

**Polish Financial Supervisory Authority**  
**Annual report SA-R 2017**

(in accordance with par. 82 section 1 (3) of the Regulation of the Minister of Finance of 19th February 2016,  
Journal of Laws No 33, item 259)  
(for issuers of securities whose business activity embraces manufacture, construction, trade and services)

For the financial year 2017, that is for the period from 01.01.2017 to 31.12.2017  
and for the previous financial year 2016 that is for the period from 01.01.2016 to 31.12.2016

publishing date: 27.03.2018

TALEX SA (Full name of the issuer)		
TALEX (Abbreviated name of the issuer)		Informatyka (inf) (sector in accordance with classification of Warsaw Stock Exchange)
61-619 (postal code)	Poznań (city)	
Karpia (street)		27 d (number)
061 827 55 00 (phone no)	061 827 55 99 (fax)	
biuro@talex.pl (e-mail)	www.talex.com.pl (www)	
782-00-21-045 (taxpayer registration number)	004772751 (Company registration number)	

PKF Consult Sp. z o.o. with its registered Office in Warsaw

Entity authorized for examination

The annual report contains:

- Opinion of the Independent Statutory Auditor on the financial statement's audit
- Announcement of the Management Board on reliability of the carried out audit
- Announcement of the Management Board on the Entity authorized for issuing audits of financial statements
- Letter from the President of the Management Board
- Annual financial statement
  - Introduction
  - Balance sheet
  - Profit and loss account
  - Statement of changes in equity
  - Cash-flow statement
  - Additional information
- Report of the Management Board (Statement of Issuer's Activity)
  - Report on the adherence to the principles of corporate governance

	PLN in thds		EUR in thds	
SELECTED FINANCIAL DATA	2017	2016	2017	2016
I. Net revenues from sales of products, goods and materials	107,897	113,037	25,419	25,833
II. Profit (loss) from operation activities	7,531	6,465	1,774	1,477
III. Gross profit (loss)	7,108	5,893	1,675	1,347
IV. Net profit (loss)	5,731	4,720	1,350	1,079
V. Net cash flows from operating activities	10,328	10,951	2,433	2,503

VI. Net cash flows from investment activities	-1,949	-1,385	-459	-317
VII. Net cash flows from financial activities	-8,546	-9,803	-2,013	-2,240
VIII. Total net cash flows	-167	-237	-39	-54
IX. Total assets	93,347	98,458	22,381	22,255
X. Liabilities and provisions for liabilities	41,209	48,814	9,880	11,034
XI. Long-term liabilities	7,110	10,947	1,705	2,474
XII. Short-term liabilities	24,662	28,590	5,913	6,462
XIII. Shareholder's equity	52,138	49,644	12,500	11,222
XIV. Share capital	3,000	3,000	719	678
XV. Number of shares	3,000,092	3,000,092	3,000,092	3,000,092
XVI. Profit (loss) per one common share (PLN/EUR)	1.91	1.57	0.45	0.36
XVII. Book value per share (PLN/EUR)	17.38	16.55	4.17	3.74
XVIII. Declared or paid dividend per share (PLN/Eur)	1.20	1.10	0.29	0.25

Rules for conversion of selected financial data into EUR are described in the introduction to SA-R 2017.

Year 2017:

Average rate in the period .....4.2447

Minimum rate in the period .....4.1709

Maximum rate in the period.....4.4157

exchange rate on the last day of the period.....4.1709

Year 2016:

Average rate in the period .....4.3757

Minimum rate in the period.....3.2684

Maximum rate in the period.....4.4405

exchange rate on the last day of the period.....4.4240

# **OPINION ON THE EXAMINED ANNUAL FINANCIAL REPORT ISSUED BY ENTITY AUTHORIZED FOR AUDITING FINANCIAL REPORTS**

File	Description
Talex_2017_Independent_Auditor's_Report_tlx	

REPORT ON THE EXAMINED ANNUAL FINANCIAL REPORT ISSUED BY ENTITY  
AUTHORIZED FOR AUDITING FINANCIAL REPORTS

File	Description
Report_on_the_audit_of_the_financial_statement_for_2017_tlx	

STATEMENT ON THE RELIABILITY OF THE FINANCIAL REPORT ISSUED BY THE  
MANAGEMENT BOARD

File	Description
EN_SA-R-2017_statement_par91_slp5_tlx	

STATEMENT ON THE ENTITY AUTHORIZED FOR AUDITING FINANCIAL REPORTS  
ISSUED BY THE MANAGEMENT BOARD

File	Description
EN_SA-R-2017_statement_par91_slp6_tlx	

LETTER OF THE PRESIDENT OF THE MANAGEMENT BOARD

File	Description
EN_Letter_to_Shareholders_2017_tlx	

ANNUAL FINANCIAL REPORT  
INTRODUCTION TO THE FINANCIAL REPORT

File	Description
EN_Introduction_to_Annual_Report_2017_tlx	

BALANCE SHEET

FINANCE STATEMENT

	Notes	PLN in thds	
		2017	2016
ASSETS,			
I. Fixed assets		60,286	63,200
1. Intangible assets including:	1	478	585
2. Tangible fixed assets	2	59,075	61,733
3. Long-term receivables	5	733	882
3.1. Deferred tax assets		726	869
3.2. Other prepayments		7	13
II. Current assets		33,061	35,183
1. Inventories	6	1,781	891
2. Short-term receivables	7 8	23,323	26,217
2.1. From other entities		23,323	26,217
3. Short-term investments		7,618	7,785
3.1. Short-term financial assets	9	7,618	7,785
a) Monetary assets and cash equivalents		7,618	7,785

4. Short-term prepayments and accrued income	10	339	290
III. Own shares			75
Total assets		93,347	98,458
LIABILITIES			
I. Equity		52,138	49,644
1. Share capital		3,000	3,000
2. Reserve capital	14	44,378	37,895
3. Other reserve capitals	16		5,000
4. Profit (loss) from previous years		-971	-971
5. Net Profit (loss)		5,731	4,720
II. Liabilities and provisions for liabilities		41,209	48,814
1. Provisions for liabilities	18	2,355	2,218
1.1. Deferred income tax provision		78	242
1.2. Provision for retirement benefits and related obligations		665	615
a) Long-term		220	193
b) Short-term		445	422
1.3. Other provisions		1,612	1,361
a) Long-term			65
b) Short-term		1,612	1,296
2. Long-term liabilities	19	7,110	10,947
2.1. To other entities		7,110	10,947
3. Short term liabilities	20	24,662	28,590
3.1 To other entities		24,662	28,590
4. Prepayments and accrued income	21	7,082	7,059
4.1. Other long-term prepayments and accrued income		7,082	7,059
a) Long-term		5,911	6,459

b) Short-term		1,171	600
Total liabilities		93,347	98,458
Book value		52,138	49,644
Number of shares		3,000,092	3,000,092
Book value per share (PLN)	22	17,38	16,55

