

# **Semi-annual report of the Management Board on the activities of the Spyrosoft S.A. Capital Group and Spyrosoft S.A. for the first half of 2025**

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## 1. SELECTED FINANCIAL DATA

The financial data of the Spyrosoft Capital Group and Spyrosoft S.A. have been converted into EUR and presented in the table below according to the following rules:

- Asset and liability positions – according to the average exchange rate set by the NBP on June 30, 2025 – 4.2419 PLN/EUR, on December 31, 2024 – 4.2730 PLN/EUR.
- Positions of the statement of comprehensive income and the statement of cash flows – according to the exchange rate representing the arithmetic average of the average exchange rates set by the NBP on the last day of each month of the reporting period: from January 1 to June 30, 2025 – 4.2890 PLN/EUR, from January 1 to June 30, 2024 – 4.3109 PLN/EUR.

This report contains statements regarding the future and the Management Board's assessments of the future, based on certain assumptions that are subject to risk and uncertainty. Therefore, the Group does not take responsibility for any decisions made based on this information.

### CONSOLIDATED DATA

SELECTED FINANCIAL DATA	thousands PLN		thousands EUR		change y/y
	from	from	from	from	
	01.01.2025 to 30.06.2025	01.01.2024 to 30.06.2024	01.01.2025 to 30.06.2025	01.01.2024 to 30.06.2024	
Net revenue from the sale of products, goods, and materials	289 662	211 785	67 537	49 128	37%
Profit (loss) from operating activities	23 150	16 679	5 398	3 869	39%
EBITDA*	29 599	22 760	6 901	5 280	30%
Adjusted EBITDA**	30 326	22 967	7 071	5 328	32%
Profit (loss) before tax	24 061	15 597	5 610	3 618	54%
Profit (loss) after tax	16 968	11 997	3 956	2 783	41%
Net cash flows from operating activities	20 336	26 768	4 741	6 209	-24%
Net cash flows from investing activities	(10 543)	(3 708)	(2 458)	(860)	184%
Net cash flows from financing activities	(8 712)	(23 122)	(2 031)	(5 364)	-62%
Net cash flows – total	1 082	(62)	252	(14)	-1845%

\*EBITDA calculated as profit from operating activities plus depreciation

\*\*Adjusted EBITDA calculated as profit from operating activities plus depreciation and M&A costs

SELECTED FINANCIAL DATA	thousands PLN		thousands EUR		change y/y
	on 30.06.2025	on 31.12.2024	on 30.06.2025	on 31.12.2024	
Total Assets / Liabilities	269 694	245 119	63 579	57 365	10%
Non-current assets	68 894	69 596	16 241	16 287	-1%
Current assets	200 800	175 524	47 337	41 077	14%

Equity	177 103	160 605	41 751	37 586	10%
Liabilities and provisions for liabilities	92 591	84 514	21 828	19 779	10%
Long-term liabilities	12 850	16 123	3 029	3 773	-20%
Short-term liabilities	79 741	68 391	18 798	16 005	17%
Number of shares	1 092 826	1 091 639	1 092 826	1 091 639	0%
Net profit (loss) per ordinary share (in PLN/EUR)	15,53	31,41	3,66	7,35	-51%
Book value per share (in PLN/EUR)	162,06	147,12	38,20	34,43	10%

## INDIVIDUAL DATA

SELECTED FINANCIAL DATA (thousands PLN)	from 01.01.2025	from 01.01.2024	from 01.01.2025	from 01.01.2024	change y/y
	to 30.06.2025	to 30.06.2024	to 30.06.2025	to 30.06.2024	
	PLN		EUR		
Net revenue from the sale of products, goods, and materials	120 640	99 244	28 128	23 022	-6%
Profit (loss) from operating activities	9 438	3 147	2 201	730	-36%
EBITDA*	11 274	4 875	2 629	1 131	-25%
Adjusted EBITDA**	12 001	5 082	2 798	1 179	136%
Profit (loss) before tax	18 664	2 599	4 352	603	-49%
Profit (loss) after tax	18 534	5 894	4 321	1 367	39%
Net cash flows from operating activities	3 953	8 516	922	1 975	131%
Net cash flows from investing activities	2 858	(4 423)	666	(1 026)	-44%
Net cash flows from financing activities	(752)	(13 201)	(175)	(3 062)	-344%
Net cash flows, total	6 059	(9 109)	1 413	(2 113)	-863%

\*EBITDA counted as operating profit plus depreciation

\*\*Adjusted EBITDA counted as operating profit plus depreciation and M&A costs

## 2. INFORMATION ABOUT THE COMPANY AND THE CAPITAL GROUP

Spyrosoft S.A. ("Company", "Issuer") is a joint-stock company based in Wrocław, at Plac Nowy Targ 28, 50-141 Wrocław. The Issuer is a Polish, international technology company specializing in the development of custom software for fast-growing industries, such as automotive, finance, geospatial information, and Industry 4.0.

The Issuer forms a capital group, which includes Spyrosoft S.A. as the parent company and 17 entities subject to consolidation, operating under the name:

- Spyrosoft Solutions S.A. headquartered in Wrocław,
- Hyand Poland SE European Joint Stock Company, branch in Poland, headquartered in Wrocław,
- Spyrosoft Ltd based in Dorset, United Kingdom,
- Unravel S.A. headquartered in Wrocław,
- Spyrosoft Solutions d.o.o. based in Zagreb, Croatia,

- Spyrosoft Solutions GmbH based in Stuttgart, Germany,
- Spyrosoft Solutions S.R.L. based in Timișoara, Romania,
- Spyrosoft Synergy S.A. headquartered in Szczecin,
- Spyrosoft eCommerce S.A. based in Wrocław,
- Spyrosoft Connect S.A. based in Wrocław,
- Spyrosoft BSG based in Wrocław,
- Spyrosoft BSN AS based in Bergen, Norway,
- Spyrosoft India Private Limited based in Chennai, India,
- Codibly S.A. headquartered in Kraków,
- Repoweric Sp. z o.o. based in Warsaw,
- Spyrosoft Nordics A/S based in Copenhagen,
- Spyrosoft AdTech S.A. based in Wrocław.

Additionally, there are other entities not included in the consolidation.

The Spyrosoft Group operates internationally, with a special focus on the United Kingdom, Germany, and the United States. In addition to its presence in six locations in Poland (Wrocław, Kraków, Warsaw, Białystok, Szczecin, Łódź), the Group also has offices abroad, allowing for greater accessibility of services to foreign clients.

### 3. DESCRIPTION OF THE ACTIVITIES OF THE COMPANY AND THE CAPITAL GROUP

Spyrosoft is a company founded in 2016 in Wrocław, operating in the IT industry and specializing in providing digital solutions. Spyrosoft develops comprehensive software solutions, ranging from embedded systems to high-level cloud-based systems. The company offers full project management services, during which its specialists handle project management and related requirements, design architecture, as well as write and develop the programming layer.

Spyrosoft provides software development services tailored to the needs and requirements of the client. The company supports clients from the initial product concept and technology selection stage, through solution architecture development and implementation, to maintenance and further development. Spyrosoft primarily collaborates with clients from the following industries: finance, automotive, Industry 4.0, media and entertainment, telemedicine, HR and education, geospatial services, and robotics. With a deep understanding of industry specifics, Spyrosoft delivers not only the solution itself but also advisory services regarding the selection of IT solutions best suited to the needs and regulations of the particular industry.

The Spyrosoft Capital Group offers the following services:

- **Business and Product Design** – designing digital products and services, prototyping, and testing.
- **Technology Consulting** – technology audits, project cost estimations, development of digital strategies, software manufacturing process automation, and cloud technology consulting.
- **Enterprise Software** – development of backend and frontend software, mobile applications, and data architecture.
- **Embedded Software** – development of devices and software for their automation, creation of communication solutions, applications for embedded devices.
- **Artificial Intelligence and Machine Learning** – utilizing AI and ML technologies in designed digital solutions, along with consultations on their functionality.
- **Cloud Solutions** – cloud migration, cost optimization, and cloud-based software delivery.
- **Optimization** – automation of software production, delivery, and testing.

