



| **DigiTouch results and investment opportunity**

Meeting with the Investors Community

October 2018



THE MAIN
INDEPENDENT
DIGITAL
MARKETING
PLAYER IN
ITALY

2007
DIGITOUCH
SET UP

~ 120
PROFESSIONALS

2015
PUBLIC ON
AIMItalia
Borsa Italiana

2 Milan
OFFICES Rome

A ONE-STOP-SHOP FOR DIGITAL MARKETING SOLUTIONS and an **Enabling Partner for Brands Digital Communication & Transformation**, thanks to an integrated offer of Strategy, Technology, Operations & Marketing Tools.

A MAR-TECH GROUP. Mar-Tech is the blending of **marketing and technology**. Anyone involved with digital marketing is dealing with Mar-Tech, since digital by its very nature is technologically-based. The term **"Mar-Tech"** applies to major initiatives, efforts and tools that harness technology to achieve **marketing goals and objectives**.

DIGITOUCH
CONSULTING

DIGITOUCH
AGENCY

performMEDIA
planning with digital DNA



Optimized
Group.

mutui
PER LA casa.com



DA Solutions

Purple Ocean

Business model: one-stop-shop

Three strategic and integrated business units

1 ADVERTISING SERVICES

- Social Media solutions
- Consultancy
- Trading Desk

- Design, implementation, management & optimization of digital marketing communication campaigns and communities

Complete Offer

DIGITOUCH
AGENCY

DIGITOUCH
CONSULTING



2 PERFORMANCE MARKETING SERVICES

- Seo solutions
- Vertical comparables: finance (mortgages and personal finance)

- Design, implementation, management & optimization of direct Performance Campaigns, based on sales results & leads generation metrics

Segmentation Experience

perforMEDIA
planning with digital DNA



DIGITAL AUTOMOTIVE
SOLUTIONS

3 DATA SERVICES

- Business Intelligence
- DMP
- Machine learning data services

- Data Service Provision (DSP) of highly profiled consumer data related to large industries: Telcos, Banking
- Data Management Platform (DMP) Services

Technology



audiens
Commercial agreement

Growth via M&A remains a key pillar of DigiTouch strategy.

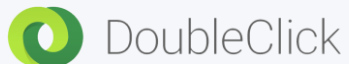
Partnerships and technology

Strategic Partnerships



ASSOFRANCHISING
ITALIANA

audiens



Own Technologies



Chatbot



Pac



Cms Social



Custom Cms



Dealer Tab



Store Locator

Client portfolio – Full diversification

We work with Medium/Large sized companies belonging to different verticals.

NUMBER OF UNIQUE CLIENTS

~80
in 2014



~150
in 2017

AUTOMOTIVE

3,5%



PHARMA & HEALTHCARE

3,2%



RETAIL & E-COMMERCE

53,5%



APPAREL & JEWELS

5,3%



FINANCE & INSURANCE

13,4%



TRAVEL, EDUCATION & ENTERTAINMENT

5,6%



TELCO, UTILITIES & SERVICES

15,3%



FOOD & BEVERAGE

0,3%





Product development: Cross selling

Case History: large retailer - DigiTouch Client since 2014

Thanks to a complete product offer DigiTouch is able to increase customer value rapidly more than in the past

| 2014 | 2015 | 2016 | 2017 | 2018 |
|--------------|--------------|------------------------|------------------------|------------------------|
| SOCIAL MEDIA | SOCIAL MEDIA | SOCIAL MEDIA | SOCIAL MEDIA | SOCIAL MEDIA |
| | CREATIVITY | CREATIVITY | CREATIVITY | CREATIVITY |
| | | DIGITAL MEDIA PLANNING | DIGITAL MEDIA PLANNING | DIGITAL MEDIA PLANNING |
| | | PERFORMANCE MARKETING | PERFORMANCE MARKETING | PERFORMANCE MARKETING |
| | | | SEO | SEO |
| | | | DMP | DMP |
| | | | | CONSULTANCY |
| | | | | |

X 12 TIME VALUE AS GROUP CLIENT



Commitments presented in IPO

Consolidation in Italy

- Acquisition of small medium companies to increase market share

6 • 8
MILLION €

Acquisition of 2/3 main market players in 18/24 months in order to acquire critical mass and to be more competitive in Digital Marketing Arena

DONE ✓

Product Offer Development

- Internal start-ups with the aim of increasing product capabilities and opportunities

2 • 4
MILLION €

Completing the offer transforming DigiTouch market offer into a complete on top Shop of Digital Marketing Communication

