

Poznań, 4 September 2023

> Interim report of cyber_Folks Group_

for H1 2023

ended 30 June 2023



cyber_Folks™

>Dear Shareholders, Employees, Partners_

cyber_Folks posted record results in 2Q. Once again we have shown that we are expanding very rapidly and our growth rates are exceeding 30% on a regular basis. Between April and June, our revenues rose by 34% yoy to PLN 116.8m, while our net profit reached PLN 19.6m, which represents a 149% yoy growth. Adjusted EBITDA, which totaled PLN 35.0m and was 55% higher than the year before, also grew very strongly.

We have reached excellent results due to dynamic growth of our two segments, cyber_Folks and Vercom. We have started to implement new solutions and products, including _Stores and Billz. Some 350k clients in over 100 countries already use our company's services. We are well on our way to expand the group further. For many clients we are the go-to provider because of the full range of services offered and the understanding of the e-commerce sector.

The results for 1H23 are also at record levels. Between January and June 2023, cyber_Folks Group reached sales of PLN 227.3m (+33% yoy) and PLN 66.6m adjusted EBITDA (+52% yoy). Net profit totaled PLN 33.7m (+90% y-o-y) and the net profit attributable to shareholders of the parent company, PLN 19.4m (+59% yoy). In 2022 we have once again shown that we are able to effectively execute strategic takeovers, one example being MailerLite which we are successively integrating with other CPaaS services. This year, we are increasingly successful at creating proprietary solutions.

The group is developing in two key segments, cyber_Folks and Vercom. The first represents hosting and domains, e-commerce tools and support in running a business online. In 1H23 adjusted EBITDA in that segment rose by 22% yoy to the level of PLN 29.1m. The second segment, Vercom, consists of CPaaS services, including e-mail and text message-based communications tools. In 1H23 adjusted segment EBITDA reached PLN 38.4m, a 75% increase on a yoy basis.

We are observing rising trends and in some areas we are also the pioneers. We have introduced AI to our domain creator. Currently, as many as 50% of our clients use this proprietary solution. And that's one of many examples of the use of modern technology in driving our business.

The rebranding to cyber_Folks and the consequent simplification of the Group structure is one of our strategic steps. We also appreciate our shareholders. Once again we have paid out a dividend. We allocated over PLN 13m, or PLN 0.93 per share for this purpose. We are increasing the dividend amount each year - in 2022 we allocated PLN 10m towards dividend payment.

We also announced plans to launch a benefits program for our shareholders. We want to reward trust and long-term investments into cyber_Folks stock. Details will be presented in the fall of this year. I am happy to say that we will be the first tech company to introduce such a program.

I'd like to thank all those involved in the development of cyber_Folks Group - our Employees, Partners, Clients and Investors for effective collaboration and for their trust. I am convinced that we have many excellent moments and excellent market prospects ahead of us.

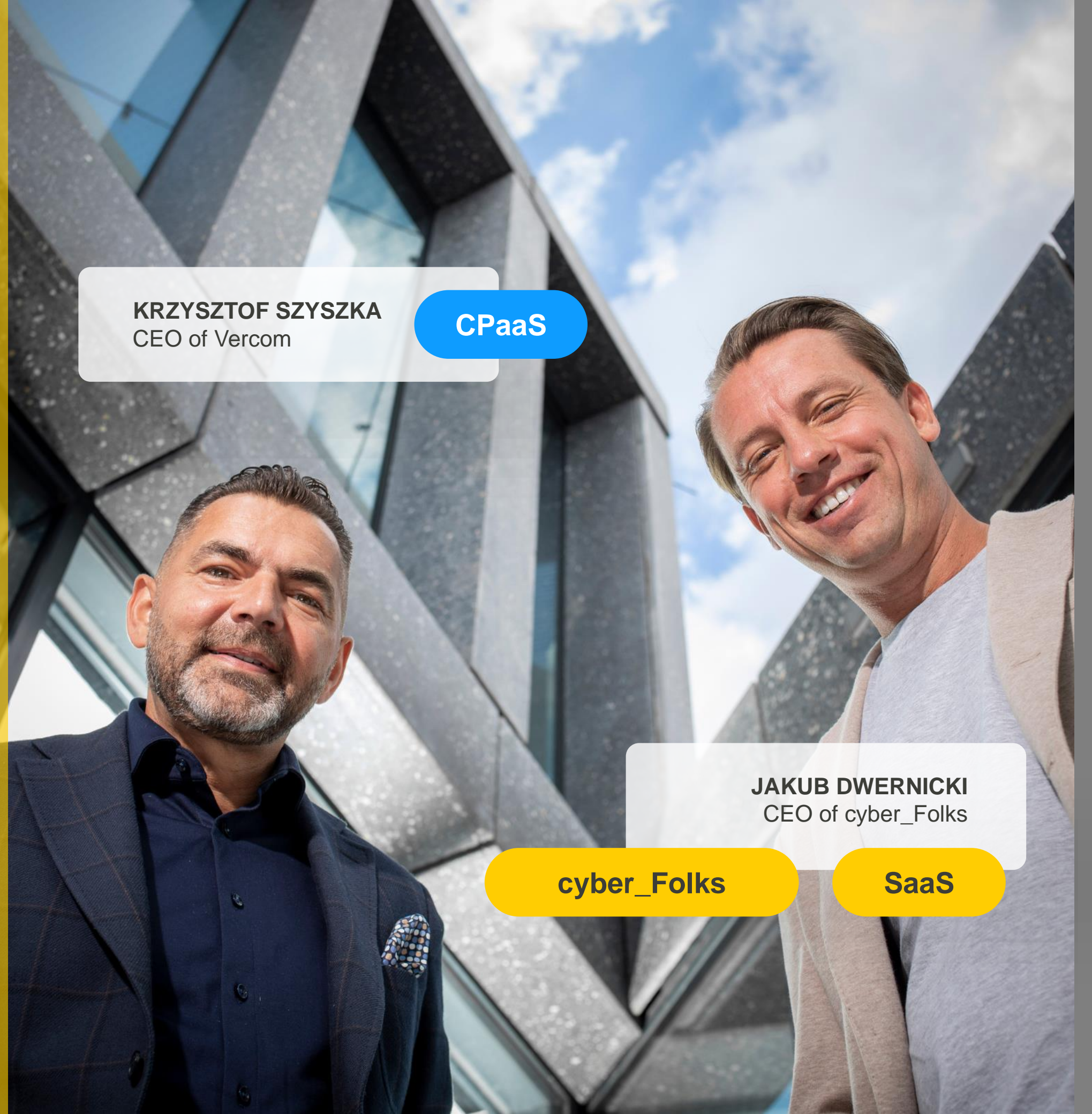
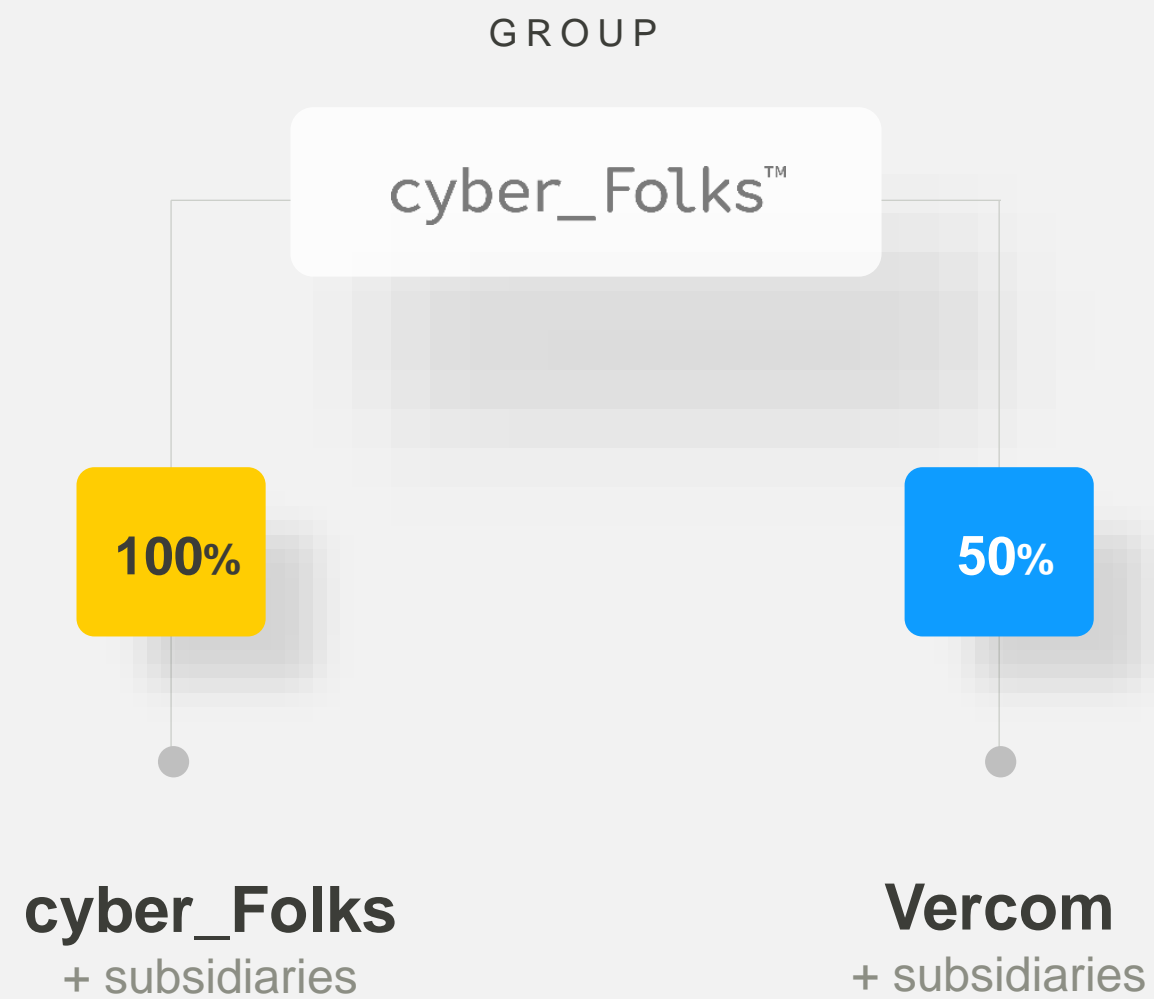
Sincerely,
Jakub Dwernicki
CEO



**JAKUB
DWERNICKI**

CEO of cyber_Folks

> Two complementary business lines



>About us_

01

We are a group of dynamically growing technology companies providing solutions to **>350k clients worldwide.**

02

We support **small, medium and large companies** with their online presence, automation of business process, communications, marketing and sales while generating **annual sales of c. PLN 450m*.**

*revenues of the last 12 months

03

Our portfolio focuses on **scalable products** offered in a **subscription model.**



>What we do_

cyber_Folks

Build your online presence:

- Domain registration
- Hosting WordPress, WooCommerce, PrestaShop
- E-shops tools
- Data protection
- Servers and infrastructure

CPaaS

Facilitate contact with your clients through omnichannel communication:

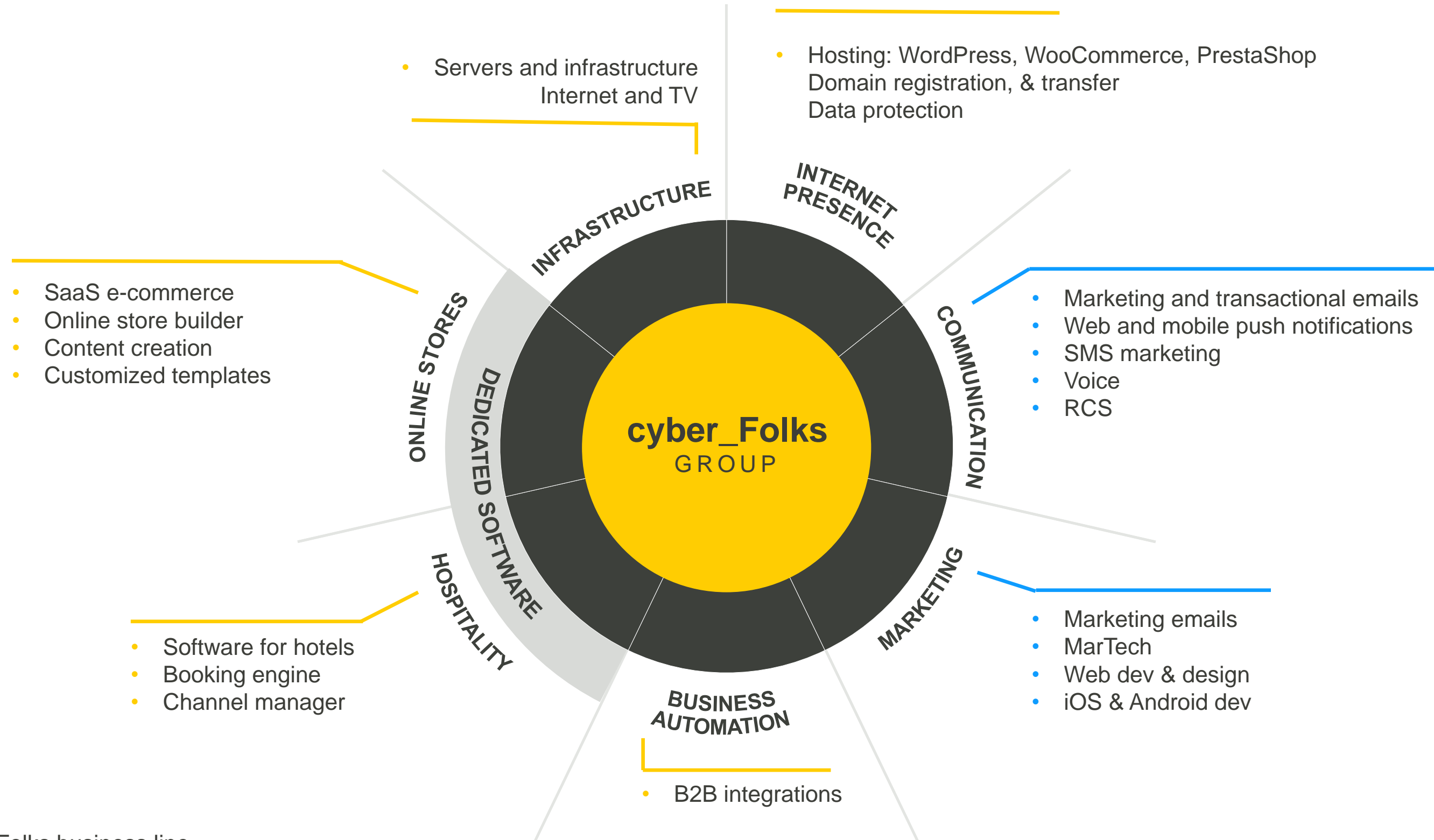
- Marketing and transactional e-mails
- SMS notifications
- Web and mobile push notifications
- Voice
- RCS

SaaS

Optimize processes with business automation solutions:

- B2B integrations
- E-commerce integrations
- Dedicated software

>360° Ecosystem



— cyber_Folks business line
— Vercom business line

>Agenda_

8	Why cyber_Folk?
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> Why cyber_Folks? _



WE ARE GROWING RAPIDLY

Our revenues have been growing at a **40%** rate per year (CAGR) for the past 20 years; revenues **rose four-fold** since the IPO in 2017 and our market cap **increased five-fold**, **topping PLN 1bn.**



WE OPERATE ON A GLOBAL SCALE

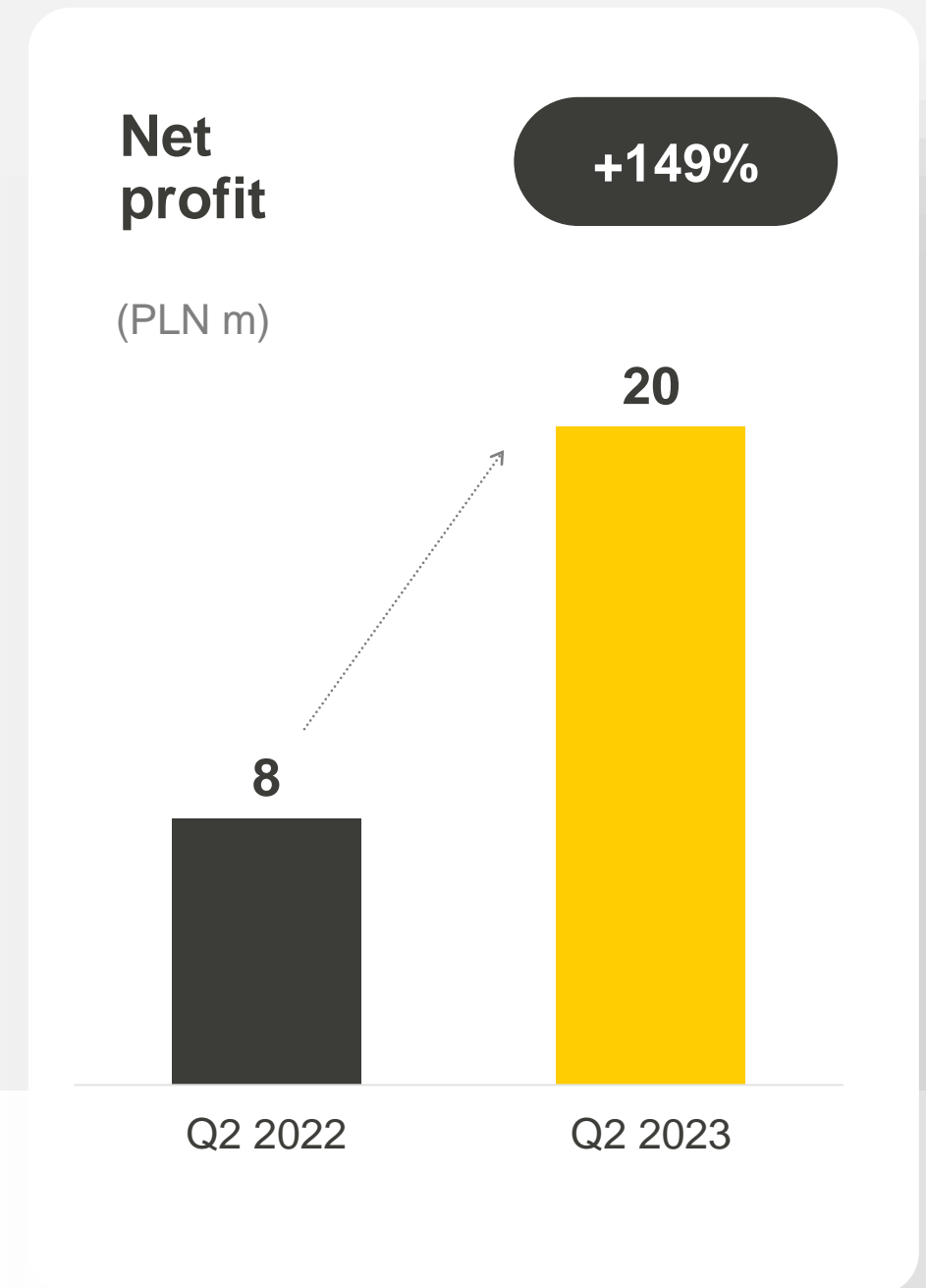
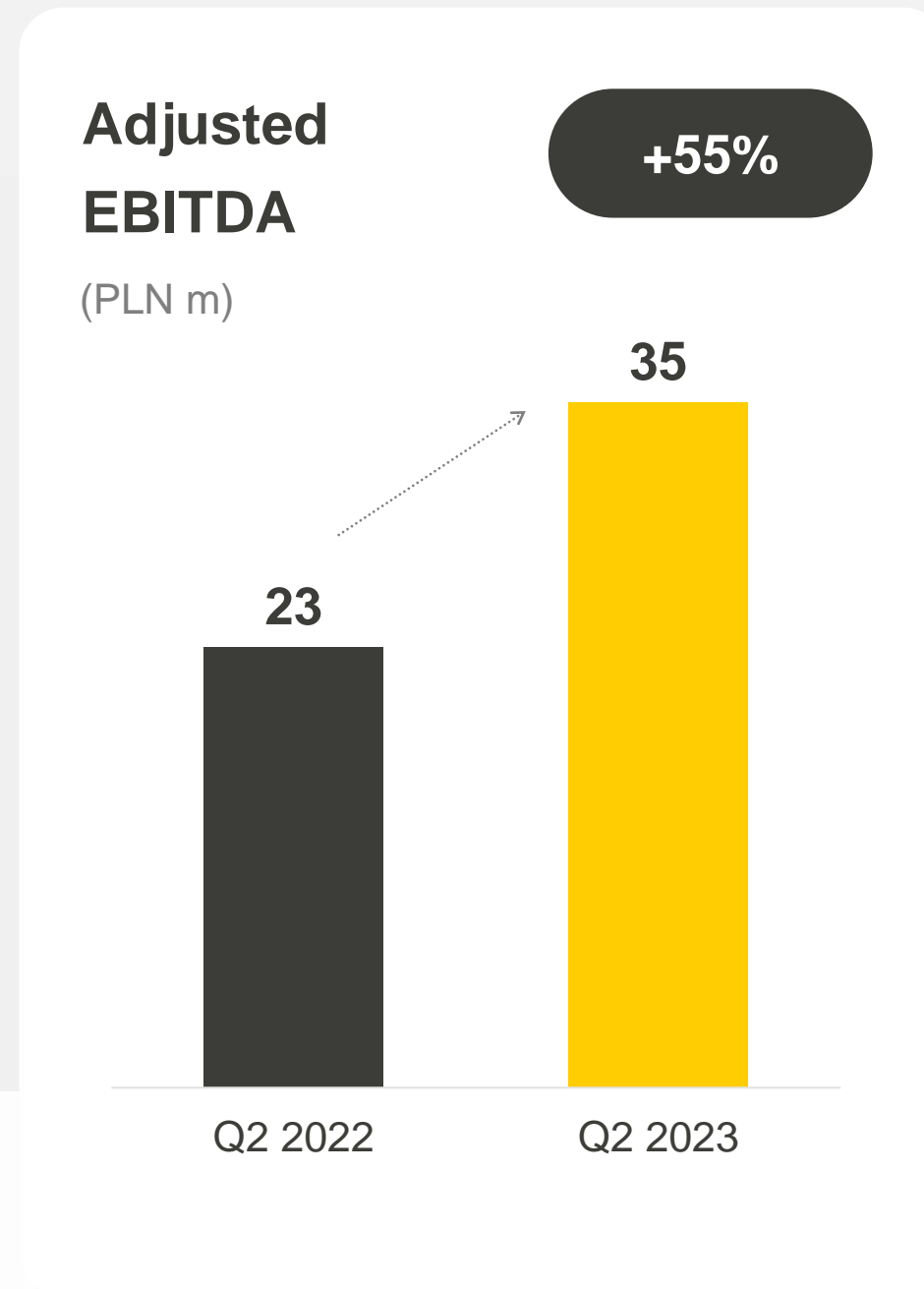
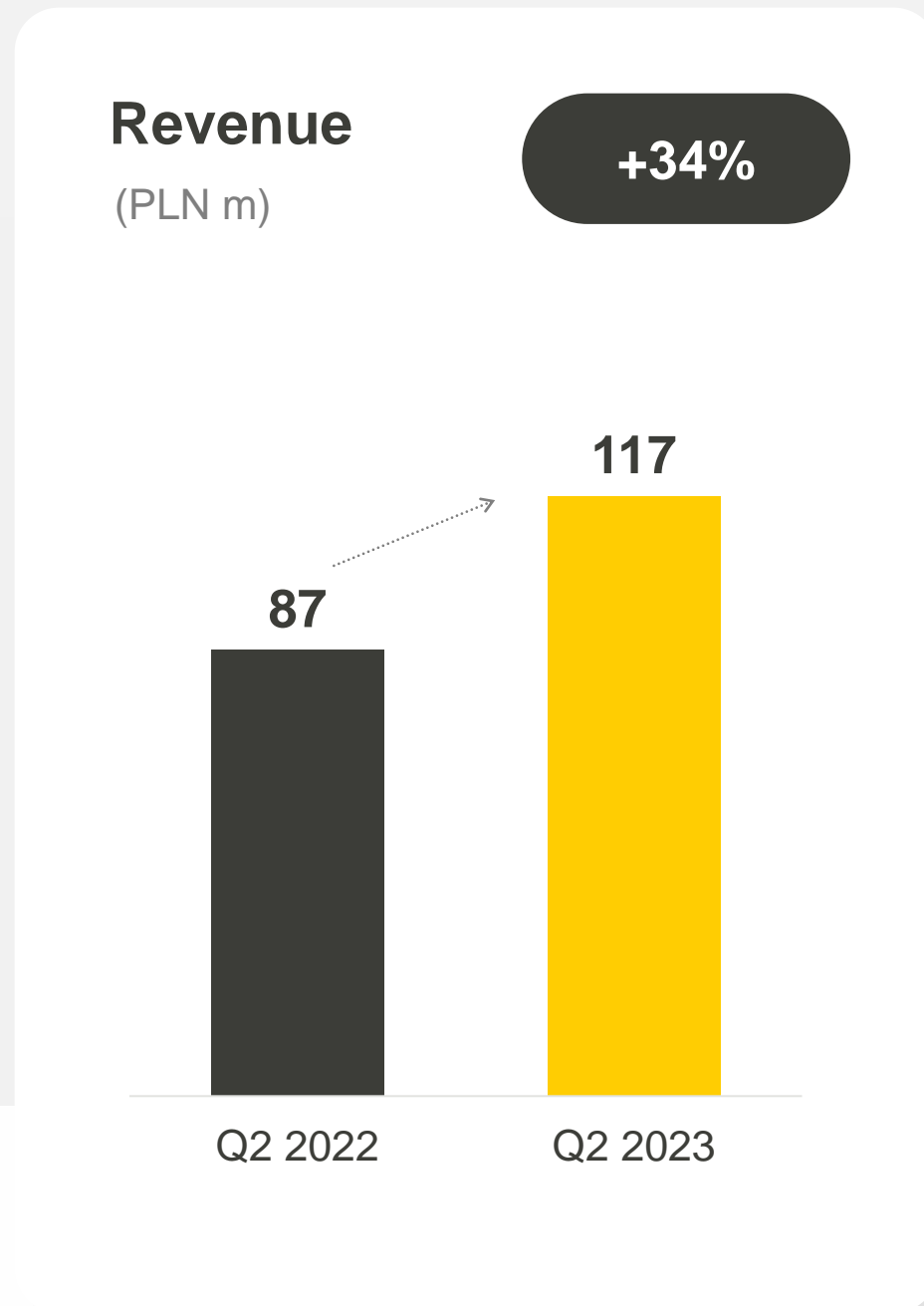
We offer solutions to **over 350k** small, medium and large **business clients** located in **over 100 countries** worldwide.



