



**Quarterly Report
of Asseco South Eastern Europe Group –
ASEE Group
for the period of 9 months ended
30 September 2024**



Present in
27 countries



PLN 1,209.5 million
in sales revenues



4,204
highly committed
employees



PLN 141 million
of net profit
for Shareholders of
the Parent Company

Quarterly Report of Asseco South Eastern Europe Group for the period of 9 months ended 30 September 2024

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Financial Highlights

Asseco South Eastern Europe Group

	9 months ended 30 September 2024	9 months ended 30 September 2023	9 months ended 30 September 2024	9 months ended 30 September 2023
	PLN'000	PLN'000	EUR'000	EUR'000
Sales revenues	1,209,461	1,153,937	281,128	252,100
Operating profit	154,600	164,286	35,935	35,891
Pre-tax profit	175,881	192,296	40,882	42,011
Net profit for the reporting period	144,726	159,333	33,640	34,809
Net profit attributable to Shareholders of the Parent Company	141,001	154,559	32,774	33,766
Net cash provided by (used in) operating activities	36,895	136,899	8,576	29,908
Net cash provided by (used in) investing activities	(104,825)	(46,974)	(24,366)	(10,262)
Net cash provided by (used in) financing activities	(62,438)	(121,376)	(14,513)	(26,517)
Cash and cash equivalents at the end of the period (comparable data as at 31 December 2023)	201,856	313,112	47,173	72,013
Basic earnings per ordinary share for the reporting period attributable to Shareholders of the Parent Company (in PLN/EUR)	2.72	2.98	0.63	0.65
Diluted earnings per ordinary share for the reporting period attributable to Shareholders of the Parent Company (in PLN/EUR)	2.72	2.98	0.63	0.65

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 consolidated statement of profit and loss and consolidated 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 as follows:
 - for the period from 1 January 2024 to 30 September 2024: EUR 1 = PLN 4.3022
 - for the period from 1 January 2023 to 30 September 2023: EUR 1 = PLN 4.5773
- 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 the mid exchange rates as published by the National Bank of Poland. These exchange rates were as follows:
 - exchange rate effective on 30 September 2024: EUR 1 = PLN 4.2791
 - exchange rate effective on 31 December 2023: EUR 1 = PLN 4.3480

In this report, all figures are presented in thousands of Polish zlotys (PLN), unless stated otherwise.

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

Asseco South Eastern Europe Group

STATEMENT OF PROFIT AND LOSS	Note	3 months ended	9 months ended	3 months ended	9 months ended
		30 September 2024	30 September 2024	30 September 2023	30 September 2023
Operating revenues	5.1	444,795	1,209,461	398,346	1,153,937
Cost of sales	5.2	(327,838)	(899,979)	(287,052)	(840,942)
Allowances for trade receivables	5.2	(854)	(4,526)	(1,165)	(4,845)
Gross profit on sales		116,103	304,956	110,129	308,150
Selling costs	5.2	(27,277)	(76,791)	(25,561)	(73,148)
General and administrative expenses	5.2	(25,211)	(74,865)	(24,245)	(71,483)
Net profit on sales		63,615	153,300	60,323	163,519
Other operating income	5.3	711	2,330	728	1,834
Other operating expenses	5.3	(331)	(1,108)	(481)	(1,150)
Share of profits of associates		26	78	65	83
Operating profit		64,021	154,600	60,635	164,286
Financial income	5.4	16,838	44,447	18,338	42,783
Financial expenses	5.4	(11,006)	(23,150)	(3,010)	(14,755)
Impairment loss on financial instruments		(5)	(16)	(6)	(18)
Pre-tax profit		69,848	175,881	75,957	192,296
Corporate income tax (<i>current and deferred tax expense</i>)	5.5	(13,758)	(31,155)	(12,321)	(32,963)
Net profit for the reporting period		56,090	144,726	63,636	159,333
<i>Attributable to:</i>					
Shareholders of the Parent Company		54,003	141,001	62,545	154,559
Non-controlling interests		2,087	3,725	1,091	4,774
Basic and diluted consolidated earnings per share for the reporting period, attributable to shareholders of the Parent Company (in PLN)	5.6	1.04	2.72	1.21	2.98
OTHER COMPREHENSIVE INCOME					
Net profit for the reporting period		56,090	144,726	63,636	159,333
<i>Components that may be reclassified to profit or loss</i>		(27,320)	(42,172)	37,095	(47,688)
Net gain/loss on valuation of financial assets		19	113	15	87
Exchange differences on translation of foreign operations		(27,339)	(42,285)	37,080	(47,775)
<i>Components that will not be reclassified to profit or loss</i>		-	-	-	-
Actuarial gains/losses		-	-	-	-
Total other comprehensive income		(27,320)	(42,172)	37,095	(47,688)
TOTAL COMPREHENSIVE INCOME attributable to:		28,770	102,554	100,731	111,645
Shareholders of the Parent Company		27,239	99,541	98,755	106,738
Non-controlling interests		1,531	3,013	1,976	4,907

Interim Condensed Consolidated Statement of Financial Position

Asseco South Eastern Europe Group

ASSETS	Note	30 September	30 June	31 December	30 September	
		2024	2024	2023 (restated*)	2023	
		PLN'000	PLN'000	PLN'000	PLN'000	
Non-current assets						
Property, plant and equipment	<u>6.1</u>	154,000	149,940	137,030	136,011	
Intangible assets	<u>6.2</u>	93,313	73,465	86,277	49,685	
Right-of-use assets	<u>6.3</u>	69,988	58,080	46,037	49,416	
Investment property		443	456	474	516	
Goodwill	<u>6.4</u>	1,039,424	880,779	875,434	785,610	
Investments accounted for using the equity method		267	242	252	262	
Other receivables	<u>6.7</u>	6,344	6,330	7,274	8,698	
Deferred tax assets		12,031	13,763	12,375	13,762	
Other financial assets	<u>6.5</u>	2,223	1,954	2,021	1,561	
Prepayments and accrued income	<u>6.6</u>	2,290	2,583	3,088	1,330	
		1,380,323	1,187,592	1,170,262	1,046,851	
Current assets						
Inventories	<u>6.8</u>	100,997	98,660	97,872	112,661	
Prepayments and accrued income	<u>6.6</u>	55,679	54,619	53,904	49,708	
Trade receivables	<u>6.7</u>	246,523	212,738	299,114	222,736	
Contract assets	<u>6.7</u>	120,604	115,590	95,104	134,001	
Corporate income tax receivable	<u>6.7</u>	5,881	5,410	2,693	2,336	
Receivables from the state and local budgets	<u>6.7</u>	22,097	7,362	5,044	8,288	
Other receivables	<u>6.7</u>	92,379	117,103	79,663	31,306	
Other non-financial assets		5,563	7,609	2,952	5,112	
Other financial assets	<u>6.5</u>	4,155	1,207	1,173	823	
Cash and cash equivalents	<u>6.9</u>	201,856	223,106	313,112	252,891	
		855,734	843,404	950,631	819,862	
TOTAL ASSETS		2,236,057	2,030,996	2,120,893	1,866,713	

* The restatement has been disclosed in detail in explanatory note 2.8 to these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Financial Position

Asseco South Eastern Europe Group

EQUITY AND LIABILITIES	Note	30 September	30 June	31 December	30 September	
		2024	2024	2023 (restated*)	2023	
		PLN'000	PLN'000	PLN'000	PLN'000	
Equity						
<i>(attributable to shareholders of the Parent Company)</i>						
Share capital		518,943	518,943	518,943	518,943	
Share premium		38,826	38,826	38,826	38,826	
Transactions with non-controlling interests		(164,281)	(36,882)	(34,877)	(35,841)	
Other capitals		1,314	1,197	717	490	
Exchange differences on translation of foreign operations		(240,446)	(213,661)	(198,871)	(126,212)	
Retained earnings		846,015	792,012	790,640	745,262	
		1,000,371	1,100,435	1,115,378	1,141,468	
Non-controlling interests		8,597	7,515	7,810	7,654	
Total equity		1,008,968	1,107,950	1,123,188	1,149,122	
Non-current liabilities						
Bank loans and borrowings	<u>6.11</u>	92,755	94,789	54,124	43,288	
Lease liabilities	<u>6.10</u>	48,953	41,138	29,724	32,472	
Other financial liabilities	<u>6.12</u>	394,525	137,834	174,055	79,415	
Deferred tax liabilities	<u>6.14</u>	14,727	8,318	9,745	5,951	
Provisions	<u>6.15</u>	4,825	3,964	3,906	3,465	
Deferred income	<u>6.16</u>	1,212	1,388	-	-	
Contract liabilities		8,274	9,785	10,690	4,272	
Other liabilities	<u>6.13</u>	57	47	47	50	
		565,328	297,263	282,291	168,913	
Current liabilities						
Bank loans and borrowings	<u>6.11</u>	101,066	101,307	51,610	52,508	
Lease liabilities	<u>6.10</u>	17,646	18,459	17,704	18,355	
Other financial liabilities	<u>6.12</u>	79,644	48,603	58,928	62,236	
Trade payables	<u>6.13</u>	143,582	143,910	214,561	152,613	
Contract liabilities	<u>6.14</u>	112,609	111,007	158,114	130,176	
Corporate income tax payable	<u>6.13</u>	8,938	7,396	15,275	10,696	
Liabilities to the state and local budgets	<u>6.13</u>	35,598	24,980	50,849	26,185	
Other liabilities	<u>6.13</u>	112,641	126,778	102,856	39,114	
Provisions	<u>6.15</u>	3,708	4,587	6,688	6,078	
Deferred income	<u>6.16</u>	661	666	2,407	3,113	
Accruals	<u>6.16</u>	45,668	38,090	36,422	47,604	
		661,761	625,783	715,414	548,678	
TOTAL LIABILITIES		1,227,089	923,046	997,705	717,591	
TOTAL EQUITY AND LIABILITIES		2,236,057	2,030,996	2,120,893	1,866,713	

* The restatement has been disclosed in detail in explanatory note 2.8 to these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Changes in Equity

Asseco South Eastern Europe Group

Note	Share capital	Share premium	Transactions with non-controlling interests	Other capitals	Exchange differences on translation of foreign operations	Retained earnings and current net profit	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As at 1 January 2024 (restated)	518,943	38,826	(34,877)	717	(198,871)	790,640	1,115,378	7,810	1,123,188
Net profit for the reporting period	-	-	-	-	-	141,001	141,001	3,725	144,726
Other comprehensive income for the reporting period	-	-	-	113	(41,575)	-	(41,462)	(712)	(42,174)
Total comprehensive income for the reporting period	-	-	-	113	(41,575)	141,001	99,539	3,013	102,552
Share-based payment transactions with employees	-	-	-	484	-	-	484	30	514
Obtaining control over subsidiaries	-	-	-	-	-	-	-	14,751	14,751
Transactions with non-controlling interests (including contingent financial liabilities to non-controlling shareholders (put options))	-	-	(129,404)	-	-	-	(129,404)	(14,330)	(143,734)
Dividend	<u>5.7</u>	-	-	-	-	-	(85,626)	(85,626)	(2,677)
As at 30 September 2024	518,943	38,826	(164,281)	1,314	(240,446)	846,015	1,000,371	8,597	1,008,968

Interim Condensed Consolidated Statement of Changes in Equity

Asseco South Eastern Europe Group

Note	Share capital	Share premium	Transactions with non-controlling interests	Other capitals	Exchange differences on translation of foreign operations	Retained earnings and current net profit	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As at 1 January 2023	518,943	38,826	(35,692)	(77)	(78,304)	666,469	1,110,165	8,515	1,118,680
Net profit for the reporting period	-	-	-	-	-	199,937	199,937	7,966	207,903
Other comprehensive income for the reporting period	-	-	-	152	(120,567)	-	(120,415)	(944)	(121,359)
Total comprehensive income for the reporting period	-	-	-	152	(120,567)	199,937	79,522	7,022	86,544
Share-based payment transactions with employees	-	-	-	642	-	-	642	-	642
Transactions with non-controlling interests (including contingent financial liabilities to non-controlling shareholders (put options))	-	-	815	-	-	-	815	1,371	2,186
Dividend	<u>5.7</u>	-	-	-	-	(75,766)	(75,766)	(9,098)	(84,864)
As at 31 December 2023 (restated)	518,943	38,826	(34,877)	717	(198,871)	790,640	1,115,378	7,810	1,123,188

Interim Condensed Consolidated Statement of Changes in Equity

Asseco South Eastern Europe Group

Note	Share capital	Share premium	Transactions with non-controlling interests	Other capitals	Exchange differences on translation of foreign operations	Retained earnings and current net profit	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As at 1 January 2023	518,943	38,826	(35,692)	(77)	(78,304)	666,469	1,110,165	8,515	1,118,680
Net profit for the reporting period	-	-	-	-	-	154,559	154,559	4,774	159,333
Other comprehensive income for the reporting period	-	-	-	87	(47,908)	-	(47,821)	133	(47,688)
Total comprehensive income for the reporting period	-	-	-	87	(47,908)	154,559	106,738	4,907	111,645
Share-based payment transactions with employees	-	-	-	480	-	-	480	-	480
Transactions with non-controlling interests (including contingent financial liabilities to non-controlling shareholders (put options))	-	-	(149)	-	-	-	(149)	87	(62)
Dividend	<u>5.7</u>	-	-	-	-	-	(75,766)	(75,766)	(5,855)
As at 30 September 2023	518,943	38,826	(35,841)	490	(126,212)	745,262	1,141,468	7,654	1,149,122

Interim Condensed Consolidated Statement of Cash Flows

Asseco South Eastern Europe Group

	Note	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Cash flows – operating activities			
Pre-tax profit		175,881	192,296
Total adjustments:		(97,288)	(19,777)
Depreciation and amortization	5.2	72,847	67,188
Changes in working capital	7.1	(156,293)	(67,936)
Interest income/expenses		5,882	3,450
Gain/loss on foreign exchange differences		598	(194)
Gain/loss on financial assets (valuation, disposal, etc.)		(183)	(440)
Other financial income/expenses		(1,479)	134
Gain/loss on sale, disposal and impairment of property, plant and equipment, intangible assets, and right-of-use assets		1,912	504
Costs of share-based payment transactions with employees		514	480
Impact of hyperinflation		(21,011)	(22,833)
Other adjustments to pre-tax profit		(75)	(130)
Cash provided by (used in) operating activities		78,593	172,519
Corporate income tax paid		(41,698)	(35,620)
Net cash provided by (used in) operating activities		36,895	136,899
Cash flows – investing activities			
<i>Inflows</i>			
Disposal of property, plant and equipment, and intangible assets		1,281	746
Disposal/settlement of financial assets carried at fair value through profit or loss		217	-
Disposal/settlement of financial assets carried at fair value through other comprehensive income		420	-
Disposal of investments in other debt securities carried at amortized cost (cash deposits, etc.)		2,306	61
Loans collected		13,965	269
Interest received		24	1
Dividends received		70	-
<i>Outflows</i>			
Acquisition of property, plant and equipment, and intangible assets (including R&D expenditures)	7.2	(38,930)	(38,389)
Acquisition of subsidiaries, net of cash and cash equivalents in subsidiaries acquired	7.2	(80,931)	(9,485)
Acquisition/settlement of financial assets carried at fair value through profit or loss		-	(38)
Acquisition/settlement of financial assets carried at fair value through other comprehensive income		(549)	-
Acquisition/settlement of financial assets carried at amortized cost		(2,010)	-
Loans granted		(688)	(139)
Net cash provided by (used in) investing activities		(104,825)	(46,974)
Cash flows – financing activities			
<i>Inflows</i>			
Proceeds from bank loans and borrowings	7.3	99,388	1,275
Received grants related to assets and/or development projects		-	566
Proceeds from sale of shares in subsidiaries to non-controlling shareholders		1,266	-
<i>Outflows</i>			
Repayments of bank loans and borrowings	7.3	(37,387)	(21,311)
Payments of lease liabilities	7.3	(16,535)	(16,844)
Interest paid	7.3	(6,262)	(3,112)
Acquisition of non-controlling interests	7.3	(9,895)	(330)
Dividends paid out by the Parent Company	7.3	(85,626)	(75,766)
Dividends paid out to non-controlling shareholders	7.3	(7,387)	(5,854)
Net cash provided by (used in) financing activities		(62,438)	(121,376)
Net increase (decrease) in cash and cash equivalents		(130,368)	(31,451)
Net foreign exchange differences		(8,632)	(15,719)
Net cash and cash equivalents as at 1 January		285,297	264,750
Net cash and cash equivalents as at 30 September	6.9	146,297	217,580

Explanatory notes to the Interim Condensed Consolidated Financial Statements

I. General information

Asseco South Eastern Europe Group ("ASEE Group", "Group", "ASEE") is a group of companies, the Parent Company of which is Asseco South Eastern Europe S.A. ("Parent Company", "ASEE S.A.", "Company", "Issuer") seated at 14 Olchowa St., Rzeszów, Poland.

General information on the Parent Company

Name	Asseco South Eastern Europe S.A.
Registered seat	Rzeszów, 14 Olchowa St.
National Court Register number	0000284571
Statistical ID number (REGON)	180248803
Tax Identification Number (NIP)	813-351-36-07
Core business	Activities of head offices and holdings, production of software

The Parent Company Asseco South Eastern Europe S.A. based in Rzeszów, Poland, was established on 10 April 2007 as a joint stock company called Asseco Adria S.A. On 11 July 2007, the Company was entered in the register of entrepreneurs maintained by the District Court in Rzeszów, XII Commercial Department of the National Court Register, under the number KRS 0000284571. The Parent Company has been assigned the statistical number REGON 180248803. On 11 February 2008, the Parent Company's corporate name was changed from Asseco Adria S.A. to Asseco South Eastern Europe S.A.

Since 28 October 2009, the Company's shares have been listed on the main market of the Warsaw Stock Exchange S.A.

ASEE S.A. is the Parent Company of Asseco South Eastern Europe Group. The Parent Company shall operate within the territory of the Republic of Poland as well as abroad. The time of duration of both the Parent Company and the entities incorporated in the Group is indefinite.

The Group delivers complete solutions and proprietary software necessary to run a bank, as well as state-of-the-art payment solutions helping shape the payments market in the region, and provides integration and implementation services for IT systems and hardware from the world's major vendors. The Group conducts business operations in the countries of Central Europe, South Eastern Europe, Iberian Peninsula, and in Egypt, Turkey, Colombia, Peru, Dominican Republic, as well as in India and the United Arab Emirates.

The scope of Asseco South Eastern Europe Group's core business broken down by relevant segments is described in section IV of these interim condensed consolidated financial statements.

The parent company of ASEE S.A. is Asseco International a.s. ("AI") based in Bratislava, Slovakia which is part of Asseco Poland Group. As at 30 September 2024, AI held 26,407,081 shares representing 50.89% in the share capital of our Company, which carried 26,407,081 votes or 50.89% of total voting rights at the Company's General Meeting of Shareholders. The ultimate parent company of the entire Asseco Poland Group is Asseco Poland S.A. based in Rzeszów, Poland.

These interim condensed consolidated financial statements cover the interim period ended 30 September 2024 and contain comparable data for the interim period ended 30 September 2023 in case of the statement of profit and loss, statement of other comprehensive income, statement of changes in equity and the statement of cash flows; and comparable data as at 31 December 2023 in case of the statement of financial position.

II. Basis for the preparation of interim condensed 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 assets carried at amortized cost, as well as financial liabilities carried at fair value through profit or loss.

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 2023 which were published on 27 February 2024.

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 September 2024. 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.

2.2. Impact of the geopolitical and macroeconomic situation on the Group's business operations

As at the date of publication of these interim condensed consolidated financial statements, based on its analysis of existing geopolitical and macroeconomic risks, 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 September 2024 is not threatened.

The Russian invasion of Ukraine in February 2022 caused a radical change in the geopolitical situation of the region in which the Parent Company and other companies of our Group are located. During the period of 9 months ended 30 September 2024, ASEE Group did not conduct any significant business operations in Russia or Belarus, nor did it keep any cash in Russian banks. On 29 July 2024, the Group acquired 100% of shares in Askepnet TOV, based in Lviv, Ukraine. Detailed information on accounting for this acquisition has been presented in explanatory note 6.4 to these interim condensed consolidated financial statements. Asseco South Eastern Europe S.A. Group has consolidated the financial results of Askepnet since 31 July 2024 and, although currently the contribution of this company to the Group's financial results is not material, the Management of ASEE S.A. believes this investment will have a positive impact on the Group's financial performance.

In 2022, Turkey was recognized as a country with a hyperinflationary economy. The Group consolidates the financial results of several subsidiaries operating in Turkey, including ASEE Turkey, Payten Turkey, Paratika, and Mobven, whose functional currency is that of a hyperinflationary economy. Therefore, these interim condensed consolidated financial statements contain the financial data of our subsidiaries operating in Turkey adjusted for the rate of inflation so that they reflected changes in the appropriate price index. The effects of hyperinflation adjustments have been described in explanatory note 2.10 to these interim condensed consolidated financial statements.

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 part of the quarterly report, is in accordance with 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) ("Regulation"), and covers the reporting period from 1 January to 30 September 2024 and the comparable period from 1 January to 30 September 2023 in case of the statement of profit and loss and the statement of cash flows, as well as the financial position data as at 30 September 2024 and the comparable data as at 30 June 2024, 31 December 2023 and 30 September 2023 in case of the statement of financial position.

Some of the Group companies maintain their accounting books in accordance with the accounting policies set forth in their respective local regulations. The interim condensed consolidated financial statements include adjustments not disclosed in the accounting books of the Group's entities which were introduced to adjust the financial statements of those entities to IFRS.

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 thousands of PLN (PLN'000), unless stated otherwise. Any inaccuracies in totals, amounting to PLN 1 thousand, 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 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 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 comprehensive income as well as the statement of cash flows. The effects of such conversion are recognized in equity as 'Exchange differences on translation of foreign operations'.

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.

In the period of 9 months ended 30 September 2024, our approach to making estimates was not subject to any substantial modification in relation to the principles described in the consolidated financial statements for the year ended 31 December 2023.

2.6. Accounting policies applied

Significant accounting policies adopted by the Parent Company have been described in its consolidated financial statements for the year ended 31 December 2023 which were published on 27 February 2024.

Accounting policies adopted in the preparation of these interim condensed consolidated financial statements have remained unchanged in relation to those followed when preparing the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of amendments to standards that have become effective from 1 January 2024.

New standards or amendments effective from 1 January 2024:

- Amendments to IFRS 16 'Leases – Lease Liability in a Sale and Leaseback';
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures: Supplier Finance Arrangements';
- Amendments to IAS 1 'Presentation of Financial Statements': 'Classification of Liabilities as Current or Non-current', 'Non-current Liabilities with Covenants'.

The amended standards and interpretations that were first applied in 2024 had no significant impact on the interim condensed consolidated financial statements of the Group.

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 18 'Presentation and Disclosure in Financial Statements' (issued on 9 April 2024) – 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 2027;
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures' (issued on 9 May 2024) – not yet endorsed by the EU till the date of approval of these consolidated financial statements – effective for annual periods beginning on or after 1 January 2027;
- 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;
- Amendments to IFRS 9 and IFRS 7: 'Classification and Measurement of Financial Instruments' (issued on 30 May 2024) – 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 2026.

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 did not decide on early adoption of any standard, interpretation or amendment which has been published but has not yet become effective.

The Group is currently conducting an analysis of how the above-mentioned amendments are going to impact its financial statements.

2.8. Changes in the presentation methods and in the comparable data

The Group has changed the comparable data disclosed as at 31 December 2023 due to changes in the values of assets acquired that were recognized in the purchase price allocation of our subsidiary companies IfthenPay, Dwelt and Avera. Detailed information on the acquired assets and liabilities of these companies has been presented in explanatory note 6.4 to these interim condensed consolidated financial statements.