- **Managed Services** – audits and takeovers of IT systems, support and maintenance of operating systems, server management and maintenance, infrastructure optimization, and data security.
- **Cybersecurity** – consulting, penetration testing, integration of security tests with the existing software production process, and defensive cybersecurity.
- **Salesforce** – implementation of Sales Cloud, Commerce Cloud, Service Cloud modules, development of dedicated applications, and pre- and post-implementation audits.
- **HMI (Human Machine Interface)** – design and implementation of solutions for user interaction with devices.
- **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, analytics, and reporting.
- **Mobile Applications** – development of iOS and Android applications, including applications for wearable devices.

The services provided by the Spyrosoft Capital Group are offered in a dedicated package for the following industries:

- **Automotive**

Spyrosoft offers embedded software development, as well as its integration and validation in accordance with the A-Spice standards required by the industry. The automotive offering also includes the design and implementation of processes related to Functional Safety.

- **Financial Services**

Spyrosoft designs comprehensive systems supporting loan processes and debt management systems in financial institutions. The Group's offering also includes solutions in digital banking and the fintech sector. Additionally, it develops software supporting the processing and analysis of financial data.

- **Industry 4.0**

The Group's offering for industrial companies focuses on the automation and communication of industrial devices, as well as providing enterprise system solutions for data exchange between devices and supporting industrial fleet management processes.

- **Media**

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

- **Robotics and the Chemical Industry**

Spyrosoft experts provide comprehensive services related to the design and implementation of software for autonomous robots, using the latest technologies (artificial intelligence, computer vision, digital twins, etc.) to increase productivity and reduce operational costs.

- **Legal Sector Technology Services**

Spyrosoft offers comprehensive technology services for law firms, focusing on digital transformation, process automation, data analysis, and system integration. The company supports clients in optimizing operations and adapting to the rapidly changing legal services market.

- **Geospatial Services**

Spyrosoft develops software for comprehensive processing of spatial data. It offers solutions for storing spatial data and its intelligent analysis, as well as designing enterprise systems enabling the use and management of geospatial information.

- **HR and Education**

Spyrosoft delivers solutions that automate processes related to human resources management. The Group's offering includes designing systems for temporary work management, payroll and benefits management, as well as educational systems.

- **Telemedicine**

The Spyrosoft Group provides embedded software for medical devices, designs their communication, and implements advanced algorithms supporting proper diagnostics performed by medical equipment. It also offers enterprise systems for managing medical enterprises, patient care, or monitoring the operation of medical devices.

- **Electromobility and Renewable Energy**

Spyrosoft offers comprehensive technological solutions for the renewable energy (RES) and electromobility sectors, supporting companies in optimizing energy and infrastructure management. The company specializes in the design and implementation of energy management systems, monitoring and optimizing energy assets, as well as integrating with energy markets and demand response programs.

- **Defence, Security & Aerospace**

Spyrosoft is developing expertise in digital security, dual-use products, and solutions for the defense sector. Spyrosoft is a member of the Polish Chamber of Manufacturers for National Defence.

- **AdTech & MarTech**

Spyrosoft specializes in the design and creation of advanced advertising technologies (AdTech), marketing technologies (MarTech), and data platforms, including programmatic advertising platforms (DSP and SSP), customer data platforms (CDP), AI-based personalization systems, and marketing automation tools.

The Spyrosoft Group operates internationally, with clients primarily from the United Kingdom, Germany, the USA, and Scandinavia.

In addition to its presence in six locations in Poland (Wrocław, Kraków, Warsaw, Białystok, Szczecin, Łódź), the Group also has its offices and development centers outside Poland, allowing for greater accessibility of services for foreign clients.

## SPYROSOFT GROUP

### Our offices

#### Argentina

• Buenos Aires

#### Denmark

• Copenhagen

#### Croatia

• Zagreb

#### Germany

• Berlin  
• Stuttgart  
• Brunswick

#### India

• Chennai

#### Norway

• Bergen

#### Denmark

• Copenhagen

#### Poland

• Wrocław  
• Cracow  
• Warsaw  
• Białystok  
• Szczecin  
• Łódź

#### Romania

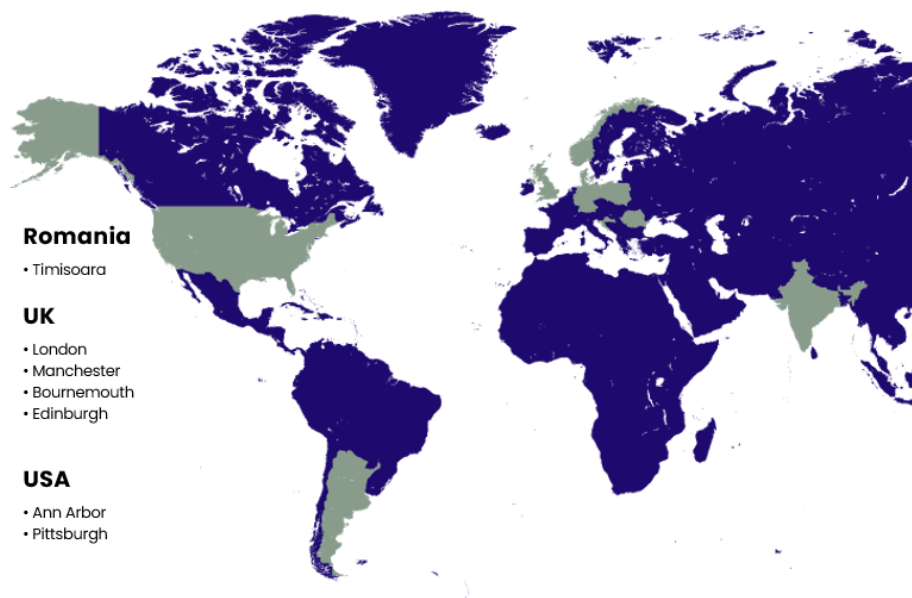
• Timisoara

#### UK

• London  
• Manchester  
• Bournemouth  
• Edinburgh

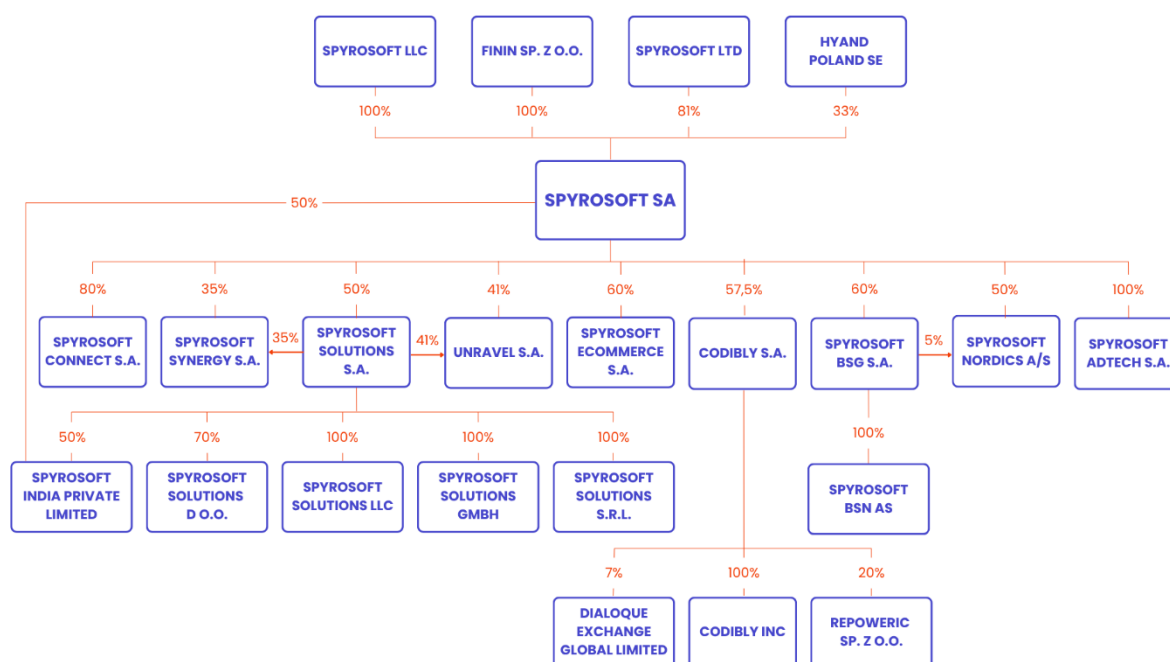
#### USA

• Ann Arbor  
• Pittsburgh



## 4. STRUCTURE OF THE ISSUER'S CAPITAL GROUP

As of June 30, 2025, the structure of the Spyrosoft Capital Group is as follows:



According to the status as of June 30, 2025, the Spyrosoft Capital Group, in addition to the parent entity, includes the following entities:



Entity Name	Country of Registration	Ownership Share	Type of Relationship
Spyrosoft Solutions S.A.	Poland	50,00%	Direct
Spyrosoft Ltd	UK	80,65%	Direct
Hyand Poland SE SE (dawniej GOD Nearshore SE)	Germany	33,00%	Direct
Unravel S.A.	Poland	61,50%	41% Direct and 20,5% 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	50,00%	Indirect
Spyrosoft Connect S.A.	Poland	80,00%	Direct
Spyrosoft BSG S.A.	Poland	60,00%	Direct
Spyrosoft BSN AS	Norway	60,00%	Indirect
Codibly S.A.	Poland	57,50%	Direct
Codibly Inc	USA	57,50%	Indirect
Dialogue Exchange Global	UK	4,05%	Indirect
Repoweric sp. z o.o.	Poland	11,50%	Indirect
Spyrosoft India Private Limited	India	75,00%	50% bezpośrednio and 50% Indirect
Spyrosoft Nordics A/S	Denmark	53,00%	50% bezpośrednio and 3% Indirect
Spyrosoft Adtech S.A.	Poland	100,00%	Direct
Finin Sp. z o.o.	Poland	100,00%	Direct

With the exception of a minor change in the ownership share of Spyrosoft Ltd (from 81.94% to 80.65% due to shares being acquired by the management team), no other changes in the organization of the Spyrosoft Capital Group occurred in the first half of 2025.

As of June 30, 2025, the level of affiliation of the parent company with other group entities and the adopted consolidation method is as follows:

Entity Name	Degree of Affiliation	Consolidation Method
Spyrosoft Solutions S.A.	Subsidiary	Full consolidation
Spyrosoft Ltd	Subsidiary	Full consolidation
Hyand Poland SE (dawniej GOD Nearshore SE)	Associate	Equity method

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 immateriality
Spyrosoft Solutions GmbH	Subsidiary	Full consolidation
Spyrosoft LLC	Subsidiary	Excluded from consolidation due to immateriality
Spyrosoft eCommerce S.A.	Subsidiary	Full consolidation
Spyrosoft Solutions S.R.L.	Subsidiary	Full consolidation
Spyrosoft Connect S.A.	Subsidiary	Full consolidation
Spyrosoft BSG S.A.	Subsidiary	Full consolidation
Spyrosoft BSN AS	Subsidiary	Full consolidation
Codibly S.A.	Subsidiary	Full consolidation
Codibly Inc	Subsidiary	Excluded from consolidation due to immateriality
Dialogue Exchange Global	Other entity	Excluded from consolidation due to lack of control
Repoweric Sp. z o.o.	Associate	Equity method
Spyrosoft Nordics A/S	Subsidiary	Full consolidation
Spyrosoft Adtech S.A.	Subsidiary	Full consolidation
Spyrosoft India Private Limited	Subsidiary	Entity not yet operational
Finin Sp. z o.o.	Subsidiary	Excluded from consolidation due to immateriality

All entities, except for Finin Sp. z o.o., are involved in the software business. Finin Sp. z o.o. operates in the field of accounting services and tax consulting.

## 5. BRIEF DESCRIPTION OF SIGNIFICANT ACHIEVEMENTS OR FAILURES OF THE ISSUER DURING THE PERIOD COVERED BY THE REPORT, ALONG WITH A LIST OF THE MOST IMPORTANT EVENTS CONCERNING THE ISSUER

The financial results for the first half of 2025 were positive for the Spyrosoft Capital Group. During the reporting period, the Group recorded growth in almost all key indicators and increased employment levels.

This growth was achieved despite the unfavorable market conditions in the automotive sector highlighted in the Q1 2025 report. Compared to the same period of the previous year, the automotive sector's share in the Group's revenue fell from 27% to 14% in the first half of 2025. Thanks to the diversification of the Group's operations, other sectors compensated for this decline (exceeding their planned targets), which consequently resulted in significant revenue growth (+38.8%) and an EBITDA increase (+30%) year-on-year. The EBITDA margin also remained favorable, reaching 10.22% (vs. 10.75% in H1 2024).

Given the uncertainty in the automotive sector, the Group took transformation measures in this specialization during the reporting period, adjusting employment and competencies to lower activity in the sector, while also preparing for increased activity in other markets with favorable conditions (such as India).

In other sectors, market conditions remain stable. The Group continues to record favorable results; revenue in the Media & Entertainment sector in the first half of 2025 amounted to PLN 59.7 million vs. PLN 23.3 million in the same period of the previous year. From the perspective of the Group's revenue share, this represented an increase to 21% (11% in H1 2024). A new specialization, electromobility and renewable energy, generated revenue of PLN 15.03 million during the reporting period. From a long-term perspective, achieving such favorable results in these sectors was, in the Group's opinion, primarily possible due to strategic acquisitions made in previous years (investments in Better Software Group and Codibly).

The Group also observes a positive impact of artificial intelligence on its operations. The share of AI projects in the Group's revenue in H1 2025 was 4%. Notably, artificial intelligence is present in almost every area of the Group's activity, even in projects not directly related to AI (such as AI-driven development to increase the productivity of internal operations). Additionally, the Group believes that the use of AI has facilitated the acquisition of new clients. Overall, since the introduction of AI in the Group, approximately 75% of AI projects have been successful, i.e., clients indicated benefits from using artificial intelligence (which is an exceptionally positive outcome compared to market statistics).

The Group intends to continue consistently implementing its diversification goals, both in terms of served industries and offered services (including technology consulting), to increase resilience to potential market changes and to grow revenue. Examples of such actions include the new AdTech & MarTech specialization, the development of the Defence, Security & Aerospace sector, and planned investments in Healthcare.

The number of the Group's clients increased year-on-year, reaching 250 in the first half of 2025, compared to 220 in the same period of the previous year. The labor market remains an employer's market, which positively affects the Group's development potential. The Group increased its employment to 1,949 people, up from 1,457 a year earlier.

The Management Board continues to pursue long-term goals and implements the Strategy for 2022-2026. Together with its financial advisor, Cascadia Capital LLC based in Seattle (and its Polish co-advisor, Investsight Sp. z o.o. based in Warsaw), the Group has started a process of reviewing strategic options. The Management Board intends to complete this process by the end of 2025.

## 6. DISCUSSION OF FINANCIAL RESULTS FOR THE FIRST HALF OF 2025

Main markets of the Capital Group in H1 2025:

Country	Share of Revenue
UK	36%
DACH	22%
Poland	15%
USA	15%
Scandinavia	6%
Other	6%

Revenue structure of the Capital Group in H1 2025 by business unit:

Business Unit	Share of Revenue
Media & Entertainment	21%
Automotive	14%
Financial Services	10%
High Tech & Software	10%
Geospatial	9%
Industry 4.0 & Manufacturing	9%
Connectivity & Industry Automation	7%
Retail	4%
Chemicals	3%
eMobility & Renewables/Energy	5%
Robotics	3%
Healthcare & Life Science	2%
Legal Tech	2%
Other	1%

The share of revenue from the Group's 10 largest clients accounted for 48% of total revenue in H1 2025.

