

IMS Capital Group



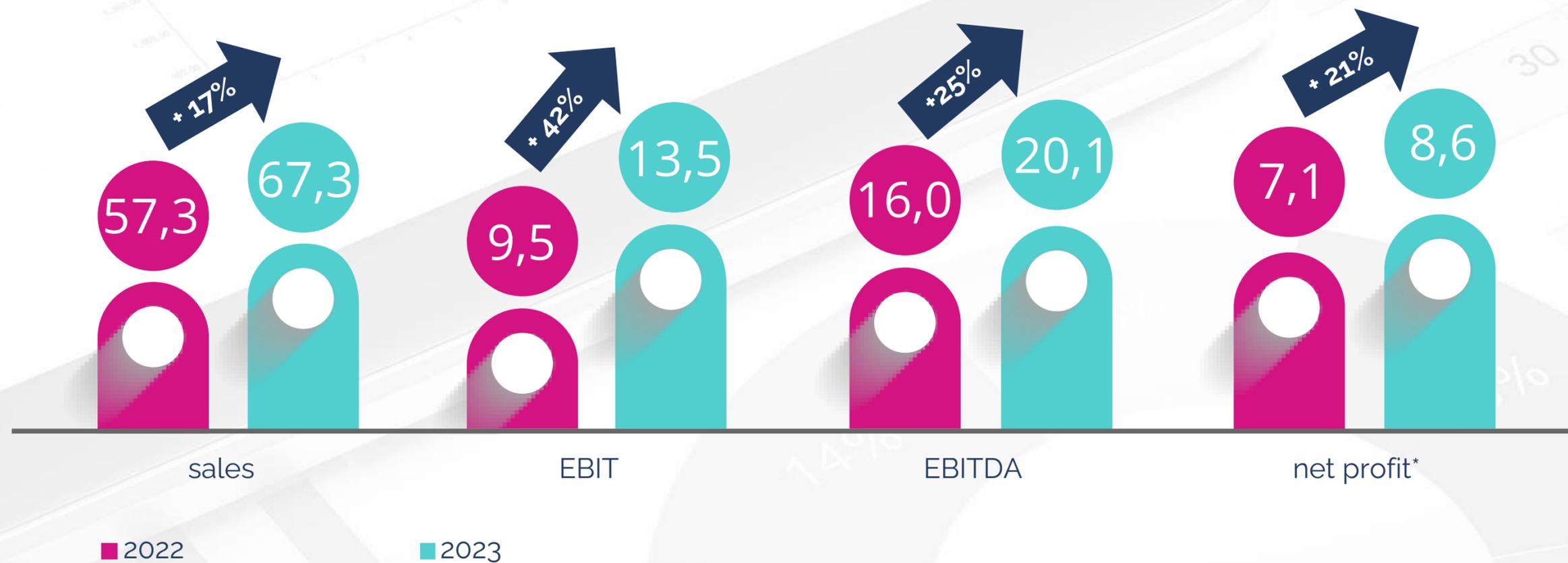
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Financial results for 2023

Selected financial data (in milion PLN)