WE ARE PROFITABLE AND WE SHARE PROFITS WITH OUR SHAREHOLDERS

We generate **over PLN 120m** in **operating cash flow**, money that we invest in further growth but which we also share with our shareholders. **We have been paying a dividend, increasingly higher each year**, since the beginning of our presence on the WSE.

>cyber_Folks: Consistent growth of financial results in Q2 2023



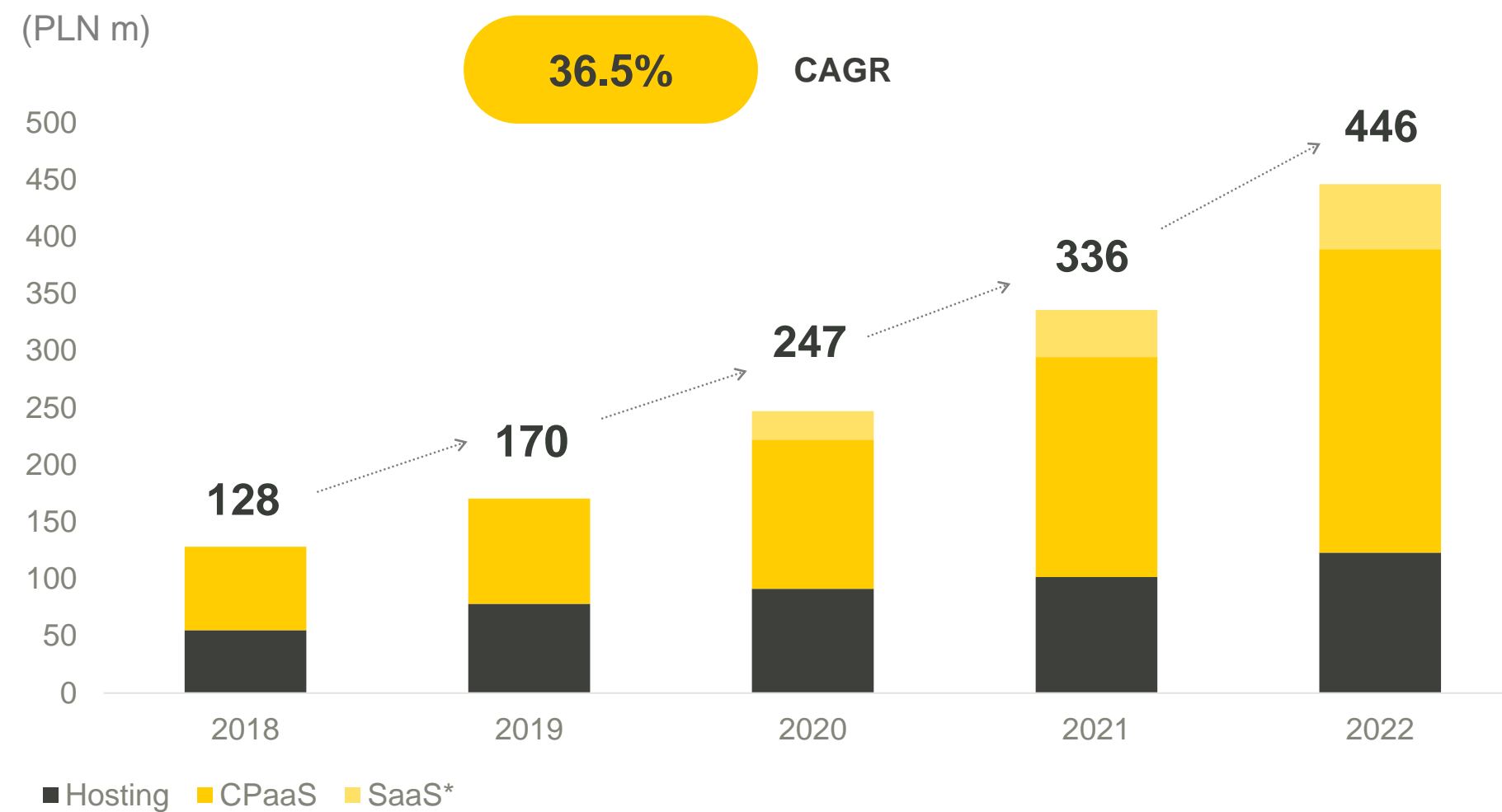
cyber_Folks™

> Growth Dynamics

Turning Strategy
into Results



>Revenue: Accelerating the growth momentum with highly diversified revenue structure

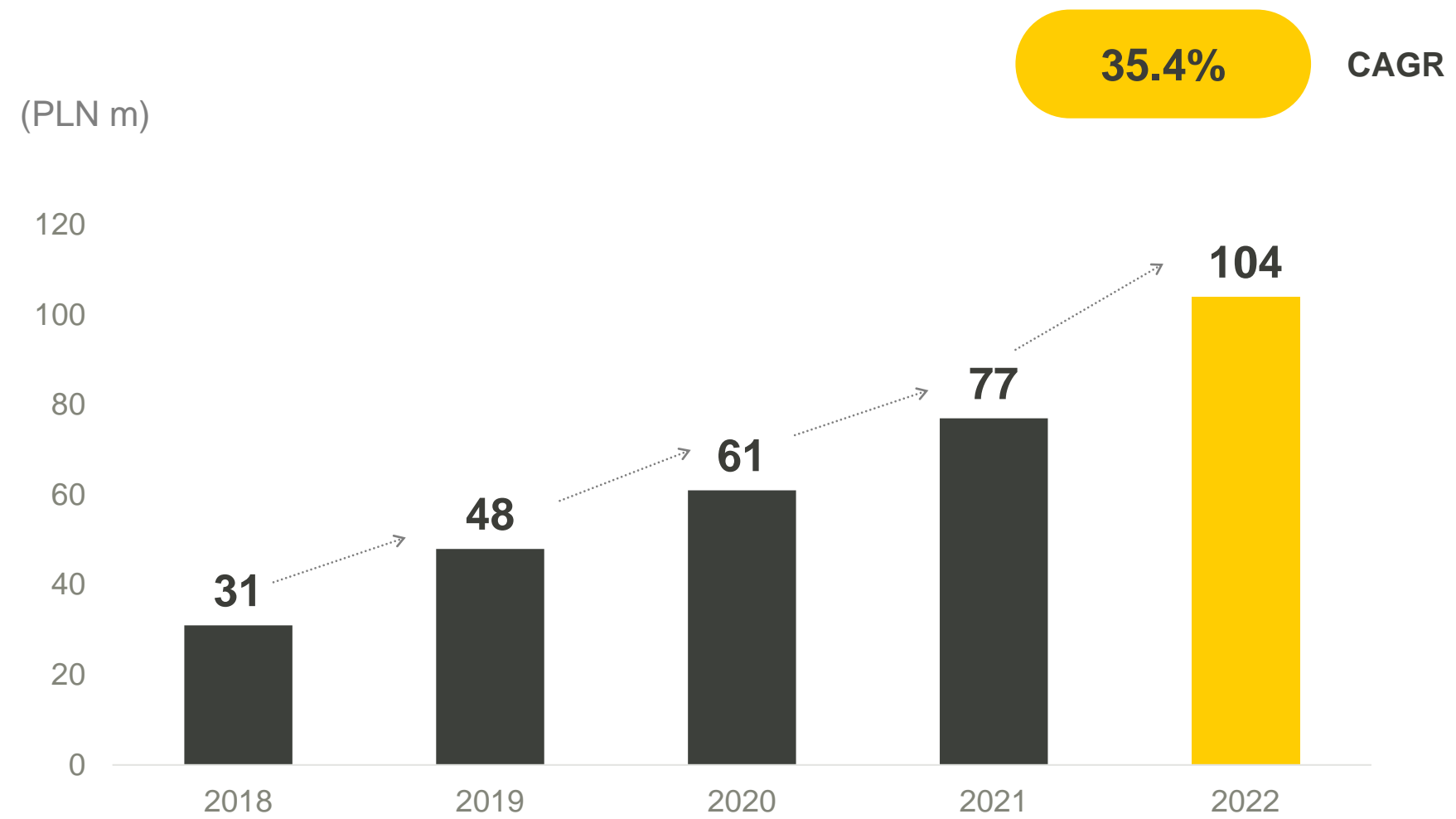


*SaaS segment: The data for this segment also includes financial results of Profitroom and SellIntegro, which are only consolidated by the Group in the net result (no consolidation at the level of revenues and EBITDA). Group R22 has an option of taking over a controlling stake in both companies.

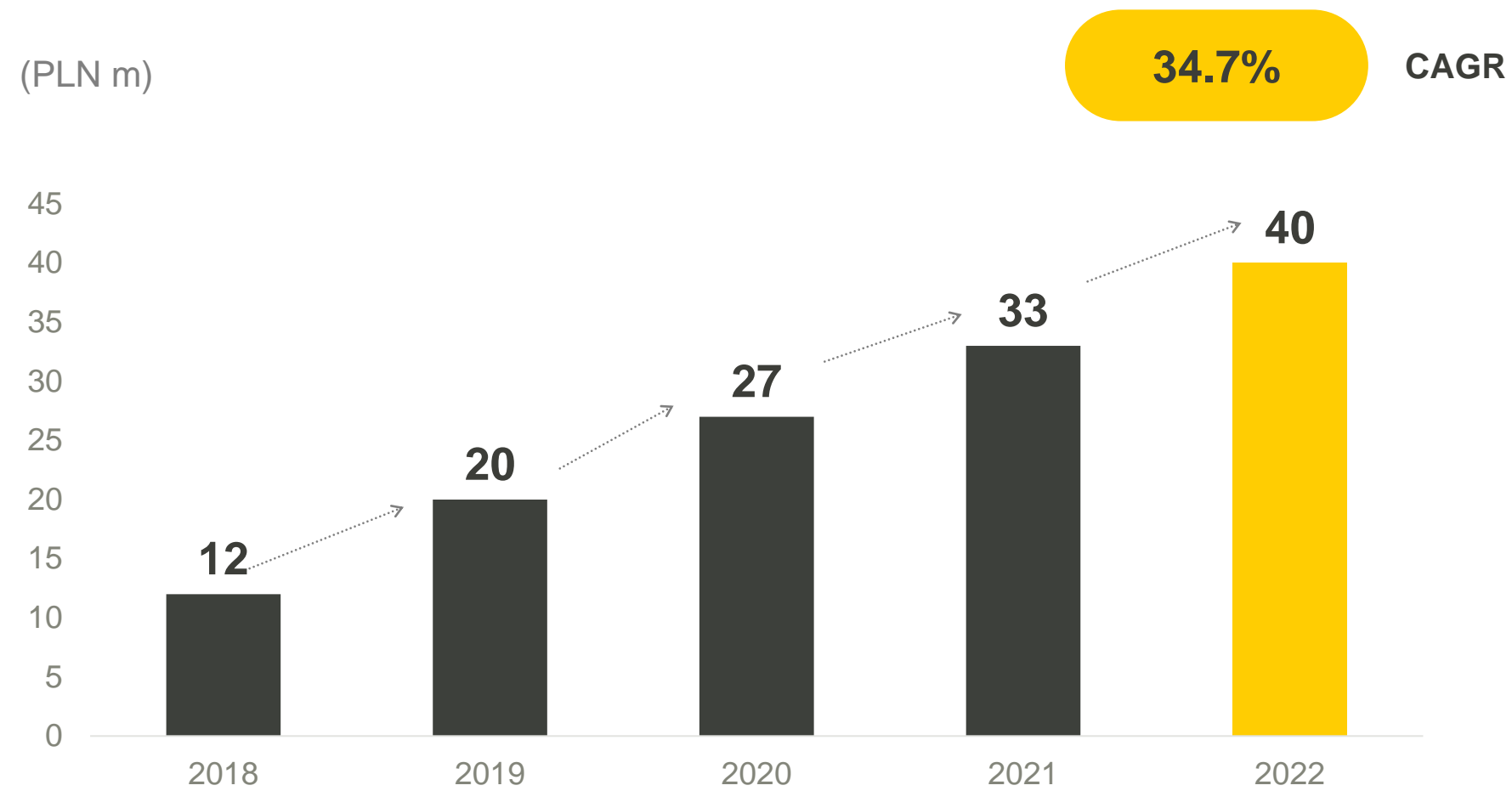
segment Telecommunications: as of 14 June 2022, Oxyllion S.A. is assigned to the CPaaS segment.



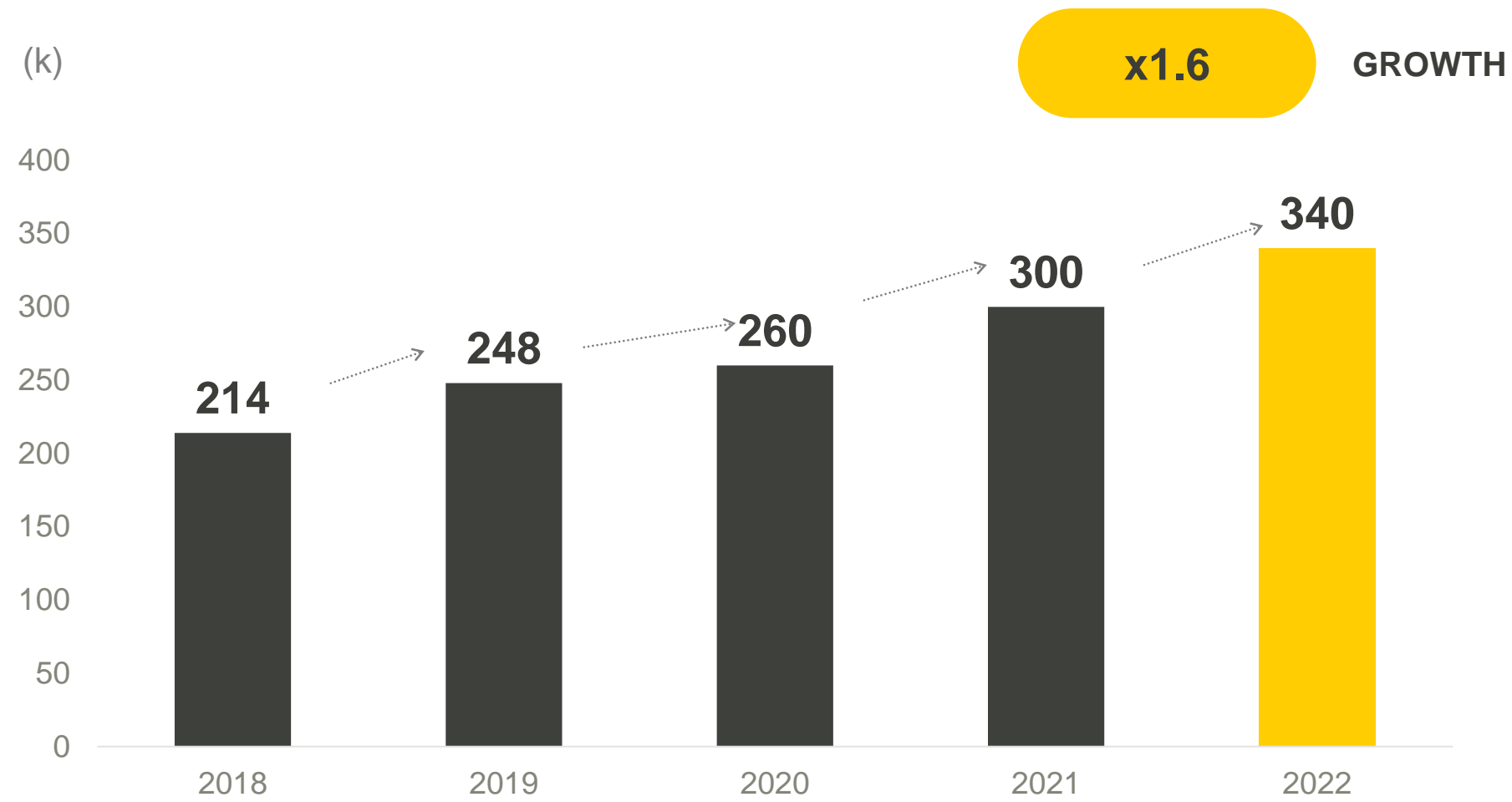
> EBITDA: Proving our business value_



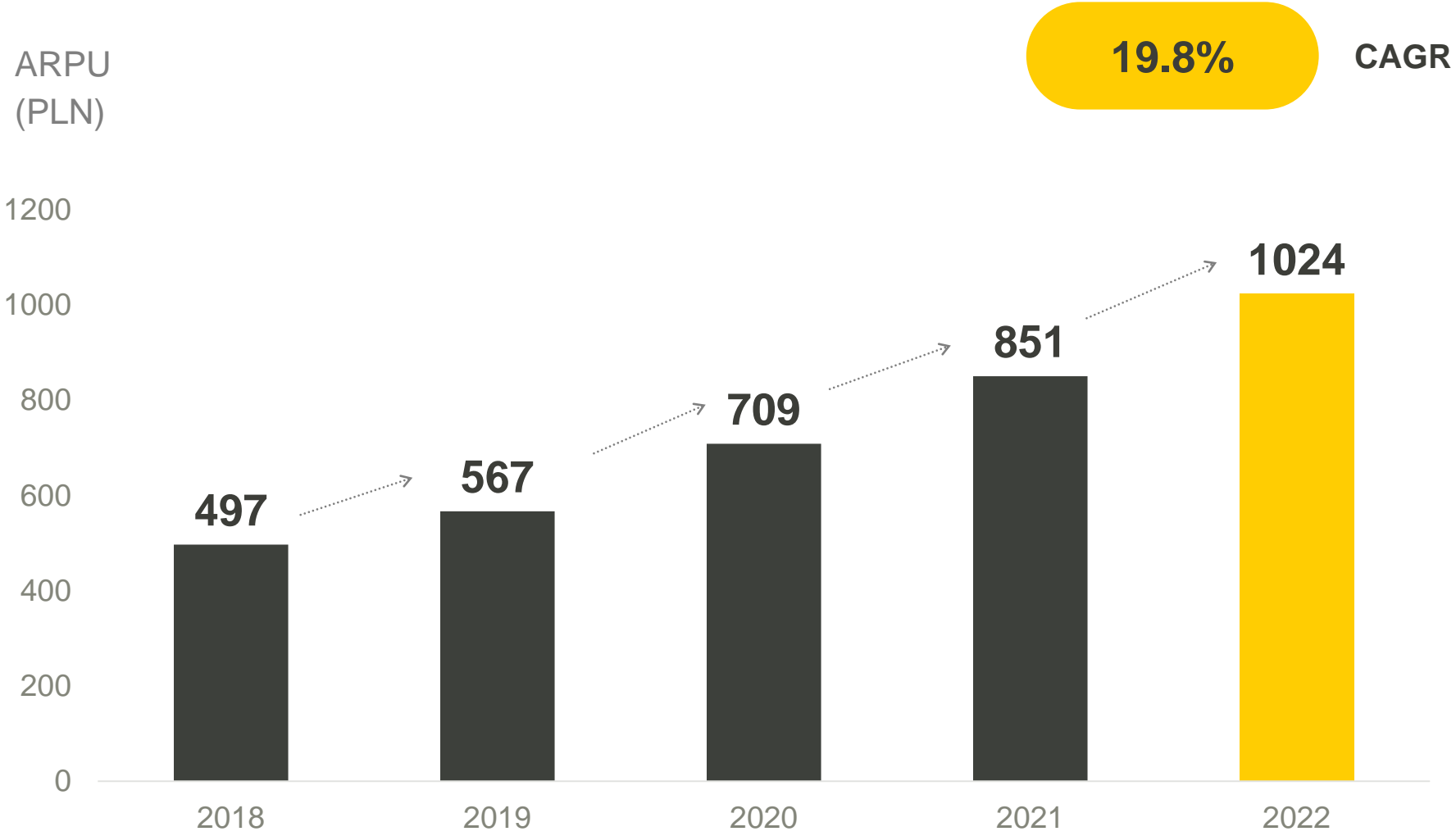
>Net profit: Continuous profitability and cash flow generation_



