

VERCOM

| Investor
presentation
FY 2021

March 25, 2022



: Today's presenters



Krzysztof Szyszka

CEO, Founder

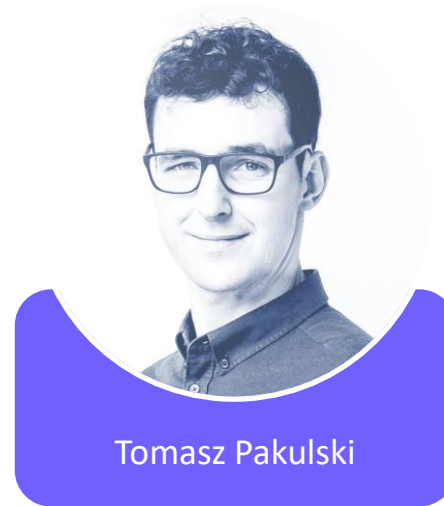


Years in the industry

>21

Years with Vercom

>16



Tomasz Pakulski

COO



>13

>13



Robert Stasik

CFO



>11

>9

: Operational Summary



: Financial Results

Revenues

PLN 179 m

Dynamics y/y

+53%

Gross margin

PLN 54 m

+52%

EBITDA*

PLN 37 m

+42%

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

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: Scale beyond



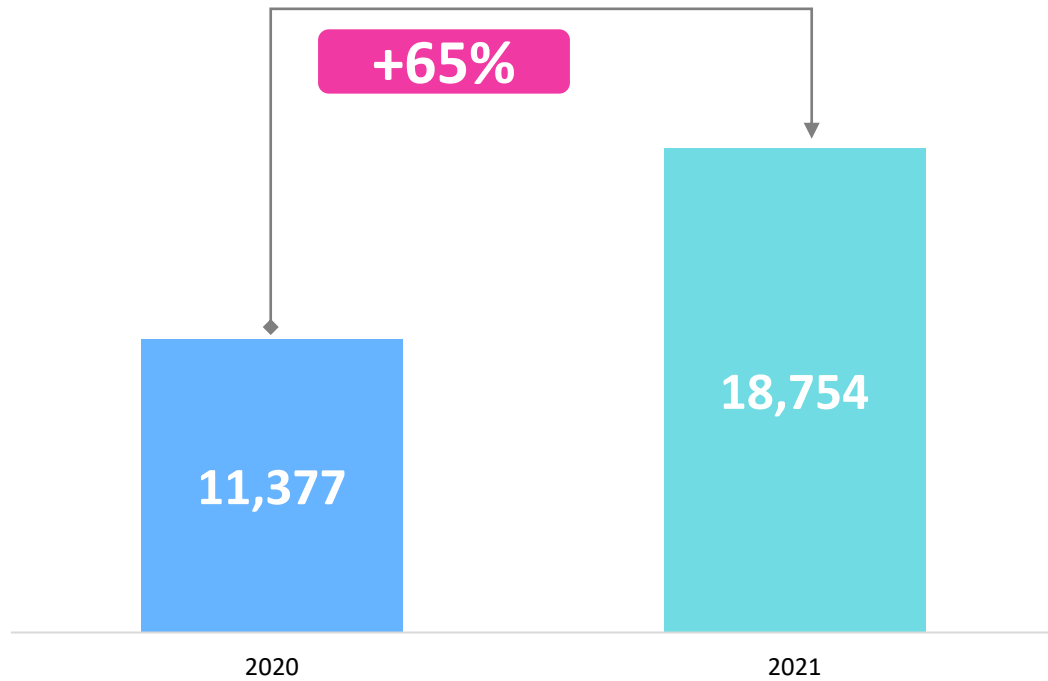
: Number of customers

Number of Customers

18 754

Increase y/y

+7 377



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: Scale beyond

: Highlights of 2021

Successful IPO and debut on the Warsaw Stock Exchange

- PLN 180mn of IPO proceeds to be spent on acquisitions
- Strong interest in the offering - reduction in the retail tranche amounted to over 92%,
- First day closing price c. 16% above the IPO price

Acquisition of FreshMail - the leader of e-mail marketing in Poland

- Strengthening know-how in the area of e-mail marketing
- 65% increase in the number of customers combined with significant cross-sell potential (SMS, push, OTT)
- A large number of top IT specialists joined the Vercom team

Investment in PushPushGo - the leading in web push provider in CEE

- A new communication channel added to the Vercom product offering
- Significant potential to extract synergies in the area of sales

Implementation of RCS communication channel

- Signing an agreement with Play and Orange telecom for test use of RCS system to deliver messages to network subscribers

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: Scale beyond

: Highlights of 2021

Distinction in the Digital Champions CEE ranking

- Honoring Vercom as one of the digital leaders who are building the CEE economy

Strengthening of the Supervisory Board

- Kinga Stanisławska and Aleksander Duch joined the Supervisory Board
- Contributing unique know-how and over 20 years of business experience in developing companies operating in global markets

Vercom shares joining the sWIG80 index

- Joining an index of 80 companies from the Warsaw Stock Exchange¹⁾ with the highest ranking based on turnover and capitalization

¹⁾ excluding WIG20 and mWIG40 companies

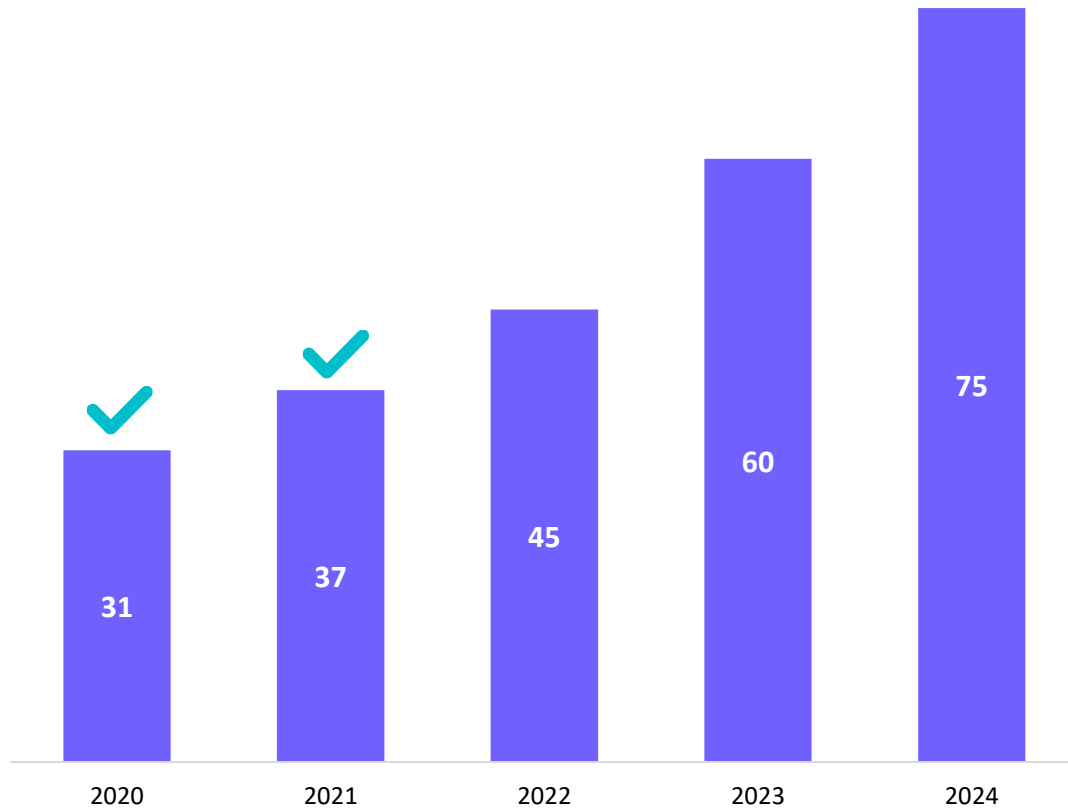


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: Scale beyond

: Highlights of 2021

Achievement of ESOP targets - normalized EBITDA (PLN, million)



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: Scale beyond

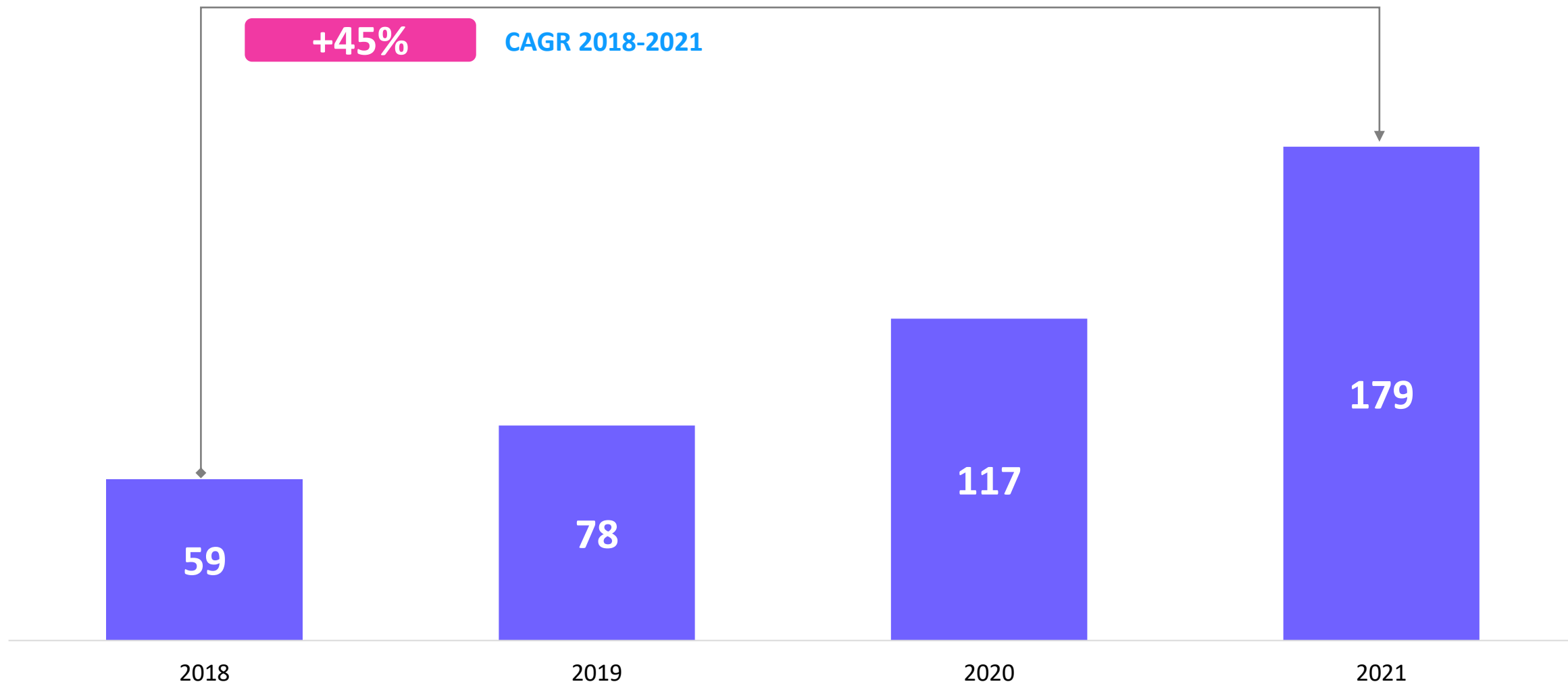
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: Dynamic growth of
business scale



