

Poznań, 25 March 2024

> Annual report cyber_Folks Group_

for 2023 fiscal year
ending 31 December 2023



cyber_Folks™

> Dear Shareholders, Employees, Partners _

The cyber_Folks Group reported excellent results - both in Q4 alone and for the whole of 2023. This is a period not only of dynamic growth in most categories, but also a time of investment and development of our own products. We have shown that we can grow organically, using the strategies we have developed and our rich know-how. In the past year, revenues amounted to PLN 480m and adjusted EBITDA to PLN 141.3m. During this period, net profit amounted to PLN 87.4m and was more than 2 times higher than a year earlier. The results of the Q4 itself were also very good. Revenues amounted to PLN 132m, and adjusted EBITDA was PLN 38.4m. Net profit was PLN 36.8m.

The strongest segments of our business remain the services offered by cyber_Folks and Vercom. These two areas are showing a strong trend toward organic growth and the work done to develop new products for these segments is resulting in customer growth and building even stronger global brands. At the moment, both major segments are focused on SME (small and medium-sized enterprise) customers. This is the customer group that generates a significant portion of the margin. We are targeting them with our product portfolio. It's important to remember that this category of customers is the most numerous in most markets, and on the other hand, they expect a full ecosystem of services to support their business. We are responding to their needs.

We have reached the point where we offer customers comprehensive support in running and digitizing their businesses, and our R&D teams are working on new conveniences. More than 355k customers in more than 100 countries have already trusted us. Our solutions are driven by technology, with skilled professionals developing a new pioneering ecosystem of products. We want to grow on the technological global transformation, and our ambition is to become a unicorn.

The Group is growing in two key segments, cyber_Folks and Vercom. The first is the entire ecosystem of services, from hosting and domains to e-commerce tools and support for running an online business. In the Q4, the segment's adjusted EBITDA increased 20% yoy to PLN 15.5m, and for the full year it amounted to PLN 59.5m. The second segment, Vercom, comprises communications services offered in a SaaS model, including email and SMS communication tools. In the Q4 2023, adjusted EBITDA amounted to PLN 24.4m, an increase of 31% yoy; the annual growth was even higher with a 49% yoy increase, while adjusted EBITDA reached PLN 85.2m.

We are already one of the leaders in terms of transforming and simplifying the business and e-commerce sector. We are actively implementing solutions based on artificial intelligence. Our first project was a proprietary domain builder. In early 2024 we have already launched new tool _Now. It is a fully AI-based website builder. This is a revolution not only in our product portfolio, but also in the global market for such solutions. By building a tool based solely on AI and analyzing more than 2m websites, we have created a tool that builds very good websites in about 90 seconds. The pages are relatively feature-rich, but have very simple code, so they load quickly. The tool also allows for easy editing, from a mobile phone - for entrepreneurs they provide functionality like their own website and convenience of use like social media.

These are not the only proprietary products we have developed in the past year. In 2023, we introduced the Billz service, an intuitive invoicing program, for small businesses, as well as the _Stores tool, an online store creator, which is gradually gaining popularity in the Polish market, and we are currently gaining more than 100 new users per month, our customers can create their own online store in a few steps thanks to this service. We are creating a coherent ecosystem of services that allows our customers to regain valuable time to develop their own business.

The change of company's name to cyber_Folks made last year was a strategic step for us and part of building a consistent offering and communication to customers and stakeholders. Our proprietary shareholder benefit program has been running since October. We reward trust and long-term investment in cyber_Folks. At the same time, we are the first technology company on the WSE to introduce such a program.

I would like to thank everyone involved in the development of the cyber_Folks Group - our Employees, Partners, Customers and Investors for the effective cooperation and trust shown. I am convinced that 2024 will be a time of challenges, records and breakthroughs.

Yours sincerely,

Jakub Dwernicki, CEO



**JAKUB
DWERNICKI**

President of the Management Board
of cyber_Folks

>What we do_

01

We are a group of dynamically growing technology companies providing solutions to **>355k clients worldwide.**

02

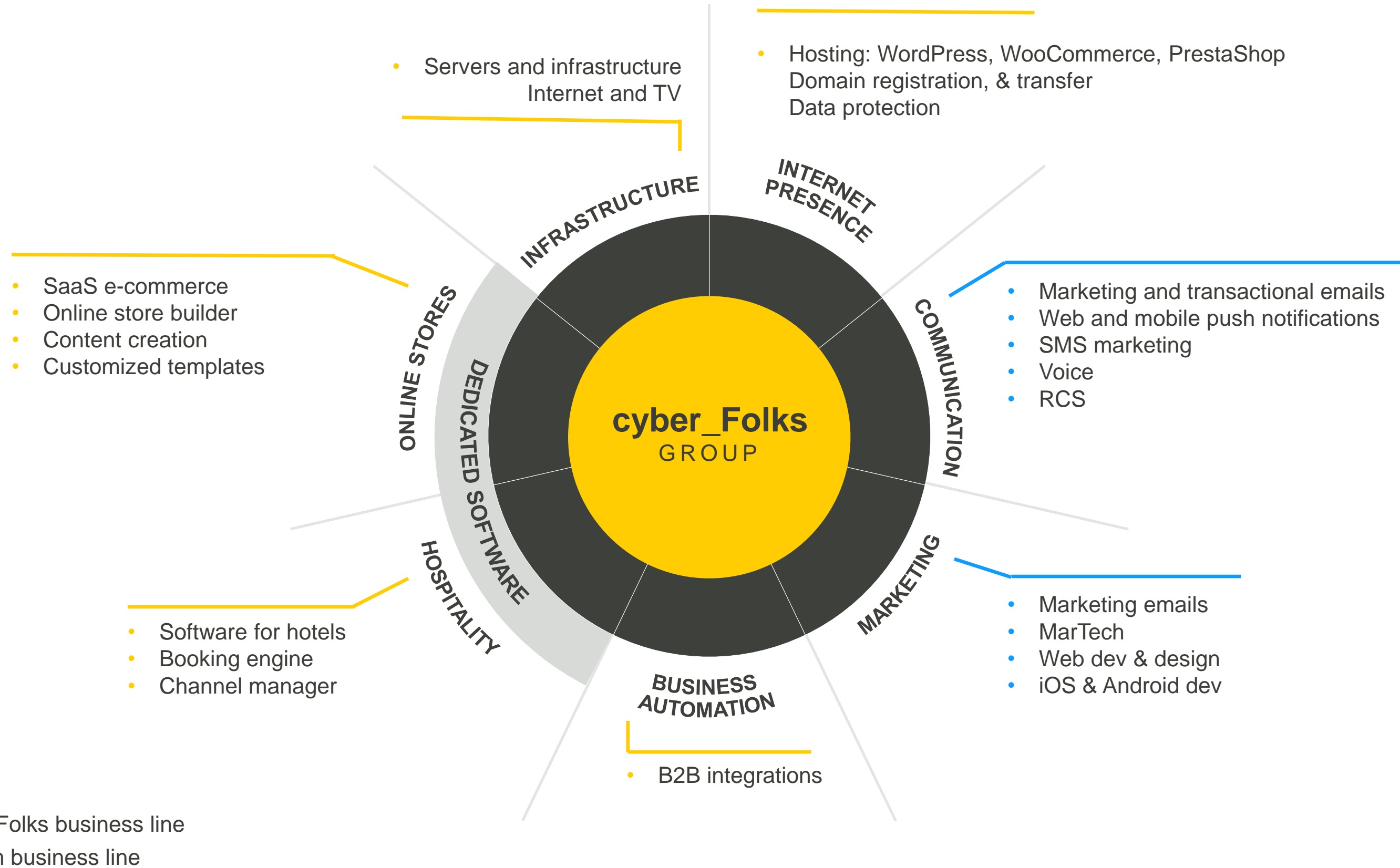
We support **small, medium and large companies** with their online presence, automation of business process, communications, marketing and sales while generating **annual sales of c. PLN 480m.**

03

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



>360° Ecosystem



>Agenda_

6	cyber_Folks in facts and figures
15	Market
18	2023 in cyber_Folks
27	_Stores – online store builder
31	_Now – AI website builder
39	Brand cyber_Folks
42	cyber_Folks for Shareholders
49	Key Events 2023

53	Business Segment Overview
64	Development prospects
67	Financial results
79	Shares and Shareholding
84	Management and Supervisory Board
91	Corporate governance
102	Other information



cyber_Folks™

> cyber_Folks in facts and figures

We create a strategy that
delivers real results





NON-STOP RAPID GROWTH

Our revenues have been growing at a 40% rate per year (CAGR) for the past 20 years; revenues rose **five-fold** since the IPO in 2017 and our market cap increased **seven-fold**, **topping PLN 1.5bn.**



REAL GLOBAL REACH

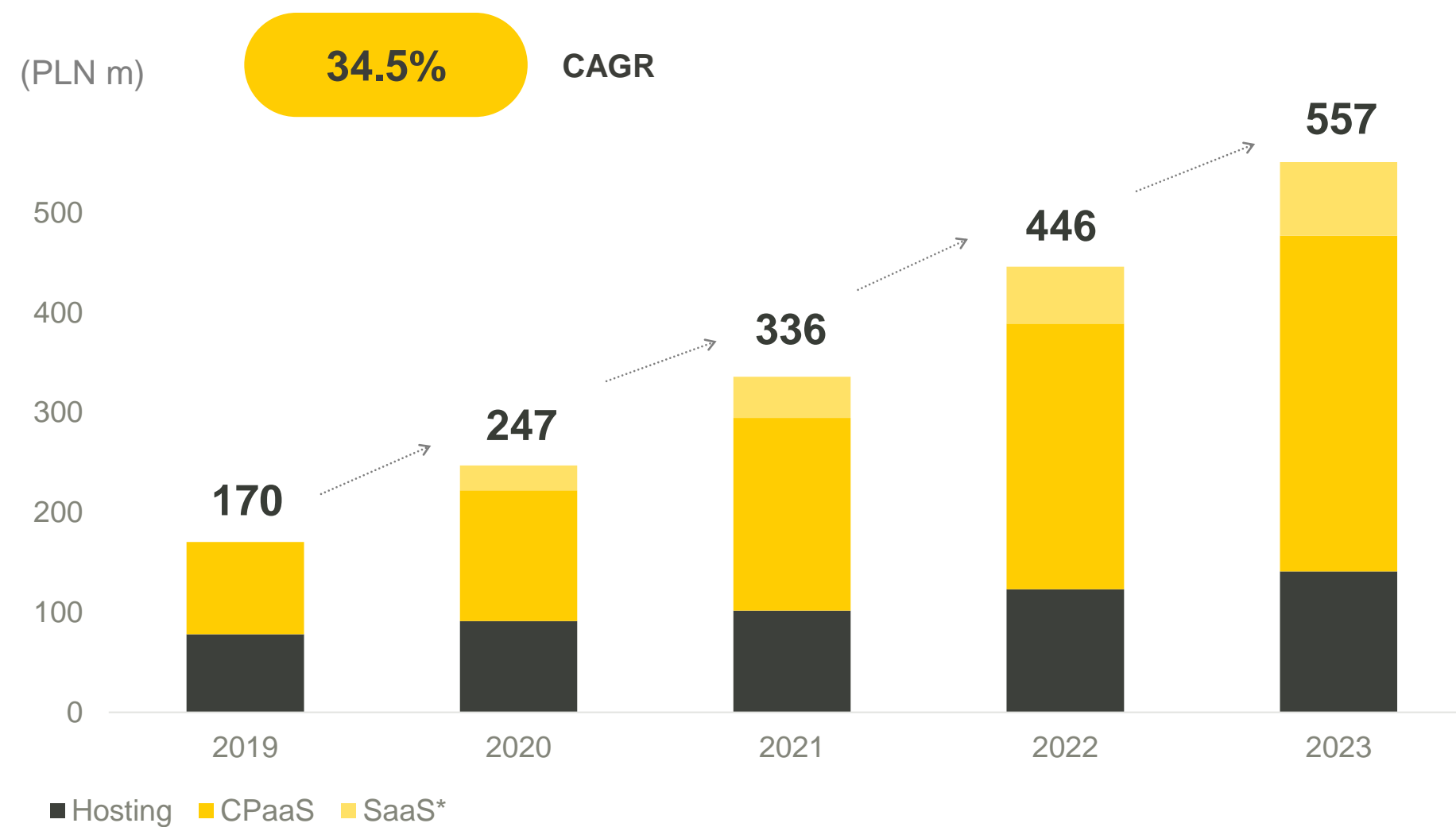
We offer solutions to **over 355k** small, medium and large **business clients** located in **over 100 countries** worldwide.



OUR SHAREHOLDERS SHARE IN OUR PROFITS

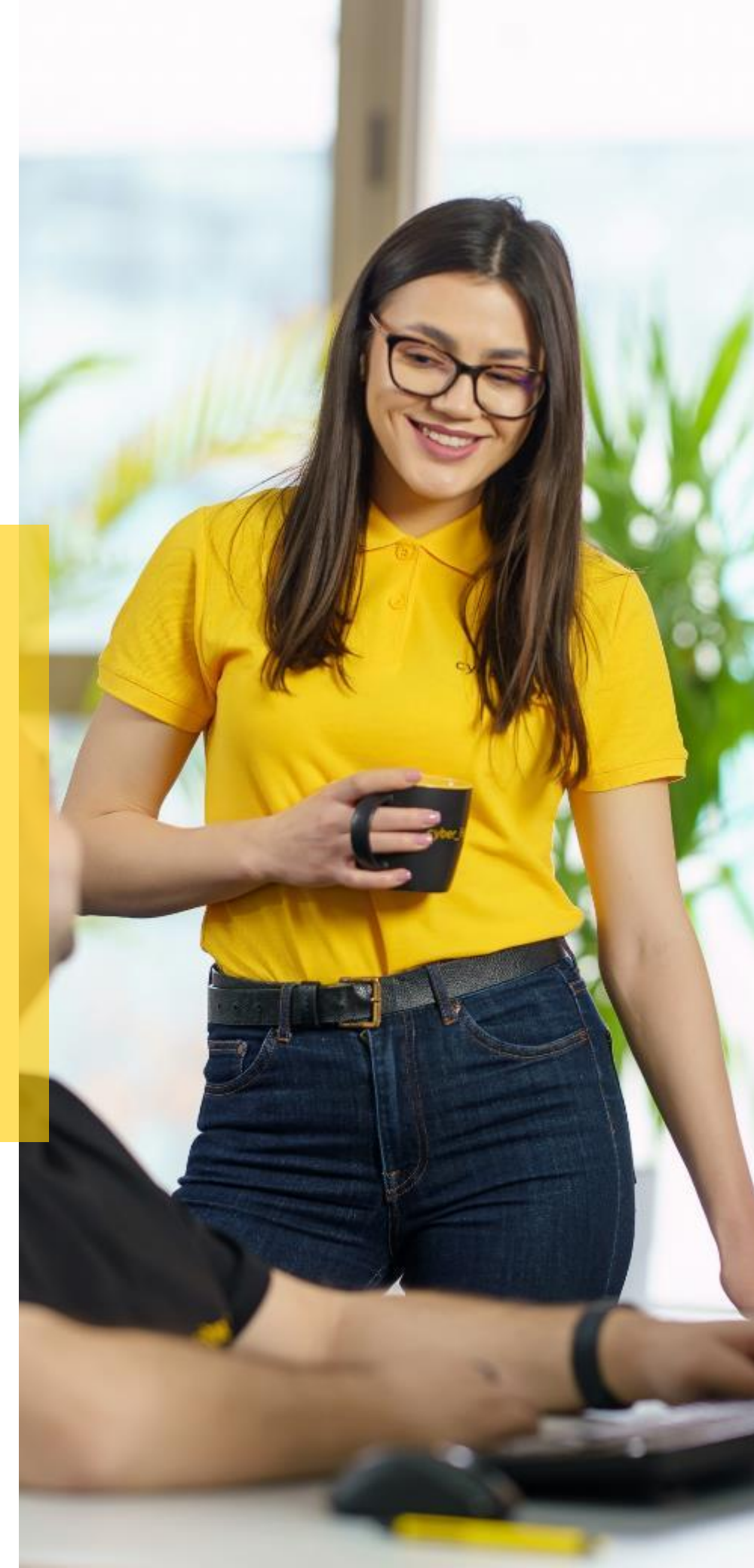
We generate **about PLN 140m in operating cash flow**, money that we invest in further growth but which we also share with our shareholders. **We have been paying a dividend, increasingly higher each year**, since the beginning of our presence on the WSE.

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

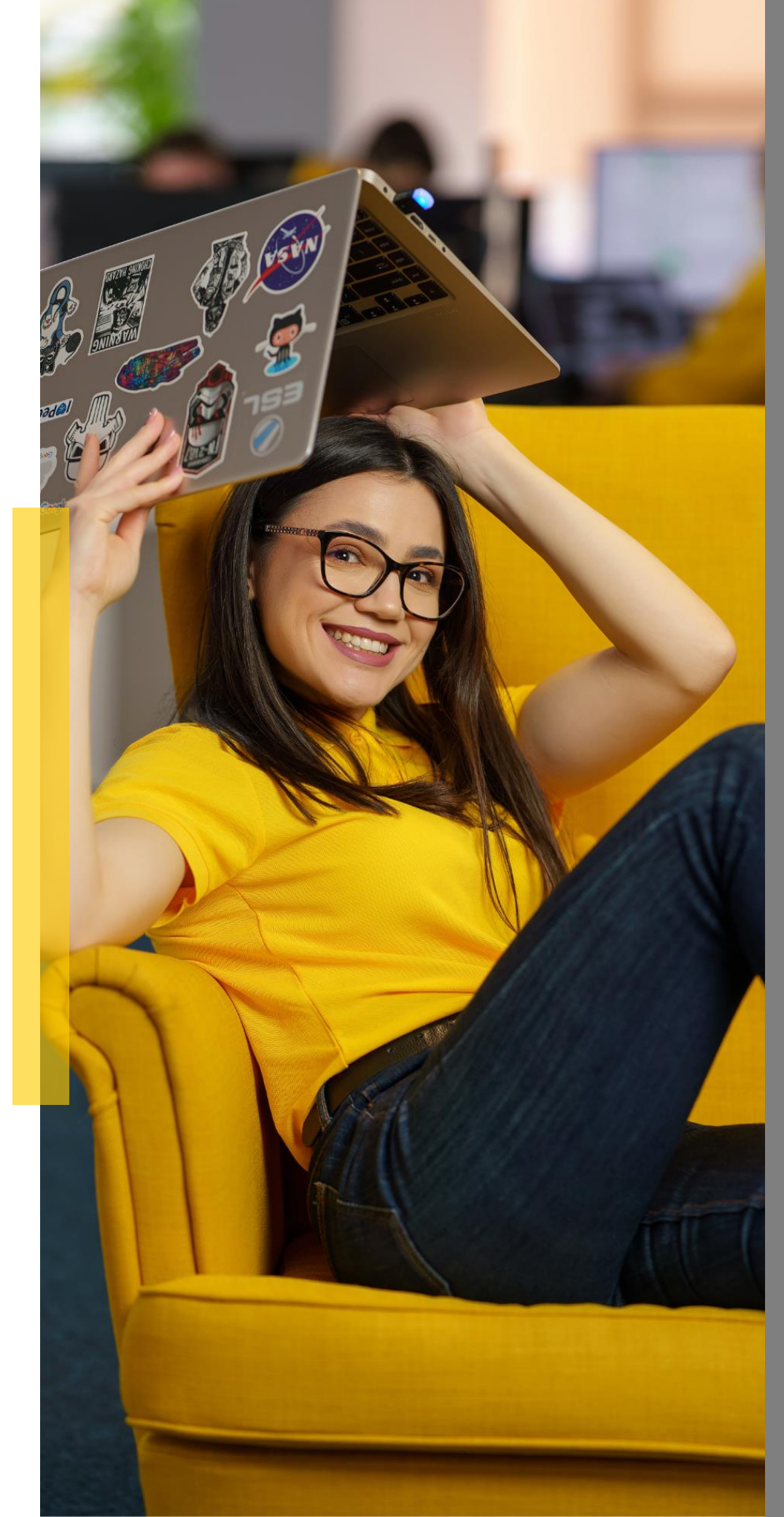
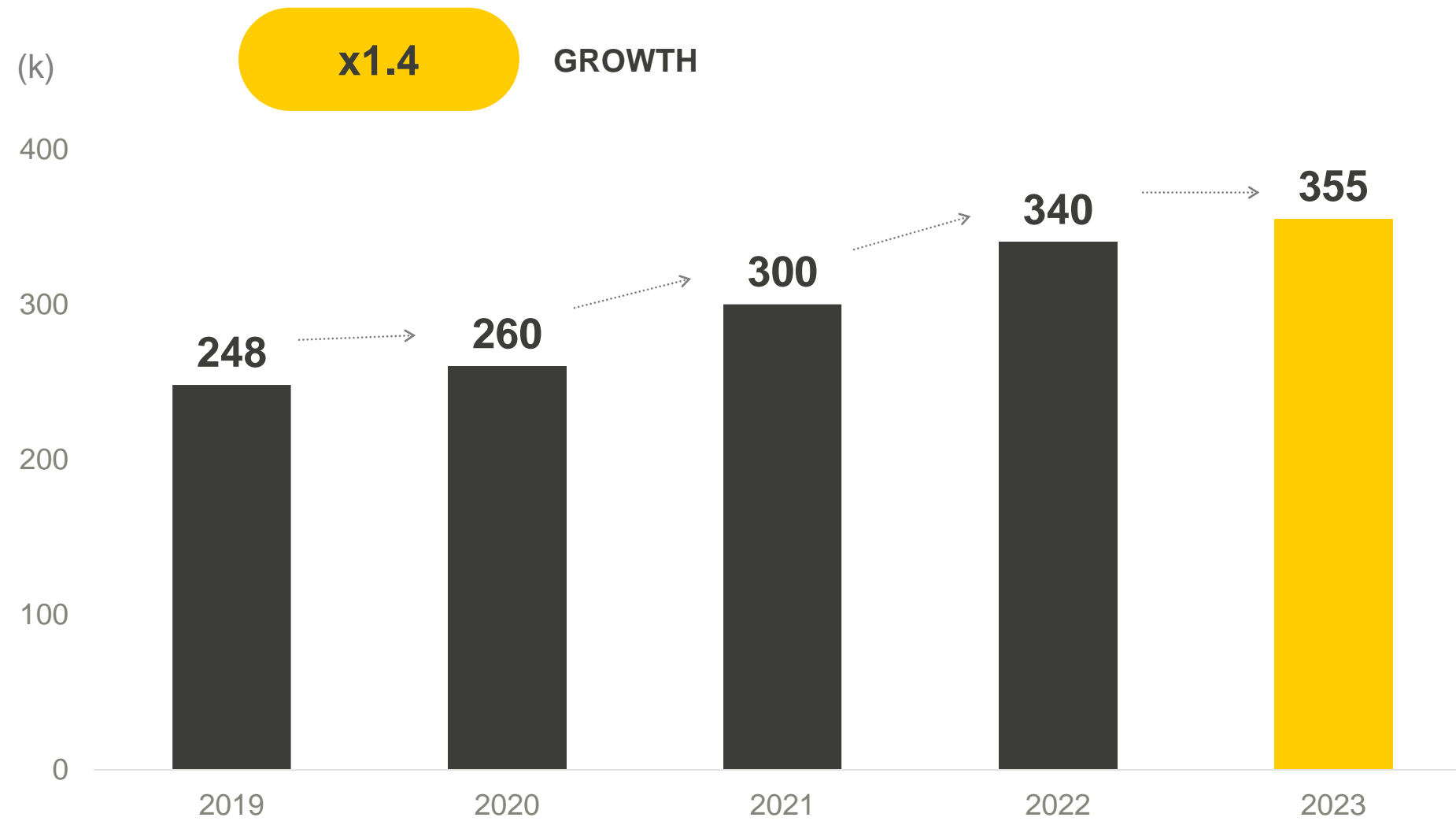


*SaaS segment: The data for this segment also includes financial results of Profitroom and SellIntegro, which are only consolidated by the Group in the net result (no consolidation at the level of revenues and EBITDA). cyber_Folks Group has an option of taking over a controlling stake in both companies.

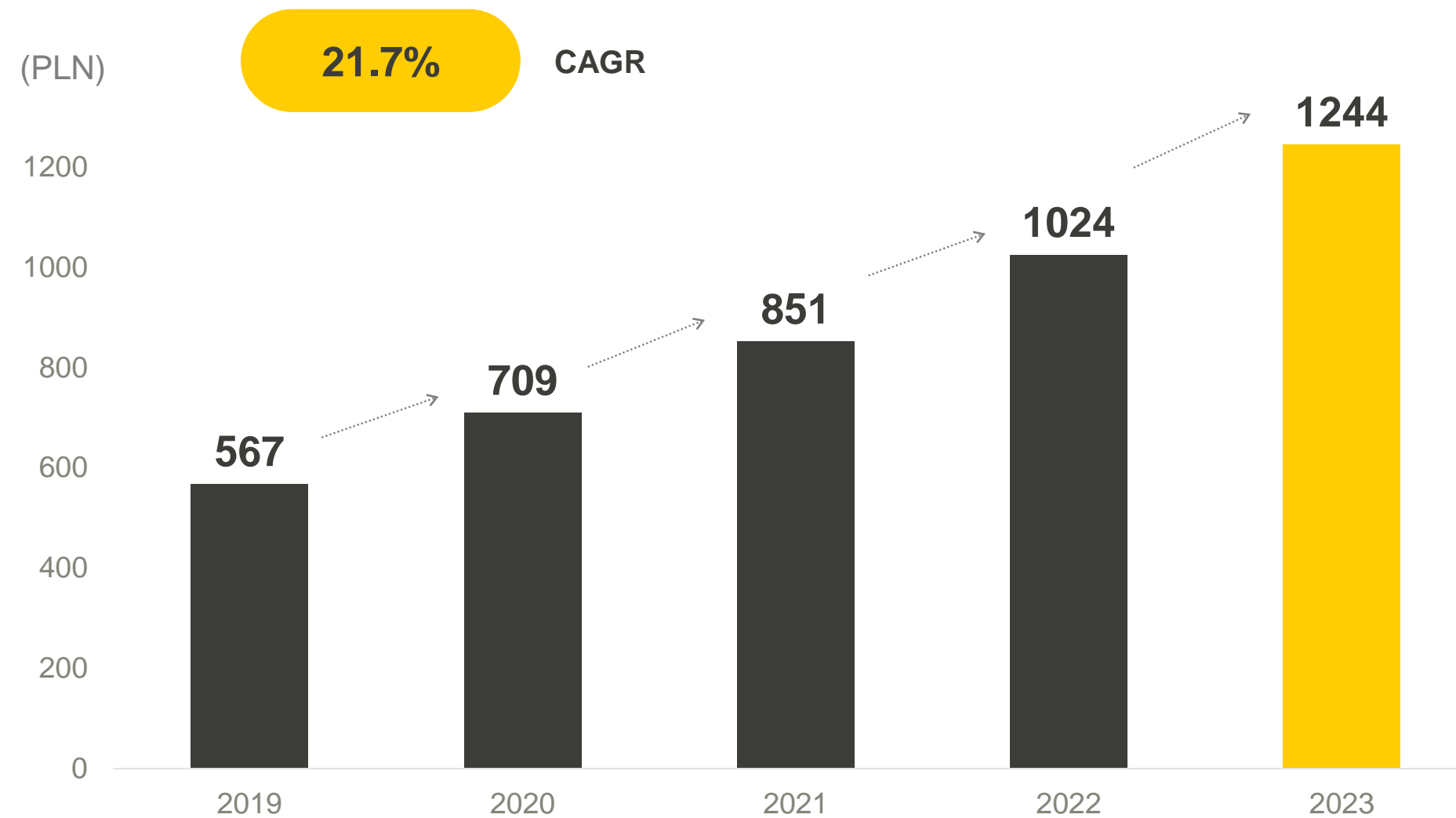
segment Telecommunications: as of 14 June 2022, Oxyllion S.A. is assigned to the CPaaS segment.