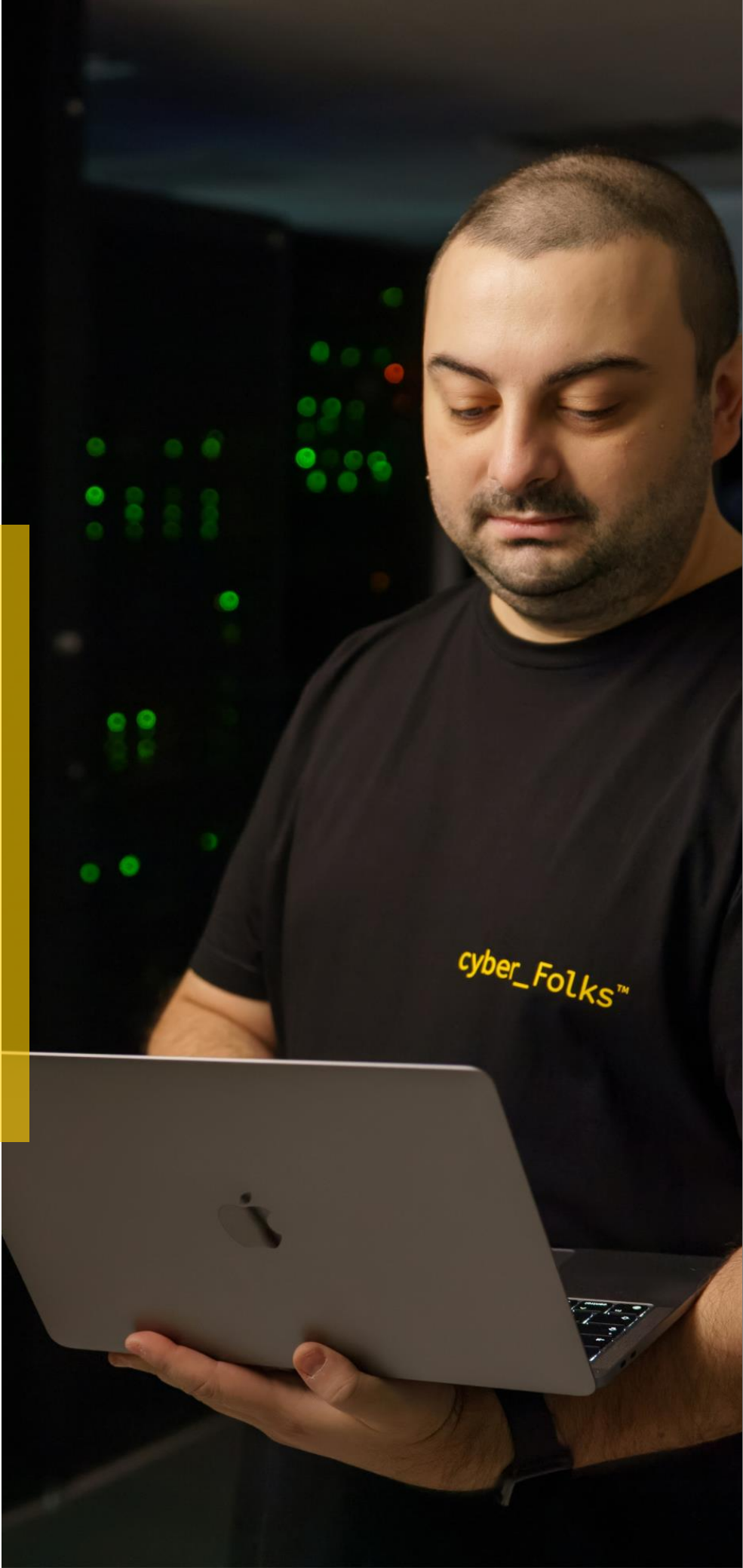
> **Customers:** Stability thanks to the trust of over 340k customers_



> **ARPU***: Supporting a strong value proposition



*ARPU: Excluding TOP 10 customers generating 11% of revenue (internal estimation).



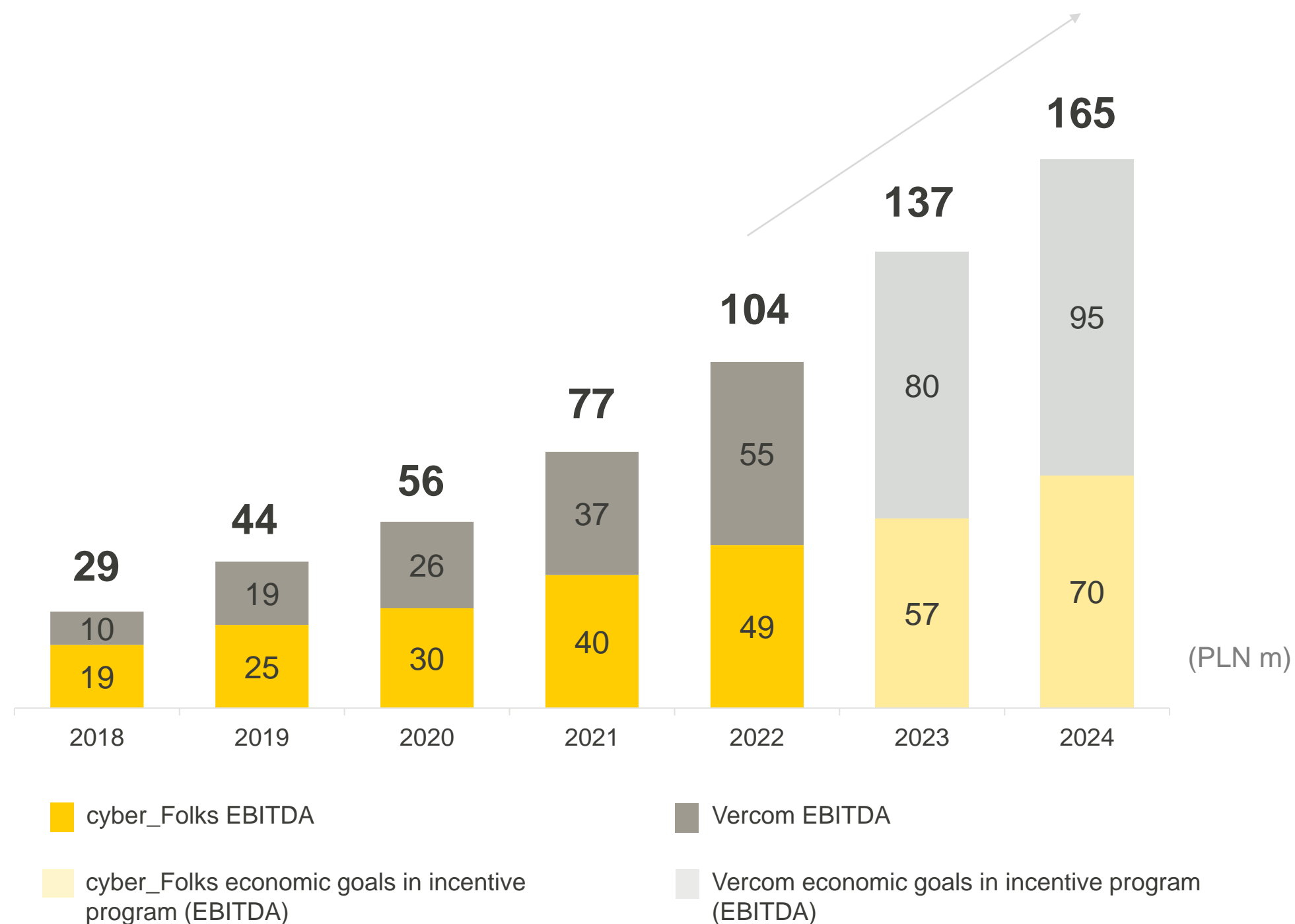
cyber_Folks™

**> Plans:
Growth embedded in
the 2024 strategy**



>Consistent execution of the growth strategy embedded in the ESOP_

In H1 2023, cyber_Folks and Vercom generated a combined total of nearly PLN 68m EBITDA, thus in the middle of the year we achieved exactly 50% of the annual target.



>Goal: Unicorn_

Our goal is to duplicate the growth rate delivered since the IPO and thus **turn into one of the very few Polish unicorns.**

We will reach that goal by:



GAINING 1 MILLION CLIENTS

Organic growth and acquisitions on the global market



FURTHER ARPU GROWTH

Broadening the product portfolio, particularly in the field of products for the e-commerce sector and those using AI



>Financial parameters at the level of global competition!

We are active on the global market whose value is estimated at **USD 50bn*** and our benchmarks include global companies such as:

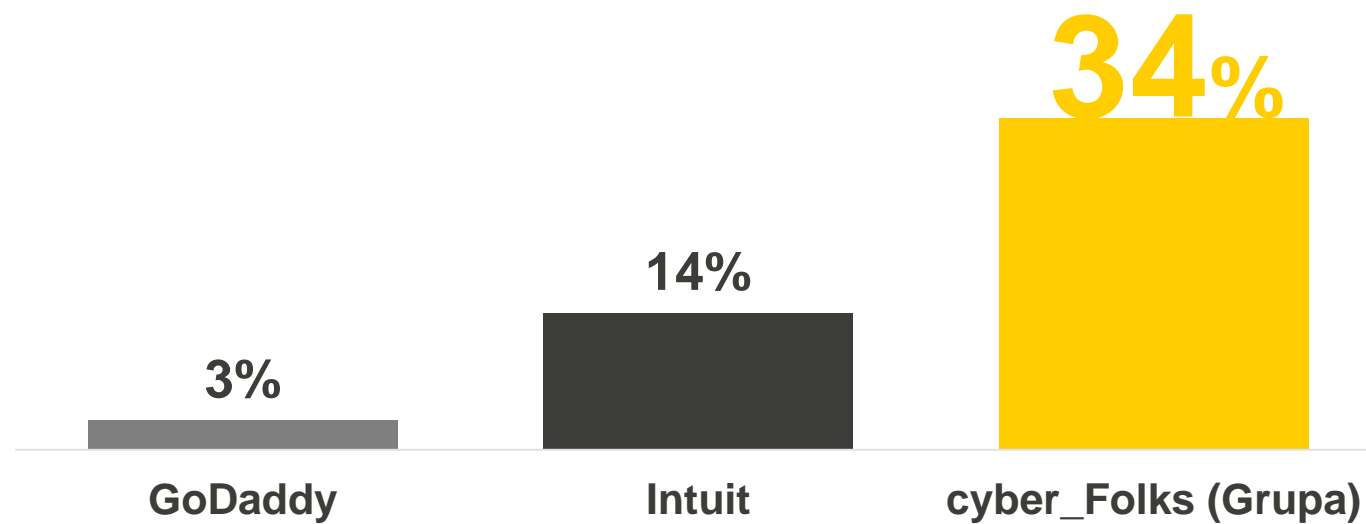
GoDaddy

US hosting company
(USD >10bn market cap)

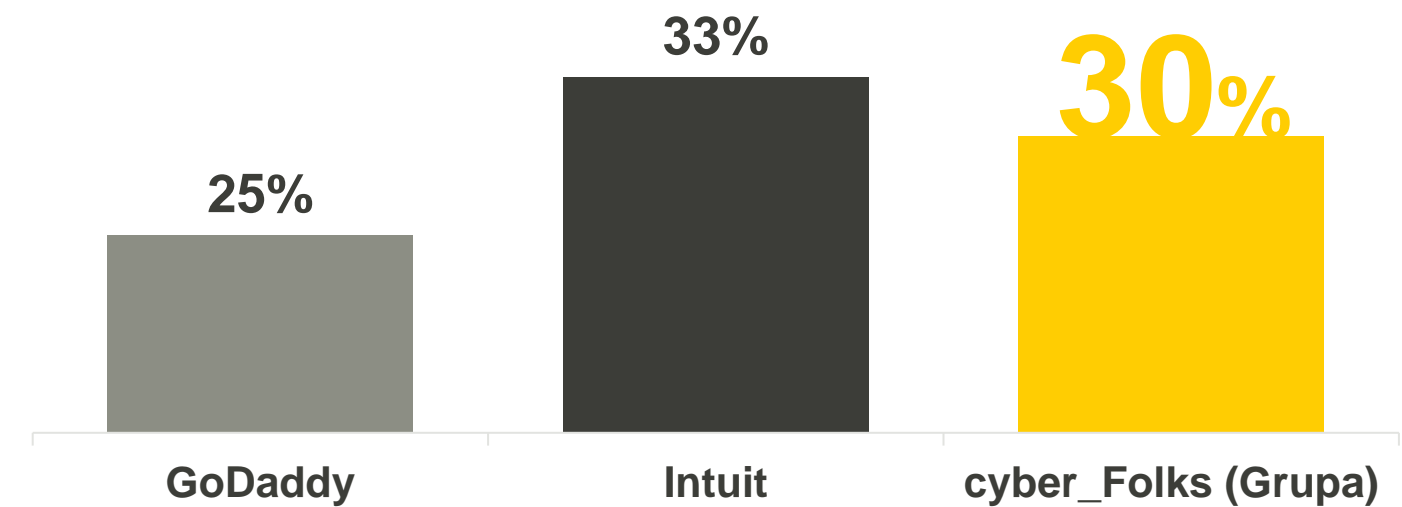
Intuit

US provider of software distributed in SaaS model (i.e. owner of Mailchimp)
(USD 130bn market cap)

Revenue Growth Q2 2022/2021 (%)



EBITDA margin Q2 2022 (%)



* Estimated value of cyber_Folks target market in 2025 based on data on individual business segments: Hosting - own estimate based on internal information and information on the value of revenues based on Statista: "data processing, hosting and related activities", SaaS: Hotel Management Software - Research and Markets: „Hotel Property Management Software Market Research Report”, SaaS: E-commerce Software - Grand View Research: „E-commerce Software Market Size, Share& Trends Analysis Report”, CPaaS - Statista.

**GoDaddy - margin based on Normalized EBITDA parameter, Intuit - margin based on non-GAAP income plus depreciation and amortization.

***Capitalization of GoDaddy and Intuit as of 24/08/2023

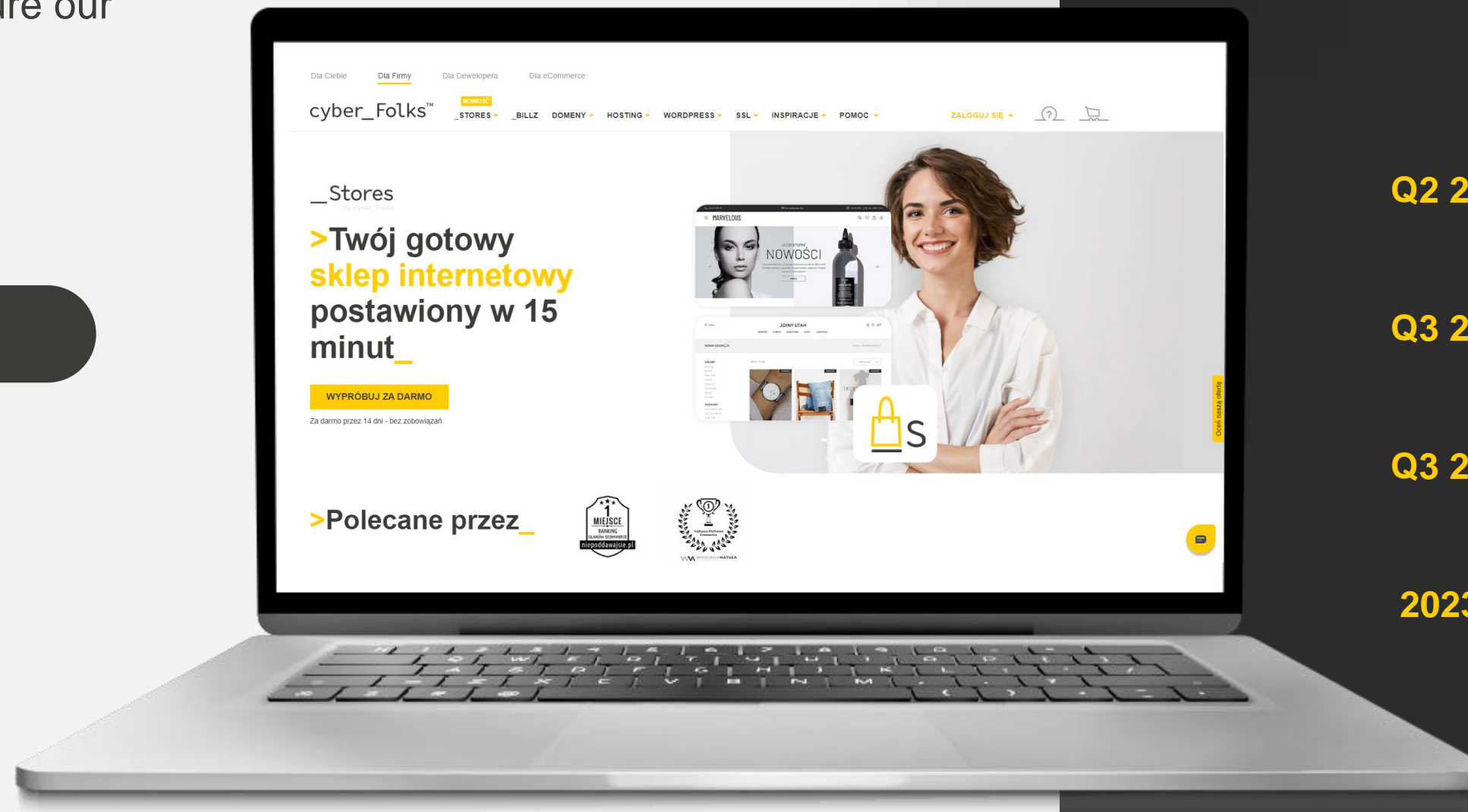
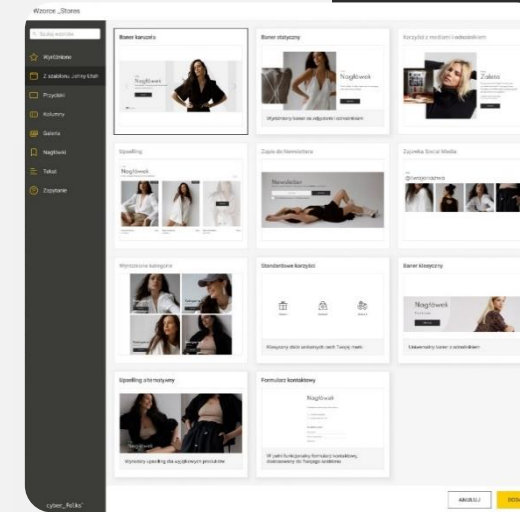
>Development of a product offer that matches client requirements!

Serving over **350k business clients**, we keep adding to our offering new products that best suit their needs and which ensure our ARPU growth.

Dedicated Software

cyber_Folks

CPaaS



Portfolio Development:

- Q2 22** Stores – online store builder
- Q4 22** AI – AI domain builder
- Q2 23** MessageFlow – global multichannel communication product
- Q2 23** AI powered Drag & Drop Email Marketing Editor
- Q3 23** Monitoring – Google position monitoring
- Q3 23** Billz – invoice software
- 2023** Release of more products soon

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>Market

From local company to
global player



>Market: x50 increase of the target market through product-based and geographic expansion_

Goal: Maintaining growth through:

→ Product-based expansion

Unlocking new opportunities in the SaaS segment by broadening the product portfolio complexity to meet specific client needs.

→ Segment-based expansion

Increase customer base by mapping and targeting new customer segments in terms of customer size, industry and location.

