

VERCOM

| Vercom
Capital Group's
report for Q1 2022

May 17, 2022



: Scale beyond

: Shareholder Letters

Dear Shareholders,

It gives me great pleasure to present Vercom Group's Q1 2022 report. The first quarter of this year has been a period of hard work and preparation for the landmark transaction that will make us a global business. In Q1 2022, revenues increased by 29% y-o-y. to nearly PLN 50 million. Gross margin increased to PLN 15 million, up 50% y/y, and the number of customers jumped 66% y/y and exceeded 19 thousand.

Following last year's acquisitions of FreshMail and PushPushGo, leaders in the Polish email marketing and web push communication market, which solidified Vercom's leading position in the CEE CPaaS market, it is now time for a further and much larger transaction that will scale our business on a global level.

During the European Economic Congress we announced the acquisition of MailerLite, a global provider of email communication tools for business customers headquartered in the US, for approximately PLN 400 million (EUR 84.13 million). This is the largest acquisition of a foreign entity by a Polish company this year and one of the largest in the technology sector in recent years.

The acquisition will enable Vercom to dramatically increase the scale of its operations in both business and financial terms. The number of customers will triple to nearly 57,000 entities operating in 180 markets. At the same time, the Vercom team will be joined by approximately 100 specialists concentrated in 30 international locations, which gives us the ability to efficiently serve our global customer portfolio in all time zones. We have thus secured significant potential in the area of revenue synergies.

The acquisition of MailerLite opens up completely new growth opportunities for us. Not only does it represent a leap in the scale of our business, but also a strong entry into a market fourteen times larger, which will provide us with the potential for further dynamic organic growth in the coming years. We are consistently implementing a strategy that aims to strengthen our presence on the international market and join the top global players.

I would like to sincerely thank our shareholders and all those who have contributed to Vercom's development to date. It is thanks to your trust and commitment that we can continue our dynamic growth, thereby strengthening our position on the CPaaS services market. Special thanks go to our employees - it is thanks to you that we can celebrate another fantastic quarter in the history of our company and look forward with optimism to the coming years.

Yours sincerely,

Krzysztof Szyszka

CEO Vercom



- 1 | Operational Summary
- 2 | Vercom business profile
- 3 | Development strategy
- 4 | MailerLite acquisition
- 5 | Financial data
- 6 | Shares and shareholders
- 7 | Company authorities
- 8 | Other information

: Operational summary



: Financial Results Q1 2022

Revenue

PLN 50 m

Dynamics y/y

+29%

Gross Profit

PLN 15 m

+48%

EBITDA*

PLN 9 m

+16%

*EBITDA normalized for the impact of non-recurring costs related to acquisitions, the organization of a public offering to sell shares and the valuation of the ESOP



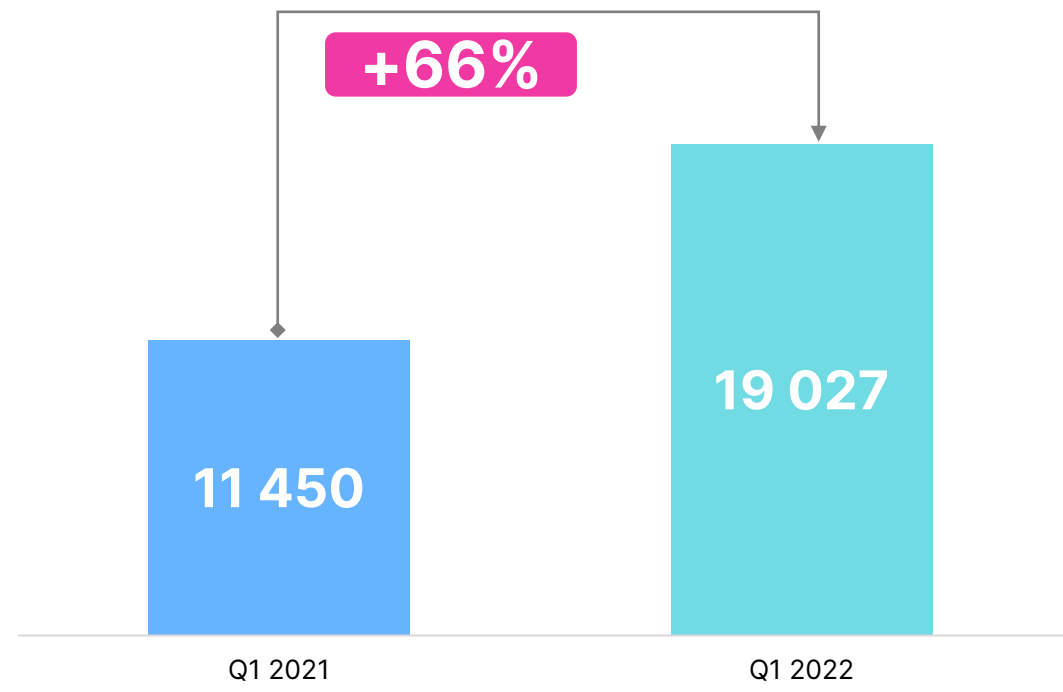
: Increase in customer base

Number of Customers

19 027

Increase y/y

+7 577



: Highlights of Q1 2022

Further dynamic growth

- Gross margin increase by nearly 50% y/y. to PLN 15 million
- Exceeding 19 thousand customers - an increase of 66% year on year, starting cooperation with Samsung Polska, Empik, Bank Gospodarstwa Krajowego and British American Tobacco

Acquisition of MailerLite

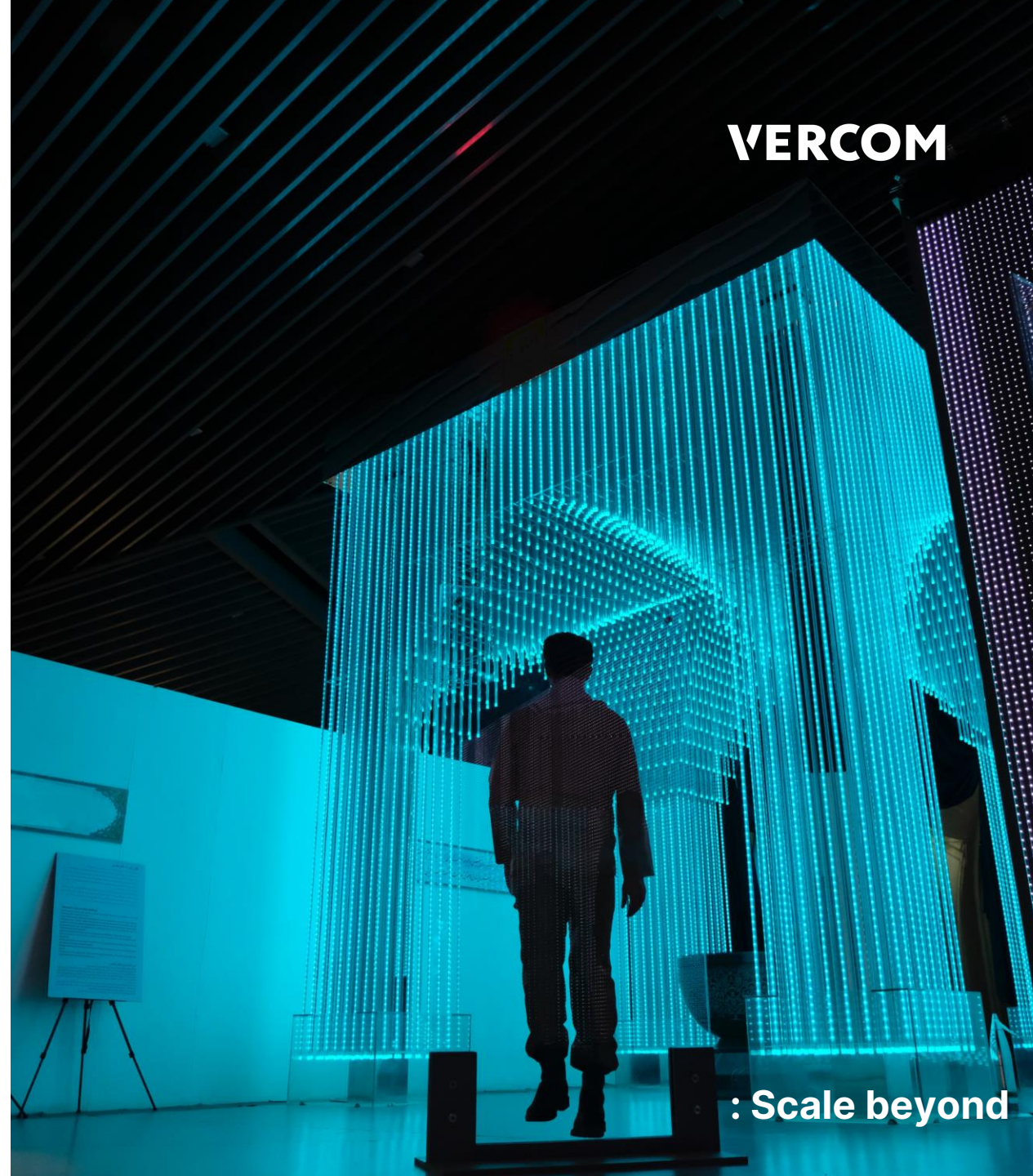
- Scaling the business to a global marketplace
- Nearly 3-fold increase in the number of customers
- One of the biggest acquisitions in the tech sector in recent years.

Acquisition of Oxyllion

- Expansion of the CPaaS service offer by another communication channel – voice
- The potential of cross-selling for Vercom customers

Anniversary of WSE IPO

- One year after the IPO and fundraising, Vercom fully met its issuance goals by acquiring FreshMail, PushPushGo, Oxyllion and MailerLite

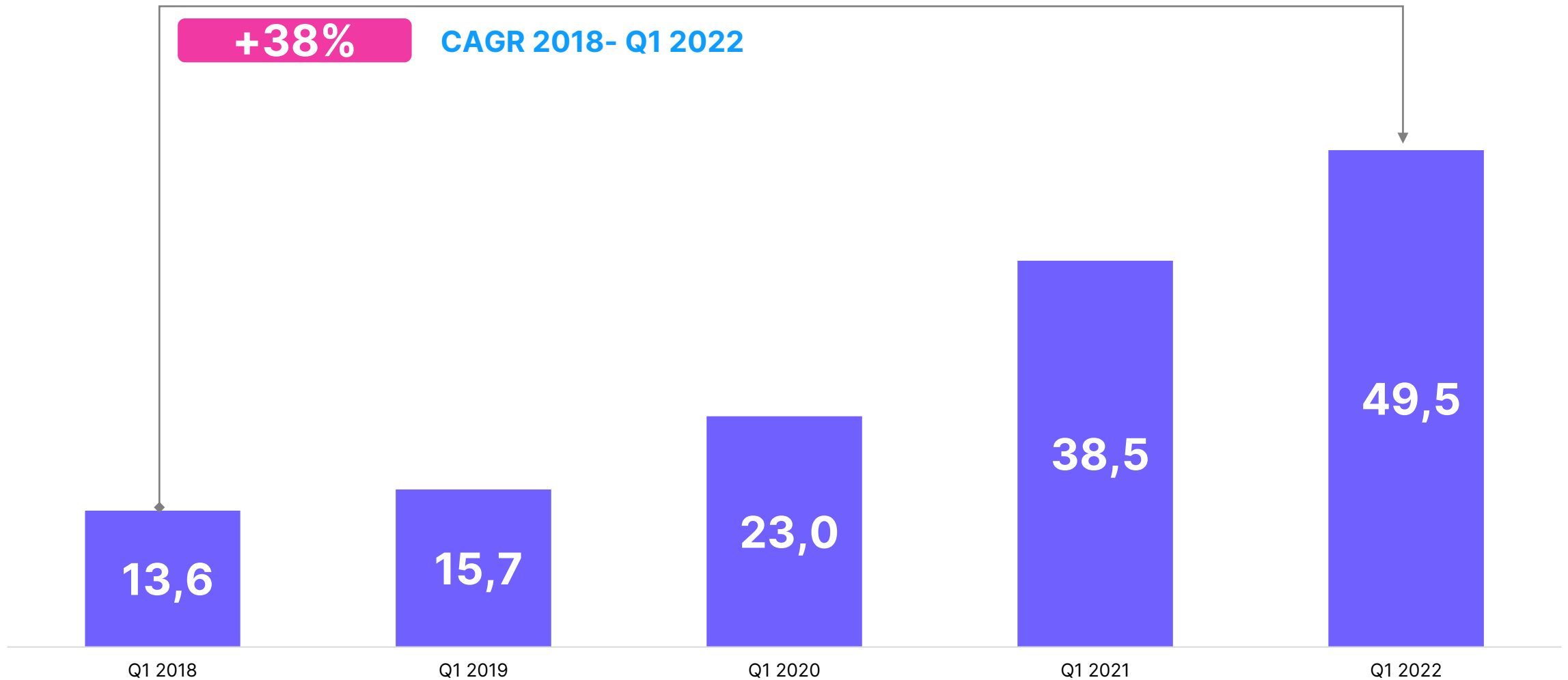


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: Scale beyond

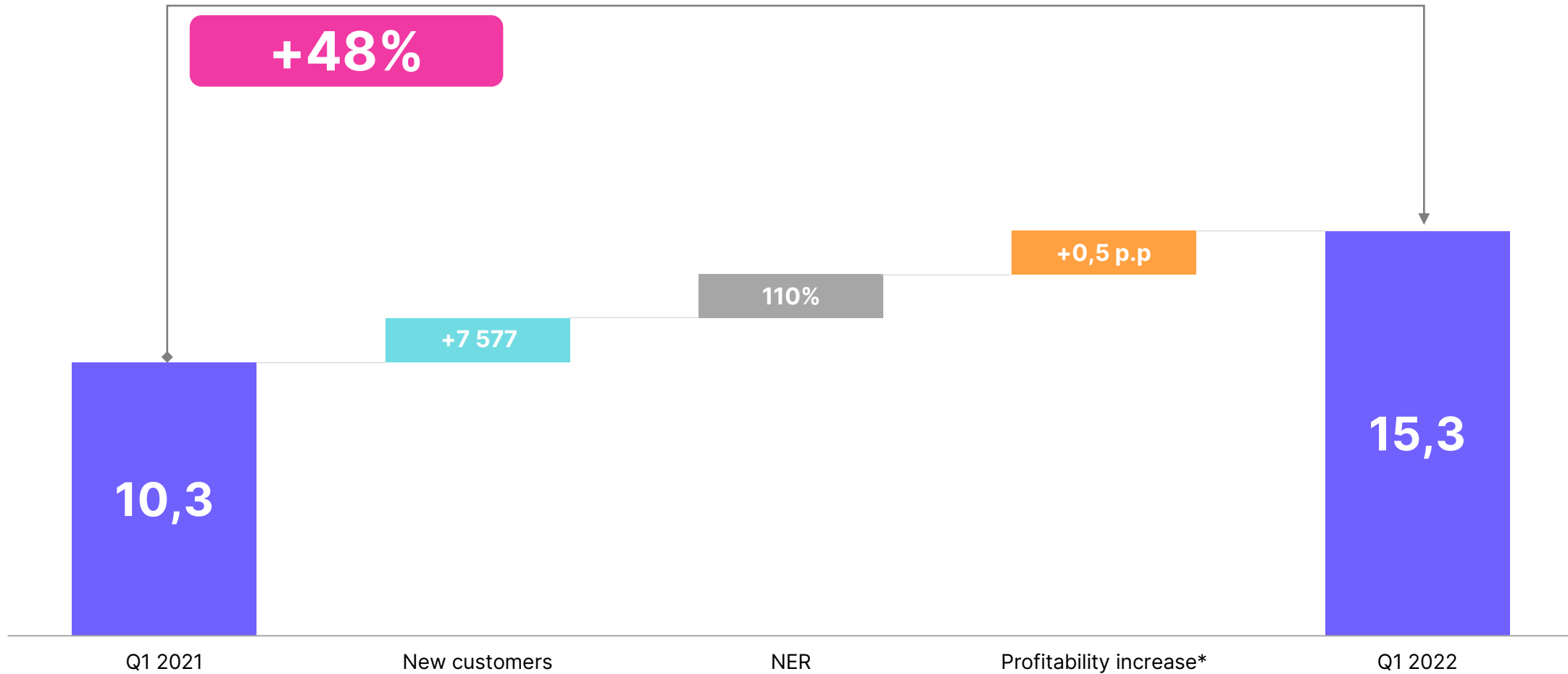
: Continuation of dynamic growth of business scale

