



mci



HY 2024 Results
MCI Capital ASI S.A.

Warsaw, 19 September 2024

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CEE+ MARKET

1. Economic recovery in the Eurozone, as well as in Central and Eastern Europe is expected to continue in the second half of 2024, accelerating in 2025. This is supported by rising private consumption against a background of falling inflation, interest rates and wage growth. Investment growth will continue to be supported by EU funds. However, there risk economic outlook deterioration is rising in view of continuing geopolitical tensions
2. We are observing an increase in the attractiveness of transactions involving PE funds due to stock market weakness and the IPO market freeze
3. There is a decline in competition in the mid-market PE sector, as well as in the number of active players in the CEE region (due to geopolitical risks and the macroeconomic cycle, which reduce the interest that large, foreign LP investors take in regional PE investments)
4. **MCI remains the largest new technology PE fund in Central Europe, also the only PE fund in the Mid-Market sector to record stable double-digit AUM growth over the past 10 years**
5. Gross assets under management of PLN 2.7 billion (~EUR 640 million) give MCI a strong position among the leading Mid-Market PE funds in Central and Eastern Europe, including Mid Europa Partners (EUR 520 million), Abris (EUR 500 million), Enterprise Investors (EUR 450 million), Innova (EUR 324 million)

MCI – RESULTS AND DEVELOPMENTS

40.3
PLN

For the first time in MCI's history, our NAV/S exceeded PLN 40

2.7
billion PLN

Our gross AUM reached PLN 2.7 billion and we anticipate further growth due to the nature of our investments

1.5
billion PLN

MCI's WSE capitalization reached its highest level in 15 years

1
billion PLN

Strong exit pipeline over 18 months

15-20
IRR (%)

New investments remain our priority and we expect 15-20% IRR on new deals

4%
of NAV

We expect further increase in market capitalization due to our attractive new dividend policy

MCI is the **largest new technology fund in Central Europe**, offering investors access to long-term capital appreciation through investments in MCI funds

28.2

%

Total IRR on buyout
& expansion investments completed

2.6

CoC

Cash on Cash returns achieved from
buyout & expansion strategy

ATTRACTIVE STRATEGY & HIGH RETURNS

- ✓ MCI Capital ASI focuses on executing buyout strategies for high-growth companies in new technology industries
- ✓ a high-quality, stable and well-managed investment portfolio focused on two MCI funds (MCI.EV & MCI.TV)
- ✓ very good historical track record for buyout & expansion investments completed
- ✓ professional valuation of assets based on market multiples and current performance - exit prices historically above valuations

2.7

billion PLN

Gross assets value of MCI Funds

2

funds

MCI.EuroVentures 1.0. (private equity)
MCI.TechVentures 1.0. (venture capital)

10

investments

Diversified portfolio 10 investments
account for ~90% NAV

ADVANTAGES OF AN EVERGREEN STRUCTURE

- ✓ due to its evergreen structure, the fund has greater investment flexibility relative to its competitors
- ✓ no dependence on fundraising cycles
- ✓ we managed to build a solid financing structure to intensify our investment activity
- ✓ consolidated debt level below 20%

40.3

PLN

NAV/S (BVPS)

25.0

PLN

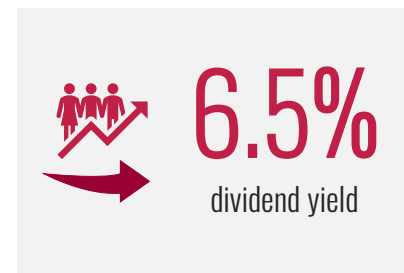
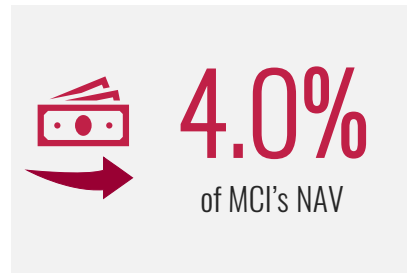
Share price*

WE GROW AND SHARE VALUE WITH SHAREHOLDERS

- ✓ **over the last 20 years, MCI share valuation on the WSE has increased 11x, while at the same time the WIG index only increased 3x**
- ✓ MCI regularly shared profits with investors through share buybacks or dividend payments (to date, MCI has paid more than PLN 360 million zlotys to its shareholders)
- ✓ new dividend policy aims for a 4% NAV payout to shareholders in 2025-2027

*the average share price of MCI Capital ASI SA for the last 2 weeks of trading (04.09-18.09.2024)

On 9 September 2024, the Management Board of MCI Capital ASI S.A. adopted a resolution on the **dividend policy for the years 2025-2027** (“Policy”)



- ✓ The Policy will be **effective starting from 2025**, based on the MCI Capital ASI S.A.'s („Company”) approved financial statements for 2024
- ✓ The Management Board of MCI Capital ASI S.A. will recommend that the Company's GSM allocates **4% of the Company's equity** to dividend distribution (as presented in the most recently audited and approved annual FS)
- ✓ The purpose of the Policy is to **ensure that the Company's investors receive a regular and predictable distribution of funds** derived from the investment activities
- ✓ The Company believes that adopting this Policy is merited by the increase in scale and diversification of operations achieved, as well as by the advanced stage of the investment cycle, when significant exits should be reasonably expected in the coming years
- ✓ While deciding on the recommended dividends, the Company's Management Board will take into account the Company's liquidity position, including, but not limited to its current and anticipated cash inflows, external financing and the Company's obligations to repay its liabilities

PLN thousand	6M 2024	6M 2023
Profit/loss on investment certificates (IC)	33 390	142 444
Revaluation of shares	(6)	(6)
Revenues from fund management	6 129	8 781
Costs of core activities	(913)	(130)
Profit from core activities	38 600	151 089
Operating expenses	(13 025)	(25 442)
Other operating income	11 349	268
Other operating costs	(298)	214
Operating profit	36 626	126 129
Finance income	1 791	1 365
Finance costs	(9 449)	(15 356)
Profit before tax	28 968	112 138
Income tax	2 024	(4 574)
Net profit	30 992	107 564

- ✓ The **Group's net profit of PLN 31M** was influenced primarily by the result achieved on revaluation of IC, which was mainly due to the **increase of MCI.EV IC**
- ✓ As of 30.06.2024, MCI held **99.54%** IC of MCI.EV and **48.02%** IC of MCI.TV
- ✓ The result achieved by MCI.EV amounted to **PLN 41.7M**, while the MCI.TV result equaled **PLN -6.7M** (attributable to MCI)
- ✓ The **profits earned by MCI.EV** were mainly due to very good performance of **Netrisk Group**
- ✓ The decrease in fund management due to TFI's decision not to collect a management fee from MCI.EV for H1 2024 was partially compensated by the increase in management fee charged on the MCI.TV and MDCF V fund
- ✓ Lower operating expenses were caused by a decrease in carry fee due as a result of a decrease in valuation of portfolio companies
- ✓ The increase in other operating income results from the release of the carry fee provision in TFI due to implementation of the co-investment program for the investment team (future payments will be made by another entity)
- ✓ The decrease in financial costs resulted primarily from a lower level of financial liabilities and lower interest rates

