



Preliminary Financial Results

as of 31st December 2021

2Performant Network S.A.

a company listed on MTS-AeRO market of the Bucharest Stock Exchange



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Disclaimer: The financial figures presented in the descriptive part of the report that are expressed in million lei (RON) are rounded off to the nearest integer and may result in small reconciliation differences.

ISSUER INFORMATION

Information about this financial report

Type of report	Preliminary Financial Results
For financial period	01.01.2021 – 31.12.2021
Date of Publishing	14.02.2022

Issuer information

Issuer's name	2Performant Network S.A.
Fiscal code	26405652
Trade registry number	J40/493/2010
Registered office	6 – 8 Corneliu Coposu Boulevard, Unirii View Building, Floor 2, (office) ResCo-working09, 3rd District, Bucharest, Romania

Information about the securities

Subscribed and paid-up share capital	619,963 lei
Market on which the securities are traded	MTS AeRO Premium
Total number of shares	6.199.630 shares
Symbol	2P

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The preliminary financial results as of December 31st, 2021, presented on the following pages are **not audited**.

LETTER FROM THE CEO

Dear shareholders,

2021 was a year in which 2Performant continued to grow, both from a business and financial results perspective and as an organization. On the solid foundation we already had - our technology, our user community, a team with specialized know-how, leadership in the Romanian affiliate marketing sector - we continued to build in 2021 the pillars for our international expansion and become a solid business with accelerated growth. We have developed new growth approaches and routes, improved processes, expanded our team, and obtained the funding to support our growth.



This development has helped us achieve a 27% increase in turnover in 2021 and will allow us to grow even faster in 2022 and beyond.

In 2021, the 2Performant ecosystem - online stores and affiliates doing business on our platform - generated over 1% of the total value of the Romanian eCommerce market, an important threshold that confirms the strength of the ecosystem we have developed and the proven effectiveness of affiliate marketing in eCommerce. Specifically, 2Performant affiliates made sales of over EUR 73 million for online stores on our platform, while the eCommerce market was estimated at EUR 6.5 billion in 2021.

At the same time, the 27% increase of 2Performant compared to 2020 is well above the growth of the eCommerce market, estimated at 15% for 2021 compared to the previous year.

If in 2020 we had the technical and operational capacity to capture an unprecedented growth of the eCommerce industry, in 2021, we managed to achieve this result through operational excellence and the development of the team and of the organization. Specifically, we achieved these results through a smart mix of consulting, data, support, marketing, improved processes, and team expansion. It was about counseling our top users to maximize their results, about collecting and analyzing data, increasing capacity and improving the quality of support provided to our users by creating a business support department, financially supporting valuable and sustainable users' projects, and marketing for our ecosystem especially through competitions, challenges, and events dedicated to users.

Based on data, gamification, and highly specialized know-how, this complex way of operation produces performance. A good example is Black Friday 2021, when 2Performant intermediated sales worth 50% higher than in 2020, in the context of a relatively poor Black Friday of the Romanian eCommerce.

We achieved these results while delivering a significant product development: our Product & Development team developed Big Bear, a new solution for conversion attribution in the 2Performant platform. The product has been designed and tested and is now active in 12 of our platform's most important online stores. We estimate that Big Bear will generate a 10% increase in the number of conversions captured, which will contribute starting with 2022 to the rise in intermediated sales and implicitly our revenue.

Last year, we created the Growth Business Unit, the division responsible for expanding the company to other markets. We have developed an expansion approach, partnered with an international affiliate network, and launched 47 European and global brands on our platform. These processes took longer than anticipated, resulting in a moderate 33% increase in foreign market revenues. We started 2022 with a series of launches of international brands and with campaigns to attract new users from other markets. With the approach and the team we have at the moment, I am confident that we will accelerate our expansion in the European affiliate market this year.

In short, in 2021, we managed to grow above the market, and we achieved our financial goals by adapting to market trends and growing as an organization.

2021 Business Indicators

2Performant develops technology that automates collaborations between online stores and affiliates, independent professionals and digital marketing entrepreneurs. At the same time, our team operates the platform to support our users' businesses and the development of business relationships between them through the platform.

In 2021, 3,440 affiliates achieved 1.39 million sales through 2Performant for 716 online stores in 26 different categories. The value of these sales is EUR 73.1 million, 44% more than in 2020. For these results, the affiliates obtained commissions amounting to EUR 4.65 million, 37% more than the previous year.

