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Independent Auditor's Report
to the General Meeting and the Supervisory Board of
LSI Software S.A.

(the Original Polish version of the Report contains 6 pages)

Report on the audit of the consolidated annual financial statement

Opinion

We have audited the consolidated annual financial statement of the Group whose dominant entity is LSI Software S.A. ("the Dominant Company") ("The Group"), containing consolidated statement of financial position as at 31 December 2020 and consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year ended 31 December 2020 and additional information containing a description of the adopted accounting policies and other information ("the consolidated financial statement").

In our opinion, the attached consolidated financial statement:

- presents truly and fairly the Group's consolidated financial position and assets as at 31 December 2020 and its consolidated financial results and consolidated cash flows for the financial year ended 31 December 2020 in accordance with the applicable International Financial Reporting Standards adopted by the European Union and the applied accounting principles (policies);
- is consistent, in respect of the form and content, with the legal regulations applicable to the Group as well as with provisions of the Dominant Company's Articles of Association.

Our opinion is consistent with the additional report to the Audit Committee issued by us on 30 April 2021.

Basis of the opinion

We have conducted our audit in accordance with International Standards on Auditing adopted as National Standards on Auditing as approved by the National Council of Statutory Auditors and in accordance with the Act of 11 May 2017 on Auditors, Audit Firms and Public Supervision ("the Act on Statutory Auditors", Journal of Laws of 2020, item 1421, as amended) and Regulation (EU) No 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities ("the EU Regulation", EU Journal of Laws L158). Our responsibility under those standards is described below in *Responsibility of the auditor for the audit of the consolidated financial statements section*.

We are independent of the Group's Companies in accordance with the Code of Ethics for Professional Accountants issued by the International Federation of Accountants ("the IFAC Code") adopted by resolutions of the National Council of Statutory Auditors, as well as other ethical standards applicable to the audit of financial statements in Poland.

We have met our ethical obligations under those standards and the IFAC Code. During the audit, the key auditor and the audit firm were independent of the Dominant Company in accordance with the

independence criteria defined in the Act on Statutory Auditors and the EU Regulation.

In our opinion, our audit evidence has provided a sufficient and adequate basis to express our opinion.

Key audit matters

Key audit matters are matters which in our professional opinion are the most significant to the audit of the consolidated financial statement for the current reporting period. Those matters include the most significant identified risks of material misstatement, including identified risks of misstatement due to fraud. We have addressed these matters in the context of our audit of the consolidated financial statement as a whole and while drafting our opinion, and we have summarized our response to such risks and where we deemed it appropriate, we have presented the key observations in relation to these risks. We do not express a separate opinion on these matters.

1 Recognition of sales revenue

Key audit matter

In the profit and loss account, the Group disclosed sales revenue at the level of PLN 43 075 thousand, consisting of sales of goods amounting to PLN 20 873 thousand, sales of services amounting to PLN 12 787 thousand and sales of products amounting to PLN 9 415 thousand.

We considered the correctness of the recognition of these revenues to be a key issue for the audit as this item is inherently vulnerable to misrepresentation due to errors or fraud and due to its materiality.

Disclosures in the financial statement

The accounting principles governing the recognition of sales revenue are presented in point IV of the additional information, describing the accounting policy applied.

Disclosures regarding revenues are included in explanatory note no. 1 to the consolidated financial statement.

The auditor's procedures addressing identified risks

Our procedures included in particular:

- understanding the internal control system in the revenue recognition process in the Company and in GiP Sp. z o.o. subsidiary, including identification of key controls in this process and assessment of their development and implementation,
 - assessment of the applied accounting policy for revenue recognition and its compliance with IFRS 15 *Revenues from contracts with customers*,
- plausibility checks on the correctness of revenue recognition based on source documents,
- analysis of accounting records on revenue accounts,
- confirmation of a selected sample of trade receivables balances to be paid by the Dominant Company's clients and analysis of payments for trade receivables by the date of the audit completion.

