



mci

H1 2022 Results
MCI Capital ASI S.A.

Warsaw, 21 September 2022

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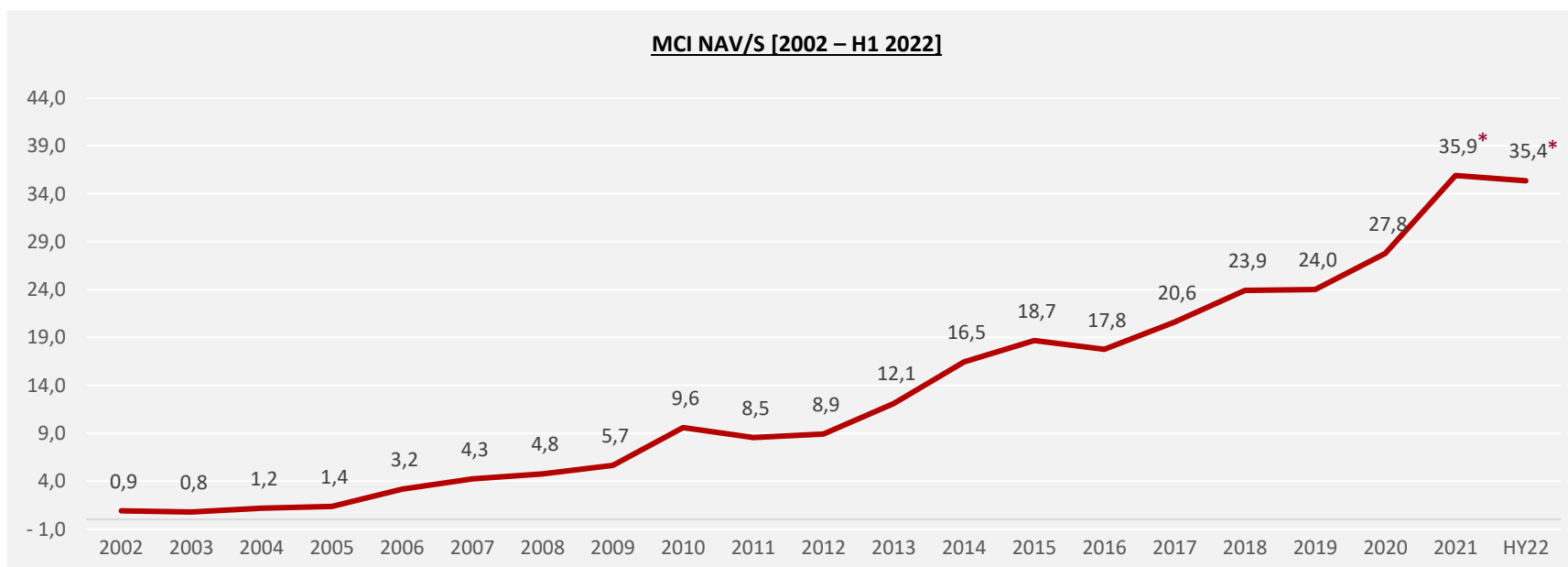
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MCI is the only listed private equity on the Warsaw Stock Exchange

~43% discount to peers from Western Europe**

17.1% increase in NAV/S (CAGR) over the last 22 years

MCI Group has historically paid out PLN 268 million to shareholders, including PLN 203 million for share buyback and PLN 65 million in dividends***

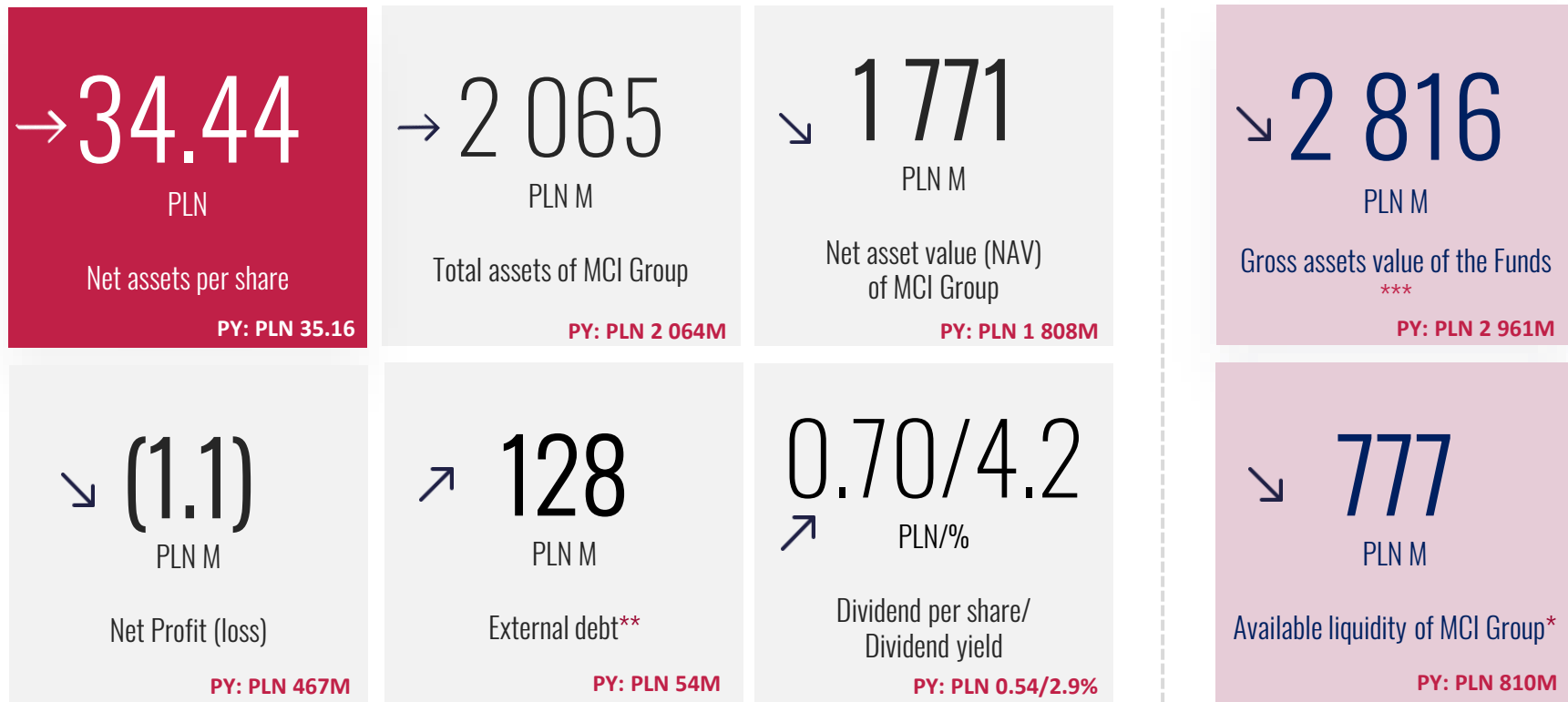


*NAV/S value increased by paid/approved dividend

**Analytical report of Noble Securities DM S.A.: https://noblesecurities.pl/files/rekomendacje_analzy/20220502_0916_MCI_EN_RA.pdf

