



**Management Report of  
Quantum software S.A. Capital Group for the period  
from 1 January to 31 December 2023.**

**Kraków, 30 April 2024**

## **Basic principles adopted in the preparation of the Consolidated Financial Statements**

The Consolidated Financial Statements of Quantum software S.A. Capital Group for 2023 were prepared in accordance with the IAS and comply with the International Financial Reporting Standards (IFRS) approved by the European Union, including the standards and interpretations published or adopted by the International Accounting Standards Board and by the standing Interpretations Committee of the IASB. These Consolidated Financial Statements of Quantum software S.A. Capital Group have been drawn up pursuant to Article 45 of the Accounting Act.

The data included in the statements have been prepared in line with the principles for valuation of assets, equity and liabilities, and the valuation of net income specified as of the balance sheet date, in line with the materiality principle. The Consolidated Financial Statements for the financial year 2023 have been drawn up with the assumption that the Capital Group will continue as a going concern in the foreseeable future. All amounts presented in the Consolidated Financial Statements for 2023 are given in Polish zloty.

Accounting records are kept in accordance with the historical cost principle. The Group made no adjustments to account for the impact of inflation on the individual balance sheet and profit and loss account items. The Group draws up its profit and loss account in the multi-step variant. The cash flow statement is prepared using the indirect method.

This Management Board's report on the operations of the Quantum software Capital Group covers the period from 1 January to 31 December 2023.

The annual consolidated report of the Quantum software Capital Group for the reporting period from 1 January 2023 to 31 December 2023 comprises:

- the Group's Consolidated Financial Statements for the reporting period from 1 January 2023 to 31 December 2023 and as of 31 December 2023 prepared pursuant to the International Accounting Standards, including: the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and Notes to the Financial Statements,

- Comparative financial data to the Financial Statements for the reporting period from 1 January 2022 to 31 December 2022 and as of 31 December 2022,
- Management Report of the Capital Group for the period from 1 January 2023 to 31 December 2023, including the Management Board's Declaration on the application of the corporate governance principles in Quantum software S.A. in 2023,
- Letter from the President of the Management Board, prepared pursuant to Article 70(1)(1) and (29) of the Regulation of the Minister of Finance of 29 March 2018 regarding current and interim information to be submitted by issuers of securities and conditions for considering as equivalent information required under the law of a non-member state,
- Declaration and Information from the Management Board pursuant to Article 71(1)(6) and (7) of the Regulation of the Minister of Finance of 29 March 2018 regarding current and interim information to be submitted by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state.
- Declarations and Assessments of the Supervisory Board pursuant to Article 71(1)(8) and (12) of the Regulation of the Minister of Finance of 29 March 2018 regarding current and interim information to be submitted by issuers of securities and conditions for considering as equivalent information required under the law of a non-member state.
- Report on the audit of the Annual Consolidated Financial Statements.

**Signatures of Members of the Management Board  
responsible for**

**Person**

**bookkeeping**

Tomasz Hatala

Chief Accountant – Monika Kuś

Bogusław Ożóg

Marek Jędra

Tomasz Mnich

Robert Dykacz

### **1. Basic information**

The parent company of the Capital Group is Quantum Software S.A. with its registered office in Kraków at ul. Walerego Sławka 3A. The Company was entered in the Register of Businesses of the National Court Register Krakow – Śródmieście, 11th Commercial Division on 30 October 2002 under KRS number 0000136768. Polish Classification of Activities (PKD) No. 62.01 Z – computer programming activities. Since 25 July 2014, with the transfer of the business to Quantum Qguar sp. z o.o., a subsidiary, the Issuer's core business has been mainly that of a holding company.

Statistical identification number (REGON) 351243328

Tax Identification Number (NIP) 677-17-53-870

National Court Register (KRS) 0000136768

Share capital fully paid up: PLN 682,435.00

### **Management Board:**

President of the Management Board	Tomasz Hatała
Vice-President of the Management Board	Bogusław Ożóg
Vice-President of the Management Board	Marek Jędra
Member of the Management Board	Tomasz Mnich
Member of the Management Board	Robert Dykacz

### **Supervisory Board:**

Chairman of the Supervisory Board	Tomasz Polończyk
Vice-Chairman of the Supervisory Board	Henryk Gaertner
Member of the Supervisory Board	Leopold Kutyla
Member of the Supervisory Board	Marcin Buczkowski
Member of the Supervisory Board	Andrzej Ruciński
Member of the Supervisory Board	Tomasz Mołata
Member of the Supervisory Board	Andrzej Walus

The Consolidated Financial Statements have been drawn up with the assumption that Quantum software S.A. Capital Group companies will continue as going concern in the foreseeable future.

**As at 31 December, 2023, the Group comprises the following subsidiaries of Quantum software S.A. (Group organisational structure):**

**1. Company name: Quantum East sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000294284  
Shareholders: 82.42% of shares owned by Quantum Qguar sp. z o.o.  
Share capital: PLN 308,950.00, fully paid-up

**2. Company name: Quantum International sp. z .o.o. – subsidiary in Ukraine**

Registered office: Kiev  
Address: Jaroslavskij pereulok 7/9, office 40  
Certificate No. 100107724  
Shareholders: 99% of shares owned by Quantum East  
Share capital: USD 76,200, fully paid-up

**3. Company name: Quantum I- Services sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000331050  
Shareholders: 100% of shares owned by Quantum Qguar sp. z o.o.  
Share capital: PLN 1,950,000.00, fully paid-up with a contribution in kind

**4. Company name: Quantum Mobile Solutions sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000297249  
Shareholders: 100% of shares owned by Quantum I – Services sp. z o.o.  
Share capital: PLN 6,000.00, fully paid-up

**5. . Company name: Quantum Qguar sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000516717  
Shareholders: 100% of shares owned by Quantum Software S.A.  
Share capital: PLN 3,995,000.00, paid-up with a contribution in kind,  
and  
PLN 5,000.00, paid-up with a cash contribution

**6. Company name: Qcadoo Limited sp. z o.o. – subsidiary**

Registered office: Kraków  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000344950  
Shareholders: 100% of shares owned by Quantum Qguar sp. z o.o.  
Share capital: PLN 885.000, fully paid-up

## **2. Consolidated financial results of the Capital Group in 2023**

The alternative performance measures (APM) have been applied in order to submit the comprehensive presentation of Quantum software S.A. Capital Group's financial situation. The Group believes that they provide important information on the financial position, operating efficiency, profitability and cash flows of the Quantum software S.A. Group.

The alternative performance measures applied by the Group should be analysed in addition to, not as a substitute for, the financial information presented in the Group's consolidated financial statements. The data should be considered together with these statements.

The Group presents selected APMs because it believes that they provide valuable information on the financial and operational position (in addition to the data presented in the financial statements) as well as facilitating the analysis and evaluation of the Group's financial performance in the respective reporting periods (2022 and 2021). The Group presents specific alternative performance measures because they represent standard measures and indicators widely used in financial analysis. Before the alternative performance valued were selected, they had been analysed in terms of how useful they are in providing investors with helpful information on the Group's financial position, cash flows and financial efficiency. The Group believes they allow for an optimal assessment of the Group's financial performance.

Following the guidelines of ESMA "Alternative Performance Measures" – 05/10/2015 ESMA/2015/1415pl – the indicators presented in the table were calculated according to the following formulas:

- a) return on sales: net profit to sales
- b) return on assets: net profit to assets at the end of the reporting period
- c) return on equity – ratio of net profit to do equity at the end of

of the reporting period;

d) current liquidity ratio: current assets to carrying value of current liabilities

e) quick liquidity ratio: current assets less inventory to carrying value of current liabilities.

**Selected consolidated financial figures from the Capital Group's profit and loss account**

Item	2023 (in PLN k)	2022 (in PLN k)
Net sales	51,100	45,296
Net sales of products	38,830	33,464
Net sales of goods and materials	12,270	11,832
Sales profit/loss	2,771	2,709
EBIT profit/loss	2,921	2,753
Operating profit/loss + EBITDA depreciation	3,731	3,537
Gross profit/loss	2,828	2,483
Net profit/loss	2,825	2,280
Equity	18,322	16,968
Liabilities and provisions	7,541	9,825
Including non-current liabilities	625	1,020
Return on sales – ROS	6%	5%
Return on assets – ROA	11%	9%
Return on equity – ROE	15%	13.4%
Current liquidity ratio	3.3	2.6
Quick liquidity ratio	3.3	2.6

**3. Description of the Capital Group's financial situation and more important events which have had significant impact on the Capital Group's operations and financial results in 2023 or whose impact is possible in the subsequent years.**

For the Group as a whole, last year brought an almost 13% increase in revenue, reaching 51.1 million, and a 24% increase in net profit compared to 2002, reaching 2.8 million.

4. Description of the structure of assets, equity and liabilities of the consolidated balance sheet, including from the perspective of the Capital Group's liquidity

	(in PLN k)	(in PLN k)
	2023	2022
<b>ASSETS</b>		
<b>Fixed assets</b>	<b>3,218</b>	<b>4,156</b>
Property, plant and equipment	2,807	3,711
Goodwill of subsidiaries	-	-
Intangible assets	157	165
Investments in associated entities valued using the equity method	-	-
Financial assets available for sale	-	-
Long-term receivables	131	175
Long-term investments	-	-
Real property	-	-
Long-term financial assets	-	-
Long-term prepayments	-	-
Deferred income tax assets	59	57
<b>Current assets</b>	<b>22,645</b>	<b>22,637</b>
Inventory	98	151
Trade receivables and other receivables	9,686	9,958
Other current receivables and prepayments	1,089	991
Short-term investments:	2,197	380
Cash	7,256	8,281
<b><u>Total assets</u></b>	<b><u>25,863</u></b>	<b><u>26,793</u></b>
<b>Equity</b>	<b>18,322</b>	<b>16,968</b>
Share capital	682	682
Contingent capital	-	-
Called-up share capital	-	-



(negative figure)		
Own shares (negative figure)	-	-
Supplementary capital	-	-
Revaluation reserve	-	-
Differences resulting from translation of financial statements	-856	-495
<b>Liabilities and provisions for liabilities</b>	<b>7,541</b>	<b>9,825</b>
Non-current liabilities	625	1,020
Current liabilities	6,916	8,805
<b><u>Total equity and liabilities</u></b>	<b><u>25,863</u></b>	<b><u>26,793</u></b>

Current assets are the largest part of total assets, accounting for approx. 88% of total assets and liabilities. In the assets structure, the main item is short-term receivables (approx. 43% of the items' value). In tangible assets, the item with the highest value were property, plant and equipment (87%). In equity and liabilities, the main item is equity, accounting for nearly 71% of the balance sheet total. The share of short-term debt amounted to 27% at the end of 2023. The share of debt in the financing of the Group's assets is at a safe level.

