

FINANCIAL SUPERVISION AUTHORITY

Consolidated Quarterly Report QSr ...1 / 2022

quarter / year

(pursuant to §60 sec.2 and §62 sec.1 of the Regulation regarding current and periodical information)
for issuers of securities managing production, construction, trade or services activities

for ...1. quarter of financial year ...2022 from 2022-01-01 to 2022-03-31
including consolidated financial statement according to International Financial Reporting Standards (IFRS)
in currency PLN
and summary of financial statement according to Act on Accounting
in currency PLN
date of publication 2022-05-20

COMARCH SA	
(full name of an issuer)	
COMARCH	Information Technology (IT)
(abbreviated name of issuer)	(sector according to WSE classification)
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SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	Q1 2022	Q1 2021	Q1 2022	Q1 2021
DATA RELATED TO THE CONSOLIDATED FINANCIAL STATEMENT				
I. Revenues from sales	416,344	383,979	89,590	83,983
II. Operating profit (loss)	42,816	46,228	9,213	10,111
III. Profit before income tax	43,356	39,468	9,329	8,632
IV. Net profit attributable to shareholders of parent company	32,439	26,078	6,980	5,704
V. Net cash flows from operating activities	110,713	112,518	23,824	24,610
VI. Net cash flows from investing activities	6,569	-111,751	1,414	-24,442
VII. Net cash flows from financing activities	-20,833	7,251	-4,483	1,586
VIII. Change in net cash flows	96,449	8,018	20,754	1,754
IX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349
X. Earnings (losses) per single share (PLN/EURO)	3.99	3.21	0.86	0.70
XI. Diluted earnings (losses) per single share (PLN/EURO)	3.99	3.21	0.86	0.70
DATA RELATED TO THE FINANCIAL STATEMENT				
XII. Net revenues from sales of products, goods and materials	271,038	256,796	58,323	56,166
XIII. Profit (loss) on operating activities	13,912	28,310	2,994	6,192
XIV. Gross profit (loss)	14,945	28,699	3,216	6,277
XV. Net profit (loss)	9,362	24,487	2,015	5,356
XVI. Net cash flows from operating activities	78,959	97,151	16,991	21,249
XVII. Net cash flows from investing activities	916	-133,761	197	-29,256
XVIII. Net cash flows from financing activities	-8,599	14,977	-1,850	3,276
XIX. Total net cash flow	71,276	-21,633	15,337	-4,732
XX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349

XXI. Earnings (losses) per single share (PLN/EURO)	7.74	10.26	1.67	2.24
XXII. Diluted earnings (losses) per single share (PLN/EURO)	7.74	10.26	1.67	2.24
EQUITIES	31.03.2022	31.12.2021	31.03.2022	31.12.2021
XXIII. Equity attributable to shareholders (consolidated)	1,221,973	1,185,912	262,649	257,841
XXIV. Equity (parent company)	1,021,827	1,018,093	219,630	221,353

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**

01.01.2022 to 31.03.2022: 4.6472;

- **arithmetical average of NBP average exchange rates as of the end of each month for the period**

01.01.2021 to 31.03.2021: 4.5721;

The balance sheet items were presented based on NBP average exchange rates as of the end of the period:

- 31.03.2022: 4.6525

- 31.12.2021: 4.5994

Equity value (items XXIV and XXV) is presented at the end of 3 months of this year and at the end of the previous financial year.

When presenting selected financial data from the quarterly financial statement, it should be properly described.

Selected financial data from the consolidated balance sheet (consolidated statement regarding the financial situation) or from the balance sheet respectively (statement regarding the financial situation) is presented as of the end of the current quarter and as of the end of the previous year, and this should be properly described.

This report should be presented to the Financial Supervision Authority, the Warsaw Stock Exchange and press agency pursuant to the law.

REPORT INCLUDES:

File	Description
QSr 1 2022 jednostkowy.pdf	QSr 1 2022 Comarch SA
QSr 1 2022 skonsolidowany.pdf	QSr 1 2022 consolidated

SIGNATURES

Date	Name and surname	Position	Signature
2022-05-20	Konrad Tarański	Vice-President of the Management Board	
2022-05-20	Iwona Kasprzyk	Proxy	

COMARCH



Comarch Group Consolidated Financial Statement for the period 01.01.2022-31.03.2022

Krakow, the 20th of May, 2022

Statement in accordance with the International
Financial Reporting Standards

Table of Content

I. Consolidated Balance Sheet	5
II. Consolidated Income Statement.....	7
III. Total Income Consolidated Statement.....	7
IV. Consolidated Statement of Changes in Shareholders' Equity.....	8
V. Consolidated Cash Flow Statement	8
VI. Supplementary information	10
1. Information about Comarch Group Structure and Activities	10
1.1. Organizational Structure of Comarch Group.....	11
1.2. Activities Structure in the Comarch Group.....	12
1.3. Changes in Ownership and Organisational Structure in Q1 2022.....	13
1.4. Changes in Ownership and Organisational Structure after the Balance Sheet Date	13
2. Description of the Applied Accounting Principles.....	14
3. Notes to the Consolidated Financial Statement.....	20
3.1. Reporting by Segments for 3 Months 2022	20
3.2. Property, Plant and Equipment	25
3.3. Asset due to the Right of Use.....	25
3.4. Investment Real Estate.....	26
3.5. Goodwill.....	27
3.6. Others Intangible Assets	27
3.7. Financial Assets Available for Sale.....	28
3.8. Derivative Financial Instruments	28
3.9. Deferred Income Tax	30
3.10. Inventories.....	32
3.11. Trade and Other Receivables	32
3.12. Long-term Contracts.....	33
3.13. Share Capital.....	34
3.14. Credits and Loans.....	35
3.15. Liabilities due to Lease.....	40
3.16. Other Financial Liabilities	41
3.17. Provisions for other liabilities and charges.....	41
3.18. Trade and Other Payables	42
3.19. Contingent Liabilities	42
3.20. Information about Liability in Relation to Purchase of Property, Plant and Equipment	43
3.21. Managerial Option Program for Members of the Management Board and Other Key Employees	43
3.22. Related-Party Transactions.....	43
3.23. Earnings per Share.....	45
4. Additional notes	46
4.1. Information about Shareholders Holding at Least 5% of the Total Number of Votes at Comarch S.A. General Meeting and Shares Held by Members of the Management Board and the Board of Supervisors	46
4.2. Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results.....	47
4.3. Other Events in the First Quarter of 2022	48

4.4. Events after the Balance Sheet Date not Included in the Report	49
4.5. Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the given Year Published Before	50
4.6. Significant Legal, Arbitration or Administrative Proceedings	50
4.7. Information about Transactions with Related Parties on Terms Different from Market Condition	50
4.8. Information about Suretyships, as well as Guarantees Provided by the Issuer and Its Subsidiaries.....	50
4.9. Other Information Significant for the Assessment of Means and Employees, Financial Rating, Financial Results and Their Changes and Information Significant for the Assessment of the Possibility of the Execution of Obligations by the Issuer	54
5. Significant Achievements and Failures as well as Factors and Events with Considerable Impact on the Financial Results of the Comarch Group in the First Quarter of 2022 and Factors Which Will Substantially Impact Results Over the Course of at least the Next Quarter	56
5.1. Revenue and Financial Results	56
5.2. Sales structure	58
5.3. Comarch S.A. Stock Price Performance.....	61
5.4. Events in the First Quarter of 2022 that Greatly Impacted the Current Activities of the Comarch Group.....	62
5.5. Events after the Balance Sheet Date that Greatly Impacted the Current Activities of the Comarch Group	62



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



PLN 416 million
of sales revenue



PLN 32 million
Net profit attributable to the parent Company's
shareholders



> PLN 1.5 billion
Capitalization of Comarch SA on WSE
(the 31st of March, 2022)



10.3%
Operating profit



6,700+
professionals employed

Comarch Group Consolidated Financial Statement for 3 months 2022

I. Consolidated Balance Sheet

ASSETS	Note	At 31 March 2022	At 31 December 2021
I. NON-CURRENT ASSETS		905,171	886,885
Property, plant and equipment	3.2	624,428	611,324
Right-of-use assets	3.3	82,496	86,501
Investment in real estates	3.4	38,473	38,198
Goodwill	3.5	45,774	45,774
Other intangible assets	3.6	63,969	59,988
Non-current prepayments		1,290	1,026
Other assets at fair value	3.8a	4,125	305
Other investments		210	210
Deferred income tax assets	3.9	36,389	35,964
Other receivables		8,017	7,595
II. CURRENT ASSETS		1,251,977	1,223,363
Inventories	3.10	110,543	91,877
Trade and other receivables	3.11	406,580	472,822
Current income tax receivables		5,646	2,241
Long-term contracts receivables	3.12	159,143	144,041
Available-for-sale financial assets	3.7	28,513	74,184
Other financial assets at fair value – derivative financial instruments	3.8a	614	413
Cash and cash equivalents		540,938	437,785
III. ASSETS HELD FOR SALE		3,927	-
TOTAL ASSETS		2,161,075	2,110,248

EQUITY AND LIABILITIES	Note	At 31 March 2022	At 31 December 2021
I. EQUITY		1,232,115	1,197,362
Capital and reserves attributable to the company's equity holders		1,221,973	1,185,912
Share capital	3.13	8,133	8,133
Reserve capital from sales of shares above the nominal value		84 446	84,446
Other capitals		58,595	58,595
Exchange differences		41,860	38,238
Retained earnings and net profit for the current period		1,028,939	996,500
Equities attributable to non-controlling interests		10,142	11,450
II. LIABILITIES		928,960	912,886
Non-current liabilities		230,646	244,006
Credit and loans	3.14	94,788	104,564
Other financial liabilities	3.16	5,505	5,450
Other liabilities		492	550
Liabilities due to lease	3.15	67,137	71,415
Financial liabilities at fair value – derivative financial instruments	3.8b	9,894	9,662
Provision for deferred income tax	3.9	49,798	49,960
Provisions for other liabilities and charges	3.17	3,032	2,405
Current liabilities		698,314	668,880
Trade and other payables	3.18	264,643	245,756
Current income tax liabilities		28,202	33,368
Long-term contracts liabilities	3.12	141,686	141,902
Credit and loans	3.14	38,571	40,443
Liabilities due to lease	3.15	20,484	21,023
Financial liabilities at fair value – derivative financial instruments	3.8b	7,816	4,906
Other financial liabilities	3.16	-	-
Provisions for other liabilities and charges	3.17	196,912	181,482
TOTAL EQUITY AND LIABILITIES		2,161,075	2,110,248

II. Consolidated Income Statement

	Note	3 months 2022	3 months 2021
Revenue		416,344	383,979
Costs of products, services, goods and materials sold		(300,598)	(273,851)
Gross profit		115,746	110,128
Other operating income		5,414	3,750
Sales and marketing costs		(37,090)	(31,242)
Administrative expenses		(31,793)	(29,525)
Other operating expenses		(9,461)	(6,883)
Operating profit		42,816	46,228
Finance revenue / (costs) - net		540	(6,760)
Share of profit / (loss) of associates		-	-
Profit before income tax		43,356	39,468
Income tax expense		(12,225)	(15,255)
Net profit for the period		31,131	24,213
Net profit attributable to Shareholders of the parent company		32,439	26,078
Net profit / (loss) attributable to interests not entitled to control		(1,308)	(1,865)
Earnings per share for profit attributable to the shareholders of the parent company during the period (expressed in PLN per share)			
- basic	3.23	3.99	3.21
- diluted	3.23	3.99	3.21

III. Total Income Consolidated Statement

	3 months 2022	3 months 2021
Net profit for the period	31,131	24,213
Other total income		
Exchange differences from recalculation of subsidiaries	3,622	3,575
Total other total income	3,622	3,575
Sum of total income for the period	34,753	27,788
Attributable to the parent company shareholders	36,061	29,654
Attributable to the interests not entitled to control	(1,308)	(1,866)

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	Reserve capital from sales of shares above the nominal value	Other capitals	Exchange differences	Profit/(loss) from the previous years and net profit for the current period		
Balance at 1 January 2021	8,133	84,446	58,595	29,653	899,212	18,508	1,098,547
Dividend paid	-	-	-	-	-	-	-
<i>Currency translation differences (1)</i>	-	-	-	3,576	-	(1)	3,575
<i>Profit for the period (2)</i>	-	-	-	-	26,078	(1,865)	24,213
Total income recognised in equity (1+2)	-	-	-	3,576	26,078	(1,866)	27,788
Balance at 31 March 2021	8,133	84,446	58,595	33,229	925,290	16,642	1,126,335
Balance at 1 January 2022	8,133	84,446	58,595	38,238	996,500	11,450	1,197,362
Dividend paid	-	-	-	-	-	-	-
<i>Currency translation differences (1)</i>	-	-	-	3,622	-	-	3,622
<i>Profit for the period (2)</i>	-	-	-	-	32,439	(1,308)	31,131
Total income recognised in equity (1+2)	-	-	-	3,622	32,439	(1,308)	34,753
Balance at 31 March 2022	8,133	84,446	58,595	41,860	1,028,939	10,142	1,232,115

V. Consolidated Cash Flow Statement

	3 months 2022	3 months 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	31,131	24,213
Depreciation	101,258	103,888
Profit (loss) from foreign exchange differences	22,876	21,126
Interest and profit sharing (dividends)	5,659	1,024
Profit (loss) on investing activities	(63)	1,029
Change in inventories	(366)	(2,146)
Change in receivables	(18,489)	(3,684)
Change in liabilities and provisions excluding credits and loans	21,451	33,286
Other adjustments	70,190	53,253