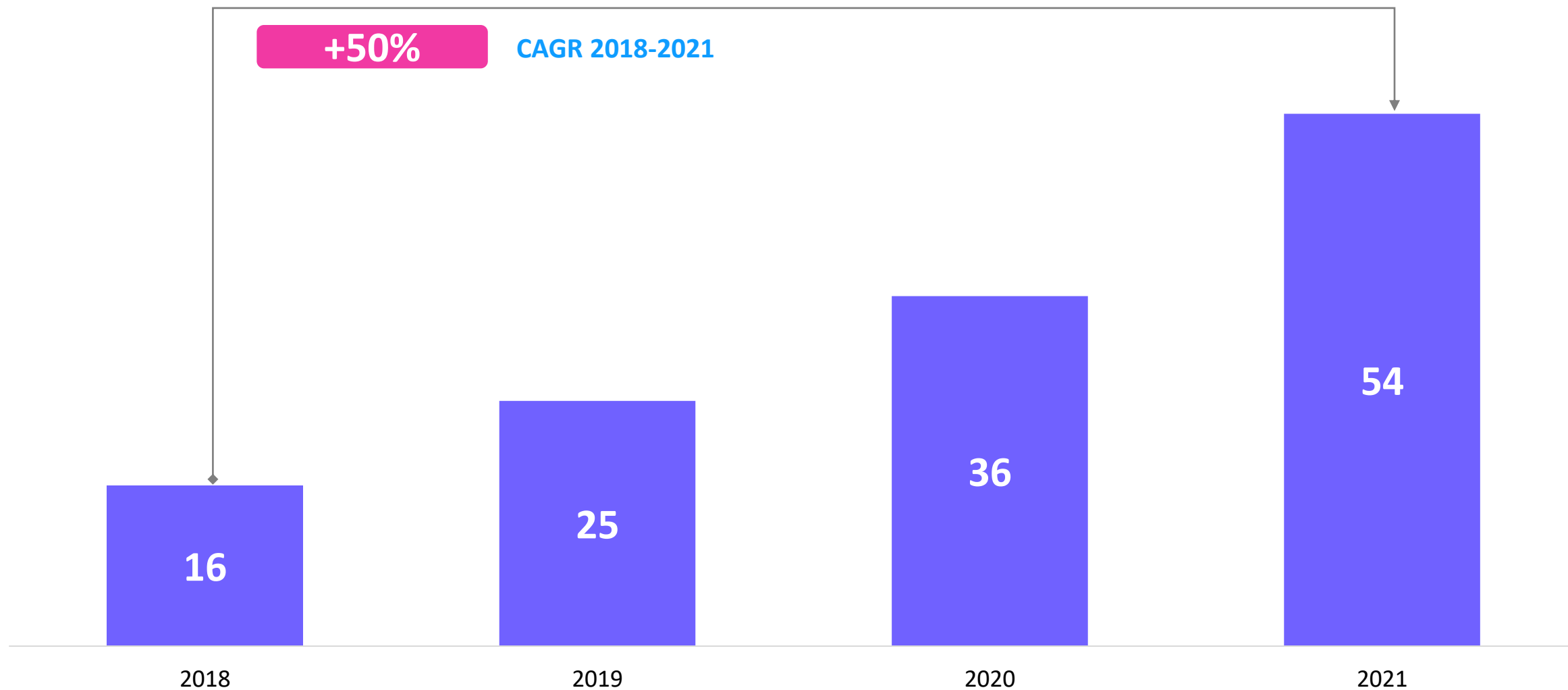
: Continuation of dynamic growth of business scale – revenues

Revenues (PLN million)



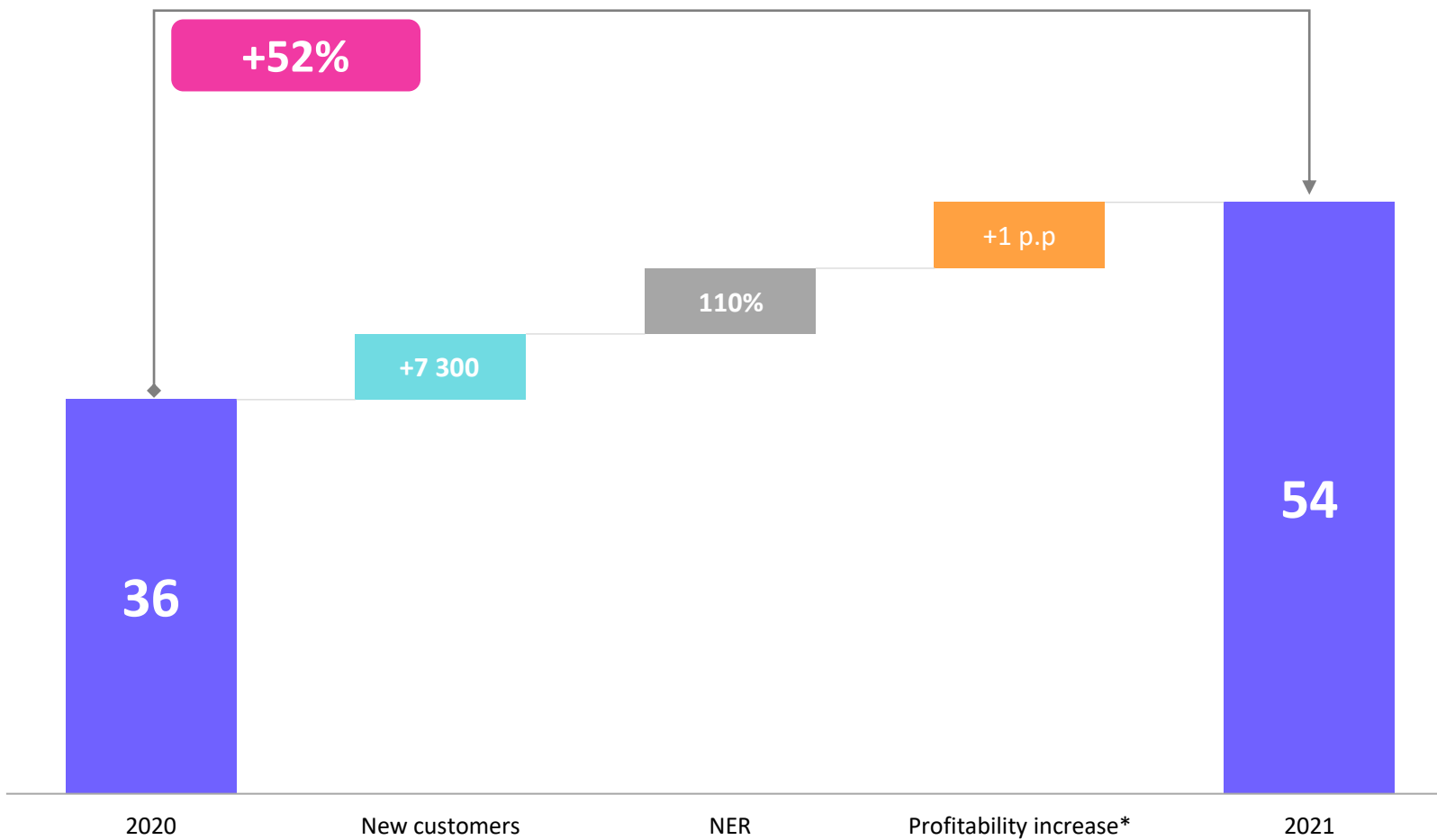
: Continuation of dynamic growth of business scale – gross margin

Gross margin (PLN million)



: Increase in gross margin due to growing sales to existing and new customers

Gross margin (PLN million)



Comment



Significant improvement in gross margin of 52% year-on-year



The high growth rate is a result of:

- (i) acquisition of new customers
- (ii) increase in turnover with existing customers

