

FINANCIAL RESULTS

Q1 2023

WIRTUALNA POLSKA HOLDING SA

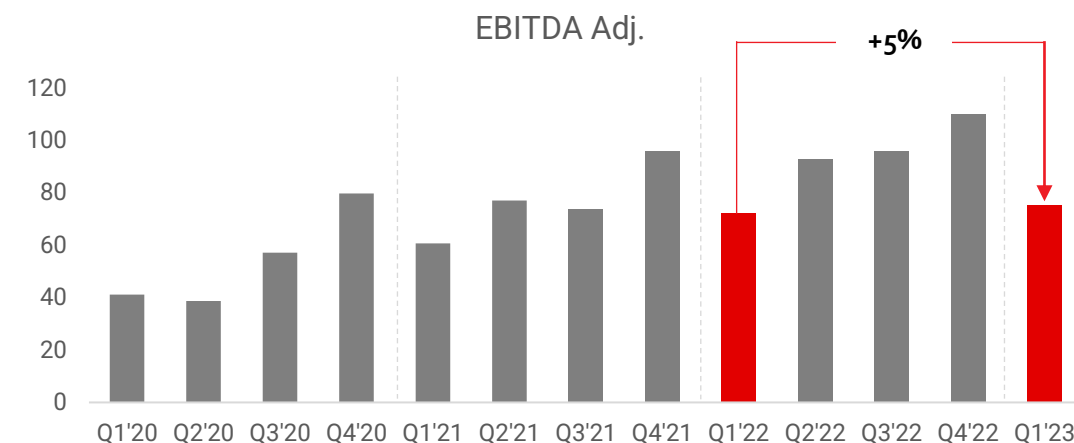
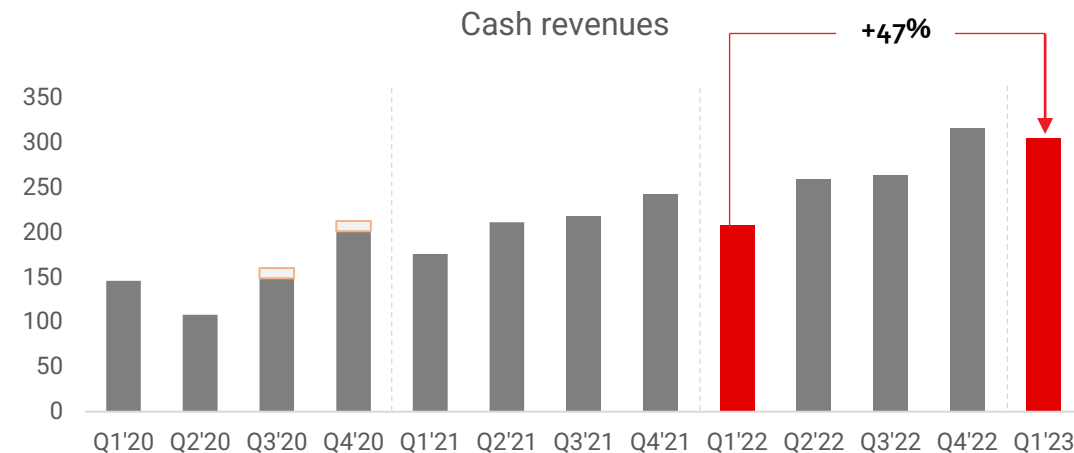


Total Group

Executive summary



- **Cash revenue in 1Q 2023 increased by 47% y/y, to PLN 305.6m**, mostly on the back of consolidation of companies acquired in 2H 2022, mainly Audioteka and Szallas, as well as an organic growth in travel, advertising & subscription and consumer finance, with exceptionally high growth dynamic reported in international travel.
- **Adj. EBITDA in 1Q 2023 grew by 5% y/y, to PLN 76.0m**, as a result of very strong results of travel segment and slight decline in advertising & subscription business.
- **Pro forma:** Group cash revenue increased by 24% in 1Q 2023, compared to 1Q 2022 revenue on a pro forma basis, and adjusted EBITDA was at a comparable level to 1Q 2022, on a pro forma basis, which is in line with management's estimate published in April 2023.
- **Net income attributable to equity holders in 1Q 2023 amounted to PLN 14.4m**, compared to PLN 31.2m in 1Q 2022. Net income in 1Q 2023 was burdened by i.a. higher depreciation and amortisation (including PPA amortisation) as well as higher financial costs, while in 1Q 2022 it was positively impacted by revaluation of financial assets of PLN 12.2m.
- **Operating Cash Flow in 1Q 2023 was 83% YoY higher than in 1Q 2022, at PLN 108.1m.** CAPEX amounted to PLN 29.7m.
- At the end of March 2023, **net debt including M&A related liabilities to EBITDA pro forma** was at **1.2x**.



Total Group

Reporting segments



ADVERTISING & SUBSCRIPTION

WP media

ADVERTISING: CPM,
CPC, PERFORMANCE-
BASED

WP pilot

audioteka

SUBSCRIPTIONS

TRAVEL

wakacje.pl

SZALLAS GROUP
CEE YOU THERE!

COMMISSION
ON SALES

Nocowanie.pl

SUBSCRIPTIONS,
POINTS

CONSUMER FINANCE

superauto.pl **totalmoney.pl**

COMMISSION ON
FINANCIAL SERVICES,
CAR SALES

COMMISSION ON
SALES, LEADS OF
FINANCIAL
PRODUCTS

OTHER

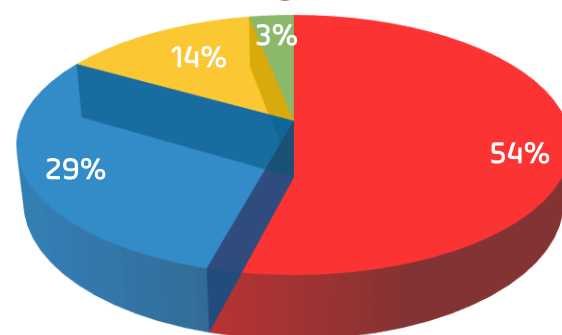
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BLUEPRINT
SALES

GREEN ENERGY
PRODUCTION

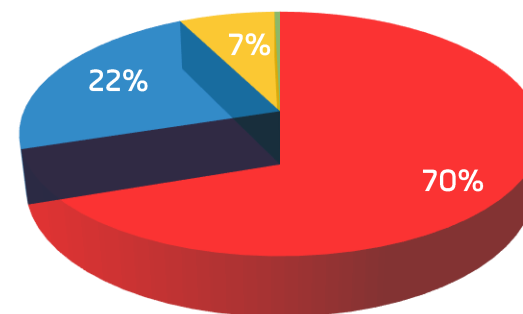
**MAIN REVE
SOURCE**

REVENUE FY2022



■ Ads & Subs ■ Travel ■ Consumer finance ■ Other

EBITDA FY2022



■ Ads & Subs ■ Travel ■ Consumer finance ■ Other

* Proforma 2022

Total Group

Summary Q1 2023



| mPLN | Q1 2023 | Q1 2022 | YoY | YoY % |
|---|-------------|-------------|--------------|-------------|
| Total Group | | | | |
| Total revenues | 310.5 | 213.2 | +97.3 | +46% |
| Cash revenues | 305.6 | 208.2 | +97.4 | +47% |
| Adjusted EBITDA IFRS16 | 76.0 | 72.4 | +3.6 | +5% |
| % Adj. EBITDA margin | 24.9% | 34.8% | -9.9pp | |
| EBITDA IFRS16 | 75.6 | 67.3 | +8.3 | +12% |
| Depreciation and amortisation | -37.0 | -21.8 | -15.1 | +69% |
| Result on financial operations | -12.5 | 8.8 | -21.3 | -242% |
| Income tax | -9.8 | -9.2 | -0.6 | +6% |
| Net profit | 16.3 | 45.1 | -28.8 | -64% |
| Net income attributable to equity holders | 14.4 | 43.4 | -29.0 | -67% |
| Net income attributable to equity holders adjusted* | 14.4 | 31.2 | -16.8 | -54% |