Responsibility of the Dominant Company's Management and the Supervisory Boards for the consolidated financial statement

The Dominant Company's Management Board is responsible for the preparation of the consolidated financial statement, based on properly maintained accounting records, which presents truly and fairly the Group's financial position, its assets and financial results in accordance with the International Financial Reporting Standards adopted by the European Union and the applied accounting principles (policies) and in compliance with the legal regulations applicable to the Group and with the Dominant Company's Articles of Association, and for such internal control as the Management Board of the Dominant Company considers necessary to enable the preparation of the consolidated financial statement that is free from material misstatement, whether due to fraud or error.

In the preparation of the consolidated financial statement, the Dominant Company's Management Board is responsible for assessing the Group's ability to continue as a going concern, for disclosing, where applicable, any matters relating to continuation as a going concern, and for the application of the going concern as a basis of the accounting policy, except where the Management Board either intends to liquidate the Group or to discontinue operations or has no viable alternative to liquidation or discontinuation of operations.

The Dominant Company's Management Board and the members of the Dominant Company's Supervisory Board are responsible for ensuring that the financial statement meets the requirements set forth in the Accounting Act of 29 September 1994 ("The Accounting Act", Journal of Laws of 2021, item 217 as amended). The members of the Dominant Company's Supervisory Board are responsible for supervising the financial reporting process.

Responsibility of the statutory auditor for the audit of the consolidated financial statement

The objective of the audit is to obtain reasonable assurance as to whether the consolidated financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the National Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated financial statement.

The concept of materiality is applied by the auditor both in planning and conducting the audit and in assessing the impact of misstatements and unadjusted misstatements identified during the audit, if any, on the financial statement, and in drafting the auditor's opinion. Consequently, all opinions and statements contained in the auditor's report are expressed with consideration of the qualitative and quantitative materiality determined according to the audit standards and the auditor's professional judgment.

The scope of the audit does not include any assurance as to future profitability of the Group or the effectiveness and efficiency of the management of the Group by the Dominant Company's Management Board either at present or in the future.

In our audit performed in accordance with the National Standards on Auditing, we apply professional judgment as well as observe professional scepticism and:

- identify and assess risks of material misstatements of the consolidated financial statement due to fraud or error, design and conduct audit procedures addressing such risks, and obtain audit evidence which provides a sufficient and adequate basis to express our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error because fraud may involve collusion, forgery, deliberate omission, misleading action or circumvention of internal control;
- we gain an understanding of internal controls adequate to the audit in order to design audit procedures that are appropriate in the circumstances but not to issue an opinion on the effectiveness of the Group's internal controls;
- we evaluate the appropriateness of accounting principles (policies) applied and the reasonableness of accounting estimates and related disclosures made by the Dominant Company's Management Board;
- we draw a conclusion concerning the suitability of the application by the Dominant Company's Management Board of the going concern as a basis of the accounting policy and, based on audit evidence, whether there is material uncertainty as to events and conditions, which could put in material doubt the Group's ability to continue as a going concern. If we conclude that there is material uncertainty, we are required to draw attention in our auditor's report to related disclosures in the consolidated financial statements or, if such disclosures are inadequate, we modify our opinion. Our conclusions are based on audit evidence obtained by the date of our audit report, however, future events or conditions may cause the Group to discontinue its operations;
- we assess the general presentation, structure and content of the consolidated financial statement, including disclosures, and whether the consolidated financial statement presents the underlying transactions and events

in a way ensuring a fair presentation;

- we obtain sufficient audit evidence in relation to the financial information of the entities or business activities within the Group in order to express an opinion on the consolidated financial statements. We are responsible for the management, supervision and performance of the Group's audit and we remain solely responsible for our audit opinion.

We notify the Dominant Company's Supervisory Board among others of the planned scope and timing of the audit and material audit findings, including any material weaknesses of internal control identified during the audit.

We represent to the Dominant Company's Supervisory Board that we comply with all applicable ethical standards of independence and that we will notify them of any relations and other matters which could be rationally considered a threat to our independence and, where applicable, of security measures used.

