and an asset's item or a group for disposal are available for immediate sales in their present shape. An asset's item may be classified as designated for sales when the company's management is going to make a transaction within one year from change of classification. Assets and groups for disposal classified as designated for sales are evaluated at lower of two values: initial balance sheet value or fair value less transaction costs.

2.1.7. Equity

Equity includes:

- a) the share capital of the Parent Company presented at nominal value,
- b) other capitals established:
 - from profit-sharing,
 - from surpluses of shares sold above their nominal value (premium share),
 - from the valuation of managerial options,
- c) retained profit resulting from adjustments resulting from changes to accounting principles and from the results achieved by the entities of the Comarch Group, which were not transferred to other capitals,
- d) currency exchange differences.

2.1.8. Employee Benefits

a) Share-Based Plans

By 2014, the Parent Company had a share-based reward scheme. The fair value of employee services received in exchange for every grant of options increases costs. The total amount to be spent over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Vesting conditions were included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revised its estimates of the number of options that are expected to vest. It recognised the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received when the option is exercised, i.e. proceeds from comprising shares (less transaction costs related directly to option exercising) were credited to share capital (nominal value) and the share premium is credited to supplementary capital.

2.1.9. Liabilities and Provisions for Liabilities

a) Trade Liabilities and Other Liabilities

Initially trade and other liabilities are recognised at their fair value and at the balance sheet date they are recognised at adjusted acquisition prices (depreciated cost). Liabilities, depending on maturity (up to or over 12 months from the balance sheet date) are recorded as current or non-current items.

b) Financial Liabilities

At the time of initial recognition, financial liabilities are valued at fair value, increased (in case of an item of liabilities not qualified as valued at fair value by the financial result) by transaction costs. After the initial recognition, the unit appraises financial liabilities according to depreciated costs using the effective interest method, with the exception of derivative instruments, which are valued at fair value. Financial liabilities set as items being hedged are subject to appraisal pursuant to hedge accounting principles.

c) Lease liabilities

As of 1st of January, 2019, the Comarch Group has been applying the IFRS 16 standard for lease agreements. In accordance with IFRS 16, the Comarch Group has classified lease agreements for office buildings and areas, perpetual usufruct of land, lease of means of transport and lease of computer equipment.

The Comarch Group presents a lease liability established in the amount of discounted future payments due to the lease agreements, during the lease term.

Interest accrued on the lease liability is included in the finance costs instead of interest paid on current lease payments before the application of the standard.

Lease liabilities settled by the effective interest rate (the lesser interest rate of the lessee).

d) Provisions for Liabilities

Provisions for restructuring costs, guarantee repairs, legal claims and for other events (especially for leaves and rewards), which result in the Group's current obligation from past events, are recognised if:

- the Comarch Group has current legal or customary liabilities resulting from past events,
- there is a high probability that expending Group funds may be necessary to settle these liabilities, and
- their value has been reliably assessed.

Restructuring provisions mostly comprise employee severance payments. These provisions are not recognised in reference to future operational losses.

If there are a number of similar liabilities, the probability of the necessity for expending funds for settlement is assessed for the whole group of similar liabilities. The provision is recognised even if the probability of expending funds in reference to one item within the group of liabilities is small.

The provisions are appraised at the current value of costs assessed according to the best knowledge of company management. Incurring such costs is necessary in order to settle the current liability at the balance sheet date. The discount rate applied for determining current value reflects the current market assessment of the time value of money and impairments relating to a given liability.

2.1.10. Deferred Income Tax

The general principle, pursuant to IAS12, is applied. It states that due to temporary differences between the presented value of assets and liabilities as well as their tax value and tax loss it will be 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 and due to income tax relief in connection with activities in Special Economic Zone, 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. In relation to the above-mentioned principle, assets are recognised only for one year with the assumption that the basis for their recognition is average income acquired from activities in the special economic zone over three years (including the year for which the financial statement is prepared).

Deferred income tax liabilities 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. Deferred income tax is established using fiscal rates (and regulations) which are legally binding at the balance sheet date, which according to expectations shall be in force at the moment of realisation of relevant deferred income tax assets or settlement of deferred income tax liability.

In accordance with the implemented policy, dividends from subsidiaries are not regularly paid, therefore it is not possible to specify the date when the temporary differences due to taxation of dividends from non-EU CIT will be reversed in EU countries. Due to the above, the Group does not create a provision for income tax due to taxed dividends.

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

2.2. Recognition of Revenue and Costs

The Comarch Group'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,
- sharing IT service solutions in the Cloud model,
- other IT and non-IT services necessary for system implementation.

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 specified in the previous point.

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.

The contracts are executed based on the concluded contracts and the benefits are usually considered to be made within the time limits defined in them, usually based on bilateral work acceptance reports.

Revenue from other services (e.g. technical services, technical assistance) are recognised equally during the term of an agreement/service provision. Revenue from hardware sales and the sale of other finished goods are recognised in accordance with agreed delivery terms. Revenue from sales of other services, products, finished goods and property items comprise sums of fair values from due invoiced revenue taking into account discounts and rebates without commodity and services taxes.

In the case of individual IT contracts, payment dates are determined individually depending on their size, duration of the implementation period, estimated cost expenditure.

In the case of the sale of reusable software, customary payment terms are usually used.

Sales costs include marketing costs and the costs of order acquisition by sales centres (departments) in the Comarch Group. General costs consist of the costs of the Comarch Group functioning as a whole and include administrative expenses and the costs of departments that operate for the general needs of the Comarch Group.

Exchange rate differences related to receivables are presented in 'Revenue from sales' and those related to liabilities are presented in 'Cost of sales.'

Subsidies

The Comarch Group receives subsidies for the financing of R&D projects within the framework of European Union aid programmes. These subsidies are systematically recognised as revenue in particular periods so as to ensure that they are adequate to incurred costs, which should be compensated by subsidies respectively to the reason of their settlement. These subsidies diminish the respective direct costs, which are presented in the cost of sales just after they are compensated with subsidies.

a) Other Operational Revenue and Costs

Other operational revenue and costs comprise revenue and costs not directly related to the regular activities of the units and mostly include: the result of the sale of property, plant and equipment and intangibles, subsidies, established provisions and the consequences of asset revaluation.

b) Financial Revenue and Costs

Financial revenue and costs mostly include: revenue and costs due to interest, those from the result achieved due to exchange rate differences in financial activities, those from disposal of financial assets and those arising as the consequences of the investment revaluation. Interest charges due to investment credit are recognised in finance costs beginning from the moment when asset finance with the credit was completed for use.

2.3. Financial Risk Management

2.3.1. Credit Risk

The Comarch Group 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 Group's sales to a significant number of customers in different branch of economy, in different world's regions.

2.3.2. Risk of Change in Interest Rest

The company is exposed to the risk of changes in interest rates related to cash and cash equivalents and 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 LIBOR index. The Parent Company has been hedging this interest rate risk using IRS contracts, but also still 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.

An analysis of the sensitivity of the Group's financial results to interest rate risk carried out in accordance with IFRS 7 principles indicates that if, on the balance sheet date, the interest rates had been 50 base points higher/lower, net profit for 2021 would have been PLN 1,464 thousand higher/lower given that the other variables remained constant. This would largely have been the result of higher/lower revenue arising from interest received on cash and cash equivalents. Conducting an analogous analysis as at the 31st of December, 2020, indicates that if interest rates had been 50 base points higher/lower net profit for 2020 would have been PLN 1,455 thousand higher/lower, given that the other variables remained constant. An analysis of the sensitivity of the Comarch Group's financial results to interest rate risk was carried out using a simplified method that assumes that the rates' increases and decreases close at the same amount.

2.3.3. 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, CHF/PLN, JPY/PLN, THB/EUR, AED/PLN, BRL/PLN, CAD/PLN. At the same time, part of the Comarch Group's costs is also expressed in or related to exchange rates for foreign currencies. In individual cases, the Comarch Group hedges future payments with forward contracts, and it tries to use natural hedging through adjusting structures of assets, liabilities and equity denominated in foreign currencies (for example through a change in currency investment loans).

The balance sheet value of assets and financial liabilities of the Group 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. These values were presented in note [3.16](#).

An analysis of the Comarch Group's sensitivity to exchange rate fluctuation risk conducted in accordance with IFRS 7 indicated that if the actual exchange rate in relation to the balance sheet exchange rate valuation for the EUR, USD, GBP, UAH, AED, RUB, CHF, CAD and BRL had risen/fallen by 5% with all other variables remaining constant, the Comarch Group's net result for the 12 months ended 31st of December, 2021, would have been PLN 14,228 thousand higher/lower. This is made up of an increase/decrease of PLN 1,574 thousand from financial assets and liabilities expressed in EUR, an increase/decrease of PLN 7,172 thousand from financial

assets and liabilities expressed in USD, an increase/decrease of PLN 2,391 thousand from financial assets and liabilities expressed in GBP, an increase/decrease of PLN 967 thousand from financial assets and liabilities expressed in BRL, an increase/decrease of PLN 350 thousand from financial assets and liabilities expressed in RUB, an increase/decrease of PLN 1,540 thousand from financial assets and liabilities expressed in CHF, an increase/decrease of PLN 3 thousand from financial assets and liabilities expressed in UAH, an increase/decrease of PLN 72 thousand from financial assets and liabilities expressed in AED and an increase/decrease of PLN 159 thousand from financial assets and liabilities expressed in CAD.

If the exchange rate in relation to the balance sheet exchange date for currencies the (AED, USD, EUR, UAH, CAD, GBP, BRL, CLP, SEK, CHF, TRY, RUB, ARS, COP, CNY, PEN, AUD, KRW, ZAR, JPY, MYR, MXN, SAR, THB, DKK, NZD, CZK) had risen/fallen by 10% with all other variables remaining constant, the Comarch Group's net result resulting from long-term contracts for the 12 months ended 31st of December, 2021, would have been PLN 28,313 thousand higher / PLN 28,313 thousand lower (in 2020: have been PLN 25,969 thousand higher / PLN 25,969 thousand lower). The assessment above of the effect of exchange rate risk on the financial result was calculated using a symmetrical method that assumes that the rates' increases and decreases close at the same amount.

2.3.4. Financial Liquidity Risk

The Comarch Group 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 Comarch Group are fixed, while revenue from sales, as is typical for a services company, fluctuates. The Comarch Group 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. Information on dates of contractual maturity of financial liabilities is presented in note [3.16](#).

2.4. Accounting of Derivative Financial Instruments and Hedging Activities

Derivative financial instruments designated as 'hedging instruments' according to IFRS 9, qualified as fair value hedging, are recognised at fair value and changes in their valuation refer to the results of financial operations. Derivative financial instruments designated as 'hedging instruments' according to IFRS 9, qualified as cash flow hedging are recognised at fair value and change to their valuation refers to:

- capital from the revaluation of prices (in the part constituting effective hedging),
- the results of financial operations (in the part not constituting effective hedging).

Derivative financial instruments designated as 'non-hedging instruments' according to IFRS 9 are valued at fair value and changes in their valuation refers to the results of financial operations.

2.5. Critical Accounting Estimates and Judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including anticipations of future events that are believed to be reasonable under given circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

2.5.1. Estimation of the Periods of Economic Utility of Intangible Assets and Property, Plant and Equipment in Use

a) Intangible assets

The following depreciation rates have been adopted:

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

In the case of intangible assets that were acquired for a particular project, the depreciation period is established as the duration of the project.

For depreciation write-offs of intangible assets purchased as a result of the acquisitions, it was assumed the depreciation period is equal to the predicted period of economic benefit from the software sales, i.e. 60 months.

b) Property, Plant and Equipment in Use

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 buildings), 30% (for machines and devices) and 20% (for furniture, equipment and other assets). In case of property, plant and equipment in use acquired in order to be used in a specific project, the depreciation period is set as equal to the project duration.

2.5.2. Estimation of the Total Costs of the Execution of Projects Related to the Appraisal of Long-term Contracts, Pursuant to IFRS 15

Pursuant to the accounting principles adopted by the company, the company determines the degree of progress for long-term contracts by way of determining the ratio of currently incurred costs for a given project to the total estimated project costs. Due to the long-term nature of projects under way and their complex structure, as well as the possibility of unexpected difficulties related to their execution it may happen that the actual total costs for project execution differ from the estimates made for specific balance sheet dates. Changes in estimates of total project execution costs could result in the definition of project progress at the balance sheet date and consequently recognised revenue, in different amounts.

2.5.3. Estimation Related to the Determination and Recognition of Deferred Income Tax Assets, Pursuant to IAS 12

As the company operates in the Special Economic Zone and enjoys investment allowances as a result, the Parent Company determines the value of deferred income tax assets on the basis of forecasts relating to the shape of the tax-exempt income and the period, in which such income may be noted. Due to high business fluctuations in the IT industry (in which the Comarch Group is active) it is possible that the actual results and tax-exempt income may differ from the Parent Company's anticipations. In relation to the above-mentioned principle, assets are recognised only for one year with the assumption that the basis for their recognition is average income acquired from activities in the special economic zone over three years, selected from the five-year period (including the year for which the financial statement is prepared), after rejecting two extreme values.

2.5.4. Estimation of Possible Costs Related to Current Court Proceedings Against the Company, Pursuant to IAS 37

At the balance sheet date, the Comarch Group is the plaintiff and the defendant in a number of court proceedings. Preparing the financial statement, the Comarch Group always assesses the opportunities and risks related to court proceedings and, in accordance with the results of such analyses, establishes provisions for potential losses. However, there is always a risk that the courts will pronounce verdicts different from the expectations of the companies and the established provisions will be insufficient or excessive in comparison with the actual results of the proceedings.

2.5.5. Estimation Related to Conducting the Annual Goodwill Impairment Test in Accordance with IFRS 3 and IAS 36

At the end of every fiscal year the Comarch Group carries out tests on losses in the goodwill according to accounting rules contained in note 3.6. The Comarch Group considers IT Segment as a cash generating unit thereby doesn't allocate the goodwill to particular companies of the Comarch Group. The recoverable amount of cash generating unit was determined on the basis of calculations of its fair value. These calculations require to the use of estimates related to cash flow in the IT segment in the following financial year and an anticipated development of the IT market in Poland and regions where the Comarch Group is active in the following years. Due to a high fluctuation in the economic situation of the IT branch, where the Comarch Group operates, it is possible that real cash flow will differ from the one estimated by the Comarch Group.

2.6. New Standards and IFRIC Interpretations

This consolidated financial statement was prepared in accordance with the International Financial Reporting Standards (IFRS), as approved by the European Union.

Effect of new accounting standards and changes in accounting policy

The accounting principles (policy) applied for the preparation of these consolidated financial statements for the financial year ended 31st of December, 2021 are consistent with those applied for the preparation of the annual consolidated financial statements for the financial year ended 31st of December, 2020, except for the changes described below.

The same principles were applied for the current and comparable periods.

Interpretations to standards applied for the first time in 2019 and continued in 2020-2021:

▪ IFRS 16 Leasing

The IFRS 16 standard was published on the 13th of January, 2016, and is effective for annual periods beginning on or after 1st of January, 2019.

The Comarch Group plans to implement the application of the IFRS 16 standard retrospectively, with the combined effect of the first application of IFRS 16 recognized as at 1st of January, 2019, without restatement of comparative data.

During the preparatory work, the Group analysed all contracts concluded in terms of meeting the criteria for considering them as leasing agreements by IFRS 16. For lease agreements subject to IFRS 16, the Group

included rental agreements for buildings and office space, the right to perpetual usufruct of land, leasing of means of transport and leasing of computer equipment.

For contracts concluded for a definite period, the Group has adopted a lease period consistent with the lease agreement period, unless circumstances indicating the use of the option of extension or termination were known. Contracts concluded for an indefinite period with a notice period shorter than 12 months are not subject to measurement according to IFRS 16 (except for the agreement for lease of the stadium in Krakow at ul. Kałuży 1, which was valued according to IFRS 16 due to the strategic nature of rented property, and for which the Comarch Group accepts a 5 years lease period). The estimated value of liabilities resulting from other agreements concluded for an indefinite period for a period of 12 months amounts to approx. PLN 1,392 thousand. Contracts of lease for an indefinite period with a notice period longer than 12 months the Group has not identified

In accordance with the IFRS 16 Leasing standard, the Group has implemented uniform accounting principles that require lessees to recognize assets and liabilities for all lease agreements, taking into account the exceptions listed in the standard. The Group recognizes the right to use the asset together with an appropriate leasing liability determined in the amount of discounted future payments during the lease term. Instead of the previously included in the costs of the basic activity of fees for the use of leased assets, depreciation calculated on the value of the asset due to the right of use was introduced. Depreciation is allocated according to production costs, overheads or selling costs. Instead of the interest paid on the current leasing instalments included in the financial costs, interest accrued on the leasing liability was introduced. Assets due to the right of use are amortized on a straight-line basis, whereas lease liabilities settled by the effective interest rate (the lesser interest rate of the lessee).

The lessee's marginal interest rate for a given leasing contract was determined as the sum of the risk-free rate depending on the currency and leasing period, the credit margin adjustment and the specific adjustment for the leased asset. The level of marginal interest rates applied by the Group is between 1.3% and 7.8%.

The implementation of IFRS 16 will have an impact on financial ratios calculated on the basis of the Group's financial statements, including those that are covenants in loan agreements concluded by the Group. The Group has excluded the impact of changes resulting from the implementation of IFRS 16 on the calculation of covenants in all loan agreements. The Management Board of the Group informs that it does not see any risk of exceeding the admissible values of covenants resulting from loan agreements concluded by the Group also in a situation when the data taking into account the application of IFRS 16 were used to calculate the value of covenants.

As at the balance sheet date, 31st of December, 2021, the value of the right to use assets in the Group amounted to PLN 86,501 thousand and the value of lease liabilities PLN 92,438 thousand. The value of depreciation from the asset due to the right of use in 2021 amounted to PLN 21,285 thousand. The value of interest on leasing liabilities in 2021 amounted to PLN 2,152 thousand.

Impact of the application of IFRS 16 on the Group's financial statements

	At 31 December 2021 - published data	At 31 December 2021 - without IFRS 16
IMPACT ON THE BALANCE SHEET		
Total assets	2,110,248	2,023,747
Fixed assets	886,885	800,384
Asset due to the right of use	86,501	-
Liabilities Total	2,110,248	2,023,747
Total liabilities, including:	912,886	820,448
Long-term liabilities	244,006	172,591
Current liabilities	668,880	647,857
Lease liabilities, including:	92,438	-
Long-term liabilities	71,415	-
Current liabilities	21,023	-
Equity attributable to the Company's shareholders	1,185,912	1,191,848
IMPACT ON THE PROFIT AND LOSS ACCOUNT		
Depreciation	92,099	70,961
Including: depreciation of the right to use	21,285	-
Net profit	115,982	115,831
Net profit attributable to the company's shareholders	123,038	122,887
IMPACT ON THE CASH FLOW		
Cash flow together	(16,281)	(16,281)
Net cash flow from operating activities	197,447	174,138
Net cash flow from investing activities	(150,955)	(150,955)
Net cash flow from financing activities	(62,773)	(39,464)

	12 months ended 31 December 2020
Depreciation of assets under the right of use	
Leasing of means of transport and computer equipment	1,131
Rent	19,762
Perpetual usufruct	392
Depreciation of assets under the right of use	21,285

The Group uses two simplifications regarding classifying the contract as a lease agreement by IFRS 16. The Group excluded from the valuation by IFRS 16 short-term contracts by IFRS 16 and agreements on low-value assets, i.e. with an initial value not exceeding 5,000 USD. The use of the above simplifications by the Company obliges it to apply them throughout the standard's validity period. The applied simplifications are documented with appropriate accounting policy provisions. The cost related to contracts for short-term leasing and leasing of low-value assets in 2021 amounted to approx. PLN 808 thousand.

Amendments to existing standards effective for annual periods for 2021 for the first time

▪ Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Reform of Reference Interest Rates (Reference Rates) – Phase 2

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 were published on the 27th of August, 2020 and complement the first phase of amendments in reporting resulting from reform of the interbank references rates from the September, 2019. Amendments are effective for annual periods beginning on or after 1st of January, 2021. Amendments in the second phase focus on the impact that it will have on the valuation of, for example financial instruments, leasing obligations, replacement of the existing reference rate with a new rate resulting from the reform.

▪ Amendment to IFRS 4

The amendment was published on the 25th of June, 2020, and it is effective for the 1st of January, 2021- with regard to extending the exemption period for insurers from the application of IFRS 9 Financial Statement until the 1st of January, 2023, in line with the extended date of entry into force of IFRS 17 Insurance Contracts.

The above-mentioned amendments to the standards did not affect the financial statement of the Comarch Group for 2021.

▪ Amendments to IFRS 16 Leasing: Reliefs related to Covid-19

The amendment was published on the 28th of May, 2020, and it is effective from the 1st of June, 2020. Approved for use by the European Commission in October 2020. The amendments introduces a simplification to IFRS 15, which allows not to recognize a modification of a lease agreement in the event that it occurred (in the period until the 30th of June, 2021,) changes in payments related to the Covid-19 pandemic or other reliefs were provided to lessees that changed the original financial terms of leases due to the pandemic.

The Group did not use the simplifications related to Covid 19 specified in this standard.

New standards and amendments to existing standards issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee but not yet approved for use in the EU.

▪ IFRS 17 Insurance contracts

New standard was published on the 18th of May, 2017, then changed on the 25th of June, 2020, and it is effective for annual periods beginning on or after 1st of January, 2023. Earlier application is permitted (provided that IFRS 15 and IFRS 9 are applied at the same time). The standard replaces the existing regulations on insurance contracts (IFRS 4). On the 25th of June, 2020, the IFRS 4 was also changed with regard to extension of the exemption period for insurers from the application or IFRS 9 Financial Instruments until the 1st of January, 2023.

- **Amendments to IFRS 1 Presentation of financial statements: classification of liabilities as short- and long-term**

Amendments to IAS 1 was published on the 23rd of January, 2020, then changed an effective date on July, 2020, and it is effective for annual periods beginning on or after 1st of January, 2023.

The change redefines the criteria that have to be met to be considered short-term. The change may change the presentation of liabilities and their reclassification between short-term and long-term liabilities.

- **Amendments to IFRS 3, IAS 16, IAS 37 and annual amendments to the standards 2018-2020 (Annual improvements)**

Amendments in these standards were published on the 14th of May, 2020, and it is effective for annual periods beginning on or after the 1st of January, 2022. Amendments include among others introducing a ban on reducing the cost of manufacturing fixed assets by revenue from the sale of test products created in the process of creating/starting a fixed asset and clarifying which costs the entity takes into account when assessing whether a given contract will bring losses.

- **Amendments to IAS 1 – Disclosure of Accounting Policies and IFRS 8 – Definition of Accounting Estimates**

Amendments in these standards were published on the 12th of February, 2021, and it is effective for annual periods beginning on or after the 1st of January, 2023. The purpose of these amendments is to place greater emphasis on the disclosure of significant accounting principles and to clarify the nature of the differences between changes in accounting estimates and changes in accounting policies.

- **Amendment to IFRS 12 Income tax: deferred tax relating to assets and liabilities arising from a single transaction**

The amendment to IFRS 12 was published on the 7th of May, 2021, and it is effective for annual periods beginning on or after the 1st of January, 2023. Amendments clarify that the exemption from the initial recognition of deferred tax does not apply to transactions where, upon initial recognition, equal amounts of negative and positive temporary differences arise, and the entities are required to recognize deferred tax on such transactions, and thus clarify the emerging doubts as to whether the exemption applies to transactions such as leasing and end-of-life liabilities.

- **Amendment to MSSF 17 Insurance contracts: first application IFRS 17 and IFRS 9 – comparative informations**

The amendment on IFRS 17 was published on the 9th of December, 2021, and it is effective for annual periods beginning on or after the 1st of January, 2023. The amendment include The amendment includes a transitional option relating to comparative information on financial assets presented upon initial application of IFRS 17. The amendment is intended to help entities avoid temporary accounting mismatches between financial assets and liabilities under insurance contracts.

The Comarch Group will apply the changed standards on the dates of their entry into force.

According to the assessment as at the date of preparation of this report, these changes should not have a significant impact on the financial statements.

The IFRS as approved by the EU do not currently differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following standards, interpretations and amendments to them, which as at the date of approval of these financial statements for publication have not yet been approved for use by EU countries:

- **Amendments to IFRS 1 Presentation of financial statements:** classification of liabilities as short- and long-term published on the 23rd of January, 2020, with the change from the 15th of July, 2020.
- **Amendment to IFRS 12 Income tax:** deferred tax relating to assets and liabilities arising from a single transaction published on the 7th of May, 2021.
- **Amendment to MSSF 17 Insurance contracts:** first application IFRS 17 and IFRS 9 – comparative information published on the 9th of December, 2021.

3. Notes to the Consolidated Financial Statement

3.1. Approving the Financial Statement for 2020

The consolidated financial statement for the year 2020 was approved on the 24th of June, 2021, by the General Meeting of Shareholders of Comarch S.A. On the 5th of July, 2021, in accordance with the law, it was submitted to the National Court Register.

3.2. Segment Information

In the Comarch Group, the business segments are basic type of operating segments, and geographical segments, by the place of business are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities:

- the sale of IT systems and related services, including production of software for medicine sector and sales of IT hardware (hereinafter referred to as the "IT segment"),
- professional sports activity conducted by MKS Cracovia SSA (hereinafter referred to as the "Sport segment"),
- investment activity on capital market and real estate market (hereinafter referred to as the "Investment segment"),
- activities related to medical services (hereinafter referred to as the "Medical segment").

The IT segment has a dominant share in revenue from sales, results and assets. Due to the specific nature of the business, the IT segment is presented with the spin-off of the DACH market (Germany, Austria, Switzerland), the Polish market and other markets.

Due to the geographical breakdown of activities, Comarch Group has defined the following market segments: Poland, DACH Region (Germany, Austria and Switzerland) and Other countries. Segments: Sport, Investment and Medical operate exclusively on Polish territory. Due to the fact that only the IT segment operates abroad and at the same time costs incurred in the IT segment are largely common for export and domestic sales, defining separate results for export and domestic activities is not deliberate.

Comarch Group's sales is highly diversified and is not dependent on a single customer. In 2021, the share of none of the contractor exceeded 10% of the sales of Comarch Group.

Over 2021, Comarch Group's revenue structure was as follows: 24% of annual sales were achieved in the first quarter, 21% in the second quarter, 23% in the third quarter and 32% in the fourth quarter. In the company's opinion, over 2021, Group's revenue structure will be similar to that observed in 2021.

12 months of 2020	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Elimination	Total
	Poland	DACH	Other					
Revenue per segment-sales to external clients, including:	805,233	311,862	391,871	(741)	41,278	14,202	-	1,563,705
Sales revenue:	817,819	299,768	372,160	2,650	31,904	12,452	-	1,536,753
To customers in Telecommunication, Media, IT sector	114,504	62,525	131,012	-	-	-	-	308,041
To customers in Finance and Banking sector	181,188	41,411	36,552	-	-	-	-	259,151
To customers in Trade and services sector	63,885	31,790	136,009	-	-	-	-	231,684
To customers in Industry&Utilities	85,868	33,546	59,605	-	-	-	-	179,019
To customers in Public sector	146,191	8,350	-	-	-	-	-	154,541
To customers in small and medium enterprises sector	206,169	122,146	-	-	-	-	-	328,315
To customers in Medicine sector	19,435	-	8,933	-	-	12,452	-	40,820
To other customers	579	-	49	2,650	31,904	-	-	35,182
Other operating revenue	14,689	13,457	14,727	143	9,503	1,740	-	54,259
Finance revenue	(27,275)	(1,363)	4,984	(3,534)	(129)	10	-	(27,307)
Revenue per segment - sales to other segments	403,105	32,215	33,998	8,082	8,032	-	(485,432)	-
Revenue per segment - total *	1,208,338	344,077	425,869	7,341	49,310	14,202	(485,432)	1,563,705
Costs per segment relating to sales to external clients	707,940	281,282	352,054	2,886	40,635	14,654	-	1,399,451
Costs per segment relating to sales to other segments	403,105	32,215	33,998	8,082	8,032	-	(485,432)	-
Costs per segment - total *	1,111,045	313,497	386,052	10,968	48,667	14,654	(485,432)	1,399,451
Current taxes	(19,375)	(10,257)	(16,417)	(522)	-	-	-	(46,571)
Assets for the tax due to investment allowances and other tax relief	(614)	1,321	2,238	354	(489)	-	-	2,810
Net result, including:	77,304	21,644	25,638	(3,795)	154	(452)	-	120,493
Result attributable to shareholders of the parent company	77,304	21,644	25,638	(3,628)	125	(452)	-	120,631
Result attributable to minority interest	-	-	-	(167)	29	-	-	(138)

*) items comprise revenue and costs of all types, which can be directly allocated to particular segments

Sales between specific segments are calculated based on market conditions.

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 31st of December, 2020, as well as investment expenditures and depreciation in during 12 months of 2020:

31 December 2020 / 12 months of 2020

	Segment IT			Segment Inwestycje	Segment Sport	Segment Medycyna	Ogółem
	Polska	Rejon DACH	Pozostałe kraje				
Assets	998 430	281 439	463 526	144 162	107 018	8 983	2 003 558
Liabilities	397 469	100 058	338 182	34 691	34 074	537	905 011
Investment expenditures	66 490	4 192	13 949	4 745	35 683	5 766	130 825
Depreciation	57 219	9 201	10 858	3 557	5 025	431	86 291

The breakdown of sales, assets and total capital expenditure by geographical segments is presented below.

12 months of 2021	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Elimination	Total
	Poland	DACH	Other					
Revenue per segment- sales to external clients, including:	838,707	297,028	432,731	8,702	26,147	32,401	-	1,635,716
Sales revenue:	852,176	292,081	424,928	2,892	23,422	31,650	-	1,627,149
To customers in Telecommunication, Media, IT sector	170,857	69,493	165,732	-	-	-	-	406,082
To customers in Finance and Banking sector	150,622	40,436	35,285	-	-	-	-	226,343
To customers in Trade and services sector	53,507	33,873	158,433	-	-	-	-	245,813
To customers in Industry&Utilities	77,562	44,212	59,784	-	-	-	-	181,558
To customers in Public sector	133,819	-	2	-	-	-	-	133,821
To customers in small and medium enterprises sector	239,459	104,034	-	-	-	-	-	343,493
To customers in Medicine sector	25,500	32	5,306	-	-	31,650	-	62,488
To other customers	850	1	386	2,892	23,422	-	-	27,551
Other operating revenue	4,607	4,681	8,318	125	3,022	751	-	21,504
Finance revenue	(18,076)	266	(515)	5,685	(297)	-	-	(12,937)
Revenue per segment - sales to other segments	449,803	27,223	36,044	8,864	7,841	-	(529,775)	-
Revenue per segment - total *	1,288,510	324,251	468,775	17,566	33,988	32,401	(529,775)	1,635,716
Costs per segment relating to sales to external clients	729,971	262,798	391,987	3,732	46,524	26,414	-	1,461,426
Costs per segment relating to sales to other segments	449,803	27,223	36,044	8,864	7,841	-	(529,775)	-
Costs per segment - total *	1,179,774	290,021	428,031	12,596	54,365	26,414	(529,775)	1,461,426
Current taxes	(23,117)	(9,797)	(21,737)	(574)	-	-	-	(55,225)
Assets for the tax due to investment allowances and other tax relief	(669)	(1,413)	(1,066)	(144)	209	-	-	(3,083)
Net result, including:	84,950	23,020	17,941	4,252	(20,168)	5,987	-	115,982
Result attributable to shareholders of the parent company	84,950	23,020	17,941	4,259	(13,119)	5,987	-	123,038
Result attributable to minority interest	-	-	-	(7)	(7,049)	-	-	(7,056)

*) items comprise revenue and costs of all types, which can be directly allocated to particular segments

Sales between specific segments are calculated based on market conditions.

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 31st of December, 2021, as well as investment expenditures and depreciation in during 12 months of 2021:

31 December 2021 / 12 months of 2021

	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH	Other				
Assets	1,063,281	269,383	521,132	141,222	105,286	9,944	2,110,248
Liabilities	394,499	94,829	355,620	34,398	31,840	1,700	912,886
Investment expenditures	171,789	2,654	28,188	30,737	9,859	2,534	245,761
Depreciation	57,540	10,807	12,259	3,632	7,024	837	92,099

The breakdown of sales revenues, assets and total capital expenditure by geographical segments is presented below.

Revenue from basic sales - activities location

	12 months of 2021	%	12 months of 2020	%
Poland	910,140	55.9	864,825	56.3
DACH region	292,081	18.0	299,768	19.5
Other countries	424,928	26.1	372,160	24.2
Total	1,627,149	100.0	1,536,753	100.0

Assets – activities location

	31 December 2021	%	31 December 2020	%
Poland	1,319,727	62.5	1,258,575	62.8
DACH region	269,383	12.8	281,439	14.1
Other countries	521,138	24.7	463,544	23.1
Total	2,110,248	100.0	2,003,558	100.0

Investment expenditures – activities location

	12 months of 2021	%	12 months of 2020	%
Poland	214,919	87.4	112,684	86.3
DACH region	2,654	1.1	4,192	3.0
Other countries	28,188	11.5	13,949	10.7
Total	245,761	100.0	130,825	100.0

3.3. Property, Plant and Equipment

	Lands and buildings	Means of transport and machinery	Furniture, fittings and equipment	Total
As at 1 January 2020				
Cost or valuation (gross)	497,246	483,789	65,868	1,046,903
Depreciation	(93,339)	(356,815)	(57,114)	(507,268)
Net book value	403,907	126,974	8,754	539,635
Year ended 31 December 2020				
Opening net book value	403,907	126,974	8,754	539,635
Additions	68,464	46,837	14,071	129,372
Disposals	(25,462)	(2,238)	(6,564)	(34,264)
Depreciation	(11,712)	(37,088)	(3,785)	(52,585)
Closing net book value	435,197	134,485	12,476	582,158
As at 31 December 2020				
Cost or valuation (gross)	540,248	528,389	73,375	1,142,012
Depreciation	(105,051)	(393,904)	(60,899)	(559,854)
Net book value	435,197	134,485	12,476	582,158
Year ended 31 December 2021				
Opening net book value	435,197	134,485	12,476	582,158
Additions	27,527	64,125	3,119	94,771
Disposals	(6,412)	(2,420)	(1,967)	(10,799)
Depreciation	(6,710)	(45,229)	(2,867)	(54,806)
Closing net book value	449,602	150,961	10,761	611,324
As at 31 December 2021				
Cost or valuation (gross)	561,363	590,094	74,527	1,225,984
Depreciation	(111,761)	(439,133)	(63,766)	(614,660)
Net book value	449,602	150,961	10,761	611,324

Property, plant and equipment comprise mostly real estates and machinery owned by Comarch Group. As at the 31st of December , 2021, the Comarch Group's property are six office buildings in the Special Economic Zone in

Krakow ("SEZ") at 74,144 square metres of the total space, two office buildings in Warsaw at 2,542 square metres of the total space and office buildings in Łódź at 12,572 square metres of the total space, one office building and data centre in Lille at 2,526 square metres of the total space, and an office building and data centre in Dresden at 2,144 square metres of the total space. The Comarch Group also owns lands in the Special Economic Zone in Krakow at approx. 2.01 ha of the total area and 1.21 ha in Mesa, Arizona, USA. Property, plant and equipment also include the MKS Cracovia SSA Training and Research Centre commissioned for use in the fourth quarter of 2020 with a total investment of PLN 42,586 thousand. The centre consists of 6 pitches, including 3 full-size ones, a sports hall with a football field, a building that serves as a hotel for players and 2 other buildings. As at the 31st of December, 2021, property, plant and equipment under construction comprise mostly expenditures related to modernization works of buildings incurred by Bonus Management sp. z o.o. SKA and Bonus Management sp. z o.o. II Activia SKA an amount of PLN 5,984 thousand and expenditures related to construction of Data Centre Comarch Inc. in the USA in the amount of PLN 24,946 thousand.

As at the 31st of December, 2021, bank loans are secured on land and buildings for the value of PLN 407,380 thousand (ordinary mortgages, real estate mortgages in BNP Paribas Bank Polska S.A., Santander Bank Polska S.A., Pekao S.A., PKO BP S.A. and Bank Handlowy w Warszawie S.A.) and other property, plant and equipment in use in the amount of PLN 75,790 thousand (registered pledges in favour of banks: Pekao S.A., DNB Bank Polska S.A. and PKO Leasing SA). The balance sheet value of property, plant and equipment in use, on which financial liabilities are secured, amounts to PLN 224,209 thousand.

	31 December 2021	31 December 2020
Amount of interest on credits capitalised on investments in non-current assets	-	-

Investment expenditures on property, plant and equipment under construction are recognised in the net balance sheet value of property, plant and equipment:

	31 December 2021	31 December 2020
Buildings	32,883	9,521
Equipment	440	95
Other	-	29
Total	33,323	9,645

Depreciation write-offs were presented in the income statement. They increase the costs of sold products, goods and materials in the amount of PLN 36,876 thousand (PLN 35,454 thousand in 2020), costs of sales in the amount of PLN 1,787 thousand (PLN 1,943 thousand in 2020), general and administrative expenses in the amount 3,470 of PLN thousand (PLN 2,515 thousand in 2020) and social activities expenses in the amount of PLN 12,673 thousand (PLN 12,673 thousand in 2020).

3.4. Asset due to the Right of Use

	31 December 2021	31 December 2020
Leasing of means of transport and IT equipment	1,245	1 837
Tenancy	58,629	59 269
Perpetual usufruct	26,627	27 116
Total	86 501	88,222

The depreciation value of the right-of-use asset in 2021 amounted to PLN 21,285 thousand.

Changes in the right-of-use asset

	2021	2020
OPENING BALANCE	88,222	73,636
Increases	19,564	35,734
- new contracts and modifications to existing contracts	17,905	35,114
- exchange rate differences	1,659	620
Decreases	21,285	21,148
- depreciation	21,285	21,148
CLOSING BALANCE	86,501	88,222

3.5. Investment Real Estates

	Lands	Buildings	Total
As at 31 December 2020			
Cost or valuation (gross)	53,195	8,887	62,082
Remission	(20,752)	(1,456)	(22,208)
- depreciation for the year	(1,703)	-	(1,703)
Net book value	32,443	7,431	39,874
As at 31 December 2021			
Cost or valuation (gross)	53,247	8,887	62,134
Remission	(22,480)	(1,456)	(23,936)
- depreciation for the year	(1,728)	-	(1,728)
Net book value	30,767	7,431	38,198

Investment real estate include developed land properties used for rental purposes to entities outside the Comarch Group and land located in Krakow, purchased with the intention of building facilities for lease to entities outside the Comarch Group. As at the 31st of December, 2021, investment real estate comprise two office buildings, placed in Krakow with a total space 8,629 square meters, 4 residential buildings at 1,026 square metres of the total space, 1 service and production building with an area of 600 square metres (all located in Kraków), 2 services and warehouse buildings with an area of 2,611 square metres, located in Zabierzów, as well as real estate located in Kostrzyn with an area of 1,315 square metres.

