

FINANCIAL SUPERVISION AUTHORITY

Consolidated Quarterly Report QSr ...1 / 2023

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 ...2023	from 2023-01-01 to 2023-03-31
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	2023-05-22

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 2023	Q1 2022	Q1 2023	Q1 2022
DATA RELATED TO THE CONSOLIDATED FINANCIAL STATEMENT				
I. Revenue from sales	427,605	416,344	90,970	89,590
II. Operating profit (loss)	19,276	42,816	4,101	9,213
III. Profit before income tax	30,065	43,356	6,396	9,329
IV. Net profit attributable to shareholders of parent company	23,056	32,439	4,905	6,980
V. Net cash flows from operating activities	138,375	110,713	29,438	23,824
VI. Net cash flows from investing activities	-20,125	6,569	-4,281	1,414
VII. Net cash flows from financing activities	-21,759	-20,833	-4,629	-4,483
VIII. Change in net cash flows	96,491	96,449	20,528	20,754
IX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349
X. Earnings (losses) per single share (PLN/EURO)	2.83	3.99	0.60	0.86
XI. Diluted earnings (losses) per single share (PLN/EURO)	2.83	3.99	0.60	0.86
DATA RELATED TO THE FINANCIAL STATEMENT				
XII. Net revenues from sales of products, goods and materials	315,833	271,038	67,191	58,323
XIII. Profit (loss) on operating activities	18,738	13,912	3,986	2,994
XIV. Gross profit (loss)	24,781	14,945	5,272	3,216
XV. Net profit (loss)	21,017	9,362	4,471	2,015
XVI. Net cash flows from operating activities	41,576	78,959	8,845	16,991
XVII. Net cash flows from investing activities	-13,585	916	-2,890	197
XVIII. Net cash flows from financing activities	-12,870	-8,599	-2,738	-1,850
XIX. Total net cash flow	15,121	71,276	3,217	15,337
XX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349

XXI. Earnings (losses) per single share (PLN/EURO)	9.72	7.74	2.07	1.67
XXII. Diluted earnings (losses) per single share (PLN/EURO)	9.72	7.74	2.07	1.67
EQUITIES	31.03.2023	31.12.2022	31.03.2023	31.12.2022
XXIII. Equity attributable to shareholders (consolidated)	1,296,564	1,277,519	277,310	277,310
XXIV. Equity (parent company)	1,074,538	1,054,059	229,823	229,823

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 01.01.2023 to 31.03.2023: 4,7005;
- 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
The balance sheet items were presented based on NBP average exchange rates as of the end of the period:
- 31.03.2023: 4,6755
- 31.12.2022: 4.6899

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 2023 jednostkowy	QSr 1 2023 Comarch SA
QSr 1 2023 skonsolidowany	QSr 1 2023 Comarch group

SIGNATURES

Date	Name and surname	Position	Signature
2023-05-22	Konrad Tarański	Vice-President of the Management Board	
2023-05-22	Iwona Kasprzyk	Proxy	

COMARCH



Comarch Group Consolidated Financial Statement for the period 01.01.2023- 31.03.2023

Krakow, the 22th of May, 2022

Statement in accordance with the International
Financial Reporting Standards

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almost **70** countries on **6** continents
– we carry out projects all over the world



PLN 427.6 million
of sales revenue



PLN 23 million
Net profit attributable to the parent Company's
shareholders



> PLN 1.2 billion
Capitalization of Comarch SA on WSE
(the 31st of March, 2023)



4.5%
Operating profit



6 700+
Professionals employed

Comarch Group Consolidated Financial Statement for the Three Months of 2023

I. Consolidated Balance Sheet

ASSETS	Note	At 31 December 2023	At 31 December 2022
I. NON-CURRENT ASSETS		985,465	976,471
Property, plant and equipment	3.2	685,738	684,642
Right-of-use assets	3.3	89,892	85,296
Investment in real estates	3.4	36,892	37,313
Goodwill	3.5	45,774	45,774
Other intangible assets	3.6	69,031	69,062
Non-current prepayments		5,208	5,942
Other assets at fair value	3.8a	13,058	9,723
Other investments		1,271	1,249
Deferred income tax assets	3.9	31,440	30,452
Other receivables		7,161	7,018
II. CURRENT ASSETS		1,300,626	1,295,511
Inventories	3.10	96,193	85,947
Trade and other receivables	3.11	425,699	535,309
Current income tax receivables		3,426	6,792
Long-term contracts receivables	3.12	178,316	166,811
Available-for-sale financial assets	3.7	27	27
Other financial assets at fair value – derivative financial instruments	3.8a	4,218	2,327
Cash and cash equivalents		592,747	498,298
III. ASSETS HELD FOR SALE		-	-
TOTAL ASSETS		2,286,091	2,271,982

EQUITY AND LIABILITIES	Note	At 31 December 2023	At 31 December 2022
I. EQUITY		1,296,784	1,279,690
Capital and reserves attributable to the company's equity holders		1,296,564	1,277,519
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		50,519	54,530
Retained earnings and net profit for the current period		1,094,871	1,071,815
Equities attributable to non-controlling interests		220	2,171
II. LIABILITIES		989,307	992,292
Non-current liabilities		254,499	256,283
Credit and loans	3.14	119,960	127,475
Other financial liabilities	3.16	-	-
Other liabilities		417	436
Liabilities due to lease	3.15	74,366	70,227
Financial liabilities at fair value – derivative financial instruments	3.8b	508	2,176
Provision for deferred income tax	3.9	55,364	52,720
Provisions for other liabilities and charges	3.17	3,884	3,249
Current liabilities		734,808	736,009
Trade and other payables	3.18	303,472	277,732
Current income tax liabilities		25,363	27,484
Long-term contracts liabilities	3.12	126,189	145,999
Credit and loans	3.14	39,218	44,732
Liabilities due to lease	3.15	21,509	21,099
Financial liabilities at fair value – derivative financial instruments	3.8b	1,806	5,199
Other financial liabilities	3.16	-	-
Provisions for other liabilities and charges	3.17	217,251	213,764
TOTAL EQUITY AND LIABILITIES		2,286,091	2,271,982

II. Consolidated Income Statement

	Note	3 months of 2023	3 months of 2022
Revenue		427,605	416,344
Costs of products, services, goods and materials sold		(339,273)	(300,598)
Gross profit		88,332	115,746
Other operating income		6,923	5,414
Sales and marketing costs		(40,540)	(37,090)
Administrative expenses		(30,851)	(31,793)
Other operating expenses		(4,588)	(9,461)
Operating profit		19,276	42,816
Finance revenue / (costs) - net		10,788	540
Share of profit of associates		1	-
Profit before income tax		30,065	43,356
Income tax expense		(8,961)	(12,225)
Net profit for the period		21,104	31,131
Net profit attributable to Shareholders of the parent company		23,056	32,439
Net profit / (loss) attributable to interests not entitled to control		(1,952)	(1,308)
Earnings per share for profit attributable to the shareholders of the parent company during the period (expressed in PLN per share)			
- basic	3.23	2,83	3,99
- diluted	3.23	2,83	3,99

III. Total Income Consolidated Statement

	3 months of 2023	3 months of 2022
Net profit for the period	21,104	31,131
Other total income		
Exchange differences from recalculation of subsidiaries	(4,010)	3,622
Total other total income	(4,010)	3,622
Sum of total income for the period	17,094	34,753
Attributable to the parent company shareholders	19,045	36,061
Attributable to the interests not entitled to control	(1,951)	(1,308)

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	Share capital	Reserve capital from sales of shares above the nominal value	Other capitals	Share capital
Balance at 1 January 2022	8,133	84,446	58,595	38,238	996,500	11,450	1,197,362
Dividend paid	-	-	-	-	-	-	-
Currency translation differences ⁽¹⁾	-	-	-	3,622	-	-	3,622
Profit for the period ⁽²⁾	-	-	-	-	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
Balance at 1 January 2023	8,133	84,446	58,595	54,530	1,071,815	2,171	1,279,690
Dividend paid	-	-	-	-	-	-	-
Currency translation differences ⁽¹⁾	-	-	-	(4,011)	-	1	(4,010)
Profit for the period ⁽²⁾	-	-	-	-	23,056	(1,952)	21,104
Total income recognised in equity ⁽¹⁺²⁾	-	-	-	(4,011)	23,056	(1,951)	17,094
Balance at 31 March 2023	8,133	84,446	58,595	50,519	1,094,871	220	1,296,784

V. Consolidated Cash Flow Statement

	3 months of 2023	3 months of 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	21,104	31,131
Total adjustments	125,246	101,258
Depreciation	22,895	22,876
Profit (loss) from foreign exchange differences	4,242	5,659
Interest and profit sharing (dividends)	934	(63)
Profit (loss) on investing activities	(9,077)	(366)
Change in inventories	(10,283)	(18,489)
Change in receivables	94,746	21,451
Change in liabilities and provisions excluding credits and loans	21,789	70,190
Net profit less total adjustments	146,350	132,389
Income tax paid	(7,975)	(21,676)
Net cash generated (used) in operating activities	138,375	110,713
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(16,821)	(29,012)
Proceeds from sale of property, plant and equipment	448	531
Purchases of intangible assets	(3,509)	(8,457)
Proceeds from disposal of investment in intangible assets	88	448
Expenses for purchase of financial assets	-	-
Expenses for investment in real estates	(12)	(4)
Repayment of granted loans	-	-
Interest on granted loans	-	29
Proceeds from financial instruments	-	-
Expenses for financial instruments	(411)	(1,758)
Proceeds from financial assets	92	44,792
Net cash generated (used) in investing activities	(20,125)	6,569
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from credits and loans	46	-
Repayments of credits and loans	(12,643)	(13,563)
Interest on credits and loans	(1,263)	(502)
Dividends and other payments to owner's distribution	-	-
Payment of leasing liabilities	(7,899)	(6,920)
Other financial proceeds	-	152
Net cash generated (used) in financing activities	(21,759)	(20,833)
Net change in cash, cash equivalents and bank overdrafts	96,491	96,449
Cash, cash equivalents and bank overdrafts at beginning of the period	498,187	437,782

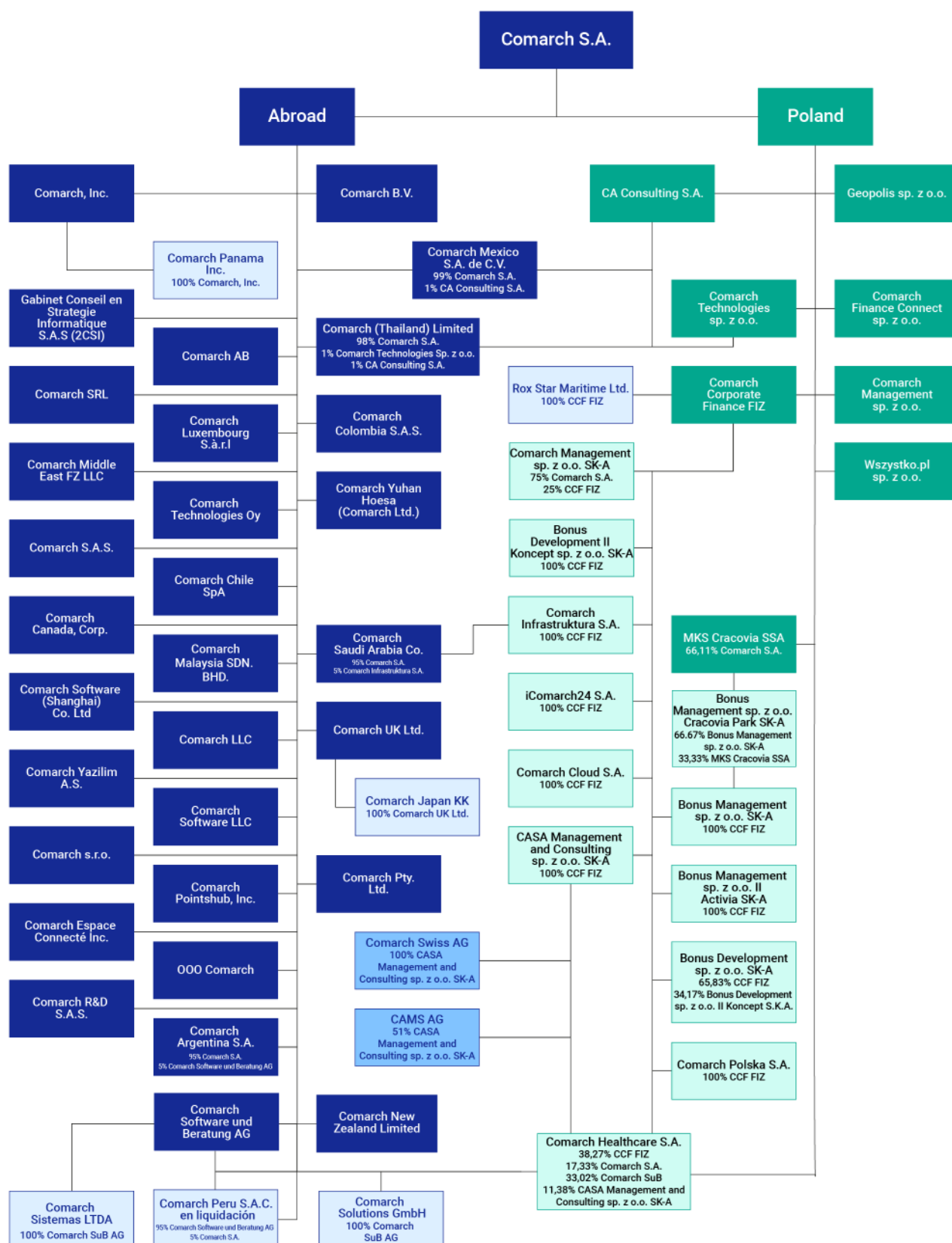
Positive (negative) exchange differences in cash and bank overdrafts	(2,169)	6,460
Cash, cash equivalents and bank overdrafts at end of the period	592,509	540,691
including limited disposal	4,406	2,464

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, 2023, associate of the parent company was:

- SolInteractive S.A. in liquidation 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 process of liquidation of the company is ongoing.

The associated company is not consolidated and its shares, valued with equity method, are zero as at 31st of March, 2023.

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,
- Spółki 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,
- Spółka Comarch Software und Beratung AG acquire IT contracts in foreign markets and execute them in their entirety or in part, and is an important provider of ERP and an integrator of IT solutions in Germany. 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. (2CSI) 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, Bonus Management sp. z o.o. SK-A oraz Bonus Management sp. z o.o. II Activia SK-A, Comarch Pointshub, Inc. conduct investment activities on capital market and activities related to IT,
- The subject matter of activities of Bonus Development sp. z o.o. SK-A and Bonus Development sp. z o.o. II Koncept SK-A 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., Comarch s.r.o., Comarch Espace Connecté Inc., Comarch Peru S.A.C. en liquidación oraz CAMS AG are currently not operating.

