

INVESTOR PRESENTATION

Poznań, 26 March 2024

>cyber_Folks Group Financial Results_

for 2023 fiscal year
period ending 31 December 2023



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.**



>cyber_Folks key facts_



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.



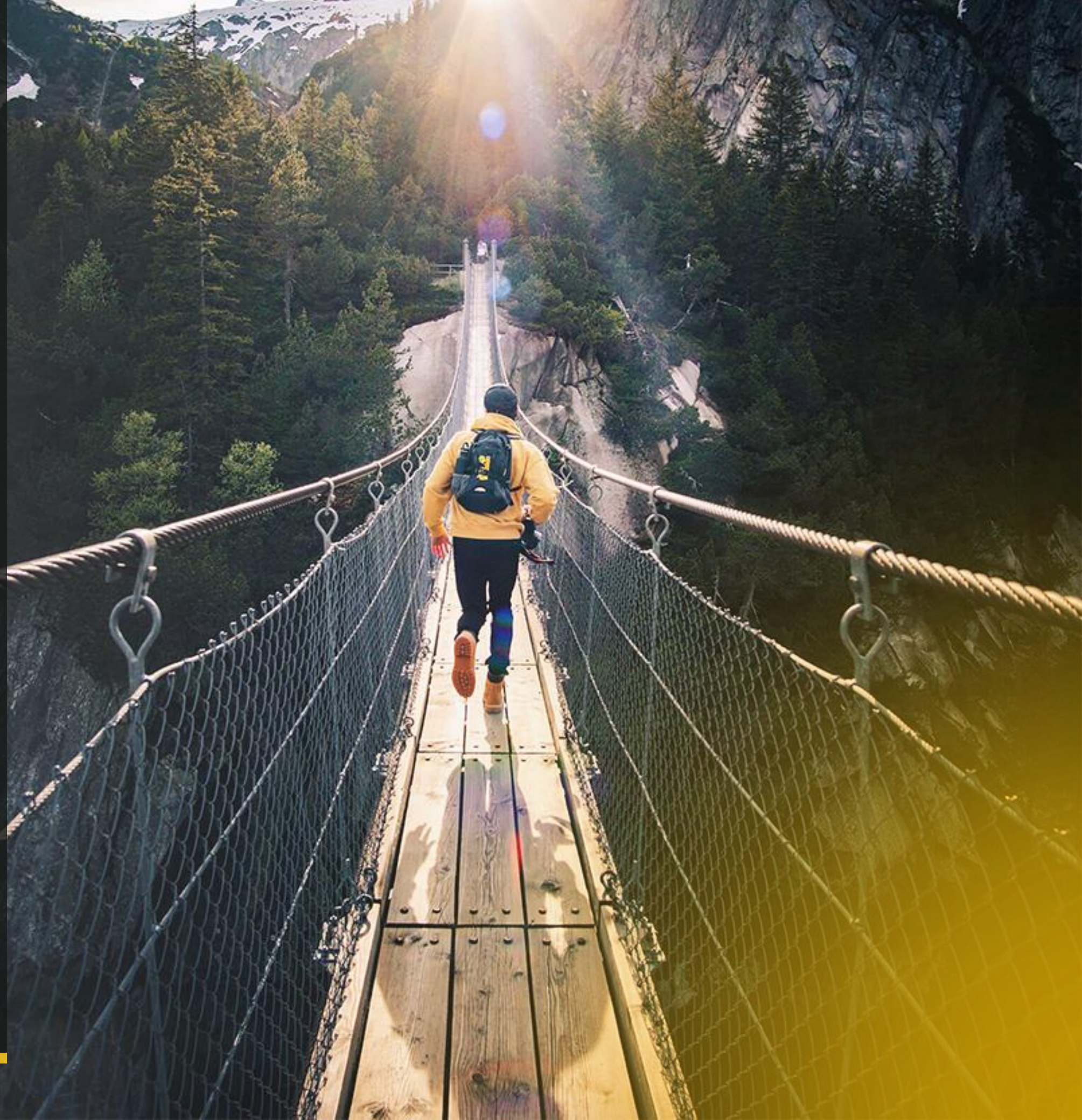
OUR SHAREHOLDERS SHARE IN OUR PROFITS

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. In 2023, cyber_Folks experienced a **117% year-on-year increase in net profit**, reaching a value of PLN 87.5m.

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)

+22%

392

480

2022

2023

Adjusted EBITDA (PLN m)

