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# FINANCIAL RESULTS FOR Q3 & Q1-3 2022

XTPL S.A.

November 24, 2022

# XTPL AT GLANCE



XTPL is a global player, developer and provider of **breakthrough and unprecedented technology** for electronics manufacturers, **enabling effective production of new generation devices**

-  Founded in **2015**, based in **Poland** and USA
-  **Interdisciplinary team** of experts, incl. **8 PhDs**
-  Listed on **WSE** (2019) and **FSE** (2020)
-  Supported by **stable shareholders**
-  Operates in the rapidly **growing printed electronics market: CAGR 9%\***
-  Targeted and **effective strategy** focused on technology (incl. IP) and commercialization
-  **Products commercialization** and evaluation of the technology for industrial implementations with global players
-  UPD technology **breaks down technological barriers** - created solutions unattainable by other methods - applied conductive lines with a diameter of even **1 μm** (1 millionth of a meter)
-  **IP regularly secured** by expanding the patent cloud - **3 patents granted** and **23 pending applications** processes
-  **Platform character** of the technology with application in many existing sectors of printed electronics
-  Constantly **growing revenues from the sale of products**  
Effective CF management.

1.

EXECUTIVE  
SUMMARY

2.

FINANCIAL RESULTS

3.

SUMMARY OF  
ACHIEVEMENTS

4.

SUMMARY  
AND OUTLOOK

# EXECUTIVE SUMMARY Q3 AND Q1-3 2022



- ✓ **PLN 3.7 million** in revenues from the sale of products and services in Q3 2022  
**52-fold increase y/y and best quarter in XTPL's history**
- ✓ **PLN 0.9 million** in EBITDA for Q3 2022  
**+PLN 2.7 million y/y**
- ✓ **PLN 0.6 million** first net profit posted, Q3 2022:  
**+PLN 2.5 million y/y**
- ✓ **PLN 6.6 million** in revenues from the sale of products and services in Q1-3 2022  
**31-fold increase y/y, 3x the sales for 2021**
- ✓ **PLN 1.0 million:** operating cash flows in Q1-3 2022  
**+PLN 4.2 million y/y**

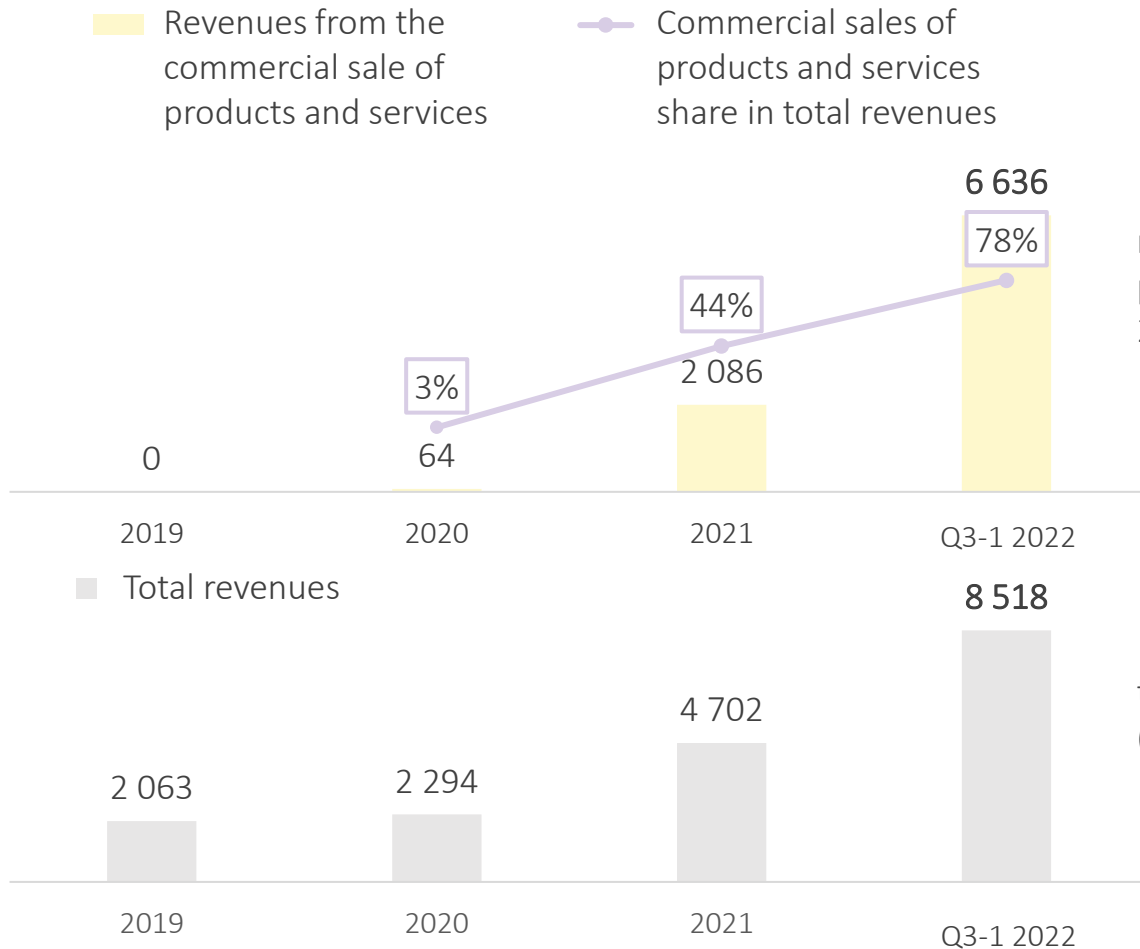
- Entering the key stage of industrial implementation in the **semiconductor** area for a partner from Taiwan
- Advanced work with an industrial partner in the area of **PCBs** and the first payment tranches received
- Continuing **9 technology evaluations in terms of industrial implementations** with global players of the printed electronics sector
- **Sale of Delta Printing System devices**, incl. to the **USA and China** – selling first DPS to an industrial client and making inroads into new markets
- **22 nanoink sales transactions** since the beginning of 2022; signing the first private label agreement
- **Obtaining further patent protections**, including in Japan, USA, Israel and UK
- Participation in over **20 international industry events** supporting the recognition of XTPL's brand and solutions
- Signing an agreement with Horizon Europe; **a grant of nearly PLN 430 thousand received by XTPL**
- Signing agreements on changes to the bond issue conditions

