



XTPL

MONTHLY REPORT

December 2017

XTPL S.A.

Wrocław, 12.01.2018

1. Basic information regarding the Company

Business name:	XTPL SPÓŁKA AKCYJNA [JOINT STOCK COMPANY]
Registered seat:	Wrocław
Address:	Ul. Stabłowicka 147, 54-066 Wrocław
KRS NO. [BUS. ENTITY REG.]	0000619674
Telephone number:	+48 71 707 22 04
Website:	www.xt-pl.com
E-mail address	investors@xt-pl.com

XTPL S.A. is an innovative technology company that commercializes R&D efforts aimed at developing a **breakthrough method of ultra-precise printing using a wide range of nanomaterials**. On 14/09/2017 the Company made its debut in the Alternative Trading System on the New Connect market.

The Management Board:

- Filip Granek – President of the Management Board
- Maciej Adamczyk – Member of the Management Board

The Supervisory Board

- Konrad Pankiewicz – Chairman of the Supervisory Board
- Agnieszka Młodzińska-Granek
- Sebastian Młodziński
- Bartosz Wojciechowski
- Piotr Janczewski

2. Information concerning the implementation of the objectives of the issue (if they were at all implemented during the period covered by this report) and other significant events.

- **Decision on the change of trading venue** – on 12 December 2017 the Management Board of XTPL announced a decision to make the transition from New Connect to the regulated market of Giełda Papierów Wartościowych w Warszawie S.A. [GPW, Warsaw Stock Exchange].

Comment by Dr. Filip Granek, President and Founder of XTPL:

One of the reasons we want to make debut on the 'big' stock exchange is to attract the attention of institutional investors that appreciate global-scale innovation. Most of them tend to avoid investing in New Connect-listed companies on principle. At the same time, XTPL is growing rapidly, developing its technology and expanding business lines, which means that more and more financial institutions are interested in buying our shares. Currently, the shareholding structure of XTPL includes two international investors with more than 5% of the shares, namely the German investment funds Heidelberger Beteiligungsholding AG and Universal-Investment GmbH. There are other prospective investors, which is why we have commenced joint work to prepare an issue prospectus with the law firm Spaczyński, Szczepaniak i Wspólnicy. The Management Board estimates that XTPL will make a debut on GPW in a few months.

- **Decision on dual listing of the company on the Open Market in Frankfurt** – on 12 December 2017 the Management Board of XTPL announced its plans to trade on the Open Market (Freiverkehr, operated by Deutsche Börse) as a secondary listing. The dual listing will bring XTPL closer to investors from Western Europe. In turn, access to a wider pool of investors will improve the liquidity of the Company's shares and may lead to a higher valuation of the stock. Open Market is a regulated, unofficial market established

in 1987 under the auspices of Deutsche Börse. The market brings together small and medium-sized companies and, following German standards of regulatory prudence, requires issuers to fulfil additional requirements that ensure transparency.

- **Conclusion of a co-financing agreement** – on 13 December 2017 the Company concluded a grant agreement for PLN 2.5 million to co-finance a project of PLN 4.5 million. XTPL will receive financing under the Regional Operational Program of the Lower Silesian Voivodship for the years 2014-2020. The funds will be used to develop demonstration prototypes of a laboratory printer with compatible nanoink formulas. Upon completion, the devices will be tested in multiple facilities, including R&D centres of large corporations and research institutes. For XTPL, this will be another crucial step towards commercialization and marketing of ultra-thin conductive line technology for use in printed electronics.
- **A busy month as the business development department works towards JDAs** – in December 2017 the Company carried out intensive commercial activities, among others, to identify potential key partners for cooperation in bringing XTPL's technology to the production deployment stage through Joint Development Agreements (JDAs). XTPL has presented its open-defect solutions on an international forum, focusing on the LCD panel and PCB manufacturing segments. The company showcased its achievements and plans in this area to, among others, business partners met during the TechInnovation conference in Singapore and the IDTechEx Show in Santa Clara.
- **Participation in the “Made in Wrocław” conference** – on 14 December Dr. Filip Granek, President of XTPL, was one of the speakers at the “Made in Wrocław” conference which brought together the top technology projects from the capital of Lower Silesia. The founder of XTPL gave a presentation entitled “Music for molecules”, which showcased the cutting-edge projects the company has been working on. One of Filip Granek's key points was that the technology and business model developed by XTPL could change the standards of the growing “Industry 4.0”. Apart from XTPL, more than 30 technology companies have presented their achievements, ideas and visions, with Wrocław as their base of choice for developing products with global reach and with global-level ambitions.

