

for the Nine Months Ended 30 September 2022



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Selected financial data of Asseco Business Solutions S.A.

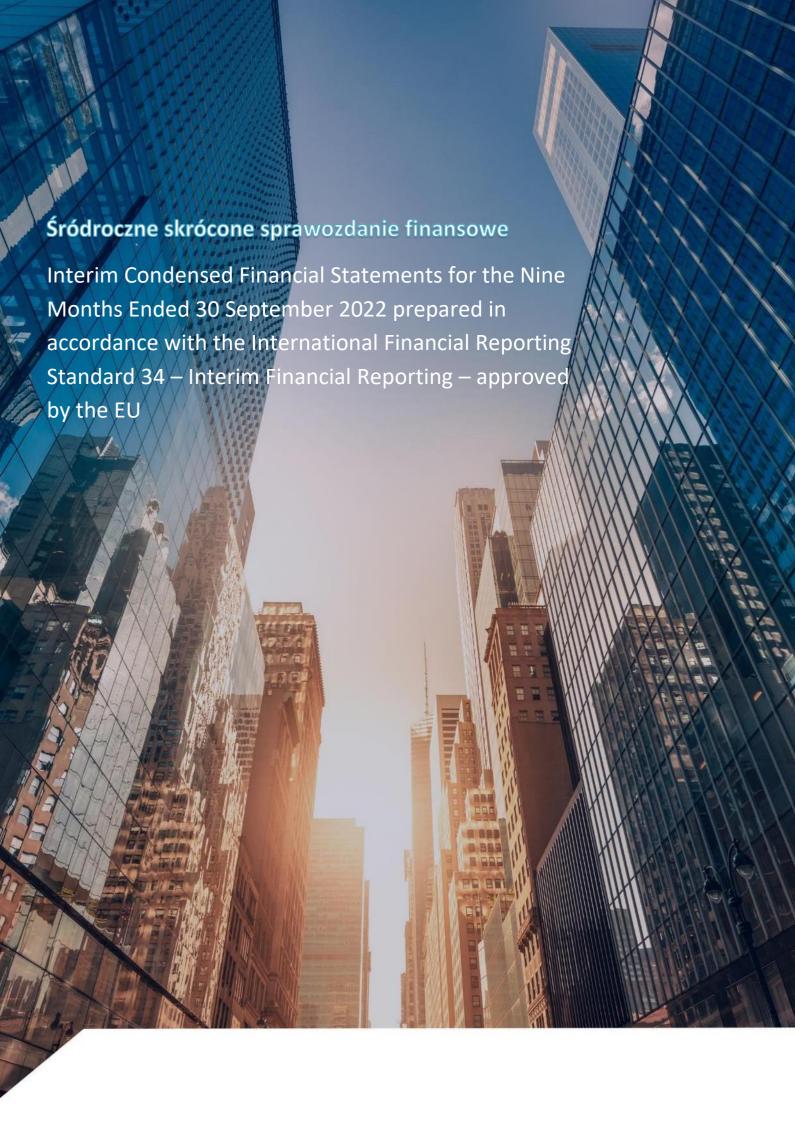
The following table contains selected financial data of Asseco Business Solutions S.A.

	9 months to 30 September 2022	9 months to 30 September 2021	9 months to 30 September 2022	9 months to 30 September 2021
	PLN thou.	PLN thou.	EUR thou.	EUR thou.
Operating income	237,896	217,531	50,746	47,720
Operating profit	66,991	63,302	14,290	13,887
Profit before tax	65,735	62,545	14,022	13,721
Net profit for reporting period	56,114	51,711	11,970	11,344
Net cash from operating activities	83,660	63,774	17,846	13,990
Net cash generated (used) in investing activities	(24,423)	22,704	(5,210)	4,981
Net cash from financing activities	(82,802)	(74,756)	(17,663)	(16,399)
Cash and cash equivalents at end of period (comparable period: 31/12/2021)	19,267	42,832	3,956	9,313
Net income per ordinary share (in PLN/EUR)	1.68	1.55	0.36	0.34

Selected financial data presented in these interim condensed financial statements has been converted into the EURO as follows:

- the Company's carrying balance of cash at the end of the current reporting period and in the previous reporting period is translated at the average exchange rate announced by the National Bank of Poland. These rates were, respectively:
 - o On 30 September 2022, 1 EUR = 4.8698 PLN.
 - o On 31 December 2021, 1 EUR = 4.5994 PLN.
- items concerning the interim condensed profit and loss account and the interim condensed statements of cash flows are translated at the exchange rate being the arithmetic average of the average exchange rates announced by the National Bank of Poland on the last day of each month of the covered period. These rates were, respectively:
 - o In the period from 1 January to 30 September 2022: EUR 1 = PLN 4,6880.
 - o In the period from 1 January to 30 September 2021: EUR 1 = PLN 4,5585.

All amounts given in the financial statements are expressed in thousands of Polish złotys (PLN), unless stated otherwise.





Interim condensed profit and loss account and interim condensed statement of other comprehensive income of Asseco Business Solutions S.A.

PROFIT AND LOSS ACCOUNT	Notes	3 months to 30 September 2022	9 months to 30 September 2022	3 months to 30 September 2021	9 months to 30 September 2021
		PLN thou.	PLN thou.	PLN thou.	PLN thou.
Operating income	<u>1.1</u>	82,766	237,896	74,727	217,531
Own cost of sales	<u>1.2</u>	(48,271)	(143,872)	(42,568)	(129,099)
Gross profit on sales		34,495	94,024	32,159	88,432
Cost of sales	1.2	(4,103)	(12,135)	(4,133)	(11,413)
Administrative expenses	<u>1.2</u>	(5,400)	(15,366)	(5,040)	(14,061)
Net profit on sales		24,992	66,523	22,986	62,958
Other operating income		533	1,070	145	470
Other operating expenses		(74)	(602)	(42)	(126)
Operating profit		25,451	66,991	23,089	63,302
Financial income	<u>1.3</u>	-	476	(520)	115
Financial expenses	<u>1.3</u>	(766)	(1,732)	(352)	(872)
Profit before tax		24,685	65,735	22,217	62,545
Tax on profit or loss	<u>1.4</u>	(3,357)	(9,621)	(3,466)	(10,834)
Net profit		21,328	56,114	18,751	51,711
Net income per ordinary share (in PLN):					
basic from net profit	<u>1.5</u>	0.64	1.68	0.56	1.55
diluted from net profit	<u>1.5</u>	0.64	1.68	0.56	1.55
TOTAL INCOME:		3 months to 30 September 2022 PLN thou.	9 months to 30 September 2022 PLN thou.	3 months to 30 September 2021 PLN thou.	9 months to 30 September 2021 PLN thou.
Net profit		21,328	56,114	18,751	51,711
Item that may be subject to reclassification to profit and loss account		-	-	-	-
Items not subject to reclassification to profit and loss account		776	776	-	-
TOTAL INCOME FOR PERIOD		22,104	56,890	18,751	51,711



Interim condensed balance sheet of

Asseco Business Solutions S.A.

ASSETS	Notes	30 September 2022 PLN thou.	31 December 2021 PLN thou.
Non-current assets			
Property, plant and equipment	<u>2.1</u>	32,795	22,287
Intangible property	<u>2.2</u>	284,317	280,162
including goodwill from merger	<u>2.2</u>	252,879	252,879
Right-of-use assets	2.3	49,235	60,637
Assets from contracts with customers and long-term receivables	<u>2.7</u>	161	223
Deferred tax assets		3,106	2,647
Prepaid expenses and accrued income	<u>2.6</u>	142	30
		369,756	365,986
Current assets			
Inventories	<u>2.4</u>	290	409
Trade receivables	<u>2.7</u>	49,178	44,534
Assets from contracts with customers	<u>2.7</u>	2,225	804
Other receivables	<u>2.7</u>	608	86
Prepaid expenses and accrued income	<u>2.6</u>	1,746	1,242
Other assets	<u>2.5</u>	267	72
Cash and short-term deposits	<u>2.8</u>	19,267	42,832
		73,581	89,979
TOTAL ASSETS		443,337	455,965



Interim condensed balance sheet of

Asseco Business Solutions S.A.