The 69 million clicks generated by 2Performant affiliates in 2021, meaning a monthly average of over 5.7 million clicks, confirms 2Performant as the most important local traffic source for the Romanian eCommerce market. Also, the sales index (the value of sales obtained by an online store for every euro invested in affiliation) of EUR 15.71, together with the average conversion rate over the entire network of 2% and the average value of the shopping cart of EUR 52.6 shows the efficiency of affiliation in general and 2Performant in particular for online stores.

2021 Financial Results

We ended 2021 with a turnover of 25.7 million lei, 27% more than in 2020 and above our forecast. We achieved this result in the context in which we focused exclusively on the affiliate marketing product last year, to the detriment of the influencer marketing product.

The results from the second half of the year, which is traditionally an exceptional time for online commerce due to Black Friday and the Christmas campaigns, allowed us to reach our financial goals for 2021, as we predicted in our financial forecast. Thus, the turnover in H2 was almost 15 million lei, 36% more than in the same period of 2020, and we recorded a profit of 457 thousand lei during this period.

Coming back to the results for the entire year, the operating income, calculated by eliminating the commissions we pay to affiliates, registers an increase of 26 percent compared to 2020, reaching 6.8 million lei. Also, pre-paid revenues increased by 51% and post-paid revenues by 13%.

As I mentioned before, 2021 and 2022 are years of investment for 2Performant, in which we invest in our growth all the capital and expertise we have. The maturity that our company has reached, together with the trends in the industries in which we operate, make them critical years for the scaling of 2Performant. In 2021, we made investments of 2.5 million lei in growth projects for the Romanian market, expansion into new markets, and the conversion attribution development project. Most of these investments, 1.9 million lei, were made from the 5.3 million lei raised through the capital increase with cash contribution made last year. These investments generated a loss of almost 700K lei in 2021, below the forecasted loss in our revenues and expenditure budget. The rest of the amount raised from the capital increase will be used in 2022, as we have shown since the beginning of the operation.

At the same time, we have significantly improved the liquidity, cash position, and degree of indebtedness indicators, which record outstanding values, primarily due to the investment raised through the Bucharest Stock Exchange, which is only partially used at the end of 2021.

Capital market activity

2021 was also our first year as an issuer on the Bucharest Stock Exchange. We were an active issuer: we carried out a capital increase with cash contribution through which we raised investments of 5.3 million lei and granted bonus shares to our shareholders. In addition, we have put much effort into investor relations and corporate governance. We have set up the 2Performant Board of Directors,

opened communication channels with shareholders, and supported valuable projects in the capital market. You can watch [here](#) a video that summarizes our first year on BVB.

I want to thank all the shareholders of 2Performant for your trust. I assure you that we will maintain transparent and constant communication with shareholders and investors in general in 2022. In this direction, we have decided to make quarterly financial reports. You can check out our 2022 financial calendar [here](#).

2022 perspectives

At the beginning of 2022, we are in an excellent position: a clear strategy for development and expansion in new markets, a solid team, a perfected way of operating, and the necessary capital to hit the gas.

The most crucial objective in our business in 2022 is to increase our presence in European markets. The way we expand is neither traditional nor geographical. We are expanding through technology, more precisely through partnerships with international affiliate networks, which means realizing technical integrations with them. Through these integrations, we are able to bring big brands from European and global eCommerce in our platform. At the same time, we are taking action to attract affiliates from foreign markets based on the differentiators we have in the global affiliate market.

Also, we start 2022 with a strong position on the Romanian market, with excellent operations that produce results above market average. In addition, this year, we will resume the acquisition of new users in the Romanian market - important players in eCommerce and affiliates. We will also see the business results of the new solution for conversion attribution, Big Bear, and we will develop new growth projects.

Thus, we have every reason to look forward to 2022 and beyond.

Finally, I would like to thank the 40 members of the 2Performant team, the 9,635 users who worked on our platform in 2021, and the almost 1,300 2P shareholders.

I invite you to read the following pages of this report. I am also taking this opportunity to invite you to attend the 2P Annual General Meeting of Shareholders on April 18 via the eVote platform.

