

XTPL posts a 39% year-on-year increase in revenues from the sale of products and services after three quarters of 2023

According to preliminary estimates, after three quarters of 2023, XTPL has generated PLN 9.2 million in revenues from the sale of products and services, up 39% year-on-year. In the third quarter alone, the Company generated PLN 3.7 million in revenues from the sale of products and services, primarily on the back of delivery and settlement of three Delta Printing System (DPS) prototyping devices and two modules for industrial implementations as part of projects developed by XTPL with global manufacturers of next generation electronics. The Company's estimated cash balance as at September 30, 2023 was PLN 31.6 million and included proceeds from the successful public offer of shares completed in July this year. XTPL raised PLN 36.5 million gross to accelerate its growth and implement its 2023–2026 investment plan, which is expected to allow the Company to achieve its goal of a 10-fold increase in revenues from the sale of products and services to PLN 100 million by the end of 2026.

Until the publication of the preliminary estimates, in 2023 XTPL received a total of nine orders for DPS devices, two more compared to the whole of 2022. A total of eight DPSs have been delivered and settled, five more compared to the whole of 2022.

"The third quarter is another period in which we successfully commercialized all three of our business lines. These activities have resulted in a 39% increase in our revenues from the sale of products and services after three quarters of 2023, and, most importantly, enabled a significant progress in our projects geared towards the industrial implementation of XTPL technology on the lines of global manufacturers of next generation electronics. In the third quarter, we delivered two modules for industrial implementations to our foreign partners. As a result, we moved to the stage of building prototype devices – with our printing module at the heart of those machines – in order to conduct final tests on production lines of our end customers. These include a Nasdaq 100-listed leading US manufacturer of industrial machinery, and one of the world's largest manufacturers of Flat Panel Displays. In recent weeks, I had the opportunity to visit our partner in South Korea and see how a prototype of this large, industrial device is being created. We are in close contact and are looking forward to the next phases of the machine's construction and its subsequent testing. XTPL's business goal to be achieved by the end of 2026 is to increase revenues from the sale of products and services 10 times to PLN 100 million, with progress in industrial implementations representing an important part of this plan" says Filip Granek, CEO of XTPL S.A.

In addition to the commercialization of its three business lines, XTPL also generates income from grants, which constitute an important source of financing its ongoing R&D projects. In three quarters of 2023, PLN 2.7 million worth of grants were obtained, compared to PLN 3.0 million in the same period last year. In the third quarter alone, the value of grants obtained was PLN 1.3 million compared to PLN 0.8 million in the year-ago period. In accordance with the policy on accounting for grants, only a part of the proceeds will be recognized in the income statement for Q3 2023, while the remainder will be kept on the balance sheet as deferred income. XTPL is currently implementing R&D projects, funded e.g. by the National Center for Research and Development (NCBR) and as part of the international consortium under the Horizon Europe program. The Company's cash position was PLN 31.6 million as at September 30, 2023.

"In July this year we completed our public offer, raising PLN 36.5 million gross for the implementation of our 2023–2026 investment plan. These proceeds have already been credited to our account, which will secure our financial position for the coming years and will allow us to go ahead with the necessary investments to speed up the growth of XTPL. We are also intensifying our sales activities. In September, we were present at the

SEMICON Taiwan exhibition, which is the most important global event for the semiconductor industry. We achieved all our planned goals there, opening many new doors and sales opportunities. In recent weeks, we have also entered into new agreements with distributors for the Taiwanese market, and with entities from the United States, which will ensure that XTPL's proposition will reach an even larger group of potential buyers. As regards other events, I'd like to emphasize XTPL's promotion to the sWIG80 index, which is testament to the strong development of our Company, as well as the publication of the Company's public analytical report as part of the PWWA 4.0 program of the Warsaw Stock Exchange. We remain transparent and open to investors, and soon, on October 27, we will take part in the next edition of the #GPWInnovationDay conference" says Jacek Olszański, CFO of XTPL.

In May this year, XTPL announced its plan to increase revenues 10 times to PLN 100 million by the end of 2026. To achieve this ambition, XTPL intends to make investments of approx. PLN 60 million in 2023-2026 in three key areas: sales, production and R&D, designed to step up and accelerate the Company's development to respond to clients' demand for the technology offered by XTPL. The investments planned are to be funded primarily from the share issue proceeds, while the remainder will come from equity (operating cash flows), grants and, potentially, debt financing.

XTPL's business model is based on three complementary business lines. These are printing modules for industrial implementation on the production lines of global manufacturers of electronics, the Delta Printing System prototyping devices, and conductive nanoinks. The Company has a total of nine projects aimed at industrial implementation of its technology, four of which are at an advanced stage of development. They cover all three areas the Company considers strategic: semiconductors, displays and advanced PCBs. The potential average annual revenues from all nine industrial projects being developed at present totals an estimated PLN 400 million. The Company's end customers are global entities responsible for the production of next generation electronics, including a leading semiconductor manufacturer from Taiwan, one of the world's largest producers of FPDs (Flat Panel Displays) from South Korea and a top manufacturer of industrial machines from the United States, listed on the Nasdaq 100 index.

XTPL S.A. is a deep-tech company providing ground-breaking precision printing solutions for the global electronics market. The company develops and commercializes products and solutions relying on its globally innovative, ultra-precise platform technology protected by international patent applications. The innovative additive method designed by the company is unique on a global scale. The technology can be used in the fast-growing industry of printed electronics and in its such areas as microelectronics, displays, biosensors or security printing. This technology enables ultra-precise deposition of ultra-thin features (up to 1 µm wide) – transparent and highly flexible lines that can conduct electricity. Due to the possibility of depositing very thin conductive lines, while using ink with a very high concentration of metallic nanoparticles, the XTPL printing technology can be used in areas such as electronic connections in advanced integrated circuits, 3D printed electronics, hybrid flexible electronics or the Internet of Things.

XTPL's goal is to license its technological solutions created for industrial implementation in dedicated application fields. The company may also achieve this goal by sales through distributors or strategic partnerships – in this way the cooperation can be geared to the needs of the future counterparty. Since 2019, XTPL S.A. has been listed on the main market of the Warsaw Stock Exchange, and since 2020 on the Open Market in Frankfurt. More information: www.xtpl.com

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