



# Q2 2022 Financial Results

Tuesday, September 6, 2022



# Our Mission

is to empower our customers and partners to recalibrate and rescale their business, by delivering know-how and technology

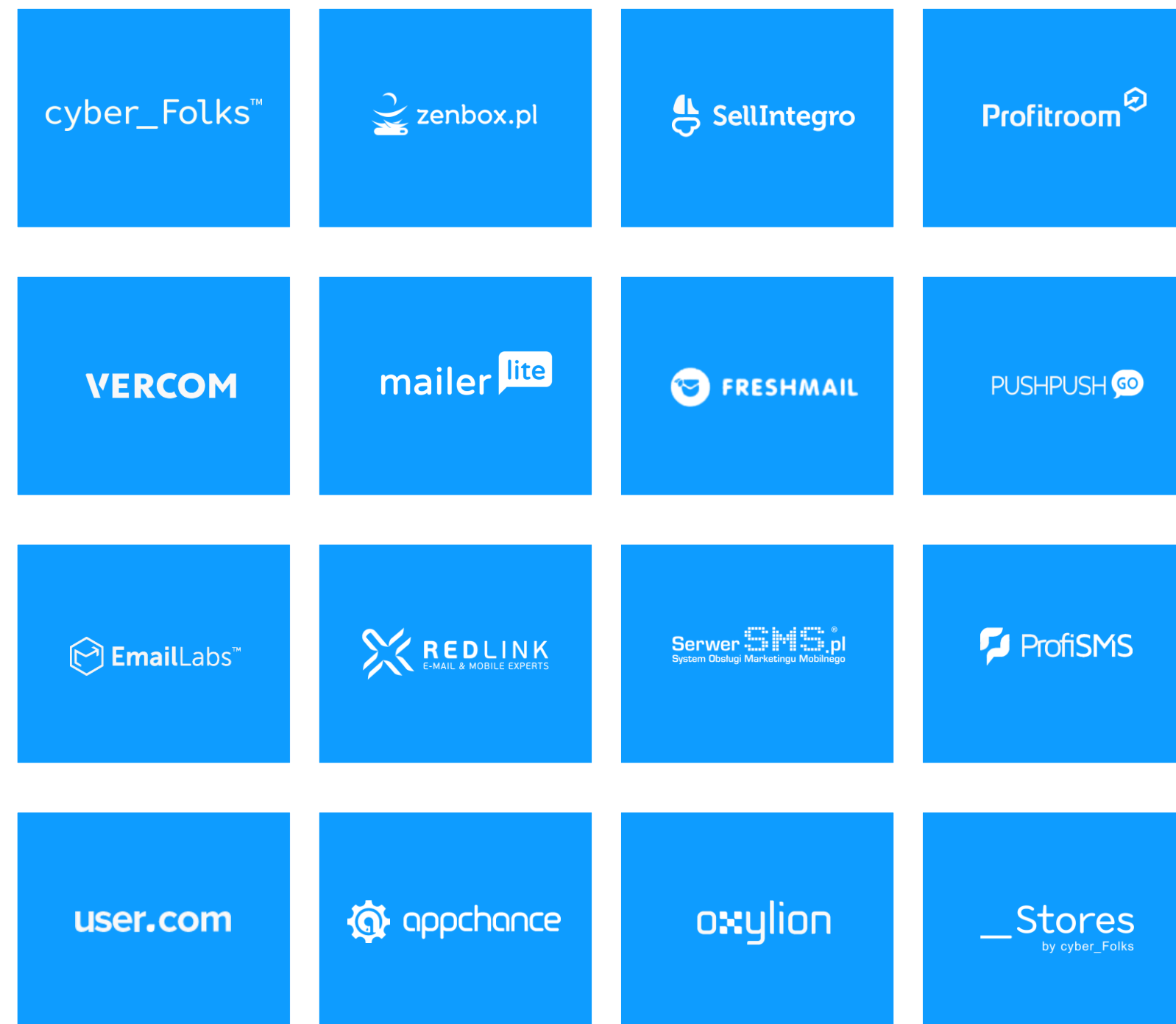


## Who we are:

In 1999 we created one of the first hosting companies in Poland. Since then we scaled our business to new sectors and regions, earning us the trust of over 300k customers and PLN 300m in annual sales.

Today, we are a group of dynamically growing technological companies aiming to **support small, medium-sized, and large businesses** in their Internet presence, business process automation, communications, marketing and sales.

Our portfolio includes **scalable services** offered in a **subscription model**, operating along the entire value chain – from creating our own proprietary solutions and their ongoing maintenance, to far-reaching sales and customer support.



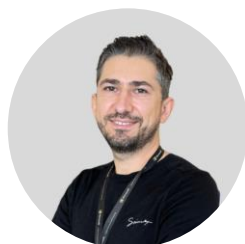
\*R22 selected brands

# Our Team: More than 1000 professionals in over 30 locations



**Ionut Ariton**

Joint-CEO  
cyber\_Folks Romania



**Adrian Chiruta**

Joint-CEO  
cyber\_Folks Romania



**Jacek Duch**

Chairman  
Supervisory Board



**Jakub Dwernicki**

Founder & CEO  
R22 & cyber\_Folks



**Katarzyna Garbaciak**

Managing Director  
Email Labs



**Krzysztof Grzęda**

Founder &  
CEO Profitroom



**Anna Harris**

Chief Growth  
Officer Profitroom



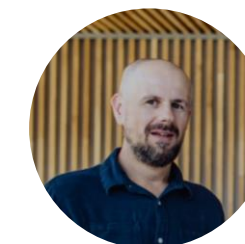
**Katarzyna Juszkiewicz**

Managing Director  
cyber\_Folks



**Piotr Karwatka**

Advisor to the Board



**Tomasz Karwatka**

Advisor to the Board



**Konrad Kowalski**

CFO  
cyber\_Folks



**Petra Krajacic**

CEO  
cyber\_Folks Croatia



**Marek Kohut**

CEO  
Profi SMS



**Karolina Latos**

COO  
FreshMail



**Adam Lewkowicz**

Founder & CTO  
Vercom



**Dawid Mędek**

Founder & CEO  
PushPushGo



**Ilma Nausėdaite**

Founder & COO  
MailerLite



**Artur Pajkert**

Head of Marketing  
cyber\_Folks



**Tomasz Pakulski**

COO  
Vercom



**Natalia Pawlak**

Chief Product Officer  
Vercom



**Paweł Pindera**

Founder & CEO  
Sellintegro



**Ignas Rubezius**

Founder & CEO  
MailerLite



**Marika Rybarczyk**

Managing Director  
Oxylion



**Paweł Sala**

Founder & CEO  
FreshMail



**Indre Sizovaite**

Head of Marketing  
MailerLite



**Robert Stasik**

VP & CFO  
R22



**Łukasz Szałaśnik**

CFO  
Vercom



**Krzysztof Szyszka**

Founder & CEO  
Vercom



**Grzegorz Warzecha**

Founder & CEO  
User.com



**Miłosz Wójcik**

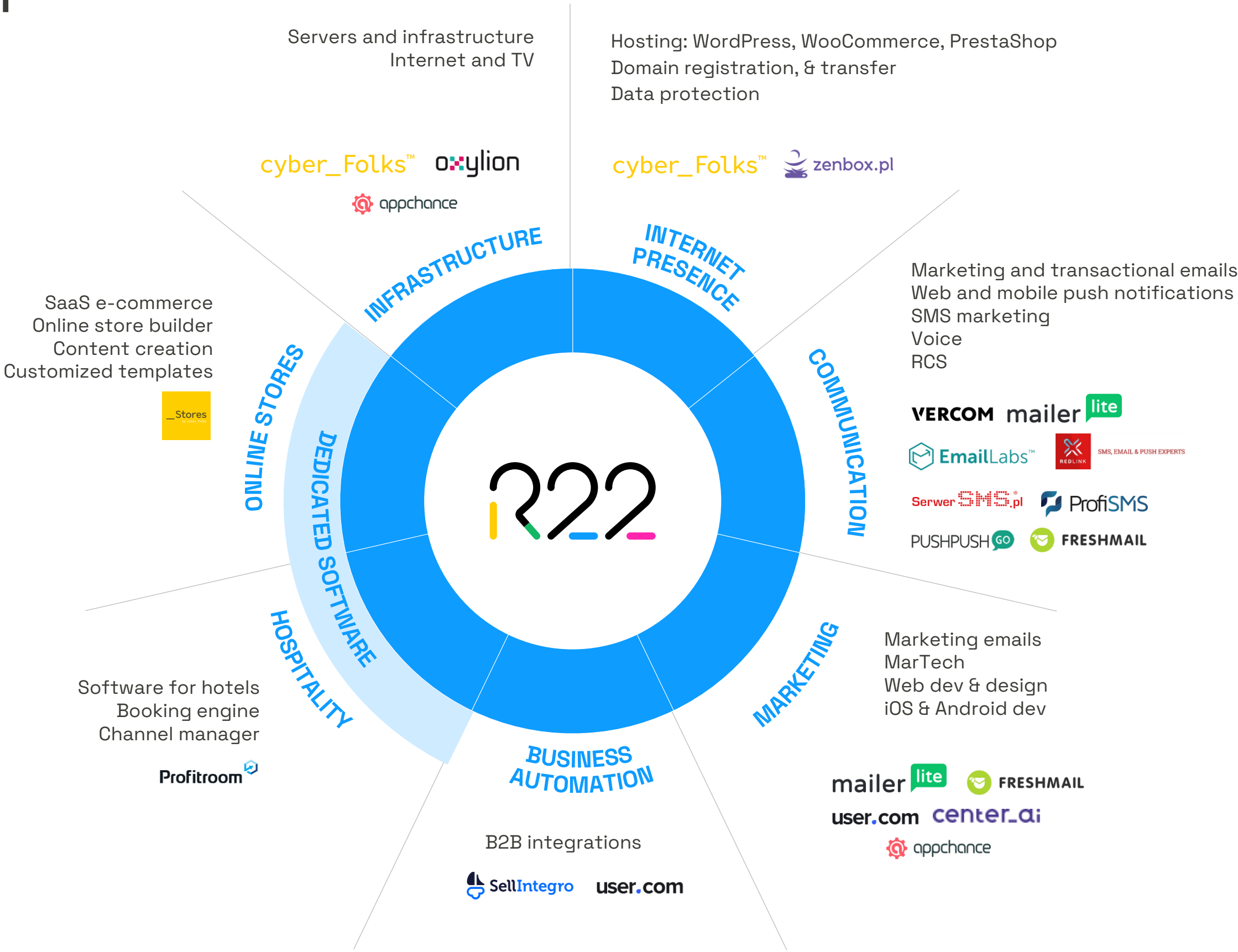
Founder  
Appchance / Center.ai

\*Key team members in alphabetical order





# 360° Ecosystem



\*R22 selected brands

# Our Approach:

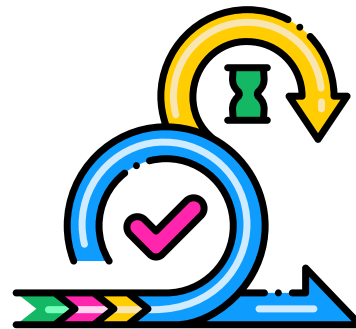


## Entrepreneurial partnership

We are entrepreneurs ourselves, and so we want to team up with entrepreneurs who share our mission of building customer-centric global products.

We are committed to excellence, putting customers' satisfaction before anything else.

We define ourselves by our customers' success. That's why we're always there for them.



## Agile fortitude

We are agile, adapting to internal and external changes with fortitude.

We turn risks into opportunities and believe that nothing is impossible.

We know that only the limit on our abilities is the level of our ambition. We outrun common obstacles, and won't accept any boundaries to our passion.



## Global accessibility

We believe every business offers products and services to the world, not just the market.

We cultivate our pursuit of curiosity to deliver a global, adaptable solutions for everyone by building an equitable, diversified, and inclusive company culture.



## Trust through empathy

We are a community built on trust, respect, and integrity. We also stay true to this foundation in business.

Being lead by an empathy-driven culture helps us to understand each other, work together, and ultimately, deliver the best results to our customers.

Values are not just words. We strive to do the right thing – even when no one is looking.



# Customer Journey

Delivering end-to-end  
value of real-life  
products





# Customer Journey:

## Hosting

Build your Internet presence:

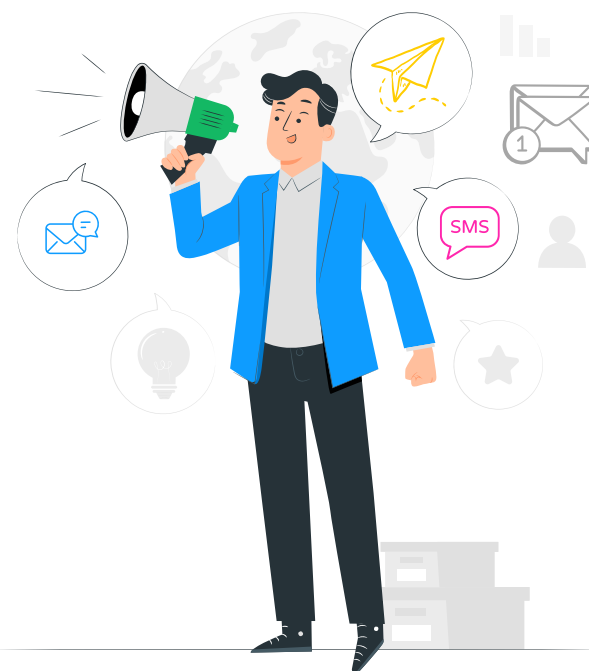
- Domain registration
- Hosting WordPress, WooCommerce, PrestaShop
- E-shops tools
- Data protection
- Servers and infrastructure



## CPaaS

Facilitate contact with your clients through omnichannel communication:

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



## SaaS

Optimize processes with business automation solutions:

- B2B integrations
- E-commerce integrations
- Dedicated software

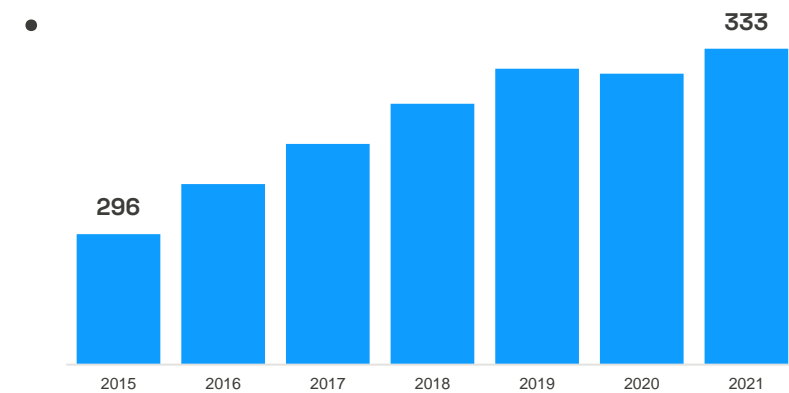




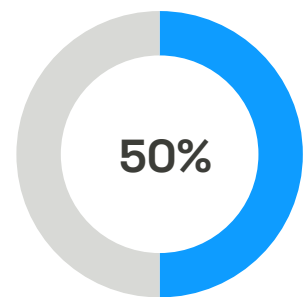
# Macroeconomic Trends: The trajectory to the digital future

## Digitalization of SMEs

\*number of SME worldwide (m)<sup>(1)</sup>:



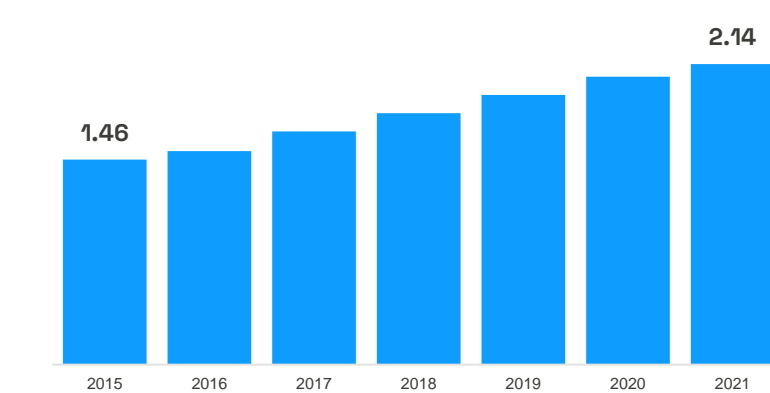
SMEs account for 90% of all companies worldwide<sup>(2)</sup>.



