



**Information in accordance with par. 66 section 8  
of the Regulation of the Minister of Finance of 29 March 2018  
(Dz. U. [Journal of Laws] of 2018, item 757)  
to the quarter report for the third quarter of 2020  
including the period from 01.07.2020 to 30.09.2020**

**TALEX<sup>®</sup> S.A.**

**1) Selected financial data also converted into euro, containing basic items of the abridged financial report presenting data cumulatively for all full quarters of a given and previous financial year, and in case of the balance sheet - at the end of the current quarter and the end of the previous financial year;**

SELECTED FINANCIAL DATA	PLN in thds		EUR in thds	
	3 quarters of 2020	3 quarters of 2019	3 quarters of 2020	3 quarters of 2019
I. Net revenues from sales of products, goods and materials	68,357	63,976	15,389	14,848
II. Profit (loss) from operation activities	-454	-57	-102	-13
III. Gross profit (loss)	-635	-406	-143	-94
IV. Net profit (loss)	-557	-388	-125	-90
V. Net cash flows from operating activities	3,809	237	857	55
VI. Net cash flows from investment activities	-232	-949	-52	-220
VII. Net cash flows from financial activities	-4,349	-5,375	-979	-1,248
VIII. Total net cash flows	-773	-6,087	-174	-1,413
IX. Total assets	87,097	83,342	18,988	19,571
X. Liabilities and provisions for liabilities	34,866	28,754	7,601	6,752
XI. Long-term liabilities	3540	4318	772	1014
XII. Short-term liabilities	25,497	18,247	5,559	4,285
XIII. Shareholder's equity	52,231	54,588	11,387	12,819
XIV. Share capital	3000	3000	654	704
XV. Number of shares (pcs)	3,000,092	3,000,092	3,000,092	3,000,092
XVI. Profit (loss) per one common share (PLN/EUR)	0.75	1.41	0.17	0.33
XVII. Book value per share (PLN/EUR)	17.41	18.20	3.80	4.02
XVIII. Declared or paid dividend per share (PLN/EUR)		1.3		0.30

#### **Rules of converting basic elements of financial report into EUR.**

Conversion into EURO has been carried out in the following way:

For items I to VIII and for item XVI the mid-rate for a given period was applied; the mid-rate is calculated as an arithmetic mean of the NBP exchange rates effective on the last day of the month in the given period.

For items IX to XIV and XVII the NBP exchange rate for the last day of the period was used.

#### **Euro exchange rate has been adopted for the calculation of selected financial data:**

	Mid-rate during the period	Minimal exchange rate during the period	Maximal exchange rate during the period	Exchange rate of the last day of the period
1 quarter of 2019	<b>4.4420</b>	4.2279	4.6044	<b>4.5268</b>
1 quarter of 2019	<b>4.3086</b>	4.2406	4.3891	<b>4.3736</b>
2019	4.3018	4.2406	4.3891	<b>4.2585</b>

**2) A concise description of significant achievements or failures of the issuer during the period covered by the report, including the most important events related to the issuer;**

In the reported period sales revenues amounted to PLN 25,828 thousand and were higher by

almost 24% in comparison to the revenues in the comparable period in 2019. Revenues from the sale of services decreased by over 15%, but the revenues from the sale of goods and materials increased by nearly 44%.

The return on the sale of goods and materials amounted to 14.4% (11.8% for the 3rd quarter of 2019). The return on the sale of products decreased from 23.4% to 18.1%.

In the past quarter the share of the revenues from the sale of products (services) in the total sales comprised nearly 48% (70% in the comparable period).

The decrease in profitability of the sales of products contributed to the Company's loss in the third quarter of 2020 in the amount of PLN 2,970 thousand. In the analogous period of last year, the loss on sales amounted to PLN 1,239 thousand. The drop in sales of services and a reduction in the margin on sales of services affected the Company's net result, which for 3 quarters of 2020 amounted to PLN -557 thousand. The loss for the same period last year was PLN 388 thousand.

In a current report dated 28 July this year, the Company informed about concluding an agreement with Eurocash S.A. with its seat in Komorniki. The subject of the agreement is the delivery of IT solutions with the net value of PLN 7.9 million.

In the past quarter of 2020, the Company continued to fulfil the orders received from strategic customers from banking and financial.

### **3) Indication of factors and events, including untypical ones, having a significant impact on the condensed financial statements;**

In the current year the most significant factor of untypical nature has been the epidemiological situation in the country and world. The COVID-19 coronavirus pandemic has had a direct impact on the functioning of the economy and consequently on the financial results of the Company.

In the reported period, the Management Board of Talex has continuously monitored the impact of the COVID-19 coronavirus pandemic on the operations of the Company, including the provision of services by the Company to its Clients.

The Management Board of the Company, guided by the principles of responsibility for the functioning of the Company, and in particular with a view to minimizing the risk of infecting the Company's employees and persons with whom the employees could come into contact in the performance of their duties, decided that as of 10 March 2020 the maximum possible number of employees should be sent to work remotely. The adopted mode of work did not significantly interfere with the functioning of the Company and allowed to ensure continuity of the provision of most services to its customers. The organizational solutions adopted in the Company made it possible to provide services to the Company's Clients without any negative impact of the financial results achieved in the first quarter of 2020.

At the same time, the Company's Management Board points out that due to the untypical nature of the situation related to COVID-19 pandemic, as well as its dynamic development, including the introduction of legal regulatory rules, it is currently impossible to determine the actual impact of the situation on the future functioning of the market, including on the functioning of the Company itself and on its future financial results.