#### OFF-BALANCE SHEET ITEMS

	Notes	PLN in thds	
		2017	2016
From other entities (on account of)			
Guarantees and securities granted			
1. Contingent liabilities	23	981	4,380
1.1. To other entities (on account of)		981	4,380
- received guarantees and securities		981	4,380
Off-balance items in total		981	4,380

#### PROFIT AND LOSS ACCOUNT

	Notes	PLN in thds	
		2017	2016
I. Net income from sales of products, goods and materials, including:		107,897	113,037
1. Net income from sales of products	24	53,301	53,217
2. Net income from sales of goods and materials	25	54,596	59,820
II. Costs of sold products, goods and materials, including:		86,694	93,550
1. Manufacturing cost of sold products	26	37,200	37,973
2. Value of sold goods and materials		49,494	55,577
III. Gross profit (loss) on sales		21,203	19,487
IV. Sales costs	26	3,746	3,724
V. General and administrative costs	26	10,372	9,914
VI. Profit (loss) on sales		7,085	5,849

VII. Remaining operating revenues		651	976
1. Profit on disposal of non-financial fixed assets		34	
2. Grants		567	566
3. Non-financial investments revaluation			246
4. Other operating revenues	27	50	164
VIII. Remaining operating expenses		205	360
1. Loss on disposal of non-financial fixed assets			15
2. Revaluation of non-financial assets		29	61
3. Other operating expenses	28	176	284
IX. Profit (loss) on operation activity		7,531	6,465
X. Financial revenues	29	249	157
1. Dividends received and share in profits:		63	74
2. Interest, including:		186	83
XI. Financial costs	30	672	729
1. Interest, including:		536	712
2. Other		136	17
XII. Gross profit (loss)		7,108	5,893
XII. Income tax	33	1,377	1,173
a) current value		1,398	1,200
b) deferred value		-21	-27
XV. Net profit (loss)		5,731	4,720
Net profit (loss) (annual)		5,731	4,720
Weighted average number of common shares		3,000	3,000
Profit (loss) per common share (PLN)	36	1.91	1.57

#### STATEMENT OF CHANGES IN EQUITY

	PLN in thds
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	2017	2016
I. Shareholders' equity at the beginning of the period (BO)	49,644	48,815
I.a. Restated equity at the beginning of the period (BO)	49,644	48,815
1. Share capital at the beginning of the period (BO)	3,000	3,000
1.1. Share capital at the end of the period	3,000	3,000
2. Reserve capital at the beginning of the period	37,895	36,265
2.1. Changes in reserve capital	6,483	1,630
a) increases (on account of)	6,483	2,359
- from profit distribution (above the statutory minimum value)	1,427	2,359
- from termination of the share buy-back programme	5,000	
- from the sale of own shares at a price higher than the purchase price	56	
b) decreases (on account of)		729
- loss coverage		729
2.2. Reserve capital at the end of the period	44,378	37,895
3. Remaining reserve capitals at the beginning of the period	5,000	5,000
3.1. Remaining reserve capitals at the end of the period	5,000	
4. Profit (loss) from previous years at the beginning of the period	5,000	
4.1. Profit from previous years at the beginning of the period	0	5,000
4.2. Profit from previous years at the beginning of the period	3,749	4,550
a) decrease (on account of)	4,720	6,250
- write-off to supplementary capital	4,720	6,250
-dividend	4,720	6,250
4.3. Profit from previous years at the end of the period	1,427	2,359
4.4. Loss from previous years at the beginning of the period	3,293	3,891
a) adjustments of errors	0	0
4.5. Loss from previous years at the beginning of the period, restated	971	1,700
a) decrease (on account of)	971	1,700

- loss coverage with reserve capital		729
4.6. Loss from previous years at the end of the period		729
4.7. Profit (loss) from previous years at the end of the period	971	971
5. Net result	-971	-971
a) net profit	5,731	4,720
II. Shareholders' equity at the end of the period (BZ )	5,731	4,720
III. Shareholders' equity after proposed profit distribution (loss coverage)	52,138	49,644

### CASH FLOW STATEMENT

	PLN in thds	
	2017	2016
<b>A. Cash flows from operating activities</b>		
I. Net profit (loss)	5,731	4,720
II. Total adjustments	4,597	6,231
1. Depreciation	5,908	6,279
2. Interest and profit sharing (dividends)	536	711
3. (Profit) loss on investment activity	-4	-45
4. Changes to reserves	136	53
5. Changes to inventories	-890	1,261
6. Changes to receivables	2,893	2,139
7. Changes to short-term liabilities, excluding borrowings and bank loans	-4,058	-3,459
8. Changes in prepayments	125	-708
III. Net cash flows from operating activities (I+/-II) – indirect method	-49	
<b>B. Cash flows from investment activities</b>		
I. Inflows	115	140
1. Purchase of intangible assets and tangible fixed assets	22	61
2. Other investment inflows	93	79
II. Outflows	2,064	1,525
1. Disposal of intangible assets and tangible fixed assets	1,839	1,463



2. Other investment outflows	225	62
III. Net cash flow from investment activities (I-II)	-1,949	-1,385
<b>C. Cash flow from financial activities</b>		
I. Inflows	130	10
1. Net inflows from issue of shares (issue of shares) and other equity instruments and contributions to equity	130	
2. Other financial inflows		10
II. Outflows	8,676	9,813
1. Dividend and other payments to shareholders	3,293	3,891
2. Credits and loans repayment	3,527	3,848
3. Payment of liabilities under financial lease agreements	1,349	1,362
4. Interests	507	712
5. Other financial outflows	-8,546	-9,803
III. Net cash flow from financial activities (I-II)	-167	-237
D. Total net cash flows (A.III+/-B.III+/-C.III)	-167	-237
E. Balance sheet change in financial assets, including:	7,785	8,022
F. Monetary assets at the beginning of the period	7,618	7,785
G. Monetary assets at the end of the period (F+/- D), including	3,527	3,848

## **ADDITIONAL INFORMATION AND EXPLANATIONS**

### **A. EXPLANATORY NOTES**

#### **STATEMENT EXPLANATORY NOTES**

##### **Note 1 a**

INTANGIBLE ASSETS	PLN in thds	
	2017	2016
a) Concessions, patents, licenses and similar values, including:	366	585
-computer software	366	585
b) prepayments for intangible assets	112	
Total intangible assets	478	585