* Net income adjusted by finance income related to revaluation of fin. receivables from Esky and reclassification of Digitics financial assets

Total Group

Summary Q1 2023



| mPLN | Q1 2023 | Q1 2022 | YoY | YoY % |
|---------------------------------------|---------|---------|-------|-------|
| Advertising & Subscription | | | | |
| Cash revenues | 158.3 | 126.5 | +31.8 | +25% |
| Adjusted EBITDA | 59.9 | 60.6 | -0.7 | -1% |
| Travel | | | | |
| Total revenues | 92.5 | 35.3 | +57.2 | +162% |
| Adjusted EBITDA | 10.0 | 6.1 | +3.9 | +65% |
| Consumer finance | | | | |
| Total revenues | 49.1 | 32.1 | +17.0 | +53% |
| Adjusted EBITDA | 6.2 | 5.6 | +0.6 | +10% |
| Other | | | | |
| Total revenues | 9.1 | 16.3 | -7.2 | -44% |
| Adjusted EBITDA | -0.1 | 0.1 | -0.2 | -311% |

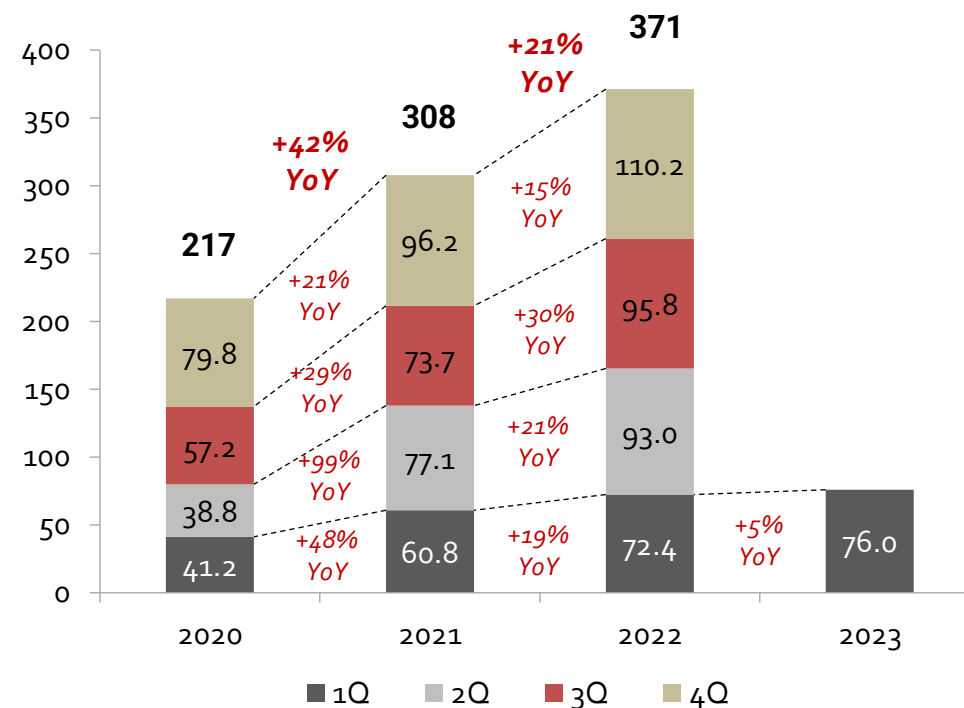
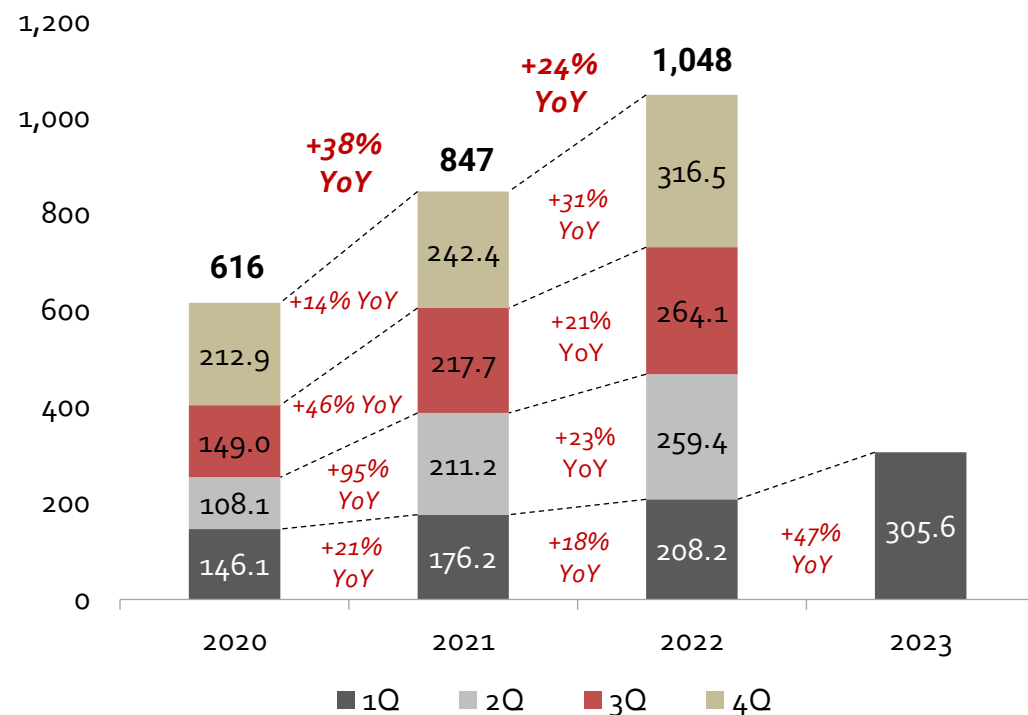
Total Group

Quarterly Revenues & EBITDA, (PLN million)



Cash revenues

EBITDA Adj.