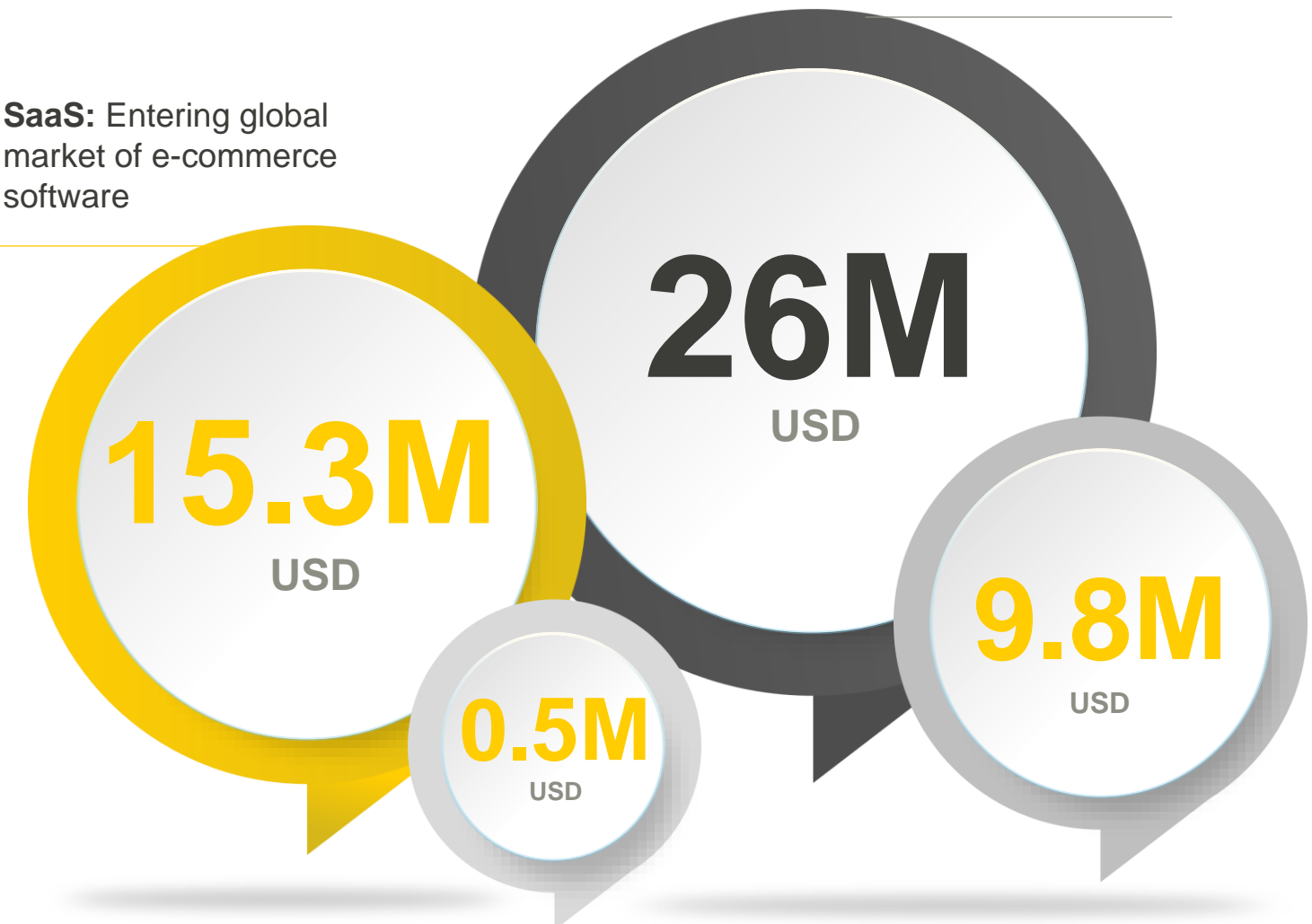
→ Global expansion

Explore post-merger synergies arising from MailerLite acquisition with a focus on global cross-selling and up-selling opportunities.

Market Value: USD 50bn by 2025

CPaaS: Entering global CPaaS market

SaaS: Entering global market of e-commerce software



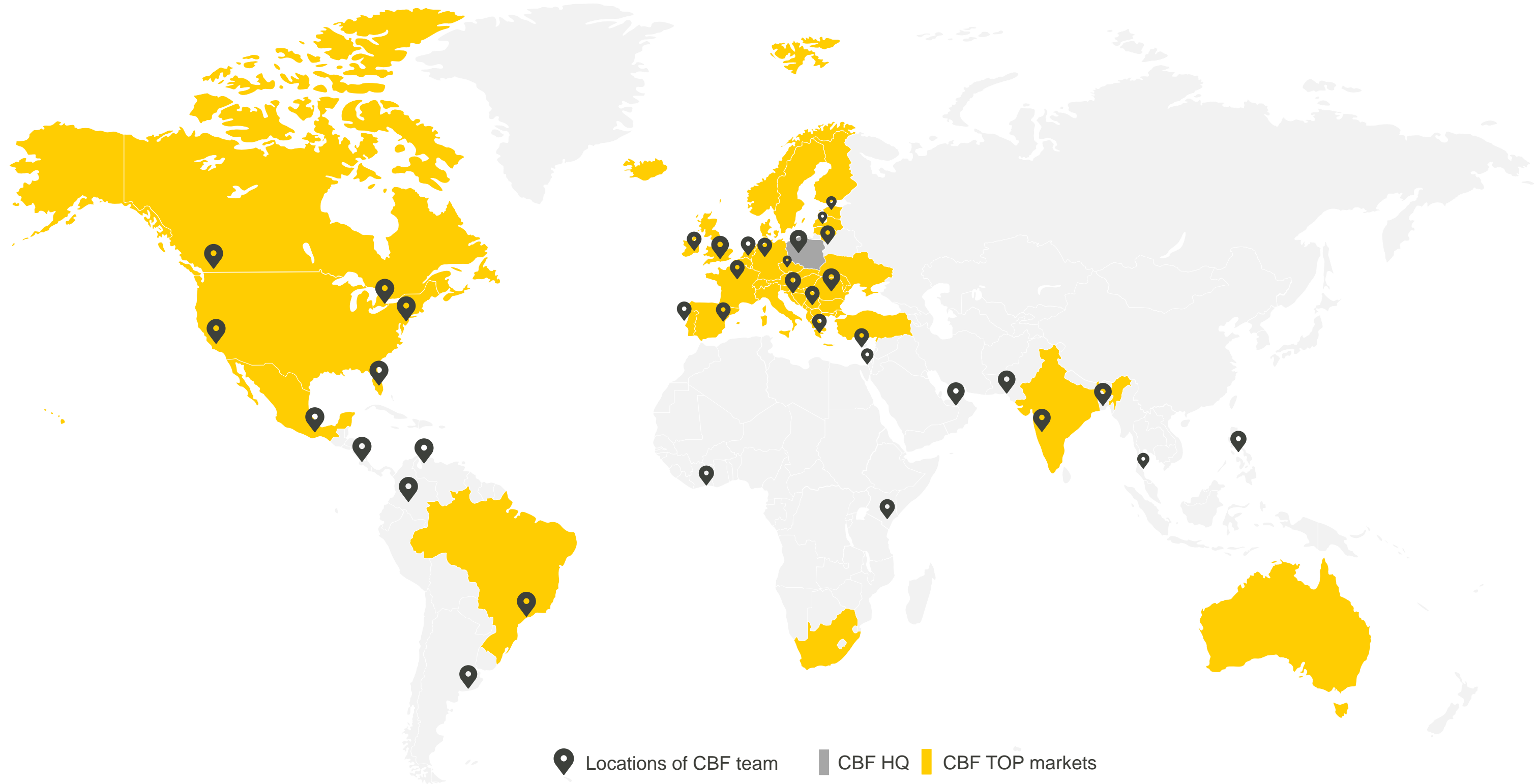
Hosting: Entering Romanian and Croatian hosting market

SaaS: Entering global market of hotel management software

Information for selected markets segments

Sources: Hosting - own estimation based on internal resources and market revenue based on Statista: "data processing, hosting and related activities", SaaS: Hotel Management Software - Research and Markets: "Hotel Property Management Software Market Research Report", SaaS: E-commerce Software - Grand View Research: "E-commerce Software Market Size, Share & Trends Analysis Report", CPaaS - Statista.

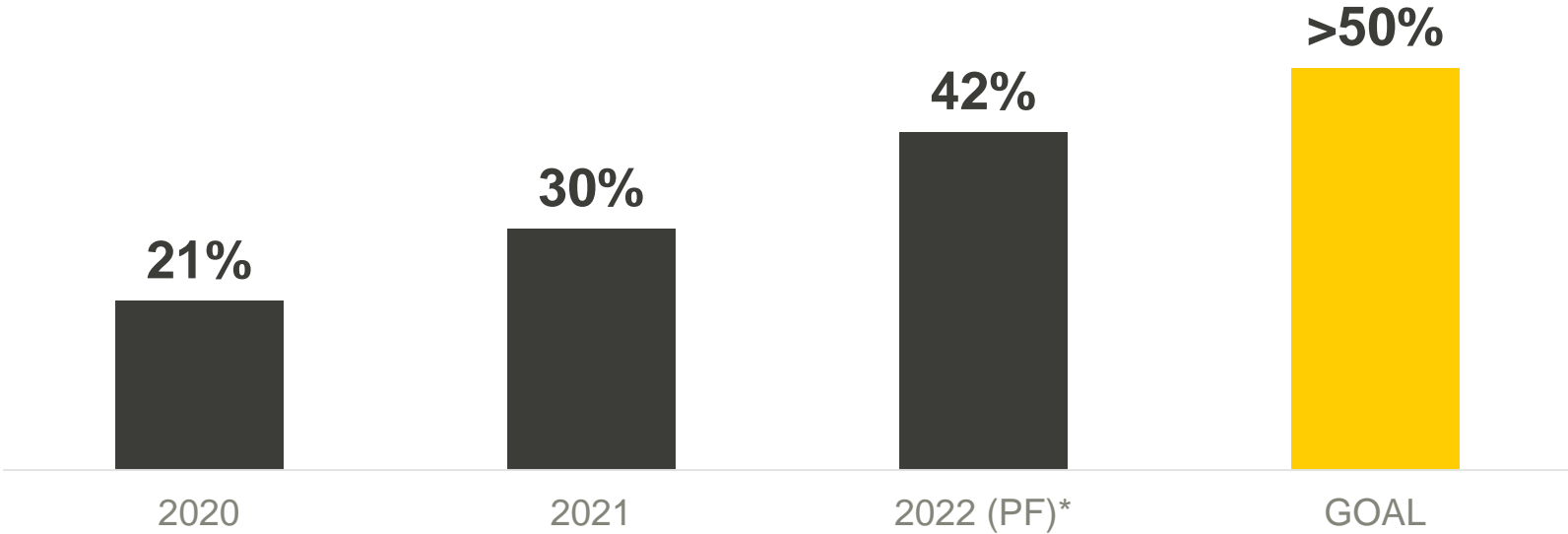
>Market: expansion into >100 markets_



>cyber_Folks gains customers around the world_





























































2X GROWTH

Foreign revenue as % of total revenue (%)



>Our Customers_

We provide solutions for various sectors to meet the needs of the most demanding customers

Retail	E-commerce	Financial	Tech & Digital Marketing	Last mile
 	 	 	 	 
 	 	 	 	 
 	 	 	 	 
FMCG	Media & Telecomms	Hospitality	Manufacturing	Utilities & Other
 	 	 	 	 
 	 	 	 	 
 	 	 	 	 

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Q2 2023

> Financial results



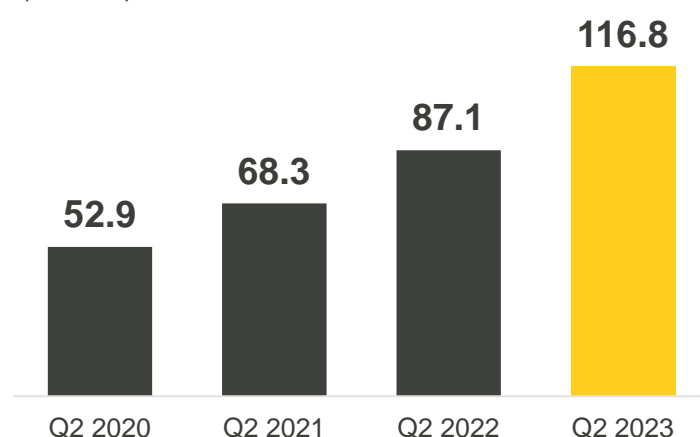
> Dynamic growth in revenues and profits

Selected consolidated financial data:

(PLN k)	H1 2022	H1 2023	Change	Q2 2022	Q2 2023	Change
Sales revenues	171 054	227 301	33%	87 134	116 770	34%
One-off costs	1 747	1 925	10%	1 165	1 808	55%
Adjusted EBITDA	43 852	66 562	52%	22 548	34 954	55%
Amortization	-12 443	-15 465	24%	-6 276	-7 947	27%
Net financial costs	-7 519	-7 813	4%	-5 373	-1 184	-78%
Income tax	-5 050	-8 510	69%	-2 369	-4 821	104%
Net Profit	17 750	33 772	90%	7 888	19 645	149%
Net Profit attributable to shareholders of parent company	12 193	19 408	59%	3 714	10 349	179%

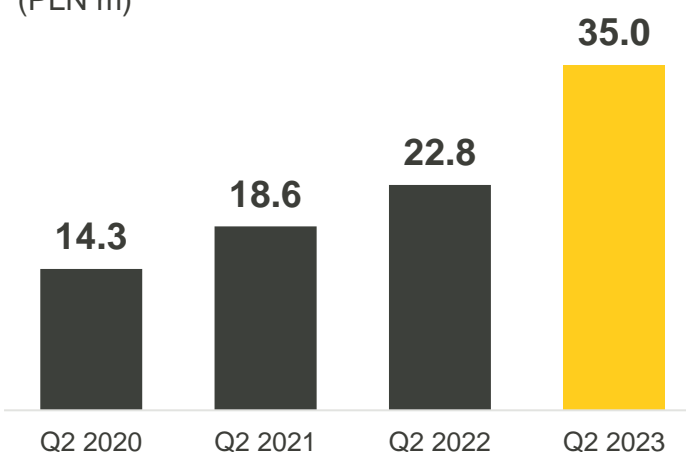
Revenues:

(PLN m)



Adjusted EBITDA:

(PLN m)



- ✓ Fast growth rate accompanied by margin improvement that translates into a 50%-plus growth rate of adjusted EBITDA, which reached PLN 35m on a quarterly basis.
- ✓ EBITDA adjustments relate mainly to non-cash impact of the ESOP program and transaction costs.
- ✓ Very high net profit growth rate is further supported by the denomination of our debt in Euro, stable amortization (stable capital expenditures) and by the positive impact of net financial expenses, i.e. positive impact of FX differences despite the increase in interest-bearing expenses.
- ✓ We expect a continuation of high net profit growth rates in the following quarters thanks to further organic growth and the decline in debt levels, lower interest rates, lower credit margins, an improvement of effective tax rate and stable investment expenses.

>High cash generation capacity_

Selected consolidated financial data:

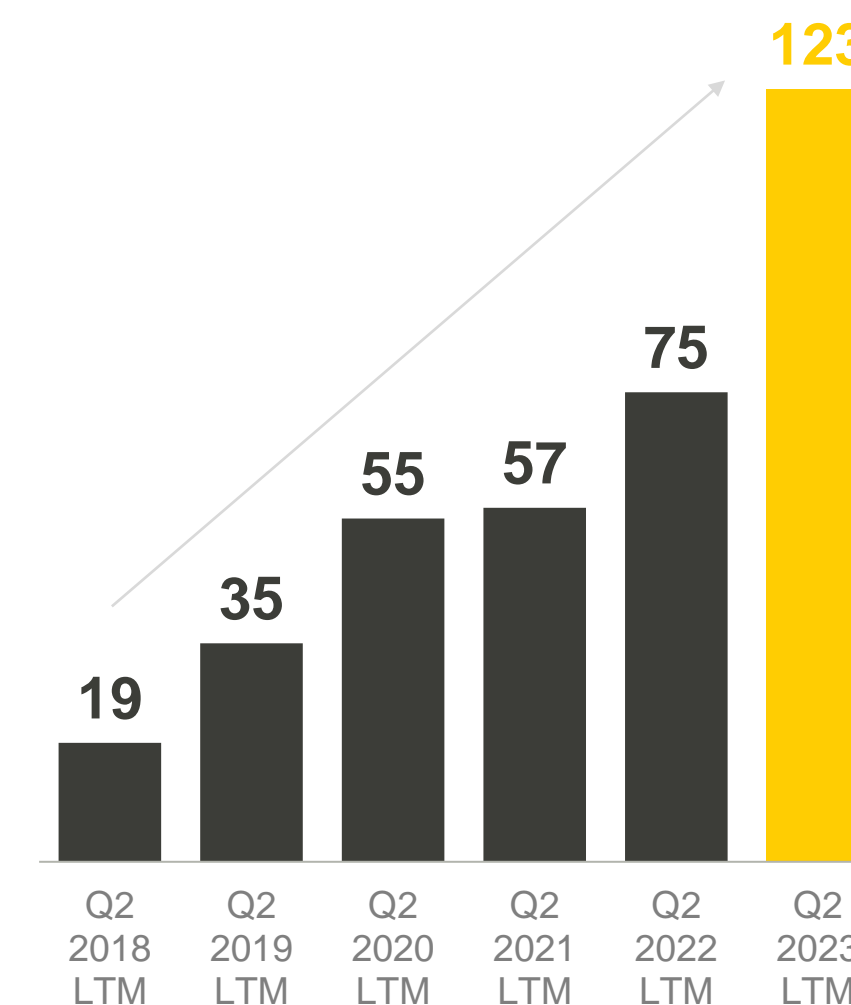
(PLN k)	H1 2022	H1 2023	Change	Q2 2022	Q2 2023	Change
Net cash flow from operating activities	37 732	58 666	55%	16 470	22 678	38%
Purchase of fixed real assets and intangibles less the proceeds from sale of fixed assets	-8 306	-7 449	-10%	-4 522	-1 708	-62%
Payments of lease liabilities	-4 173	-5 410	30%	-2 353	-3 329	41%
Unlevered FCF	25 253	45 807	81%	9 595	17 641	84%
Repayment of credits and loans	-11 563	-20 124	74%	-5 976	-9 969	67%
Interest paid	-6 266	-13 301	112%	-3 848	-6 588	71%
Dividends to minority shareholders	0	-1 309		0	-1 309	
Free Cash Flow (FCF)	7 424	11 073	49%	-229	-225	-2%

(PLN k)	31.12.2022	31.03.2023	30.06.2023
Net debt	292 150	270 067	259 549

Cash from operating activities (PLN m) over the last 12 months (LTM)

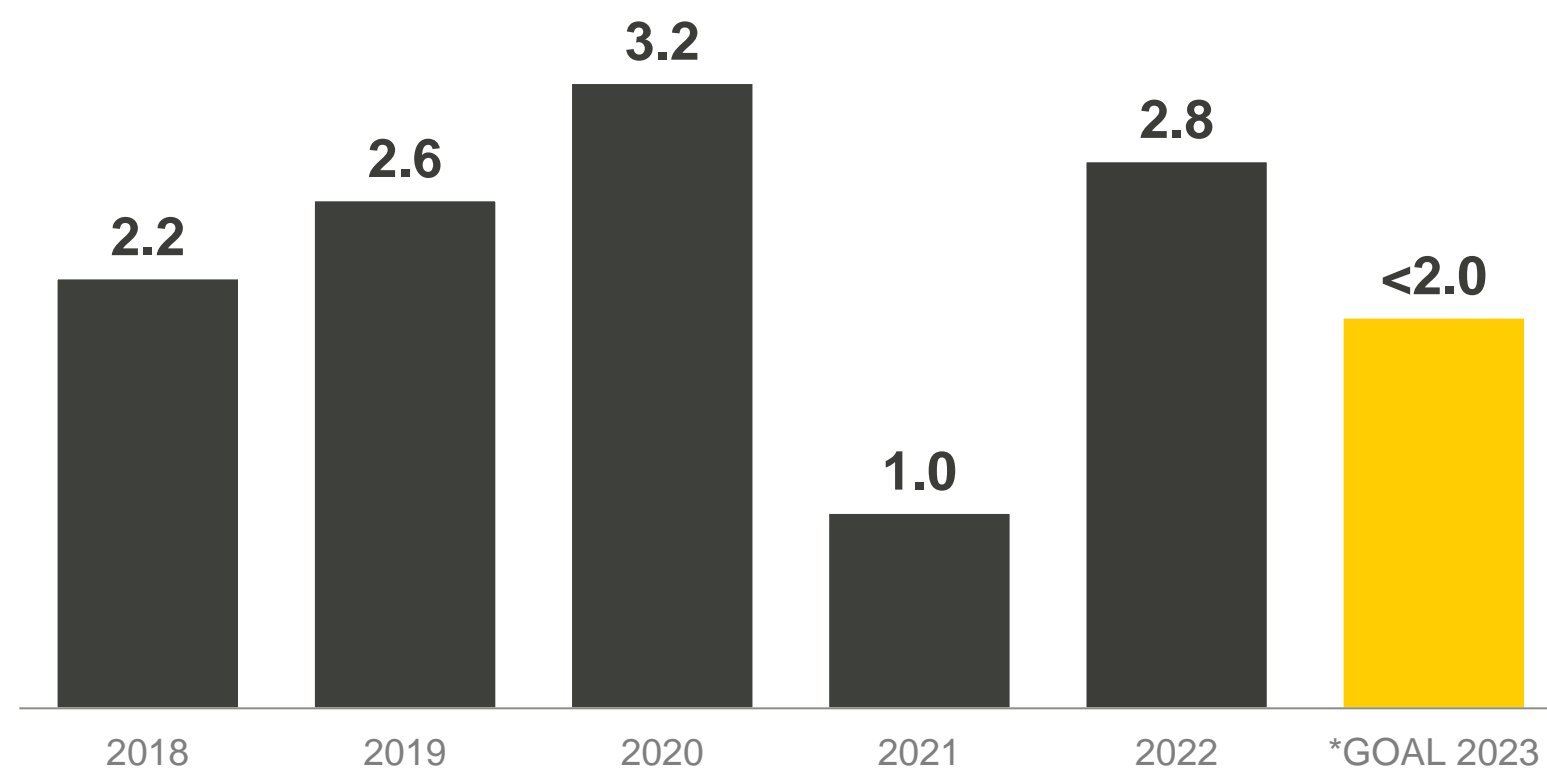
45.4%

CAGR



> We already managed to lower our debt level to the target level planned for the end of 2023

Information from Presentation Q1 2023 Quarterly Report



Our goal for 2023 is to reduce to <2.0 the ratio of net debt vs. EBITDA
In Q2 2023, 6 months earlier, we practically reached this level.