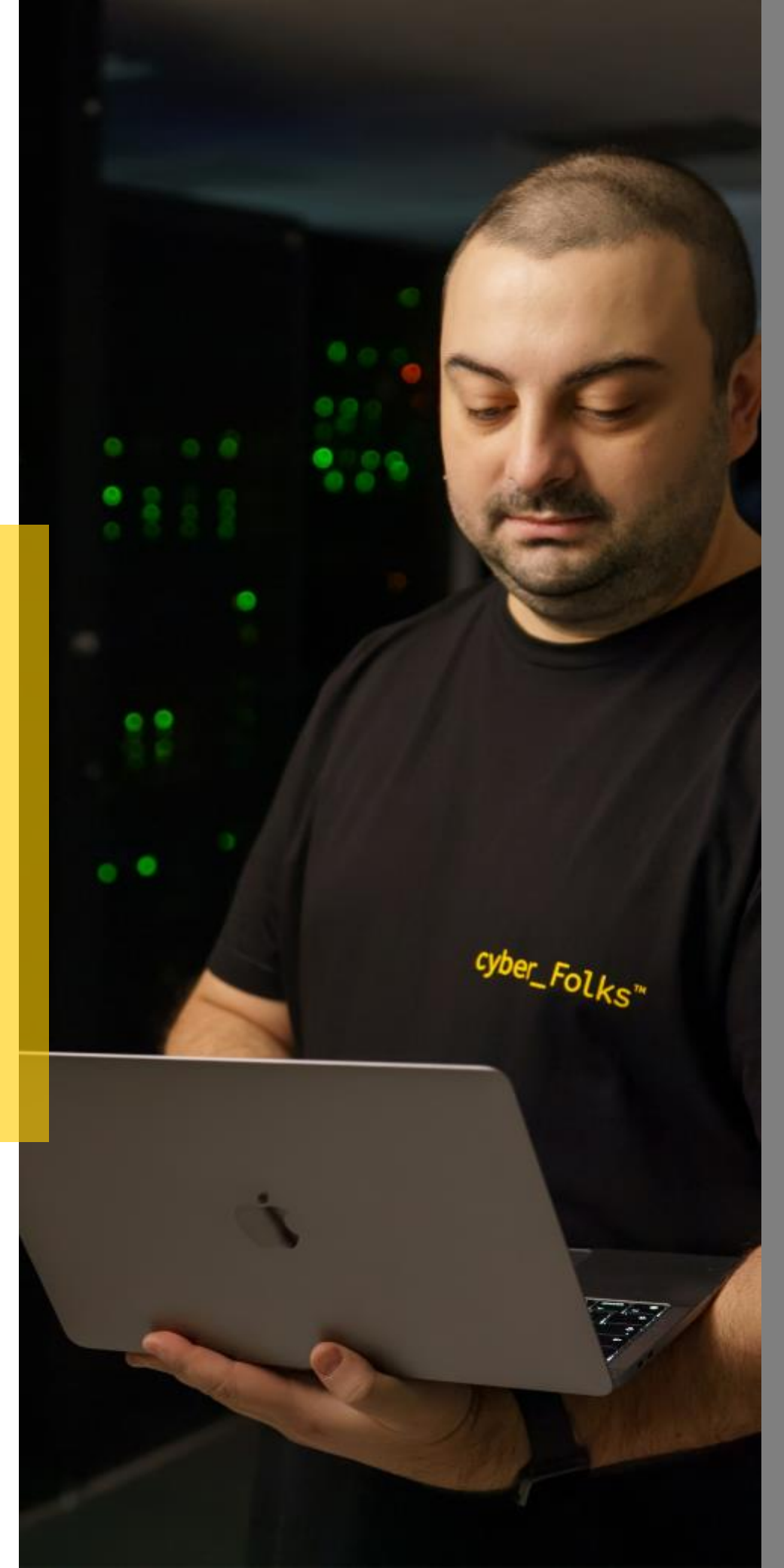
>Customers: Stability thanks to the trust of over 355k customers_



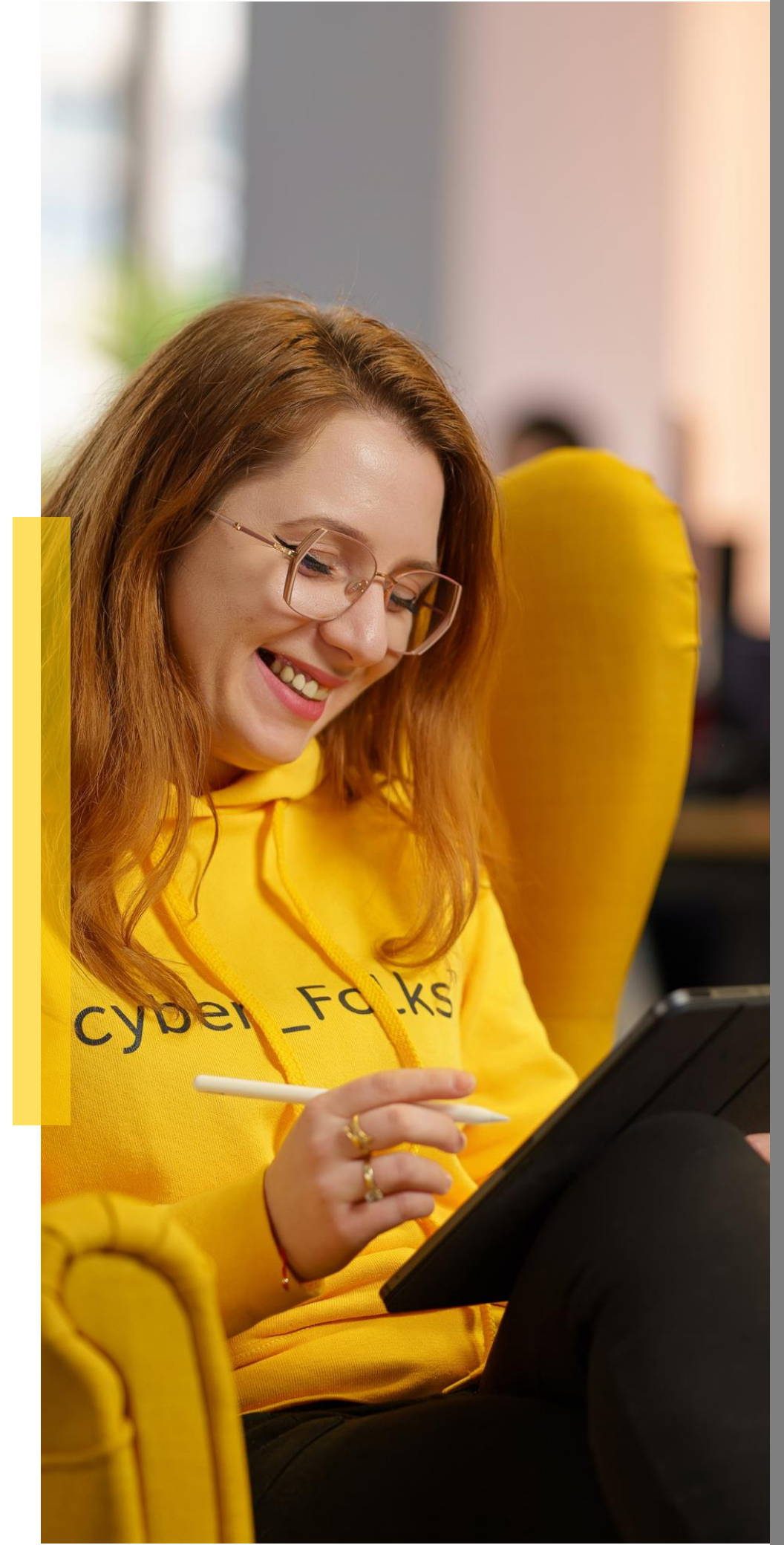
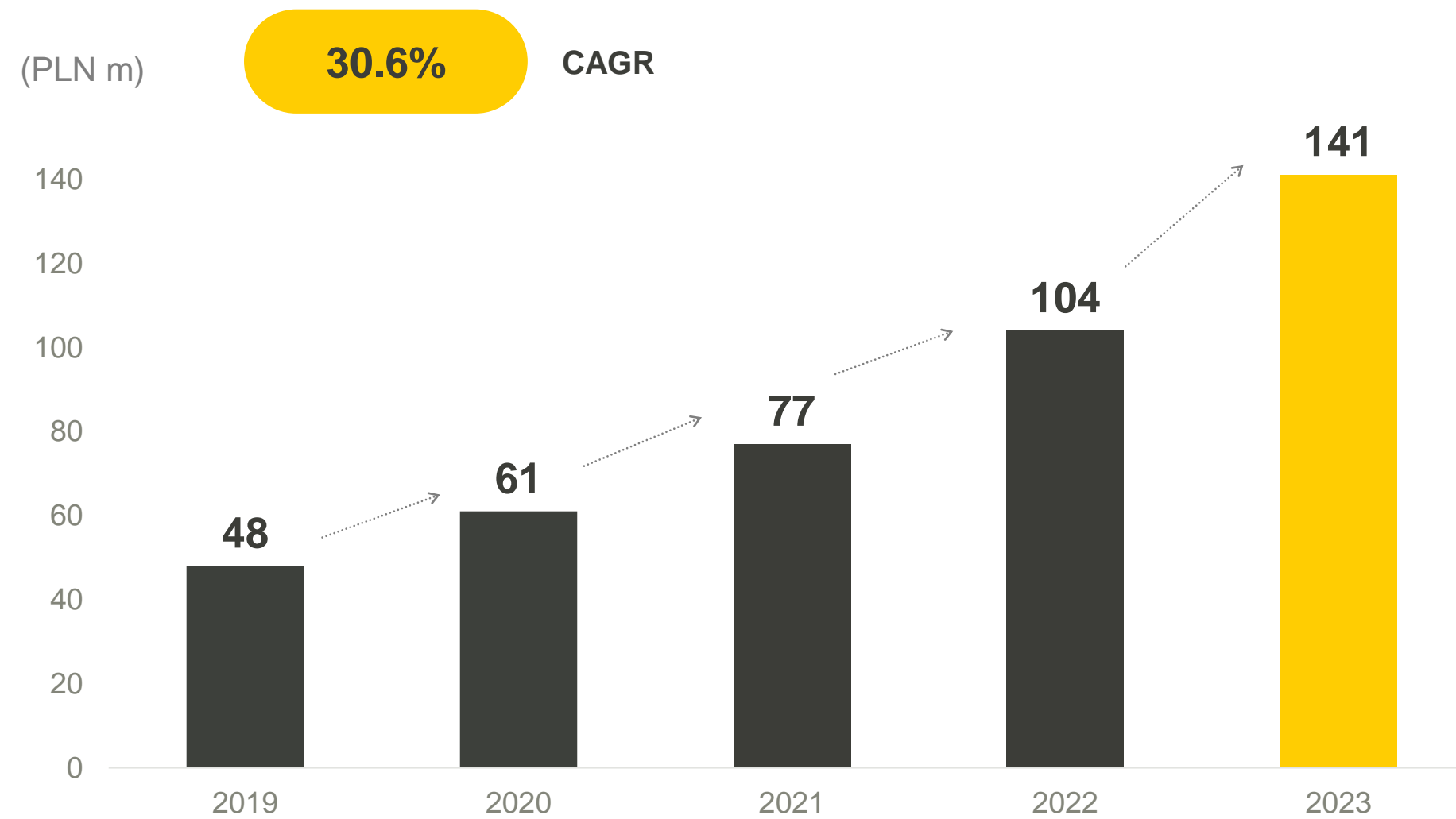
>ARPU*: Supporting a strong value proposition_



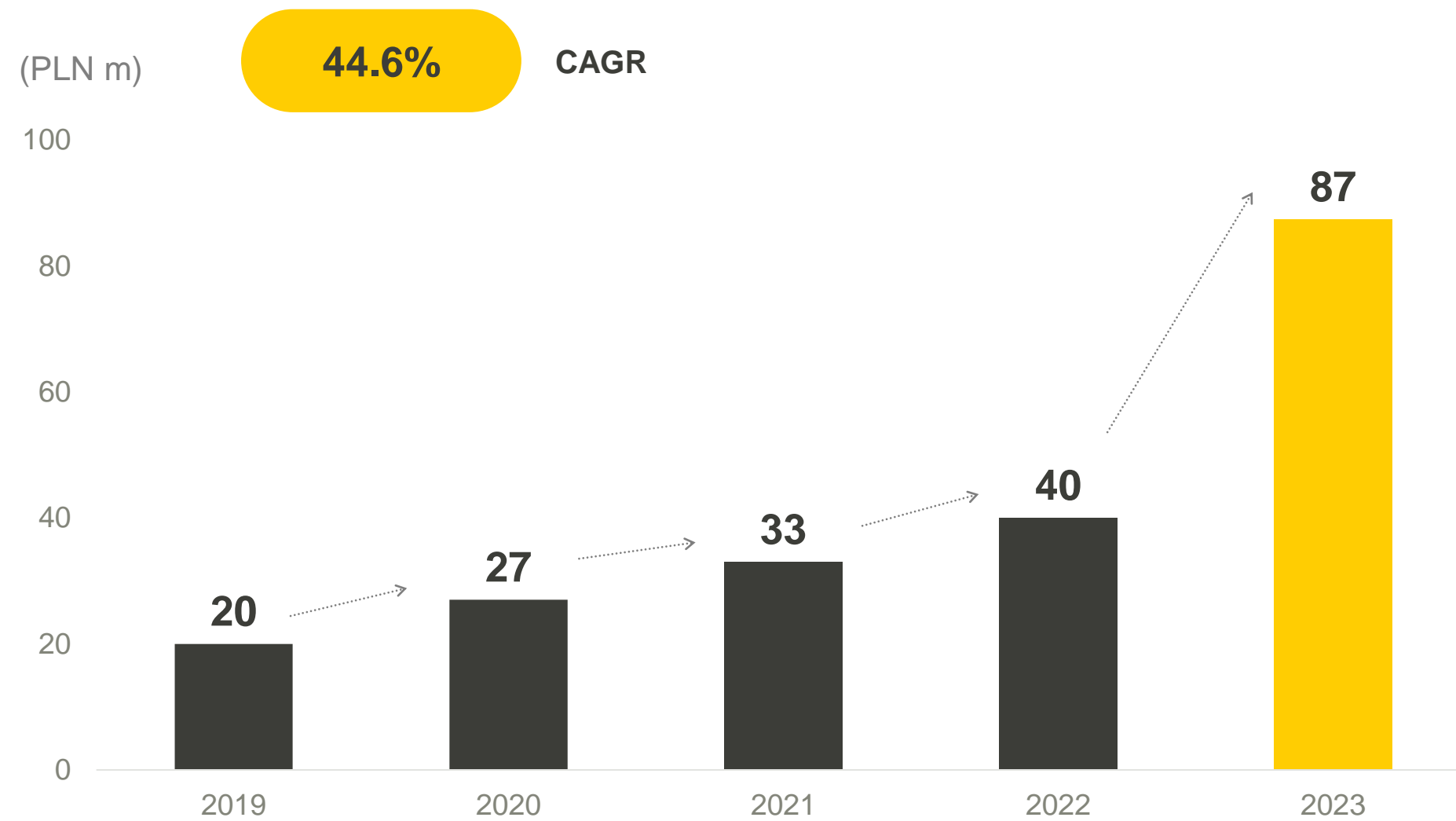
*ARPU: Excluding TOP 10 customers generating 8% of revenue (internal estimation).



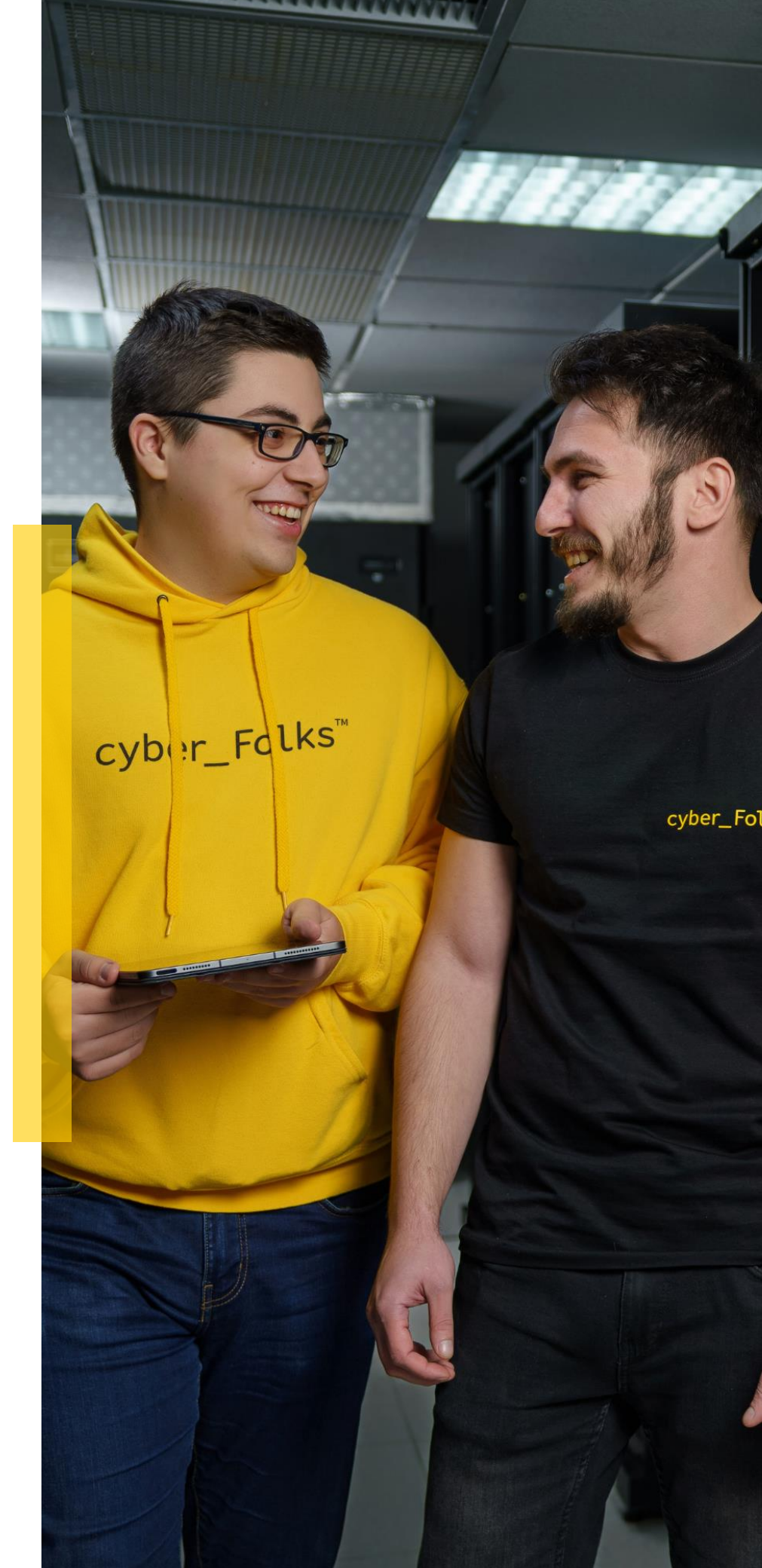
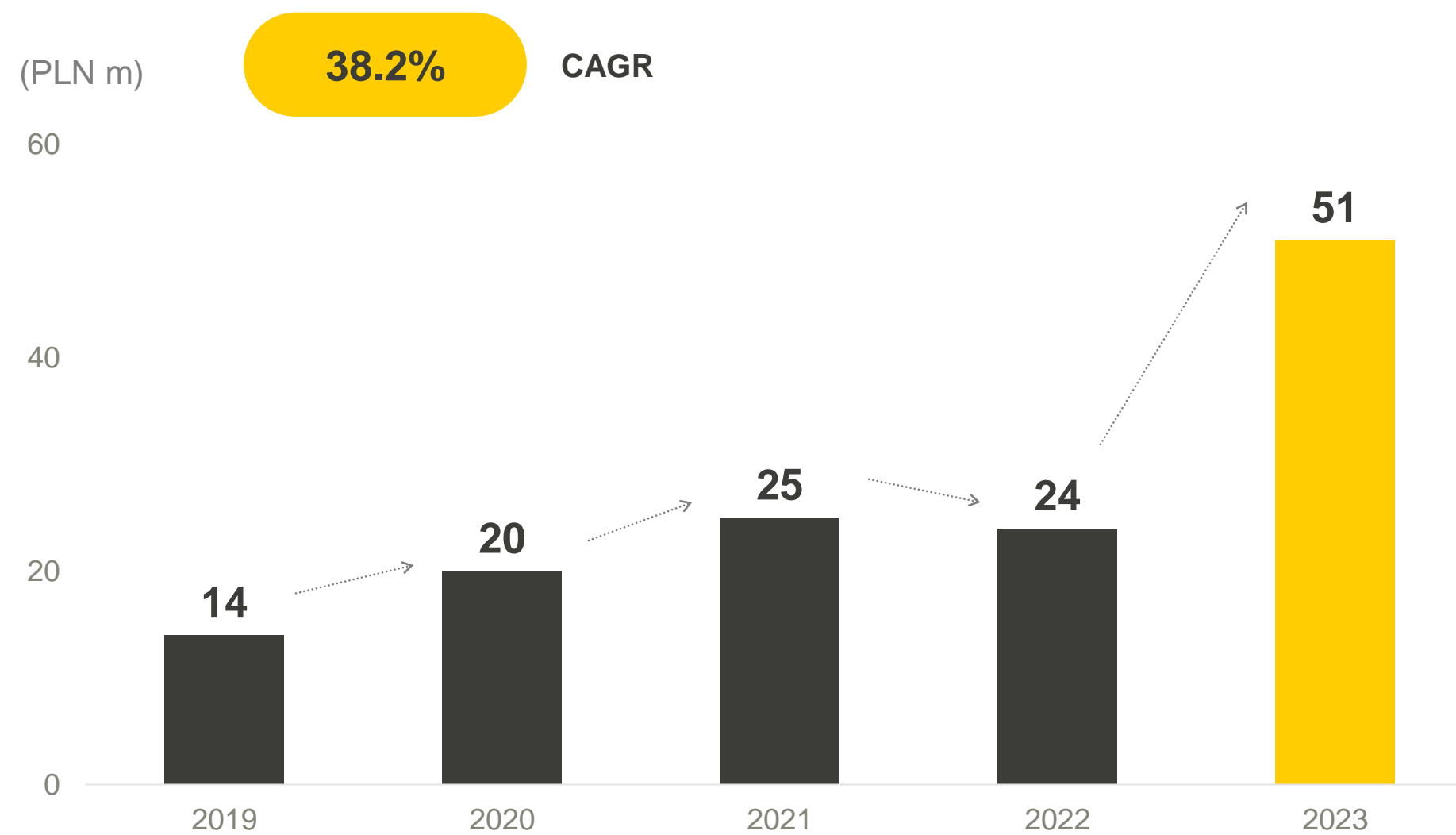
> EBITDA: Proving our business value_



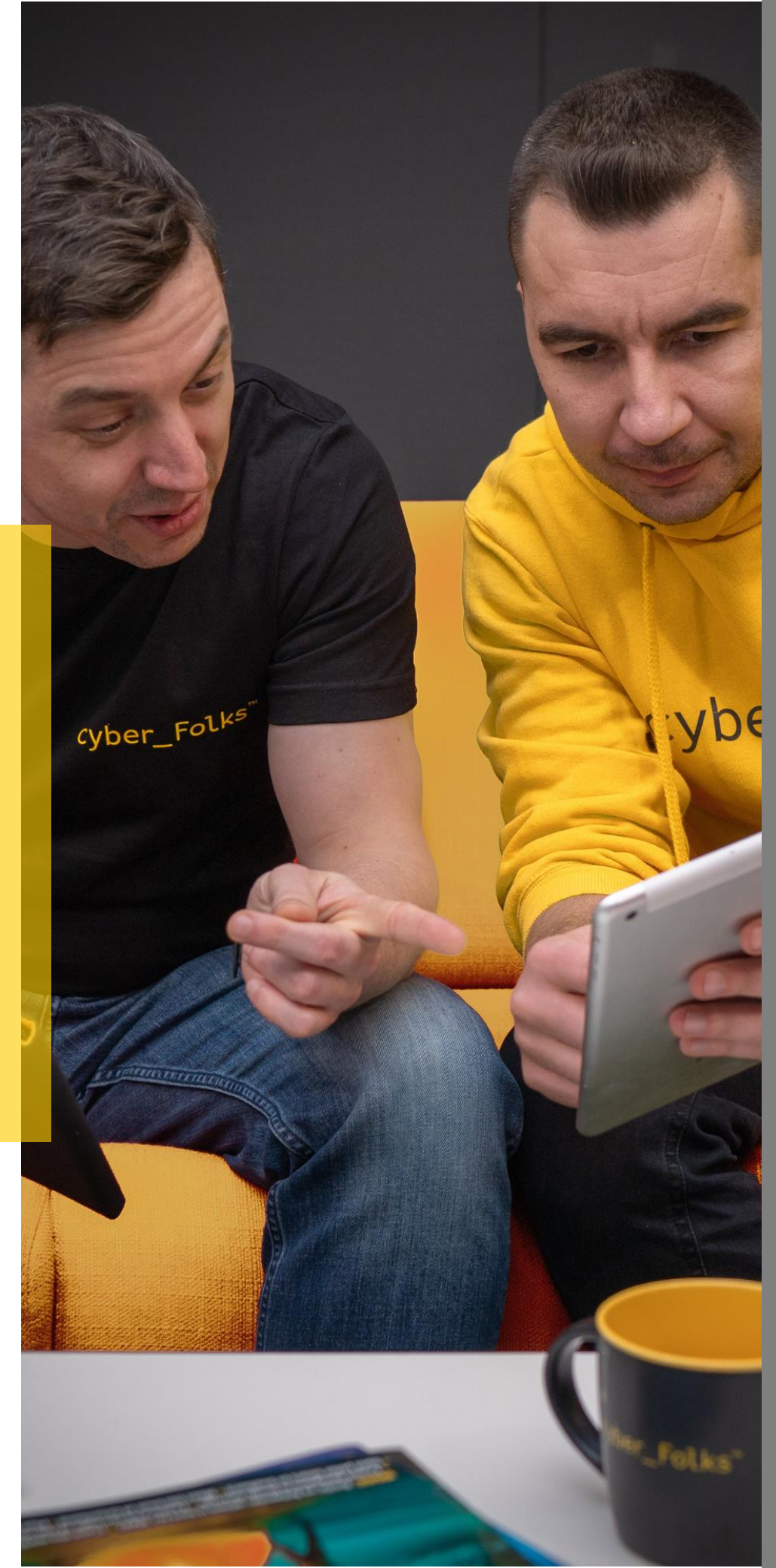
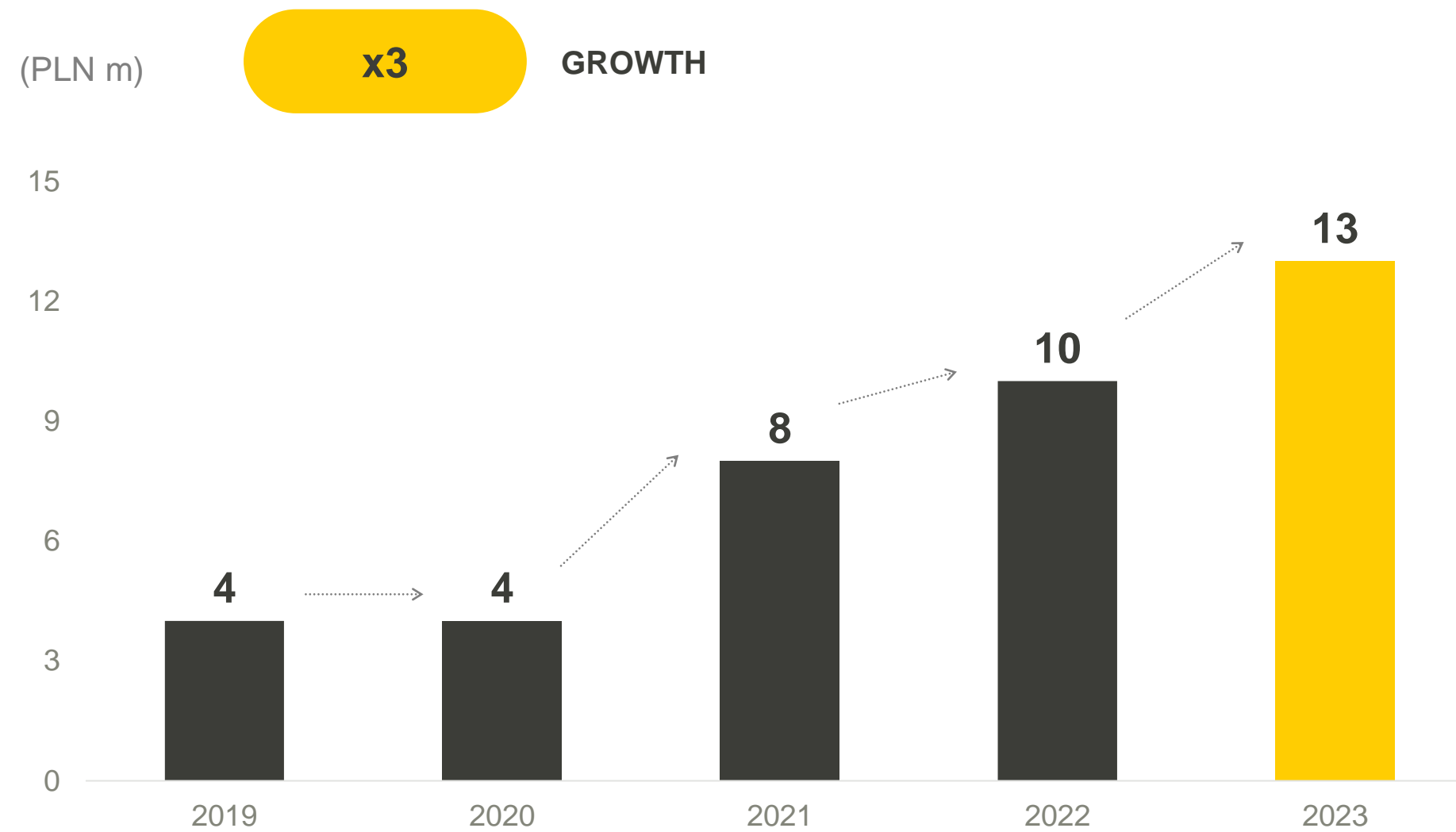
> Net profit: Continuous profitability and cash flow generation



> Net profit attributable to shareholders of the parent company: Strong dividend base



> Dividend: Profits we are happy to share with our investors_



cyber_Folks™

>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.