3. Summary of the information published by the Issuer in the form of current reports during the reporting period

Current and periodic EBI reports:

- 1) Report No. 15 (14.12.2017) – Monthly report for November 2017

Current ESPI reports:

- 1) Report No. 7 (4.12.2017) – List of shareholders holding at least 5% of votes at the Extraordinary General Meeting which was held on 29.11.2017
- 2) Report No. 8 (12.12.2017) – Decision on the change of trading venues
- 3) Report No. 9 (13.12.2017) – Conclusion of a grant agreement for development of laboratory printer demonstration prototypes as part of the Regional Operational Program for the Lower Silesian Voivodship for the years 2014-2020

- 4. Investor's calendar, including events taking place in January 2018 (or later) which concern the Issuer and are significant from the point of view of investors' interests, including in particular: the dates of publication of periodic reports, planned general meetings, opening of the subscriptions, meetings with investors or analysts, and the expected date of publication of the analytical report.**

By the end of January 2018, the Issuer will publish a periodic report publication calendar for 2018.

- 5. Information on the occurrence of trends and developments in the Issuer's market environment, which, in the Issuer's opinion, may have a significant impact on the Issuer's financial condition and financial results in the future.**

In the opinion of the Issuer's Management Board, in the period covered by the monthly report there were no developments nor significant new trends in the Company's market environment which could have a significant impact on the Company's financial condition and financial results.

Business profile of the Issuer:

The Issuer is an innovative technology company that commercializes R&D efforts aimed at developing a breakthrough method of ultra-precise printing using a wide range of nanomaterials.

The Company aims to provide printed electronics manufacturers with nano-printing equipment, nanoink and print heads. The Issuer's initial objective is to develop its products – laboratory printers and nanoink – for use in its customers' research and development, with additional plans for industrial printer development (nanoink included) further in the future.

The solution developed by XTPL will, for example, facilitate the production of a new generation of Transparent Conductive Films (TCF) that are widely used in the different subsets of manufacturing industry, such as the production of displays, monitors, and touch screens. This list also includes the production of photovoltaic cells characterized by:

- considerably lower per-unit cost (due to e.g. eliminating the need to use rare earth elements in the manufacturing process)
- very high optical transparency combined with high energy efficiency (extremely low surface resistance), and
- flexible films resistant to bending (an essential characteristic, given the current trends within the electronics industry).



Another tried and tested application of XTPL's technology is the repair of damaged metallic conductive connections (for use, among others, in displays, printed circuits and photovoltaic cells), which the technology can improve by:

- significantly accelerating the process in comparison with current methods;
- eliminating highly toxic substances from the process;
- increasing the range of repairable connections (by pathways normally too narrow to be repaired).

Due to the achieved parameters of the implemented solutions, the XTPL technology is defined as a "disruptive technology". The XTPL printing method may be seen as a factor that will impact the business operation of key players in the aforementioned markets.

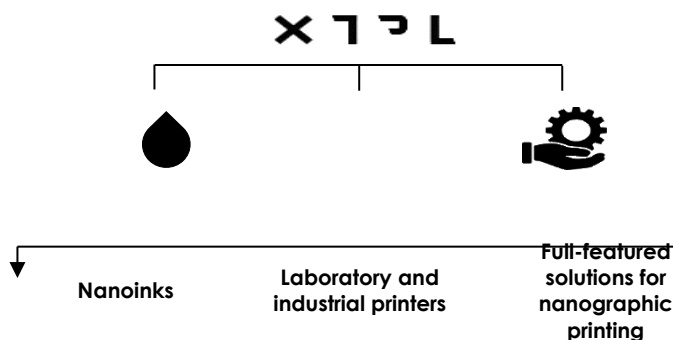
At the same time, due to the platform-like nature of the technology, the Company is looking for new opportunities to apply it in other areas and sectors, such as:

- production of biosensors;
- anti-counterfeiting solutions.