PLN thousand	30.06.2024	31.12.2023
Non-current assets	2 352 019	2 315 969
Property, plant and equipment	322	306
Right-of-use assets	2 855	2 605
Intangible assets	8	19
Investments in other entities	849	855
Investment certificates	2 324 650	2 289 789
Trade and other receivables	11	11
Deferred tax assets	23 324	22 384
Current assets	47 928	52 203
Trade and other receivables	11 877	14 898
Corporate income tax receivable	1 869	785
Other financial assets	20 795	20 369
Cash and cash equivalents	13 387	16 151
Equity	2 112 529	2 081 454
Long-term liabilities	270 836	262 984
Liabilities due to bonds	93 545	162 805
Lease liabilities	2 685	2 566
Loans	162 941	74 540
Provisions	11 665	23 073
Short-term liabilities	16 582	23 734
Trade and other payables	3 210	3 218
Lease liabilities	453	386
Liabilities due to bonds	9 265	16 248
Other financial liabilities	471	0
Provisions	3 183	3 882

- ✓ The Group's assets consist mainly of **investment certificates, representing 97% of its total assets** (MCI held 99.54% IC of MCI.EV and 48.02% IC of MCI.TV as of 30.06.2024)
- ✓ IC value increased by PLN 34.9M due to the increase in MCI.EV IC (30.06.2024: PLN 2,166.1M vs 31.12.2023: PLN 2,124.4M). The increase was partially compensated by the decrease in MCI.TV IC (30.06.2024: PLN 158.2M vs 31.12.2023: PLN 164.9M)
- ✓ The **Group's equity** increased by PLN 31.1M (i.e. H1 2024 net profit) and amounted to **PLN 2,113M**
- ✓ The Group's liabilities consist mainly of loans, liabilities under bonds and provisions, representing 57%, 36% and 5% of total liabilities, respectively
- ✓ Loan liabilities increased by PLN 88.4M, mainly as a result of partial repayment of bonds (R-series), i.e. PLN 71M, as well as bond and loan interests payments, totaling PLN 12.2M
- ✓ Bonds liabilities decreased by PLN 76.2M mainly due to partial repayment (R-series) in the amount of PLN 71M (nominal value)
- ✓ Provisions decreased by PLN 12.1M primarily as a result of a decrease in the carry fee provision by PLN 11.4M (for details, please see P&L section)

+33.4M



PROFIT ON INVESTMENT CERTIFICATES

MCI.EV

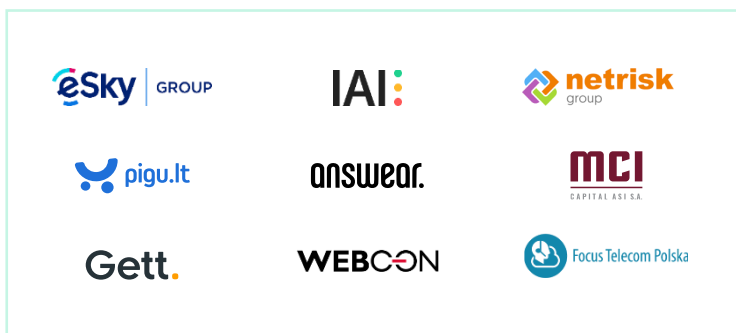
MCI.TV

 MDCF V
 -1.5M

 Other (IV)
 -0.1M

MCI.EV PROFIT – mainly portfolio

+41.9M



$$\times 99.5\% = +41.7M$$

MCI share in MCI.EV MCI.EV result attributable to MCI

MCI.TV PROFIT – mainly portfolio

-13.4M



$$\times 48.0\% = -6.7M$$

MCI share in MCI.TV MCI.TV result attributable to MCI

Total

+33.4M

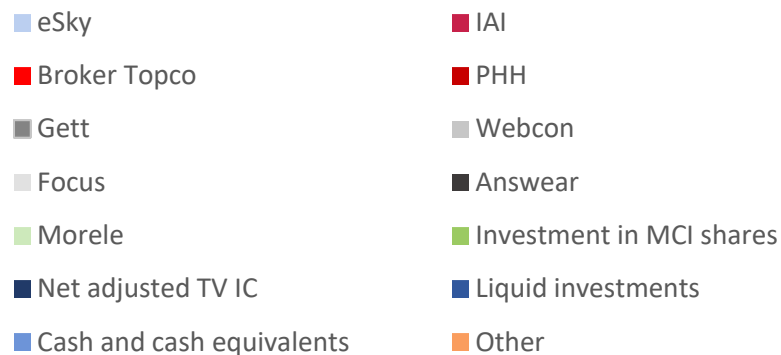
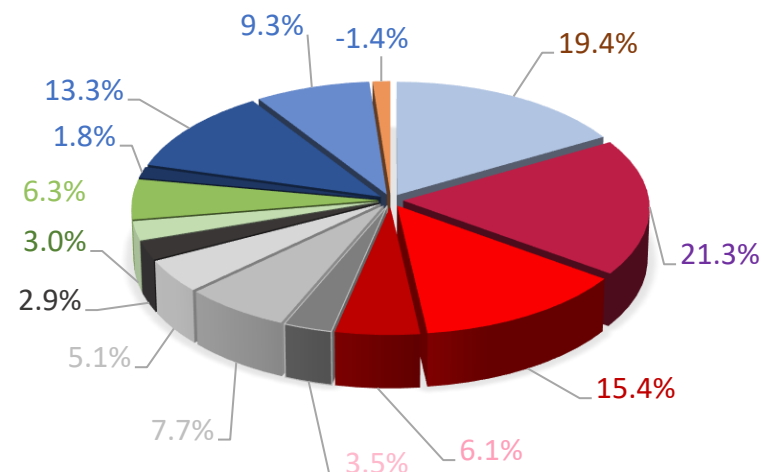
Consolidated balance sheet of MCI from the perspective of the underlying assets as at 30 June 2024

MCI Group's BS structure from the business perspective

consolidated data (in PLN M)

Assets	Amount	Share in NAV
IAI	449.5	21.3%
eSky GROUP	410.3	19.4%
netrisk group	325.1	15.4%
WEBCON	161.8	7.7%
MCI	132.1	6.3%
pigu.lt	128.6	6.1%
Focus Telecom Polska	108.3	5.1%
Gett BUSINESS SOLUTIONS	74.1	3.5%
morele	63.3	3.0%
answer.	61.4	2.9%
Net adjusted TV IC	37.8	1.8%
Cash	196.8	9.3%
Liquid investments	280.9	13.3%
Other total*	(30.1)	(1.4%)
Total underlying assets	2 399.9	113.6%
Liabilities	(287.4)	(13.6%)
NAV	2 113	100%

Structure of underlying assets as at 30.06.2024



*the position includes MCI.EV loan liabilities, other assets and other liabilities, as well as MCI deferred tax assets and receivables

3 new transactions with a total value of approx. PLN 410M and 2 acquisitions at company level (add-ons)

Webcon

- ✓ **Investment date:**
November 2023
- ✓ **Transaction value:**
PLN 163M
- ✓ **Transaction characteristics:**
acquisition of a batch of shares of Webcon Sp. z o.o. by MCI.EV
- ✓ **Sector:** low-code Business Process Management vendor with a market leader position in Poland & growing presence internationally

