

14/2023/GPW (39) May 10, 2023

This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program 3.0.

Votum

Recommended action	2
Recent events	2
Upcoming events	2
4Q22 financial results summary	3
Financial forecasts	4
Valuation	4
1Q23 financial results preview	4
Risk factors	6
Catalysts	6
Competitive advantages	6
Disclaimer	7

This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program. 3.0.

14/2022/GPW (39) May 10, 2023

Analyst: Michał Sobolewski, CFA, FRM

Sector: Financials – specialty finance

Fundamental rating: Buy (→)

Market relative: Overweight (→)

Price: PLN 45.00

12M EFV: PLN 79.6 (↑)

Market Cap: US\$ 130 m

Bloomberg code: VOT PW

Av. daily turnover: US\$ 0.3 m

12M range: PLN 17.16-57.00

Free float: 37%

Votum

Recommended action

Votum pursues damages claims for clients of financial institutions in the area of personal and property claims as well as abusive clauses in FX mortgage loan agreements. We believe the segment of pursuing claims from abusive clauses in FX loan agreements is thriving at the moment. The Company should be the beneficiary of a growing number of pro-consumer court sentences as well as of growing interest of CHF borrowers in the court path following the first batch of favorable court sentences coupled with clear pro-consumer case-law that was recently reinforced by the CJEU advocate general’s opinion regarding the case C-520/21 on uncontractual use of capital issued in February. The final decision is scheduled to be announced in mid-June.

Given numerous unfavorable court sentences banks strive to encourage their clients with FX mortgages to strike agreements, but due to favorable case-law (most court sentences annul FX mortgages agreements) the benefits stemming from litigations clearly outweigh those from entering into agreements with banks which coupled with a substantial dispute value leads to an inflow of new clients to the Company. Moreover, in the current macroeconomic environment bank clients are discouraged from striking agreements with banks as a higher level of interest rates resulting in higher installments of PLN-denominated loans makes the FX loan conversion into PLN less attractive. Besides, Votum has started offering services related to pursuing claims from abusive clauses in selected PLN-denominated loans (so called “the old portfolio” loans and those with deferred repayment of part of a loan).

Recently, a new risk factor has surfaced, namely, a rising concern of the PFSA about the condition of the banking sector faced with unfavorable court sentences and forced to create tens of billions of

Guide to adjusted profits

No factors necessitating adjustments.

Key data

IFRS consolidated		2022	2023P	2024P	2025P
Sales	PLN m	300.6	379.3	421.0	433.4
EBITDA	PLN m	111.4	161.6	179.9	172.4
EBIT	PLN m	108.5	158.6	176.8	169.3
Net income	PLN m	87.3	124.1	139.0	137.1
EPS	PLN	7.28	10.34	11.58	11.43
EPS yoy chg	%	767	42	12	-1
Net debt	PLN m	10.8	-50.7	-127.7	-220.8
Net debt + leasing	x	15.7	-45.7	-122.4	-215.2
P/E	x	6.2	4.4	3.9	3.9
P/CE	x	6.0	4.2	3.8	3.9
EV/EBITDA	x	4.9	3.0	2.3	1.9
EV/EBIT	x	5.1	3.1	2.3	1.9
DPS	PLN	0.41	2.18	5.17	5.79
Gross dividend yield	%	0.9	4.9	11.5	12.9
Number of shares (eop)	m	12.0	12.0	12.0	12.0

Source: Company, DM BOŚ SA estimates

Stock performance



Source: Bloomberg

Recent events

1. Dividend payment (DPS at PLN 0.41): December 12, 2022
2. The CJEU advocate general’s opinion regarding the case C-520/21 on uncontractual use of capital: February 16, 2023
3. Release of consolidated FY22 financial report: April 21, 2023

Upcoming events

1. Release of consolidated 1Q23 financial report: May 26
2. CJEU ruling regarding the C-520/21 matter on uncontractual use of capital: June 15
3. Release of consolidated 1H23 results: September 22
4. Release of consolidated 3Q23 results: November 17
5. CJUE preliminary ruling on the appointment of judges: likely in 2023

provisions which, according to press, pushed the Polish regulator into works on a draft law compelling banks to offer agreements and thus discouraging borrowers from litigations. Whether the law will be proceeded is not decided yet, however, if this happens, a potential risk factor for Votum's revenues may emerge in the upcoming years. Besides, the current circumstances (approaching parliamentary elections and lack of the CJEU final judgment in the case C-520/21 (likely to be issued this autumn)) don't welcome new legislative initiatives.

We believe that the Company's shares continue to be undervalued which makes us keep our LT fundamental Buy recommendation intact. Votum's last financial figures confirm that clients' interest in the Group's services continues rising concurrently with a rising number of court sentences in the segment of pursuing claims from abusive clauses in FX loan agreements. We see a big dividend payout potential once courts of appeals start issuing sentences and court cases won are settled.