The Company's registered office and research laboratories are located at the EIT+ Wrocław Research Centre. The XTPL team consists of scientists and process engineers with interdisciplinary expertise in: chemistry, physics, electronics, materials engineering and numerical simulations. The team also includes strategic management and commercialization specialists.

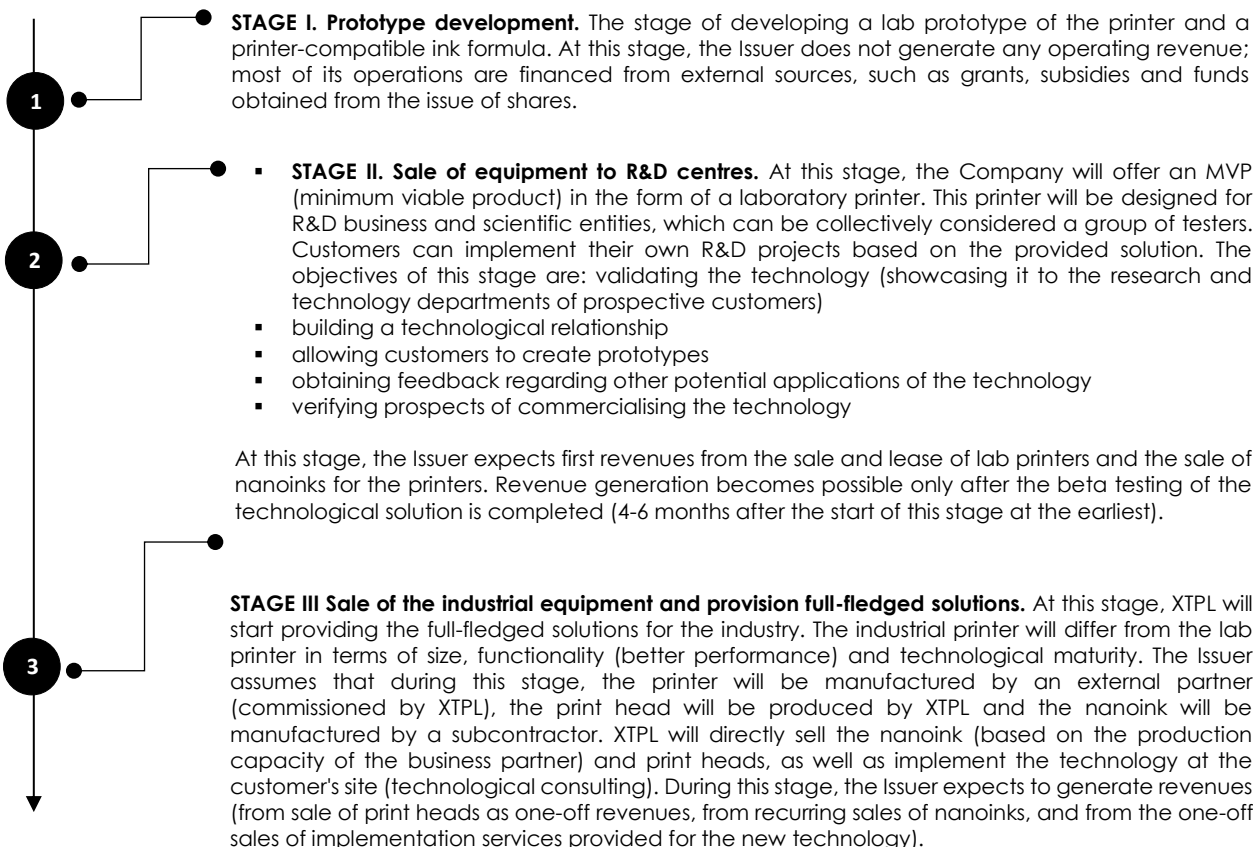
Business model (expansion of XTPL operations):

The Company intends to provide consumers from the printed electronics sector with full-featured technological solutions for ultrafine printing of nanomaterials: a printer (with print head) and a compatible nanoink. The Issuer's initial objective is to develop its products – laboratory printers and nanoink – for use in its customers' research and development, with additional plans for industrial printer development (nanoink included) further in the future.



COMMERCIALISATION

The process of launching the full commercialisation of XTPL solutions **consists of three** stages.



Filip Granek
 Chairman of the Management Board

Maciej Adamczyk
 Member of the Management Board