



DIGITAL360

Investor Presentation

Andrea Rangone, Chairman DIGITAL360

Paris, 4th April 2022



I. Company overview

II. Network DIGITAL360

III. Business Units

IV. Strategic directions

V. Financials

VI. Annex

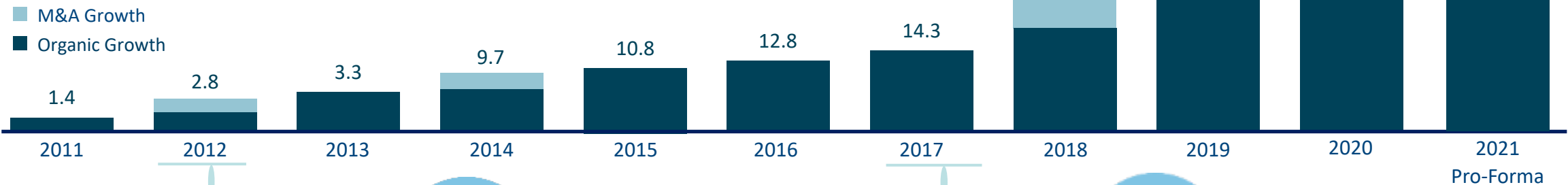


Our history and growth

DIGITAL360 stems from the experience developed by **Politecnico di Milano Professors** in the area of **Digital Transformation and Entrepreneurial Innovation**

Revenues (€Mln)

CAGR 2011-2021: **+40%**



DIGITAL360 is founded

DIGITAL360 went public

ORGANIC GROWTH

Organic CAGR: 20%

M&A GROWTH

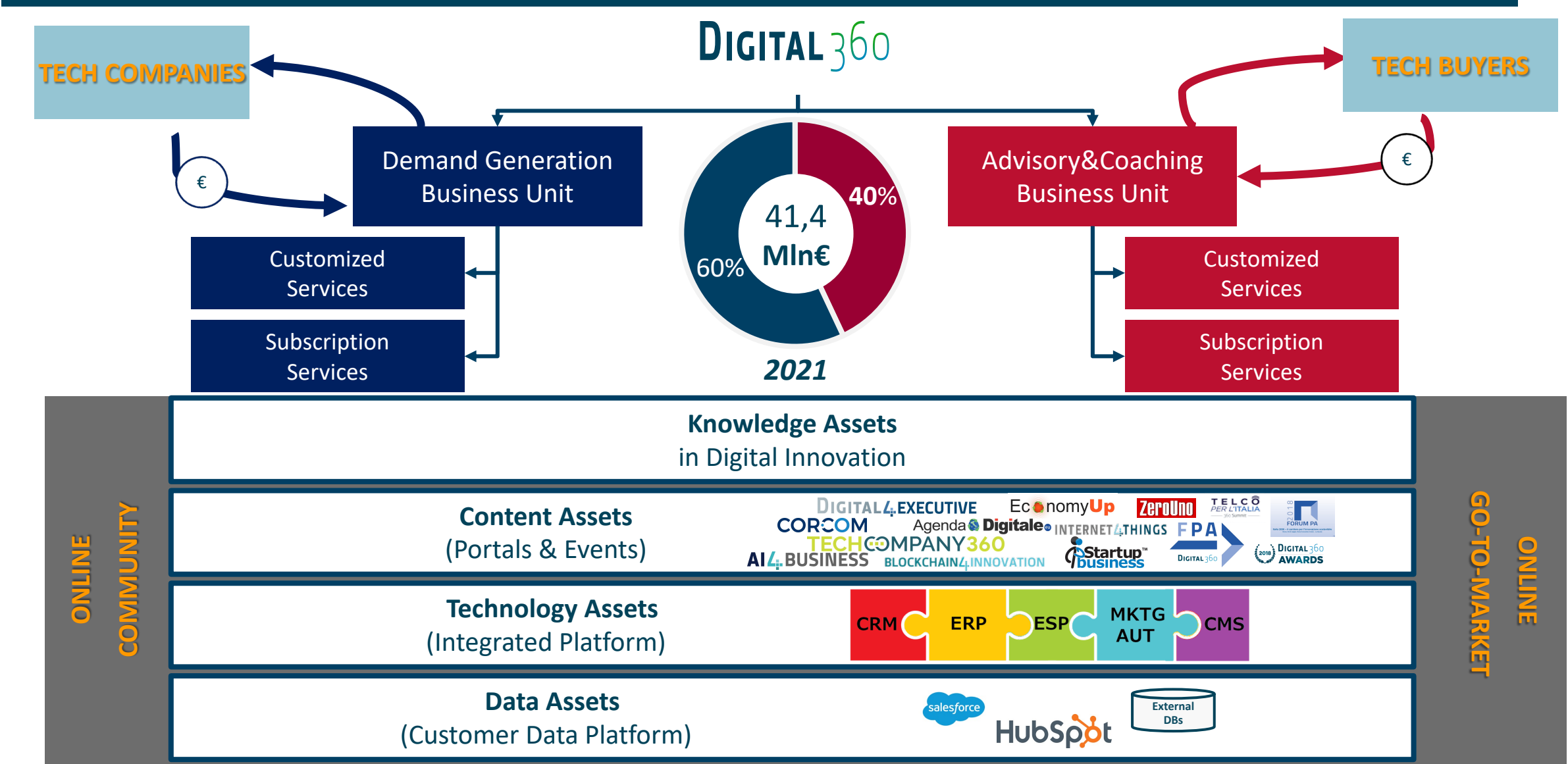
Aimed at consolidating fragmented markets