LIABILITIES	Notes	30 September 2022 31	December 202
		PLN thou.	PLN thou
TOTAL EQUITY			
Subscribed capital		167,091	167,09
Premium		62,543	62,54
Retained earnings		102,958	116,85
		332,592	346,49
Long-term liabilities			
Lease liabilities	2.10	43,747	53,59
Provisions	<u>2.12</u>	1,708	2,5
Liabilities from contracts with customers	<u>2.11</u>	5	
		45,460	56,14
Short-term liabilities			
Lease liabilities	<u>2.10</u>	10,468	10,74
Trade liabilities	<u>2.11</u>	5,152	5,72
Liabilities from contracts with customers	<u>2.11</u>	14,990	15,30
Tax liabilities under corporate income tax	<u>2.11</u>	2,640	69
Budgetary commitments and other liabilities	<u>2.11</u>	19,475	12,74
Provisions	2.12	67	į
Accruals and deferred income	<u>2.13</u>	12,493	7,99
		65,285	53,3
TOTAL LIABILITIES		110,745	109,4
TOTAL EQUITY AND LIABILITIES		443,337	455,96



Interim condensed statement of changes in equity of Asseco Business Solutions S.A.

		Share capital	Premium	Retained earnings	Equity total
As at 1 January 2022		167,091	62,543	116,859	346,493
Profit in reporting period		-	-	56,114	56,114
Other comprehensive income		-	-	776	776
Dividend for 2021	<u>5.4</u>	-	-	(70,847)	(70,847)
Other adjustments		-	-	56	56
As at 30 September 2022		167,091	62,543	102,958	332,592
As at 1 January 2021		167,091	62,543	102,318	331,952
Profit in reporting period		-	-	51,711	51,711
Dividend for 2020	<u>5.4</u>	-	-	(66,836)	(66,836)
As at 30 September 2021		167,091	62,543	87,193	316,827



Interim condensed cash flow statement of

Asseco Business Solutions S.A.

	Notes	9 months to 30 September 2022	9 months to 30 September 2021
		PLN thou.	PLN thou.
Cash flow from operating activities			
Profit before tax		65,735	62,545
Adjustments:		26,219	13,074
Amortisation/Depreciation		22,449	20,410
Changes in working capital	<u>3.1</u>	1,839	(8,091)
Interest income/expenses		1,158	811
FX gains/(losses)		1,151	13
Other financial income/expenses		-	10
Investment gain/(loss)		(378)	(79)
Cash generated from operating activities		91,954	75,619
(Income tax paid)		(8,294)	(11,845
Net cash from operating activities		83,660	63,774
Cash flow from investing activities			
Receipts:			
Receipts from the sale of fixed assets and intangible property	<u>3.1</u>	58	142
Bank deposits		-	40,000
Outflows:			
Purchase of fixed assets and intangible property	<u>3.1</u>	(9,438)	(5,621
Expenses related to ongoing development projects	<u>3.1</u>	(15,043)	(11,817
Net cash used in investing activities		(24,423)	22,704
Cash flow from financing activities			
Receipts:			
Receipts from obtained loans		-	934
Outflows:			
Dividend paid		(70,847)	(66,836
Expenses related to loans		-	(934
Repayment of lease liabilities		(10,797)	(7,109
Interest paid		(1,158)	(811
Net cash from financing activities		(82,802)	(74,756
Change in net cash and cash equivalents		(23,565)	11,72
Cash and cash equivalents as at 1 January		42,832	6,614
Cash and cash equivalents as at 30 September	<u>2.8</u>	19,267	18,336



Additional explanation to financial statements

I. Basic information

Basic information about the Company						
Name	Asseco Business Solutions S.A.					
Registered office	ul. Konrada Wallenroda 4c, 20-607 Lublin					
Registration no. KRS:	0000028257					
Business ID REGON:	017293003					
Tax ID NIP:	522-26-12-717					
Basic activity	Information technology					

Asseco Business Solutions S.A. ("the Company," "Issuer," "Asseco BS") was established under a Notarial Deed dated 18 May 2001. The Company was established for an indefinite period of time.

Asseco Business Solutions is part of the international Asseco Poland S.A. Group, a Europe-leading vendor of proprietary software. The Group is a constellation of enterprises engaged in the advancement of information technology and is present in over 60 countries around the world, including most European countries and the USA, Canada, Israel, and Japan.

The comprehensive offering of Asseco Business Solutions S.A. includes ERP systems that support business processes in SMEs, a suite of applications for small-company management, programs optimizing the HR area, mobile SFA applications for the mobile workforce marketed Europe-wide, data exchange platforms, and programs handling factoring transactions.

Asseco Business Solutions S.A. operates two own Data Centres whose capacity parameters meet the highest standards of security, reliability and effectiveness of systems operation. All products designed by Asseco BS are based on the knowledge and expertise of experienced professionals, proven project methodology and the use of tomorrow's information technology tools. With high quality products and related services, the software from Asseco Business Solutions has been successful in supporting the operations of tens of thousands of companies for more than ten years. Asseco BS's track record covers dozens of completed software deployments in Poland and in most European countries.

The direct parent of Asseco Business Solutions S.A. is Asseco Enterprise Solutions a.s., headquartered in Bratislava, Slovakia, which holds 46.47% of the Company's shares. The parent of the entire Group is Asseco Poland S.A. which through subsidiaries holds 95.67% of shares in Asseco Enterprise Solutions a.s.

As regards Asseco Business Solutions S.A., the decision of maintaining control over the 9 months ended 30 September 2022 in accordance with IFRS 10 was based on the following factors:

- decisions at the General Meeting are taken by a simple majority of votes present at the meeting;
- the Company's shareholding is dispersed and, apart from Asseco Enterprise Solutions a.s. (a subsidiary of Asseco Poland S.A.), there are only two shareholders holding more than 5% of votes at the General Meeting. The largest shareholder holds 12.16% while the third largest shareholder holds 10.17% of votes;



- there is no evidence that there is or was any agreement by or among any of the shareholders as to the joint voting at the General Meeting;
- within the last five years, i.e. from 2018 to 2020, the percentage of shareholders present at the General Meetings ranged from 50.83% to 73.26%. This means that shareholders' activity is relatively low or moderate. Considering that Asseco Enterprise Solutions a.s. currently holds 46.47% of the total number of votes at the General Meeting, the attendance would have to exceed 92.93% for Asseco Enterprise Solutions a.s. not to have the absolute majority of vote at the General Meeting. In the opinion of the Management Board, such a level of attendance is highly unlikely.

Given the above, in the opinion of Asseco Business Solutions S.A., despite the lack of an absolute majority in the share capital of the Company, Asseco Enterprise Solutions a.s. controls the Company within the meaning of IFRS 10.

1. Composition of the Issuer's governing bodies

On the date of publication of these financial statements, i.e. on 26 October 2022, the Management Board of Asseco Business Solution S.A.

was made up of:

Wojciech Barczentewicz President of the Board

Piotr Masłowski Vice-President of the Management Board

Mariusz Lizon Member of the Management Board

On the date of publication of these financial statements, i.e. 26 October 2022, the Supervisory Board of the Company consisted of:

Rafał Kozłowski Chairman of the Supervisory Board

Adam Góral Vice-Chairman of the Supervisory Board

Romuald Rutkowski Member of the Supervisory Board
Zbigniew Pomianek Member of the Supervisory Board
Marcin Murawski Member of the Supervisory Board
Artur Osuchowski Member of the Supervisory Board

On 12 July 2022, the Extraordinary General Meeting of Asseco Business Solutions S.A. appointed Mr Artur Osuchowski member of the Supervisory Board of the Company.

The Supervisory Board has a three-member audit committee composed of Marcin Murawski (chairman), and Rafał Kozłowski and Romuald Rutkowski as members.



