



The Asseco Group's Annual Report

for the year ended December 31, 2021

asseco



Presence
in **60 countries**



Sales obtained
PLN 14 498 million



30 374 people
working for
results achieved



Net profit attributable
to shareholders of
the Parent Company
PLN 468.2 million



Order backlog*
for 2022
PLN 9 810 million



PLN 6.5 billion
market capitalization

* Applies to proprietary software and services

The Asseco Group in 2021

non-IFRS measures (unaudited data)

Non-IFRS figures presented below have not been audited or reviewed by an independent auditor. Non-IFRS figures are not financial data in accordance with EU IFRS. Non-IFRS data are not uniformly defined or calculated by other entities, and consequently they may not be comparable to data presented by other entities, including those operating in the same sector as the Asseco Group. Such financial information should be analyzed only as additional information and not as a replacement for financial information prepared in accordance with EU IFRS. Non-IFRS data should not be assigned a higher level of significance than measures directly resulting from the Consolidated Financial Statements.

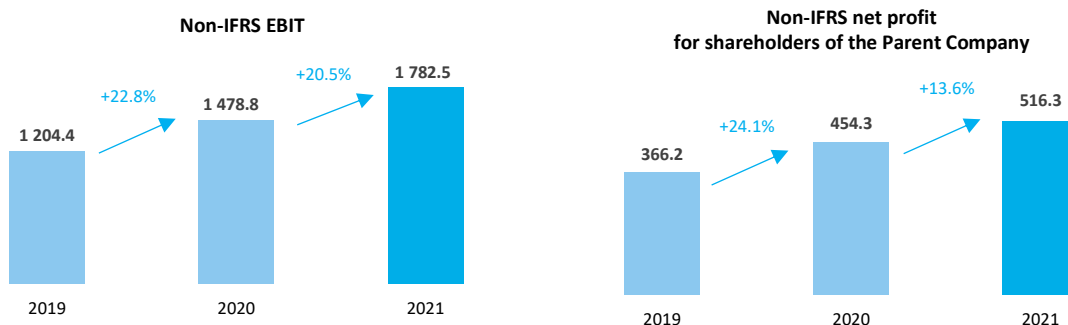
Financial and operational summary:

- Increase in the Group's revenues by **19%** to **PLN 14 498 million**
- Increase in non-IFRS EBIT to **PLN 1 783 million** and in contribution to non-IFRS net profit to **PLN 516 million**
- Increase in the Group's sales in **all sectors and business segments**
- **78%** of revenues obtained from sales of proprietary software and services
- Strong business **diversification** (geographic, sector, product)

Selected consolidated financial data for 2021 on a non-IFRS basis

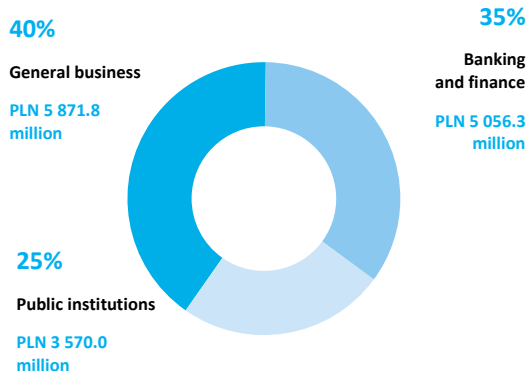
In order to assess the financial position and development of the Asseco Group's business operations, it is essential to provide key financial data on a non-IFRS basis. They are complementary to the data reported under IFRS.

Non-IFRS figures including adjustments for: the cost of amortization of intangible assets recognized under the combination settlement (PPA), the costs of share-based payment transactions with employees (SBP), the costs and financial revenues resulting from the transactions of purchase and sales of companies (M&A) and tax effects associated with them.

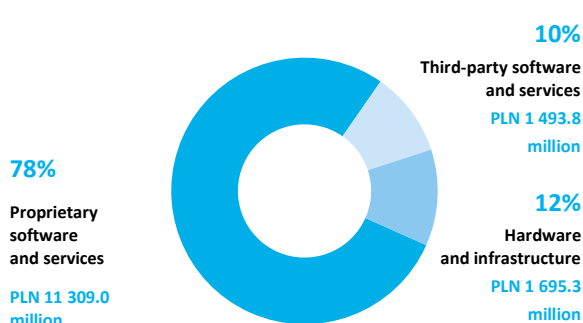


The Group's revenue structure in 2021

Revenues by sectors



Revenues by products



PRESIDENT'S LETTER



Dear Ladies and Gentlemen,

When a year ago I was writing the opening letter of the Management Board's report on operations of Asseco Poland and the Asseco Group, I had high hopes that 2021 would bring a happy end to the pandemic period and a quick return to harmonious operation for societies and economies. The reality turned out to be more complex – COVID has not disappeared at all and the development strategies of companies in many cases have had to undergo significant changes. In fact, for the greater part of the previous year the vast majority of organizations operated in a remote or hybrid mode. The pandemic has also taken its tragic toll and taken away too many wonderful people. This has clearly affected Poland and other countries struggling with the pandemic. In these circumstances, I am extremely proud of the entire Asseco team, which demonstrated great commitment, flexibility, ability to respond to customer needs and adapted to rapidly changing market

requirements. This translated into the fact that not only did we operate as efficiently as before, but we were also able to grow our Group and improve our financial performance.

For another year in a row we achieved a record level of revenues, PLN 14.5 billion, and the share of our foreign companies in these revenues reached 89%. At the same time, the Group's operating profit increased to PLN 1.5 billion. Sales of proprietary products and IT services increased by 17% year on year and reached PLN 11.3 billion. We focused on how best to support clients in the face of the pandemic. We also took advantage of opportunities related to the acceleration of digitization processes in companies and institutions. Therefore, we recorded revenue growth in all sectors of our business.

In the general business sector, there were noticeable increases in sales of ERP systems by the Asseco Enterprise Solutions Group, business solutions and services provided by the Israeli companies Matrix IT and Magic Software. It is also worth mentioning that we continued cooperation with the Polsat Plus Group. All of this helped increase revenues by 24% versus the 2020 levels. We are also pleased with strong results achieved in the banking and finance sector, where our revenues surged by 15% year on year, owing primarily to dynamic growth of Sapiens International, Matrix IT and Magic Software, as well as thanks to the Asseco South Eastern Europe Group reinforcing its market position in the areas of payments, banking and dedicated solutions. In turn, Asseco Poland, being the largest contributor to the Polish segment, continued to work with its existing clients, among others, under long-term maintenance agreements that account for approx. 40% of the area's revenues. Asseco Poland conducted sales activities in order to gain new projects both in Poland and abroad. We also observed double-digit growth in the public institutions sector. This result is a consequence of, among others, projects implemented in Poland for the Social Insurance Institution (ZUS), the Agency for Restructuring and Modernization of Agriculture (AriMR), the Ministries of Finance and Justice, as well as in the areas of healthcare and Smart City. These strong results are also supported by the operations of Matrix IT and Magic Software, which execute new long-term contracts in Israel.

In the previous year, we strengthened our position in the areas of cyber security and cloud, which have taken on particular importance after 2020. Hence, the decision to establish the National Medical Cloud Operator – Health Cloud (*Krajowy Operator Chmury Medycznej – Chmura dla zdrowia*) by Asseco Poland. Its goal is to digitize healthcare and enable medical units to provide e-Services with the highest security standards. The next step was the establishment of Asseco Cloud, which supports clients in the design, implementation and operation of cloud solutions.

In 2022, our goal will invariably remain to maintain Asseco's leading position in the banking, insurance, energy, telecommunications, healthcare and government segments. We continue to focus on further development in the area

of our proprietary products and services. In addition to sector solutions, we will strengthen our position in ERP, payments and trust services. We will continue to invest in the development of cloud products and cyber security services. I also strongly believe in automation, robotics and artificial intelligence, because I am convinced that in the long run they will bring a lot of good, among others in the health care system, administration, services or manufacturing sector.

We will continue to expand not only organically but also through acquisitions – we are interested in companies with their proprietary products, stable financial standing, operating in sectors similar to Asseco, whose owners would like to remain in the organization after the acquisition and develop it together with us. In 2021 alone, we invested in as many as 18 companies operating in the Israeli, European and American markets.

When thinking about the development prospects for 2022, it is impossible not to mention the war in Ukraine, the long-term effects of which are difficult to predict today. Already its first days showed how important it is to take care of the country's cyber security – maintaining the continuity of key systems and critical infrastructure as well as effective defense against disinformation – and how important IT sovereignty is, which is now a crucial element of the *raison d'être*. Therefore, states should choose reliable, proven companies for IT projects, ones that guarantee the highest level of data and process security.

Above all, however, the situation in Ukraine is a huge tragedy in humanitarian terms, which is why we have become heavily involved in supporting refugees. We have already donated nearly PLN 2.5 million for this purpose, among others for the accommodation of the most needy people and for the Polsat Foundation, which helps Ukrainian children. Also the Asseco employees offered their help to our neighbors in these very difficult moments – we support these activities organizationally, formally and financially.

On behalf of myself and the entire Management Board, I would like to thank our customers for their trust. I would like to thank you, dear Shareholders, for believing in us and sharing our vision of Asseco's development. I would also like to thank all our Employees who build Asseco every day with the highest commitment, both in business and, above all, human, terms. The past few years have shown how important are not just hard skills, but also all those qualities that make you such a great Team. As a result, we are once again achieving great results in these turbulent times, and I am confident about our future.

Best regards,

Adam Góral,

President of the Management Board of Asseco Poland

A handwritten signature in black ink, appearing to read 'Góral', with a stylized, cursive script.



Management Board's report on operations of **the Asseco Group and Asseco Poland S.A.**

Management Board's report on operations of the Asseco Group and Asseco Poland S.A.

for the year ended December 31, 2021

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General information about Asseco Poland and the Asseco Group

GENERAL INFORMATION ABOUT ASSECO POLAND AND THE ASSECO GROUP

The parent company of the Asseco Group ("Group", "Asseco Group") is Asseco Poland S.A. ("Company", "Asseco Poland").

Asseco Poland (WSE: ACP) is a leading Polish information technology company listed on the Warsaw Stock Exchange. With the capitalization of approx. PLN 6.5 billion (approx. EUR 1.4 billion) as at March 22, 2022, it is included in the WIG20 index. It is also the largest company in the WIG-informatyka sector index.

Asseco Poland heads the international Asseco Group which, through its subsidiaries, is present in 60 countries worldwide: in most European countries as well as in Israel, the US and Africa. The Asseco Group is one of the leading producers of software in Europe and the largest provider of modern IT solutions in Central and Eastern Europe.

The Group's companies are listed not only on the Warsaw Stock Exchange (WSE) but also on NASDAQ Global Markets and Tel Aviv Stock Exchange.

The Asseco Group is a combined software and services company, producer of technologically advanced and top-quality software, supporting the most important business processes of companies in key industries. The sales of proprietary software and services accounts for 78% of the Group's revenues.

The Asseco Group operates under the unique model of federation of companies, which provides for high business independence and utilization of local expertise, accompanied by the creation of synergies across the entire Group.

The Asseco Group is a European software producer

- We focus on our proprietary software and services
- We develop our cross-sector competencies
- We employ the best programmers and IT specialists
- We work with global technology and IT solution providers
- Our goal is to increase shareholder value; Asseco Poland is a dividend company
- We are a socially committed Group, we support the development of local economies

AUTHORITIES OF ASSECO POLAND

As at the date of publication of this report, i.e. March 23, 2022, the composition of the Company's Management Board is as follows:

Management Board



Adam Góral

President of the Management Board

He is responsible for the development vision and strategy of the Asseco Group, Internal Audit Department and Telecommunications and Media Division.

The Founder and President of the Management Board of Asseco Poland. Since 1991 he has been developing COMP Rzeszów, which, after being listed on the Warsaw Stock Exchange as Asseco Poland, became the leader of the Asseco Group's development in international markets.

The graduate of the Kraków University of Economics (major: cybernetics of economics and computer science) with Ph.D. in economics. In 1979-1990 he worked at a branch of Maria Curie-Skłodowska University in Rzeszów, initially as an assistant and then as an assistant professor. In 1991-1993 he was involved in the Polish-American Project of Building Enterprise Institutes in Poland.

In 1999-2006, he served as the Chairman or the Member of the Supervisory Board in the following companies: ABAS and COMP Soft, as well as Softlab, Softlab Trade, WA-PRO, Asseco Romania, Vistula & Wólczanka, ABG (former DRQ) and Asseco Systems.

Currently, he holds the positions of the Chairman of the Supervisory Board of Asseco International, Asseco Central Europe, Asseco Western Europe, Asseco Data Systems, Asseco Cloud, and Gdynia Basketball Club ARKA, as well as the Deputy Chairman of the Supervisory Board of Asseco South Eastern Europe and Asseco Business Solutions. He is the member of the Supervisory Board of Asseco Enterprise Solutions and the Podkarpackie Business Club.

He is the Honorary Consul of the Slovak Republic and the member of the Supervisory Board in the Podkarpackie Employers' Association.



Andrzej Dopierała

Vice President of the Management Board

He is responsible for the Divisions of International Organizations and Security Sector Solutions, Agricultural Insurance, the Infrastructure Projects Office and the ICT Department.

Andrzej Dopierała is the graduate of the Warsaw University of Technology, Faculty of Electrical Engineering, where he received his Master of Science degree in Electrical Engineering in 1988.

He began his career in the United States as a service engineer and service director for Hogan Technical Services, an industrial electronics repair and maintenance company. From 1989 to 1991 he worked for a Canadian company designing, manufacturing and selling electronic equipment for the mining industry. In 1992-1993 he worked for Bull Poland and Digital Equipment Polska.

From January 1994 to February 2006 he worked at HP Polska, holding the following positions: the Director of Marketing and Partner Channels (January 1994 - May 1996), the Director of the Computer Products Division (May 1996 - July 1998) and the President of the Management Board (July 1998 - February 2006). In 2006 he became the President of the Management Board of Oracle Polska. He was the Director of Oracle Fusion Middleware in Central Europe from June 2006 to November 2007. In the period from September 2013 to June 2016, he served as the Vice President of the Management Board of Asseco Poland responsible for the Infrastructure Division, Data Processing Center and ICT Department.

Since January 4, 2016, he has been the President of the Management Board of Asseco Data Systems, a company created by consolidating six Polish companies from the Asseco Group and the Infrastructure Division from Asseco Poland. Since October 1, 2017, he has held the position of the Vice President of the Management Board of Asseco Poland. He is the Chairman of the Supervisory Board at ComCERT, the Vice Chairman of the Supervisory Board at Asseco Cloud, and the Member of the Supervisory Board at Pirios.


Krzysztof Groyecki

Vice President of the Management Board

He is responsible for the Health Care Division. The graduate of the Silesian University of Technology in Gliwice, Faculty of Automatic Control, Electronics and Computer Science, where he earned his Master of Engineering degree.

In 1981-1987 he was an assistant and senior assistant at the Institute of Computer Science of the Silesian University of Technology in Gliwice, and in 1987-1998 he was the founder and co-owner as well as the President of the Management Board of PiK Systemy Informatyczne Gliwice. Successively, in 1994-2000, he was the founder and co-owner and Member of the Management Board of PiK-Net, then in 1999-2001 he was the Vice President of the Management Board of ComputerLand Health, and in 1999-2005 he was the General Manager of the Health Care Sector of ComputerLand. From 2004 to 2006, he served as the member of the Management Board of RUM IT. Between 2005 and 2008, he was the Management Board's Proxy for healthcare at ComputerLand and Sygnity. From 2008 to 2010, he was the Director of the Healthcare Solutions Division at ABG. Since 2010 he has held the position of the Director of Healthcare Division in Asseco Poland.

In addition, he was the Member of the Supervisory Board of Clinika (2002-2003), Serum Software (2008-2010) and 3S - Śląskie Sieci Światłowodowe (2007-2013).

He has been the Vice President of Asseco Poland since June 1, 2016. As of May 29, 2020, he serves as the President of the Management Boards of Asseco Equator Software. On April 23, 2021, he took the position of the Member of the Supervisory Board in the company National Medical Cloud Operator (Krajowy Operator Chmury Medycznej).


Karolina Rzońca-Bajorek

Vice President of the Management Board

As the Chief Financial Officer (CFO) she is responsible for the Company's Financial Division and the Financial Division of the Asseco Group.

Karolina Rzońca-Bajorek is the graduate of the Warsaw School of Economics, the Faculty of Finance and Accounting (specialization: Business Finance and Accounting). She started her professional career in 2009 in the audit department of Ernst & Young Audit Sp. z o.o., where she participated in audits of large corporate clients. From 2012 to 2014, she worked at Asseco Poland as the finance specialist in the Reporting Department of the Asseco Group. Then, from 2014 to 2015, she worked as the expert responsible for stock exchange reporting in PHZ Baltona. Since 2015 in Asseco Poland she has been responsible, as the Director of the Reporting Department of the Asseco Group, for the process of periodic reporting and the implementation and application of a consistent accounting policy in Asseco Poland and the Group companies. Since 2019, as the Director of the Finance Division of the Asseco Group, she manages the area covering group processes in the field of management accounting and controlling. She holds an FCCA title and a Certificate of the Minister of Finance authorizing her to provide bookkeeping services. She is in the process of becoming a certified public accountant. She has served as the Vice President of the Management Board of Asseco Poland since April 1, 2021.



Marek Panek

Vice President of the Management Board

He is responsible for the Capital Group Development Division and the EU Projects Office.

The graduate of the Faculty of Mechanical Engineering and Aeronautics, at the Rzeszów University of Technology, where in 1994 he received his M.Sc. diploma. In 1995, he started his career at COMP, and since 1995 he has worked for Asseco Poland (former COMP Rzeszów), working his way up from the Director of Marketing through the Director of Sales and Marketing to the Member of the Management Board in 2004-2007.

Since March 22, 2007 he has served as the Vice President of the Management Board of Asseco Poland. He holds managerial positions in Asseco Group companies: the Chairman of the Management Board of Formula Systems, the Member of the Management Board of Peak Consulting Group and Asseco Denmark, the Chairman of the Supervisory Board of Nextbank Software and Asseco Resovia. He is the Member of the Supervisory Board in the following companies: Sintagma, Asseco Lithuania, Asseco Central Europe, Asseco Innovation Fund, adesso banking solutions and Asseco Services. He is also the Chairman of the Management Board of GSTN Consulting and the Member of the Management Board of Asseco International.



Paweł Piwowar

Vice President of the Management Board

He is responsible for the Energy and Gas Division and the ERP Project Office.

He is the graduate of the Faculty of Electronics at the Warsaw University of Technology, where he received his master's degree in engineering. In 1991, he joined Computerland, where he reached the position of the Vice President of the Management Board.

In the years 1998-2007 he was the President of the Management Board of Oracle Polska, where from 2004 he was the head of the Baltic countries group in Oracle Central Europe: Czech Republic, Estonia, Lithuania, Latvia, Poland, Slovakia, Hungary. Between 2008 and 2010 he served as the First Vice President of the Management Board at ABG.

Since October 1, 2009 he has been employed in Asseco Poland as the Vice President of the Management Board.

The Chairman of the Supervisory Board of DahliaMatic, and the Member of the Supervisory Board of Pirios.



Zbigniew Pomianek

Vice President of the Management Board

He is responsible for the divisions of Commercial Banks, Cooperative Banks, Business Intelligence, Capital Market, PKO BP, as well as for Asseco Innovation Hub and Asseco Services.

The graduate of the Faculty of Construction and Environmental Engineering at the Rzeszów University of Technology. In years 1990-1992 he was an assistant in the department. He worked as an IT specialist at Jazcoop from 1992 and at COMP from 1993 to 1995.

He co-founded Asseco Poland where he has been working since September 1995 at the following positions: the Director of Banking Services, the Deputy General Director, the Director of the Software Division, the Director of the Commercial Banking Division, and since March 22, 2007, the Vice President of the Company's Management Board.

In the years 2000-2004 the Member of the Supervisory Board of the GALKOM Computer Studio. In the years 2007-2009 the Chairman of the Supervisory Board of Anica System. He was the member of the Supervisory Board of Postdata from 2007 to 2015. He was also the member of the Supervisory Board of ZUI Novum. Currently, the Member of the Supervisory Board of Asseco Business Solutions, Nextbank Software and adesso banking solutions. The Chairman of the Supervisory Board in Asseco Innovation Fund and Asseco Services.



Sławomir Szmytkowski

Vice President of the Management Board

He is responsible for the Divisions of Social Security, Systems Maintenance, Agriculture and Postal Service, and the Government Administration Division.

The graduate of the Faculty of Civil Engineering, at the Gdańsk University of Technology. He worked for Prokom Software successively in the IT Project Coordination Office (1996-2002) and as the Director of Strategic Client Department (2003-2007). Since the merger of Asseco Poland and Prokom Software in 2007 he has been employed in Asseco Poland as the Managing Director (in 2007-2009). Since 2009, the Director of the Systems Maintenance Division. As of July 1, 2019, the Vice President of the Company's Management Board.



Artur Wiza

Vice President of the Management Board

He is responsible for the PR, Investor Relations and Marketing Departments as well as for Asseco Poland's cooperation with start-ups.

The graduate of the University of Szczecin, he majored in Economic Cybernetics and Computer Science. He began his career in 1994 at Computerland, responsible for sales to corporate customers. Since 1997 he has been associated with the Polish branch of Hewlett-Packard Poland, where he was responsible for product marketing, SMB market development, marketing and cooperation with business partners. Since 2000 the Marketing Director of Hewlett Packard Poland responsible for Enterprise and Corporate market. In 2002-2005 he was the Chairman of the Polish Board of Marketing Directors at The Conference Board. From September 2006 to March 2011 the Member of the Management Board of Getin Holding, responsible for marketing, external and internal communication and investor relations. He was also the spokesman for Getin Holding Group, Getin Noble Bank and LC Corp (currently Develia). He was the Member of Supervisory Boards of Fiolet Powszechny Dom Kredytowy, Panorama Finansów, OOO Carcade based in Kaliningrad, SC Perfet Finance in Bucharest and LC Corp (currently Develia).

Since 2012, the Managing Director at Asseco Poland responsible for Corporate Communications (marketing, PR and investor relations). Since March 1, 2018, the Vice President of the Management Board of Asseco Poland.

He also serves as the Chairman of the Supervisory Board of the Association of Digital Technology Employers Lewiatan and the Chairman of the Board of the Polish Chamber of Information Technology and Telecommunications. Member of the Supervisory Board in the companies of National Medical Cloud Operator and Asseco Cloud.



Gabriela Żukowicz

Vice President of the Management Board

She is responsible for the Office of Legal Affairs and the Office of the Management Board, as well as the Departments of Human Resources, Personnel Administration, Compliance and Process Management, Internal Systems Maintenance and Development, Administration, and Purchasing.

In 1998 she graduated from the Faculty of Law of the Jagiellonian University in Kraków, and in 2002 she completed her legal adviser training. She has worked for Asseco Poland since 1998, serving as the Director of the Management Board Office (October 2004 - December 2009) and since January 2010 as the Director of the Legal and Organizational Department. In addition, she served as the Proxy of the Company from August 2012 to September 2017. She has served as the Vice President of the Management Board of Asseco Poland since October 1, 2017.

She is the Chairman of the Supervisory Board of Park Wodny Sopot, the Vice Chairman of the Supervisory Board of Asseco Services and Asseco Innovation Fund, as well as the Member of Supervisory Boards in the following companies: Asseco Western Europe, Sintagma and Asseco Lithuania.

During the period of 12 months ended December 31, 2021, the composition of Asseco Poland's Management Board was as follows:

Management Board	Period in office
Adam Góral	01.01.2021 - 31.12.2021
Andrzej Dopierała	01.01.2021 - 31.12.2021
Krzysztof Groyecki	01.01.2021 - 31.12.2021
Rafał Kozłowski	01.01.2021 - 31.03.2021
Marek Panek	01.01.2021 - 31.12.2021
Paweł Piwowar	01.01.2021 - 31.12.2021
Zbigniew Pomianek	01.01.2021 - 31.12.2021
Sławomir Szmytkowski	01.01.2021 - 31.12.2021
Karolina Rzońca-Bajorek	01.04.2021 - 31.12.2021
Artur Wiza	01.01.2021 - 31.12.2021
Gabriela Żukowicz	01.01.2021 - 31.12.2021

On March 23, 2021, Asseco Poland received a letter from Rafał Kozłowski resigning as the Vice President of the Company's Management Board with effect from April 1, 2021. Mr. Kozłowski resigned following his decision to become fully engaged in the affairs of the Asseco Enterprise Solutions Group and to take over the position of the President of the Management Board in Asseco Enterprise Solutions, the parent company of that group.

At the same time, the Supervisory Board, at its meeting on March 23, 2021, appointed Karolina Rzońca-Bajorek to the Company's Management Board, to serve as the Vice President of the Management Board, effective as of April 1, 2021.

Apart from the above-mentioned change, no other changes in the composition of Asseco Poland's Management Board took place in 2021 or until the date of publication of this report.

Additionally, at its meeting held on March 23, 2021, the Supervisory Board passed resolutions on the appointment of the Members of the Management Board of Asseco Poland for the new 5-year term of office spanning from 2022 to 2026. Adam Góral was appointed as the President of the Management Board, while the following persons were appointed as Vice Presidents of the Management Board: Andrzej Dopierała, Krzysztof Groyecki, Marek Panek, Paweł Piwowar, Zbigniew Pomianek, Karolina Rzońca-Bajorek, Sławomir Szmytkowski, Artur Wiza and Gabriela Żukowicz. The appointment is effective January 1, 2022.

Supervisory Board

As at the date of publication of this report, i.e. March 23, 2022, the composition of the Company's Supervisory Board is as follows:



Jacek Duch

Chairman of the Supervisory Board

The graduate of the Warsaw University of Technology, specializing in computer science, with extensive, long-term experience in both technical software engineering and management in international and Polish IT companies.

He started his professional career during his doctoral studies by working at the software development center of Nixdorf Computer in Germany and later as the researcher at PSI AG in West Berlin. From 1978 to 1993, he worked for Digital Equipment Corporation (DEC), where he led projects in Munich, Vienna, and Paris, among other places. Since 1989, he oversaw the establishment of DEC subsidiaries in Central European countries, including Poland.

From 1993 to 1998 he managed Oracle Poland and subsequently served on the Management Boards of Prokom Software and Prokom Internet as well as on numerous Supervisory Boards, including those of Postdata, Bank Pocztowy, PVT and Asseco Group companies (Asseco South Eastern Europe, Asseco Germany, Matrix42 AG and others). He participated in the work of sector-specific organizations: the American Chamber of Commerce, the Polish Chamber of Information Technology and Telecommunications, and the Polish Confederation of Private Employers.

He is the partner/shareholder of Allterpower, Bioalter, B88 International, Spider, Rezydencje Świerkocin SKY INWESTYCJE and R22. Currently, he serves as the Chairman of the Supervisory Boards of Asseco Poland, R22 and Decsoft, as well as the Member of the Supervisory Boards of Asseco Data Systems, Asseco South Eastern Europe, Asseco International, Cyber Folks, DEFENSELAYERS, among others.

The Member of the Audit Committees of Asseco Poland, Asseco South Eastern Europe and R22.

Jacek Duch has knowledge of the industry in which Asseco Poland operates.



Adam Noga

Vice Chairman of the Supervisory Board

The full professor of economic sciences. From 1991 to 1992, he completed a short MBA at L'Universite du Quebec in Montreal. He received his Ph.D. in economics in 1985, then his postdoctoral degree, the associate professor degree (the Warsaw School of Economics), and the full professor degree in 2009. He was the director of the Institute of Finance. Since 2005 he has been the professor and pro-rector of the Koźminski University. He has authored 5 and co-authored 18 books and over 100 scientific articles. He is also the first recipient of the Bank Handlowy Award for outstanding achievements in finance and economics.

From 1988 to 1989 he worked at the Ministry of Finance as a chief specialist. From 1991 to 1992, he taught at L'Universite du Quebec a Montreal. In 1996-1999, he served as the Vice Chancellor for Teaching and Student matters at the Warsaw School of Economics.

In 1995 he worked as an expert for the Ministry of Ownership Transformation. In 1996, he was the President's representative in public debates on privatization and universal enfranchisement. In 1996-1999 he authored reports on the privatization of the Polish economy. From 1998 to 1999, he was the member of the Supervisory Board of PTE Epoka. In 2003-2005 he was the Chairman of the Supervisory Board of the Polish Information and Foreign Investment Agency. From 2002 to 2005, he served as the advisor to the Deputy Prime Minister and Minister of Finance. He has been the editor of "Ekonomista" since 1987.

In 1998-2006, he served as the Chairman of the Supervisory Board of Asseco Poland. He was the member of the Supervisory Board of Prokom Software. He was the member of the Supervisory Board of Kredyt Bank and its Vice Chairman since 2005. He sat on the Supervisory Boards of Warta TUIR and Warta UnŻ. He was the member of Audit Committees in Kredyt Bank (2000-2014), Warta TUIR and Warta UnŻ (2011-2013).

He has served as the Vice Chairman of the Supervisory Board of Asseco Poland since January 2007.

He has knowledge and skills in financial reporting as well as in the industry in which Asseco Poland operates.



Izabela Albrycht

Member of the Supervisory Board

A political scientist, the graduate of the Faculty of International and Political Studies at the Jagiellonian University, and postgraduate studies in Public Relations at the Ks. Joseph Tischner European Higher School. She completed a course for Supervisory and Management Board Members, certified by the Ministry of Treasury, as well as professional training "Decision-making and Legislative Processes in the EU" and "Lisbon Treaty" in the European Parliament. She is the alumna of the prestigious International Visitor Leadership Program (IVLP) of the US Department of State.

She was the President of the Kosciuszko Institute from 2010 to June 2021. Since 2016, she has been the Member of the Council for Digital Affairs, which is currently located at the Prime Minister's Office of the Council of Ministers. She served as its President for the 2016-2018 term.

In 2020, she became the Member of the NATO Advisory Group on new technologies, and she has been elected to the Management Board of DIGITAL EUROPE, where she is a joint representative of the Polish Chamber of Information Technology and Telecommunications (PIIT), the Digital Poland Association (ZIPSEE Digital Poland) and the National Chamber of Commerce for Electronics and Telecommunications (KIGEIT).

She has been the Chairwoman of the Program Committee of the European Cyber Security Forum – CYBERSEC since 2021 and the Chairwoman of the CYBERSEC Organizing Committee since 2014.

She has co-authored reports, publications and analyses focusing on EU policies, international relations, cyber security and digital technologies. She also currently serves as the associate editor of the European Cybersecurity Journal.

She is the co-founder of Women4Cyber, an initiative launched by the European Cyber Security Organisation (ECSO) in Brussels. In 2017 it was included in the prestigious New Europe 100 Challengers list compiled by Financial Times Res Publica, Google and the International Visegrad Fund. In 2019, she was named one of Europe's 50 Most Influential Women in Cybersecurity ranked by SC Media UK. She was part of the 2019-2020 Global Future Council on Cybersecurity at the World Economic Forum in Geneva.

Since 2017, she has served as the Member of the Supervisory Board of Asseco Poland, and in 2019 she assumed the position of Deputy Chairman of the Supervisory Board at ComCERT.

Izabela Albrycht meets the independence criteria set out in Article 129 of the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Supervision and as set forth in the principles of Best Practices of Companies Listed on the WSE 2021.

She also has knowledge and skills in the industry in which Asseco Poland operates.



Piotr Augustyniak

Member of the Supervisory Board

The graduate of the University of Warsaw in English Philology (1990) and Management (1994).

From 1994 to 2011 he worked for Enterprise Investors (EI). As the Partner of EI (2006-2011) he was responsible for monitoring, listing companies on WSE, sale of significant stakes of EI portfolio companies on public and private markets. He represented EI as the Member of Supervisory Boards in the following public and private companies: Polfa Kutno, Energoaparatura, Elektrobudowa, Wizów, Sfinks, CSS, Bauma, Comp Rzeszów (now Asseco Poland), Agros Nova, Teta, Opoczno, AB, Siveco (Romania), STD Donivo (Slovakia), AVG Technologies (Netherlands).

In 2001 the President of the Management Board of Energoaparatura, delegated as part of his work at EI to restructure the company.

In 1993-1994, he worked at the Ministry of Ownership Transformation, successively as the project manager and privatization team leader. In 1992-1993, he worked at the Ownership Transformation Foundation at the Ministry of Ownership Transformation.

In 2012-2021, he was the independent Member of Supervisory Boards in companies listed on the WSE: Mercor, Kopex, PZ Cormay and Ciech.

Currently, he is the Member of the Supervisory Board in Asseco Poland, Asseco Data Systems and Asseco International. The member of the Audit Committee of Asseco Poland.

Piotr Augustyniak meets the independence criteria specified in Article 129 of the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Supervision and as set forth in the principles of Best Practices of Companies Listed on the WSE 2021.

He also has knowledge and skills in the industry in which Asseco Poland operates.



Dariusz Brzeski

Member of the Supervisory Board

In 1988, he graduated from the Central School of Planning and Statistics (now the Warsaw School of Economics) and received a master's degree in economics. From 1988 to 1990, he worked as the Information Systems Implementation specialist at Microsystem JGU.

From 1991 to 1994, he was the Director of Sales Network at InterAms. In 1995-1996 he served as the President of the Management Board of Towarzystwo Finansowo Leasingowe. From 1997 to 2000, he was a major shareholder and the President of Financial Management, a leasing company. From 1994 to 2009 he was the co-founder, major shareholder and President of the Management Board of ABG, a publicly traded IT company that merged with Asseco Poland in 2009. Since then, he has served on the Supervisory Board of Asseco Poland. He has knowledge and skills in the industry in which the Company operates.

He is the Member of the Supervisory Board in Asseco Western Europe. He is also the main shareholder and Chairman of the Supervisory Board of FAMILIA Mortgage Fund.



Artur Gabor

Member of the Supervisory Board

The graduate of the Faculty of Economics at University College London and the Faculty of Law at the University of Warsaw. He completed the following professional courses: Internship in Paper and Wood Industry (US Department of Agriculture), Corporate Management Course (Italian Institute of Foreign Trade/ICE), International Accounting Standards (BDO, Warsaw, Poland), Six Sigma Quality Green Belt Course in Corporate Management, General Electric Capital, USA/UK, Advanced Management Programme (AMP) IESE Business School, Value Creation through Effective Boards, Harvard Business School/IESE Business School. Additionally, he participated in numerous courses and seminars on corporate governance and effectiveness of supervisory boards organized by the Polish Institute of Directors, the Warsaw Stock Exchange, the Ministry of Treasury, the Gdańsk Academy of Banking, PwC and KPMG.

Since 2006, the Partner at Gabor & Gabor, Economic and Investment Advisory. From 2005 to 2006, he was the Director of IBM's Financial Sector, Business Consulting Services. From 1998 to 2004, the Managing Director of Mergers and Acquisitions for Central Europe and Russia at General Electric Capital. Between 1994 and 1998 he was the Managing Director for Poland at Credit Lyonnais Investment Banking Group. In 1990-1994 the Partner of Warsaw Consulting Group. In 1987-1990 the Market Development Director of CHZ Paged. In 1986-1987 the Assistant at the Polish Academy of Sciences, the Institute of Economics.

The member of the following Supervisory Boards: 2001-2004 the Vice Chairman of the Board at GE Capital Bank; 2001-2004 the Member of the Board at GE Bank Mieszkaniowy; 2004-2005 the Chairman of the Board at Getin Bank; 2004-2005 the Member of the Board at Getin Holding; 2006-2007 the Member of the Board at Polmos Lublin; 2004-2008 the Vice Chairman of the Board at Energomontaż Północ; 2010-2017 the independent Member of the Board, the Chairman of the Audit Committee, the Chairman of the CSR Committee, the Member of the Strategy Committee at PKN Orlen; 2013-2015 the Member of the Board, the Chairman of the Audit Committee Prime at Car Management; 2015-2020 the independent Member of the Board, the Member of the Audit Committee Idea Bank; 2007-2019 the independent Member of the Board, the Chairman of the CSR Committee, the Member of the Audit Committee at Orbis; 2008-2019 the independent Chairman of the Board at Sfinks. The Director, the Chairman of the Audit Committee of the Board of Directors at Helix BioPharma since 2019.

The member of the Business Organizations: 2003-2005 the Member of the Board of the American Chamber of Commerce; since 2005 the Member of the Standing Advisory Committee of the American Chamber of Commerce; since 2006 the Member of the Corps of Independent Supervisory Board Members of the Polish Institute of Directors.

He participated in the following charitable organizations: 2006-2010, the Sue Ryder Foundation (Board Member), Supervision and fundraising for Sue Ryder homes for the elderly; since 2012, the Bator Tabor Foundation (the Foundation Board Member), Supervision and fundraising for children suffering from cancer; since 2014, the Leopolis For Future Foundation (Chairman of the Board), Organization of professional internships in Polish companies for Ukrainian students from Lviv Polytechnic and Lviv University.

