

Kraków, 30 April 2024 r.

Letter from the President of the Management Board

Dear Ladies and Gentlemen,

On behalf of the Management Board of Quantum software S.A., I present this report on the Group's operations in 2023.

As in previous years, our efforts were focused on the organic growth of our Group's business.

One direction that we have always considered to be of great importance is the expansion of our overseas business. Due to our involvement in the Ukraine, this was another year of major challenges in that market, but our revenue did not fall and we continue to acquire new customers. Alongside strengthening our presence in existing markets (the Baltics and Central Europe), we succeeded in signing our first contracts in Azerbaijan and Saudi Arabia.

Last year, our revenue exceeded PLN 50 million for the first time (PLN 51.1 million) and, crucially, our recurring revenue reached PLN 21 million. Both figures are up by several percent, thus confirming a long-term trend of stable growth.

What we remain concerned about is improving profitability. Last year saw this improvement, albeit a modest one. While revenue growth was good, costs were also rising. This was a long-term effect of the increase in salaries of 2022, a period when the pressure for increases was at its highest. Ever since the second half of last year, we have been witnessing things calming down in the IT labour market.

Yours faithfully,

Tomasz Hatala
President of the Management Board