15 acquired companies so far

Our Business Model: two Business Units leveraging the same Community



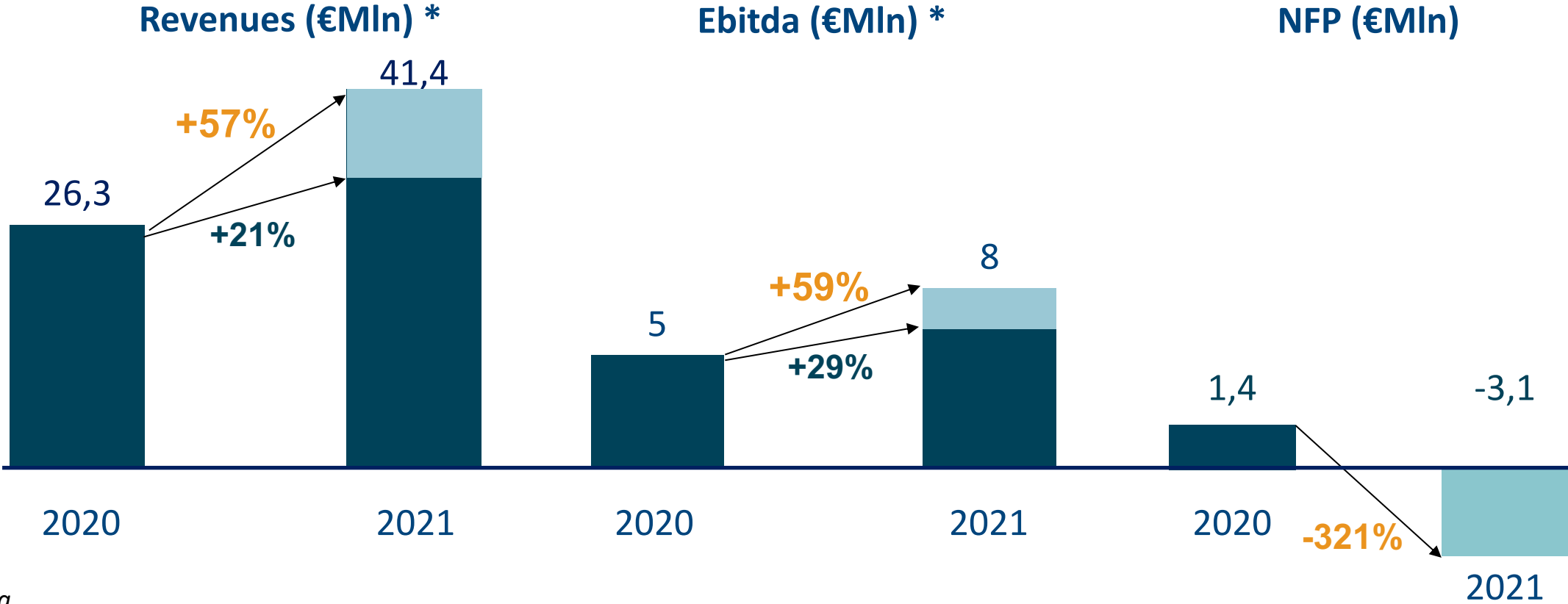
Our Business Model: two Business Units leveraging the same Strategic Assets



