

Thursday, August 26, 2021

Morning Comments

Equity Market, Poland

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DJIA	35.406	+0.11%	FTSE 100	7.150	+0.34%	Copper (LME)	9.356	-0.21%
S&P 500	4.496	+0.22%	WIC20	2.325	+1.06%	Crude Oil (Brent)	70.67	+0.60%
NASDAQ	15.042	+0.15%	BUX	51.094	-1.05%	USD/PLN	3.885	-0.17%
DAX	15.861	-0.28%	PX	1.290	+0.30%	EUR/PLN	4.574	-0.02%
CAC 40	6.676	+0.18%	PLBonds10	1.789	+0.042	EUR/USD	1.1772	+0.14%

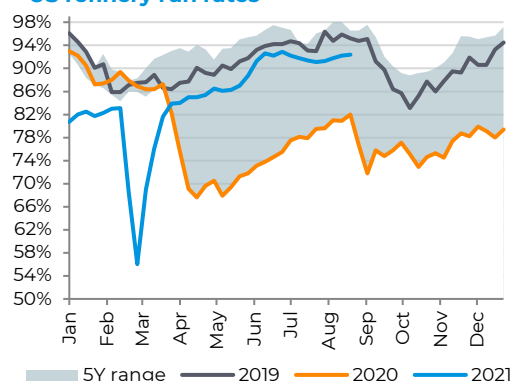
Daily Briefing

Oil&Gas

US crude inventories drop stronger than expected

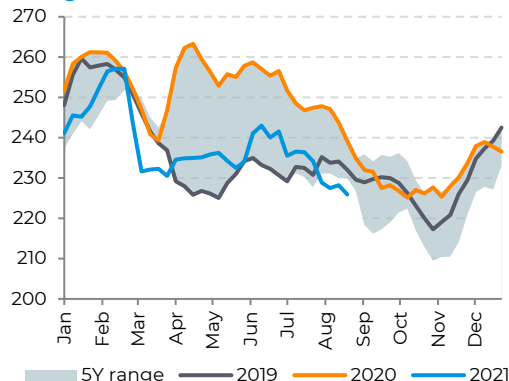
EIA report showed that US domestic crude inventories decreased by 3.0 mmbbl (2 week in a row), whereas market consensus stood at -2.0 mmbbl. Refinery runs were slightly up from 92.2% to 92.4% (slightly below 5Y pre-COVID average at 95%) whereas market expected 0.1 p.p. throughput decrease. Crude oil net import was up by 15%. Gasoline stocks decreased this time by 2.2 mmbbl (expectations at -1.5 mmbbl) and are 5.5% lower yoy. Diesel inventories increased by 0.6 mmbbl vs -0.9 mmbbl expected. Gasoline consumption 4-weeks moving average dynamics yoy stood at +8% with last week deliveries increasing by ~3% (comparing to 2019 reference period 4-weeks average is 2.6% down). Diesel consumption 4-weeks moving average indicates yoy increase by 7% (~1.5% above 2019 reference level). US crude production was flat at 11.4 mb/d still far from pre-COVID levels at 13 mb/d. **Demand side in August is not as strong as in July which is probably connected with resurgence of Covid-19 cases. Gasoline inventories levels are still well below 5Y lower range which should further support cracks. (K. Kliszcz)**

US refinery run rates



Source: Bloomberg

US gasoline inventories



Source: Bloomberg

PKN Orlen

Reduce – 2021-07-06
 Target price: PLN 70.59

Offshore strategic partnership with GE energy

Orlen informed yesterday about signing strategic partnership deal with GE Energy regarding offshore projects development. PKN will apply for more licences to build offshore wind farms on the Baltic Sea, also outside the Polish zone. Investments in Lithuania would be "logical," according to CEO Daniel Obajtek. **Deal with GE is a little bit surprising regarding co-operation with Northland Power on current offshore project. (K. Kliszcz)**

Tauron

Suspended – 2021-06-02

Tauron wants to repurchase PFR minority stake in Jaworzno project

Tauron announced yesterday afternoon that company decided to initiate actions, including launch of negotiations, with the purpose of repurchasing PFR's (Polish Development Fund) 14% minority stake in Jaworzno 910MW unit. **As a reminder, Jaworzno project was realized by SPV and PFR entered the project with PLN 0.88bn equity contribution. SPV profitability is guaranteed by PPA contract with Tauron. Theoretically transaction is neutral as the expenditure should be compensated by NABE in the planned curve-out transaction, however it is worth to mention that the price paid by Tauron (mentioned PLN 0.9bn) is not corresponding with current market price of the Jaworzno unit without generous offtake contract (before transferring to NABE, PPA will be terminated). This issue was highlighted in our previous comments relating to transition process. (K. Kliszcz)**

Media

Advertising market forecasts from Publicis Group

The advertising market in the coming quarters will recover from the losses incurred in the pandemic, and in 2021 advertising expenditure in Poland will increase by 13% y/y - estimates Publicis Groupe. The group's report shows that the value of the advertising market in Poland in the first half of 2021 amounted to PLN 4.8 billion, which means an increase of 20.5% and 1.7% compared to 2019. In Q2'21 alone, advertisers issued 41.9% more y/y. The outlook for the second half of the year is also promising, despite the fourth wave of the pandemic. After 1H'21, all media, except for the press and cinema, are growing - online advertising generated revenue higher by 23.9% y/y, television grew slightly slower - by 21.4% and radio - by 20.2% y/y. **The forecasts revealed by Publicis imply a slower growth of the market in 2H'21 y/y than in 1H'21. We assumed this in our WPL's model. After an increase in online advertising revenues by > 35% y/y in 1H'21, we estimate the growth rate at the level of approx. + 15% y/y in 2Q'21. (P. Szpigiel)**

KGHM

Buy - 2021-06-02
Target price: PLN 245.39

KGHM reached an agreement with Chilean trade unionists

According to WNP.pl, wage negotiations with Sierra Gorda trade unions have been successfully completed. The signed agreements will be valid for three years. Details of the contract have not been disclosed. **Positive for KGHM. (J. Szkopek)**

Coking coal

Strong price increase in the Atlantic

US hard premium LV coking coal jumped yesterday by 26 USD/t to 285 USD/t FOB in the U.S. Yesterday, US Buchanan coking coal with October loading was offered at 375 USD/t CFR in China, while Oak Grove coal in at 415 USD/t CFR China. The market expects the next prices to be higher given the higher levels of offers that hit the market. In turn, Russian K10 coal is offered at the price of approx. 320 USD/t CFR China. **There are opinions in the market that coking coal prices could reach 500 USD/ton CFR China. American coal prices are rising because China is struggling with a lack of raw material on its market after temporarily closing its border with Mongolia. (J. Szkopek)**

Copper

Union at BHP's Cerro Colorado calls on workers to reject contract offer

The workers' union at BHP's Cerro Colorado copper mine in Chile has called on its members to reject a final contract offer by the company, paving the way for a strike at the small deposit, the group's leadership told Reuters. **The mine, which produced 68,900 tonnes of copper in 2020. The BHP will probably use government mediation until strike begins. For more information please visit [link](#). (J. Szkopek)**

Chile royalty bill discussed in senate

The bill, approved by the Chamber of Deputies and now under review in the Senate, would slap a 3% royalty on sales of copper that would increase sharply alongside rising prices. Chile's sprawling mining sector believes a royalty bill under discussion in Congress could shut down the country's private miners as currently written, a senior mining executive told lawmakers on Wednesday. **The market believes that new mining tax in Chile could slash new mining investments for 1 mln tons of copper in next few years. For more information please visit [link](#). (J. Szkopek)**

Quarterly Earnings Results

PZU

Accumulate – 2021-06-02
Target price: PLN 40.63

Results slightly above the consensus

- PZU net income in 2Q'21 came in at PLN 774m, down 13.7% Q/Q but up 3x Y/Y, broadly in-line with the consensus estimate at PLN 754m and with our own forecast at PLN 795.3m.
- Better-than-consensus results came in as mix of higher-than-expected gross written premiums and net investment income. On the other hand PZU reported somewhat higher net claims result.
- The results were supported by release of PLN 51m in life segment due to lower mortality forecasts in subsequent periods,
- Gross written premium came at PLN 6,194m, up 1% Q/Q and +11% Y/Y, above the expectations and was supported by the P&C segment (+1% Q/Q and +14% Y/Y). The growth was supported by the bancassurance channel.
- Net claims came in at PLN 4,144m, up +4% Q/Q and +1% Y/Y, and were slightly higher from both, consensus and our estimates. The quarterly increase was mostly visible in life-segment (+11% Q/Q and +8% Y/Y). PZU indicates that is facing higher costs of paramedic risks and number of deaths in 2Q'21 increased by 21% Q/Q.
- Net investment result (without banks) came in at PLN 650m, below our expectations of PLN 622m. Net investment result including banks activity came in at PLN 2,349m and was 10.5% higher than consensus. Income from debt instruments was stable q/q while from equity investments dropped from PLN 519m in 1Q'21 do PLN 131m due to lower one off transactions.
- **All-in-all we find the results as positive. PZU managed to beat demanding consensus with good composition of the results. In the results we appreciate growth in premiums but also still low claims ratio in P&C segment. The results in 1H'21 stated for 52% of our annual forecast and thus we expect some upgrades to the forecast. Our current rating is buy with TP at PLN 40.63. (M. Konarski, M. Lemańczyk)**

PZU 2Q'21 results summary

(PLN m)	2Q'20	1Q'21	2Q'21	Y/Y	Q/Q
gross written premiums	5.594	6.148	6.194	10.7	0.7
reinsurer's share	-118	-153	-293	148.3	91.5
net written premiums (net of reinsurer's share)	5.476	5.995	5.901	7.8	-1.6
change in unearned premium provision	214	-309	-70	n.m.	-77.3
net premiums earned (net of reinsurer's share)	5.690	5.686	5.831	2.5	2.6
claims and benefits paid out	-4.117	-4.016	-4.170	1.3	3.8
reinsurer's share	107	90	26	-75.7	-71.1
net claims and benefits paid out (net of reinsurer's share)	-4.010	-3.926	-4.144	3.3	5.6
fee and commission income	36	24	28	-22.2	16.7
result on investments	1.155	758	650	-43.7	-14.2
acquisition costs	-812	-798	-825	1.6	3.4
administration expenses	-460	-463	-446	-3.0	-3.7
net other operating income and expenses	-257	-221	-304	18.3	37.6
income from banks	-946	572	984	n.m.	72.0
operating profit (loss)	396	1.632	1.774	348.0	8.7
finance costs	0	0	0	n.m.	n.m.
equity-method associates	0	-6	-2	n.m.	-66.7
gross profit (loss)	396	1.626	1.772	347.5	9.0
corporate income tax	-381	-455	-419	10.0	-7.9
minority interest	-170	274	579	n.m.	111.3
net attributable profit	185	897	774	318.4	-13.7

2021 Q2 actuals vs. expectations

(PLN m)	2Q'21	consensus	diff.	PZU*	Q2'21E*	diff
gross written premiums	6.194.0	5.960.0	3.9%	6.194.0	6.152.5	0.7%
net claims	4.144.0	4.054.0	2.2%	4.144.0	4.089.6	1.3%
net investment income	2.349.0	2.125.0	10.5%	650.0	621.6	4.6%
operating costs	2.579.0	2.543.0	1.4%	1.271.0	1.327.0	-4.2%
net profit	774.0	754	2.7%	774.0	795.5	-2.7%

Source: PZU, E – estimates by mBank, Consensus estimates provided by PAP, *without banks