1.3. Changes in Ownership and Organizational Structure in Q1 2023

- On the 4th of January, 2023, an increase in the share capital of Comarch Finance Connect sp. z o.o. was registered from PLN 205,000 thousand to PLN 1,000,000 thousand i.e. of PLN 795,000 thousand by creating 15,900 new shares with a nominal value of PLN 50 each.
- On the 11th of January, 2023, the Extraordinary Meeting of Shareholders of Comarch Finance Connect sp. z o. o. adopted a resolution to increase the share capital of the company by PLN 3,000,000 thousand by creating 60,000 new shares with a nominal value of PLN 50 each. The shares were acquired by the shareholder Comarch Finance Connect Sp. z o. o. , i.e. Comarch S. A. and have been paid on the 12th of January, 2023. After registration of the above increase, the company will have a share capital of PLN 4,000,000 thousand which will be divided into 80,000 shares, each of PLN 50 each. At the date of publication of this report, the increase has not been registered in the relevant register.

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

- On the 28th of April, 2023, an increase in the share capital of Wszystko.pl sp. z o. o. was registered from PLN 1,530,000 thousand to PLN 3,630,000, i.e. of PLN 2,100,000 thousand by creating 3,500 new shares with a nominal value of PLN 600 each.

2. Description of the Applied Accounting Principles

This unaudited Condensed Interim Consolidated Financial Statement of Comarch Group for the three months ended the 31st of March, 2023, 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 three months ended the 31st of March, 2023 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, 2023 ("the IFRS Consolidated Financial Statement").

The scope of the accounting principles and calculation methods applied in the Interim Consolidated Financial Statement for the three months ended the 31st of March, 2023, 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, 2022 (notes 2 and 3 of the Consolidated Financial Statement of the Comarch Group for the year ended the 31st of December, 2022).

The Interim Consolidated Financial Statement for the three months ended the 31st of March, 2023, 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 three months ended the 31st of March, 2023, is prepared in thousands of Polish zloty ("PLN") and was authorized for issuance by the Management Board on the 22nd of May, 2023.

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 the 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 the 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 1,317 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 10.01%.

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, 2023, the value of the right to use assets in the Comarch Group amounted to PLN 89,892 thousand and the value of lease liabilities PLN 95,875 thousand. The value of depreciation from the asset due to the right of use in the first quarter of 2023 amounted to PLN 6,059 thousand. The value of interest on leasing liabilities the first quarter of 2023 amounted to PLN 791 thousand.

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

	At 31 March 2023 – published data	At 31 March 2023 – without IFRS 16
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IMPACT ON THE BALANCE SHEET

Total assets	2,286,091	2,196,199
Fixed assets	985,465	895,573
Including: Asset due to the right of use	89,892	-
Total liabilities	2,286,091	2,196,199
Total liabilities, including:	989,307	893,432
Long-term liabilities	254,499	180,133
Current liabilities	734,808	713,299
Including: Lease liabilities, including:	95,875	-
Long-term liabilities	74,366	-
Current liabilities	21,509	-
Equity attributable to the Company's shareholders	1,296,564	1,302,547

IMPACT ON THE PROFIT AND LOSS ACCOUNT

Depreciation	22,895	16,836
Including depreciation of the right to use	6,059	-
Net profit	21,104	21,057
Net profit attributable to the company's shareholders	23,056	23,009

IMPACT ON THE CASH FLOW

Total cash flow	96,491	96,491
Net cash flow from operating activities	138,375	130,476
Net cash flow from investing activities	(20,125)	(20,125)
Net cash flow from financing activities	(21,759)	(13,860)

Depreciation of assets under the right of use

	3 months of 2023	3 months of 2022
Leasing of means of transport and computer equipment	247	201
Rent	5,712	5,000
Perpetual usufruct	100	98
Depreciation of assets under the right of use	6,059	5,299

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 the three months of 2023 amounted to approx. PLN 287 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

The following amendments to existing standards published by the International Accounting Standards Board ("IASB") and approved by the EU and entered into force in 2022:

- **Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards"**

Amendments resulting from the review of IFRS 2018–2020: Subsidiary applying IFRS for the first time - applicable to annual periods beginning on or after the 1st of January, 2022.

- **Amendments to IFRS 3 "Business Combinations"**

Update of references to the Conceptual Assumptions - applicable to annual periods beginning on or after the 1st of January 1, 2022.

- **Amendments to IFRS 9 "Financial Instruments"**

Changes resulting from the review of IFRS 2018–2020: Fees under the 10% test on derecognition of financial liabilities - applicable to annual periods beginning on or after the 1st of January, 2022

- **Amendments to IAS 16 "Property, plant and equipment"**

Revenue achieved before putting into use - applicable for annual periods beginning on or after the 1st of January, 2022.

- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets**

Contracts giving rise to charges — costs of fulfilling contractual obligations — applicable for annual periods beginning on or after the 1st of January, 2022.

- **Amendments to IAS 41 "Agriculture"**

Changes resulting from the revision of IFRS 2018-2020: Taxation in Fair Value Measurement - applicable for annual periods beginning on or after the 1st of January, 2022.

The changes have no material impact on the financial statements of the Comarch Group

The new standards and amendments published and entered into force after the 1st of January, 2023

The following Standards and Interpretations have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee were approved for use after the 1st of January, 2023.

- **IFRS 17 Insurance contracts and amendments to this standard** – first-time application of IFRS 17 and IFRS 9 – Comparative Information – as approved by the EU – applicable for annual periods beginning on or after the 1st of January, 2023.
- **Amendments to IAS 1 “Presentation of Financial Statements” and IFRS Board Guidance on Disclosures of Accounting Policies in Practice** – materiality for accounting policies - approved by the EU - requirement to disclose material information on accounting policies - applicable for annual periods beginning on or after the 1st of January, 2023
- **Amendments to IAS 8 „Accounting Policies, Changes in Estimates and Correction of Errors”** – the definition of estimates - approved by the EU - applicable for annual periods starting on or after the 1st of January, 2023.
- **Amendments to IAS 12 „Income Taxes”** – deferred tax on assets and liabilities arising from a single transaction - approved by the EU - applicable for annual periods beginning on or after the 1st of January, 2023.

These changes did not have a significant impact on the Comarch Group’s financial statement.

The new standards and amendments published but have not entered into force

- **Amendments to IFRS 16 Leasing** – lease liabilities in sales and leaseback transactions, as of the date of publication of these annual accounts, not approved by the EU, applicable for annual periods beginning on or after the 1st of January, 2024.
- **Amendments to IAS 1 „Presentation of Financial Statements”** – the classification of liabilities as short-term and long-term – as at the date of publication of these annual accounts not approved for use by the EU – applicable for annual periods beginning on or after the 1st of January, 2024.

The dates of entry into force are the dates resulting from the content of the standards promulgated by the Council for Foreign Affairs. International Financial Reporting. The dates of application of the standards in the European Union may differ from the dates of application resulting from the content of the standards and are announced at the time of approval for use by the European Union. The Group has not opted for the prior application of any standard, interpretation or amendment that has been published but has not yet entered into force.

In the Group’s view, these changes will not have a significant impact on its financial statements.

The consolidated financial statement of the Comarch Group for the three months ended 31st of March, 2023 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 Sistemas LTDA	Subsidiary	Full	100% held by Comarch Software und Beratung AG
Comarch Peru S.A.C. en liquidación	Subsidiary	Full	95% held by Comarch Software und Beratung AG, 5% held by Comarch S.A.
Comarch Software und Beratung AG	Subsidiary	Full	100%
Comarch Solutions GmbH	Subsidiary	Full	100% held by Comarch Software und Beratung AG
Comarch S.A.S.	Subsidiary	Full	100%
Comarch R&D S.A.S.	Subsidiary	Full	100%
Comarch Luxembourg S.à r.l.	Subsidiary	Full	100%
Comarch Inc.	Subsidiary	Full	100%
Comarch Panama Inc.	Subsidiary	Full	100% held by Comarch Inc.
Comarch Canada, Corp.	Subsidiary	Full	100%
Comarch Espace Connecté Inc.	Subsidiary	Full	100%
Comarch Middle East FZ-LLC	Subsidiary	Full	100%
Comarch LLC	Subsidiary	Full	100%
OOO Comarch	Subsidiary	Full	100%
Comarch Software (Shanghai) Co. Ltd.	Subsidiary	Full	100%
Comarch Technologies Oy	Subsidiary	Full	100%
Comarch UK Ltd.	Subsidiary	Full	100%
Comarch Japan KK	Subsidiary	Full	100% held by Comarch UK
Comarch Chile SpA	Subsidiary	Full	100%
Comarch Colombia S.A.S.	Subsidiary	Full	100%
Comarch Yazilim A.S.	Subsidiary	Full	100%
Comarch SRL	Subsidiary	Full	100%
Comarch Malaysia SDN. BHD.	Subsidiary	Full	100%
Comarch s.r.o.	Subsidiary	Full	100%
Comarch Pointshub, Inc.	Subsidiary	Full	100%
Comarch AB	Subsidiary	Full	100%
Comarch Argentina S.A.	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch Software und Beratung 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% held by 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	65.52% held by CCF, 34.48% held by Bonus Development sp. z o.o. II Koncept S.K.A.
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 the Three Months of 2023

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 the three months of 2023 the share of none of the customer exceeded 10% of total sales of the Comarch Group. Over 2022, Comarch Group revenue structure was as follows: 23% of annual sales were achieved in the first quarter, 23% in the second quarter, 25% in the third quarter and 29% in the fourth quarter. Over 2023, the Comarch Group expects the distribution of sales revenue similar to that of 2022.

3 months of 2022	Polish market	IT Segment DACH market	Other markets	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 the three months of 2022:

31 March 2022 / 3 months of 2022

	IT Segment			Investment Segment	Sport Segment	Medicine Segment Poland	Total DACH region
	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

3 months of 2023	Polish market	IT Segment DACH market	Other markets	Investment Segment	Sport Segment	Medicine Segment	Eliminations	Total
Revenue per segment-sales to external clients, including:	254,353	63,310	112,527	1,037	8,524	5,565	-	445,316
Revenue from sales:	244,256	60,669	109,882	934	6,474	5,390	-	427,605
to customers in Telecommunication, Media, IT sector	42,721	12,538	37,271	-	-	-	-	92,530
to customers in Finance and Banking sector	47,732	7,335	17,087	-	-	-	-	72,154
to customers in Trade and services sector	16,107	5,451	35,808	-	-	-	-	57,366
to customers in Industry&Utilities	25,546	12,641	17,105	-	-	-	-	55,292
to customers in Public sector	21,947	55	1	-	-	-	-	22,003
to customers in small and medium enterprises sector	83,218	22,589	-	-	-	-	-	105,807
to customers in Medicine sector	6,725	60	2,243	-	-	5,390	-	14,418
to other customers	260	-	367	934	6,474	-	-	8,035
Other operating revenue	553	3,728	618	22	1,872	130	-	6,923
Finance revenue	9,544	(1,087)	2,027	81	178	45	-	10,788
Revenue per segment - sales to other segments	108,472	3,688	8,786	2,601	2,083	-	(125,630)	-
Revenue per segment - total*	362,825	66,998	121,313	3,638	10,607	5,565	(125,630)	445,316
Costs per segment relating to sales to external clients	221,259	71,994	102,436	748	13,493	5,322	-	415,252
Costs per segment relating to sales to other segments	108,472	3,688	8,786	2,601	2,083	-	(125,630)	-
Costs per segment - total*	329,731	75,682	111,222	3,349	15,576	5,322	(125,630)	415,252
Current taxes	(2,748)	(851)	(3,501)	(205)	-	-	-	(7,305)
Assets for the tax due to investment allowances and other tax relief	(4,032)	2,299	(11)	61	27	-	-	(1,656)
Net result, including:	1	-	-	-	-	-	-	1
Result attributable to shareholders of the parent company	26,315	(7,236)	6,579	145	(4,942)	243	-	21,104
Result attributable to interests not entitled to control	26,315	(7,236)	6,579	145	(2,990)	243	-	23,056
Revenue per segment-sales to external clients, including:	-	-	-	-	(1,952)	-	-	(1,952)

*) 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, 2023, as well as investment expenditures and depreciation in during the three months of 2023:

31 March 2023 / 3 months of 2023

	IT Segment			Investment Segment	Sport Segment	Medicine Segment Poland	Total DACH region
	Poland	DACH region	Other countries				
Assets	1,066,390	316,404	615,945	166,260	109,657	11,435	2,286,091
Liabilities	413,304	129,497	377,946	33,721	33,012	1,827	989,307
Investment expenditures	7,740	242	10,205	79	2,365	122	20,753
Depreciation	14,271	2,674	2,836	975	1,878	261	22,895

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 of 2023	%	3 months of 2022	%
Poland	257,054	60.1	229,916	55.2
DACH region	60,669	14.2	67,346	16.2
Other countries	109,882	25.7	119,082	28.6
Total	427,605	100.0	416,344	100.0

Assets – activities location

	31 March 2023	%	31 December 2022	%
Poland	1,353,742	59.2	1,358,088	59.8
DACH region	316,404	13.8	280,907	12.4
Other countries	615,945	27.0	632,987	27.8
Total	2,286,091	100.0	2,271,982	100.0

Investment expenditures – activities location

	3 months of 2023	%	12 months of 2022	%	3 months of 2022	%
Poland	10,306	49.7	79,821	47.7	28,237	72.0
DACH region	242	1.1	2,499	1.5	1,610	4.1
Other countries	10,205	49.2	84,927	50.8	9,384	23.9
Total	20,753	100.0	167,247	100.0	39,231	100.0

3.2. Property, Plant and Equipment

	31 March 2023	31 December 2022
Lands and buildings	399,697	402,794
Means of transport and machinery	151,438	150,257
Property, plant and equipment under construction	125,465	121,823
Others	9,096	9,626
Advance money for property, plant and equipment under construction	42	142
Total	685,738	684,642

Property, plant and equipment comprise mostly real estates and machinery owned by Comarch Group. As at the 31st of March, 2023, 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. As at the 31st of March, 2023, property, plant and equipment under construction comprise mostly expenditures related to construction of Data Centre Comarch Inc. in the USA in the amount of PLN 107,764 thousand and 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 and Comarch SAS France (in the total amount of PLN 8,312 thousand).

3.3. Asset due to the Right of Use

	31 March 2023	31 December 2022
Leasing of means of transport and IT equipment	1,334	1,124
Rent	62,040	57,937
Perpetual usufruct	26,518	26,235
Total	89,892	85,296

Value of depreciation of the asset due to the right of use in the first quarter of 2023 amounted to PLN 6,059 thousand.

Changes in the right of use asset

	3 months of 2023	3 months of 2022
Balance at the beginning of the period	85,296	86,501
Increases	11,892	1,329
- new contracts and modifications to existing contracts	11,892	1,329

- exchange rates difference	-	-
Decreases	7,296	5,334
- depreciation	6,059	5,299
- exchange rates difference	1,237	35
Balance at the beginning of the period	89,892	82,496

3.4. Investment Real Estate

	31 March 2023	31 December 2022
Lands	8,217	8,217
Buildings	28,675	29,096
Total	36,892	37,313

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, 2023, investment real estate comprises two office buildings, placed in Krakow at 8,629 square metres of the total space, 4 residential buildings at 1,026 square metres of the total space, 1 service and production building with an area of 600 square metres (all located in Kraków), 2 services and warehouse buildings with an area of 2,611 square metres, located in Zabierzów, as well as real estate located in Kostrzyn with an area of 1,315 square metres.

