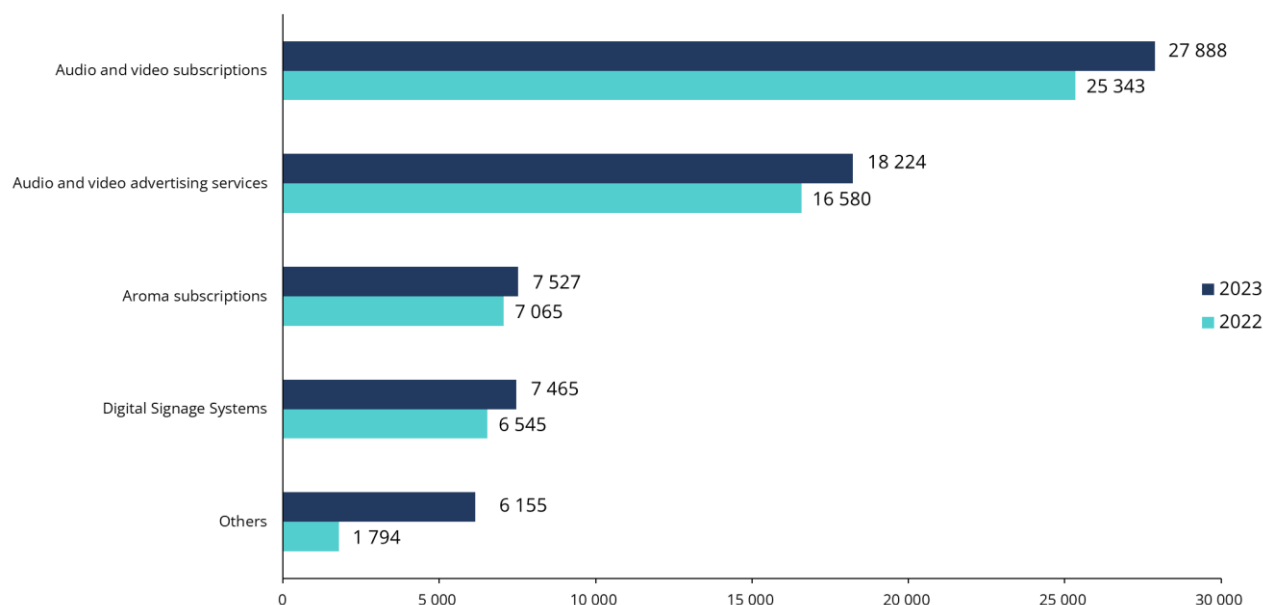


1. Estimated results of the IMS Capital Group for 2023

(numeral values in k of PLN)	12 month period ended		2023 vs 2022 change	
	31 Dec 2023	31 Dec 2022	numeral	percentage
Net income from sales	67,258	57,327	9,931	17%
EBIT	13,437	9,464	3,973	42%
<i>EBIT profitability</i>	20%	17%		
EBITDA (Operating result + depreciation)	20,023	16,009	4,014	25%
<i>EBITDA profitability</i>	30%	28%		
Net profit attributable to shareholders of the parent unit	8,682	7,116	1,566	22%
<i>Net profitability</i>	13%	12%		

The IMS Group achieved sales revenues of nearly PLN 10 million more in 2023 than in 2022. The amount of PLN 67.3 million in revenue is a record result in the 23-year history of the Company and the Group. EBITDA for 2023 increased by PLN 4 million compared to 2022 and exceeded PLN 20 million, which is also the IMS Group's best result to date. In turn, EBITDA adjusted for the non-cash cost of Incentive Programme IV based on IMS S.A. shares amounted to PLN 22.8 million. Several factors contributed to these excellent results. Very good results were recorded in all sales segments - each segment increased compared to 2022.