In the first two quarters of 2025, revenue from the following client exceeded 10% of total sales of the Capital Group:

Client	Share of Revenue
British Broadcasting Corporation	15%

This client is not related to the Issuer or the Issuer's management.

### **Commentary on the consolidated financial results of the Spyrosoft Capital Group in H1 2025:**

Consolidated revenue of the Spyrosoft Capital Group in H1 2025 was approximately PLN 290 million, 37% higher than in the same period of the previous year. The revenue growth was driven by increased sales to existing clients, gradual acquisition of new clients, and the acquisition of Codibly in 2024.

The consolidated cost of goods and services sold in H1 2025 amounted to approximately PLN 202.9 million, up 39% compared to the previous year. The faster cost growth compared to revenue was primarily due to transformations in the Group related to the weakened automotive sector and unfavorable currency exchange rate changes for exporters relative to H1 2024.

Gross profit on sales reached PLN 86.7 million, 31.4% higher than in H1 2024. The gross margin on sales was 29.9%, down 1.3 percentage points year-on-year.

Consolidated general and administrative expenses, together with selling costs, totaled approximately PLN 64 million in H1 2025, 30% higher than in H1 2024. The faster increase in administrative expenses was mainly due to the inclusion of costs from Codibly S.A., which had significantly higher sales and marketing costs, as well as M&A-related expenses.

Consolidated operating profit for the period covered by this report increased by 39% year-on-year to approximately PLN 23 million. The operating margin reached 8%, up 0.1 percentage points compared to H1 2024. Financial costs in H1 2025 were lower than in the same period of the previous year, by approximately PLN 0.9 million, due to reduced interest expenses and a surplus of positive over negative foreign exchange differences.

Net profit of the parent entity of the Spyrosoft Capital Group in H1 2025 amounted to PLN 17 million, representing a 41.4% increase year-on-year. The net margin was 5.9%, up 0.2 percentage points compared to the same period in 2024. Corporate income tax in the current period was less affected by prior-year adjustments than in the previous year.

Total assets as of June 30, 2025, amounted to PLN 269.7 million, 10% higher than on December 31, 2024. The increase in assets was influenced, among other factors, by the value of financial assets used as collateral and the valuation of foreign currency forward contracts amounting to PLN 8.1 million. Trade receivables increased by 13% year-on-year to PLN 94.4 million. During the same period, current liabilities increased by 16.6% year-on-year to PLN 79.7 million, including trade payables of PLN 37.5 million.

Equity of the Group increased by 10.3% compared to December 31, 2024, reaching PLN 177 million.

***Commentary on the standalone financial results of the Issuer in H1 2025:***

Spyrosoft S.A. achieved revenue of PLN 120.6 million in H1 2025, 22% higher than the previous year. The revenue growth was achieved through increased sales, despite unfavorable currency exchange rate changes for exporters compared to H1 2024.

The cost of goods and services sold in H1 2025 amounted to nearly PLN 79 million, a 16% increase compared to H1 2024.

Gross profit on sales was PLN 42.8 million, 33% higher than in the previous year. Gross margin on sales was 35.4%, up 3.1 percentage points year-on-year.

During the first six months of 2025, general and administrative expenses increased by 15% year-on-year to PLN 33.4 million. The lower growth rate of administrative costs compared to revenue growth was mainly due to savings in administration (office space optimization). The largest increase was recorded in M&A-related costs.

Operating profit increased by 200% year-on-year to PLN 9.4 million. The operating margin reached 7.8%, up 4.6 percentage points year-on-year.

Net profit amounted to PLN 18.5 million, more than doubling compared to the previous year. The increase was primarily driven by dividends received from subsidiaries. The net margin reached 15.4%, up 9.5 percentage points compared to the previous year.

Total assets as of June 30, 2025, amounted to PLN 123.8 million, 19% higher than on December 31, 2024. One factor contributing to this increase was a rise in cash by over PLN 6 million (48%). Short-term receivables increased by PLN 12.8 million to PLN 57.9 million. Meanwhile, the growth rate of current liabilities was only 3% compared to the previous period, reaching PLN 35.8 million, with trade payables increasing by almost the same rate (+2%). Long-term liabilities decreased by 17%.

Equity reached PLN 84.2 million, 28% higher than on December 31, 2024.

## 7. INDICATION OF FACTORS AND EVENTS, INCLUDING UNUSUAL ONES, HAVING A SIGNIFICANT IMPACT ON THE CONDENSED FINANCIAL INFORMATION

No factors or events occurred in the first half of 2025 that would have a significant impact on the condensed financial information provided in this report.

## 8. FINANCIAL PERFORMANCE FORECASTS

The company has not published any forecasts for the year 2025.

## 9. SHAREHOLDER STRUCTURE OF THE ISSUER

Below is the shareholder structure of Spyrosoft S.A., showing shareholders owning at least 5% of the votes at the General Meeting of Shareholders as of the date of this report's publication:

Shareholder	Number of Shares	Share in Share Capital	Number of Votes	Share in Total Votes
Konrad Weiske	335 975	30,71%	335 975	30,71%
Dorota Łękawa	274 407	25,08%	274 407	25,08%
Wioletta Bodnaruś	273 300	24,98%	273 300	24,98%
Pozostali	210 510	19,24%	210 510	19,24%
<b>TOTAL</b>	<b>1 094 192</b>	<b>100,00%</b>	<b>1 094 192</b>	<b>100,00%</b>

With the exception of a minor increase in share capital resulting from the implementation of the incentive program, the structure has not changed since the publication of the previous periodic report.

## 10. SHAREHOLDINGS OF THE ISSUER OR RIGHTS TO THEM HELD BY MANAGING AND SUPERVISING PERSONS OF THE ISSUER

As of the date of preparation of the report:

- Konrad Weiske, CEO, holds 335,975 shares in the Company with a nominal value of PLN 33,597.50, representing 30.71% of all shares, entitling him to 30.71% of the total votes at the General Meeting of Shareholders.
- Agnieszka Weiske, wife of Konrad Weiske (CEO), holds 42 shares in the Company with a nominal value of PLN 4.20, representing less than 0.01% of all shares, entitling her to less than 0.01% of the total votes at the General Meeting of Shareholders.
- Dorota Łękawa, wife of Sebastian Łękawa (Board Member), holds 274,407 shares in the Company with a nominal value of PLN 27,440.70, representing 25.08% of all shares, entitling her to 25.08% of the total votes at the General Meeting of Shareholders.
- Łękawa Foundation, of which the beneficiaries are Sebastian Łękawa (Board Member) and his wife Dorota Łękawa, holds 1,000 shares in the Company with a nominal value of PLN 100, representing 0.09% of all shares, entitling it to 0.09% of the total votes at the General Meeting of Shareholders.
- Wioletta Bodnaruś, wife of Wojciech Bodnaruś (Board Member), holds 273,300 shares in the Company with a nominal value of PLN 27,330, representing 24.98% of all shares, entitling her to 24.98% of the total votes at the General Meeting of Shareholders.
- Sławomir Podolski, Board Member, holds 11,430 shares in the Company with a nominal value of PLN 1,143, representing 1.04% of all shares, entitling him to 1.04% of the total votes at the General Meeting of Shareholders.
- Kamila Podolska, wife of Sławomir Podolski (Board Member), holds 133 shares in the Company with a nominal value of PLN 13.30, representing 0.01% of all shares, entitling her to 0.01% of the total votes at the General Meeting of Shareholders.
- Andrew Radcliffe, Supervisory Board Member, holds 22,345 shares directly in the Company with a nominal value of PLN 2,234.50, and 189 shares indirectly with a nominal value of PLN 18.90, representing a total of 2.06% of all shares, entitling him to 2.06% of the total votes at the General Meeting of Shareholders.
- Tomasz Krześniak, Supervisory Board Member, holds 16 shares in the Company with a nominal value of PLN 1.60, representing less than 0.01% of all shares, entitling him to less than 0.01% of the total votes at the General Meeting of Shareholders.

Other managing and supervising persons do not hold shares in the Company or rights to them.