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

	3 months of 2023	3 months of 2022
Revenue	1,539	1,570
Costs	1,845	1,538

3.5. Goodwill

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

	31 March 2023	31 December 2022
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, 2022 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 2022.

3.6. Others Intangible Assets

	31 March 2023	31 December 2022
Costs of finished development works	-	-
Perpetual usufruct right	37,256	37,280
Licences and software	21,518	21,720
Other	10,257	10,062
Total	69,031	69,062

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 10,257 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

	31 March 2023	31 December 2022
Financial assets available for sale	27	27
Total	27	27

As of 31st of December 2022, Comarch S. A. held the so-called "white certificates" in the amount of PLN 27 thousand. As at the 31st of March, 2023, this item remained unchanged.

After the balance sheet date

Non present.

3.8. Derivative Financial Instruments

a) Assets

	31 March 2023	31 December 2022
Forward foreign exchange contracts – held-for-trading	13,010	7,293
Transaction on change of IRS	4,266	4,757
	17,276	12,050
<i>Current portion</i>	4,218	2,327
<i>Non-current portion</i>	13,058	9,723

b) Liabilities

	31 March 2023	31 December 2022
Forward foreign exchange contracts – held-for-trading	2,314	7,375
Transaction on change of IRS	-	-
	2,314	7,375
<i>Current portion</i>	1,806	5,199
<i>Non-current portion</i>	508	2,176

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, 2023, 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, 2023, amounted to EUR 43,900 thousand, USD 25,300 thousand, NZD 2,400 thousand, GBP 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, 2023, valuation of the IRS transaction amounted to PLN 92 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, 2023, valuation of the IRS transaction amounted to PLN 58 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, 2023, valuation of the IRS transaction amounted to PLN 2,317 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, 2023, valuation of the IRS transaction amounted to PLN 1,799 thousand.

After the balance sheet date

Between the 1st of April, 2023 and the 22nd of May, 2023, Comarch Group has concluded new forward contracts. The total net value of open forward contracts as of the 22nd of May, 2023, amounted to EUR 41,700 thousand, USD 24,400 thousand, JPY 100,000 thousand, GBP 400 thousand and NZD 2,400 thousand. The contracts will be settled within 40 months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by companies in Comarch Group, in which the remuneration or cost is set in a foreign currency. The balance sheet valuation of forward contracts as at 30th of April, 2023, was PLN 18,804 thousand, while at the 31st of March, 2023, it was minus PLN 83 thousand.

3.9. Deferred Income Tax

	31 March 2023	31 December 2022
Deferred income tax assets		
Temporary differences	19,349	17,066
Asset due to a tax loss	4,854	4,971
Asset due to activities in Special Economic Zone, ("SEZ")	7,237	8,415
Total	31,440	30,452
<i>Charged to financial result</i>	<i>31,440</i>	<i>30,452</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, 2023, 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. Limit of the unused investment tax relief under the permit obtained in 2013, regarding investment in the office building SSE6, amounted to approx. PLN 18,062 thousand as at the 31st of March, 2023 (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, 2023 (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 three months of 2023, the Comarch Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2022, and worth PLN 1,082 thousand, and created an asset due to temporary differences in the amount of PLN 3,365 thousand, as well as created an asset due to tax loss in the amount of PLN 117 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was plus PLN 2,166 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. The asset according to this methodology was determined as at 31st of December, 2022.

During the first quarter of 2023, the Comarch Group settled an asset created for the zone operations in the amount of PLN 1,178 thousand which were created as at 31st of December, 2022. 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 three months of 2023 results is plus PLN 988 thousand.

	31 March 2023	31 December 2022
Deferred income tax provision		
Temporary differences	23,490	20,720
Provision due to valuation of real estate of MKS Cracovia SSA	5,430	5,430
Provision due to valuation of certificates in CCF FIZ	26,444	26,570
Total	55,364	52,720
<i>Charged to equity</i>	<i>5,430</i>	<i>5,430</i>
<i>Charged to financial result</i>	<i>49,934</i>	<i>47,290</i>

Due to valuation of net assets of CCF FIZ during the three months of 2023, a deferred tax provision was reduced by PLN 126 thousand. At the same time, a deferred tax provision due to temporary differences was recognized in the amount of PLN 3,940 thousand and dissolved in the amount of PLN 1,170 thousand. The total effect of the above-mentioned operations on the net result of the first quarter of 2023 was minus PLN 2,644 thousand.

Total changes in the deferred income tax resulted in a decrease in result of PLN 1,656 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 6,006 thousand.

3.10. Inventories

	31 March 2023	31 December 2022
Raw materials	5,479	4,821
Work in progress	83,098	72,317
Goods	5,842	7,694
Finished products	395	350
Advance due to finished products	1,379	765
Total	96,193	85,947

The cost of inventories included in 'Costs of products, goods and materials sold' in the income statement amounted to PLN 129,260 thousand (3 months ended on the 31st of March, 2023), PLN 472,879 thousand (12 months ended on the 31st of December, 2022), PLN 81,370 thousand (3 months ended on the 31st of March, 2022).

Over the three months of 2022, Comarch Group has created write-offs that revaluated value of goods and materials worth PLN 237 thousand resolved write-offs revaluated goods and materials which had been created in the previous years and worth PLN 13 thousand.

3.11. Trade and Other Receivables

	31 March 2023	31 December 2022
Trade receivables - net	364,064	485,290
Trade receivables	441,638	564,496
Write-off revaluating receivables	(77,574)	(79,206)
Other receivables	24,515	25,907
Short-term prepayments	37,023	24,108
Loans	-	-
Trade receivables and other receivables from related parties - net	93	3
Trade receivables and other receivables from related parties	4	1
Write-off revaluating receivables	4	1
Trade receivables	-	-
Total	425,699	535,309
<i>Current portion</i>	<i>425,699</i>	<i>535,309</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 three months of 2022, the Comarch Group recognised a write-off due to loss in value

of its trade receivables that was worth PLN 3,271 thousand and dissolved previously created write-offs worth PLN 4,636 thousand in relation to payment of debts or the cessation of the circumstances justifying their prior establishment. 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 of 2023	3 months of 2022
Revenue from completed contracts recognized in the reporting period	4,006	5,953
Revenue from contracts not completed recognized in the reporting period	120,985	129,255
Revenue from contracts not completed recognized in the reporting period- an effect of settlement pursuant to IFRS 15	31,315	15,317
Total	156,306	150,525

Changes in settlements due to long-term contracts recognized in assets and liabilities between the 31st of March, 2023, and the 31st of March, 2022, are presented below:

	3 months of 2023	3 months of 2022
Long-term contracts revenue included to the balance sheet date - determined according to the progress of work	2,125,296	1,950,593
Issued invoices	(2,073,169)	(1,933,136)
Total	52,127	17,457

	Long-term contracts receivables	Long-term contracts liabilities	Net
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

Value as at 1 January 2023	166,811	(145,999)	20,812
Correction of the current period (reversal of the adjustment due to the application of IFRS 15)	-	1	1
Correction of the current period	11,505	19,809	31,314
Value as at 31 March 2023	178,316	(126,189)	52,127
Change	11,505	19,810	31,315

3.13. Share Capital

	Number of shares	Ordinary and preference shares	Own shares	Number of shares
At 1 January 2022	8,133,349	8,133,349	-	8,133,349
At 31 December 2022	8,133,349	8,133,349	-	8,133,349
At 1 January 2023	8,133,349	8,133,349	-	8,133,349
At 31 March 2023	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 shares and each such share corresponds with 5 votes at the General Meeting. The conversion of registered shares into ordinary shares is allowed. In case of that registered shares are converted into ordinary 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 a 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 2023

Receiving a notification about exceeding the threshold of 5% in the share capital and the total number of votes at the General Meeting of Shareholders of Comarch S.A.

On the 3rd of February, 2023, the Management Board of Comarch S. A. informed – in the current report no. [RB-2023](#) (ENG version: [RB-2-2023](#))- about receiving a notification from Generali Powszechne Towarzystwo Emerytalne S. A. (hereinafter: the "Company") managing Generali Otwarty Fundusz Emerytalny ("Open Pension Fund", hereinafter: "Generali OFE") and Generali Dobrowolny Fundusz Emerytalny ("Voluntary Pension Fund", hereinafter: Generali DFE) that as a result of the takeover of the management of NNLife Otwarty Fundusz Emerytalny ("Open Pension Fund", hereinafter: "NNLife OFE") and NNLife Dobrowolny Fundusz Emerytalny ("Voluntary Pension Fund", hereinafter: "NNLife DFE"), on the 1st of February, 2022 the share of the share capital and the total number of votes at the General Meeting of Shareholders of Comarch S. A. on the accounts of Generali OFE, Generali DFE, NNLife OFE and NNLife DFE exceeded the 5% threshold.

According to the information available to the Company, the Generali OFE, Generali DFE, NNLife OFE and NNLife DFE hold a total of 829,183 shares representing 10.19% of the Company's share capital and 829,183 votes at the Company's General Meeting of Shareholders, representing 5.48% of the total number of votes; of which NNLife OFE holds 771,954 shares representing 9.49% of the Company's share capital and 771,954 votes at the General Meeting. Shareholders of the Company, representing 5.10% of the total number of votes.

3.13.2. Changes in Share Capital after the Balance Sheet Date

None present.

3.14. Credit and Loans

	31 March 2023	31 December 2022
Non-current	119,960	127,475
Non-revolving credits	119,960	127,475
Revolving credits	-	-
Loans	-	-
Current	39,218	44,732
Non-revolving credits	38,233	41,062
Revolving credits	-	-
Loans	985	3,670
Total credits and loans	159,178	172,207

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

Within the three months of 2023, the value of drawdown credits and loans granted to entities outside the Comarch Group amounted to PLN 12,643 thousand. During the three months of 2023, the Comarch Group has not launched any 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 no overdue payments nor interest payments on credits and loans. Comarch did not breach of any provisions of the credit or loan agreements that could entitle the creditor to claim earlier repayment of the credit or loan.

The exposure of Comarch Group bank credits to interest rate changes	12 months or less	1-5 years	Over 5 years	Total
At 31 December 2022				
Credit and loans	44,732	118,666	8,809	172,207
At 31 March 2023				
Credit and loans	39,218	113,447	6,513	159,178

The maturity of non-current bank credits, loans and financial liabilities	31 March 2023	31 December 2022
Between 1 and 2 years	30,788	30,886
Between 2 and 5 years	82,659	87,780
Over 5 years	6,513	8,809
	119,960	127,475

Currency structure of the balance sheet values of credits, loans and financial liabilities	31 March 2023	31 December 2022
In Polish currency (PLN)	985	3,670
In EUR (equivalence in PLN)	158,193	168,537
	159,178	172,207

Effective interest rates at the balance sheet date	31 March 2023	31 December 2022
Bank credits and loans	3.33%	2.58%

3.14.1. Non-Revolving Credits and Loans

Debtor	Financial institution	Total value of credit/loan according to the agreement		Value to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.	BNP Paribas Bank Polska S.A.	44,000	PLN	930	EUR	4,348	PLN	EURIBOR1M + bank margin IRS till the 29-07-2024	the 29 th of July, 2024	mortgage on the SSE4 building, assignment of rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
Office building SSE4 in Krakow				(1,084 as at the 31 st of December 2022)		(5,083 as at the 31 st of December 2022)				
Comarch S.A.	Bank Polska Kasa Opieki S.A.	13,323	EUR	1,112	EUR	5,198	PLN	EURIBOR1M + bank margin IRS till the 30-11-2023	the 30 th of November, 2023	mortgage on the SSE5 building, assignment of rights from the building's insurance policy, declaration on submission to enforcement
Office building SSE5 in Krakow				(1,528 as at the 31 st of December 2022)		(7,168 as at the 31 st of December 2022)				
Comarch S.A.	Bank Handlowy w Warszawie S.A.	13,333	EUR	7,788	EUR	36,411	PLN	EURIBOR1M + bank margin IRS till the 29-02-2028	the 29 th of February, 2028	mortgage on the SSE6 building, assignment of rights from the building's insurance policy, declaration on submission to enforcement
Office building SSE7 in Krakow				(8,179 as at the 31 st of December 2022)		(38,358 as at the 31 st of December 2022)				
Bonus Development sp. z o.o. SK-A	Bank Polska Kasa Opieki S.A.	9,262	EUR	4,601	EUR	21,513	PLN	EURIBOR1M + bank margin IRS till the 31-05-2030	the 31 st of May, 2030	mortgage on an office building in Łódź, a statement by Bonus Development Sp. z o.o. SK-A on submission to enforcement, assignment of rights from the insurance policy of an office building in Łódź, assignment of rights from the guarantee of due performance and warranty guarantee, assignment of rights under the lease of the financed property concluded with
Office building in Lodz				(4,769 as at the 31 st of December 2022)		(22,367 as at the 31 st of December 2022)				

										Comarch SA, surety from Comarch SA, declaration on submission to enforcement Comarch S.A.
Comarch S.A.				468		2,188				
Comarch infrastructure modernization program	CaixaBank S.A. Branch in Poland	3,500	EUR	(701 as at the 31 st of December 2022)	EUR	(3,289 as at the 31 st of December 2022)	PLN	EURIBOR1M + bank margin	the 23 rd of August, 2023	declaration of submission to enforcement
Comarch S.A.				1,349		6,308				
Corporate purposes	CaixaBank S.A. Branch in Poland	2,300	EUR	(1,490 as at the 31 st of December 2022)	EUR	(6,990 as at the 31 st of December 2022)	PLN	EURIBOR1M + bank margin	the 29 th of June, 2025	declaration of submission to enforcement
Comarch S.A.				14,098		65,915				
Corporate purposes	CaixaBank S.A. Branch in Poland	14,500	EUR	(14,513 as at the 31 st of December 2022)	EUR	(68,064 as at the 31 st of December 2022)	PLN	EURIBOR1M + bank margin	the 31 st of December, 2026	declaration of submission to enforcement
Comarch S.A.						0				
IT equipment	IBM Global Financing Polska sp. z o.o.	2,145	PLN			(wobec 89 as at the 31 st of December 2022)	PLN	fixed	the 1 st of February, 2023	-
Comarch S.A.						985				
IT equipment	IBM Global Financing Polska sp. z o.o.	3,941	PLN			(1,971 as at the 31 st of December 2022)	PLN	fixed	the 1 st of July, 2023	-
Comarch S.A.						0				
IT equipment	IBM Global Financing Polska sp. z o.o.	9,661	PLN			(1,610 as at the 31 st of December 2022)	PLN	fixed	the 1 st of March, 2023	-
Comarch S.A.				3,489		16,312				
Property, plant and equipment	PKO Leasing S.A.	5,000	EUR	(3,671 as at the 31 st of December 2022)	EUR	(17,218 as at the 31 st of December 2022)	PLN	fixed	the 29 th of February, 2028	a blank promissory note, registered pledge on the Subject of Financing, transfer of ownership to secure the Subject of Financing

