

Quarterly Financial Statements of ASSECO BUSINESS SOLUTIONS S.A.

for the Nine Months Ended 30 September 2023



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Selected financial data of Asseco Business Solutions S.A.

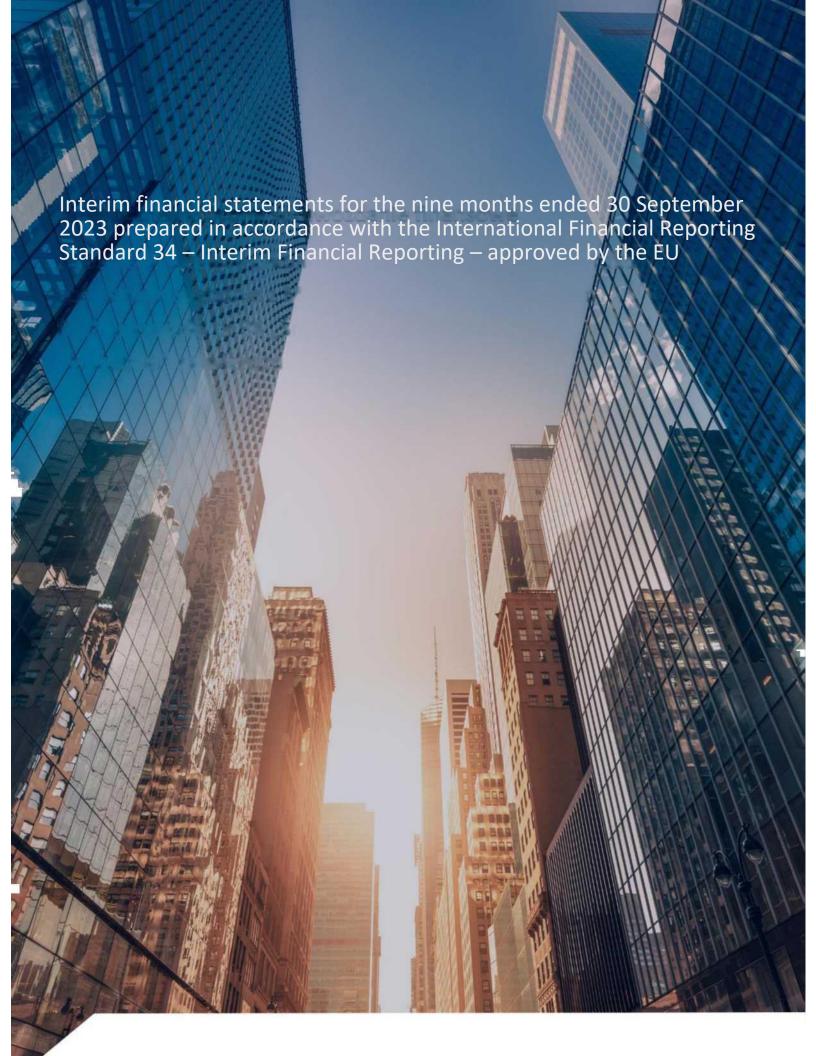
The following table contains selected financial data of Asseco Business Solutions S.A.

	9 months to 30 September 2023	9 months to 30 September 2022	9 months to 30 September 2023	9 months to 30 September 2022
	PLN thou.	PLN thou.	EUR thou.	EUR thou.
Operating income	274,233	237,896	59,912	50,746
Operating profit	76,609	66,991	16,737	14,290
Profit before tax	76,699	65,735	16,756	14,022
Net profit for reporting period	65,548	56,114	14,320	11,970
Net cash from operating activities	82,973	83,660	18,127	17,846
Net cash generated (used) in investing activities	(27,678)	(24,423)	(6,047)	(5,210)
Net cash from financing activities	(84,639)	(82,802)	(18,491)	(17,663)
Cash and cash equivalents at end of period (comparable period: 31/12/2022)	18,938	48,282	4,085	10,295
Net income per ordinary share (in PLN/EUR)	1.96	1.68	0.43	0.36

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 2023, 1 EUR = 4.6356 PLN,
 - o on 31 December 2022, 1 EUR = 4.6899 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 2023: EUR 1 = PLN 4,5773,
 - o in the period from 1 January to 30 September 2022: EUR 1 = PLN 4,6880.

All amounts given in the financial statements are 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.

		3 months to	9 months to	3 months to 30 September 2022	9 months to
PROFIT AND LOSS ACCOUNT	Notes	30 September 2023	30 September 2023	30 September 2022	50 September 2022
		PLN thou.	PLN thou.	PLN thou.	PLN thou.
Operating income	1.1	97,606	274,233	82,766	237,896
Own cost of sales	1.2	(56,216)	(164,700)	(48,271)	(143,872)
Gross profit on sales		41,390	109,533	34,495	94,024
Cost of sales	1.2	(4,222)	(13,907)	(4,103)	(12,135)
Administrative expenses	1.2	(6,975)	(19,563)	(5,400)	(15,366)
Net profit on sales		30,193	76,063	24,992	66,523
Other operating income		289	1,368	533	1,070
Other operating expenses		(140)	(822)	(74)	(602)
Operating profit		30,342	76,609	25,451	66,991
Financial income	1.3	(214)	1,632	-	476
Financial expenses	1.3	(650)	(1,542)	(766)	(1,732)
Profit before tax		29,478	76,699	24,685	65,735
Tax on profit or loss	1.4	(3,719)	(11,151)	(3,357)	(9,621)
Net profit		25,759	65,548	21,328	56,114
Net income per ordinary share (in PLN):					
basic from net profit	1.5	0.77	1.96	0.64	1.68
diluted from net profit	1.5	0.77	1.96	0.64	1.68
TOTAL INCOME:		3 months to 30 September 2023	9 months to 30 September 2023	3 months to 30 September 2022	9 months to 30 September 2022
		PLN thou.	PLN thou.	PLN thou.	PLN thou.
Net profit		25,759	65,548	21,328	56,114
Items that may be reclassified to profit and loss		-	-	-	-
Items not subject to reclassification to profit and loss account		-	-	776	776
TOTAL COMPREHENSIVE INCOME FOR PERIOD		25,759	65,548	22,104	56,890



Interim condensed balance sheet of Asseco Business Solutions S.A.

