

Qsr 4/2023

FINANCIAL SUPERVISION AUTHORITY

Consolidated Quarterly Report Qsr 4 / 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 4 quarter of financial year 2023 from 2023-01-01 to 2023-12-31
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 2024-02-29

COMARCH SA	
(full name of an issuer)	
COMARCH	Information Technology (IT)
(abbreviated name of issuer)	(sector according to WSE classification)
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SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	Q1-Q4 2023	Q1-Q4 2022	Q1-Q4 2023	Q1-Q4 2022
DATA RELATED TO THE CONSOLIDATED FINANCIAL STATEMENT				
I. Revenue from sales	1,816,481	1,858,715	401,131	396,458
II. Operating profit (loss)	102,503	147,606	22,636	31,484
III. Profit before income tax	151,525	153,367	33,461	32,713
IV. Net profit attributable to shareholders of parent company	104,778	107,848	23,138	23,004
V. Net cash flows from operating activities	210,766	164,030	46,543	34,987
VI. Net cash flows from investing activities	-66,396	-75,632	-14,662	-16,132
VII. Net cash flows from financing activities	-96,265	-35,888	-21,258	-7,655
VIII. Change in net cash flows	48,105	52,510	10,623	11,200
IX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349
X. Earnings (losses) per single share (PLN/EURO)	12.88	13.26	2.84	2.83
XI. Diluted earnings (losses) per single share (PLN/EURO)	12.88	13.26	2.84	2.83
DATA RELATED TO THE FINANCIAL STATEMENT				
XII. Net revenue from sales of products, goods and materials	1,312,026	1,210,626	289,733	258,223
XIII. Profit (loss) on operating activities	67,550	10,258	14,917	2,188
XIV. Gross profit (loss)	111,821	85,651	24,693	18,269
XV. Net profit (loss)	92,112	67,406	20,341	14,377
XVI. Net cash flows from operating activities	61,882	47,495	13,665	10,131
XVII. Net cash flows from investing activities	9,470	3,919	2,091	836
XVIII. Net cash flows from financing activities	-58,436	7,453	-12,904	1,590
XIX. Total net cash flow	12,916	58,867	2,852	12,556
XX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349
XXI. Earnings (losses) per single share (PLN/EURO)	11.33	8.29	2.50	1.77

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☐ corrected

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XXII. Diluted earnings (losses) per single share (PLN/EURO)	11.33	8.29	2.50	1.77
EQUITIES	31.12.2023	31.12.2022	31.12.2023	31.12.2022
XXIII. Equity attributable to shareholders (consolidated)	1,328,874	1,277,519	305,629	272,398
XXIV. Equity (parent company)	1,112,157	1,054,059	255,786	224,751

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 31.12.2023: 4.5284;
- arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2022 to 31.12.2022: 4.6883;

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

- 13.12.2023: 4.3480
- 31.12.2022: 4.6899

Equity value (items XXIV and XXV) is presented at the end of 12 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_3_2023_jednostkowy.pdf	Qsr 4 2023 Comarch SA
Qsr_3_2023_skonsolidowany.pdf	Qsr 4 2023 consolidated

SIGNATURES

Date	Name and surname	Position	Signature
2024-02-29	Konrad Tarański	Vice-President of the Management Board	
2024-02-29	Iwona Kasprzyk	Proxy	

COMARCH



Comarch Group Consolidated Financial Statement for the period 01.01.2023-31.12.2023

Kraków, the 29th of February, 2024

Statement in accordance with the International
Financial Reporting Standards

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



PLN 1,816 million
of sales revenue



PLN 104.8 million
of net profit attributable to the parent Company's
shareholders



> 1.6 billion PLN
Capitalization of Comarch S.A. on the Warsaw
Stock Exchange
(the 31st of December, 2023)



5.8%
net margin



6 400+
professionals employed

Comarch Group Consolidated Financial Statement for the Twelve Months of 2023

I. Consolidated Balance Sheet

ASSETS	Note	At 31 December 2023	At 31 December 2022
I. NON-CURRENT ASSETS		916,564	976,471
Property, plant and equipment	3.2	635,506	684,642
Right-of-use assets	3.3	85,478	85,296
Investment in real estates	3.4	36,747	37,313
Goodwill	3.5	45,774	45,774
Other intangible assets	3.6	64,492	69,062
Non-current prepayments		3,579	5,942
Other assets at fair value	3.8a	8,456	9,723
Other investments		825	1,249
Deferred income tax assets	3.9	29,073	30,452
Other receivables		6,634	7,018
II. CURRENT ASSETS		1,321,772	1,295,511
Inventories	3.10	107,448	85,947
Trade and other receivables	3.11	509,006	535,309
Current income tax receivables		13,197	6,792
Long-term contracts receivables	3.12	140,132	166,811
Available-for-sale financial assets	3.7	576	27
Other financial assets at fair value – derivative financial instruments	3.8a	26,995	2,327
Cash and cash equivalents		524,418	498,298
III. ASSETS HELD FOR SALE	3.13	23,745	-
TOTAL ASSETS		2,262,081	2,271,982

EQUITY AND LIABILITIES	Note	At 31 December 2023	At 31 December 2022
I. EQUITY		1,324,435	1,279,690
Capital and reserves attributable to the company's equity holders		1,328,874	1,277,519
Share capital	3.14	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		33,640	54,530
Retained earnings and net profit for the current period		1,144,060	1,071,815
Equities attributable to non-controlling interests		(4,439)	2,171
II. LIABILITIES		937,646	992,292
Non-current liabilities		218,839	256,283
Credit and loans	3.15	89,621	127,475
Other financial liabilities	3.17	-	-
Other liabilities		358	436
Liabilities due to lease	3.16	68,249	70,227
Financial liabilities at fair value – derivative financial instruments	3.8b	-	2,176
Provision for deferred income tax	3.9	56,762	52,720
Provisions for other liabilities and charges	3.18	3,849	3,249
Current liabilities		718,807	736,009
Trade and other payables	3.19	280,310	277,732
Current income tax liabilities		26,442	27,484
Long-term contracts liabilities	3.12	137,842	145,999
Credit and loans	3.15	39,137	44,732
Liabilities due to lease	3.16	22,138	21,099
Financial liabilities at fair value – derivative financial instruments	3.8b	-	5,199
Other financial liabilities	3.17	-	-
Provisions for other liabilities and charges	3.18	212,938	213,764
TOTAL EQUITY AND LIABILITIES		2,262,081	2,271,982

II. Consolidated Income Statement

	Note	Q4 2023*	12 months 2023	Q4 2022	12 months 2022
Revenue		540,502	1,816,481	544,919	1,858,715
Costs of products, services, goods and materials sold		(411,895)	(1,387,822)	(419,142)	(1,369,559)
Gross profit		128,607	428,659	125,777	489,156
Other operating income		26,908	49,493	7,110	31,125
Sales and marketing costs		(68,943)	(200,602)	(69,755)	(193,296)
Administrative expenses		(48,482)	(144,313)	(39,897)	(143,044)
Other operating expenses		(15,861)	(30,734)	(7,086)	(36,335)
Operating profit		22,229	102,503	16,149	147,606
Finance revenue / (costs) - net		23,245	49,022	37,667	5,761
Share of profit of associates		253	-	-	-
Profit before income tax		45,727	151,525	53,816	153,367
Income tax expense		(24,307)	(53,357)	(20,660)	(54,795)
Net profit for the period		21,420	98,168	33,156	98,572
Net profit attributable to Shareholders of the parent company		22,558	104,778	35,164	107,848
Net profit / (loss) attributable to interests not entitled to control		(1,138)	(6,610)	(2,008)	(9,276)
Earnings per share for profit attributable to the shareholders of the parent company during the period (expressed in PLN per share)					
- basic	3.24		12.88		13.26
- diluted	3.24		12.88		13.26

*) The figures for the fourth quarter of 2023 (2022) were determined by subtracting from the figures for the twelve months of 2023 (2022) (covered by the review) the figures reported by the Group in the report for the three quarters of 2023 (2022).

III. Total Income Consolidated Statement

	Q4 2023*	12 months 2023	Q4 2022	12 months 2022
Net profit for the period	21,420	98,168	33,156	98,572
Other total income				
Exchange differences from recalculation of subsidiaries	(15,033)	(20,890)	(19,639)	16,289
Total other total income	(15,033)	(20,890)	(19,639)	16,289
Sum of total income for the period	6,387	77,278	13,517	114,861
Attributable to the parent company shareholders	7,523	83,888	15,521	124,140
Attributable to the interests not entitled to control	(1,136)	(6,610)	(2,004)	(9,279)

*) The figures for the fourth quarter of 2023 (2022) were determined by subtracting the figures reported by the Group in the report for the three quarters of 2023 (2022) (covered by the review) from the figures for the twelve months of 2023 (2022).

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		
Balance at 1 January 2022	8,133	84,446	58,595	38,238	996,500	11,450	1,197,362
Dividend paid	-	-	-	-	(32,533)	-	(32,533)
Currency translation differences ⁽¹⁾	-	-	-	16,292	-	(3)	16,289
Profit for the period ⁽²⁾	-	-	-	-	107,848	(9,276)	98,572
Total income recognised in equity ⁽¹⁺²⁾	-	-	-	16,292	107,848	(9,279)	114,861
Balance 31 December 2022	8,133	84,446	58,595	54,530	1,071,815	2,171	1,279,690
Balance at 1 January 2023	8,133	84,446	58,595	54,530	1,071,815	2,171	1,279,690
Dividend paid	-	-	-	-	(32,533)	-	(32,533)
Currency translation differences ⁽¹⁾	-	-	-	(20,890)	-	-	(20,890)
Profit for the period ⁽²⁾	-	-	-	-	104,778	(6,610)	98,168
Total income recognised in equity ⁽¹⁺²⁾	-	-	-	(20,890)	104,778	(6,610)	77,278
Balance at 31 December 2023	8,133	84,446	58,595	33,640	1,144,060	(4,439)	1,324,435

*) Dividend in the amount of PLN 32,533 thousand applies to Comarch S.A. and was paid outside the Comarch Group in July of 2023

V. Consolidated Cash Flow Statement

	12 months 2023	12 months 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	98,168	98,572
Total adjustments	163,191	118,026
Depreciation	94,758	93,796
Profit (loss) from foreign exchange differences	(2,194)	9,658
Interest and profit sharing (dividends)	6,846	3,748
Profit (loss) on investing activities	(52,126)	(21,534)
Change in inventories	(20,834)	5,961
Change in receivables	110,713	(101,758)
Change in liabilities and provisions excluding credits and loans	26,028	128,155
Net profit less total adjustments	261,359	216,598
Income tax paid	(50,593)	(52,568)
Net cash generated (used) in operating activities	210,766	164,030
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(42,405)	(130,334)
Proceeds from sale of property, plant and equipment	2,272	15,944
Purchases of intangible assets	(15,496)	(24,191)
Proceeds from disposal of investment in intangible assets	1,784	1,799
Expenses for purchase of financial assets	(21,460)	(1,000)
Expenses for investment in real estates	(4,983)	(46)
Repayment of granted loans	-	450
Interest on granted loans	3,665	355
Proceeds from financial instruments	10,228	73,067
Expenses for financial instruments	(1)	(11,676)
Proceeds from financial assets	-	-
Net cash generated (used) in investing activities	(66,396)	(75,632)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from credits and loans	20,876	81,915
Repayments of credits and loans	(53,714)	(58,603)
Interest on credits and loans	(4,470)	(2,248)
Interest on loans received	-	-
Dividends and other payments to owner's distribution	(32,533)	(32,533)
Payment of leasing liabilities	(26,224)	(24,831)
Other financial proceeds	-	412
Other financial expenses	(200)	-
Net cash generated (used) in financing activities	(96,265)	(35,888)
Net change in cash	48,105	52,510

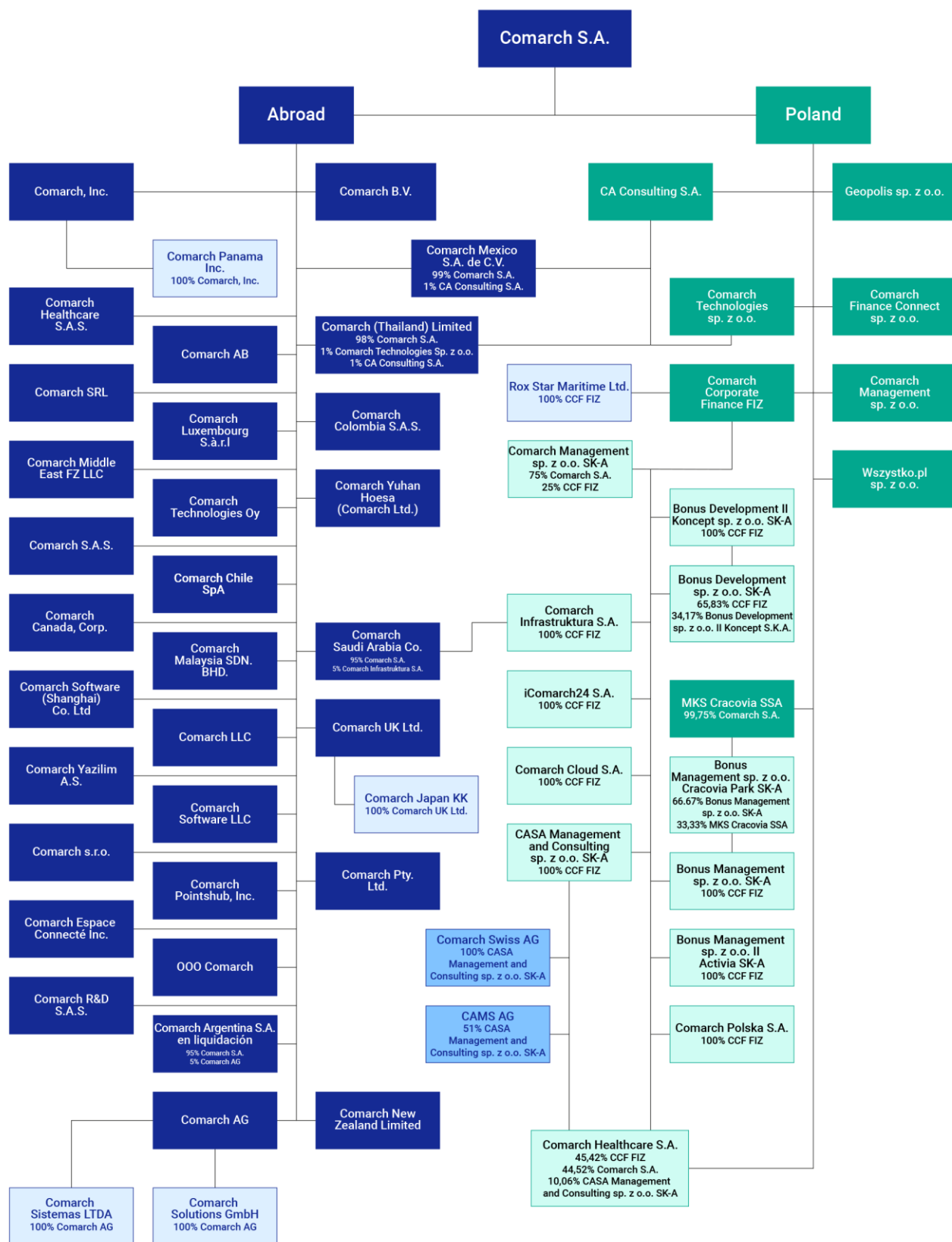
Cash at the beginning of the period	498,187	437,782
Foreign exchange gains (losses) in cash	(22,170)	7,895
Cash at the end of the period	524,122	498,187
including those with limited disposability	14,162	8,175

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 Pawla 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

As of the 31st December 2023 an affiliate of the parent company is:

- 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 using the equity method as of 31st of December, 2023, have a value of zero.

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,
- Companies 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 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 and LLC „Comarch Software” acquire IT contracts in foreign markets and execute them in their entirety or in part,
- Company Comarch AG (until the 4th of October, 2023, operating as Comarch Software und Beratung AG) acquires 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 AG,
- Comarch Swiss AG sells and implements Comarch IT solutions, especially ERP and ECM on the Swiss market,
- Comarch Healthcare S.A.S. (operating as Cabinet Conseil en Strategie Informatique S.A.S. until February 2, 2024) provides IT solutions and services to medical entities in the French market,
- OOO Comarch has been dealing with the sale and implementation of Comarch products in Russia and support for IT systems delivered to clients, currently runs no operations,
- 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 conducts investment activities, 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 and Bonus Management sp. z o. o. II Activia SK-A, Comarch Pointshub, Inc. conduct investment activities on capital market and activities related to IT,
- The subject matter of activities of Bonus Development sp. z o. o. SK-A and Bonus Development sp. z o. o. II Koncept SK-A development and investment activity in the real estates,
- Comarch Healthcare S.A. produces and sells IT software related to medicine, provides medical and diagnostic services, as well as produces and provides complex IT solutions for medicine,
- Comarch Infrastruktura S.A. offers services related to Data Centre and IT services outsourcing,
- iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as provides accounting services for domestic subsidiaries in the Comarch Group,
- MKS Cracovia SSA conducts sports activities and promotes physical education,
- Bonus Management "spółka z ograniczoną odpowiedzialnością" Cracovia Park SK-A conducts investment activities related to sport, wellness and recreation,
- Rox Star Maritime Ltd. conducts activities related to tourist services,
- Comarch Finance Connect sp. z o. o. conducts activities in the field of services related to the financial market,
- Wszystko.pl sp. z o. o. conducted e-commerce portal called Wszystko.pl. On the 15th of February, 2024, Wszystko.pl sp. z o. o. announced the termination of the portal in its current form,
- Geopolis sp. z o. o., Comarch s.r.o., Comarch Espace Connecté Inc., Comarch Argentina S.A. en liquidación and CAMS AG are currently not operating.

1.3. Ownership and Organizational Structure Changes in Q4 2023

- On the 2nd of October 2023, the Extraordinary Meeting of Shareholders of Wszystko.pl sp. z o. o. passed a resolution raising the company's share capital from PLN 3,630,000 to PLN 9,630,000 (by PLN 6 MLN). The new shares in the number of 10,000 with a total nominal value of PLN 6 million (PLN 600 each) were fully subscribed for by the Company's previous sole shareholder, i.e. Comarch S.A. The cash contribution was made by Comarch S.A. to Wszystko.pl sp. z o. o. on the 13th of October, 2023.
- Comarch KPPA, i.e. Comarch S.A.'s representative office in Indonesia, was registered on the 3rd of October, 2023.
- On the 4th of October, 2023, amendments to the Articles of Incorporation of Comarch Software und Beratung AG were passed, which changed the name of the entity to Comarch Aktiengesellschaft (Comarch AG). The amendment became effective as of the date of registration in the commercial register, i.e. the 11th of October, 2023.
- On the 27th of October, 2023, the companies: Comarch S.A. and Comarch Infrastruktura S.A. made payments for the share capital increase of Comarch Saudi Arabia Co. passed in August.
- On the 6th of November, 2023, an increase in the share capital of Comarch Healthcare S.A. to PLN 13,701,806.00 was registered.

- The Management Board of Comarch S.A. announced, via current report No. [RB-17-2023 \(ENG: RB-17-2023\)](#), that on the 1st of December, 2023, Comarch S.A. signed an agreement to acquire a block of shares in the company Miejski Klub Sportowy Cracovia Sportowa Spółka Akcyjna with its seat in Krakow (30-111), at 1 Jozefa Kaluzy Street ("MKS Cracovia SSA"). As part of the transaction, Comarch S.A. acquired 73,480 (in words: seventy-three thousand four hundred and eighty) ordinary registered shares of MKS Cracovia SSA, series A and B, with a nominal value of PLN 100 each ("Share Package"), from the Municipality of Krakow. The price for the Share Package was PLN 21,206,328, and the price per share was PLN 288.60. As a result of the aforementioned transaction, Comarch S.A. became the owner of 217,861 ordinary registered shares in MKS Cracovia SSA of series A, B, C, D, E, F and G with a nominal value of PLN 100 each, i.e. with a total nominal value of PLN 21,786,100, constituting 99.75% of the share capital of MKS Cracovia SSA. Pursuant to Article 3289 § 1 of the Commercial Companies Code, the acquisition of the shares took place upon the entry in the Shareholders' Register on the 1st of February, 2024.