3.14.2. Current Credit Lines

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

Debtor	Financial institution	Total value of credit/loan according to the agreement		Value to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.										
Financing operating activities	BNP Paribas Bank Polska S.A	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	the 30 th of April, 2024	a blank promissory note
Comarch S.A.										
Financing operating activities	Bank Polska Kasa Opieki S.A.	27,246	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	the 30 th of June, 2023	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	the 31 st of May, 2023	declaration of submission to enforcement

	31 March 2023	31 December 2022
Credit lines in the current account and revolving credits, including:	87,246	87,835
Used at the balance sheet date	-	-
Available at the balance sheet date	87,246	87,835

3.15. Liabilities due to Lease

	31 March 2023	31 December 2022
Leasing of means of transport and IT equipment	1,392	1,156
Rent	67,162	62,261
Perpetual usufruct	27,321	27,909
<i>Current portion</i>	21,509	21,099
<i>Non-current portion</i>	74,366	70,227
Total	95,875	91,326

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	687	705	-	1,392
Rent	21,717	38,765	6,681	67,163
Perpetual usufruct	(895)	1,307	26,908	27,320
Liabilities due to lease	21,509	40,777	33,589	95,875

Change in liabilities due to lease

	3 months of 2023	3 months of 2022
Opening balance	91,326	92,438
Increases	12,683	2,681
- new contracts and modifications to existing contracts	11,892	1,329
- effective interest	791	1,352
- exchange rate differences	-	-
Decreases	8,134	7,498
- cash flows realized	7,899	6,920
- exchange rate differences	235	578
Closing balance	95,875	87,621

3.16. Other Financial Liabilities

	31 March 2023	31 December 2022
Liabilities due to dividends	-	-
Current portion	-	-
Non-current portion	-	-
Liabilities due to bills of exchange	-	-
Current portion	-	-
Non-current portion	-	-
Total	-	-

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 2022	5,029	10,598	12,597	48,853	104,405	2,405	183,887
Change:	(106)	(1,486)	(411)	6,415	27,870	844	33,126
- Provisions created	14,590	7,776	4,168	30,228	129,661	1,252	187,675
- Provisions used and dissolved	(14,696)	(9,262)	(4,579)	(23,813)	(101,791)	(408)	(154,549)
At 31 December 2022	4,923	9,112	12,186	55,268	132,275	3,249	217,013
Current portion	4,923	9,112	12,186	55,268	132,275	-	213,764
Non-current portion	-	-	-	-	-	3,249	3,249
At 1 January 2023	4,923	9,112	12,186	55,268	132,275	3,249	217,013
Change:	3,659	651	(912)	11,057	(10,968)	635	4,122
- Provisions created	6,273	2,765	2,617	15,995	17,125	721	45,496
- Provisions used and dissolved	(2,614)	(2,114)	(3,529)	(4,938)	(28,093)	(86)	(41,374)
At 31 March 2023	8,582	9,763	11,274	66,325	121,307	3,884	221,135
Current portion	8,582	9,763	11,274	66,325	121,307	-	217,251
Non-current portion	-	-	-	-	-	3,884	3,884

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

3.18. Trade and Other Payables

	31 March 2023	31 December 2022
Trade payables	57,631	75,861
Advance payments received due to services and supplies	5,195	5,361
Trade payables and other liabilities to related parties	355	355
Liabilities due to social insurance and other tax charges	91,820	98,083
Investments liabilities	5,616	3,730
Revenue from the future periods	84,586	42,291
Other payables	4,918	6,548
Special funds (Social Services Fund and Residential Fund)	4,118	1,655
Liabilities due to remuneration	49,233	43,848
Total	303,472	277,732

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, 2023, 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 58,794 thousand, whereas it was PLN 62,409 thousand on the 31st of December, 2022.

On the 31st of March, 2023, the value of bank guarantees issued by banks on order from Comarch Software und Beratung was EUR 439 thousand (i.e. PLN 2,050 thousand), whereas it was EUR 439 thousand (i.e. PLN 2,057 thousand).

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), MKS Cracovia SSA until the 30th of June, 2024.

Granted credit lines for financing of current activities (guarantees, letters of credit, credit lines in current account)	31 March 2023	31 December 2022
Credit lines*	192,273	192,280
Total	192,273	192,280

* they comprise credit lines at current account that are described in point 3.14.2

The Comarch Group is the defendant in legal proceedings, in which the potential total value of third-party claims is PLN 31,919 thousand, including PLN 2,405 thousand were presented in the balance sheet as at the

31st of March, 2023. During the three months of 2023, the Comarch Group created provisions for claims covered by legal proceedings worth PLN 843 thousand, and resolved provisions in this respect worth PLN 832 thousand.

The Comarch Group is the party to the matters in disputes, but not legal proceedings in which the potential total value of third-party claims is PLN 15,485 thousand including PLN 4,180 thousand were presented in the balance sheet as at the 31st of March, 2023. During the three months of 2023, the Comarch Group created provisions for matters in disputes, but not legal proceedings, worth PLN 904 thousand and resolved provisions in this respect worth PLN 590 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, but not legal proceedings during the three months of 2023, the Comarch Group has not created write-offs that revalue receivables.

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 of 2023	3 months of 2022
Revenue from sales of goods	-	-
SolInteractive S.A. in liquidation	-	-
Revenue from sales of services	4	5
SolInteractive S.A. in liquidation	4	5
Total	4	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 of 2023	3 months of 2022
Purchases of goods	-	-
SolInteractive S.A. in liquidation	-	-
Purchases of services	-	-
SolInteractive S.A. in liquidation	-	-
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

	31 March 2023	31 December 2022
Receivables from related parties	4	1
SolInteractive S.A. in liquidation	4	1
Payables from related parties	5	5
SolInteractive S.A. in liquidation	5	5

3.22.4. Transactions with Associates and Personally Related Entities

	3 months of 2023	3 months of 2022
Purchases from personally related entities	1 012	920
Sales to personally related entities	599	450
Sales of a real estate to personally related entities (purchased as a commodity)	-	-
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	4	5
Loans and interest on loans repaid by personally related associates	-	-
Loans and interest on loans granted to personally related associates	-	-
Loans and other inflows repaid by personally related entities	-	-
Loans and other outflows, as well as related interest, to personally related entities	-	-

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

	31 March 2023	31 December 2022
Trade receivables from personally related parties	2,021	1,168
Loans receivables from personally related parties	4,388	4,356
Trade payables to personally related parties	976	1,220
Liabilities due to promissory note obligations from personally related parties	-	-

3.23. Earnings per Share

	3 months of 2023	3 months of 2022
Net profit for the period attributable to equity holders of the Company	23,056	32,439
Weighted average number of shares in issue	8,133,349	8,133,349
Basic earnings per share (PLN)	2.83	3.99
Diluted number of shares	8,133,349	8,133,349
Diluted earnings per share (PLN)	2.83	3.99

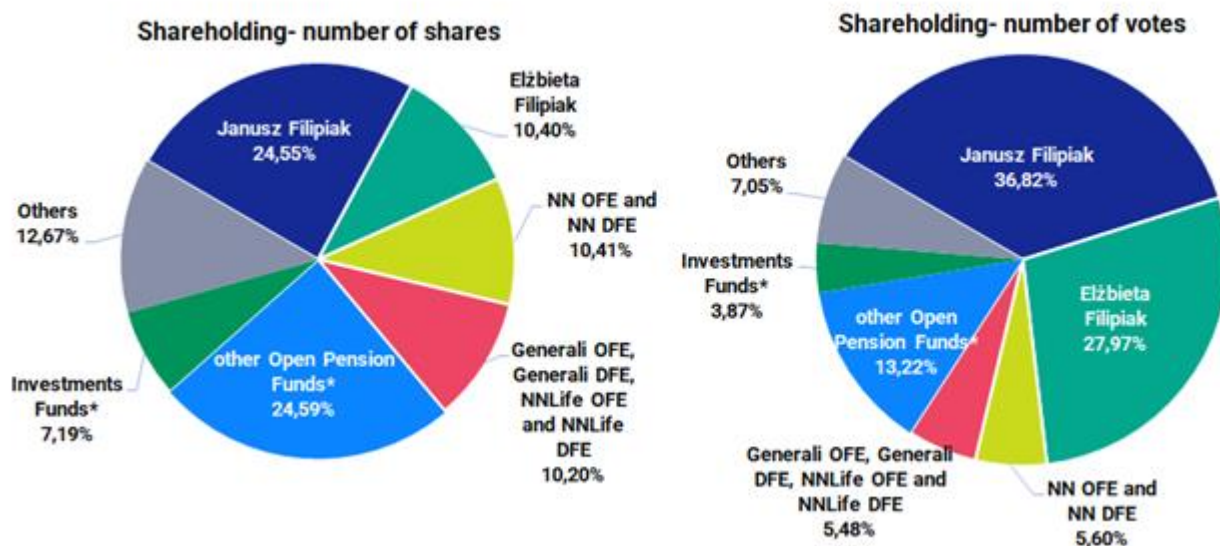
Basic earnings per share in the column "3 months ended 31 March 2023" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2023, to the 31st of March 2023, by the weighted average number of shares in issue between the 1st of January, 2023, to the 31st of March 2023, where the number of days is the weight. 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.

Diluted earnings per share in the column "3 months ended 31 December 2023" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2023, to the 31st of March, 2023, by the sum of the weighted average number of shares in issue between the 1st of January, 2023, to the 31st of March, 2023, 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 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.

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 the 22th of May, 2023.



*) based on portfolio structures published by OFE (open pension funds) / TFI (investment funds) as at the 31st of December, 2022.

4.1.2. Changes in the Total Number of Votes at Comarch S.A. in the First Quarter of 2023

On the 3rd of February, 2023, the Management Board of Comarch S. A. informed – in the current report [RB-2023](#) (ENG version: [RB-2-2023](#))- about receiving a notification from Generali Powszechne Towarzystwo Emerytalne S. A. (hereinafter: the “Company”) managing Generali Otwarty Fundusz Emerytalny (“Open Pension Fund”, hereinafter: “Generali OFE”) and Generali Dobrowolny Fundusz Emerytalny (“Voluntary Pension Fund”, hereinafter: Generali DFE) that as a result of the takeover of the management of NNLife Otwarty Fundusz Emerytalny (“Open Pension Fund”, hereinafter: “NNLife OFE”) and NNLife Dobrowolny Fundusz Emerytalny (“Voluntary Pension Fund”, hereinafter: “NNLife DFE”), on the 1st of February, 2022 the share of the share capital and the total number of votes at the General Meeting of Shareholders of Comarch S. A. on the accounts of Generali OFE, Generali DFE, NNLife OFE and NNLife DFE exceeded the 5% threshold.

According to the information available to the Company, the Generali OFE, Generali DFE, NNLife OFE and NNLife DFE hold a total of 829,183 shares representing 10.19% of the Company’s share capital and 829,183 votes at the Company’s General Meeting of Shareholders, representing 5.48% of the total number of votes; of which NNLife OFE holds 771,954 shares representing 9.49% of the Company’s share capital and 771,954 votes at the General Meeting. Shareholders of the Company, representing 5.10% of the total number of votes.

4.1.3. Changes in the Total Number of Votes at Comarch S.A. in the First Quarter of 2023, i.e. since the 28th of April, 2023

Entity	At 22 May 2023				At 28 April 2023			
	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
Funds: Generali OFE, Generali DFE, NNLife OFE and NNLife DFE	829,183	10.19	829,183	5.48	829,183	10.19	829,183	5.48

4.1.4. Changes in Holdings of Comarch S.A. Shares by Managing and Supervising Persons between the 28th of 2023 to the 22nd of May, 2023

The following table presents the ownership of Comarch S.A. shares by management and supervisors as at the date on which the consolidated financial statement for 2022 was published, i.e. on the 28th of April, 2022, and on the 22th of May, 2023, pursuant to the information possessed by the Company.

Members of the Management Board and the Board of Supervisors		At 22 May 2023		At 28 April 2023	
		Position	Shares	% in votes	Shares
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
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 three months of 2023, 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 1,082 thousand, as well as an asset due to temporary differences was created in the amount of PLN 3,365 thousand and asset due to tax loss was released in the amount PLN 117 thousand. The total effect of changes in the deferred tax on the net result of the Comarch Group in the reported period amounted to plus PLN 2,166 thousand.

During the three months of 2023, the Comarch Group settled an asset for the zone operations that was established as at the 31st of December, 2022 in the value of PLN 1,178 thousand. The total effect of changes in the deferred tax on the net result of the Comarch Group in the first three months of 2023 amounted to plus PLN 988 thousand.

In connection with the valuation of the net asset value of CCF FIZ, the provision was decreased by PLN 126 thousand in the first three months of 2023. At the same time, a deferred tax provision due to temporary differences was recognised in the amount of PLN 3,940 thousand and dissolved in the amount of PLN 1,170 thousand. The total effect of the all-above-mentioned operations on the net result of the first three months of 2023 amounted to minus PLN 2,644 thousand.

Total changes in deferred tax resulted in a decrease in net profit of PLN 1,656 thousand.

Details are described in point [3.9](#).

4.2.2. Valuation of Currency Exchange Rate Differences and Financial Instruments Based on Exchange Rates

The positive realized foreign exchange rate differences and balance sheet valuation of exchange rates on receivables as at the 31th of March, 2023, decreased revenue and operating profit of Comarch Group in the first quarter of 2023 by PLN 5,204 thousand (while in the corresponding period of 2022 increased them by PLN 6,141 thousand). The negative realised foreign exchange rate differences and the balance sheet valuation of exchange rates on receivables in the first quarter of 2023 decreased the result of Comarch Group by PLN 656 thousand (while in the corresponding period of 2022 decreased it by PLN 1,232 thousand). The exchange rate differences from other activities decreased the result of Comarch Group by PLN 1,302 thousand (while in the corresponding period of 2022 increased it by PLN 3,725 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 increased the Comarch Group's result by PLN 7,984 thousand (while in the corresponding period of 2022 decreased it by PLN 1,763 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 2023 amounted to plus PLN 822 thousand (while in the corresponding period of 2022 it was plus PLN 6,871 thousand).

4.2.3. Creation of Write-Offs for Bad Debts

During the three months of 2023, the Group created impairment losses on trade receivables in the amount of PLN 3,271 thousand and dissolved previously created write-offs in the amount of PLN 4,636 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 2023

4.3.1. Dates of Periodical Financial Reports in 2023

On the 2nd of January, 2023, in the current report no. [RB-1-2023](#) (ENG: [RB-1-2023](#)) Comarch S.A.'s Management Board set dates of periodical financial reports in 2023:

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

- 1) Q4 2022 - on the 1st of March, 2023,
- 2) Q1 2023 - on the 22nd of May, 2023,
- 3) Q2 2023 - 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 2023,
- 4) Q3 2023 - on the 17th of November, 2023.