If you have any questions or suggestions about this report or other topics, you can contact the Investor Relations team at investors@2performant.com or by calling **+40 374 996 354**. Also, to keep up to date with the evolution of 2P at BVB and with the news from the company, I invite you to subscribe to our newsletter for investors [here](#).

Good luck with conversions!™ Good luck with transactions!

Dorin Boerescu

ABOUT 2PERFORMANT

BRIEF HISTORY

2Performant is the leader of the affiliate marketing sector in Romania and a technology company with a validated business model and high growth potential, being directly connected to the evolution of online commerce, digital marketing and the gig economy phenomenon.

In 13 years of activity, 2Performant has mediated, through its 2Performant.com technology platform, 7 million transactions worth 314 million euros for over 800 Romanian and regional eCommerce players. According to company's data, 2Performant is the largest local source of traffic for online stores in Romania, bringing over 5.5 million clicks per month for the approximately 800 customers from almost 30 industries, which are part of the 2Performant portfolio. In total, 2Performant mediated over 506 million clicks for online stores and 18.7 million euros in commissions for affiliates on the platform.

2Performant is part of the New Economy, defined by digitalization and democratization, in which digital skills and new ways of working and collaborating between people and organizations are the basis of new business models that generate new opportunities around the world. The vision is the one that led to the launch of the first affiliate network in Romania – back then 2Parale, today 2Performant - to the formation of the profile market and to the development of the business until today.

In 2008, 2Performant (at that time, 2Parale) introduced on the Romanian market the concept of affiliate marketing and the first network of this type. This is almost 30 years after the conceptualization of affiliate marketing - as a reference, Amazon launched its affiliate marketing program in 1996 - and just over 10 years after the launch of the world's first affiliate marketing networks. Since then, 2Performant has taken on the role of leader and trainer of this market and promoted affiliate marketing as one of the most effective tools for promotion and sales, for brands, and a simple and fair way to make money, for digital talents.

Along the years, the company has gone through various stages, from testing and improving the product, to developing a unique, efficient business model, able to sustain an accelerated growth rate on the medium and long term.

The company has also attracted a number of renowned business angels and made investments of over 1 million euros in its own technology underlying the 2Performant.com platform and the two products available – affiliate marketing and influencer marketing, a platform that the company operates and from which it generates income. In 2011, 2Performant entered the Bulgarian market and since then has been addressing several foreign markets, directly and through partnerships.

A defining moment in the company's history is the 2015-2016 period, when it developed the current 2Performant.com platform, a European platform in English, with trading in RON and EUR currencies. This was also the moment when the company's rebranding to 2Performant took place.

In 2018 and 2019, 2Performant diversified and increased its sources of income and developed its Business Intelligence and Client Service capabilities offered to the platform's users.

On December 9, 2020, 2Performant's shares floated on the AeRO market of the Bucharest Stock Exchange under symbol 2P. As of October 2021, 2P shares are included in the BET-AeRO index of the Bucharest Stock Exchange that follows the most liquid companies listed on the AeRO market.

The company was not involved in mergers or reorganizations in 2021. No acquisitions and/or disposals of assets were made in 2021. 2Performant Network SA has no subsidiaries.

KEY EVENTS IN H2 2021

PARTNERSHIP WITH ADMITAD AND LAUNCH OF 35 PROGRAMS OF INTERNATIONAL BRANDS

On August 17, 2021, the Company announced a partnership with Admitad, an affiliate network present in the European, Asian and South American markets that generated sales of over USD 5 billion in 2020. By entering this partnership, 2Performant Network gained access to all Admitad's 2,000 global affiliate programs. The Company launched in 2021, 35 affiliate programs of international brands such as AliExpress, Zaful, Hawes & Curtis UK or Lacoste Hungary, Czech Republic, Poland, Slovakia.

CONVERSION ATTRIBUTION SOLUTION IN THE PLATFORM

The main project of the 2Performant Product & Development in this period has been the development of a new conversion attribution solution for the 2Performant.com platform – conversion attribution being one of the essential functionalities of the platform.

As part of this major development project, the internal programmers' team has developed a new solution called Big Bear. Its role is to increase the capacity to assign conversions realized through 2Performant and thus the incomes of users and of 2Performant. At the same time, Big Bear reflects the company's vision about ePrivacy and its responsibility to protect users' privacy in an open and accessible web universe.