FINANCIAL RESULTS FOR Q3 & Q1-3 2022

# FINANCIAL PERFORMANCE – Q3 & Q1-3 2022 SUMMARY



\* figures in PLN thousand



**PLN 6.6 million**

revenue from the sale of products and services in Q1-3 2022 (**3-fold** the 2021 figure)

**PLN 8.5 million**

total revenues Q1-3 2022 (nearly **2-fold** the 2021 figure)

- Transition from an R&D-focused firm into a business that successfully commercializes its products and technology
- An upward trend in revenue from the sale of products and services triggered by the commercialization of the first two business lines – DPS printing devices and nanoinks
- A pronounced acceleration of revenues in 2022 alongside the commercialization of the third key business line related to industrial implementations
- Strong business development: in Q1-3 2022 have already seen 78% of total revenues coming from the sale of products and services
- 3-fold increase in revenues from the sale of products and services cumulatively for the last 12 months (LTM Q3 2022), compared to the entire 2021 (PLN 8.5 million vs PLN 2.1 million)

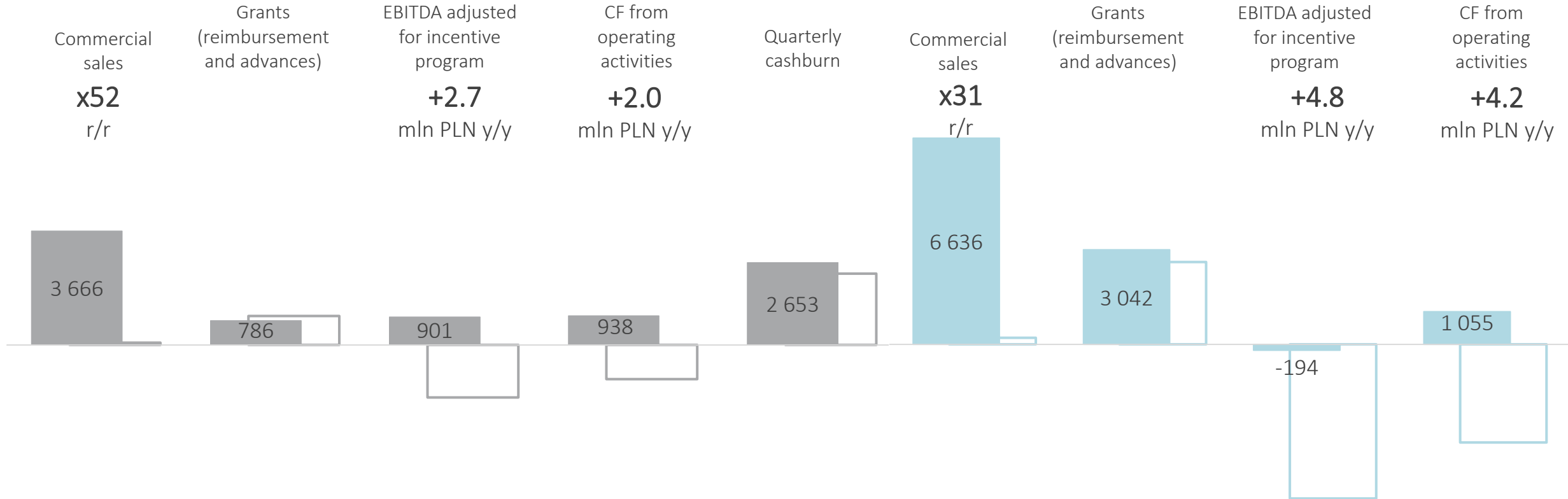
# FINANCIAL PERFORMANCE – Q3 & Q1-3 2022 SUMMARY