The tables below present how the said changes affected the comparable data disclosed as at 31 December 2023:

ASSETS	31 December 2023	Purchase price allocation of subsidiaries	31 December 2023 (restated)
	PLN'000	PLN'000	PLN'000
Non-current assets			
Property, plant and equipment	137,030	-	137,030
Intangible assets	43,450	42,827	86,277
Right-of-use assets	46,309	(272)	46,037
Investment property	474	-	474
Goodwill	913,187	(37,753)	875,434
Investments accounted for using the equity method	252	-	252
Other receivables	7,274	-	7,274
Deferred tax assets	12,375	-	12,375
Other financial assets	2,021	-	2,021
Prepayments and accrued income	3,088	-	3,088
	1,165,460	4,802	1,170,262
Current assets			
Inventories	97,872	-	97,872
Prepayments and accrued income	53,904	-	53,904
Trade receivables	299,114	-	299,114
Contract assets	95,104	-	95,104
Corporate income tax receivable	2,693	-	2,693
Receivables from the state and local budgets	5,044	-	5,044
Other receivables	79,663	-	79,663
Other non-financial assets	2,952	-	2,952
Other financial assets	1,173	-	1,173
Cash and cash equivalents	313,112	-	313,112
	950,631	-	950,631
TOTAL ASSETS	2,116,091	4,802	2,120,893

EQUITY AND LIABILITIES	31 December 2023	Purchase price allocation of subsidiaries	31 December 2023 (restated)
	PLN'000	PLN'000	PLN'000
Equity (attributable to shareholders of the Parent Company)			
Share capital	518,943	-	518,943
Share premium	38,826	-	38,826
Transactions with non-controlling interests	(34,877)	-	(34,877)
Other capitals	717	-	717
Exchange differences on translation of foreign operations	(198,888)	17	(198,871)
Retained earnings	791,065	(425)	790,640
	1,115,786	(408)	1,115,378
Non-controlling interests	7,810	-	7,810
Total equity	1,123,596	(408)	1,123,188
Non-current liabilities			
Bank loans and borrowings	54,124	-	54,124
Lease liabilities	29,867	(143)	29,724
Other financial liabilities	174,055	-	174,055
Deferred tax liabilities	4,263	5,482	9,745
Provisions	3,906	-	3,906
Contract liabilities	10,690	-	10,690
Other liabilities	47	-	47
	276,952	5,339	282,291
Current liabilities			
Bank loans and borrowings	51,610	-	51,610
Lease liabilities	17,833	(129)	17,704
Other financial liabilities	58,928	-	58,928
Trade payables	214,561	-	214,561
Contract liabilities	158,114	-	158,114
Corporate income tax payable	15,275	-	15,275
Liabilities to the state and local budgets	50,849	-	50,849
Other liabilities	102,856	-	102,856
Provisions	6,688	-	6,688
Deferred income	2,407	-	2,407
Accruals	36,422	-	36,422
	715,543	(129)	715,414
TOTAL LIABILITIES	992,495	5,210	997,705
TOTAL EQUITY AND LIABILITIES	2,116,091	4,802	2,120,893

2.9. Correction of errors

In the reporting period, no events occurred that would require making corrections of any misstatements.

2.10. Accounting 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 and have remained above 100% till the end of the reporting period.

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 September 2024; whereas, all transactions conducted in Turkey in the period of 9 months ended 30 September 2023 were converted into PLN using the exchange rate of 30 September 2023, 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 9 months ended 30 September 2024 reached 36%.

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

Inflation rate for particular periods	
September 2024 – December 2023	36%
September 2024 – September 2023	49%
December 2023 – December 2022	65%
December 2022 – December 2021	64%

Three-year cumulative inflation rate	
September 2024 – September 2021	343%
December 2023 – December 2020	268%

- Currency exchange rate:

All financial data of our subsidiary operations in Turkey, both in the statement of financial position and the 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 September 2024, this exchange rate was: TRY 1 = PLN 0.1117.

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.
 - 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 2023 have been recognized in the financial data for prior years. Whereas, effects of changes in the price index since 1 January till 30 September 2024 have been recognized in the 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 significantly 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, higher expenses and income from the accounting for restated amounts of accruals and contract liabilities.

- 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.
- All transactions included in the statement of profit and loss for the year 2024 have been restated to reflect changes in the price index from the month when recognized till 30 September, 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, as well as expenses and income from the accounting for restated amounts of accruals and contract liabilities. 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 September 2024.
- 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 a gain/loss on the net monetary position, disclosed financial income/expenses in the statement of profit and loss. In correspondence to the revaluation of items in the statement of financial position for the inflation rate from the date of their initial recognition till the end of 2021, the Group has recognized exchange differences on translation of foreign operations disclosed separately in other comprehensive income for 2022 and in equity.
- Translation of financial data into the Group's presentation currency
 - 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 September 2024, this exchange rate was: TRY 1 = PLN 0.1117. 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 a significant 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 exchange differences on translation of foreign operations.
- Time of recognition
 - IAS 29 has been implemented by the Group since 1 January 2022 and the first hyperinflation restatements were made in the interim consolidated financial statements for the period of 6 months ended 30 June 2022.

The impact of adopting IAS 29 on the consolidated financial statements for the period of 9 months ended 30 September 2024 is summarized below:

STATEMENT OF PROFIT AND LOSS	9 months ended	Impact of hyperinflation	9 months ended
	30 September 2024		30 September 2024
	without impact of IAS 29		according to IAS/IFRS
	PLN'000	PLN'000	PLN'000
Operating revenues	1,201,481	7,980	1,209,461
Cost of sales	(892,257)	(7,722)	(899,979)
Allowances for trade receivables	(4,526)	-	(4,526)
Gross profit on sales	304,698	258	304,956
Selling costs	(76,392)	(399)	(76,791)
General and administrative expenses	(74,294)	(571)	(74,865)
Net profit on sales	154,012	(712)	153,300
Other operating income	2,349	(19)	2,330
Other operating expenses	(1,108)	-	(1,108)
Share of profits of associates	78	-	78
Operating profit	155,331	(731)	154,600
Financial income	24,684	19,763	44,447
Financial expenses	(22,951)	(199)	(23,150)
Impairment loss on financial instruments	(16)	-	(16)

Pre-tax profit	157,048	18,833	175,881
Corporate income tax (current and deferred tax expense)	(30,844)	(311)	(31,155)
Net profit for the reporting period	126,204	18,522	144,726
<i>Attributable to:</i>			
Shareholders of the Parent Company	122,575	18,426	141,001
Non-controlling interests	3,629	96	3,725

OTHER COMPREHENSIVE INCOME			
Net profit for the reporting period	126,204	18,522	144,726
Components that may be reclassified to profit or loss	(34,997)	(7,175)	(42,172)
Net gain/loss on valuation of financial assets	113	-	113
Exchange differences on translation of foreign operations	(35,110)	(7,175)	(42,285)
Total other comprehensive income	(34,997)	(7,175)	(42,172)
TOTAL COMPREHENSIVE INCOME attributable to:	91,207	11,347	102,554
Shareholders of the Parent Company	88,290	11,251	99,541
Non-controlling interests	2,917	96	3,013

ASSETS	30 September 2024 without impact of IAS 29	Impact of hyperinflation	30 September 2024 according to IAS/IFRS
	PLN'000		PLN'000
Non-current assets			
Property, plant and equipment	148,493	5,507	154,000
Intangible assets	92,548	765	93,313
Right-of-use assets	69,988	-	69,988
Investment property	443	-	443
Goodwill	967,023	72,401	1,039,424
Investments accounted for using the equity method	267	-	267
Other receivables	6,344	-	6,344
Deferred tax assets	11,915	116	12,031
Other financial assets	2,223	-	2,223
Prepayments and accrued income	2,033	257	2,290
	1,301,277	79,046	1,380,323
Current assets			
Inventories	100,997	-	100,997
Prepayments and accrued income	53,078	2,601	55,679
Trade receivables	246,523	-	246,523
Contract assets	120,604	-	120,604
Corporate income tax receivable	5,881	-	5,881
Receivables from the state and local budgets	22,097	-	22,097
Other receivables	92,379	-	92,379
Other non-financial assets	5,563	-	5,563
Other financial assets	4,155	-	4,155
Cash and cash equivalents	201,856	-	201,856
	853,133	2,601	855,734
TOTAL ASSETS	2,154,410	81,647	2,236,057

EQUITY AND LIABILITIES	30 September 2024 without impact of IAS 29	Impact of hyperinflation	30 September 2024 according to IAS/IFRS
	PLN'000		PLN'000
Equity (attributable to shareholders of the Parent Company)			
Share capital	518,943	-	518,943
Share premium	38,826	-	38,826
Transactions with non-controlling interests	(164,281)	-	(164,281)
Other capitals	1,314	-	1,314
Exchange differences on translation of foreign operations	(222,972)	(17,474)	(240,446)
Retained earnings	754,505	91,510	846,015
	926,335	74,036	1,000,371
Non-controlling interests	8,597	-	8,597
Total equity	934,932	74,036	1,008,968
Non-current liabilities			
Bank loans and borrowings	92,755	-	92,755
Lease liabilities	48,953	-	48,953

Other financial liabilities	394,525	-	394,525
Deferred tax liabilities	14,085	642	14,727
Provisions	4,825	-	4,825
Deferred income	1,212	-	1,212
Contract liabilities	6,873	1,401	8,274
Other liabilities	57	-	57
	563,285	2,043	565,328
Current liabilities			
Bank loans and borrowings	101,066	-	101,066
Lease liabilities	17,646	-	17,646
Other financial liabilities	79,644	-	79,644
Trade payables	143,582	-	143,582
Contract liabilities	107,041	5,568	112,609
Corporate income tax payable	8,938	-	8,938
Liabilities to the state and local budgets	35,598	-	35,598
Other liabilities	112,641	-	112,641
Provisions	3,708	-	3,708
Deferred income	661	-	661
Accruals	45,668	-	45,668
	656,193	5,568	661,761
TOTAL LIABILITIES	1,219,478	7,611	1,227,089
TOTAL EQUITY AND LIABILITIES	2,154,410	81,647	2,236,057

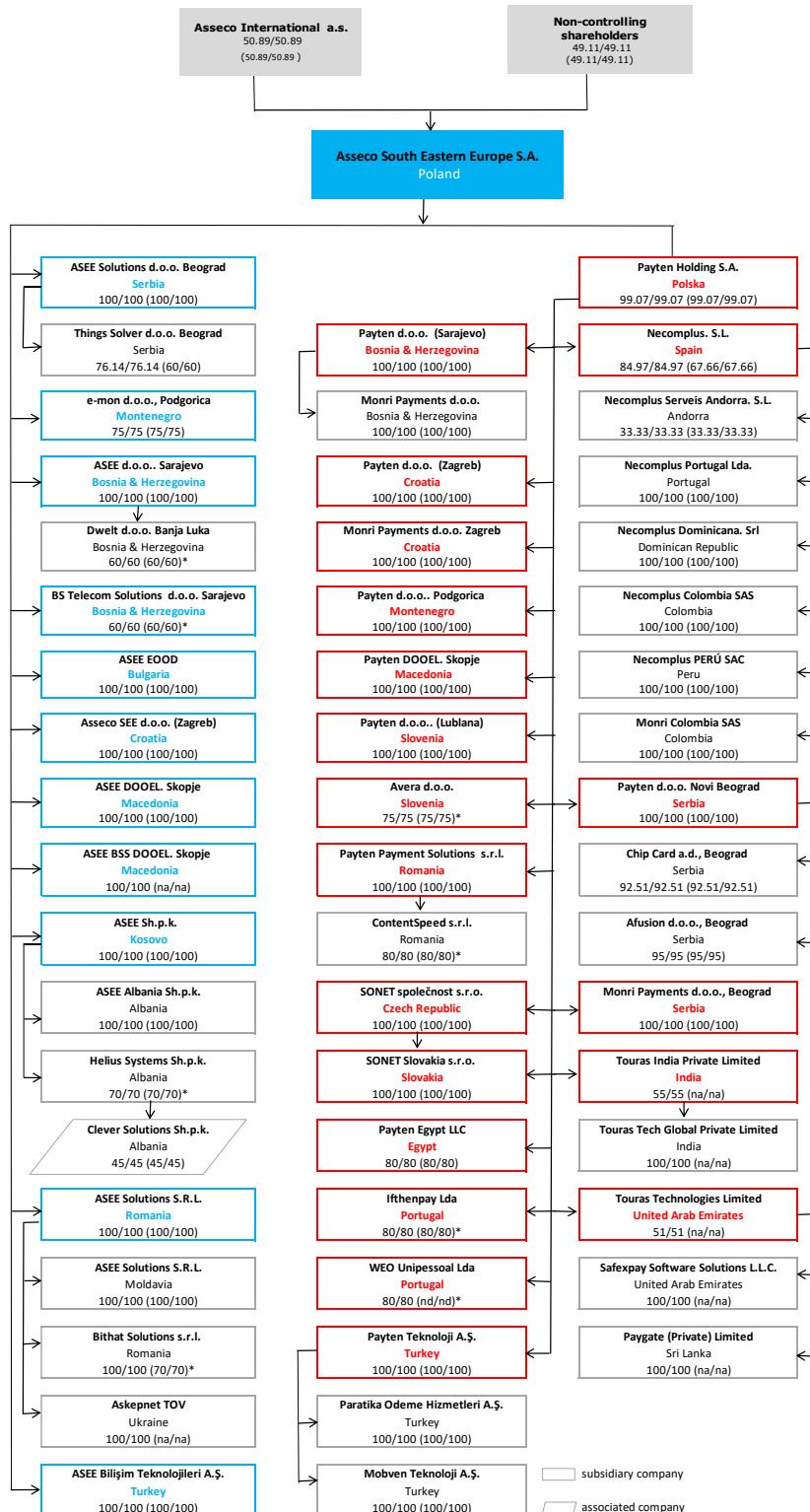
As described in section IV. Information on operating segments, the Management analyzes the operations of individual segments and their financial performance without the impact of hyperinflation revaluations. Therefore, in the explanatory note on operating segments, the impact of hyperinflation has been disclosed in a separate column in order to reconcile the financial data of segments with the data presented elsewhere in the consolidated financial statements.

The table below presents the financial data of segments in two variants: without the impact of IAS 29, and also in accordance with IAS/IFRS.

9 months ended 30 September 2024	Banking Solutions		Payment Solutions		Dedicated Solutions	
	without impact of IAS 29 PLN'000	according to IAS/IFRS PLN'000	without impact of IAS 29 PLN'000	according to IAS/IFRS PLN'000	without impact of IAS 29 PLN'000	according to IAS/IFRS PLN'000
Sales to external customers	213,874	214,129	620,062	621,843	367,545	373,489
Gross profit on sales	79,386	79,529	191,445	189,886	33,867	35,541
Selling costs	(12,354)	(12,363)	(41,442)	(41,638)	(22,596)	(22,790)
General and administrative expenses	(19,050)	(19,067)	(35,308)	(35,700)	(19,936)	(20,098)
Net profit on sales	47,982	48,099	114,695	112,548	(8,665)	(7,347)
Other operating activities	6	9	472	455	763	758
Share of profits of associates	-	-	78	78	-	-
Operating profit	47,988	48,108	115,245	113,081	(7,902)	(6,589)
Goodwill as at 30 September 2024	206,830	213,183	385,255	423,630	374,938	402,611

III. Organization and changes in the structure of Asseco South Eastern Europe Group, including the entities subject to consolidation

Organizational structure of Asseco South Eastern Europe Group is presented in the chart below:



100/100 voting rights / equity interest as at 30 September 2024 (in %)

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

* this investment is accounted for using the present ownership method, assuming we hold 100% of shares due to the existing put/call options

ASEE Group consists of ASEE S.A. as the parent company and the following subsidiaries and associates:

Name of entity	Registered seat	Equity interest / Voting rights held directly or indirectly by the Group	
		30 September 2024	31 December 2023
Subsidiary companies			
ASEE Solutions d.o.o. Belgrade	Serbia	100/100	100/100
Things Solver d.o.o. Belgrade	Serbia	76.14/76.14	60/60
e-món d.o.o., Podgorica	Montenegro	75/75	75/75
ASEE d.o.o., Sarajevo	Bosnia and Herzegovina	100/100	100/100
Dwelt d.o.o. Banja Luka	Bosnia and Herzegovina	60/60*	60/60*
BS Telecom Solutions d.o.o. Sarajevo	Bosnia and Herzegovina	60/60*	60/60*
ASEE EOOD	Bulgaria	100/100	100/100
Asseco SEE d.o.o., (Zagreb)	Croatia	100/100	100/100
IT Sistemi Nove Tehnologije d.o.o.	Croatia	n/a	100/100
Evision Informacijski Sustavi d.o.o.	Croatia	n/a	100/100
ASEE DOOEL, Skopje	Macedonia	100/100	100/100
ASEE BSS DOOEL, Skopje	Macedonia	100/100	n/a
ASEE Sh.p.k.	Kosovo	100/100	100/100
ASEE Albania Sh.p.k.	Albania	100/100	100/100
Helius Systems Sh.p.k.	Albania	70/70*	70/70*
ASEE Solutions S.R.L.	Romania	100/100	100/100
ASEE Solutions S.R.L.	Moldova	100/100	100/100
Bithat Solutions s.r.l.	Romania	100/100	70/70*
Askepnet TOV	Ukraine	100/100	n/a
ASEE Bilişim Teknolojileri A.Ş.	Turkey	100/100	100/100
Payten Holding S.A.	Poland	99.07/99.07	99.07/99.07
Necomplus, S.L.	Spain	84.97/84.97	84.97/84.97
Necomplus Serveis Andorra, S.L.	Andorra	28.32/28.32	28.32/28.32
Necomplus Portugal Lda	Portugal	84.97/84.97	84.97/84.97
Necomplus Dominicana, Srl	Dominican Republic	84.97/84.97	84.97/84.97
Necomplus Colombia SAS	Colombia	84.97/84.97	84.97/84.97
Necomplus PERÚ SAC	Peru	84.97/84.97	84.97/84.97
Monri Colombia SAS	Colombia	84.97/84.97	84.97/84.97
IfthenPay Lda	Portugal	80/80*	80/80*
WEO Unipessoal Lda	Portugal	80/80*	n/a
Payten Teknoloji A.Ş.	Turkey	100/100	100/100
Paratika Odeme Hizmetleri A.Ş.	Turkey	100/100	100/100
Mobven Teknoloji A.Ş.	Turkey	100/100	100/100
Payten Mobil Teknolojileri A.S.	Turkey	n/a	100/100
Payten d.o.o., New Belgrade	Serbia	100/100	100/100
Chip Card a.d., Belgrade	Serbia	92.51/92.51	92.51/92.51
Afusion d.o.o., Belgrade	Serbia	95/95	95/95
Monri Payments d.o.o., Belgrade	Serbia	100/100	100/100
Payten d.o.o. (Sarajevo)	Bosnia and Herzegovina	100/100	100/100
Monri Payments d.o.o.	Bosnia and Herzegovina	100/100	100/100
Payten d.o.o. (Zagreb)	Croatia	100/100	100/100
Monri Payments d.o.o. Zagreb	Croatia	100/100	100/100
Payten d.o.o., Podgorica	Montenegro	100/100	100/100
Payten DOOEL, Skopje	Macedonia	100/100	100/100
Payten d.o.o. (Ljubljana)	Slovenia	100/100	100/100
Avera d.o.o.	Slovenia	75/75*	75/75*
Payten Payment Solutions s.r.l.	Romania	100/100	100/100
ContentSpeed s.r.l.	Romania	80/80*	80/80*
SONET společnost s.r.o.	Czech Republic	100/100	100/100
SONET Slovakia s.r.o.	Slovak Republic	100/100	100/100
Payten Egypt LLC	Egypt	80/80	80/80

Touras India Private Limited	India	55/55	n/a
Touras Tech Global Private Limited	India	55/55	n/a
Touras Technologies Limited	United Arab Emirates	51/51	n/a
Safexpay Software Solutions L.L.C.	United Arab Emirates	51/51	n/a
Paygate (Private) Limited	Sri Lanka	51/51	n/a

Associated companies:

Clever Solutions Sh.p.k.	Albania	45/45	45/45
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* this investment is accounted for using the present ownership method, assuming we hold 100% of shares due to the existing put/call options

Both as at 30 September 2024 and 31 December 2023, all the subsidiary companies were subject to consolidation.

The Group had no shares in any jointly controlled entities as at 30 September 2024 or as at 31 December 2023.

During the period of 9 months ended 30 September 2024, the Group's composition changed as follows:

- ***Merger of IT Sistemi Nove Tehnologije d.o.o. and Evision Informacijski Susteavi d.o.o.***

The companies of IT Sistemi Nove Tehnologije d.o.o. and Evision Informacijski Susteavi d.o.o. merged on 16 January 2024 and from that date they have operated as one company called IT Sistemi Nove Tehnologije d.o.o. The said transaction had no impact on the consolidated financial statements of the Group.

- ***Changing the name of a subsidiary company to ASEE Solutions d.o.o. Belgrade***

On 1 April 2024, the name of our Serbia-based subsidiary company Asseco SEE d.o.o. Belgrade was changed to ASEE Solutions d.o.o. Belgrade.

- ***Merger of Payten Teknoloji A.Ş. and Payten Mobil Teknolojileri A.S.***

The companies of Payten Teknoloji A.Ş. and Payten Mobil Teknolojileri A.S. merged on 29 April 2024 and from that date they have operated as one company called Payten Teknoloji. The said transaction had no impact on the consolidated financial statements of the Group.

- ***Establishing of ASEE BSS DOOEL, Skopje***

On 29 May 2024, ASEE S.A. established a new company called ASEE BSS DOOEL, Skopje in Macedonia and acquired 100% of its shares.

- ***Merger of Asseco SEE d.o.o., (Zagreb) and IT Sistemi Nove Tehnologije d.o.o.***

The companies of Asseco SEE d.o.o., (Zagreb) and IT Sistemi Nove Tehnologije d.o.o. merged on 5 June 2024 and from that date they have operated as one company called Asseco SEE d.o.o., (Zagreb). The said transaction had no impact on the consolidated financial statements of the Group.

- ***Acquisition of shares in the companies Paygate India Private Limited in India and Paygate Limited in the United Arab Emirates***

On 1 July 2024, Payten Holding S.A. based in Warsaw concluded a framework agreement defining a scheme for the acquisition of 55% of shares in Paygate India Private Limited based in Gurugram, India and 51% of shares in Paygate Limited based in Dubai, the United Arab Emirates, as well as individual agreements for the acquisition of shares in both companies. After the Group obtained control over these companies, both companies changed their names: Paygate India Private Limited was renamed as Touras India Private Limited (hereinafter "Touras India") on 4 September 2024, and Paygate Limited was renamed as Touras Technologies Limited (hereinafter "Touras Tech UAE") on 30 August 2024. In addition, each of these companies has subsidiaries:

- Touras India Private Limited holds 100% of shares in Touras Tech Global Private Limited (formerly Safexpay Technologies Private Limited) based in Thane West, India;
- Touras Technologies Limited holds 100% of shares in Safexpay Software Solutions L.L.C. based in Dubai as well as in Paygate (Private) Limited based in Colombo, Sri Lanka.

Details of the provisional purchase price allocation of these companies have been presented in explanatory note 6.4 to these interim consolidated financial statements.

- ***Agreement to acquire shares in Askepnet TOV based in Lviv by our subsidiary ASEE Solutions S.R.L. based in Bucharest***

On 29 July 2024, our subsidiary ASEE Solutions S.R.L. based in Bucharest concluded an agreement for the acquisition of 100% of shares in Askepnet TOV, a company based in Lviv, Ukraine.

Details of the provisional purchase price allocation of this company have been presented in explanatory note 6.4 to these interim consolidated financial statements.

- ***Increase of the share capital of Things Solver d.o.o. Belgrade***

The share capital increase of Things Solver d.o.o. Belgrade was registered on 9 August 2024. The capital was contributed by ASEE Solutions d.o.o. Belgrade, as a result of which the equity interest held by ASEE Solutions d.o.o. Belgrade in Things Solver increased from 60% to 76.14%. This transaction has been recognized in the Group's equity, as a transaction with non-controlling interests.

- ***Agreement to acquire shares in WEO Unipessoal Lda***

On 16 August 2024, Payten Holding S.A. based in Warsaw concluded an agreement for the acquisition of 80% of shares in WEO Unipessoal Lda, a company based in Armação de Pêra, Portugal.

Details of the provisional purchase price allocation of this company have been presented in explanatory note 6.4 to these interim consolidated financial statements.

- ***Changing the name of a subsidiary company to ASEE Sh.p.k.***

On 5 September 2024, our Kosovo-based company Asseco SEE Sh.p.k. was renamed as ASEE Sh.p.k.

- ***Buyout of non-controlling interests in Bithat Solutions s.r.l.***

On 10 September 2024, ASEE Solutions s.r.l. (Romania) signed an agreement to acquire 30% of non-controlling interests in Bithat Solutions s.r.l. for the price of EUR 0.9 million. Because these non-controlling interests were subject to put/call options and the acquisition of Bithat was initially accounted for using the present ownership method, the difference between the latest valuation of our liability and the purchase price in the amount of EUR 1.1 million was recognized in the statement of profit and loss.