Approximately 64% of SMEs have their own website<sup>(3)</sup>, and only 50% of them sell online<sup>(4)</sup>.

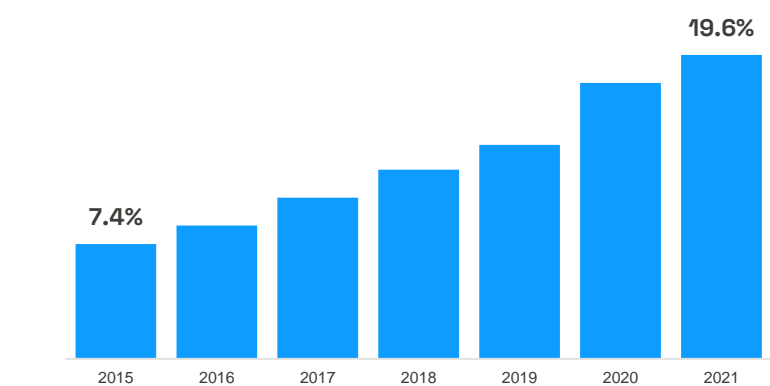
## Shift to e-commerce

\*number of online shoppers (b):



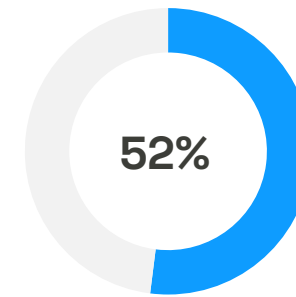
Approximately 60% of people worldwide have internet access<sup>(5)</sup>, and 45% (2.14b) of them shop online<sup>(6)</sup>.

\*e-commerce sales as % of total retail sales:

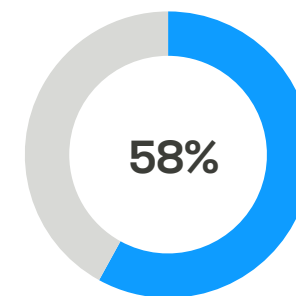


E-commerce sales account for 19.6% of retail sales worldwide<sup>(7)</sup>.

## Importance of Communication

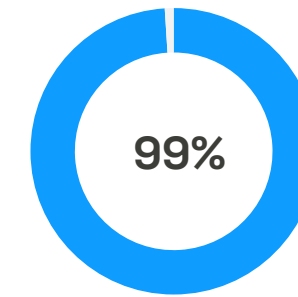


On average 52.0% of online shops have omnichannel capabilities to communicate with customers<sup>(8)</sup>.

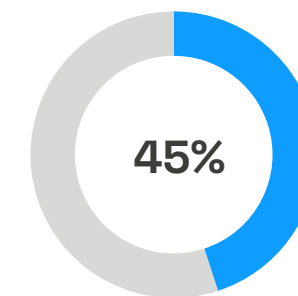


58% of people would continue business with a company if the customer experience provided would meet their expectations<sup>(9)</sup>.

## Only essential products



99% of organisations use one or more SaaS applications<sup>(10)</sup>.



Only 45% of SaaS solutions are used by companies on a regular basis<sup>(11)</sup>, leading to widespread underutilization of SaaS.

**Sources:** (1) Statista, (2) World Bank, (3) (4) ThriveMyWay (data for US), (5) DataReportal, Hootsuite, We are Social, (6) (7) Statista (8) Google (data for UK), (9) Microsoft (data for US), (10) BMC Software, (11) Business Wire.

# Key Facts: Proven ability to translate customer satisfaction into profitable growth



## Global-Scale Diversification

>300k

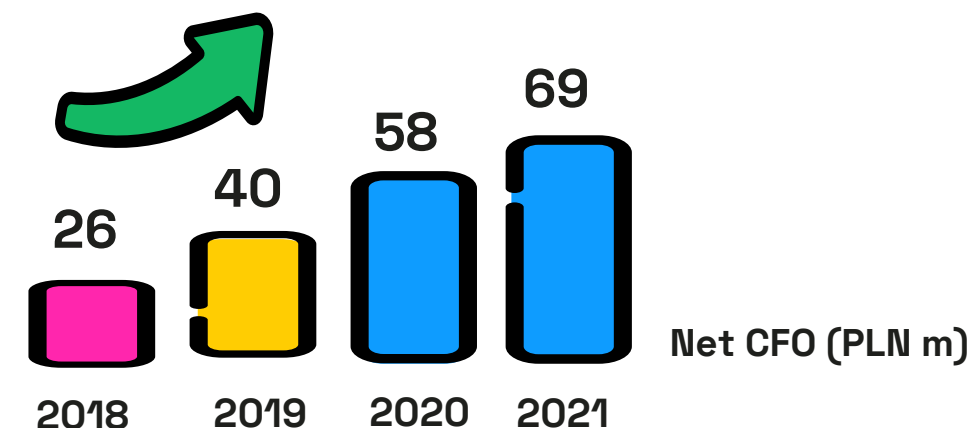
We offer solutions for small, medium, and large business customers representing a wide range of sectors and regions.



## High Quality Services & Customer Loyalty

x2 above industry average

Exceptionally high value to price ratio gives us the highest customer ratings in the industry, confirmed by a >70 NPS score<sup>(2)</sup>.  
The average response time of customer support requests of less than 10 minutes.



## Stable Cash Position

~40% CAGR

High conversion of EBITDA to operating cash flows (>80%) ensures the safety of our operations.

Sources: (1) Source: Retently - B2B Software & SaaS Industry Average NPS: 40, Hosting & Cloud Industry Average NPS: 25, (2) NPS of selected R22 brands.



# Our Experience

Over 20 years of building  
digital-enabled businesses

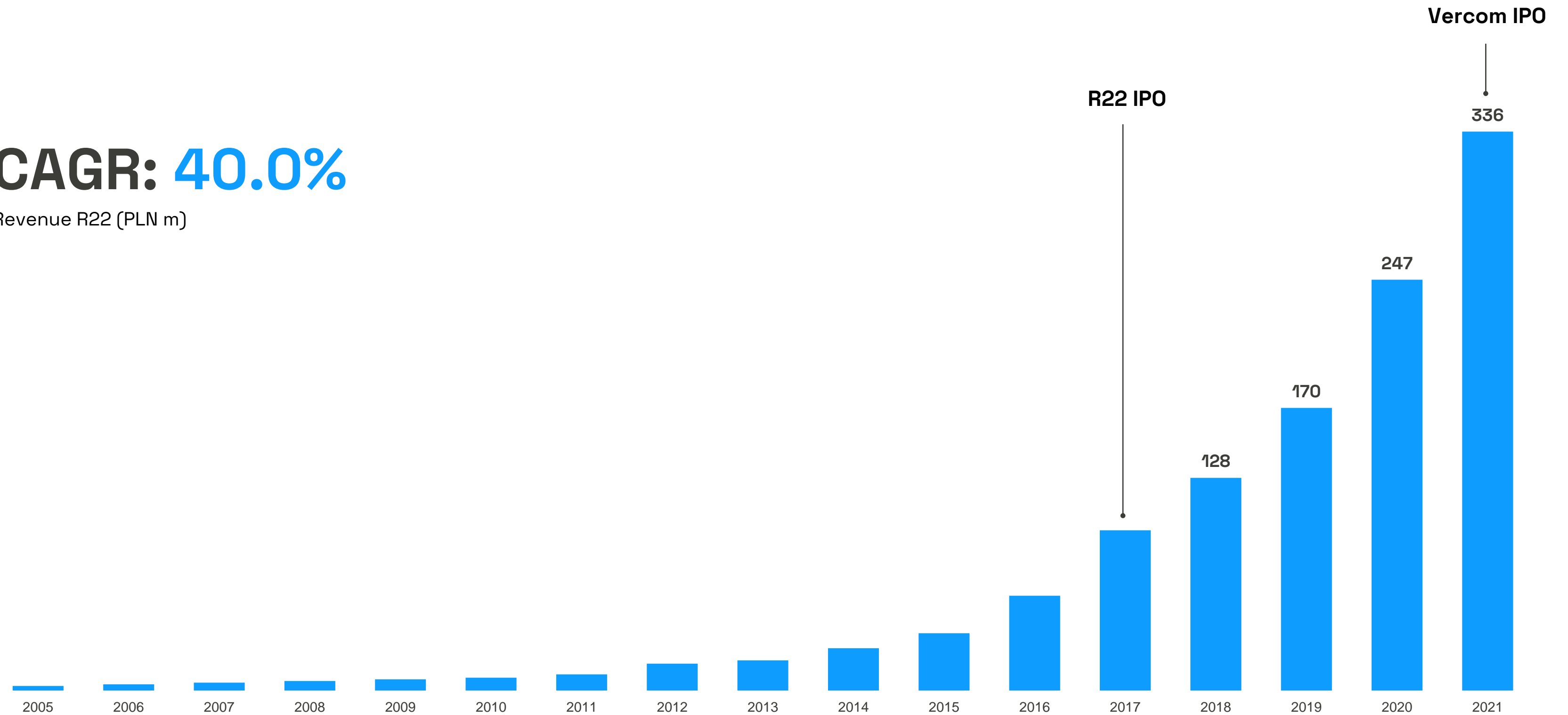




# Exponential growth driven by organic growth and acquisitions

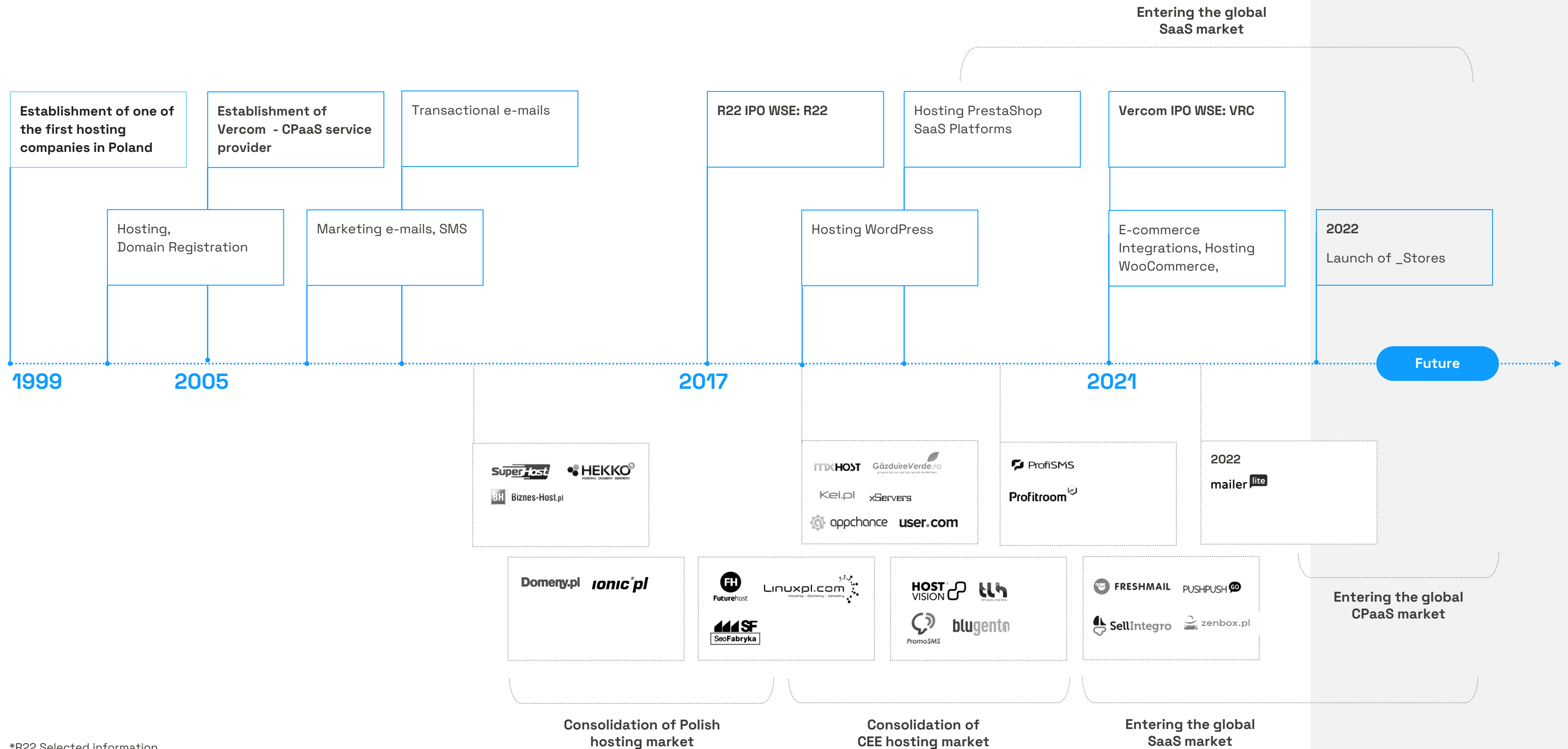
**CAGR: 40.0%**

Revenue R22 (PLN m)





