

A person in a blue shirt is holding a white pen and pointing at a tablet. The tablet displays various financial charts, including a bar chart, a pie chart, and a line graph. The background is blurred, showing a coffee cup and other office items.

# Financial data of Asseco Group

for the period of 6 months  
ended 30 June 2023

ASSECO



Present in  
61 countries



PLN 8,515 million  
in sales revenues



32,849  
highly committed  
employees



PLN 230.5 million  
of net profit for  
Shareholders  
of the Parent Company



PLN 12,201 million  
in order backlog\* for 2023



PLN 6.3 billion  
in market capitalization

\*refers to proprietary software and services

# Asseco Group

## Financial data for the period of 6 months ended 30 June 2023

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# Financial Highlights

## Asseco Group

The following table presents the selected financial data of Asseco Group.

	6 months ended 30 June 2023	6 months ended 30 June 2022 (restated)	6 months ended 30 June 2023	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn	EUR mn	EUR mn
Operating revenues	8,515.4	8,250.0	1,845.9	1,777.0
Operating profit	792.5	923.2	171.8	198.9
Pre-tax profit before share of profits of associates and joint ventures	759.2	920.2	164.6	198.2
Net profit for the reporting period	598.1	728.8	129.7	157.0
<b>Net profit attributable to Shareholders of the Parent Company</b>	<b>230.5</b>	<b>247.9</b>	<b>50.0</b>	<b>53.4</b>
Net cash provided by (used in) operating activities	683.0	560.0	148.1	120.6
Net cash provided by (used in) investing activities	(698.9)	(283.8)	(151.5)	(61.1)
Net cash provided by (used in) financing activities	(885.6)	(673.4)	(192.0)	(145.0)
Cash and short-term deposits (comparable data as at 31 December 2022)	2,545.3	3,636.0	571.9	775.3
Basic earnings per ordinary share attributable to Shareholders of the Parent Company (in PLN/EUR)	2.78	2.99	0.60	0.64
Diluted earnings per ordinary share attributable to Shareholders of the Parent Company (in PLN/EUR)	2.78	2.99	0.60	0.64

The selected financial data disclosed in these interim condensed consolidated financial statements have been translated into euros (EUR) in the following way:

- Items of the interim condensed consolidated statement of profit and loss and statement of cash flows have been translated into EUR at the arithmetic average of mid exchange rates as published by the National Bank of Poland and in effect on the last day of each month. These exchange rates were respectively:
  - for the period from 1 January 2023 to 30 June 2023: EUR 1 = PLN 4.6130
  - for the period from 1 January 2022 to 30 June 2022: EUR 1 = PLN 4.6427
- The Group's cash and cash equivalents as at the end of the reporting period and the comparable period of the previous year have been translated into EUR at daily mid exchange rates as published by the National Bank of Poland. These exchange rates were respectively:
  - exchange rate effective on 30 June 2023: EUR 1 = PLN 4.4503
  - exchange rate effective on 31 December 2022: EUR 1 = PLN 4.6899

All figures in this report are presented in millions of Polish zlotys (PLN), unless stated otherwise.

**Interim Condensed  
Consolidated Financial  
Statements  
of **Asseco Group**  
for the period of 6 months  
ended 30 June 2023**

**asseco**

# Interim Consolidated Statement of Profit and Loss and Other Comprehensive Income

## Asseco Group

STATEMENT OF PROFIT AND LOSS		3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022 (restated*)	6 months ended 30 June 2022 (restated*)
	Note	PLN mn	PLN mn	PLN mn	PLN mn
Operating revenues	<u>5.1</u>	4,180.0	8,515.4	4,202.5	8,250.0
Cost of sales	<u>5.2</u>	(3,257.8)	(6,652.7)	(3,329.5)	(6,486.6)
<b>Gross profit on sales</b>		<b>922.2</b>	<b>1,862.7</b>	<b>873.0</b>	<b>1,763.4</b>
Selling costs	<u>5.2</u>	(239.1)	(480.6)	(229.3)	(455.1)
General and administrative expenses	<u>5.2</u>	(284.6)	(586.9)	(282.6)	(551.0)
<b>Net profit on sales</b>		<b>398.5</b>	<b>795.2</b>	<b>361.1</b>	<b>757.3</b>
Other operating income	<u>5.3</u>	19.6	34.8	202.6	217.7
Other operating expenses	<u>5.3</u>	(23.2)	(37.5)	(27.2)	(51.8)
<b>Operating profit</b>		<b>394.9</b>	<b>792.5</b>	<b>536.5</b>	<b>923.2</b>
Financial income	<u>5.4</u>	55.3	105.1	53.1	72.1
Financial expenses	5.4	(68.4)	(138.4)	(37.9)	(75.1)
<b>Pre-tax profit before share of profits of associates and joint ventures</b>		<b>381.8</b>	<b>759.2</b>	<b>551.7</b>	<b>920.2</b>
Corporate income tax (current and deferred tax expense)	<u>5.5</u>	(77.4)	(160.9)	(119.3)	(201.7)
Share of profits of associates and joint ventures	<u>6.6</u>	1.2	(0.2)	9.3	10.3
<b>Net profit for the reporting period</b>		<b>305.6</b>	<b>598.1</b>	<b>441.7</b>	<b>728.8</b>
<i>Attributable to:</i>					
<b>Shareholders of the Parent Company</b>		<b>122.4</b>	<b>230.5</b>	<b>140.3</b>	<b>247.9</b>
Non-controlling interests	<u>6.7</u>	183.2	367.6	301.4	480.9
Basic and diluted consolidated earnings per share for the reporting period, attributable to shareholders of the Parent Company (in PLN)	<u>5.6</u>	1.47	2.78	1.69	2.99
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Net profit for the reporting period</b>		<b>305.6</b>	<b>598.1</b>	<b>441.7</b>	<b>728.8</b>
<i>Components that may be reclassified to profit or loss</i>					
Gain (loss) on valuation of cash flow hedging instruments		(0.2)	(1.0)	-	-
Restatement of non-monetary assets as at 1 January – impact of hyperinflation		-	-	33.1	33.1
Exchange differences on translation of foreign operations		(326.0)	(449.2)	56.1	138.9
<i>Components that will not be reclassified to profit or loss</i>					
Net gain/loss on valuation of financial assets carried at fair value		36.5	41.3	-	-
Actuarial gains/losses		3.6	5.5	4.6	9.0
Income tax relating to components of other comprehensive income		(0.4)	(0.9)	(0.8)	(2.2)
<b>Total other comprehensive income</b>		<b>(286.5)</b>	<b>(404.3)</b>	<b>93.0</b>	<b>178.8</b>
<b>TOTAL COMPREHENSIVE INCOME attributable to:</b>		<b>19.1</b>	<b>193.8</b>	<b>534.7</b>	<b>907.6</b>
<b>Shareholders of the Parent Company</b>		<b>(7.6)</b>	<b>73.2</b>	<b>204.7</b>	<b>353.8</b>
Non-controlling interests		26.7	120.6	330.0	553.8

\* The restatement has been disclosed in detail in explanatory note 2.9 to these interim condensed consolidated financial statements.

# Interim Consolidated Statement of Financial Position

## Asseco Group

ASSETS	Note	30 June 2023	31 December 2022
		PLN mn	(restated*) PLN mn
<b>Non-current assets</b>			
Property, plant and equipment	<u>6.1</u>	965.2	993.0
Intangible assets	<u>6.2</u>	2,134.8	2,383.8
Right-of-use assets	<u>6.3</u>	748.3	789.9
Investment property		1.7	1.7
Goodwill	<u>6.4</u>	5,826.2	5,943.9
Investments accounted for using the equity method	<u>6.6</u>	112.2	123.1
Other receivables and trade receivables	<u>6.8</u>	82.8	70.6
Deferred tax assets		256.0	267.3
Prepayments and accrued income	<u>6.9</u>	88.7	89.1
Other non-financial assets		0.2	0.2
Other financial assets	<u>6.10</u>	139.8	103.4
		<b>10,355.9</b>	<b>10,766.0</b>
<b>Current assets</b>			
Inventories	<u>6.11</u>	319.7	326.0
Prepayments and accrued income	<u>6.9</u>	301.2	323.0
Trade receivables	<u>6.8</u>	3,746.9	3,954.7
Contract assets	<u>6.8</u>	775.4	763.1
Corporate income tax receivable	<u>6.8</u>	105.1	62.8
Receivables from the state and local budgets and other receivables	<u>6.8</u>	149.3	124.5
Other non-financial assets		12.9	18.0
Other financial assets	<u>6.10</u>	392.8	120.0
Cash and short-term deposits	<u>6.12</u>	2,545.3	3,636.0
		<b>8,348.6</b>	<b>9,328.1</b>
Non-current assets held for sale	<u>6.13</u>	41.4	42.5
<b>Total current assets plus non-current assets held for sale</b>		<b>8,390.0</b>	<b>9,370.6</b>
<b>TOTAL ASSETS</b>		<b>18,745.9</b>	<b>20,136.6</b>

\* The restatement has been disclosed in detail in explanatory note 2.9 to these interim condensed consolidated financial statements.



# Interim Consolidated Statement of Financial Position

## Asseco Group

EQUITY AND LIABILITIES	Note	30 June 2023	31 December 2022
		PLN mn	(restated*) PLN mn
<b>Equity</b> <i>(attributable to shareholders of the Parent Company)</i>			
Share capital		83.0	83.0
Share premium		4,180.1	4,180.1
Transactions with non-controlling interests		(191.8)	(188.8)
Exchange differences on translation of foreign operations		49.1	217.8
Retained earnings and other capitals		2,208.8	2,257.4
		<b>6,329.2</b>	<b>6,549.5</b>
<b>Non-controlling interests</b>	<u>6.7</u>	<b>3,603.2</b>	<b>3,663.4</b>
<b>Total equity</b>		<b>9,932.4</b>	<b>10,212.9</b>
<b>Non-current liabilities</b>			
Bank loans, borrowings and debt securities	<u>6.14</u>	1,685.1	2,021.8
Lease liabilities	<u>6.15</u>	500.1	535.6
Other financial liabilities	<u>6.16</u>	200.4	221.7
Deferred tax liabilities		523.2	573.1
Contract liabilities	<u>6.18</u>	75.4	84.8
Corporate income tax payable	<u>6.17</u>	54.8	59.0
Other liabilities and trade payables	<u>6.17</u>	6.8	10.7
Provisions	<u>6.19</u>	66.4	59.5
Accruals and deferred income	<u>6.20</u>	55.5	56.4
		<b>3,167.7</b>	<b>3,622.6</b>
<b>Current liabilities</b>			
Bank loans, borrowings and debt securities	<u>6.14</u>	1,113.1	1,141.9
Lease liabilities	<u>6.15</u>	252.0	264.4
Other financial liabilities	<u>6.16</u>	402.2	522.9
Trade payables	<u>6.17</u>	1,379.3	1,600.1
Contract liabilities	<u>6.18</u>	1,068.7	1,126.8
Corporate income tax payable	<u>6.17</u>	90.0	115.2
Other liabilities to the state and local budgets	<u>6.17</u>	252.8	322.8
Other liabilities	<u>6.17</u>	565.5	646.2
Provisions	<u>6.19</u>	47.6	38.4
Accruals and deferred income	<u>6.20</u>	471.5	519.3
Liabilities held for sale	<u>6.13</u>	3.1	3.1
		<b>5,645.8</b>	<b>6,301.1</b>
<b>TOTAL LIABILITIES</b>		<b>8,813.5</b>	<b>9,923.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,745.9</b>	<b>20,136.6</b>

\* The restatement has been disclosed in detail in explanatory note 2.9 to these interim condensed consolidated financial statements.

# Interim Consolidated Statement of Changes in Equity

## Asseco Group

	Note	Share capital	Share premium	Transactions with non-controlling interests	Exchange differences on translation of foreign operations	Retained earnings and other capitals	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
		PLN mn	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>As at 1 January 2023 (restated*)</b>		<b>83.0</b>	<b>4,180.1</b>	<b>(188.8)</b>	<b>217.8</b>	<b>2,257.4</b>	<b>6,549.5</b>	<b>3,663.4</b>	<b>10,212.9</b>
Net profit for the reporting period		-	-	-	-	230.5	230.5	367.6	598.1
Other comprehensive income for the reporting period		-	-	-	(168.7)	11.4	(157.3)	(247.0)	(404.3)
<b>Total comprehensive income for the reporting period</b>		-	-	-	<b>(168.7)</b>	<b>241.9</b>	<b>73.2</b>	<b>120.6</b>	<b>193.8</b>
Dividend for the year 2022	<a href="#">5.7</a>	-	-	-	-	(290.5)	(290.5)	(270.9)	(561.4)
Share-based payment transactions with employees		-	-	-	-	-	-	33.6	33.6
Transactions with non-controlling interests (including liabilities to non-controlling shareholders (put options))		-	-	(3.0)	-	-	(3.0)	7.6	4.6
Obtaining control over subsidiaries		-	-	-	-	-	-	48.9	48.9
<b>As at 30 June 2023</b>		<b>83.0</b>	<b>4,180.1</b>	<b>(191.8)</b>	<b>49.1</b>	<b>2,208.8</b>	<b>6,329.2</b>	<b>3,603.2</b>	<b>9,932.4</b>

\* The restatement has been disclosed in detail in explanatory note 2.9 to these interim condensed consolidated financial statements.

On 15 June 2023, the Extraordinary General Meeting of Shareholders of Asseco Poland S.A. decided to create a capital reserve in the amount of PLN 1,185.6 million, which may be used for future dividend payments or for acquisitions of the Company's own shares. In the table above, this capital reserve is included in the column of Retained earnings and other capitals.

# Interim Consolidated Statement of Changes in Equity

## Asseco Group

	Note	Share capital	Share premium	Transactions with non-controlling interests	Exchange differences on translation of foreign operations	Retained earnings and other capitals	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
		PLN mn	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>As at 1 January 2022</b>		<b>83.0</b>	<b>4,180.1</b>	<b>(147.5)</b>	<b>138.8</b>	<b>2,027.9</b>	<b>6,282.3</b>	<b>3,363.4</b>	<b>9,645.7</b>
Net profit for the reporting period		-	-	-	-	247.9	247.9	480.9	728.8
Restatement of non-monetary assets as at 1 January – impact of hyperinflation		-	-	-	-	16.9	16.9	16.2	33.1
Other comprehensive income for the reporting period		-	-	-	88.0	1.0	89.0	56.7	145.7
<b>Total comprehensive income for the reporting period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>88.0</b>	<b>265.8</b>	<b>353.8</b>	<b>553.8</b>	<b>907.6</b>
Dividend for the year 2021	<a href="#">5.7</a>	-	-	-	-	(278.9)	(278.9)	(268.4)	(547.3)
Share-based payment transactions with employees		-	-	-	-	-	-	27.0	27.0
Transactions with non-controlling interests (including liabilities to non-controlling shareholders (put options))		-	-	(19.2)	-	-	(19.2)	(43.4)	(62.6)
Loss of control over subsidiaries		-	-	-	-	-	-	(3.0)	(3.0)
<b>As at 30 June 2022 (restated)</b>		<b>83.0</b>	<b>4,180.1</b>	<b>(166.7)</b>	<b>226.8</b>	<b>2,014.8</b>	<b>6,338.0</b>	<b>3,629.4</b>	<b>9,967.4</b>

# Interim Consolidated Statement of Cash Flows

## Asseco Group

	Note	6 months ended 30 June 2023	6 months ended 30 June 2022 (restated)
		PLN mn	PLN mn
<b>Cash flows – operating activities</b>			
Pre-tax profit before share of profits of associates and joint ventures		759.2	920.2
<b>Total adjustments:</b>		<b>185.2</b>	<b>(167.5)</b>
Depreciation and amortization		442.1	429.3
Changes in working capital	<u>7.1</u>	(350.5)	(483.7)
Interest income/expenses		61.1	20.9
Gain/loss on foreign exchange differences		(9.1)	(15.6)
Other financial income/expenses		12.5	19.9
Impairment loss on goodwill		4.9	12.7
(Gain)/loss on disposal of property, plant and equipment and intangible assets		(3.3)	(2.3)
(Gain)/loss on losing control over subsidiaries		(2.5)	(192.2)
Impairment losses on property, plant and equipment, intangible assets, investment property and on right-of-use assets		(0.2)	32.0
Costs of share-based payment transactions with employees		39.2	32.2
(Gain)/loss on modification of lease contracts		(4.5)	-
(Gain)/loss on liquidation of property, plant and equipment and intangible assets		0.8	0.8
(Gain)/loss on hyperinflation		(5.2)	(20.3)
Other adjustments to pre-tax profit		(0.1)	(1.2)
<b>Gross cash provided by (used in) operating activities</b>		<b>944.4</b>	<b>752.7</b>
Corporate income tax paid		(261.4)	(192.7)
<b>Net cash provided by (used in) operating activities</b>		<b>683.0</b>	<b>560.0</b>
<b>Cash flows – investing activities</b>			
<b>Inflows</b>			
Disposal of property, plant and equipment, intangible assets, and investment property		14.4	12.0
Proceeds from sale of shares in related entities, net of cash in entities sold		3.7	158.8
Disposal/settlement of financial assets carried at fair value through profit or loss		5.6	-
Loans collected (including cash deposits closed)	<u>7.2</u>	134.3	60.4
Interest received		9.2	5.4
Dividends received (from associates and/or joint ventures)		0.1	2.1
Other cash flows from investing activities		0.1	6.1
<b>Outflows</b>			
Acquisition of property, plant and equipment, intangible assets (including R&D expenditures), and investment property	<u>7.2</u>	(181.2)	(189.7)
Expenditures for acquisition of subsidiaries and associates, net of cash and cash equivalents in companies acquired	<u>7.2</u>	(244.4)	(237.4)
Expenditures for acquisition/settlement of financial assets carried at fair value through profit or loss or through other comprehensive income, as well as acquisition of other debt securities carried at amortized cost		(7.9)	(0.9)
Loans granted (including cash deposits made)	<u>7.2</u>	(432.8)	(100.6)
<b>Net cash provided by (used in) investing activities</b>		<b>(698.9)</b>	<b>(283.8)</b>
<b>Cash flows – financing activities</b>			

<b>Inflows</b>			
Proceeds from issuance of shares in a subsidiary company		11.2	-
Proceeds from the implementation of employee stock option plan		-	0.2
Proceeds from bank loans and borrowings	<u>7.3</u>	270.1	457.8
Received grants related to assets and/or development projects		0.8	1.3
<b>Outflows</b>			
Expenditures for acquisition of non-controlling interests	<u>7.3</u>	(46.7)	(64.4)
Redemption of debt securities	<u>7.3</u>	(124.8)	(129.1)
Repayments of bank loans and borrowings	<u>7.3</u>	(259.2)	(222.9)
Payments of lease liabilities		(151.2)	(134.2)
Interest paid (including interest on leases)		(66.5)	(33.5)
Dividends paid out by the Parent Company	<u>5.7</u>	(290.5)	(278.9)
Dividends paid out to non-controlling shareholders	<u>6.7</u>	(228.8)	(269.7)
<b>Net cash provided by (used in) financing activities</b>		<b>(885.6)</b>	<b>(673.4)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(901.5)</b>	<b>(397.2)</b>
Net foreign exchange differences		(211.7)	85.5
Net cash and cash equivalents as at 1 January		3,563.5	3,020.6
<b>Net cash and cash equivalents as at 30 June</b>	<u><b>6.12</b></u>	<b>2,450.3</b>	<b>2,708.9</b>

**Explanatory notes  
to the Interim Condensed  
Consolidated Financial  
Statements of [Asseco Group](#)**

**ASSECO**

# Explanatory notes to the Interim Condensed Consolidated Financial Statements

## 1. General information

Asseco Group (“Asseco Group”, the “Group”) is a group of companies, whose Parent Company is Asseco Poland S.A. (the “Parent Company”, “Company”, “Issuer”).

General information on the Parent Company	
Name	Asseco Poland S.A.
Registered seat	Rzeszów, 14 Olchowa St.
National Court Register number	0000033391
Statistical ID number (REGON)	010334578
Tax Identification Number (NIP)	522-000-37-82
Core business	Production of software

The Parent Company was established on 18 January 1989. On 4 January 2007, the Issuer changed its corporate name from Softbank S.A. to Asseco Poland S.A.

The period of the Company’s operations is indefinite.

Asseco Poland S.A. stands at the forefront of the multinational Asseco Group which is present, along with its subsidiaries, in 61 countries worldwide, including most of the European countries as well as in Israel, the USA, Africa and Asia. Asseco Group is one of the leading software producers in Europe as well as the largest provider of innovative IT solutions in Central and Eastern Europe.

As a leader of the Group, Asseco Poland S.A. is actively engaged in business acquisitions both in the domestic and foreign markets, seeking to strengthen its position across Europe and worldwide. Now the Company is expanding its investment spectrum for software houses, with an eye to gain insight into their local markets and customers, as well as access to innovative and unique IT solutions.

Our comprehensive offering includes products dedicated for the sectors of banking and finance, public administration, as well as industry, trade, and services. The Group has got a wide-range portfolio of proprietary products, unique competence and experience in the execution of complex IT projects, and a broad customer base, including the largest financial institutions, major industrial enterprises as well as public administration bodies.

## 2. Basis for the preparation of interim condensed consolidated financial statements

### 2.1. Basis for preparation

These interim condensed consolidated financial statements have been prepared in accordance with the historical cost convention, except for financial assets carried at fair value through profit or loss or through other comprehensive income, financial liabilities carried at fair value through profit or loss, as well as investment property which are measured at fair value. In addition, our subsidiaries operating in a hyperinflationary economy (Turkey) restated their financial data, taking into account the change in purchasing power based on the general price index, so that they were expressed in the measuring units current at the end of the reporting period. The impact of hyperinflation on the interim condensed consolidated financial statements has been described in explanatory note 2.10.

These interim condensed consolidated financial statements have been prepared on a going-concern basis, assuming the Group will continue its business activities over a period not shorter than 12 months from 30 June 2023. Till the date of preparing these interim condensed consolidated financial statements, we have not observed any circumstances that would threaten the Group's ability to continue as a going concern.

These interim condensed consolidated financial statements do not include all information and disclosures required for annual consolidated financial statements, and therefore they should be read together with the Group's consolidated financial statements for the year ended 31 December 2022 which were published on 18 April 2023.

### 2.2. Impact of the war in Ukraine on the Group's business operations

As at the date of publication of these interim condensed consolidated financial statements, based on the current analysis of risks including those arising from the war in Ukraine, the Management Board concluded that the Group's ability to continue as a going concern over a period not shorter than 12 months from 30 June 2023 is not threatened.

On 24 February 2022, the Russian invasion of Ukraine caused a radical change in the geopolitical situation of the entire region in which the Parent Company and other companies of our Group are located. Asseco Group does not conduct any significant business operations in Russia, Belarus or in Ukraine. However, some companies of our Group, mainly in the Formula Systems segment, outsource employees from Ukraine and Russia, in particular programmers. In connection with the hostilities, the above-mentioned companies have already taken steps to eliminate any associated risks.

This situation had no direct impact on these financial statements. At the time of publication of these financial statements, the Group has not observed any significant impact of the current economic and political situation in Ukraine or the sanctions imposed on Russia on the Group's operations.

At the publication date, the situation is dynamic and therefore it is difficult to determine the long-term economic effects of the war in Ukraine and their impact on the overall macroeconomic situation, which indirectly affects the Group's financial results.

On a global scale, the war in Ukraine has translated into a less stable economic environment, rising inflation and higher interest rates. These changes have not yet exerted a direct impact on the Group's financial performance, and the interest rate hikes have not caused a significant increase in interest expenses as most of the Group's debt is based on a fixed interest rate. For obvious reasons, the Group cannot exclude the possibility that in the long run an undoubtedly negative impact of the war on the overall economic situation in Poland and in the world may also have an adverse effect on the operations or financial results of the Group in the future.

### 2.3. Compliance statement

These interim condensed consolidated financial statements have been prepared in conformity with the requirements set forth in the International Accounting Standard 34 'Interim Financial Reporting' as endorsed by the European Union (IAS 34).

The scope of these interim condensed consolidated financial statements, being a part of the quarterly report, is in accordance with the Regulation of the Minister of Finance of 29 March 2018 regarding current and periodic information to be published by issuers of securities and conditions for recognizing as equivalent the information required by laws of non-EU member states (consolidated text: Journal of Laws of 2018, item 757) (the "Regulation"), and covers the semi-annual reporting period from 1 January to 30 June 2023 and the comparable period from 1 January to 30 June 2022 in case of the statement of profit and loss, statement



of cash flows and the statement of changes in equity, as well as the financial position data as at 30 June 2023 and the comparable data as at 31 December 2021 in case of the statement of financial position.

#### 2.4. Functional currency, presentation currency and hyperinflation

The presentation currency of these interim condensed consolidated financial statements is the Polish zloty (PLN), and all figures are presented in millions of PLN (PLN mn), unless stated otherwise. Any inaccuracies in totals, amounting to PLN 0.1 million, are due to the adopted rounding of numbers.

The functional currency applied by the Parent Company and, at the same time, the presentation currency used in these interim condensed consolidated financial statements is the Polish zloty (PLN). Functional currencies applied by our subsidiaries consolidated in these interim condensed consolidated financial statements are the currencies of primary business environments in which they operate. For consolidation purposes, financial statements of our foreign subsidiaries are translated into PLN using the respective currency exchange rates as quoted by the National Bank of Poland at the end of the reporting period in case of the statement of financial position, or using the arithmetic average of such exchange rates as published by the National Bank of Poland and effective on the last day of each month during the reporting period in case of the statement of profit and loss, statement of comprehensive income, and the statement of cash flows. The effects of such conversion are recognized in equity as 'exchange differences on translation of foreign operations'.