\* figures in EUR thousand

■ Q3 2022 □ Q3 2021

■ Q1-3 2022 □ Q1-3 2021



# FINANCIAL PERFORMANCE – Q3 AND Q1-3 2022 SUMMARY



\* figures in PLN thousand

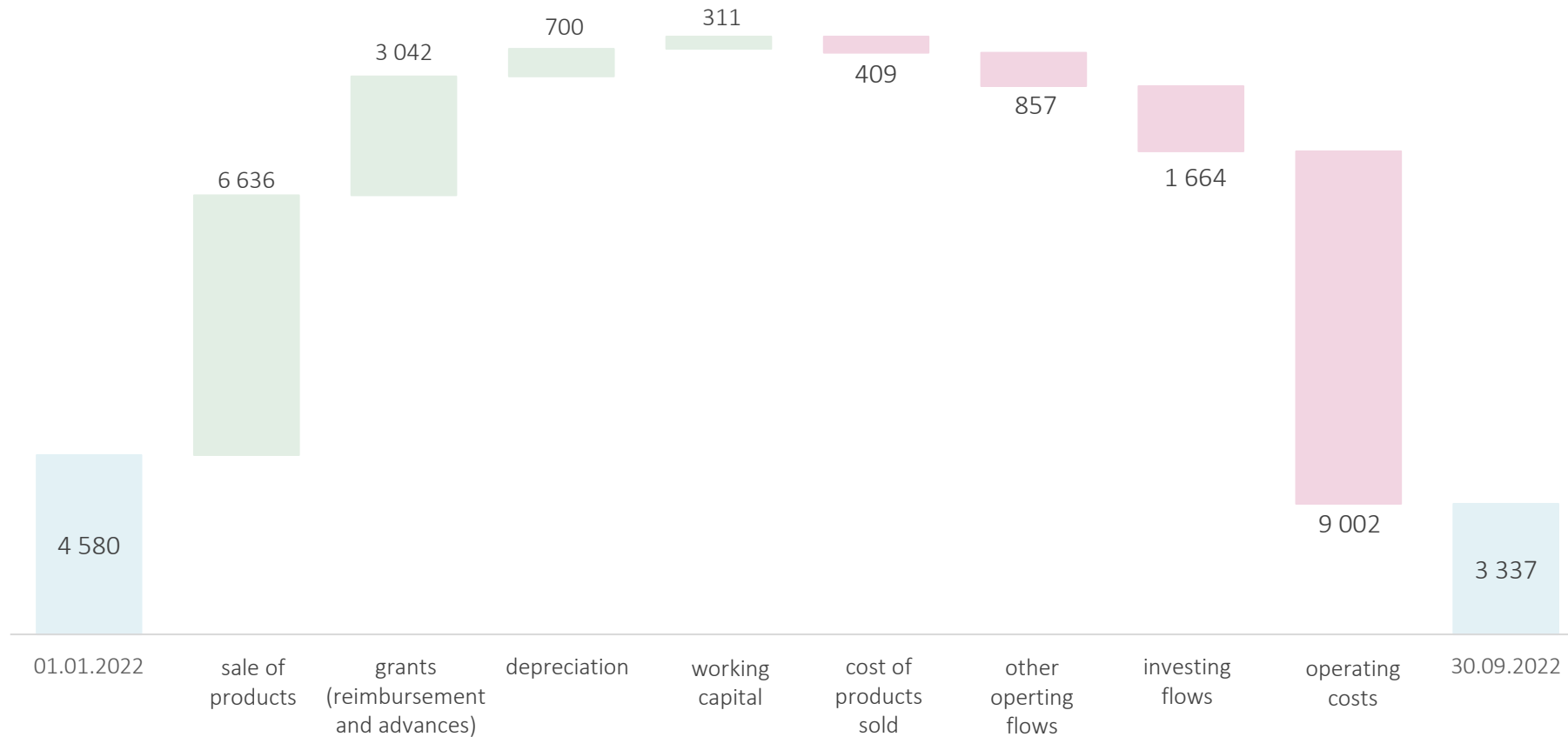
	Q3 2022	Q3 2021	Q1-3 2022	Q1-3 2021
Total revenues	3,732	504	8,518	1 252
Revenues from the sale of products and services	3 666	70	6,636	213
Grants (refunds and advances)	786	930	3 042	2 652
Operating costs	2 920	2 408	9,002	6 478
Incentive scheme	0	0	1 149	1 149
EBITDA	901	-1,789	-1 343	-6 104
EBITDA adjusted for the incentive scheme	901	-1,789	-194	-4 955
Cash flows from operating activities	938	-1,100	1 055	-3 153
CAPEX	-707	-653	-1 664	-2 187
Quarterly cashburn	2 653	2 293	-	-
	30.09.2022		30.06.2022	
Cash balance at the end of the period		3 337		3 465

- **52-fold increase in revenues from the sale of products and services** in Q3 2022 and a **31-fold** increase in Q1-3 2022 including inflow of funds from completion of individual stages of industrial projects, including receipt the second tranche from Nano Dimension
- **Reducing the share of grants in total revenues** coupled with their effective acquisition and an increase in absolute terms
- Higher operating costs commensurate with the growing business volumes
- Recognition of the cost of the incentive scheme with no impact on the Company's assets or financial position
- Notable improvement in EBITDA in Q1-3 y/y (up PLN 4.8 million) and **positive EBITDA in Q3 2022**
- **In Q3 2022, net profit posted** for the first time in XTPL's history: **PLN 0.6 million (up PLN 2.5 million y/y)**
- Positive operating cash flows

# FINANCIAL PERFORMANCE - CASH FLOW



\* figures in EUR thousand



SUMMARY OF Q3 & Q1-3 2022 ACHIEVEMENTS

# COMPANY DEVELOPMENT PHASE



NEXT STEP

CURRENT PHASE

## INITIAL TECHNOLOGY DEVELOPMENT PHASE

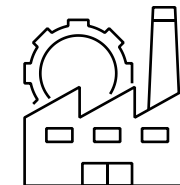
- development of the underlying technology
- technology evaluation by industrial clients and academic R&D centers