# >20 years of M&A and building a future-fit businesses



\*R22 Selected information



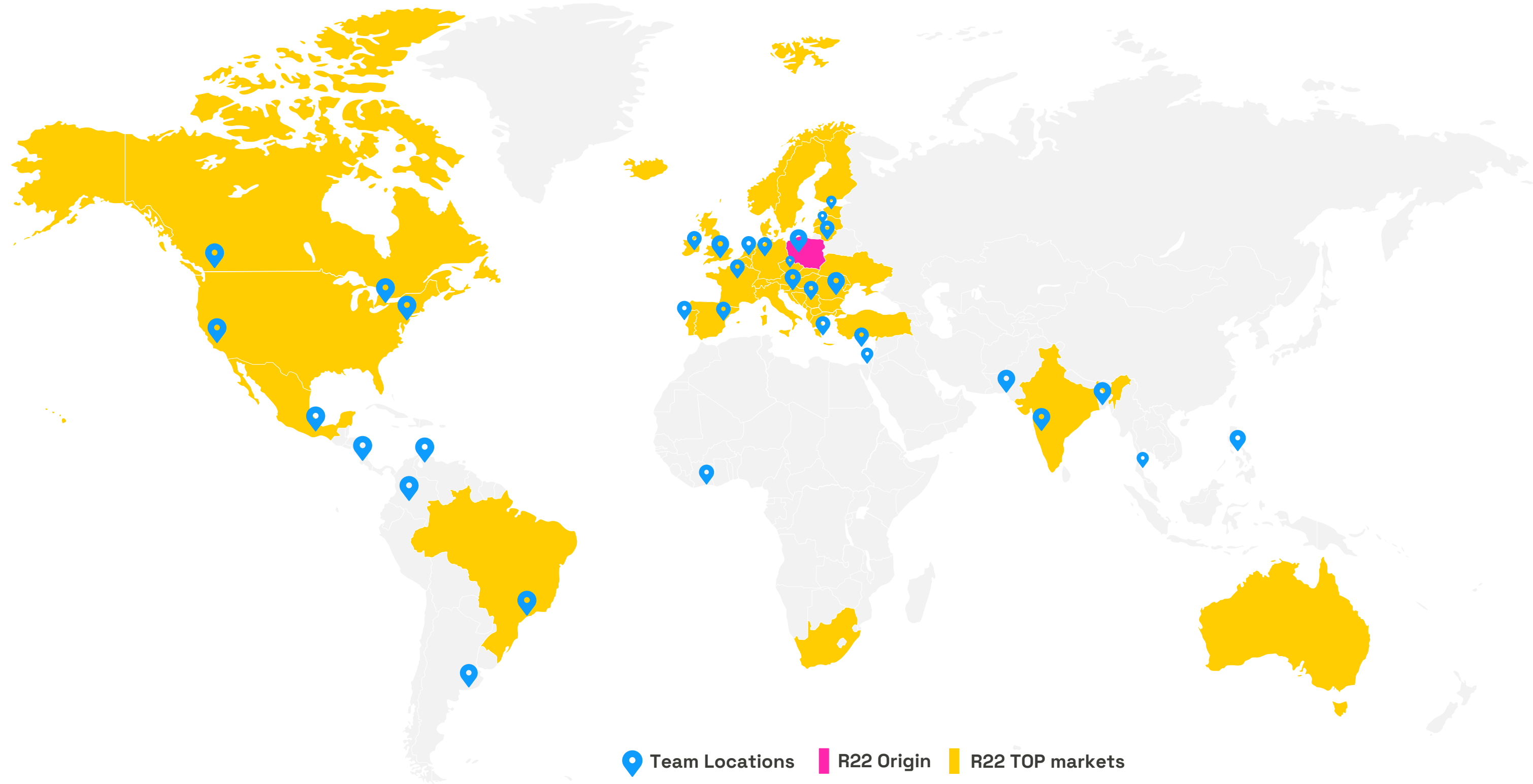
# Market

From local company to  
global player

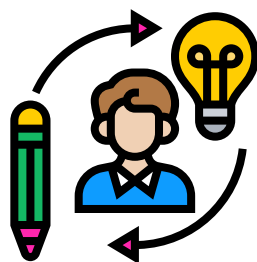




## Markets: Scaleup to >100 countries



# Exploring synergies for a competitive advantage



## Rethinking business strategy

Rethinking and recalibrating strategy to increase business effectiveness, while having customers' needs at the centre.

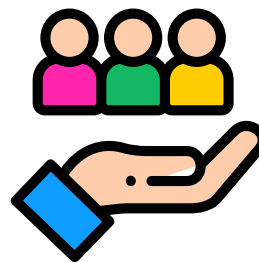
We excel at rescaling operations by implementing experience and data-driven strategies in the areas of: business and product development, marketing, sales, and pricing.

Our strategic management approach leads to both financial and non-financial benefits on a company-wide level.



## Exchange of know-how

Leveraging human talent by transferring knowledge and experience across inter-company teams saves time and money. Furthermore, it contributes to building a strong, more adaptable company culture.



## Capture cross-selling opportunities

Having a common customer base enables the faster solving of customer needs, which consequently has a positive impact on both the revenue and the cost side of the business through a decrease in CAC and an increase in LTV value.



## Access to a complex business base

Our ecosystem-operating model enables us to create collective value. Our companies can tap into enterprise-grade infrastructure and tools often unavailable to small businesses.

Additionally, integration of functional operations such as administration, legal and accounting departments not only facilitates cost reduction, but also moves resources to departments that have a direct impact on the commercial side of the business.

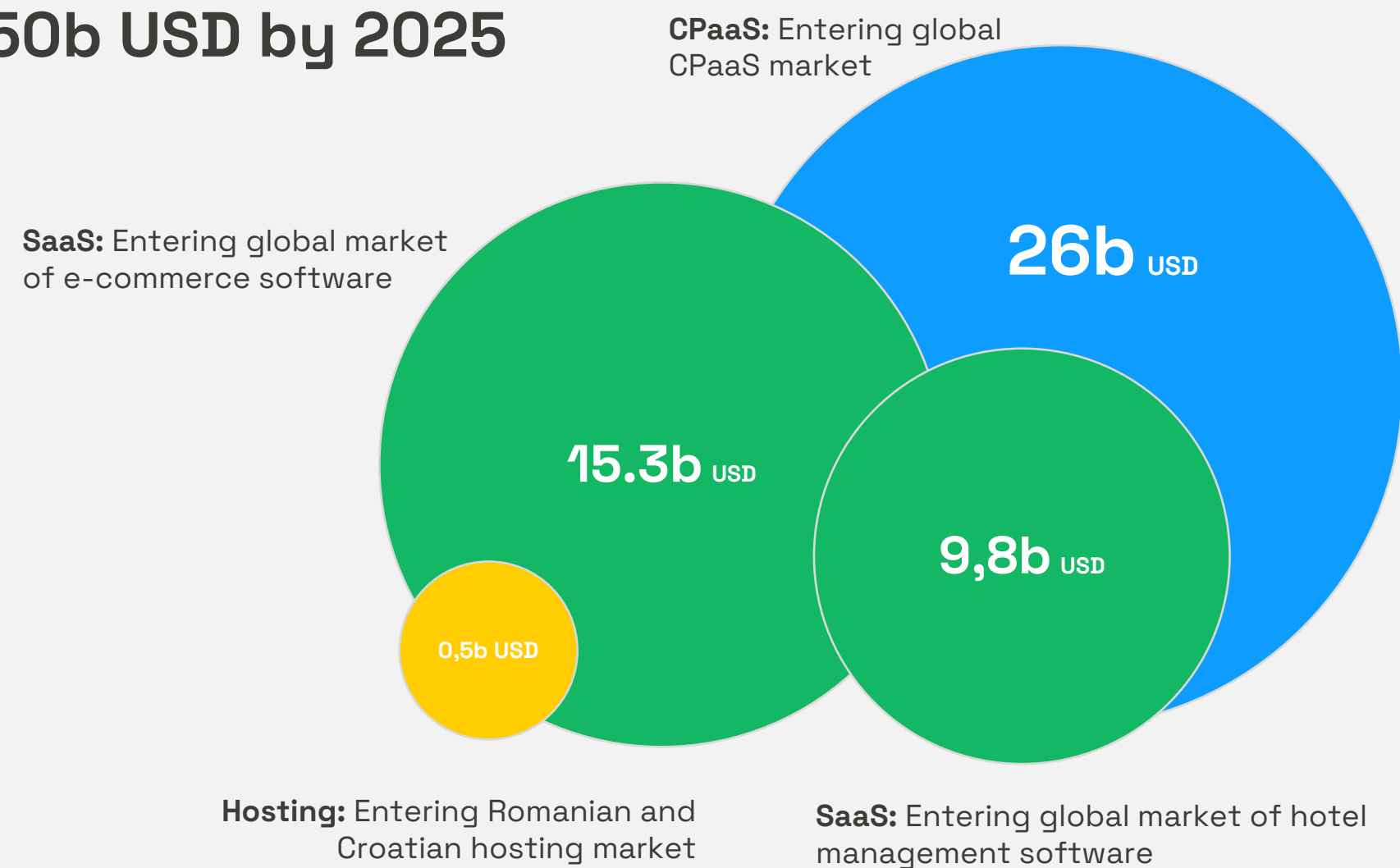


# Total Addressable Market: 50x increase in growth potential by unlocking new products and markets

Goal: Maintaining the upward trend of growth by:

- **Product Expansion:** Unlocking new opportunities in the SaaS segment by broadening the product portfolio complexity to meet specific client needs.
- **Segment 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: 50b USD by 2025



Information for selected markets segments

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

R22

# Growth Dynamics

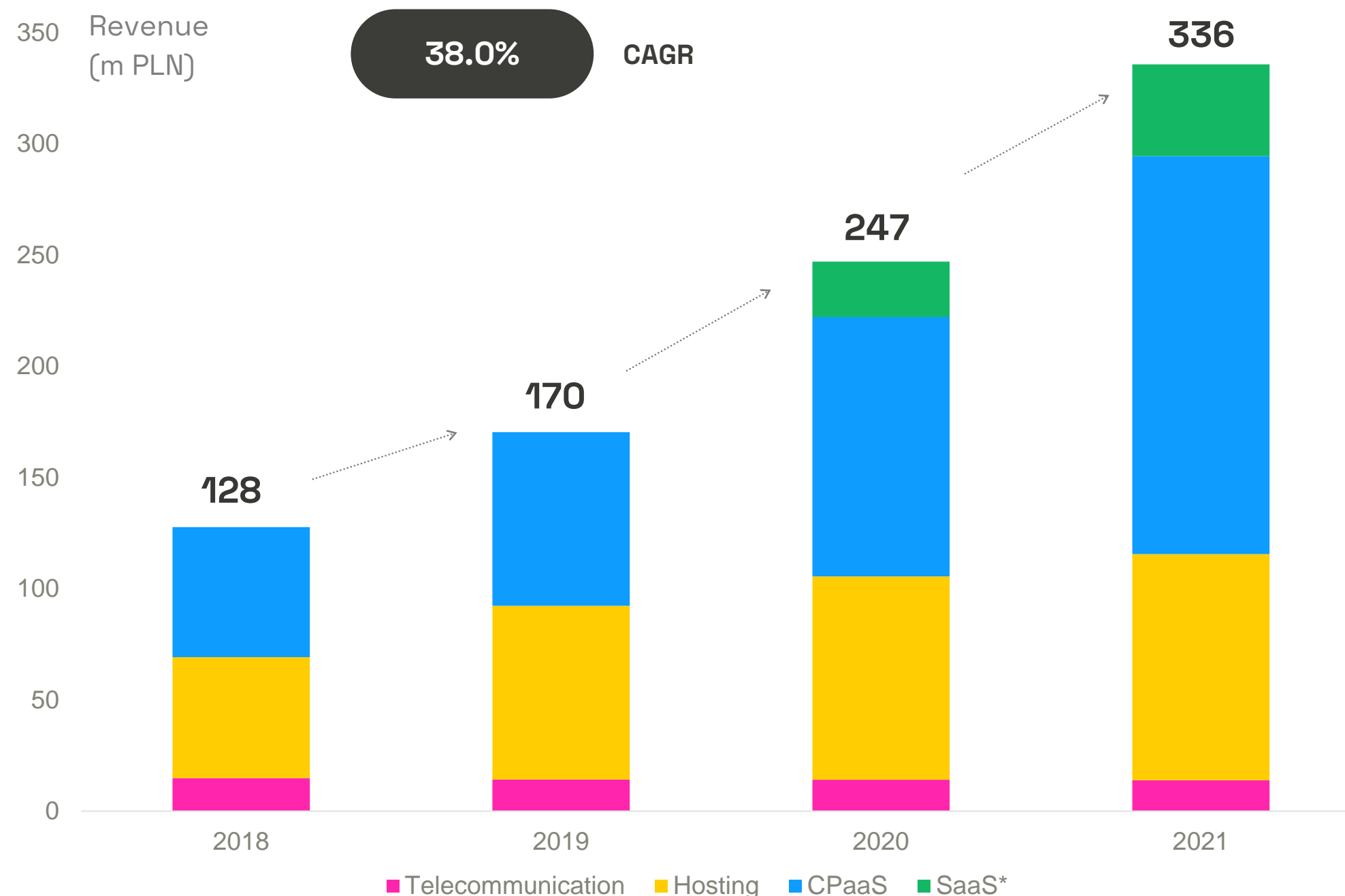
Turning Strategy  
into Results







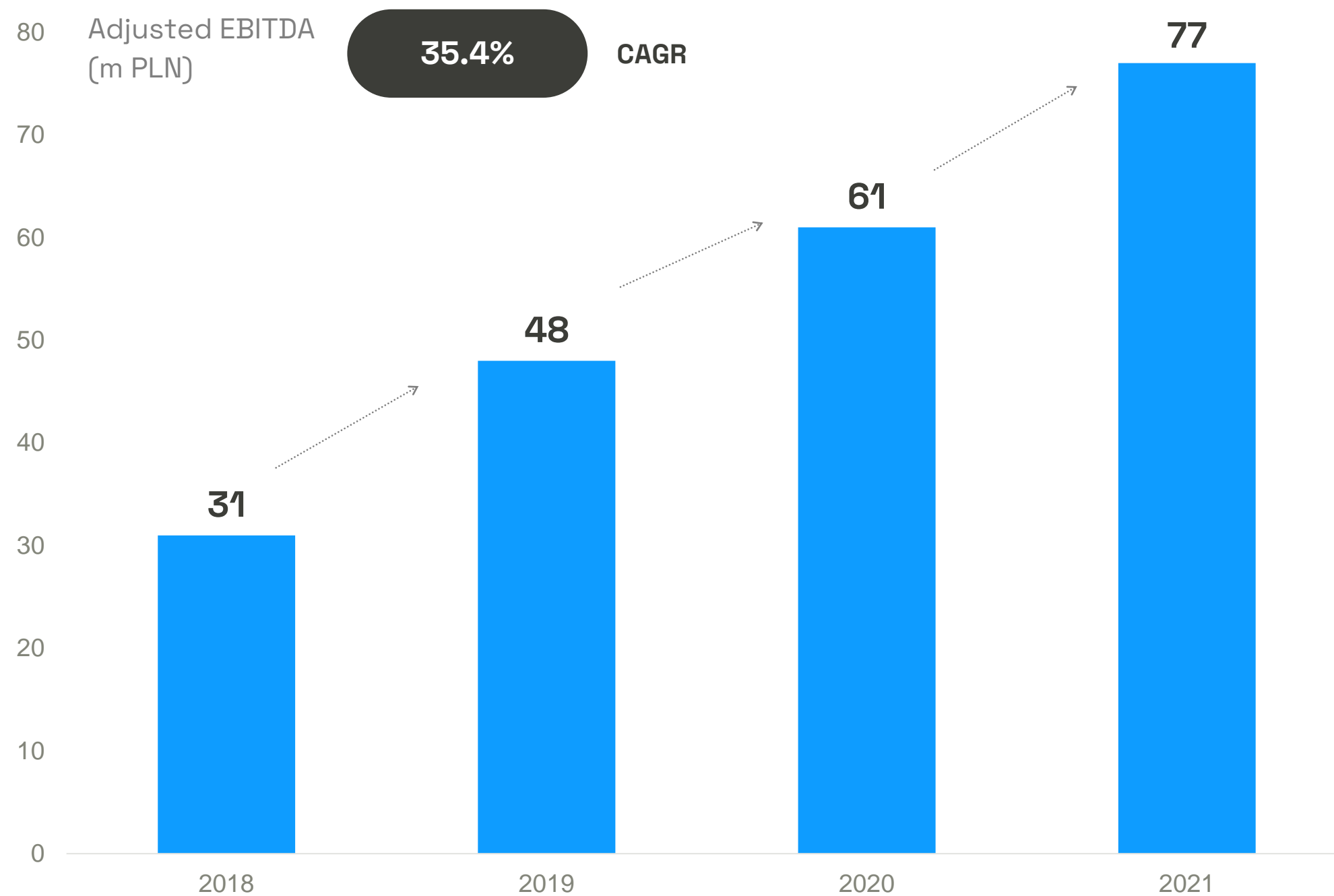
## Revenue: Accelerating the growth momentum with highly diversified revenue structure