IV. 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.

Asseco South Eastern Europe Group has identified the following reportable segments reflecting the structure of its business operations:

- Banking Solutions,
- Payment Solutions,
- Dedicated Solutions.

These reportable segments correspond to the Group's operating segments.

The **Banking Solutions** portfolio includes fully-fledged solutions and products necessary to run a bank such as omnichannel solutions designed to distribute banking products and services, solutions allowing to improve communication with the customer, integrated core banking systems, authentication security solutions, reporting systems for regulatory compliance and managerial information, as well as risk management and anti-fraud systems. The segment also offers its clients 24x7 online services and consultancy in the areas of mobile and electronic banking and digital transformation.

The **Payment Solutions** segment provides complete payment industry solutions supporting online and offline payments, which are offered by the Payten Group for both financial and non-financial institutions. These solutions are intended for e-Commerce (online payment gateways, support for alternative payment methods – cryptocurrencies, QR codes, solutions enabling tokenization of cards, subscription payments), mobile payments (mPOS, vPOS, SoftPOS), payment card processing, as well as services related to ATMs and EFT POS terminals. The Group delivers software and services as well as ATMs and payment terminals, including outsourcing and equipment, providing the highest level of expertise, maintenance and support through the entire portfolio. This segment also operates an independent network of ATMs under the brand name of MoneyGet. In addition, the Group runs a network of independent EFT POS terminals at points of sale – IPD service under the Monri brand that enables merchants to replace two or more payment terminals at the point of sale with a single device connected directly to multiple acquirers (card issuers). Moreover, the segment offers complementary solutions for creating online and mobile stores and marketplace platforms, as well as cash register management and sales support systems (ECR) for retailers.

The **Dedicated Solutions** segment provides services to the sectors of utilities and telecommunications, public sector (including road infrastructure), government as well as to the banking and finance sector within the following business lines: BPM business process management, customer service and sales support platform, data registers, smart city, AI & Machine Learning, e-Tax, border control, authentication, dedicated solutions, BI and ERP. The Group focuses on selling its proprietary solutions but also offers a full range of integration services for solutions from leading global vendors.

The Group's financing activities as well as income taxes are monitored at the whole group level and therefore they are not allocated to individual operating segments. The Management also does not analyze assets and liabilities or cash flows in a breakdown by segments. The table below presents the key financial information reviewed by the chief operating decision maker in the Company.

Revenues from none of our clients exceeded 10% of total sales generated by the Group in the period of 9 months ended 30 September 2024.

Selected financial data for the period of 9 months ended 30 September 2024, in a breakdown by operating segments:

9 months ended 30 September 2024	Banking Solutions	Payment Solutions	Dedicated Solutions	Eliminations	Hyperinflation	Total
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Sales revenues:	228,119	628,703	372,257	(27,598)	7,980	1,209,461
Sales to external customers	213,874	620,062	367,545	-	7,980	1,209,461
Sales between and/or within segments	14,245	8,641	4,712	(27,598)	-	-
Gross profit on sales	79,386	191,445	33,867	-	258	304,956
Selling costs	(12,354)	(41,442)	(22,596)	-	(399)	(76,791)
General and administrative expenses	(19,050)	(35,308)	(19,936)	-	(571)	(74,865)
Net profit on sales	47,982	114,695	(8,665)	-	(712)	153,300
Other operating activities	6	472	763	-	(19)	1,222
Share of profits of associates	-	78	-	-	-	78
Operating profit	47,988	115,245	(7,902)	-	(731)	154,600
Non-cash items						
Depreciation and amortization	(9,527)	(45,767)	(15,376)	-	(2,177)	(72,847)
Impairment losses on assets	(665)	(1,733)	(4,895)	-	-	(7,293)
Goodwill as at 30 September 2024	206,830	385,255	374,938		72,401	1,039,424
9 months ended 30 September 2024	Banking Solutions	Payment Solutions	Dedicated Solutions	Eliminations	Hyperinflation	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Sales revenues:	53,024	146,136	86,528	(6,415)	1,855	281,128
Sales to external customers	49,713	144,127	85,433	-	1,855	281,128
Sales between and/or within segments	3,311	2,009	1,095	(6,415)	-	-
Gross profit on sales	18,453	44,500	7,871	-	60	70,884
Selling costs	(2,872)	(9,633)	(5,251)	-	(93)	(17,849)
General and administrative expenses	(4,428)	(8,207)	(4,634)	-	(133)	(17,402)
Net profit on sales	11,153	26,660	(2,014)	-	(166)	35,633
Other operating activities	1	110	177	-	(4)	284
Share of profits of associates	-	18	-	-	-	18
Operating profit	11,154	26,788	(1,837)	-	(170)	35,935
Non-cash items						
Depreciation and amortization	(2,214)	(10,638)	(3,574)	-	(506)	(16,932)
Impairment losses on assets	(155)	(403)	(1,138)	-	-	(1,696)
Goodwill as at 30 September 2024	48,335	90,032	87,621	-	16,920	242,908

The financial results presented above have been converted at the average exchange rate for the period of 9 months ended 30 September 2024: EUR 1 = PLN 4.3022, whereas the financial position data have been converted at the exchange rate effective on 30 September 2024: EUR 1 = PLN 4.2791.

In the current reporting period, the financial data of our subsidiaries operating in Turkey were restated due to hyperinflation. The Management analyzes the operations of individual segments and their financial performance without the impact of hyperinflation revaluations. Therefore, the impact of hyperinflation has been disclosed in a separate column in order to reconcile the financial data of segments with the data presented elsewhere in the consolidated financial statements.

Selected financial data for the period of 9 months ended 30 September 2023, in a breakdown by operating segments:

9 months ended 30 September 2023	Banking Solutions	Payment Solutions	Dedicated Solutions	Eliminations	Hyperinflation	Total
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Sales revenues:	235,167	554,562	398,048	(41,025)	7,185	1,153,937
Sales to external customers	223,549	537,325	385,878	-	7,185	1,153,937
Sales between and/or within segments	11,618	17,237	12,170	(41,025)	-	-
Gross profit on sales	83,550	153,794	70,184	-	622	308,150
Selling costs	(12,334)	(35,741)	(24,939)	-	(134)	(73,148)
General and administrative expenses	(21,975)	(31,361)	(17,565)	-	(582)	(71,483)
Net profit on sales	49,241	86,692	27,680	-	(94)	163,519
Other operating activities	93	196	415	-	(20)	684
Share of profits of associates	-	83	-	-	-	83
Operating profit	49,334	86,971	28,095	-	(114)	164,286

Non-cash items						
Depreciation and amortization	(9,841)	(44,797)	(11,147)	-	(1,403)	(67,188)
Impairment losses on assets	(768)	(1,642)	(3,057)	(16)	-	(5,483)

Goodwill as at 31 December 2023	209,569	230,110	374,631	-	61,124	875,434
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9 months ended 30 September 2023	Banking Solutions	Payment Solutions	Dedicated Solutions	Eliminations	Hyperinflation	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Sales revenues:	51,377	121,155	86,961	(8,963)	1,570	252,100
Sales to external customers	48,839	117,389	84,302	-	1,570	252,100
Sales between and/or within segments	2,538	3,766	2,659	(8,963)	-	-
Gross profit on sales	18,253	33,599	15,333	-	136	67,321
Selling costs	(2,695)	(7,808)	(5,449)	-	(29)	(15,981)
General and administrative expenses	(4,801)	(6,851)	(3,838)	-	(127)	(15,617)
Net profit on sales	10,757	18,940	6,046	-	(20)	35,723
Other operating activities	20	43	91	-	(4)	150
Share of profits of associates	-	18	-	-	-	18
Operating profit	10,777	19,001	6,137	-	(24)	35,891

Non-cash items						
Depreciation and amortization	(2,150)	(9,787)	(2,435)	-	(307)	(14,679)
Impairment losses on assets	(168)	(359)	(668)	(3)	-	(1,198)

Goodwill as at 31 December 2023	48,199	52,923	86,162	-	14,058	201,342
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The financial results presented above have been converted at the average exchange rate for the period of 9 months ended 30 September 2023: EUR 1 = PLN 4.5773, whereas the financial position data have been converted at the exchange rate effective on 31 December 2023: EUR 1 = PLN 4.3480.

V. 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 9 months ended 30 September 2024 as well as in the comparable periods were as follows:

	3 months ended 30 September 2024 PLN'000	9 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	9 months ended 30 September 2023 PLN'000
Operating revenues by type of products				
Proprietary software and services	316,174	897,160	306,387	839,071
Third-party software and services	43,511	106,008	42,491	104,031
Hardware and infrastructure	85,110	206,293	49,468	210,835
Total	444,795	1,209,461	398,346	1,153,937

i. Segment revenues in a breakdown by type of products

Operating revenues of individual segments from sales to external customers by type of products during the period of 9 months ended 30 September 2024 and in the comparable period were as follows:

	Banking Solutions PLN'000	Payment Solutions PLN'000	Dedicated Solutions PLN'000	Total PLN'000
9 months ended 30 September 2024				
Proprietary software and services	208,299	472,186	216,675	897,160
Third-party software and services	2,384	2,372	101,252	106,008
Hardware and infrastructure	3,446	147,285	55,562	206,293
Total operating revenues	214,129	621,843	373,489	1,209,461
9 months ended 30 September 2023				
Proprietary software and services	216,582	411,404	211,085	839,071
Third-party software and services	2,639	3,463	97,929	104,031
Hardware and infrastructure	4,463	123,555	82,817	210,835
Total operating revenues	223,684	538,422	391,831	1,153,937

ii. Revenues from contracts with customers by the method of recognition in the statement of profit and loss

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Revenues from contracts with customers recognized in accordance with IFRS 15, of which:	1,135,539	1,081,980
From goods and services transferred at a specific point in time	310,240	313,002
From goods and services transferred over the passage of time	825,299	768,978
Other operating revenues (mainly from leases)	73,922	71,957
Total operating revenues	1,209,461	1,153,937

Operating revenues, which are not recognized in accordance with IFRS 15, represent primarily revenues generated by the Group from the provision of ATMs and POS terminals outsourcing services. Such contracts are treated as operating lease contracts and revenues generated therefrom are recognized in accordance with IFRS 16.

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

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Operating revenues by countries		
Albania	14,655	13,854
Austria	15,705	19,040
Bosnia and Herzegovina	79,295	70,386
Bulgaria	14,606	10,010
Croatia	152,320	133,932
Montenegro	21,309	15,786
Czech Republic	16,710	20,588
Spain	112,358	130,581
Colombia	5,378	8,957
Kosovo	19,217	20,547
Macedonia	38,525	38,868
Malta	446	8,455
Germany	17,461	11,486
Peru	17,927	15,962
Poland	7,515	9,242
Portugal	33,986	11,066
Romania	145,799	170,347
Serbia	285,036	269,523
Slovak Republic	6,963	6,807
Slovenia	21,144	18,795
Turkey	142,262	112,272
Italy	7,477	15,804
Other countries	33,367	21,629
Total operating revenues	1,209,461	1,153,937

iv. *Outsourcing contracts – the Group acting as a lessor*

The Group implements a number of contracts for outsourcing of payment transaction processes. The total amounts of future minimum lease payments receivable under such contracts have been estimated as follows:

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Future minimum lease payments		
(i) within 1 year	101,341	87,898
(ii) within 1 to 5 years	56,420	53,476
(iii) within more than 5 years	2,016	1,778
Total	159,777	143,152

5.2. Structure of operating costs

The table below presents operating costs incurred during the periods of 3 and 9 months ended 30 September 2024 and in the comparable periods.

Operating costs	3 months ended 30 September 2024	9 months ended 30 September 2024	3 months ended 30 September 2023	9 months ended 30 September 2023
	PLN'000	PLN'000	PLN'000	PLN'000
Cost of goods, materials and third-party services sold (COGS)	(149,960)	(388,864)	(119,507)	(378,138)
Employee benefits	(154,671)	(445,241)	(146,935)	(412,177)
Third-party non-project services and outsourcing of employees	(23,239)	(62,523)	(21,424)	(51,833)
Depreciation and amortization	(25,132)	(72,847)	(22,857)	(67,188)
Maintenance costs of property and company cars	(18,295)	(52,140)	(17,163)	(47,630)
Business trips	(2,467)	(6,942)	(2,371)	(6,591)
Advertising	(2,714)	(8,809)	(2,003)	(7,034)
Other operating expenses	(4,702)	(18,795)	(5,763)	(19,827)
Total	(381,180)	(1,056,161)	(338,023)	(990,418)
Cost of sales	(327,838)	(899,979)	(287,052)	(840,942)
Selling costs	(27,277)	(76,791)	(25,561)	(73,148)
General and administrative expenses	(25,211)	(74,865)	(24,245)	(71,483)
Recognition (reversal) of allowances for trade receivables	(854)	(4,526)	(1,165)	(4,845)
Total	(381,180)	(1,056,161)	(338,023)	(990,418)

Third-party non-project services include consulting services which are not related to specific projects, as well as auditing, legal, banking, postal, courier services, and stock exchange fees.

Maintenance costs of property and company cars include the costs of equipment repairs and spare parts used for the executed projects, costs of repairs and maintenance of tangible assets (including infrastructure provided under our outsourcing contracts), maintenance costs of intangible assets, office space rental and maintenance fees, as well as maintenance of company cars.

Share-based payment transactions with employees

Currently, the Group has two share-based payment plans as defined in IFRS 2 which are settled in equity instruments.

2021 plan

On 23 September 2021, Asseco International a.s. and managers of ASEE Group companies signed agreements for the acquisition of shares in ASEE S.A. The whole incentive plan covers 547,550 shares of ASEE S.A. which represent 1.06% of the Company's share capital. Members of the Management Board of ASEE S.A. as well as parties related through Members of the Management Board of ASEE S.A. acquired 341,336 shares in total.

The standalone financial statements present the costs related to the acquisition of 316,425 shares, including 280,000 shares acquired by Piotr Jeleński, CEO of ASEE S.A., and 25,000 shares acquired by Michał Nitka, Member of the Management Board of ASEE S.A.

The costs of this share-based payment plan disclosed in the interim condensed consolidated financial statements of ASEE Group for the period of 9 months ended 30 September 2024 amounted to PLN 218 thousand, as compared to PLN 218 thousand in the comparable period, of which costs related to shares acquired by Members of the Management Board amounted to PLN 136 thousand. In correspondence, this transaction was recognized as a separate item of the Group's equity, in the same amount as disclosed in remuneration costs.

Detailed information on the share-based payment plan has been presented in explanatory note 5.2 to the annual consolidated financial statements of ASEE Group which were published on 27 February 2024.

2022 plan

On 22 August 2022, ASEE S.A. signed agreements to sell shares in Payten Holding S.A. to the managers of ASEE Group companies. The whole incentive plan covers 426,571 shares of Payten Holding S.A. which represent 0.93% of the company's share capital.

The costs of this share-based payment plan disclosed in the interim condensed consolidated financial statements of ASEE Group for the period of 9 months ended 30 September 2024 amounted to PLN 230 thousand, as compared to PLN 262 thousand in the comparable period. In correspondence, this transaction was recognized as a separate item of the Group's equity, in the same amount as disclosed in remuneration costs.

Detailed information on the share-based payment plan has been presented in explanatory note 5.2 to the annual consolidated financial statements of ASEE Group which were published on 27 February 2024.

i. Reconciliation of depreciation and amortization charges

The table below presents the reconciliation of depreciation and amortization charges recognized in the statement of profit and loss with those disclosed in the tables of changes in property, plant and equipment, intangible assets, right-of-use assets, as well as in investment property:

	3 months ended 30 September 2024 PLN'000	9 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	9 months ended 30 September 2023 PLN'000
Depreciation charges as disclosed in the table of changes in property, plant and equipment	(12,796)	(37,973)	(12,706)	(37,423)
Amortization charges as disclosed in the table of changes in intangible assets	(6,741)	(18,710)	(4,540)	(13,470)
Depreciation charges as disclosed in the table of changes in right-of-use assets	(5,752)	(16,638)	(5,602)	(16,269)
Depreciation charges on investment property	(8)	(24)	(9)	(26)
Reduction of amortization charges due to recognition of grants to internally generated licenses	165	498	-	-
Total depreciation and amortization charges disclosed in the statement of profit and loss and in the statement of cash flows	(25,132)	(72,847)	(22,857)	(67,188)

5.3. Other operating income and expenses

Other operating income and expenses recognized in the periods of 3 and 9 months ended 30 September 2024 and in the comparable periods were as follows:

Other operating income	3 months ended 30 September 2024 PLN'000	9 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	9 months ended 30 September 2023 PLN'000
Gain on disposal of property, plant and equipment	270	994	155	338
Income from letting of own office space	80	101	13	39
Reversal of a provision for the costs of court litigation relating to other operations	9	57	12	35
Grants and subsidies received	103	176	109	394
Gain on modification of lease contracts	1	11	182	220
Other	248	991	257	808
Total	711	2,330	728	1,834

Other operating expenses	3 months ended 30 September 2024 PLN'000	9 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	9 months ended 30 September 2023 PLN'000
Loss on disposal of property, plant and equipment	128	-	(2)	(9)
Charitable contributions to unrelated parties	(152)	(325)	(308)	(639)
Provisions created, including for the costs of court litigation relating to other operations	(86)	(86)	(5)	(20)
Allowances for other receivables	-	(226)	-	-

Other	(221)	(471)	(166)	(482)
Total	(331)	(1,108)	(481)	(1,150)

5.4. Financial income and expenses

Financial income earned during the periods of 3 and 9 months ended 30 September 2024 and in the comparable periods was as follows:

Financial income	3 months ended 30 September 2024	9 months ended 30 September 2024	3 months ended 30 September 2023	9 months ended 30 September 2023
	PLN'000	PLN'000	PLN'000	PLN'000
Interest income on loans granted and bank deposits	1,807	4,942	661	1,990
Positive foreign exchange differences	1,959	6,864	7,372	17,017
Gain on exercise and/or valuation of financial assets/ liabilities carried at fair value through profit or loss	(2)	205	(186)	436
Gain on revaluation of conditional payments in transactions to obtain control	1,354	2,295	243	2,251
Gain on revaluation of liabilities from acquisition of non-controlling interests (put options)	7,955	10,814	-	-
Gain on the net monetary position – hyperinflation	3,755	19,314	10,245	21,069
Other financial income	10	13	3	20
Total financial income	16,838	44,447	18,338	42,783

Gain on the net monetary position resulted from the hyperinflation revaluation of non-monetary assets and liabilities of our subsidiaries operating in Turkey. The impact of hyperinflation has been described in detail in explanatory note 2.10 to these interim condensed consolidated financial statements.

Financial expenses incurred during the periods of 3 and 9 months ended 30 September 2024 and in the comparable periods were as follows:

Financial expenses	3 months ended 30 September 2024	9 months ended 30 September 2024	3 months ended 30 September 2023	9 months ended 30 September 2023
	PLN'000	PLN'000	PLN'000	PLN'000
Interest expenses on bank loans and borrowings	(2,317)	(4,566)	(553)	(2,499)
Interest expenses on leases	(896)	(2,314)	(593)	(1,461)
Other interest expenses	(179)	(557)	(135)	(420)
Negative foreign exchange differences	(962)	(3,084)	(784)	(7,990)
Loss on revaluation of conditional payments in transactions to obtain control and/or buyout of minority interests	(1,464)	(2,147)	(300)	(667)
Loss on revaluation of liabilities from acquisition of non- controlling interests (put options)	(928)	(4,511)	(641)	(1,643)
Loss on exercise and/or valuation of financial assets/ liabilities carried at fair value through profit or loss	-	(167)	-	(57)
Dividends declared for minority shareholders	(4,250)	(5,773)	-	-
Other financial expenses	(10)	(31)	(4)	(18)
Total financial expenses	(11,006)	(23,150)	(3,010)	(14,755)

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.

Gain/loss on revaluation of conditional payments in transactions to obtain control resulted from changes in the estimates of deferred contingent liabilities arising from acquisition of controlling interests in subsidiaries.

Gain/loss on revaluation of liabilities from acquisition of non-controlling interests (put options) results from changes in the estimates that are the basis for the calculation of a liability arising from put options if, under the purchase agreement, benefits incidental to ownership of such puttable equity instruments shall be transferred to the Parent Company (present ownership).

5.5. Corporate income tax

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

	3 months ended 30 September 2024 PLN'000	9 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	9 months ended 30 September 2023 PLN'000
Current corporate income tax expense as disclosed in the statement of profit and loss, of which:				
<i>Current portion of income tax</i>	(11,991)	(32,316)	(12,409)	(37,026)
<i>Adjustments to prior years' income tax</i>	(12,121)	(34,708)	(12,405)	(38,564)
<i>Deferred income tax</i>	130	2,392	(4)	1,538
<i>Income tax expense as disclosed in the statement of profit and loss</i>	(1,768)	1,160	88	4,063
Income tax expense as disclosed in the statement of profit and loss	(13,759)	(31,156)	(12,321)	(32,963)

In the period of 9 months ended 30 September 2024, our effective tax rate equalled 17.7% as compared to 17.1% in the comparable period.

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:

	3 months ended 30 September 2024	9 months ended 30 September 2024	3 months ended 30 September 2023	9 months ended 30 September 2023
Weighted average number of ordinary shares outstanding, used for calculation of basic earnings per share	51,894,251	51,894,251	51,894,251	51,894,251
Net profit attributable to shareholders of the Parent Company for the reporting period (in thousands of PLN)	54,002	141,000	62,545	154,559
Consolidated earnings per share for the reporting period (in PLN)	1.04	2.72	1.21	2.98

5.7. Information on dividends paid out

The Annual General Meeting of Asseco South Eastern Europe S.A. seated in Rzeszów (hereinafter the "Company"), acting on the basis of art. 395 § 2 item 2 and art. 396 § 1 of the Commercial Companies Code, as well as pursuant to §12 sec. 4 item 2 of the Company's Articles of Association, on 7 May 2024 adopted a resolution to pay out a dividend in the total amount of PLN 85,626 thousand or PLN 1.65 per share to all of the Company's shareholders. The Company's Annual General Meeting established 13 June 2024 as the dividend record date. The dividend was paid out on 20 June 2024. The number of shares eligible for dividend was 51,894,251.

In 2023, the Parent Company paid out to its shareholders a dividend for the year 2022. The Annual General Meeting of Asseco South Eastern Europe S.A. seated in Rzeszów acting on the basis of art. 395 § 2 item 2) of the Commercial Companies Code as well as pursuant to §12 sec. 4 item 2) of the Company's Articles of Association, on 22 June 2023 adopted a resolution to pay out a dividend in the total amount of PLN 75,766 thousand or PLN 1.46 per share to all of the Company's shareholders. The Company's Annual General Meeting established 30 June 2023 as the dividend record date. The dividend was paid out on 13 July 2023. The number of shares eligible for dividend was 51,894,251.

VI. 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 9 months ended 30 September 2024 and in the comparable period are presented below:

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
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Asseco South Eastern Europe Group
Quarterly Report for the period of 9 months ended 30 September 2024 (in thousands of PLN)

Net book value of property, plant and equipment as at 1 January	137,030	135,969
Additions, of which:	56,886	39,929
Purchases and modernization	35,581	32,665
Obtaining control over subsidiaries	1,145	-
Other, including transfers from inventories	20,160	7,264
Reductions, of which:	(39,640)	(39,158)
Depreciation charges for the reporting period	(37,973)	(37,423)
Impairment losses	(377)	(639)
Disposal and liquidation	(464)	(779)
Other	(826)	(317)
Change in presentation	(95)	3
Impact of hyperinflation	4,799	5,104
Exchange differences on translation of foreign operations	(4,980)	(5,836)
Net book value of property, plant and equipment as at 30 September	154,000	136,011

As at 30 September 2024, tangible assets with a book value of PLN 18,056 thousand served as collateral for bank loans as well as for bank overdraft and guarantee facilities.

6.2. Intangible assets

Changes in the net book value of intangible assets that took place during the period of 9 months ended 30 September 2024 and in the comparable period are presented below:

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Net book value of intangible assets as at 1 January (restated)	86,277	59,616
Additions, of which:	30,166	4,079
Purchases and modernization	1,944	2,947
Obtaining control over subsidiaries	28,222	-
Costs of development projects in progress	-	1,132
Reductions, of which:	(21,142)	(13,470)
Amortization charges for the reporting period	(18,710)	(13,470)
Impairment losses	(2,370)	-
Disposal and liquidation	(62)	-
Change in presentation	90	(13)
Impact of hyperinflation	503	855
Exchange differences on translation of foreign operations	(2,581)	(1,382)
Net book value of intangible assets as at 30 September	93,313	49,685

Both as at 30 September 2024 and 31 December 2023, intangible assets did not serve as collateral for any bank loans.

