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QUO VADIS 2.0

7 Years of digital transformation in 12 months

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In every great challenge there lies a great opportunity

History has proven that even the most tragic events can bring positive outcomes revolutionizing the way we live

World War I



Civil Liberties

Liberties to all societal groups as all-hands on deck were needed to support war effort



World War II



Globalization and Welfare Reform

International agreements lowering barriers to international trade and Governments carrying out welfare reforms to raise the standard of living



Cold War



Space Program

Rivalry in space dominance between USA and USSR leading to revolutionary progress in space exploration and rapid technology advancement



**COVID-19
pandemic**



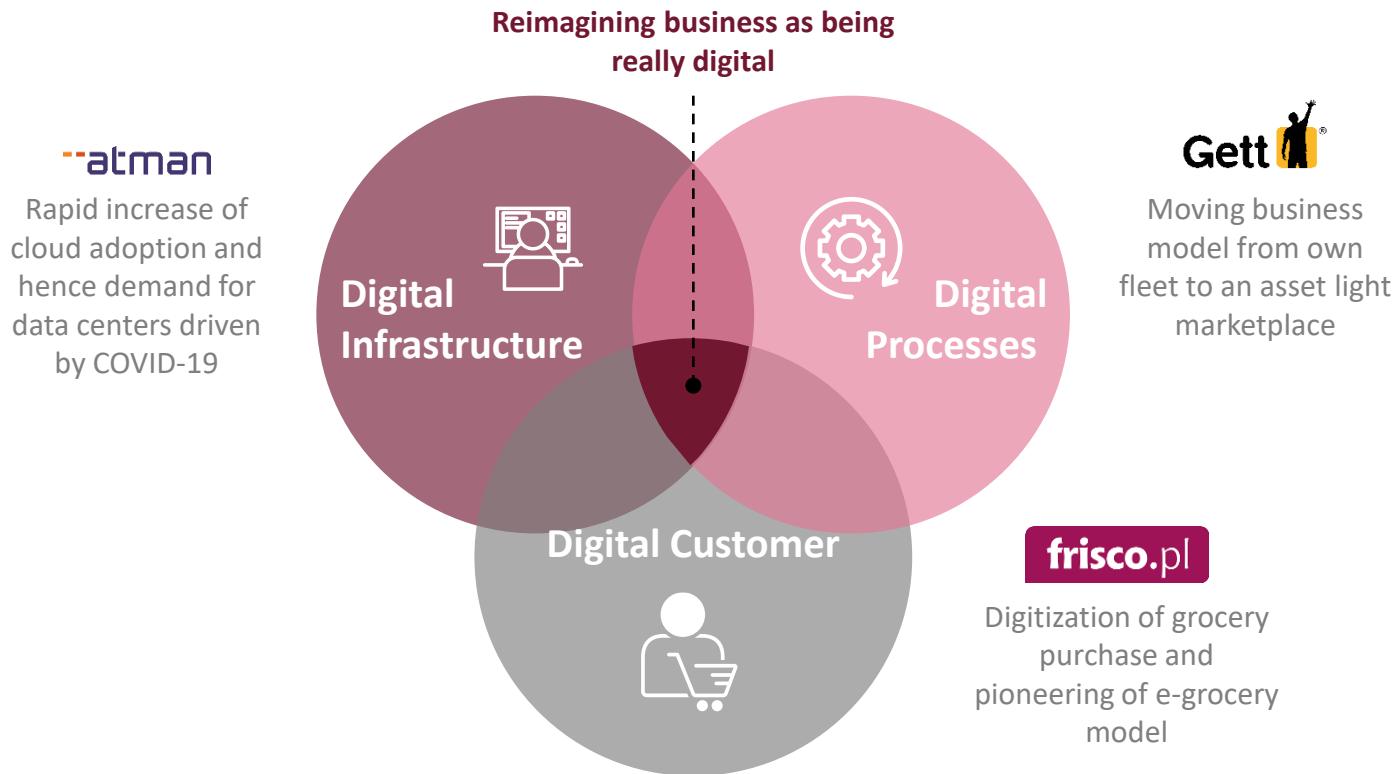
Digital Transformation

Pandemic restrictions forcing a move to remote working rapidly accelerating digital transformation



We think about digital transformations through three lenses

Recap of what being digital really means based on 20 years of digital transformation experience in CEE



7 years of digital growth overnight

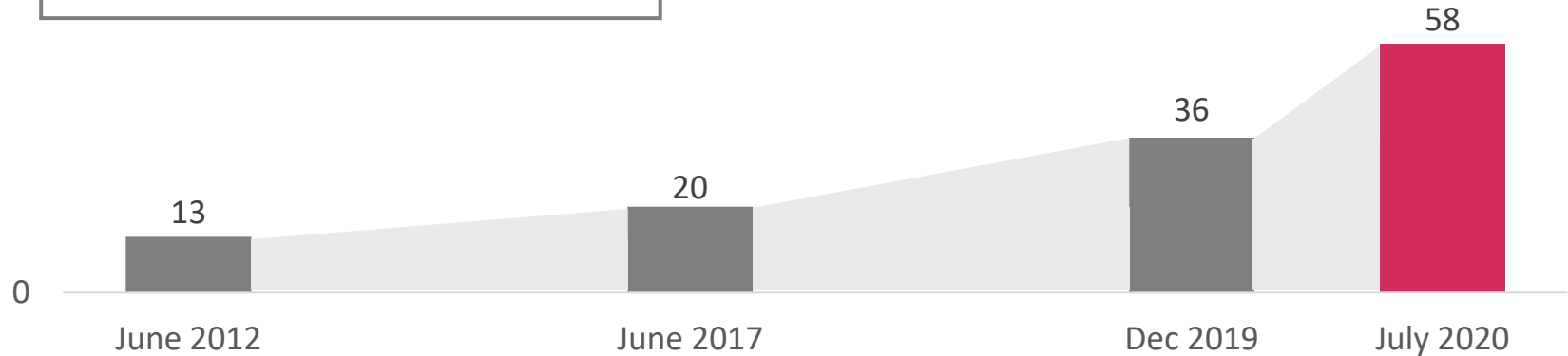
How big was the digital adoption leap?

Average share of customer interactions that are digital,
%, 2012 – 2020, McKinsey & Company survey

■ Precrisis
■ COVID-19 crisis

100

Global Adoption Acceleration = 7 years¹






Source: McKinsey & Company, Arthur D. Little
1. Years ahead of the average rate of adoption from 2012 to 2019

You can complete your digital transformation in 10 days...