2. Stocks and shares held by the persons in the executive and supervisory capacity in Asseco Business Solutions S Δ

Overview of the shares of Asseco Business Solutions S.A. held by persons in the executive and supervisory capacity:

	number of shares held - as at 28/04/2022	Change from the previous report	% of shares held (corresponding to % share in total number of votes at GM) - as at 28/04/2022	Change from the previous report
Executive persons				
Wojciech Barczentewicz	500,000	0.00%	1.50%	0.00%
Piotr Masłowski	745,063	0.00%	2.23%	0.00%
Mariusz Lizon	183,000	0.00%	0.55%	0.00%
Supervising persons				
Romuald Rutkowski	426,828	0.00%	1.28%	0.00%
Rafał Kozłowski	4,407	0.00%	0.01%	0.00%
TOTAL	1,859,298	0.00%	5.56%	0.00%

3. The shareholding structure of Asseco Business Solutions S.A.

To the best knowledge of the Issuer's Management Board, on the date of publication of these financial statements, i.e. on 26 October 2022, and based on the notification of changes in the shareholding received later, the shareholders of Asseco Business Solutions S.A. holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting on the day of 12 July 2022 are as follows:

Shareholder	Number of shares held	Shareholding	Number of votes	% in the total number of votes at GM
Asseco Enterprise Solutions	15,528,570	46.47%	15,528,570	46.47%
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK	4,062,000	12.16%	4,062,000	12.16%
Metlife Otwarty Fundusz Emerytalny	3,400,000	10.17%	3,400,000	10.17%
Other shareholders	10,427,623	31.20%	10,427,623	31.20%
	33,418,193	100.00%	33,418,193	100.00%

As at 30 September 2022, the share capital of Asseco Business Solutions S.A. totalled PLN 167,091 thousand and was divided into 33,418,193 ordinary shares with a nominal value of PLN 5 each, giving a total of 33,418,193 votes at the General Meeting of Asseco Business Solutions S.A.

During the nine months ended 30 September 2022 and in the period from the balance sheet date to the date of publication of these financial statements, i.e. 26 October 2022, the Company did not receive any information from shareholders concerning any changes to the shareholding structure.



II. Basis for the preparation of these financial statements and the accounting rules (policies)

1. Basis for the preparation

These interim condensed financial statements have been prepared in accordance with the historical cost accounting model, except for financial assets measured at fair value through profit or loss or through other comprehensive income, financial liabilities measured at fair value through profit or loss.

These interim condensed financial statements have been prepared on the understanding that Asseco Business Solutions S.A. intended to continue its business activity for the period of no less than 12 months as of 30 September 2022. On the date of approval of these financial statements for publication, the Management Board considered the impact of the war in Ukraine and the COVID-19 pandemic on the Company as a going concern and found no circumstances implying any threats thereto.

These interim condensed financial statements do not include all information and disclosures required in annual financial statements and should be read in conjunction with the financial statements of Asseco Business Solutions S.A. for the year ended 31 December 2021 published on 01 March 2022.

2. Impact of the war on the territory of Ukraine and the COVID-19 epidemic on Company's operations

Upon publication of these financial statements, the Company does not recognize any significant impact of the war on the territory of Ukraine and the sanctions imposed on Russia on the Company's operations. On 24 February 2022, as a result of the Russian invasion of Ukraine, the geopolitical situation of the entire region, including Poland, changed significantly. Asseco Business Solutions does not conduct any significant business activities in Russia, Belarus, or Ukraine. The Company does not employ staff in the territory of Ukraine; therefore, the hostilities in this country do not affect the Company directly. Nor do this situation have a direct impact on these financial statements.

On a global scale, the war in Ukraine and the pandemic have triggered inflation, volatile economic situation, and an increase in interest rates. However, these phenomena do not have a direct impact on the Company's results, and the said increase in interest rates does not cause a significant increase in interest costs.

At the time of publication of these financial statements, due to the volatile situation, it is difficult to determine the long-term economic effects of the war in Ukraine and their impact on the general macroeconomic situation, which would indirectly affect the Company's financial results.

However, the Company cannot rule out a scenario that in the event the current political and economic situation remains uncertain and the Covid-19 pandemic does not subside and continues to have a negative impact on the domestic and global economy, this may have an adverse effect on the Company's operations or financial results, yet, at this point, it is not possible to determine to what extent or on what scale. Given the circumstances, the Company attempts to lessen the possible negative impact on future financial results.

If the Management Board find that the Company's operations need to be adapted to new market conditions, it will take appropriate action.

The financial situation depends on the macroeconomic situation in Poland and the markets on which the Company operates.



3. Statement of conformity

The scope of these interim condensed financial statements, as part of the quarterly financial statements, is in accordance with the requirements of the International Accounting Standard 34 Interim Financial Reporting approved by the EU ("IAS 34").

The scope of these interim condensed financial statements as part of the quarterly report is in line with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and on the conditions for recognition as equivalent of the information required by the laws of a non-member state (Journal of Laws of 2018, No. 33, item 757) ("Regulation") and covers a period of nine months from 1 January to 30 September 2022 and the comparable period from 1 January to 30 September 2021 for the income statement and cash flow statement, respectively, as well as the balance sheet as at 30 September 2022 and the comparable data as at 31 December 2021.

4. Functional currency and presentation currency

These separate and condensed financial statements are presented in zloty ("PLN") and all values, unless specified otherwise, are expressed in thousands of PLN. The functional currency of Asseco Business Solution S.A. is also the Polish złoty. Possible differences in the total amounts of up to PLN 1 thousand result from the accepted roundings.

Transactions denominated in currencies other than the Polish złoty are translated upon initial recognition into Polish złotys at the rate applicable on the date of transaction.

As at the balance sheet date:

- monetary items are translated using the closing rate, i.e. the average exchange rate for the currency announced by the National Bank of Poland on this day,
- non-cash items measured at historical cost in a foreign currency are translated using the exchange rate on the date of the original transaction,
- non-cash items measured at fair value in a foreign currency are translated using the exchange rate on the date of determining the fair value.

For the purpose of the balance sheet valuation, the following EUR and USD rates were adopted (and parallel rates for other currencies quoted by the National Bank of Poland):

- √ the exchange rate effective on 30 September 2022: 1 EUR = 4.8698 PLN
- ✓ the exchange rate effective on 30 September 2021: 1 EUR = 4.6329 PLN
- ✓ the exchange rate effective on 30 September 2022: 1 USD = 4.9533 PLN
- √ the exchange rate effective on 30 September 2021: 1 USD = 3.9925 PLN

5. Estimates and professional judgement

The preparation of financial statements in concert with the International Financial Reporting Standards ("IFRS") requires estimates and assumptions that affect the amounts indicated in the financial statements. Although the estimates and assumptions are based on the Management's best knowledge of the current activities and events, the actual results may differ materially from those projected.

In the nine months ended 30 September 2022, there were no major changes to the method of making estimates compared with the standards described in the Company's financial statements for the year ended 31 December 2021.



6. Changes in accounting rules used

A description of significant accounting rules applied by the Issuer is included in the financial statements for the year ended 31 December 2021 – published on 01 March 2022.

The accounting rules (policies) used to prepare these interim condensed financial statements are consistent with those applied in preparing the Issuer's consolidated financial statements for the year ended day 31 December 2021.

7. New standards and interpretations that have been published and not yet in force

New standards and interpretations issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee that have been published and not yet in force:

- IFRS 14 Regulatory Deferral Accounts (published on 30 January 2014) as decided by the European Commission, the process of approving the standard in its preliminary version will not be initiated before the final version of the standard is ready; not approved by the EU until the date of approval of these financial statements; applicable to annual periods beginning on or after 1 January 2016;
- Amendments to IFRS 10 and IAS 28: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture (published on 11 September 2014); the work intended to approve these amendments have been postponed by the EU for an unlimited period of time. The date of entry into force has been postponed by the IASB for an indefinite period of time;
- IFRS 17 *Insurance Contracts* (published on 18 May 2017), including Amendments to IFRS 17 (published on 25 June 2020) applicable to annual periods beginning on or after 1 January 2023;
- Amendments to IAS 1: Presentation of Financial Statements Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current postponed effective date (published on 23 January 2020 and on 15 July 2020, respectively) not approved by the EU until the date of approval of these financial statements; applicable to annual periods beginning on or after 1 January 2023;
- Amendments to IAS 1 and Practice Statement 2: Disclosure of Accounting Policies (published on 12 February 2021) applicable to annual periods beginning on or after 1 January 2023;
- Amendments to IAS 8: Definition of Accounting Estimates (published on 12 February 2021) applicable to annual periods beginning on or after 1 January 2023;
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (published on 7 May 2021) applicable to annual periods beginning on or after 1 January 2023;
- Amendments to IFRS 17 *Insurance Contracts: Initial Application of IFRS 17 and 9 Comparative Information* (published on 09 December 2021) applicable to annual periods beginning on or after 1 January 2023.

