

Polish Financial Supervisory Authority
Annual report SA-R 2019

(in accordance with par. 82 section 1 (3) of the Regulation of the Minister of Finance of 19th February 2018,
Journal of Laws No 33, item 259)

(for issuers of securities whose business activity embraces manufacture, construction, trade and services)

For the financial year 2019, that is for the period from 01.01.2019 to 31.12.2019

and for the previous financial year 2018 that is for the period from 01.01.2018 to 31.12.2018

publishing date: 20.04.2020

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

SELECTED FINANCIAL DATA	PLN in thds		EUR in thds	
	2019	2018	2019	2018
I. Net revenues from sales of products, goods and materials	88,814	94,766	20,646	22,210
II. Profit (loss) from operation activities	2,798	8,342	650	1,955
III. Gross profit (loss)	2,863	7,881	666	1,847
IV. Net profit (loss)	2,404	6,575	559	1,541
V. Net cash flows from operating activities	8,865	12,216	2,061	2,863

VI. Net cash flows from investment activities	-1,228	-6,464	-285	-1,515
VII. Net cash flows from financial activities	-6,696	-7,048	-1,557	-1,652
VIII. Total net cash flows	941	-1,296	219	-304
IX. Total assets	83,342	93,558	19,571	21,758
X. Liabilities and provisions for liabilities	28,754	38,445	6,684	8,941
XI. Long-term liabilities	4,318	6,763	1,014	1,573
XII. Short-term liabilities	18,247	17,943	4,285	4,173
XIII. Shareholder's equity	54,588	55,113	12,819	12,817
XIV. Share capital	3,000	3,000	704	698
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)	0.80	2.19	0.19	0.51
XVII. Book value per share (PLN/EUR)	18.20	18.37	4.23	4.27
XVIII. Declared or paid dividend per share (PLN/Eur)	0.60	1.30	0.14	0.30

Rules for conversion of selected financial data into EUR are described in the introduction to SA-R 2019.

Year 2019:

Average rate in the period4.3018

Minimum rate in the period4.2406

Maximum rate in the period.....4.3891

exchange rate on the last day of the period.....4.2585

Year 2018:

Average rate in the period4.2669

Minimum rate in the period.....4,1423

Maximum rate in the period.....4.3978

exchange rate on the last day of the period.....4.3000

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

File	Description
Talex_2019_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_2019_tlx	

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

File	Description
EN_SA-R-2019_statement_par70_slp6_tlx	

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

File	Description
EN_SA-R-2019_statement_par70_slp7_tlx	

STATEMENT OF THE SUPERVISORY BOARD ON THE AUDIT COMMITTEE

File	Description
EN_SA-R-2019_statement_par70_slp8_tlx	

LETTER OF THE PRESIDENT OF THE MANAGEMENT BOARD

File	Description
EN_Letter_to_Shareholders_2019_tlx	

ANNUAL FINANCIAL REPORT
INTRODUCTION TO THE FINANCIAL REPORT

File	Description
EN_Introduction_to_Annual_Report_2019_tlx	

BALANCE SHEET

		Notes		PLN in thds	
				2019	2018
ASSETS,					
I. Fixed assets				63,529	67,302
1. Intangible assets including:		1		554	459
2. Tangible fixed assets		2		62,643	66,058
3. Long-term receivables		5		332	785
3.1. Deferred tax assets				291	767
3.2. Other prepayments				41	18
II. Current assets				19,813	26,256
1. Inventories		6		1,282	1,636
2. Short-term receivables		7	8	10,837	17,901
2.1. From other entities				10,837	17,901
3. Short-term investments				7,263	6,322

3.1. Short-term financial assets	9	7,263	6,322
a) Monetary assets and cash equivalents		7,263	6,322
4. Short-term prepayments and accrued income	10	431	397
Total assets		83,342	93,558
I. Equity		54,588	55,113
1. Share capital		3,000	3,000
2. Reserve capital	14	49,184	46,509
3. Profit (loss) from previous years		0	-971
4. Net Profit (loss)		2,404	6,575
II. Liabilities and provisions for liabilities		28,754	38,445
1. Provisions for liabilities	18	813	2,624
1.1. Deferred income tax provision		134	151
1.2. Provision for retirement benefits and related obligations		675	765
a) Long-term		267	229
b) Short-term		408	536
1.3. Other provisions		4	1,708
a) Short-term		4	1,708
2. Long-term liabilities	19	4,318	6,763
2.1. To other entities		4,318	6,763
3. Short term liabilities	20	18,247	17,943
3.1 To other entities		18,247	17,943
4. Prepayments and accrued income	21	5,376	11,115
4.1. Other long-term prepayments and accrued income		5,376	11,115
a) Long-term		5,025	5,376
b) Short-term		351	5,739

Total liabilities		83,342	93,558
Book value		54,588	55,113
Number of shares		3,000,092	3,000,092
Book value per share (PLN)	22	18.20	18.37

OFF-BALANCE SHEET ITEMS

	Notes	PLN in thds	
		2019	2018
From other entities (on account of)			
Guarantees and securities granted			
1. Contingent liabilities	23	300	268
1.1. To other entities (on account of)		300	268
- received guarantees and securities		300	268
Off-balance items in total		300	268