ADVERTISING & SUBSCRIPTIONS



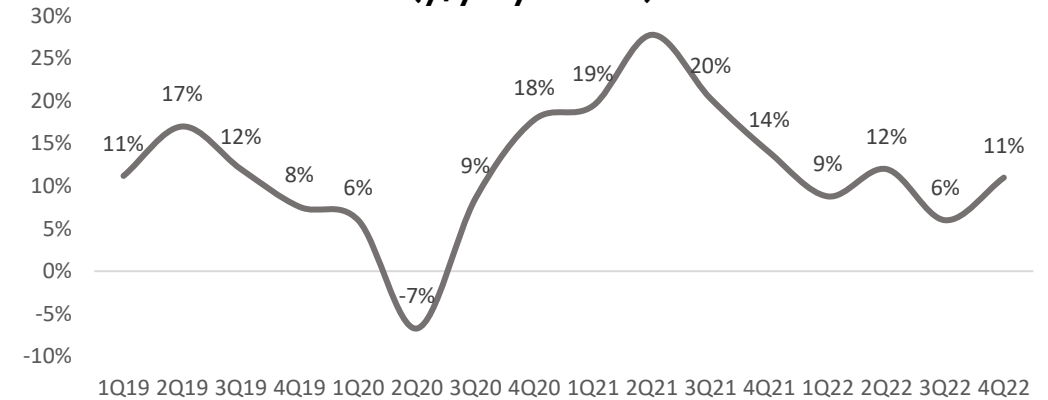
Advertising & Subscriptions

Market update

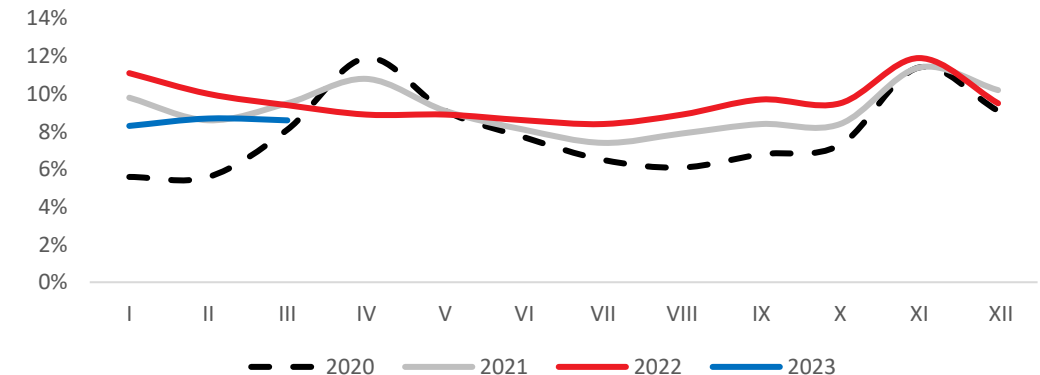


- In the market, there is a continued shift of advertising budgets from traditional media to Internet. At the beginning of 2023 advertising market in Poland was under pressure of unsupportive macroeconomic environment (slight GDP decline of 0.2% in 1Q 2023; 7% lower y/y retail sales in March 2023). **In subsequent quarters, GDP dynamic is expected to improve which should positively drive the advertising market.**
- Growth dynamics in online advertising in **Poland in 2022 was at 9.9% YoY, including 10.9% in 4Q 2022**. In 2022, share of Internet in advertising budgets in Poland grew to 43.7%, vs. 42.7% in 2021.
- The biggest share in online advertising by sector includes*: Retailers (20%), Computers and AV (11%), Telecoms (9%), Media and books (7%), Fashion (7%), Food producers (7%), Finance (7%), Automotive (6%), Beverages (6%).
- **Long-term shift in retail sales from offline to online continues.** Nevertheless, in the short-term, growth dynamics of e-commerce are impacted by high base in 2021, boosted by COVID-related restrictions in 'brick-and-mortar' retail.

Online Advertising in Poland (y/y dynamic)



E-commerce penetration in Poland (as % of retail sales)

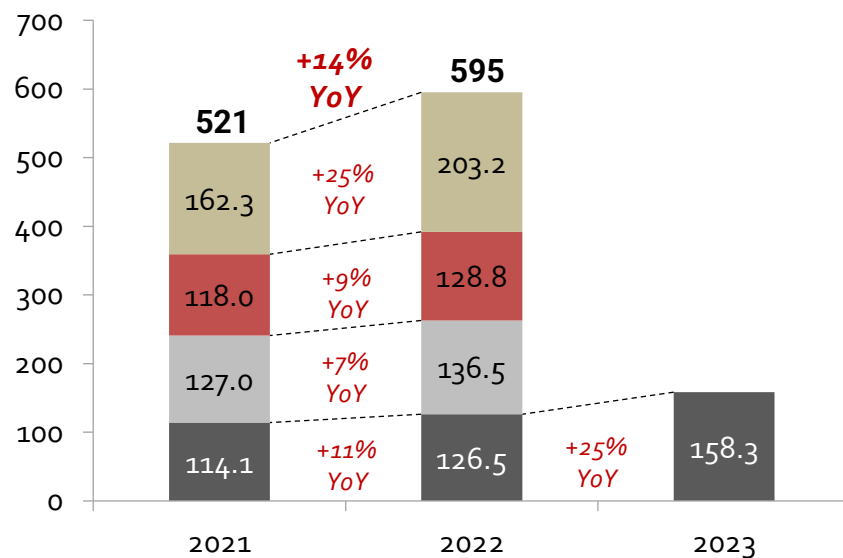


Advertising & Subscriptions

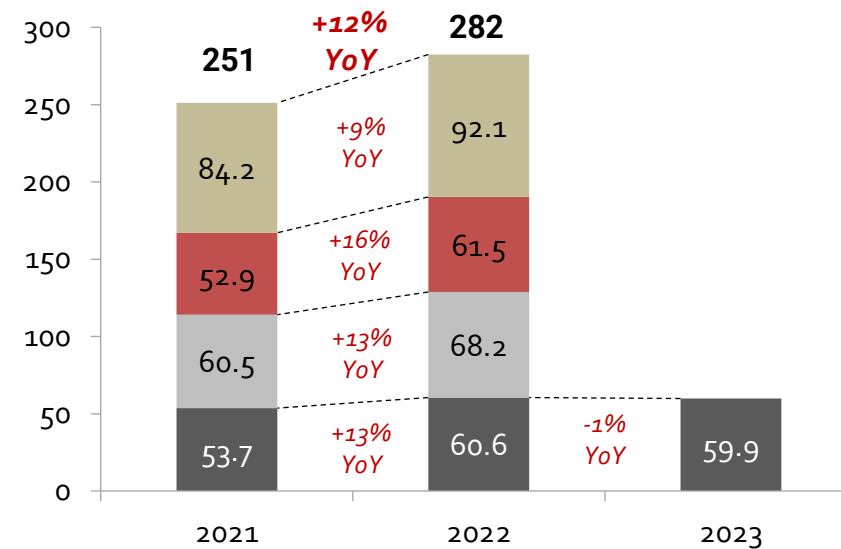
Quarterly Revenues & EBITDA, (PLN million)



Cash revenues



EBITDA Adj.



- **Cash revenue in 1Q 2023 increased by 25% y/y, to PLN 158m**, mostly driven by higher subscription revenue, as well as consolidation of results of Audioteka, Benchmark, Mediapop starting from 4Q 2022.
- **Adj. EBITDA was down by 1% y/y, to PLN 59.9m** due to temporary slowdown in advertising sales caused by weaker macroeconomic conditions and transitory increase in interest in news portals.