The following revenue and costs related to investment real estate are included in the consolidated result of the Comarch Group:

	2021	2020
Revenue	5,472	5,212
Costs	4,991	4,717

3.6. Goodwill

Goodwill comprises Company's value established at purchases of shares in the following companies:

	31 December 2021	31 December 2020
Comarch Kraków	99	99
CDN Comarch	1,227	1,227
Comarch AG	1,900	1,900
Comarch, Inc.	58	58
Comarch Software und Beratung AG	29,038	29,038
Comarch Swiss AG	8,413	8,413
Cabinet Conseil en Strategie Informatique S.A.S. (2CSI)	5,039	5,039
Total	45,774	45,774

3.6.1. Acquisition of Subsidiaries

	Core Activities	Acquisition Date	(%) of Purchased Shares	Acquisition Cost in PLN thousand
2008				
Comarch Software und Beratung AG	IT	2008-11-18	50.15	44,685
2009				
Comarch Software und Beratung AG	IT	2009-02-09	30.74	31,901
2012				
Comarch Software und Beratung AG	IT	2012-10-19	5.00	3,777
A-MEA Informatik AG	IT	2012-01-30	100.00	5,717
A-MEA Informatik AG		2012-02-27	-	2,578
ESAProjekt sp. z o.o.	IT	2012-04-27	100.00	12,200
2016				
Comarch Software und Beratung AG	IT	2016-12-12	2.68	6,375
2017				
Geopolis Sp. z o.o.	IT	2017-04-03	100.00	4,000

2020				
Cabinet Conseil en Strategie Informatique S.A.S.	IT	2020-04-23	100.00	9,566
2020				
Wszystko.pl sp. z o.o. (previously „Unitec” sp. z o.o.)	IT	2020-12-02	100.00	1
2021				
Rox Star Maritime Limited	tourism	2021-11-02	100.00	30,173

3.6.2. Test for Goodwill Impairment

Due to the acquisition by Comarch AG of 100% of Comarch Software und Beratung AG shares, goodwill was created in the amount of PLN 29,038 thousand. As at the 31st of December, 2021, the Comarch Group conducted a goodwill impairment test related to the acquisition of Comarch Software und Beratung AG, which did not show any loss in goodwill. The recoverable amount of the cash-generating unit was determined based on its value in use, estimated using the DCF discounted cash flow method. The forecasted cash flows related to the activities of Comarch SuB are based on the sales results achieved in 2021, Comarch SuB budget for 2022, forecasts for 2022-2026, on the estimates of the development of the German market in subsequent years and on the assumption of a constant growth rate of 0% starting from 2027. The discount rate used to estimate the present value of the projected cash flows is based on the WACC weighted average cost of capital of 3.76%. The individual components of the WACC were estimated on the basis of market data with a risk-free rate, the beta value, data on the debt / equity structure and the expected value of the risk premium for the DACH market. The sensitivity of the test to the change of key parameters and their influence on the test result was analyzed. The analysis showed that a 20% decrease in EBITDA in the period covered by the financial forecast or an increase in WACC to 20% do not result in the need to make a goodwill write-off related to the acquisition of Comarch Software und Beratung AG.

In connection with the acquisition by CASA Management and Consulting of 100% of Comarch Swiss AG (formerly A-MEA Informatik AG) shares, goodwill was created in the amount of PLN 8,413 thousand. As at the 31st of December, 2021, the Comarch Group conducted a test for the loss of goodwill related to the acquisition of Comarch Swiss, based on the assumptions analogous to those adopted for the purposes of the test described above for Comarch Software und Beratung AG. The test did not show any impairment. The sensitivity of the test to the change of key parameters and their influence on the test result was analysed. The analysis showed that a 20% decrease in EBITDA in the period covered by the financial forecast or an increase in WACC up to 20% do not result in the need to make a goodwill write-off related to the acquisition of Comarch Swiss AG.

Due to the acquisition by Comarch S.A. 100% of shares in 2CSI CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. goodwill in the amount of PLN 5,039 thousand was established. The above amount is the excess of the remuneration transferred by Comarch S.A. (PLN 9,566 thousand) over the fair value of the net assets of the acquired entity identified as part of the transaction (PLN 4,527 thousand), determined as at the 30th of April, 2020. The result for this period was included in the capitals established as at the acquisition date. The remuneration transferred included the control bonus paid in connection with the acquisition of control over 2CSI, as well as amounts related to the benefits of anticipated synergies, revenue growth, future market development, product portfolio expansion and the acquisition of highly qualified employees. These benefits have not been recognized separately from goodwill because it was not possible to reliably measure the resulting future economic benefits. As part of the described transaction, the Comarch Group also took over customers and relationships with 2CSI customers. These assets were not recognized separately from goodwill because it was not possible to reliably measure their value. As at the 31st of December, 2021, the Comarch Group

performed a test for the loss of goodwill related to the acquisition of 2CSI by determining the recoverable amount of the cash-generating unit using the DCF discounted cash flow method. The projected cash flows related to 2CSI activities were based on sales results achieved in 2021 and budget assumptions for 2022, on the estimates of the development of the French market in the following years and forecasts based on them for 2023-2031, as well as on the assumption of a constant growth rate 0 % starting from 2032. The WACC weighted average cost of capital used in the valuation model was 4.56%. The sensitivity of the test to the change of key parameters and their influence on the test result was analysed. The analysis showed that a 20% decrease in EBITDA in the period covered by the financial forecast or an increase in WACC to 6.40% do not require a goodwill impairment write-off related to the acquisition of 2CSI.

The Comarch Group treats the IT segment that includes the Comarch Group companies before the acquisition of the Comarch Software und Beratung Group as one cash-generating unit, therefore it will not allocate goodwill in the amount of PLN 3,284 thousand resulting from the acquisition of shares in Comarch Kraków S.A., CDN Comarch S.A., Comarch Inc. and Comarch AG to individual companies of the Comarch Group. The goodwill impairment test related to this segment as at the 31st of December, 2021, did not show any impairment. The recoverable amount of the cash generating unit was determined based on its fair value. The management board of the parent company estimated the fair value of the centre by analysing the average P/E ratio for the IT sector companies listed on the Warsaw Stock Exchange and on this basis assessed the estimated market value of the IT segment in the Comarch Group as at the 31st of December, 2021. P/E ratio for the IT sector companies listed on the Warsaw Stock Exchange, conducting activities of a similar nature to Comarch S.A. and included in the WIGtech index was 16.49. It was not adjusted for the test. The above analyses did not show any impairment in relation to the goodwill.

In the fourth quarter of 2021, Comarch Corporate Finance Closed Investment Fund (CCF FIZ) acquired 100% of shares in Rox Star Maritime Ltd. based in Malta for the amount of EUR 6,540,000. The book value of Rox Star Maritime Ltd. as at the acquisition date was EUR 1,173,424. The surplus of the transferred amount over the book value of Rox Star Maritime Ltd. included the remuneration for taking over control over the fixed assets owned by the acquired company. The book value of the fixed assets at the acquisition date was EUR 698,263. In connection with the acquisition, the Comarch Group revalued the value of fixed assets by EUR 5,401,737 in order to adjust it to fair (market) value. No goodwill was created as a result of the acquisition of Rox Star Maritime Ltd. The concentration test was performed, which showed that the value relates entirely to one asset, therefore the acquisition was accounted for as an acquisition of an asset, and not as an acquisition of an enterprise in accordance with IFRS3.

3.7. Other Intangible Assets

	Cost of completed development works	Right of perpetual usufruct	Trademarks, licences and software	Other	Total
As at 31 December 2019					
Cost (gross)	3,259	39,022	194,680	42,878	279,839
Accumulated amortisation and impairment	(3,259)	(1,463)	(180,157)	(38,649)	(223,528)
Net book value	-	37,559	14,523	4,229	56,311
Year ended 31 December 2020					
Opening net book value	-	37,559	14,523	4,229	56,311
Additions	-	-	3,703	6,925	10,628
Disposals	-	-	(11)	(544)	(555)
Amortisation charge	-	(93)	(7,356)	(3,407)	(10,856)
Net book value as at 31 December 2020	-	37,466	10,859	7,203	55,528
As at 31 December 2020					
Cost (gross)	3,259	39,022	198,372	49,259	289,912
Accumulated amortisation and impairment	(3,259)	(1,556)	(187,513)	(42,056)	(234,384)
Net book value	-	37,466	10,859	7,203	55,528
Year ended 31 December 2021					
Opening net book value	-	37,466	10,859	7,203	55,528
Additions	-	-	25,157	4,267	29,424
Disposals	-	-	(10,457)	(80)	(10,537)
Amortisation charge	-	(93)	(10,375)	(3,959)	(14,427)
Net book value as at 31 December 2021	-	37,373	15,184	7,431	59,988
As at 31 December 2021					
Cost (gross)	3,259	39,022	213,072	53,446	308,799
Accumulated amortisation and impairment	(3,259)	(1,649)	(197,888)	(46,015)	(248,811)
Net book value	-	37,373	15,184	7,431	59,988

The Group presented costs for research and development works directly in costs, with no previous activation, in the amount of PLN 919 thousand.

I. Other intangibles include mainly valuation of assets related to players' cards in MKS Cracovia in the amount of PLN 6,964 thousand. All other items of the intangible assets were acquired.

Amortization charges in the income statement have been reported in the positions: the amount of PLN 14,015 thousand is included in the cost of production (PLN 10,305 thousand in 2020), the rest is presented in general and administrative costs in the amount of PLN 365 thousand (PLN 465 thousand in 2020) and selling costs in the amount of PLN 47 thousand (PLN 86 thousand in 2020).

The perpetual usufruct right for land related to MKS Cracovia SSA that is worth PLN 31,650 thousand is considered as intangible asset with unspecified period of use and is not depreciated. The company expects renewal of perpetual usufruct right which will occur without incurring any major costs, as the company is not obliged to meet any conditions, which would decide about extension of this right. The company does not expect incurring major costs in renewal of perpetual usufruct right in the context of the previous activities of the co-owner of the Club that is the City of Krakow. The city supports sport activities, including MKS Cracovia SSA, by the way of, among others:

- additional financing of sport infrastructure,
- redemption of real estate tax,
- contributing fees for perpetual usufruct in non-cash contribution,

The right of perpetual usufruct of land relating to the Parent Company is depreciated for a defined useful life, which depends on the time of acquisition and amounts from 84 till 99 years. The average depreciation rate equals 1.2%.

II. Impairment test for the right of perpetual usufruct as at the 31st of December, 2021.

As at the 31st of December, 2021, an analysis was performed on changes in prices of real estate properties in Krakow in 2021. Based on articles and reports of industry portals (among others Bankier.pl <https://www.bankier.pl/wiadomosc/Ceny-transakcyjne-dzialek-budowlanych-IV-kw-2021-r-Raport-8296399.html>) it was found that in 2021 the average price of land in Krakow grew dynamically (by about 10% compared to 2010) and still remain significantly higher than at the time of acquisition of the right of perpetual usufruct of land by Comarch Group companies. On this basis, it was established that in 2021 the perpetual usufruct right to land owned by Comarch Group companies was not impaired.

3.8. Non-Current Prepayments

	12 months of 2021	12 months of 2020
Opening balance	1,298	2,486
Changes due to:		
- creating, settlement and transfer to non-current prepayments	(272)	(1,188)
Closing balance	1 026	1,298

3.9. Investment in Associates

As at the 31st of December, 2021, the Group had no investments in associates.

As at 1 January 2020	570
Granting a loan to SolInteractive S.A.	-
Repayment of loan by SolInteractive S.A.	(570)
As at 31 December 2020	-
As at 1 January 2021	-
Granting a loan to SolInteractive S.A.	-
Repayment of loan by SolInteractive S.A.	-
As at 31 December 2021	-

SolInteractive S.A. As at:	Country of incorporation	Assets	Liabilities	% shares held
31 December 2020	Poland	515	75	42,98
31 December 2021	Poland	201	79	42,98

SolInteractive S.A.	Country of incorporation	Revenue	Profit (Loss)	% shares held
12 months of 2020	Poland	703	694	42,98
12 months of 2021	Poland	-	(318)	42,98

Investments in associates as at the 31st of December, 2021 include shares and stocks in the company SolInteractive S.A. acquired by CCF FIZ and Bonus Management sp.z o.o. II Activia SK-A, representing 42.98% of shares (27.37% in votes at the company's AGM), value of 0.

3.10. Financial Assets Available for Sale

	31 December 2021	31 December 2020
Financial assets available for sale	74,184	20,001
Total	74,184	20,001

On the 31st of December, 2021, the financial assets available for sale consisted of those owned by Comarch S.A. participation units in debt securities investment funds, purchased as an investment of free cash. All participation units purchased by the company relate to low-risk sub-funds holding government and corporate debt securities as well as money market instruments. As at the 31st of December, 2021, the above-mentioned participation units were valued at fair value according to market price, and changes in the valuation were referred to the result on financial operations. The total value of the participation units at the purchase price was PLN 75,000 thousand PLN and the total value of the participation units according to their valuation as at the balance sheet date was PLN 74,184 thousand.

After the balance sheet date

Comarch S.A. in the period from the 1st of January, 2022 to the 29th of April, 2022, sold participation units in all investment funds for a total amount of PLN 73,023 thousand. As of the 29th of April, 2022, Comarch SA does not have any participation units in investment funds.

3.11. Derivative Financial Instruments

a) Assets

	31 December 2021	31 December 2020
Forward foreign exchange contracts – held-for-trading	718	2,716
Transaction on change of IRS	-	-
	718	2,716
<i>Current portion</i>	413	2,119
<i>Non-current portion</i>	305	597

b) Liabilities

	31 December 2021	31 December 2020
Forward foreign exchange contracts – held-for-trading	13,064	5,958
Transaction on change of IRS	1,504	3,501
	14,568	9,459
<i>Current portion</i>	4,906	3,820
<i>Non-current portion</i>	9,662	5,639

Comarch Group held forward contracts 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. As at the 31st of December, 2021, the above-mentioned instruments were valued at fair value according to market price and changes in valuation were referred into the results from financial operations. Total net value of forward contracts that were open as at the 31st of December, 2021, amounted to EUR 60,600 thousand, USD 20,400 thousand, NZD 4,400 thousand, GBP 2,200 thousand and JPY 60,000 thousand.

On the 9th of July, 2014, Comarch S.A. concluded a transaction on change of IRS for investment credit taken in June 2006 from BNP Paribas Bank Polska S.A. with its registered office in Warsaw, for financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. As a consequence of the concluded transaction, variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded for the period of 10 years, i.e. till the 29th of July, 2024. As at the 31st of December, 2021, valuation of the IRS transaction amounted to minus PLN 136 thousand.

On the 23rd of October, 2015, Comarch S.A. concluded a transaction on change of IRS for investment credit taken on the 4th of December, 2013, from Bank Pekao S.A. with its registered office in Warsaw. As a consequence of the concluded transaction, variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded for the period of 8 years, i.e. till the 30th of November, 2023. As at the 31st of December, 2021, valuation of the IRS transaction amounted to minus PLN 97 thousand.

On the 20th of February, 2017, Comarch S.A. concluded a transaction on change of IRS for an investment credit granted in May 2016 by the Bank Handlowy with its registered office in Warsaw. As a consequence of the concluded transaction variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded till the 29th of February, 2028. As at the 31st of December, 2021, valuation of the IRS transaction amounted to minus PLN 730 thousand.

On the 27th of November, 2017, Bonus Development Sp. z o.o. SKA concluded a transaction on change of IRS for an investment credit taken on the 29th of June, 2015, from Bank Pekao S.A. with its registered office in Warsaw. As a consequence of the concluded transaction variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded till the 31st of May, 2030. As at the 31st of December, 2021, valuation of the IRS transaction amounted to minus PLN 541 thousand.

After the balance sheet date

Between the 1st of January, 2022, and the 29th of April, 2022, Comarch Group has concluded new forward contracts for the sales of currency worth EUR 19,600 thousand, USD 14,500 thousand, JPY 60,000 thousand and NZD 3,000 thousand. The total net value of open forward contracts as of the 29th of April, 2022, amounted to EUR 66,200 thousand, USD 29,600 thousand, JPY 100,000 thousand, GBP 1,400 thousand and NZD 5,600 thousand. The contracts will be settled within 40 months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by companies in Comarch Group, in which the remuneration or cost is set in a foreign currency.

3.12. Deferred Income Tax

	31 December 2021	31 December 2020
Deferred income tax assets		
Beginning of year:	35,864	35,002
<i>charged to financial result</i>	35,864	35,002
Movement on deferred income tax account charged to financial result		
recognition of an asset due to tax loss in other foreign companies	706	1,043
dissolution of an asset due to tax loss in other foreign companies	(669)	(59)
recognition of an asset due to tax loss in Polish companies	78	397
dissolution of an asset due to tax loss in Polish companies	(63)	(615)
recognition of an asset due to tax relief of the Parent Company due to activities in Special Economic Zone	8,415	8,384
dissolution of an asset due to tax relief of the Parent Company due to activities in Special Economic Zone	(8,384)	(9,958)
recognition of an asset due to temporary differences related to costs (depreciation, costs of research works)	6,225	9,076
dissolution of an asset due to temporary differences related to costs (depreciation, costs of research works)	(6,208)	(7,406)
End of year	35,964	35,864
<i>charged to financial result</i>	35,964	35,864

Deferred income tax assets

	Tax loss asset	Provisions for costs, revaluing write-offs	Asset due to tax relief related to income tax (SEZ)	Total
As at 1 January 2020	4,760	20,284	9,958	35,002
(Charged)/ credited to the result for 2020	766	1,670	(1,574)	862
As at 31 December 2020	5,526	21,954	8,384	35,864
<i>charged to financial result</i>	5,526	21,954	8,384	35,864
As at 1 January 2021	5,526	21,954	8,384	35,864
(Charged)/ credited to the result for 2021	52	17	31	100
As at 31 December 2021	5,578	21,971	8,415	35,964
<i>charged to financial result</i>	5,578	21,971	8,415	35,964

The tax loss asset was created in amounts recoverable in accordance with applicable tax regulations.

	31 December 2021	31 December 2020
Deferred tax provision		

Deferred tax provision

Beginning of year:	46,778	48,725
<i>charged to equity</i>	5,430	5,430
<i>charged to financial result</i>	41,348	43,295
Movement on deferred tax liabilities charged to financial result		
recognition of a provision due to valuation of deposits of CCF FIZ	3,520	20
recognition of a provision due to temporary differences related to depreciation, currency differences and interest	3,345	4,185
dissolution of a provision due to temporary differences related to depreciation, currency differences and interest	(3,683)	(6,152)
End of the period	49,960	46,778
<i>charged to equity</i>	5,430	5,430
<i>charged to financial result</i>	44,530	41,348

Deferred income tax provision

	Provision due to valuation of CCF FIZ	Depreciation	Provisions (exchange differences, interest)	Provisions due to fair value valuation of MKS Cracovia SSA's assets	Total
As at 1 January 2020	22,774	-	20,521	5,430	48,725
<i>charged to financial result</i>	22,774	-	20,521	-	43,295
<i>charged to equity</i>	-	-	-	5,430	5,430
(Charged)/ credited to the result for 2020	20	-	(1,967)	-	(1,947)
As at 31 December 2020	22,794	-	18,554	5,430	46,778
<i>charged to financial result</i>	22,794	-	18,554	-	41,348
<i>charged to equity</i>	-	-	-	5,430	5,430
(Charged)/ credited to the result for 2021	3,520	-	(338)	-	3,182
As at 31 December 2021	26,314	-	18,216	5,430	49,960
<i>charged to financial result</i>	26,314	-	18,216	-	44,530
<i>charged to equity</i>	-	-	-	5,430	5,430

Comarch S.A. has three unused permits to operate in the Special Economic Zone in Krakow:

- obtained in 2013, its validity term has not been specified;
- obtained in February 2016, its validity term has not been specified;
- obtained in March 2016, its validity term has not been specified.

The Company also notes that on the 23rd of July, 2013, The Council of Ministers adopted a regulation extending the term of functioning of special economic zones in Poland to 2026.

Pursuant to IAS 12, unused tax relief as at the 31st of December, 2021, constitutes a deferred income tax asset. The company, while operating in the SEZ, originally had five permits. An investment relief due to the permit obtained in 1999 was fully utilized (its period of validity was the 31st of December, 2017). The investment tax relief under the permit obtained in 2007 was fully utilized, its value as at the 31st of December, 2021, is zero. Limit of the unused investment tax relief under the permit obtained in 2013, regarding investment in the office building SSE6, amounted to approx. PLN 21,435 thousand as at the 31st of December, 2021 (after discounting at the permit date). Limit of the unused investment tax relief under the permit obtained in March 2016, regarding investment in the office building SSE7 in Cracow, amounted to approx. PLN 22,809 thousand as at the 31st of December, 2021 (after discounting at the permit date). The company has no intention to use the permit obtained in February 2016 due to the fact of receiving (after obtaining it), co-financing of investment outlays to be incurred in this permit - to eliminate the risk of using two forms of public aid related to one investment.

Over 2021, the Comarch Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2020, and worth PLN 6,208 thousand, and created an asset due to temporary differences worth PLN 6,225 thousand, as well as created an asset due to tax loss in the worth PLN 784 thousand and released an asset of the same title worth PLN 732 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was plus PLN 69 thousand.

Deferred income tax assets are determined in the amount anticipated to be deducted from income tax in the future, due to negative temporary differences and income tax relief in connection with conducting business activity in SEZ, which will cause in the future a reduction in the basis for calculating income tax and a tax loss deductible, determined taking into account the precautionary principle. Due to the above principle, assets from operations in SEZ are set only in the annual time horizon, taking as base to determine the average income from zonal activity from the period of 3 years, selected from the five-year period (including the year for which the report is drawn up), after rejecting two extreme values.

Over 2021, the Comarch Group settled an asset created for the zone operations in the value of PLN 8,384 thousand which were created as at the 31st of December, 2020, as well as created the new asset for the zone operations in the value of PLN 8,415 thousand. At the same time, in accordance with IAS 12, the Company, in the next year, will regularly verify the valuation of the Asset recognized for its feasibility. We would like to point out that the recognition of Assets does not affect cash flows in the parent company or in the Comarch Group (both the recognition of Assets, as well as its implementation). Therefore, this operation is purely accrual and results from the application by the Comarch Group of International Financial Reporting Standards for the preparation of the consolidated financial statements of the Comarch Group.

The total impact of changes in Asset in 2021 results amounted to plus PLN 100 thousand.

Due to valuation of net assets of CCF FIZ during 2021, a deferred tax provision was increased by PLN 3,520 thousand. At the same time, a deferred tax provision due to temporary differences was recognized in the value of PLN 3,345 thousand and dissolved in the value of PLN 3,683 thousand. The total effect of the above-mentioned operations on the net result of 2021 was minus PLN 3,182 thousand.

Total changes in the deferred income tax resulted in a decrease in result of PLN 3,082 thousand.

In relation to MKS Cracovia SSA and Comarch Healthcare S.A., despite the fact that the tax loss existed, a deferred tax asset was not created due to the lack of possibility to make the reliable estimates of the income tax allowing the use of existing tax loss from previous years. If the asset were created, the amount of the asset would be PLN 21,705 thousand.

3.13. Inventories

	31 December 2021	31 December 2020
Raw materials	3,732	2,101
Work in progress	76,395	74,814
Goods	11,031	10,437
Finished goods	279	190
Advances due to goods	440	573
Total	91,877	88,115

The cost of inventories included in 'Costs of products, goods and materials sold' amounted to PLN 406,054 thousand (12 months ended the 31st of December, 2021), PLN 426,919 thousand (12 months ended the 31st of December, 2020).

In 2021, Comarch Group created write-offs of the value of goods and materials in the amount of PLN 461 thousand and of the finished goods in the amount of PLN 29 thousand. Comarch Group resolved write-offs of the value of goods and materials in the amount of PLN 617 thousand and created in previous years.

3.14. Trade and Other Receivables

	31 December 2021	31 December 2020
Trade receivables – net	428,407	388,009
Trade receivables- gross	491,375	457,257
Write-off revaluating receivables	(62,968)	(69,248)
Other receivables	24,162	19,284
Short-term prepayments	20,199	18,020
Other prepayments	-	-
Loans	53	4,543
Receivables from related parties	1	2
Receivables from related parties- gross	1	2
Write-off revaluating receivables	-	-
	472,822	429,858
Current portion	472,822	429,858

The fair value of trade and other receivables is close to their balance sheet value presented above. There is no concentration of credit risk with respect to trade receivables as Group has a large number of customers. In 2021, the Group recognised a write-off due to loss in value of its trade receivables that was worth PLN 20,690 thousand and resolved previously created write-offs in the amount of PLN 15,763 thousand due to the settlement of debts. These operations were included respectively in other operating income and expenses in the profit and loss account.

3.15. Long-term Contracts

	12 months of 2021	12 months of 2020
Revenue from completed contracts recognised in the reporting period	116,826	106,186
Revenue from not completed contracts recognised in the reporting period	535,478	543,854
Revenue from not completed contracts recognised in the reporting period - an effect of settlement pursuant to IFRS 15	(7,651)	(11,244)
Revenue due to long-term contracts recognised in the reporting period	644,653	638,796

	31 December 2021	31 December 2020
The total amount of future revenue resulting from the provision of services under the signed contracts covered by the valuation	1,381,274	1,715,282

Due to the fact that the company applies the rule of determining the degree of work progress in proportion to the share of incurred costs in the entire costs of a contract, the sum of incurred costs and recognised results corresponds to revenue. At the end of the reporting period, long-term contracts were valued in accordance with the degree of work progress.

Changes in settlements due to long-term contracts recognised in assets and liabilities between the 31st of December, 2020, and the 31st of December, 2021, are presented below:

	31 December 2021	31 December 2020
Long-term contracts revenue included to the balance sheet date - determined according to the progress of work	2,209,378	2,069,821
Issued invoices	(2,207,239)	(2,060,031)
Total	2,139	9,790

	Long-term contracts receivables	Long-term contracts liabilities	Net
Value at 1 January 2020	193,865	(172,831)	21,034
Correction of the current period due to the application of IFRS 15	-	(3,493)	(3,493)
Correction of the current period	(36,424)	28,673	(7,751)
Value at 31 December 2020	157,441	(147,651)	9,790
Change	(36,424)	25,180	(11,244)

Value at 1 January 2021	157,441	(147,651)	9,790
Correction of the current period due to the application of IFRS 15	-	(1,967)	(1,967)
Correction of the current period	(13,400)	7,716	(5,684)
Value at 31 December 2021	144,041	(141,902)	2,139
Change	(13,400)	5,749	(7,651)

3.16. Categories and Classes of Financial Instruments

Assets and financial liabilities are presented by categories (according to IFRS 9) as follows:

	31 December 2021	31 December 2020
Financial assets		
At fair value through the income statement (3.11)	718	2,716
Available-for-sale financial assets (note 3.10)	74,184	20,001
Own receivables, as well as cash and cash equivalents	920,443	886,351
Right-of-use assets (3.4)	86,501	88,222
Total	1,081,846	997,290
Financial liabilities		
At fair value through the income statement (3.11)	14,568	9,459
Other financial liabilities (3.22)	5,450	5,249
Financial liabilities	391,313	379,369
Lease liabilities (3.21)	92,438	94,287
Total	503,769	488,364

The following classes of financial instruments are presented within particular categories of instruments:

	31 December 2021	31 December 2020
Own receivables, as well as cash and cash equivalents		
Receivables from related parties (note 3.14)	1	2
Receivables from other entities - current (note 3.14 + receivables due to tax income)	475,062	431,286
Receivables from other entities - non-current	7,595	7,042
Cash and cash equivalents (note 3.17)	437,785	448,021
Available-for-sale financial assets (note 3.10)	74,184	20,001
At fair value through the income statement (note 3.11)	718	2,716
Right-of-use assets (3.4)	86,501	88,222
Total	1,081,846	997,290

Financial liabilities

Liabilities due to credits (note 3.20)	145,007	156,936
Liabilities to related parties (note 3.24)	350	350
Liabilities to other entities - current (note 3.24)	245,406	215,778
Liabilities to other entities – non-current	550	6,305
At fair value through the income statement (note 3.11)	14,568	9,459
Lease liabilities (3.21)	92,438	94,287
Other financial liabilities (3.22)	5,450	5,249
Total	503,769	488,364

Currency structure of financial liabilities and assets are presented as follows:

	Financial assets		Financial liabilities	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Currency - PLN	363,341	293,044	134,396	128,045
Currency - EUR	348,497	400,178	317,019	322,594
Currency - USD	155,513	90,838	12,082	8,333
Currency - GBP	56,956	60,180	9,130	12,843
Currency - UAH	481	852	422	451
Currency - AED	2,521	5,568	1,086	1,612
Currency - RUB	8,466	15,548	1,458	603
Currency - CHF	31,227	39,340	428	2,662
Currency - CAD	3,342	10,370	160	171
Currency - BRL	22,144	14,625	2,802	6,036
Currencies - other	89,358	66,747	24,786	5,014
Total	1,081,846	997,290	503,769	488,364

As at the 31st of December, 2020, maturity periods of particular classes of own receivables (trade receivables and cash equivalents) are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Receivables from related parties (3.14)	2	-	-	-	2
Receivables from other parties - current	430,665	613	8	-	431,286
Receivables from other parties – non-current	6,138	188	641	75	7,042
Cash and cash equivalent (note 3.17)	448,021	-	-	-	448,021
Available-for-sale financial assets (note 3.10)	20,001	-	-	-	20,001
At fair value through the income statement (note 3.11)	2,119	501	96	-	2,716
Right-of-use assets (3.4)	4,418	2,385	38,403	43,016	88,222
Total	911,364	3,687	39,148	43,091	997,290

As at the 31st of December, 2021, maturity periods of particular classes of own receivables (trade receivables and cash equivalents) are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Receivables from related parties (3.14)	1	-	-	-	1
Receivables from other parties - current (3.14)	474,441	588	27	6	475,062
Receivables from related parties – non-current	36	2,687	4,872	-	7,595
Cash and cash equivalent (note 3.17)	437,785	-	-	-	437,785
Available-for-sale financial assets (note 3.10)	74,184	-	-	-	74,184
At fair value through the income statement (note 3.11)	413	165	140	-	718
Right-of-use assets (3.4)	39,641	287	18,980	27,593	86,501
Total	1,026,501	3,727	24,019	27,599	1,081,846

As at the 31st of December, 2020, maturity periods of particular classes of financial liabilities are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Liabilities due to credits (note 3.20)	40,176	34,767	53,065	28,928	156,936
Liabilities to related parties (3.24)	294	56	-	-	350
Liabilities to other entities - current	215,474	304	-	-	215,778
Liabilities to other entities – non-current	-	257	5,685	363	6,305
Derivative financial instruments (3.11)	3,820	1,473	1,208	2,958	9,459
Lease liabilities (3.21)	19,142	14,484	25,554	35,107	94,287
Other financial liabilities (3.24)	5,249	-	-	-	5,249
Total	284,155	51,341	85,512	67,356	488,364

As at the 31st of December, 2021, maturity periods of particular classes of financial liabilities are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Liabilities due to credits (note 3.20)	40,443	35,761	46,645	22,158	145,007
Liabilities to related parties (3.24)	214	136	-	-	350
Liabilities to other entities - current	245,099	177	130	-	245,406
Liabilities to other entities – non-current	181	6	-	363	550
Derivative financial instruments (3.11)	4,906	5,658	2,733	1,271	14,568
Lease liabilities (3.21)	21,023	15,223	22,058	34,134	92,438
Other financial liabilities (3.24)	-	-	5,450	-	5,450
Total	311,866	56,961	77,016	57,926	503,769

The Group has adopted the following methods of valuation for particular classes of financial instruments:

Own receivables	Valuation method	Fair value level
Receivables from related parties (note 3.14)	according to the adjusted acquisition price	n/a
Receivables from other entities – current (note 3.14)	according to the adjusted acquisition price	n/a
Receivables from other entities – non-current	according to the adjusted acquisition price	n/a
Cash and cash equivalents (note 3.17)	at fair value through profit or loss	level 1
Receivables from related parties (note 3.14)	according to the adjusted acquisition price	n/a
Receivables from other entities – current (note 3.14)	according to the adjusted acquisition price	n/a
Derivative instruments (note 3.11)	at fair value through profit or loss	level 1
Right-of-use assets (note 3.10)	at fair value through profit or loss	level 1

Own receivables	Valuation method	Fair value level
Liabilities due to credits (note 3.20)	according to the adjusted acquisition price	n/a
Liabilities to related parties (note 3.24)	according to the adjusted acquisition price	n/a
Liabilities to other entities - current (note 3.24)	according to the adjusted acquisition price	n/a
Liabilities to other entities – non-current	according to the adjusted acquisition price	n/a
Lease liabilities (note 3.21)	according to the adjusted acquisition price	n/a
Liabilities due to credits (note 3.20)	according to the adjusted acquisition price	n/a
Derivative instruments (note 3.11)	at fair value through profit or loss	level 1

3.17. Cash and Cash Equivalents

	31 December 2021	31 December 2020
Cash in hand, cash at bank accounts	410,593	441,831
Current bank deposit	27,189	6,190
Total cash	437,782	448,021
Due interest on bank deposit	3	-
Total cash and cash equivalents	437,785	448,021

In 2021, effective interest rates for short-term bank deposits were 0.26% for PLN, 3.27% for BRL. The average maturity period for these deposits was 50 days for PLN, 71 days for BRL. For the needs of the cash flow, cash and cash equivalents include cash in hand and deposits. Credit in the current account is included in financial operations.

	31 December 2021	31 December 2020
Cash with limited disposal rights		
security deposits set by companies in the Comarch Group in relation to concluded rental contracts and bank guarantees	-	283
funds received for implementation of projects co-financed with a subsidy	40	141
cash in a separate bank account of the Social Services and Residential Fund	1,160	1,004
cash to secure credit lines	1,943	1,950
cash on VAT accounts	4,175	6,753
Total	7,318	10,131

3.18. Share Capital

	Number of shares	Ordinary and preference shares	Own shares	Total
As at 1 January 2020	8,133,349	8,133,349	-	8,133,349
As at 31 December 2020	8,133,349	8,133,349	-	8,133,349
As at 31 December 2021	8,133,349	8,133,349	-	8,133,349

The nominal value of one share is PLN 1.

The share capital of Comarch S.A. consists of:

- 864,800 series A registered preference shares,
- 75,200 series A ordinary bearer shares,
- 883,600 series B registered preference shares,
- 56,400 series B ordinary bearer shares,

- 3,008,000 series C ordinary bearer shares,
- 1,200,000 series D ordinary bearer shares,
- 638,600 series E ordinary bearer shares,
- 125,787 series G ordinary bearer shares,
- 102,708 series G3 ordinary bearer shares,
- 563,675 series H ordinary bearer shares,
- 441,826 series I2 ordinary bearer shares,
- 91,041 series J2 ordinary bearer shares,
- 73,953 series K3 ordinary bearer shares,
- 7,759 series L1 ordinary bearer shares.

Registered shares in series A and B are preferential and each such share corresponds with 5 votes at the General Meeting. The conversion of registered shares into bearer shares is allowed. In case of that registered shares are converted into bearer shares, they lose all preferences. In case that registered preferential shares are disposed their specific voting rights at the General Meeting expire, however their specific voting rights at the General Meeting do not expire in case of:

- a) disposal for the benefit of persons who were shareholders of the company on 18 March 1998,
- b) disposal for the benefit of descendants of a disposer,
- c) conveying property of a registered share as a result of succession.
- d) disposal for the benefit of a legal person or non-corporate organizational unit of Polish or foreign law, including in particular, for the benefit of quasi-corporate unit of Polish or foreign law ("Structure") controlled, within the meaning of art. 8 sec 5 of the company's articles of association, only by a shareholder who contributes (disposes) registered preference shares to the Structure ("Contributing Shareholder") or (jointly) controlled only by the Contributing Shareholder's relatives in the ascending and descending line, siblings or spouse, or (jointly) controlled by some or all of the persons mentioned above ("Related Person or Related Persons") and the Contributing Shareholder jointly ("Controlled Structure") and disposal by the one Controlled Structure of the registered preference shares for the benefit of the other Controlled Structure.

The written consent of the Management Board is required to dispose of registered shares. The sale of shares without the permission of the Management Board is possible on the condition that it is stated in Comarch S.A.'s statute. Every ordinary bearer share entitles its holder to one vote at the AGM. The conversion of bearer shares into registered shares is not permitted.

3.18.1. Information about Shareholders Holding Directly or Indirectly by Subsidiary Entities at least 5% of the Total Number of Votes at the General Meeting of Comarch S.A., at the Date of Preparing the Financial Report

As at the date of the report's preparation:

- 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 Otwarty Fundusz Emerytalny (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 Otwarty Fundusz Emerytalny (Open Pension Fund) and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny (Voluntary Pension Fund) managed by Nationale-Nederlanden PTE S.A. held including 846,571 shares Comarch S.A. (10.41% of the company's share capital), which gave 846,571 votes at the AGM (5.60%), included Nationale-Nederlanden Dobrowolny Fundusz Emerytalny (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%).

3.18.2. Changes in Share Capital in 2021

On the 30th of December, 2021, 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 16th of April, 2014 on market abuse. The notification concerned the purchase of 500 ordinary bearer shares on the basis of price of PLN 190.50 per 1 share and 161 ordinary bearer shares on the basis of price of PLN 190.00 per 1 share which value amounted to PLN 125,840 on the 30th of December, 2021. The company announced details in the current report no. [RB-13-2021](#) (ENG: [RB-13-2021](#)) dated the 30th of December, 2021.

3.18.3. Changes in Share Capital after the Balance Sheet Date

The Management Board of Comarch S.A. on the 25th of March, 2022, received from a person acting as a managing person (Paweł Prokop) a notification of transactions referred to in Article 19 par. 1 of the Regulation of the European Parliament and the EU Council No. 596/2014 dated the 16th of April, 2014, on market abuse. The notification concerned the sale transaction from the 3rd of March 2022, to the 22nd of March, 2022, of 7,512 ordinary bearer shares and the purchase transaction on the 15th of March, 2022 of 12 bearer shares. The company announced details in the current report no. [RB-2-2022](#) (ENG: [RB-2-2022](#)) dated the 25th of March, 2022.

3.19. Other Capitals

3.19.1. Parent Company Shareholders' Capitals

	Capital from change in ownership structure	Capital from valuation of the managerial option	Investment capital and capital for covering the budget commitments	Supplementary capital from sales over nominal value	Other capitals	TOTAL
1 January 2020	(5,185)	25,140	745	84,446	37,895	143,041
Change in Ownership Structure	-	-	-	-	-	-
31 December 2020	(5,185)	25,140	745	84,446	37,895	143,041
1 January 2021	(5,185)	25,140	745	84,446	37,895	143,041
Change in Ownership Structure	-	-	-	-	-	-
31 December 2021	(5,185)	25,140	745	84,446	37,895	143,041

On the 24th of June, 2021, the General Shareholder's Meeting passed the resolution no. 9, related to distribution of the net profit earned in the fiscal year 1 January 2020 - 31 December 2020. The General Shareholder's Meeting decided that net profit in the amount of PLN 80,008,432.99 will be divided as follows:

1. PLN 24,400,047 will be paid as dividend. Persons who will be the company's shareholders at the 6th of July, 2021 (dividend day), will get the dividend in the amount of PLN 3.00 per one share. The dividend will be allocated to 8,133,349 shares. Dividend was paid at the 16th of July, 2021.
2. The remaining part of the net profit in the amount of PLN 55,608,385.99 was passed to supplementary capital.

Management Board of Comarch S.A. by the date of publication of this report, has not made a decision regarding the proposed profit distribution for 2021.

3.19.2. Capitals Attributable to Interests not Entitled to Control

1 January 2020	18,633
Results of subsidiaries for general partners outside the Group	-
MKS Cracovia SSA share in profit	29
CAMS AG share in profit	(167)
Currency exchange differences	13
31 December 2020	18,508
1 January 2021	18,508
Results of subsidiaries for general partners outside the Group	-
MKS Cracovia SSA share in profit	(7,049)
CAMS AG share in profit	(7)
Currency exchange differences	(2)
31 December 2021	11,450

We present data of subsidiary MKS Cracovia SSA. In the other subsidiaries, interests not entitled to control are insignificant.

Name of company: MKS Cracovia SSA,

Main country of company's activities and country of registration: Poland,

Proportion of shares held by interests not entitled to control: 33.89%,

Proportion of votes held by interests not entitled to control, if differs from the proportion of held Shares: 33.89%,

Financial result attributable to subsidiary's minority interest, during the reporting period: minus PLN 7,049 thousand.

Total subsidiary's minority interest as at the end of the reporting period: minus PLN 11,450 thousand.

Condensed financial information about subsidiary Cracovia SSA

The following tables present a summary of financial data of a significant subsidiary, which holds interests not entitling to control. The below mentioned amounts constitute amounts from financial statements prepared pursuant to the IFRS (adjusted by the Group):

MKS Cracovia SSA	31 December 2021	31 December 2020
Current assets	9,596	13,361
Non-current assets	90,369	88,894
Current liabilities	19,163	20,825
Non-current liabilities	46,886	26,714

MKS Cracovia SSA	2021	2020
Revenue	31,263	39,936
Profit (loss) from continued activities	(20,800)	87
Profit (loss) from discontinued activities (after tax)	-	-
Net profit (loss) for the period	(20,800)	87
Other total income for the period	-	-
Total income for the period	-	87

3.20. Credits and Loans

	31 December 2021	31 December 2020
Non-current	104,564	116,760
Non-revolving credits	104,385	115,617
Revolving credits	-	-
Loans	179	1,143
Current	40,443	40,176
Non-revolving credits	38,554	34,723
Revolving credits	-	413
Loans	1,889	5,040
Total credits and loans	145,007	156,936

The value of liability due to bank credits and loans was recognized in the amount of depreciated cost that was determined using the effective interest rate. The fair value of liabilities due to credits and loans does not differ significantly from the balance sheet value.