ASSETS	Notes	30 September 2023	31 December 2022
		PLN thou.	PLN thou.
Non-current assets			
Property, plant and equipment	2.1	41,415	37,097
Intangible property	2.2	289,537	285,661
including goodwill from merger	2.2	252,879	252,879
Right-of-use assets	2.3	46,907	47,339
Assets from contracts with customers and long-term receivables	2.7	437	499
Deferred tax assets		2,360	3,229
Prepaid expenses and accrued income	2.6	319	116
		380,975	373,941
Current assets			
Inventories	2.4	470	430
Trade receivables	2.7	59,517	51,496
Assets from contracts with customers	2.7	3,092	1,052
Other receivables	2.7	738	107
Accruals and deferred income	2.6	2,328	1,621
Other assets	2.5	126	25
Cash and short-term deposits	2.8	18,938	48,282
		85,209	103,013
TOTAL ASSETS		466,184	476,954



Interim condensed balance sheet of Asseco Business Solutions S.A.

LIABILITIES	Notes	30 September 2023	31 December 2022
		PLN thou.	PLN thou.
TOTAL EQUITY			
Subscribed capital		167,091	167,091
Premium		62,543	62,543
Retained earnings		120,700	132,014
		350,334	361,648
Long-term liabilities			
Lease liabilities	2.10	41,611	43,265
Provisions	2.12	1,960	1,960
		43,571	45,225
Short-term liabilities			
Lease liabilities	2.10	9,216	8,487
Trade liabilities	2.11	8,911	7,399
Liabilities from contracts with customers	2.11	17,289	16,800
Tax liabilities under corporate income tax	2.11	1,517	4,407
Budgetary commitments and other liabilities	2.11	21,232	18,598
Provisions	2.12	84	84
Accrued expenses	2.13	14,030	14,306
		72,279	70,081
TOTAL LIABILITIES		115,850	115,306
TOTAL EQUITY AND LIABILITIES		466,184	476,954



Interim condensed statement of changes in equity of

Asseco Business Solutions S.A.

		Subscribed capital	Surplus from the sale of shares above their nominal value	Retained earnings	Total equity
As at 1 January 2023		167,091	62,543	132,014	361,648
Profit in reporting period		-	-	65,548	65,548
Dividend for 2022	5.4	-	-	(76,862)	(76,862)
As at 30 September 2023		167,091	62,543	120,700	350,334
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	5.4	-	-	(70,847)	(70,847)
Other adjustments		-	-	56	56
As at 30 September 2022		167,091	62,543	102,958	332,592



Interim condensed statement of cash flow of

Asseco Business Solutions S.A.

	Notes	9 months to 30 September 2023 PLN thou.	9 months to 30 September 2022 PLN thou
Cash flow from operating activities			
Profit before tax		76,699	65,735
Adjustments:		19,447	26,219
Amortisation/Depreciation		26,551	22,449
Changes in working capital	3.1	(7,495)	1,839
Interest income/expenses		803	1,158
FX gains/(losses)		(229)	1,151
Other financial income/expenses		19	-
Investment gain/(loss)		(202)	(378)
Cash generated from operating activities		96,146	91,954
(Income tax paid)		(13,173)	(8,294)
Net cash from operating activities		82,973	83,660
Cash flow from investing activities			
Receipts:			
Receipts from the sale of fixed assets and intangible assets	3.1	521	58
Bank deposits		30,503	-
Outflows:			
Purchase of fixed assets and intangible assets	3.1	(11,005)	(9,438)
Expenses related to ongoing development projects	3.1	(17,697)	(15,043)
Bank deposits		(30,000)	-
Net cash used in investing activities		(27,678)	(24,423)
Cash flow from financing activities			
Receipts:			
Receipts from obtained loans		5,602	-
Outflows:			
Dividend paid		(76,862)	(70,847)
Expenses related to loans		(5,602)	-
Repayment of lease liabilities		(6,471)	(10,797)
Interest paid		(1,306)	(1,158)
Net cash from financing activities		(84,639)	(82,802)
Change in net cash and cash equivalents		(29,344)	(23,565)
Cash and cash equivalents as at 1 January		48,282	42,832
Cash and cash equivalents as at 30 September	2.8	18,938	19,267



Additional explanation to the financial statements

I. Basic information

Registration no. KRS:

Business ID REGON:

Tax ID NIP:

Basic information about the Company

Name Asseco Business Solutions S.A.

Registered office ul. Konrada Wallenroda 4c, 20-607 Lublin

0000028257 017293003 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 S.A. 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 61 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 the original high quality products and related services, the software from Asseco BS has been successful in supporting the operations of tens of thousands of companies for many 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 96.12 % of shares in Asseco Enterprise Solutions a.s.

As regards Asseco Business Solutions S.A., the decision of maintaining control over the nine months ended 30 September 2023 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 13.66% while the third largest shareholder holds 10.65% 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 2019 to 2023, the percentage of shareholders present at the General Meetings ranged from 50.83% to 74.29%. 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 2023, the Management Board of Asseco Business Solution S.A. was made up of:

Wojciech Barczentewicz President of the Management Board

Piotr Masłowski Vice-president of the Management Board

Mariusz Lizon Member of the Management Board
Renata Łukasik Member of the Management Board
Jacek Lisowski Member of the Management Board
Rafał Mróz Member of the Management Board

On 28 March 2023, the Supervisory Board of Asseco Business Solutions S.A. appointed, effective from 1 April 2023, the following persons as members of the Management Board in the current term of 2019-2023 (ending on 31 December 2023): Mrs Renata Łukasik, Mr Jacek Lisowski and Mr Rafał Mróz.