We uphold our ST relative Overweight recommendation for the Company's shares given (i) further improvement of the Group's revenues and profits expected this year, (ii) effective acquisition of new clients, and (iii) faster than we expected announcement of the CJUE ruling on uncontractual use of capital which is likely to follow the pro-consumer opinion of the CJUE advocate general.

4Q22 financial results summary

Revenues growth acceleration. The Group's 4Q22 revenues at PLN 109 million (+92% yoy) were slightly higher than we assumed in our forecasts. Once again the fourth quarter turned to be excellent for the segment of pursuing claims from abusive clauses in FX loan agreements (impact of favorable decisions of the Court of First Instance), but also was better qoq for the segment of pursuing personal property claims. The rehabilitation segment reported improved revenues as well while the segment for property claims (vehicles) showed a yoy decline of its revenues.

Higher level of profitability. 4Q22 EBITDA margin grew to 34.8% vs 21.5% a year before which is similar qoq, albeit below our expectations due to higher than we assumed revenues in the segment of pursuing personal property claims. 4Q22 EBITDA and EBIT reached PLN 37.8 million (+209% yoy) and PLN 36.8 million (+218% yoy), respectively, and were close to our forecasts thanks to higher than we expected reported revenues.

NI improvement. The Group's 4Q22 net financial costs reached PLN -0.91 million vs PLN -0.39 million in 4Q21. Rising interest costs stem from more expensive funding after hikes of interest rates. The effective tax rate was 17% and ultimately NI arrived at PLN 29.8 million which was close to our expectations.

Fig. 1. Votum; 4Q22 financial results

IFRS consolidated (PLN m)			Results vs							Realization of the FY				
	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	forecasts	4Q22E	chg yoy	1-4Q21	1-4Q22E	chg yoy	figures in:	
													4Q21	4Q22
Sales	49.0	56.7	55.7	77.3	58.8	108.7	↑	91.6	92%	195.6	300.6	54%	29%	36%
Profit on sales	2.5	12.4	18.4	32.7	19.1	51.8	↑	39.7	318%	18.3	122.0	566%	68%	42%
Profit on sales margin	5.0%	21.8%	32.9%	42.3%	32.5%	47.6%	-	43.3%	-	9.4%	40.6%	-	-	-
EBITDA	2.9	12.2	19.4	34.0	20.2	37.8	→	39.5	209%	20.1	111.4	454%	61%	34%
EBITDA margin	6.0%	21.5%	34.7%	44.0%	34.3%	34.8%	-	43.1%	-	10.3%	37.0%	-	-	-
EBIT	2.3	11.6	18.8	33.4	19.5	36.8	→	38.9	218%	17.5	108.5	522%	66%	34%
EBIT margin	4.6%	20.4%	33.6%	43.2%	33.2%	33.9%	-	42.5%	-	8.9%	36.1%	-	-	-
Gross profit	1.7	11.4	18.6	32.9	19.2	36.0	↓	38.2	215%	16.4	106.6	550%	70%	34%
Gross profit margin	3.5%	20.1%	33.4%	42.5%	32.7%	33.1%	-	41.7%	-	8.4%	35.5%	-	-	-
Net profit	0.7	7.3	16.2	26.5	14.8	29.8	→	30.5	308%	10.1	87.3	767%	73%	34%
Net margin	1.3%	12.9%	29.1%	34.2%	25.1%	27.5%	-	33.3%	-	5.1%	29.1%	-	-	-

Source: Company, DM BOŚ SA estimates

Financial forecasts

We update our financial forecasts for the Group following the release of the Company's consolidated FY22 report. Currently, we identify the segment of pursuing claims from abusive clauses in FX loan agreements recording a fast revenue growth as the one with the key importance for the Group's financial results and we assume this growth to continue, albeit with a lower dynamic. The remaining segments should support the Group's financial performance as well.

The segment of pursuing claims from abusive clauses in FX loan agreements. This year the segment has emerged as the most important with respect to both, current results and the Group's feature. We expect a further growth of revenues and EBIT this year, albeit with a materially lower dynamic due to the growing results base. Two factors will determine a growth level in the following years: (i) a rising number of new clients (implied by double-digit additions reported by Votum this year as the recommendations of the Company's services from "old" clients coupled with the CJUE pro-consumer sentences gain in importance, which makes us raise our expectations regarding the client acquisition) and (ii) a rising number of the Courts of the First Instance decisions which will increase a success fee revenues volume. Besides, we expect the cash flows increase this year stemming from the completion of agreements and receipt of success fees.

The segment of pursuing property claims. We expect the stabilization of financial results this year and then their gradual improvement in the following years.

The segment of pursuing property claims (vehicles). The segment's business model undergoes restructuring and direct cooperation with auto repair shops is implemented. We assume that in 2023 the first effects of these changes will be visible resulting in the recovery of profits.

The rehabilitation segment. We assume a stable improvement of revenues and other P&L items in the following years.