Note 1 b

CHANGES IN INTANGIBLE ASSETS (ACCORDING TO TYPE-TYPES OF ITEMS/CATEGORIES)							
PLN in thds							
	a	b	c		d	e	Total intangible assets
	Costs of development work termination	Goodwill	Concessions, patents, licenses and similar values, including:.,		Other intangible assets	Advance payment for intangible assets	
				-computer software			
a)Gross value of intangible assets at the beginning of the period			4,043	4,043			4,043
b) Increases (on account of)			29	29		112	141
- From direct purchase			29	29			29
- provision of advance payments						112	112
c) decrease (on account of)			3	3			3
- liquidation			3	3			3
d) Gross value of intangible assets at the end of the period			4,069	4,069		112	4,181
e) accumulated amortization (depreciation) at the beginning of the period			3,458	3,458			3,458
f) Amortization for the period (on account of)			245	245			245
- planned deduction			248	248			248
- decrease on account of liquidation			3	3			3

g) accumulated amortization (depreciation) at the end of the period			3,703	3,703			3,703
h) Net value of intangible assets at the end of the period			366	366		112	478

Note 1c

INTANGIBLE ASSETS (PROPERTY STRUCTURE)	PLN in thds	
	2017	2016
a) own	478	585
Total intangible assets	478	585

Note 2a

TANGIBLE FIXED ASSETS	PLN in thds	
	2017	2016
a) fixed assets, including:	58,356	61,605
-land (perpetual usufruct of land)	2,328	2,328
-buildings, premises, civil and water engineering structures	40,758	41,871
-technical equipment and machines	12,197	14,686
-motor vehicles	1,598	1,321
-other tangible fixed assets	1,475	1,399
b) Tangible fixed assets under construction	571	112
c) Advance payments towards tangible fixed assets under construction	148	16
Total tangible fixed assets	59,075	61,733

Note 2b

CHANGES IN TANGIBLE FIXED ASSETS (BY TYPE)						
PLN in thds						
	land (perpetual usufruct of land)	buildings, premises, civil and water engineering structures	technical equipment and machines	motor vehicles	other tangible fixed assets	Total tangible fixed assets
a) Gross value of tangible fixed assets at the begging of the period	2,328	49,951	30,410	3,073	5,655	91,417
b) increases (on account of)		114	795	1,127	398	2,434
-from fixed assets under construction from 2016		3	86			89
-from direct purchase in 2017		111	708		398	1,217
- lease				1,127		1,127
- repurchase of leased asset			1	0		1
c) decreases (on account of)		1	1,441	174	15	1,631
-sales			115	133		248
-liquidation		1	219	41	15	276
- lease agreement termination			1,107	0		1,107
d) Gross value of tangible fixed assets at the end of the period	2,328	50,064	29,764	4,026	6,038	92,220
e) accumulated amortization (depreciation) at the beginning of the period		8,079	15,724	1,753	4,256	29,812
f) depreciation for the period (on account of)		1,227	1,843	675	307	4,052
-planned depreciation		1,227	3,280	835	317	5,659
-decreases on account of sales			115	132	0	247
-decreases on account of liquidation		0	215	28	10	253
- lease agreement termination			1,107	0	0	1,107
- reduction due to shortage					0	0
g) accumulated amortization (depreciation) at the end of the period		9,306	17,567	2,428	4,563	33,864

h) write-offs due to permanent loss in value at the beginning of the period						0
-increase						0
-decrease						0
i) write-offs due to permanent loss in value at the end of the period						0
j) net value of fixed assets at the end of the period	2,328	40,758	12,197	1,598	1,475	58,356

Note 2c

BALANCE TANGIBLE FIXED ASSETS (PROPERTY STRUCTURE)	PLN in thds	
	2017	2016
a) proprietary	55,957	59,030
b) used based on tenancy or rental agreement including lease agreement, including:	2,399	2,575
- lease agreements	2,399	2,575
Total balance tangible assets	58,356	61,605

Note 2d

OFF-BALANCE SHEET TANGIBLE FIXED ASSETS	PLN in thds	
	2017	2016
The Company has entered into a number of lease and tenancy agreements for properties used in its business activities, including:		
- a contract for the lease of land with buildings situated in Poznań at ul. Karpia		
- 15 lease agreements for premises used as offices and warehouses in branches of the Company		

Note 3a

LONG-TERM RECEIVABLES	PLN in thds	
	2017	2016
b) from other entities, in which the Issuer holds shares in capital		
c) from other entities (on account of)		
- from a partner of a co-subsiary (on account of)		
Items not listed		

Note 3b

CHANGES IN RECEIVABLE BALANCE (BY TITLE)	PLN in thds	
	2017	2016
Item not listed.		

Note 3c

CHANGES IN LONG-TERM RECIVABLES REVALUATION WRITE-OFFS	PLN in thds	
	2017	2016
Item not listed		

Note 3d

LONG-TERM RECEIVABLES	PLN in thds	
	2017	2016
-		
Item not listed		

Note 4a

CHANGES IN IMMOBILITIES (BY TYPE)	PLN in thds	
	2017	2016
Item not listed		

Note 4b

CHANGES IN INTANGIBLE ASSETS (BY TYPE)	PLN in thds	
	2017	2016
Item not listed		

Note 4c

LONG-TERM FINANCIAL ASSETS	PLN in thds	
	2017	2016
Item not listed		

Note 4d

SHARES IN SUBORDINATED ENTITIES APPRAISED BY EQUITY METHOD	PLN in thds	
	2017	2016
Item not listed		

Note 4e

CHANGES IN GOODWILL – RELATED ENTITIES	PLN in thds	
	2017	2016
Item not listed		

Note 4f



CHANGES IN GOODWILL – INTERRELATED ENTITIES	PLN in thds	
	2017	2016
Item not listed		

Note 4g

CHANGES IN GOODWILL – ASSOCIATED ENTITIES	PLN in thds	
	2017	2016
Item not listed		

Note 4h

CHANGES IN GOODWILL – RELATED ENTITIES	PLN in thds	
	2017	2016
Item not listed		

Note 4i

CHANGES IN THE NEGATIVE GOODWILL – INTERRELATED ENTITIES	PLN in thds	
	2017	2016
Item not listed		

Note 4j

CHANGES IN THE NEGATIVE GOODWILL – ASSOCIATED ENTITIES	PLN in thds	
	2017	2016
Item not listed		

Note 4k

CHANGES IN LONG-TERM FINANCIAL ASSETS (BY TYPE)	PLN in thds	
	2017	2016
Item not listed		