***The value includes a dividend from profit for 2021 year in the amount of PLN 37 million, which will be paid to shareholders on October 7, 2022 (dividend payment date)

<p>COMMENTS REGARDING H1 2022 RESULTS</p>	<ul style="list-style-type: none"> ■ In Q2 2022, the MCI Group achieved a net profit of PLN 80M, regardless of difficult market conditions, which allowed it to recover the loss incurred in Q1 (PLN 81 million) and generate just a PLN 1M loss in H1 2022 ■ The COVID pandemic and the outbreak of the war in Ukraine mean that we operate in a very unstable market environment, which has a direct impact on valuations of Funds' portfolio companies in which the main investor is MCI (global sell-offs of technology companies affect companies' valuations using comparative models), which was particularly visible in Q1 2022 ■ The operating results of the Fund's portfolio companies remain relatively strong ■ Q2 2022 was a period of slowing down declines and very good results achieved by the MCI.EV Subfund (PLN 148M) mainly due to the new investment in eSky (investment value increase in Q2 2022 amounted to PLN 164M) ■ We also observe positive events in Q3 2022 – Gett restructuring, strong eSky results, surprisingly good financial situation of Travelata, exit from Azimo and generating distribution to MCI.TV Investors in September 2022. Looking at the current geopolitical situation, we consider above events positive and anticipate a better results in H2 2022 ■ Current market conditions are a unique opportunity to find attractive and profitable investments, which should generate high results of the MCI Group in the coming years
<p>REALISED EXITS</p>	<ul style="list-style-type: none"> ■ 3 realised exits in 2022 (up to now): Mobiltek, Linx (dividend) and Azimo – over PLN 51M of total proceeds
<p>NEW INVESTMENTS</p>	<ul style="list-style-type: none"> ■ In May 2022 eSky Sales and Purchase Agreement („SPA”) was implemented – 55% of share capital was acquired by MCI.EV (total amount of the transaction: PLN 158M)
<p>LOW LEVEL OF GROUP'S DEBT</p>	<ul style="list-style-type: none"> ■ Stable low level of Group's debt – the value of external debt at the end of H1 2022 amounted to PLN 128M (equal to 7% of the Group's equity). ■ The Group's available liquidity at the end of H1 2022: ~PLN 777M
<p>BOND ISSUANCE / NEW FINANCING</p>	<ul style="list-style-type: none"> ■ Issue of public bonds by MCIC – the 2nd tranche of bonds (T2 series) was issued in March 2022 (with a nominal value of PLN 81M) ■ Bank financing for MCIC – provided by ING Bank Śląski S.A. in June 2022 for a total amount of PLN 173.25M
<p>DIVIDEND POLICY</p>	<ul style="list-style-type: none"> ■ June 27, 2022 – the General Shareholders Meeting of MCI Capital decided to pay a dividend from the 2021 profit in the amount of PLN 36.7M/PLN 0.70 per share; the dividend date was set for September 26, 2022; the dividend payment date is October 7, 2022
<p>NEW MEMBER OF MCI SUPERVISORY BOARD</p>	<ul style="list-style-type: none"> ■ June 27, 2022 – the General Shareholders Meeting of MCI Capital decided to appoint Mr. Zbigniew Jagiełło to the Supervisory Board of the Company; Mr. Zbigniew Jagiełło took the position of the Chairman of the Supervisory Board of MCI Capital
<p>REDEMPTION OF MCI.TECHVENTURES 1.0. INVESTMENT CERTIFICATES</p>	<ul style="list-style-type: none"> ■ September 14, 2022 – automatic redemption of MCI.TechVentures 1.0. investment certificates due to generated surplus of liquid funds by the Subfund (redemption at the level of PLN 25.3M, of which MCI Capital will receive ~PLN 12M)



*The Group including: Capital Group of MCI Capital ASI S.A. and MCI Funds

**External financial debt for the Group defined as above

***Gross assets value of the Funds increased by commitment financing available intended for investment activities

3 transactions executed in 2022 generated over PLN 24M of proceeds



MOBILTEK
BRILLIANT MINDS

MOBILTEK

- ✓ **Date of investment:** March 2016
- ✓ **Date of exit:** February 2022
- ✓ **Exit:** sale of shares
- ✓ **Sector:** e-payments
- ✓ **Gross MoIC:** 0.3x
- ✓ **Strategy:** e-payments – rapidly developing market



linxdatacenter

LINXDATACENTER

- ✓ **Date of investment:** March 2016
- ✓ **Date of exit:** April 2022
- ✓ **Exit:** partial exit in the form of dividends after the sale of the operating business by the company
- ✓ **Sector:** IT/data center
- ✓ **Gross MoIC:** 2.8x*
- ✓ **Strategy:** IT infrastructure – rapidly developing market



AZIMO

AZIMO

- ✓ **Date of investment:** May 2015
- ✓ **Date of exit:** July 2022
- ✓ **Exit:** sale to an investor
- ✓ **Sector:** online money transfers
- ✓ **Gross MoIC:** 1.7x
- ✓ **Strategy:** online money transfers – rapidly developing market

*MoIC of ATM and Linxdatacenter was calculated based on total proceeds of these two companies (ATM was the owner of Linx).

Presented data are historical data and do not guarantee the same results in the future.

1 transactions carried out in 2022 with a total value of PLN 158M



ESKY

- ✓ **Date of investment:** February 2022
- ✓ **Value of the transaction:** **PLN 158M** (the amount of the transaction also includes recapitalization of the Company)
- ✓ **Share:** **55%**
- ✓ **Characteristics of the transaction:**
 - In May 2022, promised agreements for the sale of eSky shares („SPA”) were concluded
 - Based on the above-mentioned SPA, MCI.EV first acquired 5,263,468 eSky shares for a total price of **PLN 138M (Stage I)** of the implementation of the investment agreement), representing 51.63% of eSky share capital (registration in the National Court Register took place in June 2022)
 - After the completion of Stage I, MCI.EV acquired additional 764,526 eSky shares in the increased share capital of the Company for a total price of **PLN 20M (Stage II)** of the implementation of the investment agreement) and, as a result, holds a total of 55.00% of the Company's share capital (registration in the National Court Register took place in June 2022)
 - In line with the investment agreement implementation, share pledges were established on eSky share capital
- ✓ **Sector:** leader of the airline tickets market in CEE, a global Company offering its services in over 60 countries around the world
- ✓ **Strategy:** MCI.EV wants to support eSky in strengthening its position on the global market and implementing the strategy of building a technological advantage over the competition ("market challenger"). It is planned to further strengthen the Company's position in CEE and globally, both through acquisitions and dynamic organic growth
 - ❑ MCI focuses on **buyout** strategy (realized by MCI.EuroVentures Subfund)
 - ❑ Our goal is **1 – 3 investments per year with preferred equity ticket of EUR 25 – 100M**
 - ❑ **The local leaders in digital economy from CEE and Western Europe** are in the area of interests
 - ❑ Current market conditions (global valuation discounts of technology companies) are a unique opportunity to find attractive and profitable investments, which should generate high results of the MCI Group in the coming years