PROFIT AND LOSS ACCOUNT

	Notes	PLN in thds	
		2019	2018
I. Net income from sales of products, goods and materials, including:		88,814	94,766
1. Net income from sales of products	24	59,845	60,837
2. Net income from sales of goods and materials	25	28,969	33,929
II. Costs of sold products, goods and materials, including:		68,861	70,600
1. Manufacturing cost of sold products	26	42,817	40,113
2. Value of sold goods and materials		26,044	30,487
III. Gross profit (loss) on sales		19,953	24,166
IV. Sales costs	26	5,010	4,205
V. General and administrative costs	26	13,444	12,340
VI. Profit (loss) on sales		1,499	7,621

VII. Remaining operating revenues		1,563	819
1. Profit on disposal of non-financial fixed assets		372	78
2. Grants		953	549
3. Other operating revenues	27	238	192
VIII. Remaining operating expenses		264	98
1. Revaluation of non-financial assets		28	28
2. Other operating expenses	28	236	70
IX. Profit (loss) on operation activity		2,798	8,342
X. Financial revenues	29	597	124
1. Dividends received and share in profits:		572	73
2. Interest, including:		25	51
XI. Financial costs	30	532	585
1. Interest, including:		526	579
2. Other		6	6
XII. Gross profit (loss)		2,863	7,881
XIII. Income tax	33	459	1,306
a) current value			1,274
b) deferred value		459	32
XIV. Net profit (loss)		2,404	6,575
Net profit (loss) (annual)		2,404	6,575
Weighted average number of common shares		3,000,092	3,000,092
Profit (loss) per common share (PLN)	36	0.80	2.19

STATEMENT OF CHANGES IN EQUITY

	PLN in thds	
	2019	2018
I. Shareholders' equity at the beginning of the period (BO)	55,113	52,138

I.a. Restated equity at the beginning of the period (BO)	55,113	52,138
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	46,509	44,378
2.1. Changes in reserve capital	2,675	2,131
a) increases (on account of)	2,675	2,131
- from profit distribution (above the statutory minimum value)	2,675	2,131
2.2. Reserve capital at the end of the period	49,184	46,509
3. Profit (loss) from previous years at the beginning of the period	5,604	4,760
3.1. Profit from previous years at the beginning of the period	6,575	5,731
3.2. Profit from previous years at the beginning of the period	6,575	5,731
a) decrease (on account of)	6,575	5,731
- write-off to supplementary capital	2,675	2,131
-dividend	3,900	3,600
3.3. Profit from previous years at the end of the period	0	0
3.4. Loss from previous years at the beginning of the period	971	971
a) adjustments of errors	971	971
3.5. Loss from previous years at the beginning of the period, restated	971	
- settlement of loss	0	971
3.6. Loss from previous years at the end of the period	0	-971
3.7. Profit (loss) from previous years at the end of the period	2,404	6,575
4. Net result	2,404	6,575
a) net profit	54,588	55,113
II. Shareholders' equity at the end of the period (BZ)	52,788	51,212
III. Shareholders' equity after proposed profit distribution (loss coverage)	55,113	52,138

CASH FLOW STATEMENT

	PLN in thds
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	2019	2018
A. Cash flows from operating activities		
I. Net profit (loss)	2,404	6,575
II. Total adjustments	6,461	5,641
1. Depreciation	6,682	5,922
2. Interest and profit sharing (dividends)	526	578
3. (Profit) loss on investment activity	-365	-83
4. Changes to reserves	-1,811	268
5. Changes to inventories	354	145
6. Changes to receivables	7,064	5,423
7. Changes to short-term liabilities, excluding borrowings and bank loans	-1,203	-10,505
8. Changes in prepayments	-5,739	3,923
III. Net cash flows from operating activities (I+/-II) – indirect method	953	-30
B. Cash flows from investment activities		
I. Inflows	2,242	1,078
1. Purchase of intangible assets and tangible fixed assets	2,144	85
2. Other investment inflows	98	993
II. Outflows	3,470	7,542
1. Disposal of intangible assets and tangible fixed assets	3,372	6,697
2. Other investment outflows	98	845
III. Net cash flow from investment activities (I-II)	-1,228	-6,464
C. Cash flow from financial activities		
I. Inflows	6,780	4,000
1. Credits and loans	6,361	4,000
2. Other financial inflows	419	
II. Outflows	13,476	11,048
1. Dividend and other payments to shareholders	3,900	3,600
2. Repayment of credits and loans	6,848	5,168

3. Payment of liabilities under financial lease agreements	528	605
4. Interests	-6,696	-7,048
5. Other financial outflows	941	-1,296
III. Net cash flow from financial activities (I-II)	941	-1,296
D. Total net cash flows (A.III+/-B.III+/-C.III)	6,322	7,618
E. Balance sheet change in financial assets, including:	7,263	6,322
F. Monetary assets at the beginning of the period	457	454
G. Monetary assets at the end of the period (F+/- D), including	-6,696	-7,048
- with limited disposability	941	-1,296

ADDITIONAL INFORMATION AND EXPLANATIONS

A. EXPLANATORY NOTES STATEMENT EXPLANATORY NOTES

Note 1 a

INTANGIBLE ASSETS	PLN in thds	
	2019	2018
a) development costs	65	
b) concessions, patents, licenses and similar values, including:	489	400
-computer software	489	400
c) prepayments for intangible assets		59
Total intangible assets	554	459

Development costs concern a hybrid decision support system, with a depreciation time of 2 years, till March 2021.