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

- On the 1st of February, 2024, in the Register of Shareholders of the company Miejski Klub Sportowy "Cracovia" S.A., the Municipality of Krakow was deleted as a shareholder entitled to 73,480 registered non-preference shares, including 68,480 series A shares numbered from 1 to 68,480 and 5,000 series B shares numbered from 1 to 5,000, and at the same time Comarch S.A. was registered as a shareholder with the above shares. As a result, 99.75% of the shares of Miejski Klub Sportowy "Cracovia" S.A. are now held by Comarch S.A.
- On the 2nd of February, 2024, amendments to the Articles of Incorporation of Cabinet Conseil en Strategie Informatique S.A.S. were enacted, changing the name of the entity to Comarch Healthcare S.A.S. The name change became effective as of the date of its enactment, i.e. the 2nd of February, 2024. The amendments to the Articles of Incorporation have not yet been registered in the relevant registry.
- On the 15th of February, 2024, Wszystko.pl sp. z o. o. announced the termination of its e-commerce portal under the name Wszystko.pl.

2. Description of the Applied Accounting Principles

These unaudited Interim Consolidated Financial Statements of the Comarch Group (the "Interim Consolidated Financial Statements") covering the twelve-month period ended December 31 2023, including comparative data, have been prepared in accordance with International Accounting Standard ("IAS") 34, and in accordance with the relevant accounting standards applicable to interim financial reporting as approved by the European Union, published and effective at the time of preparation of these Condensed Interim Consolidated Financial Statements.

This Interim Consolidated Financial Statement for the twelve months ended the 31st of December, 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, 2022 ("the IFRS Consolidated Financial Statement").

The accounting principles and methods of calculation adopted for the preparation of the Consolidated Financial Statements covering the twelve months ended the 31st of December, 2023, are consistent with those

described in the audited Consolidated Financial Statements of the Comarch Group prepared in accordance with IFRS for the year ended 31st of December, 2022 (Note 2 and Note 3 of the Consolidated Financial Statements of the Comarch Group prepared in accordance with IFRS for the year ended 31st of December, 2022).

The Interim Consolidated Financial Statement for the twelve months ended the 31st of December, 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.

These Consolidated Financial Statements covering the period of 12 months ended the 31st of September, 2023, was prepared in thousands of PLN and was approved for publication by the Management Board on the 29th of February, 2024.

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

■ MSSF 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 Kaluzy 1 Street, 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 1611 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 of the balance sheet date of the 31st of December, 2023, the value of the right-of-use asset in the Comarch Group was PLN 85 478 thousand, and the value of the lease liability was PLN 90,387 thousand. The value of depreciation on the right-of-use asset in the 12 months of 2023 amounted PLN 23,517 thousand. The value of interest on lease liabilities in the 12 months of 2023 amounted PLN 3,205 thousand.

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

	Balance at 31 December 2023 – published data	Balance at 31 December 2023 – without IFRS 16
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IMPACT ON THE BALANCE SHEET

Total assets	2,262,081	2,176,603
Fixed assets	916,564	831,086
Including: Asset due to the right of use	85,478	-
Total Liabilities	2,262,081	2,176,603
Total liabilities, including:	937,646	847,259
Long-term liabilities	218,839	150,590
Current liabilities	718,807	696,669
Including: Lease liabilities, including:	90,387	-
Long-term liabilities	68,249	-
Current liabilities	22,138	-

Equity attributable to the Company's shareholders	1,328,874	1,388,568
IMPACT ON THE PROFIT AND LOSS ACCOUNT		
Depreciation	94,758	71,241
Including depreciation of the right to use	23,517	-
Net profit	98,168	97,047
Net profit attributable to the company's shareholders	104,778	103,657
Total cash flow	48,105	48,105
Net cash flow from operating activities	210,766	184,542
Net cash flow from investing activities	(66,396)	(66,396)
Net cash flow from financing activities	(96,265)	(70,041)

Depreciation of assets under the right of use

	12 months 2023	12 months 2022
Leasing of means of transport and computer equipment	852	874
Rent	22,255	20,680
Perpetual usufruct	410	392
Depreciation of assets under the right of use	23,517	21,946

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 simplifications applied are documented by the corresponding provisions of the accounting policy. The cost associated with short-term leases and leases of low-value assets in the 12 months of 2023 was approx. PLN 387 thousand.

Amendments to standards and interpretations that were published and became effective on the 1st of January, 2022

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.

New standards and interpretations that have been published and approved for use after the 1st January, 2024

The following amendments to existing standards published by the International Accounting Standards Board ("IASB") and endorsed by the EU, which became effective in 2024:

- **Amendments to IFRS 16 'Leases'** - lease obligations in sale and leaseback transactions - effective for annual periods beginning on or after the 1st of January, 2024.
- **Amendments to IAS 1 "Presentation of Financial Statements"** - Classification of liabilities as current and non-current - effective for annual periods beginning on or after the 1st of January, 2024.

The Group has not opted for early application of the amendments to the standards that have been published, and approved for application.

In the opinion of the Comarch Group, the above amendments will not have a material impact on its financial statements.

Amendments to standards and interpretations that have been published but not yet endorsed for use in the EU

- **Amendments to IAS 7 'Statement of Cash Flows' and IFRS7 'Financial Instruments - Disclosures'** - Financing arrangements with suppliers-applicable to annual periods beginning on or after the 1st of January.
- **Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'-non-convertibility-** applicable to annual periods beginning after the 1st of January, 2025.

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 statements of the Comarch Group for the twelve months of 2023 include the 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 AG (until the 4 th of October, 2023, operating as Comarch Software und Beratung AG)
Comarch AG	Subsidiary	Full	100%
Comarch Solutions GmbH	Subsidiary	Full	100% held by Comarch AG (until the 4 th of October, 2023, operating as 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 Inc.
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. <i>en liquidación</i>	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch AG (until 4 th October 2023 operating as 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%
Comarch Healthcare 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	44,52% held by Comarch S.A. 45,42% held by CCF FIZ 10,06% 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% held by Comarch S.A.

*) On the 2nd of February, 2024, amendments to the Articles of Incorporation of Cabinet Conseil en Strategie Informatique S.A.S. were enacted, changing the name of the entity to Comarch Healthcare S.A.S. The name change became effective on the date of its enactment, i.e. the 2nd of February, 2024. The amendments to the Articles of Incorporation have not yet been registered in the relevant registry.

**) On the 1st of February, 2024, the Municipal Municipality of Krakow was deleted in the Register of Shareholders of Miejski Klub Sportowy "Cracovia" S.A. as a shareholder entitled to 73,480 registered non-preference shares, including 68,480 series A shares numbered from 1 to 68,480 and 5,000 series B shares numbered from 1 to 5,000, and at the same time Comarch S.A. was registered as a shareholder with the above shares. As a result, 99.75% of the shares of Miejski Klub Sportowy "Cracovia" S.A. are now held by Comarch S.A.

3. Notes to the Consolidated Financial Statement

3.1. Reporting by Segments for the Twelve 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 are highly diversified and there is no dependence on a single customer. During the twelve months of 2023, sales to no single counterparty exceeded 10% of the Comarch Group's total sales. The distribution of sales revenue generated by the Comarch Group over 2023 was as follows: 23% of annual sales were realized in Q1, 22% in Q2, 25% in Q3 and 30% in Q4. Over the course of 2024 the Comarch Group expects a sales revenue distribution similar to that of 2023.

12 months 2022	Poland	IT Segment DACH Market	Other markets	Investmen t Segment	Sport Segment	Medicine Segment	Elimination s	Total
Revenue per segment- sales to external clients, including:	912,149	332,754	574,155	21,668	29,025	25,850	-	1,895,601
Revenue from sales:	952,757	328,932	515,591	9,645	27,489	24,301	-	1,858,715
to customers in Telecommunication, Media, IT sector	148,189	93,438	205,199	-	-	-	-	446,826
to customers in Finance and Banking sector	169,545	39,521	52,760	-	-	-	-	261,826
to customers in Trade and services sector	67,143	27,166	162,053	-	-	-	-	256,362
to customers in Industry & Utilities	87,515	59,620	82,806	-	-	-	-	229,941
to customers in Public sector	159,974	-	5	-	-	-	-	159,979
to customers in small and medium enterprises sector	294,033	109,161	-	-	-	-	-	403,194
to customers in Medicine sector	25,268	16	8,518	-	-	24,301	-	58,103
to other customers	1,090	10	4,250	9,645	27,489	-	-	42,484
Other operating revenue	(1,883)	4,344	14,975	10,234	1,950	1,505	-	31,125
Finance revenue	(38,725)	(522)	43,589	1,789	(414)	44	-	5,761
Revenue per segment - sales to other segments	562,933	24,115	48,501	9,097	8,105	-	(652,751)	-
Revenue per segment - total *	1,475,082	356,869	622,656	30,765	37,130	25,850	(652,751)	1,895,601
Costs per segment relating to sales to external clients	878,126	311,830	467,531	8,972	54,333	21,442	-	1,742,234
Costs per segment relating to sales to other segments	562,933	24,115	48,501	9,097	8,105	-	(652,751)	-
Costs per segment - total *	1,441,059	335,945	516,032	18,069	62,438	21,442	(652,751)	1,742,234
Current taxes	(21,453)	(6,166)	(17,590)	(1,315)	-	-	-	(46,524)
Assets for the tax due to investment allowances and other tax relief	(5,253)	(287)	(2,107)	(378)	(246)	-	-	(8,271)
Net result, including:	7,317	14,471	86,927	11,003	(25,554)	4,408	-	98,572
Result attributable to shareholders of the parent company	7,317	14,471	86,927	11,008	(16,283)	4,408	-	107,848
Result attributable to interests not entitled to control	-	-	-	(5)	(9,271)	-	-	(9,276)

*) 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

Segment assets and liabilities, as well as capital expenditures and depreciation as of the 31st of December, 2022 and for the twelve months of 2022 are as follows:

31 December 2022 / 12 months of 2022

	IT Segment			Investment Segment	Sport Segment	Medicine Segment Poland	Total
	Poland	DACH region	Other countries				
Assets	1,076,187	280,907	632,993	165,078	106,396	10,421	2,271,982
Liabilities	442,178	93,425	390,484	33,125	32,782	298	992,292
Investment expenditures	65,056	2,499	84,927	2,764	11,489	512	167,247
Depreciation	55,542	10,843	15,360	3,709	7,271	1,071	93,796

12 months 2023	Polish Market	IT Segment DACH Market	Other Markets	Investment Segment	Sport Segment	Medicine Segment	Eliminations	Total
Revenue per segment - sales to external clients	1,035,852	333,250	478,321	4,512	39,088	23,973	-	1,914,996
including:								
Revenue from sales	1,007,797	311,112	441,215	3,397	31,266	21,694		1,816,481
to customers in Telecommunication, Media, IT sector	115,165	69,151	129,552	-	-	-	-	313,868
to customers in Finance and Banking sector	173,799	46,252	62,017	-	-	-	-	282,068
to customers in Trade and services sector	62,259	34,287	157,987	-	-	-	-	254,533
to customers in Industry & Utilities	89,876	55,992	77,885	-	-	-	-	223,753
to customers in Public sector	153,944	63	232	-	-	-	-	154,239
to customers in small and medium enterprises sector	353,290	105,261	-	-	-	-	-	458,551
to customers in Medicine sector	58,245	101	8,493	-	-	21,694	-	88,533
to other customers	1,219	5	5,049	3,397	31,266	-	-	40,936
Other operating revenue	(8,884)	32,212	19,732	53	4,329	2,051	-	49,493
Finance revenue	36,939	(10,074)	17,374	1,062	3,493	228		49,022
Revenue per segment - sales to other segments	514,693	11,994	39,278	10,194	8,112		(584,271)	-
Revenue per segment - total*	1,550,545	345,244	517,599	14,706	47,200	23,973	(584,271)	1,914,996
Costs per segment relating to sales to external clients	944,544	329,990	410,853	2,834	54,691	20,559	-	1,763,471
Costs per segment relating to sales to other segments	514,693	11,994	39,278	10,194	8,112	-	(584,271)	-
Costs per segment - total*	1,459,237	341,984	450,131	13,028	62,803	20,559	(584,271)	1,763,471
Current taxes	(22,526)	(4,817)	(19,900)	(693)	-	-	-	-47936
Assets for the tax due to investment allowances and other tax relief	(6,290)	(353)	220	330	672	-	-	-5,421
Share of profits of associates	-	-	-	-	-	-	-	-
Net result, including:	62,492	(1,910)	47,788	1,315	(14,931)	3,414	-	98,168
Result attributable to shareholders of the parent company	62,492	(1,910)	47,788	1,333	(8,339)	3,414	-	104,778
Result attributable to interests not entitled to control	-	-	-	(18)	(6,592)	-	-	(6,610)

*) 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

Segment assets and liabilities, as well as capital expenditures and depreciation as of the 31st of December, 2023, and for the twelve months of 2023 are as follows:

31 December 2023 / 12 months 2023

	IT Segment			Investmen t Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH region	Other countries				
Assets	1,148,837	291,107	538,036	164,038	107,366	12,697	2,262,081
Liabilities	464,640	68,269	338,517	29,664	33,381	3,175	937,646
Investment expenditures	53,535	2,001	17,476	5,700	4,281	1,352	84,345
Depreciation	58,850	9,079	14,146	3,856	7,745	1,082	94,758

A breakdown of sales revenue, assets and total capital expenditures by geographic segment is presented below.

Revenue from basic sales - activities location

	12 months 2023	%	12 months 2022	%
Poland	1,064,154	58,6	1,014,192	54,6
DACH region	311,112	17,1	328,932	17,7
Other countries	441,215	24,3	515,591	27,7
Total	1,816,481	100	1,858,715	100

Assets – activities location

	31 December 2023	%	31 December 2022	%
Poland	1,432,938	63,3	1,358,088	59,8
DACH region	291,107	12,9	280,907	12,4
Other countries	538,036	23,8	632,987	27,8
Total	2,262,081	100	2,271,982	100

Investment expenditures – activities location

	12 months 2023	%	12 months 2022	%
Poland	64,868	76,9	79,821	47,7
DACH region	2,001	2,4	2,499	1,5
Other countries	17,476	20,7	84,927	50,8
Total	84,345	100	167,247	100

3.2. Property, Plant and Equipment

	31 December 2023	31 December 2022
Lands and buildings	475,311	402,794
Means of transport and machinery	137,816	150,257
Property, plant and equipment under construction	13,199	121,823
Others	9,112	9,626
Advance money for property, plant and equipment under construction	68	142
Total	635,506	684,642

Property, plant and equipment mainly includes real estate and equipment owned by the Comarch Group. As of the 31st of December, 2023, the Comarch Group's property, plant and equipment includes six office buildings located in Krakow in the Special Economic Zone with a total area of 74,144 sq. m, two office buildings located in Warsaw with a total area of 2,542 sq. m, office buildings in Lodz with a total area of 12,572 sq. m, an office building and data centre in Lille with a total area of 2,526 sq. m, an office building and data centre in Dresden with a total area of 2,144 sq. m, and a data centre in the US with a total area of 3,134.18 sq. m. The Comarch Group also owns undeveloped land property in the Krakow Special Economic Zone with an area of about 2.01 hectares. Property, plant and equipment also includes the training and coaching centre of MKS Cracovia SSA. Tangible assets under construction as of 31st December, 2023 mainly include expenditures for modernization of buildings at Bonus Management sp. z o.o. SKA, Bonus Management sp. z o.o. II Activia SKA and at Comarch SAS France in the total amount of PLN 7,015 thousand, the value of equipment in the amount of PLN 809 thousand that has not yet been accepted for use at Comarch Finance Connect sp. z o.o., and the value of equipment in the amount of PLN 2,606 thousand and the value of cars in the amount of PLN 393 thousand that have not yet been accepted for use at Comarch S.A.

3.3. Asset due to the Right of Use

	31 December 2023	31 December 2022
Leasing of means of transport and IT equipment	1,372	1,124
Rent	54,990	57,937
Perpetual usufruct	29,116	26,235
Total	85,478	85,296

Value of depreciation of the asset due to the right of use in the 12 months of 2023 amounted to PLN 23,517 thousand.

Changes in the right of use asset

	2023	2022
Balance at the beginning of the period	85,296	86,501
Increases	25,061	20,741
- new contracts and modifications to existing contracts	25,061	20,478
- exchange rates difference	-	263
Decreases	24,879	21,946
- depreciation	23,517	21,946
- exchange rates difference	1,362	-
Balance at the end of the period	85,478	85,296

3.4. Investment Real Estate

	31 December 2023	31 December 2022
Lands	12,868	8,217
Buildings	23,879	29,096
Total	36,747	37,313

Investment property refers to developed land properties used for rental purposes to entities outside the Comarch Group, as well as land located in Krakow and Zabierzow, acquired with the intention of constructing facilities for lease to entities outside the Comarch Group. As of 31st December, 2023, the investment properties mainly include an office building with a total area of 5,652 sq. m, 4 residential buildings with a total area of 1,026 sq. m, 1 service and production building with an area of 600 sq. m (all located in Krakow), 2 service and warehouse buildings with an area of 2,611 sq. m located in Zabierzow, and a property located in Kostrzyn with an area of 1,315 sq. m. In Q4 2023, Bonus Management sp. z o. o. SK-A acquired land in Krakow worth PLN 1,566 thousand, and Bonus Management sp. z o. o. II Activia SK-A acquired land also in Krakow with a value of PLN 3,398 thousand. As of December 31, 2023, the investment property held by Comarch S.A., which includes an office building in the amount of PLN 3,602 thousand and land in the amount of PLN 313 thousand, was transferred to assets classified for sale.

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

	2023	2022
Revenue	5,899	6,214
Costs	6,629	5,191

3.5. Goodwill

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

	31 December 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 AG (until the 4 th of October, 2023, operating as Comarch Software und Beratung AG)	29,038	29,038
Comarch Swiss AG	8,413	8,413
Comarch Healthcare S.A.S. (until the 2 nd of February, 2024, operating as 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, 2023, and did not show any loss in value regarding goodwill.

3.6. Others Intangible Assets

	31 December 2023	31 December 2022
Costs of finished development works	-	-
Perpetual usufruct right	37,186	37,280
Licences and software	19,136	21,720
Other	8,170	10,062
Total	64,492	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 8,170 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.

3.7. Financial Assets Available for Sale

	31 December 2023	31 December 2022
Financial assets available for sale	576	27
Total	576	27

As at the 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 December, 2023, this item includes short-term bonds held by Bonus Management II Activia SKA in the amount of PLN 514 thousand and energy certificates held by Comarch SA in the amount of PLN 62 thousand.

After the balance sheet date

None present.

3.8. Derivative Financial Instruments

a) Assets

	31 December 2023	31 December 2022
Forward foreign exchange contracts – held-for-trading	33,131	7,293
Transaction on change of IRS	2,320	4,757
	35,451	12,050
<i>Current portion</i>	26,995	2,327
<i>Non-current portion</i>	8,456	9,723

a) Liabilities

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

The Comarch Group held forward contracts entered into in order to limit the impact on the financial result of changes in cash flows related to probable planned transactions, resulting from the risk of changes in exchange rates. As at the 31st of December, 2023, the aforementioned instruments were valued at fair value determined according to market price, and changes in valuation were charged to the result on financial

operations. The total net value of forward contracts open as at the 31st December, 2023 was EUR 33,200 thousand, USD 20,200 thousand, GBP 900 thousand and JPY 60,000 thousand.

On the 9th of July, 2014, Comarch S.A. concluded a transaction on change of IRS for investment credit taken in June, 2006 from BNP Paribas Bank Polska S.A. with its registered office in Warsaw, for financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. As a consequence of the concluded transaction, variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded for the period of 10 years, i.e. till the 29th of July, 2024. The valuation of IRS transactions as at the 31st of December, 2023, amounted PLN 28 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. The valuation of IRS transactions as at the 31st of December, 2023, amounted to PLN 1,245 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. The valuation of IRS transactions as at the 31st of December, 2023, amounted to: PLN 1,047 thousand.

After the balance sheet date

Comarch S.A. did not conclude any new forward contracts between the 1st of January, 2023, and the 29th of February, 2024. The net value of forward contracts outstanding as of 29th of February, 2024 was EUR 30,000 thousand, USD 18,500 thousand, JPY 50,000 thousand, GBP 800 thousand. The forward contracts mature within 40 months from the balance sheet date.

3.9. Deferred Income Tax

	31 December 2023	31 December 2022
Deferred income tax assets		
Temporary differences	17,864	17,066
Asset due to a tax loss	4,518	4,971
Asset due to activities in Special Economic Zone ("SEZ")	6,691	8,415
Total	29,073	30,452
<i>Charged to financial result</i>	<i>29,073</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.

At the same time, the Company notes that on the 13th of July, 2013. The Council of Ministers adopted regulations extending the term of special economic zones in Poland until 2026.