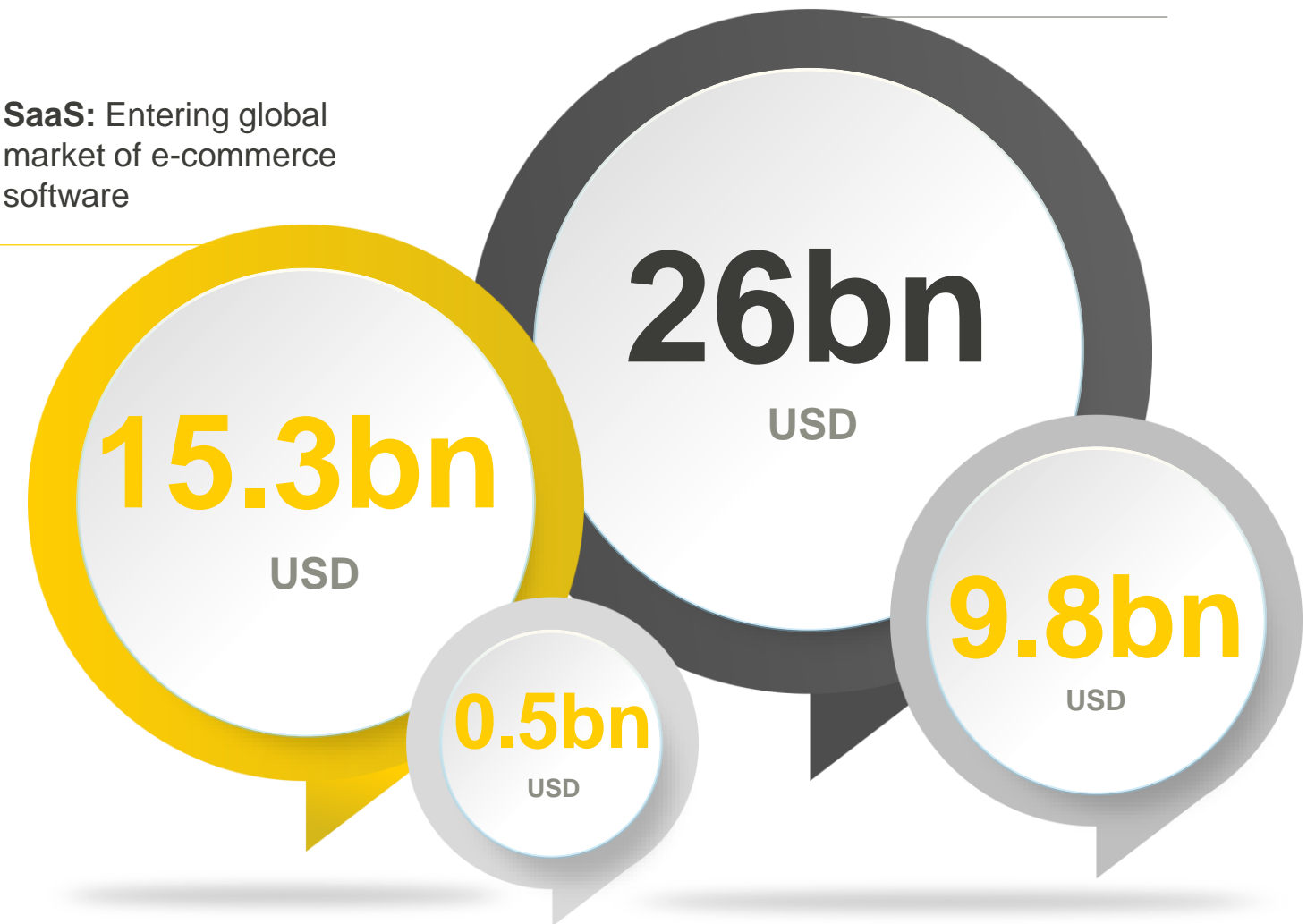
→ **Global expansion**

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



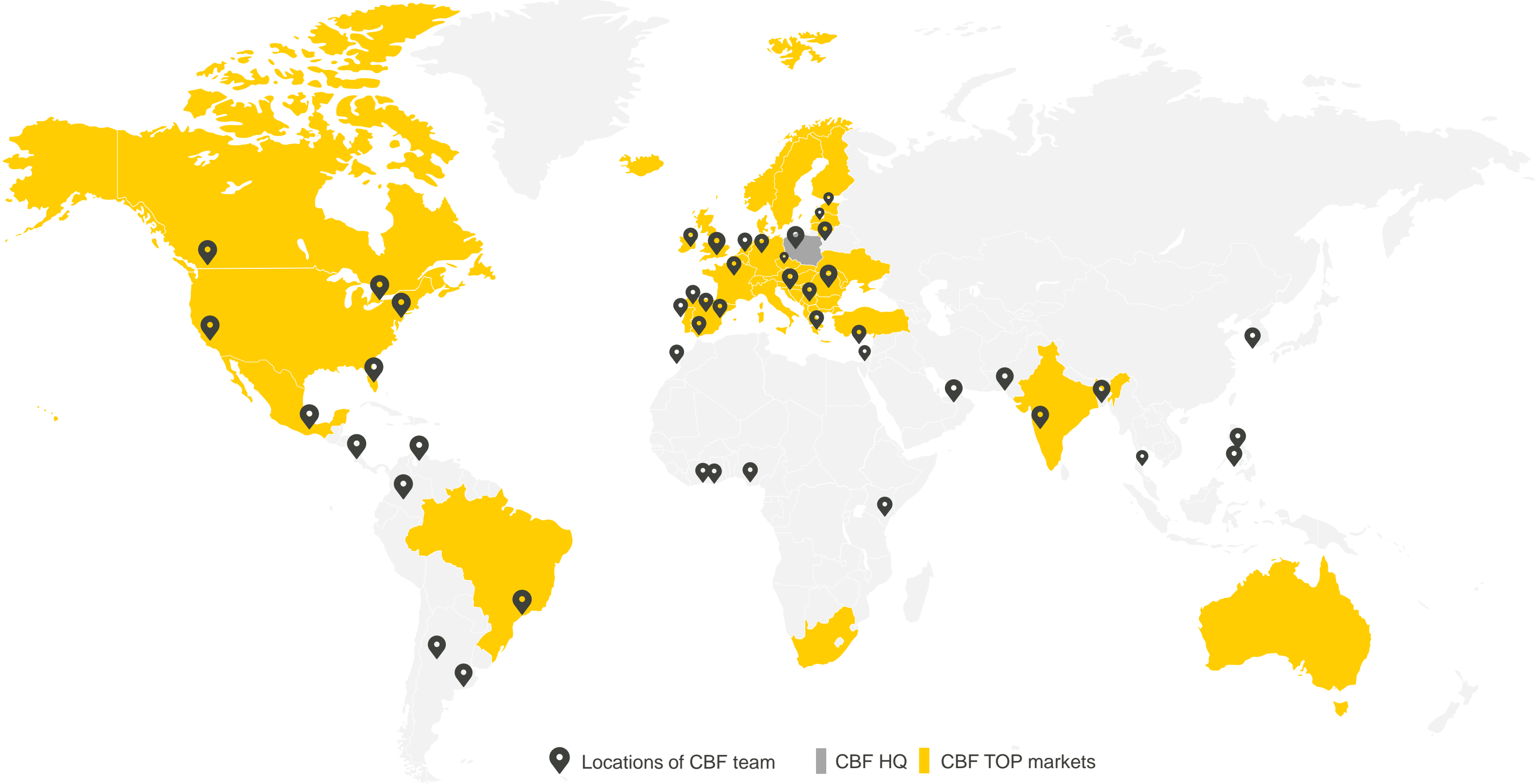
Hosting: Entering Romanian and Croatian hosting market

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.

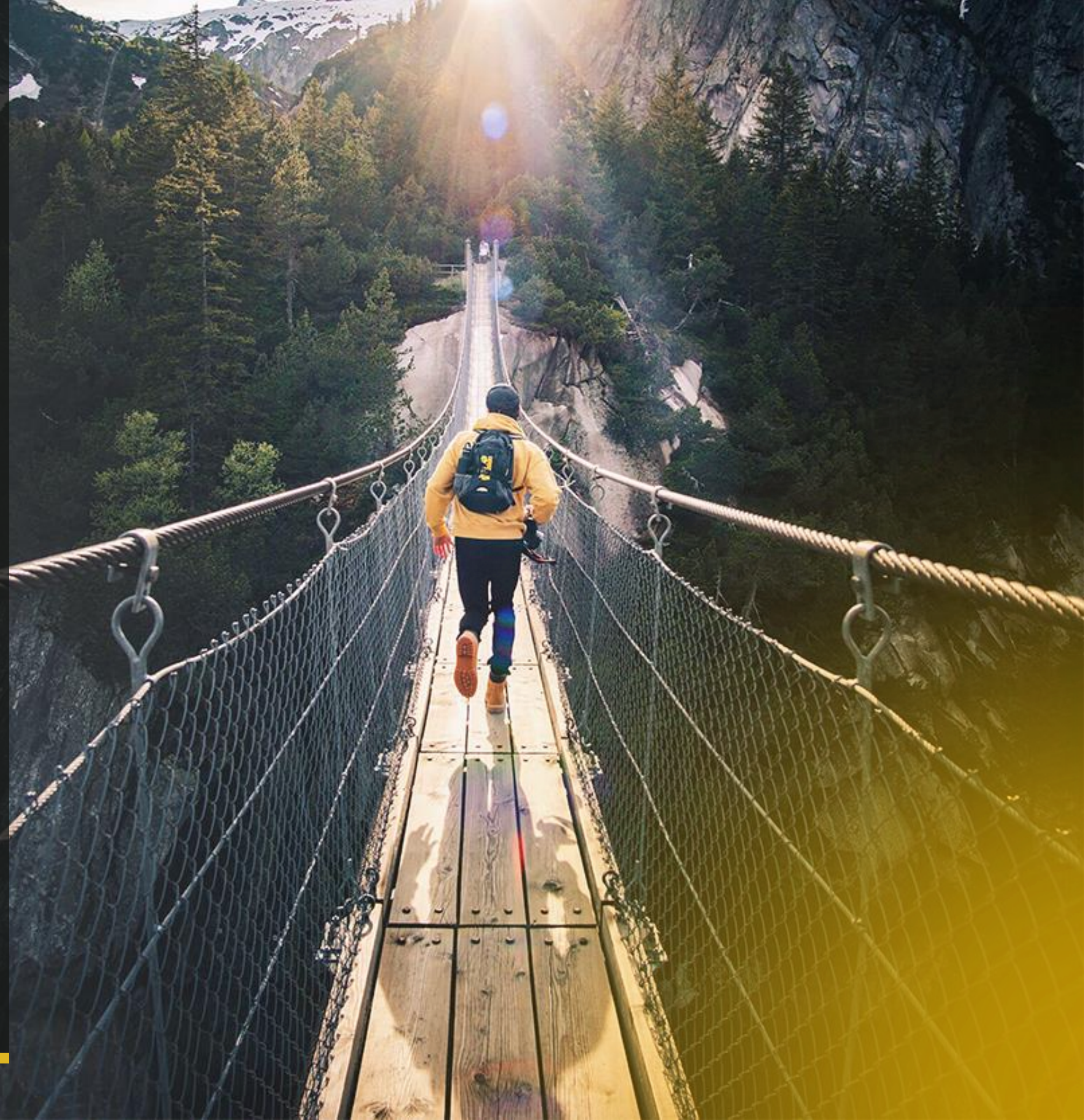
>Market: Expansion into >100 markets_



cyber_Folks™

>2023 in cyber_Folks

We create new trends,
revolutionizing the Internet
landscape.



>2023 in cyber_Folks!



FINANCIAL RESULTS

The continuation of the **growth** in financial metrics opens up **new development opportunities**.



BRAND DEVELOPMENT

Building a **global technological brand** through internal transformations within the Group.



PORTFOLIO DEVELOPMENT

Expanding the portfolio with new products in the e-commerce (_Stores) and AI (_Now) sectors, **shaping Internet trends**



INVESTORS RELATIONS

Consistent development of investor relations positioning us as a **TOP-pick among GPW's technological companies**.



>Over PLN 140m EBITDA – exceeding ESOP targets in 2023

Revenue (PLN m)



Adjusted EBITDA (PLN m)

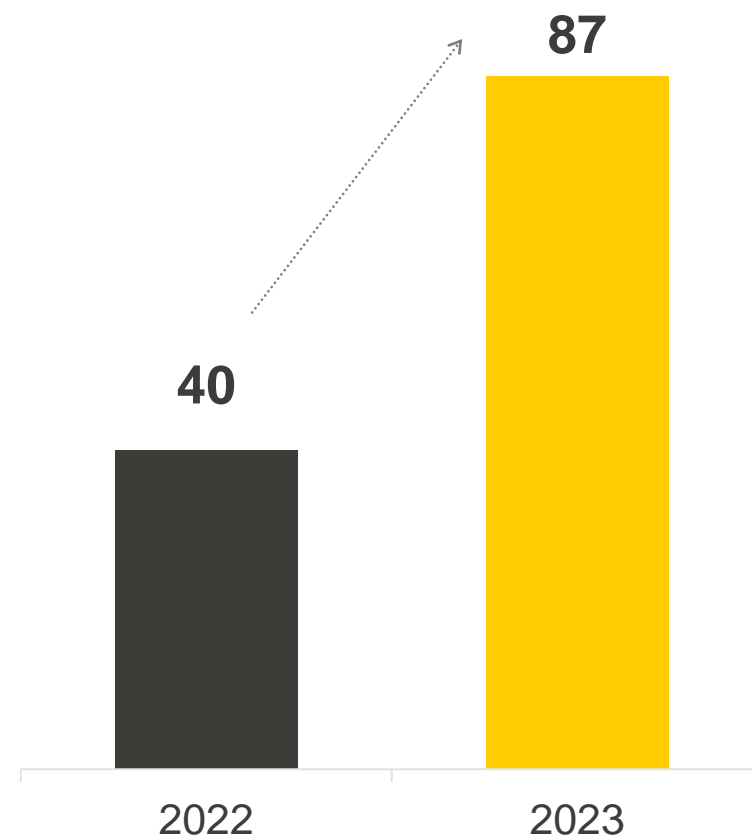


- The adjusted **EBITDA** for **2023** vastly exceeded the **EBITDA** goals of **PLN 137m** (ESOP goals) set for cyber_Folks and Vercom businesses in 2023.
- A significant improvement in **EBITDA** margin year-over-year is the result of a consistent strategy focused on **growing the SME customer base** and **product portfolio**.

>Over 120% increase in net profit – enhances our ability to share profits with investors_

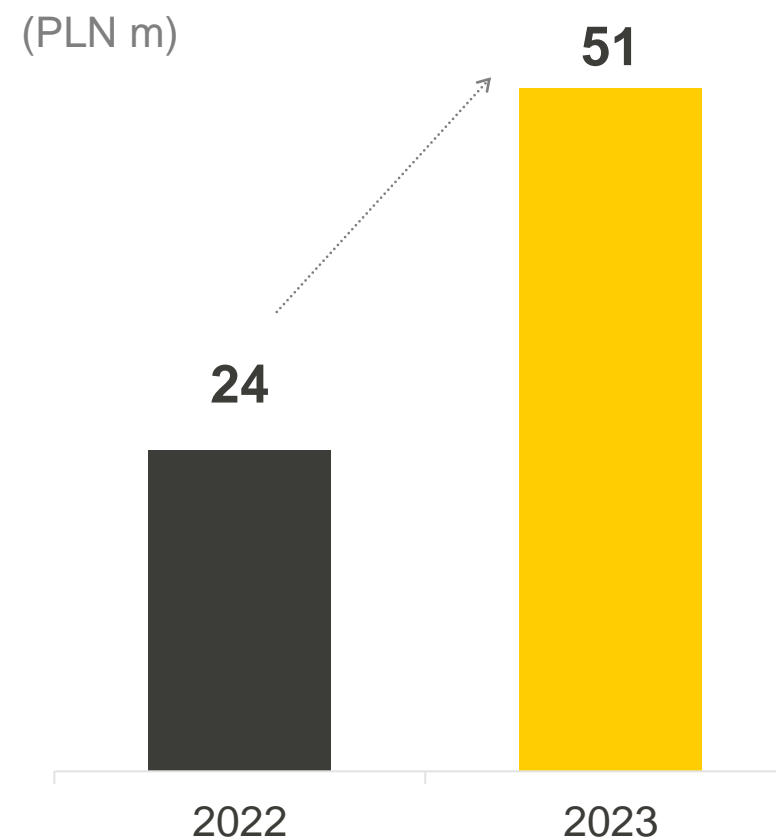
Net profit (PLN m)

+117%



Net profit attributable to the shareholders of the parent (PLN m)

+112%



- The increase in net profit is the result of growth in revenue and margin expansion at the EBITDA level.
- The dynamics of net profit growth are supported by a **decrease in net financial costs and a lower tax rate**
- The one-time impact (approx. PLN 10m on net profit and PLN 5m on net profit attributable to the shareholders of parent) from the **sale of shares in the associated entity, User.com**

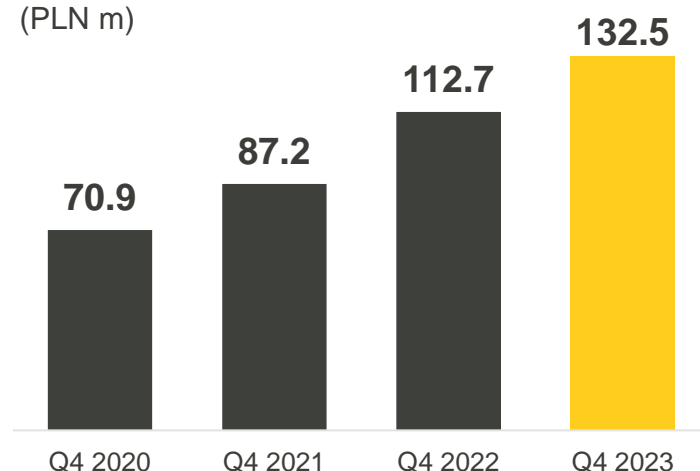
>Dynamic increase in sales and profits_

Selected consolidated financial data:

(PLN k)	2022	2023	Change	Q4 2022	Q4 2023	Change
Sales revenues	392 177	479 946	22%	112 738	132 476	18%
One-off costs	2 647	3 951	49%	433	1 062	145%
Adjusted EBITDA	103 563	141 298	36%	31 837	38 418	21%
Amortization	-26 574	-32 767	23%	-6 848	-9 084	33%
Net financial costs	-22 734	-5 598	-75%	-2 772	13 532	
Income tax	-12 256	-14 256	16%	-4 395	-5 670	29%
Net profit	40 220	87 402	117%	17 421	36 808	111%
Net Profit attributable to shareholders of parent company	24 012	50 826	111%	8 835	21 389	142%

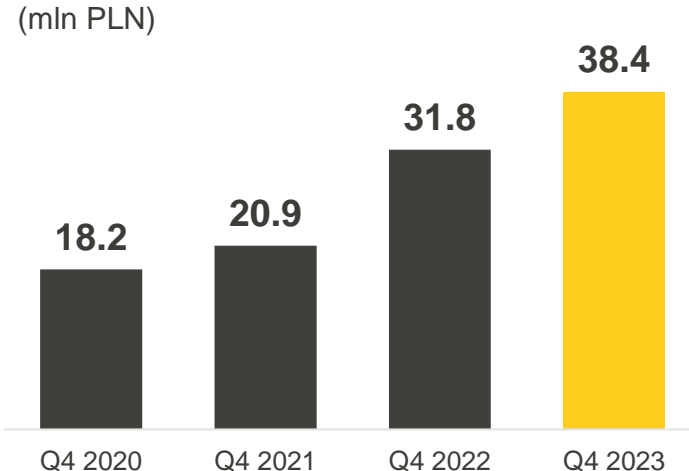
Revenues:

(PLN m)



Adjusted EBITDA:

(mln PLN)



- Dynamic organic growth, translating into 36% growth in adjusted EBITDA, which exceeded PLN 140m in 2023.
- In 2023, one-off costs relate to the non-cash valuation effects of the ESOP program.
- More than 2-fold increase in net profit.
- Very high growth rate of net profit due to operating leverage, further supported by a decrease in financial expenses (including foreign exchange differences) and a decrease in the effective tax rate.
- Decrease in effective tax rate - an increase in deferred tax assets, due to the ability to utilize tax losses from capital activities as a result of the User.com share sale transaction in Q4 2023.
- One-time gain on the sale of shares of the User.com affiliate, i.e., about PLN 10m impact on net profit and about PLN 5m impact on net profit of the parent company.

>High cash generation capacity_

Selected consolidated financial data:

(PLN k)	2022	2023	Change	Q4 2022	Q4 2023	Change
Net cash flow from operating activities	97 225	136 902	41%	31 510	43 145	37%
Purchase of fixed real assets and intangibles	-13 441	-17 730	32%	-958	-5 171	440%
Payments of lease liabilities	-8 902	-11 083	25%	-2 707	-4 168	54%
Unlevered FCF	74 882	108 089	44%	27 845	33 806	21%
Repayment of credits and loans*	-27 054	-39 992	48%	-10 531	-9 133	-13%
Interest paid	-19 958	-26 221	31%	-7 718	-5 694	-26%
Dividends to minority shareholders	-217	-13 313	6035%	-217	442	-304%
Free Cash Flow (FCF)	27 653	28 563	3%	9 379	19 421	107%

(PLN k)	31.12.2022	31.12.2023
Net debt	292 150	213 503

Loan repayments reduced by:

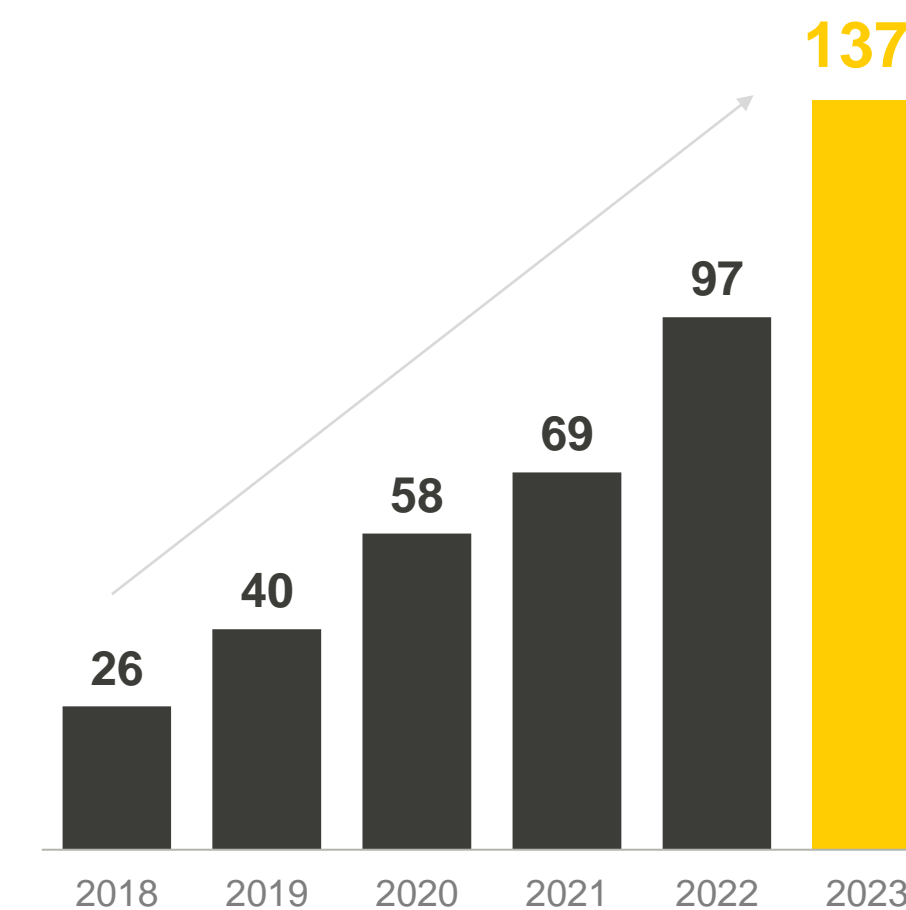
Q4 2022: Repayment of the loan to the Foreign Expansion Fund (PFR TFI) in the amount of 14.387k PLN – refinanced by a bank loan.

Q4 2023: Prepayment of the loan in the amount of 22.887k PLN – corresponding to the proceeds from the sale of shares in User.com.