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			4,284	4,284		59	4,343
b) increases (on account of)	104		315	315			419
- from direct purchase			256	256			256
- termination of development projects	104		0	0			104
- use of advance payments			59	59			59
c) decrease (on account of)			621	621		59	680
- liquidation			621	621			621
- use of advance payment						59	59
d) gross value of intangible assets at the end of the period	104		3,978	3,978		0	4,082
e) accumulated amortization (depreciation) at the beginning of the period			3,884	3,884			3,884
f) amortization for the period (on account of)	39		-395	-395			-356

- planned deduction	39		226	226			265
- decrease on account of liquidation			621	621			621
g) accumulated amortization (depreciation) at the end of the period	39		3,489	3,489			3,528
h) write-offs on account of an impairment loss at the beginning of the period							0
- increase							0
- decrease							0
i) write-offs on account of an impairment loss at the end of the period							0
j) net value of intangible assets at the end of the period	65		489	489		0	554

Note 1c

INTANGIBLE ASSETS (PROPERTY STRUCTURE)	PLN in thds	
	2019	2018
a) own	554	459
Total intangible assets	554	459

Note 2a

TANGIBLE FIXED ASSETS	PLN in thds	
	2019	2018
a) fixed assets, including:	62,603	64,514
-land (perpetual usufruct of land)	2,257	2,328
-buildings, premises, civil and water engineering structures	42,411	41,338
-technical equipment and machines	14,303	16,341
-motor vehicles	1,785	2,310
-other tangible fixed assets	1,847	2,197
b) Tangible fixed assets under construction	40	1,544
Total tangible fixed assets	62,643	66,058

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	51,936	36,645	3,412	7,269	101,590
b) increases (on account of)		3,109	2,619	445	175	6,348
-from fixed assets under construction from 2018		1,525	0		0	1,525
-from direct purchase in 2019		1,347	1,318		175	2,840
- lease		237	1,301	441	0	1,979
- repurchase of leased asset		0	0	4	0	4
c) decreases (on account of)	71	607	4,362	431	409	5,880
-sales	71	603	1,359	5	24	2,062
-liquidation		4	3,003	1	385	3,393
- lease agreement termination		0	0	425	0	425
d) Gross value of tangible fixed assets at the end of the period	2,257	54,438	34,902	3,426	7,035	102,058
e) accumulated amortization (depreciation) at the beginning of the period		10,598	20,305	1,102	5,072	37,077
f) depreciation for the period (on account of)		1,429	294	539	116	2,378
-planned depreciation		1,523	3,464	912	525	6,424
-decreases on account of sales		94	175	5	24	298
-decreases on account of liquidation		0	2,995	1	385	3,381
- lease agreement termination		0	0	367	0	367
g) accumulated amortization (depreciation) at the end of the period		12,027	20,599	1,641	5,188	39,455

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	2,257	42,411	14,303	1,785	1,847	62,603

Note 2c

BALANCE TANGIBLE FIXED ASSETS (PROPERTY STRUCTURE)	PLN in thds	
	2019	2018
a) proprietary	55,887	57,532
b) used based on tenancy or rental agreement including lease agreement, including:	6,716	6,982
- lease agreements	6,716	6,982
Total balance tangible assets	62,603	64,514

Note 2d

OFF-BALANCE SHEET TANGIBLE FIXED ASSETS	PLN in thds	
	2019	2018
<p>The Company has entered into a number of lease and tenancy agreements for properties used in its business activities, including:</p> <ul style="list-style-type: none"> - 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	
	2019	2018
Items not listed		

Note 3b

CHANGES IN RECEIVABLE BALANCE (BY TITLE)	PLN in thds	
	2019	2018
Item not listed.		

Note 3c

CHANGES IN LONG-TERM RECEIVABLES REVALUATION WRITE-OFFS	PLN in thds	
	2019	2018
Item not listed		

Note 3d

LONG-TERM RECEIVABLES	PLN in thds	
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	2019	2018
-		
Item not listed		

Note 4a

CHANGES IN IMMOBILITIES (BY TYPE)	PLN in thds	
	2019	2018
Item not listed		

Note 4b

CHANGES IN INTANGIBLE ASSETS (BY TYPE)	PLN in thds	
	2019	2018
Item not listed		

Note 4c

LONG-TERM FINANCIAL ASSETS	PLN in thds	
	2019	2018
Item not listed		

Note 4d

SHARES IN SUBORDINATED ENTITIES APPRAISED BY EQUITY METHOD	PLN in thds	
	2019	2018
Item not listed		

Note 4e

CHANGES IN GOODWILL – RELATED ENTITIES	PLN in thds	
	2019	2018
Item not listed		

Note 4f

CHANGES IN GOODWILL – INTERRELATED ENTITIES	PLN in thds	
	2019	2018
Item not listed		

Note 4g

CHANGES IN GOODWILL – ASSOCIATED ENTITIES	PLN in thds	
	2019	2018
Item not listed		

Note 4h

CHANGES IN GOODWILL – RELATED ENTITIES	PLN in thds	
	2019	2018
Item not listed		

Note 4i

CHANGES IN THE NEGATIVE GOODWILL – INTERRELATED ENTITIES	PLN in thds	
	2019	2018
Item not listed		