Effective dates are based on the standards published by the Financial Reporting Council. The dates of application 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 EU's approval for application.

The Company is currently analysing how the introduction of the above standards and interpretations may affect the Company's financial statements and applicable accounting rules (policy).



III. Information on operating segments

In accordance with IFRS 8, an operating segment is a distinguishable component of the Company, for which separate financial information is available that is reviewed regularly by the operations management responsible for the resource allocation and assessment of performance.

For the management purposes, the Company has been divided into segments reflecting its manufactured products and rendered services. Based on that, the Management Board have identified the ERP systems segment which accounts for more than 95% of total Company's revenues. Other activities do not meet the quantitative thresholds imposed by IFRS 8 and are not isolated as segments. Changes in the size and significance of developed products and provided services may result in a change of composition of operating segments.

The ERP Systems segment includes ERP solutions for enterprise management, in-house SFA and FFA mobile solutions intended for companies operating through mobile workforce, and sales support systems for the retail industry. The solutions are based on the Oracle and Microsoft technology, and in the case of Macrologic S.A., on the original MacroBASE database system. These applications support business processes and information flow processes, covering most areas of the business, including: finance and accounting, personnel management, HR and payroll, logistics and WMS, mobile and retail sales in chains of stores, production and Internet applications. The systems provide a number of management tools: advanced reporting instruments and Business Intelligence solutions. The technological capacity of the systems enable their deployment in various network architectures (including WAN) and combination with specialized software and hardware.

The "Unallocated" item shows sales that cannot be allocated to the Company's main business segment, the cost of goods sold (COGS) related to unallocated sales and the operating costs of the organisational unit responsible for unallocated sales.

The Management Board monitors the operating results in separate segments in order to make decisions about allocating resources, assessing the impact of this allocation, and performance. The basis for the assessment of performance is profit or loss on operating activities, which to some extent, as explained in the table below, are measured differently than the profit or loss from operations in the financial statements. The financing of the Company (including costs and financial income) and income tax are monitored at the levels of the Company and they are not allocated to the segments.

Transaction prices used for intra-segment transactions are determined at arm's length as in the case of transactions with unrelated parties.

9 months to 30 September 2022	ERP segment	Unallocated	Total
	PLN thou.	PLN thou.	PLN thou.
Sales to external customers	224,817	13,079	237,896
Settlements between segments	-	-	-
Gains on reported segment sales	65,768	755	66,523
Amortisation/Depreciation	(22,181)	(155)	(22,336)
Intangible assets recognised during the settlement of combination assigned to segment	1,122	-	1,122
Goodwill from combinations assigned to segment	252,879	-	252,879



9 months to 30 September 2021	ERP segment	Unallocated	Total
	PLN thou.	PLN thou.	PLN thou.
Sales to external customers	200,261	17,270	217,531
Settlements between segments	-	-	-
Gains on reported segment sales	61,263	1,695	62,958
Amortisation/Depreciation	(20,167)	(134)	(20,301)
Intangible assets recognised during the settlement of combination assigned to segment	1,434	-	1,434
Goodwill from combinations assigned to segment	252,879	-	252,879



IV. Explanatory notes to the interim condensed financial statements

1. Explanatory notes to the profit and loss account and statement of other comprehensive income

1.1. Structure of operating income

Operating income after the three and nine months ended 30 September 2022 and in the comparable period were as follows:

	3 months to 30 September 2022 <i>PLN thou</i> .	9 months to 30 September 2022 PLN thou.	3 months to 30 September 2021 30 PLN thou.	9 months to September 2021 <i>PLN thou.</i>
Operating income by type				
Licences and own services	78,318	224,567	68,693	199,616
Licences and external services	2,905	8,603	3,831	11,460
Equipment and infrastructure	1,543	4,726	2,203	6,455
Operating income total	82,766	237,896	74,727	217,531

Revenues from contracts with customers in total operating income according to the method of recognition in profit and loss account

	3 months to 30 September 2022 PLN thou.	9 months to 30 September 2022 PLN thou.	3 months to 30 September 2021 PLN thou.	9 months to 30 September 2021 PLN thou.
Operating revenues recognised in accordance with IFRS 15				
From goods or services provided at a specified time, including:	14,415	33,382	13,597	33,023
ERP segment	10,206	20,751	7,722	16,403
Unallocated	4,209	12,631	5,875	16,620
From goods or services provided over time, including:	68,351	204,514	61,130	184,508
ERP segment	68,131	204,066	60,856	183,858
Unallocated	220	448	274	650
Operating income total	82,766	237,896	74,727	217,531



ii. Structure of operating income by country of generation

	9 months to 30 September 202: PLN thou.	9 months to 2 30 September 2021 PLN thou.
Poland	205,818	186,676
ROW, including:	32,078	30,855
- Germany	6,688	4,938
– France	5,588	5,853
- United Kingdom	5,157	6,328
- The Netherlands	4,201	4,359
- Austria	2,941	143
- Romania	2,673	2,798
- Italy	641	725
- Spain	610	292
- United States of America	532	992
- Luxembourg	519	1,513
- Czech Republic	418	331
- Bulgaria	342	388
- the Baltics (Lithuania, Latvia, Estonia) and Russia	215	132
- others	1,553	2,063
	237,896	217,531

This information on revenue is based on data on customers' headquarters.

1.2. Structure of operating expenses

	3 months to 30 September 2022 PLN thou.	9 months to 30 September 2022 <i>PLN thou</i> .	3 months to 30 September 2021 <i>PLN thou.</i>	9 months to 30 September 2021 <i>PLN thou</i> .
Operating expenses				
Value of goods and external services sold	(4,099)	(11,975)	(5,166)	(15,681)
Employee benefits	(37,336)	(113,042)	(32,017)	(98,035)
Amortisation/Depreciation	(7,547)	(22,336)	(6,958)	(20,301)
External services	(6,061)	(17,001)	(5,462)	(15,390)
Other	(2,731)	(7,019)	(2,138)	(5,166)
Total	(57,774)	(171,373)	(51,741)	(154,573)
Own cost of sales	(48,226)	(143,858)	(42,576)	(129,127)
Cost of sales	(4,103)	(12,135)	(4,133)	(11,413)
Administrative expenses	(5,400)	(15,366)	(5,040)	(14,061)
Allowance/reversal for expected credit losses in respect of trade receivables	(45)	(14)	8	28
Total	(57,774)	(171,373)	(51,741)	(154,573)



1.3. Financial income and expenses

The structure of financial income in the period up to three and nine months ended 31 March 2022 and in the comparable period was as follows:

Financial income	3 months to 30 September 2022 3	9 months to 0 September 2022	3 months to 30 September 2021	9 months to 30 September 2021
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Interest income from bank deposits measured at effective interest rate	-	476	5	40
Positive exchange differences	-	-	(333)	75
Gains from realisation and/or valuation of derivative instruments	-	-	(192)	-
Total	-	476	(520)	115

Financial expenses in the three months ended 31 March 2022 and in the comparable period were as follows:

Financial expenses	3 months to 30 September 2022	9 months to 30 September 2022	3 months to 30 September 2021	9 months to 30 September 2021
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Interest expense on lease	(411)	(1,158)	(312)	(811)
Other interest expense	(5)	(14)	(30)	(51)
Negative exchange rates	(350)	(560)	-	-
Losses from realisation and/or valuation of derivative instruments	-	-	(10)	(10)
Total	(766)	(1,732)	(352)	(872)

Exchange gains and losses are presented net (as a surplus of positive over negative or vice versa).