In 2021, the value of repaid capital on non-revolving credits and loans from entities outside the Comarch Group amounted to PLN 44,668 thousand. Over 2021, the Comarch Group launched non-revolving bank loans and credits from entities outside the Comarch Group in the amount of PLN 33,320 thousand. As at the balance sheet date, the Comarch Group did not use the overdraft facility.

Within reporting period, there were no overdue payments nor interest payments on credits and loans. Comarch did not breach of any provisions of the credit or loan agreements that could entitle the creditor to claim earlier repayment of the credit or loan.

The exposure of Group's bank credits to interest rate risk arises from credits at variable interest rates. The Comarch Group optimizes interest costs by constantly monitoring the interest rate structure and adjusting the base loan interest rate or using IRS hedging transactions.

Exposure to Comarch Group loans and borrowings with the interest rate risk	1 year or less	1-5 years	Over 5 years	Total
As at 31 December 2020				
Credits and loans	40,176	87,832	28,928	156,936
As at 31 December 2021				
Credits and loans	40,443	82,406	22,158	145,007

The maturity of non-current bank credits, loans and financial liabilities	31 December 2021	31 December 2020
Between 1 and 2 years	35,761	34,767
Between 2 and 5 years	46,645	53,065
Over 5 years	22,158	28,928
	104,564	116,760

Currency structure of the balance sheet values of credits, loans and financial liabilities	31 December 2021	31 December 2020
In Polish currency	2,049	5,749
In EUR (equivalence in PLN)	142,958	151,187
	145,007	156,936

The effective interest rates at the balance sheet date	31 December 2021	31 December 2020
Bank credits	0.98%	1.46%
Loans	0.95%	2.44%

3.20.1. Non-Revolving credits and loans

Debtor	Financial institution	Total value of credit/loan according to the agreement		Value to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.				1,696		7,800				
Office buildings SSE4 in Krakow	BNP Paribas Bank Polska S.A.	44,000	PLN	(2,309 as at the 31 st of December, 2020)	EUR	(10,655 as at the 31 st of December, 2020)	PLN	EURIBOR1M + bank margin IRS till the 29 th of July, 2024	the 29 th of July, 2024	mortgage on the SSE4 building, assignment of rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
Comarch S.A.				0		0				
office buildings SSE5 in Krakow - refinancing	Powszechna Kasa Oszczędności Bank Polski S.A.	4,126	EUR	(387 as at the 31 st of December, 2020)	EUR	(1,784 as at the 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	the 29 th of September, 2021	mortgage on the SSE5 building, assignment of rights from the building's insurance policy, declaration on submission to enforcement
Comarch S.A.				3,190		14,674				
office buildings SSE6 in Krakow	Bank Polska Kasa Opieki S.A.	13,323	EUR	(4,848 as at the 31 st of December, 2020)	EUR	(22,372 as at the 31 st of December, 2020)	PLN	EURIBOR1M + bank margin IRS till the 30 th of November, 2023	the 30 th of November, 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.				9 759		44 885				
office buildings SSE7 in Krakow	Bank Handlowy w Warszawie S.A.	13,333	EUR	(11,340 as at the 31 st of December, 2020)	EUR	(52,330 as at the 31 st of December, 2020)	PLN	EURIBOR1M + bank margin IRS till the 29 th of February, 2028	the 29 th of February, 2028	mortgage on the SSE7 building, assignment of rights from the building insurance policy, declaration on submission to enforcement
Comarch S.A.				701		3,222				
Property, plant and equipment in use - equipment of Internet of Things laboratory in Krakow	DNB Bank Polska S.A.	2,531	EUR	(1,050 as at the 31 st of December, 2020)	EUR	(4,848 as at the 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	the 30 th of December, 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

Bonus Development sp. z o.o. SK-A	Bank Polska Kasa Opieki S.A.	9,262	EUR	5,402	EUR	24,843	PLN	EURIBOR1M + bank margin IRS till the 31 st of May, 2030	the 31 st of May, 2030	mortgage on an office building in Łódź, a statement by Bonus Development Sp. z o.o. SK-A on submission to enforcement, assignment of rights from the insurance policy of an office building in Łódź, assignment of rights from the guarantee of due performance and warranty guarantee, assignment of rights under the lease of the financed property concluded with Comarch SA, surety from Comarch SA, declaration on submission to enforcement Comarch SA.
office buildings in Lodz				(6,041 as at the 31 st of December, 2020)		(27,878 as at the 31 st of December, 2020)				
Comarch S.A.S, Comarch S.A.	BNP Paribas Bank Polska S.A	8,000	EUR	2,291	EUR	10,538	PLN	EURIBOR3M + bank margin	the 18 th of September, 2023	mortgage on the second place on the estate Comarch S.A. (Krakow, Michał Życzkowski Street 23, building SSE4), statement by Comarch S.A. on submission to enforcement, assignment of rights from the insurance policy of SSE4 building
Data Centre in Lille in France				(3,600 as at the 31 st of December, 2020)		(16,613 as at the 31 st of December, 2020)				
Comarch S.A.	CaixaBank S.A. Branch in Poland	3,500	EUR	1,634	EUR	7,515	PLN	EURIBOR1M + bank margin	the 23 rd of August, 2023	Declaration of submission to enforcement
Comarch infrastructure modernization program				(2,566 as at the 31 st of December, 2020)		(11,843 as at the 31 st of December, 2020)				
Comarch S.A.	CaixaBank S.A. Branch in Poland	2,300	EUR	2,060	EUR	9,475	PLN	EURIBOR1M + bank margin	the 29 th of June, 2025	Declaration of submission to enforcement
Corporate purposes				(437 as at the 31 st of December, 2020)		(2,018 as at the 31 st of December, 2020)				
Comarch S.A.	CaixaBank S.A. Branch in Poland	14,500	EUR	0	EUR	0	PLN	EURIBOR1M + bank margin	the 5 th of August, 2026	Declaration of submission to enforcement
Corporate purposes				(0 as at the 31 st of December, 2020)		(0 as at the 31 st of December, 2020)				
Comarch S.A.	IBM Global Financing Polska sp. z o.o.	12,980	PLN			71	PLN	fixed	the 1 st of March, 2022	-
Delivery of IT equipment related to IT project realized by the Comarch Group						(2,142 as at the 31 st of December, 2020)				

Comarch Polska S.A.						379				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	3,475	PLN			(1,274 as at the 31 st of December, 2020)	PLN	fixed	the 1 st of May, 2022	Comarch S.A. surety
Comarch S.A.						284				
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 as at the 31 st of December, 2020)	PLN	fixed	the 1 st of May, 2022	-
Comarch S.A.						152				
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 as at the 31 st of December, 2020)	PLN	fixed	the 1 st of March, 2022	-
Comarch S.A.						1 162				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	2,145	PLN			(0 as at the 31 st of December, 2020)	PLN	fixed	the 1 st of February, 2023	-
Comarch S.A.				4,345		19,985				a blank promissory note, registered pledge on the Subject of Financing, transfer of ownership to secure the Subject of Financing
Property, plant and equipment in use	PKO Leasing S.A.	5,000	EUR	(0 as at the 31 st of December, 2020)		(0 as at the 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	the 29 th of February, 2028	
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)				0	EUR	0				
Financing operating activities	CAISSE D'EPARGNE	30	EUR	(24 as at the 31 st of December, 2020)		(79 as at the 31 st of December, 2020)	PLN	fixed	the 5 th of February, 2023	-
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)				0	EUR	0				
Financing operating activities	CAISSE D'EPARGNE	51	EUR	(21 as at the 31 st of December, 2020)		(100 as at the 31 st of December, 2020)	PLN	fixed	the 5 th of December, 2021	-

CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	HSBC	200	EUR	4	EUR	20	PLN	fixed	the 1 st of January, 2022	surety
Financing operating activities										

3.20.2. Revolving Bank Credits

Debtor	Financial institution	Total value of credit/loan according to the agreement		Value to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.	BNP Paribas Bank Polska S.A.	20,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	the 28 th of February, 2023	a blank promissory note
Financing operating activities										
Comarch S.A.	Bank Polska Kasa Opieki S.A.	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	the 30 th of June, 2022	declaration of submission to enforcement
Financing operating activities										
Comarch S.A.	CaixaBank S.A., Branch in Poland	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	the 31 st of May, 2022	declaration of submission to enforcement
Financing operating activities										

	31 December 2021	31 December 2020
Credit lines in the current account and revolving credits, including:	80,000	80,923
Used at the balance sheet date	-	413
Available at the balance sheet date	80,000	80,510

3.20.3. Changes to Credit and Lease Liabilities

	Opening Balance 2021	Decreases	Increases	Effect of Exchange Rate Differences	Closing Balance 2021
Loans and credits	156,936	45,080	33,320	(169)	145,007
Lease liabilities	94,287	23,464	20,057	1,558	92,438
Total	251,223	68,544	53,377	1,389	237,445

3.21. Lease Liabilities

	31 December 2021	31 December 2020
Leasing of means of transport and IT equipment	1,318	1,962
Tenancy	63,227	64,535
Perpetual usufruct	27,893	27,790
Current portion	21,023	19,142
Non-current portion	71,415	75,145
Total	92,438	94,287

Structure of lease liabilities due to the period of use

	1 year or less	2-5 years	Over 5 years	Total
Leasing of means of transport and IT equipment	738	580	-	1,318
Tenancy	20,301	36,384	6,542	63,227
Perpetual usufruct	(16)	317	27,592	27,893
Lease liabilities	21,023	37,281	34,134	92,438

Changes in lease liabilities

	2021	2020
OPENING BALANCE	94,287	74,730
Increases	21,615	40,806
- new contracts and modifications to those existing ones	17,905	35,114
- exchange rates differences	1,558	3,197
- effective interest	2,152	2,495
Decreases	23,464	21,249
- realized flows	23,464	21,249
CLOSING BALANCE	92,438	94,287

3.22. Other Financial Liabilities

	31 December 2021	31 December 2020
Liabilities due to dividend	-	-
Current portion	-	-
Non-current portion	-	-

Liabilities due to promissory notes	5,450	5,249
Current portion	-	5,249
Non-current portion	5,450	-
Total	5,450	5,249

As at 31st of December, 2021, other financial liabilities are related to the promissory notes in Bonus Management sp. z o.o. SK-A with maturity falling in the fourth quarter of 2025 and promissory notes in Bonus Management sp.z o.o. II ACTIVIA SK-A with maturity falling in the fourth quarter of 2025.

3.23. Provisions for Other Liabilities and Charges

	Costs related to the current period, which will be incurred in future	Provisions for contracts costs	Provisions for contractual penalties	Provisions for leaves	Provisions for cash rewards	Provisions for pension and similar	Total
As at 1 January 2020	4,718	14,075	25,893	33,097	102,625	-	180,408
Change:	(1,379)	(530)	(13,585)	10,445	20,262	1,803	17,016
-Provisions created	14,662	16,982	2,620	32,159	113,023	1,803	181,249
-Provisions used and dissolved	(16,041)	(17,512)	(16,205)	(21,714)	(92,761)	-	(164,233)
As at 31 December 2020	3,339	13,545	12,308	43,542	122,887	1,803	197,424
Current	3,339	13,545	12,308	43,542	122,887	-	195,621
Non-current	-	-	-	-	-	1,803	1,803
As at 1 January 2021	3,339	13,545	12,308	43,542	122,887	1,803	197,424
Change:	1,690	(2,947)	289	5,311	(18,482)	602	(13,537)
-Provisions created	13,422	13,118	6,767	30,960	117,223	794	182,284
-Provisions used and dissolved	(11,732)	(16,065)	(6,478)	(25,649)	(135,705)	(192)	(195,821)
As at 31 December 2021	5,029	10,598	12,597	48,853	104,405	2,405	183,887
Current	5,029	10,598	12,597	48,853	104,405	-	181,482
Non-current	-	-	-	-	-	2,405	2,405

All provisions were calculated based on credible estimate as of the balance sheet date. Costs of the current period refer to provisions established for costs on account of audits of financial statements, archive and other administrative costs, as well as credit cards' settlements. Provisions for costs of contracts refer to recognition of the forecast losses in contracts.

Analysis of total provisions:

	31 December 2021	31 December 2020
Non-current	2,405	1,803
Current	181,482	195,621

3.24. Trade and Other Payables

	31 December 2021	31 December 2020
Trade payables	51,956	51,094
Advances received due to services and deliveries	5,172	4,447
Trade and other payables to related parties	350	350
Liabilities due to social insurance and other tax charges	93,597	77,266
Investments liabilities	12,948	1,878
Proceeds from future periods	39,134	39,934
Other payables	6,355	7,298
Special funds (Social Services Fund and Residential Fund)	1,291	1,327
Liabilities due to remuneration	34,953	32,534
Total	245,756	216,128

The fair value of trade and other payables is close to the balance sheet value presented above.

3.25. Contingent Liabilities

On the 31st of December, 2021, 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 83,505 thousand, whereas it was PLN 91,066 thousand on the 31st of December, 2020.

On the 31st of December, 2021, the value of bank guarantees issued by banks on order from Comarch Software und Beratung was EUR 422 thousand (i.e. PLN 1,943 thousand), whereas it was EUR 422 thousand (i.e. PLN 1,949 thousand) on the 31st of December, 2020.

On the 31st of December, 2021, the value of bank guarantees issued by banks on order from Comarch AG was EUR 16 thousand (i.e. PLN 74 thousand), same as at the 31st of December, 2020, when their value was also EUR 16 thousand (i.e. PLN 74 thousand).

Comarch S.A. declared a possibility to grant a financial support ("letters of comfort") for its subsidiaries: Comarch R&D S.A.S. (an indefinite period), Comarch Argentina S.A. (an indefinite period), Comarch Malaysia SDN. BHD. (an indefinite period), Comarch Healthcare S.A. (an indefinite period), Comarch Middle East FZ-LLC (an indefinite period), Comarch Japan KK (an indefinite period) and Comarch SAS (an indefinite period).

Granted credit lines for financing of current activities (guarantees, letters of credit, credit lines in current account)	31 December 2021	31 December 2020
Credit lines*	206,439	245,504
Total	206,439	245,504

(*) they comprise credit lines at current account that are described in point 3.20.

The Comarch Group is the defendant in legal proceedings, in which the potential total value of third-party claims is PLN 30,308 thousand. Provisions for part of these claims were presented in the balance sheet as at the 31st of December, 2021, and are worth PLN 1,716 thousand. Over 2021, the Comarch Group created provisions for claims covered by legal proceedings worth PLN 72 thousand and resolved provisions in this respect worth PLN 417 thousand.

The Comarch Group is the party to the matters in disputes, but not legal proceedings in which the potential total value of third-party claims is PLN 18,287 thousand. Provisions for part of these claims presented in the balance sheet as at the 31st of December, 2021, and are worth PLN 5,969 thousand. Over 2021, the Comarch Group created provisions for matters in disputes, but not legal proceedings worth PLN 3,594 thousand and resolved provisions in this respect worth PLN 666 thousand.

According to the Management Boards of the Comarch Group companies, based on the opinions of legal advisors, there are no circumstances indicating the need to create provisions for other claims currently subject to court proceedings and disputes, not covered by court proceedings.

Due to the matters in disputes, over 2021, the Comarch Group created write-offs that revalue receivables in the amount of PLN 377 thousand.

Due to the matters in disputes, but not legal proceedings over 2021, the Comarch Group created write-offs that revalue receivables in the amount of PLN 405 thousand.

3.26. Revenue

Sales revenue disclosed in this note is presented differently by market location than in note 3.2, where it is presented by location of operations.

3.26.1. Revenue - Geographical Structure

	2021	%	2020	%	2019	%
Domestic (Poland)	686,900	42.2	637,943	41.5	594,021	41.3
DACH (Germany, Austria, Switzerland)	275,808	17.0	288,691	18.8	279,899	19.5
Other countries	664,441	40.8	610,119	39.7	563,503	39.2
Total	1,627,149	100.0	1,536,753	100.0	1,437,423	100.0

3.26.2. Revenue by Customers

	2021	%	2020	%	2019	%
Telecommunication, Media, IT	406,082	25	308,041	20.0	335,846	23.4
Finance and Banking	226,343	13.9	259,151	16.9	191,054	13.3
Trade and Services	245,813	15.1	231,684	15.1	251,743	17.5
Industry & Utilities	181,558	11.2	179,019	11.6	179,336	12.5
Public Sector	133,821	8.2	154,541	10.1	130,352	9.1
MSP – Poland	239,459	14.7	206,169	13.4	190,421	13.2
MSP – DACH	104,034	6.4	122,146	7.9	100,411	7.0
Medicine	62,488	3.8	40,820	2.7	25,919	1.8
Others	27,551	1.7	35,182	2.3	32,341	2.2
Total	1,627,149	100	1,536,753	100.0	1,437,423	100.0

3.26.3. Revenue by Products

	2021	%	2020	%	2019	%
IT services	1,247,887	76.7	1,175,323	76.5	1,074,965	74.8
Proprietary software	264,588	16.3	259,952	16.9	249,442	17.3
Third-party software	15,705	1.0	18,219	1.2	30,997	2.2
Finished goods	14,997	0.9	13,104	0.8	11,676	0.8
Computer hardware	22,050	1.3	18,597	1.2	19,134	1.3
Medical services	31,650	2.0	12,452	0.8	10,345	0.7
Others	30,272	1.8	39,106	2.6	40,864	2.9
Total	1,627,149	100	1,536,753	100.0	1,437,423	100.0

3.27. Costs of Products, Services, Goods and Materials Sold

I/1 Costs by types	12 months of 2021	12 months of 2020
Depreciation of property, plant and equipment in use and intangible assets	92,099	86,291
Costs of social benefits	972,639	871,346
Change in products and work in progress	(1,239)	58,683
Consumption of raw materials and auxiliary materials	35,242	27,280
Third party services	191,257	178,683
Taxes and charges	14,668	12,061
Other costs	50,197	41,230
Costs of products sold, services, marketing and distribution as well as administrative costs, including:	1,354,863	1,275,574
- manufacturing costs	1,068,219	990,060
- costs of sales	152,545	143,874
- general costs	129,887	121,024
- exchange differences on liabilities	4,212	20,616

I/2 Costs of goods and materials sold	75,337	74,489
I/3 Costs of work execution within the framework of union projects	535	1,064
I/4 Total costs of products sold, services, marketing, administrative, goods, materials and work execution within the framework of union projects	1,430,735	1,351,127
II. Costs of social benefits	12 months of 2021	12 months of 2020
Remuneration	826,468	739,565
Social insurance	132,213	119,826
Social Services Fund	2,160	1,827
Training	1,897	1,498
Health and Safety at Work	1,797	1,675
Other	8,104	6,955
Total	972,639	871,346

3.28. Other Operating Revenue

Other operating revenue and profits	12 months of 2021	12 months of 2020
Recovered communication damages	123	59
Outdated liabilities	-	125
Dissolving write-offs revaluating receivables	15,763	38,813
Received contractual penalties	51	200
Earnings on disposal on non-financial non-current assets	1,883	5,126
Refund of VAT	86	351
Subsidies	2,366	4,370
Remission of liabilities	-	1,164
Other	1,232	4,051
Total	21,504	54,259

3.29. Other Operating Costs

Other operating costs and losses	12 months of 2021	12 months of 2020
Write-off that revaluates assets (impairment)	283	108
Membership fees	674	1,312
Donations	1,161	35
Loss on non-current assets disposal and decommissioning	174	450
Write-off that revaluates receivables	20,690	41,921
Compensation	112	538
Other	7,597	3,960
Total	30,691	48,324

3.30. Finance Costs – Net

Other operating income and profits	12 months of 2021	12 months of 2020
Interest expense, including:	(3,953)	(4,158)
- Interest on borrowings	(1,759)	(1,945)
- Other	(2,194)	(2,213)
Gains on bank deposits	60	464
Gains/(losses) on disposal of financial assets	(1,516)	373
Gains on disposal of securities	360	-
Gains/(losses) net exchange rate differences (note 3.32)	2,046	(10,550)
Fair value valuation of financial instruments and investment	(7,923)	(11,592)
Other, including:	(2,011)	(1,844)
- other	(2,011)	(1,844)
Total	(12,937)	(27,307)

3.31. Income Tax

	12 months of 2021	12 months of 2020
Current tax	55,225	46,571
Deferred tax	3,083	(2,810)
Total	58,308	43,761

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	12 months of 2020	12 months of 2020
Consolidated gross profit before tax	174,290	164,254
Differences between gross profit and basis of taxation:		
- Consolidation adjustments	21,185	9,510
- Exclusions of losses in consolidated companies	73,370	62,130
Sum of gross profits in consolidated entities (nominal basis of taxation with the assumption of correspondence of balance sheet profit with the basis of taxation)	268,845	235,894
Tax calculated with the nominal rate on gross profit	55,363	48,899
Nominal tax rate	20,59%	20,73%
Permanent and temporary differences between gross profit and the actual basis of taxation, including:	(21,437)	(14,728)
- Utilisation of previously recognised tax losses	(8,531)	(4,246)
- Differences between basis of taxation and gross profit`	53,097	40,102
- Income not subject to tax (due to activities in SEZ)	(39,570)	(47,685)
- Other - income not subject to tax	(26,433)	(2,899)
Taxable base from income tax	247,408	221,166
Tax calculated at tax rate for the Group	55,225	46,571
Effective tax rate	20,54%	19,74%

Tax authorities of the Parent Company country of origin can run inspections for books of account and tax settlements within 5 years since the end of the year, in which tax returns were filed and can charge additional tax on the Group along with penalties and interest. In the opinion of the Management Board of the Parent Company, there are no circumstances indicating possibility of arising significant liabilities on this account.

3.32. Net Foreign Exchange (Looses) /Gains

The exchange differences (charged)/credited to the income statement are included as follows:

	12 months of 2021	12 months of 2020
Revenue from sales	8,376	12,781
Costs of products, goods and materials sold	(4,212)	(20,616)
Finance costs-net	2,046	(10,550)
Total	6,210	(18,385)

3.33. Earnings per Share

	12 months of 2021	12 months of 2020
Net profit for the period attributable to equity holders of the Company	123,038	120,631
Weighted average number of shares in issue (thousands)	8,133,349	8,133,349
Basic earnings per share (PLN)	15.13	14.83
Diluted number of shares (thousands)	8,133,349	8,133,349
Diluted earnings per share (PLN)	15.13	14.83

Basic earnings per share in the column "12 months of 2021" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2021, to the 31st of December, 2021, by the weighted average number of shares in issue between the 1st of January, 2021, to the 31st of December, 2021, where the number of days is the weight. Basic earnings per share in the column "12 months of 2020" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2020, to the 31st of December, 2020, by the weighted average number of shares in issue between the 1st of January, 2020, to the 31st of December, 2020, where the number of days is the weight.

Diluted earnings per share in the column "12 months of 2021" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2021, to the 31st of December, 2021, by the sum of the weighted average number of shares in issue between the 1st of January, 2021, to the 31st of December, 2021, where the number of days is the weight. Diluted earnings per share in the column "12 months of 2020" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2020, to the 31st of December, 2020, by the sum of the weighted average number of shares in issue between the 1st of January, 2020, to the 31st of December, 2020, where the number of days is the weight.

3.34. Related-Party Transactions

3.34.1. Revenue from Sales of Goods and Services

	12 months of 2021	12 months of 2020
Revenue from sales of goods	-	-
SolInteractive S.A.	-	-
Revenue from sales of services	13	16
SolInteractive S.A.	13	16
Total	13	16

Price for services is determined depending on the type of transaction, according to one of three methods:

- comparable market price,
- cost - plus basis (margin from 2 to 3% for goods, 5% for services),
- margin on sales of services (from 10% to 40%).

3.34.2. Purchases of Goods and Services

	12 months of 2021	12 months of 2020
Purchases of goods	-	-
SolInteractive S.A.	-	-
Purchases of services	-	-
SolInteractive S.A.	-	-
Included in generation costs	-	-
Included in other costs	-	-
Total	-	-

Price for services and goods is usually negotiated with related entities using one of the above methods. In the reporting period, there were no significant transactions with related entities other than those listed above.

3.34.3. Balance of Settlements as of the Balance Sheet Date Resulting from the Sale/Purchase of Goods /Services

	12 months of 2021	12 months of 2020
Receivables from related parties	1	2
SolInteractive S.A.	1	2
Payables to related parties	-	-
SolInteractive S.A.	-	-

3.34.4. Transactions with Associates and Personally Related Entities

	12 months of 2021	12 months of 2020
Purchases from personally related entities	3,606	3,346
Sales to personally related entities	1,765	1,736
Loans and interest on loans paid by personally related entities	55	6,762
Loans and interest on loans granted to personally related entities	-	-
Purchases from associates	-	-
Sales to associates	13	16
Loans and interest on loans paid by associates	-	577
Loans and interest on loans granted to associates	-	-

3.35. Value of Remuneration of the Managing and Supervising Persons in 2021 and 2020

Remuneration of members of the Management Board of Comarch S.A. in 2021 were PLN 39,031,473.14 in total. Remuneration of members of the Management Board of Comarch S.A. in 2021 paid by subsidiaries and associates were PLN 7,719,517.96 in total. Remuneration of members of the Management Board of Comarch S.A. in 2020 were PLN 28,436,144.03 in total. Remuneration of members of the Management Board of Comarch S.A. in 2020 paid by subsidiaries and associates were PLN 7,760,536.83 in total.

Remunerations presented in this note include remunerations actually paid in 2021 (including bonuses for the previous periods covered by provisions as at 31st of December, 2020). Remunerations do not include unpaid bonuses for the year 2021 (covered by provisions as at 31st of December, 2021).

In 2021 and 2020, there were no incentive or bonus programs based on Comarch S.A.'s capital.

2020 (in PLN)

	Comarch S.A.'s Management Board	Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	12,490,414.93	6,361,704.25	18,852,119.18
2	Marcin Dąbrowski*	69,154.50	53,689.90	122,844.40
3	Paweł Prokop	265,545.07	158,832.93	424,378.00
4	Andrzej Przewięźlikowski	595,942.71	337,400.75	933,343.46
5	Zbigniew Rymarczyk	3,265,361.88	329,772.33	3,595,134.21
6	Konrad Tarański	904,997.05	350,434.04	1,255,431.09
7	Marcin Warwas	3,084,191.06	168,702.63	3,252,893.69
	Total	20,675,607.20	7,760,536.83	28,436,144.03

*) On 29th 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 29th of January, 2020. Company announced details in current report no. [RB-4-2020](#) (ENG: [RB-4-2020](#)) dated the 29th of January, 2020.

	Comarch S.A.'s Supervisory Board	Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	240,000.00	1,819,569.77	2,059,569.77
2	Andrzej Pach	60,000.00	0.00	60,000.00
3	Danuta Drobnia	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
	Total	603,280.93	1,841,291.34	2,444,572.27

	Comarch S.A.'s Management Board	Paid from the Comarch S.A.'s net profit as a dividend
1	Janusz Filipiak	2,995,540.50
2	Marcin Dąbrowski*	0.00
3	Paweł Prokop	45,225.00
4	Andrzej Przewięźlikowski	0.00
5	Zbigniew Rymarczyk	50,307.00
6	Konrad Tarański	15,912.00
7	Marcin Warwas	15,912.00
	Total	3,122,896.50

*) On 29th 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 29th of January, 2020. Company announced details in current report no. [RB-4-2020](#) (ENG: [RB-4-2020](#)) dated the 29th of January, 2020.

2021 (in PLN)

	Comarch S.A.'s Management Board	Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	18,954,882.01	6,435,551.88	25,390,433.89
2	Paweł Prokop	273,218.34	259,778.19	532,996.53
3	Andrzej Przewięźlikowski	1,742,026.69	171,656.25	1,913,682.94
4	Zbigniew Rymarczyk	5,240,997.10	338,158.19	5,579,155.29
5	Konrad Tarański	1,667,732.36	341,005.26	2,008,737.62
6	Marcin Warwas	3,433,098.68	173,368.19	3,606,466.87
	Total	31,311,955.18	7,719,517.96	39,031,473.14

Lp.	Comarch S.A.'s Supervisory Board	Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	240,600.00	1,844,412.69	2,085,012.69
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	61,383.65	0.00	61,383.65
6	Anna Pruska	61,500.00	22,056.32	83,556.32
7	Tadeusz Włudyka*	60,000.00	0.00	60,000.00
Total		603,483.65	1,866,469.01	2,469,952.66

*) Tadeusz Włudyka was dismissed from the function of a member of the Supervisory Board with effect on the 24th of June, 2021. The Company announced details in the current report no. [RB-9-2021](#) (ENG: [RB-9-2021](#)) dated the 24th of June, 2021.

	Comarch S.A.'s Management Board	Paid from the Comarch S.A.'s net profit as a dividend
1	Janusz Filipiak	5,991,081.00
2	Paweł Prokop	90,450.00
3	Andrzej Przewięźlikowski	0.00
4	Zbigniew Rymarczyk	102,000.00
5	Konrad Tarański	31,824.00
6	Marcin Warwas	31,824.00
Total		6,247,179.00

3.36. Information About Shareholders and Shares Held by Members of the Management Board and the Board of Supervisors

3.36.1. Information about Shareholders Holding Directly or Indirectly by Subsidiary Entities at least 5% of the Total Number of Votes at the General Meeting of Comarch S.A., at the Date of Preparing the Financial Report

- 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 Otwarty Fundusz Emerytalny (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 Otwarty Fundusz Emerytalny (Open Pension Fund) and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny (Voluntary Pension Fund) managed by Nationale-Nederlanden PTE S.A. held including 846,571 shares Comarch S.A. (10.41% of the company's share capital), which gave 846,571 votes at the AGM (5.60%), included Nationale-Nederlanden Dobrowolny Fundusz Emerytalny (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%).

3.36.2. Changes in Holdings of Comarch S.A. Shares by Managing and Supervising Persons between the 1st of March, 2022, and the 29th of April, 2022

The following table presents the ownership of Comarch S.A. shares by management and supervisors as at the date on which the quarterly consolidated report for the four quarters of 2021, i.e. the 1st of March, 2022, and on the 29th of April, 2022, pursuant to the information possessed by the company.

Managing and supervising persons	Position	At 1 March 2022		At 29 April 2022	
		Shares	% in votes	Shares	% in votes
Janusz Filipiak	President of the Management Board	1,997,027	36.82	1,997,027	36.82
Elżbieta Filipiak	Chairman of the Board of Supervisors	846,000	27.96	846,000	27.96
Paweł Prokop*	Vice-President of the Management Board	30,150	0.45	22,650	0.40
Andrzej Przewięźlikowski	Vice-President of the Management Board	0	0.00	0	0.00
Zbigniew Rymarczyk	Vice-President of the Management Board	34,661	0.23	34,661	0.23
Konrad Tarański	Vice-President of the Management Board	10,608	0.07	10,608	0.07
Marcin Warwas	Vice-President of the Management Board	10,608	0.07	10,608	0.07
Number of issued shares		8 133 349		8 133 349	

*) The Management Board of Comarch S.A. on the 25th of March, 2022, received from a person acting as a managing person (Paweł Prokop) a notification of transactions referred to in Article 19 par. 1 of the Regulation of the European Parliament and the EU Council No. 596/2014 dated the 16th of April, 2014, on market abuse. The notification concerned the sale transaction from the 3rd of March 2022, to the 22nd of March, 2022, of 7,512 ordinary bearer shares and the purchase transaction on the 15th of March, 2022 of 12 bearer shares. The company announced details in the current report no. [RB-2-2022](#) (ENG: [RB-2-2022](#)) dated the 25th of March, 2022.

3.37. Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results

3.37.1. Deferred Income Tax Asset and Provisions

During the 2021, the Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2020, and worth PLN 6,208 thousand, as well as an asset due to temporary differences was recognized in the amount of PLN 6,225 thousand. An asset due to tax loss was established in the amount of PLN 784 thousand, as well as dissolution due to the same title in the amount of PLN 732 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was plus PLN 69 thousand.

During the 2021, the Group settled an asset created for the zone operations in the amount of PLN 8,384 thousand which were created as at 31st of December, 2020 and at the same time created in the amount of PLN 8,415 thousand. At the same time, in accordance with IAS 12, the Company will regularly verify the valuation of the Asset recognized for its feasibility and further recognition for subsequent periods. We would like to point out that the recognition of Assets does not affect cash flows in the parent company or in the Group (both the recognition of Assets, as well as its implementation). Therefore, this operation is purely accrual and results from

the application by the Group of International Financial Reporting Standards for the preparation of the consolidated financial statements of the Comarch Group.

Total changes in asset resulted in an increase in result of PLN 100 thousand.

Due to valuation of net assets of CCF FIZ in 2021, a deferred tax provision was increased by PLN 3,520 thousand. At the same time, a deferred tax provision due to temporary differences was recognized in the amount of PLN 3,345 thousand and dissolved in the amount of PLN 3,683 thousand. The total effect of the above-mentioned operations on the net result of 2021 was minus PLN 3,182 thousand.

Total changes in the deferred income tax resulted in an increase in result of PLN 3,082 thousand.

3.37.2. Exchange Rate 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 31st of December, 2021, increased revenue and operating profit of Comarch Group in 2021 by PLN 8,376 thousand (while in the corresponding period of 2020 increased by PLN 12,781 thousand). Exchange rate differences on the balance sheet valuation of trade payables, related to the weakening of the PLN exchange rate against foreign currencies in 2021, decreased the result of Comarch Group by PLN 4,212 thousand (while in the corresponding period of 2020 decreased by PLN 20,616 thousand). Exchange rate differences from other activities increased the result of Comarch Group by PLN 2,046 thousand (while in the corresponding period of 2020 decreased by PLN 10,550 thousand). The valuation of financial instruments, participation units and closed transactions (mostly forward contracts and sold participation units) and provision for deferred income tax in reference to the valuation of the financial instruments decreased the Comarch Group's net result by PLN 7,596 thousand (while in the corresponding period of 2020 decreased by PLN 10,174 thousand).

The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch Group in 2021 amounted to minus PLN 1,386 thousand (minus PLN 28,559 thousand in 2020).

3.37.3. Creation of Write-Offs for Bad Debts

In 2021, the Group created impairment losses on trade receivables in the amount of PLN 20,690 thousand and dissolved previously created write-offs in the amount of PLN 15,763 thousand in connection with the payment of receivables. These operations were recognized in other operating costs and revenue in the profit and loss account, respectively. Details were described in point [3.14](#).

3.37.4. Signing the Agreement on Delivery and Maintenance of IT Systems for 450connect

On the 19th of July, 2021 the Management Board of Comarch S.A. informed about signing by Comarch AG, a wholly owned subsidiary of Comarch S.A., a framework agreement with 450connect GmbH. The subject matter of this framework agreement is delivery and maintenance of software, on the terms specified in the agreement. Presupposing, that the contract runs for the entire term of 20 years without being terminated by either party, Comarch AG will receive a remuneration of approximately EUR 42,300,000.00 i.e. PLN 194,059,710.00 over the term. Commercial conditions of the agreement and Comarch AG liability for the compensation of damages are in line with market standards used in similar agreements.

Company informed about the details in current report no. [RB-11-2021](#) (ENG: [RB-11-2021](#)) dated the 19th of July, 2021.

3.37.5. Non-Renewable Credit Agreement with CaixaBank, S.A. Oddział w Polsce (Branch in Poland)

The Management Board of Comarch S.A. informed about signing non-renewable credit agreement on the 5th of August, 2021 with CaixaBank, S.A. Branch in Poland with its office in Warsaw (hereinafter referred to as the "Bank") for general corporate purposes. The credit amount is EUR 14,500,000.00, i.e. PLN 66,054,750 at the EUR exchange rate on the date of the contract signing. The credit period lasts until the 5th of August, 2026, and the interest rate is based on a variable rate. The credit should be used by the 5th of August, 2022. The credit is secured with: a) power of attorney granted to the Bank by Comarch S.A. to administer funds on settlement accounts maintained by the Bank; b) Comarch S.A. statement on submission to enforcement up to 150% of the credit amount.

Company informed about the details in current report no. [RB-12-2021](#) (ENG: [RB-12-2021](#)) dated the 5th of August, 2021.

3.38. Events after the Balance Sheet Date

3.38.1. Dates of Periodical Financial Reports in 2022

On the 4th of January, 2022, in the current report no. [RB-1-2022](#) (ENG: [RB-1-2022](#)) Comarch S.A.'s Management Board set dates of periodical financial reports in 2022:

Consolidated quarterly reports which include condensed consolidated financial statements and condensed financial statements:

- 1) Q4 2021 - on the 1st of March, 2022,
- 2) Q1 2022 - on the 20th of May, 2022,
- 3) Q2 2022 - 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 2022,
- 4) Q3 2022 - on the 17th of November, 2022.

ANNUAL AND HALF-YEAR REPORTS:

- 1) Annual report for 2021 - on the 29th of April, 2022,
- 2) Consolidated annual report for 2021 - on the 29th of April, 2022,
- 3) Consolidated half-year report which includes condensed consolidated financial statement and condensed financial statement for the first half of 2022 - on the 31st of August, 2022.

3.38.2. Changes in Share Capital

The Management Board of Comarch S.A. on the 25th of March, 2022, received from a person acting as a managing person (Paweł Prokop) a notification of transactions referred to in Article 19 par. 1 of the Regulation of the European Parliament and the EU Council No. 596/2014 dated the 16th of April, 2014, on market abuse. The notification concerned the sale transaction from the 3rd of March 2022, to the 22nd of March, 2022, of 7,512 ordinary bearer shares and the purchase transaction on the 15th of March, 2022 of 12 bearer shares. The company announced details in the current report no. [RB-2-2022](#) (ENG: [RB-2-2022](#)) dated the 25th of March, 2022.

3.38.3. 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 12th of March, 2020, the Management Board of Comarch S.A. in the current report no. [RB-5-2020](#) (ENG: [RB-5-2020](#)) dated on the 19th 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 Management Board of Company 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 Comarch Group's operations. The Management Board of Company hereby informs that as at the date of publication of this report the Comarch Group's operations were conducted without any interruptions. Subsidiaries in Comarch Group have implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Company'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, the remote work mode of office workers was launched on a large scale and hygiene recommendations are implemented in the Comarch S.A.'s offices. Comarch S.A. has both implemented a vaccination programme against COVID-19 for employees at the Company's headquarters in Krakow and in the biggest branches in Poland, including a re-vaccination (so-called: third dose).

Regardless of the current intensity of the epidemic, 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 the pandemic did not pose a threat to the financial stability of the company or introduced significant disruptions in the implementation of existing contracts or in the product or material supply chains indispensable for the Comarch Group's operations.

During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Comarch Group. The Comarch Group's operational activity and the financial results achieved in subsequent periods will be influenced by factors such as the duration and scope of the epidemic, the number of people falling ill with COVID-19, administrative restrictions on the functioning of states and businesses, restrictions on the movement of employees, the possibility of taking advantage of aid packages launched by individual countries, as well as the pace of implementation of the immunization programme.

3.38.4. Influence of the Political and Economic Situation in Ukraine and Russia on the Activities and Financial Results of the Comarch Group

In reference to the recommendations of the Polish Financial Supervision Authority dated the 25th of February, 2022, the Management Board of Comarch S.A. informs that they monitor the impact of the political and economic situation in Ukraine and Russia on the Comarch Group's operations on an ongoing basis.

The Management Board of the Company informs that as at the date of publication of this report, the operating activities of the Group are conducted without disruptions, and the effects of the Russian invasion of Ukraine do not have a significant negative impact on the economic situation of Comarch Group. Activity of Comarch is very well diversified geographically and in terms of products, the company conducts projects in over 60 countries on 6 continents. Sales to customers from Ukraine and Russia accounted for 1.5% of the Comarch Group's total

revenue in 2021. The Comarch Group's ITC infrastructure is also very well diversified and constantly improved. Comarch invariably remains a stable workplace and business partner for customers all over the world.

3.38.5. Forward Contracts Concluded after the Balance Sheet Date

Comarch S.A. in the period from 1st of January, 2022 to 29th of April, 2022, concluded new forward contracts for the sales of EUR 19,600 thousand, USD 14,500 thousand, JPY 60,000 thousand, and NZD 3,000 thousand. The net value of forward contracts unsettled as at the 29th of April, 2022, amounted to EUR 66,200 thousand, USD 29,600 thousand, JPY 100,000 thousand, GBP 1,400 thousand and NZD 5,600 thousand. Forward contracts are due within 40 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.

