For the Shareholders of LiveChat Software Spółka Akcyjna

Report on the audit of the annual consolidated financial statement

Opinion

We have audited the annual consolidated financial statement of the Corporate Group of Companies (the Corporate Group), where the parent company is LiveChat Software Spółka Akcyjna (the Parent Company) with its registered office in Wrocław at ul. Zwycięska 47, which consist of the consolidated statement of financial position drawn up as at 31 March 2020, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement for the financial year ended on that day, additional information on the accounting principles adopted and other explanatory information.

In our opinion, the attached annual consolidated financial statement:

- Presents a fair and clear picture of the property and financial situation of the Corporate Group of Companies as at 31 March 2020 as well as its financial result and cash flows for the financial year ended on that day in accordance with the International Accounting Standards, the International Financial Reporting Standards and their related interpretations announced in the form of regulations of the European Commission and the accounting principles (policy) applied,
- is consistent, in respect of its form and content, with the provisions of law applicable to the Corporate Group and the provisions of the Parent Company’s Articles of Association.

This opinion is consistent with the additional report for the Audit Committee issued on the day of this report on the audit.
Basis for the opinion

We have carried out our audit in accordance with:

- the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision (consolidated text: Dz. U. [Journal of Laws] of 2019, item 1421, as amended) (the Act on Statutory Auditors),
- the International Standards of Auditing in the version adopted as the National Standards of Auditing (KSB) by resolution no. 3430/52a/2019 of the National Chamber of Statutory Auditors of 21 March 2019, as amended, and

Our responsibility in accordance with these standards has been further described in the section of our report Responsibility of the independent statutory auditor for the audit of the annual consolidated financial statement. We remain independent of the Corporate Group, in accordance with the International Code of Ethics for Professional Accountants by the International Federation of Accountants (IFAC Code) adopted by resolution no. 3431/52a/2019 of the National Chamber of Statutory Auditors of 25 March 2019 as the principles of professional ethics of statutory auditors and with other ethical requirements that apply to the audit of financial statements in Poland. In particular, when carrying out the audit, the key auditor and the audit firm remained independent of the companies forming the Corporate Group, in accordance with the independence requirements specified in the Act on Statutory Auditors and Regulation 537/2014. We fulfilled our other ethical obligations in accordance with these requirements and the IFAC Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit issues

The key audit issues are the issues that we consider, based on our professional judgment, to be the most significant during the audit of the annual consolidated financial statement for the current accounting period. These include the most significant assessed types of risk of material misstatement, including the assessed types of risk of material misstatement caused by fraud. We have addressed these issues in the context of our audit of the annual consolidated financial statement as a whole and taken them into consideration when formulating our opinion on this statement. We have also presented below a summary of our response to these types of risk, and in the cases where we deemed it appropriate, we have presented our most important insights regarding these types of risk. We do not express a separate opinion on these issues.

<table>
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<tr>
<th>The risk of improper revenue recognition in the relevant accounting period</th>
<th>Statutory auditor’s response</th>
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| Sales revenues are one of the key items of the consolidated financial statement. Their scale and changes are one of the most important criteria for the assessment of the Corporate Group’s effectiveness, whereas any errors made when recognizing them can have a significant impact on the assessment of the consolidated financial statement as a whole. In view of the above, the risk of improper recognition of sales revenues in the appropriate accounting period | As part of the audit process, we documented our understanding of the process of recognizing revenues and identified the key elements of internal control in this process. The audit procedures carried out in this area included:  
• reviewing the accounting policy of the Corporate Group in the part regarding the recognition of revenues and related estimates, |
was evaluated as a key issue of the audit.

Numerical information on the amount and structure of sales revenues was presented in note 10 of the additional information to the consolidated financial statement.

- detailed substantive tests taking into account the analysis of transactions at the end of one reporting period and the beginning of another one,
- analytical procedures related in particular to the analysis of sales and margins as well as changes of these values on a monthly basis over the last two financial years.