...unlike what everyone told you before, with expectations ranging from 450 to 670 days

Time required for digital transformation,
days, expected vs actual, McKinsey & Company survey








 Organizational changes
 Industry-wide changes

	Expected	Actual	Acceleration factor, multiple
Increase in remote working and/or collaboration	454	10.5	 43
Increasing customer demand for online purchasing/services	585	21.9	 27
Increasing use of advanced technologies in operations	672	26.5	 25
Increasing use of advanced technologies in business decision making	635	25.4	 25
Changing customer needs/expectations	511	21.3	 24
Increasing migration of assets to the cloud	547	23.2	 24
Changing ownership of last-mile delivery	573	24.4	 23
Increase in nearshoring and/or insourcing practices	547	26.6	 21
Increased spending on data security	449	23.6	 19
Build redundancies into supply chain	537	29.6	 19

Source: McKinsey & Company

From in-person interactions to „remote-first”

What has changed?

	From	To	
 Groceries	Traditional brick-and-mortar stores	E-stores offering fast home delivery	311% growth of Polish e-grocery market in 2020
 Studying	Physical classes in Universities and Schools' buildings	Remote and hybrid classes conducted through e-learning platforms	350% increase in no. of Microsoft Teams active users
 Payments	Predominance of physical payments (cash, cards)	Cash-less and contact-less payment forms (e.g. mobile wallets, BLIK)	29% growth of in-store mobile payments in US in 2020
 Telemedicine	Physical appointments at local clinics and hospitals	Virtual appointments with doctors issuing e-referrals and e-prescriptions	318% increase of no. of patients using telehealth in US in 2020
 Contracts	Pen-and-paper contracts requiring physical presence of both signing parties	e-procurement based on digital contracts and e-signatures	27,7% growth of the global e-signatures market in 2020
 Commercial real estate	High demand for commercial properties	Need to repurpose commercial properties no longer needed due to physical business closing	27% drop in volume of CRE transactions in Poland

Source: McKinsey & Company, Statista, eMarketer, ReportLinker, World Economic Forum, PKO BP, Bain & Company

COVID-19 propelled success stories of digital transformation

Digital transformation examples from the last 12 months

Case study

Achieved KPIs



As a result of the pandemic CCC invested strongly in its e-commerce segment acquiring shares in shoes e-store eobuwie.pl, developing esize.me technology enabling virtual feet scanning and accelerating international online expansion

- **71%** growth of online sales in 2020
- **46,4%** share of online sales in total revenue



2020 was a year of dynamic growth of Eurocash online channels, including wholesale platform Eurocash.pl as well as an e-grocery Frisco.pl, proving quick adaptation of Eurocash to COVID reality

- **80%** share of wholesale orders completed via online platform Eurocash.pl
- **60%** growth in revenue of e-grocery platform Frisco.pl

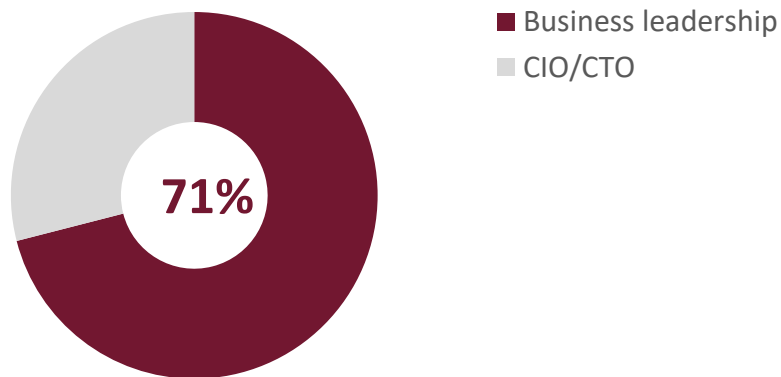


The forthcoming pandemic rapidly accelerated Budimex's adoption of cloud technology. In March 2020 the Company implemented Microsoft's technology significantly improving communication for both office and construction workers

- **40%** cloud adoption achieved within 3 weeks from implementation
- **5000+** employees using Microsoft Teams

Digital transformation efforts need to be at the very core of strategic agenda, with „all hands on deck” mindset required

Main sponsors of digital transformation,
BCG survey, 2020



Around 50% of transformations have the CEO as the main sponsor



Full buy-in and decentralized empowerment are a „must have” – rapid transformation needs to be a priority for everyone in the organization

Source: Boston Consulting Group

All it takes is a crisis... or new ownership and sufficient incentives

How can private equity investors imitate COVID-like transformation?

Digital shift due to COVID-19 has often occurred in less than a month...



Increase in remote working with propagation of „remote-first”



Customer interactions shifting to online



Acceleration and advancement of cloud migration



Digitalization of operations and processes



Decision making supported by technology

Rapid but often unstructured transformation focused on „quick fixes”

...which can be replicated and amplified by private equity investors with a proper playbook

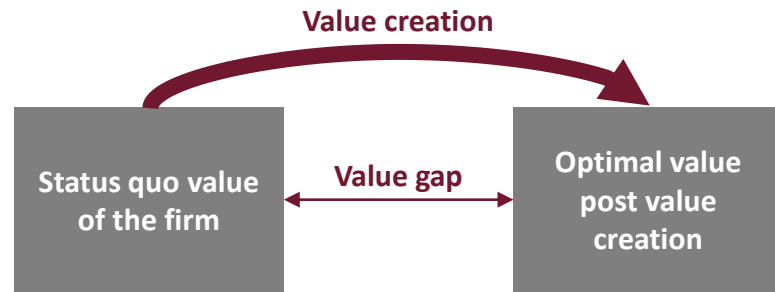


Robust transformation encompassing also optimization levers

Digital Gap is the new Value Gap

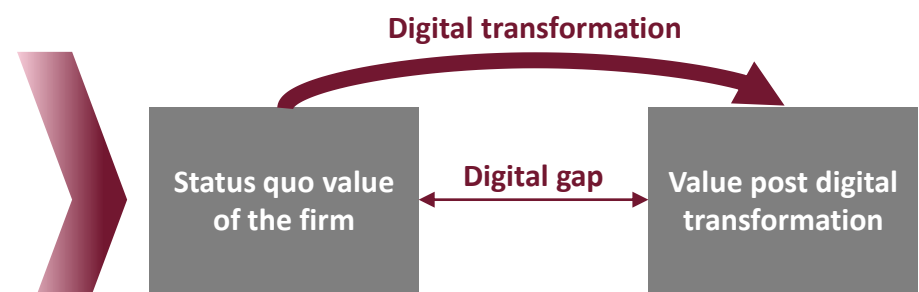
Where should private equity look for value?