3.38.6. Transaction on Change of IRS

None present.

3.39. Significant Legal, Arbitration or Administrative Proceedings

Significant proceedings didn't occur.

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is PLN 30,308 thousand.

The Comarch Group remains in disputable matters not covered by court proceedings, in which the potential total amount of claims of third parties is PLN 18,287 thousand.

3.40. Equity Management

The main goal in the Group's equity management is maintenance of a secure debt structure and keeping debt ratios compliant with credit agreements concluded by the Group. The Group is able to manage its equity structure depending on changes of economic conditions through taking or repayment of loans, new shares issue or payment of dividend. In 2021, the Group did not change its goals or equity management politics.

The Group monitors its equity balance quarterly, mostly by analysis of solvency ratio, which is calculated by dividing equity by total assets.

	31 December 2021	31 December 2020
Equity	1,197,362	1,098,547
Total assets	2,110,248	2,003,558
Solvency ratio	57.0%	55.0%

Over 2021, solvency ratio remained at a similar level compared to that in the previous year. It remained at a very secure level which ensures the potential possibility of increasing debt significantly (by acquiring external financing) if needed.

Over 2021, all companies in the Group adhered to the credit agreements' conditions. The Management Board of the Parent Company finds no risk of their violation.

29.04.2022

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	

Comarch S.A.

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Krakow, 29th of April, 2022

Dear Shareholders,

The year 2021 was another period of successful development and very good financial results for the Comarch Group. Consolidated sales reached PLN 1.63 billion, operating profit was PLN 187.2 million, and the net profit attributable to the company's shareholders was PLN 123 million. EBIT margin in 2021 was 11.5%, and net margin was 7.6%.

The key elements of the Comarch Group's strategy remained unchanged throughout 2021. The Group focused on improving the existing and developing new IT products, offering them for many industries and selling them around the world. Almost 94% of the Group's revenue came from the sales of proprietary IT services and solutions, and almost 58% of the sales were generated outside Poland. Last year, business developed rapidly both on the domestic market (an increase of 7.7%) and on foreign markets (an increase of 4.6%), especially in Asia and Western Europe. Customers were particularly interested in solutions for the telecommunications sector, whose sales increased by as much as PLN 98 million, i.e. by 31.8% compared to the previous year. This was the result of the implementation of large contracts obtained in previous periods. The sales of ERP systems as well as services and solutions for Medicine also showed very good dynamics. Thanks to a wide and comprehensive offer of modern IT solutions and high-quality services, the Comarch Group strengthened in 2021 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, the Comarch Group was able - despite the pandemic and the related limitations - to effectively develop the sales of solutions on new markets.

In 2021, the Comarch Group continued its large-scale R&D activity. Research expenditure exceeded PLN 317 million, which accounted for 19.5% of the Group's sales. Comarch has intensively developed, among others, a new generation of a loyalty system, ERP system, systems for telecommunications operators, e-commerce solutions, solutions for the medical sector and related to financial services. In 2021, the dominant model for delivering IT solutions was the services model - Comarch is invariably one of the market leaders in this area.

The Comarch Group increased employment by 261 people and at the end of 2021 it employed 6,723 people. As every year, the summer student internship program was very popular, thanks to which Comarch is perceived as the employer of the first choice on the job market in the IT industry.

2021 was another year of operation of the company in the conditions of the Covid-19 pandemic. The companies of the Comarch Group have appropriately adapted the organization of work and business processes and have not noted a negative impact of the pandemic on their activities. The beginning of this year brought another challenge in the form of Russian aggression against Ukraine. The Comarch Group is in full solidarity with the Ukrainian nation and from the first day of the conflict provides support in many forms and many areas. The operational activities of the Comarch Group companies are conducted without disruptions, and the effects of the conflict will not have a significant negative impact on the economic situation of the enterprise - in 2021, customers from Ukraine and Russia were responsible for 1.5% of the Group's sales. To increase the diversification and security of its infrastructure, the Comarch Group is building a new Comarch Data Centre in the United States, which will be put into operation in the second half of this year.

Last year, the Management Board of Comarch S.A. made efforts to effectively implement the mission of disseminating innovative technical ideas created in Poland around the world, and at the same time implement the policy of corporate social responsibility and sustainable development. The Comarch Group is a patron of culture, art and sport, supports local initiatives, local government and non-governmental organizations, health service units and charity campaigns. In 2021, investments in photovoltaic installations were implemented on the Comarch campus in Krakow, as a result of which the company independently produces some of the energy used for its own needs.

The past two years have proved that a very good geographical and industry diversification of the Group's activities, a wide product offer, financial resources and the ability to efficiently adapt to a rapidly changing environment are crucial for the long-term existence and development of the company. I hope that also in 2022, the Comarch Group will be able to strengthen its market position as a global provider of IT solutions and increase its value for shareholders, customers, employees and all other stakeholders.

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

COMARCH



Report of Comarch S.A.'s Management Board Regarding the activities of Capital Group in 2021

Krakow, the 29th of April, 2022,

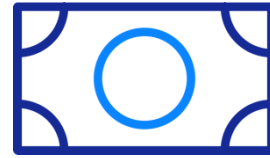
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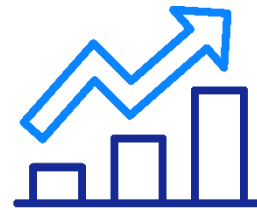
60+ locations on **6** continents
– we realize projects worldwide



1,627 million PLN
of sales revenue



123 million PLN
of net profit attributable to shareholders



> 1.4 billion PLN
Capitalization of Comarch S.A. on the WSE
(31.12.2021)



11.5%
net margin



6,700+
professional employed

1. Information about the Company and the Basis for Preparing the Report of Comarch S.A.'s Management Board

This Report of Comarch S.A.'s Management Board regarding the activities of Capital Group was prepared according to the Act passed on the 29th of September, 1994, on Accounting (unified text - Journal of Laws 2021, pos. 217, as amended) and the requirements specified in the Regulation issued by the Minister of Finance on the 29th 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, pos. 757, as amended).

1.1. Shareholding Structure, Managing and Supervising Entities

1.1.1. 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 31st of December, 2021, 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 31ST OF DECEMBER, 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*	86,027	1.06	123,627	0.82
Nationale-Nederlanden OFE + DFE	846,571	10.41	846,571	5.60
MetLife OFE	841,097	10.34	841,097	5.56
Other shareholders	3,516,627	43.24	3,516,627	23.24
Total	8,133,349	100.00	15,126,949	100.00

AT THE 29TH OF APRIL, 2022

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*	78,527	0.97	116,127	0.77
Nationale-Nederlanden OFE + DFE	846,571	10.41	846,571	5.60

MetLife OFE	841,097	10.34	841,097	5.56
Other shareholders	3,524,127	43.33	3,524,127	23.29
Total	8,133,349	100.00	15,126,949	100.00

*) The Management Board of Comarch S.A. on the 25th of March, 2022, received from a person acting as a managing person (Paweł Prokop) a notification of transactions referred to in Article 19 par. 1 of the Regulation of the European Parliament and the EU Council No. 596/2014 dated the 16th of April, 2014, on market abuse. The notification concerned the sale transaction from the 3rd of March 2022, to the 22nd of March, 2022, of 7,512 ordinary bearer shares and the purchase transaction on the 15th of March, 2022 of 12 bearer shares. The company announced details in the current report no. [RB-2-2022](#) (ENG: [RB-2-2022](#)) dated the 25th of March, 2022.

1.1.2. Comarch S.A.'s Board of Supervisors and Management Board

a) Members of Comarch S.A.'s Board of Supervisors as at 31st of December, 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 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	-

*) The Management Board of Comarch S.A. informed in the current report No. [RB-9-2021](#) (ENG: [RB-9-2021](#)) of the 24th of June, 2021, that on the 24th of June, 2021, the Ordinary General Meeting of the Company adopted Resolution No. 24 on dismissal of the supervisory person. Mr. Tadeusz Włudyka, was dismissed from the function of a Member of the Supervisory Board of Comarch S.A. as of the 24th of June, 2021, at his request.

AT THE 29TH OF APRIL, 2022

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 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	-

b) Members of Comarch S.A.'s Management Board as at 31st of December, 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	34,661	34,661 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

*) On the 30th of December, 2021, 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 16th of April, 2014, on market abuse. The notification concerned the purchase of 500 ordinary bearer shares on the basis of price of PLN 190.50 per 1 share and 161 ordinary bearer shares on the basis of price of PLN 190.00 per 1 share which value amounted to PLN 125,840 on the 30th of December, 2021. The company announced details in the current report no. [RB-13-2021](#) (ENG: [RB-13-2021](#)) dated the 30th of December, 2021.

AT THE 29TH OF APRIL, 2022

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	22,650	22,650 PLN
Andrzej Przewięźlikowski	Vice-President of the Management Board	-	- PLN
Zbigniew Rymarczyk	Vice-President of the Management Board	34,661	34,661 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

*) The Management Board of Comarch S.A. on the 25th of March, 2022, received from a person acting as a managing person (Paweł Prokop) a notification of transactions referred to in Article 19 par. 1 of the Regulation of the European Parliament and the EU Council No. 596/2014 dated the 16th of April, 2014, on market abuse. The notification concerned the sale transaction from the 3rd of March 2022, to the 22nd of March, 2022, of 7,512 ordinary bearer shares and the purchase transaction on the 15th of March, 2022 of 12 bearer shares. The company announced details in the current report no. [RB-2-2022](#) (ENG: [RB-2-2022](#)) dated the 25th of March, 2022.

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

1.2. Contracts that May Result in Future Changes in Holdings of Shareholders or Bondholders

None present.

1.3. 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.

1.4. 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 3.35 (ENG: 3.35) of the consolidated financial statement.

1.5. 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

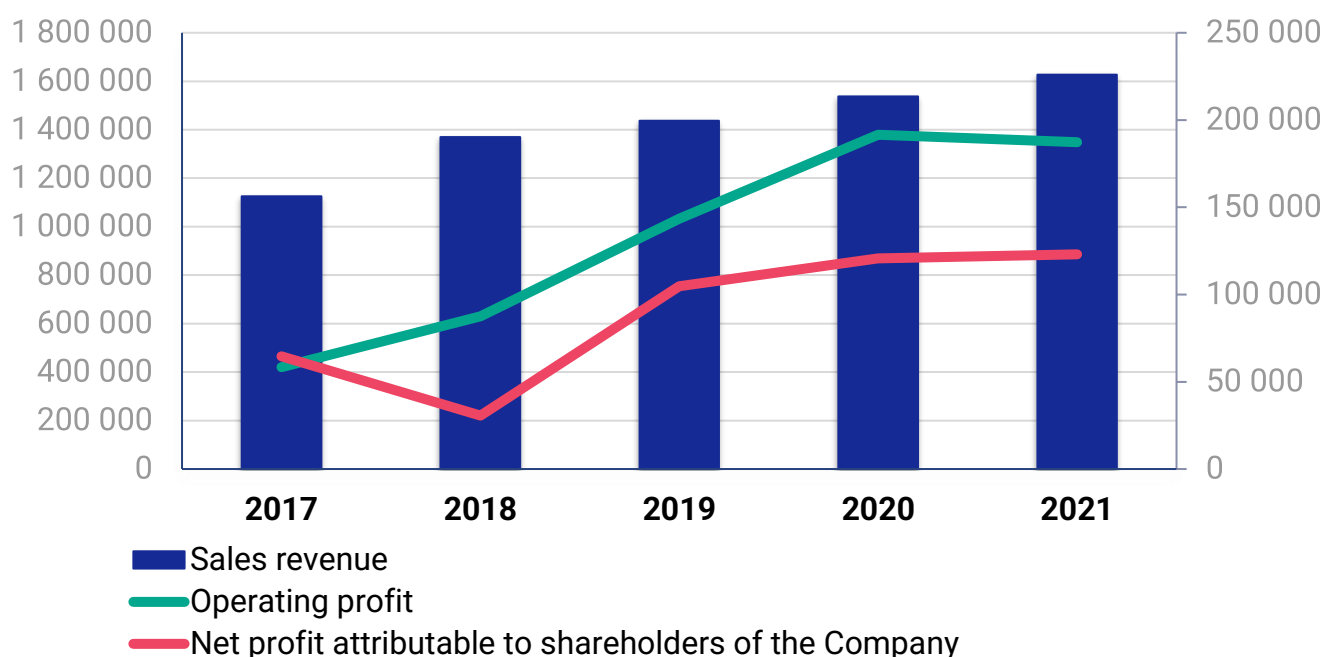
	2021	2020	2019	2018	2017**
Revenue from sales	1,627,149	1,536,753	1,437,423	1,369,619	1,125,110
Revenue from sales of proprietary IT solutions	1,527,472	1,448,379	1,336,083	1,242,114	1,047,393
Operating profit	187,227	191,561	143,383	87,543	58,364
EBITDA*	279,326	277,852	228,312	152,748	122,673
Profit before income tax	174,290	164,254	142,369	62,480	87,149
Net profit attributable to the Parent Company's shareholders	123,038	120,631	104,846	30,616	64,626
Profit per share (in PLN)	15,13	14,83	12,89	3,76	7,95
Assets	2,110,248	2,003,558	1,842,711	1,665,945	1,508,452
Equity	1,197,362	1,098,547	970,756	876,108	851,190

*) Operating profit + Depreciation

**) From 1st of January, 2018, the Group started using the principles resulting from IFRS 15 for sales revenue. For comparative purposes, the data for the 2017 was also restated in accordance with IFRS 15.

In 2021, the revenue from Comarch Group sales were higher by PLN 90,396 thousand, i.e. 5.9% compared to the previous year. EBIT amounted to PLN 187,227 thousand and was lower by PLN 4,334, i.e. by 2.3% compared to that achieved in 2020. Net profit attributable to the Parent Company's shareholders in 2021 amounted to PLN 123,038 thousand and was higher by PLN 2,407 thousand, i.e. by 2%. Operating margin amounted to 11.5% (in the previous year 12.5%), net margin was 7.6% (7.8% in 2020).

Value of assets of the Comarch Group at the end of 2021 increased by PLN 106,690 thousand compared to the previous year, i.e. by 5.3%. Value of equity increased in 2021 by PLN 98,815 thousand, i.e. by 9.0% mainly as a result of development of net profit in 2021.



2.2. Employment and Production Capacity of the Group

As at 31st of December, 2021, in Comarch S.A. there were 5,206 employees compared to 5,006 persons as at 31st of December, 2020, while in the Comarch Group number of employees increased to 6,723 persons, compared to 6,462 persons as at 31st of December, 2020.

Average employment in the Comarch Group, from 2017 to 2021 is presented in tables below:

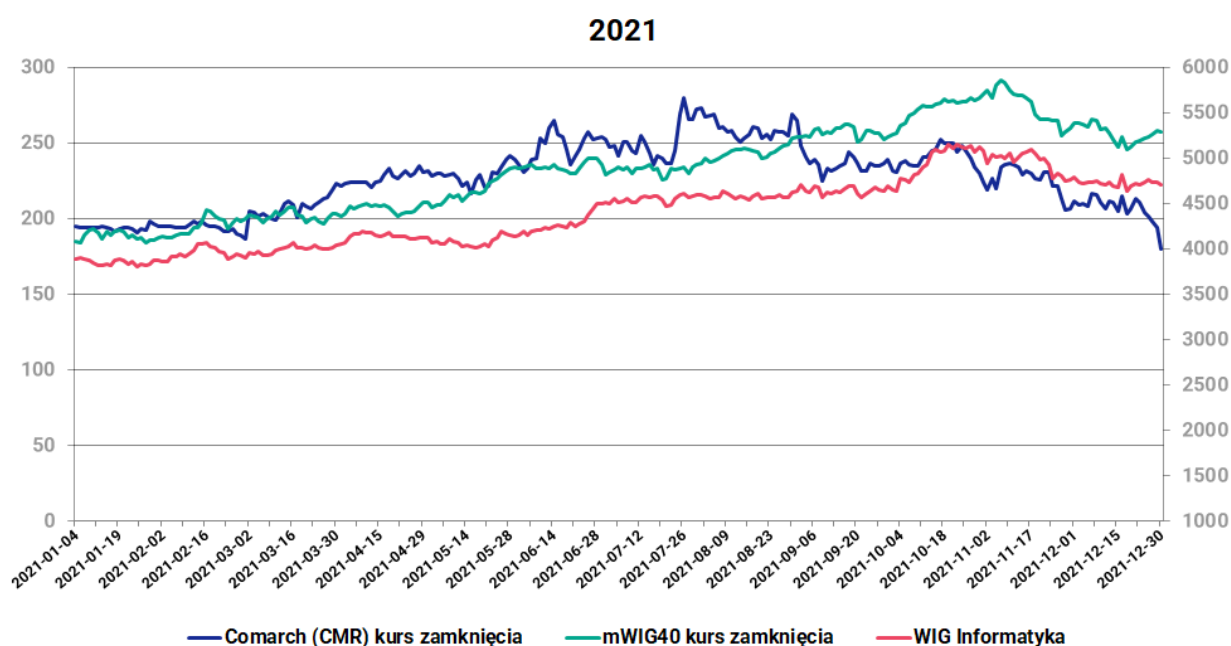
Average number of employees	2021	2020	2019	2018	2017
Employment agreement	5,427	5,119	5,087	4,727	4,393
Other form of employment	1,360	1,383	1,361	1,364	1,245
Total	6,787	6,502	6,448	6,091	5,638

Average number of employees	2021	2020	2019	2018	2017
Production employees and technical consultants	5,377	5,136	5,103	4,797	4,369
Marketing and sales	370	336	321	298	293
Management and administrative employees	503	499	499	495	458
Other	537	531	525	501	518
Total	6,787	6,502	6,448	6,091	5,638

Most of production by Comarch consists in production of company's own, versatile software products and in production of computer software on the basis of customer orders. The basic factor limiting the production capacity is human resources. To constantly invest in the development of new IT products and technologies, the

Comarch Group needs employees with appropriate education and a wide range of competences. 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 Group diversifies the risk of limitations in availability of human resources by conducting business in 21 branches located in urban centres in Poland. As at 31st of December, 2021, in Comarch Group 3,720 employees were employed in Krakow, 2,387 in other cities in Poland and 616 abroad.

2.3. Comarch S.A. Stock Price Performance



Period	The highest	The lowest
I quarter of 2021	223.00	187.00
II quarter of 2021	265.00	217.00
III quarter of 2021	280.00	225.00
IV quarter of 2021	252.00	180.00

Between the 1st of January, 2021, and 31st of December, 2021, the closing rate of Comarch S.A. shares decreased from PLN 194,5 to PLN 180,0, i.e. by 7.5%. During the year, the maximum closing rate amounted to PLN 280,00.

Data in PLN	12 months ended 31 December 2021/ 31.12.2021	12 months ended 31 December 2020/ 31.12.2020
Closing rate at the balance sheet date	180,00	194,50
Average price during the reporting period	227,20	202,00
MIN price during the reporting period	180,00	149,50
MAX price during the reporting period	280,00	226,00

Average volume during the reporting period	3,003	3,837
Capitalization at the balance sheet date	1,464,002,820	1,581,936,381
Ratios for consolidated data		
P/E at the balance sheet date	11.90	13.12
P/BV at the balance sheet date	1.23	1.46
P/S at the balance sheet date	0.9	1.03

3. Products and Services Offered by Comarch in 2021

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. Telecommunication 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.

The telecommunication sector provides certified API and our products comply with industry standards. Over 50 telecoms from around the world use Comarch BSS/OSS systems in their key customer service and network maintenance activities. Comarch Systems dynamically provide information on the quality of services thanks to the analysis of nearly 1PB of data every day. Comarch drives the market in the context of 5G technology through expansion on the Japanese market, innovations in the area of standalone 5G and network slicing. Comarch solutions use AI/ML to improve customer experience. The company uses the public azure cloud to launch BSS/OSS solutions for a key operator in New Zealand. Comarch Solutions allow records to be kept of hundreds of thousands of physical and virtualized elements of telecommunications networks.

Comprehensive Network Overview

Comarch OSS provides the consolidated and consistent telecom network overview that allows efficient utilization of resources, rapid and accurate troubleshooting, performance optimization, and cost-effective business processes. By using a single tool for all network technologies and domains, telecoms can easily reduce the complexity of the inventory environment.

Thanks to the Network Discovery and Reconciliation module for traditional network management systems and SDN/NFV domains, Comarch provides a network-driven inventory and minimizes the overall effort of maintaining an up-to-date network state. With such a solid foundation, CSPs can build and deploy reliable services for their customers.

Among Comarch's products addressing this business need are Comarch Real-time Network Inventory Management, Network Auto-discovery & Reconciliation, Comarch Service Monitoring, Comarch Service Catalogue and Comarch Service Inventory.

Orchestration and Streamlined E2E Processes

Modern, multi-technology networks cannot function optimally without a high level of network function virtualization and programmability, particularly as operators seek to monetize network slicing and other benefits of 5G. Comarch's game-changing products ensure full control of the network via orchestrated network design, zero-touch service fulfilment and automated network troubleshooting and maintenance.

Thanks to Comarch's unified system chain of BSS and OSS products, the orchestration process is streamlined and handled end to end, from the moment the commercial product is sold to a customer to the configuration of network devices. Comarch provides a single, integrated system, with product and service catalogue as the driver for fully automated fulfilment.

Among Comarch's products addressing this business need are Comarch Network Planning and Design, Comarch Network Configuration Management, Comarch Resource Order Management, Comarch Customer Experience Management, Comarch Service Quality Management, Comarch Service Fulfilment and Orchestration, Comarch Field Service Management, Comarch Service Activation and Comarch Service & Resource Orchestration.

Full Network Cloudification

The adoption of modern virtualization technologies such as NFV (VM-based and containerized) and SDN lets operators escape the need to maintain physical devices and infrastructure, and move to more flexible and cost-effective logical and cloud-native networks.

Comarch solutions help operators with this transition by providing end to end visibility, management and orchestration of modern telco clouds and networks. It provides unified, full-stack access to all layers from customer services to infrastructure, delivering powerful tools and interfaces for designing services and deploying them in various environments (from legacy servers to private, hybrid, multi, and public clouds) using different technologies. It also enables the move towards the edge, closer to end-customers. Comarch solutions support key industry standards in order to allow easy integration with data centres, clouds and SDN controllers.

AI/ML-driven Network Efficiency

In a highly competitive telecommunications environment, network efficiency is the greatest determinant of a telecommunications service provider position. Today, we are on the verge of another revolution in which the pursuit of higher efficiency in the BSS/OSS area can be supported by systems based on artificial intelligence and machine learning.

Thanks to the automation of processes, the Comarch solution provides tools adequate to the possibilities, including the most promising benefit of 5G - network sharing. It allows operators to provide customers with services in a shorter time, and to remove disruptions in the operation of services faster.

Deep automation of operations and management of the 5G telecommunications network allows suppliers to reduce costs and, more importantly, enables customers to change their service portfolio frequently and independently. Among Comarch's products addressing this business need are Comarch AI-powered Assurance, Comarch AI-powered Network Inventory and Comarch AI-powered Orchestration.

5G-ready business

Comarch's comprehensive portfolio helps operators enable exciting new 5G capabilities, model 5G services for end-customers and third-party players flexibly, manage complex cooperation, handle revenue streams between partners who participate in the whole chain of 5G service delivery, provide multi-technology networks, maximize resource efficiency, and open new markets for communication services.

From a powerful, single platform based on 3GPP standards, our customers can enable network as a service and network slicing with full multi-tenancy, orchestration and monitoring, private 5G networks, real-time inventory with dynamic network re-configuration, 5G network self-healing, and AI-powered 5G network management. To make the 5G services even better tailored to each customer's needs, we're empowering operators with AI/ML-powered intent-driven solutions for 5G network modelling, orchestration, and processing.

Among Comarch's products addressing this business need are Comarch Real-time Network Inventory, Comarch MEC, Comarch AI-powered Assurance, Comarch AI-powered Network Inventory and Comarch AI-powered Orchestration.

Streamlined Cooperation with Global Partners

Diverse culture, different language, various time zones and currencies are only some of the difficulties that telecom companies struggle with when establishing global partnerships. From the customer perspective, it is crucial to have only one agreement with their provider, where they can access a single invoice, no matter where the access or service is established.

Comarch provides a way to address all of those challenges and offers much-needed flexibility in liaising between enterprises and various third parties by allowing the modelling of any type of service. What's more, Comarch products provide operators with fully automated business processes - from contract negotiations with all parties to service activations and settlements.

Among Comarch's products addressing this business need are Comarch Enterprise Product Catalogue, Comarch Wholesale Billing, Comarch Convergent Billing and Comarch Partner Management.

Digitized Enterprise Customer Experience

For most large enterprises, deploying and managing a communication and collaboration platform is not a core activity. They expect their CSP to provide them with efficient tools to achieve the expected results.

Comarch delivers BSS products for managing relations with enterprises, covering all aspects of telecom services - from simple ones such as mobile and fixed voice, and data, up to complex services such as VPN, data centre or cloud. Enterprise customers can seamlessly self-manage even the most complex hierarchies

representing their organization structure, access detailed reporting in context, and set up real-time control or split-bill policies over service usage

Among Comarch's products addressing this business need are Comarch Enterprise Billing, Charging and Revenue Management, CRM for Telecoms, Comarch Product Catalogue, Comarch Customer Order Management, Comarch B2B Self-enablement Platform and Comarch Business Intelligence.

Digital Customer Engagement Across Diverse Channels

Comarch's IT products improve customers' digital experience by providing readable and easily digestible visual cues, giving a clear view of current bundle consumption, data usage, balances and limits. They are also the 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.

Among Comarch's products addressing this business need are Comarch Digital Self Service, CRM for Telecoms, Comarch Product Catalogue, Comarch Customer Order Management, Comarch Convergent Billing and Comarch Loyalty Management.

IoT Monetization

Introducing, deploying, and managing IoT solutions can be a very lucrative business for communication service providers, whether they provide IoT connectivity, IoT services or both.

Comarch enables CSPs to become true IoT solutions providers by delivering services allowing them to cover their whole IoT value chain – from connectivity and device management, all the way to offering IoT services such as smart factory, smart metering, asset tracking, services for other IoT verticals, and more.

Among Comarch's products addressing this business need are Comarch IoT Connect, Comarch Asset Tracking, Comarch Digitals – Factory 4.0, Comarch Smart Metering.

Monetization of Vertical Markets

The modern world requires services to be digitized and offered online. Subscription-based, pay-as-you-go, prepaid and post-paid services are offered to a broad customer base, and require robust revenue assurance tools.

Based on our vast experience in reconstruction and business standardization, Comarch's out-of-the-box BSS software is designed to completely automate the business processes and support various markets. No matter whether targets are private individuals or corporate customers, the multiple options and business model-specific functionalities of our cloud billing solution will boost telecom business and increase employees' productivity. We build total experience for all engaged individuals (clients, prospective clients, product managers, financial controllers and service engineers) with only one system – Comarch Smart BSS, which is built from related Smart BSS modules such as Webshop and Self-care, Billing and Finances, CRM, Product Catalogue, Voucher Management, Process Integrations.

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 for 25 years. Our portfolio of satisfied

clients includes Polish and international financial institutions, among others: BNP Paribas, ING, Alior Bank, AXA, NBB, Allianz, Credit Suisse, Swiss Life, ERGO.

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 Open Platform is a cloud-native, microservices-based digital banking platform that takes advantage of newest technologies in order to enable banks to build scalable, reliable solutions using proven tools and approaches. Thanks to ready-made corporate banking modules for quick time to market, combined together with agile co-development practices, it makes it possible for clients to take active part in implementation project, thus allowing them to make their solution truly unique.

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 a system designed to support retail, private and affluent banking customers. The system supports relationship managers - in advisory and financial planning tasks, end customers - in the robo-advisory process, wealth managers - in portfolio management based on the client's authorization, and

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, reference system designed for comprehensive handling of banking operations in the field of trading in securities. The solution is dedicated to financial institutions of all sizes. It provides support for basic and advanced processes, including basic records of the client portfolio and own positions, full automation of communication, as well as cross-border settlements and collateral management.

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. Cloud-optimized software, ready to be deployed on Cloud.

Comarch Commission & Incentive is a comprehensive solution dedicated to insurance companies, banks, telecom operators, companies distributing financial products, and other organizations with a multi-layered sales network ensuring efficient incentive compensation management.

Comarch Life Insurance software handles all areas of individual and group life, pension, and health insurance. As an insurance software product, thanks to its modular structure and unique flexibility, the system can be tailored to an individual customer's needs and requirements, including the individual life cycle of business processes and the specific nature of a particular insurance company.

Comarch NonLife Insurance is dedicated to all insurance companies offering property and casualty insurance (general insurance). The system's modular structure greatly facilitates its extension with new components as well as integration with the insurer's existing software. This core insurance solution is enhanced with a user-friendly web portal for front-office operations.

Comarch Anti-money Laundering allows banks to significantly decrease the time and increase the accuracy of transaction monitoring – a routine task requiring much precision, knowledge and experience. The system takes the workload of performing the tasks off analyst's shoulders by reducing false-positive alerts for check. It also lets the bankers save time and 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 Smooth Authentication is a risk-based authentication software that combines device recognition, malware detection, and behavioural biometrics capabilities in order to detect online frauds in real time. It analyses multiple artifacts coming from end user devices, behaviour, and software installed on user devices, in order to calculate risk rating for each transaction. This concept of adaptive, risk-based authentication allows to strike balance between security and usability – the additional authentication factor (2FA) is used only when explicitly needed, so customers can enjoy frictionless experiences.

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 pattern.

Comarch Loyalty in Finance is a modern IT system that allows enterprises – including banks and societies insurance – both easy creation and management of user-oriented loyalty programs.

By offering support to entities operating in B2C and B2B models, CLM uses mechanisms used in emerging technologies, such as artificial intelligence and machine learning, thus enabling the identification of patterns in the field of customer behaviour and the creation of offers tailored to their needs.

Comarch Business Intelligence in Finance is a toolkit for accurate data analysis and reporting. Thanks to Comarch BI, business decisions can be fully based on correctly interpreted data from various sources. Comarch BI enables quick analysis of large amounts of data in real time and presenting them on clear charts. In addition, it offers trend analysis, planning, budgeting, and reporting. It can be successfully used, among others, by analysts, product managers, actuaries, sales and marketing teams, and insurance agents. Depending on business needs, Comarch BI can be installed directly on customer devices or available in the cloud, in the SaaS model.

3.3. ERP Sector

Comarch ERP Enterprise (CEE) is an ERP software developed for large enterprises with an international profile, with a particular focus on the needs of manufacturing and trading companies. This modern, web-based ERP system can successfully map the structures of any company, including multi-company ones. The solution has very high performance and scalability works on various database platforms and operating systems. The open architecture of CEE allows you to integrate your modules and applications. The Business Services Integration Engine (BIS) is responsible for data integrity and ease of integration with external solutions. CEE is a system considered to be an ERP 4.0 solution enriched and integrated with many modern Comarch solutions: POS, mPOS, MOS, OCR, DMS, e-Store, or BI.

Comarch ERP XL for many years has been the most popular ERP system in Poland, used by nearly 7000 companies from various industries. This solution is recommended for medium and large manufacturing, retail and service companies. Each year nearly 400 new companies decide to implement it. They appreciate its rich functionality and great flexibility in modelling all business processes. The system is open and has built-in IoT, AI, and RPA components needed for process automation and integration with external devices, such as e.g.: all kinds of sensors, sensors, or production machines. This uniform environment is complemented by warehouse management tools (including WMS) and electronic document workflow (DMS and OCR). All information entered in all business areas can be analysed in the Business Intelligence module, which is designed to support management in making effective decisions.

Comarch ERP Optima is the most popular software in Poland, created for small and medium-sized companies of any industry, that support sales, management, accounting, human resources, and payroll. Thanks to built-in dedicated solutions it is the most popular accounting software among accounting offices and tax advisors. Comarch ERP Optima system is available in desktop model and as a service ("cloud"), allowing users to comprehensively manage processes in the company over the Internet. For a fixed monthly subscription fee client receives access to software supporting the online management of the company via a web browser.

Comarch ERP XT – innovative system for management of small companies in Poland and Germany. Thanks to the modular structure, the user decides independently which functionalities he wants to use and which he wants to pay for. The system is available through a web browser as well as through an application for a mobile phone (iOS&Android) which enables free work and access to information, anywhere and anytime. The simple and

intuitive program allows to issue an invoice in a few seconds, and at the same time perfectly suitable for more advanced users thanks to the possibility of using the warehouse, simplified accounting, or full accountancy. Additional solutions such as e-Store or e-Sale allow you to quickly set up your online store and integrate it with popular sales websites (e.g. Allegro, eBay). The POS module will ensure retail sales in stationery stores, and factoring and debt collection services will free the frozen funds in invoices and improve the financial standing of the company. In addition, every month each user will benefit from 20 pages of cost documents free of charge within the OCR service, and thanks to the free data exchange service (IWD) with the accounting office, he will regularly receive information about taxes to be paid.

Comarch Moje BR is a free application for invoicing and communication with an accounting office. Each month, clients of the application can issue up to 10 sales invoices, and thanks to OCR technology, they can add up to 20 pages of cost documents using their phone's camera. Simply take a photo and the invoice data will automatically transfer to the application. With the built-in messenger, users can contact their accounting office at any time and speed up information exchange and document workflow. The free invoicing application is designed for the smallest companies and the self-employed who need a mobile tool for invoicing and entering cost documents to grow rapidly and save time.

Comarch OCR – is a tool for Optical Character Recognition (OCR) of scanned invoices. The service reads documents and then transfers 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 POS and Comarch mPOS are applications dedicated to handling processes in stationary points of sale, both related to the sale of goods and to organizing the store's back office and warehouse. Comarch POS is a solution designed for stationary cash desks which enable sales and after-sales support for store customers, execution of processes of preparing goods for customer orders placed in other channels within unified commerce, support of deliveries and issues, and execution of stocktaking processes. Comarch mPOS is an application dedicated to mobile devices equipped with the Android system. It enables the execution of processes in the back office of a store and supports customer service directly on the sales floor. Together with the OMS system, the applications constitute a uniform environment dedicated to managing multi-channel sales, by the unified commerce idea.

Comarch Mobile – a set of applications that enable the execution of sales, service, and purchase processes from the level of a mobile device such as a phone or a tablet. Using Comarch Mobile Sales, a salesman can plan a sales visit, register an order from a client, print an invoice in the client's office, or conduct a survey with the client. A service technician working in the field, using Comarch Mobile Service, will register the repair process, accept a service order and settle it with the customer. Comarch Mobile Management is a tool for managers that enables them to schedule sales visits for employees in the field, check their execution and monitor the route of sales and service technicians.

Comarch WMS – a solution that enables the comprehensive operation of a high-storage warehouse. The package includes: Comarch WMS Zarządzanie (Management) and Comarch WMS Magazynier (Warehouseman). Comarch WMS Zarządzanie is a tool for warehouse managers and system administrators, designed to control warehouse operations and manage the flow of goods within an extensive warehouse structure. The tool's graphical interface makes it possible to manage employee tasks, including multi-stage, complex warehouse processes.

Comarch WMS Magazynier is a tool that streamlines warehouse workers' daily work. Using an application running on an online collector, a warehouse worker is informed about tasks awaiting them and is guided step by step through the execution of tasks assigned by a manager. Comarch WMS cooperates with Comarch ERP XL.

Comarch Magazynier - the application is designed for mobile handling of simple warehouse processes. With its help, the user can perform one-step tasks of receipt and issue of goods from the warehouse, record transfers of goods between warehouses, and perform stocktaking. The application is compatible with the Comarch ERP XL system and can use a simple warehouse structure created on the side of ERP system.

Comarch Business Intelligence - a system based on data warehouse technology, designed for large and medium-sized companies as well as international corporations. The solution supports decision processes and reporting tasks. It supports the following industries: financial and insurance institutions, trade, services, and production.

Comarch BI Point - a web-based Business Intelligence reporting tool that enables creating, browsing, and sharing cross-sectional reports and interactive management dashboards. An integrated repository and a built-in mechanism of managing permissions allow managing user access to selected statements and individual data models. Responsiveness of the application allows to use it also on mobile devices. With its intuitive interface and many interesting forms of data visualization, the application allows even less skilled users to prepare attractive dashboards. The tool is used in enterprises of all types and sizes. It is mainly addressed to analysts, controllers, and managers.

Comarch sPrint - a web-based tool for generating printouts. Its main task is to support the process of printing documents in a company. The application is integrated with Comarch ERP systems, and in the future, it will operate in standalone mode as an independent solution to be used with third-party systems. Comarch sPrint will allow you to use ready-made print templates (in case of integration with Comarch ERP), as well as to easily define printouts on your own, according to specific customer requirements.

Comarch IBARD - easy to use, a multifunctional tool that allows to create and schedule backup files, folders, and databases from PCs, laptops, and servers, to backup mobile devices, to share and securely store data in the cloud. The service allows for constant access to data from any device and places 24 hours a day. Comarch IBARD is available in four languages (Polish, English, German, and French). The service has universal application and is designed for small and large companies as well as service providers such as telecommunication companies, which provide the service to their clients under their brand (White Label model).

Comarch TNA (Time and Attendance) – is a modern system for recording and managing working time, business trips, vacations, and other employee-centred processes in a company. The tool allows for manual registration of remote working hours from the level of both web and mobile applications. Thanks to this, the employer knows at what time the employee started and finished working, and also can control the employee's availability in real-time. The employee, on the other hand, has a declaration and proof of the worked hours agreed with the supervisor.

Chmura Comarch – intelligent solutions for small, medium, and large organizations from various industries, as well as for public institutions and health care in the form of public cloud and private cloud. Currently, after 20 years of consistent development of the cloud computing business, the Comarch Cloud is used by over 31 thousand companies.

Comarch Cloud Portal – a comprehensive platform for selling and managing cloud services, which supports providers in offering cloud-based services, applications, infrastructure, and other products. Comarch Cloud Portal collects all information about orders, prices, and validity of services, and enables management of cloud services.

Comarch Hosting – an integrated, comprehensive solution tailored to individual customer requirements, which consists in leasing a hardware platform located in the Comarch Data Centre along with the necessary licenses from external producers (e.g. Microsoft). Additionally, the offer includes many services related to the management and administration of the hardware platform and software. A unique feature of the solution is the ability to flexibly manage resources, which scale as the client's needs grows.

iKsięgowość24 – it is a Community of Accounting Companies, gathering economic entities providing services and consulting in the field of accounting, human resources, and payroll, equipped with Comarch ERP Optima or Comarch Optima in the Cloud in the version for Accounting Companies. The purpose of creating a Community of Accounting Companies is to make it easier for entrepreneurs to reach the right economic entity providing professional bookkeeping, HR, and payroll services and to promote companies working with Comarch software.

Comarch B2B is a modern Internet-based B2B platform enabling remote sales network support in the Business-to-Business model. The platform is fully integrated with Comarch ERP XL and Comarch ERP Altum systems, thanks to which all data is available directly from the ERP system. Contractors, using a web browser, have access to always up-to-date trade offers, which can be different for each of them. Thanks to working online directly in the Comarch ERP system, all changes and news are visible in Comarch B2B without any delay. Contractors have access to the offer from any place and at any time.

Comarch e-Sklep – online store service for small, medium, and large companies, fully integrated with Comarch ERP management systems. Comarch e-Store allows for both B2C and B2B sales models. Integration with ERP system allows for comprehensive management of the entire order process, management of goods and clients database, as well as logistic operations, including integration with couriers, Poczta Polska, Paczkomaty, and other suppliers. In addition, Comarch e-Store provides many functions and modules which enable effective e-commerce, including integration with auction platforms, wholesalers, online payment systems, price comparison services, and tools supporting marketing activities. Comarch e-Store allows shopping from the level of the Internet browser as well as from mobile applications working on iOS and Android.

Comarch e-Sale – it is an intuitive solution for integration with popular auction services: Allegro, eBay, and Amazon. Thanks to Comarch e-Sale it is possible to place orders on popular auction services from the product range available in the Comarch ERP system. Orders from issued auctions are available in the administration panel, and thanks to direct integration with the ERP system, they are sent in an automatic synchronization process to a particular system, where further order processing takes place. Comarch e-Sale makes it possible to view all auctions, including those prepared directly in the auction service or using another integration. Such auctions can be linked with goods from an ERP system and auction management can be automated in terms of prices or stock levels.