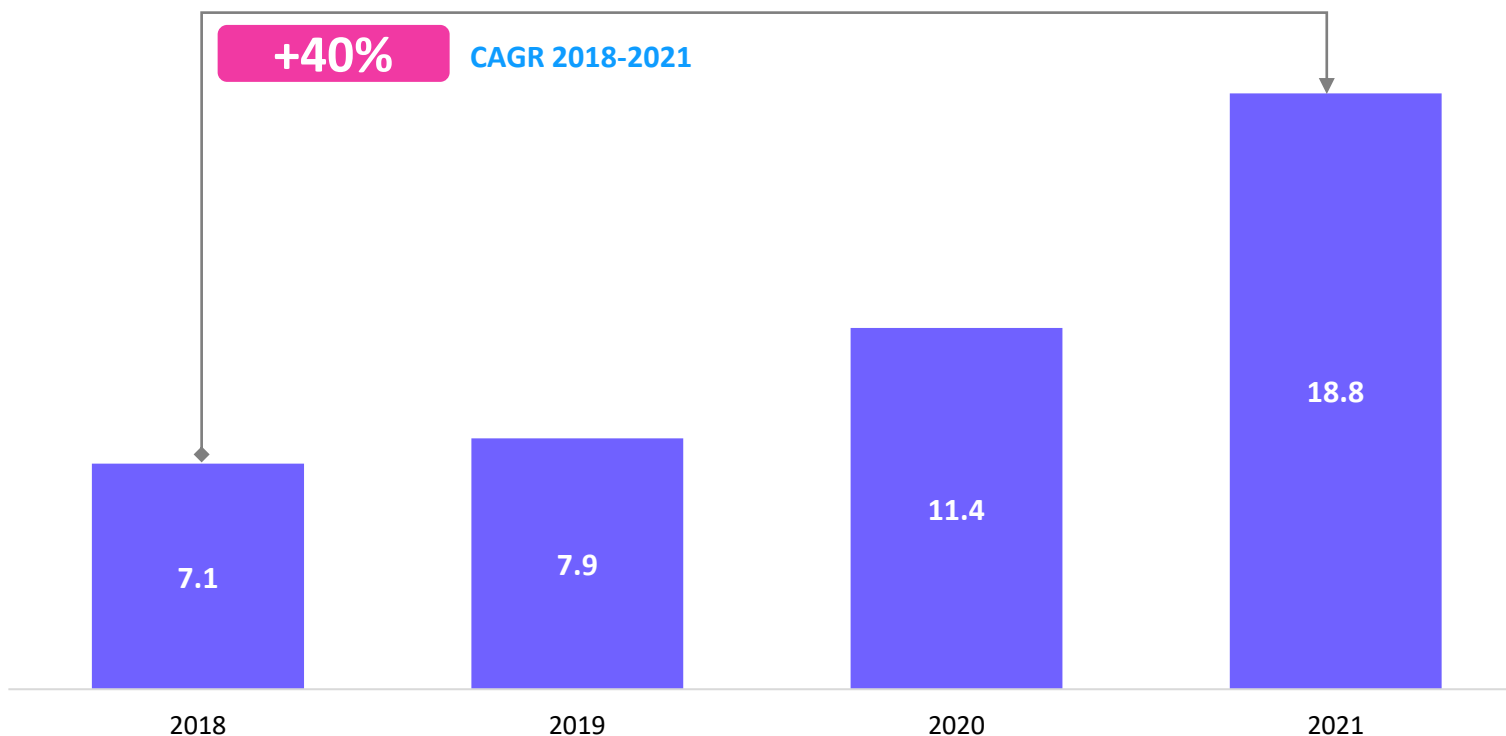


Increased profitability is the result of improved product mix due to growing interest in omnichannel services

* According to proforma data

: Increase in the number of customers

Number of customers (thousands)



Komentarz

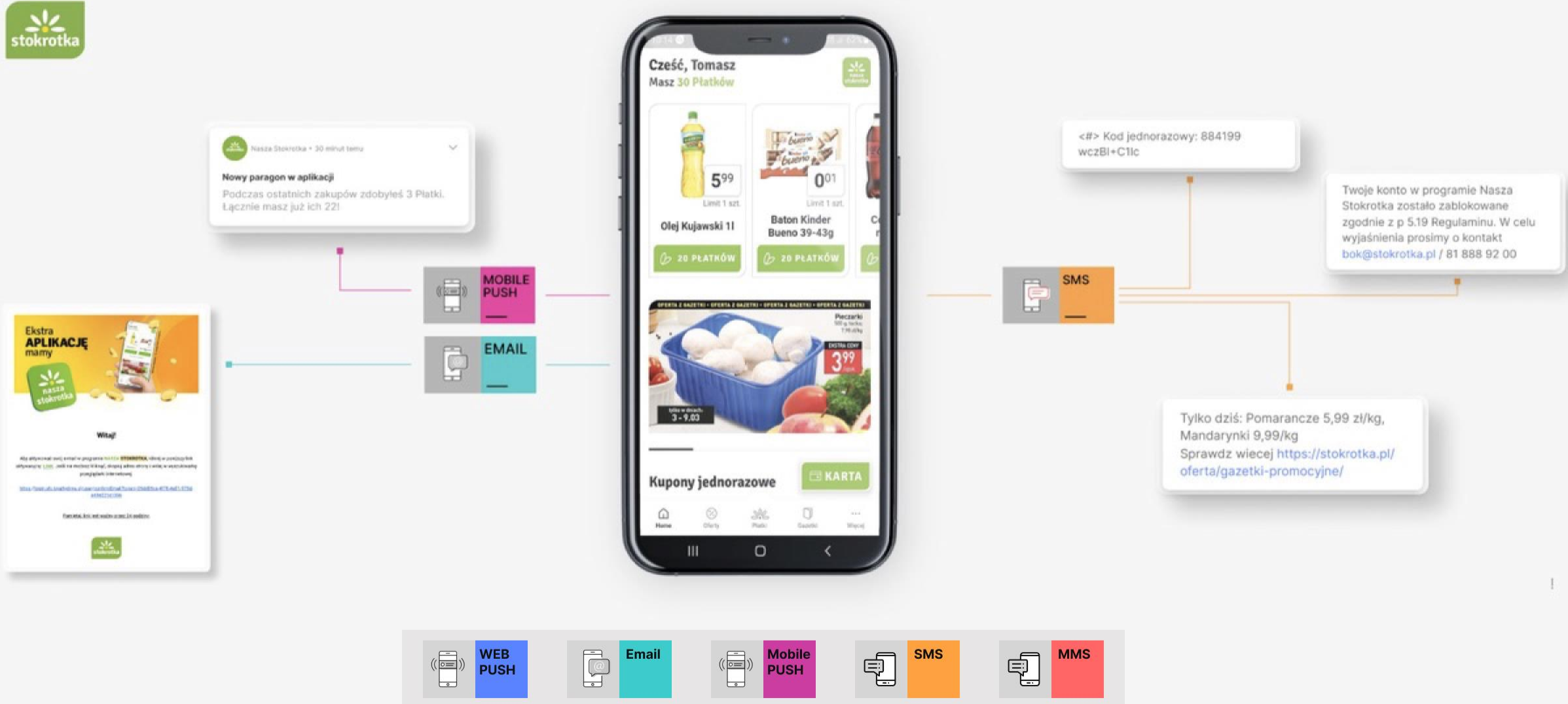
- ✓ Dynamic growth in the number of customers, by 65% compared to 2020
- ✓ Growing interest from new industries, e.g. publishing, FMCG
- ✓ Starting cooperation with another group of local champions such as, among others, Orlen, OLX or Ringier Axel Springer
- ✓ Reaching a wide range of SMB
- ✓ Significant potential to develop new relationships in the coming years

Selected new customers:



: Wide use of omnichannel communication

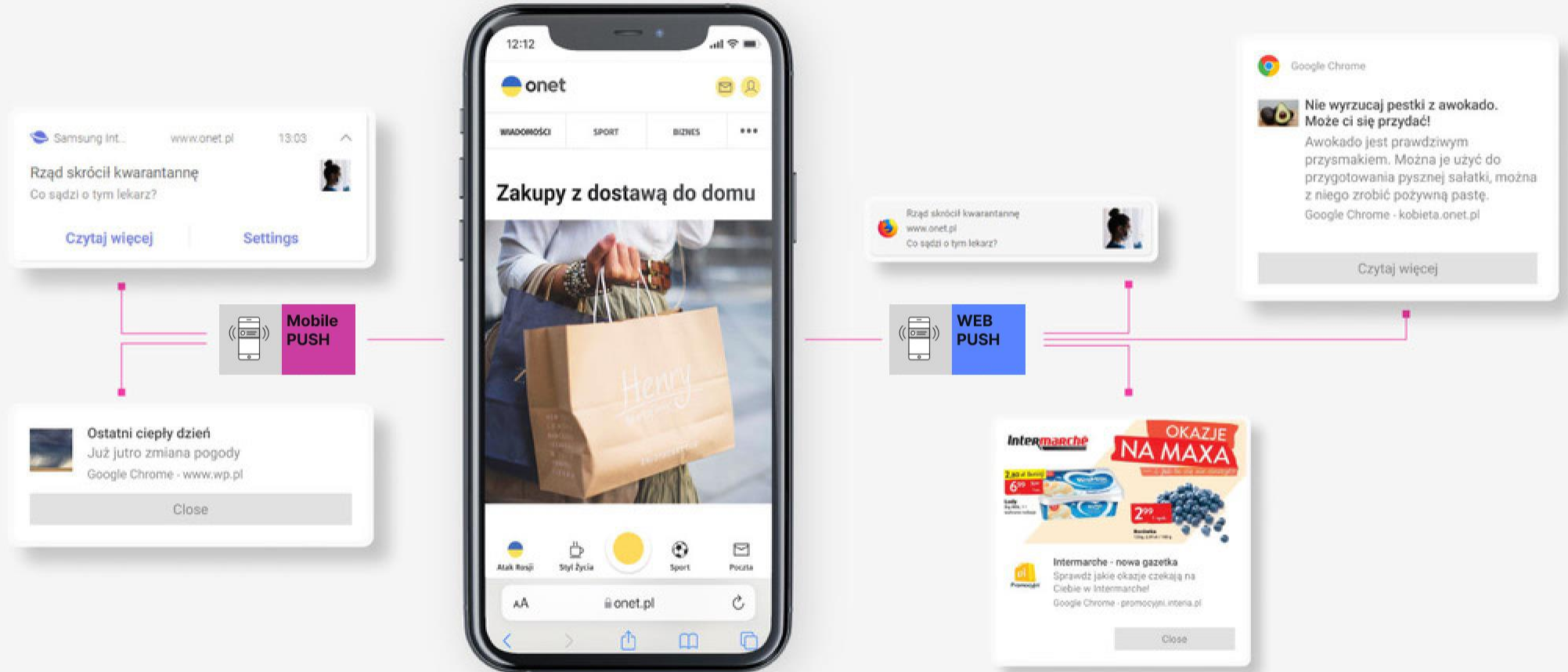
Case study: Stokrotka



: Reaching out to more customer groups

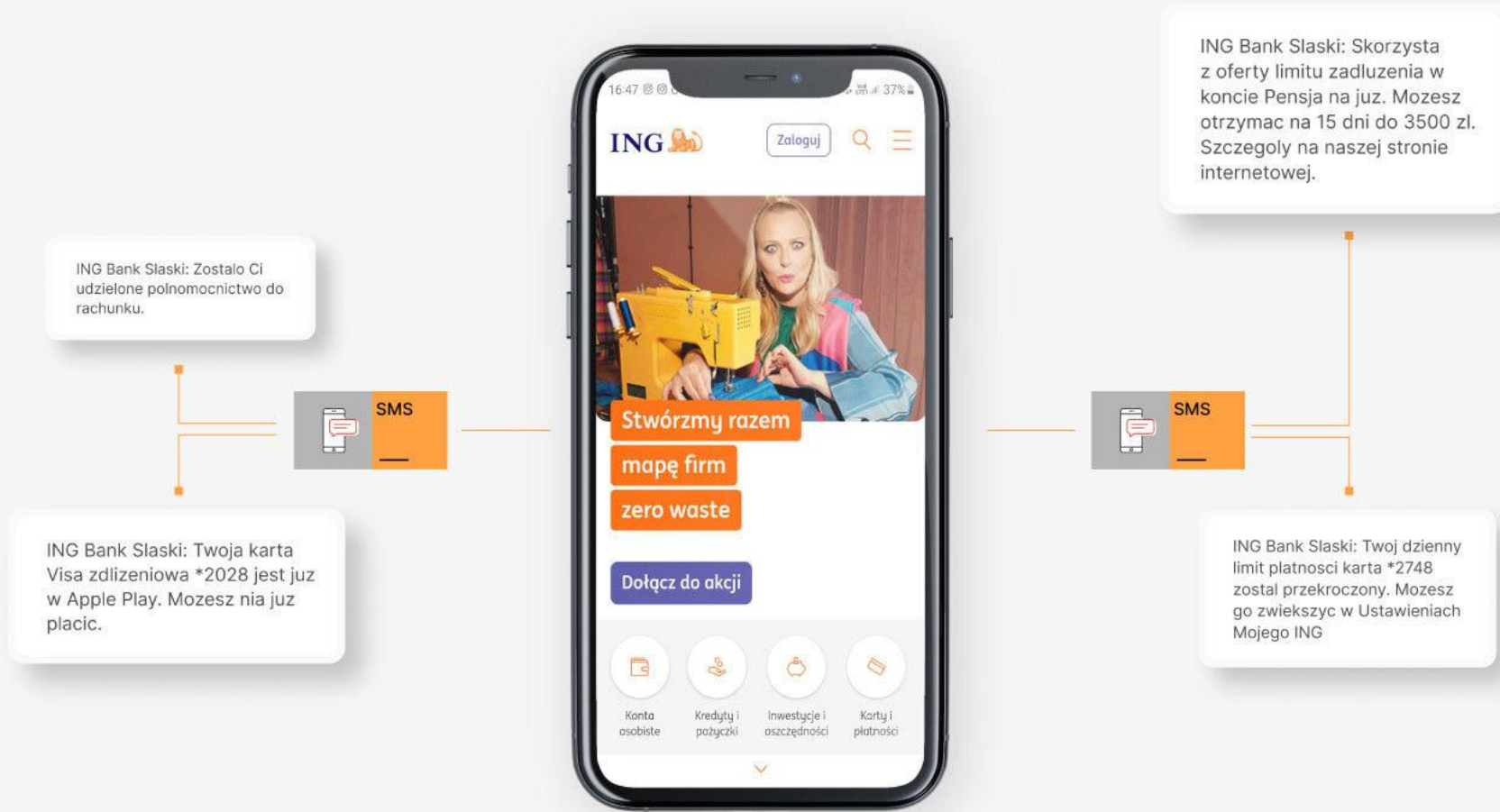
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Case study: Onet



: Growing customer confidence

Case study: ING Bank



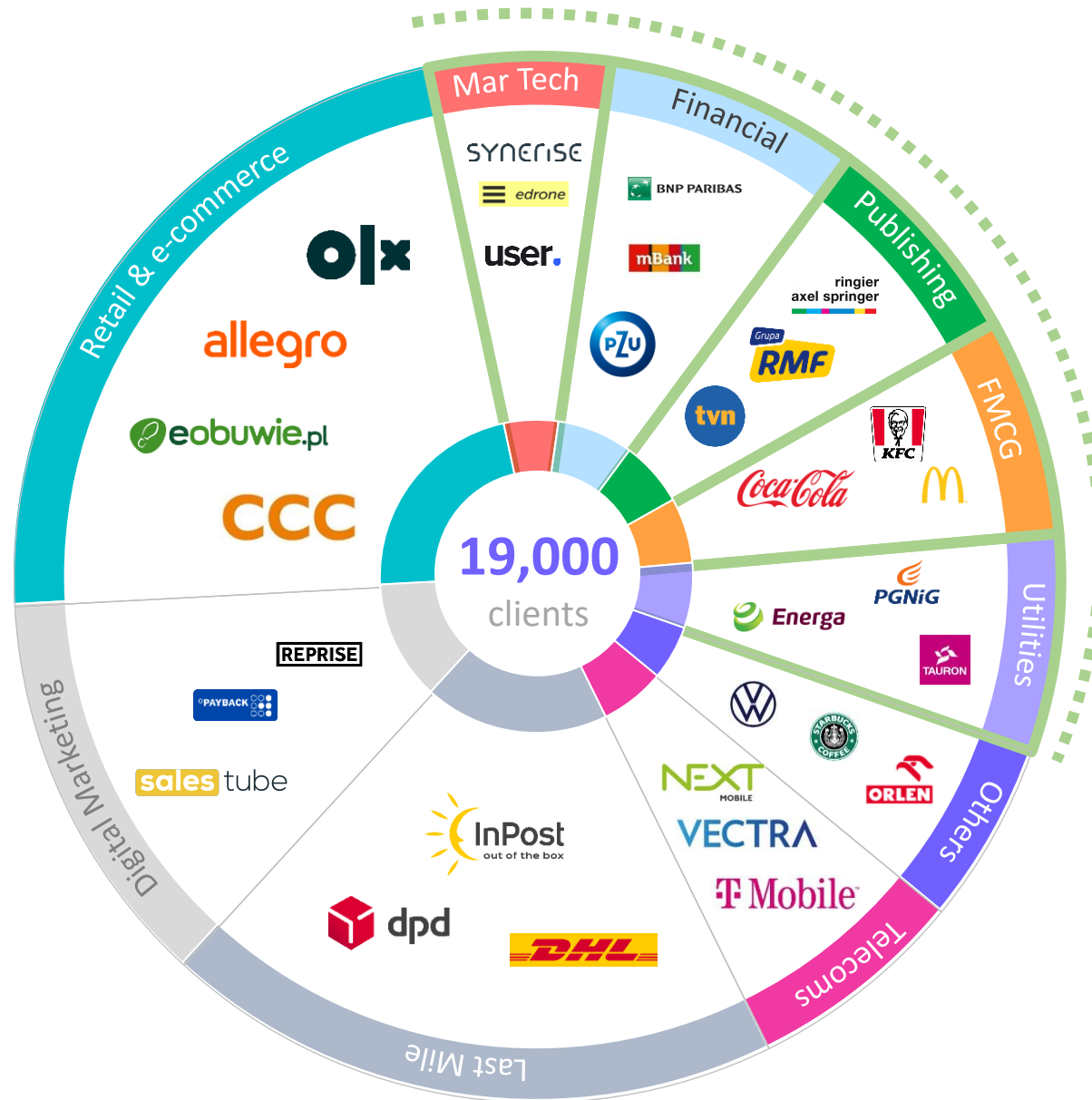
WEB PUSH Email Mobile PUSH SMS MMS

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: Multi-level
diversification



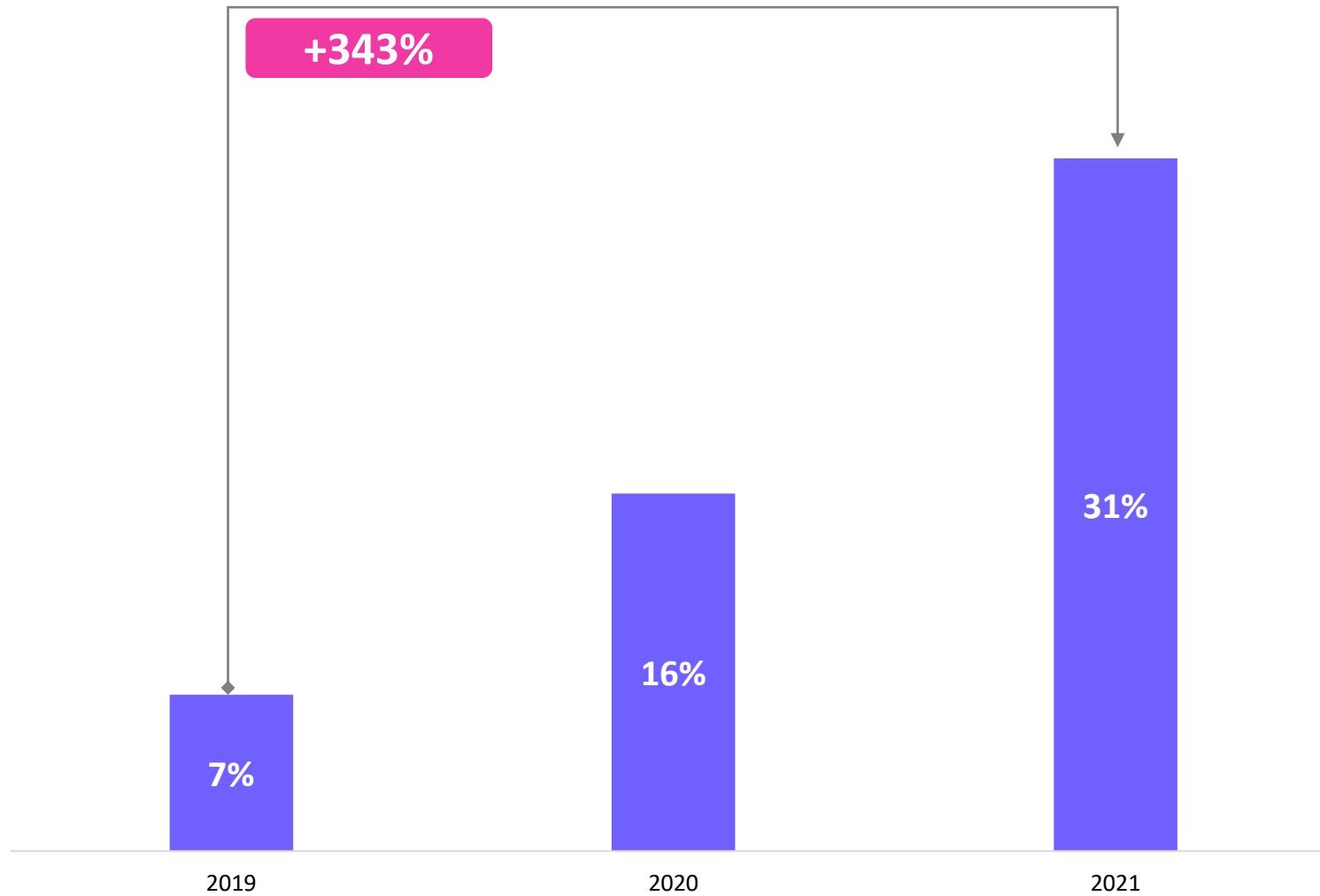
: Growing use of Vercom services in more sectors