Key Economic Indicators - FY 2020 / FY 2021 (€ Mln)

Original perimeter

New acquisitions



* 2021 Data

Growth Drivers

ITALY

Organic Growth

- ✓ Growth in current businesses (strong **market traction**)
- ✓ **Entry into new correlated businesses** (e.g. in DG Business Unit, other B2B industries; in A&C, new practices)

M&A

- ✓ DG: acquisitions of B2B publishers, Martech providers, Marketing agencies, etc.
- ✓ A&C: acquisitions of Advisory and Technology companies

INTERNATIONAL

focus on DG in Spain and Latam so far

- ✓ **Acquisitions** of Publishers, Martech agencies, traditional Marketing & Events agencies (with focus on ICT market)
- ✓ **Boost of their organic growth** based on our *Knowledge* and *Technology* assets (and local development of *Content* and *Data assets*)
- ✓ Future opportunity to exploit the local presence to launch also **A&C services**
- ✓ Leverage on **our top clients's presence in Spain e Latam** (Tech Giants)



DIGITAL360 Investment Highlights

- ✓ Mega trends and fast growing markets (**Martech & Consultech**), accelerated by Covid boost and Recovery Funds
- ✓ **Innovative and scalable business model**, already successful in Italy and replicable also abroad
- ✓ **Strong growth opportunities** both organic and through M&A, both in Italy and abroad
- ✓ **Solid and motivated management team** with new experienced Executives alongside innovative Entrepreneurs
- ✓ **Organisational structure** and **business set up** ready to fully exploit future growth
- ✓ Successfull **M&A track record**
- ✓ Consolidated and leverageable **client base with global presence** (e.g. Tech Giants)



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III. Business Units

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VI. Annex



Network DIGITAL360: our Digital Content Assets – Cross topics

Agenda  **Digitale** 

Italy's first digital agenda journal

CORCOM

The online newspaper of digital economy and innovation

DIGITAL4EXECUTIVE

The strategic use of technology for the digital transformation of business processes