DONE ✓

New Technologies

- Internal development in data analytics, mining and monetization

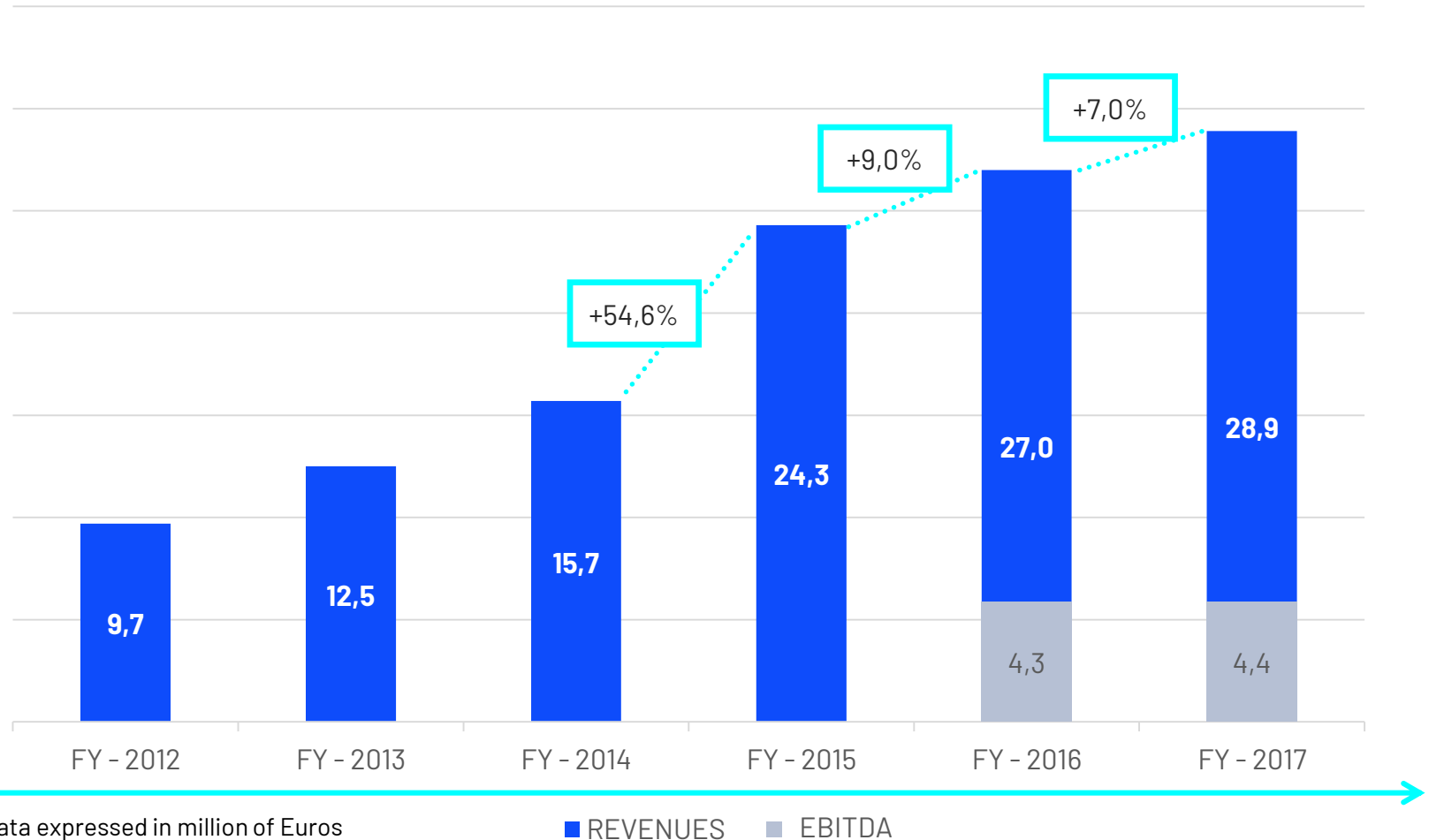
1
MILLION €

Completing Audiens development and launching the DMP offer as one of the more comprehensive Data Management Solutions on the Market