Revenue (PLN million)



: Dynamic growth of gross margin

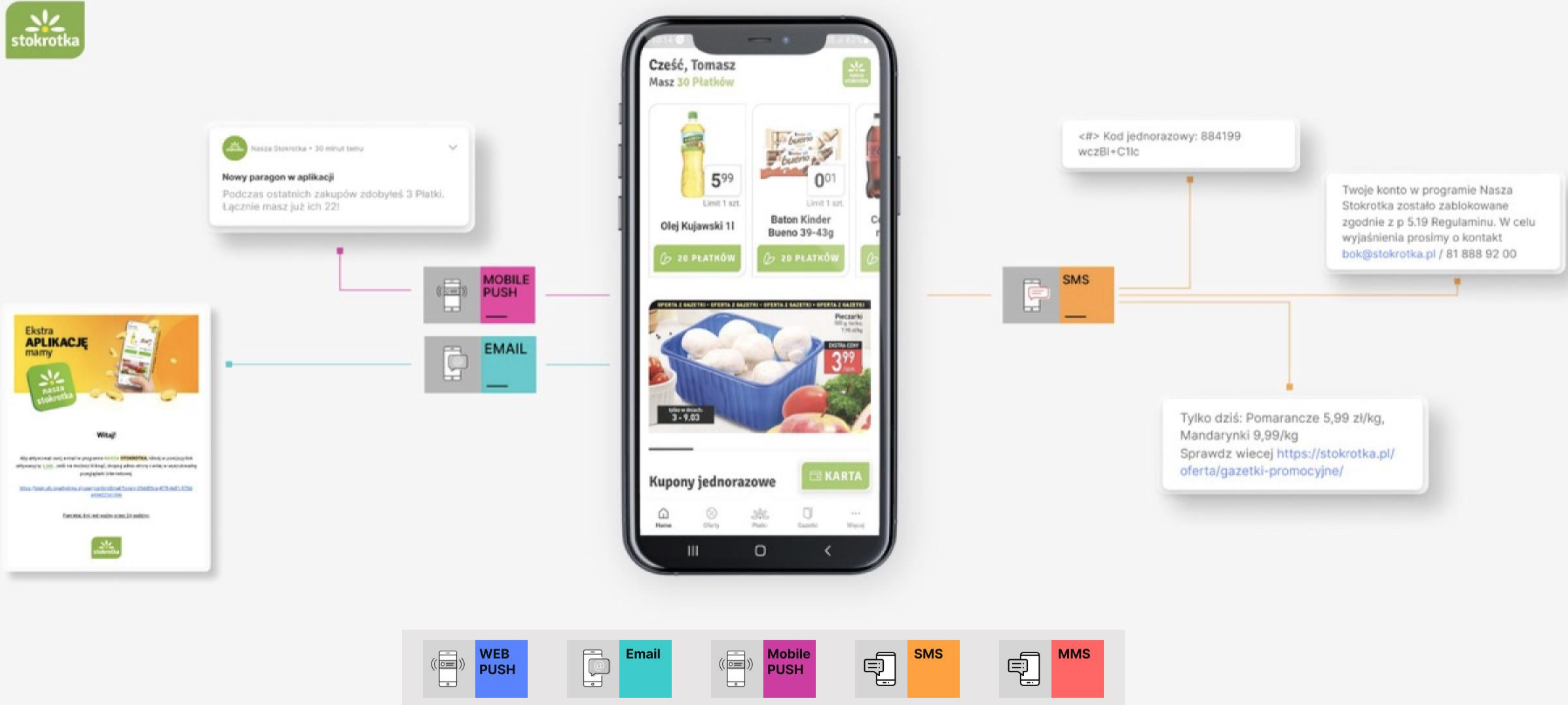
Gross Profit (PLN million)



* According to proforma data

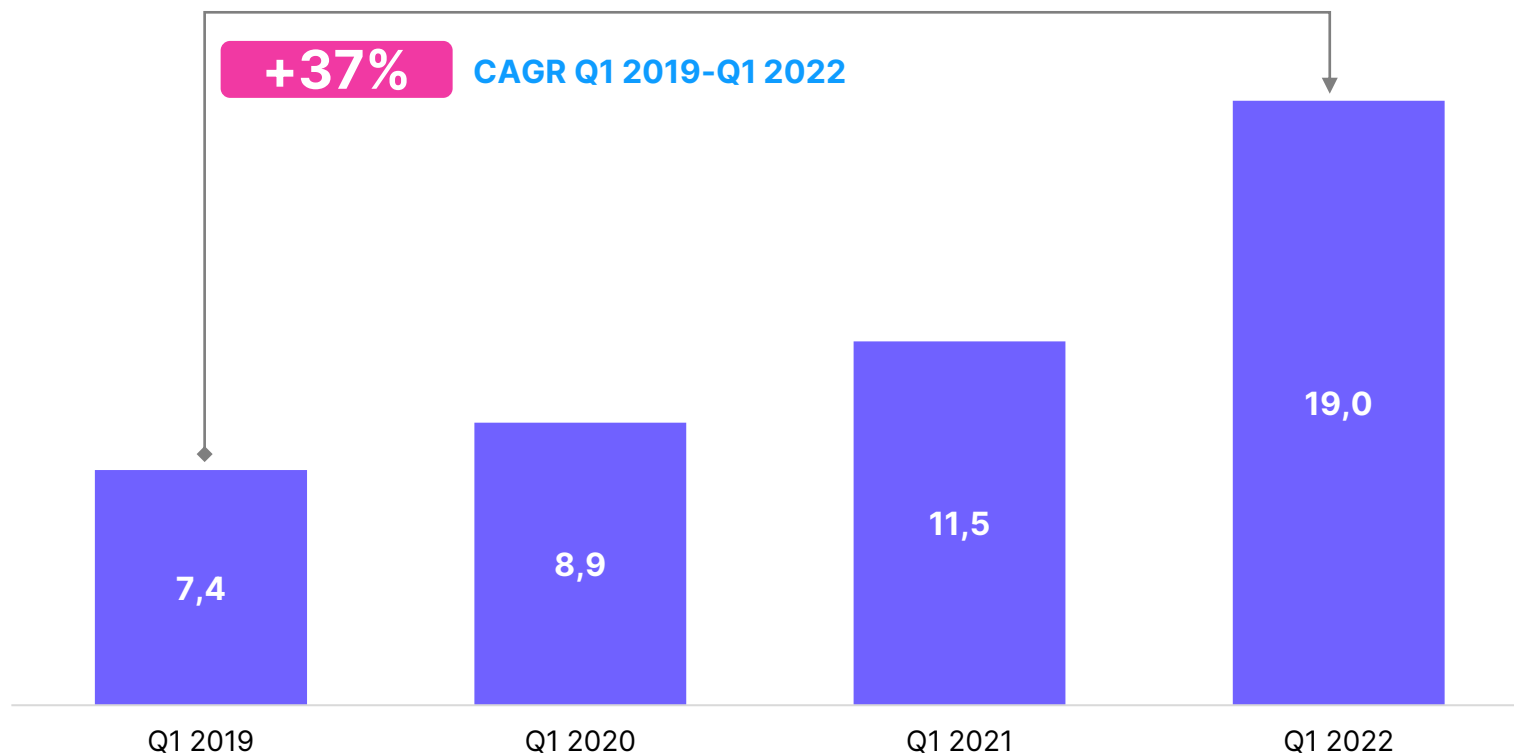
: Growing interest in CPaaS services

Case study: Stokrotka



: Increase in the number of customers

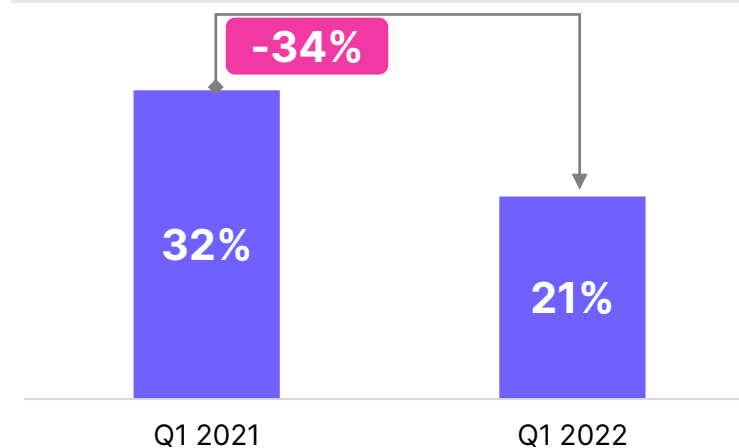
Number of customers (thousands)



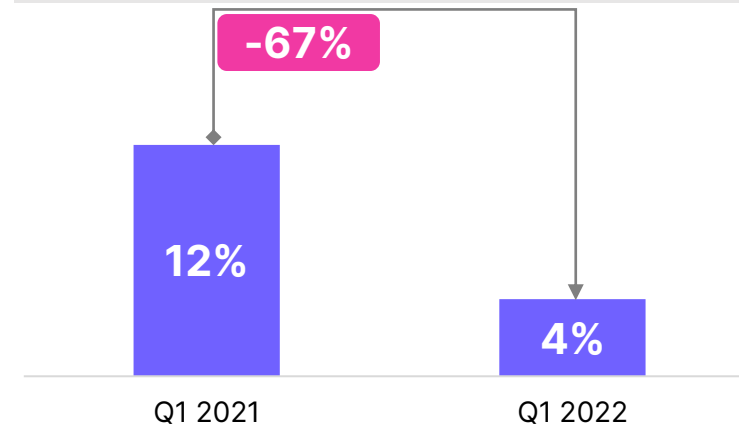
Selected new customers:



Concentration of revenue among top10 customers

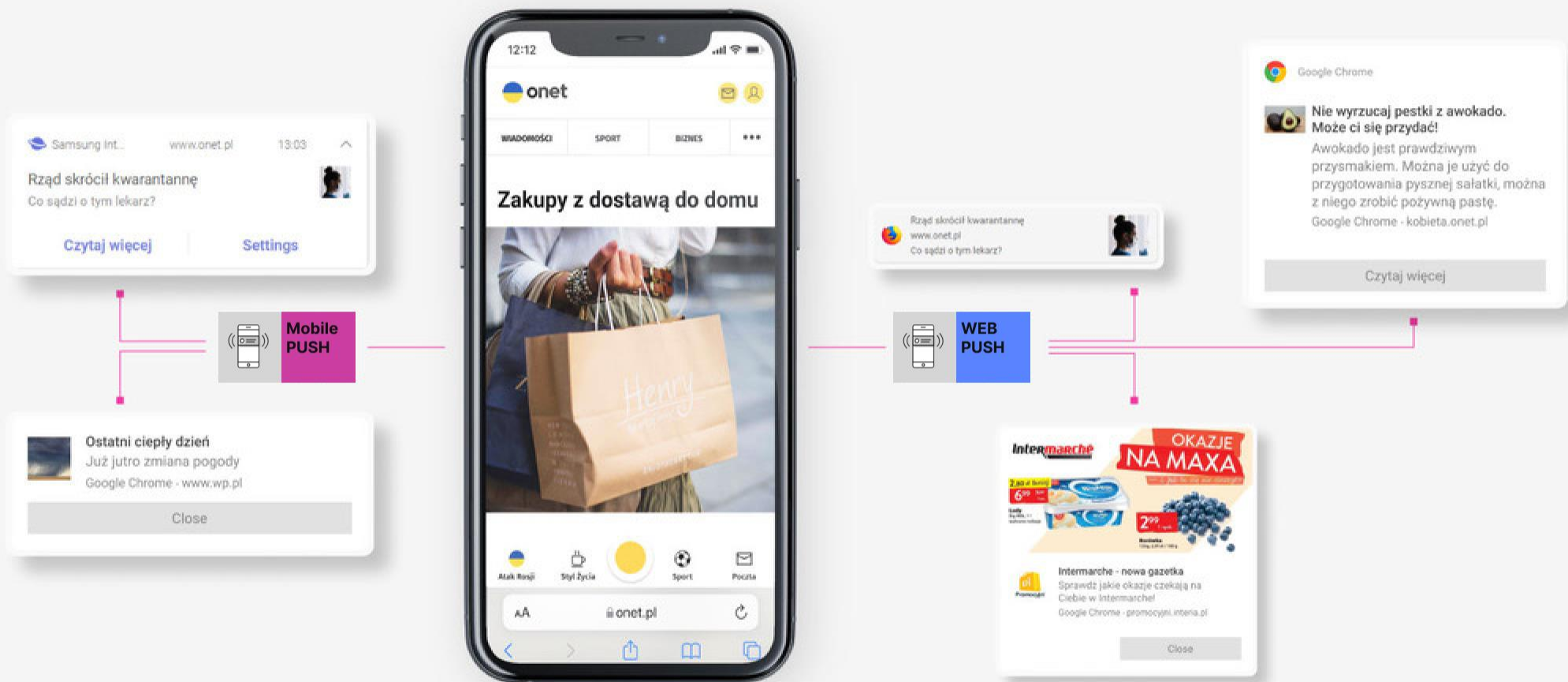


Concentration of gross profit among top10 customers



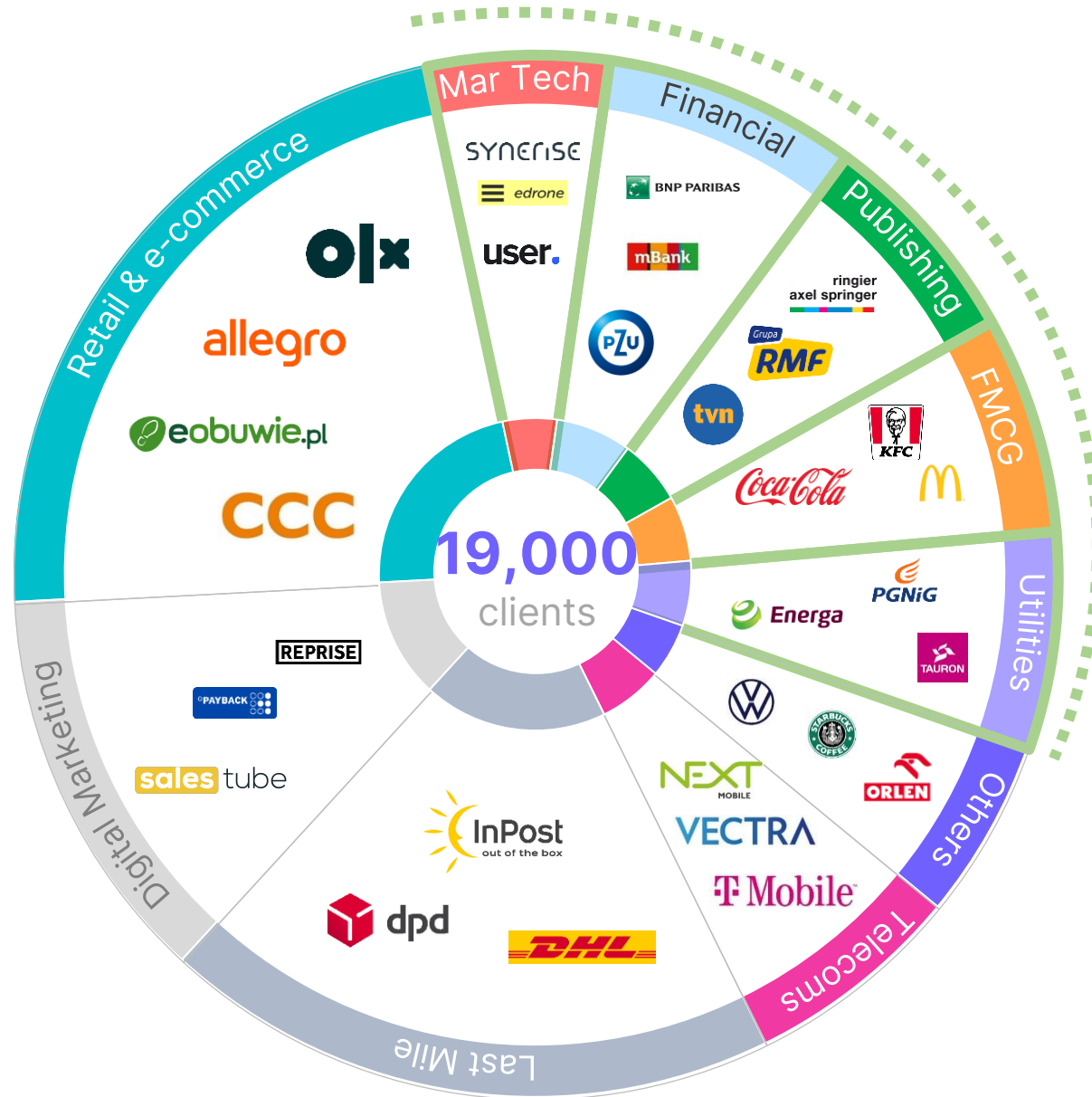
: Growing interest in CPaaS services

Case study: Onet



- WEB PUSH
- Email
- Mobile PUSH
- SMS
- MMS

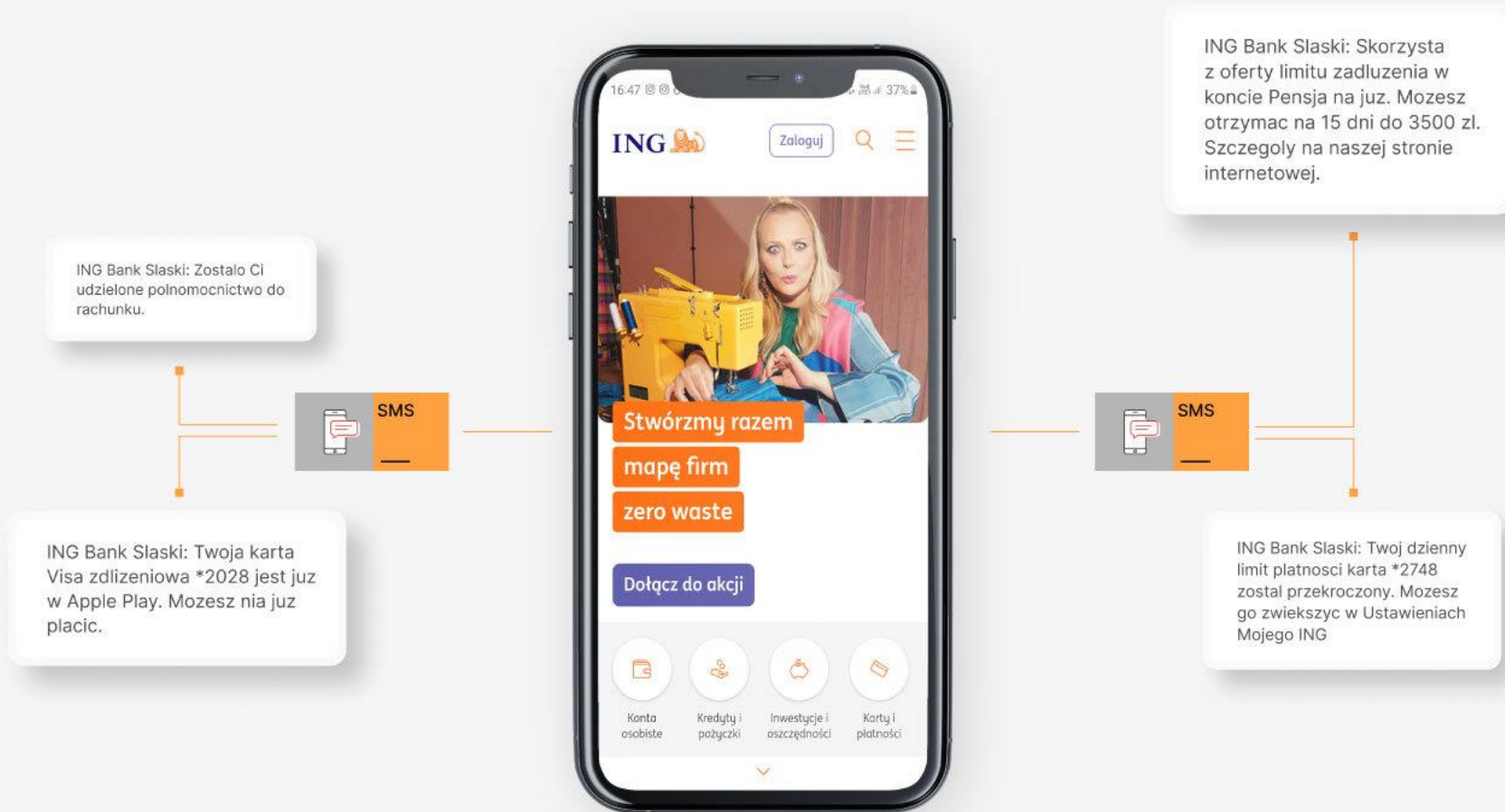
: Growing use of Vercom services in more sectors



- ✓ Dynamic growth of the number of customers by 65% y/y to 19 thousand
- ✓ Greater diversification of the customer portfolio structure - emergence of new segments: publishing, FMCG and Utilities
- ✓ Working with a wide range of customers increases stability
- ✓ Ability to further scale using current trends

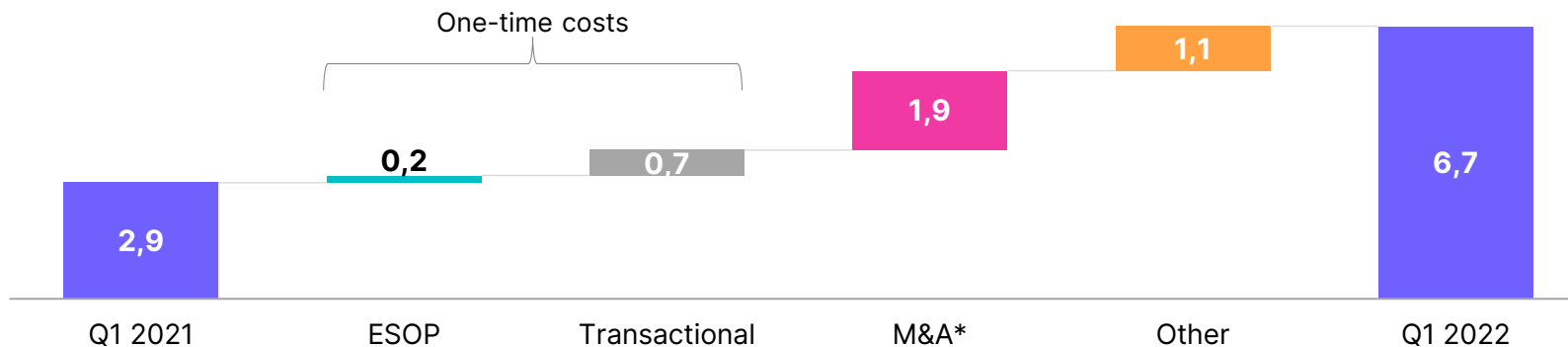
: Growing interest in CPaaS services

Case study: ING Bank



: Room for further cost optimization

General administrative expenses (PLN million)

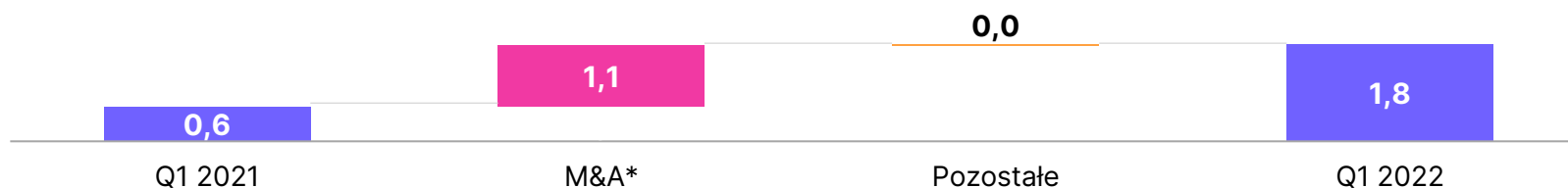


Comment

✓ Significant share of non-recurring costs, including PLN 0.4 million of non-cash expenses (ESOP and amortization of intangible assets in M&A)

✓ The increase in general and administrative expenses is primarily due to general and administrative expenses of acquired businesses

Sales and marketing expenses (million PLN)



✓ Nearly 2x IT talent growth in 1 year

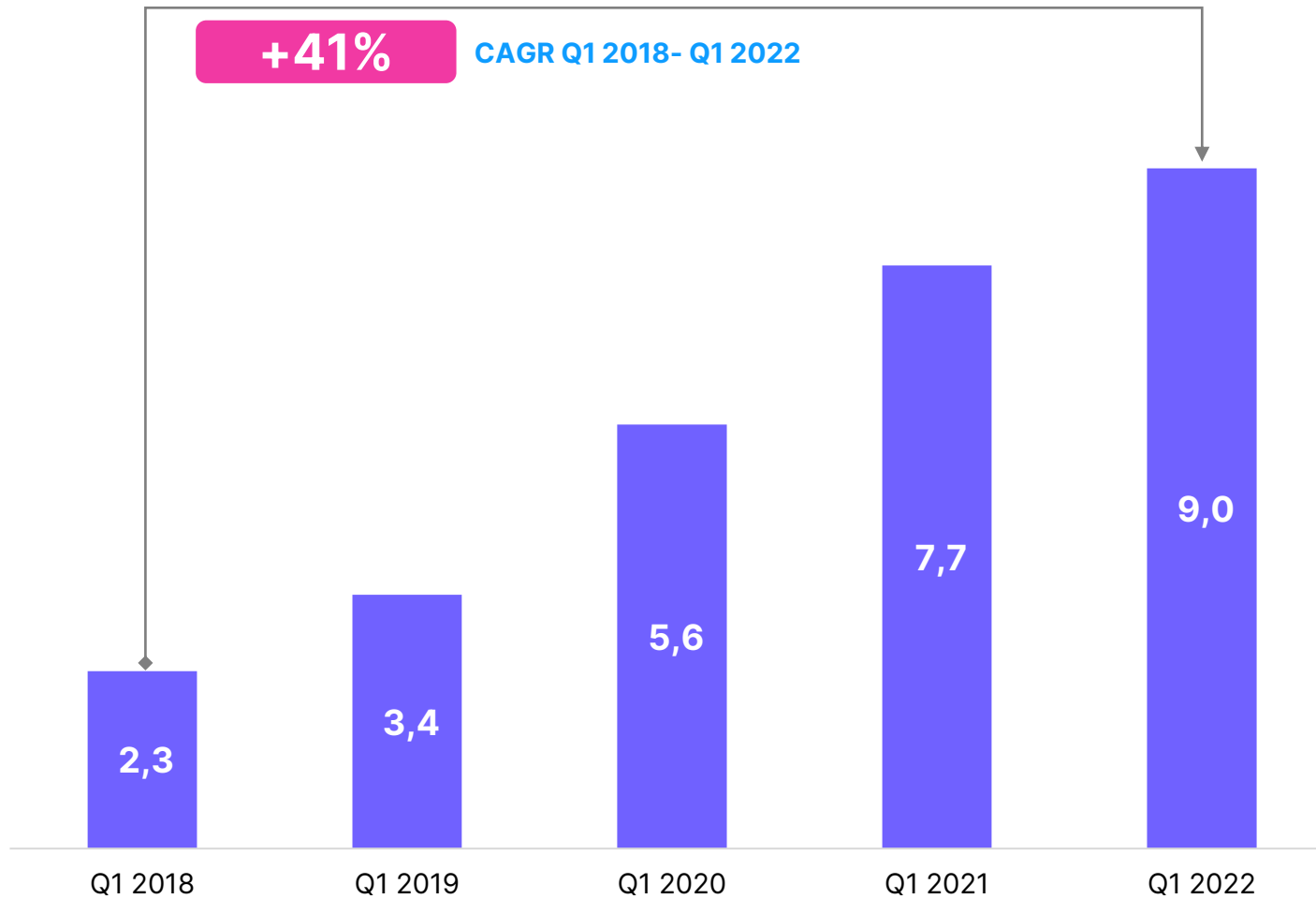
✓ Stable relation of sales and marketing costs to revenues

*M&A represents selling and administrative expenses of acquired companies

: Steadily growing EBITDA

EBITDA* (PLN million)

Comment



- ✓ Dynamically growing EBITDA
- ✓ Achievement of ESOP targets for EBITDA value
- ✓ Ability to generate significant cash flow despite the group's dynamic growth strategy

* EBITDA normalized for the impact of non-recurring costs related to acquisitions, the organization of the IPO and the valuation of the ESOP

: High cash generation capacity

Conversion of EBITDA to cash flow (PLN million)



¹⁾ EBITDA adjusted in plus for valuation of the incentive program in the amount of PLN 1.8 million, transaction costs of PLN 1.9 million and costs related to the organization of the public offering of shares in the amount of PLN 300 thousand.