TRAVEL

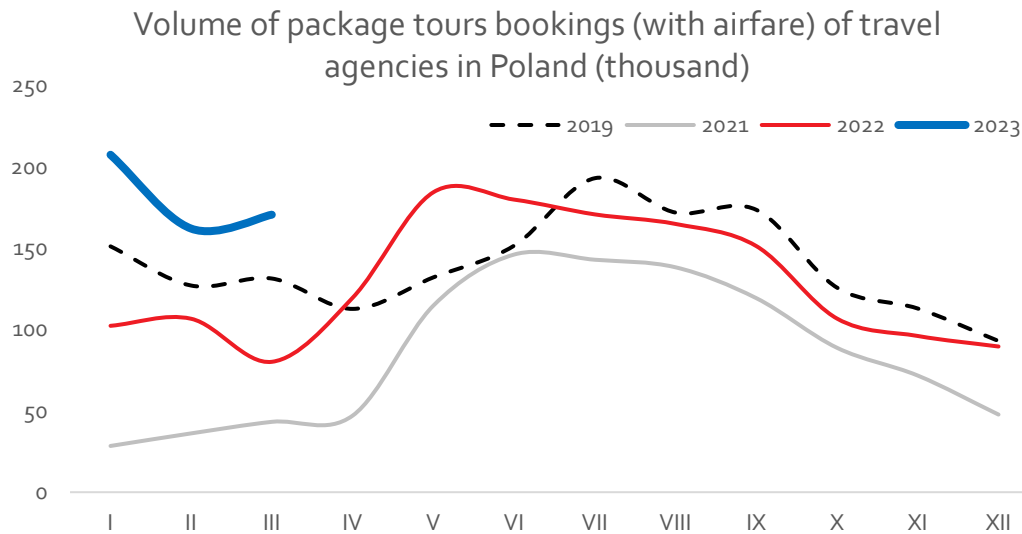


Travel

Market update



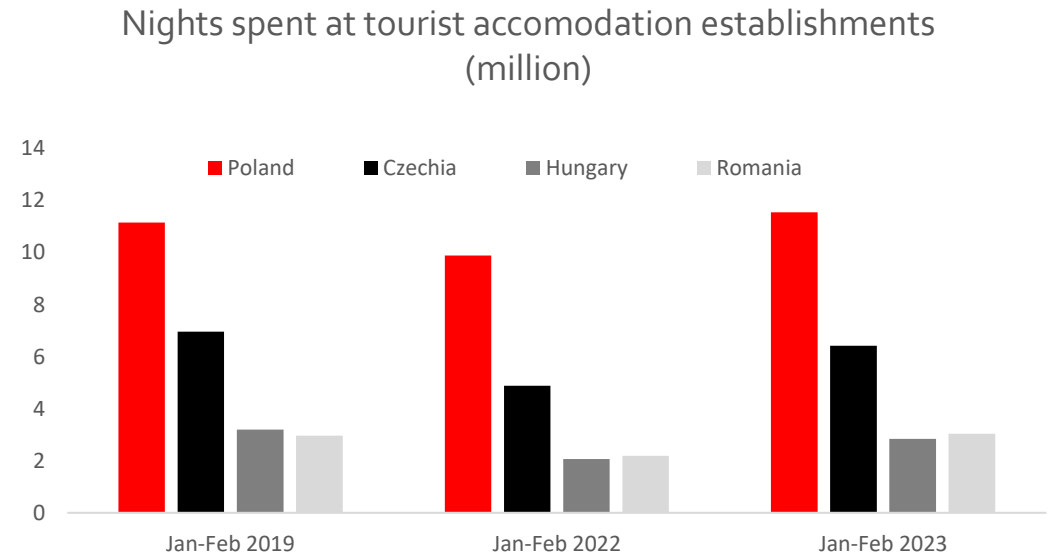
International Travel



Source: Tourist Guarantee Fund; package travel and related travel services excl. Poland and neighboring countries

- In 1Q 2023 volume of trips (with airfare) sold by travel agencies was up by 87% YoY, and 32% above 1Q 2019, according to Polish Tourist Guarantee Fund.
- In the foreign packaged tours in Poland average prices continue to grow, but at lower rate compared to 2022, when +20-30% YoY increase was observed.

Domestic Travel



Source: Eurostat

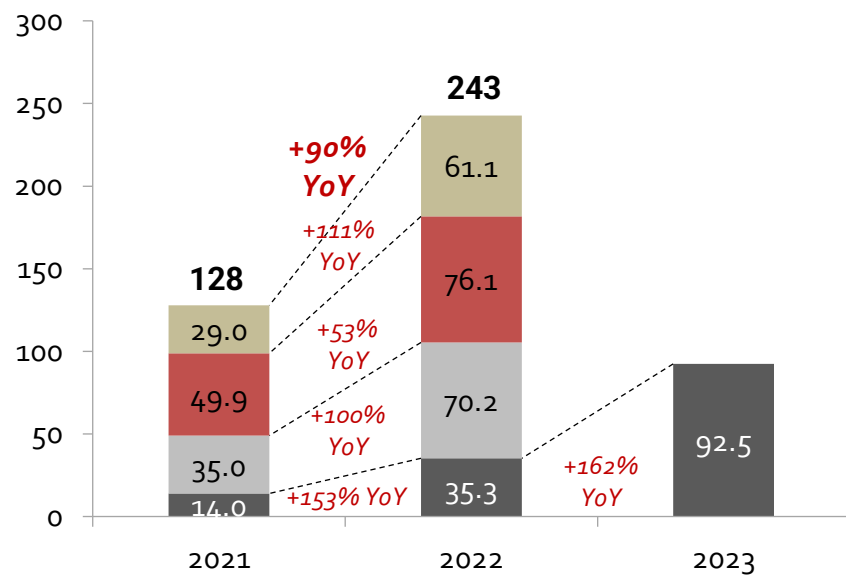
- In the period of January – February 2023, volumes (nights spent at tourist accommodation establishments) in the CEE region were significantly up YoY. Compared to 2019, volumes slightly exceeded 2019 levels in Poland and Romania, while in Hungary and Czech Republic they were still slightly below pre-pandemic level.

Travel

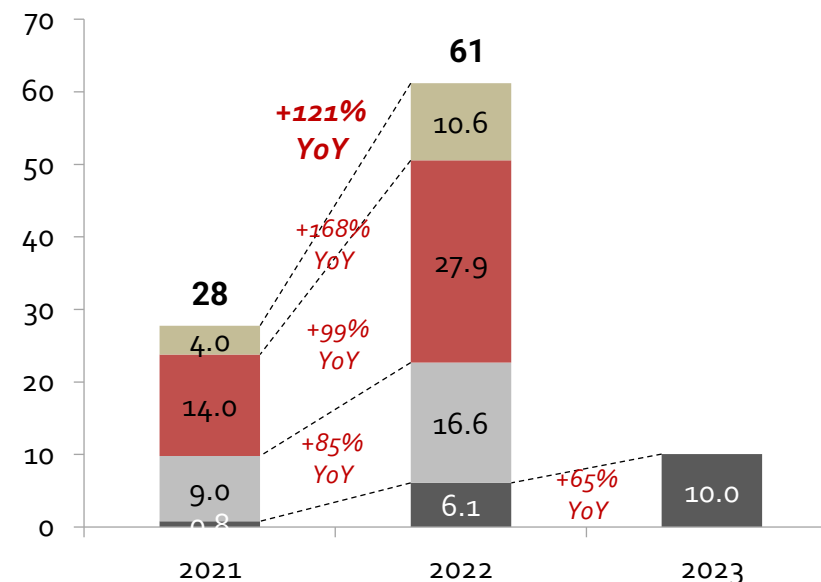
Quarterly Revenues & EBITDA, (PLN million)



Cash revenues



EBITDA Adj.