Note 4l

SHARES IN SUBORDINATED ENTITIES												
O r d i n a l n u m b e r	PLN in thds											
	a	b	c	d	e	f	g	h	i	j	k	l
	Name (company) of the entity with the indication of its legal status	location	Type of activity (company's main activity/function)	Type of connection (subsidiary,co-subsidiary, affiliate, with the details of direct and indirect relations	Applied consolidation method/ Equity or proportionate method appraisal or indication that the entity is not subject to consolidation/equity or proportionate method of appraisal)	Date of control seizure/shared -control seizure/obtaining significant influence	Value of shares according to purchase price	Revaluation adjustments (total)	Balance value of shares	Percentage of owned share capital	Number of the total votes in the General Meeting of Shareholders	Indication of a different type of control/shared-control/significant influence than indicated in points j) and k)
Item not listed												

Note 4m

SHARES IN SUBORDINATED ENTITIES								
	PLN in thds							
	a	m	n	o	p	r	s	t
		Equity including:	Liabilities and provisions for liabilities, including:	Receivables, including:	Total assets	Sales revenues	Value of shares in the unit unpaid by issuer	Dividends from the unit for the previous financial year received or accrued

		-share capital	- reserve capital	Remaining equity, including		-long-term liabilities	-short-term liabilities	-long-term receivables	-short-term receivables				
				Profit (loss) from the previous years	Net profit (loss)								
Item not listed													

Note 4n

SHARES IN REMAINING ENTITIES									
PLN in thds									
a	b	c	d	e	f	g	h	j	
Name (company) of the unit with the indication of its legal status	location	Type of activity (company's main activity/function)	Balance value of shares	Equity including:	Percentage of owned share capital	Number of the total votes in the General Meeting of Shareholders	Value of shares in the unit unpaid by issuer	Dividends from the entity for the previous financial year received or accrued	
				-share capital					
Item not listed									

Note 4o

SECURITIES, SHARES AND OTHER LONG-TERM FINANCIAL ASSETS (CURRENCY STRUCTURE)	entity	currency	PLN in thds	
			2017	2016
B1. in currency				
Item not listed				

Note 4p

SECURITIES, SHARES AND OTHER LONG-TERM FINANCIAL ASSETS (ACCORDING TO MARKETABILITY)	PLN in thds	
	2017	2016
Item not listed		

Note 4q

GRANTED LONG-TERM LOANS (CURRENCY STRUCTURE)	PLN in thds	
	2017	2016
Item not listed		

Note 4r

OTHER LONG-TERM INVESTMENTS (BY TYPE)	PLN in thds	
	2017	2016
Item not listed		

Note 4s

CHANGES IN THE BLANACE OF OTHER LONG-TERM INVESTMENTS (BY TYPE)	PLN in thds	
	2017	2016
Item not listed		

Note 4t

OTHER LONG-TERM INVESTMENTS (CURRENCY STRUCTURE)	PLN in thds	
	2017	2016
-		
Item not listed		

Note 5a

CHANGE IN THE BLANACE OF ASSETS DUE TO DEFERRED INCOME TAX	PLN in thds	
	2017	2016
1. Balance of assets due to deferred income tax at the beginning of the period, including:	869	628
a) attributed to the financial result	869	628
2. Increases	568	945
a) attributed to the financial result of the period with regard to negative temporary differences (on account of)	568	945
-unpaid remunerations	287	219
- provision for employees benefits	9	4
- creation of other provision for costs	1	2
- invoiced and paid-up services in the future periods	4	6
- invoiced advance payments for deliveries	82	385
- creation of reserves for the costs of completed projects		12
- creation of revaluation write-off of inventories	7	11
- valuation of IRS transaction		5
- tax loss occurrence	167	301
- entry in the accounts of unnotified interest	5	
- differences in tax depreciation	6	
3. Decreases	711	704
a) attributed to the financial result of the period with regard to negative temporary differences (on account of)	711	704
- execution of deliveries of goods	212	251
- reversals of the reserves for retirement severance payments	278	76
- reversals of the reserves for unused leaves		1
- use of the services invoiced and paid-up in the previous period		8
- use of the reserve for guarantee repairs	7	3
- payment for overdue liabilities	10	10

- update of valuation of IRS transaction		30
- use or dissolution of remaining reserves	10	20
- use of write-downs of inventories	13	3
- tax loss decrease	14	1
4. Total deferred income tax assets at the end of the period, including:	167	301
a) attributed to the financial result	726	869

Note 5b

OTHER ACCRUALS	PLN in thds	
	2017	2016
a) deferred expenditures; prepaid expenses	7	13
-costs of reserve equipment		2
- trademark fee, service assistance fee		11
- property insurance	7	
Other accruals in total	7	13

Note 6a

INVENTORIES	PLN in thds	
	2017	2016
a) materials	551	446
b) goods	1,219	433
c) advances on deliveries and services	11	12
Total inventories	1,781	891

In accordance with the National Accounting Standard No. 4: "Impairment of Assets" the real value of stock inventory in Service Magazine has been evaluated. As a result, the revaluation of inventories of service materials has been written-off as at 31.12.2017 in the amount of PLN 193 thousand. In the above Note, the value of materials has been demonstrated in the net amount including the write-off.

Note 7a

SHORT-TERM RECIVABLES	PLN in thds	
	2017	2016

a) receivables from remaining entities	23,323	26,217
-on account of deliveries and services with a repayment period of:	22,782	25,436
-no more than 12 months	22,782	25,436
-on account of taxes, grants, customs, social and health insurances and other public (law) liabilities	461	686
-other	80	95
Total net short-term receivables	23,323	26,217
b) receivables revaluation write-offs	1,250	1,256
Total gross short-term receivables	23,323	26,217

Note 7b

SHORT-TERM RECEIVABLES FROM RELATED ENTITIES	PLN in thds	
	2017	2016
Item not listed		

Note 7c

SHORT-TERM RECEIVABLES FROM REMAINING ENTITIES, IN WHICH THE ISSUER HOLDS SHARES IN CAPITAL	PLN in thds	
	2017	2016
Item not listed		

Note 7d

SHORT-TERM RECEIVABLES FROM REMAINING ENTITIES	PLN in thds	
	22,782	26,217
a) on account of deliveries and services, including:	22,782	26,217
- from other entities	461	687
b) –on account of taxes, grants, customs, social and health insurances and other public (law) liabilities	80	95
c) other, including:	80	95
- from other entities	22,782	26,217
Total net short-term receivables	1,250	1,256
b) receivables revaluation write-offs	24,573	24,473

Total gross short-term receivables	22 782	26 217
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Note 7e