As regards our subsidiaries operating in a hyperinflationary economy, individual items of the statement of comprehensive income are translated into PLN using the respective currency exchange rates as quoted by the National Bank of Poland at the end of the reporting period.

#### 2.5. Professional judgement and estimates

Preparation of consolidated financial statements in accordance with IFRS requires making estimates and assumptions which have an impact on the data disclosed in such financial statements. Although the adopted assumptions and estimates have been based on the Group's management best knowledge on the current activities and occurrences, the actual results may differ from those anticipated.

Presented below are the main areas which in the process of applying the accounting policies were subject to accounting estimates and the management's professional judgement, and whose estimates, if changed, could significantly affect the Group's future results.

##### *i.* Consolidation of entities in which the Group holds less than 50% of voting rights

The Group's Management has not changed its judgement regarding the existence of control over entities in which the Parent Company holds less than 50% of shares in relation to such judgement that has been described in detail in item 2.5 of section 'Basis for the preparation of financial statements' contained in the Group's consolidated financial statements for the year ended 31 December 2022 which were published on 18 April 2023.

Hence, in the period covered by these interim condensed consolidated financial statements as well as at 30 June 2023, in the Management's opinion, the Parent Company maintained control over Formula Systems (1985) Ltd (hereinafter "Formula" or "Formula Systems") in which the Group holds less than 50% of shares. The same conclusion applies to companies in which direct equity interests held by Formula Systems do not provide an absolute majority of voting rights, including Sapiens International Corporation NV (hereinafter "Sapiens"), Magic Software Enterprises Ltd (hereinafter "Magic"), and Matrix IT Ltd (hereinafter "Matrix IT").

The conclusion regarding the existence of control has also been upheld in the case of Asseco Business Solutions S.A., a direct subsidiary of Asseco Enterprise Solutions, a.s. in which the Group holds 46.47% of the share capital and total voting rights at the general meeting of shareholders.

Consequently, all of the above-mentioned entities have been fully consolidated in these interim condensed consolidated financial statements of Asseco Group for the period of 6 months ended 30 June 2023.

##### *ii.* Estimates

In the period of 6 months ended 30 June 2023, our approach to making estimates was not subject to any substantial modification.

In relevant notes to these interim condensed consolidated financial statements, the Group has disclosed possible changes to estimates presented in previous reporting periods that have a significant impact on the current interim period.

Significant accounting policies regarding the items that are at significant risk of material adjustment to the carrying values of assets and liabilities have been described in item 2.6 in the consolidated financial statements of Asseco Group for the year ended 31 December 2022.

### iii. Hyperinflation

Professional judgement and estimates additionally covered the operations conducted by our foreign subsidiaries in a hyperinflationary economy. It needed to be assessed whether the financial statements of such entities must be restated as required by IAS 29. The Management analyzed qualitative and quantitative factors (including whether the three-year cumulative inflation rate is approaching or exceeds 100%) which indicate the existence of hyperinflation and concluded that Turkey is a country with a hyperinflationary economy. As a consequence, the financial data of our subsidiaries operating in Turkey, as part of ASEE Group (the Asseco International segment), have been restated taking into account the change in purchasing power based on the general price index, so that they were expressed in the measuring units current at the end of the reporting period. The impact of hyperinflation on these interim condensed consolidated financial statements has been described in explanatory note 2.10.

## 2.6. Accounting policies applied

Significant accounting policies applied by the Group in these interim condensed consolidated financial statements are consistent with those explained in the Group's annual consolidated financial statements for the year 2022, except for the adoption of new or amended standards and interpretations effective for annual periods beginning on or after 1 January 2023, as well as except for the change described in explanatory note 2.8.

New standards or amendments effective from 1 January 2023:

- *IFRS 17 'Insurance Contracts' and amendments to IFRS 17;*
- *Amendments to IAS 1 'Presentation of Financial Statements' and the IASB's 'Practice Statement on Disclosure of Accounting Policies';*
- *Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors';*
- *Amendments to IAS 12 'Income Taxes'.*

The amended standards and interpretations that were first applied in 2023 had no significant impact of the interim condensed financial statements of the Company.

## 2.7. New standards and interpretations published but not in force yet

The following standards and interpretations were issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC), but have not yet come into force:

- IFRS 14 'Regulatory Deferral Accounts' (issued on 30 January 2014) – the European Commission has decided not to initiate the process of endorsement of this standard until the release of its final version – not yet endorsed by the EU till the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2016;
- Amendments to IFRS 10 and IAS 28 'Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture' (issued on 11 September 2014) – work for the endorsement of these amendments has been postponed by the EU – the effective date of these amendments has been deferred indefinitely by the IASB;
- Amendments to IAS 1 'Presentation of Financial Statements – Classification of Liabilities as Current or Non-current' and 'Classification of Liabilities as Current or Non-current – Deferral of Effective Date' and 'Non-current Liabilities with Covenants' (issued on 23 January 2020 and 15 July 2020 and on 31 October 2022, respectively) – not yet endorsed by the EU till the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2024;

- Amendments to IFRS 16 'Leases – Lease Liability in a Sale and Leaseback' (issued on 22 September 2022) – not yet endorsed by the EU till the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2024;
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures: Supplier Finance Arrangements' (issued on 25 May 2023) – not yet endorsed by the EU till the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2024;
- Amendments to IAS 12 'Income Taxes: International Tax Reform – Pillar Two Model Rules' (issued on 23 May 2023) – not yet endorsed by the EU till the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2023;
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (issued on 15 August 2023) – not yet endorsed by the EU till the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2025.

The specified effective dates have been set forth in the standards published by the International Accounting Standards Board. The actual dates of adopting these standards in the European Union may differ from those set forth in the standards and they shall be announced once they are approved for application by the European Union.

The Group is currently conducting an analysis of how the introduction of the above-mentioned standards and interpretations may affect the consolidated financial statements and accounting policies applied by the Group.

## 2.8. Changes in the accounting policies and presentation methods applied

In the reporting period, the Group revised its accounting policy applied for the presentation of selected items of income and expenses. Before the change in presentation, these items were disclosed under financial activities, and after the presentation change, they are included in other operating activities. The change has affected the following items of income and expenses:

Items of income and expenses	Before change in presentation	After change in presentation
Expenses related to obtaining control over subsidiaries	Financial expenses	Other operating expenses
Gain and loss on revaluation of deferred and conditional payments for controlling interests in subsidiaries – portion based on operating profits of subsidiaries	Financial income or expenses	Other operating income or expenses
Gain and loss on revaluation of liabilities from the acquisition of non-controlling interests (put options) – portion based on operating profits and equity of subsidiaries*	Financial income or expenses	Other operating income or expenses
Dividends paid out to non-controlling shareholders*	Financial expenses	Other operating expenses
Recognition/Reversal of allowances for receivables arising from the sale of shares in subsidiaries (hitherto recognized as 'Impairment loss on financial instruments')	Financial income or expenses	Other operating income or expenses

\*Applies only to put options and non-controlling interests accounted for using the present ownership method.

Gain and loss on revaluation of deferred and conditional payments for controlling interests in subsidiaries which result from unwinding of discounts on liabilities and foreign exchange differences are still disclosed in financial income or expenses. Gain and loss on revaluation of liabilities from the acquisition of non-controlling interests (subject to put options) which result from unwinding of discounts on liabilities and foreign exchange differences are still disclosed in financial income or expenses.

These changes are intended to provide more consistent presentation of certain income and expenses in the Group's consolidated statement of profit and loss, as well as to emphasize that acquisitions are part of the Group's ordinary operating activities.

Income and expenses arising from the measurement of contingent liabilities and put options are largely due to changes in the current and expected operating profits generated by our subsidiaries and therefore, in the Group's opinion, they should be disclosed under operating activities rather than financial activities. Similar conclusions apply to the costs of acquiring companies that must be determined in order to finalize the acquisition process itself, as well as to the costs of dividends paid out to non-controlling interests (accounted for using the present ownership method), the amounts of which are also derived from operating profits generated by our subsidiaries. Furthermore, presentation of the above indicated income and expenses

under other operating activities is consistent with the fact that other significant items related to the operating activities of subsidiaries, such as goodwill impairment charges or gains and losses on losing control over subsidiaries are also presented in other operating activities.

The restatement of data for the comparable period resulting from the said change in presentation is provided in explanatory note 2.9 to these condensed consolidated financial statements.

## 2.9. Restatement of comparable data and correction of errors

In the first 6 months of 2023, the Group finalized the process of purchase price allocation of Pirios S.A. in the Asseco Poland segment, Bithat Solutions s.r.l. in the Asseco International segment, as well as Formally Smart Form System Ltd and Appush Ltd (formerly Vidstart Ltd) in the Formula Systems segment, which necessitated a restatement of comparable data. Moreover, the Group revised the purchase price allocation of Bear Staffing, The Goodkind Group LLC and Safra Digital Marketing Ltd in the Formula Systems segment, which also required a restatement of comparable data.

In addition, one of companies in the Formula Systems segment has corrected a portion of its revenues from the resale of third-party services. The correction consisted in presenting such revenues net of the cost of services sold. As a result of such correction, the Group has restated the comparable data contained in the statement of profit and loss.

The comparable data have also been restated due to a change in the presentation of certain financial income and expenses (as described in more detail in explanatory note 2.8).

These events resulted in changing the values of some assets and liabilities disclosed as at 31 December 2022, as well as some items disclosed in the statement of profit and loss for the period of 6 months ended 30 June 2023.

The tables below present impact of the said changes on the comparable data contained in the statement of profit and loss and the statement of financial position.

Restatement of the statement of profit and loss	6 months ended	Revision of	Correction of	Change in	6 months ended
	30 June 2022	purchase price allocation	revenues and costs in the Formula Systems segment	presentation of certain financial income and expenses	30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
Operating revenues	8,311.8	-	(61.8)	-	8,250.0
Cost of sales	(6,546.9)	(1.5)	61.8	-	(6,486.6)
<b>Gross profit on sales</b>	<b>1,764.9</b>	<b>(1.5)</b>	-	-	<b>1,763.4</b>
Selling costs	(455.1)	-	-	-	(455.1)
General and administrative expenses	(551.1)	0.1	-	-	(551.0)
<b>Net profit on sales</b>	<b>758.7</b>	<b>(1.4)</b>	-	-	<b>757.3</b>
Other operating income	209.5	-	-	8.2	217.7
Other operating expenses	(38.4)	-	-	(13.4)	(51.8)
<b>Operating profit</b>	<b>929.8</b>	<b>(1.4)</b>	-	<b>(5.2)</b>	<b>923.2</b>
Financial income	80.3	-	-	(8.2)	72.1
Financial expenses	(88.3)	(0.2)	-	13.4	(75.1)
<b>Pre-tax profit before share of profits of associates and joint ventures</b>	<b>921.8</b>	<b>(1.6)</b>	-	-	<b>920.2</b>
Corporate income tax (current and deferred tax expense)	(201.8)	0.1	-	-	(201.7)
Share of profits of associates and joint ventures	10.3	-	-	-	10.3
<b>Net profit for the reporting period</b>	<b>730.3</b>	<b>(1.5)</b>	-	-	<b>728.8</b>
<i>Attributable to:</i>					
<b>Shareholders of the Parent Company</b>	<b>248.8</b>	<b>(0.9)</b>	-	-	<b>247.9</b>
Non-controlling interests	481.5	(0.6)	-	-	480.9

Restatement of the statement of financial position	31 December 2022	Revision of purchase price allocation in the segment of Formula Systems	Revision of purchase price allocation in the segment of Asseco International	Revision of purchase price allocation in the segment of Asseco Poland	31 December 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>Non-current assets</b>					
Property, plant and equipment	993.0	-	-	-	993.0
Intangible assets	2,379.8	-	3.0	1.0	2,383.8
Right-of-use assets	789.9	-	-	-	789.9
Investment property	1.7	-	-	-	1.7
Goodwill	5,942.2	5.4	(2.8)	(0.9)	5,943.9
Investments accounted for using the equity method	123.1	-	-	-	123.1
Other receivables and trade receivables	70.6	-	-	-	70.6
Deferred tax assets	267.3	-	-	-	267.3
Prepayments and accrued income	89.1	-	-	-	89.1
Other non-financial assets	0.2	-	-	-	0.2
Other financial assets	103.4	-	-	-	103.4
	<b>10,760.3</b>	<b>5.4</b>	<b>0.2</b>	<b>0.1</b>	<b>10,766.0</b>
<b>Current assets</b>					
Inventories	326.0	-	-	-	326.0
Prepayments and accrued income	323.0	-	-	-	323.0
Trade receivables	3,954.7	-	-	-	3,954.7
Contract assets	763.1	-	-	-	763.1
Corporate income tax receivable	62.8	-	-	-	62.8
Receivables from the state and local budgets and other receivables	124.5	-	-	-	124.5
Other non-financial assets	18.0	-	-	-	18.0
Other financial assets	120.4	(0.4)	-	-	120.0
Cash and short-term deposits	3,636.0	-	-	-	3,636.0
	<b>9,328.5</b>	<b>(0.4)</b>	-	-	<b>9,328.1</b>
Non-current assets held for sale	42.5	-	-	-	42.5
<b>Total current assets plus non-current assets held for sale</b>	<b>9,371.0</b>	<b>(0.4)</b>	-	-	<b>9,370.6</b>
<b>TOTAL ASSETS</b>	<b>20,131.3</b>	<b>5.0</b>	<b>0.2</b>	<b>0.1</b>	<b>20,136.6</b>

<b>Total equity</b>	<b>10,213.5</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.1)</b>	<b>10,212.9</b>
Equity (attributable to shareholders of the Parent Company)	6,549.9	(0.1)	(0.2)	(0.1)	6,549.5
Non-controlling interests	3,663.6	(0.1)	(0.1)	-	3,663.4
<b>Non-current liabilities</b>					
Bank loans, borrowings and debt securities	2,021.8	-	-	-	2,021.8
Lease liabilities	535.6	-	-	-	535.6
Other financial liabilities	221.7	-	-	-	221.7
Deferred tax liabilities	572.4	-	0.5	0.2	573.1
Contract liabilities	84.8	-	-	-	84.8
Corporate income tax payable	59.0	-	-	-	59.0
Other liabilities and trade payables	10.7	-	-	-	10.7
Provisions	59.5	-	-	-	59.5
Accruals and deferred income	56.4	-	-	-	56.4
	<b>3,621.9</b>	<b>-</b>	<b>0.5</b>	<b>0.2</b>	<b>3,622.6</b>
<b>Current liabilities</b>					
Bank loans, borrowings and debt securities	1,145.9	(4.0)	-	-	1,141.9
Lease liabilities	264.4	-	-	-	264.4
Other financial liabilities	514.6	8.3	-	-	522.9
Trade payables	1,599.5	0.6	-	-	1,600.1
Contract liabilities	1,126.8	-	-	-	1,126.8
Corporate income tax payable	115.2	-	-	-	115.2
Other liabilities to the state and local budgets	322.8	-	-	-	322.8
Other liabilities	645.9	0.3	-	-	646.2
Provisions	38.4	-	-	-	38.4
Accruals and deferred income	519.3	-	-	-	519.3
Liabilities held for sale	3.1	-	-	-	3.1
	<b>6,295.9</b>	<b>5.2</b>	<b>-</b>	<b>-</b>	<b>6,301.1</b>
<b>TOTAL LIABILITIES</b>	<b>9,917.8</b>	<b>5.2</b>	<b>0.5</b>	<b>0.2</b>	<b>9,923.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20,131.3</b>	<b>5.0</b>	<b>0.2</b>	<b>0.1</b>	<b>20,136.6</b>

## 2.10. Effects of Turkey's status as a hyperinflationary economy

The Group has subsidiaries operating in a hyperinflationary economy to which IAS 29 'Financial Reporting in Hyperinflationary Economies' is applied. The Group has identified hyperinflation in Turkey on the basis of qualitative and quantitative factors existing in this country, and in particular because the three-year cumulative inflation rate exceeded 100% in April 2022.

In accordance with IAS 29, the financial data of our Turkey-based subsidiaries have been restated to reflect the purchasing power at the end of the reporting period, based on the consumer price index (CPI) as published by the Turkish Statistical Institute. Accordingly, non-monetary items in the statement of financial position as well as the statement of profit and loss have been restated to reflect the purchasing power at the reporting date. Monetary items such as receivables, liabilities, bank debt, etc. already reflect the purchasing power at the reporting date because these items are composed of balances, amounts of receivables or payables in respective monetary units. IAS 29, in conjunction with IAS 21 on foreign currency translation, also requires all transactions carried out in a hyperinflationary currency, i.e. Turkish lira (TRY), to be translated into the Group's presentation currency, i.e. Polish zloty (PLN), using the exchange rate effective on the reporting date. Therefore, in the current reporting period all transactions conducted in Turkey were converted into PLN using the exchange rate effective on 30 June 2023; whereas, all transactions conducted in Turkey in the period of 6 months ended 30 June 2022 were converted into PLN using the exchange rate of 30 June 2022, although the Group usually translates transactions in the statement of profit and loss at the average exchange rate for the given reporting period.

### Basis of restatements due to hyperinflation

- Price index:

Hyperinflation restatements of the financial data of our subsidiaries operating in Turkey have been based on officially available data on changes in the consumer price index (CPI) as published by the Turkish Statistical Institute. According to this index, the inflation rate for the period of 6 months ended 30 June 2023 reached 20%.

The rates of inflation for particular reporting periods are presented in the table below:

Inflation rate for particular periods	
June 2023 – December 2022	20%
June 2023 – June 2022	38%
December 2022 – December 2021	64%
December 2021 – December 2020	36%
Three-year cumulative inflation rate	
June 2023 – June 2020	190%
December 2022 – December 2019	156%

- Currency exchange rate:

All financial data of our subsidiary operations in Turkey, both in the interim condensed consolidated statement of financial position and the interim condensed consolidated statement of profit and loss are translated into the Group's presentation currency (PLN) using the TRY/PLN exchange rate effective on the reporting date, which is contrary to the Group's usual practice of translating the statement of profit and loss at the average exchange rate for the reporting period. As at 30 June 2023, the exchange rate effective on the reporting date was: TRY 1 = PLN 0.1575.

### Assumptions for the approach and timing of hyperinflation restatements:

- Hyperinflation restatements in the local currency
  - The Group has analyzed items of the statement of financial position of its subsidiaries in Turkey and divided them into monetary and non-monetary assets/liabilities. Monetary items have not been restated because they are already expressed in terms of the monetary unit current at the end of the reporting period.

- b) Significant non-monetary items existing in our Turkish subsidiaries include: goodwill arising from the acquisition of these companies, property, plant and equipment, intangible assets, right-of-use asset, prepayments, and liabilities from contracts with customers. Right-of-use assets have not been additionally revalued because they are periodically indexed by the inflation rate. Other non-monetary items have been restated to reflect the effects of inflation based on changes in the price index. Effects of changes in the price index in the period from initial recognition till 31 December 2022 have been recognized in the financial data for the year 2022. Whereas, effects of changes in the price index since 1 January till 30 June 2023 have been recognized in the interim condensed consolidated financial statements for the current reporting period. The restatements were made as at the date of initial recognition of non-monetary items, but not earlier than as at the date of acquisition of subsidiaries by the Group, because it is assumed that non-monetary items were then translated and recognized in the consolidated financial statements at fair value, reflecting the purchasing power as at the acquisition date. The restatement increased the value of goodwill, property, plant and equipment, and intangible assets. Such restatement also resulted in higher costs in the statement of profit and loss in the form of higher depreciation and amortization charges due to the restated gross values of property, plant and equipment and intangible assets, as well as higher expenses and income from the accounting for restated amounts of accruals and contract liabilities.
  - c) Due to the revaluation of non-monetary assets and liabilities, deferred tax calculated as the difference between the tax value and the book value was also revalued.
  - d) All transactions included in the statement of profit and loss for the period of 6 months ended 30 June 2023 have been restated to reflect changes in the price index from the month when recognized till 30 June, except for depreciation charges on property, plant and equipment and amortization charges on intangible assets that have been remeasured based on the adjusted gross value of these assets. The remeasurement of depreciation and amortization charges has been based on the normal periods of useful life of relevant assets. The restatement of the statement of profit and loss for the inflation rate resulted in an increase in the value of individual items presented in the local currency due to changes in the price index from the date of their recognition till 30 June 2023.
  - e) In correspondence to the restatement of the statement of profit and loss and the statement of financial position for the inflation rate in the current reporting period, the Group has recognized financial income/expenses in the statement of profit and loss, disclosed in the line 'Gain on the net monetary position – hyperinflation'.
- 2) Translation of financial data into the Group's presentation currency
- a) Once the financial statements of our subsidiaries operating in Turkey were restated for the effects of inflation in the local currency, they have been translated into PLN which involved translating the statement of financial position and all items of the statement of profit and loss for the reporting period, using the TRY/PLN exchange rate effective on the reporting date. As at 30 June 2023, the exchange rate effective on the reporting date was: TRY 1 = PLN 0.1575. Translation of the statement of financial position has remained unchanged compared to the Group's usual practice, while the new principle of translating the statement of profit and loss has had an impact on its individual items. The effect of translating the statement of comprehensive income using the closing exchange rate of the reporting period has been recognized in correspondence in the line 'Exchange differences on translation of foreign operations'.
- 3) Time of recognition
- a) IAS 29 has been implemented by the Group since 1 January 2022 and the first hyperinflation restatements have been made in the interim condensed consolidated financial statements for the period of 6 months ended 30 June 2022.
  - b) Because the three-year cumulative inflation rate exceeded 100% in April 2022, the already published data for the first quarter of 2022 have not been changed.

The impact of adopting IAS 29 on these interim condensed consolidated financial statements for the first 6 months of 2023 is summarized below:



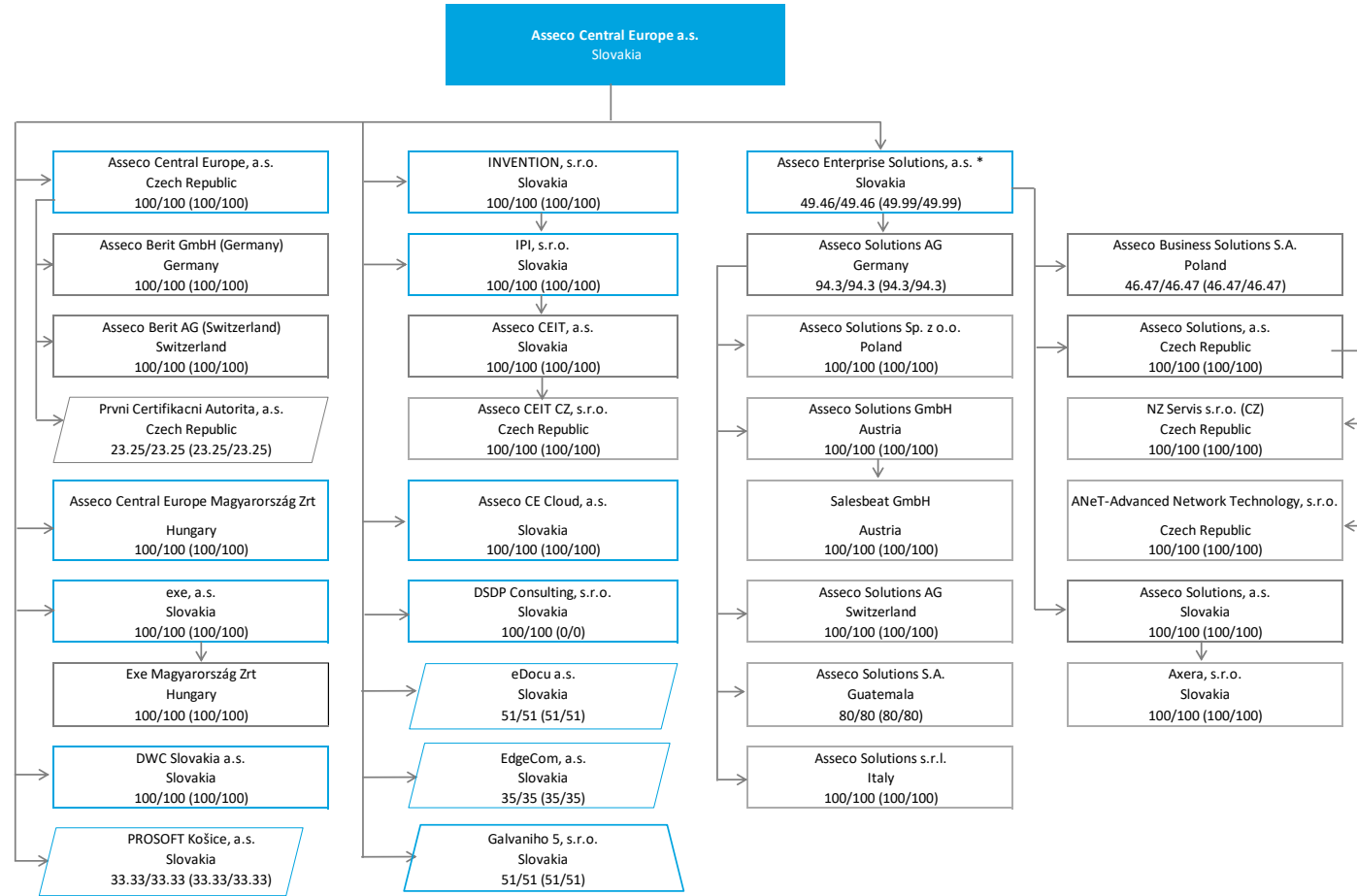
STATEMENT OF PROFIT AND LOSS	6 months ended	Impact of hyperinflation	6 months ended
	30 June 2023		30 June 2023
	without impact of IAS 29		according to IAS 29
	PLN mn	PLN mn	PLN mn
Operating revenues	8,529.3	(13.9)	8,515.4
Cost of sales	(6,660.6)	7.9	(6,652.7)
<b>Gross profit on sales</b>	<b>1,868.7</b>	<b>(6.0)</b>	<b>1,862.7</b>
Selling costs	(482.3)	1.7	(480.6)
General and administrative expenses	(588.0)	1.1	(586.9)
<b>Net profit on sales</b>	<b>798.4</b>	<b>(3.2)</b>	<b>795.2</b>
Other operating income	34.8	-	34.8
Other operating expenses	(37.6)	0.1	(37.5)
<b>Operating profit</b>	<b>795.6</b>	<b>(3.1)</b>	<b>792.5</b>
Financial income	98.1	7.0	105.1
Financial expenses	(139.4)	1.0	(138.4)
<b>Pre-tax profit before share of profits of associates and joint ventures</b>	<b>754.3</b>	<b>4.9</b>	<b>759.2</b>
Corporate income tax (current and deferred tax expense)	(162.3)	1.4	(160.9)
Share of profits of associates and joint ventures	(0.2)	-	(0.2)
<b>Net profit for the reporting period</b>	<b>591.8</b>	<b>6.3</b>	<b>598.1</b>
<i>Attributable to:</i>			
<b>Shareholders of the Parent Company</b>	<b>227.3</b>	<b>3.2</b>	<b>230.5</b>
Non-controlling interests	364.5	3.1	367.6
Basic and diluted consolidated earnings per share for the reporting period, attributable to shareholders of the Parent Company (in PLN)	2.74	0.04	2.78
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Net profit for the reporting period</b>	<b>591.8</b>	<b>6.3</b>	<b>598.1</b>
<b>Components that may be reclassified to profit or loss</b>			
Gain (loss) on valuation of cash flow hedging instruments	(1.0)	-	(1.0)
Exchange differences on translation of foreign operations	(434.1)	(15.1)	(449.2)
<b>Components that will not be reclassified to profit or loss</b>			
Net gain/loss on valuation of financial assets carried at fair value	41.3	-	41.3
Actuarial gains/losses	5.5	-	5.5
Income tax relating to components of other comprehensive income	(0.9)	-	(0.9)
<b>Total other comprehensive income</b>	<b>(389.2)</b>	<b>(15.1)</b>	<b>(404.3)</b>
<b>TOTAL COMPREHENSIVE INCOME attributable to:</b>	<b>202.6</b>	<b>(8.8)</b>	<b>193.8</b>
<b>Shareholders of the Parent Company</b>	<b>77.7</b>	<b>(4.5)</b>	<b>73.2</b>
Non-controlling interests	124.9	(4.3)	120.6