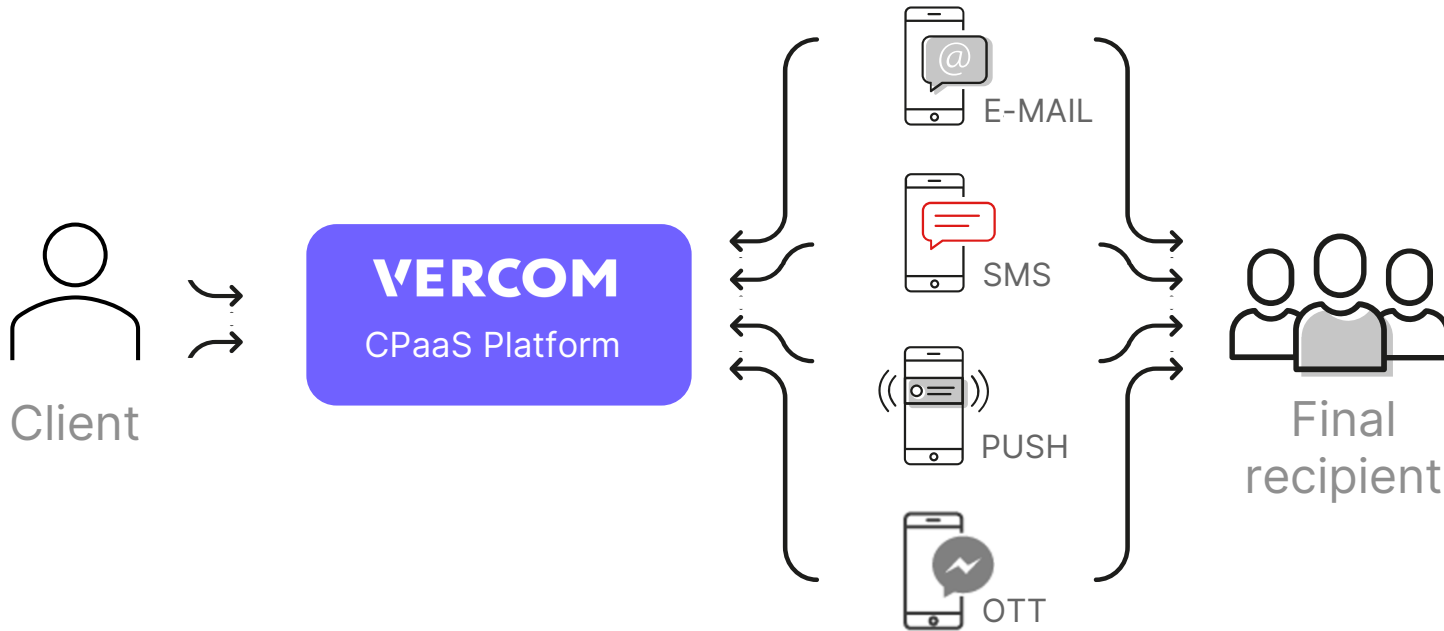
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: Vercom
business profile



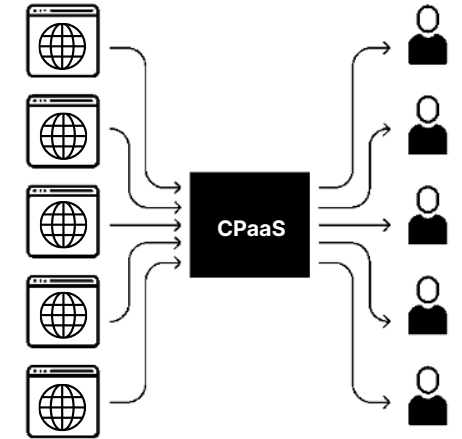
: CPaaS Platform

CPaaS: cloud-based communication platforms that enable companies to build and develop lasting relationships with their audiences across multiple communication channels.

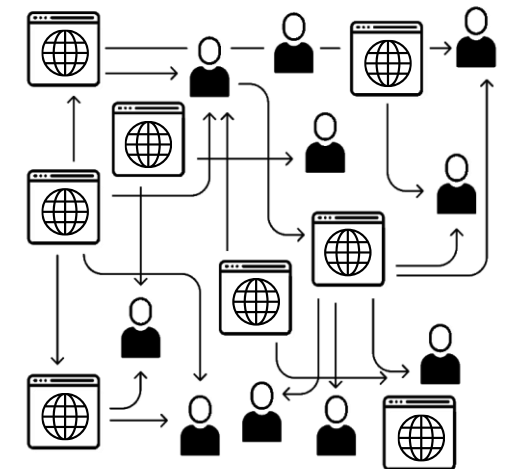


VERCOM

✓
With CPaaS



✗
Without CPaaS



: Sources of competitive advantage for Vercom

- ✓ High effectiveness of omnichannel communication
- ✓ High level of message deliverability
- ✓ All communication channels available in one service
- ✓ Potential for significant reduction in unit costs on the customer side
- ✓ Possibility of full integration with the customer's IT system
- ✓ Access to advanced analytical tools

A collage of various communication messages from Vercom's CPaaS platform. The messages are shown in different styles and colors, representing different channels and content types. Each message has a small icon indicating the channel: SMS (blue), Mobile Push (purple), Email (teal), and Web Push (blue).

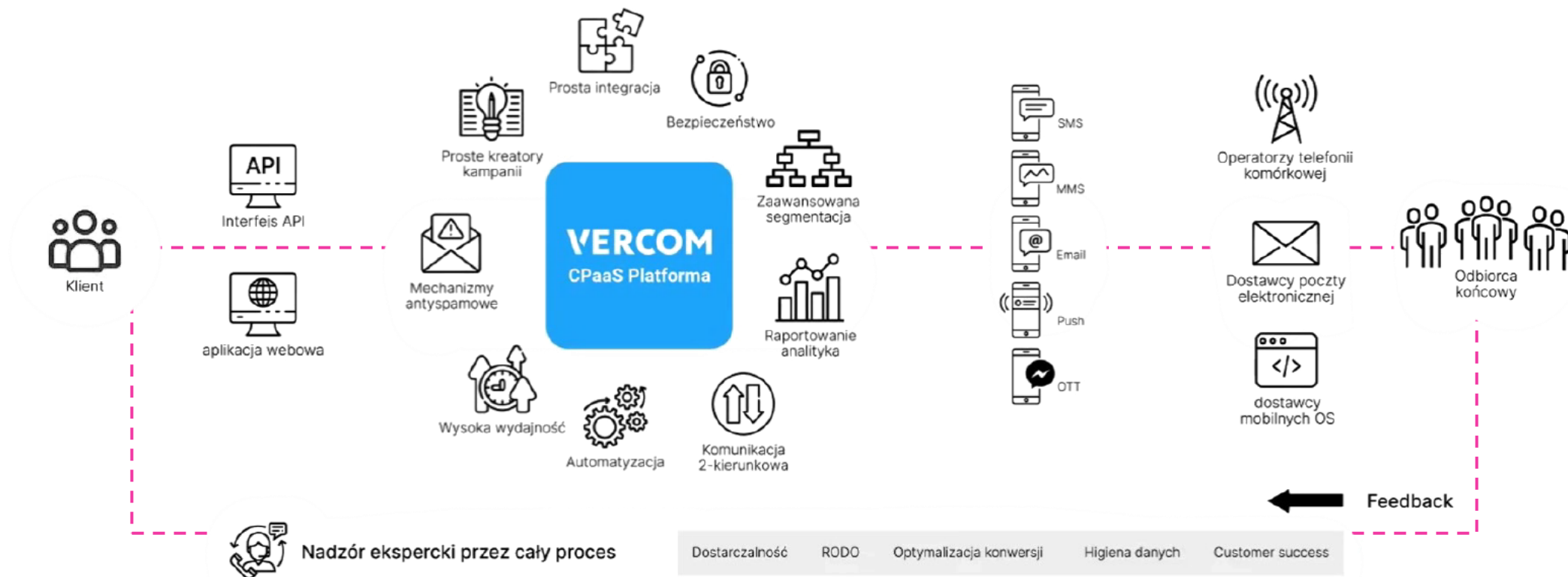
- SMS:** "ING Bank Slaski: Twój dzienny limit płatności karta *2748 został przekroczony. Możesz go zwiększyć w Ustawieniach Mojego ING"
- Mobile Push:** "Marta, super wyprzedaż! - 60% na CALA KOLEKCJE 2021 przy zakupie za min 349 zł <https://e-sklep...>"
- Email:** "Cześć O., u nas Dzień Kobiet trwa do 14 marca! **DZIEŃ KOBIEĆ LODY ZA 5 ZŁ** Lody Ben&Jerry's za 5 zł! Z okazji Dnia Kobiet - przez cały tydzień, od 8 do 14 marca! Bo lody i pizza to niezawodny duet!"
- Web Push:** "Ostatni ciepły dzień Już jutro zmiana pogody Google Chrome - www.wp.pl" with a "Close" button.
- SMS:** "Uwaga! Fala wezbraniowa na Wisle w woj. mazowieckim - kulminacja we wtorek i srode. Nie zbliżaj się do rzek."
- Email:** "OCHNIK DARMOWA DOSTAWA WIOSENNE NOWOŚCI KOLEKCJA WIOSNA-LATO JUŻ W SPRZEDAŻY SPRAWOZ"
- Email:** "Poszło! Twoja paczka od: FIXEM (tel. 253081212) wyruszyła w drogę do Paczkomatu. Z pewnych źródeł wiemy, że nie ogląda się za siebie."
- SMS:** "ING Bank Slaski: Zostalo Ci udzielone polnomocnictwo do rachunku."
- Web Push:** "Rząd skrócił kwarantannę www.onet.pl Co sądzi o tym lekarz?"

: The key role of CPaaS services in B2C communication

✓ Continuation of the trend of moving company-customer interactions from **offline to online channels**

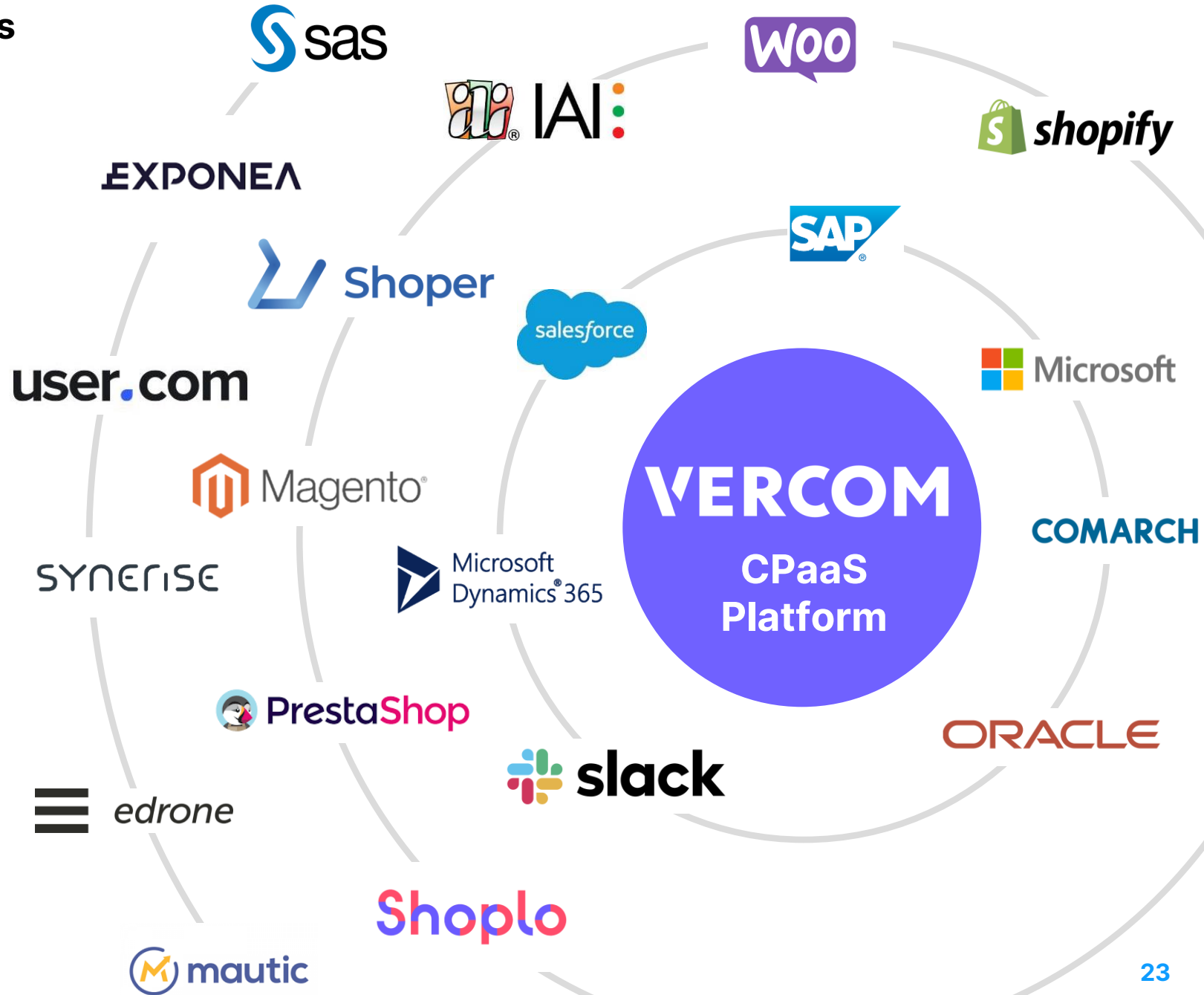
e-commerce	Financial institutions	Courier companies	Utilities	Telecoms	FMCG	Publishing
Ordering	Payments	Shipping	Invoices	Notifications	Promotions	Advertising
"Thank you for your order #12345. Your order is being processed."	"Thank you for your order #12345. Your order is being processed."	"Thank you for your order #12345. Your order is being processed."	"Thank you for depositing the amount of 44.90 into customer account 52071, the current balance is 0.00."	"Welcome to roaming! Enjoy free calls, sms and mms in the EU (zone 1 and to PL)."	"This week only! A special deal, get fries and a drink FREE with your enlarged portion!"	"Send an SMS with the word gram to 224455 and compete for valuable prizes. You can win a new Suzuki Swift"