Old private equity paradigm



KKR APOLLO WARBURG PINCUS Hellman&Friedman

New private equity paradigm



PERMIRA

VISTA

Apax digital

MCI

Even though pandemic is almost over, digital gap is still there to be bridged by PE investors

- COVID-driven transformations were often hasty and unstructured, leaving room for optimization, provided investor's know-how and „all hands on deck“ mentality are in place
- Majority of innovation predominantly happens within a limited number of industries, with some being still relatively untouched by digital transformation, e.g. construction or mining

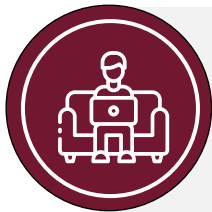
Acceleration of digital transformation brings a unique opportunity for Poland

Poland can become the „remote work” country to further drive economic development



Business-friendly country...

- Facilitation of foreign business incorporation, allowing companies to be EU-domiciled regardless of where they are based, given prevalent „remote-first” model



...and a go-to destination for remote workforce...

- Welcoming digital nomads, making Poland a „go-to” destination for remote workers
- Supporting both foreign companies to hire remote employees in Poland and Polish businesses in hiring abroad



...actively supporting employee engagement

- Easening regulations for employee stock option schemes and encouraging share-based compensation

Executive summary

There are 3 building blocks of successful transformations – 20 years of digital experience in CEE have showed us that well-thought digital programs need to encompass customer interactions, ways of working as well as all other processes core for company's business

Dramatic outbreak of COVID-19 pandemic allowed to leap 7 years of digital adoption, with company-wide transformations across the globe happening in as little as 10 days

Rapid acceleration of digital adoption has been seen across virtually all industries, ranging from healthcare to groceries, with a number of digitalization success stories in Poland

There is no „free lunch” though – in order to be successful, digital transformation efforts need to be at the very core of strategic agenda, with „all hands on deck” mindset required

What evidence shows, is that all it takes to execute a successful transformation is a crisis – but we believe that all this can be replicated with a proper **digital private equity playbook**

In the old private equity paradigm, investors were on a hunt for a value gap - today they should be looking for companies with digital gap, ones whose value could be much higher should they exercise digital transformation

Most importantly, acceleration of digital transformation brings a unique opportunity for Poland – in our view it can become a digital champion and a „remote first” country, further driving economic development