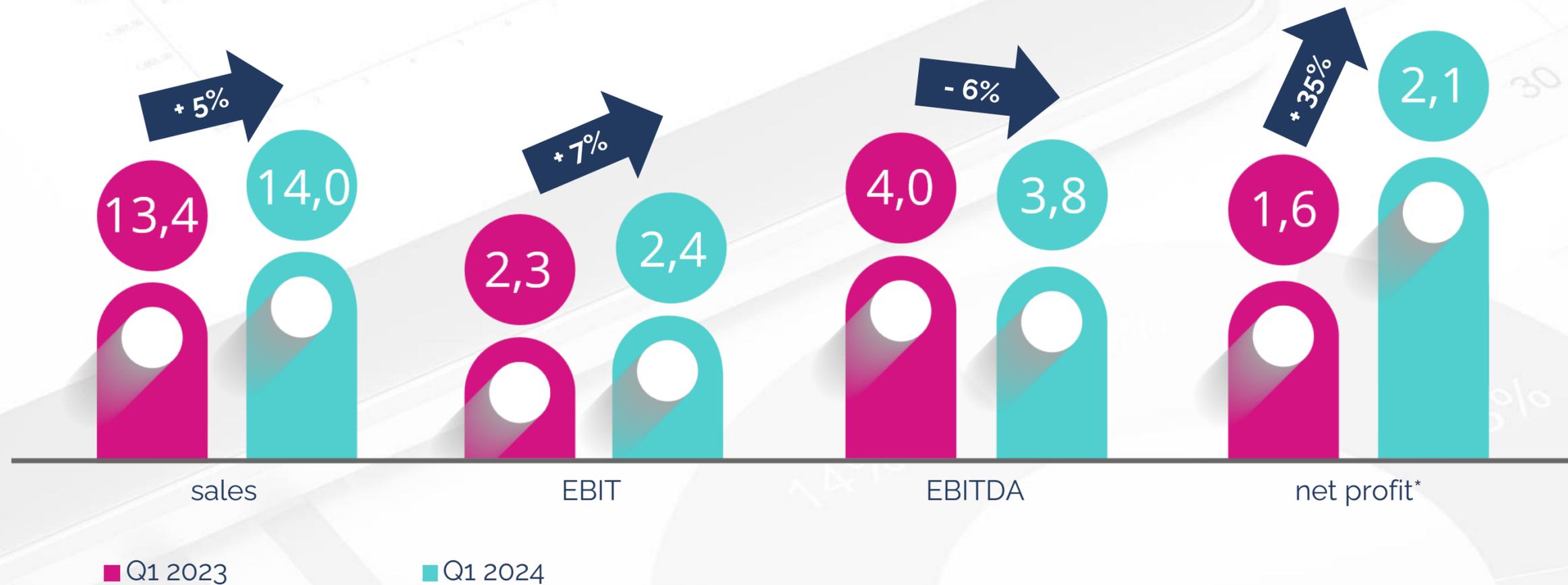
* Net profit = net profit attributable to shareholders of the parent unit

Financial results of IMS Group for 2023

(In thousands of PLN)	12 month period ended	
	31 December 2023	31 December 2022
Pet income from sales	67,339	57,327
EBIT	13,471	9,464
<i>EBIT profitability</i>	<i>20,0%</i>	<i>16,5%</i>
EBITDA (Operating result + depreciation)	20,065	16,009
<i>EBITDA profitability</i>	<i>29,8%</i>	<i>27,9%</i>
Net profit attributable to shareholders of the parent unit	8,607	7,116
<i>Net profitability</i>	<i>12,8%</i>	<i>12,4%</i>

Financial results of IMS Group for Q1 of 2024

Selected financial data (in milion PLN)



* Net profit = net profit attributable to shareholders of the parent unit

Financial results of IMS Group for Q1 of 2024

(In thousands of PLN)	3 month period ended	
	31 March 2024	31 March 2023
Pet income from sales	14,032	13,360
EBIT	2,441	2,286
<i>EBIT profitability</i>	<i>17,4%</i>	<i>17,1%</i>
EBITDA (Operating result + depreciation)	3,796	4,035
<i>EBITDA profitability</i>	<i>27,1%</i>	<i>30,2%</i>
Net profit attributable to shareholders of the parent unit	2,131	1,577
<i>Net profitability</i>	<i>15,2%</i>	<i>11,8%</i>

Sales revenue by business segment for Q1 of 2024

(In thousands of PLN)	3 month period ended		Percentage change Q1 2024 vs Q1 2023
	31 March 2024	31 March 2023	
audio and video subscriptions	7,237	6,595	10%
audio and video advertising services	3,444	3,664	(6%)
aroma-marketing subscriptions	2,028	1,849	10%
Digital Signage Systems	922	937	(2%)
Other sales	401	315	27%
Net income from sales IN TOTAL	14,032	13,360	5%