+36%

104

141

2022

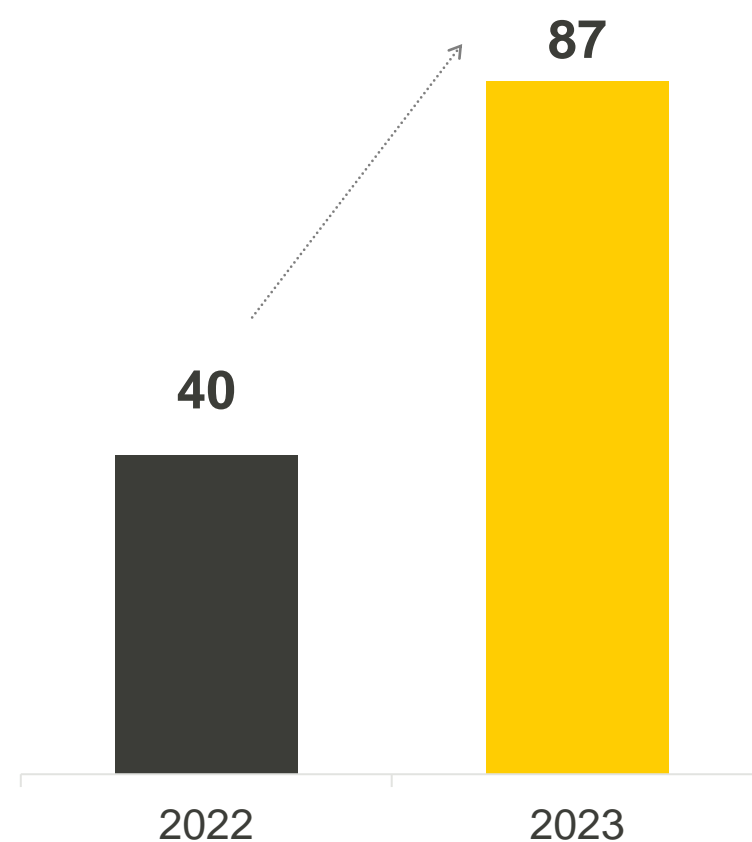
2023

- 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_

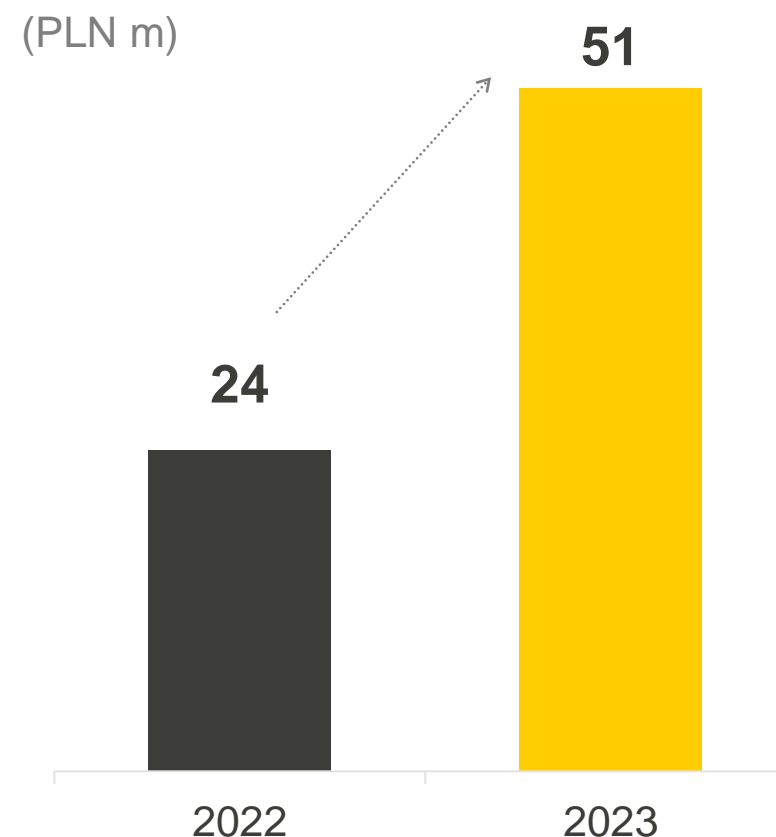
Net profit
(PLN m)

+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

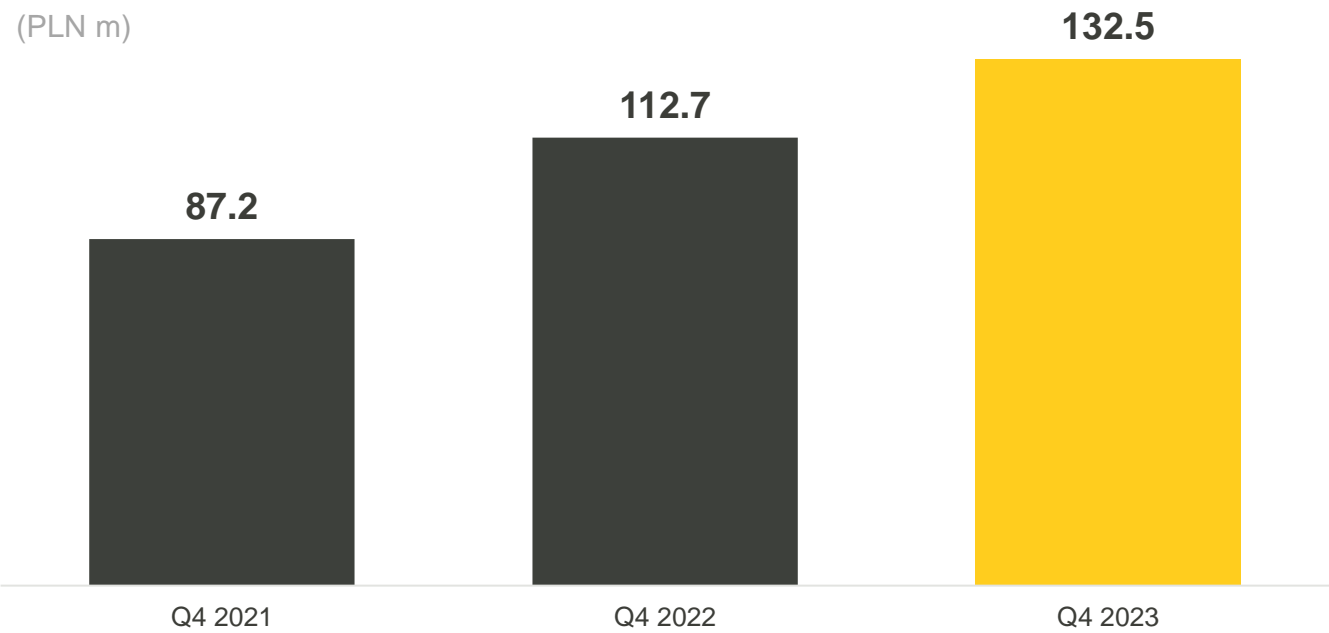
> Dynamic increase in sales and profits

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%
Profit/(Loss) from associated entities	868	2 677	208%	32	675	
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%

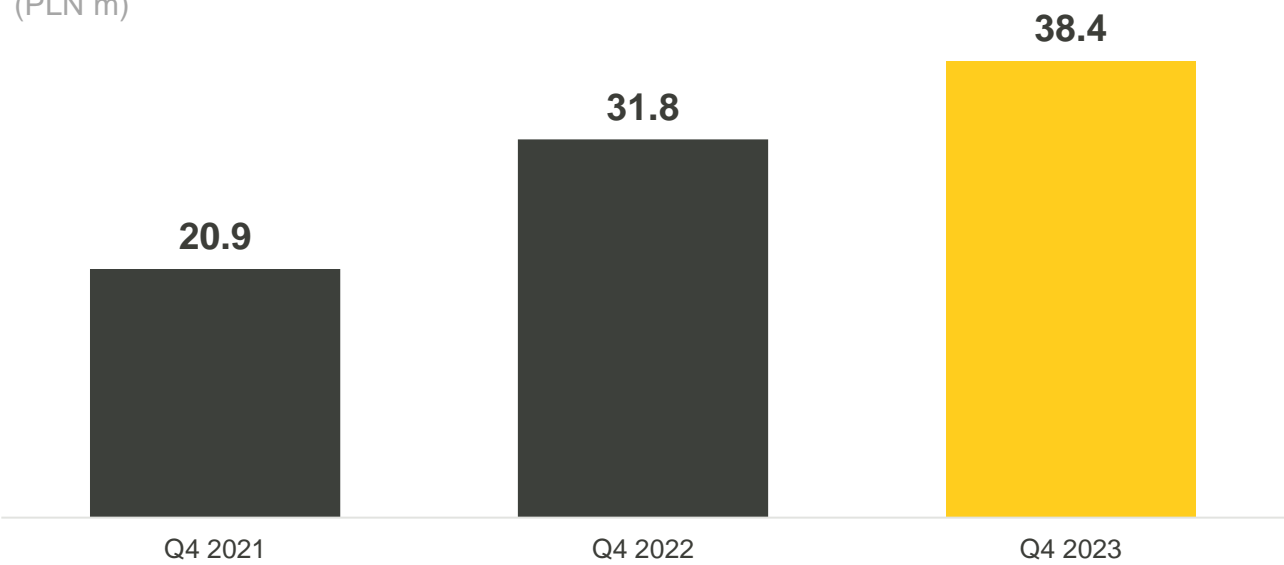
Revenues:

(PLN m)



Adjusted EBITDA:

(PLN m)



>High cash generation capacity_

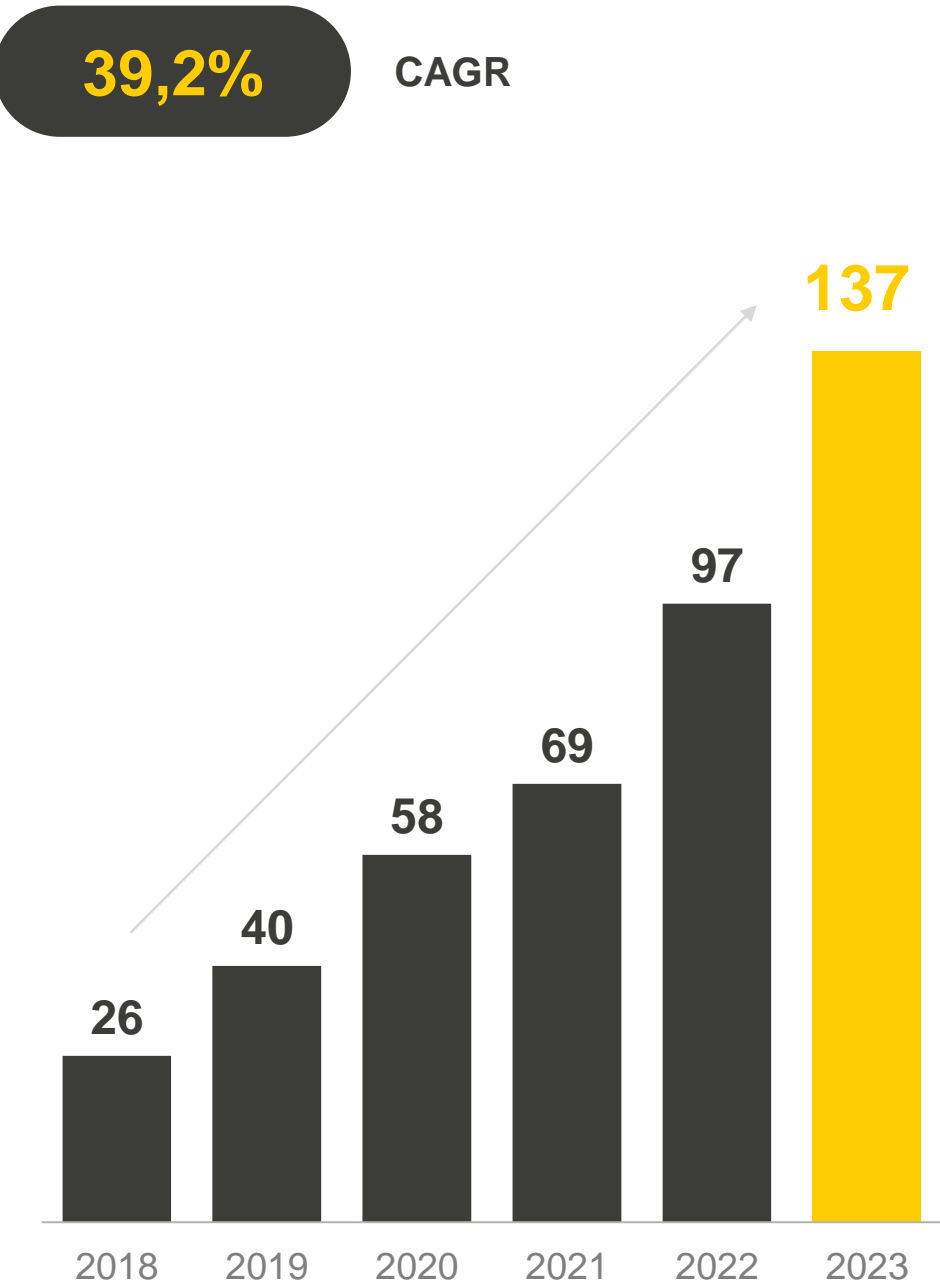
Selected consolidated financial data:

(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

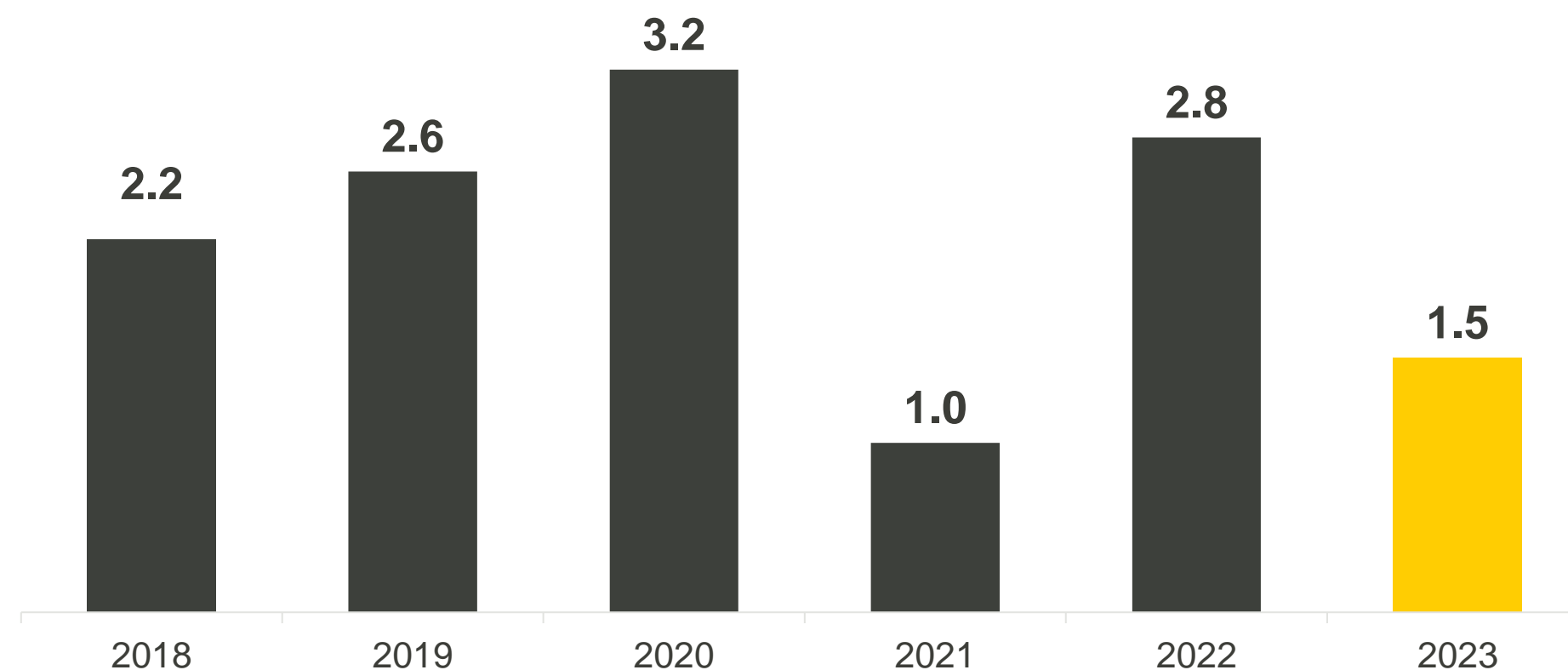
Loan repayments reduced by:
Q4 2022: Repayment of the loan to the Foreign Expansion Fund (PFR TFI) in the amount of 14.387k PLN – refinanced by a bank loan.
Q4 2023: Prepayment of the loan in the amount of 22.887k PLN – corresponding to the proceeds from the sale of shares in User.com.