## 5. Material events in the Capital Group during the financial year

### ➤ **New customers acquired in Poland and abroad:**

- KMW Engineering sp. z o.o. (Quantum Qguar)
- N2H sp. z o.o. (Quantum Qguar)
- Avromed Company CJSC (Quantum Qguar)
- Folgos sp. z o.o. (Quantum Qguar)
- Clovin S.A. (Quantum Qguar)
- REAL S.A (Quantum Qguar)
- LvivHolod sp. z o.o. (Quantum Interantional Ukraina)
- Soldiko sp. z o.o. (Quantum Interantional Ukraina)
- XM Textiles sp. z o.o. (Quantum Interantional Ukraina)
- Arius Trade sp. z o.o. (Quantum Interantional Ukraina)
- Zammler Ukraina sp. z o.o. (Quantum Interantional Ukraina)

### ➤ **New implementations for existing customers:**

- Rawlplug 5PL Sp. z o.o. (Quantum Qguar)
- Aluprof S.A. (Quantum Qguar)
- Dino Polska S.A. (Quantum Qguar)

- XS sp. z o.o. (Quantum Qguar)
- Orlen Oil sp. z o.o. (Quantum Qguar)
- Axell Logistics sp. z o.o. (Quantum Qguar)
- B Logistik GmbH (Quantum Qguar)
- PAR Bakula sp. j. (Quantum Qguar)
- Klimas Sp. z o.o. (Quantum Qguar)
- B Logistik GmbH (Quantum Qguar)
- Orlen Oil sp. z o.o. (Quantum Qguar)
- Royal Canin sp. z o.o. (Quantum Qguar)
- Dedra-Exim Sp. z o.o. (Quantum Qguar)
- Tip-Topol sp. z o.o. (Quantum Qguar)
- Zachodnie Dystrybucyjne Systemy sp. z o.o. (Quantum International)
- MHP SA (Quantum International)

## 6. **Changes in the amount and type of equity**

In 2023, there was no change in the size and type of equity.

## 7. **Information on core products**

The Group's core business is the development of computer software supporting logistics and manufacturing processes as well as the implementation of complete IT systems, including third-party software and equipment, in companies operating such processes. The Group companies operate mainly in a niche segment, offering technically advanced and high-quality solutions to demanding customers. The Issuer has operated in Poland since 1997. With international experience gained by the founders since 1991, know-how in the area of IT and logistics, and a reliable team of specialists, Quantum Group has succeeded in taking a leading position as a manufacturer of warehouse and distribution software to support the supply chain in Central and Eastern Europe.

The Group's flagship product is the QGUAR system, with over 200 implementations, mainly in Poland, but also in Germany, France, the United Kingdom, Romania, Slovakia, the Czech Republic, Hungary, Ukraine, Belarus and the USA. The QGUAR system is a combination of SCM (Supply Chain Management) class software or SCE (Supply Chain Execution), to be more precise. The system's functionality allows for optimising warehousing, distribution and manufacturing logistics, combined with purchasing and sales processes. The system's implementation is usually an important organisational change in the business and requires several months' work of a team of specialists. Since the Qguar system is grouped into

modules, this allows for managing selected links of the integrated supply chain or managing the logistics processes comprehensively.

The Company offers the following products:

- Qguar Warehouse Management System Professional – Qguar WMS PRO,
- Qguar Warehouse Management System Easyway – Qguar WMS EASYWAY,
- Qguar Yard Management System – Qguar YMS
- Qguar Manufacturing Execution System – Qguar MES
- Qguar Transport Management System – Qguar TMS,

As well as more important auxiliary modules:

- Qguar APS – Advanced Planning System (production planning)
- Qguar VPM – Voice Picking technology
- Qguar 4WEB – Application for remote access to the system (via the Internet)
- Qguar DS – Dock Scheduling
- Qguar RPS – Management of returnable packaging

Expansion to foreign markets requires new language versions of the QGUAR system to be developed. At present, the language versions available are Polish, English, German, Spanish, Portuguese, Hungarian, Italian, Russian and Romanian. The said expansion also translates into the introduction of changes and upgrades in existing systems.

In addition to their own software, the Group companies sell complementary services as well as third-party software and equipment.

The process of implementing the QGUAR system involves the following stages and types of services:

- project (also known as Technical Implementation Specification)
- configuration and individual extensions
- installation
- training,
- implementation
- post-implementation assistance
- service

## 8. Sales markets and supplies

Quantum software Capital Group concentrates its business operations primarily in Poland and Europe. The second key subsidiary after the Polish market is Quantum International sp. z o.o., based in Kiev (Ukraine).

### Sales figures – product structure

	2023	% share	2022	% share
<b>Own licences (Qguar) and services</b>	38,298	74.9%	32,890	72.6%
<b>Goods</b>	12,270	24.1%	11,832	26.1%
<b>other</b>	532	1%	574	1.3%
<b>Total sales</b>	<b>51,100</b>	<b>100%</b>	<b>45,296</b>	<b>100%</b>

*Data in PLN k*

### Sales by markets

	2023	% share	2022	% share
<b>Domestic</b>	43,363	84.9%	37,271	82.3%
<b>Export</b>	7,737	15.1%	8,025	17.7%
<b>Total</b>	<b>51,100</b>	<b>100%</b>	<b>45,296</b>	<b>100%</b>

*Data in PLN k*

The main customers for the Group's products and services are as follows:

- distribution centres ensuring the comprehensive distribution of merchandise, i.e. they have full control over all economic and logistics stages, such as supply, transport to the warehouse, storage, sales, shipment to sales outlets and settlement of the whole process;
- warehouses providing outsourced logistics services, thus acting as an external warehouse of a production or trade company and relieving such company from the need to manage its goods;
- businesses offering comprehensive shipment and transport services;
- manufacturing companies for which it is possible to handle the whole macro-logistics process or to facilitate the existing system by the extension of the IT infrastructure.

The above grouping is reflected in the structure of the Parent Company's existing customers, such as:

- trade and manufacturing companies;
- manufacturing companies (foods and industrial articles);
- logistics service companies.

#### **9. Information on significant post balance sheet events not included in the financial statements.**

There were no significant post balance sheet events.

#### **10. Research and development achievements**

Given the nature of its business, the Group constantly conducts IT research in areas such as equipment, system software, utility software and database software. This activity is intended to select and enhance the offered solutions and technologies used for manufacturing own products. Similarly, it is necessary to make continuous development investments with respect to software to improve and boost its functionalities on the basis of the experience gained and the global trends observed in such types of solutions. For instance, such works on heuristic modelling are performed continually in order to optimise route planning (Qguar TMS) or to optimise production process planning (Qguar APS).

## 11. Employment structure at Quantum software S.A. and the Capital Group

As of 31 December 2023, Quantum software S.A.'s headcount was as follows:

	Year ended 31 December 2023	Year ended 31 December 2022
Management Board	5	4
White-collar employees/Administration	0	0
Blue-collar workers	0	0

The Group's headcount in the year ended on 31 December 2023 was as follows:

	Year ended 31 December 2023	Year ended 31 December 2022
Management Board of the parent entity	5	4
Management Boards of Group companies (*)	16	13
White-collar employees/Administration	153	146
Blue-collar workers	0	0

(\*) The members of the management boards of the Group companies also include members of the parent company's Management Board.

## 12. Contingent liabilities

In 2023, the Capital Group did not have any contingent liabilities.

### **Risk related to the war in Ukraine**

Since 24 February 2022, there has been a war in Ukraine following Russia's aggression. This has directly affected the Issuer's indirect subsidiary, i.e. Quantum International O.O.O. based in Kiev. Some of the company's customers discontinued their operations, while others stopped their projects. There were also payment issues. As the war broke out, the company's

staff were evacuated to Poland and western Ukraine. The Ukrainian company has readjusted its operating directions and continues to do business:

1. Most of the company's customers operating in Ukraine have not discontinued their activities.
2. The company also provides services to customers on the Belarussian market.
3. The company is a subcontractor for services commissioned by other companies from Quantum Group (e.g. the Baltic countries and Ecuador).

Obviously, the war also has an indirect impact on the operating conditions of other subsidiaries of the Issuer. Economies other than Ukraine, in particular Poland, which is of key importance for the Group, are exposed to the effects of the war across the border, such as its social consequences, administrative decisions, sanctions, higher energy costs or rising inflation.

The Issuer's Management Board and Management Boards of the subsidiaries are monitoring the situation in Poland, Ukraine and in other countries where they operate and are making intensive efforts to adapt to the dynamic operating environment.

### **Macroeconomic risk**

The Group's financial situation is affected by the macroeconomic situation in Poland and the countries where the customers of Group companies subsidiaries operate. The financial result achieved by the Company directly and indirectly depends on such factors as the GDP growth dynamics, inflation, national monetary and tax policy, business investments, household income and consumer demand, to name but a few. The factors mentioned above as well as the direction and level of their changes affect the implementation of the tasks planned by the Group's entities. The rate economic growth translates into the revenue of companies operating in particular regions and industries. With this in mind, they adjust their capital expenditures, including development, through improvement or purchase of hardware and appropriate software. As IT system providers, the companies from the Quantum Group, may directly experience the consequences of changed budgets allocated by companies for computerisation.

### **Risk of slowdown in the growth of particular segments in the IT sector in Poland related to technological changes in the industry**

The value of the entire IT market comprises hardware, software and services. Each of these segments may develop at a faster or slower pace. The analyses of the IT hardware and services market show growth trends. The low saturation of Polish companies with modern technologies provides a fertile ground for the development of companies whose business focus is similar to that of Quantum Group companies. However, this market is very sensitive to fluctuations of the economic situation. At the time of an economic downturn, companies restrict their investment policies, including IT expenditures. Decreased demand for computer software leads to lower sales, which differ substantially from the forecasts. This being the case, the demand for the Group's products may decrease, leading to decreased sales. Technological changes and frequent launches of new IT services are closely related to this sector. The product lifecycle is short, while the expenditures on product development are high. As a result, the incurred expenditures may not be covered by the sales. Therefore, there is a risk that the decision to develop a particular product will be based on incorrect assumptions which do not satisfy current market needs and a risk that the product development cycle, i.e. software design, development and the test phase, may be longer than expected, and the respective market segment will already have been conquered by competitors. The market requirements are monitored by the company's own staff with a view to reducing this risk. In addition, the cooperation between Quantum Group companies and computer hardware and software suppliers allows for regular monitoring of technological changes and innovations on the market.

