

COMARCH CAPITAL GROUP

**REPORT OF THE INDEPENDENT AUDITOR
FROM THE AUDIT OF THE ANNUAL CONSOLIDATED
FINANCIAL STATEMENT AS OF 31.12.2023**

26.04.2024

REPORT OF THE INDEPENDENT AUDITOR

for the General Meeting and the Supervisory Board of the Parent Company Comarch S.A.

Report from the audit of the annual financial statement

Opinion

We have audited the annual consolidated financial statement of the Comarch Capital Group ("Capital Group"), in which the Parent Company is Comarch S.A. ("Parent Company"), containing consolidated balance sheet as at 31st of December, 2023, and consolidated profit and loss account, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement for the year from the 1st of January, to the 31st of December, 2023, and additional information including a description of the accounting principles adopted and other clarifying information ("consolidated financial statement").

In our opinion, the attached consolidated financial statement:

- presents a reliable and clear picture of the Capital Group's consolidated property and financial situation as at 31st of December, 2023, and its consolidated financial result and consolidated cash flows for the financial year ended on that day in accordance with those applicable International Financial Reporting Standards approved by the Union European and accepted accounting principles (policy);
- agrees on the form and content with the applicable law and the Articles of Association of the Parent Company.

This opinion is consistent with the additional report for the Audit Committee that we have issued as of the 26th of April, 2024.

Basis of the opinion

We conducted our audit in accordance with the National Auditing Standards in the wording of the International Auditing Standards adopted by the resolution of the National Council of Statutory Auditors No. 3430/52a/2019 of the 21st of March, 2019, on National Auditing Standards and Other Documents, with subsequent changes and Resolution No. 38/I/2022 of the Board of the Polish Audit Oversight Agency of the 15th of November, 2022, on National Quality Control Standards and National Auditing Standard 220 (Amended) ("KSB"), and also pursuant to the Act of the 11th of May, 2017, on Statutory Auditors, Audit Firms and Public Oversight ("Act on Statutory Auditors" - Journal of Laws 2023, item 1015, with subsequent changes) and EU Regulation No. 537/2014 of the 16th of April, 2014, on Specific Requirements for Statutory Audits of Financial Statements of Public Interest Entities ("EU Regulation" - Official Journal EU L158 of 27/05/2014, p. 77, with subsequent changes). Our responsibility under these standards is further described in the section of our report *Responsibility of the statutory auditor for the audit of the consolidated financial statement*.

We are independent of the Capital Group's companies in accordance with the International Code of Ethics for Professional Accountants (including International Standards for Independency) of the International Ethics Standards Board for Accountants ("IESBA Code") adopted by the resolution of the National Council of Statutory Auditors No. 3431/52a/2019 of the 25th of March, 2019, on the Principles of Professional Ethics for Statutory Auditors, with subsequent changes, and with other ethical requirements that apply to the audit of financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. During the audit, the key statutory auditor and the audit firm remained independent of the Company in accordance with the independence requirements set out in the Act on Statutory Auditors and in the EU Regulation.

We believe that the audit evidence we have obtained is adequate and appropriate to provide the basis for our opinion.

Key research matters

The key matters of investigation are matters that, according to our professional judgment, were the most significant during the audit of the consolidated financial statement for the current period reporting. They include the most significant assessed significant risks distortions, including assessed risks of material misstatement due to fraud. We referred to these matters in the context of our audit of the consolidated report as a whole and when formulating our opinion and summarized our response to these types of risks, and in those cases in which we deemed it appropriate we presented the most important observations related to these types of risk. We do not express a separate opinion on these matters.