DONE ✓

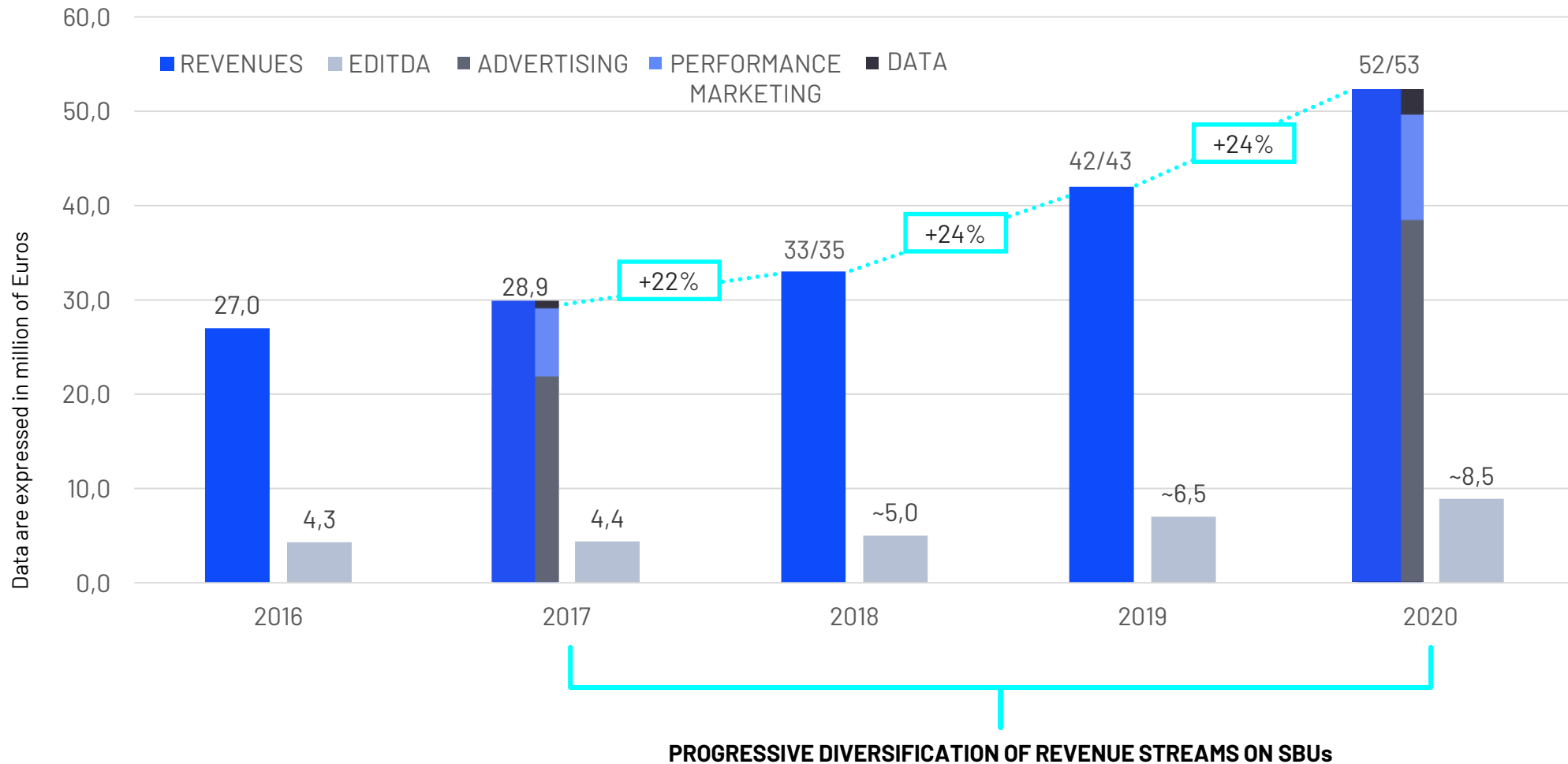
Revenues Growth

- CONTINUOUS, STABLE GROWTH WITH REGULAR PROFITABILITY
- ORGANIC GROWTH BY 2017
- **2017 RESULTS:**
 - **28,9 MILLION EUROS REVENUES**
 - **4,4 MILLION EUROS EBITDA**



Revenues & MOL progression

DigiTouch business plan 2018-2020



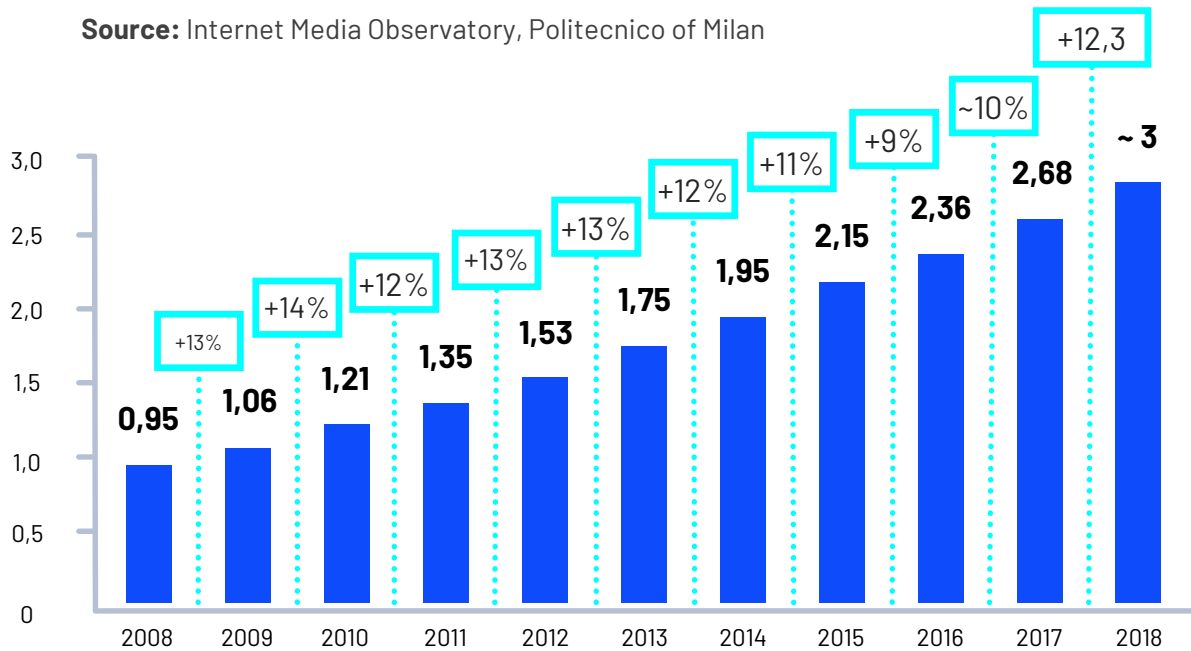
A new Start: KPIs 2018-2020

With a new, upgraded perimeter, we can count on new potential and set new target goals

| | | 2017 | 2020 | Δ% |
|--------------------------------------|--|----------|----------|------|
| INCREASE AVERAGE CLIENT VALUE | <ul style="list-style-type: none">• Cross & Up Selling of different products & services• Increase component of Performance for sales support• Integrate Data Management Technologies | ~ 200K € | ~ 260K € | +30% |
| ACQUIRE NEW CLIENTS | <ul style="list-style-type: none">• Developing commercial team and resources• Increase national sales coverage• Leveraging on distribution partners | ~ 150 | ~ 200 | +33% |
| MAXIMIZE CLIENTS RETENTION | <ul style="list-style-type: none">• Develop new technology solutions• Increase level of technical integrations• Improve Dashboard & Analytics | 7% CHURN | 4% CHURN | -40% |
| MAINTAIN AVERAGE MARGINALITY | <ul style="list-style-type: none">• Automatize service delivery• Maintain 30% business operational marginality• Increase revenues from data services | ~15,0% | ~15,0% | none |