ASSETS	30 June 2023	Impact of hyperinflation	30 June 2023
	without impact of IAS 29		according to IAS 29
	PLN mn	PLN mn	PLN mn
<b>Non-current assets</b>			
Property, plant and equipment	963.0	2.2	965.2
Intangible assets	2,134.4	0.4	2,134.8
Right-of-use assets	748.3	-	748.3
Investment property	1.7	-	1.7
Goodwill	5,776.7	49.5	5,826.2
Investments accounted for using the equity method	112.2	-	112.2
Other receivables and trade receivables	82.8	-	82.8
Deferred tax assets	255.6	0.4	256.0
Prepayments and accrued income	88.7	-	88.7
Other non-financial assets	0.2	-	0.2
Other financial assets	139.8	-	139.8
	<b>10,303.4</b>	<b>52.5</b>	<b>10,355.9</b>
<b>Current assets</b>			
Inventories	319.7	-	319.7
Prepayments and accrued income	299.0	2.2	301.2
Trade receivables	3,746.9	-	3,746.9
Contract assets	775.4	-	775.4
Corporate income tax receivable	105.1	-	105.1
Receivables from the state and local budgets and other receivables	149.3	-	149.3
Other non-financial assets	12.9	-	12.9
Other financial assets	392.8	-	392.8
Cash and short-term deposits	2,545.3	-	2,545.3
	<b>8,346.4</b>	<b>2.2</b>	<b>8,348.6</b>
Non-current assets held for sale	41.4	-	41.4
<b>Total current assets plus non-current assets held for sale</b>	<b>8,387.8</b>	<b>2.2</b>	<b>8,390.0</b>
<b>TOTAL ASSETS</b>	<b>18,691.2</b>	<b>54.7</b>	<b>18,745.9</b>

EQUITY AND LIABILITIES	30 June 2023	Impact of hyperinflation	30 June 2023
	without impact of IAS 29		according to IAS 29
	PLN mn	PLN mn	PLN mn
<b>Equity</b>			
<i>(attributable to shareholders of the Parent Company)</i>			
Share capital	83.0	-	83.0
Share premium	4,180.1	-	4,180.1
Transactions with non-controlling interests	(191.8)	-	(191.8)
Exchange differences on translation of foreign operations	56.7	(7.6)	49.1
Retained earnings and other capitals	2,175.4	33.4	2,208.8
	<b>6,303.4</b>	<b>25.8</b>	<b>6,329.2</b>
<b>Non-controlling interests</b>	<b>3,578.3</b>	<b>24.9</b>	<b>3,603.2</b>
<b>Total equity</b>	<b>9,881.7</b>	<b>50.7</b>	<b>9,932.4</b>
<b>Non-current liabilities</b>			
Bank loans, borrowings and debt securities	1,685.1	-	1,685.1
Lease liabilities	500.1	-	500.1
Other financial liabilities	200.4	-	200.4
Deferred tax liabilities	522.3	0.9	523.2
Contract liabilities	75.0	0.4	75.4
Corporate income tax payable	54.8	-	54.8
Other liabilities and trade payables	6.8	-	6.8
Provisions	66.4	-	66.4
Accruals and deferred income	55.5	-	55.5
	<b>3,166.4</b>	<b>1.3</b>	<b>3,167.7</b>
<b>Current liabilities</b>			
Bank loans, borrowings and debt securities	1,113.1	-	1,113.1
Lease liabilities	252.0	-	252.0
Other financial liabilities	402.2	-	402.2
Trade payables	1,379.3	-	1,379.3
Contract liabilities	1,066.0	2.7	1,068.7
Corporate income tax payable	90.0	-	90.0
Other liabilities to the state and local budgets	252.8	-	252.8
Other liabilities	565.5	-	565.5
Provisions	47.6	-	47.6
Accruals and deferred income	471.5	-	471.5
Liabilities held for sale	3.1	-	3.1
	<b>5,643.1</b>	<b>2.7</b>	<b>5,645.8</b>
<b>TOTAL LIABILITIES</b>	<b>8,809.5</b>	<b>4.0</b>	<b>8,813.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18,691.2</b>	<b>54.7</b>	<b>18,745.9</b>



A. Organizational structure of Asseco Central Europe Group

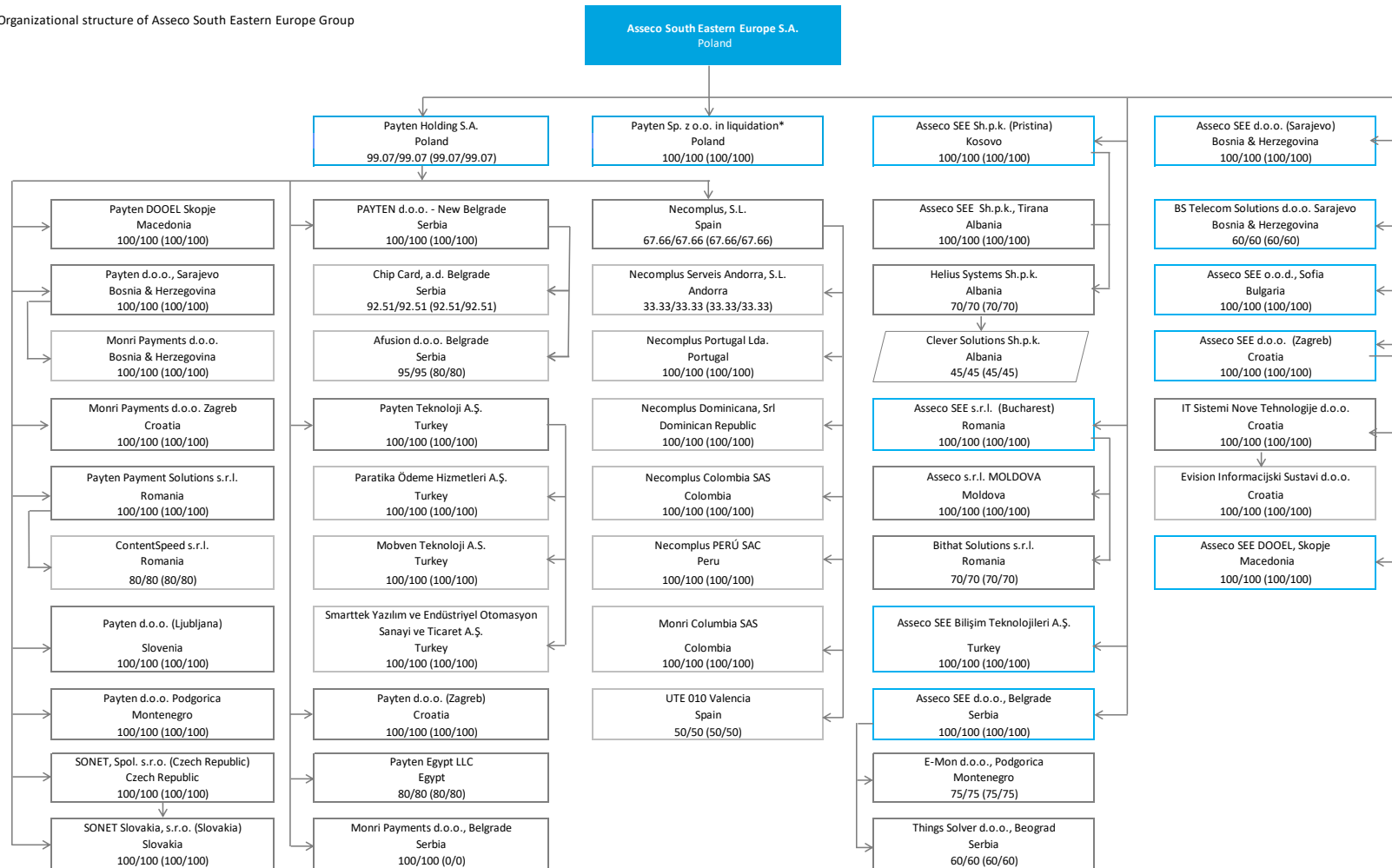


subsidiary company  
 associated company  
 joint operation



100/100 voting rights / equity interest as at 30 June 2023 (in %)  
 (100/100) voting rights / equity interest as at 31 December 2022 (in %)

\* Asseco Central Europe, a.s. holds a 49.456601% stake in Asseco Enterprise Solutions, while the remaining 49.456623% of shares are held by Asseco International, a.s. Asseco Central Europe, a.s. maintains direct control over Asseco Enterprise Solutions, a.s.

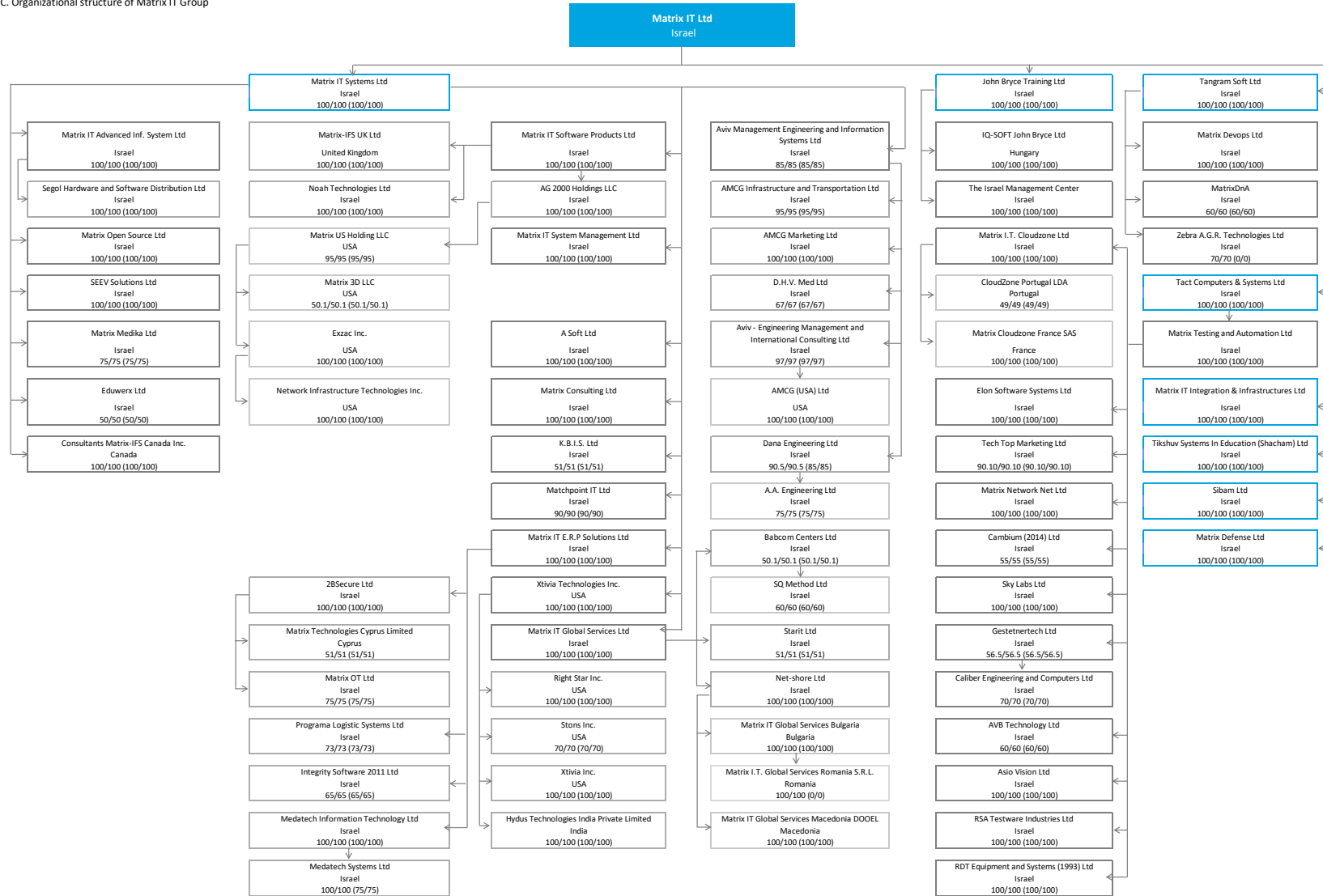
B. Organizational structure of Asseco South Eastern Europe Group



100/100 voting rights / equity interest as at 30 June 2023 (in %)  
 (100/100) voting rights / equity interest as at 31 December 2022 (in %)

 subsidiary company  
 associated company  
 \* company in liquidation

C. Organizational structure of Matrix IT Group



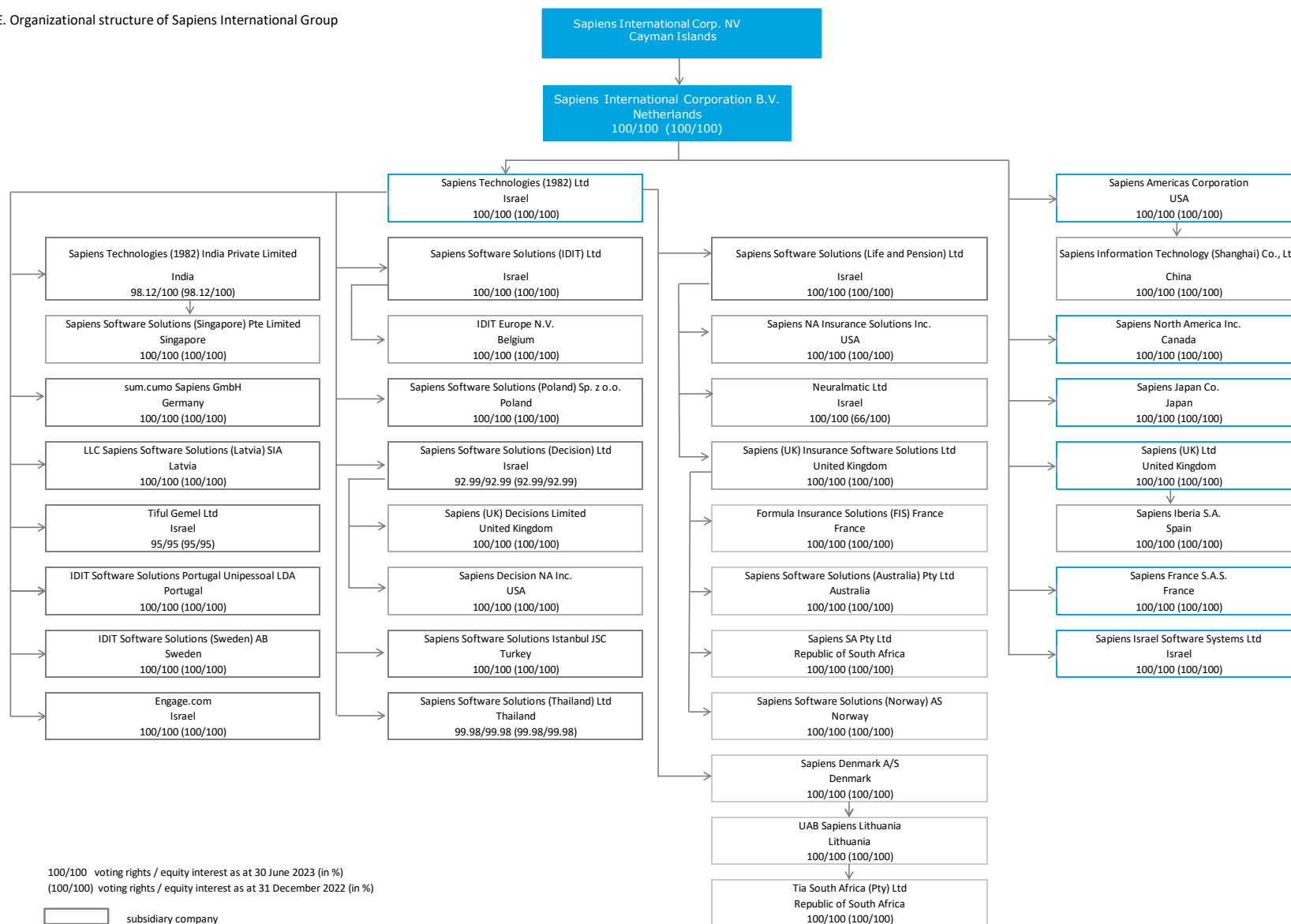
100/100 voting rights / equity interest as at 30 June 2023 (in %)  
 (100/100) voting rights / equity interest as at 31 December 2022 (in %)

subsidary company





E. Organizational structure of Sapiens International Group



During the period of 6 months ended 30 June 2023, the Group's composition changed as follows:

### Asseco Poland segment

Changes within the Asseco Poland segment	Date of transaction	Percentage of voting rights after transaction	Impact on equity attributable to shareholders of the Parent Company (in PLN mn)
<b>Change of shareholdings in companies</b>			
Asseco Innovation Fund Sp. z o.o. increased its equity interest in the company Vivic Labs Sp. z o.o.	19 January 2023	73.75%	-
Equity interest held by Asseco Poland S.A. in Formula Systems (1985) Ltd dropped following an issuance of shares under the employee stock option plan	1 <sup>st</sup> quarter of 2023	25.54%	(0.4)
Asseco Poland S.A. increased its equity interest in Formula Systems (1985) Ltd by purchasing additional shares		25.82%	(7.9)
Asseco Innovation Fund Sp. z o.o. increased its equity interest in the company Vivic Labs Sp. z o.o.	12 June 2023	82.5%	-
<b>Merger of companies</b>			
Merger of NavySol Sp. z o.o. with Asseco Innovation Fund Sp. z o.o. acting as the taking-over company	16 January 2023	n/a	n/a
<b>Establishing of new companies</b>			
Asseco Data Systems S.A. established Asseco Middle East Co.	3 May 2023	35%	n/a
<b>Liquidation of companies</b>			
Commencing the process of winding-up the company of Asseco Services Sp. z o.o. in liquidation	15 May 2023	n/a	n/a

### Asseco International segment

Changes within the Asseco International segment	Date of transaction	Percentage of voting rights after transaction	Impact on equity attributable to shareholders of the Parent Company (in PLN mn)
<b>Change of shareholdings in companies</b>			
PAYTEN d.o.o. – New Belgrade increased its equity interest in Afusion d.o.o. Belgrade	10 March 2023	95%	-
Equity interest held by Asseco International, a.s. and Asseco Central Europe, a.s. in Asseco Enterprise Solutions, a.s. dropped following an issuance of shares. The newly issued shares were acquired by the manager of Asseco Enterprise Solutions Group.	24 March 2023	98.91% (total shareholding of both companies)	5.7
Asseco Central Europe, a.s. sold its treasury shares to Asseco International, a.s. as a result of which the percentage of voting rights held by Asseco International, a.s. in Asseco Central Europe, a.s. increased by 0.08%, and its equity interest increased by 1%	29 May 2023	92.33%	-
<b>Merger of companies</b>			
Merger of companies Integrirani Poslovni Sustavi d.o.o., Gastrobit d.o.o. and Web Studio d.o.o. with Monri Payments d.o.o. acting as the taking-over company	14 February 2023	n/a	n/a
<b>Establishing of new companies</b>			
Asseco Central Europe, a.s. (Slovakia) established the company DSDP Consulting, s.r.o.	28 March 2023	100%	n/a
Payten Holding S.A. established the company Monri Payments d.o.o., Belgrade	7 April 2023	100%	n/a

<b>Liquidation of companies</b>			
Commencing the process of winding-up the company of Payten Sp. z o.o. in liquidation	27 April 2023	n/a	n/a
<b>Sale of shares and loss of control in companies</b>			
Payten Sp. z o.o. sold 242 shares in Payten Holding S.A. to Asseco South Eastern Europe S.A.	9 January 2023	99.07%	-
Asseco International, a.s. sold a 51% stake in Asseco Central Asia MChJ QK. and lost control over that company.	14 February 2023	-	0.3
Asseco International, a.s. lost control over the company Tecnologia Sistemas y Aplicaciones SL (Tecsisa)	1 <sup>st</sup> half of 2023	-	2.2

## Formula Systems segment

<b>Changes within the Formula Systems segment</b>	<b>Date of transaction</b>	<b>Percentage of voting rights after transaction</b>	<b>Impact on equity attributable to shareholders of the Parent Company (in PLN mn)</b>
<b>Acquisition of shares in new companies</b>			
<b>Detailed information on transactions is presented in explanatory note 6.4 to these consolidated financial statements.</b>			
Tangram Soft Ltd acquired shares in Zebra A.G.R. Technologies Ltd	1 January 2023	70%	-
TSG IT Advanced Systems Ltd (joint venture) acquired shares in Bar Technologies (D.S.) Ltd	1 January 2023	100%	-
Magic Software Enterprises Ltd acquired shares in K.M.T (M.H.) Technologies Communication Computers Ltd	8 June 2023	60%	-
Michpal Micro Computers (1983) Ltd acquired shares in Emalogic Software Ltd	22 June 2023	75%	-
<b>Change of shareholdings in companies</b>			
Sapiens Software Solutions (Life and Pension) Ltd increased its equity interest in Neuralmatic Ltd	1 <sup>st</sup> quarter of 2023	100%	-
Formula Systems (1985) Ltd decreased its equity interest in Matrix IT Ltd	1 <sup>st</sup> quarter of 2023	48.21%	(0.5)
Aviv Engineering Management and Information Systems Ltd increased its equity interest in Dana Engineering Ltd	17 April 2023	90.5%	-
Formula Systems (1985) Ltd decreased its equity interest in Sapiens International Corp. NV	2 <sup>nd</sup> quarter of 2023	44.04%	(0.3)
Medatech Information Technology Ltd increased its equity interest in Medatech Systems Ltd	21 June 2023	100%	(2.3)
Magic Software Enterprises Ltd increased its equity interest in Mobisoft Ltd	30 June 2023	98.52%	(0.1)
<b>Establishing of new companies</b>			
Matrix IT Global Services Bulgaria established the company Matrix I.T. Global Services Romania S.R.L.	13 January 2023	100%	n/a
<b>Liquidation of companies</b>			
Liquidation of Matrix Advisory Europe Ltd	13 March 2023	n/a	-

## 4. Information on operating segments

According to IFRS 8, an operating segment is a separable component of the Group's business for which separate financial information is available and regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The **Asseco Poland segment** comprises our companies which generate revenues mostly in the Polish market. Performance of this segment is analyzed on a regular basis by the Management of the Parent Company acting as the chief operating decision maker. This segment includes, among others, the following companies: Asseco Poland, Asseco Data Systems Group, DahliaMatic Group, ZUI Novum, Asseco Services (company in liquidation), ComCERT, GSTN Consulting, Asseco Cloud, National Medical Cloud Operator, National Defense Systems, and Asseco Innovation Fund Group. The aforementioned companies offer comprehensive IT services intended for a broad range of clients operating in the sectors of financial institutions, public administration, and enterprises. The segment's performance as a whole is subject to regular verification by the Management of Asseco Poland.