1.4. Income tax

The main components of the corporate income tax burden (current and deferred) were as follows:

	3 months to 30 September 2022 <i>PLN thou</i> .	9 months to 30 September 2022 <i>PLN thou</i> .	3 months to 30 September 2021 <i>PLN thou.</i>	9 months to 30 September 2021 <i>PLN thou.</i>
Current income tax	(3,168)	(10,206)	(3,126)	(10,362)
Deferred tax.	(189)	585	(340)	(472)
Tax expense reported in profit and loss account	(3,357)	(9,621)	(3,466)	(10,834)

The effective tax rate in the nine months ended 30 September 2022 was 14.6% compared to 17.3% in the comparable period.



1.5. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders of the Issuer by the weighted average number of issued ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit for the period attributable to Issuer's ordinary shareholders by the weighted average number of issued ordinary shares outstanding during the period, adjusted by the weighted average of ordinary shares, which would be issued on conversion of all potentially dilutive equity instruments into ordinary shares.

The data below covers earnings and shares that were used in calculating the basic and diluted earnings per share:

	3 months to 30 September 2022	9 months to 30 September 2022	3 months to 30 September 2021	9 months to 30 September 2021
Weighted average number of issued shares used to calculate basic earnings per share (in pcs)	33,418,193	33,418,193	33,418,193	33,418,193
Net profit for the reporting period (in PLN thou.)	21,328	56,114	18,751	51,711
Net profit per share (in PLN)	0.64	1.68	0.56	1.55

During the reporting period as well as in the comparable period, there were no elements diluting the basic earnings per share.



2. Explanatory notes to the balance sheet

2.1. Property, plant and equipment

Change in net worth of property, plant and equipment in the period of the nine months ended 30 September 2020 and in the comparable period was due to the following events:

	9 months to 30 September 2022 PLN thou.	9 months to 30 September 2021 PLN thou.
Net value of fixed assets as at 1 January	22,287	21,100
Increase through:	15,226	5,397
Purchase and upgrade	10,768	5,397
Buyout of right-of-use asset	4,458	-
Decrease through:	(4,718)	(4,262)
Depreciation allowance for reporting period	(4,703)	(4,161)
Sales and liquidation	(15)	(101)
Changes in presentation	-	(116)
Net value of fixed assets as at 30 september	32,795	22,119

2.2. Intangible property

Change in the net value of intangible assets during the nine months ended 30 September 2022 and in the comparable period was due to the following events:

	9 months to 30 September 2022	9 months to 30 September 2021
	PLN thou.	PLN thou.
Net value of intangible assets as at 1 January	27,283	24,216
Increase through:	15,123	12,545
Purchase	66	723
Capitalized costs of ongoing development projects	15,057	11,822
Decrease through:	(10,968)	(9,942)
Depreciation allowance for reporting period	(10,968)	(9,942)
Net value of intangible property as at 30 September	31,438	26,819

Goodwill

Goodwill shown in the interim condensed financial statements includes goodwill created from the merger of Asseco Business Solutions S.A., Safo Sp. z o.o., Softlab Sp. z o.o., Softlab Trade Sp. z o.o. and WA-PRO Sp. z o.o., goodwill on consolidation resulting from the merger of Asseco Business Solutions S.A. with Anica System S.A. and goodwill created upon the acquisition of Macrologic S.A.

	30 September 2022 PLN thou.	31 December 2021 PLN thou.
Carrying value of goodwill	252,879	252,879
Goodwill presented in intangible assets	252,879	252,879



Goodwill is allocated to the cash-generating unit, which was also a separate operating segment – ERP Systems.

In line with the recommendations of the International Financial Reporting Standards, the Management Board of the Company analysed whether impairment tests need to be carried out, including, in particular, due to the war on the territory of Ukraine and the COVID-19 pandemic and regarding the status of implementation of the budgets of operating segments existing in the Company. In the opinion of the Management Board, none of the above necessitates an interim test because, given the Company's industry and the fact that the Company's budget as at 30 September 2022 was fully balanced and under control, the Management Board has concluded that the assumptions made for the 31 March 2020 test remain realistic.

2.3. Right-of-use assets

During the nine months ended 30 September 2022 and in the comparable period, changes to the net value of right-of-use assets was due to:

	9 months to 30 September 2022 3 PLN thou.	9 months to 0 September 2021 <i>PLN thou</i> .
Net value of assets from right of use as at 1 January	60,637	46,852
Increase through:	3,274	25,304
New lease agreement	108	21,832
Modification of existing agreements (renewals, change of interest rate)	3,166	3,472
Decrease through:	(14,676)	(9,729)
Depreciation allowance for reporting period	(6,792)	(6,312)
Modifications in existing agreements	(3,426)	(3,417)
Buyout of right-of-use asset	(4,458)	-
Changes in presentation	-	116
Net value of non-current assets from right of use as at 30 September	49,235	62,543

2.4. Inventories

Inventory write-down as at 31 March 2022 amounted to PLN 302 thousand and as at 31 December 2021 amounted to PLN 281 thousand.

2.5. Other assets

As at 30 September 2022 (and as at 31 December 2021), the Company was not a party to forward contracts.

In the six months ended 30 September 2022, the Company did not change the method of determining the fair value of financial instruments measured at fair value, and there were no transfers of instruments between levels of the fair value hierarchy.

As at 30 September 2022 and as at 31 December 2021, the Company held the following non-financial assets:

	30 September 2022 PLN thou.	31 December 2021 PLN thou.
Prepayments for deliveries	267	72
Total	267	72



2.6. Prepaid expenses and accrued income

As at 30 September 2022 and as at 31 December 2021, the balance of active accruals comprised the following items:

	30 September 2022		31 Decembe	r 2021
	Non-current Current		Non-current	Current
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Prepaid services, including:				
maintenance services and licence fees	140	742	23	393
prepaid training	-	18	-	84
insurances	-	414	2	62
other services	2	572	5	703
Total	142	1,746	30	1,242

2.7. Receivables and assets from contracts with customers

The table below presents balances of receivables and balances of assets under contracts with customers as at 30 September 2022 and as at 31 December 2021.

	30 September 2	2022	31 December	2021
	Long-term	Short-term	Long-term	Short-term
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Trade receivables	-	50,540	-	45,969
From related parties, including:	-	708	-	4,108
Invoiced receivables	-	708	-	3,966
Receivables not invoiced	-	-	-	142
From other parties, including:	-	49,832	-	41,861
Invoiced receivables	-	49,746	-	41,522
Receivables not invoiced	-	86	-	339
Allowance for expected credit losses (-)	-	(1,362)	-	(1,435)
Total trade receivables	-	49,178	-	44,534

Related party transactions are shown in item 2.14 of these interim condensed financial statements.



The following table presents the balances of contract assets as at 30 September 2022 and as at 31 December 2021.

	30 September			31 December		er
	Long-term	Short-term		Long-term		Short-term
	PLN	PLN		PLN		PLN
Assets under contracts with customers, incl.:						
From related parties		-	408		-	28
To other parties		-	1,817		-	776
Total assets from contracts with customers		-	2,225		-	804

The fair value of assets from contracts with customers does not differ from the value at which they were presented in these financial statements.

	30 September 2022		31 December 2021	
	Non-current	Current	Non-current	Current
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Other receivables, including:				
Budget receivables	-	4	-	-
Receivables from paid deposits	161	62	223	43
Other receivables	-	542	-	43
Other receivables total	161	608	223	86

Deposit receivables consist of deposits on the ESCROW account securing the payment of rent, tendering securities and securities of contracts as well as deposits for office rental.

2.8. Cash

Cash at bank bears interest at variable interest rates, the amount of which depends on the interest rate on bank deposits.

The fair value of cash and short-term deposits at 30 September 2022 amounted to PLN 19,267 thousand (31 December 2021: PLN 42,832 thousand).

The balance of cash and short-term deposits shown in the balance sheet and in the statement of cash flows consisted of the following items:

	30 September 2022	31 December 2021
	PLN thou.	PLN thou.
Cash at bank in current accounts	18,359	22,220
Cash at bank in split payment accounts	778	526
Short-term deposits	-	20,017
Cash in hand	16	21
Cash in transit	114	48
Cash balance shown in balance sheet and cash flow statement	19,267	42,832



2.9. Bank loans

As at 30 September 2022 and 31 December 2021, the Company had no debt in its current account. As at 30 September 2022 and 31 December 2021, the Company kept open credit lines that enable access to financing in the amount of up to PLN 70,000 thousand with the overdraft facility repayment date 31 October 2023 and enable the obtaining of bank guarantees up to the amount of PLN 1,500 thousand with the repayment date 30 September 2023

During the reporting period, the Company did not grant any significant sureties for credits or loans or any guarantees to any entity or its subsidiary.