In the period of 9 months ended 30 September 2024, the Group recognized impairment losses on intangible assets in the amount of PLN 2.4 million. Such impairment charge resulted from the Management's assessment of the ability of assets held to generate economic benefits.

6.3. Right-of-use assets

Changes in the net book value of right-of-use assets that took place during the period of 9 months ended 30 September 2024 and in the comparable period are presented below:

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
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Net book value of right-of-use assets as at 1 January	46,037	43,131
Additions, of which:	42,864	24,797
Conclusion of new lease contracts	25,910	20,584
Modification of existing contracts	11,092	4,213
Obtaining control over subsidiaries	5,862	-
Reductions, of which:	(17,380)	(17,302)
Depreciation charges for the reporting period	(16,638)	(16,269)
Acquisition of right-of-use assets	(17)	-
Early termination of contracts	(722)	(874)
Other	(3)	(159)
Change in presentation	-	56
Exchange differences on translation of foreign operations	(1,533)	(1,266)
Net book value of right-of-use assets as at 30 September	69,988	49,416

6.4. Goodwill

For impairment testing purposes, goodwill arising from obtaining control over subsidiaries is allocated to the group of cash-generating units that constitute an operating segment.

The following table presents changes in the amounts of goodwill during the period of 9 months ended 30 September 2023 and as at 31 December 2023, in a breakdown by operating segments:

	30 September 2024 PLN'000	30 June 2024 PLN'000	31 December 2023 (restated) PLN'000	30 September 2023 PLN'000
Goodwill				
Goodwill at the beginning of the period	875,434	875,434	794,100	794,100
Banking Solutions	214,988	214,988	230,982	230,982
Payment Solutions	262,127	262,127	223,101	223,101
Dedicated Solutions	398,319	398,319	340,017	340,017
Change in consolidation goodwill due to the acquisition of shares (+/-)	175,054	-	140,382	-
Banking Solutions	-	-	-	-
Payment Solutions	168,520	-	57,446	-
Dedicated Solutions	6,534	-	82,936	-
Change due to hyperinflation (+/-):	23,303	16,540	37,498	30,981
Banking Solutions	1,994	1,415	3,208	2,651
Payment Solutions	12,700	9,014	20,436	16,884
Dedicated Solutions	8,609	6,111	13,854	11,446
Foreign exchange differences (+/-)	(34,367)	(11,195)	(96,546)	(39,471)
Banking Solutions	(3,799)	(1,531)	(19,202)	(5,053)
Payment Solutions	(19,717)	(5,148)	(38,856)	(19,115)
Dedicated Solutions	(10,851)	(4,516)	(38,488)	(15,303)
Total goodwill	1,039,424	880,779	875,434	785,610
Banking Solutions	213,183	214,872	214,988	228,580
Payment Solutions	423,630	265,993	262,127	220,870
Dedicated Solutions	402,611	399,914	398,319	336,160
Total at the end of the period	1,039,424	880,779	875,434	785,610

In the period of 9 months ended 30 September 2024, the balance of goodwill arising from consolidation was affected by the transactions described below.

i. Hyperinflation in Turkey

Due to the recognition of the Turkish economy as hyperinflationary, the Group has applied IAS 29 which requires the restatement of non-monetary assets to take into account the change in purchasing power based on the general price index and to be expressed in the measuring units current at the end of the reporting period. One of the non-monetary assets is goodwill recognized as at the date of obtaining control over our Turkish subsidiaries. Such goodwill was comes from the years 2010-2021.

The inflation-related revaluation of goodwill by the price index for 2024, translated at the exchange rate of 30 September 2024, amounted in total to PLN 21,334 thousand which was recognized in financial income, under 'Gain/Loss on the net monetary position', for the first 9 months of 2024.

Foreign exchange differences arising from the hyperinflation restatement of prior year goodwill, at the exchange rate of 30 September 2024, were recognized in correspondence under 'Exchange differences on translation of foreign operations'.

The impact of hyperinflation on the consolidated financial statements has been described in explanatory note 2.10 to these interim condensed consolidated financial statements.

i. Acquisition of shares in the companies *Touras India Private Limited (formerly Paygate India Private Limited)* in India and *Touras Technologies Limited (formerly Paygate Limited)* in the United Arab Emirates

On 1 July 2024, Payten Holding S.A. based in Warsaw concluded a framework agreement defining a scheme for the acquisition of shares in the companies Paygate India Private Limited in India and Paygate Limited in the United Arab Emirates, as well as individual agreements for the acquisition of shares in both companies. After the Group obtained control over these companies, both companies changed their names: Paygate India Private Limited was renamed as Touras India Private Limited (hereinafter "Touras India"), and Paygate Limited was renamed as Touras Technologies Limited (hereinafter "Touras Tech UAE").

Acquisition of shares in Touras India Private Limited (formerly Paygate India Private Limited)

Payten Holding S.A. acquired 55% of shares in Touras India Private Limited, a company based in Gurugram, India. Touras India Private Limited holds 100% of shares in Touras Tech Global Private Limited (India) (formerly Safexpay Technologies Private Limited) based in Thane West, India.

The total purchase price of the 55% stake in Touras India determined at the acquisition date amounted to EUR 23.6 million and it comprised: a consideration of EUR 6 million already paid, as well as the fair value of conditional payments depending on financial results achieved by the acquired company and its subsidiary in the amount of EUR 17.6 million.

Non-controlling interests were measured on a proportionate basis against net assets and recognized at the level of ASEE Group.

In addition, Payten Holding signed a put/call option agreement with the non-controlling shareholders of Touras India. The amount of liabilities under put options has been disclosed in explanatory note 6.12 to these interim condensed financial statements.

Until 30 September 2024, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on the acquisition of Touras India as disclosed below 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 Touras India as at the date of obtaining control are presented below:

	Provisional values as at the acquisition date INR'000	Provisional values as at the acquisition date PLN'000	Level in fair value hierarchy
Assets acquired			
Property, plant and equipment	21,693	1,049	3
Intangible assets, of which:	498,400	24,091	3
<i>Intangible assets recognized as at the acquisition date (PPA)</i>	479,339	23,169	3
Right-of-use assets	114,480	5,534	3
Trade receivables	346,978	16,772	3
Receivables from the state and local budgets	248,162	11,995	3
Other receivables	106,228	5,135	3
Cash and cash equivalents	7,001	338	3
Other financial assets, including loans granted	357,681	17,289	3
Other assets	5,994	290	3
Total assets	1,706,617	82,493	
Liabilities acquired			
Bank loans and borrowings	44,747	2,163	3
Lease liabilities	6,931	335	3
Trade payables	50,357	2,434	3
Liabilities to the state and local budgets	158,755	7,674	3
Deferred tax liabilities, of which:	121,579	5,877	3
<i>Deferred tax liabilities on intangible assets recognized as at the acquisition date (PPA)</i>	119,835	5,792	3
Other liabilities	749,070	36,207	3

Provisions	11,412	552	3
Total liabilities	1,142,851	55,242	
Net assets value	563,766	27,251	
Equity interest acquired	55%	55%	
Value of non-controlling interests	253,695	12,263	
Purchase price	2,108,619	101,922	
Goodwill as at the acquisition date	1,798,548	86,934	

Figures converted to PLN at the exchange rate effective on 30 June 2024: INR 1 = PLN 0.048336

Input data were derived from the acquired company's financial statements drawn up as at 30 June 2024. The input data were prepared in accordance with the ASEE Group's accounting policy.

As a result of the purchase price allocation, the Group recognized intangible assets constituted by a system used for processing of payment transactions. The software valuation was made on the basis of expected future sales revenues, expected EBITDA margin and return on assets employed. The estimated cash flows were discounted with a discount rate equivalent to the weighted average cost of capital determined for the acquired company. In correspondence to the recognition of assets, the Group recognized deferred tax liabilities.

In the consolidated financial statements of ASEE Group, goodwill arising from the acquisition of Touras India Group was allocated to the Payment Solutions segment.

Acquisition-related expenses were recognized in the statement of profit and loss.

Acquisition of shares in Touras Technologies Limited (formerly Paygate Limited) in the United Arab Emirates

Payten Holding S.A. acquired 51% of shares in Touras Tech Limited, a company based in Dubai. Touras Tech UAE holds 100% of shares in Safexpay Software Solutions LLC based in Dubai.

The total purchase price of the 51% stake in Touras Tech UAE determined at the acquisition date amounted to EUR 16 million and it comprised: a consideration of EUR 2 million already paid, a deferred payment of EUR 2 million, as well as the fair value of conditional payments depending on financial results achieved by the acquired company and its subsidiary in the amount of EUR 12 million.

Non-controlling interests were measured on a proportionate basis against net assets and recognized at the level of ASEE Group.

In addition, Payten Holding signed a put/call option agreement with the non-controlling shareholders of Touras Tech Dubai. The amount of liabilities under put options has been disclosed in explanatory note 6.12 to these interim condensed financial statements.

Until 30 September 2024, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on the acquisition of Touras Tech UAE as disclosed below 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 Touras Tech UAE as at the date of obtaining control are presented below:

	Provisional values as at the acquisition date AED'000	Provisional values as at the acquisition date PLN'000	Level in fair value hierarchy
Assets acquired			
Property, plant and equipment	10	11	3
Trade receivables	13,576	14,893	3
Receivables from the state and local budgets	74	81	3
Other receivables	58	64	3
Inventories	95	104	3
Cash and cash equivalents	162	178	3
Other assets	45	49	3
Total assets	14,020	15,380	
Liabilities acquired			
Trade payables	7,150	7,844	3
Liabilities to the state and local budgets	678	744	3
Other liabilities	909	997	3
Provisions	17	19	3
Total liabilities	8,754	9,604	
Net assets value	5,266	5,776	
Equity interest acquired	51%	51%	
Value of non-controlling interests	2,580	2,830	
Purchase price	63,074	69,192	
Goodwill as at the acquisition date	60,388	66,246	

Figures converted to PLN at the exchange rate effective on 30 June 2024: AED 1 = PLN 1.0970

Input data were derived from the acquired company's financial statements drawn up as at 30 June 2024. The input data were prepared in accordance with the ASEE Group's accounting policy.

In the consolidated financial statements of ASEE Group, goodwill arising from the acquisition of Touras Tech UAE Group was allocated to the Payment Solutions segment.

Acquisition-related expenses were recognized in the statement of profit and loss.

ii. Acquisition of shares in Askepnet TOV

On 29 July 2024, ASEE Solutions s.r.l. (Romania) acquired 100% of shares in Askepnet TOV, a company based in Lviv, Ukraine.

The total purchase price of these shares determined at the acquisition date amounted to USD 2.4 million and it comprised: a consideration of USD 0.8 million paid on the transaction date, as well as the fair value of conditional payments depending on financial results achieved by the acquired company in the amount of USD 1.6 million.

Until 30 September 2024, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on the acquisition of Askepnet as disclosed below 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 Askepnet as at the date of obtaining control are presented below:

	Provisional values as at the acquisition date UAH'000	Provisional values as at the acquisition date PLN'000	Level in fair value hierarchy
Assets acquired			
Property, plant and equipment	161	16	3
Intangible assets, of which:	45,933	4,446	3
<i>Intangible assets recognized as at the acquisition date (PPA)</i>	<i>45,916</i>	<i>4,445</i>	<i>3</i>
Right-of-use assets	2,566	248	3
Trade receivables	2,115	205	3
Cash and cash equivalents	1,229	119	3
Other assets	154	15	3
Total assets	52,158	5,049	
Liabilities acquired			
Lease liabilities	2,566	248	3
Trade payables	1,710	166	3
Contract liabilities	8,641	836	3
Liabilities to the state and local budgets	165	16	3

Deferred tax liabilities, of which:	8,265	800	3
Deferred tax liabilities on intangible assets recognized as at the acquisition date (PPA)	8,265	800	3
Total liabilities	21,347	2,066	
Net assets value	30,811	2,983	
Equity interest acquired	100%	100%	
Purchase price	98,311	9,517	
Goodwill as at the acquisition date	67,500	6,534	

Figures converted to PLN at the exchange rate effective on 31 July 2024: UAH 1 = PLN 0.0968

Input data were derived from the acquired company's financial statements drawn up as at 31 July 2024. The input data were prepared in accordance with the ASEE Group's accounting policy.

As a result of the purchase price allocation, the Group recognized intangible assets constituted by a system enabling automation of work processes at medical facilities. The software valuation was made on the basis of expected future sales revenues, expected EBITDA margin and return on assets employed. The estimated cash flows were discounted with a discount rate equivalent to the weighted average cost of capital determined for the acquired company. In correspondence to the recognition of assets, the Group recognized deferred tax liabilities.

In the consolidated financial statements of ASEE Group, goodwill arising from the acquisition of Askepnet was allocated to the Dedicated Solutions segment.

Acquisition-related expenses were recognized in the statement of profit and loss.

iii. Acquisition of shares in WEO Unipessoal Lda

On 16 August 2024, Payten Holding S.A. acquired 80% of shares in WEO Unipessoal Lda, a company based in Armação de Pêra, Portugal. All non-controlling interests are subject to put/call options and accounted for using the present ownership method. Therefore, this acquisition is accounted for as if the Group had purchased 100% of shares in WEO, and consequently it does not recognize any non-controlling interests.

The total purchase price determined at the acquisition date amounted to EUR 3.7 million and it comprised: a consideration of EUR 1.2 million paid on the transaction date, the fair value of conditional payments depending on financial results achieved by the acquired company in the amount of EUR 1.3 million, as well as the fair value of liabilities under put options held by non-controlling shareholders in the amount of EUR 1.2 million.

Until 30 September 2024, the process of purchase price allocation has not yet been completed by the Group. Therefore, goodwill recognized on the acquisition of WEO as disclosed below 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 WEO as at the date of obtaining control are presented below:

	Provisional values as at the acquisition date EUR'000	Provisional values as at the acquisition date PLN'000	Level in fair value hierarchy
Assets acquired			
Property, plant and equipment	21	90	3
Right-of-use assets	41	175	3
Trade receivables	1	4	3
Cash and cash equivalents	271	1,160	3
Other assets	16	68	3
Total assets	350	1,497	
Liabilities acquired			
Lease liabilities	41	175	3
Contract liabilities	130	556	3
Liabilities to the state and local budgets	25	107	3
Other liabilities	13	56	3
Total liabilities	209	894	
Net assets value	141	603	
Equity interest acquired	100%*	100%*	
Purchase price	3,725	15,942	
Goodwill as at the acquisition date	3,584	15,339	

*The acquisition has been accounted for using the present ownership method due to the put/call options contained in the company acquisition agreement.
Figures converted to PLN at the exchange rate effective on 31 August 2024: EUR 1 = PLN 4.2798

Input data were derived from the acquired company's financial statements drawn up as at 31 August 2024. The input data were prepared in accordance with the ASEE Group's accounting policy.

In the consolidated financial statements of ASEE Group, goodwill arising from the acquisition of WEO company was allocated to the Payment Solutions segment.

Acquisition-related expenses were recognized in the statement of profit and loss.

iv. Allocation of the purchase price of IfthenPay LDA

On 13 October 2023, Payten Holding S.A. acquired 80% of shares in IfthenPay Lda, a company based in Santa Maria de Lamas, Portugal. All non-controlling interests are subject to put/call options and accounted for using the present ownership method. Therefore, this acquisition is accounted for as if the Group had purchased 100% of shares in IfthenPay, and consequently it does not recognize any non-controlling interests.

The total purchase price determined at the acquisition date amounted to EUR 13.8 million and it comprised: a consideration of EUR 8.3 million paid on the transaction date, the fair value of conditional payments depending on financial results achieved by the acquired company in the amount of EUR 1.4 million, as well as the fair value of liabilities under put options held by non-controlling shareholders in the amount of EUR 4.1 million.

As at 30 September 2024, the Group has already completed the process of purchase price allocation. The fair values of identifiable assets and liabilities of IfthenPay company as at the date of obtaining control are presented below (converted at the exchange rate of PLN/EUR effective on the acquisition date):

	Initial provisional values as at the acquisition date EUR'000	Initial provisional values as at the acquisition date PLN'000	Fair values as at the acquisition date EUR'000	Fair values as at the acquisition date PLN'000	Level in fair value hierarchy
Assets acquired					
Property, plant and equipment	119	540	119	540	3
Intangible assets, of which:	-	-	2,220	10,083	3
<i>Intangible assets recognized as at the acquisition date (PPA)</i>	-	-	2,220	10,083	3
Right-of-use assets	72	327	72	327	3
Other receivables	8,972	40,748	8,972	40,748	3
Cash and cash equivalents	1,684	7,648	1,684	7,648	3
Other assets	174	790	174	790	3
Total assets	11,021	50,053	13,241	60,136	
Liabilities acquired					
Lease liabilities	72	327	72	327	3
Trade payables	205	931	205	931	3
Contract liabilities	8,981	40,789	8,981	40,789	3
Liabilities to the state and local budgets	308	1,399	308	1,399	3
Deferred tax liabilities, of which:	-	-	466	2,116	3
<i>Deferred tax liabilities on intangible assets recognized as at the acquisition date (PPA)</i>	-	-	466	2,116	3
Other liabilities	38	173	38	173	3
Total liabilities	9,604	43,619	10,070	45,735	
Net assets value	1,417	6,434	3,171	14,401	
Equity interest acquired	100%*	100%*	100%*	100%*	
Purchase price	13,825	62,789	13,825	62,789	
Goodwill as at the acquisition date	12,408	56,355	10,654	48,388	

*The acquisition has been accounted for using the present ownership method due to the put/call options contained in the company acquisition agreement.

Figures converted to PLN at the exchange rate effective on the acquisition date, i.e. 13 October 2023: EUR 1 = PLN 4.5417

Input data were derived from the acquired company's financial statements drawn up as at 30 September 2023. The input data were prepared in accordance with the ASEE Group's accounting policy.

As a result of the purchase price allocation, the Group recognized intangible assets constituted by a system enabling authorization and processing of payment transactions. The software valuation was made on the basis of expected future sales revenues, expected EBITDA margin and return on assets employed. The estimated cash flows were discounted with a discount rate equivalent to the weighted average cost of capital determined for the acquired company. In correspondence to the recognition of assets, the Group recognized deferred tax liabilities.

In the consolidated financial statements of ASEE Group, goodwill arising from the acquisition of IfthenPay company was allocated to the Payment Solutions segment.

Acquisition-related expenses were recognized in the statement of profit and loss.

v. Acquisition of shares in Avera d.o.o.

On 28 November 2023, Payten Holding S.A. acquired 75% of shares in Avera d.o.o., a company based in Pristava pri Mestinju, Slovenia. All non-controlling interests are subject to put/call options and accounted for using the present ownership method. Therefore, this acquisition is accounted for as if the Group had purchased 100% of shares in Avera, and consequently it does not recognize any non-controlling interests.

The total purchase price determined at the acquisition date amounted to EUR 4.5 million and it comprised: a consideration of EUR 2.7 million paid on the transaction date, the fair value of conditional payments depending on financial results achieved by the acquired company in the amount of EUR 1.2 million, as well as the fair value of liabilities under put options held by non-controlling shareholders in the amount of EUR 0.6 million.

During the first half of 2024, the Group recognized intangible assets existing in the acquired company, while the purchase price allocation process has not yet been completed by the Group until 30 September 2024. Therefore, goodwill recognized on the acquisition of Avera d.o.o. as disclosed below 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 Avera d.o.o. as at the date of obtaining control are presented below (converted at the exchange rate of PLN/EUR effective on the acquisition date):

	Initial provisional values as at the acquisition date	Initial provisional values as at the acquisition date	Provisional values as at the acquisition date	Provisional values as at the acquisition date	Level in fair value hierarchy
	EUR'000	PLN'000	EUR'000	PLN'000	
Assets acquired					
Property, plant and equipment	1	4	1	4	3
Intangible assets, of which:	-	-	500	2,177	3
<i>Intangible assets recognized as at the acquisition date (PPA)</i>	-	-	500	2,177	3
Right-of-use assets	56	244	56	244	3
Trade receivables	689	3,000	689	3,000	3
Inventories	144	627	144	627	3
Cash and cash equivalents	1,484	6,462	1,484	6,462	3
Other assets	6	26	6	26	3
Total assets	2,380	10,363	2,880	12,540	
Liabilities acquired					
Lease liabilities	56	244	56	244	3
Trade payables	157	684	157	684	3
Liabilities to the state and local budgets	148	644	148	644	3
Deferred tax liabilities, of which:	-	-	99	431	3
<i>Deferred tax liabilities on intangible assets recognized as at the acquisition date (PPA)</i>	-	-	95	414	3
Other liabilities	21	91	17	74	3
Total liabilities	382	1,663	477	2,077	
Net assets value	1,998	8,700	2,403	10,463	
Equity interest acquired	100%*	100%*	100%*	100%*	
Purchase price	4,482	19,516	4,482	19,516	
Goodwill as at the acquisition date	2,484	10,816	2,079	9,053	

*The acquisition has been accounted for using the present ownership method due to the put/call options contained in the company acquisition agreement.
Figures converted to PLN at the exchange rate effective on the acquisition date, i.e. 28 November 2023: EUR 1 = PLN 4.3542

Input data were derived from the acquired company's financial statements drawn up as at 30 November 2023. The input data were prepared in accordance with the ASEE Group's accounting policy.

As a result of the purchase price allocation, the Group recognized intangible assets constituted by software for POS terminals. The software valuation was made on the basis of expected future sales revenues, expected EBITDA margin and return on assets employed. The estimated cash flows were discounted with a discount rate equivalent to the weighted average cost of capital determined for the acquired company. In correspondence to the recognition of assets, the Group recognized deferred tax liabilities.

In the consolidated financial statements of ASEE Group, goodwill arising from the acquisition of Avera company was allocated to the Payment Solutions segment.

Acquisition-related expenses were recognized in the statement of profit and loss.

vi. Acquisition of shares in Dwelt d.o.o. Banja Luka

On 20 December 2023, ASEE d.o.o. Sarajevo acquired 60% of shares in Dwelt d.o.o., a company based in Banja Luka, Bosnia and Herzegovina. All non-controlling interests are subject to put/call options and accounted for using the present ownership method. Therefore, this acquisition is accounted for as if the Group had purchased 100% of shares in Dwelt, and consequently it does not recognize any non-controlling interests.

The total purchase price determined at the acquisition date amounted to BAM 51 million and it comprised: a consideration of BAM 7.8 million paid on the transaction date, the fair value of conditional payments depending on financial results achieved by the acquired company in the amount of BAM 11.6 million, as well as the fair value of liabilities under put options held by non-controlling shareholders in the amount of BAM 31.7 million.

During the first half of 2024, the Group recognized intangible assets existing in the acquired company, while the purchase price allocation process has not yet been completed by the Group until 30 September 2024. Therefore, goodwill recognized on the acquisition of Dwelt d.o.o. as disclosed below 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 Dwelt as at the date of obtaining control are presented below (converted at the exchange rate of PLN/BAM effective on the acquisition date):

	Initial provisional values as at the acquisition date BAM'000	Initial provisional values as at the acquisition date PLN'000	Provisional values as at the acquisition date BAM'000	Provisional values as at the acquisition date PLN'000	Level in fair value hierarchy
Assets acquired					
Property, plant and equipment	210	464	210	464	3
Intangible assets, of which:	29	64	14,299	31,604	3
<i>Intangible assets recognized as at the acquisition date (PPA)</i>	-	-	14,270	31,540	3
Right-of-use assets	543	1,200	420	928	3
Trade receivables	655	1,448	654	1,445	3
Cash and cash equivalents	1,005	2,221	1,005	2,221	3
Other assets	10	22	13	29	3
Total assets	2,452	5,419	16,601	36,691	
Liabilities acquired					
Lease liabilities	539	1,191	420	928	3
Trade payables	50	111	50	111	3
Liabilities to the state and local budgets	1,168	2,582	1,157	2,557	3
Deferred tax liabilities, of which:	-	-	1,427	3,154	3
<i>Deferred tax liabilities on intangible assets recognized as at the acquisition date (PPA)</i>	-	-	1,427	3,154	3
Other liabilities	1	2	-	-	3
Total liabilities	1,758	3,886	3,054	6,750	
Net assets value	694	1,533	13,547	29,941	
Equity interest acquired	100%*	100%*	100%*	100%*	
Purchase price	51,071	112,877	51,071	112,877	
Goodwill as at the acquisition date	50,377	111,344	37,524	82,936	

*The acquisition has been accounted for using the present ownership method due to the put/call options contained in the company acquisition agreement.