The solution was tested with some of the most important advertisers of 2Performant, and at the beginning of 2022, it was activated in 12 of the most important online stores on the platform: Otter, BestValue, Esteto, iHunt, Elephant, Vivre, DYFashion, Neakaisa, Cartepedia, Edenboutique, BaByliss and Cărturești.

COMPLETION OF THE SHARE CAPITAL INCREASE OPERATION

In August 2021 the share capital increase operation of 2Performant Network approved by the Extraordinary General Meeting of Shareholders on 22 March 2021 was completed. During the share capital increase operation, a number of 185,500 new registered, dematerialized shares, with a nominal value of RON 0.1 each and a total nominal value of RON 18,550 were subscribed, out of which a number of 149,099 shares were subscribed at the price of RON 28.2644 per share and a number of 36,401 shares were subscribed at the price of RON 30.4910 per share. During the share capital increase, the company raised 5.3 million lei, capital that will fuel investments in the growth and consolidation projects for the home and external markets.

EXTRAORDINARY GENERAL MEETINGS OF SHAREHOLDERS ON 23.08.2021

On 23.08.2021 2Performant Network S.A. took place the Extraordinary General Meeting of Shareholders (EGSM). The meeting was chaired by Dorin-Cristian Boerescu, in his capacity of the President of the Board of Directors. During the AGA, the shareholders have voted in favor of approving changes to the Articles of Association. The proposal to carry out share capital increase without the preference rights in order to implement the Stock Option Plan did not pass due to insufficient quorum.

SHARE CAPITAL INCREASE AND DISTRIBUTION OF BONUS SHARES

On October 22, 2021, the Company received from the Financial Supervisory Authority the Certificate of Registration of Financial Instruments (CIIF) registering the share capital increase operation with 4,959,704 new shares that were issued according to the Decision of the Extraordinary General Meeting of Shareholders of 2Performant Network S.A. no. 2/23.04.2021 and Decision no. 12 of the Board of Directors of the Company dated 01.10.2021. This share capital increase represented free shares granted to the company's shares in the proportion of 4 free shares per 1 owned.

Following the share capital increase and the distribution of bonus shares, the share capital of 2Performant Network S.A. is 619,963 lei, divided into 6,199,630 registered shares, with a nominal value of 0.1 lei per share.

ORGANISATION AND TEAM DEVELOPMENT

This year, 2Performant has created a business support department, offering support to all platform users, both advertisers and affiliates, from both local and external markets. This way, the company has extended its support capacity and quality.

Additionally, 2Performant team reached 43 members, part of them collaborators, to support the activity of the 2 Business Units and to extend the operational capacity (business support, affiliate management) and marketing capacity towards growth.

FINANCIAL RESULTS ANALYSIS

2021 was a year of a steady, but lower pace compared to 2020, increase in the Romanian ecommerce market. GPeC estimates that the Romanian ecommerce market valued 6.5 billion euros in 2021, registering a 15% increase compared to 2020. In 2021, 2Performant intermediated sales in the total amount of 73.1 million euros, which means that more than 1% of the sales on the Romanian ecommerce market were generated through the 2Performant.com platform. More importantly, the dynamic of sales generated by 2Performant accelerated way above the dynamic of the market, thus proving the strong growth potential that the platform has in Romania.

If in 2020 2Performant was able to capture an unprecedented growth of the pandemic-driven ecommerce market, in 2021 the Company managed to grow far above the ecommerce market thanks to the way it operates – precisely, the way 2Performant does business with its users and where it helps them do business together, through the platform. The best evidence in this regard are the record sales generated through 2Performant during 2021 Black Friday, which were well above the market level. The way 2Performant operates, paired together with other growth initiatives that will, among other things, focus on the acquisition of new customers, will remain the main vector of growth also in 2022.

The last quarter of the year has always been the best period for 2Performant's business as well as for ecommerce players globally, primarily due to the Black Friday as well as sales generated over the holiday period. In this context, the good performance in H2 2021 helped the Company recover part of the loss generated in the first half of the year as a result of significant investments in the 2Performant platform, growing the teams as well as investing in the growth initiatives. The total value of investments carried out by 2Performant in 2021 was 2.5 million lei, out of which 1 million was invested in the affiliate marketing product in Romania, over 0.7 million lei for expansion outside of Romania and over 0.7 million in the Big Bear project of conversion attribution in the platform.