2.10. Lease liabilities

As at 30 September 2022, the subject of finance lease agreements with the Company as the lessee were vehicles and real property.

The table below presents the balance of liabilities under finance lease as at 30 September 2022 and as at 31 December 2021.

	30 Se	30 September 2022		ecember 2021
	Non-current	Current	Non-current	Current
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Real property lease	40,565	9,149	47,051	8,113
Vehicle lease	3,182	1,319	6,548	2,633
Total	43,747	10,468	53,599	10,746

2.11. Liabilities from contracts with customers; current and non-current trade and other liabilities

As at 30 September 2022 and as at 31 December 2021, the Company's trade liabilities were as follows:

	30 September 2	022	31 December 2021	
	Long-term <i>PLN thou</i> .	Current PLN thou.	Long-term <i>PLN thou.</i>	Short-term PLN thou.
Trade liabilities				
To related parties, including:	-	165	-	363
Invoiced liabilities	-	165	-	363
To other parties, including:	-	4,987	-	5,361
Invoiced liabilities	-	3,948	-	4,211
Liabilities not invoiced	-	1,039	-	1,150
Total trade liabilities	-	5,152	-	5,724

Trade liabilities are not interest-bearing. Related party transactions are shown in item 2.14 of the explanatory notes to these financial statements.



As at 30 September 2022 and as at 31 December 2021, liabilities under contracts with customers were as follows:

	30 September 2022		31 December 2021	
	Long-term PLN thou.	Current PLN thou.	Long-term PLN thou.	Short-term PLN thou.
Liabilities under contracts with customers				
To related parties, including:	-	56	-	323
Accrued income from contracts with customers	-	43	-	-
Liabilities from IT contract valuation		13	-	323
To related parties, including:	5	14,934	-	15,045
Accrued income from contracts with customers, including:	-	2,929	-	2,000
- pre-paid maintenance services	5	4,159	-	3,612
- licence fees	-	10,759	-	10,984
Liabilities from IT contract valuation	-	16	-	449
Total liabilities under contracts with customers	5	14,990	-	15,368

As at 30 September 2022 and as at 31 December 2021, the other Company's liabilities were as follows:

	30 September 2	022	31 Decembe	r 2021
	Long-term PLN thou.	Short-term PLN thou.	Long-term PLN thou.	Short-term PLN thou.
Tax liabilities under corporate income tax	-	2,640	-	696
Budgetary commitments				
Value added tax	-	6,141	-	5,596
Personal income tax (PIT)	-	2,381	-	3,034
Liabilities to National Insurance Institution	-	5,552	-	1,067
Other	-	113	-	115
Total budgetary commitments	-	14,187	-	9,812
Other liabilities				
Liabilities to employees	-	2,929	-	2,000
Liabilities from acquisition of fixed assets	-	1,997	-	601
Other liabilities	-	363	-	327
Total other liabilities	-	5,288	-	2,928
Total budgetary commitments and other liabilities	-	19,475	-	12,740



2.12. Provisions

Changes in the balance of provisions in the nine months ended 30 September 2022 and in the comparable period were as follows:

	Post-employment benefits PLN thou.	Other provisions	Total PLN thou.
		PLN thou.	
As at 1 January 2022	2,607	-	2,607
Establishment	126	-	126
Actuarial gains/losses	(958)	-	(958)
As at 30 September 2022, including:	1,775	-	1,775
Current	67	-	67
Non-current	1,708	-	1,708
As at 1 January 2021	3,294	373	3,667
Used/Reversed	-	(373)	(373)
As at 30 September 2021, including:	3,294	-	3,667
Current	46	-	46
Non-current	3,248	-	3,248

Provisions for post-employment benefits are updated twice a year.

2.13. Accrued expenses and deferred income

As at 30 September 2022 and as at 31 December 2021, the Company's accruals and deferred income were as follows:

	30 Septeml	30 September 2022		2021
	Non-current PLN thou.	Current PLN thou.	Non-current PLN thou.	Current PLN thou.
Accrued expenses, including:				
Provision for unused leaves	-	3,491	-	3,549
Provision for employee and Management Board bonuses	-	9,002	-	4,443
Total	-	12,493	-	7,992

The balance of accrued expenses consists of: provisions for unused leaves, provisions for salaries in the period to be paid in future periods and resulting from the bonus scheme effective at Asseco Business Solutions S.A.

2.14. Related party transactions

	Reve	enues	Purchases		
	9 months to 30 September 2022 PLN thou.	9 months to 30 September 2021 PLN thou.	9 months to 30 September 2022 PLN thou.	9 months to 30 September 2021 PLN thou.	
Transactions with Asseco Poland S.A.	2,771	3,067	3,428	2,081	
Transactions with other related parties	491	150	142	205	
Total transactions with related parties	3,262	3,217	3,570	2,286	



Trade receivables and other receivables from related parties 30 September 2022 31 December 2021 30 September 2022 31 December

Trade liabilities, liabilities under contracts with customers, lease liabilities and other liabilities to related parties

	PLN	PLN	PLN	PLN
Transactions with related parties				
Transactions with Asseco Poland S.A.	960	3,103	10,208	15,292
Transactions with other related parties	156	1,033	73	13
TRANSACTIONS TOTAL	1,116	4,136	10,281	15,305

Transactions with related parties are held at arm's length.

As at 30 September 2022, the balance of lease liabilities to related parties committed by the Company Executives was PLN 14,133 thousand. As at 31 December 2021, the balance of lease liabilities to related parties committed by the Company Executives was PLN 13,248 thousand.

In the three quarters of 2022, the cost of interest accrued from lease with related parties committed by the Company Executives was PLN 230 thousand while PLN 124 thousand in the comparable period.

As at 30 September 2022 and as at 31 December 2021, there was no balance of unsettled receivables from transactions with related parties committed by and with the Company Executives.

As at 30 September 2022 and 31 December 2021, there were no outstanding balances of liabilities arising from transactions with related parties concluded by the Company Executives and with the Company Executives.

According to the records of Asseco Business Solutions S.A., in the nine months ended 30 September 2022, the value (net) of purchase transactions of goods and services (including rental) with related parties conducted by the Company Executives and with the Company Executive amounted to PLN 1,094 thousand and PLN 1,840 thousand in the comparable period. In the period of the first nine months of 2022, the value of sales transactions of goods and services to related parties conducted by or with the Company Executives was PLN 9 thousand, while in the comparable period the same amounted to PLN 31 thousand.



3. Other explanatory notes

3.1. Additional explanations to cash flow statement

The table below shows items that were included in the row, "Changes in working capital:"

	9 months to 30 September 2022	9 months to 30 September 2021
	PLN thou.	PLN thou.
Change in inventories	119	(334)
Change in receivables and assets from contracts with customers	(6,525)	(3,931)
Change in other non-financial assets	(195)	33
Change in trade liabilities and liabilities from contracts with customers	4,059	(1,630)
Change in the balance of accruals and prepayments	4,255	(1,856)
Change in provisions	126	(373)
Total	1,839	(8,091)

The following table lists items concerning investing activities:

	9 months to 30 September 2022 PLN thou.	9 months to 30 September 2021 PLN thou.
Sale of property, plant and equipment	58	142
Acquisitions of new tangible assets	(9,372)	(4,898)
Acquisition of intangible property	(66)	(723)
Expenses for development work	(15,043)	(11,817)

3.2. Contingent liabilities

The table below presents contingent liabilities as at 31 March 2022 and as at 31 December 2021:

Contingent liabilities	30 September 2022	31 December 2021
Receivables arising from performance guarantee	PLN thou.	PLN thou.
Liabilities due up to 3 months	-	-
Liabilities due from 3 to 12 months	513	881
Liabilities due from 1 to 5 years	881	501
Liabilities due after 5 years	-	-
Total	1,394	1,382



3.3. Fair values of individual facility grades

Fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard conditions, which are traded on active, liquid markets, is determined by reference to stock prices;
- the fair value of other financial assets and financial liabilities (excluding derivatives) is determined
 in accordance with generally accepted valuation models based on discounted cash flow analysis,
 using the prices from observable current market transactions and dealer quotes for similar
 instruments.