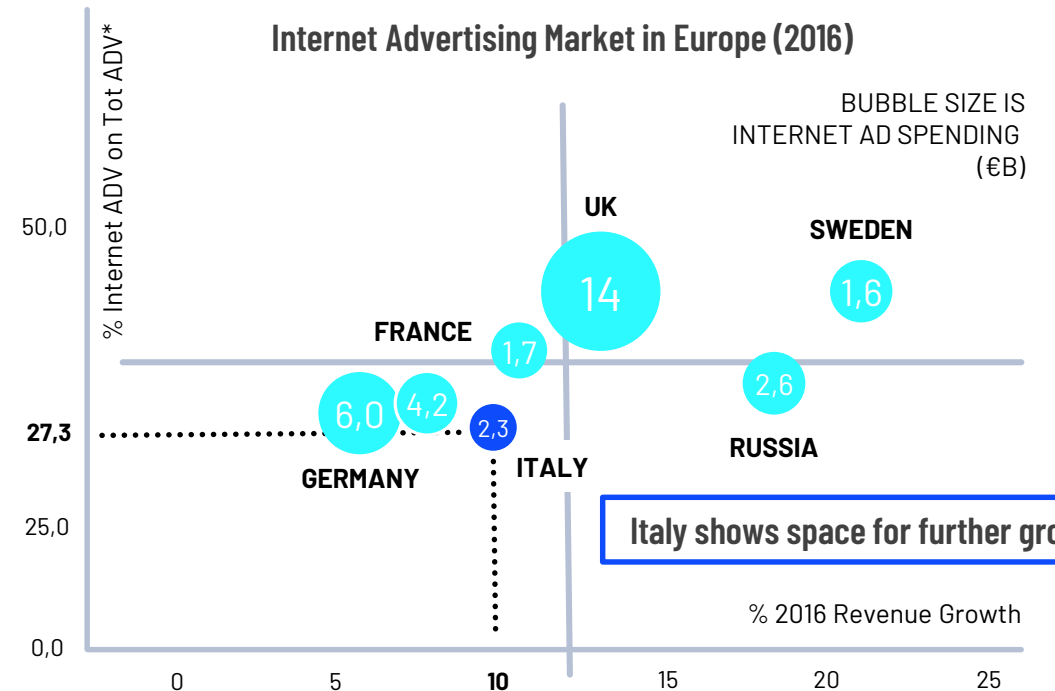
Growing primary target market, with potential much larger

Source: Internet Media Observatory, Politecnico of Milan



INTERNET ADVERTISING MARKET: TRENDS OF GROWTH

50-55% of the turnover is generated by performance advertising activities



POTENTIAL MARKET

Italy digital marketing market is expected to grow additional 1,5 billions in 5 years

Digital Marketing Competitive Map

LARGE 5 INTERNATIONAL GROUPS

- More than 100 million Euros turnover in Digital
- Complete Product Offer
- Major Large Clients
- Business Development based on tenders

MEDIUM AGENCIES & DIGITAL GROUPS

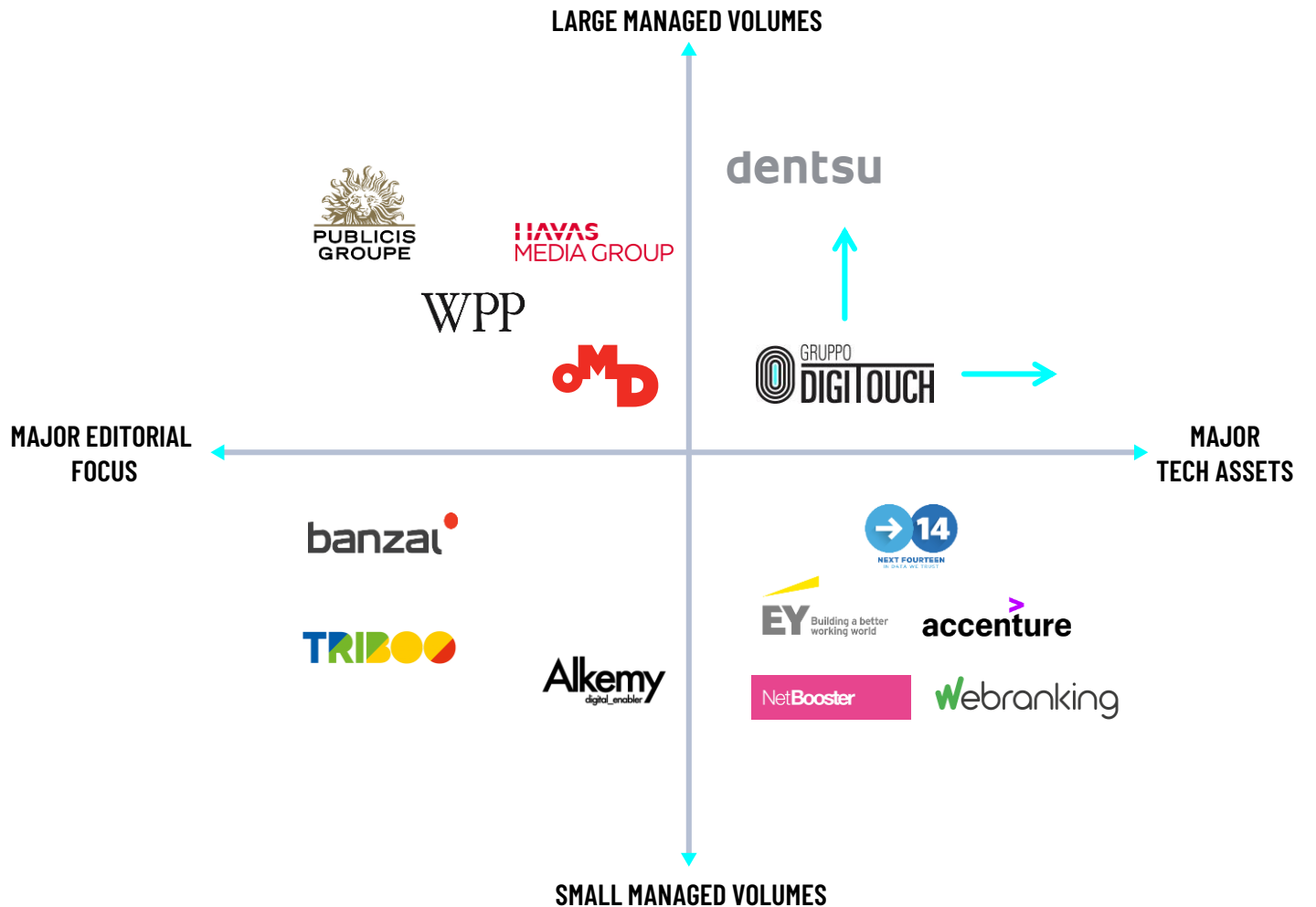
- Between 25 and 50 million Euros turnover
- Complete Product Offer
- Medium Large Clients
- Business Development partially based on tenders