More News

Aparator	Engineering firm Aparator filed the best bid of PLN 57 mln in the first part of a tender for delivering smart meters to power group Energa's unit Energa Operator
Asbis	Asbis now expects to net USD 71-74 mln in 2021 versus USD 47-51 mln range forecast previously, on revenues likely reaching USD 2.9-3.1 bln in the entire year, up from the earlier forecast at USD 2.7-2.9 bln, the company wrote in a market filing.
Banking	Poland's banking sentiment indicator Pengab surged 10.9 pts m/m in August to 24.4 pts, a report from the banking lobby ZBP and market researcher Kantar showed. Poland's housing loan origination rose by 23.4% q/q and 64.3% y/y to a record-high of PLN 22.1 bln in Q2, and could reach PLN 80 bln in 2021, according to the AMRON-SARFiN report published by the banking lobby ZBP. Polish banks suffered ca. 19.7k new court cases concerning FX loans in H1, with the full-year figure of new cases expected to settle at ca. 40k, banking lobby ZBP deputy head Tadeusz Bialek told PAP.
Banks	Polish banking lobby ZBP wants to address the European Commission concerning court rulings in CHF loan-related cases as they believe the courts wrongly apply the EU directive on unfair terms in consumer contracts and the April ruling of the EU top court, which recommended informing clients about consequences of potential declaring the FX loan contracts null and void, ZBP deputy head Tadeusz Bialek told daily DGP. (Dziennik Gazeta Prawna)
CO2 Allowances	Poland sold 1.30 mln European CO2 emission allowances EUA at EUR 56.63 apiece at an auction held by the European exchange EEX, EEX said in a statement.
Coal	Poland expects to sign a social deal for the power sector within weeks, State Assets Minister Jacek Sasin told reporters.
Eurocash	FMCG trader Eurocash will be "striving" to improve the effectiveness of its remaining own stores so that they catch up with the stores operated by franchisees, CFO Jacek Owczarek said as cited in a press release. The efforts "should translate into improved profitability in the retail segment" as of 2022, Owczarek said. FMCG trader Eurocash expects retail segment to weigh down on the group's 2021 EBITDA, as the segment's results are seen under pressure also in Q3, CFO Jacek Owczarek told PAP in an interview. FMCG trader Eurocash posted PLN 97.4 mln attributable net loss in Q2, deeper than PLN 71.5 mln loss expected, the company's H1 report showed. Listed distributor and retailer Eurocash expects no need to close more shops than the announced 59 planned closures, CEO Jacek Owczarek says. (Parkiet)
Food	Poland is struggling with launching its food holding KGS consolidating various state firms from the sector due to reported reluctance of the Agriculture Ministry, government insiders tell DGP daily. (Dziennik Gazeta Prawna)
Insurance	Poland recorded an over 4% q/q increase in the average motor insurance premium to PLN 600 in Q2, according to data from price comparison website Punkta. The increase marks a break from the downward trend observed in last quarters, the daily Parkiet noted. Prices may continue to grow further, Punkta's Michal Daniluk opined. (Parkiet)
Investment Funds	Polish investment fund houses generated PLN 184.9 mln net profit in Q2, down by 7.0% y/y, quarterly data from the financial market regulator KNF shows. Revenues in the period settled at PLN 874.4 mln, up by 8.9% y/y.
JSW	JSW received 7 applications for the CEO position and will interview 4 candidates who met all formal requirements on August 27, supervisory board chairperson Halina Buk told PAP.
Lotos	Poland's listed refiner Lotos processed 923k tons of crude oil in July, one of the highest results in the company's history, with output exceeding one million tons, Lotos boasted on Twitter.
Media	Poland's ad market is expected to grow by 13% in 2021, Publicis Groupe ad agency forecasts in a press statement on what is an upgrade from the previous forecast for 8.5% growth.
Non-Bank Lending	Polish non-bank lenders issued almost PLN 3.9 bln worth of loans in January-July period, up by 46.6% y/y, according to credit information bureau BIK data. Quantity-wise, loans surged by 41.5% y/y in the 7M period, to over 1.6 mln products granted. H2 might be better than H1 provided that currently observed monthly growth rates hold on: in July, the volume of loans grew 4.1% vs. June, and the loans value was up by 11% m/m to PLN 737 mln. (Puls Biznesu)
Pension Funds	Poland's private pension funds OFE transferred PLN 631.9 mln to the social insurance board ZUS under the pre-retirement asset shift in August, ZUS press office informed PAP.

PGE	PGE CEO Wojciech Dabrowski views the heating sector reform's pace proposed in the EU's "Fit for 55" package as "too radical," Dabrowski said in an interview for the daily Rzeczpospolita. Also, PGE expects the revised EU directive for natgas and hydrogen to be published in Q4, Dabrowski noted. (Rzeczpospolita)
PGNiG	PGNiG welcomed the recent German court verdict which dismissed Nord Stream 2's owner's appeal to German natgas market regulator's refusal to exempt the German section of the pipeline from EU anti-monopoly regulations, PGNiG CEO Pawel Majewski announced.
PKN Orlen	Poland now eyes takeover of nat gas firm PGNiG by fuel concern PKN Orlen by mid-2022, State Assets Minister Jacek Sasin told reporters.
Real Estate	The Polish housing market remains in "strong growth stage" and enjoys big potential compared to other European countries but low availability of land plots poses a problem, consultancy Deloitte expert Dominik Stojek told PAP.
Retail	Poland's new commercial retail space supply is expected to hit ca. 350k sqm in 2021 vs. ca. 270k sqm in 2020, according to a report by market consultancy Colliers International. At end-June, some 385k sqm of such space was under construction, of which 65% will hit the market likely in H2, the report specifies. Over 67% of the space under construction is being developed in cities with fewer than 100k inhabitants. Also, the majority of the developed retail space are small objects of 5-10k sqm. (Puls Biznesu)

Corporate Action Calendar

Date	Time	Company	Event
26-Aug		11 bit studios	Q2'21 earnings announcement
26-Aug		VRG	Q2'21 earnings announcement
27-Aug		PZU	Q2'21 earnings announcement
30-Aug		Stalprodukt	Q2'21 earnings announcement
30-Aug		Famur	Q2'21 earnings announcement
31-Aug	10:00	Famur	Q2'21 earnings conference
31-Aug		Apator	Q2'21 earnings announcement
31-Aug		Comarch	Q2'21 earnings announcement
31-Aug		Vercom	Q2'21 earnings announcement
1-Sep		CD Projekt	Q2'21 earnings announcement

Economic Calendar

Thursday, 26 August 2021					
Time	Region	Data	Period	Forecast	Previous
08:00	Germany	GfK Consumer Confidence	August		-0.30
10:00	EU	M3 Money Supply	July		8.30 y/y
14:30	USA	Continuing Claims	14 August		2820.000
14:30	USA	GDP Deflator	Q2		4.30% q/q
14:30	USA	GDP	Q2		6.50% q/q; 0.40% y/y
14:30	USA	Initial Jobless Claims	21 August		348.000
14:30	USA	PCE	Q2		11.40% q/q; 1.80% y/y
14:30	USA	Core PCE	Q2		1.60% y/y
16:30	USA	Natural Gas Inventory	21 August		2822bn
Friday, 27 August 2021					
Time	Region	Data	Period	Forecast	Previous
01:30	Japan	Tokyo Area Core CPI	August		0.00% y/y
01:30	Japan	Tokyo Area CPI	August		-0.10% y/y
08:00	Germany	Import Price Index	July		1.60% m/m; 12.90% y/y
08:45	France	Consumer Confidence Index	August		101
14:30	USA	Core PCE Deflator	July		0.40% m/m; 3.50% y/y
14:30	USA	Personal Income	July		0.10% m/m
14:30	USA	Personal Spending	July		0.10% m/m
16:00	USA	University of Michigan Consumer Confidence Index	August		81.20
Tuesday, 31 August 2021					
Time	Region	Data	Period	Forecast	Previous
07:00	Japan	Consumer Confidence Index	August		37.50; 37.50
07:00	Japan	Consumer Confidence Index	August		37.50
08:00	Germany	Retail Sales	July		4.20% m/m; 4.20% m/m
08:00	Germany	Retail Sales	July		4.20% m/m; 6.20% y/y
08:00	Germany	Retail Sales	July		6.20% y/y; 6.20% y/y
08:45	France	GDP	Q2		-0.10% q/q; -0.10% q/q
14:30	Japan	PMI Manufacturing	August		53.00
15:00	USA	House Price Index	June		1.70% m/m; 3.50% q/q
15:00	USA	S&P/Case-Shiller Composite 20	June		17.00% y/y
15:45	China	PMI Manufacturing	August		50.30
16:00	USA	Conference Board Index	August		129.10
Wednesday, 01 September 2021					
Time	Region	Data	Period	Forecast	Previous
09:00	Poland	PMI Manufacturing	August		57.60
16:00	USA	Construction Spending	July		0.10%
16:00	USA	ISM Manufacturing	August		59.50