Focus Telecom

- ✓ **Investment date:**
December 2023
- ✓ **Transaction value:**
PLN 80M
- ✓ **Transaction characteristics:**
acquisition of a batch of shares of Focus Telecom Polska Sp. z o.o. by MCI.EV
- ✓ **Sector:** leading player in the Unified Communication as a Service market in Poland

ProfitRoom

- ✓ **Investment date:**
July 2024
- ✓ **Transaction value:**
PLN 167M
- ✓ **Transaction characteristics:**
acquisition of a batch of shares of Profitroom S.A. by MCI.EV
- ✓ **Sector:** largest regional provider of online booking system solutions for hotels

Systemell

- ✓ **Acquisition date:**
August 2024
- ✓ **Acquisition profile:**
strategic acquisition of a major competitor - market consolidation - achieving cost and product synergies

Thomas Cook

- ✓ **Acquisition date:**
September 2024
- ✓ **Acquisition profile:**
acquisition of a global travel brand to accelerate the development of the dynamic packaging segment

- ❑ MCI focuses on a **buyout** strategy (pursued by the MCI.EuroVentures subfund)
- ❑ Our goal is **2–3 investment projects per year with a preferred equity ticket of EUR 25–100M**
 - ❑ **Local digital economy leaders from CEE and Western Europe** are in the area of interests
- ❑ Today's market conditions (attractive/low valuations of technology companies, limited substitute and direct competition) are a unique opportunity to make attractive and profitable investments that should generate high results for the MCI Group in the coming years

Investment strategy: 2–3 new investment projects per year and 1–2 exits

Key financial KPIs (EUR)

- 50M-250M EV sweetspot
- 2.5M-25M EBITDA or 10M ARR
- 20-50% organic growth (r/r)
- 25M-100M equity ticket
- Expected IRR/CoC: 30%/3x

Sourcing

- Secondaries transactions with VC and PE
- Strategic „carve out”
- Public to Private/Succession/M&A finance
- Founders Succession/Founders Transformation

Market position

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

Valuation conditions

- Single Majority / Consortium Majority / Structured Minority
- Exit right after a maximum of 5 years

Geography

- Poland, Czech Republic, Slovakia – **Michał Górecki** (gorecki@mci.eu)
- Poland, Hungary, Slovenia, Austria, Croatia – **Filip Berkowski** (berkowski@mci.eu)
- Poland, Baltics/Nordics – **Paweł Sikorski** (sikorski@mci.eu)
- Poland, Bulgaria, Romania, Greece – **Tomasz Mrozowski** (mrozowski@mci.eu)
- Poland, Czech Republic, Slovakia – **Hubert Wichrowski** (wichrowski@mci.eu)
- Poland, Czech Republic, Slovakia – **Adrian Górski** (adrian.gorski@mci.eu)
- Poland, Baltics – **Wojciech Degórski** (degorski@mci.eu)
- Poland, Czech Republic, Slovakia – **Łukasz Sabat** (sabat@mcitfi.eu)
- Poland, Hungary, Czech Republic, Slovakia – **Maciej Wasilewski** (wasilewski@mcitfi.eu)

Due Dilligence Focus

- Globalization and competition risk
- Technology risk
- Exit risk
- Managerial risk
- Reputational risk
- Standard legal and financial risk

Sectors

Sectors (CEE national and regional digital disruptors and enablers):

- TravelTech, E-commerce, OmniChannel, Entertainment – **Michał Górecki**
- InsurTech, FinTech, Payments, CyberTech, SaaS B2B, EdTech – **Filip Berkowski**
- SaaS B2C, E-commerce, MedTech – **Paweł Sikorski**
- DeepTech, ClimaTech, Digital Infrastructure – **Tomasz Mrozowski**
- B2B Software & Digital Entertainment – **Adrian Górski**
- Ads, Gaming, B2C, D2C Applications – **Hubert Wichrowski**
- E-commerce, MarketPlace – **Wojciech Degórski**
- TravelTech, SaaS – **Łukasz Sabat**
- InsurTech, FinTech, Payments – **Maciej Wasilewski**

Exit potential

- EV > EUR 250M – preferred
- Sales to global strategists, private equity funds or IPOs

Partners and Investment Team



Tomasz Czechowicz
 Founder,
 Managing Partner, CEO



Paweł Borys
 Managing Partner, CIO
 CEO MCI TFI



Ewa Ogryczak
 COO,
 Senior Partner



Michał Górecki
 Senior Investment Partner
[TravelTech, E-commerce, OmniChannel, [InsurTech, FinTech, Payments, Cyber, Entertainment / CZ/SLO]



Filip Berkowski
 Senior Investment Partner
[SaaS B2B, EdTech / HU/SLOVENIA /AT/CRO]



Aleksandra Kulas
 CFO, Investor Relations



Paweł Sikorski
 Investment Partner
[SaaS B2C, E-commerce, MedTech / BALTICS/NORDICS]



Tomasz Mrozowski
 Investment Partner
[DeepTech, ClimaTech, DigitalInfr. / ROMANIA /GREECE/BULGARIA]



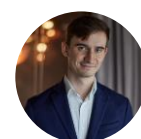
Adrian Górski
 Senior Investment Director
[B2B Software & Digital Entertainment / CZ/SLO]



Hubert Wichrowski
 Senior Investment Manager
[Ads/Gaming/B2C/ Applications/D2C / CZ/SLO]



Wojciech Degórski
 Investment Manager
[E-commerce & Marketplaces / BALTICS/NORDICS]



Łukasz Sabat
 Investment Manager
[TravelTech, SaaS / CZ/SLO]



Maciej Wasilewski
 Investment Manager
[InsurTech, FinTech, Payments / HU/CZ/SLO]



Marcin Nowohoński
 Director of Valuations
 and Portfolio Controlling
 Department

Supervisory Board of MCI Capital ASI S.A. / Industry Advisors



Zbigniew Jagiełło – Chairman of MCI SB
 Former MB President of Bank PBO BP
Manager, Strategist, Innovator



Andrzej Jacaszek
 DBA
 ICAN / Polska Akademia Nauk
Technology, Strategy Planning



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



Franek Hutten-Czapski
 Partner
 BCG, **FinTech**



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



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



DMSc. Małgorzata Adamkiewicz
 Co-owner and Chairwoman of Adamed
 Pharma and Adamed Technology SB
Pharmacy, Healthcare, Innovation



Piotr Czapski
 Partner
 EQT / McKinsey, **Telecoms**

Planned portfolio exits roadmap 2024-2029

2024-2025	2026	2027	2028	2029
<p>[PE/strategist]</p>	<p>[IPO/strategist]</p>	<p>[PE/strategist]</p>	<p>[PE/strategist]</p>	<p>[IPO/strategist]</p>
<p>[PE/strategist]</p>	<p>[IPO/strategist]</p>		<p>[PE/strategist]</p>	<p>[PE/strategist]</p>
<p>[trade sale]</p>	<p>[PE/IPO]</p>			
<p>[ABB]</p>				
<p>[SPA signed, awaiting approval from the Israeli Antitrust Authority]</p>				

Significant scale of cash generation through investment exits in the coming years



mci Appendices

Profitroom – new MCI.EV investment - leading regional supplier of online booking solutions for hotels