- Cash revenue of Travel segment in 1Q 2023 increased by 162% y/y, driven by growth in companies Wakacje.pl and Nocowanie.pl, as well as consolidation of Szallas Group from November 2022.
- In 1Q 2023 Travel segment's adj. EBITDA was up by 65% y/y. The impact of consolidation of Szallas Group on 1Q 2023 adj. EBITDA was negative, which is driven by high seasonality of local travel business (with the highest contribution in 3Q).

CONSUMER FINANCE

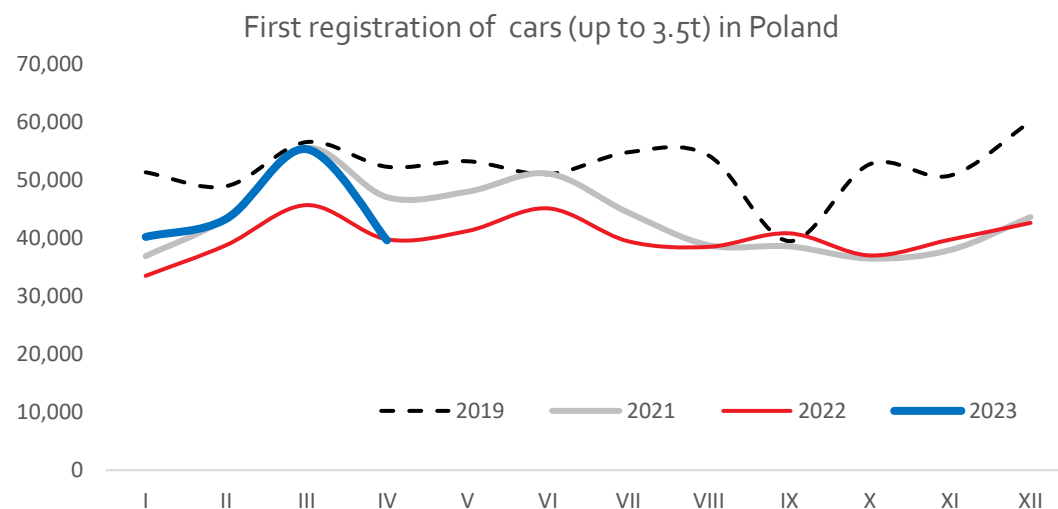


Consumer Finance

Market update



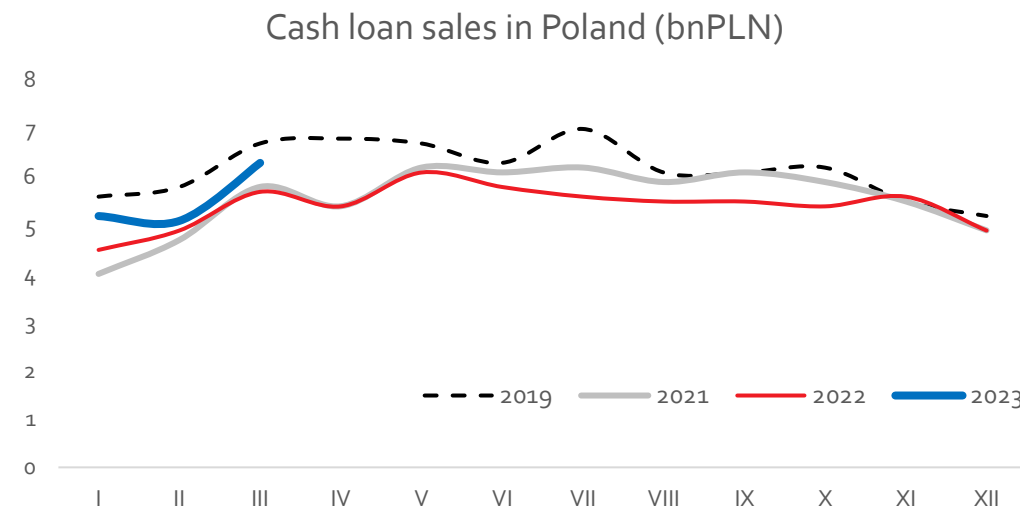
Cars



Source: PZPM

- In 1Q 2023 number of first registration of cars (up to 3.5t) was up by 18% y/y, but still 11% below prepandemic 1Q 2019. However, results in April indicate that this increase might not be permanent and probably was caused by year-end orders realisation.

Financials



Source: BIK

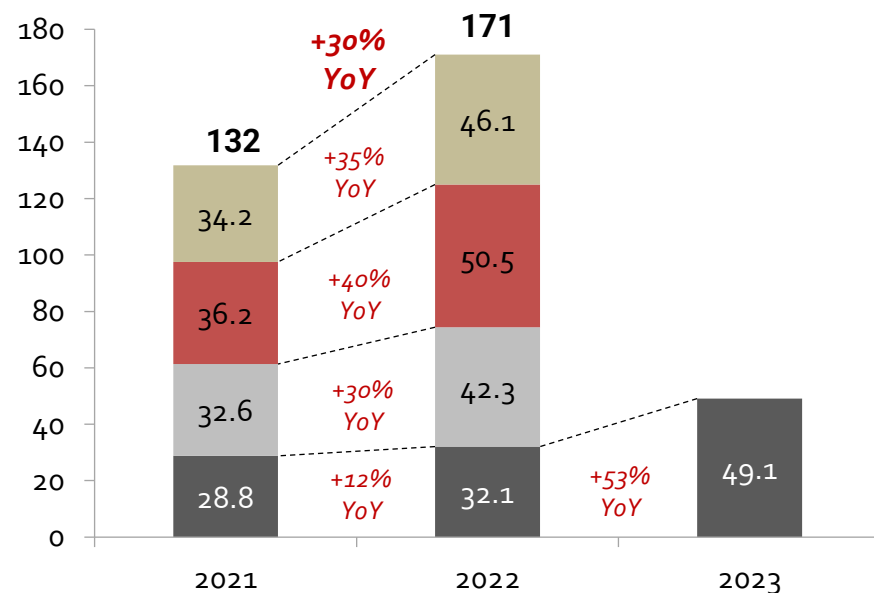
- The banking loans market is under pressure of high interest rates. Nevertheless, cash loans are rather stable, especially compared to mortgage loans.