Since 2022 he has been the independent Member of the Supervisory Board and the Chairman of the Audit Committee in Asseco Poland.

Mr. Artur Gabor meets the independence criteria specified in Article 129 of the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Supervision and as set forth in the principles of Best Practices of Companies Listed on the WSE 2021.

In addition, he has knowledge and skills in financial reporting.



Piotr Maciąg

Member of the Supervisory Board

Ph.D. in economics, specializing in accounting and corporate finance and banking. A lecturer in microeconomics, macroeconomics and international economic relations. The graduate of the Leon Koźmiński Academy of Finance and Accounting. In 2019, he graduated from the International Management Teachers Academy at CEEMAN, the international association for the advancement of management. He gained professional experience as a financial analyst in, among others, the Polish Biogas Group. He specialized in developing long-term financial plans and profitability analyses for capital projects. From 2014 to 2020, he was a researcher in the Department of Economics at the Koźmiński University, where he taught micro and macroeconomics and international economic relations. The Visiting Professor teaching micro and macroeconomics at the Hebei Finance University, China.

Since February 2020, the President of the Management Board responsible for strategy and development of Asseco Resovia.

Since January 2022, he has served as the Member of the Supervisory Board of Asseco Poland.

Possesses knowledge and skills in financial reporting.



Piotr Żak

Member of the Supervisory Board

He graduated with a degree in economics from Royal Holloway, University of London. He is also a graduate of the Faculty of Management at Warsaw University.

Since 2014, he has been involved in business activities in Poland, including building and supporting start-up ventures. He focuses his activity on the modern technology sector, in particular creating and developing innovative projects related to the use of the potential of the Internet and traditional media, Internet entertainment, the use of data transmission in solutions, services and products aimed at individual and business customers. He also pursues his professional interests in the development and implementation of modern tools in marketing communications for media and telecommunications companies.

He is the creator of, among others, companies such as Frenzy, which is dynamically developing in the e-sports industry and has been producing broadcasts for the Polsat Games program since 2018, and Golden Coil, which operates in the field of marketing and Internet advertising.

Since March 2016 he has been on the Supervisory Board of Telewizja Polsat, the leading broadcaster on the Polish television market, and since June 2018 he has been on the Supervisory Board of Netia, one of the largest Polish telecommunications operators included in the Cyfrowy Polsat Group, where he currently serves as the Chairman. He has served on the Supervisory Board of Cyfrowy Polsat since June 2018. In April 2019, he was appointed to the Supervisory Board of Polkomtel, the Plus network operator. He has served on the Supervisory Board of Asseco Poland since July 2020. In July 2020 he was appointed to the Supervisory Board of Mobiem Polska and Netia. Since November 2020, he has served on the Supervisory Board of Grupa Interia.pl. In March 2021, he was appointed to the Supervisory Board of Asseco Cloud.

Piotr Żak has knowledge of the industry in which Asseco Poland operates.

During the 12-month period ended December 31, 2021, the composition of the Company's Supervisory Board was as follows:

Supervisory Board	Period in office
Jacek Duch	01.01.2021 - 31.12.2021
Adam Noga	01.01.2021 - 31.12.2021
Izabela Albrycht	01.01.2021 - 31.12.2021
Piotr Augustyniak	01.01.2021 - 31.12.2021
Dariusz Brzeski	01.01.2021 - 31.12.2021
Artur Kucharski	01.01.2021 - 31.12.2021
Piotr Żak	01.01.2021 - 31.12.2021

In 2021, there were no changes in the composition of the Supervisory Board of Asseco Poland.

During the previous year, the Audit Committee of the Company consisted of Artur Kucharski – Chairman, Jacek Duch and Piotr Augustyniak – Members.

The year 2021 was the last year of the term covering 2017-2021. The mandates of all the above-mentioned Members of the Supervisory Board expired on December 31, 2021, because the General Meeting of Shareholders of Asseco Poland, that was held in Warsaw on May 20, 2021, appointed the Supervisory Board for the new joint term of office running from 2022 to 2026, consisting of Izabela Albrycht, Piotr Augustyniak, Dariusz Brzeski, Jacek Duch, Artur Gabor, Piotr Maciąg, Adam Noga, and Piotr Żak.

The Supervisory Board of Asseco Poland, at its meeting held on January 11, 2022, passed resolutions to elect Jacek Duch as the Chairman of the Supervisory Board and Adam Noga as the Vice Chairman. Furthermore, the Supervisory Board adopted a resolution on the appointment of the Audit Committee composed of Artur Gabor – Chairman, Jacek Duch and Piotr Augustyniak – Members of the Audit Committee.

STRATEGY AND DIRECTIONS OF DEVELOPMENT

Mission and vision

The **mission** of Asseco Poland and the Asseco Group is to improve the quality of life by providing solutions for people and technologies for business.

According to the **vision**:

- Asseco Poland wants to be reliable and fast, with the best product and service to support customers around the world in achieving their goals. Its employees form a competent, passionate team combining traditional values with modern operations
- The company is building an international group of technology companies whose federative model allows it to take advantage of local entrepreneurship and market knowledge, while the company's affiliation with the group increases its execution capabilities and credibility with demanding clients

Strategy

The Asseco Poland's strategy focuses on building long-term value for our stakeholders. It is based on two basic pillars: development of proprietary software and services and scaling up through acquisitions.

- **Organic growth**

Asseco Poland's organic growth strategy is based on the provision of proprietary software and IT services to customers in Poland and abroad. The Company's activity is based on sector business competences simultaneously strengthened with technological competences. Furthermore, Asseco utilizes the best experience of the companies operating within the international capital group to provide comprehensive solutions that satisfy the most stringent client requirements.

Asseco Poland's business operations are focused on the provision of a broad range of proprietary IT solutions and services. The company specializes in carrying out the largest and most advanced IT projects in Poland, offering comprehensive solutions for entire sectors of the economy, as well as selling standardized products for smaller entities. Relationships with customers are based on trust, oriented towards long-term cooperation and fulfilling the role of a strategic business partner by the Company.

Apart from its operating activities, Asseco Poland – as the owner that exercises control over the remaining companies of the Asseco Group – plays a crucial role in the Group. Asseco Poland sets the strategic directions of the Group's development, monitors and supervises their implementation, determines the internal rules of its operations, and regulates the mutual relations between the entities incorporated within the Group.

- **Growth through acquisitions**

For many years, Asseco has pursued an effective acquisition policy at home and abroad. Since 2004, it has successfully completed more than 115 acquisitions, increasing its business scale and geographic reach many times over. The Group is primarily interested in profitable entities with specialized and committed staff, willing to further develop themselves by joining a unique federation model or by integrating with Asseco. The acquisitions are intended to enhance our competence in the key sectors of business, to enter new geographical markets, or to reinforce the Asseco Group's position in the countries where it is already present.

Strategic objectives in key areas

Market:

- targeting the financial, health, corporate and government sectors, at home and abroad
- development and delivery of software-based solutions in areas of key importance to the Company's customers' business
- striving to build recurring solutions to achieve appropriate margin levels while maintaining competitive pricing levels
- striving for a stable source of revenues from the maintenance and development of supplied software, by retaining in the Company and protecting copyrights to the solutions it develops
- providing SaaS solutions based on proprietary software

Organization:

- business areas dedicated to serving different market sectors
- great diversity, as a consequence of the different needs, specificities and development phases of each sector
- supporting all initiatives to exchange knowledge and experience between areas
- a set of shared values and a vision, mission, strategy that can be detailed by business areas
- back office processes common to all areas to support business objectives
- investment in research and development

People:

- viewing people as the organization's greatest asset
- high level of expertise and utilization of team potential
- investment in the development of high-level expert and sectoral competencies
- accumulating knowledge and experience by maintaining a stable team
- promoting initiative and innovative approaches

Corporate Social Responsibility (CSR):

- taking care of important community interests
- support of Polish sport
- providing help to those in need
- environmental protection activities

Values of Asseco Poland**Engagement**

We are fully committed to every project, and the success of our customers gives us the greatest satisfaction

Respect

We expect mutual respect from each other

Quality

We set the bar high for the quality of everything we do

Professionalism

We are constantly improving our qualifications and are happy to share our experience

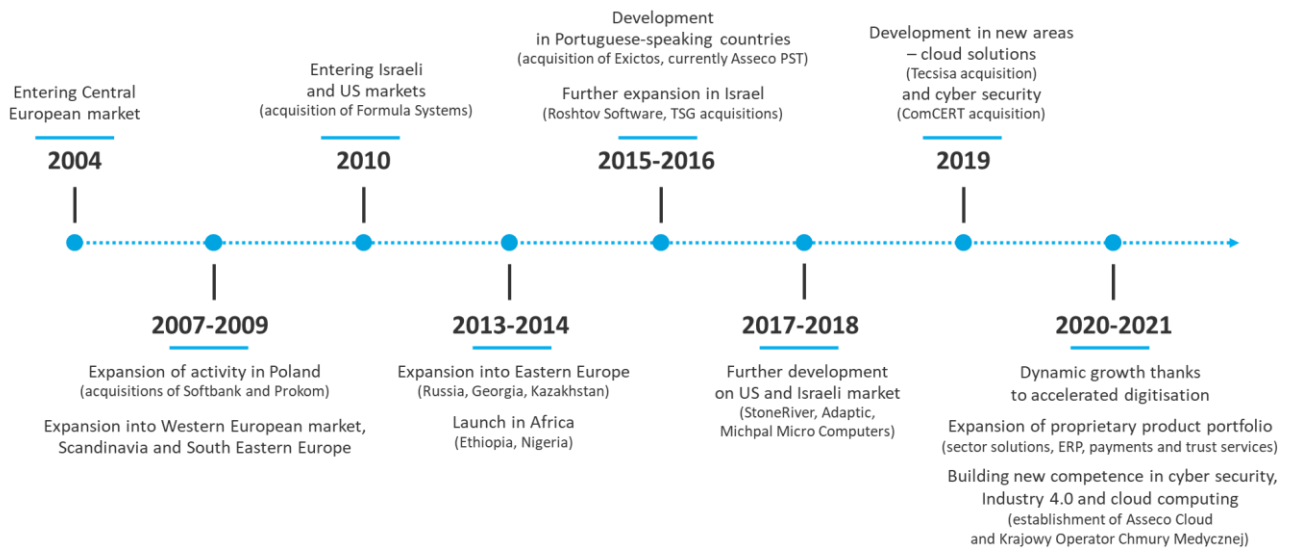
Effectiveness

We are ambitious and consistent in achieving our goal

Responsibility

We take responsibility for our work and the environment in which we operate

Asseco's expansion – milestones



Research and development (R&D) activities

The Asseco Group actively seeks and develops innovative solutions. Activities in this area are conducted in multiple tracks.

Innovations developed as part of business operations

- Continuous development of advanced solutions in response to customer needs

Innovative R&D center in Rzeszów

- A place to develop proprietary products in the areas of artificial intelligence (AI), telemedicine or electromobility

Program for start-ups

- Development of innovative products for the financial industry that are in the early stages of development



Asseco Poland has been developing the **Asseco Innovation Hub**, a program dedicated to start-ups that focuses on products and services for the financial industry that are at an early stage of development and support for the teams that create them.

DESCRIPTION OF ORGANIZATIONAL STRUCTURE OF THE ASSECO GROUP

Federation model

The Asseco Group operates on the basis of a unique cooperation model – the federation model. Asseco Poland, as the Group's major shareholder, is the largest shareholder in the companies incorporated within the Group; however, it does not seek to own 100% of shares and to integrate the Group members. The companies that decide to join the Asseco Group maintain a broad range of autonomy in their day-to-day operations; in turn, the Group sets the strategic directions of their development, establishes the objectives and supervises their achievement.

The functioning of the Group in the federation model is based on mutual trust, people-based business and a set of clearly defined rules of cooperation between Group entities. Acquired companies therefore retain their local character and are often managed by the existing owners and management.

The benefits that the Group derives from this model of cooperation are:

- strengthening the market position and customer confidence
- access to interesting, locally well-known product solutions
- knowledge of local markets, customers, business environment and unique considerations
- access to local teams of native-speaking staff
- responsible business conduct in relation to local stakeholders

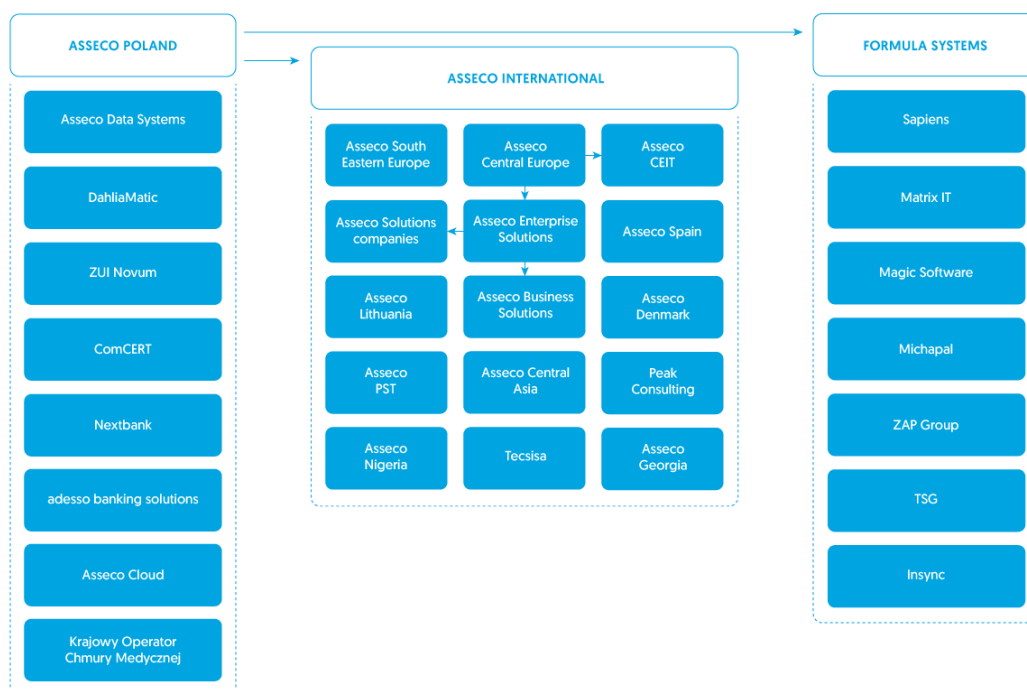
Companies that become part of the Asseco Group can count on:

- access to the products and experiences of other Group members
- access to the Asseco Group sales network
- financial empowerment
- an international brand and a strong market position
- access to global contracts with equipment suppliers

Such a model of cooperation creates room for sales and cost synergies in the Group's operations.

Structure of the Asseco Group

The Asseco Group has identified three geographical segments – the Asseco Poland segment, the Formula Systems segment, and the Asseco International segment – within which the Group companies operate.



Asseco Poland Segment

Business operations of the Asseco Group in the Asseco Poland segment are organized around three main entities with clearly separated competencies:

- Asseco Poland S.A.
- Asseco Data Systems S.A.
- DahliaMatic Sp. z o.o.

Furthermore, the Asseco Poland segment comprises a number of smaller companies, which offer specialized and dedicated solutions for specific groups of clients, such as ZUI Novum Sp. z o.o., Nextbank Software Sp. z o.o., ComCERT S.A., adesso banking solutions GmbH, National Medical Cloud Operator Sp. z o.o. or Asseco Cloud Sp. z o.o.

Asseco Poland S.A.

Asseco Poland (WSE: ACP) has operated on the Polish market since 1991. It is the largest Polish IT company listed on the Warsaw Stock Exchange (WSE). With the capitalization of approx. PLN 6.5 billion (approx. EUR 1.4 billion) as at March 22, 2022, it is included in the WIG20 index. It is also the largest company in the WIG-informatyka sector index.

Asseco Poland is a producer of technologically advanced software that supports the most important business processes of enterprises in key industries of the Polish economy. Asseco's applications are used by over half of Polish banks, the largest energy and telecommunications companies, companies operating in the healthcare sector, public administration at various levels: from local governments to central offices, as well as by the uniformed services.

Asseco Data Systems S.A.

The company was founded in 2016 by integrating the diverse competencies and years of experience of IT experts into a single entity. Its activity is focused on providing products, services and IT solutions based on its proprietary and third party software for companies and local government institutions in the Polish market. Asseco Data Systems produces and develops software, among others, for the leasing sector and local governments, provides products and services, as well as IT infrastructure solutions for intelligent cities and buildings, training courses and human resources management systems; it is also specialized in the provision of security and data trust services and mass communication. The company also enters foreign markets with its products, including European, African, and Asian markets.

DahliaMatic Sp. z o.o.

DahliaMatic is one of the largest Polish companies providing consulting and implementation of IT solutions. Within the Asseco Group, the company is responsible for the competence center for implementation of business software and third-party solutions - primarily SAP, Oracle, and Microsoft.

ZUI Novum Sp. z o.o.

The company specializes in creating IT systems for cooperative banks sector. It functions as a developer of banking applications, ATM software, integrator and supplier of ATM equipment.

Nextbank Software Sp. z o.o.

A company providing solutions to the banking sector in the Philippines. Nextbank is a developer of a cloud-based core banking system with a mobile access option for customers.

ComCERT S.A.

A company dedicated to providing cyber security services, including security monitoring and ICT threat detection. ComCERT is the first consulting company in Poland to specialize in CERT (Computer Emergency Response Team) services for enterprises and institutions, unrelated to any telecommunications operator.

adesso banking solutions GmbH

It is a joint venture between Asseco and adesso, a renowned and recognized DACH provider of core systems for insurance companies and IT services for banks. The company operates in the banking sector in German-speaking countries (Germany, Austria, Switzerland).

Krajowy Operator Chmury Medycznej Sp. z o.o.

Krajowy Operator Chmury Medycznej (Chmura dla zdrowia) – *The National Medical Cloud Operator (Cloud for Health)* supports the digitization of healthcare and enables medical entities to provide e-services to patients with the highest

security standards. It ensures smooth regulatory compliance and contributes to increased innovation and standardization of IT services in the healthcare sector.

Asseco Cloud Sp. z o.o.

Asseco Cloud specializes in the design, delivery, implementation and support of cloud solutions. It executes implementations based on its proprietary solutions and those of leading cloud providers, while offering full support from design to implementation, as well as providing expertise. The company's offerings include private cloud-based services, preferred by customers in the public or regulated sectors, and multi-cloud solutions based on the public cloud of global providers.

Formula Systems segment

This segment includes companies with revenues generated primarily in Israel, North America, Europe, the Middle East, and Africa (EMEA).

Formula Systems is a holding company and its pillars are the following operating companies:

- Matrix IT Ltd
- Sapiens International Corp. NV
- Magic Software Enterprises Ltd

In addition, the holding co-controls TSG IT Advanced Systems Ltd, a company providing specialized software for the armed forces, controls: a US-based provider of solutions from the area of human resources consulting and outsourcing – Insync Staffing Ltd, a developer of HR and payroll software for established companies in Israel – Michpal Micro Computers (1983) Ltd, a company specializing in aerial and satellite mapping and other geographical applications – Ofek Aerial Photography (1987) Ltd, and, acquired in April 2021, the largest consumer website group in Israel – ZAP Group Ltd.

Formula Systems (1985) Ltd

As a parent company of the Formula Systems Group, listed on the American NASDAQ market and on Israel's TASE (Tel Aviv Stock Exchange), Formula Systems manages and builds the capital value of companies incorporated within this group.

Matrix IT Ltd

The company is listed on the Israeli stock exchange TASE. Matrix IT is a leading IT company in Israel. It also has operations in the US and Europe. Its key competencies include the provision of IT services, outsourcing and integration of IT systems on request, as well as the provision of security, risk management and compliance solutions. Furthermore, Matrix is a distributor of software and infrastructure solutions from the world's leading manufacturers, and through its subsidiary John Bryce it operates training and qualification centers offering professional courses and training for IT personnel. Owing to many years of experience in implementing IT projects in both the private and public sector (e.g. banking and finance, telecommunications, healthcare, education, defense and uniformed services), the company's client base includes the largest organizations in Israel and a growing client base worldwide.

Sapiens International Corp. NV

The company is listed on the U.S. NASDAQ and Israel's TASE. It is a leading global provider of IT systems for the insurance industry. Sapiens operates in the US, Western Europe, Scandinavia, South Africa and the Asia-Pacific region. The company offers comprehensive solutions for all segments of the insurance market, including life insurance, retirement plans, property insurance, reinsurance, and decision support software for financial institutions. Sapiens offers both global solutions and software tailored to the requirements of specific markets, such as the US.

Magic Software Enterprises Ltd

The company is listed on the NASDAQ in the US and the TASE in Israel. Magic Software specializes in providing platforms that support the process of building and implementing business applications, business software, as well as consulting and implementation services.

The company's products, based on the *code-free* concept, allow users to create business applications and support existing IT resources to enhance business capabilities.

Asseco International Segment**Asseco International**

Asseco International is a holding company established in October 2017 and headquartered in Slovakia. Its objective is to manage and build the capital value of Asseco based on its international assets.

This segment includes the companies which derive their revenues mostly from the markets of Central Europe, South Eastern Europe, and Western Europe.

The Asseco Group is represented in the **Central European** market by the Asseco Central Europe Group (Asseco CE Group). The most important entities in the Asseco CE Group include:

- Asseco Central Europe a.s. Slovakia and Asseco Central Europe a.s. Czech Republic
- Asseco Enterprise Solutions
 - Asseco Business Solutions S.A.
 - Asseco Solutions companies in the Czech Republic, Germany and Slovakia
- Asseco CEIT a.s.
- DWC Slovakia a.s.

In addition, this group includes Asseco CE Magyarország, which focuses its activities on the health sector.

Asseco Central Europe a.s.

Asseco Central Europe is a leading company of the Asseco CE Group operating primarily in the Slovak and Czech markets. It provides comprehensive IT solutions and services to international financial institutions, the private sector and public administration at both central and local levels. The company's product portfolio includes information systems for banks and insurance companies, housing finance institutions, card systems, healthcare information systems, data warehouses, Business Intelligence and e-commerce solutions, reporting systems, and dedicated turnkey solutions.

Asseco Enterprise Solutions

Asseco Enterprise Solutions was established in 2017 to integrate all Asseco Group companies that develop proprietary ERP and FMCG solutions. The holding structure comprises four companies: Asseco Business Solutions and Asseco Solutions from Germany, the Czech Republic, and Slovakia. Together with their international subsidiaries, these companies supply ERP and FMCG products to over 70 000 customers in over 50 countries around the world, streamlining and automating processes across multiple industries and market segments.

Asseco Solutions companies

Asseco Solutions companies produce high-end ERP software for medium and large-sized enterprises, primarily in the manufacturing and service sectors. They operate primarily on the markets of Slovakia, Czech Republic, Italy and German-speaking European countries (Germany, Austria, Switzerland).

Asseco Business Solutions S.A.

Asseco Business Solutions is listed on the Warsaw Stock Exchange (WSE: ABS). It provides modern IT solutions for enterprises, regardless of their industry, size and specificity. Within the Asseco Group, it operates as the Competence Centre responsible for ERP systems, software for SMEs, and IT outsourcing. The product range of Asseco Business Solutions also includes mobile solutions, factoring systems and data exchange platforms.

Asseco CEIT a.s.

Asseco CEIT is a Slovak producer of innovative solutions for industrial automation and robotics. The Group's dominant areas of activity are automation and robotics for the automotive industry.

DWC Slovakia a.s.

DWC implements process management and document management systems, providing solutions linked to ERP systems and databases.

South Eastern European market

The Asseco South Eastern Europe market is comprised of the Asseco South Eastern Europe Group, which includes numerous companies operating in the territories of Serbia, Croatia, Montenegro, Bosnia and Herzegovina, Kosovo, Moldova, Albania, Bulgaria, Romania, and Turkey.

Asseco South Eastern Europe S.A.

The company is listed on the Warsaw Stock Exchange (WSE: ASE) and is a parent company of the Asseco South Eastern Europe Group (ASEE Group). It was created as a result of integration of competences, experience, knowledge, solutions and customer bases of companies operating in South-Eastern Europe. From the beginning, ASEE Group has focused on developing its proprietary software. It offers IT solutions to various segments of the economy, including financial, payments, government and telecommunications. Its clients include most of the 15 largest banks in Southeastern Europe. It operates its payments business under the Payten brand.

Western European market

Operations of the Asseco Group in the West European market are focused around the companies operating on the Iberian Peninsula and in Northern Europe. The Group's key companies operating in the region include:

- Asseco Spain S.A.
- Asseco PST Holding - SGPS, S.A.

The segment also includes Tecnología, Sistemas y Aplicaciones, S.L., which provides IT solutions for the energy sector. (Tecsisa), which specializes in developing cloud-based software for electricity producers and retailers.

In addition, companies operating in the Scandinavian and Baltic markets play an important role. Asseco Denmark and Peak Consulting are companies providing consulting services, developing competence in project management and delivering turnkey IT solutions to public and private sector entities. In turn, Asseco Lithuania is a leading producer of software and integrator of IT systems in Lithuania.

Asseco Spain S.A.

The company provides customers with modern IT infrastructure and offers consulting, security systems, outsourcing services and comprehensive IT support.

Asseco PST Holding - SGPS S.A.

A Portuguese company providing IT services and complex solutions and software for the banking sector. Its main area of operation is Portugal and the Portuguese-speaking countries of Africa (among others. Angola and Mozambique).

Eastern European market

The Asseco Group's business in the East European market is managed by Asseco Georgia LLC, a company controlled by Asseco International, which provides software and services for the banking, insurance and public administration sectors.

On April 26, 2021, Asseco International a.s. signed an agreement to sell all its shares (49%) in R-Style Softlab JSC, a Russian software developer for banks. According to the agreement, the sale of shares was carried out in multiple stages, with the final sale date being May 17, 2021.

The Group's organizational structure

A complete structure of the Group and a description of the Group's changes during 2021 can be found in section 3 of the Asseco Group consolidated financial statements for the year ended December 31, 2021.

MARKETS, SECTORS OF ACTIVITY AND PRODUCT PORTFOLIO OF THE ASSECO GROUP

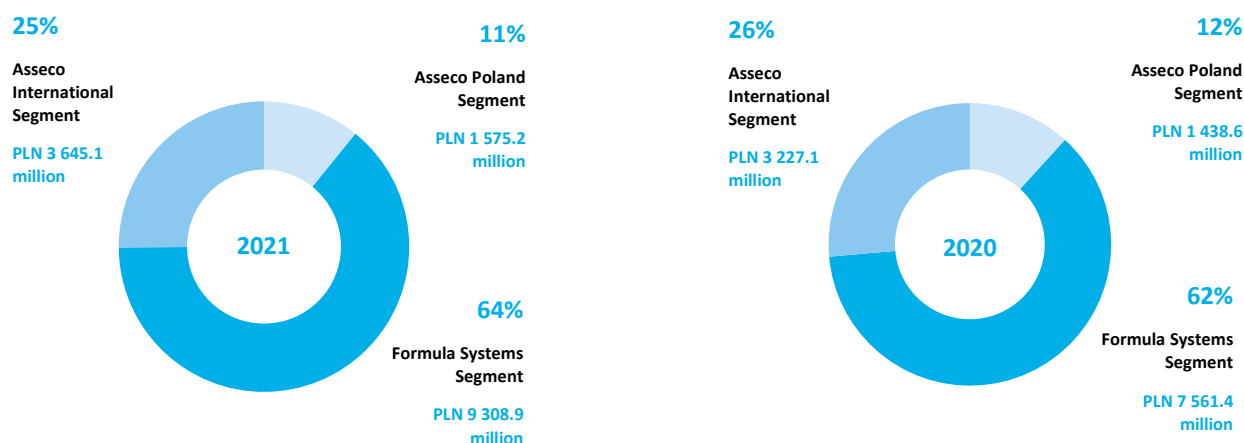
The Asseco Group's segments and geographical markets

The Asseco Group finds it important to seek for diversification of products, sectors and geographical regions; hence Asseco is not dependent on one or more customers and suppliers. This approach allows us to significantly offset the impact of negative market factors on the Group's operations. Owing to such geographical diversification, the risk of adverse effects of local factors on the Group's operations is considerably reduced, while a wide range of products makes Asseco more resilient to potential downturns in individual market sectors.

The Asseco Group business operations are concentrated in three segments:

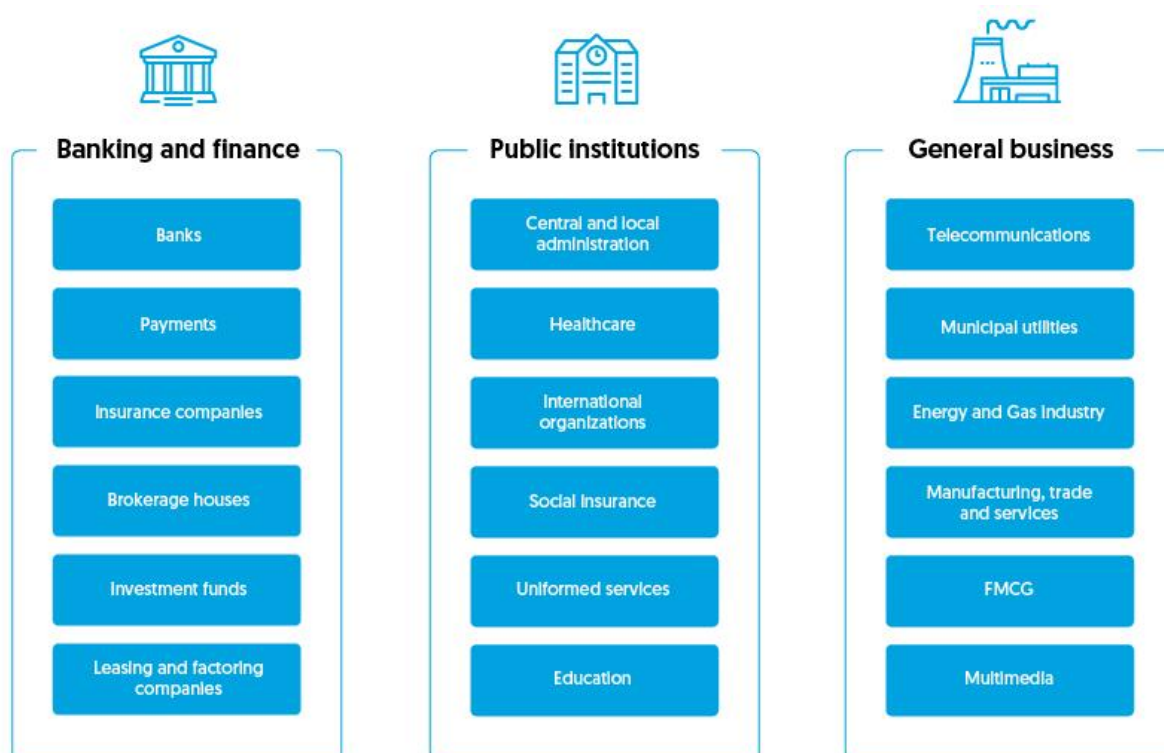
- Asseco Poland includes operating activities of the Parent Company and companies operating in the Polish market. In line with the strategic objective of building a global company, the Asseco Group's growth is driven by foreign markets
- Formula Systems accounts for the largest portion of revenues generated by the Asseco Group. Within the segment, the Group operates mainly in the Israeli market, the US market and the European market
- Asseco International, under which Asseco conducts business operations chiefly in the markets of Central Europe, South Eastern Europe and Western Europe

The Group's revenues in individual business segments

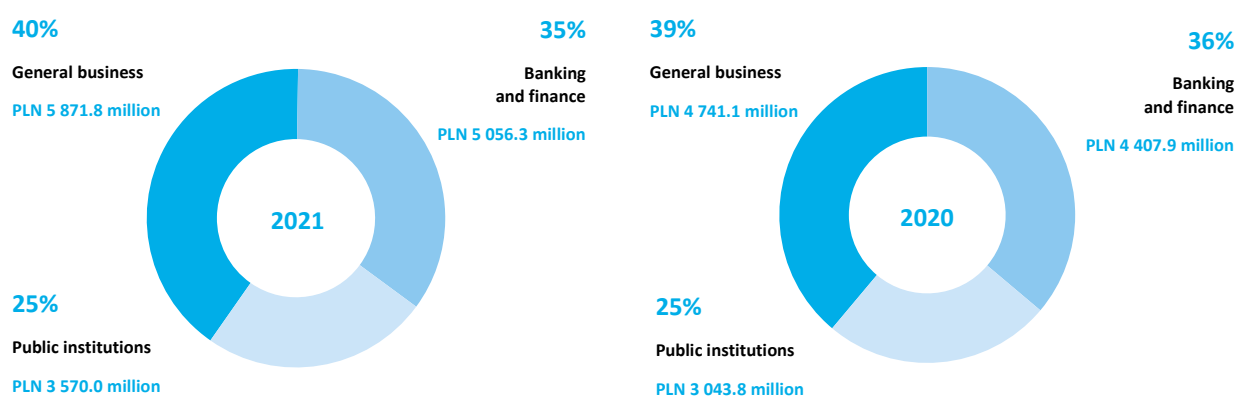


* Data includes inter-segment sales.

The Asseco Group's sectors of activity



The Group's revenues in individual business sectors



Banking and finance



Banks – the development of software for banks is a key area of business operations of most of the Asseco Group companies. The Group's regional and international development is largely related to the constant enrichment and supplementation of solutions tailored to the banking sector's growing expectations from information technology.

The Group's flagship product for the banking sector is the comprehensive IT system of Asseco Poland called Asseco Core Banking. Asseco develops omnichannel solutions that enable the creation of modern online and mobile banking tailored to the individual needs of our clients. The offer also includes dozens of specialized solutions, offered as ready-made products that only need to be adjusted to the specific activity of a given institution. Asseco's portfolio for companies in the finance sector also includes solutions available in the cloud.

The Group's companies offer their proprietary comprehensive systems for banking. Asseco Central Europe, with its StarBANK family of solutions, has built a strong position in the Slovak market of solutions for the banking sector. Asseco South Eastern Europe offers core banking systems, payment systems, Business Intelligence, and customer relationship management (CRM) systems, as well as installations of payment terminals and ATMs. Whereas, Portugal-based Asseco PST is specialized in the production and implementation of software for the banking sector, and its business operations are concentrated in the Iberian Peninsula and African markets.



Insurance – the Asseco Group has cooperated with large international insurance companies for many years. Sapiens International, the Group's competence center in this area, is the second largest provider of software for the insurance industry in the world. The Group's clients include life and non-life insurance companies, insurance brokers and insurance market regulators. Asseco's advanced services, adapted to insurers' regulations, are distinguished by the highest level of security.

The Group's offer includes central systems for insurance institutions, as well as a number of specialized solutions: payment settlement systems, applications supporting processes related to the liquidation of damages, reinsurance, cooperation with agents, and detection of insurance fraud. We also have the tools to enable insurance companies to operate in compliance with the Solvency II Directive and the IFRS 17 standard.

The Group's flagship products for the insurance sector are the systems offered by Sapiens, an Israeli group. In turn, Asseco Central Europe offers the StarINS product line solutions to insurers.

Apart from the above-described competencies for the banking and insurance sectors, Asseco offers comprehensive IT solutions to support the operations of brokerage houses as well as leasing and factoring companies.

Public administration



The Asseco Group is a leading provider of services and software for the public administration sector in Central and Eastern Europe and a major player in that market in Israel. The group delivers both the largest and most complex projects at the central level, in the defense sector, as well as smaller solutions at the local level and in the health sector.

Central administration – Asseco Poland develops and implements IT solutions for the public administration in the areas that usually cannot be supported by ready-made tools. Most often, these are complex systems with extended functionality adapted to process large volumes of data. The largest project in Polish information technology – the Comprehensive Information System for the Social Insurance Institution (KSI ZUS) – has been developed by Asseco. The companies of the Asseco Central Europe Group also have extensive experience in cooperation with the central administration. For years, they have been providing high-quality solutions and services to, among others, the Ministry of Finance, the Ministry of the Interior or the equivalent of the Supreme Audit Office in Slovakia. In turn, Matrix IT Company is one of the most important partners for the government of Israel.

The Asseco Group also has competence and broad experience in the security sector. As the only company from Central and Eastern Europe, it has completed over 70 prestigious projects for the European Union and NATO, including the EU border protection system – Frontex. Competence in this area is strengthened by the Israeli company TSG IT Advanced Systems, associated with Formula Systems, which is a major provider of software and services for the Israeli Ministries of Defense and Interior.

The competence gained during the implementation of projects for international institutions allowed the company to move from the position of a service provider to that of a solution and product provider. In recent years, investments

have been made in developing innovative solutions related to the areas of unmanned platforms, reconnaissance and data analysis, command support systems, satellite solutions and cyber security.

Local administration – in cooperation with other companies of the Group, Asseco Poland offers proprietary solutions for the local administration at all levels. An important advantage is their ease of integration with specialized tools, such as digital geographic maps or metropolitan networks.