The **Asseco International segment** comprises our companies which generate revenues mostly in the markets of Central Europe, South Eastern Europe, as well as Western Europe and Eastern Europe. Performance of these companies is assessed on a periodic basis by the Management of Asseco International, a.s. This segment is identical with the composition of Asseco International Group. The segment's performance as a whole is subject to regular verification by the Management of Asseco Poland. The aforementioned companies offer comprehensive IT services intended for a broad range of clients operating primarily in the sectors of financial institutions, public administration, and enterprises.

The **Formula Systems segment** comprises our companies which generate revenues mostly in the markets of Israel, North America, Japan, as well as in Europe, Middle East, and Africa (EMEA region). Performance of these companies is assessed on a periodic basis by the Management of Formula Systems; hence, the segment's composition corresponds to the structure of Formula Systems Group. The segment's performance as a whole is subject to regular verification by the Management of Asseco Poland.

Revenues from none of our clients exceeded 10% of total sales generated by the Group in the period of 6 months ended 30 June 2023 just as in the comparable period.

Selected data from the statement of profit and loss and the cash flow statement for the period of 6 months ended 30 June 2023, in a breakdown by operating segments:

6 months ended 30 June 2023	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>Revenues from external customers</b>	<b>960.1</b>	<b>1,936.8</b>	<b>5,618.5</b>	-	<b>8,515.4</b>
Inter-segment transactions	10.6	5.4	7.5	(23.5)	-
Total operating revenues of segment	970.7	1,942.2	5,626.0	(23.5)	8,515.4
<b>Operating profit/loss of segment</b>	<b>142.9</b>	<b>186.9</b>	<b>463.3</b>	<b>(0.6)</b>	<b>792.5</b>
Interest income <sup>1)</sup>	12.1	9.0	20.9	-	42.0
Interest expenses <sup>2)</sup>	(4.0)	(7.8)	(63.5)	0.2	(75.1)
<b>Corporate income tax</b>	<b>(34.6)</b>	<b>(39.8)</b>	<b>(86.5)</b>	-	<b>(160.9)</b>
<b>Non-cash items:</b>					
Depreciation and amortization (as disclosed in the cash flow statement)	(46.6)	(93.1)	(303.5)	1.1	(442.1)
<i>of which amortization of intangible assets recognized in purchase price allocation (PPA)</i>	<i>(7.0)</i>	<i>(8.7)</i>	<i>(130.0)</i>	-	<i>(145.7)</i>
Costs of share-based payment transactions with employees (SBP)	-	(0.3)	(38.9)	-	(39.2)
(Recognition)/reversal of impairment losses on segment's assets, of which:	(4.4)	(11.6)	(9.2)	-	(25.2)
<i>Write-down on goodwill</i>	<i>(4.9)</i>	-	-	-	<i>(4.9)</i>
<i>Allowances for receivables</i>	<i>0.5</i>	<i>(9.5)</i>	<i>(11.0)</i>	-	<i>(20.0)</i>
<i>Impairment losses on intangible assets</i>	-	<i>(1.6)</i>	-	-	<i>(1.6)</i>
<b>Share of profits of associates and joint ventures</b>	<b>(1.1)</b>	-	<b>0.9</b>	-	<b>(0.2)</b>
<b>Net profit/loss attributable to shareholders of the Parent Company</b>	<b>113.4</b>	<b>85.2</b>	<b>32.4</b>	<b>(0.5)</b>	<b>230.5</b>
<b>Cash provided by (used in) operating activities</b>	<b>90.3</b>	<b>216.4</b>	<b>638.8</b>	<b>(1.1)</b>	<b>944.4</b>

<sup>1)</sup> Interest income on loans granted, debt securities purchased, leases, trade receivables, and bank deposits

<sup>2)</sup> Interest expenses on bank loans, borrowings, debt securities issued, leases, and trade payables

<sup>3)</sup> Cash generated from operating activities before income tax paid

Selected data from the statement of financial position as at 30 June 2023, in a breakdown by operating segments:

30 June 2023	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>Non-current assets</b>	<b>3,233.6</b>	<b>2,415.3</b>	<b>4,719.0</b>	<b>(12.0)</b>	<b>10,355.9</b>
of which goodwill	2,259.4	1,636.0	1,930.8	-	5,826.2
<b>Current assets plus non-current assets held for sale</b>	<b>1,060.6</b>	<b>1,906.0</b>	<b>5,436.4</b>	<b>(13.0)</b>	<b>8,390.0</b>
<i>including:</i>					
trade receivables and contract assets	676.3	872.7	2,983.7	(10.4)	4,522.3
cash and bank deposits	262.8	697.5	1,585.0	-	2,545.3
<b>Non-current liabilities</b>	<b>244.2</b>	<b>396.3</b>	<b>2,538.4</b>	<b>(11.2)</b>	<b>3,167.7</b>
<i>including:</i>					
liabilities arising from bank loans, borrowings and debt securities	-	147.9	1,537.2	-	1,685.1
lease liabilities	63.8	118.8	326.3	(8.8)	500.1
<b>Current liabilities</b>	<b>453.1</b>	<b>1,262.5</b>	<b>3,943.0</b>	<b>(12.8)</b>	<b>5,645.8</b>
<i>including:</i>					
liabilities arising from bank loans, borrowings and debt securities	3.7	161.5	947.9	-	1,113.1
lease liabilities	14.9	48.7	190.1	(1.7)	252.0
trade payables and contract liabilities	232.3	604.2	1,621.9	(10.4)	2,448.0

Selected data from the statement of profit and loss and the cash flow statement for the period of 6 months ended 30 June 2022, in a breakdown by operating segments:

6 months ended 30 June 2022	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
<i>(restated)</i>	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>Revenues from external customers</b>	<b>830.8</b>	<b>1,940.4</b>	<b>5,478.8</b>	-	<b>8,250.0</b>
Inter-segment transactions	7.6	2.6	5.0	(15.2)	-
Total operating revenues of segment	838.4	1,943.0	5,483.8	(15.2)	8,250.0
<b>Operating profit/loss of segment</b>	<b>140.5</b>	<b>155.7</b>	<b>627.7</b>	<b>(0.7)</b>	<b>923.2</b>
Interest income <sup>1)</sup>	4.5	2.1	2.7	-	9.3
Interest expenses <sup>2)</sup>	(1.8)	(5.2)	(34.6)	0.1	(41.5)
<b>Corporate income tax</b>	<b>(32.4)</b>	<b>(37.2)</b>	<b>(132.1)</b>	-	<b>(201.7)</b>
<b>Non-cash items:</b>					
Depreciation and amortization (as disclosed in the cash flow statement)	(45.8)	(95.9)	(288.9)	1.3	(429.3)
<i>of which amortization of intangible assets recognized in purchase price allocation (PPA)</i>	<i>(6.4)</i>	<i>(11.7)</i>	<i>(130.0)</i>	-	<i>(148.1)</i>
Costs of share-based payment transactions with employees (SBP)	-	(0.1)	(32.1)	-	(32.2)
(Recognition)/reversal of impairment losses on segment's assets	5.8	(51.7)	2.1	-	(43.8)
<i>Write-down on goodwill</i>	<i>-</i>	<i>(12.7)</i>	<i>-</i>	<i>-</i>	<i>(12.7)</i>
<i>Allowances for receivables</i>	<i>5.7</i>	<i>(7.5)</i>	<i>2.1</i>	<i>-</i>	<i>0.3</i>
<i>Impairment losses on intangible assets</i>	<i>0.1</i>	<i>(31.6)</i>	<i>-</i>	<i>-</i>	<i>(31.5)</i>
<b>Share of profits of associates and joint ventures</b>	<b>(0.4)</b>	<b>8.1</b>	<b>2.6</b>	-	<b>10.3</b>
<b>Net profit/loss attributable to shareholders of the Parent Company</b>	<b>109.7</b>	<b>88.9</b>	<b>50.0</b>	<b>(0.7)</b>	<b>247.9</b>
<b>Cash provided by (used in) operating activities</b>	<b>144.1</b>	<b>146.3</b>	<b>463.8</b>	<b>(1.5)</b>	<b>752.7</b>

<sup>1)</sup> Interest income on loans granted, debt securities purchased, leases, trade receivables, and bank deposits

<sup>2)</sup> Interest expenses on bank loans, borrowings, debt securities issued, leases, and trade payables

<sup>3)</sup> Cash generated from operating activities before income tax paid

Selected data from the statement of financial position as at 31 December 2022, in a breakdown by operating segments:

31 December 2022	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
<i>(restated)</i>	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>Non-current assets</b>	<b>3,232.9</b>	<b>2,522.9</b>	<b>5,022.2</b>	<b>(12.0)</b>	<b>10,766.0</b>
of which goodwill	2,264.3	1,714.5	1,965.1	-	5,943.9
<b>Current assets plus non-current assets held for sale</b>	<b>1,093.6</b>	<b>2,092.9</b>	<b>6,192.6</b>	<b>(8.5)</b>	<b>9,370.6</b>
<i>including:</i>					
trade receivables and contract assets	559.2	908.7	3,259.7	(9.8)	4,717.8
cash and bank deposits	405.9	833.9	2,396.2	-	3,636.0
<b>Non-current liabilities</b>	<b>235.4</b>	<b>448.0</b>	<b>2,949.8</b>	<b>(10.6)</b>	<b>3,622.6</b>
<i>including:</i>					
liabilities arising from bank loans, borrowings and debt securities	-	168.7	1,853.1	-	2,021.8
lease liabilities	64.7	128.3	351.1	(8.5)	535.6
<b>Current liabilities</b>	<b>438.1</b>	<b>1,322.7</b>	<b>4,549.4</b>	<b>(9.1)</b>	<b>6,301.1</b>
<i>including:</i>					
liabilities arising from bank loans, borrowings and debt securities	1.8	146.4	993.7	-	1,141.9
lease liabilities	14.1	52.9	198.9	(1.5)	264.4
trade payables and contract liabilities	229.5	664.4	1,840.5	(7.5)	2,726.9

## 5. Explanatory notes to the consolidated statement of profit and loss

### 5.1. Structure of operating revenues

Operating revenues generated during the periods of 3 and 6 months ended 30 June 2023 and in the comparable periods were as follows:

Operating revenues	3 months ended	6 months ended	3 months ended	6 months ended
	30 June 2023	30 June 2023	30 June 2022 (restated)	30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
<b>Operating revenues by type of products</b>				
Proprietary software and services	3,298.7	6,720.2	3,280.3	6,441.6
Third-party software and services	403.5	771.7	428.7	827.4
Hardware and infrastructure	477.8	1,023.5	493.5	981.0
<b>Total</b>	<b>4,180.0</b>	<b>8,515.4</b>	<b>4,202.5</b>	<b>8,250.0</b>
<b>Operating revenues by sectors</b>				
Banking and Finance	1,420.8	2,858.7	1,442.6	2,784.2
General Business	1,710.6	3,594.2	1,725.1	3,511.8
Public Institutions	1,048.6	2,062.5	1,034.8	1,954.0
<b>Total operating revenues</b>	<b>4,180.0</b>	<b>8,515.4</b>	<b>4,202.5</b>	<b>8,250.0</b>

#### i. Breakdown of segment revenues by type of products

Operating revenues of individual segments generated by type of products during the periods of 3 and 6 months ended 30 June 2023 and in the comparable periods were as follows:

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>3 months ended 30 June 2023</b>					
Proprietary software and services	440.3	651.8	2,213.3	(6.7)	3,298.7
Third-party software and services	48.7	120.0	238.1	(3.3)	403.5
Hardware and infrastructure	24.6	182.0	271.2	-	477.8
<b>Total operating revenues</b>	<b>513.6</b>	<b>953.8</b>	<b>2,722.6</b>	<b>(10.0)</b>	<b>4,180.0</b>

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>6 months ended 30 June 2023</b>					
Proprietary software and services	842.2	1,321.1	4,570.7	(13.8)	6,720.2
Third-party software and services	87.9	232.4	461.0	(9.6)	771.7
Hardware and infrastructure	40.6	388.7	594.3	(0.1)	1,023.5
<b>Total operating revenues</b>	<b>970.7</b>	<b>1,942.2</b>	<b>5,626.0</b>	<b>(23.5)</b>	<b>8,515.4</b>

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>3 months ended 30 June 2022 (restated)</b>					
Proprietary software and services	376.1	648.7	2,261.8	(6.3)	3,280.3
Third-party software and services	33.1	125.4	271.6	(1.4)	428.7
Hardware and infrastructure	20.8	228.6	244.1	-	493.5
<b>Total operating revenues</b>	<b>430.0</b>	<b>1,002.7</b>	<b>2,777.5</b>	<b>(7.7)</b>	<b>4,202.5</b>

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>6 months ended 30 June 2022 (restated)</b>					
Proprietary software and services	721.4	1,268.7	4,463.2	(11.7)	6,441.6
Third-party software and services	72.0	227.8	530.7	(3.1)	827.4
Hardware and infrastructure	45.0	446.5	489.9	(0.4)	981.0
<b>Total operating revenues</b>	<b>838.4</b>	<b>1,943.0</b>	<b>5,483.8</b>	<b>(15.2)</b>	<b>8,250.0</b>

ii. Breakdown of segment operating revenues by sectors

Operating revenues of individual segments generated by sectors during the periods of 3 and 6 months ended 30 June 2023 and in the comparable periods were as follows:

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>3 months ended 30 June 2023</b>					
Banking and Finance	168.3	335.1	920.4	(3.0)	1,420.8
General Business	121.3	462.8	1,131.5	(5.0)	1,710.6
Public Institutions	224.0	155.9	670.7	(2.0)	1,048.6
<b>Total operating revenues</b>	<b>513.6</b>	<b>953.8</b>	<b>2,722.6</b>	<b>(10.0)</b>	<b>4,180.0</b>

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>6 months ended 30 June 2023</b>					
Banking and Finance	293.6	695.7	1,877.0	(7.6)	2,858.7
General Business	233.4	942.5	2,431.9	(13.6)	3,594.2
Public Institutions	443.7	304.0	1,317.1	(2.3)	2,062.5
<b>Total operating revenues</b>	<b>970.7</b>	<b>1,942.2</b>	<b>5,626.0</b>	<b>(23.5)</b>	<b>8,515.4</b>

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>3 months ended 30 June 2022 (restated)</b>					
Banking and Finance	118.5	353.0	973.9	(2.8)	1,442.6
General Business	93.6	473.6	1,162.8	(4.9)	1,725.1
Public Institutions	217.9	176.1	640.8	-	1,034.8
<b>Total operating revenues</b>	<b>430.0</b>	<b>1,002.7</b>	<b>2,777.5</b>	<b>(7.7)</b>	<b>4,202.5</b>

	Asseco Poland segment	Asseco International segment	Formula Systems segment	Eliminations	Total
	PLN mn	PLN mn	PLN mn	PLN mn	PLN mn
<b>6 months ended 30 June 2022 (restated)</b>					
Banking and Finance	228.5	655.7	1,905.3	(5.3)	2,784.2
General Business	180.6	955.3	2,385.6	(9.7)	3,511.8
Public Institutions	429.3	332.0	1,192.9	(0.2)	1,954.0
<b>Total operating revenues</b>	<b>838.4</b>	<b>1,943.0</b>	<b>5,483.8</b>	<b>(15.2)</b>	<b>8,250.0</b>



iii. Operating revenues in a breakdown by countries in which they were generated

	6 months ended 30 June 2023	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn
Israel	3,397.6	3,420.9
USA	1,452.6	1,376.8
Poland	1,111.7	959.9
Spain	341.4	391.7
Germany	229.9	196.1
Slovak Republic	224.9	233.6
Czech Republic	217.1	184.6
United Kingdom	216.9	148.2
Serbia	180.5	159.2
Romania	110.8	94.1
Croatia	86.4	96.1
Other countries	945.6	988.8
<b>Total operating revenues</b>	<b>8,515.4</b>	<b>8,250.0</b>

iv. Revenues from contracts with customers within total operating revenues

	3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022 (restated)	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
<b>Revenues from contracts with customers recognized in accordance with IFRS 15, of which:</b>	<b>4,155.5</b>	<b>8,467.2</b>	<b>4,178.4</b>	<b>8,202.5</b>
<b>From goods and services transferred at a specific point in time</b>	<b>754.6</b>	<b>1,577.6</b>	<b>698.7</b>	<b>1,449.9</b>
Asseco Poland segment	82.4	135.7	53.9	115.2
Asseco International segment	315.1	657.4	343.3	670.9
Formula Systems segment	360.1	792.1	303.5	668.5
Intragroup transactions	(3.0)	(7.6)	(2.0)	(4.7)
<b>From goods and services transferred over the passage of time</b>	<b>3,400.9</b>	<b>6,889.6</b>	<b>3,479.7</b>	<b>6,752.6</b>
Asseco Poland segment	430.8	834.2	375.7	721.8
Asseco International segment	614.1	1,236.4	634.9	1,224.6
Formula Systems segment	2,362.5	4,833.9	2,474.0	4,815.3
Intragroup transactions	(6.5)	(14.9)	(4.9)	(9.1)
<b>Revenues from operating leases recognized in accordance with IFRS 16</b>	<b>24.5</b>	<b>48.2</b>	<b>24.1</b>	<b>47.5</b>
Asseco Poland segment	0.4	0.8	0.4	1.4
Asseco International segment	24.6	48.4	24.5	47.5
Formula Systems segment	-	-	-	-
Intragroup transactions	(0.5)	(1.0)	(0.8)	(1.4)
<b>Total operating revenues</b>	<b>4,180.0</b>	<b>8,515.4</b>	<b>4,202.5</b>	<b>8,250.0</b>

Revenues from operating leases recognized in accordance with IFRS 16, as disclosed in the table above, represent primarily revenues generated by the Asseco International segment (in particular by Asseco South Eastern Europe Group) from the provision of ATM and POS terminal outsourcing services. In addition, these revenues comprise income from letting of own property, including office space (particularly in the Asseco Poland segment). Such contracts are treated as operating lease contracts, and revenues generated therefrom are recognized as revenues from operating leases in accordance with IFRS 16.

## 5.2. Structure of operating costs

The table below presents operating costs incurred during the periods of 3 and 6 months ended 30 June 2023 and in the comparable periods.

Operating costs	3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022 (restated)	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
Cost of goods, materials and third-party services sold (COGS)	(721.5)	(1,488.0)	(771.4)	(1,500.6)
Employee benefits	(2,074.6)	(4,227.6)	(2,061.2)	(4,073.8)
Depreciation and amortization	(216.8)	(441.3)	(214.5)	(428.4)
Third-party services*	(550.2)	(1,129.6)	(551.7)	(1,071.8)
Other	(218.4)	(433.7)	(242.6)	(418.1)
<b>Total</b>	<b>(3,781.5)</b>	<b>(7,720.2)</b>	<b>(3,841.4)</b>	<b>(7,492.7)</b>
Cost of sales	(3,244.9)	(6,632.7)	(3,330.4)	(6,486.9)
Selling costs	(239.1)	(480.6)	(229.3)	(455.1)
General and administrative expenses	(284.6)	(586.9)	(282.6)	(551.0)
(Recognition)/reversal of allowances for trade receivables	(12.9)	(20.0)	0.9	0.3
<b>Total</b>	<b>(3,781.5)</b>	<b>(7,720.2)</b>	<b>(3,841.4)</b>	<b>(7,492.7)</b>

\* The costs of third-party services include the costs of outsourcing of human resources as well as non-project-related costs, in total amounting to PLN 675.7 million in the period of 6 months ended 30 June 2023, as compared to PLN 817.4 million incurred in the period of 6 months ended 30 June 2022.

In the period of 6 months ended 30 June 2023, other operating costs included primarily maintenance of property and company cars in the amount of PLN 245.2 million, as well as business trips in the amount of PLN 33.3 million. Whereas, in the comparable period other operating costs included primarily maintenance of property and company cars in the amount of PLN 260.0 million, as well as business trips in the amount of PLN 23.3 million.

### i. Costs of employee benefits

Costs of employee benefits	3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022	6 months ended 30 June 2022
	PLN mn	PLN mn	PLN mn	PLN mn
Salaries	(1,757.4)	(3,543.3)	(1,742.8)	(3,396.4)
Social insurance contributions	(126.7)	(258.7)	(123.6)	(241.9)
Costs of pension benefits	(127.5)	(264.8)	(137.9)	(273.3)
Costs of share-based payment transactions with employees	(19.9)	(39.2)	(13.9)	(32.2)
Other costs of employee benefits	(43.1)	(121.6)	(43.0)	(130.0)
<b>Total costs of employee benefits</b>	<b>(2,074.6)</b>	<b>(4,227.6)</b>	<b>(2,061.2)</b>	<b>(4,073.8)</b>

The average level of employment during the reporting period presented in full-time salaried jobs, i.e. employment in full-time jobs adjusted for (reduced by) positions which are not salaried by the Group companies (such as an unpaid leave, maternity leave, etc.), exclusive of companies whose financial results are disclosed under other operating activities or discontinued operations, however inclusive of companies which joined the Group during the reporting period (calculated proportionally to the period of their consolidation) equalled 32,175 persons, as compared with 30,923 persons in the comparable period.

The costs of equity-settled share-based payment transactions with employees correspond to stock option plans that were awarded to employees and managers of companies incorporated within the Formula Systems segment as well as company managers of ASEE Group within the Asseco International segment.

During the period of 6 months ended 30 June 2023, such costs amounted to PLN 39.2 million as compared to PLN 32.2 million in the comparable period. In the financial results for 2023 and 2022, the Group recognized a portion of costs of the stock option plan awarded to the CEO of Formula Systems in 2020. Under this plan, the CEO has been granted Restricted Share Units (RSUs) that will be convertible into a 4% stake in Formula

Systems after the passage of 8 years, i.e. after the end of 2027. The stock option plan is worth a total of NIS 170 million (PLN 188.7 million) which shall be recognized on a straight-line basis in the Group's costs in the period from 2020 to 2027, and thus over the remaining period of less than 5 years. In its financial results for the second quarter of 2023, Formula Systems (1985) Ltd recognized the costs of stock option plans in the amount of NIS 13.5 million (PLN 15.9 million).

The remaining costs of share-based payment transactions with employees were incurred by Magic Group (PLN 5.5 million), Matrix Group (PLN 8.4 million), Sapiens Group (PLN 9.1 million), as well as by ASEE Group (PLN 0.3 million).

### 5.3. Other operating income and expenses

Other operating income and expenses during the periods of 3 and 6 months ended 30 June 2023 and in the comparable periods were as follows:

Other operating income	3 months ended	6 months ended	3 months ended	6 months ended
	30 June 2023	30 June 2023	30 June 2022 (restated)	30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
Gain on disposal of property, plant and equipment	1.6	3.3	0.9	2.3
Gain on modification and early termination of lease contracts	(0.2)	4.5	-	-
Reversal of provision	0.3	0.9	-	0.2
Discounts and rebates received as well as grants related to other operations	0.1	0.3	0.5	0.6
Proceeds from sports and recreational activities	6.5	12.3	5.6	10.9
Gain on revaluation of deferred and conditional payments for controlling interests in subsidiaries	2.1	2.8	3.1	3.1
Gain on revaluation of liabilities from the acquisition of non-controlling interests (put options)	4.7	4.7	(2.1)	5.1
Gain on loss of control over subsidiaries	2.2	2.5	192.2	192.2
Other	2.3	3.5	2.4	3.3
<b>Total</b>	<b>19.6</b>	<b>34.8</b>	<b>202.6</b>	<b>217.7</b>

The gain on loss of control over subsidiaries in the amount of PLN 2.5 million is related to the companies of Tecnologia Sistemas y Aplicaciones SL (Tecsisa) and Asseco Central Asia MChJ QK (both of the Asseco International segment).

In the comparable period, the gain on losing control over a subsidiary in the amount of PLN 192.2 million represents the total gain recognized on the sale of shares in Infinity Labs R&D Ltd based in Israel (Matrix IT Group, the Formula Systems segment).

Other operating expenses	3 months ended	6 months ended	3 months ended	6 months ended
	30 June 2023	30 June 2023	30 June 2022 (restated)	30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
Charitable contributions to unrelated parties	(0.4)	(1.0)	(1.2)	(2.9)
Provisions created during the reporting period	0.1	(0.3)	(0.1)	(0.2)
Expenses related to proceeds from sports and recreational activities	(9.2)	(18.4)	(9.2)	(19.3)
Allowances for receivables arising from the sale of shares in subsidiaries	(0.2)	(0.1)	-	(0.1)
Impairment loss on goodwill	(4.9)	(4.9)	(12.7)	(12.7)
Expenses related to obtaining control over subsidiaries	(0.6)	(0.9)	(0.7)	(2.6)
Loss on revaluation of deferred and conditional payments for controlling interests in subsidiaries	(0.1)	(0.1)	0.1	(1.2)
Loss on revaluation of liabilities from the acquisition of non-controlling interests (put options)	1.3	(1.1)	(1.6)	(2.2)

Cost of dividends attributable to non-controlling interests	(7.6)	(7.6)	(1.0)	(7.4)
Other	(1.6)	(3.1)	(0.8)	(3.2)
<b>Total</b>	<b>(23.2)</b>	<b>(37.5)</b>	<b>(27.2)</b>	<b>(51.8)</b>

The impairment loss on goodwill in the amount of PLN 4.9 million is related to the company DahliaMatic Sp. z o.o. (of the Asseco Poland segment).

Gain and loss on revaluation of deferred and conditional payments for controlling interests in subsidiaries as well as on revaluation of liabilities from the acquisition of non-controlling interests (put options) resulted from a change in estimates of operating profits of our subsidiaries which constitute basis for the calculation of such liabilities.