Note 4j

CHANGES IN THE NEGATIVE GOODWILL – ASSOCIATED ENTITIES	PLN in thds	
	2019	2018
Item not listed		

Note 4k

CHANGES IN LONG-TERM FINANCIAL ASSETS (BY TYPE)	PLN in thds	
	2019	2018
Item not listed		

Note 41

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/functi on)	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/obtain ing 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 Shareholder s	Indication of a different type of control/shared- control/significan t 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	
			2019	2018
B1. in currency				
Item not listed				

Note 4p

SECURITIES, SHARES AND OTHER LONG-TERM FINANCIAL ASSETS (ACCORDING TO MARKETABILITY)	PLN in thds	
	2019	2018
Item not listed		

Note 4q

GRANTED LONG-TERM LOANS (CURRENCY STRUCTURE)	PLN in thds	
	2019	2018
Item not listed		

Note 4r

OTHER LONG-TERM INVESTMENTS (BY TYPE)	PLN in thds	
	2019	2018
Item not listed		

Note 4s

CHANGES IN THE BLANACE OF OTHER LONG-TERM INVESTMENTS (BY TYPE)	PLN in thds	
	2019	2018
Item not listed		

Note 4t

OTHER LONG-TERM INVESTMENTS (CURRENCY STRUCTURE)	PLN in thds	
	2019	2018
-		
Item not listed		

Note 5a

CHANGE IN THE BLANACE OF ASSETS DUE TO DEFERRED INCOME TAX	PLN in thds	
	2019	2018
1. Balance of assets due to deferred income tax at the beginning of the period, including:	767	726
a) attributed to the financial result	767	726
2. Increases	1,211	972
a) attributed to the financial result of the period with regard to negative temporary differences (on account of)	1,211	972
-unpaid remunerations	11	342
- provision for employees benefits	2	19
- creation of other provision for costs	1	1
- invoiced and paid-up services in the future periods	23	4
- invoiced advance payments for deliveries		121
- creation of revaluation write-off of inventories	5	5
- tax loss occurrence	1,166	475
- entry in the accounts of unnotified interest	3	
- differences in tax depreciation		5
3. Decreases	1,687	931
a) attributed to the financial result of the period with regard to negative temporary differences (on account of)	1,687	931
- payment of remuneration for previous periods	336	285
- execution of deliveries of goods and services	153	118
- use of the reserve for guarantee repairs		29
- update of valuation of IRS transaction	3	6
- termination of the provision for unused holiday leaves	19	
- use or dissolution of remaining reserves	1	1
- use of write-downs of inventories		6
- payment of overdue interest	5	6

- tax loss decrease	4	5
4. Total deferred income tax assets at the end of the period, including:	1,166	475
a) attributed to the financial result	291	767

Note 5b

OTHER ACCRUALS	PLN in thds	
	2019	2018
a) deferred expenditures; prepaid expenses	41	18
- trademark fee, service assistance fee	41	17
- property insurance		1
Other accruals in total	41	18

Note 6a

INVENTORIES	PLN in thds	
	2019	2018
a) materials	437	581
b) semi-finished products and production in progress	3	2
c) goods	809	1 028
d) advances on deliveries and services	33	25
Total inventories	1,282	1,636

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 31.12.2019 in the amount of PLN 215 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	
	2019	2018
a) receivables from remaining entities	10,837	17,901
-on account of deliveries and services with a repayment period of:	10,376	17,691
-no more than 12 months	10,376	17,691

-on account of taxes, grants, customs, social and health insurances and other public (law) liabilities	370	119
-other	91	91
Total net short-term receivables	10,837	17,901
b) receivables revaluation write-offs	1,106	1,252
Total gross short-term receivables	11,943	19,153

Note 7b

SHORT-TERM RECEIVABLES FROM RELATED ENTITIES	PLN in thds	
	2019	2018
Item not listed		

Note 7c

SHORT-TERM RECEIVABLES FROM REMAINING ENTITIES, IN WHICH THE ISSUER HOLDS SHARES IN CAPITAL	PLN in thds	
	2019	2018
Item not listed		

Note 7d

SHORT-TERM RECEIVABLES FROM REMAINING ENTITIES	PLN in thds	
	2019	2018
a) on account of deliveries and services, including:	10,376	17,691
- from other entities	10,376	17,691
b) –on account of taxes, grants, customs, social and health insurances and other public (law) liabilities	370	119
c) other, including:	91	91
- from other entities	91	91
Total net short-term receivables	10,837	17,901
b) receivables revaluation write-offs	1,106	1,252
Total gross short-term receivables	11,943	19,153

Note 7e

CHANGES IN REVALUATION WRITE-OFFS TO SHORT-	PLN in thds
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TERM RECEIVABLES	2019	2018
At the beginning of the period	1,252	1,250
a) increases on account of	13	3
- outstanding payment for the term longer than half a year		
- foreign exchange differences	13	3
b) decreases on account of	159	1
- expiry of the period of prescription of claims	139	1
- foreign exchange differences	17	
- payments	3	
SHORT-TERM RECEIVABLES WRITE-OFFS AT THE END OF THE PERIOD	1,106	1,252

