


asreco

The Asseco Group's results

for 2022

April 18, 2023

The bottom of the slide features a decorative graphic consisting of several overlapping geometric shapes in various shades of blue, including light blue, medium blue, and dark blue, creating a modern, abstract design.

Very good results of the Asseco Group

- Asseco's **record-breaking** results thanks to **strong** geographic, sector and product **diversification**:
 - revenues up by **20%** to **PLN 17.4 billion**
 - non-IFRS operating profit up by **14%** to **PLN 2.0 billion**
 - non-IFRS net profit up by **6%** to **PLN 547 million**
 - net profit up by **8%** to **PLN 503 million**
- Consistent implementation of the strategy – providing **proprietary software and services** for key **sectors** of the economy
- High **M&A** activity – **16 new companies** in the Group
- Business **stability** – a **recurring** revenue stream
- Nearly **33 000** employees in the Group

Dividend and development prospects for 2023



Dividend

Asseco has paid out nearly PLN 3 billion in dividends so far

Recommendation of dividend payment for 2022 in the amount of
PLN 291 million,
PLN 3.50 per share

The Asseco Group's development prospects

Consistent implementation of our strategy based on proprietary software and growth through M&A

- Foundation of our business – proprietary software and related services
- People are the most valuable asset – committed and motivated team of top professionals
- Leading position in our strategic sectors – banking, insurance, healthcare, energy, telecommunications, public administration
- Development of product sectors – ERP systems, payments, trust services
- Further investment and development of new competence areas – cloud services, cyber security
- Growth through M&A – proprietary software companies, complementing the Group's existing offerings

Summary of the Group's activities



Selected consolidated financial data for 2022

PLN 17 370 m

Sales revenues

+20%

PLN 13 414 m

Proprietary software and services

+19%

PLN 2 617 m

Non-IFRS EBITDA

+14%

PLN 2 028 m

Non-IFRS EBIT

+14%

PLN 547 m

Non-IFRS net profit

+6%

Asseco Group in 2022

Asseco Poland Segment

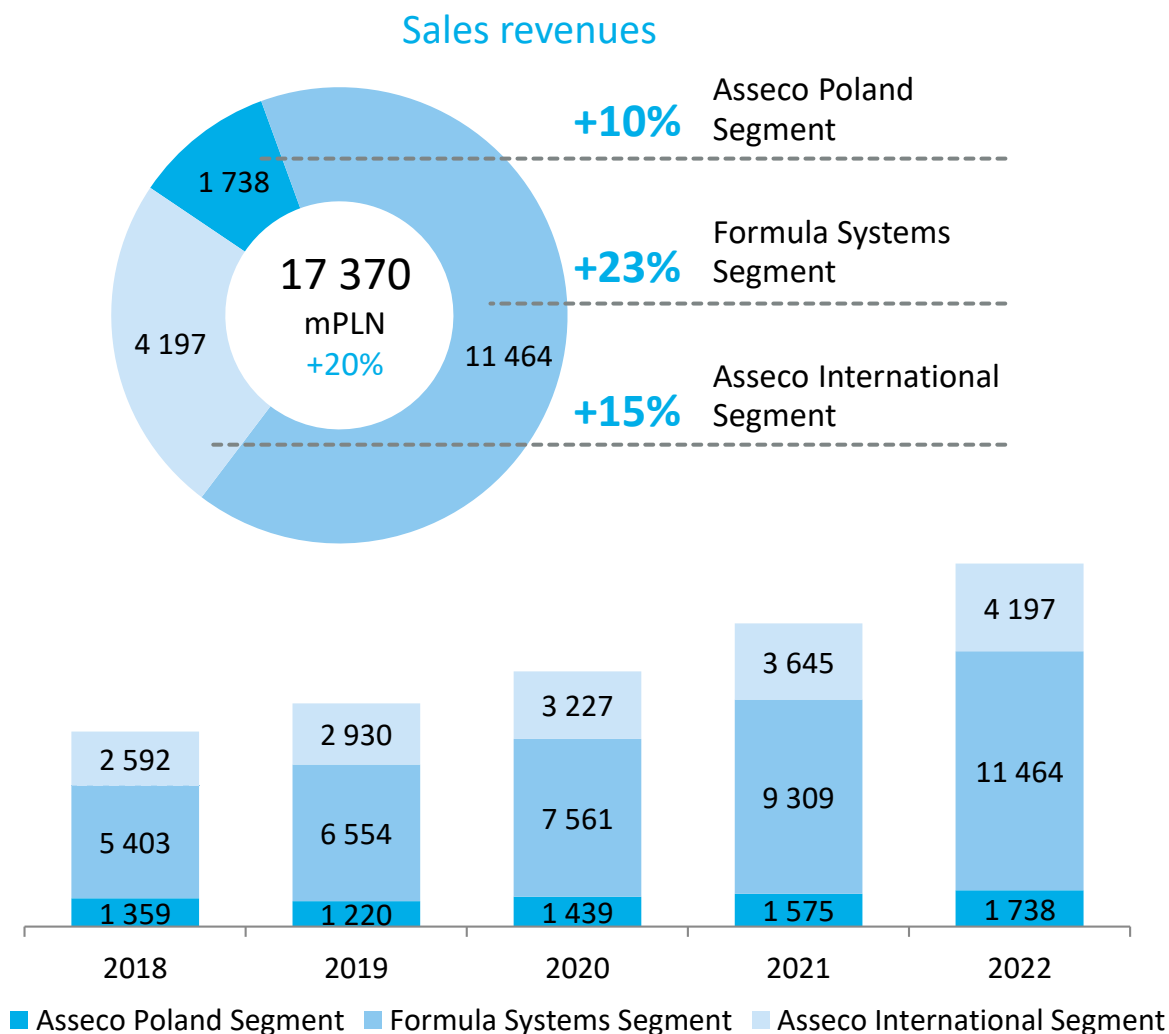
- A very good year in the central government, health care, and banking and finance sectors
- Increasing sales results of Asseco Cloud
- ComCERT's revenues nearly double

Formula Systems Segment

- Intensive development in the Israeli, American and European markets
- Dynamic organic growth supported by acquisitions – double-digit revenue growth recorded by all companies