### **Risk of increased competition**

The IT market is currently in the phase of a dynamic growth. This situation attracts new providers of IT services, who, attracted by high profits, increase the number of entities operating on the market. As a result, new companies offer products diversified in terms of price, functionality or advancement. This directly translates into a more competitive market environment, and the Group companies may be required to make higher expenditures on growth and advertising, and to reduce the current margin. Furthermore, the large capacity of the Polish and neighbouring markets and the fact that the level of computerisation is far from average European levels also means that many global companies providing similar services are interested in doing business in Poland and neighbouring countries. Quantum Group has no



influence over its competitors' activities and products. However, it has the potential to maintain its market position thanks to its experience.

### **Risk of foreign operations**

The sales of Quantum Group's companies are mainly in Poland. However, the companies also pursue marketing activities and conclude contracts with entities operating in other countries. Approx. 15% of the Group's sales is generated abroad. While the business environment in the European Union is currently relatively stable, the Group operates also in other countries, mainly in Ukraine and Belarus, with a less stable economic and legal environment.

The risks associated with the war in Ukraine are described separately.

### **Foreign exchange risk**

The Group companies conclude export transactions in foreign currencies (mainly in EUR). Changing foreign currency to PLN exchange rates may lead to worse-than-expected results. Foreign exchange rate fluctuations affect the financial result through the following:

- changes in the value of export sales and costs expressed in PLN,
- realised foreign exchange gains/losses between the date of sale or purchase and the date of payment of receivables or liabilities,
- unrealised foreign exchange gains/losses from the valuation of settlements as of the balance sheet date.

Commercial transactions in foreign currencies on account of export are part of the Group's normal course of operations. This means that future cash flows on this account are exposed to changes in value due to foreign exchange fluctuations. The level of compensation between foreign currency revenue and costs has become difficult to predict.

Given the difficult situation in Ukraine and Belarus, counterparties exert considerable pressure to make contracts independent from the rising FX rates. As a result, the foreign exchange risk is even higher.

## **Risk of contracts performed**

The core business of Quantum Group companies does not involve selling large numbers of easily installed programmes but conducting large individual implementation projects with a high level of complexity, usually requiring several months' work of a team of specialists. The system implemented in a particular company must monitor very complex logistics processes and integrate them with the operations of all company departments in real time. There is a risk that the company's process and information flow may be modelled in an inaccurate way the risk of extended duration of the planned tasks and the risk of changes in the scope of works over the originally agreed plan. Decrease in the contract value, higher costs of contract performance compared to the expectations, contract termination or potential financial claims from the customer may have a negative impact on the current financial situation of the Group entities. These risks are mitigated through international experience, proprietary, standard product base and an experienced team of professionals.

## **Implementation risk**

As a supplier of complex IT systems implemented over the course of several months, the group is under the pressure to satisfy customer requirements and stay within the planned budget. Sometimes a need arises to change the assumptions or reduce the remuneration. At present, economic processes are becoming more complex. Therefore, without the required know-how it is easy to implement a system that is sub-optimal for the customer, which may harm the Company's reputation as repairs may be required. Furthermore, customers often consider IT system suppliers to be business consultants and require greater economic efficiency after installing IT solutions. There is a risk that, without proper analyses, such requirements may not be satisfied. Implementation effectiveness is one of the Group's goals. Implementation departments have multi-level implementation methods, limiting the probability of analytical errors.

## **Risk of delays in the development of new products**

Qguar, an SCE class system, offers end-to-end logistics solutions and satisfies the requirements of the customer and their environment. As a supplier of IT systems, the Issuer and its subsidiaries need to constantly expand their offer, introduce new functionalities and

ensure data integrity. The competition and customer requirements are constantly growing. This gives rise to a risk that we will introduce new products that meet the current needs of customers later than our competitors and that other suppliers will conquer the market, as a result of which our sales will fall.

To prevent this, Quantum Group companies continue their research and development work which, on the one hand, seeks to improve our products and their quality, and on the other hand, introduces new and competitive solutions.

### **Risk of short product life cycle**

Due to the scale of innovation and the pace at which new products are introduced in the IT sector, the existing products must be adjusted to changing hardware platforms and new products must be introduced. In the absence of sufficient technological base and well-qualified staff, there may be delays in updates and in the introduction of new products, making our offer less attractive. This may lead to a decrease in sales, and, as a result, a decrease in the generated profit. Quantum Group companies take steps to minimise this risk through constant development of our managers, regularly increasing, where possible, the number of highly qualified employees and by funding research and development works.

### **HR risk**

As the IT market grows, so does the interest of our competitors in capable and highly qualified personnel. IT companies, for whom staff is the key production factor, are at risk of losing their key specialists. Companies constantly monitor the labour market, while the employees themselves are active as well. This situation leads to an increase of salaries and, as a result, to lower returns on business activity. The Group companies seek to create attractive working conditions for its employees, and uses incentive-based remuneration methods.

### **Risk associated with seasonality and irregularity of revenue**

The typically seasonal nature of the IT sector, where maximum sales are recorded in Q4 of the calendar year (which is related to the end of the financial year when system upgrades usually take place) affects Quantum Group companies to a smaller extent. Sales fluctuations between quarters are more connected with customer investment cycles than seasonality.

#### **Risk of overdependence on key suppliers**

In its operations, Quantum software S.A. and its subsidiaries use equipment and software from external suppliers. Losing one of key suppliers may lead to the interruption of supplies. The Group companies minimise this risk by maintaining good relationships with strategic partners. An additional factor reducing the risk is collaboration with multiple suppliers, wherever possible.

#### **Risk of overdependence on key customers**

This risk affects all companies of Quantum Group. Generally, revenue from individual entities occasionally and rarely exceeds 10% of total revenue of individual companies.

#### **Risk related to changing legal regulations and instability of the tax system**

Frequent changes of legal regulations in Poland are pose a threat to the Group's activity. The changes involve, among other things, tax regulations and interpretations, trade regulations and provisions of the labour law. Frequent changes in the regulations may have a negative impact on current operations, increasing the costs and affecting the financial performance. Uncertainty about future developments also makes it difficult to assess the impact of future events and the strategic decision-making process. The entry into force of new law regulations may involve interpretation ambiguities, inconsistent decisions of the courts or unfavourable interpretations adopted by public administration (and tax) authorities. The Group companies monitor draft amendments to the regulations on a regular basis and make business decisions taking into account the planned changes.

#### **Investment risk**

Major capital expenditures, in accordance with the adopted strategy, are related to introducing new products to new markets. It is an opportunity for development, but also a source of additional risks. These are particularly connected with the activity of Quantum's subsidiaries in other countries. This risk is particularly high on the Eastern markets (Ukraine and Belarus) and on the markets of Latin America, being related to a business culture different from the European one as well as high costs of ongoing supervision.

### **13. Information about organisational or equity relations between the Company and other entities**

Quantum software S.A. – the parent company of the Group, after establishing Quantum Qguar sp. z o.o., now carries out mainly holding activities.

Quantum East sp. z o.o. – a subsidiary of the Group where Quantum Qguar sp. z o.o. holds 82.42% of shares – holding nature. Full consolidation method.

Quantum International sp. z o.o. (Ukraine) – a subsidiary of the Group where Quantum East Sp. z o.o. holds 99% of shares; it sells and implements IT solutions provided by Quantum software SA in Russian-speaking countries. Full consolidation method.

Quantum I- Services sp. z o.o. – a subsidiary of the Group where Quantum Qguar sp. z o.o. holds 100% of shares – the company sells licences, hardware and IT services not directly related to Quantum software S.A.'s own products (i.e. the Qguar series at present). Full consolidation method.

Quantum Mobile Solutions sp. z o.o. – the Group's subsidiary where Quantum I – Services Sp. z o.o. holds 100% of shares. The company develops and sells IT solutions for mobile devices.

Quantum Qguar sp. z o.o. – a subsidiary of the Group; 100% of its shares are held by Quantum Software S.A. The company develops and implements IT systems.

Qcadoo Limited sp. z o.o. – the Group’s subsidiary where Quantum Qguar sp. z o.o. holds 100% of shares – the Company creates and delivers SaaS-type software that supports production management.

In 2023, no changes were introduced to the QS SA Capital Group’s organisational structure.

**14. Information on the Company's major domestic and foreign investments (securities, financial instruments, intangible assets and real property)**

Apart from the investments described in other sections, the Group’s Companies did not invest in real properties and securities in the period under review.

Investments in financial instruments include Quantum Software S.A.’s and Quantum Qguar sp. z o.o.’s units in the investment funds Generali Korona Dochodowy and BNP Paribas Konserwatywnego Oszczędzania. They are described in the cash section of the financial statements.

**15. Information about loans and borrowings taken out and terminated**

In 2023, the Group did not incur such liabilities.

16. Information on borrowings granted during the financial year, with particular emphasis on borrowings granted to the Issuer's related parties, including at least the amount, type, interest rate, currency and maturities, and on sureties and guarantees granted

BORROWINGS GRANTED								
Long-term	Principal	Interest rate	Repayment date	Balance as of		Interest accrued from the beginning of the financial year to		Security interest
				31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	
<i>Borrowings granted to other parties</i>								
Other entities	35	Fixed 7%)	30 Jul 2028	38	37	1	3	No security interest
Employees	18	Fixed 7%)	20 Feb 2026	26	11	5	1	No security interest
<b>TOTAL:</b>				<b>64</b>	<b>48</b>	<b>6</b>	<b>4</b>	

BORROWINGS GRANTED								
Current	Borrowing amount	Interest rate	Repayment date	Balance as of		Interest accrued from the beginning of the financial year to		Security interest
				31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	
<i>Borrowings granted to other parties</i>								
Shareholder of Quantum Assets	2,006	one-month EURIBOR (floating rate) plus 1.98%	27 Apr 2024	1,974	-	17	-	Pledge on shares in Quantum Assets sp.z o.o. and mortgage
Other entities	117	Fixed 7%)	31 Dec 2024	129	303	5	6	No security interest

Employees	91	Fixed 7%)	31 Dec 2024	94	77	3	4	No security interest
<b>TOTAL:</b>				<b>2,197</b>	<b>380</b>	<b>25</b>	<b>10</b>	

➤ **2023:**

**Borrowings granted to other parties:**

- I. Long-term borrowings granted to other parties as of 31 December 2023: PLN 37 788.38.
- II. Short-term borrowings granted to other parties as of 31 December 2023: PLN 129 024.95.

**Borrowings granted to employees:**

- I. Long-term borrowings granted to employees as of 31 December 2023: PLN 26 677.64.
- II. Short-term borrowings granted to employees as of 31 December 2023: PLN 93 827,37.

➤ **2022:**

**Borrowings granted to other parties:**

- I. Long-term borrowings granted to other parties as of 31 December 2022: PLN 37,018.86.
- II. Short-term borrowings granted to other parties as of 31 December 2022: PLN 302,840.68.