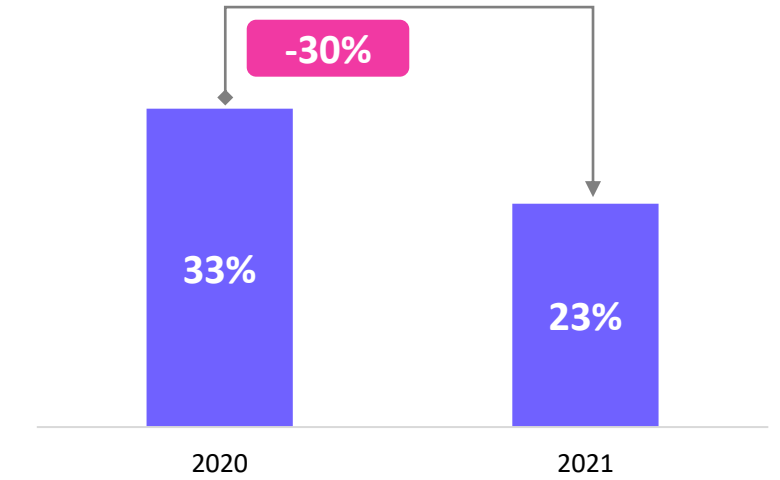
- ✓ Increased diversification of the customer portfolio structure
- ✓ A wide range of customers for all types of B2C activities
- ✓ Growing share of new segments: Publishing, FMCG and Utilities
- ✓ Working with a wide range of customers increases stability
- ✓ Ability to further scale using current trends

: Growing business diversification

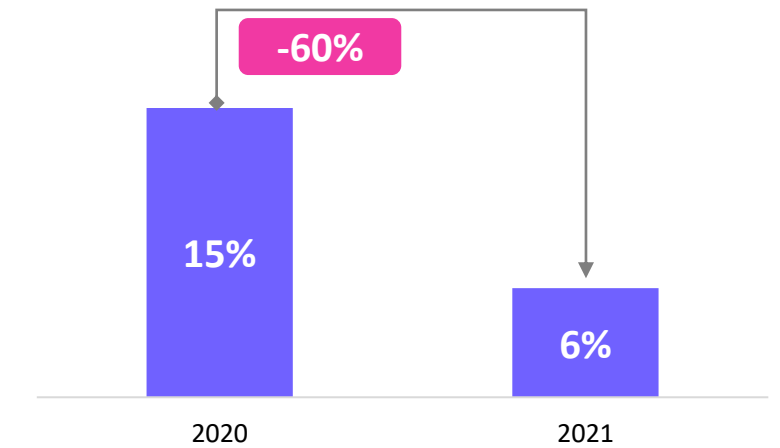
Share of international sales



Concentration of revenue among top10 clients



Concentration of gross margin among top10 clients



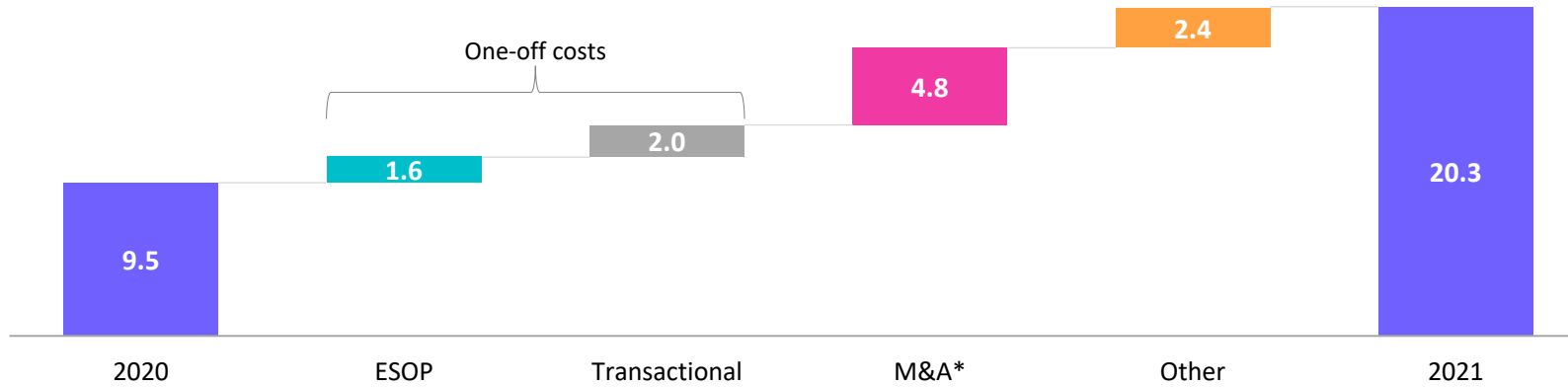
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: High business
profitability



: Room for further cost optimization

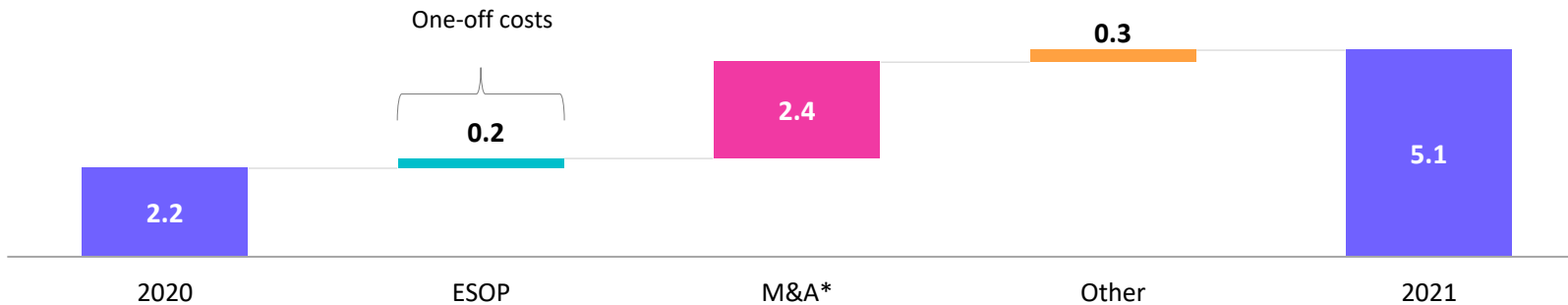
General administrative expenses (million PLN)



Comment

- ✓ Significant share of non-recurring costs, including PLN 2.1 million of non-cash expenses (ESOP and amortization of intangible assets in M&A)
- ✓ The increase in general and administrative expenses is primarily due to general and administrative expenses of acquired businesses

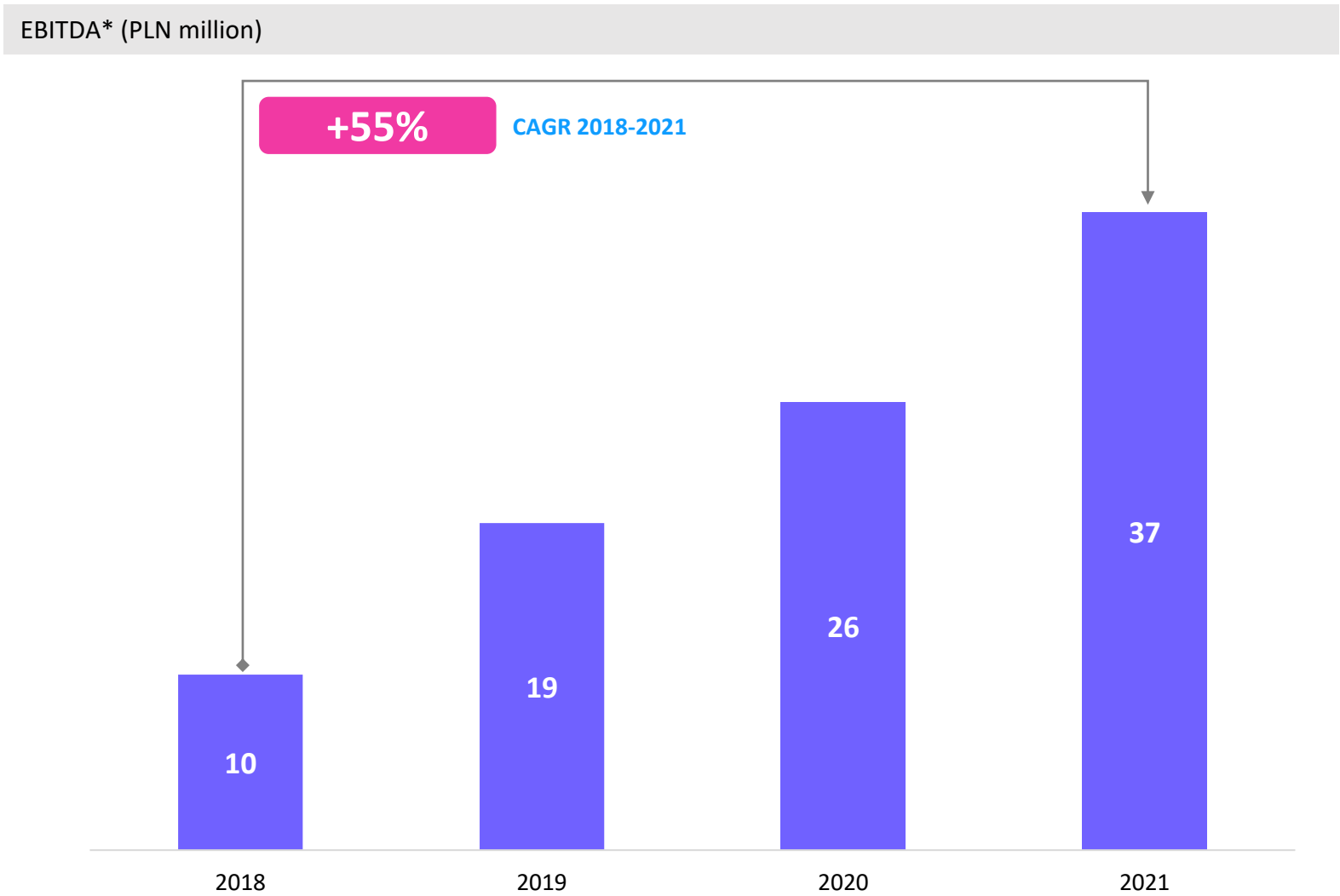
Sales and marketing expenses (million PLN)



- ✓ Nearly 2x IT talent growth in 1 year
- ✓ Stable relation of sales and marketing costs to revenues