ANNUAL AND HALF-YEAR REPORTS:

- 1) Annual report for 2022 - on the 28th of April, 2023,
- 2) Consolidated annual report for 2022 - on the 28th of April, 2023,
- 3) Consolidated half-year report which includes condensed consolidated financial statement and condensed financial statement for the first half of 2023 - on the 31st of August, 2023.

4.3.2. Information about the Death of Mr. Paweł Prokop, Member of the Management Board of Comarch S.A.

On the 10th of March, 2023 the Management Board of Comarch S.A. - in the current report no. [RB-3-2023](#) (ENG: [RB-3-2023](#)) informed of the death of a Member of the Management Board of Comarch S.A., Mr. Paweł Prokop. In connection with the above, as of the 10th of March, 2023, the mandate of Mr. Paweł Prokop as Vice-President of the Management Board of Comarch S.A. had expired. Paweł Prokop was a member of the Management Board of Comarch S.A. since 1996.

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

4.4.1. Settlement between Comarch Polska S.A. and One of Its Clients from the Public Sector

On the 13th of April, 2023, the District Court in Warsaw issued a decision approving the settlement of the 4th of April, 2023 between Comarch Polska S.A. and one of our clients from the public sector. Based on the settlement of Comarch Polska S.A. will receive payment in the amount of PLN 1,278 thousand gross.

4.4.2. Report on the Activities of the Supervisory Board of Comarch S.A. for the Period from the 1st of January, 2022 to the 31st of December, 2022, and Assessment of the Company's Situation

In accordance with rule no. 2.11. contained in the "Best Practices of WSE Listed Companies 2021" the Management Board of Comarch S.A. presented a report on the activities of the Supervisory Board of Comarch S.A. for the period from the 1st of January, 2022 to the 31st of December, 2022, assessment of the Company's situation on a consolidated basis, taking into account the assessment of the internal control system, risk management system, compliance and internal audit function, assessment of the Company's application of corporate governance principles and the manner of fulfilling the disclosure obligations regarding them application, assessment of the legitimacy of expenses in the field of sponsorship and charity activities, and information on the degree of implementation of the diversity policy in relation to the Management Board and the Supervisory Board.

The company informed about the details in the current report no. [EBI-1-2023](#) (ENG: [EBI-1-2023](#)) of the 15th of May, 2023.

4.4.3. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of April, 2023, and the 22th of May, 2023, Comarch S.A. has concluded new forward contracts for the sales of currency worth NZD 200 thousand. The total net value of open forward contracts as of the 22th of May 2023, amounted to EUR 41,700 thousand, USD 24,400 thousand, JPY 100,000 thousand, GBP 400 thousand and NZD 2,400 thousand. The contracts will be settled within 40 months from the balance sheet date. All forward contracts were concluded in order to limit the impact of changes in exchange rates on the related financial result with those implemented by Comarch S.A. commercial contracts where remuneration or costs are fixed in foreign currencies. The balance sheet valuation of forward contracts as at the 30th of April, 2023 amounted to PLN 18,804 thousand, while as at the 31st of March, 2023 it was minus PLN 83 thousand.

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 2023, nor for full year of 2023.

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 31,919 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 15,485 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

- 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 the conclusion by Comarch Software und Beratung AG (formerly: Comarch AG), a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of Next Generation Performance Management Solution, Comarch S.A. granted suretyship for the obligations of Comarch Software und Beratung AG (formerly: Comarch AG) resulting from the contract. The suretyship was granted up to the amount of EUR 3,823 thousand and is valid for the entire duration of the contract.
- Due to the conclusion by Comarch Software und Beratung AG (formerly: Comarch AG), a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of Planning and Inventory Application (PIA), a letter of comfort was signed by Comarch S.A. in which Comarch S.A. undertakes to ensure the proper performance of the contract by Comarch Software und Beratung AG (formerly: Comarch AG). The letter of comfort is valid for 24 months from the end of the contract, the contract value is EUR 3,505 thousand.
- Due to the conclusion by Comarch UK Ltd., a subsidiary of Comarch S.A., a contract with the client for the implementation of Comarch Loyalty Management, a suretyship for the client for the obligations of Comarch UK was granted by Comarch S.A. The suretyship was granted up to the amount of GBP 2,351 thousand and is valid for the duration of the contract.
- Due to the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and license of Comarch Loyalty Management, as well as for data centre services, Support & Maintenance, a suretyship for liabilities of Comarch S.A.S. resulting from this project was granted by Comarch S.A. The suretyship was granted up to the value of the contracts signed by Comarch S.A.S., i.e. EUR 2,807 thousand and is valid until the end of the project.
- Due to the conclusion by Comarch AG Branch in Belgium, a contract with one of the clients for data centre services, a suretyship for the obligations of Comarch AG resulting from this project was granted by Comarch S.A. The suretyship was granted up to the value of the contract signed by Comarch AG, i.e. EUR 236 thousand and is valid until the end of the project.
- Due to the conclusion by Comarch UK Ltd., a subsidiary of Comarch S.A., a contract with the client for the purchase of software licenses as well as maintenance and support services, a suretyship for the obligations of Comarch UK resulting from this project was granted by Comarch S.A. The suretyship was granted up to the amount of GBP 11,244 thousand and is valid for twelve years from the end of the contract.
- Due to the conclusion by Comarch Healthcare S.A., a subsidiary of Comarch S.A., contracts for servicing fuel cards, suretyships for the operator of fuel cards for the liabilities of Comarch Healthcare S.A. resulting from the above agreements were granted by Comarch S.A. The suretyship was renewed; therefore, it is valid until the 31st of May, 2026, and was granted up to the amount of PLN 100 thousand.
- Due to the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A. an agreement with one of the clients for the implementation of Comarch ECM, as well as the provision of maintenance and system management (SaaS) services, a suretyship for the obligations of Comarch S.A.S. resulting from this project was granted by Comarch S.A. The suretyship was granted up to the amount of EUR 838 thousand and is valid until the end of the project.
- Due to the conclusion by CA Consulting S.A., a subsidiary of Comarch S.A., a contract for servicing fuel cards, a suretyship for the operator of fuel cards for the obligations of CA Consulting S.A. resulting from the above agreement was granted by Comarch S.A. The suretyship was renewed, and therefore it is valid until the 31st of May, 2026, and was granted up to the amount of PLN 50 thousand.

- Due to the conclusion by Comarch AG Branch in Belgium, a framework agreement with one of the clients, a suretyship for liabilities of Comarch AG was granted by Comarch S.A. The suretyship was granted up to the value of the contract, i.e. EUR 3,241 thousand and is valid until the end of the project.
- Due to the conclusion by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation of the Comarch Customer Engagement Platform, a suretyship ("Parent Guarantee") for the obligations of Comarch Middle East FZ-LLC resulting from this project was granted by Comarch S.A. The contract was signed for a period of 10 years. The suretyship is valid until Comarch Middle East FZ-LLC fulfils all obligations under the contract and was granted up to the maximum liability under the contract, i.e. USD 10,000 thousand.
- In connection with the conclusion by Bonus Development sp. z o.o. SK-A, a subsidiary of Comarch S.A., an investment loan agreement with Bank Pekao S.A., on the basis of which the bank granted Bonus Development sp. z o.o. SK-A financing in EUR in the amount of PLN 38,800 thousand (which as at the date of signing the loan agreement was the equivalent of EUR 9,262 thousand) and in connection with the conclusion of the agreement for treasury transactions related to securing the exchange rate risk and the interest rate of the above-mentioned loan, Comarch S.A. granted suretyships for the liabilities of Bonus Development sp. z o.o. SK-A resulting from the above agreements. The suretyships are valid until all liabilities under the loan agreement are repaid, the final repayment date is the 28th of June, 2030.
- In connection with the conclusion by Comarch Polska S.A., a subsidiary of Comarch S.A., a contract for servicing fuel cards, a suretyship for the operator of fuel cards for liabilities of Comarch Polska S.A. resulting from the above agreement was granted by Comarch S.A. The suretyship was renewed; therefore, it is valid until the 14th of September, 2026, and was granted up to the amount of PLN 10 thousand.
- Due to the conclusion by Comarch AB, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of the Loyalty Management Solutions system and its maintenance, a suretyship was granted for Comarch AB. The suretyship is valid for the duration of the contract and was granted up to the amount of SEK 39,747 thousand.
- In connection with the conclusion by Comarch AB, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and maintenance of Master Services Agreement services, a suretyship was granted for Comarch AB. The suretyship is valid for the duration of the contract and was granted for the amount of PLN 3,827 thousand.
- Due to the conclusion by Comarch Healthcare S.A., a subsidiary of Comarch S.A., a contract for servicing payment cards with one of the clients, a suretyship was granted to Comarch Healthcare S.A. The suretyship is valid for the duration of the contract and has been granted up to the amount of PLN 450 thousand.
- Due to the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract for servicing payment cards with one of the clients, a suretyship was granted to Comarch UK. The guarantee is valid for the duration of the contract and has been granted up to the amount of PLN 330 thousand.
- In connection with the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of Comarch Retail, Comarch Mobile Sale and Comarch POS services, a suretyship for liabilities of Comarch S.A.S. was granted by Comarch S.A. The surety is valid for the duration of the agreement and was granted up to the amount of EUR 1,444 thousand.
- Due to the conclusion by Comarch Colombia S.A.S., a subsidiary of Comarch S.A., an agreement with one of the clients for the implementation of Comarch Loyalty Management services, a suretyship for the

obligations of Comarch Colombia S.A.S. was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of USD 10,710 thousand.

- In connection with the conclusion by Comarch Luxembourg S.a.R.L., a subsidiary of Comarch S.A., contracts with one of the clients for the implementation, servicing and delivery of the necessary licenses for the implementation of the Billing System project, a suretyship for the obligations of Comarch Luxembourg S.a.R.L. was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of EUR 7,240 thousand.

- Due to the conclusion by Comarch Software und Beratung AG (formerly: Comarch AG), a subsidiary of Comarch S.A., a contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for the implementation of the e-invoicing service, a suretyship for liabilities of Comarch Software und Beratung AG (formerly: Comarch AG) was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of EUR 2,095 thousand.

- Due to the conclusion by Comarch S.A.S., a subsidiary of Comarch SA, a contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for ERP, POS and MoS services, a suretyship for liabilities of Comarch S.A.S. was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of EUR 1,254 thousand.

- Due to the conclusion by Comarch Middle East FZ-LLC, a subsidiary of Comarch SA, a contract with one of the clients for the implementation, servicing and delivery of the necessary CLM licenses, Comarch S.A. granted a suretyship for the obligations of the subsidiary Comarch Middle East FZ-LLC resulting from this contract. The suretyship is valid for the duration of the contract, and its value amounts to USD 3,155 thousand.

- Due to the conclusion by Comarch Software und Beratung AG (formerly: Comarch AG), a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and provision of e-invoicing services, Comarch S.A. granted a suretyship for the obligations of the subsidiary Comarch Software und Beratung AG (formerly: Comarch AG) resulting from this contract. The suretyship is valid for the duration of the contract, and its value amounts to EUR 784 thousand.

- Due to the conclusion by Comarch Japan KK, a subsidiary of Comarch SA, an agreement for the lease of office space, Comarch SA granted a suretyship for the obligations of the subsidiary Comarch Japan KK resulting from this agreement. The suretyship is valid until the 31st of July, 2023, and its value amounts to JPY 16,909 thousand.

- Due to the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A., a contract with one of the clients for the delivery of the BSSv7 platform, a suretyship for the obligations of a subsidiary Comarch S.A.S. resulting from this contract was granted by Comarch S.A. The suretyship is valid for the duration of the contract, and its value amounts to EUR 11,175 thousand.

- Due to the conclusion by Comarch Swiss AG, a subsidiary of Comarch S.A., an agreement with one of the clients for the implementation of the Convergent Billing service with a license, Comarch SA granted a suretyship for the obligations of the subsidiary Comarch Swiss AG resulting from this agreement. The suretyship is valid for the duration of the contract, and its value amounts to CHF 12,144 thousand.

- Due to the conclusion by Comarch UK Ltd, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of the NRM & SI service along with a license, Comarch SA granted a suretyship for the obligations of a subsidiary Comarch UK Ltd. resulting from this contract. The suretyship is valid for the duration of the contract, and its value amounts to GBP 10,659 thousand.

- Due to the conclusion by Comarch Technologies OY, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of the CLM system, a suretyship for the obligations of a subsidiary Comarch Technologies OY resulting from this agreement was granted by Comarch S.A. The suretyship is valid for the duration of the contract and its value amounts to EUR 673 thousand.
- Due to the conclusion by Comarch Technologies OY, a subsidiary of Comarch S.A. an agreement with one of the clients for granting a license, providing support services for CLM and providing hosting services, a suretyship for the obligations of a subsidiary Comarch Technologies OY resulting from this agreement was granted by Comarch S.A. The suretyship is valid for the duration of the contract and its value amounts to EUR 4,325 thousand.
- Due to the conclusion by Comarch UK Ltd., a subsidiary of Comarch S.A., a contract with one of the clients for inventory management, a suretyship for the obligations of a subsidiary Comarch UK resulting from this agreement was granted by Comarch S.A. The suretyship is valid for the duration of the contract and its value is GBP 7,544 thousand.
- Due to the conclusion of Comarch Software und Beratung AG (formerly: Comarch AG), a subsidiary of Comarch S.A., of an agreement with one of the clients for a license and maintenance services, Comarch S.A. granted surety for the obligations of a subsidiary of Comarch Software und Beratung AG (formerly: Comarch AG) resulting from this agreement. The surety is valid for the duration of the contract, and its value amounts to EUR 42,251 thousand.
- Due to the conclusion of Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., of an agreement with one of the clients for granting a license, providing support services for CLM and providing hosting services, Comarch S.A. granted surety for the obligations of a subsidiary Comarch Middle East FZ-LLC resulting from this agreement. The surety is valid for the duration of the contract, and its value amounts to EUR 2,106 thousand.
- Due the conclusion by Comarch, Inc., a subsidiary of Comarch S.A., an agreement with one of the clients for the granting of licenses and the provision of support services in connection with the update of the FSM solution to version 5 and the provision of services: MDs pool for CRs, was granted by Comarch ARE. surety for the liabilities of the subsidiary Comarch, Inc. resulting from this agreement. The surety is valid for the duration of the agreement and its value is PLN 11,945 thousand.