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MCI/PEM 2020 RESULTS

Warsaw, 10 May 2021

2020 MCI / PEM Group highlights (up to now)

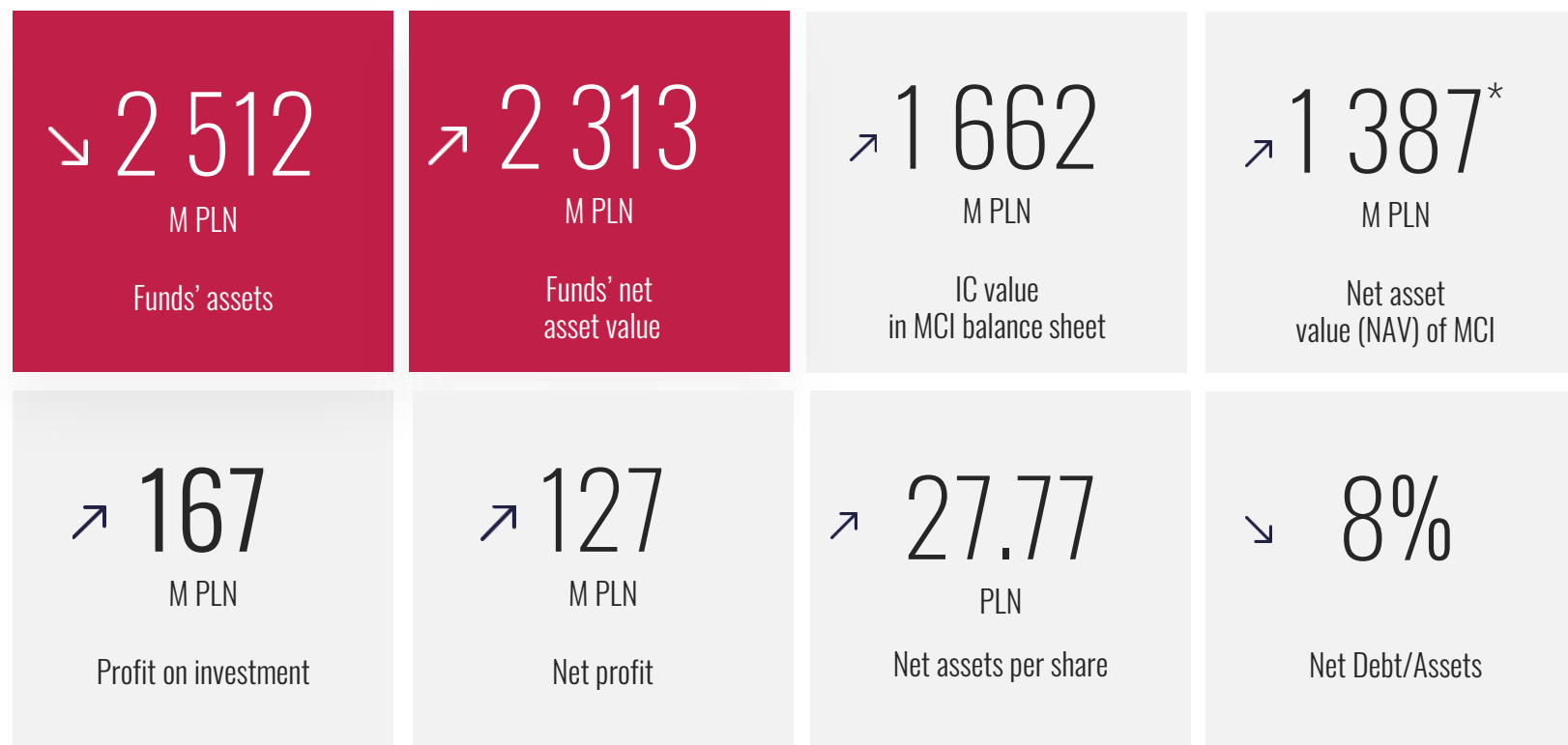


REALIZED EXITS	<ul style="list-style-type: none"> ■ 9 exits in 2020 (Netrisk, Geewa, Indeks, ATM, Answear, Prowly, windeln, Tatilbudur, Optizen) – PLN 908M ■ 4 new exits in 2021 r. (PIGU, mfind, Hojo, Kompan) – PLN 186M
NEW INVESTMENTS	<ul style="list-style-type: none"> ■ 2 new recap investments with TA Associates and MidEuropa made by MCI.EV: Netrisk/Pigu
PORTFOLIO COMPANIES' GROWTH	<ul style="list-style-type: none"> ■ Dynamic growth of our e-commerce portfolio companies: <ul style="list-style-type: none"> ○ IAI – 59% y/y growth in 1Q 2021 ○ Answear – 57% y/y growth in 1Q 2021 ○ Morele – 118% y/y growth in 1Q 2021
DECREASING GROUP'S DEBT / RECORD LIQUIDITY LEVEL	<ul style="list-style-type: none"> ■ In 2020 MCI Group made repayments (incl. early repayments of MCI bonds, redemption of Czech bonds issued by SPV MCI.EV, repayment of available credit line for MCI.PV, loan installments for PEM (jointly ~295 mln PLN)) ■ 16 May 2021 – another early repayments: redemption of MCI.PV P1B series bonds (PLN 40M) (full bond repayment for MCI.PV) ■ Group's debt systematically decreasing – external debt at the end of 2020 at the level of PLN 128M and PLN ~89M at the end of 1Q 2021 ■ Group's liquidity position at the end of 2020: ~PLN 750M, further increased by PLN ~PLN 186M thanks to realized exits in Q1 2021
SUCCESSFUL BUY-BACK OF MCI OWN SHARES	<ul style="list-style-type: none"> ■ February 2020 – MCI Capital performed a buy-back of its own shares worth PLN 10M (1.89%) ■ February 2020 – 3 million of MCI shares from the buy-back carried out in 2019 (worth PLN 30M) were redeemed
OBTAINING ASI/ZASI LICENSE	<ul style="list-style-type: none"> ■ 14 July 2020, MCI Capital obtained license from the Polish Financial Supervision Authority to perform internal activities of the Alternative Investment Company (ASI/ZASI)
ISSUING BONDS / NEW FINANCING	<ul style="list-style-type: none"> ■ In August 2020, MCI Capital issued 3-year bonds (PLN 20M) acquired by financial institutions ■ In January 2021 –MCI.PV signed credit agreement (revolving financing and term loan) with RBI (EUR 41M)
MCI'S DIVIDEND POLICY	<ul style="list-style-type: none"> ■ October 2020 – MCI Dividend Policy for 2021-2023 was adopted (allocation of 1% -2% NAV MCI for the dividend)
MCI'S PUBLIC BONDS PROSPECTUS	<ul style="list-style-type: none"> ■ March 2021 – MCI public bond prospectus approved by the Polish Financial Supervision Authority (up to PLN 100M; issue planned in Q2 and Q4)
MCI CAPITAL AND PEM MERGER	<ul style="list-style-type: none"> ■ October 2020 - launch the activities aimed at MCI Capital and PEM merger ■ April 20, 2021 - the Extraordinary General Shareholders Meeting of MCI and the Extraordinary General Shareholders Meeting of PEM decided to merge the Companies (share exchange parity 1:1; MCI Capital as the acquiring company; MCI Capital's own shares and new issue shares will be issued to PEM shareholders) ■ Currently, MCI is waiting for the approval of the Polish Financial Supervision Authority for consent to dominate over MCI Capital TFI ■ We expect the merger to be registered by the National Court Register by the end of June 2021
MCI TEAM	<ul style="list-style-type: none"> ■ Strengthening the investment team (the team was joined by: 2 Senior Investments Directors and 1 Senior Investment Analyst) and finalization of its reconstruction to implement the <i>buyout/expansion strategy</i>

Key financial data for 2020 MCI Capital



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* The value of net assets is reduced by the value of deferred tax liabilities on investment certificates (PLN 139M). The NAV without deducting the deferred tax liabilities would be at the level of **PLN 1,527M**.

Result summary – MCI Capital |

Profit and loss account 12M 2020 and Balance sheet 31.12.2020



PLN thousand	2020	2019	Difference	Difference (%)	
Revaluation of shares	2 136	(5 458)	7 594	-139,1%	
Profit/loss on investment certificates	169 195	165 097	4 098	2,5%	
Revaluation of derivative financial instruments	(4 080)	(4 036)	(44)	1,1%	
Profit on investment	167 251	155 603	11 648	7,5%	(1)
Operating expenses	(4 940)	(4 715)	(225)	4,8%	(3)
Other operating income/costs	1 358	116	1 242	1070,7%	(2)
Net finance costs	(8 005)	(8 357)	352	-4,2%	(4)
Profit before tax	155 664	142 647	13 017	9,1%	
Income tax	(28 981)	(29 259)	278	-1,0%	(5)
Net profit	126 683	113 388	13 295	11,7%	

PLN thousand	31.12.2020	31.12.2019	diff	diff (%)	
Assets	1 695 352	1 526 958	168 394	11,0%	
Investment certificates	1 662 022	1 511 044	150 978	10,0%	(6)
Investments in associates	6 404	3 715	2 689	72,4%	
Other assets	26 926	12 199	14 727	120,7%	(7)
Liabilities	1 695 352	1 526 958	168 394	11,0%	
Equity	1 387 411	1 271 174	116 237	9,1%	
Liability	307 941	255 784	52 157	20,4%	
Liability due to bonds	145 367	102 302	43 065	42,1%	(8)
Liability due to deferred tax	133 209	104 592	28 617	27,4%	(9)
Bills of exchange	19 168	41 000	(21 832)	-53,2%	(10)
Other financial instruments	8 116	4 036	4 080	101,1%	
Other liabilities	2 081	3 854	(1 773)	-46,0%	
NAV/S (PLN)	27,77	24,01	3,77	15,7%	
Share price (PLN)	15,65	9,30	6,35	68,3%	
P/BV	56%	39%	0,18	45,4%	