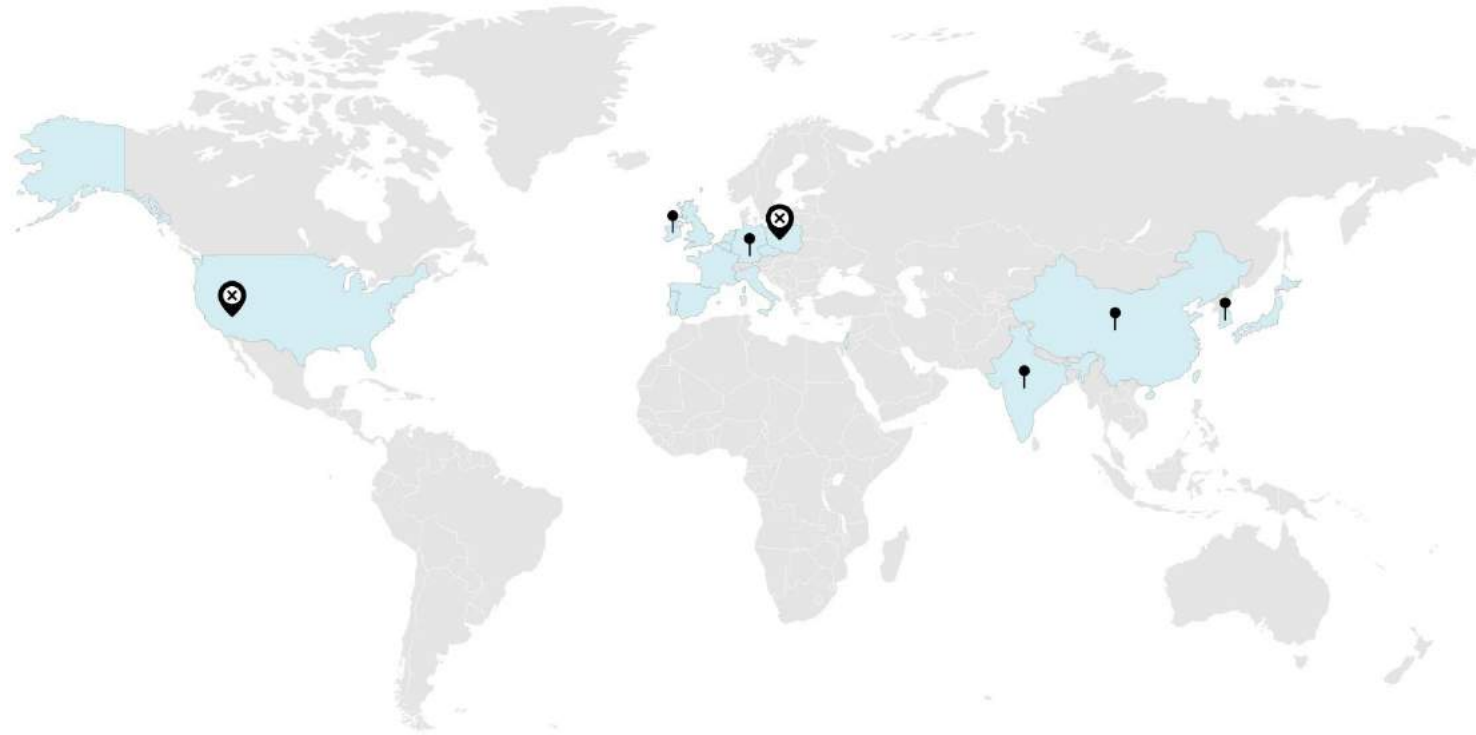
- Research & Development
- rapid prototyping
- commercialization of the Delta Printing System and XTPL nanoinks
- introducing and establishing commercial and strategic cooperation in order to **implement technologies to global industrial customers**
- **technology evaluation for industrial implementations** with global players in the printed electronics market

- integration of **XTPL Printing Module** to industrial equipment
- continuous supply of ink and nozzles + cartridges

XTPL  
INSIDE



# GLOBAL RANGE OF ACTIVITY

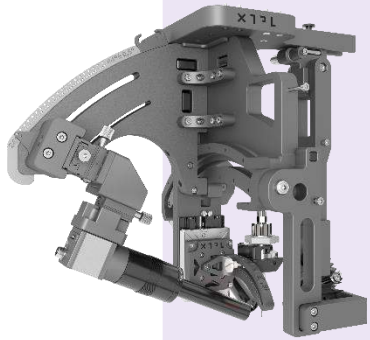


XTPL is based in Poland and in the USA (XTPL Incorporated).

The Company is in talks with global players and is currently commercializing its products on the markets of North America, Europe and Asia.

XTPL acquired business partners, distributors of its solutions in South Korea, China and Hong Kong, British Isles, Germany and India.

