



Additional information
to the semi-annual report
drawn up for the period from 01.01.2023 to 30.06.2023.

TALEX[®] S.A.

1. Field of activity

Talex S.A. provides advanced IT services in the field of system integration, hardware implementations, IT project development. It also offers IT outsourcing services based on its own Data Processing Center (Data Center). The activity of the Company also includes distribution and service of computer hardware. The offer is directed mainly to the market of financial institutions, banks as well as large and medium-sized enterprises.

TALEX S.A. was entered into the register of entrepreneurs kept by the District Court in Poznan - Nowe Miasto and Wilda in Poznan, VIII Economy Department of National Court Register under No. 0000048779 (date of register in the NCR: 3rd October 2001).

TALEX S.A. does not consist of internal organizational units which draw up their own financial statements. As a consequence, the financial statement contains only unitary data.

Due to the structure of sales revenues, in which the sale of goods plays a crucial part, the Central Statistical Office defined, according to the Polish Classification of Activities 2007, as the primary activity of the Company the "wholesale of computers, computer peripheral equipment and software"-46.51.Z

2. Time frames

Talex S.A. operates since 9th April 1998. There are no limited time frames.

3. Periods which the presented financial data concern

First six months of 2023: from 1 January 2023 to 30 June 2023

First six months of 2022: from 1 January 2022 to 30 June 2022

4. Members of the Management and Supervisory Boards

As of 30 June 2023 the Management and Supervisory Board was composed of the following members:

The Management Board

Janusz Gocałek – President of the Management Board
Jacek Klauziński – Vice-President of the Management Board
Andrzej Różga – Vice-President of the Management Board
Rafał Szalek – Member of the Management Board
Radosław Wesołowski – Member of the Management Board

The Supervisory Board:

Bogna Pilarczyk – President of the Supervisory Board
Witold Hołubowicz – Member of the Supervisory Board
Andrzej Kurc – Member of the Supervisory Board
Małgorzata Poprawska – Member of the Supervisory Board
Jacek Nowak – Member of the Supervisory Board

5. Information in connection with § 66 section 1 of the Regulation of the Minister of Finance dated 29 March 2018

5.1 Information on the changes in the rules of establishing the value of assets and liabilities as well as determination of financial result

In the first half of 2023 the accounting policy regarding the valuation of long-term investments was changed. Since 2022, long-term investments have been valued according to the market price or other fair value. In the financial statements for the previous periods the long-term investments were not included.

5.2 Accounting principles:

- a. TALEX S.A. draws up the financial statement on the basis of provisions contained in the Accounting Act of 29th September 1994 and the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and on conditions for recognising as equivalent information required by the laws of a non-member state. Due to the fact that the Company does not draw up consolidated financial statements, a separate financial statement according to MSR or US GAAP has not been drawn up. Reliable indication of differences in the value of the revealed data is not possible.
- b. The Company envisages to continue its business activities in the foreseeable future. According to the Management Board and the Supervisory Board of the Company, there are no circumstances indicating any threats to the continuity of its operations.
- c. According to article 3 section 1 point 9 of the Accounting Act, the calendar year is considered the financial year.
- d. According to article 3 section 1 point 8 of the Accounting Act, the calendar month is considered the reporting period. A balance of the general ledger accounts is drawn up at the end of every reporting period.
- e. The record and allocation of operating expenses are kept according to kinds on accounts under group 4 and at the same time according to types of activities and functions on accounts under group 5, with further reference to the costs of products sold or the financial result.
- f. Financial statements are drawn up using the profit and loss account by function of expenses.
- g. The cash flow statement is prepared using the indirect method.
- h. It is assumed that any event resulting in the change of total assets by more than 1% is substantial for the assessment of the property and financial situation and the financial result.
- i. The account books are kept using digital technology based on the integrated financial and accounting system Dynamics AX created by Microsoft Ireland Operations Ltd.

5.3 Methods of valuing assets and liabilities:

- a. **Fixed and intangible assets** are covered by the analytical quantity and value register. They are valued according to acquisition prices or manufacturing cost decreased by depreciation and amortization write-offs in proportion to the period of their utilization, and also by permanent impairment write-offs. Equipment valued below PLN 1,000 is not entered in the fixed assets register but is only included in the cost of materials. In justified cases, assets valued below PLN 1,000 can be entered in the fixed assets register by the decision of the Management Board. Such fixed assets are depreciated once in the month following the month in which they are put into use.
Fixed and intangible assets with the initial value of more than PLN 1,000 are amortized using the straight-line method, starting from the month following the month in which they were put into use. In determining the amortization period and the annual amortization rate the economic useful life of the asset is taken into account.
Fixed assets used under finance lease are also depreciated at the rate resulting from their economic useful life period.
Sale-and-lease-back in the books of Talex S.A. functions as financial lease, with the exception that Talex was at the same time the supplier of the leased asset.