Source: Stooq

Current Recommendations of Biuro maklerskie mBanku

Company	Recommendation	Issued On	Price At Reco.	Target Price	Current Price	Upside/Downside	P/E		EV/EBITDA	
							2021	2022	2021	2022
Financials										
Alior Bank	accumulate	2021-05-07	28.80	30.00	42.12	-1.8%	11.9	11.9	-	-
BNP Paribas Polska	buy	2021-04-19	66.60	90.00	70.00	+28.6%	17.1	6.0	-	-
Handlowy	accumulate	2021-04-19	43.25	49.50	45.25	+9.4%	8.1	13.3	-	-
ING BSK	accumulate	2021-05-07	176.40	190.00	212.50	-10.6%	16.4	15.3	-	-
Millennium	hold	2021-04-19	3.80	4.20	6.12	-31.4%	-	11.8	-	-
Pekao	buy	2021-04-19	76.24	102.00	104.40	-2.3%	19.0	13.0	-	-
PKO BP	buy	2021-04-23	32.91	40.66	40.98	-0.8%	11.7	11.7	-	-
Santander Bank Polska	buy	2021-04-19	211.80	283.70	280.00	+1.3%	-	13.0	-	-
Komercni Banka	accumulate	2021-07-06	779.00	804.77 CZK	833.00	-3.4%	16.9	12.3	-	-
Moneta Money Bank	buy	2021-04-09	78.20	95.50 CZK	86.70	+10.1%	15.1	11.9	-	-
Erste Group	accumulate	2021-07-06	31.57	34.06 EUR	34.15	-0.3%	11.1	9.3	-	-
RBI	accumulate	2021-04-09	18.52	21.00 EUR	20.56	+2.1%	10.7	9.1	-	-
OTP Bank	hold	2021-06-02	15,865	15,143 HUF	17,235	-12.1%	11.7	10.6	-	-
PZU	accumulate	2021-06-02	37.29	40.63	40.25	+0.9%	10.9	10.9	-	-
Kruk	accumulate	2021-07-06	267.00	288.46	288.00	+0.2%	12.2	11.7	-	-
GPW	hold	2021-04-09	45.76	44.48	43.82	+1.5%	11.6	12.4	-	-
Chemicals										
Ciech	hold	2021-06-02	46.70	47.47	46.15	+2.9%	10.4	11.0	5.7	5.5
Grupa Azoty	sell	2021-08-04	29.64	20.97	29.66	-29.3%	17.8	-	7.9	11.3
Mining										
JSW	buy	2021-04-09	31.88	48.09	35.64	+34.9%	6.4	6.8	2.3	2.1
KGHM	buy	2021-06-02	208.80	245.39	180.10	+36.3%	5.7	6.2	3.2	3.1
Oil & Gas										
Lotos	buy	2021-08-04	52.52	67.20	58.38	+15.1%	6.3	12.8	3.7	4.6
MOL	buy	2021-07-06	2,378	2,816 HUF	2,406	+17.0%	7.5	16.5	3.7	4.6
PGNiG	accumulate	2021-07-06	6.58	7.45	6.29	+18.4%	8.5	9.2	3.5	3.5
PKN Orlen	reduce	2021-07-06	77.80	70.59	74.24	-4.9%	7.8	23.9	4.7	6.9
Power Utilities										
CEZ	buy	2021-07-06	598.00	722.14 CZK	677.00	+6.7%	20.0	16.9	8.4	8.1
Enea	suspended	2021-06-02	8.76	-	9.80	-	3.9	4.8	3.3	3.1
PGE	suspended	2021-06-02	9.94	-	9.66	-	10.0	43.6	3.4	3.6
Polenergia	hold	2021-06-02	70.20	78.59	72.30	+8.7%	27.3	28.3	14.3	14.0
Tauron	suspended	2021-06-02	3.40	-	3.58	-	4.7	6.6	4.9	5.2
Telecoms										
Cyfrowy Polsat	hold	2020-12-08	27.84	27.90	37.22	-25.0%	16.0	15.4	8.3	8.1
Orange Polska	buy	2020-12-08	6.52	8.20	8.23	-0.4%	36.5	23.6	5.2	5.0
Media										
Agora	hold	2021-07-06	10.40	10.60	9.02	+17.5%	-	-	13.1	8.3
Wirtualna Polska	buy	2021-08-25	129.00	150.00	137.00	+9.5%	29.2	24.5	14.9	12.8
IT										
Ailleron	neutral	2020-05-05	6.26	-	13.35	-	20.7	-	7.5	-
Asseco BS	neutral	2020-09-02	36.00	-	35.80	-	15.5	-	10.1	-
Asseco Poland	buy	2020-09-02	70.20	80.70	80.95	-0.3%	16.9	15.9	5.1	4.9
Asseco SEE	overweight	2020-08-07	43.70	-	40.20	-	15.9	-	8.0	-
Atende	overweight	2020-11-27	3.44	-	5.60	-	19.0	-	9.0	-
Comarch	buy	2021-03-30	219.00	267.00	257.00	+3.9%	18.9	18.4	7.5	7.2
Sygnity	hold	2021-03-18	11.10	11.60	9.86	+17.6%	4.8	8.5	4.1	4.7
Gaming										
11 bit studios	suspended	2021-05-07	501.00	-	440.80	-	-	-	-	-
CD Projekt	suspended	2021-05-07	156.52	-	165.58	-	-	-	-	-
PlayWay	suspended	2021-05-07	430.20	-	479.00	-	-	-	-	-
Ten Square Games	suspended	2021-05-07	420.00	-	537.00	-	-	-	-	-
Industrials										
AC	overweight	2021-04-29	37.00	-	36.80	-	14.2	11.9	9.2	8.0
Alumetal	neutral	2021-05-31	68.00	-	61.40	-	7.4	11.2	5.8	8.3
Amica	underweight	2021-04-09	153.20	-	156.00	-	11.4	11.3	6.4	6.4
Aparator	neutral	2021-04-29	23.90	-	23.10	-	8.8	12.1	5.3	6.9
Astarta	overweight	2021-04-26	38.20	-	54.00	-	3.0	3.8	2.1	2.0
Boryszew	neutral	2021-05-31	3.29	-	3.53	-	21.6	14.6	7.2	6.2
Cognor	buy	2021-06-18	3.57	4.30	4.53	-5.0%	6.1	9.2	3.8	4.9
Famur	hold	2021-04-09	2.53	2.50	2.35	+6.4%	10.6	12.8	2.3	2.1
Forte	overweight	2021-07-30	57.50	-	57.90	-	10.5	8.9	6.8	6.2
Grupa Kęty	hold	2021-07-06	679.00	599.16	668.00	-10.3%	12.6	14.5	8.9	10.0
Kernel	buy	2021-07-06	54.10	75.85	57.90	+31.0%	3.5	4.0	3.2	3.5
Mangata	neutral	2021-05-31	87.80	-	77.00	-	9.9	10.6	6.6	6.8
Mo-BRUK	buy	2021-07-06	326.00	379.61	378.00	+0.4%	13.6	12.9	9.9	9.2
PKP Cargo	sell	2021-04-09	19.08	16.21	18.40	-11.9%	-	-	4.4	3.9
Stalprodukt	hold	2021-06-02	382.00	403.06	321.00	+25.6%	7.2	9.9	3.3	3.6
E-commerce										
Allegro	sell	2020-11-18	67.89	54.00	67.45	-19.9%	64.0	51.5	36.2	30.8
Answer	buy	2021-08-04	33.40	51.20	37.50	+36.5%	29.7	24.2	15.7	13.5
Shoper	hold	2021-08-24	74.98	71.50	73.50	-2.7%	68.8	61.3	64.6	43.7
Vercom	accumulate	2021-07-09	54.20	59.30	54.70	+8.4%	32.6	25.2	22.6	17.3
Retail										
AmRest	suspended	2020-12-08	25.80	-	30.00	-	-	-	-	-
CCC	suspended	2021-05-07	111.80	-	123.00	-	-	-	-	-
Dino	suspended	2021-05-07	247.30	-	318.10	-	-	-	-	-
Eurocash	suspended	2021-05-07	14.32	-	11.92	-	-	-	-	-
Jeronimo Martins	suspended	2021-05-07	15.38	-	17.95	-	-	-	-	-
LPP	suspended	2021-05-07	10,640.00	-	13,980.00	-	-	-	-	-
TIM	overweight	2020-12-08	18.90	-	36.60	-	20.5	21.0	11.4	11.5
VRG	suspended	2021-07-06	3.64	-	3.39	-	-	-	-	-

Valuation Multiples by Industry, Polish & European Equities

Banks

	Price	2021	P/E		ROE			P/BV		DY			
			2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Polish banks													
Alior Bank	42.12	22.0	16.2	12.1	4%	5%	6%	0.8	0.7	0.7	0.0%	0.0%	0.0%
BNP Paribas BP	70.00	17.1	6.0	4.0	5%	13%	17%	0.8	0.7	0.6	0.0%	2.6%	7.5%
Handlowy	45.25	8.1	13.3	12.7	9%	5%	6%	0.7	0.7	0.7	1.5%	11.3%	7.5%
ING BSK	212.50	16.4	15.3	14.7	9%	9%	9%	1.4	1.3	1.3	0.0%	4.1%	4.3%
Millennium	6.12	-	11.8	9.8	-38%	10%	11%	1.2	1.1	1.0	0.0%	0.0%	0.0%
Pekao	104.40	19.0	13.0	11.5	6%	8%	8%	1.0	1.0	1.0	3.0%	5.3%	7.7%
PKO BP	40.98	11.7	11.7	11.1	11%	10%	11%	1.2	1.2	1.2	0.0%	7.7%	7.7%
Santander BP	280.00	-	13.0	12.0	-2%	8%	8%	1.1	1.0	1.0	5.8%	6.2%	6.2%
median		16.7	13.0	11.7	5%	8%	9%	1.1	1.0	1.0	0.0%	4.7%	6.8%
Investors in Polish Banks													
BCP	0.13	9.4	6.5	5.0	3%	5%	6%	0.3	0.3	0.3	0.8%	3.8%	5.3%
Citigroup	73.18	9.9	9.0	8.1	8%	9%	9%	0.8	0.7	0.7	2.9%	3.1%	3.4%
Commerzbank	5.35	118.8	11.7	7.2	-1%	2%	4%	0.3	0.3	0.3	0.0%	1.1%	4.9%
ING	11.66	12.1	10.7	9.9	7%	8%	8%	0.8	0.8	0.8	6.6%	5.2%	5.6%
UCI	10.78	12.4	8.6	7.1	3%	5%	5%	0.4	0.4	0.4	3.3%	4.4%	5.5%
median		12.1	9.0	7.2	3%	5%	6%	0.4	0.4	0.4	2.9%	3.8%	5.3%
Foreign Banks													
Erste Group	34.15	11.1	9.3	8.5	7%	8%	9%	0.8	0.8	0.7	1.5%	4.7%	5.6%
Komerční Banka	833.00	16.9	12.3	10.7	8%	11%	12%	1.3	1.3	1.2	2.8%	5.9%	6.1%
Moneta Money	86.70	15.1	11.9	9.6	9%	11%	13%	1.3	1.3	1.3	3.5%	9.2%	6.7%
OTP Bank	17,235	11.7	10.6	9.8	15%	15%	14%	1.7	1.5	1.3	1.2%	1.3%	1.4%
RBI	20.56	10.7	9.1	8.5	5%	5%	5%	0.5	0.5	0.4	2.3%	2.8%	3.3%
Akbank	5.70	3.7	2.7	2.7	12%	15%	13%	0.4	0.4	0.3	6.4%	9.1%	7.4%
Alpha Bank	1.14	15.6	6.7	4.6	3%	4%	6%	0.3	0.3	0.2	0.0%	0.0%	-
Banco Santander	3.20	10.6	8.5	7.6	6%	7%	8%	0.6	0.6	0.6	3.8%	5.0%	6.3%
Deutsche Bank	10.79	21.4	10.3	8.8	1%	4%	5%	0.4	0.4	0.4	0.7%	2.1%	3.2%
NB of Greece	2.45	8.7	6.5	5.6	6%	6%	8%	0.4	0.4	0.3	0.0%	1.8%	0.6%
Sberbank	324.60	7.4	6.7	6.0	18%	18%	18%	1.3	1.2	1.1	6.7%	7.4%	8.3%
Türkiye Garanti B	9.53	4.7	3.3	3.4	13%	15%	13%	0.6	0.5	0.5	3.9%	7.3%	-
Türkiye Halk Bank	4.82	3.0	1.8	1.8	9%	12%	12%	0.3	0.2	0.2	2.1%	2.5%	-
Türkiye Vakıflar B	3.58	3.3	2.1	-	9%	12%	-	0.3	0.2	-	-	-	-
VTB Bank	0.05	4.3	4.6	3.4	11%	11%	12%	0.4	0.4	0.3	7.8%	7.8%	7.8%
Yapı ve Kredi B	2.55	3.4	2.4	-	13%	15%	-	0.4	0.3	-	1.3%	5.9%	-
median		9.7	6.7	6.8	9%	11%	12%	0.4	0.4	0.4	2.3%	5.0%	6.1%

Source: Bloomberg, mBank

Insurance

	Price	2021	P/E		ROE			P/BV		DY			
			2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Insurance Companies													
PZU	40.25	10.9	10.9	10.9	18%	18%	17%	2.0	1.9	1.9	10.4%	8.3%	8.2%
Aegon	4.24	7.4	6.9	6.6	5%	5%	6%	0.4	0.4	0.3	3.7%	4.5%	5.7%
Allianz	200.85	10.0	9.4	8.9	10%	10%	10%	1.0	1.0	0.9	5.0%	5.3%	5.7%
Assicurazioni Gen	17.13	10.1	9.5	9.3	9%	9%	9%	1.0	0.9	0.8	6.0%	6.3%	6.7%
Aviva	4.21	8.0	8.0	7.6	11%	10%	9%	0.8	0.7	0.6	5.5%	5.7%	6.2%
AXA	24.14	8.9	8.4	8.0	11%	11%	12%	0.8	0.8	0.8	6.2%	6.6%	7.1%
Baloise	151.00	11.5	11.1	11.1	8%	8%	8%	0.9	0.9	0.9	4.6%	4.9%	5.3%
Helvetia	105.70	11.2	10.8	10.2	8%	8%	8%	0.9	0.9	0.8	5.0%	5.2%	5.4%
Mapfre	1.84	7.7	8.5	8.5	8%	7%	7%	0.6	0.6	0.6	7.4%	7.7%	7.7%
RSA Insurance	6.84	16.1	15.2	12.8	10%	10%	-	1.7	1.6	-	3.4%	4.2%	4.5%
Uniq	8.04	11.2	9.0	-	6%	8%	-	0.8	0.8	-	6.1%	6.7%	-
Vienna Insu Group	24.90	8.6	8.1	-	7%	7%	8%	0.6	0.6	0.6	4.7%	5.0%	5.4%
Zurich Financial	404.60	13.6	12.3	11.7	12%	13%	14%	1.6	1.5	1.5	5.6%	6.0%	6.2%
median		10.1	9.4	9.3	9%	9%	9%	0.9	0.9	0.8	5.5%	5.7%	5.9%