Key research matter	How our study addressed this issue
<p data-bbox="220 365 766 477">Recognition, settlement and valuation of long-term contracts for IT services performed by the Company</p> <p data-bbox="201 510 774 663">The company performs long-term contracts for IT service contracts (obligations to perform services fulfilled over time).</p> <p data-bbox="201 696 774 960">The issue was considered a key risk area due to the model of long-term contracts valuation and the significance of revenues from this, as well as the complex nature of processes in the area of long-term contracts, which relate in particular to:</p> <ul data-bbox="201 994 774 1339" style="list-style-type: none"> • recognizing revenue from multi-element contracts that require a significant level of judgment on the part of the Management Board; • the correct allocation of costs and revenues to the relevant project and the relevant reporting period; • recognizing expected losses on contracts. <p data-bbox="201 1373 774 1451"><i>Reference to disclosures in the consolidated financial statement</i></p> <p data-bbox="201 1485 774 1709">Accounting principles adopted by the Group regarding settlement IT contracts are described in the additional information to the consolidated financial statement. Relevant disclosures are included in note 3.15</p>	<p data-bbox="810 510 1394 611">Our procedures for the identified key research matter included, but are not limited to:</p> <ul data-bbox="810 656 1394 1384" style="list-style-type: none"> • verification of the Company's accounting policy regarding the settlement of contracts for IT services with the provisions of IAS/IFRS; • analysing the budgets that are the basis for the settlement of revenue from the implementation of contracts in terms of the degree of progress of works and changes in the assumed margin; • comparison of budgets with signed contracts with customers; • assessing the risk of loss on contracts and verifying the number of provisions created in this respect; • analysing the adequacy of disclosures in the financial statement in relation to significant accounting policies regarding sales revenue.

Goodwill-impairment

In the financial statement as at the 31st of December, 2023, the Group shows goodwill in the consolidated financial statement in the amount of PLN 45,774 thousand.

Based on IFRS, goodwill is tested annually for impairment. Determining the value in use is related to the Parent Company's Management Board making significant estimates of future cash flows from continued use or disposal of the asset and discounting these values.

Due to the uncertainty of material assumptions regarding the future, which were adopted as the basis for the tests, we considered the risk of impairment of goodwill to be a key audit matter.

Reference to disclosures in the consolidated financial statement

Relevant goodwill disclosures are included in the note 3.6 of the report.

Our procedures for the identified key research matter included, but are not limited to:

- ensuring the appropriateness of identifying cash-generating units for the purpose of allocating goodwill;
- verification of the Management Board of the Parent Company's assessment of the presence of evidence of impairment;
- analysis of impairment tests in terms of the adopted macroeconomic assumptions, as well as underlying financial projections;
- checking the arithmetic correctness of the discounted cash flow models and reconciling them with the budgets of the Group companies;
- assessing the adequacy of the disclosures in the annual consolidated financial statement with respect to significant accounting policies for goodwill.

Responsibility of the Parent Company's Management Board and Supervisory Board for the consolidated financial statement

The Management Board of the Parent Company is responsible for the preparation of the consolidated financial statement, which presents a fair and clear view of the property and financial position and the financial result of the Capital Group in accordance with the International Financial Reporting Standards approved by the European Union, the adopted accounting principles (policy) and the provisions of law and regulations of the Articles of Association applicable to the Capital Group, as well as for internal control, which the Management Board of the Parent Company considers necessary to enable the preparation of consolidated financial statement that are free from material misstatement due to fraud or error.

When preparing the consolidated financial statement, the Management Board of the Parent Company is responsible for assessing the Capital Group's ability to continue its activity, disclosing, if applicable, matters related to continuation and using the continuity of activities' principle as the accounting basis, except when the Management Board of the Parent Company either intends to liquidation of the Capital Group, or to discontinue operations, or there is no realistic alternative to liquidation or discontinuation of operations.

The Management Board of the Parent Company and members of the Supervisory Board of the Parent Company are obliged to ensure that the consolidated financial statement meets the requirements provided for in the Accounting Act of the 29th of September, 1994 ("Accounting Act" - i.e. Journal of Laws of 2023, item 120, with subsequent changes). Members of the Parent Company's Supervisory Board are responsible for supervising the Capital Group's financial reporting process.

Auditor's responsibility for auditing the financial statement

Our goals are to gain reasonable assurance whether the consolidated financial statement as the whole does not contain significant distortion caused by fraud or error and release test reports containing our opinion. Rational certainty is a high-level certainty, but it does not guarantee that the test carried out in accordance with the KSB will always detect existing significant distortion. Distortions can arise from fraud or error and are considered to be important if it can reasonably be expected that one or both of them could affect business decisions of users undertaken on the basis of this consolidated financial statement.

The scope of the audit does not include assurance as to the Capital Group's future profitability or efficiency or the effectiveness of conducting its affairs by the Management Board of the Parent Company currently or in the future.