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

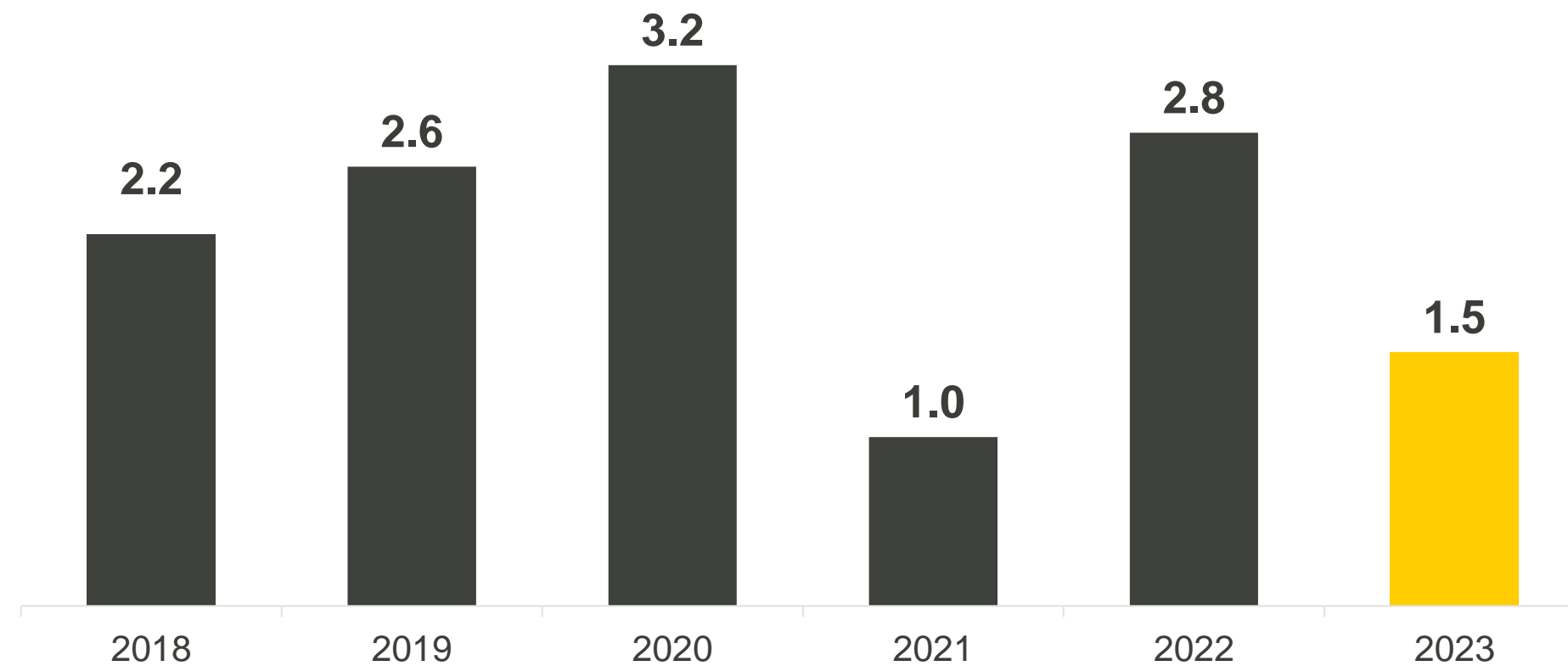
39.2%

CAGR



> Nearly a two-fold decrease in debt level within a year

Net debt / Adjusted EBITDA



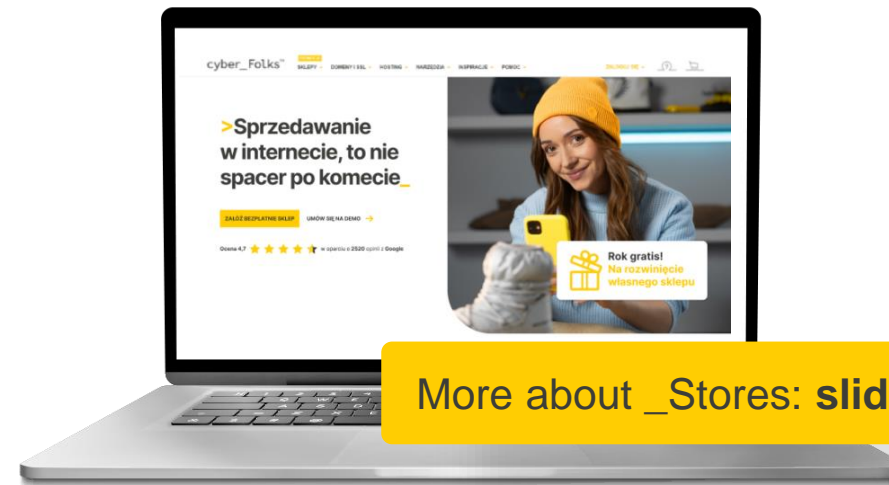
- As of December 31, 2023, the net debt to adjusted EBITDA ratio was 1.5 – a **significantly better result than our target for 2023 (<2.0)**, and considerably lower than historical ratios.
- A lower debt level increases our **investment and dividend capabilities**.

cyber_Folks™

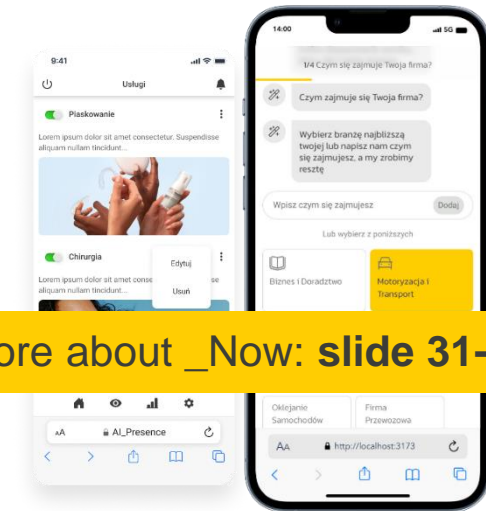
> Shaping the
future with our
own innovative
products_



>We're building our product **portfolio** to perfectly **match the needs of our clients**_

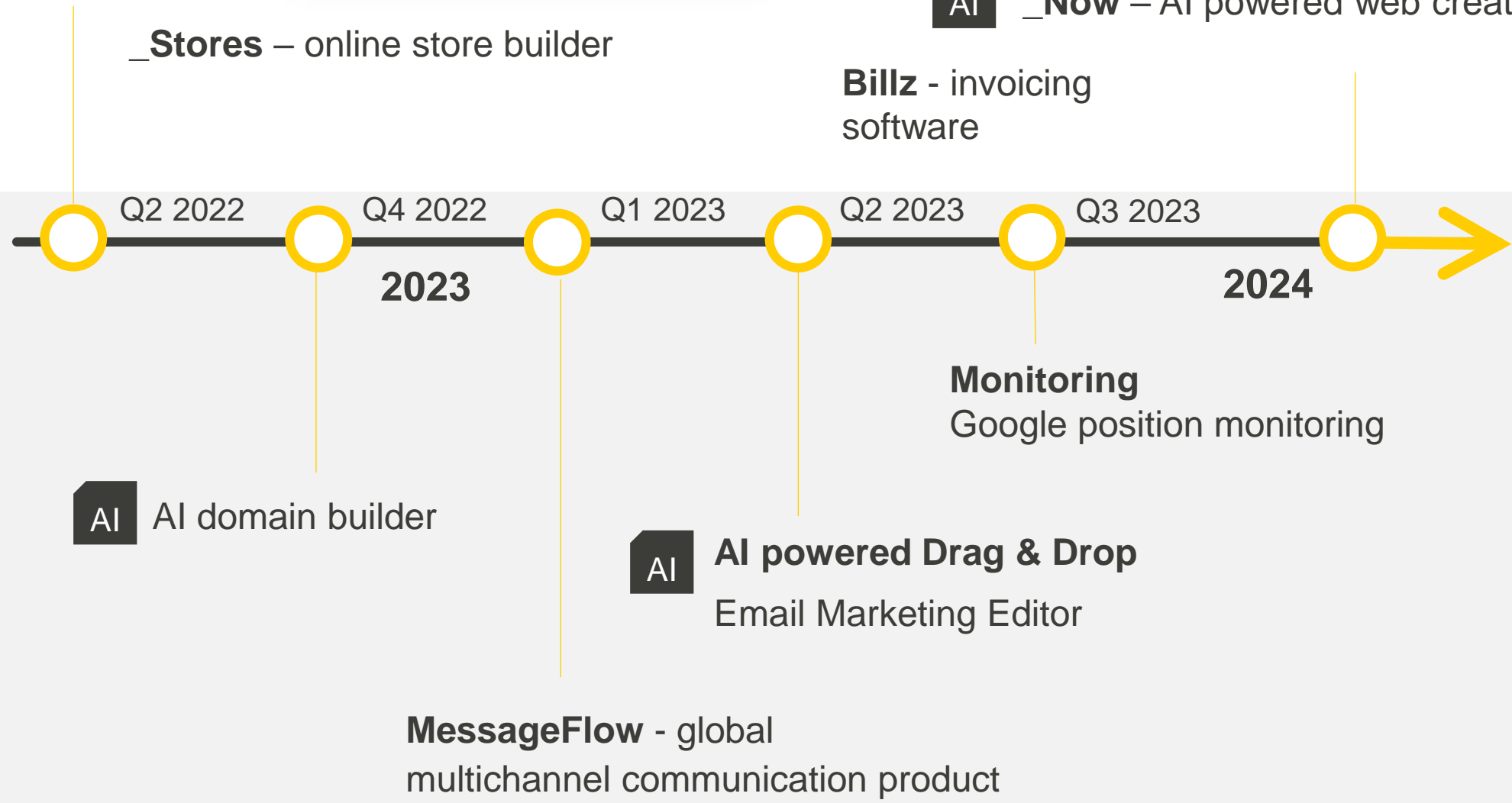


More about **_Stores**: slide 27-30



More about **_Now**: slide 31-38

AI **_Now** – AI powered web creator



— Stores

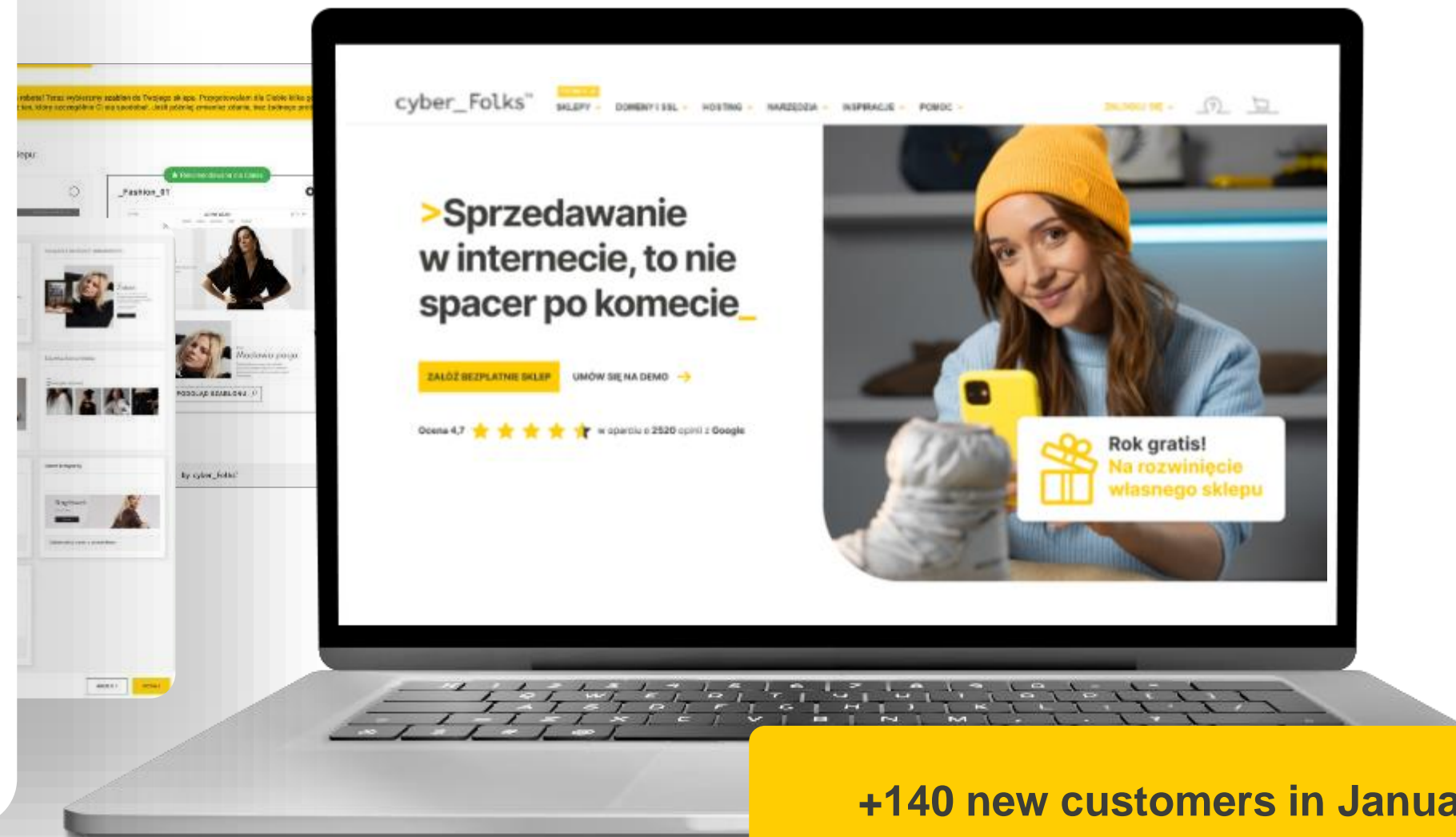
online store builder

> **_Stores: We have crossed the threshold of half a thousand customers, welcoming over 100 new customers each month_**

600+ CUSTOMERS

_Stores is a comprehensive online store creation tool where you will find everything to easily and effectively start, run and grow online sales.

- ✓ Support Team focused on increasing sales
- ✓ Professional templates optimized for high conversion
- ✓ Fully hosted website (incl. domain registration, email inbox)
- ✓ Simple and intuitive control panel
- ✓ Extensive multi-channel marketing module
- ✓ E-commerce tools integrations (incl. payments, delivery)



+140 new customers in January!

>_Stores: Customers love our product_

93% HAPPY CUSTOMERS

Between September 1, 2023, and February 15, 2024, we conducted a customer satisfaction survey among users of the _Stores, asking the question: **How would you rate our customer service?**



> _Stores: Customers love our product_



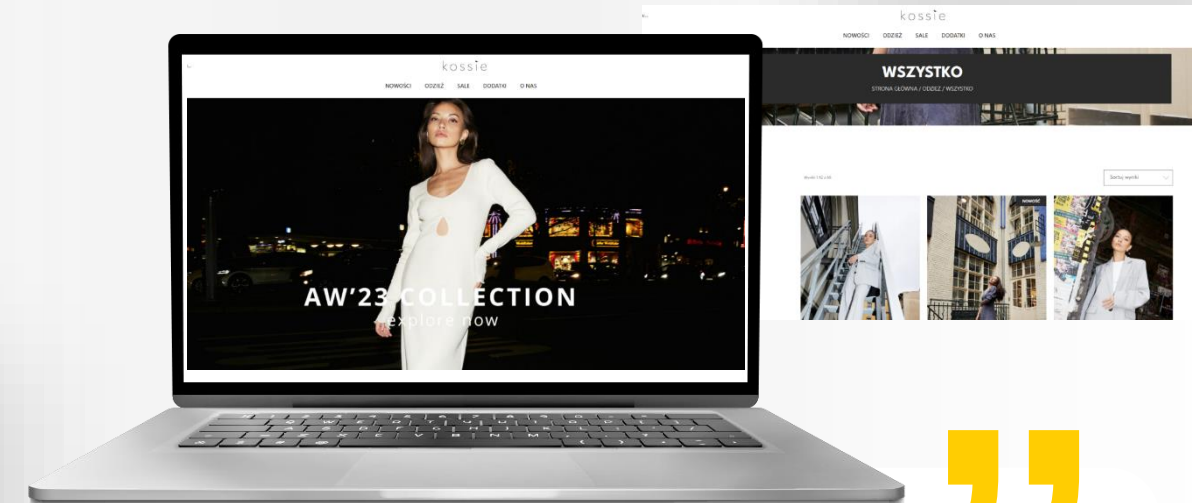
_Stores allowed me to beautifully showcase my products and present them in their best light.

In my online store, I prioritize the visual aspect, as it serves as a showcase for my creativity. Whenever I encountered any challenges in achieving the desired outcome, the wonderful and supportive technical support team was always there to assist me. Every issue was discussed in detail, and for more important matters, I could arrange an online meeting. As someone with limited technical expertise, this level of support was truly invaluable to me.

Agnieszka, cerata.com



”



_Stores platform has proven to be an effective online sales solution.

After the migration, the store now not only looks visually appealing, but also provides the necessary tools for effective sales. The store provides solid support for our desktop sales. Our site has also significantly improved its visibility in search results, achieving better SEO results than 99% of competing sites in our category.

Aldona & Ewa, kossie.pl

”

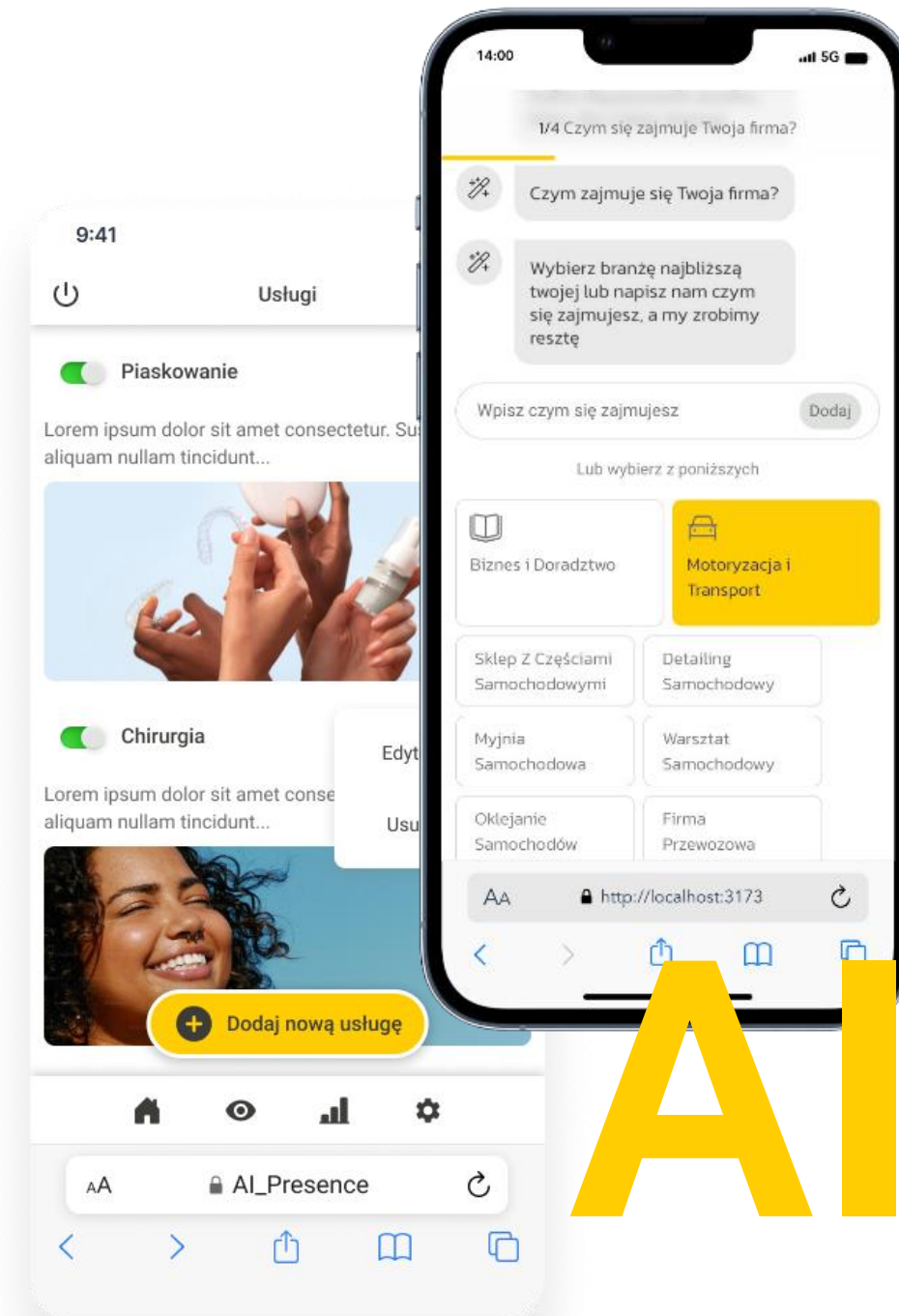
Now

AI powered web creator

>Now: We have launched an **AI-based website builder**_

_Now, our proprietary product empowers users to create websites quickly and effortlessly in just a few minutes.

- ✓ **_Now** is based on proprietary **AI algorithms**, developed using **OpenAI** language models and **data from over 2 million websites** analyzed by cyber_Folks.
- ✓ The generated website is enhanced with **marketing descriptions, a blog, and images** that can be easily customized.
- ✓ **_Now** also allows for the **transfer and modernization of an existing website**.



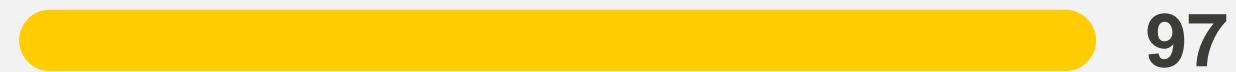
AI

FIRST

Product launch in February 2024!

> Why haven't you updated your website yet?

Lack of time



Lack of expertise



Other



Lack of funds



Lack of tools



Lack of specialists



We asked our customers: Why haven't you updated your website yet? For the majority, the biggest barrier was **lack of time and expertise**. **_Now** is the answer to our customers' needs.

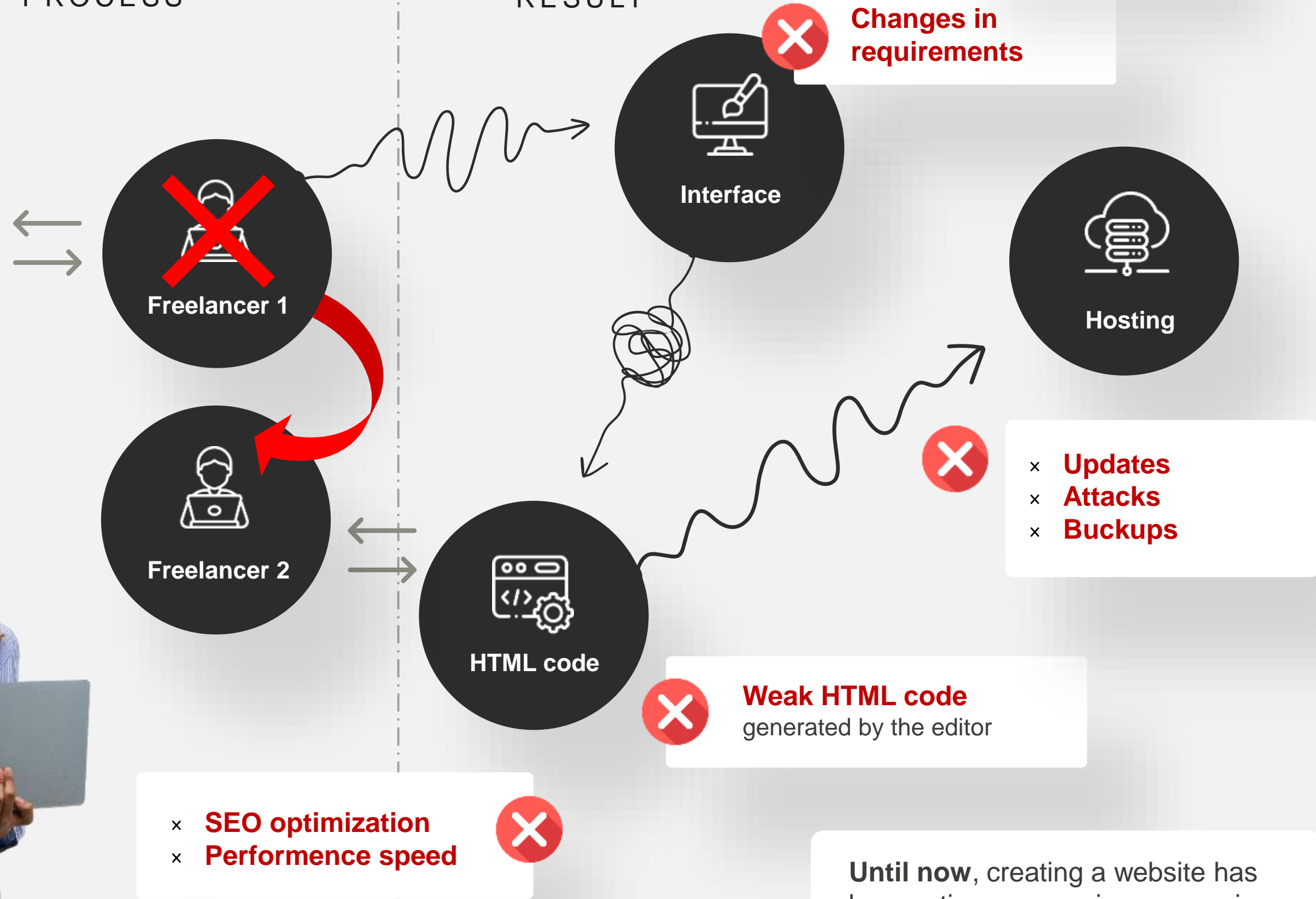
>Yesterday_



CUSTOMER

PROCESS

RESULT



Until now, creating a website has been a time-consuming, expensive, and complicated process.

>Today_

Time:



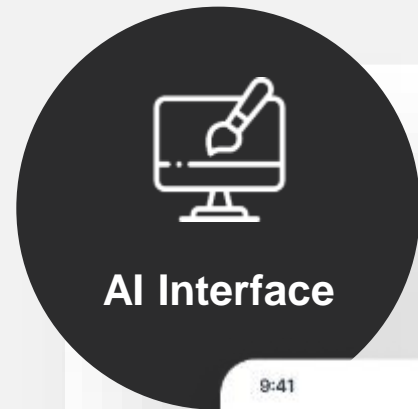
Cost:



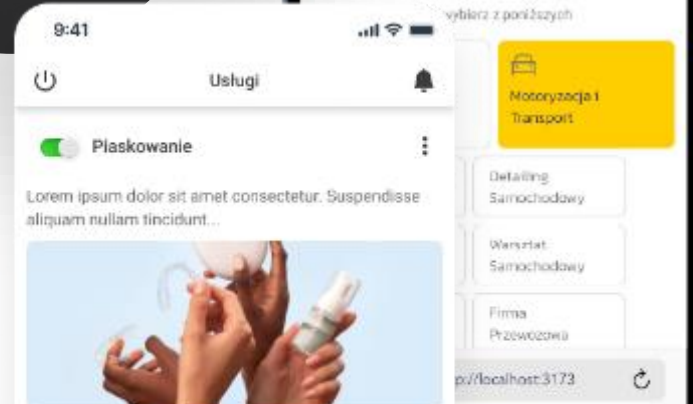
Complexity:



PROCESS



AI Interface



Simple Interface

RESULT



Website



Clean HTML code



Hosted as SaaS



SEO optimization

CUSTOMER



Now, we're changing the website creation process to be fast, affordable, and simple.

>Market_

1.1m

Domain subscribers

2.3m

Internet domains
according to NASK in
the country

350-400k

New companies annually
according to GUS in Poland

4m

Registered business
entities

>What next_

✓ Easy preparation
of national versions

✓ Very low
maintenance costs

✓ Delivering content
in every language

✓ International expansion
in June 2024



cyber_Folks™

cyberfolks.pl/**now**

cyber_Folks™

> We are creating a
global technology
brand_



>R22 change to cyber_Folks

In July 2023 R22 was transformed into cyber_Folks. The departure from R22 is not only a name change, but above all a **merger of two strong, resilient brands** whose competencies complement each other.

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 creating a **global** brand_

In 2023, we began **consolidating** our Group's **foreign hosting brands** under the **cyber_Folks brand**.

Romania

mxHost

Gazduire.ro

RoHost



cyber_Folks.ro

Hostvision

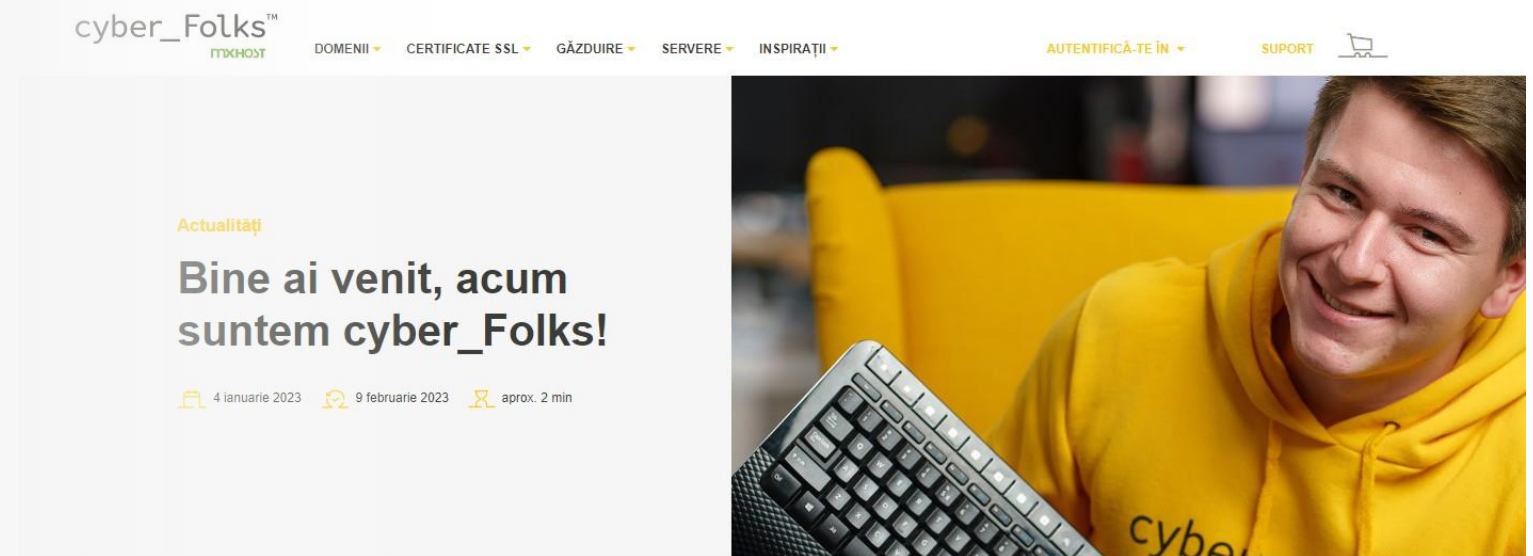
xServers

Croatia

Avalon



cyber_Folks.hr



>Înregistrare domeniu – de ce merită?_



Caută domeniul rapid și confortabil – vei găsi numele dorit...cu viteza luminii.