Dividend. We assume a smaller DPS this year: PLN 2.18 vs PLN 3.70 earlier, due to relatively low

cash flows of the segment of pursuing claims from abusive clauses in FX loan agreements. Huge surge of the Courts of the Second Instance decisions expected this year (after the decision becomes final and binding, the settlement between parties follows) should result in a higher cash inflow which will increase considerably the Company's ability to pay a dividend.

Valuation

On the back of the financial forecasts update, valuation horizon forward shift, and decrease of the risk free rate, our 12M EFV - constituting a 50%-50% average of the outcomes of DCF and peer-relative valuation approaches – increases slightly to PLN 79.6 per share (from PLN 72.1). Our 12M EFV falls under the positive impact of (i) the results and cash flows forecasts raised (especially in the medium term), (ii) valuation horizon forward shift, and (iii) decrease of the risk free rate (yields of 10Y POLGB). The DCF/ peer-relative valuation renders PLN 74.0 (prev. PLN 47.4) per share/ PLN 102.2 (prev. PLN 96.7) per share.

At the same time we lower the weight of the peer-relative exercise to 20% from 50% in our ultimate 12M EFV due to its limited usefulness in a valuation of the enterprises where a material change of results is expected in LT. The peer comparison includes the nearest period only (the current year and following two years, for which the consensus for peers is available) and, thus, takes into consideration probably the period of Votum's best financial historical results implying the Company's high valuation per share, but doesn't account for material changes of results which are inevitable in the LT due to a natural attrition of the target group (FX borrowers) as the banks no longer offer this kind of loans. The DCF FCFF method is free of this fault allowing for a better reflection of the Company's nature which results in a more adequate valuation.

1Q23 financial results preview

On May 26 Votum will release its 1Q23 financial results. Partial data regarding the segment of pursuing claims from abusive clauses in FX loan agreements currently exerting decisive impact on the Company's revenues and margins provide a relatively good picture of 1Q23 figures. For this

business segment the beginning of this year was excellent as regards the new client acquisition looking for help with abusive claims in FX loan agreements. The Group has also standardized its offer for existing and new clients of this segment. As far as the remaining segments are concerned, we expect a slight improvement of results vs 1Q22. All in all, we expect a successful quarter with further improvement of revenues and increasing margins.

Further revenue growth. We expect a double-digit yoy increase of revenues in 1Q23 on the back of the strong segment of pursuing claims from abusive clauses in FX loan agreements and forecast PLN 40.9 million from success fees. Given the above mentioned standardization of this segment's offer we assume lower revenues from success fees in 1Q23 (loss of revenues at PLN 9.9 million). In our view, this strategy towards clients is well thought despite of temporary lower revenues, especially that it supports the system of recommendations from current clients which will gradually become the foundation of the segment's business model; additionally, this change is positive for the Company's offer perception by potential new clients. In 1Q23

the Company will recognize PLN 10.5 million of revenues from agreements with Getin Noble's clients which following the announcement of Getin Noble undergoing restructuring were excluded from estimated revenues, but it turned out that success fees due under the agreements with Getin Noble's clients were paid timely, without significant delays which allows for their incorporation. We expect that in 1Q23 (i) the rehabilitation segment will perform well and show a double-digit dynamic, (ii) a level of sales of the segment of pursuing property claims will be maintained, and (iii) the segment of pursuing personal property claims will show some improvement. We believe the Group's yoy dynamic of consolidated revenues should be double-digit.

Further yoy improvement of financials. We assume a further yoy improvement of EBIT and EBITDA margins stemming from a higher contribution of success fees in total revenues, but also from last year's low base. We forecast 1Q23 EBIT margin of the Group at 40.8% vs 33.6% a year before which should translate into EBIT at PLN 33.3 million. According to our estimates, the Group's net profit should arrive at PLN 25.9 million (+60% yoy).

Risk factors

1. Introduction of the law discouraging borrowers to go to the court and use the Company's services
2. Smaller than assumed willingness of clients to choose the court path
3. Lower than expected demand for the Company's services
4. Unfavorable changes in the jurisprudence towards bank customers
5. Increasing competition
6. Clients' diminishing interest in the offer of pursuing abusive claims from PLN loan agreements
7. Shortage of workforce (rapid development requires an acquisition of qualified employees)
8. Pressure on salaries
9. Adverse FX fluctuations
10. Acquisitions of companies from the main shareholder and their high valuations
11. Lower payouts in pre-trial proceedings
12. Pressure on margins
13. Potential regulation of the market of compensation law firms (currently there are no active legislative bills, but such attempts made their appearances in the past)
14. Draft statutory regulation of the compensation institution
15. Departure of key managerial staff
16. Inclusion of the Company's services by insurers
17. Potential acquisitions of new companies
18. Lower than assumed CAGR of the RES segment