Cash from operating activities (PLN m)



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

Net debt / Adjusted EBITDA



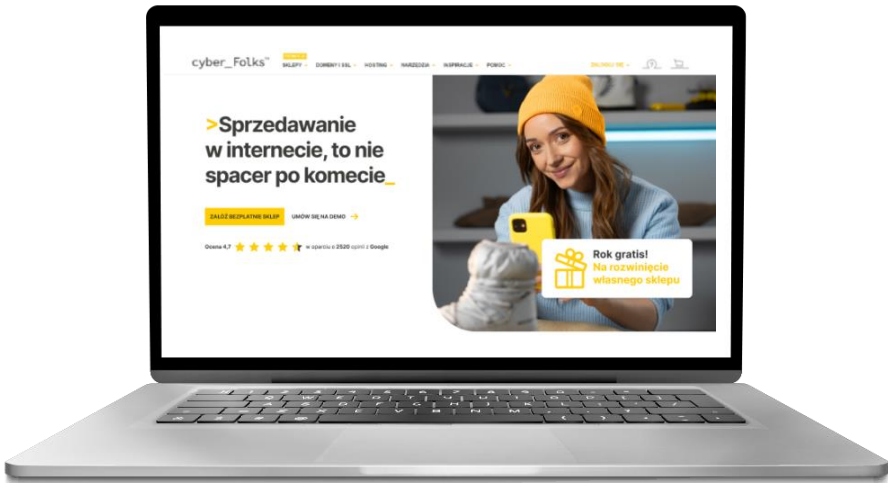
- As of December 31, 2023, the net debt to adjusted EBITDA ratio was 1.5 – a significantly better result than our target for 2023 (<2.0), and considerably lower than historical ratios.
- A lower debt level increases our investment and dividend capabilities.

cyber_Folks™

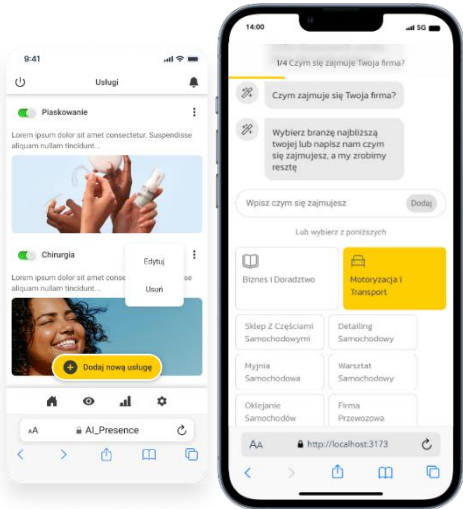
> Shaping the
future with our
own innovative
products_



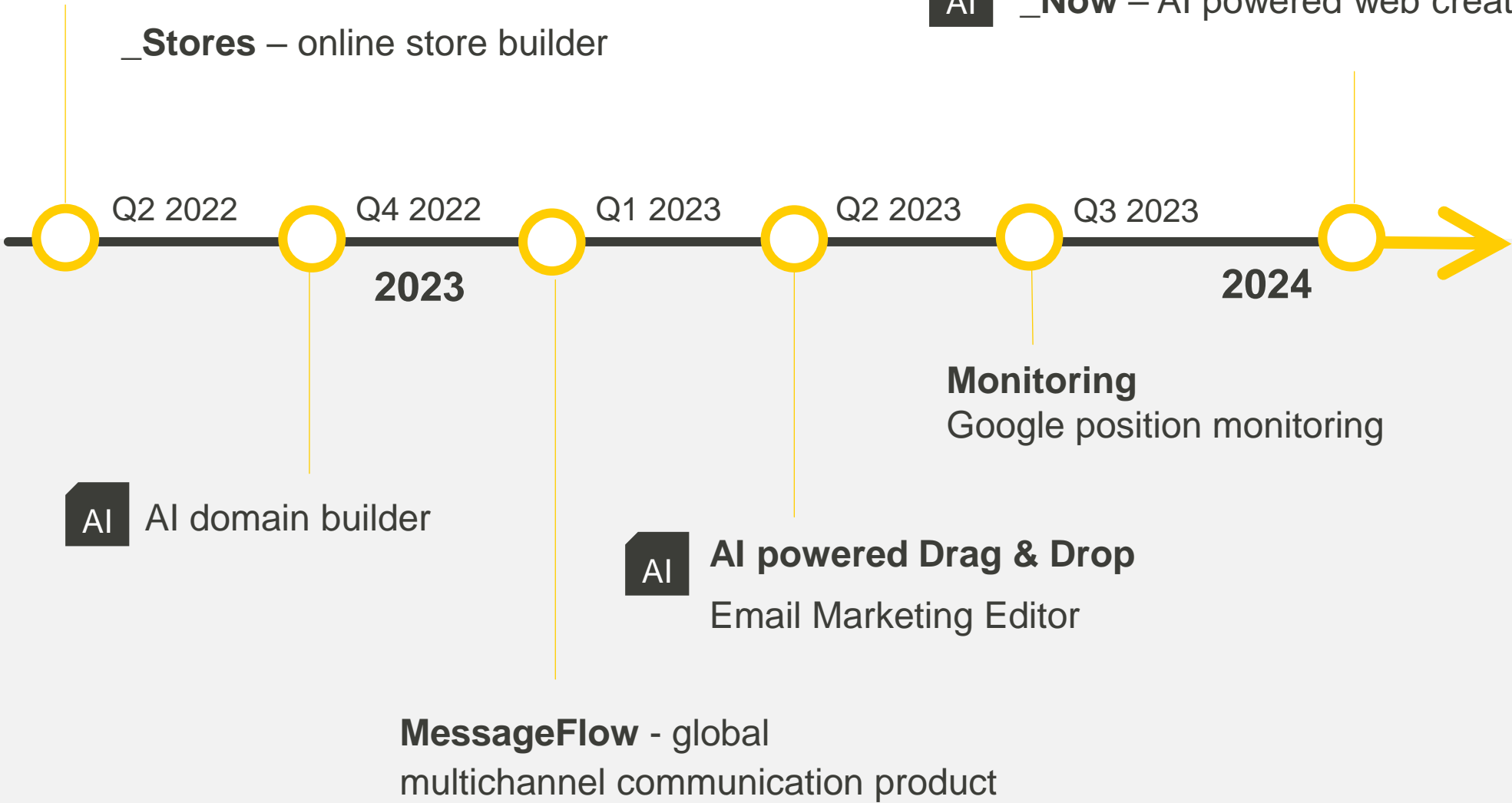
>We're building our product **portfolio** to perfectly **match the needs of our clients_**



