

FLASH NOTE

XTPL - Buy

Target Price: PLN 216.00 | Close as of 21/11/2023: PLN 154.50

Analyst:

 Piotr Bogusz,
 +48 22 257 5755
 Piotr.Bogusz@erstegroup.com

Q3'23 EBITDA below expectations; 2023-26 strategy announcement

Q3'23 results are below our expectations at the revenue/EBIT/EBITDA level. Revenue was below our expectations (PLN -0.4m) mainly due to the recognition of a lower amount of grants in the current period. The company recognized higher-than-expected cost of sales (PLN +0.16m), lower R&D costs (PLN -0.23m) and higher general and administrative expenses (PLN +0.23m), which ultimately translated into EBIT/EBITDA below our expectations. The slightly lower difference on net income is a result of recognition of higher-than-expected financial income (PLN +0.1m).

Quarterly snapshot

Consolidated, IFRS (PLN, mn)	Reported		y/y	Expected Erste	Reported vs. Erste
	3Q23	3Q22			
Revenue	3.9	3.7	6%	4.5	-12%
EBIT	-0.9	0.6		-0.2	
EBITDA	-0.4	0.9		0.2	
Net income	-0.8	0.5		-0.2	
EBITDA margin	-9%	24%			
EBIT margin	-24%	17%			
Net margin	-21%	14%			

Source: Company Data, Erste Group Research

Revenue. Revenues from sales of products and services were in line with published preliminary estimates (-1% y/y to PLN 3.6m in Q3'23). The product sales line posted a 76% y/y increase in revenue to PLN 2.5m, and the R&D line saw a 50% y/y drop in revenue to PLN 1.1m. Sales and rental of printers generated PLN 2.3m in revenue in Q3'23 (+71% y/y), and sales of nanoinks generated PLN 0.2m in revenue in Q3'23 (-50% y/y).

Costs. On the cost of sales side, R&D expenses were maintained at a lower level y/y (PLN -0.19m), while cost of goods sold increased (in line with the increase in product sales). General and administrative expenses increased y/y and q/q in Q3'23 mainly due to intensified efforts to commercialize the developed technology.

Financial activities and net profit. The balance on financing activities amounted to PLN 0.1m in Q3'23 vs. PLN -0.1m in Q3'22. Income tax amounted to PLN 0m, resulting in a net loss of PLN 0.8m in Q3'23 vs. a net profit of PLN 0.5 million in Q3'22.

Cash flow from operations amounted to PLN -2.4m in Q3'23 (vs. PLN 0.9m in Q3'22), which was negatively affected by an increase in inventories (stocking up for new orders), an increase in receivables (contracted

equipment sales) and a decrease in payables. Capex was PLN -2.7m in Q3'23 (PLN +1.5m q/q vs. PLN -0.7m vs. Q3'22).

The company approved a strategy for 2023-26 which aims focus on two main business areas - business development and sales, and operational development to increase production capacity in all three business lines. The company reiterated the goal of increasing revenues to PLN 100m by the end of 2026 and achieving the first industrial-scale deployments of XTPL technology. In addition, it plans to expand the projects under development into new industries in the form of telecommunications and biosensors, as well as to further expand its international distributor network and establish stationary sales centers in key technological destinations: USA, Taiwan, South Korea.

Opinion. **NEUTRAL.** *We expect a neutral investor reaction to the company's results, which are below our expectations. We note that current results have little impact on the company's valuation, and in the short term, results are likely to be burdened by investments in scale growth and product commercialization. Printer sales are taking an increasing share of the sales structure, which is a positive sign. Two industrial modules were sold in Q3'23, indicating progress in industrial deployment processes. For the full year, the company should sell 13 devices. The assumptions of the published strategy are in line with previously communicated targets. Printer sales should accelerate in the coming quarters, but we expect further investment in sales development, which could be a drag on results. Important for the company's valuation in the medium term will be information on progress in implementation projects and progress in printer sales.*