Figures converted to PLN at the exchange rate effective on the acquisition date, i.e. 20 December 2023: BAM 1 = PLN 2.2102

Input data were derived from the acquired company's financial statements drawn up as at 31 December 2023. The input data were prepared in accordance with the ASEE Group's accounting policy.

As a result of the purchase price allocation, the Group recognized intangible assets constituted by core software that supports all business and operational processes of electricity suppliers, distribution system operators and municipal utilities. The software valuation was made on the basis of expected future sales revenues, expected EBITDA margin and return on assets employed. The estimated cash flows were discounted with a discount rate equivalent to the weighted average cost of capital determined for the acquired company. In correspondence to the recognition of assets, the Group recognized deferred tax liabilities.

In the consolidated financial statements of ASEE Group, goodwill arising from the acquisition of Dwelt was allocated to the Dedicated Solutions segment.

Acquisition-related expenses were recognized in the statement of profit and loss.

6.5. Other financial assets

As at 30 September 2024, 30 June 2024, 31 December 2023 and 30 September 2023, apart from receivables and cash and cash equivalents described in other notes, the Group also held other financial assets as presented in the table below:

	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Financial assets carried at fair value through profit or loss, of which:								
Currency forward contracts	-	-	-	-	-	-	167	-
Shares in companies not quoted in an active market	-	166	-	167	-	167	-	26
Other financial assets	320	-	317	-	338	-	-	-
	320	166	317	167	338	334	-	26
Financial assets carried at fair value through other comprehensive income, of which:								
Shares in companies quoted in an active market	-	1	-	1	29	1	48	1
Shares in companies not quoted in an active market	20	-	21	-	21	-	22	-
Other financial assets	487	759	513	756	491	575	199	556
	507	760	534	757	541	576	269	557
Financial assets carried at amortized cost, of which:								
Loans granted, of which:	427	213	3	229	3	57	9	20
<i>granted to related parties</i>	<i>427</i>	<i>3</i>	-	-	-	-	-	-
<i>granted to employees</i>	<i>-</i>	<i>210</i>	<i>3</i>	<i>229</i>	<i>3</i>	<i>57</i>	<i>9</i>	<i>20</i>
Corporate bonds	110	-	110	-	110	-	-	-
Term cash deposits	859	3,016	990	54	1,029	206	1,283	220
	1,396	3,229	1,103	283	1,142	263	1,292	240
Total	2,223	4,155	1,954	1,207	2,021	1,173	1,561	823

As at 30 September 2024, financial assets carried at amortized cost include term cash deposits which serve as collateral for bank loans that were obtained to finance the performance of contracts.

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 9 months ended 30 September 2024, 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.

As at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023, the fair values of financial assets were not significantly different from their book values.

As at 30 September 2024	Carrying value PLN'000	Level 1 ⁱ⁾ PLN'000	Level 2 ⁱⁱ⁾ PLN'000	Level 3 ⁱⁱⁱ⁾ PLN'000
Financial assets carried at fair value through profit or loss				
Shares in companies not quoted in an active market	166	-	-	166
Other financial assets	320	-	-	320
Total	486	-	-	486
Financial assets carried at fair value through other comprehensive income				
Shares in companies quoted in an active market	1	1	-	-
Shares in companies not quoted in an active market	20	-	-	20
Other financial assets	1,246	-	-	1,246
Total	1,267	1	-	1,266

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 30 June 2024	Carrying value PLN'000	Level 1 ⁱ⁾ PLN'000	Level 2 ⁱⁱ⁾ PLN'000	Level 3 ⁱⁱⁱ⁾ PLN'000
Financial assets carried at fair value through profit or loss				
Shares in companies not quoted in an active market	167	-	-	167
Other assets	317	-	-	317
Total	484	-	-	484
Financial assets carried at fair value through other comprehensive income				
Shares in companies quoted in an active market	1	1	-	-
Shares in companies not quoted in an active market	21	-	-	21
Other financial assets	1,269	-	-	1,269
Total	1,291	1	-	1,290

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

As at 31 December 2023	Carrying value PLN'000	Level 1 ⁱ⁾ PLN'000	Level 2 ⁱⁱ⁾ PLN'000	Level 3 ⁱⁱⁱ⁾ PLN'000
Financial assets carried at fair value through profit or loss				
Currency forward contracts	167	-	167	-
Shares in companies not quoted in an active market	167	-	-	167
Other assets	338	-	-	338
Total	672	-	167	505
Financial assets carried at fair value through other comprehensive income				
Shares in companies quoted in an active market	30	30	-	-
Shares in companies not quoted in an active market	21	-	-	21
Other financial assets	1,066	-	-	1,066
Total	1,117	30	-	1,087

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

As at 30 September 2023	Carrying value PLN'000	Level 1 ⁱ⁾ PLN'000	Level 2 ⁱⁱ⁾ PLN'000	Level 3 ⁱⁱⁱ⁾ PLN'000
Financial assets carried at fair value through profit or loss				
Shares in companies not quoted in an active market	26	-	-	26
Total	26	-	-	26
Financial assets carried at fair value through other comprehensive income				
Shares in companies quoted in an active market	49	49	-	-
Shares in companies not quoted in an active market	22	-	-	22
Other financial assets	755	-	-	755
Total	826	49	-	777

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

6.6. Prepayments and accrued income

As at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023, prepayments and accrued income included the following items:

	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Prepaid services, of which:	2,092	53,210	2,388	52,350	2,799	51,828	1,277	48,075
<i>maintenance services, license and subscription fees</i>	1,892	44,477	2,354	43,726	1,827	44,481	863	40,865
<i>insurances</i>	-	2,669	-	3,615	-	2,661	-	2,457
<i>rents and averaged instalments under operating leases</i>	189	285	5	380	106	427	80	183
<i>prepaid consulting services</i>	-	830	-	682	-	275	-	103
<i>other services</i>	11	4,949	29	3,947	866	3,984	334	4,467
Expenses related to services performed for which revenues have not been recognized yet	-	1,439	-	841	-	694	-	126
Other prepayments and accrued income	198	1,030	195	1,428	289	1,382	53	1,507
Total	2,290	55,679	2,583	54,619	3,088	53,904	1,330	49,708

6.7. Receivables and contract assets

The table below presents the amounts of receivables as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Trade receivables, of which:	-	246,523	-	212,738	-	299,114	-	222,736
Trade receivables:	-	259,504	-	216,402	-	301,306	-	228,857
<i>from related parties</i>	-	360	-	212	-	744	-	757
<i>from other entities</i>	-	259,144	-	216,190	-	300,562	-	228,100
Receivables from operating leases	-	10,094	-	10,371	-	8,291	-	7,854
Allowances for trade receivables	-	(23,075)	-	(14,035)	-	(10,483)	-	(13,975)
Corporate income tax receivable	-	5,881	-	5,410	-	2,693	-	2,336
Receivables from the state and local budgets	-	22,097	-	7,362	-	5,044	-	8,288
Value added tax	-	18,584	-	5,886	-	3,793	-	6,342
Other	-	3,513	-	1,476	-	1,251	-	1,946
Other receivables	6,344	92,379	6,330	117,103	7,274	79,663	8,698	31,306
Receivables from payment transactions processed	-	85,145	-	108,769	-	71,493	-	-
Security deposits receivable	934	1,832	668	1,278	682	1,199	732	1,288
Other receivables	5,615	7,372	5,662	8,053	6,592	7,764	7,966	30,105
Allowances for other doubtful receivables (-)	(205)	(1,970)	-	(997)	-	(793)	-	(87)
Total receivables	6,344	366,880	6,330	342,613	7,274	386,514	8,698	264,666

The balance of other receivables includes, among others, restricted cash intended for settlement of other liabilities arising from payment transactions, receivables relating to guarantees of due performance of contracts (i.e. security deposits provided to customers in order to compensate for their potential losses in case we fail to fulfil any contractual obligations), receivables arising from deferred payments for shares in Payten Holding S.A. which were sold by ASEE S.A. to the managers of ASEE Group companies, receivables from disposal of tangible assets, receivables from security deposits paid-in, as well as other receivables.

As at 30 September 2024, trade receivables in the amount of PLN 14,680 thousand and other receivables in the amount of PLN 397 thousand served as collateral for bank loans as well as for bank overdraft and guarantee facilities.

The table below presents receivables from contracts with customers as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

Contract assets	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Uninvoiced receivables	-	44,413	-	43,876	-	27,329	-	49,169
from related parties	-	-	-	348	-	-	-	-
from other entities	-	44,413	-	43,528	-	27,329	-	49,169
Receivables from valuation of IT contracts	-	82,133	-	77,719	-	73,811	-	84,832
from related parties	-	1,787	-	1,411	-	462	-	886
from other entities	-	80,346	-	76,308	-	73,349	-	83,946
Allowances (-)	-	(5,942)	-	(6,005)	-	(6,036)	-	-
Total contract assets	-	120,604	-	115,590	-	95,104	-	134,001

Related party transactions have been presented in explanatory note 6.17 to these interim condensed consolidated financial statements.

Changes in the amount of allowances for trade receivables and contract assets during the period of 9 months ended 30 September 2024 and in the comparable period are presented in the table below:

Allowances for trade receivables and contract assets	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Allowances as at 1 January	(16,519)	(10,410)
Recognized during the reporting period	(8,912)	(8,289)
Utilized during the reporting period	95	813
Reversed during the reporting period	4,386	3,444
Obtaining control over subsidiaries	(8,746)	-
Foreign exchange differences	679	467
Allowances as at 30 September	(29,017)	(13,975)

6.8. Inventories

The table below presents inventories as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

Inventories	30 September 2024	30 June 2024	31 December 2023	30 September 2023
	PLN'000	PLN'000	PLN'000	PLN'000
Computer hardware, third-party software licenses and other goods for resale	101,958	98,822	98,136	114,702
Computer hardware, spare parts and other materials intended for the performance of repair/maintenance services	18,912	18,855	17,527	17,248
Impairment losses on inventories	(19,873)	(19,017)	(17,791)	(19,289)
Total	100,997	98,660	97,872	112,661

Changes in the amount of impairment losses on inventories during the period of 9 months ended 30 September 2024 and in the comparable period are presented in the table below:

Impairment losses on inventories	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
	(17,791)	(16,856)
Recognized during the reporting period	(4,231)	(4,670)
Utilized during the reporting period	73	228
Reversed during the reporting period	1,776	1,784
Foreign exchange differences	300	225
Impairment losses as at 30 September	(19,873)	(19,289)

6.9. Cash and cash equivalents

The table below presents cash and cash equivalents as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

	30 September 2024	30 June 2024	31 December 2023	30 September 2023
	PLN'000	PLN'000	PLN'000	PLN'000
Cash at bank and on hand	143,608	162,289	239,652	211,994
Short-term bank deposits (up to 3 months)	58,143	58,102	70,022	33,906
Cash in transit and other cash equivalents	105	2,715	3,438	6,991
Total cash and cash equivalents as disclosed in the statement of financial position	201,856	223,106	313,112	252,891
Interest accrued on cash and cash equivalents	(102)	(98)	(43)	(16)
Bank overdraft facilities utilized for current liquidity management	(55,457)	(58,574)	(27,772)	(35,295)
Total cash and cash equivalents as disclosed in the cash flow statement	146,297	164,434	285,297	217,580

As at 30 September 2024, cash in the amount of PLN 513 thousand held in bank accounts of ASEE S.A. was subject to a registered pledge in order to secure the repayment of a bank loan. As at the reporting date, liabilities under the loan secured with these assets amounted to PLN 67,616 thousand.

6.10. Lease liabilities

As at 30 September 2024, the Group was a lessee under lease contracts. Assets leased under such contracts included:

- offices and warehouses,
- cars,
- IT hardware and other assets.

The table below presents the amounts of lease liabilities as at 30 September 2024, as well as at 30 June 2024, 31 December 2023, and 30 September 2023:

Financial liabilities	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Leases of real estate	38,802	13,174	31,843	13,995	24,191	13,792	26,456	14,105
Leases of transportation vehicles	10,151	4,008	9,295	3,785	5,269	3,072	5,512	3,359
Leases of IT hardware and other assets	-	464	-	679	264	840	504	891
	48,953	17,646	41,138	18,459	29,724	17,704	32,472	18,355

6.11. Bank loans and borrowings

The table below presents the Group's debt under bank loans and borrowings outstanding as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

	Curren cy	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
		Non- current PLN'000	Current PLN'000	Non- current PLN'000	Current PLN'000	Non- current PLN'000	Current PLN'000	Non- current PLN'000	Current PLN'000
Bank overdraft facilities		-	55,457	-	58,574	-	27,772	-	35,295
fixed interest rate	BAM	-	29,802	-	29,967	-	23,046	-	27,199
fixed interest rate	COP	-	183	-	-	-	13	-	5
fixed interest rate	EUR	-	159	-	72	-	56	-	116
fixed interest rate	INR	-	1,795	-	-	-	-	-	-
fixed interest rate	MKD	-	13	-	16	-	40	-	44
fixed interest rate	RSD	-	-	-	-	-	-	-	228
fixed interest rate	TRY	-	86	-	132	-	79	-	34
1M EURIBOR + margin	EUR	-	-	-	-	-	897	-	1,061
3M EURIBOR + margin	EUR	-	23,419	-	28,387	-	3,641	-	6,146
6M EURIBOR + margin	EUR	-	-	-	-	-	-	-	462
Other bank loans		92,755	45,609	94,789	42,733	54,124	23,838	43,288	17,213
fixed interest rate	BAM	16,414	6,302	17,359	6,399	12,369	3,108	-	-
fixed interest rate	EUR	3,388	2,960	677	4,081	1,516	9,352	3,342	12,254
3M EURIBOR + margin	EUR	71,948	35,705	75,623	31,420	38,869	9,929	34,767	2,814
6M EURIBOR + margin	BAM	623	184	630	371	633	983	1,460	734
6M EURIBOR + margin	EUR	382	458	500	462	737	466	910	500
1Y EURIBOR + margin	EUR	-	-	-	-	-	-	2,809	911
Total		92,755	101,066	94,789	101,307	54,124	51,610	43,288	52,508

The Group's total debt amounted to PLN 193,821 thousand as at 30 September 2024, as compared to PLN 105,734 thousand as at 31 December 2023. The amount of debt increased as a result of obtaining new bank loans in order to finance our payment process outsourcing projects and company acquisitions, as well as due to using bank overdraft facilities in our current business operations.

Total proceeds from and repayments of bank loans disclosed in the statement of cash flows for the period of 9 months ended 30 September 2024 amounted to PLN 99,388 thousand (proceeds) and PLN 37,387 thousand (repayments).

As at 30 September 2024, tangible assets with a book value of PLN 18,056 thousand, trade receivables in the amount of PLN 14,680 thousand, cash in the amount of PLN 513 thousand, as well as financial assets carried at amortized cost (long-term cash deposits) in the amount of PLN 3,367 thousand served as collateral for bank loans and open bank overdraft and guarantee facilities. As at 30 September 2024, liabilities that were secured with such assets amounted to PLN 83,197 thousand.

Some loans obtained from 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. As at 30 September 2024 and in the comparable periods, ASEE Group companies did not infringe on any covenants defined in their bank loan agreements.

Fair value of financial liabilities

In the period of 9 months ended 30 September 2024, the Group did not transfer any debt instruments between individual levels of the fair value hierarchy.

As at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023, the fair values of bank loans were not significantly different from their book values, and they were determined using calculation models based on inputs that are not observable, neither directly or indirectly, in active markets (level 3 of the fair value hierarchy).

6.12. Other financial liabilities

The table below presents other financial liabilities outstanding as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

Financial liabilities	30 September 2024		30 June 2024		31 December 2023 (restated)		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Dividends payable	-	4,885	-	621	-	3,932	-	3,993
Liabilities under deferred and/or conditional payments for controlling interests	122,420	29,280	-	2,983	930	46,725	960	11,361
Liabilities from acquisition of non-controlling interests in subsidiaries (put options)	272,105	45,477	137,834	44,997	173,125	8,219	78,455	46,858
Currency forward contracts	-	-	-	-	-	4	-	22
Other financial liabilities	-	2	-	2	-	48	-	2
	394,525	79,644	137,834	48,603	174,055	58,928	79,415	62,236

As at 30 September 2024, ASEE Group recognized liabilities under put options granted to non-controlling shareholders in the total amount of PLN 317,582 thousand which were related to the following companies: Necoplus – PLN 24,590 thousand, ContentSpeed – PLN 2,798 thousand, BS Telecom – PLN 41,450 thousand, IfthenPay – PLN 18,089 thousand, Helius Systems – PLN 10,783 thousand, Dwelt – PLN 70,223 thousand, Avera – PLN 2,861 thousand, Touras India – PLN 99,138 thousand, Touras Tech UAE – PLN 42,488 thousand, and WEO – PLN 5,162 thousand. The above-mentioned liabilities have been estimated using the price calculation formula as defined in the acquisition agreement, which corresponds to the amount of profits for the contractual term multiplied by a predetermined coefficient.

As at 30 September 2024, liabilities under conditional payments for controlling interests amounted in total to PLN 143,012 thousand and were related to acquisitions of the following companies: Smarttek – PLN 967 thousand, ContentSpeed – PLN 706 thousand, Helius Systems – PLN 1,260 thousand, Askepnet – PLN 6,016 thousand, WEO – PLN 5,733 thousand, Touras India – PLN 76,250 thousand, and Touras Tech UAE – PLN 52,080 thousand. The above-mentioned liabilities have been estimated using the price calculation formula as defined in the acquisition agreement, which corresponds to the company's profit for the contractual term multiplied by a predetermined coefficient.

As at 30 September 2024, liabilities under deferred payments for controlling interests in the amount of PLN 8,688 thousand were related to the acquisition of Touras Tech UAE.

Fair value of financial liabilities

In the period of 9 months ended 30 September 2024, the Group did not transfer any financial liabilities between individual levels of the fair value hierarchy.

As at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023, the fair values of financial liabilities were not significantly different from their book values, and they were determined using calculation models based on inputs that are not observable, neither directly or indirectly, in active markets (level 3 of the fair value hierarchy), except for currency forward contracts the fair values of which are determined using calculation models based on inputs that are directly or indirectly observable in active markets (level 2 of the fair value hierarchy).

6.13. Trade payables, state budget liabilities and other liabilities

The table below presents the Group's liabilities outstanding as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Trade payables, of which:								
Trade payables	-	143,582	-	143,910	-	214,561	-	152,613
from related parties	-	103	-	73	-	648	-	99
from other entities	-	114,426	-	116,298	-	194,899	-	134,014
Uninvoiced payables	-	25,862	-	24,314	-	16,751	-	17,296
from related parties	-	51	-	51	-	44	-	47
from other entities	-	25,811	-	24,263	-	16,707	-	17,249
Liabilities arising from project-related penalties	-	3,191	-	3,225	-	2,263	-	1,204
Corporate income tax payable	-	8,938	-	7,396	-	15,275	-	10,696
Liabilities to the state and local budgets	-	35,598	-	24,980	-	50,849	-	26,185
Value added tax (VAT)	-	21,480	-	10,625	-	34,834	-	12,251
Personal income tax (PIT)	-	2,652	-	2,969	-	4,302	-	2,621
Social insurance	-	8,787	-	9,584	-	10,622	-	9,149
Withholding income tax	-	1,778	-	1,299	-	713	-	1,222
Other	-	901	-	503	-	378	-	942
Other liabilities	57	112,641	47	126,778	47	102,856	50	39,114
Liabilities from payment transactions processed	-	95,297	-	107,434	-	69,584	-	-
Liabilities to employees (including salaries payable)	-	12,670	-	12,659	-	25,494	-	11,635
Liabilities from purchases of tangible assets and intangible assets	-	385	-	722	-	1,504	-	669
Other liabilities	57	4,289	47	5,963	47	6,274	50	26,810
Total	57	300,759	47	303,064	47	383,541	50	228,608

Trade payables are non-interest bearing. Related party transactions have been presented in explanatory note 6.17 to these interim condensed consolidated financial statements.

6.14. Contract liabilities

The table below presents liabilities arising from contracts with customers as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023.

	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Liabilities from valuation of IT contracts, of which:	-	10,768	-	7,312	-	26,361	-	30,375
From related parties	-	-	-	-	-	-	-	-
From other entities	-	10,768	-	7,312	-	26,361	-	30,375
Deferred income from IT projects, of which:	8,274	101,841	9,785	103,695	10,690	131,753	4,272	99,801
Maintenance services, license and subscription fees	8,074	78,563	9,785	74,281	10,690	82,305	4,109	74,401
Prepaid implementation services	-	8,055	-	11,892	-	13,418	163	14,065
Obligations to supply hardware	-	15,074	-	17,498	-	36,005	-	11,306
Other prepaid services	200	149	-	24	-	25	-	29
Total contract liabilities	8,274	112,609	9,785	111,007	10,690	158,114	4,272	130,176

6.15. Provisions

Changes in the amount of provisions during the period of 9 months ended 30 September 2024 and in the comparable period are presented in the table below:

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
As at 1 January	10,594	9,175
Obtaining control over subsidiaries	559	-
Provisions created during the reporting period	2,878	6,519
Provisions utilized/reversed during the reporting period	(5,031)	(5,327)
Exchange differences on translation of foreign operations	(467)	(824)
As at the end of the reporting period, of which:	8,533	9,543
Current	3,708	6,078
Non-current	4,825	3,465

6.16. Accruals and deferred income

The table below presents the amounts of accruals as at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023:

	30 September 2024		30 June 2024		31 December 2023		30 September 2023	
	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000	Non-current PLN'000	Current PLN'000
Accruals, of which:								
Accruals for unused holiday leaves	-	10,650	-	12,435	-	9,768	-	9,595
Accruals for employee and management bonuses	-	35,018	-	25,655	-	26,654	-	38,009
	-	45,668	-	38,090	-	36,422	-	47,604
Deferred income, of which:								
Grants related to assets	1,212	661	1,388	666	-	2,407	-	3,113
	1,212	661	1,388	666	-	2,407	-	3,113

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.

6.17. Related party transactions

The table below discloses the total values of transactions conducted with our related parties during the period of 9 months ended 30 September 2024 and the period of 9 months ended 30 September 2023, as well as outstanding balances of receivables and liabilities arising from such transactions as at 30 September 2024 and 31 December 2023:

	Sales to related parties	Purchases from related parties	Trade receivables and other receivables	Trade payables and other liabilities	Lease liabilities
	9 months ended 30 September	9 months ended 30 September	30 September 2024/31 December 2023	30 September 2024/31 December 2023	30 September 2024/31 December 2023
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Transactions with Asseco Poland					
2024	-	1,299	47	5	-
2023	-	602	47	4	-
Transactions with other entities of Asseco Poland Group					
2024	1,783	374	2,106	12	-
2023	2,633	361	1,206	572	-
Transactions with entities or individuals related through the Key Management Personnel of the Group					
2024	29	1,542	-	144	5,078
2023	-	3,196	-	125	4,715
Transactions with Members of Management Board and Supervisory Board of ASEE S.A. and companies of ASEE Group					
2024	19	23	5,781	914	167
2023	-	14	6,836	19	330

As at 30 September 2024, total receivables from related parties comprised trade receivables amounting to PLN 360 thousand, contract assets amounting to PLN 1,787 thousand, and other receivables amounting to PLN 5,787 thousand, of which PLN 5,740 thousand represent receivables arising from the sale of shares in Payten Holding S.A. to the managers of ASEE Group companies, and PLN 47 thousand constitute a deposit for rental of office space. As at 31 December 2023, total receivables from related parties comprised trade receivables amounting to PLN 744 thousand, contract assets amounting to PLN 462 thousand, and other receivables amounting to PLN 6,883 thousand, of which PLN 6,836 thousand represent receivables arising from the sale of shares in Payten Holding S.A. to the managers of ASEE Group companies, and PLN 47 thousand constitute a deposit for rental of office space.

As at 30 September 2024, total liabilities to related parties comprised trade payables amounting to PLN 154 thousand and other liabilities amounting to PLN 921 thousand. As at 31 December 2023, total liabilities to related parties comprised trade payables amounting to PLN 692 thousand and other liabilities amounting to PLN 28 thousand.