Dividends paid out to non-controlling shareholders are related to non-controlling interests that are subject to put options and accounted for using the present ownership method.

#### 5.4. Financial income and expenses

Financial income earned during the periods of 3 and 6 months ended 30 June 2023 and in the comparable periods was as follows:

Financial income	3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022 (restated)	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
Interest income on investments in debt securities and bank deposits carried at amortized cost	23.0	40.4	5.3	7.3
Interest income on other investments in debt securities, leases, and on trade receivables and other receivables	1.0	1.6	1.9	2.0
Other interest income	-	-	0.3	0.6
Positive foreign exchange differences	27.0	47.7	24.8	36.7
Gain on exercise and/or valuation of financial assets carried at fair value through profit or loss	1.5	2.6	(2.5)	1.5
Gain on sale of associates	-	-	3.3	3.3
Gain on the net monetary position – hyperinflation	1.2	10.8	20.3	20.3
Other financial income	1.6	2.0	(0.3)	0.4
<b>Total financial income</b>	<b>55.3</b>	<b>105.1</b>	<b>53.1</b>	<b>72.1</b>

The gain on the net monetary position – hyperinflation resulted from applying IAS 29 and making the inflation-related revaluation of non-monetary items in the statement of financial position and the statement of profit and loss of our subsidiaries operating in Turkey, as part of ASEE Group (the Asseco International segment), using the rate of inflation in the current year. Detailed information on the impact of hyperinflation has been provided in explanatory note 2.10 to these interim condensed consolidated financial statements.

Financial expenses incurred during the periods of 3 and 6 months ended 30 June 2023 and in the comparable periods were as follows:

Financial expenses	3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022 (restated)	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
Interest expenses on bank loans, borrowings, debt securities, leases, and on trade payables	(40.5)	(75.1)	(20.5)	(41.5)
Other interest expenses	(3.2)	(11.1)	(4.0)	(8.2)
Negative foreign exchange differences	(17.1)	(33.6)	(4.4)	(10.2)
Loss on exercise and/or valuation of financial assets carried at fair value through profit or loss	(4.3)	(12.2)	(7.3)	(9.1)
Unwinding of discounts on deferred and conditional payments for controlling interests in subsidiaries and on liabilities from the acquisition	(2.9)	(5.4)	(0.9)	(5.3)

of non-controlling interests (put options)				
Impairment loss on financial instruments	-	(0.4)	(0.1)	(0.1)
Other financial expenses	(0.4)	(0.6)	(0.7)	(0.7)
<b>Total financial expenses</b>	<b>(68.4)</b>	<b>(138.4)</b>	<b>(37.9)</b>	<b>(75.1)</b>

Positive and negative foreign exchange differences are presented in net amounts (reflecting the excess of positive differences over negative differences or otherwise) at the level of individual subsidiaries.

### 5.5. Corporate income tax

The main charges on pre-tax profit resulting from corporate income tax (current and deferred portions):

Corporate income tax	3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022 (restated)	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn	PLN mn	PLN mn
Current income tax and prior years' adjustments	(116.3)	(187.2)	(133.2)	(232.9)
Deferred income tax	38.9	26.3	13.9	31.2
<b>Income tax expense as disclosed in the statement of profit and loss</b>	<b>(77.4)</b>	<b>(160.9)</b>	<b>(119.3)</b>	<b>(201.7)</b>

During the period of 6 months ended 30 June 2023, our effective tax rate equalled 21.2% as compared to 21.9% in the comparable period last year.

### 5.6. Earnings per share

Both during the reporting period and the comparable period, there were no instruments that could potentially dilute basic earnings per share, hence our basic earnings per share and diluted earnings per share are equal. The table below presents net profits and numbers of shares used for the calculation of earnings per share.

Earnings per share	3 months ended 30 June 2023	6 months ended 30 June 2023	3 months ended 30 June 2022 (restated)	6 months ended 30 June 2022 (restated)
Weighted average number of ordinary shares outstanding, used for calculation of basic earnings per share	83,000,303	83,000,303	83,000,303	83,000,303
Net profit attributable to shareholders of the Parent Company for the reporting period (in millions of PLN)	122.4	230.5	140.3	247.9
<b>Consolidated earnings per share for the reporting period (in PLN)</b>	<b>1.47</b>	<b>2.78</b>	<b>1.69</b>	<b>2.99</b>

### 5.7. Information on dividends paid out

In 2023, the Parent Company paid out to its shareholders a dividend for the year 2022. On 30 May 2023, the General Meeting of Shareholders of Asseco Poland S.A. resolved that the net profit for the financial year 2022 in the amount of PLN 340.6 million shall be distributed as follows:

- The amount of PLN 290.5 million was allocated for distribution among the Company's Shareholders through the payment of a dividend amounting to PLN 3.50 per share. The dividend record date was set for 19 June 2023; whereas, the dividend payment was scheduled for 28 June 2023;
- The remaining portion of the net profit for 2022 in the amount of PLN 50.1 million was allocated to the reserve capital.

In 2022, the Parent Company paid out to its shareholders a dividend for the year 2021. On 25 May 2022, the General Meeting of Shareholders of Asseco Poland S.A. resolved that the net profit for the financial year 2021 in the amount of PLN 320.9 million shall be distributed as follows:

- The amount of PLN 278.9 million was allocated for distribution among the Company's Shareholders through the payment of a dividend amounting to PLN 3.36 per share. The dividend record date was set for 10 June 2022; whereas, the dividend payment was scheduled for 21 June 2022;
- The remaining portion of the net profit for 2021 in the amount of PLN 42.0 million was allocated to the reserve capital.

## 6. Explanatory notes to the consolidated statement of financial position

### 6.1. Property, plant and equipment

Changes in the net book value of property, plant and equipment that took place during the period of 6 months ended 30 June 2023 and in the comparable period are presented below:

	6 months ended 30 June 2023 PLN mn	6 months ended 30 June 2022 PLN mn
<b>Net book value of property, plant and equipment as at 1 January</b>	<b>993.0</b>	<b>905.9</b>
<b>Additions, of which:</b>	<b>119.8</b>	<b>108.4</b>
Purchases and modernization	111.6	96.1
Obtaining control over subsidiaries	1.6	4.2
Acquisition of right-of-use assets	0.3	4.5
Transfers from inventories	5.0	0.7
Other	1.3	2.9
<b>Reductions, of which:</b>	<b>(104.3)</b>	<b>(109.4)</b>
Depreciation charges for the reporting period	(94.1)	(95.6)
Loss of control over subsidiaries	(0.1)	(3.4)
Disposal and liquidation	(8.5)	(5.1)
Other	(1.6)	(5.3)
<b>(Recognition)/reversal of impairment losses</b>	<b>-</b>	<b>(0.3)</b>
<b>Impact of hyperinflation</b>	<b>2.1</b>	<b>3.3</b>
<b>Exchange differences on translation of foreign operations</b>	<b>(45.4)</b>	<b>4.8</b>
<b>Net book value of property, plant and equipment as at 30 June</b>	<b>965.2</b>	<b>912.7</b>

### 6.2. Intangible assets

Changes in the net book value of intangible assets that took place during the period of 6 months ended 30 June 2023 and in the comparable period are presented below:

	6 months ended 30 June 2023 PLN mn	6 months ended 30 June 2022 (restated) PLN mn
<b>Net book value of intangible assets as at 1 January (restated)</b>	<b>2,383.8</b>	<b>2,506.7</b>
<b>Additions, of which:</b>	<b>137.8</b>	<b>204.7</b>
Purchases and modernization	7.1	8.2
Obtaining control over subsidiaries	65.0	132.9
Costs of development projects in progress	65.7	63.6
<b>Reductions, of which:</b>	<b>(202.4)</b>	<b>(207.0)</b>
Amortization charges for the reporting period	(202.4)	(206.7)
Disposal and liquidation	-	(0.3)
<b>(Recognition)/reversal of impairment losses</b>	<b>(1.6)</b>	<b>(31.5)</b>
<b>Impact of hyperinflation</b>	<b>0.4</b>	<b>0.6</b>
<b>Change in presentation</b>	<b>0.5</b>	<b>0.1</b>
<b>Exchange differences on translation of foreign operations</b>	<b>(183.7)</b>	<b>27.9</b>
<b>Net book value of intangible assets as at 30 June</b>	<b>2,134.8</b>	<b>2,501.5</b>

### 6.3. Right-of-use assets

Changes in the net book value of right-of-use assets that took place during the period of 6 months ended 30 June 2023 and in the comparable period are presented below:

	6 months ended 30 June 2023	6 months ended 30 June 2022
	PLN mn	PLN mn
<b>Net book value of right-of-use assets as at 1 January</b>	<b>789.9</b>	<b>831.1</b>
<b>Additions, of which:</b>	<b>239.9</b>	<b>71.9</b>
Conclusion of new lease contracts	221.2	63.8
Modification of existing contracts (lease extension, interest rate change)	18.6	7.4
Obtaining control over subsidiaries	-	0.7
Other	0.1	-
<b>Reductions, of which:</b>	<b>(225.1)</b>	<b>(133.5)</b>
Depreciation charges for the reporting period	(147.5)	(126.9)
Loss of control over subsidiaries	-	(0.4)
Early termination of contracts	(71.7)	(0.6)
Modification of existing contracts (lease shortening, interest rate change)	(3.6)	(1.1)
Acquisition of right-of-use assets	(0.2)	(4.5)
Other	(2.1)	-
<b>(Recognition)/reversal of impairment losses</b>	<b>1.8</b>	<b>3.9</b>
<b>Exchange differences on translation of foreign operations</b>	<b>(58.2)</b>	<b>4.9</b>
<b>Net book value of right-of-use assets as at 30 June</b>	<b>748.3</b>	<b>778.3</b>

### 6.4. Goodwill

For impairment testing purposes, goodwill arising from obtaining control over subsidiaries is allocated by the Group in the following way:

- to the groups of cash-generating units that constitute an operating segment; or
- to individual subsidiaries; or
- to operating segments identified within the Parent Company (including: “Banking and Finance”, “Healthcare and Public Administration”, or “General Business”).

The following table presents the amounts of goodwill as at 30 June 2023 and 31 December 2022, in a breakdown by operating segments:

Goodwill	30 June 2023	31 December 2022 (restated)
	PLN mn	PLN mn
<b>Asseco Poland segment, of which:</b>	<b>2,259.4</b>	<b>2,264.3</b>
<b>Goodwill allocated to individual cash-generating units</b>	<b>337.9</b>	<b>342.8</b>
Asseco Data Systems S.A.	245.5	245.5
Asseco Cloud Sp. z o.o.	11.0	11.0
GSTN Consulting Sp. z o.o.	33.1	33.1
ZUI Novum Sp. z o.o.	0.3	0.3
DahliaMatic Sp. z o.o.	44.8	49.7
ComCERT S.A.	3.2	3.2
<b>Operating segments identified within the Parent Company</b>	<b>1,921.5</b>	<b>1,921.5</b>
Goodwill allocated to the Banking and Finance segment	890.2	890.2

Goodwill allocated to the Healthcare and Public Administration segment	850.3	850.3
Goodwill allocated to the General Business segment	181.0	181.0
<b>Asseco International segment, of which:</b>	<b>1,636.0</b>	<b>1,714.5</b>
Asseco Central Europe Group	762.9	786.1
Asseco South Eastern Europe Group	779.3	829.3
Asseco Spain S.A.	19.0	20.0
Sintagma UAB <sup>1)</sup>	0.7	0.7
Asseco PST Holding SGPS S.A.	74.1	78.4
<b>Formula Systems segment</b>	<b>1,930.8</b>	<b>1,965.1</b>
<b>Total goodwill</b>	<b>5,826.2</b>	<b>5,943.9</b>

<sup>1)</sup> Goodwill recognized on the acquisition of Sintagma UAB and Asseco Lietuva UAB.

During the period of 6 months ended 30 June 2023, the following changes in goodwill arising from consolidation took place (the table includes changed components only):

Goodwill as allocated to reportable segments:	Goodwill at the beginning of the period (restated)	Obtaining of control / Loss of control / Other structural changes	Write-down on goodwill	Impact of hyperinflation	Foreign exchange differences	Goodwill at the end of the period
	PLN mn	PLN mn		PLN mn	PLN mn	PLN mn
<b>Asseco Poland segment</b>						
DahliaMatic Sp. z o.o.	49.7	-	(4.9)	-	-	44.8
<b>Asseco International segment</b>						
Asseco Central Europe Group	786.1	-	-	-	(23.2)	762.9
Asseco South Eastern Europe Group	829.3	-	-	13.5	(63.5)	779.3
Asseco Spain S.A.	20.0	-	-	-	(1.0)	19.0
Asseco PST Holding SGPS S.A.	78.4	-	-	-	(4.3)	74.1
<b>Formula Systems segment</b>						
Formula Group	1,965.1	125.8	-	-	(160.1)	1,930.8

The increase in goodwill due to hyperinflation is a result of applying IAS 29 and is related to Turkey-based subsidiaries of ASEE Group (the Asseco International segment). Detailed information on the impact of hyperinflation has been provided in explanatory note 2.10 to these interim condensed consolidated financial statements.

Moreover, in the period of 6 months ended 30 June 2023, the balance of goodwill arising from consolidation was affected by the transactions described below. Foreign currency amounts disclosed for individual acquisitions in the tables below have been converted to Polish zlotys at the exchange rates effective on the acquisition date, whereas in the aggregate table above, changes in goodwill have been converted to Polish zlotys at the average exchange rate for the reporting period.

A detailed description including a table has only been provided for major acquisitions (where the value of net assets acquired was higher than PLN 10 million). For the remaining acquisitions, we provided just basic information.

*i. Acquisition of shares in Zebra company by Matrix Group*

On 1 January 2023, Tangram Soft Ltd (a company of Matrix IT Group) acquired 70% of shares in the company Zebra A.G.R. Technologies Ltd based in Israel. The purchase price amounted to NIS 79.3 million (PLN 98.4 million), of which NIS 53.0 million (PLN 65.8 million) was paid in cash, and the remaining amount represents a put option worth NIS 26.3 million (PLN 32.6 million). All non-controlling interests are puttable and are accounted for using the present ownership method (whereby the value of put options is measured at purchase price, while the balance of non-controlling interests stands at 0). The acquisition agreement provides for bilateral call and put options for the remaining shares in that company.



As part of the provisional purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of NIS 11.2 million (PLN 13.9 million), while the amount of NIS 28.7 million (PLN 35.6 million) was allocated to goodwill.

Until 30 June 2023, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on this acquisition may be subject to change in the period of 12 months from the date of obtaining control over that company. The provisional values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Provisional values as at the acquisition date NIS mn	Provisional values as at the acquisition date PLN mn
<b>Assets acquired</b>		
Intangible assets (including those identified under purchase price allocation)	11.2	13.9
Trade receivables	117.8	146.1
Inventories	15.3	19.0
Cash and cash equivalents	15.1	18.7
Other assets	3.6	4.5
<b>Total assets</b>	<b>163.0</b>	<b>202.2</b>
<b>Liabilities acquired</b>		
Bank loans and borrowings	25.1	31.1
Trade payables	78.5	97.4
Other liabilities	6.2	7.7
Deferred tax liabilities	2.6	3.2
<b>Total liabilities</b>	<b>112.4</b>	<b>139.4</b>
<b>Net assets value</b>	<b>50.6</b>	<b>62.8</b>
<b>Value of non-controlling interests</b>	-	-
<b>Equity interest acquired</b>	<b>70%</b>	<b>70%</b>
<b>Purchase price</b>	<b>79.3</b>	<b>98.4</b>
<b>Goodwill as at the acquisition date</b>	<b>28.7</b>	<b>35.6</b>

ii. *Acquisition of shares in K.M.T (M.H.) Technologies Communication Computers Ltd by Magic Group*

On 8 June 2023, Magic Software Enterprises Ltd (a company of Magic Group) acquired 60% of shares in K.M.T (M.H.) Technologies Communication Computers Ltd based in Israel. The purchase price amounted to NIS 57.8 million (PLN 64.7 million) and it was fully paid in cash.

As part of the provisional purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of NIS 27.4 million (PLN 30.7 million), while the remaining amount of NIS 67.3 million (PLN 75.4 million) was allocated to goodwill.

Until 30 June 2023, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on this acquisition may be subject to change in the period of 12 months from the date of obtaining control over that company. The provisional values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Provisional values as at the acquisition date NIS mn	Provisional values as at the acquisition date PLN mn
<b>Assets acquired</b>		
Property, plant and equipment	0.5	0.6
Intangible assets (including those identified under purchase price allocation)	27.4	30.7
Trade receivables	9.8	11.0
Cash and cash equivalents	2.3	2.6
Other assets	5.7	6.2

<b>Total assets</b>	<b>45.7</b>	<b>51.1</b>
<b>Liabilities acquired</b>		
Trade payables	0.8	0.9
Prepayments and accrued income	3.2	3.6
Other liabilities	9.4	10.5
Deferred tax liabilities	3.3	3.7
<b>Total liabilities</b>	<b>16.7</b>	<b>18.7</b>
<b>Net assets value</b>	<b>29.0</b>	<b>32.4</b>
<b>Value of non-controlling interests (measured at fair value)</b>	<b>38.5</b>	<b>43.1</b>
<b>Equity interest acquired</b>	<b>60%</b>	<b>60%</b>
<b>Purchase price</b>	<b>57.8</b>	<b>64.7</b>
<b>Goodwill as at the acquisition date</b>	<b>67.3</b>	<b>75.4</b>

iii. *Acquisition of shares in Emalogic Software Ltd*

On 22 June 2023, Michpal MicroComputers (1983) Ltd (a company of Michpal Group) acquired 75% of shares in Emalogic Software Ltd based in Israel. The purchase price amounted to NIS 26.4 million (PLN 29.3 million), of which NIS 23.8 million (PLN 26.4 million) was paid in cash, and the remaining amount constitutes a conditional payment depending on future operating profits of the acquired company.

As part of the provisional purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of NIS 17.0 million (PLN 18.9 million), while the remaining amount of NIS 14.6 million (PLN 16.2 million) was allocated to goodwill.

Until 30 June 2023, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on this acquisition may be subject to change in the period of 12 months from the date of obtaining control over that company. The provisional values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Provisional values as at the acquisition date	Provisional values as at the acquisition date
	NIS mn	PLN mn
<b>Assets acquired</b>		
Property, plant and equipment	0.6	0.7
Intangible assets (including those identified under purchase price allocation)	17.0	18.9
Trade receivables	5.5	6.1
Cash and cash equivalents	9.4	10.4
Other assets	1.2	1.3
<b>Total assets</b>	<b>33.7</b>	<b>37.4</b>
<b>Liabilities acquired</b>		
Bank loans and borrowings	1.0	1.1
Trade payables	0.3	0.3
Other liabilities	12.8	14.3
Deferred tax liabilities	3.9	4.3
<b>Total liabilities</b>	<b>18.0</b>	<b>20.0</b>
<b>Net assets value</b>	<b>15.7</b>	<b>17.4</b>
<b>Value of non-controlling interests</b>	<b>3.9</b>	<b>4.3</b>
<b>Equity interest acquired</b>	<b>75%</b>	<b>75%</b>
<b>Purchase price</b>	<b>26.4</b>	<b>29.3</b>
<b>Goodwill as at the acquisition date</b>	<b>14.6</b>	<b>16.2</b>

iv. *Accounting for the acquisition of shares in Pirios S.A. by Asseco Data Systems S.A.*

On 25 January 2022, Asseco Data Systems S.A. acquired 65.2% of shares in Pirios S.A., a company based in Poland. The purchase price amounted to PLN 24.3 million, of which PLN 13.0 million was paid in cash, PLN 3.0 million constitutes a conditional payment depending on future operating profits of the acquired company, while the remaining portion of PLN 8.3 million represents liabilities arising from put options granted

to non-controlling shareholders. All non-controlling interests are puttable and are accounted for using the present ownership method (whereby the value of put options is measured at purchase price, while the balance of non-controlling interests stands at 0).

As part of the final purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of PLN 8.2 million, while the remaining amount of PLN 12.4 million was allocated to goodwill.

The process of purchase price allocation was completed by the Group in the first quarter of 2023. The provisional values and fair values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Provisional values as at the acquisition date PLN mn	Fair values as at the acquisition date PLN mn
<b>Assets acquired</b>		
Property, plant and equipment	0.1	0.1
Intangible assets (including those identified under purchase price allocation)	13.7	15.4
Right-of-use assets	0.5	0.5
Trade receivables	2.8	2.8
Cash and cash equivalents	0.2	0.2
Other assets	1.7	1.7
<b>Total assets</b>	<b>19.0</b>	<b>20.7</b>
<b>Liabilities acquired</b>		
Bank loans and borrowings	0.9	0.9
Trade payables	2.8	2.8
Other liabilities	3.5	3.7
Deferred tax liabilities	1.2	1.4
<b>Total liabilities</b>	<b>8.4</b>	<b>8.8</b>
<b>Net assets value</b>	<b>10.6</b>	<b>11.9</b>
<b>Value of non-controlling interests</b>	-	-
<b>Equity interest acquired</b>	<b>65.2%</b>	<b>65.2%</b>
<b>Purchase price</b>	<b>25.1</b>	<b>24.3</b>
<b>Goodwill as at the acquisition date</b>	<b>14.5</b>	<b>12.4</b>

v. *Accounting for the acquisition of shares in Appush Ltd (formerly Vidstart Ltd) by Magic Group*

On 27 January 2022, Magic Software Enterprises Ltd (a company of Magic Group) acquired 50.1% of shares in Appush Ltd (formerly Vidstart Ltd) based in Israel. The purchase price amounted to USD 21.4 million (PLN 87.4 million), of which USD 11.1 million (PLN 45.3 million) was paid in cash, and the remaining amount constitutes a deferred payment depending on future operating profits of the acquired company.

The Group made a contractual commitment to buy the remaining 49.9% of shares in that company by the end of 2024 and therefore Appush Ltd is fully consolidated, as if 100% of shares have already been purchased, whereby the liability arising from the future acquisition of non-controlling interests is measured at purchase price, while the balance of non-controlling interests stands at 0.

As part of the final purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of USD 7.4 million (PLN 30.2 million), while the remaining amount of USD 15.2 million (PLN 62.1 million) was allocated to goodwill.

The process of purchase price allocation was completed by the Group in the first quarter of 2023. The provisional values and fair values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Provisional values as at the acquisition date	Provisional values as at the acquisition date	Fair values as at the acquisition date	Fair values as at the acquisition date
	USD mn	PLN mn	USD mn	PLN mn
<b>Assets acquired</b>				
Property, plant and equipment	0.1	0.4	0.1	0.4
Intangible assets (including those identified under purchase price allocation)	11.3	46.1	7.4	30.2
Trade receivables	4.5	18.4	4.4	18.0
Cash and cash equivalents	1.6	6.5	1.5	6.1
Other assets	0.4	1.6	0.4	1.6
<b>Total assets</b>	<b>17.9</b>	<b>73.0</b>	<b>13.8</b>	<b>56.3</b>
<b>Liabilities acquired</b>				
Trade payables	3.8	15.5	3.7	15.1
Other liabilities	0.7	2.9	2.2	9.0
Deferred tax liabilities	2.8	11.3	1.7	6.9
<b>Total liabilities</b>	<b>7.3</b>	<b>29.7</b>	<b>7.6</b>	<b>31.0</b>
<b>Net assets value</b>	<b>10.6</b>	<b>43.3</b>	<b>6.2</b>	<b>25.3</b>
<b>Value of non-controlling interests</b>	-	-	-	-
<b>Equity interest acquired</b>	<b>50.1%</b>	<b>50.1%</b>	<b>50.1%</b>	<b>50.1%</b>
<b>Purchase price</b>	<b>22.6</b>	<b>92.3</b>	<b>21.4</b>	<b>87.4</b>
<b>Goodwill as at the acquisition date</b>	<b>12.0</b>	<b>49.0</b>	<b>15.2</b>	<b>62.1</b>

vi. Accounting for the acquisition of shares in Formally Smart Form System Ltd by Michpal Group

On 16 February 2022, Michpal Micro Computers (1983) Ltd (a company of Michpal Group) acquired a 70% stake in Formally Smart Form System Ltd based in Israel. The purchase price amounted to NIS 44.8 million (PLN 55.6 million) and it was fully paid in cash.

As part of the final purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of NIS 28.6 million (PLN 35.5 million), while the remaining amount of NIS 30.0 million (PLN 37.2 million) was allocated to goodwill.

The process of purchase price allocation was completed by the Group in the first quarter of 2023. The provisional values and fair values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Provisional values as at the acquisition date	Provisional values as at the acquisition date	Fair values as at the acquisition date	Fair values as at the acquisition date
	NIS mn	PLN mn	NIS mn	PLN mn
<b>Assets acquired</b>				
Property, plant and equipment	0.1	0.1	0.1	0.1
Intangible assets (including those identified under purchase price allocation)	42.0	52.1	28.6	35.5
Trade receivables	4.3	5.3	2.7	3.3
Cash and cash equivalents	5.7	7.1	34.2	42.4
Other assets	0.8	1.0	0.2	0.2
<b>Total assets</b>	<b>52.9</b>	<b>65.6</b>	<b>65.8</b>	<b>81.5</b>
<b>Liabilities acquired</b>				
Trade payables	0.6	0.7	0.2	0.2
Accruals and deferred income	3.7	4.6	2.8	3.5
Deferred tax liabilities	9.7	12.0	6.2	7.7
Other liabilities	6.4	8.0	35.4	43.8
<b>Total liabilities</b>	<b>20.4</b>	<b>25.3</b>	<b>44.6</b>	<b>55.2</b>
<b>Net assets value</b>	<b>32.5</b>	<b>40.3</b>	<b>21.2</b>	<b>26.3</b>
<b>Value of non-controlling interests</b>	-	-	<b>6.4</b>	<b>7.9</b>
<b>Equity interest acquired</b>	<b>70%</b>	<b>70%</b>	<b>70%</b>	<b>70%</b>
<b>Purchase price</b>	<b>64.0</b>	<b>79.4</b>	<b>44.8</b>	<b>55.6</b>
<b>Goodwill as at the acquisition date</b>	<b>31.5</b>	<b>39.1</b>	<b>30.0</b>	<b>37.2</b>

vii. *Accounting for the acquisition of shares in Engage.com by Sapiens Group*

On 19 May 2022, Sapiens Technology (1982) Ltd acquired 100% of shares in Engage.com, a company based in Israel. The purchase price amounted to NIS 12.0 million (PLN 15.7 million).