Healthcare – the Asseco Group continues to build its leading position in the market of IT solutions for all types of medical institutions. They are used by hundreds of the largest hospitals and clinics in the Central European region. Asseco's services include professional consulting on the development, implementation and maintenance of systems for health insurance companies, comprehensive solutions for hospitals and clinics. Asseco delivers patient service solutions as well as contract settlement and medical facility management systems.

The Group's flagship product is AMMS (Asseco Medical Management Solutions) – a comprehensive suite of IT systems developed by Asseco Poland to support the operation of hospitals, clinics, medical centers, outpatient clinics, and outpatient departments. Asseco Central Europe also offers its proprietary system for the healthcare sector, DRG Grouper. The Group's offering for this sector is complemented by the solutions of our Hungarian subsidiary Asseco Central Europe Magyarország. Israel's innovation center, meanwhile, creates pioneering solutions for the world's largest medical centers.

General business



Telco & Utilities – the Asseco Group offers comprehensive proprietary solutions, which are capable of handling multi-million customer databases and are customized for the specific needs of telecommunication, media, energy, gas and municipal enterprises. A long-lasting presence of Asseco's solutions in this sector resulted in strategic partnerships with a large number of major European enterprises, which appreciate the in-depth industry knowledge and flexibility of Asseco's solutions.

The portfolio of products offered for the Telco & Utilities sector includes billing systems, fraud detection systems, sales applications, CRM, portal applications, data warehouses, BI tools and many others. Our offer is complemented by systems for managing technical infrastructure, fixed assets and GIS/NIS solutions.

The solutions of Asseco Poland are used by the largest mobile and land telephony operators as well as media companies. The Asseco Poland solutions are utilized by the power industry companies operating in Poland, such as Tauron, PGNiG, Enea and PGE.

With the acquisition of Tecsis, completed by Asseco International in 2019, the Group has expanded its product portfolio with native solutions available on a SaaS model and strengthened its international position in the utilities sector.

Whereas, Asseco Central Europe is specialized in systems for the management of technical infrastructure of network enterprises; whereas, thanks to the solutions of Asseco South Eastern Europe, the Group has found many clients among leading telecom operators in the Balkan region.

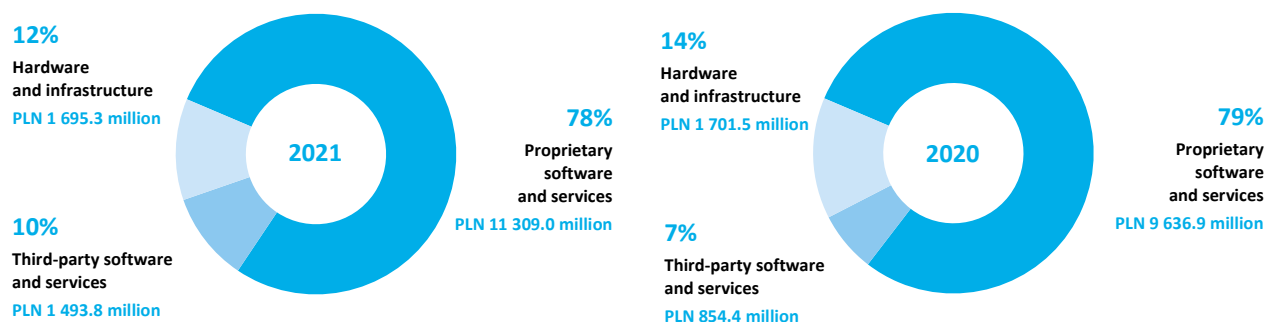
ERP Solutions – The Asseco Group offers a full range of proprietary modern ERP systems for small, medium and large-sized enterprises. Each is a fully integrated package designed for business management. Their functionality and modular design allow them to be used in companies of all industries.

Within the Asseco Group, the competence center responsible for ERP systems, software for SMEs, and IT outsourcing is constituted by the holding of Asseco Enterprise Solutions, which includes companies specialized in ERP systems, mobile sales support systems of the SFA (Sales Force Automation) and FFA (Field Force Automation) classes, data exchange solutions, factoring systems, and software for SMEs.

Moreover, within the Group there are teams specializing in implementation, development and customization of systems based on Oracle, SAP and Microsoft Dynamics 365 technologies to the needs of specific industries.

The Asseco Group's product portfolio

Sales of the Asseco Group by products



The Asseco Group focuses primarily on providing its customers with proprietary information technology solutions in the form of software and services, or with third-party solutions and technical infrastructure as needed. Thanks to this, the Group companies offer their business partners first-class solutions fully adapted to their needs.

- **Dedicated solutions**

The Asseco Group is Poland's most experienced IT company when it comes to implementation of complex, large-scale IT projects tailored to individual customer needs. Asseco's competence in this area is exemplified by the largest IT project ever implemented in Poland for the Social Insurance Institution (ZUS). Comprehensive Information System ZUS (KSI ZUS) is a multi-platform IT system dedicated to the needs of ZUS, covering all statutory tasks related to social insurance. At the same time, it is one of the IT systems of strategic importance for Poland, which is part of the strategy of building an e-state. Over 25 million Poles are supported by KSI ZUS, and the system is used daily by nearly 45 000 employees of ZUS. The system processes approx. 900 million documents per year and approx. 7 million batch transactions per day.

- **Comprehensive solutions for sectors**

For large and mid-sized entities in every sector of the economy, the Group offers standard packages that are tailored to individual needs. The products of this category include comprehensive systems dedicated for the banking sector (Asseco Core Banking), power supply industry (AUMS), healthcare (AMMS), brokerage houses (PROMAK), insurance sector (SAPIENS), and enterprises (Softlab ERP).

- **Standard Packages**

For thousands of small and mid-sized companies, the Group provides standard software. Without the need to prepare tailor-made products and at attractive costs, tens of thousands of companies use Asseco's "boxed" software to support their daily business management. Examples of standard package solutions designed for the small and mid-sized enterprise sector include Wapro ERP and Macrologic ERP.

- **SaaS solutions**

The Asseco Group also offers its IT solutions via the Internet. With little effort, minimal cost, and maximum benefit, customers can benefit from the best knowledge and experience of the Group's experts without having to spend heavily on IT infrastructure and IT team. Asseco provides electronic signature in the cloud SimplySign, an educational platform, systems for the energy sector, Electronic Medical Records management platform – Cloud for Health, an application for remote patient-doctor contact, universal financial services platform Asseco BooX (Bank out of the Box), ERP and SFA solutions, or online payment solutions. Moreover, over 300 cooperative banks in Poland use modern internet banking services provided in the SaaS model. Co-operative banks are also provided with the Common IT Platform (WPI), which is aimed at standardizing the work of banks in order to facilitate and increase the efficiency of customer service.

Solutions designed
to individual customer needs

Dedicated software solutions

Comprehensive Information
System – the Social
Insurance Institution

Silesian Public
Services Card

Traffic Control Center
- the General Inspectorate
of Road Transport

Information System for
the Agency for Restructuring
and Modernisation of Agriculture

Solutions designed
and developed for multiple
large and mid-sized clients

Comprehensive solutions for business sectors

Asseco Core Banking
(banking)

Asseco Utility
Management Solutions
(energy industry)

Asseco Medical
Management Solutions
(healthcare)

SAPIENS
(insurance)

Softlab ERP
(general business)

PROMAK
(brokerage houses)

Standard solutions for a large
number of small and
mid-sized customers

Standard software packages

Wapro ERP
(solutions for SMEs)

Macrologic ERP
(solutions for SMEs)

Certum Electronic Signature
(with a card and a reader)

aHCM
(solutions for HR
departments)

Solutions available for numerous
customers over the Internet

Cloud computing solutions

SimplySign
(mobile signature)

ERP i SFA class systems
(including Softlab, Wapro,
Mobile Touch)

Nestpay SaaS
(e-commerce secure
payment platform)

Asseco Utility
Management Solutions
& EMSuite (utilities sector)

CUI, WPI
(cooperative banks)

Asseco BooX
(financial institutions)

Development prospects of the Asseco Group and factors essential for further growth



Banking and finance

- Increased demand for advanced technologies used in financial services
- New trends in the area of IT solutions dedicated to financial institutions
- Development of omnichannel solutions
- Dynamically changing legal environment requiring constant adaptation of IT systems
- The rise of cybersecurity



General business

- Increase in IT needs of companies as the scale of operations grows – increasing demand for ERP class solutions
- Demand for advanced solutions with cost optimization – development of cloud and SaaS solutions
- The need to manage massive amounts of data
- Legal changes forcing IT systems to adapt



Public sector

- The sector remains one of the largest consumers of IT services
- Demand for advanced solutions where security, system reliability and vendor credibility play a very important role
- High demand for IT solutions in the areas of social security, government and local administration, health care or uniformed services

THE IT MARKET AND ITS PROSPECTS

Development perspectives of the IT market

Global IT market

According to Gartner estimates from January this year, global IT spending will grow by 5.1% in 2022 to reach USD 4.5 trillion. All segments of the market should observe growth, with the highest increases expected in the case of enterprise software – by 11.0% and IT services – by 7.9%.

According to Gartner analysts, organizations are now able to move beyond the critical short-term projects of the past 2 years and focus on the long-term. At the same time, staff skill shortages, rising salaries and a war for talent will prompt IT directors to rely more on IT consulting and outsourcing firms. According to Gartner, companies will increasingly rely on external consultants by 2025 as the urgency and accelerated pace of change widen the gap between organizations' digital business ambitions and their internal resources and capabilities. This will be particularly evident in the case of cloud. Gartner expects that the vast majority of large organizations will use outside consultants to develop cloud strategies over the next few years. The cloud accounts for nearly all of the 11.0% growth in enterprise software segment spending forecast for 2022, as organizations focus on moving to a software-as-a-service (SaaS) model for flexibility and efficiency.

For the data center systems, devices, and communications services segments, the projected 2022 growth rates are: 4.7%, 3.3% and 1.3%, respectively.

Global IT spending is expected to increase by 5.0% to USD 4.7 trillion in 2023. Enterprise software, up 11.9%, and IT services, up 8.8%, are expected to see the highest growth rates, similar to 2022.

IT spending (USD billion)	2021	Change	2022 (forecast)	Change	2023 (forecast)	Change
Data center systems	216	11.4%	226	4.7%	237	4.7%
Enterprise software	605	14.4%	672	11.0%	752	11.9%
Devices	787	13.0%	814	3.3%	804	-1.2%
IT services	1 186	10.7%	1 279	7.9%	1 392	8.8%
Communications services	1 444	3.4%	1 463	1.3%	1 494	2.2%
Total	4 239	9.0%	4 454	5.1%	4 679	5.0%

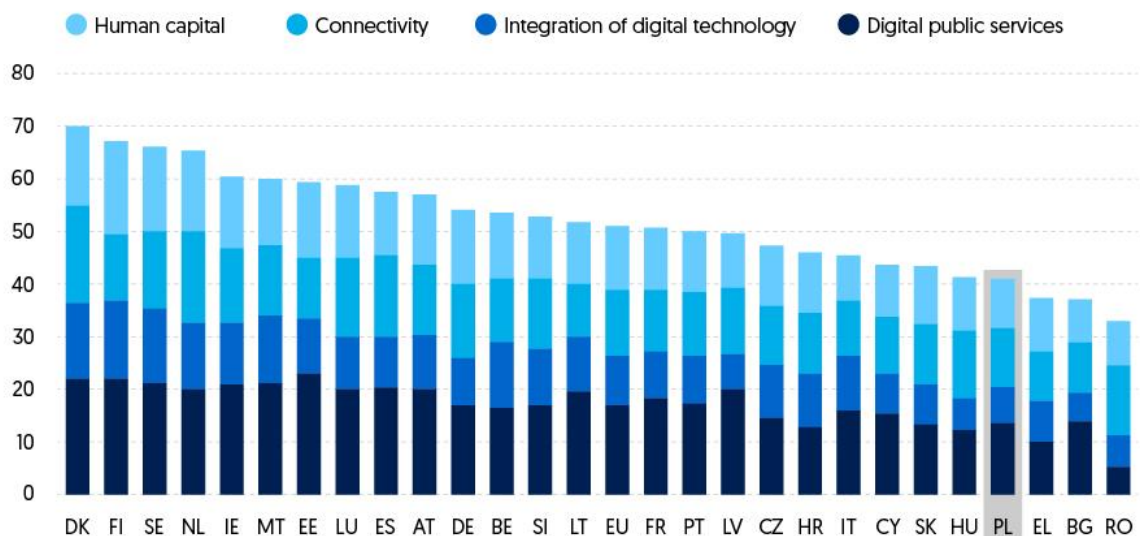
Source: [Gartner](#).

IT market in Poland

According to [PMR forecasts of September 2021](#), the IT market in Poland will close the previous year with a 7.2% increase and will be worth PLN 52.8 billion. According to PMR analysts, the domestic IT market will continue to show positive growth trends in the years 2021-2026, with a forecast CAGR of 4.8% during this period. Over the six-year horizon, IT spending will grow in all market segments, but due to the strong saturation of the hardware market in 2020-2021, the focus of IT investments in the following periods will shift primarily to the software market in the B2B segment, but also to the services market. IT spending will be supported by the wave of accelerated digital business transformation initiated by the COVID-19 crisis. PMR's forecasting model also takes into account the positive impact of EU funds on the IT spending market in Poland.

Since 2014, the European Commission has been monitoring Member States' progress on digitization and publishing annual reports on the Digital Economy and Digital Society Index (DESI). The latest available DESI 2021 report is based on data from 2020, the first year of the pandemic, but gives a picture of the challenges Poland faces in terms of digitization in the future. Poland was ranked 24th in the ranking among the 27 member states of the European Union, down one place from the DESI 2020 ranking. The authors of the ranking point out that Poland has made progress on many indicators in 2020, but given the equally positive changes in other countries, this has not translated into a change in its overall position. In 2021, Poland achieved a score of 41.0 against the EU average of 50.7 (last year it was 45.0 against 52.6).

Digital Economy and Society Index (DESI) 2021 ranking



Source: [European Commission – DESI 2021](#).

Asseco's market position

Asseco is one of the leading software producers in Europe.

Asseco Poland is one of the largest IT companies in Poland and the largest company in the country focused on the sale of proprietary software and services rather than hardware. The Polish IT market is a competitive and diversified market in which both domestic companies and leading global corporations operate.

The Company's strong market position has been confirmed in the latest Computerworld TOP200 report, which is a comprehensive survey of the Polish ICT market. Asseco once again became the largest IT capital group operating in Poland, thus becoming a national leader in digitization. The company won in a total of 5 categories in this year's report.

Asseco Poland in the Computerworld TOP200 ranking:

Category	Ranking position
The largest IT capital groups operating in Poland – Leaders of digitization in Poland	1
The largest providers of IT solutions and services for the public administration and uniformed services sector	1
The largest providers of IT solutions and services for large companies and enterprises	1
The largest providers of custom software	1
The largest providers of servicing	1
IT companies with the highest net profit	2
Companies with the highest R&D spending	2
The largest providers of IT solutions and services for the healthcare sector	2
The largest providers of integration services	2
The largest suppliers of IT solutions and services for the banking sector	3
The largest providers of IT solutions and services for the telecommunications sector	3
The largest providers of IT services	3

The largest providers of IT solutions and services for the energy sector	4
The largest providers of Business Intelligence, Big Data and Data Discovery systems	4

Source: Computerworld TOP200, Ranking of IT and Telecommunications Companies, Edition 2021, ranking by sales generated in 2020.

High positions in the latest Computerworld TOP200 ranking were also occupied by other Asseco Group companies: Asseco Business Solutions remained at the 1st position in the category of the largest providers of Enterprise Resource Planning (ERP) systems. In turn, Asseco Data Systems ranked 2nd among the largest providers of training services.

Asseco Poland is also a leader in 5 categories of the ITwiz Best100 ranking, which is a list of the largest IT companies in Poland.

Asseco Poland in the ITwiz Best100 ranking:

Category	Ranking position
Revenues of major IT capital groups 2020	1
IT companies with the largest sales to government and uniformed services in 2020	1
Companies with the largest sales to large companies in 2020	1
Companies with the largest revenues from the sale of maintenance services in Poland in 2020	1
Companies with the largest revenues from the sale of integration services in Poland in 2020	1
IT companies with the highest net profit in 2020	2
The largest companies with Polish capital selling their proprietary products and services in 2020	2
Companies with the highest revenues from the sales of IT services in Poland in 2020	2
Companies with the largest revenues from the sales of custom software in Poland in 2020	2
IT companies with the largest sales to the banking sector in 2020	2
Companies with the largest sales to the telecom sector in 2020	2
Companies with the largest sales of analytics and big data solutions in 2020	3
Companies with the largest sales to the healthcare sector in 2020	3
Companies with the largest sales to the energy sector in 2020	4

Source: ITwiz Best100, 2021 Edition, ranked by sales achieved for 2020.

Other Asseco Group companies also ranked high in the ITwiz Best100 ranking. Asseco Business Solutions once again became the leader in the category of companies with the highest sales of ERP systems. In turn, Asseco Data Systems ranked 2nd among companies with the highest revenues from training courses in Poland, 3rd place in the category of companies with the highest revenues from the sales of application implementation services and 4th place among companies with the highest sales of ECM (Enterprise Content Management) class systems.

Awards and honors given in 2021

The award in the competition "50 most influential people in Polish economy" for Adam Góral, granted by the Dziennik Gazeta Prawna daily
3rd in the section conducted among institutional investors and analysts, and 5th place in the section dedicated to individual investors in the "Best Investor Relations of WIG30 Companies" ranking prepared by the Parkiet daily and the Chamber of Brokerage Houses
1st place in the "Large Companies" category of the "Ethical Company" ranking prepared by the Puls Biznesu daily newspaper
Award in the category "The Outstanding FinTech Innovator in Central and Eastern Europe for 2021" for Asseco Customer Intelligence in the competition "The Innovators 2021" organized by Global Finance

Award in the **"Best Financial Innovation Lab"** category for the Data Science & Artificial Intelligence team" in **"The Innovators 2021"** competition organized by Global Finance

12th place in the ranking of **"200 largest Polish companies"** prepared by the Wprost weekly

Award in the category **"Comprehensive IT company solution dedicated to cooperative banking"** for the Common IT Platform (WPI) in the competition **"Cooperative Technology of the Year 2020"** organized by the Polish Bank Association

3rd place in the ranking **"Polish ambassadors"** prepared by the Wprost weekly

1st place in the ICT sector in the **"Most Valuable Polish Brands"** ranking prepared by the Rzeczpospolita daily

1st place in 5 categories of the **"Computerworld Top200"** report

The only Polish technology brand in the ranking **"Europe 500 – The most valuable and strongest European brands"** prepared by **Brand Finance**

1st place in 5 categories of the **"ITwiz Best 100"** report

The title of the **"Podkarpackie Enterprise of the 20th Century"** awarded by the Nowiny daily newspaper

Award for **Asseco Customer Intelligence** granted by Lendtech Foundation

6th place in the ranking **"Largest Polish private dividend companies 2021"** prepared by the Forbes magazine

3rd place in the ranking of **"Largest CIT payers"** prepared by the daily newspaper Puls Biznesu

The only IT company from Poland in the **"World's Best Employers 2021"** ranking prepared by the Forbes magazine

Adam Góral at **14th place** in the ranking **"Valuation of Polish managers"** prepared by the Parkiet daily and Martis Consulting

11th place in the ranking of **"100 largest Polish private companies"** prepared by the Forbes monthly

"Man of the Year" title for Zbigniew Jagiełło according to Money.pl portal

2nd place in the category **"Software manufacturers"** in the **"Top Brand 2021"** competition prepared by Press magazine and Press Service

40th place in the **"TOP 500 CEE"** ranking prepared by Coface

1st place in the **"IT@Bank"** ranking prepared by the Bank financial monthly

3rd place in the ranking **"Largest Polish private investors abroad 2021"** prepared by the Forbes magazine

21st place in the **"List of 500"** ranking prepared by the Rzeczpospolita daily

Title **"Best Talent Acquisition Team"** according to LinkedIn

3rd place in the **"National Champions"** ranking prepared by the Polityka Insight portal

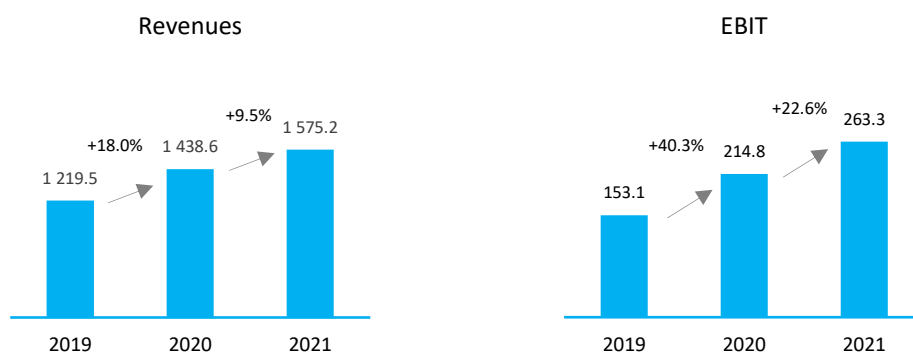
Gabriela Żukowicz at **5th place** in the ranking of **"100 Women in Business"** prepared by the daily newspaper Puls Biznesu



Major events that affected the results of **the Asseco Group** in 2021

MAJOR EVENTS THAT AFFECTED THE ASSECO GROUP'S FINANCIAL PERFORMANCE IN 2021

ASSECO POLAND SEGMENT



The table below presents selected financial data for the Asseco Poland segment for the period of 12 months ended December 31, 2021 as well as the comparative periods of 2020 and 2019:

PLN million	12 months to December 31, 2021	12 months to December 31, 2020 (restated)	12 months to December 31, 2019 (restated)	Change 2021 / 2020	Change 2020 / 2019
Sales revenues*	1 575.2	1 438.6	1 219.5	9.5%	18.0%
EBIT	263.3	214.8	153.1	22.6%	40.3%
<i>EBIT margin</i>	<i>16.7%</i>	<i>14.9%</i>	<i>12.6%</i>	<i>1.8 p.p</i>	<i>2.3 p.p</i>
Non-IFRS EBIT	278.4	235.2	169.8	18.4%	38.5%
<i>Non-IFRS EBIT margin</i>	<i>17.7%</i>	<i>16.3%</i>	<i>13.9%</i>	<i>1.4 p.p</i>	<i>2.4 p.p</i>
EBITDA	348.4	306.6	244.8	13.6%	25.2%
<i>EBITDA margin</i>	<i>22.1%</i>	<i>21.3%</i>	<i>20.1%</i>	<i>0.8 p.p</i>	<i>1.2 p.p</i>
CFO BT	286.5	317.6	295.7	(9.8%)	7.4%
CAPEX	(72.6)	(85.7)	(90.4)	(15.3%)	(5.2%)
Lease expenses	(12.5)	(32.9)	(36.4)	(62.0%)	(9.6%)
FCF	201.4	199.0	168.9	1.2%	17.8%
Cash conversion ratio	72.3%	84.6%	99.5%	(12.3) p.p	(14.9) p.p
Cash and cash equivalents (as at December 31)	319.5	271.7	215.2	17.6%	26.3%
Interest bearing debt (as at December 31)**	(84.7)	(85.1)	(93.7)	(0.5%)	(9.2%)
<i>of which loans, borrowings and bonds issued</i>	<i>(1.6)</i>	<i>(4.8)</i>	<i>-</i>	<i>(0.7)</i>	<i>-</i>
<i>of which leasing</i>	<i>(83.1)</i>	<i>(80.3)</i>	<i>(93.7)</i>	<i>3.5%</i>	<i>(14.3%)</i>

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFOBT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = |CFO BT| - |CAPEX| - |lease expenses|.

Cash conversion rate = FCF / non-IFRS EBIT.

In 2021, the Group's revenues generated by the Asseco Poland segment amounted to PLN 1 575.2 million as compared with PLN 1 438.6 million in the previous year. Operating profit was PLN 263.3 million vs. PLN 214.8 million in 2020. In the period reported, the Asseco Poland segment accounted for 11% of the Group's total turnover.

In the area of banking and finance, in 2021 Asseco Poland, being the largest contributor to the Polish segment, continued to work with its existing clients, under which it executed, among others, long-term maintenance contracts, accounting for approx. 40% of the area's revenue.

Asseco Poland continued its sales efforts aimed at winning new projects both in Poland and abroad, and extended its cooperation with such institutions as Bank Ochrony Środowiska, Volkswagen Bank, and Raiffeisen Bank International AG.

In 2021, Bank Pekao, supported by the Asseco Poland team, successfully carried out the fastest integration of universal commercial banks in the Polish market. The institution needed only 10 months to prepare for the transfer of customer data of the former Idea Bank to Bank Pekao operating systems, which was completed during the migration weekend on November 19-22 last year. Since then, approximately 220,000 corporate customers and approx. 50,000 individual clients of the former Idea Bank may use the full infrastructure and offer of Pekao. Asseco's role was to create solutions automating data migration and transformation, integrated with a proprietary application supporting the coordination of the migration team's works as well as the consolidated reporting on the progress, completeness and quality of the migration. The scope of the migrated Idea Bank IT architecture included almost 200 IT systems. In order to successfully carry out such a complex undertaking, Asseco has developed dedicated tools – Asseco Migration Platform (AMP). This project is also significant for the whole banking market, that is undergoing consolidation, as it introduces Asseco as a new major player in the mergers and acquisitions market in the commercial banking sector. Up until now, such ventures have been led by a small group of US consulting companies. Over the next few years, this market could prove to be very important in terms of service project potential.

In the period reported, Asseco Poland also performed the first stage of its agreement with Bank Gospodarstwa Krajowego, signed in Q4 2020, for the maintenance, optimum development and transformation of the def2000 system to an open form, which will enable further maintenance and development of the system without significant technological and legal limitations.

The company signed an agreement with one of the institutions from the "automotive finance" market to develop a customer portal with leasing and banking functionalities. The portal will enable customers and users to use the services of a chatbot and will be equipped with the latest Asseco Advanced Customer Intelligence solution, allowing for building dedicated offers for customers of financial institutions.

Under the Common Information Technology Platform (WPI) project, Asseco worked on the further development of the Asseco BooX (Bank out of the Box) platform which will become the cornerstone of the Company's offering for the banking sector in Poland and worldwide. Asseco BooX is the first Polish comprehensive technology and process platform for the sale and maintenance of financial products. It provides access not only to all systems necessary for providing banking services, but also includes IT BPO services ensured by Asseco's employees for the price of the whole subscription. The solution, whose first customers are cooperative banks (two more migration contracts were signed in 2021), is also offered to commercial banks and fintechs. BooX, a subscription platform that can run on cloud, is a perfect solution for neobanks, banks undergoing consolidation, test sandboxes, regulatory and marketplace (e-commerce) solutions.

Even in the early stages of obtaining a banking license, it enables new initiatives to prove high operational readiness to the national regulator. In turn, entities already operating in the market can take advantage of its features (subscription, working in a technology sandbox) in the process of testing and launching new services. Handling a bank transformation or consolidation process is a natural application of the BooX platform. The innovation necessary for the development of financial institutions will be ensured by the use of embedded solutions developed within the Asseco Innovation Hub, such as voicebots. Asseco BooX is available in the subscription model, but can also work based on the purchase of a license. Operationally, it works in desktop, cloud or hybrid models. Both the availability of particular functionalities and the cost incurred by institutions depend on the actual level of their use.

In the previous year, Asseco Poland signed an agreement, as a key subcontractor of IBM, to transform one of the commercial banks, which is part of a global financial group, and move it to the cloud, based on the application technology components of Asseco BooX. The project will involve, among others, migration of the bank from the Profile system to Asseco Core Banking.

The Company also continued its long-term cooperation with the largest bank in the region, i.e. PKO BP, within the framework of which it conducted activities related to, among others, development and maintenance of the main IT system supporting PKO BP customers' transactions, the system for interbank settlements in which the bank participates, as well as the system for management and settlement of debit cards in PKO BP.

In March 2021, Asseco became a supporting member of the Polish Association of Loan Institutions (PZIP), which brings together entities from the lending market and the areas of digital lending and fintech. Joining PZIP will enhance cooperation with lending institutions and the technological development of the sector.

Last year, Asseco Poland developed the Asseco Innovation Hub (AIH), an innovation development program for the financial industry. AIH focuses on reaching out to interesting projects that are in the early stages of development, supporting them in their implementation and creating finished products or services to be included in Asseco's offerings. In January this year, the medical voicebot Asseco developed within AIH started working at TU Zdrowie. TU Zdrowie is one of the leading medical insurers in Poland. The company's services are actively used by over 170 000 customers. Designed and implemented by Asseco, the intelligent voice bot, named IGA, operates on the basis of artificial intelligence algorithms and perfectly handles human speech. IGA's job is to improve contact so that the customer is not waiting in line at the hotline for a consultant to be available. The virtual advisor is available 24 hours a day, 7 days a week. It is worth noting that IGA received the title of the "Innovation of the Month" in the January edition of the cyclical ranking of Gazeta Ubezpieczeniowa.

An important business area of the Asseco Poland segment is the cooperative banking market. The Asseco Group companies operating in Poland provide services to over 410 cooperative banks, and support over 300 banks in the area of modern internet banking offered in the Software as a Service (SaaS) model.

In 2021, Asseco worked on solutions for cooperative banks of both Polish associations. Among other things, it continued the SGB System (former Integrated Association Solution – ZRZ) project it is implementing with SGB-Bank. As part of this project, SGB-Bank is responsible for attracting more cooperative banks to the project, while Asseco is responsible for implementations and migrations, also acting as an integrator. So far, 36 cooperative banks have migrated to this solution. The company is also the author of a unique project – Common Information Platform (WPI), which is the implementation of BooX (Bank out of the Box) for cooperative banks, implemented with banks of the BPS Group. WPI is the first solution in Poland that can be described as a "bank in a socket," containing everything a modern financial institution needs today: a transaction system, online and mobile banking, reporting and analytical tools, and intuitive omnichannel solutions. The platform can be parameterized according to individual needs. Processes that are similar in all banks (accounting, clearing, reporting, risk management, anti-money laundering, pricing), thanks to the solution can be standardized and automated, and consequently lead to lower back-office costs in each institution. At the same time, the platform allows for individual shaping of areas independent for each bank, such as building a commercial offer. WPI is available in the SaaS model, which reduces the costs associated with maintaining separate infrastructure and resources to maintain it. In 2020, the company finalized implementations of this platform in the Cooperative Bank in Lubaczów and the Cooperative Bank in Płońsk, last year it signed agreements for WPI implementation in two more cooperative banks and is working on acquiring more customers. WPI was awarded in the 1st edition of the "Cooperative Technology of the Year 2020" competition in the category "Comprehensive solution of IT companies dedicated to cooperative banking". The competition was organized by the Polish Bank Association and the Center for Banking Law and Information.

In the period reported, Asseco Poland signed an agreement with Bank BPS for implementation of a new central banking system, including the main transaction system and data warehouse, and for its operation using Asseco's data processing centers. The changes will also affect the new generation Internet banking system for retail and corporate customers and the bank's mobile application. The agreement was signed for a period of 10 years with the possibility of extension.

Additionally, the Company entered into new contracts related to, among other things:

- adjustment of the defBank-Pro system to cooperation with the Payment HUB SGB-Bank in the area of PLN Elixir and Sorbnet settlements in 30 cooperative banks
- launching in the defBank-Pro system the functionality enabling the establishment of payment cards via the SGB Group application in 9 cooperative banks
- implementation of a new functionality of External Databases (automatic retrieval and verification of client/entity data in the area of real beneficiary with the Central Register of Real Beneficiaries) in the Asseco AML system in 20 cooperative banks to ensure compliance with the AML Directive V

- further migration projects
- implementation of the My ID mobile banking functionality
- implementation of the "Cards" mini-application, which allows to view a list of customer cards (credit, debit, charge)
- implementation of a solution allowing for the handling of write-offs and repayments of subsidies for micro-companies and SMEs under the PFR 1.0 Financial Shield

In the period reported Asseco launched a new mobile application BSGo, which replaced the existing mToken application Asseco MAA. BSGo mobile banking for cooperative bank customers provides fast and convenient access to banking products anywhere 24/7/365. It is a hybrid application with the unique feature of sharing retail and corporate banking functionalities. Additionally, it provides authorization and authentication capabilities through mobile devices. It is already used by more than 90 000 people in over 70 cooperative banks. Furthermore, the Company provided cooperative banks with a BLIK payment interface in mobile banking and a mini-application e-office in the system for retail clients – Asseco Customer Banking Platform (CBP) and corporate clients – Asseco Enterprise Banking Platform (EBP), presenting the services of public administration along with the possibility of redirecting to such services. These solutions are gradually being implemented in increasingly more cooperative banks.

We also worked on new products and functionalities – among others, a comprehensive tool for data exchange with external databases in order to enable banks to perform credit analyses of their clients or a module in Asseco CBP and EBP enabling the handling of information campaigns. Furthermore, the Company worked on the implementation of Asseco Fraud Detection System (FDS) within the Internet Services Centre (CUI), which will enable banks to mitigate the risk of external and internal threats related to criminal phenomena. Asseco FDS protects customers from fraudulent online banking operations and internal abuse.

Asseco Poland holds a leading position among providers of solutions for companies operating in the Polish capital market. In 2021, the Company carried out work under contracts signed in previous reporting periods, including implementation of ePROMAK NEXT, one of the most advanced transactional solutions in this part of Europe, in the Brokerage Office of PKO BP, and continued the project of migration of the main system, together with the platform for servicing investors, of one of the brokerage houses in connection with the process of integrating it into the structures of the bank. In the period reported, Asseco worked on further development of functionalities of its PROMAK applications, e.g. PROMAK Plus (transaction processing system ensuring efficient and automated handling of business processes executed in a brokerage house) was adjusted to the legal regulations pertaining to trading in shares of American companies and identification of shareholders of non-public companies, and extended with a function enabling determination of PIT forecasts and handling of automatic requests. The functionality related to the EU SRD II directive was also extended in PROMAK POWIERNIK system, providing complex service of custody business, including automation of processes such as payment of dividend or interest on bonds, buyout of bonds, handling of pre-emptive rights, split and assimilation. In addition, the Company pursued an investment project related to a new product line of cloud-based solutions for brokerage firms.

In 2021, the public administration segment continued its cooperation with important public sector institutions, such as the Social Insurance Institution (ZUS), the National Health Fund (NFZ), the Ministry of Finance, the Ministry of Justice, the Agency for Restructuring and Modernization of Agriculture (ARiMR), the Agricultural Social Insurance Fund (KRUS), and the General Inspectorate of Road Transport (GITD).

In January-April 2021, Asseco carried out activities under the contract signed in 2018 and annexed in 2019 for the service of supporting the operation and maintenance of KSI ZUS. In April 2021, an agreement was signed for the service of supporting the operation and maintenance of KSI ZUS for the period May-October 2021, and in September 2021, another agreement was signed for the service of supporting the operation and maintenance of KSI ZUS for the period November 2021 to September 2022.

Additionally, as at the end of December 2021, the Company was carrying out 11 executory contracts under the framework agreement entered into in 2018 for the modification and development of the KSI ZUS software, 8 of which were entered into in 2021. The implementation agreements cover the following areas:

- optimization of the functions of interactive applications supporting ZUS employees in carrying out tasks in processes (the contract signed in 2020)

- adjustment of the KSI system to legislative changes resulting from the Act on amending the Act on enforcement proceedings in administration and certain other acts (the contract signed in 2020)
- adaptation of ZUS's IT system to legislative changes related to the introduction of the so called e-Files and Small Business and Other Acts, Phase II (the contract signed in 2020)
- benefit application optimization in the area of information security (the contract signed in Q1 2021)
- update of the System 9a ensuring continuous provision of statistical information on statutory activities of ZUS (the contract signed in the 1st quarter of 2021)
- modification of selected functionalities included in the FW application in connection with the implementation of changes resulting from the Act of July 4, 2019 on amendments to the Act on Enforcement Proceedings in Administration and some other acts (the contract signed in the first quarter of 2021)
- adjustment of KSI ZUS to handle the granting, payment and documentation for 2021 of another additional cash benefit due to retirement pensioners, disability pensioners and recipients of other long-term benefits (the contract signed in Q3 2021)
- optimization of the functions of interactive applications supporting Social Security employees in carrying out tasks in [CRKZ] processes (the contract signed in Q4 2021)
- modification of KSI ZUS consisting in optimization of functionality of WO application – Judgment Support (the contract signed in Q4 2021)
- adjustment of KSI ZUS to changes in the taxation as well as retirement and benefit payments contributions from 2022 (the contract signed in Q4 2021)
- cleaning up and rationalizing the social security system 2021 [December 2021 – March 2022] (the contract signed in Q4 2021)

Asseco Poland also executed the contract concluded in 2018 for the development and maintenance of the Customer Portal and the Service Bus (ESB) within the Platform for Electronic Services of ZUS, together with a supplementary agreement signed to this contract in 2020.