Purchases from and sales to related parties presented in the table above resulted from purchases and sales of hardware and services that were conducted by companies of ASEE Group with related companies of Asseco Poland Group as well as with parties related through the Key Management Personnel or directly with the Key Management Personnel. The Group also incurs costs arising from rentals of space from MHM d.o.o., Belgrade¹, Miljan Mališ and Mini Invest d.o.o., Belgrade², that meet the definition of a lease under IFRS 16. Hence, the Group disclosed right-of-use assets which are subject to depreciation, as well as lease liabilities in the statement of financial position. Lease liabilities arising from rental contracts concluded with parties related through the Key Management Personnel and directly with the Key Management Personnel amounted to PLN 5,245 thousand as at 30 September 2024.

All transactions with related parties are carried out on an arm's length basis.

Furthermore, Asseco International a.s., our parent company, received dividends from the Company in the total gross amount of PLN 43,572 thousand, as compared to PLN 38,554 thousand in 2023.

¹ President of the Management Board of ASEE S.A. holds indirectly a 15% stake in MHM d.o.o. through his wholly-owned Kompania Petyhorska d.o.o.

² Miljan Mališ, Member of the Management Board of ASEE S.A., is a shareholder in the company Mini Invest d.o.o. which in turn is a shareholder in ASEE S.A. As at 30 September 2024, Mini Invest d.o.o. held 298,436 shares in ASEE S.A.

Members of the Management Board and parties related through Members of the Management Board and Supervisory Board of Asseco South Eastern Europe S.A. received dividends from ASEE S.A. in the total gross amount of PLN 2,741 thousand, compared to PLN 2,455 thousand distributed in 2023. The numbers of ASEE shares held by its Management Personnel as well as by their related parties have been presented in section VIII of these interim condensed financial statements. The dividend was paid out on 20 June 2024.

On 23 September 2021, Asseco International a.s. and managers of ASEE Group companies signed agreements for the acquisition of shares in ASEE S.A., which has been described in detail in explanatory note 5.2 in this report. Members of the Management Board of ASEE S.A., acting directly or through their related parties, acquired the following numbers of shares:

Members of the Management Board	Number of shares acquired
Piotr Jeleński	280,000
Miljan Mališ	30,621
Michał Nitka	25,000
Kostadin Slavkoski	5,715
Total	341,336

In the interim condensed consolidated financial statements for the period of 9 months ended 30 September 2024, the costs of share-based payment plan related to shares acquired by Members of the Management Board amounted to PLN 136 thousand.

Until the date of approval of the interim condensed consolidated financial statements, ASEE S.A. has not received information on any related party transactions conducted during the reporting period, which would be carried out other than on an arm's length basis.

VII. 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':

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Change in inventories	(23,647)	(62,404)
Change in receivables and non-financial assets	27,465	(18,419)
Change in liabilities	(134,694)	13,800
Change in prepayments and accruals	(23,260)	(2,105)
Change in provisions	(2,157)	1,192
Total	(156,293)	(67,936)

7.2. Cash flows – investing activities

In the period of 9 months ended 30 September 2024, the amount of cash flows in investing activities was affected primarily by:

- acquisitions of property, plant and equipment (PLN 36,563 thousand) and intangible assets (PLN 2,367 thousand),
- expenditures for acquisition of subsidiaries, net of cash and cash equivalents in subsidiaries acquired, as disclosed in the table below:

	9 months ended 30 September 2024		9 months ended 30 September 2023	
	Acquisition of subsidiaries PLN'000	Cash in subsidiaries acquired PLN'000	Acquisition of subsidiaries PLN'000	Cash in subsidiaries acquired PLN'000
Bithat Solutions	-	-	(1,372)	-
Helius Systems	-	-	(7,690)	-
Smarttek	-	-	(423)	-
Avera	(5,104)	-	-	-
IfthenPay	(5,386)	-	-	-
Dwelt	(25,770)	-	-	-
ContentSpeed	(1,657)	-	-	-
Touras India	(25,904)	(1,791)	-	-
Touras Tech UAE	(8,365)	174	-	-
WEO	(5,055)	1,167	-	-
Askepnet	(3,362)	122	-	-
Total	(80,603)	(328)	(9,485)	-

7.3. Cash flows – financing activities

The table below explains changes in financial liabilities attributable to financing activities, including both changes arising from cash flows and non-cash changes:

Change in financial liabilities	Interest-bearing bank loans and borrowings	Lease liabilities	Dividends payable	Total
	PLN'000	PLN'000	PLN'000	PLN'000
As at 1 January 2024	77,962	47,428	3,932	129,322
Changes arising from cash flows	58,053	(18,849)	(93,012)	(53,808)
Inflows	99,388	-	-	99,388
Repayment of principal amount	(37,387)	(16,535)	(93,012)	(146,934)
Interest paid	(3,948)	(2,314)	-	(6,262)
Non-cash changes	3,262	39,365	94,076	136,703
Interest accrued	3,905	2,314	-	6,219
Non-cash increase in liabilities	-	37,002	94,076	131,078
Non-cash decrease in liabilities	-	(742)	-	(742)

Obtaining control over subsidiaries	-	758	-	758
Foreign exchange differences recognized in financial income/expenses	(643)	33	-	(610)
Exchange differences on translation of foreign operations	(913)	(1,345)	(111)	(2,369)
As at 30 September 2024	138,364	66,599	4,885	209,848

Change in financial liabilities	Interest-bearing bank loans and borrowings	Lease liabilities	Dividends payable	Total
	PLN'000	PLN'000	PLN'000	PLN'000
As at 1 January 2023	81,830	45,118	4,067	131,015
Changes arising from cash flows	(21,687)	(18,305)	(81,620)	(121,612)
Inflows	1,275	-	-	1,275
Repayment of principal amount	(21,311)	(16,844)	(81,620)	(119,775)
Interest paid	(1,651)	(1,461)	-	(3,112)
Non-cash changes	1,097	25,199	81,620	107,916
Interest accrued	1,655	1,461	-	3,116
Non-cash increase in liabilities	-	24,798	81,620	106,418
Non-cash decrease in liabilities	-	(1,034)	-	(1,034)
Foreign exchange differences recognized in financial income/expenses	(558)	(26)	-	(584)
Exchange differences on translation of foreign operations	(739)	(1,185)	(74)	(1,998)
As at 30 September 2023	60,501	50,827	3,993	115,321

Non-cash increase in lease liabilities resulted from the conclusion of new lease contracts as well as modification of existing contracts. Non-cash decrease in lease liabilities resulted from the modification or early termination of lease contracts.

Dividends paid out to non-controlling shareholders represent distributions of dividends to the minority shareholders of the following companies:

	9 months ended 30 September 2024	9 months ended 30 September 2023
	PLN'000	PLN'000
Avera	(1,882)	-
Chip Card	(372)	(178)
e-mon	(337)	(325)
ContentSpeed	(212)	-
Necomplus	(1,293)	(5,065)
Payten HQ	(491)	(286)
BS Telecom	(2,800)	-
Total	(7,387)	(5,854)

Acquisition of non-controlling interests represents the payment of a conditional portion of the purchase price for minority interests in IPS Croatia (which merged with Monri Croatia in 2023) in the amount of PLN 6,023 thousand, and the buyout of non-controlling interests in Bithat for the amount of PLN 3,870 thousand.

VIII. Other explanatory notes

8.1. Off-balance-sheet liabilities

Within its commercial activities ASEE Group uses bank guarantees as well as contract performance guarantees as forms of securing its business transactions with miscellaneous organizations, companies and administration bodies.

As at 30 September 2024, the related contingent liabilities equalled PLN 66,452 thousand, as compared to PLN 66,308 thousand as at 30 June 2024, PLN 95,239 thousand as at 31 December 2023, and PLN 68,561 thousand as at 30 September 2023.

Assets serving as collateral for bank guarantee facilities:

Category of assets	Net value of assets				Amount of granted guarantee secured with assets			
	30 September 2024	30 June 2024	31 December 2023	30 September 2023	30 September 2024	30 June 2024	31 December 2023	30 September 2023
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Financial assets	430	-	-	35	365	-	-	35
Other receivables	397	1,493	838	834	388	941	838	834
Total	827	1,493	838	869	753	941	838	869

None of the above-described guarantee obligations meet the definition of a financial guarantee under IFRS 9, and therefore they are not recognized as liabilities in the statement of financial position of the Group as at 30 September 2024.

The Group is party to a number of contracts for rental of:

- offices and warehouses,
- locations for ATMs,
- transportation vehicles,
- office equipment,
- other assets.

As at 30 September 2024, as well as at 30 June 2024, 31 December 2023 and 30 September 2023, the above-mentioned contracts resulted in the following off-balance-sheet liabilities to make future payments:

	30 September 2024	30 June 2024	31 December 2023	30 September 2023
	PLN'000	PLN'000	PLN'000	PLN'000
<i>Liabilities from rental of space</i>				
In the period up to 1 year	3,247	3,767	4,058	3,532
In the period from 1 to 5 years	4,669	4,660	4,691	1,166
Over 5 years	-	-	-	-
	7,916	8,427	8,749	4,698
<i>Liabilities under operating leases of equipment</i>				
In the period up to 1 year	145	204	269	146
In the period from 1 to 5 years	-	-	-	-
Over 5 years	-	-	-	-
	145	204	269	146

The said contracts meet the definition of a lease under IFRS 16. Off-balance-sheet liabilities disclosed as at 30 September 2024 are related to lease contracts that were subject to exemptions provided under IFRS 16 (short-term leases and leases of low-value assets).

Disputes in litigation at the end of the reporting period

During the reporting period, no significant proceedings were pending before any court, arbitration authority or public administration authority, concerning any liabilities or receivables of ASEE Group companies.

8.2. Seasonal and cyclical business

The Group's sales revenues are subject to some seasonality in individual quarters of the year. Such seasonality is observed mainly in the supply of hardware (the Payment Solutions and Dedicated Solutions segments), intelligent traffic management systems (the Dedicated Solutions segment), transactions carried out within the MoneyGet ATM network (the Payment Solutions segment), as well as in the volume of payment transactions

processed within the business lines of e-Commerce, IPD and Processing. In the case of supply of IT hardware and related services, the fourth quarter revenues tend to be higher than in the remaining quarters, as bulk of such turnover is generated from 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. In the case of our MoneyGet network, the highest revenues are usually generated in the third quarter of the year because this ATM network is oriented towards serving tourist traffic.

8.3. Employment

Number of employees in the Group companies as at	30 September 2024	30 June 2024	31 December 2023	30 September 2023
Management Board of the Parent Company	4	4	4	4
Management Boards of the Group companies	70	64	65	60
Production departments	3,417	3,249	3,226	3,135
Sales departments	310	276	271	273
Administration departments	403	364	354	355
Total	4,204	3,957	3,920	3,827
Number of employees in the Group companies as at	30 September 2024	30 June 2024	31 December 2023	30 September 2023
ASEE S.A.	28	28	32	33
ASEE BSS Macedonia	121	30	-	-
ASEE Bulgaria	19	21	18	18
ASEE Croatia	351	356	360	359
ASEE Macedonia	130	221	249	252
ASEE Turkey	99	99	100	102
Avera	6	7	7	-
BS Telecom Solutions	153	148	151	143
e-mon	6	6	6	6
ASEE B&H Group	157	156	156	108
ASEE Kosovo Group	158	156	158	149
ASEE Romania Group	193	184	186	186
ASEE Serbia Group	610	612	609	605
Necomplus Group	772	730	714	710
Payten B&H Group	76	74	69	70
Payten Romania Group	81	79	82	83
Payten Serbia Group	237	229	220	216
Payten Turkey Group	390	371	376	383
Sonet Group	91	90	88	87
Touras Group	155	-	-	-
IfthenPay	17	17	17	-
Monri Croatia	141	139	122	119
Monri Serbia	4	3	2	1
Payten Croatia	103	103	102	102
Payten Montenegro	23	23	20	19
Payten Egypt	9	9	9	9
Payten Macedonia	34	34	35	34
Payten Slovenia	32	32	32	33
WEO	8	-	-	-
Total	4,204	3,957	3,920	3,827

Number of employees in countries where the Group operates	30 September 2024	30 June 2024	31 December 2023	30 September 2023
South Eastern Europe:				
<i>Bosnia</i>	386	378	376	321
<i>Croatia</i>	595	598	584	580
<i>Macedonia</i>	285	285	284	286
<i>Serbia</i>	851	844	831	822
<i>Other</i>	244	245	241	225
Central Europe	393	381	388	389
Western Europe	461	453	433	422
Middle East	22	9	9	9
Turkey	489	470	476	485
India	142	-	-	-
Latin America	336	294	298	288
Total	4,204	3,957	3,920	3,827

8.4. Significant events after the reporting period

In the period from 30 September 2024 till the date of approval of these interim condensed consolidated financial statements, this is until 23 October 2024, we have not observed any other major events, the disclosure of which might significantly affect the assessment of human resources, assets and financial position of ASEE Group.

8.5. Significant events related to prior years

Until the date of preparing these interim condensed consolidated financial statements for the period of 9 months ended 30 September 2024, we have not observed any significant events related to prior years, which have not but should have been included in these financial statements.



**Summary and analysis of the financial results
of Asseco South Eastern Europe Group
for the period of 9 months ended
30 September 2024**

I. Financial results of Asseco South Eastern Europe Group for the third quarter of 2024

PLN'000	3 months ended		Change	3 months ended		Change
	30 September 2024			30 September 2024		
	PLN'000	PLN'000	%	EUR'000	EUR'000	%
Operating revenues	444,795	398,346	12%	103,748	88,305	18%
Gross profit on sales	116,103	110,129	5%	27,076	24,395	11%
Net profit on sales	63,615	60,323	6%	14,829	13,353	11%
Operating profit	64,021	60,635	6%	14,923	13,422	11%
EBITDA	89,153	83,492	7%	20,788	18,491	12%
Net profit for the reporting period	56,090	63,636	-12%	13,079	14,064	-7%
Net profit attributable to Shareholders of the Parent Company	54,003	62,545	-14%	12,593	13,819	-9%

Financial results achieved by ASEE Group in the third quarter of 2024, presented in EUR, were stronger than in the comparable period of the previous year. The Group's sales revenues increased by EUR 15.4 million year on year driven by higher revenues from own services, mainly SaaS and subscriptions, and higher revenues from the resale of third-party solutions. Operating profit reached EUR 14.9 million increasing by 11%, while EBITDA for the third quarter of 2024 amounted to EUR 20.8 million showing an improvement by 12%. Net profit attributable to shareholders of the Parent Company for the third quarter of 2024 amounted to EUR 12.6 million, reflecting a decrease by EUR 1.2 million or 9%. Such decline was mainly due to financial income and expenses, including mainly: a lower gain on the net monetary position (hyperinflation) by EUR 1.4 million, a lower excess of income over expenses from foreign exchange differences by EUR 1.2 million, recognition of a dividend paid to the minority shareholders of BS Telecom in the amount of EUR 1.0 million, which were partially offset by gains from the revaluation of liabilities under put options granted to minority shareholders.

The said improvement of financial performance resulted primarily from the growing scale and better efficiency of sales in the Payment Solutions segment which was achieved mainly by the business lines responsible for e-Commerce and processing of payment transactions, and to a lesser extent by other business lines of this segment. Stronger financial results of the Payment Solutions segment were partially offset by a weaker performance of the Dedicated Solutions segment as described in more detail later in this commentary.

The growing scale of operations is also partly attributable to the consolidation of new companies by ASEE Group which was commenced in the second half of 2023 as well as in the third quarter of 2024. The newly acquired subsidiaries of ASEE Group generated EUR 4.7 million of sales revenues in the third quarter of 2024. Our new subsidiaries contributed EUR 0.4 million to EBIT and EUR 1.3 million to EBITDA, taking into account depreciation and amortization of assets recognized in the purchase price allocation process.

The above-mentioned results for the third quarter of 2024 also include the effects of hyperinflation related to our Turkish operations, recognized in accordance with IAS 29. Such impact is presented in the table below.

	3 months ended		Impact of hyperinflation	3 months ended		Impact of hyperinflation	3 months ended		
	30 September 2024			30 September 2024	30 September 2024		30 September 2024	30 September 2024	
	Without IAS 29 PLN'000	PLN'000		According to IFRS PLN'000	Without IAS 29 EUR'000		EUR'000	According to IFRS EUR'000	
Sales revenues	444,890	(95)		444,795	103,766	(18)	103,748		
Gross profit on sales	117,144	(1,041)		116,103	27,317	(241)	27,076		
Net profit on sales	64,514	(899)		63,615	15,038	(208)	14,829		
Operating profit	64,940	(919)		64,021	15,137	(214)	14,923		
EBITDA	89,423	(270)		89,153	20,850	(62)	20,788		
Net profit for the reporting period	53,293	2,797		56,090	12,422	657	13,079		
Net profit attributable to Shareholders of the Parent Company	51,214	2,789		54,003	11,937	656	12,593		

More detailed information on financial reporting in hyperinflationary conditions is provided in explanatory note 2.10 to the interim condensed consolidated financial statements.

Described below are the financial results of individual operating segments which do not include the effects of hyperinflation. This approach is in line with information on operating segments that is reviewed by the Management Board.



Results of the **Payment Solutions** segment

Payment Solutions (<i>data without the impact of IAS 29</i>)	3 months ended 30 September 2024	3 months ended 30 September 2023	Change	3 months ended 30 September 2024	3 months ended 30 September 2023	Change
	PLN'000	PLN'000		EUR'000	EUR'000	
Operating revenues	242,471	171,679	41%	56,537	38,125	48%
Operating profit	50,874	33,137	54%	11,856	7,331	62%
EBITDA	66,980	47,803	40%	15,613	10,586	48%

In the third quarter of 2024, sales generated by the **Payment Solutions** segment reached EUR 56.5 million, improving by EUR 18.4 million or 48% in relation to the comparable period last year.

Stronger revenues were recorded by all the business lines of the Payment Solutions segment. The strongest revenue growth was achieved by the business line engaged in eCommerce+Processing, whose sales were by EUR 7.2 million higher than in the comparable period last year. Such growth was accomplished primarily by our operations in Turkey and Western Europe and to a lesser extent in Croatia and Serbia. This growth was also supported by our new companies in India and the United Arab Emirates which have been consolidated since the beginning of the quarter. In all of the aforementioned markets, revenue growth was driven by our proprietary payment processing services. The second highest increase in revenues, by the amount of EUR 6.5 million, was achieved by the business line responsible for maintenance and sale of ATMs. This increase was generated mainly by larger deliveries of equipment to customers in Serbia, Romania and Croatia, as well as by our independent ATM network in Albania and Croatia. The business line responsible for maintenance and sale of POS terminals also reported higher revenues mainly due to larger deliveries of hardware in Western Europe. Smallest by amount, but dynamic revenue growth was recorded by the business line offering solutions dedicated to non-financial customers, such as electronic cash registers (ECR) and InStore payments (IPD) solutions, whose sales increased by EUR 1.3 million year on year to the level of EUR 5.0 million, particularly owing to our operations in Croatia and the Czech Republic.

Operating profit of the Payment Solutions segment for the third quarter of 2024 amounted to EUR 11.9 million, improving by EUR 4.5 million or 62%. Just as in the case of revenues, higher EBIT was recorded across all business lines. Again, the business line responsible for eCommerce+Processing was the largest contributor to growth. The second largest increase was achieved by the business line responsible for maintenance and sale of POS terminals.

Consolidated EBITDA of the Payment Solutions segment for the third quarter of 2024 amounted to EUR 15.6 million, improving by EUR 5.0 million or 48% in relation to the comparable period last year.



Results of the **Banking Solutions** segment

Banking Solutions (<i>data without the impact of IAS 29</i>)	3 months ended 30 September 2024	3 months ended 30 September 2023	Change	3 months ended 30 September 2024	3 months ended 30 September 2023	Change
	PLN'000	PLN'000		%	EUR'000	
Operating revenues	68,505	73,315	-7%	15,992	16,272	-2%
Operating profit	13,541	14,361	-6%	3,163	3,196	-1%
EBITDA	16,610	17,716	-6%	3,880	3,941	-2%

In the third quarter of 2024, the **Banking Solutions** segment generated EUR 16.0 million in sales revenues, reflecting a slight decrease by EUR 0.3 million or 2% in relation to the comparable period last year. Weaker revenues were recorded mainly by the business line offering multi-channel solutions, primarily from

implementation services and modifications carried out in Serbia and Croatia. A smaller decrease in sales was recorded by the business line offering security solutions in Croatia, Bulgaria and Turkey. Such decreases were partially offset by stronger revenues from maintenance of core banking systems in Serbia, Romania and Macedonia.

Operating profit of the Banking Solutions segment for the third quarter of 2024 amounted to EUR 3.2 million, remaining at a similar level as a year ago. However, the distribution of operating profit among individual business lines has changed. A decline in EBIT was reported by the business line offering multi-channel solutions which was compensated by stronger performance of the business lines responsible for security solutions and core banking systems.

Consolidated EBITDA of the Banking Solutions segment for the third quarter of 2024 reached EUR 3.9 million, remaining at a similar level as a year ago.



Results of the **Dedicated Solutions** segment

Dedicated Solutions (data without the impact of IAS 29)	3 months ended	3 months ended	Change	3 months ended	3 months ended	Change
	30 September 2024	30 September 2023		30 September 2024	30 September 2023	
	PLN'000	PLN'000		EUR'000	EUR'000	
Operating revenues	133,914	132,293	1%	31,237	29,331	7%
Operating profit	525	10,238	-95%	117	2,266	-95%
EBITDA	5,832	13,951	-58%	1,356	3,091	-56%

In the third quarter of 2024, the **Dedicated Solutions** segment generated EUR 31.2 million in sales revenues, achieving an increase by EUR 1.9 million or 7%. Here the main engine of growth was the business line responsible for sale of our proprietary solutions, including through the consolidation of a company offering billing solutions for utilities, mainly in the energy sector. This growth was also supported by our operations in Turkey engaged in the development of mobile applications. Whereas, weaker sales were generated by the business line responsible for BPM solutions and road traffic systems. Within the business line responsible for third-party solutions, stronger sales were generated primarily by our company offering road infrastructure in Bosnia and Herzegovina which, however, did not bring an increase in the excess of revenues over third-party costs (Margin 1). Higher revenues in Bosnia and Herzegovina were largely offset by weaker sales generated in Serbia.

Operating profit of the Dedicated Solutions segment for the third quarter of 2024 reached EUR 0.1 million and was lower by EUR 2.2 million or 95% than in the comparable period last year. Such decline is mostly attributable to our operations responsible for third-party solutions in Serbia and Romania. In both cases, operating profit dropped due to a lower excess of revenues over third-party costs (Margin 1) as a result of an insufficient number of projects and deliveries. The business line responsible for sale of proprietary solutions recorded declines in similar areas as described above.

In addition, operating profit dropped due to depreciation and amortization charges on assets that were recognized in the purchase price allocation (PPA), i.e. software, in the amount of EUR 0.3 million.

EBITDA of the Dedicated Solutions segment for the third quarter of 2024 decreased by EUR 1.7 million or 56%, to the level of EUR 1.4 million.

Net profit

Consolidated net profit of ASEE Group for the third quarter of 2024 amounted to EUR 13.1 million, showing a decrease by EUR 1.0 million or 7% in relation to the comparable period last year. In the third quarter of 2024, net result on financial activities equalled EUR 1.4 million, as compared to EUR 3.4 million reported for the comparable period last year. Such decline in gain on financial activities was a consequence of a lower gain on the net monetary position (hyperinflation) by EUR 1.4 million, a lower excess of income over expenses from foreign exchange differences by EUR 1.2 million, recognition of a dividend paid to the minority shareholders of BS Telecom in the amount of EUR 1.0 million, which were partially offset by gains from the revaluation of liabilities under put options granted to minority shareholders.

In the third quarter of 2024, our effective tax rate equalled 19.7%, increasing by 3.5 percentage points in relation to the comparable period of 2023. Such increase is largely due to a lower gain on the net monetary position and the recognized cost of dividends to minority shareholders, both of which do not generate an income tax expense. The effective tax rate calculated excluding these transactions increased by 0.8 percentage points year on year.