Consumer Finance

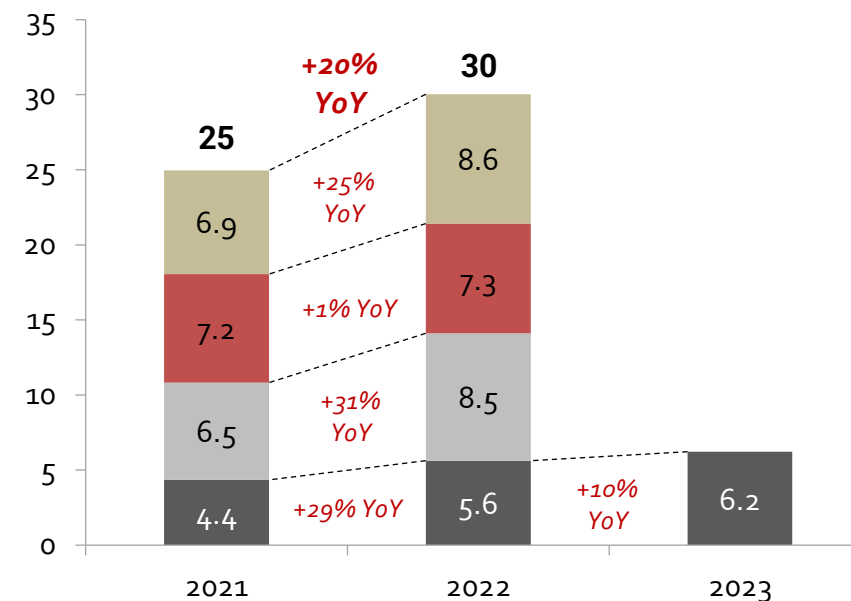
Quarterly Revenues & EBITDA, (PLN million)



Cash revenues



EBITDA Adj.



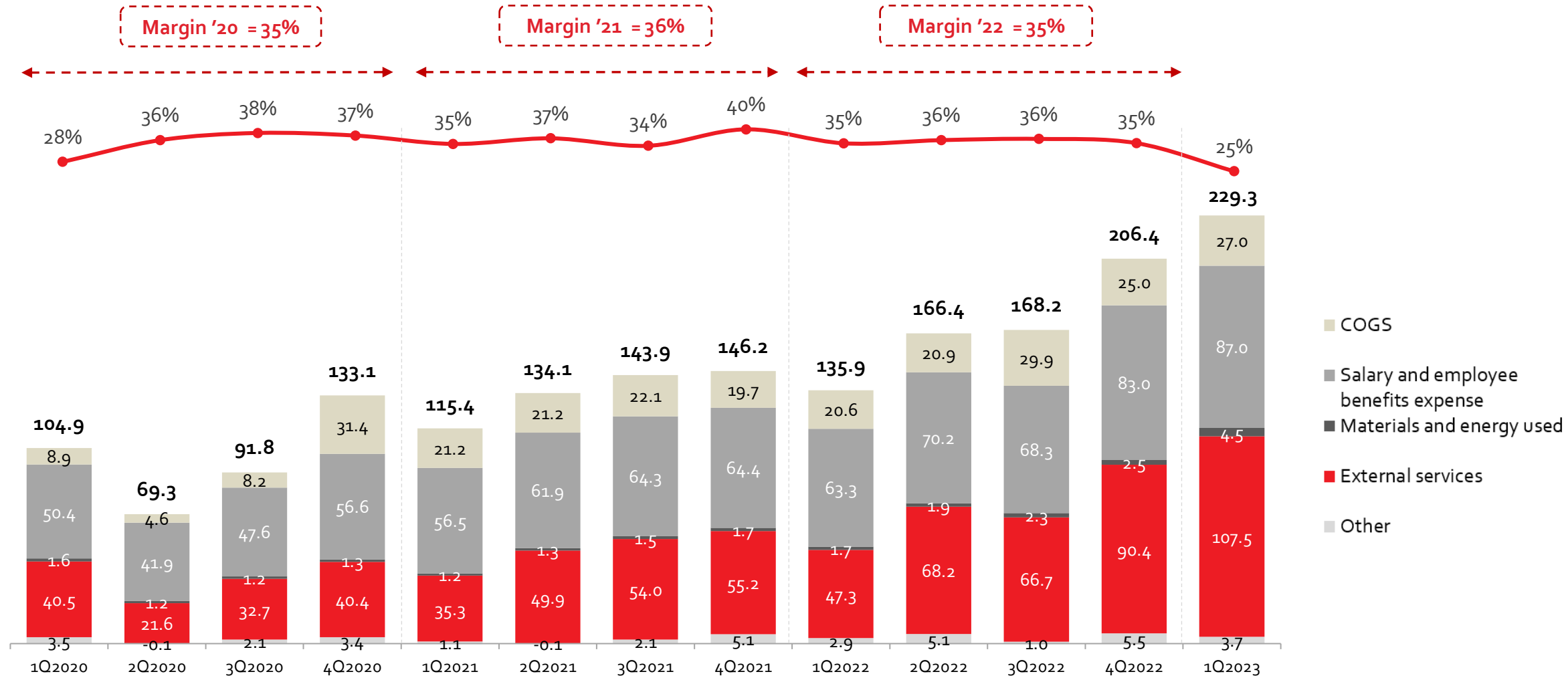
- In Consumer Finance segment, cash revenue increased by 53% y/y, mostly thanks to dynamic growth in Superauto, company that brokers financing for new car purchases.
- Consumer Finance segment's adj. EBITDA in 1Q 2023 grew by 10% y/y.