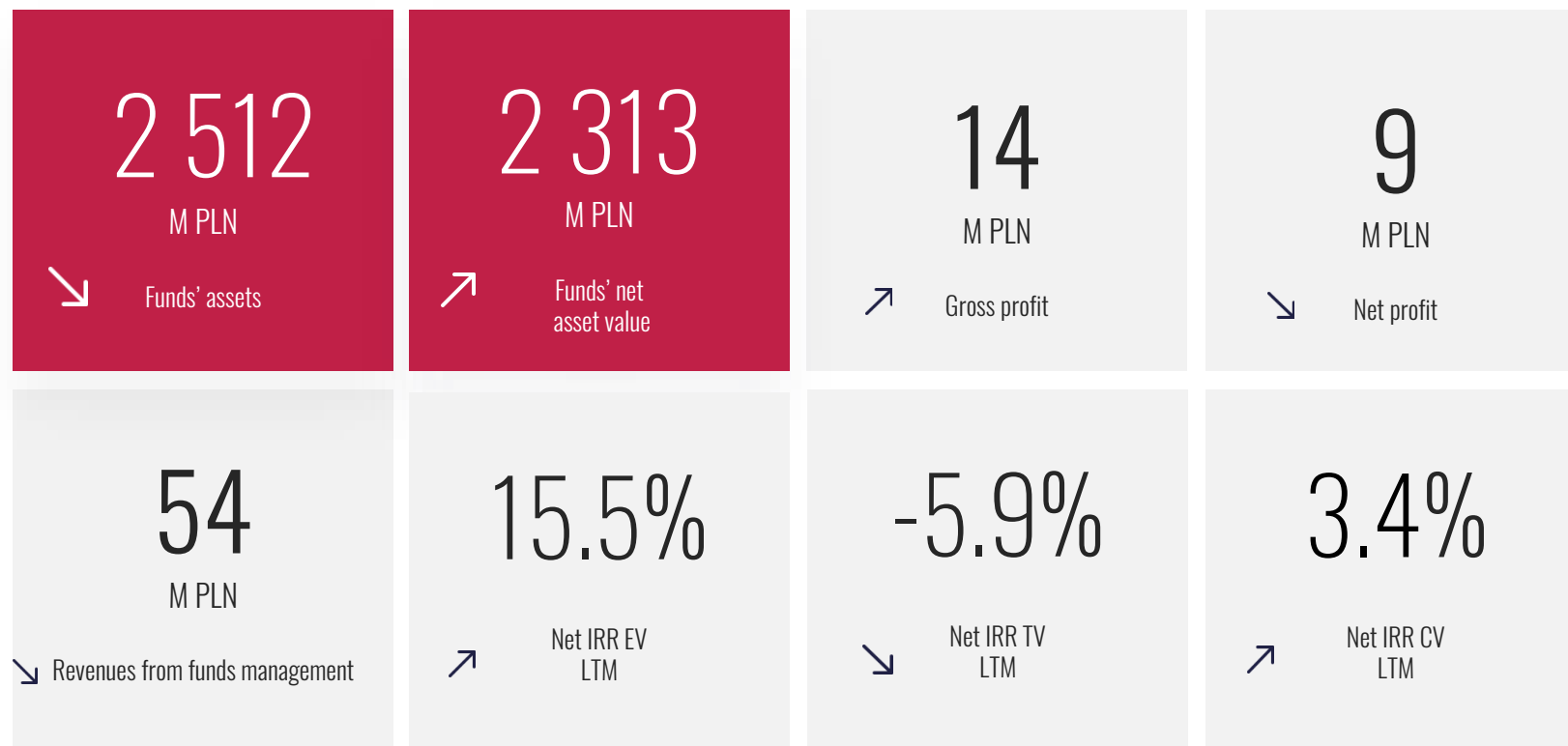
12M'20 vs 12M'19 – MAIN CHANGES:

- Profit on investment grew by PLN 11.6M** as a result of realizing a higher result on the valuation of PEM shares by PLN 7.6M because of a change in the PEM shares price on the WSE and a higher result on IC of funds owned by MCI by PLN 4.1M (improvement mainly on the result on IC MCI.TV (12M'20: PLN (19.6) M vs 12M'19: PLN (58.4) M) partially offset by lower result from revaluation of IC MCI.EV (12M'20: PLN 182.1M vs 12M'19 : PLN 203.5M).
- Other net operating income** increased by PLN 1.2M as a result of the recognition of subleasing revenues in 12M20 in connection with reclassification of sublet contracts from financial lease to operating lease.
- Operating expenses** (PLN 4.9M) remained at a similar level y/y and consisted mainly of remuneration costs (PLN 1.5M), external services (PLN 2M) as well as depreciation and the right to use assets (PLN 1.2M).
- Net financial costs** (PLN 8M) remained at a similar level y/y and consisted mainly of the cost of interest on loans/bills of exchange (PLN 8.6M).
- Income tax** – it is mainly the effect of deferred tax due to the increase in the valuation of investment certificates.

31.12.2020 vs 31.12.2019 – MAIN CHANGES:

- Value of IC increased by PLN 151M**, mainly because of an increase in the valuation of IC MCI.EV (PLN 182.5M), partially offset by the redemption of IC MCI.EV (PLN 14.9M) and a decrease in the valuation of IV MCI.TV (PLN 19.6M).
- Other assets increased by PLN 14.7M**, mainly as a result of an increase in cash by PLN 15.3M.
- Liabilities due to bonds increased by PLN 43.1M** as a result of the issue of series R bonds (nominal value PLN 79M) and series S bonds (nominal value PLN 20M) compensated by the redemption of series P bonds (nominal value PLN 37M) and series O bonds (nominal value PLN 20M).
- Liabilities due to deferred tax increased by PLN 28.6M** and resulted mainly from temporary differences on the valuation of funds' IC.
- Liabilities due to bills of exchange decreased by PLN 21.8M** due to the redemption of the bill of exchange of PLN 41M and the issue of a new one (PLN 19M).

