

## Opinion of the Management Board of XTPL S.A. with its registered office in Wrocław

concerning justification for the decision to fully deprive the existing shareholders of XTPL S.A. of their pre-emptive rights to shares of the new series N issue and the method of determining the issue price of series N shares

Pursuant to Article 444–447 of the Commercial Companies Code and § 10(4)–(8) of the Articles of Association of XTPL S.A., the Management Board intends to increase the share capital of XTPL S.A. from PLN 169,522.00 (one hundred and sixty nine thousand five hundred and twenty two zlotys and 00/100) to PLN 174,222.00 (one hundred and seventy four thousand two hundred and twenty two zlotys and 00/100), i.e. by PLN 4,700.00 (four thousand and seven hundred zlotys and 00/100) by issuing 47,000 (forty seven thousand) series N ordinary bearer shares with a nominal value of PLN 0.10 (ten groszy) each ("Series N Shares"), whose issue price will be determined by the Management Board and with respect to which the pre-emptive rights of the existing shareholders of XTPL S.A. will be fully excluded, and which will be taken up by way of a private placement.

The Series N Shares are to be offered to Universal-Investment-Gesellschaft mbH acting on behalf and for account of ACATIS Datini Valueflex Fonds ("Acatis") by way of a private placement, and will be covered in full by a cash contribution prior to registration of the share capital increase.

The purpose of the Series N Shares issue is to raise additional capital to finance the increased business development activities of XTPL S.A. in the US market ("United States"), especially in the Silicon Valley region. The proceeds from the issue of the Series N Shares are supposed to, inter alia, secure financing for XTPL's increased sales activity in the United States. The described activities were not included in the objectives of the previous issue of shares of XTPL S.A.

In the opinion of the Management Board, the activities described above should contribute to building the credibility and recognisability of XTPL S.A. in the US market and should help generate significant sales revenues there from commercialisation of the developed technology.

In the opinion of the Management Board, in the present situation, a private placement and offering the Series N Shares to Acatis is the most time-and cost-effective way to raise finance for XTPL S.A.

The exclusion of pre-emptive rights secures XTPL S.A. against a situation where the existing shareholders do not take up the expected number of shares offered as part of the Series N Shares issue. Moreover, exclusion of pre-emptive right makes it possible to reduce the issue costs, and significantly expedites the process of issuing the shares and thus raising the finance.

Consequently, it should be concluded that depriving the existing shareholders of their pre-emptive rights is in the interest of XTPL S.A.

The Management Board proposes that the issue price of one series N share be set by the Management Board at PLN 94 (ninety four), which is a price determined according to VWAP (volume-weighted average price) calculated for the last three months of quotations as of August 9, 2018, prior to the opening of the trading session and reduced by 10% discount and rounded up to full zlotys). In the opinion of the Management Board, application of the 3M VWAP is a solution that will allow the issue price to reflect a sufficiently large number of historical transactions in the Company's shares and the impact of extreme values to be sufficiently mitigated.

Moreover, in the opinion of the Management Board, offering the Series N Shares to a reputable financial institution operating in the German market by way of a private placement will contribute to strengthening the Company's credibility and may generate interest in and liquidity of XTPL shares in the German market, which in the context of the plans to obtain parallel listing of XTPL shares on the Open Market (Freiverkehr) of Deutsche Börse in Frankfurt (Germany), should be very important for creating shareholder value going forward.

In view of the above, the Management Board has determined that depriving the existing shareholders of their pre-emptive rights to Series N Shares and at the same time offering the Series N Shares to Acatis by way of a private placement is desirable and is in the interest of XTPL S.A. and its shareholders. The exclusion of pre-emptive rights of the existing shareholders is therefore fully justified, which is why the Management Board recommends that the Supervisory Board of XTPL S.A. adopt a resolution approving exclusion of pre-emptive rights to the N Series Shares of the existing shareholders and authorising the Management Board to set the issue price.

XTPL Management Board