In addition, the Company prepared the KSI and PUE Portal IT systems for tasks resulting from the implementation of the Act on Special Solutions for Preventing, Counteracting and Combating COVID-19, Other Infectious Diseases and Crisis Situations Caused by Them. There were 11 annexes to the agreement entered into in 2020 through the end of 2021, 6 of which were entered into in 2021.

As part of the agreement with ZUS, Asseco Poland prepared IT systems of KSI ZUS and PUE Portal for the tasks resulting from implementation of the Polish Tourism Voucher Act. There were 5 annexes to the agreement concluded in 2020 until the end of 2021, 2 of which were concluded in 2021.

Additionally, in June 2021 an agreement was concluded with ZUS for preparation of IT systems KSI ZUS and PUE Portal to handle tasks related to the "Good start" program. By the end of the reporting period, 3 annexes to the above-mentioned agreement have been concluded.

In November 2021, Asseco Poland signed a contract with ZUS to prepare its IT systems KSI ZUS and PUE Portal for the tasks related to handling of the family care capital (RKO) and subsidizing parents' fees for nurseries (the so called nursery subsidy).

In December 2021, the Company signed an agreement with ZUS for preparation of IT systems KSI ZUS and PUE Portal to support tasks related to the payment of child benefit under the "Family 500+" program.

We also continued performance of the contract concluded with ZUS last year for preparation of the KSI ZUS information system for tasks arising from implementation of the Act of August 14, 2020 on amending the Act on anti-communist opposition activists and persons repressed for political reasons, and some other acts. In the reporting period, 1 annex to the above-mentioned contract was concluded. The contract was completed on September 30, 2021. In May 2021, a new contract was signed for the additional scope of work resulting from the amendment to the aforementioned legal acts. This agreement was in effect until December 31, 2021.

Asseco Poland continued its activities under the 2019 contract with ARiMR for the development and maintenance of the SIA system, with 28 system modification orders and 39 operational orders signed in 2021. During the reporting

period, an annex was signed as a supplementary order to the above-mentioned contract, covering development of IRZplus application to support animal registration.

The Company executed and annexed in 2020 an agreement with the Ministry of Justice for the construction, 3-year maintenance and development of a system supporting the National Debtors Register (KRZ), which streamlines restructuring and bankruptcy proceedings.

In addition, the contract with the Ministry of Justice concluded in 2017 for maintenance, modifications and training for the Electronic Land Records (EKW) ICT system, which ended on September 21, 2021, was implemented. At the same time, the implementation of the supplemental agreement to the aforementioned agreement concluded in 2020 began, which runs through March 2023.

Asseco Poland also carried out activities for the Ministry of Finance, including projects for the maintenance and development of customs and tax systems, carried out under the European Union co-funded project "Platform of Fiscal and Customs Electronic Services (PUESC)". A noteworthy project implemented within the framework of the aforementioned program is the development of the Digital Frontier system. It is a very advanced and modern solution, which provides efficient customer service at border crossings using mechanisms of automatic data exchange and automatic vehicle identification and traffic control. December 2021 saw the production launch of the Digital Border system at all 53 locations across road and rail border crossings and border air and sea traffic. System maintenance and development support services will be provided for a period of 4 years.

In 2021, two new contracts were concluded with the Ministry of Finance represented by the Tax Administration Chamber in Kraków. The first one, implemented in a consortium with Pentacomp, concerns development, modernization and maintenance of components of the Customs and Treasury Information System (SISC) in the area of Trade in Goods with Third Countries and Excise Movements. The second one concerns expansion, modernization and development of the ZEFIR2 system, which handles collection and financial settlements of customs and tax dues for the State Treasury and the EU budget. In both contracts Asseco Poland will expand and modernize the systems which were earlier developed by the Company. The aim is primarily to adjust them to new EU legal regulations contained in the EU Customs Code, as well as many national regulations, including changes in excise tax and VAT settlements.

In addition, in the reporting period the Company performed contracts for the General Inspectorate of Road Transport (GITD) within the scope of maintenance and development of the Automatic Road Traffic Supervision Centre (CANARD).

Asseco Poland is one of the largest providers of IT solutions and services for the healthcare sector. It currently works with over 400 hospitals nationwide. In turn, in the segment comprising physician offices, mid-sized and small clinics and medical practices, the Company serves more than 9 800 locations (over 35 000 users), which is approx. 40% of the market.

In 2021, Asseco won consecutive tenders for implementation of e-services and the Electronic Medical Records (EMD), among others, in the Provincial Hospital in Elbląg, the prof. Tadeusz Sokołowski Independent Public Clinical Hospital No. 1 of the Pomeranian Medical University in Szczecin, the John Paul II Specialized Hospital in Kraków, the Blessed Virgin Mary Voivodship Specialized Hospital in Częstochowa, the Independent Public Clinical Hospital No. 4 in Lublin, the Fryderyk Chopin Voivodship Clinical Hospital No. 1 in Rzeszów and the Specialist Medical Centre in Polanica-Zdrój. As part of these contracts, Asseco has implemented software intended primarily to facilitate the registration of patients for appointments, checking of examination results, and access to medical records online. The new e-services are fully integrated with current solutions operating in hospitals, including the Hospital Information Systems – HIS and entity management – ERP.

The Company also performed maintenance contracts for already implemented systems in hospitals, which accounted for more than 50% of revenues generated by the healthcare area.

Asseco has provided the Blood Bank IT system for 17 Blood Donation and Hemotherapy Centres (located in Bydgoszcz, Gdańsk, Kalisz, Katowice, Kielce, Kraków, Lublin, Łódź, Olsztyn, Poznań, Radom, Rybnik, Rzeszów, Słupsk, Szczecin, Warsaw, and Wrocław) as well as for the Military Blood Donation and Hemotherapy Centre. The main purpose of the system is to support the management of the Blood Donor Center related to donor registration, organization of blood collection, operation of the laboratory and production and distribution of blood components in a manner ensuring the safety of donors and patients.

The company also participates in the e-blood IT system project implemented by the Centre for Healthcare Information Systems. The new solution will improve the quality of medical services by streamlining the exchange of data between the entities involved in the process of blood collection and its use in treatment, and ensuring effective management

of obtained and used data. In this project Asseco is responsible for development of software for data extraction from local systems in 18 blood donation and haemotherapy centers to the central e-blood system.

During the period under review, Asseco Poland, in a consortium with Kamsoft, executed the agreements signed in 2019 with the National Health Fund for the maintenance and development of the IT System for Support of NFZ Operations – SIWDzNFZ.

Furthermore, leveraging its many years of experience in the computerization of medical institutions, the Company has been developing its applications intended for patients: Medical Information (management of information provided by medical units), Medical First Aid Kit (medication management) and My Measurements (self-monitoring of health by patients). Thanks to the integration of My Measurements and Medical Information solutions, information about various health parameters of patients goes directly to the doctor's office and is recorded in the medical history.

Regulatory changes, the obligation to keep medical records in electronic form, and the ongoing epidemic in Poland make digitization of medical facilities even more important. Since January 2021, e-prescriptions have been in force in Poland, and since July 2021 there has been an obligation to exchange electronic medical records between healthcare institutions, which means that it is possible to obtain data on the patient's medical history and treatment in the P1 System (Electronic Platform for Collection, Analysis and Sharing of Digital Resources on Medical Events). Also important was the introduction of the Prevention 40 PLUS program, which, in order to be billed by a physician, must be reported electronically. The systems of Asseco Medical Management Solutions (AMMS) and mMedica provide comprehensive support for these processes and are fully prepared for any legal changes in this field.

Not only does the digitization of healthcare allow to simplify and accelerate the existing processes, but it also opens up opportunities to build new, innovative services. In May 2021, Asseco established the National Medical Cloud Operator (Cloud for Health), which aims to enable medical units – in cooperation with the National Cloud – to provide e-services with the highest security standards. Cloud for Health specializes in cloud-based EDM implementations. It also ensures smooth regulatory compliance and contributes to the standardization of IT services in the healthcare sector.

Asseco Poland is a recognized provider of tailor-made solutions and services for domestic and international security institutions. To date, the Company has finalized over 70 high-tech projects for the European Union and NATO agencies. Its clients include institutions such as the North Atlantic Alliance (NATO), the European Border Agency (Frontex), the European Chemicals Agency (ECHA), the European Defence Agency (EDA), the European Space Agency (ESA), the Ministry of Defence or the National Cyber Security Centre. Among others, Asseco Poland is involved in the CYBER4DE project – "Cyber Rapid Response Toolbox for Defence Use", which began in December 2021. The company, along with seven other companies from EU countries, has formed a consortium that will develop and implement tools for rapid response to cyber incidents on a national and international level. As part of CYBER4DE, companies from Poland, Lithuania, Estonia, France, Croatia, Italy and Romania will develop an easy-to-implement, modular and scalable toolkit. It will be used by PESCO's Cybersecurity Rapid Response Teams (CRRTs), streamlining and improving operational effectiveness. By mid-2024, a fully functional, easily deployable Next Generation Defense Cyber Toolkit (TRL7 / TRL8) will be created consisting of four main modules – Workplace, Sensors, Back-office and Cloud services.

For several years Asseco Poland has been developing its proprietary product lines, dedicated to uniformed and civilian markets - unmanned systems and cyber security systems. Among other things, the Company continues and expands its partnership with the Ministry of Science and Technology of the Nigerian state of Lagos. Under the new project, Asseco will make aerial maps of the entire Lagos State using previously delivered unmanned systems equipped with Asseco GCS (Ground Control Station) software. For the first time in Africa, such a large area, spanning over 3 500 km², is mapped using drones. This project, carried out in cooperation with Asseco Nigeria, is an important component of the geographic information system (eGIS) being developed by the Lagos State. The goal is to acquire maps of a vast agglomeration area, which will then be processed and made available on a geoportal. Data analysis will allow for more effective planning of the region's development, management of its land use resources, as well as monitoring of environmental pollution. It is also a valuable source of information for residents and investors. In addition, the 2020 contract with the Armament Inspectorate for the delivery of 24 micro-class unmanned aerial vehicles (UAVs) for the Polish Armed Forces continues. The drones will be used to conduct day-night surveillance during military operations. The proprietary hardware and software will be manufactured in Poland.

Asseco is also strengthening its position in the cyber security consulting segment through its ComCERT company. ComCERT is the first consulting company in Poland to specialize in CERT (Computer Emergency Response Team) services for enterprises and institutions, not affiliated with any telecommunications operator. ComCERT experts analyze hacking vulnerabilities in customers' systems, support them during an incident, and analyze the status of systems after

an incident. At the intersection of these three services, they also develop Security Operations Center (SOC) teams at customers – not only actively helping to maintain high levels of network security, but also expanding their competencies. It runs outsourced SOC units for several of the largest entities in Poland. Moreover, ComCERT is competent in designing, implementing and maintaining hardware and software solutions from the world's leading manufacturers.

ComCERT participates in cyber security research and development projects. It is, among others, the leader of a consortium which also includes the Warsaw University of Technology and Cryptomage in a project to create a system supporting the detection and imaging of APT (Advanced Persistence Threat) attacks. The project has received funding from the National Centre for Research and Development under the National CyberSecIdent Programme (IV CyberSecIdent competition – Cyber Security and e-Identity), which is aimed at improving the cybersecurity of Poland by increasing the availability of hardware and software solutions.

In 2021, ComCERT provided and integrated solutions from leading vendors and supported customers in building processes in the area of incident management. The company has expanded its offerings with a proprietary product for securing software code. The effectiveness of the technology has been verified by Israeli experts from TSG IT Advanced Systems and found to be unique. In addition, one of the major projects was the preparation of the technical design of a cyber security simulator, allowing for testing and training in response to the most advanced network attacks, also carried out in 5G class networks.

The group of ComCERT's clients was joined by other companies of strategic importance, such as the Polish Post Office, which employs over 70 000 people, has over 7 600 facilities, 40 000 stationary devices and 20 000 tablets. The contract includes SOC, training and advanced services where the company will conduct security testing of the Postal Service's infrastructure.

ComCERT also works with other Asseco Group companies on cyber security projects. For example, it is involved in a project led by Asseco Data Systems in the Republic of Togo. Under a partnership with the Togolese government, an organization was established that combines the function of the Security Monitoring Center responsible for the security of the country's critical infrastructure with the National Security Center, which monitors threats from cybercrime around the clock and provides citizens, organizations and businesses with the confidence to use digital solutions. The agency also offers a range of services for businesses in the area of information security, including audits and cybercrime prevention support. The joint venture has enabled Togo to become a leading cyber security hub in the region. ComCERT – as a subcontractor of Asseco Data Systems – was responsible for creating a comprehensive strategy for the organization, delivering the necessary ICT infrastructure, defining processes and training local staff. The implementation of CERT and SOC in Togo kicked off in early 2020, and despite the COVID-19 pandemic, the first customer was already using the Security Monitoring Center in the fall. In January 2021, the National Security Center was launched along with the CERT.tg website for rapid reporting of cyber security incidents. The entire project was fully implemented at the end of June 2021. Services related to the maintenance of implemented solutions are currently being implemented.

Additionally, ComCERT conducts preparatory work to assist clients in complying with new regulations related to the National Cyber Security Act amendments. It is also planning to provide ground-breaking solutions for conducting cyber attack response exercises.

In the general business segment, Asseco works with major players from the telecommunications and power sectors.

In the period reported Asseco Poland continued to work for the leading power industry groups under previously signed contracts as well as under new orders acquired in the period reported. The company is a leader among Polish producers of IT solutions for the domestic energy sector. Asseco Utility Management Solutions (AUMS) is a suite of integrated products providing comprehensive support for all areas of the sector's operations, from production, transmission and distribution to the sale of products and services. In Poland, more than 60% of energy bills are generated using AUMS Billing & CIS (a system for billing and customer service). The list of domestic entities that have chosen the AUMS billing system includes the following power companies: ENEA, ENERGA, TAURON, PGE and PGNiG OD.

The company is constantly working on developing the functionality of AUMS family systems. In 2021, it introduced AUMS Billing & CIS 4.0, which is a continuation of its existing 3.0 product line. The system was created in response to changing market requirements, as a result of investments supported by a project co-financed by the National Centre for Research and Development and in cooperation with a group of domestic and foreign experts. Version 4.0 of the Company's flagship product is one of the most modern customer service systems, in which significant changes have been made related to technology, as well as automation of business processes. Optimizations in system work management and standardization of data exchange were introduced. The system is completely open and gives unlimited possibilities

for independent development by the power company and in cooperation with external partners (no vendor-locking). The technologies used allow for the use of OpenSource-based databases, and additionally the implemented tools and the adopted multi-cloud and hybrid cloud strategy allow for moving the system to any cloud of the selected provider. AUMS Billing & CIS 4.0 also offers a number of new functionalities that are primarily related to the possibility of expanding the offer, including convergent products or services. It also introduced a new data model based on a billing account that records the data of multiple parties to a contract – sellers and buyers. Mechanisms are offered as standard, allowing for billing of individual recipient devices within the Internet of Things (IoT).

Additionally, Asseco Poland – with the support of its technology partner IBM – has created a new platform called AUMS Customer Portal. It's a next-generation customer service solution for utilities, among others, that want to enable or streamline digital communication, invoice distribution and billing information for their customers. The system supports simple and intuitive vendor-customer interaction, integrating all services offered on a single web platform. It provides fast deployment and high availability by leveraging IBM and Red Hat cloud technology. Regardless of the device used (computer, tablet, cell phone) the solution offers a comprehensive view of data on services and products provided to individual customers. Moreover, thanks to its modern system architecture based on microservices and API approach, the AUMS Customer Portal can be an excellent basis for creating a digital platform to expand offerings with new products and services.

Furthermore, last year Asseco Poland introduced AUMS Market Connector. Available in both on-premise and SaaS models, the solution is designed for energy and gas traders, balancing entities and energy distribution companies. It enables integration of domain systems in an organization with systems of external partners. It also allows to quickly add new solutions from different vendors and maintain full control over the execution of business processes. It provides a single point of secure communication with the Central System of Information for the Energy Market (CSIRE) and support for processes operated by the Polish Gas Company (PSG). It thus helps to meet the obligations imposed by the regulator, significantly reducing the resources needed to support bulk data exchange.

The company also implemented an investment project – Asseco Demand Side Management (ADSM). ADSM provides support to align electricity consumption with the needs and capabilities of the power system. It allows remote interaction with client-side smart devices. It also provides the ability to respond immediately to changing market conditions and phenomena occurring in the power grid. The system, by conducting the energy demand regulation process, increases the efficiency of grid management. With the consent of the end user, it regulates the operation of end equipment and offers the ability to "softly" limit some of its functionalities. This is possible by using IoT control protocols, building automation or industrial automation.

In 2021, Asseco Poland continued its cooperation with Polkomtel Sp. z o.o. as part of a three-stage project involving the transformation of the sales, service and billing automation systems for individual customers (B2C) of the Polsat Plus Group. In this period the Company focused on the execution of the first stage of the project covering the changes to the IT systems dedicated to the sale of products and services of the Polsat Plus Group. The project cooperation was first conducted on the basis of a bridge agreement concluded in March 2020. Subsequently, the work was carried out on the basis of existing orders under the terms of contracts concluded in previous years until new general terms of cooperation were agreed, which were discussed between the parties.

As a result of the discussions, a framework agreement was concluded in July 2021, defining the general scope and principles for expanding the cooperation of the project partners. The framework agreement also covered the work carried out under the above-mentioned contracts and specified the terms and conditions of cooperation under the first phase of the project. According to the aforementioned contract, the orders commissioned under the agreement, with respect to Phase Two and Phase Three, will be subject to separate negotiations between the parties (including pricing) and will require corporate approvals in each case to conduct the work covered thereby. The scope of work covered by phase one is not materially different from other activities performed by the Company in the course of its business.

In addition, dedicated, separate teams also carried out projects for Asseco's other telecommunications and media clients. The company constantly develops its product offer and functionalities of available solutions. In 2021, it led work on, among other things, the Asseco Dynamic Portal (ADP), a modern portal environment based on a rapid content delivery system integrated with analytical and marketing tools. ADP allows to collect data about customers' online behavior. It also provides support in segmenting offerings and delivering personalized products and services. Work was also underway to expand the functionality of Asseco Convergent Services Environment (ACSE), which supports the sale, maintenance and settlement of convergent services. As a solution of Business Support System (BSS) class, it enables easy

combining of own and other suppliers' products into coherent offer settled on one invoice – both for individual customers and business partners.

2021 was an intensive period also for **Asseco Data Systems (ADS)** operating in the Polish market. The Company maintained and developed the EMIR-SEKS/AD system for ZUS, used for servicing, calculation and payment of retirement and pension benefits. A new 4-year contract was also signed with ZUS to maintain and develop this system. Within the framework of cooperation with the Agricultural Social Insurance Fund (KRUS), the company conducted activities related to the maintenance and development of the Farmer system for handling pension and disability benefits. ADS, in a consortium with Asseco Poland, is also responsible for maintenance and development of the Workflow system, which is a central component of the Integrated Information System (ZSI) for handling the most important business processes, as well as for the comprehensive support of IT systems for KRUS insurance and short-term benefits.

During the reported period, the company expanded sales of security and trust services, including electronic signature. ADS has signed an agreement with the European Leasing Fund (EFL). EFL, with the support of Asseco, will implement a comprehensive solution that enables remote processing of formalities through a modern platform for the use of trust services. This will enable EFL Group's clients, as well as the company's employees, to sign contracts and documents using a qualified electronic signature. It will also allow to secure electronic correspondence or confirm the authenticity of documents. E-signature will simplify processes and enable them to be performed remotely.

ADS also cooperated with Żabka Polska in the improvement of logistics processes. Żabka is the first company in Polish commerce to use a qualified electronic signature on a mass scale. The chain has implemented an integrated Asseco platform for remote signing of documents between Żabka's headquarters and franchisees. Qualified electronic signatures are also used by selected departments within the company. Asseco's e-signature platform has been customized for Żabka's internal systems and additionally connected to the qualified validation service WebNotarius.

ADS also supported Santander Leasing in the introduction of a comprehensive solution for the electronic signing of leasing contracts. By linking Santander Leasing's operating systems and Ailleron's leasing applications with ADS systems, a digitalized transaction process was introduced that was limited to a single meeting with the customer. After the end of the reporting period, Santander Leasing, with the technological support of ADS, implemented another e-signature mechanism, the biometric signature. It is an electronically-fixed handwritten graphic mark made with a stylus on a mobile device. Santander Leasing is the first leasing company in the Polish market to enable signing contracts in electronic form in this way. The implemented solution is supported by an additional trusted third party service for managing the "key pair" used in the encryption process of biometric signature data stored in encrypted form in the signed PDF document. This service guarantees that the biometric data enabling the graphological analysis of the signature will always be secure and only an expert authorized by the court will have access to it.

Moreover, BNP Paribas Leasing Solutions Polska implemented an e-signature solution for signing financing agreements that enables signing documents with a qualified electronic signature and validation, i.e. verification of signatures thanks to an application delivered by ADS. This allows the operational tasks associated with the lease fulfillment process to be performed completely electronically, both inside and outside the organization.

ADS finalized an implementation for Polkomtel in the reporting period, which allows Plus customers to sign contracts on tablets using a handwritten digital signature at points of sale. This project is an example of the implementation of the "paperless" strategy, which has been successfully developed together for several years. The solution integrates with the existing processes of the Polsat Plus Group, which required designing and implementing changes in many sales and customer service systems. ADS was the first company in Poland to integrate a qualified electronic signature validation service with the newly audited qualified maintenance service. This enables customers to additionally secure signed and sealed electronic documents over the long term and comply with formal and legal requirements. At the same time, the maintenance service guarantees the maintenance and constant updating of cryptographic algorithms to ensure the highest level of security.

ADS expanded its product offering during the period under review to include Certum Document Signing, an advanced electronic signature that validates the identity of an organization or signer. It enables automatic and secure signing of documents and significantly speeds up their exchange both within the company and with its business partners. It supports Adobe, Office and Libra Office file formats.

The company also introduced a new identity verification method for the Certum security certificates it issues. Customer identification can now happen automatically, in real time using artificial intelligence mechanisms. This service is available through the SSL, eMail ID (S/MIME) and Code Signing certificate issuance process. Auto-identification not only allows for convenient and instant identity verification, but also protects against attempts to forge documents by unauthorized

persons or protects against identity theft. Currently, such services are being implemented by major financial institutions, government and fintech companies.

In addition, ADS has expanded its partnership with United SSL, which uses automatic identity verification from AriadNEXT to issue SSL certificates, and Icarus, which provides IT services to large companies across Europe. Icarus works with ADS to secure email addresses with S/MIME certificates. The implementation includes ordering and issuing certificates from within the Enterprise ID application, which enables automation of the certificate issuance process. Certificates have been issued to all of the company's employees so that their email is properly protected against phishing, data leakage, interception and email theft, among other things.

In 2021, ADS participated in standardization work at the national and European level related to video identity verification, on the basis of which it will be possible to issue qualified certificates for electronic signature and electronic seal. The company, as one of the first Polish companies, began to actively operate in the field of post-quantum cryptography. The goal of the work is to prepare services and implement post-quantum algorithms for widespread use, as well as to increase market awareness and prepare customers for the coming changes. The technology under development will bring a new dimension of security to Certum-branded products offered by ADS, including SimplySign electronic signatures and SSL certificates. ADS is also preparing to launch a qualified registered electronic delivery service (eDelivery).

In 2021, ADS was developing a platform for managing HR processes in business, as well as integrated IT solutions for managing universities, the teaching process, and employee competence development. Asseco cooperates with more than 50 universities in Poland. They are very diverse, ranging from large public universities, such as Maria Curie-Skłodowska University (UMCS) and the University of Life Sciences in Lublin, the Silesian University of Technology, the Naval Academy, through private universities to vocational schools. In March 2021, ADS and UMCS signed a cooperation agreement. It will include the execution of scientific, implementation, educational and IT projects, as well as cooperation in the implementation of theses – bachelor's and master's, doctoral dissertations in the field of computer science and in the implementation of doctoral dissertations. The main objective of the cooperation is to develop the use of VR (Virtual Reality) technology and new solutions in the field of cyber security and creating modern IT solutions for higher education. In addition, Asseco will work with the Sopot University of Science and Technology to train digitization managers. The Sopot University of Technology, in cooperation with Asseco, has launched a postgraduate program – Digital Innovation Manager. Students in this course improve their competencies in effective management of digital services in the enterprise, gain knowledge about the use of the latest IT technologies in business, and develop skills in building organizations using Design Thinking, Agile and Scrum methods. Asseco Academy, which for years has been one of the leading providers of training courses in the Polish market, reacts dynamically to changing needs of its customers and adapts its offer to them. Its portfolio includes over 600 trainings. To date, it has completed over 65 000 training courses attended by over 500 000 people out of more than 35 000 companies.

The company also focused on activities related to the digitization of local government entities. Its solutions are used by more than 220 local governments. ADS develops and implements software that supports the work of local government offices – the so called Central Municipal System, which includes the Integrated Municipal Management Information System, the Education Management Platform, and the System dedicated to Municipal Enterprises. For example, in the period under review, the Company completed the implementation of an electronic system in the Water Supply and Sewerage Company (ZWiK) in Grodzisk Mazowiecki. The aim of the cooperation was to grant ZWiK customers and contractors access to the widest possible range of services and public information by electronic means. The project included, among others, implementation of eBOK, i.e. electronic customer service office, electronic document circulation and development of the billing system. With the introduction of modern solutions, communication with recipients of services provided by ZWiK in Grodzisk Mazowiecki has been improved, and current issues can be handled through online channels. ADS also offers proprietary solutions to automate the process of submitting and selecting proposals for the civic budget, determining voting results, and solutions designed to create entity pages for the Public Information Bulletin and to publish information via the Internet. The company, in cooperation with the Municipal Office in Zabrze, has provided a system to handle the civic budget in the editions for 2022 and 2023. It allows residents, among other things, to submit proposals online, as well as to vote remotely on selected projects. This solution is one of the modules of the City365 e-services platform offered by Asseco. Zabrze City Hall uses the system in a subscription model. It is provided by the vendor using cloud computing (Software as a Service). Additionally, ADS software supports the process of creating and submitting applications for EU and national funds, their formal and content-related evaluation, as well as awarding funding and signing the relevant agreement.

Moreover, projects were carried out in the area of software supporting handling of leasing contracts and mass communication, i.e. correspondence handling and document management in paper and electronic form, or active planning. Among other things, Asseco digitized the process of mass mailing at the Cooperative Bank in Lubaczów. The implemented solution meets the requirement of using a durable medium, which is covered by financial institutions. It now allows the bank to provide its customers with information documents such as updates to loan terms and conditions or fee schedules electronically. The system works with the Common Information Platform (WPI).

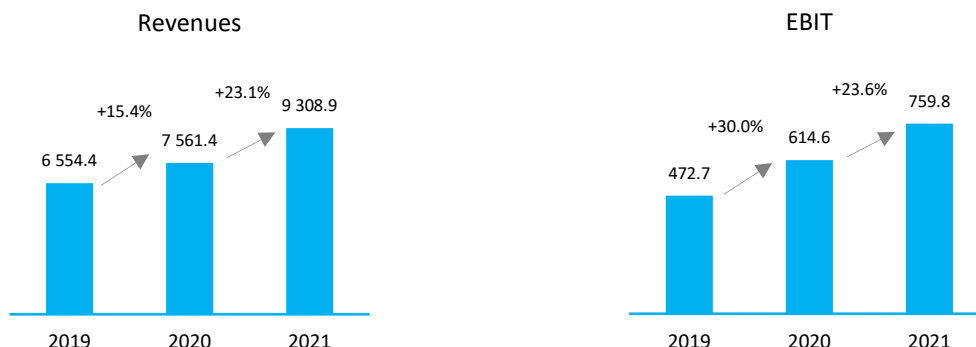
Activities focused on the implementation and monitoring of smart city services (Smart City) were also carried out. In 2021, the company finalized the project "Rzeszów Cellars – Interactive Cultural Institution". Located under the Market Square in Rzeszów, the Underground Tourist Route is located on three floors. It consists of 40 chambers and 25 cellars, connected by 15 corridors with a total length of almost 500 m. The project included the creation of a unique multimedia exhibit that opened to the public on January 3, 2022. ADS also implemented an intelligent parking system in Rzeszów. The paid parking zone has been covered by a system that collects and analyzes data on the availability and ability to park vehicles. The Intelligent Metropolis.ISPP Paid Parking System covers approx. 2,200. parking spaces. Artificial intelligence elements based on neural networks analyzing images of parking areas from fixed cameras and data from parking space occupancy sensors were used for occupancy detection. Vacancy information is made available on interactive boards and through a mobile app. In addition, the city's fiber optic network has been expanded. During the period under review, ADS signed a contract to ensure the continued operation of the Silesian Public Services Card system after March 21, 2021 for a period of 18 months with an option to extend to 24 months. The project is implemented in a consortium with mBank. In addition, the company signed a contract for ŚKUP 1.5 – upgrading the public transport fare collection system. The project includes modernization, maintenance and development of the Silesian Public Services Card system. During the reporting period, ADS also signed a contract with Innobaltica to develop the FALA (Platform for Integrated Mobility Services) system. The FALA system is an innovative, nationwide integrated system for collecting fees for public transport, which will serve residents of the Pomeranian Voivodeship. One electronic platform will connect the rail network and public transportation. Fare payment will be based on an app and a special transportation card and a network of readers (validators). The system will also contain information about ticket prices, timetables, and routes for buses, streetcars, trolleybuses, and trains - so that a huge number of transport services can be handled at any time of public transport operation. The project to create the FALA system ADS is implementing in a consortium with the Italian company AEP Ticketing Solutions.

In the reporting period, Asseco Poland established a new company, **Asseco Cloud**, which supports customers in designing, implementing and operating cloud solutions. The Company was created by merging a few organizational units of Asseco Data Systems and Asseco Poland. It carries out implementations based on its own solutions and those of leading cloud providers and gives full support from design to implementation, as well as providing expertise. The company's offerings include private cloud-based services, preferred by customers in the public or regulated sectors, and multi-cloud solutions based on the public cloud of global providers. The strategic goal of the new entity is also to increase the security of the provided IT solutions.

In 2021, Asseco implemented projects using cloud computing for clients in the healthcare, retail, and telecommunications industries, among others. Amercian Heart of Poland, one of the largest providers of medical services in the Polish market, signed an agreement to migrate and maintain the Asseco Medical Management Solution in the SaaS model. It is a system covering several dozen medical institutions, delivered on the basis of the Asseco's cloud along with a range of professional IT services. The strategic cooperation with Dino Polska was also continued. Asseco Cloud supported the company in its digital transformation, among others, by maintaining key production systems and supporting the implementation of a new ERP system. Asseco Cloud experts have also carried out a project of implementation and adoption of Office365 services and security solutions based on Microsoft 365 Security at the Polsat Plus Group.

In addition, in late 2021 and early 2022, Asseco Cloud and Microsoft made a joint effort to provide IT solutions in the SaaS model using the Microsoft Azure cloud. As a result of the cooperation, the Cloud Center of Excellence was established, which will concentrate competencies and resources to effectively implement the processes of managing, delivering, maintaining and optimizing applications in the Microsoft cloud.

FORMULA SYSTEMS SEGMENT



The following table presents selected financial data for the Formula Systems segment for the 12 months ended December 31, 2021 and the comparative periods of 2020 and 2019:

PLN million	12 months to December 31, 2021	12 months to December 31, 2020	12 months to December 31, 2019	Change 2021 / 2020	Change 2020 / 2019
Sales revenues*	9 308.9	7 561.4	6 554.4	23.1%	15.4%
EBIT	759.8	614.6	472.7	23.6%	30.0%
<i>EBIT margin</i>	8.2%	8.1%	7.2%	0.1 p.p	0.9 p.p
Non-IFRS EBIT	1 055.4	842.7	672.5	25.2%	25.3%
<i>Non-IFRS EBIT margin</i>	11.3%	11.1%	10.3%	0.2 p.p	0.8 p.p
EBITDA	1 291.3	1 060.9	872.3	21.7%	21.6%
<i>EBITDA margin</i>	13.9%	14.0%	13.3%	(0.1) p.p	0.7 p.p
CFO BT	1 017.7	1 336.2	982.1	(23.8%)	36.1%
CAPEX	(118.0)	(131.5)	(125.3)	(10.3%)	4.9%
Lease expenses	(168.3)	(125.3)	(120.7)	34.3%	3.8%
FCF	731.4	1 079.4	736.1	(32.2%)	46.6%
Cash conversion ratio	69.3%	128.1%	109.5%	(58.8) p.p	18.6 p.p
Cash and cash equivalents (as at December 31)	1 962.8	1 884.0	1 391.6	4.2%	35.4%
Interest bearing debt (as at December 31)**	(2 895.1)	(2 514.4)	(2 294.0)	15.1%	9.6%
<i>of which loans, borrowings and bonds issued</i>	(2 381.1)	(2 049.7)	(1 877.0)	16.2%	9.2%
<i>of which leasing</i>	(514.0)	(464.7)	(417.0)	10.6%	11.4%

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = |CFO BT| - |CAPEX| - |lease expenses|.

Cash conversion rate = FCF / non-IFRS EBIT.

In 2021, revenues generated by the Formula Systems Group companies were by 23.1% higher than in 2020, and amounted to PLN 9 308.9 million. Revenues generated in the Formula Systems segment accounted for 64% of consolidated sales.

Operating profit increased by 23.6% to PLN 759.8 million. The level of EBIT reported in the Formula Systems segment is substantially affected by additional amortization charges for intangible assets recognized under purchase price accounting (PPA) as well as by costs of transactions with employees settled in the form of equity instruments (SBP). In 2021, PPA and SBP reduced the segment's EBIT by PLN 295.6 million.

In the period reported the Formula Group companies observed a substantial increase in sales and operating profits.

Matrix IT – a leading IT company in Israel, whose position has been confirmed for several years by research firms IDC, STKI and Gartner, and which also has operations in the US and Europe – reported record financial results in 2021 at all major levels of the profit and loss statement. The increases are the result of both organic growth and acquisitions completed in previous reporting periods.

Matrix IT is involved in projects for large organizations as well as government and defense-related projects in Israel, such as the Nimbus project, which aims to accelerate the deployment of cloud technologies in the government, healthcare, and financial sectors, and a project related to a significant expansion of the analytical and research capabilities of Israel's Central Bureau of Statistics. In the reporting period, the company continued cooperation with financial institutions in Israel and the USA on the basis of agreements signed in the previous reporting periods, as well as new contracts. In addition, it has developed a loan management system that is widely implemented in Israel, one of the fastest growing fintech markets in the world. It also developed an Israeli credit database. Matrix IT has an extensive training offer, which – due to the shortage of IT staff and growing demand for such services – is continually expanded and adapted to market needs. The company is involved in some of the most innovative technology projects in the Israeli healthcare system, including the printing of human organs for pre-operative procedures, research into the detection of lung and respiratory diseases using voice identification and artificial intelligence, and telemedicine projects. It is the developer of a system to assist the Ministry of Health in Israel in detecting and monitoring infected individuals COVID-19. In addition, Matrix IT is involved in projects related to the digitization of the transportation sector.

The company combines organic growth with acquisitions in promising sectors. During the reporting period, it acquired:

- ITD Group (Matrix Medika) – a company specializing in the development of IT solutions for the healthcare industry,
- A.A. Engineering – a company that offers management, scientific and technical consulting services,
- SQ Method – a company offering analytical and consulting services for business based on the SQM method created by the company, which allows to increase the quality of services provided by its clients,
- AVB Technology – a company that designs, implements and maintains multimedia systems and control and management systems.

Matrix IT continues to grow in innovation by developing and implementing innovative technologies in the areas of cloud, cybersecurity, big data, artificial intelligence, machine learning, IoT, automation and augmented reality. In future reporting periods, the company intends to strengthen its leadership position in the Israeli market and expand its operations in the US and Europe.

The financial results of **Sapiens International**, a global provider of software and IT services to the insurance industry, reflect the company's focus on providing the broadest possible support to its more than 600 existing clients in 30 countries and on winning new business. Global trends of accelerated digital transformation and changing customer expectations mean insurers must modernize their systems to remain competitive. Sapiens continues to develop the functionalities of its solutions and expand its portfolio of products and services, which puts it in a strong position to strengthen its relationships with existing clients and expands its prospects for establishing cooperation with new partners. Revenues from existing customers account on average, depending on the period, for 85-90% of the company's sales and the customer portfolio is expanded by 25-30 companies each year. To maximize customer acquisition in key markets, work is underway to expand distribution channels for its solutions. In 2021, Sapiens generated USD 464 million in revenues versus a forecast of USD 461-466 million. The company's two largest business lines, the property and liability insurance line and the life and annuity segment line, accounted for 93% of its sales. In both of these lines, Sapiens reported y/y growth of 22%. Revenues increased significantly in Europe and in the other global regions, South Africa and Asia Pacific segments. Sales in North America were at a similar level to 2020, with revenues in Europe accounting for 52% of the company's sales, North America accounting for 41%, and other regions accounting for 7%. Increased demand for digital products, combined with a high proportion of recurring revenues and a strong balance sheet, are driving the company's leadership position in the growing insurance software industry. For 2022, Sapiens expects revenues in the range of USD 495-500 million. The European market was the leading growth area for the company in 2021 and a similar trend is expected for the current year. Sapiens is also strengthening its position in the Asia-Pacific region, which should contribute to sales growth in this area in 2022. As far as the US market is concerned, the company expects revenue growth from mid-2022.