MORE THAN 1.000 SMALL AGENCIES

- Between 1 and 5 million Euros Turnover
- Partial Product Offer
- Small medium Clients
- Business Development based on relationships

MAJOR CONSULTANCY COMPANIES

- Entering the market gradually directly or with M&A



Business priorities

INNOVATE AND UPGRADE THE OFFER!



Omnichannel approach



Data-driven marketing & analytics



Technology services

AGGREGATE!



Increase customer base

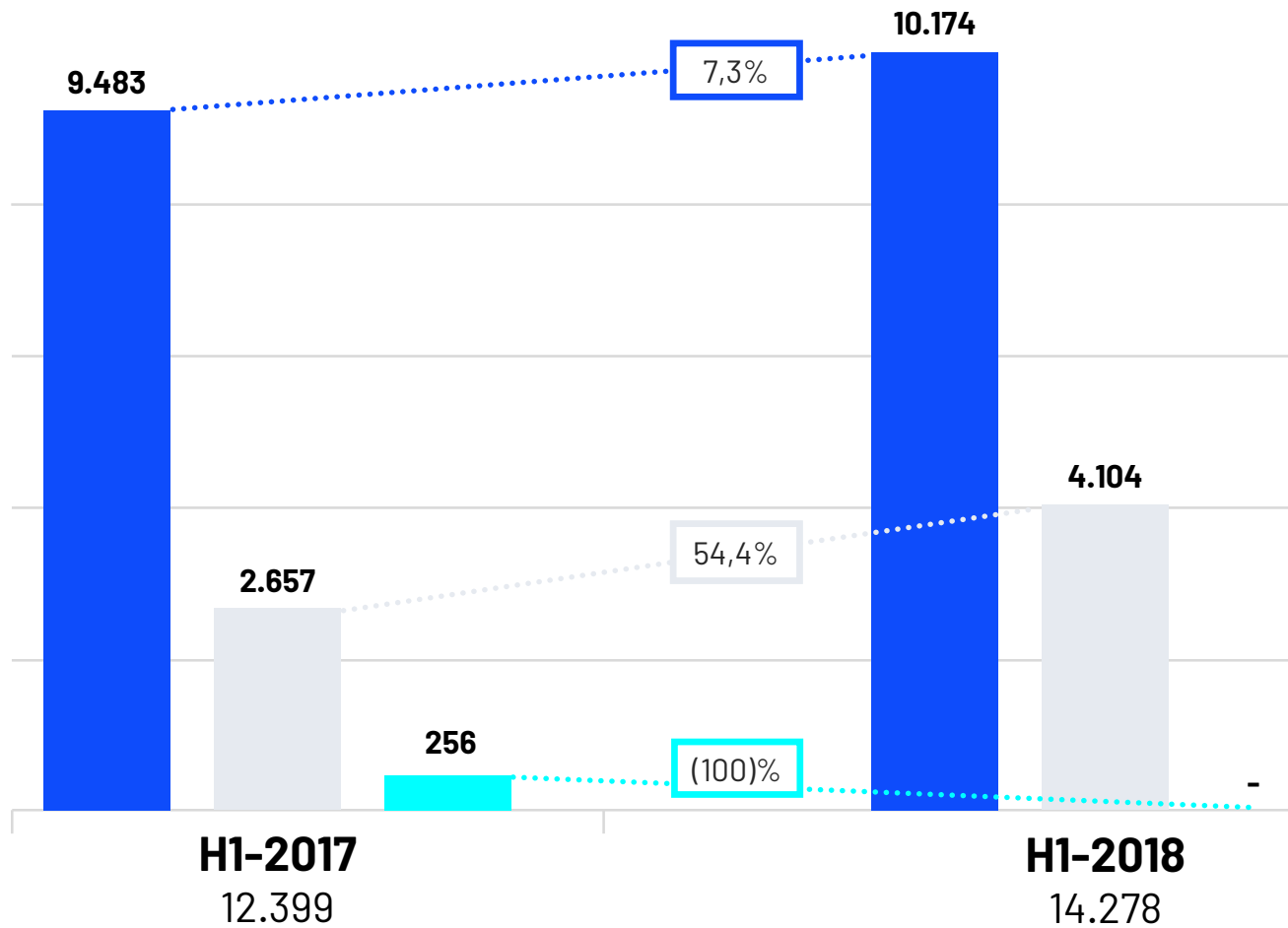


Empower SW development capabilities



International expansion

Revenues H1-2018 per Business Line



Reading key:

- ADVERTISING SERVICES**
 Business managed by DigiTouch Agency and E3.

- PERFORMANCE & COMPARABLES**
 Business managed by Performedia, Optimized Group, Mutuiperlacasa.com and autoandplus.com.