_Stores – online store builder



_Now – AI powered web creator



— Stores

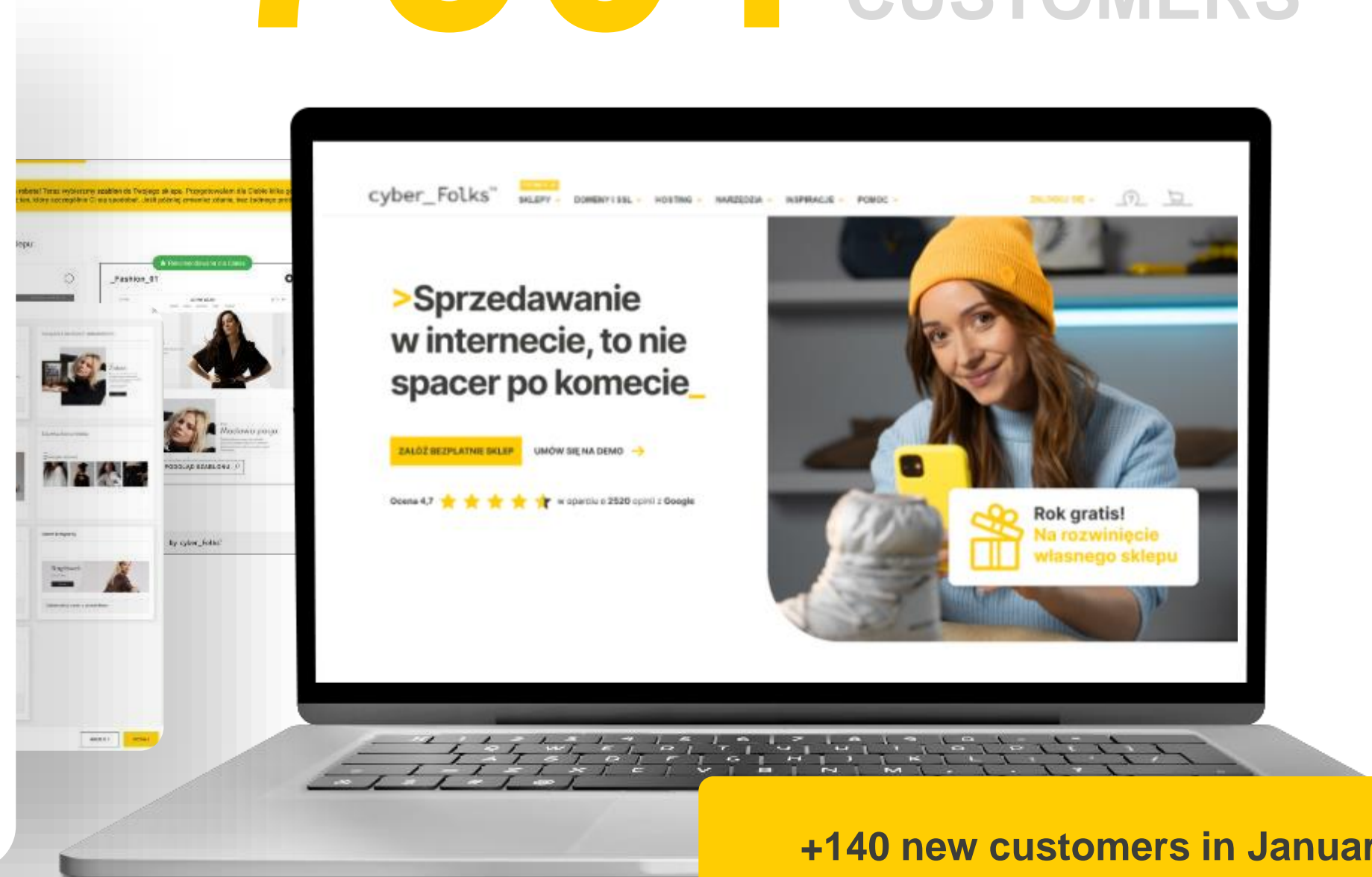
online store builder

>_Stores: We've hit the 750-customer milestone, welcoming over 100 new customers each month_

_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)

750+ CUSTOMERS



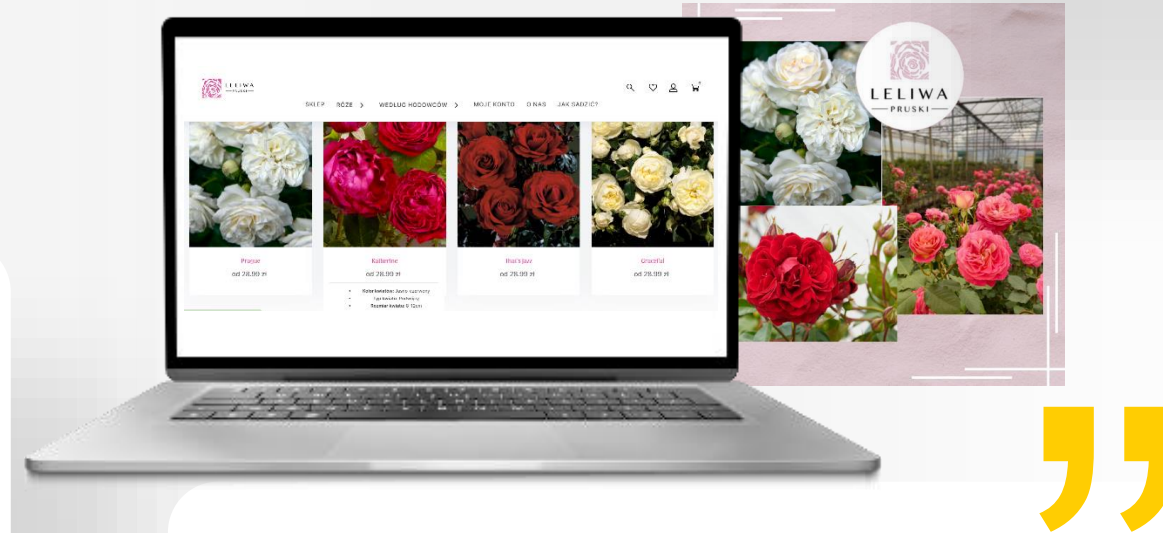
> _Stores: Customers love our product_



_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



The main reason for using _Stores was the speed of opening the store.

After experiencing challenges with a website managed through WooCommerce, which unfortunately, as non-technical individuals, we were unable to navigate, we sought a simpler solution. Our website is not just a store, but also a company's showcase, which has only been present on the Internet for about 2.5 years. Opting for _Stores was primarily driven by the quick setup, familiarity with the brand – recommended by a friend who is an IT professional, and ease of use (...).