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

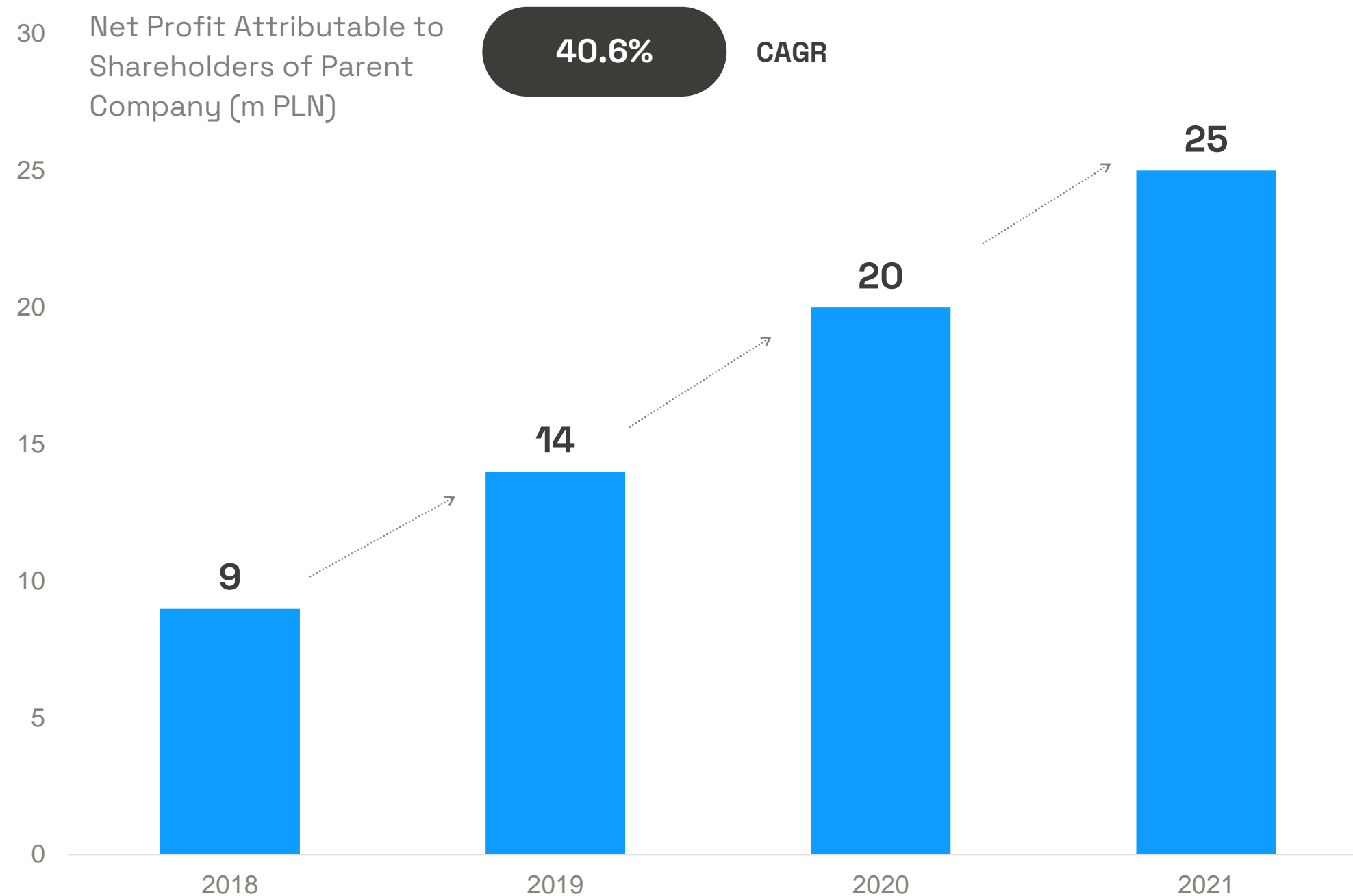


## EBITDA: Proving our business value



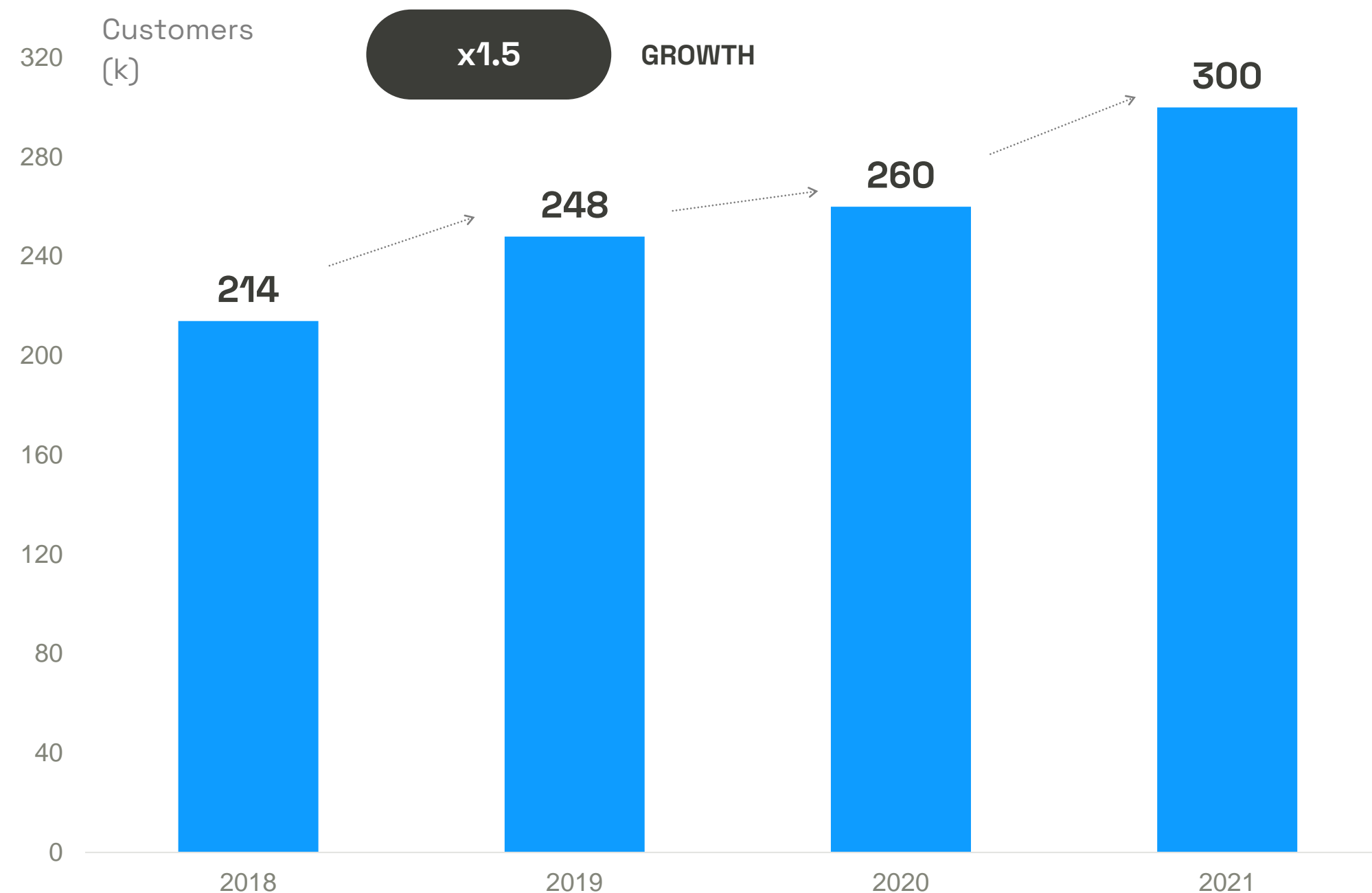


# Net Profit: Continuous profitability and cash flow generation

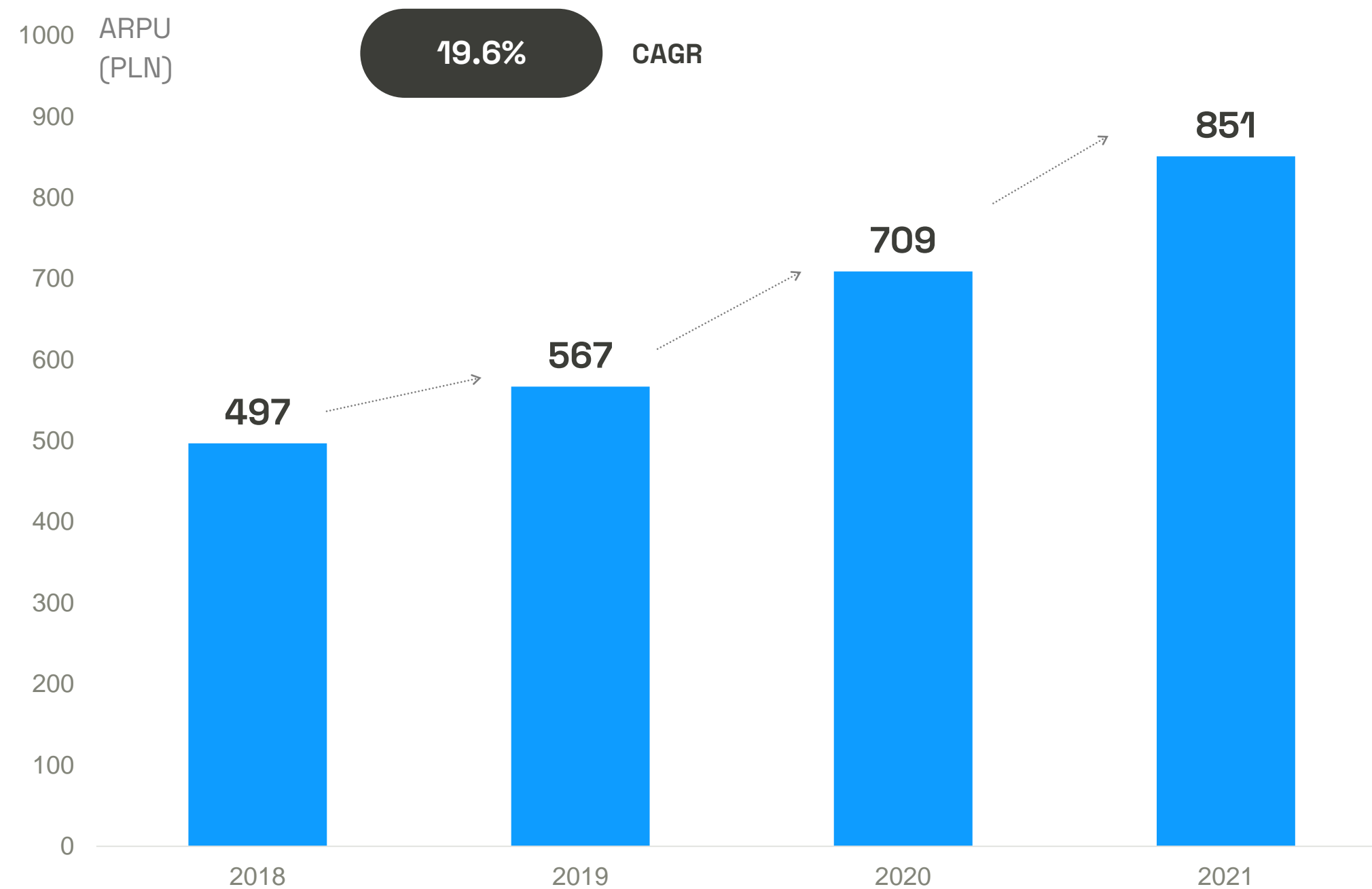




## Customers: Steadfast stability thanks to the trust of over 300k customers



## ARPU\*: Supporting a strong value proposition



\*ARPU: Excluding TOP 10 customers generating 14% of revenue and 3% of gross profit (internal estimation).