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 Comarch S.A. monitors the situation related to COVID-19 incidence and its impact on Comarch Group's operations. The Management Board of Comarch S.A. hereby informs that as at the date of publication of this report, the Comarch Group's operations were conducted without any interruptions. Subsidiaries in Comarch Group have implemented all guidelines recommended by the Chief Sanitary

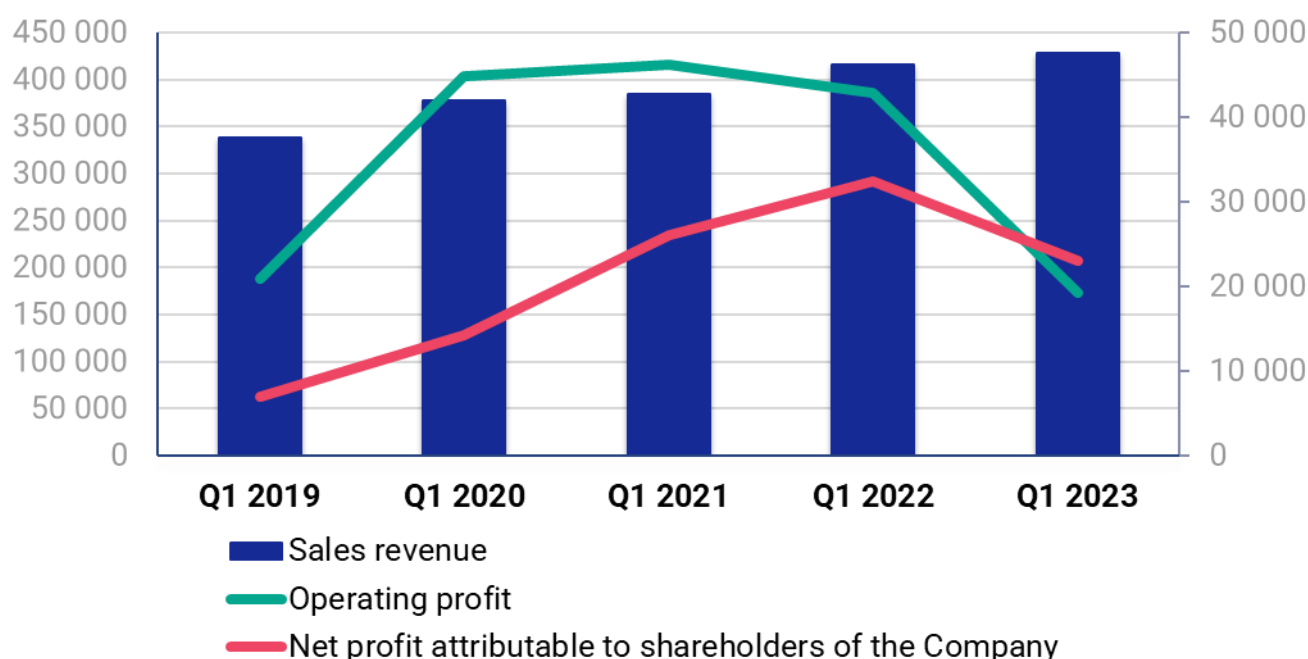
Inspectorate and other state institutions in the countries of the companies' operational activity, with particular regard to employee's safety, health and hygiene recommendations. During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Comarch Group.

4.9.2. Influence of the Political and Economic Situation in Ukraine and Russia on the Operations 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 operational activity of the Comarch Group is carried out without interruption, also in Ukraine. The effects of the Russian invasion of Ukraine did not have a significant negative impact on the economic situation of the Comarch Group. The activities of the Comarch Group are very well diversified geographically and in terms of products, the Company runs projects in 40 countries on 6 continents. The Comarch Group runs projects in almost 70 countries on 6 continents. In 2022, sales to customers from Ukraine and Russia accounted for 0.6% of the Group's total revenue. The ICT infrastructure of the Comarch Group is also very well diversified and constantly improved.

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 2023 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 2023, the Comarch Group generated sales revenue of PLN 427,605 thousand, higher by PLN 11,261 thousand, i.e. by 2.7% from that achieved in the first quarter of 2022. Operating profit amounted to PLN 19,276 thousand and was lower by PLN 23,540 thousand, i.e. by 55% than in the first quarter of 2022. The net result attributable to the shareholders of the parent company in the first quarter of 2023 amounted to PLN 23,056 thousand and it was lower by PLN 9,383 thousand, i.e. by 28.9% than in the first quarter of 2022. EBIT margin in the reporting period was +4.5%, while net margin amounted to +5.4%. In the first quarter of 2023, the Comarch Group generated EBITDA of PLN 42,071 thousand, lower by PLN 23,521 thousand, i.e. by 35.8% compared to the same period of the previous year.

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

- dynamic increase in domestic sales revenue, which amounted to PLN 13,062 thousand (i.e. of 7.8%), mainly resulting from the increased sales of ERP solutions to customers in the SMEs sector in Poland. In the first quarter of 2023, domestic sales constituted 42.3% of the total revenue of the Comarch Group,
- decrease in foreign sales of PLN 1,801 thousand (i.e. of 0.7%), which was mainly the result of lower sales to customers in the Telecommunications sector as well as ERP solutions in the DACH area. In the first quarter of 2023, foreign sales constituted 57.7% of the total revenue of the Comarch Group,
- the occurrence of negative exchange differences realized and from the balance sheet valuation of trade receivables, related to the strengthening of the PLN exchange rate against foreign currencies in the first quarter of 2023, which decreased sales revenue and operating result in the described period by PLN 5,204 thousand,
- the occurrence of negative exchange differences realized and from the balance sheet valuation of trade liabilities related to the strengthening of the PLN exchange rate against foreign currencies in the first quarter of 2023, which decreased the operating result by PLN 656 thousand,

- related to the strengthening of the PLN exchange rate in the first quarter of 2023, a positive result from the balance sheet valuation of financial instruments, from the sale of financial instruments, as well as from the valuation of exchange differences on loans and advances taken in foreign currencies and cash, the value of which in the described period amounted to PLN +8,668 thousand,
- significant increase in operating costs as a result of wage pressure in the IT sector - the basic wage fund in the Comarch Group increased by 14.5% in the reporting period compared to the first quarter of 2022,
- current income tax, which was the result of the high profitability of the Comarch Group companies in Poland and Great Britain, its value in the first quarter of 2023 amounted to PLN 7,305 thousand,
- creation and release of write-offs for doubtful trade receivables, which increased the operating result of the Comarch Group by PLN 1,365 thousand,
- interest on cash deposits held by the Group, in the amount of PLN 1,991 thousand.

In the first quarter of 2023, employment in the Comarch Group decreased by 82 people, i.e. by 1.2%, which was related, among others, with the restructuring of some research and development projects.

The Comarch Group's financial result in subsequent periods will be significantly affected by: geopolitical situation in the world, economic situation, costs of implementing new contracts, situation on the public procurement market, costs related to the development of new IT solutions, availability of qualified IT employees, rapidly growing costs of labour and public levies, as well as the level of inflation and foreign exchange rates in relation to PLN

The Comarch Group is actively looking for new markets (including in Western Europe, North America and Asia), continues to invest in new IT products and services, and is constantly expanding and modernizing existing infrastructure. Thanks to very good financial results achieved in the first quarter of 2023 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 macroeconomic situation in Poland and in the world. This was especially important during the Covid-19 pandemic and after the outbreak of war in Ukraine and its economic consequences. In this period, there was no decrease in revenue from the sale of services and products offered by the Group, and operating activities were uninterrupted.

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:

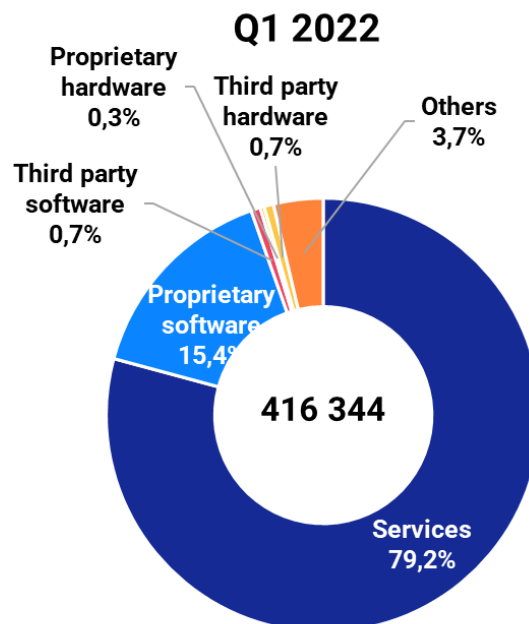
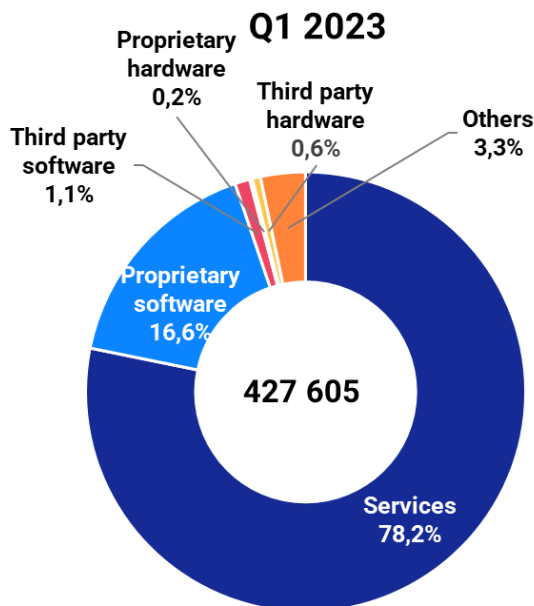
- significant investments in human capital,
- development and sales of IT solutions based mostly on own products,
- development of sales on foreign markets, in particular in Western Europe, Asia and North America,
- continuous improvement of operational efficiency by improving procedures and rationalizing costs,
- 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	3 months of 2023	%	3 months of 2022	%	Change PLN	Change %
Services	334,778	78.2	329,885	79.2	4,893	1.5
Proprietary software	70,830	16.6	64,158	15.4	6,672	10.4
Third party software	4,591	1.1	3,026	0.7	1,565	51.7
Finished goods	794	0.2	1,085	0.3	-291	-26.8
Third party hardware	2,425	0.6	2,949	0.7	-524	-17.8
Others	14,187	3.3	15,241	3.7	-1,054	-6.9
Total	427,605	100.0	416,344	100.0	11,261	2.7

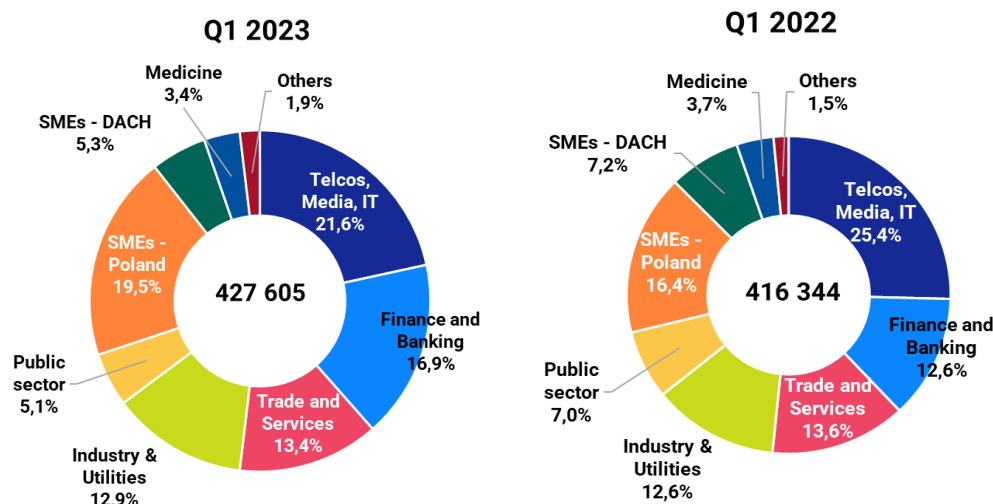
In the first quarter of 2023, products sales structure did not change significantly. Revenue from the sales of services increased by 1.5%, i.e. by PLN 4,893 thousand. The sales of services accounted for 78.2% of the total sales revenue of the Comarch Group. Revenue from the sales of both proprietary and third-party software increased by PLN 6,672 thousand and PLN 6,672 thousand, i.e. by 10.4% and by PLN 1,565 thousand, i.e. by 51.7%, respectively. The value of sales of finished products was lower by PLN 291 thousand, i.e. by 26.8% than in the first quarter of 2022. A decrease was also recorded in the sales of third-party hardware (a decrease of PLN 524 thousand, i.e. of 17.8%). The value of other sales was lower by PLN 1,054 thousand, i.e. by 6.9%.



Market Sales Structure (in thousands of PLN)

Market sales structure	3 months of 2023	%	3 months of 2022	%	Change PLN	Change %
Telecommunications, Media, IT	92,530	21.6	105,855	25.4	-13,325	-12.6
Finance and Banking	72,154	16.9	52,349	12.6	19,805	37.8
Trade and Services	57,366	13.4	56,653	13.6	713	1.3
Industry & Utilities	55,292	12.9	52,470	12.6	2,822	5.4
Public sector	22,003	5.1	29,249	7.0	-7,246	-24.8
Small and Medium-Sized Enterprises - Poland	83,218	19.5	68,113	16.4	15,105	22.2
Small and Medium-Sized Enterprises - DACH	22,589	5.3	29,833	7.2	-7,244	-24.3
Medicine	14,418	3.4	15,557	3.7	-1,139	-7.3
Others	8,035	1.9	6,265	1.5	1,770	28.2
Total	427,605	100.0	416,344	100.0	11,261	2.7

In the first quarter of 2023, the value of sales revenue of the Comarch Group to recipients from the TMT sector amounted to PLN 92,530 thousand, which means an decrease of PLN 13,325 thousand (i.e. of 12.6%) compared to the first quarter of 2022, however, this sector still has the highest share in Comarch sales (21.6%). In the first quarter of 2023, customers from the finance and banking sector purchased products and services worth PLN 72,154 thousand, higher by PLN 19,805 thousand, i.e. by 37.8% from the one achieved in the corresponding period of the previous year. Revenue from sales to customers from the trade and services sector amounted to PLN 57,366 thousand and were higher by PLN 713 thousand, i.e. by 1.3% than in the first quarter of 2022. Sales of ERP solutions to small and medium-sized enterprises in Poland increased by PLN 15,105 thousand, i.e. by 22.2% and reached the value of PLN 83,218 thousand. The decrease in revenue occurred in the case of sales to customers from the SME sector in the DACH region, it amounted to PLN 7,244 thousand, i.e. 24.3%. In the case of customers from the industrial sector, sales revenue increased by PLN 2,822 thousand. PLN, i.e. by 5.4%, and their value amounted to PLN 55,292 thousand. In the first quarter of 2023, revenue from sales to public and medical entities decreased by PLN 7,246 thousand i.e. by 24.8% and by PLN 1,139 thousand, i.e. by 7.3%, respectively. Revenue from sales to other customers increased by PLN 1,770 thousand, i.e. by 28.2% mainly as a result of higher revenue from sports and recreation activities.



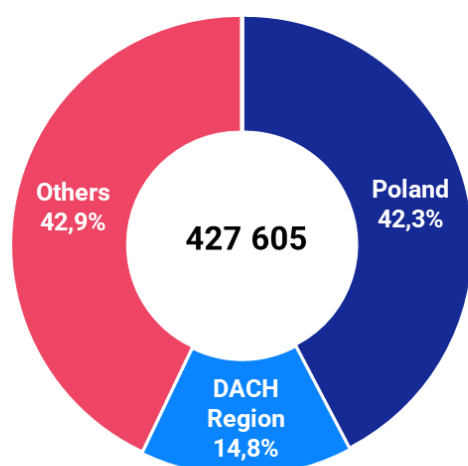
The business situation in the period of three months of 2023 confirmed that maintaining the diversification of sources of income and the diversity of the offer is beneficial for the stable development of the Comarch Group's operations. Thanks to the focus on the sale of proprietary solutions, the Comarch Group recorded a significant increase in revenues, allowing it to cover the growing costs of operations and maintain operating profitability at a satisfactory level.

