

QUARTERLY INVESTOR REPORT

January 1, 2022 – March 31, 2022

MPD SME Capital One Class A and B Shareholders

Published on April 4, 2022

Management and Organisation

Board of Directors

Francesco Rubinacci - President
Company Procurement Director at Loro Piana

Mirco Coccoli,
CEO & Partner at MPD Partners

Simone Bocchi,
Head of Strategic Planning & Business Intelligence at Bridgestone EMEA

Alexandro Sances,
Technical Assistant and Coordinator of activities at Dipartimento per la
Trasformazione Digitale

Vincenzo D'Ottavi,
Manager Data Management at Philip Morris International

Francesco Simonetti,
Business Advisor at SAS Institute

Giulia Falcone,
Manager at MPD Partners

Bank

Intesa Sanpaolo
Fil. 4230 - Milano Via Michelangelo Buonarroti 22

Banco BPM
Ag. 00671 - Milano Piazza Napoli 16

Treasury Controller

Vincenzo D'Ottavi,
Manager Data Management at Philip Morris International

Investment Committee

Francesco Tomasoni
Executive Partner at Notercom - Halless

Giorgio Saverio Casalino
General Manager at DEKRA

Antonio Andini
Owner & General manager at Centro Commerciale la Maschera Srl

Andreas Varnholt
Director Procurement at Aumann AG

Livio Vanghetti
Vice President Global Partnership at Philip Morris

Class A Shareholders

Simone Bocchi
Head of Strategic Planning & Business Intelligence at Bridgestone EMEA

Mirco Coccoli
CEO at MPD Partners

Vincenzo D'Ottavi
Manager Data Management at Philip Morris International

Miguel Dupret
Associate Strategic Operations at Kearney

Andrea Marazzi
Management Consultant & M&A Advisor

Stephan Noppes
Director Global Audits PMI at Philip Morris International

Luca Rabbeni
Head of Operations Governance at Octo Telematics SpA

Francesco Rubinacci
Company Procurement Director at Loro Piana

Alexandro Sances
Technical Assistant and Coordinator of activities at Dipartimento per la
Trasformazione Digitale

Class A Shareholders

Andreas Varnholt
Director Procurement at Aumann AG

Francesco Simonetti
Business Advisor at SAS Institute

Daniela Terziotti
Business Development and Marketing Manager at Orvem SpA

Roberto Terziotti
Managing Director at Orvem SpA

Federico Simonelli
Chief Stress Engineer at FACC AG

Michele Martino
Project Engineer - PhD at CERN

Martin Sengel
Head of IT Group at SOLEVO Group

Alexandra Karacsonyi
Managing Director at Elixir Consulting CH

Fabrizio Colzani
Group SBD, e-commerce, Travel mkt, Food Service controller at Ferrero

Lucio De Costanzo
VP Finance & Operations at Clarity AI

Livio Vanghetti
Vice President Global Partnership at Philip Morris

Marco Amendolagine
Global Director of Connected Claims, Director of Product Italy at IMS (In-
surance & Mobility Solutions)

Massimo Bordin
Procurement Director at Fileni S.p.A.

Antonio Andini
Owner & General manager at Centro Commerciale la Maschera Srl

Fabio Farella
Co-founder & CEO at MIRAI

Francesco Tomasoni
Executive Partner at Notercom - Halless

Enrico Proietti
General Manager at QdV S.r.l.

Adriano Scardellato
CEO at Elda Ingegneria

Giorgio Saverio Casalino
General Manager at DEKRA

Marco Cordignano
Senior Manager Consultant & Trainer Freelance

R&D Project Team

Federico Remiti
Industrial Doctorate in Space Transportation Systems

Corrado Facchini
Product Owner at UIEX

Maurizio Rossi
PhD in Physics, Astrophysics and Applied Physics

Company Management

MPD Partners Group Companies

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Executive Summary

Last quarter has been focused on managing both the portfolio companies with a particular attention to Sell-Plast. Starting from February, 2022 the company is going through a general economic crisis which is affecting many industries as well as the plastic sector.