As it was estimated both in the listing memorandum as well as the prospectus for the share capital increase, 2Performant ended 2021 on a loss. As stated in the respective documents, 2021 and 2022 are the two years of intense investment activity for 2Performant which will translate to higher turnover but without reaching profitability due to the expenses related to the growth and expansion projects, platform development as well as expanding the team.

P&L ANALYSIS

The operating revenue of 2Performant Network increased 27% in 2021 compared to 2020, reaching 27.3 million lei. The turnover amounted to 25.7 million lei, also a 27% increase compared to 2020. Out of that amount, the sales generated in 2021 in Romania represented 89% of the total turnover while 11% was generated on the foreign market – in line with the respective weight registered in 2020. In terms of split per product, affiliated marketing brought 25.5 million lei in turnover, a 28% increase compared to 2020, while influencer marketing brought 0.3 million lei, a 38% decrease compared to 2020. This evolution is a consequence of the strategic decision of the Company's management to focus, in 2021 and in the following years, exclusively on the affiliate marketing product, to the detriment of the influencer marketing product. Although influencer marketing income was lower than the initial estimation, the affiliate marketing compensated the decrease and even had an increase that led to a 1% increase in turnover. 2Performant closed 2021, from profitability point of view, with a loss lower than expected with 5%.

Business line	2020	2021 BUDGETED	2021 REALISED	%Δ 2021R/2020
Affiliate Mkt	19,837,615	24,572,063	25,484,845	28%
Influencer Mkt	426,880	1,001,304	263,037	-38%
Other	17,953	12,000	27,457	53%
Turnover	20,282,448	25,585,367	25,775,339	27%

The income from the production of tangible and intangible fixed assets appreciated by 35%, reaching 1.5 million lei. This increase is a result of the capitalization of the wages of the development team. Other operating revenues maintained an insignificant share in the total turnover, amounting to 27K lei.

In terms of expenses, these increased 37%, faster than the revenues, due to the value of investments carried out in the course of 2021. Consequently, in 2021 operating expenses amounted to 27.9 million lei, with the biggest contributor to these expenses being other operating expenses, which primarily consist of fees due to affiliates and influencers. These costs increased 33%, reaching 21.8 million lei for the full year 2021. The personnel expenses amounted to 5 million lei, a 54% increase from 3.2 million lei registered for 2020. This aspect was determined by an increase in the number of employees, which reached 39 in 2021, to support the activity of the 2 Business Units created and to expand the operational capacity (business support, affiliate management) and marketing to capture the growth.

The raw materials, material and energy expenses decreased by 58%, amounting just to 26K lei in 2021 as the company moved entirely to the remote work model. Depreciation expenses and value adjustments increased 66%, reaching 1.2 million lei. The increase is in line with the company's amortization policy of the value of the key asset – the technology platform 2Performant.com.

In 2021, the operating income, i.e. the turnover eliminating the commissions paid to the affiliates, amounted to 6.9 million lei, a 26% increase compared to 2020 when the company registered 5.5 million lei in operating income.

Following the investments made in the course of 2021, 2Performant ended 2021 with a negative operating result of -0.7 million lei, compared to 1 million lei registered in 2020. The financial expenses increased 83%, reaching 50K lei, out of which interest expenses amounted to 20K lei and the rest representing the negative FX variation. This was offset by the financial income which amounted to 29K lei, a 17% increase compared to 2020, and resulting in a financial result of -30K lei. The net result was a loss of 0.7 million lei, a 185% decrease compared to positive result of 0.8 million lei registered for full year 2020. Nonetheless, as the revenue realized was higher than revenue budgeted, the bottom line delivered was better than initially budgeted as the company managed to lower the loss. Therefore, the results delivered in 2021 were better than those initially budgeted, both in terms of operating revenue as well as the net result.

Profit & Loss Account (RON)	31.12.2020	31.12.2021	%Δ 2021L/2020
Operating Revenue	21,385,314	27,258,559	27%
Operating Expenses	20,415,504	27,928,661	37%
Operating Result	969,810	(670,102)	-169%
EBIT	963,559	(679,644)	-171%
EBT	959,861	(699,939)	-173%
Net result	818,689	(699,939)	-185%

In terms of incomes by payment method, pre-paid vs. post-paid, the prepaid income has registered a 51% increase in 2021 compared to 2020, having a positive impact on the company's cash position. The revenues from the post-paid payment method appreciated by 13% in the same period. Consequently,

in 2021 the revenues from the pre-paid payments amounted to 48% of all the revenues, a 7pp appreciation compared to 2020.