2.05

Q2 2023

*GOAL 2023: Target level of net debt to EBITDA in 2023.

> We already managed to lower our debt level to the target level planned for the end of 2023_

<2.0



GOAL 2023

Greater acquisition opportunities:

Lower debt level once again increases our acquisition opportunities, pushing us closer to our goal of 1 million clients

Greater dividend opportunities:

Higher cash flows improve our potential to distribute profits to shareholders

cyber_Folks™

Q2 2023

> **Key events**



>R22 turns into cyber_Folks:

- The switch from R22 to cyber_Folks is not just a rebranding exercise, but above all a **combination of two strong, energetic brands whose competences complement each other.**
- The merger process is related above all with the rebranding into cyber_Folks. **The number of shares held or other rights arising from these shares remain unchanged.**

>cyber_Folks is planning a benefits program for its Shareholders:

- cyber_Folks started preparations to launch a **loyalty program.** Its purpose is to ensure stronger engagement of the present shareholders and to build the relations with future investors. It will be one of the few loyalty programs developed by companies listed on the Warsaw Stock Exchange. **Details will be announced in the fall of this year.**



> We are all _Folks, cyber_Folks!

R22 turns into cyber_Folks
(GPW: CBF)

>> CUSTOMERS

>> INVESTORS

>> EMPLOYEES

>> PARTNERS



>Why the rebranding into cyber_Folks?

01.

Simplifying the structure and communications

02.

Creation of one **global brand**

03.

Underscoring the basic business - **delivering the best products and services** (NPS at x2 over market average)*

04.

Execution of a single, joint strategy for companies that are part of the Group

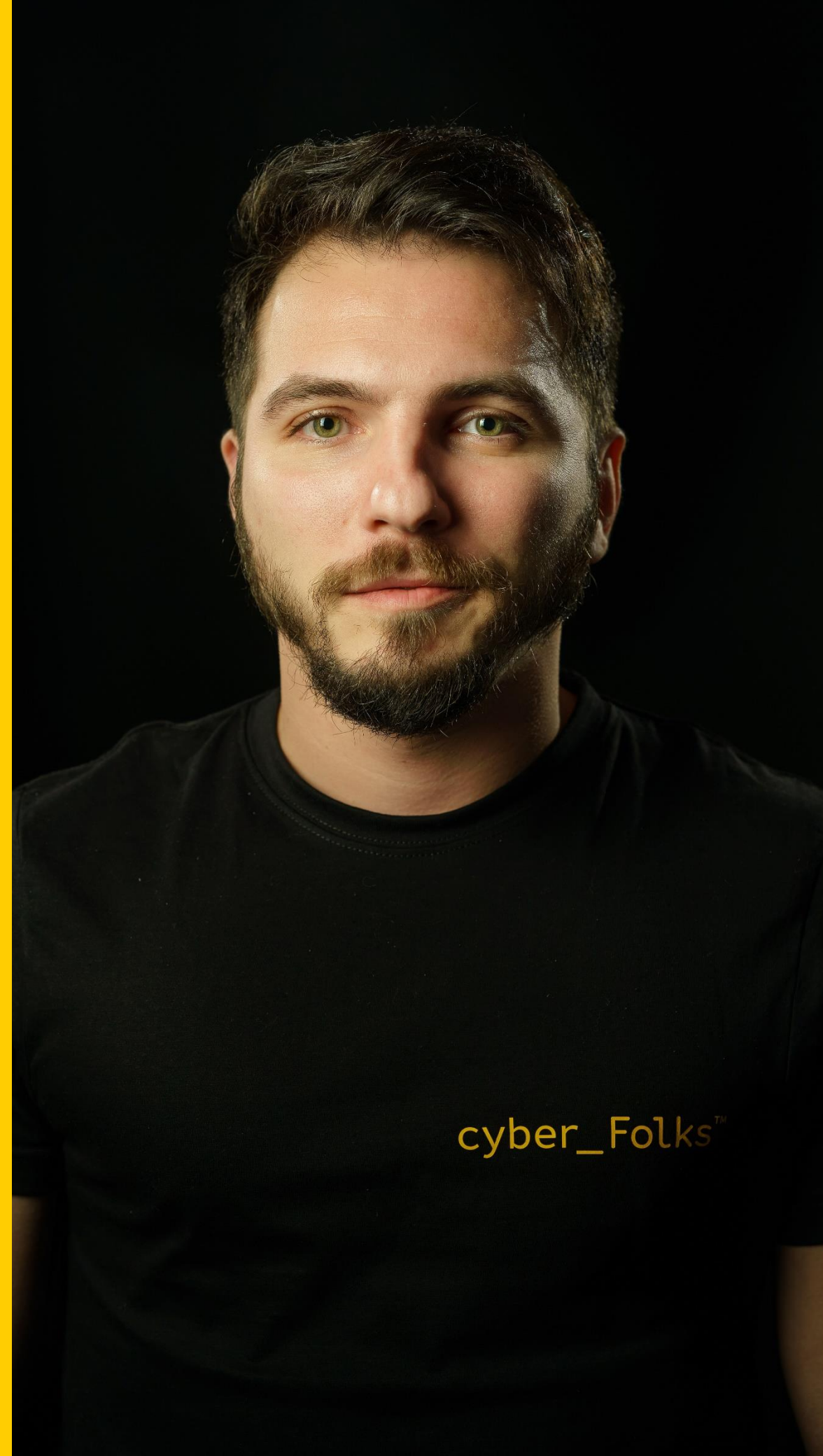
* Source: Retently - B2B Software & SaaS Industry average NPS: 40, Hosting & Cloud Industry average NPS: 25, NPS of selected brands of cyber_Folks.



We are **CYBER**

We are the TECHNOLOGY

We are the bits. We are the servers, PHP, SQL. We are the code behind your website, settings for your campaign and server config files. We are the guardians keeping the spam out of your mailbox. A processor. Capacity. Chart. A number. Anti-virus and a firewall against hostile requests coming your way. Bits flowing through communications links. Double-redundant power supply. We are the PageSpeed score and your website's conversion rate. A high rank in Google ranking and clicks on your ad.



We are **FOLKS**

We are the SUPPORT

We are part of the community. The enthusiast, who will tell you with a face flushed with excitement about the fastest way to install WordPress and will then help you configure it so that it opens before you blink your eyes. A friend, who will listen to you, advise you and get things done so that you can focus on doing what you love. A smile on a webinar, a beer at a conference, good advice on chat, caring about your online presence. We are the support from all sides. All sides. Folks, who help out.

cyber_Folks™

**> Development of
dedicated products
segment**

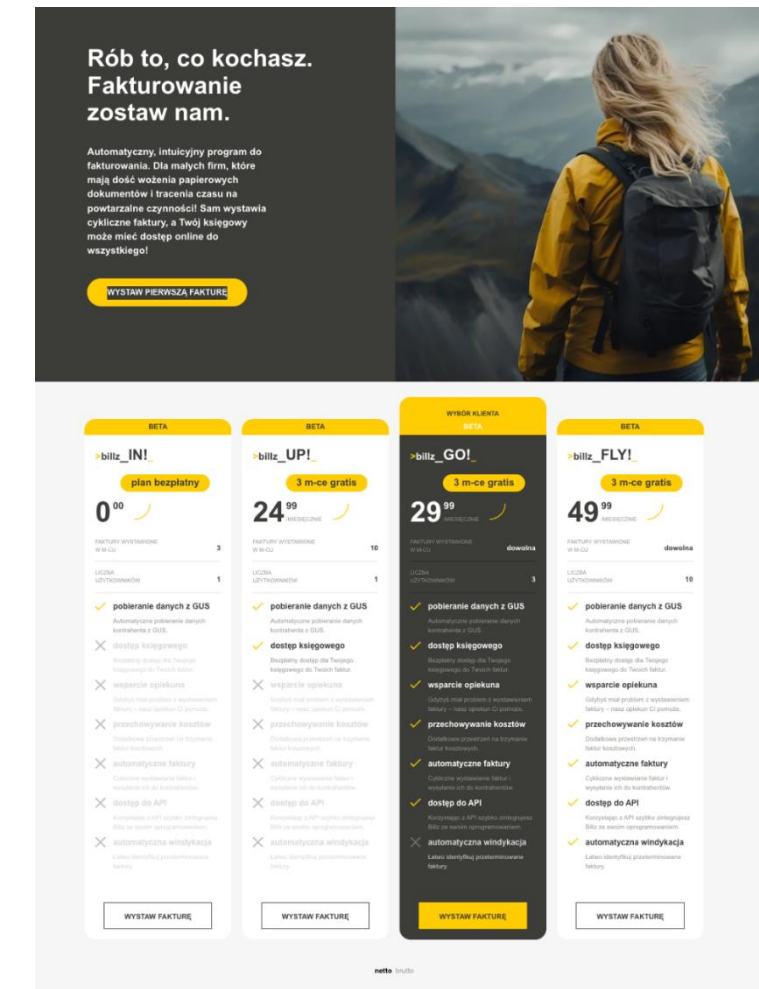
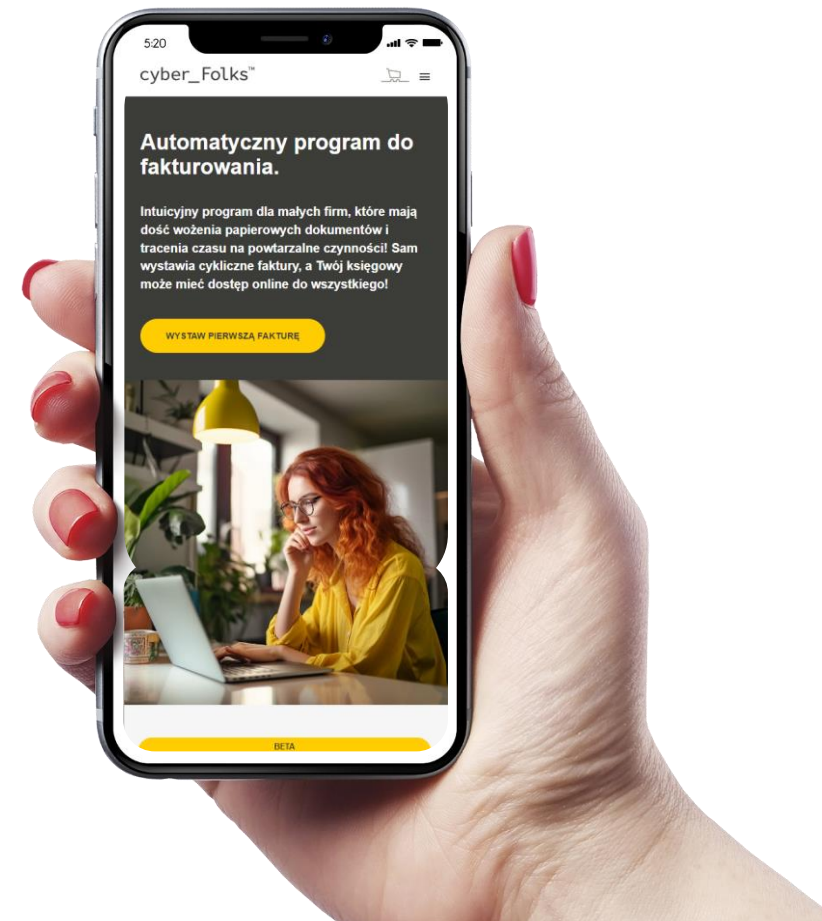
Entrepreneurs

Hotels



>Billz: Invoicing software

Billz is an **automatic and intuitive invoicing program** for **small businesses** that have no time to waste on repeat tasks. It issues invoices by itself and your accountant will have online access to everything.



Positive options of initial users_

” The end of Google Drive

I've been testing the invoicing program for about a month. Because the product is at an early stage of development, my suggestions are being promptly addressed. The cost module is perfect for my needs. The migration was quick thanks to document import from the previous program.

- B2B programmer

” Intuitive interface

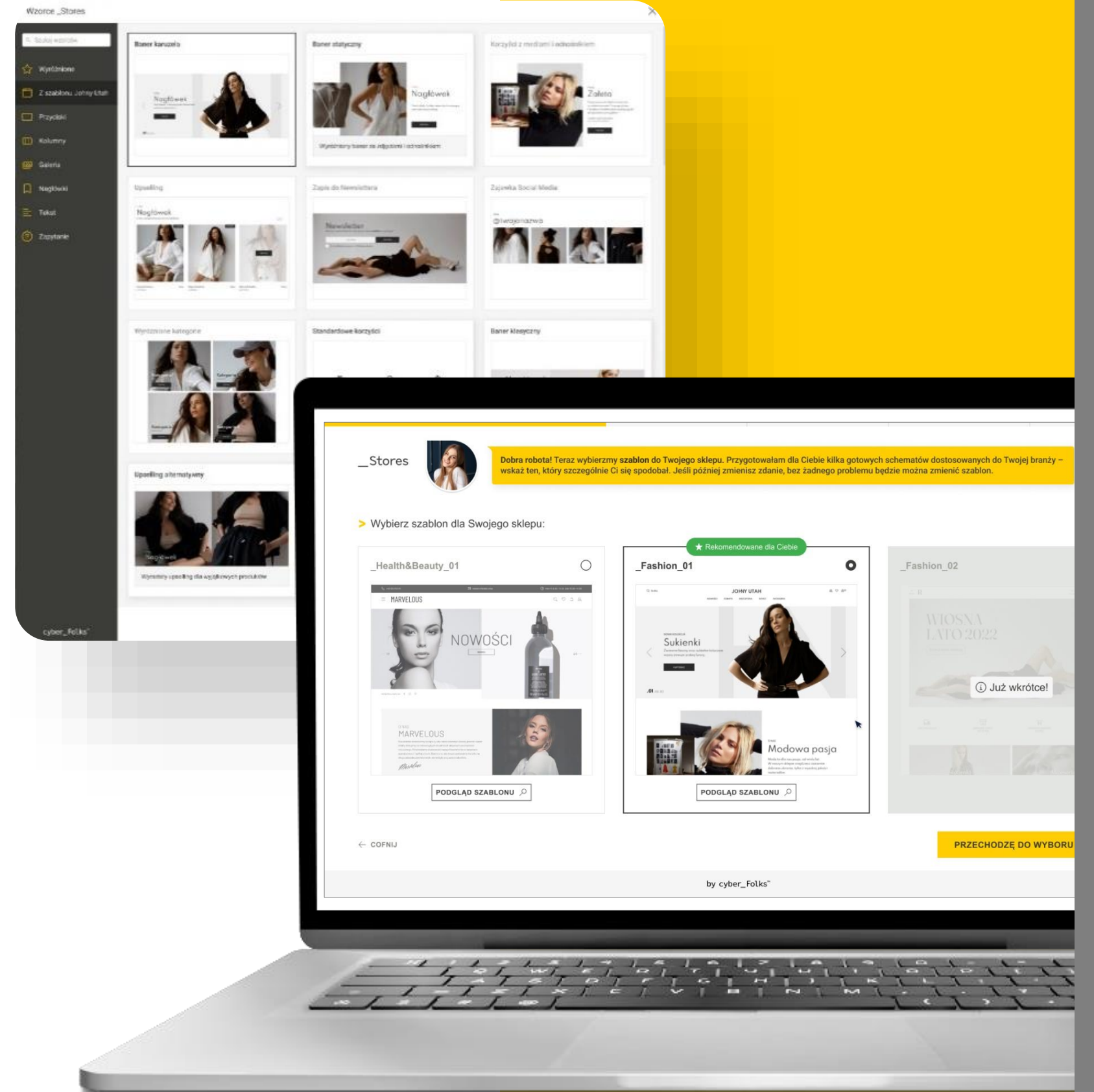
I had a chance to be one of the first users. New features that I use are being added all the time. The support department is quickly solving issues that arise. From the very start I had no problem with orienting myself, unlike other similar programs.

- B2B employee

> Stores: Online store creator

Stores is a tool to create online stores providing a full range of services and incorporating everything in order to easily and effectively start and develop online sales:

- ✓ Support Team focused on boosting sales
- ✓ Professional templates optimized for high conversion rates
- ✓ Fully hosted website, including domain registration and e-mail
- ✓ Simple and intuitive control panel
- ✓ Expanded multi-channel marketing module
- ✓ Integration of e-commerce features including payments and delivery



>Dynamic growth in the hotel solution segment_



In 2019 we invested in **Profitroom**, a developer of SaaS solutions for the hotel industry, acquiring a 33.3% stake for approximately PLN 30m. In the past quarter this segment reported a 27% increase in the booking figures, a 22% increase in revenue and a material improvement in EBITDA, which rose by over 250% to reach PLN 2.5m.

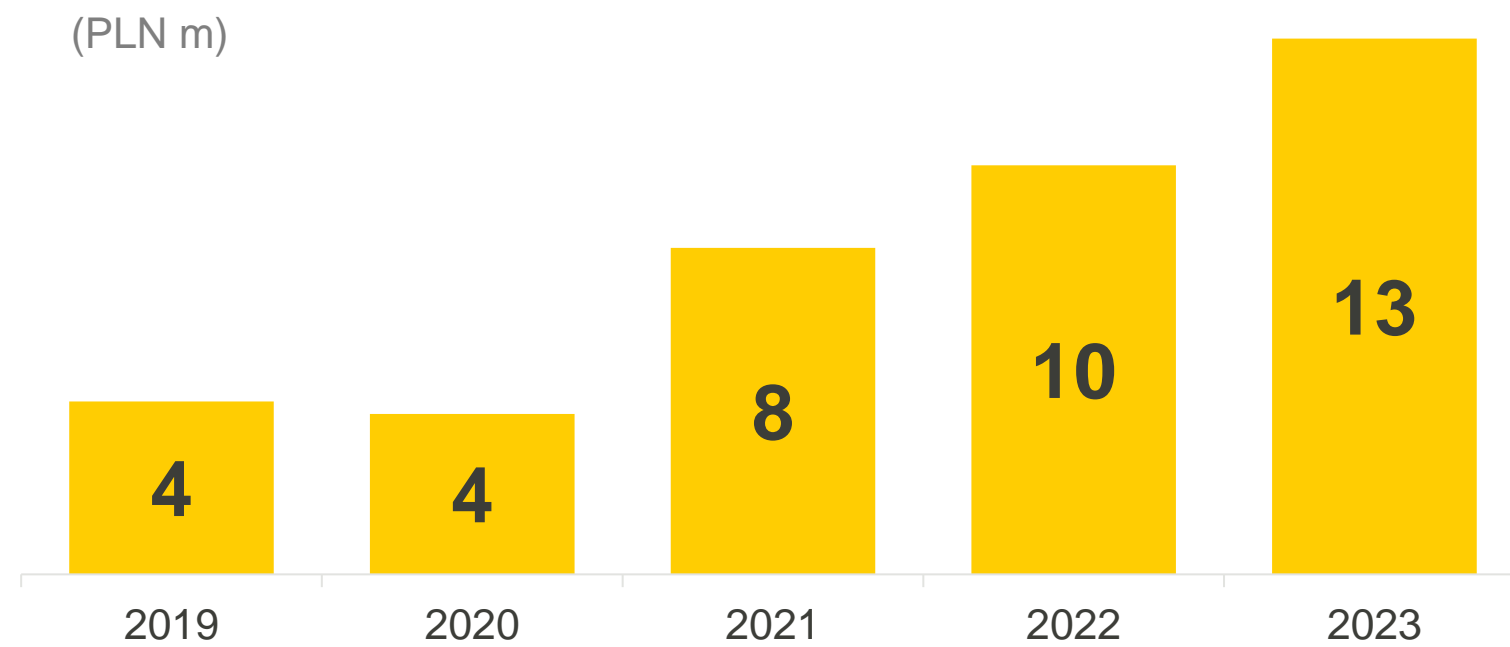
cyber_Folks™

> cyber_Folks for
Shareholders



> Dividend

Since the beginning of our presence on the WSE we have been sharing our profits with the Shareholders, paying an increasingly higher dividend each year.



>Shares_

At the end of H1 2023, cyber_Folks stock price was 55.9% higher than at the beginning of 2023. From the beginning of 2023 to 1 September 2023, the share price rose 52.9%.

Cyber_Folks stock quotes



>cyber_Folks is planning to launch a Shareholder benefit program_



”

One of our strategic goals is to popularize the cyber_Folks brand addressed to both our clients and to investors. By launching a loyalty program, we want to bind current shareholders and clients closer to our company. We are also hoping that additional benefits will help boost its client and shareholder base. At present, we are working on detailed principles of the Program. We are creating a unique value that will pay off, **as increasing the number of cyber_Folks stakeholders should lead to higher level of interest in the stock and an increase in the number of clients**

– Jakub Dwernicki, CEO of cyber_Folks.

MORE STAKEHOLDERS



GREATER INTEREST IN SHARES



INCREASE IN THE NUMBER OF CUSTOMERS

>TOP-PICK in the tech sector for investor portfolio!



WE ARE **GROWING** RAPIDLY



WE HAVE THE SCALE AND WE OPERATE **GLOBALLY**



WE ARE **PROFITABLE** AND WE **SHARE** OUR PROFITS WITH SHAREHOLDERS

Towards mWIG40!



Position in sWIG80

Years 2019-2022 is the cyber_Folks position according to the December portfolio revision by the WSE. Current position, according to data published on <https://gpwbenchmark.pl/>, as of the end of the session on 1 September 2023.



cyber_Folks™

2023

> Key events



>Key events 2023

9 February 2023

→ **The establishment of ESOP at cyber_Folks**

→ cyber_Folks Shareholders' Meeting has approved an incentive program for cyber_Folks employees. The program is divided into a loyalty component (based on seniority) and a motivational component (based on the execution of business goals). The business goal is based on a consistent organic EBITDA growth, including: reaching PLN 100m EBITDA in 2026. Agreements with employees regarding ESOP will be signed in May 2023.

28 March 2023

→ **Record results, over PLN 100m EBITDA in 2022**

→ R22 Group continued its rapid growth, increasing the scale of its operations and its financial results. In 2022 for the first time ever its EBITDA exceeded PLN 100m, representing a 34% growth on a year-on-year basis. Revenues totaled PLN 392m, or 32% more than the year before. At the same time the Group generated a net profit in excess of PLN 40m.