Magic Software, a global provider of application development platforms and solutions for system and business process integration, as well as IT consulting services, reported double-digit revenue growth in 2021, which was at its highest level ever. Revenue from North America accounted for 53% of Magic Software's total sales last year, the Israeli market for 38%, Europe for 6%, and Asia-Pacific and other regions of the world for 3%. The company's sales in North America grew 43% year-on-year and in Israel by 21%. In the period under analysis, 19% of Magic Software's revenues were generated from sales of IT solutions, and 81% were related to the provision of professional services. The Company continues to look for potential acquisition targets – small and mid-sized companies that are consistent with its geographic expansion directions and will allow it to broaden its product portfolio and customer base. In 2021, it took over:

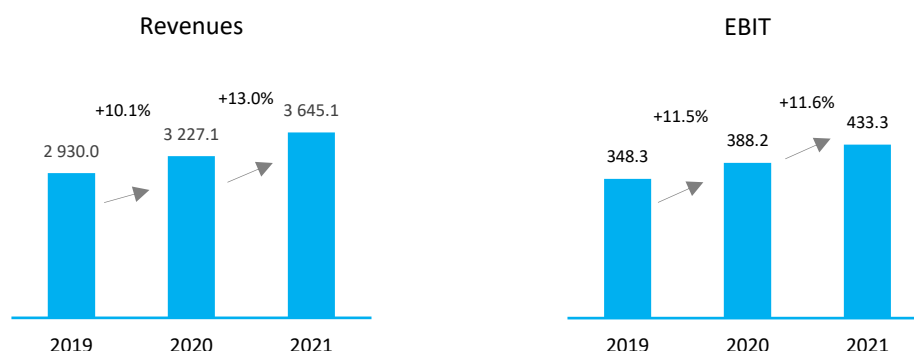
- IT SOFT – a company providing services in the field of outsourcing of R&D employees,
- Menarva – a company offering services in software analysis and development, consulting, systems integration and security, and cloud application development,
- Enable IT – a company offering consulting services in the areas of financial risk, cyber security, and data and analytics.

According to the forecast provided, Magic Software expects revenues in the range of USD 535-545 million in 2022.

The Michpal Group also recorded good sales results, especially in the areas of human resources management software provided by Unique Software Industries and consulting services provided by Effective Solutions. The increase in results is also partly thanks to the consolidation of Liram, which was acquired in 2020 and provides integrated management systems for finance, accounting, tax and compliance. During the reporting period, Kol Hamas, an Israeli provider of payroll, accounting and tax services, joined the Michpal Group.

Also of note is the April 2021 acquisition by Formula Systems' holding company **ZAP Group**, the largest group of consumer sites in Israel. ZAP Group manages more than 20 leading consumer sites with more than 17 million visits per month. ZAP Group-managed sites include ZAP Price Comparison, Israel's largest electronic business directory ZAP Yellow Pages and Israel's largest restaurant search engine ZAP Rest. Group sites provide Internet users with a convenient way to search for desired content using a variety of advanced tools. ZAP offers small and mid-sized businesses a wide range of solutions including advertising, website promotion and email marketing.

ASSECO INTERNATIONAL SEGMENT



The following table presents selected financial data for the Asseco International segment for the 12-month period ended December 31, 2021 and the comparative periods of 2020 and 2019:

PLN million	12 months to December 31, 2021	12 months to December 31, 2020 (restated)	12 months to December 31, 2019 (restated)	Change 2021 / 2020	Change 2020 / 2019
Sales revenues*	3 645.1	3 227.1	2 930.0	13.0%	10.1%
EBIT	433.3	388.2	348.3	11.6%	11.5%
EBIT margin	11.9%	12.0%	11.9%	(0.1) p.p	0.1 p.p
Non-IFRS EBIT	448.8	403.9	361.5	11.1%	11.7%
Non-IFRS EBIT margin	12.3%	12.5%	12.3%	(0.2) p.p	0.2 p.p

EBITDA	607.6	559.5	498.6	8.6%	12.2%
<i>EBITDA margin</i>	<i>16.7%</i>	<i>17.3%</i>	<i>17.0%</i>	<i>(0.6) p.p</i>	<i>0.3 p.p</i>
CFO BT	584.4	579.8	493.2	0.8%	17.6%
CAPEX	(104.2)	(85.7)	(98.9)	21.6%	(13.3%)
Lease expenses	(60.3)	(65.8)	(50.4)	(8.4%)	30.6%
FCF	419.9	428.3	343.9	(2.0%)	24.5%
Cash conversion ratio	93.6%	106.0%	95.1%	(12.5) p.p	10.9 p.p
Cash and cash equivalents (as at December 31)	783.1	740.3	546.7	5.8%	35.4%
Interest bearing debt (as at December 31)**	(468.9)	(400.1)	(370.5)	17.2%	8.0%
<i>of which loans, borrowings and bonds issued</i>	<i>(205.2)</i>	<i>(200.8)</i>	<i>(178.6)</i>	<i>2.2%</i>	<i>12.4%</i>
<i>of which leasing</i>	<i>(263.7)</i>	<i>(199.3)</i>	<i>(191.9)</i>	<i>32.3%</i>	<i>3.9%</i>

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = |CFOBT| - |CAPEX| - |lease expenses|.

Cash conversion rate = FCF / non-IFRS EBIT.

In 2021, the Asseco International segment recorded a 13.0% increase in revenues to PLN 3 645.1 million. Operating profit was 11.6% higher at PLN 433.3 million. The share of this segment in consolidated sales reached 25%.

Asseco Central Europe Group (Asseco CE Group), which represents Asseco in the **Central European** region, recorded higher sales in 2021 as compared to 2020.

Last year the **Asseco CE companies in the Czech Republic and Slovakia** executed projects – under contracts concluded in the prior reporting periods as well as new contracts – for domestic public institutions, such as the Office of Public Health of the Slovak Republic, the State Institute for Vocational Training managed by the Ministry of Education, Science, Research and Sport of the Slovak Republic, the Czech Social Security Administration, the State Land Office of the Czech Republic, the Czech ministries: the Ministry of the Interior, the Ministry of Labour and Social Affairs and the Ministry of Finance, or the Czech Probation and Mediation Service. For the Supreme Office of the Slovak Republic, Asseco CE carried out activities related to migration of the institution's main information system, which has been functioning for over 10 years, to the government cloud. Completed in February 2022, the project was the first of its kind in Slovakia to move an existing state-owned IT system to the cloud. This has not only increased security, but also system availability while providing maintenance savings. During the period under review, Asseco CE intensively developed its operations in the area of digital insurance. Among other things, the company strengthened its cooperation with Youplus, an international insurance company. Thanks to its digital solutions, Asseco Youplus has once again (following implementations in the Czech Republic and Slovakia) expanded its operations in Central Europe by entering the Austrian market. The company was responsible for the implementation of looX – Insurance out of the Box platform, supporting the digitization of insurance documents and processes. In the following periods, Youplus distribution channels are expected to be expanded, which for Asseco means further work on the integration of sales portals with the looX platform. The company is a strategic technology partner for the insurer, which intends to strengthen its position in German-speaking countries. The implementation in Austria is the first step towards this goal. Additionally, in 2021, Asseco CE conducted activities for financial institutions (e.g. J&T Banka, Komerční banka,

Modrá pyramida) and other companies, representing among others the utilities sector (e.g. N-ERGIE). Asseco CE also remains active in the healthcare sector. The Company is pursuing a number of development initiatives in this area. One of them is the creation of IT tools to enable the development of telemedicine, for which Asseco CE will allocate EUR 7 million (EUR 1 million – own funds, EUR 6 million – financing from the European Union). The project began in February 2021 and will run through June 2023.

Asseco CE Group's subsidiary **Asseco CEIT**, which specializes in the digitization of industry and implements the Industry 4.0 concept, signed new contracts with automotive companies during the reporting period. These included automation of intralogistics, including delivery of AGV (Automated Guided Vehicles) systems. A very important area of the company's activity is research and development. The company has its own research and development center where a private

5G campus network is currently under construction. Asseco CEIT plans to use this network to develop technological and process innovations in its systems supporting the logistics and manufacturing industries.

Asseco CE Magyarország, a recognized provider of hospital information systems in Hungary, in the reporting period carried out activities under the government's rural development program. In this project, the company is responsible for providing a comprehensive solution for primary care physicians, which will improve communication between the doctor and the doctor and the patient.

The Asseco CE Group records high demand for ERP solutions, concentrated in the **Asseco Enterprise Solutions Group (Asseco ES Group)**, which generated 16% higher revenues in 2021 compared to the same period last year. This is a consequence of a trend of higher spending on ERP solutions by enterprises, which has been observed in all the major markets where the Asseco ES Group operates, accompanied by the simultaneous expansion of its product portfolio. All the Asseco ES Group companies increased their sales of proprietary software and related services, which accounted for 90% of its revenues.

In 2021 the company **Asseco Business Solutions (Asseco BS)** generated 9% higher revenues than in the corresponding period last year; its comprehensive offer includes ERP systems supporting business processes in medium and large-sized enterprises, a set of applications for the management of small businesses, HR support programs, popular across Europe mobile applications of the Sales Force Automation (SFA) class, allowing for the management of a network of sales representatives, data exchange platforms, and factoring transaction software. Sales in the domestic market increased by 8% y/y, and sales in overseas markets – following a 13% y/y increase – reached a historic high. The solutions of Asseco BS have been implemented in more than 50 countries worldwide. During the reported period, the largest contributors to foreign sales were the United Kingdom, France, Germany, the Netherlands, Romania, Luxembourg, the United States and Italy, which together accounted for 89% of revenues from foreign markets.

Tens of thousands of companies in Poland and abroad use the company's solutions. They include many market leaders as well as smaller organizations looking to improve their competitiveness. Among the users of the solutions by Asseco BS there are such companies as Bacardi, Dr. Oetker, Ferrero, Herbol, Lorenz Bahlsen Snack-World, Lotte Wedel, McCormick, Mondelez International, Nestlé, P4 (Play), Pernod Ricard, Reckit Benckiser, Tchibo and many others.

An increasing number of products and services offered by ABS (both ERP and SFA) are available in the cloud model. The number of projects implemented in the full outsourcing model is growing systematically, thanks to which the company takes over the responsibility not only for the software itself, but also for such essential elements of solutions as system and communication infrastructure, and supervision over the operation of integration processes. This approach to project execution is possible thanks to ABS having its own Data Center in two different locations in Lublin. In addition, the company's technology and business partners include the world's largest corporations, such as: Oracle, Microsoft, HP, IBM, Citrix.

Asseco BS invests in the development of new products. An example of a solution the company has been working on from 2020-2021 is Image Recognition. The system allows for digitization of audits performed by the manufacturer's sales representatives, merchandisers or employees of retail outlets. It enables quick verification of the presence of goods on the shelf and the quality of their display based on the use of photos taken in the store. As a result, it helps acquire more objective data and gives the ability to automatically convert it into KPIs in real time. The solution has already been implemented by Nestlé, and more contracts are in the pipeline. Asseco BS has been working hard to develop the area of artificial intelligence (AI). AI elements are added to various product lines, both SFA and ERP solutions.

Asseco Solutions AG, operating in the German, Austrian, Swiss and Italian markets, achieved very good sales results. The company expanded its partnerships with existing partners and added nearly 50 new customers in 2021, reporting a 25% year-on-year increase in revenues. The company's ERP system dedicated to the manufacturing sector, APplus, is currently used by more than 80 thousand customers in over a thousand companies in 25 countries. The solution was recognized in the international competition "ERP System of the Year" organized by the Potsdam Enterprise Research Center as the best ERP system in 2021 in the category "Application of artificial intelligence in the ERP sector". Thus, Asseco Solutions AG was awarded in this competition for APplus for the ninth time.

The **Czech company Asseco Solutions**, which has over 25% share in the local market of ERP solutions dedicated to SMEs, offers 4 proprietary systems that are utilized by more than 11 thousand customers, both in the corporate and public sectors, generated a 21% increase in revenues during the reported period. Higher sales were especially observed in the area of solutions for small and mid-sized enterprises, where the iNuvio product was successfully launched, replacing the existing Helios Orange solution. The company is also developing a solution for medium and large enterprises by offering a new version of its ERP system under the Nephrite brand.

Slovak Asseco Solutions, having 4 proprietary ERP systems implemented for more than 2,000 clients and approx. 10% share in the domestic market for this class of solutions, recorded a sales increase of 8% year-on-year. The company developed both its own SPIN systems dedicated to enterprises and public institutions and solutions for the HORECA segment. Moreover, it successfully implemented APplus and iNuvio solutions on the Slovak market.

Asseco South Eastern Europe Group (Asseco SEE Group), operating in the South Eastern European market, achieved much stronger results in 2021 than a year ago, owing primarily to its organic growth and, to a lesser extent, completed acquisitions. Asseco SEE Group also conquered new markets with its existing offerings. In Egypt, it participated in the digitization of the bank by implementing its Live Virtual Branch virtual banking solution. In Portugal and Colombia, it launched the Monri network of independent payment terminals, and in Kyrgyzstan, it began deploying the Nestpay solution version ASEE Business Correspondence 2.0 (ACS 2.0) at Demir Kyrgyz Bank.

Geographically, Serbia, Romania, Spain, Croatia, Turkey, Macedonia, and Bosnia and Herzegovina accounted for the largest share of the Asseco SEE Group's sales in 2021, together accounting for 80% of revenues. During this period, the payments segment was responsible for 46% of sales, the dedicated solutions segment for 33% and the banking segment for 21%. Revenue increases were recorded in all of these segments.

The largest increase was in the payments area. Payten's payment terminal maintenance and e-commerce business lines grew the strongest. The pandemic period encouraged the growth of e-commerce. This translated into a very strong performance in 2021 for the division offering online payment settlement, of which Payten settled more than 1.2 billion. Significant increases were also achieved by the lines responsible for sales to retail customers – the independent network of IPD terminals and the ECR electronic cash registers.

For the Banking segment, revenue growth was primarily in the multi-channel and security solutions segment line. Each year, the Asseco SEE Group generates revenues from the sale of licenses for its proprietary software; however, during 2021, there were large one-time sales of licenses for central banking systems and other software and multi-channel systems that positively contributed to its sales results in Serbia, Croatia and Bulgaria. In addition to licenses, revenues increased from system implementations and maintenance services performed mainly in Serbia.

In the dedicated solutions segment, higher revenues were recorded by the line responsible for sales of proprietary solutions. This increase was realized mainly thanks to higher sales of Business Process Management (BPM) solutions in Croatia and Serbia and in smaller scale Business Process Outsourcing (BPO) services in Western Europe and Latin America.

Asseco SEE Group is actively searching for new acquisition targets. During the reported period, 8 companies joined the company:

- Things Solver – an artificial intelligence and machine learning software company
- Vebspot – a company that provides services as an e-commerce platform where registered users can purchase products, local and travel services
- ContentSpeed – a company that provides e-commerce merchants (start-ups, companies doing business in B2C and B2B model) with ready-made solutions for online store
- IT Sistemi – a leading Croatian company operating in the field of digitization of business processes and document management
- eVision – a company specializing in Enterprise Information Management (EIM) solutions, in which IT Sistemi holds 100% of shares
- BS Telecom Solutions (BSTS) – a company whose main areas of activity are: production, supply and integration of systems for traffic monitoring and management on motorways and in tunnels, as well as support and development of telecommunication systems
- Web Studio – a company creating web-based applications and payment solutions for the e-commerce industry
- Smarttek Yazılım ve Endüstriyel Otomasyon Sanayi ve Ticaret (Smarttek) – a company developing systems for card and mobile payments, fraud detection, ERP, and eye tracking software for people with disabilities

In 2021, the Asseco Group recorded higher sales in **Western European** markets. With operations in Portugal, in Portuguese-speaking African countries (Angola, Mozambique, Cape Verde, East Timor, and Sao Tome and Principe), as well as in Namibia and Malta, **Asseco PST** continued its cooperation with banks in the maintenance and development

of central banking systems. The company's portfolio includes over 60 financial institutions – its solutions are used by approx. 80% of banks in Angola and Cape Verde, approx. 45% in Mozambique and over 20% in Portugal, Timor-Leste, Namibia, and Sao Tome and Principe. In the period reported Asseco PST was engaged in the execution of projects related to, among others, implementation of internet and mobile banking in financial institutions with a strong market position in Angola and Mozambique, as well as adaptation of the banking systems functionalities to AML regulations. Work was also carried out on the development of solutions dedicated to the banking segment, including its core platform Banka and in the area of payments. In April 2021, Asseco PST acquired Finantech - Sistemas de Informação, a Portuguese company engaged in software development for entities in the financial sector.

During the period reported, Asseco Western Europe, a subsidiary of **Asseco Spain**, concluded new agreements for provision of IT hardware, software and related services. The company has been involved in projects related to telework, remote education, cyber security and manufacturing automation, including robotics, among others. Its client portfolio expanded last year to include entities in such industries as finance, catering, transport, education, healthcare, telecommunications and the clothing industry.

In 2021, **Asseco Lithuania** carried out projects for, among others, the Lithuanian National Library for the development of the Virtual Electronic Heritage System, the Lithuanian Transport Safety Administration for the development and implementation of an electronic system of services, consulting and information for the transport industry, and the state energy group Ignitis for the maintenance and development of its billing system. The company also takes part in the ongoing proceedings for the construction of a new billing system for Ignitis, which is present in 4 countries (Lithuania, Latvia, Estonia and Poland).

In January 2021, Asseco Lithuania completed the development and implementation of the open-access portal of the Lithuanian Migration Information System (MIGRIS), which significantly streamlined and shortened migration procedures in the country. During 2021, the development of the internal layer of the MIGRIS system, including its integration with other systems operating at the Migration Department of the Ministry of the Interior of the Republic of Lithuania, continued.

In November 2021, the modernized IS Infostatyba, an e-service system for building permits and state construction supervision, was launched. The project, financed by European Union structural funds, included the modernization of existing and development of new electronic services, such as applying for building permits, informing the public about prepared construction proposals, approving construction proposals, issuing connection conditions, obtaining expert applications, and correcting errors in documents. Currently, 30 services are provided electronically in the system, and people submitting applications through it can sign them with a qualified e-signature. Asseco Lithuania was responsible for the analysis, design, implementation, testing of the modernized system, data migration and user training services. The company currently provides system support services.

During the period reported Asseco Lithuania, in cooperation with Asseco Poland, performed work related to the maintenance of two customs-related systems, VLS – Single Window System and MLS – Customs Licence System, for the Department of Customs at the Ministry of Finance of the Republic of Lithuania. Last year, the company also concluded new contracts with the Customs Department at the Ministry of Finance of the Republic of Lithuania: for the construction, development and maintenance of the system for reporting goods for customs control (PPMKS) and the maintenance of systems: VLS, processing of customs declarations (MDAS) and MLS. Asseco Poland acts as a key subcontractor and strategic partner of Asseco Lithuania in the implementation of the PPMKS, VLS, and MDAS projects.

New contracts entered into during the reporting period also include those with the Lithuanian Ministry of Defense, the Council on Foreign Relations, and the Ministry of Foreign Affairs. The company cooperates with the Competition Council, the Police Department under the Ministry of the Interior, Vilnius University and a leading waste management company in Lithuania. An agreement was also signed with the Ministry of the Interior of the Republic of Lithuania to support the operation of the Integrated Criminal Trial Information System and an agreement with the Lithuanian National Criminal Justice Service. The Ministry of Agriculture's Land Office for services to maintain a system for preparing land use documents.

Furthermore, the company signed an agreement with the Department of Information Technology and Communications operating under the Ministry of the Interior of the Republic of Lithuania to develop and implement a common document management system for the public sector. Upon completion of the project, the Generic Records Management System (DBSIS) will be available to over 500 institutions (approx. 40% of them do not currently use any document management IT system) and 150 000 individuals. A universal integration interface will also be created to enable data exchange between DBSIS and other information systems and records.

Peak Consulting, based in Denmark, has implemented projects for, among others, the Danish Armed Forces, the Ministry of Defence's Supply and Logistics Agency, the police, the courts, the Ministry of Taxation, the Agency for Digitization at the Finance Ministry, financial institutions, as well as the Nordic Regional Security Coordinator, which is a joint office of the electricity transmission system operators from Finland, Norway, Sweden and Denmark. During the period under review, Peak Consulting entered (together with 11 other suppliers) into a 4-year framework agreement with SKI, which manages framework agreements in Denmark covering a wide range of products and services. SKI's clients include ministries, public organizations, health centers, municipalities, regional governments, and government-owned non-profit institutions. Moreover, the company was among the entities with which a 10-year framework agreement was signed with one of the best business schools in Western Europe – the Copenhagen Business School. Cooperation has also been established with the University of Copenhagen and the Danish electricity and natural gas transmission system operator.

While analyzing the events in the **Eastern European market** that affected the Asseco Group's results in 2021, it should be noted that on April 26, 2021 Asseco International a.s. signed an agreement to sell all its shares (49%) in R-Style Softlab JSC, a Russian software developer for banks. According to the agreement, the sale of the shares was carried out in multiple stages and the final sale date was May 17, 2021.



Financial information of the Asseco Group and Asseco Poland

FINANCIAL INFORMATION OF THE ASSECO GROUP

Financial results of the Asseco Group

The Asseco Group's revenues in 2021 amounted to PLN 14 498.1 million as compared with PLN 12 192.8 million in the previous year. The Group recorded increases in all of its operating segments: Asseco Poland, Formula Systems and Asseco International.

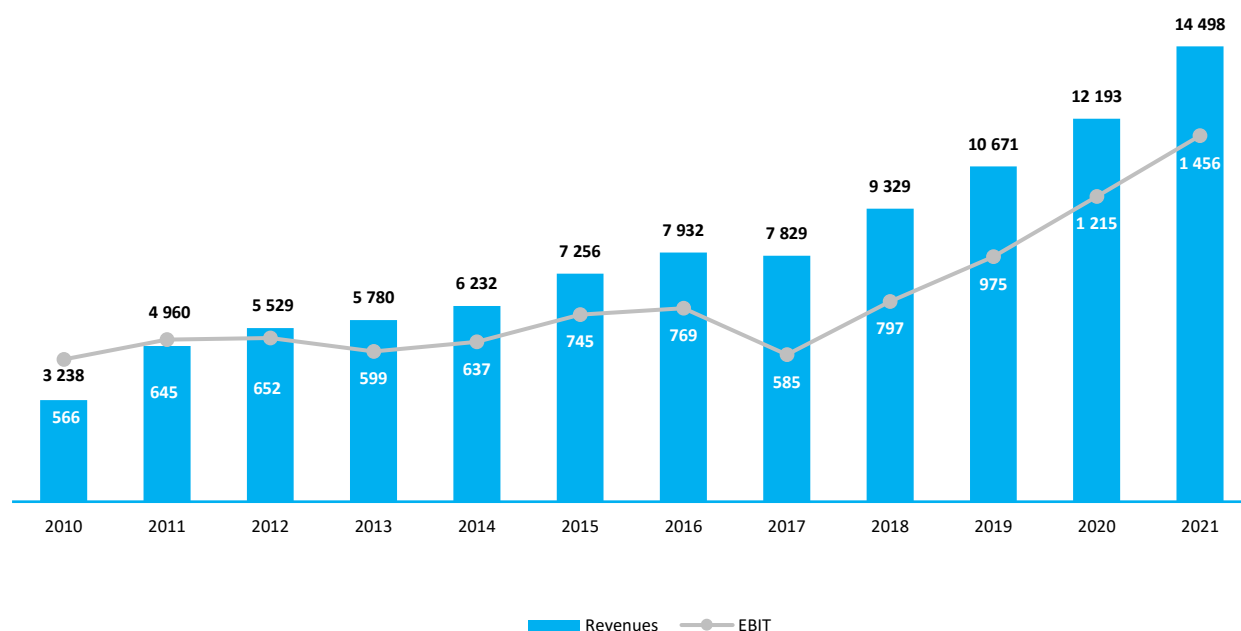
A substantial disproportion between operating profit and net profit attributable to shareholders of the Parent Company is primarily due to substantial stakes held by minority shareholders in subsidiary companies, mainly in the Formula Systems Group.

The following table presents selected consolidated financial data for the 12 months ended December 31, 2021 and the comparative periods of 2020 and 2019.

PLN million	12 months to December 31, 2021	12 months to December 31, 2020 (restated)	12 months to December 31, 2019 (restated)	Change 2021 / 2020	Change 2020 / 2019
Sales revenues	14 498.1	12 192.8	10 671.0	18.9%	14.3%
Proprietary software and services	11 309.0	9 636.9	8 651.5	17.4%	11.4%
Gross profit/loss on sale	3 244.2	2 663.3	2 299.0	21.8%	15.8%
Cost of sales	(798.5)	(610.1)	(568.3)	30.9%	7.4%
General administrative expenses	(977.2)	(821.5)	(745.2)	19.0%	10.2%
Other operating activities	(12.2)	(17.1)	(10.9)	(28.7%)	57.0%
Profit from operating activities	1 456.3	1 214.6	974.6	19.9%	24.6%
Net profit attributable to Shareholders of Parent Company	468.2	401.6	321.9	16.6%	24.8%
EBITDA	2 245.2	1 922.1	1 611.6	16.8%	19.3%

EBITDA = EBIT + amortization.

Revenues and EBIT of the Asseco Group 2010-2021 (in PLN million)



The following table presents selected financial data for the geographic segments for the 12 months ended December 31, 2021.

2021 (PLN million)	Asseco Poland Segment	Formula Systems Segment	Asseco International Segment
Sales revenues*	1 575.2	9 308.9	3 645.1
EBIT	263.3	759.8	433.3
<i>EBIT margin</i>	<i>16.7%</i>	<i>8.2%</i>	<i>11.9%</i>
Non-IFRS EBIT	278.4	1 055.4	448.8
<i>Non-IFRS EBIT margin</i>	<i>17.7%</i>	<i>11.3%</i>	<i>12.3%</i>
EBITDA	348.4	1 291.3	607.6
<i>EBITDA margin</i>	<i>22.1%</i>	<i>13.9%</i>	<i>16.7%</i>
CFO BT	286.5	1 017.7	584.4
CAPEX	(72.6)	(118.0)	(104.2)
Lease expenses	(12.5)	(168.3)	(60.3)
FCF	201.4	731.4	419.9
Cash conversion ratio	72.3%	69.3%	93.6%
Cash and cash equivalents at the end of the period	319.5	1 962.8	783.1
Interest-bearing debt at end of period**	(84.7)	(2 895.1)	(468.9)
<i>of which loans, borrowings and bonds issued</i>	<i>(1.6)</i>	<i>(2 381.1)</i>	<i>(205.2)</i>
<i>of which leasing</i>	<i>(83.1)</i>	<i>(514.0)</i>	<i>(263.7)</i>

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = |CFO BT| - |CAPEX| - |lease expenses|.

Cash conversion rate = FCF / non-IFRS EBIT.

The following table presents selected financial data for our geographic segments for the 12 months ended December 31, 2020.

2020 (PLN million) (restated)	Asseco Poland Segment	Formula Systems Segment	Asseco International Segment
Sales revenues*	1 438.6	7 561.4	3 227.1
EBIT	214.8	614.6	388.2
<i>EBIT margin</i>	<i>14.9%</i>	<i>8.1%</i>	<i>12.0%</i>
Non-IFRS EBIT	235.2	842.7	403.9
<i>Non-IFRS EBIT margin</i>	<i>16.3%</i>	<i>11.1%</i>	<i>12.5%</i>
EBITDA	306.6	1 060.9	559.5
<i>EBITDA margin</i>	<i>21.3%</i>	<i>14.0%</i>	<i>17.3%</i>
CFO BT	317.6	1 336.2	579.8
CAPEX	(85.7)	(131.5)	(85.7)
Lease expenses	(32.9)	(125.3)	(65.8)
FCF	199.0	1 079.4	428.3
Cash conversion ratio	84.6%	128.1%	106.1%
Cash and cash equivalents at the end of the period	271.7	1 884.0	740.3

Interest-bearing debt at end of period**	(85.1)	(2 514.4)	(400.1)
of which loans, borrowings and bonds issued	(4.8)	(2 049.7)	(200.8)
of which leasing	(80.3)	(464.7)	(199.3)

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = [CFO BT] - [CAPEX] - [lease expenses].

Cash conversion rate = FCF / non-IFRS EBIT.

The following table presents selected financial data for our geographic segments for the 12 months ended December 31, 2019.

2019 (PLN million) (restated)	Asseco Poland Segment	Formula Systems Segment	Asseco International Segment
Sales revenues*	1 219.5	6 554.4	2 930.0
EBIT	153.1	472.7	348.3
EBIT margin	12.6%	7.2%	11.9%
Non-IFRS EBIT	169.8	672.5	361.5
Non-IFRS EBIT margin	13.9%	10.3%	12.3%
EBITDA	244.8	872.3	498.6
EBITDA margin	20.1%	13.3%	17.0%
CFO BT	295.7	982.1	493.2
CAPEX	(90.4)	(125.3)	(98.9)
Lease expenses	(36.4)	(120.7)	(50.4)
FCF	168.9	736.1	343.9
Cash conversion ratio	99.5%	109.5%	95.1%
Cash and cash equivalents at the end of the period	215.2	1 391.6	546.7
Interest-bearing debt at end of period**	(93.7)	(2 294.0)	(370.5)
of which loans, borrowings and bonds issued	-	(1 877.0)	(178.6)
of which leasing	(93.7)	(417.0)	(191.9)

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = [CFO BT] - [CAPEX] - [lease expenses].

Cash conversion rate = FCF / non-IFRS EBIT.

Profitability

Operating profit in 2021 amounted to PLN 1 456.3 million as compared with PLN 1 214.6 million in the previous year and it was higher across all of Asseco's business segments. The Asseco Poland segment's operating profit improved by 22.6%, while in the Formula Systems segment it increased by 23.6% and in Asseco International by 11.6%.

In 2021, the consolidated EBITDA margin was 15.5% (down by 0.3 p.p.) and the operating profit margin remained at the same level as in 2020 at 10.0%. Net profit margin was 7.2% compared to 7.1% a year ago.

The following table presents the key profitability ratios of the Asseco Group in the 12 months of 2021 and the comparative periods of 2020 and 2019.

	12 months to December 31, 2021	12 months to December 31, 2020 (restated)	12 months to December 31, 2019 (restated)	Change 2021 / 2020	Change 2020 / 2019
Gross profit margin on sales	22.4%	21.8%	21.5%	0.6 p.p	0.3 p.p
EBITDA margin	15.5%	15.8%	15.1%	(0.3) p.p	0.7 p.p
Operating profit margin	10.0%	10.0%	9.1%	-	0.9 p.p
Net profit margin	7.2%	7.1%	6.6%	0.1 p.p	0.5 p.p

Gross profit margin on sales = gross profit on sales / sales revenues.

EBITDA margin = EBITDA / sales revenues.

Operating profit margin = operating profit / sales revenues.

Net profit margin = net profit / sales revenues.

The Asseco Group's revenue structure

The Asseco Group's revenues for 2021 amounted to PLN 14 498.1 million and they increased by 18.9% year on year.

In 2021, revenues in the Group's key proprietary software and services segment amounted to PLN 11 309.0 million as compared with PLN 9 636.9 million, representing 78% of the total sales. In turn, sales of third-party software and services amounted to PLN 1 493.8 million and represented 10% of consolidated revenues; whereas, sales of hardware and infrastructure totaled PLN 1 695.3 million and accounted for 12% of the Group's total turnover.

The following tables show consolidated segment revenues from 2019 through 2021 by product.

PLN million	Asseco Poland Segment	Asseco International Segment	Formula Systems Segment	Eliminations	Total
12 months to December 31, 2021					
Proprietary software and services	1 403.9	2 368.7	7 562.0	(25.6)	11 309.0
Third-party software and services	130.1	500.5	867.8	(4.6)	1 493.8
Hardware and infrastructure	41.2	775.9	879.1	(0.9)	1 695.3
Total operating income	1 575.2	3 645.1	9 308.9	(31.1)	14 498.1

PLN million (restated)	Asseco Poland Segment	Asseco International Segment	Formula Systems Segment	Eliminations	Total
12 months to December 31, 2020					
Proprietary software and services	1 236.7	2 148.2	6 282.0	(30.0)	9 636.9
Third-party software and services	144.4	379.8	334.5	(4.3)	854.4
Hardware and infrastructure	57.5	699.1	944.9	-	1 701.5
Total operating income	1 438.6	3 227.1	7 561.4	(34.3)	12 192.8

PLN million (restated)	Asseco Poland Segment	Asseco International Segment	Formula Systems Segment	Eliminations	Total
12 months to December 31, 2019					
Proprietary software and services	1 062.3	1 988.2	5 626.2	(25.2)	8 651.5
Third-party software and services	106.9	378.6	305.0	(8.4)	782.1
Hardware and infrastructure	50.3	563.2	623.2	0.7	1 237.4
Total operating income	1 219.5	2 930.0	6 554.4	(32.9)	10 671.0

Last year the Asseco Group recorded revenue growth in all sectors. Revenues from the banking and finance sector accounted for 35% of consolidated sales and reached PLN 5 056.3 million compared to PLN 4 407.9 million in 2020. In 2021, sales in the general business sector accounted for 40% of the Group's total turnover and reached PLN 5 871.8 million, as compared with PLN 4 741.1 million in the previous year. The public sector generated 25% of sales, recording PLN 3 570.0 million in revenues versus PLN 3 043.8 million a year earlier.

The following tables show the consolidated segment revenues from 2019 to 2021 by business sector.

PLN million	Asseco Poland Segment	Asseco International Segment	Formula Systems Segment	Eliminations	Total
12 months to December 31, 2021					
Banking and finance	434.3	1 199.5	3 435.5	(13.0)	5 056.3
General business	381.6	1 708.3	3 801.3	(19.4)	5 871.8
Public institutions	759.3	737.3	2 072.1	1.3	3 570.0
Total operating income	1 575.2	3 645.1	9 308.9	(31.1)	14 498.1

PLN million (restated)	Asseco Poland Segment	Asseco International Segment	Formula Systems Segment	Eliminations	Total
12 months to December 31, 2020					
Banking and finance	440.1	1 070.6	2 909.8	(12.6)	4 407.9
General business	341.6	1 489.4	2 925.1	(15.0)	4 741.1
Public institutions	656.9	667.1	1 726.5	(6.7)	3 043.8
Total operating income	1 438.6	3 227.1	7 561.4	(34.3)	12 192.8

PLN million (restated)	Asseco Poland Segment	Asseco International Segment	Formula Systems Segment	Eliminations	Total
12 months to December 31, 2019					
Banking and finance	443.5	996.3	2 637.7	(15.9)	4 061.6
General business	285.1	1 266.4	2 530.6	(13.9)	4 068.2
Public institutions	490.9	667.3	1 386.1	(3.1)	2 541.2
Total operating income	1 219.5	2 930.0	6 554.4	(32.9)	10 671.0

The following table shows the currency structure of sales for 2019-2021.

	12 months to December 31, 2021	12 months to December 31, 2020 (restated)	12 months to December 31, 2019 (restated)
NIS (New Israeli Shekel)	40.1%	38.5%	34.8%
EUR (euro)	17.8%	18.2%	17.9%
USD (United States Dollar)	16.7%	16.7%	17.6%
PLN (Polish zloty)	12.4%	13.2%	16.6%
CZK (Czech koruna)	2.4%	2.5%	2.3%
RSD (Serbian dinar)	1.9%	2.4%	1.6%
GBP (British Pound)	2.2%	1.9%	2.3%
DKK (Danish krone)	1.8%	1.1%	1.1%
Other currencies	4.7%	5.5%	5.8%
Total	100.0%	100.0%	100.0%

Cash flow

In 2021, the Asseco Group's net cash flows from operating activities (before taxes paid) – CFO – decreased by 15.5% year on year and amounted to PLN 1 886.0 million. Lower flows were reported especially in the Formula Systems segment, where the state budget approved in Israel only in November 2021 adversely affected settlements with public sector customers. Furthermore, in the Formula Systems segment, high operating cash flows associated with the repayment of receivables from public sector clients were reported in the fourth quarter of 2020, which translated into lower proceeds in 2021. Another reason for a decline in operating cash flows year on year is the repayment of trade liabilities at Asseco Spain and higher expenditures for replenishment of inventories due to the problems encountered in the availability of computer hardware in the market.