Subscription locations of IMS Group

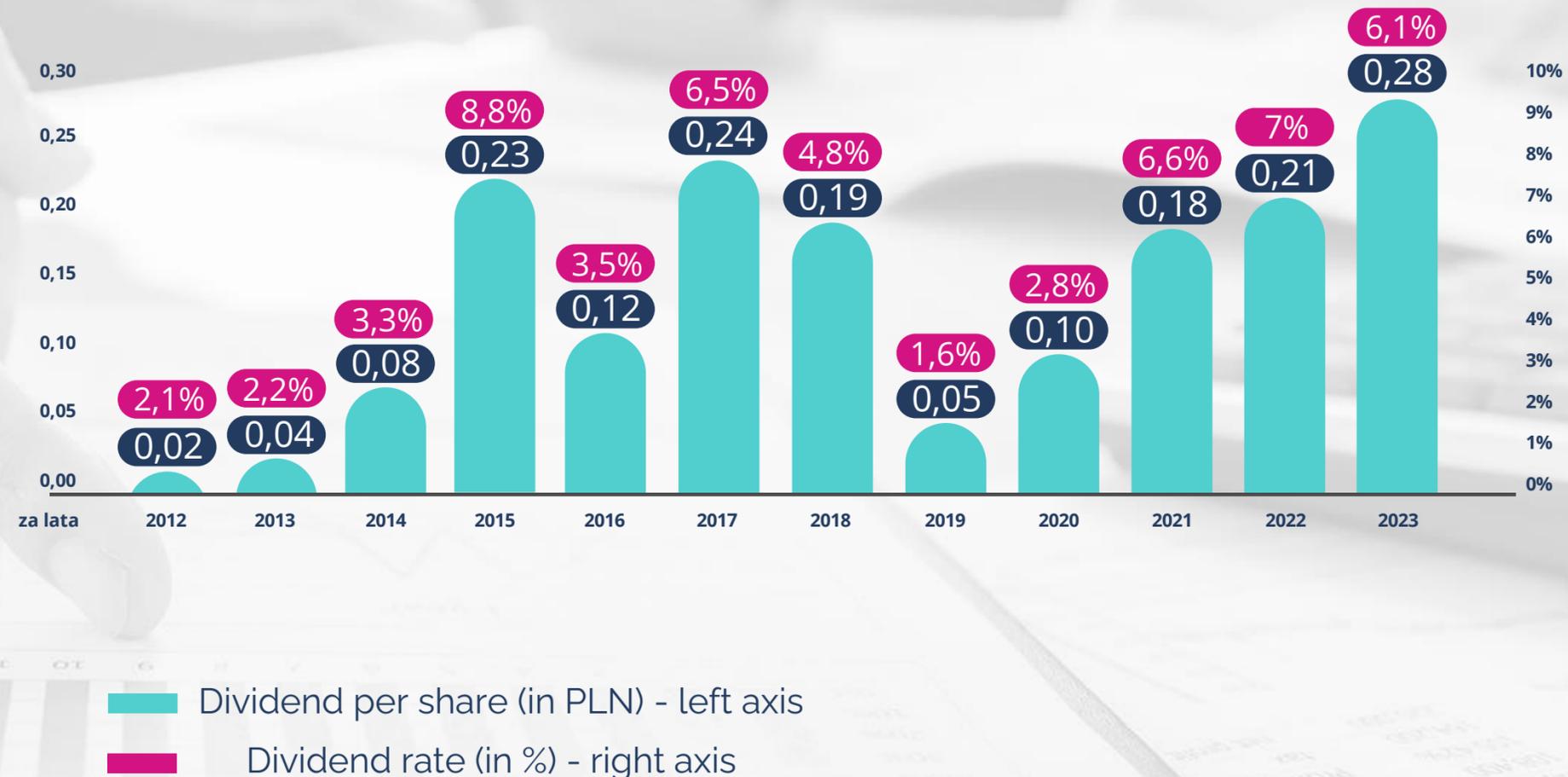


number	As at		Increase in number 01.04.2023 – 31.03.2024
	31.03.2024	31.03.2023	
Audio and video subscription locations including:	31,272	29,912	1,360
<i>commercial audio segment</i>	<i>15,670</i>	<i>15,273</i>	<i>397</i>
Aroma subscription locations	3,992	3,608	384
IN TOTAL	35,264	33,520	1,744

In the period 01.04.2023 - 31.03.2024, the IMS Group acquired more than 1.7K subscription locations

Regular dividend payments

- The Company has paid a continuous dividend for 12 years
- In March 2024, the Company changed its dividend policy. The revision concerns two areas:
 - *Timing of dividend payments - the Company will advance dividends;*
 - *Amount of dividends - the dividend policy states that at least 75% of the consolidated net profit attributable to the parent company will be allocated annually for distribution to Shareholders.*
- The remainder of the profit is allocated in investments in the most profitable business segments and in new projects to increase revenues and profits of the Group



For the years 2012-2023, IMS S.A. paid a total of PLN 56.848 million in the form of dividends (i.e. PLN 1.74 dividend per share)



Direct licensing of premium music (DML) is a solution for all kinds of individual content creators, multi-sector businesses and media production houses.