Catalysts

1. Continuation of the pro-consumer trend in the jurisprudence of courts with regard to people with foreign currency loans
2. The CJEU pro-consumer judgment regarding the case C-520/21 on uncontractual use of capital
3. The continued growth of clients interest in claims against banks, reinforced by favorable case law and by recommendations of satisfied clients after the winning sentence,
4. Further depreciation of the PLNCHF exchange rate, increasing the borrowers' tendency to take legal action
5. Acceleration of court processing procedures
6. Pursuing of abusive clauses in PLN loan agreements proving successful
7. Case-law favorable for borrowers in PLN
8. Maintaining the leading position in the existing markets
9. Faster than assumed organic growth (increase in the number of contracts in the debt assignment segment, improvement of the structure in the personal claims segment)
10. New value-creating acquisitions for minority shareholders
11. Effective implementation of the pandemic optimization programs
12. LT success of new ventures (RES segment)

Competitive advantages

1. Main player on the most important product markets
2. Above-average efficiency compared to the competition coming from the scale effect
3. Automation and digitalization
4. Good historical track record
5. Motivated and competent management team holding equity position in the Company
6. A pioneer of the rapidly growing market of claims for foreign currency borrowers
7. Operational efficiency
8. Specialization in strictly defined product markets
9. Multi-channel distribution network

BASIC DEFINITIONS

A/R turnover (in days) = $365/(\text{sales}/\text{average A/R})$
Inventory turnover (in days) = $365/(\text{COGS}/\text{average inventory})$
A/P turnover (in days) = $365/(\text{COGS}/\text{average A/P})$
Current ratio = $(\text{current assets} - \text{ST deferred assets})/\text{current liabilities}$
Quick ratio = $(\text{current assets} - \text{ST deferred assets} - \text{inventory})/\text{current liabilities}$
Interest coverage = $(\text{pre-tax profit before extraordinary items} + \text{interest payable})/\text{interest payable}$
Gross margin = $\text{gross profit on sales}/\text{sales}$
EBITDA margin = $\text{EBITDA}/\text{sales}$
EBIT margin = EBIT/sales
Pre-tax margin = $\text{pre-tax profit}/\text{sales}$
Net margin = $\text{net profit}/\text{sales}$
ROE = $\text{net profit}/\text{average equity}$
ROA = $(\text{net income} + \text{interest payable})/\text{average assets}$
EV = $\text{market capitalization} + \text{interest bearing debt} - \text{cash and equivalents}$
EPS = $\text{net profit}/\text{no. of shares outstanding}$
CE = $\text{net profit} + \text{depreciation}$
Dividend yield (gross) = $\text{pre-tax DPS}/\text{stock market price}$
Cash sales = $\text{accrual sales corrected for the change in A/R}$
Cash operating expenses = $\text{accrual operating expenses corrected for the changes in inventories and A/P, depreciation, cash taxes and changes in the deferred taxes}$

DM BOŚ S.A. generally values the covered non bank companies via two methods: comparative method and DCF method (discounted cash flows). The advantage of the former is the fact that it incorporates the current market assessment of the value of the company's peers. The weakness of the comparative method is the risk that the valuation benchmark may be mispriced. The advantage of the DCF method is its independence from the current market valuation of the comparable companies. The weakness of this method is its high sensitivity to undertaken assumptions, especially those related to the residual value calculation. Please note that we also resort to other valuation techniques (e.g. NAV-, DDM- or SOTP-based), should it prove appropriate in a given case.

KEY TO INVESTMENT RANKINGS

This is a guide to expected price performance in absolute terms over the next 12 months:

Buy – fundamentally undervalued (upside to 12M EFV in excess of the cost of equity) + catalysts which should close the valuation gap identified;
Hold – either (i) fairly priced, or (ii) fundamentally undervalued/overvalued but lacks catalysts which could close the valuation gap;
Sell – fundamentally overvalued (12M EFV < current share price + 1-year cost of equity) + catalysts which should close the valuation gap identified.

This is a guide to expected relative price performance:

Overweight – expected to perform better than the benchmark (WIG) over the next quarter in relative terms
Neutral – expected to perform in line with the benchmark (WIG) over the next quarter in relative terms
Underweight – expected to perform worse than the benchmark (WIG) over the next quarter in relative terms

The recommendation tracker presents the performance of DM BOŚ S.A.'s recommendations. A recommendation expires on the day it is altered or on the day 12 months after its issuance, whichever comes first.

Relative performance compares the rate of return on a given recommended stock in the period of the recommendation's validity (i.e. from the date of issuance to the date of alteration or – in case of maintained recommendations – from the date of issuance to the current date) in a relation to the rate of return on the benchmark in this time period. The WIG index constitutes the benchmark. For recommendations that expire by an alteration or are maintained, the ending values used to calculate their absolute and relative performance are: the stock closing price on the day the recommendation expires/ is maintained and the closing value of the benchmark on that date. For recommendations that expire via a passage of time, the ending values used to calculate their absolute and relative performance are: the average of the stock closing prices for the day the recommendation elapses and four directly preceding sessions and the average of the benchmark's closing values for the day the recommendation expires and four directly preceding sessions.