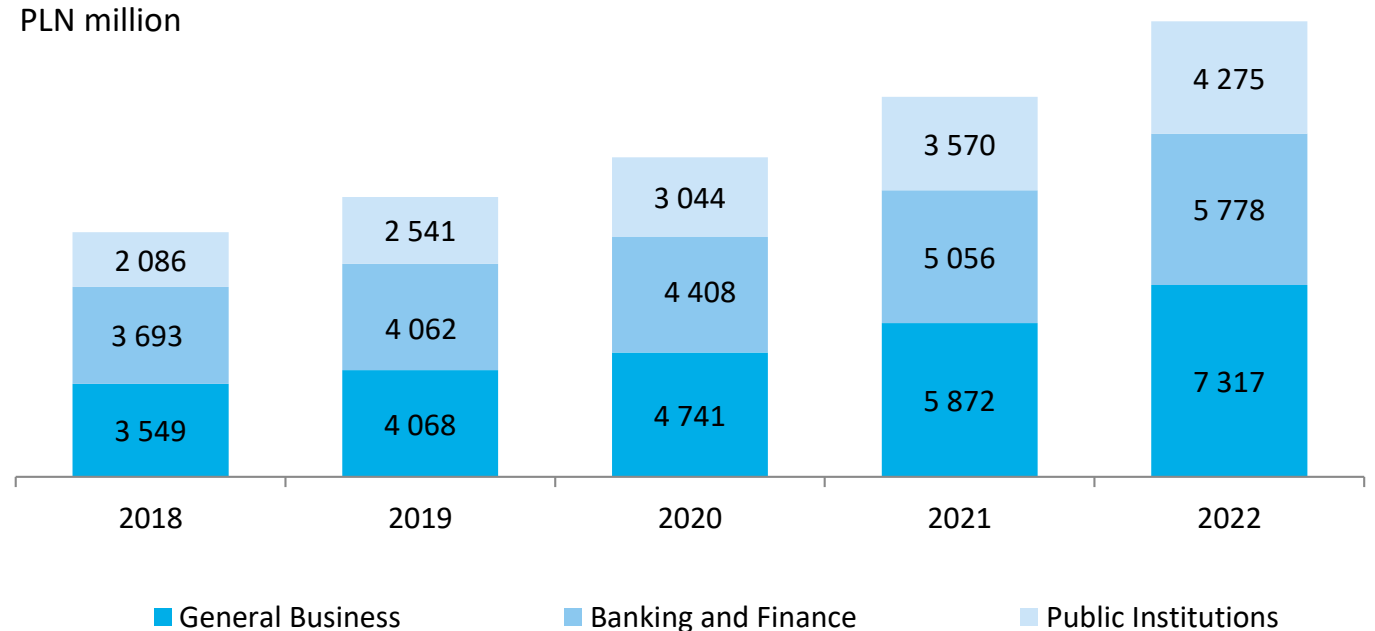
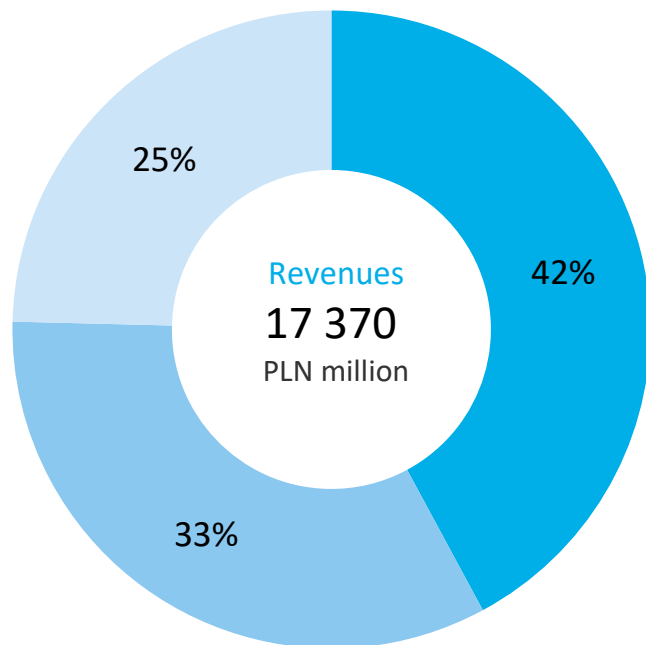
Asseco International Segment

- Increasing sales of proprietary ERP and SFA solutions in the AES Group, accounting for 91% of total revenues
- ASEE – historically best financial results, increased demand for products and services in all operating segments: payments, banking and dedicated solutions



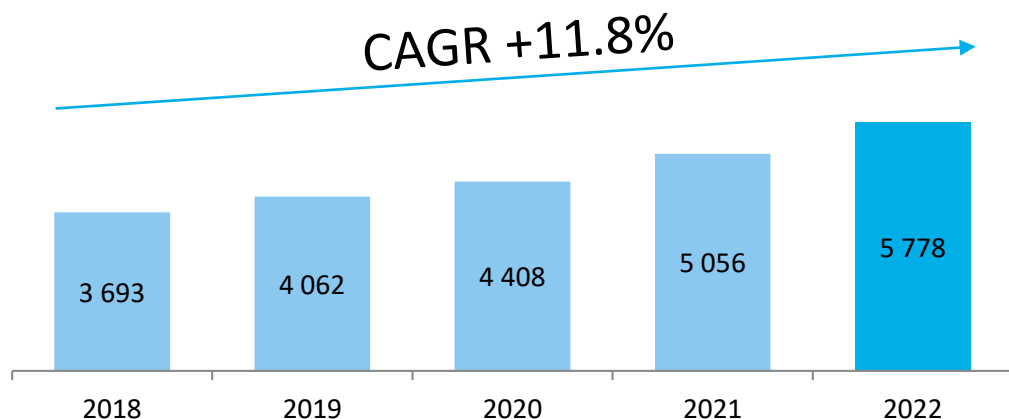
In addition: consolidation adjustment due to sales between markets: PLN -28.7 million.

Strong sectoral diversification of Asseco's revenues



Banking and Finance Sector

Revenues (PLN million)

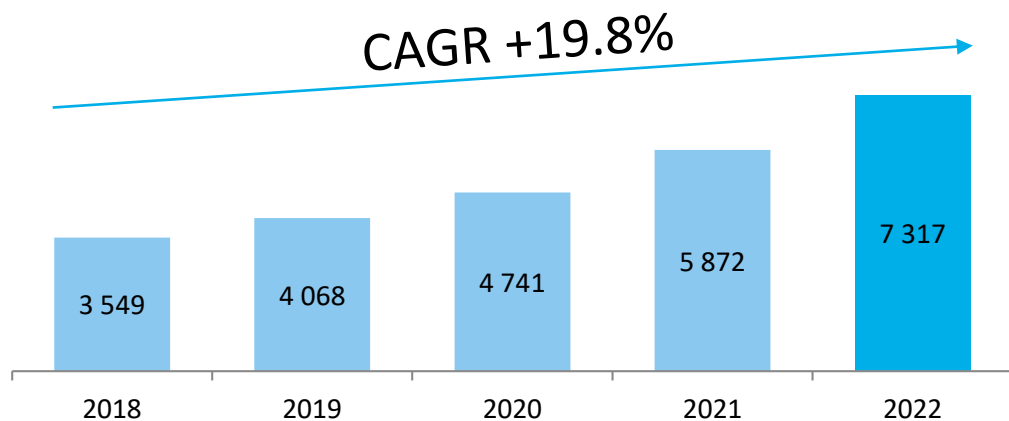


	2022	2021	Change
Formula Systems Segment	3 792.0	3 435.5	+10%
Asseco International Segment	1 494.3	1 199.5	+25%
Asseco Poland Segment	500.5	434.3	+15%
Asseco Group	5 778.1	5 056.3	+14%

- **Formula Systems:** Sapiens – focus on the broadest possible support provided to more than 600 customers (leveraging the potential of cross-selling and up-selling, activities related to migration of systems from on-premise to the cloud, acquisition of 20-30 new contractors per year), record-breaking revenues achieved by Magic Software
- **Asseco International:** ASEE – increase in Payten sales in all business lines (ATMs, POS terminals, e-commerce), significant increase in revenues in Asseco PST
- **Asseco Poland:** parallel execution of three projects related to transformation and implementation of central transaction systems, expanding cooperation with cooperative banks of both Polish associations (SGB-Bank and BPS Group), a recurring revenue stream from servicing contracts

General Business Sector

Revenues (PLN million)

