



BEST GROUP

PRESENTATION OF FINANCIAL RESULTS FOR 1–3Q 2021

Gdynia, 25 November 2021

Executive summary

Key events at BEST Group in the first 9 months of 2021

- Continued high repayments of managed portfolios of claims
- Growth in key financial results
- Further reduction in debt—net debt to equity ratio of 0.56
- Acquisition of portfolios of claims with nominal value of PLN 42.2m for PLN 10.2m
- Launch of new bond issue programme with a nominal value of up to PLN 200m

Key financial and operating parameters	9M 2021	9M 2020	Change
▪ Repayment of claims from managed portfolios, including:	PLN 304.2m	PLN 271.9m	+12%
▪ due to BEST Group	268.0m	244.5m	+10%
▪ Operating revenue	248.3m	205.1m	+21%
▪ Cash EBITDA*	169.7m	158.6m	+7%
▪ Net profit attributable to BEST shareholders	60.1m	5.0m	+1102%

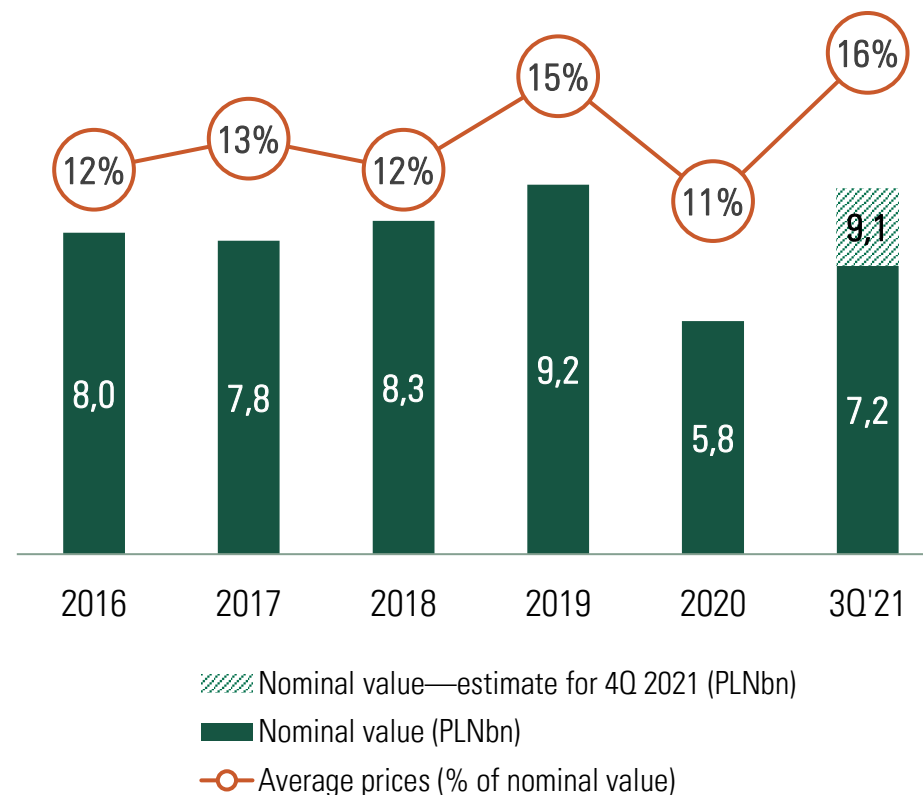
* Not reflecting the revaluation write-down of Kredyt Inkaso or result from share in Kredyt Inkaso

Poland—nonperforming debt market

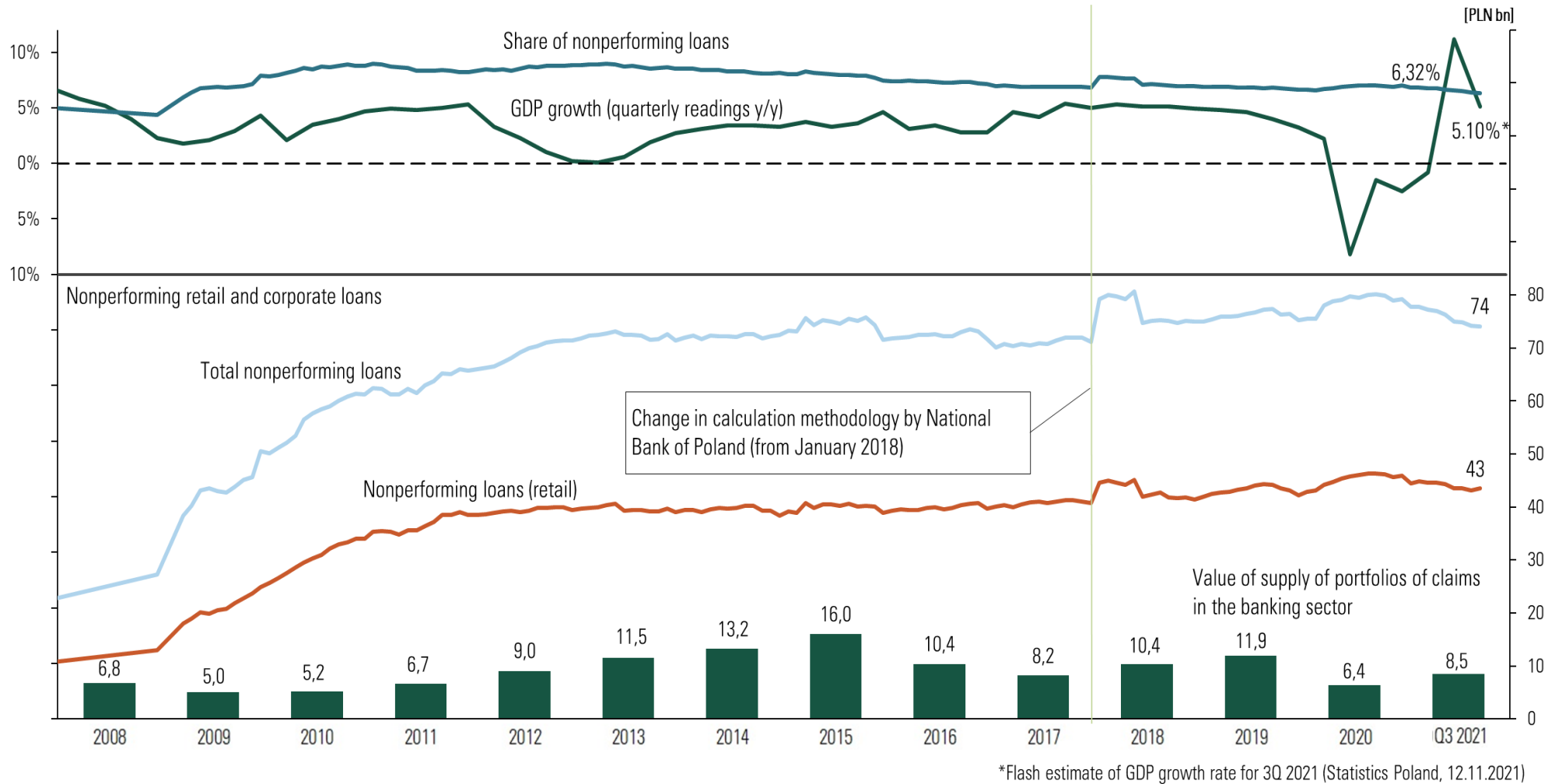
MARKET SITUATION IN 1–3Q 2021:

- Growth in supply of claims, similar to level in 2019
- Increased demand on market for nonperforming loans
- Significant growth in prices of claim portfolios
- Anticipated greater share of supply of claims from SME sector
- Potential effects of continuing high inflation: decline in debtors' real burdens, increase in supply of bank portfolios as a result of rise in interest rates

Nonperforming bank loans—supply of claim portfolios
from 2016 through 3Q 2021
(retail portfolios, excluding mortgages and corporate portfolios, primary market)



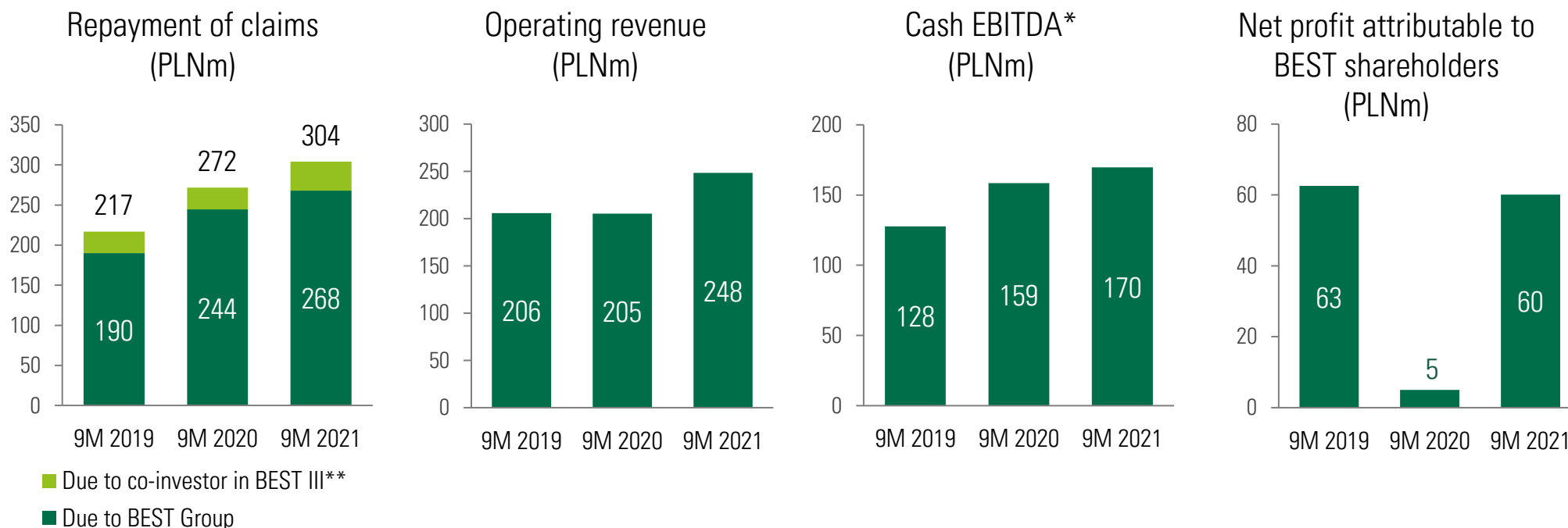
Poland—nonperforming debt market



DISCUSSION OF FINANCIAL RESULTS FOR FIRST THREE QUARTERS OF 2021