Sell-Plast development is advancing at a fast pace: the MPD Team effort and dedicated work lead a tangible increase of commercial leads, both with existing and new clients. In the last 6 months the company multiplied the new business commercial pipeline by a factor of over 5, including a single offer for more than € 2 million in additional revenues still to be confirmed. Also during the quarter, the company submitted offers to both new and existing clients for a total amount of more than € 100'000 in additional revenues. Despite this premise, starting from February 2022 the company has been temporarily hit by the general crisis. As a matter of fact, the crisis is impacting Sell-Plast's key automotive clients who have been forced to interrupt part of their production plant with a consequence of temporarily putting on hold orders already placed at Sell-Plast. The company has been put in the condition to overcome this temporary reduction of revenues and the objective is to preserve the business and company's reputation towards all stakeholders. Moreover, to support the situation during Q1 2022 the company requested to three financial institutions credit financing to support both the new investment strategy and the working capital. This crisis is constantly tracked by both Sell-Plast BoD and MPD Team to ensure the company to have the necessary financial resources to get through the following months.

In addition to this, 2021 financial statements have been finalized and will be approved by Shareholders' Meeting by April 30, 2022. Income statement is showing a positive trend (+16% in revenues compared to 2020) and Ebitda is growing as well from being negative in 2020 to positive in 2021. Additionally, despite the crisis, 2022 budget is still showing a positive trend.

Several initiatives have been implemented at La Centrale de Prévoyance to increase sales. In particular, at the beginning of January, LCP attempted to establish a partnership with various Geneva universities in order to bring leads to the company, however the results have not been satisfactory. The second marketing initiative has been prepared in March and consists of holding a vernissage at LCP's office, this was made possible by the easing of Covid-19 restrictions in Switzerland.

The digital business development software developed by MSCO, "Salesmeet," has been implemented on the LCP website.

1. Introduction

MPD Partners is a financial boutique specialized in PE for SMEs, registered and incorporated in Geneva. It offers shareholders long-term capital appreciation by making commitments and investments into SMEs on behalf of MPD SME Capital One and authorized representatives like family offices that are, with other financial operators, providing its stakeholders with direct and indirect exposure to a diversified portfolio of unlisted private equity-type investments (“Portfolio Companies”). The “Group” refers to the consolidated results of the asset under management.

MPD Partners has come from an increased track record in transactions and SMEs value improvement. The focus on such segment comes from passion and the understanding that many Private Equity competitors cannot focus on such segment because of their corpulent cost structures that force them to look at higher bids.

At MPD Partners we foresee to create an SME focused PE Fund in the medium/long run. The best way to reach our goal is to increase our track record with MPD SME Capital One, an investment vehicle created to invest in two SMEs, (one subscale acquisition and one main acquisition), which aims to involve investors in the investment and value creation process by entrusting decisional power.

MPD Partners has structured for MPD SME Capital One a solid and innovative governance and decisional process that involves three boards in consequential steps. Such Boards are composed of the Class A Shareholders who are professionals with extensive executive experience, and external competent individuals such as lawyers, auditors and managers.

In addition to its innovative governance structure, as an innovative company, MSCO submits traditional SMEs innovation plans to shareholders. The latter will then provide their green light on SME investment and value creation plan through technology development and big data analytics, to enhance business development and lead generation of invested companies.

2. Research & Development Plan

MSCO value creation is also implemented through a software developed to enhance the results of marketing, pre-sales, and sales in invested companies (Big Data Analytics project). The objective is to generate and manage sales leads via digital channels, which is very useful in times when business meetings suffer a slow down due to distancing measures (e.g., COVID-19).

Currently, the software is under development process and the portfolio company LCP is used to test the progress. The initial model built for LCP will be used to build a custom optimization algorithm to be implemented into other MSCO invested companies.

The R&D activity for the software is carried out by a company with a proprietary technology based on machine learning algorithms to target and boost leads generation from the digital assets of the target company.

The team is composed by three senior members who include a project manager with 16 years of previous experience in managing digital innovation projects, a data scientist with 10 years of R&D experience in experimental projects for enterprises and a tech consultant with 20-year experience in technology innovation.