Since the publication of the previous periodic report, there have been no changes in the direct shareholdings of the Company among managing and supervising persons.

## 11. LEGAL PROCEEDINGS

During the period covered by the report, i.e., in the first half of 2025, neither the Parent Entity nor its subsidiaries initiated any significant legal proceedings regarding liabilities or receivables.

## 12. TRANSACTIONS WITH RELATED PARTIES

In the first half of 2025, neither the Company nor the Capital Group entered into transactions with related entities on terms other than market terms.

## 13. GUARANTEES AND WARRANTIES

In the first half of 2025, neither the Company nor the Capital Group provided any guarantees for loans or credit facilities, nor granted any significant warranties.

As of June 30, 2025, the total value of guarantees and warranties issued by the companies in the Capital Group is not significant and amounts to PLN 3,279 thousand.

#### 14. FACTORS THAT, IN THE ISSUER'S OPINION, WILL HAVE AN IMPACT ON ITS RESULTS IN THE PERSPECTIVE OF AT LEAST THE NEXT QUARTER

The Issuer identifies the following factors that may have an impact on its development and financial performance:

##### **External Factors:**

- Macroeconomic and political situation in the markets where the Capital Group operates, particularly related to the global economic crisis and fluctuations in the economic policy of the United States.
- Increased acquisition potential, providing an opportunity to favorably acquire new entities for the Group.
- Increased availability of specialists in the labor market.

##### **Internal Factors:**

- Further expansion of the Group into new markets and acquisition of software engineers, depending on the more challenging market conditions.
- Slowdown in the growth rate of wages due to market conditions.
- Reduced employee turnover.

#### 15. DESCRIPTION OF KEY RISKS AND THREATS

The Spyrosoft Capital Group identifies the following as the most significant risk factors, based on the probability of their occurrence and the anticipated scale of their negative impact: the risk related to the loss of management staff and the loss or failure to acquire qualified employees, the risk of losing key clients, the risk of a decrease in the growth rate, and the risk of IT security.

##### **Risk related to the loss of management staff and the loss or failure to acquire qualified employees**

The operational activities of the Group are based on a broad team of specialists – programmers, designers, and testers. Due to the periodic shortage of qualified IT professionals in specific specialties in both the Polish and international labor markets, the Group is exposed to the risk of losing, failing to acquire, or delayed acquisition of the necessary human resources. Furthermore, the Group's operations and its development prospects are heavily dependent on the knowledge, experience, and qualifications of key employees and collaborators, particularly members of the Management Board. Key members of the management team within the Group, including members of the Management Board of the parent company, have extensive knowledge of the Group's operations and the market environment in which it operates. In Poland, there is significant competition in terms of acquiring qualified staff, including key managerial staff, which may increase personnel costs and make it more difficult to hire and motivate qualified personnel. The Group points out that it may not be able to prevent the departure of key managers, business partners, and clients due to the above-mentioned factors. The Group may also not be able to replace them with individuals who have similar competencies and experience in a timely manner. Since the Group offers its clients services related to the comprehensive execution of IT projects, including the development of IT software, work on individual IT projects depends on the complexity of the solution and the complexity of the service, and may last up to several months. Teams are created for the duration of each IT project. Therefore, in the event of a sudden demand for a specific type of IT project, the Group may not be able to accept and complete all potential orders and acquire new employees promptly to increase the number of projects being executed. In the past, the Group has identified such situations; however, they did not have significant importance in the scope of its operations. Nevertheless, the occurrence of such situations may negatively impact the Group's reputation and its ability to acquire new clients in the future. Trust in the Group is one of the key factors determining the clients' interest in maintaining long-term relationships. Factors that may affect the loss of trust from clients include poor quality and untimely delivery of services. In the case of a sudden increase in orders and a lack of qualified staff, the Group may encounter limitations in fulfilling obligations on time and with the required quality. For this



purpose, the Group's personnel policy anticipates increasing the proportion of employees with extensive experience. The Group strives to acquire as many employees as possible with several years of experience in the profession, who are capable of independently and effectively managing teams of programmers. Therefore, in the Group's workforce structures, approximately 50% of employees have over 4 years of experience in the industry in which the Group operates, and approximately 25% of the Group's employees have more than 2 years of experience. Additionally, significant competition for the Group in the labor market comes from international, prestigious holdings offering high salaries. A limitation in the availability of human resources may lead to a reduction in the Group's development potential and a reduction in forecasted financial flows. Furthermore, there is a risk related to the execution of the projects themselves in the event that one of the key members of the technical team cannot participate in the work for a certain period. Untimeliness in delivering and implementing solutions may expose the Group to additional costs related to contractual penalties or damages. The Group tries to prevent the materialization of this risk by constantly monitoring the labor market and adapting to prevailing trends, including those related to salaries. For this purpose, salary reports are prepared, and non-salary employee expectations are continuously monitored and analyzed in terms of market trends. In addition, the Group undertakes a number of actions aimed at increasing employee and collaborator satisfaction. The benefits package includes, among other things: funding for private healthcare and sports activities, a training budget, and group insurance. An additional factor is the motivational program introduced in 2022, which provides for the allocation of warrants to key employees. Despite the actions taken, the Group cannot fully eliminate the risk of losing qualified employees, and if difficulties arise in recruiting replacements, this will have a negative impact on the Group's operations, including the provision of adequate quality and scope of services, which, in turn, may have a significant negative impact on its financial situation, development prospects, results, or stock price. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low, because in the Group's opinion, the number of employees and collaborators ensures continuity of operations even in the event of a worsening position for employers in the IT sector. Furthermore, changes in the labor market, combined with a lower economic climate, have led to a decrease in turnover in the industry. The Group assesses the significance of this risk factor as high.

#### **Risk of Increased Wage Costs**

The main cost item in the Group's operations is wages and external services (mainly programming services). In order to hire and retain the best specialists, the Group anticipates an increase in employee and collaborator costs in the current and subsequent fiscal years. Wages and external services have been a significant portion of the Group's total operating costs for years. Therefore, the Group is particularly vulnerable to the risk of increased wage costs. Maintaining an appropriately skilled workforce and ensuring continued cooperation with a team of highly qualified external specialists is crucial to ensuring the proper quality of services provided, which in turn will affect sales levels, directly influencing the Group's financial results. Furthermore, this risk of increased costs also arises from potential changes in legal regulations, especially those related to the taxation of civil law contracts, personal income tax, and corporate income tax, as well as the unification of health insurance contributions and the way they are calculated for entrepreneurs, which may lead to an increase in wage expectations from employees and collaborators. A sudden increase in wage costs, with unchanged or slightly increased revenue, will negatively affect the Group's financial situation, development prospects, results, or the market price of SpyroSoft S.A. shares. At the same time, the Group must constantly offer competitive wage levels in the labor market to maintain the ability to quickly and efficiently acquire new human capital. Additional factors increasing the pressure for wage growth are international prestigious holding companies offering high salaries, which constitute significant competition for the Group in the labor market. Additionally, wage growth is influenced by the increased demand for IT services and the process of consolidation of smaller entities by industry leaders in the IT sector. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low. Although the level of wages remains the main motivating factor for potentially changing employers, the brand value and the projects being undertaken partially mitigate the size of this risk, and the weakening wage growth trend in the industry further reduces it. Therefore, the Group assesses the significance of this risk factor as low.