We use professional judgment while maintaining a professional scepticism, and:

- we identify and assess the risks of material misstatement of the consolidated financial statement due to fraud or error; we design and carry out procedures research corresponding to these risks and we obtain audit evidence that is sufficient and appropriate to form the basis for our opinion. The risk of not finding a significant distortion resulting from the fraud is greater than that resulting from the error, because fraud may involve collusion, falsification, intentional omissions, misrepresentation or circumvention of internal control;
- we gain an understanding of the internal control appropriate for the study to be designed audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Capital Group's internal control;
- we assess the appropriateness of the accounting principles (policy) used and the reasonableness of the estimates accountants and related disclosures made by the Management Board of the Parent Company;

- we draw a conclusion on the appropriateness of the Parent Company Management Board's application the continuity of activities' principle as the accounting basis and, based on the obtained evidence of audit whether there is a significant uncertainty related to events or conditions that may be subject to significant doubt to the Capital Group's ability to continue its activities. If we come to the conclusion that there is a significant uncertainty, it is required to pay attention to us in our auditor's report on related disclosures in the consolidated financial statement or, if such disclosures are inadequate, we modify our opinion. Our conclusions are based on evidence of audit obtained up to the date of our preparation the auditor's reports, however future events or conditions may cause that the Capital Group will cease its operations;
- we assess the overall presentation, structure and content of the consolidated financial statement, including disclosure, and whether the consolidated financial statement presents, being their basis, transactions and events, in a manner that ensures a fair presentation;
- we obtain sufficient relevant audit evidence about financial information units or business activities within the Capital Group to express an opinion on the consolidated financial statement. We are responsible for management, supervision and conducting the Capital Group's audit and we remain solely responsible for our opinion from the audit.

We provide the Supervisory Board of the Parent Company with information about, among other things, planned scope and time of the audit and significant findings of the audit, including any significant weaknesses of internal control that we will identify during the audit.

We submit a declaration to the Supervisory Board of the Parent Company that we have observed applicable laws ethical requirements for independence and that we will inform them about all connections and other matters that could be reasonably considered to pose a threat to our independence, and where applicable, we inform about the applied securities.

From among the matters forwarded to the Supervisory Board of the Parent Company, we have established those matters which were the most significant during the audit of the consolidated financial statement as current reporting period and that is why we considered them key issues of the audit. We describe these matters in our auditor's report, unless laws or regulations prohibit us to disclose them publicly or when, in exceptional circumstances, we determine that the issue should not be presented in our report, because it would be reasonable to expect that the negative consequences would outweigh the benefits of such information to the public interest.

Other information, including an activity report

Other information includes a report on the Capital Group's activities for the financial year ended 31st of December, 2023 ("Activity Report") together with a statement on corporate governance and non-financial statement referred to in Art. 55 sec. 2b of the Act on Accounting, which are separate parts of this report, as well as Annual Report for the financial year ended 31st of December, 2023 ("Annual Report") (altogether "Other Information").

Responsibility of the Management Board and the Supervisory Board of the Parent Company

The Management Board of the Parent Company is responsible for preparing Other Information in accordance with the law.

The Management Board of the Parent Company and members of the Supervisory Board of the Parent Company are obliged to ensure that the Report on the Capital Group's activities along with the separated part meet requirements provided for in the Act on Accounting.

Responsibility of the auditor

Our opinion on the audit of the consolidated financial statement does not include Other Information. In connection with the audit of the consolidated financial statement, our duty is getting acquainted with Other Information, and by doing so, considering whether Other Information is not significant inconsistent with the consolidated financial statement or our knowledge gained during the audit, or otherwise appear to be significantly distorted. If based on the work done, we find out significant distortions in other information, we are obliged to inform you in our audit report. Our duty in accordance with the requirements of the Act on Statutory Auditors is also issuing an opinion or report whether the Capital Group's activities has been prepared in accordance with the regulations and whether it is consistent with the information contained in the consolidated financial statement. Also we are required to give an opinion on whether the Capital Group has included the required information in a statement on the application of corporate governance.

We obtained a report on the Capital Group's activities before the date of this audit report, and the Annual Report will be available after this date. In the case when we find a significant distortion in the Annual Report, we are obliged to inform the Supervisory Board of the Parent Company.

Opinion on the activity report

Based on the work carried out during the audit, in our opinion, the Report on the Capital Group's activities:

- has been drawn up in accordance with article 49 of the Act on Accounting and article 71 of the Regulation Minister of Finance of the 29th of March, 2018, regarding current and periodic information provided by issuers of securities and conditions for recognition as equivalent to information required by the laws of a non-state member ("Regulation on Current Information" - Journal of Laws of 2018, item 757 with subsequent changes);
- is consistent with the information contained in the consolidated financial statement.