15 March 2023

→ **4th place in the Giełdowa Spółka Roku [Listed Company of the Year] ranking**

→ R22 took the 4th place in a ranking of 140 companies listed in the WSE. The 100-plus chapter members included analysts, mutual fund managers and investment advisors. Assessment criteria included areas such as management competence, growth prospects, the level of innovation of products and services, quality of investor relations and the company performance in 2022.

→ R22 received a score of 85.97/100 points, becoming one of the top of the best listed companies according to the ranking.

31 March 2023

→ **Record number of new clients at MailerLite**

→ MailerLite, the company acquired last year, is rapidly growing the scale of its operations. In March 2023 alone the company gained over 4,000 new clients. Such strong performance is the result of consistent brand development, quality-focused customer approach and a scalable business model.

>Key events 2023

6 April 2023

- **Premiere of the full version of _Stores**
- The _Stores product completed its incubation stage and emerged from the Beta stage. The premiere of the full version took place at Targi eHandlu trade fair. During open tests the product was implemented by scores of clients, facilitating the optimization and giving us the opportunity to address the suggestions of initial clients. The solution is systematically gaining new satisfied clients, boosting the effectiveness of their sales efforts.

18 May 2023

- **The Managing Board is recommending appropriation of profits for 2022**
- R22's Managing Board has proposed to the General Meeting a dividend payment totaling PLN 0.93 per share. Total dividend payment according to the Managing Board recommendation stands at PLN 13.2m. A final decision regarding the dividend was made by the Shareholders at the General Meeting called for June 26, 2023.

26 June 2023

- **Shareholder decision on the dividend payment**
- The General Shareholders' Meeting has decided to pay the dividend according to the Managing Board recommendation, i.e. a payout of PLN 0.93 per share. Total dividend amount reached PLN 13.2m. The dividend paid to shareholders represented the entire unconsolidated net profit for 2022 (PLN 6.7m) plus PLN 6.5m from the reserve capital.
- The record date was set as August 30, 2023 with the dividend payment date on September 4, 2023.

31 July 2023

- **Merger of R22 and cyber_Folks**
- The National Court Register has registered the merger of R22 S.A. (the acquiror) with cyber_Folks S.A. (the target company, a subsidiary 100% owned by R22 S.A.). Registration of the Company's Articles of Association, which changed its name to cyber_Folks S.A. took place on the same date.
- A decision on the merger was made by the Shareholders at the General Meeting on June 26, 2023.

cyber_Folks™

> Business Segment Overview



cyber_Folks™

> cyber_Folks
operating segment



> Financial results of cyber_Folks

Selected financial data:

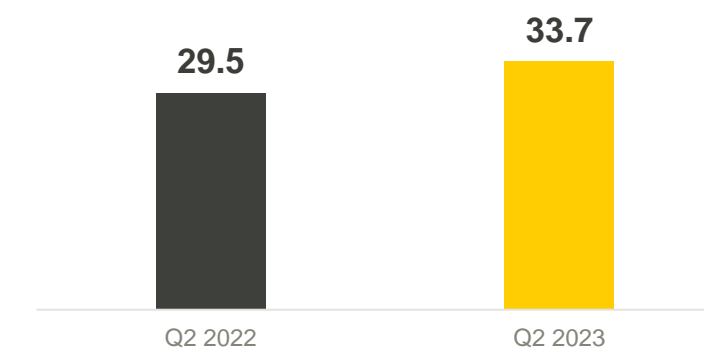
(PLN k)	H1 2022	H1 2023	Change	Q2 2022	Q2 2023	Change
Revenue	59 465	69 084	16%	29 456	33 698	14%
EBIT	17 057	20 223	19%	8 456	9 084	7%
Amortization	-6 813	-7 158	5%	-3 433	-3 580	4%
Operating EBITDA	23 870	27 381	15%	11 889	12 664	7%
<i>One-off costs</i>	0	1 691		0	1 691	
Adjusted EBITDA	23 870	29 072	22%	11 889	14 355	21%
<i>Margin</i>	40,1%	42,1%		40,4%	42,6%	
CapEx	5 448	6 262	15%	3 465	2 448	-29%
<i>CapEx%</i>	9,2%	9,1%		11,8%	7,3%	

- Stable revenue growth and very high EBITDA growth of over 20%
- Positive impact of ARPU growth through expansion of product offering and delivery of more value to loyal customers
- Stable capital expenditure (R&D and IT equipment)

Revenue:

(PLN m)

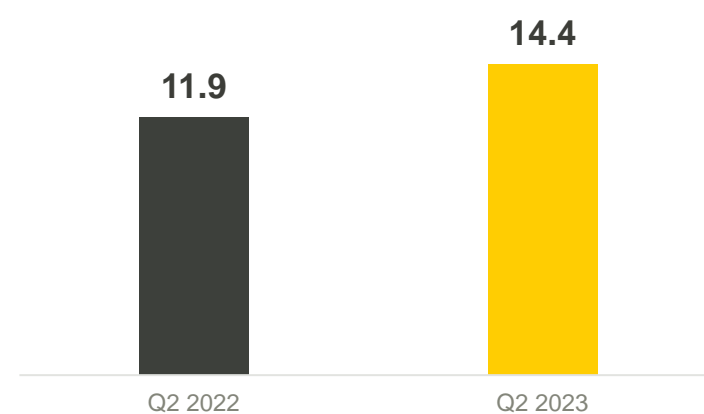
+14%



Adjusted EBITDA:

(PLN m)

+21%



> Selected KPI of cyber_Folks

Hosting:

	Q2 2021	Q2 2022	Q2 2023
# customer (K)	200.2	216.2	223.7
ARPU LTM (PLN)	278.5	318.3	375.0

Domains:

	Q2 2021 ¹⁾	Q2 2022 ²⁾	Q2 2023 ²⁾
# domains (k)	361.6	386.4	398.1
ARPU LTM ³⁾ (PLN)	72.0	76.0	87.5

The Group has stable churn, better than market average:

Hosting: 17%

Domains: 27%

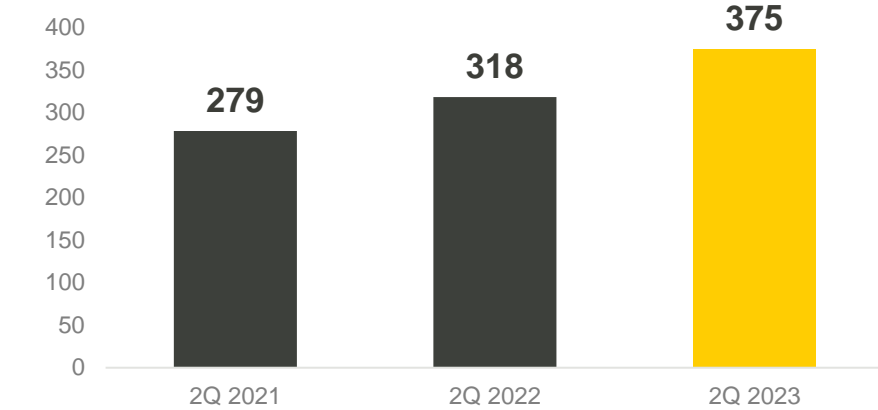
220k
hosting customers

400k
domains

- ✓ Focus on e-commerce sector
- ✓ Increase in ARPU and margins
- ✓ High level of service quality and customer satisfaction (stable NPS and First Time Response rates)

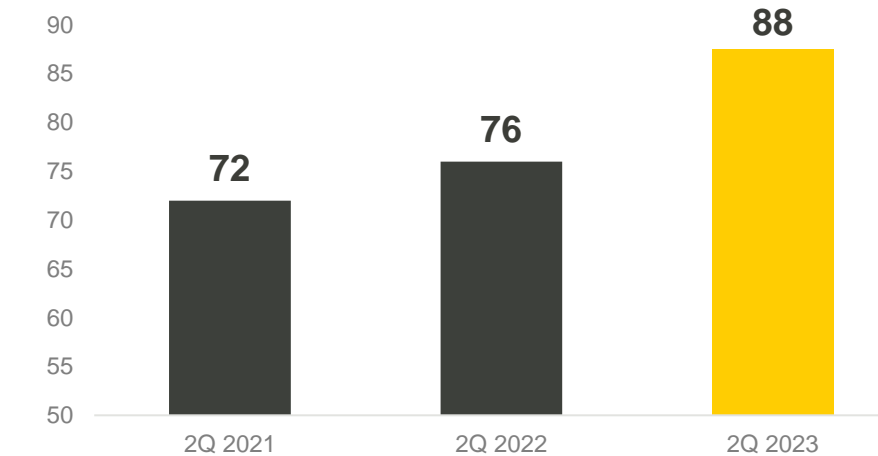
ARPU LTM:

(PLN)



ARPU LTM³⁾:

(PLN)



*1) Including 8,2k domains in the promotion for 0 PLN 2) All paid domains 3) Only on paid domains

VERCOM

> CPaaS operating segment



> Financial results of Vercom_

Selected financial data:

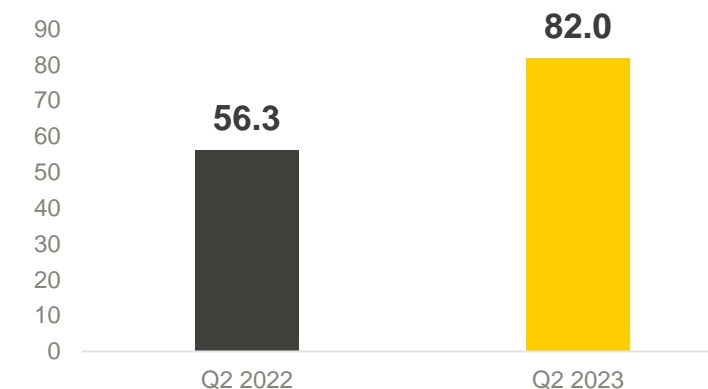
(PLN k)	H1 2022	H1 2023	Change	Q2 2022	Q2 2023	Change
Revenue	109 143	156 565	43%	56 298	81 988	46%
EBIT	15 087	31 072	106%	7 968	17 018	114%
Amortization	-4 847	-7 210	49%	-2 436	-3 809	56%
Operating EBITDA	19 934	38 282	92%	10 404	20 827	100%
<i>One-off costs</i>	2 026	234	-88%	1 444	117	-92%
Adjusted EBITDA	21 960	38 399	75%	11 848	20 944	77%
<i>Margin</i>	20,1%	24,6%		21,0%	25,5%	
CapEx	5 044	5 477	9%	3 064	2 195	-28%
<i>CapEx%</i>	4,6%	3,5%		5,4%	2,7%	

- ✓ Doubled profits through strong growth in global markets and improved product mix for higher margin channels.
- ✓ Stable overhead and selling costs.
- ✓ Stable R&D expenditure.

Revenue:

(PLN m)

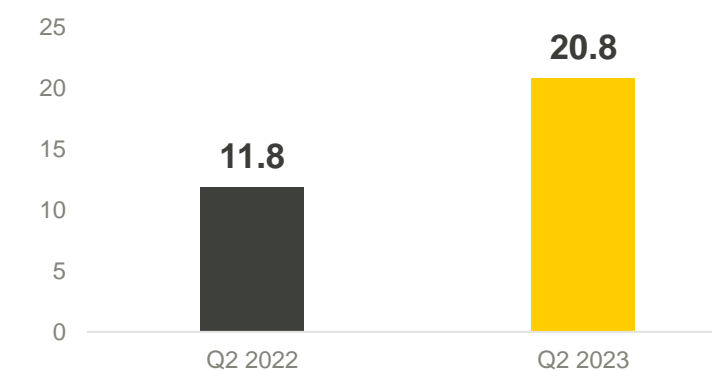
+46%



Adjusted EBITDA:

(PLN m)

+77%

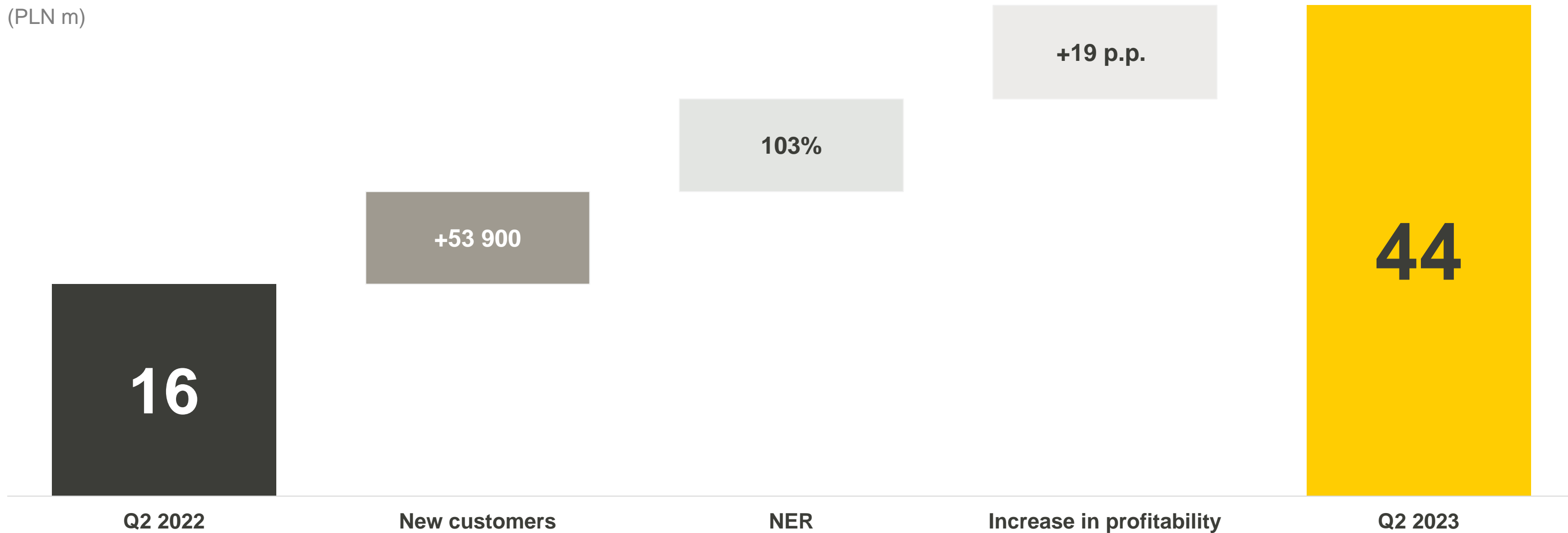


>Gross margin growth driven by new customers and increased profitability_

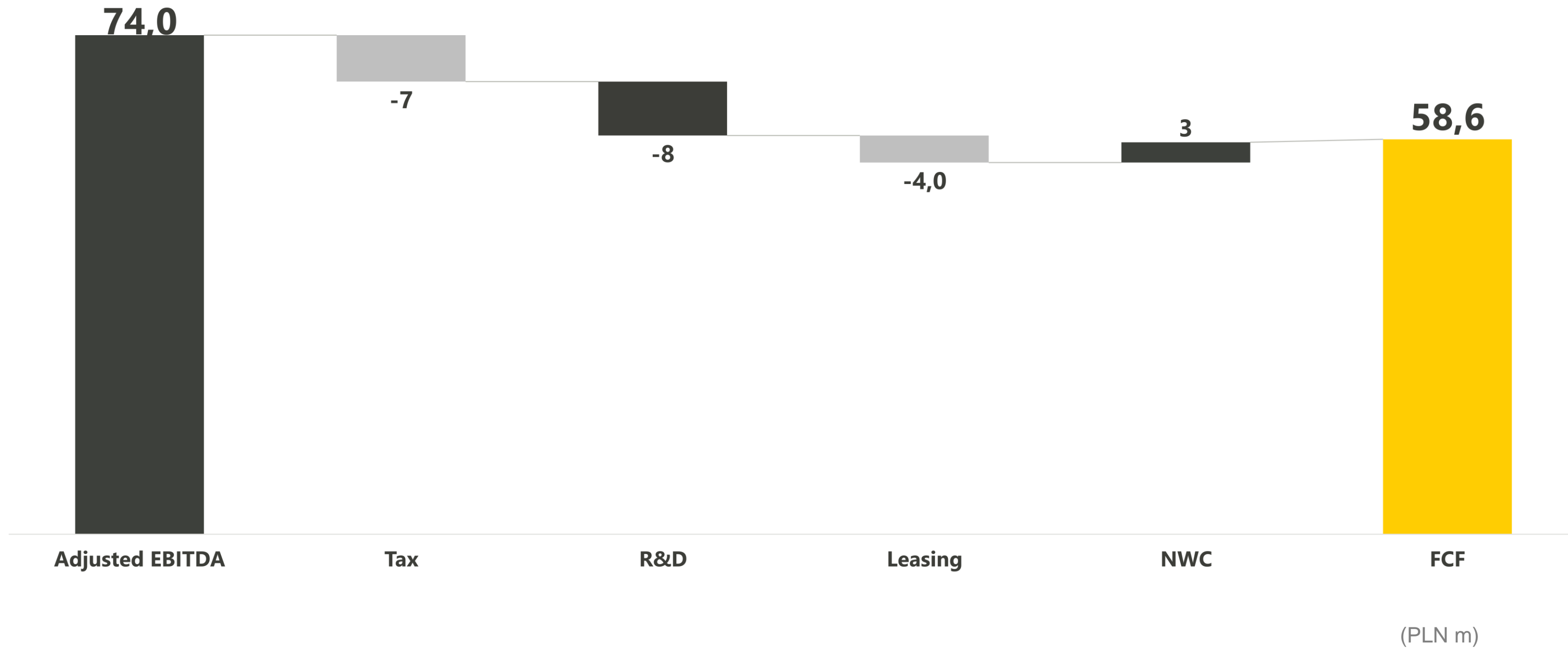
Gross margin:

x2.3

(PLN m)



> High conversion of EBITDA to operating cash flow
(LTM - last twelve months)



>Communication Platform as a Service

Basic information

Vercom creates global cloud-based communications platforms (CPaaS) that enable companies to build and develop lasting relationships with their audiences across multiple communication channels.

Vercom's solutions help our customers and partners overcome communication complexity, automate and scale-up, while maintaining high deliverability and efficiency - all in a fast, secure and reliable manner.

The company's solutions include services using commonly used communication channels, such as SMS, email and push.

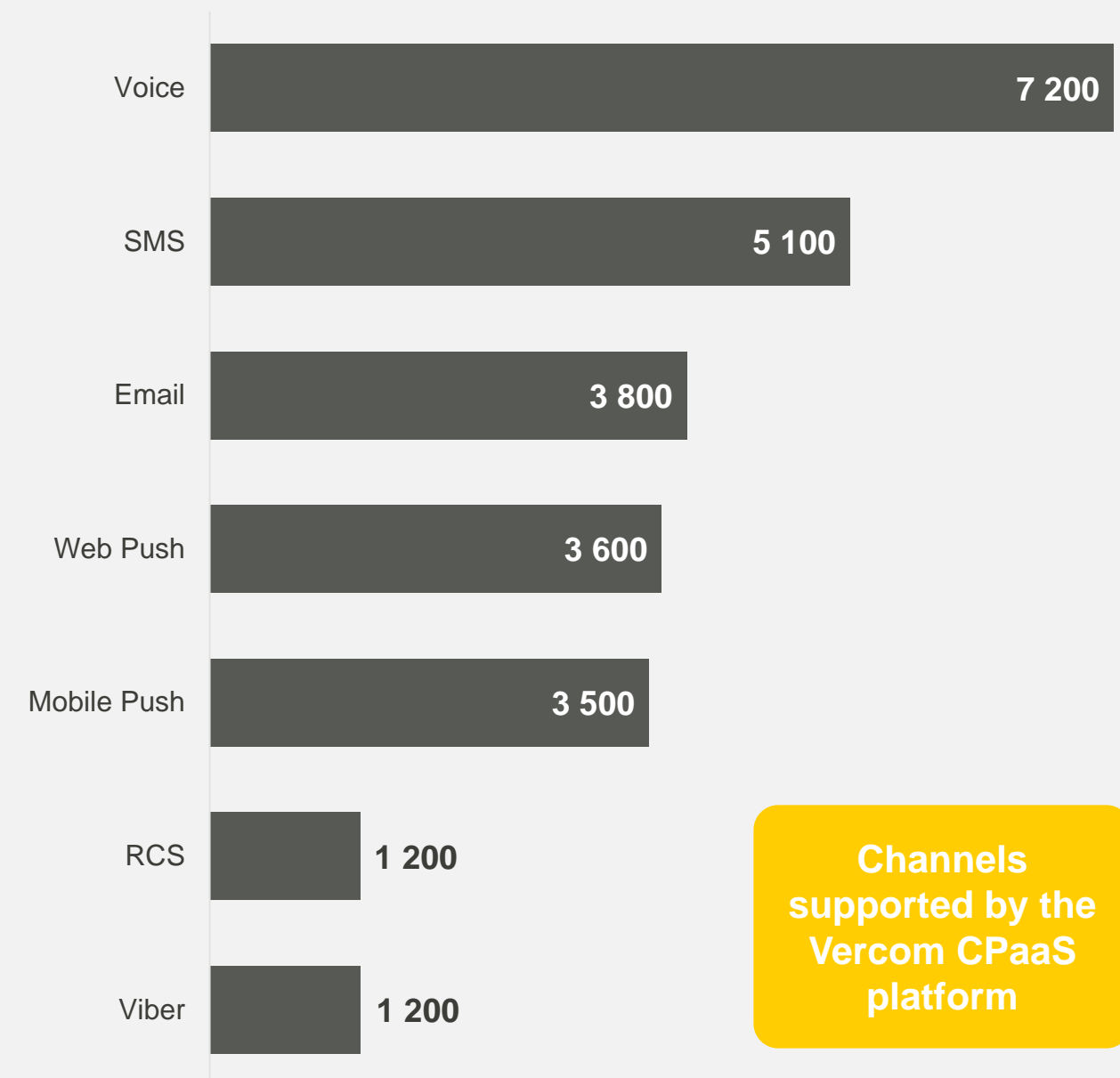
Vercom's clients are entities from various sectors of the economy, in particular e-commerce companies and e-commerce support services, including logistics of electronic payments. Entities from the financial sector are also a significant group of clients.

CPaaS services

CPaaS is a solution enabling communication between companies and their customers through one centralized platform.

The platform organizes communication within complementary channels: SMS, e-mail, push, OTT, as well as voice and video. In B2C communication, each of these channels has a specific purpose. The key to effective communication is the appropriate combination of individual channels, thanks to which it is possible to transfer transactional and marketing information as effectively as possible.