On the date of publication of these financial statements, i.e. 26 October 2023, 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

The Supervisory Board has a three-person Audit Committee composed of Marcin Murawski (chairman) and Rafał Kozłowski and Romuald Rutkowski (members).



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

Overview of the shares of Asseco Business Solutions SA in possession of the persons in the executive and supervisory capacity.

	Number of shares held - as at 26/10/2023	Change from the previous report	% of shares held (corresponds to % share in total number of votes at GM) - as at 26/10/2023	Change from the previous report
Executive persons				
Wojciech Barczentewicz	500,000	-%	1.50%	-%
Piotr Masłowski	745,063	-%	2.23%	-%
Mariusz Lizon	183,000	-%	0.55%	-%
Supervising persons				
Romuald Rutkowski	426,828	-%	1.28%	-%
Rafał Kozłowski	15,822	-%	0.05%	-%
TOTAL	1,870,713	-%	5.61%	-%

2. 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 2023, 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 Extraordinary General Meeting on the day of 31 May 2023 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%
Allianz Polska Otwarty Fundusz Emerytalny managed by Powszechne Towarzystwo Emerytalne Allianz Polska S.A.	4,563,457	13.66%	4,563,457	13.66%
Generali Powszechne Towarzystwo Emerytalne S.A.	3,560,531	10.65%	3,560,531	10.65%
Other shareholders	9,765,635	29.22%	9,765,635	29.22%
	33,418,193	100.00%	33,418,193	100.00%

As at 30 September 2023, 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 three months ended 30 September 2023 and in the period between the balance sheet date to the date of publication hereof, i.e. 26 October 2023, the Company received the following information from the shareholders concerning changes to the shareholding structure.



On 9 January 2023, Powszechne Towarzystwo Emerytalne Allianz Polska S.A. announced that, as a result of merger with Aviva Powszechne Towarzystwo Emerytalne Aviva Santander Spółka Akcyjna, it increased its share in the share capital, thereby having the right to 4,567,585 votes, which is 13.67% of share in the total number of votes at the General Meeting.

On 6 February 2023, Generali Powszechne Towarzystwo Emerytalne S.A. informed that, as a result of acquisition on 1 February 2023 of NNLife Otwarty Fundusz Emerytalny and NNLife Dobrowolny Fundusz Emerytalny, it would hold a total of 3,560,531 shares, which accounts for 10.65% of votes at the General Meeting.

On 16 May 2023, Powszechne Towarzystwo Emerytalne Allianz Polska S.A. (managing Allianz Polska Otwarty Fundusz Emerytalny) announced the liquidation of Drugi Allianz OFE. Therefore, Allianz OFE holds 4,563,457 votes, which is 13.66% of share in the total number of votes at the General Meeting.

On 25 July 2023, Generali Powszechne Towarzystwo Emerytalne S.A. announced the liquidation of NNNLife Otwarty Fundusz Emerytalny. Therefore, Generali OFE holds 3,560,531 votes, which is 10.65% of share in the total number of votes at the General Meeting.



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 2023. On the date of approval of these financial statements for publication, the Management Board considered the impact of the war in Ukraine 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 2022 published on 01 March 2023.

2. The impact of the war in Ukraine on the Company's activities

At the time of publication of these financial statements, the Company did not report any significant impact of the war in Ukraine and sanctions imposed against 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 run any operations in Russia, Belarus, and Ukraine. The Company does not employ personnel in Ukraine; that is why, the warfare in the territory of Ukraine do not impact the Company directly. The situation does not affect these financial statements directly, either.

On a global scale, the war in Ukraine and the pandemic have triggered inflation, volatile economic situation, and an increase in interest rates. These changes do not affect the Company's results, and higher interest rates do not result in significantly higher 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.

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

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 the period of nine months from 1 January to 30 September 2023 and the comparable period from 1 January to 30 September 2022 for the income statement and cash flow statement, respectively, as well as the balance sheet and statement of changes in equity as at 30 September 2023 and the comparable data as at 31 December 2022.



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 amount of up to PLN 1 thousand result from adopted 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 2023: 1 EUR = 4.6356 PLN
- √ the exchange rate effective on 30 September 2022: 1 EUR = 4.8698 PLN
- √ the exchange rate effective on 30 September 2023: 1 USD = 4.3697 PLN
- √ the exchange rate effective on 30 September 2022: 1 USD = 4.9533 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 2023, 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 2022.

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 2022 – published on 1 March 2023.

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 2022.

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;
- 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 and Non-current Liabilities with Covenants (published on 23 January 2020, 15 July 2020, and 31 October 2022 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 2024;

- Amendments to IFRS 16 Leases: *Lease Liability in a Sale and Leaseback* (published on 22 September 2022) not approved by the EU until the date of approval of these financial statements; applicable to annual periods beginning on or after 1 January 2024;
- Amendments to IAS 7: Cash flows statement and IFRS 7: Financial Instruments: Disclosure of Information: Supplier Finance Arrangements (published on 25 May 2023) not approved by the EU until the date of approval of these financial statements applicable to annual periods beginning on or after 1 January 2024;
- Amendments to IAS 12: Income Taxes: International Tax Reform Pillar Two Model Rules (published on 23 May 2023)
 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 21: Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (published on 15 August 2023) applicable to annual periods beginning on or after 1 January 2025; not approved by the EU until the date of approval of these financial statements.

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 these standards and interpretations may influence the financial statements and on the Company's 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 94% 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, 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 in transactions between operating segments are determined on the arm's length basis as in transactions with unrelated parties.