Business profile - introduction

- ✓ Profitroom is the largest regional supplier of online booking solutions for hotels. They deliver a suite of solutions designed to support outstanding (at least 4-star) hotels in driving direct booking sales (booking engine) and marketing efforts. This comprehensive suite of additional services encompasses payments, CRM, marketing, automation, channel manager
- ✓ Profitroom is a cloud-based SaaS company
- ✓ The company holds a leading position in Poland, where it serves the majority of the relevant target client market. They are present in approx. 45 international markets
- ✓ The key USP of the business model is an increase in the direct booking channel (commissions paid out to OTAs range from 10-30% on average, while a direct booking commission for clients is significantly lower)
- ✓ Profitroom's core revenue model is structured around a two-pronged approach: i) incorporating commission-based, recurring charges on bookings and ii) a fixed subscription fee
- ✓ Among Profitroom's target clients (ca. 3,000) are outstanding hotels – represented mainly by independent luxury leisure hotels with an extensive range of amenities

Commentary on the Company's financial situation in H1 2024

- ✓ The Company recorded a double-digit growth rate in H1 2024, earned through an effective approach towards customer acquisition and its capacity to build a pipeline of potential clients across multiple markets, both in Poland and internationally
- ✓ Profitroom is on track to deliver over PLN 80M of revenue in 2024

Investment rationale

- ✓ The aim of the investment is to (i) continue international organic growth led by the current Management Team and (ii) seize M&A opportunities

Deal team

Leading Deal Team:
Filip Berkowski
Maciej Wasilewski
Support Deal Team:
Michał Górecki
Łukasz Sabat

Invested amounts (PLN M):

- ✓ In 2024: **167**

Company's key business developments/plans/market perception

- ✓ Closing of the MCI.EV transaction finalized in July 2024. EV entry valuation amounted to PLN 290M. We acquired 65% of shares together with our co-investors
- ✓ The Company's strategy for 2024 and beyond assumes further business growth, while intensifying the acquisition of new customers, especially in foreign markets



Business profile

IAI is the largest e-commerce enablement platform in Poland, operating under a SaaS model. In Poland, it serves ca. 7,000 stores, and through the acquisition of Shoprenter, the group also became 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

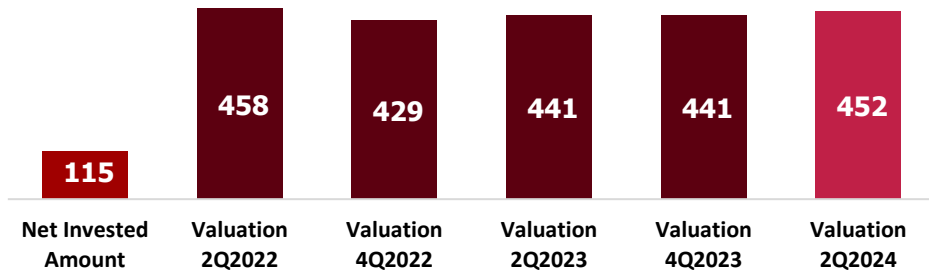
Deal team

Filip Berkowski
Maciej Wasilewski

Invested amounts (PLN M):

✓ In 2018: **115**

Investment value in MCI.EV books (PLN M)



Commentary on the Company's financial situation in H1 2024

- ✓ Both revenues and EBITDA of the entire IAI Group have grown at high double-digit rates YTY in H1 2024
- ✓ The GMV of the Group is growing at a double-digit rate, with a plan to exceed PLN 20B in 2024, which would be possible both thanks to dynamic organic growth, as well as the strategic acquisition of AtomStore by IAI at the end of 2023 (enabling the Group to reach out to the larger merchants and further increase its market share in Poland)
- ✓ Effective optimization of IAI's offer and increased penetration of value-added services enable further improvement of monetization and increase in revenues
- ✓ Through increased penetration of the payments solutions sector in H1 2024, IAI GPV grows at a high double-digit rate

Company's key business developments/plans/market perception

- ✓ Key initiatives in the development of the IdoSell platform include further work on payment solutions (IdoPay), driving conversions (Express Checkout) and enabling cross-border sales (a package of products enabling international sales)
- ✓ In 2024, the market is growing at a double-digit rate, supported by an overall increase in consumption



Source: <https://iainews.prowly.com/295430-znakomity-poczatek-roku-grupy-iai-rosnie-gmv-i-ebitda> ;
<https://iainews.prowly.com/275590-grupa-iai-inwestuje-w-atomstore>

Business profile

Leading Polish flight Online Travel Agency (OTA) with a global presence, also in hotel bookings and insurance. Polish leader with a strong CEE foothold and global outreach (market nibbler strategy). Operates under the eDestinos brand in the LATAM region

Investment rationale

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

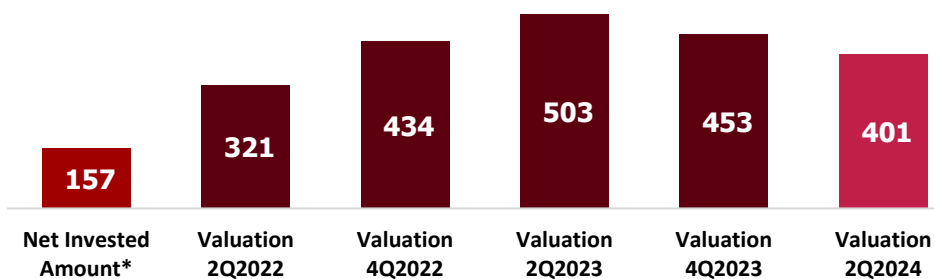
Deal team

Michał Górecki
Hubert Wichrowski
Łukasz Sabat

Invested amounts (PLN M):

- ✓ In 2022: **158**

Investment value in MCI.EV books (PLN M)



Commentary on the Company's financial situation in H1 2024

- ✓ Reduced dynamics of financial results in recent quarters (driven mainly by challenges with access to Ryanair tickets, recently solved), resulting in a decline in valuation
- ✓ High level of financial liquidity in the Company

Company's key business developments/plans/market perception

- ✓ Focus on the development of a dynamic package offering and expansion into global markets, with a particular focus on the Americas
- ✓ On 5 September 2024, information was published about eSky **acquiring the Thomas Cook brand, the oldest travel agency in Europe, from the Chinese company Fosun**. This way, eSky focuses on the sale of dynamic packages, mainly in the UK market



Source: <https://www.ft.com/content/cda2b384-32cb-46d1-a3b0-8aac5815501a>

* Total amount invested in the company, minus total of partial exits amounts

Business profile

Netrisk is the leading on-line insurance broker that operates internet insurance price comparison portals that also allow to take out insurance, with a special focus on motor insurance, as well as telecommunications and municipal services in CEE. The group is the number one player in the Czech Republic, Poland, Hungary, Austria, 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