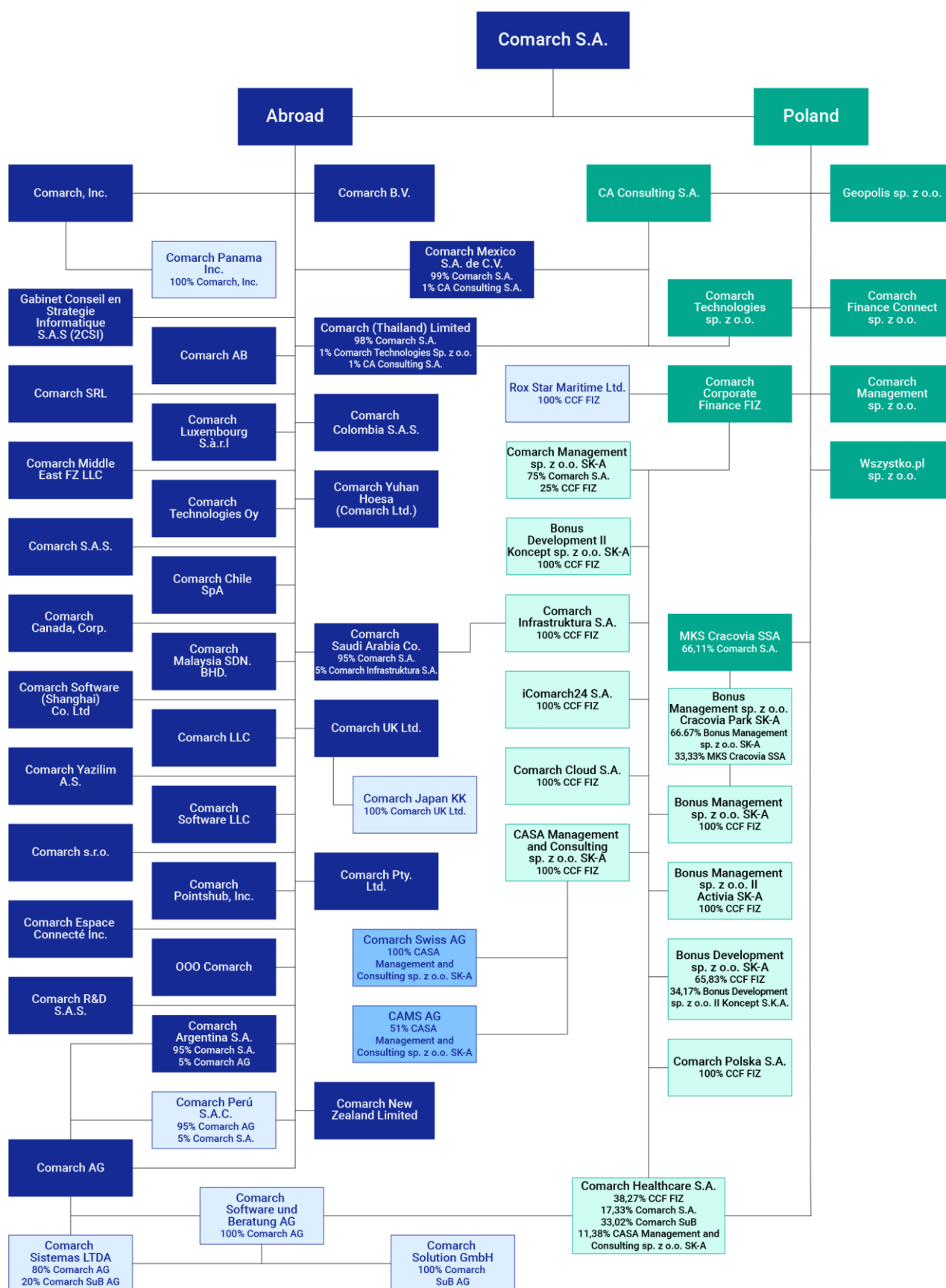
Net profit less total adjustments	-	-
Income tax paid	132,389	128,101
Depreciation	(21,676)	(15,583)
Net cash generated (used) in operating activities	110,713	112,518
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(29,012)	(11,449)
Proceeds from sale of property, plant and equipment	531	141
Purchases of intangible assets	(8,457)	(717)
Proceeds from disposal of investment in intangible assets	448	457
Expenses for purchase of financial assets	-	(100,000)
Expenses for investment in real estates	(4)	-
Repayment of granted loans	-	-
Interest on granted loans	29	2
Proceeds from financial instruments	-	-
Expenses for financial instruments	(1,758)	(185)
Proceeds from financial assets	44,792	-
Other investment expenses	-	-
Net cash generated (used) in investing activities	6,569	(111,751)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from credits and loans	-	24,879
Repayments of credits and loans	(13,563)	(11,083)
Interest on credit	(487)	(555)
Interest on received loans	(15)	-
Proceeds from repaid loans	-	-
Proceeds from interest on loans	-	-
Other financial liabilities (loans granted)	-	-
Dividends and other payments to owner's distribution	-	-
Payment of liabilities under finance lease agreements	(6,920)	(6,115)
Other financial proceeds	152	149
Other financial expenses	-	(24)
Net cash generated (used) in financing activities	(20,833)	7,251
Net change in cash, cash equivalents and bank overdrafts	96,449	8,018
Cash, cash equivalents and bank overdrafts at beginning of the period	437,782	448,021
Positive (negative) exchange differences in cash and bank overdrafts	6,460	5,542
Cash, cash equivalents and bank overdrafts at end of the period	540,691	461,581
including limited disposal	2,464	2,370

VI. Supplementary information

1. Information about Comarch 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 the 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 the Comarch 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.

1.1. Organizational Structure of Comarch Group



100% Comarch S.A., unless otherwise indicated

On the 31st of March, 2022, 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 general meeting of SolInteractive S.A. adopted a resolution to dissolve the company and appoint a liquidator to liquidate the company.

The associated company is not consolidated and its shares, valued with equity method, are zero as at 31st of March, 2022.

1.2. Activities Structure in the Comarch Group

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.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 have been dealing with the sale and implementation of Comarch products in Russia and support for IT systems delivered to clients,
- Comarch Polska S.A. acquires IT contracts in domestic markets mainly in the public sector 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. conduct 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,
- 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, 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 development and investment activity in the 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 tourist services,
- 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 preparations for the launch of an e-commerce portal under the name Wszystko.pl,
- Geopolis sp. z o.o. – is currently not operating, in January 2021, a bankruptcy petition was 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.

1.3. Changes in Ownership and Organisational Structure in Q1 2022

- 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.

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

- 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 unaudited Condensed Interim Consolidated Financial Statement of Comarch Group for the 3 months ended the 31st of March, 2022, and comparable data (the "Interim Consolidated Financial Statement") are prepared in accordance with International Accounting Standard ("IAS") 34 and with all accounting standards applicable to interim financial reporting adopted by the European Union, issued and effective as at the date of preparing the Condensed Interim Consolidated Financial Statement.

This Interim Consolidated Financial Statement for the 3 months ended the 31st of March, 2022 does not include all information and disclosures that are obligatory in annual financial statements, therefore should be read in conjunction with the audited Comarch Group IFRS Consolidated Financial Statement for the year ended the 31st of December, 2021 ("the IFRS Consolidated Financial Statement").

The scope of the accounting principles and calculation methods applied in the Interim Consolidated Financial Statement for the 3 months ended the 31st of March, 2022, does not differ from the accounting principles described in the audited Comarch Group IFRS Consolidated Financial Statement for the year ended the 31st of December, 2021 (notes 2 and 3 of the Consolidated Financial Statement of the Comarch Group for the year ended the 31st of December, 2021).

The Interim Consolidated Financial Statement for the 3 months ended the 31st of March, 2022, includes the consolidated balance sheet, consolidated income statement, total income consolidated statement, consolidated statement of changes in shareholders' equity, consolidated cash flow statement and selected explanatory notes.

In the Interim Financial Statements, costs that arise unevenly in the financial year are included or deferred only if the above costs should be included or deferred at the end of the financial year.

This Interim Consolidated Financial Statement for the 3 months ended the 31st of March, 2022, is prepared in thousands of Polish zloty ("PLN") and was authorized for issuance by the Management Board on the 20th of May, 2022.

Interpretations to standards applied in 2019 for the first time and continued in next years

- **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, or later.

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.

The Comarch Group analyses all concluded contracts in terms of meeting the criteria for considering them as leasing contracts according to IFRS 16. The Comarch Group to among the leasing contracts subject to IFRS 16 includes lease agreements for buildings and office space, the right of perpetual usufruct of land, leasing of means of transport and leasing of computer equipment.

For contracts concluded for a definite period, the Comarch 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 street 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 1,852 thousand. Contracts of lease for an indefinite period with a notice period longer than 12 months the Comarch Group has not identified.

In accordance with the IFRS 16 Leasing standard, the Comarch 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 Comarch 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 Comarch 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 Comarch Group's financial statements, including those that are covenants in loan agreements concluded by the Comarch Group. The Comarch 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 Comarch Group informs that it does not see any risk of exceeding the admissible values of covenants resulting from loan agreements concluded by the Comarch 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, the 31st of March, 2022, the value of the right to use assets in the Comarch Group amounted to PLN 82,496 thousand and the value of lease liabilities PLN 87,621 thousand. The value of depreciation from the asset due to the right of use in the first quarter of 2022 amounted to PLN 5,299 thousand. The value of interest on leasing liabilities the first quarter of 2022 amounted to PLN 1,352 thousand.

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

	At 31 March 2022 – published data	At 31 March 2022 – without IFRS 16
IMPACT ON THE BALANCE SHEET		
Total assets	2,161,075	2,078,579
Fixed assets	905,171	822,675
Including: Asset due to the right of use	82,496	-
Total liabilities	2,161,075	2,078,579
Total liabilities, including:	928,960	841,339
Long-term liabilities	230,646	163,509
Current liabilities	698,314	677,830
Including: Lease liabilities, including:	87,621	-
Long-term liabilities	67,137	-
Current liabilities	20,484	-
Equity attributable to the Company's shareholders	1,221,973	1,227,099
IMPACT ON THE PROFIT AND LOSS ACCOUNT		
Depreciation	22,876	17,577
Including depreciation of the right to use	5,299	-
Net profit	31,131	30,319
Net profit attributable to the company's shareholders	32,439	31,627
IMPACT ON THE CASH FLOW		
Total cash flow	96,449	96,449
Net cash flow from operating activities	110,713	103,793
Net cash flow from investing activities	6,569	6,569
Net cash flow from financing activities	(20,833)	(13,913)

Depreciation of assets under the right of use	3 months 2022	3 months 2021
Leasing of means of transport and computer equipment	201	277
Rent	5,000	5,055
Perpetual usufruct	98	98
Depreciation of assets under the right of use	5,299	5,430

The Comarch Group uses two simplifications regarding classifying the contract as a lease agreement by IFRS 16. The Comarch Group excluded from the valuation by IFRS 16 short-term contracts and agreements on low-value assets, i.e. with an initial value not exceeding USD 5,000. 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 the period of 3 months of 2022 amounted to approx. PLN 148 thousand.

Standards and interpretations that have already been published and approved by the EU and entered into force on the 1st of January, 2022, or later

- **Amendments to IFRS 3, IFRS 16, IFRS 37 and annual amendments to IFRS 2018-2020** published on the 14th of May, 2020. They are applied to the annual periods started on the 1st of January, 2022, or later.

These changes did not have a significant impact on the Comarch Group's statements for the 3 months 2022.

The new standards and amendments to the current standards issued by the International Accounting Standards Board (IASB) or by the International Financial Reporting Interpretations Committee, that have not entered into force at the balance sheet date (not yet approved for use in the EU)

- **IFRS 17 Insurance contracts**, published on the 18th of May, 2017, together with changes of the 25th of June, 2020. It is effective for periods beginning on or after 1st of January, 2023.
- **Amendment to IAS 1 Presentation of financial statements: Classification of liabilities as short- and long-term**, published on the 23rd of January, 2020 and the date of entering into force was modified. It is effective for annual periods beginning on or after the 1st of January, 2023.
- **Amendment to IAS 1 Disclosure of Accounting Policies and IAS 8 - Definition of Accounting Estimates** published on the 12th and they are effective for annual period beginning on or after the 1st of January, 2023.
- **Amendment to IAS 12 Leasing - Income Taxes: deferred tax applies to assets and liabilities arising from a single transaction** published on the 7th of May 2021, and they are effective for annual periods beginning on or after the 1st of April, 2023.
- **Amendment to IFRS 17 Insurance contracts: first use of IFRS 17 and IFRS 9 – comparative information** published on the 9th of December 2021, and it is effective for annual periods beginning on or after the 1st of April, 2023.

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 consolidated financial statement of the Comarch Group for the 3 months 2022 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.à r.l.	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%, a company was liquidated on the 15 th of March, 2022.
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	100% by held CCF FIZ
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
Comarch Healthcare S.A.	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 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%

3. Notes to the Consolidated Financial Statement

3.1. Reporting by Segments for 3 Months 2022

In the Comarch Group, 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, including production of software for medicine sector, 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 "Medicine 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.

Due to the geographical business division, the Comarch Group defines the following market segments: Poland, DACH region (Germany, Austria, and Switzerland) and other countries. The Sport Segment, Medicine Segment and Investment Segment 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, it is pointless to define separate results for export and domestic activities.

The Comarch Group's sales is highly diversified and there is no dependency on a single customer. Within 3 months of 2022 the share of none of the customer exceeded 10% of total sales of the 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 Comarch Group expects the distribution of sales revenue similar to that of 2021.

3 months ended 31 March 2020	Polish market	IT Segment DACH market	Other markets	Investment Segment	Sport Segment	Medicine Segment	Eliminations	Total
Revenue per segment- sales to external clients, including:	212,682	63,730	92,693	1,774	5,172	4,918	-	380,969
Revenue from sales::	218,534	62,669	92,228	673	5,006	4,869	-	383,979
to customers in Telecommunication, Media, IT sector	49,129	11,564	30,939	-	-	-	-	91,632
to customers in Finance and Banking sector	41,981	5,394	10,372	-	-	-	-	57,747
to customers in Trade and services sector	14,761	9,010	39,594	-	-	-	-	63,365
to customers in Industry&Utilities	23,564	9,750	9,739	-	-	-	-	43,053
to customers in Public sector	28,725	-	1	-	-	-	-	28,726
to customers in small and medium enterprises sector	54,210	26,951	-	-	-	-	-	81,161
to customers in Medicine sector	5,952	-	1,382	-	-	4,869	-	12,203
to other customers	212	-	201	673	5,006	-	-	6,092
Other operating revenue	1,834	537	732	-	445	202	-	3,750
Finance revenue	(7,686)	524	(267)	1,101	(279)	(153)	-	(6,760)
Revenue per segment - sales to other segments	109,716	6,894	7,550	2,122	1,859	-	(128,141)	-
Revenue per segment - total *	322,398	70,624	100,243	3,896	7,031	4,918	(128,141)	380,969
Costs per segment relating to sales to external clients	175,681	60,187	89,681	615	10,951	4,386	-	341,501
Costs per segment relating to sales to other segments	109,716	6,894	7,550	2,122	1,859	-	(128,141)	-
Costs per segment - total *	285,397	67,081	97,231	2,737	12,810	4,386	(128,141)	341,501
Current taxes	(6,408)	(2,166)	(4,278)	(163)	-	-	-	(13,015)
Assets for the tax due to investment allowances and other tax relief	(4,168)	479	1,135	(69)	383	-	-	(2,240)
Net result, including:	26,425	1,856	(131)	927	(5,396)	532	-	24,213
Result attributable to shareholders of the parent company	26,425	1,856	(131)	928	(3,532)	532	-	26,078
Result attributable to interests not entitled to control	-	-	-	(1)	(1,864)	-	-	(1,865)

*) 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 March, 2021, as well as investment expenditures and depreciation in during 3 months of 2021:

31 March 2021 / 3 months ended 31 March 2021

	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH region	Other countries				
Assets	1,078,887	320,400	426,084	145,351	105,879	10,856	2,087,457
Liabilities	445,620	139,734	307,164	34,017	33,938	649	961,122
Investment expenditures	107,180	1,022	2,347	138	1,511	153	112,351
Depreciation	13,828	1,341	3,065	896	1,825	171	21,126

3 months ended 31 March 2021	Poland	IT Segment DACH region	Other countries	Investment Segment	Sport Segment	Medicine Segment	Eliminations	Total
Revenue per segment- sales to external clients, including:	194,643	68,013	145,432	43	5,583	8,584	-	422,298
Revenue from sales:	215,447	67,346	119,082	863	5,103	8,503	-	416,344
to customers in Telecommunication, Media, IT sector	39,435	11,380	55,040	-	-	-	-	105,855
to customers in Finance and Banking sector	36,020	7,129	9,200	-	-	-	-	52,349
to customers in Trade and services sector	14,775	4,165	37,713	-	-	-	-	56,653
to customers in Industry&Utilities	22,698	14,832	14,940	-	-	-	-	52,470
to customers in Public sector	29,248	-	1	-	-	-	-	29,249
to customers in small and medium enterprises sector	68,113	29,833	-	-	-	-	-	97,946
to customers in Medicine sector	4,982	-	2,072	-	-	8,503	-	15,557
to other customers	176	7	116	863	5,103	0	-	6,265
Other operating revenue	(7,023)	287	11,367	70	629	84	-	5,414
Finance revenue	(13,781)	380	14,983	(890)	(149)	(3)	-	540
Revenue per segment - sales to other segments	127,886	6,918	11,252	2,245	2,058	-	(150,359)	-
Revenue per segment - total*	322,529	74,931	156,684	2,288	7,641	8,584	(150,359)	422,298
Costs per segment relating to sales to external clients	182,664	66,904	110,061	761	12,415	6,137	-	378,942
Costs per segment relating to sales to other segments	127,886	6,919	11,252	2,244	2,058	-	(150,359)	-
Costs per segment - total*	310,550	73,823	121,313	3,005	14,473	6,137	(150,359)	378,942
Current taxes	(7,296)	(2,381)	(2,960)	(175)	-	-	-	(12,812)
Assets for the tax due to investment allowances and other tax relief	(2,160)	483	(963)	2	3,225	-	-	587
Net result, including:	2,523	(790)	31,448	(890)	(3,607)	2,447	-	31,131
Result attributable to shareholders of the parent company	2,523	(790)	31,448	(889)	(2,300)	2,447	-	32,439
Result attributable to interests not entitled to control	-	-	-	(1)	(1,307)	-	-	(1,308)

*) 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 March, 2022, as well as investment expenditures and depreciation in during 3 months of 2022:

31 March 2021 / 3 months ended 31 March 2021

	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH region	Other countries				
Assets	1,075,600	311,593	507,908	141,452	114,041	10,481	2,161,075
Liabilities	404,116	132,467	322,608	33,819	34,973	977	928,960
Investment expenditures	24,177	1,610	9,384	786	3,202	72	39,231
Depreciation	13,913	2,694	3,400	917	1,682	270	22,876

The following table presents the allocation of revenue from sales, assets and total investment expenditures into geographical segments.