Note 7f

GROSS SHORT-TERM RECEIVABLES (CURRENCY STRUCTURE)	unit	currency	PLN in thds	
			2019	2018
a) in Polish currency			10,367	18,230
b) in foreign currencies			1,576	923
b1. In currency	In thds	EUR	369	214
recalculated into thousands of PLN			1,571	921
b2. In currency	In thds	USD	129	51
recalculated into thousands of PLN			5	2
Total short-term receivables			11,943	19,153

Note 7g

RECEIVABLES ON ACCOUNT OF DELIVERIES AND SERVICES (GROSS)-WITH REPAYMENT PERIOD OF:	PLN in thds	
	2019	2018
a) no more than 1 month from the day of publishing the balance sheet	8,098	15,697
b) between 1 and 3 months from the day of publishing the balance sheet	1,436	1,526
c) overdue payments	1,948	1,720
Total (gross) receivables on account of deliveries and services	11,482	18,943

d) Receivables revaluation write-offs on account of deliveries and services.	1,106	1,252
Total (net) receivables on account of deliveries and services	10,376	17,691

Note 7h

RECEIVABLES (GROSS) ON ACCOUNT OF DELIVERIES AND SERVICES, OVERDUE PAYMENTS – DIVIDED BY RECEIVABLES UNPAID WITHIN:	PLN in thds	
	2019	2018
a) no more than 1 month	748	354
b) between 1 and 3 months	68	114
c) more than 1 year	26	
Total gross receivables on account of deliveries and services, overdue payments	1,106	1,252
d) Receivables revaluation write-offs on account of deliveries and services, overdue.	1,948	1,720
Total net receivables on account of deliveries and services, overdue payments	1,106	1,252

Note 8a

Item not listed.

File	Description

Note 9a

SHORT TERM FINANCIAL ASSETS	PLN in thds	
	2019	2018
a) cash and other financial assets	7,263	6,322
-in cash and in bank accounts	7,263	6,322
Total short term financial assets	7,263	6,322

Note 9b

SECURITIES, SHARES AND OTHER SHORT-	entity	currency	PLN in thds
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TERM FINANCIAL ASSETS (CURRENCY STRUCTURE)			2019	2018
-				
Item not listed				

Note 9c

SECURITIES, SHARES AND OTHER SHORT-TERM FINANCIAL ASSETS (BY MARKETABILITY)	PLN in thds	
	2019	2018
Item not listed		

Note 9d

GRANTED SHORT-TERM LOANS (CURRENCY STRUCTURE)	entity	currency	PLN in thds	
			2019	2018
Other currencies in PLN thds.				
Items not listed				

Note 9e

CASH AND FINANCIAL ASSETS (CURRENCY STRUCTURE)	entity	currency	PLN in thds	
			2019	2018
a) in Polish currency			7,120	6,125
b) in foreign currencies (by currencies; recalculated into PLN)			143	197
b1. In currency	in thds	USD	34	182
recalculated into PLN thds			1	7
b2. In currency	in thds	EUR	33	44
recalculated into PLN thds			142	190
Total cash and other financial assets			7,263	6,322

Note 9f

SHORT-TERM INVESTMENTS (BY TYPE)	entity	currency	PLN in thds
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			2019	2018
Item not listed				

Note 9g

SHORT-TERM INVESTMENTS (CURRENCY STRUCTURE)	entity	currency	PLN in thds	
			2019	2018
B1. In currency				
Item not listed				

Note 10a

SHORT-TERM PREPAYMENTS AND ACCRUED INCOME	PLN in thds	
	2019	2018
a) active short-term prepayments and accrued income, including:	431	397
-insurances	231	265
-software maintenance and partnership payments	119	86
-subscriptions	6	6
-connections and access to the Internet	43	40
- prepayment to job advertisements	15	
- prepayment to training services	17	
b) other prepayments and accrued income, including:	431	397
Total short-term prepayments and accrued income	431	397

Note 11a

OWN SHARES				
PLN in thds				
Amount	Value of purchase price	The carrying amount	The purpose of purchase	destination
Item not listed				

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

In accordance with the provisions of the National Accounting Standard No. 4: "Impairment of Assets" the real value of warehouse stocks in the Service Warehouse was assessed, which resulted in revaluation write-downs on inventory of service materials. As at 31.12.2019 the write-down amounted to PLN -215 thousand.

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 shares	Common registered			849,000	849	Non-financial contribution	10.06.1998	01.01.1998
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
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	2019	2018
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	28,188	25,513
d) other (by type)	116	116
- sale of own shares at a price higher than their purchase price	60	60
- sale of own shares at a price higher than their purchase price	56	56
Total reserve capital	49,184	46,509

Note 15a

REVALUATION RESERVE CAPITAL	PLN in thds	
	2019	2018
Item not listed		

Note 16a

REMAINING RESERVE CAPITAL (BY ALLOCATION)	PLN in thds	
	2019	2018
Item not listed		

Note 17a

NET PROFIT WRITE-OFFS DURING THE FINANCIAL YEAR (ON ACCOUNT OF)	PLN in thds	
	2019	2018
Item not listed		

Note 18a

CHANGES IN PROVISIONS ON ACCOUNT OF DEFERRED INCOME TAX	PLN in thds	
	2019	2018
1.Provision on account of deferred income tax at the beginning of the period, including:	151	78
a) referred to financial results	151	78
- on account of tax-deductible cost of ST liquidation (fencing)	13	13
- due to positive difference in tax depreciation p .lease	36	15