## Expenditure on development works (in progress and completed)

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<th>Statutory auditor’s response</th>
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<td>The Parent Company has significant expenditures on development works, both completed and in progress. The total value of activated expenditure on completed and unfinished development works as at 31 March 2020 was 26,528 thousand zlotys, which was 30% of the value of the total assets in the consolidated financial statement as at that day. As the expenditure on development works is considerable and the valuation is conditional on estimates and judgments, the risk of improper valuation of this balance sheet item at initial recognition and at the balance sheet date, as well as assuming the improper period of use, was assessed as a key audit issue. Disclosures regarding development works were presented in note 2 of the additional information to the consolidated financial statement.</td>
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<td>As part of the audit, we documented our understanding of the process of the allocation of expenditure on development works, the moment of acceptance into service as well as the methods and rates of depreciation of completed development works. The procedures carried out in this area also included:</td>
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<td>• assessing the appropriateness of the accounting policy applied by the Corporate Group,</td>
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<td>• detailed substantive tests regarding the correctness of the allocation of expenditure on development works,</td>
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<tr>
<td>• obtaining information from the Management Board of the Parent Company on using the completed R&amp;D works,</td>
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<td>• making an analysis in terms of indications of impairment.</td>
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## Responsibility of the Management Board and the Supervisory Board of the Parent Company for the annual consolidated financial statement

The Management Board of the Parent Company is responsible for preparing the annual consolidated financial statement, which presents a fair and clear picture of the property and financial situation as well as the financial result and cash flows of the Corporate Group of Companies, in accordance with the International Accounting Standards, the International Financial Reporting Standards and their related interpretations announced in the form of regulations of the European Commission, the accounting principles (policy) applied and the applicable laws as well as the Articles of Association of the Parent Company. The Management Board of the Parent Company is also responsible for internal control, which it deems necessary for preparing the annual consolidated financial statement free from material misstatement, whether due to fraud or error.

While drawing up the annual consolidated financial statement, the Management Board of the Parent Company is responsible for assessing the ability of the Corporate Group to continue its operations, disclosing, if this applies, any issues related to the continuation of business activity, as well as for assuming the continuation of the operations, except when the Management Board of the Parent Company is planning either to close down the Corporate Group or discontinue its operations, or it has no realistic alternative but to do so.
In accordance with the Accounting Act of 29 September 1994 (consolidated text: Dz. U. [Journal of Laws] of 2019, item 351, as amended) (the Accounting Act), the Management Board and the Members of the Supervisory Board of the Parent Company are obliged to ensure that the annual consolidated financial statement meets the requirements provided for in the Accounting Act. The Members of the Supervisory Board of the Parent Company are responsible for supervising the financial reporting process of the Corporate Group.

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

Our goal is to obtain reasonable assurance that the annual consolidated financial statement as a whole does not contain any material misstatement, whether due to fraud or error, and to issue a report on the audit containing our opinion. Reasonable assurance is a high level of certainty, but it does not guarantee that the audit carried out in accordance with KSB will always detect any existing material misstatement. Misstatements can occur due to fraud or error and are considered relevant if it can reasonably be expected that they could, individually or in combination, affect economic decisions taken by the users based on this annual consolidated financial statement.

The scope of the audit does not include assurances as to the future profitability of the Corporate Group or the effectiveness or efficiency of running its business by the Parent Company’s Management Board now or in the future.

During the audit in accordance with KSB, we apply professional judgment and maintain professional skepticism, as well as:

- We identify and assess the risks of the material misstatement of the annual consolidated financial statement due to fraud or error, design and carry out audit procedures responding to these risks and obtain audit evidence that is sufficient and relevant to be the basis for our opinion. The risk of failing to detect a material error due to fraud is higher than that due to error, as fraud can involve collusion, forgery, deliberate omissions, false assurances or bypassing internal control;
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures appropriate to the circumstances, but not in order to express an opinion on the effectiveness of the Corporate Group’s internal control;
- We assess the appropriateness of the accounting principles (policy) used and the reasonableness of accounting estimates and relevant disclosures made by the Parent Company’s Management Board;
- We assess the appropriateness of assuming the continuation of the operations by the Parent Company’s Management Board and, based on the audit evidence obtained, whether there is a material uncertainty related to events or conditions that might raise considerable doubts as to the Corporate Group’s ability to continue its operations. If we come to the conclusion that there is a material uncertainty, we are required to draw attention, in our statutory auditor’s report, to the related disclosures in the annual consolidated financial statement or, if these disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained to the date of the statutory auditor’s report; however, the Corporate Group may not continue its operations due to any future events or conditions;
- We assess the general presentation, structure and contents of the annual consolidated financial statement, including disclosures, and whether the annual consolidated financial statement presents its underlying transactions and events in a way that ensures a fair presentation.
- We obtain sufficient and relevant audit evidence regarding the financial information of the entities or business operations within the Corporate Group of Companies in order to express an opinion on the annual consolidated financial statement. We are responsible for managing, supervising and carrying out the audit of the Corporate Group of Companies and we remain solely responsible for our opinion on the audit.
We provide the Supervisory Board of the Parent Company with information including the planned scope and time of the audit and significant findings of the audit, including any significant weaknesses of the internal control system we have identified during the audit.