Key financial data for 2020 PEM



Results summary – PEM Group |

Profit and loss account 12M 2020 and Balance sheet 31.12.2020



PLN thousand	6M 2020	6M 2019	Difference	Difference (%)	
Revenues from funds management	54 264	50 157	4 107	8,2%	(1)
Costs of core activities	(5 235)	(4 642)	(593)	12,8%	
Profit from core activities	49 029	45 515	3 514	7,7%	
Operating expenses	(32 640)	(30 938)	(1 702)	5,5%	(2)
Other operating income/costs	(201)	180	(381)	-211,7%	
Net financial costs	(1 799)	(2 305)	506	-22,0%	
Profit/loss before tax	14 389	12 452	1 937	15,6%	
Income tax	(5 096)	(2 626)	(2 470)	94,1%	
Net profit/loss	9 293	9 826	(533)	-5,4%	

PLN thousand	31.12.2020	31.12.2019	diff	diff (%)	
Assets	135 929	124 703	11 226	9,0%	
Goodwill	83 969	83 969	0	0,0%	(3)
Trade and other receivables	33 838	30 419	3 419	11,2%	(4)
Cash and cash equivalents	15 156	546	14 610	2675,8%	(5)
Other assets	2 966	9 769	(6 803)	-69,6%	
Liabilities and equity	135 929	124 703	11 226	9,0%	
Equity	58 537	51 282	7 255	14,1%	
Liabilities	77 392	73 421	3 971	5,4%	
Loans	38 311	37 701	610	1,6%	
Bills of exchange	9 130	8 722	408	4,7%	
Provisions	16 504	16 909	(405)	-2,4%	
Other liabilities	13 447	10 089	3 358	33,3%	(6)
NAV/S (PLN)	17,10	14,98	2,12	14,1%	
Share price (PLN)	15,05	9,80	5,25	53,6%	
P/BV	88%	65%	0,23	34,5%	

12M'20 vs 12M'19 – MAIN CHANGES:

- Revenues from funds management increased by PLN 4.1M.** The revenue structure is as follows:
 - Fixed income: PLN 33.6M (12M'20) vs PLN 38.3M (12M'19);
 - Variable income: PLN 20.7M (12M'20) vs PLN 11.8M (12M'19).

The decrease in fixed income results from the lower management fee of MCI.TV by PLN 5.8M compared to 12M'19 due to the lack of a fixed fee from series of external investors in the period 1-3Q'20 (after the statutory change, the fee is not charged if MCI.TV's rate of return after charging is negative).

The increase in variable income is caused by the higher remuneration charged to MCI.EV by PLN 9.6M compared to 12M'19 (mainly due to the increase in ATM valuation in connection with the exit from the investment).

Net asset value under management: PLN 2.3 billion as at December 31, 2020 vs PLN 2.2 billion as at December 31, 2019.

- Operating expenses increased by PLN 1.7M** as a result of an increase in payroll costs by PLN 8.9M compared to 12M'19 primarily due to an increase in variable remuneration costs by PLN 11.6M (mainly as a result of an increase in Carry fee costs by PLN 10.3M), which was partially offset by a decrease in the costs of external services by PLN 5.8M (mainly as a result of a reduction in the costs of legal and advisory services by PLN 3M and marketing costs by PLN 1M) and other costs by PLN 1.6M.

31.12.2020 vs 31.12.2019 – MAIN CHANGES:

- Trade and other receivables increased by PLN 3.4M**, primarily as a result of an increase in receivables due to fixed and variable remuneration by PLN 5.4M, mainly in connection with calculation of variable remuneration in Q4'20.
- Cash increased by PLN 14.6M** as a result of funds management fees settlement charged in 2019.
- Other assets decreased by PLN 6.8M**, mainly as a result of a decrease in net assets due to deferred income tax by PLN 4.9M in relation to creation of a provision for deferred income tax on receivables due to variable remuneration for management charged to MCI.EV in 4Q20 (PLN 20M) and PEM's use of a part of historical tax losses (PLN 6.8M).
- Other liabilities increased by PLN 3.4M**, mainly because of the increase in liabilities due to the Carry fee on realized exit from the investment in ATM.

Recent exits (until now)

13 transactions completed in last 16 month generated **over PLN 1bn inflow***

netrisk.hu
A piacvezető biztosítási portál

- Investment date: December 2017
- Exit date: January 2020
- Realised proceeds: PLN 322M
- Buyer: sold to TA Accotiates
- Industry: Online insurance
- Gross MoIC: 4.2x
- Deal strategy: InsurTech – consolidation platform

Geelwa

- Investment date: June 2007
- Exit date: February 2020
- Realised proceeds: PLN 28M
- Buyer: sold to Applovin Corporation
- Industry: online gaming, PvP
- Gross MoIC: 1.7x
- Deal strategy: Global developer and publisher of casual competitive multiplayer games

INDEX GRUP

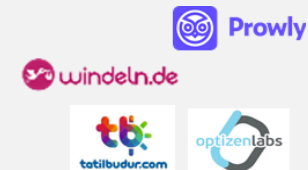
- Investment date: July 2015
- Exit date: April 2020
- Realised proceeds: PLN 133M (including PLN 41M in 2019 and PLN 17M in 2020)
- Buyer: sold on the market
- Industry: IT/consumer electronics
- Gross MoIC: 1.3x
- Deal strategy: IT distribution – fast growing market

atman

- Investment date: March 2016
- Exit date: December 2020
- Realised proceeds: PLN 489M
- Buyer: sold to Taviomer Investments (Global Computer Poland)
- Industry: IT/data center
- Gross MoIC: 2.8x
- Deal strategy: IT infrastructure – leading data center on polish market

answear.

- Investment date: April 2012
- Exit date: December 2020
- Realised proceeds: PLN 35M
- Buyer: partial exit through IPO
- Industry: e-commerce
- Gross MoIC: 2.7x
- Deal strategy: e-commerce in fashion industry – fast growing market



- Investment date: 03/2006 (Optizen); 02/2013 (windeln); 05/2015 (Tatilbudur); 11/2015 (Prowly)
- Exit date: 2nd half 2020
- Realised proceeds: PLN 17M in total
- Buyer: sold on the market / sold to investor
- Industry: e-commerce/e-travel
- Gross MoIC: 0.14x – 1.7x
- Deal strategy: e-commerce /e-travel – fast growing market

2020 EXITS

2021 EXITS



Total exits from investments in Q1 2021: PLN 186M, including PIGU PLN 167M and mfind PLN 17M

PIGU – On March 31, 2021, a conditional agreement for the sale of the company's shares signed; the transaction is subject to meeting the conditions specified in the contract and obtaining the approvals of the antimonopoly authorities

* assuming the PIGU exit will be finalised

Expected cash flow 2021-2025*

2021	2022	2023	2024	2025
PLN ~500 M	PLN ~500 M	PLN ~500 M	PLN ~700 M	PLN ~700 M

New investments

- ✓ MCI focuses on **buyout strategy** (realized by MCI.EuroVentures fund).
- ✓ Goal is **1 – 3 investments per year with preferred equity ticket of EUR 25 – 100M**.
- ✓ Special interest: local leaders in the digital economy from the CEE region with a chance for cross-border expansion (digital buy & build strategy).
- ✓ Exits are realized to global/european strategists, private equity firms and through IPOs on WSE, LSE, NASDAQ.