Revenue from basic sales - activities location

	3 months 2022	%	3 months 2021	%
Poland	229,916	55.2	229,082	59.7
DACH region	67,346	16.2	62,669	16.3
Other countries	119,082	28.6	92,228	24.0
Total	416,344	100.0	383,979	100.0

Assets – activities location

	At 31 March 2022	%	At 31 December 2021	%
Poland	1,341,570	62.1	1,319,727	62.5
DACH region	311,593	14.4	269,383	12.8
Other countries	507,912	23.5	521,138	24.7
Total	2,161,075	100.0	2,110,248	100.0

Investment expenditures – activities location

	3 months 2022	%	12 months 2021	%	3 months 2021	%
Poland	28,237	72.0	214,919	87.4	108,982	97.0
DACH region	1,610	4.1	2,654	1.1	1,022	0.9
Other countries	9,384	23.9	28,188	11.5	2,347	2.1
Total	39,231	100.0	245,761	100.0	112,351	100.0

3.2. Property, Plant and Equipment

	At 31 March 2022	At 31 December 2021
Lands and buildings	410,469	416,375
Means of transport and machinery	150,717	150,744
Property, plant and equipment under construction	52,785	33,117
Others	10,425	10,882
Advance money for property, plant and equipment under construction	32	206
Total	624,428	611,324

Property, plant and equipment comprise mostly real estates and machinery owned by Comarch Group. As at the 31st of March, 2022, 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 owns also lands in the Special Economic Zone in Krakow at approx. 2.01 ha of the total area. Property, plant and equipment also include the MKS Cracovia SSA Training and Research Centre with total investment of PLN 42,586 thousand. As at the 31st of March, 2022, 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 5,994 thousand) and expenditures related to construction of Data Centre Comarch Inc. in the USA in the amount of PLN 34,106 thousand.

3.3. Asset due to the Right of Use

	At 31 March 2022	At 31 December 2021
Leasing of means of transport and IT equipment	1,188	1,245
Rent	54,779	58,629
Perpetual usufruct	26,529	26,627
Total	82,496	86,501

Value of depreciation of the asset due to the right of use in the first quarter of 2022 amounted to PLN 5,299 thousand.

Changes in the right of use asset

	3 months 2022	3 months 2021
Balance at the beginning of the period	86,501	88,222
Increases	1,329	5,123
- new contracts and modifications to existing contracts	1,329	4,668
- exchange rates difference	-	455
Reduction	5,334	5,430
- depreciation	5,299	5,430
- exchange rates difference	35	-
Balance at the end of the period	82,496	87,915

3.4. Investment Real Estate

	At 31 March 2022	At 31 December 2021
Lands	8,119	7,431
Buildings	30,354	30,767,
Total	38,473	38,198

Investment real estate relates to developed lands used for lease to entities outside the Comarch Group and lands located in Kraków and in Zabierzów purchased in order to construct buildings dedicated for lease to the entities outside the Comarch Group. As at the 31st of March, 2022, investment real estate comprises two office buildings, placed in Krakow at 8,629 square metres of the total space, 4 residential buildings at 1,057 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:

	3 months 2022	3 months 2021
Revenue	1,570	1,326
Costs	1,538	1,335

3.5. Goodwill

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

	At 31 March 2022	At 31 December 2021
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.	5,039	5,039
Total	45,774	45,774

A test for loss in value was run as at the 31st of December, 2021 and did not show any loss in value regarding goodwill. The methodology used to run the test will be described in details in the annual financial statements for 2021.

3.6. Others Intangible Assets

	At 31 March 2022	At 31 December 2021
Costs of finished development works	-	-
Perpetual usufruct right	37,349	37,373
Licences and software	17,292	15,652
Other	9,328	6,963
Advance money for intangible assets	-	-
Total	63,969	59,988

Other intangibles include valuation of assets, classified as intangible assets, related to the right to use MKS Cracovia SSA players' cards in the amount of PLN 9,328 thousand.

The perpetual usufruct right for land related to MKS Cracovia SSA that is worth PLN 31,650 thousand is considered the 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 any major costs when renewal of perpetual usufruct right, having in mind current activities of the co-owner of the sports club, i.e. Krakow commune.

3.7. Financial Assets Available for Sale

	At 31 March 2022	At 31 December 2021
Financial assets available for sale	28,513	74,184
Total	28,513	74,184

On the 31st of March, 2022, 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 March, 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 according to their valuation as at the balance sheet date was PLN 28,513 thousand.

After the balance sheet date

Comarch S.A. in the period from 1st of April, 2022 to 20st of May, 2022, sold participation units in investment funds for the total amount of PLN 20,107 thousand. At the 20th of May, 2022 Comarch S.A. does not have any participation units in investment funds.

3.8. Derivative Financial Instruments

a) Assets

	At 31 March 2022	At 31 December 2021
Forward foreign exchange contracts – held-for-trading	3,929	718
Transaction on change of IRS	810	-
	4,739	718
<i>Current portion</i>	<i>614</i>	<i>413</i>
<i>Non-current portion</i>	<i>4,125</i>	<i>305</i>

b) Liabilities

	At 31 March 2022	At 31 December 2021
Forward foreign exchange contracts – held-for-trading	17,621	13,064
Transaction on change of IRS	89	1,504
	17,710	14,568
<i>Current portion</i>	<i>7,816</i>	<i>4,906</i>
<i>Non-current portion</i>	<i>9,894</i>	<i>9,662</i>

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 March, 2022, 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 March, 2022, amounted to EUR 73,100 thousand, USD 31,100 thousand, NZD 6,000 thousand, GBP 1,600 thousand and JPY 105,000 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 March, 2022, valuation of the IRS transaction amounted to minus PLN 58 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 March, 2022, valuation of the IRS transaction amounted to minus PLN 31 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 March, 2022, valuation of the IRS transaction amounted to minus PLN 433 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 March, 2022, valuation of the IRS transaction amounted to PLN 377 thousand.

After the balance sheet date

Between the 1st of April, 2022, and the 21st of May, 2022, Comarch Group has not concluded new forward contracts. The total net value of open forward contracts as of the 21st of May, 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 44 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.

3.9. Deferred Income Tax

	At 31 March 2022	At 31 December 2021
Deferred income tax assets		
Temporary differences	23,571	21,971
Asset due to a tax loss	8,474	5,578
Asset due to activities in Special Economic Zone, ("SEZ")	4,344	8,415
Total	36,389	35,964
<i>Charged to financial result</i>	<i>36,389</i>	<i>35,964</i>

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 March, 2022, 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 March, 2022, 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 18,320 thousand as at the 31st of March, 2022 (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 March, 2022 (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.

During the first quarter of 2022, the Comarch Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2021, and worth PLN 1,356 thousand, and created an asset due to temporary differences in the amount of PLN 2,956 thousand, as well as created an asset due to tax loss in the amount of PLN 3,688 thousand and released an asset of the same title in the amount of PLN 772 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was plus PLN 4,496 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.

During the first quarter of 2022, the Comarch Group settled an asset created for the zone operations in the amount of PLN 4,071 thousand which were created as at 31st of December, 2021. 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 the first quarter of 2022 results is plus PLN 425 thousand.

	At 31 March 2022	At 31 December 2021
Deferred income tax provision		
Temporary differences	19,374	18,216
Provision due to valuation of real estate of MKS Cracovia SSA	5,430	5,430
Provision due to valuation of certificates in CCF FIZ	24,994	26,314
Total	49,798	49,960
<i>Charged to equity</i>	<i>5,430</i>	<i>5,430</i>
<i>Charged to financial result</i>	<i>44,368</i>	<i>44,530</i>

Due to valuation of net assets of CCF FIZ during the first quarter of 2022, a deferred tax provision was reduced by PLN 1,320 thousand. At the same time, a deferred tax provision due to temporary differences was recognized in the amount of PLN 1,990 thousand and dissolved in the amount of PLN 832 thousand. The total effect of the above-mentioned operations on the net result of the first quarter of 2022 was minus PLN 162 thousand.

Total changes in the deferred income tax resulted in a decrease in result of PLN 263 thousand.

In relation to Comarch Healthcare S.A., despite of the fact that a 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 was created, the amount of the asset would be of PLN 11,860 thousand.

3.10. Inventories

	31 March 2022	31 December 2021
Raw materials	4,140	3,732
Work in progress	92,900	76,395
Goods	12,282	11,031
Finished products	376	279
Advance due to finished products	845	440
Total	110,543	91,877

The cost of inventories included in 'Costs of products, goods and materials sold' in the income statement amounted to PLN 81,370 thousand (3 months ended the 31st of March, 2022), PLN 406,054 thousand (12 months ended the 31st of December, 2021), PLN 107,663 thousand (3 months ended the 31st of March, 2021).

Over the first three months of 2022, Comarch Group created write-offs that revaluated value of goods materials in the amount of PLN 259 thousand. In Q1 2022, revaluation write-offs for finished products were not created. The Comarch Group resolved write-offs that revaluated goods and materials and which had been created in the previous years in the amount of PLN 295 thousand.

3.11. Trade and Other Receivables

	31 March 2022	31 December 2021
Trade receivables - net	351,765	428,407
Trade receivables - gross	419,488	491,375
Write-off revaluating receivables	(67,723)	(62,968)
Other receivables	23,577	24,162
Short-term prepayments	31,234	20,199
Loans	-	53
Trade receivables and other receivables from related parties - net	4	1
Trade receivables and other receivables from related parties - gross	4	1
Write-off revaluating receivables	-	-
Total	406,580	472,822
<i>Current portion</i>	<i>406,580</i>	<i>472,822</i>

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 Comarch Group has a large number of customers. During the first quarter of 2022, the Comarch Group recognised a write-off due to loss in value of its trade receivables that was worth PLN 8,244 thousand and dissolved previously created write-offs worth PLN 2,470 thousand in relation to payment of debts. These operations were presented in the income statement in other operating costs and revenue, respectively.

3.12. Long-term Contracts

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 recognized results corresponds to revenue. At the end of the reporting period, long-term contracts were evaluated in accordance with the degree of work progress.

	3 months ended 31 March 2022	3 months ended 31 March 2021
Revenue from completed contracts recognized in the reporting period	5,953	10,827
Revenue from contracts not completed recognized in the reporting period	129,255	137,484
Revenue from contracts not completed recognized in the reporting period- an effect of settlement pursuant to IFRS 15	15,317	11,501
Total	150,525	159,812

Changes in settlements due to long-term contracts recognized in assets and liabilities between the 31st of March 2021, and the 31st of March, 2022, are presented below:

	31 March 2022	31 March 2021
Long-term contracts revenue included to the balance sheet date - determined according to the progress of work	1,950,593	1,810,254
Issued invoices	(1,933,136)	(1,788,963)
Total	17,457	21,291

	Long-term contracts receivables	Long-term contracts liabilities	Net
Value as at 1 January 2021	157,441	(147,651)	9,790
Correction of the current period (reversal of the adjustment due to the application of IFRS 15)	-	(1,329)	(1,329)
Correction of the current period	10,940	1,890	12,830
Value as at 31 March 2021	168,381	(147,090)	21,291
Change	10,940	561	11,501
Value as at 1 January 2022	144,041	(141,902)	2,139
Correction of the current period (reversal of the adjustment due to the application of IFRS 15)	-	148	148
Correction of the current period	15,102	68	15,170
Value as at 31 March 2022	159,143	(141,686)	(17,457)
Change	15,102	216	15,318

3.13. Share Capital

	Number of shares	Ordinary and preference shares	Own shares	Number of shares
At 1 January 2021	8,133,349	8,133,349	-	8,133,349
At 31 December 2021	8,133,349	8,133,349	-	8,133,349
At 31 March 2022	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:

1. 864,800 series A registered preference shares by votes,
2. 75,200 series A ordinary shares,
3. 883,600 series B registered preference shares by votes,
4. 56,400 series B ordinary shares,
5. 3,008,000 series C ordinary shares,
6. 1,200,000 series D ordinary shares,
7. 638,600 series E ordinary shares,
8. 125,787 series G ordinary shares,
9. 102,708 series G3 ordinary shares,
10. 563,675 series H ordinary shares,
11. 441,826 series I2 ordinary shares,
12. 91,041 series J2 ordinary shares,
13. 73,953 series K3 ordinary shares,
14. 7,759 series L1 ordinary 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 by votes 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 the 18th of 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 by votes 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 by votes 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 share entitles its holder to one vote at the AGM. The conversion of bearer shares into registered shares is not permitted.

3.13.1.Changes in Share Capital in the First Quarter of 2022

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.

3.13.2. Changes in Share Capital after the Balance Sheet Date

None present.

3.14. Credits and Loans

	31 March 2022	31 March 2021
Non-current	94,788	104,564
Non-revolving credits	94,788	104,385
Revolving credits	-	-
Loans	-	179
Current	38,571	40,443
Non-revolving credits	37,454	38,554
Revolving credits	-	-
Loans	1,117	1,889
Total credits and loans	133,359	145,007

The value of liabilities 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 the first quarter of 2022, the value of drawdown credits and loans granted to entities outside the Comarch Group amounted to PLN 13,563 thousand. During the first quarter of 2022, the Comarch Group did not launch non-revolving bank loans and credits from entities outside the Comarch Group. As at the balance sheet date, the Comarch Group did not use the overdraft facility.

Within reporting period, there were neither 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 Comarch Group bank credits to interest rate changes	12 months or less	1-5 years	Over 5 years	Total
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At 31 December 2021

Credits and loans	40,443	82,406	22,158	145,007
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At 31 March 2022

Credits and loans	38,571	75,788	19,000	133,359
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The maturity of non-current bank credits, loans and financial liabilities	31 March 2021	31 December 2020
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Between 1 and 2 years	29,659	35,761
Between 2 and 5 years	46,129	46,645
Over 5 years	19,000	22,158
	94,788	104,564

Currency structure of the balance sheet values of credits, loans and financial liabilities	31 March 2021	31 December 2020
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In Polish currency (PLN)	1,117	2,049
In EUR (equivalence in PLN)	132,242	142,958
	133,359	145,007

Effective interest rates at the balance sheet date	Bank credits	Bank credits
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Bank credits	1.00%	0.98%
Loans	0.51%	0.95%

3.14.1. Non-Revolving Credits and Loans

Debtor	Financial Institution	Total amount of credit/loan according to the agreement		Amount to be paid				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A. office buildings SSE4 in Krakow	BNP Paribas Bank Polska S.A.	44,000	PLN	1,543 (1,696 as at 31 st of December, 2021)	EUR	7,177 (7,801 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin IRS till the 29 th of July, 2024	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. office buildings SSE6 in Krakow	Bank Polska Kasa Opieki S.A.	13,323	EUR	2,775 (3,190 as at 31 st of December, 2021)	EUR	12,909 (14,674 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin IRS till the 30 th of November, 2023	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. office buildings SSE7 in Krakow	Bank Handlowy w Warszawie S.A.	13,333	EUR	9,364 (9,759 as at 31 st of December, 2021)	EUR	43,566 (44,886 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin IRS till the 29 th of February, 2028	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. Property, plant and equipment in use - equipment of Internet of Things laboratory in Krakow	DNB Bank Polska S.A.	2,531	EUR	0 (701 as at 31 st of December, 2021)	EUR	0 (3,222 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin	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 Office building in Lodz	Bank Polska Kasa Opieki S.A.	9,262	EUR	5,242 (5,402 as at 31 st of December, 2021)	EUR	24,388 (24,843 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin IRS till the 31 st of May, 2030	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.
Comarch S.A.S, Comarch S.A.	BNP Paribas Bank Polska S.A	8,000	EUR	1,964 (2,291 as at 31 st of December, 2021)	EUR	9,139 (10,538 as at 31 st of December, 2021)	PLN	EURIBOR3M + bank margin	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
Comarch S.A.	CaixaBank S.A. Branch in Poland	3,500	EUR	1,400 (1,634 as at 31 st of December, 2021)	EUR	6,516 (7,515 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin	23 rd of August, 2023	Declaration of submission to enforcement
Comarch S.A.	CaixaBank S.A. Branch in Poland	2,300	EUR	1,916 (2,060 as at 31 st of December, 2021)	EUR	8,916 (9,475 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin	29 th of June, 2025	Declaration of submission to enforcement
Comarch S.A.	CaixaBank S.A. Branch in Poland	14,500	EUR	0 (0 as at 31 st of December, 2021)	EUR	0 (0 as at 31 st of December, 2021)	PLN	EURIBOR1M + bank margin	5 th of August, 2025	Declaration of submission to enforcement
Comarch S.A.	IBM Global Financing Polska sp. z o.o.	12,980	PLN			0 (71 as at 31 st of December, 2021)	PLN	fixed	1 st of March, 2022	-
Comarch Polska S.A.	IBM Global Financing Polska sp. z o.o.	3,475	PLN			152 (379 as at 31 st of December, 2021)	PLN	fixed	1 st of May, 2022	Comarch S.A. surety
Comarch S.A.	IBM Global Financing Polska sp. z o.o.	3,139	PLN			71 (284 as at 31 st of December, 2021)	PLN	fixed	1 st of May, 2022	-
Comarch S.A.	IBM Global Financing	1,825	PLN			0	PLN	fixed	1 st of March, 2022	-