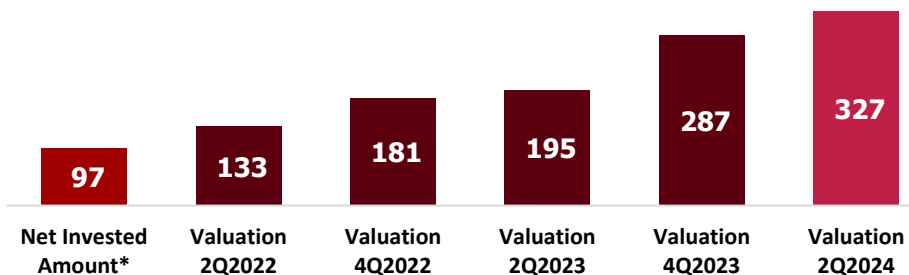
Deal team

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

✓ Netrisk's performance is supported by a number of identified long-term favorable organic growth trends, namely: (i) market growth, (ii) shift from the offline to the online channel, (iii) leading position in each market, (iv) upsell of additional insurance and financial products on top of motor insurance, as well as (v) benefit from economies of scale and synergies across countries

Commentary on the Company's financial situation in H1 2024

- ✓ Netrisk Group increases its market share in the individual countries, improving financial results and profitability
- ✓ The Group recorded a double-digit financial result growth rate YTY in H1 2024 thanks to an increase in the volume of policy sales, rising third-party liability insurance rates, acceleration of sales of municipal services and travel insurance, as well as through synergies expected at the time of merger with Bauer Media Group's insurance assets
- ✓ Currently, we are seeing a positive trend in insurance premiums in the market across selected CEE countries, including Poland



Source: <https://www.isbtech.pl/2023/12/grupa-netrisk-i-bauer-media-ukonczona-fuzja-porownywarek-internetowych-w-europie-srodkowo-wschodniej/>

* Total amount invested in the company, minus total of partial exits amounts

Business profile

Webcon is a low-code Business Process Management vendor with a market leader position in Poland and a growing international presence (DACH, US, RoW)

Investment rationale

- ✓ Market leader position in Poland and growing international presence
- ✓ Underlying low-code BPM market is growing at strong double digit rate across Europe
- ✓ The company has strong product, confirmed by positive customer feedback

Deal team

Leading Deal Team:
 Michał Górecki
 Łukasz Sabat

Support Deal Team:
 Filip Berkowski
 Maciej Wasilewski

Invested amounts (PLN M):

- ✓ In 2023: **163**

Investment value in MCI.EV books (PLN M)



Company's key business developments/plans/market perception

- ✓ Focus on developing the Company's sales capabilities locally (Poland) and internationally (DACH focus)
- ✓ The Company works on the development of ESG, KSEF and HR products that would allow to target new customer segments
- ✓ The Company hired new CFO – Magdalena Ocieпка

Commentary on the Company's financial situation in H1 2024

- ✓ In 2023, the Company generated good, on-budget financial results, both in terms of top-line (revenue) and EBITDA levels. Sales in 2024 remain stable compared to the previous year, but importantly, there is an ongoing significant switch to more recurring revenue
- ✓ The Company has a high level of financial liquidity

MCI kupiło większościowy pakiet w spółce Webcon

Fundusz zainwestował w producenta oprogramowania. Wartość transakcji przekracza 163 mln zł.

Publikacja: 27.11.2023 10:45



Source: <https://www.parkiet.com/technologie/art39473371-mci-kupilo-wiekszosciowy-pakiet-w-spolce-webcon>

PHH Group – leading e-commerce player in the Baltics with a growing presence in Finland



Business profile

A leading e-commerce platform in the Baltic countries, operating in the marketplace and 1P models in Lithuania, Latvia, Estonia and Finland

Investment rationale

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

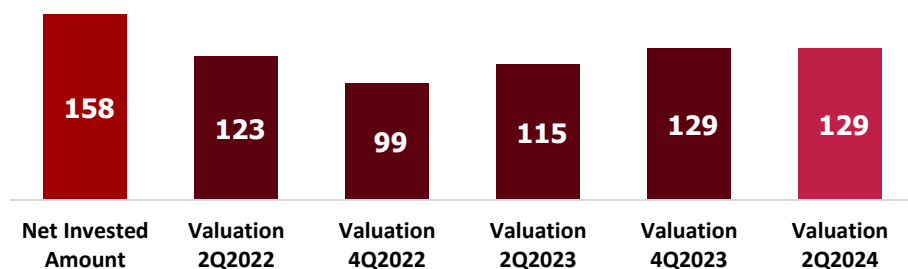
Deal team

Tomasz Czechowicz
Wojciech Degórski

Invested amounts (PLN M):

- ✓ In 2021: **105**
- ✓ In 2022: **27**
- ✓ In 2023: **27**
- ✓ **Total: 158**

Investment value in MCI.EV books (PLN M)

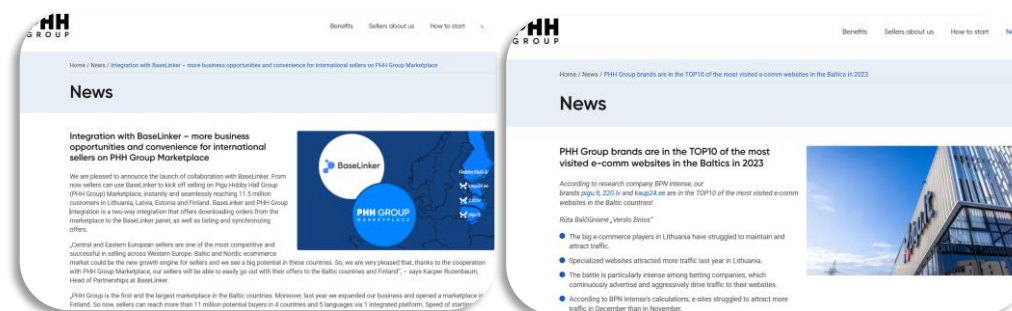


Company's key business developments/plans/market perception

- ✓ Over the last year, shareholders have brought additional capital into the Company with the purpose of accelerating investments, reinforcing the working capital position and accelerating operational initiatives
- ✓ The key current initiatives include:
 - a) Remodeling the 1P model, focusing on profitable and hand-picked SKUs
 - b) Operational improvement initiatives inc.: restructuring brick-and-mortar stores, reinforcing the IT suite of tools and functionalities
 - c) Securing further dynamic growth of the 3P model by means of appropriate shaping of the commission fee, creation of hunting teams, process automation

Commentary on the Company's financial situation in H1 2024

- ✓ The Company continued dynamic growth of the marketplace segment in H1 2024, emphasizing the benefits of PHH's strong market position and brand recognition in the markets
- ✓ The current valuation is still below cost of investment reflecting weaker than expected development of the Company
- ✓ MCI.EV is a minority investor alongside the 2 founders and EBRD. The MidEuropa fund is the lead and controlling shareholder



Source: <https://phhgroup.eu/integration-with-baselinker-more-business-opportunities-and-convenience-for-international-sellers-on-phh-group-marketplace/117> ; <https://phhgroup.eu/news/phh-group-brands-are-in-the-top10-of-the-most-visited-e-comm-websites-in-the-baltics-in-2023/113>

Focus Telecom – leading provider of cloud contact center SaaS in the Polish market

Business profile

The largest Polish provider of cloud based contact center application and business communication services in Poland