Growing repayment of claims and key financial results



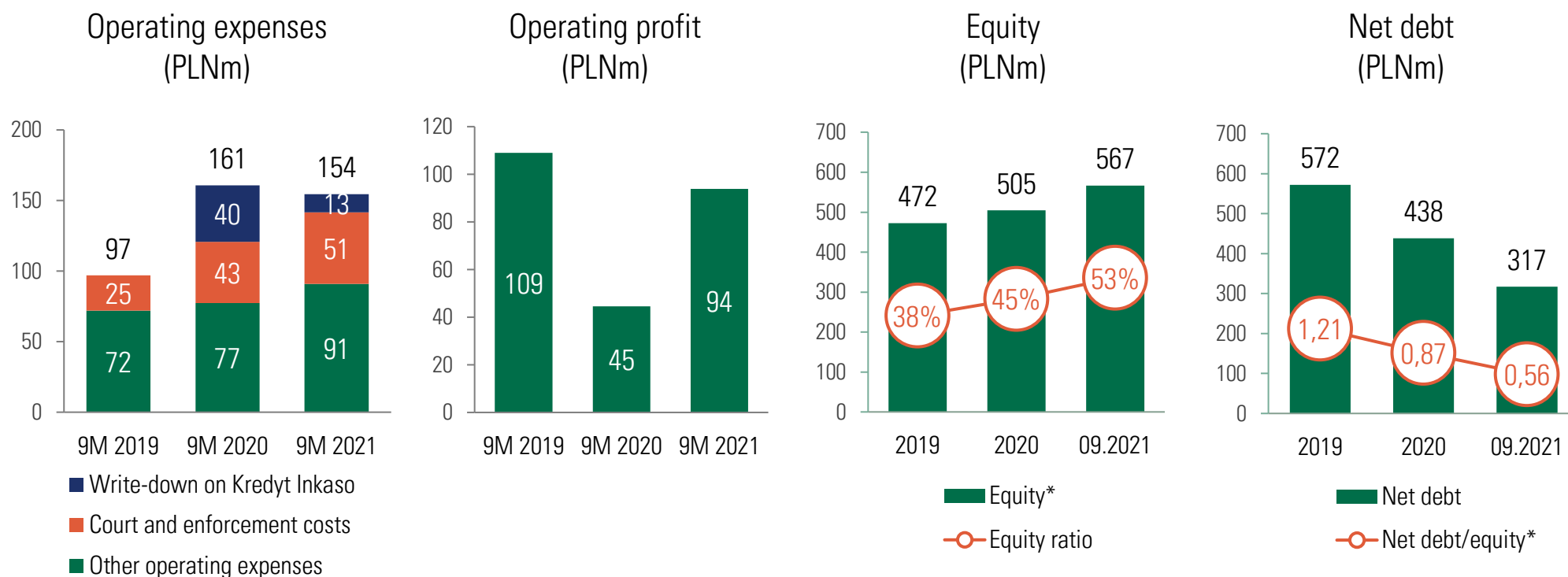
10%
INCREASE
IN REPAYMENT OF CLAIMS
DUE TO BEST GROUP
(9M 2021 y/y)

21%
INCREASE IN OPERATING
REVENUE
(9M 2021 y/y)

7%
INCREASE IN CASH
EBITDA
(9M 2021 y/y)

PLN 60m
NET PROFIT ATTRIBUTABLE
TO BEST SHAREHOLDERS
(9M 2021)

Operating efficiency and steady improvement in balance-sheet structure



17%
GROWTH IN COURT AND ENFORCEMENT COSTS (9M 2021 y/y)

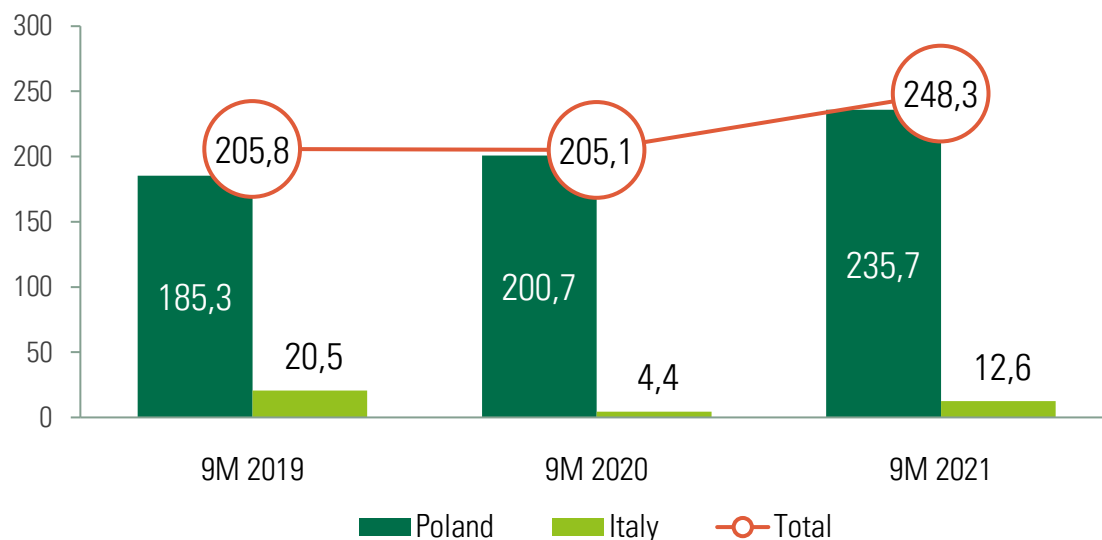
38%
OPERATING MARGIN (9M 2021)

0.56
VERY LOW DEBT RATIO (30.09.2021)

28%
DECREASE IN NET DEBT (30.09.2021 vs. 31.12.2020)

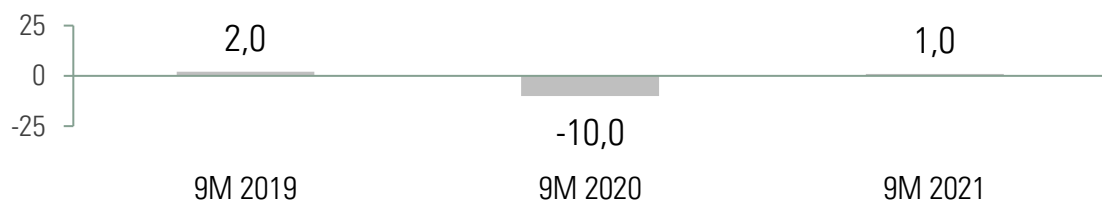
Significant growth in revenue thanks to high repayment of claims