**Risk related to the non-implementation of the Group's development strategy**

The Group's development strategy has been described in section 5.1. The main goals of the Group include, among others, an annual revenue growth of 25-35%, an EBITDA margin of 11-14%, increasing the number of employees and collaborators in the Group to 3,000 people, growth through acquiring new clients and cross-selling, growth through acquiring companies with new competencies for the Group, and opening new R&D centers abroad, including in the Far East. However, due to events independent of the Group, particularly legal, economic, or social factors, the Group may face difficulties in achieving its goals and fulfilling its strategy, or it may not achieve it at all. It cannot be ruled out that, as a result of changes in the external environment, the Group will need to adjust or change its goals and strategy. A similar situation may occur if the costs of implementing the strategy exceed the planned expenditures, for example, due to the need to cooperate with additional people, economic changes that cause a significant increase in operational costs, or the occurrence of breakdowns and unforeseen events requiring the purchase of new equipment. These situations could negatively affect the implementation of the Group's strategy and result in smaller benefits than originally planned. Further difficulties in the implementation of the Company's strategy could be associated with circumstances such as a lack of interest from high-revenue potential business clients, particularly those operating in highly developed countries such as the DACH region, the United Kingdom, or the USA, low client satisfaction with services provided by the Group, insufficient adaptation of the services offered to clients' needs, lack of portfolio expansion, and lack of increased market share in selected countries. Even the occurrence of one of the above factors may cause difficulties in implementing the Group's strategy, which in turn could have a significant negative impact on the Group's financial situation, development prospects, results, or the market price of SpyroSoft S.A. shares. Difficulties in implementing the Company's strategy may also result from legislative changes and difficulties related to changes in economic policy in the area of funding for innovative companies, including those in the technology sector, which may force the Company to change its funding structure, potentially delaying the implementation of subsequent projects. Taking the above into account, there is a risk that the Company's strategy will not be implemented at all or to a lesser extent than expected, with significant delays or unsatisfactory results. If the Company encounters unexpected barriers during the execution of the developed strategy, it may be forced to change it, abandon it, or develop a new strategy, which could have a negative impact on its financial results. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium, because despite the business environment being characterized by much worse conditions, the Group has demonstrated high flexibility in approaching its plans and assumptions. Therefore, the Group assesses the significance of this risk factor as medium.

**Risk related to delays in software production and service delivery**

Group executes complex IT projects, including providing comprehensive software development services. Software development and software testing are complex and multi-stage processes, dependent not only on human factors and the execution of subsequent work phases but also on technical factors and adequate funding. Furthermore, these processes require the greatest input at the beginning, while the revenue from their execution is earned by the Group in subsequent periods. Often, the start of the next phase of production or testing is only possible after the completion of the previous phase. There is, therefore, a risk of delays in a given stage of production or testing, which may also lead to delays in the completion of the entire IT project. As a result, a prolonged software or application development process, or testing, may negatively impact the Group's financial situation. Significant delays in the execution of tasks may also lead to the client withdrawing from the contract, which would negatively affect the Group's operational activities and financial results. Failure to meet the planned production schedule may result in delays in completing a given project, which could negatively affect the level of compensation received for executing the IT project, further cooperation with the contractor, and the achievement of the expected financial results by the Group. Such situations have occurred sporadically in the past and did not have a significant impact on the Group's operations and financial results. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low, as it has extensive experience in the industry, allowing for effective work planning, taking into account potential difficulties. Therefore, the Group assesses the significance of this risk factor as low.

#### **Risk related to the deterioration of the Group's image**

The development of the Group's activities depends on the future demand for the services it offers. The Group may support the growth of demand for its services through marketing and image-building activities. The most important indicator of the quality of services offered by the Group is the market opinion about them. As of the approval date of the consolidated financial statements for publication, the Group has no knowledge of any negative information published about it on any industry websites. However, the Group identifies the risk related to exposure to unfair competition, materializing through attempts to damage the Group's reputation by spreading false information about the Group's activities on various channels. Any negative opinions about the Group's operations could adversely affect the future level of demand for the Group's services and the resulting financial flows. Additionally, the Group's position as a good employer could be harmed, which would limit the availability of qualified personnel and increase wage costs. The risk of deterioration of the Group's image may primarily be related to untimely or inaccurate execution of projects entrusted to the Group, hardware and system failures, or human factors. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low, as it takes care of its image and implements its brand communication strategy with the help of its own actions and cooperating PR and IR agencies. Therefore, the Group assesses the significance of this risk factor as low.

#### **Risk of losing key clients**

The Group continuously undertakes activities aimed at diversifying the structure of its service recipients in accordance with its development strategy. The Group's client portfolio is highly diversified, and the share of its most significant client in total revenue does not exceed a few percentage points. Moreover, most orders and services provided based on them (over 90% in value) are long-term. The nature of the services provided by the Group to its clients assumes a relatively long contract termination period (from 3 to 6 months). Additionally, the relatively high demand for professional software development services means that, according to the Management Board, the Group is not exposed to high risks related to the lack of clients. However, it cannot be excluded that, due to factors independent of the Group, for example, financial problems of a specific client, particularly as a result of the worsening economic situation worldwide, the number of potential clients will decrease, and the Group will not be able to acquire new contracts for a period longer than one month. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium, as it has primarily carried out long-term contracts in its history and has demonstrated a high level of flexibility in meeting clients' expectations. However, considering the worsening business climate and the potential difficulties faced by existing clients, the Group assesses the significance of this risk factor as medium.

#### **Risk of payment delays or insolvency of clients**

The Group may be exposed to a situation where one of its clients will not be able to settle its obligations on time. Additionally, some clients may fail to meet their financial obligations towards the Group in accordance with the signed agreements. This situation may negatively affect the Group's liquidity position and also require the creation of provisions for overdue receivables. This phenomenon would have an adverse impact on the Group's financial results. Furthermore, this situation could involve one of the Group's key clients, which would require the termination of a previously signed agreement, consequently significantly limiting cash flows. The settlement of receivables for services performed by the Group is continuously monitored, and the knowledge of clients means that all arrears are paid, and no additional actions are required for their collection. The monthly frequency of invoicing allows for the quick suspension of project execution in the event of delays in receivable collections, thus limiting the increase of overdue receivables. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low, because the Group uses settlement methods that reduce the risk of long-term liabilities, and the efficient supervision of receivables guarantees the highest level of effectiveness in their enforcement. Therefore, the Group assesses the significance of this risk factor as low.

#### **Risk of failure of a product prepared by the Group**

The Group's operations, like any production activity, are subject to the risk of producing a defective product. It cannot be ruled out that, in the case of certain design defects, a product created by the Group could fail. The resulting dysfunction may be significant enough that some of the actions taken by the Group's employees will need to be interrupted in order to eliminate the failure. There is a risk that, as a result of a system failure at one of the contractors, project tasks related to an ongoing project for another entity could be neglected. This could lead to delays in the implementation of a given system and expose the Group to additional costs due to the delay. The Group has not identified such events in the past, and additionally, both the Company and the Group hold insurance policies that cover risks specific to the IT industry, which prevents the consequences of this category of risk from materializing. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low, because with many years of experience in the industry and working with highly qualified specialists, it produces high-quality software with a low risk of malfunction. Furthermore, the Group's key business area is software development, not product manufacturing. Therefore, the Group assesses the significance of this risk factor as low.

#### **Risk related to intellectual property rights**

The agreements for the provision of IT services entered into by the Group contain clauses concerning the transfer of part or all of the copyrights associated with the execution of a given project to the client. The Group also permits third parties to modify the created work. Therefore, there is a risk that the Group's product may reach entities that could pose competition to the Group. Furthermore, it may turn out that the Group's product could serve as a basis for the creation of a completely new system in another company. The risk described above is limited by the system specification, which includes many details specific to the particular client. However, it cannot be excluded that certain entities with whom the Company's clients will cooperate in the future may model their solutions based on those created by the Group. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low because the Group executes projects with a high degree of product customization for the specific needs of each client, making them less likely to be applied universally. Therefore, the Group assesses the significance of this risk factor as low.