- **Closer Music is a technology-based music project, created in 2019 under the guidance of experts from the retail, mass media and music industry.**
- **Ownership of 100% copyright to the entire library of songs and in-house production sounds.**
- **100% of quality control results from our 4 in-house recording studios in Poland and the USA.**
- **Music library of 10 000 tracks and 7 500 SFX (special effects) and we add more and more.**
- **Global reach of influence and distribution, regular territorial expansion.**
- **30,000 in-store locations across Europe.**
- **Implementation of AI (artificial intelligence) based functionality on the platform.**
- **Own subscription platform [CLOSERMUSIC.COM](https://www.closermusic.com)**

WHAT IS DML?

The Direct Music License (DML) is a **direct licence** from the rights holder that guarantees the right to legally play music (in public places or in synchronisation*) without additional fees to royalty collecting organisations worldwide.

*For regulatory reasons, synchronisation for broadcasters implies payment of broadcasting fees to royalty collecting organisations.

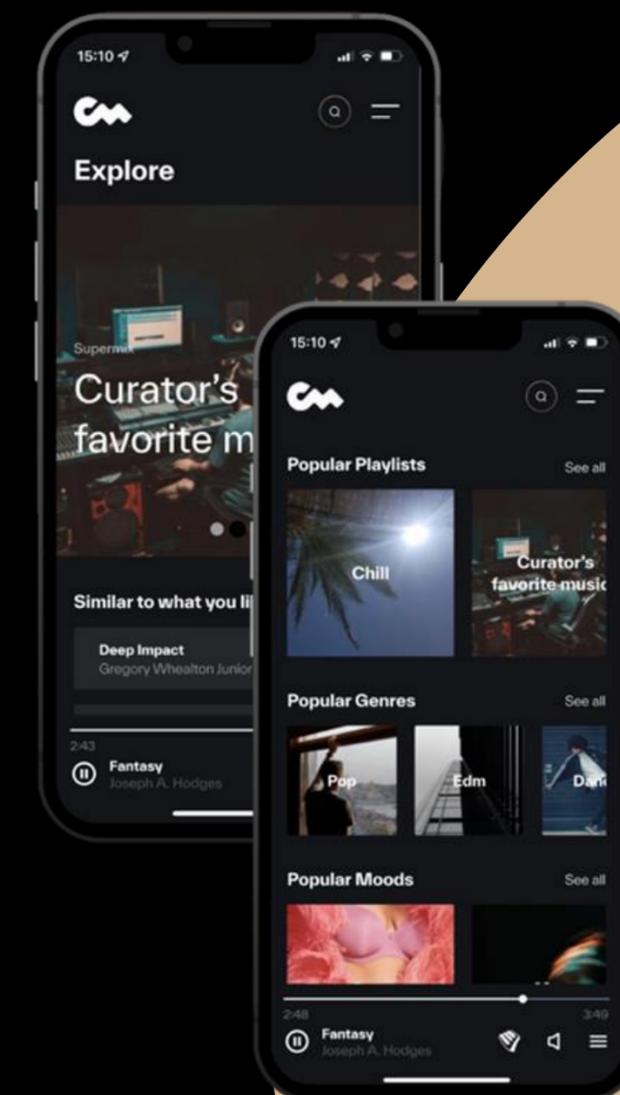
„ONE-STOP SHOP“

The user can choose to subscribe to the entire library or obtain a licence for a single song being able to decide how to use the music.