CHANGES IN REVALUATION WRITE-OFFS TO SHORT-TERM RECEIVABLES	PLN in thds	
	2017	2016
At the beginning of the period	1,256	1,601
a) increases on account of	1	5
- outstanding payment for the term longer than half a year	1	
- foreign exchange differences		5
b) decreases on account of	7	350
-payment by debtor		259
-write-off of interest		91
- foreign exchange differences	7	
SHORT-TERM RECEIVABLES WRITE-OFFS AT THE END OF THE PERIOD	1,250	1,256

Note 7f

GROSS SHORT-TERM RECEIVABLES (CURRENCY STRUCTURE)	unit	currency	PLN in thds	
			2017	2016
a) in Polish currency			15,021	25,612
b) in foreign currencies			9,552	1,861
b1. In currency	In thds	EUR	2,290	420
recalculated into thousands of PLN			9,550	1,857
b2. In currency	In thds	USD	61	85
recalculated into thousands of PLN			2	4
b3. In currency	In thds	CZK	24,573	27,473
recalculated into thousands of PLN			15,021	25,612
Total short-term receivables			9,552	1,861

Note 7g



RECEIVABLES ON ACCOUNT OF DELIVERIES AND SERVICES (GROSS)-WITH REPAYMENT PERIOD OF:	PLN in thds	
	2017	2016
a) no more than 1 month from the day of publishing the balance sheet	11,727	24,112
b) between 1 and 3 months from the day of publishing the balance sheet	9,721	401
c) overdue payments	2,584	2,178
Total (gross) receivables on account of deliveries and services	24,032	26,691
d) Receivables revaluation write-offs on account of deliveries and services.	1,250	1,256
Total (net) receivables on account of deliveries and services	22,782	25,435

Note 7h

RECEIVABLES (GROSS) ON ACCOUNT OF DELIVERIES AND SERVICES, OVERDUE PAYMENTS – DIVIDED BY RECEIVABLES UNPAID WITHIN:	PLN in thds	
	2017	2016
a) no more than 1 month	1,263	880
b) between 1 and 3 months	71	42
c) more than 1 year	1	
Total gross receivables on account of deliveries and services, overdue payments	1,249	1,256
d) Receivables revaluation write-offs on account of deliveries and services, overdue.	2,584	2,178
Total net receivables on account of deliveries and services, overdue payments	1,250	1,256

Note 8a

Item not listed.

File	Description

Note 9a

SHORT TERM FINANCIAL ASSETS	PLN in thds	
	2017	2016
a) cash and other financial assets	7,618	7,785

-in cash and in bank accounts	7,618	7,785
Total short term financial assets	7,618	7,785

Note 9b

SECURITIES, SHARES AND OTHER SHORT-TERM FINANCIAL ASSETS (CURRENCY STRUCTURE)	entity	currency	PLN in thds	
			2017	2016
-				
Item not listed				

Note 9c

SECURITIES, SHARES AND OTHER SHORT-TERM FINANCIAL ASSETS (BY MARKETABILITY)	PLN in thds	
	2017	2016
Item not listed		

Note 9d

GRANTED SHORT-TERM LOANS (CURENCY STRUCTURE)	entity	currency	PLN in thds	
			2017	2016
Other currencies in PLN thds.				
Items not listed				

Note 9e

CASH AND FINANCIAL ASSETS (CURRENCY STRUCTURE)	entity	currency	PLN in thds	
			2017	2016
a) in Polish currency			6,862	7,544
b) in foreign currencies (by currencies; recalculated into PLN)			756	241
b1. In currency	in thds	USD	16	8
recalculated into PLN thds			56	34
b2. In currency	in thds	EUR	168	34

recalculated into PLN thds			700	149
b3. In currency	in thds	CZK	0	355
recalculated into PLN thds				58
Total cash and other financial assets			7,618	7,785

Note 9f

SHORT-TERM INVESTMENTS (BY TYPE)	entity	currency	PLN in thds	
			2017	2016
Item not listed				

Note 9g

SHORT-TERM INVESTMENTS (CURRENCY STRUCTURE)	entity	currency	PLN in thds	
			2017	2016
B1. In currency				
Item not listed				

Note 10a

SHORT-TERM PREPAYMENTS AND ACCRUED INCOME	PLN in thds	
	2017	2016
a) active short-term prepayments and accrued income, including:		
-insurances	339	290
-software maintenance and partnership payments	218	113
-cost of standby equipment	85	98
-subscriptions	12	26
-connections and access to the Internet	7	7
- prepaid rent for the premise	4	3
- prepayment to other services		35
	13	8
b) other prepayments and accrued income, including:	339	290
Total short-term prepayments and accrued income	339	290

Note 11a

OWN SHARES				
PLN in thds				
Amount	Value of purchase price	The carrying amount	The purpose of purchase	destination

According to the Current Report No. 26/2017:

The Management Board of Talex S.A. informs that the Company became aware of the sale of 6,711 own shares at the price of PLN 19.57 per share on 19 December 2017 through transactions outside the regulated market. The treasury shares had been previously acquired by the Company pursuant to Resolution No. 13 of the Ordinary General Meeting of Shareholders of Talex S. A. held on 18 April 2012. In the course of this transaction, the Company sold all its treasury shares. The sold shares constitute 0.22% of the Company's share capital and entitle to 6,711 votes at the Company's General Meeting of Shareholders. As indicated above, the shares were sold at the price of PLN 19.57 per share, while the average purchase price of the indicated own shares, taking into account their price and acquisition costs, amounts to PLN 11.17 per share.

Note 11b

ISSUER'S SHARES OWNED BY SUBORDINATED ENTITIES			
PLN in thds			
Entity name (company), headquarters	amount	Value of purchase price	The carrying amount

Note 12a

Item not listed
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Note 13a

EQUITY (STRUCTURE)								
PLN in thds								
Series/Issue	Share type	Type of share preference	Type of limitation of rights to shares	Number of shares	Value of series/issue by nominal value	Type of capital cover	Registration date	Dividend eligibility (from date)
A series shares	Registered, preference	Voting preference: 5 votes per each share		102,000	102	Non-financial contribution	09.04.1998	01.01.1998
B series	Common			849,000	849	Non-financial	10.06.1998	01.01.1998

shares	registered					contribution		
C series shares	Common bearer			450,000	450	Financial contribution	10.06.1998	09.04.1998
D series shares	Common registered			889,092	889	Non-financial contribution	21.09.1998	01.01.1999
E series shares	Common bearer			710,000	710	Financial contribution	17.10.2000	01.01.2000
Total number of shares				3,000,092				
Total equity					3,000			
Nominal value of share		1.00						

Note 14a

RESERVER CAPITAL	PLN in thds	
	2017	2016
a) from selling shares above their nominal value	19,880	19,880
b) established statutorily	1,000	1,000
c) established according to the statute/agreement, above the (minimal) value required by law	23,382	16,955
d) other (by type)	116	60
- from revaluation of disposed of fixed assets	60	60
- sale of own shares at a price higher than their purchase price	56	
Total reserve capital	44,378	37,895