Delivery of IT equipment related to IT project realized by the Comarch Group	Polska sp. z o.o.					(152 as at 31 st of December, 2021)				
Comarch S.A. Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	2,145	PLN			894 (1,162 as at 31 st of December, 2021)	PLN	fixed	1 st of February, 2023	-
Comarch S.A. Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	11,150	PLN			0 (0 as at 31 st of December, 2021)	PLN	fixed	1 st of March, 2023	-
Comarch S.A. Property, plant and equipment in use	PKO Leasing S.A.	5,000	EUR	4,219 (4,345 as at 31 st of December, 2021)	EUR	19,631 (19,985 as at 31 st of December, 2021)	PLN	fixed	28 th of February, 2028	a blank promissory note, registered pledge on the Subject of Financing, transfer of ownership to secure the Subject of Financing
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI) Financing operating activities	HSBC	200	EUR	0 (4 as at 31 st of December, 2021)	EUR	0 (20 as at 31 st of December, 2021)	PLN	fixed	1 st of January, 2022	surety

3.14.2. Current Credit Lines

The companies of the Comarch Group have the following credit limits in current account:

Debtor	Financial Institution	Total amount of credit/loan according to the agreement		Amount to be paid				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A. Financing operating activities	BNP Paribas Bank Polska S.A.	20,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	28 th of February, 2023	a blank promissory note
Comarch S.A. Financing operating activities	Bank Polska Kasa Opieki S.A.	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	30 th of June, 2021	declaration of submission to enforcement
Comarch S.A. Financing operating activities	CaixaBank S.A. Branch in Poland	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	31 st of May, 2021	declaration of submission to enforcement

	31 March 2022	31 December 2021
Credit lines in the current account and revolving credits, including:	80,000	80,000
Used at the balance sheet date	-	-
Available at the balance sheet date	80,000	80,000

3.15. Liabilities due to Lease

	31 March 2022	31 December 2021
Leasing of means of transport and IT equipment	1,245	1,318
Rent	59,352	63,227
Perpetual usufruct	27,024	27,893
Current portion	20,484	21,023
Non-current portion	67,137	71,415
Total	87,621	92,438

Ageing of liabilities due to lease

	12 months or less	1-5 years	over 5 years	Total
Lease of means of transport and IT hardware	685	560	0	1,245
Rent	19,727	33,361	6,264	59,352
Perpetual usufruct	73	320	26,631	27,024
Liabilities due to lease	20,485	34,241	32,895	87,621

Changes in lease liabilities

	3 months ended 31 March 2022	3 months ended 31 March 2021
Balance at the beginning of the period	92,438	94,287
Increases	2,681	5,700
- new contracts and modifications to existing contracts	1,329	4,668
- effective interest	1,352	679
- exchange differences	-	353
Decreases	7,498	6,115
- flows realized	6,920	6,115
- exchange differences	578	-
Balance till the end of the period	87,621	93,872

3.16. Other Financial Liabilities

	31 March 2022	31 December 2021
Liabilities due to dividends	-	-
Current portion	-	-
Non-current portion	-	-
Liabilities due to bills of exchange	5,505	5,450
Current portion	-	-
Non-current portion	5,505	5,450
Total	5,505	5,450

As at 31st of March, 2022, other financial liabilities relate to bills of exchange at Bonus Management Sp. z o.o. SK-A, with maturity on the fourth quarter of 2025 and bills of exchange at Bonus Management Sp. z o.o. II ACTIVIA SKA, with maturity on the fourth quarter of 2025.

3.17. Provisions for other liabilities and charges

	Costs related to current period that will be incurred in future	Provisions for costs of contracts	Provisions for contractual penalties and other claims	Provisions for leaves	Provisions for premiums	Provisions for retirement benefits and similar	Total
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)
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
At 1 January 2022	5,029	10,598	12,597	48,853	104,405	2,405	183,887
Change:	2,926	90	(410)	13,332	(508)	627	16,057
- Provisions created	5,005	3,583	163	15,982	18,495	720	43,948
- Provisions used and dissolved	(2,079)	(3,493)	(573)	(2,650)	(19,003)	(93)	(27,891)
At 31 March 2022	7,955	10,688	12,187	62,185	103,897	3,032	199,944
Current	7,955	10,688	12,187	62,185	103,897	-	196,912
Non-current	-	-	-	-	-	3,032	3,032

All provisions were calculated based on credible estimate as of the balance sheet date.

3.18. Trade and Other Payables

	31 March 2022	31 December 2021
Trade payables	46,661	51,956
Advance payments received due to services and supplies	6,611	5,172
Trade payables and other liabilities to related parties	435	350
Liabilities due to social insurance and other tax charges	64,782	93,597
Investments liabilities	5,292	12,948
Revenue from the future periods	80,765	39,134
Other payables	8,363	6,355
Special funds (Social Services Fund and Residential Fund)	3,527	1,291
Liabilities due to remuneration	48,207	34,953
Total	264,643	245,756

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

3.19. Contingent Liabilities

On the 31st of March, 2022, 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 86,550 thousand, whereas it was PLN 83,505 thousand on the 31st of December, 2021.

On the 31st of March, 2022, the value of bank guarantees issued by banks on order from Comarch Software und Beratung was EUR 422 thousand (i.e. PLN 1,965 thousand), whereas it was EUR 422 thousand (i.e. PLN 1,943 thousand) on the 31st of December, 2021.

On the 31st of March, 2022, the value of bank guarantees issued by banks on order from Comarch AG was EUR 16 thousand (i.e. PLN 75 thousand), whereas it was EUR 16 thousand (i.e. PLN 74 thousand) on the 31st of December, 2021.

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

	31 March 2022	31 December 2021
Granted credit lines for financing of current activities (guarantees, letters of credit, credit lines in current account)		
Credit lines *	216,465	206,439
Total	216,465	206,439

* they include credits described in point 3.14.2

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is PLN 30,295 thousand. Provisions for part of these claims were presented in the balance sheet as at the 31st of March, 2022, and are worth PLN 1,422 thousand. During the first quarter of 2022, the Comarch Group created provisions for claims covered by legal proceedings in the amount of PLN 4 thousand whereas did not resolved provisions in this respect.

The Comarch Group is the party to the matters in disputes, but not legal proceedings in which the potential total amount of third party claims is PLN 18,271 thousand. Provisions for part of these claims presented in the balance sheet as at the 31st of March, 2022, and are worth PLN 3,501 thousand. During the first quarter of 2022, the Comarch Group created provisions for matters in disputes, but not legal proceedings in the amount of PLN 1 thousand and resolved provisions in this respect for the amount of PLN 3 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, during the first quarter of 2022, the Comarch Group created write-offs that reevaluate receivables in the amount of PLN 130 thousand.

3.20. Information about Liability in Relation to Purchase of Property, Plant and Equipment

None present.

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

None present.

3.22. Related-Party Transactions

3.22.1. Revenue from Sales of Goods and Services

	3 months ended 31 March 2022	3 months ended 31 March 2021
Revenue from sales of goods	-	-
SolInteractive S.A.	-	-
Revenue from sales of services	5	5
SolInteractive S.A.	5	5
Total	5	5

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

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

3.22.2. Purchases of Goods and Services

	3 months ended 31 March 2022	3 months ended 31 March 2021
Purchases of goods	-	-
SolInteractive S.A.	-	-
Purchases of services	-	-
SolInteractive S.A.	-	-
Included in generation costs	-	-
Included in other costs	-	-
Total	-	-

3.22.3. Balance of Settlements as of the Balance Sheet Date Resulting from the Sales/Purchase of Goods /Services

	3 months ended 31 March 2022	3 months ended 31 March 2021
Receivables from related parties	4	1
SolInteractive S.A.	4	1
Payables from related parties	-	-
SolInteractive S.A.	-	-

3.22.4. Transactions with Associates and Personally Related Entities

	3 months ended 31 March 2022	3 months ended 31 March 2021
Purchases from personally related entities	920	855
Sales to personally related entities	450	401
Loans and interest on loans repaid by personally related entities	57	-
Loans and interest on loans granted to personally related entities	-	-
Purchases from associates	-	-
Sales to associates	5	5
Loans and interest on loans repaid by associates	-	-
Loans and interest on loans granted to associates	-	-
Purchases from personally related entities	-	-

3.22.5. Balances of Settlements with Personally Related Entities at Balance Sheet Date

	31 March 2022	31 December 2021
Trade receivables from personally related parties	866	504
Loans receivables from personally related parties	4,771	4,735
Trade payables to personally related parties	520	430
Liabilities due to promissory note obligations from personally related parties	5,505*	5,450*

*) This item contains the liability of Bonus Management Sp. z o.o. SK-A and Bonus Management sp. z o.o. II Activia SK-A to a supervising person of Comarch S.A.

3.23. Earnings per Share

	3 months 2022	3 months 2021
Net profit for the period attributable to equity holders of the Company	32,439	26,078
Weighted average number of shares in issue	8,133,349	8,133,349
Basic earnings per share (PLN)	3.99	3.21
Diluted number of shares	8,133,349	8,133,349
Diluted earnings per share (PLN)	3.99	3.21

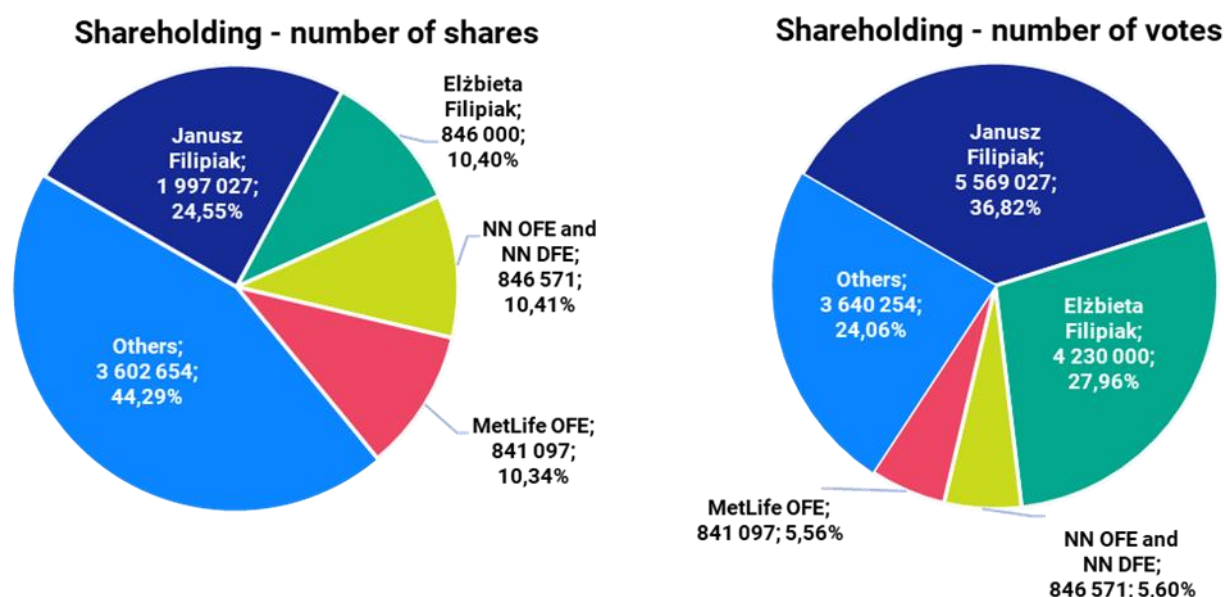
Basic earnings per share in the column "3 months ended 31 March 2022" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2022, to the 31st of March 2022, by the weighted average number of shares in issue between the 1st of January, 2022, to the 31st of March 2022, where the number of days is the weight. Basic earnings per share in the column "3 months ended 31 March 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 March, 2021, by the weighted average number of shares in issue between the 1st of January, 2021, to the 31st of March, 2021, where the number of days is the weight.

Diluted earnings per share in the column "3 months ended 31 December 2022" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2022, to the 31st of March, 2022, by the sum of the weighted average number of shares in issue between the 1st of January, 2022, to the 31st of March, 2022, where the number of days is the weight and diluted number of shares. Diluted earnings per share in the column "3 months ended 31 December 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 March, 2021, by the sum of the weighted average number of shares in issue between the 1st of January, 2021, to the 31st of March, 2021, where the number of days is the weight.

4. Additional notes

4.1. Information about Shareholders Holding at Least 5% of the Total Number of Votes at Comarch S.A. General Meeting and Shares Held by Members of the Management Board and the Board of Supervisors

4.1.1. Shareholders Who Directly or Indirectly through Subsidiary Entities Hold at least 5% of the Total Number of Votes at Comarch S.A. General Meeting as at 20th of May, 2022



4.1.2. Changes in the Total Number of Votes at Comarch S.A. in the First Quarter of 2022

The Management Board of Comarch S.A. on the 25th of March, 2022, received from a person acting as a managing person 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.

4.1.3. Changes in Significant Holdings of Comarch S.A. Shares from the Publication of the Last Periodical Report, i.e. 29th April 2022

Entity	At 20 May 2022				At 29 April 2022			
	Shares	% in share capital	Number of votes	% in votes	Shares	% in share capital	Number of votes	% in votes
Janusz Filipiak	1,997,027	24.55	5,569,027	36.82	1,997,027	24.55	5,569,027	36.82
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96	846,000	10.40	4,230,000	27.96
Nationale-Nederlanden OFE + DFE	846,571	10.41	846,571	5.60	846,571	10.41	846,571	5.60
MetLife OFE	841,097	10.34	841,097	5.56	841,097	10.34	841,097	5.56

4.1.4. Changes in Holdings of Comarch S.A. Shares by Managing and Supervising Persons between 29th of April, 2022 and 20th of May, 2022

The following table presents the ownership of Comarch S.A. shares by management and supervisors as at the date on which the consolidated report for 2020 was published, i.e. on the 29th of April, 2022, and on the 20th of May, 2022, pursuant to the information possessed by the Company.

Members of the Management Board and the Board of Supervisors	Position	At 20 May 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	22,650	0.40	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

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

4.2.1. Deferred Income Tax Assets and Provisions

During the first quarter of 2022, the Group settled in part a deferred tax asset related to temporary differences that was established as at the 31st of December, 2022, and worth PLN 1,356 thousand, as well as an asset due to temporary differences was created in the amount of PLN 2,956 thousand and asset due to tax loss was created in the amount of PLN 3,668 thousand and was released in the amount PLN 772 thousand. The total effect of changes in the deferred tax on the net result of the Comarch Group in the first quarter 2022 amounted to plus PLN 4,496 thousand.

During the first quarter of 2022, the Comarch Group settled in part an asset released for the zone operations in the amount of PLN 4,071 thousand which was created as at 31st of December, 2021. The total effect of changes in the deferred tax on the net result of the Comarch Group in the first quarter 2022 amounted to plus PLN 425 thousand.

In connection with the valuation of the net asset value of CCF FIZ, the provision was decreased by PLN 1,320 thousand in the first quarter of 2022. At the same time, a deferred tax provision due to temporary differences was recognised in the amount of PLN 1,990 thousand and dissolved in the amount of PLN 832 thousand. The total effect of the all above-mentioned operations on the net result of the first quarter of 2022 amounted to minus PLN 162 thousand.