Pursuant to IAS 12, unused tax relief as at the 31st of December, 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 16,318 thousand as at the 31st of December, 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 Krakow, amounted to approx. PLN 22,809 thousand as at the 31st of December, 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 12 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, deferred tax asset relating to temporary differences in the amount of PLN 5,143 thousand, and created an asset for temporary differences in the amount of PLN 5,941 thousand, as well as dissolved an asset for tax loss in the amount of PLN 453 thousand. The total effect of all the above-described operations on the net result in the reporting period was + PLN 345 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, 2023.

In the 12-month period of 2023, the Zone Activity Asset created as of 31st December, 2022, in the amount of PLN 8,415 thousand was dissolved, and an asset was created as of 31st of December, 2023 in the amount of PLN 6,691 thousand. We would like to point out that the recognition of the Asset does not affect cash flows in the parent company or the Comarch Group (both the recognition of the Asset and its realization). Therefore, this operation is only accrual in nature and results from the Group's application of International Financial Reporting Standards to prepare the Comarch Group's consolidated financial statements.

The total impact of asset changes on the Comarch Group's result in the 12 months of 2023 was -PLN 1,379 thousand.

	31 December 2023	31 December 2022
Deferred income tax provision		
Temporary differences	25,109	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	26,223	26,570
Total	56,762	52,720
<i>Charged to equity</i>	<i>5,430</i>	<i>5,430</i>
<i>Charged to financial result</i>	<i>51,332</i>	<i>47,290</i>

In connection with the valuation of the net assets of CCF FIZ, the provision was decreased by PLN 347 thousand in the 12 months of 2023. At the same time, a provision for deferred tax due to temporary differences was created in the amount of PLN 9 774 thousand and released on the same account in the amount of PLN 5 385 thousand. The total impact of the above-mentioned operations on the net result in the period of 12 months of 2023 amounted to minus PLN 4,042 thousand.

Total changes in the deferred income tax resulted in a decrease in result of PLN 5,421 thousand.

In relation to Comarch Healthcare S.A., 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 4,769 thousand.

3.10. Inventories

	31 December 2023	31 December 2022
Raw materials	2,862	4,821
Work in progress	80,206	72,317
Goods	23,246	7,694
Finished products	466	350
Advance for inventories	668	765
Total	107,448	85,947

The cost of inventories included in "cost of products, goods and materials sold" amounted to PLN 418,328 thousand (12 months 2023), PLN 472 879 thousand (12 months 2022).

Over the 12 months of 2023 Comarch Group has created write-offs that revaluated value of goods and materials worth PLN 325 thousand and dissolved revaluation allowances for goods and materials created in previous years in the amount of PLN 167 thousand. The Comarch Group also created revaluation allowances for finished goods and production materials in the amount of PLN 1,802 thousand, and dissolved revaluation allowances for finished goods in the amount of PLN 3 thousand.

3.11. Trade and Other Receivables

	31 December 2023	31 December 2022
Trade receivables - net	443,191	485,290
Trade receivables – gross	488,909	564,496
Write-off revaluating receivables	(45,718)	(79,206)
Other receivables	46,178	25,907
Short-term prepayments	19,540	24,108
Other prepayments	-	-
Loans	96	3
Trade receivables and other receivables from related parties - net	1	1
Trade receivables and other receivables from related parties - gross	1	1
Write-off revaluating receivables	-	-
Total	509,006	535,309
<i>Current portion</i>	<i>509,006</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. In the period of 12 months 2023, the Comarch Group recognized an impairment loss on receivables in the amount of PLN 11,364 thousand and reversed previously created allowances in the amount of PLN 40,739 thousand due to the settlement of receivables or the cessation of circumstances justifying their previous creation. These operations were recognized in other operating expenses and income in the income statement, respectively.

3.12. Long-Terms 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.

	12 months 2023	12 months 2022
Revenue from completed contracts recognized in the reporting period	141,690	154,235
Revenue from contracts not completed recognized in the reporting period	488,300	539,939
Revenue from contracts not completed recognized in the reporting period- an effect of settlement pursuant to IFRS 15	(18,521)	18,672
Total	611,469	712,846

The change in long-term contract settlements included in assets and liabilities between the 31st of December, 2022, and the 31st of December, 2023 is presented below:

	31 December 2023	31 December 2022
Long-term contracts revenue included to the balance sheet date - determined according to the progress of work	2,493,538	2,502,022
Issued invoices	(2,491,248)	(2,481,210)
Total	2,290	20,812

	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)	-	130	130
Correction of the current period	22,770	(4,227)	18,543
Value as at 31 December 2022	166,811	(145,999)	20,812
Change	22,770	(4,097)	18,673
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)	-	(8)	(8)
Correction of the current period	(26,679)	8,165	(18,514)
Value as at 31 December 2023	140,132	(137,842)	2,290
Change	(26,679)	8,157	(18,522)

3.13. Assets Held for Sale

	31 December 2023	31 December 2022
Assets held for sale	23,745	-
Total	23,745	-

As of 31st of December, 2023, a decision has been made to qualify for the sale of a property located in Krakow, including an office building with a parking lot in the amount of PLN 3,915 thousand (previously recognized in

investment property) and a means of transportation in the amount of PLN 19,830 thousand. The sale transaction is planned to be finalized before the end of one year from the balance sheet date.

3.14. Share Capital

	Number of shares	Ordinary and preference shares	Own shares	Total
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 December 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 sales of shares without the permission of the Management Board are 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.

3.14.1. Changes in the Share Capital in the Fourth Quarter of 2023

Information on the death of the President of Comarch S.A., Professor Janusz Filipiak

On 17th of December, 2023, the Management Board of Comarch S.A. - through current report No. [RB-19-2023](#) (ENG: [RB-19-2023](#)) - announced the death of the President of the Management Board of Comarch S.A., Professor Janusz Filipiak. As a result, Professor Janusz Filipiak's term on the Management Board of Comarch S.A. expired on the 17th of December, 2023. Mr Professor Janusz Filipiak was a co-founder of Comarch S.A., one of its main shareholders and long-time President of the Company's Management Board of Directors.

3.14.2. Changes in Share Capital after the Balance Sheet Date

None present.

3.15. Credits and Loans

	31 December 2023	31 December 2022
Non-current	89,621	127,475
Non-revolving credits	89,621	127,475
Revolving credits	-	-
Loans	-	-
Current	39,137	44,732
Non-revolving credits	28,985	41,062
Revolving credits	-	-
Loans	10,152	3,670
Total credits and loans	128,758	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.

In the 12-month period of 2023, the value of repaid principal on non-revolving bank loans and loans from entities outside the Comarch Group amounted to PLN 53,714 thousand. During the four quarters of 2023, a Comarch Group company drew down loans from an entity outside the Comarch Group in the amount of PLN 20,754 thousand. As of the balance sheet date, the Comarch Group did not use overdrafts. During the reporting period, there were no defaults in the repayment of principal or interest on borrowings, nor were

there any violations of other terms and conditions of loan agreements that entitle the lender to demand early repayment of the 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 December 2023				
Credit and loans	39,137	85,660	3,961	128,758

The maturity of non-current bank credits, loans and financial liabilities	31 December 2023	31 December 2022
Between 1 and 2 years	25,582	30,886
Between 2 and 5 years	60,078	87,780
Over 5 years	3,961	8,809
	89,621	127,475

The maturity of non-current bank credits, loans and financial liabilities	31 December 2023	31 December 2022
In Polish currency (PLN)	10,152	3,670
In EUR (equivalence in PLN)	118,606	168,537
	128,758	172,207

Effective interest rates at the balance sheet date	31 December 2023	31 December 2022
Bank credits and loans	4.43%	2.58%

3.15.1. Non-Revolving Credits and Loans

Debtor	Funding institution	Amount 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.				466		2,027				
Office building SSE4 in Krakow	BNP Paribas Bank Polska S.A.	44,000	PLN	(1,084 as at the 31 st of December, 2022)	EUR	(1,084 as at the 31 st of December 2022)	PLN	EURIBOR1M + bank margin IRS till the 29-07-2024	29.07.2024	mortgage on the SSE4 building, assignment of rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
Comarch S.A.				6,599		28,692				
Office building SSE7 in Krakow	Bank Handlowy w Warszawie S.A.	13,333	EUR	8,179 as at the 31 st of December, 2022)	EUR	(38,358 as at the 31 st of December 2022	PLN	EURIBOR1M + bank margin IRS till the 29-02-2028	the 29 th of February, 2028	mortgage on the SSE7 building, assignment of rights from the building's insurance policy, declaration on submission to enforcement
Bonus Development sp. z o.o. SK-A				4,193		18,230				
Office building in Lodz	Bank Polska Kasa Opieki S.A.	9,262	EUR	(4,769 as at the 31 st of December, 2022)	EUR	(22,367 as at the 31 st of December 2022)	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 Comarch SA, surety from Comarch SA, declaration on submission to enforcement Comarch S.A.
Comarch S.A.				914		3,972				
Corporate-wide goals	CaixaBank S.A. Oddział w Polsce	2,300	EUR	(1,490 as at 31 st of December, 2022)	EUR	(6 990 as at 31 st of December 2022)	PLN	EURIBOR1M + bank margin	the 29 th of June, 2025	declaration of submission to enforcement
Comarch S.A.				12,164		52,890				
Corporate-wide goals	CaixaBank S.A. Oddział w Polsce	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 Polska S.A.						535				
IT equipment	IBM Global Financing Polska sp. z o. o.	2,395	PLN			as at the 31 st of December 2022)	PLN	fixed	the 1 st of March, 2024	-
Comarch S.A.						893				
IT equipment	IBM Global Financing Polska sp. z o. o.	2,669	PLN			(0 as at the 31 st of December 2022)	PLN	fixed	the 1 st of April, 2024	-
Comarch Polska S.A.						8,724				
IT equipment	IBM Global Financing Polska sp. z o. o.	15,689	PLN			(0 as at the 31 st of December 2022)	PLN	fixed	the 1 st of June, 2024	surety of Comarch S.A.
Comarch S.A.				2,943		12,795				
Property, plant and equipment	PKO Leasing S.A.	5,000	EUR	(3,671 as at 31 st of December, 2022)	EUR	(17,218 as at 31 st of December, 2022)	PLN	fixed	the 29 st of February 2028	blank promissory note, registered pledge on the Financing Object, assignment from the insurance policy of the Financing Object

3.15.2. Current Credit Lines

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

Debtor Subject of financing	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	Valuta	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.	33,123	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	the 30 th of June, 2024	declaration of submission to enforcement

	31 December 2023	31 December 2022
Credit lines in the current account and revolving credits, including:	63,123	87,835
Used at the balance sheet date	-	-
Available at the balance sheet date	63,123	87,835

3.16. Liabilities due to Lease

	31 December 2023	31 December 2022
Leasing of means of transport and IT equipment	1,333	1,156
Rent	57,899	62,261
Perpetual usufruct	31,155	27,909
<i>Current portion</i>	22,138	21,099
<i>Non-current portion</i>	68,249	70,227
Total	90,387	91,326

Ageing of liabilities due to lease

	12 months or less	2-5 years	over 5 years	Total
Lease of means of transport and IT hardware	614	719	-	1,333
Rent	21,440	31,213	5,246	57,899
Perpetual usufruct	84	387	30,684	31,155
Liabilities due to lease	22,138	32,319	35,930	90,387

Change in liabilities due to lease

	2023	2022
Opening balance	91,326	92,438
Increases	28,266	23,871
- new contracts and modifications to existing contracts	25,061	20,478
- effective interest	3,205	3,393
- exchange rate differences	-	-
Decreases	29,205	24,983
- cash flows realized	26,224	24,831
- exchange rate differences	2,981	152
Closing balance	90,387	91,326

3.17. Other Financial Liabilities

	31 December 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	-	-

The dividend was paid in full in July, 2023.

3.18. 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:	(111)	1,825	(4,906)	82	2,284	600	(226)
- Provisions created	27,697	16,409	9,550	32,079	147,864	1,027	234,626
- Provisions used and dissolved	(27,808)	(14,584)	(14,456)	(31,997)	(145,580)	(427)	(234,852)
At 31 December 2023	4,812	10,937	7,280	55,350	134,559	3,849	216,787
Current portion	4,812	10,937	7,280	55,350	134,559	-	212,938
Non-current portion	-	-	-	-	-	3,849	3,849

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

3.19. Trade and Other Payables

	31 December 2023	31 December 2022
Trade payables	77,782	75,861
Advance payments received due to services and supplies	2,058	5,361
Trade payables and other liabilities to related parties	355	355
Liabilities due to social insurance and other tax charges	109,647	98,083
Investments liabilities	3,502	3,730
Revenue from the future periods	35,866	42,291
Other payables	5,487	6,548
Special funds (Social Services Fund and Residential Fund)	2,402	1,655
Liabilities due to remuneration	43,211	43,848
Total	280,310	277,732

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

3.20. Contingent Liabilities

As at the 31st of December, 2023, the value of guarantees and letters of credit issued by banks on behalf of Comarch S.A. in connection with ongoing contracts and participation in tenders amounted to PLN 65,3258 thousand, compared to PLN 62,409 thousand as at the 31st of December, 2022.

As at the 31st of December, 2023, the value of guarantees issued by banks on behalf of the former Comarch Software und Beratung Group was EUR 473 thousand (i.e. PLN 2,056 thousand), while as at the 31st of December, 2022, their value 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. en liquidación (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 December 2023	31 December 2022
Credit lines*	182,113	192,280
Total	182,113	192,280

* They comprise credit lines at current account that are described in point. [3.15.2](#)

The Comarch Group is the defendant in legal proceedings, in which the potential total value of third-party claims is PLN 29,610 thousand, of which PLN 1,683 thousand is covered by provisions included in the balance sheet as at the 31st of December, 2023. In the period of 12 months of 2023, the Comarch Group created provisions for claims covered by legal proceedings in the amount of PLN 2,379 thousand, while it released provisions for this reason in the amount of PLN 1,157 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 7,247 thousand, of which the amount of PLN 5 708 thousand is covered by provisions included in the balance sheet as at the 31st of December, 2023. In the period of 12 months of 2023, the Comarch Group created provisions for matters in disputes, but not legal proceedings, worth PLN 2,409 thousand, while it released provisions on this account in the amount of PLN 733 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.

The Comarch Group did not create any new allowances for receivables in connection with litigation in the twelve-month period of 2023.

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

None present.

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

None present.

3.23. Related-Party Transactions

3.23.1. Revenue from Sales of Goods and Services

	12 months 2023	12 months 2022
Revenue from sales of goods	-	-
SolInteractive S.A. in liquidation	-	-
Revenue from sales of services	10	15
SolInteractive S.A. in liquidation	10	15
Total	10	15

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%).

3.23.2. Purchases of Goods and Services

	12 months 2023	12 months 2022
Purchases of goods	-	-
SolInteractive S.A. in liquidation	-	-
Purchases of services	-	4
SolInteractive S.A. in liquidation	-	4
Included in generation costs	-	4
Included in other costs	-	-
Total	-	4

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

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

3.23.4. Transactions with Associates and Personally Related Entities

	12 months 2023	12 months 2022
Purchases from personally related entities	5,813	6,533
Sales to personally related entities	2,096	1,798
Sales of a real estate to personally related entities (purchased as a commodity)	-	6,200
Loans and interest on loans repaid by personally related entities	-	528
Loans and interest on loans granted to personally related entities	-	-
Purchases from associates	-	4
Sales to associates	10	15
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	-	1,612*
Loans and other outflows, as well as related interest, to personally related entities	-	5 712**

*) Surcharge remaining after set-off on real estate transaction contributed by Comarch S.A. supervisor.

**) The item includes payment for promissory notes plus interest by Bonus Management sp. z o. o., made by offsetting. SK-A in the amount of PLN 4,588 thousand to the supervisor of Comarch S.A. and payment for promissory notes by Bonus Management sp. z o. o. II Activia SK-A to the supervisor of Comarch S.A. in the amount of PLN 1,124 thousand.

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

Trade receivables from personally related parties	31 December 2023	31 December 2022
Loans receivables from personally related parties	1,756	1,168
Trade payables to personally related parties	4,486	4,356
Liabilities due to promissory note obligations from personally related parties	1,033	1,220
Trade receivables from personally related parties	-	-

3.24. Earnings per Share

	12 months 2023	12 months 2022
Net profit for the period attributable to equity holders of the Company	104,778	107,848
Weighted average number of shares in issue	8,133,349	813,3349
Basic earnings per share (PLN)	12.88	13.26
Diluted number of shares	8,133,349	813,3349
Diluted earnings per share (PLN)	1.88	13.26

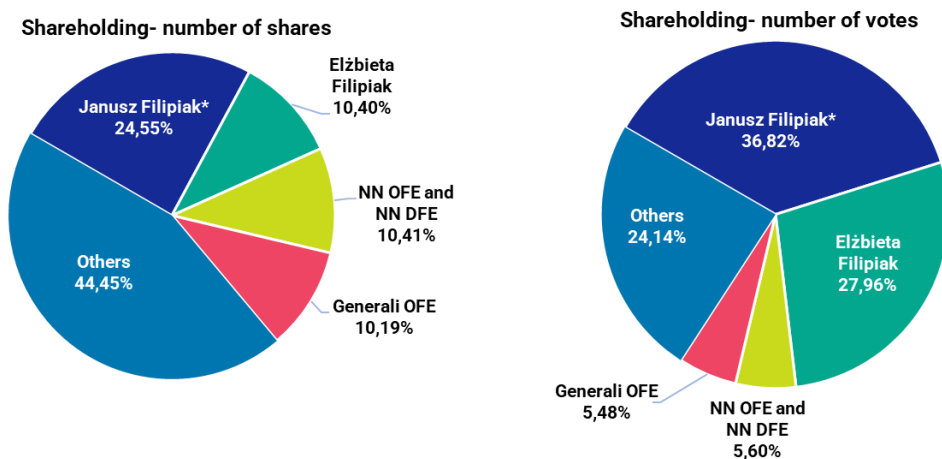
Basic net income per share in the "12 months 2023" column was calculated by dividing the consolidated net income attributable to Comarch S.A. shareholders achieved in the period from the 1st of January, 2023, to the 31st of December, 2023, and the weighted average number of shares in the period from the 1st of January, 2023, to the 30th of December, 2023, where the weight is the number of days. Basic net income per share in the "12 months 2022" column was calculated by dividing the consolidated net income attributable to Comarch S.A. shareholders achieved in the period from the 1st of January, 2022, to the 31st of December, 2022, by the weighted average number of shares in the period from the 1st of January, 2022, to the 31st of December, 2022, where the weight is the number of days.

Diluted earnings per share in the column "12 months of 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 December, 2023, by the sum of the weighted average number of shares in issue between the 1st of January, 2023, to the 31st of December 2023, where the number of days is the weight and diluted number of shares. Diluted earnings per share in the column "12 months of 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 December, 2022, by the sum of the weighted average number of shares in issue between the 1st of January, 2022, to the 31st of December, 2022, where the number of days is the weight.

4. Additional Notes

4.1. Information on Shareholders Holding at Least 5% of the Total Number of Votes at Comarch S.A.'s General Meeting, as well as Held by Managing and Supervising Persons

4.1.1. Shareholders Holding Directly or Indirectly through Subsidiaries at least 5% of the Total Number of Votes at the General Meeting of Comarch S.A. as at the 29th February, 2024



*) On the 17th of December, 2023, the Management Board of Comarch S.A. - with the current report No. [RB-19-2023](#) (ENG: [RB-19-2023](#)) - announced the death of the President of the Management Board of Comarch S.A., Professor Janusz Filipiak. As a result, Mr Professor Janusz Filipiak's term on the Management Board of Comarch S.A. expired on the 17th of December, 2023. Professor Janusz Filipiak was a co-founder of Comarch S.A., one of its main shareholders and a long-time President of the Company's Management Board.

4.1.2. Change in the Share of the Total Number of Votes in Comarch S.A. in Q4 2023

None present.

4.1.3. Changes in the Structure of Ownership of Significant Blocks of the Issuer's Shares in the Period since the Previous Periodic Report, i.e. since the 17th of November, 2023

Entity	As of 29 th of February, 2024				As of 17 th November, 2023			
	Shares	Share in the share capital (%)	Number of votes	Share in votes at the AGM (%)	Shares	Share in the share capital (%)	Number of votes	Share in votes at the AGM (%)
Janusz Filipiak*	-	-	-	-	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
Generali OFE funds	829,183	10.19	829,183	5.48	829,183	10.19	829,183	5.48

*) On the 17th of December, 2023, the Management Board of Comarch S.A. - with the current report No. [RB-19-2023](#) (ENG: [RB-19-2023](#)) - announced the death of the President of the Management Board of Comarch S.A., Professor Janusz Filipiak. As a result, Mr Professor Janusz Filipiak's term on the Management Board of Comarch S.A. expired on the 17th of December, 2023. Professor Janusz Filipiak was a co-founder of Comarch S.A., one of its main shareholders and a long-time President of the Company's Management Board.