Distribution of DM BOŚ's current recommendations

	Buy	Hold	Sell	Suspended	Under revision	Not rated
Numbers	40	32	7	9	0	2
Percentage	44%	36%	8%	10%	0%	2%

Distribution of DM BOŚ's current market relative recommended weightings

	Overweight	Neutral	Underweight	Suspended	Under revision	Not rated
Numbers	34	32	13	9	0	2
Percentage	38%	36%	14%	10%	0%	2%

Banks

Net Interest Margin (NIM) = $\text{net interest income}/\text{average assets}$
Non interest income = $\text{fees\&commissions} + \text{result on financial operations (trading gains)} + \text{FX gains}$
Interest Spread = $(\text{interest income}/\text{average interest earning assets})/(\text{interest cost}/\text{average interest bearing liabilities})$
Cost/Income = $(\text{general costs} + \text{depreciation})/(\text{profit on banking activity} + \text{other net operating income})$
ROE = $\text{net profit}/\text{average equity}$
ROA = $\text{net income}/\text{average assets}$
Non performing loans (NPL) = loans in 'basket 3' category
NPL coverage ratio = $\text{loan loss provisions}/\text{NPL}$
Net provision charge = $\text{provisions created} - \text{provisions released}$

DM BOŚ S.A. generally values the covered banks via two methods: comparative method and fundamental target fair P/E and target fair P/BV multiples method. The advantage of the former is the fact that it incorporates the current market assessment of the value of the company's peers. The weakness of the comparative method is the risk that the valuation benchmark may be mispriced. The advantage of the fundamental target fair P/E and target fair P/BV multiples method is its independence of the current market valuation of the comparable companies. The weakness of this method is its high sensitivity to undertaken assumptions, especially those related to the residual value calculation. Assumptions used in valuation can change, influencing thereby the level of the valuation. Among the most important assumptions are: GDP growth, forecasted level of inflation, changes in interest rates and currency prices, employment level and change in wages, demand on the analysed company products, raw material prices, competition, standing of the main customers and suppliers, legislation changes, etc. Changes in the environment of the analysed company are monitored by analysts involved in the preparation of the recommendation, estimated, incorporated in valuation and published in the recommendation whenever needed.

Distribution of DM BOŚ's current recommendations for the companies which DM BOŚ has supplied with material investment services within the last 12 months

	Buy	Hold	Sell	Suspended	Under revision	Not rated
Numbers	6	6	1	1	0	2
Percentage	38%	38%	6%	6%	0%	13%

Distribution of DM BOŚ's current market relative recommended weightings for the companies which DM BOŚ has supplied with material investment services within the last 12 months

	Overweight	Neutral	Underweight	Suspended	Under revision	Not rated
Numbers	6	3	4	1	0	2
Percentage	38%	19%	25%	6%	0%	13%