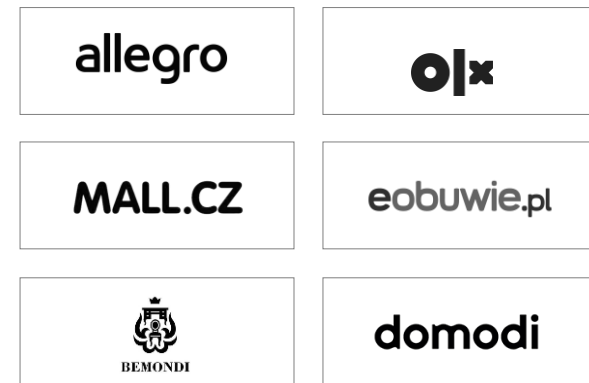
# Our Customers

Delivering industry-agnostic solutions that meet the most demanding needs

## Retail



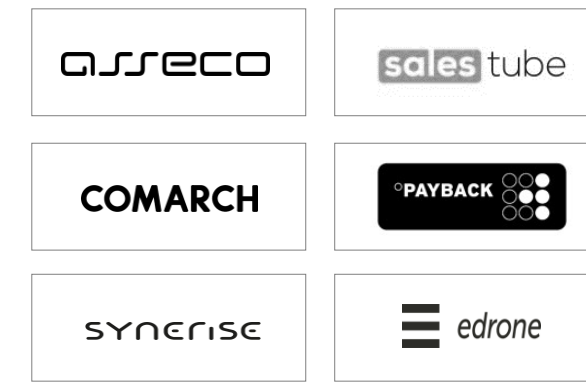
## E-commerce



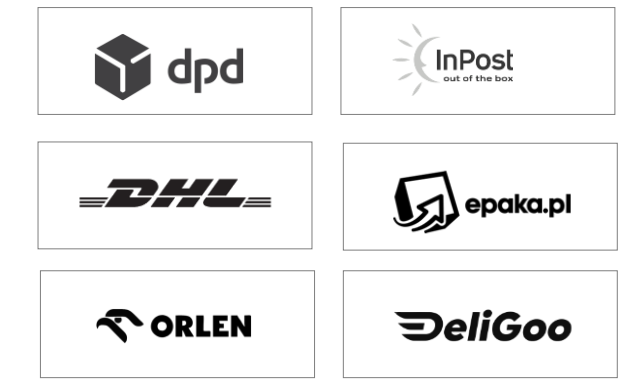
## Financial



## Tech & Digital Marketing



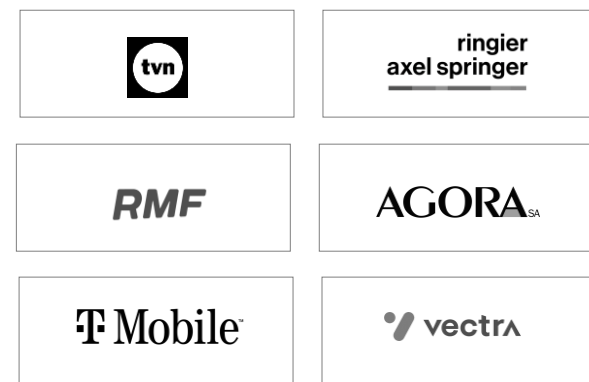
## Last mile



## FMCG



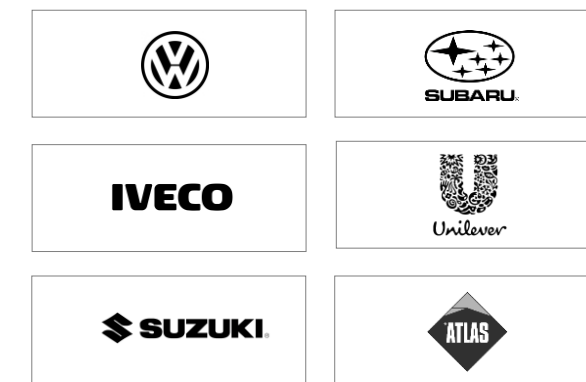
## Media & Telecomms



## Hospitality



## Manufacturing



## Utilities & Other





R22

# Q2 2022 Highlights



# Key Highlights

## Product expansion:

- cyber\_Folks launched \_Stores, and continues to push ahead with its product expansion.
- Tomasz and Piotr Karwatka joined cyber\_Folks as strategic investors and partners for e-commerce expansion.

## Geographical expansion:

- Vercom reached a new milestone towards its expansion on the international market with the acquisition of MailerLite: a global provider of tools for email communication. The transaction value amounts to around USD 100m, making it one of the largest acquisition of a foreign entity by a Polish company this year.





# \_Stores

by cyber\_Folks





# Launch your online store in less than 15 minutes

**\_Stores** is all-in-one Online Store Builder where you will find everything to easily and effectively start, run, and grow your 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)

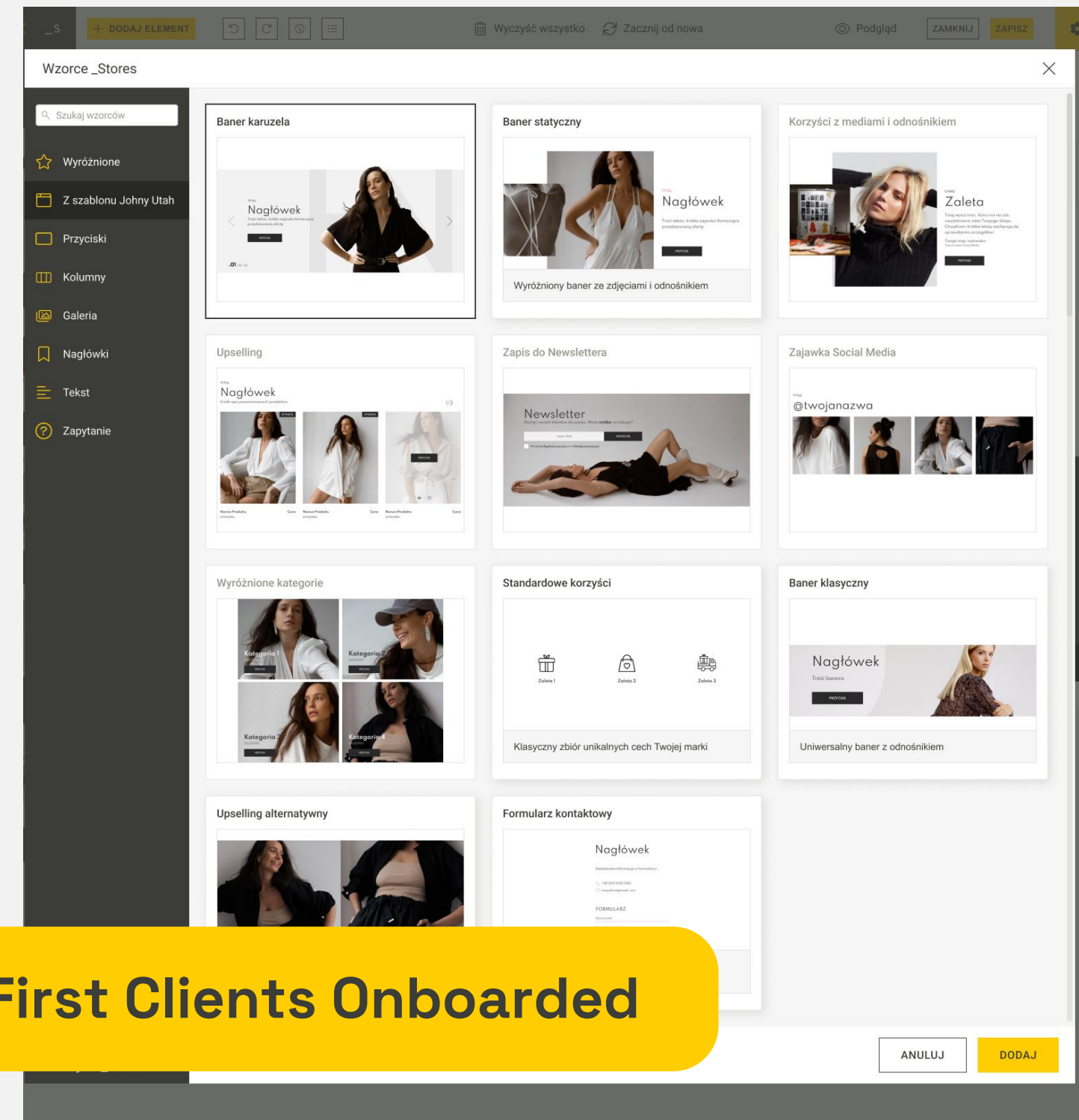
>220k

hosting clients

>40k

of our hosting clients are running online stores

**First Clients Onboarded**



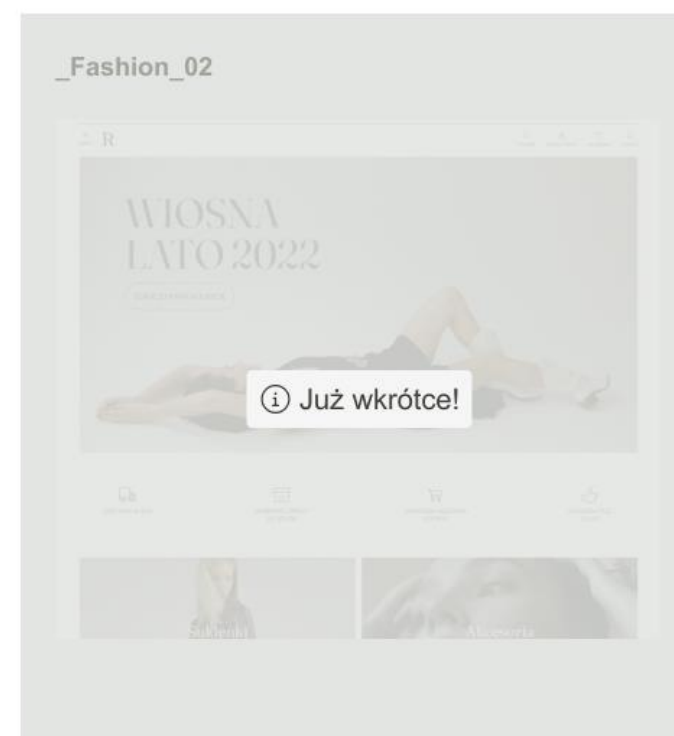
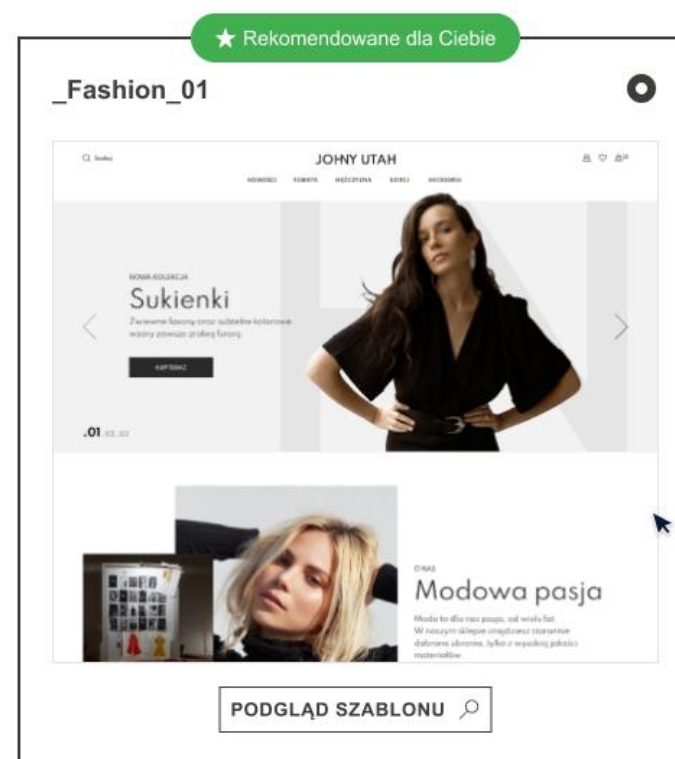
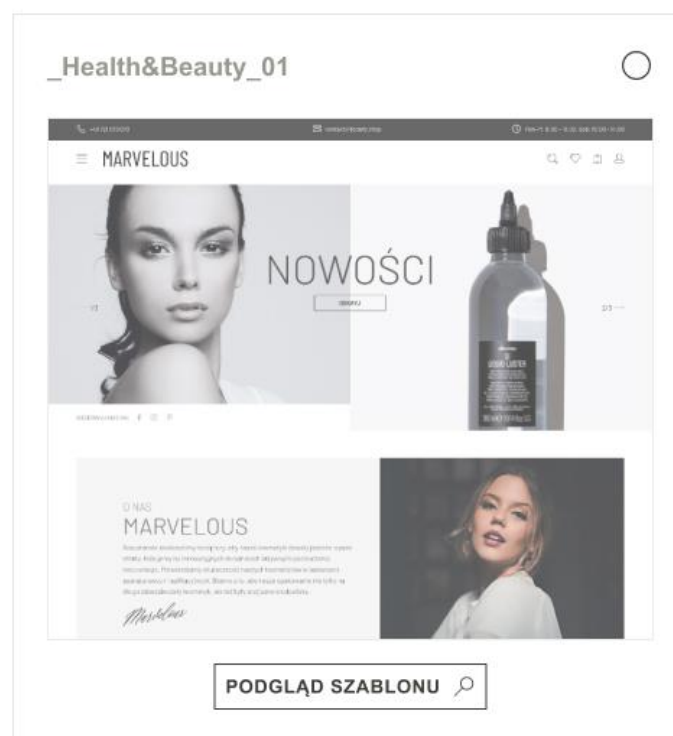


\_Stores



Dobra robota! Teraz wybierzmy szablon do Twojego sklepu. Przygotowałam dla Ciebie kilka gotowych schematów dostosowanych do Twojej branży – wskaż ten, który szczególnie Ci się spodobał. Jeśli później zmienisz zdanie, bez żadnego problemu będzie można zmienić szablon.

> Wybierz szablon dla Swojego sklepu:



← COFNIJ

PRZECHODZĘ DO WYBORU STYLU →

by cyber\_Folks™

step 1

Find a template that perfectly fits your needs and configure key options.

Mój sklep

Komunikaty

Dodaj

3 / 7

Skonfiguruj swój sklep

Kokpit

Zamówienia

Produkty

Lista Produktów

Dodaj produkt

Kategorie

Atrybuty

Cechy

Etykiety

Import produktów

Komentarze klientów

Wygląd i treści

Marketing

Raporty i Statystyki

Ustawienia

Integracje

Wersja DEMO sklepu pozostało: 10 dni

OPLAĆ

Stores

by cyber\_Folia

BETA


Dodaj produkt

Bluzka z bufiastym rękawem

Bezpośredni odnośnik: <https://demo.cyberstores.pl/produkt/bluzka-z-bufiastym-rekawem/>

EDYTUJ


Obrazek produktu




Kliknij obrazek w celu edycji lub aktualizacji

[Usuń obrazek produktu](#)

Galeria produktu





[Dodaj galerię obrazków produktu](#)

Dane produktu — 

Prosty produkt

Wirtualny: ☐ Do pobrania: ☐

Ogólne

Magazyn

Wysyłka

Powiązane produkty

Atrybuty

Zaawansowane

Cena (zł)

Cena promocyjna (zł)

Daty promocji

199

185

2022-07-28

2022-08-11

Anuluj

Opublikuj

ZAPISZ SZKIC

PODGLĄD

Status: Szkic [Edytuj](#)

Widoczność: Publiczne [Edytuj](#)

Opublikuj natychmiast [Edytuj](#)

[Czytelność](#): Niedostępne

[SEO](#): Niedostępne

Widoczność w katalogu: Sklep i wyniki wyszukiwania [Edytuj](#)

[Skonfiguruj do nowego szkicu](#)

[Przenieś do kosza](#)

OPUBLIKUJ

Kategorie produktów

Wszystkie kategorie

Najczęściej używane

☐ Akcesoria

☒ Bluzki

☐ Marynarki

☒ Moda

☐ Okulary

☐ pomoce do dogoterapii

☐ Prezenty

☐ Spodnie

☐ Sukienki i szaliki

Ustaw jako główną

Podstawowy

+ Utwórz kategorię

Tagi produktów

DODAJ

Oddzielaj tagi przecinkami

[Wybierz z najczęściej używanych tagów](#)

Describe your products and add photos. We will tell you the best way to do it to optimize your sales.

step 2

222

Q2 2022 Financial Results | 6/09/2022

30

Super sklep z butami

Komunikaty

13

+ Dodaj

Kokpit

Zamówienia

>

Produkty

>

Wygląd i treści

>

Marketing

>

Raporty i Statystyki

>

Ustawienia

>

Integracje

>

Wersja DEMO sklepu pozostało: 10 dni

OPLAĆ →

—Stores

by cyber\_Folks

BETA

Pomysły na usprawnienia sprzedaży

Te sugestie są aktualizowane na podstawie Twoich postępów konfiguracji.