4.1.4. Changes in the Ownership of Comarch S.A. Shares by Persons Managing and Supervising Comarch. S.A. in the Period 17th of November, 2023 to the 29th of February, 2024

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 the three quarters of 2023, i.e. the 17th of November, 2023 and on the 29th of February, 2024, pursuant to the information possessed by the Company.

At 29 th of February, 2024				At 17 th of November, 2023			
Supervisors	Function	Shares	Share in votes at the AGM (%)	Supervisors	Function	Shares	Share in votes at the AGM (%)
Elżbieta Filipiak	Chairman of the Board of Supervisors	846,000	27.96	Elżbieta Filipiak	Chairman of the Board of Supervisors	846,000	27.96
Management	Function	Shares	Share in votes at the AGM (%)	Management	Function	Shares	Share in votes at the AGM (%)
-	-	-	-	Janusz Filipiak	President of the Management Board	1,997,027	36.82
Anna Pruska	President of the Management Board	-	-	Anna Pruska	Member of the Supervisory Board delegated to temporarily perform the duties of the President of the Management Board of Comarch S.A.	-	-
Michał Pruski	Vice-President of the Management Board	250	0.00	Michał Pruski	Vice-President of the Management Board	142	0.00
Konrad Tarański	Vice-President of the Management Board	10,608	0.07	Konrad Tarański	Vice-President of the Management Board	10,608	0.07
Wojciech Pawluś	Vice-President of the Management Board	-	-	Wojciech Pawluś	Vice-President of the Management Board	-	-
Arkadiusz Iłgowski	Vice-President of the Management Board	-	-	Arkadiusz Iłgowski	Vice-President of the Management Board	-	-
Marcin Kaleta	Vice-President of the Management Board	-	-	-	-	-	-
Tomasz Matysik	Vice-President of the Management Board	-	-	Tomasz Matysik	Vice-President of the Management Board	-	-
Andrzej Przewięźlikowski	Vice-President of the Management Board	-	-	Andrzej Przewięźlikowski	Vice-President of the Management Board	-	-
Marcin Romanowski	Vice-President of the Management Board	-	-	Marcin Romanowski	Vice-President of the Management Board	-	-
Zbigniew Rymarczyk	Vice-President of the Management Board	34,661	0.23	Zbigniew Rymarczyk	Vice-President of the Management Board	34,661	0.23
Marcin Warwas	Vice-President of the Management Board	10,608	0.07	Marcin Warwas	Vice-President of the Management Board	10,608	0.07

On the 25th of August, 2023, Mr Marcin Warwas, head of the Services sector, resigned from the position of Vice-President of the Management Board of Comarch S.A, effective as of the 30th of November, 2023. M. Marcin Warwas did not provide reasons for his resignation. The Company informed about the details in the current report no [RB-13-2023 \(ENG: RB-13-2023\)](#)

Due to the long-term indisposition of the President of the Management Board of Comarch S.A. Professor Janusz Filipiak, Supervisory Board of Comarch S.A. delegated a member of the Supervisory Board Anna Pruska, PhD, to temporarily perform the duties of the President of the Management Board of Comarch S.A. The delegation took place for a period of one month from the 2nd of October, 2023, to the 2nd of November, 2023. On the 31st of October, 2023, the Supervisory Board of Comarch S.A. decided to further delegate Anna Pruska, PhD, a member of the Supervisory Board, to temporarily perform the duties of the President of the Management Board of Comarch S.A. The delegation is for a period of two months starting from the expiry of the previous delegation period, i.e. for the period from the 2nd of November, 2023, to the 2nd of January, 2024. The Company provided details in current reports no. [RB-14-2023 \(ENG: RB-14-2023\)](#) and [RB-15-2023 \(ENG: RB-15-2023\)](#).

*) On the 17th of December, 2023, the Management Board of Comarch S.A. - with the current report No. [RB-19-2023 \(ENG: RB-19-2023\)](#) - announced the death of the President of the Management Board of Comarch S.A., Professor Janusz Filipiak. As a result, Mr Professor Janusz Filipiak's term on the Management Board of Comarch S.A. expired on the 17th of December, 2023. Professor Janusz Filipiak was a co-founder of Comarch S.A., one of its main shareholders and a long-time President of the Company's Management Board.

On the 3rd of January, 2024, the Extraordinary General Meeting of the Company adopted resolutions No. 7, 8 and 9 on the election of members of the Company's Management Board. The following were appointed:

1. [Anna Pruska \(ENG\)](#), PhD, for the position of President of the Management Board,
2. [Marcin Warwas \(ENG\)](#) for the position of Vice-President of the Management Board,
3. [Marcin Kaleta \(ENG\)](#) for the position of Vice-President of the Management Board,

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

4.2.1. Deferred tax assets and liabilities

During the 12 months of 2023, the Comarch Group partially settled the deferred tax asset of 31st of December, 2022, regarding temporary differences in the amount of PLN 5,143 thousand and created an asset for temporary differences in the amount of PLN 5,941 thousand. PLN, as well as the dissolution of the tax loss asset in the amount of PLN 453 thousand.

During the 12 months period of 2023, the amount of assets related to zone activities established as at the 31st of December, 2022, was resolved in the amount of PLN 8,415 thousand and were created as at the 31st of December, 2023 in the amount of PLN 6,691 thousand.

The total effect of changes in the assets on the net result of the Comarch Group in the twelve months of 2023 amounted to minus PLN 1,379 thousand.

In connection with the valuation of the net asset value of CCF FIZ, the provision was decreased by PLN 347 thousand in the twelve months of 2023. At the same time, a deferred tax provision due to temporary differences was recognised in the amount of PLN 9 774 thousand and dissolved in the amount of PLN 5,385 thousand. The total effect of the all-above-mentioned operations on the net result of the twelve months of 2023 amounted to minus PLN 4,042 thousand.

Total changes in deferred tax resulted in a decrease in net profit of PLN 5,421 thousand.

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

4.2.2. Exchange Rate Differences and Valuation of Financial Instruments

Foreign exchange differences realized and from the balance sheet valuation of exchange differences on receivables as of the 31st of December, 2023 decreased the Comarch Group's revenue and operating profit in the four quarters for 2023 by PLN 40,267 thousand (in the corresponding period of 2022, they increased them by PLN 13,945 thousand). Foreign exchange losses realized and from the balance sheet valuation of trade liabilities in the four quarters for 2023 decreased the operating result by PLN 1,186 thousand (in the corresponding period of 2022 they decreased it by PLN 14,221 thousand). Foreign exchange differences from other titles increased the Comarch Group's net result by PLN 6,357 thousand (they decreased the Comarch Group's result by PLN 1,058 thousand in the corresponding period of 2022). The valuation of financial instruments and realized transactions (mainly forward contracts), together with a provision for deferred tax on their valuation, increased the Comarch Group's net result by PLN 34,984 thousand (in the corresponding period of 2022, they increased the Comarch Group's net result by PLN 6,332 thousand).

The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch Group over a period of fourth quarters of 2023 amounted to minus PLN 112 thousand (while in the corresponding period of 2022 it was plus PLN 4,998 thousand).

4.2.3. Creation of Write-Offs for Bad Debts

During the twelve months of 2023, the Group created impairment losses on trade receivables in the amount of PLN 11,364 thousand and dissolved previously created write-offs in the amount of PLN 40,379 thousand in connection with the settlement of receivables or the cessation of circumstances justifying their prior creation. These operations were recognized in other operating costs and revenue in the profit and loss account, respectively.

4.2.4. Revenue from Deposit Activities

In the period of 12 months of 2023, the Comarch Group obtained interest income from deposit activities worth PLN 9,976 thousand, while in the period of 12 months of 2022 they amounted to PLN 2,091 thousand.

4.3. Other Events in the Fourth Quarter of 2023

4.3.1. Resignation of the Managing Person

On the 5th November, 2023, Mr Janusz Jeremiasz Filipiak resigned from his position as Vice Chairman of the Management Board of Comarch S.A. Mr Janusz Jeremiasz Filipiak did not provide reasons for his resignation. The Company informed about the details in the current report no. [RB-16-2023 \(ENG: RB-16-2023\)](#).

4.3.2. Announcement on Convening an Extraordinary General Meeting of Comarch S.A. for the 3rd of January, 2024 and Draft Resolutions

On the 8th of December, 2023, the Board of Directors of Comarch S.A. decided to convene an Extraordinary General Meeting of Shareholders for the 3rd of January, 2024, at 11:00 a.m., in Krakow, at 33 Prof. Michal Zyczkowski St. The Company informed about the details in a current report no. [RB-18-2023 \(ENG: RB-18-2023\)](#).

4.3.3. Opinion of the Supervisory Board on draft resolutions for the Comarch S.A. AGM

On the 8th December, 2023, the Supervisory Board of Comarch S.A., by Resolution No. 1/12/2023 of the 8th of December, 2023, gave a positive opinion on the draft resolutions of the Extraordinary General Meeting of Shareholders of the Company, which was held on January 3, 2024. The draft resolutions were made public on the 8th of December, 2023, by current report No. [RB-18-2023 \(ENG: RB-18-2023\)](#). The company informed about the details in the current report number [EBI-3-2023 \(ENG: EBI-3-2023\)](#).

4.3.4. Signing of SaaS and Innovation Service agreement for KPN B.V.

On the 27th of December, 2023, the Management Board of Comarch S.A. announced - via current report no. [RB-20-2023 \(ENG: RB-20-2023\)](#) - about the signing by Comarch S.A. on the 27th of December, 2023, the agreement for the provision of SaaS and Innovation services to KPN B.V. (hereinafter: the "Agreement"). Under the Agreement, Comarch S.A. will provide support services to KPN B.V. in serving KPN B.V.'s customers and employees with Comarch S.A.'s Customer Care and Billing Solution, with a particular focus on managing SaaS applications provided by Comarch S.A., and performing Innovation services consisting of providing configuration and workflow changes. During the 5-year term of the Agreement, the total remuneration due to Comarch S.A. for the execution of the subject matter of the Agreement will be approximately EUR 27,370,740.00, i.e. PLN 118,482,459.31 according to the exchange rate as of the 26th of December, 2023. The terms of the Agreement and Comarch S.A.'s liability for damages do not deviate from market standards used in similar agreements. The Management Board of Comarch S.A. considered this information as confidential due to the fact that it meets the criteria of a significant agreement, i.e. the value of the Agreement exceeds 10% of Comarch S.A.'s equity. The Agreement obtained the status of significant on the day it was signed, i.e. 27th of December, 2023.

4.4. Events after the Balance Sheet Date not Presented in the Financial Statement

4.4.1. Content of Resolutions Adopted by the EGM of Comarch S.A. on the 3rd of January, 2024

On the 3rd of January, 2023, the Management Board of Comarch S.A. announced-via current report no. [RB-1-2024](#) - the content of the resolutions adopted by the Extraordinary General Meeting of Shareholders on the 3rd of January, 2024. The content of the documents voted on by the Extraordinary General Meeting of Shareholders was made available on the Company's website at: <https://www.comarch.pl/relacje-inwestorskie/walne-zgromadzenie-akcjonariuszy/3-stycznia-2024/dokumentacja/> (ENG: documentation)

4.4.2. Removal of a member of the Supervisory Board of Comarch S.A. on the 3rd of January 2024

On the 3rd of January 2023, the Management Board of Comarch S.A. announced-via current report no. [RB-2-2024 \(ENG: RB-2-2024\)](#) - that on the 3rd of January, 2024, the Company's Extraordinary General Meeting of Shareholders passed Resolution No. 5 on the dismissal of Mrs Anna Pruska, PhD, from the position of member of the Company's Supervisory Board, effective the 3rd of January, 2024, in connection with her planned appointment as President of the Management Board of Comarch S.A.

4.4.3. Appointment of a Member of the Supervisory Board of Comarch S.A on the 3rd of January, 2024

On the 3rd of January 2024, the Management Board of Comarch S.A. announced-via current report no [RB-3-2024 \(ENG: RB-3-2024\)](#) that on the 3rd of January, 2024, the Extraordinary General Meeting of the Company passed Resolution No. 6 on the election of a member of the Company's Supervisory Board, Professor Maria Jolanta Flis was appointed to the Supervisory Board.

Professor Maria Jolanta Flis was appointed to serve on the Supervisory Board of Comarch S.A. until the end of the current term of the Supervisory Board.

The Management Board of Comarch S.A. has provided, as part of the current report, the [resume \(ENG: resume\)](#) of a member of the Supervisory Board elected by the Extraordinary General Meeting of Shareholders on the 3rd of January, 2024.

4.4.4. List of Shareholders Holding at Least 5% of Votes at the AGM of Comarch S.A.

On the 3rd of January, 2024, the Management Board of Comarch S.A. informed-via current report no [RB-5-2024 \(ENG: RB-5-2024\)](#) that according to the list of shareholders attending the Extraordinary General Meeting of Shareholders of Comarch S.A. on the 3rd of January 3, 2024, the following shareholders: Elżbieta Filipiak, Nationale Nederlanden Otwarty Fundusz Emerytalny managed by Nationale-Nederlanden PTE S.A., Generali Otwarty Fundusz Emerytalny managed by Generali PTE S.A. and Otwarty Fundusz Emerytalny PZU "Złota Jesień" held at least 5% of the total number of votes at the meeting, as detailed below:

1. Elzbieta Filipiak - 846,000 shares, which carried 4,230,000 votes at the AGM and represented 61.39% of votes at the AGM; share in the total number of votes of the Company:
2. Nationale Nederlanden Otwarty Fundusz Emerytalny managed by Nationale-Nederlanden PTE S.A. - 843,071 shares in Comarch S.A., which carried 843,071 votes at the Company's AGM and accounted for 12.24% of the votes at the AGM; share in the total number of votes of the Company: 5.57%.
3. Generali Otwarty Fundusz Emerytalny managed by Generali PTE S.A. - 829,183 shares in Comarch S.A., which carried 829,183 votes at the Company's AGM and accounted for 12.03% of the votes at the AGM; share in the total number of votes of the Company: 5.48%.
4. Otwarty Fundusz Emerytalny PZU "Złota Jesień" managed by Powszechne Towarzystwo Emerytalne PZU S.A. - 439,219 shares of Comarch S.A., which carried 439,219 votes at the Company's AGM and represented 6.37% of the votes at the AGM; share in the total number of votes of the Company: 2.90%.

4.4.5. Update on the Status of the Company's Application of the Principles Contained in the Code of Best Practice for WSE Listed Companies

On the 3rd of January, 2024, the Company, in a current report no. [EBI-1-2024 \(ENG: EBI-1-2024\)](#) - has updated the commentary to Rule 2.1. and 2.2. The full content of the Information on the status of the company's application of the rules contained in the Set of Best Practices for Companies Listed on the WSE 2021 can be found on the Company's website.

4.4.6. Dates of Periodical Reports in 2024

On the 9th of January, 2024, the Management Board of Comarch S.A. - via current report no. [RB-6-2024 \(ENG: RB-6-2024\)](#)- has set the following fixed dates for periodic reports in 2024:

Consolidated quarterly reports containing condensed consolidated financial statements and condensed separate financial statements:

- 1) Q4 2023 on 29.02.2024,
- 2) Q1 2024 on 24.05.2024,
- 3) Q2 2024 - In accordance with the principles of § 79(2) of the Decree of the Minister of Finance on current and periodic information provided by issuers of securities and the conditions for recognizing information required by the laws of a non-member state as equivalent, Comarch S.A. will not publish a quarterly report and a consolidated quarterly report for Q2 2024,

4) Q3 2024 on 22.11.2024.

ANNUAL AND SEMI-ANNUAL REPORTS:

- 1) Annual report for 2023 on 26.04.2024,
- 2) Consolidated annual report for 2023 on 26.04.2024,
- 3) Consolidated semi-annual report including condensed consolidated financial statements and condensed separate financial statements for the first half of 2024 on 30.08.2024.

4.4.7. Forward contracts entered into after the balance sheet date

Comarch S.A. did not conclude any new forward contracts between the 1st of January, 2023 and the 29th of February, 2024. The net value of forward contracts outstanding as of the 29th of February, 2024, was EUR 30,000 thousand, USD 18,500 thousand, JPY 50,000 thousand, GBP 800 thousand. The forward contracts mature within 40 months from the balance sheet date.

4.5. Position of the Management Board Regarding the Possibility of Realization of Previously Published Result Forecasts for a Given Year in the Light of the Results Presented in the Quarterly Report in Relation to the Forecast Results

The Board of Directors did not publicly announce earnings forecast for the fourth quarter of 2023 or the full year of 2023.

4.6. Significant Legal, Arbitration or Administrative Proceedings

The Comarch Group is a defendant in lawsuits in which the potential total amount of third-party claims amounts to PLN 29,610 thousand.

The Comarch Group remains in litigation cases not covered by court proceedings, in which the potential total amount of third-party claims amounts to PLN 7,247 thousand.

More information is included in the paragraph [3.20](#).

4.7. Information on Significant Transactions with Related Parties Concluded on Terms Other than Market Terms

None present.

4.8. Information on Sureties Granted by the Issuer or Its Subsidiary for Obligations of Third Parties or Guarantees Granted

- Due to the conclusion by Comarch Inc., a subsidiary of Comarch S.A., a contract with the client for the implementation, hosting and maintenance of the loyalty system, on the 28th of April, 2011, Comarch S.A. granted suretyship for the client for the obligations of Comarch Inc. The suretyship was granted up to the amount of PLN 3,000 thousand and was valid for the duration of the contract. The surety expired on the 31st of December, 2023.
- Due to the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and maintenance of the BSS system, Comarch S.A. granted a suretyship for the obligations of Comarch UK. The suretyship was granted up to the amount of Comarch UK's obligations resulting from the above agreement, i.e. up to the amount of GBP 808 thousand and an additional GBP 86 thousand per year for the SLA service and is valid for the duration of the contract.

- Due to the conclusion by Comarch AG (until the 4th of October, 2023, operating as Comarch Software und Beratung 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 AG resulting from the contract. The suretyship was granted up to the amount of EUR 3,823 thousand and was valid for the entire duration of the contract, as a result of changes in the main contract with the client, Comarch SA granted a new guarantee to an external client for the liabilities of Comarch AG up to the maximum amount of EUR 1,609,630.00.
- Due to the conclusion by Comarch AG (until the 4th of October, 2023, operating as Comarch Software und Beratung 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 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 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.
- 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 AG (formerly Comarch Software und Beratung 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 AG (formerly Comarch Software und Beratung 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 AG (formerly Comarch Software und Beratung 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 AG (formerly Comarch Software und Beratung 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. Until the 31st of July, 2023 the value of the suretyship was amounted JPY 16,909 thousand, after the extension of the contract, from 31st of August, 2023 the value of the suretyship amounts JPY 17,723 thousand and is valid until the 31st of July, 2024.
- 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 AG (formerly Comarch Software und Beratung 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 AG (formerly Comarch Software und Beratung 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.
- Due the conclusion by Comarch Polska S.A., a subsidiary of Comarch S.A., loan agreement Comarch S.A. granted surety for the obligations of a subsidiary Comarch Polska S.A. The suretyship is valid until the 30th of September, 2024, and was granted up to the amount of PLN 15,745 thousand.
- Due the conclusion of a framework agreement for the provision of IT services between Comarch Middle East FZ-LLC (the main contractor of the agreement), Comarch S.A. and ABU DHABI COMMERCIAL BANK PJSC, Comarch S.A. granted surety for the obligations of a subsidiary Comarch Middle East FZ-LLC resulting from this agreement. In the event of non-performance or improper performance of obligations by Comarch Middle East FZ-LLC, Comarch S.A. is obliged to assume

responsibility for the performance of the contract. The surety is valid for the duration of the contract, and its value amounts to AED 8,975 thousand.