Înregistrarea domeniului la noi înseamnă fiabilitate și rezistență sporită la atacuri.



Site audit gratuit pentru pagina www a domeniului, sub care vei lansa noua ta pagină.

cyber_Folks™

> Fostering success
through lasting
investor relations



>cyber_Folks
recognized by
institutional
investors

2 ■ place

in the Stock Company of the Year ranking,
as assessed by over 100 capital market analysts
and managers.



... and appreciated by **individual investors**

SURVEY

In 2023 we asked our investors how they see the development of cyber_Folks.

Survey results show a positive reception of our activities by our shareholders.



HOW DO YOU ASSESS THE DEVELOPMENT OF CYBER_FOLKS?

97%

gave a **positive assessment** to the development of cyber_Folks



HOW DO YOU ASSESS OUR GROWTH RATES?

90%

think cyber_Folks growth rates as **attractive** compared to other tech companies



HOW DO YOU TREAT YOUR INVESTMENT IN CYBER_FOLKS?

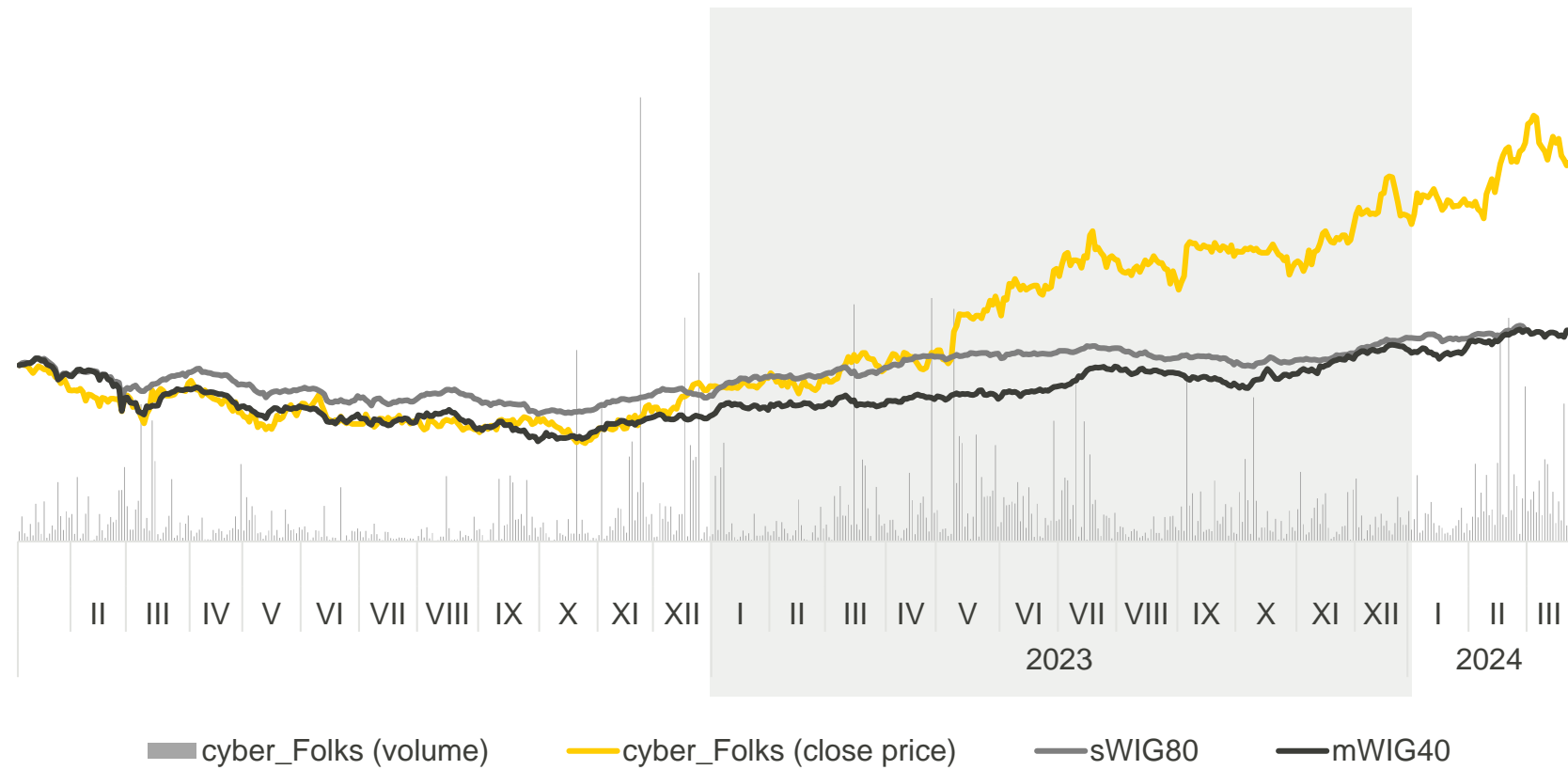
86%

treat their investment in cyber_Folks as **a long-term investment** (above three years)

>Shares_

At the end of 2023, cyber_Folks was trading 68.1% higher than at the beginning of 2023. From the beginning of 2024 to 29 February 2024, the share price rose 24.1%.

Cyber_Folks stock quotes



>Investor Benefit Program_

We launched the loyalty program announced earlier and addressed to clients who are also our investors. We are hoping that the additional benefits will boost the range of cyber_Folks stakeholders.

Thanks to the program, clients who own:

- ✓ **at least 50 cyber_Folks shares**
receive c. 10% discount on selected products and services
- ✓ **at least 100 cyber_Folks shares**
receive c. 20% discount on selected products and services
and free SEO monitoring

**We are the first tech company on the WSE
to establish a loyalty program!**

MORE STAKEHOLDERS



GREATER INTEREST IN SHARES



INCREASE IN THE NUMBER OF CUSTOMERS



>Our goal for 2024 is to join the mWIG 40 index_

1. standby list

We hold the top position on the standby list of the mWIG40 index, increasing the probability of our inclusion in the index during the next review.

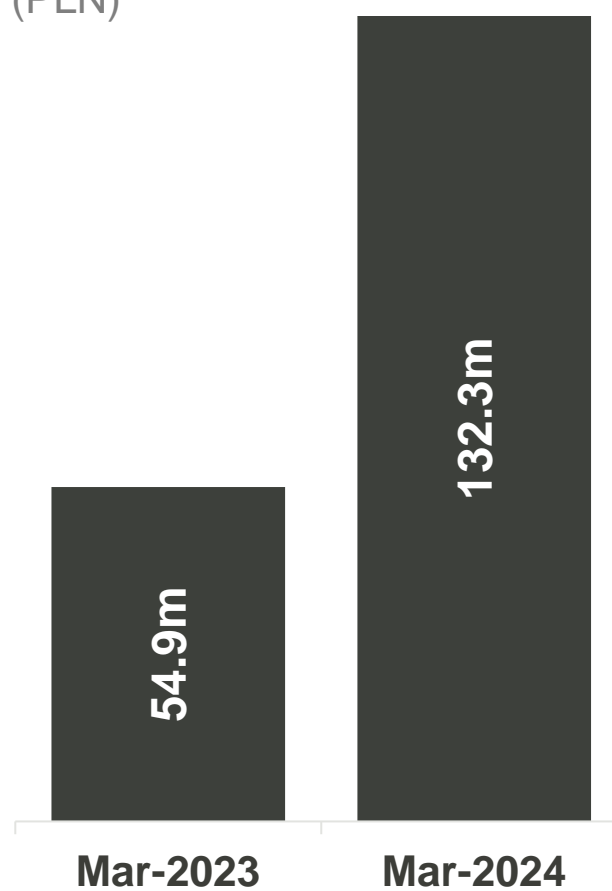


>mWIG 40: We are gradually approaching our ambitious goal_

Annual Turnover

x2

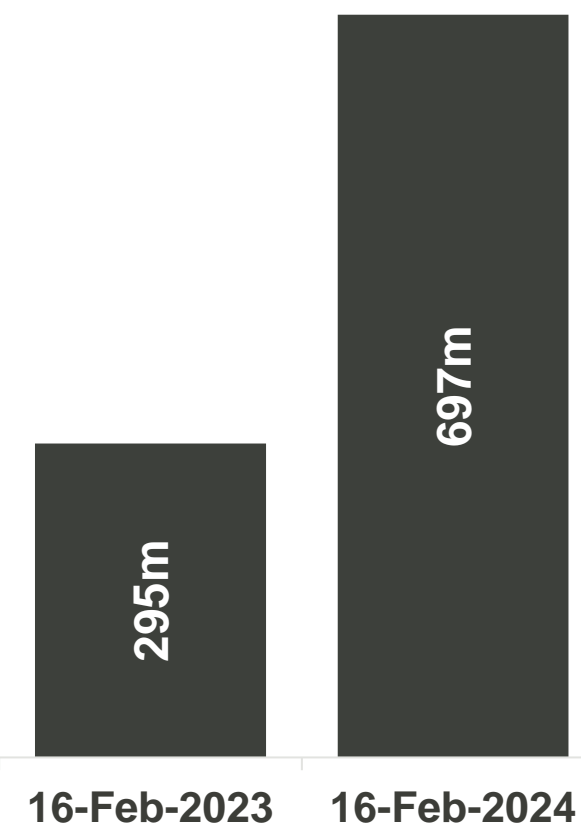
(PLN)



Free Float Market Cap

x2

(PLN)



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**

→ Cyber_Folks 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**

→ cyber_Folks 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.

→ cyber_Folks 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 4k 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**
- cyber_Folks' 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 26 June 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 30 August 2023 with the dividend payment date on 4 September 2023.

1 July 2023

- **The debut of _Billz tool**
- Our ecosystem of solutions and services keeps growing constantly. _Billz is an automatic, intuitive invoicing program for small business. It eases the invoicing process and work with an accountant. This solution is yet another outcome of internal R&D on new products.

>Key events 2023

31 June 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 26 June 2023.

11 October 2023

- **Shareholders' benefit program**
- cyber_Folks is the first tech company on the WSE to launch an incentive program for its shareholders. The purpose of our Program is to encourage clients to maintain even closer ties with cyber_Folks brand, thank the Shareholders for their trust and invite them to use our services.

31 October 2023

- **The sale of User.com shares**
- Vercom sold all of its shares (30.3%) in User.com. The transaction was worth PLN 24m which represents a close to 2.5x return on capital since the time of investment in User.com. The purpose of this transaction is to simplify the organizational structure following the focus on the development of services with a global reach addressed to SME clients.

6 December 2023

- **Announce plans to increase R&D spending in coming years**
- In 2023, we have allocated about PLN 10m for the development of proprietary solutions using AI and R&D work. Our strategy is that the R&D budget increases as the company's financial performance increases.

cyber_Folks™

> Business Segment Overview



cyber_Folks™

> cyber_Folks
operating segment



> Financial results of cyber_Folks

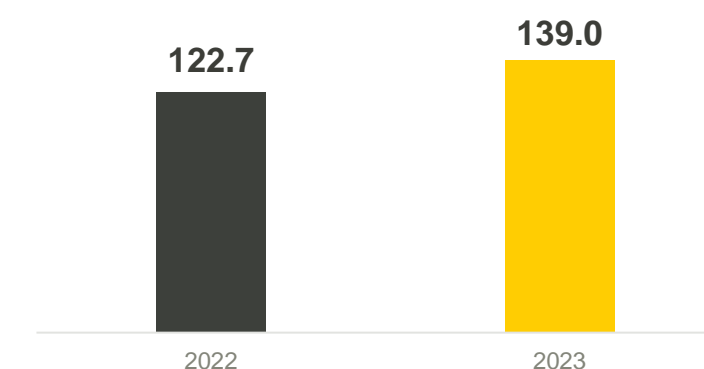
Selected financial data:

(PLN k)	2022	2023	Change	Q4 2022	Q4 2023	Change
Revenue	122 702	139 003	13%	31 968	34 457	8%
EBIT	35 818	41 230	15%	9 963	10 856	9%
Amortization	-13 401	-14 995	12%	-2 972	-3 897	31%
Operating EBITDA	49 219	56 225	14%	12 935	14 753	14%
<i>One-off costs</i>	0	3 276		0	738	
Adjusted EBITDA	49 219	59 501	21%	12 935	15 491	20%
<i>Margin</i>	40,1%	43,0%		40,5%	45,0%	
CapEx	8 185	14 821	81%	162	6 794	4094%
<i>CapEx%</i>	6,7%	10,7%		0,5%	19,7%	

- Stable revenue growth and very high EBITDA growth of about 20%.
- Positive impact of ARPU growth by expanding product offerings and delivering more value to loyal customers.
- Stable expenditures on IT equipment, a significant increase in R&D expenditures, and an increase in asset usage rights due to the extension of existing or conclusion of new contracts for office and server space.

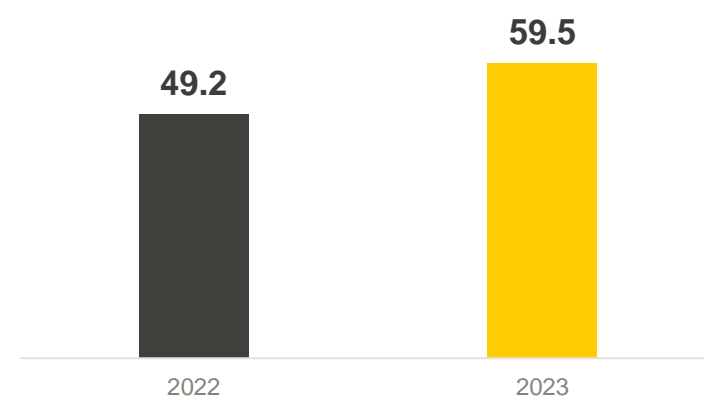
Revenue :

(PLN m)



Adjusted EBITDA:

(PLN m)



> Selected KPI cyber_Folks

Hosting:

	Q4 2021	Q4 2022	Q4 2023
# customers (k)	206.2	221.6	221.6
ARPU LTM (PLN)	298.6	350.4	407.2

Domains¹⁾:

	Q4 2021	Q4 2022	Q4 2023
# doains (k)	368.4	396.4	394.0
ARPU LTM (PLN)	74.2	80.1	89.4

The Group has stable churn, better than market average:

Hosting: 17%

Domains: 27%

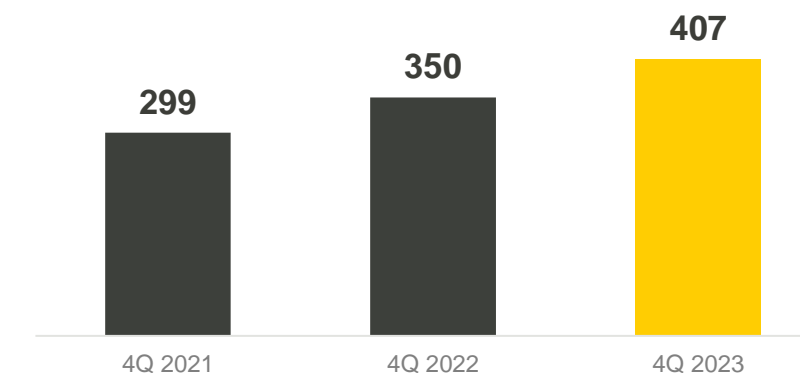
>220k
hosting customers

<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)

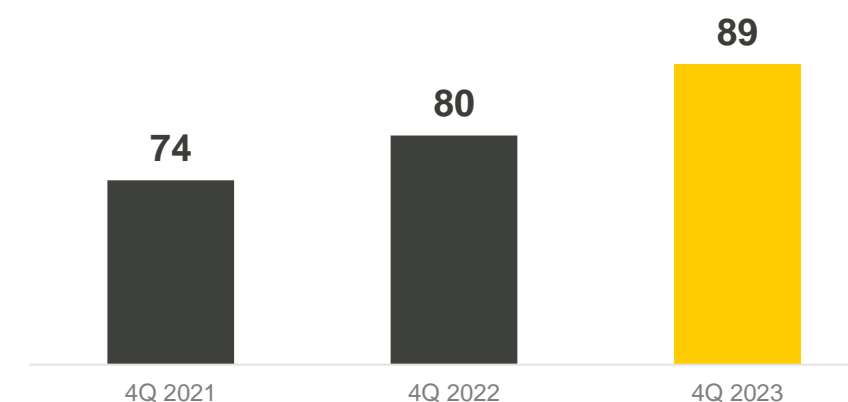
Hosting ARPU LTM:

(PLN)



Domains ARPU LTM:

(PLN)



1) All paid domains

VERCOM

**> Vercom operating
segment**



> Vercom financial results

Selected financial data:

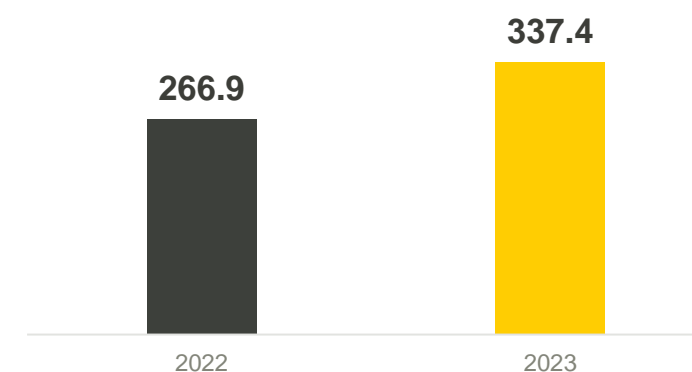
(PLN k)	2022	2023	Change	Q4 2022	Q4 2023	Change
Revenue	266 920	337 373	26%	81 236	96 527	19%
EBIT	42 737	68 975	61%	14 909	19 694	32%
Amortization	-11 521	-15 524	35%	-3 384	-4 345	28%
Operating EBITDA	54 258	84 499	56%	18 293	24 039	31%
<i>One-off costs</i>	2 926	675	-77%	433	324	-25%
Adjusted EBITDA	57 184	85 174	49%	18 726	24 363	30%
<i>Margin</i>	21,4%	25,2%		23,1%	25,2%	
CapEx	8 983	14 529	62%	2 057	6 078	195%
<i>CapEx%</i>	3,4%	4,3%		2,5%	6,3%	

- ✓ Clear increase in profitability due to strong growth in global markets and improved product mix in favor of higher-margin channels.
- ✓ Dynamic growth in the number of SME customers.
- ✓ Stable overhead and selling costs.
- ✓ Stable R&D expenditure.
- ✓ Increase in rights to use assets due to the extension of existing or conclusion of new contracts for office space.

Revenue :

(PLN m)

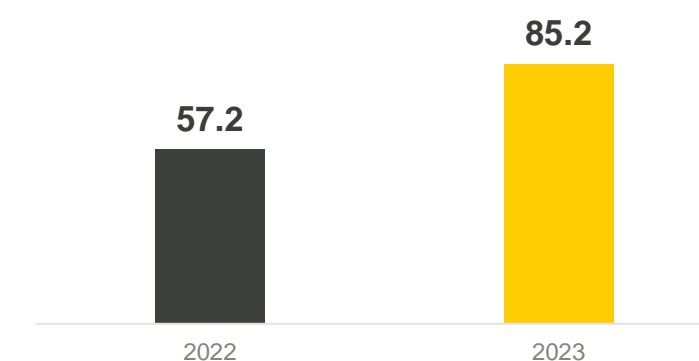
+26%



Adjusted EBITDA:

(PLN m)

+49%



> Vercom Flywheel_



Growing use of artificial intelligence

> Evolution of strategy towards services for small and medium-sized customers

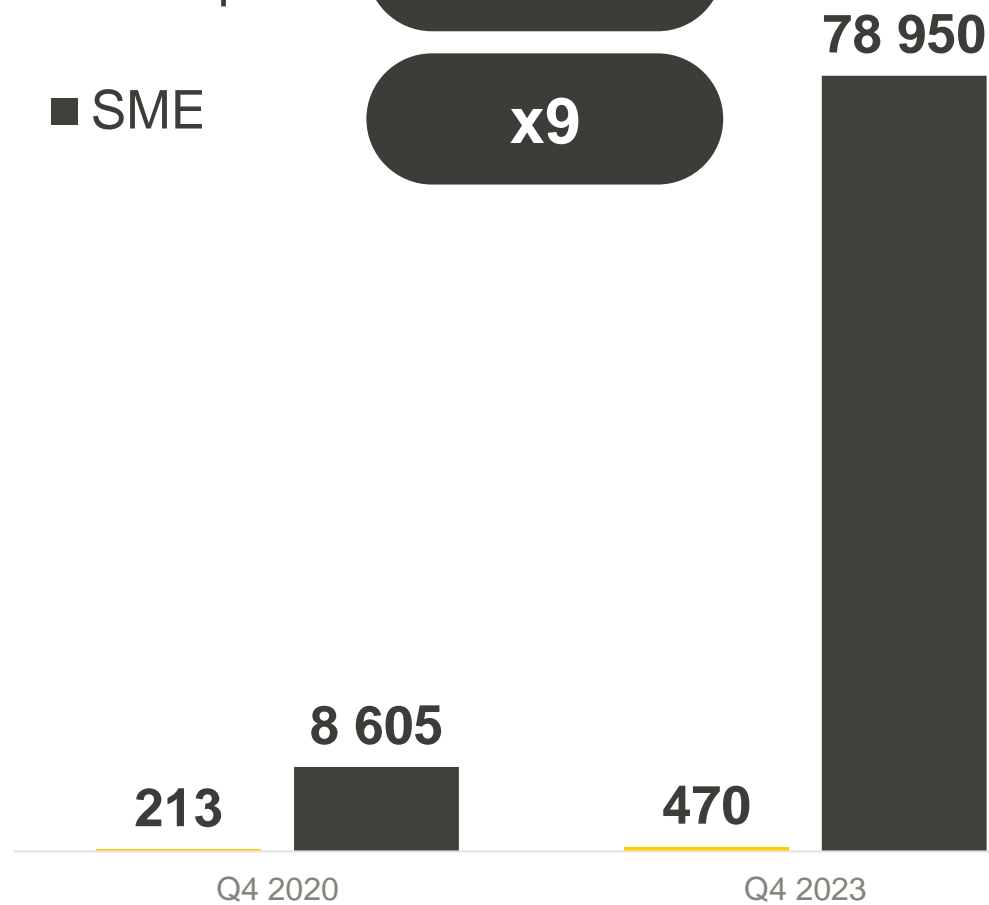
Evolution of customer structure

■ Enterprise

x2

■ SME

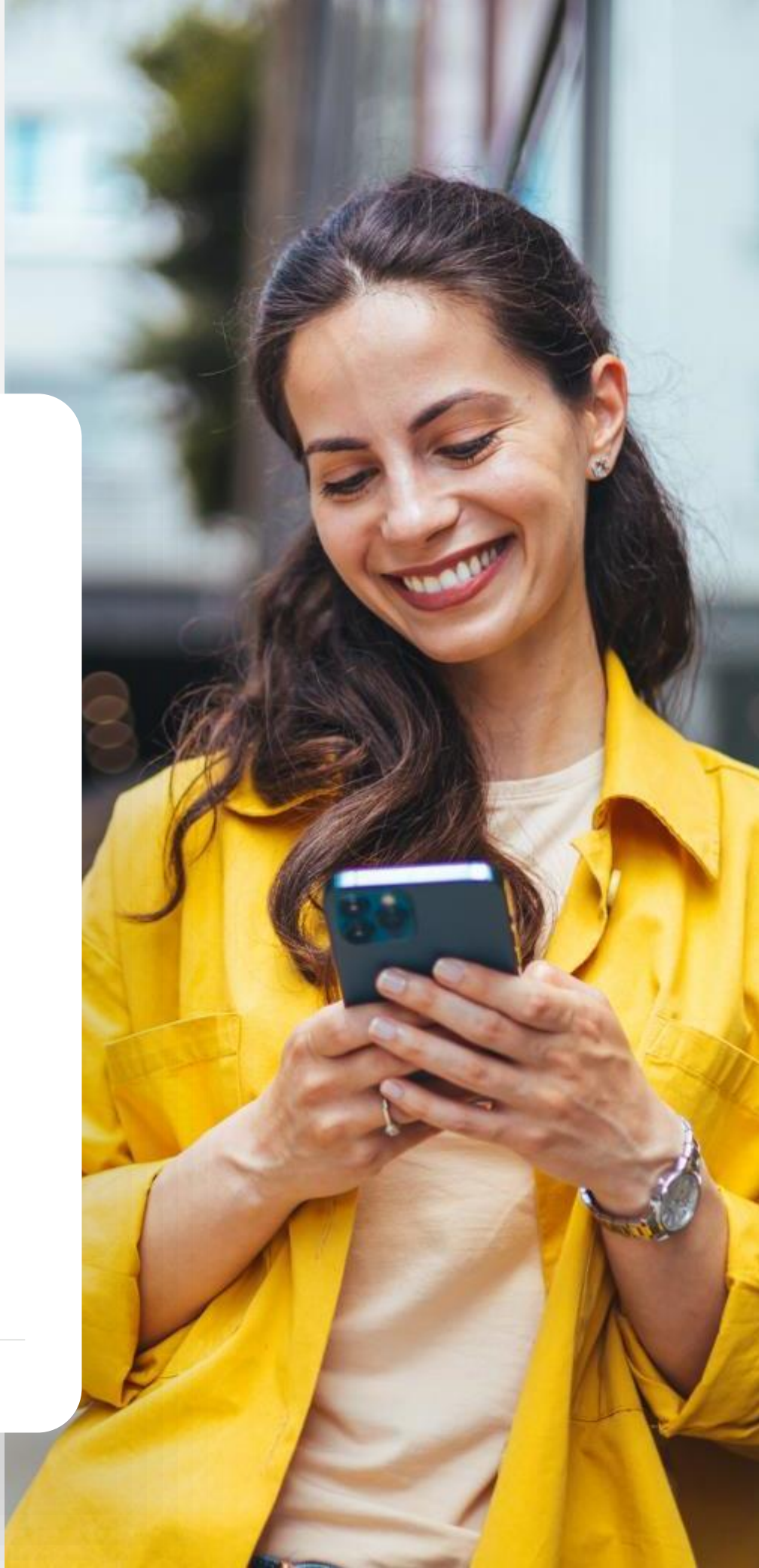
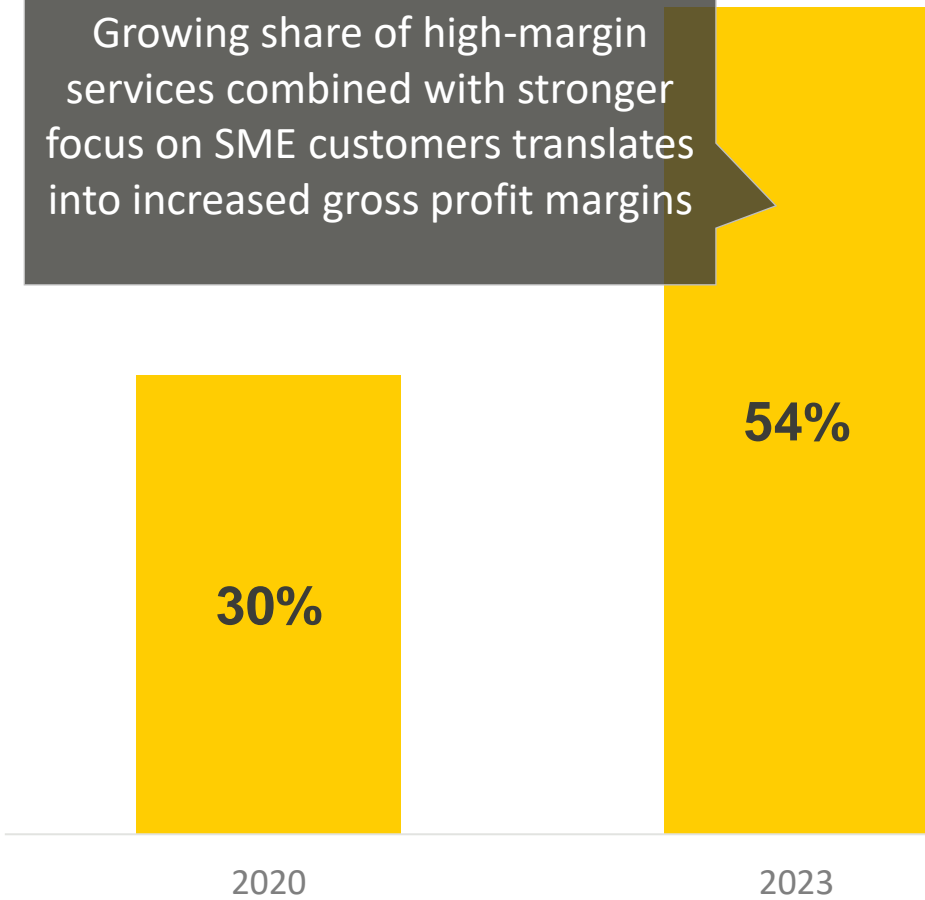
x9