LT fundamental recommendation tracker

Analyst	Recommendation	Report date	Reiteration date	Distribution date	Expiry date	Performance	Relative performance	Price at issue/reiteration*	EFV (12 months)
Votum									
Michał Sobolewski	Buy	02.09.2020	-	03.09.2020	31.08.2021	36%	-1%	11.40	30.40 →
Michał Sobolewski	-	-	15.09.2020	16.09.2020	-	-	-	13.35	30.40 →
Michał Sobolewski	-	-	08.10.2020	09.10.2020	-	-	-	12.80	30.40 →
Michał Sobolewski	-	-	08.11.2020	09.11.2020	-	-	-	11.40	30.40 →
Michał Sobolewski	-	-	19.11.2020	20.11.2020	-	-	-	12.80	30.40 →
Michał Sobolewski	-	-	04.12.2020	04.12.2020	-	-	-	12.80	25.70 ↓
Michał Sobolewski	-	-	06.12.2020	07.12.2020	-	-	-	12.80	25.70 →
Michał Sobolewski	-	-	08.12.2020	09.12.2020	-	-	-	12.30	25.70 →
Michał Sobolewski	-	-	05.01.2021	05.01.2021	-	-	-	11.80	25.70 →
Michał Sobolewski	-	-	28.01.2021	29.01.2021	-	-	-	13.95	25.70 →
Michał Sobolewski	-	-	23.02.2021	24.02.2021	-	-	-	14.20	25.70 →
Michał Sobolewski	-	-	28.02.2021	01.03.2021	-	-	-	13.65	25.70 →
Michał Sobolewski	-	-	14.03.2021	15.03.2021	-	-	-	14.40	27.90 ↑
Michał Sobolewski	-	-	16.04.2021	16.04.2021	-	-	-	18.00	27.90 →
Michał Sobolewski	-	-	27.05.2021	27.05.2021	-	-	-	16.86	27.90 →
Michał Sobolewski	-	-	30.05.2021	31.05.2021	-	-	-	17.10	27.90 →
Michał Sobolewski	-	-	13.06.2021	14.06.2021	-	-	-	16.30	27.40 ↓
Michał Sobolewski	-	-	09.07.2021	09.07.2021	-	-	-	15.60	27.40 →
Michał Sobolewski	Buy	31.08.2021	-	31.08.2021	16.08.2022	195%	273%	15.52	27.40 →
Michał Sobolewski	-	-	14.09.2021	15.09.2021	-	-	-	14.48	27.40 →
Michał Sobolewski	-	-	19.09.2021	20.09.2021	-	-	-	14.70	27.05 ↓
Michał Sobolewski	-	-	05.10.2021	06.10.2021	-	-	-	14.40	18.30 ↓
Michał Sobolewski	-	-	07.10.2021	07.10.2021	-	-	-	14.60	18.30 →
Michał Sobolewski	-	-	04.11.2021	04.11.2021	-	-	-	14.20	18.30 →
Michał Sobolewski	-	-	18.11.2021	19.11.2021	-	-	-	14.22	18.30 →
Michał Sobolewski	-	-	02.12.2021	03.12.2021	-	-	-	15.06	23.80 ↑
Michał Sobolewski	-	-	05.12.2021	06.12.2021	-	-	-	16.72	23.80 →
Michał Sobolewski	-	-	16.01.2022	17.01.2022	-	-	-	18.50	23.80 →
Michał Sobolewski	-	-	07.02.2022	07.02.2022	-	-	-	18.00	23.80 →
Michał Sobolewski	-	-	28.02.2022	28.02.2022	-	-	-	15.30	23.80 →
Michał Sobolewski	-	-	14.04.2022	14.04.2022	-	-	-	18.00	23.80 →
Michał Sobolewski	-	-	26.04.2022	27.04.2022	-	-	-	18.30	23.80 →
Michał Sobolewski	-	-	16.05.2022	16.05.2022	-	-	-	19.20	53.60 ↑
Michał Sobolewski	-	-	20.05.2022	20.05.2022	-	-	-	24.30	53.60 →
Michał Sobolewski	-	-	26.05.2022	26.05.2022	-	-	-	24.70	53.60 →
Michał Sobolewski	-	-	07.06.2022	08.06.2022	-	-	-	28.95	53.60 →
Michał Sobolewski	-	-	15.07.2022	15.07.2022	-	-	-	39.20	53.60 →
Michał Sobolewski	-	-	27.07.2022	28.07.2022	-	-	-	35.65	75.90 ↑
Michał Sobolewski	Buy	16.08.2022	-	16.08.2022	Not later than 16.08.2023	-1%	-13%	45.50	75.90 →
Michał Sobolewski	-	-	02.09.2022	02.09.2022	-	-	-	41.00	75.90 →
Michał Sobolewski	-	-	27.09.2022	27.09.2022	-	-	-	39.90	75.90 →
Michał Sobolewski	-	-	07.10.2022	07.10.2022	-	-	-	33.55	75.90 →
Michał Sobolewski	-	-	28.10.2022	28.10.2022	-	-	-	35.20	75.90 →
Michał Sobolewski	-	-	17.11.2022	17.11.2022	-	-	-	38.00	75.90 →
Michał Sobolewski	-	-	02.12.2022	02.12.2022	-	-	-	45.85	72.10 ↓
Michał Sobolewski	-	-	04.12.2022	05.12.2022	-	-	-	45.85	72.10 →
Michał Sobolewski	-	-	13.01.2023	13.01.2023	-	-	-	52.30	72.10 →
Michał Sobolewski	-	-	03.02.2023	03.02.2023	-	-	-	56.60	72.10 →
Michał Sobolewski	-	-	10.03.2023	10.03.2023	-	-	-	48.80	72.10 →
Michał Sobolewski	-	-	12.04.2023	12.04.2023	-	-	-	51.40	72.10 →
Michał Sobolewski	-	-	13.04.2023	13.04.2023	-	-	-	52.30	72.10 →
Michał Sobolewski	-	-	10.05.2023	10.05.2023	-	-	-	45.00	79.60 ↑

* prices at issue/reiteration are the closing prices at the report or reiteration date