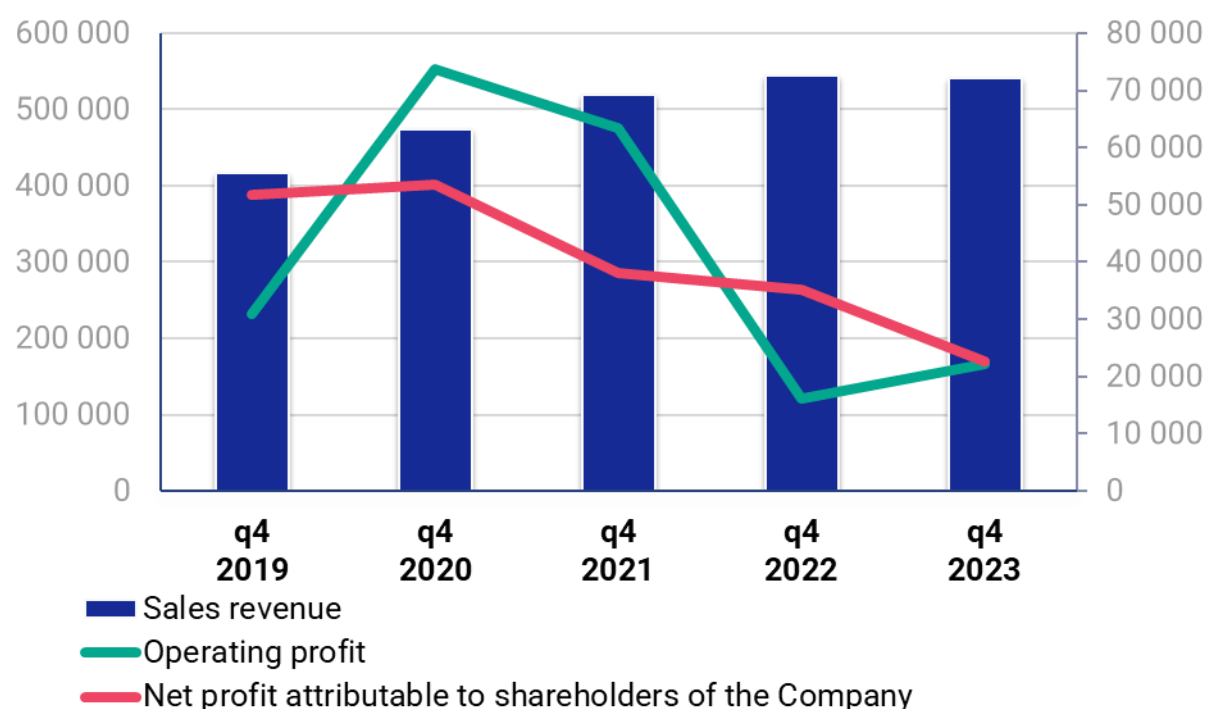
4.9. Other Information Significant for the Assessment of Means and Employees, Financial Rating, Financial Results and Their Changes and Information Significant for the Assessment of the Possibility of the Execution of Obligations by the Issuer

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

With reference to the recommendations of the Polish Financial Supervision Authority of the 25th of February, 2022, the Management Board of Comarch S.A. informs that it monitors the impact of the political and economic situation in Ukraine and Russia on the activities of the Comarch Group. The Management Board of the Company informs that as at the date of publication of this report, the operational activity in Ukraine is carried out without interruption, and in Russia, the Comarch Group currently does not carry out any operational activities. 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 over 70 countries on 6 continents. In 2022, sales to customers from Ukraine and Russia accounted for 1.5% of the Group's total revenue.

5. Significant Achievements and Failures as well as Factors and Events with Considerable Impact on the Financial Results of the Comarch Group in the Fourth 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



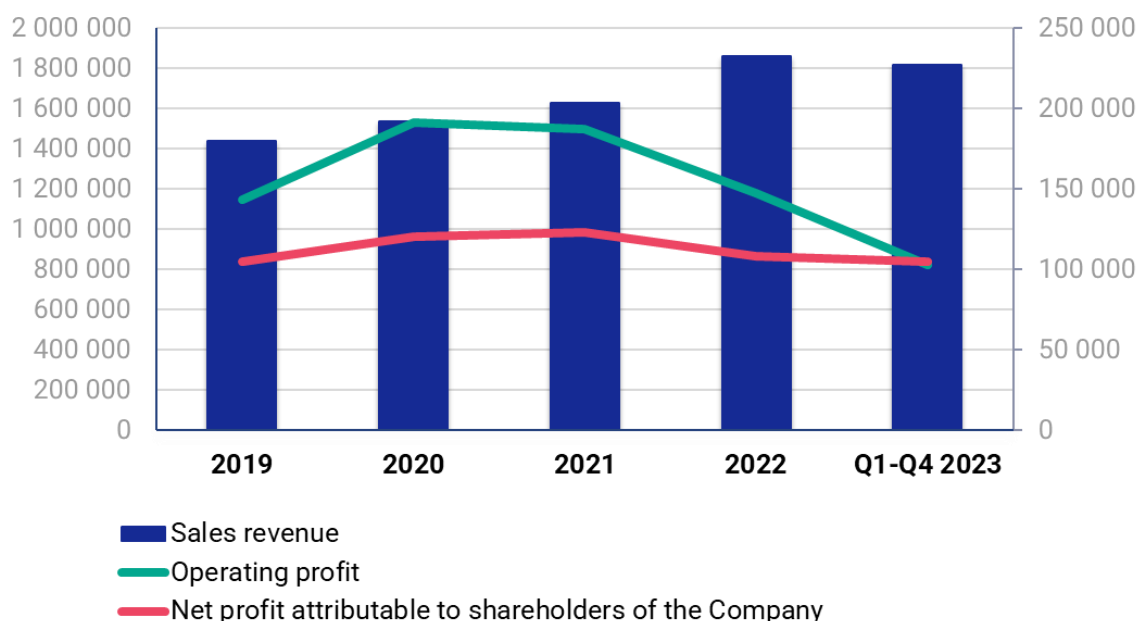
In the fourth quarter of 2023, the Comarch Group generated sales revenue of value PLN 540,502 thousand PLN, lower by PLN 4,417 thousand, i.e. by 0.8%, from that achieved in the fourth quarter of 2022. Operating profit amounted to PLN 22,229 thousand and was higher by PLN 6,080 thousand, i.e. by 37.6% than in the

fourth quarter of 2022. The net result attributable to the shareholders of the parent company in the fourth quarter of 2023 amounted to PLN 22,558 thousand and was lower by PLN 12,606 thousand PLN, i.e. by 35.8% than in the fourth quarter of 2022. EBIT margin in the reporting period was +4.1%, while net margin +4.2%. In the fourth quarter of 2023, the Comarch Group generated EBITDA of PLN 46,040 thousand, that is higher by PLN 6,179 thousand, i.e. by 15.5% compared to the same period of the previous year.

EBIT margin of the Comarch Group in the fourth quarter of 2023 was slightly higher compared to the comparable period of the previous year. Net profitability deteriorated due to worse financial results and higher income tax. The results achieved by the Comarch Group in the described period of the year were affected, among others, by:

- increase in domestic sales revenue, which amounted to PLN 52,369 thousand (i.e. of 19.7%), resulting from the increased sales to customers in the SME, public sector and Medicine sector. In the fourth quarter of 2023, domestic sales constituted 58.8% of the total revenue of the Comarch Group,
- decrease in export sales of PLN 56,786 thousand, i.e. of 20.3%, which was mainly the result of lower sales to customers in the telecommunication sector. Foreign sales constituted 41.2% of the total revenue of the Comarch Group in the fourth quarter of 2023,
- occurrence of negative realized exchange differences and from the balance sheet valuation of trade liabilities related to the strengthening of the PLN exchange rate against foreign currencies in the fourth quarter of 2023, which decreased the operating result by PLN 34,875 thousand,
- related to the strengthening of the PLN exchange rate in the fourth quarter of 2023 positive result on the balance sheet valuation of financial instruments, due to the sales of financial instruments, as well as due to exchange rate differences on credits and loans taken in foreign currencies the value of which amounted to PLN 26,067 thousand in the reporting period,
- obtaining interest income from deposit activities worth PLN 3,415 thousand,
- stabilization of operating costs, resulting from the adjustment of the employment level to the current level of revenue - the basic salary fund in the Comarch Group in the reporting period decreased by 1.3% compared to the fourth quarter of 2022,
- current income tax, which was the result of high profitability of operations of the Group companies in Poland, United Kingdom and Luxembourg, its value in the fourth quarter of 2023 amounted to PLN 19,121 thousand,
- creation and resolution of write-offs for doubtful trade receivables, which increased the operating result of the Comarch Group in the described period by PLN 18,667.

In the fourth quarter of 2023, employment in the Comarch Group decreased by 57 people.



Within four quarters of 2023, the Comarch Group generated sales revenue in the amount of PLN 1,816,481 thousand. They were lower by PLN 42,234 thousand, i.e. by 2.3% than those achieved in similar period of 2022. Operating result amounted to PLN 102,503 thousand and was lower by PLN 45,103 thousand i.e. by 30.6% than that achieved within four quarters of 2022. Net result attributable to the shareholders of the parent company was PLN 104,778 thousand and it was lower by PLN 3,070 thousand, i.e. by 2.8% compared to that achieved within four quarters of 2022. The EBIT margin was +5.6% and net margin amounted to +5.8%. During the described period, the Comarch Group generated EBITDA in the amount of PLN 197,261 thousand, lower by PLN 44,141 thousand, i.e. by 18.3% than in the similar period of the previous year.

The results achieved by the Comarch Group within four quarters of 2023 were influenced by, among others:

- increase in domestic sales revenue, which amounted to PLN 97,357 thousand (i.e. of 12.5%), more than in the similar period of 2022 resulting from the increased sales to customers in SME Poland and Medicine sector. Within the four quarters of 2023, domestic sales constituted 48.3% of the total revenue of the Comarch Group,
- decrease in foreign sales of PLN 139,591 thousand, i.e. of 13%, which was mainly the result of lower sales to customers in the telecommunication sector. Within the four quarters of 2023, foreign sales constituted 51.7% of the total revenue of the Comarch Group,
- occurrence of negative realized exchange differences and from the balance sheet valuation of trade liabilities related to the strengthening of the PLN exchange rate against foreign currencies in the fourth quarter of 2023, which decreased the operating result by PLN 40,267 thousand,
- occurrence of negative realized exchange differences and from the balance sheet valuation of trade liabilities related to the strengthening of the PLN exchange rate against foreign currencies in the fourth quarter of 2023 which decreased the operating result by PLN 1,186 thousand,
- related to the strengthening of the PLN exchange rate in the fourth quarter of 2023 positive result on the balance sheet valuation of financial instruments, due to the sales of financial instruments, as well as due to exchange rate differences on credits and loans taken in foreign currencies as well as money funds, the value of which amounted to PLN 47,363 thousand in the reporting period,
- obtaining interest income from deposit activities worth PLN 9,976 thousand,

- increase in operating expenses, which is a consequence of the wage pressure in the IT sector, the basic wage fund in the Comarch Group in the reporting period increased by 3.7% compared to the four quarters of 2022,
- current income tax, which was the result of high profitability of operations of the Group companies in Poland, Germany, United Kingdom and Thailand, its value in the fourth quarter of 2023 amounted to PLN 47,936 thousand,
- creation and resolution of write-offs for doubtful trade receivables, which increased the operating result of the Comarch Group by PLN 29,015 thousand in the described period.

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

In the four quarters of 2023, the employment in the Comarch Group decreased by 5.8%. As at the 31st of December, 2023, the Comarch Group employed 6,474 people, i.e. by 397 people less than on the 31st of December, 2022.

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 fourth 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 macroeconomic situation in Poland and in the world. This was particularly important during the Covid-19 pandemic and the economic consequences it caused. During the 12 months of 2023, the Comarch Group adjusted the employment level to the current level of revenue.

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

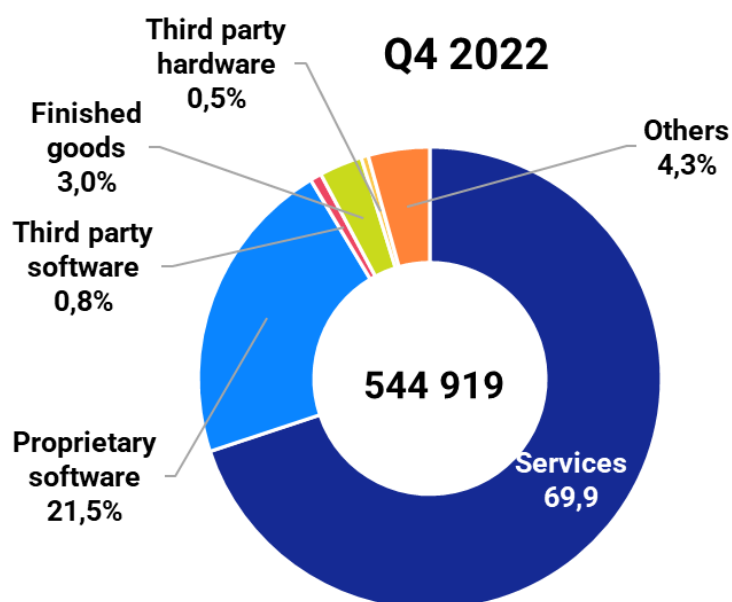
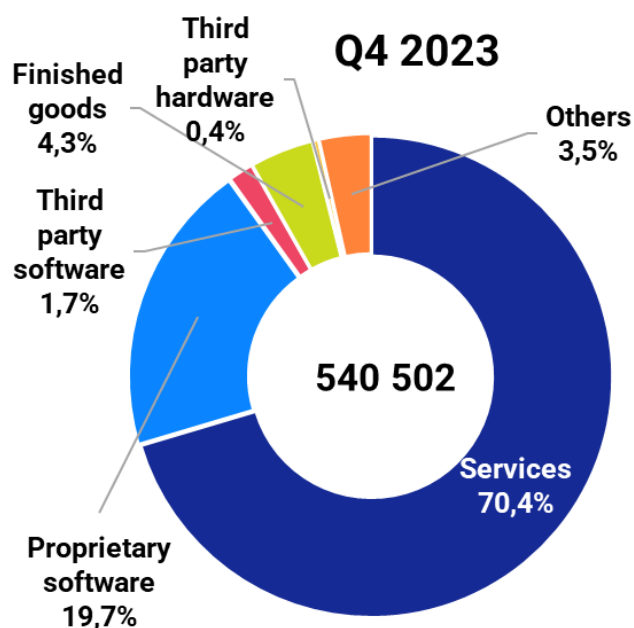
- significant investments in human capital,
- development and sales of IT solutions based mostly on own products,
- development of sales on foreign markets, in particular in Western Europe, Asia and North America,
- continuous improvement of operational efficiency by improving procedures and cost rationalization,
- developing further business areas, especially in the field of telemedicine, 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)

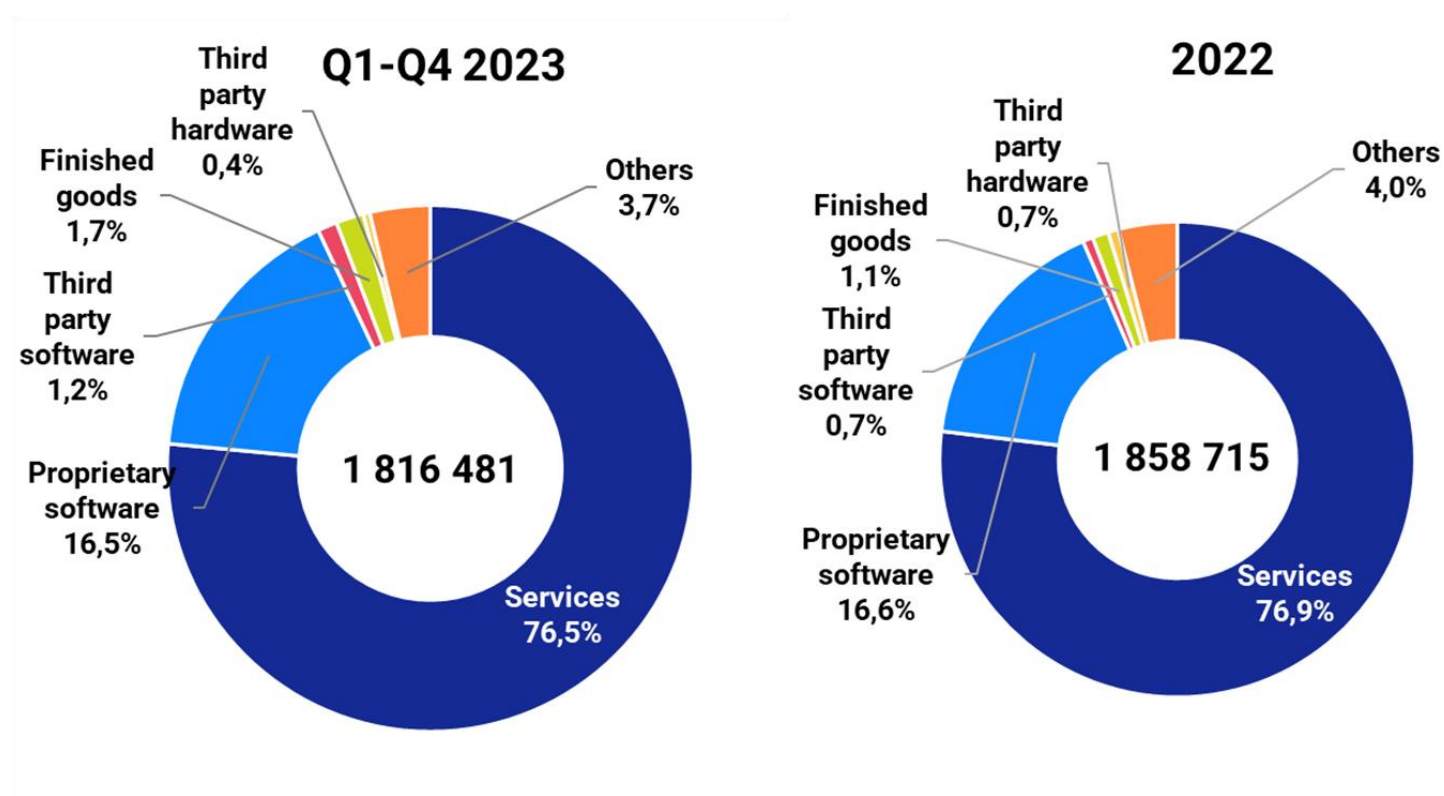
Products sales structure	Q4 2023	%	Q4 2022	%	Change PLN	Change %
Services	380,608	70.4	380,696	69.9	-88	0
Proprietary software	106,264	19.7	116,960	21.5	-10,696	-9.1
Third party software	9,073	1.7	4,383	0.8	4,690	107
Finished goods	23,467	4.3	16,574	3.0	6,893	41.6
Third party hardware	2,277	0.4	2,919	0.5	-642	-22
Others	18,813	3.5	23,387	4.3	-4,574	-19.6
Total	540,502	100	544,919	100	-4,417	-0.8

In the fourth quarter of 2023, revenue from the sales of services recorded a decrease of PLN 88 thousand. Sales of services accounted for 70.4% of total sales revenue of the Comarch Group. Revenue from sales of proprietary software decreased by PLN 10,696 thousand, i.e. by 9.1%. The value of revenue from sales of third-party software was higher by PLN 4,690 thousand, i.e. by 107% from the one recorded in the same period of the previous year. The value of sales of finished goods was higher by about PLN 6,893 thousand, i.e. by 41.6% than in the fourth quarter of 2022. Sales of third-party hardware decreased by PLN 642 thousand, i.e. 22% compared to the fourth quarter of 2022. The value of other sales was lower by PLN 4,574 thousand, i.e. by 19.6%.



Products sales structure	12 months 2023	%	12 months 2022	%	Change PLN	Change %
Services	1,389,597	76.5	1,429,735	76.9	-40,138	-2.8
Proprietary software	300,154	16.5	308,971	16.6	-8,817	-2.9
Third party software	21,874	1.2	13,367	0.7	8,507	63.6
Finished goods	30,242	1.7	21,160	1.1	9,082	42.9
Third party hardware	8,108	0.4	12,927	0.7	-4,819	-37.3
Others	66,506	3.7	72,555	4	-6,049	-8.3
Total	1,816,481	100	1,858,715	100	-42,234	-2.3

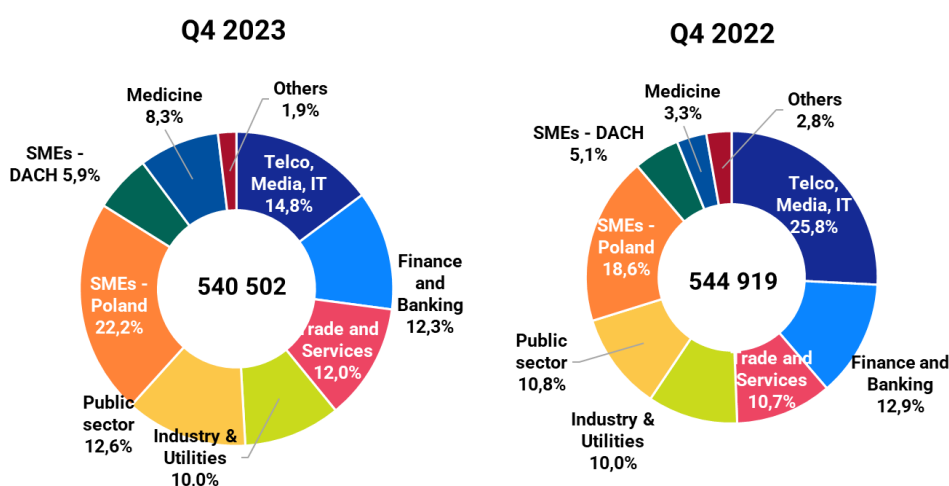
In the period of 12 months of 2023, revenue from the sales of IT services decreased by PLN 40,138 thousand, i.e. by 2.8%. Revenue from sales of proprietary software was lower by PLN 8,817 thousand, i.e. by 2.9%. Revenue from sales of third-party software increased by PLN 8,507 thousand, i.e. by 63.6%. Sales of own finished goods increased compared to the previous year (by PLN 9,082 thousand, i.e. by 42.9%), however sales of third-party hardware decreased, a decrease in revenue of PLN 4,819 thousand (i.e. of 37.3%). During the 12 months of 2023, other sales decreased by PLN 6,049 thousand, i.e. by 8.3%.