Q3'23 results review

P & L (PLN mn)	3Q22	4Q22	1Q23	2Q23	3Q23	Y/Y	Q/Q
Revenue	3.7	4.3	3.6	3.3	3.9	6%	19%
Sales of products and services	3.7	3.4	3.0	2.6	3.6	-1%	42%
Grants	0.1	0.9	0.6	0.8	0.3	355%	-60%
Costs of sales	1.5	1.9	1.8	2.0	2.0	32%	1%
R&D costs	1.4	1.6	1.3	1.3	1.1	-22%	-15%
Costs of products sold	0.2	0.3	0.4	0.8	1.0	446%	27%
Gross profit	2.2	2.4	1.8	1.3	1.9	-13%	48%
G&A	1.6	2.1	2.0	2.6	2.8	80%	10%
Other operating activities	0.0	0.0	0.0	0.0	0.0		
EBITDA	0.9	0.6	0.1	-0.9	-0.4		
EBIT	0.6	0.3	-0.2	-1.3	-0.9		
Balance on financial activities	-0.1	-0.2	-0.1	-0.1	0.1		
Profit before tax	0.5	0.1	-0.3	-1.4	-0.8		
Income tax	0.0	0.0	0.0	0.0	0.0		
Net profit	0.5	0.1	-0.3	-1.4	-0.8		