- XTPL office locations
- Sales of XTPL products
- XTPL distributors



**HIGH-RESOLUTION  
PRINTING MODULE  
FOR INTEGRATION**

- printing module for integration with industrial equipment
- opportunities in the FPD, semiconductor and PCB areas
- use cases are focused on local high-precision additive jobs



**DELTA  
PRINTING  
SYSTEM**

- XTPL technology demonstrator
- stand-alone R&D and prototyping system
- current geographic locations of Delta Printing System clients: Germany, Poland, UK, Italy, China and USA



**HIGHLY-  
CONCENTRATED  
NANOINKS**

- silver nanoinks with a high silver content and excellent stability for use in various printing techniques
- silver products sold globally to academic and industrial partners from EMEA, USA and Asia
- copper and gold nanoinks under development

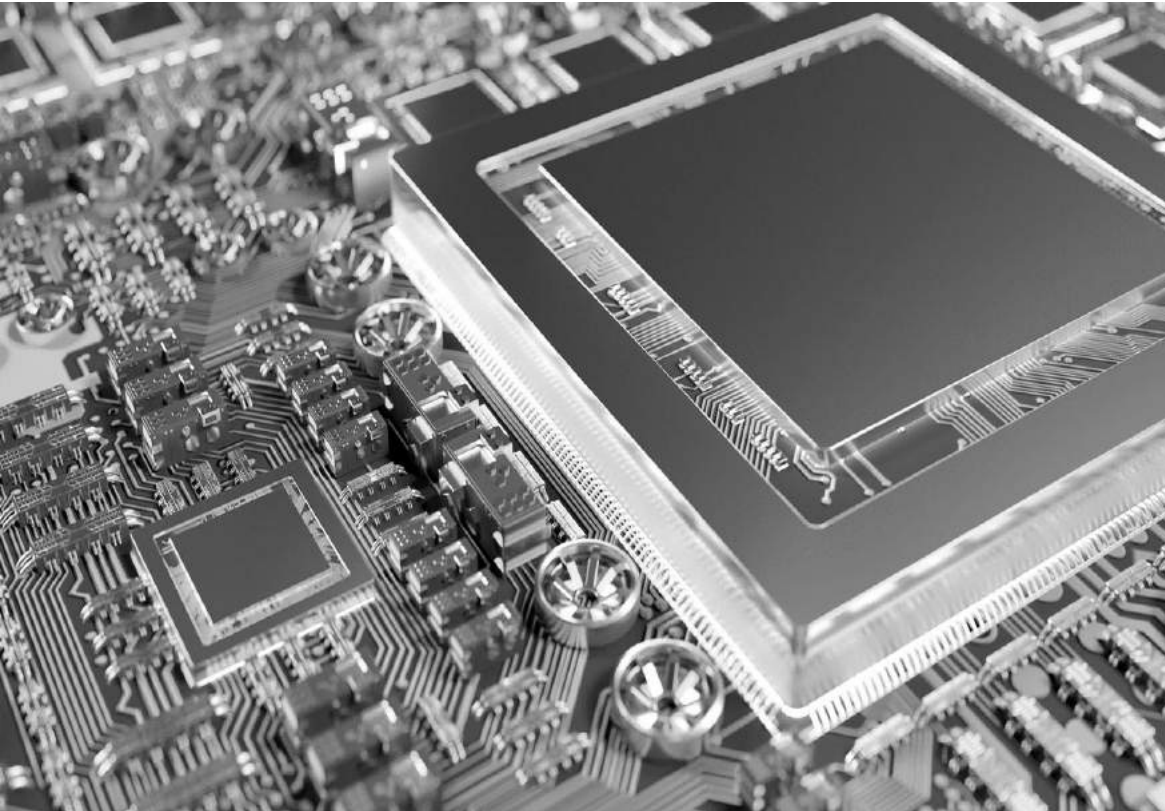
# CURRENT INDUSTRIAL PROJECT PIPELINE

(only projects in Stage 2 and above shown)



PROJECT NAME	INDUSTRY AND GEOGRAPHY	PARTNER / END-USER	STAGE 0	STAGE 1	STAGE 2	STAGE 3	STAGE 4	STAGE 5
			Base-technology development at XTPL	Initial contact and identification of the problem-solution fit	Technology Evaluation / Development at XTPL site	Technology Validation at Partner site	Industrial Prototype Tool	Industrial "Roll-out"
OLED 1.0 um ODR Repair	FPD Korea	Leading consumer electronic manufacturer				Initial discussions		
TE-OLED	FPD China	Leading electronic components producer				Initial discussions		
microLED Interconnect Repair	FPD China	Global provider of ICT infrastructure and smart devices						
Interconnect Depo	FPD USA	Multinational technology company				Initial discussions		
microLED CCL	FPD USA	Leading semiconductor chip manufacturer						
WLP Precision Via Fill	Semicon Taiwan	Global semiconductor foundry						
High-resolution Printed RDL	Semicon China	Leading global provider of ICT infrastructure and smart devices						
Prototyping of ICs interconnections	Semicon USA	Microcontroller and integrated circuits manufacturer						
Mettalic ink	PCB EMEA	Nano Dimension Ltd.						

## ENTERING THE KEY STAGE OF INDUSTRIAL IMPLEMENTATION IN THE SEMICONDUCTOR AREA FOR A PARTNER FROM TAIWAN



- On 22 July 2022 XTPL confirmed acceptance of an order for the delivery of a printing module for industrial integration and will deliver its technology in the form of a printing module to build a prototype of an industrial device for applications in **semiconductor** production.
- The order was received from the Company's Partner: a Taiwan-based global manufacturer of specialized equipment for the production of semiconductor components.
- The XTPL printing module will be an essential element of the industrial device prototype for advanced packaging applications in the semiconductor industry.
- The Partner's decision to buy the printing module and start the construction of a prototype industrial device was taken following a complex process consisting of three stages of evaluation of XTPL's technological solutions in cooperation with the Partner in Taiwan (equipment manufacturer) and a Client, also Taiwan-based – a leading global manufacturer of semiconductors (End-Client).
- The complex evaluation process with the Partner took about 18 months to complete.
- Sales revenue connected with the order will be recognized by the end of 2022.