3 months to 30 September 2023			
	ERP segment	Unallocated	Total
	PLN thou.	PLN thou.	PLN thou.
Sales to external customers	90,402	7,204	97,606
Settlements between segments	-	-	-
Gains on reported segment sales	29,329	864	30,193
Amortisation/Depreciation	(8,884)	(49)	(8,933)
Intangible assets recognised during the settlement of combination allocated to segment	811	-	811
Goodwill from combinations assigned to segment	252,879	-	252,879



9 months to 30 September 2023	ERP segment	Unallocated	Total
	PLN thou.	PLN thou.	PLN thou.
Sales to external customers	258,860	15,373	274,233
Settlements between segments	-	-	-
Gains on reported segment sales	74,682	1,381	76,063
Amortisation/Depreciation	(26,235)	(145)	(26,380)
Intangible assets recognised during the settlement of combination allocated to segment	811	-	811
Goodwill from combinations assigned to segment	252,879	-	252,879

3 months to 30 September 2022	ERP segment	Unallocated	Total
	PLN thou.	PLN thou.	PLN thou.
Sales to external customers	78,337	4,429	82,766
Settlements between segments	-	-	-
Gains on reported segment sales	24,677	315	24,992
Amortisation/Depreciation	(7,496)	(51)	(7,547)
Intangible assets recognised during the settlement of combination allocated to segment	1,122	-	1,122
Goodwill from combinations assigned to segment	252,879	-	252,879

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 allocated to segment	1,122	-	1,122
Goodwill from combinations assigned to segment	252,879	-	252 9



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 in the period of three and nine months ended 30 September 2023 and in the comparative period was as follows:

	3 months to	9 months to	3 months to	9 months to
	30 September 2023 PLN thou.	30 September 2023 PLN thou.	30 September 2022 PLN thou.	30 September 2022 PLN thou.
Operating income by type				
Licences and own services	90,429	258,288	78,318	224,567
Licences and external services	5,518	11,867	2,905	8,603
Equipment and infrastructure	1,659	4,078	1,543	4,726
Operating income total	97,606	274,233	82,766	237,896

i. 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 2023 PLN thou.	9 months to 30 September 2023 PLN thou.	3 months to 30 September 2022 PLN thou.	9 months to 30 September 2022 PLN thou.
Operating revenues recognised in accordance	e with IFRS 15			
From goods or services provided at a specified time, including:	20,961	42,336	14,415	33,382
ERP segment	13,998	27,718	10,206	20,751
Unallocated	6,963	14,618	4,209	12,631
From goods or services provided over time	76,645	231,897	68,351	204,514
ERP segment	76,404	231,142	68,131	204,066
Unallocated	241	755	220	448
Operating income total	97,606	274,233	82,766	237,896



ii. Structure of operating income by country of generation

	9 months to 30 September 2023	9 months to 30 September 2022
	PLN thou.	PLN thou.
Poland	237,891	205,818
ROW, including:	36,342	32,078
- United Kingdom	6,814	5,157
- Germany	5,628	6,688
- France	5,188	5,588
- Austria	4,355	2,941
– The Netherlands	3,733	4,201
- Luxembourg	2,715	519
- Romania	2,449	2,673
– Switzerland	1,004	385
- Italy	863	641
- Czech Republic	628	418
– Bulgaria	510	342
– United States of America	508	532
– Spain	425	610
- the Baltics (Lithuania, Latvia, Estonia) and Russia	125	215
- others	1,397	1,168
	274,233	237,896

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

1.2. Structure of operating expenses

	3 months to 9 months to 30 September 2023 30 September 2023		3 months to	9 months to 30 September 2022	
	PLN thou.	PLN thou.	PLN thou.	PLN thou.	
Operating expenses					
Value of goods and external services sold	(6,066)	(13,771)	(4,099)	(11,975)	
Employee benefits	(42,769)	(129,267)	(37,336)	(113,042)	
Amortisation/Depreciation	(8,933)	(26,380)	(7,547)	(22,336)	
External services	(6,685)	(20,392)	(6,061)	(17,001)	
Other	(2,960)	(8,360)	(2,731)	(7,019)	
Total	(67,413)	(198,170)	(57,774)	(171373)	
Own cost of sales	(56,225)	(164,597)	(48,226)	(143,858)	
Cost of sales	(4,222)	(13,907)	(4,103)	(12,135)	
Administrative expenses	(6,975)	(19,563)	(5,400)	(15,366)	
Allowance/reversal for expected credit losses in respect of trade receivables	9	(103)	(45)	(14)	
Total	(67,413)	(198,170)	(57,774)	(171373)	



1.3. Financial income and expenses

The structure of financial income in the period of three and nine months ended 30 September 2023 and in the comparable period was as follows:

Financial income	3 months to 30 September 2023	9 months to 30 September 2023	3 months to 30 September 2022	9 months to 30 September 2022
Interest income from bank deposits measured at	PLN thou.	PLN thou.	PLN thou.	PLN thou.
effective interest rate	20	1,555	-	476
Positive f/x differences	(235)	-	-	-
Other financial income	1	77	-	-
Total	(214)	1,632	-	476

Financial expenses in the three and nine months ended 30 September 2023 and in the comparable period were as follows:

Financial expenses	3 months to 30 September 2023	9 months to 30 September 2023	3 months to 30 September 2022	9 months to 30 September 2022
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Interest costs on bank loans	(24)	(24)	-	-
Interest expense on lease	(401)	(1,282)	(411)	(1,158)
Other interest expense	(163)	(174)	(5)	(14)
Negative exchange rates	(43)	(43)	(350)	(560)
Losses from realisation and/or valuation of derivative instruments	(19)	(19)	-	-
Total	(650)	(1,542)	(766)	(1,732)