In 2021, cash flows from investing (CFI) were higher by 18.7% y/y and amounted to PLN 599.9 million. Cash outflows from financing activities (CFF) amounted to PLN 983.2 million vs. PLN 520.3 million a year ago.

PLN million	2021	2020	2019
CFO BT	1 886.0	2 231.3	1 769.7
CFI	-599.9	-737.7	-669.7
CAPEX	-294.6	-302.9	-314.6
CFF	-983.2	-520.3	-496.7
Dividend payment	-258.1	-249.8	-254.8
Change in cash	9.9	702.7	334.9

CFO i.e. net cash from operating activities.

CFI i.e. net cash generated (used) from (in) investing activities.

CAPEX includes expenditures on the acquisition of fixed assets and intangible assets, expenditures on ongoing research and development projects and the reduction on account of grants received.

CFF i.e. net cash from financing activities.

Statement of financial position

In the analysis of liquidity, the Asseco Group uses the ratio of working capital, defined as the difference between current assets and current liabilities. It represents the amount of the Group's capital which is used to finance current assets. The level of working capital at the end of 2021 amounted to PLN 2 612.5 million compared to PLN 2 330.7 million at the end of 2020.

At the end of 2021, the current, quick and absolute liquidity ratios were unchanged from the levels recorded at the end of 2020 and 2019.

The current liquidity ratio remains stable and is in the 1.2-2.0 range, which is generally considered safe. Similarly, the quick liquidity ratio, which exceeds 1.0, is considered trustworthy.

The cash conversion ratio, which measures the coverage of non-IFRS EBIT by free cash flow, stood at 76% at the end of 2021, being the consequence of the level of cash flows from operating activities (CFO) described above.

The following table presents the Group's key liquidity ratios as at December 31, 2021 and in the comparative periods:

	December 31, 2021	December 31, 2020 (restated)	December 31, 2019 (restated)
Working capital (in millions of PLN)	2 612.5	2 330.7	1 886.2
Current liquidity ratio	1.5	1.5	1.5
Quick liquidity ratio	1.4	1.4	1.4
Absolute liquidity ratio	0.6	0.6	0.6
Cash conversion ratio	76%	115%	86%

Working capital = current assets - current liabilities

Current liquidity ratio = current assets / current liabilities

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

bsolute liquidity ratio = (cash + short-term bank deposits) / current liabilities.

Cash conversion ratio = FCF / non-IFRS EBIT.

Debt ratios as of the end of 2019-2021 are presented in the table below:

	December 31, 2021	December 31, 2020 (restated)	December 31, 2019
Total debt ratio	48.1%	46.4%	45.3%
Debt / equity ratio	35.6%	33.3%	34.4%
Debt / (debt + equity) ratio	26.3%	25.0%	25.6%

Total debt ratio = (non-current liabilities + current liabilities) / assets.

Debt / equity ratio = (interest-bearing bank loans + debt securities + finance lease liabilities) / equity.

Debt / (debt + equity) ratio = (interest-bearing bank loans + debt securities + finance lease liabilities) / (interest-bearing bank loans + debt securities + finance lease liabilities + equity).

Both the level of total debt and the level of the debt-to-equity ratio should be considered very safe compared to global standards. This reflects the conservative financial policies of the Company's management.

Quarterly financial results

In the fourth quarter of 2021, the Group's revenues increased by 20.7% to PLN 4 205.0 million with sales of proprietary software and services growing by 20.9% to PLN 3 206.1 million. In this period, operating profit amounted to PLN 411.3 million, representing a 13.6% increase. Net profit attributable to shareholders of the parent amounted to PLN 106.0 million vs. PLN 134.1 million a year ago.

The following table presents selected consolidated financial data for the three months ended December 31, 2021 and the comparative periods of 2020 and 2019.

PLN million	3 months to December 31, 2021	3 months to December 31, 2020 (restated)	3 months to December 31, 2019 (restated)	Change 2021 / 2020	Change 2020 / 2019
Sales revenues	4 205.0	3 484.0	2 938.6	20.7%	18.6%
Proprietary software and services	3 206.1	2 652.3	2 328.5	20.9%	13.9%
Gross profit on sales	929.8	792.0	628.0	17.4%	26.1%
Cost of sales	(244.9)	(174.0)	(158.0)	40.7%	10.1%
General administrative expenses	(267.1)	(248.9)	(206.4)	7.3%	20.6%
Other operating activities	(6.5)	(7.0)	(3.2)	(7.1%)	119.2%
Profit from operating activities	411.3	362.1	260.4	13.6%	39.1%
Net profit attributable to Shareholders of Parent Company	106.0	134.1	83.8	(21.0%)	60.0%
EBITDA	648.8	548.6	430.0	18.3%	27.6%

EBITDA = EBIT + amortization.

The following table presents selected financial data for our geographic segments for the three months ended December 31, 2021.

3 months to December 31, 2021 (PLN million)	Asseco Poland Segment	Formula Systems Segment	Asseco International Segment
Sales revenues*	451.7	2 652.2	1 107.9
EBIT	56.0	237.9	114.8
EBIT margin	12.4%	9.0%	10.4%
Non-IFRS EBIT	59.7	318.7	118.4
Non-IFRS EBIT margin	13.2%	12.0%	10.7%
EBITDA	77.5	409.7	159.5
EBITDA margin	17.2%	15.4%	14.4%
CFO BT	86.8	497.6	286.5
CAPEX	(25.0)	(34.7)	(40.9)

Lease expenses	(3.3)	(71.5)	(15.4)
FCF	58.5	391.4	230.2
Cash conversion ratio	98.0%	122.8%	194.4%

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = |CFO BT| - |CAPEX| - |lease expenses|.

Cash conversion rate = FCF / non-IFRS EBIT.

The following table presents selected financial data for our geographic segments for the three months ended December 31, 2020.

3 months to December 31, 2020 PLN million (restated)	Asseco Poland Segment	Formula Systems Segment	Asseco International Segment
Sales revenues*	430.4	2 064.1	1 002.1
EBIT	59.8	168.2	136.8
EBIT margin	13.9%	8.1%	13.7%
Non-IFRS EBIT	68.0	235.8	140.8
Non-IFRS EBIT margin	15.8%	11.4%	14.1%
EBITDA	81.5	290.9	179.1
EBITDA margin	18.9%	14.1%	17.9%
CFO BT	138.1	456.1	284.2
CAPEX	(18.5)	(38.8)	(23.0)
Lease expenses	(5.0)	(31.2)	(21.7)
FCF	114.6	386.1	239.5
Cash conversion ratio	168.5%	163.7%	170.1%

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = |CFO BT| - |CAPEX| - |lease expenses|.

Cash conversion rate = FCF / non-IFRS EBIT.

The following table presents selected financial data for our geographic segments for the three months ended December 31, 2019.

3 months to December 31, 2019 PLN million (restated)	Asseco Poland Segment	Formula Systems Segment	Asseco International Segment
Sales revenues*	317.2	1 732.5	896.9
EBIT	27.5	123.3	109.8
EBIT margin	8.7%	7.1%	12.2%
Non-IFRS EBIT	31.6	173.8	113.8
Non-IFRS EBIT margin	10.0%	10.0%	12.7%
EBITDA	50.2	230.3	150.9
EBITDA profit margin	15.8%	13.3%	16.8%

CFO BT	110.3	382.7	299.8
CAPEX	(22.7)	(33.4)	(22.7)
Lease expenses	(10.0)	(31.8)	(14.6)
FCF	77.6	317.5	262.5
Cash conversion ratio	245.6%	182.7%	230.7%

* Sales revenues to external customers as well as inter-segment sales.

** Debt to entities outside the Group.

EBIT = operating profit.

Non-IFRS EBIT = EBIT + PPA + SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees.

EBITDA = EBIT + amortization.

CFO BT = cash generated from operating activities, before income tax.

CAPEX = segment's capital expenditures for non-current assets.

FCF = [CFO BT] - [CAPEX] - [lease expenses].

Cash conversion rate = FCF / non-IFRS EBIT.

The following tables present consolidated segment revenues for the fourth quarter of 2021 and the comparable periods of 2020 and 2019 by business sectors.

Sales revenues by sectors	3 months to December 31, 2021	3 months to December 31, 2020 (restated)	3 months to December 31, 2019 (restated)	Change Q4'21 / Q4'20	Change Q4'20 / Q4'19
Banking and finance	1 479.8	1 210.7	1 076.5	22.2%	12.5%
General business	1 678.2	1 404.6	1 128.4	19.5%	24.5%
Public institutions	1 047.0	868.7	733.7	20.5%	18.4%
Total	4 205.0	3 484.0	2 938.6	20.7%	18.6%

The following table presents consolidated revenues for the fourth quarter of 2021 and the comparable periods of 2020 and 2019 by products.

Sales revenues by sector	3 months to December 31, 2021	3 months to December 31, 2020 (restated)	3 months to December 31, 2019 (restated)	Change Q4'21 / Q4'20	Change Q4'20 / Q4'19
Proprietary software and services	3 206.1	2 652.3	2 328.5	20.9%	13.9%
Third-party software and services	569.6	276.7	230.4	105.9%	20.1%
Hardware and infrastructure	429.3	555.0	379.7	(22.6%)	46.2%
Total	4 205.0	3 484.0	2 938.6	20.7%	18.6%

The following table presents the key profitability ratios of the Asseco Group in the fourth quarter of 2021 and the comparable periods of 2020 and 2019.

	3 months to December 31, 2021	3 months to December 31, 2020 (restated)	3 months to December 31, 2019 (restated)	Change Q4'21 / Q4'20	Change Q4'20 / Q4'19
Gross profit margin on sales	22.1%	22.7%	21.4%	(0.6) p.p	1.3 p.p
EBITDA margin	15.4%	15.7%	14.6%	(0.3) p.p	1.1 p.p
Operating profit margin	9.8%	10.4%	8.9%	(0.6) p.p	1.5 p.p
Net profit margin	6.6%	7.8%	7.0%	(1.2) p.p	0.8 p.p

Gross profit margin = gross profit / sales revenues.

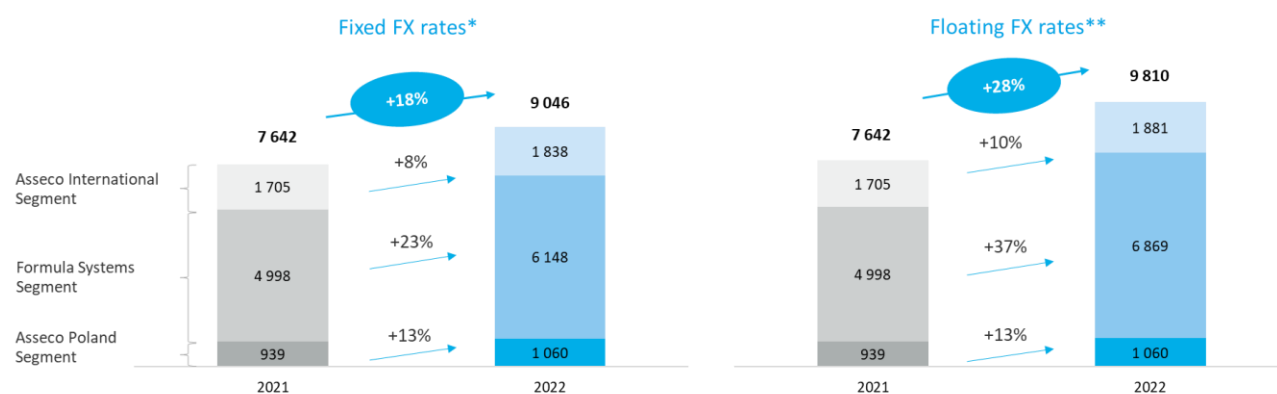
EBITDA margin = EBITDA / sales revenues.

Operating profit margin = operating profit / sales revenues.

Net profit margin = net profit / sales revenues.

Consolidated order backlog for 2022

Proprietary software and services



Figures in PLN million.

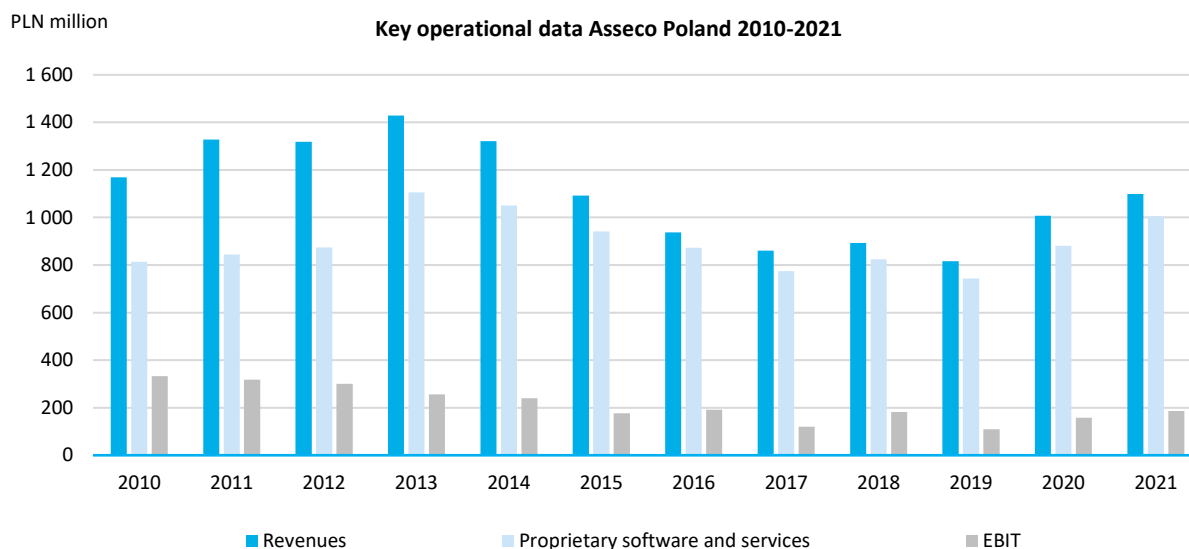
Value of order backlog for 2022 as at March 21, 2022; value of order backlog for 2021 as at March 15, 2021.

* Recalculating the 2022 backlog using the rates used to convert the 2021 backlog.

** Recalculating the 2022 backlog using the rates in force on March 21, 2022.

FINANCIAL INFORMATION OF ASSECO POLAND

Financial results of Asseco Poland



In 2021, Asseco Poland reported revenues that were 9.1% higher than in 2020, amounting to PLN 1 099.0 million. Sales of proprietary software and services increased by 14.0% year on year and reached PLN 1 004.6 million.

The following table presents selected standalone financial data for the 12 months ended December 31, 2021 and the comparative periods of 2020 and 2019.

PLN million	12 months to December 31, 2021	12 months to December 31, 2020 (restated)	12 months to December 31, 2019 (restated)	Change 2021 / 2020	Change 2020 / 2019
Sales revenues	1 099.0	1 006.9	816.0	9.1%	23.4%
Proprietary software and services	1 004.6	881.4	744.0	14.0%	18.5%
Gross profit/loss on sale	330.0	286.0	233.8	15.4%	22.3%
Cost of sales	(48.2)	(41.0)	(46.3)	17.6%	(11.4%)
General administrative expenses	(97.9)	(87.6)	(79.0)	11.8%	10.9%
Other operating activities	2.6	0.7	0.8	271.4%	(12.5%)
Profit from operating activities	186.5	158.1	109.3	18.0%	44.6%
EBITDA	242.2	221.7	173.0	9.2%	28.2%
Net profit	320.9	265.6	206.8	20.8%	28.5%

EBITDA = EBIT + amortization.

Profitability

In 2021, the Company generated PLN 330.0 million in gross profit on sales, PLN 186.5 million in operating profit and PLN 242.2 million in EBITDA, implying margins of 30.0%, 17.0% and 22.0%, respectively.

Both net profit and margin of Asseco Poland depend substantially on the level of dividends received from subsidiary companies, which constitute the Company's financial income. In 2021, dividend income reached PLN 170.4 million compared to PLN 136.2 million in 2020.

Key profitability ratios for the year ended December 31, 2021 and the corresponding periods of 2020 and 2019 are presented below:

	December 31, 2021	December 31, 2020 (restated)	December 31, 2019 (restated)	Change 2021 / 2020	Change 2020 / 2019
Gross profit margin	30.0%	28.4%	28.7%	1.6 p.p.	(0.3) p.p.
EBITDA margin	22.0%	22.0%	21.2%	-	0.8 p.p.
Operating profit margin	17.0%	15.7%	13.4%	1.3 p.p.	2.3 p.p.
Net profit margin	29.2%	26.4%	25.3%	2.8 p.p.	1.1 p.p.

Gross profit margin = gross profit / revenues

EBITDA margin = EBITDA / sales revenues

Operating profit margin = operating profit / revenues

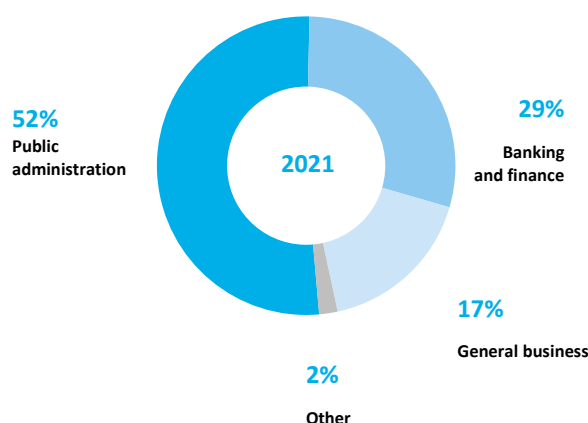
Net profit margin = net profit / revenues.

Asseco Poland's revenue structure

In 2021, Asseco Poland's revenues amounted to PLN 1 099.0 million which marked an increase by 9.1% year on year.

Revenues of Asseco Poland are diversified among the three major segments of business - public administration, banking and finance, and general business.

Revenues by business sectors



PLN million	12 months to December 31, 2021	12 months to December 31, 2020 (restated)	12 months to December 31, 2019 (restated)
Banking and finance	320.3	323.8	327.1
Public administration	568.7	501.9	364.8
General business	188.0	160.1	105.1
Other	22.0	21.1	19.0
Total	1 099.0	1 006.9	816.0

Asseco Poland is the largest provider of software for the public administration sector in terms of revenues¹ in Poland. The public sector accounted for 52% of the Company's sales in 2021. In this segment, Asseco Poland generated revenues of PLN 568.7 million.

¹ According to the Computerworld TOP200 report, Ranking of IT and Telecommunications Companies, Edition 2021, ranking by sales achieved for 2020.

Asseco Poland has a significant share of long-term contracts concluded with its customers, both for maintenance of IT systems implemented in the past years and development of key solutions.

Revenues in the area of banking and finance in 2021 accounted for 29% of the Company's sales and amounted to PLN 320.3 million.

In 2021, sales to the general business sector accounted for 17% of the standalone revenues and amounted to PLN 188.0 million.

Cash flow

The following table presents the major items that make up the standalone statement of cash flows for 2019-2021.

	December 31, 2021	December 31, 2020 (restated)	December 31, 2019 (restated)
CFO BT	221.9	210.1	210.3
CFI	134.6	88.4	63.3
CAPEX*	(48.2)	(65.9)	(66.7)
Lease expenses	(8.8)	(29.2)	(31.8)
M&A expenses	(8.3)	-	(0.8)
FCF	164.9	115.0	111.8
Dividend income	174.2	141.6	112.2
CFF	(267.2)	(269.7)	(340.2)
Dividend payment	(258.1)	(249.8)	(254.8)
Change in cash and cash equivalents	68.4	(4.0)	(96.1)
Cash conversion ratio	84%	67%	93%

CFO BT, i.e. cash from operating activities, before income tax paid.

FCF = |CFO BT| - |CAPEX| - |lease expenses|.

CFI, i.e. Net cash generated (used) from (in) investing activities.

CAPEX includes expenditures for the acquisition of tangible and intangible assets, expenditures for ongoing research and development projects, and deductions for grants received.

M&A expenses, i.e. finance income and expenses related to acquisitions and disposals of companies.

CFF, i.e. net cash from financing activities.

Cash conversion ratio, i.e. FCF / non-IFRS EBIT.

In 2021, cash flows from operating activities (before tax paid) amounted to PLN 221.9 million. A year earlier they amounted to PLN 210.1 million.

In 2021, free cash flows (FCF), including capital expenditures of PLN 48.2 million and lease expenses of PLN 8.8 million, amounted to PLN 164.9 million. In the corresponding period, free cash flows, taking into account capital expenditures of PLN 65.9 million and lease expenses of PLN 29.2 million, amounted to PLN 115.0 million.

A dividend of PLN 258.1 million was paid in 2021 for 2020 compared to PLN 249.8 million paid in 2020 for 2019.

During 2021, Asseco Poland's cash and cash equivalents increased by PLN 68.4 million and reached PLN 233.1 million as at the end of December 2021.

Statement of financial position

Asseco Poland's total assets and liabilities at the end of 2021 amounted to PLN 5.4 billion – similar to 2020.

The Company's assets consist primarily of non-current assets worth PLN 4.8 billion (as in 2020), among which the most significant items are: goodwill from business combinations, which amounted to PLN 1.9 billion as at December 31, 2021, and investments in subsidiaries and associates, which amounted to PLN 2.1 billion at the end of the year.

The most significant item on the liabilities side is equity, which at the end of 2021 amounted to PLN 5.0 billion.

Liquidity

In the analysis of liquidity, Asseco Poland uses the ratio of working capital, defined as the difference between current assets and current liabilities. It represents the amount of capital which is used to finance current assets.

A stronger increase in current assets at the end of 2021 versus 2020, compared to an increase in current liabilities at the end of 2021 versus 2020, resulted in an increase in working capital from PLN 291.0 million to PLN 379.7 million.

At the end of 2021, the current liquidity ratio was 2.3 (2.1 in the previous year), the quick liquidity ratio was 2.2 (1.9 in the previous year), and the absolute liquidity ratio was 0.8 (0.6 in the previous year).

The following table presents the Company's key liquidity ratios as of December 31, 2021 and for the comparable periods:

	December 31, 2021	December 31, 2020 (restated)	December 31, 2019 (restated)
Working capital (in millions of PLN)	379.7	291.0	255.6
Current liquidity ratio	2.3	2.1	2.2
Quick liquidity ratio	2.2	1.9	2.0
Absolute liquidity ratio	0.8	0.6	0.8

Working capital = current assets - current liabilities.

Current liquidity ratio = current assets / current liabilities.

Quick liquidity ratio = (current assets - inventories - prepayments) / current liabilities.

Absolute liquidity ratio = (cash + short-term bank deposits) / current liabilities.

Debt

As at December 31, 2021, Asseco Poland's assets amounted to PLN 5.4 billion. At the end of 2021, the Company had no liabilities due to bank loans, borrowings or debt securities.

In 2021, the Company's total debt ratio decreased from 8.7% to 8.6%. The debt-to-equity ratio increased by 0.1 p.p. to 1.6%. The short-term debt ratio was 5.2% (up by 0.1 p.p.). The long-term debt ratio decreased by 0.2 p.p. to 3.4%.

The following table presents debt ratios as at December 31, 2021 and 2020 and 2019.

	December 31, 2021	December 31, 2020 (restated)	December 31, 2019
Total debt ratio	8.6%	8.7%	6.6%
Debt/equity ratio	1.6%	1.5%	1.7%
Short-term debt ratio	5.2%	5.1%	3.9%
Long-term debt ratio	3.4%	3.6%	2.6%

Total debt ratio = (non-current liabilities + current liabilities) / assets.

Debt/equity ratio = (interest-bearing bank loans + debt securities + finance lease liabilities) / equity.

Short-term debt ratio = current liabilities / assets.

Long-term debt ratio = non-current liabilities / assets.

Quarterly financial results

Financial results for the four quarters of 2021 are presented below along with the comparable periods in 2020 and 2019:

PLN million	Q1'21	Q2'21	Q3'21	Q4'21
Revenues	261.6	268.1	263.6	305.7
of which proprietary software and services	235.7	252.9	244.2	271.8
Margin IV	44.5	56.3	56.0	27.1
EBIT	46.0	57.1	55.9	27.5
Net profit	155.1	94.2	53.4	18.2
Amortization	(14.0)	(13.7)	(14.1)	(13.9)
CFO BT	43.5	54.8	54.1	69.5
CAPEX (incl. R&D)	(11.1)	(10.0)	(11.8)	(15.3)

Margin IV = net profit on sales.

CFO BT = net cash provided by (used in) operating activities, before income tax paid.

CAPEX = expenditures for purchases of property, plant and equipment and intangible assets + expenditures on R&D projects and reductions on the account of subsidies received.

PLN million (restated)	Q1'20	Q2'20	Q3'20	Q4'20
Revenues	206.7	229.0	263.6	307.6
of which proprietary software and services	191.7	207.2	225.2	257.3
Margin IV	31.1	33.9	43.4	49.0
EBIT	31.4	34.0	44.0	48.7
Net profit	129.0	48.6	41.2	46.8
Amortization	(15.9)	(15.8)	(16.9)	(15.0)
CFO BT	36.6	40.4	38.7	94.4
CAPEX (incl. R&D)	(12.6)	(16.5)	(20.9)	(15.9)

Margin IV = net profit on sales.

CFO BT = net cash provided by (used in) operating activities, before income tax paid.

CAPEX = expenditures for purchases of property, plant and equipment and intangible assets + expenditures on R&D projects and reductions on the account of subsidies received.

PLN million (restated)	Q1'19	Q2'19	Q3'19	Q4'19
Revenues	197.6	212.5	194.3	211.6
of which proprietary software and services	187.3	191.6	176.7	188.4
Margin IV	29.6	31.8	27.5	19.5
EBIT	29.1	31.9	28.1	20.2
Net profit	103.4	49.0	30.6	23.8
Amortization	(16.8)	(15.5)	(15.6)	(15.8)
CFO BT	37.5	10.1	73.5	89.2
CAPEX (incl. R&D)	(19.2)	(9.8)	(18.7)	(19.0)

Margin IV = net profit on sales.

CFO BT = net cash provided by (used in) operating activities, before income tax paid.

CAPEX = expenditures for purchases of property, plant and equipment and intangible assets + expenditures on R&D projects and reductions on the account of subsidies received.

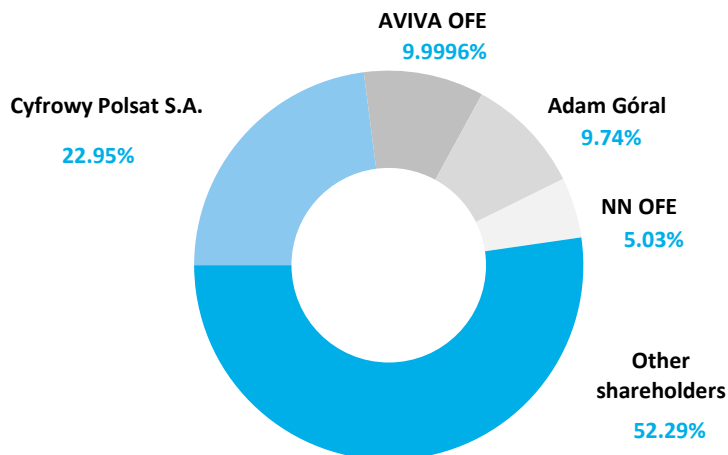


Shares and shareholders of **Asseco Poland**

SHARES AND SHAREHOLDERS

Shareholding structure

Shareholding structure as at March 23, 2022, December 31, 2021 and November 23, 2021



Shareholders as at March 23, 2022, December 31, 2021 and November 23, 2021	Number of shares held by / number of votes resulting from them	Share in the capital / total number of votes
Cyfrowy Polsat S.A. ¹⁾	19 047 373	22.95%
AVIVA OFE ²⁾	8 299 733	9.9996%
Adam Góral, President of the Management Board ³⁾	8 083 000	9.74%
NN OFE ⁴⁾	4 171 121	5.03%
Other shareholders	43 399 076	52.29%
Total	83 000 303	100.00%

1) In accordance with Regulatory Filing No. 20/2020 dated July 31, 2020.

2) In accordance with Regulatory Filing No. 6/2020 dated March 20, 2020.

3) In accordance with Regulatory Filing No. 51/2012 dated December 15, 2012.

4) In accordance with Regulatory Filing No. 21/2015 dated October 19, 2015.

Shares held by managing and supervising persons

The table below presents a summary of shareholdings in Asseco Poland SA. by managing and supervising persons as at March 23, 2022, December 31, 2021 and November 23 2021:

Name	Number of shares	Nominal value of 1 share	Nominal value of all shares
Adam Góral – President of the Management Board	8 083 000	PLN 1	PLN 8 083 000 PLN
Jacek Duch – Chairman of the Supervisory Board	31 458	PLN 1	PLN 31 458 PLN

The remaining members of the Supervisory Board and Management Board did not hold any shares in Asseco Poland in any of the periods presented.

The following table presents a summary of shares in related parties held by management and supervisory personnel as of March 23, 2022, December 31, 2021 and November 23, 2021:

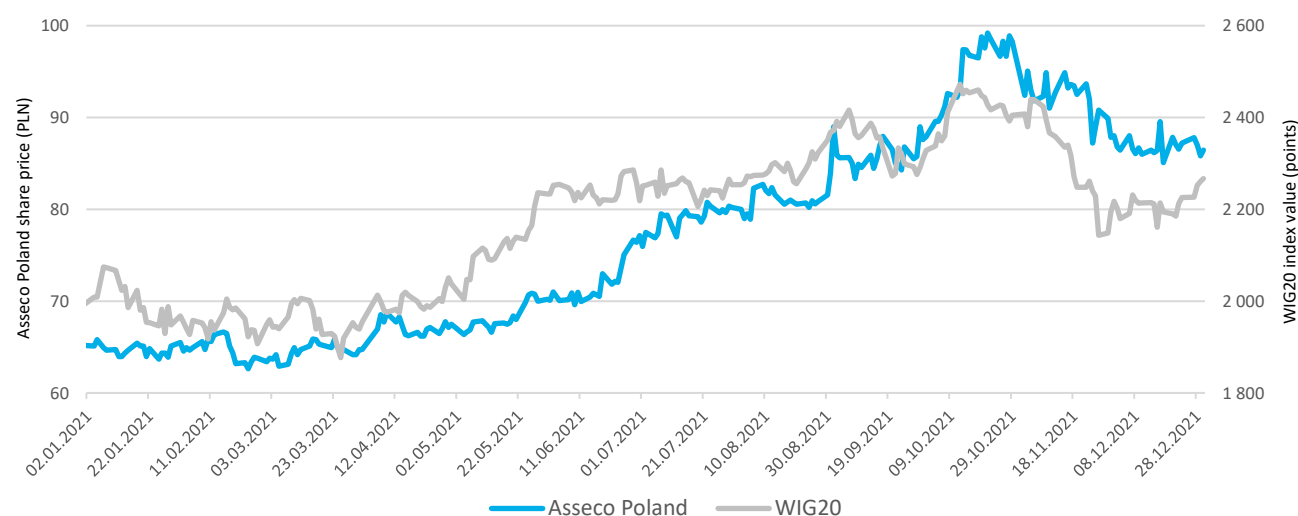
Name	Related party	Number of shares	Nominal value of 1 share	Nominal value of all shares
Adam Noga	Asseco South Eastern Europe	150	PLN 10	PLN 1 500
Marek Panek	Asseco South Eastern Europe	300	PLN 10	PLN 3 000
Zbigniew Pomianek	Asseco South Eastern Europe	700	PLN 10	PLN 7 000
Gabriela Żukowicz	Asseco South Eastern Europe	150	PLN 10	PLN 1 500

Asseco Poland in the capital market

Information on the Company's shares	
Total number of shares	83 000 303
ISIN	PLSOFTB00016
WSE	ACP
Reuters	ACPP.WA
Bloomberg	ACP PW
Presence in stock exchange indices	WIG20, WIG20TR, WIG20dvp, WIG20short WIG30, WIG30TR, WIG140, WIG, WIGdiv, WIG-ESG, WIG-Poland, InvestorMS, WIG-informatyka, WIGtech, WIGtechTR,

The Asseco Poland shares are also included in the **FTSE Russell** index of global developed markets (FTSE Developed Small Cap Index), **CECE SOFT**, and **CEEplus**.

Asseco Poland's share price in 2021



	30.12.2020	31.03.2021	30.06.2021	30.09.2021	30.12.2021	Δ 12M
Asseco Poland S.A. (PLN)	65.22	64.74	77.15	87.60	86.45	32.6%
WIG20 (points)	1 983.98	1 938.84	2 218.41	2 310.29	2 266.92	14.3%
WIG (points)	57 025.84	58 081.50	66 067.21	70 340.86	69 296.26	21.5%
WIG-informatyka (points)	3 863.01	4 060.18	4 509.26	4 656.24	4 706.08	21.8%

Source: Stooq.pl

The share price of Asseco Poland surged by 32.6% in 2021 to PLN 86.45 as at the end of December, resulting in the company's market capitalization of PLN 7.2 billion. The annual high was established at the level of 99.75 PLN, while the low reached PLN 62.06.

In 2021, the WIG set a historic high (75 000 points), after an increase by 21.5%. Among the main Warsaw indices, mWIG40 index did best and recorded a year-on-year increase of 33.1%. The value of the WIG20 index rose by 14.3%, while the sWIG80 index recorded an increase of 24.6%. The WIG-informatyka index, representing the sector, increased by 21.8%.

At the end of 2021, 430 companies were listed on the regulated market and 380 on the NewConnect market. Last year, 16 companies made an IPO on the WSE's main market and 19 companies were delisted. For the NewConnect market, the number of IPOs was 32 and withdrawals was 25.

Last year was successful for investors who invested their funds in foreign stock exchanges. The US S&P500 gained 26.9% in 2021 and the technology NASDAQ went up by 21.4%. During the period in question, France's CAC40 rose by 28.9% and Germany's DAX added 15.8%.

Dividend

On May 20, 2021, the General Meeting of Shareholders (ZWZA) of Asseco Poland passed a resolution on distribution of the net profit generated by Asseco Poland S.A. in fiscal year 2020 and the payment of dividends.

The ZWZA decided that the standalone net profit for 2020 amounting to PLN 265 647 076.82 shall be distributed as follows:

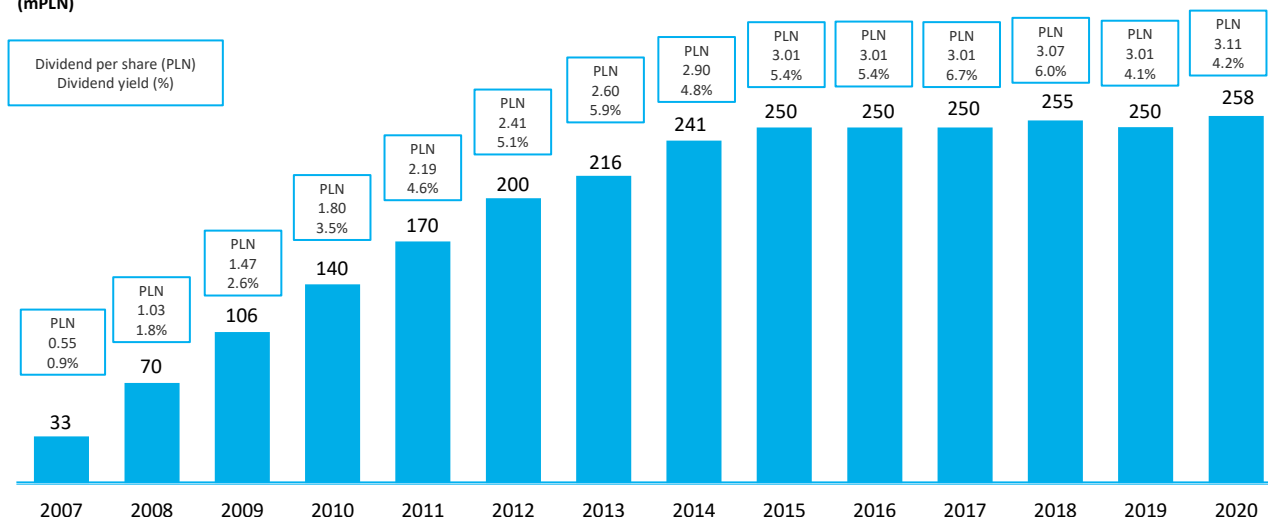
- part of the net profit in the amount of PLN 258 130 942.33 was allocated for distribution among the shareholders, i.e. for dividend payment (PLN 3.11 per share),
- the remaining portion of the net profit in the amount of PLN 7 516 134.49 was transferred to supplementary capital.

The record date was set at June 4, 2021, and the dividend payment date at June 18, 2021. The dividend yield was 4.2%.