TECHCOMPANY360

Evolutions, changes and trends of tech companies in Italy

Eco  **nomyUp**

Italy that wants to grow

 **Startup
business** TM

Enabling the Italian startup ecosystem

ZeroUno

The reference portal for CIOs in Italy

 **INNOVACIÓN DIGITAL** 360

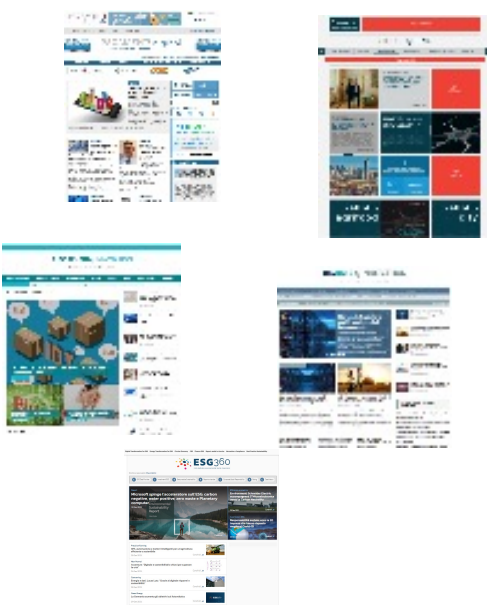

Digital innovation in spanish language

DIGITAL4PMI

Digital technologies for SMB



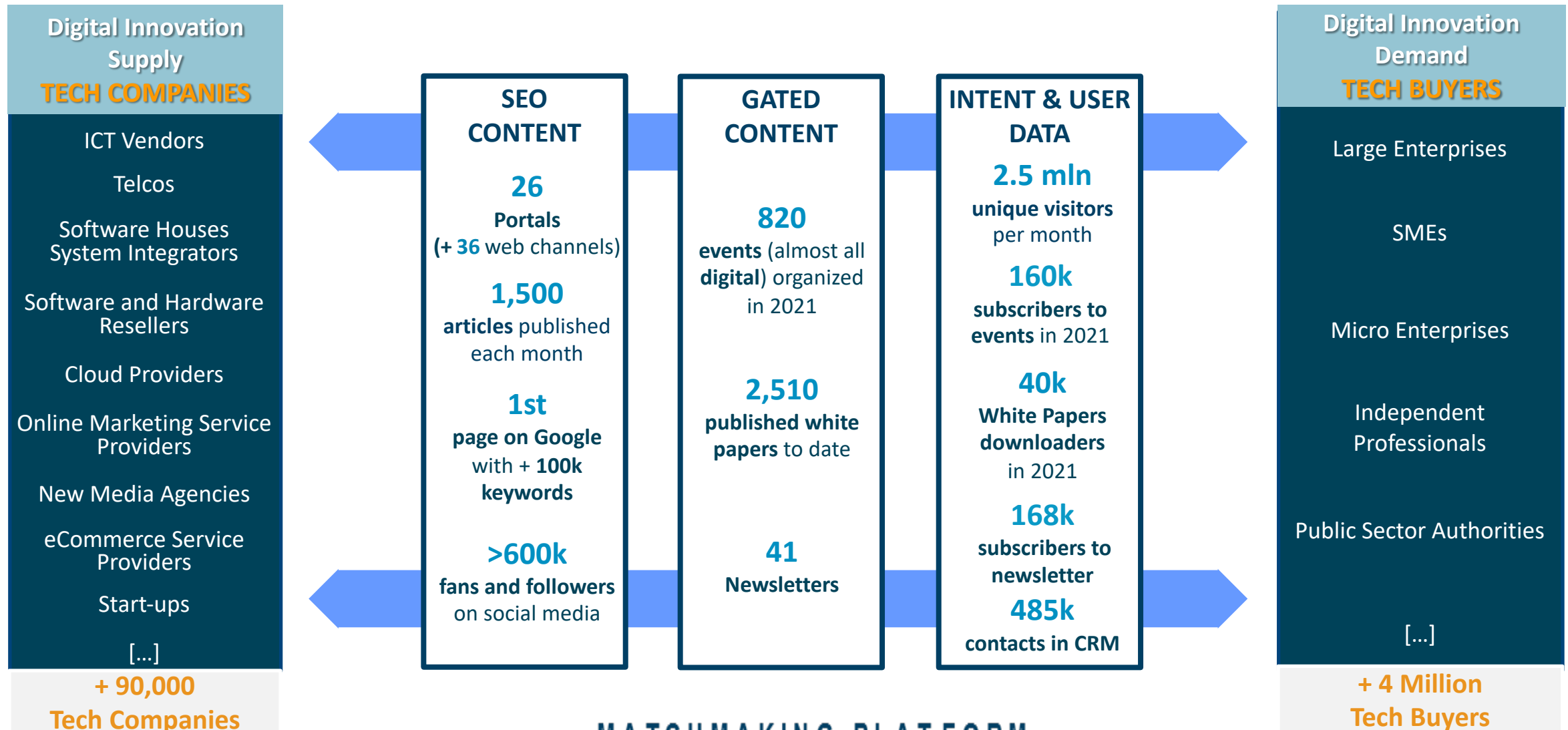
Network DIGITAL360: our Digital Content Assets - Vertical Portals