Source: Bloomberg, mBank

Gas & Oil

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Oil																
Lotos	58.38	3.7	4.6	3.7	0.5	0.5	0.4	6.3	12.8	8.3	13%	10%	11%	0.0%	5.1%	5.1%
MOL	2,406	3.7	4.6	3.9	0.6	0.6	0.6	7.5	16.5	9.8	16%	13%	15%	4.0%	4.3%	4.3%
PKN Orlen	74.24	4.7	6.9	6.2	0.5	0.6	0.6	7.8	23.9	14.4	11%	8%	10%	4.7%	4.7%	4.7%
Hellenic Petrol	5.88	7.7	6.1	5.7	0.5	0.5	0.5	17.6	9.0	7.6	7%	8%	8%	4.4%	5.5%	5.9%
HollyFrontier	31.51	10.1	5.8	5.5	0.6	0.6	0.6	-	10.2	8.6	6%	10%	12%	4.4%	4.5%	4.5%
Marathon Petrol	58.63	11.2	8.5	7.9	0.9	0.9	1.0	-	24.5	17.6	8%	10%	13%	4.0%	4.0%	4.2%
Motor Oil	13.99	5.6	4.6	4.9	0.3	0.3	0.3	9.2	6.6	8.2	6%	7%	7%	5.8%	7.6%	8.2%
Neste Oil	50.46	20.1	16.8	14.0	3.1	2.9	2.6	33.0	26.1	21.1	15%	17%	19%	1.6%	1.9%	2.4%
OMV	47.02	4.7	4.4	4.4	1.1	1.0	1.1	10.2	8.8	8.4	23%	24%	25%	4.1%	4.4%	4.6%
Phillips 66	72.18	11.8	7.5	7.0	0.5	0.5	0.4	30.3	11.0	9.6	5%	6%	6%	5.0%	5.2%	5.6%
Saras SpA	0.68	8.5	5.5	4.4	0.2	0.2	0.2	-	-	19.9	2%	3%	3%	1.2%	1.0%	2.7%
Tupras	99.50	8.7	5.8	5.6	0.4	0.3	0.3	17.3	7.7	7.1	4%	6%	6%	5.4%	8.6%	11.9%
Valero Energy	66.34	10.5	6.1	6.3	0.5	0.4	0.4	66.4	12.2	10.7	4%	6%	7%	5.9%	6.1%	6.1%
median		8.5	5.8	5.6	0.5	0.5	0.5	13.7	11.6	9.6	7%	8%	10%	4.4%	4.7%	4.7%
Gas																
PGNiG	6.29	3.5	3.5	3.5	0.7	0.7	0.7	8.5	9.2	10.1	20%	21%	21%	3.3%	3.5%	3.3%
A2A SpA	1.88	8.6	7.7	7.3	1.4	1.4	1.3	19.6	17.0	17.1	17%	18%	18%	4.3%	4.6%	4.6%
BP	298.35	4.8	4.5	4.5	0.5	0.5	0.5	10.6	8.6	7.9	11%	12%	12%	0.0%	0.0%	0.0%
Centrica	51.20	3.1	3.0	2.9	0.3	0.3	0.3	13.1	8.5	7.6	9%	10%	10%	0.0%	0.0%	0.0%
Enagas	19.40	10.3	10.5	10.8	9.1	9.3	9.7	13.2	13.3	13.4	88%	89%	90%	8.8%	8.7%	8.7%
Endesa	20.51	7.6	7.3	7.1	1.5	1.5	1.5	12.6	12.2	12.0	20%	21%	21%	6.2%	5.7%	5.9%
Engie	12.21	6.0	5.9	5.7	1.0	1.0	1.0	12.3	11.5	10.6	17%	18%	18%	6.0%	6.4%	6.9%
Eni	10.33	3.8	3.3	3.2	0.9	0.8	0.8	15.7	11.3	9.9	23%	25%	25%	6.2%	6.8%	7.0%
Equinor	185.54	3.4	3.2	3.2	1.3	1.3	1.2	13.1	13.1	12.9	38%	39%	39%	0.0%	0.0%	0.1%
Gas Natural SDG	21.90	9.9	9.7	9.5	2.1	2.0	2.1	17.6	17.6	17.6	21%	20%	22%	6.9%	7.1%	5.8%
Gazprom	297.00	5.1	4.6	4.5	1.4	1.3	1.3	5.8	5.0	4.8	27%	28%	28%	7.8%	9.8%	10.4%
Hera SpA	3.69	7.7	7.5	7.2	1.2	1.1	1.1	16.9	16.4	15.3	15%	15%	15%	3.2%	3.2%	3.5%
NovaTek	1,719	16.8	14.9	14.1	6.0	5.3	5.1	16.1	16.3	16.0	36%	36%	36%	3.0%	3.2%	3.2%
ROMGAZ	32.00	4.3	3.8	3.8	2.2	2.0	1.8	8.2	7.6	7.6	51%	52%	48%	6.5%	7.4%	7.4%
Shell	16.84	3.1	2.8	2.9	0.5	0.5	0.5	9.4	8.1	6.9	17%	18%	17%	4.9%	5.0%	5.5%
Snam SpA	5.06	13.6	13.5	12.9	10.7	10.5	9.9	14.5	15.0	14.4	79%	78%	77%	5.2%	5.5%	5.5%
median		5.5	5.2	5.1	1.3	1.3	1.2	13.1	11.9	11.3	21%	21%	22%	5.0%	5.3%	5.5%

Source: Bloomberg, mBank

Fertilizers and Chemicals

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Fertilizer Producers																
Grupa Azoty	29.66	7.9	11.3	9.1	0.7	0.8	0.8	17.8	-	-	9%	7%	8%	0.0%	0.0%	0.0%
Acron	6,508	8.7	8.4	7.8	2.7	2.5	2.4	13.3	12.0	9.8	31%	30%	30%	5.8%	5.7%	5.6%
CF Industries	45.67	9.1	9.7	9.4	3.2	3.3	3.2	19.8	21.3	19.8	35%	33%	34%	2.7%	2.7%	2.6%
K+S	11.95	8.5	7.4	6.6	1.3	1.2	1.2	-	40.6	34.4	15%	16%	18%	0.4%	0.9%	1.5%
Phosagro	4,650	6.9	6.9	6.8	2.5	2.4	2.4	16.4	17.9	20.3	36%	35%	35%	3.1%	3.6%	3.7%
The Mosaic Co	32.34	6.5	6.9	7.0	1.5	1.6	1.5	13.6	15.5	15.5	24%	22%	22%	0.7%	0.8%	0.9%
Yara International	454.20	7.1	6.9	6.7	1.3	1.3	1.3	13.3	13.0	12.2	18%	19%	19%	0.1%	0.1%	0.1%
median		7.9	7.4	7.0	1.5	1.6	1.5	15.0	16.7	17.6	24%	22%	22%	0.7%	0.9%	1.5%
Chemical Producers																
Ciech	46.15	5.7	5.5	5.3	1.2	1.1	1.1	10.4	11.0	11.3	21%	20%	20%	6.5%	5.8%	6.4%
Akzo Nobel	103.55	13.8	12.9	12.0	2.4	2.3	2.2	22.7	20.2	18.5	17%	18%	18%	2.0%	2.2%	2.3%
BASF	66.42	8.0	7.7	7.2	1.2	1.2	1.1	14.6	13.9	13.0	15%	15%	16%	5.1%	5.2%	5.3%
Croda	9,140	28.1	26.2	25.0	8.0	7.6	7.4	45.5	41.6	39.2	28%	29%	30%	0.0%	0.0%	0.0%
Sisecam	8.93	5.6	4.7	4.0	1.2	1.0	0.9	9.4	7.7	6.4	21%	22%	23%	2.4%	2.8%	3.3%
Soda Sanayii	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Solvay	113.05	6.9	6.5	6.1	1.5	1.5	1.4	16.8	14.3	12.5	22%	23%	23%	3.4%	3.4%	3.5%
Tata Chemicals	822.10	14.9	11.4	9.7	2.5	2.2	2.0	45.6	25.0	20.3	16%	19%	20%	1.1%	1.4%	1.5%
Tessenderlo Chem	36.65	5.2	5.0	4.9	0.9	0.9	0.9	11.3	10.7	9.9	18%	18%	18%	-	-	-
Wacker Chemie	148.80	7.1	7.9	7.7	1.4	1.4	1.3	23.6	22.3	20.0	20%	17%	18%	2.2%	2.1%	2.3%
median		7.1	7.7	7.2	1.4	1.4	1.3	16.8	14.3	13.0	20%	19%	20%	2.3%	2.5%	2.8%

Source: Bloomberg, mBank

Machinery & Equipment

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Industrials																
Famur	2.35	2.3	2.1	2.0	0.7	0.6	0.5	10.6	12.8	14.8	30%	28%	27%	0.0%	0.0%	3.9%
Caterpillar	214.76	14.2	12.0	10.9	2.7	2.4	2.2	26.1	20.2	16.5	19%	20%	20%	2.1%	2.2%	2.4%
Epiroc	192.05	14.8	13.5	12.8	3.9	3.7	3.5	35.4	32.0	29.9	27%	27%	27%	1.4%	1.5%	1.7%
Komatsu	2,646	11.2	8.5	7.3	1.5	1.4	1.3	25.6	15.9	12.2	14%	16%	18%	1.7%	2.9%	3.6%
Sandvig AG	221.90	12.0	10.9	10.5	3.0	2.8	2.7	20.8	18.4	17.3	25%	25%	25%	2.3%	2.5%	2.6%
median		12.0	10.9	10.5	2.7	2.4	2.2	25.6	18.4	16.5	25%	25%	25%	1.7%	2.2%	2.6%

Source: Bloomberg, mBank

Metals Mining

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Metals																
KGHM	180.10	3.2	3.1	3.0	1.0	1.0	0.9	5.7	6.2	6.5	33%	31%	30%	0.8%	5.6%	9.6%
Anglo American	3,035	3.7	4.5	4.8	1.5	1.7	1.7	7.5	9.6	10.5	42%	37%	36%	0.0%	0.0%	0.0%
Antofagasta	1,468	5.9	6.3	6.6	3.5	3.7	3.8	16.9	17.9	20.2	60%	58%	57%	0.0%	0.0%	0.0%
BHP Group LTD	45.48	3.4	3.6	4.0	2.0	2.1	2.3	11.3	11.8	13.5	60%	58%	57%	4.1%	4.2%	3.4%
Boliden	310.20	5.4	5.6	5.9	1.4	1.4	1.4	10.7	11.8	12.7	26%	25%	24%	4.5%	4.0%	4.0%
First Quantum	25.35	6.3	5.6	5.8	3.2	3.1	3.2	17.2	12.1	12.6	50%	55%	54%	0.1%	0.3%	0.4%
F-McMoRan	35.11	7.1	6.3	6.6	3.1	2.9	3.0	14.3	12.6	15.7	43%	46%	46%	0.7%	1.3%	1.2%
Fresnillo	836.00	5.8	4.9	6.1	3.0	2.7	3.1	15.5	12.9	16.7	52%	56%	51%	0.0%	0.0%	0.0%
Gold Fields	13,459	3.4	3.5	3.3	2.0	2.0	1.9	7.9	7.7	7.2	59%	58%	57%	0.0%	0.0%	0.0%
Hudbay Min	7.46	3.9	3.1	3.1	1.5	1.4	1.5	27.3	9.3	8.2	40%	45%	47%	0.2%	0.2%	0.2%
KAZ Minerals	849.00	4.7	4.3	4.2	2.9	2.6	2.7	6.3	5.9	6.4	62%	61%	64%	0.0%	0.0%	0.0%
Lundin Min	10.24	3.7	3.8	4.0	2.1	2.0	2.1	8.9	9.1	9.5	55%	54%	53%	1.4%	1.5%	1.8%
MMC Norilsk Nickel	32.36	5.8	5.6	6.0	3.5	3.4	3.6	8.7	8.7	9.8	61%	61%	60%	8.2%	6.9%	6.5%
OZ Minerals	22.96	9.4	8.4	8.6	4.7	4.5	4.4	19.6	16.8	16.6	50%	53%	51%	1.1%	1.3%	1.3%
Polymetal Intl	1,524	6.2	5.5	5.5	3.7	3.3	3.3	8.9	8.7	7.8	59%	61%	61%	0.0%	0.0%	0.0%
Polyus	13,570	6.9	6.3	6.3	4.9	4.5	4.5	9.5	8.4	8.6	71%	72%	71%	4.8%	5.0%	5.2%
Sandfire Res	6.46	1.6	1.8	13.6	0.9	1.0	2.9	7.1	7.1	-	57%	56%	21%	4.3%	3.5%	0.3%
Southern CC	62.43	9.4	9.9	9.6	5.3	5.5	5.2	17.9	18.0	17.0	56%	55%	54%	3.5%	3.5%	3.3%
median		5.6	5.2	5.9	3.0	2.7	2.9	10.1	9.5	10.5	55%	56%	53%	0.8%	1.3%	0.8%