- DATA & BUSINESS INTELLIGENCE**
 - H1-2017 revenues concerns the business of Audiens, the customer management platform that DigiTouch sold to Bango in the end of 2017.
 - In H1-2018 Gruppo DigiTouch has started the development of data analytics solutions that will be launched during the next months.
 - Moreover, in H2-2018 Gruppo DigiTouch has bought Purple Ocean, Italian company that offers innovative solutions of managed services and software development for e-commerce.

Data expressed in thousand Euro

Track Record M&A

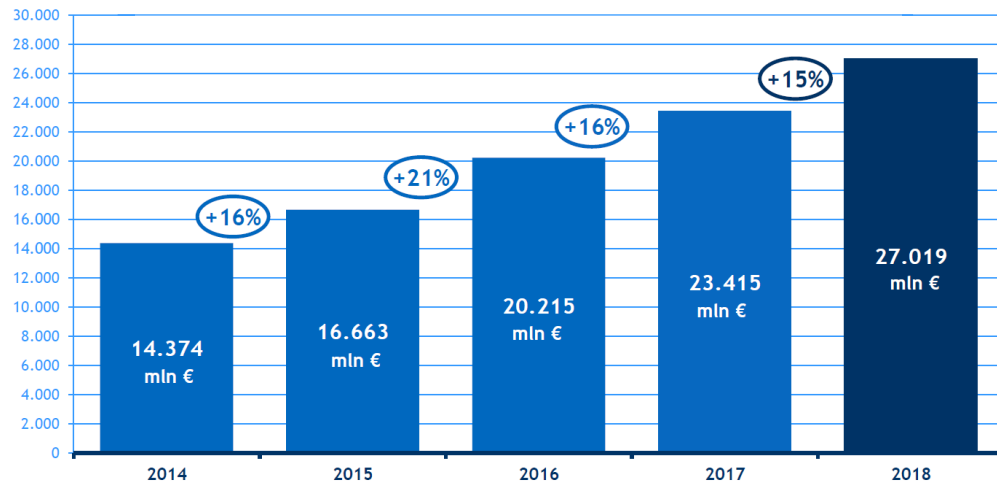
| 2014 | 2015 | 2016 | 2017 | 2018 |
|---|--|---|--|--|
| <p>PERFORMEDIA</p> <p><i>Business Line: Performance and Vertical Comparables</i></p> | <p>THEBLOG TV COMMUNITIES</p> <p><i>Business Line: Advertising Services</i></p> | <p>OPEN GATE (10%)</p> <p>Equity Method Participation</p> | <p>AUDIENS</p> <p>Sold to Bango</p> | <p>PURPLE OCEAN</p> <p><i>Business Line: Data & Business Intelligence</i></p> |
| | <p>BACK OFFICE - mutuipercasa.com</p> <p><i>Business Line: Performance and vertical Comparables</i></p> | <p>OPTIMIZED GROUP</p> <p><i>Business Line: Performance and vertical Comparables</i></p> | | |
| | <p>E3</p> <p><i>Business Line: Advertising Services</i></p> | <p>MEDIAMOB</p> <p>Sold majority to Mobyt</p> | | |

Reading key:

- Acquisition
- Sale

Last deal: Purple Ocean

VALUE OF ECOMMERCE PURCHASE B2C BY ITALIAN CONSUMERS



E-commerce in 2018 in Italy

€ 27 billions

+15% YoY

With the **acquisition of Purple Ocean**, Italian company that offers innovative solutions of managed services and software development for e-commerce, **Gruppo DigiTouch enriches its products/services portfolio** with three new micro-services **and strengthen its offer to e-commerce brands**:

- **Purple Commerce**: realization of e-commerce solutions highly tailored-made;
- **PurpleX**: tool specialized in automatized controls on all websites, identification of technical-functional and publishing anomalies, simulation of users' behavior during the visit on a website;
- **Purple Platform**: platform specialized in services of critical business on owned infrastructures, distributed in three data centers in Italy, with specific certifications (Tier III, Tier IV Plus) and geographically located in a strategic way in order to guarantee the compliance to disaster recovery criteria.