Krzysztof, szkolka-pruski.pl

>_Stores: Customers are happy with our support_

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?**



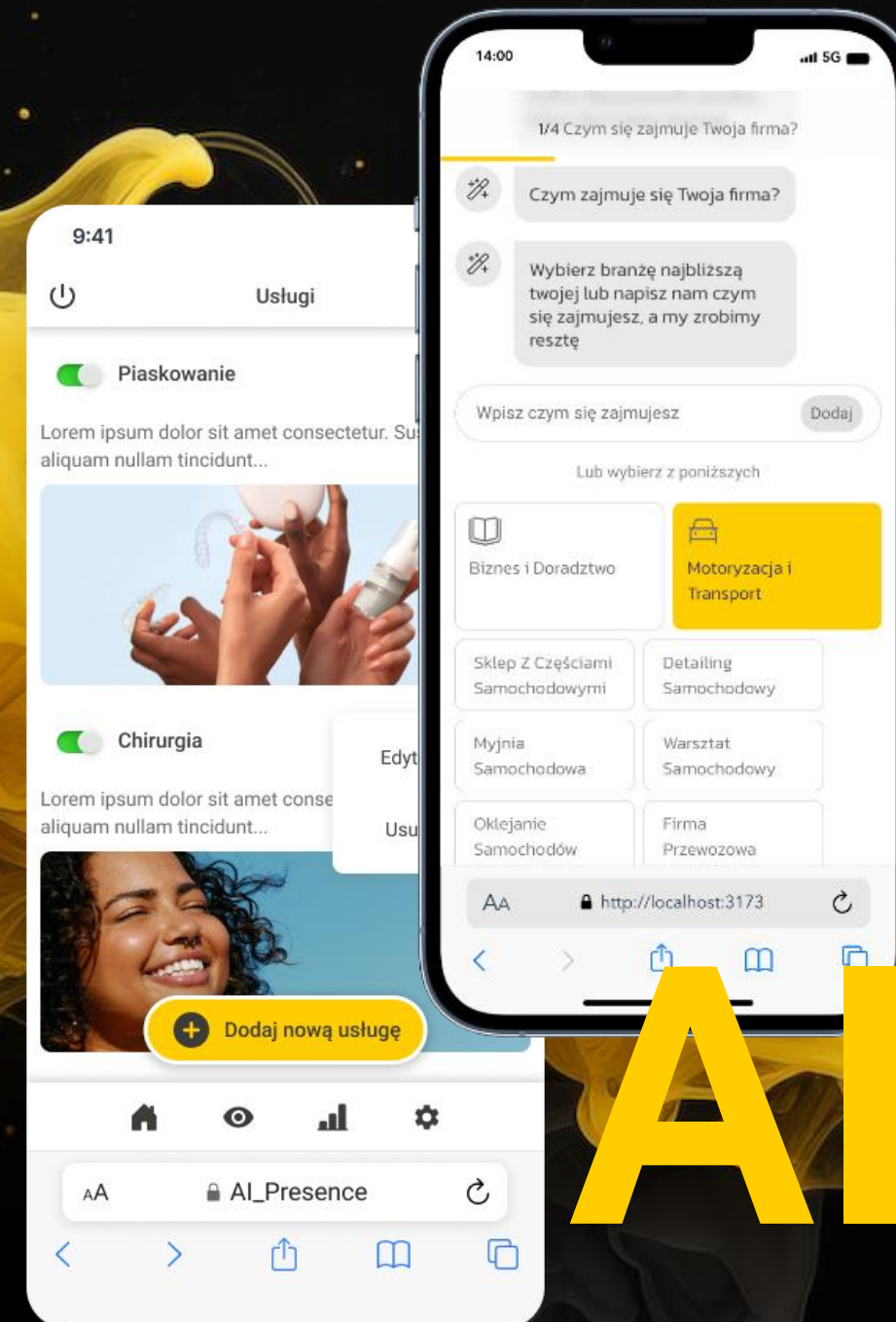
 Now

AI powered web creator

>_Now: We revolutionize the Internet with an **AI-powered 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