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

1.4. Tax on profit or loss

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

	3 months to 30 September 2023	9 months to 30 September 2023	3 months to 30 September 2022	9 months to 30 September 2022
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Current income tax	(3,070)	(10,283)	(3,168)	(10,206)
Deferred tax	(649)	(868)	(189)	585
Tax expense reported in the profit and loss account	(3,719)	(11,151)	(3,357)	(9,621)

The effective tax rate in the nine months ended 30 September 2023 was 14.5% compared to 14.6 % 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 2023	9 months to 30 September 2023	3 months to 30 September 2022	9 months to 30 September 2022
Weighted average number of issued ordinary shares used to calculate basic earnings per share (per piece)	33,418,193	33,418,193	33,418,193	33,418,193
Net profit for the reporting period (in PLN thou.)	25,759	65,548	21,328	56,114
Net profit per share (in PLN)	0.77	1.96	0.64	1.68

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



2. Notes to the balance sheet

2.1. Property, plant and equipment

Changes in net worth of property, plant and equipment in the period of the nine months ended 30 September 2023 and in the comparable period were attributed to the following:

	9 months to	9 months to
	30 September 2023 30 S	eptember 2022
	PLN thou.	PLN thou.
Net value of fixed assets as at 1 January	37,097	22,287
Increase through:	10,944	15,226
Purchase and upgrade	10,944	10,768
Buyout of right-of-use asset	-	4,458
Decrease through:	(6,626)	(4,718)
Depreciation allowance for reporting period	(6,307)	(4,703)
Sales and liquidation	(319)	(15)
Net value of fixed assets as at 30 September	41,415	32,795

2.2. Intangible property

Changes in net worth of intangible assets in the period of the nine months ended 30 September 2023 and in the comparative period were attributed to the following:

	9 months to 30 September 2023	9 months to 30 September 2022
	PLN thou.	PLN thou.
Net value of intangible assets as at 1 January	32,782	27,283
Increase through:	17,928	15,123
Purchase	215	66
Capitalized costs of ongoing development projects	17,713	15,057
Decrease through:	(14,052)	(10,968)
Depreciation allowance for reporting period	(14,052)	(10,968)
Net value of intangible property as at 30 September	36,658	31,438

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 2023 PLN thou.	31 December 2022 PLN thou.
Carrying amount of goodwill	252,879	252,879
Goodwill presented in intangible assets	252,879	252,879

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Goodwill is allocated to cash-generating unit, who 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 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 2023 was fully balanced and under control, the Management Board has concluded that the assumptions made for the 31 March 2020 test remain realistic.

2.1. Right-of-use assets

During the nine months ended 30 September 2023 and in the comparable period, changes in the net worth of right-of-use assets resulted from the following events:

	9 months to 30 September 2023 30	9 months to September 2022
	PLN thou.	PLN thou.
Net value of right-of-use assets as at 1 January	47,339	60,637
Increase through:	5,852	3,274
New lease agreement	213	108
Modifications to existing agreements (change of interest rate)	5,639	3,166
Decrease through:	(6,284)	(14,676)
Depreciation allowance for reporting period	(6,208)	(6,792)
Modifications to existing agreements	(76)	(3,426)
Buyout of right-of-use asset	-	(4,458)
Net value of non-current assets from right of use as at 30 September	46,907	49,235

2.2. Inventories

Inventory write-down as at 30 September 2023 amounted to PLN 337 thousand and as at 31 December 2022 to PLN 247 thousand.

2.3. Other assets

As at 30 September 2023 (and as at 31 December 2022), the Company was not a party to forward contracts.

In the three months ended 30 September 2023, 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 2023 and as at 31 December 2022, the Company held the following non-financial assets:

	30 September 2023 PLN thou.	31 December 2022 PLN thou.
Prepayments for deliveries	126	25
Total	126	25



2.4. Prepaid expenses and accrued income

As at 30 September 2023 and as at 31 December 2022, the balance of active accruals comprised the following items:

	30 September 2023		30 December 2022	
	Non-current	Current	Non-current	Current
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Prepaid services, including:				
maintenance services and licence fees	316	927	116	836
prepaid training	-	17	-	88
insurances	-	386	-	101
other services	3	998	-	596
Total	319	2,328	116	1,621

2.5. 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 2023 and as at 31 December 2022.

	30 Septen	30 September 2023		31 December 2022	
	Non-current	Current	Non-current	Current	
	PLN thou.	PLN thou.	PLN thou.	PLN thou.	
Trade receivables	-	60,941	-	52,830	
From related parties, including:	-	340	-	1,404	
Invoiced receivables	-	340	-	1,404	
From other parties, including:	-	60,601	-	51,426	
Invoiced receivables	-	60,462	-	51,340	
Receivables not invoiced	-	139	-	86	
Allowance for expected credit losses (-)	-	(1,424)	-	(1,334)	
Total trade receivables	-	59,517	-	51,496	

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 2023 and 31 December 2022.

	30 September 2023		31 December 2022	
	Non-current	Current	Non-current	Current
	PLN thou.	PLN thou.	PLN thou.	PLN thou.
Assets under contracts with customers, incl.:				
From related parties				
From other parties	-	3,092	-	1,052
Total assets under contracts with customers	-	3,092	-	1,052

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



	30 September 2023		31 Dec	31 December 2022		
	Non-current	Current	Non-current	Current		
	PLN thou.	PLN thou.	PLN thou.	PLN thou.		
Other receivables, including:						
Budget receivables	-	14	-	4		
Receivables from paid deposits	437	67	499	62		
Other receivables	-	657	-	41		
Other receivables total	437	738	499	107		

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.

2.6. Cash

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

The fair value of cash and short-term deposits at 30 September 2023 amounted to PLN 18,938 thousand (31 December 2022: PLN 48,282 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 2023	31 December 2022
	PLN thou.	PLN thou.
Cash at bank in current accounts	8,325	22,802
Cash at bank in split payment accounts	883	218
Short-term deposits	9,017	25,203
Cash in hand	20	18
Cash in transit	693	41
Cash balance shown in balance sheet and cash flow statement	18,938	48,282

2.7. Bank loans

As at 30 September 2023 and 31 December 2022, the Company had no debt in its current account.