* M&A is the cost of sales and management of acquired companies

: Steadily growing EBITDA



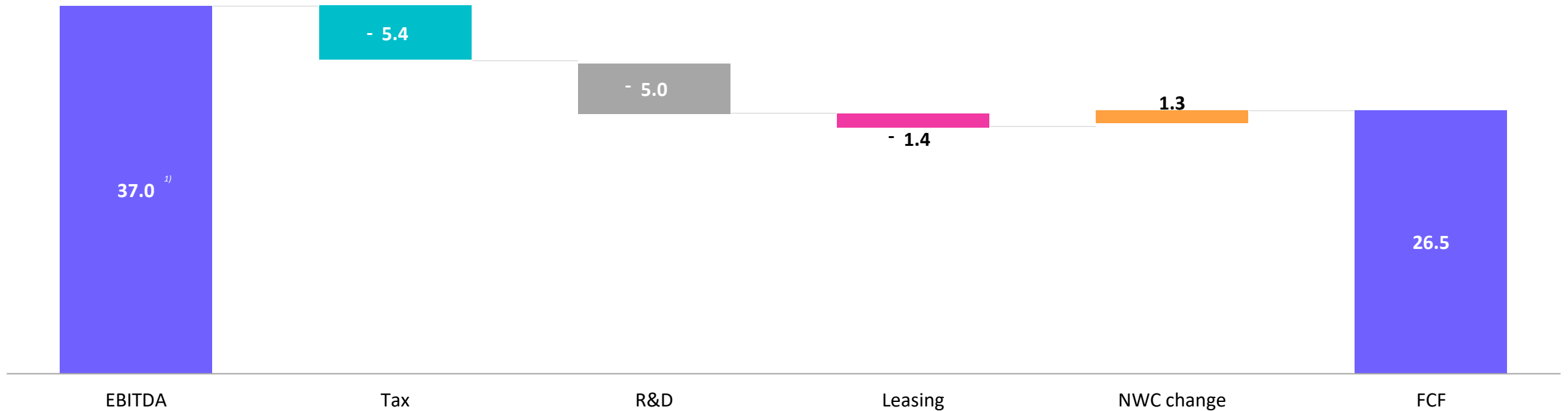
Comment

- ✓ Dynamically growing EBITDA of 42% year-on-year
- ✓ Achievement of ESOP targets for EBITDA value
- ✓ Ability to generate significant cash flow despite the group's dynamic growth strategy

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

: High cash generation capacity

Conversion of EBITDA to cash flow (PLN million)



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

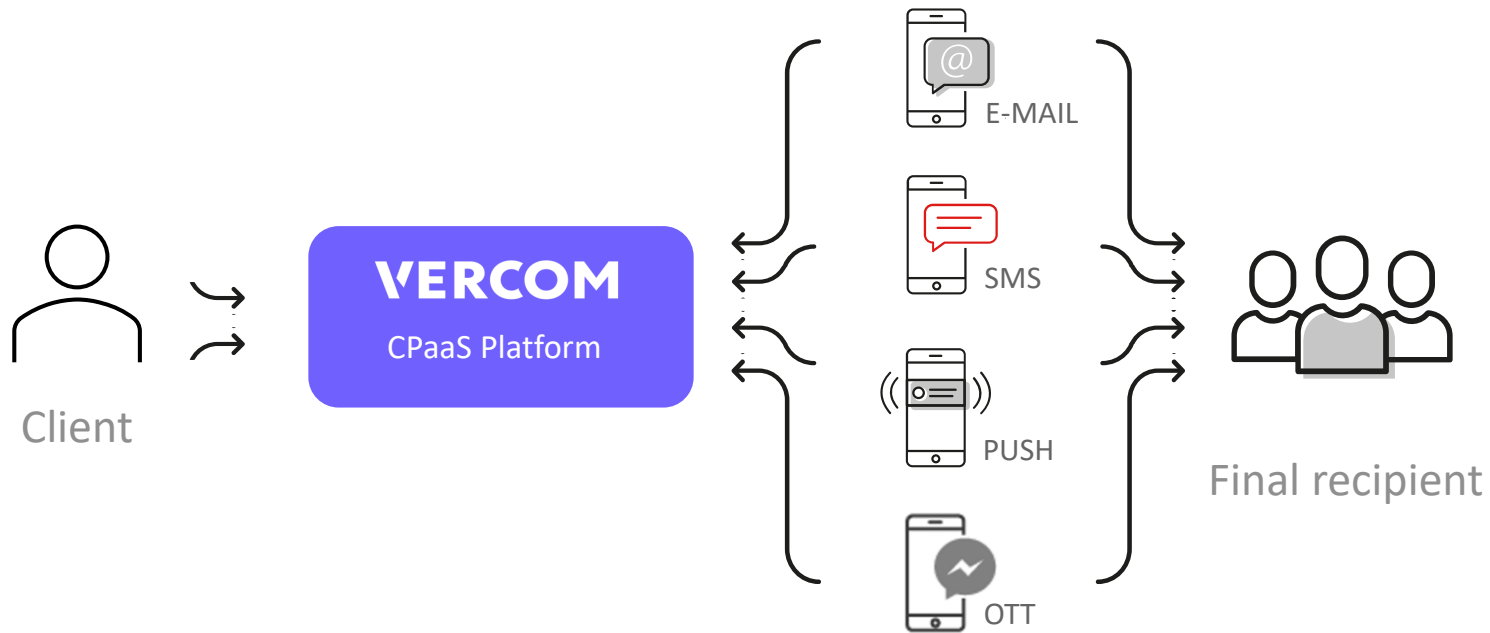
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: Unique
business model



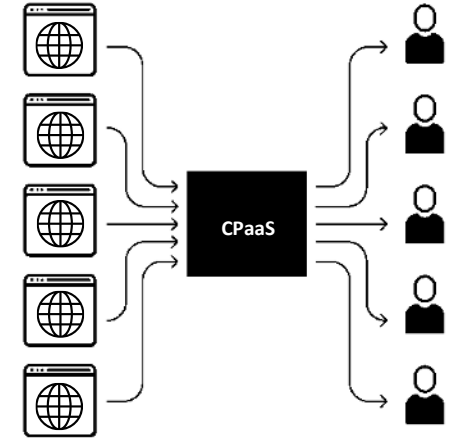
: CPaaS Platform

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

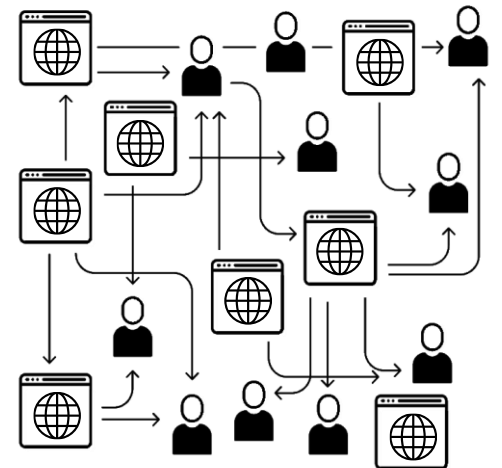


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✓
With CPaaS

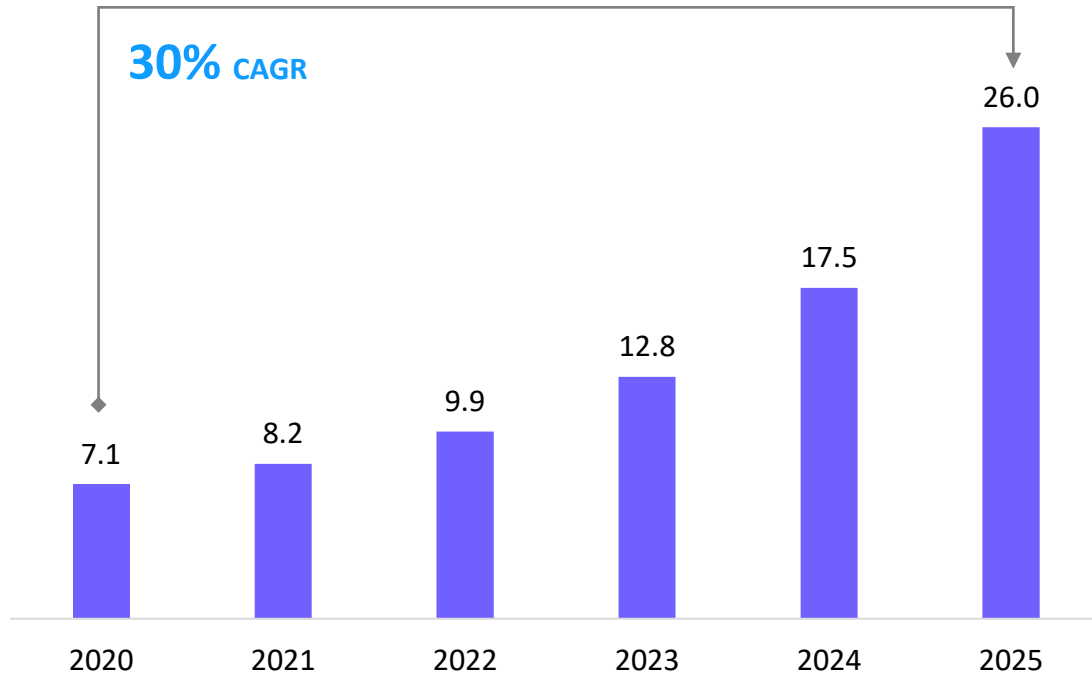


✗
Without CPaaS

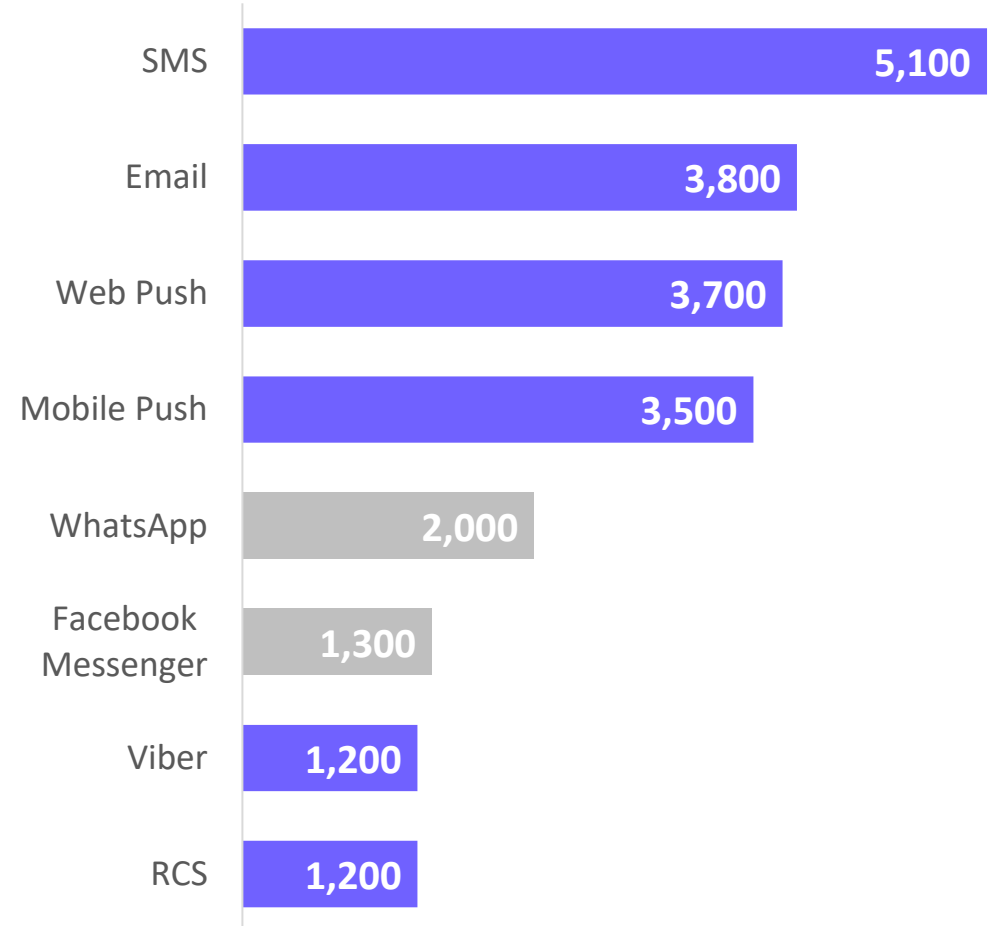


: Dynamically growing market

Global CPaaS market value (USD billion)