	3 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	3 months ended 30 September 2024 EUR'000	3 months ended 30 September 2023 EUR'000
Financial activities	5,832	15,328	1,363	3,370
Pre-tax profit	69,848	75,957	16,286	16,791
Corporate income tax	(13,758)	(12,321)	(3,206)	(2,726)
Effective tax rate	19.7%	16.2%	19.7%	16.2%
Net profit for the reporting period	56,090	63,636	13,079	14,064

II. Financial results of Asseco South Eastern Europe Group for the period of 9 months ended 30 September 2024 /cumulative/

PLN'000	9 months ended		Change	9 months ended		Change	
	30 September 2024			30 September 2023			
	PLN'000	PLN'000		PLN'000	EUR'000	%	
Operating revenues	1,209,461	1,153,937	5%	281,128	252,100	12%	
Gross profit on sales	304,956	308,150	-1%	70,884	67,321	5%	
Net profit on sales	153,300	163,519	-6%	35,633	35,724	0%	
Operating profit	154,600	164,286	-6%	35,935	35,891	0%	
EBITDA	227,447	231,474	-2%	52,868	50,570	5%	
Net profit for the reporting period	144,726	159,333	-9%	33,640	34,809	-3%	
Net profit attributable to Shareholders of the Parent Company	141,001	154,559	-9%	32,774	33,766	-3%	

Financial results achieved by ASEE Group in the first three quarters of 2024, presented in EUR, remained at a similar level as a year ago despite higher sales. Sales revenues totalled EUR 281.1 million, growing by EUR 29.0 million or 12% in relation to the comparable period of 2023. Operating profit reached EUR 35.9 million, just as a year ago, while EBITDA for the first three quarters of 2024 amounted to EUR 52.9 million showing an improvement by 5%. Net profit attributable to shareholders of the Parent Company for the first three quarters of 2024 amounted to EUR 32.8 million, reflecting a decrease by EUR 1.0 million or 3%.

In the first three quarters of 2024, the Payment Solutions segment recorded a significant growth in financial performance, the Banking Solutions segment achieved a modest improvement, while the Dedicated Solutions segment suffered a deterioration because, in addition to weaker results from its current operations, in the second quarter the segment recognized two transactions of a non-recurring nature: i) due to the risk of non-completion of a project carried out for a telecom customer, previously recognized revenues of EUR 1.7 million were reversed, ii) due to the lack of expected positive cash flows from selected intangible assets, the carrying value of these assets was written down by EUR 0.5 million.

The growing scale of operations is also partly attributable to the consolidation of new companies by ASEE Group which was commenced in the second half of 2023 as well as in the third quarter of 2024. The newly acquired subsidiaries of ASEE Group generated EUR 10.4 million of sales revenues in the first three quarters of 2024. Our new subsidiaries contributed EUR 1.6 million to EBIT and EUR 3.4 million to EBITDA, taking into account depreciation and amortization of assets recognized in the purchase price allocation process.

The above-mentioned results for the first three quarters of 2024 also include the effects of hyperinflation related to our Turkish operations, recognized in accordance with IAS 29. Such impact is presented in the table below.

	9 months ended 30 September 2024	Impact of hyperinflation	9 months ended 30 September 2024	9 months ended 30 September 2024	Impact of hyperinflation	9 months ended 30 September 2024
	Without IAS 29	According to IFRS	Without IAS 29	According to IFRS	Without IAS 29	According to IFRS
	PLN'000	PLN'000	PLN'000	EUR'000	EUR'000	EUR'000
Sales revenues	1,201,481	7,980	1,209,461	279,273	1,855	281,128
Gross profit on sales	304,698	258	304,956	70,824	60	70,884
Net profit on sales	154,012	(712)	153,300	35,799	(165)	35,633
Operating profit	155,331	(731)	154,600	36,105	(170)	35,935
EBITDA	226,001	1,446	227,447	52,532	336	52,868
Net profit for the reporting period	126,204	18,522	144,726	29,335	4,305	33,640
Net profit attributable to Shareholders of the Parent Company	122,575	18,426	141,001	28,491	4,283	32,774

More detailed information on financial reporting in hyperinflationary conditions is provided in explanatory note 2.10 to the interim condensed consolidated financial statements.

Described below are the financial results of individual operating segments which do not include the effects of hyperinflation. This approach is in line with information on operating segments that is reviewed by the Management Board.



Results of the **Payment Solutions** segment

Payment Solutions (<i>data without the impact of IAS 29</i>)	9 months ended 30 September 2024	9 months ended 30 September 2023	Change %	9 months ended 30 September 2024	9 months ended 30 September 2023	Change %
	PLN'000	PLN'000		EUR'000	EUR'000	
Operating revenues	620,062	537,325	15%	144,127	117,389	23%
Operating profit	115,245	86,971	33%	26,788	19,001	41%
EBITDA	161,011	131,766	22%	37,425	28,787	30%

Sales generated by the **Payment Solutions** segment in the first three quarters of 2024 reached EUR 144.1 million, increasing by EUR 26.7 million or 23% in relation to the comparable period last year.

Stronger revenues were recorded by almost all the business lines of the Payment Solutions segment. The strongest revenue growth was achieved by the business line engaged in eCommerce+Processing, whose sales were by EUR 14.1 million higher than in the comparable period last year. Such growth was accomplished primarily by our operations in Turkey and Western Europe and to a lesser extent in Serbia and Croatia. As described in the commentary to the third quarter results, this growth was also supported by our new companies in India and the United Arab Emirates which have been consolidated since the beginning of the third quarter. In all of the aforementioned markets, revenue growth was driven by our proprietary payment processing services. The second highest increase in revenues, by the amount of EUR 9.5 million, was achieved by the business line responsible for maintenance and sale of ATMs. This increase was generated mainly by larger deliveries of equipment to customers in Serbia, Croatia and Bulgaria, as well as by our independent ATM network in Albania, Croatia and Montenegro. Smallest by amount, but dynamic revenue growth was recorded by the business line offering solutions dedicated to non-financial customers, such as electronic cash registers (ECR) and InStore payments (IPD) solutions, whose sales increased by EUR 2.8 million year on year to the level of EUR 13.1 million, particularly owing to our operations in Croatia, the Czech Republic and Slovenia. The business line responsible for maintenance and sale of POS terminals reported sales revenues of EUR 55.9 million, reflecting a small decrease by EUR 0.2 million.

Operating profit earned by the Payment Solutions segment in the first three quarters of 2024 amounted to EUR 26.8 million, improving by EUR 7.8 million or 41%. Just as in the case of revenues, the strongest increase in EBIT was generated by the business line responsible for eCommerce+Processing. The second largest increase was achieved by the business line offering solutions dedicated to non-financial customers, such as electronic cash registers (ECR) and InStore payments (IPD) solutions. The business line responsible for maintenance and sale of POS terminals reported a bit weaker EBIT, while the business line responsible for maintenance and sale of ATMs recorded a slight improvement.

Consolidated EBITDA of the Payment Solutions segment for the first three quarters of 2024 amounted to EUR 37.4 million, improving by EUR 8.6 million or 30% in relation to the comparable period last year.



Results of the **Banking Solutions** segment

Banking Solutions (data without the impact of IAS 29)	9 months ended	9 months ended	Change	9 months ended	9 months ended	Change
	30 September 2024	30 September 2023		30 September 2024	30 September 2023	
	PLN'000	PLN'000		%	EUR'000	
Operating revenues	213,874	223,549	-4%	49,713	48,839	2%
Operating profit	47,988	49,334	-3%	11,154	10,777	4%
EBITDA	57,516	59,174	-3%	13,369	12,928	3%

Sales generated by the **Banking Solutions** segment in the first three quarters of 2024 reached over EUR 49.7 million, improving by EUR 0.9 million or 2% in relation to the comparable period last year.

Stronger revenues were reported by the business line responsible for multi-channel solutions (EUR +1.6 million) as well as by the business line offering security solutions (EUR +0.3 million). Whereas, revenues of the business line responsible for core banking systems dropped by EUR 1.0 million in the wake of completion of several major implementation projects.

Operating profit earned by the Banking Solutions segment in the first nine months of 2024 amounted to EUR 11.2 million, improving by EUR 0.4 million in relation to the comparable period of the previous year. EBIT increased while realizing a similar margin of profit as a year ago.

Consolidated EBITDA of the Banking Solutions segment for the first three quarters of 2024 increased by EUR 0.4 million to the level of EUR 13.4 million.



Results of the **Dedicated Solutions** segment

Dedicated Solutions (data without the impact of IAS 29)	9 months ended	9 months ended	Change	9 months ended	9 months ended	Change
	30 September 2024	30 September 2023		30 September 2024	30 September 2023	
	PLN'000	PLN'000		%	EUR'000	
Operating revenues	367,545	385,878	-5%	85,433	84,302	1%
Operating profit	(7,902)	28,095	-128%	(1,837)	6,137	-130%
EBITDA	7,473	39,244	-81%	1,737	8,574	-80%

Sales revenues generated by the **Dedicated Solutions** segment in the first three quarters of 2024 reached EUR 85.4 million, reflecting an increase by EUR 1.1 million or 1%. Both business lines of this segment, which are responsible for proprietary solutions and for third-party solutions, contributed to the growth.

Operating profit of the Dedicated Solutions segment for the first three quarters of 2024 equalled EUR -1.8 million and was lower by EUR 8.0 million or 130% than in the comparable period last year. As described above, in the commentary to the third quarter results, the segment's profit was unfavourably affected by two one-time transactions with a total negative impact of EUR 2.3 million. The remaining decrease in operating profit was caused by delays in signing new projects and was mainly related to our companies operating in Serbia, Romania, and in Bosnia and Herzegovina. In addition, operating profit dropped due to depreciation and amortization charges on assets that were recognized in the purchase price allocation of acquisitions conducted in the fourth quarter of 2023 as well as in 2024, in the total amount of EUR 0.8 million.

EBITDA of the Dedicated Solutions segment for the first three quarters of 2024 amounted to EUR 1.7 million, decreasing by EUR 6.8 million or 80%.

Net profit

Consolidated net profit of ASEE Group for the first three quarters of 2024 amounted to EUR 33.6 million, reflecting a decrease by EUR 1.2 million or 3% in relation to the comparable period last year.

In the first three quarters of 2024, net result on financial activities equalled EUR 5.0 million, as compared to EUR 6.1 million reported for the comparable period last year, which shows a decrease by EUR 1.1 million. Such decline in gain on financial activities was a consequence of a lower excess of income over expenses from foreign exchange differences by EUR 1.1 million, recognition of dividends paid to the minority shareholders of BS Telecom, Avera and Helius in the total amount of EUR 1.3 million, which were partially offset by gains from the revaluation of liabilities under put options granted to minority shareholders.

In the first 9 months of 2024, our effective tax rate equalled 17.7%, increasing by 0.6 percentage points in relation to the comparable period of 2023. The effective tax rate calculated excluding the gain on the net monetary position and the recognized cost of dividends to minority shareholders remained at a similar level as a year ago (19.2%).

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000	9 months ended 30 September 2024 EUR'000	9 months ended 30 September 2023 EUR'000
Financial activities	21,297	28,028	4,950	21,297
Pre-tax profit	175,881	192,296	40,882	175,881
Corporate income tax	(31,155)	(32,963)	(7,242)	(31,155)
Effective tax rate	17.7%	17.1%	17.7%	17.7%
Net profit for the reporting period	144,726	159,333	33,640	144,726

III. Analysis of financial ratios

The analysis of financial ratios was performed based on the data disclosed in the interim condensed consolidated financial statements, which are presented in thousands of PLN.

Profitability ratios

	3 months ended 30 September 2024	3 months ended 30 September 2023	9 months ended 30 September 2024	9 months ended 30 September 2023
Gross profit margin	26.1%	27.6%	25.2%	26.7%
EBITDA margin	20.0%	21.0%	18.8%	20.1%
Operating profit margin	14.4%	15.2%	12.8%	14.2%
Net profit margin	12.1%	15.7%	11.7%	13.4%
Return on equity (ROE)*			17.4%	16.9%
Return on assets (ROA)*			9.1%	10.4%

* Ratios calculated on financial data for the trailing 12 months

In the first three quarters of 2024, our gross profit margin equalled 25.2% and it was by 1.5 percentage points lower than in the corresponding period last year. Analyzing individual operating segments, profitability in the Banking Solutions segment decreased slightly by 0.3 pp, in the Payment Solutions segment it increased by 2.3 pp, while in the Dedicated Solutions segment it decreased by 9 pp.

Our EBITDA margin in the first three quarters of 2024 equalled 18.8% as compared to 20.1% realized in the comparable period last year. While operating profit margin dropped from 14.2% in the first 9 months of 2023 to 12.8% in the same period this year. EBIT margin only declined in the Dedicated Solutions segment by 9.4 pp. The Payment Solutions segment improved its operating profit margin by 2.4 pp, while the Banking Solutions segment recorded an increase in EBIT margin by 0.4 pp.

The net profit margin reached 11.7%, falling by 1.7 percentage points in comparison with the first 9 months of 2023.

Return on equity for the trailing 12 months ended 30 September 2024 equalled 17.4%, increasing by 0.5 percentage points, while return on assets dropped by 1.3 percentage points to the level of 9.1%.

Liquidity ratios

	30 September 2024	30 June 2024	31 December 2023	30 September 2023
Working capital (in thousands of PLN)	193,973	217,621	235,217	271,184
Current liquidity ratio	1.3	1.3	1.3	1.5
Quick liquidity ratio	1.1	1.1	1.1	1.2
Absolute liquidity ratio	0.3	0.4	0.4	0.5

The above ratios have been computed using the following formulas:

Working capital = current assets - current liabilities

Current liquidity ratio = current assets / current liabilities

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

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

At the end of September 2024, our working capital amounted to PLN 194 million, reflecting a decrease by PLN 41.2 million in relation to the level reported at the end of 2023.

In the first 9 months of 2024, the value of current assets decreased by PLN 94.9 million, primarily due to decreases in cash and cash equivalents (by PLN 111.3 million) and in trade receivables (by PLN 52.6 million). Such decline was partially offset by increases in contract assets (by PLN 25.5 million), in receivables from the state and local budgets (by PLN 20.2 million), and in other receivables (by PLN 12.7 million).

In the same period, our total current liabilities declined by PLN 53.7 million. This resulted primarily from decreases in trade payables (by PLN 70.9 million) and in contract liabilities (by PLN 45.5 million).

Our liquidity ratios at the end of the third quarter of 2024 remained at similar levels as at the end of 2023.

Debt ratios

	30 September 2024	30 June 2024	31 December 2023	30 September 2023
Total debt ratio	54.9%	45.4%	47.0%	38.4%
Debt / equity ratio	25.8%	23.1%	13.6%	12.8%
Debt / (debt + equity) ratio	20.5%	18.8%	12.0%	11.3%

The above ratios have been computed using the following formulas:

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

Debt / equity ratio = (interest-bearing bank loans + lease liabilities) / equity

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

The total debt ratio increased from 47% reported at the end of 2023 to the level of 54.9% as at 30 September 2024 mainly due to a significant increase in financial liabilities.

Our debt to equity ratio increased by 12.2 percentage points, while the ratio of debt to total interest-bearing liabilities plus equity increased by 8.5 percentage points as compared to the end of 2023.

Our debt ratios rose mainly due to an increase in bank loans and borrowings from the level of PLN 105.7 million as at 31 December 2023 to PLN 193.8 million as at 30 September 2024 (an increase by PLN 88.1 million). The bank new loans are used to finance the Group's acquisition and operating activities.

IV. Structure of the statement of cash flows

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Net cash provided by (used in) operating activities	36,895	136,899
Net cash provided by (used in) investing activities	(104,825)	(46,974)
Net cash provided by (used in) financing activities	(62,438)	(121,376)
Net change in cash and cash equivalents	(130,368)	(31,451)
Cash and cash equivalents at the end of the period	146,297	217,580

In the first three quarters of 2024, our operating activities provided PLN 36.9 million of net cash inflows, reflecting a decrease by PLN 100 million in relation to the comparable period of the previous year. The decrease in operating cash flows was primarily caused by higher expenditures for working capital. Such change resulted from the cycle of contracts performed and their invoicing, as well as from purchases of equipment to be resold in the coming months.

Net cash outflows in our investing activities amounted to PLN 104.8 million in the first 9 months of 2024. Our investing cash flows were most considerably influenced by the acquisitions of subsidiary companies for PLN 80.9 million, as well as by the acquisitions of property, plant and equipment and intangible assets for the total amount of PLN 38.9 million. Expenditures for the acquisition of subsidiaries included the settlement of conditional/deferred portions of consideration for shares in the following companies: Dwelt, IfthenPay, Avera, ContentSpeed, Touras India, Touras UAE, WEO, and Askepnet.

The acquisitions of tangible and intangible assets included, among others, our expenditures for infrastructure used in the outsourcing of payment processes.

In the first 9 months of 2024, net cash flows from our financing activities amounted to PLN -62.4 million, primarily due to the distribution of a dividend to the shareholders of ASEE S.A. (PLN 85.6 million), repayment of bank loans and borrowings (PLN 37.4 million), payment of lease liabilities (PLN 16.5 million), acquisition of non-controlling interests in Bithat and IPS (PLN 9.9 million), as well as payment of dividends to non-controlling shareholders (PLN 7.4 million). Cash inflows presented under financing activities included basically proceeds from bank loans and borrowings in the amount of PLN 99.4 million.

All the above-mentioned cash flows resulted in a decrease in cash and cash equivalents by PLN 130.4 million during the first 9 months of 2024, as compared to those disclosed at the end of 2023.

V. Information on geographical structure of financial results

The table below presents the basic financial data from the statement of profit and loss for the period of 9 months ended 30 September 2024, in a breakdown by geographical area:

For the period of 9 months ended 30 September 2024 in thousands of PLN	SEE of which:	Bosnia	Croatia	Macedonia	Serbia	Other	CE	WE	MEA	Turkey	India	Latam	Eliminations	Hyperinflation	Total
Sales revenues	706,213	85,715	180,664	42,912	306,721	90,201	194,465	147,616	2,894	140,362	5,727	31,802	(27,598)	7,980	1,209,461
Cost of sales	(521,757)	(73,777)	(121,900)	(29,418)	(230,591)	(66,071)	(168,542)	(116,372)	(1,948)	(82,424)	(3,492)	(24,874)	27,151	(7,721)	(899,979)
Recognition / reversal of allowances for trade receivables	(3,131)	(757)	(1,448)	(169)	(245)	(512)	(1,158)	16	-	(248)	-	(5)	-	-	(4,526)
Gross profit on sales	181,325	11,181	57,316	13,325	75,885	23,618	24,765	31,260	946	57,690	2,235	6,923	(447)	259	304,956
Selling costs	(46,341)	(3,849)	(17,616)	(2,808)	(18,396)	(3,672)	(11,622)	(3,689)	(860)	(12,605)	(376)	(1,544)	645	(399)	(76,791)
General and administrative expenses	(40,134)	(6,895)	(12,042)	(3,678)	(13,004)	(4,515)	(11,092)	(6,859)	(150)	(10,936)	(806)	(3,373)	(944)	(571)	(74,865)
Net profit (loss) on sales	94,850	437	27,658	6,839	44,485	15,431	2,051	20,712	(64)	34,149	1,053	2,006	(746)	(711)	153,300
Other operating income	1,461	142	394	345	427	153	146	386	-	656	-	15	(315)	(19)	2,330
Other operating expenses	(619)	(38)	(185)	(16)	(353)	(27)	(47)	(498)	-	(10)	-	(23)	89	-	(1,108)
Shares in associates	78	-	-	-	-	78	-	-	-	-	-	-	-	-	78
Operating profit (loss)	95,770	541	27,867	7,168	44,559	15,635	2,150	20,600	(64)	34,795	1,053	1,998	(972)	(730)	154,600

For the period of 9 months ended 30 September 2024 in thousands of EUR	SEE of which:	Bosnia	Croatia	Macedonia	Serbia	Other	CE	WE	MEA	Turkey	India	Latam	Eliminations	Hyperinflatio n	Total
Sales revenues	164,152	19,924	41,994	9,974	71,294	20,966	45,202	34,312	673	32,626	1,331	7,392	(6,415)	1,855	281,128
Cost of sales	(121,277)	(17,149)	(28,334)	(6,838)	(53,599)	(15,357)	(39,176)	(27,050)	(453)	(19,159)	(812)	(5,782)	6,311	(1,795)	(209,193)
Recognition / reversal of allowances for trade receivables	(727)	(176)	(337)	(39)	(57)	(118)	(269)	4	-	(58)	-	(1)	-	-	(1,051)
Gross profit on sales	42,148	2,599	13,323	3,097	17,638	5,491	5,757	7,266	220	13,409	519	1,609	(104)	60	70,884
Selling costs	(10,772)	(895)	(4,095)	(653)	(4,276)	(853)	(2,701)	(857)	(200)	(2,930)	(87)	(359)	150	(93)	(17,849)
General and administrative expenses	(9,330)	(1,603)	(2,799)	(855)	(3,023)	(1,050)	(2,578)	(1,594)	(35)	(2,542)	(187)	(784)	(219)	(133)	(17,402)
Net profit (loss) on sales	22,046	101	6,429	1,589	10,339	3,588	478	4,815	(15)	7,937	245	466	(173)	(166)	35,633
Other operating income	339	33	92	80	99	35	34	90	-	152	-	3	(73)	(4)	541
Other operating expenses	(144)	(9)	(43)	(4)	(82)	(6)	(11)	(116)	-	(2)	-	(5)	21	-	(257)
Shares in associates	18	-	-	-	-	18	-	-	-	-	-	-	-	-	18
Operating profit (loss)	22,259	125	6,478	1,665	10,356	3,635	501	4,789	(15)	8,087	245	464	(225)	(170)	35,935

The above figures have been converted at the average exchange rate for the period from 1 January 2024 to 30 September 2024: EUR 1 = PLN 4.3022.

Abbreviations used:

SEE – South Eastern Europe: Albania, Bosnia, Bulgaria, Croatia, Montenegro, Macedonia, Kosovo, Slovenia, and Serbia

CE – Central Europe: Czech Republic, Poland, Slovakia, Romania, Moldova, and Ukraine

WE – Western Europe: Andorra, Spain, and Portugal

MEA – Middle East and Africa: Egypt and the United Arab Emirates

Latam – Latin America: Dominican Republic, Colombia, and Peru.

The table below presents the basic financial data from the statement of profit and loss for the period of 9 months ended 30 September 2023, in a breakdown by geographical area:

For the period of 9 months ended 30 September 2023 in thousands of PLN	SEE of which:	Bosnia	Croatia	Macedonia	Serbia	Other	CE	WE	MEA	Turkey	India	Latam	Eliminations	Hyperinflation	Total
Sales revenues	679,044	82,744	170,656	42,389	304,349	78,906	227,598	142,676	349	112,230	-	25,880	(41,025)	7,185	1,153,937
Cost of sales	(473,125)	(57,567)	(115,918)	(29,567)	(214,712)	(55,361)	(191,246)	(117,808)	(205)	(73,198)	-	(20,669)	41,872	(6,563)	(840,942)
Recognition / reversal of allowances for trade receivables	(3,675)	(495)	(1,359)	14	(1,310)	(525)	(1,124)	-	-	(15)	-	(31)	-	-	(4,845)
Gross profit on sales	202,244	24,682	53,379	12,836	88,327	23,020	35,228	24,868	144	39,017	-	5,180	847	622	308,150
Selling costs	(45,359)	(5,056)	(16,099)	(3,134)	(17,767)	(3,303)	(11,527)	(3,874)	(266)	(11,777)	-	(1,345)	1,134	(134)	(73,148)
General and administrative expenses	(40,315)	(5,428)	(12,042)	(4,124)	(14,688)	(4,033)	(10,697)	(5,394)	(106)	(9,561)	-	(2,551)	(2,277)	(582)	(71,483)
Net profit (loss) on sales	116,570	14,198	25,238	5,578	55,872	15,684	13,004	15,600	(228)	17,679	-	1,284	(296)	(94)	163,519
Other operating income	2,030	150	1,241	214	307	118	135	100	-	137	-	27	(606)	11	1,834
Other operating expenses	(685)	(149)	(319)	(20)	(153)	(44)	(73)	(170)	(3)	(449)	-	(39)	300	(31)	(1,150)
Shares in associates	83	-	-	-	-	83	-	-	-	-	-	-	-	-	83
Operating profit (loss)	117,998	14,199	26,160	5,772	56,026	15,841	13,066	15,530	(231)	17,367	-	1,272	(602)	(114)	164,286
For the period of 9 months ended 30 September 2023 in thousands of EUR	SEE of which:	Bosnia	Croatia	Macedonia	Serbia	Other	CE	WE	MEA	Turkey	India	Latam	Eliminations	Hyperinflation	Total
Sales revenues	148,351	18,077	37,283	9,261	66,491	17,239	49,723	31,170	76	24,519	-	5,654	(8,963)	1,570	252,100
Cost of sales	(103,363)	(12,577)	(25,325)	(6,459)	(46,908)	(12,094)	(41,781)	(25,737)	(45)	(15,992)	-	(4,516)	9,148	(1,434)	(183,720)
Recognition / reversal of allowances for trade receivables	(803)	(108)	(297)	3	(286)	(115)	(246)	-	-	(3)	-	(7)	-	-	(1,059)
Gross profit on sales	44,185	5,392	11,661	2,805	19,297	5,030	7,696	5,433	31	8,524	-	1,131	185	136	67,321
Selling costs	(9,911)	(1,105)	(3,517)	(685)	(3,882)	(722)	(2,518)	(846)	(58)	(2,573)	-	(294)	248	(29)	(15,981)
General and administrative expenses	(8,809)	(1,186)	(2,631)	(901)	(3,209)	(882)	(2,337)	(1,178)	(23)	(2,089)	-	(557)	(497)	(127)	(15,617)
Net profit (loss) on sales	25,465	3,101	5,513	1,219	12,206	3,426	2,841	3,409	(50)	3,862	-	280	(64)	(20)	35,723
Other operating income	444	33	271	47	67	26	29	22	-	30	-	6	(132)	2	401
Other operating expenses	(149)	(33)	(70)	(4)	(33)	(9)	(16)	(37)	(1)	(98)	-	(9)	66	(7)	(251)
Shares in associates	18	-	-	-	-	18	-	-	-	-	-	-	-	-	18
Operating profit (loss)	25,778	3,101	5,714	1,262	12,240	3,461	2,854	3,394	(51)	3,794	-	277	(130)	(25)	35,891

The above figures have been converted at the average exchange rate for the period from 1 January 2023 to 30 September 2023: EUR 1 = PLN 4.5773.