Note 15a

REVALUATION RESERVE CAPITAL	PLN in thds	
	2017	2016
Item not listed		

Note 16a

REMAINING RESERVE CAPITAL (BY ALLOCATION)	PLN in thds	
	2017	2016
a) created in accordance to statute/agreement		
b) to own shares		5,000

Other reserve capital, together	0	5,000
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Note 17a

NET PROFIT WRITE-OFFS DURING THE FINANCIAL YEAR (ON ACCOUNT OF)	PLN in thds	
	2017	2016
Item not listed		

Note 18a

CHANGES IN PROVISIONS ON ACCOUNT OF DEFERRED INCOME TAX	PLN in thds	
	2017	2016
1.Provision on account of deferred income tax at the beginning of the period, including:	242	29
a) referred to financial results	242	29
2. Increases	286	235
a) referred to financial results from the period on account of temporary difference (on account of)	286	235
- positive difference in tax depreciation	11	19
-deferred income	275	216
3. Decreases	450	22
a) referred to financial results from the period on account of temporary difference (on account of)	450	22
- use of reserves on account of tax amortization	9	11
- execution of accrued revenues	441	11
4. Total provisions on account of deferred income tax at the end of the period	78	242
a) referred to financial result	78	242

Note 18b

CHANGES IN LONG-TERM PROVISIONS FOR RETIREMENT BENEFITS AND RELATED OBLIGATIONS (BY TITLE)	PLN in thds	
	2017	2016
a) at the beginning of the period	193	194
b) increases (on account of)	38	20

- increase in employment and remunerations	38	20
c) dissolution of (on account of)	11	21
- decrease of an average remuneration		6
- transfer to short-term reserve	11	15
d) at the end of the period	220	193

Note 18c

CHANGES IN SHORT-TERM PROVISIONS FOR RETIREMENT BENEFITS AND RELATED OBLIGATIONS (BY TITLE)	PLN in thds	
	2017	2016
a) at the beginning of the period	422	451
b) increase (on account of)	23	15
- transfer from long-term reserve	11	15
- creation of reserve for unused holiday leaves	12	
c) reversal (on account of)		44
- use of unused holiday leaves		44
d)at the end of the period	445	422

Note 18d

CHANGES IN REMAINING LONG-TERM PROVISIONS (BY TITLE)	PLN in thds	
	2017	2016
a) at the beginning of the period	65	98
b) reversal (on account of)	65	33
- transfer to a short-term reserve	65	33
c) at the end of the period	0	65

Note 18e

CHANGES IN REMAINING SHORT-TERM PROVISIONS (BY TITLE)	PLN in thds	
	2017	2016

a) at the beginning of the period	1,296	1,394
b) increases (on account of)	1,525	1,196
- costs of unpaid media delivery	5	13
- creation of reserve for subcontracting costs		63
- transfer of the reserve to the guarantee costs from long-term reserve	65	33
- creation of the reserve for the previous year remuneration costs	1,454	1,087
c) use (on account of)	1,161	1,273
- payment of penalties for late deliveries and late performance of services		4
- use of the reserve for subcontracting costs	57	
- payment of remuneration for the previous year	1,087	1,219
- receipt of invoices for the media	5	9
- realization of services under guarantee	12	41
d) dissolution (on account of)	48	21
- derecognition of the unused reserve for media delivery		6
- derecognition of the unused reserve for subcontracting services	7	2
- derecognition of the unused reserve for guarantee services	41	13
e) at the end of the period	1,612	1,296

Note 19a

LONG-TERM LIABILITIES	PLN in thds	
	2017	2016
towards other entities, including		
due to issuance of debt securities		
other financial liabilities, including:		
financial lease agreements		
liabilities on bills of exchange		
others (according to the type)		



cc) towards other entities	7,110	10,947
-credits and loans	5,772	9,620
- other financial liabilities, including:	1,338	1,327
-financial lease agreements	1,307	1,255
Total long-term liabilities	7,110	10,947

Note 19b

LONG-TERM LIABILITIES OF A REPAYMENT DATE REMAINING FROM THE BALANCE SHEET DATE:	PLN in thds	
	2017	2016
a) between 1 year and 3 years	6,960	8,798
b) between 3 years and 5 years	150	2,149
Total long-term liabilities	7,110	10,947

Note 19c

LONG-TERM LIABILITIES (CURRENCY STRUCTURE)	PLN in thds	
	2017	2016
a) in Polish currency	7,110	10,947
Total long-term liabilities	7,110	10,947

Note 19d

LONG-TERM LIABILITIES ON ACCOUNT OF CREDITS AND LOANS													
PLN in thds													
Name (company) of the entity with the indication of its legal status	location	Loan/credit according to agreement				Remaining loan/credit				Interest rate	Repayment date	Securities	Other
		PLN in thds	In currency	entity	currency	PLN in thds	In currency	entity	currency				
		19,240				9,969				WIB OR 1M + 1.65	30.06.2020	contractual mortgage on property	

Total amount of the credit to be reimbursed amounts to PLN 9,969, the amount shown in long-term liabilities: PLN 5,772, and the amount in short-term liabilities is PLN 4,197.

Note 19e

LONG-TERM LIABILITIES ON ACCOUNT OF ISSUED DEBT FINANCIAL INSTRUMENTS							
PLN in thds							
Debt financial instruments by type	Nominal value	Interest rate	Repurchase term	Guarantees/securities	Additional rights	Quotation market	Other
Item not listed							

Note 20a

SHORT-TERM LIABILITIES	PLN in thds	
	2017	2016
a) towards a parent company		

- credits and loans, including:		
long-term during repayments		
on account of emission of debt securities		
on account of dividends		
other financial liabilities, including:		
on account of deliveries and services in the demand period:		
no more than 12 months		
more than 12 months		
down payments for deliveries		
bill of exchange liabilities		
other (by type)		
bc) towards other entities		
a) towards other entities		
- credits and loans, including		
- long-term in the period of payment		
- due to emission of debt securities		
- due to dividends		
- other financial liabilities, including:		
- on account of deliveries and services in due period:		
- no more than 12 months		
- above 12 months		
- advances received for deliveries		
- liabilities on bills of exchange		
- other (by type)		
towards other entities, including:		
ca) towards the partner of a co-subsiidiary		
- credits and loans, including:		

long-term during repayments		
on account of emission of debt securities		
on account of dividends		
other financial liabilities, including:		
on account of deliveries and services in the demand period:		
no more than 12 months		
more than 12 months		
down payments for deliveries		
bill of exchange liabilities		
other (by type)		
cc) towards other entities	24,662	28,590
- credits and loans	4,197	3,848
- long-term during repayments	4,197	3,848
- other financial liabilities, including	968	1,250
- on account of lease agreement	947	1,221
- on account of deliveries and services in due period:	14,642	17,409
- no more than 12 months	14,642	17,409
- advance payments on deliveries and services	1,357	2,451
- on account of taxes, grants, social and health insurances and other public (law) liabilities	3,245	3,454
- on account of remunerations	148	146
- other (by type)	105	32
- remaining liabilities towards employees	7	10
- liabilities due to purchase of fixed assets	72	10
- on account of insurances	25	10
- other	1	2
Total short-term liabilities	24,662	28,590