Partners and Investment Team



Tomasz Czechowicz
Founder,
Managing Partner, CEO



Ewa Ogryczak
COO,
Senior Partner



Michał Górecki
Investment Partner
*[Food&Travel/FinTech/PropTech/
OmniChannel/ SEE/GR]*



Filip Berkowski
Investment Partner
*[SaaS/InsurTech&Payments/
DataCenters/CyberTech /HU]*



Aleksandra Kulas
CFO, Investor Relations



Greg Dębicki
Investment Partner
*[Syndication/Coinvestments/GP/LP/
Expansion/IT/AUS/SWISS/Other EU]*



Dr. Stefan Krüger
Investment Partner
*[E-comm.&Marketplaces/ClimateTech/ESG/
GER/BALTICS/NORDICS]*



Hubert Wichrowski
Senior Investment Manager
*[Classifields/Gaming/B2C/Apps/D2C/
CZ/SLO]*



Marcin Nowoński
Director of Valuations
& Portfolio Controlling
Department

The Investment Team additionally consists of 3 Senior Analysts. The Investment Team is supported by a 10-member Operations Team.

Supervisory Board (MCI Capital ASI S.A., MCI Management Sp. z o.o.) / Industry Advisors



Zbigniew Jagiełło – Chairman of MCI SB
Former President of MB of Bank PBO BP
Member of the Polish Bank Association



Jarosław Dubiński
Partner, CEO
Dubiński Jeleński Masiarz i Wspólnicy
Law firm, M&A, Investment Funds



Mariusz Grendowicz
CEO
mBank / PFR
Financial Services



Grzegorz Warzocha
Partner
Avanta / EY, Deloitte
Assurance & Risk Mngmnt, CF, M&A, Audit



Andrzej Jacaszek
DBA
ICAN Institute / Polish Academy of Science
Technology, Strategy planning



Marcin Kasiński
Executive Director
Haitong Bank / DM BOŚ / BGK, PFR
Debt, Investments, LBOs



Franek Hutten-Czapski
Partner
BCG
FinTech



Piotr Czapski
Partner
EQT / McKinsey
Telecoms

MCI.TechVentures 1.0. H1 2022

Fund Managers:

Tomasz Czechowicz

MCI.TechVentures 1.0. focuses on investments in fast-growing companies from 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.

The Subfund acquired a total of PLN 800M from investors; the total value of funds returned to investors amounted to PLN 487M, including ~44% of the funds paid to the MCI Group. The remaining 56% was paid to external investors.

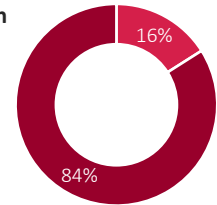
Portfolio (PLN M) as at 30.06.2022 [8 active investments]

		COUNTRY	MODEL / SECTOR	CUMULATIVE PURCHASE PRICE	PARTIAL EXIT	VALUATION
Morele		PL	eCommerce	18		142.7
Gett		IL	Marketplace	166		36.8
Answear		PL	eCommerce	32	35	58.7
Travelata		RU	Marketplace	32		17.9
MarketFinance		UK	Fintech	32		60.0
Azimo		UK / PL	Fintech	27		45.5
AsGoodAsNew		DE	eCommerce	20		30.5
GameDesire		PL	Gry online	25		20.0
Cash and cash equivalents		PL				16.7
TOTAL						428.8

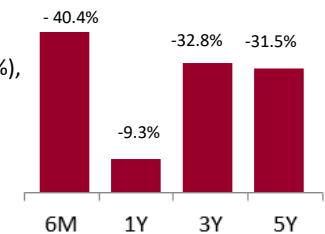
*out of 8 active investments, only 3 are below the purchase price [Gett, Travelata, GameDesire]. In July 22, Gett for the first time in its history became a profitable company and stopped generating negative cash flows, which creates opportunity for reducing losses on investment. For Travelata, low valuation is a consequence of a very high discount related to Russia's political and macroeconomic risks

Geographical breakdown of the portfolio

- Other countries
- Poland



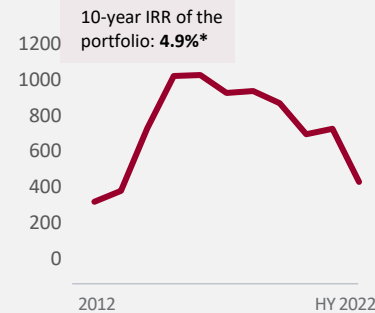
Rates of return (%), O series



MCI.TV [MCI share = 48.54%]

Gross assets	431.0 M
Portfolio/cash	428.8 M
Other assets (receivables)	2.2 M
Liabilities	2.5 M
Liabilities due to management fees	1.0 M
Other liabilities	1.5 M
Net assets	428.5 M

Gross asset value 2012- H1 2022 (PLN M)



* The 10-year IRR of the portfolio was calculated based on the total cash flows on the Subfund's individual investments over the 10-year period

Key events / parameters in H1 2022:

- ✓ Subfund's result in H1 2022: **PLN -293.8 M**
- ✓ Average rate of return in H1 2022: **-40.7%**
- ✓ Sale of shares in Azimo Limited
- ✓ Difficult macroeconomic situation caused by the war in Ukraine, deterioration of economic situation in the e-commerce and mobility industry - a drop in the valuations of Morele, Answear, Gett (decrease in valuation of comparable listed companies)
- ✓ Noticeable first signs of improvement in the situation of MCI.TV (restructuring of Gett - elimination of the debt from a Russian bank, closing of operations in Russia, positive EBITDA in 07 and 08'22), very good sales revenues of Travelata (better than before the outbreak of the pandemic), sale of Azimo, the possibility of withdrawing funds to Investors (cash surplus = PLN 25.3 M)

MCI.EuroVentures 1.0. H1 2022

Fund Managers:

Tomasz Czechowicz

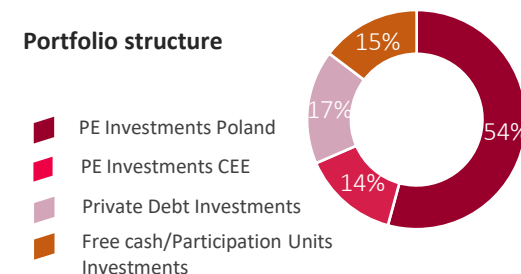
MCI.EuroVentures 1.0. invests in medium-sized companies that are leaders in the digital market or digital ecosystem with EBITDA of EUR 3-30M; preferred models are SaaS, E-commerce, Marketplace, Fintech and Insurtech, entities implementing digital transformation to these areas, and digital infrastructure.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

As at 30.06.2022 MCI held a 99.49% share in MCI.EV's NAV.