Geographical Sales Structure (in thousands of PLN)

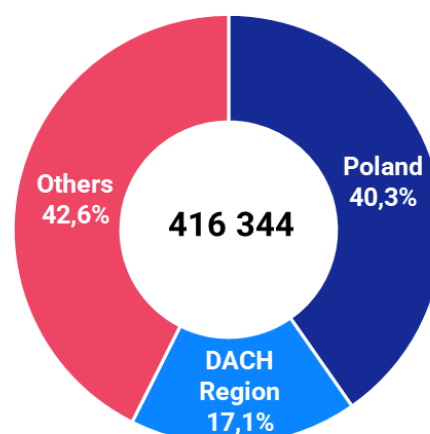
Geographical sales structure	3 months of 2023	%	3 months of 2022	%	Change PLN	Change %
Domestic (Poland)	180,782	42.3	167,720	40.3	13,062	7.8
Export	246,823	57.7	248,624	59.7	-1,801	-0.7
Total	427,605	100.0	416,344	100.0	11,261	2.7

In the first quarter of 2023, the Comarch Group recorded an increase in sales revenue on the domestic market, and a decline in foreign markets. The value of revenue from domestic sales increased by PLN 13,062 thousand, i.e. by 7.8% compared to the first quarter of 2022, they accounted for 42.3% of the Group's total revenue. This was mainly due to an increase in revenue from the sales of ERP solutions to customers from the SME-Poland sector. In the described period, the Comarch Group recorded a decrease in revenue from foreign sales by PLN 1,801 thousand (i.e. by 0.7%), mainly as a result of a decrease in sales to customers from the telecommunications and SME-DACH sectors. Foreign sales accounted for 57.7% of the total revenue of the Comarch Group in the first quarter of 2023.

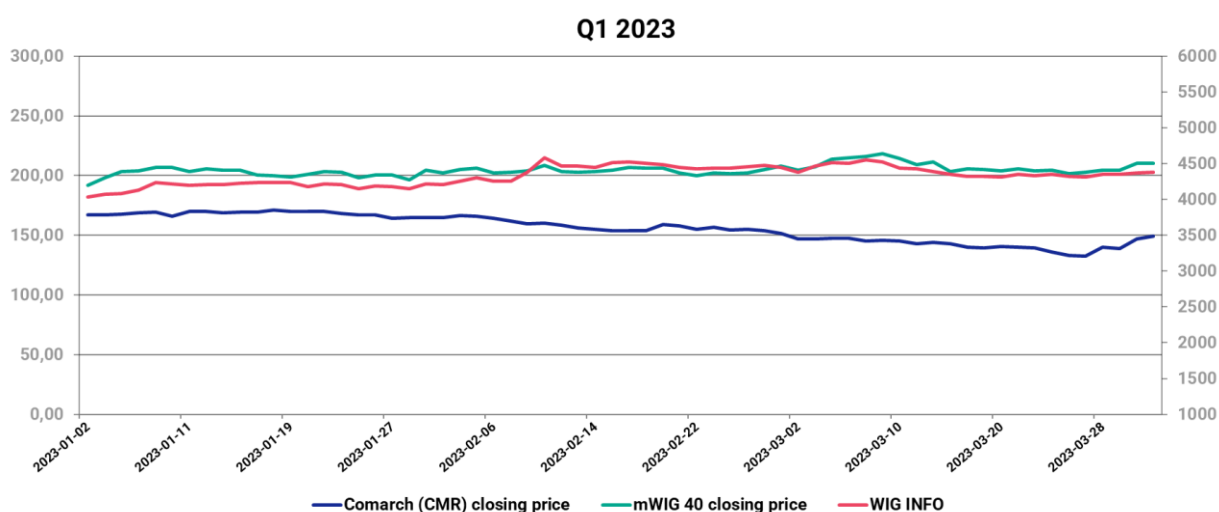
Q1 2023



Q1 2022



5.3. Comarch S.A. Stock Price Performance



On the 31st of March, 2023, the share price of Comarch S.A. amounted to PLN 149, which is a decrease of 21.6% compared to the PLN 190 as of the 31st of March, 2022. During the first quarter of 2023, the maximum share price was PLN 171.

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 of 2023 / 31.03.2023	3 months of 2022 / 31.03.2022
Closing price at the balance sheet date	149.0	190.00
Average price during the reporting period	155.95	186.77
MIN price during the reporting period	132.60	161.50
MAX price during the reporting period	171.00	206.00
Average volume during the reporting period	6,214	3,174
Capitalization at the balance sheet date	1,211,869,001	1,545,336,310
Ratios for unconsolidated data		
P/E at the balance sheet date	15.33	24.56
P/BV at the balance sheet date	1.13	1.51
P/S at the balance sheet date	3.84	5.70
Ratios for consolidated data		
P/E at the balance sheet date	52.56	47.64
P/BV at the balance sheet date	0.93	1.26
P/S at the balance sheet date	2.83	3.71

5.4.Events in the First Quarter of 2023 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.

22nd of May, 2023

SIGNATURES OF MANAGEMENT BOARD MEMBERS

Name and surname	Position	Signature
Janusz Filipiak	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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comarch.pl/relacje-inwestorskie/
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COMARCH



Condensed Quarterly Financial Statements of Comarch S.A. for the period from 1st of January, 2023, to 31st of March, 2023

Krakow, the 22nd of May, 2023

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Over **70** locations
on **6** continents



PLN 315.8 million
of sales revenue



PLN 21 million
of net profit



> PLN 1.2 billion
capitalization of Comarch SA on WSE
(the 31st of March, 2023)



6.7%
EBIT margin



5,300+
professionals employed

The Condensed Quarterly Financial Statements of Comarch S.A. for the first quarter of 2023

I. Balance Sheet

ASSETS	31 March 2023	31 December 2022	31 March 2022
I. NON-CURRENT ASSETS	855,204	854,553	808,279
1. Intangible assets	47,148	49,668	39,898
2. Property, plant and equipment	328,381	331,707	322,047
3. Non-current investments	469,720	462,601	437,571
3.1 Non-current financial assets	452,381	445,015	419,250
a) in related parties	441,002	437,203	415,487
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	11,379	7,812	3,763
3.2 Real estates	17,296	17,543	18,278
3.3 Other non-current investment	43	43	43
4. Non-current prepayments	9,955	10,577	8,763
4.1 Deferred income tax assets	4,823	4,731	7,573
4.2 Other accruals	5,132	5,846	1,190
II. CURRENT ASSETS	802,452	802,238	719,830
1. Inventories	80,722	71,595	82,660
2. Current receivables	477,952	519,297	382,926
2.1 from related parties	345,813	352,130	260,110
2.2 from other entities in which the Company holds equity interests	-	-	-
2.3 from other entities	132,139	167,167	122,816
3. Current investments	144,407	126,137	164,991
3.1 Current financial assets	144,407	126,137	164,991
a) in related parties	1,523	1,220	1,094
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	4,338	2,357	29,127
- interest and shares	-	-	-
- granted Loans	93	3	-
- other securities	27	28	28,513
- other current financial assets	4,218	2,326	614
d) cash and cash equivalents	138,546	122,560	134,770
4. Short-term prepayments	99,371	85,209	89,253
TOTAL ASSETS	1,657,656	1,656,791	1,528,109

EQUITY AND LIABILITIES	31 March 2023	31 December 2022	31 March 2022
I. KAPITAŁ WŁASNY	1,074,538	1,054,059	1,021,827
1. Share capital	8,133	8,133	8,133
2. Supplementary capital	864,501	864,501	818,985
3. Revaluation reserve	112,736	113,274	106,554
4. Other reserve capitals	745	745	745
5. Previous years' profit (loss)	67,406	-	78,048
6. Net profit (loss)	21,017	67,406	9,362
II. LIABILITIES AND PROVISIONS FOR LIABILITIES	583,118	602,732	506,282
1. Provisions for liabilities	206,979	206,183	181,370
1.1 Provision for deferred income tax	30,006	28,060	25,836
1.2 Other provisions	176,973	178,123	155,534
a) current	173,750	175,453	153,050
b) non-current	3,223	2,670	2,484
2. Non-current liabilities	108,728	117,307	80,228
2.1 to related parties	7,026	7,008	-
2.2 to other entities in which the Company holds equity interests	-	-	-
2.3 to other entities	101,702	110,299	80,228
3. Current liabilities	210,878	207,292	184,339
3.1 to related parties	28,770	29,986	33,658
3.2 to other entities in which the Company holds equity interests	350	350	350
3.3 to other entities	177,841	175,517	146,976
3.4 special funds	3,917	1,439	3,355
4. Accruals	56,533	71,950	60,345
4.1 Other accruals	56,533	71,950	60,345
a) current	56,533	71,950	60,345
TOTAL EQUITY AND LIABILITIES	1,657,656	1,656,791	1,528,109

Book value	1,074,538	1,054,059	1,021,827
Number of shares	8,133,349	8,133,349	8,133,349
Book value per single share (PLN)	132,12	129,60	125,63
Diluted number of shares	8,133,349	8,133,349	8,133,349
Diluted book value per single share (PLN)	132.12	129.60	125.63

II. Income Statement

For period 01.01 – 31.03.2023 and 01.01 – 31.03.2022	3 months ended 31 March 2023	3 months ended 31 March 2022
I. Net revenue from sales of products, goods and materials	315,833	271,038
revenue from related parties	97,100	101,699
1. Net revenue from sales of products	300,788	261,268
2. Net revenue from sales of goods and materials	15,045	9,770
II. Costs of products, goods and materials sold	257,510	221,689
to related parties	10,811	11,427
1. Manufacturing cost of products sold	245,314	213,397
2. Value of products, goods and materials sold	12,196	8,292
III. Gross profit (loss) on sales	58,323	49,349
IV. Costs of sales	20,787	18,145
V. Administrative expenses	18,622	17,402
VI. Profit (loss) on sales	18,914	13,802
VII. Other operating revenue	1,974	767
1. Profit on disposal of non-financial non-current assets	187	216
2. Other operating revenues	1,787	551
VIII. Other operating costs	2,150	657
1. Loss on disposal of non-financial non-current assets	-	-
2. Cost of works financed in part with subsidies	1	74
3. Revaluation of non-financial assets	-	-
4. Other operating costs	2,149	583
IX. Profit (loss) on operating activities	18,738	13,912
X. Financial revenue	12,003	4,357
1. Interest	1,551	523
from related parties	592	239
2. Dividends and share in profits	-	-
from related parties	-	-
3. Profit on disposal of investment	-	-
4. Revaluation of financial assets	-	-
5. Other	10,452	3,834
XI. Finance costs	5,960	3,324
1. Interest	979	533
from related parties	136	143
2. Loss on disposal of investment	410	1,694
3. Revaluation of investments	-	-
4. Other	4,571	1,097
XII. Profit (loss) on business activities	24,781	14,945
XIII. Gross profit (loss)	24,781	14,945
XIV. Income tax	3,764	5,583
XV. Net profit (loss)	21,017	9,362

Net profit (loss) (annualised)	79,061	62,923
Weighted average number of shares 01.04.2022 – 31.03.2023	8,133,349	8,133,349
Earnings (losses) per single share (PLN)	9.72	7.74
Diluted weighted average number of shares 01.04.2022 – 31.03.2023	8,133,349	8,133,349
Diluted earnings (losses) per single share (PLN)	9.72	7.74

III. Changes in Equity

	3 months ended 31 March 2023	12 months ended 31 December 2022	3 months ended 31 March 2022
I. OPENING BALANCE OF EQUITY	1,054,059	1,018,093	1,018,093
a) changes to adopted accounting principles (policies)	-	-	-
I. a. Opening balance of equity after adjustments	1,054,059	1,018,093	1,018,093
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	864,501	818,985	818,985
2.1 Changes in supplementary capital	-	45,516	-
a) increases (due to)	-	45,516	-
- profit-sharing for the previous years	-	45,516	-
2.2 Closing balance of supplementary capital	864,501	864,501	818,985
3. Opening balance of revaluation reserve	113,274	112,182	112,182
3.1 Changes in revaluation reserve	(538)	1,092	(5,628)
a) increases (due to)	126	1,351	(6,948)
- provision for deferred income tax due to certificates valuation	126	-	-
- balance sheet valuation of investment certificates	-	1,351	(6,948)
b) decreases (due to)	664	259	(1,320)
- balance sheet valuation of investment certificates	664	-	-
- provision for deferred income tax due to certificates valuation	-	259	(1,320)
3.2 Closing balance of revaluation reserve	112,736	113,274	106,554
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	67,406	78,048	78,048
a) changes to adopted accounting principles (policies)	-	-	-
6.1 Opening balance of previous years' profit after adjustments	67,406	78,048	78,048
a) decreases (due to)	-	78,048	-
- transferring the result from the previous years to supplementary capital	-	45,516	-
- payment of dividend	-	32,532	-
6.2 Closing balance of previous years' profit	67,406	-	78,048

7. Result for Q1 (opening balance)	-	-	-
7.1 Net result for the period	21,017	67,406	9,362
7.2. Net result	21,017	67,406	9,362
II. CLOSING BALANCE OF EQUITY	1,074,538	1,054,059	1,021,827
III. EQUITY INCLUDING PROPOSED PROFIT-SHARING (LOSS COVERAGE)	1,074,538	1,054,059	1,021,827

IV. Cash Flow Statement

For period 01.01 – 31.03.2023 and 01.01 – 31.03.2022	3 months ended 31 March 2023	3 months ended 31 March 2022
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A. CASH FLOWS FROM OPERATING ACTIVITIES

I. Net profit (loss)	21,017	9,362
II. Total adjustments	20,559	69,597
1. Depreciation	13,812	12,603
2. Exchange gains (losses)	(789)	357
3. Interest and profit sharing (dividends)	565	50
4. (Profit) loss on investing activities	(10,158)	599
5. Change in provisions	922	13,483
6. Change in inventories	(9,128)	(18,552)
7. Change in receivables	41,063	57,814
8. Change in current liabilities, excluding credits and loans	13,230	3,265
9. Change in prepayments and accruals	(28,958)	(22)
10. Change in deferred income	-	-
11. Other adjustments	-	-
III. Net cash used in operating activities (I+/-II) – indirect method	41,576	78,959

B. CASH FLOWS FROM INVESTING ACTIVITIES

I. Inflows	2,521	58,281
1. Disposal of property, plant and equipment and intangible assets	363,	133
2. From financial assets, including:	2,158	58,148
a) in related parties	2,158	13,356
- repaid loans	1,899	13,019
- repaid interest on loans	259	337
- received loans	-	-
- received interest	-	-
- dividends and profit shares	-	-
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	(16,106)	(57,365)
1. Purchase of property, plant and equipment and intangible assets	(9,183)	(40,287)
2. Expenses for investment in real estates	(12)	(4)
3. For financial assets, including:	(6,911)	(17,074)
a) in related parties	(6,501)	(15,380)
- purchase of financial assets	(3,000)	(13,125)
- granted loans	(3,501)	(2,255)
- repayment of loans from related parties	-	-
- repayment of interest on loans	-	-
b) in other entities	(410)	(1,694)
- other expenses related to financial assets	(410)	(1,694)
4. Other investment expenses	-	-
III. Net cash used in investing activities (I-II)	(13,585)	916
C. CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	46	2,849
1. Credits and loans	42	2,708
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	4	-
5. Other financial proceeds (received subsidies)	-	141
II. Outflows	(12,916)	(11,448)
1. Purchase of own shares (shares) + additional capital contributions	-	-
2. Dividends and other payments to owners	-	-
3. Repayment of loans and credits	(11,887)	(11,049)
4. Interests	(829)	(387)
5. Granted loans	(200)	(12)
6. Other financial expenses	-	-
III. Net cash (used in)/generated from financing activities (I-II)	(12,870)	(8,599)
D. NET CASH FLOW, TOTAL (A.III+/-B.III+/-C.III)	15,121	71,276
E. BALANCE SHEET CHANGE IN CASH AND CASH EQUIVALENTS	15,910	70,850
change in cash and cash equivalents due to exchange differences	789	(426)
F. CASH AND CASH EQUIVALENTS OPENING BALANCE	122,538	63,700
G. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS (F+/-E)	138,448	134,550
limited disposal	1,467	237

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, 2022, until the 31st of December, 2022. If this financial statement for the 3 months ended the 31st of March, 2023, was prepared according to IFRS, the financial results would amount to PLN 20,536 thousand.

