



QUARTERLY INVESTOR REPORT

July 1, 2021 – September 30, 2021

**MPD SME Capital One
Class A and B Shareholders**

Published on October 1, 2021

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,
Vice President Operations Italia, Director Global Operations at IMS

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

Marco Amendolagine
Global Director of Connected Claims, Director of Product Italy at IMS

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

Massimo Bordin
Group Chief Procurement Officer at Ligabue Group

Adriano Scardellato
CEO at Elda Ingegneria

Marco Cordignano
Senior Manager Consultant & Trainer Freelance

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

Class A Shareholders

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
(Insurance & Mobility Solutions)

Massimo Bordin
Group Chief Procurement Officer at Ligabue Group

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

The last three months have been very busy and productive, focused in managing the Portfolio Companies. Indeed, as of 1 July, 2021 MSCO has finalized the acquisition of 60% shares of Sell Plast s.r.l.¹ and MPD Team has started its managing activities within the company.

After the acquisition, a list of handover activities have been carried out. At the moment, the administrative kick-off is almost done. So far, one of the biggest issue of the company is due to the quality of its products. Due to this reason, Mirco Coccoli is currently working as a Plant Manager ad interim to start addressing this issues as quick as possible. Thanks to his effort, Sell Plast already had the first positive results and managed to improve its production ratings. Among other activities performed, meetings with banks, suppliers and clients were held in order to communicate the acquisition of Sell Plast by MSCO and the shift we want the company to have under our guidance. In addition to this, we started the definition of the new strategy, mission and vision of the company and Sell Plast is negotiating with an external supplier the new logo and website design in order to better address this change and to communicate to third parties the new direction the company will follow.

At at La Centrale de Prévoyance the online marketing campaign is advancing. The external provider gathered together with our help the information required to better define the strategy and the positioning in order to start soon the campaign and generate the first qualified leads. According to the estimates, in October, 2021 the provider will be able to produce the first results in term of leads. In the meantime, to fill this time gap new leads have been acquired by the former provider even though they might be less qualified than the ones generated internally thanks to the marketing campaign.

Lastly, the origination activity is ongoing and, especially in the last month, it has been focused on looking for either potential add-ons for Sell Plast or companies Sell Plast potentially can co-operate with to expand its business. Despite this premise, we are still receiving teasers for new targets to be acquired that are operating in unrelated industry and results of this activity will be presented in the next paragraphs.

¹ Link to the Press Release: <https://www.mpdpartners.ch/msco-acquisition-of-sell-plast-srl/>
Investor Report Q3, 2021 – MPD Partners

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 forces 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 by 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 bigdata 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 have a slow down due to distancing measures (e.g., COVID-19).

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

The R&D activity for the software is carried on by UIEx, 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 of three senior members which include a project manager with 16 years previous experience in managing digital innovation projects, a data scientist with 10 years R&D experience in experimental projects for enterprises and a tech consultant with 20 years' experience in the technology innovation.

Q3 2021 R&D Activity

During the quarter, the R&D team has worked closely with the operator to review the work done so far in 2021 and to finalize the ongoing project. During next Quarterly Investors call on October 11, 2021 the R&D supplier will show a live demo of the software.

3. Origination & Investment Committee

Given the recent acquisition, the origination activity of MPD Partners Team is mainly focused on potential add-ons for Sell Plast. Despite this premise, we are still receiving new investments cases that are shown in the table below.

Target Blind Name	Sector/Main Business	2020 Revenues (MIn)	EBITDA (%)	NFP (€MIn)
Interprint	Packaging printing	2.0	10.0%	N.A.
Plumbing Company	Plumbing Industry	0.27	5.1%	0.1
Machines Project	Metal Carpentry	2.2	40%	N.A.
Pharma Project	Nutraceutical Products and medical equipment for joint diseases	3.5	24%	(0.15)
High-end belts	High-end belt façonnist	1.34	26.2%	N.A.
Information Technology	IT decision making systems	1.5	6.8%	(0.2)

4. Portfolio Companies

4.1 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.

Acquisition Roadmap

August 2019

La Centrale de Prévoyance was presented as the monthly investment case and passed MSCO August IC
At the end of August 2019, MPD SME Capital One acquired 51% of the shares of LCP

January 2020

Shareholders approved the acquisition of additional 30% shares in LCP. Since January 31, 2020, MSCO owns 81% of the insurance broker

Advancements during the quarter

- The first B2B contracts have being signed. Dropbox in Los Angeles is doing due diligence on AXA for counterparty risk
- New apprentice has just started working at LCP. Costless for the company
- The activity with marketing agency specialized in online leads generation is ongoing. First leads are expected during the last week of September
- The activity with R&D supplier is on track and we will organize a demo during October's Class A Shareholders quarterly call
- Although being less qualified leads with respect to Mediatica's, LCP is starting to buy leads from its usual lead supplier

- Revenues are expected to improve substantially by Q4 2021 especially thanks to Mediatica's project

4.2 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

In order to split and organize the activities to be performed at Sell Plast after the acquisition, internally we decided to divide them into Waves, according to the priority level. The MPD Team has been focused in closing both the late preliminary kick-off tasks in Wave 0 and in proceeding with the content of Wave 1. Below follows the list of kick-off activities that have been performed.

In addition to this, starting from October 2021, Sell Plast Board of Directors will review the process of quarterly strategy definition, and the executive team will be focused on all the activities to be implemented to complete the Wave 1 and to proceed towards the definition of future action to start the development of the company.