SUBSCRIPTION PLANS FOR CUSTOMERS

Personal	Commercial	Company Custom
<p>For when you're creating content for personal use</p>	<p>If you're creating content for clients and business use</p>	<p>For businesses, enterprises, and organizations with customizable needs</p>
<ul style="list-style-type: none">+ Usable on YouTube, Facebook, TikTok, Twitch, Instagram+ One channel per platform+ Access to unlimited downloads+ One monetizable YouTube Channel	<ul style="list-style-type: none">+ Usable on YouTube, Facebook, TikTok, Twitch, Instagram, podcasts and websites+ Two channels per platform, two podcast platforms, two websites+ Access to unlimited downloads+ Two monetizable YouTube Channels+ Available for unlimited use in digital ads+ Simple clearance for clients	<ul style="list-style-type: none">+ All copyright covered+ Customizable projects+ Customizable licenses+ Customizable curation+ Support from a dedicated account manager+ Customizable insurance
<p>€99.00 / Yearly €9.00 / Monthly</p>	<p>€199.00 / Yearly €19.00 / Monthly</p>	
<p>You can cancel at anytime.</p>	<p>You can cancel at anytime.</p>	
<p>Learn more Try Today For Free</p>	<p>Learn more Try Today For Free</p>	<p>Learn more Request a quote</p>



COPYRIGHT MANAGEMENT



- In May 2023 Closer Music and **ZAIKS** signed the **agreement** for copyright management and worldwide cooperation.
- Registration of Closer Music tracks and **collection of royalties** for public performances and broadcasts.
- Unlimited distribution and **monetisation** of our music catalogue.
- Cooperation in the export of Polish art abroad. ZAIKS provides indirect **cooperation with CISAC - 225 associations in 116 countries.**

zaiKS
sprzyjamy wyobraźni



OUR STUDIOS



Closer Music has **3 recording studios in Warsaw (PL)** and **1 in Las Vegas (NV, USA)**. We are planning to build more studios in other places.

1

LAS VEGAS STUDIO

We opened our LAS VEGAS studio in collaboration with **the prestigious DMI studio** in mid-2023. The production of musical tracks is done in close collaboration with professionals recommended by Studio DMI.

2

WARSAW STUDIOS

Three modern-designed studios, equipped with the highest quality and unique equipment. Developed and supported by a group of professionals of strict production specialisations.



AREAS OF COMMERCIALISATION

We commercialise our music base in several diverse areas:

Synchronisation - in video productions (e.g. social media videos, adverts, games, cinema films) through

e - commerce platform

Selling a **Direct Licence (DML)** to play music in **public places and retail outlets** around the world.

Digital shop sales (streaming and downloads)

Royalties from commercial playing (outlets + radio + streaming)

Playlists to **listen to on streaming services** (service charge per listen)

PARTNERSHIPS WITH “EKIPA” AND „EGURROLA DANCE STUDIO”

Egurrola Dance Studio is a network of dance schools established by the well-known choreographer and dancer Agustin Egurrola - choreographer, dancer and juror of the programmes ‘YouCanDance - Po prostu tańcz!’ and ‘Mam talent!’.

For more than 30 years, **Egurrola Dance Studio** has been making dance dreams come true, enabling the realisation of passions and raising skills to the level of dance experts.

EKIPA is one of the most effective teams of social media content creators on the Polish market. It is a Polish project founded by Karol ‘Friz’ Wiśniewski, whose members are Polish youtubers and influencers. There are currently 28 influencers working on the project - they have their own social media.



EGURROLA
DANCESTUDIO



Total number of subscribers:
23,502,000

Number of videos 4397
Total number of views:
6,442,817,196

Average number of views per video:
21,814,375



Total number of followers:
32,064,051

Average engagement index:
10%

EKIPA



Total number of followers: 25,977,400

Number of likes
458,342,000

Average number of likes per video:
3,364,714



Total number of followers:
130,000



Total number of followers:
37,300

EGURROLA





OUR DIRECT AND INDIRECT CLIENTS

In our short presence on the global market, we can boast a number of promising collaborations.



ŠKODA

LPP

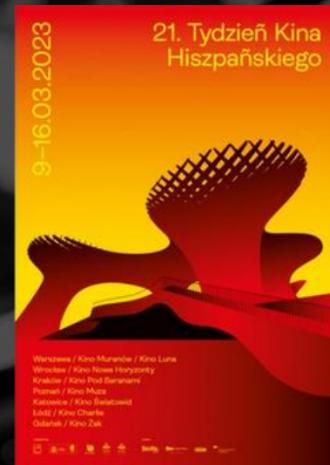


MARKETING

Low-cost marketing activities have resulted in recognisable partnerships with important players in their sectors **and high activity** in many areas of corporate advertising and social media.