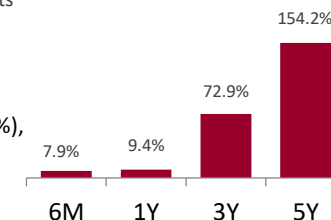
Portfolio (PLN M) as at 30.06.2022 [5 active investments]

	COUNTRY	CUMULATIVE PURCHASE PRICE	PARTIAL EXIT	VALUATION
	PL	115		457.8
	HU	98		133.2
	LT	132		122.5
	PL	158		321.1
	PL		23	7.4
	PL			221.5
Private debt MCIC/MCIM	PL			310.2
Cash/Particip. unit	PL			271.0
TOTAL				1 844.7

Portfolio structure



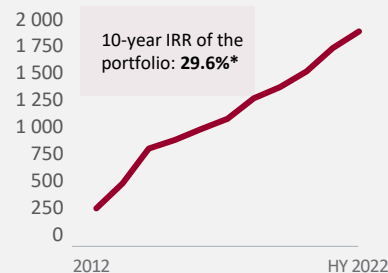
Rates of return (%), A series



MCI.EV [MCI share = 99.49%]

Gross assets	1 888.6 M
Portfolio/cash	1 844.7 M
Receivables/other asstes	43.9 M
Liabilities	81.3 M
Liabilities due to management fees	2.1 M
Other liabilities	79.2 M
Net assets	1 807.2 M

Gross asset value 2012 – H1 2022 (PLN M)



* The 10-year IRR of the portfolio was calculated based on the total cash flows on the Subfund's individual investments over the 10-year period

Key events / parameters in H1 2022:

- ✓ Subfund's result in H1 2022: **131.9 M PLN**
- ✓ Average rate of return in H1 2022: **7.9%**
- ✓ Acquisition of 55% shares of eSky.pl
- ✓ eSky contributed the most to the results of MCI.EV - a significant increase in value shortly after the investment due to a significant improvement in the dynamic of the company's financial results vs. the original assumptions due to the global revival of tourism industry after the pandemic period, with a simultaneous increase in average air ticket value (as a result of global increase in fuel prices)

MCI GROUP – INVESTMENT STRATEGY: NEW INVESTMENTS: 1 – 3 INVESTMENTS PER YEAR

KEY ASSUMPTIONS

KEY INVESTMENT CRITERIA:

- EUR 25M-100M Equity ticket
- Digital business located in CEE or Western Europe
- Strong double-digit organic growth supported by market trends
- Stable business model with substantial unit economics (entry barriers, know-how, limited customer concentration, customer dependence on the supplier's products, etc.)
- Potential for the implementation of the "buy-and-build" strategy
- Strong exit perspective

VALUE CREATION:

- Over 20 years of experience in building the value of digital companies – 27% IRR and 2.5x MoIC (for *buyout & expansion* strategy)
- Flexible capital that allows to use advantages in building a market value
 - Value creation by accelerating organic growth
 - „Buy-and-build” strategies
 - Internationalization strategies

MCI GROUP – INVESTMENT STRATEGY: NEW INVESTMENTS: 1 – 3 INVESTMENTS PER YEAR

OTHER ASSUMPTIONS

Key financial KPIs (EUR):

- 50M-250M EV sweetspot
- 2.5M-25M EBITDA
- 20%-50% organic growth (YoY)
- 25M-100M Equity ticket
- Expected IRR/CoC: 30%/3x

Sourcing:

- Secondaries transactions from VC and PE
- Strategic „carve out”
- Public to Private/Succession/M&A finance
- Recap of current portfolio/Expansion Capital

Market position:

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

Valuation conditions:

- 10-20 EV/EBITDA
- Single Majority / Consortium Majority / Structured Minority
- The right to exit the investment after a maximum of 5 years

Geography:

- Poland, Southern region of Central and Eastern Europe (Romania, Bulgaria, Slovenia, Croatia, Greece) – Michał Górecki (gorecki@mci.eu)
- Poland, Hungary – Filip Berkowski (berkowski@mci.eu)
- Poland, Germany, Baltics, Scandinavia – Dr. Stefan Krüger (krueger@mci.eu)
- Poland, Italy, Austria, Switzerland, Other countries from UE – Greg Dębicki (debicki@mci.eu)
- Poland, Czech Republic, Slovakia – Hubert Wichrowski (wichrowski@mci.eu)

Sectors:

CEE National and Regional Digital Disruptors and Enablers:

- Consumption and Travel, Omni Channel, Fintech, Proptech – Michał Górecki
- SaaS, InsurTech, Payments, Data Centers, CyberTech – Filip Berkowski
- E-commerce, Marketplace, ESG – Dr. Stefan Krüger
- Syndication, Co-investments, Green energy – Greg Dębicki
- Ads, Games, B2C, D2C Applications – Hubert Wichrowski

Key risks:

- Globalization risk
- Technology risk
- Exit process risk
- Investment process risk
- Legal, financial and reputational risk

Exit potential:

- EV >EUR 150M – preferred
- Preferred sale to Global/ Pan-European Strategics, Global/ Pan-European PE

Roadmap of planned portfolio exits 2022-2026+*

2022	2023	2024	2025	2026+
**				
	 2nd tranche			
		 2nd tranche		

2022 – 2026+ : Estimated exits value of over PLN 2 billion*

Vision 2025

- **> EUR 1** billion of AUM
- **EUR 500** million of new investments in 2021 – 2025
- **#1** Digital PE House in CEE
- **33%+** of portfolio in DACH/WE countries
- **For our investors** – we ensure stable, predictable and high returns on investment in the upper quarter of our segment, as well as focus on *digital buyout* strategy and over 20 years of investment history in the digital sector
- **For companies in which we invest** – we help to build the next wave of European digital champions using our track record, experience from over 100 digital investments, a wide network of contacts and an investment team with extensive experience and skills
- **We want to be a leading Central European PE investor in the Mid Market area** – thanks to an experienced investment team, our achievements in digital investing, the *captive evergreen* model and the trust of our partners

* The Group does not give any guarantees as to the possibility of meeting the expectations set out above.

Conducting exits from investments at a given time and their value depend on various factors, including those beyond the control of MCI or persons acting on their behalf. The date of planned exits may be accelerated or delayed as a result of the market situation and / or random events.