Diagram: Structure of net sales revenues by sales category in 2023 (in k PLN)

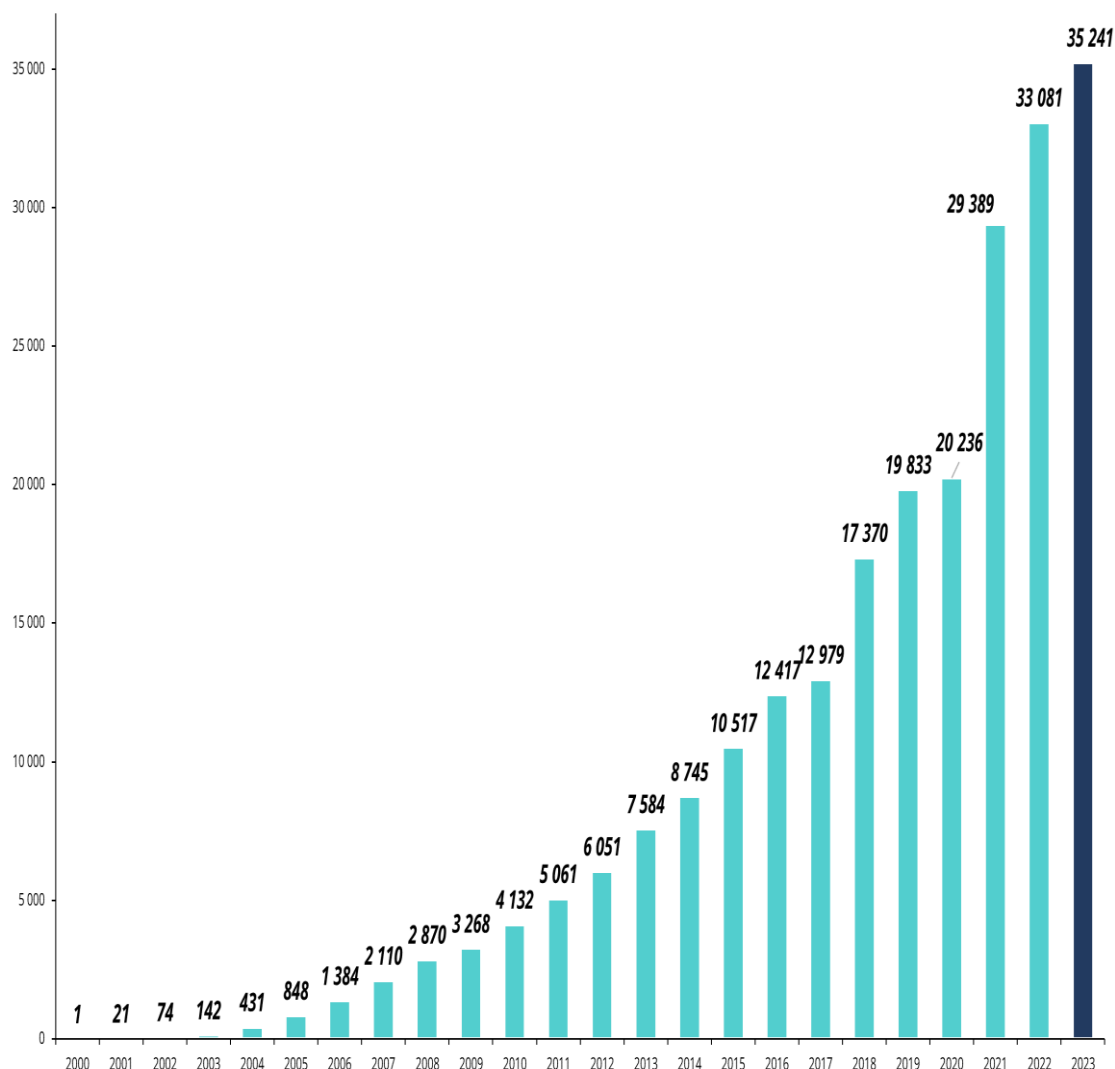


The number of subscription locations increased by almost 2,200 and crossed the 35,000 threshold at the end of 2023:

Table: Change i number of subscription locations in the IMS Capital Group

	12 month period ended		growth ratio 2023 / 2022	
	31 December 2023	31 December	numeral	percentage
Number of commercial locations (audio and video subscriptions), including:	31,285	29,521	1,764	6%
- audiomarketing economic segment locations	15,845	15,010	835	6%
Number of commercial locations (aroma subscriptions)	3,956	3,560	396	11%
Total number o subscription locations	35,241	33,081	2,160	7%

Diagram: Growth in the number of subscription locations in the IMS Group during the period 2000 to 2023



In the opinion of the Management Board, a very important factor influencing the results achieved by the IMS Group was the Group's share-based Incentive Program IV. The share packages go to a very wide range of managers, salespeople and many other people important to the functioning of the entire organization, providing a great incentive to achieve above-average results. It is noteworthy that of the three share-based incentive programmes implemented to date and the fourth in progress (the final year, shares awarded for 2023 will complete Incentive Programme IV), approximately 70% of IMS Group personnel have become owners of the allocated shares. In the opinion of the Board of Directors, such a wide distribution of shares to board members, managers, employees and associates of IMS Group companies will have a strong motivational effect in the coming years as well. Accordingly, the Management Board of IMS S.A. will not recommend to the Supervisory Board or the General Meeting of Shareholders the adoption of further share-based incentive programs in future years. In the absence of incentive programs in the following years, starting from 2024, non-cash costs related to the share-based program will disappear from the income statement. The estimate of these costs for 2023 is PLN 2.8 million.

Another important factor affecting the IMS Group's revenues and profits is the performance of Closer Music, described in more detail in section 2 below.

2. Growth of the Closer Music project

Table: The combined estimated results of the companies comprising the Closer Music ("CM") project, i.e. Closer Music Corp. and Closer Music Ltd.

(numeral values in k of PLN)	12 month period ended		2023 vs 2022 change	
	31 Dec 2023	31 Dec 2022	numeral	percentage
Pet income from sales	5,026	955	4,071	426%
EBIT	1,878	- 1 379	3,257	-
<i>EBIT profitability</i>	<i>37%</i>	<i>-</i>		
EBITDA (Operating result + depreciation)	2,671	- 438	3,109	-
<i>EBITDA profitability</i>	<i>53%</i>	<i>-</i>		
Net profit/loss	862	- 1,561	2,423	-
<i>Net profitability</i>	<i>17%</i>	<i>-</i>		

*Data refers exclusively to Closer Music Sp. z o.o. (Closer Music Corp. was added to the CM project in September 2023 r.)

CM will achieve sales revenue in 2023 more than five times that of 2022. The sales growth already achieved at this stage of development and the financial results - EBIT, EBITDA and net profit - unequivocally prove how profitable this project is and the enormous potential it has. The goal of the Management Board of IMS S.A. and the Management Board of CM is to build at least a few dozen times more revenue in the shortest possible time, primarily in the USA and Western Europe, and to ultimately achieve higher or no lower profitability than presented in the table above. As of the date of publication of this report, the number of high-quality music works in CM's libraries exceeds 8,500, allowing for extensive commercialisation of content worldwide. CM cooperates and settles accounts with ZAiKS and ZPAV on an ongoing basis, and the formula for this settlement is in the form of subscriptions, which increase from year to year. This growth is due to a larger share of CM's repertoire in playlists, an increase in the number of commercial locations and the expansion of cooperation with ZAiKS worldwide. In the opinion of the Management Board of IMS S.A., the currently conducted talks on cooperation with STOART are going in the right direction, and their finalization in the form of an agreement is estimated for the second quarter of this year. After the expected start of the cooperation with STOART, the estimated value of the annual recurring revenue from subscriptions (ARR - Annual Recurring Revenue) will reach the level of PLN 7 million.