



**Additional explanatory notes to  
the financial statements and  
respectively comparable data to  
the Annual Report 2017**

**TALEX<sup>®</sup>** S.A.

**1. Information on financial instruments:**

At 31.12.2017 the Company has no financial assets and liabilities held for trading and financial assets held to maturity.

In July 2014, the Company entered into an interest rate swap (IRS) transaction for PLN 6m. The term of the contract is from June 30, 2016 to June 30, 2020. The transaction is intended to partially hedge the change in interest rates for an investment credit that is expected to be repaid in the same period. In the financial statements as at 31.12.2017, the above financial instrument is presented in the Balance Sheet as a separate financial liability. Changes in the value of the instrument arise as a result of a change in its valuation carried out by Bank Zachodni WBK S.A.

SPECIFICATION	2017	2016
FINANCIAL INSTRUMENTS – IRS	51	101
<b>Long-term liabilities</b>	<b>31</b>	<b>72</b>
<b>To other entities</b>		
other financial liabilities	31	72
<b>Short-term liabilities</b>	<b>20</b>	<b>29</b>
<b>To other entities</b>		
other financial liabilities	20	29

**2. Data concerning off-balance sheet items, in particular contingent liabilities, including also guarantees and securities granted by the issuer (PLN in thds)**

SPECIFICATION	2017	2016
1. Contingent receivables	0	0
<b>2. Contingent liabilities</b>	<b>981</b>	<b>4,380</b>
2.1 To affiliated companies	0	0
<b>2.2 To affiliated companies, on account of:</b>	<b>981</b>	<b>4,380</b>
- performance bonds of the contract	186	3,440
- bonds on account of warranty and guarantee	90	185
- payment guarantees	112	162
- advance payment guarantees	593	593

**3. Data on liabilities to the central state budget or local government authorities, under acquired ownership rights to buildings and structures.**

As for the day of 31.12.2017 the above mentioned items are not listed.

**4. Information on revenues, costs and results of discontinued operations in the period or operations to be discontinued in the next period.**

In the reported period no operations were discontinued and no operations are expected to be discontinued in the next period.

**5. Manufacturing cost of fixed assets in progress. (PLN in thds)**

SPECIFICATION	2017	2016
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Expenditures on the premises of branch in Wrocław	430	0
Expenditures on the modernization of Data Center building	19	19
Purchase of equipment and machinery	120	87
Reconstruction of gas installation	0	6
Other fixed assets	3	0
<b>TOTAL</b>	<b>572</b>	<b>112</b>

Capital work in progress are valued according to the actual costs of their purchase and financed in whole from own resources.

In 2017 the Company did not produced the fixed assets for own needs.

**6. Capital expenditure made and capital expenditure planned for the period of 12 months from the balance-sheet date. (PLN in thds)**

<b>SPECIFICATION</b>	<b>Outlays incurred in 2017</b>	<b>Plan for 2018</b>
Office building A and B	20	
Expansion of the Data Center building	71	
Purchase of technical equipment and machinery	829	550
Purchase of means of transport	1,127	600
Purchases of other fixed assets	396	100
Intangible assets (software)	141	50
Investments in foreign fixed assets	446	2,700
Equipment of the Data Center in Wrocław		3,000
<b>TOTAL</b>	<b>3,030</b>	<b>7,000</b>

During 2016 and 2017 the Company did not incur expenses on environmental protection. Similar expenditures have also not been scheduled for the next year.

**7. Information on revenues and costs of extraordinary value or that appeared incidentally, including their amount and character.**

In the reporting period there were neither extraordinary transactions nor incidental transactions.

**8. Information on transactions between the issuer and related entities on different terms than arm's length transactions, together with the amount and nature of such transactions.**

The Company is not related to other entities.

**9. Information on the economic nature and purpose of the contracts concluded by the issuer not included in the balance sheet within the scope necessary for the assessment of their impact on financial and economic condition and financial result.**

Information not listed.

**10. Information on non-consolidated joint ventures.**

Information not listed.