Dostosuj swój sklep

Ustaw logo sklepu, favicon, nazwę sklepu oraz linki do Twoich social mediów.

Czytaj więcej >

Podłącz swoją skrzynkę mailową

Połącz swój adres e-mail, aby wysyłać wiadomości Twojego sklepu przy użyciu własnego adresu lub aby uzyskać niestandardowy biznesowy adres e-mail dla swojej firmy.

Czytaj więcej >

Ustawienia SEO

Zarządzaj ustawieniami SEO, aby zoptymalizować witrynę pod kątem wyszukiwania w sieci.

Czytaj więcej >

Produkty z Allegro

Sprzedajesz również na allegro? Połącz kanały i sprzedawaj w jednym miejscu!

Czytaj więcej >

Konfiguracja z baselinker

Baselinker sprowadza różne kanały sprzedaży na jeden panel oraz automatyzuje kontakt z klientem i realizację zamówień, co znacznie usprawnia transakcje.

Czytaj więcej >

Darmowa dostawa

Ustal minimalny próg wartości koszyka, który aktywuje darmową wysyłkę produktów. Możesz przypisać ją do wybranych metod wysyłki.

Czytaj więcej >

Komunikaty

Zainstalowaliśmy wydajny hosting

12.02.2022

Super wydajny hosting w cyber\_Folks został dla Ciebie założony i skonfigurowany. Więcej informacji znajdziesz w panelu klienta.

Panel klienta cyber\_Stores >

Zainstalowaliśmy Wordpress/WooCommerce

12.02.2022

Pomyślnie zainstalowaliśmy oprogramowanie Wordpress oraz wtyczkę WooCommerce.

Skonfigurowaliśmy wstępnie Twój sklep

12.02.2022

Gratulacje! Twój szablon i wybrane style zostały skonfigurowane i zainstalowane.

Jesteśmy tu dla Ciebie

Jeśli potrzebujesz informacji, zapytaj nas o pomoc lub poszukaj odpowiedzi przy pomocy wyszukiwarki.

Szukaj artykułów i odpowiedzi na pytania

Pomoc w konfiguracji:

+48 123 456 789

support@cyber-stores.com

Promote your store to potential customers and start sales.

step 3

222

Q2 2022 Financial Results | 6/09/2022

31



## Tomasz and Piotr Karwatka will strengthen cyber\_Folks with their e-commerce competencies

Tomasz and Piotr Karwatka, both serial entrepreneurs, are joining cyber\_Folks as strategic investors to further support its expansion into e-commerce sector.

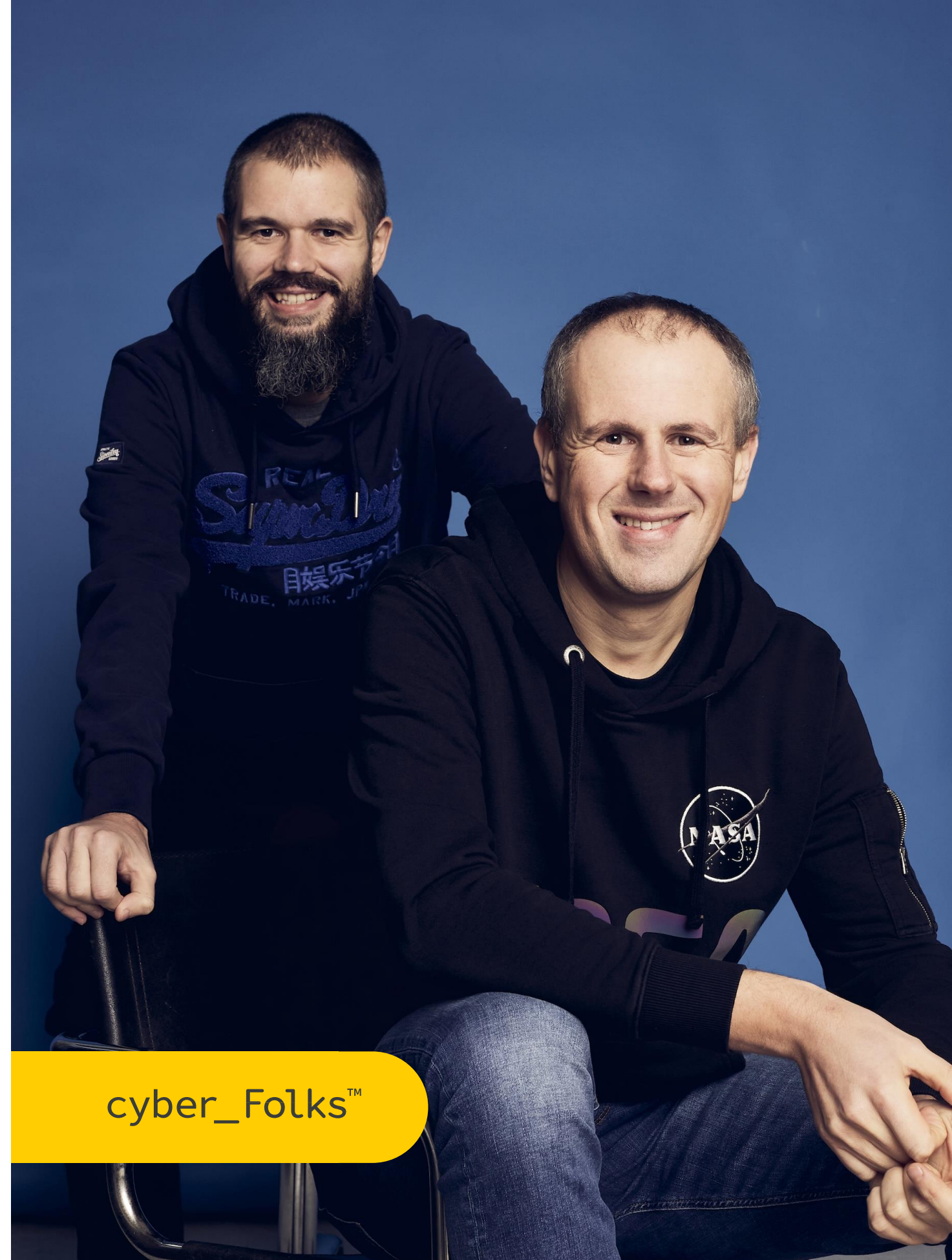
**Some noteworthy companies founded and invested by Tomasz and Piotr Karwatka include:**



- eCommerce, R&D company, 350 people, double digit YoY growth, double-digit EBITDA. In 2021 sold to Cloudflight. The transaction amount was PLN 251m.



- The fastest growing eCommerce Frontend Tool. Backed by 5 VCs and Y Combinator. One of the biggest A rounds in Poland (post-money valuation of USD 85m).