Luca Pretolesi
mymixlab
TOUR 2024



Luca Pretolesi & Skrillex have won **A Grammy.**

„**Weak Layers**” – our music in an award winning film.

Our playlists for **21. Spanish Film Week**

Soundtrack for the première of “Salt Lake” film in cooperation with Manana production studio.

ICON Collective Music Production School: The university runs practical classes using Closer Music content, and in return we recruit their graduate students.

ICON
COLLECTIVE

META/GOOGLE ADS:

META

3,6 mln unique users

7 mln total ad serving

GOOGLE

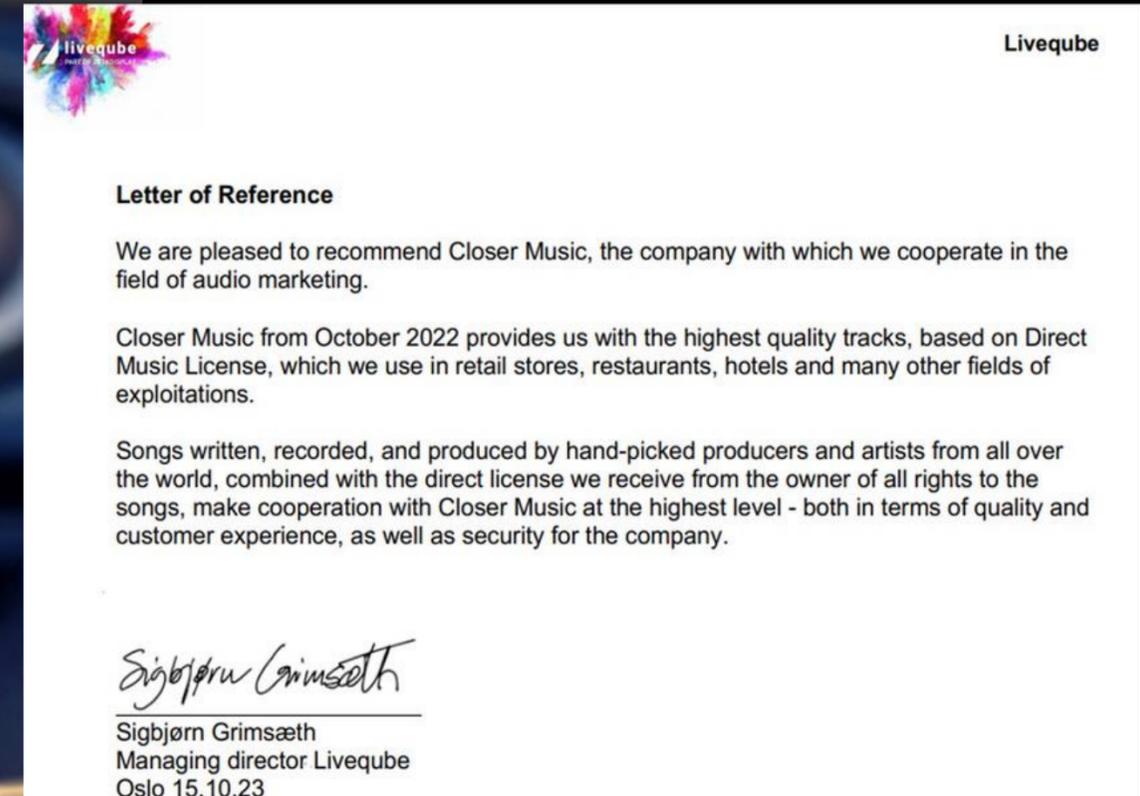
8,95 mln ad views

2,82 mln searches

5,7 mln GDN views

AWARDS AND CREDENTIALS

Closer Music has won 1st prize
in the category
Professional Service Provider
of 15th Annual
CEE Retail Awards 2023



Berklee
College of Music



VISION FOR 2028

Our main aim is to SET contemporary trends, producing **uncompromising quality music** that is accessible to all, regardless of business sector or geolocation.

STRATEGIC GOALS

- Various sources of income
- More than **30 000 track in the library**
- **1 million users** in all segments
- More partnerships with award winners (**Oscar / Grammy**)
- No geographical limitation
- **2-3%** music market share
- **100 million** users - total average monthly reach in social media
- More than **1 000** promoted **young artists**
- To remain a **100% copyright owner and music licensing company directly**



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