- on account of write-off of revenues due	102	50
2. Increases	263	337
a) referred to financial results from the period on account of temporary difference (on account of)	263	337
- positive difference in tax depreciation	20	35
-deferred income	243	302
3. Decreases	280	264
a) referred to financial results from the period on account of temporary difference (on account of)	280	264
- use of reserves on account of tax amortization	31	14
- execution of accrued revenues	249	250
4. Total provisions on account of deferred income tax at the end of the period	134	151
a) referred to financial result	134	151

Note 18b

CHANGES IN LONG-TERM PROVISIONS FOR RETIREMENT BENEFITS AND RELATED OBLIGATIONS (BY TITLE)	PLN in thds	
	2019	2018
a) at the beginning of the period	229	220
b) increases (on account of)	44	26
- increase in employment and remunerations	44	26
c) dissolution of (on account of)	6	17
- transfer to short-term reserve	6	17
d) at the end of the period	267	229

Note 18c

CHANGES IN SHORT-TERM PROVISIONS FOR RETIREMENT BENEFITS AND RELATED OBLIGATIONS (BY TITLE)	PLN in thds	
	2019	2018
a) at the beginning of the period	536	445
b) increase (on account of)	6	91

- transfer from long-term reserve	6	17
- creation of provision for unused holiday leaves		74
c) use (on account of)	134	
- payment of retirement benefit	32	
- use of unused holiday leaves	102	
c) at the end of the period	408	536

Note 18d

CHANGES IN REMAINING LONG-TERM PROVISIONS (BY TITLE)	PLN in thds	
	2019	2018
Item not listed.		

Note 18e

CHANGES IN REMAINING SHORT-TERM PROVISIONS (BY TITLE)	PLN in thds	
	2019	2018
a) at the beginning of the period	1,708	1,612
b) increases (on account of)	4	1,708
- costs of unpaid media delivery	4	5
- transfer of the reserve to the guarantee costs from long-term reserve		1,703
- creation of the reserve for the previous year remuneration costs	1,708	1,464
c) use (on account of)	5	3
- receipt of invoices for the media		7
- realization of services under guarantee	1,703	1,454
- payment of remuneration concerning the previous year	0	148
d) dissolution (on account of)		148
- derecognition of the unused reserve for guarantee services	4	1,708
e) at the end of the period	1,708	1,612

Note 19a

LONG-TERM LIABILITIES	PLN in thds	
	2019	2018
cc) towards other entities	4,318	6,763
-credits and loans		1,924
- other financial liabilities, including:	4,318	4,839
-financial lease agreements	4,318	4,832
Total long-term liabilities	4,318	6,763

Note 19b

LONG-TERM LIABILITIES OF A REPAYMENT DATE REMAINING FROM THE BALANCE SHEET DATE:	PLN in thds	
	2019	2018
a) between 1 year and 3 years	4,246	5,052
b) between 3 years and 5 years	72	1,711
Total long-term liabilities	4,318	6,763

Note 19c

LONG-TERM LIABILITIES (CURRENCY STRUCTURE)	PLN in thds	
	2019	2018
a) in Polish currency	4,318	6,763
Total long-term liabilities	4,318	6,763

Note 19d

LONG-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	Incurrence	entity	currency	PLN in thds	Incurrence	entity	currency				

The total amount of the investment credit taken for the construction of IT Center is shown in short-term liabilities, since the date of the payment of the credit is accounted for 30 June 2020.

Note 19e

LONG-TERM LIABILITIES ON ACCOUNT OF ISSUED DEBT FINANCIAL INSTRUMENTS								
PLN in thds								
Debt financial instrument s by type	Nomina l value	Interes t rate	Repurchas e term	Guarantees/securitie s	Additional rights	Quotatio n market	Othe r	
Item not listed.								

Note 20a

SHORT-TERM LIABILITIES	PLN in thds	
	2019	2018
cc) towards other entities	18,247	17,943
- credits and loans	8,285	6,850
- long-term during repayments	1,924	6,850
- other financial liabilities, including	2,129	1,904
- on account of lease agreement	2,126	1,890

- on account of IRS transaction	3	14
- on account of deliveries and services in due period:	3,784	3,052
- no more than 12 months	3,784	3,052
- advance payments on deliveries and services	423	628
- on account of taxes, grants, social and health insurances and other public (law) liabilities	3,182	4,903
- on account of remunerations	255	245
- other (by type)	189	362
- remaining liabilities towards employees	9	16
- liabilities due to purchase of fixed assets	125	312
- on account of insurances	45	27
- other	10	7
Total short-term liabilities	18,247	17,943

Note 20b

LONG-TERM LIABILITIES (CURRENCY STRUCTURE)			PLN in thds	
			2019	2018
a) in Polish currency			17,146	17,570
b) in foreign currencies (by currency and recalculated into PLN thds)			1,101	373
b1. In currency	in thds	EUR	258	87
recalculated into PLN thds			1,101	373
-			18,247	17,943
Total short-term liabilities			17,146	17,570