* The Group does not give any guarantees as to the possibility of meeting the expectations set out above. Exits at a given time and their value depend on various factors, including those beyond the control of MCI / PEM or persons acting on their behalf

VISION 2025+

— **1B** Euro NAV

— **2B** Euro AUM

— **#1** Commitment Institutional Fund

— **#1** Digital Private Equity House in CEE

Results summary – MCI.EuroVentures 1.0.

MCI.EuroVentures 1.0. 4Q 2020

Fund Managers:

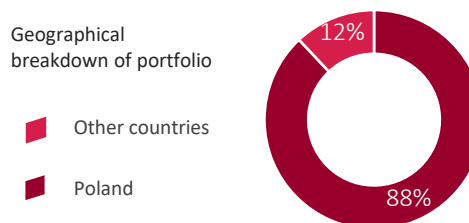
Tomasz Czechowicz / Maciej Kowalski

MCI.EuroVentures 1.0. invests in medium-sized companies that are leaders in the digital market or digital ecosystem with EBITDA of EUR 3-30M; preferred models: Software As a Service, Ecommerce / Marketplace, Fintech and Insurtech, entities implementing digital transformation in these areas and digital infrastructure. We support international expansion both in the CEE region and throughout the European Union.

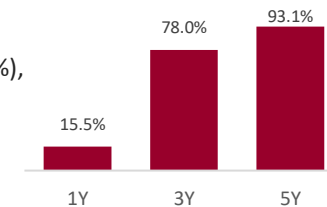
Portfolio (PLN million) as of 4Q 2020

	COUNTRY	CUMULATIVE PURCHASE PRICE	(PARTIAL) EXIT	VALUE
	RU	11.0		30.3
	HU	77.9	322	106.6
	PL	23.5	4	5.8
	PL	115.1		198.0
	PL			245.8
Private debt MCIC/MCIM	PL			330.2
Cash/ Participation Units	PL			551.3

Geographical breakdown of portfolio



Return rates (%), series A



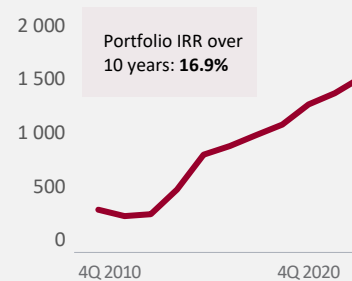
Gross assets (PLN 1 468 million)

NAV Liabilities: mainly retail bonds (PLN 39M)* and remuneration for investment funds (PLN 25M)

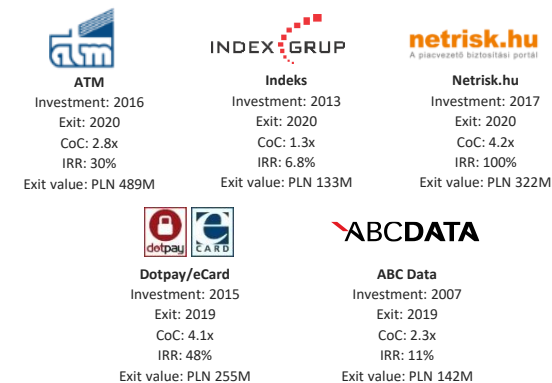


- MCI: 99%
- HNWI: 1%

Gross asset value 4Q'10-4Q'20 (PLN million)



Key exits:



*Debt balance due to bonds currently amounts to PLN 19M (P1B series); prepayment of this series is scheduled for May 16, 2021.

Results summary – MCI.TechVentures 1.0.

MCI.TechVentures 1.0. 4Q 2020

Fund Managers:











Maciej Kowalski / Tomasz Czechowicz

MCI.TechVentures 1.0. focuses on investments in rapidly growing companies in the CEE region and Western Europe, aiming to obtain a CoC return in the range of 3-5x. The areas of interest of the subfund: marketplace, fintech / insurtech, SaaS, AI.

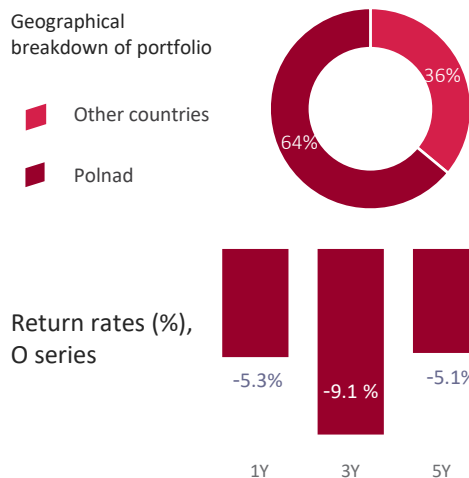
Key investment theses:

- Digital disruption
- Digital adaptation
- Digital ecosystem


Portfolio (PLN million) as of 4Q 2020

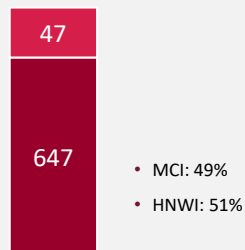
	COUNTRY	INDUSTRY	CUMULATIVE PURCHASE PRICE	(PARTIAL) EXIT	VALUE
Morele/Pigu 	PL / LT	eCommerce	69		308
Gett 	IL	Marketplace	152		94
Answer 	PL	eCommerce	46	35	92
KupiVIP 	RU	eCommerce	96		10
Travelata 	RU	Marketplace	32		28
MarketInvoice 	UK	Fintech	32		32
Azimo 	UK / PL	Fintech	27		46
AsGoodAsNew 	DE	eCommerce	20		32
Gamedesire 	DE	Online gaming	26		25
Geewa 	PL	Online gaming	17	28	1
Cash	PL				23

Geographical breakdown of portfolio

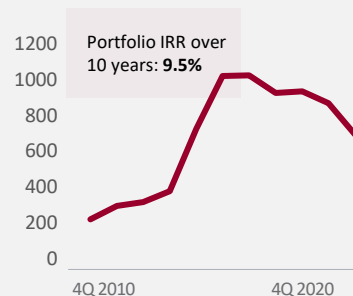


Gross assets (PLN 694 million)

NAV  Z LIABILITIES: mainly retail bonds (PLN 41M) * and remuneration for investment funds (PLN 5M)



Gross asset value 4Q'10-4Q'20 (PLN million)



Key exits:

Company	Investment	Exit	CoC	IRR	Exit value
izettle	2015	2018	3.7x	70%	PLN 165M
invia	2008	2016	11x primary, 3.5x secondary	46%	PLN 270M
MALL.CZ	2010	2012	4.1x	174%	PLN 162M
frisco.pl supermarket online	2012	2019	2.8x	22%	PLN 125M
naviexpert	2007	Recap: 2017	17.8x	37%	
answer.com - a PRO-POLN SOLUTION	2013	Partial exit: 2020	2.7x	19%	PLN 35M
eBroker.pl	2010	Exit: 2015	5.7x	>60%	

* Debt balance due to bonds currently amounts to PLN 21M (P1B series); prepayment of this series is scheduled for May 16, 2021.