2.1 Q1 2022 R&D Activity

After having shown the demo of the business development software during MSCO Monthly Call held on October 11, 2021 the R&D team has finished the implementation phase.

3. Origination & Investment Committee

3.1 Cases in pipeline

Sell-Plast pipeline

Currently, the origination activity is focused on companies within the plastic industry that might be integrated with Sell-Plast.

The table below shows companies within the pipeline:

Target Blind Name	Purpose	Source	Sector/Main Business	2020 Revenues (€Mln)	EBITDA (%)	NFP (€Mln)
Injection Company*	Sell-Plast Add-Ons	YON – online advisor	Plastic industry, using the injection moulding technology	1,0 – 2,0	5,0% – 15,0%	n.a.
Moulds&Injection company	Sell-Plast Add-Ons	Internal source – Proplast consortium	The company operates through injection moulding technology	0,8	15,1%	n.a.
Thermoplastic moulding	Sell-Plast Add-Ons	Internal source	The company is operating mainly for automotive clients using injection moulding technology	2,2	6,0%	n.a.

* Injection Company's data are entirely based on the teaser sent by YON. Further information will be provided after the signing of the NDA agreement.

3.2 Cases in advanced negotiation

Currently there are no investment proposals in advanced negotiation.

4. Portfolio Company

La Centrale de Prévoyance

Company Description

La Centrale de Prévoyance (LCP) is a Swiss broker insurance regulated agency, working in the social security and healthcare insurance business.

LCP is a spinoff of the homonymous French debt brokerage firm specialized in real estate. The latter recently saw Kering, a key asset of Groupe Artémis, passing over control to April, French leader in Insurance brokerage. The Company LCP holds partnerships with some of the major insurance company including Groupe Mutuel, Generali, Allianz, Axa, Re-traites Populaires du Vaud etc.



Advancements during the quarter

- The sales objective has not met. However, we expect an improvement of the cash-flow thanks to the reduction of fixed costs in the future months;
- during March the team has been busy preparing a vernissage in partnership with Geneva artist Fabien Bruttin. It will be held on the first week of April;
- the activity with the R&D supplier is on track. The digital business development software developed by MSCO is now *up & running* on the LCP website;

Sell Plast Srl



Company Description

Founded in the 50s, it specializes in vacuum thermoforming. The Automotive sector is one of the main sectors in which the company operates, being it a leader in the construction of installations for niche and series production. They supply small to medium quantities and the market is not crowded. Over the years, the company has diversified its production into other sectors such as earth moving machines, lighting, food, biomedical, transport and aerospace.

Advancements during the quarter

During the last three months, the MPD Team has been focused in facing the current industry crisis with the goal to secure the company to get through this challenging time caused by external conditions. As a matter of fact, a set of key activities have been performed in order to preserve the company's continuity and ensure the company to have sufficient financial resources.

Finance & Accounting

- The company is negotiating with three different financial institution to obtain a credit line. This cash will be used partially to finance the acquisition of a new machinery bought to make the production more efficient. The residual part will support the working capital during these months of production slowdown;
- 2021 financials have been closed and are still to be approved by Shareholders' Meeting by April 30, 2022. Compared to 2020, the company is showing a positive trend: +16,6% of revenues growth from 2020 to 2021;
- 2022 Budget has been reviewed taking into account the production slowdown due to the crisis that recently hit the overall economy. Even tough during Q1 2022 revenues are lower than Q1 2021, the 2022 budget reviewed is showing a positive result;
- 2022 cash flow statements have been drafted and will be presented and validated by the BoD during the month of April. The objective is to assess the level of financial independence and stability of the company to face the current revenue slowdown;
- new hirings for 2022 have been performed during the quarter. The quality engineer scouted by MPD Partners started working at Sell-Plast from January,

2022. Currently the resource is leading a project to implement an error free production and increase the company's quality rating;

- MPD team keeps looking for potential add-ons and collaborations for Sell-Plast. So far, thanks to the cooperation of MPD and Sell-Plast sales department new clients' orders amount to roughly +20% of revenues;
- during the quarter the new company website has been finalized. The objective is to convey to customers and all stakeholders the new mission and vision of the company.