Operating revenue by market (PLNm)



- Growth in revenue in first 9M of 2021 of 21% y/y, mainly thanks to higher than expected repayment of claims
- 5% of revenue from the Italian market

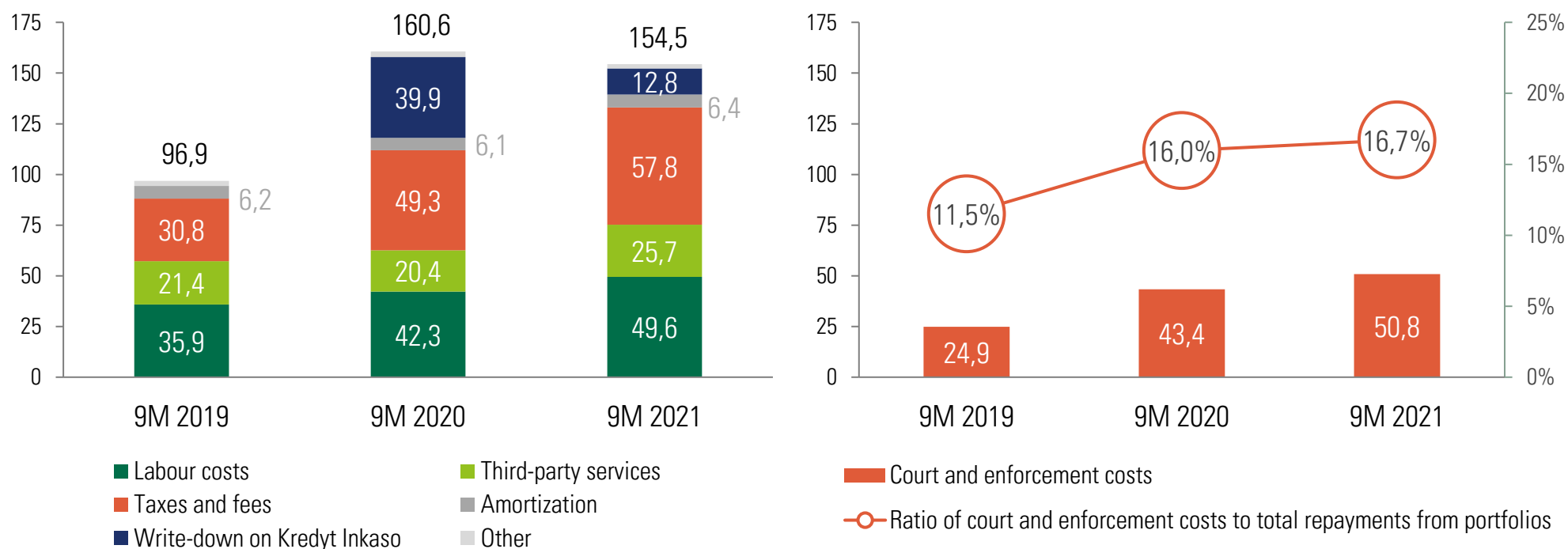
Result from revaluation of portfolios; effect on operating revenue (PLNm)



- Neutral balance on revaluations of portfolios in first 9M of 2021

Additional write-down for Kredyt Inkaso, modest growth in court and enforcement costs

Operating expenses (PLNm)



- Court and enforcement costs (included in the chart on the left under “taxes and fees”) rose in the first 9M 2021 by 17% y/y.
- Excluding revaluation write-downs in value on the investment in Kredyt Inkaso, total operating expenses in the first 9M 2021 rose by 17% y/y on growth in operating revenue of 21% y/y.