Technological domains/vertical topics	<div>INTERNET4THINGS</div> <div>AI4BUSINESS</div> <div>RMRISK MANAGEMENT360</div> <div>ESG360</div> <div>TechTarget SearchData Center</div> <div>BLOCKCHAIN4INNOVATION</div> <div>BIGDATA4INNOVATION</div> <div>CYBERSECURITY360</div> <div>PAGAMENTIdigitali</div> <div>TechTarget SearchSecurity</div> <div></div>
Function	<div>DIGITAL4PROCUREMENT</div> <div>DIGITAL4SUPPLY CHAIN</div> <div>DIGITAL4MARKETING</div> <div>DIGITAL4HR</div> <div>DIGITAL4FINANCE</div> <div>DIGITAL4LEGAL</div> <div></div>
Industry	<div>INNOVATION</div> <div>FPA DIGITAL360</div> <div>EnergyUp.tech</div> <div>HEALTHTECH360</div> <div>AGRIFOOD.TECH</div> <div>InsuranceUp</div> <div>Post</div> <div>SpacEconomy360</div> <div>PROPTECH360</div> <div>AutomotiveUp</div> <div>BankingUp</div> <div>RetailUp</div> <div>INDUSTRY4BUSINESS</div> <div>U20UNIVERSITY2BUSINESS</div>

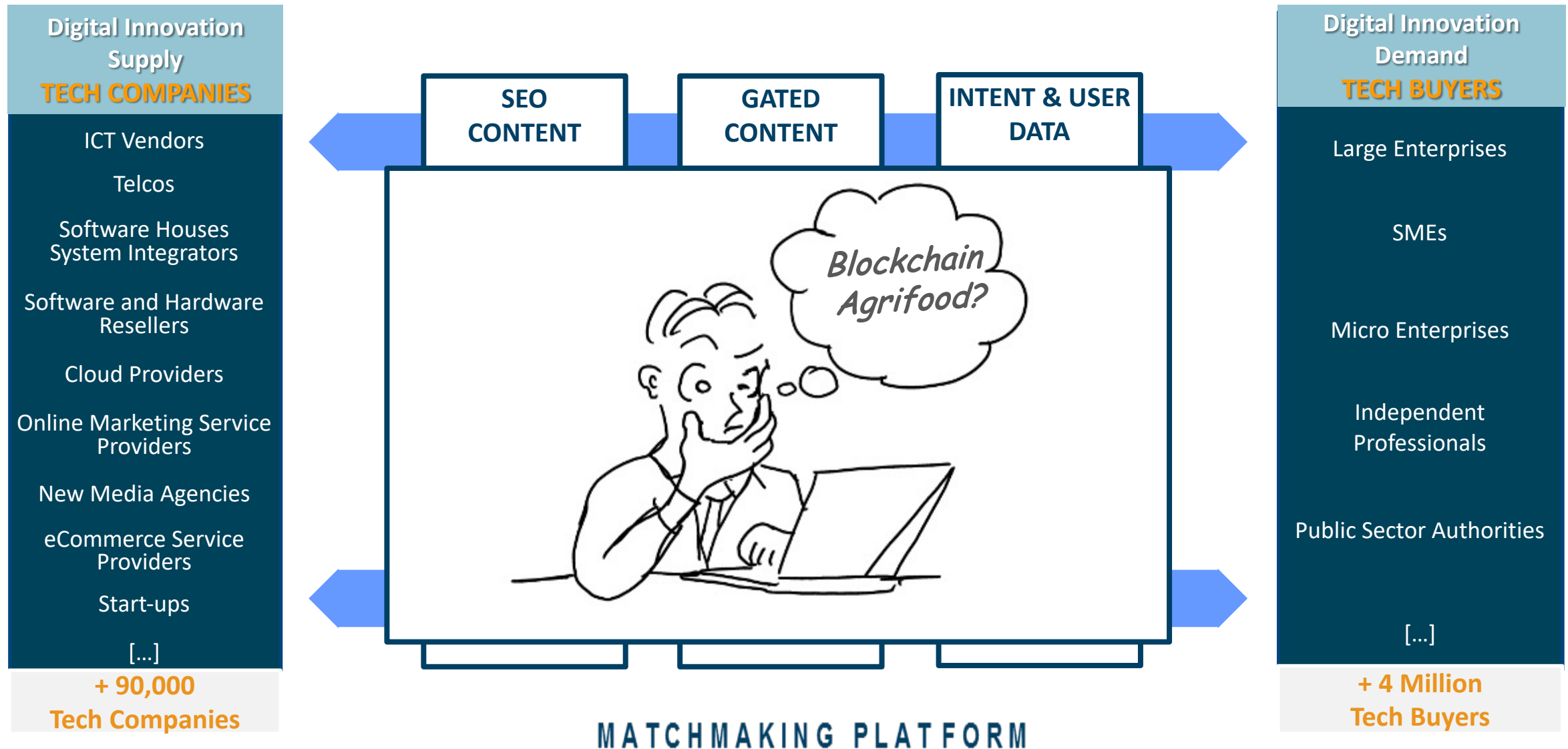
Network DIGITAL360: our Matchmaking Platform (Content, Technology, Data Assets)