The process of purchase price allocation was completed by the Group in the second quarter of 2023. As part of the final purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of NIS 5.6 million (PLN 7.3 million), while the remaining amount of NIS 7.2 million (PLN 9.4 million) was allocated to goodwill.

viii. *Accounting for the acquisition of shares in Bithat Solutions s.r.l. by ASEE Group*

On 16 June 2022, Asseco SEE s.r.l., (Bucharest) acquired 70% of shares in Bithat Solutions s.r.l., a company based in Bucharest (Romania), for the total amount EUR 7.2 million (PLN 33.8 million). The purchase price includes conditional payments in the amount of EUR 0.8 million (PLN 3.8 million) depending on financial results achieved by the acquired company. All non-controlling interests are subject to put/call options and accounted for using the present ownership method. As at the acquisition date, the value of put options was measured at purchase price amounting to EUR 3.5 million (PLN 16.5 million), while the carrying amount of non-controlling interests stood at 0.

The process of purchase price allocation was completed by the Group in the second quarter of 2023. As part of the final purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of RON 6.1 million (PLN 5.8 million), while the amount of RON 28.2 million (PLN 26.7 million) was allocated to goodwill.

ix. *Accounting for the acquisition of shares in The Goodkind Group LLC by Magic Group*

On 23 August 2022, Coretech Consulting Group LLC (a company of Magic Software Group) acquired 100% of shares in The Goodkind Group LLC based in the United States. The purchase price amounted to USD 12.6 million (PLN 60.5 million). As part of the provisional purchase price allocation, the excess of the purchase price paid over the value of net assets acquired in the amount of USD 4.4 million (PLN 21.2 million) was allocated to goodwill.

Until 30 June 2023, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on this acquisition may be subject to change in the period of 12 months from the date of obtaining control over that company. The provisional values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Initial values as at the acquisition date	Initial values as at the acquisition date	Provisional values as at the acquisition date	Provisional values as at the acquisition date
	USD mn	PLN mn	USD mn	PLN mn
<b>Assets acquired</b>				
Property, plant and equipment	0.1	0.5	0.1	0.5
Intangible assets	3.9	18.7	3.9	18.7
Right-of-use assets	2.3	11.0	2.3	11.0
Trade receivables	6.1	29.3	6.1	29.3
Cash and cash equivalents	0.1	0.5	0.1	0.5
Other assets	0.3	1.4	0.2	0.9
<b>Total assets</b>	<b>12.8</b>	<b>61.4</b>	<b>12.7</b>	<b>60.9</b>
<b>Liabilities acquired</b>				
Bank loans and borrowings	0.5	2.4	0.5	2.4
Trade payables	0.2	1.0	0.2	1.0
Lease liabilities	2.3	11.0	2.3	11.0
Other liabilities	1.5	7.2	1.5	7.2
<b>Total liabilities</b>	<b>4.5</b>	<b>21.6</b>	<b>4.5</b>	<b>21.6</b>
<b>Net assets value</b>	<b>8.3</b>	<b>39.8</b>	<b>8.2</b>	<b>39.3</b>
<b>Value of non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Equity interest acquired</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Purchase price</b>	<b>12.6</b>	<b>60.5</b>	<b>12.6</b>	<b>60.5</b>
<b>Goodwill as at the acquisition date</b>	<b>4.3</b>	<b>20.7</b>	<b>4.4</b>	<b>21.2</b>

x. *Accounting for the acquisition of shares in Bear Staffing Services by Insync*

On 12 December 2022, Insync Staffing Inc. (a company of Formula Group) acquired 100% of shares in Bear Staffing Services Corporation based in the United States. The purchase price amounted to USD 15.0 million (PLN 66.6 million), of which USD 5.3 million (PLN 23.6 million) was paid in cash, and the remaining amount constitutes a deferred payment depending on future operating profits of the acquired company.

As part of the provisional purchase price allocation, the excess of the purchase price paid over the value of net assets acquired in the amount of USD 3.5 million (PLN 15.5 million) was allocated to goodwill.

Until 30 June 2023, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on this acquisition may be subject to change in the period of 12 months from the date of obtaining control over that company. The provisional values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Initial values as at the acquisition date	Initial values as at the acquisition date	Provisional values as at the acquisition date	Provisional values as at the acquisition date
	USD mn	PLN mn	USD mn	PLN mn
<b>Assets acquired</b>				
Property, plant and equipment	0.1	0.4	0.1	0.4
Intangible assets	1.9	8.4	1.9	8.4
Trade receivables	2.1	9.3	2.1	9.3
Cash and cash equivalents	8.5	37.8	8.5	37.8
<b>Total assets</b>	<b>12.6</b>	<b>55.9</b>	<b>12.6</b>	<b>55.9</b>
<b>Liabilities acquired</b>				
Bank loans and borrowings	0.9	4.0	-	-
Trade payables	1.0	4.4	1.0	4.4
Other liabilities	0.1	0.4	0.1	0.4
<b>Total liabilities</b>	<b>2.0</b>	<b>8.8</b>	<b>1.1</b>	<b>4.8</b>
<b>Net assets value</b>	<b>10.6</b>	<b>47.1</b>	<b>11.5</b>	<b>51.1</b>
<b>Value of non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Equity interest acquired</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Purchase price</b>	<b>13.5</b>	<b>60.0</b>	<b>15.0</b>	<b>66.6</b>
<b>Goodwill as at the acquisition date</b>	<b>2.9</b>	<b>12.9</b>	<b>3.5</b>	<b>15.5</b>

xi. *Accounting for the acquisition of shares in Safra Digital Marketing Ltd by Zap Group Ltd*

On 15 December 2022, Zap Group Ltd acquired a 51% stake in Safra Digital Marketing Ltd, a company based in Israel. The purchase price amounted to NIS 10.4 million (PLN 13.4 million), of which NIS 8.2 million (PLN 10.6 million) was paid in cash, and the remaining amount constitutes a conditional payment depending on future operating profits of the acquired company.

As part of the provisional purchase price allocation, the excess of the purchase price paid over the value of net assets acquired was recognized in intangible assets in the amount of NIS 7.3 million (PLN 9.4 million), while the remaining amount of NIS 5.2 million (PLN 6.7 million) was allocated to goodwill.

Until 30 June 2023, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on this acquisition may be subject to change in the period of 12 months from the date of obtaining control over that company. The provisional values of identifiable assets and liabilities of the acquired company as at the acquisition date are presented below:

	Initial values as at the acquisition date	Initial values as at the acquisition date	Provisional values as at the acquisition date	Provisional values as at the acquisition date
	NIS mn	PLN mn	NIS mn	PLN mn
<b>Assets acquired</b>				
Property, plant and equipment	0.4	0.5	0.4	0.5
Intangible assets (including those identified under purchase price allocation)	7.0	9.0	7.3	9.4
Trade receivables	4.0	5.2	4.0	5.2
Cash and cash equivalents	2.0	2.6	2.0	2.6
Other assets	0.2	0.3	0.2	0.3

<b>Total assets</b>	<b>13.6</b>	<b>17.6</b>	<b>13.9</b>	<b>18.0</b>
<b>Liabilities acquired</b>				
Trade payables	1.2	1.5	1.7	2.2
Other liabilities	0.3	0.4	0.3	0.4
Deferred tax liabilities	1.6	2.1	1.6	2.1
<b>Total liabilities</b>	<b>3.1</b>	<b>4.0</b>	<b>3.6</b>	<b>4.7</b>
<b>Net assets value</b>	<b>10.5</b>	<b>13.6</b>	<b>10.3</b>	<b>13.3</b>
<b>Value of non-controlling interests</b>	<b>5.1</b>	<b>6.6</b>	<b>5.1</b>	<b>6.6</b>
<b>Equity interest acquired</b>	<b>51%</b>	<b>51%</b>	<b>51%</b>	<b>51%</b>
<b>Purchase price</b>	<b>10.4</b>	<b>13.4</b>	<b>10.4</b>	<b>13.4</b>
<b>Goodwill as at the acquisition date</b>	<b>5.0</b>	<b>6.4</b>	<b>5.2</b>	<b>6.7</b>

## 6.5. Impairment tests

In line with the Group's policy, each year as at 31 December, the Management of the Parent Company performs an annual impairment test on cash-generating units or groups of cash-generating units to which goodwill or/and intangible assets with an indefinite period of useful life have been allocated. Whereas, as at each interim reporting date, the Management of the Parent Company performs a review of the indications of possible impairment of cash-generating units to which goodwill and/or intangible assets with indefinite useful life have been allocated, as well as of other cash-generating units. In the event such indications are identified, the Management shall first verify the assumptions adopted in the last annual impairment test and, if necessary, carry out an impairment test for a given cash-generating unit or group of cash-generating units also the interim reporting date. The procedures followed in interim impairment testing are consistent with those applied for annual impairment tests performed as at 31 December.

Each impairment test requires making estimates of the recoverable amount of a cash-generating unit or a group of cash-generating units to which goodwill is allocated.

In the case of the Asseco Poland segment, for impairment testing purposes, goodwill is allocated to the level of operating segments constituted by the three operating segments identified within the Parent Company and separately by each subsidiary company of Asseco Poland operating primarily in the Polish market. In accordance with the guidelines of the International Financial Reporting Standards and the policy described above, the Group's Management analyzed the indications for impairment tests, taking account of the existing economic situation and the war in Ukraine, and reviewed the budgets and financial forecasts for individual segments to which goodwill has been allocated. As a result of the conducted analysis, the Management Board assessed that with regard to the operating segments identified in the Parent Company, none of the above-mentioned indications requires performing an interim impairment test.

This has been concluded taking into account the industry in which the Parent Company operates as well as the fact that all the operating segments of Asseco Poland fulfilled their budgets for the period of 6 months ended 30 June 2023. In addition, during the review of forecasts for the coming years, we have found no significant deviations that could derail the achievement of planned business goals.

Therefore, the assumptions made in the impairment tests carried out as at 31 December 2022 remain realistic.

In the case of the Asseco International segment, for impairment testing purposes, goodwill is allocated to the level of operating segments constituted by companies or subgroups incorporated within Asseco International Group.

In the case of the Formula Systems segment, goodwill impairment tests are performed for the operating segment represented by the entire Formula Group.

In the case of cash-generating units constituted by companies quoted in an active market, factors indicating potential impairment may include: low market capitalization of a given cash-generating unit (i.e. excess of its carrying value over its market value).

Our companies or groups of companies quoted in an active market include: Asseco Business Solutions S.A., Asseco South Eastern Europe S.A., as well as Formula Systems (1985) Ltd and its subsidiary subgroups.

The table below compares the market value (calculated on the basis of average stock prices of companies quoted during the quarter preceding the reporting date) against the net assets value of our cash-generating

units constituted by companies or groups of companies quoted in an active market as at 30 June 2023 as well as at the date of the last annual impairment test, this is as at 31 December 2022:

Impairment tests	Asseco South Eastern Europe S.A. PLN mn	Asseco Business Solutions S.A. PLN mn	Formula Systems 1985 Ltd. PLN mn
<b>30 June 2023</b>			
net assets value of cash-generating unit	1,110.1	327.2	3,387.1
stock market capitalization	2,577.8	1,327.5	4,554.8
<b>excess (+)/deficit (-) of fair value over carrying value</b>	<b>1,467.7</b>	<b>1,000.3</b>	<b>1,167.7</b>
<b>31 December 2022 (restated)</b>			
net assets value of cash-generating unit	1,181.9	364.2	3,414.8
stock market capitalization	2,265.3	1,042.2	5,544.4
<b>excess (+)/deficit (-) of fair value over carrying value</b>	<b>1,083.4</b>	<b>678.0</b>	<b>2,129.6</b>

The fair values of Asseco Business Solutions S.A., Asseco South Eastern Europe Group and Formula Systems Group are much higher than their net assets values, hence it was deemed unnecessary to perform an additional interim impairment test or to recognize an impairment loss on these cash-generating units.

In the case of cash-generating units constituted by companies not quoted in an active market, factors indicating potential impairment may include the achievement of lower financial results than assumed for a given cash-generating unit in the last annual impairment test.

The discount rates applied to determine the present value of expected future cash flows in the Group's operating segments correspond to the estimated weighted average cost of capital of individual segments in each period. Particular components of these discount rates were determined taking into account the market values of risk-free interest rates, the beta coefficient, as well as the expected market yield.

As at 30 June 2023, the Group has found indications of possible impairment for the following companies or groups: DahliaMatic Sp. z o.o. and Asseco Data Systems S.A. (cash-generating units allocated to the Asseco Poland segment), Asseco Spain S.A. and Asseco Central Europe Group (cash-generating units allocated to the Asseco International segment). In each of the above-mentioned cases, possible impairment was indicated by the achievement of weaker than budgeted results in the first half of 2023.

Cash flows applied in the value-in-use model for each cash-generating unit were based on the forecasts of IT market growth for the years 2023 - 2027, in individual countries where the above-mentioned companies operate.

Based on the conducted tests, we have identified an impairment loss on our investment in DahliaMatic Sp. z o.o. in the amount of PLN 4.9 million. In other cases, there was no need to recognize any impairment charges on the above-mentioned cash-generating units as at 30 June 2023.

#### Analysis of sensitivity

We carried out a sensitivity analysis for all the impairment tests performed as at 30 June 2023 which involved the estimation of the value in use. Such sensitivity analysis examined the impact of changes in:

- discount rate applied for the residual period, i.e. for cash flows generated after 2027;
- compound annual growth rate (CAGR) of free cash flows over the period of forecast, i.e. in the years 2023-2027;

as factors with influence on the recoverable amount of a cash-generating unit, assuming other factors remain unchanged.



The objective of such a sensitivity analysis was to find the threshold values showing how much the selected parameters applied in the model could be changed so that the estimated value in use of each cash-generating unit was equal to its carrying value. The results of the conducted analysis are presented in the table below.

	Carrying value of cash-generating unit*	Discount rate for the residual period		Compound annual growth rate of free cash flows (FCFF)
		applied in the model	threshold value	threshold value
		PLN mn	%	%
<b>Cash-generating units constituted by companies or groups of companies</b>				
<b>Cash-generating units within the Asseco International segment</b>				
Asseco Spain S.A.	87.5	9.6%	14.6%	(8.2%)
ACE Group	1,442.0	9.3%	18.6%	(11.1%)
<b>Cash-generating units within the Asseco Poland segment</b>				
Asseco Data Systems S.A.	479.7	11.4%	16.7%	9.9%
DahliaMatic Sp. z o.o.	58.9	13.7%	13.7%	18.9%

\* The carrying value of a cash-generating unit represents net operating assets (including the fair value of assets recognized in purchase price allocation) and goodwill that have been fully consolidated in these financial statements. Hence, the carrying value does not include the net debt/cash position.

## 6.6. Associates and joint ventures

Investments in associates and joint ventures are accounted for using the equity method and their key financial information is presented in the table below.

Financial position data of associates and joint ventures	30 June 2023	of which TSG company	31 December 2022	of which TSG company
	PLN mn	PLN mn	PLN mn	PLN mn
Non-current assets	424.3	339.7	437.0	349.8
Current assets	287.5	214.8	369.5	296.0
Non-current liabilities	334.2	280.8	374.4	318.9
Current liabilities	158.6	114.0	189.6	148.0
<b>Net assets</b>	<b>219.0</b>	<b>159.7</b>	<b>242.5</b>	<b>178.9</b>
<b>Book value of investments</b>	<b>112.2</b>	<b>76.8</b>	<b>123.1</b>	<b>85.2</b>

Profit and loss data of associates and joint ventures	6 months ended 30 June 2023	of which TSG company	6 months ended 30 June 2022	of which TSG company
	PLN mn	PLN mn	PLN mn	PLN mn
Revenues	248.7	177.3	233.1	161.8
Operating profit	20.9	14.9	12.6	13.9
Net profit/loss	4.6	1.8	10.2	5.2
<b>Share of profits of associates and joint ventures</b>	<b>(0.2)</b>	<b>0.9</b>	<b>10.3</b>	<b>2.6</b>

In addition, other comprehensive income of associates and joint ventures for the period of 6 months ended 30 June 2023 that is attributable to shareholders of the Parent Company amounted to PLN 0.4 million and resulted from exchange differences on translation of foreign operations.

The largest among our companies consolidated using the equity method is TSG IT Advanced Systems Ltd (included in the Formula Systems segment) which is a jointly controlled entity. Other associated companies with the largest carrying value of investment include: Nextbank Software Sp. z o.o. (the Asseco Poland segment) and Prvni Certifkacni Autorita a.s. (the Asseco International segment).

## 6.7. Entities with significant non-controlling interests

In explanatory note 3 to these interim condensed consolidated financial statements, we have presented information on entities in which the Group holds less than 100% of shares, including their company names, countries of registration, as well as equity interests and voting rights held by the Group.

In the Management's opinion, the entities with significant individual non-controlling interests are: Matrix IT Group, Magic Software Enterprises Group, Sapiens International Group, Asseco South Eastern Europe Group, as well as Asseco Central Europe Group, among others including Asseco Business Solutions. In the case of other entities with non-controlling interests, individual non-controlling interests do not exceed 4% of total non-controlling interests therein, hence they have not been considered as entities with significant non-controlling interests.

The tables below present the selected financial data of entities with significant individual non-controlling interests for the period of 6 months ended 30 June 2023 and as at 30 June 2023 as well as for respective comparable periods. These figures are presented before consolidation adjustments, including the elimination of mutual transactions.

Percentage of non-controlling interests	30 June 2023	31 December 2022
Matrix IT Ltd *	87.55%	87.55%
Magic Software Enterprises Ltd *	88.06%	88.18%
Sapiens International Corp. NV *	88.63%	88.73%
ASEE Group	49.11%	49.11%
ACE Group	7.67%	8.67%

\* Percentages of non-controlling interests are calculated taking into account our direct shareholding in Formula Systems (1985) Ltd as well as indirect shareholdings in the companies of Matrix IT Ltd, Magic Software Enterprises Ltd, and Sapiens International Corp. NV.

Group name	Carrying value of non-controlling interests*	
	30 June 2023	31 December 2022 (restated)
Formula Group**	2,831.2	2,842.1
ASEE Group	524.1	557.0
ACE Group (including ABS)	224.5	243.2
Other individually insignificant	23.4	21.1
<b>Total</b>	<b>3,603.2</b>	<b>3,663.4</b>

\* Carrying values of non-controlling interests have been adjusted for the value of put options granted to minority shareholders.

\*\* The value of non-controlling interest in Formula Group includes, among others, the values of non-controlling interests in Matrix IT Ltd, Magic Software Enterprises Ltd, and Sapiens International Corp. NV.

Group name	Net profit attributable to non-controlling interests for the period of 6 months ended		Dividends paid out to non-controlling interests in the period of 6 months ended	
	30 June 2023	30 June 2022 (restated)	30 June 2023	30 June 2022
Matrix IT Ltd	125.3	278.7	(66.6)	(85.0)
Magic Software Enterprises Ltd	84.6	76.1	(47.8)	(33.9)
Sapiens International Corp. NV	96.8	75.5	(30.9)	(61.0)
ASEE Group	49.2	53.2	(4.2)	(0.6)
ACE Group (including ABS)	22.8	22.4	(43.6)	(44.3)
Other individually insignificant	(11.1)	(25.0)	(35.7)*	(44.9)*
<b>Total</b>	<b>367.6</b>	<b>480.9</b>	<b>(228.8)</b>	<b>(269.7)</b>

\* This amount represents mostly dividends paid out by the holding company Formula Systems (1985) Ltd

Group name	Matrix IT Ltd	Magic Software Enterprises Ltd	Sapiens International Corp. NV	ASEE Group	ACE Group
<b>30 June 2023</b>					
Non-current assets	1,662.3	1,125.9	1,515.7	1,000.4	988.8
Current assets	2,695.5	1,052.8	1,297.6	768.7	698.1
<i>of which cash and cash equivalents</i>	<i>564.0</i>	<i>429.6</i>	<i>367.7</i>	<i>296.5</i>	<i>185.7</i>
Non-current liabilities	909.5	399.7	420.0	153.7	199.7
Current liabilities	2,295.2	598.1	697.0	559.5	535.8
<b>31 December 2022 (restated)</b>					
Non-current assets	1,774.7	1,157.2	1,674.8	1,059.9	1,012.2
Current assets	3,226.6	1,082.7	1,424.4	814.1	710.7
<i>of which cash and cash equivalents</i>	<i>1,049.9</i>	<i>365.6</i>	<i>706.0</i>	<i>298.6</i>	<i>207.2</i>
Non-current liabilities	1,140.4	336.5	558.3	185.7	212.4
Current liabilities	2,654.0	687.0	791.5	566.1	495.6

Group name	Matrix IT Ltd	Magic Software Enterprises Ltd	Sapiens International Corp. NV	ASEE Group	ACE Group
<b>Period of 6 months ended</b>					
<b>30 June 2023</b>					
Cash provided by (used in) operating activities	147.0	229.7	236.3	105.7	122.5
Net cash provided by (used in) investing activities	(80.2)	(134.2)	(316.5)	(28.7)	(33.1)
Net cash provided by (used in) financing activities	(404.5)	49.2	(174.1)	(31.8)	(97.7)
<b>Period of 6 months ended</b>					
<b>30 June 2022</b>					
Cash provided by (used in) operating activities	83.7	135.3	160.0	90.8	92.9
Net cash provided by (used in) investing activities	67.3	(94.5)	(101.4)	(40.7)	(15.2)
Net cash provided by (used in) financing activities	(105.4)	26.8	(223.6)	9.0	(144.0)

## 6.8. Receivables and contract assets

The table below presents receivables and assets from contracts with customers as at 30 June 2023 as well as at 31 December 2022.

	30 June 2023		31 December 2022	
	Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
<b>Trade receivables, of which:</b>				
<b>Invoiced receivables</b>	<b>2.1</b>	<b>3,115.2</b>	<b>2.8</b>	<b>3,302.3</b>
from related parties	0.9	17.0	1.7	17.9
from other entities	1.2	3,098.2	1.1	3,284.4
<b>Uninvoiced receivables</b>	<b>19.1</b>	<b>746.3</b>	<b>1.0</b>	<b>766.1</b>
from related parties	-	14.5	-	9.0
from other entities	19.1	731.8	1.0	757.1
<b>Receivables from operating leases</b>	<b>-</b>	<b>10.7</b>	<b>-</b>	<b>9.5</b>
from related parties	-	-	-	-
from other entities	-	10.7	-	9.5
<b>Net investment in the lease</b>	<b>2.1</b>	<b>0.8</b>	<b>2.5</b>	<b>1.0</b>
<b>Allowances for expected credit losses on trade receivables</b>	<b>-</b>	<b>(126.1)</b>	<b>(0.2)</b>	<b>(124.2)</b>
<b>Total trade receivables</b>	<b>23.3</b>	<b>3,746.9</b>	<b>6.1</b>	<b>3,954.7</b>

<b>Corporate income tax receivable</b>	-	<b>105.1</b>	-	<b>62.8</b>
<b>Receivables from the state and local budgets</b>	-	<b>59.8</b>	-	<b>43.6</b>
Value added tax	-	33.1	-	22.6
Other	-	26.7	-	21.0
<b>Other receivables</b>	<b>59.5</b>	<b>89.5</b>	<b>64.5</b>	<b>80.9</b>
Other receivables	59.5	91.4	64.5	82.9
Allowances for expected credit losses on other receivables (-)	-	(1.9)	-	(2.0)
<b>Total receivables from the state and local budgets and other receivables</b>	<b>59.5</b>	<b>149.3</b>	<b>64.5</b>	<b>124.5</b>
<b>Total receivables</b>	<b>82.8</b>	<b>4,001.3</b>	<b>70.6</b>	<b>4,142.0</b>

Assets from contracts with customers result from the excess of the percentage of completion of implementation contracts over invoices issued.

	30 June 2023		31 December 2022	
	Long-term	Short-term	Long-term	Short-term
	PLN mn	PLN mn	PLN mn	PLN mn
<b>Contract assets</b>				
from related parties	-	42.7	-	35.9
from other entities	-	732.7	-	727.2
<b>Total contract assets</b>	-	<b>775.4</b>	-	<b>763.1</b>

Both as at 30 June 2023 and 31 December 2022, the carrying values of receivables and contract assets were not different from their fair values.

Related party transactions have been presented in explanatory note 6.21 to these interim condensed consolidated financial statements.

The Group has adopted a relevant policy that allows for selling products and services to verified customers only. However, due to the dynamic macroeconomic and geopolitical situation prevailing in Poland and globally, the Group has implemented a process of even stricter monitoring of its receivables and has intensified its standard debt collection procedures. As at the date of publication of this report, we have not found any indications to increase the amount of allowances for expected credit losses or to amend the Group's policy in this respect.