Group Research

Head of Group Research Friedrich Mostböck, CEFA®, CESGA®	+43 (0)5 0100 11902	Institutional Equity Sales Czech Republic Head: Michal Rizek Pavel Krabicka Martin Havlan Jiri Feres	+420 224 995 537 +420 224 995 411 +420 224 995 551 +420 224 995 554
CEE Macro/Fixed Income Research Head: Juraj Kotian (Macro/FI) Katarzyna Rzentarzewska (Fixed income) Jakub Cery (Fixed income)	+43 (0)5 0100 17357 +43 (0)5 0100 17356 +43 (0)5 0100 17384	Institutional Equity Sales Hungary Levente Nándori Balázs Zánkay Krisztián Kandik	+361 235 5141 +361 235 5156 +361 235 5140
Croatia/Serbia Alen Kovac (Head) Mate Jelić Ivana Rogic	+385 72 37 1383 +385 72 37 1443 +385 72 37 2419	Institutional Equity Sales Poland Jacek Jakub Langer (Head) Tomasz Galanciak Wojciech Wysocki Przemyslaw Nowosad Maciej Senderek	+48 22 257 5711 +48 22 257 5715 +48 22 257 5714 +48 22 257 5712 +48 22 257 5713
Czech Republic David Navratil (Head) Jiri Polansky Michal Skorepa	+420 956 765 439 +420 956 765 192 +420 956 765 172	Institutional Equity Sales Romania Liviu George Avram	+40 3735 16569
Hungary Orsolya Nyeste János Nagy	+361 268 4428 +361 272 5115	Group Markets Retail and Agency Business Head: Christian Reiss	+43 (0)5 0100 84012
Romania Ciprian Dascalu (Head) Eugen Sinca Dorina Ilasco Vlad Nicolae Ionita	+40 3735 10108 +40 3735 10435 +40 3735 10436 +40 7867 15618	Markets Retail Sales AT Head: Markus Kaller	+43 (0)5 0100 84239
Slovakia Maria Valachyova (Head) Matej Hornak	+421 2 4862 4185 +421 902 213 591	Group Markets Execution Head: Kurt Gerhold	+43 (0)5 0100 84232
Major Markets & Credit Research Head: Gudrun Egger, CEFA® Ralf Burchert, CEFA® (Sub-Sovereigns & Agencies) Hans Engel (Global Equities) Margarita Grushanina (Austria, Quant Analyst) Peter Kaufmann, CFA® (Corporate Bonds) Heiko Langer (Financials & Covered Bonds) Stephan Lingnau (Global Equities) Carmen Riefler-Kowarsch (Financials & Covered Bonds) Rainer Singer (Euro, US) Bernadett Povazsai-Römhild, CEFA®, CESGA® (Corporate Bonds) Elena Statelov, CIIA® (Corporate Bonds) Gerald Walek, CFA® (Euro, CHF)	+43 (0)5 0100 11909 +43 (0)5 0100 16314 +43 (0)5 0100 19835 +43 (0)5 0100 11957 +43 (0)5 0100 11183 +43 (0)5 0100 85509 +43 (0)5 0100 16574 +43 (0)5 0100 19632 +43 (0)5 0100 17331 +43 (0)5 0100 17203 +43 (0)5 0100 19641 +43 (0)5 0100 16360	Retail & Sparkassen Sales Head: Uwe Kolar	+43 (0)5 0100 83214
CEE Equity Research Head: Henning Eckuchen Daniel Lion, CIIA® (Technology, Ind. Goods&Services) Michael Marschallinger, CFA® Nora Nagy (Telecom) Christoph Schultes, MBA, CIIA® (Real Estate) Thomas Unger, CFA® (Banks, Insurance) Vladimira Urbankova, MBA (Pharma) Martina Valenta, MBA	+43 (0)5 0100 19634 +43 (0)5 0100 17420 +43 (0)5 0100 17906 +43 (0)5 0100 17416 +43 (0)5 0100 11523 +43 (0)5 0100 17344 +43 (0)5 0100 17343 +43 (0)5 0100 11913	Corporate Treasury Prod. Distribution Head: Martina Kranzl-Carvell	+43 (0)5 0100 84147
Croatia/Serbia Mladen Dodig (Head) Boris Pevalek, CFA® Marko Plastic Matej Pretkovic Bruno Barbic Davor Spoljar, CFA® Magdalena Basic	+381 11 22 09178 +385 99 237 2201 +385 99 237 5191 +385 99 237 7519 +385 99 237 1041 +385 72 37 2825 +385 99 237 1407	Group Securities Markets Head: Thomas Einramhof	+43 (0)50100 84432
Czech Republic Petr Bartek (Head, Utilities) Jan Safranek	+420 956 765 227 +420 956 765 218	Institutional Distribution Core Head: Jürgen Niemeier	+49 (0)30 8105800 5503
Hungary József Miró (Head) András Nagy Tamás Pletser, CFA®	+361 235 5131 +361 235 5132 +361 235 5135	Institutional Distribution DACH+ Head: Marc Friebertshäuser Bernd Bollhof Andreas Goll Mathias Gindele Ulrich Inhofner Sven Kienzle Rene Klasen Christopher Lampe-Traupe Michael Schmotz Klaus Vosseler	+49 (0)711 810400 5540 +49 (0)30 8105800 5525 +49 (0)711 810400 5561 +49 (0)711 810400 5562 +43 (0)5 0100 85544 +49 (0)711 810400 5541 +49 (0)30 8105800 5521 +49 (0)30 8105800 5523 +43 (0)5 0100 85542 +49 (0)711 810400 5560
Poland Cezary Bernatek (Head) Piotr Bogusz Lukasz Jańczak Krzysztof Kawa Jakub Szkopek	+48 22 257 5751 +48 22 257 5755 +48 22 257 5754 +48 22 257 5752 +48 22 257 5753	Slovakia Šarlota Šípulová Monika Sméliková	+421 2 4862 5619 +421 2 4862 5629
Romania Caius Rapanu	+40 3735 10441	Institutional Distribution CEE & Insti AM CZ Head: Antun Burić Jaromir Malak	+385 (0)7237 2439 +43 (0)5 0100 84254
Group Institutional & Retail Sales		Czech Republic Head: Ondřej Čech Milan Bartoš Jan Porvich	+420 2 2499 5577 +420 2 2499 5562 +420 2 2499 5566
Group Institutional Equity Sales Head: Michal Rizek	+420 224 995 537	Croatia Head: Antun Burić Zvonimir Tukač Natalija Zujic	+385 (0)7237 2439 +385 (0)7237 1787 +385 (0)7237 1638
Cash Equity Sales Werner Fuerst Viktoria Kubalcova Thomas Schneidhofer Oliver Schuster	+43 (0)5 0100 83121 +43 (0)5 0100 83124 +43 (0)5 0100 83120 +43 (0)5 0100 83119	Hungary Head: Peter Cszizmadia Gábor Bálint Ádám Szönyi	+36 1 237 8211 +36 1 237 8205 +36 1 237 8213
Institutional Equity Sales Croatia Matija Tkalicanac	+385 72 37 21 14	Romania and Bulgaria Head: Octavian Florin Munteanu	+40 746128914
		Institutional Asset Management Czech Republic Head: Petr Holeček Petra Maděrová Martin Peřina David Petráček Blanca Weinerová Petr Valenta	+420 956 765 453 +420 956 765 178 +420 956 765 106 +420 956 765 809 +420 956 765 317 +420 956 765 140
		Group Fixed Income Securities Markets Head: Goran Hobljaj	+43 (0)50100 84403
		FISM Flow Head: Gorjan Hobljaj Margit Hraschek Bernd Thaler Ciprian Mitu Christian Kienesberger Zsuzsanna Toth	+43 (0)5 0100 84403 +43 (0)5 0100 84117 +43 (0)5 0100 84119 +43 (0)5 0100 85612 +43 (0)5 0100 84323 +36-1-237 8209
		Poland Pawel Kielek Michal Jarmakowicz	+48 22 538 6223 +43 50100 85611