Wszystko.pl - a modern marketplace, dedicated to sellers in Poland, who have registered business activity. On the shopping platform, we connect sellers and buyers, and the sale of products takes place in all categories. The platform has integration with Comarch ERP management software, but it is also possible to integrate with the portal using other, popular e-commerce systems, which enable selling products on the Internet. Marketplace

wszystko.pl gives the possibility of free distribution of products through additional online sales channels and gives the chance for a constant increase of clients.

Comarch HRM – a tool for self-service of employees, operating in a web browser or from the level of mobile application, intended for employees and their superiors. The main task of the application is to provide ongoing access to data related to daily activities and the formal aspect of work in the company - work schedule and time, vacations, business trips, or remote working. Moreover, the tool allows for handling such aspects of employee functioning in a company as recruitment, training records, or evaluation system.

Comarch DMS (Document Management System) is a flexible tool for managing documents and processes in a company consisting of two modules: Workflow and Repository. The system enables the execution of different types of business processes related to registration, description, and approval of documents and tasks (e.g. invoices, contracts), as well as secure document archiving within a digital archive. Thanks to the in-built low-code platform (graphical process configurator), it is possible to quickly and easily adapt the system to any company, regardless of its industry or scale of operation. It is possible to work from the level of a desktop application, web browser, as well as mobile applications for iOS and Android devices, which, combined with automatically generated notifications, allows for shortening the time necessary for task execution. Comarch DMS cooperates with Comarch ERP systems: XL, Optima, CEE, and Altum, and is also available in a Standalone variant.

Comarch e-Sprawozdania (Statements) – software for creating electronic financial reports in XML format, compliant with the Accounting Act, distinguished by rich functionality (e.g. possibility of electronic signature in the application), ease of use, and the possibility of integration with ERP systems. The application generates structures of financial statements by schemas published by the Ministry of Finance.

Comarch ESEF – an application that enables the generation of annual financial reports in the European Single Electronic Format (ESEF), which defines the form in which annual reports and statements of companies listed on regulated markets of the EU are created. The application is available both in a desktop version (installed on a computer/server) and in a cloud version accessible via a web browser.

Comarch PPK - this application is designed to handle Employee Capital Plans in a company and through an accounting office. It is tightly integrated with payroll and HR modules of Comarch ERP HR but also cooperates with payroll and HR systems of other producers. So it can work independently. Key functionalities of the application are the ability to record data of PPK participants, monthly calculation and recording of contributions, and sending them to the chosen financial institution.

Comarch Shipping – a service that automates cooperation with courier and carrier systems. It enables generating waybills and immediate shipment dispatch with printing labels. Shipping orders can be initiated directly from Comarch ERP and Comarch WMS systems, as well as manually from the application level. Two-way communication guarantees that the status of shipments can be monitored on an ongoing basis.

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 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 Platform is a platform for electronic handling of matters in the office. The system ensures the digitisation of case-handling activities, enabling citizens and entrepreneurs 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.

Platform consists of integrated systems: Comarch e-Urząd, Comarch EZD, Comarch ERGO and Comarch ERP Egeria. Case handling is based on electronic documents, the data of which are transferred to the systems involved in 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 is 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 a modern ERP class system, designed in a multi-layer model with the use of microservices and microfrontend architecture. The system has a new, intuitive user interface available from the most popular web browsers, compatible with WCAG. The system is fully functionally adapted to Polish law, supports the handling of financial and accounting processes, settlements with contractors and allows you to efficiently manage the organization, and the HR and payroll area allows for comprehensive employee service, starting from employment, through contract records, work time registration and development professional. The system is dedicated to entities from the public sector: local government administration, central administration, universities, health care, public utility companies. The system ensures data security, quick access to information, transparency and integration of processes, enables users to obtain high performance and scalability at a relatively low cost of installation and maintenance in the cloud. It is characterized by high

configurability and flexibility, which allows the system to be adapted to the individual needs of each client. It facilitates and automates the daily recording of data and making the right management decisions.

Comarch Employee Portal is a system supporting work in the company. The main task of the system is to facilitate activities related to the management of HR processes in the organization. Especially where the organizational structure is dispersed, the portal becomes a tool enabling the standardization and automation of processes. The system is dedicated to every organization and its employees, regardless of their position in the structure. The solution provides employees with tools that allow them to handle their administrative matters themselves without contacting the HR department in person. The company's employees can quickly fill out an application for leave, settle the delegation, gain access to personal and employment data as well as other important documents, e.g. PIT or payroll.

The solution is adapted to the changing conditions of the organization's functioning, providing access to HR areas via any web browser, which supports remote or flexible work.

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 within 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 is 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. 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 & Automation Platform is 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. 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 videoterminals. 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, Lively, 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 is 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 is 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 Marketing Automation is a solution that enables the design of a multi-channel path of communication with the customer and the quick and cost-effective 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 using the built-in editor, automates communication with customers and allows for full monitoring of campaign progress and shipping statistics. The solution helps to optimize the strategy and frequency of contact with customers through dedicated settings and with the support of AI and machine learning modules. It can be implemented as an independent marketing automation tool or an integrated part that matches loyalty modules, creating additional value and enabling the construction of strategic relationships 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 is 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 is 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 is a 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) is 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 EDI is also catalogue of product data in the cloud based on GS1 standards. As a certified data pool, Comarch 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 client systems. 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 is 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 is a modern reporting and communication platform used by manufacturers to improve cooperation with a network of commercial partners (distributors, wholesalers). It automatically creates detailed reports on inventory and resale, using data collected on an ongoing basis from the systems of trading partners.

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. We offer our clients a vast portfolio of services in IaaS and PaaS model (such as virtual machines, data bases, monitoring or Kubernetes in a services model).

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** are the 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.
- **ICT services** is 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 ICT services, Comarch provides services related to advanced server, matrix and database systems both remotely and directly at customer locations
- **Network and Security Operations Centre** is 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. Proactive monitoring of environments helps detect disruptions before they affect the customer's business.
- **Comarch Network Managed Services** is a solutions for creating and maintaining data transmission networks (including WAN/LAN/WLAN/VPN). 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** is 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. We organize our Service Desk according to the best ITIL practices.

- **Comarch Data Centre** is an 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 Multicloud Management** – is a cloud platform management service from external suppliers (such as MS Azure and AWS). Thanks to the continuous training of Comarch ICT engineers, our clients do not have to worry about the need to constantly update their knowledge about individual cloud services from different suppliers, or about potential problems caused by migration to the cloud (such as the inability to optimize resources and higher costs than planned).
- **Comarch PowerHosting** – is a 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

The e-Health sector provides an extensive ecosystem of solutions for the medical industry, which consists of EHR Cloud, Hospital Cloud, Telemedicine Cloud and Medical AI Cloud. It offers, among others mobile applications for patients, IT systems for hospitals and software for managing medical records at the level of medical facilities, cities and regions. It is also a provider of innovative technologies in the field of remote medical care, based on proprietary software, devices and medical infrastructure. Product integration helps provide coordinated healthcare by supporting patients, carers and healthcare professionals.

MojeZdrowie24 is an online health record book that allows you to collect a complete and up-to-date health history directly in the mobile application. It allows you to enter measurements and test results, monitor ailments, scan and view medical documents and share this data with doctors. Thanks to the integration with the largest network of medical laboratories in Poland, patients can use it to collect the results of tests performed at any sampling point belonging to this network.

Comarch Hospital Cloud is a set of solutions for comprehensive management of medical facilities, regardless of their specialization and size - from small offices to multi-ward hospital complexes. Interoperable, integrated IT systems are adapted to each stage of patient service. These are intuitive tools that coordinate the activities

of staff, increasing the ergonomics of work. They have been designed for all employees of medical facilities, taking into account their functions in the organization, its role and powers. All data is stored in a secure Comarch cloud, so there is no risk of data loss or unauthorized access. As part of Comarch Hospital Cloud, we offer **Comarch Mednote, Comarch Optimed NXT, Comarch EDM, Comarch Concierge**.

Comarch Mednote is a modern, intuitive application for managing any doctor's office. It organizes medical records, provides information about the patients, and minimizes the time taken by formalities and paperwork. The system allows the creation of e-Prescriptions, e-Referrals, and other types of medical documents.

Comarch Optimed NXT is an advanced IT system for medical facility management (HIS), facilitating holistic organization. It has six basic modules and more than 30 additional modules, covering all specializations. It provides integration with healthcare providers, services and peripheral systems. The system can be operated on tablets, which allows access to information about the patients directly at their bedsides. Comarch Optimed NXT is designed to all medical facilities, regardless of the structure and type of services provided. It supports, among other things, the management of electronic health records, patient visits, issuing e-Prescriptions, and e-Referrals. It is also a functional tool for facility managers.

Comarch EDM (Electronical Medical Records) is an IT system for management e-documentation in all types of medical entities and at the regional level. Central access to documents from various systems enables efficient collection and processing of medical data. The solution allows for the exchange of information between institutions, which speeds up the diagnosis process and allows you to avoid redundant tests.

Comarch Concierge is an online patient portal that provides multi-channel communication and continuity of medical care. Comarch Concierge facilitates the exchange of information between medical facilities, physicians, and patients. It enables remote registration, ordering e-Prescriptions, receiving test results, and medical consultations.

Comarch Telemedicine Cloud is an open cloud platform that enables remote monitoring of patients. All information from systems, applications, and measuring devices is transferred to the Comarch e-Care platform, then analysed and made available to medical personnel. Thus, the process of diagnosis, treatment, and prophylaxis is optimized and coordinated. What is more, some services are transferred outside medical facilities. Comarch Telemedicine Cloud is a flexible and scalable solution that allows existing elements to be modified and new devices, procedures, and operation schemes to be added.

The implementation of Remote Medical Care services is possible thanks to the **Comarch e-Care** cloud platform, which allows for continuous monitoring of patients' health. The e-Care platform receives and processes medical data from systems, applications and measuring devices. Artificial intelligence (AI) is used to quickly analyse a large amount of this information, as well as to indicate correlation and irregularities. AI in conjunction with the developed procedures of conduct support medical personnel in providing effective care.

Diagnostic Points are stations equipped with measuring equipment (e.g. blood pressure monitor, event ECG recorder, thermometer, scale, pulse oximeter), in which patients can take vital parameters measurements outside medical facilities. The tests are performed independently by the patient or with the support of staff, and then assessed by doctors via the telemedicine platform. Diagnostic points are also available in the form of a mobile suitcase, which facilitates the transport of equipment and health checks, e.g. in nursing homes or on airplanes.

Remote cardiological care enables the detection of cardiological abnormalities, including: tachycardia, bradycardia, ventricular tachycardia, fibrillation and flutter of the ventricles and atria. It allows for long-term diagnosis outside the hospital environment. It is also used in the care of hospitalized patients and supervision of the home rehabilitation process.

Personalized remote care for chronically ill patients uses the ability to monitor important parameters thanks to the Comarch HomeHealth application communicating with personalized sets of sensors (including ECG, pulse oximeter, spirometer, glucometer, blood pressure monitor, body composition analyser, weight) and sending results to the e-Care. In addition, it enables the use of questionnaires to monitor the health condition and the progress of therapy, as well as real-time video consultation of the patient with a medical professional.

Remote pulmonary care allows you to monitor sick patients, e.g. for asthma or COPD. Thanks to regular measurements of spirometry, pulse oximetry, peak expiratory flow and supervision by specialists, the safety and comfort of life of patients increases.

Remote senior care allows you to consult the health of seniors with the attending physician or specialist. The study of the most important vital parameters can be performed by the patient himself, his caregiver or medical staff. On the basis of the results sent, the attending physician may consult the patient remotely, order a home visit or call an ambulance service.

Comarch has its own R&D centre, where **proprietary medical devices** are designed, tested and manufactured, compatible with the e-Care platform. Among them there are, among others telemedicine solutions for cardiological diagnostics, i.e. Comarch CardioNow and CardioVest. Work on the development of new telemedicine solutions is constantly ongoing.

A key element of telemedicine systems is the **Remote Medical Care Centre**, where medical staff monitors the health of patients 24 hours a day.

- It brings together qualified medical personnel: paramedics, midwives, doctors of various specializations, dieticians and physiotherapists,
- Monitors the health of patients 24/7, also on public holidays,
- It intervenes in cases of automatically detected anomalies individually parameterized for each patient (exceeded standards and alarm values), as well as on each patient call,
- Uses medical routines that enable faster and more targeted intervention.

Comarch Healthcare S.A. has an implemented and certified quality management system for medical devices ISO 13485. The Comarch e-Care platform and the telemedicine devices produced are certified medical products.

As a facility belonging to Comarch Healthcare S.A. is a natural environment for the development of solutions dedicated to the health sector. **iMed24 Medical Centre** was the first Medical Centre in Małopolska offering Remote Medical Care (the number of patients covered by it exceeded 6,000). The facility employs about 100 doctors who work in over 30 specialist clinics.

3.7. IoT

Comarch IoT is a rapidly developing technological wing of the Comarch Capital Group, providing comprehensive and complete solutions in the field of the Internet of Things (IoT) combining hardware and software, distinguished by compliance with the highest industry standards in terms of safety and quality. As a result, we

have built a rich IoT ecosystem including our own rapid prototyping and manufacturing plant (IoT Plant), technologies such as our IoT Platform in the cloud (Enablement), innovative hardware and software components, solutions for various sectors and advanced connectivity modules benefiting from the support professional services.

The combination of these elements allows us to effectively create both ready-made products and dedicated, tailor-made IoT solutions for companies and institutions around the world. In addition, our teams offer research and development services for consumer electronics, including electronics design, hardware prototyping and manufacturing, as well as embedded software and user experience analysis.

The expansion of the Internet of Things paves the way for new business models that are used by Comarch IoT.

We were an active member of the IoT group at the Ministry of Digitization in Poland, where we shared our knowledge, experience and successful implementations of IoT solutions for our clients from different parts of the world. We are also constantly observing the activities around the GAIA-X concept. We work with our European neighbours to implement solutions for Industry 4.0, as well as partners from the Middle East for utilities and telemonitoring, as well as from the Far East - in one case, we provided an entire technology stack of IoT solutions to help a leading Japanese company dealing in IoT solutions to become an IoT provider.

INTERNET OF THINGS

IoT Solutions

Comarch Industry 4.0 is a comprehensive system delivered in the SaaS model (software as a service) or as an individual, dedicated solution. It consists of integrated production devices (PLC and sensors) with receivers (Comarch IoT Hubs), connected to a cloud database (Comarch IoT Platform), which is the key to creating Industry 4.0 solutions. This solution consists of functions and components such as: IoT Platform, hardware integration, real-time Total Equipment Effectiveness (OEE) calculation, management of SAI messages, digital instructions, notifications, ERP integration, Comarch BI integration. There are three Industry 4.0 packages, the functionality of which depends on which one is selected to meet customer requirements.

Comarch Asset Tracking is a solution for the location of devices, things and people in logistic, industrial, medical and many other spaces. From the hardware side, the system is based on Comarch devices and radio modules compliant with the latest standards, including the Ultra WideBand (UWB) technology. The data is processed and collected using the Asset Tracking application based on the Comarch IoT Platform in the cloud. The solution consists of a software layer corresponding to, inter alia, for system configuration, location of objects on the map, setting rules and alerts, reading historical data or generating summary reports, and for hardware (stationary receivers and mobile markers).

Comarch Smart Metering is a solution dedicated to the municipal sector (water, heating, gas and electricity). The solution consists of a dedicated Comarch device for data reading from meters in a standardized manner (wired and wireless), which enables wireless data transmission in LPWAN technology through the telecommunications provider's network (NB-IoT or 4G) to the Comarch Smart Metering application in the cloud using the Comarch IoT Platform (Enablement).

Comarch Smart Metering for Industry is a concept that helps you manage the production process by monitoring media consumption and planning deliveries in order to optimize it and ensure continuity of production. This solution is fully in line with the idea of Industry 4.0, bringing the company tangible business benefits.

Comarch Manhole Monitoring is an IoT solution for fully automatic monitoring of the opening and closing states of all manholes, including manholes, electrical boxes, chutes and doors. The system consists of small, battery-powered devices that are mounted on manholes or other infrastructure elements that can be opened or closed with a limit switch. Each opening and closing is registered by sensors located in the door. The devices send an event signal to the IoT Platform using standard communication protocols (NB-IoT or 4G), then all data is collected and analysed. The IoT platform can send alerts to the customer as well as generate reports.

Internet of Healthcare Things (IoHT) is paving the way for healthcare applications to create a connected medical environment, enable patient monitoring, and improve systems. IoT introduces multi-faceted value to the entire healthcare system: patients, medical staff and management. Thanks to various types of advanced technical connections, patients can benefit from quick notification of problems, continuous monitoring of their health and parameters, and logging of this information.

Comarch Life Band is a digital elderly caregiver kit that is always at hand. This remote care seniors service consists of a mobile application which, in combination with the integrated Comarch Life Band device, offers a modern solution for the elderly and chronically ill, people who want to increase their independence, parents of children and caregivers of the sick who, thanks to it, they can conveniently monitor the location and safety of their loved ones around the clock and on all days of the week.

Comarch WristBand for Industry – Comarch WristBand, as a device integrated with the e-Care Platform, creates a modern ICT system for continuous monitoring of life functions of employees working on one-man positions for the sake of their safety. The remote employee monitoring system can be implemented, for example, in large industrial plants (including factories, warehouses, steel mills, ports, machining centres, opencast mines and large enterprises) in order to increase the safety of people working alone in isolated places, often exposed to harmful conditions.

COMPONENTS OF IoT SOLUTIONS AND DEVICES

Comarch IoT Platform – highly scalable IoT platform operating in the cloud environment. The IoT platform enables the configuration and management of devices in the network, and monitoring of communication between them in the network. Thanks to its functions, the Platform is able to collect data from billions of devices, and then analyse and process them, which translates into increased efficiency of process management and reduction of costs of both operations and resources used.

Comarch IoT Hub – acts as a bridge between connected devices and the Comarch IoT Platform. It enables safe and reliable short-distance communication, distributed control and remote management of devices with a single device. Support for leading connectivity protocols ensures interoperability and opens up new opportunities for enterprises to offer intelligent services.

Comarch Beacon is a compact Bluetooth Low Energy device that emits a radio signal that can be read by any smartphone. The mobile application, in conjunction with the Comarch IoT Platform, delivers personalized, location-based content directly to the customer. The main goal of Comarch Beacon transmitter technology is to improve customer experience anytime, anywhere.

Comarch M-BUS NB-IoT Gateway is a gateway using Narrowband IoT (NB-IoT) technology from the LPWAN family. NB-IoT is a wireless technology based on LTE and optimized for IoT, allowing the creation of IoT devices

with very long battery life. The device reads data from meters and sends the information to the cloud, where it is translated into a common data format that enables the modernization of the existing infrastructure.

Comarch TNA (Time and Attendance) is an innovative system for tracking and monitoring working time based on the cooperation of the original mobile application with Comarch TNA Gateway devices.

Comarch WristBand is a wireless personal device equipped with an SOS button that allows you to monitor and immediately call for help in situations where life and health are at risk.

Comarch IoT Button it is a small device that can be used to run automated activities. Activities are defined using the Comarch IoT Platform and may include sending SMS messages or creating a record in the ERP system. Comarch IoT Button uses one of the three LPWAN technology standards (EGPRS, NB-IoT or LTE-M) to connect directly to the IoT Platform without the need for additional network configuration.

RESEARCH AND DEVELOPMENT (R&D) SERVICES

Comarch IoT Plant is a factory floor, which offers high-quality services in the field of rapid prototyping and assembly of electronic devices (EMS). It provides customers with comprehensive support at every stage of the production process, from design, through mechanical prototyping, to assembly and post-production quality control.

It includes an innovative production line, which enables short-series production of consumer electronics prototypes in a very short period, with particular emphasis on the quality of products and services offered. The IoT Plant factory floor was created in response to Comarch's own need to assemble electronics (EMS services), and operates within the Integrated Management System of Comarch S.A.

Comarch IoT Lab – IoT Lab builds prototypes that meet the highest industry standards in terms of security and user experience. The services offered by IoT Lab include the process of creating an industrial form design, 3D visualization, electronics and software design, technical design and documentation, and preparing the final prototype.

SOFTWARE & HARDWARE SERVICES

Comarch services in the field of software and hardware are a combination of expert, high-quality, comprehensive solutions for global customers and partners. Our team consists of a group of specialists and engineers who can identify and understand customer needs in the areas of software development, integration and quality assurance.

Extensive knowledge of modern technologies related to software and hardware helps us provide a tailored and individual solution in each implemented project.

We guarantee an individual and flexible approach to the form and model of cooperation, our role and visibility in the project, as well as the transfer of intellectual property after the end of the project.

Comarch specializes in projects dedicated to various industries, including: automotive, medical, certification organizations, consumer electronics and the semiconductor market. Our experience gained during the implementation of international projects is a guarantee of technology compliance with industry standards applicable to the solutions offered.

AUTOMOTIVE SERVICES

Software development - the scope of activities includes the design of applications and backends as well as the integration of content and services of external companies (e.g. voice assistants: Google Alexa assistant, parking lots, payments, music, calendar). The services are provided in accordance with the client's requirements, using the knowledge and experience in the field of network security as well as logic and intuitiveness in contact with the recipient.

Vehicle infotainment systems - participation in the development of embedded systems providing access to information and entertainment. It includes the development of applications for OEMs in the field of dedicated infotainment systems. An example of our activities is the fact that we were the first company in Europe and the second in the world to integrate the Spotify application with the infotainment system.

Integration with smartphones - the ability to connect applications installed on a smartphone and control them from the level of a car stereo allows you to fully focus on driving, increasing the level of safety and speed of reaction. The use of these applications is intuitive, they can be controlled using, for example, a button on the steering wheel or voice commands, without performing any additional activities that require divisibility (ex. MirrorLink, CarPlay, Android Auto).

User experience / User interface - these services rely on a comprehensive study of user behaviour and profiles in order to design intuitive and user-friendly applications.

STANDARDIZATION AND CERTIFICATION ORGANIZATIONS

Certification testing tools for standardization organizations support the effective management of the certification process for devices and applications. In addition, they allow you to check compliance with applicable standards, especially in the field of Internet of Things communication standards. Comarch provides certification authorities with tools for issuing and verifying certificates confirming the identity of a given entity. Comarch's product portfolio includes the following applications: MAC Conformance Test Tool and Comarch Automated Test Framework.

CONSUMER ELECTRONICS

Comarch offers comprehensive solutions in the field of software and consumer electronics. We offer professional implementation of projects related to: embedded systems, mobile, desktop and cloud applications, software quality assurance, UX / UI expertise, management, product development and maintenance. At Comarch, we are ready to turn an idea into a finished product. Our specialists and engineers have many years of experience in project work with various leading technologies, including: Bluetooth, Wi-Fi, Android, iOS, Windows, Python, Java, C/C++ and C#. We are constantly expanding our technology stack and design portfolio.

SEMICONDUCTOR INDUSTRY

At Comarch, we also create and improve solutions in direct cooperation with manufacturers of the semiconductor industry. We offer, among others support in prototyping hardware solutions, creating software and test systems. We have experience in providing technical support and software maintenance. We implement projects related to mobile and desktop applications.

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, 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 Comarch'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, South and North America and Asia. Sale in the Company is highly diversified, with no dependency on one major client. In 2021, the share of sale to none of the customer exceeded 10% of the Comarch Group sales.

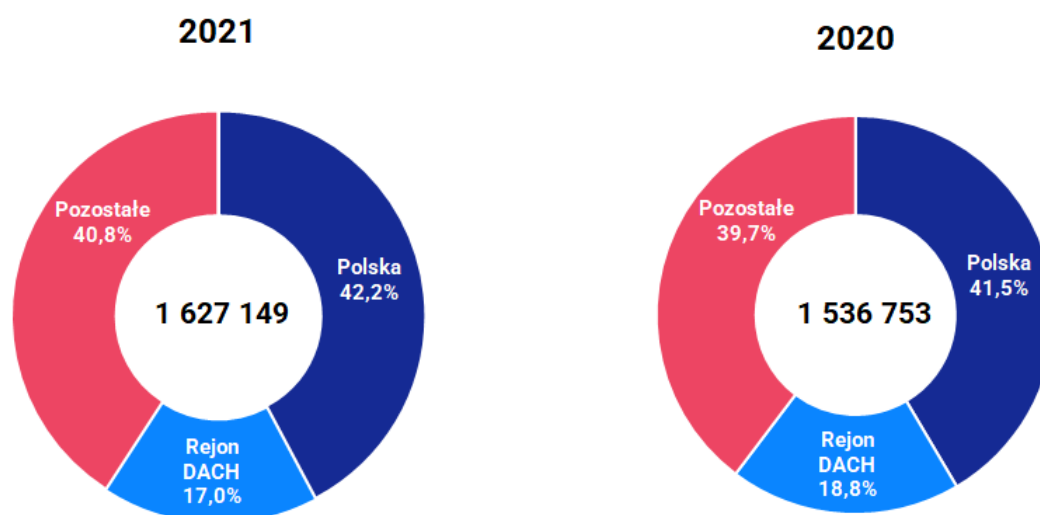
Due to the specific nature of the industry, in which Comarch manages its operations, international concerns, which are producers of computer systems and programmer's tools, Polish branches and representatives of such concerns, as well as Polish distributing companies and subcontractors for systems, have to be considered sources of supply. In 2021, share of none of the product provider exceeded 10% of the value of Comarch sales.

5. Sales Structure

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

	2021	%	2020	%	2019	%
Domestic	686,900	42.2	637,943	41.5	594,021	41.3
Export	940,249	57.8	898,810	58.5	843,402	58.7
Total	1,627,149	100.0	1,536,753	100.0	1,437,423	100.0

In 2021, the Group generated PLN 686,900 thousand of revenue from domestic sales, that is PLN 48,957 thousand PLN (i.e. 7.7%) more than in the corresponding period of 2020. This was due to an increase in sales to the Public, SME-Poland and Medical Sectors. The value of revenue from export sales in 2021 amounted to PLN 940,249 thousand and were higher by PLN 41,439 thousand (i.e. by 4.6%) than in 2021. This is mainly due to the increase in sales revenue to clients from Telecommunications Sector. In 2021, export sales accounted for 57.8% of the total revenue of the Group.



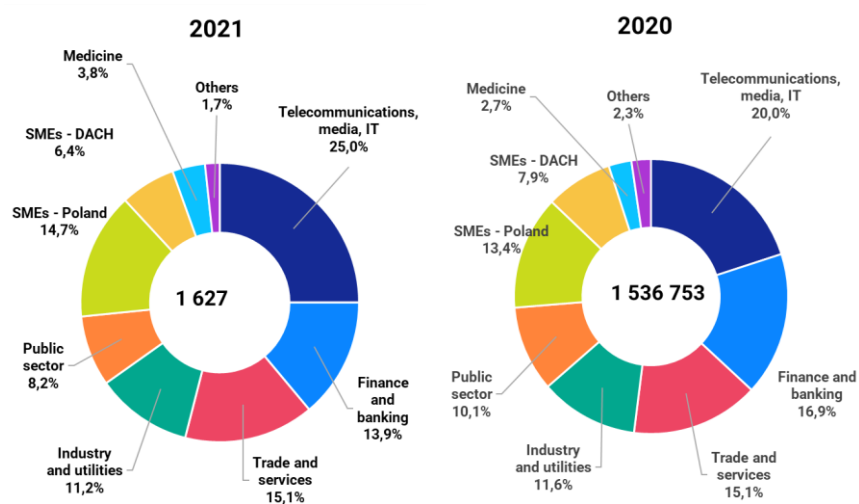
The geographical structure of sales remained stable during the financial year.

5.2. Sales- Market Structure

	2021	%	2020	%	2019	%
Telecommunication, Media, IT	406,082	25.0	308,041	20.0	335,846	23.4
Finance and Banking	226,343	13.9	259,151	16.9	191,054	13.3
Trade and Services	245,813	15.1	231,684	15.1	251,743	17.5
Industry & Utilities	181,558	11.2	179,019	11.6	179,336	12.5
Public Sector	133,821	8.2	154,541	10.1	130,352	9.1
SME – Poland	239,459	14.7	206,169	13.4	190,421	13.2
SME – DACH	104,034	6.4	122,146	7.9	100,411	7.0
Medical Sector	62,488	3.8	40,820	2.7	25,919	1.8
Others	27,551	1.7	35,182	2.3	32,341	2.2
Total	1,627,149	100.0	1,536,753	100.0	1,437,423	100.0

In 2021, sales revenue of the Comarch Group to clients from the TMT Sector amounted to PLN 406,082 thousand, which means an increase of PLN 98,041 thousand (i.e. of 31.8%) compared to 2020. Customers from the Finance and Banking Sector purchased products and services in the amount of PLN 226,343 thousand, lower than in the previous year by PLN 32,808 thousand, i.e. by 12.7%. Sales to customers from the Trade and Services Sector increased by PLN 14,129 thousand, i.e. by 6.1%). Revenue from sales to recipients from the Industry & Utilities sector also increased by PLN 2,539 thousand, i.e. by 1.4%. Revenue from sales to recipients from the Public Sector decreased significantly, by PLN 20,720 thousand, i.e. by 13.4%. Customers from the SME-Poland Sector purchased products and services worth PLN 33,290 thousand, i.e. 16.1% higher than in the corresponding period of the last year while a decrease was recorded in sales to clients from the SME-DACH sector (of PLN 18,112 thousands, i.e. of 14.8%) There was also a significant increase in sales to clients from Medical Sector (an increase of PLN 21,668 thousands, i.e. of 53.1%). Sales revenue to other customers decreased by PLN 7,631 thousand, i.e. by 21.7%.

The business situation in 2021 confirmed that the diversification of sources of income was maintained and the diversity of the offer is beneficial for the stable development of the Comarch Group's operations. Thanks to the focus on the sales of proprietary solutions, the Comarch Group recorded a significant increase in revenue and improvement in operating profitability.

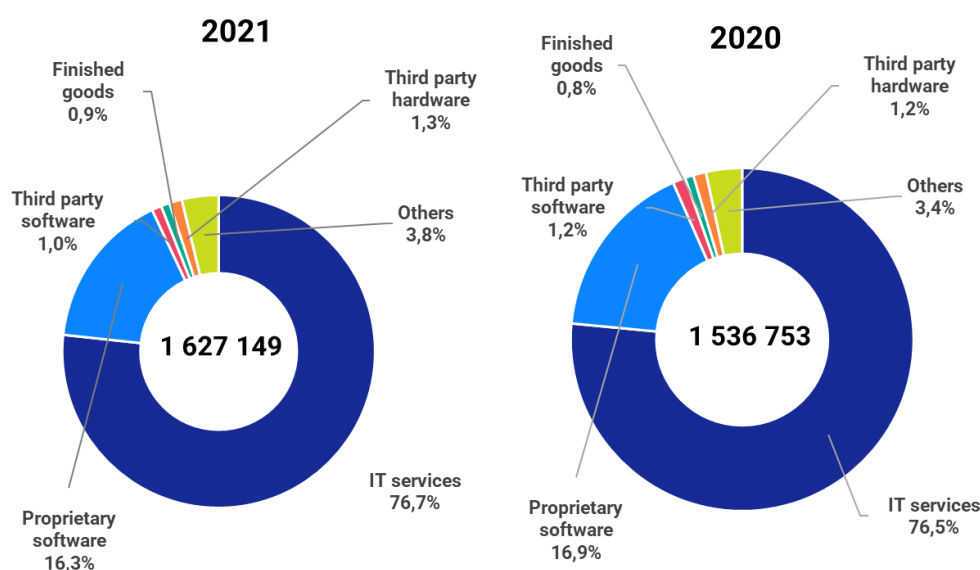


The structure of sales remained stable during the financial year.

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

	2021	%	2020	%	2019	%
Services	1,247,887	76.7	1,175,323	76.5	1,074,965	74.8
Proprietary Software	264,588	16.3	259,952	16.9	249,442	17.3
Third party Software	15,705	1.0	18,219	1.2	30,997	2.2
Finished goods	14,997	0.9	13,104	0.8	11,676	0.8
Hardware	22,050	1.3	18,597	1.2	19,134	1.3
Others	61,922	3.8	51,558	3.4	51,209	3.6
Total	1,627,149	100.0	1,536,753	100.0	1,437,423	100.0

In 2021, the type structure of sales revenue of the Comarch Group did not change significantly compared to the same period of 2020. Revenue from the sales of IT services increased by PLN 72,564 thousand, i.e. by 6.2%. Revenue from sales of proprietary software increased by PLN 4,636 thousand, i.e. by 1.8%. The sales of own finished products increased compared to the previous year (by PLN 1,892 thousand, i.e. by 14.4%). Revenue from the sales of third-party software decreased by PLN 2,514 thousand, i.e. by 13.8%. In 2021, sales of third-party hardware increased by PLN 3,453 thousand, i.e. by 18.6%. Other sales increased by PLN 10,364 thousand (i.e. by 20.1%)



Throughout 2021, the sales structure by products remained at a stable level.

6. Factors Essential for Development of the Comarch Group

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 Comarch Group affecting the nature of clients acquired;
- d) Commercial operations of Comarch Group 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) a recognizable and very popular annual summer student internship program, thanks to which the Comarch Group is one of the employers of first choice in the IT industry in Poland;
- h) Increasing awareness of the Comarch brand among prospective clients by promotion managed through marketing campaigns (including sports marketing) and pro-social activities;
- i) Necessity of continuous investment in human resources to maintain the Company's competitive edge in following years;
- j) High levels of investment expenditure designated for research and development activity and development of new products and IT services;
- k) 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) Growing competition, causing decrease in achieved margins; competition between IT companies;

- f) Continued pressure on increase in remuneration in IT sector; number of graduates from technical universities having IT skills decreases;
- g) Growing competition on the local labour market in IT sector in Krakow and other locations where the Company conducts its business;
- 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, CHF/PLN, JPY/PLN, THB/PLN, AED/PLN, BRL/PLN, CAD/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

The Group is exposed to the following main types of financial risk:

7.1. Credit Risk

The Company Group 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 Group's sales to a significant number of customers in different branch of economy, in different world's regions. In terms of balance sheet items subject to credit risk, in the reporting period, there was no significant change in the level of risk.

7.2. Risk of Change in Interest Rates

The Comarch Group 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 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.

Financial analysis of the Group's financial result sensitivity to the risk of changes in interest rates is included in notes [2.3.2.](#) of the consolidated financial statement.

7.3. Risk of Fluctuation in the Exchange Rates

The Comarch Group 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, CHF/PLN, JPY/PLN, THB/PLN, AED/PLN, BRL/PLN, CAD/PLN. At the same time, part of the Group's costs are also

expressed in, or related to exchange rates for foreign currencies. In individual cases, the Parent 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 undertaking in last periods credit liabilities expressed in EUR). The balance sheet value of assets and financial liabilities of the Group 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.

Financial analysis of the Group's financial result sensitivity to exchange rate fluctuation risk is included in notes 2.3.3. of the consolidated financial statement.

7.4. Financial Liquidity Risk

The Comarch Group 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 Comarch Group are fixed, while revenue from sales, as is typical for a services company, fluctuates. The Comarch Group 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 Group and Anticipated Financial Situation in 2022

In 2021, the demand for IT services and products of the Comarch Groups increased, with changes in its structure. The Group recorded a significant increase in demand for solutions for the telecommunications sector, public sector, medical and ERP products, with a simultaneous decrease in sales to the financial and banking sector. The Comarch Group's backlog currently ensures full use of its production capacity in several consecutive periods.

The Management Board of Comarch S.A. 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 Comarch Group's operations. The Management Board of Comarch S.A. hereby informs that as at the date of publication of this report the Company's operations were conducted without any interruptions. Comarch Group 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, the remote work mode of office workers was launched on a large scale and hygiene recommendations are implemented in the Comarch S.A.'s offices. Polish Comarch Group subsidiaries have implemented a vaccination programme against COVID-19 for employees at the Company's headquarters in Krakow and in the biggest branches in Poland, including re-vaccinations (so-called: third dose).

During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Comarch S.A. The Company's operational activity and the financial results achieved in subsequent periods will be influenced by factors such as the duration and scope of the epidemic, the number of people falling ill with COVID-19, administrative restrictions on the functioning of states and businesses, restrictions on the movement of employees, the possibility of taking advantage of aid packages launched by individual countries, as well as the pace of implementation of the immunization programme.

From the beginning of 2022, the Management Board of Comarch S.A. draws particular attention to the possible consequences of the war caused by the Russian aggression on Ukraine. The Comarch Group is in full solidarity with the Ukrainian nation and from the first day of the conflict provides support in many forms and many areas. The operational activity of the Comarch Group is carried out smoothly. The subsidiary LLC Comarch with its registered office in Kiev continues to operate, and the activities of the subsidiary Comarch OOO with its registered office in Moscow are being terminated. Management Board of Comarch S.A. estimates that the conflict will not have a direct negative impact on the economic situation of the company - customers from Ukraine and Russia were responsible for 1.5% of the total sales of the Comarch Group.

Comarch's activities and financial results in 2022 will also be influenced by the development of the political and economic situation in Poland and in the world, 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 the Comarch Group on foreign markets additionally increases the amount of sales 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 risks. A chance for the Group is its great innovation and an increase in demand for IT delivery in the service model - the Comarch Group, thanks to a wide range of its own products, infrastructure and human and capital resources, can flexibly adapt to the business models expected by customers.

The most important operational risks related to the Group's operations are:

- risks related to R&D works (developing proprietary software products);
- risks related to the performance of long-term contracts;
- risks 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 the 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;
- risks related to international terrorism, making 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 Comarch Group conducts business and the financial condition of Comarch Group customers and the demand they generate for IT products and services;
- the risk related to the war on the territory of Ukraine and the political, economic and social consequences of this conflict.

The Group does not anticipate any significant changes in its financial standing and in terms of risk related to its activities.

9. Financial Analysis

Balance Sheet Assets	31 December 2021	%	31 December 2020	%	Change	Change %
NON-CURRENT ASSETS	886,885	42.0	856,573	42,8	30,312	3.5
Property, plant and equipment	611,324	29.0	582,158	29.1	29,166	5.0
Right-of-use asset	86,501	4.1	88,222	4.4	-1,721	-2.0
Investment real estates	38,198	1.8	39,874	2.0	-1,676	-4.2
Goodwill	45,774	2.2	45,774	2.3	0	0.0
Other intangible assets	59,988	2.8	55,528	2.8	4,460	8.0
Non-current prepayments	1,026	0.0	1,298	0.1	-272	-21.0
Investment in associates	-	0.0	-	-	0	0.0
Other assets at fair value	305	0.0	597	0.0	-292	-48.9
Other investment	210	0.0	216	0.0	-6	-2.8
Deferred income tax assets	35,964	1.7	35,864	1.8	100	0.3
Other receivables	7,595	0.4	7,042	0.4	553	7.9
CURRENT ASSETS	1,223,363	58.0	1,146,985	57.2	76,378	6.7
Inventories	91,877	4.4	88,115	4.4	3,762	4.3
Trade and other receivables	472,822	22.5	429,858	21.4	42,964	10.0
Current income tax receivables	2,241	0.1	1,430	0.1	811	56.7
Long-term contracts receivables	144,041	6.8	157,441	7.9	-13,400	-8.5
Available-for-sale financial assets	74,184	3.5	20,001	1.0	54183	270.9
Other financial assets at fair value – derivative financial instruments	413	0.0	2,119	0.1	-1,706	-80.5
Cash and cash equivalents	437,785	20.7	448,021	22.3	-10,236	-2.3
TOTAL ASSETS	2,110,248	100.0	2,003,558	100.0	106,690	5.3

At the end of 2021, the value of assets of the Comarch Group increased by PLN 106,690 thousand, i.e. by 5.3%. At the end of 2021, the value of property, plant and equipment increased by PLN 30,312 thousand, i.e. by 3.5% compared to the previous year. At 31st of December, 2021, the value of right-of-use asset was PLN 86,501 thousand, while as at the 31st of December, 2020, is amounted to PLN 88,222 thousand. In 2021, the depreciation value of right-of-use-asset was PLN 21,285 thousand. Moreover, the increase value of property, plant and equipment from PLN 582,158 thousand from PLN 582,158 thousand to PLN 611,324 thousand (an increase of 5.0% compared to the previous year) contributed mostly the growth to fixed assets. To the growth of fixed assets contributed also an increase of intangible assets (of PLN 4,460 thousand, i.e. of 8.0%). The value of investment real estates decreased from PLN 39,874 thousands to PLN 38,198 thousand (a decrease of 4.2% compared to the previous year). The value of goodwill has not changed and currently amounted PLN 45,744 thousand as in 2020. Other investment recorded a slight decrease amounting to 2.8%. Long-term payments decreased by PLN 272 thousand, i.e. by 21.0%. The decrease also concerned other financial assets at fair value

– their value decreased by PLN 272 thousand, i.e. by 21.0%. The value of other receivables and deferred income tax assets increased respectively by PLN 552 thousand (i.e. by 7.9%) and by PLN 100 thousand (i.e. by 0.3%).