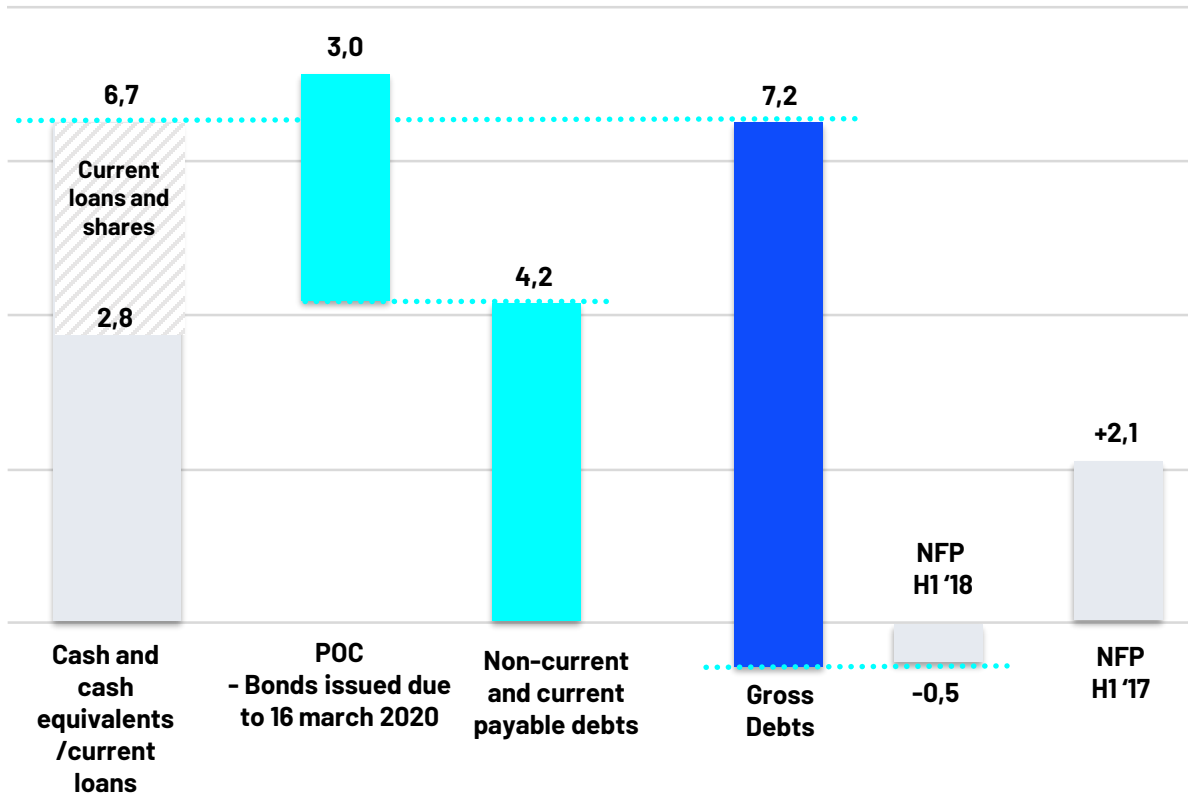
PROFIT & LOSS H1-2018

| Data expressed in thousand Euro | H1 2018 | | H1 2017 | | Change | |
|--|-------------|---------------|--------------|---------------|--------------|-----------|
| | % | [A] | % | [B] | [A]-[B] | % |
| Operating revenues | 91,8 | 14.278 | 91,6 | 12.399 | 1.880 | 15 |
| Other revenues | 5,2 | 815 | 5,0 | 683 | 132 | 19 |
| Internally generated fixed assets | 2,9 | 453 | 3,3 | 451 | 1 | 0 |
| Total Revenues | 100 | 15.546 | 100 | 13.533 | 2.013 | 15 |
| Operating Expense | 73,3 | 11.395 | 69,7 | 9.428 | 1.967 | 21 |
| Personnel expense | 13,2 | 2.047 | 15,5 | 2.098 | (51) | (2) |
| EBITDA Adjusted | 13,5 | 2.104 | 14,8 | 2.007 | 97 | 5 |
| Non-recurring expense | 1,3 | 195 | 0,9 | 127 | 69 | 54 |
| EBITDA | 12,3 | 1.908 | 13,9 | 1.880 | 28 | 1 |
| Amortization/depreciation/ Provisions and write-downs | 8,4 | 1.308 | 13,9 | 1.879 | (571) | |
| EBIT | 3,9 | 600 | 0,0 | 1 | 599 | |
| Financial income (charges) | (1,0) | (161) | (1,2) | (166) | 6 | |
| Adjustment to the carrying value of financial assets | 0,0 | - | 0,0 | - | - | |
| EBT | 2,8 | 440 | (1,2) | (165) | 604 | |
| Current and deferred income taxes | (1,0) | (155) | (1,0) | (141) | (13) | |
| Consolidated Net Income | 1,8 | 285 | (2,3) | (306) | 592 | |

BALANCE SHEET H1-2018

| Data expressed in thousand Euro | 30 June 2018 | 31 December 2017 | Change | |
|--|---------------|------------------|--------------|----------------|
| | [A] | [B] | [A]-[B] | % |
| Non-current assets | 13.916 | 14.547 | (630) | (4,3) |
| Goodwill | 9.514 | 10.212 | (698) | (6,8) |
| Development costs | 256 | 226 | 30 | 13,3 |
| Other intangible fixed asset | 3.550 | 3.500 | 50 | 1,4 |
| Tangible fixed assets | 290 | 300 | (11) | (3,5) |
| Financial fixed assets | 307 | 309 | (2) | (0,6) |
| Current assets | 885 | (2.126) | 3.012 | (141,6) |
| Receivables form customers | 9.566 | 10.108 | (543) | (5,4) |
| Payables to suppliers | (8.567) | (9.890) | 1.323 | (13,4) |
| Accruals and prepayments (deferrals) | 121 | (107) | 228 | (212,5) |
| Other current asset and liabilities | (234) | (2.237) | 2.003 | (89,5) |
| Employees' termination benefits provision | (521) | (473) | (49) | 10,3 |
| NET INVESTED CAPITAL | 14.280 | 11.947 | 2.333 | 19,5 |
| Gruppo DigiTouch's Net equity | 13.811 | 14.083 | (272) | (1,9) |
| Third parties net equity | - | - | - | - |
| Shareholders' equity | 13.811 | 14.083 | (272) | (1,9) |
| Non-current and current payable Debts | | | | |
| - short term | 2.030 | 2.390 | (360) | (15,1) |
| - long term | 5.150 | 5.832 | (682) | (11,7) |
| Cash and cash equivalents | (3.913) | (6.219) | 2.306 | (37,1) |
| Securities held for trading | (1.809) | (1.809) | - | - |
| Current loans | (989) | (2.330) | 1.342 | (57,6) |
| Net financial position | 469 | (2.136) | 2.605 | 122,0 |

