

This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program. 3.0.  
This is an excerpt from the Polish version of DM BOŚ SA's research report.

# Votum

29/2021/GPW (100) October 5, 2021

Analyst: Michał Sobolewski, CFA, FRM

Sector: Financials – specialty finance

Fundamental rating: Buy (→)

Market relative: Neutral (→)

Price: PLN 14.40

12M EFV: PLN 18.30 (→)

Market Cap: US\$ 43.5 m

Bloomberg code: VOT PW

Av. daily turnover: US\$ 0.06 m

12M range: PLN 10.25-20.10

Free float: 37%

## 2Q21 financial results summary

### Revenues improvement with strong cost growth.

2Q21 revenues at PLN 46.9 million (up 48% yoy) were slightly higher than we assumed in our forecasts. A strong sales yoy dynamic stems mainly from the RES segment contribution which was absent from the base quarter. 2Q21 revenues of the RES segment stood at PLN 12.7 million which corroborated our expectations of the seasonal rebound. At the same time the segment of pursuing claims from abusive clauses in FX loan agreements seems to be a burden as it shows a negative yoy dynamic of both the sales and a number of acquired clients, similarly to the segment of pursuing property claims; in this segment Votum decided to change their sales policy and to start cooperating with car workshops based on the formula success fee while withdrawing from an assignment of rights model. There was a pressure on the revenues in the segment of pursuing personal claims, but a slight qoq upwards trend surfaced. The rehabilitation segment recorded a double-digit yoy increase.

Saleswise, for the segment of pursuing claims from abusive clauses in FX loan agreements 2Q21 was a tad weaker than 1Q21, as the clients acquisition deteriorated which stemmed from the 'wait-and-see' stance of clients before the Supreme Court ruling which finally did not materialize. In the absence of the ruling this hampering factor should disappear after the summer season.

**Material qoq decline of profitability.** 2Q21 operating costs grew considerably, especially in the green energy segment (cost growth of materials and energy) and in the segment of pursuing claims from abusive clauses in FX loan agreements (stable trend of HR costs growth). 2Q21 EBIT margin at 0.6% was materially lower qoq, albeit exceeded the margin from the onset of the pandemic lockdowns a year ago that reached only 0.2%. The Group's EBITDA and EBIT in 2Q21 reached PLN 1.0 million (up 56% yoy) and PLN 0.3 million (up 305% yoy), respectively.

### Guide to adjusted profits

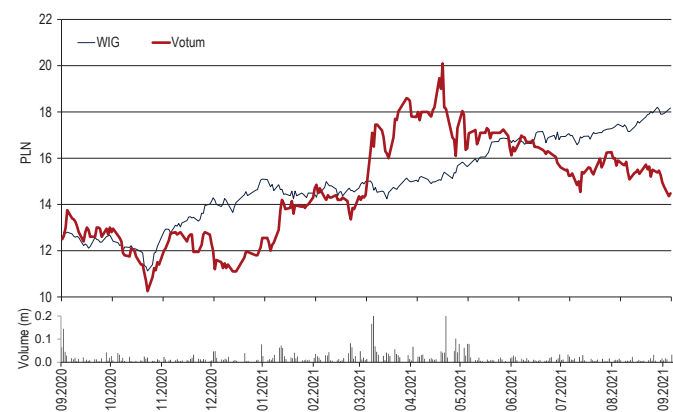
No factors necessitating adjustments.

### Key data

IFRS consolidated		2020	2021E	2022E	2023E
Sales	PLN m	149,8	184,3	207,3	249,5
EBITDA	PLN m	13,6	10,1	22,1	26,8
EBIT	PLN m	11,4	7,5	19,4	24,5
Net income	PLN m	8,7	4,9	14,5	18,3
EPS	PLN	0,72	0,40	1,21	1,52
EPS yoy chg	%	-49	-44	199	26
Net debt	PLN m	12,9	11,4	10,5	8,3
Net debt + leasing	x	18,2	16,8	16,2	14,3
P/E	x	19,9	35,6	11,9	9,5
P/CE	x	15,9	23,1	10,1	8,4
EV/EBITDA	x	13,6	18,2	8,3	6,8
EV/EBIT	x	16,3	24,6	9,4	7,4
DPS	PLN	0,00	0,35	0,20	0,60
Gross dividend yield	%	0,0	2,4	1,4	4,2
Number of shares (eop)	m	12,0	12,0	12,0	12,0

