

Spyrosoft S.A. Capital Group
Consolidated periodic report
for the 3rd quarter 2023

Wrocław, 28 November 2023

Table of contents

Introduction.....	4
Basic data about the Issuer.....	4
Information on the Capital Group	7
Approval of interim financial information	8
Continuity assumption.....	8
Selected financial data	10
Basic elements of the interim condensed financial information of the Capital Group	11
Consolidated statement of revenues.....	11
Consolidated statement of financial situation.....	13
Consolidated statement of changes in equity	15
Consolidated cash flow statement	17
Explanatory notes to consolidated interim condensed financial information.....	19
Compliance with International Financial Reporting Standards	19
Newly published, but not applicable standards and interpretations	19
Description of the adopted accounting principles (policy).....	19
Professional judgment and uncertainty of estimates.....	24
Principles of consolidation.....	25
Additional information – Operating segments.....	25
Presentation of financial statements by business segment	25
Description of the segments.....	25
Financial information about individual segments.....	28
Additional information – Other explanatory notes.....	31
Note 1. Items unusual because of their nature, size or frequency	31
Note 2. Seasonality information.....	31
Note 3. Changes in accounting estimates	31
Note 4. Debt and equity securities.....	31
Note 5. Dividends.....	31
Note 6. Purchase and sale of tangible fixed assets and intangible fixed assets.....	31
Note 7. Goodwill and mergers	32
Note 8. Provisions	32
Note 9. Deferred income tax assets and provisions.....	32
Note 10. Transactions with affiliated entities	33
Note 11. Remuneration of the Management Board and Supervisory Board	34
Note 12. Impact of transition to International Financial Reporting Standards	34
Note 13. Post-balance sheet date events.....	34
Note 14. Information on write-offs updating the value of inventories to the net realizable value and the reversal of these write-offs	34
Note 15. Information on write-downs for impairment of financial assets, tangible fixed assets, intangible assets or other assets and the reversal of such write-downs	35
Note 16. Information on a significant liability for the purchase of property, plant and equipment.....	35
Note 17. Information on significant settlements due to court cases.....	35

Note 18. Indication of corrections of errors from previous periods	35
Note 19. Information about changes in the economic situation and business conditions that have a significant effect on the fair value of the entity's financial assets and liabilities, irrespective of whether these assets and liabilities are recognized at fair value or at adjusted cost (amortized cost)	35
Note 20. Information on non-payment of the credit or loan or violating significant provisions of the credit or loan agreement, in relation to which no corrective action was taken until the end of the reporting period	35
Note 21. Information on changing the method of determining the fair value of financial instruments	35
Note 22. Information on changes in the classification of financial assets as a result of a change in the purpose or use of these assets.....	35
Note 23. Information on changes in contingent liabilities or contingent assets that have occurred since the end of the last financial year	35
Additional information to the report.....	35
A concise description of the issuer's significant achievements or failures in the period covered by the report, together with a list of the most important events concerning the issuer	36
Indication of factors and events, including those of an unusual nature, having a significant impact on the summary financial information.....	36
Description of changes in the organization of the issuer's capital group	37
The position of the Management Board regarding the possibility of meeting previously published forecasts of results for a given year in the light of the results presented in the quarterly report in relation to the forecasted results	37
Indication of shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the issuer's general meeting	37
Statement of ownership of the issuer's shares or rights to them by persons managing and supervising the issuer as of the date of submitting the quarterly report	37
Indication of significant proceedings pending before a court, a body competent for arbitration proceedings or a public administration body, concerning the liabilities and receivables of the issuer or its subsidiary	38
Information on the conclusion by the issuer or its subsidiary of one or more transactions with related entities, if they were concluded on terms other than market conditions.....	38
Information on the granting by the issuer or its subsidiary of credit or loan sureties or guarantees - jointly to one entity or its subsidiary, if the total value of the existing sureties or guarantees is significant, specifying: .	38
Other information which, in the issuer's opinion, is significant and may significantly affect the assessment of its personnel, property, financial situation, financial result and their changes, as well as information which is significant for assessing the issuer's ability to meet its obligations.....	39
Individual interim financial data.....	42
Balance sheet.....	42
Profit and loss statement.....	45
Statement of changes in equity (fund)	46
Cash flow	47
Additional information and notes.....	50

Introduction

Basic data about the Issuer

	SPYROSOFT SPÓŁKA AKCYJNA
Address	Pl. Nowy Targ 28, 50-141 Wrocław
Register data	KRS 0000616387 District Court for Wrocław-Fabryczna, 6th Commercial Division of the KRS (National Court Register) Share capital: PLN 109,009.40
Contact	tel. +48 500 104 042 www.spyro-soft.com office@spyro-soft.com
Management Board	Konrad Weiske - President of the Management Board Wojciech Bodnaruś - Member of the Management Board Sebastian Łękawa - Member of the Management Board Sławomir Podolski - Member of the Management Board

General characteristics of the activities of the Company & the Group

Spyrosoft is a company founded in 2016 in Wrocław, Poland, operating in the IT industry. It produces software. Spyrosoft offers comprehensive solutions in scope of the software development – from embedded solutions to high-level systems based on public clouds. Spyrosoft offers comprehensive project management in scope of which the specialists manage projects and related requirements, design the architecture as well as write and develop the programming layer.

Spyrosoft renders programming services tailored to customer needs and individual requirements. The company supports clients from the moment of a product concept and technology selection, through the development of solution architecture and its implementation, ending with maintenance and development works. Spyrosoft cooperates mainly with clients representing the following industries: finance, automotive, industry 4.0, medicine, HR, geospatial services and robotics. Thanks to the knowledge of the industries and specific requirements, a client is provided not only with the solution itself, but also with consulting services in the scope of selection of the IT solutions suited to needs and regulations of a particular industry.

Spyrosoft Capital Group offers the following services:

- **Business and Product Design** – designing digital products and services, prototyping and testing them,
- **Technological Consulting** – technological audits, estimation of project costs, development of digital strategies, automation of software development processes, as well as consultancy in the use of public clouds,

- **Enterprise Software** – software development in the areas of backend and frontend, mobile applications, data architecture,
- **Embedded Software** – development of devices and software for their automation, creating communication solutions, applications for embedded devices,
- **Artificial Intelligence and Machine Learning** – using AI and ML technologies in the designed digital solutions together with consultations regarding their functioning,
- **Cloud Solutions** – migration to the cloud, cost optimization and delivery of software in the cloud,
- **Optimization** – automation of software development, delivery and testing,
- **Managed Services** – audits and acquisitions of IT systems, support and maintenance of operating systems, management and maintenance of servers, infrastructure optimization, data security,
- **Cybersecurity** – consulting, penetration testing, integration of security tests with the existing software development process, defensive cybersecurity
- **Salesforce** – implementation of Sales Cloud, Commerce Cloud, Service Cloud modules, development of dedicated applications, pre- and post-implementation audits
- **HMI (Human Machine Interface)** – designing and implementing solutions for user interaction with the device
- **E-commerce platforms** – development and implementation of online stores based on Magento and Shopware platforms
- **Data and Business Intelligence** – software for data integration and processing, data warehouses, data mining, data analytics and reporting

The services provided by the Spyrosoft Capital Group are addressed in the form of a dedicated offer to the following industries:

- **Automotive**

As part of services for the automotive industry, Spyrosoft offers the production of embedded software as well as its integration and validation in accordance with the requirements of the A-Spice standards applicable within the industry. The offer for the automotive industry also includes the design and implementation of processes related to Functional Safety.

- **Financial Services**

Spyrosoft designs systems that comprehensively support loan processes and debt management systems in financial institutions. The Groups offer also includes the design of solutions in the area of digital banking and for the fintech sector. In addition, Spyrosoft offers the production of software supporting the processing and analysis of financial data.

- **Industry 4.0**

The Spyrosoft Group offer for enterprises from the industrial sector focuses on the automation and communication of industrial devices, as well as the provision of enterprise system solutions that allow the exchange of data between devices and the support of industrial equipment fleet management processes.

- **Media**

Spyrosoft provides dedicated, multi-platform applications and services for the integration and implementation of digital products, as well as technological consulting for the media and entertainment industry.

- **Robotics**

Spyrosoft experts provide comprehensive services related to the design and implementation of software for autonomous robots, using the latest available technologies (artificial intelligence, computer vision, public clouds, etc.)

- **Geospatial Services**

Spyrosoft creates software for the comprehensive processing of spatial data. It offers solutions in the field of spatial data storage and its intelligent analysis. It also designs enterprise systems that enable the use and management of geospatial information.

- **HR and Education**

Spyrosoft provides solutions that automate processes related to human resource management. The Group's offer includes the design of temporary work systems, systems for managing remuneration and benefits, as well as educational systems.

- **Healthcare & Life Sciences**

Spyrosoft Group provides embedded software for medical devices, designs their communication and implements advanced algorithms to support accurate diagnostics performed by medical devices. In addition, it offers the design of enterprise systems – supporting the management of a medical enterprise, patient care or monitoring the operation of medical devices.

Spyrosoft Group operates internationally, and its clients are predominantly based in the United Kingdom, Germany, the USA, and Scandinavia.

In addition to its presence in six Polish locations (Wrocław, Cracow, Warsaw, Białystok, Szczecin and Łódź), the Group also has offices and development centers outside Poland, ensuring a larger availability of its services to international clients.

SPYROSOFT GROUP

Our offices

Argentina

- Buenos Aires

Croatia

- Zagreb
- Osijek

Germany

- Stuttgart
- Brunswick

India

- Chennai

Norway

- Bergen

Poland

- Wrocław
- Cracow
- Warsaw
- Białystok
- Szczecin
- Łódź

Romania

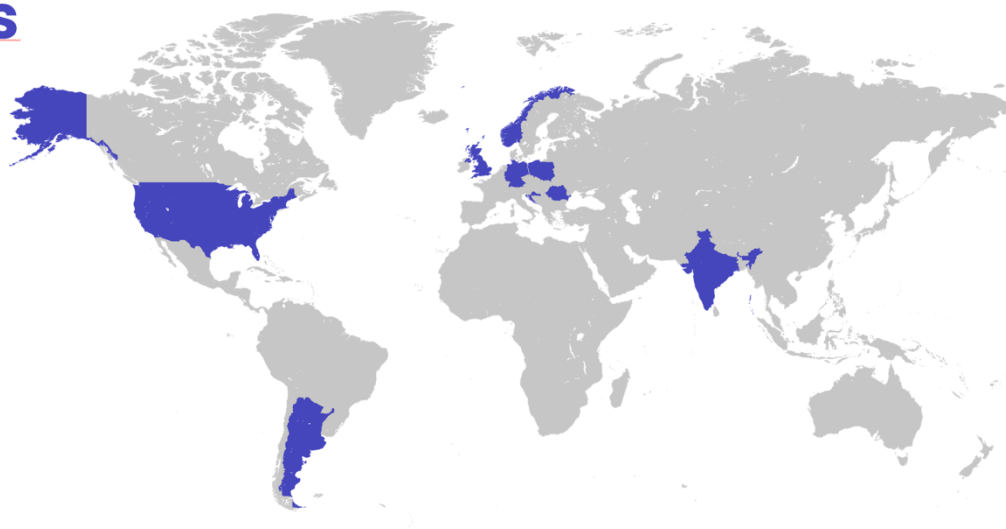
- Timisoara

UK

- Edinburgh
- Bournemouth
- Newcastle

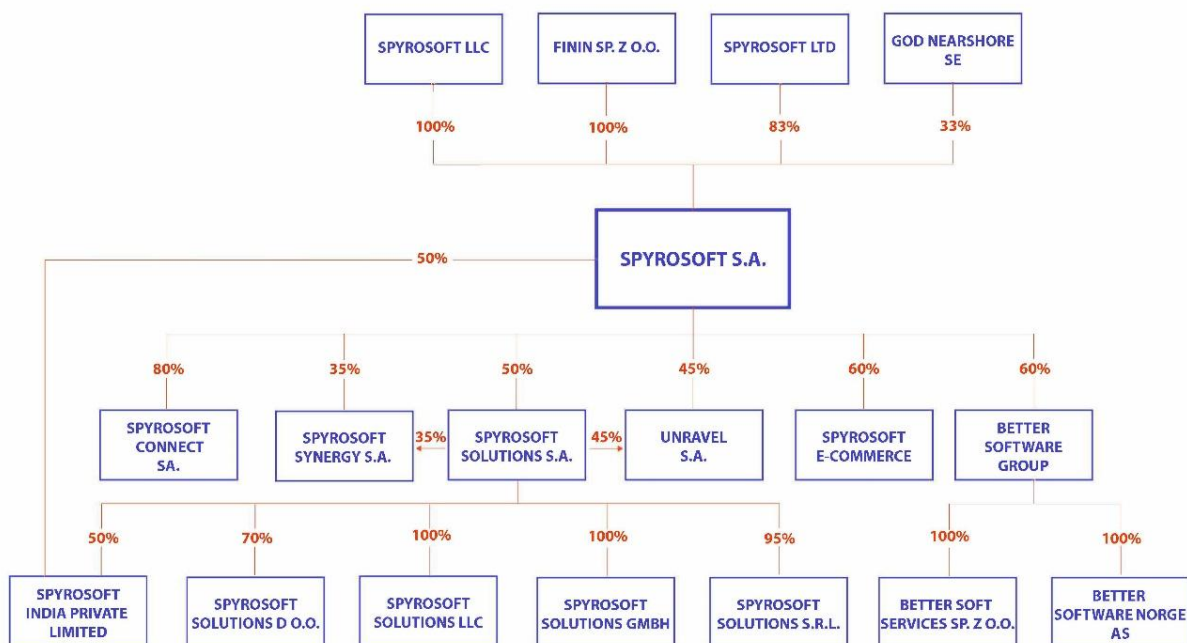
USA

- Ann Arbor
- Pittsburgh



Information on the Capital Group

As at 30.09.2023, the structure of Spyrosoft Capital Group is as follows:



spyrosoft

As at 30.09.2023 the Spyrosoft S.A. Capital Group includes, aside from the parent company, also the following entities:

Entity	Country	Share in the capital	Relationship
Spyrosoft Solutions S.A.	Poland	50,00%	direct
Spyrosoft Ltd	UK	83,30%	direct
GOD Nearshore SE	Germany	33,00%	direct
Unravel S.A.	Poland	67,50%	45% direct and 22,5% indirect
Spyrosoft Synergy S.A.	Poland	52,50%	35% direct and 17,5% indirect
Spyrosoft Solutions d.o.o.	Croatia	35,00%	indirect
Spyrosoft Solutions LLC	USA	50,00%	indirect
Spyrosoft Solutions GmbH	Germany	50,00%	indirect
Spyrosoft LLC	USA	100,00%	direct
Spyrosoft eCommerce S.A.	Poland	60,00%	direct
Spyrosoft Solutions S.R.L.	Romania	47,50%	indirect
Spyrosoft Connect S.A.	Poland	80,00%	direct
Better Software Group S.A.	Poland	60,00%	direct
Better Software Services Sp. z o.o.	Poland	60,00%	indirect
Better Software Norge AS	Norway	60,00%	indirect
Spyrosoft India Private Limited	India	75,00%	50% direct and 50% indirect
Finin Sp. z o.o.	Poland	100,00%	direct

As at 30.09.2023 the degree of the parent company's relationship with other group entities and the adopted method of including the entity in consolidation are as follows:

Entity	Status	Consolidation method
Spyrosoft Solutions S.A.	subsidiary	full consolidation
Spyrosoft Ltd	subsidiary	full consolidation
GOD Nearshore SE	associate	consolidation by means of equity
Unravel S.A.	subsidiary	full consolidation
Spyrosoft Synergy S.A.	subsidiary	full consolidation
Spyrosoft Solutions d.o.o.	subsidiary	full consolidation
Spyrosoft Solutions LLC	subsidiary	excluded from consolidation due to irrelevance
Spyrosoft Solutions GmbH	subsidiary	full consolidation
Spyrosoft LLC	subsidiary	excluded from consolidation due to irrelevance
Spyrosoft eCommerce S.A.	subsidiary	full consolidation
Spyrosoft Solutions S.R.L.	subsidiary	full consolidation
Spyrosoft Connect S.A.	subsidiary	full consolidation
Better Software Group S.A.	subsidiary	full consolidation
Better Software Services Sp. z o.o.	subsidiary	full consolidation
Better Software Norge AS	subsidiary	full consolidation
Spyrosoft India Private Limited	subsidiary	unit has not yet begun operations
Finin Sp. z o.o.	subsidiary	excluded from consolidation due to irrelevance

All entities, except for Finin Sp. z o.o., run software related activities. Finin Sp. z o.o. operates in the field of accounting services and tax advisory.

Approval of interim financial information

This interim condensed financial information was approved for publication by the parent company's Management Board on 28.11.2023.

Continuity assumption

The consolidated interim condensed financial information has been prepared assuming that the company will continue its operations in the foreseeable future. As of the date of approval of the interim condensed financial information for publication, there are no circumstances that could potentially pose a threat to the continued operations of the Group for a period of at least 12 months from the date of approval of the interim condensed financial information for publication. The Management Board of the parent company has assessed the Capital Group's ability to continue its operations.

The consolidated interim condensed financial information has been prepared assuming that the company will continue its operations in the foreseeable future. As of the date of approval of the interim condensed financial information for publication, there are no circumstances that could potentially pose a threat to the continued operations of the Group for a period of at least 12 months from the date of approval of the interim condensed financial information for publication. The Management Board of the parent company has assessed the Capital Group's ability to continue its operations.

The Spyrosoft Group, aware of the dangers arising from hostilities in Ukraine, has been monitoring the situation on an ongoing basis since the commencement of military operations. As a company, we identify potential risks and threats to its day-to-day operations. From the preliminary analysis of the available information, it seems that the greatest threat is the uncertainty about the scale and duration of the conflict.

It seems that at the moment the direct threat of military operations in the territory of Poland is negligible. The type of activity conducted by the company does not pose a risk of reducing or interrupting the supply chain. A significant threat is the impact of the war on the macroeconomic situation in Poland, the GDP as well as levels of unemployment or the level of inflation, which together could affect financial results.

Another risk factor related to the situation in Ukraine is undoubtedly the limited or blocked access to potential employees of Ukrainian nationality. The Spyrosoft Capital Group, under the new remote work policy, has implemented the 'Work From Anywhere' program in all its companies. It allows complete freedom in choosing the place of work, which is a significant convenience for employees and a significant advantage on the labor market. It is also a kind of security in the context of maintaining business continuity.

Due to the ongoing armed conflict, the Spyrosoft Capital Group undertakes a number of activities aimed at supporting Ukraine. In addition to donating funds to charity, Spyrosoft helps employees of Ukrainian nationality and conducts information activities among employees related to increasing awareness of events taking place in Ukraine.

The record level of inflation in the last 30 years of the Polish economy, and thus the highest in the company's history, has an impact on the company's financial results and operations. The high level of price growth translates into wage pressure. Remuneration and external services are the main category of the Issuer's costs, and their increase may lead to a decrease in the Group's profitability. The Management Board closely follows market trends and strives to cool the pressure on wage increases, among others by introducing salary ranges for individual positions. In addition, actions are taken to increase the prices of the services provided in order to maintain the profitability of the implemented projects. Growing inflation also affects the high level of interest rates in the Polish economy, which, on the one hand, generates an increase in the level of operating costs, and on the other hand, reduces the level of investment profitability and has a significant impact on the deterioration of the economic situation in the entire economy. From the Issuer's point of view, this may mean a much slower growth rate of the customer portfolio in relation to the adopted assumptions and the Group's operational capabilities.

Selected financial data

Data in thousand PLN/EUR

SELECTED FINANCIAL DATA	thousand PLN		thousand EUR	
	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Net revenue from sales of products, goods and materials	310 711	231 341	67 881	49 347
Profit (loss) from operating activities	23 601	31 859	5 156	6 796
EBITDA*	31 854	37 965	6 959	8 098
Gross profit (loss)	19 581	32 404	4 278	6 912
Net profit (loss)	11 336	19 760	2 477	4 215
Net inflows from operating activities	10 831	21 398	2 366	4 564
Net inflows from investment activities	(10 323)	(6 692)	(2 255)	(1 427)
Net inflows from financial activities	2 651	(5 967)	579	(1 273)
Net inflows – total	3 158	8 739	690	1 864

SELECTED FINANCIAL DATA	tys. PLN		thousand EUR	
	as at 30.09.2023	as at 31.12.2022	as at 30.09.2023	as at 31.12.2022
Assets / Liabilities – total	190 699	165 739	41 138	35 340
Fixed assets	56 248	50 433	12 134	10 754
Current assets	134 451	115 307	29 004	24 586
Equity	102 378	85 102	22 085	18 146
Liabilities and Provisions for liabilities	88 321	80 638	19 053	17 194
Long-term liabilities	7 846	21 159	1 693	4 512
Short-term liabilities	80 475	59 479	17 360	12 682
Number of shares	1 090 114	1 089 099	1 090 114	1 089 099
Net profit (loss) per one common stock (in PLN/EUR)	10,40	24,55	2,24	5,23
Book value per share (in PLN/EUR)	93,91	78,14	20,26	16,66

*EBITDA calculated as operating profit increased by depreciation.

** Number of shares representing the weighted average number of shares in the presented period

The financial data presented above for the period of 6 months in 2023 and 2022 have been converted into EUR and are presented in the table below according to the following rules:

- assets and liabilities – according to the average exchange rate determined by the National Bank of Poland as at 31.12.2022 – 4.6899 PLN/EUR
- amounts regarding total revenues and cash flows – according to the exchange rate being the arithmetic mean of the average rates specified by the National Bank of Poland as at the last day of each month of the reporting period: from 01.01.2023 to 30.09.2023 – 4,5773 PLN/EUR, from 1.01.2022 to 30.09.2022 – 4,6880 PLN/EUR.

Basic elements of the interim condensed financial information of the Capital Group

Consolidated statement of revenues

(thousand PLN)	Cumulative data		Quarterly data	
	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.07.2023 to 30.09.2023	from 01.07.2022 to 30.09.2022
Revenues from sales	310 710,56	231 340,64	105 706,15	91 462,48
Cost of sold products, services, goods and materials	213 973,77	149 895,97	73 943,23	58 636,31
Gross profit (loss) on sales	96 736,79	81 444,66	31 762,91	32 826,16
Costs of sales	1 572,11	391,94	438,29	207,92
Cost of general management	71 430,73	48 896,50	23 078,07	18 845,19
Other operating revenues	538,94	601,56	143,19	258,89
Other operating costs	671,71	898,35	64,60	224,76
Profit (loss) from operating activities	23 601,18	31 859,43	8 325,13	13 807,18
Financial revenues	73,79	1 382,26	40,94	912,70
Financial costs	4 960,96	1 605,19	2 128,04	542,01
Deductions from goodwill impairment	0,00	0,00	0,00	0,00
Share profit of associates	866,96	767,23	303,39	273,99
Gross profit (loss)	19 580,97	32 403,73	6 541,42	14 451,87
Income tax	3 090,60	5 419,33	1 137,45	2 091,10
Net profit (loss) from continued operations	16 490,37	26 984,41	5 403,98	12 360,76
Net profit (loss) from discontinued operations	0,00	0,00	0,00	0,00
Net profit (loss)	16 490,37	26 984,41	5 403,98	12 360,76
Net profit (loss) attributable to minority shareholders	5 154,59	7 224,22	1 728,62	3 342,68
Net profit (loss) of the parent entity	11 335,79	19 760,19	3 675,35	9 018,08

(thousand PLN)	Cumulative data		Quarterly data	
	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.07.2023 to 30.09.2023	from 01.07.2022 to 30.09.2022
Net result	16 490,37	26 984,41	5 403,98	12 360,76
Other comprehensive income	295,30	196,46	1 039,94	236,51
Other comprehensive income to be recognized as profit or loss after taxation	295,30	196,46	1 039,94	236,51
Exchange rate differences resulting from valuation of foreign entities	295,30	196,46	1 039,94	236,51
Other comprehensive income not to be recognized as profit or loss after taxation	0,00	0,00	0,00	0,00
Total comprehensive income	16 785,67	27 180,86	6 443,92	12 597,27

Total comprehensive income attributable to minority shareholders	5 154,59	7 224,22	1 728,62	3 342,68
Total comprehensive income of the parent entity	11 631,08	19 956,65	4 715,30	9 254,59

Net profit per share (in PLN)

Net profit per share (in PLN)	Cumulative data		Quarterly data	
	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.07.2023 to 30.09.2023	from 01.07.2022 to 30.09.2022
Basic	10,40	18,15	3,37	8,28
Net profit per share from continued operations	10,40	18,15	3,37	8,28
Net profit per share from discontinued operations	0,00	0,00	0,00	0,00
Diluted	10,40	18,15	3,37	8,28
Net profit per share from continued operations	10,40	18,15	3,37	8,28
Net profit per share from discontinued operations	0,00	0,00	0,00	0,00

Consolidated statement of financial situation

(thousand PLN)	as at 30.09.2023	as at 30.06.2023	as at 31.12.2022	as at 30.09.2022
Fixed assets	56 248,04	55 764,23	50 432,84	48 964,58
Intangible assets	112,37	165,41	417,21	2 679,59
Material fixed assets	25 140,14	26 971,07	24 919,65	24 931,13
Goodwill	18 650,08	18 650,08	18 650,08	18 589,64
Stocks and shares in affiliated entities	1 787,45	1 484,06	920,49	1 704,19
Stocks and shares in subsidiary entities not subject to consolidation	158,85	158,85	158,85	109,04
Accruals	8 350,37	6 944,63	4 295,88	716,10
Deferred tax assets	677,76	67,61	0,00	0,00
Other fixed assets	1 371,02	1 322,51	1 070,69	234,89
Current assets	134 451,26	123 694,24	115 306,53	105 975,17
Current assets other than assets held for sale	134 451,26	123 694,24	115 306,53	105 975,17
Inventories	30,32	30,32	44,60	225,88
Trade receivables from related entities	9 963,79	7 507,19	8 154,46	7 408,35
Trade receivables from other entities	64 630,86	53 910,84	58 958,99	56 670,80
Receivables due to current income tax	1 401,73	1 053,30	544,34	384,69
Receivables due to taxes other than income tax	13 870,67	14 096,63	10 224,14	10 375,24
Other receivables	184,70	482,30	226,78	566,93
Short-term accruals and prepayments	6 722,94	7 428,15	2 355,20	2 829,54
Financial assets	309,22	1 000,00	619,43	424,40
Cash and cash equivalents	37 337,03	38 185,50	34 178,59	25 285,92
Other current assets	0,00	0,00	0,00	1 803,43
Fixed assets or assets held for sale	0,00	0,00	0,00	0,00
Total assets	190 699,30	179 458,46	165 739,38	154 939,76

(thousand PLN)	as at 30.09.2023	as at 30.06.2023	as at 31.12.2022	as at 30.09.2022
Equity	102 377,89	95 621,91	85 101,56	75 009,11
Equity attributable to the parent entity's shareholders	76 365,38	71 343,20	64 032,79	57 329,03
Share capital	109,15	109,01	109,01	109,01
Capital from the surplus of issue value over nominal value of shares	107,57	107,57	107,57	107,57
Share-based capital	1 506,70	1 199,95	701,35	630,00

Exchange rate differences from valuation	451,38	(588,56)	156,08	457,41
Retained earnings	74 190,58	70 515,23	62 958,78	56 025,04
Equity attributable to minority shareholders	26 012,50	24 278,71	21 068,77	17 680,08
Liabilities	88 321,41	83 836,55	80 637,82	79 930,65
Long-term liabilities	7 846,40	17 851,51	21 159,08	25 185,90
Credits and loans	0,00	4 374,55	5 624,65	8 749,90
Financial liabilities due to leasing	7 846,40	7 476,96	9 124,78	10 156,99
Other financial liabilities	0,00	6 000,00	6 000,00	6 000,00
Other liabilities	0,00	0,00	0,00	0,00
Deferred tax reserves	0,00	0,00	409,65	279,01
Short-term liabilities	80 475,02	65 985,04	59 478,74	54 744,75
Short-term liabilities other than liabilities related to assets held for sale	80 475,02	65 985,04	59 478,74	54 744,75
Credits and loans	20 707,80	12 917,75	3 670,41	2 973,29
Financial liabilities due to leasing	8 432,79	7 877,35	6 582,45	6 910,54
Other financial liabilities	4 000,00	1 000,00	6 000,00	6 000,00
Trade liabilities	29 492,40	26 559,86	25 331,90	22 610,94
Income tax liabilities	1 964,56	1 378,25	2 690,49	2 388,89
Tax and other public law liabilities	6 501,98	7 855,08	6 923,16	7 202,21
Liabilities due to remuneration	4 281,87	4 331,55	3 872,66	3 590,56
Other liabilities	91,11	267,88	619,63	1 535,35
Provisions for employee benefits	1 200,07	1 200,07	1 200,07	851,64
Other provisions	3 350,66	2 141,99	2 125,76	324,05
Deferred income	451,79	455,26	462,21	357,28
Liabilities related to assets recognized as held for sale	0,00	0,00	0,00	0,00
Total liabilities	190 699,30	179 458,46	165 739,38	154 939,76