Profit according to the Act on Accounting	21,017
Depreciation of perpetual usufruct	(23)
Asset due to activity in the SEZ	(1,178)
Correction of revenue from the title of IFRS 15	335
Correction of revenue from the title of IFRS 16	385
Correction of revenue from the title of IFRS 9	-
Profit according to IFRS	20,536

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, 2023, Comarch S.A. created write-offs that revaluated goods and materials in the amount of PLN 237 thousand and did not create any write-offs that revaluated finished goods. The company resolved write-offs revaluated goods and materials which had been created in the previous years in the amount of PLN 13 thousand.

No hedges were made on inventories owned by the Company.

As at the 31st of March, 2023, due to payments of receivables, Comarch S.A. resolved revaluating write-offs which were worth PLN 565 thousand and created write-offs worth PLN 740 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 of 2023, an asset due to temporary differences in income tax and worth PLN 92 thousand was created and the asset due to temporary differences in income tax was not released, and a provision for deferred tax due to temporary differences was created in the amount of PLN 2,083 thousand and provision for deferred tax due to temporary differences was resolved in the amount of PLN 11 thousand. The total effect of these operations on the result as at the 31st of March, 2023, amounted to minus PLN 1,980 thousand.

A provision for deferred income tax related to valuation of investment certificates in CCF FIZ was decreased by PLN 126 thousand. This provision as well as certificates valuation are settled with revaluation reserve.

As at the 31st of March, 2023, Comarch S.A. did not create any write-offs due to the loss of value of shares in subsidiaries.

3. Selected Notes to the Summary Financial Statement

3.1. Non-Current Financial Assets

	31 March 2023	31 December 2022	31 March 2022
a) in subsidiaries and correlated parties	441,002	437,203	415,487
- interest or shares	263,405	260,502	245,291
- loans granted	10,859	9,299	11,093
- other securities	166,738	167,402	159,103
- 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	11,379	7,812	3,763
- loans granted	120	52	16
- other non-current financial assets (types)	11,259	7,760	3,747
• forwards and IRS	11,259	7,760	3,747
Total non-current financial assets	452,381	445,015	419,250

3.2. Changes in Non-Current Financial Assets (Types)

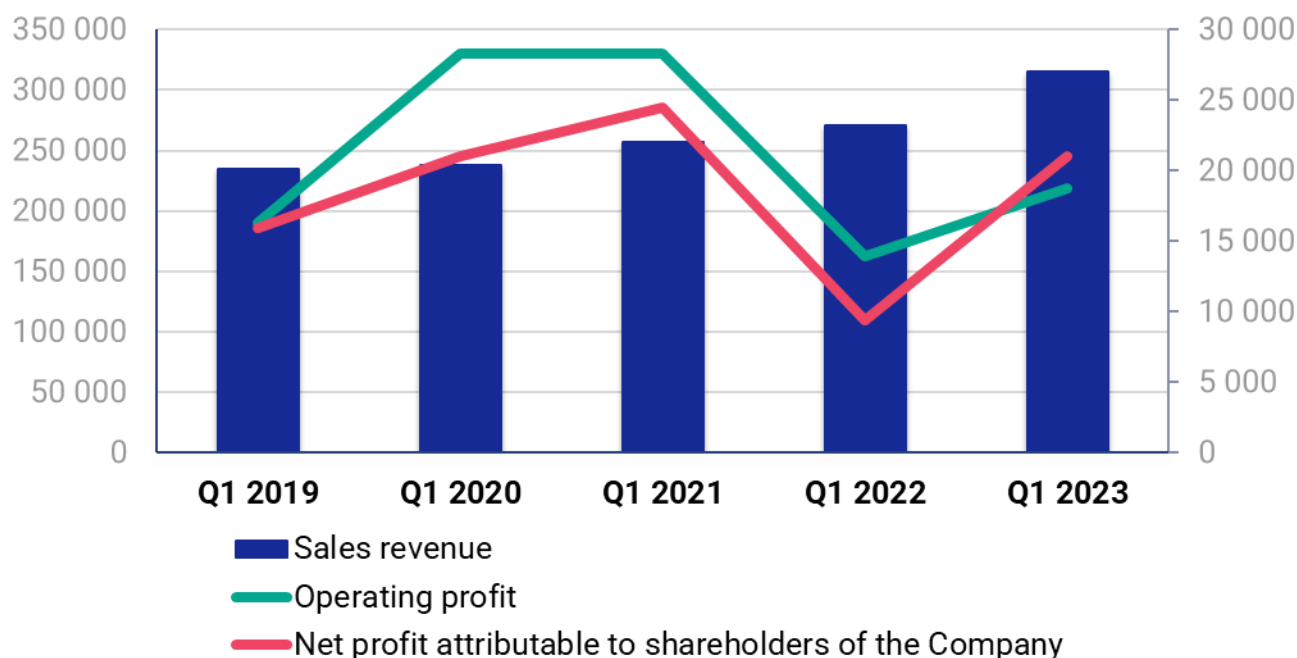
	3 months ended 31 March 2023	3 months ended 31 March 2022
a) Opening balance	445,015	420,376
- interests or shares	260,502	232,059
- loans granted	9,351	21,961
- other securities	167,402	166,051
- other non-current assets (forward contracts)	7,760	305
- others	-	-
b) increases (due to)	10,106	28,170
- purchases of shares in subsidiaries	3,000	13,125
- balance sheet valuation of shares	-	107
- valuation of participation units in CCF FIZ	-	-
- acquisition of certificates in CCC FIZ	-	-
- loans granted to subsidiaries	3,501	1,805
- reversal of revaluation write-off for long-term loans	26	9,383
- balance sheet valuation of loans in subsidiaries	-	296
- granted loans to other entities	80	12

- change of the nature of loans to long-term ones from entities in which the entity holds equity interests	-	-
- decrease in the write-down on long-term loans	-	-
- loans granted to subsidiaries	-	-
- valuation of forward contracts	3,499	3,442
c) decreases (due to)	2,740	29,296
- revaluation of shares	-	-
- balance sheet valuation of shares	97	-
- revaluation write-off for impairment of shares	-	-
- valuation of participation units in CCF FIZ	664	6,948
- repayment of subsidiaries' loans	1,911	12,869
- change of the nature of loans to current loans from related parties	-	-
- creating revaluation write-offs on loans to related parties	-	96
- repayment of interest on subsidiaries' loans	-	-
- balance sheet valuation of loans and adjusted interest on loans	68	-
- writing-off a loan repaid by related parties	-	9,383
- valuation of <i>forwards</i> and IRS	-	-
d) Closing balance	452,381	419,250

3.3. Current Financial Assets

	31 March 2023	31 December 2022	31 March 2022
a) in related parties	1,523	1,220	1,094
- loans granted	322	321	702
- other financial assets	1,201	899	392
b) in other entities in which the Company holds equity interests	-	-	-
- loans granted	-	-	-
- other financial assets	-	-	-
c) in other entities	4,338	2,357	29,127
- interest or shares	-	-	-
- loans granted	93	3	-
- other securities	27	28	28,513
- other current financial assets	4,218	2,326	614
• <i>forward</i> and IRS contracts	4,218	2,326	614
d) cash and cash equivalents	138,546	122,560	134,770
- cash in hand and at banks	138,448	122,538	134,550
- other cash assets	98	22	220
Total Current financial assets	144,407	126,137	164,991

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 2023, Comarch S.A. reached revenue in the amount of PLN 315,833 thousand from sales which means an increase of PLN 44,795 thousand, i.e. of 16.5% compared to the corresponding period of 2022. Net sales of products constituted 95.2% of total sales of the Company and were higher by PLN 39,520 thousand, revenue from the sales of goods and materials also increased (by PLN 5,275 thousand, i.e. by 54.0%). The Company's operating profit achieved in Q1 2023 amounted to PLN 18,738 thousand, net result was PLN 21,017 thousand. EBIT margin was 5.9%, and net margin was 6.7%.

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, 2023, decreased revenue and operating profit of Comarch S.A. by PLN 4,103 thousand (while in the similar period of 2022 increased them by PLN 5,093 thousand). Exchange rate differences from other activities decreased the result of Comarch S.A. by PLN 229 thousand (while in the similar period of 2022 decreased it by PLN 1,259 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 increased the Company's net profit by PLN 7,645 thousand (while in the similar period of 2022 decreased it by PLN 2,358 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 2023 amounted to plus PLN 3,313 thousand (plus PLN 1,476 thousand in the similar period of 2022).

As at the 31st of March, 2023, 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 42 thousand.

In addition to the above, financial income in the period of 3 months of 2023 did not increase due to dividends from subsidiaries (in the similar period of the previous year, financial income also did not increase due to dividends from subsidiaries)

As at the 31st of March, 2023, Comarch S.A. did not create impairment losses on share in subsidiaries.

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

Over 2022, Comarch S.A. revenue structure was as follows: 22% of annual sales were achieved in the first quarter, 23% in the second quarter, 24% in the third quarter and 31% in the fourth quarter.

Over 2023, the Company expects the distribution of sales revenue similar to that of 2022.

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

As of the 31st of March, 2023, Comarch S.A. created write-offs that revaluated goods and materials in the amount of PLN 237 thousand and did not create any write-offs that revaluated 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 13 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 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
Balance at 1 January 2022	147,383	20	-	35,117	182,520
Change:	23,747	-	-	(1,975)	21,772
- creation write-offs	24,874	-	-	7,408	32,282
- dissolution write-offs	(1,127)	-	-	(9,383)	(10,510)

Balance at 31 December 2022	171,130	20	-	33,142	204,292
Balance at 1 January 2023	171,130	20	-	33,142	204,292
Change:	-	-	-	(26)	(26)
- creation write-offs	-	-	-	-	-
- dissolution write-offs	-	-	-	(26)	(26)
Balance at 31 March 2023	171,130	20	-	33,116	204,266

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 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
Balance at 1 January 2022	14,884	3,258	34,432	87,525	1,905	142,004
Change:	(1,190)	1,059	5,169	30,316	765	36,119
- creation reserve	4,475	1,584	26,551	124,574	1,020	158,204
- dissolution reserve	(5,665)	(525)	(21,382)	(94,258)	(255)	(122,085)
Balance at 31 December 2022	13,694	4,317	39,601	117,841	2,670	178,123
Current	13,694	4,317	39,601	117,841	-	175,453
Non-current	-	-	-	-	2,670	2,670
Balance at 1 January 2023	13,694	4,317	39,601	117,841	2,670	178,123
Change:	86	(1,419)	9,705	(10,075)	553	(1,150)
- creation reserve	1,153	-	12,157	15,144	618	29,072
- dissolution reserve	(1,067)	(1,419)	(2,452)	(25,219)	(65)	(30,222)

Balance at 31 March 2023	13,780	2,898	49,306	107,766	3,223	176,973
Current	13,780	2,898	49,306	107,766	-	173,750
Non-current	-	-	-	-	3,223	3,223

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 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
At 1 January 2022	7,414	27,203
Creation in I-XII 2022	163	901
Dissolution in I-XII 2022	(2,846)	(44)
At 31 December 2022	4,731	28,060
At 1 January 2023	4,731	28,060
Creation in I-III 2023	92	2,083
Dissolution in I-III 2023	-	(137)
At 31 March 2023	4,823	30,006

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

In the reporting period, Comarch S.A. purchased computer hardware and means of transport for amount of PLN 5,691 thousand. In addition, it purchased intangible assets for the amount of PLN 2,414 thousand, including copyrights to medical systems, acquired from a subsidiary for the total amount of PLN 2,182 thousand.

In the reporting period, revenue from sales of property, plant and equipment amounted to PLN 416 thousand.

In the first quarter of 2023, shares in related parties were acquired for the amount of PLN 3,000 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, 2023, Comarch S.A. has liabilities due to purchase of computer hardware in the amount of PLN 966 thousand, liabilities due to purchase of means of transport in the amount of PLN 979 thousand as well as liabilities due to purchase of intangible assets in the amount of PLN 540 thousand.

Comarch S.A. has also liabilities due to acquisition of shares in the increased share capital of a subsidiary, Comarch Pointshub Inc., in the amount of PLN 3,821 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

None present.

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, 2023, 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 58,794 thousand, whereas it was PLN 62,409 thousand as at the 31st of December, 2022.

Comarch S.A. is the defendant in legal proceedings in which the potential total amount of third party claims is PLN 19,782 thousand of which PLN 718 thousand is covered by provisions included in the balance sheet as at the 31st of March, 2023. In the period of 3 months of 2023, Comarch S.A. did not create any new provisions for claims subject to legal proceedings, but released provisions for this title in the amount of PLN 832 thousand. PLN.

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 0 thousand of which PLN 2,180 thousand is covered by provisions included in the balance sheet as at the 31st of March, 2023. Within 3 months of 2023, Comarch S.A. did not create any new provisions for the matters in disputes, but not legal proceedings, and resolved provisions in this respect for the amount of PLN 550 thousand.

Due to the legal proceedings, within 3 months of 2023, 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 situation related to 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. During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Comarch S.A.

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, also on the territory of Ukraine. The effects of the Russian invasion of Ukraine did 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 40 countries on 6 continents. Sales to customers from Ukraine and Russia accounted for 0.5% of the Company's total revenue in 2022. The Company's ICT infrastructure is also very well diversified and constantly improved.

22nd of May, 2023

SIGNATURES OF MANAGEMENT BOARD MEMBERS

Name and Surname	Position/Function	Signature
Janusz Filipiak	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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