Source: Bloomberg, mBank

Coal Mining

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Coal																
JSW	35.64	2.3	2.1	1.6	0.5	0.5	0.4	6.4	6.8	5.0	22%	23%	24%	0.0%	0.0%	7.3%
Alliance Res Par	8.28	2.6	2.6	2.7	0.8	0.8	0.8	9.3	14.3	15.3	29%	30%	29%	7.2%	9.7%	9.7%
Banpu	10.20	9.4	9.2	8.6	2.3	2.3	2.3	11.9	10.5	10.5	24%	25%	27%	4.5%	4.5%	5.1%
BHP Group	65.87	3.4	3.6	4.0	2.0	2.1	2.2	11.3	11.8	13.5	60%	58%	57%	7.7%	7.9%	6.5%
China Coal Energy	4.81	3.1	3.1	3.0	0.6	0.6	0.6	7.8	7.7	7.5	19%	19%	19%	2.5%	2.4%	2.6%
LW Bogdanka	24.95	1.0	1.0	0.9	0.3	0.3	0.2	8.3	8.2	-	26%	26%	25%	-	-	-
Peabody Energy C	14.29	5.7	5.5	5.0	0.8	0.8	0.8	-	-	-	14%	14%	16%	0.0%	0.0%	-
PT Bukit Asam T	2,090	4.4	4.1	3.8	1.0	0.9	0.9	7.1	6.5	6.0	23%	23%	23%	9.3%	11.8%	11.5%
Rio Tinto	5,422	3.0	3.9	4.7	1.7	2.0	2.2	6.6	9.1	11.5	59%	53%	47%	0.0%	0.0%	0.0%
Semirara Min&Po	16.36	5.6	4.5	-	2.1	1.8	1.7	10.5	8.0	9.1	38%	41%	-	3.8%	6.9%	12.2%
Shougang Fush R	2.45	5.8	5.9	6.4	3.1	3.1	3.3	9.7	10.3	10.9	53%	53%	51%	8.6%	7.9%	7.8%
Stanmore Coal	0.71	5.2	3.3	2.4	0.5	0.5	0.6	35.5	11.8	6.5	10%	16%	27%	-	-	21.1%
Teck Resources	21.76	5.2	4.8	4.3	2.0	1.9	1.7	9.3	9.0	8.5	38%	40%	40%	1.3%	1.3%	1.2%
Warrior Met Coal	20.95	5.3	5.1	4.0	1.2	1.2	1.2	11.7	9.4	9.2	23%	23%	29%	1.0%	1.0%	1.0%
Yanzhou Coal Min	10.86	4.1	4.1	3.9	1.1	1.1	1.0	4.7	5.0	4.9	26%	26%	26%	8.0%	7.8%	8.3%
median		4.4	4.1	3.9	1.1	1.1	1.0	9.3	9.1	9.1	26%	26%	27%	3.8%	4.5%	7.3%

Source: Bloomberg, mBank

Construction

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Construction																
Acciona	140.10	10.5	9.4	8.5	1.8	1.7	1.6	26.0	20.8	18.1	17%	18%	19%	2.6%	2.9%	3.2%
Budimex	294.50	5.5	7.9	8.2	0.6	0.7	0.7	15.5	17.6	22.5	12%	8%	8%	5.2%	4.8%	4.6%
Ferrovial	24.90	41.1	34.2	28.9	3.4	3.3	3.1	-	-	54.4	8%	10%	11%	2.2%	2.6%	2.7%
Hochtief	69.32	3.9	3.6	3.3	0.2	0.2	0.2	10.7	9.5	8.3	5%	5%	6%	6.0%	6.8%	7.8%
Mota Engil	1.35	4.7	3.8	3.3	0.7	0.6	0.5	7.7	9.6	6.4	15%	16%	16%	4.8%	8.2%	8.2%
NCC	152.10	5.6	5.4	5.1	0.3	0.3	0.3	11.1	11.1	10.0	6%	6%	6%	4.3%	4.7%	5.1%
Skanska	247.70	10.1	9.2	7.6	0.6	0.5	0.5	17.3	16.0	15.3	6%	6%	7%	3.0%	3.3%	3.3%
Strabag	37.55	3.0	2.9	-	0.2	0.2	-	12.2	11.0	-	7%	7%	-	3.5%	3.9%	-
median		5.6	6.6	7.6	0.6	0.6	0.5	12.2	11.1	15.3	8%	8%	8%	3.9%	4.3%	4.6%

Source: Bloomberg, mBank

Real Estate

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Property Developers																
Develia	3.31	9.9	9.7	10.8	1.0	1.0	0.9	11.0	11.0	12.7	26%	26%	22%	6.9%	6.6%	6.6%
Echo Investment	4.52	13.0	13.0	-	1.0	1.0	0.9	9.2	8.1	5.2	31%	26%	-	7.7%	7.8%	12.0%
GTC	6.92	15.3	14.4	13.7	0.7	0.7	0.7	-	-	10.1	67%	70%	66%	0.1%	0.5%	0.8%
CA Immobilien Anl	36.55	27.4	25.8	22.7	1.1	1.0	0.9	21.4	19.1	17.0	76%	76%	90%	3.0%	3.2%	3.7%
Deutsche Eurosh	19.52	14.7	15.0	14.4	0.7	0.7	0.6	-	13.8	8.7	83%	85%	89%	4.2%	4.8%	4.7%
Immofinanz AG	20.60	25.3	24.5	22.2	0.8	0.8	0.8	22.8	17.8	12.9	56%	57%	49%	3.9%	4.1%	4.4%
Klepierre	20.67	23.0	20.9	19.4	0.8	0.8	0.8	10.8	8.8	9.0	79%	84%	88%	6.0%	7.4%	7.5%
Segro	1,266.00	47.6	39.5	35.1	1.5	1.5	1.4	45.9	42.3	38.8	81%	92%	105%	0.0%	0.0%	0.0%
median		19.1	18.0	19.4	0.9	0.9	0.8	16.2	13.8	11.4	72%	73%	88%	4.1%	4.5%	4.6%

Source: Bloomberg, mBank

Telecommunications

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Poland																
Netia	6.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Orange Polska	8.23	5.2	5.0	4.9	1.6	1.6	1.5	36.5	23.6	19.8	31%	31%	31%	0.0%	3.0%	6.1%
median		5.2	5.0	4.9	1.6	1.6	1.5	36.5	23.6	19.8	31%	31%	31%	0.0%	3.0%	6.1%
Mid Caps																
Proximus	17.37	4.7	4.6	4.7	1.6	1.6	1.6	11.2	11.1	13.2	33%	34%	33%	6.9%	6.9%	7.3%
Telefonica CP	262.00	6.7	6.8	6.9	2.2	2.2	2.2	13.6	14.2	15.0	33%	32%	32%	8.0%	8.0%	8.0%
Hellenic Telekom	16.50	6.4	6.2	6.1	2.5	2.4	2.5	16.0	14.5	13.2	39%	39%	41%	4.8%	5.8%	5.6%
Matav	430.50	4.1	4.1	4.2	1.4	1.4	1.4	10.4	9.6	9.9	34%	34%	34%	5.0%	5.4%	4.6%
Telecom Austria	7.53	4.8	4.8	4.7	1.7	1.7	1.6	11.1	10.4	9.3	35%	35%	35%	3.5%	4.2%	4.2%
median		4.8	4.8	4.7	1.7	1.7	1.6	11.2	11.1	13.2	34%	34%	34%	5.0%	5.8%	5.6%
Big Caps																
BT	170.05	4.7	4.7	4.5	1.6	1.7	1.7	9.0	8.4	8.1	35%	36%	37%	0.0%	0.0%	0.0%
DT	18.59	6.8	6.3	5.9	2.3	2.3	2.2	16.2	14.4	13.4	35%	36%	38%	3.2%	3.5%	3.8%
KPN	2.72	7.2	7.0	6.9	3.3	3.3	3.3	21.0	18.7	16.6	47%	47%	48%	5.1%	5.2%	5.5%
Orange France	9.76	4.2	4.1	4.0	1.3	1.2	1.2	9.3	8.5	8.0	30%	30%	31%	7.4%	7.6%	7.9%
Swisscom	538.80	8.4	8.4	8.4	3.3	3.3	3.3	19.6	19.6	19.5	39%	39%	40%	4.1%	4.1%	4.0%
Telefonica S.A.	4.31	5.2	5.3	5.1	1.7	1.8	1.8	11.2	10.3	9.2	33%	33%	35%	7.2%	7.0%	7.0%
Telia Company	37.77	7.5	7.4	7.2	2.6	2.6	2.6	21.6	19.4	17.5	35%	36%	36%	5.4%	5.5%	5.7%
TI	0.38	4.2	4.1	4.1	1.8	1.8	1.8	9.8	8.5	7.7	43%	43%	43%	2.6%	2.6%	3.4%
median		6.0	5.8	5.5	2.1	2.0	2.0	13.7	12.4	11.3	35%	36%	37%	4.6%	4.6%	4.8%

Source: Bloomberg, mBank

Media

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Polish Media Groups																
Agora	9.02	13.1	8.3	7.0	1.5	1.2	1.1	-	-	-	11%	15%	15%	0.0%	0.0%	0.0%
Wirtualna Polska	137.00	14.9	12.8	11.4	5.9	5.1	4.6	29.2	24.5	22.0	40%	40%	40%	0.7%	1.4%	1.6%
median		14.0	10.5	9.2	3.7	3.2	2.8	29.2	24.5	22.0	26%	27%	28%	0.4%	0.7%	0.8%
Daily Mail																
Arnolgo Mond	1.90	5.4	5.0	4.4	0.7	0.6	0.6	18.2	14.6	13.5	12%	13%	14%	2.1%	3.4%	4.7%
Daily Mail	1,098.00	14.4	12.5	10.9	1.6	1.6	1.6	46.1	35.1	29.2	11%	13%	15%	0.0%	0.0%	0.0%
New York Times	50.59	29.9	24.3	21.2	4.2	3.9	3.7	55.1	42.3	35.5	14%	16%	17%	0.5%	0.5%	0.6%
Promotora de Inf	0.70	11.1	8.3	6.8	1.6	1.5	1.4	-	-	17.5	14%	18%	21%	-	-	-
median		12.8	10.4	8.9	1.6	1.5	1.5	46.1	35.1	23.4	13%	14%	16%	0.5%	0.5%	0.6%
TV																
Atresmedia Corp	3.68	6.5	6.0	5.9	1.0	1.0	1.0	9.1	8.1	7.9	15%	16%	16%	7.8%	9.3%	9.4%
Gestevisión Telecin	5.10	5.8	5.7	5.6	1.7	1.7	1.7	8.5	8.3	8.2	29%	29%	29%	4.6%	5.9%	8.0%
ITV PLC	116.45	8.2	7.2	7.1	1.7	1.6	1.5	10.8	9.4	9.3	20%	22%	22%	0.0%	0.0%	0.0%
M6-Metropole Tel	17.52	6.3	6.0	5.6	1.6	1.6	1.6	13.1	11.7	10.9	26%	27%	29%	6.3%	6.3%	5.1%
Mediaset SPA	2.67	9.4	8.4	10.4	1.7	1.6	1.7	17.9	15.5	12.4	18%	20%	16%	2.2%	3.1%	3.7%
Prosieben	15.66	7.3	6.8	6.5	1.3	1.3	1.2	11.6	10.3	9.5	18%	19%	19%	4.1%	5.0%	5.8%
TF1-TV Francaise	8.42	3.7	3.8	3.2	0.8	0.8	0.8	13.3	12.2	10.5	21%	20%	24%	5.1%	5.5%	6.9%
median		6.5	6.0	5.9	1.6	1.6	1.5	11.6	10.3	9.5	20%	20%	22%	4.6%	5.5%	5.8%
Pay TV																
Cogeco	116.14	5.7	5.5	5.7	2.8	2.7	2.7	13.9	13.0	14.7	48%	49%	48%	2.2%	2.4%	2.7%
Comcast	59.48	11.0	9.6	9.0	3.2	3.0	3.0	20.9	16.5	14.2	29%	32%	33%	1.7%	1.8%	2.0%
Dish Network	43.70	7.3	7.8	8.5	1.4	1.4	1.5	14.5	16.9	28.2	19%	18%	17%	0.0%	0.0%	0.0%
Liberty Global	28.12	5.1	5.7	5.7	2.0	2.2	2.4	33.5	26.9	17.9	39%	39%	41%	0.0%	0.0%	-
Shaw Comm	29.33	9.6	9.4	9.2	4.2	4.2	4.1	27.8	25.9	24.9	44%	44%	44%	5.1%	5.1%	5.3%
median		7.3	7.8	8.5	2.8	2.7	2.7	20.9	16.9	17.9	39%	39%	41%	1.7%	1.8%	2.3%