Changes in the amount of allowances for trade receivables during the period of 6 months ended 30 June 2023 and in the comparable period are presented in the table below:

<b>Allowances for trade receivables</b>	<b>6 months ended 30 June 2023 PLN mn</b>	<b>6 months ended 30 June 2022 PLN mn</b>
<b>Allowances as at 1 January</b>	<b>(124.4)</b>	<b>(118.9)</b>
Recognized during the reporting period	(31.2)	(18.2)
Utilized during the reporting period	9.6	6.6
Reversed during the reporting period	11.2	18.6
Obtaining control over subsidiaries	-	(1.6)
Loss of control over subsidiaries	0.1	0.2
Foreign exchange differences	8.6	(1.8)
<b>As at the end of the reporting period</b>	<b>(126.1)</b>	<b>(115.1)</b>

## 6.9. Prepayments and accrued income

As at 30 June 2023 and 31 December 2022, prepayments and accrued income included the following items:

	30 June 2023		31 December 2022	
	Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
<b>Prepaid services, of which:</b>	<b>62.4</b>	<b>257.3</b>	<b>66.0</b>	<b>288.7</b>
Maintenance services and license fees	59.8	198.7	63.7	228.6
Rents and averaged instalments under operating leases	0.1	1.6	0.2	1.9
Insurances	0.5	24.5	0.6	19.4
Other services	2.0	32.5	1.5	38.8
<b>Expenses related to services performed for which revenues have not been recognized yet</b>	<b>25.9</b>	<b>25.1</b>	<b>22.9</b>	<b>17.5</b>
Costs incurred in fulfilling contracts with customers	25.9	21.8	22.8	14.7
Other costs of services for which revenues have not been recognized yet	-	3.3	0.1	2.8
<b>Other prepayments and accrued income</b>	<b>0.4</b>	<b>18.8</b>	<b>0.2</b>	<b>16.8</b>
<b>Total</b>	<b>88.7</b>	<b>301.2</b>	<b>89.1</b>	<b>323.0</b>

## 6.10. Other financial assets

Both as at 30 June 2023 and 31 December 2022, apart from receivables and cash and cash equivalents described in other explanatory notes, the Group also held other financial assets as presented in the table below.

	30 June 2023		31 December 2022 (restated)	
	Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
<b>Financial assets carried at fair value through profit or loss, of which:</b>				
Currency forward contracts	0.5	1.2	0.2	1.0
Corporate and Treasury bonds	2.3	-	3.3	-
Shares in companies not quoted in an active market	18.6	-	20.9	-
Shares in companies quoted in an active market	-	0.1	-	3.3
Other assets	12.5	-	14.0	-
	<b>33.9</b>	<b>1.3</b>	<b>38.4</b>	<b>4.3</b>
<b>Financial assets carried at fair value through other comprehensive income, of which:</b>				
Shares in companies not quoted in an active market	12.9	3.6	13.0	3.8
Shares in companies quoted in an active market	75.7	-	41.4	-
Corporate bonds	-	0.5	-	-
Other	2.1	-	3.2	-
	<b>90.7</b>	<b>4.1</b>	<b>57.6</b>	<b>3.8</b>
<b>Financial assets carried at amortized cost, of which:</b>				
Corporate and Treasury bonds	-	0.3	-	-
Promissory notes	-	-	-	1.0
Other debt securities	-	0.5	-	0.6
Loans, of which:				
granted to related parties	12.8	2.5	5.1	1.1
granted to employees	1.2	1.7	0.9	2.4
granted to other entities	-	-	-	1.2
Cash deposits	1.2	382.4	1.4	105.6
	<b>15.2</b>	<b>387.4</b>	<b>7.4</b>	<b>111.9</b>
<b>Total</b>	<b>139.8</b>	<b>392.8</b>	<b>103.4</b>	<b>120.0</b>

The balance of shares in companies quoted in an active market (in the category of financial assets carried at fair value through other comprehensive income) includes a small stake of shares in a stock exchange-listed company that was purchased by Formula Systems (1985) Ltd in 2022. The value of shares in companies not quoted in an active market increased primarily due to the valuation of the above-mentioned shareholding.

The increase in term cash deposits is primarily related to the Sapiens Group companies (the Formula Systems segment).

Changes in the fair value measurement of financial instruments carried at fair value, and changes in the classification of financial instruments

In the period of 6 months ended 30 June 2023, the Group did not change its methods for measuring the fair value of financial instruments carried at fair value nor did it transfer any instruments between individual levels of the fair value hierarchy.

Both as at 30 June 2023 and 31 December 2022, the fair values of financial assets were not significantly different from their book values.

As at 30 June 2023	Carrying value PLN mn	Level 1 <sup>i)</sup> PLN mn	Level 2 <sup>ii)</sup> PLN mn	Level 3 <sup>iii)</sup> PLN mn
<b>Financial assets carried at fair value through profit or loss</b>				
Currency forward contracts	1.7	-	1.7	-
Corporate and Treasury bonds	2.3	2.3	-	-
Shares in companies not quoted in an active market	18.6	-	-	18.6
Shares in companies quoted in an active market	0.1	0.1	-	-
Other assets	12.5	-	12.5	-
<b>Total</b>	<b>35.2</b>	<b>2.4</b>	<b>14.2</b>	<b>18.6</b>
<b>Financial assets carried at fair value through other comprehensive income</b>				
Shares in companies not quoted in an active market	16.5	-	-	16.5
Shares in companies quoted in an active market	75.7	75.7	-	-
Corporate and Treasury bonds	0.5	-	0.5	-
Other	2.1	-	-	2.1
<b>Total</b>	<b>94.8</b>	<b>75.7</b>	<b>0.5</b>	<b>18.6</b>

- i. fair value determined on the basis of quoted prices offered in active markets for identical assets;
- ii. fair value determined using calculation models based on inputs that are observable, either directly or indirectly, in active markets;
- iii. fair value determined using calculation models based on inputs that are not observable, neither directly or indirectly, in active markets.

As at 31 December 2022	Carrying value PLN mn	Level 1 <sup>i)</sup> PLN mn	Level 2 <sup>ii)</sup> PLN mn	Level 3 <sup>iii)</sup> PLN mn
<b>Financial assets carried at fair value through profit or loss</b>				
Currency forward contracts	1.2	-	1.2	-
Corporate and Treasury bonds	3.3	3.3	-	-
Shares in companies not quoted in an active market	20.9	-	-	20.9
Shares in companies quoted in an active market	3.3	3.3	-	-
Other assets	14.0	-	14.0	-
<b>Total</b>	<b>42.7</b>	<b>6.6</b>	<b>15.2</b>	<b>20.9</b>
<b>Financial assets carried at fair value through other comprehensive income</b>				
Shares in companies not quoted in an active market	16.8	-	-	16.8
Shares in companies quoted in an active market	41.4	41.4	-	-
Other assets	3.2	-	-	3.2
<b>Total</b>	<b>61.4</b>	<b>41.4</b>	-	<b>20.0</b>

Descriptions of the fair value hierarchy levels are identical to those provided under the table above.

### 6.11. Inventories

The table below presents inventories as at 30 June 2023 as well as at 31 December 2022:

Inventories	30 June 2023	31 December 2022
	PLN mn	PLN mn
Computer hardware, third-party software licenses and other goods for resale	315.7	318.0
Computer hardware, spare parts and other materials intended for the performance of repair/maintenance services	35.2	34.1
Impairment losses on inventories	(31.2)	(26.1)
<b>Total</b>	<b>319.7</b>	<b>326.0</b>

Changes in the amount of impairment losses on inventories during the period of 6 months ended 30 June 2023 and in the comparable period are presented in the table below:

Impairment losses on inventories	6 months ended 30 June 2023	6 months ended 30 June 2022
	PLN mn	PLN mn
<b>Impairment losses as at 1 January</b>	<b>(26.1)</b>	<b>(21.6)</b>
Recognized during the reporting period	(9.8)	(6.3)
Utilized during the reporting period	-	1.2
Reversed during the reporting period	3.5	2.7
Loss of control over subsidiaries	(0.6)	0.2
Foreign exchange differences	1.8	(0.5)
<b>As at the end of the reporting period</b>	<b>(31.2)</b>	<b>(24.3)</b>

### 6.12. Cash and cash equivalents

The table below presents cash and cash equivalents as at 30 June 2023 and 31 December 2022:

	30 June 2023	31 December 2022 (restated)
	PLN mn	PLN mn
Cash at bank accounts	1,745.8	2,352.9
Cash at split payment accounts	4.4	15.9
Cash on hand	0.7	0.7
Short-term bank deposits (up to 3 months)	793.1	1,265.1
Other cash equivalents	1.3	1.4
<b>Total cash and cash equivalents as disclosed in the statement of financial position</b>	<b>2,545.3</b>	<b>3,636.0</b>
Bank overdraft facilities utilized for current liquidity management	(95.0)	(72.5)
<b>Total cash and cash equivalents as disclosed in the cash flow statement</b>	<b>2,450.3</b>	<b>3,563.5</b>

Interest earned on cash at bank is variable and depends on interest rates offered on bank deposits. Short-term bank deposits are made for varying periods of between one day and three months and earn interest at their respective fixed interest rates.

### 6.13. Non-current assets and liabilities held for sale

Both as at 30 June 2023 and December 2022, non-current assets held for sale included a real estate property owned by Asseco Poland S.A. with a total value of PLN 20.1 million, as well as a property held by Asseco Central Europe, a.s. (Slovakia) with a value of PLN 21.3 million (vs. PLN 22.4 million in the comparable period).

Both as at 30 June 2023 and December 2022, liabilities held for sale included liabilities related to a real estate property owned by Asseco Poland S.A. with a total value of PLN 3.1 million.

## 6.14. Bank loans, borrowings and debt securities

The table below presents the Group's debt outstanding as at 30 June 2023 and 31 December 2022:

	30 June 2023		31 December 2022 (restated)	
	Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
Bank loans	632.1	576.6	673.2	587.4
- overdraft facilities	-	147.7	-	126.5
- non-revolving loans	632.1	428.9	673.2	460.9
Bonds and other debt securities	1,051.0	531.2	1,345.3	550.8
Loans	2.0	5.3	3.3	3.7
<b>Total</b>	<b>1,685.1</b>	<b>1,113.1</b>	<b>2,021.8</b>	<b>1,141.9</b>

The Group's total liabilities under all bank loans and borrowings obtained and debt securities issued aggregated at PLN 2,798.2 million as at 30 June 2023, as compared to PLN 3,163.7 million outstanding as at 31 December 2022. Our debt decreased mainly in the Formula Systems segment, primarily as a result of redemption of corporate bonds by Sapiens Group and Formula Systems (1985) Ltd.

Bank overdraft facilities outstanding as at 30 June 2023 and 31 December 2022 are presented in the tables below.

Loan currency	Effective interest rate	Actual amount of debt as at 30 June 2023 PLN mn	Maximum debt limit available PLN mn	Unused amount of credit facilities PLN mn
EUR	EONIA + margin	-	34.3	34.3
	EURIBOR + margin	25.5	184.2	158.7
	LIBOR + margin	-	8.9	8.9
	Fixed interest rate	0.2	0.6	0.4
	ESTR + margin	12.0	30.7	18.7
NIS	Fixed interest rate	6.2	6.2	-
	PRIME (Israel) + margin	41.1*	n/a*	n/a*
PLN	WIBOR + margin	7.7	627.5	619.8**
	WIBID + margin	1.7	4.0	2.3
MKD	Fixed interest rate	-	0.1	0.1
TRY	Fixed interest rate	-	0.2	0.2
HUF	BUBOR + margin	13.3	13.3	-
CZK	PRIBOR + margin	13.8	28.1	14.3
COP	Fixed interest rate	-	0.1	0.1
BAM	Fixed interest rate	26.2	30.2	4.0
		<b>147.7</b>	<b>968.4</b>	<b>861.8</b>

\* Debt in the amount of PLN 41.1 million represents bank overdraft facilities used entirely by Matrix IT Group. In case of Matrix IT Group, limits available under credit facilities are negotiated with individual banks on an aggregate basis (meaning the sum of bank account overdrafts, non-revolving loans and guarantees), and as at 30 June 2023 the total limit of such credit facilities reached NIS 1,602.0 million (PLN 1,778.0 million).

\*\* of which PLN 23.2 million used as collateral for guarantees.

Loan currency	Effective interest rate	Actual amount of debt as at 31 December 2022 (restated) PLN mn	Maximum debt limit available PLN mn	Unused amount of credit facilities PLN mn
EUR	EONIA + margin	-	36.1	36.1
	EURIBOR + margin	10.1	167.4	157.3
	LIBOR + margin	-	9.4	9.4
	Fixed interest rate	0.4	0.9	0.5
	ESTR + margin	16.9	48.2	31.3



PLN	WIBOR + margin	1.7	642.2	640.5**
USD	Fixed interest rate	0.1	0.1	-
NIS	Fixed interest rate	10.8	10.8	-
	PRIME (Israel) + margin	43.2*	n/a*	n/a*
MKD	Fixed interest rate	-	0.1	0.1
TRY	Fixed interest rate	0.1	0.1	-
HUF	BUBOR + margin	10.2	13.2	3.0
COP	PRIBOR + margin	-	0.1	0.1
BAM	Fixed interest rate	33.0	34.8	1.8
		<b>126.5</b>	<b>963.4</b>	<b>880.1</b>

\* Debt in the amount of PLN 43.2 million represents bank overdraft facilities used entirely by Matrix IT Group. In case of Matrix IT Group, limits available under credit facilities are negotiated with individual banks on an aggregate basis (meaning the sum of bank account overdrafts and non-revolving loans), and as at 31 December 2022 the total limit of such credit facilities reached NIS 1,472.0 million (PLN 1,841.3 million).

\*\* of which PLN 26.7 million used as collateral for guarantees

Non-revolving bank loans outstanding as at 30 June 2023 and 31 December 2022 are presented in the table below.

Loan currency	Effective interest rate	30 June 2023		31 December 2022	
		Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
EUR	EURIBOR + margin	29.9	20.7	36.3	26.2
	Fixed interest rate	106.4	34.7	118.7	37.6
HRK/EUR	Fixed interest rate	-	-	-	4.7
NIS	PRIME (Israel) + margin	38.1	17.9	29.5	8.2
	Fixed interest rate	299.5	294.0	357.2	339.9
USD	SOFR + margin	125.5	40.4	88.0	22.0
	LIBOR + margin	23.1	15.6	33.0	16.5
	Fixed interest rate	-	0.6	-	-
CHF	Fixed interest rate	0.4	0.1	0.6	0.1
CZK	Fixed interest rate	7.5	3.7	7.8	3.9
BAM	EURIBOR + margin	1.4	1.2	1.8	1.8
GTQ	Fixed interest rate	0.3	-	0.3	-
		<b>632.1</b>	<b>428.9</b>	<b>673.2</b>	<b>460.9</b>

The Group's liabilities under bonds and other debt securities issued are attributable to the following companies: Formula Systems, Sapiens International and Matrix IT, and they are presented in the table below:

Company	Division into short- and long-term portion	Series	30 June 2023 PLN mn	31 December 2022 PLN mn	Effective interest rate	Currency
Formula Systems	long-term portion	Series A	-	43.2	2.38%	NIS
		Series C	452.8	509.1	2.71%	NIS
	short-term portion	Series A	38.1	42.8	2.38%	NIS
		Series C	90.9	102.4	2.71%	NIS
<b>Formula Systems subtotal</b>			<b>581.8</b>	<b>697.5</b>		
Sapiens International	long-term portion	Series B	162.2	260.9	3.52%	NIS/USD
	short-term portion	Series B	85.4	93.1	3.52%	NIS/USD
<b>Sapiens International subtotal</b>			<b>247.6</b>	<b>354.0</b>		
Matrix IT	long-term portion	Series B	436.0	532.1	4.36%	NIS
	short-term portion	Series B	94.8	62.3	4.36%	NIS

short-term portion	n/a	222.0	250.2	Bank of Israel interest rate + 0.5%	NIS
<b>Matrix IT subtotal</b>		<b>752.8</b>	<b>844.6</b>		
<b>Total bonds and other debt securities</b>		<b>1,582.2</b>	<b>1,896.1</b>		

Borrowings outstanding as at 30 June 2023 and 31 December 2022 are presented in the table below.

Loan currency	Effective interest rate	Repayment date	30 June 2023		31 December 2022	
			Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
EUR	Fixed interest rate	2023	-	-	-	0.8
		2024	-	3.8	-	0.1
		2026	1.5	-	1.3	-
		2030	-	0.1	1.1	0.1
		2037	-	-	0.6	-
NIS	Fixed interest rate	not specified	-	-	-	2.2
		2024	-	1.1	-	-
PLN	Fixed interest rate	2023	-	-	-	0.1
UZS	LIBOR + margin	not specified	-	-	-	0.3
CZK	Fixed interest rate	2025	0.2	0.1	0.3	0.1
		2027	0.3	0.2	-	-
			<b>2.0</b>	<b>5.3</b>	<b>3.3</b>	<b>3.7</b>

Assets serving as collateral for bank loan facilities:

Category	Net value of assets		Utilized amount of bank loans secured with assets	
	30 June 2023 PLN mn	31 December 2022 PLN mn	30 June 2023 PLN mn	31 December 2022 PLN mn
Cash and cash equivalents	34.4	16.2	34.3	36.9
Land and buildings	175.8	183.2	90.0	120.7
Other tangible assets	16.2	17.1	-	-
Long-term investments	1,804.1	1,987.1	581.8	697.6
Shares as available for sale	25.0	-	25.0	-
Other financial assets	2.7	3.8	7.0	13.6
Inventories	15.2	16.0	19.3	28.7
Current and future receivables	63.9	73.1	101.8	75.2
<b>Total</b>	<b>2,137.3</b>	<b>2,296.5</b>	<b>859.2</b>	<b>972.7</b>

Some loans obtained from Polish, Slovak and Israeli banks come with the so-called covenants which impose an obligation to maintain certain financial ratios at the levels required by the bank. These ratios are related to the level of indebtedness, e.g. debt to EBITDA or debt to equity ratios, or to achieving the expected operating results. In the event a company carrying such a covenanted loan fails to satisfy the said requirements, the bank may apply a sanction in the form of a higher credit margin. Should the bank deem the new level of a ratio to be unacceptable, the bank may in certain cases exercise its rights in the collateral provided. Both as at 30 June 2023 and 31 December 2022, one of ACE Group companies (the Asseco International segment) infringed covenants defined in their bank loan agreement. The total amount of debt affected by the breach of covenants was EUR 2.0 million (PLN 8.9 million) as at 30 June 2023, as compared to EUR 7.2 million (PLN 33.8 million) as at 31 December 2022. This amount is presented in current liabilities. Apart from the case described above, as at 30 June 2023 and 31 December 2022, none of our companies infringed on any covenants defined in their bank loan agreements.

#### Fair value of financial liabilities

In the period of 6 months ended 30 June 2023, the Group did not transfer any debt instruments between individual levels of the fair value hierarchy. Both as at 30 June 2023 and 31 December 2022, the fair values of bank loans and debt securities issued were not significantly different from their book values.

As at 30 June 2023	Carrying value PLN mn	Level 1 <sup>i)</sup> PLN mn	Level 2 <sup>ii)</sup> PLN mn	Level 3 <sup>iii)</sup> PLN mn
<b>Bank loans, borrowings and debt securities</b>				
Bank loans	1,208.7	-	-	1,208.7
- overdraft facilities	147.7	-	-	147.7
- non-revolving loans	1,061.0	-	-	1,061.0
Bonds and other debt securities	1,582.2	829.4	752.8	-
Loans	7.3	-	-	7.3
<b>Total</b>	<b>2,798.2</b>	<b>829.4</b>	<b>752.8</b>	<b>1,216.0</b>

- i. fair value determined on the basis of quoted prices offered in active markets for identical assets;  
ii. fair value determined using calculation models based on inputs that are observable, either directly or indirectly, in active markets;  
iii. fair value determined using calculation models based on inputs that are not observable, neither directly or indirectly, in active markets.

As at 31 December 2022 (restated)	Carrying value PLN mn	Level 1 <sup>i)</sup> PLN mn	Level 2 <sup>ii)</sup> PLN mn	Level 3 <sup>iii)</sup> PLN mn
<b>Bank loans, borrowings and debt securities</b>				
Bank loans	1,260.6	-	-	1,260.6
- overdraft facilities	126.5	-	-	126.5
- non-revolving loans	1,134.1	-	-	1,134.1
Bonds and other debt securities	1,896.1	1,645.9	250.2	-
Loans	7.0	-	-	7.0
<b>Total</b>	<b>3,163.7</b>	<b>1,645.9</b>	<b>250.2</b>	<b>1,267.6</b>

Descriptions of the fair value hierarchy levels are identical to those provided under the table above.

### 6.15. Lease liabilities

As at 30 June 2023, assets used under lease contracts where the Group is a lessee, included:

- real estate,
- cars,
- IT hardware and other assets.

The table below presents the amounts of lease liabilities as at 30 June 2023 as well as at 31 December 2022.

Lease liabilities	30 June 2023		31 December 2022	
	Long-term	Short-term	Long-term	Short-term
	PLN mn	PLN mn	PLN mn	PLN mn
Leases of real estate	404.9	178.2	504.3	245.2
Leases of transportation vehicles	93.7	72.6	29.2	17.3
Leases of IT hardware and other assets	1.5	1.2	2.1	1.9
<b>Total</b>	<b>500.1</b>	<b>252.0</b>	<b>535.6</b>	<b>264.4</b>

Changes in the amount of lease liabilities during the period of 6 months ended 30 June 2023 and in the comparable period are presented in the table below:

	6 months ended 30 June 2023	6 months ended 30 June 2022
<b>As at 1 January</b>	<b>800.0</b>	<b>846.1</b>
Cash changes		
Repayment of principal amount	(151.2)	(134.2)
Interest paid	(17.2)	(8.9)
Interest accrued	19.1	13.4
New lease contracts and modifications	243.3	75.5
Non-cash changes		
Early termination of contracts	(77.0)	(0.8)
Acquisitions of new companies	-	0.7
Foreign exchange differences recognized in financial income/expenses	(3.5)	0.9
Exchange differences on translation of foreign operations	(61.4)	4.4
<b>As at 30 June</b>	<b>752.1</b>	<b>797.1</b>

### 6.16. Other financial liabilities

Other financial liabilities	30 June 2023		31 December 2022 (restated)	
	Long-term	Short-term	Long-term	Short-term
	PLN mn	PLN mn	PLN mn	PLN mn
Dividends payable	-	48.3	-	6.2
Liabilities under deferred and/or conditional payments for controlling interests	32.0	74.6	76.8	170.0
Liabilities from the acquisition of non-controlling interests in subsidiaries (put options)	161.9	277.9	144.5	345.1
Other financial liabilities	6.5	1.4	0.4	1.6
	<b>200.4</b>	<b>402.2</b>	<b>221.7</b>	<b>522.9</b>

Both as at 30 June 2023 and 31 December 2022, dividends payable comprised basically dividends payable to non-controlling shareholders in direct and indirect subsidiaries of the Parent Company.

As at 30 June 2023 and 31 December 2022, the Group carried estimated liabilities arising from deferred and/or conditional payments for controlling interests. The amounts of the above-mentioned liabilities have been measured using the price calculation formula as defined in the controlling interest acquisition agreements, which usually corresponds to a given company's profit for the contractual term multiplied by a predetermined coefficient. The table below presents liabilities arising from deferred and/or conditional payments for controlling interests in subsidiaries as at 30 June 2023 and 31 December 2022:

Liabilities under deferred and/or conditional payments for controlling interests	30 June 2023 PLN mn	31 December 2022 (restated) PLN mn
Liabilities from acquisitions made within the Asseco Poland segment	3.3	3.3
Liabilities from acquisitions made within the Asseco International segment	25.2	34.1
Liabilities from acquisitions made within the Formula Systems segment	78.1	209.4
	<b>106.6</b>	<b>246.8</b>

As at 30 June 2023 and 31 December 2022, the Group had liabilities arising from the acquisition of non-controlling interests in subsidiaries (put options). The amounts of such liabilities have been estimated using the formula for calculation of the exercise price of options that the Group granted to non-controlling shareholders, which corresponds to a given company's profit for the contractual term multiplied by a predetermined coefficient.

The table below presents liabilities arising from put options granted to non-controlling shareholders in subsidiaries as at 30 June 2023 and 31 December 2022:

Liabilities from the acquisition of non-controlling interests in subsidiaries (put options)	30 June 2023	31 December 2022
	PLN mn	PLN mn
Liabilities of companies within the Asseco Poland segment	8.9	8.7
Liabilities of companies within the Asseco International segment	155.6	152.7
Liabilities of companies within the Formula Systems segment	275.3	328.2
	<b>439.8</b>	<b>489.6</b>

Both as at 30 June 2023 and 31 December 2022, the fair values of financial liabilities were not significantly different from their book values.

As at 30 June 2023	Carrying value PLN mn	Level 1 <sup>i)</sup> PLN mn	Level 2 <sup>ii)</sup> PLN mn	Level 3 <sup>iii)</sup> PLN mn
<b>Other financial liabilities</b>				
Dividends payable	48.3	41.3	-	7.0
Liabilities from the acquisition of shares – deferred and conditional payments for controlling interests	106.6	-	-	106.6
Liabilities from the acquisition of non-controlling interests in subsidiaries (put options)	439.8	-	-	439.8
Other financial liabilities	7.9	-	7.9	-
<b>Total</b>	<b>602.6</b>	<b>41.3</b>	<b>7.9</b>	<b>553.4</b>

i. fair value determined on the basis of quoted prices offered in active markets for identical assets;

ii. fair value determined using calculation models based on inputs that are observable, either directly or indirectly, in active markets;

iii. fair value determined using calculation models based on inputs that are not observable, neither directly or indirectly, in active markets.