Asseco Poland is listed in the WIGdiv index, which includes companies participating in the WIG20, mWIG40, and sWIG80 indices and which have been paying dividends regularly for the last five years. The Company's share in the WIGdiv portfolio was 9.62% at the end of December 2021.

Dividends paid to shareholders in the 2007-2020 period

(mPLN)



Investor relations

Asseco Poland actively communicates with stock market investors. Publication of the Company's periodic reports is accompanied by conferences, during which the Management Board discusses the financial results of a given period, prospects and answers questions of the event's participants. In 2021, Asseco organized: 4 meetings for domestic investors (recordings are available on the Company's website: <https://inwestor.asseco.com/materialy-informacyjne/materialy-video/2021/>), 4 meetings for foreign investors and 4 press briefings.

Last year, the Company's representatives participated in 6 investor conferences, which – due to the coronavirus pandemic – were conducted virtually:

- BM PKO BP: CEE Capital Markets Virtual Conference
- BM Pekao: Emerging Europe Investment Conference
- BM Santander: TMT Conference
- Raiffeisen Centrobank: Institutional Investor Conference – Virtual Züri
- DM Trigon: Trigon Investor Week
- Wood & Company: Wood's Winter Wonderland EME Conference

Furthermore, in 2021 Asseco Poland organized numerous conference calls/teleconferences of the Management Board members and investor relations team with analysts who continually analyze the Company's standing as well as with representatives of Polish and foreign investment funds.

With a view to effective communication, the Company prepares additional materials, which are posted on its website. These include:

- [fact sheets](#), which are two-page summaries of the most important events during a given period
- [basic financial data](#) for each quarter available for download in Excel format
- [investor presentations](#)

Asseco is actively communicating through social media:

Asseco Poland



[@asseco_en](#)



[linkedin.com/company/asseco-poland](https://www.linkedin.com/company/asseco-poland)



[youtube.com/user/AssecoPolandSA](https://www.youtube.com/user/AssecoPolandSA)



[facebook.com/AssecoPolandKariera/](https://www.facebook.com/AssecoPolandKariera/)

Asseco Group



[@asseco_group](#)



[linkedin.com/company/asseco-group](https://www.linkedin.com/company/asseco-group)

Since 2011, the Company has made recordings of the General Meeting of Shareholders available on its website(<https://inwestor.asseco.com/o-asseco/lad-korporacyjny/wza/2021/>), and in 2020-2021, it has also enabled shareholders to participate in the General Meeting by electronic communication.

Asseco Poland took part in the CFA Society Poland – CFA Institute Research Challenge (2021/2022 edition). The competition is an initiative to develop students' skills in analyzing and valuing companies, as well as the ability to present their findings. CFA Society Poland invites to cooperation local universities, which will select teams of 3 to 5 people (maximum 2 teams per university). Each team must have a Faculty Advisor from the university. Under the supervision of an Industry Mentor, the teams are to conduct a financial analysis and write a report on a public company selected by CFA Society Poland in a given year. The report is evaluated by a panel of financial professionals and then presented before a panel of industry experts who select a team to represent the country in the EMEA regional stage (quarterfinals). The team then competes against other teams from Europe, the Middle East, and Africa, and if they do well, they advance to the global finals.

In the last edition of the contest, the company under scrutiny was Asseco Poland. During a kick-off meeting with the project participants, the Company's representatives discussed the current situation and perspectives of Asseco,

and answered questions. After the meeting, the teams had the opportunity to send additional questions to the Asseco representatives.

Over 50 students from 12 teams, representing 8 universities, competed for the title of the best team in this year's Polish edition of the global (nearly 1,000 universities participate in this year's CFA Institute Research Challenge) competition for young analysts. Five teams qualified for the final round, which was held in an online format on March 1, 2022. The team representing Leon Koźmiński Academy in Warsaw was the winner.

In March 2021, Asseco Poland's investor relations were recognized in the largest survey in Poland organized by "Parkiet" and the Chamber of Brokerage Houses. The best companies from the WIG30 index that communicate with the market were selected in two parts of the survey through votes of representatives of financial institutions as well as readers of the daily newspaper and individual investors. The company was ranked 3rd in the section conducted among institutional investors and analysts and 5th in the section dedicated to retail investors.



Corporate governance

STATEMENT ON COMPLIANCE WITH CORPORATE GOVERNANCE STANDARDS

The set of corporate governance principles applicable to Asseco Poland

In 2021, the Company was subject to the set of corporate governance principles adopted by the Supervisory Board of the Warsaw Stock Exchange (the "Exchange") by Resolution No. 13/1834/2021 of the Board on March 9, 2021, the full wording of which has been published on the Exchange's website under [Best Practices 2021](#).

In accordance with the requirements of §29 Par. 3 of the Bylaws of the Exchange, on July 30, 2021, Asseco Poland published information on the Company's compliance with the corporate governance standards set forth in the Code of Best Practice for WSE Listed Companies 2021, which is available on the Company's website in the Investor tab in the [Best Practices](#) section.

Corporate governance standards which have been waived by Asseco Poland and the rationale for doing so

The Company has waived the following rules: 1.3.1., 1.3.2., 1.4., 1.4.1., 2.1., 2.2., 2.11.6., 3.7., 4.8., 6.2., 6.3.

1. Information policy and communication with investors

Rule 1.3.1. The company also incorporates ESG topics into its business strategy, particularly covering environmental issues with metrics and risks related to climate change and sustainability issues;

The rule is not applied.

Company comment: The Company is not in full compliance with the above mentioned rule. The Company is currently in the process of completing a materiality analysis, which is considered in relation to its individual circumstances, business context and stakeholders. As a result of this study, taking into account opportunities and threats, the Company will set strategic goals in the ESG area and metrics to measure their achievement. The Company implements a number of environmental protection measures, including an implemented and maintained environmental management system certified to ISO 14001:2015. Upon completion of the materiality study, the Company will make directional decisions regarding the overall integration of ESG issues into its business strategy with specific metrics.

Rule 1.3.2. In its business strategy, the company also takes into account ESG topics, in particular including social and labor issues, such as actions taken and planned to ensure gender equality, proper working conditions, respect for employees' rights, dialogue with local communities, and customer relations.

The rule is not applied.

Company comment: The Company is not in full compliance with the above mentioned rule. The Company implements a number of measures related to ensuring proper working conditions, respect for employee rights and customer relations. Upon completion of the materiality study, the Company will make directional decisions regarding the overall integration of ESG issues into its business strategy with specific metrics.

Rule 1.4. In order to ensure proper communication with stakeholders regarding the adopted business strategy, the company shall post on its website information about the assumptions of its strategy, measurable objectives, including in particular long-term objectives, planned activities and progress in its implementation, defined by means of metrics, financial and non-financial. Information on ESG strategies should, among other things:

The rule is not applied.

Company comment: The company publishes its adopted strategy on its website. The Company does not establish long-term financial goals and measures to achieve these goals. The Company sets annual financial targets, the measures of achievement of these targets are set out annually in the Company's Budget Plan. Very good financial results achieved by individual business divisions of Asseco Poland and the Asseco Group confirm that the adopted principles for setting the financial targets are correct. In terms of defining non-financial targets in the ESG area, the Company is currently in the process of conducting a materiality analysis, which is considered in relation to its individual circumstances, business context and stakeholders. As a result of this study, taking into account opportunities and threats, the Company will set strategic goals in the ESG area and metrics to measure their achievement.

Rule 1.4.1. Information on ESG strategy should, among other things: explain how climate change issues are taken into account in the decision-making processes of the company and its group entities, highlighting the resulting risks.

The rule is not applied.

Company Comment: Upon completion of the Company's materiality study, directional decisions will be made regarding the overall integration of ESG issues into its business strategy with specific metrics. At that time, it will also be determined how climate change issues will be taken into account in the decision-making processes of the Company and its Group entities, also indicating the resulting risks. The applicable information will be posted on the Company's website.

2. Management Board and Supervisory Board

Rule 2.1. The company should have a diversity policy for the management board and the supervisory board, adopted by the supervisory board or the general meeting, respectively. The diversity policy sets out diversity objectives and criteria in areas such as gender, field of study, expertise, age and work experience, among others, and indicates when and how the achievement of these objectives will be monitored. In terms of gender diversity, the condition for ensuring the diversity of corporate bodies is that the minority shareholding in a given body is no less than 30%.

The rule is not applied.

Company comments: Asseco Poland S.A. does not have a diversity policy for the Management Board and Supervisory Board. The main criteria for selection of the Management Board members by the Supervisory Board is the necessity to ensure the composition of the Management Board enabling effective implementation of the business objectives in the market segments in which the Company operates, as well as competence, among others, in the areas of finance, compliance and risk management, and corporate communication. The composition of the Supervisory Board enables effective supervision over the Company's activities. Furthermore, with respect to the selection of Supervisory Board Members, the Company is obliged to ensure that the composition of the Supervisory Board complies in particular with the Act on Auditors, Audit Firms and Public Supervision. The Company's Management Board and Supervisory Board, when acting now, perform their duties effectively, which is confirmed by very good financial results achieved by the Company and the Asseco Group, as well as by the fact that the General Meetings of Shareholders passed a vote of approval. The Company declares equal access to its functions to all candidates and therefore will not apply the criterion of gender differentiation.

Rule 2.2. The persons deciding on the election of the members of the company's Management Board or Supervisory Board should ensure the comprehensiveness of these bodies by selecting persons to ensure diversity in their composition, making it possible, inter alia, to achieve the target ratio of a minimum minority shareholding set at not less than 30%, in accordance with the objectives set out in the adopted diversity policy referred to in principle 2.1.

The rule is not applied.

Company comments: Asseco Poland S.A. does not have a diversity policy for the Management Board and Supervisory Board. The main criteria for selection of the Management Board members by the Supervisory Board is the necessity to ensure the composition of the Management Board enabling effective implementation of the business objectives in the market segments in which the Company operates, as well as competence, among others, in finance, compliance and risk management, and corporate communication. The composition of the Supervisory Board enables effective supervision over the Company's activities. Furthermore, with respect to the selection of Supervisory Board Members, the Company is obliged to ensure that the composition of the Supervisory Board complies in particular with the Act on Auditors, Audit Firms and Public Supervision. The Company's Management Board and Supervisory Board, when acting now, perform their duties effectively, which is confirmed by very good financial results achieved by the Company and the Asseco Group, as well as by the fact that the General Meetings of Shareholders passed a vote of approval. The Company declares equal access to its functions to all candidates and therefore will not apply the criterion of gender differentiation.

Rule 2.11.6. In addition to its activities under the law, once a year the supervisory board shall prepare an annual report and present it to the general meeting for approval. The report referred to above shall include, at a minimum, information on the extent to which the diversity policy has been implemented with respect to the management board and the supervisory board, including the achievement of the objectives referred to in principle 2.1.

The rule is not applied.

Company comment: The Company does not have a diversity policy for members of the Management Board and Supervisory Board.

3. Internal functions and systems

Rule 3.7. Rules 3.4 - 3.6 also apply to entities in the company's group that are material to the company's business, if they have designated individuals to perform these tasks.

The rule is not applied.

Company comment: In a subsidiary – Asseco Business Solutions S.A. – an internal auditor (independent position) is appointed. The internal auditor reports functionally to the Chairman of the Audit Committee. Organizationally, the internal auditor reports to the Member of the Management Board responsible for the back office area, and not to the President of the Management Board. At the same time, the Company indicates that the internal auditor is provided with direct and unrestricted access to senior management and the Supervisory Board. In another subsidiary - Asseco South Eastern Europe S.A. – the risk management and compliance systems are the responsibility of specific departments or teams, with the risk management function being performed by the finance department and the compliance function being provided by the legal department. The Company is in the process of recruiting individuals who will be individually responsible for each of the above. systems.

4. General Meeting of Shareholders and Relations with Shareholders

Rule 4.8. Draft resolutions of the general meeting concerning issues included in the agenda of the general meeting should be submitted by shareholders no later than 3 days before the general meeting.

The rule is not applied.

Company comment: The Company may not restrict shareholders' rights under Article 401 § 4 and 5 of the Commercial Companies Code – CCC.

6. Remuneration

Rule 6.2. Incentive programs should be structured in such a way that, among other things, they make the level of remuneration of members of the company's management board and its key managers dependent on the actual, long-term situation of the company in terms of financial and non-financial performance and long-term growth of shareholder value and sustainable development, as well as stability of the company's operations.

The rule is not applied.

Company comment: The remuneration of the Members of the Management Board is determined and paid on the basis of the Policy on remuneration of the Members of the Management Board and Supervisory Board adopted by the General Meeting of the Company. The detailed terms and conditions for allocation, calculation and payment of the variable portion of remuneration to the Members of the Management Board are determined in the Bonus Policy for Members of the Management Board of Asseco Poland S.A., pursuant to which Members of the Management Board may receive variable remuneration which depends on the Company's financial results and other business objectives resulting from the Company's business strategy. Variable remuneration dependent on financial results is due to a Management Board Member only when positive conditions are met and there is lack of negative conditions. At the time of appointment and at the beginning of each financial year of the term of office, the Supervisory Board shall determine: the amounts taking into account the dependence of the Management Board Member's variable remuneration on the Company's adopted budget, including the division of the dependence of this part of remuneration on the financial results of the entire Company and/or its Capital Group and/or the division which a given Management Board Member manages; possibly other business objectives and the measures of their achievement on which the Management Board Member's variable remuneration depends. Variable remuneration for key managers is determined at the beginning of each financial year by the Member of the Management Board supervising a given area. Very strong financial results achieved by individual business divisions of Asseco Poland and the Asseco Group confirm that the principles for payment of bonuses to Members of the Management Board were well-founded.

Rule 6.3. If one of the company's incentive schemes is the managerial options scheme, then the execution of the options scheme should be conditional on the fulfillment by the eligible persons, within a period of at least 3 years, of pre-determined, realistic and adequate financial and non-financial objectives as well as sustainable development

objectives for the company, and the set price for the acquisition of shares by the eligible persons or settlement of the options may not differ from the value of the shares at the time the scheme is adopted.

The rule is not applied.

Company comment: The Company does not have a management option plan in place.

Key features of the internal control and risk management systems applied by Asseco Poland in relation to the process of preparing financial statements and consolidated financial statements

The Company prepares its consolidated and stand-alone financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. IFRS include standards and interpretations accepted by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee ("IFRS Interpretations Committee").

In the process of preparing financial statements, one of the basic control mechanisms is the periodic verification of financial statements by an independent auditor, in particular the review of semi-annual reports and the audit of annual reports.

In order to ensure compliance of the Company's operations with the change in legal regulations resulting from the entry into force of the Act on Statutory Auditors, Audit Firms and Public Supervision of May 11, 2017, in connection with the provisions of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014 on detailed requirements for statutory audits of public interest entities, as of October 16, 2017, the Company has implemented new rules regarding the selection and rotation of the entity authorized to review/audit financial statements and the provision of services other than review/audit by such entities. The implementation of the legislation resulted in a significant increase in the responsibility, but also in the operational involvement of the Audit Committee to carry out the tasks of selecting an entity authorized to review/audit the financial statements as required by law. The Audit Committee, acting within the Company's Supervisory Board, is responsible for conducting a tender procedure of the entity authorized to review/audit the financial statements and for submitting a recommendation in this respect to the Supervisory Board.

The Supervisory Board selects the auditor from among renowned audit firms guaranteeing high standards of service and independence, from among two proposals recommended by the Audit Committee. The contract for conducting the study is signed for at least 2 years.

The entity authorized to review/audit the Company's financial statements is selected in such a way as to ensure independence in carrying out the tasks assigned to it. In order to ensure independence, not only is a cyclic change of the entity authorized to review/audit the Company's financial statements required, but also a cyclic change of the key statutory auditor performing the review and audit.

In order to ensure the independence of the external auditors, the Audit Committee in particular:

- 1) presents to the Supervisory Board recommendations concerning the selection of the entity carrying out the audit of the financial statements (external auditor), as well as its replacement, assessment of its work, in particular in terms of its independence,
- 2) expresses its opinion on the engagement of the external auditor to perform services other than the audit of the Company's financial statements, and presents its views on the Company's policy in this respect,
- 3) monitors the external auditor's independence and objectivity with respect to the audits it performs,
- 4) reviews the effectiveness of the external audit process.

The reliability of the Company's accounting books and the generation of high quality financial data is guaranteed by:

- 1) Financial and Accounting Policies and Chart of Accounts, consistent with International Financial Reporting Standards.
- 2) a number of control mechanisms mitigating the risk resulting from the specific nature of the Company's activities, under the so-called first line of defense. They are documented in the form of a set of principles according to which the Company operates within the Quality Management System.

- 3) the second line of defense coordinated by a separate Compliance and Process Management Department which, together with other compliance functions, independently monitors the Company's compliance with laws, internal regulations, norms, market standards and ethical standards adopted by the Company.
- 4) a separate Internal Audit Department within the Company as a third line of defense. It evaluates the Company's control environment, conducts risk-driven audits of the Company's processes and independently reports to the Audit Committee and the Management Board on the status of the control environment and the Company's risk exposure.

The Director of the Internal Audit meets twice a year with the auditor. Internal audits completed and those planned for the next period are discussed.

The Internal Audit Department also meets on a regular basis with President of the Management Board, Vice President responsible for the Company's Financial Division and the Asseco Group Financial Division, and Head of the Controlling Department. The Internal Audit Department clarifies with them the purpose and scope of internal audits to support the financial reporting process as much as possible when auditing entities that have an impact on the reported data.

The Audit Committee, appointed from among the members of the Supervisory Board, also plays an important role in the internal control system with respect to the process of preparing standalone and consolidated financial statements.

In accordance with the Regulations of the Company's Supervisory Board, it is the Audit Committee that monitors the financial reporting process, in particular it:

- 1) reviews information presented by management regarding significant changes in accounting policy or financial reporting,
- 2) analyzes the financial statements of the Company and the Capital Group and the results of the audit of these statements, if they were audited by a certified auditor,
- 3) makes recommendations to the Supervisory Board on approval of the audited annual financial statements of the Company and the Asseco Poland Group.

As part of its oversight of risk management and internal control, the Audit Committee specifically evaluates:

- 1) adequacy and effectiveness of risk management and internal control,
- 2) effectiveness of supervision of compliance of the Company's operations with the law (compliance),
- 3) effectiveness of the risk management, internal control and compliance systems and the internal audit function, based on reporting by the Board of Directors, the Internal Audit Department and the Compliance and Process Management Department,
- 4) the introduction by the Company's of observations, positions and decisions addressed to the Company by the external auditor or other entities that oversee the Company's operations.

The Audit Committee works in accordance with the Audit Committee Work Plan adopted annually, which specifies in detail the number of meetings of the Audit Committee and the scope of issues discussed at each meeting.

The control and risk management procedures applied during the preparation of the financial statements of Asseco Poland are very effective and their quality is confirmed by unqualified audit reports issued by the certified auditors (external auditors) who audited these financial statements.

Shareholders who, directly or indirectly, hold significant stakes of shares

To the best knowledge of the Company's Management Board, as at December 31, 2021 and as at the date of publication of this report, i.e. March 23, 2022, the Shareholders who, either directly or through their subsidiaries, hold at least 5% of the total number of votes at the General Meeting of Shareholders are as follows:

Shareholders as at March 23, 2022 and December 31, 2021	Number of shares held by / number of votes resulting from them	Share in the capital / total number of votes
Cyfrowy Polsat S.A. ¹⁾	19 047 373	22.95%
AVIVA OFE ²⁾	8 299 733	9.9996%

Adam Góral, President of the Management Board ³⁾	8 083 000	9.74%
NN OFE ⁴⁾	4 171 121	5.03%
Other shareholders	43 399 076	52.29%
Total	83 000 303	100.00%

1) In accordance with Regulatory Filing No. 20/2020 dated July 31, 2020.

2) In accordance with Regulatory Filing No. 6/2020 dated March 20, 2020.

3) In accordance with Regulatory Filing No. 51/2012 dated December 15, 2012.

4) In accordance with Regulatory Filing No. 21/2015 dated October 19, 2015.

Holders of any security that confers special controlling rights

There are no holders of securities that give special control rights.

Restrictions on the exercise of voting rights

There are no restrictions as to the exercise of voting rights, such as restrictions on the exercise of voting rights by holders of a specified proportion or number of votes, time limitations on the exercise of voting rights or provisions under which equity rights attached to securities are separated from the holding of securities.

Restrictions on the transfer of ownership of the issuer's securities

There are no restrictions as regards transfer of ownership of Asseco Poland securities.

Principles for appointing and dismissing managing persons and their rights, in particular the right to decide on the issue or redemption of shares

The Management Board consists of 1 to 12 Members, including the President, Vice Presidents and other Members of the Board. The joint term of office of the Members of the Management Board is 5 years. Any Member of the Management Board may be elected for another term. Persons may be appointed to the Management Board from among the shareholders or from outside their ranks.

The Management Board of the Company is appointed and dismissed by the Supervisory Board, with the President of the Management Board submitting motions to the Chairman of the Supervisory Board for determining the number of members of the Management Board and appointing other Members of the Management Board.

The mandates of the Members of the Management Board appointed for a joint term of office shall expire at the same time as the mandates of the remaining Members of the Management Board, not later than on the date of the General Meeting approving the report on the Company's operations and its financial statements for the last financial year during which the given Member served on the Management Board. The mandate of the Member of the Management Board shall also expire as a result of death, resignation or dismissal from the Board.

A member of the Management Board may be dismissed at any time. This does not deprive them of any claims arising out of the employment relationship or any other legal relationship relating to the performance of the function of the Member of the Management Board. A dismissed Member of the Management Board shall be entitled and obliged to provide explanations during the preparation of the management report and the financial statements covering the period when they acted as the Member of the Management Board and to participate in the General Meeting which approves the reports referred to in Article 395 § 2 pt. 1 of the Commercial Companies Code – CCC, unless otherwise provided in the deed of revocation. The competence and powers of the managing persons are described in Article 371 and following ones of the Commercial Companies Code – CCC.

The Company's Articles of Association do not provide special powers for the Management Board to decide on the issue or repurchase of the Company's shares.

Rules for amending the articles of association or memorandum of association of Asseco Poland

Amendments to the Company's Articles of Association, including adoption of resolutions on increasing and decreasing the share capital, shall be within the competence of the General Meeting in accordance with the provisions of Article 430 and following ones of the Commercial Companies Code. The Articles of Association of Asseco Poland do not provide for any special rules for amending the Company's Articles of Association, and in this respect the Company shall apply the provisions of the Polish Commercial Companies Code – CCC.

Registration obligations

An amendment to the Articles of Association shall become effective upon its entry in the National Court Register. The Company's Management Board is responsible for notifying the Company of an amendment to the Articles of Association. The Management Board is obliged to notify an amendment to the Articles of Association within 3 months of the adoption of the relevant resolution. However, if an amendment to the Articles of Association involves an increase of a joint-stock company's share capital, such amendment may be submitted within 6 months from the adoption of a resolution on the share capital increase, and if a permit has been granted to introduce the newly issued shares to public trading – from the date on which such permit is granted, provided that a motion for granting the permit or a notification of the issue is submitted within 4 months from the adoption of a resolution on the share capital increase.

Manner of operation of the general meeting and its basic powers, as well as shareholders' rights and the manner of their exercise

The General Meeting of Shareholders is the highest authority of the Company. The General Meeting of Shareholders operates in accordance with the principles set forth in generally applicable laws as well as in the Company's Articles of Association.

The General Meeting of Shareholders is the highest authority of the Company. It shall act in accordance with the provisions of law, the principles set forth in the Articles of Association of Asseco Poland, as well as in accordance with the Bylaws of the General Meeting of Shareholders of Asseco Poland adopted by the Meeting which specify the organization and conduct of General Meetings. The General Meetings of Shareholders shall be held at the Company's registered office or in Warsaw and may be ordinary or extraordinary. The General Meeting of Shareholders shall be convened by the Company's Management Board no later than 30 June of each calendar year. The Extraordinary General Meeting

of Shareholders shall be convened by the Management Board of the Company on its own initiative or at the written request of those entitled under the provisions of Article 400 of the Commercial Companies Code – CCC. The Supervisory Board may convene the General Meeting of Shareholders if the Management Board fails to convene it within the statutory or regulatory deadlines, and the Extraordinary General Meeting of Shareholders if it deems it advisable to do so. The Meeting shall be convened in the manner prescribed by the law – by way of an announcement on the Company's website and in the manner prescribed for announcement of current information in accordance with the provisions on public offering and conditions for introduction of financial instruments to the organized trading system and on public companies. The announcement should be made at least 26 days before the date of the General Meeting.

Persons entitled to participate in the General Meeting are those who are shareholders of the Company 16 days before the date of the General Meeting (date of registration of participation in the General Meeting). Participation in the General Meeting may also be taken by means of electronic communication, if so decided by the person convening the Meeting. On April 24, 2020, the Supervisory Board passed a resolution on adopting the Rules of Procedure for participation in the General Meeting of Shareholders of Asseco Poland by means of electronic communication. The Management Board or the Supervisory Board may invite other persons whose participation is justified, such as representatives of the auditor, representatives of legal and financial advisors when complex issues related to legal and economic matters are raised.

The list of Shareholders entitled to participate in the General Meeting, signed by the Management Board, including full names or companies (names) of the entitled persons, place of residence (seat), number, type and numbers of shares and the number of votes they are entitled to, is each time displayed at the Company's registered office and the Office of the Company's Management Board for 3 working days before the General Meeting is held. Shareholders may participate in the General Meeting and exercise their voting rights in person or by proxy, whereby the relevant powers of attorney should be granted in writing or in electronic form. Granting a power of attorney in electronic form does not

require a secure electronic signature verified with a valid qualified certificate. A public company shall take appropriate measures to identify the shareholder and the proxy in order to verify the validity of a power of attorney granted in electronic form.

The General Meeting is opened by the Chairman of the Supervisory Board or a person delegated by the Chairman, and in the event these persons are absent, the General Meeting is opened by the President of the Management Board or a person appointed by the Management Board, after which the Chairman of the General Meeting is elected from among the persons entitled to vote. After the election of the Chairperson, an attendance list is prepared and displayed, containing a list of participants in the General Meeting with the number of shares and votes to which they are entitled. The Chairman of the General Meeting shall conduct the meeting in accordance with the agenda adopted by the General Meeting. The proposed agenda shall be determined by the Management Board of Asseco Poland; whereas, the Company's Supervisory Board and other persons authorized pursuant to Article 401 of the Commercial Companies Code – CCC may request the inclusion of particular matters on the agenda of the next General Meeting of Shareholders. Such a request should be submitted to the Management Board in writing or in an electronic form not later than 21 days before the scheduled date of the General Meeting. Resolutions of the General Meeting shall be adopted by an absolute majority of votes, unless other provisions of the Statute or the Commercial Companies Code – CCC provide otherwise, regardless of the number of shares represented thereat.

The powers of the General Meeting, in addition to the matters set forth in the Commercial Companies Code – CCC, include:

- 1) examination and approval of the Management Board's report on activities and financial statements for the previous fiscal year,
- 2) making decisions on the distribution of profits or coverage of losses, the amount of provisions to the supplementary capital and other funds, determination of the dividend record date, dividend amount and dividend payment date,
- 3) acknowledging the fulfilment of duties by the Members of the Company's authority bodies,
- 4) making decisions concerning claims for repairing damage inflicted upon the Company establishment, performing management or supervision,
- 5) adoption of resolutions on the sale or lease of the enterprise and the establishment of limited property rights thereon,
- 6) passing resolutions on merging the Company with another company, on liquidating the Company and appointing a liquidator,
- 7) adopting resolutions on the issue of convertible bonds or bonds with priority rights and subscription warrants as referred to in Article 453 § 2 of the Commercial Companies Code – CCC,
- 8) amending the Company's Articles of Association, including adoption of resolutions on increasing and decreasing the share capital,
- 9) change of the subject matter of the Company's enterprise,
- 10) determination of principles of remuneration or the amount of remuneration of the Supervisory Board Members,
- 11) adopting the Bylaws of the General Meeting,
- 12) passing a resolution on redemption of shares,
- 13) taking other decisions provided for by the law and the Articles of Association, and deciding on matters brought forward by the shareholders, the Management Board and the Supervisory Board.

The shareholders of the Company shall have the following rights:

- 1) the right to participate in the General Meeting (Article 412 of the Commercial Companies Code – CCC) and the right to vote at the General Meeting (Article 411 § 1 of the Commercial Companies Code – CCC). According to the Articles of Association, each share is entitled to one vote at the General Meeting,

- 2) The right to request that the Extraordinary General Meeting of Shareholders be convened and to request that specific matters be placed on the agenda granted to shareholders holding at least one twentieth of the Company's share capital (Article 400 § 1 of the Commercial Companies Code – CCC). The request to convene the Extraordinary General Meeting should be submitted to the Management Board in writing or in electronic form. If within two weeks from the date of presenting the request to the Management Board the Extraordinary General Meeting is not convened, the Registry Court may authorize the shareholders making such request to convene the Extraordinary General Meeting. The court shall appoint the chairman of this assembly (Article 401 § 1 of the Commercial Companies Code – CCC),
- 3) the right to appeal against resolutions of the General Meeting of Shareholders under the terms of Article 422-427 of the Commercial Companies Code – CCC,
- 4) the right to demand election of the Supervisory Board by separate groups; pursuant to Article 385 § 3 of the Commercial Companies Code – CCC at the request of shareholders representing at least one fifth of the share capital, the Supervisory Board should be elected by the next General Meeting by voting in separate groups,
- 5) the right to obtain information about the Company to the extent and in the manner prescribed by law, in particular pursuant to Article 428 of the Commercial Companies Code – CCC, during a General Meeting the Management Board is obliged to provide a shareholder at their request with information concerning the Company if it is justified for the assessment of a matter included in the agenda; a shareholder who was refused to be provided with the requested information during the General Meeting and who raised an objection to the minutes may apply to the Registry Court to oblige the Management Board to provide the information (Article 429 of the Commercial Companies Code – CCC),
- 6) the right to a registered certificate of the right to participate in the General Meeting,
- 7) the right to demand copies of the Management Board's report on operations and financial statements together with a copy of the Supervisory Board's report and the auditor's opinion no later than 15 days before the General Meeting (Article 395 § 4 of the Commercial Companies Code – CCC),
- 8) the right to review, at the Management Board's premises, the list of shareholders entitled to participate in the General Meeting and to request a copy of the list against reimbursement of the costs of its preparation (Article 407 § 1 of the Commercial Companies Code – CCC). Shareholders may request that the list of shareholders be sent to them free of charge by e-mail, stating the address to which the list should be sent (Article 407 § 1¹ of the Commercial Companies Code – CCC),
- 9) the right to request a copy of the motions on matters on the agenda within one week prior to the General Meeting (Article 407 § 2 of the Commercial Companies Code – CCC),
- 10) the right to request that the attendance list at the General Meeting be checked by a committee elected for this purpose and composed of at least three persons. The request may be submitted by shareholders holding one-tenth of the share capital represented at this General Meeting. Applicants have the right to select one committee member (Article 410 § 2 of the Commercial Companies Code – CCC),
- 11) the right to review the book of minutes and to request copies of resolutions certified by the Management Board (Article 421 § 3 of the Commercial Companies Code – CCC),
- 12) the right to bring an action for compensation for damage caused to the Company under the principles set forth in Article 486 and 487 of the Commercial Companies Code – CCC, if the Company fails to bring an action to remedy the damage caused to it within one year from the date of disclosure of the act causing the damage,
- 13) the right to inspect documents and to demand that copies of the documents referred to in Article 505 § 1 of the Commercial Companies Code – CCC (in case of merger), Article 540 § 1 of the Commercial Companies Code – CCC (in case of division of the Company) and in Article 561 § 1 of the Commercial Companies Code – CCC (in case of transformation of the Company),
- 14) the right to demand that a commercial company which is a shareholder of the Company provide information whether it remains in a relation of domination or dependence with respect to a specific commercial company or cooperative being a shareholder of the Company or whether such relation of domination or dependence has ceased to exist. A shareholder may also demand disclosure of the number of shares or votes or the number of shares or votes that this commercial company holds,

- including as a pledgee, user or under agreements with other persons. The request for information and responses should be made in writing (Article 6 § 4 and 6 of the Commercial Companies Code – CCC),
- 15) the right to dividend, i.e. the share in the Company's profit, presented in the financial statement, audited by an expert auditor, allocated by the General Meeting for payment to the shareholders (Art. 347 of the Commercial Companies Code – CCC),
 - 16) the pre-emptive right to acquire new shares in proportion to the number of shares held (subscription right)
 - 17) the right to share in the Company's assets remaining after the satisfaction or security of creditors in the event of its liquidation. According to Article 474 § 2 of the Commercial Companies Code – CCC, the assets remaining after satisfying or securing the creditors are divided among the shareholders in proportion to the payments made by each of them for the share capital,
 - 18) the right to sell and encumber the shares held by way of limited property rights, including the right to pledge or usufruct the shares held. During the period when shares in a public company on which a pledge or usufruct has been established are recorded in securities accounts at a brokerage house or at a bank maintaining securities accounts, the shareholder has the right to vote on such shares (Article 340 § 3 of the Commercial Companies Code – CCC).

The manner of functioning of the General Meeting is described in detail in the Bylaws of the General Meeting, adopted by the General Meeting of the Company on September 21, 2011. The Articles of Association and the Regulations of the General Meeting of the Company have been published on the Company's website: [Corporate Governance/Corporate Regulations](#).

Description of the operations of the Asseco Poland management, supervisory and administrative bodies and their committees, including the Audit Committee, with specification of the composition of those bodies and changes that occurred during the last financial year

The description of the Management Board's, Supervisory Board's and Audit Committee's operations, apart from the scope explicitly described in mandatory provisions of law, has been included, respectively: for the Management Board – in the Bylaws of the Management Board, and for the Supervisory Board and Audit Committee – in the Bylaws of the Supervisory Board. The documents have been published on the Company's website: [Corporate Governance/Corporate Regulations](#).

Management Board

The Management Board acts on the basis of and in accordance with the Commercial Companies Code – CCC, in particular on the basis of the provisions of Article 368 and subsequent of the Commercial Companies Code – CCC, in accordance with the Company's Articles of Association and the Bylaws of the Management Board.

The Management Board is the Company's executive body and manages the Company's affairs, i.e. manages the Company's operations, manages its assets and represents the Company outside in all matters not reserved by the Articles of Association, legal regulations or other internal acts binding within the Company, to the exclusive competence of the Supervisory Board and the General Meeting.

The following are authorized to represent the Company: President of the Management Board alone, two Vice Presidents or a Vice President acting jointly with another Member of the Management Board or a Vice President acting jointly with a Proxy.

Meetings of the Management Board shall be convened by the President of the Management Board or I Vice President of the Management Board, and in justified cases by another Member of the Management Board. The convocator shall notify all Management Board Members of the convening of the Board meeting at least 5 days before the date of such meeting in writing or by email. Meetings of the Management Board of Asseco Poland are held at least twice a month. There were 27 meetings in 2021. Resolutions may be adopted at a meeting of the Management Board or outside the meeting if none of the Management Board Members raises an objection (in writing or using means of direct remote communication). Resolutions of the Management Board shall be adopted by a simple majority of votes. In the event of an equality of votes cast, the President of the Management Board shall have the casting vote.

The detailed division of powers of the Members of the Management Board is set forth in the Company's Organizational Bylaws, the amendment of which requires a resolution of the Management Board.

The composition of the Management Board and the division of powers of the Members of the Management Board in 2021 are presented in the table below:

Member of the Management Board	Responsibilities
Adam Góral President of the Management Board	Vision and development strategy of the Capital Group Internal Audit Department
Andrzej Dopierała Vice President of the Management Board	International Organizations and Security Solutions Division Agricultural Insurance Division Infrastructure Project Office ICT Department
Krzysztof Grodecki Vice President of the Management Board	Health Care Division
Rafał Kozłowski ¹⁾ Vice President of the Management Board	Finance Division of Asseco Poland
Karolina Rzońca-Bajorek ²⁾ Vice President of the Management Board	Finance Division of the Asseco Group
Marek Panek Vice President of the Management Board	Capital Group Development Division EU Projects Office
Paweł Piwowar Vice President of the Management Board	Energy and Gas Division Telecommunications and Media Division ERP Project Office
Zbigniew Pomianek Vice President of the Management Board	Commercial Banks Division Cooperative Banks Division PKO BP Division Capital Market Division Business Intelligence Division Asseco Innovation Hub Data Processing Center ³⁾ Operations Service Center ⁴⁾ Asseco Services ⁵⁾
Sławomir Szmytkowski Vice President of the Management Board	Social Insurance Division Systems Maintenance Division Agriculture and Postal Service Division Government Administration Division
Artur Wiza Vice President of the Management Board	Marketing Department PR and Investor Relations (IR) Department

Gabriela Żukowicz
Vice President of the Management Board

Legal and Organizational Department
Human Resources Department
Human Resources Administration Department
Compliance & Process Management Department
Internal Systems Maintenance and Development Department
Purchasing Department
Administration Department

1) by March 31, 2021.