Investment rationale

- Untapped market potential driven by increasing interaction between businesses and their clients across multiple contact channels
- Market leader with a growing and well-diversified customer base
- Efficient and scalable SaaS model with high operational leverage

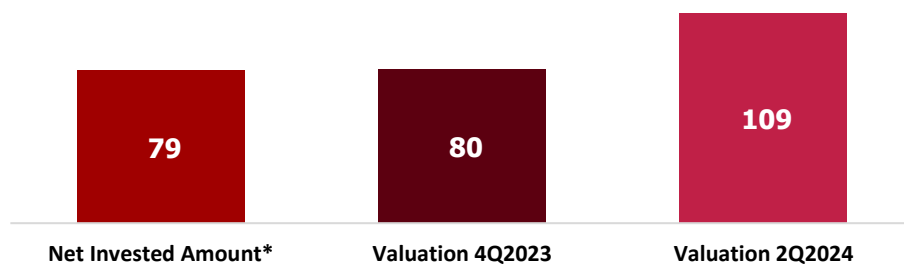
Deal team

Paweł Sikorski
 Wojciech Degórski
 Tomasz Mrozowski
 Jan Góralczyk

Invested amounts (PLN M):

✓ In 2023: **80**

Investment value in MCI.EV books (PLN M)



Company's key business developments/plans/market perception

- ✓ MCI.EV acquired 80% of Focus Telecom on 6 December 2023
 - ✓ The new CEO and Chairman joined the Company in January
 - ✓ Organic growth and growth through acquisitions of attractive players from the market sector are planned as factors driving the Company's development
- In August, the Company announced its acquisition of 100 percent shares in Systell, the Company's main competitor**

Commentary on the Company's financial situation in H1 2024

- ✓ In 2023, as well as in H1 2024, the Company generated good, on-budget financial results, both in terms of top-line (revenue) and EBITDA levels
- ✓ The business is cash generative and has very attractive unit economics

MCI zainwestował 80 mln zł w specjalistę od komunikacji w chmurze

Firma zatrudnia ponad 120 osób.



MCI zapowiada, że wzmocni zespół menedżerski.

Focus nie boi się sztucznej inteligencji

Marcel Zatoński | @marcelzatoski | marcelzatoski.pl | wydatkowane 2024-02-15 20:00

Pod skrzydłami MCI firma dostarczająca narzędzia do kontaktu z klientami ma się przekształcić w precyzyjnie poukładany biznes. Generatywnej AI nie traktuje jak groźnej konkurencji - zamierza ją wykorzystać.

Przeczytaj artykuł i dowiedz się:

- dlaczego MCI znacznie zwiększyło zaangażowanie w spółkę, do której weszło dekadę temu, gdy była startupem
- na czym ma polegać biznesowa transformacja Focus Telecom
- ile jest wart polski rynek usług z segmentu „contact center as a service”
- jak Focus Telecom postrzega rolę generatywnej AI w obsłudze klientów

Morele Group – leading e-commerce platform in Poland aggregating private labels

Business profile

A leading e-commerce platform in Poland, offering customers a wide range of products from external partners and attractive private labels. Morele also offers products through external marketplace platforms, both in Poland and abroad

Investment rationale

- ✓ Significant potential for further development of high-margin own brands
- ✓ Expansion of customer outreach channels through sound technological competences and operational efficiency

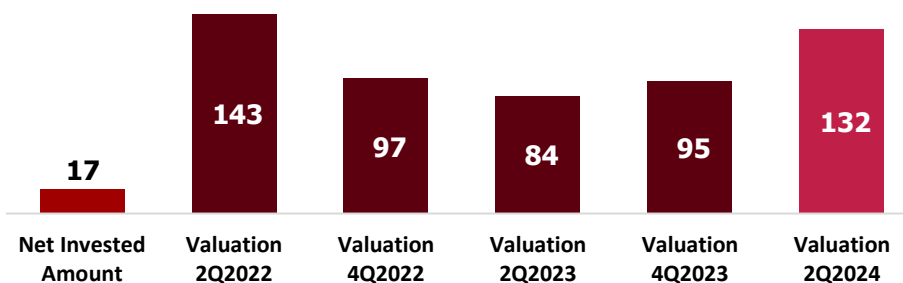
Deal team

Paweł Sikorski
Wojciech Degórski

Invested amounts (PLN M):

- ✓ In 2011: 6
- ✓ In 2012: 4
- ✓ In 2016: 8
- ✓ **Total: 17.5**

Investment value in MCI.TV books (PLN M)



Commentary on the Company's financial situation in H1 2024

- ✓ The Company generates on-budget EBITDA levels, focusing on rationalization of the cost base, while not losing sight of GMV dynamics, in order to maintain a stable financial and liquidity position in a demanding market environment
- ✓ At the same time, the Company was actively developing sales of private labels and is analyzing the potential for private label acquisitions
- ✓ In Q4 2023, the Company finalized the acquisition of the 4Swiss brand (manufacturer of kitchen and lifestyle appliances in the electronics category)
- ✓ In March 2024, the Company announced signing a partnership agreement with mBank for the joint implementation of an e-commerce platform (eCommerce as a Service) - as part of this cooperation, Morele's offering will soon be available in the mBank application. A pilot project is currently underway and will end in the fourth quarter of this year - then the functionality will be made available to all adult individual clients of mBank, who will be able to choose from several million offers

Company's key business developments/plans/market perception

Work underway to adapt the Company to the new market environment in terms of cost base and sales channels:

- ✓ Acquisitions of profitable digital brands or development of own ones to leverage existing resources and improve overall profitability
- ✓ Further development of the eCommerce as a Service offer
- ✓ Enhancing category and procurement management to increase contribution margin



Source: <https://crn.pl/aktualnosci/morele-przejeło-producenta-agd/>; <https://www.morele.net/aktualnosc/oferta-morele-juz-wkrotce-dostepna-w-aplikacji-mbanku/22714/>

Business profile

Answer.com is the leading and fastest growing fashion online store in Poland. It operates in twelve CEE markets (Poland, Czech Republic, Slovakia, Hungary, Ukraine, Romania, Bulgaria, Greece, Croatia, Cyprus, Slovenia and Italy). The product offer includes over 100 thousand SKU from over 500 brands of clothing, footwear and accessories, including its own clothing brand (Answer LAB)

Investment rationale

- ✓ E-fashion is a segment of the entire e-commerce market with the greatest growth prospects
- ✓ Extensive experience of the founder and CEO (K. Bajotek)
- ✓ High probability of exit via IPO or secondary sale to a larger PE
- ✓ Acquisition of 32.9% of new shares to finance operating development and expansion

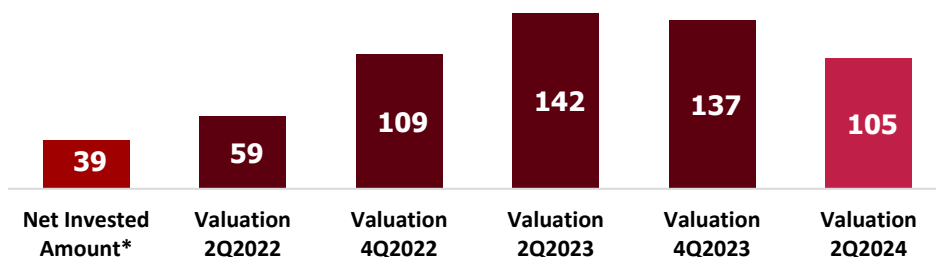
Deal team

Paweł Borys

Invested amounts (PLN M):