As at 31 December 2022 (restated)	Carrying value PLN mn	Level 1 <sup>i)</sup> PLN mn	Level 2 <sup>ii)</sup> PLN mn	Level 3 <sup>iii)</sup> PLN mn
<b>Other financial liabilities</b>				
Dividends payable	6.2	-	-	6.2
Liabilities from the acquisition of shares – deferred and conditional payments for controlling interests	246.8	-	-	246.8
Liabilities from the acquisition of non-controlling interests in subsidiaries (put options)	489.6	-	-	489.6
Other financial liabilities	2.0	-	2.0	-
<b>Total</b>	<b>744.6</b>	<b>-</b>	<b>2.0</b>	<b>742.6</b>

Descriptions of the fair value hierarchy levels are identical to those provided under the table above.

### 6.17. Trade payables, state budget liabilities and other liabilities

The table below presents the Group's liabilities outstanding as at 30 June 2023 and 31 December 2022:

	30 June 2023		31 December 2022 (restated)	
	Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
<b>Trade payables, of which:</b>	<b>2.0</b>	<b>1,379.3</b>	<b>2.7</b>	<b>1,600.1</b>
<b>Invoiced payables</b>	<b>0.9</b>	<b>862.2</b>	<b>1.5</b>	<b>1,025.0</b>
to related parties	-	1.2	-	1.2
to other entities	0.9	861.0	1.5	1,023.8
<b>Uninvoiced payables</b>	<b>1.1</b>	<b>514.7</b>	<b>1.2</b>	<b>568.3</b>
to related parties	-	0.3	-	0.6
to other entities	1.1	514.4	1.2	567.7
<b>Liabilities arising from contractual penalties</b>	<b>-</b>	<b>2.4</b>	<b>-</b>	<b>6.8</b>
<b>Corporate income tax payable</b>	<b>54.8</b>	<b>90.0</b>	<b>59.0</b>	<b>115.2</b>
<b>Liabilities to the state and local budgets</b>	<b>-</b>	<b>252.8</b>	<b>-</b>	<b>322.8</b>
Value added tax (VAT)	-	121.9	-	181.9

Personal income tax (PIT)	-	43.1	-	61.1
Social insurance	-	67.7	-	71.7
Withholding income tax	-	16.3	-	5.1
Other	-	3.8	-	3.0
<b>Other liabilities</b>	<b>4.8</b>	<b>565.5</b>	<b>8.0</b>	<b>646.2</b>
Liabilities to employees (including salaries payable)	-	501.0	-	576.0
Other liabilities	4.8	64.5	8.0	70.2
<b>Total</b>	<b>61.6</b>	<b>2,287.6</b>	<b>69.7</b>	<b>2,684.3</b>

Trade payables are non-interest bearing. Related party transactions have been presented in explanatory note 6.21 to these interim condensed consolidated financial statements.

### 6.18. Contract liabilities

The table below presents the Group's liabilities from contracts with customers as at 30 June 2023 and 31 December 2022:

	30 June 2023		31 December 2022	
	Long-term	Short-term	Long-term	Short-term
	PLN mn	PLN mn	PLN mn	PLN mn
<b>Liabilities from valuation of IT contracts, of which:</b>	-	<b>82.6</b>	-	<b>106.8</b>
to related parties	-	0.4	-	0.4
to other entities	-	82.2	-	106.4
<b>Contract liabilities, of which:</b>	<b>75.4</b>	<b>986.1</b>	<b>84.8</b>	<b>1,020.0</b>
Maintenance services and license fees	73.3	818.1	84.4	860.9
Other prepaid services	2.1	168.0	0.4	159.1
<b>Total contract liabilities</b>	<b>75.4</b>	<b>1,068.7</b>	<b>84.8</b>	<b>1,126.8</b>

### 6.19. Provisions

Changes in the amount of provisions during the period of 6 months ended 30 June 2023 and in the comparable period are presented in the table below:

	6 months ended	6 months ended
	30 June 2023	30 June 2022
	PLN mn	PLN mn
<b>As at 1 January</b>	<b>97.9</b>	<b>80.9</b>
Obtaining control over subsidiaries	0.2	2.4
Provisions created during the reporting period	38.3	12.3
Discount change and actuarial gains/losses	(3.8)	(9.7)
Provisions utilized during the reporting period	(4.2)	(4.5)
Provisions reversed during the reporting period	(7.3)	(7.6)
Loss of control over subsidiaries	(0.6)	(0.1)
Change in presentation	-	0.2
Exchange differences on translation of foreign operations	(6.5)	1.6
<b>As at the end of the reporting period, of which:</b>	<b>114.0</b>	<b>75.5</b>
<b>Short-term</b>	<b>47.6</b>	<b>18.5</b>
<b>Long-term</b>	<b>66.4</b>	<b>57.0</b>

## 6.20. Accruals and deferred income

As at 30 June 2023 and 31 December 2022, accruals and deferred income included the following items:

	30 June 2023		31 December 2022	
	Long-term PLN mn	Short-term PLN mn	Long-term PLN mn	Short-term PLN mn
<b>Accruals, of which:</b>				
Accruals for unused holiday leaves	-	274.5	-	260.6
Accruals for employee and management bonuses	0.9	189.0	1.8	250.7
	<b>0.9</b>	<b>463.5</b>	<b>1.8</b>	<b>511.3</b>
<b>Deferred income, of which:</b>				
Grants related to assets	53.0	5.9	54.6	5.3
Other	1.6	2.1	-	2.7
	<b>54.6</b>	<b>8.0</b>	<b>54.6</b>	<b>8.0</b>
<b>Total accruals and deferred income</b>	<b>55.5</b>	<b>471.5</b>	<b>56.4</b>	<b>519.3</b>

The total amount of accruals comprises accruals for unused holiday leaves, as well as accruals for remunerations of the current period to be paid out in future periods which result from the bonus incentive schemes applied by the Group.

The balance of deferred income comprises mainly grants related to assets. Grants related to assets represent subsidies received by the Group in connection with its development projects or projects related to the creation of IT competence centers.

## 6.21. Related party transactions

	Sales		Purchases	
	6 months ended 30 June 2023 PLN mn	6 months ended 30 June 2022 PLN mn	6 months ended 30 June 2023 PLN mn	6 months ended 30 June 2022 PLN mn
Transactions with associates and joint ventures	5.4	6.7	0.7	2.0
Transactions with entities or individuals related through the Group's Key Management Personnel	0.6	0.1	3.4	2.5
Transactions with Members of the Management Board and Supervisory Board and Commercial Proxies of Asseco Poland S.A.	-	-	0.3	0.7
Transactions with Members of Management Boards and Supervisory Boards and Commercial Proxies of other companies of the Group	-	-	5.5	10.6
Transactions with capital-related entities	59.4	50.0	2.8	1.9
<b>Total related party transactions</b>	<b>65.4</b>	<b>56.8</b>	<b>12.7</b>	<b>17.7</b>

Sales to related parties include revenues from the sale of goods and IT services related to ongoing IT projects and from other activities, as well as income from letting of own office space.

Purchases from related parties include purchases of goods and services for ongoing IT projects, sponsorship activities, purchases of consulting services, as well as rental of buildings.

	Trade receivables, other receivables and contract assets as at		Trade payables, other liabilities and contract liabilities as at	
	30 June 2023 PLN mn	31 December 2022 PLN mn	30 June 2023 PLN mn	31 December 2022 PLN mn
Transactions with associates and joint ventures	3.3	4.2	1.0	1.8
Transactions with entities or individuals related through the Group's Key Management Personnel	2.7	3.6	9.0	11.4
Transactions with Members of the Management Board and Supervisory Board and Commercial Proxies of Asseco Poland S.A.	-	-	-	0.1
Transactions with Members of Management Boards and Supervisory Boards and Commercial	35.7	37.6	13.1	13.3

Proxies of other companies of the Group				
Transactions with capital-related entities	71.2	60.1	7.5	10.3
<b>Total related party transactions</b>	<b>112.9</b>	<b>105.5</b>	<b>30.6</b>	<b>36.9</b>

The above tables, in the line 'Transactions with capital-related entities', disclose the outstanding balances of receivables and payables between companies of Asseco Group and entities belonging to Polsat Plus Group which holds 22.95% of equity interest and voting rights at the General Meeting of Shareholders of the Parent Company.

As at 30 June 2023, total receivables from related parties comprised trade receivables and contract assets amounting to PLN 75.1 million as well as other receivables amounting to PLN 37.8 million; whereas, as at 31 December 2022, such trade receivables and contract assets amounted to PLN 64.5 million and other receivables amounted to PLN 41.0 million.

As at 30 June 2023, total liabilities to related parties comprised trade payables and contract liabilities amounting to PLN 8.9 million, as compared to PLN 12.5 million outstanding as at 31 December 2022.

Receivables arising from transactions with Members of Management Boards and Supervisory Boards and Commercial Proxies of other companies of the Group include primarily deferred payments for shares in our subsidiaries (ACE and ASEE) that were sold to their managers. Such sale transactions were conducted in previous years, and the resulting receivables are described in detail in explanatory note 6.9 to the consolidated financial statements of the Group for the year ended 31 December 2022.

Name of entity	Loans granted		Borrowings	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	PLN mn	PLN mn	PLN mn	PLN mn
Transactions with associates and joint ventures	6.6	5.6	-	-
Transactions with entities or individuals related through the Group's Key Management Personnel	0.5	0.6	-	0.3
Transactions with Members of Management Boards and Supervisory Boards and Commercial Proxies of other companies of the Group	8.2	-	1.1	2.2
<b>Total related party transactions</b>	<b>15.3</b>	<b>6.2</b>	<b>1.1</b>	<b>2.5</b>

During the reporting period, all transactions with related parties of Asseco Group were carried out on an arm's length basis.



## 7. Explanatory notes to the consolidated statement of cash flows

### 7.1. Cash flows – operating activities

The table below presents items included in the line ‘Changes in working capital’:

	6 months ended 30 June 2023	6 months ended 30 June 2022 (restated)
	PLN mn	PLN mn
Change in inventories	(6.2)	(124.0)
Change in receivables and non-financial assets	(77.6)	(173.7)
Change in liabilities	(270.8)	(209.1)
Change in prepayments and accruals	(11.7)	24.4
Change in provisions	15.8	(1.3)
<b>Total</b>	<b>(350.5)</b>	<b>(483.7)</b>

### 7.2. Cash flows – investing activities

In the period of 6 months ended 30 June 2023 as well as in the comparable period, the amount of cash flows from investing activities was affected primarily by the following transactions:

- Acquisitions of property, plant and equipment, intangible assets and expenditures for development projects:

Acquisitions of property, plant and equipment, intangible assets and expenditures for development projects	6 months ended 30 June 2023	6 months ended 30 June 2022
	PLN mn	PLN mn
Acquisition of property, plant and equipment	(107.0)	(108.4)
Acquisition of intangible assets	(9.0)	(13.1)
Expenditures for development projects	(65.2)	(68.2)
<b>Total</b>	<b>(181.2)</b>	<b>(189.7)</b>

- Expenditures for acquisition of subsidiaries and associates, net of cash and cash equivalents held by the companies acquired as at the date of obtaining control:

Expenditures for acquisition of subsidiaries and associates, net of cash and cash equivalents in companies acquired	6 months ended 30 June 2023	6 months ended 30 June 2022
	PLN mn	PLN mn
Acquisitions made within the Asseco Poland segment	-	(13.2)
Acquisitions made within the Asseco International segment	(2.7)	(15.0)
Acquisitions made within the Formula Systems segment	(241.7)	(209.2)
<b>Total</b>	<b>(244.4)</b>	<b>(237.4)</b>

- Cash flows related to loans and cash deposits:

for the period of 6 months ended 30 June 2023	Loans collected	Loans granted
	PLN mn	PLN mn
Loans for employees	1.0	(9.8)
Loans for related parties	-	(1.2)
Loans for other entities	1.2	(6.4)
Term cash deposits with original maturities exceeding 3 months	132.1	(415.4)
<b>Total</b>	<b>134.3</b>	<b>(432.8)</b>

for the period of 6 months ended 30 June 2022	Loans collected PLN mn	Loans granted PLN mn
Loans for employees	0.8	(0.9)
Loans for related parties	14.3	(0.5)
Loans for other entities	0.1	(24.8)
Term cash deposits with original maturities exceeding 3 months	45.2	(74.4)
<b>Total</b>	<b>60.4</b>	<b>(100.6)</b>

### 7.3. Cash flows – financing activities

In the period of 6 months ended 30 June 2023 as well as in the comparable period, the amount of cash flows from financing activities was affected primarily by the following transactions:

- Proceeds from bank loans and borrowings:

Proceeds from bank loans and borrowings	6 months ended 30 June 2023 PLN mn	6 months ended 30 June 2022 PLN mn
Bank loans and borrowings obtained within the Asseco International segment	32.4	39.7
Bank loans and borrowings obtained within the Formula Systems segment	237.7	418.1
<b>Total</b>	<b>270.1</b>	<b>457.8</b>

- Repayments of bank loans and borrowings:

Repayments of bank loans and borrowings	6 months ended 30 June 2023 PLN mn	6 months ended 30 June 2022 PLN mn
Bank loans repaid within the Asseco Poland segment	(0.1)	(0.1)
Bank loans repaid within the Asseco International segment	(40.8)	(43.6)
Bank loans repaid within the Asseco International segment	(218.3)	(179.2)
<b>Total</b>	<b>(259.2)</b>	<b>(222.9)</b>

- Expenditures for acquisition of non-controlling interests

Expenditures for acquisition of non-controlling interests	6 months ended 30 June 2023 PLN mn	6 months ended 30 June 2022 PLN mn
Non-controlling interests acquired within the Asseco Poland segment	(12.0)	(0.5)
Non-controlling interests acquired within the Asseco International segment	(0.3)	(0.2)
Non-controlling interests acquired within the Formula Systems segment	(34.4)	(63.7)
<b>Total</b>	<b>(46.7)</b>	<b>(64.4)</b>

- In addition, in the period of 6 months ended 30 June 2023, companies of Sapiens Group as well as Formula Systems (1985) Ltd (Formula Group) redeemed their previously issued bonds. Cash outflows for this purpose amounted to PLN 124.8 million, of which PLN 84.6 million were spent by Sapiens Group and PLN 40.2 million by Formula Systems (1985) Ltd.

## 8. Other explanatory notes

### 8.1. Off-balance-sheet liabilities

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

Contingent liabilities	30 June 2023	31 December 2022
	PLN mn	PLN mn
<b>Liabilities from bank guarantees and guarantee bonds granted to secure due performance of a contracts</b>		
Liabilities falling due within 3 months	19.1	20.8
Liabilities falling due within 3 to 12 months	187.8	243.7
Liabilities falling due within 1 to 5 years	172.4	191.9
Liabilities falling due after 5 years	9.9	8.2
<b>Total</b>	<b>389.2</b>	<b>464.6</b>
<b>Liabilities from bank guarantees and guarantee bonds granted to secure payments</b>		
Liabilities falling due within 3 months	1.3	3.2
Liabilities falling due within 3 to 12 months	47.2	38.4
Liabilities falling due within 1 to 5 years	4.5	6.0
Liabilities falling due after 5 years	-	-
<b>Total</b>	<b>53.0</b>	<b>47.6</b>
<b>Other contingent liabilities</b>	<b>1.1</b>	<b>0.8</b>

Guarantees of due performance of contracts granted by the Group were purchased from banks, hence the contingent liabilities disclosed in the table above may become due as a result of the bank's recourse to the Group in the event of failure to perform our contractual obligations.

In the Management's opinion, the probability of having to satisfy our liabilities from guarantees of due performance of contracts as presented in the table above is negligible; however, due to their amount, it was decided to make an appropriate disclosure in these interim condensed consolidated financial statements of Asseco Group.

None of the above-described guarantee obligations meet the definition of a financial guarantee under IFRS 9, and therefore such commitments are not recognized as liabilities in the statement of financial position of the Group as at 30 June 2023 and 31 December 2022.

As at 30 June 2023, guarantees granted by Asseco Central Europe a.s., as described in the annual report for 2022, amounted to EUR 2.98 million (PLN 13.3 million) for the company Prosoft Kosice a.s.; CZK 100 million (PLN 18.8 million) for the company Asseco Central Europe, a.s. (Czech Republic); and EUR 3.5 million (PLN 15.6 million) for the company Asseco CEIT a.s. In addition, during the second quarter of 2023, Asseco Central Europe a.s. granted a guarantee in the amount of HUF 600 million (PLN 7.2 million) to the company Asseco Central Europe Magyarország Zrt. in order to secure the repayment of liabilities under a loan agreement.

#### Disputes in litigation as at the end of the reporting period

As at 30 June 2023, the Parent Company was party to two court proceedings initiated by the same plaintiff, in which the total amount in dispute was approx. PLN 13.3 million. The Parent Company's Management assessed the validity of claims brought in court and considered them to be groundless, and consequently assessed the risk of an outflow of economic benefits from the Parent Company to be so small that there was no need to create any provision. In the said disputes, the plaintiff made unjustified demands upon the Parent Company to transfer proprietary software copyrights and extend the licenses granted.

In the second quarter of 2023, the Second Instance Court resolved the first of these disputes dismissing the claim against the Parent Company by an overwhelming margin, as anticipated by our Management. Consequently, there will be no outflow of any significant economic benefits from the Company which confirms that the Management's decision not to create any provision was correct and fully justified. Due to such favourable settlement of the first dispute, the Company has not changed its assessment as to a favourable outcome also in the second dispute, the value of which is PLN 7.1 million.

In the reporting period, there was also another court dispute pending in which the plaintiff filed a claim for payment of PLN 17.1 million (the Parent Company was sued jointly and severally with its subsidiary Asseco Data Systems S.A.). The Company's Management assessed the validity of claims presented in the lawsuit and considered them to be completely groundless. Thus the Management determined there was no need to create any provision for such claims as at 30 June 2023. Furthermore, in 2021, the Parent Company along with Asseco Data Systems S.A. filed a counter-claim in this case for the payment of compensation for damages incurred as a result of the plaintiff's unjustified withdrawal from the contract.

During the reporting period, the said Asseco Data Systems S.A. was party to court proceedings with the total amount in dispute of PLN 17.9 million. This amount was primarily related to the claim for payment of PLN 17.1 million which has been described above.

During the reporting period, DahliaMatic S.A. was engaged in a court dispute that was initiated in 2021, in which the plaintiff brought a claim for payment of PLN 12.1 million as a contractual penalty. As at 30 June 2023, the whole amount of receivables from the plaintiff have been written down, and the company's Management Board assessed the validity of claims being the subject of the above-mentioned dispute proceedings and found them groundless. Thus the Management determined there was no need to create any additional provisions for such claims as at 30 June 2023. Furthermore, due to the plaintiff's withdrawal from the contract, DahliaMatic S.A. filed a counter-claim for unpaid remuneration.

During the reporting period, ACE Group (of the Asseco International segment) was engaged in proceedings before the Czech Antimonopoly Office regarding the participation in a tendering procedure in which one of ACE Group subsidiaries was a sub-supplier. The Antimonopoly Office imposed a penalty of CZK 13.5 million (PLN 2.5 million) on that company, for which the Group created a provision in the previous year. These proceedings have not been finalized yet and the company has filed an appeal against the decision of the office. In addition, during the reporting period, ACE Group was party to two more significant disputes that entered the stage of court proceedings. In the first case, the claim is related to payment of contractual penalties in the amount of CZK 115.7 million (PLN 21.7 million). The Management of ACE Group considers the plaintiff's claim to be unjustified. In addition, the ACE Group Management has filed a counter-claim against the same the plaintiff, for compensation for the lost contract in the amount of CZK 102.9 million (PLN 19.3 million). The second dispute originated back in 2009 and concerns the method of calculating the price for the compulsory buyout of shares in a subsidiary company of ACE Group, and the amount claimed is CZK 3.0 million (PLN 0.6 million). The amount in dispute is covered by a provision created by ACE Group in previous years.

In 2021, Asseco Spain S.A. sued one of its customers for the unjustified unilateral termination of a contract which was meant to be in force till the end of 2026. Asseco Spain claimed compensation for such breach of the contract. Moreover, the company sued the same customer and its new supplier for infringement of the company's intellectual property rights. The case is currently pending before a court of law in Madrid. As at 30 June 2023, all accounts receivable and other assets related to the terminated contract have been written down, and therefore a potential winning of this court case is going to have positive financial effects for the Group.

In the reporting period, Matrix IT Group (of the Formula Systems segment) was party to court proceedings where the total amount in dispute was NIS 34.8 million (PLN 38.6 million).

In the reporting period, Sapiens Group (of the Formula Systems segment) was party to just one court litigation where the amount of claims was USD 0.2 million (PLN 0.9 million). The court of first instance issued a judgment dismissing all claims brought against the company. Currently, as a result of an appeal filed by the other party to the dispute, the company of Sapiens Group is awaiting a date for the next hearing.

During the current reporting period, both court proceedings pending against one of the Michpal Group companies (of the Formula Systems segment) were concluded. From the perspective of both the Group and the company, the cost of adjudicated claims is immaterial and has been expensed in the current period results.

In the reporting period, Zap Group (which was acquired by Formula Systems in 2021) was party to court proceedings where the total amount in dispute was NIS 103.8 million (PLN 115.2 million). All these cases were pending before the acquisition of Zap Group and, in the opinion of Formula's management, any potential claims resulting from such lawsuits were secured in an appropriate amount in the acquisition agreement and thus should not weigh upon the financial results of Asseco Group in the future. During the second quarter, two of the aforementioned cases for a total of NIS 11.2 million (PLN 12.4 million) were resolved. In addition, a dispute for NIS 2.5 million (PLN 2.8 million) was initiated during the reporting period.

During the reporting period, Formula Systems (1985) Ltd was engaged in a dispute that began in 2020, in which Formula Systems (1985) Ltd and members of its management bodies were sued personally by a minority shareholder, who holds 28 shares representing 0.0001% of the total number of shares in this company. The lawsuit concerns the correctness of granting the stock option plan to Mr. Guy Bernstein (CEO of Formula Systems) in 2020, the terms and value of which are described in explanatory note 5.2 in the consolidated financial statements for the year 2020, which was awarded to the CEO by a resolution of the Board of Directors that overruled the decision made by the general meeting of shareholders. In the lawsuit, the shareholder has questioned the correctness of the adopted procedure and has also alleged irregularities in the implementation of the option plans of 2011 and 2012. The lawsuit also concerns the remuneration of the company's CFO. The shareholder's objection asserts acting to the detriment of minority shareholders. After consulting with legal advisors, the company has deemed the claim to be unfounded, considering that both the Board of Directors and the company's managing officers (including the CEO and CFO) acted in accordance with the law. Formula Systems (1985) Ltd informed the Securities and Exchange Commission of the details of the claim in 6-K forms which are available to the public.

In the opinion of Company's Management Board, the provisions for pending litigation that are recognized in these interim condensed consolidated financial statements have been created in a sufficient amount to cover possible risks arising from existing disputes.

Except for those described above, during the reporting period, no significant proceedings were instituted or pending before any court, arbitration authority or public administration authority, concerning any liabilities or receivables of Asseco Group companies.

## 8.2. Seasonal and cyclical business

The Group's sales revenues are subject to some seasonality in individual quarters of the year. The fourth quarter revenues tend to be somewhat higher than in the remaining periods, as bulk of such turnover is generated from the sale of IT services for large enterprises and public administration. Such entities often decide to make higher purchases of hardware and licenses in the last months of a year.

## 8.3. Employment

Number of employees in the Group companies as at	30 June 2023	31 December 2022
Management Board of the Parent Company	11	11
Management Boards of the Group companies	206	213
Production departments	28,545	28,451
Sales departments	1,744	1,754
Administration departments	2,343	2,321
<b>Total</b>	<b>32,849</b>	<b>32,750</b>

Number of employees in the Group companies as at	30 June 2023	31 December 2022
Asseco Poland segment	3,625	3,529
Asseco International segment	8,376	8,441
Formula Systems segment	20,848	20,780
<b>Total</b>	<b>32,849</b>	<b>32,750</b>

## 8.4. Significant events after the reporting period

No significant events took place within Asseco Group after the reporting date.

## 8.5. Significant events related to prior years

Until the date of preparing these interim condensed consolidated financial statements for the period of 6 months ended 30 June 2023, we have not observed any significant events related to prior years, which have not but should have been included in these financial statements.

**Approval for publication  
by the Management Board**

**assecO**

These interim condensed consolidated financial statements of Asseco Group for the period of 6 months ended 30 June 2023 have been approved for publication by the Management Board of Asseco Poland S.A. on 24 August 2023.

**Management Board:**

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Adam Góral  
President  
of the Management Board

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Grzegorz Bartler  
Vice President  
of the Management Board

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Andrzej Dopierała  
Vice President  
of the Management Board

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Krzysztof Groyecki  
Vice President  
of the Management Board

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Marek Panek  
Vice President  
of the Management Board

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Paweł Piwowar  
Vice President  
of the Management Board

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Zbigniew Pomianek  
Vice President  
of the Management Board

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Karolina Rzońca-Bajorek  
Vice President  
of the Management Board

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Sławomir Szmytkowski  
Vice President  
of the Management Board

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Artur Wiza  
Vice President  
of the Management Board

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Gabriela Żukowicz  
Vice President  
of the Management Board

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**Person responsible for the preparation of interim condensed consolidated financial statements:**

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Rafał Obodziński  
Director of the Financial  
Reporting Department

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# Technology for business, solutions for people.

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