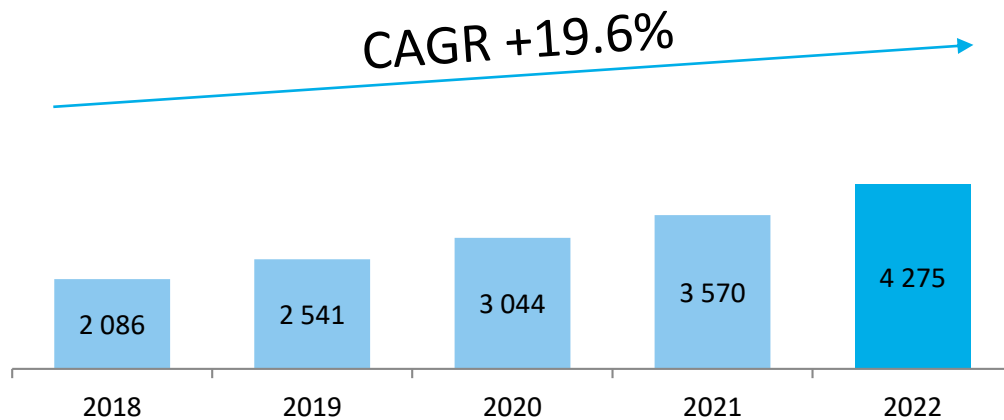


	2022	2021	Change
Formula Systems Segment	4 984.5	3 801.3	+31%
Asseco International Segment	1 982.1	1 708.3	+16%
Asseco Poland Segment	370.5	381.6	-3%
Asseco Group	7 317.4	5 871.8	+25%

- **Formula Systems:** revenue growth of more than 30% achieved by Matrix IT, Magic Software and Insync Staffing. Impact of ZAP Group (Q2-Q4 2021 consolidation)
- **Asseco International:** significant contribution from ASEE, AES Group revenues growing at double-digit rate (highest growth rate in German Asseco Solutions), increased sales in Asseco Spain
- **Asseco Poland:** effect of high base in telecom sector (one-time sale of third-party licenses), contribution from Asseco Cloud

Public Institutions Sector

Revenues (PLN million)



	2022	2021	Change
Formula Systems Segment	2 687.5	2 072.1	+30%
AssecO International Segment	720.4	737.3	-2%
AssecO Poland Segment	867.0	759.3	+14%
AssecO Group	4 274.6	3 570.0	+20%

- **Formula Systems:** Matrix IT – implementation of government and defense-related projects in Israel, good sales results at Magic Software
- **AssecO Poland:** accelerated digitization of government and healthcare units, higher sales of cyber security services

The Group's development – acquisitions

In 2022, the Asseco Group was joined by

16

companies

The Group's development – acquisitions

Acquisitions in the Israeli market:



/Magic Software/

Appush (foremly Vidstart) owns a real-time ad management platform.



/Matrix IT/

RDT Equipment and Systems (1993) is a high-tech industry leader in Israel, offering a wide range of test and measurement solutions and equipment.



/Matrix IT/

Asio Vision is a leading provider of vision systems for the industrial, military, medical and R&D sectors.



/Formula Systems/

Shamrad Electronics (1977) is an Israeli supplier of advanced security and control systems.



/Sapiens International/

Engage.com provides – using artificial intelligence (AI) and based on the code-free concept – solutions for end-to-end customer service.



/ZAP Group/

Marcomit is engaged in comprehensive marketing communication.



/Michpal Micro Computers/

Formally Smart Form System is a developer of a platform that allows business process management, including full support of electronic documents.



/ZAP Group/

Safra Digital Marketing implements marketing activities in digital channels.

The Group's development – acquisitions

Acquisitions in the European market:



Intrabases provides data management solutions with related consulting services.

/Magic Software/



CPI Consultoría de Proyectos Informáticos is a provider of accounting systems for entities in the financial sector.

/Asseco PST/



Bithat Solutions is a company specializing in solutions for storing, archiving and managing data and documents.

/ASEE/



HELIUS SYSTEMS
Software Developing and Services

/ASEE/



/Asseco Solutions
Czech Republic/

ANeT-Advanced Network Technology is a manufacturer of software for scheduling, recording and monitoring working time, as well as access control systems.

Acquisitions in the US market:



The Goodkind Group is a consulting firm providing customized staffing solutions.

/Magic Software/



Bear Staffing provides specialized services in the recruitment of employees in the manufacturing, distribution and Call Center sectors.

/InSync Staffing/

Acquisitions in the Polish market:

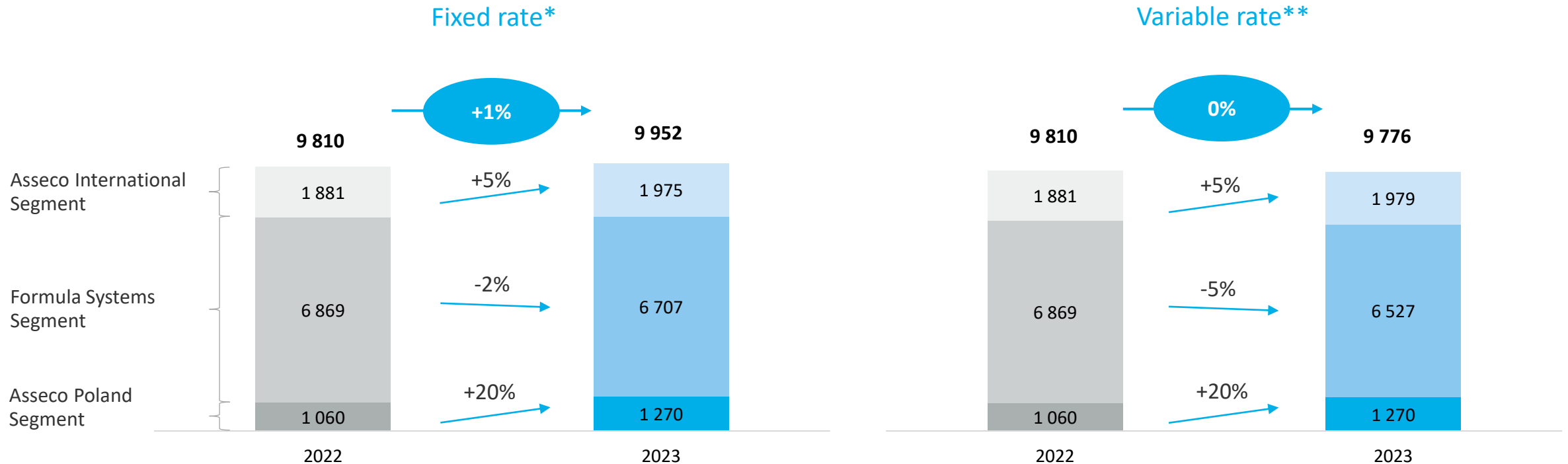


Pirios is the Polish market leader in Contact Center solutions designed to automate retail customer service.

/ADS/

The Asseco Group's order backlog

Proprietary software and services



Figures in million PLN.

The value of order backlog for 2023 as at March 15, 2023; the value of order backlog for 2022 as at March 21, 2022.

* Translating the 2023 backlog at the FX rates used for the 2022 backlog.

** Translating the 2023 backlog at the FX rates as at March 15, 2023.

Financial information



Revenues and operating profit

	2022	2021	Δ	Q4 2022	Q4 2021	Δ
Revenues	17 370.1	14 498.1	+20%	4 561.2	4 205.0	+8%
Proprietary software and services	13 414.3	11 309.0	+19%	3 500.0	3 206.1	+9%
Non-IFRS EBITDA*	2 617.0	2 303.8	+14%	703.7	666.1	+6%
<i>Profitability</i>	15.1%	15.9%	-0.8 p.p.	15.4%	15.8%	-0.4 p.p.
Non-IFRS operating profit*	2 028.0	1 782.5	+14%	552.3	499.5	+11%
<i>Profitability</i>	11.7%	12.3%	-0.6 p.p.	12.1%	11.9%	+0.2 p.p.
PPA and SBP	-368.1	-327.6	+12%	-97.2	-89.2	+9%
M&A and one-offs	155.3	-	-	8.1	-	-
Operating profit	1 815.2	1 454.9	+25%	463.2	410.3	+13%
<i>Profitability</i>	10.5%	10.0%	+0.5 p.p.	10.2%	9.8%	+0.4 p.p.