: Easy integration with other systems

- ✓ Self-service model using a dedicated Vercom plug-in
- ✓ Possibility to use the platform instantly and without maintenance thanks to numerous integrations
- ✓ Scalable operating model that does not require significant sales and customer support forces
- ✓ Growth also generated from the development of the particular system into which the Vercom platform is integrated
- ✓ The number of self-service customer integrations has increased since the IPO



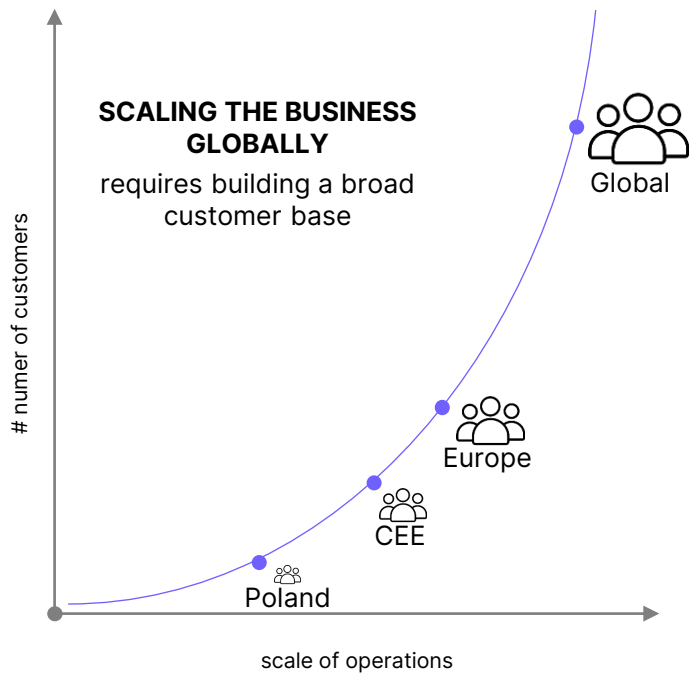
: Development strategy



: Development strategy

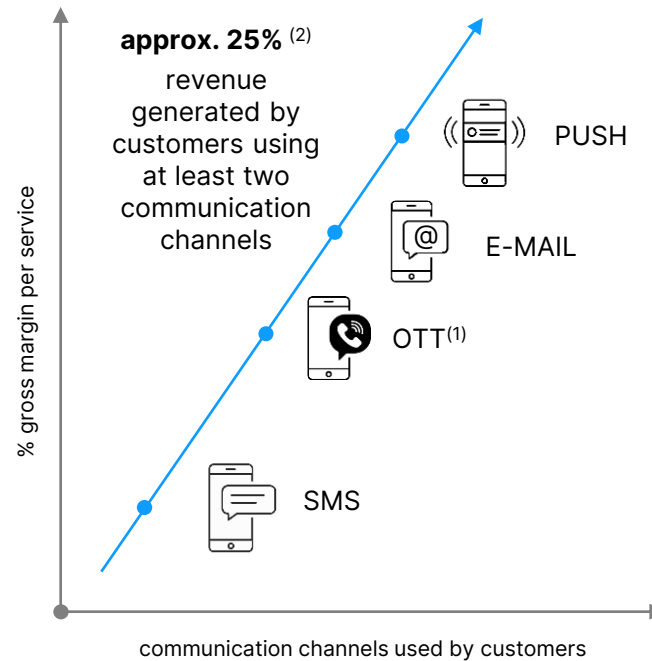
Increase in the scale of operations

- ✓ Increase business reach through acquisitions and organic growth
- ✓ High scalability through integration with global IT systems and self-service sale



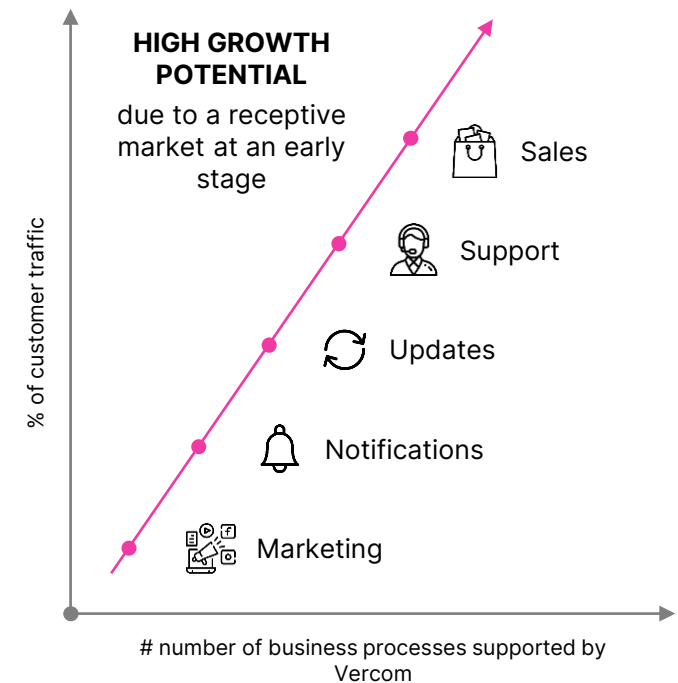
Cross-selling services

- ✓ Delivering the most effective solutions
- ✓ Complementary cross-selling channels
- ✓ Benefit from structurally higher margins



Customer Development

- ✓ Expansion of cooperation from a single service to new business areas
- ✓ Moving the customer along an upward curve

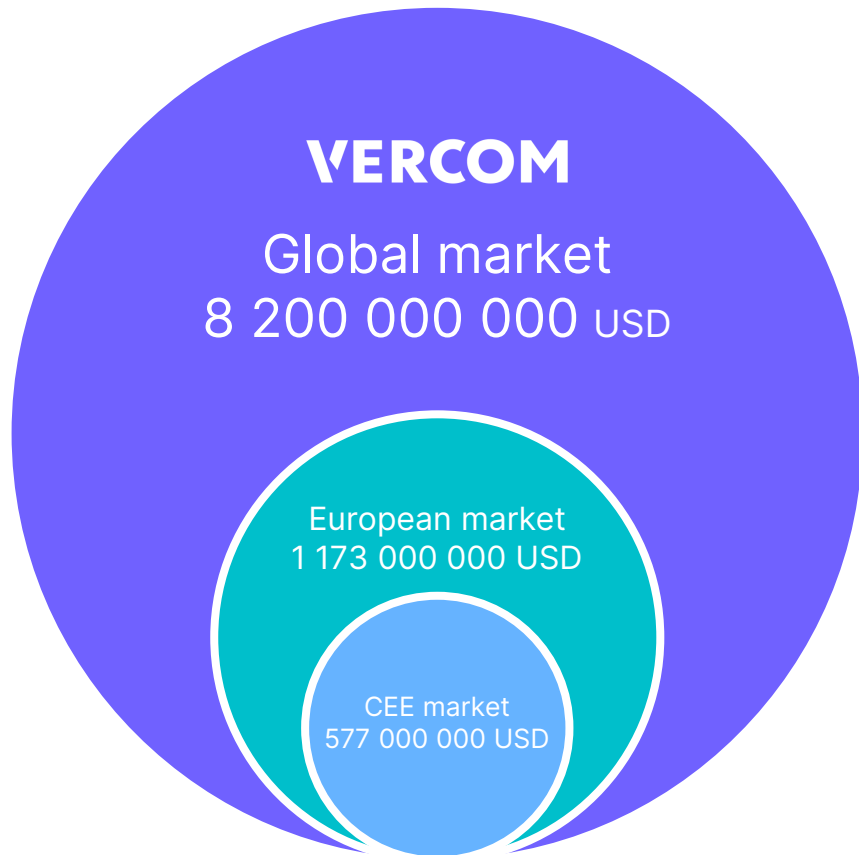


Remarks:
 (1) Based on gross margin generated from Viber services in the Czech Republic.
 (2) Excluding companies acquired during the year.

: Exponential growth of target addressable market

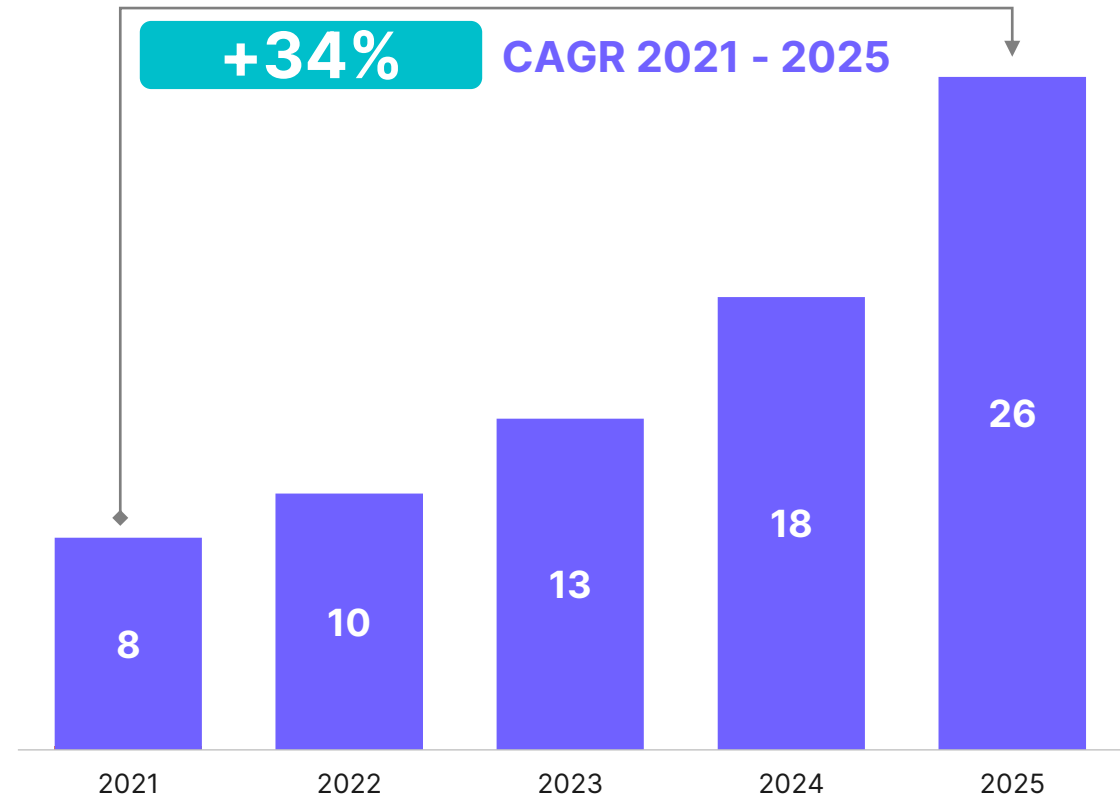
Target addressable market (TAM)

✓ 14x increase TAM



Source: Juniper Research

Global CPaaS market value (USDb)



Dynamic 30%+ market growth driven by:

- Progressing digitization of business processes
- Growing volume of transactional communication
- Development of marketing automation tools