5. MPD SME Capital One Valuation

MSCO's value mainly depends on the assets side, which is composed of the following components:

- a) Cash on Hand;
- b) LCP Shareholders Financing;
- c) 81% Shares of LCP;
- d) MSCO Intangible Assets;
- e) Others

The value corresponding to each part is highly confidential and is available on request.

MSCO Valuation

The valuation currently registered in chamber of commerce as of March 31, 2021 is of € **1'425'050**.

This valuation has been approved by the Shareholders meeting held on November 13, 2021.

6. Fundraising

Advancements during the quarter

The Shareholders' Meeting held on November 13, 2021 approved the opening of a new capital increase.

However, the fundraising will be marketed only if MSCO will require additional financial resources for specific purposes – as the acquisition of a third company. A plan will be submitted to Shareholders Meeting before executing the marketing of the capital increase.

For the time being, the decision to re-open the capital increase is mainly meant to (i) allow the onboarding of a Class A Shareholder that has recently joined MSCO and (ii) for savings purposes on notarial fees since we had to register the aforementioned shareholder and there may be a few other people willing to join in the next months.

7. Shareholders' Meeting

No Shareholders' meeting was held during the quarter.

8. Shareholders

Class A Shareholders

Class A Shareholders are a group of international top managers and entrepreneurs passionate about investing, networking and willing to join forces to invest in SMEs to bring innovation and new technology. They will make the investment decision and put their expertise, competencies and network at the service of the value creation process once gained control of the target company. MSCO can leverage the experience of 30 Class A Shareholders with various backgrounds and a European reach.

Shareholder	Current Role	Location	Exp. Years
Andreas Varnholt	Director Procurement at Aumann AG	Berlin	15
Simone Bocchi	Head of Strategic Planning and Business Intelligence at Bridgestone EMEA	Brussels	16
Mirco Coccoli	CEO at MPD Partners	Geneva	18
Vincenzo D'Ottavi	Manager Data Management at Philip Morris International	Lausanne	27
Miguel Dupret	Associate Strategic Operations at Kearney	Vienna	17
Andrea Marazzi	Management Consultant and M&A Advisor Freelance	Bologna	29
Stephan Noppes	Director Global Audit PMI at Philip Morris International	Lausanne	29
Luca Rabbeni	Head of Operations Governance at Octo Telematics SpA	Rome	27
Francesco Rubinacci	Company Procurement Director at Loro Piana	Milan	24
Alexandro Sances ¹	Technical Assistant and Coordinator of activities at Dipartimento per la Trasformazione Digitale	London	27
Francesco Simonetti	Business Advisor at SAS Institute	Milan	16
Daniela Terziotti	Business Development and Marketing Manager at Orvem SpA	Milan	10
Roberto Terziotti	Managing Director at Orvem SpA	Milan	23
Federico Simonelli	Chief Stress Engineer at FACC AG	Austria	24
Michele Martino ²	Project Engineer – PhD at CERN	Geneva	17
Martin Sengel	Head of IT Group at SOLEVO Group	Geneva	18
Alexandra Karacsonyi	Managing Director at Elxir Consulting CH	Geneva	24
Fabrizio Colzani	Group SBD, e-commerce, Travel mkt, Food Service controller at Ferrero	Luxembourg	22
Lucio De Costanzo	VP Finance & Operations at Clarity AI	London	14
Livio Vanghetti	Vice President Global Partnership at Philip Morris International	Lausanne	15
Marco Amendolagine	Global Director of Connected Claims, Director of Product Italy at IMS (Insurance & Mobility Solutions)	Rome	18
Massimo Bordin	Procurement Director at Fileni S.p.A.	Vicenza	19
Fabio Farella	Co-founder & CEO at MIRAI	Rome	21
Antonio Andini	Owner & General Manager at Centro Commerciale La Maschera	Naples	30
Francesco Tomasoni ³	Executive Partner at Notercom - Halless	Turin	32
Enrico Proietti	General Manager at QdV S.r.l.	Cuneo	32
Adriano Scardellato	CEO at Elda Ingegneria	Treviso	24
Giorgio Saverio Casalino	General Manager at DEKRA	Rome	20
Marco Cordignano	Senior Manager Consultant & Trainer Freelance	Milan	29

* One shareholder decided not to appear in MSCO reporting

¹ Represents Giovanni Pietro Sances

² Represents Maria Smaldone

³ Represents Francesca Sorze

Investor Report Q1, 2022 – MPD Partners

Class B Shareholders

Class B Shareholders receive updated reports on the invested companies and are involved in several events hosted by MPD. Furthermore, they can become investors of the next MPD initiative with the same first investment conditions of MSCO.