Figures in million PLN.

* Non-IFRS figures including adjustments for: the cost of amortization of intangible assets recognized in purchase price allocation (PPA), the costs of share-based payment transactions with employees (SBP), the revenues and costs resulting from the transactions of purchase and sales of companies (M&A) and one-offs.

Reconciliation of operating profit and net profit

	2022	2021	Δ	Q4 2022	Q4 2021	Δ
Non-IFRS operating profit*	2 028.0	1 782.5	+14%	552.3	499.5	+11%
Operating profit	1 815.2	1 454.9	+25%	463.2	410.3	+13%
Interest result	-91.3	-86.2		-28.9	-23.9	
Foreign currency transactions	16.9	8.2		-9.9	4.2	
M&A transactions	5.2	-10.2		-8.5	-22.6	
Dividends paid to non-controlling shareholders	-26.3	-16.7		-1.8	-1.1	
Hyperinflation (concerning P&L)	-7.7	-		-2.0	-	
Hyperinflation (concerning non-monetary items)	30.2	-		1.3	-	
Other	-6.3	-4.6		-0.7	0.9	
Gross profit	1 743.6	1 345.3	+30%	414.7	367.7	+13%
Tax	-384.8	-292.2	+32%	-102.7	-79.5	+29%
<i>Effective tax rate</i>	22.1%	21.7%	+0.4 p.p.	24.8%	21.6%	+3.2 p.p.
Share of profit/loss of associates	-0.1	-8.9	-	-11.7	-9.3	-
Non-IFRS net profit	1 506.4	1 327.9	+13%	383.5	376.3	+2%
Net profit	1 358.7	1 044.2	+30%	300.3	278.9	+8%
Non-IFRS net profit attributable to shareholders of the parent company*	547.3	516.3	+6%	138.3	130.1	+6%
PPA and SBP	-63.2	-54.9	-	-15.8	-14.4	-
M&A and one-offs	18.5	6.2	+199%	3.9	-10.2	-
Net profit attributable to shareholders of the parent company	502.7	467.6	+8%	126.4	105.6	+20%

Figures in million PLN.

* Non-IFRS figures including adjustments for: the cost of amortization of intangible assets recognized in purchase price allocation (PPA), the costs of share-based payment transactions with employees (SBP), the revenues and costs resulting from the transactions of purchase and sales of companies (M&A) and one-offs (and related tax effects).

Financial results of regions and subsidiaries

	Revenues		Non-IFRS operating profit*		Non-IFRS net profit contribution to Asseco Poland*	
	2022	2021	2022	2021	2022	2021
Asseco Poland Segment	1 738.0	1 575.2	292.7	278.4	231.7	211.8
Asseco Poland (excluding dividends)	1 202.8	1 099.0	198.7	196.0	165.9	150.0
Asseco Data Systems	342.5	320.2	54.8	58.9	49.8	45.3
Other companies and consolidation adjustments	192.7	156.0	39.2	23.5	16.0	16.5
Formula Systems Segment	11 464.0	9 308.9	1 271.4	1 055.4	103.4	86.6
Matrix IT	6 190.0	5 233.1	492.9	425.2	36.8	32.5
Magic Software	2 532.4	1 861.6	331.2	250.0	26.8	19.2
Sapiens International	2 121.1	1 786.8	384.1	315.9	33.2	26.9
Holding and other companies, consolidation adjustments	620.6	427.3	63.2	64.3	6.6	8.0
Asseco International Segment	4 196.8	3 645.1	465.4	448.8	213.1	217.6
Central European market	1 580.7	1 547.5	204.6	224.7	107.8	127.1
South Eastern European market	1 566.4	1 148.3	229.6	185.4	89.1	78.9
Western European market	1 039.8	942.1	53.6	55.6	37.5	29.3
Holding and other companies, consolidation adjustments	10.0	7.2	-22.4	-16.9	-21.3	-17.8
consolidation adjustment	-28.7	-31.1	-1.5	-0.1	-0,9	0.4
Asseco Group	17 370.1	14 498.1	2 028.0	1 782.5	547.3	516.3

Figures in million PLN.

* Non-IFRS figures including adjustments for: the cost of amortization of intangible assets recognized in purchase price allocation (PPA), the costs of share-based payment transactions with employees (SBP), the revenues and costs resulting from the transactions of purchase and sales of companies (M&A) and one-offs (and related tax effects).

Cash generated (2022)

	Asseco Group	Formula Systems Segment	Asseco International Segment	Asseco Poland Segment
<i>CFO</i>	2 250.3	1 422.4	517.2	312.7
<i>CAPEX* + leasing**</i>	-715.3	-397.6	-214.9	-104.7
Free cash flow***	1 535.0	1 024.8	302.3	208.0
Cash conversion ratio****	76%	81%	65%	71%

Figures in PLN million; the Group figures include consolidation adjustments.

* Less financing.

** Repayment of lease liabilities.

*** CFO + CAPEX + leasing.

**** Free cash flow / EBIT non-IFRS.

Stable liquidity situation

As at December 31, 2022

	Asseco Group	Formula Systems Segment	Asseco International Segment	Asseco Poland Segment	Eliminations
Cash	3 636.0	2 396.2	833.9	405.9	-
Interest-bearing liabilities (ST)	(1 410.3)	(1 196.6)	(199.3)	(15.9)	1.5
<i>Credit and loan liabilities (ST)</i>	(1 145.9)	(997.7)	(146.4)	(1.8)	-
<i>Leasing (ST)</i>	(264.4)	(198.9)	(52.9)	(14.1)	1.5
Net cash	2 225.7	1 199.6	634.6	390.0	1.5
Inventories + ST receivables - ST liabilities*	849.4	449.2	135.6	265.5	(0.9)
Net operating assets (ST)	3 075.1	1 648.8	770.2	655.5	0.6

Figures in million PLN.

* Inventories + short-term receivables + short-term prepayments – short-term liabilities excluding bank loans and finance lease liabilities.

Attachments



Development of Asseco's competence areas

Revenues in 2022

Strong position in the area of:

Banking and Finance

PLN 5.8 billion

Development in new areas:

Cloud solutions

PLN 1 388 million

Cyber Security

PLN 301 million

Robotics

PLN 67 million

INTERNATIONAL COMPETENCE CENTERS

ERP

PLN 839 million

Asseco Enterprise
Solutions

Payments

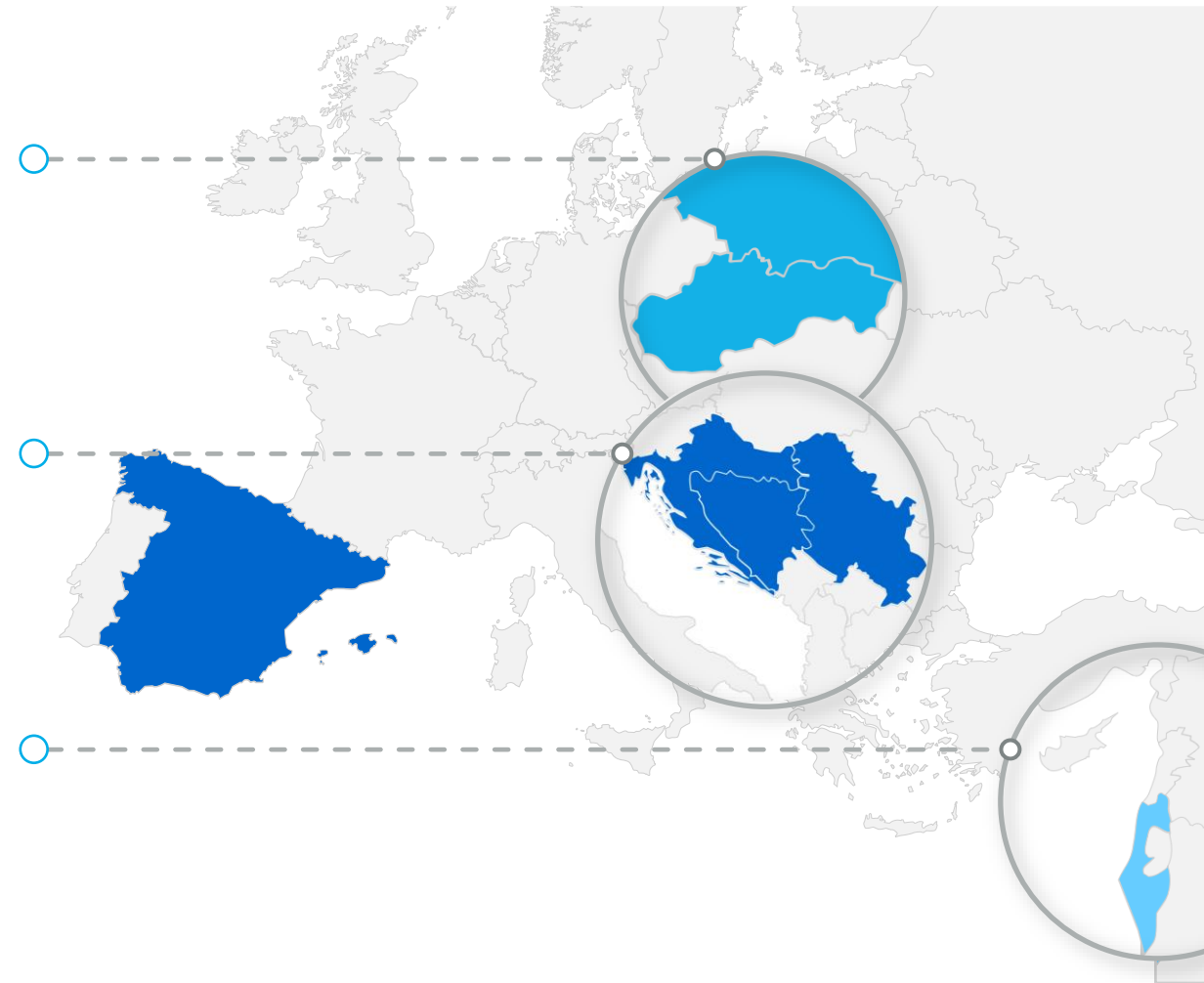