TOTAL GROUP



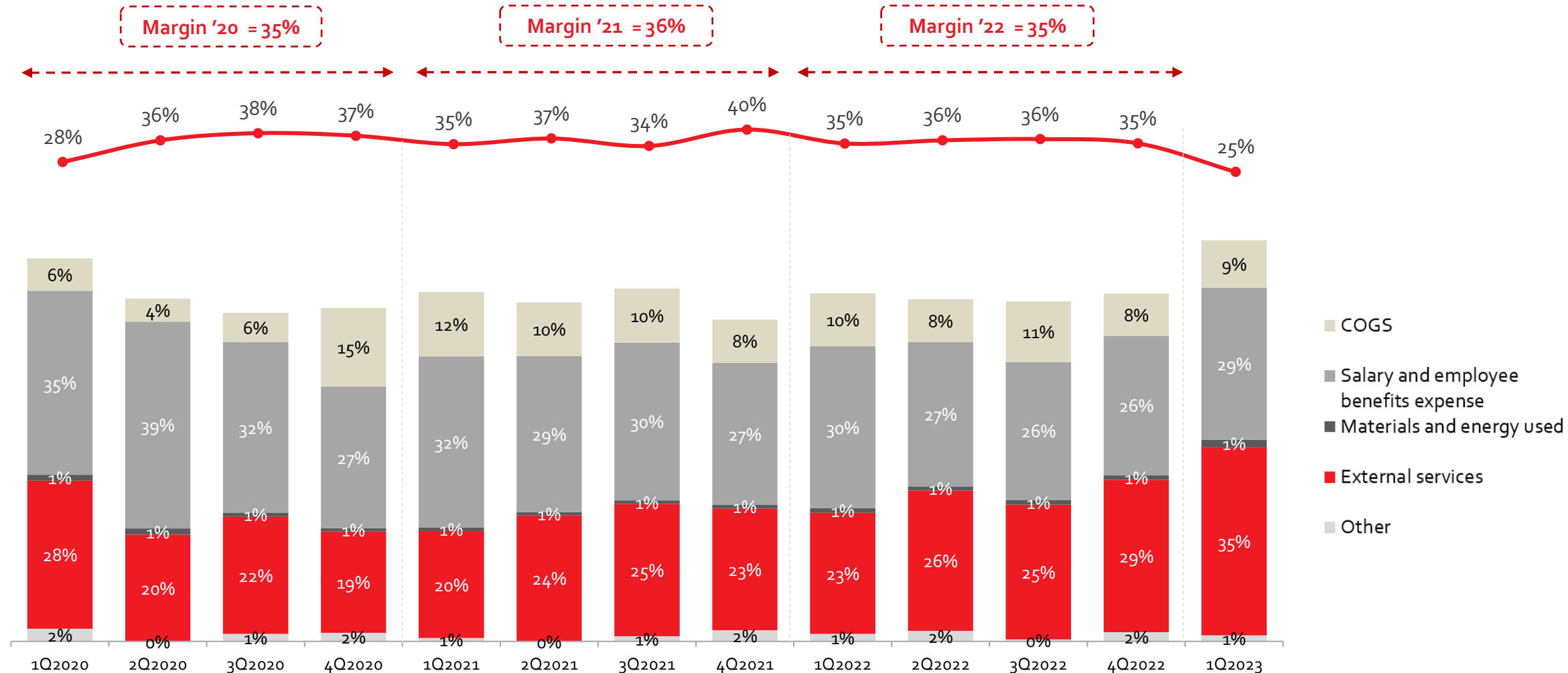
Total Group

Quarterly operating costs (PLN million)



Total Group

Quarterly operating costs as % of Revenues

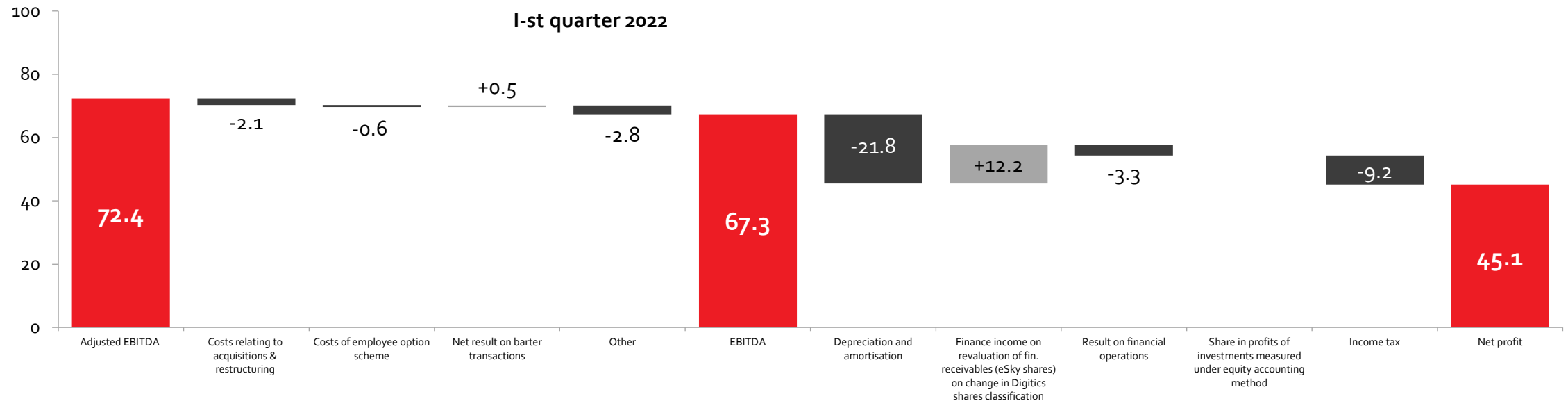
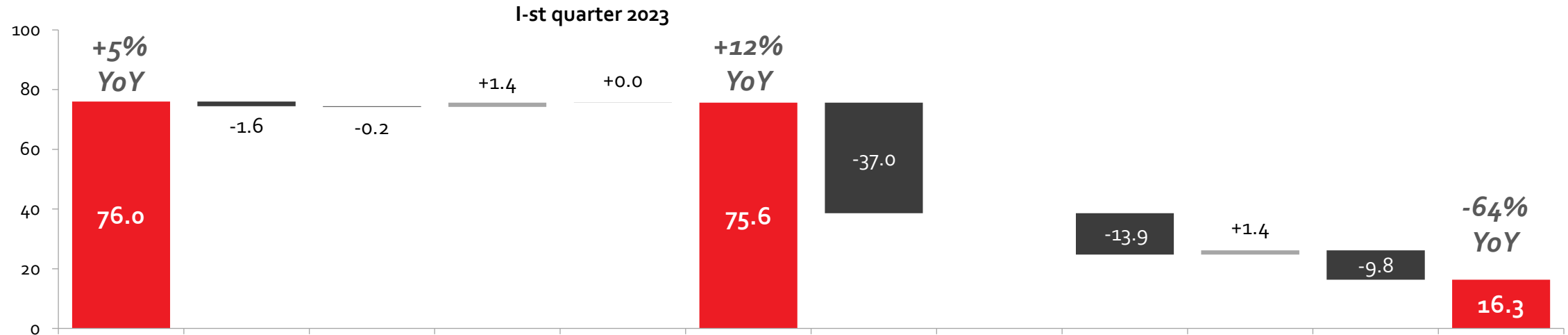


Operating costs included in Adjusted EBITDA IFRS16 (excluding barbers, amortisation one-offs)

*Excl. change in SA24 revenue recognition since Q4'20 (margin dilution effect)