Gross margin

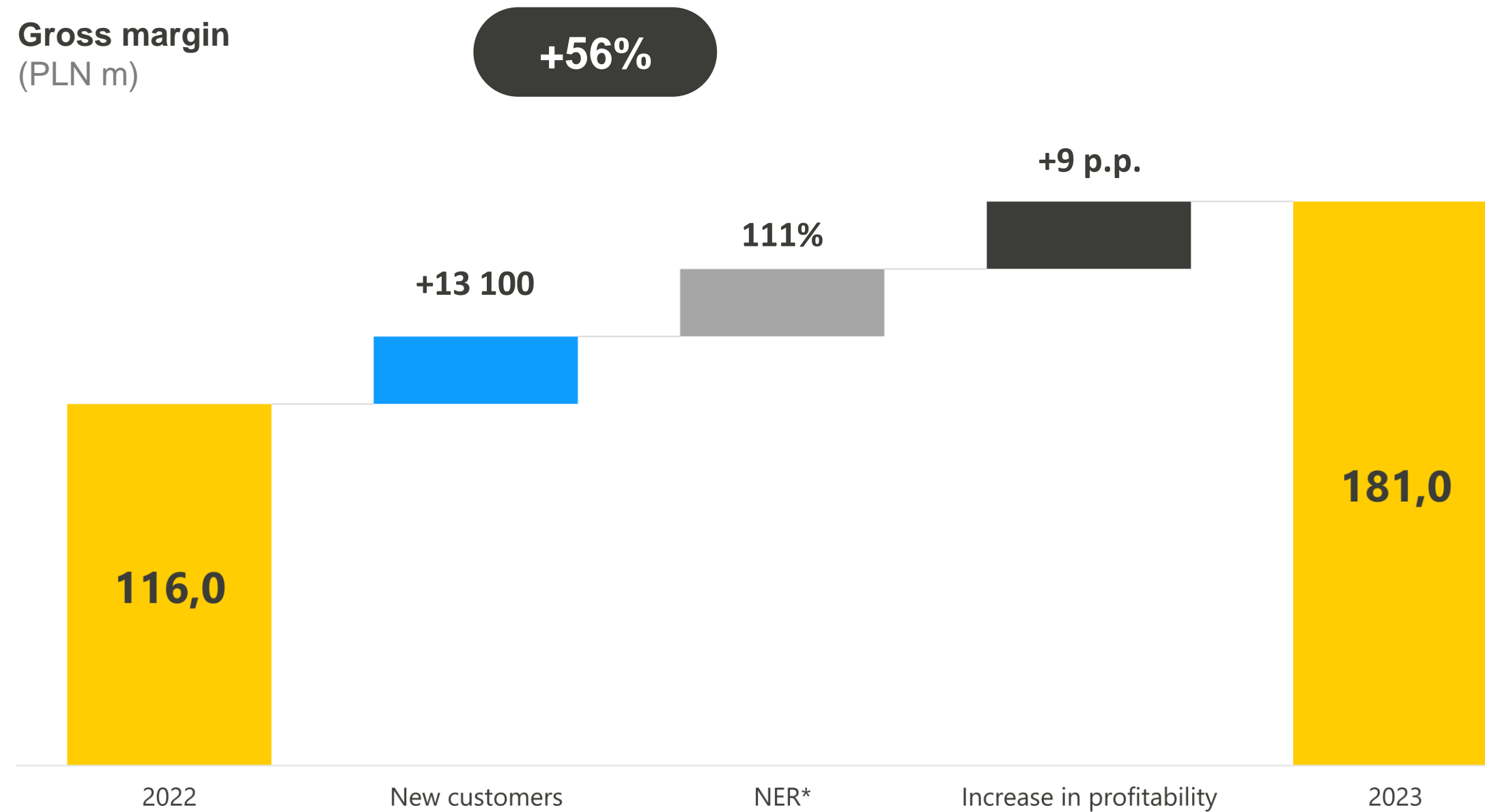
+24 p.p.

Growing share of high-margin services combined with stronger focus on SME customers translates into increased gross profit margins

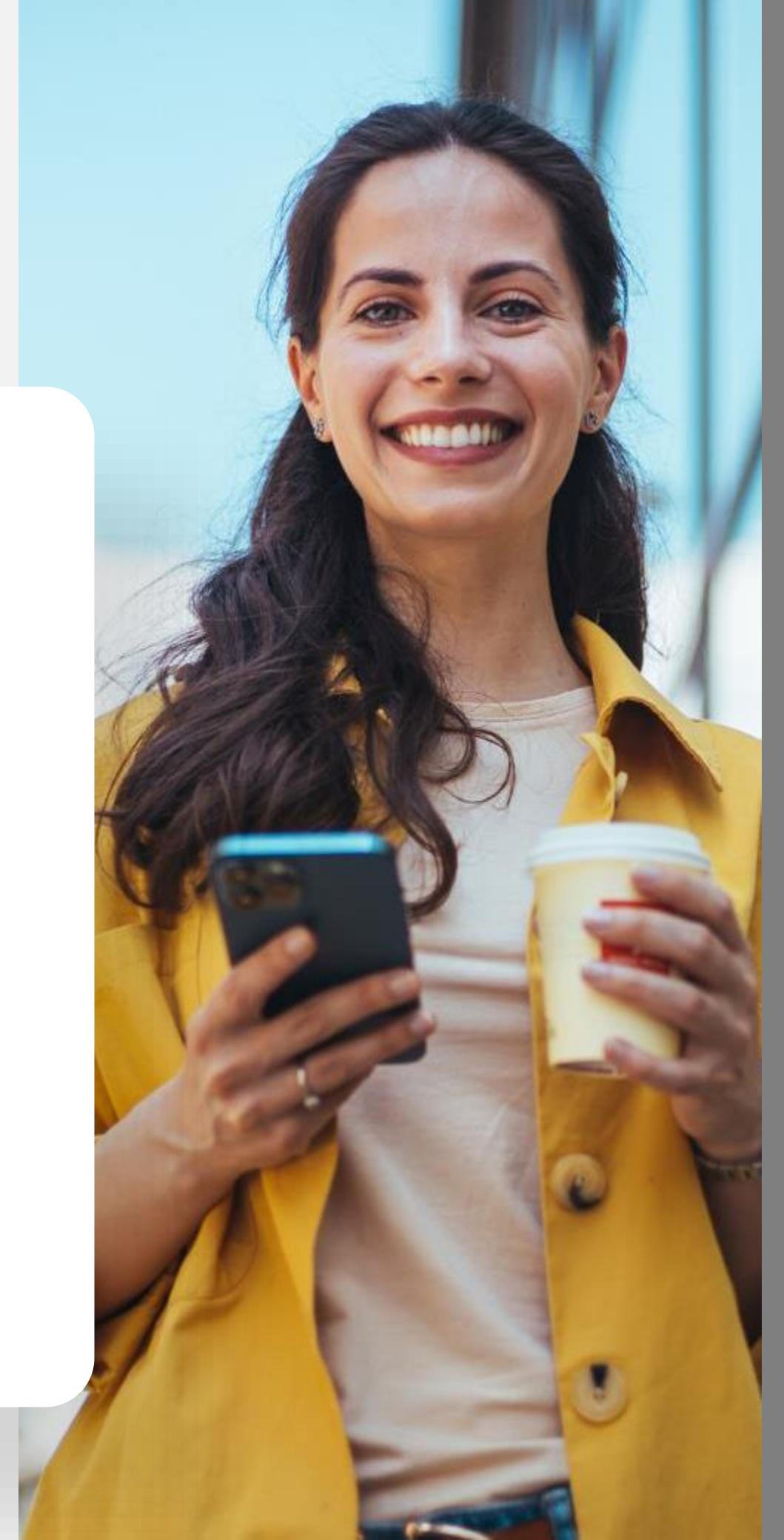


>Gross margin growth driven by new customers and increased profitability_

Gross margin
(PLN m)



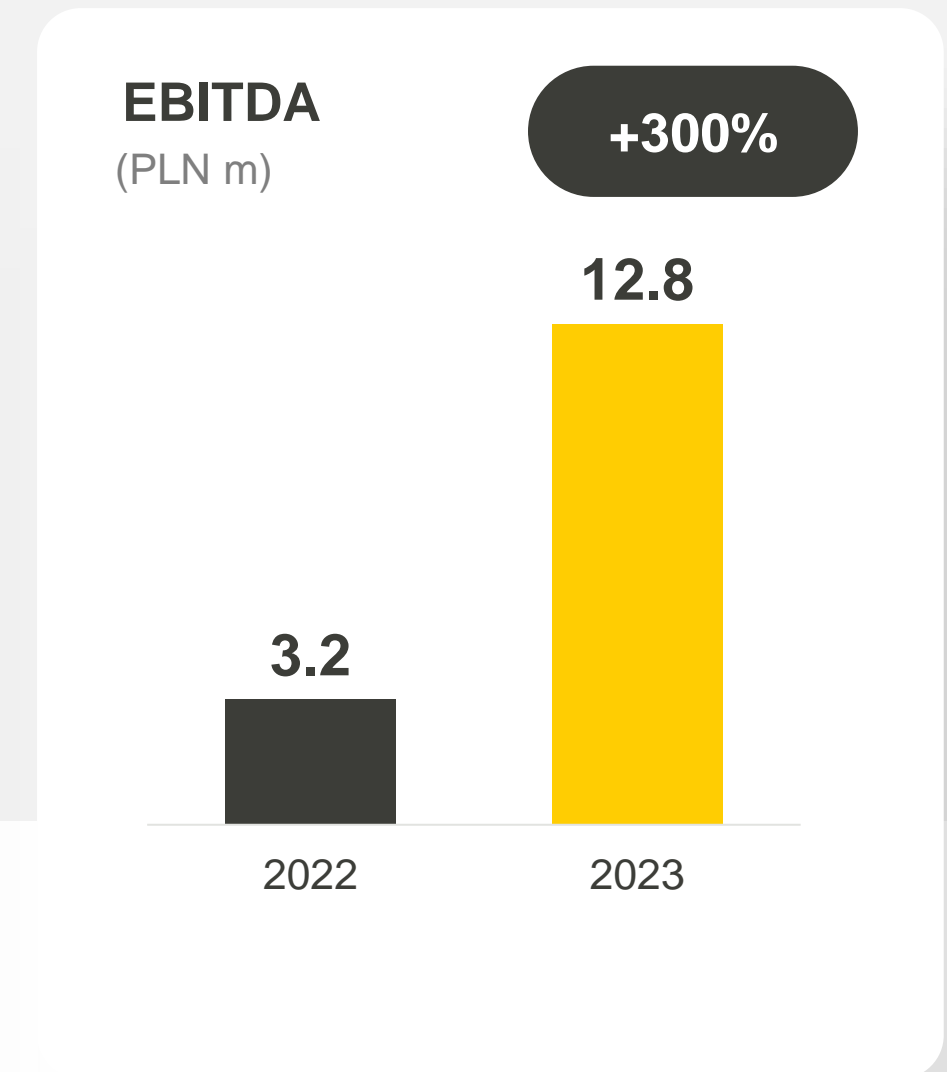
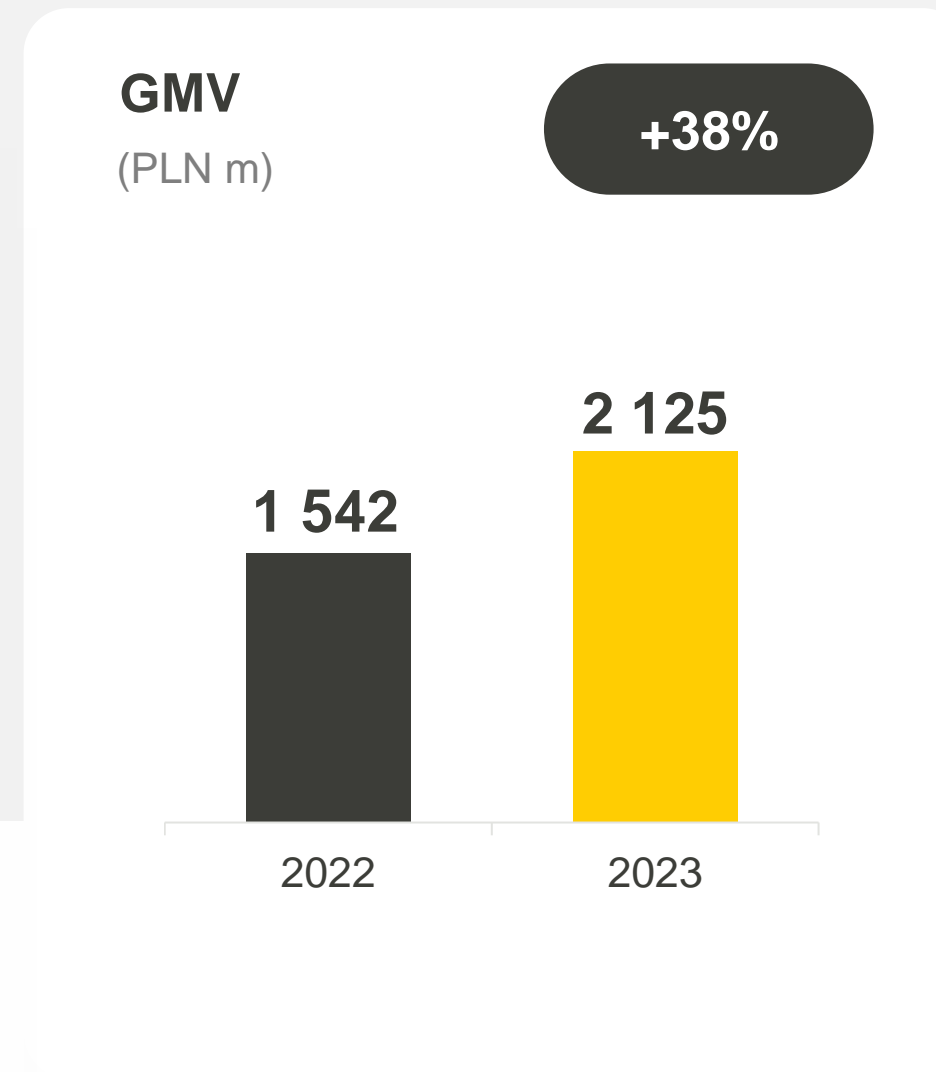
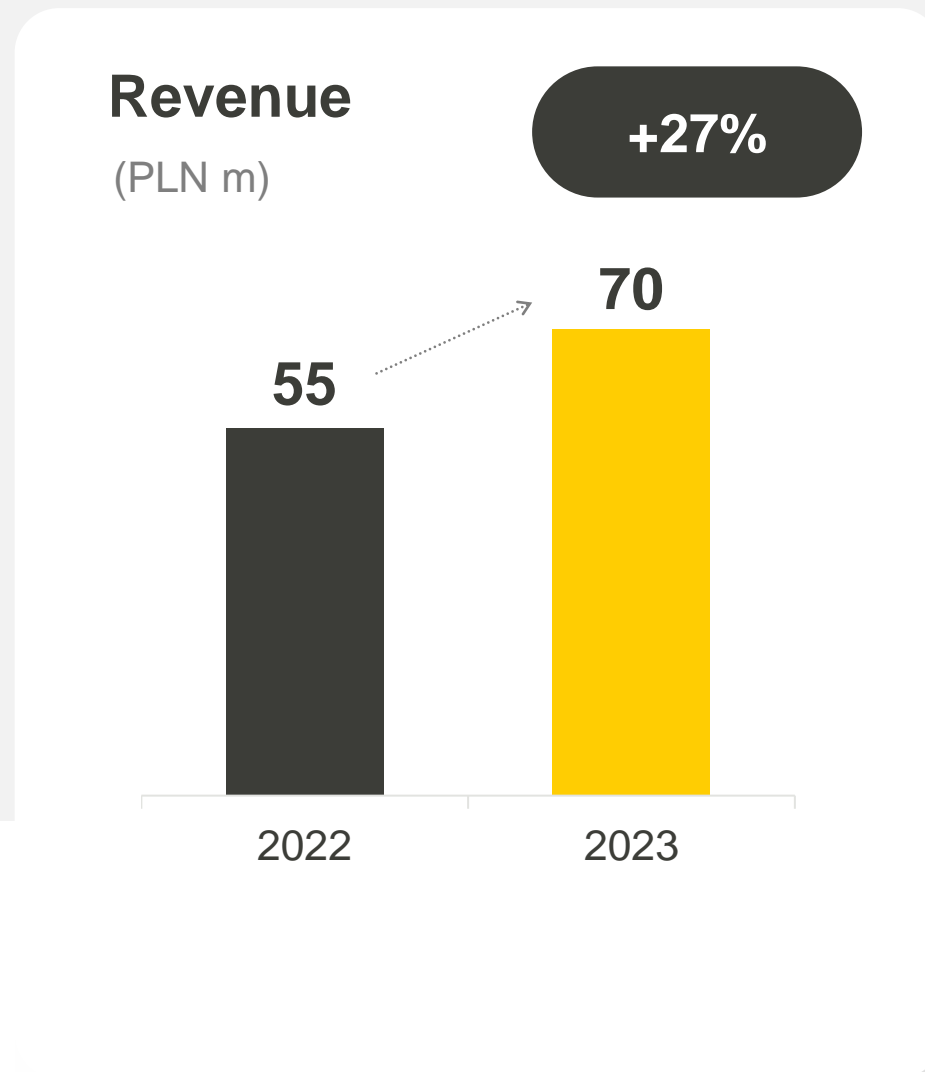
* NER (Net Expansion Rate) – increase in sales to a repeat group of customers, i.e. entities that were the Group's customers in the period for which the ratio is calculated and in the comparative period, excluding wholesale traffic. Indicator calculated on the basis of data for the last 12 months. NER for all customers was 99%.



**> Hotel solutions
segment**



>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 38% increase in the booking figures, a 27% increase in revenue and a material improvement in EBITDA, which rose by 300% and reach alost PLN 13m.

cyber_Folks™

**>Development
prospects**



> Development prospects

ARPU Boost

- Development of product offerings, including proprietary solutions.
- Continuation of offering changes related to unification.
- Activities aimed at cross-sell and up-sell of products and services.
- Increasing sales of additional services.

Product development

- Development of proprietary products, including _Now, a web page creator based on artificial intelligence algorithms.
- Development of products using artificial intelligence (AI): cyber_Folks - AI domain builder, FreshMail - SendGuard (anti-spam and anti-phishing tool to increase email deliverability).
- 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.
- Use of cyber_Folks investee companies to sell existing and new Group products - 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.

Marketing strategy

- Consolidate marketing and communications strategy.
- In the long term - a comprehensive solution for all those operating on the Internet and wishing to communicate effectively with their customers.
- In the short-to-medium term, we will consolidate brands and marketing activities in the hosting area, so that we can more effectively use existing marketing budgets to attract new customers and further ARPU growth activities.
- In 2024, cyber_Folks launched a marketing campaign to promote the _Stores product. This year, marketing activities are planned for the _Now product, both in Poland and abroad.

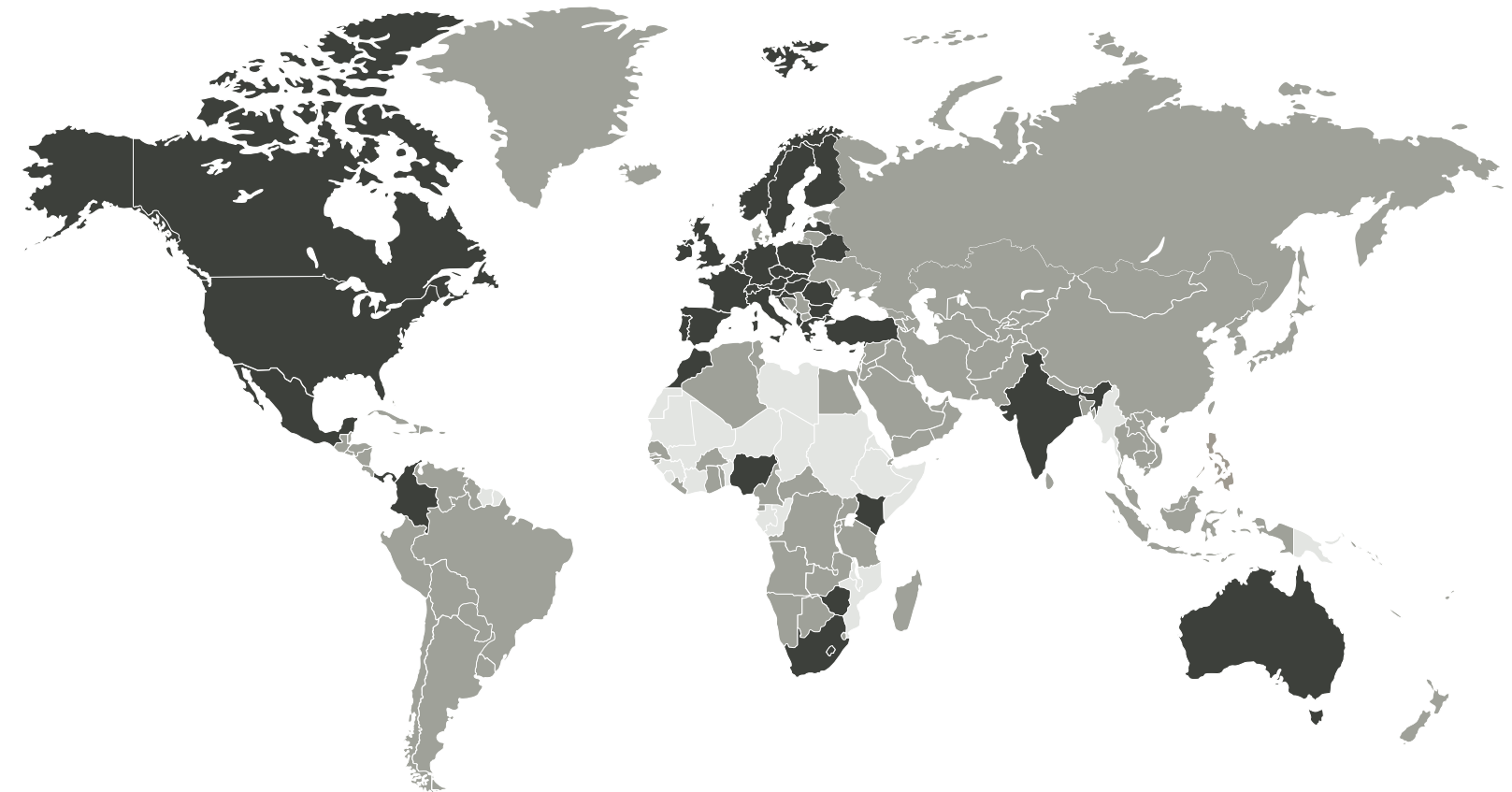
ESG

- 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.
- Read more about the cyber_Folks Group's ESG activities in the 2023 Non-Financial Report.

> 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)	2022	2023	Change	Q4 2022	Q4 2023	Change
	01.01.2022 - 31.12.2022	01.01.2023 - 31.12.2023		01.10.2022 - 31.12.2022	01.10.2023 - 31.12.2023	
Sales revenue	392 177	479 946	22%	112 738	132 476	18%
Other operating revenue	282	474	68%	-101	319	-416%
Amortization	-26 574	-32 767	23%	-6 848	-9 084	33%
External services	-238 361	-275 885	16%	-67 437	-76 379	13%
Costs of employee benefits	-45 849	-56 924	24%	-11 817	-15 545	32%
included: salary costs related to the incentive program	-930	-3 623	290%	-459	-1 062	131%
Use fo materials and consumption of energy	-5 274	-6 229	18%	-1 162	-1 549	33%
Value of goods and materials sold	5		-100%	5	0	-100%
Taxes and charges	-860	-577	-33%	-196	-57	-71%
Other operational expenses	-461	-795	73%	-70	-408	484%
Profit / (loss) on sale and liquidation of tangible fixed assets	506	155	-69%	42	-117	-378%
Other write-offs	-1 249	-2 818	126%	-598	-1 384	131%
Profit on operating activity (EBIT)	74 342	104 579	41%	24 556	28 271	15%
Net financial cost	-22 734	-5 598	-75%	-2 772	13 532	-588%
Share in profits of associates accounted for using the equity method	868	2 677	208%	349	1 303	273%
Profit before taxes	52 476	101 659	94%	22 133	43 107	95%
Income tax	-12 256	-14 256	16%	-4 395	-5 670	29%
Net profit from continuing operations	40 220	87 402	117%	17 738	37 436	111%
Net profit from discontinued operations after tax	0	0		-317	-628	98%
Net profit	40 220	87 402	117%	17 421	36 808	111%
- attributable to the shareholders of the parent	24 012	50 826	112%	8 835	21 389	142%
- attributable to non-controlling shares	16 208	36 576	126%	8 586	15 419	80%

> Consolidated P&L cyber_Folks Group

Factors affecting performance in 2023

- Organic sales and earnings growth in Vercom and cyber_Folks segments.
- Net decrease in finance costs, largely due to exchange rate differences on the valuation of EUR loans.
- An increase in the tax shield effect - an increase in deferred tax assets, due to the ability to utilize tax losses from capital activities as a result of the sale of User.com shares in Q4 2023.
- The results fo Q4 2023 were impacted by one-off costs:
 - Valuation of the cyber_Folks ESOP in the amount of PLN 738k,
 - Valuation of the Vercom ESOP in the amount of PLN 324k.
- The results fo Q4 2023 were impacted by one-off costs:
 - Valuation of the cyber_Folks ESOP in the amount of PLN 3 276k,
 - Valuation of the Vercom ESOP in the amount of PLN 675k.
- One-time gain on the sale of shares of the User.com affiliate, i.e., about PLN 10 million impact on net income and about PLN 5 million impact on net income of the parent company.