Market-relative recommendation tracker

Analyst	Relative Recommendation		Report date	Reiteration date	Distribution date	Expiry date	Price at issue/ reiteration*	Relative performance
Votum								
Michał Sobolewski	Overweight	→	02.09.2020	-	03.09.2020	04.12.2020	11.40	4%
Michał Sobolewski	-	→	-	15.09.2020	16.09.2020	-	13.35	-
Michał Sobolewski	-	→	-	08.10.2020	09.10.2020	-	12.80	-
Michał Sobolewski	-	→	-	08.11.2020	09.11.2020	-	11.40	-
Michał Sobolewski	-	→	-	19.11.2020	20.11.2020	-	12.80	-
Michał Sobolewski	Neutral	↓	04.12.2020	-	04.12.2020	04.11.2021	12.80	-16%
Michał Sobolewski	-	→	-	06.12.2020	07.12.2020	-	12.80	-
Michał Sobolewski	-	→	-	08.12.2020	09.12.2020	-	12.30	-
Michał Sobolewski	-	→	-	05.01.2021	05.01.2021	-	11.80	-
Michał Sobolewski	-	→	-	28.01.2021	29.01.2021	-	13.95	-
Michał Sobolewski	-	→	-	23.02.2021	24.02.2021	-	14.20	-
Michał Sobolewski	-	→	-	28.02.2021	01.03.2021	-	13.65	-
Michał Sobolewski	-	→	-	14.03.2021	15.03.2021	-	14.40	-
Michał Sobolewski	-	→	-	16.04.2021	16.04.2021	-	18.00	-
Michał Sobolewski	-	→	-	27.05.2021	27.05.2021	-	16.86	-
Michał Sobolewski	-	→	-	30.05.2021	31.05.2021	-	17.10	-
Michał Sobolewski	-	→	-	13.06.2021	14.06.2021	-	16.30	-
Michał Sobolewski	-	→	-	09.07.2021	09.07.2021	-	15.60	-
Michał Sobolewski	-	→	-	31.08.2021	31.08.2021	-	15.52	-
Michał Sobolewski	-	→	-	14.09.2021	15.09.2021	-	14.48	-
Michał Sobolewski	-	→	-	19.09.2021	20.09.2021	-	14.70	-
Michał Sobolewski	-	→	-	05.10.2021	06.10.2021	-	14.40	-
Michał Sobolewski	-	→	-	07.10.2021	07.10.2021	-	14.60	-
Michał Sobolewski	Neutral	→	04.11.2021	-	04.11.2021	02.12.2021	14.20	16%
Michał Sobolewski	-	→	-	18.11.2021	19.11.2021	-	14.22	-
Michał Sobolewski	Overweight	↑	02.12.2021	-	03.12.2021	28.10.2022	15.06	222%
Michał Sobolewski	-	→	-	05.12.2021	06.12.2021	-	16.72	-
Michał Sobolewski	-	→	-	16.01.2022	17.01.2022	-	18.50	-
Michał Sobolewski	-	→	-	07.02.2022	07.02.2022	-	18.00	-
Michał Sobolewski	-	→	-	28.02.2022	28.02.2022	-	15.30	-
Michał Sobolewski	-	→	-	14.04.2022	14.04.2022	-	18.00	-
Michał Sobolewski	-	→	-	26.04.2022	27.04.2022	-	18.30	-
Michał Sobolewski	-	→	-	16.05.2022	16.05.2022	-	19.20	-
Michał Sobolewski	-	→	-	20.05.2022	20.05.2022	-	24.30	-
Michał Sobolewski	-	→	-	26.05.2022	26.05.2022	-	24.70	-
Michał Sobolewski	-	→	-	07.06.2022	08.06.2022	-	28.95	-
Michał Sobolewski	-	→	-	15.07.2022	15.07.2022	-	39.20	-
Michał Sobolewski	-	→	-	27.07.2022	28.07.2022	-	35.65	-
Michał Sobolewski	-	→	-	16.08.2022	16.08.2022	-	45.50	-
Michał Sobolewski	-	→	-	02.09.2022	02.09.2022	-	41.00	-
Michał Sobolewski	-	→	-	27.09.2022	27.09.2022	-	39.90	-
Michał Sobolewski	-	→	-	07.10.2022	07.10.2022	-	33.55	-
Michał Sobolewski	Overweight	→	28.10.2022	-	28.10.2022	Not later than 28.10.2023	35.20	0%
Michał Sobolewski	-	→	-	17.11.2022	17.11.2022	-	38.00	-
Michał Sobolewski	-	→	-	02.12.2022	02.12.2022	-	45.85	-
Michał Sobolewski	-	→	-	04.12.2022	05.12.2022	-	45.85	-
Michał Sobolewski	-	→	-	13.01.2023	13.01.2023	-	52.30	-
Michał Sobolewski	-	→	-	03.02.2023	03.02.2023	-	56.60	-
Michał Sobolewski	-	→	-	10.03.2023	10.03.2023	-	48.80	-
Michał Sobolewski	-	→	-	12.04.2023	12.04.2023	-	51.40	-
Michał Sobolewski	-	→	-	13.04.2023	13.04.2023	-	52.30	-
Michał Sobolewski	-	→	-	10.05.2023	10.05.2023	-	45.00	-

* prices at issue/reiteration are the closing prices at the report or reiteration date

This report has been prepared by Dom Maklerski Banku Ochrony Środowiska SA registered in Warsaw (hereinafter referred to as DM BOŚ SA) and commissioned by the Warsaw Stock Exchange SA (hereinafter referred to as WSE SA) pursuant to the agreement on the research report preparation between DM BOŚ SA and WSE SA within the framework of the Analytical Coverage Support Program. 3.0 described on the WSE SA website: <https://www.gpw.pl/gpwpa> (hereinafter referred to as the Agreement). DM BOŚ SA will receive a remuneration for the research report in accordance with the Agreement.

The production of the report was completed on May 10, 2023 at 8.00 p.m.

The report was distributed on May 10, 2023 at 8.10 p.m.

The report is an investment research within the meaning of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive.

This report constitutes a recommendation within the meaning of Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest. This report is for information purposes only.