Consolidated statement of changes in equity

(thousand PLN)		Capital from the surplus of issue value over nominal value	Share-based capital	Exchange rate differences from valuation	Retained earnings	Equity of the parent entity	Minority interest	Total equity
from 01.01.2023 to 30.09.2023	Share capital							
As at 01.01.2023	109,01	107,57	701,35	156,08	62 958,78	64 032,79	21 068,77	85 101,56
Issue of shares	0,14	0,00	0,00	0,00	0,00	0,14	640,00	640,14
Share-based payments	0,00	0,00	805,35	0,00	0,00	805,35	0,00	805,35
Putting the entity under control	0,00	0,00	0,00	0,00	0,00	0,00	20,00	20,00
Change in the proportion of shares	0,00	0,00	0,00	0,00	(103,98)	(103,98)	103,98	0,00
Comprehensive income	0,00	0,00	0,00	295,30	11 335,79	11 631,08	5 154,59	16 785,67
Net result for the financial year	0,00	0,00	0,00	0,00	11 335,79	11 335,79	5 154,59	16 490,37
Other comprehensive income	0,00	0,00	0,00	295,30	0,00	295,30	0,00	295,30
Other changes	0,00	0,00	0,00	0,00	0,00	0,00	(974,83)	(974,83)
Equity change	0,14	0,00	805,35	295,30	11 231,81	12 332,59	4 943,73	17 276,33
As at 30.09.2023	109,15	107,57	1 506,70	451,38	74 190,58	76 365,38	26 012,50	102 377,89

(thousand PLN)		Capital from the surplus of issue value over nominal value	Share-based capital	Exchange rate differences from valuation	Retained earnings	Equity of the parent entity	Minority interest	Total equity
from 01.01.2022 to 30.09.2022	Share capital							
As at 01.01.2022	108,87	107,57	630,00	260,95	36 995,96	38 103,35	8 724,68	46 828,03
Issue of shares	0,14	0,00	0,00	0,00	0,00	0,14	15,10	15,24
Share-based payments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Putting the entity under control	0,00	0,00	0,00	0,00	0,00	0,00	984,97	984,97
Change in the proportion of shares	0,00	0,00	0,00	0,00	-731,11	-731,11	731,11	0,00
Comprehensive income	0,00	0,00	0,00	196,46	19 760,19	19 956,65	7 224,22	27 180,87
Net result for the financial year	0,00	0,00	0,00	0,00	19 760,19	19 760,19	7 224,22	26 984,41
Other comprehensive income	0,00	0,00	0,00	196,46	0,00	196,46	0,00	196,46
Other changes	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Equity change	0,14	0,00	0,00	196,46	19 029,08	19 225,68	8 955,40	28 181,08
As at 30.09.2022	109,01	107,57	630,00	457,41	56 025,04	57 329,03	17 680,08	75 009,11

(thousand PLN)		Capital from the surplus of issue value over nominal value	Share-based capital	Exchange rate differences from valuation	Retained earnings	Equity of the parent entity	Minority interest	Total equity
For 2022	Share capital							
As at 01.01.2022	108,87	107,57	630,00	260,95	36 995,96	38 103,35	8 724,68	46 828,03
Issue of shares	0,14	0,00	0,00	0,00	0,00	0,14	20,21	20,35
Share-based payments	0,00	0,00	71,35	0,00	0,00	71,35	0,00	71,35
Putting the entity under control	0,00	0,00	0,00	0,00	0,00	0,00	944,68	944,68
Change in the proportion of shares	0,00	0,00	0,00	0,00	(771,03)	(771,03)	771,03	0,00
Comprehensive income	0,00	0,00	0,00	(104,87)	26 733,85	26 628,98	10 608,17	37 237,15
Net result for the financial year	0,00	0,00	0,00	0,00	26 733,85	26 733,85	10 608,17	37 342,02
Other comprehensive income	0,00	0,00	0,00	(104,87)	0,00	(104,87)	0,00	(104,87)
Other changes	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Equity change	0,14	0,00	71,35	(104,87)	25 962,82	25 929,44	12 344,09	38 273,53
As at 31.12.2022	109,01	107,57	701,35	156,08	62 958,78	64 032,79	21 068,77	85 101,56

Consolidated cash flow statement

	Cumulative data		Quarterly data	
	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.07.2023 to 30.09.2023	from 01.07.2022 to 30.09.2022
Operating activities				
Gross profit (loss)	19 580,97	32 403,73	6 541,42	14 451,87
Total adjustments	(8 749,94)	(11 005,90)	(6 838,82)	(7 505,94)
Share in profits of affiliate entities	(866,96)	(767,23)	(303,39)	(273,99)
Depreciation	8 252,66	6 106,39	3 032,94	1 978,29
Goodwill write-off	0,00	0,00	0,00	0,00
Gain from bargain purchases	0,00	0,00	0,00	0,00
Profit (loss) due to exchange rate differences	1 027,68	750,05	1 636,94	564,17
Interest	2 450,61	1 548,67	814,76	466,79
Profit (loss) on investment activities	(54,58)	(33,26)	(19,38)	(5,68)
Change in reserves	1 224,90	5,52	1 208,67	(4,93)
Change in inventories	14,28	(225,88)	0,00	(81,69)
Change in receivables	(11 132,78)	(30 514,13)	(12 668,82)	(13 874,91)
Change in liabilities	3 973,13	15 175,99	1 744,43	3 382,82
Change in other assets	(8 445,11)	(961,11)	(702,01)	1 155,58
Other adjustments to operating activities	937,58	3 296,74	306,75	0,00
Income tax flows	(6 131,36)	(5 387,65)	(1 889,72)	(812,38)
Net inflows from operating activities	10 831,03	21 397,84	(297,39)	6 945,93
Investment activities				
Sales of intangible assets and tangible fixed assets	330,06	231,19	66,01	94,37
Repayment of given loans	0,00	0,00	0,00	0,00
Purchases of intangible assets and tangible fixed assets	(2 348,63)	(6 065,84)	(212,17)	(1 904,22)
Loans granted	(1 480,71)	(777,66)	(295,16)	(19,66)
Expenditures on other financial assets	(8 000,00)	(8 000,00)	(1 000,00)	0,00
Dividends and other payments to minority shareholders	(340,00)	0,00	0,00	0,00
Other investment inflows / expenses	1 515,90	7 920,62	1 005,17	0,00
Net inflows from investment activities	(10 323,38)	(6 691,68)	(436,15)	(1 829,51)
Financial activities				
Net cash inflow from issue of shares (stocks) and other capital instruments and additional capital contribution	0,14	0,14	0,14	0,14
Inflow from credits and loans	19 381,26	11 704,31	10 182,78	325,61
Repayment of credits and loans	(7 973,62)	(10 969,56)	(6 746,18)	(3 016,02)
Payment of lease liabilities	(6 279,81)	(5 634,11)	(2 713,25)	(1 995,92)
Interest	(1 929,30)	(598,88)	(693,75)	(259,56)

Other financial inflows / expenses	(547,88)	(469,16)	(144,65)	(35,44)
Net inflows from financial activities	2 650,79	(5 967,25)	(114,93)	(4 981,20)
Net cash flows from financial activities	3 158,44	8 738,91	(848,47)	135,23
Results of changes in exchange rates on cash and cash equivalents	0,00	0,00	0,00	0,00
Balance sheet change in cash	3 158,44	8 738,91	(848,47)	135,23
Opening balance of cash	34 178,59	16 547,02	38 185,50	25 150,70
Closing balance of cash	37 337,03	25 285,92	37 337,03	25 285,92

Explanatory notes to consolidated interim condensed financial information

Compliance with International Financial Reporting Standards

The consolidated interim condensed financial information of the Group has been prepared in accordance with the International Financial Reporting Standards (hereinafter "IFRS"), approved by the European Union, effective for annual periods beginning on 1.01.2023.

Newly published, but not applicable standards and interpretations

The Group has not decided to apply any standard, interpretation, or amendment that has been published but is not yet effective. The Management Board of the Company is currently analyzing their impact on the accounting principles (policy) applied by the Group and future financial statements.

Description of the adopted accounting principles (policy)

In the preparation of these consolidated interim condensed financial statements, the same accounting principles and calculation methods were applied as in the preparation of the consolidated financial statements for 2022, no changes in comparative data or corrections of errors were made. However, the method of presenting data has been changed in such a way that starting from 01.01.2023, financial data, including the consolidated financial statements of the Spyrosoft S.A. Capital Group, are presented in PLN thousand. Therefore, the comparative data in this report is also presented in PLN thousand.

Revenues and costs of operating activities

Revenue is the inflow of economic benefits for a given period, arising in the ordinary course of business of the Group, resulting in an increase in equity, other than an increase in capital resulting from contributions from shareholders. The Group recognizes revenues using the so-called The Five Step Model under IFRS 15. Revenue includes only amounts received or receivable that are equal to the transaction prices that accrue to the Group after (or while fulfilling) its obligation to transfer a promised good or service (i.e. an asset) to the client. The transaction price is the amount of remuneration that – as expected by the Group – will be due to it in exchange for the delivery of the promised goods or services, minus applicable VAT. The Group also applies the principle of measuring of revenues and performance obligations fulfilled in time for those contracts, for which the performance of the service does not create an asset with an alternative use, and the Group has an enforceable right to payment for the service performed. For each performance obligation satisfied over time, an entity recognizes revenue over time by measuring the degree of complete satisfaction of that performance obligation.

Revenue is measured using either the results-based or the expenditure-based method, depending on the terms of the contract concluded, determining which one better reflects the provisions of the contract.

In case of programming services valued on the basis of hours of work ("time & material"), each hour of work is counted as performance of the obligation, and at the end of each reporting period, an entity recognizes revenue based on the hours actually worked and a fixed rate. In the case of services valued on the basis of a predetermined price for the programming work performed ("fixed price" or "milestone"), the full performance of the obligation is considered to be the moment of transferring the final effects. The progress of work is calculated with prudence in valuation in terms of the risk of failure to deliver the final results in the future. It is measured according to the expenditure-based method, based on the value of costs incurred in total costs planned, taking into account the expected or incurred losses. Revenue from this type of contract is recognized over time, based on a quarterly valuation.

The costs of materials, goods and finished products used and the costs of services are recognized by the Group in the same period in which revenues from the sale of these components or revenues from the provision of services for which these components are used are recognized, in accordance with the principle of matching revenues and costs.

Revenues and costs of financial activities

Financial revenues mainly include interest on deposits of free funds in bank accounts, commissions and interest on loans granted, interest on delay in settling receivables, the amount of released provisions for financial activities, income from the sale of securities, positive exchange rate differences (per balance), restoration of the lost value of financial investments, value of redeemed credits and loans, profits from the settlement of derivatives.

Financial costs mainly include interest on loans and borrowings, interest on late payment of liabilities, provisions for certain or probable losses on financial operations, value at purchase price of shares, stocks and securities sold, commissions and handling fees, write-downs on receivables interest and value of short-term investments, discount and exchange rate differences (per balance) and in the case of leasing, other fees, except for capital installments.

State subsidies

Subsidies are not recognized until there is reasonable assurance that the Group company will meet the necessary conditions and receive the subsidy. State subsidies, the essential condition of which is the purchase or production of fixed assets by the company, are recognized in the balance sheet under deferred income and systematically charged to the profit and loss account over the expected useful life of these assets. State subsidies related to current costs are recognized in other operating income in the same reporting period in which the costs were incurred.

Current and deferred taxes

Mandatory decrease of profit includes current tax, withholding tax paid abroad, and deferred tax. The current tax is calculated on the basis of the tax result (tax base) for a given financial year. Tax profit/(loss) differs from the accounting gross profit/(loss) due to the different moment of recognizing revenues and costs as realized for tax and accounting purposes, as well as due to permanent differences between the tax and accounting treatment of certain items of revenues and costs. Taxes are calculated based on the tax rates applicable in a given financial year. The current income tax relating to items recognized directly in equity is recognized directly in equity and not in the profit and loss account. Deferred tax is calculated using the balance sheet method as a tax to be paid or returned in the future, based on the differences between the balance sheet values of assets and liabilities and the corresponding tax values used to calculate the tax base. Provision for deferred tax is created from all taxable positive temporary differences, while the asset due to deferred tax is recognized to the amount potentially reducible from future tax profits by the recognized negative temporary differences. The value of the deferred tax asset is subject to analysis for each balance sheet date, and if the expected future tax profits will not be sufficient to realize the asset or its part, it is written off. Deferred tax is calculated using the tax rates that will apply when the asset is realized or the liability becomes due. Deferred tax is recognized in the profit and loss account, except when it relates to items recognized directly in Equity. In the latter case, deferred tax is also charged directly to Equity.

Tangible fixed assets

Tangible fixed assets are initially recognized by cost (purchase price or production cost) reduced in the subsequent periods by depreciation charges and impairment losses. External financing costs directly related to the acquisition or production of assets that require a longer period of time to be fit for use or resale are added to the production costs of such fixed assets until the fixed assets are put into use. Revenues from investments obtained as a result of short-term investment of obtained funds, and related to the formation of fixed assets, reduce the value of capitalized costs of external financing. Other external financing costs are recognized as costs in the period in which they were incurred. Depreciation is calculated for fixed assets, excluding land and fixed assets under construction, over the estimated useful economic lives of these assets, using the straight-line method. Fixed assets with a low initial unit value (i.e. not exceeding PLN 500) are redeemed in a simplified manner by making a one-off write-off. Profits or losses resulting from the sale/liquidation or cessation of use of fixed assets are defined as the difference between the sales revenues and the net value of these fixed assets.