As at 30 September 2023 and 31 December 2022, 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 15 January 2024 and enable the obtaining of bank guarantees up to the amount of PLN 1,500 thousand with the repayment date 15 January 2024.

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.



2.8. Lease liabilities

As at 30 September 2023 and 31 December 2022, the subject of lease agreements with the Company as the lessee were vehicles and real property.

The table below presents the balance of liabilities under leases as at 30 September 2023 and as at 31 December 2022:

	30 September 20	30 September 2023		31 December 2022	
	Long-term	Short-term	Long-term PLN thou.	Short-term PLN thou.	
	PLN thou.	PLN thou.			
Real property lease	40,285	8,511	41,409	7,792	
Vehicle lease	1,326	705	1,856	695	
Total	41,611	9,216	43,265	8,487	

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

As at 30 September 2023 and as at 31 December 2022, the Company's trade liabilities were as follows:

	30 Septembe	er 2023	31 December 2022	
	Non-current <i>PLN thou.</i>	Current PLN thou.	Non-current PLN thou.	Current PLN thou.
Trade liabilities				
To related parties, including:	-	211	-	98
Invoiced liabilities	-	211	-	98
To other parties, including:	-	8,700	-	7,301
Invoiced liabilities	-	7,535	-	6,605
Liabilities not invoiced	-	1,165	-	696
Total trade liabilities	-	8,911	-	7,399

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 2023 and as at 31 December 2022, liabilities under contracts with customers were as follows:

	30 September 2023		31 December 2022	
Liabilities from contracts with customers	Non-current <i>PLN thou.</i>	Current PLN thou.	Long-term PLN thou.	Short-term PLN thou.
To related parties, including:	-	47	-	121
Accrued income from contracts with customers	-	47	-	8
Liabilities arising from the valuation of IT contracts	-	-	-	113



To other parties, including:	-	17,242	-	16,679
Accrued income from contracts with customers, including:	-	16,971	-	16,586
- pre-paid maintenance services	-	4,778	-	4,536
- licence fees	-	11,764	-	12,050
- other prepaid services	-	429	-	-
Liabilities arising from the valuation of IT contracts	-	271	-	93
Total liabilities from contracts with customers	-	17,289	-	16,800

As at 30 September 2023 and as at 31 December 2022, the other Company's liabilities were as follows:

	30 September 2023		31 December 2022	
	Non-current PLN thou.	Current PLN thou.	Non-current PLN thou.	Current PLN thou.
Tax liabilities under corporate income tax	-	1,517	-	4,407
Budgetary commitments				
VAT	-	7,056	-	5,949
Personal income tax	-	2,988	-	2,873
Amounts due to the Social Insurance Institution	-	6,542	-	5,760
Other	-	130	-	121
Total budgetary commitments	-	16,716	-	14,703
Other liabilities				
Liabilities to employees	-	3,363	-	3,197
Liabilities from purchase of fixed assets	-	472	-	318
Forward contract liabilities	-	19	-	-
Other liabilities	-	662	-	380
Total other liabilities	-	4,516	-	3,895
Budgetary commitments and other liabilities	-	21,232	-	18,598



2.10. Provisions

Changes to the balance of provisions in the nine months ended 30 September 2023 and in the comparable period were as follows:

	Post-employment benefits PLN thou.	Other provisions PLN thou.	Total PLN thou.
As at 1 January 2023	2,044	-	2,044
Used/Reversed	-	-	-
As at 30 September 2023, including:	2,044	-	2,044
Current	84	-	84
Non-current	1,960	-	1,960
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

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

2.11. Accrued expenses and deferred income

As at 30 September 2023 and as at 31 December 2022, the Company's accruals and deferred income were as follows:

	30 September 2023		31 December 2022	
	Non-current PLN thou.	Current PLN thou.	Non-current PLN thou.	Current <i>PLN thou.</i>
Expenses due and unpaid, including:				
Provision for unused leaves	-	3,679	-	4,377
Provision for employee and Management Board bonuses	-	10,351	-	9,929
Total	-	14,030	-	14,306

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.

2.12. Related party transactions

	Rev	Revenue		Purchases	
	9 months to 30 September 2023			9 months to 30 September 2022	
	PLN thou.	PLN thou.	PLN thou.	PLN thou.	
Transactions with Asseco Poland S.A.	2,595	2,771	2,096	3,428	
Transactions with other related parties	909	491	111	142	
Total transactions with related parties	3,504 3,26		2,207	3,570	



	Trade and other rece part		Trade liabilities, liabilities under contracts with customers, lease liabilities and other		
	30 September 2023	30 September 2023 31 December 2022 3		elated parties 31 December 2022	
	PLN thou.	PLN thou.	PLN thou.	PLN thou.	
Transactions with related parties					
Transactions with Asseco Poland S.A.	252	1,310	10,293	10,106	
Transactions with other related parties	88	94	78	50	
Total transactions with related parties	340	1,404	10,371	10,156	

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

As at 30 September 2023, the balance of lease liabilities with related parties committed by the Company Executives was PLN 12,877 thousand, and as at 31 December 2022 it amounted to PLN 13,215 thousand.

In the three quarters of 2023, the cost of interest accrued from lease with related parties committed by the Company Executives was PLN 133 thousand while PLN 230 thousand in the comparable period.

As at 30 September 2023 and 31 December 2022, there were no outstanding balances of receivables arising from transactions with related parties concluded by the Company Executives and with the Company Executives.