2) as of April 1, 2021.

3) by July 31, 2021.

4) by July 31, 2021.

5) as of August 1, 2021, resulting from the merger of the Data Processing Center and the Operations Services Center.

On March 23, 2021, the Company received Rafał Kozłowski's resignation from the Management Board of the Company, effective as of April 1, 2021. At the same time, the Supervisory Board, at its meeting on March 23, 2021, appointed Karolina Rzońca-Bajorek to the Management Board of the Company, to serve as the Vice President of the Management Board for a joint five-year term covering the years 2017-2021, effective as of April 1, 2021.

Additionally, at its meeting held on March 23, 2021, the Supervisory Board passed resolutions on appointment of the Members of the Management Board of Asseco Poland for the new 5-year term of office spanning from 2022 to 2026. Adam Góral was appointed as the Member of the Management Board, the President of the Management Board, while the following persons were appointed as the Vice Presidents of the Management Board: Andrzej Dopierała, Krzysztof Groyecki, Marek Panek, Paweł Piwowar, Zbigniew Pomianek, Karolina Rzońca-Bajorek, Sławomir Szmytkowski, Artur Wiza and Gabriela Żukowicz. The appointment became effective on January 1, 2022.

As of January 1, 2022, the President of the Management Board Adam Góral assumed responsibility for the Telecommunications and Media Division, whereas as of March 1, 2022 the Vice President of the Management Board Karolina Rzońca-Bajorek assumed responsibility for the newly established Shared Services Center Division.

Detailed rules of operation of the Company's Management Board, description of the procedure for convening meetings of the Management Board, the method of adopting resolutions, including voting and taking minutes, and the scope of issues in which the Management Board may adopt resolutions are contained in the Bylaws of the Management Board, available on the Company's website: [Corporate Governance/Corporate Regulations](#).

Joint proxy

On December 5, 2017, the Management Board of the Company, acting pursuant to Article 109¹ and Article 109⁴ § 1¹ of the Polish Civil Code and Article 371 § 4 of the Polish Commercial Companies Code – CCC, as well as § 14 item 12 of the Company's Articles of Association, by virtue of a resolution adopted by the Management Board of Asseco Poland on December 5, 2017, granted a power of proxy to Andrzej Gerlach and Renata Bojdo.

The power of attorney granted is a joint irregular proxy referred to in Article 109⁴ § 1¹ of the Polish Civil Code, which means that the appointed proxy is authorized to perform actions only jointly with the Vice President of the Company's Management Board, but not with another proxy.

Supervisory Board

The Supervisory Board acts pursuant to the Commercial Companies Code – CCC, the Company's Articles of Association and the Bylaws of the Supervisory Board.

The Supervisory Board consists of 5 to 8 members, including the Chairman of the Supervisory Board. The Supervisory Board is appointed and dismissed by the General Meeting. The Members of the Supervisory Board are appointed for a joint term of 5 years. Any member of the Supervisory Board may be re-elected to serve.

The duties of the Supervisory Board include constant supervision over the Company's activities in all areas of its operations and over the matters stipulated in the Commercial Companies Code – CCC and other regulations.

Specific responsibilities of the Supervisory Board include:

- a) assessment of the annual financial statements of the Company and the Asseco Group in terms of their compliance with the accounting books and documents as well as with the actual circumstances,
- b) assessment of the annual reports of the Management Board on activities in terms of their conformity with books and documents, as well as with the actual circumstances,
- c) assessment of the Management Board's proposals concerning the distribution of profit or coverage of loss,
- d) submitting to the General Meeting an annual written report on the results of the evaluation indicated above in items a), b) and c),
- e) submitting to the General Meeting a brief assessment of the Company's standing, including an assessment of the internal control system and the significant risk management system,
- f) giving consent to conclude a transaction referred to in Article 90h Par. 1(1) of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (dated February 22, 2019, Journal of Laws of 2019, pos. 623) with related parties (i.e. group companies or persons performing functions in the bodies) with a value exceeding 5.00% of the total assets of the Company's last approved annual financial statements,
- g) preparation of annual remuneration reports providing a comprehensive overview of remuneration, including all benefits, regardless of their form, received by or due to individual Management Board and Supervisory Board Members in the last financial year, in accordance with the Company's Remuneration Policy for Board and Supervisory Board Members.

The Supervisory Board performs its duties through constant supervision over the Company's activities, including at meetings and by passing resolutions. The Supervisory Board held 6 meetings in 2021.

The Supervisory Board may also perform audit and advisory activities.

Meetings of the Supervisory Board shall be convened by the Chairman or in their absence by the Vice Chairman or another Member of the Supervisory Board. The Supervisory Board's meetings should be held at least every three months. Each Member of the Management Board and each Member of the Supervisory Board may request that a meeting of the Supervisory Board be convened. In such a case, a meeting of the Supervisory Board shall be convened within two weeks of the request. Members of the Management Board or other persons invited by the Chairman may participate in the meeting.

Resolutions of the Supervisory Board may be adopted if all its members have been notified in writing of the date and place of the meeting, at least one week before the meeting, and at least half of them are present at the meeting. Members of the Supervisory Board may participate in adopting resolutions of the Supervisory Board by casting their votes in writing through another Member of the Supervisory Board or using means of direct remote communication or in writing.

According to the Bylaws of the Supervisory Board, the powers of the Supervisory Board include:

- a) appointment and dismissal of the President of the Management Board,
- b) appointing, at the request of the President of the Management Board, the Members of the Management Board (including Vice Presidents) and dismissing appointed Members of the Management Board,
- c) representing the Company in agreements with the Members of the Management Board and in disputes with the Management Board or its Members,
- d) determining the rules of hiring and remunerating the Members of the Management Board,
- e) Approval of the Bylaws of the Management Board adopted by the Management Board,
- f) selection of a certified auditor to carry out an audit of the financial statements of the Company and the Asseco Group,
- g) suspending, for important reasons, individual or all Members of the Management Board from their duties and delegating Members of the Supervisory Board to temporarily, for a period not exceeding three months,

perform the duties of Members of the Management Board who have been dismissed, have resigned or are unable to perform their duties for other reasons,

- h) convening the General Meeting in cases specified in Article 399 § 2 of the Commercial Companies Code – CCC,
- i) determining the consolidated text of the amended Articles of Association and making other editorial changes thereto, as determined by resolution of the General Meeting and pursuant to the authorization of the General Meeting, in accordance with Article 430 § 5 of the Commercial Companies Code – CCC,
- j) evaluation of the Management Board's proposals for bond issues,
- k) giving opinions on draft resolutions for the General Meeting,

Specific competencies of the Supervisory Board, as well as its organization, the manner of performing its tasks and the procedure for convening meetings and adopting resolutions are set forth in the Bylaws of the Supervisory Board adopted by the Supervisory Board, available on the Company's website under: [Corporate Governance/Corporate Regulations](#).

In 2021, the composition of the Supervisory Board was as follows:

- Jacek Duch – Chairman of the Supervisory Board
- Adam Noga – Vice Chairman of the Supervisory Board
- Izabela Albrycht – Member of the Supervisory Board
- Dariusz Brzeski – Member of the Supervisory Board
- Artur Kucharski – Member of the Supervisory Board
- Piotr Augustyniak – Member of the Supervisory Board
- Piotr Żak – Member of the Supervisory Board

The year 2021 was the last year of the term covering 2017-2021. The mandates of all the above-mentioned Members of the Supervisory Board expired on December 31, 2021 because the General Meeting of Shareholders of Asseco Poland, that was held in Warsaw on May 20, 2021, appointed the Supervisory Board for the new joint term of office running from 2022 to 2026, consisting of Izabela Albrycht, Piotr Augustyniak, Dariusz Brzeski, Jacek Duch, Artur Gabor, Piotr Maciąg, Adam Noga and Piotr Żak. On January 11, 2022, the Supervisory Board of Asseco Poland elected from among its members the Chairman and the Vice Chairman of the Supervisory Board and appointed a new member of the Audit Committee.

Accordingly, effective 2022, the Company's Supervisory Board is composed as follows:

- Jacek Duch – Chairman of the Supervisory Board
- Adam Noga – Vice Chairman of the Supervisory Board
- Izabela Albrycht – Member of the Supervisory Board
- Dariusz Brzeski – Member of the Supervisory Board
- Artur Gabor – Member of the Supervisory Board
- Piotr Augustyniak – Member of the Supervisory Board
- Piotr Żak – Member of the Supervisory Board
- Piotr Maciąg – Member of the Supervisory Board

Audit Committee

The functioning of the Audit Committee has been included and described in the Bylaws of the Supervisory Board, chapter X. STANDING AUDIT COMMITTEE.

During 2021, the Audit Committee functioned in the following composition:

- Artur Kucharski – Chairman of the Audit Committee
- Jacek Duch – Member of the Audit Committee
- Piotr Augustyniak – Member of the Audit Committee

The Supervisory Board, acting pursuant to Article 129 of the Act on Statutory Auditors, Audit Firms and Public Supervision and § 8 of the Bylaws of the Supervisory Board evaluated the fulfillment of the requirements for the Audit Committee. The independence criteria were met by Piotr Augustyniak and Artur Kucharski, who both have knowledge and skills in financial reporting. Mr Artur Kucharski's competence in financial reporting was confirmed by his professional career to date and his Association of Chartered Certified Accountants (ACCA) diploma.

All members of the Audit Committee were knowledgeable in the industry in which the Company operates.

In connection with the commencement of the new term of office running from 2022 to 2026, the Supervisory Board of Asseco Poland, at its meeting held on January 11, 2022, appointed the Audit Committee composed of the following persons:

- Artur Gabor – Chairman of the Audit Committee
- Jacek Duch – Member of the Audit Committee
- Piotr Augustyniak – Member of the Audit Committee

In connection with the appointment of the Audit Committee for the new term of office of the Supervisory Board, the Supervisory Board, acting pursuant to Article 129 of the Act on Statutory Auditors, Audit Firms and Public Supervision and § 8 of the Bylaws of the Supervisory Board, assessed the fulfillment of the requirements for the Audit Committee as follows:

- Artur Gabor has knowledge and skills in accounting or auditing resulting from Article 129(1)
- Piotr Augustyniak and Artur Gabor meet the independence criterion under Article 129 (3)
- Jacek Duch and Piotr Augustyniak have skills and knowledge (resulting from Article 129(1)) of the industry in which Asseco Poland operates

As at the date of this report, the composition of the Company's Audit Committee, as defined on January 11, 2022, has not changed.

Scope of work of the Audit Committee

In 2021, there were 12 meetings of the Audit Committee, during which it carried out the tasks set forth in Article 130 of the Act on Statutory Auditors, Audit Firms and Public Supervision.

In order to properly fulfill its responsibilities, the Audit Committee adopted the Audit Committee Work Plan for 2021, which set forth the scope of tasks to be completed during the various Audit Committee meetings scheduled in 2021. The tasks outlined in the Work Plan were accomplished. The Audit Committee also decided to adopt and implement the Audit Committee Work Plan in the following years as well.

The meetings were held with the auditing firm Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k. before the publication of the financial statements for 2020 and the financial statements for the first half of 2021. Representatives of the Auditor Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k. presented their report summarizing the audit and review of the financial statements of the Company and the Asseco Group, as well as an additional report for the Audit Committee, prepared pursuant to Article 11 of the Regulation of the European Parliament and of the Council (EU) on specific requirements regarding statutory audits of public interest entities. The Audit Committee oversaw the preparation of the financial statements and the effectiveness of key procedures

to ensure that the financial statements and management and financial reports are properly prepared and contain reliable data.

Furthermore, the Audit Committee assessed the auditor's independence and gave its consent for the auditor and its network companies to provide non-audit permitted services to Asseco Group companies. The Audit Committee gave its consent for Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k. to provide a permitted service for Asseco Poland – the evaluation of the Report on remuneration of the members of the Management Board and Supervisory Board for the years 2019-2020.

The Audit Committee found the auditor to be independent and the audits to have been properly and fairly performed.

The table below presents in aggregate the permitted services rendered to the Asseco Group companies.

Description of services rendered	Remuneration (PLN million)
Audit and review of the standalone and consolidated financial statements of Asseco Poland for the year ended December 31, 2021	1.4
Audit of standalone financial statements of Asseco Data Systems for the year ended December 31, 2021	0.2
Other non-audit services for Asseco Data Systems	0.3
Audit of financial statements of companies incorporated in the Asseco South Eastern Europe Group	0.05
Other non-audit services at the Asseco South Eastern Europe Group	0.03
Audit of financial statements of companies from the Formula Systems Group	7.9
Audit of standalone and consolidated financial statements of Asseco Central Europe and Asseco International for the year ended December 31, 2021	2.0
Tax advisory services in Asseco Central Europe and Asseco International	0.02
Tax consulting services and other non-audit services at the Formula Systems Group	2.2
Total	14.1

On December 2, 2020, the Audit Committee adopted a resolution to recommend to the Supervisory Board the selection of Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k. with its registered office in Warsaw (hereinafter "EY"), Rondo ONZ 1, 00-124 Warsaw (KRS 0000481039), entered by the National Chamber of Statutory Auditors on the list of entities authorized to audit financial statements under number 130, as the entity authorized to conduct the review:

- semi-annual standalone financial statements of Asseco Poland and consolidated financial statements of the Asseco Group for the period of 6 months ended June 30, 2021,
- semi-annual standalone financial statements of Asseco Poland and consolidated financial statements of the Asseco Group for the period of 6 months ended June 30, 2022,
- semi-annual standalone financial statements of Asseco Poland and consolidated financial statements of the Asseco Group for the period of 6 months ended June 30, 2023,

as well as research:

- the annual standalone financial statements of Asseco Poland and the annual consolidated financial statements of the Asseco Group for the year ended December 31, 2021,
- the annual standalone financial statements of Asseco Poland and the annual consolidated financial statements of the Asseco Group for the year ended December 31, 2022,
- the annual standalone financial statements of Asseco Poland and the annual consolidated financial statements of the Asseco Group for the year ended December 31, 2023.

The recommendation was free from third party influence and the audited entity did not enter into agreements containing clauses referred to in Article 66 Par. 5a of the Accounting Act.

Following the recommendation, on December 16, 2020 the Supervisory Board of Asseco Poland appointed the auditing firm Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k. to the extent indicated above.

At the meeting of the Audit Committee on October 16, 2017, in order to fulfill the obligations imposed by the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Supervision, resolutions were adopted to adopt the contents of: Auditor Selection Policy and Auditor Selection Procedure, as well as the Policy for Provision of Permitted Services. These documents were subsequently approved by the Supervisory Board on October 16, 2017.

The main objective of the Policy on Selection of Certified Auditors is to describe principles governing the selection of an auditing firm to carry out an audit of annual standalone and consolidated financial statements as well as a review of semi-annual standalone and consolidated financial statements of Asseco Poland and the Asseco Group, respectively, in such a manner as to ensure that the selection of an auditing firm is conducted in compliance with the law, subject to compliance with independence criteria, excluding any conflicts of interest, while taking into account the interests of the Group.

The main purpose of the Service Provision Policy is to describe the rules for the provision of permitted non-audit services by the auditor, the audit firm performing the statutory audit, and affiliates of the audit firm, in view of the risk that the independence of these entities may be compromised, resulting in the invalidation of the statutory audit by operation of law.

Documents are reviewed on an ongoing basis and updated as needed.

Description of diversity policy applicable to the issuer's administrative, management and supervisory bodies

Asseco Poland does not have a diversity policy for its Management Board and Supervisory Board. The main criteria for selection of the Management Board members by the Supervisory Board is the necessity to ensure the composition of the Management Board enabling effective implementation of the business objectives in the market segments in which the Company operates, as well as competence, among others, in the areas of finance, compliance and risk management, and corporate communication. The composition of the Supervisory Board enables effective supervision over the Company's activities. Furthermore, with respect to the selection of Supervisory Board Members, the Company is obliged to ensure that the composition of the Supervisory Board complies in particular with the Act on Auditors, Audit Firms and Public Supervision. The Company's Management Board and Supervisory Board perform their duties effectively, which is confirmed by very good financial results achieved by the Company and the Asseco Group, as well as by the fact that the General Meetings of Shareholders passed a vote of approval. The Company declares equal access to its functions to all candidates and therefore will not apply the criterion of gender differentiation.

In spite of the lack of diversity policy in Asseco Poland, the Company applies the principle of equal treatment regardless of sex, age, nationality, sexual orientation, beliefs, political and religious beliefs, financial status, family situation, or physical fitness, that is all the factors which may give rise to direct or indirect discrimination. The Company has a policy of diversity by hiring employees who are diverse in terms of gender, age, work experience, education, cultural background and ensuring that all employees are treated equally in the workplace, taking into account their diverse needs and using their differences to achieve the Company's objectives.

The rules and guidelines for employment are regulated in the Company's internal documents, including in particular the HR Policy, the Code of Ethics, the Compliance Policy and the Work Regulations. These documents address the area of diversity and are aimed at all employees, including management. The standards of conduct and relationship values defined therein are based on the Company's shared values, which form the foundation of conduct and serve to build mutual trust, integrity and respect.

At the stage of recruitment of an employee, a selection method is applied which enables an objective assessment of the merits of candidates, excluding any manifestations of discrimination or unequal treatment. The Company provides an equal work environment conducive to the full use and development of the unique qualities, skills and interests of employees, including managers, including through participation in training. The organization's employees participate in training based on recognizing different personality traits and benefiting from them by recognizing them and knowing how to use them to ensure effective collaboration. Every employee has opportunities for advancement to a managerial position if he or she demonstrates adequate professional achievement.

The Company's authorities and its employees are aware of the importance of diversity as a factor liberating creativity and encouraging the search for non-standard solutions and optimization of operations. These aspects translate into the quality of services rendered and economic effects, and as a result may significantly contribute to building a competitive advantage of the Company.



**Other information
about the Asseco Group
and Asseco Poland**

OTHER INFORMATION ABOUT THE ASSECO GROUP AND ASSECO POLAND

Description of significant risks and threats

The Asseco Group monitors on an ongoing basis the significant risk factors affecting its operations in order to identify, prevent and, if necessary, mitigate their effects. For this purpose Asseco Poland and its subsidiaries have in place management systems, internal controls and auditing procedures. In particular, Asseco Poland runs:

- quality management system
- risk management system
- business continuity management system
- information security management system
- conformity assurance system
- environmental management system
- health and safety management system
- internal control system

The systems in place, including integrated management structures and efficient internal audit, effectively mitigate the negative impact of the following risk factors and threats on the Company's and Group's operations.

Risks associated with increased competition

The Group's operations are under the pressure of intense competition both from the local players and international IT corporations. There is growing competition from global companies with faster access to the latest technology and cheaper sources of capital, which allows for more efficient financing of large contracts. It cannot be taken for granted that the increasing competition will have no significant adverse impact on the operations, financial position, financial performance or prospective development of the Asseco Group in the future.

Risks associated with technological changes in the industry and new product development

The IT sector is characterized by rapid development of solutions and technologies, which makes the product life cycle shorter. Therefore, success of the Asseco Group will largely depend upon our capability to incorporate the latest technological solutions into our products and services. In order to maintain a competitive position in the market, it is required to conduct development work and invest in new products. Asseco monitors current trends in the technology market and adjusts and upgrades its offering accordingly. However, there is still a risk that the market will witness emergence of new solutions which will make the products and services offered by the Asseco Group unattractive and eventually fail to bring the expected revenues. There is also no certainty that new solutions, which will be developed by the Group companies in the future, will achieve the expected technological parameters and will be positively received by potential customers. Any of these circumstances might have an adverse impact on the operations, financial position, financial performance and prospective development of the Asseco Group.

Risks associated with consolidation and structural changes in the financial sector

The financial sector is undergoing a continuous process of consolidation. There is a risk that entities consolidating this sector, using global IT solutions, will impose them on financial institutions consolidated by them, which may slow down the acquisition of new contracts or cause the loss of already concluded contracts. In addition, in the financial sector there is a growing trend of establishing companies from the borderline of IT and financial services (the so-called fintechs), whose solutions may compete with Asseco's products or introduce alternative mechanisms for the operation of financial enterprises, which may affect the acquisition of new contracts. Such circumstances might have a negative impact on the Group's operations, financial position and results as well as on its future development outlook.

Risks associated with handling public tenders

Delays in tenders related to IT infrastructure in the public administration may cause shaky revenue realization in the public administration sector. This, coupled with the still unsatisfactory pace of execution of the EU funds earmarked for development of innovativeness of public administration, may create substantial threats on the demand for IT services,

which might have a negative impact on the operations, financial position, financial performance and prospective development of the Asseco Group.

Risk related to the process of acquiring new contracts

It is characteristic of the IT business that most of contracts, providing sources of revenues for the Asseco Group companies, are awarded under tendering procedures. However, there is no assurance that Group companies will be able to win new orders in the future, the performance of which will ensure the achievement of satisfactory levels of revenue. The above-mentioned factors may have an adverse impact on the operations, financial position, financial performance and prospective development of the Asseco Group.

Risk of improper estimation of the scope of project work

The Asseco Group derives its revenues mostly from execution of complex information technology projects carried out under contracts with a predefined remuneration. Executing such projects requires very good planning in terms of both the work schedule and the resources needed to deliver the promised scope of the project. The Group applies complex procedures in this regard which, on the one hand, facilitate the preparation of an appropriate plan and, on the other hand, prevent the occurrence of unforeseen costs.

In order to manage the risk of the project cost underestimation, the Group applies the methods (based on the world recognized standards and own experience) for estimation of the project costs, preparation of work schedules and assessment of risks which may hinder timely, substantial or financial performance of tasks.

Risk of change in legal regulations and their interpretation

The Group companies comply with various regulatory obligations arising from changes in the law, as well as administrative decisions. Frequent amendments and lack of uniform interpretation of the provisions of law, concerning in particular the tax regulations, banking law, insurance law (inclusive of social insurance), the Act on public procurement, the protection of personal data, the Act on trading in financial instruments, the Act on public offering as well as the Polish Commercial Companies Code – CCC, give rise to the regulatory risk occurring in the environment in which the Asseco Group operates. Regulations and interpretations of tax laws are subject to particularly frequent changes. The practice of tax authorities, as well as judicial decisions in this area, are not uniform. In the event the taxation authorities take a position that is different from our interpretation of tax regulations, the Group's operations, financial position and results may be exposed to negative consequences thereof. Such risk is related in particular to possible questioning of transactions with related parties concluded by the parent company by the tax authorities. This might have a negative impact on the operations, financial position, financial performance and prospective development of the Asseco Group.

Risks associated with the macroeconomic situation, including those related to the effects of the pandemic and the war in Ukraine

The development of the IT services sector is closely correlated with the overall economic situation. The financial results achieved by the Asseco Group companies are largely affected by the pace of GDP growth, value of public orders for IT solutions, level of capital expenditures made by enterprises, as well as by the inflation rate in countries where the Group companies operate. Development and impact of the coronavirus pandemic may have a negative impact on the economies of the countries where the Asseco Group is present, and consequently on the operations, financial position, financial performance and prospective development of the Group companies.

Furthermore, as a result of the Russian invasion of Ukraine that began on February 24, 2022, the geopolitical situation of the entire region where Asseco Poland and other Group companies operate has changed considerably. As of the date of publication of this report, the Group is analyzing the impact of the undoubtedly negatively changed geopolitical situation on its future financial position and future financial results. At this point in time, due to the dynamically changing situation, it is difficult to assess the long-term economic effects on this region of Europe and the impact on the overall macroeconomic situation, which indirectly affects the Group's financial results.

Risks associated with dependence on major customers

Execution of contracts concluded with key customers will have a significant impact on the revenues generated by the Asseco Group in the coming years. It cannot be precluded that a potential loss of any key customer, deterioration in the financial terms for provision of services or potential compensatory claims would have a material adverse impact on the operations, financial position, financial performance or prospects of the Group.

Risk of losing customer confidence

Operations of the Asseco Group companies are to a large extent based on the customers' trust. Implementation of an IT system having a key impact on a customer's business in most cases involves signing a long-term contract with the users of the system. Their confidence in Asseco depends on the quality of delivered solutions and customer service. In the event of poor quality of the delivered product or service, there may be a loss of confidence which could adversely affect the Group's image and prevent it from doing business.

Risk of increased labor costs

Salaries and wages are a significant portion of the costs associated with the projects. With such a high level of human labor involvement, an increase in salary costs may adversely affect the margin of projects and, consequently, the Group's result.

In order to manage the risk of higher cost of work, the Asseco Group takes measures which reduce the probability of negative effects associated with changes in salaries in the market. Among other things, the Asseco Group (i) employs people in many geographical regions aiming to diversify risk; (ii) continually monitors the level of salaries in the market not to be taken by surprise; and (iii) maintains an appropriate structure – a pyramid of employment within particular levels of competence.

Risks associated with the possible loss of key employees

Operations of the Asseco Group companies and their development outlook depend to a large extent on the knowledge, experience and qualifications of employees, who implement the IT projects. Significant demand for IT professionals and the actions of competitors may lead to the departure of key personnel, as well as make it difficult to recruit new employees with the appropriate knowledge, experience and qualifications. There is a risk that resignation of key personnel would have an adverse impact on the execution of IT projects carried out by the Group companies as well as on ensuring proper quality and range of services, which in turn might have a negative impact on the operations, financial position, financial performance and prospective development of the Asseco Group.

Risks of personnel policy

Asseco Group companies may incur costs in connection with justified or unjustified claims by employees regarding discrimination, working conditions, etc. The occurrence of any of the above-mentioned situations may have a material adverse effect on the business, financial condition, results of operations or prospects of the Group companies.

Foreign exchange risk

The currency used by the Asseco Group for presentation of its financial results is Polish zloty (PLN). The functional currencies of the Group companies with offices outside Poland are the currencies of the countries in which these companies conduct their operations. As a result, the value of assets of a given company/group is translated into PLN, and therefore their value presented in the consolidated financial statements is affected by the exchange rates of foreign currencies against PLN, which may lead to changes in their value.

Interest rate risk

Changes in the market interest rates may have a negative influence on the financial results of the Asseco Group. The Group is exposed to the risk of changes in this factor in two areas of its activity: (i) the change in the value of interest charged on loans from external financial institutions, based on variable interest rates; and (ii) the change in the valuation of derivative instruments entered into, based on the forward interest rate curve.

Interest rate risk is managed by using two instruments: (i) the Group tries to avoid borrowing based on a floating interest rate, (ii) and if the first solution is not possible, the Group has the option to enter into interest rate forward contracts.

Risks associated with potential copyright litigation

Development of the Asseco Group operations in the market of IT products depends to a large degree on ownership of intellectual property rights, especially copyrights to computer programs. There is a risk that in some countries where the Asseco Group operates there may be doubts as to the effectiveness of transferring of copyrights in the software codes created by employees of particular companies to the Group companies, basically due to different regulations pertaining to the protection of intellectual property that are applicable in those countries. If the employment contracts or other agreements under which employees have performed or are performing work for the Group companies did not contain or do not contain adequate provisions for the transfer of copyrights to the Group companies, the transfer of rights to certain programs may not have occurred.

Risks associated with IT licenses

The Asseco Group companies use IT software licenses granted under legal agreements concluded with the world's leading providers of tools software and thematic applications, such as HP, IBM, Microsoft, Oracle, and SAS Institute. Using solutions and products of these companies, the Asseco Group develops its most important products. Termination of license agreements or limitation of the ability to use IBM and Oracle software in particular may have a significant adverse impact on the operations, financial position, financial performance and prospective development of the Asseco Group.

Risk of contracting with a dishonest customer

The Asseco Group is exposed to the risk of defaulting contractors. First, this risk relates to the creditworthiness and goodwill of the customers to whom the Group provides IT solutions. Second, it relates to the creditworthiness of the counterparties with whom supply transactions are entered into.

Risk control measures consist of monitoring the timeliness of transfers and, if necessary, reminding the customer of the payment due. In the case of smaller clients, it is helpful to monitor the trade press, analyze previous experience, experience of competitors, etc.

Risk of market abuse

The Group companies may be subject to suspicion of corrupt activities or conflicts of interest. Internal control directed at corrupt phenomena – where possible – does not allow them to occur or significantly influences the chances of detecting undesirable actions concerning transactions concluded. It cannot be precluded that Asseco Poland or the Group companies may be exposed to suspected corrupt activities or conflicts of interest, despite the implemented control mechanisms.

Risks associated with the inability to effectively integrate acquired entities and achieve the intended returns on individual acquisitions or investments

The Asseco Group implements the strategy of development through acquisitions of or capital investments in IT companies. Valuation of future acquisitions or investments will depend on the market conditions as well as on other factors beyond the Asseco's control. It cannot be ruled out that the investing entity will not be able to properly estimate the value of the acquisitions and investments being made. There is also a risk that the performance of companies subject to acquisitions or investments will turn out worse than initially estimated, which may result in a lower rate of return on these transactions than originally expected.

Risks associated with insufficient insurance coverage

Business activities conducted by the Asseco Group companies, consisting in production and supply of software as well as implementation of integration projects, give rise to a risk of damages that may be incurred by the contracting parties or their end customers as a result of defective operation or failure of the products delivered by the company, whether attributable to its own fault or not. Agreements concluded by the Asseco Group companies provide for contractual penalties in the event of non-performance or improper performance of an agreement. Any claims for compensation in excess of the guarantee amounts under the present insurance policies may have a significant adverse impact on the operations, financial position, financial performance and prospective development of the Asseco Group companies.

Business continuity risk

Occurrence of an emergency situation at one of the Asseco Group companies may impair our ability to continue to provide services to our clients, which in turn may lead to delays, failure to comply with our obligations, claims for damages, or loss of trust by our clients. The occurrence of any of the above-mentioned situations may have a material adverse effect on the Group's operations, financial position, results of operations or prospects.

Risk of data leakage

As a result of intentional acts by third parties or dishonest employees, as well as errors or carelessness by employees or subcontractors, confidential data of a Group company or its customers may be disclosed to unauthorized persons. Such circumstances might have a negative impact on the perception of Asseco by our clients, and consequently on the Group's operations, financial position and results as well as on its future development outlook.

Property risk

As a result of malpractice or errors by employees of Asseco Group companies, they may suffer property damage. The occurrence of such a situation may have an adverse impact on the company's financial standing and continuity of its operations, and therefore may have a negative impact on the Group's operations, financial position, results of operations or development prospects.

Non-recurring events affecting the achieved financial results

The occurrence of the pandemic during the 12 months ended December 31, 2021 had no significant impact on the financial results of the Asseco Group for that period.

During the reporting period, there were no items materially affecting assets, liabilities, equity, net profit or cash flows that were unusual because of their nature, value or frequency.

Information related to the assessment of the impact of COVID-19 on the results achieved in the period reported as well as on future periods is presented in Note 2.2 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 and in Note 2.2 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Significant events affecting the Asseco Group operations after December 31, 2021

Description of material events after the balance sheet date, i.e. after December 31, 2021 has been presented in explanatory note 9.7 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 8.7 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Assessment of the feasibility of investment projects

The Asseco Group companies always perform their obligations towards contractors, obligatory governmental charges, and investment commitments. The companies maintain lines of credit with various banks, which allows for diversification of funding sources. The companies settle their liabilities with funds from operating proceeds, with the assistance of external capital, i.e. using short-term overdraft facilities, borrowings and capital receipts.

Financial forecasts

Asseco Poland did not publish any financial forecasts for 2021 or for subsequent reporting periods.

Changes in the management policies of the Capital Group and the Company

In 2021, there were no changes in the principles of management of Asseco Poland and the Asseco Group.

Remuneration of managing and supervising persons

Remuneration for the Management Board and Supervisory Board has been presented in explanatory note 9.5 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 8.5 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Agreements concluded between the Group or the Company and management personnel providing for compensation in the event of their resignation or dismissal

There are no agreements concluded between the Group companies and management personnel providing for compensation in the event of their resignation or dismissal from their position without a valid reason, or in the event of their removal or dismissal due to a merger by acquisition.

Agreements, known to the issuer, which may result in future changes in the proportions of shares held by existing shareholders and bondholders

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

Changes in equity relationships

Changes in the capital relationships have been described in section 3 of the Asseco Group consolidated financial statements for the year ended December 31, 2021.

Transactions with related parties

Transactions with the related companies have been presented in explanatory note 6.23 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 5.20 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Loans, loan agreements, sureties, guarantees

Bank loans drawn, loans granted, sureties and guarantees extended, have been described in explanatory note 6.16 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 5.13 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Information on loans granted

Information on loans granted by the Asseco Group companies in the reporting period has been presented in explanatory note 6.11 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 5.8 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Description of off-balance sheet items

Major off-balance-sheet items by type, subject and value have been described in explanatory note 9.1 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 8.1 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Major capital investments made by the Asseco Group

A description of the structure of major capital investments made within the Asseco Group is presented in explanatory note 6.5 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021.

Information on the control system of employee share schemes

As of the date of this report, the Company did not have a share-based incentive program in place.

Information on transactions with employees settled in the form of equity instruments has been presented in explanatory note 5.2.ii to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021.

Information on obligations arising from pensions and similar benefits

As at December 31, 2021, Asseco Poland did not have any liabilities due to retirement pensions and benefits of a similar nature for its former managing and supervisory staff or former members of its administration bodies.

Information on significant legal proceedings

As at the date of publication of this report, neither Asseco Poland nor the Asseco Group was a party to any material proceedings pending before any court, arbitration authority or public administration authority. Information on judicial disputes pending as at the balance sheet date has been presented in explanatory note 9.1 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 8.1 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Information on the remuneration of the entity authorized to audit financial statements

Information on fees payable to the entity authorized to audit financial statements has been presented in explanatory note 9.4 to the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 as well as in explanatory note 8.4 to the standalone financial statements of Asseco Poland for the year ended December 31, 2021.

Information on conclusion of an agreement with an entity authorized to audit financial statements

An agreement with Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k. – the entity authorized to audit financial statements:

- semi-annual standalone financial statements of Asseco Poland and consolidated financial statements of the Asseco Group for the period of 6 months ended June 30, 2021,
- semi-annual standalone financial statements of Asseco Poland and consolidated financial statements of the Asseco Group for the period of 6 months ended June 30, 2022,
- semi-annual standalone financial statements of Asseco Poland and consolidated financial statements of the Asseco Group for the period of 6 months ended June 30, 2023,

as well as:

- annual standalone financial statements of Asseco Poland and the annual consolidated financial statements of the Asseco Group for the year ended December 31, 2021,
- annual standalone financial statements of Asseco Poland and the annual consolidated financial statements of the Asseco Group for the year ended December 31, 2022,
- annual standalone financial statements of Asseco Poland and the annual consolidated financial statements of the Asseco Group for the year ended December 31, 2023.

was concluded on August 10, 2021. The auditing firm was selected by the Supervisory Board of Asseco Poland S.A.

Information on the scope of services rendered by the entity authorized to audit financial statements to the Asseco Group companies as well as on remuneration payable to that entity is presented in explanatory note 9.4 to the consolidated

financial statements of the Asseco Group for the year ended December 31, 2021 as well as in the corporate governance statement accompanying this report.

Reports on non-financial information

The Parent Company prepared reports on non-financial information – Asseco Poland's Report on Non-Financial Information for 2021 and the Asseco Group's Report on Non-Financial Information for 2021 – in the form of separate documents, which constitute an integral part of its annual report for 2021.

STATEMENT OF THE MANAGEMENT BOARD OF ASSECO POLAND TO THE ANNUAL REPORT

Statement by the Management Board of Asseco Poland S.A. pursuant to the provisions of § 70 Par. 1 item 6 and § 71 Par. 1 item 6 of the Regulation of the Minister of Finance on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a third country may be recognized as equivalent

The Management Board of Asseco Poland S.A. declares that, to the best of its knowledge, the consolidated financial statements of the Asseco Group for the year ended December 31, 2021 and comparative data, and the standalone financial statements of Asseco Poland for the year ended December 31, 2021 and comparative data, were prepared in compliance with the accounting principles in force, i.e. with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The Management Board also declares that the presented data give a true, reliable and fair view of the Company's and the Capital Group's assets, financial standing and financial result. The Report on Business Operations of the Asseco Group and Asseco Poland S.A. provides a true picture of the development, achievements and standing of the Group and the Company, including a description of key risks and threats.

We hereby approve the Management Board's Report on Business Operations of the Asseco Group and Asseco Poland S.A. and we confirm the accuracy of the above statement.

Management Board:

Adam Góral

President of the Management Board

Andrzej Dopierała

Vice President of the Management Board

Krzysztof Groyecki

Vice President of the Management Board

Marek Panek

Vice President of the Management Board

Paweł Piwowar

Vice President of the Management Board

Zbigniew Pomianek

Vice President of the Management Board

Karolina Rzońca-Bajorek

Vice President of the Management Board

Sławomir Szmytkowski

Vice President of the Management Board

Artur Wiza

Vice President of the Management Board

Gabriela Żukowicz

Vice President of the Management Board

Technology for business, solutions for people.

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