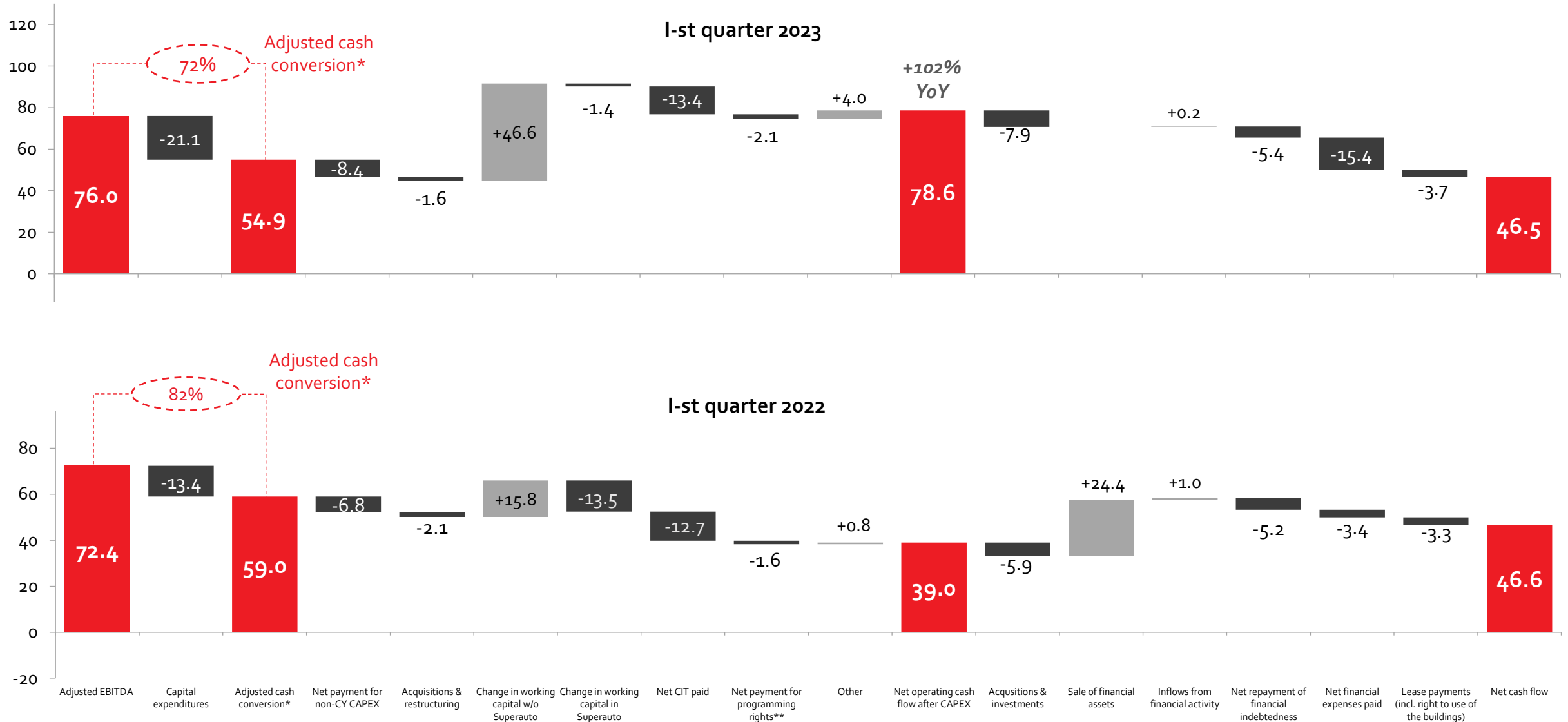
Total Group

Adjusted EBITDA to Net Profit Bridge Q1 2023, (PLN million)



Total Group

Adjusted EBITDA and cash flows Q1 2023, (PLN million)



Total Group

Balance sheet and financial leverage ratios

| Balance sheet mPLN | 31 December 2021 | 31 March 2022 | 30 June 2022 | 30 September 2022 | 31 December 2022 | 31 March 2023 |
|--|---------------------|------------------|-----------------|----------------------|---------------------|------------------|
| Non-current assets | 908.7 | 912.1 | 929.4 | 1044.3 | 1534.7 | 1547.0 |
| including Deferred tax assets | 1.1 | 2.7 | 4.6 | 2.7 | 3.6 | 3.2 |
| Other current assets | | | | | 12.3 | 12.8 |
| Working Capital* | 53.0 | 34.2 | 24.1 | 39.8 | 14.1 | -27.3 |
| Receivables and other current assets | 218.9 | 216.0 | 220.9 | 228.8 | 278.4 | 301.0 |
| Liabilities and operational reserves | -165.9 | -181.8 | -196.8 | -189.0 | -264.3 | -328.3 |
| Net debt | -101.6 | -50.0 | 10.9 | -10.7 | -486.9 | -435.9 |
| Cash and cash equivalents | 135.4 | 182.5 | 249.1 | 218.4 | 185.4 | 231.4 |
| Bank loans | -236.1 | -231.9 | -237.7 | -228.7 | -671.0 | -666.0 |
| Leases (incl. Building leases) | -0.8 | -0.6 | -0.5 | -0.4 | -1.4 | -1.3 |
| Other provisions and liabilities | -116.8 | -108.0 | -166.6 | -210.6 | -151.3 | -139.9 |
| Contingent and other M&A liabilities (including put options liability) | -9.9 | -7.1 | -26.5 | -100.5 | -16.2 | -8.6 |
| Building leases | -60.1 | -57.7 | -57.8 | -64.1 | -64.3 | -63.3 |
| Broadcasting license | -6.6 | -5.0 | -5.1 | -5.1 | -5.1 | -3.5 |
| Deferred tax liabilities | -40.2 | -38.1 | -42.1 | -40.9 | -65.6 | -64.6 |
| Dividend | 0.0 | 0.0 | -35.1 | 0.0 | 0.0 | 0.0 |
| Equity | 743.3 | 788.4 | 797.8 | 862.9 | 922.9 | 956.8 |
| Leverage ratio x | 31 December 2021 | 31 March 2022 | 30 June 2022 | 30 September 2022 | 31 December 2022 | 31 March 2023 |
| Adjusted EBITDA LTM IFRS16 | 307.8 | 319.4 | 335.3 | 357.4 | 427.9 | 427.9 |
| Adj. Financial leverage ratio | 0.6 | 0.4 | 0.2 | 0.5 | 1.3 | 1.2 |
| Net deferred tax asset / liability** | -39.0 | -35.4 | -37.5 | -38.2 | -62.0 | -61.3 |
| DTA | 28.2 | 32.5 | 31.6 | 30.7 | 32.1 | 35.0 |
| DTL | -67.2 | -67.9 | -69.1 | -68.9 | -94.1 | -96.4 |

* Liabilities and operational reserves adjusted: short-term part of net debt, short-term part of Mux license, short-term part of put option liability, dividend liability, short-term part of TV Content is presented in non-current assets line

*Short term programming assets presented in non-current assets

** Deferred Tax Asset and Deferred Tax Liability = before offsetting

***Adj. Financial leverage ratio (Net debt + M&A/contingent l. + building leases/ Adj. Ebitda LTM)

Wirtualna Polska Holding

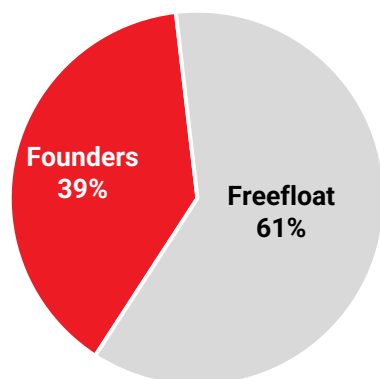
Shareholding structure and dividend policy



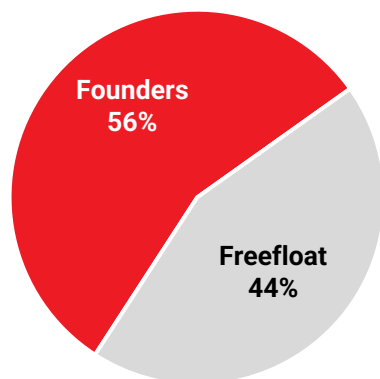
Shareholders

| Shareholder | % share | |
|--|--------------|-------------|
| | Shares based | Votes based |
| Jacek Świdorski & OrfeSA | 12.9% | 18.6% |
| Michał Brański & 10xSA | 12.9% | 18.6% |
| Krzysztof Sierota & Albemuth Inwestycje SA | 12.9% | 18.6% |
| Free Float | 61.2% | 44.2% |
| Incl. Allianz OFE | 12.3% | 8.9% |
| | 100% | 100% |

% shares



% votes



Dividend policy

- The Management Board will recommend a dividend of at least 1 PLN per share, but up to 70% of consolidated net income for a given financial year.
- The dividend recommendation will take into account, among others:
 - current financial situation,
 - investment plans,
 - potential acquisition plans,
 - expected level of free cash flow.

Integrated Report for 2022

First Integrated Report of Wirtualna Polska Holding published in May 2023



Integrated Report

for the year
2022

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SUMMARY Q1 2023

Revenue

310mPLN
+46% YoY / +97m

EBITDA Adj.

76mPLN
+5% YoY / +4m

Net Income

16mPLN
-64% YoY / -29m