#### **Risk related to transactions with related entities**

Transactions have been and will continue to be carried out between entities within the Group, referred to as transactions with related parties. Transactions with related parties are subject to additional requirements and restrictions from the perspective of tax law, which are also characterized by a significant degree of complexity. Furthermore, they may be subject to examination by tax authorities, both domestic and foreign – those competent for the other countries in which the Group operates. In the case of any audits, the criterion is the analysis of the compliance of financial and non-financial parameters. Transactions with related parties should be concluded on market terms. According to the Group's best knowledge, the prices applied in intra-group settlements correspond to market prices for such transactions. Despite the application of internal rules for determining the terms of transactions between related parties, it cannot be excluded that transfer pricing documentation may be challenged by the tax authorities conducting tax audits within the Group. If domestic or foreign tax authorities successfully challenge the tax interpretation of economic events, through audits or otherwise, the effective tax rate may increase, and the Group may be required to pay additional taxes, penalties, and interest, as well as incur legal defense costs in court disputes or settlements with the relevant tax authority. Each of the above situations could have an adverse impact on the Group's operations, operational results, and financial position. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as low because all data, along with financial documentation, undergoes periodic audits, which have not raised any objections so far. Therefore, the Group assesses the significance of this risk factor as low.

#### **Risk of a decrease in the growth rate**

The Group has grown dynamically in recent years; however, maintaining this trend and level of growth requires a significant increase in sales. This is only possible by expanding the team and, at a certain point, by investing in

marketing activities aimed at promoting the Group and its products among potential clients. At the same time, acquiring qualified sales representatives in the markets where the Group operates and in target markets is a time-consuming process that generates high costs. Therefore, as well as in the face of macroeconomic conditions, particularly an economic slowdown, the Group may not grow at the expected pace in the near future. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium, because it has demonstrated flexibility in achieving its budget assumptions and also has an efficient sales team supported by a range of tools to facilitate active market participation. However, it has no influence over macroeconomic conditions. Therefore, the Group assesses the significance of this risk factor as medium.

#### **IT security risk**

Operating in the software development industry, the Group cannot rule out all kinds of cyberattack attempts aimed at its IT systems and other operational systems. A failure of these systems may prevent the Group from effectively and efficiently conducting its business in the provision of services and may cause temporary disruptions or interruptions. Restoring full functionality of such systems may be impossible, time-consuming, or take longer than anticipated, and may require significant financial investment. Moreover, the Group's technologies and operational systems may be vulnerable to damage or disruptions caused by, among other things, malicious software, computer virus attacks exploiting security gaps in the Group's IT systems, human error, security breaches, unauthorized access, and other similar incidents. These circumstances may cause interruptions in the Group's service provision. If such events occur, the Group's client service may be disrupted, and this could also lead to data breaches or other unauthorized access to personal data. Any interruptions in the Group's service delivery may significantly damage its reputation and reduce customer trust, which in turn could negatively affect its ability to acquire and retain clients. Additionally, any actual or perceived failures or unsatisfactory client responses could negatively impact customer satisfaction. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium because, despite exercising the utmost care and employing professional staff and collaborators, securing the Group against professional hacker attacks and, consequently, potential system failures is difficult to prevent. The materialization of this risk could have an adverse impact on the Group's development prospects, changes in the business assumptions and strategy adopted by the Group, and consequently, on the Group's operational results and financial position. Given the above, the Group assesses the significance of this risk as high.

#### **Risk related to the economic situation in the IT industry**

The economic situation in the IT industry depends on many economic factors. Particularly important in this case is the level of spending by businesses on IT solutions. In Poland, the level of investment by micro, small, and medium-sized enterprises in solutions across the entire ICT sector (IT and telecommunications sectors) is mainly driven by adapting businesses to current technical progress, rather than the desire to implement modern technologies to gain a competitive advantage. Enterprises relatively more often prefer to invest in fixed assets rather than in ICT solutions. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium because the strength of technical progress itself generates a high demand for programming services, and the pace of technological advancement forces companies to invest at a level that ensures the continued growth of the IT industry. Additionally, the Polish market is not the Group's main market. Therefore, the Group assesses the significance of this risk factor as medium.

#### **Risk related to short-term contracts**

A characteristic feature of the programming industry is the short-term nature of some contracts and orders from clients, often not exceeding a period of 3-6 months. The Group is unable to guarantee that after completing an order received from a given client, the same client will be interested in continuing to use the Group's services. The nature of short-term contracts, typical in the IT industry, requires the Group to actively expand its client base. If there is a lack of new orders from new clients and the cooperation with current clients ends, these circumstances may negatively affect the Group's operations, financial situation, development prospects, results, or the market

price of its shares. The Group minimizes this risk by focusing on ensuring the highest quality of services offered to ensure customer loyalty and long-term revenues, and also seeks to obtain contracts that guarantee long-term income. Furthermore, the Group is actively expanding its client base by increasing its involvement in foreign markets. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium, because practice shows that initially planned short-term contracts often evolve into long-term cooperation, and the Group also has the opportunity to obtain long-term contracts. Therefore, the Group assesses the significance of this risk factor as medium.

#### **Currency risk**

Group incurs software production costs in the local currency (PLN), however, a significant portion of the Group's revenues is realized in foreign currencies. Therefore, an important risk in terms of future financial flows is the fluctuation of exchange rates. This particularly concerns the following currency pairs: EUR/PLN, GBP/PLN, and USD/PLN. Additionally, there is an increasing trend in the value of revenues earned by the Group in foreign currencies: 85-88% of revenues over the last 4 years of the Group's operations. Given the above, the Group highlights that currency fluctuations may reduce the value of the Group's receivables or increase the value of its liabilities, resulting in exchange rate differences that affect the Group's financial performance. There is a risk that, in the case of significant currency fluctuations, the revenues from the concluded transactions may differ significantly from those anticipated by the Group. In the event of PLN appreciation against EUR, GBP, and USD, and the limited ability to transfer the currency burden to clients, the Group is exposed to a decrease in projected revenues proportionally to the decline in the exchange rate of the currency pairs, and consequently, a lower profitability for the Group. The Group monitors exchange rates to allow for price adjustments when the exchange rate change is significant enough that the profit obtained does not meet the expected range. Additionally, in order to protect against the materialization of this risk, the Company seeks to maximize the so-called "natural hedging," adjusting the currency of invested capital to the currencies in which the Group earns revenues. As of the approval date of the consolidated financial statements for publication, the Group uses financial instruments to hedge against currency risk according to the "Currency Risk Management Policy in the Spyrosoft Capital Group" adopted in 2024: companies within the Spyrosoft Capital Group use exchange rate hedging when the foreign exchange exposure for a given currency reaches 10 million PLN. There is no certainty that the methods used by the Company to reduce existing currency risk through selected instruments will prove fully effective. As of the approval date of the consolidated financial statements for publication, the Group has not entered into an insurance contract to protect against the materialization of the described risk. Given that, as of the approval date of the consolidated financial statements for publication, the Group continues to actively develop its business, it does not identify the currency risk as a significant threat to the level of expected operating profitability. However, this risk may have a more intense impact as the Group's business develops, including the execution of key projects. The Group continuously monitors the level of revenues earned in foreign currencies, and in cases where necessary, it will use available financial instruments in the banking market to manage currency risk. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium, because apart from using financial instruments to hedge currency risk, the Company has procedures for monitoring exchange rates and maximizes the so-called natural hedging by adjusting the currency of invested capital to the currencies in which its revenues are realized. The materialization of this risk, however, could lead to a decrease in the value of the revenues earned, without threatening the Company's operations, and could consequently reduce the financial results of the Group. Therefore, the Group assesses the significance of this risk factor as medium.