The value of current assets increased by PLN 76,378 thousand compared to the previous year's level, i.e. by 6.7%. It was mainly due to the increase in available-for-sale financial assets - from the level of PLN 20,001 thousand to the level of PLN 74,184 thousand PLN (i.e. of 270.9%), which results from the acquisition by Comarch S.A. of participation units in investment funds (as an investment of free cash). The value of trade receivables and other receivables also increased - from the level of PLN 429,858 thousand to the level of PLN 472,822 thousand (i.e. by 10%) and current income tax receivables (by PLN 811 thousand, i.e. by 56.7%), as well as the value of inventories, which as at the 31st of December, 2021 amounted to PLN 91,877 thousand (an increase of 4.3%). A decrease (of PLN 13,400 thousand, i.e. of 8.5%) was recorded in revenue due from long-term contracts and the value of other financial assets measured at fair value - derivative instruments, which decreased by PLN 1,706 thousand, i.e. by 80.5%. The value of cash and cash equivalents recorded a slight decrease (of 2.3%), to the level of PLN 437,785 thousand.

Equity and liabilities	31 December 2021	%	31 December 2020	%	Change	Change %
I.EQUITY	1,197,362	56.7	1,098,547	54.8	98,815	9.0
Capital attributable to the company's shareholders	1,185,912	56.2	1,080,039	53.9	105,873	9.8
Share capital	8,133	0.4	8,133	0.4	-	0.0
Reserve capital from the sale of shares above their nominal value	84,446	4.0	84,446	4.2	-	0.0
Other capitals	58,595	2.8	58,595	2.9	-	0.0
Exchange rates differences	38,238	1.8	29,653	1.5	8,585	29.0
Profit/(loss) from the previous years and profit it the current period	996,500	47.2	899,212	44.9	97,288	10.8
Equity attributable to non-controlling interests	11,450	0.5	18,508	0.9	-7,058	-38.1
II. LIABILITIES	912,886	43.3	905,011	45.2	7,875	0.9
Non-current liabilities	244,006	11.6	252,430	12.6	-8,424	-3.3
Credits and loans	104,564	4.9	116,760	5.8	-12,196	-10.4
Other financial liabilities	5,450	0.3	-	0.0	5,450	0.0
Other liabilities	550	0.0	6,305	0.3	-5,755	-91.3
Lease liabilities	71,415	3.4	75,145	3.8	-3,730	-5.0
Financial liabilities at fair value – derivatives	9,662	0.5	5,639	0.3	4,023	71.3
Provision due to deferred income tax	49,960	2.4	46,778	2.3	3,182	6.8
Provision for other liabilities and charges	2,405	0.1	1,803	0.1	602	33.4
Current liabilities	668,880	31.7	652,581	32.6	16,299	2.5
Trade and other liabilities	245,756	11.6	216,128	10.7	29,628	13.7

Liabilities due to income tax	33,368	1.6	24,794	1.2	8,574	34.6
Invoiced revenue for long-term contracts	141,902	6.7	147,651	7.4	-5,749	-3.9
Credits and loans	40,443	1.9	40,176	2	267	0.7
Lease liabilities	21,023	1.0	19,142	1	1,881	9.8
Financial liabilities at fair value – derivatives	4,906	0.2	3,820	0.2	1,086	28.4
Other financial liabilities	-	0.0	5,249	0.3	-5,249	-100.0
Provision for other liabilities and charges	181,482	8.6	195,621	9.8	-14,139	-7.2
TOTAL EQUITY AND CHARGES	2,110,248	100.0	2,003,558	100.0	106,690	5.3

In 2021, the structure of liabilities of the Comarch Group did not change significantly compared to 2020. Thanks to the high result for the current period, the value of equity in 2021 increased by 9.0%. An increase in the value was recorded by exchange rate differences, as well as profits / (losses) from the previous years and profit for the current period of: PLN 8,584 thousand, i.e. of 28.9% and PLN 97,289 thousand, i.e. of 10.8%, respectively. PLN. A significant decrease in value, i.e. of 38.1%, was recorded by minority shares (PLN 11,450 thousand compared to PLN 18,508 thousand in 2020). The share of capital attributable to the company's shareholders in the structure of liabilities increased from 53.9% to 56.2%.

Liabilities accounted for 43.3% of liabilities in 2021, compared to 45.2% a year earlier. Their value increased by PLN 7,875 thousand, i.e. by 0.9% compared to the previous year. As at the 31st of December, 2021, the total value of short-term and long-term lease liabilities was PLN 92,438 thousand, while as at the 31st of December, 2020, it was PLN 94,287 thousand (PLN 74,402 thousand as at the 1st of January, 2019, when the Comarch Group applied IFRS 16 for the first time). The value of long-term liabilities decreased by 3.3%, mainly due to a decrease in the value of long-term loans and borrowings (of PLN 12,196 thousand, i.e. of 10.4%), mainly due to regular repayments of bank loans and other liabilities (of PLN 5,755 thousand, i.e. of 91.3%). The increase was recorded, in turn, by: financial liabilities measured at fair value - derivatives of PLN 4,023 thousand, i.e. of 71.3%), deferred tax liability (of PLN 3,182 thousand, i.e. of 6.8%) and the value of provisions for other liabilities and charges (of PLN 602 thousand, i.e. of 33.4%). The increase in the value of long-term liabilities was also influenced by the appearance of other financial liabilities in the amount of PLN 5,450 thousand.

The increase in the value of short-term liabilities (from PLN 652,581 thousand as at the 31st of December, 2020 to PLN 668,880 thousand, i.e. of 2.5%) was caused by increases in the value of: trade liabilities and other liabilities (an increase of 29,628 PLN thousand, i.e. of 13.7%), current income tax liabilities (an increase of PLN 8,574 thousand, i.e. of 34.6%), short-term credits and loans (an increase of PLN 267 thousand, i.e. of 0.7%). On the other hand, the following decreases appeared: invoiced revenue related to long-term contracts (of PLN 5,749 thousand, i.e. of 3.9%), provisions for other liabilities and charges (of PLN 14,139 thousand, i.e. of 7.2%) and other financial liabilities (from PLN 5,249 thousand to zero). The increase in the value of liabilities was also influenced by the recognition in the balance sheet of financial liabilities measured at fair value - derivative instruments in the amount of PLN 4,906 thousand (as at the 31st of December, 2020, their value was PLN 1,086 thousand, i.e. 28.4% less).

Debt analysis	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Debt ratio	6.9%	7.8%	9.9%	12.9%	14.9%
Debt/equity ratio	12.2%	14.5%	19.2%	25.1%	26.9%

Debt ratios in 2021 decreased as a result of a decrease in the value of bank credits and loans with a simultaneous increase in the value of assets and equity. The Group is financed with internal means in 56.7% and with external means in 43.3%.

	2021	%	2020	%	Change	Change %
Revenue	1,627,149	100.0	1,536,753	100.0	90,396	5.9
Cost of sales	(1,148,303)	-70.6	(1,086,229)	-70.7	-62,074	5.7
Gross profit	478,846	29.4	450,524	29.3	28,322	6.3
Other operating income	21,504	1.3	54,259	3.5	-32,755	-60.4
Sales and marketing costs	(152,545)	-9.4	(143,874)	-9.4	-8,671	6.0
Administrative expenses	(129,887)	-8.0	(121,024)	-7.9	-8,863	7.3
Other operating expenses	(30,691)	-1.9	(48,324)	-3.1	17,633	-36.5
Operating profit	187,227	11.5	191,561	12.5	-4,334	-2.3
Finance revenue -net	(12,937)	-0.8	(27,307)	-1.8	14,370	-52.6
Profit before income tax	174,290	10.7	164,254	10.7	10,036	6.1
Income tax expense	(58,308)	-3.6	(43,761)	-2.8	-14,547	33.2
Net profit for the period	115,982	7.1	120,493	7.8	-4,511	-3.7
Attributable to shareholders of the Parent Company	123,038	7.6	120,631	7.8	2,407	2.0
Interests not entitled to control	(7,056)	-0.4	(138)	0.0	-6,918	5,013.0

In 2021, the Comarch Group generated sales revenue in the amount of PLN 1,627,149 thousand. They were PLN higher by 90,396 thousand, i.e. by 5.9% higher than in 2020. The operating result amounted to PLN 187,227 thousand and was by lower by PLN 4,334 thousand, i.e. by 2.3% lower than in the previous year. The value of other operating income decreased significantly (by PLN 32,755 thousand, i.e. by 60.4%), mainly as a result of the release of provisions for receivables, damages and contractual penalties. The value of other operating costs decreased in 2021 by PLN 17,633, i.e. by 36.5%. The net result attributable to the shareholders of the parent company amounted to PLN 123,038 thousand and was higher by PLN 2,407 thousand PLN, i.e. by 2% higher than in 2020.

Profitability analysis	2021	2020	2019	2018	2017
Margin on sales	29.4%	29.3%	29.3%	26.4%	26.0%
EBIT margin	11.5%	12.5%	10.0%	6.4%	5.2%
Gross margin	10.7%	10.7%	9.9%	4.6%	7.7%
Net margin	7.6%	7.8%	7.3%	2.2%	5.7%

In 2021, the sales margin remained at the 2020 level, while the operating margin decreased by 1% down to 11.5%. The gross sales and net sales profitability reached the level of 10.7% (no changes compared to 2020) and 7.6%, respectively. Both the operational margin of the Comarch Group and the net profitability in 2021 were at a satisfactory level.

The results achieved by the Comarch Group were influenced by, among others:

- foreign exchange differences on the balance sheet valuation of trade receivables and liabilities which increased the operating result in the described period by PLN 4,164 thousand, while in the same period of the last year they decreased by PLN 7,835 thousand,
- increase in revenue from domestic sales, which amounted to PLN 48,957 thousand (i.e. of 7.7%), resulting from the increased sales to clients from the SME Poland and Medicine sectors, as well as to clients from the telecommunications sector in Poland. In 2021, domestic sales accounted for 42.2% of the total revenues of the Comarch Group,
- increase in revenue from foreign sales of PLN 41,439 thousand, i.e. of 4.6%, which was mainly the result of higher sales to clients from the telecommunications sector. In 2021, foreign sales accounted for 57.8% of the total revenue of the Comarch Group,
- negative result on the balance sheet valuation of financial instruments, on the sales of securities and financial assets, as well as on exchange rate differences on loans and borrowings in foreign currencies, the value of which in the described period amounted to minus PLN 7,033 thousand, while in the same period of the previous year it amounted to minus PLN 21,769 thousand,
- an increase in operating costs, resulting from the wage pressure in the IT sector - the basic salary fund in the Comarch Group increased by 8.3% in the reporting period compared to 2020,
- current income tax, which resulted from the high profitability of the Group's companies, including in Poland, Germany and Japan, its value in 2021 was PLN 55,225 thousand,
- creation and release of write-offs for doubtful trade receivables, which decreased the operating result of the Comarch Group by PLN 4,927 thousand,
- application of the IFRS 15 accounting standard, as a result of which part of the revenue from the sales of Comarch software licenses is settled over time, in accordance with the stage of project implementation. The value of this adjustment in 2021 amounted to PLN 1,542 thousand,
- the application of the IFRS 16 accounting standard resulted in an increase in the value of depreciation, and thus the value of EBITDA, of PLN 21,285 thousand in 2021.

The costs associated with the production of new and improvement of the existing software will have an impact on increasing operating costs and reducing the current financial result of the Comarch Group in the subsequent periods, while in the future they will contribute to increasing revenue generated in these business areas.

The Group's financial results achieved on its core business confirm the effectiveness of the implemented strategy, assuming:

- significant investments in human capital,
- development and sales of IT solutions based mainly on own products,

- sales development on foreign markets, in particular in Western Europe, Asia and the Oceania and North America,
- constant improvement of operational efficiency through the improvement of procedures and cost rationalization,
- developing further business areas, especially in the field of telemedicine, Internet of Things (IoT), e-commerce and solutions related to the financial market,
- promoting the IT sales services model, especially solutions based on Comarch Cloud technology,
- investments in own technologies and IT infrastructure, also outside Poland.

Liquidity analysis	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Current ratio	1.8	1.8	1.7	1.6	1.8
Quick ratio	1.5	1.4	1.2	1.2	1.4
Cash to current liabilities ratio	0.8	0.7	0.5	0.4	0.5

In 2021, as in the previous years, the Comarch Group had very good financial liquidity. In the opinion of the Management Board, the Comarch Group has no problems with meeting contracted financial liabilities on time. Temporarily free funds are invested by the Group in safe financial instruments (investment units in investment funds).

Turnover analysis	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Current assets turnover ratio	1.3	1.3	1.4	1.5	1.5
Receivable turnover ratio (days)	105	101	109	115	126
Inventories turnover ratio (days)	74	64	69	37	162
Liabilities turnover ratio (days)	190	195	189	173	197
Liabilities turnover excluding liabilities due to investment credit ratio (days)	189	192	187	159	144

The turnover ratios confirm the effective use of Comarch Group funds. At the end of 2021, the current assets turnover ratio did not change compared to 2020 and was still 1.3. The value of inventories increased compared to 2020, which translated into an increase in the inventory turnover ratio. Liability ratios decreased mainly due to an increase in the costs of products, services, goods and materials sold (compared to 2020). The receivables turnover ratio increased compared to 2020.

Methods of Calculation of Financial Ratios

Debt Ratios

$$\text{Debt Ratio} = \frac{\text{Credits and Loans}}{\text{Total Assets}}$$

$$\text{Debt/Equity Ratio} = \frac{\text{Credits and Loans}}{\text{Equity attributable to Shareholders}}$$

Profitability Ratios

$$\text{Return on Sales} = \frac{\text{Gross Profit}}{\text{Revenue}}$$

$$\text{EBIT Margin} = \frac{\text{Operating profit}}{\text{Revenue}}$$

$$\text{Gross Margin} = \frac{\text{Profit before Income Tax}}{\text{Revenue}}$$

$$\text{Return on Sales (profit attributable to shareholders)} = \frac{\text{Net Profit attributable to Shareholders}}{\text{Revenue}}$$

Liquidity Ratios

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\text{Quick Ratio} = \frac{\text{Trade and Other Receivables+} \\ \text{+Cash and Cash Equivalents+} \\ \text{+Available-for-Sale Assets+ Shares and Stocks}}{\text{Current Liabilities}}$$

$$\text{Cash to Current Liabilities Ratio} = \frac{\text{Cash and Cash Equivalents+Available-for-Sale Assets}}{\text{Current Liabilities}}$$

Turnover Analysis

$$\text{Current Assets Turnover Ratio} = \frac{\text{Revenue}}{\text{Current Assets}}$$

$$\text{Receivables Turnover Ratio} = \frac{\left(\begin{array}{l} \text{Trade and Other Receivables} \\ + \text{Current Income Tax Receivables} \end{array} \right) * 360}{\text{Revenue}}$$

$$\text{Inventories Turnover Ratio (days)} = \frac{(\text{Inventories-production in progress}) * 360}{\text{Costs of Sold Goods and Materials}}$$

$$\text{Liabilities Turnover Ratio(days)} = \frac{\begin{array}{l} (\text{Liabilities} \\ - \text{Liabilities due to} \\ \text{Long-term Contracts}) * 360 \\ \text{Sales and Marketing Costs} + \\ + \text{Administrative Expenses} + \\ + \text{Other Operating Expenses} + \\ + \text{Costs of Sold Products,} \\ \text{Services, Goods and Materials} \end{array}}{-}$$

$$\begin{array}{l} \text{Liabilities Turnover Ratio} \\ \text{excluding} \\ \text{Liabilities due to} \\ \text{Bonds and Investment Credit (days)} \end{array} = \frac{\begin{array}{l} (\text{Liabilities} \\ - \text{Credits and Loans}) * 360 \\ \text{Sales and Marketing Costs} + \\ + \text{Administrative Expenses} + \\ + \text{Other Operating Expenses} + \\ + \text{Costs of Sold Products,} \\ \text{Services, Goods and Materials} \end{array}}{-}$$

10. Credits, Loans, Suretyships, Guarantees and Significant Off- Balance Sheet Items

10.1. Non-Revolving Credits and Loans and Loans Received

As at the 31st of December, 2021, the Group had liabilities due to non-revolving credits and loans in the amount of PLN 145,007 thousand.

In 2021, all covenants under the loan agreements concluded by companies in the Comarch Group were met. The Parent Company's Management Board expects no problems in meeting them in the future.

Debtor	Financial Institution	Total amount of credit/loan		Amount to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	PLN			
Subject of financing										
Comarch S.A.	BNP Paribas Bank Polska S.A.	44,000	PLN	1,696	EUR	7,801	PLN	EURIBOR1M + bank margin	29.07.2024	mortgage on the SSE4 building, assignment of rights from the

office buildings SSE4 in Krakow				(2,309 as at 31 December 2020)		(10,655 as at 31 December 2020)		IRS until 29-07- 2024		building's insurance policy, blank promissory note, declaration on submission to enforcement
Comarch S.A.	Powszechna Kasa Oszczędności Bank Polski S.A.	4,126	EUR	0	EUR	0	PLN	EURIBOR1M + bank margin	29.09.2021	mortgage on the SSE5 building, assignment of rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
office buildings SSE5 in Krakow - refinancing				(387 as 31 December 2020)		(1,784 as at 31 December 2020)				
Comarch S.A.	Bank Polska Kasa Opieki S.A.	13,323	EUR	3,190	EUR	14,674	PLN	EURIBOR1M + bank margin	30.11.2023	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
office buildings SSE6 in Krakow				(4,848 as at 31 December 2020)		(22,372 as at 31 December 2020)		IRS until 30-11- 2023		
Comarch S.A.	Bank Handlowy w Warszawie S.A.	13,333	EUR	9,759	EUR	44,886	PLN	EURIBOR1M + bank margin	29.02.2028	mortgage on the SSE7 building, assignment of rights from the building insurance policy, declaration on submission to enforcement
office buildings SSE7 in Krakow				(11,340 as at 31 December 2020)		(52,330 as at 31 December 2020)		IRS until 29-02- 2028		
Comarch S.A.	DNB Bank Polska S.A.	2,531	EUR	701	EUR	3,222	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
Non-current assets - equipment of Internet of Things laboratory in Krakow				(1,050 as at 31 December 2020)		(4,848 as at 31 December 2020)				
Bonus Development sp. z o.o. SK-A	Bank Polska Kasa Opieki S.A.	9,262	EUR	5,402	EUR	24,843	PLN	EURIBOR1M + bank margin	31.05.2030	mortgage on an office building in Łódź, a statement by Bonus Development Sp. z o.o. SK-A on submission to enforcement, assignment of rights from the insurance policy of an office building in Łódź, assignment of rights from the guarantee of due performance and warranty guarantee, assignment of rights under the lease of the financed property concluded with Comarch SA, surety from Comarch SA, declaration on submission to enforcement Comarch SA.
Office building in Lodz				(6,041 as at 31 December 2020)		(27,878 as at 31 December 2020)		IRS until 31-05- 2030		

Comarch S.A.S, Comarch S.A.				2,291		10,538					mortgage on the second place on the estate Comarch S.A. (Krakow, Michał Życzkowski Street 23, building SSE4), statement by Comarch S.A. on submission to enforcement, assignment of rights from the
Data centre in Lille in France	BNP Paribas Bank Polska S.A	8,000	EUR	(3,600 as at 31 December 2020)	EUR	(16,613 as at 31 December 2020)	PLN	EURIBOR3M + bank margin	18.09.2023		
Comarch S.A.				1,634		7,515					
Comarch infrastructure modernization program	CaixaBank S.A. Oddział w Polsce	3,500	EUR	(2,566 as at 31 December 2020)	EUR	(11,843 as at 31 December 2020)	PLN	EURIBOR1M + bank margin	23.08.2023	Declaration of submission to enforcement	
Comarch S.A.				2,060		9,475					
Financing of activities	CaixaBank S.A. Oddział w Polsce	2,300	EUR	(437 as at 31 December 2020)	EUR	(2,018 as at 31 December 2020)	PLN	EURIBOR1M + bank margin	29.06.2025	Declaration of submission to enforcement	
Comarch S.A.				0		0					
Financing of activities	CaixaBank S.A. Oddział w Polsce	14,500	EUR	(0 as at 31 December 2020)	EUR	(0 as at 31 December 2020)	PLN	EURIBOR1M + bank margin	05.08.2026	Declaration of submission to enforcement	
Comarch S.A.						71					
delivery of IT hardware due to IT project realised by the Comarch Group	IBM Global Financing Polska sp. z o.o.	12,980	PLN			(2,142 as at 31 December 2020)	PLN	fixed	01.03.2022	none	
Comarch Polska S.A.						379					
delivery of IT hardware due to IT project realised by the Comarch Group	IBM Global Financing Polska sp. z o.o.	3,475	PLN			(1,274 as at 31 December 2020)	PLN	fixed	01.05.2022	poręczenie Comarch S.A.	
Comarch S.A.						284					
delivery of IT hardware due to IT project realised by the Comarch Group	IBM Global Financing Polska sp. z o.o.	3,139	PLN			(1,193 as at 31 December 2020)	PLN	fixed	01.05.2022	none	
Comarch S.A.						152					
delivery of IT hardware due to IT project realised by the Comarch Group	IBM Global Financing Polska sp. z o.o.	1,825	PLN			(1,140 as at 31 December 2020)	PLN	fixed	01.03.2022	none	
Comarch S.A.						1,162					
delivery of IT hardware due to IT project realised by the Comarch Group	IBM Global Financing Polska sp. z o.o.	2,145	PLN			(0 as at 31 December 2020)	PLN	fixed	01.02.2023	none	

Comarch S.A.	PKO Leasing S.A.	5,000	EUR	4,345 (0 as at 31 December 2020)	EUR	19,985 (0 as at 31 December 2020)	PLN	EURIBOR1M + margin	29.02.2028	note, registered pledge on the Object of Financing, assignment from the insurance policy of the Object of Financing
Asset										
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	CAISSE D'EPARGNE	30	EUR	0 (24 as at 31 December 2020)	EUR	0 (79 as at 31 December 2020)	PLN	fixed	05.02.2023	none
Financing of activities										
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	CAISSE D'EPARGNE	51	EUR	0 (21 as at 31 December 2020)	EUR	0 (100 as at 31 December 2020)	PLN	fixed	05.12.2021	none
Financing of activities										
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	HSBC	200	EUR	4 (63 as at 31 December 2020)	EUR	20 (254 as at 31 December 2020)	PLN	fixed	01.01.2022	Suretyship
Financing of activities										

10.2. Revolving Bank Credits

As at the 31st of December, 2021, the Group had liabilities due to current credit lines in the amount of PLN 80,000 thousand, limits were not used.

In 2021, all covenants under the loan agreements concluded by companies in the Comarch Group were met. The Parent Company's Management Board expects no problems in meeting them in the future

Debtor	Financial Institution	Kwota kredytu / pożyczki wg umowy		Liability as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	PLN			
Comarch S.A.	BNP Paribas Bank Polska S.A.	20,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	28.02.2023	Blank promissory note
Financing operating activities										
Comarch S.A.	Bank Polska Kasa Opieki S.A.	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	30.06.2022	declaration of submission to enforcement
Financing operating activities										
Comarch S.A.	CaixaBank S.A. Oddział w Polsce	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	31.05.2022	declaration of submission to enforcement
Financing operating activities										

10.3. Loans Granted

10.3.1. Loans Granted to Managing and Supervising Persons

As at 31st of December, 2021, there are no unpaid loans to managing and supervising persons

As at 31st of December, 2021, Comarch Group held receivables due to loans granted to employees in the amount of PLN 4.5 thousand, however there are no guarantees nor suretyships for employees.

10.4. Suretyships

- Due to conclusion of a contract for the implementation, hosting and maintenance of the loyalty system, signed by Comarch Inc., a subsidiary of Comarch S.A., on the 28th of April, 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 Inc. The value of the surety equals value of a maximum of USD 3,000 thousand and is valid for the whole term of the contract.
- 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 1st 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 31st 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 liability 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 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 the contracts 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 these contracts by Comarch Healthcare S.A. The granted surety has been renewed, consequently it is valid till the 31st of May, 2026, and the total amount of granted surety is PLN 100 thousand.
- 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, consequently it is valid till the 31st of May, 2026, and the total amount of granted surety is PLN 50 thousand.
- 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 28th of June, 2030.
- 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 so consequently it is valid till the 14th of September, 2026, and was granted up to the amount of PLN 10 thousand.

- 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 is valid till the termination of the contract and was granted up to the amount of PLN 3,827 thousand.
- Due to conclusion of a contract by Comarch UK, a subsidiary of Comarch S.A., the contract for implementation and services of Comarch Loyalty Management, Comarch Campaign Management, Comarch Social Mining and Comarch Smart Analytics a surety for Comarch UK Ltd was granted. The surety is valid till the termination of the contract and was granted up to the amount of PLN 3,318 thousand.
- 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 services of Telco BSS and Telco OSS, a surety for Comarch Software und Beratung AG was granted. Surety is valid for the duration of the contract and its value is equal to the contract's value that is GBP 11,524 thousand.
- 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 for the implementation, servicing and delivery of 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 by Comarch S.A. 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 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 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 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 by Comarch S.A. and is valid for the duration of the contract.

- Due to of a contract by Comarch UK Ltd, a subsidiary of Comarch S.A., the contract for the implementation, servicing and delivery of necessary licenses for Comarch NRM service, a surety for liabilities of Comarch UK Ltd was granted to the amount of GBP 9,966 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to of a contract by Comarch Yuhan Hoesa, a subsidiary of Comarch S.A., the contract for the implementation, servicing and delivery of necessary licenses for Comarch NW Next Generation service, a surety for liabilities of Comarch Yuhan Hoesa was granted to the amount of EUR 18,467 thousand by Comarch S.A. and is valid for the duration of the contract.
- Due to of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract for the implementation, servicing and delivery of necessary licenses for Comarch ERP, POS and MoS services, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 1,254 thousand by Comarch S.A. 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 lease of office space, a surety of liabilities of Comarch Japan KK, resulting from this contract. The surety has been renewed, consequently it is valid until the 31st of July, 2022, and its value is equal to JPY 16,449 thousand.
- 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.
- Due to conclusion of a contract by Comarch Technologies OY, a subsidiary of Comarch S.A., the contract for implementation of the CLM system, a surety for liabilities of Comarch Technologies OY resulting from this contract was granted by Comarch S.A. Surety is valid for the duration of the contract and its value is equal to EUR 673 thousand.
- Due to conclusion of a contract by Comarch Technologies OY, a subsidiary of Comarch S.A., the contract for granting a licence, support services for CLM and hosting services, a surety for liabilities of Comarch Technologies OY resulting from this contract was granted by Comarch S.A. Surety is valid for the duration of the contract and its value is equal to EUR 4,325 thousand.

- Due to conclusion of a contract by Comarch UK, a subsidiary of Comarch S.A., the contract for inventory management, a surety for liabilities of Comarch UK resulting from this contract was granted by Comarch S.A. Surety is valid for the duration of the contract and its value is equal to GBP 7,544 thousand.
- Due to conclusion of a contract by Comarch AG, a subsidiary of Comarch S.A., the contract for the licence and maintenance service, a surety for liabilities of Comarch AG was granted to the amount of EUR 42,251 thousand by Comarch S.A. 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 licence, maintenance service for CLM and hosting services, a surety for liabilities of Comarch Middle East FZ-LLC was granted to by Comarch S.A. Surety is valid for the duration of the contract and its value is equal to USD 2,106 thousand.

10.5. Bank Guarantees and Significant Balance Sheet Items

On the 31st of December, 2021, 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 83,505 thousand, whereas it was PLN 91,066 thousand on the 31st of December, 2020.

On the 31st of December, 2021, the value of bank guarantees issued by banks on order from Comarch Software und Beratung was EUR 422 thousand (i.e. PLN 1,943 thousand), whereas it was EUR 422 thousand (i.e. PLN 1,949 thousand) on the 31st of December, 2020.

On the 31st of December, 2021, the value of bank guarantees issued by banks on order from Comarch AG was EUR 16 thousand (i.e. PLN 74 thousand), same as at the 31st of December, 2020, when their value was also EUR 16 thousand (i.e. PLN 74 thousand).

Comarch S.A. declared a possibility to grant a financial support ("letters of comfort") for its subsidiaries: Comarch R&D S.A.S. (an indefinite period), Comarch Argentina S.A. (an indefinite period), Comarch Malaysia SDN. BHD. (an indefinite period), Comarch Healthcare S.A. (an indefinite period), Comarch Middle East FZ-LLC (an indefinite period), Comarch Japan KK (an indefinite period) and Comarch SAS (an indefinite period).

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

11.1. Contracts Significant for Comarch Group's Activities

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

Comarch S.A.'s Management Board informed in a current report no. [RB-2-2021](#) (ENG: [RB-2-2021](#)) dated the 5th of February, 2021 about the receipt of the notification of February 4, 2021 regarding 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.

11.1.2. Statement from ZUS on Partial Withdrawal from the Agreement (KSI ZUS)

On the 20th of February, 2021 the Management Board of Comarch S.A. informed about the receipt on the 19th 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 the 23rd 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 the 19th 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 the 23rd 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.

Company informed about the details in current report no. [RB-3-2021](#) (ENG: [RB-3-2021](#)) dated the 20th of February, 2021.

11.1.3. Signing a Contract for the Construction of Comarch Data Centre

On 10th of June, 2021, the Management Board of Comarch S.A. announced the signing on 9th of June, 2021 of an agreement between Comarch Inc. with its office in the United States of America, a subsidiary of Comarch S.A., and The Weitz Company LLC, for the construction of Comarch Data Centre with infrastructure in Mesa, Arizona. The value of the Agreement is USD 19,746,980.85 net, i.e. PLN 72,165,341.52. The deadline for the performance of the subject of the Agreement is 330 days from signing the Agreement.

The Company announced details in the current report no. [RB-6-2021](#) (ENG: [RB-6-2021](#)) of 10th of June, 2021.

11.1.4. Signing the Agreement on Delivery and Maintenance of IT Systems for 450connect

On the 19th of July, 2021 the Management Board of Comarch S.A. informed about signing by Comarch AG, a wholly owned subsidiary of Comarch S.A., a framework agreement with 450connect GmbH. The subject matter of this framework agreement is delivery and maintenance of software, on the terms specified in the agreement. Presupposing, that the contract runs for the entire term of 20 years without being terminated by either party, Comarch AG will receive a remuneration of approximately EUR 42,300,000.00 i.e. PLN 194,059,710.00 over the term. Commercial conditions of the agreement and Comarch AG liability for the compensation of damages are in line with market standards used in similar agreements.

Company informed about the details in current report no. [RB-11-2021](#) (ENG: [RB-11-2021](#)) dated the 19th of July, 2021.

11.1.5. Non-Renewable Credit Agreement with CaixaBank, S.A. Oddział w Polsce (Branch in Poland)

The Management Board of Comarch S.A. informed about signing non-renewable credit agreement on the 5th of August, 2021 with CaixaBank, S.A. Branch in Poland with its office in Warsaw (hereinafter referred to as the "Bank") for general corporate purposes. The credit amount is EUR 14,500,000.00, i.e. PLN 66,054,750 at the EUR

exchange rate on the date of the contract signing. The credit period lasts until the 5th of August, 2026, and the interest rate is based on a variable rate. The credit should be used by the 5th of August, 2022. The credit is secured with: a) power of attorney granted to the Bank by Comarch S.A. to administer funds on settlement accounts maintained by the Bank; b) Comarch S.A. statement on submission to enforcement up to 150% of the credit amount.

Company informed about the details in current report no. [RB-12-2021](#) (ENG: [RB-12-2021](#)) dated the 5th of August, 2021.

AFTER THE BALANCE SHEET DATE

None present.

11.2. Other

11.2.1. Dismissal of a Member of the Supervisory Board of Comarch S.A.

The Management Board of Comarch S.A. informed in the current report No. [RB-9-2021](#) (ENG: [RB-9-2021](#)) of 24th of June, 2021 that on 24th of June, 2021 the Ordinary General Meeting of the Company adopted Resolution No. 24 on dismissal of the supervisory person. Mr. Tadeusz Włudyka, was dismissed from the function of a Member of the Supervisory Board of Comarch S.A. as of 24th of June, 2021 at his request.

11.2.2. Opinion of the Supervisory Board regarding the Distribution of Net Profit for 2020

Comarch S.A.'s Management Board informed in a current report no. [RB-4-2021](#) (ENG: [RB-4-2021](#)) dated the 18th of May, 2021, that the Supervisory Board of Comarch SA, by virtue of Resolution No. 09/05/2021 of 18th of May, 2021, positively expressed the opinion of the Management Board of Comarch S.A. dated the 17th of May, 2021, so that the Company's net profit in the financial year from 1st of January 1, 2020, to 31st of December, 2020, in the amount of PLN 80,008,432.99 was divided in such a way that:

- part of the net profit of PLN 24,400,047 will be used to pay dividend in the amount of PLN 3.00 per share;
- the remaining part of the net profit in the amount of PLN 55,608,385.99 will be transferred to supplementary capital.

The dividend was paid on the 16th of July, 2021.

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

The Group does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, Comarch will consistently aim at increase in international sales, especially in Western Europe, Asia, Oceania and North America. 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 Comarch Group 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 Investment

All capital investments were described in point [20.2.](#) and [20.3.](#)

12.2. Real Estates

On 12th of August, 2020, Comarch Inc. acquired undeveloped land in Mesa, Arizona, USA. The purchased land with an area of 12,141 m² is located within the Elliot Road Technological Corridor, within which the largest high-tech enterprises operate. A modern Comarch Data Centre server room is built on the acquired land, where the company will provide its services to clients from the USA and other countries of North and South America. The company plans to complete the investment in 2022, estimated investment expenditures amount to USD 20,000 thousand.

13. Activities in Special Economic Zone

On the 22nd 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 14th 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 31st 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 24th 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 31st of December, 2017, in the changed permit.

Comarch S.A. has three unused permits to operate in the Special Economic Zone in Krakow:

- obtained in 2013, its validity term has not been specified;
- obtained in February 2016, its validity term has not been specified;
- obtained in March 2016, its validity term has not been specified.

The Company also notes that on the 23rd of July, 2013, The Council of Ministers adopted a regulation extending the term of functioning of special economic zones in Poland to 2026.

Pursuant to IAS 12, unused tax relief as at the 31st of December, 2021, constitutes a deferred income tax asset. The company, while operating in the SEZ, originally had five permits. An investment relief due to the permit obtained in 1999 was fully utilized (its period of validity was the 31st of December, 2017). The investment tax relief under the permit obtained in 2007 was fully utilized, its value as at the 31st of December, 2021, is zero. Limit of the unused investment tax relief under the permit obtained in 2013, regarding investment in the office building SSE6, amounted to approx. PLN 21,435 thousand as at the 31st of December, 2021 (after discounting at the permit date). Limit of the unused investment tax relief under the permit obtained in March 2016, regarding investment in the office building SSE7 in Cracow, amounted to approx. PLN 22,809 thousand as at the 31st of December, 2021 (after discounting at the permit date). The company has no intention to use the permit obtained in February 2016 due to the fact of receiving (after obtaining it), co-financing of investment outlays to be incurred in this permit - to eliminate the risk of using two forms of public aid related to one investment.

Deferred income tax assets are determined in the amount anticipated to be deducted from income tax in the future, due to negative temporary differences and income tax relief in connection with conducting business activity in SEZ, which will cause in the future a reduction in the basis for calculating income tax and a tax loss deductible, determined taking into account the precautionary principle. Due to the above principle, assets from operations in SEZ are set only in the annual time horizon, taking as base to determine the average income from zonal activity from the period of 3 years, selected from the five-year period (including the year for which the report is drawn up), after rejecting two extreme values.

Over 2021, the Comarch Group settled an asset created for the zone operations in the value of PLN 8,384 thousand which was created as at the 31st of December, 2020, as well as created the new asset for the zone operations in the value of PLN 8,415 thousand. At the same time, in accordance with IAS 12, the Company, in the next year, will regularly verify the valuation of the Asset recognized for its feasibility. We would like to point out that the recognition of Assets does not affect cash flows in the parent company or in the Comarch Group (both the recognition of Assets, as well as its implementation). Therefore, this operation is purely accrual and results from the application by the Comarch Group of International Financial Reporting Standards for the preparation of the consolidated financial statements of the Comarch Group.

14. Resolutions of the AGM and the Board of Supervisors of the Parent Company

14.1. Corporate Governance Principles for WSE Listed Companies

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 the 11th of May 2021 a report on the activities of the Supervisory Board of Comarch S.A. for the period from the 1st of January, 2020 to the 31st 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 18th of May, 2021 that by virtue of Resolution No. 10/05/2021 of the 18th 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 24th of June, 2021.

On the 29th 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 entered into force on the 1st of July, 2021. On the 30th of July, 2021, the Management Board of Comarch S.A. informed in the current report [EBI-3-2021](#) (ENG: [EBI-3-2021](#)) that the full text of the Statement on the Company's Compliance with the Corporate Governance Principles Contained in Best Practice for GPW Listed Companies 2021 is available on the Company's website (ENG: website).

On the 30th of November, 2021, the Management Board of Comarch S.A. provided in the current report no. [EBI-4-2021](#) (ENG: [EBI-4-2021](#)) an update of information on the state of application by the Company of the principles contained in the Code of Best Practice for WSE Listed Companies 2021.

14.2. Annual General Meeting – 24th of June 2021

14.2.1. Convention of the AGM, Agenda of the Meeting and Information on Participation in the Company's General Meeting

On the 18th of May, 2021, the Management Board of Comarch Spółka Akcyjna with its registered office in Krakow, Aleja Jana Pawła II 39A, registered in the National Court Register maintained by the District Court for Kraków - Śródmieście in Kraków, XI Commercial Division of the National Court Register under number KRS 0000057567 (hereinafter the "Company"), acting based on the provisions of art. 395, art. 399 § 1, art. 402 with index 1, art. 402 with index 2 of the Code of Commercial Companies and Partnerships (hereinafter referred to as the "CCCPC") and art. 14 of the Articles of Association of the Company, convenes an Ordinary General Meeting on the 24th of June, 2021, at 10.00, in Krakow, at 33 prof. Michał Życzkowski Street. On that day, the Management Board also presented the agenda and draft resolutions for this Ordinary General Meeting of Shareholders with

the justifications. In accordance with Article 402 with index 2 of the CCC, the Management Board of the Company also provided information regarding participation in the Ordinary General Meeting, in particular:

- the right of a shareholder to request placing particular matters on the agenda of the General Meeting,
- the shareholder's right to submit draft resolutions,
- the manner of exercising the voting right by a proxy,
- the possibility and manner of participating in the General Meeting by means of electronic communication,
- the method of speaking during the General Meeting using electronic means of communication,
- the method of exercising the right to vote by correspondence or by means of electronic communication,
- shareholder's right to ask questions regarding issues on the agenda of the General Meeting,
- the day of registration of participation in the General Meeting is the 8th of June, 2021,
- information on the right to participate in the General Meeting,
- list of shareholders,
- access to documentation,
- website addresses and e-mail address of the Company,
- 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 the current report no. [RB-5-2021](#) (ENG: [RB-5-2021](#)) dated on the 18th of May, 2021.

14.2.2. 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 1.01.2020 - 31.12.2020;
- approving the report of the Management Board regarding the activities of the Company in 2020;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2020 - 31.12.2020;
- approving the report of the Management Board of Comarch S.A. regarding the activities of the Capital Group in 2020;
- 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 2020 and from the audit of the consolidated financial statements and report of Management Board regarding the activities of capital group in 2020;
- distribution of the Company's net profit for the fiscal year 1.01.2020 - 31.12.2020;
- acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2020 - 31.12.2020;
- dismissal of Tadeusz Włudyka from the Supervisory Board of Comarch S.A.;
- opinion of the General Meeting on the Supervisory Board's report on the remuneration of members of the Management Board and Supervisory Board of Comarch S.A.