- b. **Fixed assets under construction** are valued according to real costs incurred for the construction, assembly, adjustment and improvement of future fixed assets, decreased by the permanent impairment write-offs.
- c. **Long-term investments** are valued according to market or other fair value.
- d. **Reserves** including materials, commodities, finished products and production in progress are appraised as follows:
- **materials and goods**
Yearly consumption is appraised as follows:
 - goods identified by serial numbers according to their price of purchase,
 - materials and goods not identified by serial numbers according to the "First in, first out" (FIFO) principle,
 - **finished products** – do not occur,
 - **production in progress** is valued at the actual direct manufacturing costs of the individual orders, up to the value of the revenue specified in the contract.
 - **revenue** from the performance of an uncompleted service, including construction, covered by a contract, with a completion period of more than **6 months**, in the period from the date of conclusion of the contract to the balance sheet date - after deduction of revenue which has affected the financial result in previous reporting periods - is determined in proportion to its stage of completion. The progression of the service is determined by the ratio of the number of direct hours worked to the number of hours planned.
- e. **Domestic receivables** are valued according to the nominal value set at their beginning. Receivables in foreign currencies at balancing date are valued at the average exchange rate set for a given currency by the National Bank of Poland.
At balancing date the receivables and claims are indicated in the value corrected by revaluation write-offs in the following cases:
- - receivables from entities in liquidation – 100% write-off;
 - - receivables that have been overdue for over half a year – 100% write-off.
- f. **Short-term financial assets** are valued according to market value. The effects of differences between the valuation value at the balance sheet date and the purchase price are recognised in financial income or expenses.
Domestic cash is valued at nominal value.
Cash in foreign currencies at the balancing day is valued at the average exchange rate set for a given currency by the National Bank of Poland.
- g. **Primary capital (share capital)** is valued at the nominal value, in accordance with the entry in the National Court Register.
- h. **Supplementary capital** is priced at the nominal value resulting from capital increases and decreases.
- i. **Revaluation reserve** is valued at its nominal value, resulting from capital increases and decreases.
- j. Provisions for liabilities include:
- **Provision for retirement benefits** made at the end of the financial year according to the following formula:
the number of employees without the settled right to retirement at the balancing day × average monthly salary in the company × likelihood indicator of retirement severance payment, differentiated by the employee's age:

| | |
|----------------|------|
| up to 25 years | 5% |
| 26–30 years | 16% |
| 31–35 years | 27% |
| 36–40 years | 37% |
| 41–45 years | 48% |
| 46–50 years | 60% |
| 51–55 years | 73% |
| 56–60 years | 85% |
| 61–65 years | 99% |
| over 66 years | 100% |
 - **provision for unused holiday leaves** created at the end of the year as the product of the statutory daily remuneration and the number of days of unused holiday leave;
 - **provision for deferred income tax** created to the amount of income tax payable in the future in relation to the occurrence of positive transient differences between the book value and the tax value of assets and liabilities. The amount of income tax resulting from negative transient differences is shown **in the prepayments and accrued income on account of deferred income tax**.

- **other provisions** include the costs of future solutions for business transactions for which revenues had been accrued before the balance sheet date and the provision for the VAT with due interests.
- k. **Domestic** liabilities are estimated in the amount requiring payment. Liabilities in foreign currencies at the balancing day are valued at the average rate set for a given currency by the National Bank of Poland. Liabilities due to leasing agreements are disclosed in the amount resulting from the sum of capital installments that require payment. Liabilities due to bank loans are disclosed in the accounting books at their nominal value (in the amount of debt) increased by interest due at the balance sheet date.

5.3.1 Information on significant changes in the estimates

During the reporting period, a revaluation of the undeveloped plot of land representing a long-term investment was carried out. The value of the investment was assumed on the basis of a current appraisal.

Value of property at purchase price: PLN 450 thousand.

The value of the real estate presented in long-term investments according to the current appraisal is PLN 6,186 thousand.

The investment property held by the Company, which is the subject of the fair value measurement at the balance sheet date, is subject to the process of amending the local development plan. The Company's valuation assumptions at the balance sheet date take into account its use in accordance with the current development plan.