Finance & Accounting

The external consultant appointed by MSCO, Stefano Ferrari, has started working at Sell Plast. His first objective is to analyze the state of the art of the company with in order to gather data and information to finalize and implement a budgeting system at the company. Below a set of activities performed during the last month of the quarter and their outcome:

1. ERP (SAM): sufficiently complete in modules for both full fiscal accounting up to pre-tax profit and for the implementation of industrial accounting, the analysis of production data and existing reports
2. Existing reports: elaboration of monthly budgets (exclusively at income statement level) with data extracted from SAM. Currently, the MPD Team and Ferrari are working on the 2022 budget that will be ready soon. The feasibility of the budget

will be based on the forecasted cash flow for the next year, given some assumption on the revenues future growth, elaborated with Stefano Ferrari and Franco Lillaz. Compared to what initially proposed by Mr Rampini, our budget will be more focused on the improvement of the quality of the current product lines for Q42021, Q1 2022 and Q2 2022.

In the meantime, the MPD Team will never stop to look at potential external growth opportunities through add-ons acquisitions.

3. Bank relationship: Mirco Coccoli and Stefano Ferrari have had a meetings with all the banks with whom Sell Plast has a credit line;
4. Production reporting system: started the analysis of production data in order to create a template for management control. The focus is on the understanding of how much the data can be considered solid and reliable for all the production phases (cost centers identified to date in: Cutting, Thermoforming and Assembly). The objective is to prepare a budget that starts from single production orders and then evaluate the deviation from what was planned and the actual margins. To date, the final analysis has been carried out on standardized man and machine costs that are the same for all phases and for all items produced.

Admin & HR

- A new Organizational Chart has been drafted to clearly define activities, roles and responsibilities of the employees. This chart will be presented to the next BoD to validate it.
- Two job positions were open month and a number of interviews have been held. The roles Sell Plast is currently recruiting are Plant Manager and Quality Engineer. As of today, Mirco is the Plant Management ad interim, while we are getting in touch with the shortlisted candidates for the position of Quality Manager. A new Technical Office Responsible has been hired and he will start shortly the training on CAD/CAM programming
- As of September 2021, workers have new company uniforms.

Operations

- The Company is focused on improving the production site conditions. Every employee has been trained on cleaning its position, and improvements to the common areas have been added in the pipeline. Furthermore, we substituted all

the medications expired and we ensured that the first aid kit of the company was compliant with the Italian Law.

- Cleaning of the overall facility is being implemented, evaluating the help of an external provider. We are waiting for the water test results to further proceed on this step and on the renovation of the common areas.

Sales & Marketing

- The MPD team is having call with potential targets and commercial partners. We are mainly looking to companies working in the plastic material sectors in Piedmont, with a different client based compared to ours (in order to decrease our exposure to CNH Group, which represent roughly 90% of our revenues)
- Sell Plast is defining an agreement with an external provider to develop the new company logo and design the new corporate website. These activities have the objective to better align the external communication to the new strategy and positioning of Sell Plast.
- In September 2021, Sell Plast accounted revenues for 230'000€.

5. MPD SME Capital One Valuation

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

- Cash in Hand
- LCP Shareholders Financing
- 81% Shares of LCP
- MSCO Intangible Assets
- Others

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

MSCO Valuation

The current post-money valuation considering all new subscriptions from last capital increase as of September 30, 2021 is of € 1'271'500.

6. Fundraising

Advancements during the quarter

In the next few months, MPD Team will be performing a capital increase mainly meant to allow new interested investors on board.

MPD Team will be coordinating together with the public notary to set up and execute all necessary formalities. All stakeholders will be updated accordingly.

MPD Team will be considering the opportunity – in addition to welcoming investors that already anticipated their commitment – to leverage crowdfunding platforms marketplace to collect additional funds.

As the selected scenario suggests – new funds are meant be deployed to increase Sell Plast performance and turnover either organically and/or externally through partnerships and add-ons. Such potential trajectories result to be in line with the overall MSCO's portfolio management strategy.

As previously stated, MSCO team is available to further discuss the matter at hand with anyone interested in participating in the capital increase – those either being current shareholders or third parties.

7. Shareholders' Meeting

No MSCO 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 SME to bring innovation and new technology. They will make the investment decision and put their expertise, competences and network at the service of the value creation process once gained control of the target company. MSCO can leverage on the experience of 29 Class A Shareholders* with a various background and a European reach.

Class A Shareholders subscription is currently closed since April 19th 2021.

Shareholder	Current Role	Location	Exp. Years
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 ²	Vice President Operations Italia, Director Global Operations at IMS (London)	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 ³	Project Engineer – PhD at CERN	Geneva	17
Martin Sengel	Head of IT Group at SOLEVO Group	Geneva	18
Alexandra Karacsonyi	Managing Director at Elixir Consulting CH	Geneva	24
Fabrizio Colzani	Group SBD, e-commerce, Travel market, 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	Group Chief Procurement Officer at Ligabue Group	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 ⁴	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

² Represents Giovanni Pietro Sances

³ Represents Maria Smaldone

⁴ Represents Francesca Sorze

Investor Report Q3, 2021 – 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

Shareholders' Events

The MPD Team is organizing the second 2021 Shareholders Weekend for MSCO Shareholders.

It will be held in Turin surroundings (Piedmont, Italy) and the date will be soon disclosed (between end of October 2021 and mid-November 2021).

The program of activities will include a company visit at Sell Plast, business updates, seminars and a wine and local specialties tasting in the surrounding areas between Turin and Alba.

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
-



**Simone
Degl'Innocenti,
Analyst**

- Junior Financial Analyst – Market Insight
 - Emory University (ATL, USA) – Exchange student
 - Graduating from Bocconi University, MSc in Finance
-

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