Disclaimer

This investment research (the "Document") has been prepared by Erste Group Bank AG or any of its consolidated subsidiaries (together with consolidated subsidiaries "Erste Group") independently and objectively for the purpose of providing additional economical information about the analyzed company or companies. XTPL has been covered by this investment research under the Warsaw Stock Exchange's Analytical Support Programme (the "Programme"). The Programme assumes that Erste Securities Polska S.A. will receive remuneration from the Warsaw Stock Exchange for the analytical coverage of XTPL. To the above extent, the Warsaw Stock Exchange, as the principal, is entitled to the copyrights to the report. The Document is based on reasonable knowledge of Erste Group's analyst in charge of producing the Document as of the date thereof and may be amended from time to time without further notice. It only serves for the purpose of providing non-binding information and does not constitute investment advice or investment recommendations. This Document does not constitute or form part of, and should not be construed as, an offer, recommendation or invitation to subscribe for or purchase any securities, and neither this Document nor anything contained herein shall form the basis of or be relied on in connection with or act as an inducement to enter into any contract or inclusion of a security or financial product in a trading strategy. All information, analysis and conclusions provided herein are of general nature. This Document does not purport to provide a comprehensive overview about any investment, the potential risks and results nor does this Document take into account any individual needs of an investor (the "Investor") in relation to proceeds, tax aspects, risk awareness and appropriateness of the security or financial product. Therefore, this Document does not replace any investor- and investment-related evaluation nor any comprehensive risk disclosure; any security or financial product has a different risk level. Performance charts and example calculations do not provide any indication for future performance of the security or the financial product. Information about past performance does not necessarily guarantee a positive development in the future and investments in securities or financial products can be of risk and speculative nature. The weaker the Company's credit-worthiness is, the higher the risk of an investment will be. Not every investment is suitable for every investor. Therefore, Investors shall consult their advisors (in particular legal and tax advisors) prior to taking any investment decision to ensure that – irrespective of information provided herein – the intended purchase of the security or financial product is appropriate for the Investor's needs and intention, that the Investor has understood all risks and that, after due examination, the Investor has concluded to make the investment and is in a position to bear the economical outcome of such investment. Investors are advised to mind the client information pursuant to the Austrian Securities Supervision Act 2018. Investment research is produced by Erste Group's division for investment research within the framework provided by applicable laws. The opinions featured in the equity and credit research reports may vary. Investors in equities may pursue different interests compared to those of investors on the credit side, related to the same issuer. The analyst has no authority whatsoever to make any representation or warranty on behalf of the analyzed Company, Erste Group, or any other person. While all reasonable care has been taken to ensure that the facts stated herein are accurate and that the forecasts, opinions and expectations contained herein are fair and reasonable, Erste Group (including its representatives and employees) neither expressly nor tacitly makes any guarantee as to or assumes any liability for the up-to-dateness, completeness and correctness of the content of this Document. Neither a company of Erste Group nor any of its respective managing directors, supervisory board members, executive board members, directors, officers or other employees shall be in any way liable for any costs, losses or damages (including subsequent damages, indirect damages and loss of profit) howsoever arising from the use of or reliance on this Document. Erste Group, associated companies as well as representatives and employees may, to the extent permitted by law, have a position in the securities of (or options, warrants or rights with respect to, or interest in the financial instruments or other securities of) the Company.

Further, Erste Group, associated companies as well as representatives and employees may offer investment services to the Company or may take over management function in the Company. This Document has been produced in line with Austrian law and for the territory of Austria. Forwarding this Document as well as marketing of financial products described herein are restricted or interdicted in certain jurisdictions. This, in particular, applies to the United States, Canada, Switzerland, Australia, Korea and Japan. In particular, neither this Document nor any copy hereof may be taken or transmitted or distributed, directly or indirectly, into the United States or to US Persons (as defined in the U.S. Securities Act of 1933, as amended) unless applicable laws of the United States or certain federal states of the United States provide for applicable exemptions. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdiction. Persons receiving possession of this Document are obliged to inform themselves about any such restrictions and to adhere to them. By accepting this Document, the recipient agrees to be bound

by the foregoing limitations and to adhere to applicable regulations. Further information may be provided by Erste Group upon request. This Document and information, analysis, comments and conclusions provided herein are copyrighted material.

Erste Group reserves the right to amend any opinion and information provided herein at any time and without prior notice. Erste Group further reserves the right not to update any information provided herein or to cease updates at all. All information provided in this Document is non-binding. Misprints and printing errors reserved.