Market	Payment	2020	2021
Internal	Post-paid	10,712,930	11,593,049
	Pre-paid	6,989,009	11,041,581
External	Post-paid	1,075,629	1,700,115
	Pre-paid	1,060,048	1,150,100
Turnover (affiliates)		19,837,615	25,484,845

BALANCE SHEET

Fixed assets grew 13% and reached 3.1 million lei, driven mainly by a 12% increase in intangible assets. Tangible assets continued to have an insignificant share in the total fixed assets, amounting to 8K lei. Current assets increased by 175%, from 2.6 to 7.2 million lei, driven by a 585% appreciation in cash and cash equivalents, which reached 4.9 million lei. The increase in cash and cash equivalents is the direct result of the share capital increase that the company finalized in August 2021. In 2021, the company used only 1.9 million lei out of 5.3 million lei raised from investors. The rest of the capital will be invested in the course of 2022.

Receivables increased 24% to 2.4 million lei, with the amount advancing in H2 2021. The increase in H2 2021 in receivables is due to the significant increase in the value of sales made on Black Friday under post-paid payment model. Black Friday is the period when the volumes as well as sales amounts are the highest within the year. These receivables will be cashed in in Q1 2022, thus will have a positive impact on the cash flow in the first quarter of this year.

The pre-paid expenses increased with 514K lei, reaching 0.8 million lei. In 2021, 2Performant supported financially its top affiliates who have developed sustainable and in line with current trends projects, by paying their commission quicker in order for the affiliates to generate even more significant results in the platform. This strategy has proven to be of great success for 2Performant as it helped capture the increase on the Romanian ecommerce market.

In line with the evolution above, the total assets have almost doubled in 2021 compared to 2020, reaching 11.1 million lei.

On the liabilities side, as of the end of 2021, 2Performant only had current debts, in the total amount of 2.5 million lei, a 13% increase compared to previous year. At the end of 2021, the Company did not use any of its available credit lines despite having at its disposal a 3.7 million lei IMM Invest and 1.2 million lei ING credit line which can be used for cash flow shortages. The current liabilities presented on the balance sheet include primarily the wages due as well as amounts due to suppliers, including amounts due to affiliates for the invoices issued at the end of the year.

The provisions remained constant, amounting to 27k lei, while the income in advance increased 39%, reaching 2 million lei, representing pre-paid revenues, so commissions paid by advertisers in advance. Equity increased 229% due to the 488% increase in subscribed and paid-up share capital, resulting from the share capital increase with cash contributions as well as distribution of bonus shares, as well as a 738% increase in the share premium, result of the share capital increase with cash contributions.

Balance Sheet (lei)	01.01.2021	31.12.2021	%Δ
Fixed Assets	2,784,877	3,138,699	13%
Current Assets	2,628,289	7,232,550	175%
Pre-paid expenses	252,291	766,905	204%
Total Assets	5,665,457	11,138,154	97%
Current Liabilities	2,176,321	2,463,083	13%
Provisions	26,797	26,797	0%
Income in Advance	1,443,623	2,003,610	39%
Equity	2,018,716	6,644,663	229%
Total equity and debt	5,665,457	11,138,154	97%

Due to share capital increase with cash contributions operation, indicators such as cash position, liquidity as well as the indebtedness level registered very good values before the yearend since the Company only carried out a part of the investments that were foreseen when raising the capital. Naturally, as the capital raised from the investors is deployed in the course of 2022, the indicators will come back to lower values, within the optimal parameters.

FINANCIAL INDICATORS

Indicator	Optimal interval	2020	2021
Current Ratio	>2	1.21	2.94
Immediate Liquidity	>1	1.21	2.94
Cash ratio	>0.5	0.32	1.97
Overall Solvency	>1	2.60	4.52
Indebtedness indicator	<50%	0.0%	0.0%
Debt rate	<80%	38.4%	22.1%
Total Liabilities/ Total Assets	< 1	0.38	0.22

BUSINESS INDICATORS

Intermediated sales

In 2021, 2Performant intermediated transactions worth over 1% of the value on the entire Romanian e-commerce market. 3,440 affiliates generated through 2Performant platform 1.39 million sales worth 73.1 million euros for 716 online stores in 26 categories.