We provide the Supervisory Board of the Parent Company with the statement that we have complied with the relevant ethical requirements regarding independence and inform the Supervisory Board about all related and other matters that could be reasonably considered to pose a threat to our independence and, where applicable, we inform them about the safeguards applied.

Out of the matters submitted to the Supervisory Board of the Parent Company, we have determined the matters that were most significant during the audit of the consolidated financial statement for the current financial year and that was why we considered them to be key audit issues. We describe these matters in our statutory auditor’s report, unless legal provisions or regulations forbid the publication or when, under exceptional circumstances, we establish that the issue should not be presented in our report, as it could be reasonably expected that the negative consequences would outweigh the benefits for the public interest resulting from making this information publicly available.

**Other information, including the report on the operations**

Other information includes the report on the operations of the Corporate Group for the financial year ending on 31 March 2020 together with the statement on compliance with corporate governance rules, which is a separate part of this report on the operations of the Corporate Group and the annual consolidated report for the financial year ending on 31 March 2020 (excluding the annual consolidated financial statement and our statutory auditor’s report).

**Responsibility of the Management Board and the Supervisory Board of the Parent Company**

In accordance with the Accounting Act and other applicable regulations, the Parent Company’s Management Board is responsible for preparing other information. Moreover, the Management Board and the Members of the Supervisory Board of the Parent Company are obliged to ensure that the report on the operations of the Corporate Group meets the requirements provided for in the Accounting Act.

**Statutory auditor’s responsibility**

Our opinion on the annual consolidated financial statement does not include other information and we do not express any form of assurance on it arising from KSB. In connection with the audit of the annual consolidated financial statement, it is our duty to read other information and, while doing this, to consider whether it is significantly inconsistent with the annual consolidated financial statement or our knowledge obtained during the audit, or in any other way it seems to be significantly misstated. If, based on our work, we find any material misstatement of other information, we are obliged to include this information in our report on the audit. In accordance with the requirements of the Act on Statutory Auditors, it is also our duty to give an opinion on whether the report on the operations of the Corporate Group was prepared according to the regulations and is compliant with the information included in the annual consolidated financial statement. Moreover, we are obliged to give an opinion on whether the Parent Company included the required information in the corporate governance statement. We obtained the report on the operations of the Corporate Group before the date of this report on the audit, whereas the other elements of the annual consolidated report will be made available to us after this date. In the event that we find any material misstatement in the annual consolidated report, we are obliged to inform the Supervisory Board of the Parent Company about this.

**Opinion on the report on business operations**

In our opinion, the report on the operations of the Corporate Group was prepared in accordance with the applicable regulations, i.e. in accordance with the provisions of Art. 49 and Art. 55(2a) of the Accounting Act and the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information.
provided by issuers of securities as well as the conditions for recognizing as equivalent information required by the laws of a non-member state (Dz. U. [Journal of Laws] of 2018, item 757) (the Regulation on current and periodic information) and is consistent with the information included in the attached annual consolidated financial statement. Moreover, we declare that, in the light of knowledge about the Corporate Group and its environment obtained during the audit of the annual consolidated financial statement, we have not identified any significant misstatements in the report on the operations.

Opinion on report on compliance with corporate governance rules

In our opinion, the Parent Company included information specified in Section 70(6)(5) of the Regulation on current and periodic information in the corporate governance statement. Information indicated in Section 70(6)(5)(c-f, h and i) of the Regulation on current and periodic information included in the corporate governance statement is consistent with the applicable regulations and information included in the annual consolidated financial statement.

Report regarding other applicable laws and regulations

Statement on the provision of services other than the audit of financial statements

In accordance with our best knowledge and belief, we declare that we have not provided the entities forming the Corporate Group with any services other than the audit, which are forbidden by the provisions of Art. 136 of the Act on Statutory Auditors and Art. 5(1) of Regulation 537/2014.

Selecting the audit firm

We were selected to audit the annual consolidated financial statements of the Corporate Group for the periods from 1 April 2019 to 31 March 2020 and from 1 April 2020 to 31 March 2021 by the resolution of the Supervisory Board of the Parent Company of 17 October 2019. The consolidated financial statement for the period from 1 April 2019 to 31 March 2020 is the first annual consolidated financial statement of the Corporate Group we have been auditing.

Signed by:

Elżbieta Grześkowiak

Statutory Auditor no. 5014
Key Auditor carrying out the audit on behalf of Grant Thornton Polska Spółka z ograniczoną odpowiedzialnością sp. k., Poznań, ul. Abpa Antoniego Baraniaka 88 E, audit firm no. 4055

Poznań, 30 June 2020