>Stable asset situation with a decrease in debt and increase in cash

Assets

(PLN k)	31.12.2022	31.12.2023
Tangible fixed assets	17 918	17 252
Right to use assets	35 241	37 366
Intangible assets and goodwill	644 357	610 272
Investments in affiliates	67 326	55 028
Loans granted	0	486
Assets due to deferred income tax	7 073	1 216
Derivatives	1 537	0
Other assets	271	973
Fixed assets	773 723	722 593
Trade receivables	32 827	35 443
Derivatives	241	0
Loans granted	1 458	628
Cash and cash equivalents	54 078	70 322
Other assets	3 273	3 942
Assets held for sale	0	0
Aktywa obrotowe	91 877	110 335
Aktywa ogółem	865 600	832 927

Equity and liabilities

(PLN k)	31.12.2022	31.12.2023
Basic capital	284	284
Own shares	-4 090	-1 696
Retained earnings and other capital	224 552	262 154
Exchange differences on the translation of foreign operations	-2 026	-37 704
Equity attributable to equity holders of the parent	218 720	223 037
Non-controlling shares	179 447	201 659
Equity capital	398 167	424 697
Liabilities for loans and borrowings	252 894	193 020
Liabilities due to financial leasing	25 761	27 080
Liabilities due to contracts with clients	198	306
Deferred income tax	22 838	14 822
Other liabilities	58	58
Long-term liabilities	301 749	235 286
Liabilities for loans and borrowings	58 504	53 228
Liabilities due to financial leasing	9 069	10 497
Trade liabilities	37 410	41 954
Liabilities due to contracts with clients	40 850	50 289
Income tax liabilities	8 121	6 694
Liabilities for employee benefits	3 460	4 240
Other liabilities	8 270	6 043
Short-term liabilities	165 684	172 945
Total liabilities	467 433	408 231
Total equity and liabilities	865 600	832 928

>Steadily increasing cash flows from operating activities

Statement of cash flows

(PLN k)	2022	2023		2022	2023
Net profit for the reporting period	40 220	87 402	Proceeds from the sale of own shares	3 244	2 618
Adjustments, including i.a.:	60 286	52 619	Purchase of own shares	-4 090	0
- Amortization	12 256	14 257	Net proceeds from issuance of shares of a subsidiary	-60	0
- Income tax	26 574	32 767	Dividends paid to owners	-10 068	-13 169
- Net interest and exchange expenses	20 946	18 348	Dividends paid to non-controlling shareholders	-758	-14 414
- Valuation of the ESOP program	930	3 623	Other distributions to non-controlling shareholders	-808	0
Change in inventories, receivables, liabilities and other assets - total	8 984	13 409	Proceeds from loans and credits	174 295	0
Cash generated on operating activities	109 490	153 430	Repayment of loans and credits	-41 441	-62 879
Tax paid	-12 265	-16 529	Receipts / (Repayment) of overdraft facility	-4 012	6 066
Net cash from operating activities	97 225	136 901	Contributions by non-controlling interests to increase capital in a subsidiary	3 000	0
Interest received	541	1 101	Interest paid	-19 958	-26 221
Loans granted	-986	-1 056	Payments of liabilities under financial leasing agreements	-8 902	-11 083
Repayments of loans granted	0	852	Acquisition of non-controlling interests in subsidiaries	-4 028	-3 622
Dividends received	0	1 362	Proceeds from grants received	0	351
Acquisitions of subsidiaries less cash acquired	-244 923	-2 532	Net cash from financing activities	86 414	-122 353
Investments in affiliates	-1 300	-1 200	Total net cash flow	-75 964	18 427
Proceeds from sale of shares in User.com		22 887	Impact of changes due to exchange rate differences on cash and cash equivalents	333	-2 183
Proceeds from sale of tangible fixed assets	506	195	Increase (decrease) in cash and cash equivalents	-75 631	16 244
Purchase of tangible fixed assets and intangible assets	-13 441	-17 730	Cash and cash equivalents at the beginning of the period	129 709	54 078
Net cash from investing activities	-259 603	3 879	Cash and cash equivalents at the end of the period	54 078	70 322

The most significant changes in cash flows

High conversion of EBITDA into operating cash flows:

- Adjusted EBITDA: PLN 141.3m
- Net cash flows from operating activities: PLN 136.9m.

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

Within investing activities:

- Increase in acquisitions of intangible assets resulting from higher R&D expenditures.
- Nearly PLN 23m in proceeds from the sale of shares in affiliate User.com.

Within financing activities:

- Increase in loan repayments, which significantly reduced debt levels at the end of 2023 and will significantly reduce interest expense in future periods.
- Increase in interest paid yoy trend reversed to decreasing in the second half of the year.

> Changes in equity

(PLN k)	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		50 826			50 826	36 576	87 402
Other comprehensive income				-35 697	-35 697	-620	-36 317
Total income in the period		50 826		-35 697	15 129	35 956	51 085
<i>Transactions with owners included directly in equity</i>							
Net assets attributable to non-controlling interests from acquisition of subsidiaries		-426			-426	1 227	801
Acquisition of shares from non-controlling shareholders		-2 912			-2 912	-710	-3 622
Payment of dividends to owners		-13 169			-13 169		-13 169
Sale of own shares		224	2 394		2 618		2 618
Capital from valuation of ESOP in subsidiary		3 348			3 348	275	3 623
Payment of dividends to non-controlling interests						-13 803	-13 803
Other		-289		19	-270	-733	-1 003
As at 31 December 2023	284	262 154	-1 696	-37 704	223 038	201 659	424 697

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

The cyber_Folks Group has an established position in the Polish market and is growing dynamically in global markets. The markets in which the cyber_Folks Group operates are characterized 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 are:

The risk relating to takeovers executed by the Group

Execution of Group strategy includes, among others, selective takeovers:

- (i) of entities with a similar business profile in Poland and abroad, as well as,
- (ii) entities possessing a technology that fits into Group's plans for further development or is complementary to services offered currently.

While making decisions regarding takeovers, as well as during the execution of takeovers, it is possible to make a number of mistakes and the occurrence of a range of deviations from the transaction principles adopted earlier, which include in particular:

- an incorrect assessment of target's profit-generating capacity,
- an incorrect analysis of target's product offering potential or its technological solutions,
- effects of target's integration with the Group failing to meet initial assumptions,
- the loss of some of target's clients,
- the loss of selected key staff or entire teams of the target,
- reduced scope of collaboration with target's suppliers.

In particular, deviations and mistakes may be affected by the following:

- (i) lack of access to complete financial and technological information of the target,
- (ii) incomplete or unreliable data presented by the target, both with respect to themselves and to their market environment,
- (iii) lack of knowledge at the Group regarding the local conditions,
- (iv) lack of sufficient skills by the Group's staff or the staff of takeover targets.

Materials risks related to growth through acquisitions also include the lack of sufficient involvement of the Managing Board or other members of Group's management in the day-to-day management and growth of the Group in areas unrelated to acquisitions if target integration process fails to proceed according to prior assumptions. In the case of takeovers executed outside of Poland, the risks also include potential failure to identify all the issues related to the new market, including regulatory or accounting-related and the lack of complete familiarity with local conditions of the specific country which may lead to acquisition results that fail to meet the initial expectations. In the Company's assessment, because of the significant number of acquisitions which the Group is executing in various countries and involving entities engaging in diverse types of activities, such risk is above-average compared to other entities which are executing growth-through-acquisition strategy. Risk realization may have a negative impact on the prospects for revenue growth, profitability or the Group's financial situation. Such risk failed to materialize in the Group's history so far.

Increase or decrease in customer confidence and volatility of the CHURN

In connection with the implemented changes in the offer, resulting in an increase in ARPU, and at the same time activities integrating the acquired key entities in the Group's development, it is monitoring the CHURN index and customer satisfaction (NPS), and undertaking protective and protective measures to ensure the best customer service and stability of services, so that any negative reactions and events did not affect not only the loss of the customer himself, but also the level of his satisfaction, and more specifically the ability to recommend services to other potential customers.

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

Dependence on suppliers in the Vercom operating segment

Vercom works with all the major mobile phone carriers and e-mail providers but, in line with the established market standards, has no long-term contracts with them. A change of commercial terms to less favorable ones will impact the level of profitability and profit generated. This risk applies to all market players. Furthermore, push communications only works in collaboration with the providers of mobile operating systems. A change of their policies in the area of marketing communications with terminal users could have a negative impact on the turnover figure generated by Vercom.

Dependence on suppliers in the cyber_Folks operating segment

The Group has limited abilities to replace its suppliers in the area of purchasing domains and software for the use of hosting services. A potential change of commercial terms to less favorable ones would have a negative impact on the level of profitability. This risk applies to all parties present on the hosting and domain market.

Financial risk

Cyber_Folks Group has a material level of outstanding financial debt and is therefore exposed to interest rate changes. In the event of interest rate cuts, its financial expenses will decline while in the event of an increase of interest rates, the cost of debt servicing will go up. The group generates stable, high cash flows and cash-generating ability and is thus prepared for an increase of financing expenses, but that may lead to a decline in profitability and its ability to pay out dividends.

Group's profitability, restrictions on its liquidity and the ability to pay out dividends may be affected by changing macroeconomic conditions and the financial condition of Group's business partners. Such risk is minimized by the prepayment for services, particularly in cyber_Folks segment, but also for some of the services in the Vercom segment, e.g. MailerLite.

Retaining and gaining new employees. The ability to effectively allocate employee competences and know-how and motivating them

In order to retain operating capacity and the increasing scale of operations it is necessary to retain existing human resources and gain new ones to facilitate efforts in key areas:

- Programming work - due to specific nature of the hosting environment and the uniqueness of CPaaS solutions it is necessary to develop own technological solutions,
- Integration of the Companies Acquired - it is necessary to have a specialized, competent team that coordinates the integration of newly acquired Companies and ensures that the integration process is heading in the same direction.

In the current market environment and the wage pressure in the field of IT, the ability to effectively allocate employee competence and knowhow and motivating them will be very important.

Situation on e-commerce and m-commerce market

The Group is a technology company but it has a strong exposure to the e-commerce market since a significant part of its clients, particularly the CPaaS segment, is involved in sales online.

Development of artificial intelligence (AI)

The Group is aware of the technological revolution associated with the development of artificial intelligence, which is particularly affecting the technology industry. The development of new tools in the field of AI carries a number of risks including, among others, the risk of competition from new products that may replace our services, as well as operational risks related to the impact of AI on the company's internal operations, including the reduction of operating costs, which may also occur at competing entities. To meet the above market changes, we have taken appropriate steps to enrich our offerings with products using AI and to build competitive advantages in this area (e.g., the _Now product - an AI-based website builder).

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

Ensuring compliance with the GDPR and other legal provisions

As part of its day-to-day operations, the Group processes personal data on a significant scale, both of its customers of the cyber_Folks Group and the Oxyllion Group, as well as of recipients of messages sent via the infrastructure belonging to the Vercom Group. The processing of personal data by individual entities of the Group must be carried out in a manner consistent with the provisions on the protection of personal data in force in Poland, as well as in the countries where the Issuer's Group or its clients conduct or will conduct business. The related obligations have been significantly extended since May 2018 due to the entry into force of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free the flow of such data. The Company cannot exclude that, despite the application of technical and organizational measures ensuring the protection of personal data being processed, there will be a breach of legal obligations by any of the Group's entities in this respect, in particular disclosure of personal data to unauthorized persons.

Readiness for compliance with the provisions of the GDPR is of particular importance in the CPaaS segment, where the specificity of the largest customers determines the highest quality of services.

Potential hacking attacks

Due to the scope of its activities and high market share - both hosting services and transactional and marketing communication, the Group is exposed to potential hacker attacks. Their intensity may increase in connection with the Russian-Ukrainian war. The Group has appropriate process and technical safeguards to prevent such situations and react quickly if they occur.

In the following quarters, the activities of cyber_Folks Group may also be affected by:

- 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 globally and in countries relevant to the Group's operations (including Poland, Romania, Czech Republic) or settlements conducted (PLN, USD, EUR, CZK, RON).
- 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.

> Saparate P&L of cyber_Folks S.A.

(PLN k)	2022	2023
Sales revenue	5 055	45 331
Other operating revenues	53	1
Amortization	-914	-6 596
External services	-5 256	-16 514
Employee benefit costs	-3 104	-12 922
Material and energy consumption	-310	-1 829
Taxes and fees	-11	-166
Other operating expenses	-331	-266
Gain on sale of non-financial fixed assets	279	22
Impairment charges	0	-33
Profit/loss on operating activities (EBIT)	-4 539	7 028
Net financial income	10 971	20 844
Profit before tax	6 432	27 872
Income tax	267	156
Net profit	6 699	28 028

> Asset situation of cyber_Folks S.A.

Assets

(PLN k)	31.12.2022	31.12.2023
Tangible fixed assets	93	875
Right to use assets	14 438	27 794
Intangible assets	338	104 763
Investments in subsidiaries	287 521	160 601
Investments in affiliates	30 266	53 468
Loans granted	0	170
Assets due to deferred income tax	813	602
Other assets	135	511
Fixed assets	333 604	348 784
Trade receivables	338	1 453
Loans granted	0	6 034
Cash and cash equivalents	198	998
Other assets	324	1 921
Current assets	860	10 406
Total assets	334 464	359 190

Equity and liabilities

	31.12.2022	31.12.2023
Basic capital	284	284
Reserve capital, including:	215 858	115 051
- from the excess of the issue price over the nominal value	209 270	209 494
- from profit write-offs	6 588	131
- others	0	-94 574
Supplementary capital	4 300	4 300
Own shares	-4 090	-1 696
Retained earnings	6 922	28 251
Equity capital	223 274	146 190
Liabilities due to credits, loans and bonds	83 242	104 314
Liabilities due to financial leasing	12 945	21 300
Liabilities from contracts with customers	0	277
Zobowiązania długoterminowe	96 187	125 891
Liabilities due to credits, loans and bonds	12 961	45 523
Liabilities due to financial leasing	970	6 171
Trade liabilities	581	6 536
Liabilities from contracts with customers	0	24 264
Income tax liabilities	0	337
Liabilities for employee benefits	268	2 008
Other liabilities	223	2 270
Shortterm liabilities	15 003	87 109
Total liabilities	111 190	213 000
Total equity and liabilities	334 464	359 190

> Separate statement of cash flows of cyber_Folks S.A.

(PLN k)	2022	2023		2022	2023
Net profit for the reporting period	6 699	28 028	Dividends to owners	-10 068	-13 156
Adjustments, including i.a.:	-10 603	-12 966	Expenses for the acquisition of own shares	-4 090	0
- Net interest and foreign exchange expense	7 810	11 730	Proceeds from the sale of own shares	0	2 618
- Dividends	-18 781	-32 648	Proceeds from taking out loans and credits	0	7 566
- Capital from valuation of ESOP	0	1 474	Repayment of loans and credits	-13 150	-24 056
Change in inventories, receivables, liabilities and other assets - total	553	7 292	Interest paid	-8 099	-12 338
Cash generated on operating activities	-3 351	22 355	Payments of liabilities under lease agreements	-1 437	-2 969
Tax paid	0	-4 785	Net cash from financing activities	-36 844	-42 062
Net cash from operating activities	-3 351	17 570	Total net cash flow	-1 760	800
Interest received	294	0	Increase (decrease) in cash and cash equivalents	-1 760	800
Loans granted	-600	-14 016	Cash and cash equivalents at the beginning of the period	1 958	198
Repayments of loans granted	29 374	11 235	Cash and cash equivalents at the end of the period	198	998
Dividends received	18 781	32 648			
Cash contribution for the acquisition of shares in the increased share capital of the subsidiary	-9 025	0			
Proceeds from sale of fixed assets and intangible assets	336	22			
Acquisition of tangible and intangible assets	-366	-3 779			
Acquisition of shares in cyber_Folks S.A. subsidiary.	-359	-3 658			
Cash acquired through merger with subsidiary cyber_Folks S.A.	0	2 840			
Net cash from investing activities	38 435	25 292			

cyber_Folks™

> Shares and shareholding



>Shares and shareholding

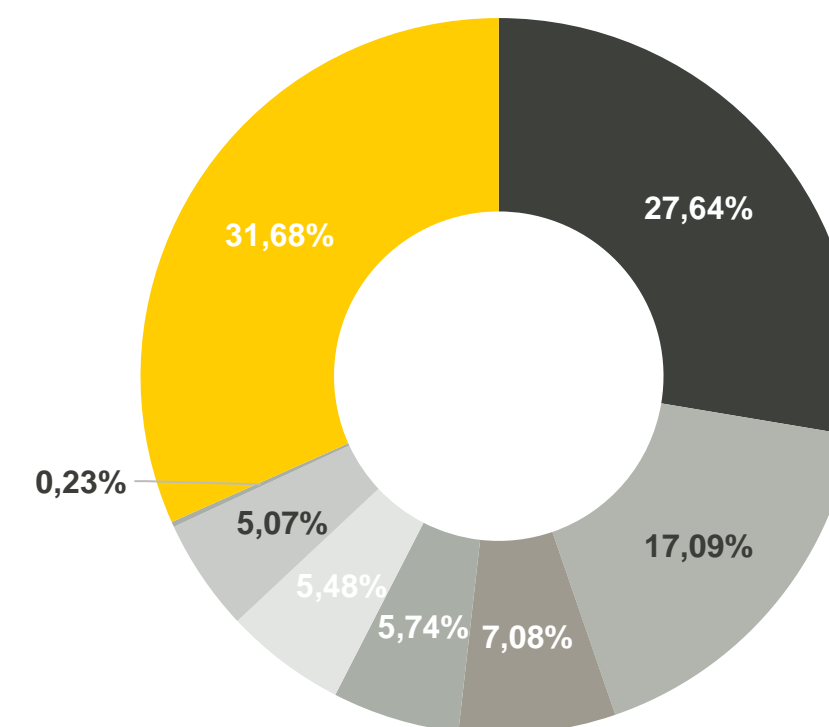
Shareholders holding at least 5% of votes at the General Meeting

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 September 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	31 December 2023		26 March 2024	
	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 ¹⁾	3 918 993	27,64%	3 918 993	27,64%
Jakub Dwernicki ¹⁾	2 422 979	17,09%	2 422 979	17,09%
Robert Dwernicki ¹⁾	1 003 430	7,08%	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	4 491 642	31,68%	4 491 642	31,68%
Total	14 180 000	100,00%	14 180 000	100,00%

1) Directly and through subsidiaries



- Jacek Duch
- Jakub Dwernicki
- Robert Dwernicki
- PTE Allianz Polska
- Aegon PTE
- TFI Allianz Polska
- cyber_Folks S.A.
- Other

>Shares and shareholding

Own shares

At the end of 2023, cyber_Folks S.A. held 33,176 own shares.

Transactions for purchase or sale of treasury shares in 2023:

- Sale of 46 824 treasury shares on 31 May 2023 at a price of PLN 2.618k. The acquisition cost of the sold treasury shares amounted to PLN 2.394k. The difference in the amount of PLN 224k was charged to reserve capital. Prior to the transaction, the Company held 80,000 treasury shares, which were acquired as a result of a share buyback in July 2022 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 for cyber_Folks operating segment:

[mIn PLN]	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 that may result in future changes in the proportions of shares held by shareholders and bondholders

The Company is not aware of agreements that may result in a change in the proportion of shares held by shareholders.

Company shares held by the Management Board and the Supervisory Board

Name	Position	14 November 2023	26 March 2024
Jacek Duch	Chairman of the SB	4 188 993	3 918 993
Jakub Dwernicki	President of MB	2 620 479	2 422 979
Robert Stasik	Vicepresident of MB	44 931	44 931

>Shares and shareholding

Changes in shareholding

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).

On 26 September 2023, the Company received a notification from Jakub Dwernicki, in which he informed that in connection with the conclusion of the donation agreement of 1 300 000 cyber_Folks shares with Jakub and Magdalena Dwernicki's Family Foundation on 25 September 2023 and the execution of this agreement on 26 September 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, Jakub Dwernicki holds a total of 2 620 479 shares representing 18.48% of the company's share capital, which entitle him to exercise 2 620 479 votes representing 18.48% of the total number of votes at the AGM, including: he directly holds 1 320 479 cyber_Folks shares, and indirectly holds 1 300 000 cyber_Folks shares (through Jakub and Magdalena Dwernicki's Family Foundation).

On 22 November 2023, the Company received a notification from Jacek Duch, in which he informed that in connection with the conclusion of the donation agreement of 2 000 000 cyber_Folks shares with the Jacek Duch's Family Foundation on 15 November 2023, and the execution of this agreement on 20 November 2023, a change in his shareholding in the number of votes at the AGM took place. Following this event, Jacek Duch holds a total of 4 188 993 shares representing 29.54% of the Company's share capital, which entitle him to exercise 4 188 993 votes representing 29.54% of the total number of votes at the AGM, including: he directly holds 2 188 993 cyber_Folks shares, and indirectly holds 2 000 000 cyber_Folks shares (through the Jack Duch's Family Foundation).

On 22 November 2023 Jakub and Magdalena Dwernicki's Family Foundation and Jacek Duch's Family Foundation sold of 197,500 shares and 270,000 shares of cyber_Folks, respectively. Following the transactions, the aforementioned shareholders entered into lock-up agreements with the Company, under which they agreed not to dispose of the company's shares held by them (as of the date of these agreements) for a period of 12 months, without obtaining the Company's consent.



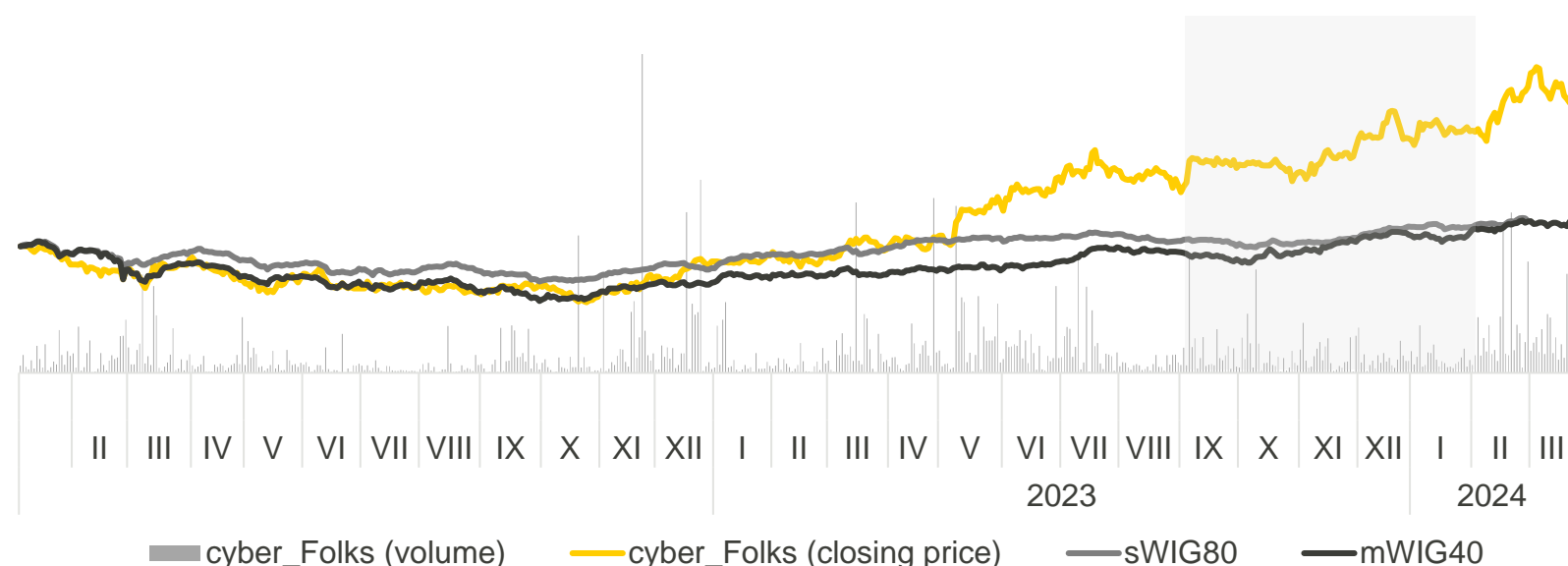
>Shares and shareholding

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 2023, cyber_Folks was trading 68.1% higher than at the beginning of 2023. From the beginning of 2024 to 21 March 2024, the share price has increased by 15.0%.

cyber_Folks share price since the beginning of 2022, with a comparison to sWIG80 and mWIG40 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 13.169m	-	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.

cyber_Folks™

> Management and
Supervisory Board



> Management Board_

Jakub Dwernicki

President of the
Management Board

Founder and main person managing cyber_Folks Group. The main author of the hosting business acquisition strategy.

In cyber_Folks, he is responsible for development strategy and acquisitions



Robert Stasik

Vice-President of the
Management Board

CFO of cyber_Folks Group, CIMA. Associated with cyber_Folks Group since 2010, in the role of CFO since 2014.

Responsible for managing the Group's finances, controlling, relations with banks, acquisitions

> Management Board

Artur Pajkert

Member of the
Management Board

Joined cyber_Folks Group in 2008 r. One of the more notable figures behind cyber_Folks brand, responsible for its implementation in Romania. Authored a marketing support software solution. A university lecturer and a speaker at industry conferences.

Responsible for sales, product-related communications and marketing at cyber_Folks.



Katarzyna Juszkiewicz

Member of the
Management Board

At cyber_Folks since 2001 as Director of the Customer Service Office, then as Operations Director. She gained experience in the management of networking projects, software development and operations audit.

At the Managing Board responsible for planning and supervision over operating activities.



Konrad Kowalski

Member of the
Management Board

Experienced specialist in finance and the head of controlling department at Japan Tobacco International and Samsung Electronics Poland Manufacturing.

He has worked at cyber_Folks Group since 2017 as the director of finance of cyber_Folks segment.

In charge of preparation of pricing strategy and the preparation and control over the execution of that segment's financial plans.



>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

Member of the Supervisory Board (independent)

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

On 31 August 2023 the Supervisory Board, in connection with the expiration of the previous 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.

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

> Remuneration policy

Compensation of the Managing Board and the Supervisory Board

The following table shows the compensation, bonuses and benefits due to Managing and Supervisory Board members for 2023 – values in thousand PLN.

First name and last name	Fixed remuneration for performing a function in cyber_Folks	Variable remuneration for performing a function in cyber_Folks	Remuneration for the provision of services (variable)	Remuneration for holding functions in subsidiaries (fixed)	Valuation of the incentive program in cyber_Folks	Valuation of the incentive program in the subsidiary Vercom
Jakub Dwernicki	288	100	1 324	115	915	
Robert Stasik	144	51	1 233	6	678	58
Artur Pajkert	16		101		85	
Katarzyna Juskiewicz	16		115		85	
Konrad Kowalski	16		94		85	
Jacek Duch	59					
Magdalena Dwernicka	53					
Wojciech Cellary	53					
Kamil Pałyska	59	1				
Katarzyna Zimnicka-Jankowska	59					
Management Board	480	151	2 866	121	1 847	58
Supervisory Board	281	1	0	0	0	0

cyber_Flks Group has in place Compensation Policy adopted by the Extraordinary Meeting of Shareholders on 18 August 2020. This document regulates the principles for compensating persons covered by the Policy, i.e. members of the Managing Board and the Supervisory Board. Compensation Policy's goal is to contribute to the development of the Group's mission and vision, execute strategic goals as well as motivate and establish permanent ties with cyber_Folks Group.

Amount of variable compensation is set on the basis of individual performance of Managing Board members or results of the Group, including the Company.

The criteria for the determination of Managing Board members' variable compensation components with respect to their participation in stock option programs:

1. Financial criteria (quantitative criteria) - these may include:
 - a) having the Company achieve a specific EBITDA figure in the selected fiscal year;
 - b) having the Company achieve a specific net profit in the selected fiscal year;
 - c) achievement of a market goal, i.e. change in the price of Company's stock on the Warsaw Stock Exchange.
2. Non-financial criteria (qualitative criteria) may include:
 - a) working or serving on behalf of the Company or the Group based on an appointment, contract of employment or any other relationship whose goal is to perform work or contract work in return for compensation or financial benefit from the Company or a company from cyber_Folks Group with a set period of time
 - b) signing up a Managing Board member for the stock option program by the Supervisory Board
 - c) No competing activities performed by Managing Board member.

>Remuneration policy

Compensation of the Managing Board and the Supervisory Board

Regardless of the fulfillment of quantitative criteria, qualitative criteria must be met in order to grant the rights.

On 22 December 2022, the Supervisory Board adopted the "Rules for the allocation and payment of variable remuneration to the members of the cyber_Folks S.A. Management Board". According to these, the payment of variable remuneration is subject to the achievement of management targets (70% of variable remuneration), which are set as the level of EBITDA (related to the level planned in the Company's budget for the year) and the fulfillment of bank covenants. The remaining 30% of potential variable remuneration is paid on a discretionary basis.