Global range (m users)



Source: GSMA.com, Statista, Facebook

>Communication Platform as a Service

Why is it worth using CPaaS services

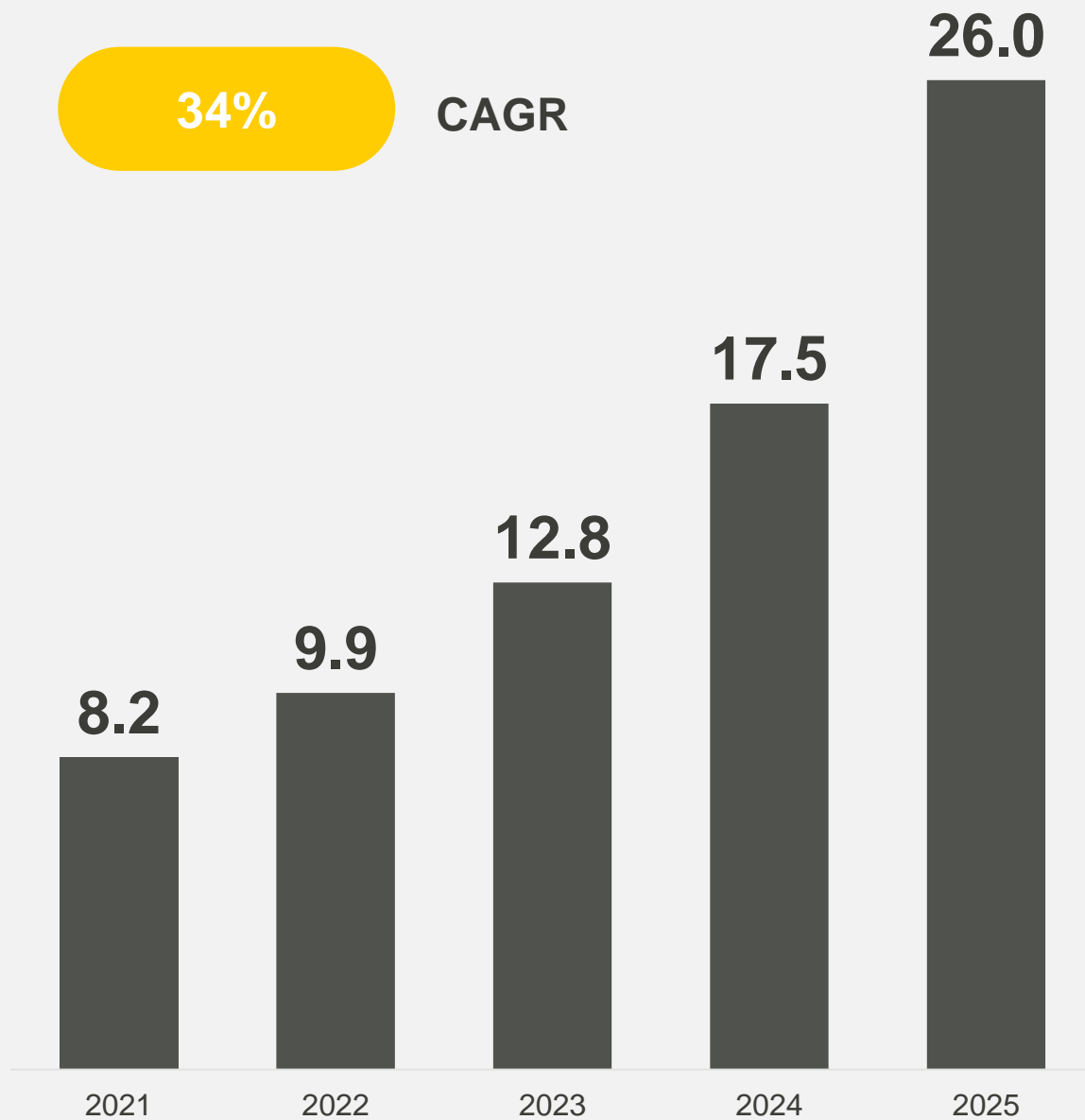
Thanks, among others the use of distributed system architecture and appropriate encryption standards, the use of CPaaS greatly facilitates the management of communication processes and increases security.

CPaaS market

The main stimulants of the growth of this market are the dynamic development of e-commerce, the development of marketing automation services and the broadly understood digitization of society (banking, telecommunications, administration, etc.). The growth of e-commerce consequently drives the growth of the entire ecosystem supporting its operation (logistics, payments, MarTech). For each single online transaction, the CPaaS platform is responsible for providing several information and messages for entities participating in this process.

The level of use of CPaaS services among enterprises is relatively low, which is another factor positively influencing the market development prospects in the long term. The market is still dominated by single-channel solutions, which, compared to multi-channel solutions, are less effective, convert less well, are usually more expensive and more complicated to manage.

Global SPaaS market value (USD bn)



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> **Development
prospects**



>Leveraging present customer base

ARPU Boost

- Continuation of offer changes related to the unification of the offer and the introduction of new products in both cyber_Folks and Vercom services.
- Activities targeting cross-sell and up-sell of products and services offered by the Group.
- Increased sales of ancillary services.

Product development

- Use of cyber_Folks investee companies to sell existing and new Group products - User.com (new markets for email and SMS sales), Appchance (solutions using push and RCS), MailerLite (new markets for sms and push sales),
- Product development of Vercom's range of instant messaging products such as Viber, WhatsApp, RCS using chatbot technology.
- The Group also plans to develop platforms to support the tools currently offered. The main areas of focus are primarily email, retargeting and lead generation.
- Development of tools for e-commerce, including, among others, the solution for creating and running online shops _Stores and the e-commerce integration Sellintegro. Commercialisation in international markets, including cross-sell to Group customers.
- Development of products using artificial intelligence (AI) - cyber_Folks - AI domain builder, FreshMail - SendGuard (anti-spam and anti-phishing tool to increase email deliverability), User.com - ChatAI.

Marketing strategy

- Long-term consolidation of marketing and communications strategy at Group level – complete solutions for all clients active in online space and those wishing to communicate effectively with their clients. In the short- and medium-term in particular, the group is planning to consolidate its brands and marketing strategy in the hosting segment, giving it an opportunity, it utilize current marketing budgets in a more effective manner, acquiring new clients and supporting other efforts to increase the ARPU, i.e. greater cross-selling among the existing segments and using opportunities to upsell to clients and a further unification of the offering both in Poland and on new markets.

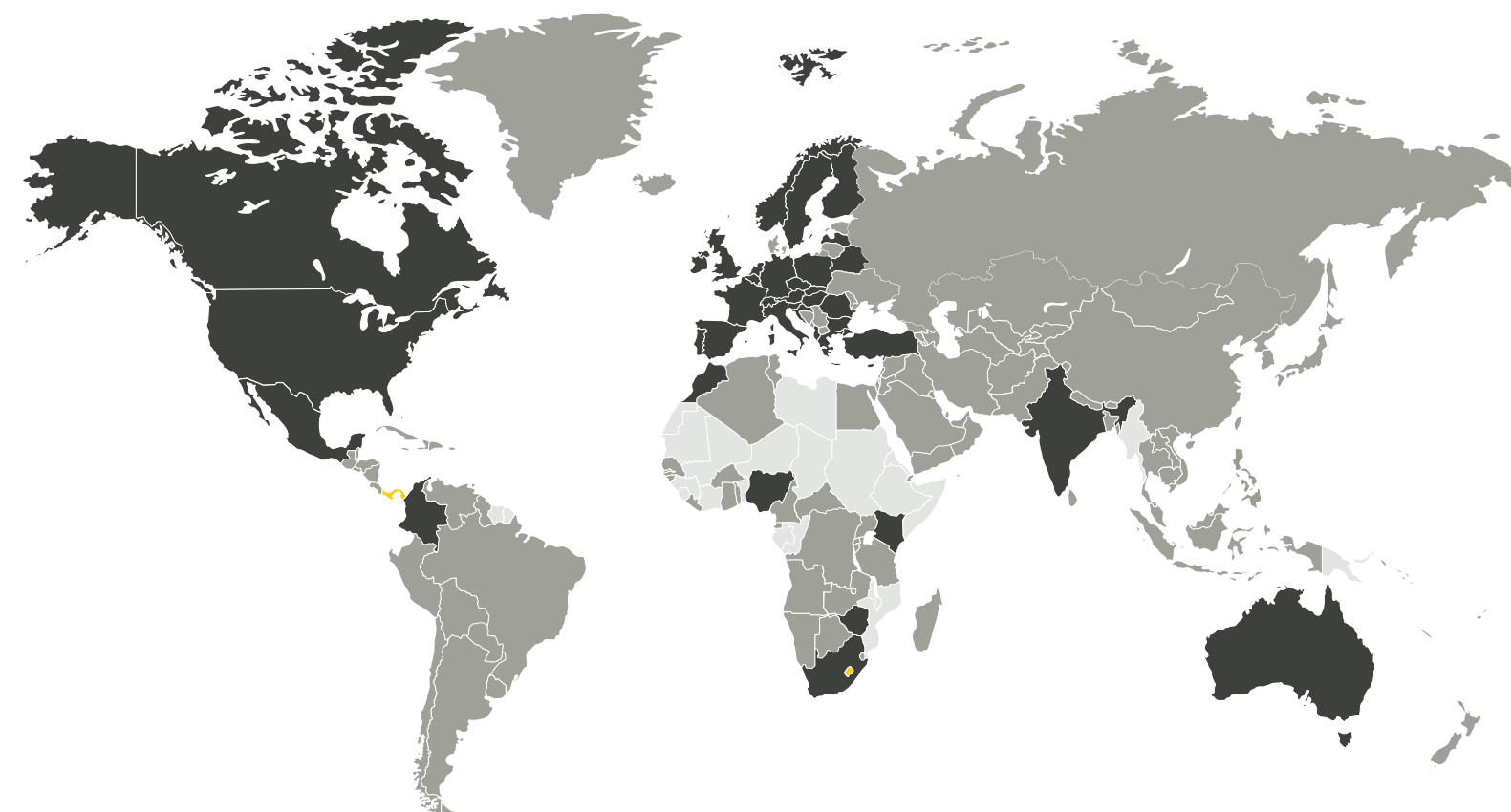
ESG

- Due to the subject and specificity of its activity, cyber_Folks has no significant impact on the environment. The company conducts low-emission activities, mainly in the area of software production.
- In its activities, cyber_Folks takes into account factors reducing the impact on the environment through, inter alia, reduction of electricity consumption (e.g. investments in energy-saving servers) and paper consumption (e.g. implementation of electronic documentation flow).
- One of the Group's priorities is to ensure appropriate working and development conditions for all employees. The company complies with all regulations related to employee rights, and the principles of gender equality are respected.

> Foreign expansion

Acquisitions and sales growth

- In 2018 the Group extended the activities of its hosting segment to the CEE region through its investments on the Romanian and Croatian markets.
- At the turn of 2019 and 2020, cyber_Folks made an investment into Profitroom, a developer of technological solutions offered in the SaaS model for the hotel industry. Profitroom holds the dominant position on the Polish market and a rapidly growing portfolio of foreign clients.
- The first step towards foreign expansion in the CPaaS segment was the takeover of ProfiSMS at the turn of Q3 and Q4, 2020. ProfiSMS is the leader of the Czech SMS market with a strong position on the Slovak market.
- On 26 April 2022, Vercom signed a conditional agreement to acquire UAB Mlr grupe (MailerLite). Fulfillment of conditions precedent and closing of the deal took place on 14 June 2022. The transaction, worth approximately PLN 340m, was financed using own resources from Vercom's IPO in 2021, debt financing and a stock issue for the previous owners of MailerLite. MailerLite has 38,000 clients and 100 employees at 30 locations. It operates on more than 100 markets and 70% of its revenues come from the US and from Western Europe.
- The investment in MailerLite allowed the Group to scale its business to the global market (over 100 countries) while expanding the base of CPaaS clients 5-fold.
- Sales of Group's companies in foreign markets are growing rapidly in 2023, including MailerLite (US, Western Europe), Profitroom and cyber_Folks (Romania).



■ The Group's main markets

■ Group's markets

cyber_Folks™

> Financial results



> Consolidated P&L cyber_Folks Group

(PLN k)

	H1 2022	H1 2023	Change	Q2 2022	Q2 2023	Change
	01.01.2022 - 30.06.2022	01.01.2023 – 30.06.2023		01.04.2022 - 30.06.2022	01.04.2023 – 30.06.2023	
Sales revenue	171 054	227 301	33%	87 134	116 770	34%
Other operating revenue	313	67	-79%	25	65	160%
Amortization	-12 443	-15 465	24%	-6 276	-7 947	27%
External services	-104 129	-131 172	26%	-52 976	-66 831	26%
Costs of employee benefits	-21 801	-27 888	28%	-11 442	-15 214	33%
included: salary costs related to the incentive program	-314	-1 707	444%	-157	-1 590	913%
Use fo materials and consumption of energy	-2 794	-3 124	12%	-1 333	-1 518	14%
Taxes and charges	-389	-363	-7%	-174	-212	22%
Other operational expenses	-166	-201	21%	-31	-263	748%
Profit / (loss) on sale and liquidation of tangible fixed assets	503	271	-46%	279	239	-14%
Other write-offs	-486	-254	-48%	-99	110	-211%
Profit on operating activity (EBIT)	29 662	49 172	66%	15 107	25 199	67%
Net financial cost	-7 519	-7 667	2%	-5 373	-1 038	-81%
Share in profits of associates accounted for using the equity method	657	777	18%	523	314	-40%
Profit before taxes	22 800	42 282	85%	10 257	24 475	139%
Income tax	-5 050	-8 510	69%	-2 369	-4 821	104%
Net profit	17 750	33 772	90%	7 888	19 654	149%
- attributable to the shareholders of the parent	12 193	19 408	59%	3 714	10 349	179%
- attributable to non-controlling shares	5 557	14 364	158%	4 174	9 305	123%

> Consolidated P&L cyber_Folks Group

Factors impacting Q2 2023 and H1 2023 results

- Organic sales and earnings growth in Vercom and cyber_Folks segments.
- Consolidation of MailerLite results from mid-2022.
- The increase in depreciation and amortization largely due to the amortization of intangibles booked as a result of takeovers.
- The increase in financing expenses as a result of higher WIBOR and EURIBOR rates and an increase in debt level following the MailerLite takeover.
- The increase in wages and salaries due both to a higher headcount and to salary increases.
- Foreign exchange gains, related to the valuation of debt in EUR
- The results of H1 2023 were also impacted by one-off costs:
 - Valuation of the cyber_Folks ESOP together with programme implementation costs in the amount of PLN 1,605k.
 - Valuation of the Vercom ESOP in the amount of PLN 234k
 - Transaction costs in cyber_Folks in the amount of PLN 86k



>Stable financial position with decrease in debt and increase in cash

Assets

	31.12.2022	30.06.2023
Tangible fixed assets	17 918	18 580
Right to use assets	35 241	34 976
Intangible assets and goodwill	644 357	624 347
Investments in affiliates	67 326	66 218
Loans granted	0	89
Assets due to deferred income tax	7 073	10 790
Derivatives	1 537	191
Other assets	271	421
Fixed assets	773 723	755 612
Inventories	0	191
Trade receivables	32 827	32 521
Derivatives	241	238
Loans granted	1 458	1 396
Cash and cash equivalents	54 078	68 770
Other assets	3 273	4 764
Current assets	91 877	107 880
Total assets	865 600	863 492

Equity and liabilities

	31.12.2022	30.06.2023
Basic capital	284	284
Own shares	-4 090	-1 696
Retained earnings and other capital	224 552	229 013
Exchange differences on the translation of foreign operations	-2 026	-11 324
Equity attributable to equity holders of the parent	218 720	216 277
Non-controlling shares	179 447	170 367
Equity capital	398 167	386 644
Liabilities for loans and borrowings	252 894	239 187
Liabilities due to financial leasing	25 761	24 824
Liabilities due to contracts with clients	198	239
Deferred income tax	22 838	25 706
Other liabilities	58	58
Long-term liabilities	301 749	290 014
Liabilities for loans and borrowings	58 504	54 364
Liabilities due to financial leasing	9 069	9 948
Trade liabilities	37 410	35 747
Liabilities due to contracts with clients	40 850	46 206
Income tax liabilities	8 121	4 219
Liabilities for employee benefits	3 460	4 494
Other liabilities	8 270	31 856
Short-term liabilities	165 684	181 834
Total liabilities	467 433	476 848
Total equity and liabilities	865 600	863 492

>Steadily increasing cash flows from operating activities

Statement of cash flows

	H1 2022	H1 2023
Net profit for the reporting period	17 750	33 772
Adjustments, including i.a.:	23 727	33 365
- Amortization	12 443	15 465
- Income tax	5 050	8 510
- Net interest and exchange expenses	7 268	8 865
Change in inventories, receivables, liabilities and other assets - total	4 930	4 794
Cash generated on operating activities	46 407	71 931
Tax paid	-8 675	-13 265
Net cash from operating activities	37 732	58 666
Interest received	16	471
Change in inventories, receivables, liabilities and other assets - total	-920	-475
Repayment of granted loans	6	55
Acquisitions of subsidiaries less cash acquired	-244 503	-468
Investments in affiliates	-3	-2 782
Proceeds from sale of tangible fixed assets	560	276
Purchase of tangible fixed assets and intangible assets	-8 302	-7 449
Net cash from investign activities	-253 150	-10 372
Proceeds from the sale of treasury shares	3 244	2 618
Dividends paid to owners	-10 068	1
Dividends paid to non-controlling shareholders		-1 309
Other distributions to non-controlling shareholders	-808	0
Proceeds from loans and credits	159 895	109
Repayment of loans and credits	-11 563	-20 124
Receipts / (Repayment) of overdraft facility	-3 770	8 729
Contributions by non-controlling interests to increase capital in a subsidiary	3 000	0
Interest paid	-6 266	-13 301
Payments of liabilities under financial leasing agreements	-4 173	-5 410
Acquisition of non-controlling interests in subsidiaries	-4 028	-3 621
Net cash from financing activities	125 463	-32 308
Total net cash flow	-89 955	15 987
Impact of changes due to exchange rate differences on cash and cash equivalents	0	-1 295
Cash and cash equivalents at the beginning of the period	129 709	54 078
Cash and cash equivalents at the end of the period	39 754	68 770

The most significant changes in cash flows

High conversion of EBITDA into operating cash flows:

- Adjusted EBITDA: PLN 66,5 m
- Net cash flows from operating activities: PLN 58.7 m.

High operating cash flow dynamics due to high profit dynamics further supported by a significant share of prepaid services, with no working capital expenditure.

Current operating cash flows covered, i.e.:

- Acquisitions of non-current assets and intangible assets, at a comparable level to the previous year.
- Buyout of minority shareholders of the combined company cyber_Folks and increases in involvement in associates.

Within financing activities:

- The increase in interest paid y/y is due to the increase in WIBOR and EURIBOR and the increase in the nominal debt level after the investment in MailerLite.
- In Q2 2023 vs Q1 2023, stabilisation of interest paid as a result of a halt in the rate of increase in market debt rates and a large decrease in the nominal debt level

>Changes in equity

	Basic capital cyber_Folks S.A.	Retained earnings and other capital	Own shares	Exchange differences on the translation of foreign operations	Equity attributable to equity holders of the parent	Capital attributable to non-controlling shares	Equity
As at 1 January 2023	284	224 552	-4 090	-2 026	218 720	179 447	398 167
Net profit		19 408			19 408	14 364	33 772
Other comprehensive income				-9 298	-9 298	-11 203	-20 501
Total income in the period		19 408		-9 298	10 110	3 161	13 271
<i>Transactions with owners included directly in equity</i>							
Net assets attributable to non-controlling interests from acquisition of subsidiaries		-429			-429	1 229	800
Acquisition of shares from non-controlling shareholders		-3 060			-3 060	-561	-3 621
Payment of dividends to owners		-13 156			-13 156		-13 156
Sale of own shares		224	2 394		2 618		2 618
Capital from valuation of ESOP in subsidiary		1 474			1 474	234	1 708
Payment of dividends to non-controlling interests						-13 144	-13 144
Total changes in equity		4 461	2 394	-9 298	-2 443	-9 080	-11 524
As at 30 June 2023	284	229 013	-1 696	-11 324	216 277	170 367	386 643

> Factors important for the development of the Group & threats and risks

The cyber_Folks Group has an established position on the Polish market and is growing dynamically on global markets. The markets in which the cyber_Folks Group operates are characterised by high growth rates and are influenced by many internal and external factors, which in the future may translate into the Group's financial and market situation. Among the most important factors and risks that may affect the Group in the perspective of at least one quarter, the following can be distinguished:

- The risk relating to takeovers executed by the Group
 - Increase or decrease in customer confidence and volatility of the CHURN
 - Dependence on suppliers in the CPaaS segment
 - Dependence on suppliers in the cyber_Folks segment
 - Financial risk
 - Retaining and gaining new employees. The ability to effectively allocate employee competences and know-how and motivating them
 - Situation on e-commerce and m-commerce market
 - Ensuring compliance with the GDPR and other legal provisions
 - Potential hacking attacks
- Effectiveness of operating, income and cost synergies resulting from the acquisitions made so far
 - Risks and opportunities relating to the relatively rapid technological changes and innovations on the IT market.
 - Actions taken by competitors
 - The economic, business and political situation in Poland, Romania, Croatia, Czech Republic and in countries in which the group will be developing its activities
 - Inflation and FX fluctuations of the currencies of countries, in which the group is active and whose currencies it is using (PLN, RON, CZK, USD, EUR).
 - An increase or a decline in the demand for shared hosting services, dedicated hosting, Internet domains and additional, related services
 - An increase or a decline in the demand for multichannel, digital mass communications services

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> Shares and shareholding



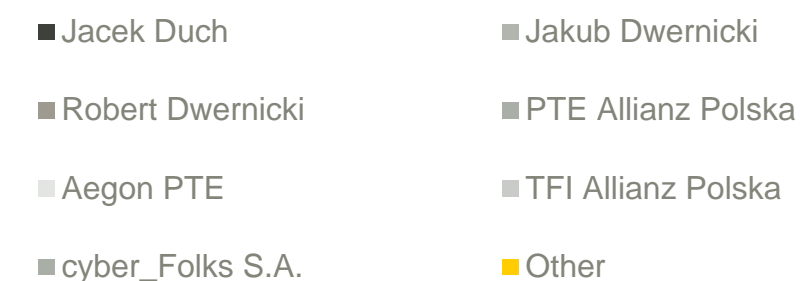
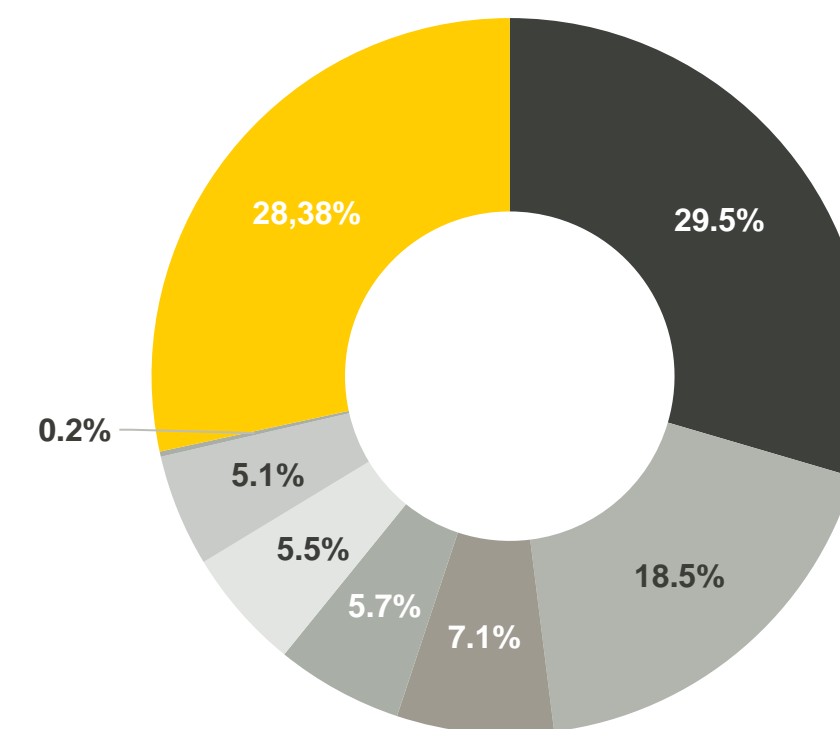
> Shares and shareholding

Shareholders holding at least 5% of votes at the General Meeting

As at the date of this report, the Company's share capital amounts to PLN 283,600 and is divided into 14,180,000 shares with a nominal value of PLN 0.02 each.