Source: Juniper Research, Statista, Facebook, GSMA, NetMarketShare

: Scale2Global

mailer lite

+

VERCOM

VERCOM



:mailer **lite** – significant global presence

Global reach

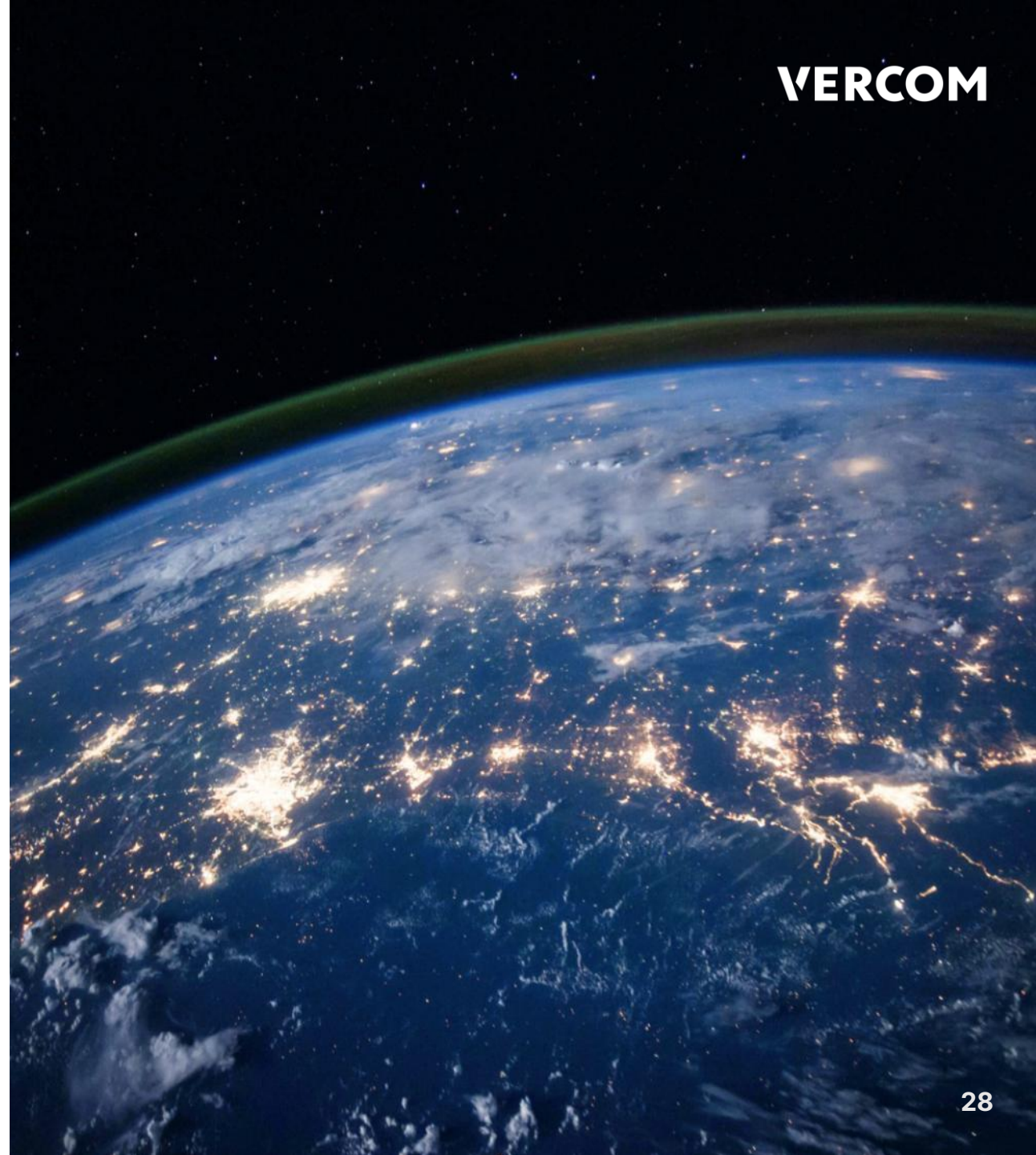
Customers worldwide **+38 000**

Attractive markets

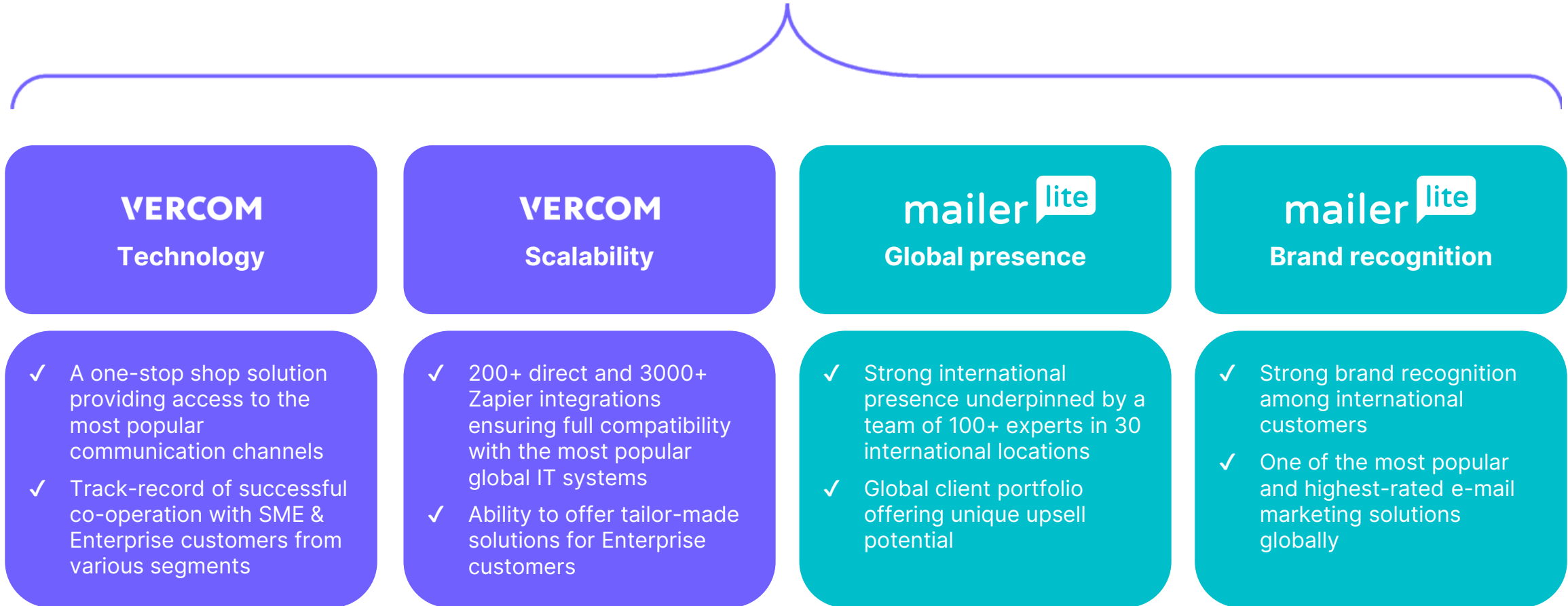
US and Western Europe **>70%**

International team

Employees in 30 locations **+100**

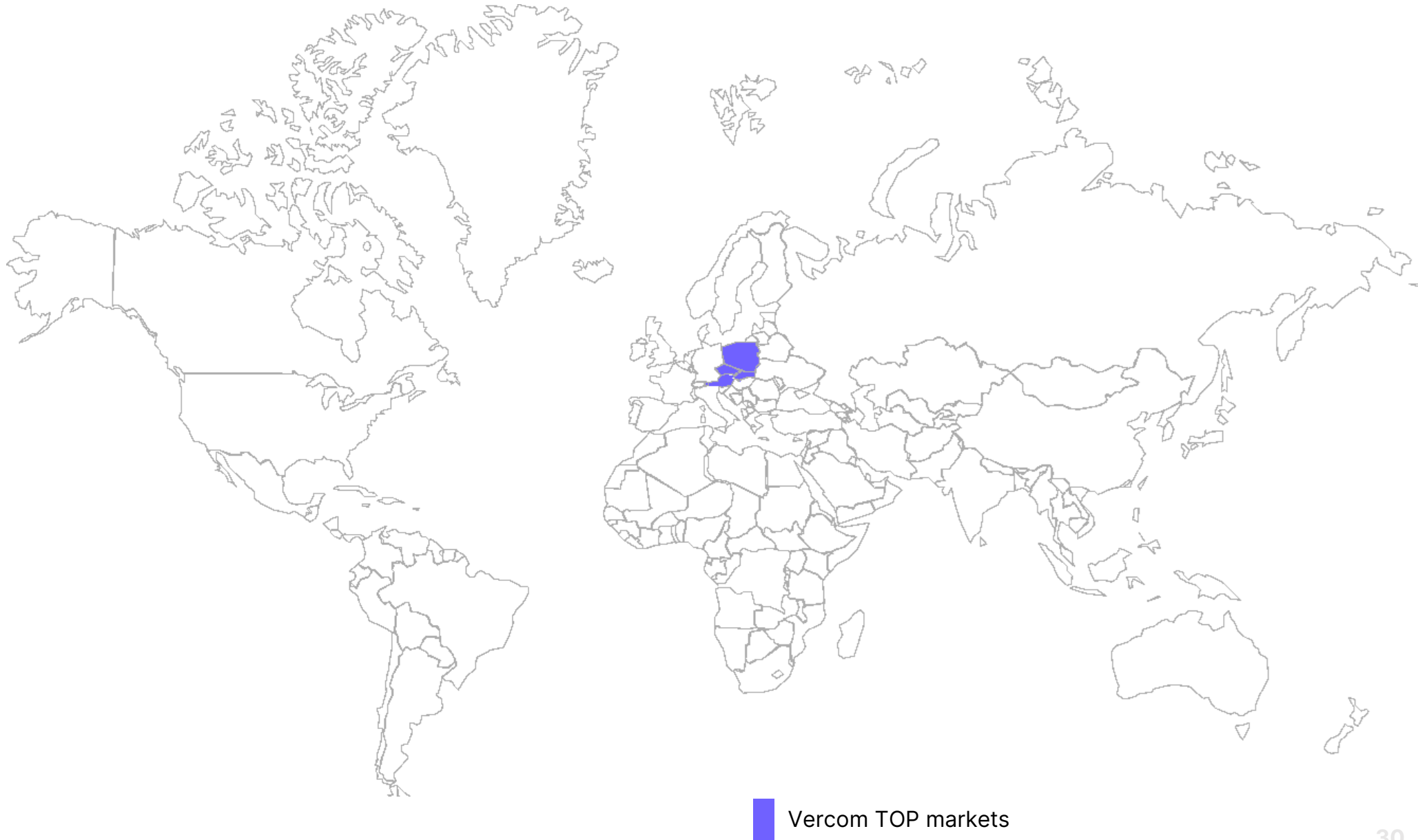


Global CPaaS player

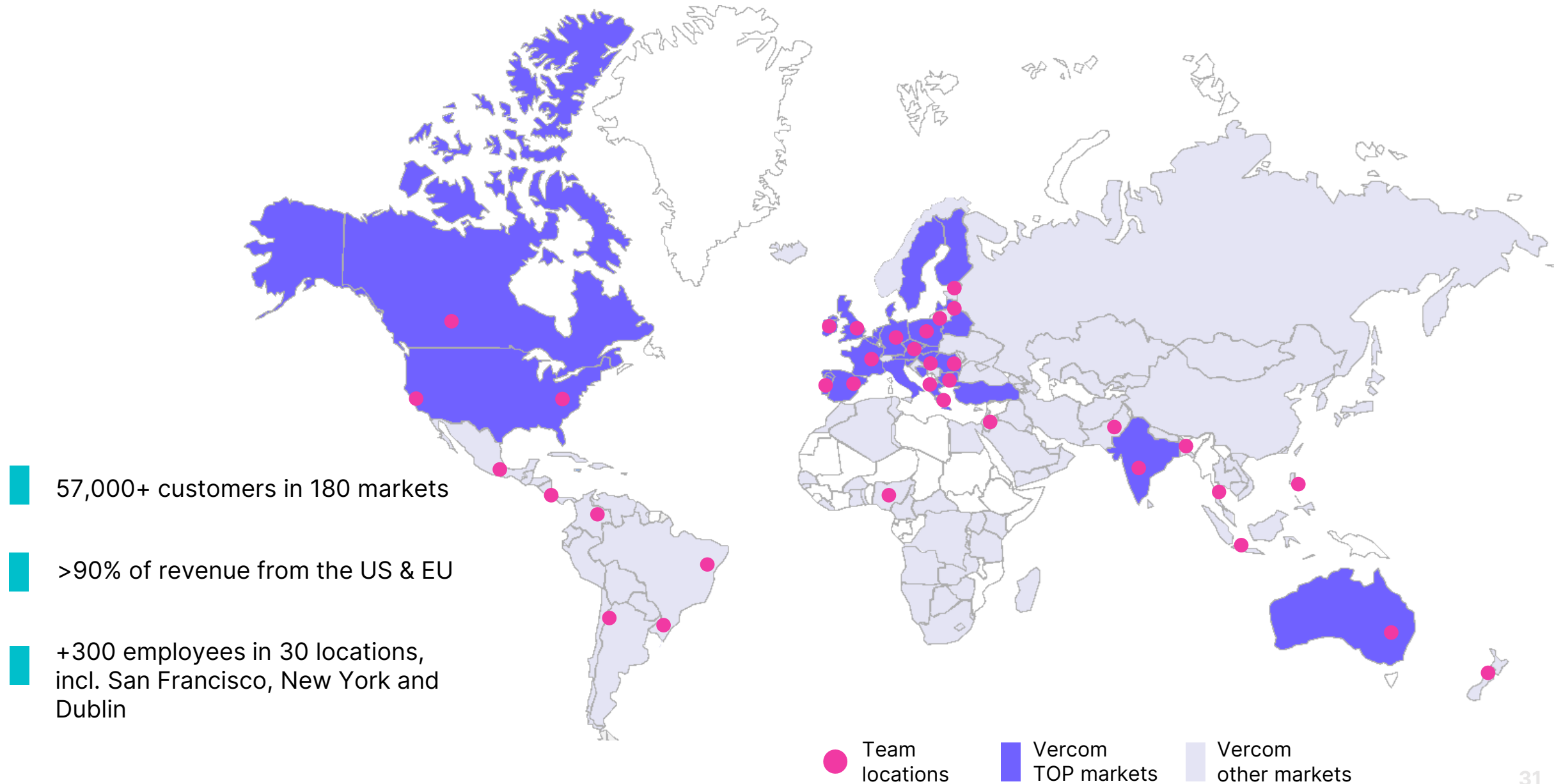


: International expansion - Vercom before the acquisition

VERCOM



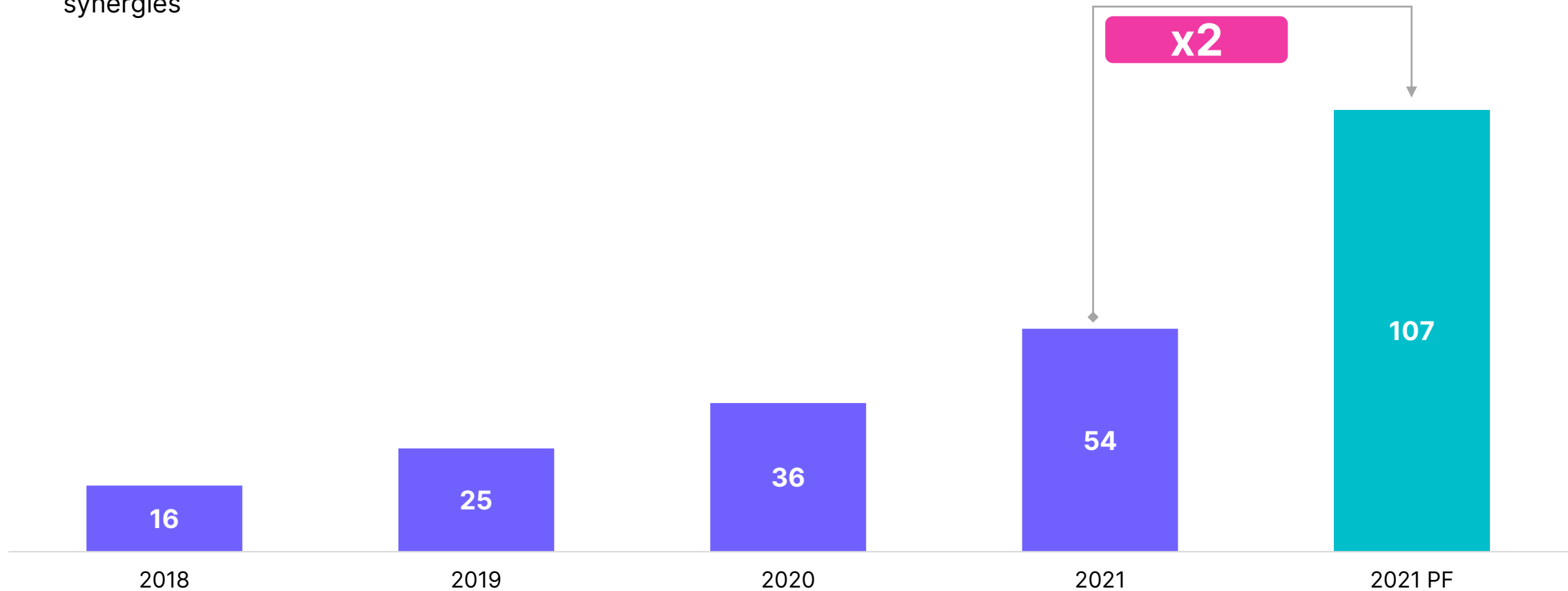
: International expansion - Vercom after acquisition



: Doubling the scale of operations

Gross profit (PLNm)