### **4) Organization of the capital group of the issuer with the indication of the units subject to consolidation; Description of changes in the organization of the Issuer's capital group, including as a result of units merger, acquisitions or loss of control over subsidiaries and long-term investments, as well as division, restructuring or discontinuation of operations, and indication of the entities to be consolidated, and in the case of an issuer which is a parent company and which is not or may not be required to prepare consolidated financial statements under the applicable regulations - additionally indication of the reason and legal basis for the lack of consolidation;**

The Company is not a member of the capital group.

**5) Opinion of the Management Board on the feasibility of executing the forecasted results published earlier for a given year in the light of the results presented in the quarterly report in reference to the forecasted results;**

The Board of the Company did not publish the forecast of the financial results for the year 2020.

**6) Shareholders holding, directly or indirectly, through controlled entities, at least 5% of the total votes in the General Meeting of Shareholders as of the day of publishing the report, including the number of shares held, their percentage share in the share capital, the number of votes the shares carry and their percentage share in the total votes in the General Meeting of Shareholders as well as the changes in the ownership structure of major blocks of shares of the issuer since the previous quarterly report was published;**

The following persons hold at least 5% of the total number of votes in the General Meeting of Shareholders:

- Janusz Gocałek - holding 894,793 votes, which constitute 26.25% of the total number of votes
- Jacek Klauziński - holding 894,793 votes, which constitute 26.25% of the total number of votes
- Andrzej Rózga - holding 894,793 votes, which constitute 26.25% of the total number of votes
- FAMILIAR S.A., SICAV-SIF – holding 190,822 \* votes, which constitute 5.599 % of the total number of votes

The shareholders listed above hold the following numbers of shares of the Company:

- Janusz Gocałek - holding 758,793 shares of the Company, which constitute 25.29 % of the total number of shares
- Jacek Klauziński - holding 758,793 shares of the Company, which constitute 25.29 % of the total number of shares
- Andrzej Rózga - holding 758,793 shares of the Company, which constitute 25.29 % of the total number of shares
- FAMILIAR S.A., SICAV-SIF – holding 190,822 \* votes, which constitute 6.361 % of the total number of votes

\*the number of shares and the number of votes resulting from the shares, established as at 25 April 2016, based on the list of the Shareholders authorized to participation in the Ordinary General Meeting of Shareholders of the Company held on 11 May 2016.

**7) List of shares of the issuer or rights to shares of the issuer (options) held by persons managing and supervising the issuer, as on the day of publishing the quarterly report along with the indicated changes of the state of ownership in the period following the publication of the previous report, separately for each person;**

Overview of the shares of the Company shared by the Management Board and Board members:

- Janusz Gocałek - holding 758,793 shares of the Company,
- Jacek Klauziński - holding 758,793 shares of the Company,
- Andrzej Rózga - holding 758,793 shares of the Company,
- Rafał Szalek - holding 889 shares of the Company,
- Andrzej Kurc - holding 3,036 shares of the Company.

The remaining Members of the Management Board and Members of the Supervisory Board do

not hold any shares of the Company.

To the best of the Management Board's knowledge, since the day of publishing the previous quarterly report, there were no changes in the ownership state of the issuer's shares or rights to them by the persons supervising the issuer.

**8) Pending proceedings before courts, arbitration or public administration authorities, concerning liabilities or debts of the Issuer or its subsidiaries, including the subject of the proceedings, value of the object of the dispute, date of instigation and parties to the proceedings;**

During the past quarter the Company did not commence and it was not a side in any court proceedings or public administration proceedings in relation to any liabilities of the total value constituting more than 10% of its equity capital.

**9) Information on conclusion of one or many transactions with related entities by the Issuer or its subsidiary, if individually or collectively they are significant and have been concluded on other than market conditions, together with an indication of their value;**

The Company is not an affiliated entity.

**10) Information on credit and loans sureties or guarantees granted by the Issuer or its subsidiary, to one entity in total or to its subsidiary, if the total value of existing sureties or guarantees is equal to at least 10% of the equity capital of the Issuer;**

In the presented period, the Company did not grant any sureties, credit, guarantees or loans of significant value.

**11) Other information which, in the opinion of the Issuer, is important for assessing its headcount, assets, financial standing and results, as well as movements therein, and information important to evaluate the fulfillment of the commitments the Issuer made;**

In the reporting period there were no other events than those described in the report important for the assessment of the headcount, assets, financial standing and results as well as the possibility of implementation of commitments by the Company.

**12) Factors which, in the opinion of the Issuer, will influence the results of the Issuer at least in the next quarter;**

The revenues derived by the Company in the sale of services will mainly be affected by revenues from the implementation of permanent, long-term multi-annual contracts with the Company's customers, in particular contracts for the provision of IT infrastructure maintenance and support services. The Company is also developing outsourcing services implemented on the basis of its own Data Center including hosting and collocation.

The current situation in Poland related to the COVID-19 coronavirus pandemic, and in particular to the introduced restrictions on social and economic life, will undoubtedly affect the overall economic condition in Poland as well as the Company's performance. The situation that has occurred and its scope is so new and unusual that it is difficult to predict future economic events, including those related to the Company in particular, in a reliable manner. The Management Board of Talex will continue to monitor the impact of the pandemic on the Company's situation and will take all possible steps to mitigate any potentially negative effects on the entity.

**The abridged financial statement has not been examined or reviewed by an entity entitled to examination of financial statements.**