This report constitutes neither investment advice nor provides investment service as referred to in Article 76 of the Act on Financial Instruments Trading as of 29 July 2005 (Journal of Laws, 2018, Item 2286 as amended), hereinafter referred to as the Act on Trading; it does not constitute any legal or tax advice, neither does it constitute an indication whether an investment is suitable or appropriate in an individual situation of an investor. In particular this report is not a personal recommendation based on any individual needs or situation of any investor. DM BOŚ SA informs that the investment advice services exclusively consist in the preparation of a personal recommendation based on individual needs and situation of a given client and transferring it to them. To receive this type of a recommendation an agreement on providing investment advice services must be signed with an investments company offering these services.

Neither the information nor the opinions expressed in the report constitute a solicitation or an offer to buy or sell any securities referred herein. The opinions expressed in the report reflect independent, current judgment of DM BOŚ SA.

This report was prepared with due diligence and scrutiny. The information used in the report is based on all public sources such as press and branch publications, company's financial statements, current and periodic reports, as well as meetings and telephone conversations with company's representatives prior to the date of report's release. We believe the above mentioned sources of information to be reliable, however we do not guarantee their accuracy and completeness. All estimates and opinions included herein represent our judgment as of the date of the issue. All opinions, forecasts, calculations and estimates herein constitute the author's subjective assessment as of the date of the issue and can be modified at any time without prior notice. DM BOŚ SA informs that this report will be updated in the manner as referred to in the Agreement, at least once a year.

DM BOŚ SA is an investment firm within the meaning of the Act on Financial Instruments Trading. The legal entity supervising DM BOŚ SA is Polish Financial Supervision Authority in Warsaw (Komisja Nadzoru Finansowego, KNF in Polish abbreviation).

DM BOŚ SA, its management and supervisory bodies and employees do not take any responsibility for decisions taken on the basis of this report and opinions stated herein. Investors bear all responsibility for investment decisions taken on the basis of the contents of this report. The report is intended solely for private use of investors.

Copyrights to this report belong to the WSE. The rules for use of this report have been specified in the Agreement. This report mustn't be redistributed, reproduced or conveyed in any manner or form conflicting with the rules defined in the Agreement.

This report is made available on the day of its issue in the public domain on the website <https://bossa.pl/analizy/wsparcie-pokrycia-analitycznego-gpw#votum>

DM BOŚ SA is entitled to conveying or translation of the report into foreign languages on behalf of their clients and this shall not be sooner than making the report available on its website <https://bossa.pl/analizy/wsparcie-pokrycia-analitycznego-gpw#votum>

DM BOŚ SA follows internal regulations for handling of conflicts of interest which include in particular internal organizational and administration arrangements as well as information barriers established for prevention and avoidance of conflicts of interest related to recommendations. A special organizational arrangement that constitutes an information barrier is so called Chinese walls prohibiting an uncontrolled flow of information among particular organizational units or employees of DM BOŚ SA. Where justified, DM BOŚ SA can create Chinese walls upon the realization of a particular project. Potential conflicts of interests referring to a specific recommendation which is made available to the public or to a wide range of persons are disclosed either in the recommendation or in the document attached.

The person(s) preparing this report receive(s) variable compensation indirectly based upon the financial results of DM BOŚ SA which in turn depend – among other factors – on the result on the brokerage activity.

DM BOŚ SA has not held any long or short position net exceeding 0.5% of the issuer's basic capital in total with respect to the company/companies indicated.

Apart from the mentioned above cases, there are neither ties of any kind between DM BOŚ SA, the analyst/ analysts involved in the preparation of the report and the issuer(s) of securities as referred to in the report nor circumstances that can justifiably be expected to have a negative impact on objectivity of the recommendation with regard to interests or conflicts of interests on their part or on the part of any natural person or legal entity which pertains to the financial instrument or the issuer.

The report was not shown to the analyzed company before the distribution of the report.

Stockbrokers

Piotr Kalbarczyk
tel.: +48 (22) 504 32 43
p.kalbarczyk@bossa.pl

Research

Sobiesław Pająk, CFA
(Equity strategy, TMT)

Sylwia Jaśkiewicz, CFA
(Construction materials,
Consumer discretionary,
Health care & biotechnology)

Tomasz Rodak, CFA
(Consumer discretionary, Video games)

Łukasz Prokopiuk, CFA
(Chemicals, Mining, Oil & gas)

Michał Sobolewski, CFA, FRM
(Financials)

Jakub Viscardi
(Telco, Consumer staples & discretionary,
IT – hardware distribution, Utilities)

Maciej Wewiórski
(Residential construction,
Construction, Real estate)

Mikołaj Stępień
Junior Analyst

Michał Zamel
Associate

Copyright © 2023 by DM BOŚ S.A.

**Dom Maklerski Banku Ochrony
Środowiska Spółka Akcyjna**
ul. Marszałkowska 78/80
00-517 Warszawa
www.bossa.pl
Information: (+48) 0 801 104 104