The full content of the resolutions were published on in the current report no. [RB-7-2021 \(ENG: RB-7-2021\)](#) dated the 24th of June, 2021.

14.2.3. Resolution of the AGM Regarding Dividend for 2020

The General Shareholder's Meeting passed the resolution no. 9, related to distribution of the net profit earned in the fiscal year 1 January 2020 - 31 December 2020. The General Shareholder's Meeting decided that net profit in the amount of PLN 80,008,432.99 will be divided as follows:

1. PLN 24,400,047 will be paid as dividend. Persons who will be the company's shareholders at the 6th of July, 2021 (dividend day), will get the dividend in the amount of PLN 3.00 per one share. The dividend will be allocated to 8,133,349 shares.
2. The remaining part of the net profit in the amount of PLN 55,608,385.99 will be passed to supplementary capital.

Dividend was paid at the 16th of July, 2021.

The Company announced details in current report no. [RB-8-2021 \(ENG: RB-8-2021\)](#) dated the 24th of June, 2021.

14.2.4. Dismissal of a Member of the Supervisory Board

The Management Board of Comarch S.A. informed in the current report No. [RB-9-2021 \(ENG: RB-9-2021\)](#) of the 24th of June, 2021, that on the 24th of June, 2021, the Ordinary General Meeting of the Company adopted Resolution No. 24 on dismissal of the supervisory person. Mr. Tadeusz Włudyka, was dismissed from the function of a Member of the Supervisory Board of Comarch S.A. as of the 24th of June, 2021, at his request.

14.2.5. 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 24th of June, 2021, Elżbieta Filipiak, Janusz Filipiak and Nationale-Nederlanden Otwarty Fundusz Emerytalny (Open Pension Fund) 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 – 846,000 shares, of which 4,230,000 votes were cast at the AGM and constituted 43.36% of votes at the AGM; share in the total number of votes of the Company: 27.96%;
- Elżbieta Filipiak – 789,600 shares, of which 3,948,000 votes were cast at the AGM and which constituted 40.47% of votes at the AGM; share in the total number of votes of the Company: 26.10%;
- Nationale-Nederlanden Otwarty Fundusz Emerytalny (Open Pension Fund) 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 8.64% 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 24th of June, 2021, shareholders representing 9,755,526 votes participated, which is 64.49% of the total number of votes of the Company. The Company announced details in current report no. [RB-10-2021 \(ENG: RB-10-2021\)](#) dated the 24th of June, 2021.

15. Operations on Comarch S.A. Shares

15.1. Purchase/Disposal Transactions on Comarch S.A. Shares

On the 30th of December, 2021, 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 16th of April, 2014, on market abuse. The notification concerned the purchase of 500 ordinary bearer shares on the basis of price of PLN 190.50 per 1 share and 161 ordinary bearer shares on the basis of price of PLN 190.00 per 1 share which value amounted to PLN 125,840 on the 30th of December, 2021. The company announced details in the current report no. [RB-13-2021](#) (ENG: [RB-13-2021](#)) dated the 30th of December, 2021.

AFTER THE BALANCE SHEET DATE

The Management Board of Comarch S.A. on the 25th of March, 2022, received from a person acting as a managing person (Paweł Prokop) a notification of transactions referred to in Article 19 par. 1 of the Regulation of the European Parliament and the EU Council No. 596/2014 dated the 16th of April, 2014, on market abuse. The notification concerned the sale transaction from the 3rd of March 2022, to the 22nd of March, 2022, of 7,512 ordinary bearer shares and the purchase transaction on the 15th of March, 2022 of 12 bearer shares. The company announced details in the current report no. [RB-2-2022](#) (ENG: [RB-2-2022](#)) dated the 25th of March, 2022.

15.2. Managerial Option Program for Members of the Management Board

None present.

16. Transactions on Shares of Subsidiaries and Associates of Comarch S.A.

None present except for those mentioned in point [20.3](#) of the statement.

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of the statement [20.4](#) of the statement.

17. Other Events in 2021 and after the Balance Sheet Date

17.1. Dates of Periodical Financial Reports in 2021

Pursuant to § 80 sec. 1 of the Regulation issued by the Minister of Finance on the 29th 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, with current report no. [RB-1-2021](#) (ENG: [RB-1-2021](#)) dated the 7th of January, 2021, Comarch S.A. Management Board presented terms of periodical financial reports in 2021.

17.2. 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 12th of March, 2020, the Management Board of Comarch S.A. in the current report no. [RB-5-2020](#) (ENG: [RB-5-2020](#)) dated on the 19th 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 Management Board of Company 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 Comarch Group's operations. The Management Board of Company hereby informs that as at the date of publication of this report the Comarch Group's operations were conducted without any interruptions. Subsidiaries in Comarch Group have implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Company'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, the remote work mode of office workers was launched on a large scale and hygiene recommendations are implemented in the Comarch S.A.'s offices. Comarch S.A. has both implemented a vaccination programme against COVID-19 for employees at the Company's headquarters in Krakow and in the biggest branches in Poland, including a re-vaccination (so-called: third dose).

Regardless of the current intensity of the epidemic, 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 the pandemic did not pose a threat to the financial stability of the company or introduced significant disruptions in the implementation of existing contracts or in the product or material supply chains indispensable for the Comarch Group's operations.

During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Comarch Group. The Comarch Group's operational activity and the financial results achieved in subsequent periods will be influenced by factors such as the duration and scope of the epidemic, the number of people falling ill with COVID-19, administrative restrictions on the functioning of states and businesses, restrictions on the movement of employees, the possibility of taking advantage of aid packages launched by individual countries, as well as the pace of implementation of the immunization programme.

17.3. 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 2020 as attachment to the annual statement published on 30th of April, 2021.

AFTER THE BALANCE SHEET DATE

17.4. Dates of Periodical Financial Reports in 2022

On the 4th of January, 2022, in the current report no. [RB-1-2022](#) (ENG: [RB-1-2022](#)) Comarch S.A.'s Management Board set dates of periodical financial reports in 2022:

Consolidated quarterly reports which include condensed consolidated financial statements and condensed financial statements:

- Q4 2021 - on the 1st of March, 2022,
- Q1 2022 - on the 20th of May, 2022,
- Q3 2022 - on the 17th of November, 2022,
- Annual report for 2021 - on the 29th of April, 2022,
- Consolidated annual report for 2021 - on the 29th of April, 2022,
- Consolidated half-year report which includes condensed consolidated financial statement and condensed financial statement for the first half of 2022 - on the 31st of August, 2022.

17.5. Forward Contracts Concluded after the Balance Sheet Date

Comarch S.A. in the period from 1st of January, 2022 to 29th of April, 2022, concluded new forward contracts for the sales of EUR 19,600 thousand, USD 14,500 thousand, JPY 60,000 thousand, and NZD 3,000 thousand. The net value of forward contracts unsettled as at the 29th of April, 2022, amounted to EUR 66,200 thousand, USD 29,600 thousand, JPY 100,000 thousand, GBP 1,400 thousand and NZD 5,600 thousand. Forward contracts are due within 40 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 the 31st of March, 2022, was minus PLN 13,692 thousand, while as at the 31st of December, 2021, it was minus PLN 12,345 thousand.

17.6. Influence of the Political and Economic Situation in Ukraine and Russia on the Activities and Financial Results of the Comarch Group

In reference to the recommendations of the Polish Financial Supervision Authority dated the 25th of February, 2022, the Management Board of Comarch S.A. informs that they monitor the impact of the political and economic situation in Ukraine and Russia on the Comarch Group's operations on an ongoing basis.

The Management Board of the Company informs that as at the date of publication of this report, the operating activities of the Group are conducted without disruptions, and the effects of the Russian invasion of Ukraine do not have a significant negative impact on the economic situation of Comarch Group. Activity of Comarch is very well diversified geographically and in terms of products, the company conducts projects in over 60 countries on 6 continents. Sales to customers from Ukraine and Russia accounted for 1.5% of the Comarch Group's total revenue in 2021. The Comarch Group's ITC infrastructure is also very well diversified and constantly improved. Comarch invariably remains a stable workplace and business partner for customers all over the world.

18. Characteristic of Policy of the Development Direction in the Comarch Group

The strategic development directions in the Comarch Group are:

- development of international sales, especially focusing on mature markets in Western Europe (in particular in the DACH region), both Americas and Asia, as well as Australia,
- constant development of its own technologically advanced products, high expenses for R&D,
- development of products and IT services for medicine,

- development of sales of IT products and services as cloud computing,
- diversification of an offer through sales of products and services to customers in many economic sectors,
- continuation of development works within IT solutions for e-Health sector which should become one of the main sources of customers for the Comarch Group in the future,
- continuation of development works related to the development of own hardware solutions and services based on them (Internet of Things),
- strict cooperation with global customers in international markets,
- constant investment in human resources,
- development of a modern production base in Poland and abroad.

19. 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 317,148 thousand, thus reached 19.5% of revenue in 2021. Comarch allocated their internal funds, as well as acquired actively European funds.

Comarch S.A.

In 2021, as part of Measure 1.1 of the **Intelligent Development Operational Program 2014-2020** co-financed by the European Regional Development Fund, the project "Production of technology "IoT Mesh" and supporting tools" was continued.



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 finished.



Comarch Healthcare S.A.

In 2021, an agreement was concluded for co-financing the project "Colonoscopy - do it for yourself!" from the European Social Fund under the Regional Operational Program of the Lesser Poland Voivodeship for 2014-2020.



Rzeczpospolita
Polska



MAŁOPOLSKA

Unia Europejska
Europejski Fundusz Społeczny



100% Comarch S.A., unless otherwise indicated.

20.2. Characteristics of Companies in the Comarch Group

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered office in Krakow at Al. Jana Pawła II 39 A is a parent company, 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, XI Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in Group regarding realised revenues, value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the Parent Company is not limited. There have been no changes in the name of the reporting entity or in other identifying data since the end of the previous reporting period.

The structure of activities of the Comarch Group is as follows:

- The parent company Comarch S.A. acquires the majority of contracts and in large part executes them,
- Comarch AG, Comarch S.A.S., Comarch R&D S.à r.l., Comarch Luxembourg S.à r.l., Comarch Inc., Comarch Panama Inc., Comarch Canada, Corp., Comarch Middle East FZ-LLC, Comarch LLC, Comarch Technologies Oy, Comarch UK Ltd., Comarch Chile SpA, Comarch Sistemas LTDA, Comarch Software Spain S.L.U., Comarch Yazilim A.S., Comarch SRL, Comarch Espace Connecté Inc., Comarch Malaysia SDN. BHD., Comarch AB, Comarch Argentina S.A., Comarch Colombia S.A.S., Comarch Japan KK, Comarch Saudi Arabia Co., Comarch Mexico S.A. de C.V., Comarch Pty. LTD, Comarch Software (Shanghai) Co. Ltd, Comarch New Zealand LTD and LLC „Comarch Software” acquire IT contracts in foreign markets and execute them in their entirety or in part
- Comarch Software und Beratung AG is an important provider of ERP and an integrator of IT solutions in Germany. Activities of Comarch Solutions GmbH are identical as activities of Comarch Software und Beratung AG,
- Comarch Swiss AG sells and implements Comarch IT solutions, especially ERP and ECM on the Swiss market,
- CABINET CONSEIL EN STRATEGIE INFORMATIQUE S. A. S. provides IT solutions and services for medical entities on the French market,
- Comarch Polska S.A. acquires IT contracts in domestic markets and executes them in their entirety or in part,
- OOO Comarch dealt with the sales and implementation of Comarch products in Russia and support for IT systems delivered to clients,
- Comarch Technologies sp. z o.o. is responsible for the development of technologies related to the design and production of electronic devices and software,
- CA Consulting S.A. specialises in data communications relating to the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch's contractor,
- Comarch Cloud S.A., acquire IT contracts in domestic markets and execute them in their entirety or in part,
- Purpose of the Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty (Closed Investment Fund) is investment activity, through its subsidiaries, in the scope of new technologies and services, as well as investment activities on capital market,
- Comarch Management sp. z o.o., Comarch Management sp. z o.o. SK-A, CASA Management and Consulting sp. z o.o. SK-A, CAMS AG, Bonus Management sp. z o.o. SK-A and Bonus Management sp. z

o.o. II Activia SK-A, Comarch Pointshub, Inc. conduct investment activities on capital market and activities related to IT,

- The subject matter of activities of Bonus Development sp. z o.o. SK-A and Bonus Development sp. z o.o. II Koncept SK-A are activities related to real estates,
- Comarch Healthcare S.A. produces and sells IT software related to medicine, provides medical and diagnostic services, as well as produces and provides complex IT solutions for medicine,
- Comarch Infrastruktura S.A. offers services related to Data Centre and IT services outsourcing,
- iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as provides accounting services for domestic subsidiaries in the Comarch Group,
- MKS Cracovia SSA conducts sports activities and promotes physical education,
- „Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością” Cracovia Park SK-A conducts investment activities related to sport, wellness and recreation,
- Rox Star Maritime Ltd. conducts activities related to tourism,
- Comarch Finance Connect sp. z o.o. operates in the field of services related to the financial market,
- Wszystko.pl sp. z o.o. does not operate, it is preparing to launch an e-commerce portal under the name Wszystko.pl,
- Geopolis sp. z o.o. does not operate, in January, 2021, a petition for bankruptcy has been filed, dismissed in December, 2021,
- Companies Comarch s.r.o., Comarch Espace Connecté Inc., Comarch Peru S.A.C. and CAMS AG are currently not operating.

Below there are the capital and ownership data of companies as at the date of publication of the report for 2021.

PARENT COMPANY

Company: **Comarch Spółka Akcyjna COMARCH**

Company's address: 31-864 Kraków, Aleja Jana Pawła II 39 a

Regon (Polish National Official Register of Business Entities):

350527377

NIP (POLISH IDENTIFICATION TAX NUMBER):

677-00-65-406

The Parent Company - shares of the company are admitted to trading in the Warsaw Stock Exchange and are held, according to the knowledge of the company as at the date of preparation of this report, by Janusz Filipiak (24.55% of shares), Elżbieta Filipiak (10.40% of shares), members of the Management Board (0.97%).

The company has branches in the following cities: Tirana (branch in Albania), Białystok, Bielsko-Biała, Częstochowa, Gdańsk, Gliwice, Katowice, Kielce, Kraków, Lublin, Łódź, Opole, Płock, Poznań, Rzeszów, Tarnów, Toruń, Warszawa, Włocławek, Wrocław and Zielona Góra.

SUBSIDIARIES

Company: **Comarch AG COMARCH**

Company's address: Chemnitzer Str. 59b, 01187 Dresden, Germany

Tax identification number: DE 206 522075

The company's share capital is EUR 15,000,000.00 (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). It consists of 15,000,000 ordinary bearers' shares of nominal value of EUR 1 each, held by Comarch S.A. Total number of votes resulting from Comarch AG shares amounts to 15,000,000. Comarch S.A. holds 100% shares and votes at the company's general annual meeting. The company's business is the sale and

implementation of IT solutions Comarch on the DACH market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch AG is Comarch S.A.'s subsidiary.

Company: **Comarch Software und Beratung AG** **COMARCH**
Company's address: Riesstr. 16, 80992 Munich, Germany
Tax identification number: DE129457436

The share capital of Comarch Software und Beratung AG amounts to EUR 6,213,072 (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). Comarch AG holds 6,213,072 shares of Comarch SuB, which constitute 100% of the company's share capital. This gives 6,213,072, i.e. 100% share of the total votes at the company's annual general meeting. The company is active on the IT market, mostly in Germany and Austria, offering its products and services to three business segments: ERP, finance and integration of systems for medium sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch SuB is Comarch S.A.'s subsidiary (through Comarch AG).

Company: **Comarch Solutions GmbH** **COMARCH**
Company's address: Innsbruck - Müllerstr. 1, 6020 Innsbruck, Austria
Tax identification number: ATU46234800

The company's share capital is EUR 50,000.00 (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Solutions GmbH is Comarch S.A.'s subsidiary (through Comarch Software und Beratung AG)

Company: **Comarch S.A.S** **COMARCH**
Company's address: 17 rue Paul Langevin, 59260 Lezennes, France
Tax identification number: FR 20500252606

Comarch S.A. holds 100% of Comarch SAS shares, that constitute 100% of the share capital and 100% of votes at the meeting of shareholders. The share capital of Comarch SAS amounts to EUR 4,000,000 (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). The company's business is the sale and implementation of Comarch IT solutions in the French-speaking market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch SAS is a subsidiary of Comarch S.A.

Company: **Comarch R&D S.A.S** **COMARCH**
Company's address: 82 Allée Galilée, 38330 Montbonnot-Saint-Martin, France
Tax identification number: FR 69507984557

From the 10th of December, 2015, Comarch S.A. holds 100% of shares in Comarch R&D S.A.S, representing 100% of the share capital and 100% votes at the shareholders meeting. The share capital of Comarch R&D S.A.S amounts to EUR 7,500 (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994) and consists of 750 shares of nominal value of EUR 10 each. The business of the company is sales and implementation of Comarch IT solutions in the French-speaking market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch R&D S.à r.l. is a subsidiary of Comarch S.A.

Company: **Cabinet Conseil en Strategie Informatique S.A.S (2 C.S.I.)**
Company's address: 8 Avenue du Ponceau, 95000 Cergy, France
Tax identification number: FR 32393832746

From 23rd of April, 2020, Comarch S.A. holds 100% of the shares of Cabinet Conseil en Strategie Informatique SAS (2 C.S.I.), representing 100% of the share capital and 100% of votes at the shareholders' meeting. The share capital of Cabinet Conseil en Strategie Informatique SAS (2 C.S.I.) amounts to EUR 2,500,000 and consists of 2,500,000 shares with a nominal value of EUR 1 each (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). The company's core business is to provide IT solutions and services for medical entities on the French market. Pursuant to the Accounting Act of 29th of September, 1994, Cabinet Conseil en Strategie Informatique SAS (2 C.S.I.) is a subsidiary of Comarch S.A.

Company: **Comarch Luxembourg S.à r.l. COMARCH**
Company's address: 63-65, rue de Merl, L-2146 Luxembourg
Tax identification number: LU24700126

Comarch S.A. holds 100% shares of Comarch Luxembourg S.à r.l., that constitute 100% of the share capital and 100% of votes at the meeting of shareholders. The share capital of Comarch Luxembourg S.à r.l. amounts to EUR 500,000 and consists of 500,000 shares of nominal value of EUR 1 each (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). Total number of votes at the company's general meeting amounts to 500,000. The subject matter of activities of Comarch Luxembourg S.à r.l. is sales and implementation of IT systems in Benelux countries. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Luxembourg S.à r.l. is Comarch S.A.'s subsidiary.

Company: **Comarch, Inc. COMARCH**
Company's address: 5600 N. River Rd. Suite 640 Rosemont, IL 60018, USA
Tax identification number: 52-2207301

The company sells Comarch software and services in the markets of both Americas. The company's share capital is USD 40,000 (as at the 31st of December, 2021, USD 1 amounts to PLN 4.06). Comarch S.A. holds 100% of interest in the company's share capital and 100% shares in votes at the AGM of the company. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch, Inc. is Comarch S.A.'s subsidiary.

Company: **Comarch Pointshub, Inc. COMARCH**
Company's address: 9450 W. Bryn Mawr Ave Suite 325 Rosemont, IL 60018, USA
Tax identification number: 47-4563861

The subject matter of activities of Comarch Pointshub, Inc. are investment activities on capital and IT market. The company's share capital is USD 8,500,000 (as at the 31st of December, 2021, USD 1 amounts to PLN 4.06). Comarch S.A. holds 100% of interest in the company's share capital and 100% shares in votes at the AGM of the company. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch, Pointshub, Inc. is Comarch S.A.'s subsidiary.

Company: **Comarch Panama, Inc. COMARCH**
Company's address: Vía Ricardo J. Alfaro, P.H. The Century Tower, Oficina 721, Piso 7, Panama City, Panama

Tax identification number: 698712-1-468218 DV95

The company's share capital is USD 360,000 and is divided into 360,000 shares of nominal value of USD 1 each (as at the 31st of December, 2021, USD 1 amounts to PLN 4.06). The company sells and implements Comarch IT systems in the Central and Southern America market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Panama, Inc. is Comarch S.A.'s subsidiary (through Comarch, Inc.).

Company: **Comarch Sistemas LTDA COMARCH**
Company's address: Avenida Roque Petroni Junior, No. 1089, set 1011, 1013, 1015, 1017, Vila Gertrudes, Jardim das Acacias, zip code 04707-000, City and State of São Paulo, Brasil
Tax identification number: 20.035.102/0001-50

The company's share capital is BRL 1,000,000 and is divided into 1,000,000 shares of nominal value of BRL 1 each (as at the 31st of December, 2021, BRL 1 amounts to PLN 0.7287). Comarch AG holds 80% of Comarch Sistemas LTDA shares and Comarch Software und Beratung AG holds remaining 20% of Comarch Sistemas LTDA shares. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Sistemas LTDA is Comarch S.A.'s subsidiary (through Comarch Software und Beratung AG).

Company: **Comarch Canada, Corp. COMARCH**
Company's address: P.O Box 7289, Stn. « A », 44 Chipman Hill, Suite 1000, Saint John, N.B., E2L 2A9, Canada
Tax identification number: 81055 8403 RT0001

The company's share capital is CAD 50,000 and is divided into 50,000 shares of nominal value of CAD 1 each (as at the 31st of December, 2021, CAD 1 is worth PLN 3.192). Comarch S.A. holds 100% of shares and votes of the company. The company sells and implements Comarch IT systems in Canada. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Canada, Corp. is Comarch S.A.'s subsidiary.

Company: **Comarch Espace Connecté Inc. COMARCH**
Company's address: 1000-1255 rue Peel Montréal (Québec) H3B2T9, Canada
Tax identification number: 12 2264 3674 TQ0001

The company's share capital is CAD 400,000 and is divided into 400,000 registered shares of nominal value of CAD 1 each (CAD 1 as at 31st of December, 2021 is 3.1920 PLN). The sole shareholder of Comarch Espace Connecté Inc. is Comarch S.A. Currently, the company does not operate.

Company: **Comarch Middle East FZ-LLC COMARCH**
Company's address: Dubai Internet City, Building no 17, Premises No. 158-159, PO. Box 500824, Dubai, United Arab Emirates
Registry no.: 19879
Tax identification number: 100296100900003

The company's share capital is AED 200,000 and is divided into 200 shares of AED 1,000 each (as at the 31st of December, 2021, AED 1 is worth PLN 1.0095). Comarch S.A. acquired all the shares for cash at nominal value. The company sells and implements Comarch products in the Middle East and supports IT systems delivered to

clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Middle-East FZ-LLC is Comarch S.A.'s subsidiary.

Company: **Comarch Malaysia SDN. BHD. COMARCH**
Company's address: Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malesia
Tax identification number: W10-1901-32000018

The company's share capital is MYR 500,000 (as at the 31st of December, 2021, MYR 1 is worth PLN 0.9746). Comarch S.A. owns 100% share in the share capital, which entitle to 100% votes at the AGM. The company's business is the sale and implementation of Comarch IT solutions in the Asian market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Malaysia SDN.BHD. is Comarch S.A.'s subsidiary.

Company: **Comarch Yazilim A.S. COMARCH**
Company's address: Matbuat Sok. Durukan Apt. No:17/6 Esentepe, Şişli/ Istanbul, Turkey
Tax identification number: 2110683747

The company's share capital is TRY 600,000 (as at the 31st of December, 2021, TRY 1 is worth PLN 0.3016) and is divided into 600,000 shares of nominal value of TRY 1 each. The sole shareholder of the company is Comarch S.A. The company's business is the sale and implementation of Comarch IT solutions in the Turkish market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Yazilim A.S. is Comarch S.A.'s subsidiary.

Company: **Comarch S.R.L. COMARCH**
Company's address: Via Luigi Galvani 24, 20124 Milano, Italy
Tax identification number: 08967390967

The company's share capital is EUR 9,000,000 (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). Comarch S.A. holds 100% of the company's shares. The company's business is the sale and implementation of Comarch IT solutions in the Italian market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch S.R.L. is Comarch S.A.'s subsidiary.

Company: **Comarch LLC COMARCH**
Company's address: Henerala Almazova 18/7, 01133 Kiev, Ukraine
Tax identification number: 329182826556

The company's share capital is UAH 20,500 (as at the 31st of December, 2021, UAH 1 is worth PLN 0.1487). Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. The registered company is a one-person limited liability company. It sells and implements Comarch products in Ukraine and supports IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch LLC is Comarch S.A.'s subsidiary.

Company: **OOO Comarch COMARCH**
Company's address: Petrovka st., 27, floor 5 room I office 1, 107031 Moscow, Russia
Tax identification number: INN/KPP 7704545099/770701001

The company's share capital is worth RUB 1,200,000 and it corresponds to 1 share at nominal value of RUB 1,200,000 (as at the 31st of December, 2021, RUB 1 is worth PLN 0.0542). The company's share capital was paid in total in cash. The company sells and implements Comarch products in Russia and supports IT systems delivered to clients and is currently in the process of suspending its activities. Pursuant to the Act on Accounting dated the 29th of September, 1994, OOO Comarch is Comarch S.A.'s subsidiary.

Company: **Comarch Software (Shanghai) Co., Ltd. COMARCH**
Company's address: Room 3610-2, Block 11, No.3855 Shangnan Road Pudong New Area, Shanghai, People's Republic of China
Tax identification number: 91310115690128967A

The company's share capital is worth USD 200,000 and Comarch S.A. holds it in total (as at 31st of December, 2021, USD 1 is equal to PLN 4,06). The company resumed operating activities in 2017. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Software (Shanghai) Co. Ltd. is Comarch S.A.'s subsidiary.

Company: **Comarch Technologies Oy COMARCH**
Company's address: Vapaalantie 2 B 20, 01650 Vantaa, Finland
Tax identification number: FI23730145

The company's share capital is worth EUR 50,000 and is divided into 50,000 shares of nominal value of EUR 1 (as at the 31st of December, 2021, EUR 1 amounts to PLN 4.5994). Total number of votes resulting from all company's shares amounts to 50,000. Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. The company's business is the sale and implementation of Comarch IT solutions in the Finnish market. Pursuant to the Act on Accounting dated 29th of September, 1994, Comarch Technologies Oy is Comarch S.A.'s subsidiary.

Company: **Comarch UK Ltd COMARCH**
Company's address: Terminal House, 52 Grosvenor Gardens, London, England, SW1W 0AU, Great Britain
Tax identification number: GB 133 0821 52

The company's share capital is GBP 50,000 (as at 31st of December, 2021, GBP 1 equals to PLN 5.4846). Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. The company's business is the sale and implementation of Comarch IT solutions on a British market Pursuant to the Act on Accounting dated 29th of September, 1994, Comarch UK is Comarch S.A.'s subsidiary.

Company: **Comarch Chile SpA COMARCH**
Company's address: Calle Bucarest 150, oficina 402, 7500000 Providencia, Santiago de Chile, Chile
Tax identification number: 76.296.232-2

The company's share capital is CLP 161,500,000.00 (as at the 31st of December, 2021, CLP 100 is worth PLN 0.4765). Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. The company's business is the sale and implementation of Comarch IT solutions in the South American market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Chile SpA is Comarch S.A.'s subsidiary.

Company: **Comarch AB COMARCH**
Company's address: C/o Bobowski, Flygfältsgatan 1, 128 30 Skarpnäck, Sweden
Tax identification number: SE559018956801

The company's share capital is SEK 50,000 (as at the 31st of December, 2021, SEK 1 is worth PLN 0.4486). Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. The company's business is the sale and implementation of Comarch IT solutions in the Swedish market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch AB is Comarch S.A.'s subsidiary.

Company: **Comarch Argentina S.A. COMARCH**
Company's address: Suipacha 1380, 2° Floor, Buenos Aires, Argentina
Tax identification number: 30-71425465-7

The company's share capital is ARS 3,298,195 (as at the 31st of December, 2021, ARS 1 is worth PLN 0.0397). Comarch S.A. holds 95% of the company's shares that entitle to 95% votes and Comarch AG holds remaining 5% of Comarch Argentina S.A. shares. The company's business is the sale and implementation of Comarch IT solutions in the Argentinean market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Argentina S.A. is Comarch S.A.'s subsidiary.

Company: **Comarch, s.r.o. COMARCH**
Company's address: Sumbalova 1a 841 04 Bratislava, Slovakia
Tax identification number: SK2020070558

The company's share capital is EUR 149,372.63 (as at the 31st of December, 2021, EUR 1 is worth PLN 4.5994). Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch s.r.o. is Comarch S.A.'s subsidiary. Currently, the company does not operate.

Company: **Comarch Swiss AG COMARCH**
Company's address: Grabenstrasse 2/4, 9320 Arbon, Switzerland
Tax identification number: CHE-107.411.497

The company's share capital is CHF 300,000 and is divided into 300 registered shares of nominal value of CHF 1,000 each (as at the 31st of December, 2021, CHF 1 is worth PLN 4.4484). They entitle to 300 votes at the general meeting. 100% of the company's shares are held by Casa Management and Consulting sp. z o.o. SKA. The company sells the Comarch Group's products in Switzerland. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Swiss AG is Comarch S.A.'s subsidiary (through CCF FIZ and CASA Management and Consulting sp. z o.o. SKA).

Company: **CAMS AG COMARCH**
Company's address: Hirschengraben 43, CH-6003 Luzern, Switzerland
Tax identification number: CHE-273.360.056

The company's share capital is CHF 100,000 and is divided into 1,000 registered shares of nominal value of CHF 100 each (as at the 31st of December, 2021, 1 CHF is worth PLN 4.4484). They entitle to 1,000 votes at the general meeting. 51% of the company's shares are held by Casa Management and Consulting sp. z o.o. SKA.

Pursuant to the Act on Accounting dated the 29th of September, 1994, CAMS AG is Comarch S.A.'s subsidiary (through CCF FIZ and CASA Management and Consulting sp. z o.o. SKA).

Company: **Comarch Colombia S.A.S. COMARCH**
Company's address: Calle 72 No 10-07 Of 603 Bogota D.C., Bogota, Colombia
Tax identification number: 900967807-1

The company's share capital is COP 3,194,638,000 (as at the 31st of December, 2021, COP 100 is worth PLN 0.1017). The company sells and implements Comarch IT systems in the Central and Southern America market. Comarch S.A. holds 100% of the company's shares. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Colombia S.A.S. is Comarch S.A.'s subsidiary.

Company: **Comarch Peru S.A.C. COMARCH**
Company's address: Av. República de Panamá 3420, Of. 1701, Lima, Peru
Tax identification number: 20601740924

The company's share capital is PEN 1,599,831 (as at the 31st of December, 2021, PEN 1 is worth PLN 1.0288). Comarch AG holds 95% of the company's shares (1,520,000 of shares) and Comarch S.A. holds remaining 5% of the company's shares (79,831 of shares). The company sells and implements Comarch IT systems in the Central and Southern America market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Peru S.A.C. is Comarch S.A. subsidiary (in 95% through Comarch AG). Currently, the company does not operate.

Company: **Comarch Saudi Arabia Limited Liability Company COMARCH**
Company's address: 7252 al ulaya- Al Yasmeen Dist., Unit number: 4444, Riyadh 13325- 2573, Kingdom of Saudi Arabia
Licence no.: 310136756900003

The company's share capital is SAR 1,000,000 (as at the 31st of December, 2021, SAR 1 is worth PLN 1.0853). Comarch S.A. holds 95% of Comarch Saudi Arabia Co. shares and Comarch Infrastruktura S.A. holds remaining 5% of Comarch Saudi Arabia Co. shares. The company sells and implements Comarch IT systems in Kingdom of Saudi Arabia. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Saudi Arabia Co. is Comarch S.A.'s subsidiary.

Company: **Comarch Japan KK COMARCH**
Company's address: Level 28, Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo, Japan
Tax identification number: 4010401132602

The company's share capital is JPY 15,000,000 (as at the 31st of December, 2021, JPY 1 is worth PLN 0.035265). Comarch UK Ltd holds 100% of Comarch Japan KK shares. The company sells and implements Comarch IT systems in Japan. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Japan KK is Comarch S.A.'s subsidiary (through Comarch UK Ltd).

Company: **Comarch Yuhan Hoesa (Comarch Ltd.) COMARCH**
Company's address: 603, 6F, Magok techno-tower Bldg. 63, Magokjungang 6-ro,
Gangseo-gu, Seoul, Soth Korea
Tax identification number: 110114-0229599

The company's share capital is KRW 100,000,000 and is divided into 10,000 registered shares of nominal value of KRW 10,000 each (as at the 31st of December, 2021, KRW 100 is worth PLN 0.3417). Comarch S.A. holds 10,000 of shares, i.e. 100% of votes in Comarch Yuhan Hoesa (Comarch Ltd.). Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Yuhan Hoesa is Comarch S.A.'s subsidiary.

Company: **Comarch (Thailand) Limited COMARCH**
Company's address: 1788 Singha Complex Building, Unit 1901, 19th floor, New Petchburi Road,
Bangkapi, Huai Khwang, Bangkok 10310, Thailand
Tax identification number: 105560178291

The company's share capital is THB 50,500,000 worth THB 100 per 1 share (as at the 31st of December, 2021, THB 1 is worth PLN 0.1225). Comarch S.A. holds 98% of shares, Comarch Technologies Sp. z o.o. holds 1% of shares and CA Consulting S.A. holds 1% of shares of Comarch (Thailand) Limited. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch (Thailand) Limited is Comarch S.A.'s subsidiary.

Company: **Comarch BV COMARCH**
Company's address: Weena 505, 3013AL Rotterdam, Netherlands
Tax identification number: NL859390457B01

The company's share capital is EUR 500,000 and is divided into 500,000 registered shares of nominal value of EUR 1 each (as at the 31st of December, 2021, EUR 1 is worth PLN 4.5994). Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch BV is Comarch S.A.'s subsidiary.

Company: **Comarch Mexico S.A. de C.V. COMARCH**
Company's address: Calle Hamburgo 213, Piso 15-C,
Cuauhtemoc, 06600, Mexico
Tax identification number: CME180416B94

The company's share capital is MXN 500,000 and is divided into 500 registered shares of nominal value of MXN 1,000 each (as at the 31st of December, 2021, MXN 1 is worth PLN 0.1984). Comarch S.A. holds 495 of shares, i.e. 99% of votes, and CA Consulting S.A. holds 5 of shares, i.e. 1% of votes of Comarch Mexico S.A. de C.V. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Mexico S.A. de S.V. is Comarch S.A.'s subsidiary.

Company: **Comarch Pty Ltd. COMARCH**
Company's address: Level 16, Tower 2 Darling Park, 201 Sussex Street, Sydney NSW 2000
GPO Box 1615, Sydney NSW 2001, Australia
Tax identification number: 87 633 619 422

The company's share capital is AUD 2,300,100 and is divided into 2,300,100 registered shares of nominal value of AUD 1 each (as at the 31st of December, 2021, AUD 1 is worth PLN 2.9506). Comarch S.A. holds 2,300,100 of shares, i.e. 100% of votes of Comarch Pty Ltd. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Pty Ltd. is Comarch S.A.'s subsidiary.

Company: **Comarch New Zealand Ltd. COMARCH**
Company's address: Baker Tilly Staples Rodway Auckland Limited, Level 9, 45 Queen Street,
Auckland, 1010, New Zealand
Tax identification number: 133-169-954

The company's share capital is NZD 550,000 and is divided into 550,000 registered shares of nominal value of NZD 1 each (as at the 31st of December, 2021, NZD 1 is worth PLN 2.7775). Comarch S.A. holds 100% of shares, i.e. 100% of votes of Comarch New Zealand Ltd. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch New Zealand Ltd. is Comarch S.A.'s subsidiary.

Company: **LLC „Comarch Software” COMARCH**
Company's address: Dzherelna 28-B, 79007, Lvov, Ukraine
Tax identification number: 439558113041

The company's share capital is PLN 14,000. Comarch S.A. holds 100% of votes of LLC „Comarch Software”. Pursuant to the Act on Accounting dated the 29th of September, 1994, LLC „Comarch Software” is Comarch S.A.'s subsidiary.


Company: **Rox Star Maritime Limited COMARCH**
Company's address: Blue Harbour Business Centre, Level 1, Ta' Xbiex Yacht Marina, Ta' Xbiex,
XBX, 1027, Malta
Tax identification number: MT21688821

The share capital of the company amounts to EUR 2,907,356 and is divided into 2,907,356 shares with a nominal value of EUR 1 each (as at the 31st of December, 2021, EUR 1 is the equivalent of PLN 4.5994). 100.0% of the company's shares are held by CCF FIZ (100.0% of votes). The company provides tourist services. Pursuant to the Act on Accounting dated the 29th of September, 1994, Rox Star Maritime Ltd. is a subsidiary of Comarch S.A. (through CCF FIZ).

Company: **Comarch Technologies Sp. z o.o. COMARCH**
Company's address: 31-864 Kraków, Technologies
Aleja Jana Pawła II 39 a
Regon (Polish National Official Register of Business Entities): 300075359
Tax identification number: 209-00-00-305

The company's share capital is PLN 50,000 and is divided into 500 shares of PLN 100 each. They entitle to 500 votes at the company's annual general meeting. Comarch S.A. holds 100% shares which entitle to 100% votes at the company's annual general meeting. Comarch Technologies sp. o.o. is engaged in the development of secure solutions for end-to-end hardware and software for B2B customers. The basis for development is the experience gained in the field of prototyping, production and quality control of solutions in the area of consumer

electronics and industries like automotive, medical and finance & banking. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Technologies sp. z o.o. is Comarch S.A.'s subsidiary.

Company: **CA Consulting S.A.**  **CA CONSULTING**
Company's address: Ul. Puławska 525, 02-844 Warsaw
Regon (Polish National Official Register of Business Entities): 356846563
Tax identification number: 678-29-24-039

The company's share capital is PLN 1,050,000 and is divided into 5,250 shares at nominal value of PLN 200 each that give 5,250 votes. Comarch S.A. holds 100% of CA Consulting S.A. shares entitling to 100% votes at the AGM of the company. CA Consulting S.A. specialises in data communications relating to the provision of connections for the own needs of the Comarch Group, as well as the provision of IT and consulting services for Comarch's contractor. Pursuant to the Act on Accounting dated 29th of September, 1994, CA Consulting S.A. is Comarch S.A.'s subsidiary.

Company: **Comarch Management spółka z o. o.** **COMARCH**
Company's address: Aleja Jana Pawła II 39A, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 120560832
NIP (POLISH IDENTIFICATION TAX NUMBER): 675-13-76-192

The share capital of Comarch Management sp. z o.o. amounts to PLN 400,000 and consists of 4,000 shares of nominal value of PLN 100 each. They entitle to 4,000 votes. Comarch S.A. holds 100% of Comarch Management sp. z o.o. shares entitling to 100% of votes at the shareholders' meeting of the company. The subject matter of activities of Comarch Management sp. z o.o. are investment activities on capital and IT market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Management sp. z o.o. is Comarch S.A.'s subsidiary.

Company: **Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty (CCF FIZ)** **COMARCH**
Company's address: ul. Zabłocie 25 lok. 20, 30-701 Kraków
Regon (Polish National Official Register of Business Entities): 120576141
Tax identification number: 106-00-01-334

Comarch S.A. holds 4,584 investment certificates of CCF FIZ, acquired within the frame of issuance of certificates of series A (four thousand certificates for the issue price of PLN 250,000 each and total purchase price of PLN 1,000,000.00), series B (seventeen certificates for the issue price of PLN 29,607 each and total purchase price of PLN 503,319.00) and series C (567 certificates for the issue price of PLN 54,844.50 each and total purchase price of PLN 25,993,831.50). They constitute 100% of investment certificates issued by the fund and entitle to 100% of votes at meeting of the fund's investors. Comarch S.A. purchased the above-mentioned investment certificates from its own resources. CCF FIZ conducts an investment activity in the scope of new technologies and Internet services that are not Comarch S.A.'s basic activities.