Note 20b

LONG-TERM LIABILITIES (CURRENCY STRUCTURE)			PLN in thds	
			2017	2016
a) in Polish currency			15,538	27,878
b) in foreign currencies (by currency and recalculated into PLN thds)			9,090	712
b1. In currency	in thds	USD	2,180	161
recalculated into PLN thds			9,090	712
-				
Total short-term liabilities			24,628	28,590

Note 20c

SHORT-TERM LIABILITIES ON ACCOUNT OF CREDITS AND LOANS													
PLN in thds													
Name (comp any) of the entity with the indication of its legal status	location	Loan/credit according to agreement				Remaining loan/credit				Interest rate	Repayment date	Securities	Other
		PLN in thds	In currency	entity	currency	PLN in thds	In currency	entity	currency				
The Company concluded one credit agreement shown in the long-term liabilities on account of credits and loans. In the liabilities of the balance sheet the amount of PLN 4,197 thousand of the long-term liabilities on account of credits and loans was demonstrated, which constitutes the amount predicted to be paid in 2018.													

Note 20d

LONG-TERM LIABILITIES ON ACCOUNT OF ISSUED DEBT FINANCIAL INSTRUMENTS						
PLN in thds						
Debt financial instruments by type	Nominal value	Interest rate	Repurchase term	Guarantees/securities	Additional rights	Other
Item not listed						

Note 21a

CHANGES IN NEGATIVE GOODWILL	PLN in thds	
	2017	2016
Item not listed		

Note 21b

OTHER PREPAYMENTS AND ACCURED INCOME	PLN in thds	
	2017	2016
a) accrued income	7,082	7,059

- long-term (by title)	5,911	6,459
- subsidy on fixed assets to server room	455	525
- co-financing of INNOTECH project		5
- subsidy to "IT Centre" building project	5,456	5,929
-short-term (by title)	1,171	600
- invoices issued for unrealized deliveries		32
- invoices issued for unrealized deliveries	623	
- subsidy on fixed assets to server room	70	84
- co-financing of INNOTECH project	5	9
- subsidy to "IT Centre" building project	473	475
Other prepayments and accrued income in total	7,082	7,059

Note 22a

Book value per share is equal to the quotient of book value and number of shares: Book value: .....PLN 52,138 thousand Number of shares.....3,000 thousand Book value per share.....PLN 17.38 (52,138/3000) Diluted book value is not counted due to not expected changes in the number of shares.	
File	Description

## OFF-BALANCE ITEMS-EXPLANATORY NOTES

Note 23a

CONTINGENT LIABILITIES FROM RELATED ENTITIES (ON ACCOUNT OF)	PLN in thds	
	2017	2017
Item not listed		

Note 23b

CONTINGENT LIABILITIES (ON ACCOUNT OF)	PLN in thds	
	2017	2016

a) remaining (on account of)	981	4,380
- to other entities	981	4,380
Total contingent liabilities	981	4,380

This should include contingent liabilities secured on the assets of the issuer / affiliates / other entities in which the issuer holds shares in the capital / partner of a co-subsiary / significant investor (indicating the type of collateral).

## PROFIT AND LOSS-EXPLANATORY NOTES

### Note 24a

NET REVENUES FROM SALES OF PRODUCTS	PLN in thds	
	2017	2016
- installation and IT environment maintenance services	18,298	17,285
- software services	12,116	12,286
- Data Center services	9,758	10,356
- outsourcing of IT services	9,799	9,283
- IT integration	2,767	3,565
- other	563	442
from other entities in which the issuer holds shares in the capital		
from co-subsiaries		
from affiliates		
from other entities		
from the remaining entities		
Total net revenues from sales of products	53,301	53,217
-	53,301	53,217

### Note 24b

NET REVENUES FROM SALES OF PRODUCTS (TERRITORIAL STRUCTURE)	PLN in thds	
	2017	2016
a) Poland	53,301	53,217



from related entities		
from other entities, in which the issuer holds shares in capital		
from co-subsiidiaries		
from affiliates		
from other entities		
from remaining entities	53,301	53,217
b) export		
from related entities		
from other entities, in which the issuer holds shares in capital		
from co-subsiidiaries		
from affiliates		
from other entities		
- from remaining entities		5
from related entities		
from other entities, in which the issuer holds shares in capital		
from co-subsiidiaries		
from affiliates		
from other entities		
from remaining entities		
Total net revenues from sales of products	53,301	53,217

Note 25a

NET REVENUES FROM SALES OF GOODS AND MATERIALS (SALES REVENUES BY ITEM/CATEGORY-TYPES OF ACTIVITY)	PLN in thds	
	2017	2016
- wholesale of computers and peripheral equipment	54,578	59,098
- wholesale of electronic and telecommunication equipment	0	713
- remaining retail wholesale	18	9
Total net revenues from sales of goods and materials	54,596	59,820

Note 25b

NET REVENUES FROM SALES OF GOODS AND MATERIALS (TERRITORIAL STRUCTURE)	PLN in thds	
	2017	2016
a) Poland	54,596	59,820
from related entities		
from other entities, in which the issuer holds shares in capital		
from co-subsiidiaries		
from affiliates		
from other entities		
- from remaining entities	54,596	59,820
from subsidiaries		
from co-subsiidiaries		
from affiliates		
from other entities		
from remaining entities		
b) export		
from related entities		
from other entities, in which the issuer holds shares in capital		
from co-subsiidiaries		
from affiliates		
from other entities		
- from remaining entities		
Total net revenues from sales of goods and materials	54,596	59,820

Note 26a

COSTS BY TYPE	PLN in thds	
	2017	2016
a) amortization	5,908	6,279
b) consumption of materials and energy	5,370	4,799

c) external services	8,013	10,564
d) taxes and fees	671	754
e) remunerations	25,466	23,997
f) social insurances and other services, including retirement	4,915	4,454
g) remaining prime costs (on account of)	975	764
- business travel	412	300
- advertisement and representational costs	172	151
-	391	313
Total costs by type	51,318	51,611
Change in the balance of inventories, products and accruals	3,746	3,724
Manufacturing cost of products for internal purposes (negative value)	10,372	9,914
General management costs (negative value)	37,200	37,973
Manufacturing cost of the sold products	5,908	6,279