** Transaction finalized in July 2022



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Appendices

Business profile:

IAI is the largest e-commerce platform in Poland for creating online stores operating in SaaS model. In Poland, it serves nearly 7 000 stores, and through recent acquisition of Shoprenter, IAI began international development, also becoming the leader of the Hungarian market

Investment rationale:

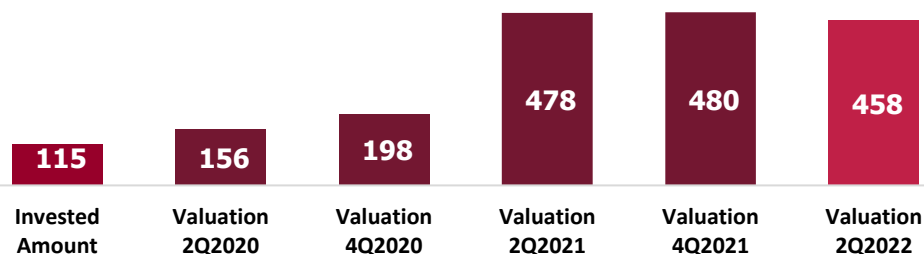
✓ The aim of the investment is to build the position of a clear market leader in Poland and the CEE region, offering the best solution for medium-sized sellers

Deal team:

Tomasz Czechowicz
 Filip Berkowski
 Maciej Wasilewski

Invested amounts (PLN M):

✓ In 2018: **115**

Investment value in MCI.EV books (PLN M)

Company's key business developments/plans/market perception

- ✓ The Company was strengthened by a new CEO and managers with commercial experience who joined IAI in H1 2022
- ✓ The Management Board focuses on development of the IdoSell platform towards cross-border functionality. Enabling Polish merchants to enter new European markets has become one of the Company's priorities
- ✓ After a period of turmoil related to COVID, the e-commerce market in which IAI operates returned to its long-term upward trend in H1 2022. The key market risk is the expected economic slowdown
- ✓ Non-organic growth through acquisitions both in Poland and abroad remains one of the elements of the Company's development

Commentary on Company's financial situation in H1 2022

- ✓ In H1 2022, IAI recorded a significant double-digit increase in GMV YoY
- ✓ Following the growing GMV, the Company recorded double-digit increases in revenues and EBITDA. IAI management is working on repricing IAI's service and offering value-added services to further improve GMV monetization and increase revenues
- ✓ Despite improving financial results, the valuation of investment in IAI in MCI.EV books was reduced, reflecting the decline in valuations of peers in the financial markets



Business profile:

Netrisk is a leading group that runs internet portals for comparing prices and concluding insurance contracts, with particular emphasis on motor insurance as well as telecommunications and municipal services in CEE. The group is the market leader in Hungary, Austria, the Czech Republic, Slovakia and Lithuania

Investment rationale:

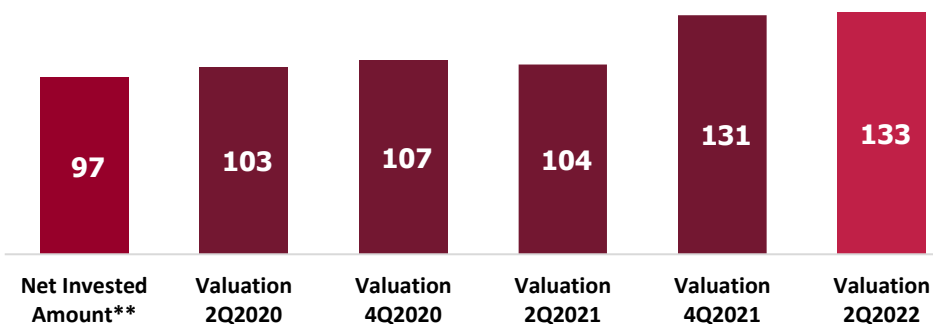
✓ The aim of the investment is to build a CEE market champion through organic growth and additional acquisitions in cooperation with a partner - TA Associates, whom MCI invited to invest in Netrisk as part of the equity recap process in 2020

Deal team:

Tomasz Czechowicz
Filip Berkowski
Maciej Wasilewski

Invested amounts (PLN M):

✓ In 2020: **98***

Investment value in MCI.EV books (PLN M)**Company's key business developments/plans/market perception**

- ✓ A key milestone in H1 2022 in terms of inorganic growth was the acquisition of Durchblicker, the largest player on the Austrian market
- ✓ Netrisk Group has the position of a clear leader or a strong challenger (player number two) in each of the countries in which it operates
- ✓ Further development is planned based on the continuation of M&A activities and organic development using the centralization of functions and synergy between recently acquired entities
- ✓ The management board expects a gradual increase in policy prices in the CEE region, which will contribute to an increase in the group's revenues. The main risk factors remain the regulatory environment in Hungary and the expected economic slowdown

Commentary on Company's financial situation in H1 2022

- ✓ Due to the position of the regional leader, Netrisk Group improves its financial results and increases its market share in individual countries
- ✓ The end of the lock-down period contributed to an increase in the volumes of communication and travel policies sold by Netrisk. Both the company's revenues and EBITDA in H1 2022 grew at a double-digit pace



Source: <https://durchblicker.at/artikel/presse/2022/netrisk-group-acquisition-durchblicker>
; <https://mci.pl/insurtech-netrisk-zdobywa-przyczolek-w-krajach-baltyckich>

* Agreement value of the granted shares in Topco Zártkörűen Működő Részvénytársaság, being part of the payment for the sold Netrisk shares

** Total amount invested in the company, decreased by sum of partial exits amounts

Business profile:

Leading e-commerce platform and marketplace in the Baltics, operating in Lithuania, Latvia, Estonia and Finland

Investment rationale:

- ✓ Low e-commerce penetration in the Baltic States with strong growth potential to Western European countries levels
- ✓ No global players present in a very fragmented local market
- ✓ Potential to increase the scale of the marketplace

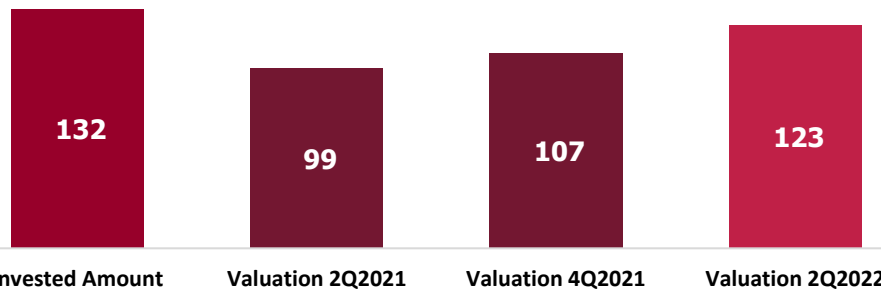
Deal team:

Stefan Krueger
Sergiusz Nowak

Invested amounts (PLN M):

- ✓ In 2021: **105**
- ✓ In 2022: **27**
- ✓ **Total: 132**

Investment value in MCI.EV books (PLN M)



Company's key business developments/plans/market perception

- ✓ In 2021, MCI.EV acquired a minority stake in the group created in a merger of Pigu and Hobby Hall group
- ✓ Over the last six months, shareholders introduced additional capital to the Company aimed at accelerating investments, strengthening the position of working capital and accelerating operating initiatives
- ✓ The current plans focus on boosting the company's growth, further development of the 3P marketplace and other initiatives that make up the long-term value creation plan

Commentary on Company's financial situation in H1 2022

- ✓ The demanding macroeconomic environment influenced the generation of GMV by the Company in H1 2022, especially in the 1P channel
- ✓ At the same time, the Company presented a very dynamic development of the 3P marketplace channel, which remains one of the main engines of the Company's growth

MidEuropa Invests in the Leading Baltics E-Commerce Platform

March 05, 2021



Pigu and Hobby Hall Group will be called PHH Group :: Dienas Bizness

by world today news · August 11, 2021 · No Comments

Lithuanian "Pigu" and Finnish "Hobby Hall Group" (HHG) joint venture group, which also includes Latvian online stores "Xnet.lv" and "220.lv", will be called "PHH Group", informs the company.