NFP at 30 June 2018

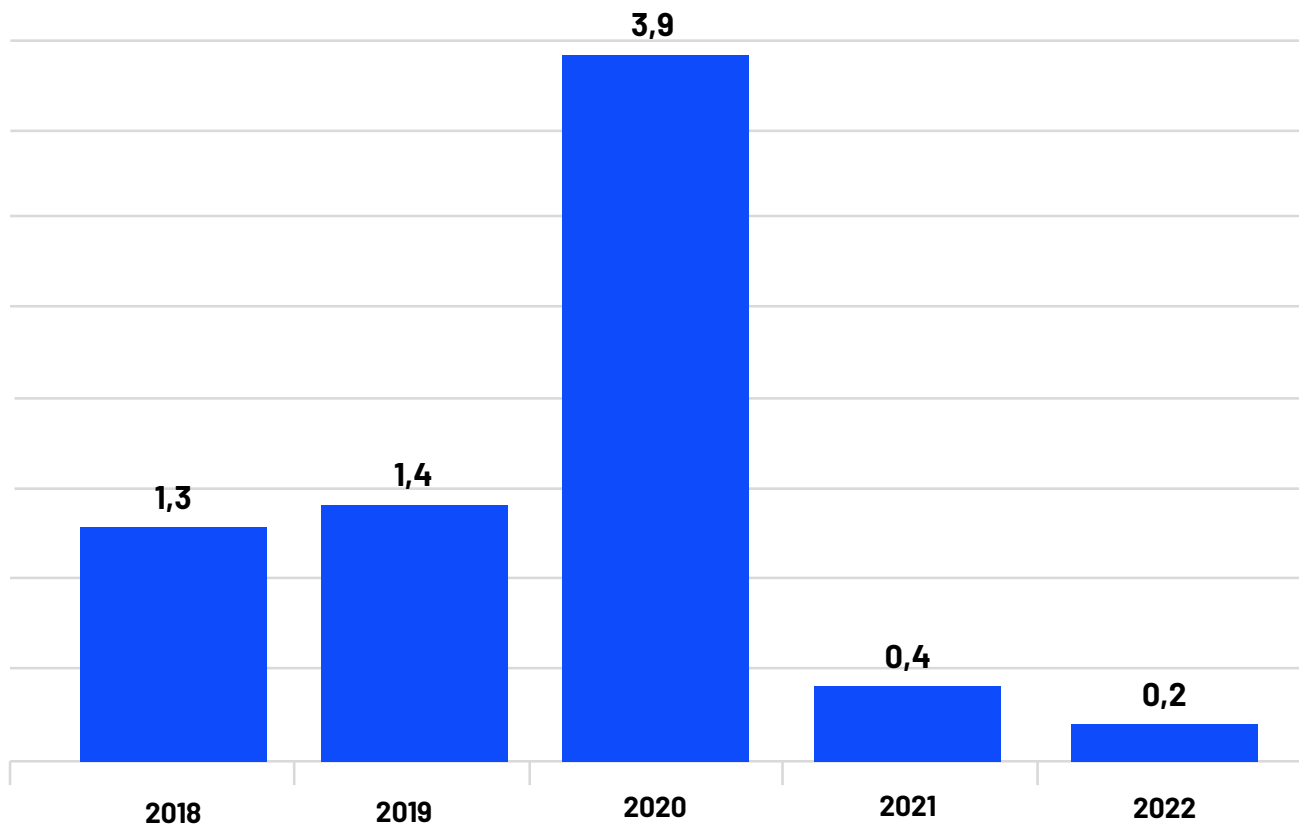


During the first semester:

- 1 NFP is decreased of about 2.5 millions;
- 2 The Group managed the cash out of:
 - Dividends about 430 thousands of Euro;
 - Reduction of the commercial and other liabilities about 3.3 million of Euros.



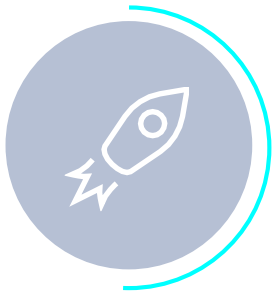
NFP (Debt Maturity)



Data expressed in million of Euros

Investment highlights

Winning competitive advantages developed all over the years



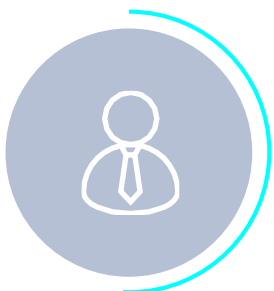
SIGNIFICANT INTERNAL INVESTMENT IN TECHNOLOGY AND BIG DATA

1,0 million on yearly base to 2020



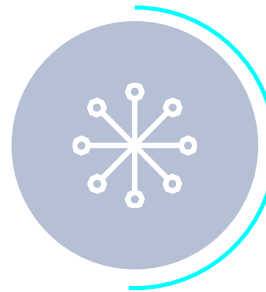
PROGRESSIVE BUSINESS GROWTH

A clients portfolio made of relevant medium and big size clients, with long term relationship
~ 200 clients expected in 2020



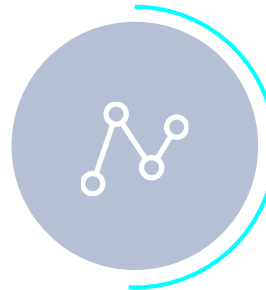
SENIOR TEAM

Top management with outstanding track records in digital marketing, tech services, M&A



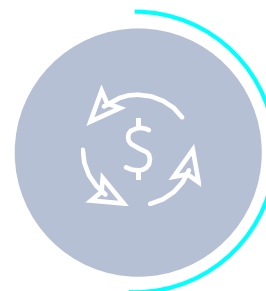
AGGREGATION ROLE

Continuous effort on aggregating marketing potential and market share



MARKET GROWTH, RELEVANCE & POTENTIAL

Expected 3 billions industry only in Italy



MARKET UNDER FAST CONSOLIDATION

Around 70 acquisitions done in Western Europe in H1-2018

THANK YOU

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