Note 27a

OTHER OPERATIONAL REVENUES	PLN in thds	
	2017	2016
a) reversal of provision (on account of)	0	2
- future costs of delivered services		2
b) remaining, including:	50	162
-remuneration of a taxpayer	8	8
- cash bonus	28	54
- reimbursement of court costs		13
- surplus of current assets		5
-transport accidents compensations	13	21
- compensations for damages in current assets		58
- compensation for the property loss		3

- unsettled lease installment	1	
Other operational revenues in total	50	164

Note 28a

OTHER OPERATIONAL COSTS	PLN in thds	
	2017	2016
a) remaining, including:	176	284
- grant acquisition costs	137	54
- tax referring to the bad debt relief – due to the receipt of overdue payment		46
- value of inventories lost due to damages		30
- compensations and contractual penalties	24	29
- shortages of inventories		16
- legal and enforcement costs	4	15
- removal costs of damages to vehicles		14
- faultless shortages and damages in current assets		10
- the connection fees		8
- revaluation of write-down of receivables in Euro		4
- 14-removal costs of damages in the company's assets	3	3
- donations on current assets	4	
- other	4	55
Other operating costs, total	176	284

Note 29a

FINANCIAL REVENUES ON ACCOUNT OF DIVIDENDS AND SHARES IN PROFIT	PLN in thds	
	2017	2016
Item not listed.		

Note 29b

FINANCIAL REVENUES ON ACCOUNT OF INTEREST	PLN in thds	
	2017	2016
a) remaining interest	63	74
-from remaining entities	63	74
Total financial revenues on account of interest	63	74

Note 29c

OTHER FINANCIAL REVENUES	PLN in thds	
	2017	2016
a) positive exchange rate differences	3	0
-paid	-26	0
-unpaid	29	0
b) remaining, including:	183	83
- income from the sale of own shares	132	0
- income from valuation of IRS transaction	51	83
Other financial revenues in total	186	83

Note 30a

FINANCIAL COSTS ON ACCOUNT OF INTEREST	PLN in thds	
	2017	2016
a) from credits and loans	449	595
b) remaining interest	87	116
- for other entities, including:	87	116
Total financial costs on account of interest	536	712

Note 30b

OTHER FINANCIAL COSTS	PLN in thds	
	2017	2016

a) negative exchange rate differences, including:	0	16
-paid		24
-unpaid		-8
b) remaining, including:	136	1
- remaining lease costs	4	1
- costs of own shares sale	132	
Other financial costs in total	136	17

Note 31a

A SHARE IN THE NET PROFIT (LOSS) OF THE SUBSIDIARIES MEASURED BY EQUITY METHOD	PLN in thds	
	2017	2016
Item not listed.		

Note 32a

File	Description
Item not listed.	

Note 33a

CURRENT INCOME TAX	PLN in thds	
	2017	2016
1. Gross profit (loss)	7,108	5,893
2. Differences between gross profit (loss) and income tax base (by title)	251	427
- permanent differences between gross profit and taxable income	56	341
- temporary differences between gross profit and taxable profit	195	86
3. Basic income tax taxation	7,359	6,320
4. Income tax of 19%	1,398	1,200
5. Current income tax included (shown) in the declaration, including:	1,398	1,200
- shown in the profit and loss account	1,398	1,200

Note 33b

DEFERRED TAX PRESENTED IN PROFIT AND LOSS ACCOUNT	PLN in thds	
	2017	2016
-decreases (increases) on account of occurring and diverting temporary differences	-21	-27
-Total deferred income tax	-21	-27

Note 33c

DEFERED TAX IN TOTAL	PLN in thds	
	2017	2016
Item not listed		

Note 33d

INCOME TAX PRESENTED IN PROFIT AND LOSS ACCOUNT REGARDING	PLN in thds	
	2017	2016
Item not listed		

Note 34a

REMAINING, OBLIGATORY DECREASES OF PROFIT (INCREASES OF LOSS) ON ACCOUNT OF:	PLN in thds	
	2017	2016
Item not listed		

Note 35a

The Management Board of Talex S.A. will propose the payment of dividend for 2017 in the amount of PLN 1.20 per share and allocation of remaining part of the profit to the supplementary capital.
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Note 36a

Book value per share is equal to the quotient of book value and number of shares:
Net profit for 2017: ..... PLN 5,731thousand

Number of shares .....	PLN 3,000 thousand
Profit per share.....	PLN 1.91

File	Description

## EXPLANATORY NOTES TO CASH FLOW STATEMENT

File	Description
EN_Explanatory_note_to_the_cash_flow_statement_EN_SA-R-2017_tlx	

CASH FLOWS FROM OPERATING ACTIVITIES (DIRECT METHOD)	PLN in thds	
	2017	2016
I. Net profit (loss)	5,731	4,720
II. Total adjustments	4,597	6,231
1. Depreciation	5,908	6,279
2. Interest and profit sharing (dividends)	536	711
3. (Profit) loss on investment activity	-4	-45
4. Changes to reserves	136	53
5. Changes to inventories	-890	1,261
6. Changes to receivables	2,893	2,139
7. Changes to short-term liabilities, excluding borrowings and bank loans	-4,058	-3,459
8. Changes in prepayments	125	-708
III. Net cash flows from operating activities (I+/-II) – indirect method	-49	

## B. ADDITIONAL EXPLANATORY NOTES



File	Description
EN_Additional_notes_to_AnnualReport_2017_tlx	

## SIGNATURES

SIGNATURES OF ALL BOARD OF DIRECTORS MEMBERS			
Date	Name and last name	Function	Signature
2018-03-27	Janusz Gocałek	President of the Management Board	
2018-03-27	Jacek Klauziński	Vice-president of the Management Board	
2018-03-27	Andrzej Rózga	Vice-president of the Management Board	
2018-03-27	Rafał Szalek	Member of the Management Board	
2018-03-27	Radosław Wesołowski	Member of the Management Board	

Signature of the person entrusted with keeping the accounting books			
Date	Name and last name	Function	Signature
2018-03-27	Dorota Wójcik	Chief accountant	

## THE REPORT OF BOARD OF DIRECTORS (REPORT ON ISSUER'S ACTIVITY)

File	Description
EN_Report_of_Management_Board_2017_tlx	

## THE CORPORATE GOVERNANCE STATEMENT

EN_Report_adherence_corporate_governance_2017_tlx	
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