Total changes in deferred tax resulted in a decrease in net profit of PLN 263 thousand.

Details are described in point 3.9.

4.2.2. Currency Exchange Rate Differences and Valuation of Financial Instruments

Positive realized foreign exchange rate differences and balance sheet valuation of exchange rates on receivables and liabilities as at the 31st of March, 2022 increased revenue and operating profit of Comarch Group in the first quarter of 2022 by PLN 6,141 thousand (while in the corresponding period of 2021 increased by PLN 5,731 thousand). Negative exchange rate differences on the balance sheet valuation of trade payables, related to the weakening of the PLN exchange rate against foreign currencies in the first quarter of 2022, decreased the result of Comarch Group by PLN 1,232 thousand (while in the corresponding period of 2021 decreased by PLN 1,067 thousand). Exchange rate differences from other activities increased the result of Comarch Group by PLN 3,725 thousand (while in the corresponding period of 2021 decreased by PLN 12 thousand). The valuation of financial instruments and closed transactions (mostly forward contracts) and provision for deferred income tax in reference to the valuation of the financial instruments decreased the Group's result by PLN 1,763 thousand (while in the corresponding period of 2021 decreased by PLN 4,189 thousand).

The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch Group in the first quarter of 2022 amounted to PLN 6,871 thousand (minus PLN 463 thousand in the first quarter of 2021).

4.2.3. Creation of Write-Offs for Bad Debts

During 3 months of 2021, the Group created impairment losses on trade receivables in the amount of PLN 8,244 thousand and dissolved previously created write-offs in the amount of PLN 2,470 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.

4.3. Other Events in the First Quarter of 2022

4.3.1. 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.

4.4. Events after the Balance Sheet Date not Included in the Report

4.4.1. Report on the Activities of the Supervisory Board of Comarch S.A. for the Period from 1 January 2021 to 31 December 2021 and Assessment of the Company's Standing

Pursuant to the principle 2.11. included in the "Best Practice for WSE Listed Companies 2021", Comarch S.A.'s Management Board conveys 2021 activities' report of Comarch S.A.'s Supervisory Board and an assessment of the Company's standing on a consolidated basis, including an assessment of the internal control, risk management and compliance systems and the internal audit function, an assessment of the Company's compliance with the corporate governance principles and the manner of compliance with the disclosure obligations concerning compliance with the corporate governance principles and an assessment of the rationality of the Company's policy in reference to sponsorship and charity, information on the degree of implementation of the diversity policy applicable to the Management Board and the Supervisory Board.

The Company announced details in the current report no. [EBI-1-2022](#) (ENG: [EBI-1-2022](#)) on the 16th of May, 2022.

4.4.2. Selection of the Entity Authorized to Audit and Review Financial Statements of Comarch S.A.

Management Board of Comarch S.A. informed in the current report no. [RB-3-2022](#) (ENG: [RB-3-2022](#)) on the 16th of May, 2022 that the Supervisory Board, by resolution No. 9/05/2022 of the 16th of May, 2022, acting pursuant to Art. 19 sec. 2 point 5) of the Articles of Association of the Company, chose UHY ECA Audyt Spółka z ograniczoną odpowiedzialnością Sp.k., ul. Połczyńska 31a, 01-377 Warsaw (KRS 0000418856), and consented to the conclusion of a contract with this entity by Comarch S.A. in the field of:

- a) review of the financial statements of Comarch S.A. and the consolidated financial statements of the Comarch Capital Group as at the 30th of June, 2022;
- b) auditing the annual financial statements of Comarch S.A. and the annual consolidated financial statements of the Comarch Capital Group as at the 31st of December, 2022;
- c) review of the financial statements of Comarch S.A. and the consolidated financial statements of the Comarch Capital Group as at 30th of June, 2023;
- d) auditing the annual financial statements of Comarch S.A. and the annual consolidated financial statements of the Comarch Capital Group as at the 31st of December, 2023;
- e) review of the financial statements of Comarch S.A. and the consolidated financial statements of the Comarch Capital Group as at the 30th of June, 2024;
- f) auditing the annual financial statements of Comarch S.A. and the annual consolidated financial statements of the Comarch Capital Group as at the 31st of December, 2024.

4.4.3. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of April, 2022, and the 20th of May, 2022, Comarch Group concluded new forward contracts. The total net value of open forward contracts as of the 20th of May, 2022, amounted to EUR 66,200 thousand and 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 is set in a foreign currency.

4.5. Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the given Year Published Before

The Management Board did not forecast any results neither for the first quarter of 2022, nor for full year of 2022.

4.6. Significant Legal, Arbitration or Administrative Proceedings

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is PLN 30,295 thousand.

The Comarch Group is the party to the matters in disputes, but not legal proceedings in which the potential total amount of third party claims is PLN 18,271 thousand.

More information was presented in point [3.19](#).

4.7. Information about Transactions with Related Parties on Terms Different from Market Condition

None present.

4.8. Information about Suretyships, as well as Guarantees Provided by the Issuer and Its Subsidiaries

- 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 conclusion of a contract for implementation and maintenance of BSS system by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch UK. The surety was granted up to the amount of liabilities of Comarch UK resulting from the aforementioned agreement, i.e. to the amount of GBP 808 thousand and in addition, GBP 86 thousand annually for SLA, and it is valid for the whole term of the agreement.
- Due to conclusion of a contract for implementation of Next Generation Performance Management Solution, signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of a maximum of EUR 3,823 thousand and is valid for the whole term of the contract.
- Due to conclusion of a contract for implementation of Planning and Inventory Application (PIA), signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. signed a letter of comfort upon which it ensures proper contract performance by Comarch AG. The letter of comfort is valid for 24 months from contract completion. Contract's value amounts to EUR 3,505 thousand.
- Due to conclusion of 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 S.A.S., a subsidiary of

Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch S.A.S. resulting from this project. The surety was granted up to the maximum amount of the signed agreements, i.e. EUR 2,807 thousand and is valid till the end of this project.

- Due to conclusion of an agreement signed by branch of Comarch AG in Belgium with a customer, Comarch S.A. granted a surety for liabilities of Comarch AG resulting from this project. The surety was granted up to the amount of the agreement, i.e. EUR 236 thousand and is valid till the termination of the project.
- Due to conclusion of a contract for purchase of licences, maintenance and support, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for future obligations of Comarch UK resulting from this project. The surety was granted up to the amount of GBP 11,244 thousand and is valid for 12 years after the contract completion.
- Due to conclusion of a contract for fuel cards service signed by Comarch Healthcare S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by Comarch Healthcare S.A. After the entry into force of the amendment to the agreement, the total amount of granted surety is PLN 100 thousand and is valid till the 31st of May, 2026.
- Due to conclusion of a contract for implementation of Comarch ECM, maintenance and SaaS, signed by Comarch S.A.S., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the liabilities of Comarch SAS, resulting from the project. The surety was granted up to the amount of EUR 838 thousand and is valid till the termination of the contract.
- Due to conclusion of a contract for fuel cards service signed by CA Consulting S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by CA Consulting S.A. The surety has been renewed, the total amount of granted surety is PLN 50 thousand and is valid till the 31st of May, 2026.
- 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 and was granted up to the amount of PLN 10 thousand and is valid till the 14th of September, 2026.
- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Loyalty Management Solutions, Comarch S.A. granted a surety for liabilities of Comarch AB. The surety is valid until fulfilment of all obligations under the contract by Comarch AB and was granted up to the amount of SEK 39,747 thousand.
- Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Master Services Agreement, Comarch S.A. granted a surety for Comarch AB. The surety was granted up to the amount of PLN 3,827 thousand and is valid till the termination of the contract.
- Due to conclusion of a contract by Comarch Healthcare S.A., a subsidiary of Comarch S.A., the contract for service of payment cards, a surety for Comarch Healthcare S.A. was granted to the amount of PLN 450 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch UK, a subsidiary of Comarch S.A., the contract for service of payment cards, a surety for Comarch UK was granted to the amount of PLN 330 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Software und Beratung AG, a subsidiary of Comarch S.A., the contract for implementation and service of Telco BSS and Telco OSS, a surety for Comarch Software und Beratung AG was granted to the amount of EUR 11,524 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch S.A.S., a subsidiary of Comarch S.A., the contract for implementation of Comarch Retail, Comarch Mobile Sale and Comarch POS, a surety for liabilities of Comarch S.A.S. was granted to the amount of EUR 1,444 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Colombia S.A.S., a subsidiary of Comarch S.A., the contract for implementation of Comarch Loyalty Management service, a surety for liabilities of Comarch Colombia S.A.S. was granted to the amount of USD 10,710 thousand and is valid for the duration of the contract.
- Due to conclusion of a contract by Comarch Luxembourg S.a.R.L., a subsidiary of Comarch S.A., the contract 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 rental of office space, a surety for liabilities of Comarch Japan KK. The surety is valid till the 31st of July, 2022 to the amount of PLN 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 the implementation of the CLM system, a surety for liabilities of Comarch Technologies OY was granted to the amount of EUR 673 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 the servicing and delivery of licenses for CLM and the hosting services , a surety for liabilities of Comarch Technologies OY was granted to the amount of EUR 4,325 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 with one of the clients for inventory management, a surety for liabilities of Comarch UK Ltd. was granted to the amount of GBP 7,544 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 with one of the clients for license and maintenance services, 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 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 2,106 thousand by Comarch S.A. and is valid for the duration of the contract.

4.9. Other Information Significant for the Assessment of Means and Employees, Financial Rating, Financial Results and Their Changes and Information Significant for the Assessment of the Possibility of the Execution of Obligations by the Issuer

4.9.1. 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.

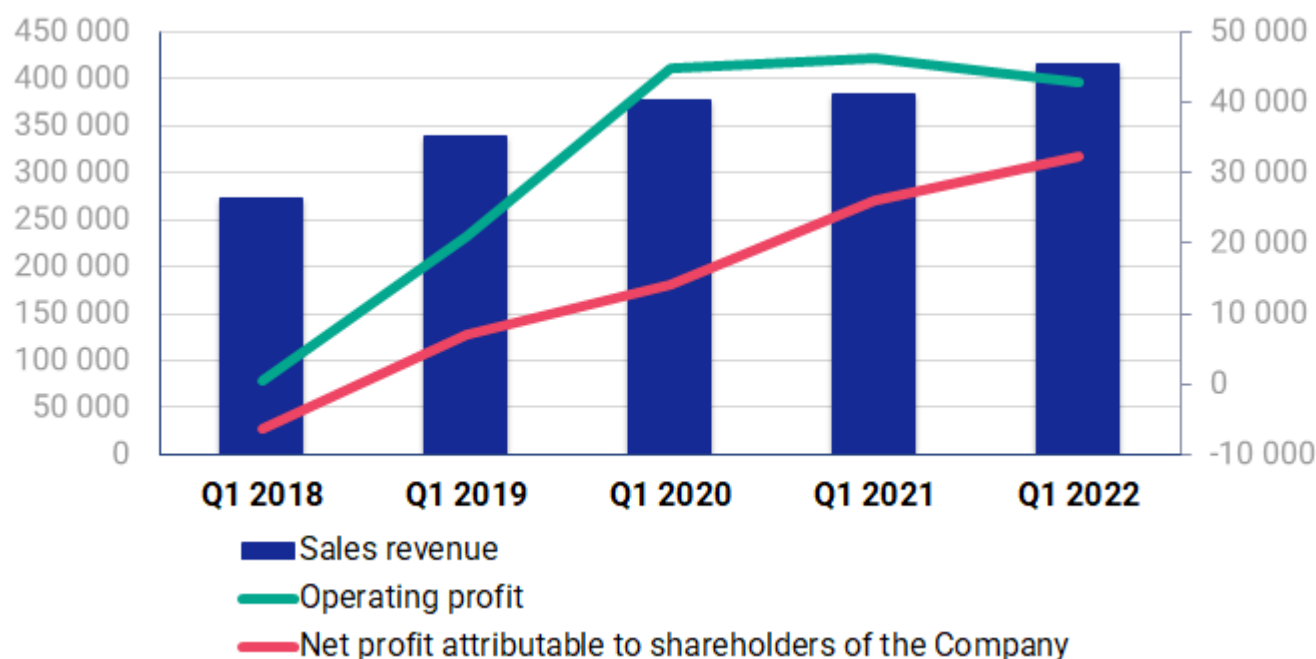
4.9.2. Influence of the Political and Economic Situation in Ukraine and Russia on the Activities and Financial Results of the Comarch Group

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.

5. Significant Achievements and Failures as well as Factors and Events with Considerable Impact on the Financial Results of the Comarch Group in the First Quarter of 2022 and Factors Which Will Substantially Impact Results Over the Course of at least the Next Quarter

5.1. Revenue and Financial Results



In the first quarter of 2022, the Comarch Group generated sales revenue of PLN 416,344, higher by PLN 32,365 thousand, i.e. by 8.4% from that achieved in the first quarter of 2021. Operating profit amounted to PLN 42,816 thousand and was lower by PLN 3,412 thousand, i.e. by 7.4% than in the first quarter of 2021. The net result attributable to the shareholders of the parent company in the first quarter of 2022 amounted to PLN 32,439 thousand and it was higher by PLN 6,361 thousand, i.e. by 24.4% than in the first quarter of 2021. EBIT margin in the reporting period was +10.3%, while net margin +7.8%. In the first quarter of 2022, the Comarch Group generated EBITDA of PLN 65,692 thousand, lower by PLN 1,662 thousand, i.e. by 2.5% compared to the same period of the previous year.

The profitability of the Comarch Group's operations in the first quarter of 2022 was similar compared to the first quarter of the previous year. The results achieved by the Comarch Group in the described period of the year were affected, among others, by:

- foreign exchange rate differences on the balance sheet valuation of trade receivables and liabilities, which increased the operating result in the described period by PLN 4,909 thousand, while in the similar period of the previous year they increased it by PLN 4,664 thousand,
- increase in domestic sales revenue, which amounted to PLN 8,382 thousand (i.e. of 5.3%), resulting from increased sales to customers in the SMEs and the Medicine sector. In the first quarter of 2022, domestic sales constituted 40.3% of the total revenue of the Comarch Group,
- increase in foreign sales of PLN 23,983 thousand (i.e. of 10.7%), which was mainly the result of higher sales to customers in the Telecommunications as well as Industry & Utilities sectors on the West-Europe

markets. In the first quarter of 2022, foreign sales constituted 59.7% of the total revenue of the Comarch Group,

- occurrence of positive result from the balance sheet valuation of financial instruments, from disposal of securities and financial assets, as well as due to exchange rate differences on credits and loans taken in foreign currencies the value of which amounted to plus PLN 1,915 thousand in the reporting period, compared to the similar period of the previous year it amounted to minus PLN 5,263 thousand,
- creation and revaluation the write-offs on receivables (e.g. from the clients from Russia) which decreased the operating result by PLN 5,774 thousand in the first quarter of 2022, while in the first quarter of the previous year they decreased it by PLN 3,326 thousand
- increase in operating expenses, which is a consequence of the wage pressure in the IT sector, the basic wage fund in the Comarch Group in the reporting period increased by 16.8% compared to the first quarter of 2021,
- current income tax, which was the result of high profitability of operations of the Group companies in Poland, Germany, Great Britain and Japan, its value in the first quarter of 2022 amounted to PLN 12,812 thousand,
- the application of the IFRS 15 accounting standard, as a result of which a portion of the revenue derived from the sales of Comarch software licenses is settled over time, in accordance with the stage of completion of the projects. The value of the correction in this respect amounted to plus PLN 1,361 thousand in the first quarter of 2022,
- the application of the IFRS 16 accounting standard caused that the depreciation value, and thus the value of EBITDA profit, was increased in the first quarter of 2022 by PLN 5,299 thousand.

In the first quarter of 2023, employment in the Comarch Group increased by 38 people.

The Comarch Group's financial result in subsequent periods will be significantly affected by: business cycle and the political situation in the world, with special reference to the consequences of the conflict between Russia and Ukraine, the availability of qualified IT employees as well as high labour costs and public and legal levies.