**11. Information on average employment, by professional groups in terms of full-time equivalents:**

SPECIFICATION	31.12.2017	31.12.2016
Management Board	5.00	5.00
Engineering and technical staff	301.95	292.39
Economic staff	23.00	21.78
Administrative staff	11.00	10.59
Maintenance staff	13.00	11.09
TOTAL	<b>353.95</b>	<b>340.85</b>

**12. Information on the total value of remuneration and awards paid to the persons managing and supervising the issuer. (in PLN thds)**

SPECIFICATION	2017	2016
<b>The Management Board, including:</b>	<b>2,216</b>	<b>2,213</b>
- remuneration due under the contract of employment	2,216	2,213
Janusz Gocałek	432	429
Jacek Klauziński	432	432
Andrzej Rózga	432	432
Rafał Szalek	460	420
Radosław Wesołowski	460	420
<b>The Supervisory Board, including:</b>	<b>90</b>	<b>90</b>
- remuneration for the performance of duties	90	90
Bogna Pilarczyk	18	18
Grzegorz Ganowicz	18	18
Marek Nawrocki	18	18
Andrzej Kurc	18	18
Jacek Nowak	18	18

**13. Information on all liabilities due to retirement pensions and other benefits for former managing and supervising persons, or former members of administrative bodies, and any commitments arising or entered into in respect of retirement pensions, with an indication of the total for each category of body.**  
Not applicable.

**14. Information on the value of outstanding prepayments, credits, loans, guarantees, sureties or other agreements to provide benefits to the issuer by its subsidiaries.**  
Item not listed.

On 30 May 2017 the Supervisory Board of the Company, on the basis of the Company's Articles of Association, adopted a resolution on the selection of "PKF Consult Sp. z o.o.", with its registered office in Warsaw, ul. Orzycka 6/ 1B (02-962), as an entity with which the contract will be signed on auditing the financial statements compiled on 31 December 2017 and 31 December 2018.

The selected entity is recorded in the register of entities authorized to audit financial statements under the No. 477 kept by the National Council of Statutory Auditors. The Company used the services of the selected entity for auditing financial statements. The choice was made in accordance with applicable regulations and professional standards.

The total net value agreed on in the agreement amounts to 2 x PLN 21 thousand for the audit of the financial statements.

On 30 May 2017, the Supervisory Board of the Company, acting pursuant to the Company's Articles of Association, adopted a resolution on the selection of PKF Consult Sp. z o.o. Sp. z o.o.k. with its registered office in Warsaw at ul. Orzycka 6/ 1B (02-962), as the entity with which the agreement concerning the review of the Company's financial statements prepared as at 30 June 2017 and 30 June 2018 will be signed.

Net remuneration agreed on in the agreement amounts to PLN 2x12,000.00 +VAT according to the binding rate.

In 2017 the Company did not use any tax consultancy services.

**15. Information on significant events from previous years included in the financial statement for the current period.**

The abovementioned events did not occur.

**16. Information on significant post balance-sheet events not included in the financial statement.**

The abovementioned events did not occur.

**17. Information on the relations between the issuer and its legal predecessor and the methods and scope of assets and liabilities takeover.**

The joint-stock company "TALEX" S.A. was established following the transformation of the limited liability company Przedsiębiorstwo Produkcyjno-Wdrożeniowe „TALEX”.

On 9 April 1998, by the decision H1114/98 of the District Court in Poznań, XVI Commercial Division of the National Court Register, the limited liability company Przedsiębiorstwo Produkcyjno-Wdrożeniowe „TALEX” was removed from the Commercial Register RHB 2027, while "TALEX" S.A. was registered in the Commercial Register under the entry no. RHB 11905.

Assets and liabilities of "TALEX" S.A. as at the opening balance on 09.04.1998 equalled in value the assets and liabilities disclosed by the limited liability company Przedsiębiorstwo Produkcyjno-Wdrożeniowe „TALEX” as in the closing balance-sheet drawn up for 08.04.1998.

**18. Financial statement and comparative financial data in respect of the basic items on the balance sheet and profit and loss account adjusted by a relevant inflation index.**

No financial statement including prices adjusted by inflation index was drawn up.

**19. List and explanation of differences between the data disclosed in the financial statement and comparative financial data.**

The Company did not restate the data published in SA-Q 4 2017 report.

**20. Changes to the accounting principles (policy) applied and to the method of the financial statement preparation.**

In 2017 the Company did not introduced any changes neither to the accounting principles (policy) nor to the method of the financial statement preparation.

**21. Adjustments due to fundamental errors.**

There was no need to correct fundamental errors during the reporting period.

**22. Description of threats as to the Company remaining a going concern.**

There are no such threats.

**23. Settlement concerning merger of companies.**

There was no such settlement.

**24. Valuation of shares in related parties.**

As at 31 December 2017, TALEX S.A. did not have any related parties.

**25. Reasons for not drawing up a consolidated financial statement.**

As at 31 December 2017, TALEX S.A. was not a holding company under provisions of the Accounting Act, and so does not draw up a consolidated financial statement.