Intangible assets

Intangible assets are recognized only if it is probable that in the future they will result in an inflow of economic benefits that may be related to these assets. Initial recognition of intangible assets is based on the purchase price or cost of production. After initial recognition, intangible assets are valued at acquisition or production cost, including a reduction by the costs amortization and impairment losses. Depreciation is calculated for intangible assets over the estimated useful economic lives of these assets, using the straight-line method. Intangible assets with a low initial value (i.e. not exceeding PLN 500) are

redeemed in a simplified manner by making a one-off write-off. Profits or losses resulting from the sale/liquidation or cessation of use of intangible assets are defined as the difference between the sales revenues and the net value of these assets.

Goodwill

Goodwill (profit) is calculated as the difference of two values:

- the sum of the payment for the control of minority shares (measured in proportion to the acquired net assets) and the fair value of shares (stocks) held by the acquiree prior to the acquisition date,
- the fair value of the entity's identifiable net assets acquired.

The surplus of the sum calculated in the manner indicated above over the fair value of the identifiable acquired net assets of the entity is recognized in the assets of the consolidated statement of financial position as goodwill. Goodwill corresponds to a payment made by the acquirer in anticipation of future economic benefits on assets that cannot be identified individually or recognized separately. After initial recognition, goodwill is measured at acquisition cost minus total impairment losses. If the above-mentioned sum is lower than the fair value of the identifiable acquired net assets of the entity, the difference is immediately recognized in the result. The Group recognizes the gain on acquisition under the category of other operating income.

Leasing

The Group, as a lessee, classifies a contract as a lease or as a lease agreement if it transfers the right to control the use of an identified asset for a given period in exchange for remuneration. The right to control the use of an asset used under a lease agreement means, first of all, the right to obtain substantially all economic benefits from the use of the asset and the right to direct the use of an identified asset. The risk consists of the possibility of incurring losses due to unused production capacity, loss of technical usefulness or changes in the level of the achieved return, caused by changes in economic conditions. Benefits may include the expectation of profitable operation of an asset over its economic useful life and the expectation of profit from an increase in its value or the realization of its residual value. On the commencement date, the Group recognizes the right-of-use asset and the lease liability. The right-of-use is initially valued at cost consisting of the initial value of the lease liability, the initial direct costs, the estimate of the expected costs for dismantling the underlying asset and the lease payments paid on or before the commencement date, less any lease incentives.

The Group amortizes the right to use the asset using the straight-line method, from the commencement date through the period of its expected useful life.

As at the commencement date, the Group measures the lease liability at the present value of the outstanding lease payments using the lease interest rate if it can be easily determined. Otherwise, the lessee's incremental borrowing rate is used. In subsequent periods, the lease liability is reduced by repayments made and increased by accrued interest. The valuation of the lease liability is updated to reflect the contract changes and to reassess the lease term, exercise a call option, guaranteed residual value or lease payments based on an index or rate. Generally, the revaluation of the liability is recognized as an adjustment to the right-of-use asset.

Loss of value of non-financial assets

At each balance sheet date, the Group assesses whether there are any premises indicating that any of the non-financial fixed assets may be impaired. If it is found that such premises exist, or if it is necessary to conduct an annual impairment test, the Group estimates the recoverable amount of a given asset or cash-generating unit to which a given asset belongs. The recoverable amount of an asset or a cash-generating unit corresponds to its fair value less costs to sell the asset or cash-generating unit, respectively, or its value in use, whichever is higher. The recoverable amount is determined for individual assets, unless a given asset does not generate separate cash inflows largely independent of those generated by other assets or groups of assets. Impairment takes place if the carrying amount of an asset is higher than its recoverable amount, and an impairment loss is recognized up to the determined recoverable amount. When estimating value in use, the projected cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Write-downs for impairment of property components used in continuing operations are recognized in those cost categories that correspond to the function of the asset for which impairment was

identified. At each balance sheet date, the Group assesses whether there are any premises indicating that the impairment loss recognized in previous periods in relation to a given asset is unnecessary or whether it should be reduced. If such premises exist, the Group estimates the recoverable amount of this asset. The previously recognized impairment loss is reversed only when, since the last impairment loss was recognized, there has been a change in the estimated values used to determine the recoverable amount of a given asset. In such a case, the carrying amount of the asset is increased to its recoverable amount. The increased amount may not exceed the carrying amount of the asset that would have been determined (after amortization) if no impairment loss had been recognized for this asset in previous years. Reversal of an impairment loss for an asset is recognized immediately as income. After the write-down is reversed, in subsequent periods the depreciation write-off for a given asset is corrected in a way that allows, during the remaining useful life of this asset, to systematically write off its verified balance sheet value, reduced by the residual value.

Shares and stocks in subordinated entities not subject to consolidation

At the issuance date, the shares and stocks of affiliated entities not subject to consolidation are valued according to their acquisition prices. At the balance sheet date, investments in subordinated entities are valued according to the purchase price adjusted by write-offs due to permanent loss of value.

Financial assets

Upon initial recognition, the Group classifies each financial asset into four categories of financial assets, the distinction of which is made depending on the Group's business model for asset management and the characteristics of the contractual cash flows:

- assets measured after initial recognition at amortized cost,
- assets measured after initial recognition at fair value through other comprehensive income,
- assets measured at fair value through profit and loss,
- hedging financial instruments.

Assets measured after initial recognition at amortized cost – these are financial assets held in accordance with a business model whose purpose is to hold a financial asset to obtain contractual cash flows and the contractual characteristics of these financial assets include the emergence of cash flows that are merely repayments of the amount. principal and interest. The Company uses the effective interest rate method to measure financial assets measured at amortized cost. After initial recognition, trade receivables are measured at amortized cost using the effective interest rate method, taking into account impairment write-offs, while trade receivables with a maturity date of less than 12 months from the date of arising (i.e. with no financing element), are not discounted and are measured at nominal value.

Assets measured after initial recognition at fair value through other comprehensive income – these are financial assets held in accordance with a business model whose purpose is both to hold financial assets to obtain contractual cash flows and to sell financial assets, and the contract characteristics for these financial assets it provides for the emergence of cash flows that are merely a repayment of principal and interest. Gains and losses on a financial asset that is an equity instrument for which the fair value through other comprehensive income options has been applied are recognized in other comprehensive income, except for dividend income.

Assets valued at fair value through profit or loss – these are all other financial assets. Profits or losses resulting from the valuation of a financial asset classified as measured at fair value through profit or loss are recognized in profit or loss in the period in which they arise. Profits or losses resulting from the measurement of items at fair value through profit or loss also include interest and dividend income.

Hedging financial instruments are derivative instruments designated as hedging instruments. Hedging financial instruments are subject to valuation in accordance with the principles of hedge accounting. The Group does not apply hedge accounting, therefore the provisions of IFRS 9 in this respect do not apply to it.

Inventories

The initial value (cost) of inventories includes all costs (acquisition, production and other) incurred in bringing inventories to their present location and condition. The purchase price of the inventory includes the purchase price plus import duties and other taxes (not recoverable from the tax authorities), transportation, loading, unloading and other costs directly related to the acquisition of the inventory, minus discounts, rebates and other similar reductions. Inventories are measured at the initial value (purchase price or production cost) or at the net selling price that can be obtained, whichever is lower. The realizable net selling price corresponds to the estimated selling price less any costs necessary to complete production and the costs of

bringing the inventory to sale or finding a buyer (i.e. Costs of sales, marketing, etc.). Due to the fact that in the Group there are only goods in the form of computer hardware purchased for resale, the cost is determined by detailed identification.

Trade and other receivables

Trade receivables are valued in the books at the value corresponding to the transaction prices adjusted with appropriate impairment allowances under the expected loss model.

Active accruals

The Group performs active accruals if the costs already incurred relate to future reporting periods, unless their amount is irrelevant to the financial statements, then the amount of costs is charged to costs on the date of purchase of the goods or service.

Cash and cash equivalents

Cash comprises cash on hand, demand deposits and bank deposits maturing up to 3 months. Cash equivalents are short-term, highly liquid investments that are easily convertible into specific amounts of cash and are exposed to an insignificant risk of changes in value. Unpaid overdraft facilities are presented in cash flows from financial activities under Loans and advances.

Assets held for sale and discontinued operations

Fixed assets (and groups of net assets) classified as held for sale are valued at the lower of the two values: their carrying amount or fair value less costs to sell. Fixed assets (and groups of net assets) are classified as held for sale if their carrying amount will be recovered rather as a result of a sale transaction than as a result of their continued use. This condition is deemed to be met only when the sale is highly probable and the asset (or a group of net assets held for sale) is available for immediate sale in its present condition. The classification of an asset as held for sale assumes the intention of the Group's management to complete the sale transaction within one year from the change of classification.

Equity

Equity is recognized in the books of accounts, separately for different types, and in accordance with the principles set out in the provisions of law and the provisions of the articles of association and contracts of the Group's Companies. The share capital is shown at the nominal value, in the amount consistent with the parent company's articles of association and the entry in the court register. Reserve capital is created from the generated profits. Reserve capital from the sale of shares above their nominal value is created from the surplus of the issue price of shares above their nominal value, less the issue costs. The costs of issuing shares, incurred when establishing a joint-stock company or increasing the share capital, reduce the supplementary capital to the amount of the surplus of the issue value over the par value of the shares. The reserve capital is the payments made towards the share capital increase until the increase is registered in the court register.

Provisions for liabilities

Provisions for liabilities are created when the Group has an existing obligation (legal or customary) resulting from past events and it is probable that the fulfillment of the obligation will reduce the resources embodying the economic benefits of the Group and the amount of the obligation can be reliably estimated. Provisions are not made for future operating losses. A provision for restructuring costs is recognized only when a Group Company has announced a detailed and formal restructuring plan to all interested parties.

Financial liabilities

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under potentially unfavorable conditions.
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be required to deliver a variable number of its own equity instruments, or a derivative that will or may be otherwise settled than by exchanging a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, pre-emptive rights, options and warrants which enable the entity to acquire a fixed number of its own equity instruments for a fixed amount of cash in any currency, are equity

instruments if the entity offers pre-emptive rights, options and warrants pro rata to all existing owners of the same tier non-derivative equity instruments.

At the moment of initial recognition, the Group classifies each component of financial liabilities as:

- components of financial liabilities at fair value through profit or loss,
- other financial liabilities measured at amortized cost.

Upon initial recognition, a financial liability is measured at fair value plus, in the case of a financial liability not classified as measured at fair value through profit or loss, by transaction costs that can be directly attributed to the financial liability.

Trade and other non-financial liabilities

Trade and other non-financial liabilities are shown in the amount payable. Other non-financial liabilities include, in particular, payables, liabilities to the tax office due to value added tax and income taxes, and liabilities due to received advances, which will be settled by the delivery of goods, services or fixed assets. Other non-financial liabilities are recognized at the amount due.

Functional currency and presentation currency

Items included in the consolidated interim condensed financial information are measured in the currency of the primary economic environment in which the Group operates (functional currency). The consolidated interim condensed financial information is presented in thousand Polish zloty (thousand PLN), which is the functional and presentation currency of the Group.

Transactions expressed in foreign currencies are converted into the functional currency at the exchange rate applicable on the transaction date. Exchange gains and losses from the settlement of these transactions and the balance sheet valuation of monetary assets and liabilities expressed in foreign currencies are recognized in the financial result.

Professional judgment and uncertainty of estimates

The preparation of the consolidated financial statements of the Group requires the Management Board of the parent company to make judgments, estimates and assumptions that affect the presented revenues, costs, assets and liabilities as well as related notes and disclosures of contingent liabilities. Uncertainty about these assumptions and estimates may result in material adjustments to the carrying amounts of assets and liabilities in the future. The basic assumptions about the future and other key sources of uncertainty as at the balance sheet date that bear a significant risk of a significant adjustment to the carrying amounts of assets and liabilities in the next financial year are discussed below.

Deferred tax assets

The Group companies recognize a deferred tax asset based on the assumption that tax profit will be generated in the future that will allow for its use. Deterioration of the tax results obtained in the future could make this assumption unjustified.

Provision for deferred tax

The Group companies recognize a deferred tax liability based on the assumption that a tax obligation will arise in the future due to positive temporary differences, leading to its utilization.

Depreciation rates

The depreciation rates are determined on the basis of the expected period of economic usefulness of tangible fixed assets and intangible assets. Every year, the companies of the Group verify the assumed useful economic lives based on current estimates.

Valuation of reserves

Provisions for the costs of unused leaves were estimated for individual companies based on the available personnel and financial and accounting information. Provisions are calculated at the end of the financial year on the basis of the actual number of days of unused leaves in the current period and increased by the number of days of unused leaves from previous periods.

The number of days obtained in this way for each employee is multiplied by the daily rate based on the average remuneration adopted to determine the remuneration for the leave.

Principles of consolidation

Financial information of a subsidiary, after taking into account adjustments to bring it into compliance with IFRS – are prepared for the same reporting period as the financial information of the parent company, using consistent accounting principles, based on uniform accounting principles applied for similar transactions and economic events. Adjustments are made to eliminate any discrepancies in the applied accounting principles. All significant balances and transactions between the Group's entities, including unrealized profits from transactions within the Group, have been fully eliminated. Unrealized losses are eliminated unless they prove impairment.

Subsidiaries are all entities over which the Group exercises control, manifesting itself in the simultaneous:

- being able to exercise authority, consisting in having current laws that provide the ability to manage and direct significant activities, i.e. activities that significantly affect the financial results of the entity,
- being exposed to variable financial results or having the right to variable financial results, consisting in the possibility of changing the financial results of the Group depending on the results of this entity,
- having the ability to use the exercised authority to influence the amount of the entity's financial results, consisting in using its power to influence the financial results attributed to the Group that are related to involvement in this entity.

In line with the accounting policy adopted by the Group, the parent entity may not fully consolidate its subsidiaries, provided that:

- the share of the balance sheet total of these entities in the balance sheet total of the Capital Group before consolidation exclusions does not exceed 5%,
- the share of these entities' revenues in the sales revenues of the Capital Group before consolidation exclusions does not exceed 5%.

Additional information – Operating segments

Presentation of financial statements by business segment

The scope of financial information in the reporting on operating segments in the Group is defined in accordance with the requirements of IFRS 8. The result for a given segment is determined at the operating profit level.

Description of the segments

Spyrosoft PL

The activities of the segment are carried out by Spyrosoft S.A., which deals with software development. As part of the services provided, it offers comprehensive solutions in the field of software development, from embedded solutions to high-level systems based on public clouds. SpyroSoft also deals with software development in the areas of backend and frontend, mobile applications, data architecture, offers comprehensive project management in which company specialists manage projects and related requirements, create architecture, and write and develop the programming layer.