The Comarch Group is actively looking for new markets (including in Western Europe, Asia, Australia and Oceania), continues to invest in new IT products and services, and is constantly expanding and modernizing existing infrastructure (e.g. in the United States). Thanks to very good financial results achieved in the first quarter of 2022 and previous periods, the financial situation of the Comarch Group is stable and guarantees security of operations in the event of a changing political and economic situation in Poland and in the world. This is particularly important in view of the Russian invasion of Ukraine in February 2022 and the development of the Covid-19 pandemic and the social, political, economic effects they causes.

The Group consciously bears the costs of developing new products and new business segments, as well as developing activities on new foreign markets, thus investing in building a competitive advantage for the future.

In subsequent periods, the Group intends to continue its strategy assuming:

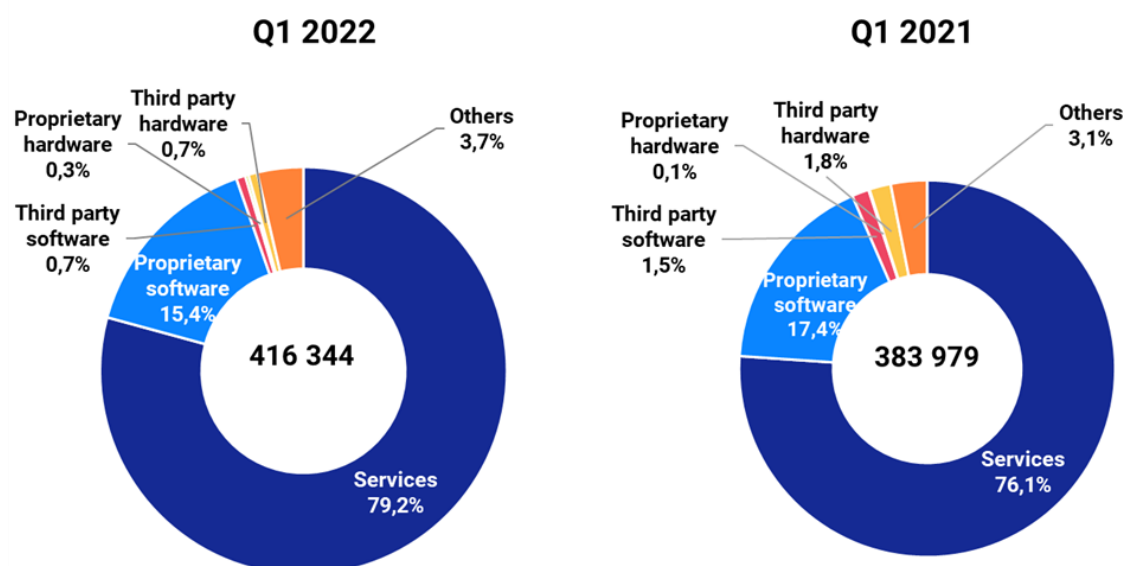
- significant investments in human capital,
- development and sales of IT solutions based mostly on own products,
- continuous improvement of operational efficiency by improving procedures and cost rationalization,
- developing further business areas, especially in the field of telemedicine, Internet of Things (IoT), e-commerce services and services related to the financial market,
- promotion of a service model of IT sales, especially solutions based on Comarch Cloud technology,
- investments in own technologies and IT infrastructure, also outside Poland.

5.2. Sales structure

Products sales structure (in thousands of PLN)

Products sales structure	Q1 2022	%	Q1 2021	%	Change PLN	Change %
Services	329,885	79.2	292,091	76.1	37,794	12.9
Proprietary software	64,158	15.4	66,864	17.4	-2,706	-4.0
Third party software	3,026	0.7	5,636	1.5	-2,610	-46.3
Finished goods	1,085	0.3	314	0.1	771	245.5
Third party hardware	2,949	0.7	7,083	1.8	-4,134	-58.4
Others	15,241	3.7	11,991	3.1	3,250	27.1
Total	416,344	100.0	383,979	100.0	32,365	8.4

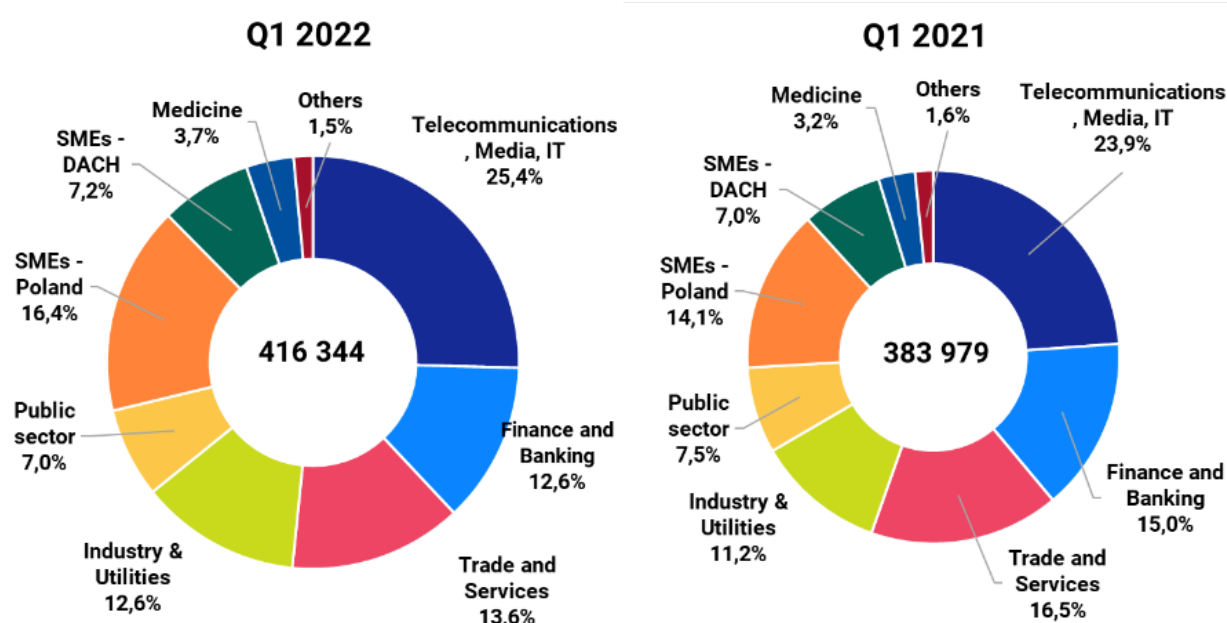
In the first quarter of 2022, products sales structure has continued the tendency observed in the previous periods. Once again, the revenue from sales of services has grown most quickly and have noted an increase of PLN 37,794 thousand, i.e. of 12.9% compared to the similar period of the last year. Sales of services accounted for 79.2% of total sales revenue of the Comarch Group. Revenue from sales of proprietary software increased by PLN 2,706 thousand, i.e. by 4.0%. The value of revenue from sales of third-party software was lower by PLN 2,610, i.e. 46.3% than in the first quarter of 2021. The value of sales of finished goods was higher by PLN 771 thousand, i.e. by 245.5% and sales of third-party hardware decreased by PLN 4,134 thousand i.e. by 58.4%. The value of other sales was higher by PLN 3,250 thousand, i.e. by 27.1%, the increase was mainly due to the development of sales of medical services.



Market sales structure (in thousands of PLN)

Market sales structure	Q1 2022	%	Q1 2021	%	Change PLN	Change %
Telecommunications, Media, IT	105,855	25.4	91,632	23.9	14,223	15.5
Finance and Banking	52,349	12.6	57,747	15.0	-5,398	-9.3
Trade and Services	56,653	13.6	63,365	16.5	-6,712	-10.6
Industry & Utilities	52,470	12.6	43,053	11.2	9,417	21.9
Public sector	29,249	7.0	28,726	7.5	523	1.8
Small and Medium-Sized Enterprises - Poland	68,113	16.4	54,210	14.1	13,903	25.6
Small and Medium-Sized Enterprises - DACH	29,833	7.2	26,951	7.0	2,882	10.7
Medicine	15,557	3.7	12,203	3.2	3,354	27.5
Others	6,265	1.5	6,092	1.6	173	2.8
Total	416,344	100.0	383,979	100.0	32,365	8.4

In the period of 3 months of 2022, the value of sales revenue of the Comarch Group to recipients from the TMT sector amounted to PLN 105,855 thousand, which means an increase of PLN 14,223 thousand (i.e. of 15.5%) compared to the first quarter of 2021. In the first quarter of 2022 the customers in the finance and banking sector purchased products and services in the value lower by PLN 5,398 thousand, i.e. by 9.3% than that achieved in the previous year. Sales of ERP solutions to small and medium-sized enterprises has recorded the next quarter of dynamic growth, revenue increased by PLN 13,903 thousand, i.e. by 25.6% and amounted to PLN 68,113 thousand. A decrease was recorded in sales to clients in the SME-DACH sector and amounted to PLN 2,882 thousand, i.e. of 10.7%). In the first quarter of 2022 revenue from sales to recipients from the public sector remained at the last year's level. In the reported period sales from revenue to recipients from the medical sector increased significantly: by PLN 3,354 thousand, i.e. by 27.5%, thanks to the growing sales of medical services. Revenue from sales to other customers remained at the last year's level.



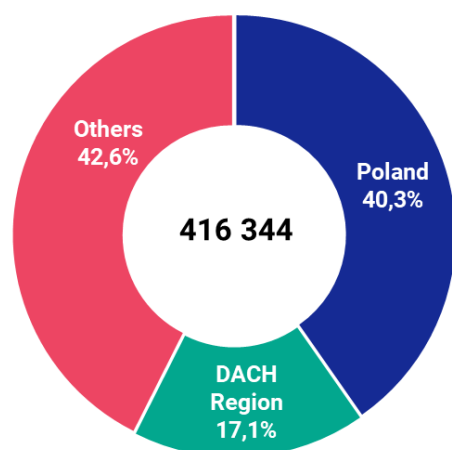
The business situation in the period of 3 months of 2022 confirmed that maintaining the diversification of sources of income and the diversity of the offer is beneficial for the stable development of the Comarch Group's operations. Thanks to the focus on the sale of proprietary solutions, the Comarch Group recorded a significant increase in revenue and improvement in operating profitability.

Geographical sales structure (in thousands of PLN)

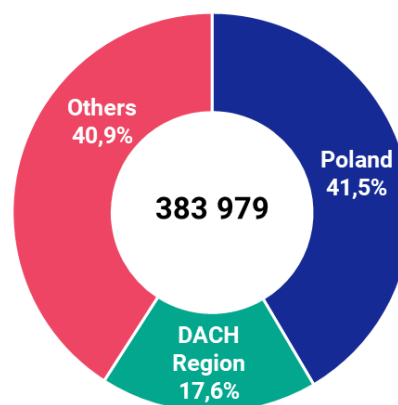
Geographical sales structure	Q1 2022	%	Q1 2021	%	Change PLN	Change %
Domestic (Poland)	167,720	40.3	159,338	41.5	8,382	5.3
Export	248,624	59.7	224,641	58.5	23,983	10.7
Total	416,344	100.0	383,979	100.0	32,365	8.4

In the first quarter of 2022, the Comarch Group recorded an increase in sales revenue both on the domestic and foreign markets. Revenue from sales on foreign markets were more dynamic and increased by PLN 23,983 thousand (i.e. by 10.7%), mainly thanks to the high sale to the customers from both TMT and Industry & Utilities sectors. The value of revenue from domestic sales increased by PLN 8,382 thousand, i.e. by 5.3% compared to the first quarter of 2021. It was caused, among others, by greater sales to clients from the SME-Poland and Medicine sectors. In the first quarter of 2022, export sales constituted 59.7% of the Comarch Group's total revenue.

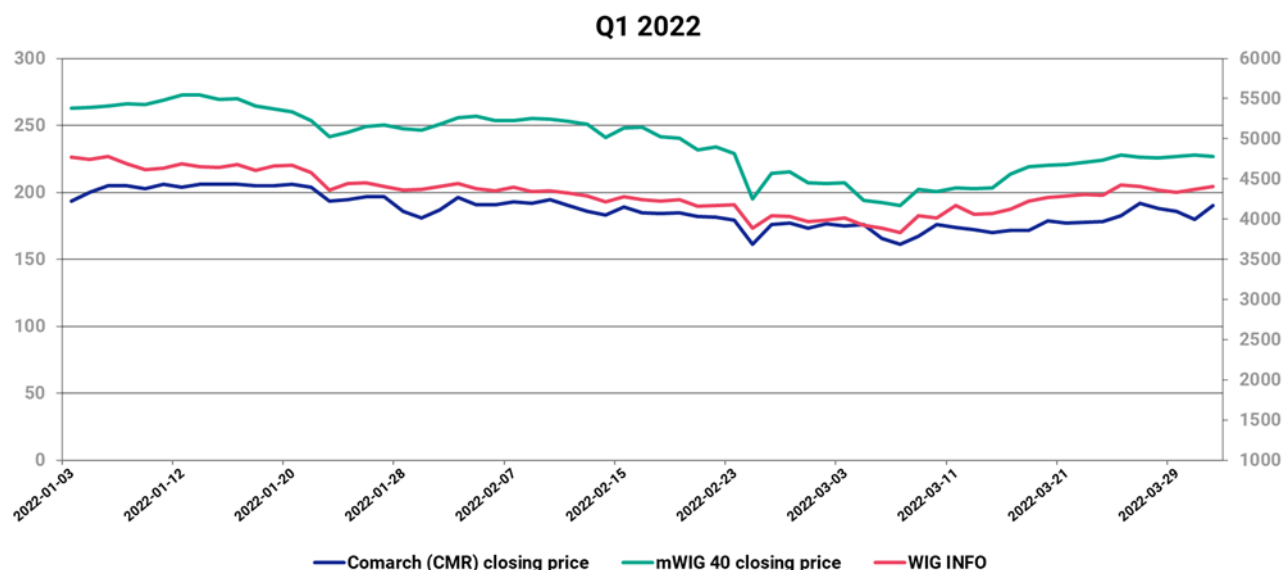
Q1 2022



Q1 2021



5.3. Comarch S.A. Stock Price Performance



On the 31st of March, 2022, the share price of Comarch S.A. amounted to PLN 190, which is a decrease of 14.4% compared to the PLN 222 as of the 31st of March, 2021. During the first quarter of 2022, the maximum rate was PLN 206.

The results of the Group and the price of Comarch shares in the following quarters will depend primarily on the demand for IT products and services. They will be shaped by the economic, political and epidemic situation in Poland and in the world as well as the financial situation of medium and large enterprises, which constitute the basic customer base of the Comarch Group. The level of exchange rates and the rate of increase of salaries of IT employees will also have a significant impact.

	3 months 2022 / 31.03.2022	3 months 2021 / 31.03.2021
Closing price at the balance sheet date	190,00	222,00
Average price during the reporting period	186,77	199,10
MIN price during the reporting period	161,50	187,00
MAX price during the reporting period	206,00	223,00
Average volume during the reporting period	3174	4,523
Capitalization at the balance sheet date	1,545,336,310	1,805,603,478

Ratios for unconsolidated data

P/E at the balance sheet date	24,56	21,63
P/BV at the balance sheet date	1,51	1,84
P/S at the balance sheet date	5,70	7,03

Ratios for consolidated data

P/E at the balance sheet date	47,64	69,24
P/BV at the balance sheet date	1,26	1,63
P/S at the balance sheet date	3,71	4,70

5.4.Events in the First Quarter of 2022 that Greatly Impacted the Current Activities of the Comarch Group

None present.

5.5.Events after the Balance Sheet Date that Greatly Impacted the Current Activities of the Comarch Group

None present.

the 20th of May, 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.