Global reach of communication channels (millions of users)¹⁾



Dynamic 30%+ market growth driven by:

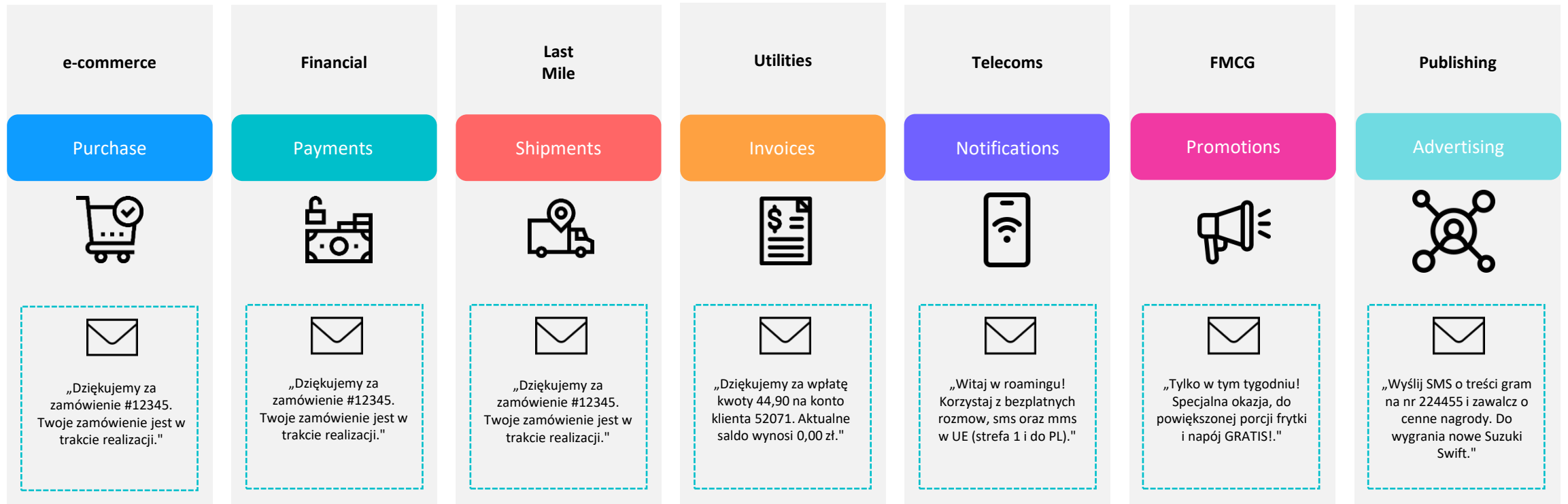
- Progressive digitization of business processes
- Development of transactional communication including e-commerce
- Development of marketing automation

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

¹⁾ The purple color indicates channels supported by Vercom

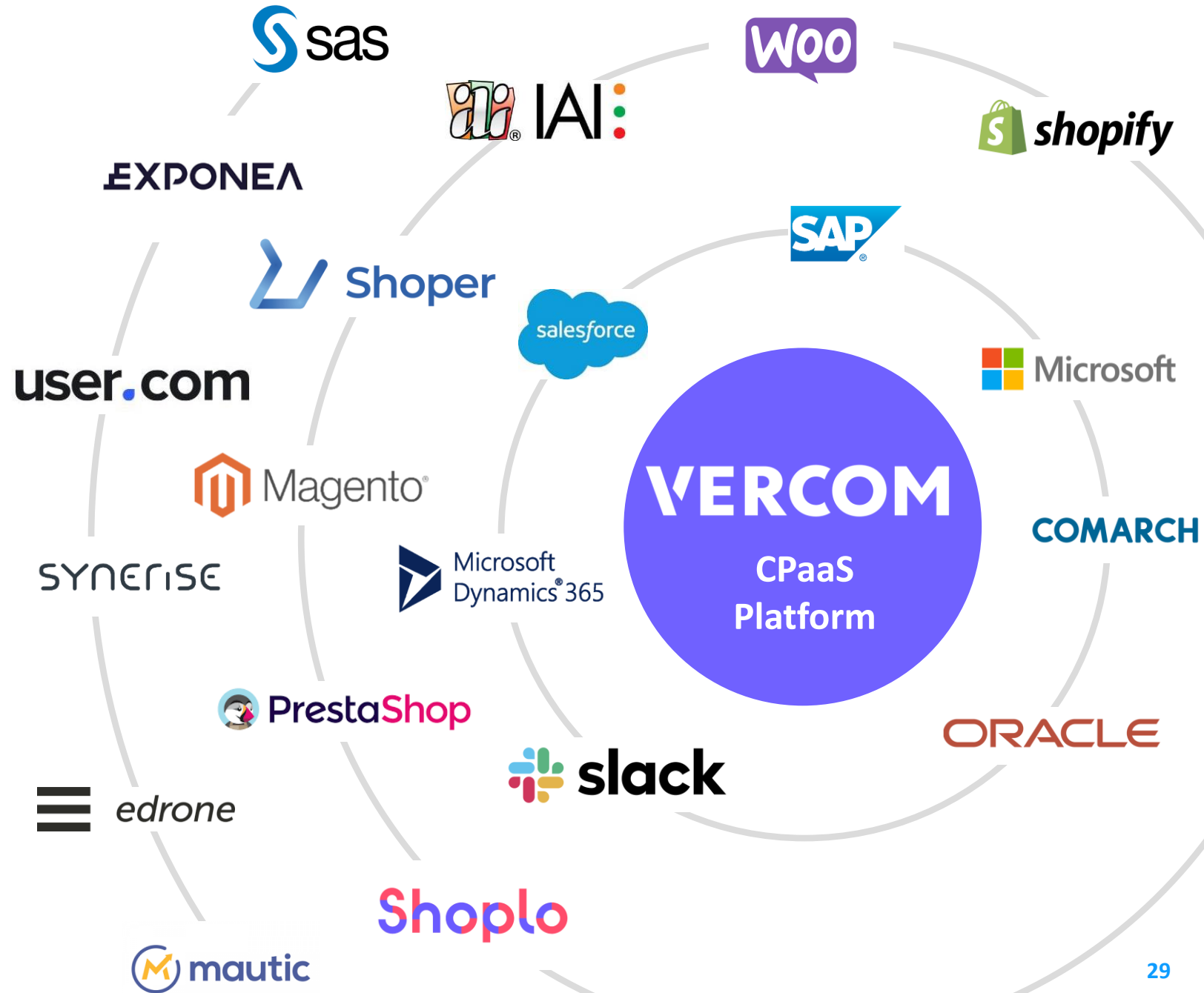
: The key role of CPaaS services in B2C communication

✓ Continuation of the trend of shifting company-customer interaction from **offline to online channels**



: Easy integration with other systems

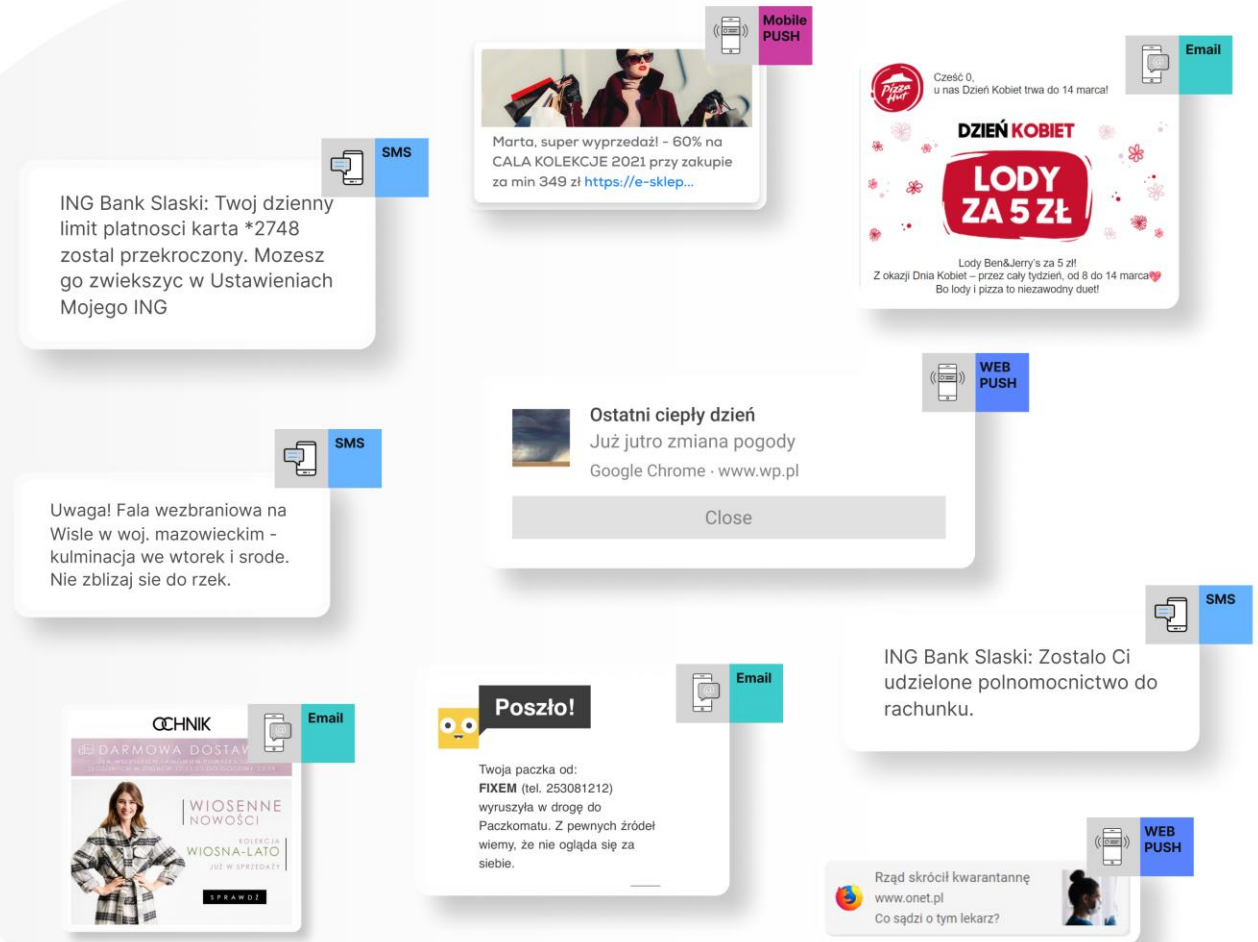
- ✓ Strong emphasis on selling services in a self-service model
- ✓ Quick integration with popular IT systems thanks to dedicated plug-ins
- ✓ High scalability of services allowing further growth without investment in additional resources
- ✓ The growing popularity of IT systems working with Vercom plug-ins is steadily increasing the pool of potential customers