Global market entry with >38 000 customers  
in over 100 locations

mailer lite





# MailerLite: Internationally driven growth

## Global presence:

Customers worldwide **>38 000**

## Significant revenue:

Revenue Y21 **~53m PLN**

## Dynamic growth:

Revenue growth Y21/Y20 **~45%**

## Attractive markets:

US & Western Europe **>70% of revenue**

## International team:

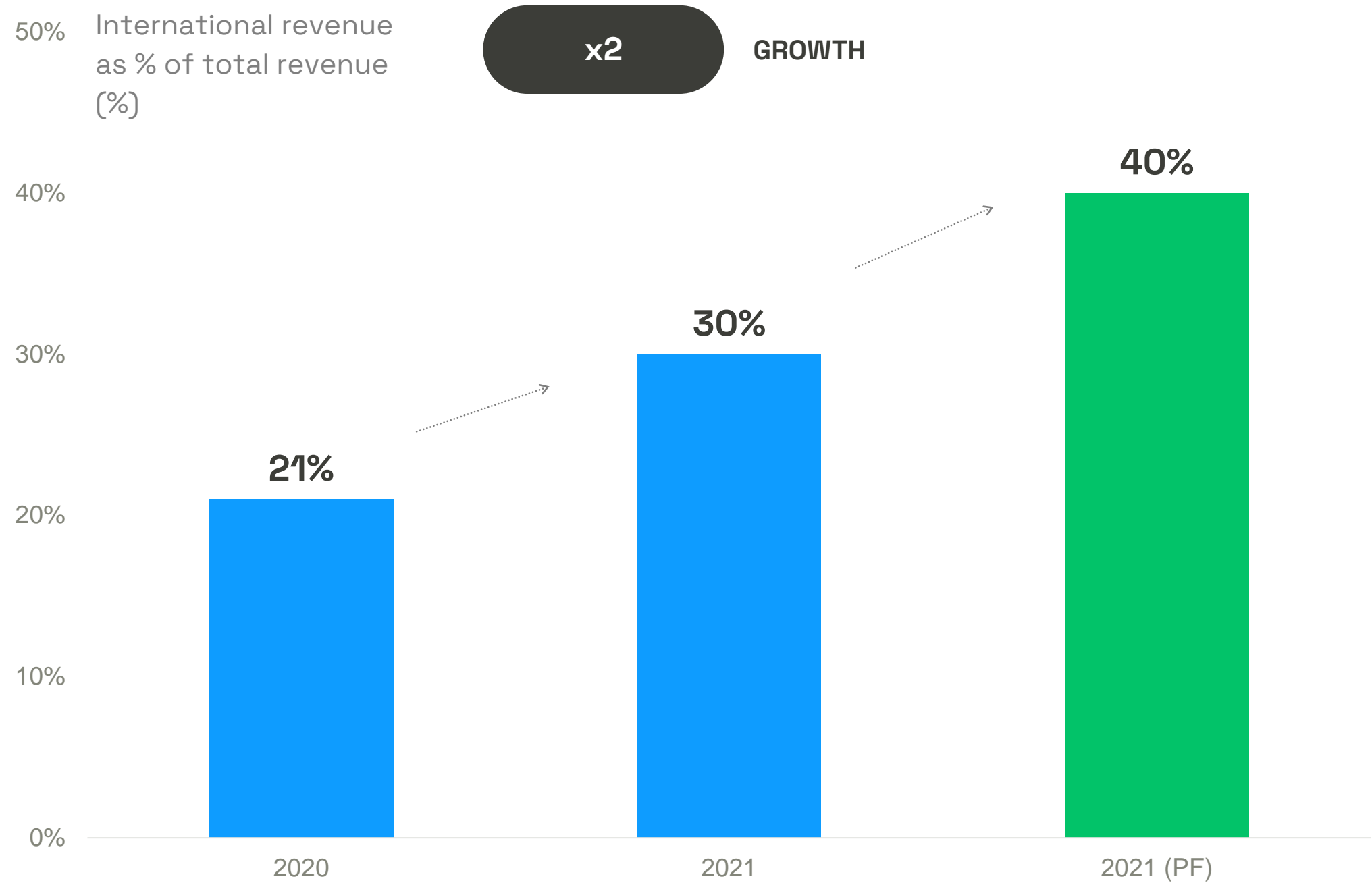
Talent in 30 locations **>100**







# R22: Welcoming customers all over the world



\*2021 (PF) including MailerLite management accounts



R22

# Q2 2022 Financial Overview







# Continued growth in the scale of operations

Revenue

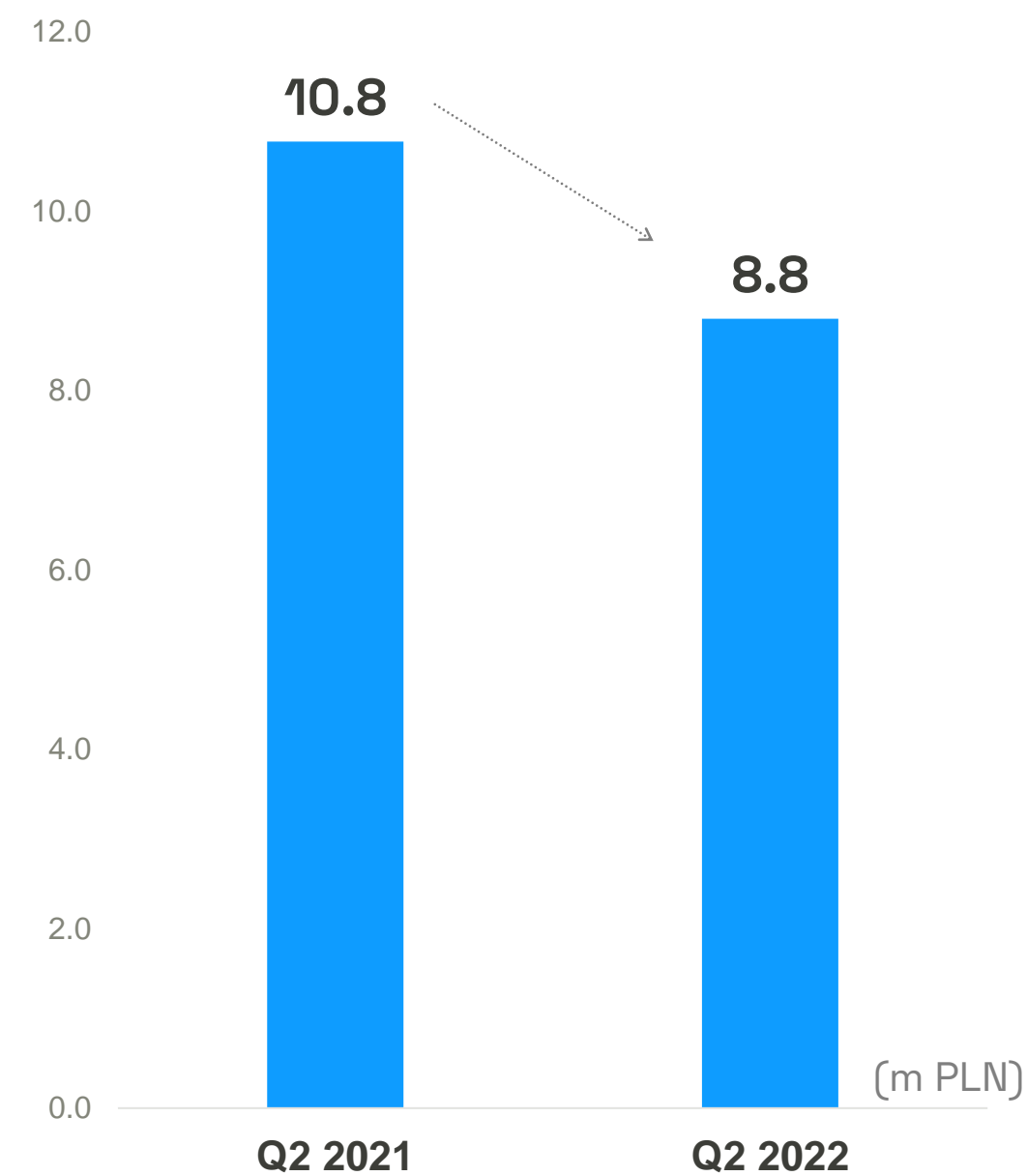
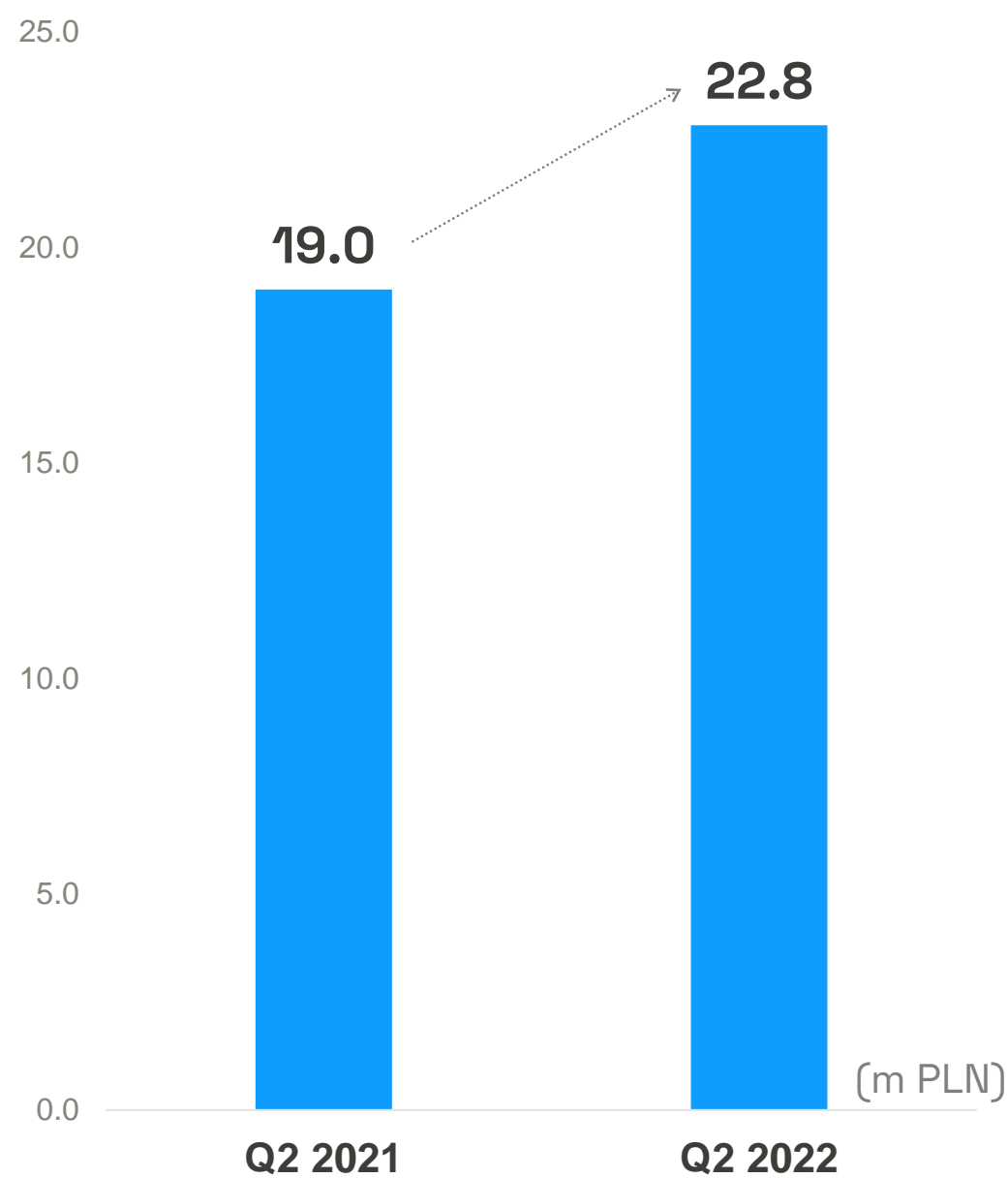
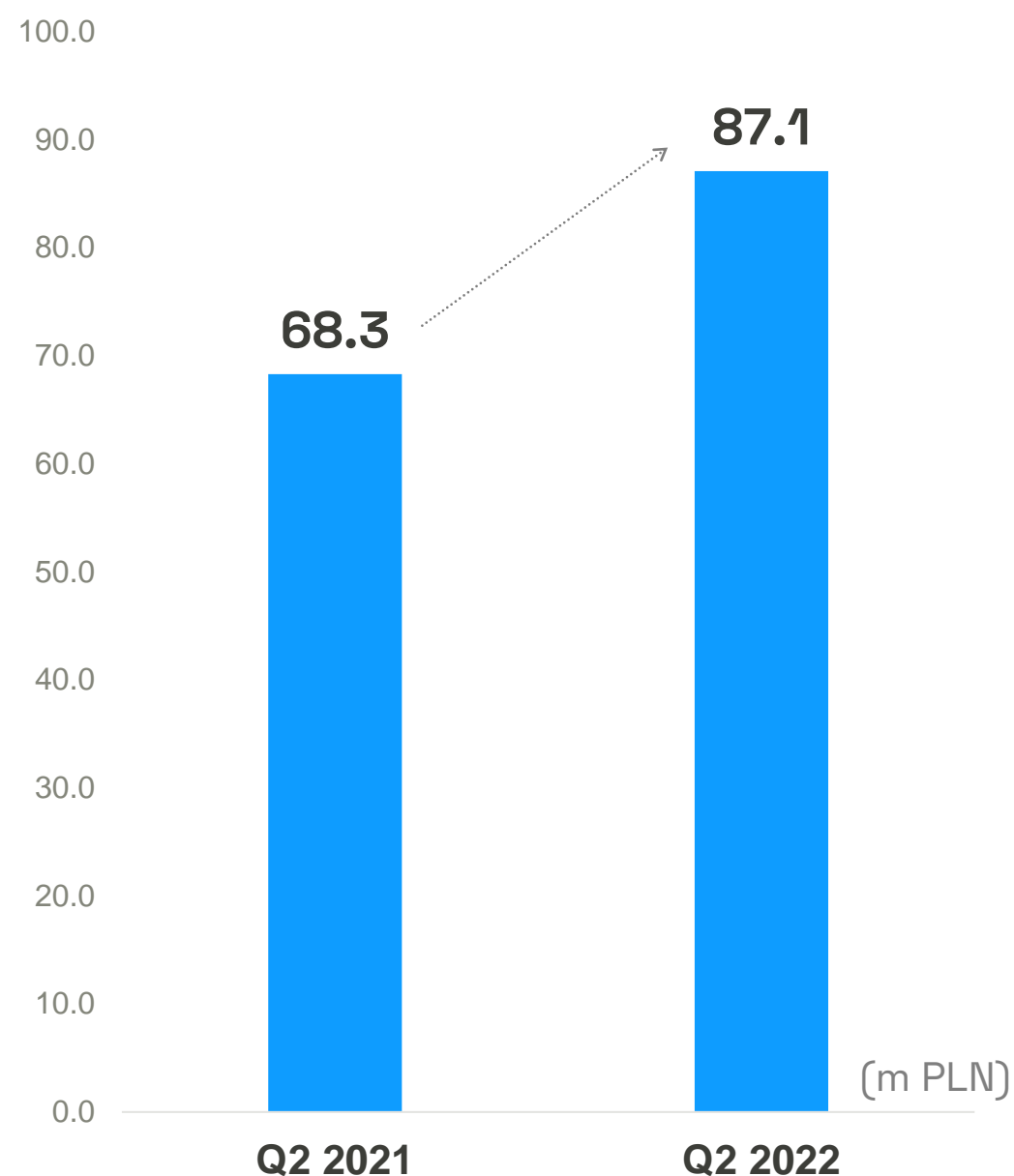
+28%

Adjusted EBITDA

+20%

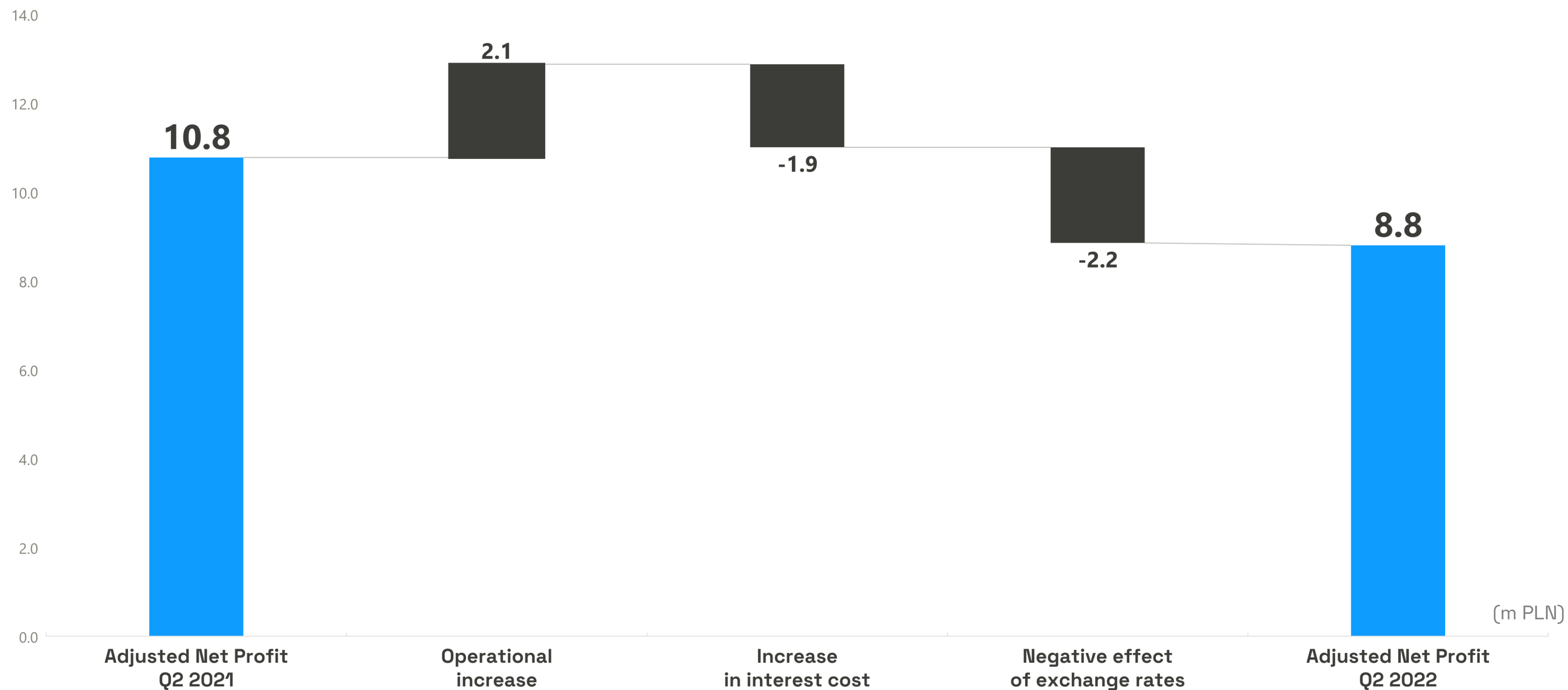
Adjusted Net Profit

-18%





## Net Profit: Exceptional impact of financial costs

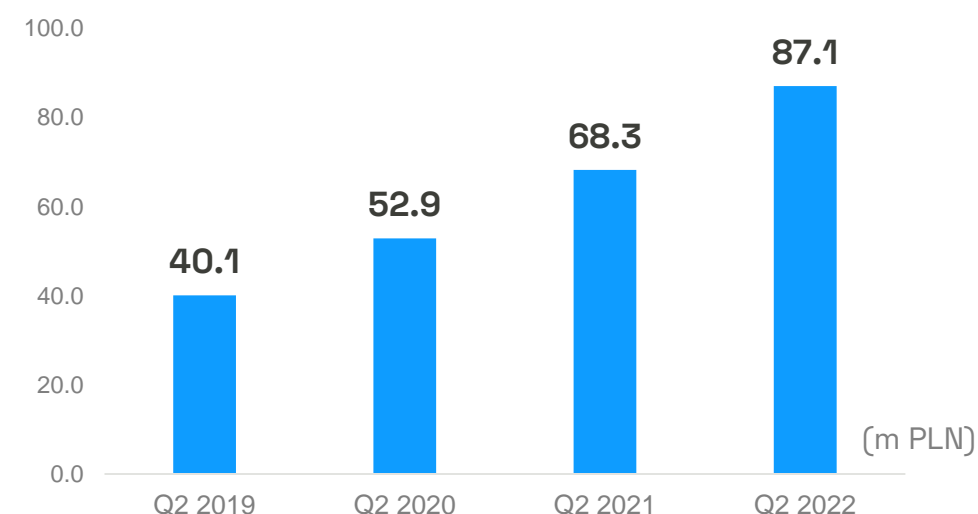


# Dynamic growth of revenues and profits

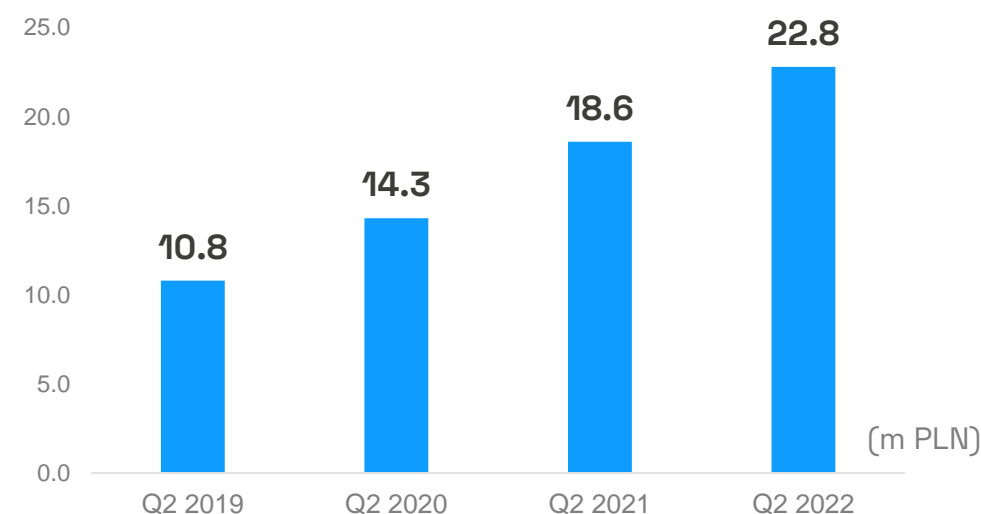
## Selected consolidated financial data:

(k PLN)	H1 2021	H1 2022	Change	Q2 2021	Q2 2022	Change
Revenue from sales	135 555	171 054	26%	68 276	87 134	28%
EBIT	26 428	29 662	12%	13 746	15 107	9%
Adjusted EBITDA	36 694	44 858	22%	19 023	23 106	21%
Transaction costs	0	1 936		0	1 286	
ESOP Vercom	449	314	-30%	449	158	-65%
Gain/(loss) on sale and liquidation of tangible fixed assets	0	-503		0	-279	
Net Profit	18 930	17 750	-1%	10 412	7 888	-15%
Adjusted Net Profit	19 294	19 165	-1%	10 776	8 832	-18%
Net Profit attributable to shareholders of parent company	15 239	12 966	-15%	8 430	4 487	-47%

## Revenue:



## Adjusted EBITDA:



## Clear organic growth + Acquisitions:

- A decrease in net profit related to an **increase in net financial costs**, which in H1 2022 amounted to PLN 7.5 million (PLN 3.8 million a year earlier). Including interest costs of PLN 6.4 million (vs PLN 3.8 million) and net foreign exchange differences PLN 1.2 million (vs PLN 0.02 million) - valuation of loan liabilities in EUR, which in subsequent periods will be compensated by a large stream of inflows in EUR and USD generated by MailerLite.
- The decrease in the net profit attributable to the shareholders of the parent company is **temporarily affected by the reduction of the stake in Vercom, with the reported result not including the full result of the acquired entities** (MeilerLite consolidation from June 14 this year).