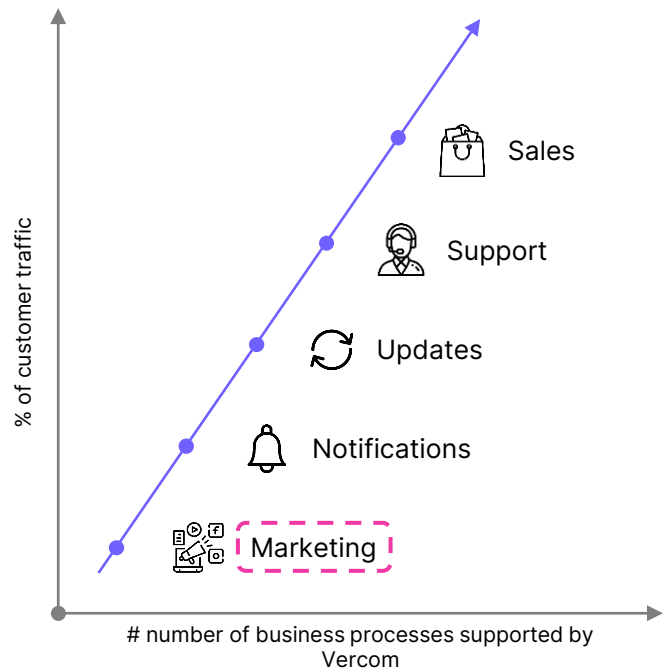
- ✓ The acquisition will instantly double the gross profit while offering significant cross-sell synergies



: Significant potential to extract synergies

Customer Development

✓ 100% of MailerLite revenue derived from marketing services

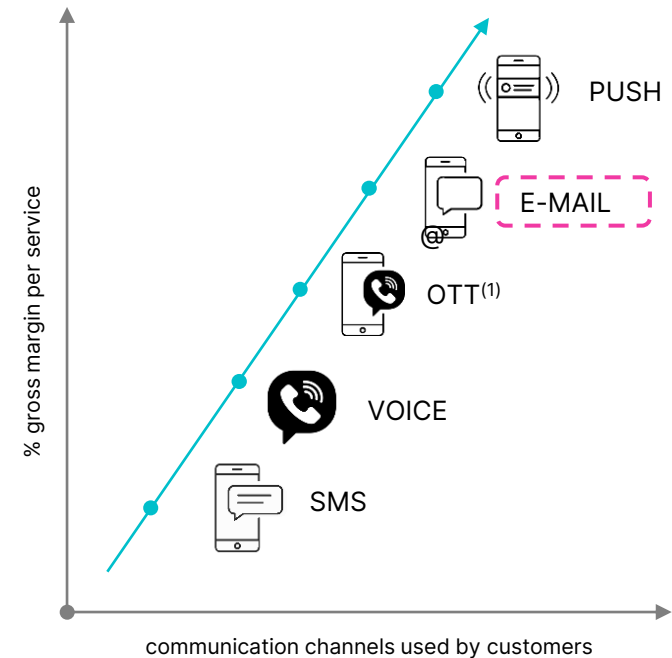


Opportunity:

✓ **extending co-operation with ML clients to include new areas**

Cross-selling services

✓ 100% of MailerLite revenue derived from e-mail channel



✓ **up-selling of services and offering omnichannel solutions to ML clients**

(1) Based on gross margin generated from Viber services in the Czech Republic

: One year
after IPO



: From the CEE leader to the global player

Communications channels

3 → 6 **x2**

Team

100 → 300 **x3**

Customers

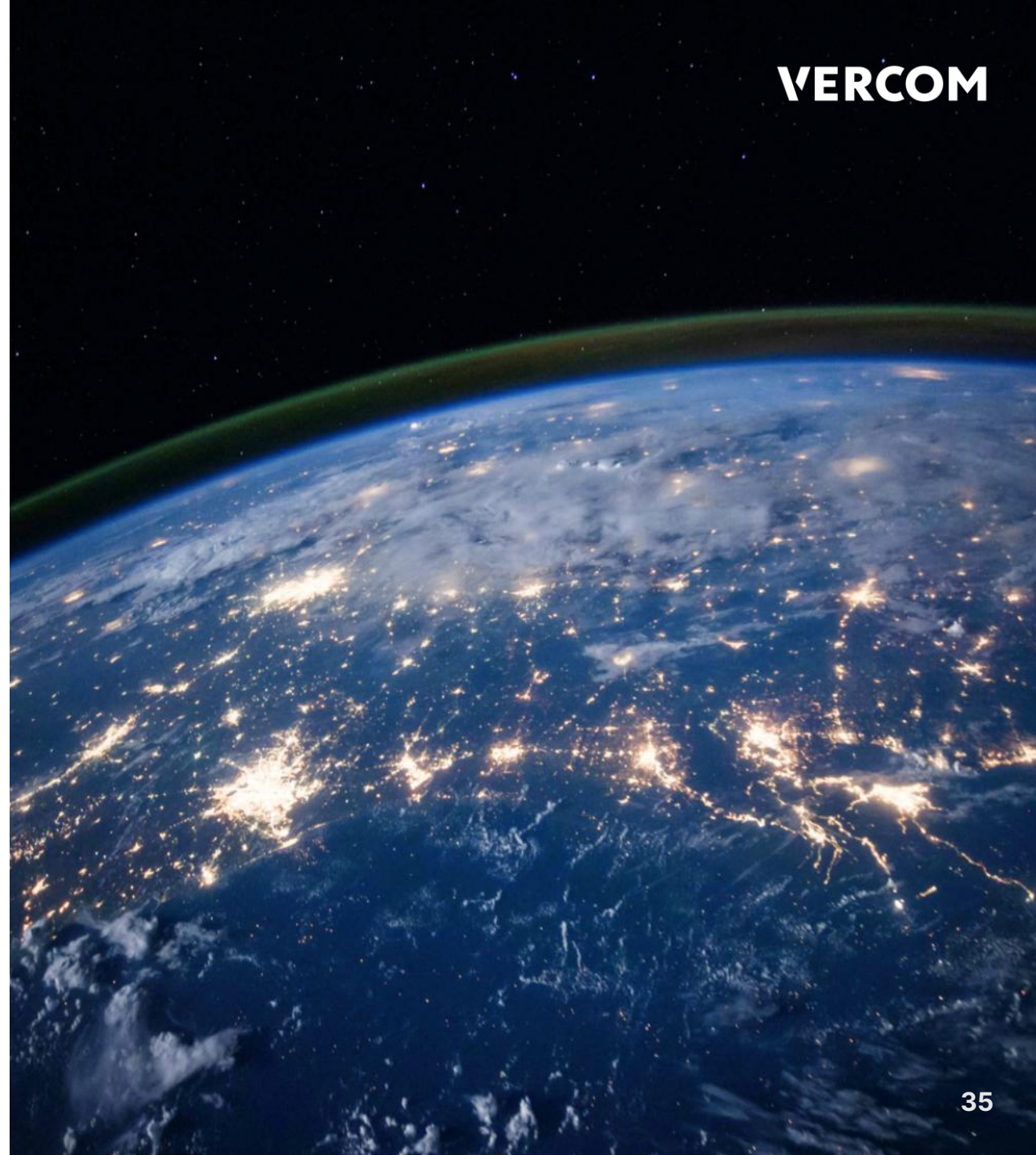
11 400 → 56 800 **x5**

Addressable market

CEE → Global **x14**

Before IPO → After M&A

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: Financial data



: Profit and loss account - comparative version

(PLN thousands)	Q1 2021	Q1 2022	Change
Revenue from sales	38 518	49 504	29%
Other operating revenue	2	23	1050%
Amortization	(923)	(1 567)	70%
Third party expenses	(29 377)	(37 431)	27%
Employee benefits	(1 281)	(4 160)	225%
Changes in products	0	784	
Materials and Energy costs	(90)	(206)	129%
Taxes and fees	(3)	(106)	3433%
Other operating costs	(1)	(37)	3600%
Gain/(loss) on sale and liquidation of tangible fixed assets	0	224	
Other revaluation write-offs	(20)	(194)	870%
Operating profit	6 825	6 834	0%
Net financial costs	(507)	976	-293%
Share in profit/(loss) of entities accounted for using the equity method	(74)	167	-326%
Profit before tax	6 244	7 977	28%
Income tax	(400)	(1 403)	251%
Net profit	5 844	6 574	12%
- attributable to shareholders of the parent company	5 844	6 626	13%

: Profit and loss account – calculation variant

(PLN thousands)	Q1 2021	Q1 2022	Change
Revenue from sales	38 518	49 504	29%
Cost of producing services	(28 176)	(34 207)	21%
Gross profit from sales	10 342	15 297	48%
Sales and marketing costs	(625)	(1 757)	181%
General administration costs	(2 873)	(6 722)	134%
Profit from sales	6 844	6 818	0%
Other operating revenues	2	23	1050%
Profit from sale of non-financial fixed assets	0	224	
Other operating costs	(1)	(37)	3600%
Other revaluation write-offs	(20)	(194)	870%
Operating profit	6 825	6 834	0%
Financial revenues	5	1 619	32280%
Financial costs	(512)	(643)	26%
Net financial costs	(507)	976	-293%
Share of losses of equity accounted investees	(74)	167	-326%
Profit before tax	6 244	7 977	28%
Income tax	(400)	(1 403)	251%
Net profit from continuing operations	5 844	6 574	12%

: Financial situation - assets and liabilities

(PLN thousands)	31.12.2021	31.03.2022	Change
Fixed real assets	842	819	-3%
Rights-of-use assets	5 251	4 756	-9%
Intangibles and goodwill	93 368	93 877	1%
Investments in associates	11 948	12 118	1%
Deferred income tax assets	37	9	-76%
Other assets	725	726	0%
Loan granted	86	87	1%
Derivative instruments	625	617	-1%
Fixed assets	112 882	113 009	0%
Trade receivables	32 258	29 026	-10%
Loans granted	33 356	33 907	2%
Cash and cash equivalents	116 799	120 269	3%
Other assets	653	1 548	137%
Working assets	183 066	184 750	1%
Total assets	295 948	297 759	1%
Own equity	206 882	213 836	3%
Long-term liabilities	44 567	42 585	-4%
- Including, among others, liabilities due to loans and borrowings	35 048	33 427	-5%
Short-term liabilities	44 499	41 338	-7%
Total liabilities	89 066	83 923	7%
Total own equity and liabilities	295 948	297 759	1%

: Cash position - cash-flow statement

(PLN thousands)	Q1 2021	Q1 2022	Change
Net profit for the reporting period	5 844	6 574	12%
Total adjustments	2 876	2 246	-22%
Cash flow from operating activities	8 719	8 820	1%
Tax paid	(584)	(1 183)	103%
Net cash flow from operating activities	8 135	7 637	-6%
Interest earned	3	110	3567%
Loans granted	0	(300)	
Loan repayments	303	0	
Purchase of subsidiaries less cash holdings	0	0	
Investments in associates	0	(3)	
Proceeds from sale of tangible fixed assets	0	224	
Proceeds from the sale of shares	0	0	
Purchase of fixed real assets and intangibles	(529)	(1 557)	194%
Net cash from investing activities	(223)	(1 526)	584%

: Cash position - cash-flow statement

(PLN thousands)	Q1 2021	Q1 2022	Change
Net proceeds from issue of share	0	0	
Other subsidies	0	0	
Dividends	0	0	
Purchase of own shares	0	0	
Repayment of credits and loans	(1 645)	(1 657)	1%
Interest paid	(354)	(549)	55%
Payments of lease liabilities	(234)	(435)	86%
Proceeds from credits and loans	0	0	
Proceeds from received grants	0	0	
Net cash from financing activities	(2 233)	(2 641)	18%
Total net cash flow	5 679	3 470	-39%
Cash and cash equivalents at the beginning of the reporting period	11 684	116 799	
Cash and cash equivalents at the end of the reporting period	17 363	120 269	593%

: Changes in own equity

Note	Reserve capital, including:				Other capital	Reserve capital	Own shares	FX differences on conversion with foreign subsidiaries	Retained profits	Equity attributable to equity holders of the parent	Capital attributable to non-controlling interest	Own equity
	Initial capital	premium on stock sold above face value	Profit deductions	Other								
As of January 1, 2022	369	170 503	2 588	3 532	1 796	5 622	(970)	549	22 059	206 048	834	206 882
Net profit									6 626	6 626	(52)	6 574
Other total revenues								223		223		223
Total revenues for the period	-	-	-	-	-	-	-	223	6 626	6 849	(52)	6 797
Transactions with shareholders included directly in own equity												
Capital from share-based payments	23				157					157		157
Total changes in equity					157			223	6 626	7 006	(52)	6 954
As of March 31, 2021	369	170 503	2 588	3 532	1 953	5 622	(970)	772	28 685	213 054	782	213 836

: Unconsolidated income statement - comparative variant

(PLN thousands)	Q1 2021	Q1 2022	Change
Revenue from sales	23 616	27 557	17%
Other operating revenue	1	9	800%
Amortization	(757)	(996)	32%
Third party expenses	(18 034)	(22 072)	22%
Employee benefits	(592)	(1 042)	76%
Cost of materials and energy	(24)	(46)	92%
Taxes and fees	(2)	(39)	1850%
Other operating costs	0	(19)	
Gain/ (Loss) on sale of tangible fixed assets and intangible assets	0	224	
Other revaluation write-offs	(119)	(64)	-46%
Operating profit	4 089	3 512	-14%
Net financial income	(420)	1 095	-361%
Profit before tax	3 669	4 607	26%
Income tax	(236)	(703)	198%
Net profit	3 433	3 904	14%

: Unconsolidated income statement – calculation variant

(PLN thousands)	Q1 2021	Q1 2022	Change
Revenues from sales	23 616	27 557	17%
Cost of producing services	(17 079)	(20 208)	18%
Gross profit from sales	6 537	7 349	12%
Sales and marketing costs	(329)	(337)	2%
General administration costs	(2 001)	(3 650)	82%
Profit from sales	4 207	3 362	-20%
Other operating revenues	1	9	800%
Other operating costs	0	(19)	
Other revaluation write-offs	(119)	(64)	-46%
Operating profit	4 089	3 512	-14%
Financial revenues	4	1 705	42525%
Financial costs	(424)	(610)	44%
Net financial costs	(420)	1 095	-361%
Profit before tax	3 669	4 607	26%
Income tax	(236)	(703)	198%
Net profit	3 433	3 904	14%

