

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

567/2022/AR

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
Votum	Buy	75.90	Overweight	Michał Sobolewski, CFA, FRM

Event: Preliminary 3Q22 banking segment revenues and results.

On October 18, the Company released preliminary financial results with success fee revenues for 3Q22 (accounted for in line with IFRS 15) in the banking segment.

In 3Q22, in the segment of pursuing claims from abusive clauses the revenues from the agreements with clients with regard to remuneration due for first instance court sentences ordering payments reached PLN 21.6 million with the net income at PLN 16.0 million. Preliminary 3Q22 results include adjustments with respect to revenues and net income on the back of compulsory restructuring of Getin Noble Bank (PLN 9.9 million at the top line level and PLN 7.6 million at the bottom line level). We present preliminary financials for last quarters below, in the Table. We believe that due to compulsory restructuring Votum will likely generate materially lower revenues from the existing clients with loans in Getin Noble Bank (c. 1/3 of total revenues constitutes the representation costs which will be hard to obtain), however the Company should be able to access the remaining part of the remuneration (success fee). At the same time we would like to stress that adjustments in 3Q22 pertain to all the revenues from Getin Noble Bank clients. Additionally, in the Table, 3Q22 financials are adjusted by write-offs that will be absent in the future; this implies that if not for the exclusions related to Getin Noble Bank, these results would have been closer to 2Q22.

The banking segment

(PLN million)	1Q22	2Q22	3Q22	3Q22 adjusted
Revenues (IFRS 15)	21.5	43.7	21.6	31.6
<i>chg qoq</i>	19%	103%	-50%	-28%
Net income	13.5	27.5	16.0	23.6
<i>Net margin</i>	63%	63%	74%	75%
Number of 1st instance court sentences favorable for clients	966	1 602	1 277	1 277
<i>chg qoq</i>	-	66%	-20%	-20%
Average revenue per sentence(PLN '000)	22.3	27.3	16.9	24.7

Source: Votum, DM BOS estimates

The report is not 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 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.