According to the Company's assessment, the fair value of cash, short-term deposits, trade receivables, trade liabilities and other short-term liabilities does not differ from the carrying amounts largely due to the short period of maturity. The fair value of financial assets and liabilities held by the Company as at 30 September 2021 and as at 31 December 2020 does not differ significantly from their carrying value.

As at 30 September 2022 (and as at 31 December 2021), the Company was not a party to forward contracts.

3.4. Objectives and principles of financial risk management

The objectives and rules of financial risk management applied by the Company are consistent with the objectives and rules reported in the Company's financial statements for the year ended 31 December 2021.

3.5. Headcount

Average employment during the reporting period	9 months to 30 September 2022	9 months to 30 September 2021
Management Board	3	3
Developers	890	836
Sales personnel	58	58
Administration	50	47
Total	1,001	944

Employment as at:	30 September 2022	31 December 2021
Management Board	3	3
Developers	950	906
Sales personnel	53	52
Administration	43	41
Total	1,049	1,002

3.6. Seasonality and cyclicality

The operations of Asseco Business Solutions are subject to moderate seasonal fluctuations. As regards ERP systems, the highest sales figures are reported in Q4 of the year. This can be explained by the choice of the calendar year as fiscal year by most Company's customers, which translates into a tendency to roll out information systems and modify the IT infrastructure of enterprises on the turn-of-the-year basis.



Comments and additional information to the quarterly financial statements of Asseco Business Solutions

5.1. Financial data and analysis of results of Asseco Business Solutions for three quarters of 2022

The financial results of Asseco Business Solutions for the first three quarters of 2022 and for a comparable period:

	3 months to 30 September 2022	3 months to 30 September 2021	Growth rate 3 mts 2022/ 3 mts 2021	9 months to 30 September 2022	9 months to 30 September 2021	Growth rate 9 mts 2022/ 9 mts 2021
Operating income	82,766	74,727	10.8%	237,896	217,531	9.4%
Gross profit on sales	34,495	32,159	7.3%	94,024	88,432	6.3%
EBIT	25,451	23,089	10.2%	66,991	63,302	5.8%
EBITDA	33,038	30,085	9.8%	89,440	83,712	6.8%
Net profit	21,328	18,751	13.7%	56,114	51,711	8.5%

EBITDA = EBIT + amortisation/depreciation

In the three quarters of 2022, the operating income of Asseco Business Solutions S.A. amounted to PLN 237,896 thousand and was higher by 9.4% than in the same period of 2018. The increase in receipts is attributable to the higher sales volume of the Company's own products both on foreign and domestic markets.

At the same time, the operating expenses (excluding COGS) increased by 14.8%, while the value of goods, materials and external services sold (COGS) fell by 23.6%, which had an impact on the drop in EBIT profitability. The largest share in the Company's operating expenses (70.9%) was allocated to employee benefits (primarily salaries).

The net profit of Asseco Business Solutions realised in the first three quarters of 2022 closed at PLN 56,114 thousand, compared with PLN 51,711 thousand earned in the comparable period (up by 8.5%).

Profitability ratios

Profitability ratios	3 months to 30 September 2022	3 months to 30 September 2021	Growth rate 3 mts 2022/ 3 mts 2021	9 months to 30 September 2022	9 months to 30 September 2021	Growth rate 9 mts 2022/ 9 mts 2021
Gross margin on sales	41.7%	43.0%	-1.3%	39.5%	40.7%	-1.2%
EBITDA profit margin	39.9%	40.3%	-0.4%	37.6%	38.5%	-0.9%
Operating margin	30.8%	30.9%	-0.1%	28.2%	29.1%	-0.9%
Net margin	25.8%	25.1%	0.7%	23.6%	23.8%	-0.2%
Return on equity (ROE)	-	-	-	16.9%	16.3%	0.6%
Return on assets (ROA)	-	-	-	12.7%	11.9%	0.8%

These ratios have been calculated using the following formulas:

Return on equity (ROE) = net profit/equity

Return on assets (ROA) = net profit/total assets



The EBIDTA margin of profit after the three quarters of 2022 was 37.6% and fell by 0.9 p.p v. the comparable period. The net margin of profit after the third quarter of 2022 was 23.6% and fell by 0.2 p.p v. the comparable period.

Liquidity ratios

Working capital is defined as the difference between current assets and current liabilities and represents the volume of fixed capital (equity and long-term foreign capital) that finance current assets. As the most liquid part of capital, it secures the liabilities arising from the current cash cycle in the company. Working capital in the Company as at 30 September 2022 was PLN 8,296 thousand and was lower by PLN 28,358 thousand compared with 31 December 2021. The decrease in working capital is attributed to a drop in current assets by PLN 16,398 thousand. The decrease in current assets is mainly due to lower cash levels in bank accounts and bank deposits.

The decrease in the liquidity ratios in the third quarter of 2022 is a cyclical phenomenon. The liquidity ratios for the three quarters of 2022 slightly decreased v. the comparable period.

Liquidity ratios	9 months to 30 September 2022		
Working capital (in PLN thou.)	8,296	36,654	8,436
Current ratio	1.13	1.69	1.15
Quick ratio	1.10	1.66	1.11
Super quick ratio	0.30	0.80	0.32

These ratios have been calculated using the following formulas:

Working capital = current assets (short-term) - current liabilities

Current ratio = current assets (short-term) / current liabilities

Quick ratio = (current assets - inventories - accruals and prepayments) / current liabilities

Super quick ratio = (bonds and securities held to maturity + cash and short-term deposits) / current liabilities

Debt ratios

The table below shows the basic debt ratio of the Company for the period of nine months until 30 September 2022 and in the comparable period, as well as for the period of 12 months until 31 December 2021:

Debt ratios	9 months to	12 months to	9 months to
	30 September 2022	31 December 2021	30 September 2021
General debt ratio	25.0 %	24.0%	27.0%

Debt ratio = (long-term liabilities + current liabilities) / assets



The nature of Company's assets and liabilities

ASSETS	30 September 2022	Share in balance sheet total	31 December 2021	Share in balance sheet total
Non-current assets	369,756	83%	365,986	80%
Current assets	73,581	17%	89,979	20%
TOTAL ASSETS	443,337	100%	455,965	100%

LIABILITIES	30 September 2022	Share in balance sheet total	31 December 2021	Share in balance sheet total
Total equity	332,592	75%	346,493	76%
Long-term liabilities	45,460	10%	56,147	12%
Short-term liabilities	65,285	15%	53,325	12%
TOTAL EQUITY AND LIABILITIES	443,337	100%	455,965	100%

As at 30 September 2022, the total assets of the Company amounted to PLN 443,337 thousand, which is a decrease by 2.8% compared with 31 December 2021.

The Company's main asset component is non-current assets, which account for 83% of the balance sheet total. Among them, intangible assets are the key item amounting to PLN 284,317 thousand. Goodwill has the largest share in intangible assets: PLN 252,879 thousand. The share of this item in total assets is 57.0%. This is a rather standard situation among tech companies whose greatest asset is knowledge and intangible assets.

As at 30 September 2022, the Company's equity amounted to PLN 332,592 thousand (75 % of liabilities).

5.2. Factors affecting financial results

The most important factors that affected the Company's performance in the reporting period are:

- Execution of IT contracts concluded in previous periods.
- Award and execution of significant IT contracts in the reporting quarter.
- Seasonal changes in demand for products marketed by the Company a distinguishing feature of the IT industry is seasonal fluctuation of sales.
- Healthy sales figures for Mobile Touch both in Poland and in the European market.