XTPL is moving closer to having its technological solutions deployed in the mass production of next-generation electronics

# CONTINUATION OF THE COLLABORATION WITH NANO DIMENSION IN THE FIELD OF PCB - THE FIRST INDUSTRIAL PARTNER



- On January 10, 2022, XTPL entered into a cooperation agreement with Nano Dimension Ltd.
- Collaboration to develop a special formulation of conductive ink for the devices manufactured and supplied by Nano Dimension
- The special formulation for electronically conductive ink is based on metallic nanoparticles for Additively Manufacturing Electronics (AME) applications
- The solutions will enable high conductivity for Nano Dimension products focused on AME markets
- Implementation of the technological phase stages and launched payment tranches
  - April 2022: 1st stage and 1st payment tranche completed
  - July 2022: 2nd stage and the 2nd payment tranche completed
  - November 2022: 3rd stage, 3rd payment tranche completed and transition to 4th stage of the technological phase

Nano Dimension Ltd. is a NASDAQ-listed provider of intelligent machines and solutions for the production of Additively Manufactured Electronics (AME). Nano Dimension implements printing technology for manufacturing of AME and 3DPrinted Electronics markets.

*"Adding new materials to our portfolio is a key strategic aim for Nano Dimension company, and in addition to in-house development of dielectric and conductive ink, we partner with material companies to expand our material portfolio for different applications"* said **Hanan Gino, Chief Product Officer of Nano Dimension**.

*"The expertise of XTPL will enable our customers to more easily develop new classes of High-Performance Electronic Devices (HI-PEDS®) on our AME solutions"* he added.

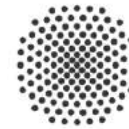


# DELTA PRINTING SYSTEM - COMMERCIALIZATION Q1-3 2022



- The first sale of the device to the **United States**, and the **first DPS** ordered by a **industrial client** – a company from the Big Five giants from the ICT sector
- **Start of commercialization of the DPS in China** through the sale of the product by the XTPL's Chinese distributor
- sale to the Humboldt University of Berlin
- **8 Delta Printing System (DPS) devices** sold in total\*
- Development of the device and software for DPS control
- ~EUR 170–200 thousand – DPS price

Selected users of the Delta Printing System:



University of Stuttgart



UNIVERSITÀ  
DEGLI STUDI  
DI BRESCIA



University  
of Glasgow

HUMBOLDT-  
UNIVERSITÄT  
ZU BERLIN



Łukasiewicz  
PORT

## START OF COOPERATION WITH ONE OF THE BIG FIVE TECH GIANTS FROM SILICON VALLEY – ENTERING THE US MARKET



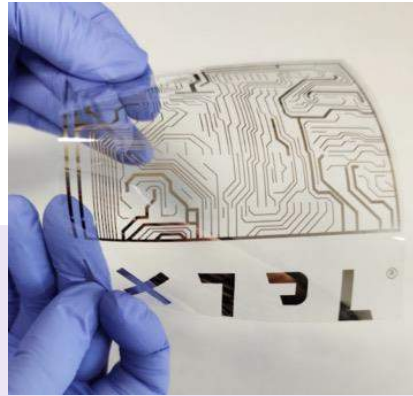
- XTPL enters the US market with its Delta Printing System (DPS) – **the first sale of the device to the United States**, and the **first DPS ordered by a corporate client**
- The device is to support R&D work at a company from the Big Five tech giants in Silicon Valley, e.g. in the development of **virtual-reality technologies and products**
- The start of building a relationship with a reputable global player, which strengthens the XTPL's position in business talks
- Confirmation of the potential of our technologies – XTPL's device surpassed the quality offered by competitive solutions.
- XTPL started cooperation with the client at the end of 2021. Together with the US counterparty, XTPL carried out a technology evaluation process, demonstrating results that significantly exceeded the test results achieved by competitors

*“We would like to emphasize that this is the first sale of the Delta Printing System to a corporate client and at the same time the first sale of this device to the United States, the market of key importance for the rapid development of this technology. For us, this creates promising prospects of more transactions to be made going forward. The selection of our device, whose evaluation results pointed to a quality significantly exceeding that achieved in tests of competitive solutions, confirms the potential inherent in our proprietary technology,”* says **Filip Granek, CEO of XTPL S.A.**