In addition, in the light of knowledge about the Capital Group and its surroundings obtained during our audit, we declare that we have not identified material misstatements in the Capital Group's Report on the Capital Group's activities.

Opinion on the statement on the application of corporate governance

In our opinion, the Capital Group has all information in the statement on the application of corporate governance referred to in article 70, section 6, point 5 of the Regulation on Current Information. In addition, in our opinion, the information indicated in article 70, section 6, point 5, lit. c-f, h and lit. i of this Regulation included in the statement on the application of corporate governance are in accordance with applicable provisions and information contained in the consolidated financial statement.

Information on non-financial information

In accordance with the requirements of the Act on Statutory Auditors, we confirm that the Capital Group has prepared a statement on non-financial information referred to in Art. 55 sec. 2b of the Accounting Act as a separate part of the Report on activities.

We have not performed any assurance work on the non-financial statement and we do not express any assurance regarding it.

Report on other legal and regulatory requirements

Opinion on the compliance of the consolidated financial statement prepared in the uniform electronic reporting format with the requirements of the regulation on technical standards regarding the specification of the uniform electronic reporting format

In connection with the audit of the consolidated financial statement, we were engaged to perform a reasonable assurance service to express an opinion on whether the Capital Group's consolidated financial statement for the year ended the 31st of December, 2023, prepared in a uniform electronic reporting format included in the file named 2594001MNJ3BH1UVVG70-2023-12-31-pl.zip ("consolidated financial statement in ESEF format") has been labelled in accordance with the requirements set out in Commission Delegated Regulation (EU) 2019/815 of the 17th of December, 2018, supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory standards technical specifications on the specifications of the single electronic reporting format and other regulation of the Commission (EU) with regard to updating the taxonomy to be used for the purpose of the single electronic reporting format (Official Journal of EU L 143 of the 29th of May, 2019, page 1, with subsequent changes) ("ESEF Regulation").

Identification of criteria and description of the subject of the service

The consolidated financial statement in the ESEF format has been prepared by the Management Board of the Parent Company in order to meet the labelling requirements and technical requirements for the specification of a uniform electronic reporting format, which are set out in the ESEF Regulation.

The subject of our assurance service is the compliance of the consolidated financial statement in the ESEF format with the requirements of the ESEF Regulation, and, in our opinion, the requirements set out in these regulations constitute appropriate criteria for our opinion.

Responsibility of the Management Board and the Supervisory Board of the Parent Company

The Management Board of the Parent Company is responsible for the preparation of consolidated financial statement in the ESEF format in accordance with the labelling requirements and technical requirements regarding the specification of a uniform electronic reporting format, which are set out in the ESEF Regulation. This responsibility includes the selection and use of appropriate XBRL tags, using the taxonomy set out in these regulations.

The responsibility of the Management Board of the Parent Company also includes the design, implementation and maintenance of the internal control system ensuring the preparation of consolidated financial statement in the ESEF format, free of material non-compliance with the requirements of the ESEF Regulation.

Members of the Supervisory Board of the Parent Company are responsible for overseeing the financial reporting process, which also includes the preparation of financial statement in accordance with the format resulting from applicable law.

Auditor's responsibility

Our goal was to express an opinion, based on the assurance service performed, providing reasonable assurance whether the consolidated financial statement in the ESEF format have been marked up in accordance with the requirements of the ESEF

Regulation. We performed the service in accordance with the National Standard of Assurance Services Other than Audit and Review 3001PL - "Audit of Financial Statements Prepared in a Uniform Electronic Reporting Format" adopted by the resolution of the National Council of Statutory Auditors No. 1975/32a/2021 of the 17th of December, 2021 ("KSUA 3001PL") and, where applicable, in accordance with the National Standard on Assurance Engagements Other than Audit and Review 3000 (Z) as amended by the International Standard on Assurance Engagements 3000 (Revised) - "Assurance Engagements Other than Audit or Review of Historical Financial Information" adopted by resolution National Council of Statutory Auditors No. 3436/52e/2019 of the 8th of April, 2019, with subsequent changes ("KSUA 3000 (Z)").

This standard requires the auditor to plan and perform procedures in such a way as to obtain reasonable assurance that the consolidated financial statement in ESEF format have been prepared in accordance with specified criteria.