**Borrowings granted to employees:**

- I. Long-term borrowings granted to employees as of 31 December 2022: PLN 10,990.19.
- II. Short-term borrowings granted to employees as of 31 December 2022: PLN 77.265,54.



**17. Description of the use by the Issuer of inflows from security issues**

Not applicable.

**18. Assessment of the management of financial resources**

The Management Board assesses the Group's financial situation to be good. The financial ratios do not indicate any threats to the Group's ability to fulfil its obligations. The Group finances its operations mainly through equity and trade liabilities.

The financial costs in 2023 amounted to PLN 564k and financial revenue amounted to PLN 471k.

**19. Assessment of the possibilities to perform investment projects, including capital investments, compared to the funds held, considering possible changes in the financing structure of such operations**

The funds held will allow for the implementation of the investment plans for 2024.

**20. Information about contracts significant for the capital group's operations, including contracts known to the group, made between the shareholders: insurance, partnership and cooperation agreements**

On 27 October 2023, Quantum Qguar sp. z o.o. granted a borrowing to the shareholder of Quantum Assets sp. z o.o. For more details, see point 16.

**21. Assessment of factors and unusual events affecting the business result for the period.**

No untypical events took place that could affect the business result for the period.

**22. Internal and external factors of material significance to the Company's growth**

The factors which will affect the development of Quantum Group in the following year can be divided into external/independent from and internal/dependent on the Group's entities.

External factors include:

- impact of the war in Ukraine – both the direct impact on the Kiev-based company Quantum International and the indirect impact on the social and economic situation in other countries, mainly Poland;
- economic growth and growth in investments by businesses in Poland;
- situation in the European Union (risks posed by e.g. Brexit, the ECB's policy);
- situation in Ukraine, Belarus and Russia, and its effect on sales in other countries of the Commonwealth of Independent States;
- economic situation in Latin American countries,
- companies' decisions on budgets for IT expenditures;
- access of Polish companies to structural funds, which, to a certain extent, will be used for the development of IT systems and for financing R&D;
- concentrated competitor activity in the Group's main business area.

Internal factors include:

- effective solutions to adapt the working conditions in response to the war in Ukraine on an ongoing basis;
- timely completion of works specified in the contracts whose implementation started in the previous year in accordance with the budgeted expenditure and contractual terms;
- effective HR policy with a view to eliminating the risk of turnover of qualified and skilled employees, while maintaining profitability (payroll is the main cost item);
- successful marketing efforts in acquiring new contracts;
- success of capital expenditures.

**23. Adopted development strategy and operations undertaken within its implementation in the period covered by the report together with the description of the perspectives**

**of the Capital Group's operation development at least in the next financial year.**  
**Directions of the Capital Group's development**

Quantum Qguar (and its subsidiaries), which is the largest entity in Quantum software S.A.'s holding, concentrates on developing and implementing IT systems for businesses which look for state-of-the-art logistics and production solutions. With their own software as a starting point, the companies make efforts to deliver comprehensive solutions to these customers. Plans for the future focus on improving the QGUAR system and on expanding the range and operations.

Quantum Group's strategy relies on:

- its competences required to develop and implement SCM (Supply Chain Management) systems, which involves IT as well as logistics, automation, goods identification techniques and enterprise management;
- long-term international experience of working for renowned companies.

Strategic growth directions:

1. Expanding the proprietary Qguar software suite by additional SCM modules.
2. Expanding the range by:
  - implementing third-party software that requires competences and experience in logistics or is complementary to the Qguar system;
  - offering a full range of services involving the integration of logistics systems (consulting, computer hardware, peripherals and software for all layers);
3. Further geographic expansion and strengthening of the position of leading software producer for broadly-defined logistics in Central and Eastern Europe.

The Group plans to implement the above objectives through organic growth and through probable capital expenditure, acquisitions and mergers. Expanding the Qguar suite by further modules is the most natural mechanism for developing the Group's offer. The systematic increase in the demand for this type of software results from the following factors:

- higher requirements of businesses in terms of optimising the supply chain and reducing logistics costs;
- higher demand for logistics services;

- rapid technological development and lower prices of equipment for identifying goods (barcodes and RFID);
- development of mobile data processing technology;
- rise in labour costs increasing the demand for the application of solutions from the automation field in connection with IT.

Quantum Group companies can use their experience and market position to implement third party applications, which may be complementary to their own products. For a number of years, the Group's companies have been developing the integration activities in the scope of end-to-end systems for the logistics industry. In addition to implementing the utility application itself, the following topics are addressed:

- process design,
- ICT infrastructure,
- equipment (including industrial automation);
- operating and database software.

For many businesses in the early growth stage, the computerisation concerns bookkeeping, and at the later stage the computerisation becomes critical for the supply chain management. This creates an opportunity for the Group's development as a supplier of end-to-end SCM class IT systems for businesses in which efficient logistics processes are of vital importance. The QGUAR suite has an established position as the leading warehouse and distribution application on the Polish market. With nine language versions used in Western and Eastern Europe, it is a solid base for growing export. CEE represents a promising market due to the expected economic growth, resulting from the disproportions compared to Western European markets. Experience to date has shown that this market's specific nature allows effective competition with the providers of IT solutions from western countries. It is important that the offered products are established on the international market (multiple languages) and do not create any barriers for multinational businesses. This is because being cross-border is one of the basic characteristics of logistics processes.

#### **24. 2023 performance forecast**

The Group did not publish any performance forecasts for the period.

## 25. Changes in basic management principles

2023 saw no changes in the basic management principles in the Group.

## 26. Information about entering by the Issuer or its subsidiary into transactions with related entities.

Information about transactions entered into by the Issuer or its subsidiaries with related entities was described in the QS SA Capital Group's Consolidated Annual Financial Statements in note no. 24.

## 27. Value of remuneration, bonuses and benefits, including under incentive or bonus schemes based on the company's capital, paid or due to the members of the parent company's Management Board and Supervisory Board

Amount of remuneration of the Parent Company's Management Board Members and their remunerations for holding functions in subsidiaries:

<b>Last and first name</b>	<b>total remuneration for the period 01/01/2023 - 31/12/2023 in PLN</b>
Hatala Tomasz	307,460.00
Ożóg Bogusław	211,119.75
Jędra Marek	283,950.00
Mnich Tomasz	263,926.50
Robert Dykacz	99,525.75

Amount of remuneration of Supervisory Board Members

<b>Last and first name</b>	<b>total remuneration for the period 01/01/2023 - 31/12/2023 in PLN</b>
Kutyła Leopold	6,000.00
Polończyk Tomasz	123,994.19
Gaertner Henryk	6,000.00

Marcin Buczkowski	6,000.00
Andrzej Ruciński	6,000.00
Tomasz Mołata from the date of appointment	30,964.00
Andrzej Walus	0.00

**28. For capital companies: total number and nominal value of all shares of the Issuer as well as shares in the Issuer's related parties held by the Issuer's managerial and supervisory staff (separately for each person)**

The share capital of Quantum software SA amounts to PLN 682,435.00, divided into 1,364,870 shares (750,000 series A registered shares, and 614,870 series B, C, D and E ordinary bearer shares, with a nominal value of PLN 0.50 each).

The share capital of Quantum East sp. z o.o., a subsidiary, amounts to PLN 308,950k, divided into 6,179 shares each with a nominal value of PLN 50.00, of which Quantum Qguar sp. z o.o. holds (82.42%) 4,838 shares with a value of PLN 241,900.

The share capital of Quantum International sp. z o.o. (Ukraine), the subsidiary, is USD 76,200, Quantum East holds 99 % of the company's shares.

The share capital of the subsidiary Quantum I-Services Sp. z o.o. amounts to PLN 1,950,000.00, divided into 1,950 shares with a nominal value of PLN 1,000.00 each. Quantum Qguar sp. z o.o. holds 100% of the company's shares.

The share capital of Quantum Mobile Solutions sp. z o.o. amounts to PLN 6,000, divided into 120 shares with a nominal value of PLN 50.00 each. Quantum I- Services sp. z o.o. holds 120 (100%) of the company's shares.

The share capital of Quantum Qguar sp. z o.o. amounts to PLN 4,000,000, divided into 80,000 shares with a nominal value of PLN 50.00 each. 80,000 (100%) shares are held by Quantum software S.A.

The share capital of Qcadoo Limited System sp. z o.o. is PLN 885,000.00, divided into 8,850 shares with a nominal value of PLN 100.00 each. Quantum Qguar sp. z o.o. holds 8850 (100%) shares

Presented in the table below is Quantum software S.A.'s shareholding by persons managing and supervising the Issuer as of 31 December 2023 and 30 April 2024, i.e. the publication date of this report

<b>Management Board</b>	<b>Number of shares</b>	<b>Total nominal value of shares</b>
Tomasz Hatala	63,071	PLN 31,535.50
Bogusław Ożóg	43,796	PLN 21,898.00
Marek Jędra	14,020	PLN 7,010.00
Tomasz Mnich	7,682	PLN 3,841.00
Robert Dykacz	24,501	PLN 12,250.50
<b>Supervisory Board</b>	<b>Number of shares</b>	<b>Total nominal value of shares</b>
Tomasz Polończyk	14,010	PLN 7,005.00
Tomasz Mołata	2,265	PLN 1,132.50
Henryk Gaertner	954	PLN 477.00

In addition, the aforementioned persons and two of the members of the Supervisory Board hold shares in the Issuer's parent company, Quantum Assets sp. z o.o.:

<b>Management Board</b>	<b>Number of shares in the parent entity</b>	<b>Total nominal value of shares</b>
Tomasz Hatala	3,795	PLN 1,897,500.00
Bogusław Ożóg	1,082	PLN 541,000.00
Marek Jędra	639	PLN 319,500.00
Tomasz Mnich	504	PLN 252,000.00

Robert Dykacz	672	PLN 336,000.00
<b>Supervisory Board</b>	<b>Number of shares in the parent entity</b>	<b>Total nominal value of shares</b>
Tomasz Polończyk	726	PLN 363,000.00
Tomasz Mołata	443	PLN 221,500.00
Henryk Gaertner	946	PLN 473,000.00

According to the information available to the parent company's Management Board, no member of the managerial or supervisory staff holds shares in the subsidiaries of Quantum software S.A.

**29. Shareholders holding, directly or indirectly through their subsidiaries, at least 5 % of the overall number of votes at the Issuer's general meeting, including the number of shares held by such entities, their percentage share in the share capital, the number of resulting votes and their percentage share in the overall number of votes at the general meeting.**

To the best of the Issuer's knowledge, as of 31 December 2023 and 30 April 2024, i.e. the publication date of this report, Quantum Assets sp. z o.o., with its registered office in Kraków, holds 675,421 series A registered preference shares, which account for a total of 49.49% of the Issuer's share capital and carry 1 350 842 votes at the Issuer's General Meeting, representing 63.87% of the total number of votes, and holds 295,491 bearer shares, which account for a total of 21.65% of share in the Issuer's share capital and carry 295,491 votes at the General Meeting, representing 13.97% of share in the total number of votes.