# NANOINKS - COMMERCIALIZATION Q1-3 2022

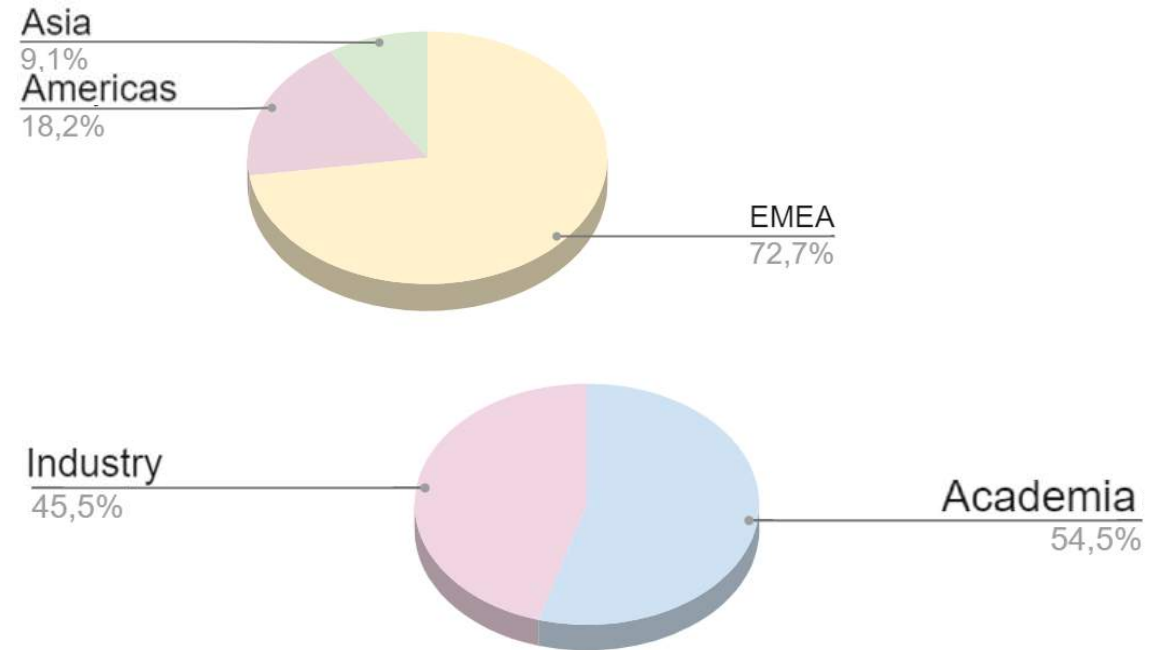


Commercial sales



- **22 independent orders** from the EMEA region, the Americas and Asia
- **48 orders** since the beginning of ink commercialization
- **8 returning clients** since the beginning of ink commercialization
- New countries on the sales map:  
**Netherlands, Poland, France, Taiwan, Singapore**
- Cooperation with **Nano Dimension** as part of the work on a **new generation conductive nanoink**
- An agreement with **nScript** for the distribution of the **conductive nanopaste CL85** – the product added to the client’s product range
- Development of **copper and gold** inks

Nanoink sales Q1-3 2022



## SIGNED FIRST PRIVATE LABEL AGREEMENT WITH NSCRYPT



- On April 5, 2022 XTPL strengthens cooperation with nScript Inc. by concluding a private label agreement.
- XTPL's Ag Nanopaste CL85 will be added to nScript's product offer and will be marketed to nScript's production system users from **medical device, defense and space sectors**.
- XTPL's Ag Nanopaste CL85 will be the first product to be offered as part of the cooperation between the companies.
- Along with nScript's technological equipment, XTPL's nanopaste will be used for the development of new generation printed electronics.
- The very good results of the nanopaste's evaluation, carried out by the nScript's R&D team for its selected customers, confirmed the uniqueness of the XTPL solution.

*„Quality and performance are key for us and our customers. These are the features we see in Nanopaste CL85 developed and produced by XTPL. Implementing the XTPL nanopaste into our deposition systems will allow fine features to be printed, down to 25 microns, with high aspect ratios. This will also allow more electrical current to be carried in a microscopic line.” says nScript's CEO, Ken Church (PhD).*



nScript designs and manufactures high-precision industrial Microdispensing and Direct Digital Manufacturing equipment with unmatched accuracy and flexibility. nScript has award-winning technologies and is thrived to provide complete solutions for various applications in electronics & packaging, 3D printing, life science and more. nScript's headquarter is based in Orlando, Florida.

## Key achievements and progress in research & development in Q1-3 2022

- **Development of software controlling the Delta Printing System (DPS)** – the ability to import designs for printing in CAD format, commonly used in industry and introduction of graphical user interface for increased user comfort
- **Increasing the working area of the DPS printing system** from 50 mm x 50 mm to 200 mm x 200 mm in response to the needs reported by clients
- **Development of the XTPL printing system and introduction of the possibility of automatic deposition of features on surfaces in 3D**, including printing on the edge with substrate rotation.
- Development of the XTPL UPD technology by **elaborating a procedure of sintering the printed structures obtained by dispensing the CL85 and CL85-Flex ink**. The aim is to achieve the highest possible electrical conductivity under the given conditions that guarantee the safety of other elements of microelectronic systems.
- **Completing three stages of the technological phase under the agreement with Nano Dimension**. The agreement relates to developing a new generation conductive nanoink for industrial applications in the client's products designed for the production of PCBs.

In 2022, XTPL actively participated in more than **20 international industry events**, including:

- International Conference on Display Technology ICDT 2022 – China
- The 22nd International Meeting on Information Display 2022 – Korea
- Swiss-ePrint – The Swiss Conference on Printed Electronics and Functional Materials – Switzerland
- The 17th International Thin-Film Transistor Conference ITC 2022, Micro and Nano Engineering MNE 2022 – Belgium
- Eurodisplay 2022 – Germany
- innoLAE 2022 – UK – online
- TechBlick Lounge-Exhibition – online
- LOPEC 2022 – Germany
- Smart Systems Integration 2022 – France
- SMTconnect – Germany
- Display Week – United States
- ImpactCEE – Poland
- IEEE 72nd Electronic Components and Technology Conference – USA
- 22nd International Conference & Exhibition – Switzerland
- Łukasiewicz Innovatorium – Poland
- Chemnitzer Seminar 2022 – Germany
- Innovations Festival: Printed, Hybrid, 3D, InMold, Textile Electronics – online
- NANOTECHNOLOGY 2022 – Greece
- IEEE FLEPS 2022 – Austria