Source: Bloomberg, mBank

IT

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Poland																
Asseco Poland	80.95	5.1	4.9	4.7	0.8	0.8	0.7	16.9	15.9	15.4	16%	16%	16%	3.8%	3.7%	3.7%
Comarch	257.00	7.5	7.2	6.8	1.2	1.1	1.0	18.9	18.4	17.9	16%	15%	15%	0.6%	0.6%	0.6%
Sygnity	9.86	4.1	4.7	4.2	1.2	1.0	0.9	4.8	8.5	8.4	29%	22%	21%	0.0%	0.0%	0.0%
median		5.1	4.9	4.7	1.2	1.0	0.9	16.9	15.9	15.4	16%	16%	16%	0.6%	0.6%	0.6%
International																
Atos Origin	42.19	3.0	2.7	2.6	0.4	0.4	0.4	6.0	5.4	5.0	14%	15%	15%	2.8%	3.3%	3.6%
CapGemini	189.80	14.1	13.0	12.1	2.1	2.0	1.9	24.5	21.5	19.0	15%	16%	16%	1.1%	1.2%	1.4%
IBM	139.86	9.3	9.4	10.0	2.3	2.3	2.2	12.7	11.6	10.8	25%	24%	22%	4.8%	5.1%	5.0%
Indra Sistemas	8.83	6.2	5.5	5.1	0.6	0.6	0.6	13.3	10.7	9.1	10%	11%	11%	0.9%	1.5%	1.4%
Microsoft	302.01	28.5	25.4	21.7	13.4	12.0	10.7	40.9	37.2	32.7	47%	47%	49%	0.7%	0.8%	0.9%
Oracle	88.62	14.3	13.9	13.3	7.2	7.0	6.8	19.8	18.5	17.1	50%	51%	51%	1.2%	1.4%	1.4%
SAP	124.96	18.0	17.0	15.8	5.9	5.7	5.4	26.4	25.2	23.1	33%	34%	34%	1.4%	1.5%	1.6%
TietoEVRY	29.70	9.1	8.2	7.9	1.5	1.5	1.4	12.7	11.9	11.1	17%	18%	18%	4.7%	5.0%	5.4%
median		11.7	11.2	11.0	2.2	2.1	2.1	16.5	15.2	14.1	21%	21%	20%	1.3%	1.5%	1.5%

Source: Bloomberg, mBank



Gaming

	Price	EV/EBITDA			EV/S			P/E			EBITDA margin			DY		
		2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Gaming																
11 bit studios	440.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CD Projekt	165.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PlayWay	479.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten Square Games	537.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activision Blizzard	80.81	14.7	12.6	12.0	6.5	5.8	5.7	22.1	18.9	17.8	45%	46%	47%	0.6%	0.6%	0.6%
Capcom	3,035	21.5	16.7	15.1	8.0	6.8	6.4	29.8	24.3	21.6	37%	41%	42%	1.0%	1.2%	1.3%
Take Two	160.66	16.9	17.1	13.2	4.5	4.2	3.2	26.7	26.8	19.6	26%	25%	24%	-	-	-
Ubisoft	52.86	7.3	6.8	5.5	3.0	2.8	2.5	21.2	19.7	16.8	41%	41%	46%	0.0%	0.0%	0.0%
Electronic Arts	141.86	16.8	15.3	14.4	6.0	5.6	5.3	26.2	23.4	21.1	36%	37%	37%	0.1%	0.2%	0.2%
Paradox Interactive	157.40	14.5	10.9	10.1	8.5	6.6	6.1	31.3	23.9	21.8	59%	61%	60%	0.7%	0.8%	0.9%
median		15.7	13.9	12.6	6.3	5.7	5.5	26.5	23.7	20.3	39%	41%	44%	0.6%	0.6%	0.6%

Source: Bloomberg, mBank

Steam Global Top Sellers

2021-08-26	Company	Position	D/D change	W/W change	1-week average	Price (PLN)	D/D change	W/W change	1-week average
Frostpunk	11 bit studios	590	+53	-7	651	110	0%	0%	110
Frostpunk: SP	11 bit studios	597	+92	-151	595	88	0%	0%	88
Frostpunk: GOTY	11 bit studios	387	+272	-54	479	165	0%	0%	165
Blair Witch VR	Bloober Team	1,546	-263	-85	1,708	108	0%	18%	108
Cyberpunk 2077	CD Projekt	9	-	+42	31	133	0%	-33%	171
The Witcher 3: WH	CD Projekt	112	-34	+293	377	20	0%	-80%	66
The Witcher 3: WH (GOTY)	CD Projekt	8	-1	+214	131	30	0%	-80%	99
Green Hell	Creepy Jar	318	-11	-89	294	90	0%	0%	90
CMS 2021	PlayWay Group	100	-7	-62	74	90	0%	0%	90
CMS 2021 (+DLCs)	PlayWay Group	82	-13	-61	65	117	0%	0%	117
CMS 2021 (+CMS18)	PlayWay Group	1,103	-588	-753	562	146	0%	41%	128
CMS 2021 (+House Flipper)	PlayWay Group	811	-2	-329	847	146	0%	0%	146
Dying Light EE	Techland	55	+1	-22	55	45	0%	0%	45
Dying Light 2	Techland	120	+38	+25	179	200	0%	0%	200
Chernobylite	The Farm 51	312	+15	-55	333	120	0%	0%	120

Source: Steam (Valve Corporation), mBank

Steam Wishlist

2021-08-26	Company	Position	D/D change	W/W change	1-week average	Release date
Frostpunk 2	11 bit studios	28	-	+5	29	TBA
Builder Simulator	PlayWay Group	76	-2	+1	76	TBA
Builders of Egypt	PlayWay Group	44	-	-1	43	Q3'21
Bum Simulator	PlayWay Group	75	+1	+7	79	2021-08-26
Contraband Police	PlayWay Group	85	-1	+2	86	Q4'21
I am Your President	PlayWay Group	136	-2	+1	136	Soon
Junkyard Simulator	PlayWay Group	88	-1	+2	89	2021
Occupy Mars	PlayWay Group	60	-2	+2	60	Soon
Prison Simulator	PlayWay Group	96	-1	+3	97	TBA
Succubus	PlayWay Group	43	-	+1	43	2021-10-05
Dying Light 2	Techland	1	-	-	1	2021-12-07

Source: Steam (Valve Corporation), mBank

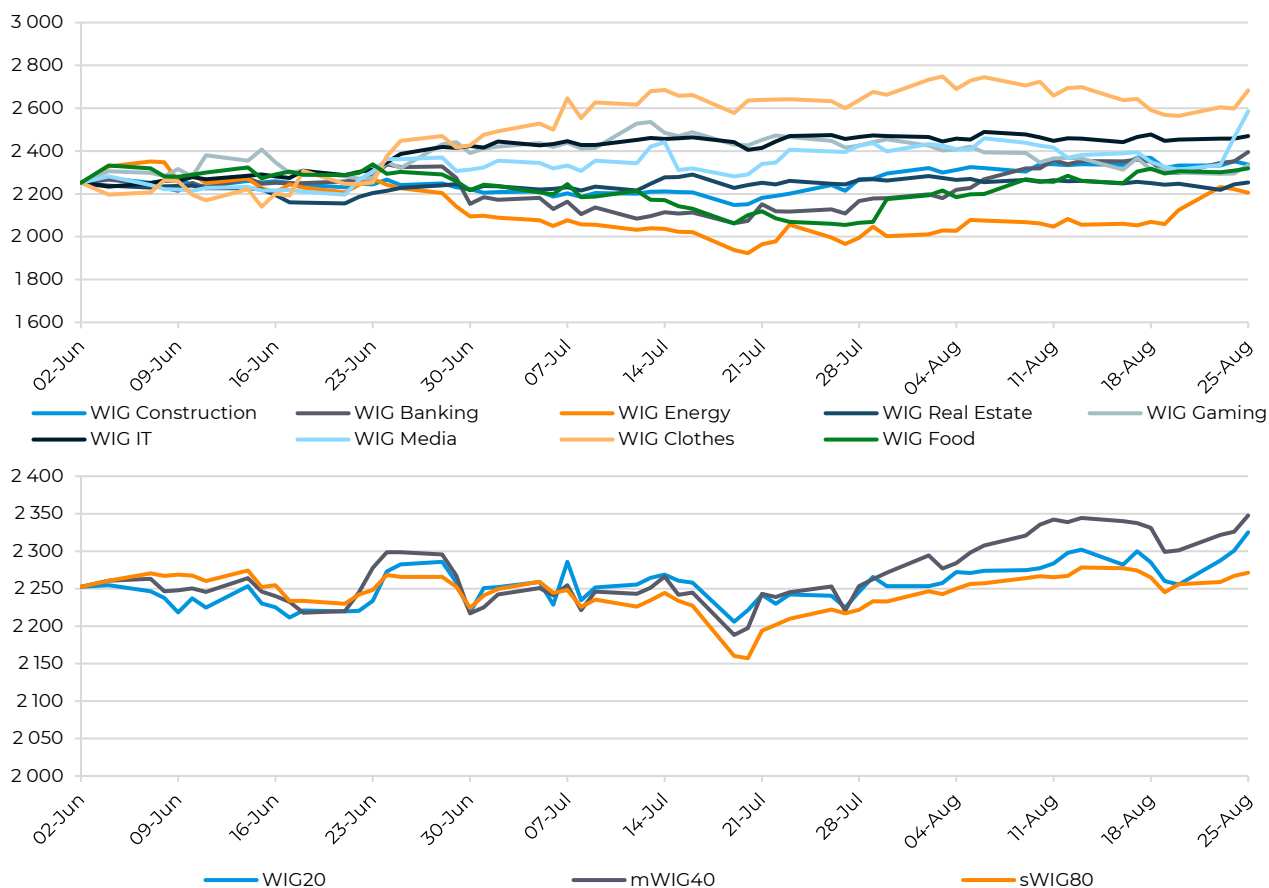


Global Markets Overview

Index	Date	Open	Maximum	Minimum	Close	Change
DJIA	2021-08-25	35,388.77	35,501.14	35,287.63	35,405.50	+0.11%
S&P 500	2021-08-25	4,490.45	4,501.71	4,485.66	4,496.19	+0.22%
NASDAQ	2021-08-25	15,039.03	15,059.43	15,011.58	15,041.86	+0.15%
DAX	2021-08-25	15,912.85	15,932.62	15,853.32	15,860.66	-0.28%
CAC 40	2021-08-25	6,683.18	6,684.21	6,667.25	6,676.48	+0.18%
FTSE 100	2021-08-25	7,125.78	7,151.75	7,121.29	7,150.12	+0.34%
WIG20	2021-08-25	2,297.64	2,325.19	2,291.03	2,325.19	+1.06%
BUX	2021-08-25	51,634.85	51,634.85	51,015.21	51,093.80	-1.05%
PX	2021-08-25	1,286.20	1,290.52	1,283.65	1,290.02	+0.30%
RTS	2021-08-25	2,167.27	2,171.38	2,145.12	2,154.43	-0.70%
SOFIX	2021-08-25	573.39	575.78	569.75	570.68	-0.47%
BET	2021-08-25	12,202.41	12,375.63	12,202.41	12,274.70	+0.62%
XUI00	2021-08-25	1,465.28	1,471.43	1,451.92	1,453.30	-0.86%
BETELES	2021-08-25	133.36	133.89	133.36	133.51	+0.14%
NIKKEI	2021-08-25	27,768.13	27,897.72	27,684.05	27,724.80	-0.03%
SHCOMP	2021-08-25	3,517.92	3,540.40	3,510.07	3,540.38	+0.74%
Copper (LME)	2021-08-25	9,331.00	9,425.00	9,317.00	9,356.00	-0.21%
Crude Oil (Brent)	2021-08-25	70.10	71.16	69.58	70.67	+0.60%
USD/PLN	2021-08-25	3.892	3.905	3.883	3.885	-0.17%
EUR/PLN	2021-08-25	4.574	4.579	4.566	4.574	-0.02%
EUR/USD	2021-08-25	1.176	1.178	1.173	1.177	+0.14%
US 10Y Yield	2021-08-25	1.294	1.349	1.282	1.339	+0.046
German 10Y Yield	2021-08-25	-0.472	-0.416	-0.475	-0.422	+0.056
Polish 10Y Yield	2021-08-25	1.746	1.789	1.745	1.789	+0.042