Since the publication of the report for Q3 2023, the shareholder holding more than 5% of the total number of votes at the Issuer's general meeting has not changed.

**30. Information about contracts known to the Issuer (including contracts made after the balance sheet date) that may result in future changes in the proportion of shares held by the existing shareholders and bondholders**

In February 2023, the Management Board of Quantum software SA decided to start a review of strategic options ("Review"). The Review will result in an evaluation of possible development paths and a series of actions to maximise shareholder value.



On 14 February 2023, consulting agreements for the Review process were concluded with PwC Advisory sp. z o.o. sp.k. with its registered office in Warsaw.

Under the agreement, the Advisor will provide Quantum with support in analysing strategic options, including in its communication with potential entities interested in developing the Group's growth strategy.

The decision to initiate the Review followed signs of interest that Quantum software SA was receiving from potential investors. These signs arrived without any initiating action being taken. However, no decision has been made yet with respect to the aforementioned choice of a strategic option and it is unknown whether it will be made and, if so, when. A number of possible strategic directions are being taken into account, which could in particular mean attracting a strategic or financial investor and result in a change in the shareholder structure. The Issuer, however, does not guarantee that the Review will lead to any transaction changing this structure.

In the course of the Review, Quantum Group companies will continue to implement their current strategy and action plans.

### **31. Differences between the financial results disclosed in the report and forecasts published earlier**

Quantum software S.A. Capital Group did not publish any forecasts for 2023 or for the comparable period of 2022.

### **32. Information on sureties and guarantees granted and received**

In the reporting period, Quantum software S.A. Group did not grant any sureties or guarantees.

### **34. Contracts with an audit company concerning the performance of audit of financial statements**

Under a resolution of 22 June 2022, the Supervisory Board of Quantum software S.A. selected an audit company to review the interim separate financial statements and the interim consolidated financial statements, as well as to audit the separate and consolidated financial

statements for the period from 1 January 2022 to 31 December 2023.

➤ 2023 contracts:

On 16 August 2022, the Issuer concluded an agreement with UHY ECA Audyt sp. z o.o. with its registered office in Warsaw for the mid-year review of the non-consolidated and consolidated financial statements of the Quantum software S.A. Capital Group for 2023.

For the review of the separate and consolidated financial statements for 2023, the authorised entity will receive net remuneration in the total amount of PLN 20,000.00.

On 16 August 2022, Quantum software S.A. concluded with UHY ECA Audyt sp. z o.o., with its registered office in Warsaw, a contract for the review of the interim separate and consolidated financial statements of Quantum software S.A. Capital Group for 2023.

For the audit of the separate and consolidated financial statements for 2023, the authorised audit firm will receive net remuneration in the total amount of PLN 38,000.00.

The fee for additional services related to the verification of compliance with the ESEF Regulation is PLN 4,000.00, while the assurance service for the assessment of the remuneration report is PLN 7,000.00.

On 18 July 2023, the subsidiary Quantum Qguar sp. z o.o. concluded an agreement with UHY ECA Audyt sp. z o.o. with its registered office in Warsaw, for reviewing the interim separate financial statements and auditing the financial statements for 2022.

For the review, the authorised entity received a net remuneration of PLN 16,000.00. For the audit, the authorised audit firm received a net remuneration of PLN 28,000.00.

➤ Umowy 2022

W dniu 16 sierpnia 2022 roku Emitent zawarł z UHY ECA Audyt sp. z o.o. sp.k. z siedzibą w Warszawie umowę o przeprowadzenie śródrocznego przeglądu jednostkowego oraz skonsolidowanego sprawozdania finansowego Grupy Kapitałowej Quantum software S.A. za rok 2022.

Za przeprowadzone przeglądu jednostkowego i skonsolidowanego sprawozdania finansowego za rok 2022 jednostka uprawniona otrzyma wynagrodzenie netto w łącznej wysokości 20.000,00 zł.

Dnia 16 sierpnia 2022 roku Quantum software S.A. zawarła z UHY ECA Audyt sp. z o.o. sp.k. z siedzibą w Warszawie umowę o przeprowadzenie badania jednostkowego sprawozdania finansowego oraz skonsolidowanego sprawozdania finansowego Grupy Kapitałowej Quantum software S.A. Za przeprowadzone badanie jednostkowego i skonsolidowanego sprawozdania finansowego za rok 2022, jednostka uprawniona do badania otrzyma wynagrodzenie netto w łącznej wysokości 38.000,00 zł.

Wynagrodzenie za dodatkowe usługi związane z weryfikacją zgodności z Rozporządzeniem ESEF wynosi 4.000,00 zł, natomiast z tytułu usługi atestacyjnej w zakresie oceny sprawozdania o wynagrodzeniach 7.000,00 zł.

Spółka zależna Quantum Qguar sp. z o.o. w dniu 18 lipca 2022 r. zawarła z UHY ECA Audyt sp. z o.o. sp.k. z siedzibą w Warszawie umowę o dokonanie przeglądu śródrocznego sprawozdania finansowego oraz o przeprowadzenie badania sprawozdania finansowego za rok 2022. Za przeprowadzony przegląd jednostka uprawniona otrzyma wynagrodzenie netto w wysokości 16.000,00 zł. Za przeprowadzone badanie jednostka uprawniona do badania otrzymała wynagrodzenie netto w wysokości 28.000,00 zł.

### **34. Statement about the application of the corporate governance rules**

The Management Board of Quantum software S.A. publishes this statement on the application of corporate governance principles and recommendations by the Issuer in 2023.

### ***I. Corporate governance rules adopted by Quantum software S.A.***

Following the entry into force of the document titled “Best Practice for WSE Listed Companies in 2021” (“Best Practice 2021”), the Issuer applies an expanded catalogue of principles as of 1 July 2021. The text of Best Practice 2021 is available on the website of Giełda Papierów Wartościowych w Warszawie S.A. (“WSE”) ([www.gpw.pl/dobre-praktyki](http://www.gpw.pl/dobre-praktyki)). Pursuant to § 29(3) of the Rules of Giełda Papierów Wartościowych w Warszawie S.A., the Issuer publishes the required reports on abandoning the rules altogether or on incidentally violating certain detailed corporate governance rules, including the reasons for abandoning such rules.

### ***II. Indication of the extent to which Quantum software S.A. abandoned the application of the above-mentioned provisions, specification of such provisions and explanation for not applying them.***

The Issuer seeks to apply the corporate governance principles and makes efforts to implement all recommendations of Best Practice for GPW Listed Companies and the guidelines for management boards, supervisory boards and shareholders.

- Best Practice 2021

In 2023, the Issuer implemented most of the principles laid down in the Best Practice 2021.

Part I – disclosure policy and investor communications:

- As regards principle 1.3.1., given the nature and scale of the Issuer’s business, the potential impact on environmental issues, including climate change, is negligible. In terms of environmental aspects, the company’s business involves typical office activities. Waste collection and disposal is covered under lease agreements to which the Issuer is a party or other recommendations (e.g. on collecting electronic waste) which are not part of the Issuer’s strategy.

- Principle 1.3.2. The Issuer does not apply this principle because it does not have any employees, but it complies with all laws prohibiting discrimination for any reason. The strategy accounts for the need to build good relationships with customers and counterparties.

- As regards principle 1.4 the principle is not fully applied. To ensure proper communication with its stakeholders, the Issuer publishes all required information on its website. Progress in implementing the business strategy is determined using financial and non-financial metrics and presented in current and periodic reports. The Issuer does not include the ESG area in its business strategy for the reasons stated in the commentary on principle 1.3.1.
- Principle 1.4.1. – The Issuer does not apply this principle as ESG issues are not applied in the decision-making processes of the Company and its group entities for the reasons given, inter alia, in the commentary to the non-application of Principle 1.3.1.
- Principle 1.4.2 – The Issuer does not apply this rule for the reasons given in the commentary to Principle 1.3.2.
- Principle 1.5. – The Issuer does not collect data on such expenses due to their low amount.

#### Part II – Management Board and Supervisory Board:

- Principle 1.6. The Issuer does not apply this principle because of the costs of such undertakings in relation to the Company's financial results; however, the Issuer stays in touch with its shareholders and investors, including, inter alia, by responding to questions addressed to the Company, by organising individual meetings with stakeholders or by organising an annual public conference called TRENDOWNIA.
- Principle 2.1. – The Issuer has not drawn up a formal diversity policy for the Management Board and Supervisory Board. When making HR decisions, the Issuer is guided by the needs of the enterprise and pays attention to a candidate's professional experience, skills and education. Factors such as age and gender of a candidate or the fact of representing any majority or minority are of no consequence when making such decisions. The Issuer's Diversity Policy adopted by the Management Board concerns the overall organisation of the Issuer, but it does not provide for a minority participation in a company authority of at least 30%.
- Principle 2.2 - as explained in Principle 2.1. The Issuer has not put in place a diversity policy referred to in this rule. The composition of the Issuer's Supervisory Board is based on decisions made by the General Shareholders' Meeting, while determining the composition of the Issuer's Management Board is a responsibility of the Supervisory Board. These company bodies are guided by the needs of the enterprise and consider a candidate's professional experience, skills and education.
- Principle 2.11.3 is partly applied, but the Supervisory Board report is not as elaborate;

- Principle 2.11.5 – Due to the low amount of these expenses, the Supervisory Board does not assess them in its report.
- Principle 2.11.6 – This principle is not applied, as the Issuer does not apply principle 2.1.

Part III – internal systems and functions:

- Principle 3.3 – The supervisory board and the audit committee assess whether it is necessary to appoint an auditor. Thus far, the internal audit function has been carried out as set out in the clarifications to principles 3.1 and 3.2. Once a year, persons in charge of the internal control and risk management system submit to the management board and the supervisory board a report on the annual assessment of the functioning of the company's internal control and risk management system. The Management Board's believes the system meets the requirements of proportionality and adequacy in relation to the individual needs, valued mainly based on the size, type and scale of the Issuer's business.
- Principle 3.7. - Considering the size of the Group companies, the systems and functions referred to in principle 3.1 are performed by different organisational units and the reporting lines do not always correspond to those set out in Principles 3.4-3.6.
- Principle 3.8 – An efficiency assessment is presented by the Management Board along with other information communicated to the Supervisory Board, not in the form of a separate report.
- Principle 3.10 - This principle is not applied, as the Issuer is not a member of the WIG20, mWIG40 or sWIG80 index.