# INTELLECTUAL PROPERTY PROTECTION Q1-3 2022



**Q1-3 2022:** obtaining protection from: the Japanese Patent Office (January 2022), the US Patent Office (May, September 2022) for two different methods of forming conductive lines, the Israeli Patent Office and the British Intellectual Property Office (September 2022); filing of the 25th patent application

4

patents  
granted

23

pending applications  
processes

### Support from international law firms

- K&L GATES (Palo Alto, CA, USA)
- Gill Jennings & Every LLP (London, UK)

### PATENT GROUPS: APPLICATIONS FILED AND PATENTS GRANTED

**UPD process** – patents describing the ultra-precise deposition process or a device used for this process

**Nanoink** – patents protecting various nanoink formulations

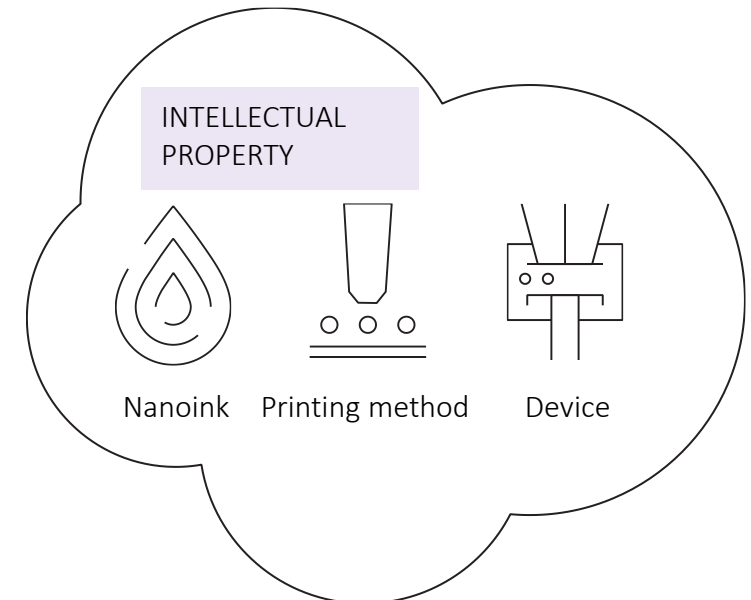
**Software** – patents protecting the solutions implemented in the software that controls the printing devices

**Application fields** – patents describing solutions to specific technological problems using the UPD method

**Characterization and quality control** – patents related to the characterization and quality control of selected components of the printing head

XTPL's global solutions are being systematically secured by expansion of the patent cloud. Intellectual property is a product and a competitive advantage, while development of the patent cloud has a major impact on the Company's value – the size and proper protection of the cloud are key to the market position.

XTPL solutions are protected as of patent submission with the relevant patent authority.



A close-up photograph of a person's hand pointing at a digital screen. The background is dark with out-of-focus bokeh lights in warm tones. A yellow horizontal bar is overlaid at the bottom of the image.

## SUMMARY AND OUTLOOK

# SUMMARY AND OUTLOOK



XTPL is a global player in the rapidly growing printed electronics market, with a targeted development strategy, an interdisciplinary team of experts and support from stable shareholders. It offers global business partners the world's most precise, platform printing technology, providing them with competitive edge and technological advantages by enabling effective production of modern, new generation devices.

## FINANCE

- **Q3 2022 the best quarter in the history of XTPL:** PLN 3.7m in commercial sales and an over 53-fold increase y/y, PLN 1m in operating cash flows - a positive change by PLN +2m y/y, and a positive net result
- sales of products in Q1-3 2022 (PLN 6.6m) more than 3-fold higher than in the entire 2021
- safe level of cash, secured financial liquidity and the ability to obtain subsidies (NCBR support, HORIZON program)

## COMMERCIALIZATION

- a consistent commercialization strategy - **sale of technological solutions products and industrial implementation projects**
- **9** technology evaluations for industrial implementations with global players - move to stage 4 to deliver the XTPL industrial integration module for the **Partner in Taiwan** and implementation of the 3rd stage of the technological phase with **Nano Dimension**

## MARKET

- reaching many fast-growing organic and flexible printed electronics sectors – a market which is expected to total USD 63.3 billion in 2025 (**CAGR 2020–2025: 9.0%**), and USD 74.1 billion in 2030 - an increasing number of new applications of printed electronics
- xtpl.com

## STRATEGY

- a precisely defined development strategy incl.: technology and R&D, commercialization of the printing device for industrial implementations as well as Delta printer and nanoinks - diversified business model

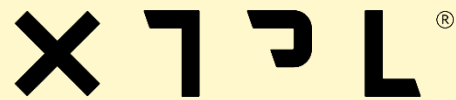
## TECHNOLOGY

- **revolution** - enabling production of complex and complicated devices using efficient, cost-effective and scalable printing methods.
- **uniqueness** – disruptive, proprietary and unique UPD (Ultra Precise Deposition) technology that breaks down further technological barriers and helps obtain conductive lines that previously could not be achieved by any other method (resolution of 1 μm)
- **platform character** – with application in many existing sectors of printed electronics
- IP regularly secured by expanding the patent cloud – **4 patents granted** and **23** pending applications processes

## ORGANIZATION

- global operations
- the modern business approach thanks to an interdisciplinary team with extensive expertise and experience – **over 40 people in Poland and USA**
- support and trust of significant investors, with XTPL executives in the shareholding structure

CONTACT FOR INVESTORS:  
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THANK YOU

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