PREMIERE FEB 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_

Time:
██████████

Cost:
███████

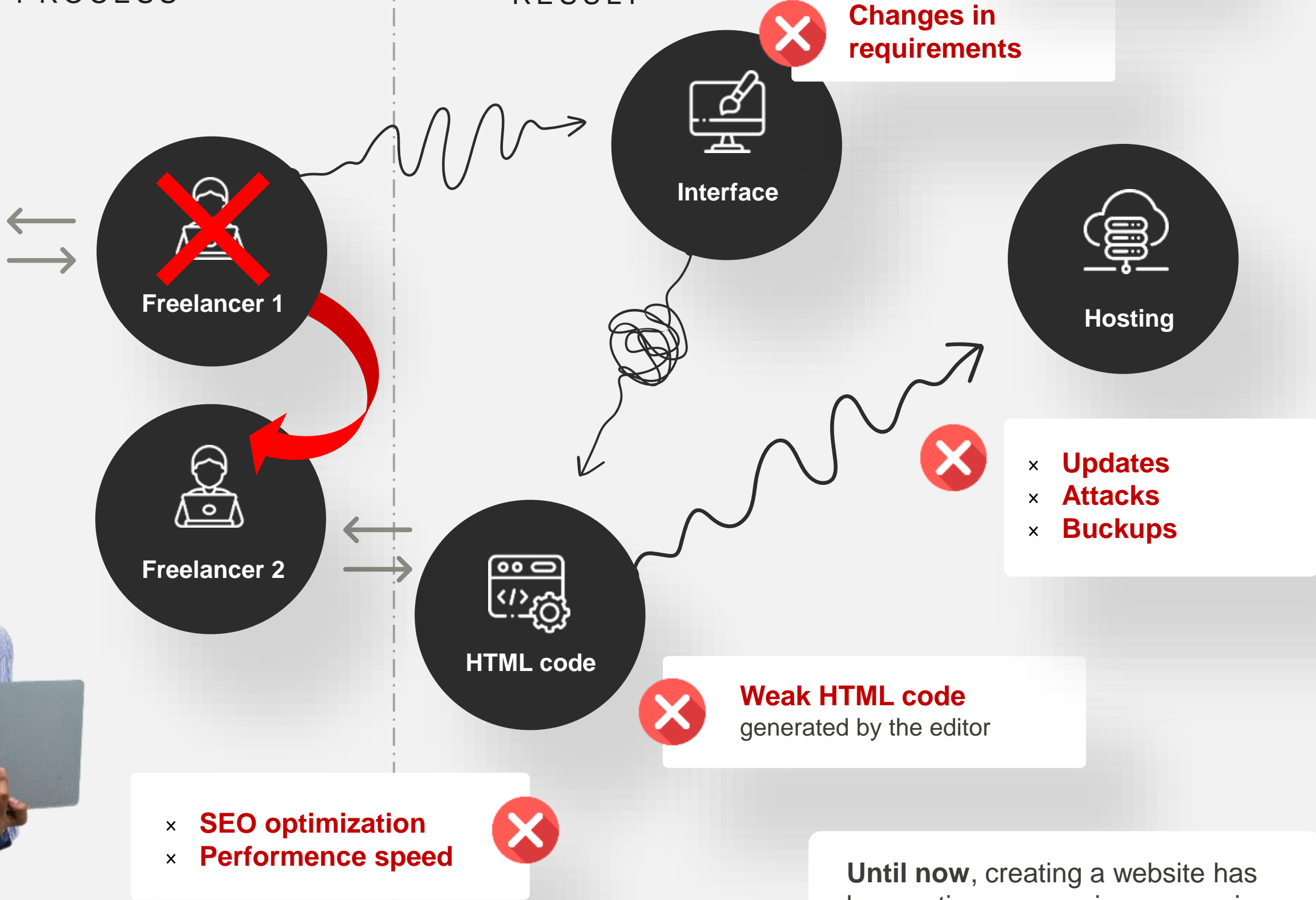
Complexity:
██████████

CUSTOMER



PROCESS

RESULT



_Now

>Today_

Time:
██████████

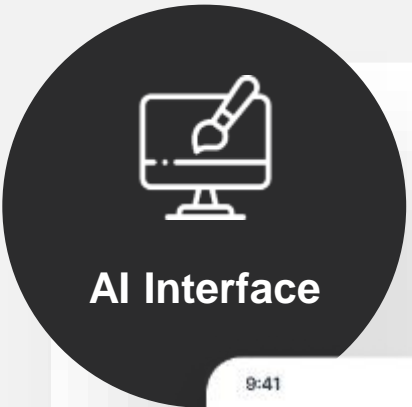
Cost:
██████████

Complexity:
██████████

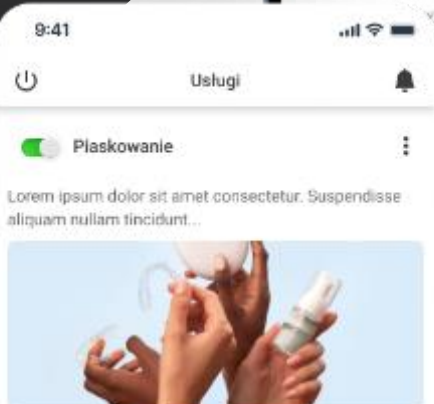
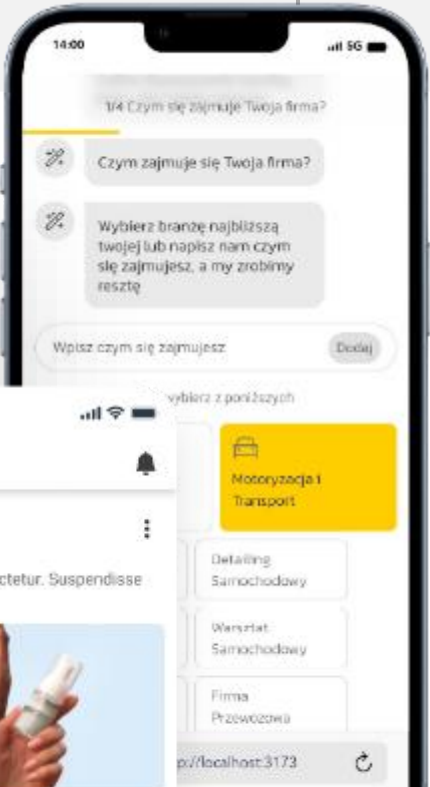
CUSTOMER



PROCESS

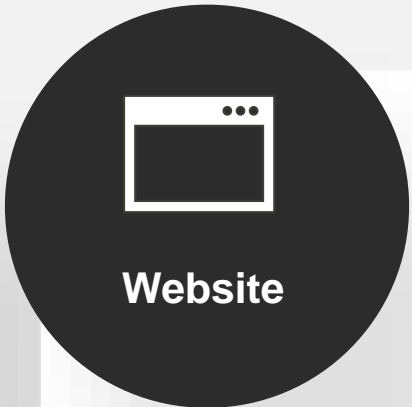


AI Interface

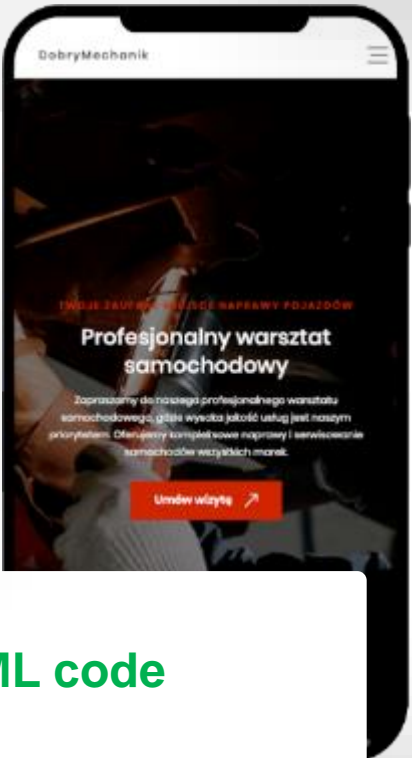


Simple Interface

RESULT



Website



Clean HTML code



Hosted as SaaS



SEO optimization

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

>Quality website_

Ready to use

Templates, texts, and images to start.

Blog

Prepared blog, facilitating the launch of content marketing.

Responsiveness

Alignment of the website for any desktop and mobile device.