At the moment, the Company does not have any information regarding the timing of the completion of the planning procedure or the final shape of the amendments under procedure. Potential changes to the development plan may affect the value of the appraisal. This will be taken into account by the Company in the appraisal once the changes have been implemented and become effective.

5.3.2 Information on creation, increase, use and dissolution of revaluation write-downs (in PLN thds)

| Title of the write-down | State at 01.01.2023 | Creation of the provision | Use of the provision | Release of the provision | State at 30.06.2023 |
|--------------------------------------|---------------------|---------------------------|----------------------|--------------------------|---------------------|
| - for doubtful receivables | 1,019 | - | - | 5 | 1,014 |
| - for the value of stock inventories | 162 | - | - | - | 162 |
| total | 1,181 | - | - | 5 | 1,176 |

5.4 Additional information:

5.4.1 A concise description of important achievements or failures of the issuer during the period which this report concerns, including the list of the most important events regarding the issuer;

Information have been included in the report for the first half of 2023.

5.4.2 A description of factors and events, particularly of untypical ones, having a significant influence on the financial results achieved;

The results achieved by the Company are significantly influenced by the economic activity in a given period. The military conflict beyond the eastern border and the rapidly rising energy costs have significantly affected the Company's operations. For more information, see the Semi-Annual Report on Issuer's Activity of Talex S.A. for the first half of 2023.

5.4.3 Explanations concerning the seasonality or periodicity of the issuer's activity in the presented period;

The Company normally records the highest sales in the last quarter of the year, which is related to the execution of the budgets of the Company's greatest clients at the end of the year.

5.4.4 Information on write-downs revaluing the supplies to the obtainable net value and on reversal of such write-downs;

In the first half of 2023, the Company did not recognise any inventory write-down.

5.4.5 Information on the write-downs for impairment of financial assets, tangible fixed assets and fixed assets, intangible assets or other assets, and on reversal of such write-downs;

The Company did not make the above described write-downs.

5.4.6 Information on the creation, increase, use, and dissolution of the provisions (in PLN thds);

| Title of provision | State at 01.01.2023 | Increase of the provision | Use of the provision | Release of the provision | State at 30.06.2023 |
|---|---------------------|---------------------------|----------------------|--------------------------|---------------------|
| 1. For retirement and similar benefits | 806 | 0 | 0 | 0 | 806 |
| - for retirement severance pay | 355 | - | - | - | 355 |
| - for unused holiday leaves | 451 | - | - | - | 451 |
| 2. Remaining provisions | 15 | 0 | 14 | 1 | 0 |
| - for the remuneration costs of the past period | 0 | - | - | - | 0 |
| - for future costs | 15 | - | 14 | - | 0 |
| total | 821 | 0 | 14 | 1 | 806 |

5.4.7 Information on the provisions and assets due to deferred income tax (in PLN thds);

| Title of the assets | State at 01.01.2023 | Creation of the provision | Use of the provision | Release of the provision | State at 30.06.2023 |
|--|----------------------------|----------------------------------|-----------------------------|---------------------------------|----------------------------|
| - due to costs of long-term investments | 2 | 0 | 0 | 0 | 2 |
| - due to difference in tax depreciation and balance sheet depreciation | 5 | 0 | 4 | 0 | 1 |
| - due to unpaid remunerations | 30 | 4 | 20 | 0 | 14 |
| - due to write-offs to doubtful accounts | 24 | 0 | 0 | 0 | 24 |
| - due to provisions for retirement severance pay | 67 | 0 | 0 | 0 | 67 |
| - due to provisions for unused holiday leaves | 86 | 0 | 0 | 0 | 86 |
| - due to invoicing of deferred services | 119 | 0 | 112 | 0 | 7 |
| - due to invoicing of advance payments for deliveries | 0 | 0 | 0 | 0 | 0 |
| - due to the costs of remaining provisions | 3 | 0 | 3 | 0 | 0 |
| - due to write-offs of inventories | 31 | 0 | 0 | 0 | 31 |
| - due to tax loss | 557 | 896 | 0 | 0 | 1,453 |
| Total assets | 924 | 900 | 139 | 0 | 1,685 |
| Title of provision | State at 01.01.2023 | Creation of the provision | Use of the provision | Release of the provision | State at 30.06.2023 |

| | | | | | |
|---|--------------|------------|-----------|----------|--------------|
| - due to the increase of long-term investment value | 1,048 | 42 | 0 | 0 | 1,090 |
| due to positive difference in tax depreciation | 129 | 95 | 0 | 0 | 224 |
| - due to accrued discounts | 53 | 214 | 54 | 0 | 213 |
| Total provisions | 1,240 | 351 | 54 | 0 | 1,537 |

5.4.8 Information on significant transactions of the purchase and sales of fixed assets;

In the first half of 2023 there were no significant transactions of purchase and sale of fixed assets.