Market sales structure (in thousands of PLN)

Market sales structure	Q4 2023	%	Q4 2022	%	Change PLN	Change %
Telecommunications, Media, IT	80,224	14.8	140,341	25.8	-60,117	-42.8
Finance and Banking	66,225	12.3	70,564	12.9	-4,339	-6.1
Trade and Services	64,850	12	58,492	10.7	6,358	10.9
Industry & Utilities	53,939	10	54,732	10.0	-793	-1.4
Public sector	68,325	12.6	58,634	10.8	9,691	16.5
Small and Medium-Sized Enterprises - Poland	119,880	22.2	101,405	18.6	18,475	18.2
Small and Medium-Sized Enterprises - DACH	31,894	5.9	27,546	5.1	4,348	15.8
Medicine	44,838	8.3	17,765	3.3	27,073	152.4
Others	10,327	1.9	15,440	2.8	-5,113	-33.1
Total	540,502	100	544,919	100	-4,417	-0.8

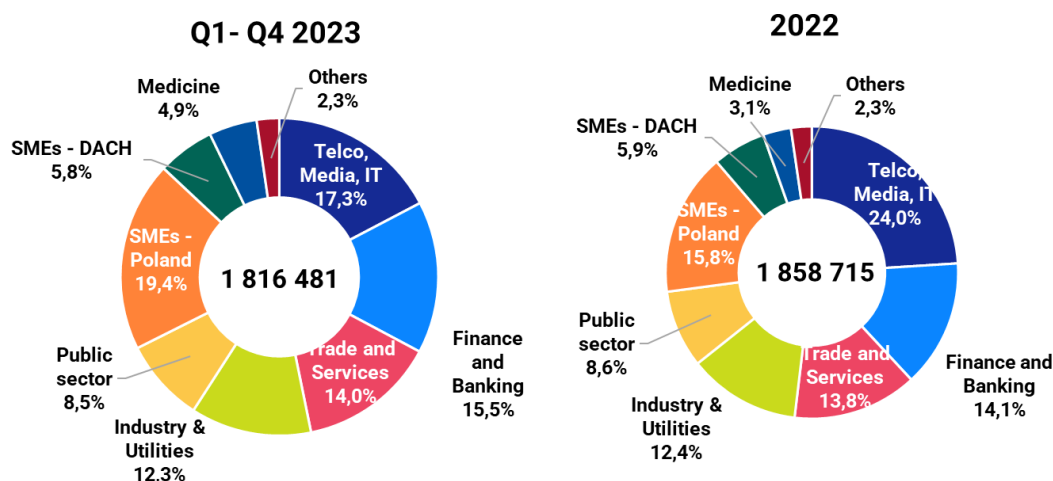
In the fourth of 2023, the value of sales revenue of the Comarch Group to recipients from the TMT sector amounted to PLN 80,224 thousand, which means a decrease of PLN 60,117 thousand (i.e. of 42.8%) compared to the fourth quarter of 2022. This was the result of a reduction in the number of projects implemented by the Group for foreign clients from the TMT sector. In the fourth quarter of 2023, customers in the finance and banking sector purchased products and services worth PLN 66,225 thousand, lower by PLN 4,339 thousand, i.e. by 6.1% from the one achieved in the same period of the previous year. Sales of ERP solutions to small and medium-sized enterprises in Poland increased by PLN 18,475 thousand, i.e. by 18.2% and reached the value of PLN 119,880 thousand. The increase in revenue occurred in the case of sales to customers from the SME sector in the DACH region and amounted to PLN 31,894 thousand, i.e. 5.9%. Sales revenue from customers in the trade and services sector amounted of PLN 64,850 thousand, higher by PLN 6,358 thousand, i.e. 10.9%. In the case of customers in the industry & utilities, sales revenue remained at last year's level, and their value was PLN 53,939 thousand. In the fourth quarter of 2023, sales revenue from public entities increased by PLN 9,691 thousand, i.e. by 16.5%. In the discussed period, revenue from sales to customers in the medical sector increased by PLN 27,073 thousand, i.e. by 152.4%. Revenue from sales to other customers decreased by PLN 5,113 thousand, i.e. by 33.1%, mainly as a result of lower revenue from sports activities.



Market sales structure	12 months 2023	%	12 months 2022	%	Change PLN	Change %
Telecommunications, Media, IT	313,868	17.3	446,826	24	-132,958	-29.8
Finance and Banking	282,068	15.5	261,826	14.1	20,242	7.7
Trade and Services	254,533	14	256,362	13.8	-1,829	-0.7
Industry & Utilities	223,753	12.3	229,941	12.4	-6,188	-2.7
Public sector	154,239	8.5	159,979	8.6	-5,740	-3.6
Small and Medium-Sized Enterprises - Poland	353,290	19.4	294,033	15.8	59,257	20.2
Small and Medium-Sized Enterprises - DACH	105,261	5.8	109,161	5.9	-3,900	-3.6
Medicine	88,533	4.9	58,103	3.1	30,430	52.4
Others	40,936	2.3	42,484	2.3	-1,548	-3.6
Total	1,816,481	100	1,858,715	100	-42,234	-2.3

In the period of 12 months of 2023, the value of sales revenue of the Comarch Group to recipients from the TMT sector amounted to PLN 313,868 thousand, which means a decrease of PLN 132,958 thousand (i.e. of 29.8%) compared to the corresponding period of 2022. This was the result of a reduction in the number of projects implemented by the Group for foreign clients from the TMT sector. Customers in the finance and banking sector purchased products and services worth PLN 282,068 thousand, higher than that achieved in the corresponding period of the previous year by PLN 20,242 thousand, i.e. by 7.7%. Sales to customers in the trade and services sector decreased by PLN 1,829 thousand, i.e. by 0.7% compared to the previous year. Revenue from sales to recipients from the industry and utilities sector decreased by PLN 6,188 thousand, i.e. by 2.7%. Revenue from sales to recipients from the public sector decreased by PLN 5,740 thousand, i.e. by 3.6%. Customers in the SME-Poland sector purchased products and services worth PLN 353,290 thousand, i.e. higher by 20.2% than that achieved in the corresponding period of the previous year. However, sales to customers from the SME-DACH sector decreased (by PLN 3,900 thousand, i.e. by 3.6%). Revenue from the medical sector increased by PLN 30,430 thousand, i.e. by 52.4%. Sales to other customers decreased by PLN 1,548 thousand, i.e. by 3.6%.

The business situation within 12 months of 2023 confirmed that maintaining the diversity of the offer and diversification of sources of income is beneficial for the stable development of the Comarch Group's operations. Thanks to the focus on selling proprietary solutions, the Comarch Group generates margins that allow it to cover rising operating costs and maintain operational profitability at a satisfactory level.

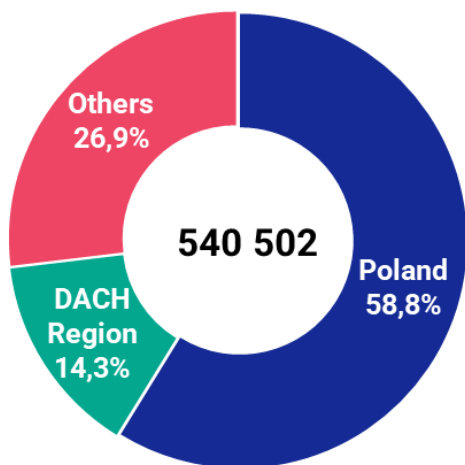


Geographical sales structure (in thousands of PLN)

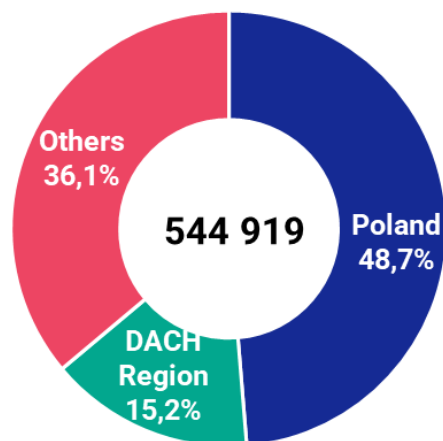
Geographical sales structure	Q4 2023	%	Q4 2022	%	Change PLN	Change %
Domestic (Poland)	317,714	58.8	265,345	48.7	52,369	19.7
Export	222,788	41.2	279,574	51.3	-56,786	-20.3
Total	540,502	100	544,919	100	-4,417	-0.8

In the fourth quarter of 2023, the Comarch Group recorded a dynamic increase in sales revenue on the domestic market and a significant decrease in sales revenue on foreign markets. The value of revenue from domestic sales increased by PLN 52,369 thousand, i.e. by 19.7% compared to the fourth quarter of 2022. It constituted 58.8% of the total revenue of the Comarch Group. That was caused by increased sales revenue from the SME sector customers, public sector and to customers from Medicine sector. In the discussed period, the Comarch Group recorded a decrease in revenue from foreign sales of PLN 56,786 thousand (i.e. of 20.3%). This is primarily the result of lower sales to customers from the telecommunications sector. In the fourth quarter of 2023, foreign sales constituted 41.2% of the total revenue of the Comarch Group.

Q4 2023



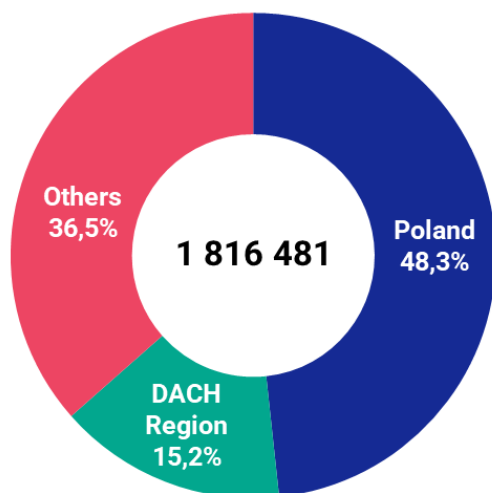
Q4 2022



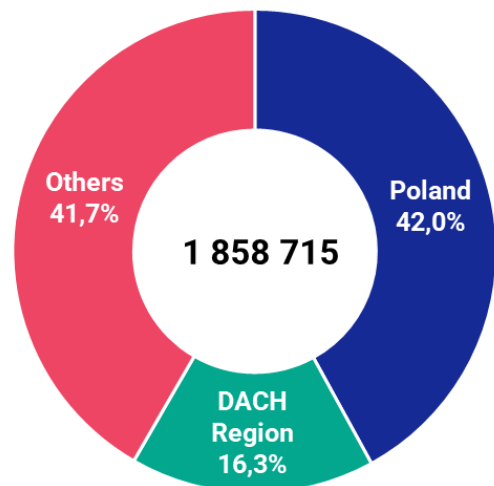
Geographical sales structure	12 months 2023	%	12 months 2022	%	Change PLN	Change %
Domestic (Poland)	878,162	48.3	780,805	42	97,357	12.5
Export	938,319	51.7	1,077,910	58	-139,591	-13
Total	1,816,481	100	1,858,715	100	-42,234	-2.3

Within the twelve months of 2023, the Comarch Group recorded PLN 878,162 thousand in sales revenue on the domestic market, that is PLN 97,357 thousand (i.e. 12.5%) more than in the similar period of 2022. That was caused, among others, by a decrease in sales to the customers in the SME and Medicine sector. Domestic sales constituted 48,3% of the total revenue of the Comarch Group. The value of foreign sales during the 12 months of 2023 amounted of PLN 938,319 thousand and was lower by PLN 139,591 thousand (i.e. by 13%) compared to the same period of 2022. This was the result of lower sales to customers in telecommunication sector. Within the four quarters of 2023, foreign sales constituted 51.7% of the total revenue of the Comarch Group.

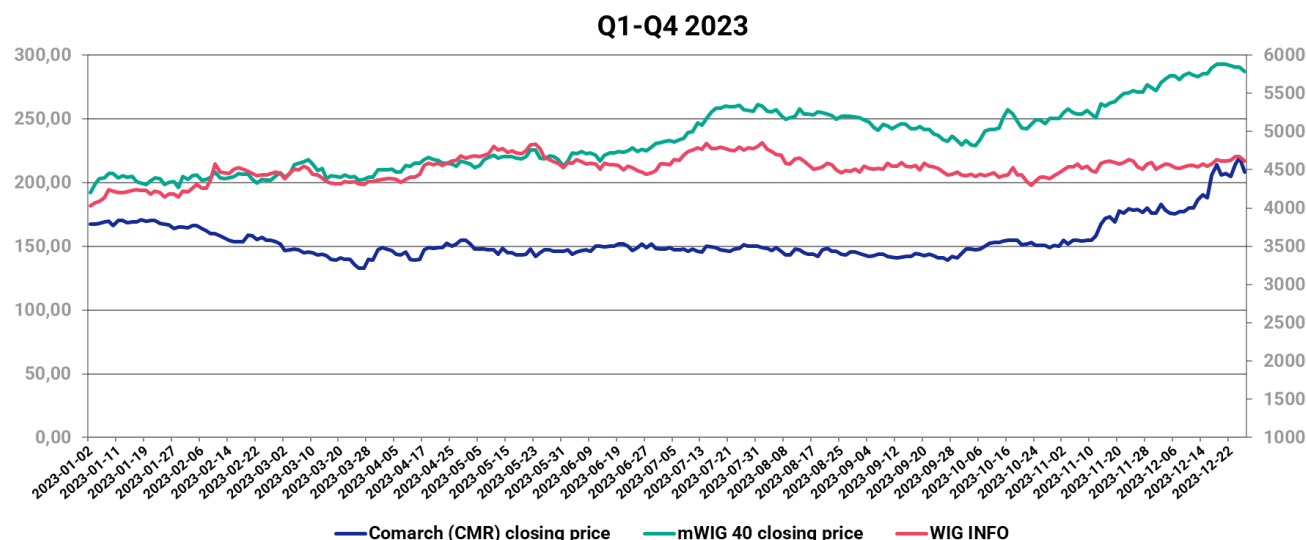
Q1-Q4 2023



2022



5.3. Comarch S.A. Stock Price Performance



On the 29th of December, 2023, the share price of Comarch S.A. amounted to PLN 208.00, which is an increase of 26.8% compared to the PLN 164.00 as at the 30th of December, 2022. In the four quarters of 2023, the maximum exchange rate was PLN 220.00.

The results of the Comarch Group and the Comarch share price in the coming 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 pace of salary growth in the IT sector, as well as the level and volatility of exchange rates will have a significant impact.

	12 months 2023 / 31.12.2023	12 months 2022 / 31.12.2022
Closing price at the balance sheet date	208,00	164,00
Average price during the reporting period	154.58	171.46
MIN price during the reporting period	132.60	136.00
MAX price during the reporting period	220.00	206.00
Average volume during the reporting period	4,503	1,969.22
Capitalization at the balance sheet date	1,691,736,592	1,333,869,236

Ratios for unconsolidated data

P/E at the balance sheet date	18.37	19.57
P/BV at the balance sheet date	1.52	1.27
P/S at the balance sheet date	1.29	1.10

Ratios for consolidated data

P/E at the balance sheet date	16.15	12.23
P/BV at the balance sheet date	1.27	1.04
P/S at the balance sheet date	0.93	0.72

5.4. Events in the Quarter of 2023 that Greatly Impacted the Current Activities of the Comarch Group

5.4.1. Delegating a member of the Supervisory Board Anna Pruska, PhD, to temporarily perform the duties of the President of the Management Board of Comarch S.A.

Due to the long-term indisposition of the President of the Management Board of Comarch S.A. Mr Professor Janusz Filipiak, Supervisory Board of Comarch S.A. delegated a member of the Supervisory Board Anna Pruska, PhD, to temporarily perform the duties of the President of the Management Board of Comarch S.A. The delegation took place for a period of one month from the 2nd of October, 2023 to the 2nd of November, 2023. On the 31st of October, 2023 r. the Supervisory Board of Comarch S.A. decided to further delegate Anna Pruska, PhD, a member of the Supervisory Board, to temporarily perform the duties of the President of the Management Board of Comarch S.A. The delegation is for a period of two months starting from the expiration of the previous posting period, i.e., for the period from the 3rd of November, 2023, to the 2nd of January, 2024. The Company informed about the details in the current report no [RB-14-2023](#) (ENG: [RB-14-2023](#)) and [RB-15-2023](#) ([RB-15-2023](#)).

5.4.2. Resignation of a Managing Person

On the 5th of November, 2023, Mr Janusz Jeremiasz Filipiak resigned from the position of Vice-President of the Management Board of Comarch S.A. Mr Janusz Jeremiasz Filipiak did not provide reasons for his resignation. The Company informed about the details in the current report no [RB-16-2023](#) ([RB-16-2023](#)).

5.4.3. Signing of the Agreement for the Purchase of MKS Cracovia SSA shares by Comarch S.A.

Management Board of Comarch S.A. informed – current report no [RB-17-2023](#) (ENG: [RB-17-2023](#)) - about the signing on the 1st of December, 2023, the agreement for purchase by Comarch S.A. of a block of shares of the Miejski Klub Sportowy Cracovia Sportowa Spółka Akcyjna (sports joint stock company) with its registered office in Krakow (30-111), Jozefa Kaluzy 1 Street (hereinafter referred to as the "MKS Cracovia SSA").

As part of the transaction, Comarch S.A. acquired from Krakow Municipality 73,480 (in words: seventy-three thousand four hundred and eighty) ordinary registered shares of MKS Cracovia SSA series A and B with a nominal value of PLN 100 (in words: one hundred zlotys) each (hereinafter referred to as the "Share package").

The price for the Share Package was PLN 21,206,328 (in words: twenty-one million, two hundred and six thousand, three hundred and twenty-eight zlotys), and the price for one share was PLN 288.60 (in words: two hundred and eighty-eight zlotys and 60/100).

As a result of concluding the above-mentioned transaction, Comarch S.A. became the owner of 217,861 (in words: two hundred and seventeen thousand, eight hundred and sixty-one) ordinary registered shares of MKS Cracovia SSA series A, B, C, D, E, F and G with a nominal value of PLN 100 (in words: one hundred zlotys) each, i.e. with a total nominal value of PLN 21,786,100 (in words: twenty-one million seven hundred eighty-six thousand one hundred zlotys), constituting 99.75% of the share capital of MKS Cracovia SSA.

Pursuant to Art. 3289 § 1 of the Commercial Companies and Partnerships Code, the acquisition of shares took place upon entry in the Register of Shareholders on the 1st of February, 2024. The company considered the above information to be an inside information due to a significant increase in its share in MKS Cracovia SSA, which will affect the net result attributable to the shareholders of Comarch S.A. in subsequent periods.

5.4.4. Announcement on Convening the Extraordinary General Meeting of Comarch S.A. as at the 3rd of January, 2024 and Draft Resolutions

On the 8th of December, 2023, the Management Board of Comarch Spółka Akcyjna decided to convene an Extraordinary General Meeting on the 3rd of January, 2024, at 11:00, in Krakow, at prof. Michal Zyczkowski 33 Street. The Company informed about the details in the current report no [RB-18-2023](#) (ENG: [RB-18-2023](#)).

5.4.5. Announcement on Convening the Extraordinary General Meeting of Comarch S.A. as at the 3rd of January, 2024 and Draft Resolutions

On the 8th of December, 2023, the Supervisory Board of Comarch S.A., Resolution No. 01/12/2023 of the 8th of December, 2023, gave positive opinion on the draft resolutions of the Extraordinary General Meeting of Shareholders of the Company, which was to be held on the 3rd of January, 2024. The draft resolutions were published on the 8th of December, 2023, in the current report no [RB-18-2023](#) (ENG: [RB-18-2023](#)). The Company informed about the details in the current report no [EBI-3-2023](#) (ENG: [EBI-3-2023](#)).