PLN 761 million

Payten

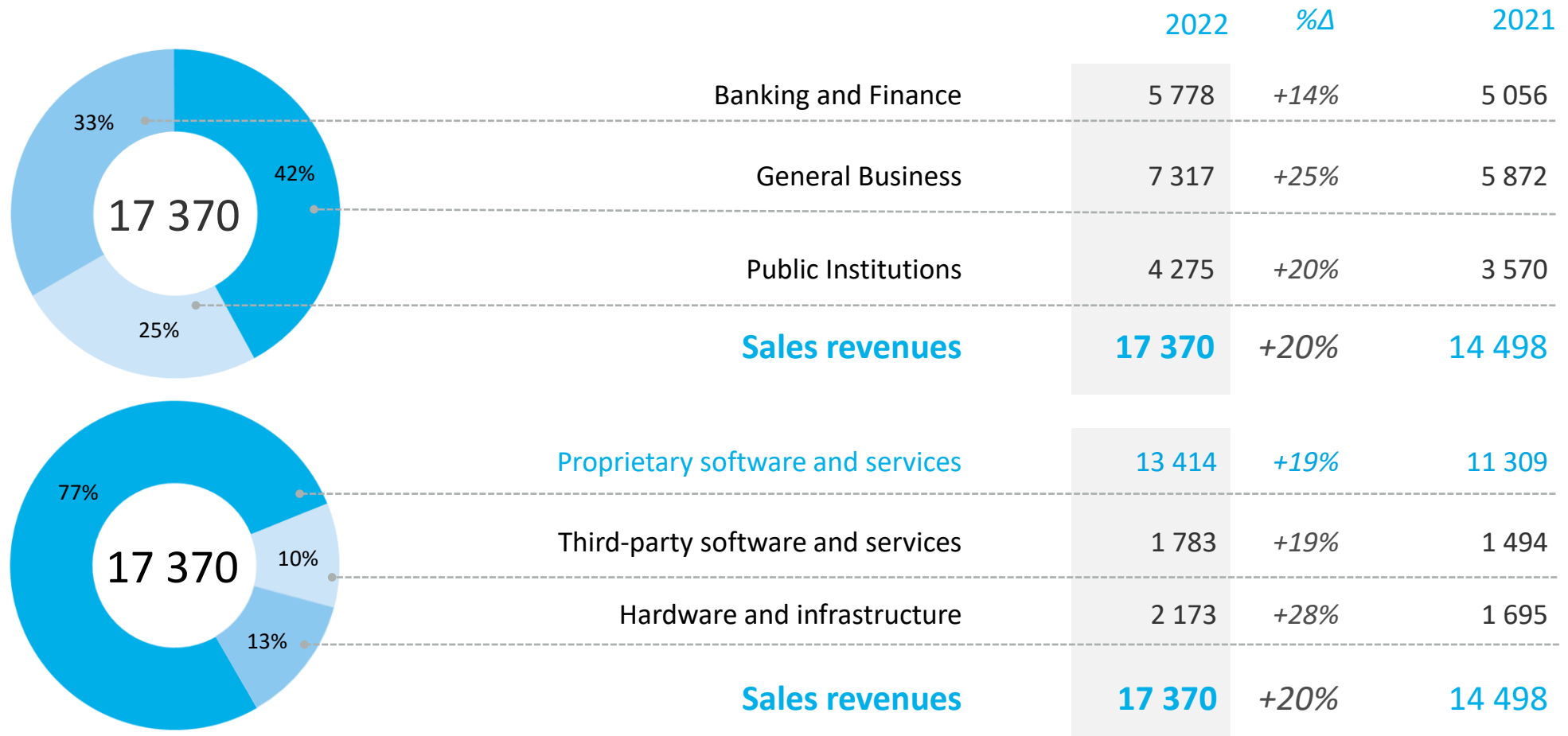
Insurance

PLN 2 121 million

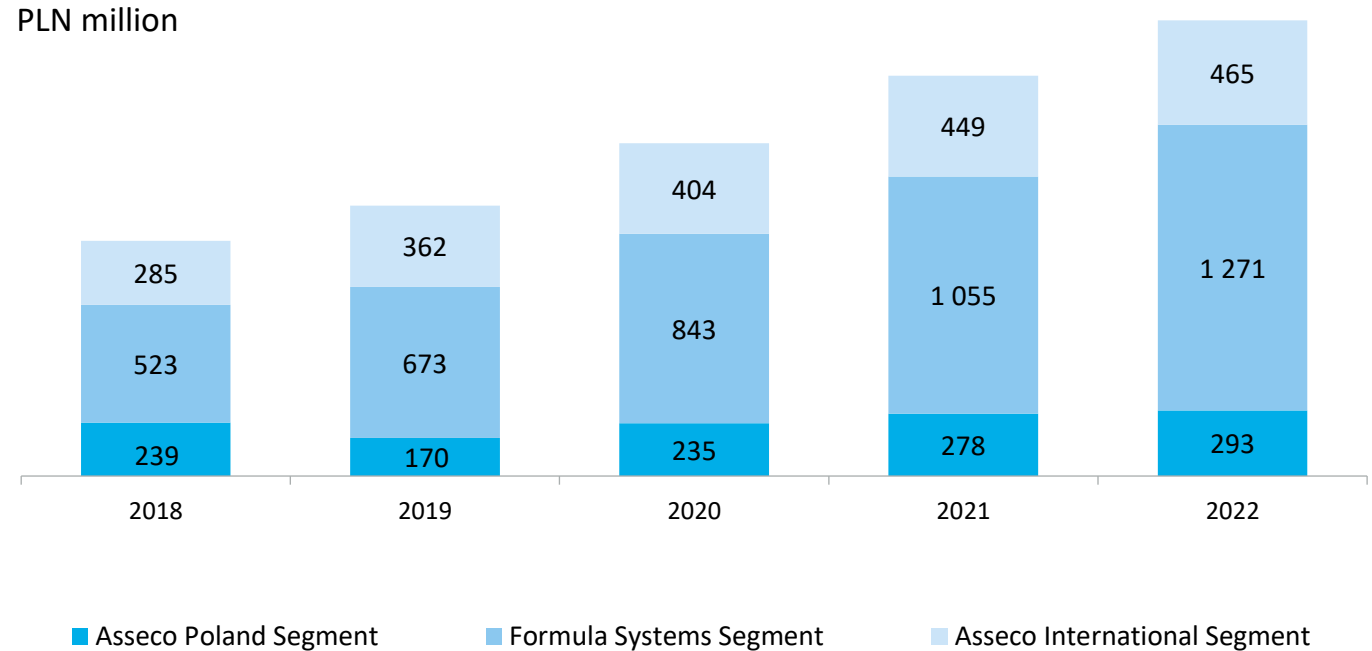
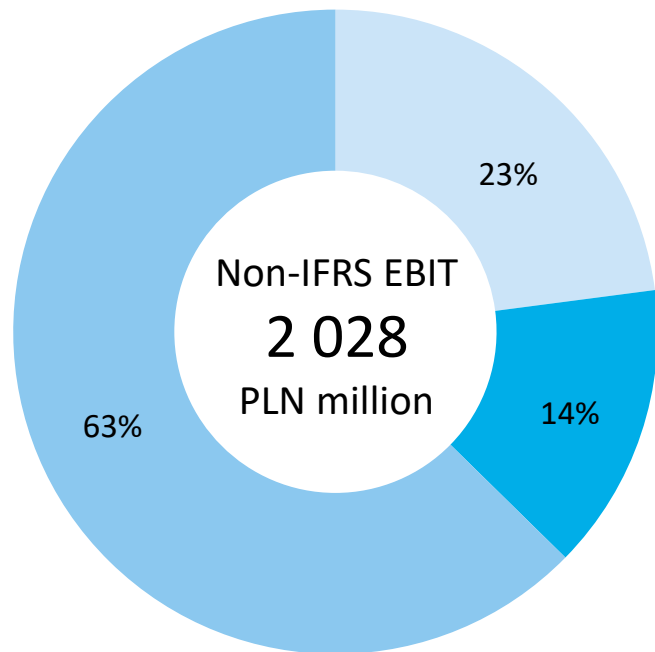
Sapiens International