Source: Company, DM BOŚ SA estimates

### Stock performance



Source: Bloomberg

### Upcoming events

1. Release of consolidated 3Q21 financial report: November 29, 2021
2. Dividend payment: December 15, 2021
3. Bank shareholders decide on banks' participation in voluntary agreements with clients: 2H21 at the soonest
4. CJUE preliminary ruling on the appointment of judges: 2H22 at the soonest

**Net loss.** The Group's 2Q21 financial net result reached PLN -0.32 million vs PLN -0.06 million in 2Q20. In consequence, the Group recorded a PLN 0.4 million net loss; it was below our expectations and visibly lower qoq.

**Fig. 1. Votum; 2Q21 financial results**

IFRS consolidated (PLN m)					Results vs			Chg		Chg			Realization of the FY figures in:			
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	forecasts	2Q21E	yoy	1-2Q20	1-2Q21	yoy	2Q20	2Q21	1-2Q20	1-2Q21
Sales	36.8	31.8	36.4	44.8	43	46.9	↑	42.9	48%	68.6	89.9	31%	21%	25%	46%	49%
Profit on sales	4.7	0.2		3.9	3.2	0.2	↓	0.4	30%	4.9	3.5	-29%	2%	3%	42%	47%
Profit on sales margin	12.8%	0.6%	7.9%	8.8%	7.6%	0.5%	-	0.9%	-	7.1%	3.9%	-	-	-	-	-
EBITDA	5.8	0.6	3.4	3.7	4	1	→	0.9	56%	6.5	5	-23%	5%	10%	47%	49%
EBITDA margin	15.8%	2.0%	9.4%	8.3%	9.2%	2.1%	-	2.1%	-	9.4%	5.5%	-	-	-	-	-
EBIT	5.4	0.1	2.9	3	3.3	0.3	→	0.3	305%	5.5	3.6	-34%	1%	4%	48%	48%
EBIT margin	14.7%	0.2%	8.0%	6.8%	7.7%	0.6%	-	0.7%	-	8.0%	4.0%	-	-	-	-	-
Gross profit	5.2	0	2.6	2.8	3.3	0	→	0.2	b.z.	5.2	3.3	-37%	0%	0%	49%	47%
Gross profit margin	14.2%	0.0%	7.0%	6.3%	7.7%	0.0%	-	0.5%	-	7.6%	3.6%	-	-	-	-	-
Net profit	4	0.1	2.1	2.5	2.5	-0.4	↓	0.1	b.z.	4.1	2.1	-49%	1%	-8%	47%	43%
Net margin	11.0%	0.2%	5.7%	5.5%	5.8%	-0.9%	-	0.2%	-	6.0%	2.3%	-	-	-	-	-

Source: Company, DM BOŚ SA estimates

### 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. In 2020 it started operating in the renewable energy industry (i.e. installing photovoltaic panels). The most promising segment, in our view, is the market of damages claims against FX mortgage loans which, at an early stage of development, experiences vigorous expansion. The Company should be an increasing beneficiary of the growing interest of CHF mortgage borrowers in pursuing claims after the precedent judgment of the EU Court of Justice and change of the court line to pro-consumer one.

Revenues in this most promising area are encumbered with the risk which poses the final solution for the FX borrowers that has been worked upon recently. This solution will consist in an FX loan conversion into a PLN one under the assumption it had been taken at the same time. We believe the solution would be a viable alternative to court proceedings for most banks, thus the market for abusive clauses litigation may grow at a slower pace in the future. With a view to a prospective agreement some customers who might have chosen the court alternative will be more willing to accept the settlement with banks instead of an arduous several-year process with no guarantee of success. Under this scenario the abusive clauses litigation segment will find it more difficult to increase a number of clients, whence its growth

rate will be lower than we currently assume. For this reason, wide participation of banks in the initiative of the Polish Financial Supervision Authority, which would allow clients to successfully bypass the court path, emerges as an important factor for future revenues and results of the Company's abusive clauses litigation segment.