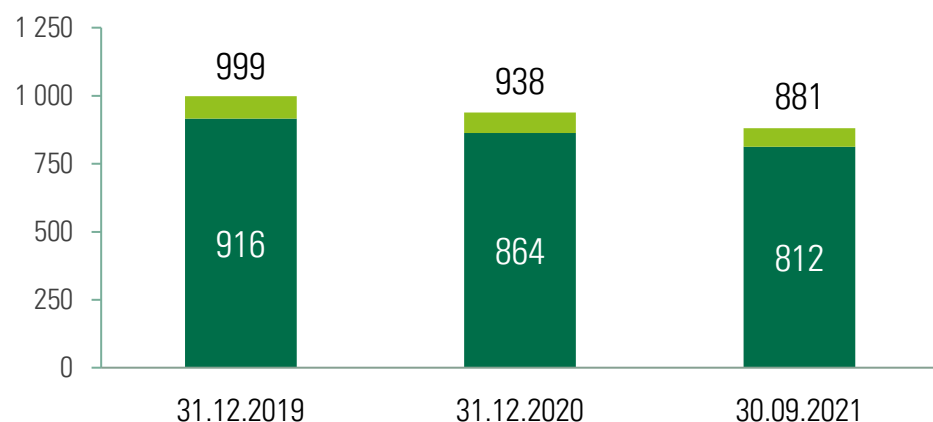
Financial results

(PLN million)	9M 2021	9M 2020	change y/y	3Q 2021	3Q 2020	change y/y
Operating revenue , including:	248.3	205.1	+21%	75.1	72.5	+4%
Revenue from acquired claims	236.1	208.1	+13%	72.7	76.8	-5%
<i>Interest using the effective interest rate method</i>	<i>177.9</i>	<i>187.6</i>	<i>-5%</i>	<i>58.4</i>	<i>60.7</i>	<i>-4%</i>
<i>Deviations from actual payments</i>	<i>57.3</i>	<i>30.5</i>	<i>+88%</i>	<i>13.8</i>	<i>9.7</i>	<i>+43%</i>
<i>Revaluation result</i>	<i>1.0</i>	<i>-10.0</i>	<i>-</i>	<i>0.5</i>	<i>6.4</i>	<i>-92%</i>
Share in profit/(loss) of Kredyt Inkaso	11.4	-4.3	-	2.1	-4.3	-
Operating expenses , including:	154.5	160.6	-4%	47.1	78.7	-40%
Court and enforcement costs	50.8	43.4	+17%	15.2	12.9	+17%
Write-down in value of investment in Kredyt Inkaso	12.8	39.9	-68%	2.6	39.9	-94%
Operating profit	93.8	44.5	+111%	28.0	-6.2	-
Net financial expenses, including:	31.8	32.6	-2%	10.3	13.2	-22%
Interest on financial obligations	13.2	19.8	-33%	4.4	7.8	-44%
Valuation of obligations to co-investor in BEST III	17.4	15.1	+16%	6.2	5.3	+17%
Net profit , of which:	60.7	5.3	+1037%	18.0	-20.7	-
Attributable to BEST shareholders	60.1	5.0	+1102%	17.9	-20.8	-
Cash EBITDA*	169.7	158.6	+7%	52.7	52.6	0%

* Not reflecting the revaluation write-down of Kredyt Inkaso or result from share in Kredyt Inkaso

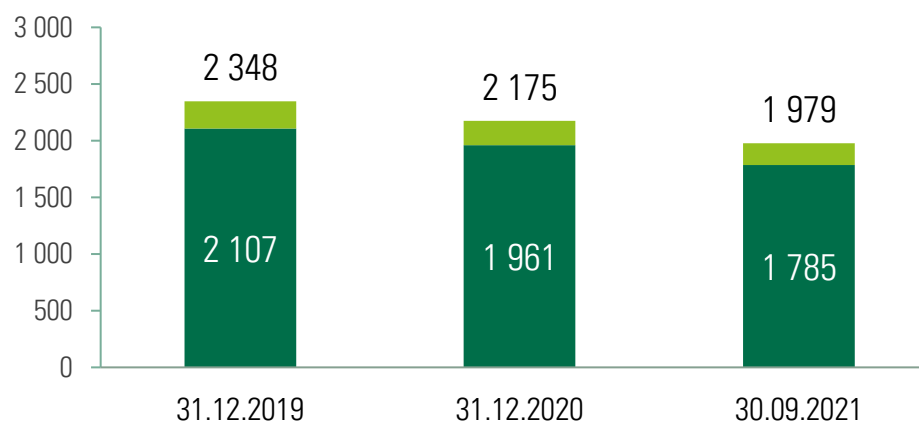
Claims portfolios are the biggest asset item

Book value of portfolios (PLNm)



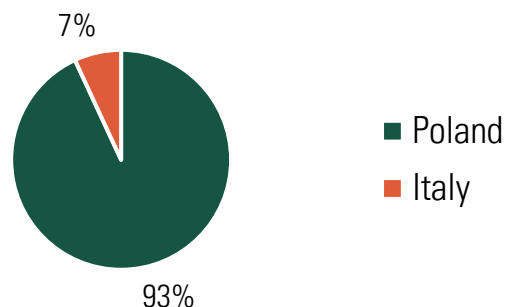
■ due to BEST Group ■ due to co-investor in BEST III

ERC—nominal estimated remaining collections (PLNm)

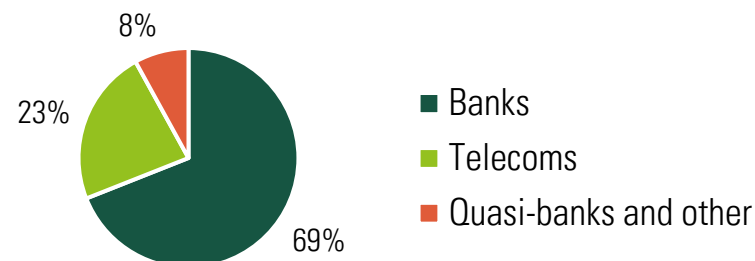


■ due to BEST Group ■ due to co-investor in BEST III

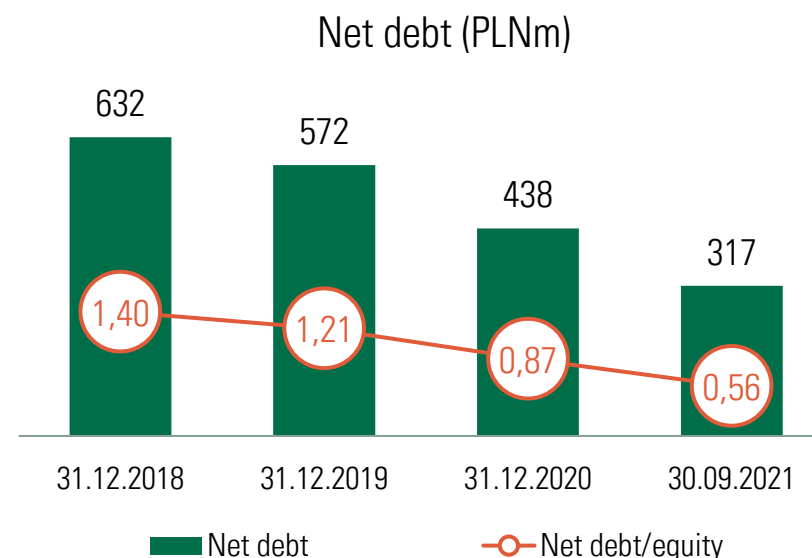
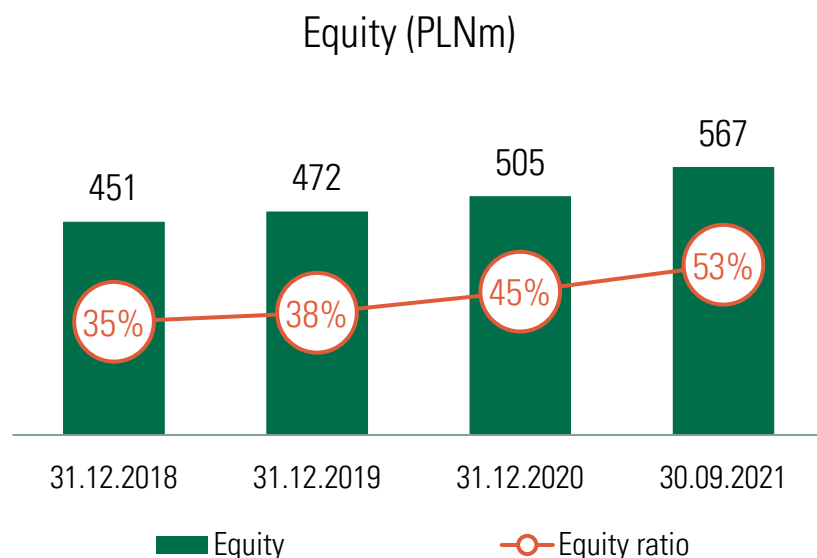
Geographical structure of managed claims