Al. Jana Pawła II 39a
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ir@comarch.pl

+48 12 687 78 22

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comarch.com/investors/

COMARCH



Condensed Quarterly Financial Statements of Comarch S.A. for the period from 1st of January, 2022 to 31st of March, 2022

Krakow, the 20th of May, 2022

Table of contents

I. Balance Sheet	5
II. Income Statement	7
III. Changes in Equity	8
IV. Cash Flow Statement.....	9
V. Additional Information and Commentary	11
1. Adopted Accounting Policies	11
2. Information about Significant Changes in Estimated Values, Including Information about Corrections Due to Provisions, Provision and Deferred Income Tax Assets Mentioned in the Act on Accounting and about Write-Offs that Revaluated Asset Items.....	12
3. Selected Notes to the Summary Financial Statement	13
3.1. Non-current Financial Assets.....	13
3.2. Changes in non-current financial assets (types)	13
3.3. Current Financial Assets	14
4. A Brief Description of Significant Achievements or Failures of the Issuer During the Period Covered by the Report, including a List of the Most Significant Events Related to Such Achievements or Failures	15
5. Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results	15
6. Discussion of Seasonality or Cyclical Nature of the Issuer's Business in the Period Presented	16
7. Information about Write-Offs that Revaluated Inventories at the Net Realizable Value and Reversal Referred to Them	16
8. Information about Revaluating Write-Offs in Relation to Impairment of Financial Assets, Property, Plant and Equipment, Intangible Assets or Other Assets and About Reversal Referred to Them	16
9. Information about Creation, Increasing, Using and Dissolution of Provisions	17
10. Information about Provisions and Assets in Reference to Deferred Income Tax.....	18
11. Information about Significant Transactions of Purchase and Sale of Property, Plant and Equipment	18
12. Information about Significant Liability in Relation to Purchase of Property, Plant and Equipment and Non-Current Financial Assets	18
13. Information about Significant Settlements in Reference to Court Proceedings	18
14. Corrections of Mistakes from the Previous Periods	19
15. Information in Relation to Changes in Economic Situation and Conditions for Operation, which Have a Aignificant Effect on Fair Value of an Entity's Financial Assets and Financial Liabilities Regardless of whether the Assets and the Liabilities are Recognized in Fair Value or in Adjusted Purchase Price (Depreciated Cost)	19
16. Information about Unpaid Credits or Loans, as well as Breach of Significant Provisions of the Credit or Loan Agreements which Were Not Subject to Corrective measures as of the reporting period	19
17. Information about One or More Transactions Concluded by the Issuer or its Subsidiary with Related Parties, if are Concluded on Terms Different from Market Conditions	19

18. In Case of Financial Instruments Valuated in Fair Value – Information About Changes in Method of its Establishment.....	19
19. Information Related to Changes in Classification of Financial Assets as a Result of Changes in Their Purpose or Using of These Assets	19
20. Information on any Issue, Repurchase or Repayment of Debt and Equity Securities	19
21. Information on Any Dividend Paid Out (or Declared), Including its Total and Per Share Value, Separately For Ordinary and Preference Shares.....	19
22. Events that Occurred After the Date of Condensed Quarterly Financial Statement, which Are Not Included in the Financial Statement but May Significantly Affect the Future Performance of the Issuer	20
23. Information on Any Changes in Contingent Liabilities or Contingent Assets which Have Occurred Since the End of the Last Financial Year.....	20
24. Other Information with Significant Effects on the Financial Condition Assessment and the Achieved Financial Results of the Issuer	20
24.1. Impact of SARS-CoV-2 Coronavirus and COVID-19 Incidents on the Company's Operations and Financial Results.....	20
24.2. Influence of the Political and Economic Situation in Ukraine and Russia on the Activities and Financial Results of the Company	21



Over **60** locations
on **6** continents



PLN 271 million
of sales revenue



PLN 9 million
of net profit



> PLN 1.5 billion
capitalization of Comarch SA on WSE
(the 31st of March, 2022)



5.1%
EBIT margin



5,300+
professionals employed

The Condensed Quarterly Financial Statements of Comarch S.A. for the first quarter of 2022

I. Balance Sheet

ASSETS	31 March 2022	31 December 2021	31 March 2021
I. NON-CURRENT ASSETS	808,279	785,423	778,026
1. Intangible assets	39,898	22,362	21,367
2. Property, plant and equipment	322,047	315,747	328,443
3. Non-current investments	437,571	438,952	420,295
3.1. Non-current financial assets	419,250	420,376	400,961
a) in related parties	415,487	420,067	400,925
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	3,763	309	36
3.2 Real estates	18,278	18,533	19,291
3.3 Other non-current investment	43	43	43
4. Non-current prepayments	8,763	8,362	7,921
4.1 Deferred income tax assets	7,573	7,414	6,976
4.2 Other accruals	1,190	948	945
II. CURRENT ASSETS	719,830	730,652	710,563
1. Inventories	82,660	64,108	58,860
2. Current receivables	382,926	442,759	350,237
2.1 from related parties	260,110	283,624	231,852
2.2 from other entities in which the Company holds equity interests	-	-	-
2.3 from other entities	122,816	159,135	118,385
3. Current investments	164,991	139,052	193,093
3.1 Current financial assets	164,991	139,052	193,093
a) in related parties	1,094	755	818
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	29,127	74,597	120,613
- interest and shares	-	-	-
- other securities	28,513	74,184	120,221
- other current financial assets	614	413	392
d) cash and cash equivalents	134,770	63,700	71,662
4. Short-term prepayments	89,253	84,733	108,373
TOTAL ASSETS	1,528,109	1,516,075	1,488,589

EQUITY AND LIABILITIES	31 March 2022	31 December 2021	31 March 2021
I. EQUITY	1,021,827	1,018,093	980,390
1. Share capital	8,133	8,133	8,133
2. Supplementary capital	818,985	818,985	763,377
3. Revaluation reserve	106,554	112,182	103,640
4. Other reserve capitals	745	745	745
5. Previous years' profit (loss)	78,048	-	80,008
6. Net profit (loss)	9,362	78,048	24,487
II. LIABILITIES AND PROVISIONS FOR LIABILITIES	506,282	497,982	508,199
1. Provisions for liabilities	181,370	169,207	184,165
1.1 Provision for deferred income tax	25,836	27,203	25,210
1.2 Other provisions	155,534	142,004	158,955
a) current	153,050	140,099	157,557
b) non-current	2,484	1,905	1,398
2. Non-current liabilities	80,228	87,268	111,074
2.1 to related parties	-	-	9,489
2.2 to other entities in which the Company holds equity interests	-	-	-
2.3 to other entities	80,228	87,268	101,585
3. Current liabilities	184,339	186,062	152,164
3.1 to related parties	33,658	28,479	18,194
3.2 to other entities in which the Company holds equity interests	350	350	350
3.3 to other entities	146,976	156,119	130,508
3.4 Special funds	3,355	1,114	3,112
4. Accruals	60,345	55,445	60,796
4.1 Other accruals	60,345	55,445	60,796
a) current	60,345	55,445	60,796
TOTAL EQUITY AND LIABILITIES	1,528,109	1,516,075	1,488,589

Book value	1,021,827	1,018,093	980,390
Number of shares	8,133,349	8,133,349	8,133,349
Book value per single share (PLN)	125.63	125.18	120.54
Diluted number of shares	8,133,349	8,133,349	8,133,349
Diluted book value per single share (PLN)	125.63	125.18	120.54

II. Income Statement

For period 01.01 – 31.03.2022 and 01.01 – 31.03.2021	3 months ended 31 March 2022	3 months ended 31 March 2021
I. I. Net revenue from sales of products, goods and materials	271,038	256,796
revenue from related parties	101,699	87,498
1. Net revenue from sales of products	261,268	242,736
2. Net revenue from sales of goods and materials	9,770	14,060
II. Costs of products, goods and materials sold	221,689	195,004
to related parties	11,427	7,861
1. Manufacturing cost of products sold	213,397	181,906
2. Value of products, goods and materials sold	8,292	13,098
III. Gross profit (loss) on sales	49,349	61,792
IV. Costs of sales	18,145	14,595
V. Administrative expenses	17,402	16,686
VI. Profit (loss) on sales	13,802	30,511
VII. Other operating revenue	767	785
1. Profit on disposal of non-financial non-current assets	216	168
2. Other operating revenues	551	617
VIII. Other operating costs	657	2,986
1. Loss on disposal of non-financial non-current assets	-	-
2. Cost of works financed in part with subsidies	74	174
3. Revaluation of non-financial assets	-	-
4. Other operating costs	583	2,812
IX. Profit (loss) on operating activities	13,912	28,310
X. Financial revenue	4,357	6,463
1. Interest	523	239
from related parties	239	213
2. Dividends and share in profits	-	-
from related parties	-	-
3. Profit on disposal of investment	-	-
4. Other	3,834	6,224
XI. Finance costs	3,324	6,074
1. Interest	533	504
from related parties	143	56
2. Loss on disposal of investment	1,694	114
3. Revaluation of investments	-	-
4. Other	1,097	5,456
XII. Profit (loss) on business activities	14,945	28,699
XIII. Gross profit (loss)	14,945	28,699
XIV. Income tax	5,583	4,212
XV. Net profit (loss)	9,362	24,487

Net profit (loss) (annualised)	62,923	83,480
Weighted average number of shares 01.04.2021 – 31.03.2022	8,133,349	8,133,349
Earnings (losses) per single share (PLN)	7.74	10.26
Diluted weighted average number of shares 01.04.2021 – 31.03.2022	8,133,349	8,133,349
Diluted earnings (losses) per single share (PLN)	7.74	10.26

III. Changes in Equity

	3 months ended 31 March 2022	12 months ended 31 December 2021	3 months ended 31 March 2021
I. OPENING BALANCE OF EQUITY	1,018,093	949,438	949,438
a) changes to adopted accounting principles (policies)	-	-	-
I. a. Opening balance of equity after adjustments	1,018,093	949,438	949,438
1. Opening balance of share capital	8,133	8,133	8,133
1.1 Changes in share capital	-	-	-
a) increases (due to)	-	-	-
- shares issue	-	-	-
1.2 Closing balance of share capital	8,133	8,133	8,133
2. Opening balance of supplementary capital	818,985	763,377	763,377
2.1 Changes in supplementary capital	-	55,608	-
a) increases (due to)	-	55,608	-
- profit-sharing for the previous years	-	55,608	-
2.2 Closing balance of supplementary capital	818,985	818,985	763,377
3. Opening balance of revaluation reserve	112,182	97,175	97,175
3.1 Changes in revaluation reserve	(5,628)	15,007	6,465
a) increases (due to)	(6,948)	18,528	7,981
- provision for deferred income tax due to certificates valuation	-	-	-
- balance sheet valuation of investment certificates	(6,948)	18,528	7,981
b) decreases (due to)	(1,320)	3,521	1,516
- balance sheet valuation of investment certificates	-	-	-
- provision for deferred income tax due to certificates valuation	(1,320)	3,521	1,516
3.2 Closing balance of revaluation reserve	106,554	112,182	103,640
4. Opening balance of capital from merger	-	-	-
4.1 Closing balance of capital from merger	-	-	-
5. Opening balance of other reserve capitals	745	745	745
5.1 Closing balance of other reserve capitals	745	745	745
6. Opening balance of previous years' profit	78,048	80,008	80,008
a) changes to adopted accounting principles (policies)	-	-	-
6.1 Opening balance of previous years' profit after adjustments	78,048	80,008	80,008
a) decreases (due to)	-	80,008	-
- transferring the result from the previous years to supplementary capital	-	55,608	-
- payment of dividend	-	24,400	-

6.2 Closing balance of previous years' profit	78,048	-	80,008
7. Result for Q1 (opening balance)	-	-	-
7.1 Net result for the period	9,362	78,048	24,487
7.2. Net result	9,362	78,048	24,487
II. CLOSING BALANCE OF EQUITY	1,021,827	1,018,093	980,390
III. EQUITY INCLUDING PROPOSED PROFIT-SHARING (LOSS COVERAGE)	1,021,827	1,018,093	980,390

IV. Cash Flow Statement

For period 01.01 – 31.03.2022 and 01.01 – 31.03.2021	3 months ended 31 March 2022	3 months ended 31 March 2021
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A. CASH FLOWS FROM OPERATING ACTIVITIES

I. Net profit (loss)	9,362	24,487
II. Total adjustments	69,597	72,664
1. Depreciation	12,603	10,844
2. Exchange gains (losses)	357	(218)
3. Interest and profit sharing (dividends)	50	431
4. (Profit) loss on investing activities	599	(449)
5. Change in provisions	13,483	3,227
6. Change in inventories	(18,552)	(4,314)
7. Change in receivables	57,814	89,978
8. Change in current liabilities, excluding credits and loans	3,265	(13,442)
9. Change in prepayments and accruals	(22)	(13,393)
10. Change in deferred income	-	-
11. Other adjustments	-	-
III. Net cash used in operating activities (I+/-II) – indirect method	78,959	97,151

B. CASH FLOWS FROM INVESTING ACTIVITIES

I. Inflows	58,281	232
1. Disposal of property, plant and equipment and intangible assets	133	137
2. From financial assets, including:	58,148	95
a) in related parties	13,356	95
- repaid loans	13,019	80
- repaid interest on loans	337	15
- received loans	-	-
- received interest	-	-
- received dividends	-	-
b) in other entities	44,792	-
- interest	-	-
- dividends and share in profits	-	-
- other proceeds from financial assets	44,792	-
3. Other investment proceeds	-	-

II. Outflows	(57,365)	(133,993)
1. Purchase of property, plant and equipment and intangible assets	(40,287)	(22,615)
2. Expenses for investment in real estates	(4)	-
3. For financial assets, including:	(17,074)	(111,378)
a) in related parties	(15,380)	(11,264)
- purchase of financial assets	(13,125)	-
- granted non-current loans	(2,255)	(11,264)
- repayment of loans from related parties	-	-
- repayment of interest on loans	-	-
b) in other entities	(1,694)	(100,114)
4. Other investment expenses	-	-
III. Net cash used in investing activities (I-II)	916	(133,761)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	2,849	25,017
1. Credits and loans	2,708	24,879
2. Proceeds from issuance of the shares and other instruments, as well as additional payment to capital	-	-
3. Loans repaid	-	-
4. Interest received on loan repayments	-	-
5. Other financial proceeds (received subsidies)	141	138
II. Outflows	(11,448)	(10,040)
1. Purchase of own shares (shares) + additional capital contributions	-	-
2. Dividends and other payments to owners	-	-
3. Repayment of loans and credits	(11,049)	(9,594)
4. Interests	(387)	(446)
5. Granted loans	(12)	-
6. Other financial expenses	-	-
III. Net cash (used in)/generated from financing activities (I-II)	(8,599)	14,977
D. NET CASH FLOW, TOTAL (A.III+/-B.III+/-C.III)	71,276	(21,633)
E. BALANCE SHEET CHANGE IN CASH AND CASH EQUIVALENTS	70,850	(21,414)
change in cash and cash equivalents due to exchange differences	(426)	219
F. CASH AND CASH EQUIVALENTS OPENING BALANCE	63,700	93,076
G. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS (F+/-E)	134,550	71,662
limited disposal	237	249

V. Additional Information and Commentary

1. Adopted Accounting Policies

This financial statement was prepared according to the Act passed on the 29th of September, 1994, on Accounting (unified text - Journal of Laws 2021, pos. 217 with subsequent changes) 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, No. 757 with subsequent changes). A complete description of the adopted accounting principles was presented in the last annual financial statement, i.e. for the period from the 1st of January, 2021, until the 31st of December, 2021. If this financial statement for the 3 months ended the 31st of March, 2022, was prepared according to IFRS, the financial results would amount to PLN 6,447 thousand.

Profit according to the Act on Accounting	9,362
Depreciation of perpetual usufruct	(23)
Asset due to activity in the SEZ	(4,071)
Correction of revenue from the title of IFRS 15	1,440
Correction of revenue from the title of IFRS 16	(261)
Correction of revenue from the title of IFRS 9	-
Profit according to IFRS	6,447

2. Information about Significant Changes in Estimated Values, Including Information about Corrections Due to Provisions, Provision and Deferred Income Tax Assets Mentioned in the Act on Accounting and about Write-Offs that Revaluated Asset Items

As at the 31st of March, 2021, Comarch S.A. did not create any write-offs that revaluated goods, materials and finished goods. The company resolved write-offs revaluated goods and materials which had been created in the previous years in the amount of PLN 295 thousand.

No hedges were made on inventories owned by the Company.

As at the 31st of March, 2022, due to payments of receivables, Comarch S.A. resolved revaluating write-offs which were worth PLN 2,044 thousand and created write-offs worth PLN 1,996 thousand that revaluated bad debts. Due to the fact that the Company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised is established on the basis of the annual settlement of income tax, after the end of the fiscal year. In the first quarter 2022, an asset due to temporary differences in income tax worth PLN 159 thousand was created and provision for deferred tax due to temporary differences was resolved in the amount of PLN 47 thousand. The total effect of these operations on the result as at the 31st of March, 2022 amounted to plus PLN 206 thousand.