Criteria for the determination of variable compensation components for Managing Board members relating to bonuses granted to Managing Board members:

1. These criteria include the following:
 - a) actions by the Managing Board member which, in the assessment of the Supervisory Board, warrants granting a bonus to such Managing Board member,
 - b) execution of a specific task.
2. A task is an action which leads to a result in one of the following areas:
 - a) effective management of environmental issues relating to the functioning of the Company, including by :
 - monitoring the use of electrical energy,
 - undertaking efforts to minimize environmental damage caused by Company's operations, including notification of relevant authorities in the event of such damage,
 - minimizing the cost of restoring the environment to the required standards,
 - conducting investments to reduce negative impact of Company's operations on the environment,

- b) effective management of the Company while taking into consideration Company's social responsibility, including, among others, by:
 - managing Company's sponsorship activities,
 - contributing to Company's sustainable development, including the health and wellbeing of its employees,
 - managing the Company in a manner compliant with all corporate governance regulations in force on the WSE,
 - undertaking efforts within the scope of Company's influence by supporting local institutions and individuals, collaboration with local organizations, programs for children and young people.

There are no agreements between cyber_Folks S.A. and management personnel which would guarantee them financial compensation in the event of a resignation or a dismissal from their position without cause.

In the past fiscal year, an EGM of cyber_Folks has for the first time approved a compensation policy. There were no further changes.

The Managing Board is positively assessing the functioning of the compensation policy so far. The group is consistently expanding the scale of its business and improving its financial results. The results include an increase in the value of cyber_Folks shares on the Warsaw Stock Exchange.

The company does not have any pensions and similar obligations for former executives, supervisors or former members of its administrative bodies.

cyber_Folks™

> Corporate
governance



> Declaration on corporate governance application

Specification of the set of corporate governance principles applied

The company strives to ensure the highest possible transparency of its activities, proper quality of communication with investors and protection of shareholders' rights, also in matters not regulated by law. In connection with that the Management Board of cyber_Folks represents that in 2023 financial year, the company applied the principles of corporate governance constituting Annex to the Resolution no 23/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange of 29 March 2021, titled: "Best Practice for GPW Listed Companies 2021" (BPLC, Corporate governance), which were published on the website run by WSE at www.gpw.pl/dobre-praktyki2021.

Corporate governance principles and recommendations the application of which was waived

DISCLOSURE POLICY, INVESTOR COMMUNICATIONS

1.4. To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial. ESG information concerning the strategy should among others:

The company does not apply the above rule.

1.4.1. explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

The company does not apply the above rule.

1.4.2. present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

The company does not apply the above rule.

The Company regularly updates information on its growth strategy and ongoing projects in its periodic reports. The Company does not publish specific measures and does not have measurable targets for its ESG strategy. In terms of climate change, the Company in particular takes active measures to reduce the consumption of electricity and consumables used in its operations. Due to the low scale of impact, the company has not adopted quantitative measures. In the Company's opinion, particularly due to the specific nature of the IT industry, the current structure and scale of employment do not require such statistics. The Company controls remuneration at the pay spine level according to position, competence and experience, applying the Company's principles of equal treatment and non-discrimination in force from the outset.

> Declaration on corporate governance application

Corporate governance principles and recommendations the application of which was waived

MANAGEMENT BOARD, SUPERVISORY BOARD

2.1. Companies should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

The company does not apply the above rule.

The Company has not adopted a diversity policy in relation to the Supervisory Board and the Management Board. Decisions on the composition of the Company's bodies are taken on the basis of the individual qualifications and skills of the persons concerned, respecting equal opportunities for each person, irrespective of his/her gender or age, and respecting the principle of equal treatment and non-discrimination. In terms of personnel policy, the Company has applied the principles of equal treatment and non-discrimination from the outset. The members of the Supervisory Board for the current term are two women and three men.

2.2. Decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

The company does not apply the above rule.

As explained in rule 2.1, the Company has not adopted a diversity policy. The criteria for the selection of members of the Company's bodies shall ensure the full professionalism of the Company's bodies, shall be made with respect to the principle of equal treatment and non-discrimination, thus fulfilling, the objectives indicated in the preamble of this chapter of DPSN2021.

2.11.6. information regarding the degree of implementation of the diversity policy applicable to the management board and the supervisory board, including the achievement of goals referred to in principle 2.1.

The company does not apply the above rule.

The Company does not have an adopted Diversity Policy as explained in rule 2.1.

INTERNAL SYSTEMS AND FUNCTIONS

3.3. Companies participating in the WIG20, mWIG40 or sWIG80 index appoint an internal auditor to head the internal audit function in compliance with generally accepted international standards for the professional practice of internal auditing. In other companies which do not appoint an internal auditor who meets such requirements, the audit committee (or the supervisory board if it performs the functions of the audit committee) assesses on an annual basis whether such person should be appointed.

The company does not apply the above rule.

The Company is working towards the appointment of an internal audit, with existing internal controls being appropriate for the size of the Company and the type and scale of its business. In 2021, a contract was signed with an external entity that carried out internal audit procedures in key risk areas.

3.6. The head of internal audit reports organisationally to the president of the management board and functionally to the chair of the audit committee or the chair of the supervisory board if the supervisory board performs the functions of the audit committee.

The company does not apply the above rule.

The Company is working towards the appointment of an internal audit as explained in rule 3.3, with existing internal controls being appropriate to the size of the Company and the nature and scale of its business.

GENERAL MEETING, SHAREHOLDER RELATIONS

4.3. Companies provide a public real-life broadcast of the general meeting.

The company does not apply the above rule.

The Company's experience with the conduct of general meetings and the lack of such demand from shareholders to date indicate that the non-application of the indicated rule will not have a negative impact on the possibility for shareholders to participate in general meetings.

> Declaration on corporate governance application

Description of the key features of the issuer's internal control and risk management in relation to the process of preparing financial statements and consolidated financial statements

Principles and procedure of preparing financial statements are in particular regulated by the International Financial Reporting Standards, act on accounting and internal procedures functioning in cyber_Folks.

Establishment of systems of internal control and risk management as regards the process of preparation of financial statements aims particularly at guaranteeing the completeness of financial data processing and maintaining correctness of financial information included in financial statements and interim reports. The implemented procedures are designed to ensure proper authorization of registered operations and to include all operations in the financial statements.

Rules on amendments to the Company's Articles of Association

Pursuant to the provisions of the Commercial Companies Code, amendment to the Company's Articles of Association requires a resolution passed with the majority of votes at a General Meeting and an entry in the register.

The Company's Articles of Association contain no provisions that differ from the provisions of the Commercial Companies Code regulating the amendment of the Articles of Association.

Information on shares and shareholding

Detailed information on the share capital structure is included in the Shares and shareholding section on page 80.

Restrictions on exercising voting rights

Till the date of preparation of this report there are no restrictions on exercising voting rights in the Company, other than those provided for in generally applicable provisions of law.

Restrictions on assigning the ownership title to securities

24 November 2023 the Company entered into a lock-up agreement with selected shareholders, pursuant to which these shareholders undertook not to dispose of the Company's shares held by them (as of the date of these agreements) for a period of 12 months from the date of these agreements, without obtaining the Company's consent. In particular, the shareholders agreed not to dispose of their shares, including selling those shares or offering to sell them, subject to the exceptions provided for in the aforementioned agreements.

Agreements have been made with Jakub Dwernicki, Jack Duch, the Jakub and Magdalena Dwernicki Family Foundation and Duch Family Foundation.

Exceptions to the prohibition on the disposition of shares include the standard provisions for such agreements regarding the possibility of disposing of the Company's shares in, among other things, a tender offer for the exchange or sale of the Company's shares or in response to a public invitation for the sale of the Company's shares announced by the Company as part of a buyback of its own shares or by another entity, if the invitation is made on the same, arm's-length terms to all shareholders of the Company.

Securities with special powers

The Company has not issued any securities that could give special inspection rights with respect to the Issuer. Any special rights of shareholders result from the Company's Articles of Association.

> Declaration on corporate governance application

Management Board

Personal composition

As at the date of this report, the Management Board of cyber_Folks consists of five members. The President of the Management Board of cyber_Folks is Jakub Dwernicki, the Vice-President of the Management Board is Robert Stasik and the function of Board Member is performed by: Katarzyna Juszkiewicz, Artur Pajkert and Konrad Kowalski. They were appointed to the Management Board by the Supervisory Board by a resolution of 31 August 2023. The current term of office of the Management Board lasts until 31 August 2026.

Principles relating to appointing and recalling management personnel

According to the Company's Articles of Association the Company's Management Board is composed of one or more members, including the President of the Board. The number of Management Board members of a given term is determined by the Supervisory Board.

The Members of the Board are appointed and recalled by the Supervisory Board. The Supervisory Board appoints members of the Management Board for a three-year common term.

Powers and competences of management personnel

The Management Board of the Company is obliged to draw up annual plans of the Company's and subsidiaries' operations, budgets of the Company and subsidiaries, strategic plans of the Company and subsidiaries, and if necessary also amendments to these documents, and to submit these documents and their amendments for approval by the Company's Supervisory Board.

The Management Board concludes an agreement with the entity authorized to audit financial statements, selected by the Supervisory Board, to audit the individual and consolidated financial statements. The terms of the agreement with the above entity are approved by the Supervisory Board.

Decisions regarding the issue or redemption of shares fall within the authority of the General Meeting of Shareholders.

Management Board's principles of operation

The Management Board transacts business of the Company and represents it. All matters related to managing the Company's affairs, not reserved by the provisions of the Commercial Companies Code or these Articles of Association, to the authority of the General Meeting or the Supervisory Board, fall within the scope of the Management Board's operations.

If the Management Board is collective, the following persons are authorized to make declarations of will on behalf of the Company: President of the Management Board independently, two members of the Management Board acting jointly or one member of the Management Board acting jointly with a commercial proxy.

The President of the Board manages the work of the Board, in particular coordinates, supervises and organizes the work of members of the Board, as well as convenes and chairs meetings of the Board.

The Management Board operates and conducts the Company's affairs collectively, makes decisions regarding the conduct of the Company's affairs in the form of resolutions. For the resolutions of the Management Board to be valid, at least half of its members must be present at the meeting. The resolutions of the Board of Management are adopted with majority of votes. The Management Board can adopt resolutions in writing or remotely using means of direct remote communication. In the event of a tie vote, the President of the Board shall have the casting vote.

Members of the Management Board supervise work on the issues entrusted to them and work of the organizational units of the Company directly subordinated to them.

The full text of the Company's Articles of Association and the Regulations of the Management Board, in which the description of the Management Board's activities was given in detail, are available on the website www.cyberFolks.pl, in a tab "For Investors" -> "Documents".

> Declaration on corporate governance application

Supervisory Board

Personal composition

As at the date of this report, the Supervisory Board is composed of 5 people. For information on the composition of the Supervisory Board, see Group Authorities on pages 88-89.

In 2023, there were no changes to the composition of the Supervisory Board. Meanwhile, cyber_Folks' General Meeting of Shareholders on 26 June 2023 decided to extend the term of Supervisory Board members for another term.

Pursuant to the Company's Articles of Association, the Supervisory Board is composed of 5 or 7 members, appointed for a joint term of office lasting 3 years. The number of members of the Supervisory Board during a given term is determined by the General Meeting.

Selected shareholders have the personal right to appoint and dismiss members of the Supervisory Board, including to entrust the function of the Chairman. These rights are described in detail in the Company's Articles of Association.

The Supervisory Board elects the Vice-Chairman and Secretary of the Board from its composition at the first meeting of the new term of office.

At least two members of the Supervisory Board should meet the criteria of being independent from the Company and related entities.

Principles of operation

The Supervisory Board supervises all the operations of the Company on an ongoing basis. The Supervisory Board operates on the basis of the provisions of the Commercial Companies Code, the Company's Articles of Association, resolutions of the General Meeting, the Regulations of the Supervisory Board and generally applicable law.

The powers of the Supervisory Board include, i.a.:

- assessment of the Board's reports,
- appointing, dismissing and suspending members of the Management Board,
- approving the annual business and budget plan of the Company and the Group,
- determining the amount, principles of remuneration and contract terms of members of the Management Board,
- selection and change of the entity authorized to audit financial statements, approval of contract terms, consent to changes or termination of contracts,
- approving the introduction of incentive programs in the Company,
- consenting to the conclusion of an agreement between the Company and a shareholder holding at least 5% of the total number of votes or a related entity, unless legal regulations require the consent of the General Meeting,
- expressing consent to the purchase or sale of assets or shares by the Company or a subsidiary whose value exceeds PLN 30 million or, since the audited financial statements exist, 20% of the value of equity determined based on the recent, individual financial statements,
- reviewing other matters falling within the authority of the Supervisory Board in accordance with legal regulations, or matters brought by the Management Board, including giving opinions on matters to be the subject of resolutions of the General Meeting.

> Declaration on corporate governance application

Resolutions of the Supervisory Board are adopted by an absolute majority of votes, unless the provisions of the Commercial Companies Code or the Company's Articles of Association provide otherwise. In the event of a tie vote, the vote of the President shall prevail.

The Supervisory Board can adopt resolutions if at least 50% of its members are present at the meeting and all of the members have been duly notified of the meeting.

Members of the Supervisory Board may participate in adoption of the Board's resolutions, casting their vote in writing via another member of the Supervisory Board. Resolutions may be adopted without holding a meeting, in writing. The Supervisory Board may adopt resolutions using means of direct remote communication. A resolution adopted in this mode is valid if all members of the Supervisory Board have been notified of the content of the draft resolution.

A meeting of the Supervisory Board may be held without a formal convening, if all its members agree and all members of the Supervisory Board are present at such a meeting.

A resolution of the Supervisory Board on an item not included in the agenda may only be adopted if all members of the Supervisory Board are present at the meeting and all have agreed to such a resolution.

Meetings of the Supervisory Board are convened by the Chairman of the Supervisory Board on his own initiative and at the request of a member of the Management Board or a member of the Supervisory Board within two weeks of submitting the application or, in situations requiring a quick decision to be made, within three days of submitting the request. The request should include the proposed agenda.

Meetings of the Supervisory Board are chaired by its Chairman, and in their absence, by Vice-Chairman.

Invitations to a meeting of the Supervisory Board are sent via registered letters or dispatch sent by courier services. Instead of a registered letter or dispatch sent by courier services, the invitation may be sent by e-mail if a member of the Supervisory Board has previously given their written consent, specifying the address to which the notification should be sent. The invitation should indicate the day, time and place of the meeting as well as a detailed agenda.

The Supervisory Board should be convened as needed, at least once a quarter. Members of the Management Board and other persons invited by the Chairman may participate in the meeting of the Supervisory Board.

In 2023, five meetings of the Supervisory Board were held. Apart from meetings, resolutions were also adopted online.

Minutes are made of the meeting of the Supervisory Board. The minutes of the meeting are signed by the Chairman and all members of the Supervisory Board present at the meeting.

The authority of the Supervisory Board is described in detail in the Company's Articles of Association available at www.cyberFolks.pl in a tab of "For Investors" -> "Documents".

> Declaration on corporate governance application

Audit Committee

As at 31 December 2023 and as at the date of this Report, the Supervisory Board had an audit committee composed of:

Kamil Pałyska - Chairman of the Audit Committee

Katarzyna Zimnicka-Jankowska - Member of the Audit Committee

Jacek Duch - Member of the Audit Committee

Kamil Pałyska and Katarzyna Zimnicka-Jankowska satisfy the criterion of independence.

Jacek Duch holds knowledge and skills in the industry in which the Company operates, due to many years of technical experience in software engineering and management in international and Polish IT groups.

Kamil Pałyska has over 13 years of experience in the field of finance. Currently, he manages the team in the finance department in 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.

Katarzyna Zimnicka-Jankowska holds the Chartered Financial Analyst title. She completed numerous courses and trainings in accounting, financial management, financial modeling and business valuation. He has experience in strategic and financial analysis of enterprises, business valuations, due diligence analyzes and investment effectiveness analyzes.

Seven meetings of the Audit Committee were held in 2023 financial year.

The Audit Committee's tasks include in particular:

- monitoring the process of financial reporting;
- monitoring the effectiveness of internal control systems and risk management systems as well as internal audit, including in financial reporting;
- performing financial auditing activities, in particular conducting an audit by an audit firm;
- controlling and monitoring the independence of the statutory auditor and the audit firm, in particular when services other than audit are provided to the Company by the audit firm;
- informing the Company's supervisory board about the results of the audit and explaining, how the audit contributed to the reliability of financial reporting in the Company, as well as the role of the audit committee in the audit process;
- assessing the independence of the auditor and agreeing to their provision of authorized non-audit services in the Company;
- developing a policy of selecting the audit company to perform the audit;
- developing a policy for providing by the audit company carrying out the audit, entities related to that audit company and a member of the audit company's network of authorized non-audit services;
- determining the procedure for selecting the audit company by the Company;
- presenting recommendations to the supervisory board regarding the establishment of an audit company in accordance with the policies developed by the audit committee; submitting recommendations to ensure the reliability of the financial reporting process in the Company.

> Declaration on corporate governance application

Audit Committee

Key assumptions of the developed policy for selecting the audit company to conduct the audit

The audit company is selected by the Supervisory Board, acting on the recommendation of the Audit Committee.

The Audit Committee during the preparation of recommendations and the Supervisory Board during the final selection of the entity authorized to audit, are guided by the following guidelines:

The selection of the audit company is made in a timely manner so that the date of the audit and issue of the audit report do not interfere with the schedule of publishing the financial statements of the Company and the Group to the public;

The Supervisory Board, when making its selection, pays particular attention to the need to maintain the independence of the audit company and the statutory auditor;

When analyzing the offers, the Supervisory Board and the Audit Committee also take into account parameters such as: price and the entity's previous experience in auditing the financial statements of public interest entities, including companies listed on the Warsaw Stock Exchange,

The selection of an audit company is made taking into account the principle of rotation of the audit companies and key statutory auditor required by law;

The first contract for the audit of the financial statements is concluded with the audit company for a period of not less than 2 years, taking into account the principles of rotation of the audit companies and the key statutory auditor arising from the provisions of law;

The Supervisory Board sends the justification for the selection of the audit company to the body approving the financial statements.

Key assumptions of the policy for providing by the audit company carrying out the audit, entities related to that audit company and a member of the audit company's network of authorized non-audit services;

A statutory auditor or an audit company carrying out statutory audits of the Company's statements and consolidated statements of the Group or any member of the network to which the statutory auditor or an audit company belongs may not provide, directly or indirectly, the audited entity, its parent entity or entities controlled by it, with prohibited services within the meaning of art. 5.1, second paragraph, of Regulation No. 537/2014 and with other services that are not auditing activities, with the exception of permitted services, which are:

- due diligence services in terms of economic and financial condition;
- services for issuing assurance letters - provided in connection with the issue prospectus of the audited entity, carried out in accordance with the national standard of related services and consisting of carrying out agreed procedures;
- attestation services in the field of pro-forma financial information posted in the prospectus of the audited entity;
- examination of historical financial information for the prospectus mentioned in the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council on the information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements;
- verification of consolidation packages;
- confirmation of compliance with the terms of the loan agreements based on the analysis of financial information derived from the financial statements audited by the auditing company;
- attestation services in the field of financial reporting on corporate governance, risk management and corporate social responsibility;
- services consisting in assessing the compliance of information disclosed by financial institutions and investment firms with the disclosure requirements regarding capital adequacy and variable remuneration components;
- certifications regarding reports or other financial information intended for supervising authorities, the supervisory board or other supervisory body of the company or owners, going beyond the scope of the statutory audit and intended to assist those authorities in fulfilling their statutory obligations

Provision of services referred to above is only possible to the extent not related to the tax policy of the audited entity, after the audit committee has carried out an assessment of the threats and safeguards of independence referred to in art. 69-73 of the Act of 11 May 2017 on statutory auditors, audit companies and public supervision.

> Declaration on corporate governance application

Audit Committee

Audit firm

To audit the Company's financial statements BDO spółka z ograniczoną odpowiedzialnością sp. k. was selected, with its registered office in Warsaw, Postępu 12, auditing company number 3355.

The contract for auditing the Company's financial statements was concluded on 13 July 2023. The audit company was selected by the Company's Supervisory Board pursuant to the resolution of 27 March 2023, based on the recommendation of the Audit Committee.

In the past financial year, the audit firm provided the following services to the company: the audit of the separate and consolidated annual financial statements and the review of the interim separate and consolidated financial statements. The audit firm also provided audit services for the annual statutory financial statements of subsidiaries.

In addition, the audit firm provided Vercom with interim review services of the separate and consolidated financial statements.

Audit firm's remuneration

(k PLN)	2022	2023
Mandatory audit and review of the separate and consolidated financial statements of the parent company and subsidiaries	832	536
Assurance services, including reviews of the separate and consolidated financial statements of the parent company and subsidiaries ¹⁾	333	288
Other services	3	0
Total	1 168	824

1) attestation services include fees for the review of the interim condensed financial statements and the evaluation of the Supervisory Board's report on the remuneration of the members of the Management Board and Supervisory Board

> Declaration on corporate governance application

General Meeting of Shareholders

A general meeting and its key powers, and a description of rights of shareholders and the manner of their exercising, in particular those arising from the regulations of the general meeting, provided that the information in this regard do not arise directly from the law

General Meetings of cyber_Folks shareholders are held on the basis of the Commercial Companies Code, the Company's Articles of Association and the Regulations of General Meetings.

The right to participate in the General Meeting of the Company is granted to persons who are shareholders of the company sixteen days before the date of the General Meeting specified in the announcement on the convening (date of registering participation in the general meeting).

Members of the Management Board participate in the General Meeting and, depending on whether this is justified by matters on the agenda, also members of the Supervisory Board in a number enabling substantive answer to the questions of the Company's shareholders. Other persons invited by the body convening the General Meeting or admitted to the meeting room by the Chairman may also participate in the General Meeting.

A shareholder may participate in the General Meeting and exercise voting rights in person or by a proxy.

The rights and obligations of Shareholders are specified in particular in the Commercial Companies Code, the Act on Trading, the Act on Offerings and the Company's Articles of Association.

In particular:

- A shareholder or shareholders of the Company who represent at least one twentieth of the share capital are entitled to request that specific items be placed on the agenda of the General Meeting of Shareholders. Such a request, containing a justification or draft resolution concerning a proposed item of the agenda, should be submitted to the Management Board not later than 21 days before the date of the Meeting.
- During the General Meeting of Shareholders, each shareholder may submit draft resolutions regarding matters placed on the agenda. These drafts should be submitted in Polish.

Pursuant to the Articles of Association, selected shareholders of the Company have the personal right to appoint and dismiss members of the Supervisory Board, including to entrust the function of the Chairman to one of the members of the Supervisory Board. Such rights are described in detail in the Company's Articles of Association available at www.cyberFolks.pl in a tab of "For Investors" -> "Documents".

Diversity Policy Statement

The company has not adopted a diversity policy with regard to the Supervisory Board and the Management Board. Decisions on the composition of the Company's bodies are made on the basis of individual qualifications and skills of individual persons, respecting equal opportunities for each person, regardless of their sex or age, with respect to the principle of equal treatment and non-discrimination. In the field of personnel policy, the Company has been applying the principles of equal treatment and non-discrimination from the very beginning. Two women and three men are members of the Supervisory Board of the current term of office.

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 31 December 2023 r the Group had 457 employees calculated on a full-time basis. In the course of 2023 the average employment totaled 456 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 24).

Financial forecast

The Management Board has not published financial forecast.

Relevant Agreements

In 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>

>Other information

Ability to execute investment plans

The group has the ability to execute its investment plans, including equity investments, both using own resources and using debt financing.

Use of the proceeds from the issue

In the period covered by this report, the company did not issue any securities.

Loans

Information on credits and loans taken is presented in Note 31 of the Consolidated Financial Statements.

Management of financial resources

The company and the cyber_Folks group have an active acquisition policy of companies which complement group's product portfolio and broaden its geographical scope on the hosting market within the CEE region. Consequently, the group is an active user of external debt financing and is monitoring its ability to comply with the agreements signed, overall debt level and its debt ratios.

In the assessment of the Managing Board, cyber_Folks has the ability to meet the obligations arising from its debt and sees no direct threats to the ability to meet these obligations in the future.

>Statement of the Management Board

Management Board statement on the reliability of the cyber_Folks Group's consolidated financial statement for fiscal year ending 31 December 2023

The Management Board of cyber_Folks S.A. hereby states that to the best of its knowledge, cyber_Folks' consolidated financial statement for fiscal year ending 31 December 2023 and the comparable data were prepared in accordance with accounting regulations in force.

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 of the group's development, achievements and situation, including the description of basic risks and threats.

Jakub Dwernicki
President of the Management Board

Robert Stasik
Vice President of the Management Board

Artur Pajkert
Board Member

Katarzyna Juskiewicz
Board Member

Konrad Kowalski
Board Member

Management Board statement on the reliability of the cyber_Folks' separated financial statement for fiscal year ending 31 December 2023

The Management Board of cyber_Folks S.A. hereby states that to the best of its knowledge, cyber_Folks' separated financial statement for fiscal year ending 31 December 2023 and the comparable data were prepared in accordance with accounting regulations in force.

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 of the group's development, achievements and situation, including the description of basic risks and threats.

Jakub Dwernicki
President of the Management Board

Robert Stasik
Vice President of the Management Board

Artur Pajkert
Board Member

Katarzyna Juskiewicz
Board Member

Konrad Kowalski
Board Member

>Statement of the Management Board

Management Board statement on the auditing firm which examined the cyber_Folks Group's consolidated financial statement for the financial year ending 31 December 2023

The Management Board of cyber_Folks, based on cyber_Folks' Supervisory Board statement would like to inform that the auditing firm which examined the cyber_Folks Group's consolidated financial statement for the financial year ending 31 December 2023, BDO spółka z ograniczoną odpowiedzialnością sp. k. with the head office at ul. Postępu 12 in Warsaw, was selected in accordance with legal regulations.

The auditing firm and members of the team performing the audit met the conditions to prepare an impartial and independent report of the annual financial statement pursuant to regulations in force, professional standards and the rules of professional ethics.

The company complies with the existing regulations relating to the rotation of the auditing firm and the key chartered auditor and the mandatory interval period.

The company has a policy on the selection of an auditing. The company does not have a policy on the provision on company's behalf of additional services unrelated to the audit by the auditing firm, an entity related to the auditing firm or a member of its network, including services which are not subject to a prohibition by the auditing firm. Such services may only be provided with the consent of the Audit Committee.

Jakub Dwernicki
President of the Management Board

Robert Stasik
Vice President of the Management Board

Artur Pajkert
Board Member

Katarzyna Juszkiwicz
Board Member

Konrad Kowalski
Board Member

Management Board statement on the auditing firm which examined the cyber_Folks' separated financial statement for the financial year ending 31 December 2023

The Management Board of cyber_Folks, based on cyber_Folks' Supervisory Board statement would like to inform that the auditing firm which examined the cyber_Folks Group's separated financial statement for the financial year ending 31 December 2023, BDO spółka z ograniczoną odpowiedzialnością sp. k. with the head office at ul. Postępu 12 in Warsaw, was selected in accordance with legal regulations.

The auditing firm and members of the team performing the audit met the conditions to prepare an impartial and independent report of the annual financial statement pursuant to regulations in force, professional standards and the rules of professional ethics.

The company complies with the existing regulations relating to the rotation of the auditing firm and the key chartered auditor and the mandatory interval period.

The company has a policy on the selection of an auditing. The company does not have a policy on the provision on company's behalf of additional services unrelated to the audit by the auditing firm, an entity related to the auditing firm or a member of its network, including services which are not subject to a prohibition by the auditing firm. Such services may only be provided with the consent of the Audit Committee.

Jakub Dwernicki
President of the Management Board

Robert Stasik
Vice President of the Management Board

Artur Pajkert
Board Member

Katarzyna Juszkiwicz
Board Member

Konrad Kowalski
Board Member

>Statement of the Supervisory Board_

Supervisory Board statement on the Audit Committee

The Supervisory Board of cyber_Folks states that the company and the cyber_Folks Group comply with the regulations on the appointment, composition and the functioning of the audit committee, including those concerning the fulfillment of independence criteria by its members and the requirements to possess knowledge and skills relating to the company's industry, as well as accounting or the auditing of financial reports.

The audit committee appointed as part of the Supervisory Board has fulfilled the duties of an audit committee as set forth by the existing regulations.

Jacek Duch
Chairman of the Supervisory Board

Jakub Dwernicki

President
of the Management Board



Robert Stasik

Vice President
of the Management Board



Artur Pajkert

Member
of the Management Board



Katarzyna Juskiewicz

Member
of the Management Board



Konrad Kowalski

Member
of the Management Board



Date of preparation and approval for
publication of the Annual Report of
cyber_Folks Group for 2023

25 March 2024

Date of publication of
the Annual Report of
cyber_Folks Group for 2023

26 March 2024