: Unconsolidated balance sheet - assets and liabilities

(PLN thousands)	31.12.2021	31.03.2022	Change
Fixed real assets	629	604	-4%
Right-of-use assets	3 786	3 437	-9%
Intangibles	16 719	16 841	1%
Investments in subsidiaries	81 262	81 262	0%
Investments in associated entities	12 622	12 625	0%
Other assets	510	509	x%
Loan granted	86	87	1%
Derivative instruments	625	617	-1%
Fixed assets	116 239	115 982	0%
Trade receivables	16 996	17 219	1%
Loans granted	33 422	33 907	1%
Cash and cash equivalents	98 881	98 445	0%
Other assets	420	1 355	223%
Working assets	149 719	150 926	1%
Total assets	265 958	266 908	0%
Own equity	196 036	200 097	2%
Long-term liabilities	41 739	39 921	-4%
- Including, among others, liabilities due to loans and borrowings	35 076	33 452	-5%
Short-term liabilities	28 183	26 890	-5%
Total liabilities	69 922	66 811	-4%
Total equity and liabilities	265 958	266 908	0%

VERCOM

: Shares and
Shareholders



: Shares and shareholders

Shareholder structure as of March 31, 2022

	Number of A, B and D series shares	Face value of each share (in PLN)	Initial capital (in PLN)	% votes at the General Meeting	Share in initial capital
R22 S.A.	10 113 850	0,02	202 277	55,13%	55,13%
cyber_Folks S.A.	6 945	0,02	139	0,04%	0,04%
Adam Lewkowicz	1 644 250	0,02	32 885	8,96%	8,96%
Krzysztof Szyszka	1 445 300	0,02	28 906	7,88%	7,88%
Tomasz Pakulski	143 450	0,02	2 869	0,78%	0,78%
Funds managed by Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A. *	1 250 715	0,02	25 014	6,82%	6,82%
Vercom S.A. (own shares)	126 850	0,02	2 537	-	-
Others	3 739 340	0,02	74 787	20,38%	20,38%
TOTAL	18 470 700		369 414	100,00%	100,00%
* incl. Nationale-Nederlanden Otwarty Fundusz Emerytalny	1 100 736	0,02	22 015	6,00%	6,00%

: Incentive plan

Key principles

- Founders will retain significant stake post-IPO and will not participate in Vercom stock-based Employee Stock Option Plan (ESOP)
- ESOP is addressed to key managers and employees responsible for operational management
- ESOP targets and execution apply to fiscal years 2021-2024
- The plan includes 126,850 shares (84,472 as the basic tranche and 42,378 as an additional tranche for potential new employees).
- The basic tranche includes 14,500 loyalty shares which are to be granted in the first year of the Plan without additional result-based criteria.
- The purchase price is equal to the face value.
- ESOP target weights:
 - Normalized EBITDA - 40%
 - Market results - 20%
 - Individual targets - 40%

Total cost of the incentive plan in the years 2021-2024 was estimated on April 30, 2021 (award date as defined by IFRS 2 Share-based payments) at PLN 2,857,000. Therefore, it had an impact on the results in Q2 2021 in the amount of PLN 449,000, in Q3 2021. PLN 674,000. and in Q4 2021 PLN 673,000.

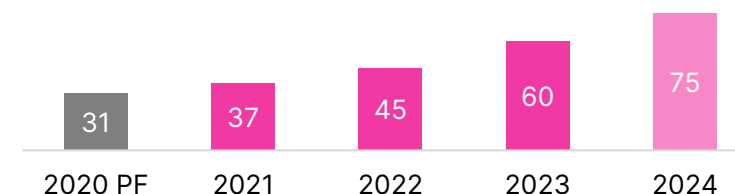
Total incentive plan cost will be booked over the plan's duration in the fiscal years 2021-2024.

Incentive plan targets

Normalized EBITDA (PLN, million)

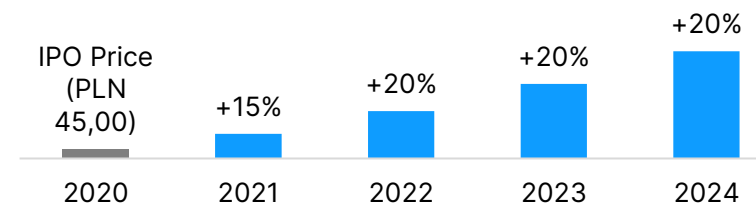
EBITDA target refers to normalized EBITDA, adjusted by ESOP cost, extraordinary or one-off items and historical EBITDA of the companies acquired.

For the avoidance of doubt, EBITDA growth generated by companies acquired is treated as organic growth and is not subject to normalization.



Stock price

A 15% rise from the IPO price (PLN 45) in the first year. In the following years an increase by 20% from previous year's target.



Vercom on the WSE

On May 5, 2021 the Managing Board of the Warsaw Stock Exchange (GPW S.A.) adopted a resolution on the introduction into trading of Vercom S.A. series A and B ordinary bearer shares on the WSE's main market. The WSE Managing Board decided to introduce 14,110,700 series A ordinary bearer shares and 360,000 series B ordinary bearer shares of Vercom S.A., with the face value of PLN 0.02 each, designated by the National Securities Depository with the code PLVRCM000016 into trading on the parallel market and to list the shares of Vercom S.A. in continuous trading system under abbreviated name VERCOM and the ticker VRC.

Furthermore, on May 5, 2021, the Managing Board of the Warsaw Stock Exchange adopted a resolution on the introduction into trading on the WSE's main market of series D rights to ordinary shares of Vercom S.A. The WSE's Managing Board decided to introduce into trading on the parallel market 4,000,000 (four million) rights to ordinary bearer shares of Vercom S.A., with the face value of PLN 0.02 each, designated by the National Securities Depository with the code PLVRCM000032, as of May 6, 2021 and to list the rights to shares of Vercom S.A. in continuous trading system under the abbreviated name VERCOM-PDA and the ticker VRCA.

On May 6, 2021 Vercom shares and Rights to Shares were listed on the Warsaw Stock Exchange. The stock price at the opening rose by nearly 20% from the issuing price of PLN 45 per share.

On 7 December 2020. The Extraordinary General Meeting of the Company decided to cancel 8,992 of the Company's own shares for a consideration of PLN 382.47 per share, i.e. a total consideration of PLN 3,440 thousand. The redemption of Vercom S.A.'s own shares was entered in the National Court Register on 8 February 2021.

Dividend policy

In light of the planned acquisitions, in particular those described in point 4 of the Prospectus, the Managing Board does not intend to recommend making a dividend payment to the General Meeting prior to allocation of profits for the fiscal year 2022. Furthermore, the final decision concerning the recommendation on the allocation of profit for the fiscal year 2022 will depend on the financial and liquidity situation of the Issuer's Group and its investment plans at the time. Ultimately, it is the intention of the Managing Board to recommend dividend payment totaling up to 40% of the Issuer's net result. With the provision that the decision on dividend payment will be made each year by the General Meeting based on the Managing Board recommendation based on the Company's current financial position and its requirements for financial resources in the following time periods.

Historical dividend

Resolution date	Dividend amount
26.04.2019	PLN 8m
12.05.2020	PLN 10,3m
08.04.2021	PLN 15,1m

: Company
authorities



: Vercom Managing Board



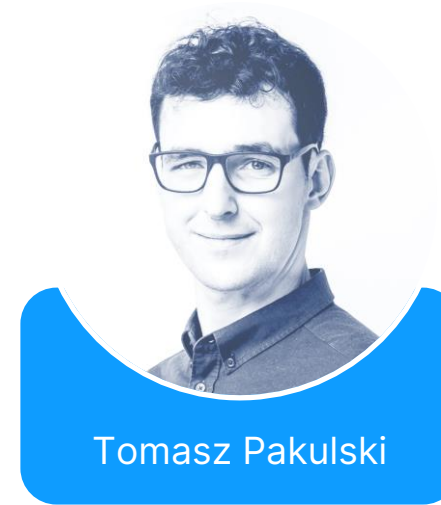
Krzysztof Szyszka

CEO, Founder



Adam Lewkowicz

CTO, Founder



Tomasz Pakulski

COO

Industry
experience
(years)

>20

>20

>12

At Vercom (years)

>15

>15

>12

Jakub Dwernicki – Chairman of the Supervisory Board

Founder and the main manager of R22 Group. The group offers a full range of services for corporate clients with respect to online presence, automation and digitization of business processes, particularly communications, marketing and sales. Jakub Dwernicki is the main author of the strategy to acquire hosting businesses. Over the past five years the Group has completed around 20 such transactions both in Poland and in other CEE countries. He gained his professional experience serving in management and supervisory roles and as the founder of companies that were combined into today's R22 Group.

Franciszek Szyszka – Supervisory Board Member

Graduate of the Warsaw University of Technology, Department of Mechanical Engineering, Energy and Aviation. In 2006 Mr. Szyszka passed an exam for supervisory board members and since 2009 he is also authorized to issue energy characteristics certificates. Mr. Szyszka gained his professional experience at PPU Allmet as Technical Director, Elbląg City Hall as Head of the Investment Department, Municipal Buildings Managing Board in Elbląg as Director of the Managing Board, at the Municipal Public Transit Board in Elbląg as Supervisory Board Member and at Elbląg Water and Sewage Works as Supervisory Board Member.

Kinga Stanisławska – Supervisory Board Member

Graduate of Harvard Business School (TGMP), IECS in Strasbourg, UMIST in Manchester and the University of Warsaw. She has been a member of the European Innovation Council since 2017. For 5 years she was Vice President of the Polish Association of Capital Investors (PSIK). In 2018 she was included in the list of Top 50 Women in Tech by Forbes magazine. She was several times on the list of 50 most influential women in Europe in the venture capital and startups sector. She was Global Head of Telecommunications, Media and IT at Raiffeisen Investment in Vienna. She started her career in finance at Citigroup and ING in London, before taking responsibility for private and public equity investments as Principal at the European Bank for Reconstruction and Development in London. Kinga Stanisławska meets the independence criteria set by the Act on Statutory Auditors, Audit Firms and Public Supervision of 11 May 2017 and the requirements indicated in the Good Practices of Companies Listed on the WSE.

Jakub Juskowiak – Supervisory Board Member

Graduate of the University of North Carolina with a degree in Business Administration and post-graduate studies at the Poznan University of Economics in the field of accounting. Holds statutory auditor certification since 2011. Mr. Juskowiak gained his professional experience as an Assistant to Statutory Auditor at BDO sp. z o.o., Assistant to Statutory Auditor and Audit Manager at PKF Consult z o.o. sp.k. and as the CFO at Ebrex Polska sp. z o.o. Mr. Juskowiak meets the criteria as an independent supervisory board member set forth in the WSE Good Practices.

Aleksander Duch – Supervisory Board Member

Graduate of the University of Warsaw, Faculty of Law and Administration. Received his PMP certificate from Project Management Institute. For 7 years he worked at IBM Poland managing projects and business development. Since 2007, he has worked for the Asseco Group, where initially he managed the sales department and, in the following years, he was responsible for the Group's development outside Poland by participating in acquisition processes and subsequent supervision over the acquired companies. At present, he serves on the management boards of Asseco Western Europe SA, Bioalter Sp. z o.o. Allter Power Sp. z o.o., Polish Association of Agricultural Biogas Producers (PSPBR) and Polish Fintech Investors Association (SPIF). Aleksander Duch meets the independence criteria set by the Act on Statutory Auditors, Audit Firms and Public Supervision of 11 May 2017 and the requirements indicated in the Good Practices of Companies Listed on the WSE.

: Other
information



: Factors relevant to Vercom's development and threats and risks

Vercom creates global cloud-based communications platforms (CPaaS) that enable companies to build and grow lasting relationships with their audiences across multiple communications channels. The Company's solutions help companies overcome communication complexity, automate and scale communications while maintaining high deliverability and efficiency - all in a fast, secure and reliable manner. The pillars of Vercom Group's growth are acquisitions and organic growth.

Due to the nature of Vercom's business, Management identifies the following business risks:

- Risk of increased costs of purchasing sms messages and access to email systems and push messaging capabilities
- Risk of introducing restrictions on sending e-mail and push messages
- Risk of limiting the cooperation or worsening the conditions for cooperation with significant customers
- Risk related to acquisitions carried out by the Group
- Risk of making mistakes or facing unexpected difficulties related to the rapid development of the Group and the implementation of its strategy
- Risk of maintaining competitiveness of the service offering
- Risks associated with the human team
- Risks associated with failure of IT equipment and systems
- Risk of attacks on the Group's own and customers' infrastructure
- Risk related to processing of personal data on a substantial scale by the Group
- Risks related to copyrights for software used by the Group
- Risks associated with the impact of the COVID-19 pandemic on the Group's operations
- Impact of the macroeconomic situation
- Tax risk related to IP Box relief
- Risk of liability for credit obligations of R22 Group companies.

: Other information

Management principles of the Company and the Group

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

Description of material court proceedings

As at the date of preparation of the report, the Company's claim against Polkomtel sp. z o.o. for payment of PLN 4,806,945 with statutory interest for delay from 4 May 2020 to the date of payment in respect of the contractual penalty reserved for the Company is pending. The lawsuit was filed by the Company on 5 February 2021. In the Company's opinion, Polkomtel S.A. did not properly perform its obligations under the agreement concluded between the parties concerning execution of the Company's orders concerning sending/receiving SMS/MMS messages by the Company in accordance with the rules determined between the parties.

Vercom Group has unsettled prepayments paid to SOPOL Solewodzińscy sp. j. in the amount of PLN 517 thousand under a service agreement. Pursuant to the service provision agreement concluded with SOPOL Solewodzińscy sp. j., Vercom Group charged SOPOL Solewodzińscy sp. j. with a contractual penalty of PLN 1,100,000 for not providing by SOPOL Solewodzińscy sp. j. the minimum daily throughput of SMS messages in accordance with the provisions of the agreement. The proceedings for issuing a payment order were initiated on 2 July 2018. The contractual penalty has not been recognized as revenue until the possibility of its recovery becomes probable. In order to cover the claims for the contractual penalty above, the Court Enforcement Officer at the District Court in Mikołów initiated enforcement proceedings from the real estate owned by the partners of SOPOL Solewodzińscy sp. j. Moreover, Vercom Group has a compulsory mortgage registered in the amount of PLN 1,396,208,04 on the real estate owned by SOPOL Sowoledzińscy sp. j. as a security of claims for the aforementioned contractual penalty.

Employment

During the reporting period ended March 31, 2022, the Vercom Group had an average of 165 employees.

Sureties and guarantees

Sureties and guarantees are described in the consolidated financial statements

Significant transactions with related parties

Transactions with related parties were made on an arm's length basis. The transactions are presented in the Consolidated Financial Statements (Note 26.).

Financial forecast

The Company's Management Board has not published any financial forecasts.

Material agreements

In the Q1 2022 Vercom has not entered into any new material agreements.

Ability to execute investment plans

The Group has the ability to achieve its investment intentions, including capital investments, both from its own resources and from debt financing.

Roosvelta 22
60-829 Poznań

The Directors' Report on the Operations of Vercom S.A. and the Group was approved on May 17, 2022.

Krzysztof Szyszka

President
of the Board

Adam Lewkowicz

Vice-President
of the Board

Tomasz Pakulski

Member
of the Board