At the same time the banking sector seems quite reluctant in offering agreements. This week PKO BP initiated their program – with a several months delay – addressed first to their clients who started litigation. Some banks have prepared their own offers, but their number is scarce due to the lack of the Supreme Court ruling which will not be in place soon. Hence, at the moment a person with a CHF-denominated mortgage loan has no real alternative than hiring the law firm and going to the court.

We uphold our recommendations: LT fundamental Buy and ST relative Neutral. Votum's recent financials imply a longer period of profitability rebuilding that we initially assumed which is linked to (i) acceleration of filing suits this year, (ii) offer expansion in the RES segment, and (iii) changes in a model of services provision in the segment of pursuing property claims. Therefore, we expect the next year's financials improvement counting on higher revenues in the segment of abusive clauses litigation in the FX loan agreements when Votum starts recognizing success fees. Until then, we assume the profitability will dwell below the historical levels.

**Risk factors**

1. Lower than assumed propensity of clients to go to the court (the market is at an early stage of development)
2. Lower than expected demand for the Company's services
3. Unfavorable changes in the jurisprudence towards bank customers
4. Growing competition for clients from other law firms (an example is EuCo's entry into the bank segment)
5. Shortage of workforce (rapid development requires an acquisition of qualified employees)
6. Pressure on salaries
7. Adverse FX fluctuations
8. Acquisitions of companies from the main shareholder and their high valuations
9. Lower payouts in pre-trial proceedings
10. Pressure on margins
11. 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)
12. Draft statutory regulation of the compensation institution
13. Departure of key managerial staff
14. Inclusion of the Company's services by insurers
15. Potential acquisitions of new companies
16. Unfavorable changes in the RES system support for prosumers

**Catalysts**

1. Continuation of the pro-consumer trend in the jurisprudence of courts with regard to people with foreign currency loans
2. The continued growth of interest of clients in the in claims against banks, reinforced by favorable case law
3. Further depreciation of the PLNCHF exchange rate, increasing the borrowers' tendency to take legal action
4. Acceleration of court processing procedures
5. Maintaining the leading position in the existing markets
6. 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)
7. New value-creating acquisitions for minority shareholders
8. Effective implementation of the pandemic optimization programs
9. Long-term success of new ventures (green energy segment, further foreign expansion)

**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. Good historical track record
4. Motivated and competent management team holding equity position in the Company
5. A pioneer of the rapidly growing market of claims for foreign currency borrowers
6. Operational efficiency
7. Specialization in strictly defined product markets
8. 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** =  $\text{EBIT}/\text{sales}$   
**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	53	20	5	9	0	2
Percentage	60%	22%	6%	10%	0%	2%

### Distribution of DM BOŚ's current market relative recommended weightings

	Overweight	Neutral	Underweight	Suspended	Under revision	Not rated
Numbers	43	27	8	9	0	2
Percentage	48%	30%	9%	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	13	2	0	1	0	2
Percentage	72%	11%	0%	6%	0%	11%

### 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	9	5	1	1	0	2
Percentage	50%	28%	6%	6%	0%	11%

**LT fundamental recommendation tracker**

Analyst	Recommendation	Report date	Reiteration date	Distribution date	Expiry date	Performance	Relative performance	Price at issue/reiteration*	EFV (12 months)	
<b>Votum</b>										
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	Not later than 31.08.2022	-5%	-6%	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 ↓	

\* 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
<b>Votum</b>							
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	Not later than 04.12.2021	-11%
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

\* 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 October 6, 2021 at 7.50 a.m.

The report was distributed on October 6, 2021 at 8.00 a.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](mailto:p.kalbarczyk@bossa.pl)

#### Research

**Sobiesław Pająk, CFA**  
(Equity strategy, TMT)

**Sylvia Jaśkiewicz, CFA**  
(Construction materials, Consumer staples & discretionary, Health care)

**Tomasz Rodak, CFA**  
(Consumer discretionary, Video games)

**Lukasz Prokopiuk, CFA**  
(Chemicals, Mining, Mining – machinery, 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 Stepien**  
Associate

**Michał Zamel**  
Associate

---

Copyright © 2021 by DM BOŚ S.A.

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