Map

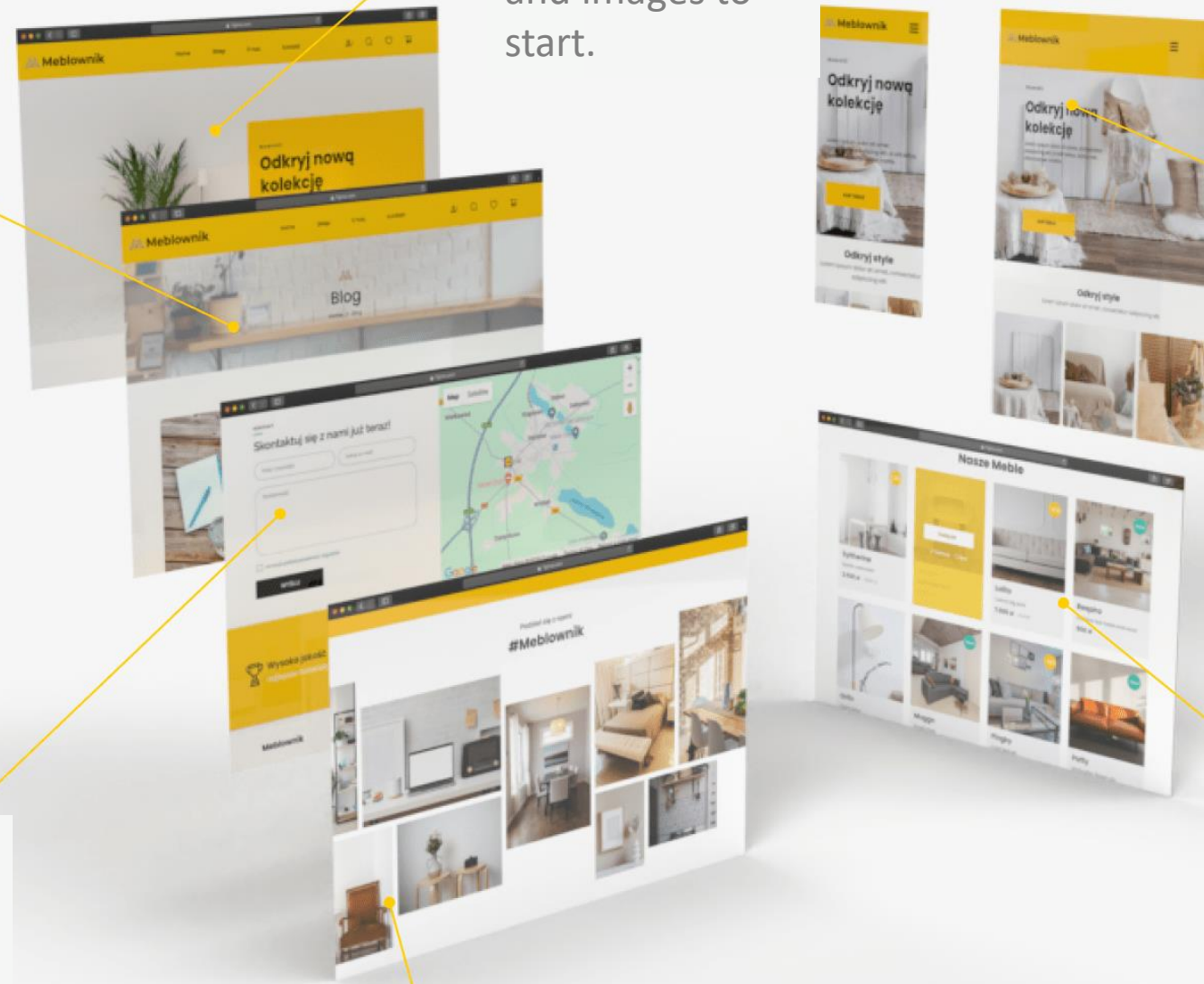
Contact information and a map to help customers reach you.

Layout

Clear, tested content layouts.

Images

A package of industry-related images.



>Personalized like a website - simple like social media_

	Website	Social media
Easy to start	-	✓
Easy to edit	-	✓
Without the risk of being blocked	✓	-
Automatically generated content	-	-
Ready-to-use images	-	-
East to find information	✓	-
Flexibility in presentation	✓	-
Easy to stand out from competition	✓	-
Visibility on Google	✓	-

Now

✓

✓

✓

✓

✓

✓

✓

✓

>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™

>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.



Organizer:

BONNIER
Business Polska



Strategic Partner:



Partners:



... 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)

>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

(PLN)

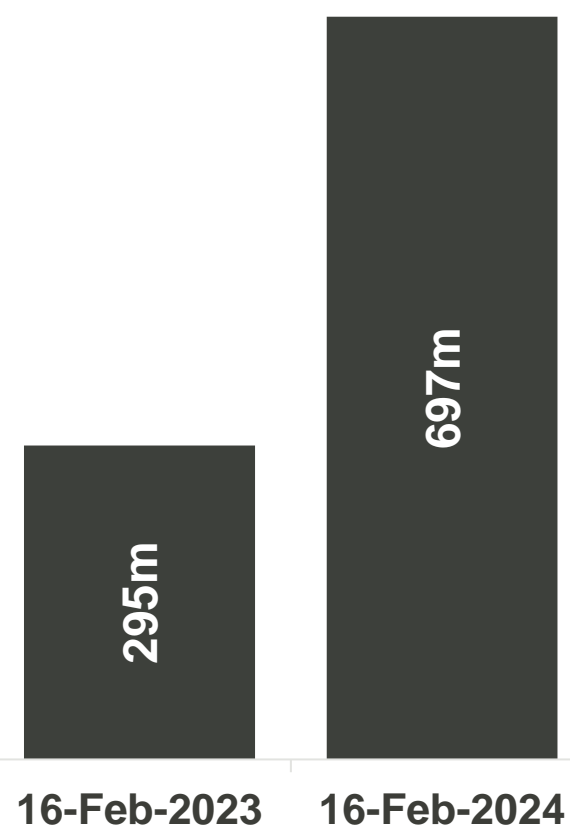
x2



Free Float Market Cap

(PLN)

x2



cyber_Folks™

>ESG Report: Driving inclusive, equitable, and impactful operations_



>Our social impact and work environment

We support **local communities**

In 2023, our employees participated in numerous initiatives supporting local communities, including Szlachetna Paczka, Poland Business Run, and assistance to animal shelters.

44%

We believe in **women in IT**

Almost **half of our full-time employees are women**, with a **12% gender gap***. Women also made up 50% of new hires in 2023. Additionally, we are Gold Partners of the Tech Leaders mentoring program, specifically supporting women in IT.

>200

 employees

We share success with **our employees**

cyber_Folks and Vercom introduced an ESOP, allowing employees to become co-owners. We highly value our team's contribution and are committed to sharing success with them.

*The calculations have excluded 5 employees with the highest and lowest salaries.



>Our impact on natural environment

24 Gj

In 2023, our energy consumption exceeded 23,657 Gj, with **80%** directly attributed to powering the operations of our **offices, servers, and data centers**.

2,386 t CO₂e

In 2023, our carbon footprint totaled 2,386t CO₂e. Utilizing green energy in our server rooms, we achieved a significant **67% reduction in carbon dioxide emissions**

2.8 Mg

In 2023, we produced 2.8 Mg of electronic waste, 100% of which was transferred to a specialized waste management company for proper disposal.

>Our cybersecurity initiatives_

+300%

We use advanced anti-spam protection, including open-source tools and proprietary solutions based on behavior analysis and email characteristics. In 2023, we enhanced our anti-spam protection with additional layers and mechanisms, **boosting system effectiveness by over 300%.**

ANTI-SPAM PROTECTION

+250

We **constantly monitor network traffic** to quickly spot any unusual activity that might signal a DDoS* attack. These attacks flood a target server or network with traffic, making it inaccessible to legitimate users. **In 2023, we stopped 251 DDoS attacks**, each with a harmfulness index over 1000.

DDoS ATTACKS

We utilize advanced mechanisms **to protect our clients from phishing emails** impersonating the cyber_Folks brand. Additionally, all transactional and service-related messages are signed with a trusted certificate to ensure the credibility and authenticity of communication.

We conduct **educational and informational campaigns** aimed at our clients to increase awareness of online threats.

ANTI-PHISHING PROTECTION

*Distributed Denial of Service attack

cyber_Folks™



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