Structure of managed claims by segment

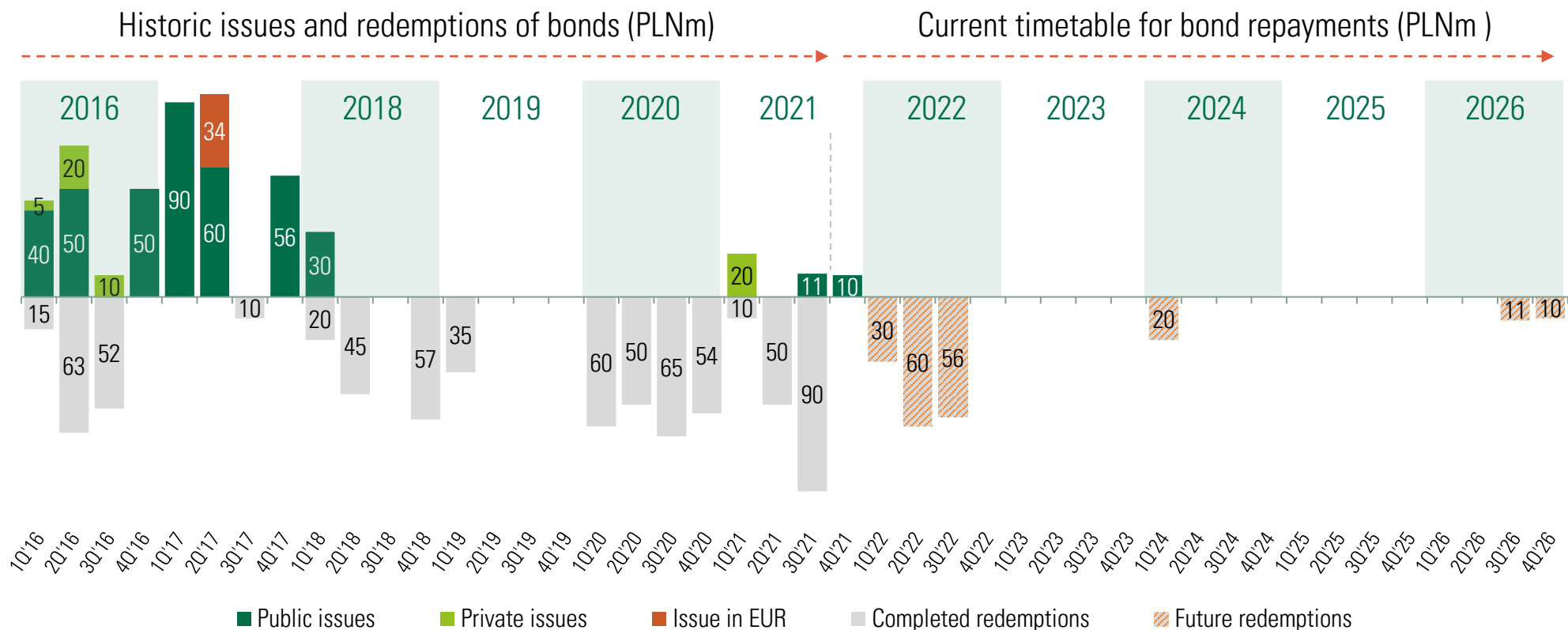


Strong balance sheet, great potential for new investment in claim portfolios



- Steady increase in equity—a result of profit reinvestment policy
- Continued decrease in main debt ratio (net debt/equity) to a very low level; the maximum permissible level of this ratio specified in the bond issue terms is 2.50
- BEST Group's financial liabilities as of 30.09.2021 (PLNm):
 - 175 - Bonds
 - 152 - Bank loans
 - 27 - Borrowings from management board
 - 21 - Leasing and rental
- Cash position as of 30.09.2021 (PLNm):
 - 61 - Cash

Bonds are a key element of financing of the Group's business



- Since 2010 we have issued bonds with a total nominal value of **PLN 1,085m**, of which **PLN 899m** has already been redeemed
- In 2Q 2021 the Polish Financial Supervision Authority (KNF) approved BEST's prospectus for a new bond issue programme with a total nominal value of up to **PLN 200m**
- In 3Q and 4Q 2021 we conducted public bond issues (series W1 and W2) with a combined nominal value of PLN 20.7m

PLANNED BUYBACK OF BEST'S OWN SHARES



Buyback of shares is an attractive alternative to payment of a dividend

In the Management Board's opinion, the company's very good liquidity and financial position allow it to conduct a buyback of its own shares with the aim of building value in the company for all its shareholders.