SpyroSoft works mainly with clients from the following industries:

- finances,
- industry 4.0,
- medicine,
- HR,
- geospatial services.

Thanks to the knowledge of the specific industries, the client is provided not only with the solution itself, but also to a wide range of consulting services regarding IT solutions best suited to the needs and regulations of their specific industry.

The company offers its services mainly on the Polish and other EU markets.

Spyrosoft GB

The activities of the segment are carried out by Spyrosoft Ltd., dealing in software development. The scope of activities in this segment is analogous to the SpyroSoft PL segment, however, it is directed only to the British market.

Spyrosoft Solutions

The activity of the segment is carried out by Spyrosoft Solutions S.A. and its subsidiaries, which produce embedded software mainly for product companies from the Automotive, Connectivity, Industry Automation, as well as Healthcare & Life Sciences. The company offers the development of devices and software for their automation, creates communication solutions and applications for embedded devices. Spyrosoft Solutions provides programming services tailored to the needs and requirements of the client. The company supports clients from the moment of creating the product concept and selecting the technology, through the development of the solution architecture and its implementation, to maintenance and development works, including obtaining the necessary certifications and audits.

The company offers its services mainly on the Polish, German, Romanian, and Croatian markets.

Unravel PL

The activities of the segment are carried out by Unravel SA. The core of the company's activity is the field of creating digital products based on the challenges posed by the business expectations of customers. The company's activities include:

- discovery (design thinking, market research, experience mapping)
- testing (design sprint, rapid prototyping user testing)
- creating (developing a product, interface, design systems, directions of brand language and design)
- building (support for the product team and product management)
- testing (usability and A / B testing)
- scaling (data and analytical measurements)
- improvement (audits of products and their usability)

The company offers its services mainly on the Polish, British, and EU markets.

Spyrosoft Synergy PL

The activities of the segment are carried out by Spyrosoft Synergy S.A., which deals with software development and technological consulting. Spyrosoft Synergy makes use of many years of experience in order to improve clients' ability to respond to changes by:

- providing support in the development of software in the field of robotics, from embedded solutions to high-level systems based on public clouds
- creating graphical HMI (Human Machine Interface) interfaces between the user and the machine or IT system, enabling the use of one software code in all operating systems, platforms and screen types, from desktop computers and embedded systems to business-critical applications, automotive systems, portable and mobile devices connected to the Internet of Things;
- creating flexible technology platforms that change in line with business strategies;
- as well as designing, delivering and developing large-scale digital products and solutions in an optimal manner.

Spyrosoft Synergy offers services in the field of creating HMIs and robotics mainly for clients from the following industries:

- Automotive
- Industrial Automation,
- Consumer Electronics,
- Medical.

The company offers its services mainly on the EU, British and US markets.

BSG

The activity of the segment is carried out by Better Software Group S.A. and its subsidiaries, dealing with consulting and development of software and comprehensive solutions for a wide range of video applications and services streaming. The services provided include developing custom projects and products, as well as carrying out integration processes with third party solutions, aimed mainly at media agencies, TV broadcasters, telecommunication companies, creators of audio and video materials, as well as other entities operating in the field of media and entertainment. Better Software Group, based on many years of experience, provides multi-level applications for companies operating globally. The company specializes in providing multi-platform solutions for a wide range of technologies and devices such as:

- web
- mobile
- Smart TV
- Connected TV
- Roku
- HbbTV
- set-top-boxes.

Spyrosoft eCommerce

The activity of the segment is carried out by SpyroSoft eCommerce S.A., dealing with the implementation of eCommerce B2C/B2B and PIM platforms. As part of its services, the segment offers comprehensive solutions for the implementation of Adobe Commerce platforms: Cloud, Magento and Shopware, as well as Akeneo and Ergonode PIMs. SpyroSoft eCommerce guides customers through the entire process: from the concept, strategy, design, functionality specification to implementation, maintenance and hosting. The subject of SpyroSoft eCommerce operations are all backend and frontend programming works (both PWA and native for a given platform). SpyroSoft eCommerce mainly works with clients from industries such as Retail, Wholesale, eCommerce, and Manufacturers.

Thanks to the knowledge of industry specifics, the client is provided not only with the solution itself, but also with consulting services regarding IT solutions and arranging eCommerce processes that are best suited to the business's needs and the industry in which it operates.

The company offers its services mainly on the Polish, EU, and UK markets.

Spyrosoft Connect

The activity of the segment is carried out by Spyrosoft Connect. The company's area of activity focuses on systems related to customer service and customer relationship management. The company operates in the following areas:

- consulting services
- analysis and implementation of CRM class systems, in particular based on Salesforce (Sales Cloud, Service Cloud, CPQ, Commerce Cloud, Experience Cloud)
- analysis and implementation of marketing automation systems
- systems integration
- application testing services
- use of artificial intelligence

The company offers its services mainly on the Polish, EU and UK markets.

Financial information about individual segments

Revenues from sales (thousand PLN)	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Spyrosoft	156 312,34	125 660,54
Spyrosoft GB	55 635,51	47 145,77
Spyrosoft Solutions	104 412,26	90 973,68
Unravel	10 439,59	6 917,27
Spyrosoft Synergy	25 067,23	9 081,06
BSG	43 756,37	28 743,52
Spyrosoft Ecommerce	5 234,32	49,63
Spyrosoft Connect	7 413,85	0,00
Consolidation adjustments	(97 560,91)	(77 230,83)
Group's total revenues from sales	310 710,56	231 340,64

Cost of sold products, services, goods and materials (thousand PLN)	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Spyrosoft	104 375,27	84 678,28
Spyrosoft GB	48 646,64	38 273,82
Spyrosoft Solutions	75 911,77	62 387,14
Unravel	6 567,02	4 374,70
Spyrosoft Synergy	19 003,62	7 037,10
BSG	30 929,90	18 610,70
Spyrosoft Ecommerce	4 034,42	221,19
Spyrosoft Connect	3 883,39	0,00
Consolidation adjustments	(79 378,25)	(65 686,96)
Group's total cost of sold products, services, goods and materials	213 973,77	149 895,97

Cost of general management (thousand PLN)	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Spyrosoft	45 254,81	29 190,16
Spyrosoft GB	4 414,66	5 751,82
Spyrosoft Solutions	24 507,89	18 698,36
Unravel	2 586,90	1 248,57
Spyrosoft Synergy	4 132,19	2 326,18
BSG	7 290,58	3 051,47
Spyrosoft Ecommerce	1 204,86	587,02
Spyrosoft Connect	609,13	0,00
Consolidation adjustments	(18 570,30)	(11 957,07)
Group's total cost of general management	71 430,73	48 896,50

Profit (loss) from operating activities (thousand PLN)	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Spyrosoft	6 675,41	11 548,72
Spyrosoft GB	1 003,73	3 267,39
Spyrosoft Solutions	4 129,86	9 728,84
Unravel	1 289,73	1 291,28
Spyrosoft Synergy	1 937,11	(283,90)
BSG	5 261,28	6 649,34
Spyrosoft Ecommerce	(4,90)	(758,58)
Spyrosoft Connect	2 921,33	0,00
Consolidation adjustments	387,64	416,34
Group's total profit (loss) from operating activities	23 601,18	31 859,43
Fixed assets (thousand PLN)	as at 30.09.2023	as at 31.12.2022
Spyrosoft	36 239,16	32 088,50
Spyrosoft GB	1 477,77	1 240,56
Spyrosoft Solutions	7 934,28	5 495,40
Unravel	257,84	224,72
Spyrosoft Synergy	1 121,69	1 074,18
BSG	752,72	1 546,61
Spyrosoft Ecommerce	246,46	164,70
Spyrosoft Connect	175,17	0,00
Consolidation adjustments	8 042,95	8 598,19
Group's total fixed assets	56 248,04	50 432,84

Current assets (thousand PLN)	as at 30.09.2023	as at 31.12.2022
Spyrosoft	54 024,77	50 776,50
Spyrosoft GB	19 828,67	21 036,46
Spyrosoft Solutions	48 049,24	45 342,84
Unravel	5 115,33	4 294,09
Spyrosoft Synergy	8 653,20	5 457,10
BSG	22 510,71	17 640,05
Spyrosoft Ecommerce	2 588,44	545,38
Spyrosoft Connect	3 671,34	0,00
Consolidation adjustments	(29 990,42)	(29 785,89)
Group's total current assets	134 451,26	115 306,53

Long-term liabilities (including provisions for liabilities) (thousand PLN)	as at 30.09.2023	as at 31.12.2022
Spyrosoft	2 315,07	12 556,51
Spyrosoft GB	54,32	0,00
Spyrosoft Solutions	1 120,33	0,00
Unravel	47,00	0,00
Spyrosoft Synergy	209,61	133,03
BSG	253,35	217,21
Spyrosoft Ecommerce	19,91	0,00
Spyrosoft Connect	5,99	0,00
Consolidation adjustments	3 820,82	8 252,32
Group's total long-term liabilities	7 846,40	21 159,08

Short-term liabilities (including provisions for liabilities) (thousand PLN)	as at 30.09.2023	as at 31.12.2022
Spyrosoft	44 903,65	29 677,94
Spyrosoft GB	13 078,62	14 850,13
Spyrosoft Solutions	22 136,11	18 581,34
Unravel	1 528,60	1 575,57
Spyrosoft Synergy	8 043,71	6 312,68
BSG	7 797,98	6 172,78
Spyrosoft Ecommerce	3 932,52	1 791,02
Spyrosoft Connect	1 082,35	0,00
Consolidation adjustments	(22 028,52)	(19 482,72)
Group's total short-term liabilities	80 475,02	59 478,74

Additional information – Other explanatory notes

Note 1. Items unusual because of their nature, size or frequency

In the presented interim period, there were no unusual items.

Note 2. Seasonality information

The activity of the Capital Group is not of a seasonal nature.

Note 3. Changes in accounting estimates

In the presented interim period, there were no changes in the accounting estimates of the amounts published in the previous financial years.

Note 4. Debt and equity securities

In the period covered by the interim financial information, no debt or equity securities were issued, redeemed or repaid.

Note 5. Dividends

No dividends were paid to shareholders in the period covered by the interim financial information.

Note 6. Purchase and sale of tangible fixed assets and intangible fixed assets

In the period from 01.01.2023 to 30.09.2023, the purchase and sale of tangible and intangible fixed assets was as follows:

- purchase of tangible fixed assets for the amount of: PLN 2,341.24 thousand
- acquisition of intangible fixed assets for the amount of: PLN 6.78 thousand
- value of tangible fixed assets sold for the amount of: PLN 275.64 thousand
- value of the intangible assets sold for the amount of: PLN 0.00 thousand

In addition, in the covered period, lease agreements and similar agreements were disclosed in tangible fixed assets in the form of office equipment for the amount of PLN 85.85 thousand and technical equipment and machines for the amount of PLN 1,433.67 thousand, as well as agreements of a similar nature in the form of rented office spaces for an amount of PLN 4.953,28 thousand.

Note 7. Goodwill and mergers

Listing	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Goodwill at the beginning of the period	18 589,64	0,00
Creation of goodwill as a result of a merger	0,00	18 589,64
Goodwill write-off	0,00	0,00
Goodwill at the end of the period	18 589,64	18 589,64

In 2023 the consolidated financial statements included one subsidiary: Spyrosoft Connect S.A. based in Wrocław, Poland. The financial data related to the merger is as follows:

The name of the acquiree	Spyrosoft Connect S.A.
Acquisition date	01.01.2023
Percentage of acquired shares	80%
Goodwill	0,00
Fair value of payment in cash	80,00
Fair value of payment in other form	0,00
The amount of gain on a bargain purchase recognized in the revenue statement	0,00
The amount of the minority shares of the acquiree recognized at the acquisition date	20,00
Income of the acquiree	7 413,85
Profit / loss of the acquiree	2 658,17

Note 8. Provisions

Listing	30.09.2023	31.12.2022
Provisions for employee benefits	1 200,07	1 200,07
Provisions for operating expenses	3 350,66	2 125,76
Total	4 550,73	3 325,83
- of which: short-term provisions	4 550,73	3 325,83
- of which: long-term provisions	0,00	0,00

Note 9. Deferred income tax assets and provisions

Listing	30.09.2023	31.12.2022
Deferred tax assets	3 048,21	1 422,80
Deferred tax provisions	2 370,45	1 832,45
Deferred tax assets presented in the statement of financial situation	677,76	0,00
Deferred tax provisions presented in the statement of financial situation	0,00	409,65

Note 10. Transactions with affiliated entities

Transactions with affiliated entities as at 30.09.2023 and in the period from 01.01.2023 to 30.09.2023:

Affiliated entity	Receivables (including loans)	Liabilities (including loans)	Revenues (incl. interest)	Costs (incl. interest)
ENTITIES AFFILIATED IN CAPITAL				
Spyrosoft Solutions LLC	9 960,08	0,00	35 145,31	57,60
Finin Sp. z o.o.	1,45	103,32	32,68	973,40
GOD Nearshore SE	2,26	4,23	867,52	44,07
ENTITIES AFFILIATED PERSONALLY				
Konrad Weiske	0,00	55,35	0,00	602,40
Wojciech Bodnaruś	0,00	48,45	0,00	634,11
Sebastian Łękawa	0,00	61,05	0,00	501,31
Sławomir Podolski	0,00	53,49	0,00	460,80
Wioletta Bodnaruś	0,00	2 073,23	0,00	90,41
Dorota Łękawa	0,00	2 053,93	0,00	66,58

Transactions with affiliated entities as at 31.12.2022 and in the period from 01.01.2022 to 30.09.2022:

Affiliated entity	Receivables (including loans)	Liabilities (including loans)	Revenues (incl. interest)	Costs (incl. interest)
ENTITIES AFFILIATED IN CAPITAL				
Spyrosoft Solutions LLC	8 564,47	12,49	21 298,49	479,83
Finin Sp. z o.o.	5,46	68,76	0,57	651,6
GOD Nearshore SE	71,72	7,02	893,05	177,66
ENTITIES AFFILIATED PERSONALLY				
Konrad Weiske	0,00	54,61	0,00	351,34
Wojciech Bodnaruś	0,00	51,70	0,00	387,65
Sebastian Łękawa	0,00	40,38	0,00	301,23
Sławomir Podolski	0,00	48,71	0,00	416,20
Wioletta Bodnaruś	0,00	0,00	0,00	0,00
Dorota Łękawa	0,00	0,00	0,00	0,00
Organizacja Pracodawców Usług IT	0,00	0,00	0,00	0,00
Med Band Sp. z o.o.	0,00	0,00	0,00	0,00

Note 11. Remuneration of the Management Board and Supervisory Board

Listing	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Management Board of the parent company	180,00	180,00
- Konrad Weiske	45,00	45,00
- Wojciech Bodnaruś	45,00	45,00
- Sławomir Podolski	45,00	45,00
- Sebastian Łękawa	45,00	45,00
Supervisory Board of the parent company	2,50	0,00
Total	182,50	180,00

Note 12. Impact of transition to International Financial Reporting Standards

Impact on Equity	30.09.2023	31.12.2022
Equity acc. to the current accounting principles	77 761,66	65 225,15
- income from adjustments from previous years	(1 192,36)	(1 355,37)
- adjustment due to the creation of write-offs for receivables	0,00	(26,64)
- adjustment due to the recognition and valuation of lease contracts	1,92	189,66
- other	(205,84)	0,00
Equity acc. to IFRS	76 365,38	64 032,79

Impact on the consolidated statement of revenues	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
Gross profit acc. to the current accounting principles	20 383,94	32 611,37
- adjustment due to the creation of write-offs for receivables	0,00	0,00
- adjustment due to the recognition and valuation of lease contracts	2,38	(207,64)
- share-based payment adjustment	(805,35)	0,00
- other	0,00	0,00
Gross profit acc. to IFRS	19 580,97	32 403,73

Note 13. Post-balance sheet date events

There were no events requiring disclosure in the period from 30.09.2023 to the publication date of this report

Note 14. Information on write-offs updating the value of inventories to the net realizable value and the reversal of these write-offs

In the period covered by the interim financial information, there were no write-offs updating the value of inventories to the net realizable value and no reversal of these write-offs.