: Sources of competitive advantage for Vercom

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



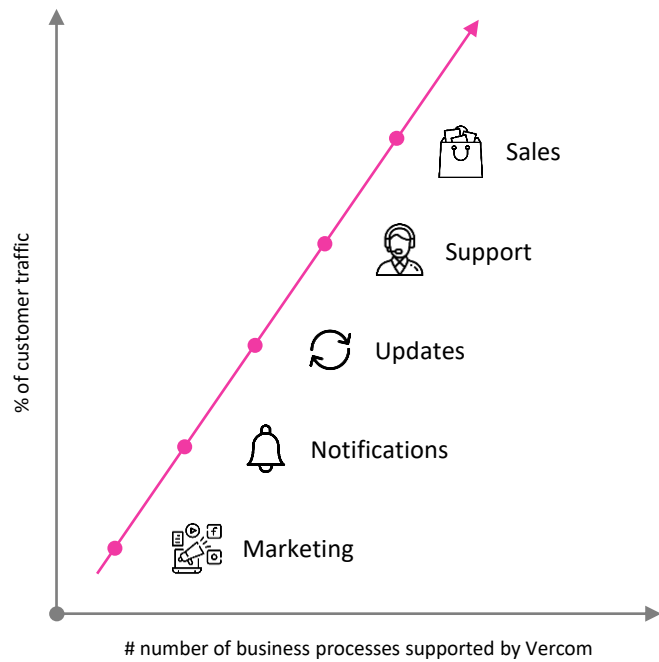
: Development strategy



: Development strategy

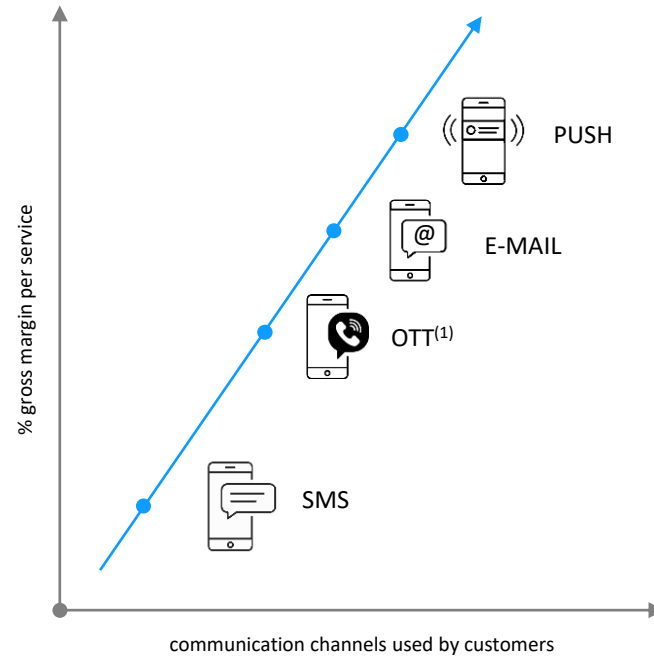
Customer Development

- ✓ Expansion of cooperation from a single service to new business areas



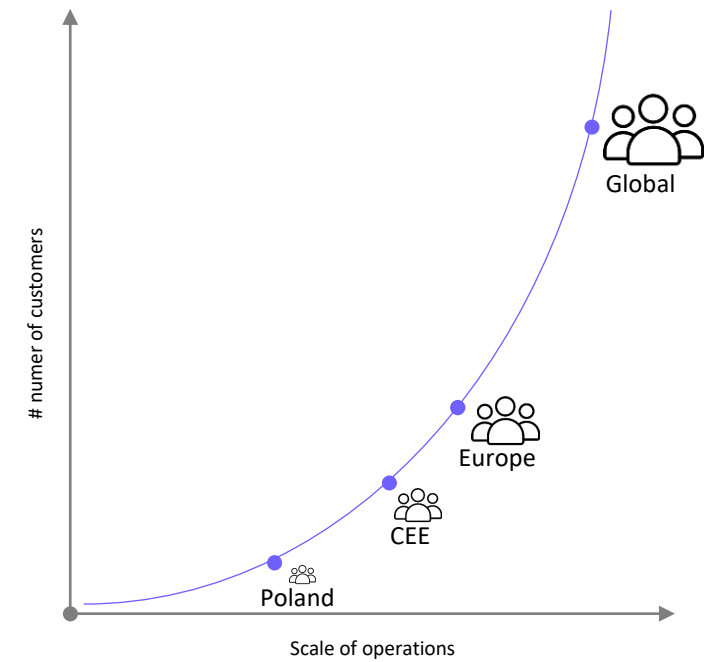
Cross-selling services

- ✓ Implementing an omnichannel strategy
- ✓ Increase in sales of high-margin services



Increase in the scale of operations

- ✓ Increase business reach through acquisitions and organic growth



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

: Successful execution of strategy through selective acquisitions

2020  **ProfiSMS**

Access to new markets

-  **Czech SMS market leader** with operations in Slovakia and Austria
-  **2,500** clients acquired
-  **Cross-selling** potential and **access to new markets**




2021  **FRESHMAIL**






Expansion of customer base

-  **The leader of the Polish** e-mail marketing market
-  **6,500** clients acquired
-  **Strong upselling of services**

2021  **PUSHPUSH GO**

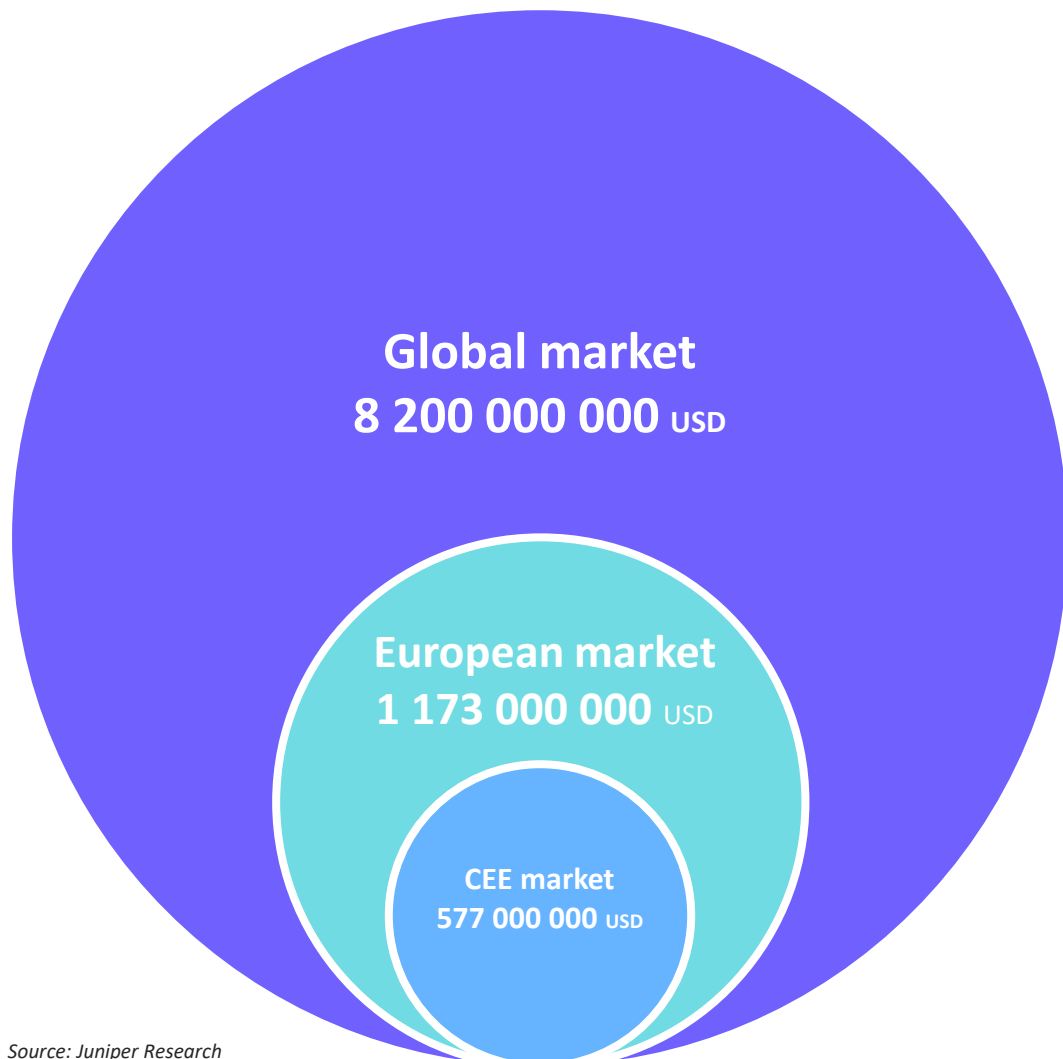
New communication channel

-  **Polish market leader** in web push communication
-  **Global reach** - 20 countries worldwide
-  **Access to web push technology** - an extension of the offer for Vercom customers

-  Expansion of the product range
-  Cross-selling of services
-  Cost synergy potential
-  Business process optimization
-  Acquisition of a significant amount of IT industry talent

: Global ambitions

CPaaS market value



Source: Juniper Research



VERCOM

: Thank you
for your attention