If one of the clauses provided for in this disclaimer is found to be illicit, inapplicable or not enforceable, the clause has to be treated separately from other clauses provided for in this disclaimer to the largest extent possible. In any case, the illicit, inapplicable or not enforceable clause shall not affect the licitness, applicability or enforceability of any other clauses.

Important Disclosures

THIS DOCUMENT MAY NOT BE TAKEN, TRANSMITTED OR DISTRIBUTED INTO THE UNITED STATES, CANADA, SWITZERLAND, AUSTRALIA, KOREA OR JAPAN OR TO ANY U.S. PERSON OR TO ANY INDIVIDUAL OUTSIDE CANADA, AUSTRALIA, SWITZERLAND, KOREA OR JAPAN WHO IS A RESIDENT OF THE UNITED STATES, CANADA, SWITZERLAND, AUSTRALIA, KOREA OR JAPAN OR TO THE PRESS IN THESE COUNTRIES.

General disclosures

All recommendations given by Erste Group Research are independent, objective and are based on the latest company, industry and other general information publicly available which Erste Group Research considers being reliable; however, we do not represent or assume any liability for the completeness of accuracy of such information or our recommendation. The best possible care and integrity is used to avoid errors and/or misstatements. No influence on the rating and/or target price is being exerted by either the covered company or other internal departments of Erste Group. Each research drawn up by an analyst is reviewed by a senior research executive or agreed with a senior analyst/deputy (4-eyes-principle). Erste Group has implemented extensive Compliance Rules on personal account dealings of analysts (please see "Conflicts of Interest"). Analysts are not allowed to involve themselves in any paid activities with the covered companies except as disclosed otherwise. No part of their compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or views expressed by them contained in this document. Erste Group may engage in transactions with financial instruments, on a proprietary basis or otherwise, in a manner inconsistent with the view taken in this research report. In addition, others within Erste Group, including strategists and sales staff, may take a view that is inconsistent with that taken in this research report.

Conflicts of interest disclosure Checklist

Disclosures of potential conflicts of interest relating to Erste Group Bank AG, its affiliates or branches and its relevant representatives and employees with respect to the issuers, financial instruments and/or securities forming the subject of this document are updated daily.

An overview of conflicts of interest for all analysed companies by Erste Group in Research is provided under the following link:

<https://www.erstegroup.com/de/disclosure>

Erste Group Bank AG ensures with internal policies that conflicts of interest are managed in a fair and reasonable manner. The overview on policies regarding „Managing Conflicts of Interest in Connection with Investment Research“ is provided under the following link:

https://produkte.erstegroup.com/Retail/de/PDF/Umgang_mit_Interessenskonflikten/index.phtml

The distribution of all recommendations and the distribution of recommendations in relation to which investment services have been provided is available under the following link:

https://produkte.erstegroup.com/Retail/de/PDF/Recommendations_Distribution/index.phtml

All disclosures of conflicts of interest, applicable to this publication, are valid in the same extend for Erste Group Bank AG and Erste Securities Polska.

Erste Group rating definitions

Buy	> +20% from target price
Accumulate	+10% < target price < +20%
Hold	0% < target price < +10%
Reduce	-10% < target price < 0%
Sell	< -10% from target price

Our target prices are established by determining the fair value of stocks, taking into account additional fundamental factors and news of relevance for the stock price (such as M&A activities, major forthcoming share deals, positive/negative share/sector sentiment, news) and refer to 12 months from now. All recommendations are to be understood relative to our current fundamental valuation of the stock. The recommendation does not indicate any relative performance of the stock vs. a regional or sector benchmark.

A history of all recommendations within the last 12 months is provided under the following link:

<https://www.erstegroup.com/en/research/research-legal>

Explanation of valuation parameters and risk assessment

Unless otherwise stated in the text of the financial investment research, target prices in the publication are based on a discounted cash flow valuation and/or comparison of valuation ratios with companies seen by the analyst as comparable or a combination of the two methods. The result of this fundamental valuation is adjusted to reflect the analyst's views on the likely course of investor sentiment. Whichever valuation method is used there is a significant risk that the target price will not be achieved within the expected timeframe. Risk factors include unforeseen changes in competitive pressures or in the level of demand for the company's products. Such demand variations may result from changes in technology, in the overall level of economic activity or, in some cases, from changes in social values. Valuations may also be affected by changes in taxation, in exchange rates, in the capital market sentiment and in regulatory provisions. Investment in overseas markets and instruments such as ADRs can result in increased risk from factors such as exchange rates, exchange controls, taxation, political, economic and social conditions.