Company: **Comarch Management Spółka z o. o. Spółka Komandytowo-Akcyjna** **COMARCH**
Company's address: Al. Jana Pawła II 39A, 31-864 Kraków

Regon (Polish National Official Register of Business Entities): 120578542

Tax identification number: 675-13-76-542

The share capital of Comarch Management sp. z o. o. SKA amounts to PLN 170,110. CCF FIZ holds 8.82% of shares entitling to 25% of votes, Comarch S.A. holds 26.45% of shares entitling to 75% of votes and 64.73% of shares were purchased by Comarch Management sp. z o.o. SKA for redemption. Shares purchased by Comarch Management spółka z o.o. SKA for redemption doesn't give any votes. The company conducts investment activity on capital market and activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Management sp. z o.o. SKA is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Management Sp. z o.o. Spółka Komandytowo-Akcyjna COMARCH**

Company's address: ul. Rynek Główny 15, 31-008 Kraków

Regon (Polish National Official Register of Business Entities): 120641766

Tax identification number: 676-23-69-528

The company's share capital is PLN 2,879,401 and is divided into 2,876,401 shares of nominal value of PLN 1. CCF FIZ holds 100% of the company's shares which give 100% of votes. The company conducts investment activity on capital market and activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Management sp. z o.o. SKA is Comarch S.A.'s subsidiary (through CCF FIZ)

Company: **Bonus Management Sp. z o.o. II Activia Spółka Komandytowo-Akcyjna COMARCH**

Company's address: al. Rynek Główny 15, 31-008 Kraków

Regon (Polish National Official Register of Business Entities): 121358009

NIP (POLISH IDENTIFICATION TAX NUMBER): 676-24-30-883

The company's share capital is PLN 1,555,200 and is divided into 1,555,200 shares of nominal value of PLN 1. CCF FIZ holds 100% of the company's shares which give 100% of votes. The company conducts investment activity on capital market and activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Management sp. z o.o. II Activia SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Management Sp. z o.o. Cracovia Park Spółka Komandytowo-Akcyjna COMARCH**

Company's address: ul. Rynek Główny 15, 31-008 Kraków

Regon (Polish National Official Register of Business Entities): 123092610

Tax identification number: 676-24-75-383

With the notarial deed of the 25th of March, 2014, Bonus Management sp. z o.o. Cracovia Park spółka komandytowo-akcyjna was established. Its share capital amounts to PLN 800,000 and is divided into 800,000 shares with nominal value of PLN 1 each. Bonus Management spółka z ograniczoną odpowiedzialnością SKA holds 50% of the share capital (66.67% of votes at the company's AGM) and MKS Cracovia SSA holds 50% of the share capital (33.33% of votes at the company's AGM). Bonus Management sp. z o. o. Cracovia Park SKA conducts investment activities in real estates and related to sports and recreation. Pursuant to the Act on

Accounting dated the 29th of September, 1994, Bonus Management sp. z o.o. Cracovia Park SKA is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Development Sp. z o.o. Spółka Komandytowo-Akcyjna COMARCH**
Company's address: ul. Rynek Główny 15, 31-008 Kraków
Regon (Polish National Official Register of Business Entities): 120637434
Tax identification number: 676-23-68-121


The company's share capital is PLN 5,640,000 and is divided into 5,640,000 shares of nominal value of PLN 1. 50,000 preference series A shares entitle to 100,000 votes and 5,590,000 ordinary shares give 5,590,000 votes. CCF FIZ holds 65.52% of the company's shares entitling to 65.83% votes, the rest of 34.48% of shares are held by Bonus Development Sp. z o.o. II Koncept Spółka Komandytowo-Akcyjna (34.17% of votes). Bonus Development sp. z o. o. SKA conducts real estate development activities and real estate management in Comarch Group. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Development sp. z o. o. SKA is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Development Sp. z o.o. II Koncept Spółka Komandytowo-Akcyjna COMARCH**
Company's address: ul. Rynek Główny 15, 31-008 Kraków
Regon (Polish National Official Register of Business Entities): 121376250
Tax identification number: 6762432161


The share capital of Bonus Development Sp. z o. o. II Koncept SK-A is PLN 101,263 and is divided into 101,263 shares of nominal value of PLN 1. CCF FIZ holds 100% of the company's shares entitling to 100% votes. Bonus Development sp. z o.o. II Koncept SK-A acts real estate development activities and real estate management in Comarch Group. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Development Sp. z o. o. II Koncept SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Comarch Healthcare S.A. COMARCH Healthcare**
Company's address: Aleja Jana Pawła II 39 a, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 120652221
Tax identification number: 675-13-82-502


Comarch Healthcare S.A. was created from the merger of iMed24 S.A. and ESAProjekt sp. o.o. (registration in the National Court on the 1st of July, 2015). The company's share capital is PLN 12,114,806 and is divided into 12,114,806 shares of nominal value of PLN 1. These shares entitle to a total of 12,114,806 votes at the general meeting of shareholders. CCF FIZ holds 38.27% of the company's shares (38.27% of votes), Comarch S.A. holds 17.33% of the company's shares (17.33% of votes), Comarch Software und Beratung AG holds 33.02% of the company's shares (33.02% of votes) and CASA Management and Consulting sp. z o.o. SKA holds 11.38% of shares (11.38% of votes). The company is one of the leading Polish manufacturers and suppliers of comprehensive solutions for the health sector, conducts IT projects related to telemedicine, as well as owns the Medical Centre iMed24. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Healthcare S.A. is Comarch S.A.'s subsidiary.

Company: **Comarch Polska S.A.** 
Company's address: Aleja Jana Pawła II 39 a, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 120705696
Tax identification number: 675-13-87-586


The company's share capital is PLN 500,000 and is divided into 5,000 shares of nominal value of PLN 100, entitling to 5,000 votes at the AGM. CCF FIZ holds 100% of the company's shares (100% of votes). Comarch Polska S.A. sells IT systems for public sector customers. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Polska S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Comarch Cloud S.A.** 
Company's address: Aleja Jana Pawła II 39 a, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 120792583
Tax identification number: 675-14-02-274


The company's share capital is PLN 750,000 and is divided into 7,500 shares of nominal value of PLN 100, entitling to 7,500 votes at the AGM. CCF FIZ holds 100% of the company's shares (100% of votes). Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Cloud S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Comarch Infrastruktura S.A.** 
Company's address: Aleja Jana Pawła II 39 a, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 120807830
Tax identification number: 675-14-03-084

The company's share capital is PLN 575,000 and is divided into 5,750 shares of nominal value of PLN 100, entitling to 5,750 votes. CCF FIZ holds 100% of the company's shares (100% of votes). Comarch Infrastruktura S.A. offers outsourcing of IT services. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Infrastruktura S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).


Company: **iComarch24 S.A.** 
Company's address: Aleja Jana Pawła II 39 a, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 120871348
Tax identification number: 6751410687

The company's share capital is PLN 500,000 and is divided into 5,000 shares of nominal value of PLN 100, entitling to 5,000 votes. CCF FIZ holds 100% of the company's shares (100% of votes). The company provides accounting services for domestic subsidiaries of Comarch Group as well as manufactures and sells financial and accounting software in the Cloud model for small and medium-sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, iComarch24 S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).


Company: **CASA Management and Consulting Sp. z o.o. Spółka Komandytowo-Akcyjna** 
Company's address: ul. Szarskiego 18, 30-698 Kraków
Regon (Polish National Official Register of Business Entities): 121040023

Tax identification number: 6793020643

The company's share capital is PLN 3,114,000 and is divided into 31,140 shares of nominal value of PLN 100, entitling to 31,140 votes. CCF FIZ holds 100% of the company's shares (100% of votes). CASA Management and Consulting sp. z o.o. SK-A conducts investment activity on capital market. Pursuant to the Act on Accounting dated the 29th of September, 1994, CASA Management and Consulting sp. z o.o. SKA is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Geopolis Sp. z o.o.** 
Company's address: ul. Włocławska 167, 87-100 Toruń
Regon (Polish National Official Register of Business Entities): 146720793
Tax identification number: 524-276-02-89

The company's share capital is PLN 450,000. Comarch S.A. holds 100% of Geopolis sp. z o.o. Geopolis sp. z o.o. does not conduct operating activities, in January 2021 a bankruptcy petition was filed, however - the decision of the 29th of December 2021, the District Court in Toruń, 5th Commercial Division, dismissed the petition for bankruptcy of the company. The company's management board is currently analyzing the possibility of conducting liquidation proceedings. Pursuant to the Act on Accounting dated the 29th of September, 1994, Geopolis sp. z o.o. is Comarch S.A.'s subsidiary.

Company: **Comarch Finance Connect Sp. z o. o.** 
Company's address: ul. prof. Michała Życzkowskiego 23, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 122485307
Tax identification number: 675-147-11-92

The share capital of Comarch Finance Connect Sp. z o. o. amounts to PLN 205,000 and is divided into 4,100 shares with a value of PLN 50 each, providing 4,100 votes. Comarch S.A. owns 100% of Comarch Finance Connect Sp. z o. o., which entitle to 100% of votes at the shareholders' meeting. Comarch Finance Connect Sp. z o.o. conducts proceedings to obtain an entry in the register of payment service providers and electronic money issuers. In accordance with the Accounting Act of 29th of September, 1994, Comarch Finance Connect Sp. z o.o. is a subsidiary of Comarch S.A.

Company: **Wszystko.pl Sp. z o. o.**
Company's address: ul. prof. Michała Życzkowskiego 29A, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 140287102
Tax identification number: 951-216-11-13

The share capital of the company Wszystko.pl Sp. z o.o. amounts to PLN 540,000 and is divided into 900 shares with a nominal value of PLN 600 each, providing 900 votes. Comarch S.A. owns 100% of the shares of Wszystko.pl Sp. z o.o., which entitle to 100% of votes at the shareholders' meeting. Wszystko.pl sp. z o.o. carries out IT activities. In accordance with the Accounting Act of 29th of September, 1994, wszystko.pl Sp. z o.o. is a subsidiary of Comarch S.A.


Company: **Miejski Klub Sportowy Cracovia Sportowa Spółka Akcyjna**



Company's address: ul. Kałuży 1, 30-111 Kraków
Regon (Polish National Official Register of Business Entities): 351553230
Tax identification number: 677-20-79-476

The share capital of MKS Cracovia SSA is 21,840,100 PLN and is divided into 218,401 shares. Comarch S.A. holds 144,381 shares and 144,381 votes at the AGM of MKS Cracovia SSA that constitute 66.11% of the company's share capital. The company conducts sports activities. Pursuant to the Act on Accounting dated the 29th of September, 1994, MKS Cracovia SSA is Comarch S.A.'s subsidiary

ASSOCIATES

Company: **SolInteractive S.A.**  **sointeractive**
Company's address: ul. prof. Michała Życzkowskiego 29, 31-864 Kraków
Regon (Polish National Official Register of Business Entities): 120629191
Tax identification number: 676-23-66-843

The company's share capital is PLN 791,000 and is divided into 7,910 shares of nominal value of PLN 100, entitling to 12,420 votes. CCF FIZ holds 25.28% of the company's shares, which give 16.1% of votes. Bonus Management sp. z o.o. II Activia SKA holds 17.7% of the company's shares, which give 11.27% of votes. The Company's business was to create gamification solutions B2C, B2B and B2E and mechanisms of games and the Internet of Things. The company is not currently operating. On the 11th of April, 2022, the extraordinary general meeting of SolInteractive S.A. adopted a resolution to dissolve the company and appoint a liquidator in order to liquidate the company. Pursuant to the Act on Accounting dated the 29th of September, 1994, SolInteractive S.A. is Comarch S.A.'s associate.

20.3. Changes in Ownership and Organisational Structure in the Comarch Group in 2021

- On the 21st of January, 2021, the Management Board of Geopolis sp. z o.o. filed an application to the District Court in Toruń, the 5th Commercial Division for a declaration of bankruptcy including liquidation of the debtor's assets. On the 16th of March, 2021, the District Court in Toruń, the 5th Commercial Division, after considering the case at the request of Geopolis sp. z o.o. for bankruptcy decided to secure the debtor's assets by appointing a temporary court supervisor. The District Court in Toruń, the 5th Commercial Division, by a decision of the 29th of December, 2021, dismissed the application for bankruptcy of Geopolis sp. z o.o. The Management Board of Company is currently analysing the possibility of conducting liquidation proceedings,
- On the 10th of March, 2021, was registered change name of the company Unitec sp. z o.o. on Wszystko.pl sp. z o.o. and change of the company's office to Krakow,
- On the 22th of March, 2021, was registered in Lvov a subsidiary company LLC "Comarch Software" in the share capital of PLN 14,000. Comarch S.A. owns 100% of shares and votes in LLC "Comarch Software". On the 22th of March, 2021, the share capital of LLC "Comarch Software" in the amount of PLN 14,000 was paid by Comarch S.A.,

- On the 29th of March, 2021, was adopted a resolution to increase the share capital in Comarch S.R.L by the amount of EUR 1,000,000 (i.e. PLN 4,656,000 at the rate from the 29th of March, 2021) intended to cover the loss in the amount of EUR 900,000 after it was reduced to cover the loss. On the 6th of May, 2021 Comarch S.A. made a transfer of funds. The share capital of Comarch S.R.L as a result of these operations did not change and amounted EUR 900,000 (i.e. PLN 4,190,400 at the rate from the 29th of March, 2021),
- On the 8th of April, 2021, was registered an increase in the share capital of Comarch (Thailand) Co., Ltd. The share capital was increased from THB 18,500,000 (i.e. PLN 2,257,000 at the rate from the date of registration of the share capital increase) to the amount THB 32,000,000 (i.e. PLN 3,904,000 at the rate from the date of registration of the share capital increase) and currently amounts to THB 50,500,000 (i.e. PLN 6,161,000 at the rate from the date of registration of the share capital,
- On the 7th of May, 2021, started the formal liquidation process of Comarch Software Spain S.L.U. and the company started operating under the name Comarch Software Spain S.L.U. en liquidación,
- On the 30th of July, 2021, Comarch R&D S.à r.l. was transformed into a joint-stock company Comarch R&D S.A.S. The transformation has been registered in the appropriate register,
- On the 31st of August, 2021, an increase in the share capital of Comarch New Zealand Limited was registered at the local trade register. Currently, the share capital of Comarch New Zealand Limited is NZD 550,000 (i.e. PLN 1,489,125, according to the exchange rate on the registration date) and consists of from 550,000 shares with a value of NZD 1 each,
- On the 27th of September, 2021, the Extraordinary Meeting of Shareholders Wszystko.pl sp. z o.o. adopted a resolution to increase the share capital from PLN 60,000 to PLN 540,000 by creating 800 new shares with a nominal value of PLN 600 each and a total nominal value of PLN 480,000. All newly created shares were acquired by the current partner, i.e. Comarch S.A. On the 16th of March, 2022, this increase was registered in the relevant register,
- On the 28th of October, 2021, Comarch S.A acquired 567 series C investment certificates issued by Comarch Corporate Finance Closed-End Investment Fund (CCF FIZ) for a total issue price of PLN 25,993,831.50,
- On the 2nd of November, 2021, Comarch Corporate Finance Closed-End Investment Fund (CCF FIZ) acquired 100% of shares in the company Rox Star Maritime Ltd. with headquarters on Malta for the amount EUR 6,540,000 (i.e. PLN 30 168 366 according to rate of 2nd of November, 2021,
- On the 25th of November, 2021, was concluded a contract for the sale of 100% of shares in Comarch Colombia S.A.S. by Comarch Software Spain S.L.U. en liquidación to Comarch S.A. for the amount EUR 680,289,31 (i.e. 3 176 134,73 according to rate of 25th of November, 2021. On the 1st of December, 2021, Comarch S.A. made a transfer as a transaction.

20.4. Changes in Ownership and Organisational Structure in Comarch Group after the Balance Sheet Date

- On the 5th of January, 2022, the share capital of Cabinet Conseil en Strategie Informatique SAS was increased from EUR 500,000 EUR to EUR 2,500,000 (e.g. 11,418,000 PLN, according to the exchange rate from the day of capital increase),
- On the 7th of February, 2022, Extraordinary Meeting of Shareholders of Comarch Management sp. z o.o. adopted a resolution to increase the company's share capital by PLN 100,000 through the issue of 1,000 new shares. The new shares were acquired entirely by Comarch S.A. After the registration of the above increase, the company will have a share capital of PLN 500,000, which will be divided into 5,000 shares, PLN 100 each,

- On the 8th of February, 2022, the share capital of Comarch Pty. Ltd. was increased from AUD 1,300,100 AUD to AUD 2,300,100 (e.g. PLN 6 514 343,22, according to the exchange rate from the date of Capital increase), through the issue of 1,000,000 new shares. The shares were fully acquired by Comarch S.A.
- On the 15th of March, 2022 Comarch Software Spain S.L.U. en liquidación was liquidated,
- On the 29th of March, 2022, Extraordinary Meeting of Shareholders of Wszystko.pl adopted a resolution to increase the company's share capital by PLN 990,000 through the issue of 1,650 new shares, PLN 600 each. After the registration of the above increase, the company will have a share capital of PLN 1,530,000, which will be divided into 2,550 shares, PLN 600 each. As at the date of publication of this statement, the increase has not been registered in the relevant register,
- On the 1st of April, 2022 CCF FIZ (Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty) transferred to Bonus Development sp. z o.o. II Koncept S.K.A. 1,944,436 registered shares of C series of Bonus Development sp. z o.o. S.K.A.

21. Transactions Concluded by the Issuer or its Subsidiary with Related Parties on Terms Different from Market Conditions

None present.

22. 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 2021.

23. Factors and Events of Unusual Nature that Affect the Issuer Activities and the Achieved Results, as well as Their Appraisal

23.1. Deferred Tax Assets and Deferred Tax Provisions

During the 2021, the Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2020, and worth PLN 6,208 thousand, as well as an asset due to temporary differences was recognized in the amount of PLN 6,225 thousand. An asset due to tax loss was established in the amount of PLN 784 thousand, as well as dissolution due to the same title in the amount of PLN 732 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was plus PLN 69 thousand.

During the 2021, the Group settled an asset created for the zone operations in the amount of PLN 8,384 thousand which were created as at 31st of December, 2020 and at the same time created in the amount of PLN 8,415 thousand. At the same time, in accordance with IAS 12, the Company will regularly verify the valuation of the Asset recognized for its feasibility and further recognition for subsequent periods. We would like to point out that the recognition of Assets does not affect cash flows in the parent company or in the Group (both the recognition of Assets, as well as its implementation). Therefore, this operation is purely accrual and results from the application by the Group of International Financial Reporting Standards for the preparation of the consolidated financial statements of the Comarch Group.

Total changes in asset resulted in an increase in result of PLN 100 thousand.

Due to valuation of net assets of CCF FIZ in 2021, a deferred tax provision was increased by PLN 3,520 thousand. At the same time, a deferred tax provision due to temporary differences was recognized in the amount of PLN 3,345 thousand and dissolved in the amount of PLN 3,683 thousand. The total effect of the above-mentioned operations on the net result of 2021 was minus PLN 3,182 thousand.

Total changes in the deferred income tax resulted in an increase in result of PLN 3,082 thousand.

23.2. Exchange Rate 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 31st of December, 2021, increased revenue and operating profit of Comarch Group in 2021 by PLN 8,376 thousand (while in the corresponding period of 2020 increased by PLN 12,781 thousand). Exchange rate differences on the balance sheet valuation of trade payables, related to the weakening of the PLN exchange rate against foreign currencies in 2021, decreased the result of Comarch Group by PLN 4,212 thousand (while in the corresponding period of 2020 decreased by PLN 20,616 thousand). Exchange rate differences from other activities increased the result of Comarch Group by PLN 2,046 thousand (while in the corresponding period of 2020 decreased by PLN 10,550 thousand). The valuation of financial instruments, participation units and closed transactions (mostly forward contracts and sold participation units) and provision for deferred income tax in reference to the valuation of the financial instruments decreased the Comarch Group's net result by PLN 7,596 thousand (while in the corresponding period of 2020 decreased by PLN 10,174 thousand).

The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch Group in 2021 amounted to minus PLN 1,386 thousand (minus PLN 28,559 thousand in 2020).

23.3. Creation of Write-Offs for Bad Debts

In 2021, the Group created impairment losses on trade receivables in the amount of PLN 20,690 thousand and dissolved previously created write-offs in the amount of PLN 15,763 thousand in connection with the payment of receivables. These operations were recognized in other operating costs and revenue in the profit and loss account, respectively.

24. Changes in Methods of Company Management and Its Capital Group Management

None present.

25. Description of the Main Capital Deposits or the Main Capital Investments Made within the Comarch Group in the Given Year

They were described in point 12 of the statement.

26. Data Referring to the Agreement Signed with the Entity Entitled to Audit Financial Statements

On the 27th 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 30th 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 31st 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 30th 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 31st 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 30th 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 31st of December 2021.

The Company announced details in current report no. [RB-10-2019](#) (ENG: [RB-10-2019](#)), dated the 27th of May, 2019.

The total net remuneration due on account of reviewing the above-mentioned financial statements was as follows:

No.	Type of Services	Remuneration (net value)- paid	Remuneration (net value)- due
2021			
BDO sp. z o.o. sp. k.			
1	Obligatory audit of annual financial statements for 2021	PLN 50,000.00	PLN 112,000.00
2	Review of half-year financial statement for H1 2021 and agreed additional costs related to consolidation process	PLN 70,000.00	PLN 0.00
3	Additional services related to the audit of financial statements for 2021	PLN 0.00	PLN 0,00
4	Initial audit and audit of annual financial statements of Comarch Polska S.A. companies and Comarch Healthcare S.A. for 2021	PLN 8,000.00	PLN 28,000.00
BDO Dr. Mohamed Al-Amri & Co			
1	Audit of the financial statement of Comarch Saudi Arabia Limited Liability Company for 2021	SAR 0.00	SAR 37,500.00

2020

BDO sp. z o.o. sp. k.

1	Obligatory audit of annual financial statements for 2020 and verification of the financial statements for 2020, ESEF/XBRL format	PLN 162,000.00	PLN 0.00
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 related to the audit of financial statements for 2020	PLN 0.00	PLN 0.00
4	Initial audit and audit of annual financial statements of Comarch Polska S.A. companies and Comarch Healthcare S.A. for 2020	PLN 36,000.00	PLN 0.00

BDO Dr. Mohamed Al-Amri & Co

1	Audit of the financial statement of Comarch Saudi Arabia Limited Liability Company	SAR 35,000.00	PLN 0.00
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27. Systems that Control Employees Shares Programmes

None present.

28. 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 Group in connection with legal proceedings and matters in disputes, but not legal proceedings can be found in note 3.39 consolidated financial statements.

29. Non-business activity of Comarch Group

29.1. Scope of environmental impact of Comarch Group

Comarch Group, 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, Comarch Group exerts a special 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 industry journalists and the press, universities and research workers, technical and industry organizations),

Natural environment (environmental organizations, recycling companies).

Comarch Group describes its impact in the annual report on non-financial information. In this document, the Group assesses the relevance of its management, environmental, social and employee impacts by assigning them performance indicators that have been developed in accordance with the guidelines of the Standard for Non-Financial Information (SIN) developed by the Reporting Standards Foundation and the Association of Stock Exchange Issuers. The report sheds light on the principles and strategies of the Comarch Group in the areas of social, labour, environment, respect for human rights and the fight against corruption. The report shall also include information on human resources, broken down by age, sex, form and place of employment, as well as information on suppliers and consumers and thus the processes along the supply chain.

Consolidated report on non-financial information for 2021 was published on the 29th of April, 2022 and is available at <https://www.comarch.pl/relacje-inwestorskie/raporty-okresowe/2021/> (ENG: 2021 | COMARCH SA)

Taking care of climate-related issues is one of the priorities of the Company's Management Board. When planning new investments and conducting current operations, the Management Board of Comarch S.A. takes into account climate issues, which was reflected both in office investments (low or zero-emission buildings, the use of photovoltaic installations, application of energy-saving lighting solutions), as well as in established internal rules related to the organization of workplaces and building climate awareness among employees (introduction of companywide solutions for waste segregation, promoting and supporting pro-climate initiatives and activities).

As part of the preliminary analysis of the phenomena of climate policy, the following potential risks were identified:

- risk related to the negative impact on the environment,
- risk of cooperation with contractors who do not meet the requirements of the climate policy and violate the principles of environmental protection,
- risk of incidents related to leaks in refrigeration and air conditioning equipment,
- risk of increased use of energy necessary to power refrigeration and air conditioning equipment (office buildings and CDC) in periods of excessively high temperatures.

Due to the fact that managing risk and issues related to the climate is one of the important responsibilities of the Management Board of Comarch S.A., the identified risks are monitored on an ongoing basis by the Management Board, which takes all necessary actions to minimize the occurrence of events that could have a negative impact on the climate and natural environment. Starting from 2020, risk management activities have assumed a systemic nature, reflected in the annual verification and analysis of the Company's activities in this area. Regardless of systemic analytical and verification activities, the Management Board of Comarch S.A. is

properly prepared to take all necessary preventive measures to minimize the negative impact of potential risks and events on Comarch's climate policy.

29.2. Description of the Policy in the Field of Sponsorship and Charity Activities

From the beginning of operations, Comarch has been widely involved in social activities, in activities promoting sport and a healthy lifestyle, in environmental protection, in activities to support those in need and help for animals, as well as in science, education, culture and supporting local initiatives. society. Details can be found in the report on non-financial activities and in the report on corporate social responsibility (CSR), which is available online at: <http://www.comarch.pl/o-firmie/zrownowazony-biznes/csr/> (ENG: [Corporate Social Responsibility | COMARCH SA](#))

The most important sponsoring and charity activities in particular areas undertaken by Comarch in 2021 included:

In the field of local communities

- financial support for the initiative to build the Krakow Music Centre;
- sponsorship of the Krakow edition of the Last Night of the Proms event;
- employees' involvement in the blood donation campaign on the company's campus in Krakow, thanks to which it was possible to obtain a total of 18,900 ml of blood;
- collections for homeless animals;
- Christmas collections of item for people in need;
- donation of several hundred pieces of computer equipment for those in need;
- free assistance to Comarch ERP Optima from the 1st of November, 2021 and support in the form of access to e-learning training in the field of human resources and payroll as well as in the field of accounting.

In the field of education and popularization of science

- cooperation with schools, universities and other educational institutions by sharing knowledge by Comarch employees during various types of conferences and events;
- career days in Poland, France and Belgium;
- financial and substantive support for Javeloper's organization, technology meetups or UX Poland - one of the largest conferences for designers in Europe;
- employee initiatives involving devoting time to students on dedicated courses or industry meetings and with research clubs;
- sharing knowledge by Comarch specialists by creating expert articles and original podcasts;
- strategic partnership with the AGH University of Science and Technology in Krakow in the field of postgraduate studies in "Financial Analytics and Industrial Process Controlling";
- internal knowledge exchange actions, among others meetups or series of texts in the field of cybersecurity, created by specialists from the Internal Security Department;
- popularization of knowledge about ERP systems among universities and vocational schools with economic profiles;
- the Comarch Innovation Zone has been operating since 2018, i.e. a space where the technological achievements of the Comarch Group are presented in the field of IT systems, telecommunications, the Internet of Things and artificial intelligence.

In the field of sport and a healthy lifestyle

For 25 years, Comarch has been involved in promoting sport among young people and residents of the Małopolska 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 workers to cycle to work by providing bicycle infrastructure and occasional actions related to bicycles.

Comarch also encourages employees to participate in external sports events, and the income from many of them is donated to social purposes.

Good energy of employees is the basis of a well-functioning organization. That is why, especially in 2021, Comarch launched a wellbeing program - Catch the balance - body, emotions, healthy lifestyle.

In 2021, Comarch Group employees participated in training courses organized together with PZU as part of the Safe Fleet program.

Activity and integration of on-line

In cooperation with the Central House of Technology, a modern educational centre in which Comarch is a strategic partner, an online field game for employees' families was organized.

Comarch employees took part in the Tournament CS: Go, a competition integrating fans of this legendary game, this time the event was organized internally and teams from various Comarch offices participated.

Krakow, the 29th of April, 2022

SIGNATURES OF MANAGEMENT BOARD MEMBERS

Name and surname	Position/Function	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	

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COMARCH

Report of Comarch S.A.'s Management Board Regarding the Acceptance of Corporate Governance Principles in 2021

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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 29th 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

In the period from the 1st of January, 2021, to the 30th of June, 2021, Comarch S.A., a Company listed on the Warsaw Stock Exchange, 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 13th of October 2015). The rules are available on the website <https://www.gpw.pl/archiwum> (ENG: <https://www.gpw.pl/best-practice-archives>). From the 1st of July 1, 2021, the Company, pursuant to the Resolution of the Stock Exchange Council No. 13/1834/2021 from the 29th of March, 2021, hereinafter the "DPSN 2021"). The content of the rules is available on the website https://www.gpw.pl/pub/GPW/files/PDF/dobre_praktyki/DPSN21_BROSZURA.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.

On the 30th of the July, 2021, The Management Board of Comarch S.A. pursuant to § 29 section 3 of the Regulations of the Warsaw Stock Exchange S.A. published information of the Company's compliance the principles contained in the set of "Best Practices of WSE Listed Companies 2021", which is available on the website <https://www.comarch.pl/relacje-inwestorskie/raporty-biezace/ebi-3-2021-informacja-na-temat-stanu-stosowania-przez-spolke-zasad-zawartych-w-zbiorze-dobre-praktyki-spolek-notowanych-na-gpw-2021/> (ENG: <https://www.comarch.com/investors/investor-reports/ebi-3-2021-a-statement-on-the-companys-compliance-with-the-corporate-governance-principles-contained-in-best-practice-for-gpw-listed-companies-2021/>).

According to the published information, the Company withdrew from the following principles: 2.1., 2.2., 3.3., 3.4., 3.6., 3.7.

Additionally, on the 29th of the April, 2021, the Management Board of Comarch S.A. provided an update of information of the Company's compliance the principles contained in the "Best Practices of WSE Listed Companies 2021", which is available on the website <http://www.comarch.pl/relacje-inwestorskie/lad-korporacyjny/> (ENG: <https://www.comarch.com/investors/corporate-governance/>). The reason to update the information on the application of DPSN 2021 by Comarch S.A. was the appointment of an internal auditor managing the internal audit function, therefore the principles 3.3., 3.4., 3.6., and 3.7., of DPSN 2021 began to be applied by the Company.

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

The Management Board and the Supervisory Board

Principle 2.1. *A company should have a diversity policy towards the Management Board and the Supervisory Board, adopted respectively by the Supervisory Board or the general meeting. The diversity policy defines the goals and criteria of diversity, among others in such areas as gender, field of education, specialist knowledge, age and professional experience, as well as indicates the date and method of monitoring the achievement of these goals. In terms of gender diversity, the condition for ensuring the diversity of company bodies is the participation of a minority in a given body at a level not lower than 30%.*

Company's Comment: Comarch S.A. has a policy of diversity, including for the Management Board and the Supervisory Board. The diversity policy covers the companies of the Comarch Capital Group and has been approved by the Management Board of Comarch S.A. Comarch's diversity policy does not pose any barriers due to gender, views, sexual orientation, racial or ethnic origin in terms of employment and HR policy, it does not contribute to direct or indirect discrimination due to sex, age, disability, race, religion, nationality, political beliefs, trade union membership, ethnic origin, religion or sexual orientation. Comarch's diversity policy, however, does not provide for the participation of minorities in the given data authority at a level not lower than 30%. Nevertheless, Comarch S.A. partially meets the requirement of ensuring a 30% differentiation with regard to women and men, because in the composition of the Supervisory Board of S.A. there are four women, which accounts for 67% of women. The members of the Board differ in terms of gender, age and education. They all have knowledge and skills supported by many years of professional experience. The Management Board of Comarch S.A. include only men, which is mainly related to the nature of Comarch's business and the specificity of the IT industry, where men constitute the vast majority. It should also be emphasized that the current members of the Management Board of Comarch S.A. are people associated with Comarch for many years, with extensive knowledge in the field of technological issues in the IT area and qualifications necessary for the positions held. In view of the above, it should be assumed that in the near future there will be no major changes in these governing bodies in terms of the participation of women

Principle 2.2. *The decision-makers on the appointment of members of the Management Board or the Supervisory Board of a company should ensure the versatility of these bodies by selecting persons who ensure diversity in their composition, enabling, inter alia, achieving the target minimum minority participation rate set at a level of not less than 30%, in line with the objectives set out in the adopted diversity policy referred to in principle 2.1.*

Company's Comment: Persons deciding on the selection of members of the Management Board or the Supervisory Board of the Company make every effort to ensure the versatility and diversity of these bodies. Composition of the Management Board of Comarch S.A. and the Supervisory Board of Comarch S.A. varies in particular in terms of education, age and work experience. The six-person Supervisory Board of the Company includes four women. The six-person Management Board of Comarch S.A. include only men, which is mainly related to the nature of the Company's business and the specificity of the IT industry, where men constitute the vast majority. It should also be emphasized that the current members of the Management Board Comarch S.A. are people associated with the Company for many years (they have held managerial positions for over 5 years), with extensive knowledge within the IT area and qualifications necessary for the positions held.

3. Shareholders Holding Directly or Indirectly Significant Shares in Votes at the General Shareholders Meeting as at the 29th of April, 2022

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 Board	78,527	0.97	116,127	0.77
NN OFE + DFE	846,571	10.41	846,571	5.60
MetLife OFE	841,097	10.34	841,097	5.56
Other shareholders	3,524,127	43.33	3,524,127	23.29
Total	8,133,349	100.00	15,126,949	100.00

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 2021, 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 and Partnerships Code, (uniform text: Journal of Laws of 2020, item 1526, with subsequent changes) (hereinafter: the Code of Commercial Companies and Partnerships) the General Meeting passes a resolution on amendments to the articles of association, 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 Commercial Companies and Partnerships 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 and Partnerships 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 the 28th 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 the 26th 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 31st of December, 2021:

Name and surname	Position
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

**) On the 24th of June, 2021, the Ordinary General Meeting of the Management Board adopted Resolution No. 24 on dismissal of the supervisory person. Mr. Tadeusz Włudyka, was dismissed from the function of a Member of the Supervisory Board of Comarch S.A. as of the 24th of June, 2021, at his request.*

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 and Partnerships 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 30th 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 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 include:
 - Assessing the Company's annual financial statement and the consolidated financial statement of the Comarch Group;
 - Assessing the Management Board's reports on the Company's operations and on the Comarch 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;
 - Supervising 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 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 and Partnerships 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 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. A member 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 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 2021, the Audit Committee (equivalent of the Audit Committee within the meaning of Annex I to the European Commission Recommendation of the 15th 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 2021, the Audit Committee held three 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).

The knowledge of the accounting or auditing of financial statements have Ms Joanna Krasodomska (habilitated doctor in the field of Economic Sciences, chartered accountant, academic teacher, since 2016 as an associate professor at the Faculty of Finance and Law at the Department of Financial Accounting at the University of Economics in Krakow, she conducts scientific research, teaching, supervising and reviewing master's and doctoral dissertations, organizational activities for the University and the Department) and Ms Danuta Drobniak (certified auditor no. in register 9578).

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 the 27th 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 and explaining how the audit contributed to the reliability of financial reporting in the Company, as well as the role of the Audit Committee in the audit process,
 - 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 31st of December, 2021, 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 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 S.A." available at

https://www.comarch.pl/files-pl/file_381/Polityka_wyboru_firmy_audytorskiej_27_11_2017_nowy_format.pdf.
(ENG: https://www.comarch.com/files-com/file_280/Policy_to_select_auditor_27_11_2017_new_format.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 Group operate,
 - Confirmation of operating within international network in most of the countries in which the companies of the Comarch 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 from the 1st of May, 2017, on Statutory Auditors, audit firms and public supervision (consolidated text, Journal of Laws of 2020, item 1415, of 2021, item 1598.2106) (hereinafter: 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 auditor

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. Group by the end of March of the year, which should be audited. The request should be published on the website www.comarch.pl (ENG: <https://www.comarch.com/>) and sent to the selected auditing service providers. Companies of the Comarch S.A. 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. 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 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 31st December, 2021:

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 and Partnerships Code, the Company's Articles of Association, the principles of Best Practice of WSE Listed Companies applying in the company, resolutions of the Supervisory Board, resolutions of the Annual General Shareholders' Meeting, the Rules for the Management Board dated the 26th of July, 2021, 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. In 2021, the Meetings of the Management Board were held in the building of the SSE4 company in Krakow, at ul. Prof. Michała Życzkowskiego 23 in Krakow and using means of direct remote communication.
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;
14. 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.
15. Where adopted in the manner set out in the third indent, a resolution shall require the votes by all the absolute majority of members of the Management Board, including the President of the Management Board.
16. Non-members of the Management Board may be invited to attend its meetings.
17. 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.
18. The minutes of Management Board meetings shall be kept in the Minutes Book. The Minutes Book shall be maintained by the CEO secretariat.
19. The minutes of Management Board meetings shall be drawn up immediately by CEO secretariat.
20. 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.

21. 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.
22. The Management Board of the Company, in the absence of a person responsible for internal audit 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.
23. 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 and does not take part in the examination of a case in which a conflict of interest may arise in relation to him.
24. 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.
25. 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.
26. 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 the 29th of September, 1994, (consolidated text, Journal of Laws from 2021, pos. 217, 2105, 2106) (hereinafter referred to as the "Act on Accounting") and compliant with the Regulation issued by the Minister of Finance on the 29th 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).

The audited consolidated financial statements are prepared in all significant aspects compliant with the International Financial Reporting Standards, as approved by the European Union. When specifying the scope and methods of consolidation, as well as the relations of dependency, IFRS principles were applied. Consolidation of the Capital Group's financial statement in relation to the subsidiaries was conducted using the full method by summing all the appropriate items from the dominant unit and the consolidated subsidiaries' financial statements in the full amount. In relation to the associates the equity method was applied. The value of the share of the dominant unit in the associate was adjusted in the interest of the dominant unit by the increase in the associate's equity occurring within the consolidating period..

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. The parent company maintains documents (in accordance with the Act on Accounting) 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.

All economic events are recorded using computerised accounting systems with safeguards against unauthorised access and functional restrictions on access..

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. The financial statements of some subsidiaries are also audited by entities authorized to audit financial statements.

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. Employment in foreign Comarch companies is approx. 9% of the total employment in the Comarch Group. Comarch provides employment opportunities to representatives of the local community in every location where it operates. Compliant with the Working Rules for Employees, 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 of Comarch Group companies „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 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 or sexual orientation.

The Comarch Group makes every effort to ensure balanced share of women and men in performing functions of management and supervisory boards' members in companies.

Representatives of the management bodies of the Comarch Group companies are citizens of different countries. The supervisory boards of Comarch Group companies include 7 women and 34 men. The management boards of the Comarch Group companies include mainly men (141 against 18 women), which is primarily related to the nature of the Comarch Group's operations and the specifics of the IT industry, in which men form a significant majority. It should also be emphasized that a large part of the management board members are people associated with Comarch for many years, possessing extensive knowledge in the field of IT technology and qualifications necessary for the positions held.

The Comarch Group 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. 30.7% of employees employed by the Comarch Group companies and about 26.8% of the management staff of the Comarch Group companies, which is a high proportion of women in total employment, especially taking into account the technical nature of the Comarch Group's operations.

The Comarch age structure is very diverse. Comarch employs a lot of people under 30, which is typical for the IT industry. Persons in managerial positions are usually in the 30-50 age group, which also characterizes the management boards and supervisory boards.

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, the 29th of April, 2022

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	

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 consolidated financial statement for the year 2021 and comparable data are prepared compliant with binding accounting principles and present the true, fair and clear financial standing of the issuer's capital group and its financial results. Furthermore, the annual report regarding the issuer's capital group activities truly describes the development image and achievements as well as the issuer's capital group situation including basic threats and risk.

Krakow, the 29th of April, 2022

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	

The Assessment Made by the Supervisory Board of Comarch S.A. with Justification, Regarding the Report on the Activities of the Issuer's Capital Group and the Consolidated Financial Statement for 2021 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 Comarch Group and gave its opinion on the Group's ongoing and planned activities. In particular, the Supervisory Board reviewed the quarterly, semi-annual and annual financial statements of the Comarch Group. 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 consolidated financial statements published by the Group. The Audit Committee of the Supervisory Board also held meetings with representatives of the entity authorized to audit and review the financial statements of the Comarch Group. Based on the actions taken, the Supervisory Board states that the financial statements and the report on the activities of the Comarch Group 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's Capital Group and the consolidated financial statement are consistent with the books, documents and the actual situation.

Krakow, the 27th of April, 2022

NAME AND SURNAME	POSITION	SIGNATURE
Elżbieta Filipiak	Chairwoman of the Supervisory Board	
Andrzej 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	

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.

Kraków, the 27th of April, 2022

NAME AND SURNAME	POSITION	SIGNATURE
Elżbieta Filipiak	Chairwoman of the Supervisory Board	
Andrzej 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	