#### **Risk related to competitive environment**

The software and IT solutions market is characterized by very dynamic growth and increasing levels of competition. The services offered by the Company are innovative products, belonging to the so-called advanced technology sector. On this market, several entities operate that have significantly more experience and capital resources than the Company. Due to the high market dynamics, there is also a risk of a new entity emerging whose offering may be more innovative than that of the Company. Achieving a competitive advantage is possible through the



implementation of innovative, unique solutions that are user-friendly and economically attractive to potential customers. Key aspects related to IT activities include the ability to effectively complete ongoing projects, cost optimization (especially in managing human resource costs), customer trust, and the awareness of the company's presence in the market. As of the approval date of the consolidated financial statements for publication, the Group cannot exclude the risk that, in the future, it may not be able to respond quickly or effectively enough to the changing market environment in terms of project execution time or the costs of delivered technological solutions, which could lead to the loss of market position by the Company. The materialization of this risk may negatively affect the sales of the Company's products and services and, consequently, its financial results. Currently, the Company considers its direct competition to be companies such as: EPAM, Luxoft, Xebia, Netguru, Intive, Unity Group, and other entities engaged in software development on behalf of clients. The Company also sees indirect competition from outsourcing companies from countries that were former republics of the former USSR, offering human capital leasing (in a remote work model or directly at the client's location). There is a risk that the Company may not be able to respond effectively and quickly to customer expectations, leading them to choose solutions from competitors. Such a situation in the long term could negatively affect the Company's sales volume and financial results. To minimize the probability of the materialization of this risk, the Company actively studies and monitors the software and IT solutions market to identify prevailing quality and pricing standards for the products delivered as well as delivery timelines by competitors to the Group. As of the approval date of the consolidated financial statements for publication, the Group assesses the probability of this risk occurring as medium, because particularly on the international stage, there is a high level of competition with strong dispersion, while the Group assesses the significance of this risk as low. As of the approval date of the consolidated financial statements for publication, the Group does not foresee a threat to its operations from new entities, as the scope of the Company's services includes comprehensive analysis of the client's environment, development strategy analysis, detailed design of the client's business processes, which ultimately leads to the offering of a well-tailored IT solution, its implementation, deployment, and maintenance in an appropriately timely manner and for a fee in line with market standards. However, it cannot be excluded that a potential future change in business models by entities competing with the Group or changes in the market environment could significantly reduce the Group's market share, which could, in turn, have a negative impact on the Group's operations, development prospects, financial situation, or results.

#### **Risk related to technological changes in the IT industry**

The dynamics of the market in which the Group operates necessitate constant adjustment of its offerings to new technological requirements. The dynamics of the modern IT solutions market force the continuous work on product modernization and the creation of new IT solutions. A lack of sufficient project support may lead to product obsolescence, thus weakening the Group's competitive position. This may result in a decline in the Group's sales and, consequently, a decrease in its financial performance. The Company cannot fully exclude the risk of significant technological changes in the software it offers, which could weaken the Group's competitive position in the market. Such a situation may occur if the products offered by the Group, due to the introduction of new technological solutions, significantly lag in quality behind products offered by competitors. The actions taken by the Group to counteract this risk focus on maintaining a team of employees with high competence in the field of technology. Furthermore, the Group allocates additional financial resources to forward-looking investments in innovative projects and IT solutions that could constitute a market advantage in the future. The Group assesses the significance of this risk as low, because the Company continuously monitors technological trends in the IT industry and, depending on the situation, implements new solutions according to new standards. Additionally, the Company has implemented an internal process of continuous qualification improvement for all employees, which allows them to master new technological solutions in real time. Therefore, the Group assesses the significance of this risk factor as medium.

### **Risk related to the consolidation processes of competing entities**

Consolidation processes in the IT industry lead to the strengthening of market positions of several major entities, limiting the opportunities of other companies operating in the software and IT solutions market. The largest domestic companies aim to acquire smaller companies, particularly from the small and medium-sized enterprise sector, serving niche segments of the IT market. By doing so, the largest entities expand their competencies or gain access to new customer groups. Given the above, the Group points out that the described phenomenon of consolidation among competitors could contribute to weakening the Company's position in both domestic and international markets. The primary factor influencing this is that larger companies in the IT industry are generally more recognizable and have a longer business history, which means they may have a higher level of trust among potential partners. Additionally, as a result of consolidation processes, a larger number of competitors may gain access to innovative technological solutions, making them capable of delivering services at the same or higher level than the Company. Furthermore, as a result of consolidation, competing companies may gain access to new distribution channels or new customer groups, which would lead to increased sales performance and, consequently, improved financial conditions, strengthening their position in the market relative to the Group. The Group assesses the significance of this risk factor as low. The Company provides high-quality services, confirmed by the trust of current and past clients. The risk from potential new consolidated entities is limited due to the Group's ongoing specialization and development within the segment it operates in. Therefore, the Group assesses the probability of this risk occurring as low.

### **Credit risk**

Credit risk is the risk of incurring financial losses due to a client or contractor, who is a party to a financial instrument, failing to fulfill their contractual obligations. Credit risk mainly relates to the collectability of receivables, including loans granted. The Management Board implements a credit policy according to which exposure to credit risk is continuously monitored. Credit risk management is based on client verification and systematic, weekly receivables analysis. Based on this, decisions are made both in the long and short term regarding the shape of the credit policy for a specific area or client. The Group only enters into transactions with reputable companies that have a good credit rating. Thanks to these actions, the capital group's exposure to the risk of uncollectible receivables is minimal. In the case of loans granted to related entities, the credit risk is directly related to the financial situation of these entities, which the capital group has significant influence over and continuously monitors. There is no significant concentration of credit risk within the capital group, and the exposure to this risk is considered low.

### **Liquidity risk**

Liquidity risk is the risk that the Company will be unable to meet its financial obligations when they become due. The management of the capital group monitors the risk of a lack of funds; however, due to its stable financial position, this risk is insignificant. Positive financial results accumulated in retained earnings lead to financial surpluses, and the low credit risk is reflected in the timely repayment of receivables, meaning that the capital group is not exposed to the risk of delays in paying its obligations, including financial obligations such as loans, credits, and leases.

## **MANAGEMENT BOARD INFORMATION REGARDING THE ARMED CONFLICT IN UKRAINE**

The Management Board of Spyrosoft S.A., aware of the threats arising from the military actions in Ukraine, has been continuously monitoring the situation since the start of the armed conflict. The Capital Group identifies potential risks and threats to the ongoing operations of the Company and the Group. The greatest ongoing threat remains the uncertainty regarding the scale and duration of the conflict. It seems that, at the moment, the direct threat of military actions taking place in Polish territory is minimal. The type of activities carried out by the Company does not expose it to the risk of disruption or reduction of the supply chain. A significant threat is the impact of the war on the macroeconomic situation in Poland, GDP growth, unemployment levels, and inflation, all of which could affect financial results. Another risk factor related to the situation in Ukraine is the limited or even



blocked access to potential employees of Ukrainian nationality. The Spyrosoft Capital Group, as part of its new remote working policy, has implemented the 'Work from Anywhere' program across all of its companies. This program provides complete flexibility in choosing the location for work, which is a significant benefit for employees and a key advantage in the labor market. It also serves as a form of safeguard in maintaining continuity of operations.

In response to the ongoing armed conflict, the Spyrosoft Capital Group has undertaken several actions to support Ukraine. In addition to donating funds for charitable purposes, Spyrosoft has extended assistance to employees of Ukrainian nationality and is conducting informational activities among its staff to raise awareness about the ongoing events in Ukraine.

## 16. PRINCIPLES FOR PREPARING FINANCIAL STATEMENTS

The consolidated interim condensed financial information of the Group has been prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the European Union, applicable to annual periods beginning on January 1, 2025.

In preparing these consolidated interim condensed financial statements, the same accounting principles and calculation methods were applied as those used in preparing the consolidated financial statements for the year 2024. No changes were made to the comparative data nor were any errors corrected.

## 17. MANAGEMENT BOARD'S DECLARATION

The Management Board of Spyrosoft S.A., based in Wrocław, hereby declares that to the best of its knowledge, the consolidated and individual financial statements for the first half of 2025, along with the comparative data, have been prepared in accordance with the applicable accounting principles and that they provide a true, accurate, and clear reflection of the financial and asset situation of the Company and the Spyrosoft Capital Group as well as their financial results.

The Management Board of Spyrosoft S.A. declares that the Half-Year Management Report of the Spyrosoft Capital Group, containing information about the activities of the Parent Company for the first half of 2025, presents a true picture of the development and achievements, as well as the situation of the Company and the Spyrosoft Capital Group, including a description of the key risks and threats.

*Wrocław, 3rd September 2025*

Konrad Weiske – Chairman of the Board

Wojciech Bodnaruś – Member of the Board

Sebastian Łękawa – Member of the Board

Sławomir Podolski – Member of the Board