Sales revenues by sectors and products

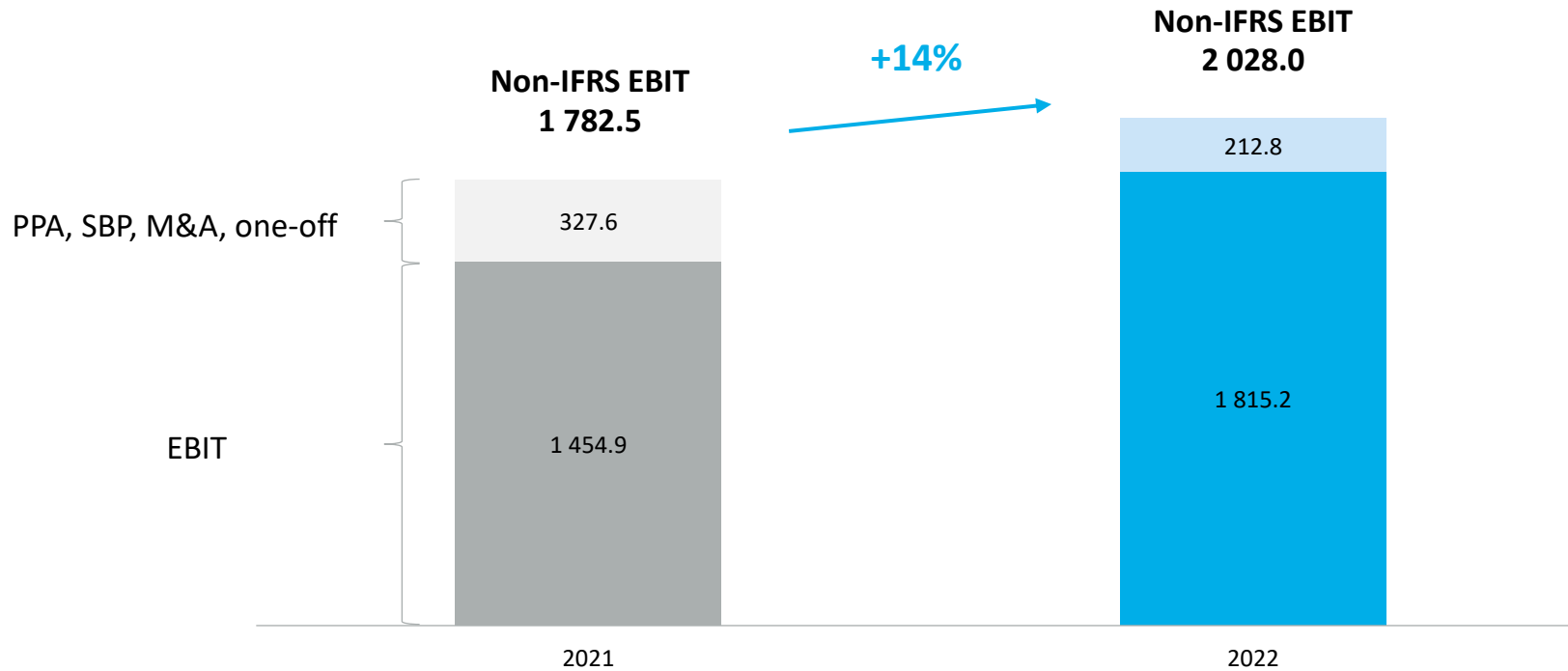


Non-IFRS operating profit



Non-IFRS operating profit

PLN million



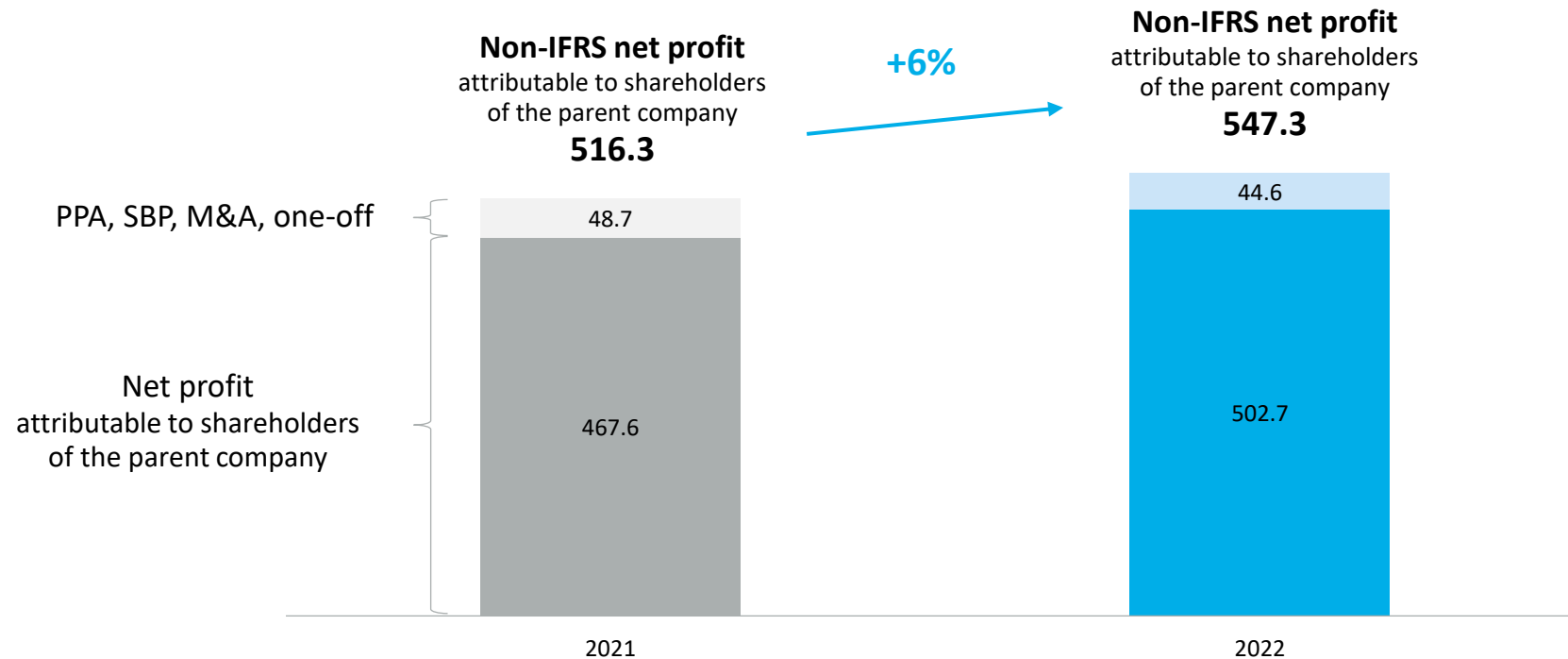
PPA: cost of amortization of intangible assets recognized in purchase price allocation.

SBP: costs of share-based payment transactions with employees.

M&A and one-offs: financial costs/revenues related to company acquisitions/sales transactions and one-offs.

Non-IFRS net profit for the Group

PLN million

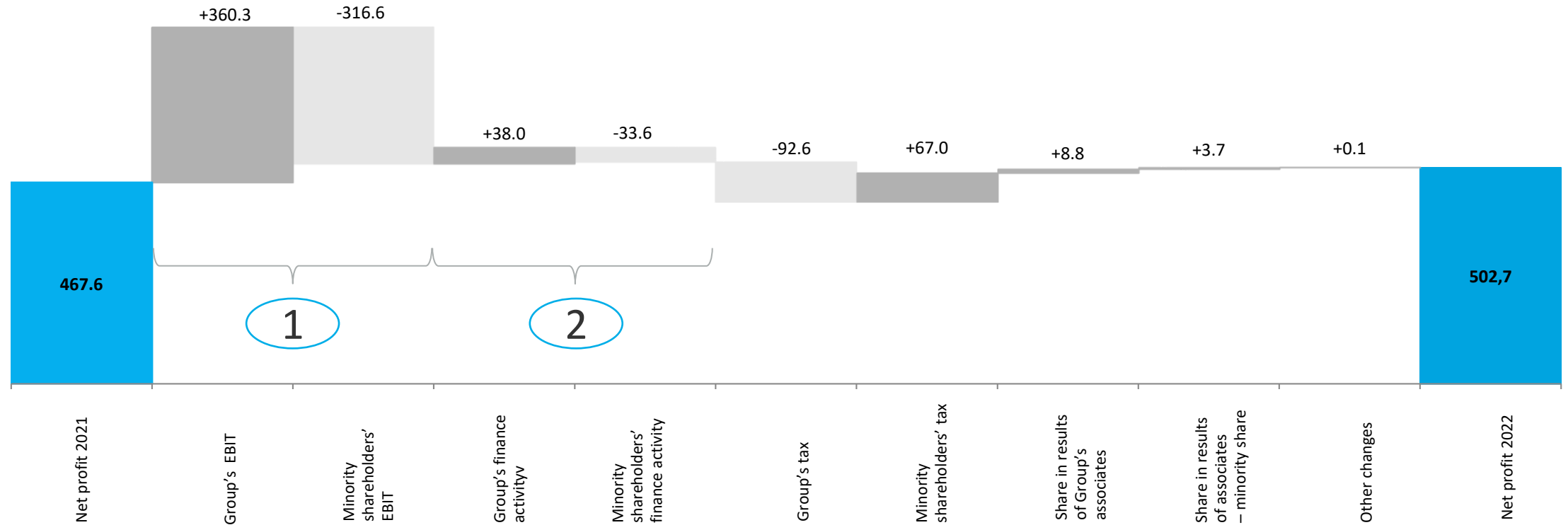


PPA: cost of amortization of intangible assets recognized in purchase price allocation.

SBP: costs of share-based payment transactions with employees.

M&A and one-offs: financial costs/revenues related to company acquisitions/sales transactions and one-offs.

The Asseco Group: explanation of change in net profit



	EBIT change	Change for minority shareholders	Change for Asseco shareholders		Finance activity change	Change for minority shareholders	Change for Asseco shareholders		
1	Asseco Poland Segment	+12.0	+0.8	+11.2	2	Asseco Poland Segment	+8.8	+1.9	+7.0
	Other markets	+348.3	+315.9	+32.4		Other markets	+29.2	+31.7	-2.5
	Asseco Group	+360.3	+316.6	+43.7		Asseco Group	+38.0	+33.6	+4.4

Revenues by regions and sectors in 2022

	General Business	Banking and Finance	Public Institutions	Total**
Asseco Poland Segment	370.5	500.5	867.0	1 738.0
Formula Systems Segment	4 984.5	3 792.0	2 687.5	11 464.0
Asseco International Segment	1 982.1	1 494.3	720.4	4 196.8
Central European market	1 001.3	133.8	445.6	1 580.7
South Eastern European market	368.3	1 095.9	102.2	1 566.4
Western European market	609.8	260.8	169.2	1 039.8
Asseco Group*	7 317.4	5 778.1	4 274.6	17 370.1

Figures in million PLN.