Note 15. Information on write-downs for impairment of financial assets, tangible fixed assets, intangible assets or other assets and the reversal of such write-downs

In the period covered by the interim financial information, write-offs were made on trade receivables in the amount of PLN 298.66 thousand. Apart from the above, no impairment losses were recognized on financial assets, property, plant and equipment, intangible assets or other assets, and no such write-offs were reversed.

Note 16. Information on a significant liability for the purchase of property, plant and equipment

In the period covered by the interim financial information, there were no significant liabilities related to the purchase of property, plant and equipment.

Note 17. Information on significant settlements due to court cases

In the period covered by the interim financial information, there were no significant settlements due to court cases.

Note 18. Indication of corrections of errors from previous periods

In the period covered by the interim financial information, there were no corrections of errors from previous periods.

Note 19. Information about changes in the economic situation and business conditions that have a significant effect on the fair value of the entity's financial assets and liabilities, irrespective of whether these assets and liabilities are recognized at fair value or at adjusted cost (amortized cost)

In the period covered by the interim financial information, there were no changes in the economic situation and business conditions that have a significant effect on the fair value of the entity's financial assets and liabilities.

Note 20. Information on non-payment of the credit or loan or violating significant provisions of the credit or loan agreement, in relation to which no corrective action was taken until the end of the reporting period

In the period covered by the interim financial information, there were no instances of non-payment of the credit or loan or violating significant provisions of the credit or loan agreement.

Note 21. Information on changing the method of determining the fair value of financial instruments

In the period covered by the interim financial information, there were no instances of determining the fair value of financial instruments.

Note 22. Information on changes in the classification of financial assets as a result of a change in the purpose or use of these assets

In the period covered by the interim financial information, there were no changes in the classification of financial assets as a result of a change in the purpose or use of these assets.

Note 23. Information on changes in contingent liabilities or contingent assets that have occurred since the end of the last financial year

In the period covered by the interim financial information, there were no changes in contingent liabilities or contingent assets since the end of the last financial year.

Additional information to the report

A concise description of the issuer's significant achievements or failures in the period covered by the report, together with a list of the most important events concerning the issuer

Consolidated revenues of the Spyrosoft Group for three quarters of 2023 was PLN 311 million, which constitutes a 34% increase compared to the same period last year. Consolidated EBITDA (PLN 31.85 million) decreased by 16.1% compared to the comparative period, while the EBITDA margin amounted to 10.74%.

In the reported period, Spyrosoft Group acquired a total of 70 new clients. Throughout Q3 2023, each of the Group's companies individually acquired new clients, contributing to a total of 28 new clients across the entire Group. As of the end of September, Spyrosoft Group served 152 clients. Persistent low customer turnover continues to occur in the segment of short-term and low-volume projects, with no significant impact on generated revenue.

The geographical structure of the Spyrosoft Group's revenues remains substantially unchanged – the leading markets remain the DACH region (29%) and Great Britain (28%), followed by Poland (15%), the United States (14%) and Scandinavia (7%). The structure of revenues recognized from the point of view of industries served by the Spyrosoft Group has not changed significantly in Q3 2023.

In the reporting period, the Group increased its number by a total of 110 people. In the third quarter of 2023, the number of Spyrosoft Group collaborators remained stable, reaching 1,520 people at the end of September. The slowdown in employment is related to the increased availability of specialists within the organization.

The Group's revenue growth rate of 34%, despite the economic slowdown, is maintained within the assumptions adopted in the "Spyrosoft Group Strategy for 2022-2026" (average annual growth of 33%, from 25% to 35% per year). In the opinion of the Management Board, prioritizing further growth of the Spyrosoft Group remains an unchanged strategic goal.

The most important element that negatively affects the profitability of the Spyrosoft Group is the so-called "bench" (collaborators not assigned to the project), whose share in the reporting period is 6%. Another important factor are the negative effects of exchange rate differences - approximately 87% of the Group's revenues come from the export of services abroad.

Moreover, the ongoing economic slowdown and weakening demand for IT services lead to a slight decline in sales rates, which is not fully compensated by the slowdown in wage growth. Taking into account that the strategic goal of the Group is to expand the scale of operations and increase market shares, short-term reductions in rates for services provided allow building long-term relationships with new and existing customers.

In response to the changing market and challenges related to acquiring new customers, the Spyrosoft Group focuses its activities on developing further market differentiators. Observing the growing interest in the segment of consulting services we provide, the Spyrosoft Group will intensify its activities around the promotion and development of this area. Technology consulting, focused on business sectors in which we have been building our competences for years, constitutes significant added value for our clients, which in turn will allow us to expect higher remuneration for our services. Our previous experience in this field makes us a reliable business partner and constitutes a significant market advantage for the Group.

The outlook for the upcoming quarters does not change significantly compared to the business situation in the reporting period. Since the second quarter of this year, we have observed stabilization of our revenues. We expect that the tendency to decline in the revenue growth rate will continue for the next few quarters, which is the effect of the high base of 2022 and the economic slowdown.

Indication of factors and events, including those of an unusual nature, having a significant impact on the summary financial information

A factor affecting financial performance in Q3 2023 was the deterioration of the foreign exchange market for exporters.

Description of changes in the organization of the issuer's capital group

In Q3 2023 and up to the date of publication, there were no changes in the structure of the Spyrosoft Group.

The position of the Management Board regarding the possibility of meeting previously published forecasts of results for a given year in the light of the results presented in the quarterly report in relation to the forecasted results

The company did not publish forecasts for 2023.

Indication of shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the issuer's general meeting

The shareholding structure of Spyrosoft S.A. is presented below. with a detailed list of shareholders holding at least 5% of votes at the General Meeting of the Company as at the date of publication of the report:

Shareholder	Number of shares	Share in the share capital	Number of votes	Share in the total number of votes
Konrad Weiske	335 975	30,78%	335 975	30,78%
Dorota Łękawa	279 407	25,60%	279 407	25,60%
Wioletta Bodnaruś	278 300	25,50%	278 300	25,50%
Pozostali	197 778	18,12%	197 778	18,12%
TOTAL	1 091 460	100,00 %	1 091 460	100,00%

The change from the figures on the date of publication of the previous interim report is due to the registration of a capital increase through the issuance of 1,366 ordinary shares.

Statement of ownership of the issuer's shares or rights to them by persons managing and supervising the issuer as of the date of submitting the quarterly report

As of the date of the report:

- Konrad Weiske, President of the Management Board, holds 335,975 Company shares with a nominal value of PLN 33,597.50, constituting 30.78% of all Company shares, entitling to 30.78% of the total number of votes at the General Meeting of Shareholders of the Company;
- Agnieszka Weiske – wife of Mr. Konrad Weiske, President of the Management Board, holds 42 Company shares with a nominal value of PLN 4.20, constituting <0.01% of all Company shares, entitling to <0.01% of the total number of votes at the General Meeting of Shareholders
- Dorota Łękawa – wife of Mr. Sebastian Łękawa, Member of the Management Board, holds 279,407 Company shares with a nominal value of PLN 27,940.70, constituting 25,60% of all Company shares, entitling to 25.60% of votes at the General Meeting of Shareholders of the Company;
- Wioletta Bodnaruś – wife of Mr. Wojciech Bodnaruś, Member of the Management Board, holds 278,300 Company shares with a nominal value of PLN 27,830, constituting 25.50% of all Company shares, entitling to 25.50% of votes at the General Meeting of Shareholders of the Company;

- Sławomir Podolski – Member of the Management Board, holds 11,430 Company shares with a nominal value of PLN 1,143, constituting 1.05% of all Company shares, entitling to 1.05% of the total number of votes at the General Meeting of Shareholders of the Company;
- Kamila Podolska – wife of Mr. Sławomir Podolski, Member of the Management Board, holds 112 Company shares with a nominal value of PLN 11.20, constituting <0.01% of all Company shares, entitling <0.01% of votes at the General Meeting of Shareholders of the Company;
- Member of the Supervisory Board Andrew Radcliffe holds directly 22,348 Company shares with a nominal value of PLN 2,240.70 and indirectly 59 Company shares with a nominal value of PLN 5.90, constituting a total of 2.05% of all Company shares entitling to 2.05% of the total number of votes holds the General Meeting of the Company;
- Member of the Supervisory Board Tomasz Krześniak holds 16 Company shares with a nominal value of PLN 1.60, constituting <0.01% of all Company shares entitling to <0.01% of the total number of votes held by the General Meeting of Shareholders of the Company.

Other managing and supervising persons do not hold the Company's shares.

Subject to a change in the percentage of the Company's share capital and the total number of votes resulting from the registration of H shares, which the Company announced in current report No. 12/2023, and the acquisition by Mrs. Kamila Podolska of 74 shares, there were no changes in the shareholding structure among managing and supervising persons in the period from the date of publication of the previous periodic report.

Incentive program

As at the date of this report, the first group of key employees and collaborators of the Company was covered by the incentive program which entitles them to subscription warrants with the right to acquire series G ordinary bearer shares after meeting the conditions provided for in the terms and conditions of the incentive program. This group includes a member of the Management Board of Spyrosoft S.A., Sławomir Podolski.

As at the date of publication of this report, the above-mentioned group of persons was allocated the right to acquire a total of 8,300 warrants entitling them to purchase the same number of shares, of which Sławomir Podolski holds 350 warrants.

As at the date of publication of this report, no shares under the above-mentioned program have been granted and no warrants have been issued.

Subject to the foregoing, the managing and supervising persons do not hold any rights to shares as at the date of the report and did not hold any rights to shares during the reporting period.

Indication of significant proceedings pending before a court, a body competent for arbitration proceedings or a public administration body, concerning the liabilities and receivables of the issuer or its subsidiary

In the period covered by the report, i.e. in Q3 2023, no significant proceedings were initiated against the Parent or its subsidiaries, and no significant proceedings regarding liabilities or receivables were pending.

Information on the conclusion by the issuer or its subsidiary of one or more transactions with related entities, if they were concluded on terms other than market conditions

In Q3 2023, there were no transactions concluded with related parties on terms other than market conditions in the Company or in the Capital Group.

Information on the granting by the issuer or its subsidiary of credit or loan sureties or guarantees - jointly to one entity or its subsidiary, if the total value of the existing sureties or guarantees is significant, specifying:

In the three quarters of 2023, no credit or loan sureties or guarantees of significant value were granted in the Company or in the Capital Group.

As at 30.09.2023, the total value of sureties and guarantees granted by the Group companies is not significant and amounts to PLN 2,423 thousand.

Other information which, in the issuer's opinion, is significant and may significantly affect the assessment of its personnel, property, financial situation, financial result and their changes, as well as information which is significant for assessing the issuer's ability to meet its obligations

Main sales markets of the Capital Group in Q1-Q3 2023:

Country	Revenue share
DACH	29%
UK	28%
Poland	15%
USA	14%
Scandinavia	9%
other	5%

The structure of the Capital Group's revenues in Q1-Q3 2023 in individual areas:

Business Unit	Revenue share
Automotive	26%
Media	14%
Financial services	14%
Geospatial services	14%
HR and Education	7%
Industry 4.0	6%
Specialized services	6%
Automation & Connectivity	4%
Robotics	3%
Healthcare	2%
other	6%

Share of revenues from the 10 largest clients in the total revenues of the Capital Group in the period of Q1-Q3 2023 amounted to 46%.

Commentary on the consolidated financial results achieved by the Spyrosoft Capital Group in the third quarter of 2023.

Consolidated revenues of the Spyrosoft S.A. Capital Group in the three quarters of 2023 amounted to PLN 311 million,, 34% more than in the same period last year. The increase in revenue is the result of the Group's successive expansion of its business despite a significant decline in its pace and the deterioration of the foreign exchange market for exporters.

The consolidated cost of products and services sold of the Spyrosoft S.A. Capital Group in Q1-Q3 2023 amounted to PLN 214 million and was 43% higher than last year. The faster growth rate of costs in relation to revenues was influenced primarily by the so-called "bench", which is responsible for approximately 6% of direct costs. In the third quarter of 2023, there was a slight decrease in these costs in the Group.

Gross profit on sales reached PLN 97 million, which is a 19% improvement compared to Q1-Q3 2022. The gross margin on sales was 31.1%, which means a YOY decline of 4.1%. In addition to the increase in the number of employees not involved in projects, which resulted in a deterioration of the margin by approximately 2%, the lower rate of cost growth in relation to revenues was influenced by the weakening of the PLN exchange rate against EUR, GBP and USD in the period under review, which was responsible for a loss of over 1.4% of margin.

