



REVENUE AND EXPENSE BUDGET

for 2024

Revenue and Expense Budget for 2024

The Revenue and Expense Budget for 2024 has been approved by the Company's Board of Directors and will be submitted for approval at the Annual Ordinary General Meeting of Shareholders on 22.04.2024.

Director's Report

The management is confident about the promising outlook and strategic direction of 2Performant for 2024.

The core of these assumptions lies in the anticipated continuous growth based on last year's results and increases. This growth is directly connected to the significant increase in sales number, as an effect on the projects and changes implemented in the previous year and the plans for this year.

2024 holds the potential for further expansion, particularly due to our global championship, BusinessLeague.com. We'll target the EU market, focusing on six Central and Eastern European countries: the Czech Republic, Slovakia, Poland, Hungary, Croatia, and Bulgaria. In these markets, we already have clients, brand recognition, and established partnerships.

This initiative is expected to boost the already expected increase in consumer spending, a common trend in election years, which our business and concepts are strategically positioned to capitalize on.

Net sales (RON)	2023	2024 Budget	Variation
Operating income, of which:	52,379,584	81,670,565	56%
Turnover	46,361,151	71,767,509	55%
Income from the production of intangible and tangible assets	6,013,816	9,903,056	65%
Other operating income	4,617	-	-100%
Operating expenses, of which:	51,430,711	78,796,610	53%
Operating expenses	49,953,285	76,070,671	52%
Amortisation	1,477,426	2,725,939	85%
Operating result	948,873	2,873,955	203%
Financial result	38,205	-359,000	-1040%
EBITDA	2,426,299	5,599,894	131%
Gross result	987,078	2,514,955	155%
Net result	869,432	2,112,562	143%
EBITDA MARGIN	4.6%	6.9%	
NET MARGIN	1.9%	2.9%	

The Operating expenses, EBITDA, Gross result, Net result for 2023 include non-cash impact of the Stock Option Plan, amounting to 787,530 RON

The rising trend of e-commerce on a global scale offers an opportunity. Our efforts to innovate within this space and our success are reflected in the results and the increase in market share we capture.

Our vision for 2024 is not just about sustaining growth but accelerating it. Our turnover estimation of 55% represents a notable increase from the previous year's 32%, supported by an estimated increase in sales number of 45%.

The anticipated uplift in EBITDA is connected to the higher increase in operational income, surpassing the growth from affiliate commissions, and a lower increase in operating expenses.

These objectives are attainable through the strategic changes implemented last year, such as the new method of calculating network revenue as a percentage of sales value.

Additionally, this year's initiatives, including the Mentor Program and the introduction of the global competition BusinessLeague.com, further solidify our path to achieving these ambitious targets.

To support our growth and profitability over the next two years, we plan to increase capital this year, with details to be released in May 2024.

Funds raised will mainly support marketing and sales in our target markets and further develop BusinessLeague.com technology.

We also plan to leverage other financing tools available in Romania's capital market, including exploring regional acquisition targets to be separately funded through bonds and 2P shares.

Business Indicators	2023	2024 Estimation	Variation
Clicks	102,096,646	148,015,396	45%
Sales Number	2,858,928	4,144,838	45%
Sales Value	€142,165,776	€ 216,582,601	52%
SalesCommissionValue	€8,345,470	€ 13,189,279	58%
SalesNetworkCommissionValue	€2,335,464	€ 4,109,023	76%
<i>Conversion Rate</i>	2.8%	2.8%	0%
<i>Average Order Value</i>	€49.7	€ 52.3	5%
<i>%SalesCommission</i>	5.9%	6.1%	4%
<i>%SalesNetworkCommission</i>	1.6%	1.9%	15%
<i>Approval Rate</i>	82%	84%	3%