The main business indicators the Company follows, which faithfully reflect the evolution of the 2Performant ecosystem and of our business, registered a very good evolution last year:

- Value of sales intermediated through 2Performant.com: +44.4%;
- Value of commissions from sales generated: +36.6%;
- Productive relationships, thus collaborations between affiliates and online stores in which the traffic sent by an affiliate materialized in a customer who placed an order for an online store: +4.9%.

KPI	2020	2021	%Δ
Sales intermediated	1.02 mn	1.39 mn	36%
Clicks intermediated	55.8 mn	68.7 mn	23%
Value of sales generated (euro excl. TVA)	50.6 mn	73.1 mn	44%
Value of commissions from sales generated (euro)	3.4 mn	4.65 mn	37%
Average Order Value (euro excl. TVA)	49.7	52.6	6%
Average conversion rate on 2Performant.com	1.8%	2.0%	0.2pp

Significant increases in H2 2021

The second half of 2021, which was marked by the most important sales events in the trade industry: Black Friday and winter promotions, brought significant increases for 2Performant. The company has managed to capture the potential of this period, which is traditionally the best for e-commerce:

- Value of sales intermediated: EUR 45.8 million, +63.9% compared to H2 2020
- Number of intermediate sales: 843,689, +58.6% compared to H2 2020
- Productive relations between users: 18,061, +7% compared to H2 2020

Active and productive relationships between 2Performant.com users

The quality of relationships between online stores and 2Performant.com affiliates is part of the Company's mission and is one of the most important indicators of the sustainability of the 2Performant ecosystem.

On the one hand, the company follows the active relationships, those in which the affiliates worked for an advertiser (online stores), generating traffic for the latter. On the other hand, it also follows productive relationships, those in which affiliates have generated sales for online stores.

In 2021, the focus of the operational team was to generate and maintain quality productive relationships between 2Performant.com users. Also, the 2Performant team had the ability to identify the top users in our network, those who can get exceptional results through affiliate marketing, and to support them to collaborate with each other to achieve the best results. Thus, although the number of advertisers with active affiliate programs was lower than in 2020, the number of productive relationships - with an impact on financial results - increased by almost 5%.

	2020	2021	%Δ
ACTIVE RELATIONSHIPS through which affiliates generated traffic for online stores			
Advertisers who received traffic from affiliates	1.015	845	-17%
Affiliates who generated traffic for advertisers	8.720	8.790	+1%
Active relationships	92.633	87.464	-6%
PRODUCTIVE RELATIONSHIPS through which affiliates generated sales for online stores			
Advertisers who registered sales through 2Performant	785	716	-9%
Affiliates who generated sales for advertisers from 2Performant.com	3.445	3.440	0%
Productive relationships	23.720	24.884	5%

Out of the advertisers that received traffic through 2Performant.com, almost 85% had sales through 2Performant.com, 7pp higher than in 2020.

Distribution of sales by categories

In 2021, there were 716 online sales of 216 stores in 26 product categories, from Fashion, Books, Electronics, Pharma, Automotive to Financial Services. Out of the total sales mediated by 2Performant.com, the distribution by categories was as follows:

Fashion – 26.14%	Babies Kids & Toys – 5.35%
Books, Movies & Music – 24.33%	Sports & outdoors – 3.10%
Beauty – 10.46%	Pet supplies – 1.71%
Pharma – 10.21%	Health & Personal care – 1.56%
Home & Garden – 5.76%	Jewelry – 1.17%
Electronics IT&C – 5.75%	Other – 4.46%

9 product categories recorded sales of over 2 million euros through 2Performant.com in 2021, of which the first 3 categories achieved sales of over 10 million euros:

- Fashion: 17.7 million euros, 160 advertisers, including FashionDays, Answear, ePantofi, Dyfashion, Otter
- Home & Garden: 12.1 million euros, 105 advertisers such as NeaKaisa, Vivre, Fornello, SomProduct
- IT&C Electronics: 11.1 million euros, 71 advertisers, ex. Evomag, Flip, F64, iHunt
- Books, Movies & Music: 9.4 million euros, 32 advertisers, including Elefant, Carturesti, Litera, Libris, LibrariaDelfin, Librex
- Beauty: 5.3 million euros, 66 advertisers such as Notino, BestValue, Esteto, Farmec
- Babies Kids & Toys: 3.9 million euros, 39 advertisers, e.g. Nichiduta, Noriel, Ookee, Chicco.ro
- Pharma: 3.5 million euros, 14 advertisers such as Dr. Max, Lensa, Optiblu, Optiplaza
- Sports & outdoors: 2.7 million euros, 18 advertisers including Decathlon Romania and Bulgaria, Hervis, FitLife, Biciclop
- Automotive: 2.2 million euros, 22 advertisers such as Anvelope-oferte.ro, Anvelope-autobon.ro

FINANCIAL STATEMENTS

Profit & Loss Account (RON)	31.12.2020	31.12.2021	%Δ 2021/2020
Operating Revenue, out of which:	21,385,314	27,258,559	27%
Turnover	20,282,448	25,747,882	27%
Income from the production of intangible and tangible fixed assets	1,095,497	1,483,220	35%
Other operating revenue	7,369	27,457	273%
Operating Expenses, out of which:	20,415,504	27,928,661	37%
Raw materials, material, and energy expenses	63,407	26,348	-58%
Personnel expenses	3,214,686	4,952,146	54%
Depreciation expenses and value adjustments	704,064	1,168,899	66%
Other operating expenses	16,433,347	21,781,267	33%
Operating Result	969,810	(670,102)	-169%
Financial income	17,458	20,445	17%
Financial expenses, out of which:	27,407	50,282	83%
<i>Interest expenses</i>	3,698	20,295	449%
Financial Result	(9,950)	(29,837)	-200%
Total Revenue	21,402,772	27,279,004	27%
Total Expenses	20,442,911	27,978,943	37%
EBIT	963,559	(679,644)	-171%
EBT	959,861	(699,939)	-173%
Profit tax / other tax	141,172	0	-100%
Net result	818,689	(699,939)	-185%

BALANCE SHEET

Balance Sheet (RON)	01.01.2021	31.12.2021	%Δ 2021/2020
Fixed Assets, out of which:	2,784,877	3,138,699	13%
Intangible assets	2,783,900	3,130,698	12%
Tangible assets	977	8,001	719%
Current Assets, out of which:	2,628,289	7,232,550	175%
Receivables	1,921,163	2,387,923	24%
Cash and cash equivalents	707,126	4,844,627	585%
Pre-paid expenses	252,291	766,905	204%
Total Assets	5,665,457	11,138,154	97%
Total Liabilities	2,176,321	2,463,083	13%
Current liabilities (due <1 year)	2,176,321	2,463,083	13%
Provisions	26,797	26,797	0%
Income in Advance	1,443,623	2,003,610	39%
Equity, out of which:	2,018,716	6,644,663	229%
Subscribed and paid-up capital	105,443	619,963	488%
Share premium	718,673	6,026,009	738%
Reserves	21,089	21,089	0%
Reported result	355,911	677,542	90%
Result for the period	818,689	(699,939)	-185%
Profit distribution	(1,089)	0	-
Total Equity and Debt	5,665,457	11,138,154	97%

DECLARATION OF THE MANAGEMENT

Bucharest, February 14th, 2022

The undersigned Dorin Boerescu, President of the Board of Directors at 2Performant Network S.A., a company headquartered in 6 – 8 Corneliu Coposu Boulevard, Unirii View Building, Floor 2, (office) ResCo-working09, 3rd District, Bucharest, Romania, unique registration code 26405652, registration number at the Trade Register Office J40/493/2010, declares on his own responsibility, knowing the provisions of art. 326 of the New Criminal Code, regarding false statements, the following:

- To the best of my knowledge, the preliminary financial results for the twelve-months period ended 31 December 2021 were prepared in accordance with applicable accounting standards and provides a fair and consistent picture of the Company's assets, liabilities, financial position, profit, and loss account;
- The preliminary financial results for the period 01.01.2021 - 31.12.2021, sent to the capital market operator - BVB - as well as to the Financial Supervisory Authority, present correctly and completely the information about the Company.

Dorin Boerescu

President of the Board of Directors 2Performant Network S.A.