All market prices within this publication are closing prices of the previous trading day (unless otherwise mentioned within the publication).

Detailed information about the valuation and methodology of investment research by the Erste Group Bank AG is provided under the following link:

<https://produkte.erstegroup.com/Retail/de/PDF/Bewertungsmethoden/index.phtml>

Planned frequency of updates for recommendations

Target prices for individual stocks are meant to be 12 month target prices, starting from the date of the publication. Target prices and recommendations are reviewed usually upon release of quarterly reports, or whenever circumstances require.

Periodical publications are identified by their respective product name and indicate update frequency as such (e.g. Quarterly). Recommendations mentioned within these publications are updated in an according frequency, unless otherwise mentioned (e.g. a 12M TP is not updated on a monthly base, even when mentioned in summarizing monthly/quarterly product).

Links

Erste Group may provide hyperlinks to websites of entities mentioned in this document, however the inclusion of a link does not imply that Erste Group endorses, recommends or approves any material on the linked page or accessible from it. Erste Group does not accept responsibility whatsoever for any such material, including in particular the completeness and accuracy, nor for any consequences of its use.

Additional notes to readers in the following countries:

Austria: Erste Group Bank AG is registered in the Commercial Register at Commercial Court Vienna under the number FN 33209m. Erste Group Bank AG is authorized and regulated by the European Central Bank (ECB) (Sonnemannstraße 22, D-60314 Frankfurt am Main, Germany) and by the Austrian Financial Market Authority (FMA) (Otto-Wagner Platz 5, A-1090, Vienna, Austria).

Germany: Erste Group Bank AG is authorised for the conduct of investment business in Germany by the Austrian Financial Market Authority (FMA) and subject to limited regulation by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

United Kingdom: Erste Group Bank AG is regulated for the conduct of investment business in the UK by the Financial Conduct Authority and the Prudential Regulation Authority. This document is directed exclusively to eligible counterparties and professional clients. It is not directed to retail clients. No persons other than an eligible counterparty or a professional client should read or rely on any information in this document. Erste Group Bank AG does not deal for or advise or otherwise offer any investment services to retail clients.

Czech Republic: Česká spořitelna, a.s. is regulated for the conduct of investment activities in Czech Republic by the Czech National Bank (CNB).

Croatia: Erste Bank Croatia is regulated for the conduct of investment activities in Croatia by the Croatian Financial Services Supervisory Agency (HANFA).

Hungary: Erste Bank Hungary ZRT. and Erste Investment Hungary Ltd. are regulated for the conduct of investment activities in Hungary by the Hungarian Financial Supervisory Authority (PSZAF).

Serbia: Erste Group Bank AG is regulated for the conduct of investment activities in Serbia by the Securities Commission of the Republic of Serbia (SCRS).

Romania: Banka Comerciala Romana is regulated for the conduct of investment activities in Romania by the Romanian National Securities Commission (CNVM).

Poland: Erste Securities Polska S.A. is regulated for the conduct of investment activities in Poland by the Polish Financial Supervision Authority (PFSA).

Slovakia: Slovenská sporiteľňa, a.s. is regulated for the conduct of investment activities in Slovakia by the National Bank of Slovakia (NBS).

Switzerland: This research report does not constitute a prospectus or similar communication in connection with an offering or listing of securities as defined in Articles 652a, 752 and 1156 of the Swiss Code of Obligation and the listing rules of the SWX Swiss Exchange.

Hong Kong: This document may only be received in Hong Kong by 'professional investors' within the meaning of Schedule 1 of the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made there under.

Great Britain: This document is only made to or directed at investment professionals (as that term is defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial promotion) Order 2005 (“FPO”)) or to persons for whom it would otherwise be lawful to distribute it. Accordingly, persons who do not have professional experience in matters relating to investments should not rely on this document.

© Erste Group Bank AG and Erste Securities Polska S.A. 2023. All rights reserved.

Published by:

Erste Securities Polska S.A.
Research
00-103 Warsaw, Poland, Krolewska 16
Head Office: Warsaw
Commercial Register (KRS) No: 0000065121
District Court for the Capital City of Warsaw, XII Commercial Division
Erste Securities Polska Homepage: www.esp.pl

Erste Group Bank AG
Group Research
1100 Vienna, Austria, Am Belvedere 1
Head Office: Wien
Commercial Register No: FN 33209m
Commercial Court of Vienna
Erste Group Homepage: www.erstegroup.com