5.3. Extraordinary or non-recurring events affecting the financial results

The economic and political situation in Ukraine and the occurrence of the COVID-19 pandemic during the reporting period ended 30 September 2022 did not materially affect the Company's financial result for that period. To the best knowledge of the Management Board, at the time of publication of these financial statements, there are no grounds to reasonably expect that payment backlogs could have a significant impact on the Company's position. During the nine months ended 30 September 2022, there were no items affecting assets, liabilities, equity, net result or cash flows that were extraordinary in terms of type, value, or frequency. Other information related to the assessment of impact of the war in Ukraine and the Covid-19 on the results achieved in the period covered by these interim condensed statements and on the forecast results in subsequent periods is presented in item II.2 of these interim condensed financial statements.



5.4. Information on dividends paid

By the decision of the Ordinary General Meeting of Shareholders of Asseco Business Solutions convened on 31 May 2022, the net profit for the financial year 2021 in the amount of PLN 80,648 thousand was divided as follows:

- part of the net profit for 2021 in the amount of PLN 70,847 thousand was transferred for distribution among the shareholders, i.e. payment of dividend in the amount of PLN 2.12 per share;
- the reminder of the net profit for 2021 in the amount of PLN 9,801 thousand was transferred to retained earnings. The dividend date was set on 18 June 2022 and the dividend payment date on 23 June 2022. The company did not pay interim dividend for the year 2021.

Pursuant to the decision of the Ordinary General Meeting of Shareholders of Asseco Business Solutions S.A. on 9 June 2021, the net profit for the financial year 2020 in the amount of PLN 76,406 thousand was divided as follows:

- part of the net profit for the year 2020 in the amount of PLN 66,836 thousand was earmarked for distribution among the shareholders, i.e. for the payment of dividend in the amount of PLN 2.0 per share;
- the reminder of the net profit for 2019 in the amount of PLN 9,570 thousand was transferred to retained earnings. The dividend date was set on 18 June 2021 and the dividend payment date on 29 June 2021. The company did not pay interim dividend for the year 2020.

5.5. Significant events during the reporting period

Selected important agreements concluded over the first three quarters of 2022 by Asseco Business Solutions, whose disclosure was agreed with the clients.

- British American Tobacco Polska Trading Sp. z o.o. implementation of Connector Enterprise;
- Maspex Romania S.R.L. implementation of Connector Enterprise;
- Margo spółka z ograniczoną odpowiedzialnością sp.k. implementation of Asseco Safo WMS;
- Enxoo Sp. z o.o. implementationn of Asseco Softlab ERP;
- Fiskars France SAS Sucursal en Espana implementation of Connector Enterprise and provision of comprehensive maintenance services;
- Fabryka Cukiernicza KOPERNIK S.A. implementation of Mobile Touch and Connector Enterprise and conclusion of a subscription agreement;
- TIM S.A. agreement to provide and maintain Connector B2B;
- Global Cosmed Group S.A. implementation of Mobile Touch and conclusion of a subscription agreement;
- ROLNEX A. RESZKA SPÓŁKA KOMANDYTOWA implementation of Asseco Softlab ERP and provision of maintenance services;
- KOM-EKO S.A. implementation of Asseco Softlab ERP;
- Morski Instytut Rybacki updating Xpertis ERP and provision of maintenance services;
- PHU TOPAZ SP. Z O.O. licensing and implementation of Merit ERP (Finance and Accounting).



5.6. List of proceedings pending before the court, competent authority for arbitration or a public administration body

The Company is a party to several lawsuits and enforcement proceedings to recover payments for delivered products and services. Allowances have been made to the receivables covered by the above-mentioned proceedings.

5.7. Capital expenditure

In the period ended 30 September 2022, the Company made investment outlays in the amount of PLN 30,336 thousand, and in the comparable period the same outlays amounted to PLN 17,942 thousand.

5.8. Feasibility assessment of financial forecast published by the Management Board for 2022

The Management Board of Asseco Business Solutions S.A. did not publish financial forecast for 2022.

5.9. Issuance, redemption and repayment of non-equity and equity securities

During the reporting period, Asseco Business Solutions did not issue, redeem or repay any equity or non-equity securities.

5.10. Factors that, in the Management Board's opinion, will have an impact on the Company's results over at least the following quarter

In the opinion of the Management Board of Asseco Business Solutions S.A., the current financial situation of the Company is stable, and its production potential and market position are sound. The Management Board is constantly monitoring the developments related to the war in Ukraine and the COVID-19 pandemic. If the Management Board find that the Company's operations need to be adapted to new market conditions, it will take appropriate action.

In the opinion of the Management Board, the most important external and internal factors that may affect the performance of Asseco Business Solutions S.A. and its results in the following year are:

External factors:

- impact of the war in Ukraine on the macroeconomic situation,
- impact of the COVID-19 pandemic on the macroeconomic situation,
- a major increase in inflation,
- an increase in interest rates,
- currency risk,
- the economic and political developments in Poland, the European Union and other countries in which the Company operates,
- attitude of potential clients to investment in IT against the backdrop of the general economic situation,
- risk of time-shifting of potential clients' investment decisions,
- intense direct and indirect competition from both Polish and foreign IT companies,
- risk related to technological saturation,



- the level of capital earmarked for IT investment in companies and the volume of used EU funds,
- the prospects for expanding markets outside the existing Company's geographies,
- market openness and absorption capacity for new product solutions,
- risk of increased labour costs,
- changes in the credit situation, financial liquidity, financing by customers,
- opportunities and risks related to technological changes in the IT industry and the development of new products.

In addition, the Management Board does not rule out a scenario that the operations of the Company and its results may be affected by the adverse circumstances in the domestic and global economy related to the COVID-19 pandemic and the war in Ukraine, yet, at this point, it is not possible to determine to what extent or on what scale.

Internal factors

- the quality and comprehensive nature of Company's offering,
- the results of intense and ongoing trade activities both domestically and abroad,
- activities run under currently valid agreements,
- risk related to misestimation of the scope of project effort,
- the capacity to adapt products to changing legislation,
- · stability and experience of the managerial staff,
- effective action of sales departments,
- the need to attract and keep the most qualified and key employees,
- effects of work on new products.

5.11. Information on other important factors that could affect the assessment of the personnel, asset and financial position

The Company is constantly monitoring the impact of the COVID-19 pandemic and of the political and economic situation in Ukraine on the Company's operations, including its future financial position and financial results.

On a global scale, the war in Ukraine and the pandemic have triggered inflation, volatile economic situation, and an increase in interest rates. However, these phenomena do not have a direct impact on the Company's results, and the said increase in interest rates does not cause a significant increase in interest costs.

Asseco Business Solutions S.A. has sufficient financial resources to continue its operations, including regular settlement of current liabilities. However, the Company cannot rule out a scenario that if the military conflict in Ukraine continues and the COVID-19 pandemic keeps undermining the national and global economies, the situation will have an adverse effect on the Company's operations or financial results, yet, at this point, it is not possible to determine to what extent or on what scale.

If the Management Board find that the Company's operations need to be adapted to new market conditions, it will take appropriate action.



5.12. Agreements concluded between the Issuer and its Executives providing for compensation in the event of their resignation or dismissal from their position

There are no agreements concluded between the Issuer and its executives providing for compensation in the event of their resignation or dismissal from their positions without a valid cause or in the event of their retirement or dismissal due to a merger by acquisition.

5.13. Information on agreements known to the Issuer that may result in future changes in the proportion of shares held by the shareholders and bondholders

There are no agreements concluded that may result in any future changes in the proportions of shares held by the existing shareholders and bondholders.

5.14. Information on control of employee share schemes

On the date of these financial statements, there were no incentive programmes in place based on the Issuer's shares.

5.15. Significant events after the balance sheet date

Up to the date of these financial statements for the nine months ended 30 September 2022, i.e. until 26 October 2022, there had been no events after the balance sheet date that are not, and should be, included in these financial statements.

5.16. Significant events concerning previous years

To the date of these financial statements for the nine months ended 30 September 2022, that is, until 26 October 2022, there had been no events concerning previous years that are not, and should be, included in these financial statements.



Signatures of Board Members

Full name	Position/Function	Signature
Wojciech Barczentewicz	President of the Management Board	
Piotr Masłowski	Vice-President of the Management Board	
Mariusz Lizon	Member of the Management Board	
Artur Czabaj	Book-keeper	

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