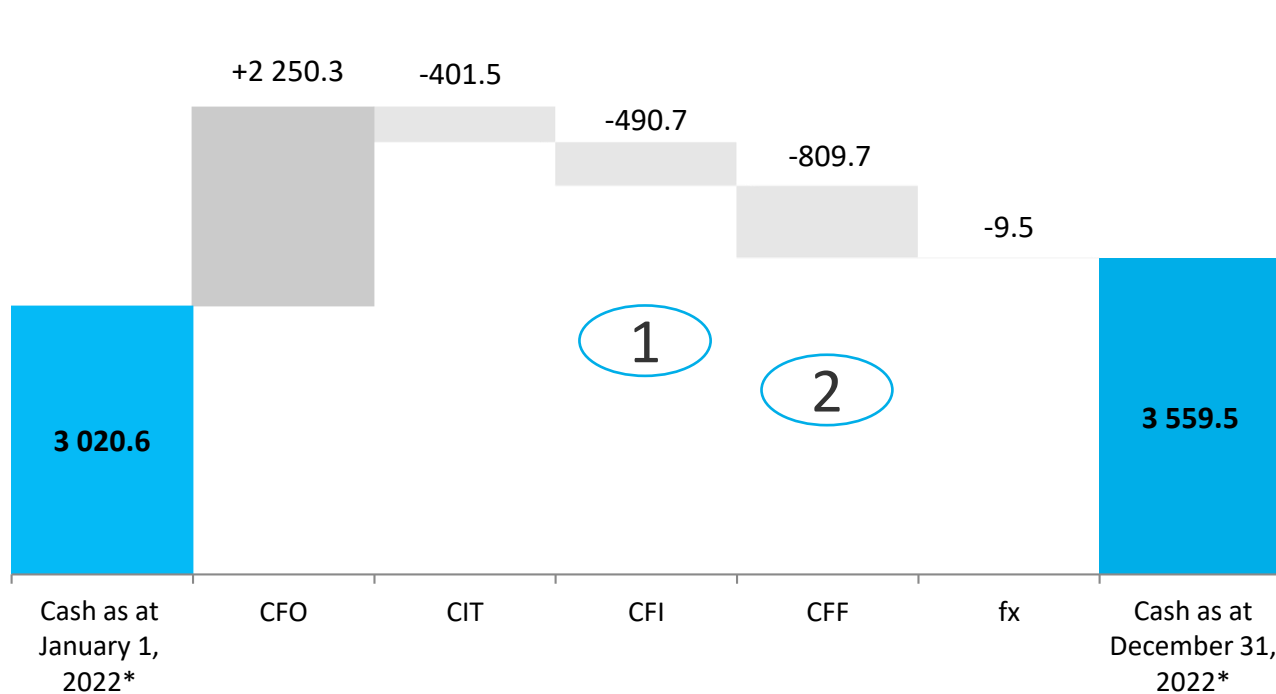
* Figures including consolidation adjustments.

** Market revenues include sales to external customers and sales between segments.

Asseco Group: non-IFRS adjustments

	Impact on operating profit			Impact on net result		
	2022	2021	Δ	2022	2021	Δ
PPA	-303.2	-269.0	-34.2	-50.5	-44.1	-6.4
Asseco Poland Segment	-12.8	-15.1	+2.3	-10.4	-12.3	+1.9
Formula Systems Segment	-268.1	-237.1	-31.0	-28.7	-23.8	-4.9
including those relating to the acquisition of Formula Group	-107.8	-95.1	-12.7	-11.0	-9.7	-1.2
Asseco International Segment	-22.4	-16.8	-5.6	-11.4	-8.0	-3.4
Central European market	-2.5	-3.0	+0.5	-1.7	-2.0	+0.3
South Eastern European market	-13.1	-6.3	-6.8	-5.1	-2.3	-2.8
Western European market	-6.8	-7.5	+0.7	-4.6	-4.2	-0.4
Other	-	-	-	-	0.4	-0.4
SBP	-64.8	-58.6	-6.3	-12.7	-10.8	-1.8
Formula Systems Segment	-64.4	-58.5	-5.9	-12.4	-10.8	-1.7
including those relating to the acquisition of Formula Group	-	-	-	-	-	-
Asseco International Segment	-0.4	-0.1	-0.3	-0.2	0.0	-0.2
South Eastern European market	-0.4	-0.1	-0.3	-0.2	0.0	-0.2
M&A and one-off	155.3	-	+155.3	18.5	6.2	+12.3
Asseco Poland Segment	-4.6	-	-4.6	-10.3	7.1	-17.4
Formula Systems Segment	195.9	-	+195.9	20.2	-3.3	+23.5
Asseco International Segment	-36.1	-	-36.1	8.7	2.4	+6.3
South Eastern European market	-3.0	-	-3.0	12.1	-0.9	+13.0
Western European market	-33.4	-	-33.4	-7.0	-6.1	-0.8
Other	0.4	-	+0.4	3.6	9.5	-5.8
Total non-IFRS adjustments (PPA, SBP, M&A and one-off)	-212.8	-327.6	+114.8	-44.6	-48.7	+4.1
including those relating to the acquisition of Formula Group	-107.8	-95.1	-12.7	-11.0	-9.7	-1.2

Explanation of change in cash balance of the Asseco Group*

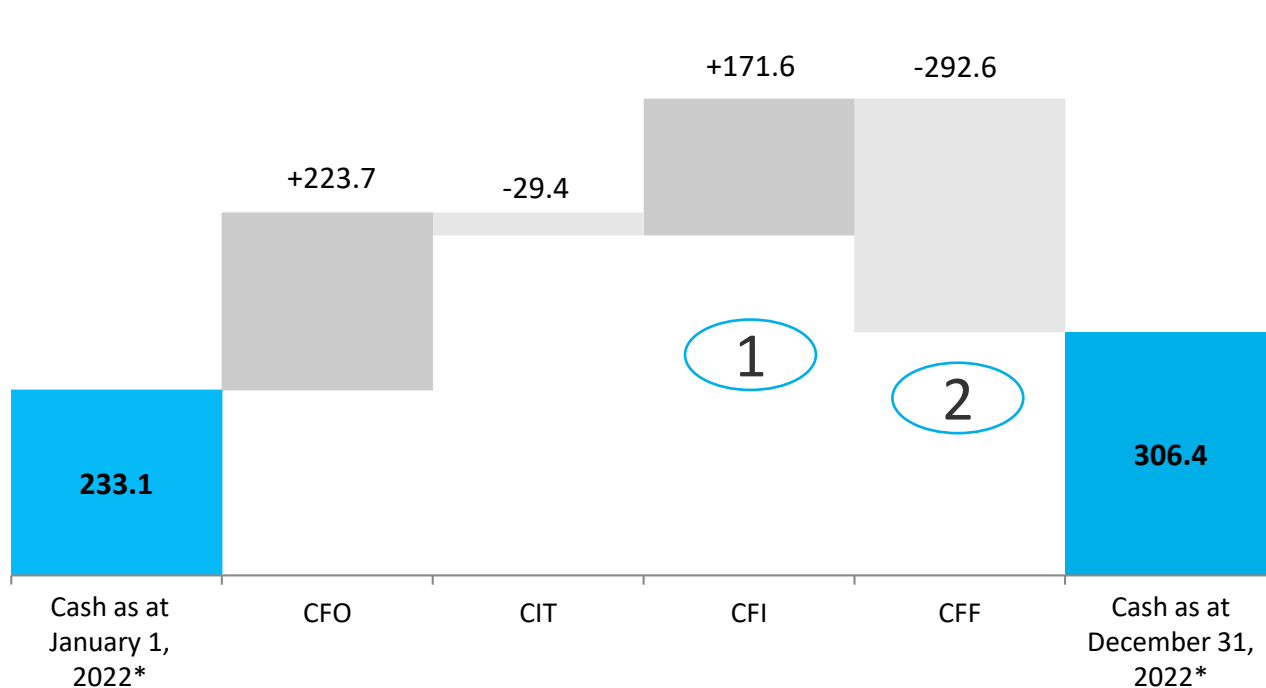


1	
Cash from investment activities:	
M&A	-91.7
CAPEX + R&D	-377.4
Loans, debt instruments and other	-21.6
Total	-490.7

2	
Cash from finance activities:	
Dividends paid by Asseco Poland	-278.9
Dividends for minority shareholders	-590.7
Debt and leasing	+143.5
M&A	-86.6
Other	+3.0
Total	-809.7

* Net cash and cash equivalents include bank credits on current account used for current liquidity management.

Explanation of change in stand-alone cash balance of Asseco Poland*



1

Cash from investment activities:

Dividends received	+192.2
CAPEX + R&D	-58.2
M&A	+18.9
Loans	+16.7
Other	+2.0
Total	+171.6

2

Cash from finance activities:

Dividend paid	-278.9
Debt and leasing	-13.7
Total	-292.6

* Net cash and cash equivalents include bank credits on current account used for current liquidity management.

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