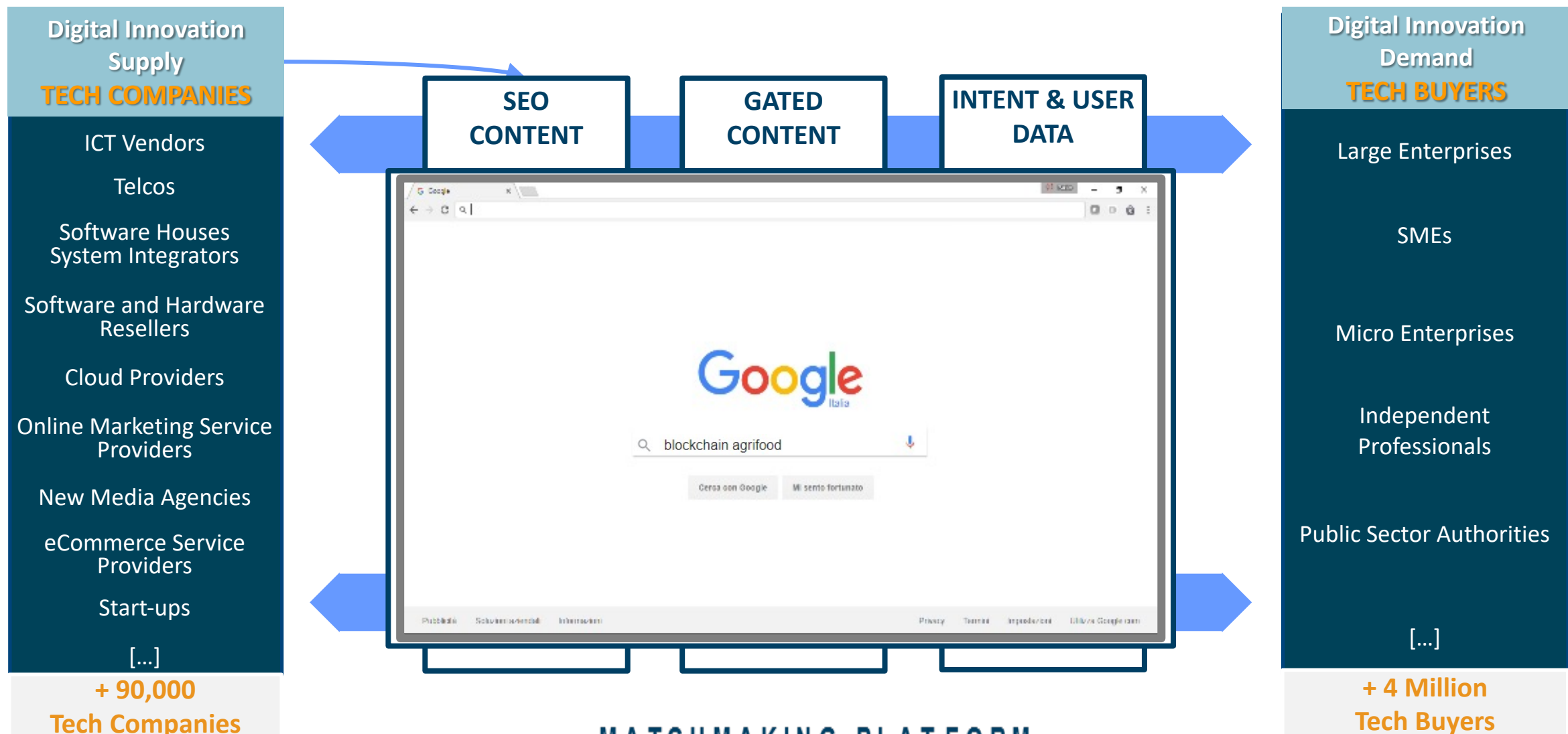
Matchmaking Platform: key numbers