5.4.9 Information on significant liability due to the purchase of tangible fixed assets;

In the reporting period there were no significant liabilities due to the purchase of tangible fixed assets.

5.4.10 Information on significant settlements under court proceedings;

In the reporting period there were no significant settlements under court proceedings.

5.4.11 Indication of errors adjustment of the previous periods;

In the reporting period there was no adjustment to the fundamental errors.

5.4.12 Information on the changes in the economic situation and conditions of conducting business activity, significantly influencing the fair market value of financial assets and financial liabilities of the entity, whether the assets and liabilities are recognized in the fair market value or corrected purchase price (amortized cost);

In the opinion of the Company, the economic situation in the 1st half of 2023 and the conditions in which the Company conducted its activity, including in particular the military conflict beyond the eastern border, did not affect the fair value of financial assets and financial liabilities.

5.4.13 Information on non-repayment of the credit or loan or violating significant provisions of the credit or loan agreement, in relation to which no corrective measures were undertaken until the end of the reporting period;

At the day of the report compilation, the Company is not in arrears with the repayment of any credit or loan and has in no way infringed any provisions of a credit or loan agreement.

5.4.14 Information on conclusion of one or many transactions between an issuer and the entity dependent, if they are significant and were concluded on the terms other than market ones;

The Company did not make any aforementioned transactions. Talex S.A. is not an affiliated entity.

5.4.15 In case of financial instruments evaluated in their fair value - information concerning a change in a manner (method) of its valuation;

In the reporting period the Company did not use any financial instruments.

5.4.16 Information on the change of classification of financial assets as a result of changing the purpose or use of those assets;

On 15 February 2022 the Management Board of Talex S.A. adopted the resolution on the change of the classification of the Company's asset constituting an undeveloped property located in Poznan at ul. Karpia 28 and the allocation of the described property for sale. In the report for the first half of 2023 the above mentioned asset has been presented in the long-term investments at the current market value estimated according to the current appraisal report.

5.4.17 Information on the issue, redemption and repayment of non-equity or equity securities;

In the reported period, the Company did not conduct any transactions of issuance, redemption or repayment of equity or debt securities.

5.4.18 Information on the paid (or declared) dividend, jointly and calculated per one share, including the division into ordinary and preference shares;

The Ordinary General Meeting of Shareholders held on 21 June 2023 did not make a decision on the payment of dividend.

5.4.19 Indication of events, which took place after the day for which the abridged quarterly financial statement was drawn up, not included in this statement, but which could substantially influence the future financial results of the issuer;

After the date this report has been done, that is after of 30 June 2023, there were no events which could significantly influence the future financial results of the Company.

5.4.20 Information concerning changes in contingent liabilities or assets, which have taken place since the end of the last financial year (in PLN thds);

As of 30.06.2023, the value of guarantees issued by banks on behalf of Talex S.A. in connection with realimplemented contracts amounted to PLN 400 thd. Contingent liabilities included performance bonds, warranty guarantees and payment guarantees.

| Title of contingent liability | State at 01.01.2023 | Increase of liability | Expiration of liability | State at 30.06.2023 |
|----------------------------------|---------------------|-----------------------|-------------------------|---------------------|
| - due to guarantee and warranty | 0 | 0 | 0 | 0 |
| - due to performance bonds | 276 | 0 | 0 | 276 |
| - guarantees on advance payments | 0 | 0 | 0 | 0 |
| - payment guarantees | 125 | 0 | 7 | 118 |
| TOTAL | 401 | 0 | 7 | 394 |

5.4.21 Other information likely to have a significant impact on the assessment of the issuer's assets, financial position and results of operations;

During the reporting period, there were no other events relevant to the assessment of the Company's human resources, assets, financial position, financial performance or ability to meet its obligations.

Poznan, September 2023

Signature of the person maintaing book accounts

Dorota Wójcik _____

Janusz Gocalek – President of the Management Board

Jacek Klauziński – Vice-President of the Management Board

Andrzej Różga – Vice-President of the Management Board

Rafał Szalek – Vice-President of the Management Board

Radosław Wesołowski – Vice-President of the Management Board