- ✓ In 2013: **15**
- ✓ In 2014: **5**
- ✓ In 2015-2016: **12**
- ✓ In 2017-2018: **14**
- ✓ In 2022-2023: **26 (MCI.EV)**
- ✓ **Total: 72**

Investment value in MCI.EV and MCI.TV books (PLN M)



Company's key business developments/plans/market perception

- ✓ In Q2 2024, the first stationary Answer and PRM Concept Stores were opened at the Fabryka Norblina mall
- ✓ The company started operations in Italy. This is the twelfth market in which Answer.com operates and the first one in Western Europe
- ✓ During the public offering of L series shares launched in October 2023, Answer raised PLN 29M, which will be allocated to the development of the PRM brand, including expanding the product offer, developing operations in new markets, as well as covering marketing expenses related to acquiring new customers and rebranding

Commentary on the Company's financial situation in H1 2024

- ✓ According to preliminary results, sales in Q2 2024 increased by 20% y/y despite last year's demanding base and the negative impact of exchange rates on sales dynamics expressed in PLN. Online sales in Q2 2024 expressed in constant currencies are 30% higher than in Q2 2023. The high dynamics of sales growth is the result of very good sales of the spring-summer 2024 collection, where the quality and appropriate level of inventory allowed for significant sales increases. At the same time, the offer is expanded to include new premium brands, which supports the implementation of strategic assumptions and increases the dynamics of revenue growth and average order value
- ✓ The company informed in a press release that good sales results will be burdened by increased marketing expenses related to the development of the new PRM brand and repositioning of the Answer brand

Answer.com z emisji akcji serii L pozyskał 29 mln zł

2023.10.03 17:44
 Answer.com przeprowadził ofertę akcji serii L, spółka uplasowała wszystkie akcje po cenie maksymalnej wynoszącej 29 zł, co oznacza pozyskanie 29 mln zł - poinformowała spółka w komunikacie.



Otwieramy Answer Concept Store w Fabryce Norblina!



Source: <https://www.bankier.pl/wiadomosc/Answer-com-z-emisji-akcji-serii-L-pozyskal-29-mln-zl-8640242.html> ; <https://pressroom.answer.com/270829-answercom-wchodzi-na-rynek-wloski>

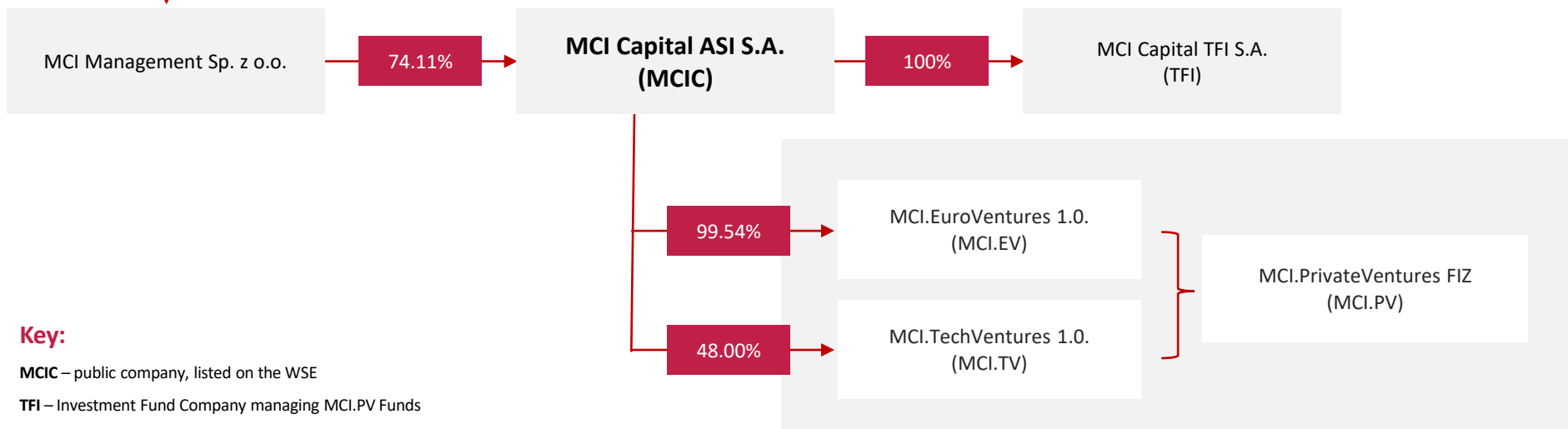
Group structure and sources of revenue generation

MCI Group structure as of 30.06.2024



**Tomasz
Czechowicz**

99.73%



Key:

MCIC – public company, listed on the WSE

TFI – Investment Fund Company managing MCI.PV Funds

MCI.PV – closed-end investment fund in which MCI (or entities from the MCI Group) is a participant

MCI.EV and MCI.TV – subfunds within the MCI.PV closed-end investment fund

- ✓ In recent years, the MCI Group has gone through a process of intensive simplification and building a transparent organizational structure
- ✓ Currently, after the merger with PEM on 21 June 2021, MCI is the direct owner of TFI (100%) and, through its investment certificates (IC), the investor in two subfunds: MCI.EV (99.5%) and MCI.TV (48.0%)
- ✓ MCI Group's revenues are generated on two levels – **investor level (MCIC)** – through changes in the value of MCI.EV's and MCI.TV's IC, as well as **asset manager level (TFI)** – by charging a management fee on the assets of the managed subfunds
- ✓ In H1 2024 the MCI Group generated **PLN 33M** revenues from IC and **PLN 6M** from management fees
- ✓ The management fee is the cash income of MCI Group and the cash flows from the Funds are distributed:
 - to MCI.EV – by way of IC redemption based on a decision of MCI
 - to MCI.TV – by way of automatic redemption of IC after exiting a given subfund asset

Results summary – MCI Capital (standalone financial statements)

Profit and loss accounts for 6M 2024 and balance sheet as at 30.06.2024

PLN thousand	6M 2024	6M 2023	Change	Change (%)	
Revaluation of shares	5 578	(3 434)	9 012	-262.4%	
Profit/loss on investment certificates (IC)	33 394	142 453	(109 059)	-76.6%	
Profit on investments	38 972	139 019	(100 047)	-72.0%	(1)
Operating expenses	(3 673)	(11 217)	7 544	-67.3%	(2)
Other operating income/costs	23	480	(457)	-95.2%	
Net financial costs	(8 578)	(14 826)	6 248	-42.1%	(3)
Profit before tax	26 744	113 456	(86 712)	-76.4%	
Income tax	4 235	(5 874)	10 109	-172.1%	
Net profit	30 979	107 582	(76 603)	-71.2%	