Shareholders holding at least 5% of the number of votes at the General Meeting as at 30 June 2023 and as at the date of approval of this report (according to the information provided to the Company in the notifications of change of ownership):

Shareholder	30 June 2023		4 September 2023	
	Number of shares / votes at the GM	% of shares in the share capital / votes at the GM	Number of shares / votes at the GM	% of shares in the share capital / votes at the GM
Jacek Duch	4 188 993	29.54%	4 188 993	29.54%
Jakub Dwernicki	2 620 479	18.48%	2 620 479	18.48%
Robert Dwernicki	1 263 193	8.91%	1 003 430	7.08%
PTE Allianz Polska	814 393	5.74%	814 393	5,74%
Aegon PTE	776 507	5.48%	776 507	5.48%
TFI Allianz Polska	718 880	5.07%	718 880	5.07%
cyber_Folks S.A.	33 176	0.23%	33 176	0.23%
Other shareholders	3 764 379	26.55%	4 024 142	28.38%
Total	14 180 000	100.00%	14 180 000	100.00%



>Shares and shareholding

Own shares

cyber_Folks S.A. holds 33,176 own shares. On 31 May 31 2023 the company sold 46,824 own shares for PLN 2,618k. The acquisition cost of the sold own shares amounted to PLN 2,394k. The difference in the amount of PLN 224k was charged to reserve capital.

Previously, the Company held 80,000 own shares, which were acquired as a result of a share buyback conducted in July 2022. The repurchase was in the form of invitations to submit offers to sell shares at a price of PLN 50.00 per share.

Employee shares

cyber_Folks operates an employee share ownership programme (ESOP), which is aimed at the Company's employees and is subject to economic and loyalty objectives.

The programme has been targeted at approximately 100 individuals who, if the objectives are met, can subscribe for a maximum of shares representing 1.11% of the share capital of this company.

Economic goals in the incentive program for each year:

[PLN m]	2023	2024	2025	2026	2027
EBITDA	57	70	85	100	115

An employee share scheme is also operated by the subsidiary Vercom S.A.. It is aimed at employees of the Vercom Group and is dependent on the achievement of the Vercom Group's market and performance targets.

Agreements which may lead, in the future to changes in the share holdings among shareholders and bondholders

The company is not aware of any contracts that may change the proportion of shares held by shareholders.

Company shares held by the Management Board and the Supervisory Board

Name	Position	23 May 2023	4 September 2023
Jacek Duch	Chairman of the SB	4 188 993	4 188 993
Jakub Dwernicki	President of MB	2 620 479	2 620 479
Robert Stasik	Vicepresident of MB	44 931	44 931

Changes in the shareholding structure

On 9 January 2023 the Company received notice from PTE Allianz Polska managing Allianz Polska OFE and Allianz Polska DFE, in which the Fund informed that as a result of the merger with Aviva PTE Aviva Santander managing Second Allianz Polska OFE, the share in the Company's share capital and total number of votes in the accounts of Allianz OFE, Allianz DFE and Second Allianz OFE reached more than 5%. In total, the balance in the accounts of Allianz OFE, Allianz DFE and Second Allianz OFE reached 814 393 shares, representing 5.74% of the company's share capital, which gives the right to exercise 814,393 votes from shares representing 5.74% of the total number of votes at the company's AGM.

On 24 August 2023, the Company received a notification from Robert Dwernicki, in which he informed that in connection with the conclusion of the donation agreement of 436 524 cyber_Folks shares with Robert Dwernicki's Family Foundation on 21 August 2023 and the execution of this agreement on 23 August 2023, together with earlier transactions in the Company's shares, a change in his shareholding in the number of votes at the AGM took place. Following this event, Robert Dwernicki holds a total of 1,003,430 shares representing 7.08% of the company's share capital, which entitle him to exercise 1,003,430 votes representing 7.08% of the total number of votes at the AGM, including: he directly holds 566,906 cyber_Folks shares, and indirectly holds 436,524 cyber_Folks shares (through Robert Dwernicki's Family Foundation).

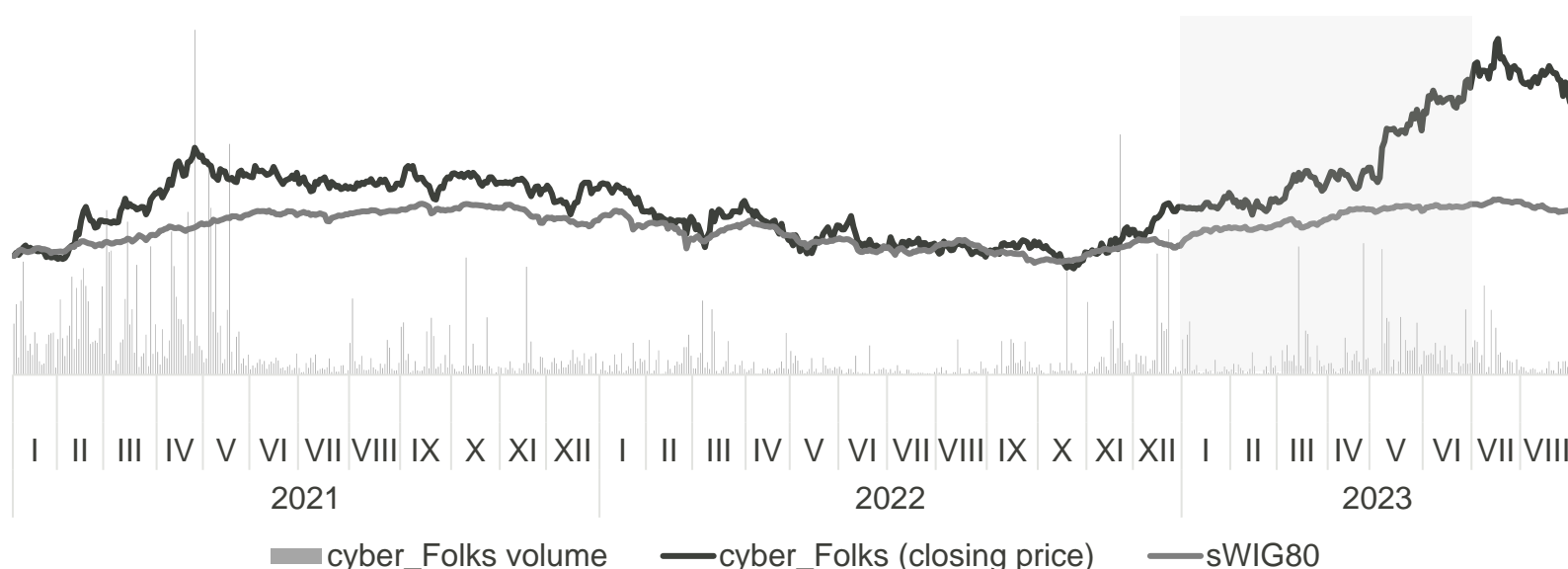
> Akcje i akcjonariat

cyber_Folks on the WSE

Shares of cyber_Folks have been listed on the Warsaw Stock Exchange since 29 December 2017. cyber_Folks shares were added to the: sWIG80, sWIG80TR, WIG, WIG-Poland, WIGTECH indices.

At the end of H1 2023, cyber_Folks was trading 55.9% higher than at the beginning of 2023. From the beginning of 2023 to 1 September 2023, the share price has increased by 52.9%.

cyber_Folks share price since the beginning of 2021, with a comparison to the sWIG80 index.



Dividend

The Annual General Meeting of cyber_Folks shareholders decided to pay a dividend of PLN 0.93 per share (total dividend of PLN 13.2 million). The AGM's decision was in line with the recommendation of cyber_Folks' Board of Directors. The entire last year's net profit (PLN 6.7m) and PLN 6.5m from the Company's reserve capital created from the Company's profits from previous years went to shareholders. The dividend date was set for 30 August 2023 and the payment date for 4 September 2023.

Dividend policy

In accordance with the dividend policy cyber_Folks, the Management Board will recommend to the General Meeting of the Company the payment of a dividend in the amount of at least 30% of the consolidated net profit of the cyber_Folks Capital Group, attributable to the shareholders of the parent company, with a simultaneous increase in the nominal amount of dividend per share.

When recommending the distribution of the net profit cyber_Folks, the Management Board will take into account the current and predictable financial and liquidity situation of cyber_Folks S.A. and the cyber_Folks Capital Group as well as existing and future liabilities.

The dividend policy was adopted by the cyber_Folks Management Board on 9 September 2019. The final decision on the amount of dividend paid is made by the General Meeting of cyber_Folks S.A.

Dividends and share repurchases carried out by the company in each calendar year.

Year	Dividend per share	Value of dividends	Value of share buy-backs	Total transfer to shareholders
2019	PLN 0.30 ¹⁾	PLN 4.254m	PLN 2.0,	PLN 6.3m
2020	PLN 0.28 ²⁾	PLN 3.948m	-	PLN 3.9m
2021	PLN 0.57 ³⁾	PLN 8.037m	-	PLN 8.0m
2022	PLN 0.71 ⁴⁾	PLN 10.068m	PLN 4.0m	PLN 14.1m
2023	PLN 0.93 ⁵⁾	PLN 13.187m	-	PLN 13.2m

1) Dividend for the 2018/2019 financial year.

2) Advance dividend on profits for FY 2019/2020

3) Dividend advance from earnings for 2019/2020 FY.

4) Dividend advance for 2021 FY.

5) Dividend date: 30 August 2023, Dividend payment date 4 September 2023.

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> Management and Supervisory Board



> Management Board

Jakub Dwernicki

President of the
Management Board

Founder and main
person managing
cyber_Folks Group



Robert Stasik

Vicepresident of the
Management Board

Vice President, CFO

With cyber_Folks Group since 2010

>Supervisory Board

Jacek Duch

Chairman of the Supervisory Board

In 1970 he graduated from the Warsaw University of Technology. During his doctoral studies he worked at Nixdorf Computer in Germany and then as a researcher at PSI AG in Berlin. In the years 1978-1993 he worked for Digital Equipment Corporation (DEC) where he led projects including in Munich, Vienna and Paris. He supervised the creation of the DEC branch in the countries of Central Europe, including Poland.

From 1993 to 1998, he was the head of Oracle Polska and then served on the management boards of Prokom Software S.A. and Prokom Internet S.A., as well as numerous supervisory boards, among others Postdata S.A., Bank Pocztowy S.A., PVT a.s, numerous Asseco companies. He has extensive experience in both technical software engineering and management in international and Polish IT groups.

Katarzyna Zimnicka-Jankowska

Member of the Supervisory Board (independent)

A graduate of the Faculty of Organization and Management at the Lodz University of Technology. He holds the Chartered Financial Analyst title. She completed numerous courses and trainings in accounting, financial management, financial modeling and business valuation.

Running his own business, and previously working at KPMG Advisory Spółka z ograniczoną odpowiedzialnością sp. K., Pekao Access Sp. z o.o., Armada Sp. z o.o. and Grupa Zarządzająca Łódź Sp. z o.o. - companies specializing in corporate finance consulting - implemented projects in the field of mergers and acquisitions, obtaining financing for transaction purposes and the implementation of investment plans, as well as financial restructuring projects.

She was a Member of the Management Board, Commercial Director and Strategy Director of PKP Intercity S.A., where she was responsible, inter alia, for IT systems and IT development. She sat on the supervisory boards of IDS-BUD S.A. and DiM Construction Sp. z o.o.

Prof. dr hab. inż. Wojciech Cellary

Chairman of the Supervisory Board

Computer scientist currently working at the WSB Merito University in Poznan. Previously he worked at 3 universities in Poland - Poznan University of Technology, where he held the position of Deputy Director of the Institute of Computer Science, at the Franco-Polish School of New Information and Communication Technologies, where he held the position of Vice Rector for Science, and at the Poznan University of Economics, where he held the position of Head of the Department of Information Technology. In addition, he worked at 6 universities in France and Italy and was a visiting professor at the United Nations University in Macao and Portugal. He was the manager of more than 80 research and industrial projects, the main organizer of 60 scientific conferences, and a member of the program committees of 350 conferences. He has authored over 200 scientific publications. His professional activities include consulting, membership in professional organizations, editorial boards of scientific journals, expert groups, committees, councils and associations. He has promoted 18 PhD's, 6 of whom were subsequently habilitated and 2 of whom became full professors. He has received 40 awards for achievements in scientific and teaching work.

His lectures in Polish, English and French were attended by about 20,000 students. Currently he specializes in e-business technology, e-government, digital economy and society and Industry 4.0.

Magdalena Dwernicka

Member of the Supervisory Board

In 2002, she graduated from the University of Agriculture in Poznań, in 2003 and 2004 she graduated from Marketing Business Management and Human Resources Management at the Academy of Economic Development. In 2003-2004 she participated in a series of trainings in the field of implementation and settlement of projects implemented under the European Social Fund organized by PARP.

She worked in 2007-2012 as a PR specialist in Telepuls "Spider" Sp. z o.o. S.K.A. based in Poznań, in the years 2012 - 2017 as Ogicom "Spider" Sp. z o.o. S.K.A. (currently H88 S.A.) based in Poznań as an EU Projects Specialist.

>Supervisory Board

Kamil Pałyska

Member of the Supervisory Board (independent)

Kamil Pałyska has over 13 years of experience in the field of finance. Currently, he leads the team in the finance department at Agora SA Capital Group, supporting the companies in the Group in the field of controlling, financial and non-financial reporting, taxes and financial reporting. He also conducts training in the field of new standards and changes in tax legislation regarding the finances of large enterprises.

He has an accounting certificate issued by the Minister of Finance and is at the final stage of receiving the international ACCA (Association of Chartered Certified Accountants) title. He is a graduate of the University of Warsaw, where he graduated in Finance and Accounting.

He started his professional career in an accounting office where he took his first steps in finance. After 4 years, he moved to the international consulting company KPMG, where he continued to expand his knowledge in the field of finance, starting from the position of the Senior Manager of audit projects in the Technology, Media and Telecommunications department. In the years 2018-2020 he was a Manager in the Audit Department at Deloitte Polska. During these 7 years, he participated in many consulting projects in the field of audit, acquisition, restructuring and assistance in introducing IPO of listed companies.

Changes in the Management Board and Supervisory Board

There were no changes to the composition of the Management Board and Supervisory Board in H1 2023.

The Annual General Meeting of cyber_Folks on 26 June 2023, prior to the expiry of the current term of office of the Supervisory Board, extended the term of office of all members of the Company's Supervisory Board, appointed by the General Meeting, for a further three-year period, i.e. Prof. Wojciech Cellary, Mr. Jacek Duch (Chairman of the Company's Supervisory Board), Ms. Katarzyna Zimnicka-Jankowska and Mr. Kamil Pałyska. A shareholder, Mr Jacek Duch, pursuant to his personal rights under § 12.5.1 of the Articles of Association, extended the term of office of a Member of the Supervisory Board of the Company in the person of Ms Magdalena Dwernicka for another three-year term.

After the end of the period covered by this Report, on August 31, 2023. The Supervisory Board, in connection with the expiration of the current term of the Company's Management Board, appointed to the Company's Management Board for a joint three-year term:

- starting from 31 August 2023: Jakub Dwernicki as President of the Management Board and Robert Stasik as Vice President of the Management Board,
- starting from 6 September 2023: Katarzyna Juskiewicz, Artur Pajkert and Konrad Kowalski.

The new joint three-year term of the Board of Directors began on 31 August 2023 and will end on 31 August 2026.

cyber_Folks™

> Other information



>Other information

Principles of managing the Company and the Group

There were no other significant changes in the basic management principles of the Company and its Capital Group in the reporting period.

Description of material court proceedings

cyber_Folks Group has yet to settle advance Payments made to SOPOL Solewodzińscy sp. j. („SOPOL”) totaling PLN 517 thous. For the provision of services. cyber_Folks Group, According to the agreement on the provision of services signed with SOPOL has charged a contractual penalty totaling PLN 1,100,000 for the failure by SOPOL to provide the minimum daily capacity for text messages as per contractual terms. Proceedings to issue a payment order were initiated on 2 July 2018. The contractual penalty has not been booked as a profit until there is a strong likelihood of the actual collection. A court bailiff at the District Court in Mikołów has initiated enforcement proceedings against the properties owned by the partners of SOPOL. Additionally, cyber_Folks Group has a judicial mortgage of PLN 1,396,208.04 on a property owned by SOPOL in order to secure its claims arising from the above contractual penalty.

In 2020, the Group made a write-down on receivables in the amount of PLN 250 thousand. As at 31 December 2021, the Group assessed the risk of the debtor's repayment of receivables and, as a result of this assessment, considers that the write-downs made in the previous year are sufficient.

As at the date of the report, proceedings brought by the company Vercom S.A. are pending. towards Polkomtel sp.z o.o. for the payment of PLN 4,806,945 with statutory interest for delay for the period from 4 May 2020 to the date of payment as a contractual penalty reserved for the benefit of the Company. The suit was filed by the Company on 5 February 2021. In the opinion of the Company, Polkomtel did not duly perform its obligations under the contract concluded between the parties regarding the execution of the Company's orders regarding the sending / receiving of SMS / MMS messages by the Company in accordance with the rules set out between the parties.

Aside from the above, cyber_Folks Group has no other material proceedings before courts, arbitration bodies or the institutions of public administration relating to claims by cyber_Folks and its subsidiaries

Employment

As at 30 June 2023 r the Group had 458 employees calculated on a full-time basis In the courde of H1 2023 the average employment totaled 442 employees

Sureties and guarantees

Sureties and guarantees are described in the consolidated financial statements.

Significant transactions with related entities

Transactions with related entities were presented and described in consolidated financial statements (Note 23).

Financial forecast

The Management Board has not published financial forecast.

Relevant Agreements

In H1 2023 the Group has not signed significant agreements.

General Meeting

The Company's Annual General Meeting was held on 26 June 2023. During the AGM, the shareholders decided, among other things, on the distribution of the net profit made in 2022, the payment of dividends, the merger of R22 S.A. with cyber_Folks S.A. and the approval of the Management Board and Supervisory Board Report on activities in 2022.

Information on the General Meetings is available on the company's website:
<https://investors.cyberfolks.pl/company-pages/walne-zgromadzenie>

>Statement of the Management Board

Management Board statement on the reliability of the preparation of consolidated financial statements of the cyber_Folks Group for H1 2023.

The Management Board of cyber_Folks S.A. hereby states that, to the best of its knowledge, the consolidated financial statements of cyber_Folks Group for the first half of 2023 ended 30 June 2023 and the comparable data have been prepared in accordance with the applicable accounting principles.

The Management Board also states that the data presented reflects, in a true, reliable and transparent manner the Group's financial situation and assets and its financial results. The report on activities contains a true image development, achievements and situation of the Group, including the description of basic risks and threats.

Jakub Dwernicki
President of the Management Board

Robert Stasik
Vice-President of the Management Board

Statement by the Management Board on the reliability of the preparation of separate financial statements cyber_Folks for H1 2023.

The Management Board of cyber_Folks S.A. hereby states that, to the best of its knowledge, the separate financial statements of cyber_Folks for the first half of 2023 ended 30 June 2023 and the comparable data have been prepared in accordance with the applicable accounting principles.

The Management Board also states that the data presented reflects, in a true, reliable and transparent manner the Company's financial situation and assets and its financial results. The report on activities contains a true image development, achievements and situation of the Company, including the description of basic risks and threats.

Jakub Dwernicki
President of the Management Board

Robert Stasik
Vice-President of the Management Board

Jakub Dwernicki

President of the Management Board



Date of preparation and approval for publication of the Management Report on the activities of cyber_Folks S.A. and the cyber_Folks Group in H1 2023

4 September 2023

Robert Stasik

Vice-President of the Management Board



Date of publication of the Management Report on the activities of cyber_Folks S.A. and the cyber_Folks Group in H1 2023:

5 September 2023