By starting work under the PHH Group flag, we are continuing the previously planned process of merging the group. For the time being, changes in the local e-platforms and online store names managed by the group are not planned," says Dairis Lulis, head of PHH Group.

Source: <https://mideuropa.com/news/mideuropa-invests-in-the-leading-baltics-e-commerce-platform/>
<https://www.world-today-news.com/pigu-and-hobby-hall-group-will-be-called-phh-group-dienas-bizness/>

Business profile:

Leading Polish flight Online Travel Agency (OTA) with global presence, also in hotel booking and insurance. Leader in Poland with strong CEE foothold along with global outreach (market nibbler strategy). In LATAM region operates under eDestinos brand

Investment rationale:

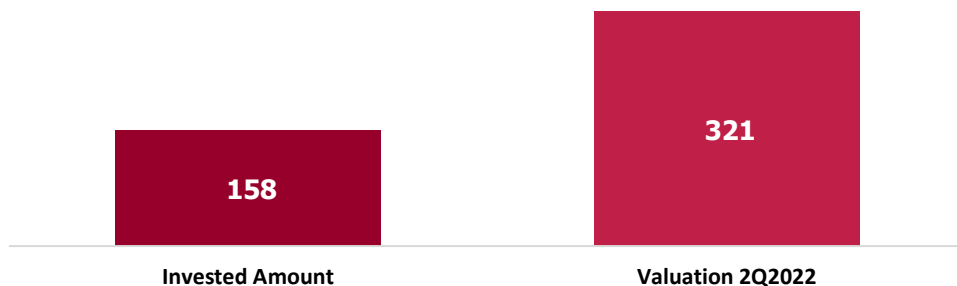
- ✓ Underlying market before full recovery to pre-COVID levels
- ✓ Significant valuation discount to market peers

Deal team:

Michał Górecki
Hubert Wichrowski
Łukasz Sabat

Invested amounts (PLN M):

- ✓ In 2022: **158**

Investment value in MCI.EV books (PLN M)**Company's key business developments/plans/market perception**

- ✓ Dynamic growth of results due to the global revival of the tourism industry after the pandemic, with a simultaneous increase in average air ticket value (as a result of the global increase in fuel prices)
- ✓ Finalization of work on the new booking platform - planned implementation in Q1 2023
- ✓ Focus on the development of the package offer and expansion to new markets in Central and Eastern Europe
- ✓ Intensive recruitment activities (in particular in the area of product development and Customer service)

Commentary on Company's financial situation in H1 2022

- ✓ Dynamic sales growth in H1 2022 with higher profitability levels than in the same period last year
- ✓ Fixed costs lower than initially planned in the budget, mainly due to a slower pace of recruiting new employees than initially planned
- ✓ Very good level of financial liquidity in the Company

eSky ze wzrostem sprzedaży o 34 proc., MCI zainwestuje 158 mln zł w 55 proc. akcji

Fundusz MCI.PrivateVentures FIZ należący do notowanego na giełdzie MCI Capital zawarł umowę kupna 55 proc. akcji internetowej platformy turystycznej eSky. - Dzięki inwestycji ze strony MCI pozyskamy środki na realizację naszych kolejnych strategicznych celów, w tym znaczną automatyzację procesów z obszaru obsługi klienta, zwiększenie świadomości marki eSky na rynkach Europy Środkowo-Wschodniej oraz transformację w wiodącego gracza na rynku dynamicznego pakietowania - zapowiada Łukasz Habaj, prezes Grupy eSky.

PLN thousand	6M 2022	6M 2021	Change	Change (%)	
Profit/loss on investment certificates	3 503	348 630	(345 127)	-99.0%	(1)
Revaluation of shares	-	445	-	n/a	
Revaluation of other financial instruments	(16 966)	6 496	(23 462)	-361.2%	(2)
Revenues from fund management	6 724	19 822	(13 098)	-66.1%	(3)
Costs of core activities	(128)	(2 588)	2 460	-95.1%	(4)
Profit from core activities	(6 867)	372 805	(379 672)	-101.8%	
Operating expenses	(13 795)	(20 084)	6 289	-31.3%	(5)
Other operating income/costs	(168)	284	(452)	-159.2%	
Net financial costs	(10 273)	(5 805)	(4 468)	77.0%	(6)
Profit before tax	(31 103)	347 200	(378 303)	-109.0%	
Income tax	30 026	119 722	(89 696)	-74.9%	(7)
Net profit	(1 077)	466 922	(467 999)	-100.2%	

PLN thousand	30.06.2022	31.12.2021	diff	diff (%)	
Assets	2 065 267	2 064 233	1 034	0.1%	(8)
Investment certificates	1 982 916	2 008 606	(25 690)	-1.3%	(9)
Trade and other receivables	5 619	28 335	(22 716)	-80.2%	(10)
Cash and cash equivalents	48 702	20 970	27 732	132.2%	(11)
Other assets	28 030	6 322	21 708	343.4%	
Equity and liabilities	2 065 267	2 064 233	1 034	0.1%	
Equity	1 771 483	1 808 247	(36 764)	-2.0%	
Liabilities	293 784	255 986	37 798	14.8%	(12)
Liabilities due to bonds	196 298	126 764	69 534	54.9%	(13)
Dividend liabilities	36 723	-	36 723	n/a	(14)
Bills of exchange	-	66 106	(66 106)	-100.0%	
Loans	14 242	29 736	(15 494)	-52.1%	
Other financial instruments	19 247	2 281	16 966	743.8%	
Provisions	17 303	13 699	3 604	26.3%	
Other liabilities	9 971	17 400	(7 429)	-42.7%	
NAV/S (PLN)	34.44	35.16	(0.71)	-2.0%	
Share price (PLN)	16.60	21.20	(4.60)	-21.7%	
P/BV	48%	60%	(0.12)	-20.1%	

P&L 6M 2022 vs 6M 2021 – MAIN CHANGES:

- Profit on investment certificates decreased by PLN 345.1M** as a result of decrease in profit on MCI.EV investment certificates (IC) (6M'22: PLN 131.2M vs 6M'21: PLN 287.6M) and MCI.TV IC (6M'22: PLN -128.5M vs 6M'21: PLN 60.5M).
- Revaluation of other financial instruments decreased by PLN 23.5M** due to increase in valuation of granted minimum return rate guarantee for investments in IC MCI.TV.
- Revenues from fund management decreased by PLN 13.1M** mainly as a result of lower fixed management fee of MCI.TV (6M'22: PLN 2.3M vs. 6M'21: PLN 10.2M) and MCI.EV (6M'22: PLN 4.2M vs. 6M'21: PLN 6.3M). Decrease of fixed management fee of MCI.TV due to generating by MCI.TV negative rate of return in 6M'22 (-40.7%) compared to generating positive rate of return in 6M'21 (20.5%), which resulted in recognizing in 6M'22 fixed management fee only on part of IC series of MCI.TV (owned mainly by MCI).
- Costs of core activities decrease by PLN 2.5M** as a result of incurring lower distribution costs related to the sales of IC, caused by generating by MCI.TV negative rate of return in 6M'22 (-40.7%), which resulted in recognizing fixed management fee only on part of IC series of MCI.TV (distribution costs are calculated as contractually defined percentage of management fee).
- Operating expenses decreased by PLN 6.3M** mainly as a result of decrease in Carry fee variable remuneration from PLN 8.3M in 6M'21 to PLN 2.3M in 6M'22.
- Net financial costs increased by PLN 4.5M** mainly as a result of higher interest costs on bonds due to public bonds issue (in total PLN 96M) and increase in interest rates.
- Income tax (PLN 30M)** it is mainly the effect of change in deferred tax in MCI.TV IC valuation due to its decrease by PLN 128.5M in 6M'22.

Balance sheet 30.06.2022 vs 31.12.2021 – MAIN CHANGES:

- Value of IC decreased by PLN 25.7M** due to decrease in MCI.TV IC valuation (30.06.2022: PLN 184.7M vs 31.12.2021: PLN 313.2M). Decrease was partially compensated by increase in MCI.EV IC valuation (30.06.2022: PLN 1 798M vs 31.12.2021: PLN 1 666.9M).
- Trade and other receivables decreased by PLN 22.9M** due to decline in management fee receivables.
- Cash and cash equivalents increased by PLN 27.7M** which was mainly due to IC redemptions (PLN 29.2M), payment of management fee by MCI.EV which was accrued before 31.12.2021 (PLN 22.7M), bond issue (PLN 76.1M) and loans taken (PLN 14.2M), which was compensated by bond repayment (PLN 15.9M), repayment of loans (PLN 30.5M) and bills of exchange repayments (PLN 66.9M).
- Other assets increased by PLN 21.7M** mainly due to increase in deferred tax assets by PLN 22.1M (mainly due to negative valuation of MCI.TV IC in 6M'22).
- Liabilities due to bonds increased by PLN 69.5M** due to T2 series bonds issue (PLN 80.6M nominal value), which was partially compensated by repayment of B series bonds (PLN 8.3M nominal value).
- Dividend liabilities increased by PLN 36.7M** due to the resolution of the Company's GSM on the payment of dividend from 2021 year profit in the amount of **PLN 36.7M** (0.70 PLN per share).
- Bills of exchange (BoE) decreased by PLN 66.1M** due to full redemption of BoE to related entities.

Results summary – MCI Capital (standalone financial statements) |

Profit and loss account for 6M 2022 and Balance sheet as at 30.06.2022

PLN thousand	6M 2022	6M 2021	Change	Change (%)	
Revaluation of shares	(2 709)	(1 263)	(1 446)	114.5%	
Profit/loss on investment certificates	3 581	349 831	(346 250)	-99.0%	
Revaluation of other financial instruments	(16 966)	6 496	(23 462)	-361.2%	
Profit on investments	(16 094)	355 064	(371 158)	-104.5%	(1)
Operating expenses	(3 795)	(2 596)	(1 199)	46.2%	(2)
Other operating income/costs	255	755	(500)	-66.2%	
Net financial costs	(10 629)	(5 764)	(4 865)	84.4%	(3)
Profit before tax	(30 263)	347 459	(377 722)	-108.7%	
Income tax	29 220	119 481	(90 261)	-75.5%	(4)
Net profit	(1 043)	466 940	(467 983)	-100.2%	

PLN thousand	30.06.2022	31.12.2021	diff	diff (%)	
Assets	2 078 549	1 794 249	284 300	15.8%	
Investments certificates	1 982 800	2 008 411	(25 611)	-1.3%	(5)
Investments in subsidiaries	50 113	61 749	(11 636)	-18.8%	(6)
Cash and cash equivalents	2 835	2 040	795	39.0%	
Other assets*	34 262	6 349	27 913	439.6%	(7)
Equity and liabilities	2 070 010	2 078 549	(8 539)	-0.4%	
Equity	1 781 677	1 818 407	(36 730)	-2.0%	
Liabilities	288 333	260 142	28 191	10.8%	
Liabilities due to bonds	196 298	126 764	69 534	54.9%	(8)
Dividend liabilities	36 723	-	36 723	n/a	(9)
Bills of exchange	-	66 106	(66 106)	-100.0%	(10)
Loans	14 242	18 997	(4 755)	-25.0%	
Other financial instruments	19 247	2 281	16 966	743.8%	(11)
Other financial liabilities	13 376	27 521	(14 145)	-51.4%	(12)
Other liabilities	8 447	18 473	(10 026)	-54.3%	
NAV/S (PLN)	34.64	35.36	(0.71)	-2.0%	
Share price (PLN)	16.60	21.20	(4.60)	-21.7%	
P/BV	48%	60%	(0.12)	-20.1%	

P&L 6M 2022 vs 6M 2021 – MAIN CHANGES:

- Profit on investments decreased by PLN 371.2M** mainly as a result of realizing a lower profit on MCI.TV investment certificates (IC) (6M'22: PLN -128.4M vs 6M'21: PLN 60.6M) and MCI.EV IC (6M'22: PLN 131.2M vs 6M'21: PLN 287.6M) as well as lower result on revaluation of other financial instruments by PLN 23.5M (min. return rate guarantee for investments in MCI.TV IC).
- Operating expenses** increased by PLN 1.2M mainly as a result of remuneration increase (6M'22: PLN 2.0M vs. 6M'21: PLN 0.5M) as a result of recognizing the cost of variable remuneration in the total amount of PLN 0.8M in connection with obtaining financing in the form of bonds and bank loan.
- Net financial costs** increased by PLN 4.9M mainly as a result of increase in interest rates and increase in liabilities due to bonds in connection with the issue of series T2 bonds (PLN 80.6M nominal value).
- Income tax** (PLN 29.2M) it is mainly the effect of change in deferred tax in MCI.TV IC valuation due to its decrease by PLN 128.4M in 6M'22.