5.4.6. Information about the Death of Professor Mr Janusz Filipiak President of the Management Board of Comarch SA

On the 17th of December, 2023, the Management Board of Comarch S.A. - the current report no [RB-19-2023](#) (ENG: [RB-19-2023](#)) - informed of the death of the Professor, President of the Management Board of Comarch S.A., Mr Janusz Filipiak. In connection with the above, as of the 17th of December, 2023, the mandate of Mr Janusz Filipiak in the Management Board of Comarch S.A. expires. Professor, Mr Janusz Filipiak was the cofounder, one of the main shareholders and long-time President of the Management Board of Comarch S.A.

5.4.7. Signing of an Agreement on the Provision of SaaS and Innovation Services for KPN BV

On the 27th of December 2023, the Management Board of Comarch S.A. informed - the current report no [RB-20-2023](#) (ENG: [RB-20-2023](#)) - about the signing by Comarch S.A. on the 27th of December, 2023 an agreement for the provision of SaaS and Innovation services to KPN B.V. (hereinafter referred to as the: "Agreement"). Under the Agreement Comarch S.A. will provide support services to KPN B.V. in serving customers and employees of KPN B.V. using the Comarch S.A. solution for customer service and billing settlements (Customer Care and Billing Solution), with particular emphasis on the management of SaaS applications provided by Comarch S.A. and implementation of Innovation services consisting in providing configuration and changes in the way of working. During the 5-year period of the Agreement, the total amount of remuneration due to Comarch S.A. for the implementation of the subject of the Agreement will amount to approximately EUR 27,370,740.00, i.e. PLN 118,482,459.31 at the exchange rate of the 26th of December, 2023. Terms of the Agreement and liability for damages of Comarch S.A. do not differ from market standards used in similar contracts. Management Board of Comarch S.A. considered this information as confidential due to meeting the criteria of a significant agreement, i.e. the value of the Agreement exceeds 10% of the Comarch S.A.'s equity. The Agreement obtained the status of significant on the day of its signing, i.e. the 27th of December, 2023.

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

5.5.1. Content of Resolutions Adopted by the Extraordinary General Meeting of Comarch S.A. on the 3rd of January, 2024

On the 3rd of January 3, 2024, the Management Board of Comarch S.A. handed over - the current report no [RB-1-2024](#) (ENG: [RB-1-2024](#)) - the content of the resolutions adopted by the Extraordinary General Meeting of Shareholders on the 3rd of the January, 2024. The content of the documents subject to voting at the Extraordinary General Meeting is available on the Company's website at:

<https://www.comarch.pl/relacje-inwestorskie/walne-zgromadzenie-akcjonariuszy/3-stycznia-2024/dokumentacja/>

(ENG:<https://www.comarch.com/investors/general-shareholders-meeting/3-january-2024/documentation/>)

5.5.2. Dismissal of a Member of the Supervisory Board of Comarch S.A. on the 3rd of January, 2024

On the 3rd of January 3, 2024, the Management Board of Comarch S.A. informed - the current report no [RB-2-2024](#) (ENG: [EB-2-2024](#)) - that on the 3rd of January, 2024, the Extraordinary General Meeting of the Company adopted resolution No. 5 regarding the dismissal of Anna Pruska, PhD, from the position of member of the Supervisory Board of the Company as of the 3rd of January, 2024, in connection with her planned appointment as the President of the Management Board of Comarch S.A.

5.5.3. Appointment of a Member of the Supervisory Board of Comarch S.A. on the 3rd of January, 2024

On the 3rd of January 3, 2024, the Management Board of Comarch S.A. informed - the current report no [RB-3-2024](#) (ENG: [RB-3-2024](#)) - that on the 3rd of January, 2024, the Extraordinary General Meeting of the Company adopted resolution No. 6 on the election of a member of the Supervisory Board of the Company. Professor Jolanta Flis, Mrs, was appointed to the Supervisory Board.

Professor Maria Jolanta Flis, Mrs, was appointed to serve as a member of the Supervisory Board of Comarch S.A. until the end of the current term of office of the Supervisory Board.

Management Board of Comarch S.A. encloses the [biography](#) (ENG) of the member of the Supervisory Board elected by the Extraordinary General Meeting of Shareholders on the 3rd of January, 2024

5.5.4. Appointment of Managing Persons in Comarch S.A. on the 3rd of January, 2024

The Management Board of Comarch S.A. informs that on the 3rd of January, 2024, the Extraordinary General Meeting of the Company adopted resolutions No. 7, 8 and 9 on the election of members of the Company's Management Board. The following were appointed:

1. Anna Pruska (ENG), PhD, for the position of President of the Management Board,
 2. Marcin Warwas (ENG) for the position of Vice-President of the Management Board,
 3. Marcin Kaleta (ENG) for the position of Vice-President of the Management Board
- Mrs Anna Pruska, PhD, Mr Marcin Warwas and Mr Marcin Kaleta were appointed to serve as members of the Management Board of Comarch S.A. until the end of the current term of office of the Management Board.

Management Board of Comarch S.A. enclosed, as part of current report no [RB-4-2024](#) (ENG: [RB-4-2024](#)), the biographies of the Management Board members elected by the Extraordinary General Meeting of Shareholders on the 3rd of January, 2024.

the 29th of February, 2024

SIGNATURES OF MANAGEMENT BOARD MEMBERS

Name and surname	Position/Function	Signatures
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Anna Pruska	President of the Management Board	
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Michał Pruski	Vice-President of the Management Board	
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Konrad Tarański	Vice-President of the Management Board	
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Wojciech Pawluś	Vice-President of the Management Board	
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Arkadiusz Iłgowski	Vice-President of the Management Board	
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Name and surname	Position/Function	Signatures
Marcin Kaleta	Vice-President of the Management Board	
Tomasz Matysik	Vice-President of the Management Board	
Andrzej Przewięźlikowski	Vice-President of the Management Board	
Marcin Romanowski	Vice-President of the Management Board	
Zbigniew Rymarczyk	Vice-President of the Management Board	

Name and surname	Position/Function	Signatures
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Marcin Warwas	Vice-President of the Management Board	
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SIGNATURE OF THE HEAD ACCOUNTANT

Nam and surname	Position/Function	Signature
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Maria Smolińska	Head Accountant	
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Comarch S.A.

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Investors | COMARCH SA

COMARCH



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

Krakow, the 29th of February, 2024

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



PLN 1,312 million
of sales revenue



PLN 92 million
of net profit



> PLN1.6 billion
capitalization of Comarch S.A. on WSE
(31st of December, 2023)



7.0%
net profitability



5,100+
professionals employed

The Condensed Quarterly Financial Statements of Comarch S.A. for the Fourth Quarter of 2023

I. Balance Sheet

ASSETS	31 December 2023	30 September 2023	31 December 2022
I. NON-CURRENT ASSETS	835,203	878,818	854,553
1. Intangible assets	35,794	42,438	49,668
2. Property plant and equipment	306,908	311,200	331,707
3. Non-current investments	484,691	516,792	462,601
3.1 Non-current financial assets	468,127	499,967	445,015
a) in related parties	460,677	489,246	437,203
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	7,450	10,721	7,812
3.2 Real estates	16,521	16,782	17,543
3.3 Other non-current investment	43	43	43
4. Non-current prepayments	7,810	8,388	10,577
4.1 Deferred income tax assets	4,346	4,540	4,731
4.2 Other accruals	3,464	3,848	5,846
II. CURRENT ASSETS	916,772	844,012	802,238
1. Inventories	79,857	97,357	71,595
2. Current receivables	603,414	542,480	519,297
2.1 from related parties	392,717	396,012	352,130
2.2 from other entities in which the Company holds equity interests	-	-	-
2.3 from other entities	210,697	146,468	167,167
3. Current investments	163,898	98,350	126,137
3.1 Current financial assets	163,898	98,350	126,137
a) in related parties	1,158	1,000	1,220
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	27,152	8,123	2,357
- interest and shares	-	-	-
- granted Loans	96	114	3
- other securities	62	61	28
- other current financial assets	26,994	7,948	2,326
d) cash and cash equivalents	135,588	89,227	122,560
4. Short-term prepayments	69,603	105,825	85,209
TOTAL ASSETS	1,751,975	1,722,830	1,656,791

LIABILITIES	31 December 2023	30 September 2023	31 December 2022
I. EQUITY	1,112,157	1,156,504	1,054,059
1. Share capital	8,133	8,133	8,133
2. Supplementary capital	899,374	899,374	864,501
3. Revaluation reserve	111,793	116,984	113,274
4. Other reserve capitals	745	745	745
5. Previous years' profit (loss)	-	-	-
6. Net profit (loss)	92,112	131,268	67,406
II. LIABILITIES AND PROVISIONS FOR LIABILITIES	639,818	566,326	602,732
1. Provisions for liabilities	212,084	149,653	206,183
1.1 Provision for deferred income tax	33,005	31,736	28,060
1.2 Other provisions	179,079	117,917	178,123
a) current	175,825	114,713	175,453
b) non-current	3,254	3,204	2,670
2. Non-current liabilities	104,192	113,075	117,307
2.1 to related parties	29,696	25,954	7,008
2.2 to other entities in which the Company holds equity interests	-	-	-
2.3 to other entities	74,496	87,121	110,299
3. Current liabilities	258,503	241,102	207,292
3.1 to related parties	71,567	58,005	29,986
3.2 to other entities in which the Company holds equity interests	350	350	350
3.3 to other entities	184,425	179,663	175,517
3.4 special funds	2,161	3,084	1,439
4. Accruals	65,039	62,496	71,950
4.1 Other accruals	65,039	62,496	71,950
a) current	65,039	62,496	71,950
TOTAL LIABILITIES	1,751,975	1,722,830	1,656,791

Book value	1,112,157	1,156,504	1,054,059
Number of shares	8,133,349	8,133,349	8,133,349
Book value per single share (PLN)	136.74	142.19	129.60
Diluted number of shares	8,133,349	8,133,349	8,133,349
Diluted book value per single share (PLN)	136.74	142.19	129.60

II. Income Statement

For the period 01.01 – 31.12.2023 and 01.01 – 31.12.2022	Q4 2023*	12 months of 2023	Q4 2022*	12 months of 2022
I. Net revenue from sales of products goods and materials	401,206	1,312,026	377,061	1,210,626
revenue from related parties	155,682	461,592	169,212	475,311
1. Net revenue from sales of products	372,512	1,240,487	360,973	1,166,805
2. Net revenue from sales of goods and materials	28,694	71,539	16,088	43,821
II. Costs of products goods and materials sold to related parties	310,888	1,047,205	311,554	987,361
1. Manufacturing cost of products sold	16,647	53,355	12,023	46,987
2. Value of products goods and materials sold	285,661	985,978	298,092	950,916
III. . Gross profit (loss) on sales	90,318	264,821	65,507	223,265
IV. Costs of sales	44,946	103,202	44,947	102,359
V. General and administrative expenses	37,056	94,375	26,555	82,896
VI. Profit (loss) on sales	8,316	67,244	(5,995)	38,010
VII. Other operating revenue	8,367	23,177	976	3,597
1. Profit on disposal of non-financial non-current assets	-	-	363	1,192
2. Other operating revenue	8,367	23,177	613	2,405
VIII. Other operating costs	12,701	22,871	5,859	31,349
1. Loss on disposal of non-financial non-current assets	1,420	8,468	-	-
2. Cost of works financed in part with subsidies	-	-	35	583
3. Revaluation of non-financial assets	2,014	2,014	-	-
4. Other operating costs	9,267	12,389	5,824	30,766
IX. Profit (loss) on operating activities	3,982	67,550	(10,878)	10,258
X. Financial revenue	21,623	109,475	(8,628)	115,099
1. Interest	913	5,715	716	2,841
from related parties	480	3,027	600	1,542
2. Dividends and share in profits	-	62,372	-	88,013
from related parties	-	62,372	-	88,013
3. Profit on disposal of investment	4,276	9,695	-	-
4. Revaluation of financial assets	-	-	-	-
5. Other	16,434	31,693	(9,344)	24,245
XI. Finance costs	57,142	65,204	4,454	39,706
1. Interest	1,384	5,428	622	2,578
from related parties	438	1,798	207	1,034
2. Loss on disposal of investment	-	-	2,259	11,548
3. Revaluation of investments	27,658	27,658	24,398	24,874
4. Other	28,100	32,118	(22,825)	706
XII. . Profit (loss) on business activities	(31,537)	111,821	(23,960)	85,651
XIII. Gross profit (loss)	(31,537)	111,821	(23,960)	85,651
XIV. Income tax	7,619	19,709	7,563	18,245
XV. Net profit (loss)	(39,156)	92,112	(31,523)	67,406

Net profit (loss) (annualised)	92,112	67,406
Weighted average number of shares 01.01.2023 – 31.12.2023	8,133,349	8,133,349
Earnings (losses) per single share (PLN)	11,33	8,29
Diluted weighted average number of shares 01.01.2023 – 31.12.2023	8,133,349	8,133,349
Diluted earnings (losses) per single share (PLN)	11,33	8,29

*) Data for the fourth quarter of 2023 (2022) were calculated by subtraction of the data for the twelve-month period 2023 (2022) the data disclosed by the Comarch Group in the report for the first nine months of 2023(2022)

III. Changes in Equity

	Q4 2023	12 months of 2023	Q4 2022	12 months of 2022
I. EQUITY AT THE BEGINNING OF THE PERIOD (BO)	1,156,504	1,054,059	1,075,026	1,018,093
a) changes in adopted accounting principles (policy)	-	-	-	-
I.an Equity at the beginning of the period (BO), after reconciliation to comparable data	1,156,504	1,054,059	1,075,026	1,018,093
1. Opening balance of share capital	8,133	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	8,133
2. Opening balance of supplementary capital	899,374	864,501	864,501	818,985
2.1 Changes in supplementary capital	-	34,873	-	45,516
a) increases (due to)	-	34,873	-	45,516
- profit-sharing for the previous years	-	34,873	-	45,516
2.2 Closing balance of supplementary capital	899,374	899,374	864,501	864,501
3. Opening balance of revaluation reserve	116,984	113,274	102,718	112,182
3.1 Changes in revaluation reserve	(5,191)	(1,481)	10,556	1092
a) increases (due to)	(4,234)	347	(869)	1351
- provision for deferred income tax due to certificates valuation	347	347	(2,220)	-
- balance sheet valuation of investment certificates	(4,581)	-	1,351	1351
b) decreases (due to)	957	1,828	(11,425)	259
- balance sheet valuation of investment certificates	1,828	1,828	(11,684)	-
- provision for deferred income tax due to certificates valuation	(871)	-	259	259
3.2 Closing balance of revaluation reserve	111,793	111,793	113,274	113,274
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	745
5.1 Closing balance of other reserve capitals	745	745	745	745

6. Opening balance of previous years' profit	-	67,406	-	78,048
a) changes in adopted accounting principles (policy)	-	-	-	-
6.1 Profit from previous years at the beginning of the period, after reconciliation to comparable data	-	67,406	-	78,048
a) decreases (due to)	-	67,406	-	78,048
- transferring the result from the previous years to supplementary capital	-	34,873	-	45,516
- payment of dividend	-	32,533	-	32,532
6.2 Closing balance of previous years' profit	-	-	-	-
7. Result for third za III quarters (opening balance)	131,268	-	98,929	-
7.1 Net result for the period	(39,156)	92,112	(31,523)	67,406
7.2. Net result	92,112	92,112	67,406	67,406

II. CLOSING BALANCE OF EQUITY (BZ) **1,112,157 1,112,157 1,054,059 1,054,059**

III. EQUITY INCLUDING PROPOSED PROFIT-SHARING (LOSS COVERAGE) **1,112,157 1,112,157 1,054,059 1,054,059**

IV. Cash Flow Statement

For the period 01.01 – 31.12.2023 and 01.01 – 31.12.2022	Q4 2023	12 months 2023	Q4 2022	12 months 2022
A. CASH FLOWS FROM OPERATING ACTIVITIES				
I. Net profit (loss)	(39,156)	92,112	(31,523)	67,406
II. Total adjustments	128,326	(30,230)	114,447	(19,911)
1. Depreciation	14,405	56,197	13,865	52,589
2. Exchange gains (losses)	(1,375)	(55)	362	7
3. Interest and profit sharing (dividends)	638,	(61,456)	34	(87,585)
4. (Profit) loss on investing activities	9,175	(4,944)	18,788	20,566
5. Change in provisions	58,484	1,084	47,810	36,719
6. Change in inventories	17,500	(8,262)	29,729	(7,487)
7. Change in receivables	(40,525)	(74,657)	(19,409)	(69,816)
8. Change in current liabilities excluding credits and loans	25,516	45,236	(18,293)	21,694
9. Change in prepayments and accruals	44,508	16,627	41,561	13,402
10. Change in deferred income	-	-	-	-
11. Other adjustments	-	-	-	-
III. Net cash used in operating activities (I+/-II) – indirect method	89,170	61,882	82,924	47,495

B. CASH FLOWS FROM INVESTING ACTIVITIES

I. Inflows	11,556	101,145	3,019	180,085
1. Disposal of property plant and equipment and intangible assets	926	1,669	1,256	1,914
2. From financial assets including:	10,630	99,476	1,763	178,171
a) in related parties	6,355	89,781	1,763	105,104
- repaid loans	6,057	24,370	1,361	15,962
- repaid interest on loans	298	3,039	(727)	-

- received loans	-	-	-	-
- received interest	-	-	1129	1,129
- dividends and profit shares	-	62,372	-	88,013
b) in other entities	4,275	9,695	-	73,067
- interest	-	-	-	-
- dividends and share in profits	-	-	-	-
- other proceeds from financial assets	4,275	9,695	-	73,067
3. Other investment proceeds	-	-	-	-
II. Outflows	(45,691)	(91,675)	(39,729)	(176,166)
1. Purchase of property plant and equipment and intangible assets	(10,400)	(29,332)	(5,094)	(101,216)
2. Expenses for investment in real estates	-	(18)	-	(46)
3. For financial assets including:	(35,291)	(62,325)	(34,635)	(74,904)
a) in related parties	(14,084)	(41,118)	(33,492)	(63,356)
- purchase of financial assets	(10,309)	(27,599)	(32,690)	(53,013)
- granted loans	(3,775)	(13,519)	(802)	(10,343)
- repayment of loans from related parties	-	-	-	-
- repayment of interest on loans	-	-	-	-
b) in other entities	(21,207)	(21,207)	(1,143)	(11,548)
- other expenses related to financial assets	(21,207)	(21,207)	(1,143)	(11,548)
4. . Other investment expenses	-	-	-	-
III. Net cash used in investing activities (I-II)	(34,135)	9,470	(36,710)	3,919

C. CASH FLOWS FROM FINANCING ACTIVITIES

I. Inflows	22	47,302	46,915	85,035
1. Credits and loans	21	47,290	46,821	84,623
2. Net proceeds from issuance of shares (issue of shares) and other equity instruments and capital contributions	-	-	-	-
3. Loans repaid	12	12	-	-
4. Interest received on loan repayments	(11)	-	-	-
5. Other financial proceeds (received subsidies)	-	-	94	412
II. Outflows	(10,069)	(105,738)	(11,278)	(77,582)
1. Purchase of own shares (shares) + additional capital contributions	-	-	-	-
2. Dividends and other payments to owners	-	(32,533)	-	(32,532)
3. Repayment of loans and credits	(9,132)	(69,038)	(10,842)	(43,445)
4. Interests	(937)	(3,967)	(436)	(1,557)
5. Granted loans	-	(200)	-	(48)
6. Other financial expenses	-	-	-	-
III. Net cash (used in)/generated from financing activities (I-II) (I-II)	(10,047)	(58,436)	35,637	7,453
D. NET CASH FLOW TOTAL (A.III+/-B.III+/-C.III)	44,988	12,916	81,851	58,867
E. BALANCE SHEET CHANGE IN CASH AND CASH EQUIVALENTS	46,363	12,971	81,488	58,838
including change in cash due to exchange rate differences	1,375	55	(363)	(29)

F. CASH AND CASH EQUIVALENTS OPENING BALANCE	89,146	122,538	41,050	63,700
G. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS (F+/-E)	135,509	135,509	122,538	122,538
including those with limited disposability	4,386	7,279	3162	3,162

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. 2023 pos. 120 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 2023 No. 120 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 12 months of 2023 is prepared according to IFRS, financial result would amount to PLN 93,938 thousand.

Profit according to the Act on Accounting	92,112
Depreciation of perpetual usufruct	(93)
Asset due to activity in the SSE (Special Economic Zone)	(1,724)
Application of IFRS 15	(35)
Application of IFRS 16	3,678
Application of IFRS 9	-
Profit according to IFRS	93,938

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 December 2023 r Comarch S.A. created write-offs that revaluated goods and materials in the amount of PLN 237 thousand and created write-offs revaluating the value of finished products and production materials in the amount of PLN 1,797 thousand. The company reversed impairment losses on goods and materials in the amount of PLN 20,000 created in previous years. The company created impairment losses on intangible assets in the amount of PLN 2,172 thousand and write-offs revaluating investments related to acquired copyrights from Comarch Healthcare S.A. for the amount of PLN 7,447 thousand.