The consolidated general and administrative costs of the Spyrosoft S.A. Capital Group during the three quarters of 2023 amounted to PLN 71.4 million and were 46% higher than the general and administrative costs of the Group in Q1-Q3 2022 and remained at a level comparable to the previous quarter. The higher growth rate of general management costs compared to the growth rate of revenues in the first half of this year, similarly to previous periods, is mainly related to the costs of human resources management (cost of management in a linear structure) and operations and administration (company offices in locations in Poland and abroad) and IT. On a quarterly basis, the growth rate of general and administrative expenses is gradually decreasing.

Consolidated operating profit for the period covered by this report decreased by 26% YOY to PLN 23.6 million. The operating margin reached 7.6%, which means a decrease of 6.2% when compared to the first three quarters of the previous financial year and is comparable to the margin of the previous period.

The net profit of the parent entity of the Spyrosoft S.A. Capital Group in Q1-Q3 2023 amounted to PLN 11.3 million, which means a decrease of 43% YOY. The net margin amounted to 3.3% and was lower by 4.9% compared to the same period in 2022. The net profit was adversely affected mainly by negative exchange rate differences related to the decline in foreign currency exchange rates in the amount of PLN 2.9 million.

The balance sheet total as of September 30, 2023 amounted to PLN 190.7 million and was 23% higher compared to the data from September 30, 2022. The increase in assets was influenced by, among others, an increase in cash to the amount of PLN 37 million, accruals in fixed assets, mainly as a result of increasing expenditure on development work in progress and short-term prepayments including the valuation of work in progress. Trade receivables increased by 16% YOY to PLN 75 million. In the same period, short-term liabilities increased by 47% YOY to PLN 80 million, including trade liabilities of PLN 29.5 million.

The Group's equity increased as of September 30, 2023 by 36% compared to the data as of September 30, 2022 and amounted to PLN 102 million.

Commentary on the Issuer's individual financial results in Q1-Q3 2023

Spyrosoft S.A. achieved revenues of PLN 56 million in Q1-Q3 2023, up 24% compared to the previous year. The increase in revenue results from the expansion of cooperation with existing clients and the acquisition of new ones, serviced by Spyrosoft's growing team.

The cost of products and services sold in the 3 quarters of 2023 amounted to PLN 104 million, there was an increase of 23% compared to the same period of 2022.

The company made a gross profit on sales of PLN 52 million. It was 27% higher compared to gross profit on sales in the previous year. The gross margin on sales equaled 33.2%, up 0.6% YOY. The gradual increase in customer rates helped reduce the margin impact of the higher cost of employees not involved in projects and unfavorable exchange rate changes.

In the first nine months of 2023, there was a 55% YOY increase in general and administrative expenses to PLN 45 million. The increase in general and administrative expenses over the period as a whole, as in the quarter itself, was mainly due to an increase in the cost of human resources management (line management cost) and operations and administration.

Operating profit fell 42% compared to the same period of the previous year to PLN 6.7 million in the first nine months of 2023. The operating margin reached 4.3%, down 4.9% YOY. The decrease in margin was due to the increase in general and administrative expenses described above.

Net profit amounted to PLN 5.5 million, down 42% YOY. The increase in the result was due to a dividend from a related party in the amount of PLN 1.47 million. The net margin reached 3.5%, and was therefore 4% lower than the result in the comparable period of the previous year.

Total balance sheet as at 30.09.2023 amounted to PLN 90 million and was higher by PLN 14 million (16%) than the total as at 30.09.2022. Short-term receivables increased by PLN 5.5 million YOY to PLN 44.3 million. Meanwhile, current liabilities increased by 67% compared to the previous period to PLN 43.5 million, including an increase in trade payables by 15%. Long-term liabilities, on the other hand, fell 92% mainly due to the new bank financing structure.

Shareholders' equity reached PLN 43 million, noting an increase of 25% compared to figures as of Sept. 30, 2022.

Wskazanie czynników, które w ocenie emitenta będą miały wpływ na osiągnięte przez niego wyniki w perspektywie co najmniej kolejnego kwartału

The Issuer identifies the following factors that may affect its development and financial results:

External factors:

- Macroeconomic and political situation on the markets where the Capital Group operates, in particular related to the global economic crisis;
- High level of inflation in Poland and on global markets, resulting in a decrease in investment profitability and a significant cooling of the economy, including a slowdown in the growth rate of demand for IT services;
- Increase in availability of specialists on the market.

Internal factors:

- Further expansion of the Group in terms of new sales markets and acquisition of software engineers at a pace adapted to market opportunities;
- Slowdown in wage growth due to the market situation;
- Reduced employee turnover rates.

Individual interim financial data

Balance sheet

ASSETS (thousand PLN)	30.09.2023	30.06.2023	31.12.2022	30.09.2022
A. Fixed assets	36 239,16	35 707,67	32 088,50	31 060,76
I. Intangible assets	0,49	13,55	90,14	1 727,67
1. Costs of completed development works	0,00	12,81	89,67	128,10
2. Goodwill	0,00	0,00	0,00	0,00
3. Other intangible assets	0,49	0,74	0,47	1,70
4. Advances for intangible assets	0,00	0,00	0,00	1 597,86
II. Tangible fixed assets	8 170,40	8 869,89	8 354,44	7 722,11
1. Fixed assets	8 164,20	8 863,69	8 348,24	7 574,29
a) land (including the right of perpetual usufruct of land)	0,00	0,00	0,00	0,00
b) premises and civil and water engineering structures	276,07	299,27	345,67	205,41
c) technical equipment and machinery	6 367,63	6 862,30	5 949,05	5 265,58
d) means of transport	0,00	0,00	0,00	0,00
e) other fixed assets	1 520,50	1 702,11	2 053,53	2 103,29
2. Capital work in progress	0,00	0,00	0,00	115,27
3. Advances for capital work in progress	6,20	6,20	6,20	32,55
III. Long-term receivables	205,25	199,10	198,86	156,79
1. From affiliated entities	0,00	0,00	0,00	0,00
2. From other entities in which the entity has equity interests	0,00	0,00	0,00	0,00
3. From other entities	205,25	199,10	198,86	156,79
IV. Long-term investments	21 584,51	21 584,51	20 544,51	20 519,64
1. Real estate	0,00	0,00	0,00	0,00
2. Intangible assets	0,00	0,00	0,00	0,00
3. Long-term financial assets	21 584,51	21 584,51	20 544,51	20 519,64
a) in affiliated entities	21 584,51	21 584,51	20 544,51	20 519,64
- stocks or shares	21 584,51	21 584,51	20 544,51	20 519,64
- other securities	0,00	0,00	0,00	0,00
- loans granted	0,00	0,00	0,00	0,00
- other long-term financial assets	0,00	0,00	0,00	0,00
b) in other entities in which the entity has equity interests	0,00	0,00	0,00	0,00
- stocks or shares	0,00	0,00	0,00	0,00
- other securities	0,00	0,00	0,00	0,00
- loans granted	0,00	0,00	0,00	0,00
- other long-term financial assets	0,00	0,00	0,00	0,00
c) in other entities	0,00	0,00	0,00	0,00
- stocks or shares	0,00	0,00	0,00	0,00
- other securities	0,00	0,00	0,00	0,00
- loans granted	0,00	0,00	0,00	0,00
- other long-term financial assets	0,00	0,00	0,00	0,00
4. Other short-term investments	0,00	0,00	0,00	0,00
V. Long-term prepayments and accruals	6 278,51	5 040,63	2 900,54	934,55
1. Assets on account of deferred income tax	255,20	214,40	397,08	222,12
2. Other prepayments and accruals	6 023,31	4 826,23	2 503,46	712,43
B. Current assets	54 024,77	50 436,50	50 776,50	46 505,47
I. Inventory	207,48	207,48	220,14	61,78
1. Materials	0,00	0,00	0,00	0,00
2. Semi-finished products and work in progress	0,00	0,00	0,00	0,00

3. Finished products	0,00	0,00	0,00	0,00
4. Goods	30,32	30,32	44,60	51,97
5. Advances for deliveries	177,17	177,17	175,54	9,81
II. Short-term receivables	44 295,02	38 810,54	41 171,32	41 822,30
1. Semi-finished products and work in progress	21 483,60	19 781,60	20 709,01	20 139,90
a) trade receivables, maturing:	21 483,60	19 781,60	20 709,01	20 139,90
- up to 12 months	21 483,60	19 781,60	20 709,01	20 139,90
- above 12 months	0,00	0,00	0,00	0,00
b) other	0,00	0,00	0,00	0,00
2. Receivables from other entities in which the entity has equity interests	0,00	0,00	0,00	0,00
a) trade receivables, maturing:	0,00	0,00	0,00	0,00
- up to 12 months	0,00	0,00	0,00	0,00
- above 12 months	0,00	0,00	0,00	0,00
b) other	0,00	0,00	0,00	0,00
2. Receivables from other entities	22 811,42	19 028,94	20 462,31	21 682,41
a) trade receivables, maturing:	16 242,40	12 758,15	16 249,95	17 451,15
- up to 12 months	16 242,40	12 758,15	16 249,95	17 451,15
- above 12 months	0,00	0,00	0,00	0,00
b) from taxes, subsidies, customs, social and health insurance and other public fees and levies and other benefits	6 564,29	6 265,90	4 211,81	4 222,57
c) other	4,72	4,90	0,54	8,68
d) claimed at court	0,00	0,00	0,00	0,00
III. Short-term investments	9 033,27	10 834,07	8 761,48	4 009,41
1. Short-term financial assets	9 033,27	10 834,07	8 761,48	4 009,41
a) in affiliated entities	3 763,89	3 714,45	2 835,49	2 114,23
- stocks or shares	0,00	0,00	0,00	0,00
- other securities	0,00	0,00	0,00	0,00
- loans granted	3 763,89	3 714,45	2 835,49	2 114,23
- other short-term financial assets	0,00	0,00	0,00	0,00
b) in other entities	0,00	0,00	0,00	0,00
- stocks or shares	0,00	0,00	0,00	0,00
- other securities	0,00	0,00	0,00	0,00
- loans granted	0,00	0,00	0,00	0,00
- other short-term financial assets	0,00	0,00	0,00	0,00
c) cash and other financial assets	5 269,38	7 119,62	5 925,99	1 895,19
- cash in hand and at bank	5 269,38	7 119,62	5 925,99	1 895,19
- other cash	0,00	0,00	0,00	0,00
- other cash assets	0,00	0,00	0,00	0,00
2. Other short-term investments	0,00	0,00	0,00	0,00
IV. Short-term prepayments and accruals	488,99	584,41	623,57	611,97
C. CALLED-UP SHARE CAPITAL (FUND)	0,00	0,00	0,00	0,00
D. OWN SHARES (STOCKS)	0,00	0,00	0,00	0,00
TOTAL ASSETS:	90 263,92	86 144,18	82 865,00	77 566,22

LIABILITIES AND EQUITY (thousand PLN)	30.09.2023	30.06.2023	31.12.2022	30.09.2022
A. EQUITY (FUND)	43 045,21	41 765,20	37 540,24	34 359,30
I. Share capital	109,15	109,01	109,01	109,01
II. Supplementary equity (fund), including:	37 431,23	37 431,23	24 831,48	24 831,48
- surplus of sales value (issue value) over the nominal value of shares (stocks)	107,57	107,57	107,57	107,57
III. Revaluation equity (fund), including:	0,00	0,00	0,00	0,00
- due to fair value revaluation	0,00	0,00	0,00	0,00
IV. Other reserve capitals, including:	0,00	0,00	0,00	0,00
- created in accordance to the company deed (statute)	0,00	0,00	0,00	0,00
- for own shares (stocks)	0,00	0,00	0,00	0,00
V. Profit (loss) from previous years	0,00	0,00	0,00	0,00
VI. Profit (loss) net for the financial year	5 504,84	4 224,96	12 599,75	9 418,82
VII. Write-off on net profit during the financial year (negative value)	0,00	0,00	0,00	0,00
B. LIABILITIES AND PROVISIONS FOR LIABILITIES	47 218,71	44 378,98	45 324,77	43 206,92
I. Provisions for liabilities	1 998,27	1 961,85	2 628,11	1 210,40
1. Provision on account of deferred income tax	1 006,96	1 087,66	1 134,57	580,90
2. Provision for retirement and similar benefits	765,74	765,74	765,74	516,96
- long-term	0,00	0,00	0,00	0,00
- short-term	765,74	765,74	765,74	516,96
3. Other provisions	225,57	108,46	727,80	112,54
- long-term	0,00	0,00	0,00	0,00
- short-term	225,57	108,46	727,80	112,54
II. Long-term liabilities	1 308,11	10 855,42	12 556,51	15 674,00
1. To affiliated entities	9,57	9,57	9,57	9,57
2. To other entities in which the entity has equity interests	0,00	0,00	0,00	0,00
3. To other entities	1 298,54	10 845,85	12 546,94	15 664,43
a) credits and loans	0,00	4 374,55	5 624,65	8 749,90
b) arising from issuance of debt securities	0,00	0,00	0,00	0,00
c) other financial liabilities	1 298,54	6 471,30	6 922,29	6 914,53
d) bill-of-exchange liabilities	0,00	0,00	0,00	0,00
e) other	0,00	0,00	0,00	0,00
III. Short-term liabilities	43 460,55	31 106,44	29 677,94	25 981,04
1. To affiliated entities	4 298,06	3 172,53	1 837,67	1 993,10
a) trade liabilities, maturing:	4 293,41	3 167,66	1 831,77	1 988,87
- up to 12 months	4 293,41	3 167,66	1 831,77	1 988,87
- above 12 months	0,00	0,00	0,00	0,00
b) other	4,65	4,87	5,91	4,23
2. To other entities in which the entity has equity interests	0,00	0,00	0,00	0,00
a) trade liabilities, maturing:	0,00	0,00	0,00	0,00
- up to 12 months	0,00	0,00	0,00	0,00
- above 12 months	0,00	0,00	0,00	0,00
b) other	0,00	0,00	0,00	0,00
3. To other entities	39 162,49	27 933,92	27 840,26	23 987,93
a) credits and loans	16 324,21	10 395,11	2 500,20	956,30
b) arising from issuance of debt securities	0,00	0,00	0,00	0,00
c) other financial liabilities	5 003,33	1 033,22	6 606,63	6 527,02
d) trade liabilities, maturing:	14 216,83	12 797,42	14 073,73	12 355,49
- up to 12 months	14 216,83	12 797,42	14 073,73	12 355,49
- above 12 months	0,00	0,00	0,00	0,00
e) advances received for deliveries	0,00	0,00	0,00	0,00
f) bill-of-exchange liabilities	0,00	0,00	0,00	0,00

g) on account of taxes, customs, social security and other benefits	2 029,99	2 018,65	3 083,99	2 691,74
h) payroll liabilities	1 559,63	1 648,85	1 544,17	1 433,08
i) other	28,50	40,67	31,54	24,32
4. Special funds	0,00	0,00	0,00	0,00
IV. Prepayments and accruals	451,79	455,26	462,21	341,48
1. Negative goodwill	0,00	0,00	0,00	0,00
2. Other prepayments and accruals	451,79	455,26	462,21	341,48
- long-term	0,00	441,36	448,31	286,63
- short-term	451,79	13,90	13,90	54,85
TOTAL LIABILITIES AND EQUITY:	90 263,92	86 144,18	82 865,00	77 566,22