As at 30 September 2023 and 31 December 2022, 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 three months ended 30 September 2023, the value (net) of purchase transactions of goods and services (including rental) with related parties conducted by the Company Executives and with the Company Executives amounted to PLN 1,158 thousand and PLN 1,094 thousand in the comparable period. In the period of the nine months of 2023, the value of sales transactions of goods and services to related parties conducted by or with the Company Executives was PLN 15 thousand, while in the comparable period the same amounted to PLN 9 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 2023	9 months to 30 September 2022
	PLN thou.	PLN thou.
Change in inventories	(40)	119
Change in receivables and assets from contracts with customers	(10,630)	(6,525)
Change in other non-financial assets	(101)	(195)
Change in trade liabilities and liabilities from contracts with customers	4,462	4,059
Change in the balance of accruals and prepayments	(1,186)	4,255
Change in provisions	-	126
Total	(7,495)	1,839

The following table lists items concerning investing activities:

	9 months to 30 September 2023	9 months to 30 September 2022	
	PLN thou.	PLN thou.	
Sale of property, plant and equipment	521	58	
Acquisitions of new tangible assets	(10,790)	(9,372)	
Acquisition of intangible property	(215)	(66)	
Expenses for development work	(17,697)	(15,043)	

3.2. Contingent liabilities

The table below presents contingent liabilities as at 30 September 2023 and as at 31 December 2022:

Contingent liabilities	30 September 2023	31 December 2022
	PLN thou.	PLN thou.
Receivables arising from performance guarantee		
Liabilities due up to 3 months	-	-
Liabilities due from 3 to 12 months	881	505
Liabilities payable from 1 to 5 years	522	881
Liabilities due after 5 years	-	-
Total	1,403	1,386

As at 30 September 2023 and as at 31 December 2022, liabilities under lease guarantees granted to related parties through the Company Executives amounted to PLN 300 thousand.



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 2023 and as at 31 December 2022 does not differ significantly from their carrying value.

As at 30 September 2023 and as at 31 December 2022, the Company held the following financial instruments measured at fair value:

As at 30 September 2023	Carrying value	Level 1 ⁱ⁾	Level 2 ⁱⁱ⁾	Level 3 ⁱⁱⁱ⁾
	PLN thou.	PLN thou.	PLN thou .	PLN thou.
Financial liabilities				
Concluded forward contracts	19	-	19	-
Total	19	-	19	-

3.4. Objectives and principles of managing financial risks

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 2022.

3.5. Headcount

Average employment during the reporting period	9 months to 30 September 2023	9 months to 30 September 2022
Management Board	6	3
Developers	931	890
Sales personnel	56	58
Administration	53	50
Total	1,046	1,001

Employment as at:	30 September 2023	31 December 2022
Management Board	6	3
Developers	965	970
Sales personnel	51	54
Administration	50	45
Total	1,072	1,072

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 launch information systems and modify the IT infrastructure of enterprises on the turn-of-the-year basis.



V. 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 guarters of 2023

The financial results of Asseco Business Solutions for the first three quarters of 2023 and for a comparable period:

	3 months to 30 September 2023	3 months to 30 September 2022	Growth dynamics 3 months 2023/ 3 months 2022	9 months to 30 September 2023	9 months to 30 September 2022	Growth dynamics 9 months 2023/ 9 months 2022
Operating income	97,606	82,766	17.9%	274,233	237,896	15.3%
Gross profit on sales	41,390	34,495	20.0%	109,533	94,024	16.5%
EBIT	30,342	25,451	19.2%	76,609	66,991	14.4%
EBITDA	39,333	33,038	19.1%	103,160	89,440	15.3%
Net profit	25,759	21,328	20.8%	65,548	56,114	16.8%

EBITDA = EBIT + amortisation/depreciation

In the three quarters of 2023, the operating income of Asseco Business Solutions S.A. amounted to PLN 274,233 thousand and was higher by 15.3% than in the same period of 2022. 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 15.7%, while the value of goods, materials and external services sold (COGS) upped by 15.0%, which had an impact on the drop in EBIT profitability. The largest share in the Company's operating expenses (70.1%) was allocated to employee benefits (primarily salaries).

The net profit of Asseco Business Solutions realised in the first three quarters of 2023 closed at PLN 65,548 thousand, compared with PLN 56,114 thousand earned in the comparable period of 2018 (up by 16.8%).

Profitability ratios

Profitability ratios	3 months to 30 September 2023	3 months to 30 September 2022	Growth dynamics 3 months 2023/ 3 months 2022	9 months to 30 September 2023	9 months to 30 September 2022	Growth dynamics 9 months 2023, 9 months 2022
Gross margin on sales	42.4%	41.7%	0.7%	39.9%	39.5%	0.4%
EBITDA profit margin	40.3%	39.9%	0.4%	37.6%	37.6%	-%
Operating margin	31.1%	30.8%	0.3%	27.9%	28.2%	-0.3%
Net margin	26.4%	25.8%	0.6%	23.9%	23.6%	0.3%
Return on equity (ROE)				18.7%	4.8%	13.9%
Return on assets (ROA)				14.1%	3.6%	10.5%

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 EBITDA profit margin after the three quarters of 2023 was 37.6% and remained unchanged v. the comparable period. The net profit margin after the three quarters of 2023 was 23.9% and rose by 0.3 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 2023 was PLN 12,930 thousand and was lower by PLN 20,002 thousand compared with 31 December 2021. The decrease in working capital is attributed to a drop in current assets by PLN 17,804 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 2023 is a cyclical phenomenon. The liquidity ratios for the three quarters of 2023 increased compared to the comparable period.