STRONG TEAM DIRECTED BY A SECTOR LEADER



MCI Capital is managed by Tomasz Czechowicz, a well-known Polish entrepreneur and large private equity investor.

The Group is build by a strong team of specialists with many years of experience, shared history and proven investment track record.

FOCUS ON SECTORS AND COUNTRIES MOVING TO THE DIGITAL ECONOMY

MCI Capital focuses on companies with digitization at the core of their business models.

Main Sectors: Consumption / Retail, Financial Services, TMT (Technology, Media, Telecommunications), Healthcare, and Transport & Logistics. Main geographical concentration: Poland and other countries of Central and Eastern Europe from the EU.

INVESTMENT STRATEGY

DIGITAL BUYOUT

IRR assumed at 20% -50%

- Implementation through: controlled manager buyouts, P2P, PE co-investments
- Investment tickets: 100M-300M ticket
- Strategy implemented by: MCI.EV / MCI.CV funds
- Involvement: up to 75% GAV of funds managed by MCI Capital TFI S.A.

PRIVATE DEBT

IRR assumed at 5%-20%

- Realization through: high yield, junior, mezzanine, preferred capital, bonds issued to MCI.EV and MCI.CV
- Preference for MCI Group assets and portfolio companies
- Involvement: up to 25% GAV of funds managed by MCI Capital TFI S.A.

VENTURE CAPITAL

IRR assumed at 10%-35%

- Realization through: capital, preferred capital, convertible debt
- Involvement: up to 10% GAV of funds managed by MCI Capital TFI S.A., target full disinvestment before 2025.

22 years → € 550M of investments → 15 BuyOut investments → 2.4 MoIC and 27% IRR with 3% lost capital

New investments: 1-3 investments per year

Key financial KPIs (EUR):

- 50M-250M EV
- 2,5M-25M EBITDA
- 20%-50% organic growth (YoY)
- 25M-100M Equity ticket

Sourcing:

- Secondaries transactions
- Strategic sponsor (carveout)
- Public to private
- Succession/M&As financing

Market position:

- Market leader
- Top 3 player with potential to become market leader through M&As

Geography:

- North CEE (Poland, Baltics, Czech Republic, Slovakia, Hungary, Finland)
- South CEE (Romania, Bulgaria, Slovenia, Croatia, Greece)
- DACH countries (Germany, Austria, Italy and Switzerland)

Sectors:

- CEE National and Regional Digital Disruptors and Enablers:
- Payments, Fintech & Insurtech
 - E-commerce, marketplaces and classifieds
 - SaaS & Software
 - MedTech & EdTech
 - Digital Enablers (eg. data centers, logistics)
 - Digital media & Entertainment
 - Business services

Value creation:

- Domestic M&As
- Crossborder M&As
- Digital Organic Growth Acceleration

Valuation and Terms:

- 10-20 EV/EBITDA
- Single majority/Consortium majority
- Structured minority
- Right to exit after a maximum of 5 years

Key risks:

- Technology risk
- Globalization risk
- Exit risk
- Transaction risk

Exit potential:

- >150M EV – attractive for Global/ Pan-European Strategics, Global/ Pan-European PE

Investment capacity:

- 1-3 deals per year
- **MACIEJ KOWALSKI**
(kowalski@mci.eu)
E-commerce, Marketplaces, Classifieds, Data centers, Telecommunication, Transport & Logistics
- **TOMASZ CZECHOWICZ**
(czechowicz@mci.eu)
Software as a Service, Payments, Fintech, Insurtech, Travel, Digital media & Entertainment, Medtech, Edtech, Foodtech

FUTURE EXITS	<ul style="list-style-type: none"> Continuation of strong exits from investments, in preparation another 8 exits for implementation by the end of 2021 as a result of the portfolio / fund portfolio maturity and because of good demand in all exit channels. The planned value of exits for 2021 is approximately PLN 0.5 billion.
FUNDRAISING	<ul style="list-style-type: none"> Signed contract with RBI for PV for long-term investment financing of EUR 41M (revolving plus term loan) MCI public bond prospectus approved (up to PLN 100M) - two 5Y issues planned for PLN 50M each in 2021 We plan to work on obtaining a credit line up to PLN 100M as an available liquidity buffer (2021/2022)
LIQUIDITY	<ul style="list-style-type: none"> We expect a strong liquidity position at the end of 2021 as a result of planned exits from investments and available financing
NEW INVESTMENTS	<ul style="list-style-type: none"> We focus on the development of the pipeline, the key goal for the next 24 months are new LBO transactions in CEE / EU The goal is to complete 1-3 investments per year with an equity ticket of EUR 25 – 100M Currently: 2 projects in the DD phase; several projects at an earlier stage We assume the implementation of 2 new investments by the end of 2021 (~PLN 500M)
FINANCIAL RESULT	<ul style="list-style-type: none"> We expect that we will be able to finalize the registration process of the MCI Capital and PEM merger by the end of June 2021 MCI Capital TFI will become a 100% subsidiary of MCI Capital, therefore after the merger, MCI Capital will begin to consolidate the results of the segment related to asset management, previously reported in the PEM Group We expect that the good trend of high return rates in MCI.EV (15-20%) will continue as well as positive return rates in MCI.TV
POST COVID-19 SITUATION	<ul style="list-style-type: none"> We still can observe a neutral or positive impact of the COVID-19 pandemic on the results and growth perspectives (positive impact mainly on: Morele, Answear, IAI) We believe that the market situation (regrouping on the postCOVID market, consolidation, acceleration of digitization due to changes in habits) can also be an opportunity for interesting transactions



mci.
PRIVATE EQUITY
MANAGERS S.A.

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