Reasonable assurance is a high level of assurance, but it does not guarantee that an engagement conducted in accordance with KSUA 3001PL and, where applicable, in accordance with KSUA 3000(Z) will always detect a material misstatement that exists.

The procedures selected depend on the auditor's judgment, including the auditor's assessment of the risks of material misstatement due to fraud or error. In assessing these risks, the auditor considers internal control related to the preparation of ESEF consolidated financial statement in order to design appropriate procedures to provide the auditor with sufficient and appropriate evidence in the circumstances. The assessment of the functioning of the internal control system was not carried out in order to express an opinion on the effectiveness of its operation.

Summary of the work done

The procedures planned and carried out by us included, among others:

- obtaining an understanding of the process of preparing consolidated financial statement in the ESEF format, including the process of selecting and applying the XBRL markers by the Company and ensuring compliance with the ESEF Regulation, including understanding of the internal control mechanisms related to this process;
- obtaining sufficient and appropriate evidence related to the operational effectiveness of controls, related to XBRL tagging, when (if, where) as part of the risk assessment process we considered that procedures other than testing of controls would not provide sufficient test evidence;
- reconciliation on a sample of the tagged information contained in the consolidated financial statement in ESEF format to the audited consolidated financial statements;
- using a specialised IT tool, an assessment of compliance with the technical standards for the single electronic reporting format specification, an assessment of the completeness of the tagging of information in the consolidated financial statement in ESEF format with XBRL tags;

- assessment of whether the applied XBRL tags from the taxonomy specified in the ESEF Regulation have been properly applied and that the taxonomy extensions have been used in situations where no relevant elements have been identified in the basic taxonomy specified in the ESEF Regulation;
- assessment of the correctness of anchoring the applied taxonomy extensions in the basic taxonomy specified in the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the compliance of the labelling with the requirements of the ESEF Regulation.

Ethical requirements, including independence

In performing the service, the statutory auditor and the audit firm complied with the independence and other ethical requirements set out in the IFAC Code. The IFAC Code is based on the fundamental principles of integrity, objectivity, professional competence and due diligence, confidentiality and professional conduct. We have also complied with other independence and ethical requirements that apply to this assurance engagement in Poland.

Quality control requirements

The audit firm applies the National Quality Control Standards introduced by Resolution of the Board of the Polish Audit Oversight Agency No. 38/I/2022 of the 15th of November, 2022. National Quality Control Standard 1 in the wording of International Quality Management Standard (PL) 1 requires the audit firm to design, implement and apply a quality management system, including policies or procedures with regard to compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion on compliance with the requirements of the ESEF Regulation

The auditor's opinion is based on the matters described above and the opinion should therefore be read with these considerations in mind.

In our opinion, the consolidated financial statement in the ESEF format have been marked, in all material respects, in accordance with the requirements of the ESEF Regulation.

Non-audit services statement

To the best of our knowledge and belief, we declare that during the period under review and up to the date of issuance of this audit report, we have not provided the Parent Company and its Controlled Entities with any services other than reviews of the interim separate financial statement, review of the interim consolidated financial statement, audit of the separate financial statement, audit of the consolidated financial statements, assurance services to verify the compliance of the consolidated financial statement prepared in the uniform electronic reporting format with the requirements of the regulation on technical standards for the specification of the uniform electronic reporting format, and assurance services to evaluate the remuneration report.

In addition, to the best of our knowledge and belief, we declare that the non-audit services listed above that we have provided to the Parent Company and the Entities controlled by it comply with the laws and regulations applicable in Poland and that we have not provided non-audit services that are prohibited under article 5, section 1 of the EU Regulation and article 136 of the Act on Statutory Auditors.

Choosing an auditing company

We have been selected to audit the consolidated financial statement of the Capital Group with a resolution of the Parent Company's Supervisory Board of the 16th of May, 2022 (the resolution was updated on the 28th of June, 2023. We are examining the consolidated financial statement of the Capital Group for the second time.

The key statutory auditor responsible for the audit, which resulted in this report of the independent statutory auditor is Dominik Biel

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Registration number 13567

acting on behalf of UHY ECA Audyt Spółka z ograniczoną odpowiedzialnością with its registered office in Warsaw, entered on the list of audit firms under number 3886, on behalf of which the key statutory auditor examined the consolidated financial statement.

Warsaw, 26th of April, 202