Profit and loss statement

(thousand PLN)		from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.07.2023 to 30.09.2023	from 01.07.2022 to 30.09.2022
A	Net revenue from sales of products, goods and materials, including:	156 312,34	125 660,54	50 837,34	46 428,50
	including: from affiliated entities	83 852,99	64 451,95	26 022,57	22 838,53
I.	Net revenue from sale of products	156 004,41	125 264,65	50 806,01	46 408,40
II.	Net revenue from sales of goods and materials	307,93	395,88	31,32	20,10
B.	Cost of sold products, goods and materials, including:	104 375,27	84 678,28	33 987,47	31 247,72
I.	Manufacturing cost of products sold	104 076,34	84 283,87	33 956,15	31 355,78
II.	Value of goods and materials sold	298,93	394,41	31,32	19,46
C.	Gross profit (loss) on sales (A-B)	51 937,07	40 982,26	16 849,86	15 180,78
D.	Costs of sales	0,00	0,00	0,00	0,00
E.	Cost of general management	45 254,81	29 190,16	15 107,05	10 392,80
F.	Profit (loss) on sales (C-D-E)	6 682,26	11 792,10	1 742,81	4 660,47
G.	Other operating revenues	1 053,01	613,30	299,17	131,95
I.	Profit from disposal of non-financial fixed assets	34,89	17,64	13,12	(0,10)
II.	Subsidies	0,00	32,22	(6,95)	3,59
III.	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
IV.	Other operating revenues	1 018,11	563,44	293,00	128,46
E.	Other operating costs	1 059,86	856,68	284,16	128,79
I.	Loss from the disposal of non-financial fixed assets	0,00	0,00	0,00	0,00
II.	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
III.	Other operating costs	1 059,86	856,68	284,16	128,79
F.	Profit (loss) from operating activity (FG-H)	6 675,41	11 548,72	1 757,82	4 663,63
G.	Financial revenues	1 598,40	1 210,93	49,44	379,07
I.	Dividends and share in profit, including:	1 470,00	651,19	0,00	0,00
a)	from affiliated entities, including:	1 470,00	651,19	0,00	0,00
-	in which the entity has equity interests	0,00	651,19	0,00	0,00
b)	from other entities, including:	0,00	0,00	0,00	0,00
-	in which the entity has equity interests	0,00	0,00	0,00	0,00

II.	Interest, including:	128,40	0,28	49,44	0,00
	- from affiliated entities	128,40	0,00	49,44	0,00
III.	Profit from the disposal of financial assets, including:	0,00	0,00	0,00	0,00
	- in affiliated entities	0,00	0,00	0,00	0,00
IV.	Revaluation of investments	0,00	0,00	0,00	0,00
V.	Other	0,00	559,46	0,00	379,07
H.	Financial costs	1 466,20	994,53	123,07	338,94
I.	Interest, including:	869,86	541,09	366,53	288,50
	- for affiliated entities	0,00	0,06	0,00	0,00
II.	Loss on the disposal of financial assets, including:	0,00	0,00	0,00	0,00
	- in affiliated entities	0,00	0,00	0,00	0,00
III.	Revaluation of investments	0,00	0,00	0,00	0,00
IV.	Other	596,34	453,44	(243,46)	50,44
K.	Gross profit (loss) (IJ-K)	6 807,60	11 765,12	1 684,19	4 703,76
L.	Income tax	1 302,77	2 311,95	404,31	921,94
M.	Other obligatory profit decrease (loss increase)	0,00	34,35	0,00	0,00
N.	Net profit (loss) (L-M-N)	5 504,84	9 418,82	1 279,88	3 781,82

Statement of changes in equity (fund)

(thousand PLN)	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 31.12.2022	from 01.01.2022 to 30.09.2022
I. Opening balance of equity (OB)	37 540,24	24 940,35	24 940,35
a) changes in adopted accounting rules (policy).	0,00	0,00	0,00
b) corrections of fundamental errors	0,00	0,00	0,00
I.a. Opening balance of equity (OB) after corrections	37 540,24	24 940,35	24 940,35
1. Opening balance of share capital	109,01	108,87	108,87
1.1. Changes in share capital	0,14	0,14	0,00
a) increases (on account of)	0,14	0,14	0,00
- issuance of shares (stocks)	0,14	0,14	0,14
b) decreases (on account of)	0,00	0,00	0,00
- redemption of shares (stocks)	0,00	0,00	0,00
1.2. Closing balance of share capital	109,15	109,01	109,01
2. Opening balance of supplementary capital	24 831,48	13 275,59	13 275,59
2.1. Changes in supplementary capital	12 599,75	11 555,89	11 555,89
a) increases (on account of)	12 599,75	11 555,89	11 555,89
- issuance of shares above the nominal value	0,00	0,00	0,00
- profit distribution (statutory)	0,00	0,00	0,00
- profit distribution (above the statutory minimum value)	12 599,75	11 555,89	11 555,89
b) decreases (on account of)	0,00	0,00	0,00
- cover of loss	0,00	0,00	0,00
2.2. Closing balance of supplementary capital (fund)	37 431,23	24 831,48	24 831,48
3. Opening balance of revaluation capital	0,00	0,00	0,00
3.1. Changes in revaluation capital	0,00	0,00	0,00
a) increases (on account of)	0,00	0,00	0,00
b) decreases (on account of)	0,00	0,00	0,00
3.2. Closing balance of revaluation capital	0,00	0,00	0,00
4. Opening balance of other reserve capitals	0,00	0,00	0,00
4.1. Changes in other reserve capitals	0,00	0,00	0,00

a) increases (on account of)	0,00	0,14	0,00
b) decreases (on account of)	0,00	0,14	0,00
4.2. Closing balance of other reserve capitals	0,00	0,00	0,00
5. Opening balance of profit (loss) from previous years	12 599,75	11 555,89	11 555,89
5.1. Opening balance of profit from previous years	12 599,75	11 555,89	11 555,89
a) changes in adopted accounting rules (policy)	0,00	0,00	0,00
b) corrections of fundamental errors	0,00	0,00	0,00
5.2. Opening balance of profit from previous years after corrections	12 599,75	11 555,89	11 555,89
5.3. Changes in profit from previous years	(12 599,75)	(11 555,89)	(11 555,89)
a) increases (on account of)	0,00	0,00	0,00
- distribution of profit from previous years	0,00	0,00	0,00
b) decreases (on account of)	12 599,75	11 555,89	11 555,89
- distribution of profit from previous years	12 599,75	11 555,89	11 555,89
5.4. Closing balance of profit from previous years	0,00	0,00	0,00
5.5. Opening balance of loss from previous years	0,00	0,00	0,00
a) changes in adopted accounting rules (policy)	0,00	0,00	0,00
b) corrections of fundamental errors	0,00	0,00	0,00
5.6. Opening balance of loss from previous years after corrections	0,00	0,00	0,00
5.7. Changes of loss from previous years	0,00	0,00	0,00
a) increases (on account of)	0,00	0,00	0,00
- retained loss brought forward for covering	0,00	0,00	0,00
b) decreases (on account of)	0,00	0,00	0,00
5.8. Closing balance of loss from previous years	0,00	0,00	0,00
5.9. Closing balance of profit (loss) from previous years	0,00	0,00	0,00
6. Net result	5 504,84	12 599,75	9 418,82
a) net profit	5 504,84	12 599,75	9 418,82
b) net loss	0,00	0,00	0,00
c) write-offs on profit	0,00	0,00	0,00
II. Closing balance of equity (CB)	43 045,21	37 540,24	34 359,30
III. Equity after proposed profit distribution (cover of loss)	43 045,21	37 540,24	34 359,30

Cash flow

(thousand PLN)	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.07.2023 to 30.09.2023	from 01.07.2022 to 30.09.2022
A. CASH FLOWS FROM OPERATING ACTIVITIES				
I. Net profit (loss)	5 504,84	9 418,82	1 279,88	3 781,82
II. Total adjustments	(3 622,64)	(6 307,03)	(3 085,21)	(3 866,47)
1. Amortization and depreciation	2 330,64	1 790,20	789,59	667,80
2. Gains (losses) due to exchange differences	(151,23)	2,16	(128,57)	0,00
3. Interest and profit share (dividends)	(327,97)	342,50	412,15	317,62
4. Profit (loss) from investment activities	(34,89)	(17,64)	(13,12)	0,10
5. Change in provisions	(629,84)	80,26	36,42	1,21
6. Change in inventory	12,65	13,97	0,00	(20,18)
7. Change in receivables	(3 130,09)	(11 737,62)	(5 490,62)	(7 421,74)
8. Change in short-term liabilities, excluding credits and loans	1 561,91	3 630,86	2 454,89	2 443,56
9. Change in prepayments and accruals	(3 253,81)	(446,06)	(1 145,94)	145,15
10. Other adjustments	0,00	34,35	0,00	0,00

III. Net inflows from operating activities (I +/-II)	1 882,20	3 111,79	(1 805,33)	(84,65)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES	0,00	0,00	0,00	0,00
I. Inflows	763,80	738,21	40,54	28,93
1. Disposal of intangible and tangible fixed assets	253,80	121,37	40,54	28,93
2. Disposal of investments in real property and in intangible assets	0,00	0,00	0,00	0,00
3. From financial assets, including:	510,00	616,84	0,00	0,00
a) in affiliated entities	510,00	616,84	0,00	0,00
b) in other entities	0,00	0,00	0,00	0,00
- disposal of financial assets	0,00	0,00	0,00	0,00
- dividends and profit share	0,00	0,00	0,00	0,00
- repayment of granted long-term loans	0,00	0,00	0,00	0,00
- interest	0,00	0,00	0,00	0,00
- other inflows from financial assets	0,00	0,00	0,00	0,00
4. Other inflows from investment activities	0,00	0,00	0,00	0,00
II. Outflows	9 722,17	13 955,25	1 104,46	1 792,22
1. Purchase of intangible and tangible fixed assets	842,17	4 091,75	104,46	1 394,22
2. investments in real property and in intangible assets	0,00	0,00	0,00	0,00
3. For financial assets, including:	8 880,00	9 863,50	1 000,00	398,00
a) in affiliated entities	880,00	9 863,50	0,00	398,00
b) in other entities	8 000,00	0,00	1 000,00	0,00
- purchase of financial assets	8 000,00	0,00	1 000,00	0,00
- long-term loans granted	0,00	0,00	0,00	0,00
4. Other outflows from investment activities	0,00	0,00	0,00	0,00
III. Net cash flows from investment activities (I-II)	(8 958,38)	(13 217,05)	(1 063,92)	(1 763,29)
C. CASH FLOWS FROM FINANCIAL ACTIVITIES	0,00	0,00	0,00	0,00
I. Inflows	16 167,35	10 952,71	8 335,10	50,98
1. Net inflows from issuance of shares and other capital instruments	0,14	0,14	0,14	0,14
2. Credits and loans	16 167,21	10 952,58	8 334,97	50,84
3. Issuance of debt securities	0,00	0,00	0,00	0,00
4. Other inflows from financial activities	0,00	0,00	0,00	0,00
II. Outflows	9 747,78	4 372,54	7 316,09	1 329,96
1. Purchase of own shares (stocks)	0,00	0,00	0,00	0,00
2. Dividend and other payments to shareholders	0,00	0,00	0,00	0,00
3. Profit distribution liabilities other than profit distribution payments to shareholders	0,00	0,00	0,00	0,00
4. Repayment of credits and loans	7 973,62	2 058,97	6 746,18	632,67
5. Redemption of debt securities	0,00	0,00	0,00	0,00
6. On account of other financial liabilities	0,00	0,00	0,00	0,00
7. Payment of liabilities arising from financial leases	660,73	1 334,58	202,65	387,29
8. Interest	711,77	525,55	272,11	259,56
9. Other outflows from financial activities	401,66	453,44	95,15	50,44
III. Net cash flows from financial activities (I-II)	6 419,57	6 580,18	1 019,01	(1 278,98)
D. TOTAL NET CASH FLOWS (A.III+/-B.III+/-C.III)	(656,60)	(3 525,08)	(1 850,24)	(3 126,91)
E. BALANCE SHEET CHANGE IN CASH, INCLUDING:	(656,60)	(3 525,08)	(1 850,24)	(3 126,91)

	- change in cash due to exchange rate differences	0,00	0,00	0,00	0,00
F.	CASH OPENING BALANCE	5 925,99	5 420,27	7 119,62	5 022,10
G.	CLOSING BALANCE OF CASH (F+/-D), INCLUDING	5 269,38	1 895,19	5 269,38	1 895,19

Additional information and notes

Note 1. information on the principles adopted in the preparation of the report, including information on changes in the applied accounting principles (policy).

Individual financial data of the parent company Spyrosoft S.A. have been prepared in accordance with the provisions of the Accounting Act. There were no changes in the applied accounting principles in the presented period. However, the method of presenting data has been changed in such a way that starting from January 1, 2023, financial data is presented in PLN thousand. Therefore, the comparative data in this report is also presented in PLN thousand.

Note 2. Information on significant changes in estimated values

There were no significant changes in estimated values in the presented period.

Wrocław, 28th November 2023

Konrad Weiske – President of the Management Board

Wojciech Bodnaruś – Member of the Management Board

Sebastian Łękawa – Member of the Management Board

Sławomir Podolski – Member of the Management Board

Agnieszka Przybyt – Chief Accounting Officer