Balance sheet 30.06.2022 vs 31.12.2021 – MAIN CHANGES:

- Value of IC decreased by PLN 25.6M** mainly due to decrease in MCI.TV IC valuation (30.06.2022: PLN 184.6M vs 31.12.2021: PLN 313.0M) and decrease in MCI.Partners FIZ in liquidation IC valuation (30.06.2022: PLN 0.2M vs 31.12.2021: PLN 11.2M). The decreases were partially compensated by increase in MCI.EV IC valuation (30.06.2022: PLN 1 798M vs 31.12.2021: PLN 1 666.9M).
- Investments in subsidiaries decreased by PLN 11.6M** mainly due to the resolution of the GSM of MCI Capital TFI S.A. on the payment of dividend from 2021 year profit in the amount of **PLN 8.9M**.
- Other assets increased by PLN 27.9M** mainly due to increase in deferred tax assets by PLN 18.9M (mainly on IC valuation) and recognition of dividend receivables from MCI Capital TFI S.A. in the amount of PLN 8.9M.
- Liabilities due to bonds increased by PLN 69.5M** due to T2 series bonds issue (PLN 80.6M nominal value), which was partially compensated by repayment of B series bonds (PLN 8.3M nominal value).
- Dividend liabilities increased by PLN 36.7M** due to the resolution of the Company's GSM on the payment of dividend from 2021 year profit in the amount of **PLN 36.7M** (0.70 PLN per share).
- Bills of exchange (BoE) decreased by PLN 66.1M** due to full redemption of BoE to related entities.
- Other financial instruments increased by PLN 17.0M** due to decrease of MCI.TV IC valuation (generated negative rate of return in 6M'22: -40.7%) which resulted in increase of valuation of min. return rate guarantee for investments in MCI.TV IC.
- Other financial liabilities decreased by PLN 14.1M** due to partial repayment of cash pool liabilities to PEM Asset Management Sp. z o.o.

*Other assets consist of: deferred tax assets, trade and other receivables, dividend receivables, other financial instruments, property, plant and equipment, and right-of-use assets

Results summary – MCI Capital Balance sheet I Business perspective

Balance sheet perspective as at 30.06.2022

[standalone financial statements of MCI Capital ASI S.A.]

	value in PLN M	share in MCI's assets
MCI Capital TFI SA shares (100% ownership)	49.1	2%
Investment certificates	1 982.8	96%
MCI.EV (99% ownership)	1 798.0	87%
MCI.TV (49% ownership)	184.6	9%
Partners FIZ	0.2	0%
IV	0.0	0%
HVP	0.0	0%
Leasing receivables (office)	3.2	0%
Deferred tax assets (related to IC)	18.9	1%
Other	1.3	0%
Total fixed assets	2 055.3	99%
Cash	2.8	0%
Receivables	2.2	0%
Receivables related to TFI dividend	8.9	0%
Other	0.7	0%
Total current assets	14.7	1%
Total assets in the balance sheet of MCI	2 070.0	100%

*internal debt - planned refinancing with bank debt within the next two years

**the position/item includes liabilities, other investment components and receivables

Business perspective / underlying assets

Underlying assets	value in PLN M	share in MCI's fixed assets
TFI shares	49.1	2%
[including cash]	45.9	
Investments in MCI.TV IC (dezinvestment phase)	184.6	9%
[including cash/participation units] [43.07% x NAV MCI.TV = 428.5M]	16.7	
Investments in MCI.EV IC (digital buyout)	1 798.0	87%
[99.49% x NAV MCI.EV = 1 807.2M]		
reconciliation of the MCI.EV NAV portfolio:	1 807.2	88%
IAI	457.8	22%
eSky	321.1	16%
Netrisk	133.2	6%
New Pigu	122.5	6%
investment certificates (IC):	221.3	11%
investments in MCI.CV IC	221.3	11%
[including cash/participation units]	124.7	
longterm liquidity investments within the MCI Group*	310.2	15%
cash	256.6	12%
FIO/SFIO participation units (cash equivalents)	35.0	
net liabilities**	-50.4	-2%
MCI other investments	23.6	1%
[including cash]	0.2	
Total fixed assets in the balance sheet of MCI	2 055.3	100%
Cash in MCI Capital ASI S.A.	2.8	
Total cash/participation units in entities from the MCI Group	481.9	
Financing available (unused credit lines)	295.3	
Total liquidity in the MCI Group	777.2	

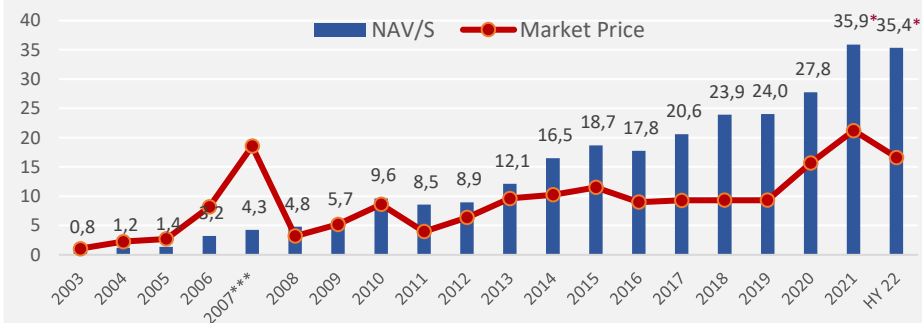
NAV/S growth history – last 20 years**



* NAV/S increased by paid/approved dividend

** Based on published financial statements of MCI Capital ASI S.A.: <https://mci.pl/raporty-okresowe/raporty-okresowe>

MCI market price and NAV/S – last 20 years



*** In 2007 the main reason for such high quotation was the execution of the first 2 buyout investments (ABC Data and Invia) as well as strong stock market situation and active Investors Relations. Additionally, in 2007 MCI Capital obtained a license from the PFSA to run MCI Capital TFI (IFC) and started transferring shares of portfolio companies to closed-end investment funds established by MCI Capital TFI (MCI.EV/MCI.TV).

MCI Group results for H1 2022

in PLN M	H1 2022	2021	H1 2021
Net profit	(1.1)	466	467
NAV/S (in PLN)	34.4	35.2	34.7
Total assets	2 065	2 064	2 119
NAV of managed funds	2 458	2 707	2 733
Dry powder****	777	810	835

**** Available liquidity position MCI Capital ASI S.A. Group and MCI Funds

Shareholders structure (30.06.2022)



	No of shares	(%)
MCI Management	40 037 773	77.85%
Others (free float)	11 394 612	22.15%
Total	51 432 385	100.0%

MCI's dividend policy

- ✓ In October 2020, the MCI Capital **adopted dividend policy for 2021-2023**.
- ✓ In accordance with the Policy, **1%–2% of the Company's equity should be allocated to dividends**.
- ✓ In June 2022 – the Ordinary General Shareholders Meeting of MCI Capital decided to pay a dividend from the profit for 2021 in the amount of **PLN 36.7M** (2% of Equity), i.e. **PLN 0.70 per share**.

Analytical reports for MCI

- Analytical report of Noble Securities DM S.A. as at 2 May 2022 (as part of the Stock Market Analytical Coverage Support Program):
https://noblesecurities.pl/files/rekomendacje_analzy/20220502_0916_MCI_EN_RA.pdf
- Noble Securities **valued MCI Capital shares at PLN 33.1**.
- Analytical coverage: including analytical reports of Noble Securities and Raiffeisen Bank International.

mci

Thank you



MCI Capital ASI S.A.

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