Key parameters of proposed buyback of shares

500,000 – maximum number of shares covered by buyback (2.17% of all the company's shares)

PLN 30 – price per share

PLN 15m – total amount of consideration for shareholders

Additional information on buyback of shares

- Buyback in the form of an invitation to submit offers to sell shares, directed to all shareholders
- Extraordinary general meeting on buyback of shares convened for **26 November 2021**

Buyback of shares is an attractive alternative to payment of a dividend



Thank you

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Annex—cash EBITDA

(PLN million)	9M 2021	9M 2020	change y/y	2020	2019	change y/y
BEST						
Repayment of claims	304.2	271.9	+12%	365.3	299.1	+22%
Other revenue	12.2	(3.0)	-	4.8	(9.2)	-
OPEX (excluding amortization)	(148.1)	(154.5)	(4%)	(199.7)	(129.2)	+55%
Cash EBITDA (with the Kredyt Inkaso result)	168.2	114.4	+47%	170.4	160.7	+6%
Change in value of investment in Kredyt Inkaso	(1.5)	(44.2)	(97%)	(45.1)	(12.5)	+261%
Cash EBITDA*	169.7	158.6	+7%	215.5	173.2	+24%

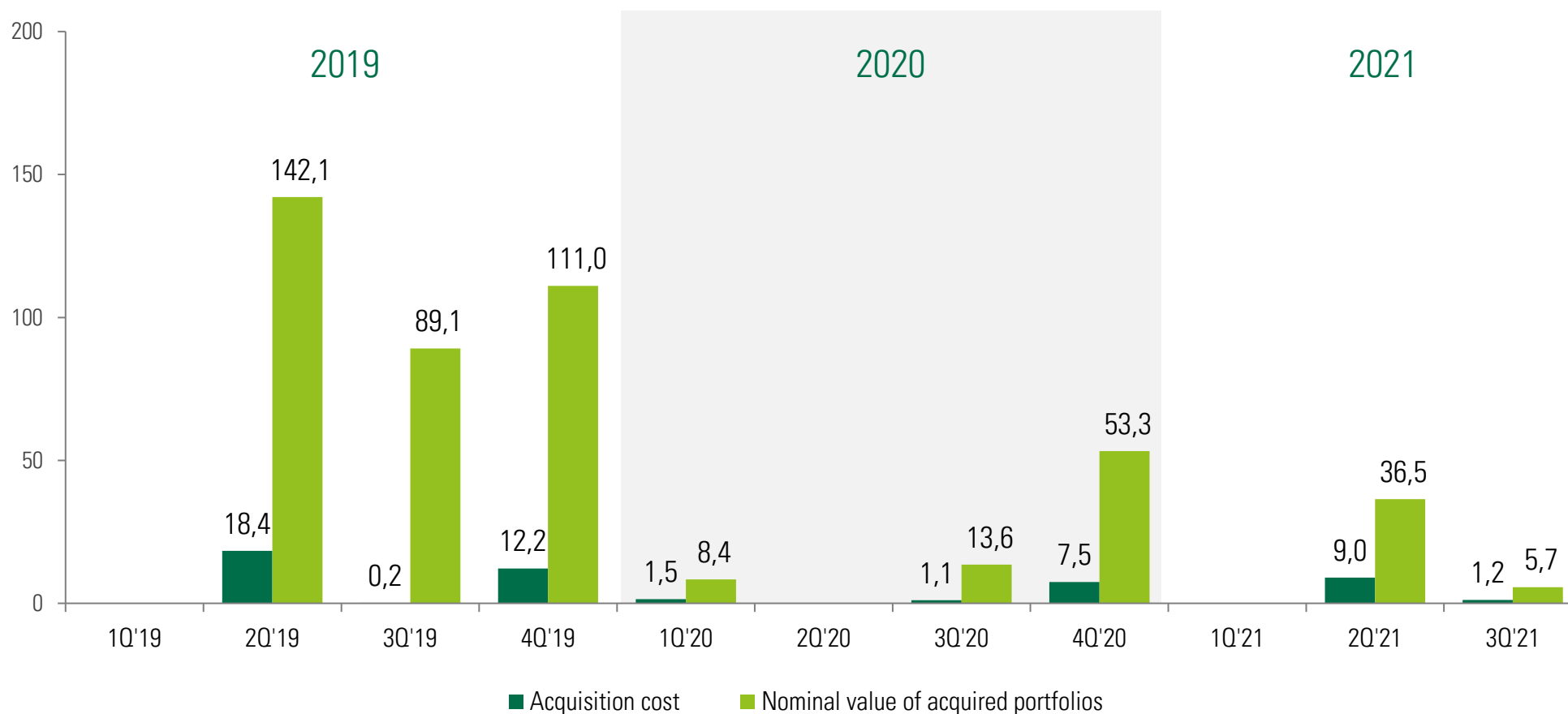
* Cash EBITDA = operating profit - revenue from acquired claims + repayment of acquired claims + amortization - change in value of investment in Kredyt Inkaso.