No hedges were made on inventories owned by the Company.

As at the 31st of the December, 2023, Comarch SA has bank loans and advances secured on real estate owned by Comarch SA up to the amount of PLN 262,454 thousand (mortgages in favour of: BNP Paribas Bank Polska S.A. - SSE4 building, Pekao S.A. - SSE6 building (loan fully repaid in 2023, mortgage in the process of being released), Bank Handlowy w Warszawie S.A. - SSE7 building).

As at the 31st of December, 2023, in connection with the payment of trade receivables and loans, Comarch S.A. dissolved previously created revaluation write-offs in the amount of PLN 23,749 thousand and impairment losses were created for doubtful receivables in the amount of PLN 1,684 thousand. Due to the fact that the Company conducts both general and exempted taxable activities, temporary differences in taxable income may be realized under both of these activities. At the same time, the final determination under which of the activities (taxed or tax-exempt) the temporary differences will be realized is made on the basis of the annual income tax settlement after the end of the fiscal year. As at 31st of December, 2023, an asset for income tax temporary differences was created in the amount PLN 314 thousand and an asset for income tax temporary differences was released in the amount PLN 699 thousand, a provision was also created for deferred tax on temporary differences in the amount of PLN 6,022 thousand, and the provision for the same title was released in the amount of PLN 730 thousand. The total impact of the above operations on the result as at the 31st of December, 2023, amounted to minus PLN 5,677 thousand.

There was also an increase in deferred tax liability related to the valuation of investment certificates held in CCF FIZ in the amount of PLN 347 thousand. This provision, as well as the valuation of the certificates, is settled with the revaluation reserve.

As at the 31st of December, 2023, Comarch S.A. created write-offs for impairment of shares in subsidiaries for the amount of PLN 27,658 thousand.

3. Selected Notes to the Condensed Financial Statements

3.1. Non-Current Financial Assets

	31 December 2023	30 September 2023	31 December 2022
a) in subsidiaries and correlated parties	460,677	489,246	437,203
- interest or shares	284,733	304,355	260,502
- loans granted	10,370	12,908	9,299
- other securities	165,574	171,983	167,402
- 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	7,450	10,721	7,812
- loans granted	40	40	52
- other non-current financial assets (types)	7,410	10,681	7,760
• forwards and IRS	7,410	10,681	7,760
Total non-current financial assets	468,127	499,967	445,015

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

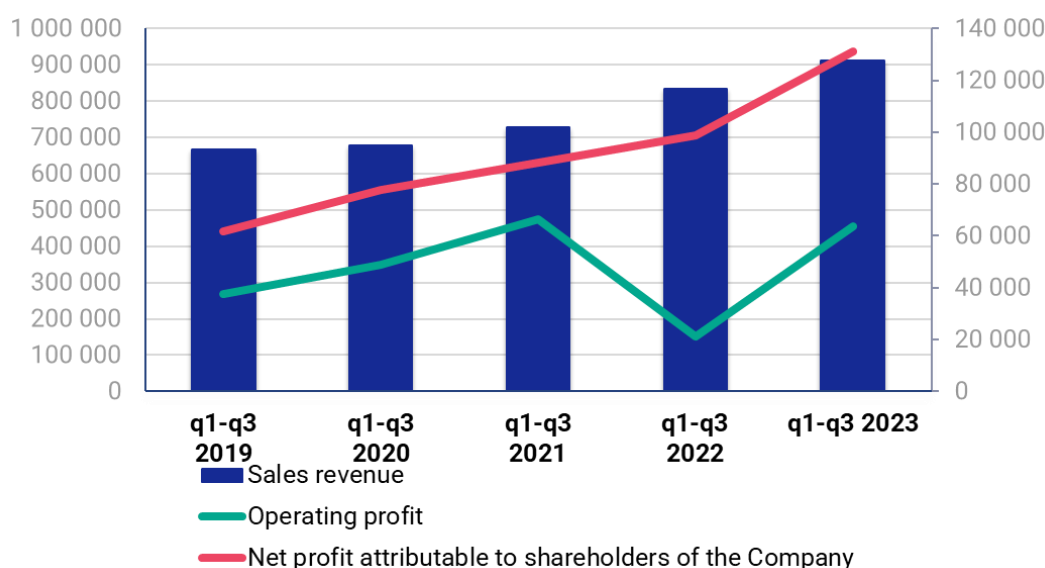
	Q4 2023	12 months 2023	Q4 2022	12 months 2022
a) Opening balance	499,967	445,015	419,643	420,376
- interests or shares	304,355	260,502	252,701	232,059
- loans granted	12,948	9,351	9,786	21,961
- other securities	171,983	167,402	154,369	166,051
- other non-current assets (forward contracts)	10,681	7,760	2,787	305
- others	-	-	-	-
b) increases (due to)	5,729	79,078	38,745	81,737
- purchases of shares in subsidiaries	10,056	52,922	32,690	53,013
- balance sheet valuation of shares	(1,016)	-	(491)	304
- valuation of participation units in CCF FIZ	(4,581)	-	1,349	1,351
- acquisition of certificates in CCC FIZ	-	-	0	-
- loans granted to subsidiaries	3,774	13,519	803	9,893
- reversal of revaluation write-off for long-term loans	417	2,137	-	-
- balance sheet valuation of loans in subsidiaries	-	-	(581)	288
- granted loans to other entities	-	-	-	48
- 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	-	10,500	-	9,383

- valuation of forward contracts (forward contracts and IRS)	(2,921)	-	4,975	7,457
c) decreases (due to)	37,569	55,966	13,373	57,098
revaluation of shares	-	-	-	-
- balance sheet valuation of shares	1,004	1,033	-	-
- revaluation write-off for impairment of shares	27,658	27,658	24,398	24,874
- valuation of participation units in CCF FIZ	1,828	1,828	(11,684)	-
- repayment of loans by related parties	6,045	24,370	981	15,431
- repayment of loans by other units	12	12	-	-
change of the nature of loans to current loans from related parties	-	-	-	-
- creating revaluation write-offs on loans to related parties	-	-	(324)	7,408
- repayment of interest on subsidiaries' loans	-	-	-	-
- balance sheet valuation of loans and adjusted interest on loans	672	715	-	-
- writing-off a loan repaid by related parties	-	-	-	9,383
- valuation of derivative instruments	-	-	-	-
- valuation of forward contracts and IRS	350	350	2	2
d) Closing balance	468,127	468,127	445,015	445,015

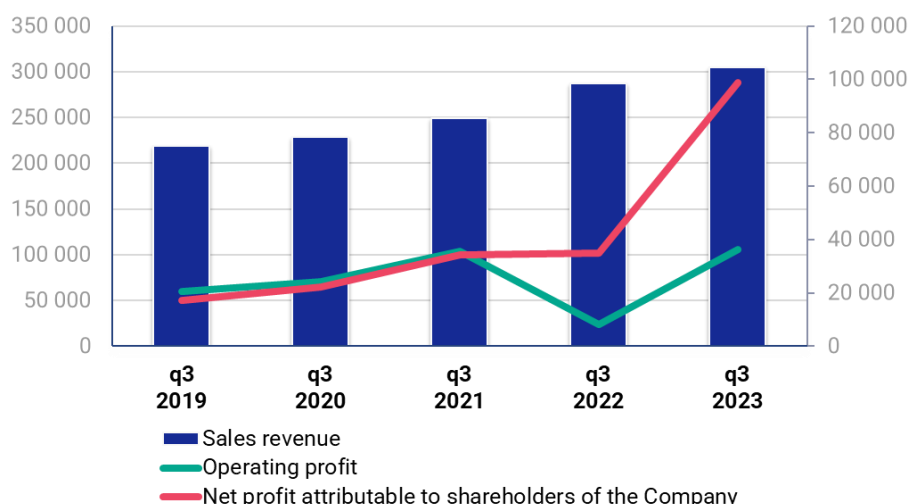
3.3. Current Financial Assets

	31 December 2023	30 September 2023	31 December 2022
a) in related parties	1,158	1,000	1,220
- loans granted	321	321	321
- other financial assets	837	679	899
b) in other entities in which the Company holds equity interests	-	-	-
- loans granted	-	-	-
- other financial assets	-	-	-
c) in other entities	27,152	8,123	2,357
- interest or shares	-	-	-
- loans granted	96	114	3
- other securities	62	61	28
- other current financial assets	26,994	7,948	2,326
• forward and IRS contracts	26,994	7,948	2,326
d) cash and cash equivalents	135,588	89,227	122,560
- cash in hand and at banks	135,509	89,146	122,538
- other cash assets	79	81	22
Total Current financial assets	168,898	98,350	126,137

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



During the fourth quarters of 2023, Comarch S.A. achieved sales revenue that were 8.4% higher (i.e. by PLN 101,400 thousand) than in the same period of the last year (PLN 1,312,026 thousand versus PLN 1,210,626 thousand). Net revenue from product sales accounted for 94.5% of the Company's total sales, and recorded an increase of PLN 73,682 thousand (i.e. of 6.3%). The Company's operating profit in the fourth quarters of 2023 amounted to PLN 67,550 thousand, and net profit to PLN 92,112 thousand. EBIT margin was 5.1%, and net margin was 7.0%.



In the fourth quarter of 2023, Comarch S.A. achieved PLN 401,206 thousand in sales, an increase of PLN 24,145 thousand, i.e. 6.4% compared to the same period in 2022. Net revenue from product sales accounted for 92.8% of the Company's total sales and increased by PLN 11,539 thousand (PLN 372,512 thousand vs. PLN 360,973 thousand). The Company's operating profit in the fourth quarter of 2023 was PLN 3,982 thousand and net profit was PLN -39,156 thousand.

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 exchange rate differences and the balance sheet valuation of exchange rate differences on receivables and liabilities as of the 31st of the December, 2023, decreased the revenue and result of Comarch S.A. by PLN 36,426 thousand (while in the corresponding period of 2022 they increased them by PLN 8,489 thousand) while exchange rate differences from other titles increased the result of Comarch S.A. by PLN 5,516 thousand (while in the corresponding period of 2022 they decreased it by PLN 292,000 thousand). However, the valuation of financial instruments and completed transactions (mainly forward contracts) together with the provision for deferred tax on their valuation increased the net result of Comarch S.A. by PLN 35,366 thousand (while in the corresponding period of 2022 they increased it by PLN 3,957 thousand). The total impact of exchange rate differences and the valuation and implementation of derivative instruments on the net result of Comarch S.A. for the period of four quarters of 2023 amounted to PLN +4,456 thousand (plus PLN 12,154 thousand during the four quarters of 2022).

As at the 31st of the December, 2023, Comarch S.A. created impairment losses on shares in subsidiaries in the amount of PLN 27,658 thousand. After receiving the repayment of part of the loans from related entities, the Company reversed the impairment losses on the loans in the amount of PLN 12,515 thousand. Write-offs for trade receivables in the amount of PLN 11,234 thousand were also reversed and write-offs were created in the amount of PLN 1,684 thousand.

In addition to the above, financial income in the 12 months of 2023 increased due to dividends from subsidiaries in the amount of PLN 62,372 thousand (in the corresponding period of the previous year, financial revenue increased by PLN 88,013 thousand).

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

Distribution of sales revenue achieved by Comarch S.A. over the course of 2023 was as follows: 24% of annual sales were realized in the first quarter, 22% in the second quarter, 23% in the third quarter and 31% in the fourth quarter.

Over 2024, the Company expects the distribution of sales revenue similar to that of 2023.

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

As at the 31st of December, 2023, Comarch S.A. created write-offs for the value of goods and materials in the amount of PLN 237 thousand and created write-offs on the value of finished products and production materials in the amount of PLN 1,797 thousand. The Company dissolved revaluation write-offs for goods and materials created in the previous years in the amount of PLN 20 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:	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 January 2022	171,130	20	-	33,142	204,292
Balance at 1 January 2023	171,130	20	-	33,142	204,292
Change:	27,658	7,431	2,172	(10,570)	26,691
- creation write-offs	27,658	7,451	2,172	2,356	39,637
- dissolution write-offs	-	(20)	-	(12,926)	(12,946)
Balance at 31 January 2023	198,788	7,451	2,172	22,572	230,983

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 premiums	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:	(1,190)	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:	(290)	(1,377)	584	1,455	584	956

- creation reserve	9,378	191	24,131	129,137	871	163,708
- dissolution reserve	(9,668)	(1,568)	(23,547)	(127,682)	(287)	(162,752)
Balance at 31 December 2023	13,404	2,940	40,185	119,296	3,254	179,079
Current	13,404	2,940	40,185	119,296	-	175,825
Non-current	-	-	-	-	3,254	3,254

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
Balance at 1 January 2022	7,414	27,203
Creation in Q1-Q4 2022	163	901
Dissolution in Q1-Q4 2022	(2,846)	(44)
Balance at 31 December 2022	4,731	28,060
Balance at 1 January 2023	4,731	28,060
Creation in Q1-Q4 2023	314	6,022
Dissolution in Q1-Q4 2023	(699)	(1,077)
Balance at 31 December 2023	4,346	33,005

11. Information about Significant Transactions of Purchase and Sales of Property, Plant and Equipment, Intangible Assets and Non-current Financial Assets

In reporting period Comarch S.A. purchased computer hardware and means of transport valued at PLN 23,149 thousand. Also acquired intangible assets for the amount of PLN 3,615 thousand and copyrights to medical systems previously acquired from the subsidiary were accepted for use in the amount of PLN 5,329 thousand.

In reporting period Comarch S.A., revenue from sales of property, plant and equipment amounted to PLN 1,844 thousand.

In the 2023, shares in related entities were acquired in the amount of PLN 52,922 thousand, whereas the liability for the purchased shares as at the 31st of December, 2023, amounts to PLN 28,207 thousand.

In the fourth quarter of 2023, the Company made a payment to the Krakow Municipality for shares of MKS Cracovia SSA in the amount of PLN 21,206 thousand, which had been purchased on the basis of the contract signed on the 1st of December, 2023. On the 1st of February, 2024, in the Register of Shareholders of Miejski Klub Sportowy "Cracovia" S.A. the Krakow Municipality was deleted as the shareholder entitled to 73,480 non-preference registered shares, including 68,480 series A shares with numbers from 1 to 68,480 and 5,000 series B shares with numbers from 1 to 5,000, and at the same time the company Comarch S.A. was entered as a

shareholder of the above shares. Due to the above, 99.75% of the shares of Municipal Sports Club "Cracovia" S.A. are currently owned by Comarch S.A.

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

As at the 31st of December, 2023, Comarch S.A. has liabilities due to purchase of computer hardware in the amount of PLN 1,120 thousand and other liabilities due to purchase of intangible assets in the amount of PLN 358 thousand.

Comarch S.A. has a liability in the amount of PLN 24,705 thousand to a subsidiary of Comarch AG (until the 4th of October, 2023, operating as Comarch Software und Beratung AG) for the repurchase of shares in Comarch Healthcare S.A. This liability is to be settled within one year from the date of acquisition, i.e. by the 30th of June, 2024. Comarch S.A. also has a liability in the amount of PLN 3,502 thousand for partially unpaid capital in Comarch Pointshub, Inc.

13. Information about Significant Settlements in Reference to Court Proceedings

None present.

14. Correction 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 Recognised 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 Individually or in Total are Significant and 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

On the 29th of May, 2023, the Supervisory Board of Comarch S.A., by resolution No. 9/05/2023 of the 29th of May, 2023, gave a positive opinion on the recommendation of the Management Board of Comarch S.A. of the 29th of May, 2023 regarding the distribution of net profit generated by the Company in the financial year from the 1st of January, 2022 to the 31st of December, 2022. The Company informed about the details in the current report nr [RB-4-2023](#) (ENG [RB-4-2023](#)) of the 29th of May, 2023.

On the 28th of June, 2023, the Ordinary General Shareholder's Meeting passed the resolution No. 9, related to distribution of net profit for the financial year from the 1st of January, 2022 to the 31st of December, 2022. The General Shareholder's Meeting decided that the net profit generated in the financial year from the 1st of January, 2022 to the 31st of December, 2022 in the amount of PLN 67,405,747.85 (in words: sixty-seven million, four hundred and five thousand, seven hundred and forty-seven zlotys 85/100) was divided as follows:

- 1) part of the net profit in the amount of PLN 32,533,396.00 will be allocated to the payment of dividend. The dividend in the amount of PLN 4.00 per share will be paid to persons who are shareholders of the Company on the 10th of July, 2023 (dividend day);
- 2) the remaining part of the net profit in the amount of PLN 34,872,351.85 will be transferred to supplementary capital.

The dividend was paid on the 19th of July, 2023.

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 December, 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 65,328 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 20,337 thousand including PLN 865 thousand which is covered by provisions presented in the balance sheet at the 31st of December, 2023. In a period of four quarters of 2023, Comarch S.A. created new provisions

for claims covered by legal proceedings in the amount of PLN 191,000 and resolved related provisions in the amount of PLN 875 thousand.

The Comarch S.A. is a party to the matters in disputes, but not legal proceedings in which the potential total amount of third-party claims is PLN 2,079 thousand including PLN 2,079 thousand which is covered by provisions presented in the balance sheet at the 31st of December, 2023. During the four quarters of 2023, Comarch S.A. did not create new provisions for matter in disputes and not covered by legal proceedings, but resolved provisions in this respect for the amount of PLN 693 thousand.

Due to the legal proceedings, in the 12 months of 2023 the Comarch S.A. did not created write-offs that revalue receivables in connection with ongoing legal proceedings.

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

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

In reference to the recommendations of the Polish Financial Supervision Authority dated the 25th of February, 2022, the Management Board of Comarch S.A. informs that they monitor the impact of the political and economic situation in Ukraine and Russia on the Company's operations on an ongoing basis. The Management Board of the Company informs that as at the date of publication of this report, the operating activities of the Company are conducted without disruptions, and in Russia, the Company currently does not conduct any operational activities. The effects of the Russian invasion of Ukraine do not have a significant negative impact on the economic situation of Comarch S.A. Activity of Comarch S.A. is very well diversified geographically and in terms of products, the company conducts projects in over 40 countries on 6 continents. Sales to customers from Ukraine and Russia accounted for 0.5% of the Company's total revenue in 2022.

24.2. The Agreement for the Purchase of MKS Cracovia SSA shares by Comarch S.A

Management Board of Comarch S.A. informed - in the current report nr [RB-17-2023](#) (ENG [RB-17-2023](#)) - about the signing on the 1st of December, 2023, the agreement for purchase by Comarch S.A. of a block of shares of the Miejski Klub Sportowy Cracovia Sportowa Spółka Akcyjna with its registered office in Krakow (30-111), Jozefa Kaluzy 1 Street ("MKS Cracovia SSA"). As part of the transaction, Comarch S.A. acquired from Krakow Municipality 73,480 (in words: seventy-three thousand four hundred and eighty) ordinary registered shares of MKS Cracovia SSA series A and B with a nominal value of PLN 100 each (hereinafter referred to as the "Share package"). The price for the Share Package was PLN 21,206,328, and the price for one share was PLN 288.60. As a result of concluding the above-mentioned transaction, Comarch S.A. became the owner of 217,861 (in words: two hundred and seventeen thousand, eight hundred and sixty-one) ordinary registered shares of MKS Cracovia SSA series A, B, C, D, E, F and G with a nominal value of PLN 100 each, i.e. with a total nominal value of PLN 21,786,100, constituting 99.75% of the share capital of MKS Cracovia SSA. Pursuant to Art. 3289 § 1 of the Commercial Companies and Partnerships Code, the acquisition of shares took place upon entry in the Register of Shareholders on the 1st of February, 2024.

the 29th of February, 2024

SIGNATURES OF MANAGEMENT BOARD MEMBERS

Name and surname	Position/Function	Signature
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Anna Pruska

President of the Management Board

Michał Pruski

Vice-President of the Management Board

Konrad Tarański

Vice-President of the Management Board

Wojciech Pawluś

Vice-President of the Management Board

Arkadiusz Iłgowski

Vice-President of the Management Board

Name and surname	Position/Function	Signature
Marcin Kaleta	Vice-President of the Management Board	
Tomasz Matysik	Vice-President of the Management Board	
Andrzej Przewięźlikowski	Vice-President of the Management Board	
Marcin Romanowski	Vice-President of the Management Board	
Zbigniew Rymarczyk	Vice-President of the Management Board	

Name and surname	Position/Function	Signature
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Marcin Warwas

Vice-President of the
Management Board

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS

Name and surname	Position/Function	Signature
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Maria Smolińska

Head Accountant

Comarch S.A.

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