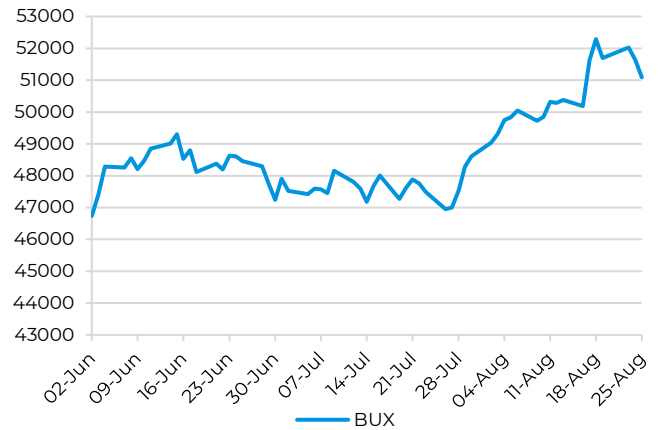
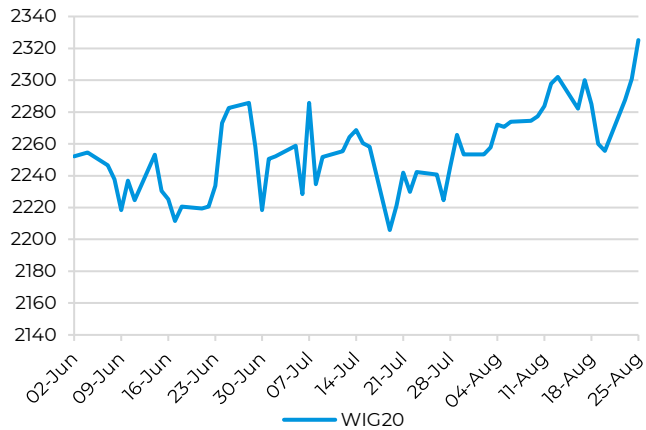
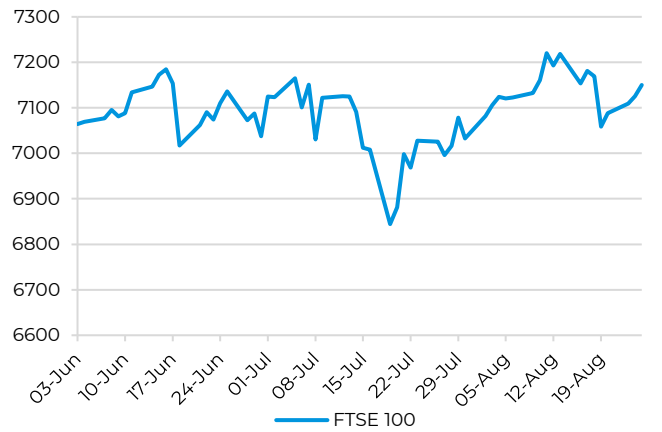
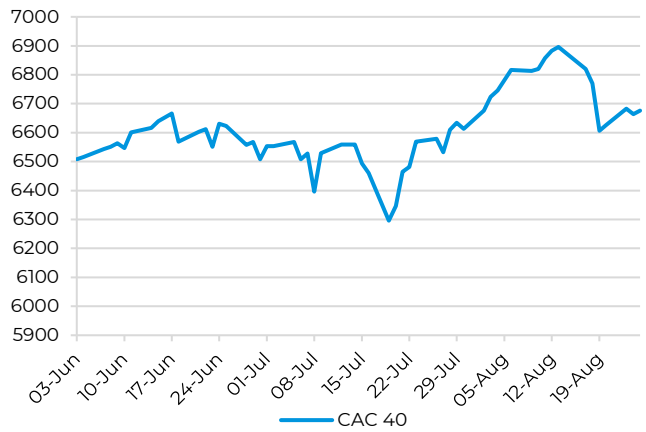
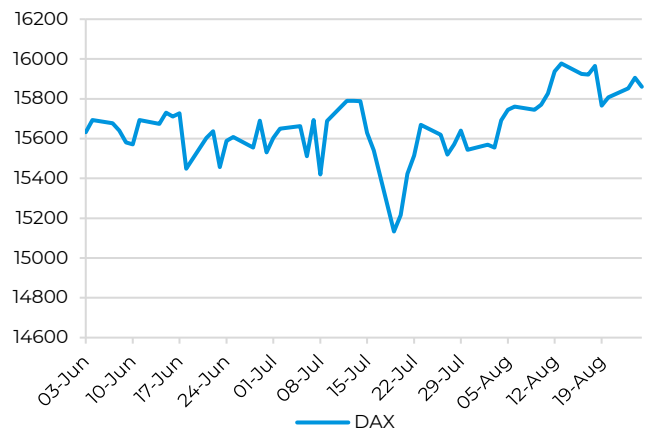
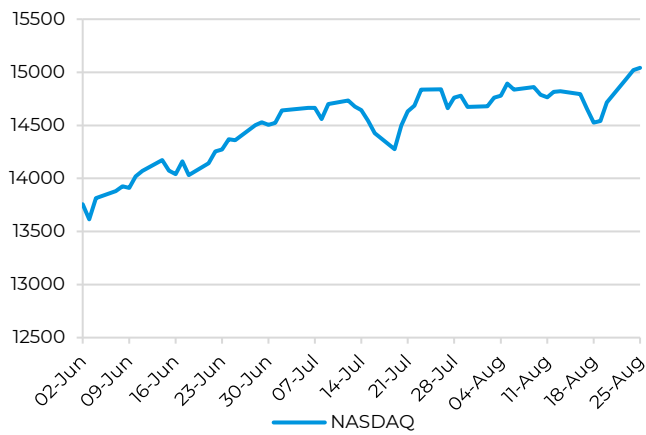
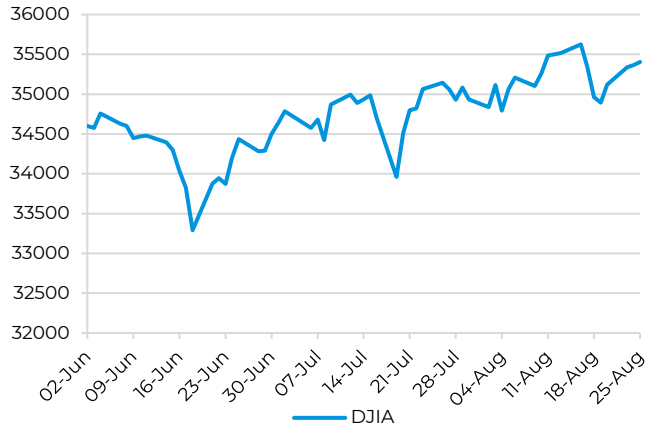
Source: Bloomberg, mBank

WIG Sector Index Performance (relative to WIG20)



Source: Bloomberg

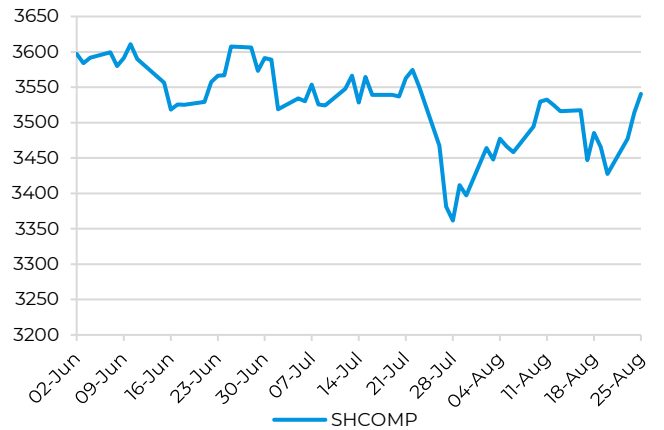
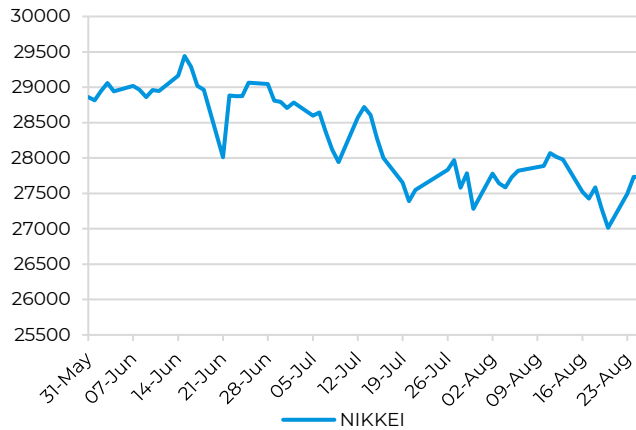
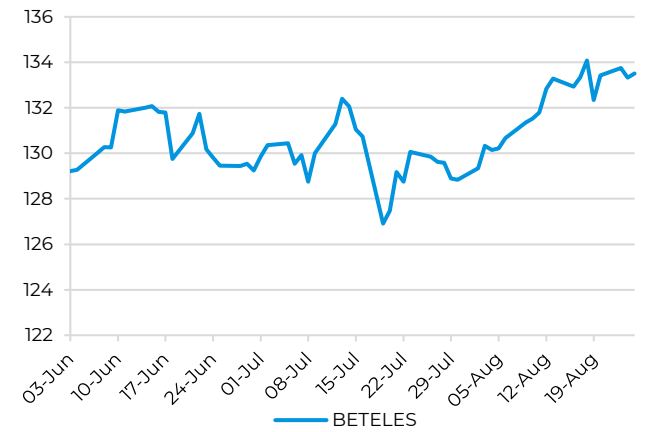
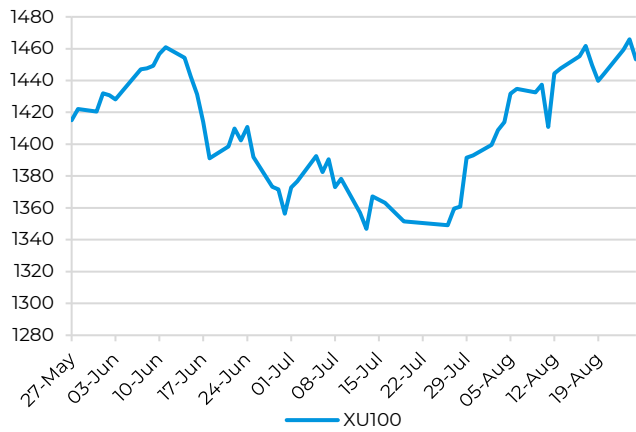
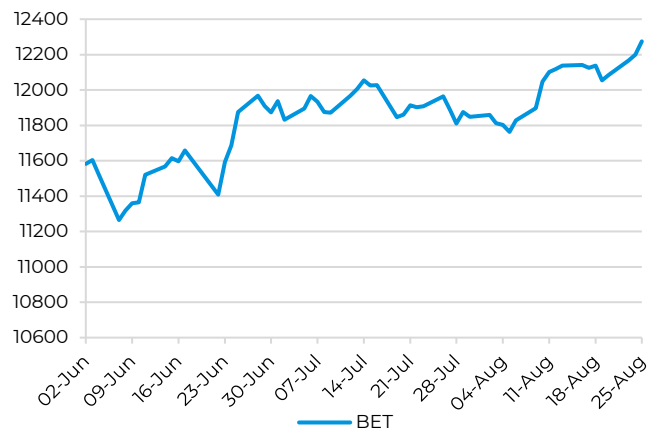
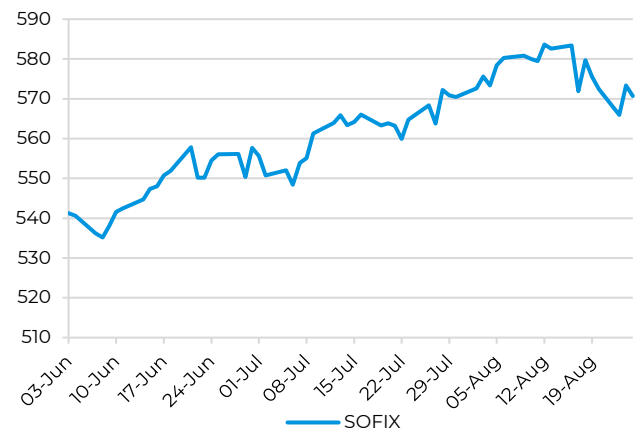
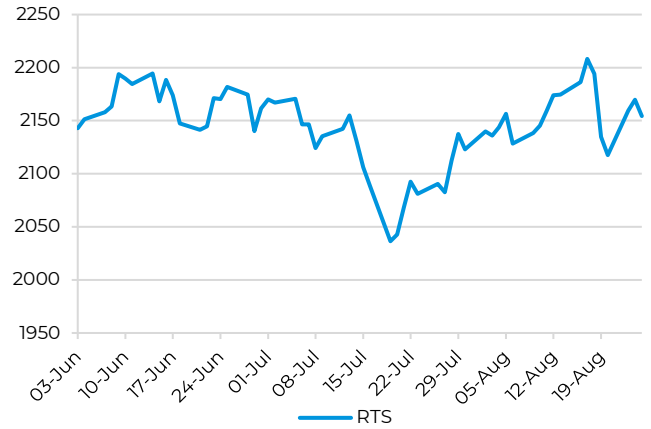
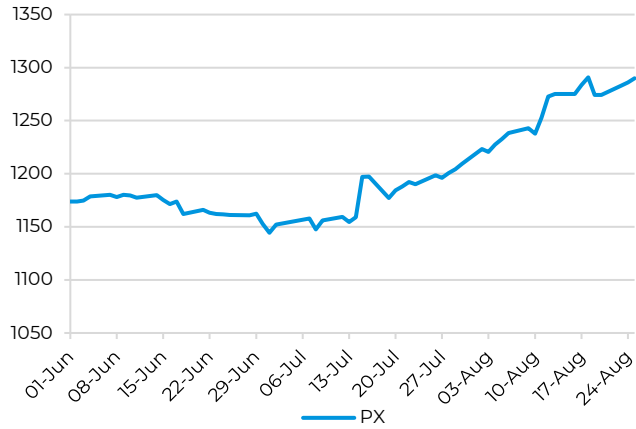
World Indices Performance