VI. Non-recurring events with impact on our financial performance

Non-recurring events which affected the financial performance, financial position and cash flows of ASEE Group in the third quarter of 2024 and in the comparable period included changes in the Group's organizational structure as described in the section 'Organization and changes in the structure of Asseco South Eastern Europe Group, including the entities subject to consolidation'.

Moreover, due to the existence of hyperinflation in Turkey, the Group has applied IAS 29 and made the inflation-related revaluation of non-monetary assets and liabilities as well as the statement of profit and loss. The impact of hyperinflation on the interim condensed financial statements has been described in detail in explanatory note 2.10 to these interim condensed consolidated financial statements.

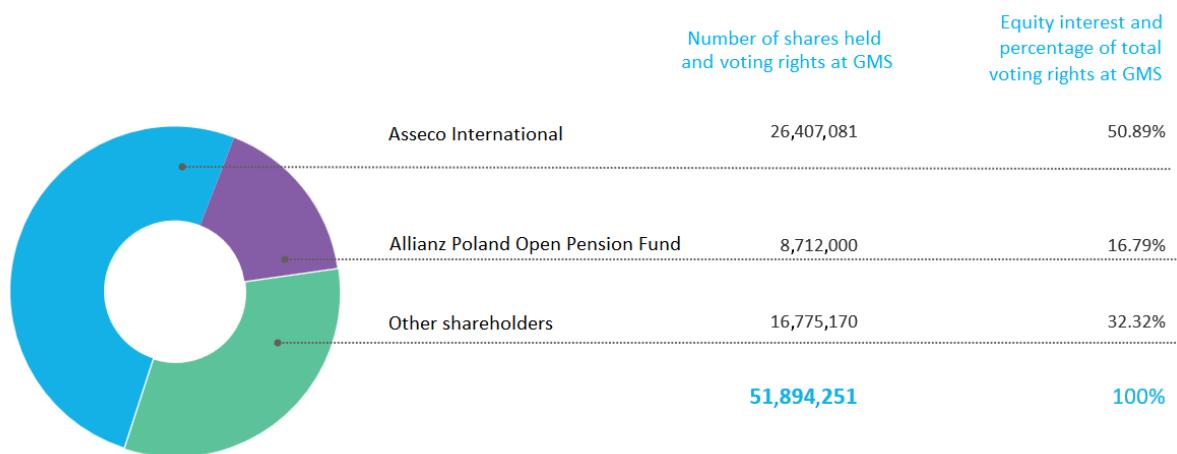
VII. Authorities of Asseco South Eastern Europe S.A.

As at the date of publication of this report, this is on 23 October 2024, the Company's Management Board, Supervisory Board and Audit Committee were composed of the following persons:

Supervisory Board	Management Board	Audit Committee
Jozef Klein	Piotr Jeleński	Artur Kucharski
Adam Góral	Miljan Mališ	Adam Pawłowicz
Jacek Duch	Michał Nitka	Jacek Duch
Artur Kucharski	Kostadin Slavkoski	
Adam Pawłowicz		

In the period from 30 September 2024 till the publication of this report, this is till 23 October 2024, the compositions of the Company's Management Board, Supervisory Board and Audit Committee remained unchanged.

VIII. Shareholders structure of Asseco South Eastern Europe S.A.



As at 30 September 2024, Asseco International a.s. (our higher-level parent) held 26,407,081 shares representing 50.89% in the share capital of our Company, which carried 26,407,081 votes or 50.89% of total voting rights at the Company's General Meeting of Shareholders. The parent company of Asseco International a.s. is Asseco Poland S.A.

To the best knowledge of the Company's Management Board, as at the date of publication of this report, this is on 23 October 2024, as well as on 30 September 2024, the Shareholders who, either directly or through their subsidiaries, held at least 5.0% of total voting rights were as follows:

	Number of shares held	Percentage of total voting rights
Asseco International a.s.	26,407,081	50.89%
Allianz Poland Open Pension Fund	8,712,000	16.79%
Other shareholders	16,775,170	32.32%
Total	51,894,251	100.00%

To the best knowledge of the Company's Management Board, as at 31 December 2023, the Shareholders who, either directly or through their subsidiaries, held at least 5.0% of total voting rights were as follows:

	Number of shares held	Percentage of total voting rights
Asseco International a.s.	26,407,081	50.89%
Allianz Poland Open Pension Fund	8,738,520	16.84%
Other shareholders	16,748,650	32.27%
Total	51,894,251	100.00%

Shares held by the management and supervisory personnel

The numbers of Asseco South Eastern Europe shares held by its management and supervisory staff are presented in the table below:

	23 October 2024	30 September 2024	2 August 2024	31 December 2023
Piotr Jeleński*)	1,253,492	1,253,492	1,253,492	1,253,492
Miljan Mališ**)	298,436	298,436	298,436	338,436
Michał Nitka	45,000	45,000	45,000	45,000
Kostadin Slavkoski	44,315	44,315	44,315	44,315

*) Piotr Jeleński, President of the Management Board of ASEE S.A. holds 1,253,492 shares through the Piotr Jeleński Family Foundation

**) Miljan Mališ, Member of the Management Board of ASEE S.A. is a shareholder in the company Mini Invest d.o.o. which in turn is a shareholder in ASEE S.A.

Members of the Supervisory Board did not hold any shares in Asseco South Eastern Europe S.A. in any of the above-mentioned periods.

IX. Other Information

9.1 Issuance, redemption and repayment of non-equity and equity securities

During the reporting period, the Parent Company did not conduct any transactions of issuance, redemption or repayment of equity or debt securities.

9.2 Changes in the organizational structure of the Issuer's Group

Description of the organizational structure of Asseco South Eastern Europe Group and changes thereto is provided in section III of the explanatory notes to the interim condensed consolidated financial statements of the Group.

9.3 Information on significant judicial proceedings

Both as at 30 September 2024 and the date of publication of this report, neither Asseco South Eastern Europe S.A. nor Asseco South Eastern Europe Group were party to any proceedings pending before any court, arbitration authority or public administration.

9.4 Related party transactions

Transactions with our related parties have been presented in explanatory note 6.17 to the interim condensed consolidated financial statements of Asseco South Eastern Europe Group for the period of 9 months ended 30 September 2024. All transactions with related parties are carried out on an arm's length basis.

9.5 Bank loans, borrowings, sureties, guarantees and off-balance-sheet liabilities

Bank loans and borrowings obtained, sureties and guarantees granted, as well as off-balance-sheet liabilities have been disclosed in explanatory notes 6.11 and 8.1 to the interim condensed consolidated financial statements of Asseco South Eastern Europe Group for the period of 9 months ended 30 September 2024.

9.6 Changes in the Group management policies

During the period of 9 months ended 30 September 2024, the Group's management practices remained unchanged.

9.7 Agreements concluded by the Group and Company with its management personnel providing for payment of compensations if such persons resign or are dismissed from their positions

The Group companies did not conclude any agreements with their management officers that would provide for payment of compensations in the event such persons resign or are dismissed from their positions without substantial reason, or when they are dismissed as a result of a company merger by acquisition.

9.8 Information on the agreements known to the Issuer which may result in future changes of the equity interests held by the existing shareholders and bondholders

There are no agreements which may result in future changes of the equity interests held by the existing shareholders and bondholders.

9.9 Opinion on feasibility of the Management's financial forecasts for 2024

The Management Board of Asseco South Eastern Europe S.A. did not publish any financial forecasts for 2024.

9.10 Information on monitoring of employee stock option plans

On 23 September 2021, Asseco International a.s. and managers of ASEE Group companies signed agreements for the acquisition of shares in ASEE S.A. The whole incentive plan covers 547,550 shares of ASEE S.A. which represent 1.06% of the Company's share capital. Members of the Management Board of ASEE S.A. as well as parties related through Members of the Management Board of ASEE S.A. acquired 341,336 shares in total.

Moreover, on 22 August 2022, ASEE S.A. signed agreements to sell shares in Payten Holding S.A. to the managers of ASEE Group companies. The whole incentive plan covers 426,571 shares of Payten Holding S.A. which represent 0.93% of the company's share capital.

The above-mentioned agreements constitute an equity-settled share-based payment transaction as defined by IFRS 2.

Detailed information on the share-based payment plan has been presented in explanatory note 5.2 to the interim condensed consolidated financial statements of ASEE Group for the period of 9 months ended 30 September 2024.

9.11 Factors which in the Management's opinion will affect the Group's financial performance at least in the next quarter

Because Asseco South Eastern Europe S.A. is primarily engaged in holding activities, factors significant for the Company's development need to be examined taking into account the development and business operations of the entire ASEE Group.

The Management Board of ASEE S.A. believes the Group's current financial standing, operating potential and market position pose no threats to its ability to continue as a going concern throughout the year 2024. However, there are numerous factors, of both internal and external nature, which may directly or indirectly affect the Group's financial performance in the next quarters.

External factors with a bearing on the future financial performance of ASEE Group include:

- Geopolitical situation in the regions of ASEE Group operations, where potential political tensions and instability of local governments may undermine the climate for investments and thus induce the customers of ASEE companies and Payten to delay or even abandon the implementation of IT projects. Another consequence of potential political and social tensions might be an interruption of IT investments in the public administration bodies that are clients of ASEE Group;
- Furthermore, the Russian invasion of Ukraine launched on 24 February 2022 caused a radical change in the geopolitical situation of the entire region of Central and South Eastern Europe, while political tensions and military actions in Israel, the Gaza Strip and Lebanon are affecting the stability of the Middle East region. The Group continues to analyze geopolitical developments and their impact on the Group's financial position and financial performance in the future. It is difficult to assess further development of the war and thus its long-term economic consequences respectively for this region of Europe and the United Arab Emirates, as well as its impact on the overall macroeconomic situation which indirectly affects the financial results of ASEE Group;
- Condition of the IT market and payment services market in the regions of ASEE and Payten operations – it seems the regions of South Eastern Europe, India, Turkey and Latin America remain still

underinvested as compared to the West European countries, which may generate additional demand for technology solutions offered by ASEE Group;

- Opportunities and risks resulting from rapid technological changes and innovations in the IT market, as well as in the banking and payments sector;
- Regulatory changes in the banking and payments sector, which may generate demand for additional services performed by the Group, but on the other hand may open up access to the sector for new players and new technologies that may reduce the competitive advantages of solutions offered by ASEE and Payten;
- Informatization processes in the public administration of South Eastern European countries, aiming to upgrade the quality and functionality of their services to international standards and especially to the requirements of the European Union;
- Availability of the EU structural funds in Romania, Bulgaria, Slovenia and Croatia, as well as pre-accession funds in other South Eastern European countries;
- Consolidation and development of the banking sector which may result in mergers and liquidations of business entities that are clients of ASEE Group, but also in gaining new customers in the sector;
- Outlook for expansion of the Group's operations into new markets through cooperation with local partners;
- More and more severe competition both from local and international IT companies which is observed especially when it comes to the execution of large and prestigious contracts;
- Changes in the credit standing, financial liquidity and availability of financing for the customers of ASEE Group;
- Inflation and fluctuations in the currency exchange rates of countries in which ASEE Group operates. In particular, the risks arising from the economy operating in hyperinflationary conditions, namely Turkey, as well as Egypt whose descent into hyperinflation is likely by the end of this year;
- Level of interest rates in the Eurozone because a significant portion of debt in ASEE Group, including Payten, is denominated in EUR.

Internal factors with a bearing on the future financial performance of our Group are as follows:

- Quality and comprehensive offering of ASEE and Payten;
- Research and development expenditures made by ASEE Group;
- Prospects for expanding the product portfolio of ASEE and Payten on the back of organic growth or potential future acquisitions;
- The Group's ability to run efficient operations through the use of remote channels in internal communication and in customer relations;
- Stability and experience of our managerial staff;
- Transparent organizational structure and efficient operations of the Group;
- experience in the execution of complex IT projects involving the provision of diversified services in broad geographical regions;
- Effective activities of our sales force;
- Execution of complex information technology projects carried out under long-term contracts;
- Implementation of the Group's business strategy that involves focusing on strategic products and services, expansion into new markets, and improving operating efficiency;
- Successful completion of potential company acquisitions in the future.

The factors that will affect the Group's financial performance at least till the end of the next quarter have been indicated and explained in chapter 'Summary and analysis of the financial results of ASEE Group', section I. 'Financial results of Asseco South Eastern Europe Group' of this quarterly report.

The factors that may affect the Group's financial performance in 2024 have also been described in the Management Report on Operations of the Group for the year 2023.

In addition to the above-mentioned descriptions, in the next quarter our financial results will be influenced by common factors with impact on the Group's operations (the existing order backlog, efficient implementation

of ongoing projects, potential new contracts, the number of transactions processed and applicable fees, etc.). The Group continues to invest in the development of new products.

9.12 Other factors significant for the assessment of human resources, assets and financial position

Except for the information provided above, we are not aware of any events the disclosure of which might significantly affect the assessment of human resources, assets and financial position of Asseco South Eastern Europe Group.



**Interim Condensed Financial Statements
of Asseco South Eastern Europe S.A.
for the period of 9 months ended
30 September 2024**

Financial Highlights

Asseco South Eastern Europe S.A.

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000	9 months ended 30 September 2024 EUR'000	9 months ended 30 September 2023 EUR'000
Revenues from holding activities	96,632	90,973	22,461	19,875
Revenues from operating activities	7,634	9,147	1,774	1,998
Operating profit	84,746	78,566	19,698	17,164
Pre-tax profit	72,481	77,459	16,848	16,922
Net profit for the reporting period	70,098	75,095	16,294	16,406
Net cash provided by (used in) operating activities	85,487	19,874	19,871	4,342
Net cash provided by (used in) investing activities	(7,933)	57,159	(1,844)	12,487
Net cash provided by (used in) financing activities	(95,586)	(79,255)	(22,218)	(17,315)
Cash and cash equivalents at the end of the period (comparable data as at 31 December 2023)	11,329	29,361	2,648	6,753
Basic earnings per ordinary share for the reporting period (in PLN/EUR)	1.35	1.45	0.31	0.32
Diluted earnings per ordinary share for the reporting period (in PLN/EUR)	1.35	1.45	0.31	0.32

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

- Items of the 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 as follows:
 - for the period from 1 January 2024 to 30 September 2024: EUR 1 = PLN 4.3022
 - for the period from 1 January 2023 to 30 September 2023: EUR 1 = PLN 4.5773
- The Company'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 the mid exchange rates as published by the National Bank of Poland. These exchange rates were as follows:
 - exchange rate effective on 30 September 2024: EUR 1 = PLN 4.2791
 - exchange rate effective on 31 December 2023: EUR 1 = PLN 4.3480

In this report, all figures are presented in thousands of Polish zlotys (PLN), unless stated otherwise.

Interim Condensed Statement of Profit and Loss and Other Comprehensive Income

Asseco South Eastern Europe S.A.

STATEMENT OF PROFIT AND LOSS	3 months ended 30 September 2024 PLN'000	9 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	9 months ended 30 September 2023 PLN'000
Holding activities	19,641	96,632	13,270	90,973
Dividend income	15,448	85,420	9,075	78,604
Revenues from sale of services	4,193	11,212	4,195	12,369
Operating activities	2,242	7,634	2,868	9,147
Revenues from sale of IT services and software	2,242	7,634	2,868	9,147
Total operating revenues	21,883	104,266	16,138	100,120
Cost of sales	(5,059)	(15,439)	(5,562)	(18,453)
Recognition/reversal of allowances for trade receivables	(357)	(350)	(3)	(3)
Gross profit on sales	16,467	88,477	10,573	81,664
Selling costs	(158)	(466)	(394)	(809)
General and administrative expenses	(1,191)	(3,368)	(739)	(2,287)
Net profit on sales	15,118	84,643	9,440	78,568
Other operating income	8	127	1	9
Other operating expenses	(23)	(24)	-	(11)
Operating profit	15,103	84,746	9,441	78,566
Financial income	610	2,160	128	1,939
Financial expenses	(562)	(14,419)	513	(2,860)
Recognition/reversal of impairment losses on loans granted and other financial instruments	38	(6)	(54)	(186)
Pre-tax profit	15,189	72,481	10,028	77,459
Corporate income tax	(1,877)	(2,383)	(930)	(2,364)
Net profit	13,312	70,098	9,098	75,095
Earnings per share (in PLN):				
basic earnings per share	0.26	1.35	0.18	1.45
diluted earnings per share	0.26	1.35	0.18	1.45
COMPREHENSIVE INCOME:	3 months ended 30 September 2024 PLN'000	9 months ended 30 September 2024 PLN'000	3 months ended 30 September 2023 PLN'000	9 months ended 30 September 2023 PLN'000
Net profit	13,312	70,098	9,098	75,095
Other comprehensive income:	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	13,312	70,098	9,098	75,095

Interim Condensed Statement of Financial Position

Asseco South Eastern Europe S.A.

ASSETS	30 September 2024 PLN'000	30 June 2024 PLN'000	31 December 2023 PLN'000	30 September 2023 PLN'000
Non-current assets				
Property, plant and equipment	726	769	278	313
Intangible assets	4,589	4,650	4,922	5,072
<i>of which goodwill from business combinations</i>	4,567	4,567	4,567	4,567
Right-of-use assets	248	280	345	377
Investments in subsidiaries	665,525	665,525	677,925	691,414
Deferred tax assets	-	1,094	361	422
Other receivables	4,811	4,848	5,774	7,093
Other financial assets	21,713	21,888	8,699	11,019
	697,612	699,054	698,304	715,710
Current assets				
Prepayments and accrued income	2,299	2,459	3,294	2,567
Trade receivables	7,327	3,203	10,702	3,661
Corporate income tax receivable	106	86	-	-
Receivables from the state and local budgets	-	-	-	-
Other receivables	10,592	1,181	15,691	7,488
Other financial assets	9,878	10,612	14,573	9,229
Cash and short-term deposits	11,329	5,832	29,361	18,122
	41,531	23,373	73,621	41,067
TOTAL ASSETS	739,143	722,427	771,925	756,777

Interim Condensed Statement of Financial Position

Asseco South Eastern Europe S.A.

EQUITY AND LIABILITIES	30 September 2024 PLN'000	30 June 2024 PLN'000	31 December 2023 PLN'000	30 September 2023 PLN'000
TOTAL EQUITY				
Share capital	518,943	518,943	518,943	518,943
Share premium	38,826	38,826	38,826	38,826
Other capitals	3,574	3,516	3,402	3,344
Retained earnings	140,778	127,466	156,305	149,842
	702,121	688,751	717,476	710,955
Non-current liabilities				
Bank loans	21,725	23,722	32,610	34,767
Lease liabilities	121	156	213	238
Deferred tax liabilities	271	-	-	-
	22,117	23,878	32,823	35,005
Current liabilities				
Bank loans	1,811	3	18	-
Lease liabilities	126	125	122	146
Other financial liabilities	-	-	3,856	22
Trade payables	1,056	1,267	1,489	1,024
Contract liabilities	5,367	3,503	6,229	3,452
Corporate income tax payable	-	-	1,262	-
Liabilities to the state and local budgets	1,049	269	1,783	604
Other liabilities	306	234	202	203
Accruals	5,190	4,397	6,665	5,366
	14,905	9,798	21,626	10,817
TOTAL LIABILITIES	37,022	33,676	54,449	45,822
TOTAL EQUITY AND LIABILITIES	739,143	722,427	771,925	756,777

Interim Condensed Statement of Changes in Equity Asseco South Eastern Europe S.A.

	Share capital	Share premium	Other capitals	Retained earnings	Total equity
As at 1 January 2024	518,943	38,826	3,402	156,305	717,476
Net profit for the reporting period	-	-	-	70,098	70,098
Total comprehensive income for the reporting period	-	-	-	70,098	70,098
Dividend	-	-	-	(85,625)	(85,625)
Valuation of share-based payment plan	-	-	172	-	172
As at 30 September 2024	518,943	38,826	3,574	140,778	702,121

As at 1 January 2023	518,943	38,826	3,172	150,513	711,454
Net profit for the reporting period	-	-	-	81,558	81,558
Total comprehensive income for the reporting period	-	-	-	81,558	81,558
Dividend	-	-	-	(75,766)	(75,766)
Valuation of share-based payment plan	-	-	230	-	230
As at 31 December 2023	518,943	38,826	3,402	156,305	717,476

As at 1 January 2023	518,943	38,826	3,172	150,513	711,454
Net profit for the reporting period	-	-	-	75,095	75,095
Total comprehensive income for the reporting period	-	-	-	75,095	75,095
Dividend	-	-	-	(75,766)	(75,766)
Valuation of share-based payment plan	-	-	172	-	172
As at 30 September 2023	518,943	38,826	3,344	149,842	710,955

Interim Condensed Statement of Cash Flows

Asseco South Eastern Europe S.A.

	9 months ended 30 September 2024 PLN'000	9 months ended 30 September 2023 PLN'000
Cash flows – operating activities		
Pre-tax profit	72,481	77,459
Total adjustments:	(71,223)	(78,551)
Depreciation and amortization	603	675
Changes in working capital	931	(128)
Interest income/expenses	(538)	(340)
Gain/loss on foreign exchange differences	343	(112)
Gain/loss on investing activities	(72,734)	(78,816)
Valuation of share-based payment plan	172	172
Other	-	(2)
Selected operating cash flows	85,783	21,781
Sale of shares in subsidiaries	1,172	-
Acquisition of shares in related entities	(4,286)	(61,254)
Dividends received	88,897	83,035
Cash generated from operating activities	87,041	20,689
Corporate income tax (paid) recovered	(1,554)	(815)
Net cash provided by (used in) operating activities	85,487	19,874
Cash flows – investing activities		
Inflows:	29,821	75,182
Disposal of property, plant and equipment, and intangible assets	118	-
Disposal/settlement of financial assets carried at fair value through profit or loss	199	-
Loans collected	28,279	73,210
Interest received	1,225	1,972
Outflows:	(37,754)	(18,023)
Acquisition of property, plant and equipment, and intangible assets	(621)	(141)
Acquisition/settlement of financial assets carried at fair value through profit or loss	-	(38)
Loans granted	(37,133)	(17,844)
Net cash provided by (used in) investing activities	(7,933)	57,159
Cash flows – financing activities		
Inflows:	2,125	-
Proceeds from bank loans and borrowings	2,125	-
Outflows:	(97,711)	(79,255)
Dividends paid out	(85,625)	(75,766)
Repayments of bank loans	(10,879)	(2,611)
Payments of lease liabilities	(89)	(89)
Interest paid	(1,118)	(789)
Net cash provided by (used in) financing activities	(95,586)	(79,255)
Net change in cash and cash equivalents	(18,032)	(2,222)
Cash and cash equivalents as at 1 January	29,361	20,344
Cash and cash equivalents as at 30 September	11,329	18,122

This quarterly report has been approved for publication by the Management Board of Asseco South Eastern Europe S.A. on 23 October 2024.

Management Board:

Piotr Jeleński President
of the Management Board

Miljan Mališ Member
of the Management Board

Michał Nitka Member
of the Management Board

Kostadin Slavkoski Member
of the Management Board

Technology for business, solutions for people.

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