A provision for deferred income tax related to valuation of investment certificates in CCF FIZ was decreased by PLN 1,320 thousand. This provision as well as certificates valuation are settled with revaluation reserve.

In the first quarter of 2021, Comarch S.A. did not create any write-offs due to the loss of value of shares in subsidiaries, however it created a revaluation write-off on loans to related entities in the amount of PLN 96 thousand.



3. Selected Notes to the Summary Financial Statement

3.1. Non-current Financial Assets

	31 March 2022	31 December 2021	31 March 2021
a) in subsidiaries and correlated parties	415,487	420,067	400,925
- interest or shares	245,291	232,059	232,029
- loans granted	11,093	21,957	39,386
- other securities	159,103	166,051	129,510
- other non-current financial assets, including:	-	-	-
• interest on granted loans	-	-	-
b) in other entities in which the Company holds equity interests	-	-	-
- interest or shares	-	-	-
- loans granted	-	-	-
c) in other entities	3,763	309	36
- loans granted	16	4	-
- other non-current financial assets (types)	3,747	305	36
• forwards and IRS	3,747	305	36
Total non-current financial assets	419,250	420,376	400,961

3.2. Changes in non-current financial assets (types)

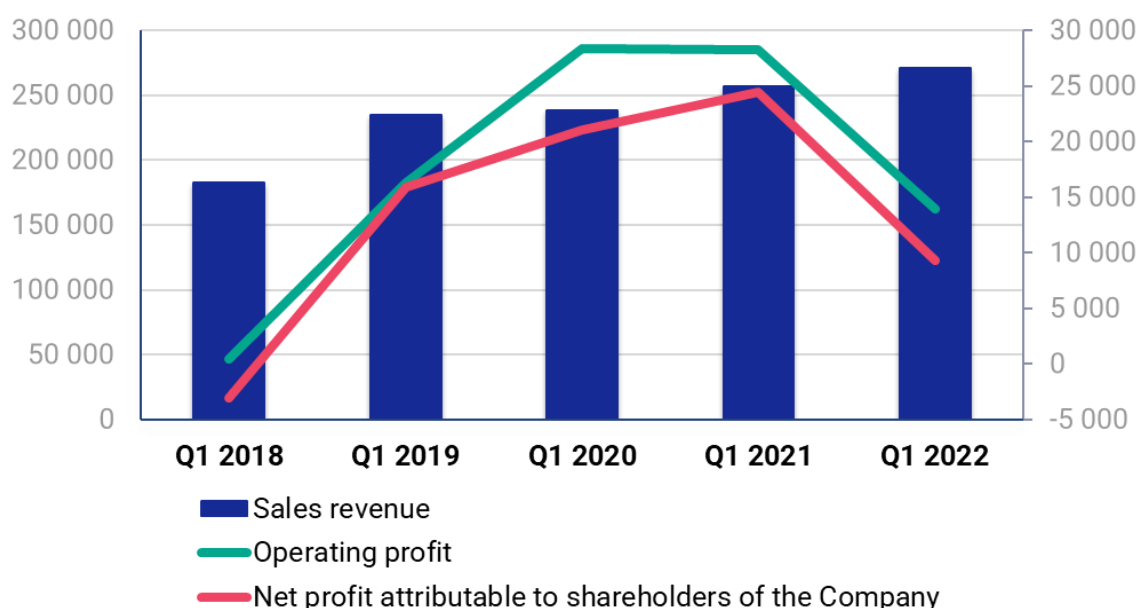
	3 months ended 31 March 2022	3 months ended 31 March 2021
a) Opening balance	420,376	381,947
- interests or shares	232,059	231,842
- loans granted	21,961	27,979
- other securities	166,051	121,529
- other non-current assets (forward contracts)	305	597
- others	-	-
b) increases (due to)	28,170	19,746
- purchases of shares in subsidiaries	13,125	-
- loans granted to subsidiaries	1,805	11,263
- capitalization of interest on loans from subsidiaries	-	-
- balance sheet valuation of non-current loans	-	-
- reversal of revaluation write-off for long-term loans	9,383	-
- balance sheet valuation of loans in subsidiaries	296	315
- valuation of forward contracts	3,442	-
- valuation of participation units in CCF FIZ	-	7,981
- acquisition of certificates in CCC FIZ	-	-

- balance sheet valuation of shares	107	187
- granted loans to other entities	12	-
c) decreases (due to)	29,296	732
- repayment of subsidiaries' loans	12,869	-
- repayment of interest on subsidiaries' loans	-	-
- change of the nature of loans to current loans from related parties	-	80
- valuation of participation units in CCF FIZ	6,948	-
- valuation of forward contracts	-	561
- revaluation of shares	-	-
- revaluation write-off for impairment of shares	-	-
- balance sheet valuation of shares	-	-
- creating revaluation write-offs on loans to related parties	96	91
- writing-off a loan repaid by related parties	9,383	-
d) Closing balance	419,250	400,961

3.3. Current Financial Assets

	31 March 2022	31 December 2021	31 March 2021
a) in related parties	1,094	755	818
- loans granted	702	402	402
- other financial assets	392	353	416
b) in other entities in which the Company holds equity interests	-	-	-
- loans granted	-	-	-
- other financial assets	-	-	-
c) in other entities	29,127	74,597	120,613
- interest or shares	-	-	-
- loans granted	-	-	-
- other securities	28,513	74,184	120,221
- other current financial assets	614	413	392
• forward and IRS contracts	614	413	392
d) cash and cash equivalents	134,770	63,700	71,662
- cash in hand and at banks	134,550	63,700	71,662
- other cash assets	220	-	-
Total Current financial assets	164,991	139,052	193,093

4. A Brief Description of Significant Achievements or Failures of the Issuer During the Period Covered by the Report, including a List of the Most Significant Events Related to Such Achievements or Failures



In the first quarter of 2022, Comarch S.A. reached revenue in the amount of PLN 271,038 thousand from sales which means an increase of PLN 14,242 thousand, i.e. of 5.5% compared to the corresponding period of 2021. Net sales of products constituted 96.4% of total sales of the Company and were higher by PLN 18,532 thousand whereas revenue from the sales of goods and materials decreased (by PLN 4,290 thousand, i.e. by 30.5%) The Company's operating profit achieved in Q1 2022 amounted to PLN 13,912 thousand, net result was PLN 9,362 thousand. EBIT margin was 5.1%, and net margin was 3.5%.

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

Except for the ones described in point 2 of this financial statement, currency exchange rate differences and financial instruments based on exchange rates have influence on the financial results. Realized foreign exchange rate differences and balance sheet valuation of exchange rates on receivables and liabilities as at the 31st of March, 2022, increased revenue and operating profit of Comarch S.A. by PLN 5,093 thousand (while in the similar period of 2021 increased by PLN 6,352 thousand). Exchange rate differences from other activities decreased the result of Comarch S.A. by PLN 1,259 thousand (while in the similar period of 2021 decreased by PLN 128 thousand). The valuation of financial instruments and closed transactions (mostly forward contracts) and provision for deferred income tax in reference to the valuation of the financial instruments decreased the Company's net profit by PLN 2,358 thousand (while in the similar period of 2021 decreased it by PLN 4,421 thousand). The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch S.A. in first quarter of 2022 amounted to plus PLN 1,476 thousand (plus PLN 1,803 thousand in the similar period of 2021).

As at the 31st of March, 2022, Comarch S.A. did not create any write-offs due to the loss of value of shares in subsidiaries and created a revaluation write-off for loans to related parties in the amount of PLN 96 thousand.

6. Discussion of Seasonality or Cyclical Nature of the Issuer's Business in the Period Presented

Over 2021, Comarch S.A. 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 the distribution of sales revenue similar to that of 2021.

7. Information about Write-Offs that Revaluated Inventories at the Net Realizable Value and Reversal Referred to Them

As of the 31st of March, 2022, Comarch S.A. did not create any write-offs that revaluated goods, materials and finished products. The company resolved write-offs that revaluated goods and materials which had been created in the previous years in the amount of PLN 295 thousand.

8. Information about Revaluating Write-Offs in Relation to Impairment of Financial Assets, Property, Plant and Equipment, Intangible Assets or Other Assets and About Reversal Referred to Them

Revaluating write-offs in relation to impairment	Financial assets	Property, plant and equipment	Intangible assets	Other assets	Total
Balance at 1 January 2021	133,571	-	-	-	133,571
Change:	-	-	-	-	-
- creation write-offs	-	-	-	-	-
- dissolution write-offs	-	-	-	-	-
Balance at 31 March 2021	133,571	-	-	-	133,571
Balance at 1 January 2021	133,571	-		9,229	142,800
Change:	13,812	20	-	25,888	39,720
- creation write-offs	13,812	20	-	25,888	39,720
- dissolution write-offs	-	-	-	-	-
Balance at 31 December 2021	147,383	20	-	35,117	182,520
Balance at 1 January 2022	147,383	20	-	35,117	182,520
Change:	(1,127)	-	-	(9,287)	(10,414)
- creation write-offs	-	-	-	96	96
- dissolution write-offs	(1,127)	-	-	(9,383)	(10,510)
Balance at 31 March 2022	146,256	20	-	25,830	172,106

9. Information about Creation, Increasing, Using and Dissolution of Provisions

	Provisions for contracts costs	Provisions for contractual penalties and other claims	Provisions for leaves	Provisions for remuneration	Provision for pension and related benefits	Total
Balance at 1 January 2021	13,823	3,147	31,482	105,911	1,398	155,761
Change:	(1,043)	(113)	9,642	(5,292)	-	3,194
- creation reserve	342	77	10,687	14,401	-	25,507
- dissolution reserve	(1,385)	(190)	(1,045)	(19,693)	-	(22,313)
Balance at 31 March 2021	12,780	3,034	41,124	100,619	1,398	158,955
Current	12,780	3,034	41,124	100,619	-	157,557
Non-current	-	-	-	-	1,398	1,398
Balance at 1 January 2021	13,823	3,147	31,482	105,911	1,398	155,761
Change:	1,061	111	2,950	(18,386)	507	(13,757)
- creation reserve	6,161	1,089	21,712	108,743	638	138,343
- dissolution reserve	(5,100)	(978)	(18,762)	(127,129)	(131)	(152,100)
Balance at 31 December 2021	14,884	3,258	34,432	87,525	1,905	142,004
Current	14,884	3,258	34,432	87,525	-	140,099
Non-current	-	-	-	-	1,905	1,905
Balance at 1 January 2022	14,884	3,258	34,432	87,525	1,905	142,004
Change:	1,725	(2)	11,584	(356)	579	13,530
- creation reserve	2,635	1	13,138	16,191	615	32,580
- dissolution reserve	(910)	(3)	(1,554)	(16,547)	(36)	(19,050)
Balance at 31 March 2022	16,609	3,256	46,016	87,169	2,484	155,534
Current	16,609	3,256	46,016	87,169	-	153,050
Non-current	-	-	-	-	2,484	2,484

All provisions were calculated based on credible estimate as of the balance sheet date.

10. Information about Provisions and Assets in Reference to Deferred Income Tax

	Asset due to deferred income tax	Provision due to deferred income tax
At 1 January 2021	5,755	23,661
Creation in I-III 2021	1,221	1,560
Dissolution in I-III 2021	-	(11)
At 31 March 2021	6,976	25,210
At 1 January 2021	5,755	23,661
Creation in I-XII 2021	2,793	3,586
Dissolution in I-XII 2021	1,134	(44)
At 31 December 2021	7,414	27,203
At 1 January 2022	7,414	27,203
Creation in I-III 2022	159	-
Dissolution in I-III 2022	-	1,367
At 31 March 2022	7,573	25,836

11. Information about Significant Transactions of Purchase and Sale of Property, Plant and Equipment

In reporting period Comarch S.A. purchased computer hardware and means of transport for amount of PLN 15,089 thousand. In addition, it purchased intangible assets for the amount of PLN 21,007 thousand, including copyrights to medical systems, acquired from a subsidiary, for the total amount of PLN 18,305 thousand.

In the reporting period Comarch S.A., revenue from sales of property, plant and equipment amounted to PLN 429 thousand.

In 2022, shares in related parties were acquired in the amount of PLN 13,125 thousand.

12. Information about Significant Liability in Relation to Purchase of Property, Plant and Equipment and Non-Current Financial Assets

As at 31st of March, 2022, Comarch S.A. has liabilities due to purchase of computer hardware in the amount of PLN 2,918 thousand as well as liabilities due to purchase of intangible assets in the amount of PLN 2,192 thousand.

Comarch S.A. has also liabilities due to acquisition of shares in increased share capital of a subsidiary, Comarch Pointshub Inc., in the amount of PLN 3,720 thousand.

13. Information about Significant Settlements in Reference to Court Proceedings

None present.

14. Corrections of Mistakes from the Previous Periods

None present.

15. Information in Relation to Changes in Economic Situation and Conditions for Operation, which Have a Significant Effect on Fair Value of an Entity's Financial Assets and Financial Liabilities Regardless of whether the Assets and the Liabilities are Recognized in Fair Value or in Adjusted Purchase Price (Depreciated Cost)

None present.

16. Information about Unpaid Credits or Loans, as well as Breach of Significant Provisions of the Credit or Loan Agreements which Were Not Subject to Corrective measures as of the reporting period

None present.

17. Information about One or More Transactions Concluded by the Issuer or its Subsidiary with Related Parties, if are Concluded on Terms Different from Market Conditions

None present.

18. In Case of Financial Instruments Valuated in Fair Value – Information About Changes in Method of its Establishment

None present.

19. Information Related to Changes in Classification of Financial Assets as a Result of Changes in Their Purpose or Using of These Assets

None present.

20. Information on any Issue, Repurchase or Repayment of Debt and Equity Securities

None present.

21. Information on Any Dividend Paid Out (or Declared), Including its Total and Per Share Value, Separately For Ordinary and Preference Shares

As at the date of publication of the report for Q1 2022, the Management Board of Comarch S.A. did not decide on the distribution of profit for 2021.

22. Events that Occurred After the Date of Condensed Quarterly Financial Statement, which Are Not Included in the Financial Statement but May Significantly Affect the Future Performance of the Issuer

None present.

23. Information on Any Changes in Contingent Liabilities or Contingent Assets which Have Occurred Since the End of the Last Financial Year

As at the 31st of March, 2022, 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 86,550 thousand, whereas it was PLN 83,505 thousand as at the 31st of December, 2021.

Comarch S.A. is the defendant in legal proceedings in which the potential total amount of third party claims is PLN 18,370 thousand of which PLN 1,032 thousand is covered by provisions included in the balance sheet as at the 31st of March, 2022. In the first quarter of 2022, Comarch S.A. did not create any provisions for claims covered by legal proceedings and did not resolve any provisions in this respect.

The Comarch S.A. is a party to the matters in disputes, but not legal proceedings in which the potential total amount of third party claims is PLN 2,941 thousand of which PLN 2,223 thousand is covered by provisions included in the balance sheet as at the 31st of March, 2022. In the first quarter 2022, Comarch S.A. created provisions for matters in disputes, but not legal proceedings in the amount of PLN 1 thousand and resolved provisions in this respect for the amount of PLN 3 thousand.

Due to the legal proceedings, in the first quarter 2022, the Comarch Group did not create any write-offs that reevaluate receivables.

24. Other Information with Significant Effects on the Financial Condition Assessment and the Achieved Financial Results of the Issuer

24.1. 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 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 S.A.'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. The Comarch S.A. 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 re-vaccinations (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 S.A. 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 Company's operations.

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.

24.2. Influence of the Political and Economic Situation in Ukraine and Russia on the Activities and Financial Results of the Company

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 Company'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 Company 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 S.A. Activity of Comarch S.A. 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 1.6% of the Company's total revenue in 2021. The Company's ICT infrastructure is also very well diversified and constantly improved. Comarch invariably remains a stable workplace and business partner for customers all over the world.

the 20th of May, 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	

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS

Name and Surname	Position/Function	Signature
Maria Smolińska	Head Accountant	

Comarch S.A.

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