PLN thousand	30.06.2024	31.12.2023	Change	Change (%)	
Assets	2 401 018	2 357 048	43 970	1.9%	
Investments certificates	2 324 560	2 289 695	34 865	1.5%	(4)
Investments in other entities	48 713	43 135	5 578	12.9%	(5)
Cash and cash equivalents	43	53	(10)	-18.9%	
Trade and other receivables	760	1 367	(607)	-44.4%	
Other assets*	26 942	22 798	4 144	18.2%	
Equity and liabilities	2 401 018	2 357 048	43 970	1.9%	
Equity	2 122 697	2 091 635	31 062	1.5%	
Liabilities	278 321	265 413	12 908	4.9%	
Liabilities due to bonds	102 809	179 053	(76 244)	-42.6%	(6)
Loans	162 941	74 540	88 401	118.6%	(7)
Provisions	8 466	8 077	389	4.8%	
Other liabilities	3 634	3 743	(109)	-2.9%	
NAV/S (PLN)	40.46	39.87	0.59	1.5%	
Share price (PLN)	26.10	24.40	1.70	7.0%	
P/BV	0.65	0.61	0.03	5.4%	

*other assets consist of: deferred tax assets, income tax receivables, property, plant and equipment, as well as right-to-use assets

P&L 6M 2024 vs 6M 2023 – MAIN CHANGES:

- Investment profit decreased by PLN 100.0M**, mainly as a result of generating a lower profit on MCI.EV investment certificates (IC) (6M'24: PLN 41.7M vs 6M'23: PLN 153.5M) and lower profit on IV (fund in liquidation) IC (6M'24: PLN -0.1M vs 6M'23: PLN 5.8M) which was partially offset by incurring a lower loss on MCI.TV IC (6M'24: PLN -6.7M vs 6M'23: PLN -16.7M) and generating a higher profit on shares of MCI Capital TFI S.A. (6M'24: PLN 5.6M vs 6M'23: PLN -3.4M).
- Operating expenses decreased by PLN 7.5M**, mainly as a result of recognition of lower carry fee costs (6M'24: PLN 0.5M vs 6M'23: PLN 5.3M) and lower costs of external services (6M'24: PLN 1.2M vs 6M'23: PLN 3.7M).
- Net financial costs decreased by PLN 6.2M** mainly as a result of lower interest costs on bonds (6M'24: PLN 3.7M vs. 6M'23: PLN 8.4M) while incurring a one-off interest expense in 6M'23 in the amount of PLN 1.7M on income tax on dividend for 2018 payable by MCI Capital ASI as the legal successor of MCI Fund Management Sp. z o. o. (result of tax inspection; interests on tax arrears was paid on 27 July 2023).

Balance sheet 30.06.2024 vs 31.12.2023 – MAIN CHANGES:

- IC value increased by PLN 34.9M** due to the increase in MCI.EV IC valuation (30.06.2024: PLN 2,166.1M vs 31.12.2023: PLN 2,124.4M). The increase was partially compensated by the decrease in MCI.TV IC valuation (30.06.2024: PLN 158.1M vs. 31.12.2023: PLN 164.8M).
- Investments in other entities increased by PLN 5.6M** due to increase in the valuation of MCI Capital TFI S.A. (TFI) and PEM Asset Management Sp. z o. o. (PEM AM) as a result of TFI and PEM AM generating a net profit in the total amount of PLN 5.6M.
- Bond liabilities decreased by PLN 76.2M**, mainly due to partial repayment of R-series bonds in the nominal value of PLN 71M.
- Loan liabilities increased by PLN 88.4M**, mainly as a result of partial repayment of R-series bonds at a nominal value of PLN 71M and payment of bond interest in the amount of PLN 9.0M and loan interest in the amount of PLN 3.2M.

Results summary – MCI Capital balance sheet and business perspective [30.06.2024]

Balance sheet perspective as at 30.06.2024

[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)	47.8	2%
Investment certificates	2 324.6	97%
MCI.EV (99,5% ownership)	2 166.1	90%
MCI.TV (48,0% ownership)	158.1	7%
IV	0.4	0%
Leasing receivables (office)	2.9	0%
Deffered tax assets (related to IC)	22.0	1%
Other	1.2	0%
Total fixed assets	2 398.4	100%
Cash	0.0	0%
Receivables	2.6	0%
Other	0.0	0%
Total current assets	2.6	0%
Total assets in the balance sheet of MCI	2 401.0	100%

* internal debt - planned refinancing with bank debt within the next year

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

***liquidity excluding MCI Management Sp. z o.o.

Business perspective/underlying assets

Underlying assets	value in PLN M	share in MCI's fixed assets
TFI shares	47.8	2%
[including cash]	33.3	
Investments in MCI.TV IC (dezinvestment phase)	158.1	7%
[including cash] [48.00% x NAV MCI.TV = 329.4M]	1.1	
Investments in MCI.EV IC (digital buyout)	2 166.1	90%
[99.54% x NAV MCI.EV = 2,176.1M]		
reconciliation of the MCI.EV NAV	2 176.1	91%
portfolio:	1 794.1	75%
IAI	449.5	19%
eSky	410.3	17%
Netrisk	325.1	14%
Webcon	161.8	7%
New Pigu	128.6	5%
Focus Telecom	108.3	5%
Gett	57.4	2%
Answear	21.0	1%
MCI Capital ASI S.A.	132.1	6%
longterm liquidity investments within the MCI Group*	304.2	13%
MCIC debt	8.2	0%
MCIM debt	296.0	12%
cash	170.4	7%
net liabilities**	-92.6	-4%
MCI other investments	26.4	1%
[including cash]	0.0	
Total fixed assets in the balance sheet of MCI	2 398.4	100%
Cash in MCI Capital ASI S.A.	0.0	
Total cash in entities from the MCI Group	204.8	
Financing available (unused credit lines)	66.2	
Total liquidity in the MCI Group***	271.0	

Since 1998, MCI has been supporting entrepreneurs and companies in their efforts towards achieving digital transformation and the position of European champions

MCI history

- **1998** – the beginning...
- Started in 1999 as a first Technology Fund in CEE with initial AUM of USD 10M
- Currently **EUR >600M** long-term capital AUM
- **#1 Digital / ClimaTech Fund** in CEE
- **~30% achieved IRR** on buyout strategy

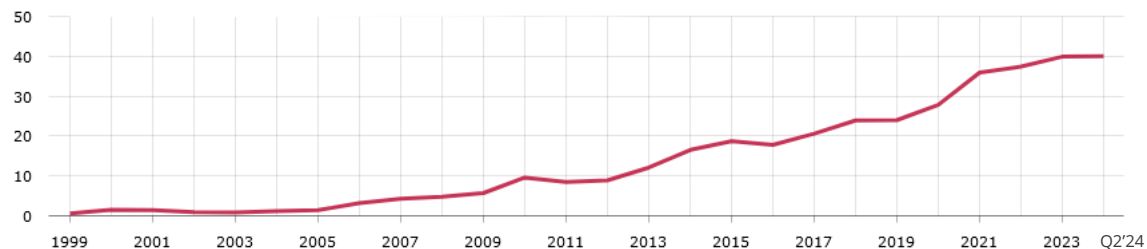
25 business lessons for the 25th anniversary of MCI



Download: [Reports - MCI Group](#) / [Trackrecord - MCI Group](#)

MCI's historical NAV/S performance:

MCI NAV/S [1999 – Q2 2024] (in PLN)





Thank you for your attention

MCI Capital ASI S.A.

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