Liquidity ratios	9 months to 30 September 2023	12 months to 31 September 2022	9 months to 30 September 2022
Working capital (in PLN thou.)	12,930	32,932	8,296
Current ratio	1.18	1.47	1.13
Quick ratio	1.14	1.44	1.10
Super quick ratio	0.26	0.69	0.30

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 2023 and in the comparable period, as well as for the period of 12 months until 31 December 2022:

Debt ratios	9 months to	12 months to	9 months to
	30 September 2023	31 September 2022	30 September 2022
General debt ratio	24.9%	24.2%	25.0%

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

The structure of Company's assets and liabilities

ASSETS	30 September 2023	Share in balance sheet total	31 December 2022	Share in balance sheet total
Non-current assets	380,975	82%	373,941	78%
Current assets	85,209	18%	103,013	22%
TOTAL ASSETS	466,184	100%	476,954	100%

LIABILITIES	30 September 2023	Share in balance sheet total	31 December 2022	Share in balance sheet total
Total equity	350,334	75%	361,648	76%
Long-term liabilities	43,571	9%	45,225	9%
Short-term liabilities	72,279	16%	70,081	15%
TOTAL EQUITY AND LIABILITIES	466,184	100%	476,954	100%



As at 30 September 2023, the total assets of the Company amounted to PLN 466,184 thousand, which is a decrease by 2.3% compared with 31 December 2022.

The Company's main asset component is non-current assets, which account for 82 % of the balance sheet total. Among them, intangible assets are the key item amounting to PLN 289,537 thousand. Goodwill has the largest share in intangible assets: PLN 252,879 thousand. The share of this item in total assets is 54.2%. This is a rather standard situation among tech companies whose greatest asset is knowledge and intangible assets.

As at 30 September 2023, the Company's equity amounted to PLN 350,334 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 during the reporting period ended 30 September 2023 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 2023, 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 the impact of the Russo-Ukrainian war 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 hereof.



5.4. Information on dividends paid

Pursuant to the decision of the Ordinary General Meeting of Shareholders of Asseco Business Solutions S.A. on 31 May 2023, the net profit for the financial year 2022 in the amount of PLN 85,286 thousand was divided as follows:

- part of the net profit for the year 2022 in the amount of PLN 76,862 thousand was earmarked for distribution among the shareholders, i.e. for the payment of the dividend in the amount of PLN 2.30 per share;
- the reminder of the net profit for 2022 in the amount of PLN 8,424 thousand was transferred to retained earnings. The dividend date was set on 09 June 2023 and the dividend payment date on 21 June 2023. The company did not pay interim dividend for the year 2022.

Pursuant to the decision of the Ordinary General Meeting of Shareholders of Asseco Business Solutions S.A. 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 the year 2021 in the amount of PLN 70,847 thousand was earmarked for distribution among the shareholders, i.e. for the payment of the 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.

5.5. Significant events during the reporting period

Selected important agreements concluded over the first three quarters of 2023 by Asseco Business Solutions, whose disclosure was agreed with the clients.

- Fiskars UK licensing and implementation of Mobile Touch; subscription agreement;
- Baltic Company Sp. z o.o. licensing and implementation of JERP by Asseco; maintenance agreement;
- Euro Park Sp. z o.o. implementation of and assistance services for Softlab ERP by Asseco;
- Edu-Książka Sp. z o.o. licensing, implementation, and maintenance of Softlab ERP by Asseco;
- Cermont Sp. z o.o. licensing, implementation, and maintenance of Softlab ERP by Asseco and Softlab Analytics by Asseco;
- Schumacher Packaging Zakład Bydgoszcz Sp. z o.o. U15157 computer program implementation agreement;
- Dino Polska S.A. annexed Mobile Touch subscription agreement to increase the number of users;
- Mosso Kewpie Poland Sp. z o.o. agreements to implement and maintain Mobile Touch and Connector Platform;
- PPG Deco Polska Sp. z o.o. agreement to broaden the scope of implementation of Mobile Touch;
- Lyreco Polska S.A. agreement to implement and maintain Merit ERP (at Lyreco Advantage Polska);
- Stabar Sp. z o.o. agreement to implement and maintain Merit ERP.
- Toyota Motor Manufacturing Poland Sp. z o.o. agreement to implement and maintain Asseco SOFTLAB HR;
- Trzuskawica S.A. implementation of Softlab ERP by Asseco;
- HJ HEINZ POLSKA Sp. z o.o. agreement to implement and maintain Mobile Touch and Connector Platform;
- MS Services Sp. z o.o agreement to expand the scope of maintenance services for Mobile Touch.



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 2023, the Company made investment outlays in the amount of PLN 28,872 thousand, while, in the comparative period, relevant investment outlays amounted to PLN 30,336 thousand.

5.8. Feasibility assessment of financial forecast published by the Management Board for 2023

The Management Board of Asseco Business Solutions S.A. did not publish financial forecast for 2023.

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 military conflict in Ukraine. 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,
- rising inflation,
- higher loan interest rates and bank margins,
- 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 adverse circumstances in the domestic and global economy related to the military conflict 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 have affected the assessment of the financial position, assets and personnel

The Company is constantly monitoring the impact of the war in Ukraine on the Company's business, including its future financial position and financial results.

On a global scale, the war in Ukraine has triggered inflation and has led to a volatile economic situation and an increase in interest rates. These changes do not affect the Company's results, and higher interest rates do not result in significantly higher 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 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 2023, that is, until 26 October 2023, there had been no events after the balance sheet date that should be but are not included in these financial statements.

5.16. Significant events concerning previous years

Up to the date of these financial statements for the nine months ended 30 September 2023, that is, until 26 October 2023, 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	
Renata Łukasik	Member of the Management Board	
Jacob Licovalei	Member of the Management Board	
Jacek Lisowski		
Rafał Mróz	Member of the Management Board	
Artur Czabaj	Responsible for book-keeping	

Asseco Business Solutions S.A.

ul. Konrada Wallenroda 4c 20-607 Lublin, Poland

Phone +48 81 535 30 00

Fax: +48 81 535 30 05

info@assecobs.pl
assecobs