Note 20c

SHORT-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				
Santander Bank Polska	Rynek 4 Wrocław	3,000		In thds	PLN	3,000		In thds	PLN	WIBOR rate + margin	31.03.2020	joint-stock mortgage on the Company's real estate	
Santander Bank Polska	Rynek 4 Wrocław	19,240		In thds	PLN	1,924		In thds	PLN	WIBOR rate + margin	30.06.2020	joint-stock mortgage on the Company's real estate	
PKO BP S.A.	Warsaw, Puławska 15	3,500		In thds	PLN	3,361		In thds	PLN	WIBOR rate + margin	15.02.2020	joint-stock mortgage on the Company's real estate	

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	
	2019	2018
Item not listed		

Note 21b

OTHER PREPAYMENTS AND ACCURED INCOME	PLN in thds	
	2019	2018
a) accrued income	5,376	11,115
- long-term (by title)	5,025	5,376
- subsidy on fixed assets to server room	349	385
- subsidy to "IT Centre" building project	4,676	4,991
-short-term (by title)	351	5,739
- invoices issued for unrealized deliveries		5,204
- subsidy on fixed assets to server room	36	70
- co-financing of INNOTECH project	0	5
- subsidy to "IT Center" building project	465	473
Other prepayments and accrued income in total	11,115	7,082

Note 22a

Book value per share is equal to the quotient of book value and number of shares: Book value:PLN 54,588 thousand Number of shares.....3,000 thousand Book value per share.....PLN 18.20 (54,588/3000) Diluted book value is not counted due to not expected changes in the number of shares.	
File	Description

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OFF-BALANCE ITEMS-EXPLANATORY NOTES

Note 23a

CONTINGENT LIABILITIES FROM RELATED ENTITIES (ON ACCOUNT OF)	PLN in thds	
	2019	2019
Item not listed.		

Note 23b

CONTINGENT LIABILITIES (ON ACCOUNT OF)	PLN in thds	
	2019	2018
a) remaining (on account of)	300	268
- to other entities	300	268
- on account of given warranties	300	268
Total contingent liabilities	300	268

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	
	2019	2018
- from remaining entities	59,844	60,837
- installation and IT environment maintenance services	19,255	19,691
- software services	13,068	13,782
- Data Center services	12,698	12,003
- outsourcing of IT services	11,258	10,499
- IT integration	3,136	4,145
- other	429	717

Total net revenues from sales of products	59,844	60,837
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Note 24b

NET REVENUES FROM SALES OF PRODUCTS (TERRITORIAL STRUCTURE)	PLN in thds	
	2019	2018
a) Poland	59,844	60,837
from the remaining entities	59,844	60,837
Total net revenues from sales of products, together	59,844	60,837
- from the remaining entities	59,844	60,837

Note 25a

NET REVENUES FROM SALES OF GOODS AND MATERIALS (SALES REVENUES BY ITEM/CATEGORY-TYPES OF ACTIVITY)	PLN in thds	
	2019	2018
- wholesale of computers and peripheral equipment	28,957	33,913
- remaining retail wholesale	12	16
Total net revenues from sales of goods and materials	28,969	33,929
- from the remaining entities	28,969	33,929

Note 25b

NET REVENUES FROM SALES OF GOODS AND MATERIALS (TERRITORIAL STRUCTURE)	PLN in thds	
	2019	2018
a) Poland	28,969	33,929
- from remaining entities	28,969	33,929
Total net revenues from sales of goods and materials	28,969	33,929

Note 26a

COSTS BY TYPE	PLN in thds	
	2019	2018
a) amortization	6,682	5,923

b) consumption of materials and energy	6,531	5,467
c) external services	10,229	8,982
d) taxes and fees	752	701
e) remunerations	29,616	28,432
f) social insurances and other services, including retirement	6,482	6,004
g) remaining prime costs (on account of)	1,077	1,149
- business travel	357	484
- advertisement and representational costs	182	126
- asset insurance	538	539
Total costs by type	61,369	56,658
Manufacturing cost of products for internal purposes (negative value)	104	
Costs of sales (negative value)	5,009	4,205
General management costs (negative value)	13,440	12,340
Manufacturing cost of the sold products	42,816	40,113

Note 27a

OTHER OPERATIONAL REVENUES	PLN in thds	
	2019	2018
a) remaining, including:	238	192
-remuneration of a taxpayer	9	9
- cash bonus	8	38
- reimbursement of court costs		51
- surplus of current assets		8
-transport accidents compensations	81	81
- compensations for damages in current assets	1	
- compensation for the property loss	134	5
- payment of written-off receivables	3	

- others	2	
Other operational revenues in total	238	192

Note 28a

OTHER OPERATIONAL COSTS	PLN in thds	
	2019	2018
a) remaining, including:	236	70
- compensations and contractual penalties	10	16
- liquidation of inventories	14	15
- liquidation of fixed assets	58	
- legal and enforcement costs	11	9
- removal costs of damages to vehicles	4	12
- faultless shortages and damages in current assets		4
- revaluation of write-down of receivables in Euro	133	8
- removal costs of damages in the company's assets	4	3
- donations on current assets	2	3
- other	236	70
Other operating costs, total	236	70

Note 29a

FINANCIAL REVENUES ON ACCOUNT OF DIVIDENDS AND SHARES IN PROFIT	PLN in thds	
	2019	2018
Item not listed.		