# High cash generationg efficiency

## Selected consolidated financial data:

(k PLN)	H1 2021	H1 2022	Change	Q2 2021	Q2 2022	Change
<b>Net cash flow from operating activities</b>	<b>31 640</b>	<b>37 732</b>	<b>19,3%</b>	<b>11 893</b>	<b>16 470</b>	<b>38,5%</b>
Purchase of fixed real assets and intangibles less the proceeds from sale of fixed assets	-5 328	-7 746	45,4%	-2 359	-4 186	77,5%
Payments of lease liabilities	-2 762	-4 173	51,1%	-1 437	-2 353	63,7%
<b>Unlevered FCF</b>	<b>23 550</b>	<b>25 813</b>	<b>9,6%</b>	<b>8 097</b>	<b>10 155</b>	<b>25,4%</b>
Repayment of credits and loans	-13 232	-11 563	-12,6%	-5 620	-5 976	6,3%
Interest paid	-3 871	-6 266	61,9%	-2 382	-3 848	61,5%
Dividends to minority shareholders	-4 442	0	-100,0%	-4 442	0	-100,0%
<b>Free Cash Flow (FCF)</b>	<b>2 005</b>	<b>7 984</b>	<b>298,2%</b>	<b>-4 347</b>	<b>331</b>	<b>-107,6%</b>

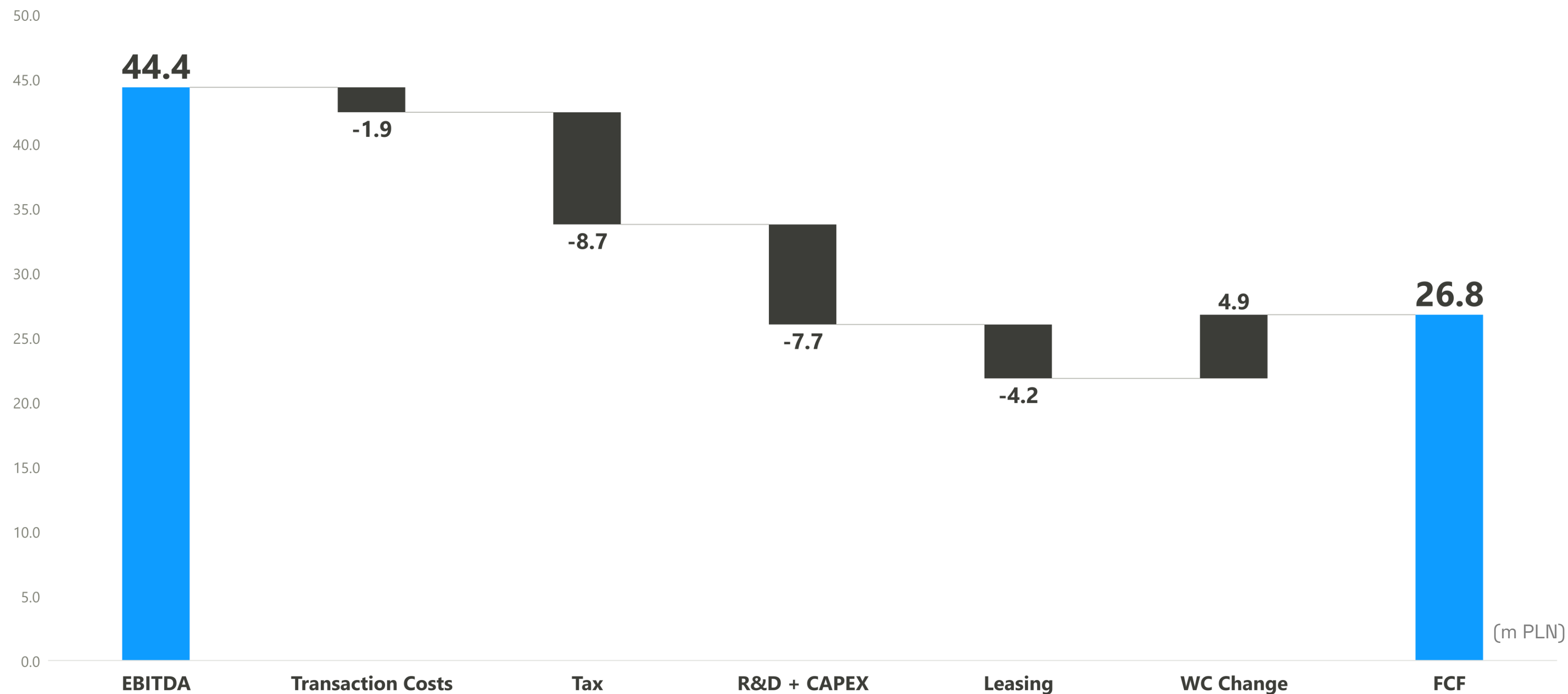
(k PLN)	31.12.2021	30.06.2022	Change
<b>Net debt</b>	<b>73 972</b>	<b>322 322</b>	<b>336%</b>

- **High, approx. 90% conversion of EBITDA** into inflows from operating activities.
- **Increase in investment outlays and leasing payments** due to increased outlays on the development of CPaaS platforms and an increase in the scale of operations
- Increase in interest paid due to the increase in WIBOR.
- **Long-term ability to generate high cash surplus.** High efficiency of investment outlays.
- **The change in net debt** is mainly due to the MailerLite acquisition financed with own funds from IPO Vercom and a bank loan.



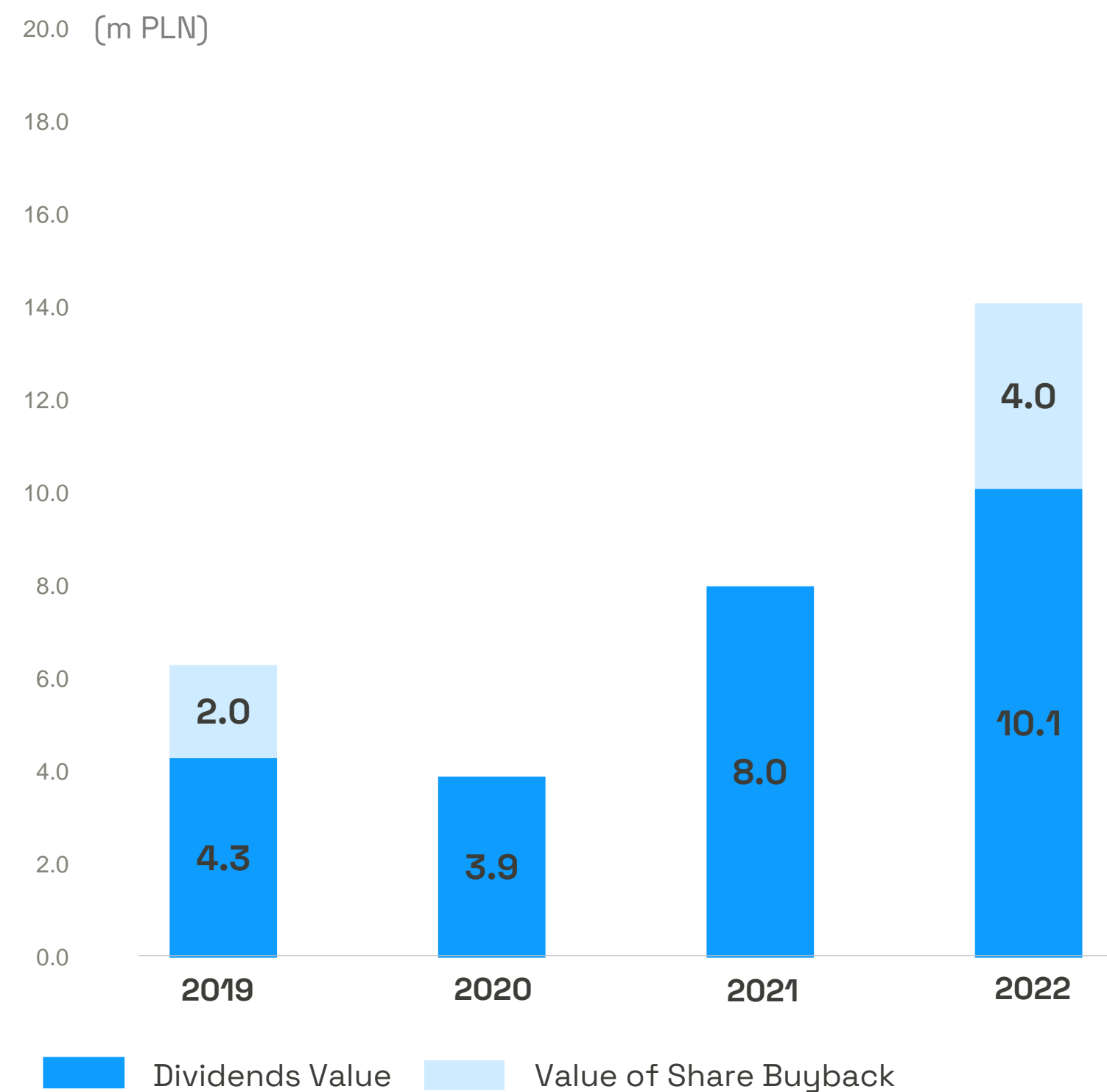


## Cash Flow: High EBITDA to cash conversion





## Dividends: Investors benefiting from strategy execution

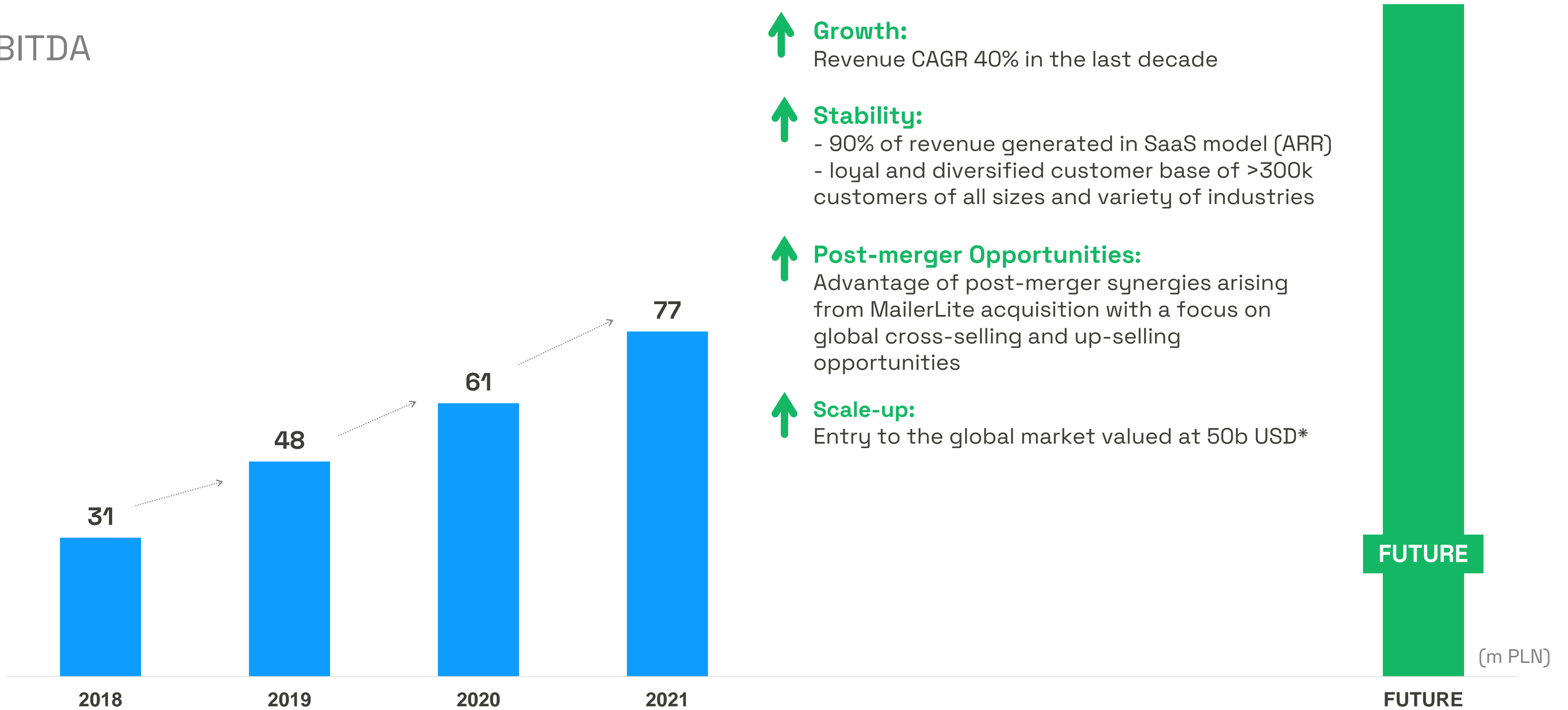


# Investment Thesis



# R22 Investment Thesis

EBITDA



\*by 2025





**Jakub Dwernicki**

Chairman of the Management Board



**Rober Stasik**

Vice-President of the Management Board

## Contact:



**Mateusz Paradowski**

r22@innervalue.pl  
+48 516 089 279