No new investors subscribed as Class B MPD SME Capital One shareholders during the month.

9. Other Activities

The program and the organization of the next Shareholders' Weekend might change accordingly to the future evolution of Covid-19 outbreak.

Shareholders' Events

The MPD Team is organizing the next Shareholders Weekend for MSCO Shareholders.

It will be held in Turin surroundings (Piedmont, Italy) during the month of May. The selected dates and agenda for the weekend will be shared with Shareholders in due course.

10. MPD Partners Team

Name & Designation

Experience



**Mirco Coccoli,
CEO & Partner**

- Investment Manager experienced in developed and emerging countries
- In 2007, he left a very successful career in High Energy Physics at CERN, to join Reyl & Cie to help manage an equity hedge fund with €200M invested; in 2 years his help facilitated increasing to €500M
- In 2009 he joined BCV to help manage CHF 500M quant equity funds where he was able to increase 4% per year relative return, by mastering risk and with over 50'000 trades
- Studied Physics in Milan and Berkeley, Quant Portfolio Management in Geneva and holds the Diploma in Financial Strategy at the Saïd Business School of the University of Oxford



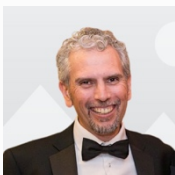
**Luis Brunschweiler,
Partner**

- Serial entrepreneur with 30 years' experience
- Owns an audit firm in Geneva with clients in many industries and in a variety of sizes
- Director of a Geneva based accounting firm operating internationally
- His experience in audit, accounting, M&A, spinoffs, company valuation and with SMEs is impressive



**Miguel Dupret,
Director**

- An Aerospace Engineer with +15 years' experience in consulting and industry environments in Europe, USA and Australia
- Founded successful start-ups in the drone industry and PE industries, attracting millions in investments from USA government and private investors
- Currently covering Associate role at Kearney
- Executive Education: Harvard Business School (Leading Professional Service Firms), Oxford University (Strategic Finance Diploma, Negotiation Program)



**Alexandro Sances,
Manager**

- +25 years' experience in management and consulting within the Telecommunications, Insurtech, Mobility, Telematics, Satellite industries, IoT and Big Data
- Active Mentor and Innovation Advisor for Techitalia, Lloyd's Lab and several start-ups
- Currently covering the role of Global Operations Director at Trak Global Group



**Giulia Falcone,
Manager**

- Board Member - MPD SME Capital One
- Certificate in CEO and Board Member for SMEs and Startups
- Audit Intern - KPMG
- Graduated from Bocconi University, MSc in Management



**Nicola Dolci,
Manager**

- Board Member – SPH
- Academic Fellow – Bocconi University
- Associate M&A / PE – Withers LLP
- MBA – University of Edinburgh Business School
- International Law – Catholic University of Milan



**Giacomo
Candeo,
Associate**

- Finance Development Intern – Loro Piana
- Global Consolidated Financial Statements Intern – Versace
- International experience at Católica Business School (PT) – Exchange student
- Graduated from Bocconi University, MSc in Management



**Arnaldo
Jasson,
Analyst**

- Global Consolidated Financial Statements Intern – Versace
- Dual Degree Master In Management & Computer Science @ IE Business School
- Graduated from Bocconi University, Economics & Management



**Andrea
Zenoniani,
Analyst**

- Current Master in Finance student – Bocconi University
- International experience at ESADE Business School – Exchange student
- Graduated from Bocconi University, Economics & Finance

Prepared by:  **MPD PARTNERS**

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