Part IV – general meetings and shareholder relations:

- The Issuer does not fully apply principle 4.1. While it broadcasts the GSM, its corporate documents (Articles of Association and Rules of the General Meeting) do not provide for the possibility to participate, take the floor and exercise the voting right at the General Meeting by means of electronic communication. The Issuer believes that complying with that recommendation involves technical and legal hazards which may affect correct and uninterrupted session of the General Meetings as well as the genuine, reliable and secure transmission of information in real time.

Part VI – remuneration:

- Principle 6.4. – According to the Remuneration Policy for members of the Management Board and the Supervisory Board of Quantum software SA, remuneration is paid for participating in each Supervisory Board meeting in an amount determined by the general meeting. There is no additional remuneration for the performance by members of the Supervisory Board of functions in the Supervisory Board or in its committees. In the opinion of the Management Board, the above rules for remunerating the members of the Supervisory Board ensure its proper functioning.

### ***III. Main characteristics of the company's internal control and risk management systems applicable to the process of preparing financial statements and consolidated financial statements.***

The Management Board of the parent company is responsible for the internal audit system and its effectiveness in the process of preparing financial statements and interim reports, which are prepared and published in accordance with the principles laid down by the Regulation of the Minister of Finance of 29 March 2018 regarding current and interim information submitted by the issuers of securities, and the conditions of recognising as equivalent the information required under the laws of a non-member state.

The process of drawing up the financial data for statutory reporting is automated and based on Quantum's consolidated financial and accounting system. The preparation of the data in the source systems is subject to formalised operational and approval procedures, which define the individual responsibilities. The Management Board and senior management supervise the individual areas of activity, processes and products. Key personnel are responsible for the creation, implementation, operation and monitoring of an effective and efficient internal control system as well as for identifying and monitoring any risks borne.

One of the main controls in the process of preparing the Group's financial statements is the verification by independent statutory auditors. The statutory auditor is appointed from among independent entities ensuring a high standard of services and impartiality. The statutory auditor is appointed by the parent company's Supervisory Board. The statutory auditor's tasks include, in particular, reviewing semi-annual separate and consolidated financial statements, and auditing annual separate and consolidated financial statements. The statutory auditor's independence is of key importance for ensuring a correct audit of the accounting books.

The financial statements are also formally reviewed and assessed by the parent company's supervisory body (Supervisory Board). Pursuant to Article 4a of the Accounting Act of 29 September 1994, the Supervisory Board is responsible for ensuring that the financial statements and the management report satisfy the legal requirements. To fulfil this obligation, the Supervisory Board uses the competences provided for by the law and by the parent company's articles of association. This is another level of control exercised by an independent body, ensuring that the information presented in the separate and consolidated financial statements is true and fair.

The Audit Committee, appointed from among the members of the parent company's Supervisory Board, supervises the financial reporting process. The Audit Committee supervises the financial reporting process to ensure the balance, transparency and integrity of the financial disclosures. The Audit Committee is composed of five members of the Supervisory Board, two of whom meet the independence criteria.

The Supervisory Board believes that the internal control system is suitable for the extent and profile of the risk associated with the parent company's business, and material risks to the Capital Group of Quantum software SA's operations are managed adequately and effectively.

***IV. Shareholders who, directly or indirectly, hold substantial shares, the number of shares held by such parties, their percentage share in the share capital, the number of votes resulting from the shares and their percentage share in the overall number of votes at the general meeting***

To the best of the Parent Company's knowledge, as of 31 December 2023 and 30 April 2024, i.e. the publication date of this report, Quantum Assets sp. z o.o., with its registered office in Kraków, holds 675,421 series A registered preference shares, which account for a total of 49.49% of the Issuer's share capital and carry 1 350 842 votes at the Issuer's General Meeting, representing 63.87% of the total number of votes, and holds 295,491 bearer shares, which account for a total of 21.65% of share in the Issuer's share capital and carry 295,491 votes at the General Meeting, representing 13.97% of share in the total number of votes.

Since the publication of the report for Q3 2023, the shareholder holding more than 5% of the total number of votes at the Issuer's general meeting has not changed.



***V. Identification of holders of all securities with special control rights and a description of these rights***

The Issuer holds series A registered preference shares that are not admitted to trading on the regulated market. The series A registered shares are preference shares, i.e. one share is vested with two votes at the general meeting. The series B, C and D shares are ordinary bearer shares and are not limited in their selling.

**Holders of the Issuer’s series A registered shares with special control rights in the company as of the publication date of these statements:**

<b>Shareholder</b>	<b>Number of series A shares and their share in the share capital</b>	<b>Number of votes at the GSM from series A shares and their share in the total number of votes</b>
<b>Quantum Assets sp. z o.o.</b>	675,421 (49.49%)	1,350,842 (63.87%)
<b>Tomasz Hatala</b>	28,181 (2.06 %)	56 362 (2,67 %)
<b>Bogusław Ożóg</b>	19,150 (1.40%)	38,300 (1.81%)
<b>Marek Jędra</b>	6,384 (0.47 %)	12,768 (0.60%)
<b>Robert Dykacz</b>	11,832 (0.87 %)	23,664 (1.12 %)
<b>Tomasz Mnich</b>	2,648 (0.19 %)	5,296 (0.25 %)
<b>Tomasz Polończyk</b>	6,384 (0.47 %)	12,768 (0.60%)
<b>Total number of the company's series A shares and votes they carry</b>	<b>750,000 (54.95 %)</b>	<b>1,500,000 (70.92 %)</b>

***VI. All restrictions regarding the exercise of the right to vote, such as restricted right to vote by holders of a given share or number of votes, temporary restrictions on the right to vote or provisions under which, in consultation with the company, capital rights linked to securities are separated from the holding of securities***

The Issuer did not issue any shares with the above restrictions.

***VII. Identification of all restrictions on the transfer of ownership title to the issuer's securities***

The Issuer did not issue any securities with any restrictions on their transfer.

***VIII. Description of rules for amending the Issuer's Articles of Association***

Amendments to the Issuer's Articles of Association require a resolution of the General Meeting adopted with a 3/4 majority of votes and an entry into the register of businesses.

***IX. Description of principles regulating the appointment and dismissal of managerial staff and their rights, in particular, the right to decide on the issue or purchase of shares***

The President and other members of the Management Board of the Parent Company are appointed and dismissed by the Supervisory Board. The term of office of the Management Board of the parent company is three years. The Management Board is composed of 1-5 members and the number of its members is determined by the Supervisory Board. The members of the Management Board of the Parent Company are appointed for a joint term of office. The mandates of the members of the Management Board expire as of the date of the General Meeting. An approval of the financial statements for the last full financial year in which the member of the Management Board held their function is required. The Parent Company's Management Board manages and represents it before court and in other matters. Declarations of intent on behalf of the Parent Company must be made by two members of the Management Board acting jointly.

The responsibilities of the Parent Company's Management Board include all matters which are not restricted to the competence of the General Meeting and the Supervisory Board.

The decisions of the Parent Company's Management Board are made in the form of resolutions passed by an absolute majority of votes. The resolutions of the Management Board are adopted by open ballot. The procedures of the Parent Company's Management Board, which define in particular the matters that require resolutions, are specified in the Rules adopted by the Supervisory Board. The Management Board prepares and maintains

documentation of the Parent Company's organisational activities. In particular, the Management Board:

- performs all registrations required under the applicable laws;
- publishes information required by the law and the Parent Company's Articles of Association in the manner specified in the law and the Articles of Association;
- convenes the Parent Company's General Shareholders' Meetings and maintains documentation of the convention and the course of the meetings;
- maintains a share register;
- keeps the minutes of the Supervisory Board;
- provides the Supervisory Board and the General Shareholders' Meeting of the Parent Company with detailed clarification regarding the group's operations;
- prepares the Parent Company's management report for the previous financial year;
- prepares a draft distribution of profit or coverage of loss for the financial year;
- determines and announces the dividend payment date;
- maintains the Rules of the Management Board, and other rules.

The members of the Parent Company's Management Board participate in every General Meeting and answer any questions asked during the meeting. In addition, the members of the Management Board who are invited to a meeting of the Supervisory Board by the Chairperson of the Supervisory Board participate in the meeting and have the right to take the floor on matters listed in the agenda.

Any decisions on the issue or buyout of the Issuer's shares are made by the General Meeting.

Pursuant to Article XIII of the Parent Company's Articles of Association, the share capital can be increased through the issue of new shares. The Articles of Association authorise the Management Board to determine the issue price. Newly issued shares can be registered shares and bearer shares, and can be paid for in cash or by way of a contribution in kind. The shares are indivisible. The Management Board is authorised to issue the shares in multiple-share certificates. The shares bear the parent company's stamp and the Management Board's signature. The Management Board's signature can be reproduced mechanically. In the case of joint ownership of shares, the joint owners exercise their rights through either owner or through an authorised joint representative.

*X. Procedures of the General Meeting, its main rights and the description of the shareholders' rights and the exercise of these rights, in particular the principles resulting from the rules of the general meeting (if such rules have been adopted), unless such information is directly required under the law*

The Issuer's General Meeting acts according to the applicable law, including the provisions of the Commercial Companies Code, the Act on Trading in Financial Instruments (Journal of Laws 09.13.69), the parent company's Articles of Association and the Rules of the General Meeting.

The Issuer's Ordinary General Meeting is convened by the Management Board, and it is held by 30 June of each calendar year. The Extraordinary General Meeting is convened by the Management Board on its own initiative, at the request of the Supervisory Board or at the request of the shareholders representing at least 1/20 of the share capital. The General Meetings are held in Krakow or in Warsaw. The information about the convention of the GSM is published in a current report and in an announcement on the Issuer's website. The announcement must be made at least twenty-six days prior to the date of the general meeting. The announcement on the general meeting of a public company must include at least the information referred to in Article 402<sup>2</sup> of the Commercial Companies Code.

The following matters require a resolution of the General Meeting:

1. examining and approving of the Parent Company's financial statements, and management report for the previous year,
2. specifying the rules for remunerating members of the Supervisory Board;
3. approving the rules of the General Meeting and the Supervisory Board;
4. appointing liquidators when necessary;
5. deciding on whether to exclude all or a portion of profits from distribution;
6. appointing and dismissing the Supervisory Board.

The GSM passes resolutions on matters which fall within its responsibilities, in particular those specified in the Commercial Companies code, the GSM rules and the parent company's Articles of Association. Without prejudice to the situations specified in the Commercial

Companies Code and in the Articles of Association, the resolutions are adopted by an ordinary majority of votes. According to the Articles of Association, the resolution on abandoning an item on the agenda at the shareholders' request, is passed by the GSM by a 75% majority of votes, after obtaining approval from all present shareholders who requested the examination of such item. The GSM's resolutions are included in the minutes prepared by a civil law notary. The GSM's resolutions are subject to claims before court according to the procedures and terms specified in the Commercial Companies Code.