Source: Bloomberg

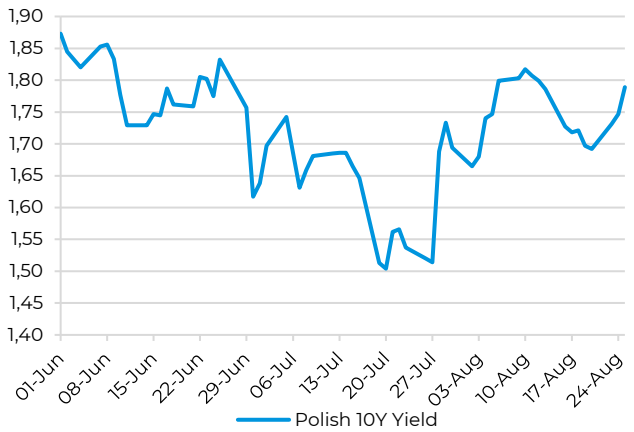
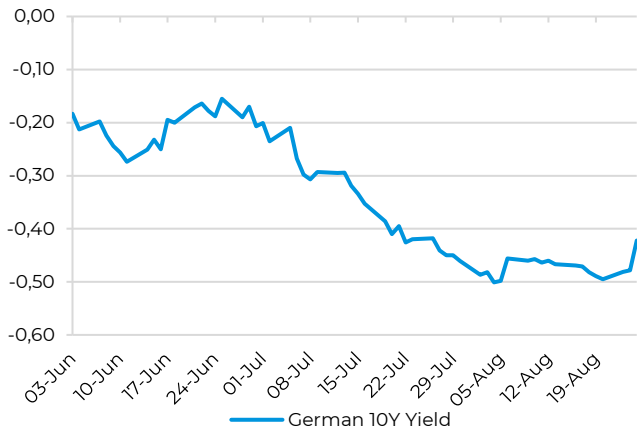
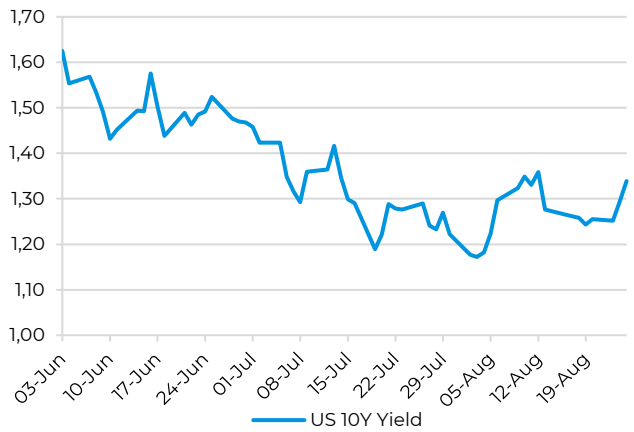
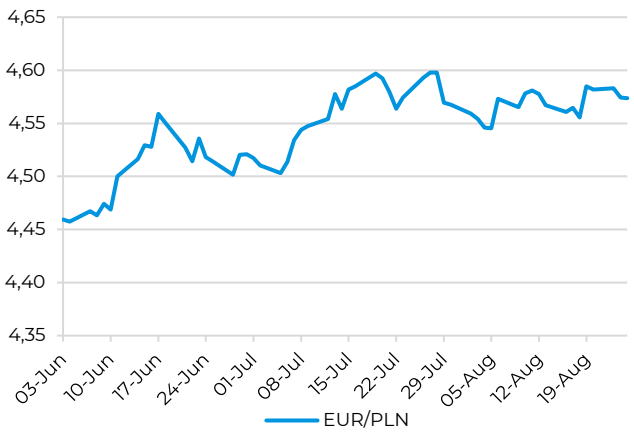
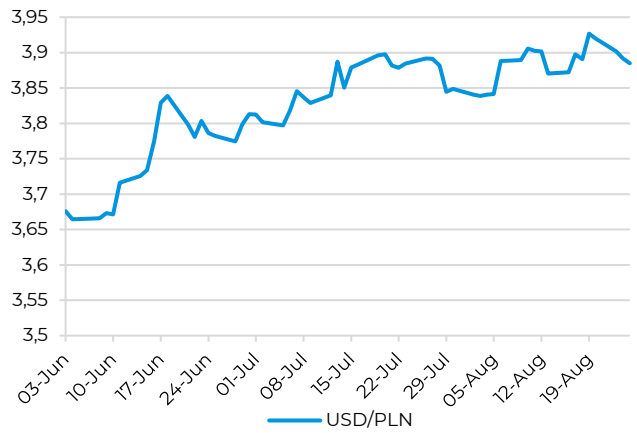
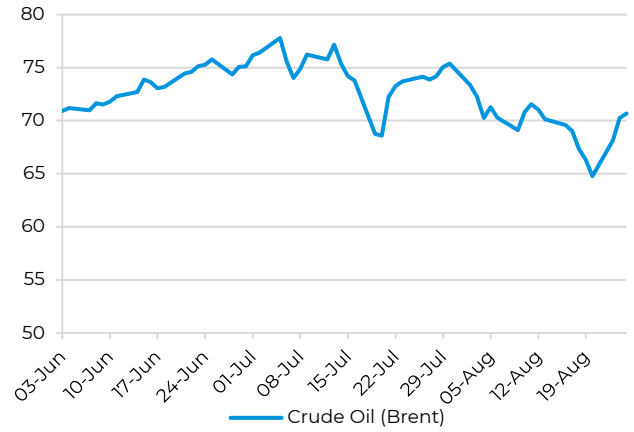
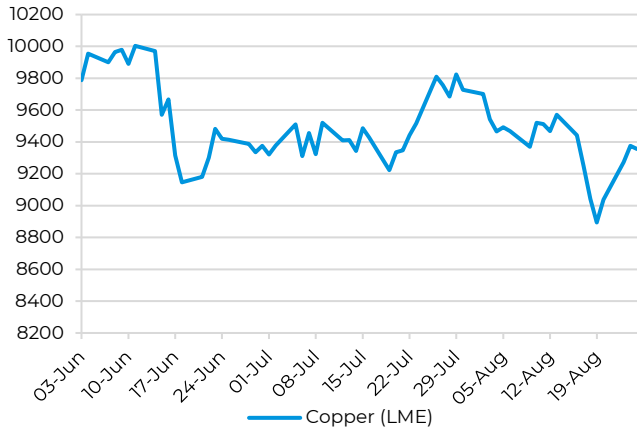


World Indices Performance



Source: Bloomberg

Commodities, FX Rates and Government 10Y Bond Yields



Source: Bloomberg



List of abbreviations and ratios contained in the report:

EV (Enterprise Value) – Equity Value + Net Debt; **EBIT** – Earnings Before Interest and Taxes; **EBITDA** – EBIT + Depreciation & Amortisation; **Net Debt** – Borrowings + Debt Securities + Interest-Bearing Loans - Cash and Cash Equivalents; **P/E** (Price/Earnings) – Price Per Share Divided by Earnings Per Share; **P/CE** (Price to Cash Earnings) – Price Per Share Divided by Earnings + Depreciation & Amortisation; **P/B** (Price to Book Value) – Price Per Share Divided by Book Value Per Share; **P/CF** (Price to Cash Flow) – Price Divided by Cash Flow from Operations; **ROE** (Return on Equity) – Earnings Divided by Shareholders' Equity; **ROCE** (Return on Capital Employed) – EBIT x (Average Assets - Current Liabilities); **ROIC** (Return on Invested Capital) – EBIT x (1-Tax Rate) / (Average Equity + Minority Interest + Net Debt); **FCFF** (Free Cash Flow to Firm) – Cash Flow from Operations - CAPEX - Lease Payments; **FCFE** (Free Cash Flow to Equity) – Free Cash Flow to Firm - Net Interest Expense (incl. Debt + Leases) - Lease Payments

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NEUTRAL (N) – a rating which indicates that we expect the stock to perform in line with the broad market
UNDERWEIGHT (UW) – a rating which indicates that we expect the stock to underperform the broad market

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Relative – based on a comparison of valuation multipliers of companies from a given sector; simple in construction, reflects the current state of the market better than DCF; weak points include substantial variability (fluctuations together with market indices) as well as difficulty in the selection of the group of comparable companies.

Economic profits – discounting of future economic profits; the weak point is high sensitivity to changes in the assumptions made in the valuation model.

Discounted Dividends (DDM) – discounting of future dividends; the weak point is high sensitivity to changes in the assumptions as to future dividends made in the valuation model.

NAV – valuation based on equity value, one of the most frequently used method in case of developing companies; the weak point of the method is that it does not factor in future changes in revenue/profits of a company.

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