Among the matters reported to the Dominant Company's Supervisory Board, we identified those matters that were most significant during the audit of the consolidated financial statement for the current reporting period and therefore we considered them as key audit matters. We describe such matters in our auditor's report unless their public disclosure is not permitted by law or regulations or where we determine under special circumstances that a matter should not be presented in our report because adverse consequences are reasonably expected to outweigh the benefits of such information for public interest.

Other information, including the report on business activities

Other information includes the report on business activities of the Group for the financial year ended 31 December 2020 ("the Report on business activities") together with a statement of compliance with corporate governance rules referred to in Article 49b(1) of the Accounting Act, which are separate parts of this Report, and the Annual Report for the financial year ended 31 December 2020 ("Annual Report") (hereinafter referred to as "Other Information").

Responsibility of the Dominant Company's Management and Supervisory Boards

The Dominant Company's Management Board is responsible for the preparation of Other Information according to the law.

The Dominant Company's Management Board and the members of the Dominant Company's Supervisory Board are responsible for ensuring that the Report on business activities of the Group and its separate parts meet the requirements of the Accounting Act.

Responsibility of the auditor

Our opinion on the audit of the consolidated financial statement does not cover the Other Information. In connection with the audit of the consolidated financial statement, it is our responsibility to read Other Information and, in doing so, to consider whether Other Information is not materially inconsistent with the consolidated financial statements or our knowledge gained during the audit, or otherwise seem materially misstated. If we identify material misstatement in Other Information on the basis of our work, we are required to report it in our auditor's report. In accordance with the requirements of the Act on Statutory Auditors, it is our responsibility to issue an opinion whether the Report on business activities of the Group has been prepared according to the regulations and whether it is consistent with the information contained in the financial consolidated statements.

Furthermore, it is our responsibility to issue an opinion whether the Group's statement of compliance with corporate governance rules contains the required information.

We received the Report on business activities of the Group before the date of this auditor's report; the Annual Report will be available after that date. If we identify any material misstatement in the Annual Report, we are required to report it to the Dominant Company's Supervisory Board.

Opinion on the Report on business activities

On the basis of our audit work, in our opinion, the Report on business activities of the Group:

- has been prepared in accordance with Article 49 of the Accounting Act and § 70 of the Regulation of the Minister of Finance of 29 March 2018 on current and periodical information provided by issuers of securities and on conditions under which information required by legal regulations of a third country may be recognised as equivalent (“the Regulation on Current Information”, Journal of Laws of 2018, item 757);
- is consistent with the information contained in the consolidated financial statement.

Furthermore, in the light of knowledge of the Group and its environment gained during our audit, we represent that we have identified no material misstatement in the Report on business activities of the Group.

Opinion on the statement of compliance with corporate governance rules

In our opinion, the Group’s statement of compliance with corporate governance rules contains the information set forth in § 70 subparagraph 6 point 5 of the Regulation on Current Information. Furthermore, in our opinion, the information indicated in § 70 subparagraph 6 point 5 (c)-(f), (h) and (i) of this Regulation contained in the statement of compliance with corporate governance rules is consistent with the applicable regulations and with information contained in the consolidated financial statement.

Report on other legal and regulatory requirements

Report on non-audit services provided

To the best of our knowledge and belief, we declare that we have not provided any non-audit services prohibited under Article 5(1) of the EU Regulation and Article 136 of the Act on Statutory Auditors.

Selection of the audit firm

We were appointed for the first time to audit the consolidated financial statements of the Group by the resolution of the Dominant Company’s Supervisory Board of 28 May 2018. We have audited the consolidated financial statements of the Group continuously starting from the financial year ended 31 December 2018, that is, for three consecutive years. Łukasz Moliński is a key statutory auditor responsible for the audit, which resulted in this report of the independent statutory auditor.

BDO spółka z ograniczoną odpowiedzialnością sp.k. with its registered office in Warsaw

entered in the register of audit firms, entry no. 3355

acting through the key auditor

<i>Signed with a qualified electronic signature</i>	<i>Signed with a qualified electronic signature</i>
Łukasz Moliński Chartered Auditor entry no. 12890	dr André Helin President of the Management Board Chartered Auditor entry no. 90004

Warsaw, 30 April 2021