The shareholders have the right to participate in the General Meeting and exercise the right to vote vested with the registered shares in person or through attorneys. The power of attorney to participate in the general meeting and exercise the right to vote must be granted in writing or in electronic form. A power of attorney granted in electronic form does not require a secure electronic signature verified by a valid qualified certificate. The representatives of shareholders who are legal persons must have valid excerpts from the respective commercial register or the National Court Register, listing the persons authorised to represent such entities, or bear a power of attorney signed by the persons listed in the excerpt. The power of attorney authorising to participate in the general meeting and to exercise the right to vote granted in electronic form must be sent to the e-mail address for investor contact on the parent company's website, not later than 2 days prior to the respective general meeting. Every series A registered share of the Issuer is vested with two votes at the General Meeting, while series B, C and D shares are ordinary bearer shares, with each share vested with one vote at the General Meeting. The right to participate in the general meeting of a public company is reserved for persons who are listed as the company's shareholders sixteen days prior to the date of the general meeting (record date). The individuals authorised under registered shares and temporary certificates as well as pledges and users with the right to vote are entitled to participate in the general meeting of a public company if they are entered into the share register as of the record date. The bearer shares in document form are vested with the right to participate in the general meeting of a public company if the share documents are submitted to the Issuer not later than on the record date and are not withdrawn by that date. In place of the shares, a statement issued as the proof of depositing the shares with a civil law notary, a bank or an investment company with registered office or branch in the territory of the European Union or a country that is a party to the EEA Agreement can be submitted, as specified in the announcement of the convocation of the general meeting. The statement must include the

number of share documents and confirm that the share documents will not be withdrawn by the record date.

Each shareholder has the right to demand the copies of requests regarding the issues on the agenda of the upcoming General Meeting. Such a demand must be submitted to the parent company's Management Board. The copies of the requests must be issued not later than one week prior to the General Meeting.

Immediately after the Chairperson of the General Meeting has been appointed, an attendance list of the persons participating in the General Meeting must be prepared, including the number of the Issuer's shares held by every participant and the number of votes that the shares carry. The Chairperson is obliged to sign the list and make it available for perusal during the session of the General Meeting. Pursuant to Article 410 § 2, at the request of shareholders holding 1/10 of the share capital represented at the General Meeting, the attendance list must be checked by a committee appointed for this purpose.

In accordance with the Issuer's Articles of Association, the shareholders have the right to participate in the annual profit which the General Shareholders' Meeting has earmarked for distribution. The Management Board is authorised to make an advance payment to the shareholders on the expected dividend at the end of the financial year, provided that the Issuer has sufficient funds available. The interim dividend must be approved by the Supervisory Board.

***XI. Composition and changes therein in the last financial year and description of the operations of the company's management and supervisory bodies, and of their committees.***

***As of 31/12/2023, the Management Board of the Parent Company was composed of:***

President of the Management Board	Tomasz Hatala
Vice-President of the Management Board	Bogusław Ożóg
Vice-President of the Management Board	Marek Jędra
Member of the Management Board	Tomasz Mnich
Member of the Management Board	Robert Dykacz

On 27 April 2022, the members of the Management Board were appointed for a three-year term of office.

The detailed tasks of the Issuer's Management Board are described in the Rules of the Management Board, which are adopted by the Management Board and approved by the Supervisory Board.

***Principles of operation of the Parent Company's Management Board***

Declarations of intent on behalf of the Parent Company must be made by two members of the Management Board acting jointly. The Management Board's responsibilities include all matters which are not restricted to the competence of the General Meeting and the Supervisory Board.

The decisions of the Management Board are made in the form of resolutions adopted by an absolute majority of votes. The resolutions of the Management Board are adopted by open ballot. The procedures of the Management Board, which define in particular the matters that require resolutions, are specified in the Rules adopted by the Supervisory Board. The Management Board prepares and maintains documentation of organisational activities. In particular, the Management Board:

- performs all registrations required under the applicable laws;
- publishes information required by the law and the Issuer's Articles of Association in the manner specified in the law and the Articles of Association;
- convenes the General Shareholders' Meetings and keeps documentation of the convention and the course of the meetings,
- maintains a share register;
- keeps the minutes of the Supervisory Board;
- provides the Supervisory Board and the General Shareholders' Meeting with detailed information regarding the Group;
- prepares the Parent Company's management report for the previous financial year;
- prepares a draft distribution of profit or coverage of loss for the financial year;
- determines and announces the dividend payment date;
- maintains the Rules of the Management Board, and other rules.

***As of 31/12/2023, the Supervisory Board of the Parent Company was composed of:***

Chairman of the Supervisory Board

Tomasz Polończyk

Vice-Chairman of the Supervisory Board	Henryk Gaertner
Member of the Supervisory Board	Leopold Kutyla
Member of the Supervisory Board	Andrzej Ruciński
Member of the Supervisory Board	Marcin Buczkowski
Member of the Supervisory Board	Tomasz Mołata
Member of the Supervisory Board	Andrzej Walus

In 2023, there were changes in the composition of the Supervisory Board. Mr Tomasz Mołata and Mr Andrzej Walus were appointed members of the current term of the Supervisory Board. The former was appointed under Resolution No. 17 of the Ordinary General Meeting of Quantum software S.A. of 29 June 2023, while the latter was appointed under Resolution No. 5 of the Extraordinary General Meeting of Quantum software S.A. of 19 December 2023.

#### ***Principles of operation of the Supervisory Board***

The Supervisory Board acts based on the adopted Rules of the Supervisory Board of Quantum software S.A. and the Issuer's Articles of Association. The Supervisory Board is composed of five to nine members appointed by the General Meeting. The terms of office of the Supervisory Board is 3 years. If the term of office of the Chairperson or the Member of the Supervisory Board expires before the end of the term of office, a new Chairperson or Member is appointed in their place only for the remaining term of office of the other members of the Supervisory Board. At least two members of the Supervisory Board must meet the independence criteria.

The responsibilities of the Supervisory Board include:

- examining the annual financial statements and the parent company's management report, and making proposals on the distribution of profit or the coverage of loss,
- submitting a written report to the General Meeting, regarding the results of the activity referred to above,
- approving the purchase and sale of real property, perpetual usufruct title or interest in real property;
- approving the purchase of shares or shares in other businesses, acquisitions and incorporation of new businesses;



- allowing Members of the Management Board to become involved in competitive activity or a competitor company as a shareholder or as a member of its corporate bodies;
- examining other issues raised by the General Meeting;
- approving the granting of proxy by the Management Board;
- granting approval for transactions with related parties,
- at the Management Board's request, appointing a statutory auditor for auditing the parent company's annual financial statements.

The meetings of the Supervisory Board are convened by the Chairperson at their own initiative or at the request of another member of the Supervisory Board or at the request of the Management Board. The Supervisory Board adopts its resolutions by an absolute majority of votes. The Supervisory Board may not adopt a resolution regarding matters that are not on the agenda, unless all members of the Supervisory Board are present and nobody raises an objection. The Members of the Supervisory Board may participate in passing the Supervisory Board's resolutions through voting in writing via another Member of the Supervisory Board. Written votes may not be cast in respect of matters put on the agenda during the meeting of the Supervisory Board. The Supervisory Board's resolutions may be adopted without holding a meeting, by written ballot or using telecommunication equipment. A resolution is valid if all members of the Supervisory Board have been notified about the content of the draft resolution.

***As of 31 December 2023, the Audit Committee of the Supervisory Board of the parent company was composed of:***

Chairman of the Committee

Andrzej Walus

Member of the Committee

Tomasz Polończyk

Member of the Committee

Marcin Buczkowski

***Operating principles of the Audit Committee of the Parent Company's Supervisory Board***

The Audit Committee of the parent company's Supervisory Board, according to the Act of 7 May 2009 on statutory auditors and their professional association, entities authorised to audit

financial statements and on public supervision, acts based on Resolution No. 21 of the Ordinary General Meeting of Quantum software S.A. of 17 May 2012.

A member of the Audit Committee who is Andrzej Walus meets the conditions of independence set out in Article 129 of the Act on Statutory Auditors. Mr Walus has the know-how in the scope of accounting and auditing financial statements, gained in the course of their long-term professional activities. In addition, the Chairman of the Audit Committee took part in training on accounting, taking into account in particular aspects of financial reporting.

Another Member of the Audit Committee, i.e. Tomasz Polończyk, has knowledge and skills in the scope of the Issuer's sector. His professional education and many years of professional experience at managerial positions allow the statement that he is an expert in the scope of IT solutions applied in computing.

In particular, the Audit Committee is responsible for:

a) monitoring:

- financial reporting process,
- the effectiveness of internal control systems, risk management and internal audit systems, including in the scope of financial reporting,
- the performance of financial review services, in particular the performance by the audit firm of the audit, considering all conclusions and findings of the Audit Committee resulting from the inspection performed at the audit firm;

b) controlling and monitoring of the independence of the statutory auditor and the audit firm, particularly in the case when the audit firm provides a public-interest entity with services other than audits;

c) informing the Supervisory Board or another supervisory or control body of an entity of public concern about the findings of the audit, and explaining how the audit has contributed to the reliability of financial reporting in the entity of public concern, and explaining the role of the Audit Committee in the audit process;

d) assessing the independence of the statutory auditor and expressing consent to the provision thereby of permitted non-audit services in the public-interest entity;

e) developing a policy for the selection of an audit firm to carry out the audit;

f) developing a policy for the provision of permitted non-audit services by the audit firm carrying out the audit, by affiliates of the audit firm and by a member of the audit firm's network;

g) defining a procedure for the selection of an audit firm by a public-interest entity;

h) submitting recommendations aimed at ensuring the reliability of the financial reporting process in the public-interest entity.

The Audit Committee is a standing committee of the Supervisory Board. In an open ballot, the Supervisory Board appoints one of the Members of the Audit Committee as the Chairperson. The Supervisory Board may at any time dismiss the Chairperson of the Audit Committee, leave them within the Committee and appoint another Chairman. The Members of the Committee hold their functions for the term of office of the Supervisory Board. The Supervisory Board may, at any time, dismiss the individual Members of the Audit Committee before the expiry of a Supervisory Board member's mandate. Dismissing a member from the Committee is not tantamount to dismissing them from the Supervisory Board. The term of office of each member of the Committee expires as of the expiry of a Supervisory Board member's mandate.

The Audit Committee holds sessions when required, but the sessions are held at least before the Issuer's publication on WSE of the annual, semi-annual and two quarterly financial statements (for the first and third quarter).