Annex—statement of financial position

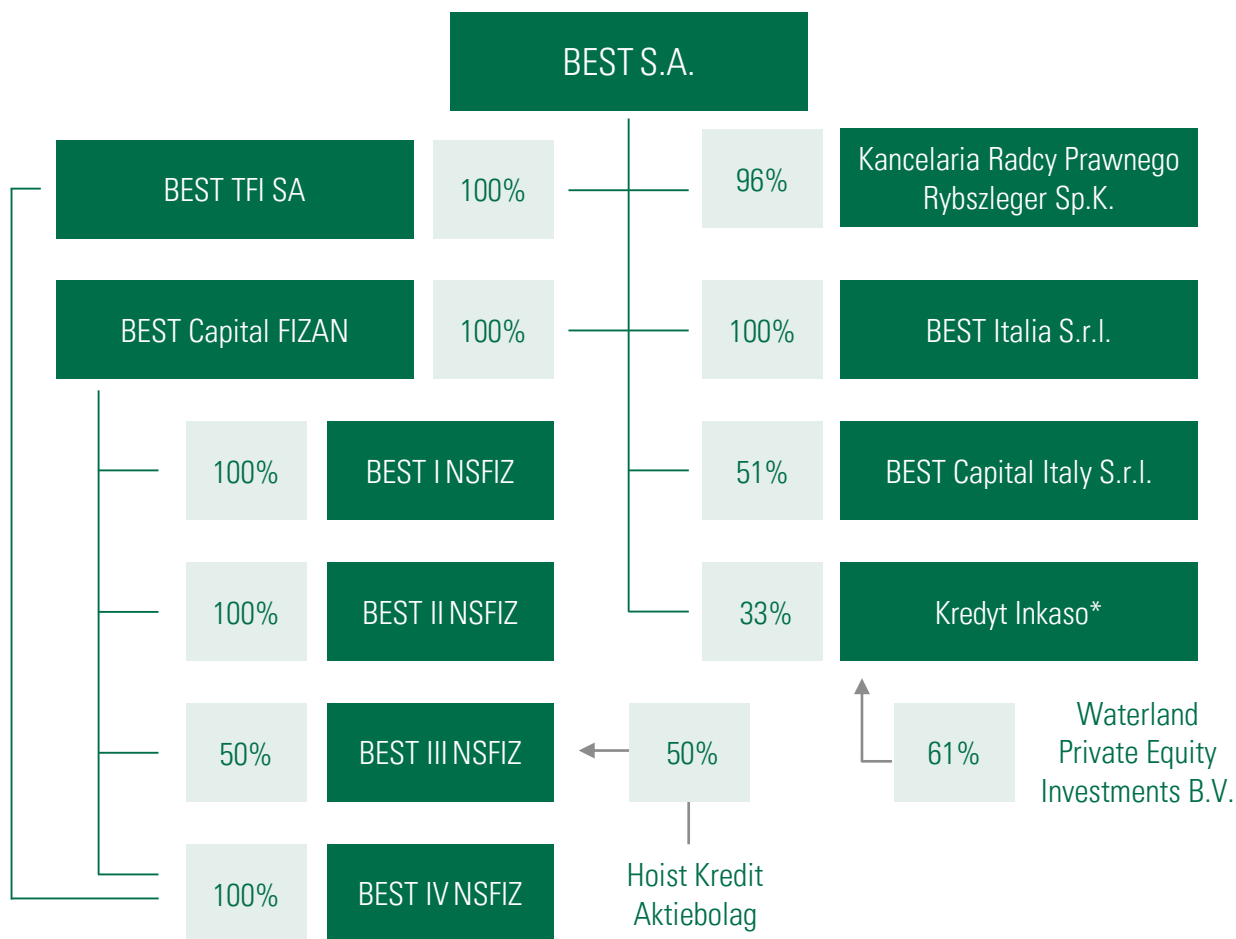
(PLN million)	30.09.2021	31.12.2020	31.12.2019*
Assets , including:	1,073.3	1,134.9	1,244.9
Cash and cash equivalents	60.5	65.6	82.0
Claims acquired	880.8	938.4	998.6
Investments in associates	51.4	51.4	98.7
Investment real property	23.6	23.5	20.6
Equity and liabilities , including:	1,073.3	1,134.9	1,244.9
Financial liabilities	377.6	504.0	654.4
Obligations to co-investor in BEST III	68.3	75.5	82.3
Equity	566.7	505.1	472.5
Net debt	317.1	438.4	572.4
Net debt/equity	0.56	0.87	1.21

Annex—investments in claim portfolios

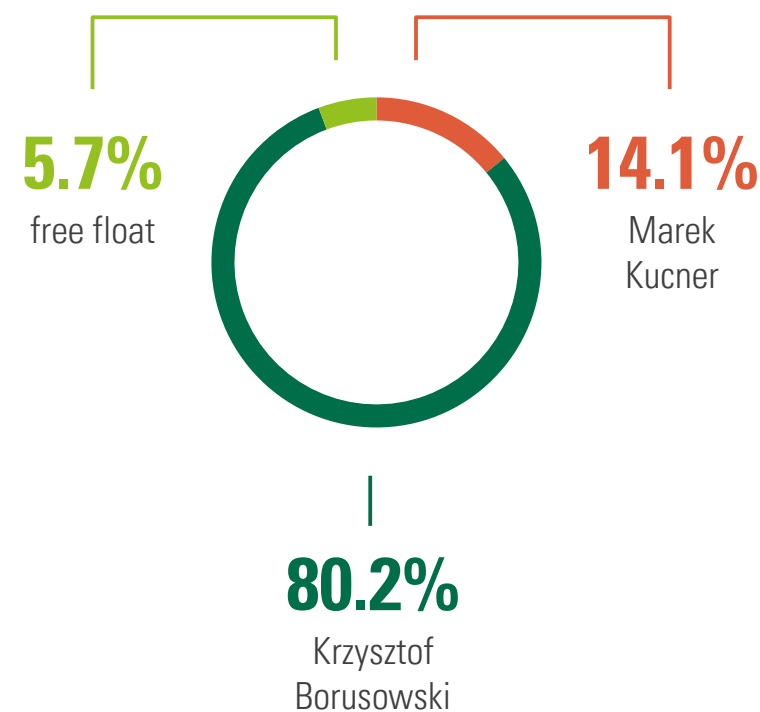
Investments in claim portfolios (PLNm)



Annex—Capital group structure



Shareholders of BEST S.A.
(percentage of share capital)



* associate