Note 29b

FINANCIAL REVENUES ON ACCOUNT OF INTEREST	PLN in thds	
	2019	2018
a) remaining interest	572	73

from remaining entities	572	73
Total financial revenues on account of interest	572	73

Note 29c

OTHER FINANCIAL REVENUES	PLN in thds	
	2019	2018
a) positive exchange rate differences	6	51
-realised	7	45
- foreign exchange gains realised	46	166
- foreign exchange losses realised	-39	-121
- unrealised	0	6
- foreign exchange gains not realized	7	7
--negative exchange rate differences not realized	-7	-1
b) remaining, including:	19	30
- valuation of IRS transaction	19	30
Other financial revenues in total	25	81

Note 30a

FINANCIAL COSTS ON ACCOUNT OF INTEREST	PLN in thds	
	2019	2018
a) from credits and loans	241	362
- to other entities	241	362
b) remaining interest	285	217
- for other entities, including:	285	217
Total financial costs on account of interest	526	579

Note 30b

OTHER FINANCIAL COSTS	PLN in thds
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	2019	2018
a) remaining, including:	6	6
- remaining lease costs	6	6
Other financial costs in total	6	6

Note 31a

A SHARE IN THE NET PROFIT (LOSS) OF THE SUBSIDIARIES MEASURED BY EQUITY METHOD	PLN in thds	
	2019	2018
Item not listed.		

Note 32a

File	Description
Item not listed.	

Note 33a

CURRENT INCOME TAX	PLN in thds	
	2019	2018
1. Gross profit (loss)	2,863	7,108
2. Differences between gross profit (loss) and income tax base (by title)	2,612	38
- permanent	95	200
- temporary	2,517	-162
- minus discount on R&D activity	-251	-1,213
3. Basic income tax taxation	0	6,706
4. Income tax of 19%	0	-1,213
5. Increases, abandonments, exemptions, deductions and reductions of tax	0	1,274
6. Current income tax included (shown) in the declaration, including:	0	1,274
- shown in the profit and loss account	0	1,274

Note 33b

DEFERRED TAX PRESENTED IN PROFIT AND LOSS ACCOUNT	PLN in thds	
	2019	2018
-decreases (increases) on account of occurring and diverting temporary differences	459	32
-Total deferred income tax	459	32

Note 33c

DEFERED TAX IN TOTAL	PLN in thds	
	2019	2018
Item not listed		

Note 33d

INCOME TAX PRESENTED IN PROFIT AND LOSS ACCOUNT REGARDING	PLN in thds	
	2019	2018
Item not listed		

Note 34a

REMAINING, OBLIGATORY DECREASES OF PROFIT (INCREASES OF LOSS) ON ACCOUNT OF:	PLN in thds	
	2019	2018
Item not listed		

Note 35a

The Management Board of Talex S.A. will propose the payment of dividend for 2019 in the amount of PLN 0.60 per share and allocation of remaining part of the profit to the supplementary capital.

Note 36a

Book value per share is equal to the quotient of book value and number of shares:
Net profit for 2019: PLN 2,404 thousand
Number of shares PLN 3,000 thousand
Profit per share..... PLN 0.80

File	Description

EXPLANATORY NOTES TO CASH FLOW STATEMENT

File	Description
EN_Explanatory_note_to_the_cash_flow_statement_EN_SA-R-2019_tlx	

CASH FLOWS FROM OPERATING ACTIVITIES (DIRECT METHOD)	PLN in thds	
	2019	2018
I. Net profit (loss)	2,404	6,575
II. Total adjustments	6,461	5,641
1. Depreciation	6,682	5,922
2. Interest and profit sharing (dividends)	526	578
3. (Profit) loss on investment activity	-365	-83
4. Changes to reserves	-1,811	268
5. Changes to inventories	354	145
6. Changes to receivables	7,064	5,423
7. Changes to short-term liabilities, excluding borrowings and bank loans	-1,203	-10,505
8. Changes in prepayments	-5,739	3,923
9. Other corrections	953	-30
10. VAT refund from the Tax Inspection Office (UKS)	971	
11. Revaluation of IRS transaction	-18	-30
III. Net cash flows from operating activities (I+/-II) – indirect method	8,865	12,216

B. ADDITIONAL EXPLANATORY NOTES

File	Description
EN_Additional_notes_to_AnnualReport_2019_tlx	

SIGNATURES

SIGNATURES OF ALL BOARD OF DIRECTORS MEMBERS			
Date	Name and last name	Function	Signature
2020-04-20	Janusz Gocałek	President of the Management Board	
2020-04-20	Jacek Klauziński	Vice-president of the Management Board	
2020-04-20	Andrzej Rózga	Vice-president of the Management Board	
2020-04-20	Rafał Szalek	Member of the Management Board	
2020-04-20	Radosław Wesołowski	Member of the Management Board	

Signature of the person entrusted with keeping the accounting books			
Date	Name and last name	Function	Signature
2020-04-20	Dorota Wójcik	Chief accountant	

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

File	Description
EN_Report_of_Management_Board_2019_tlx	

THE CORPORATE GOVERNANCE STATEMENT

EN_Report_adherence_corporate_governance_2019_tlx	
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THE ASSESSMENT OF THE SUPERVISORY BOARD ON THE COMPANY'S MANAGEMENT REPORT AND THE FINANCIAL STATEMENTS OF THE COMPANY

File	Description
EN_SA-R-2019_statement_par70_slp14_tlx	