The sessions of the Audit Committee are convened by the Chairperson on the Chairperson's own initiative or at the request of a member of the Audit Committee. At the request of a member of the Audit Committee or on the Chairperson's own initiative, the Chairperson of the Audit Committee may invite persons from outside the Audit Committee to participate in the sessions, in particular persons with specialist expertise, as well as members of the Management Board in order to provide detailed explanations or express opinion on the subject of the session. Such persons must leave the session of the Committee when the issues discussed concern them directly and at the request of a member of the Audit Committee. The Chairperson of the Audit Committee manages the Committee's work. The Chairperson also supervises the preparation of the agenda, the distribution of documents and the preparation of minutes from the committee's sessions.

In 2023, the Audit Committee held three meetings, i.e. on 17 April, 8 September and 11 December, during which the members of the Audit Committee reviewed the way the Issuer's financial statements are prepared, discussed the accuracy of the entries in the financial statements with the auditor, assessed the management and control systems, including the management of the FX risk, and risks associated with the Group's day-to-day operations. Moreover, the Committee controlled the independence of the auditor.

In addition, the Parent Company complies with the applicable laws concerning the change of the audit firm and of the key statutory auditor at the required intervals.

UHY ECA Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa and the members of the audit team met the conditions for preparing an unbiased and independent report from the audit of the Company's annual statutory financial statements.

The Company complies with the prohibition to have non-audit services provided by the audit firm performing the audit, entities related thereto and a member of the audit firm's network, except for services from the list of permitted services defined in the Statutory Auditors Act. UHY ECA Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa provided permitted non-audit services to the Issuer in 2023, i.e. it issued an opinion on the Annual Report on Remuneration of the Management Board and Supervisory Board of Quantum software SA for 2022.

**Kraków, 30 April 2024**

**President of the Management Board** Tomasz Hatała

**Vice-President of the Management Board** Bogusław Ożóg

**Vice-President of the Management Board** Marek Jędra

**Member of the Management Board** Tomasz Mnich

**Member of the Management Board**

Robert Dykacz

**Declaration of the Management Board  
on compliance of the annual consolidated financial statements and the Management  
Report  
of Quantum software S.A. Capital Group**

We, the undersigned, declare that to the best of our knowledge, the annual consolidated financial statements of Quantum software S.A. for the financial year 2023 and comparative data were presented in compliance with the applicable accounting policies and they reflect, in a true, reliable and transparent manner, the assets and financial position of Quantum software Capital Group and its financial result.

Furthermore, we declare that the annual Management Report on the activity of Quantum software Capital Group for FY 2023 gives a true and fair view of the development, achievements and situation of the Group as well as a description of the main threats and risks.

**Kraków, 30 April 2023**

**President of the Management Board** Tomasz Hatala

**Vice-President of the Management Board** Bogusław Ożóg

**Vice-President of the Management Board** Marek Jędra

**Member of the Management Board** Tomasz Mnich

**Member of the Management Board** Robert Dykac

**Information from the Management Board  
of Quantum software S.A.**

**on the selection of an audit firm to carry out the audit of the annual consolidated financial  
statements for the financial year 2023**

Based on the statement of Quantum software S.A.'s Supervisory Board, the Management Board would like to inform you that:

- a) the audit firm auditing the annual consolidated financial statements for FY 2023 was selected according to the applicable laws, including the regulations governing the selection and Procedure for the selection of the audit firm in force at the Parent Company;
- b) the audit firm and the members of the team performing the audit fulfilled the conditions concerning the preparation of an unbiased and independent report on the audit of the annual consolidated financial statements, pursuant to applicable provisions, standards of practising the profession and principles of professional ethics;
- c) The Issuer and the audit firm comply with the applicable regulations governing the rotation of the audit firm and key statutory auditor, and the mandatory rotation intervals.
- d) The Issuer has a policy in place for selecting an audit firm and for the provision to the Issuer of non-audit services by the audit firm, its related party or a member of its network, including services subject to a conditional exemption from the prohibition of being provided by an audit firm.

**Kraków, 30 April 2024**

**President of the Management Board**

Tomasz Hatala

**Vice-President of the Management Board Bogusław Ożóg**

**Vice-President of the Management Board Marek Jędra**

**Member of the Management Board**

Tomasz Mnich

**Member of the Management Board**

Robert Dykacz

**Kraków, 26 April 2024**

***Report of the operations of the Supervisory Board of Quantum software S.A.  
for financial year 2023, including an assessment of the Supervisory Board's work***

**I. The composition of the Supervisory Board in the financial year 2023 was as follows:**

1. *Tomasz Polończyk - Chairman of the Supervisory Board*
2. *Henryk Gaertner - Deputy Chairman of the Supervisory Board*
3. *Leopold Kutyla - Member of the Supervisory Board*
4. *Andrzej Ruciński – Member of the Supervisory Board*
5. *Marcin Buczkowski – Member of the Supervisory Board*
6. *Tomasz Mołata – Member of the Supervisory Board from 29 June 2023*
7. *Andrzej Walus – Member of the Supervisory Board from 19 December 2023*

**II. The operating rules and procedures of the Supervisory Board of Quantum software S.A are regulated by the provisions on public capital companies and the following:**

- *Articles of Association of Quantum software SA.*
- *Rules of the Supervisory Board of Quantum software S.A.*
- *Corporate governance rules*

*In 2023, the Supervisory Board of Quantum software S.A., based in Krakow, held three sessions (on 26 April, 08 September and 11 December); the sessions were held via the Microsoft Teams platform. During the sessions, the Members of the Supervisory Board were present in a number allowing for the adoption of resolutions. The average turnout was 5 (five) persons.*

*The Supervisory Board constantly supervised the Company's operations. In particular, supervision and monitoring included the following:*

- *monitoring and analysing the Company's financial situation, and assessment,*
- *analysing interim financial statements,*
- *reading the Management Board's interim information concerning the Company's current and planned operations,*
- *formal and legal business related to the Supervisory Board's activity.*

*As part of the performance of its tasks, the Supervisory Board adopted the following resolutions in 2023:*



- it assessed the Company's and the Capital Group's management reports and financial statements for FY 2022;
- it recommended that the loss of PLN 22,133.39 [PLN: twenty-two thousand one hundred and thirty-three 39/100] be covered from the Supplementary Capital;
- it recommended acknowledging the fulfilment of duties by members of the Management Board in 2022;
- it examined and expressed its opinion on the Company's financial results after the first two months of 2023.
- it examined and expressed its opinion on the Company's financial results after the consecutive quarters of 2023.

The Issuer's Supervisory Board is composed of the minimum number of members required by the law. An audit committee was selected within the Supervisory Board. It includes the following members of the Supervisory Board:

1. Andrzej Walus (Chairman of the Audit Committee)
2. Tomasz Polończyk
3. Marcin Buczkowski

The Supervisory Board declares that the company complies with the regulations on the appointment, composition and functioning of the Audit Committee, the fulfilment by its members of the independence criteria and the requirements for having adequate knowledge and skills in the industry in which the Issuer operates as well as in accounting and auditing. In 2023, the Audit Committee fulfilled the tasks provided for in the applicable regulations.

The Audit Committee performed a regular internal audit of the Company. The Committee analysed, on an ongoing basis, financial data, including consolidated data, and provided regular recommendations to the Supervisory Board, including on the selection of the auditor, the financial statements and the approval of the Company's and the Group's annual reports.

It should be noted that the Supervisory Board meets the criterion of independence, as 2 of its 7 members is not related to a shareholder who holds not less than 5% of the total number of votes at the Company's general meeting. With its basic composition, the supervisory Board is able to perform duties related to audit.

Pursuant to Article 382(3) of the Commercial Companies Code, the Supervisory Board assessed the following:

1. the Company's financial statements for 2023,
2. the Management Report of the Company for the period 01/01/2023 – 31/12/2023,
3. the Management Report of the Capital Group for the period 01/01/2023 – 31/12/2023,
4. the Capital Group's consolidated financial statements for 2023.

Given the above, the Supervisory Board requests the Ordinary General Meeting of Quantum software S.A. to approve the following:

1. *the Management Report of the Company for the period 01/01/2023 – 31/12/2023,*
2. *the Company's financial statements for 2023,*
3. *the Management Report of the Capital Group for the period 01/01/2023 – 31/12/2023,*
4. *the Capital Group's consolidated financial statements for 2023.*

### **III. Assessment of the work of the Supervisory Board of Quantum software S.A., the internal control system and the system for managing the Company's material risks**

*The Supervisory Board has positively assessed its activity in terms of the correct functioning of the internal control system and the system for managing the Company's material risks, which, in the opinion of the Supervisory Board, served to ensure correct financial information in the interim statements and reports. The Supervisory Board believes that the internal control system is suitable for the extent and profile of the risk associated with the Company's business, and material risks to Quantum's operations are managed adequately and effectively.*

*The process of drawing up the financial data for statutory reporting is automated and based on Quantum's consolidated financial and accounting system. The preparation of the data in the source systems is subject to formalised operational and approval procedures, which define the individual responsibilities. The Management Board and senior management supervise the individual areas of activity, processes and products. Key personnel are responsible for the creation, implementation, operation and monitoring of an effective and efficient internal control system as well as for identifying and monitoring any risks borne. The financial statements are also formally reviewed and approved by the company's supervisory body (Supervisory Board).*

### **IV. Assessment of the Company's fulfilment of its disclosure obligations with respect to applying corporate governance**

*The Supervisory Board expresses a positive opinion on the Company's fulfilment of its disclosure obligations with respect to applying corporate governance. As a standard, in its annual statements and reports, the Company includes the Management Board's statement of compliance with corporate governance rules, considering any changes of those rules and any rules which do not apply to or are not applied by the Company. Irrespective of the above, the Company submits a statement using the EBI system. The Supervisory Board verifies data concerning the fulfilment of the Issuer's disclosure obligations by analysing reports published by the Issuer, relevant explanations provided by the Management Board and verifying documents provided to it. In addition, members of the Supervisory Board contact members of the Issuer's Management Board directly to obtain more information and explanations on the aforementioned obligation.*

*The Issuer has not drawn up a formal diversity policy for the Management Board and Supervisory Board. When making HR decisions, the Issuer is guided by the needs of the*

*enterprise and pays attention to a candidate's professional experience, skills and education. Factors such as age and gender of a candidate or the fact of representing any majority or minority are of no consequence when making such decisions. The Issuer's Diversity Policy adopted by the Management Board concerns the overall organisation of the Issuer, but it does not provide for a minority participation in a company authority of at least 30%.*

*This report was adopted by the Supervisory Board by way of resolution on 26 April 2024.*

*Tomasz Polończyk  
Chairman of the Supervisory Board*