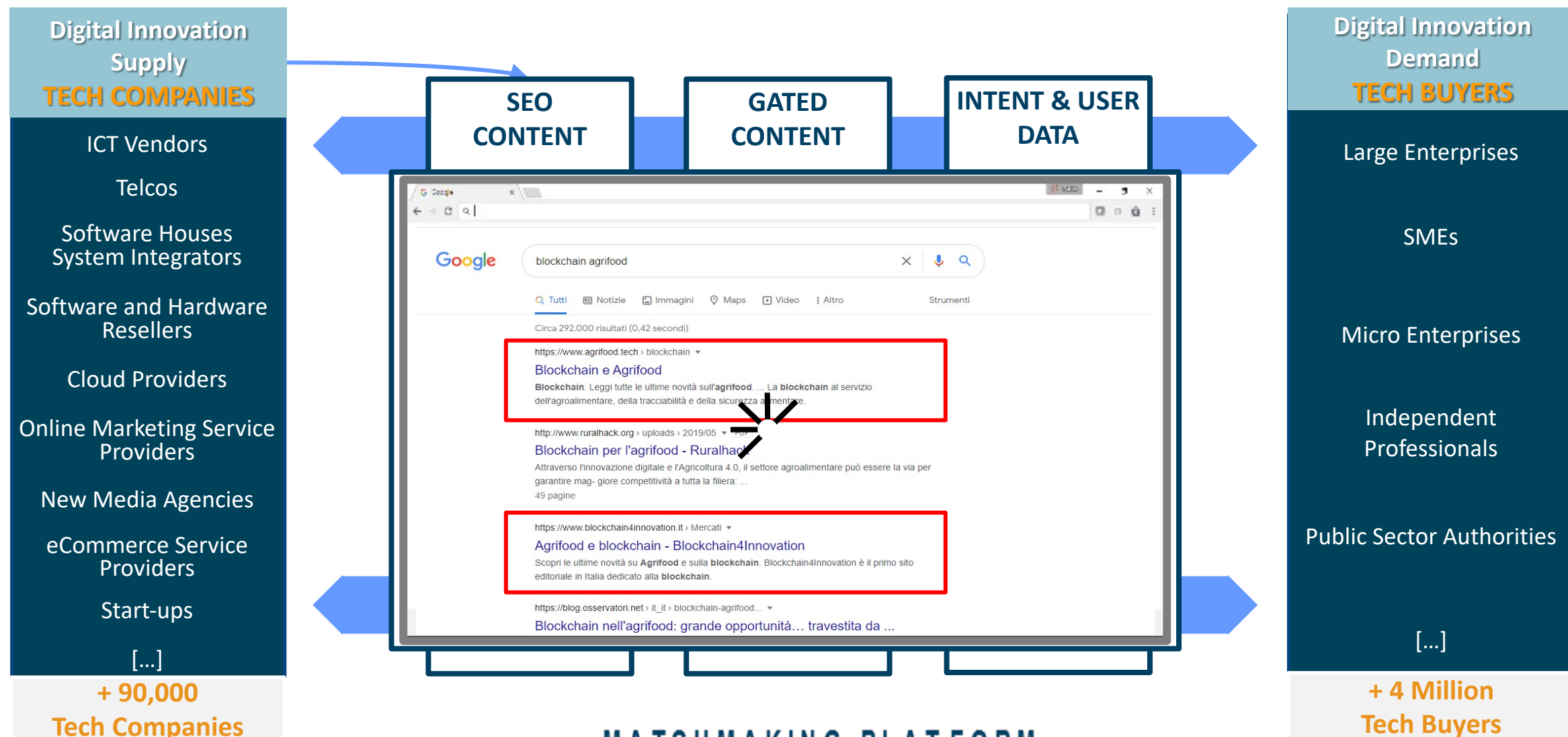
Matchmaking Platform: how it works (the user experience)



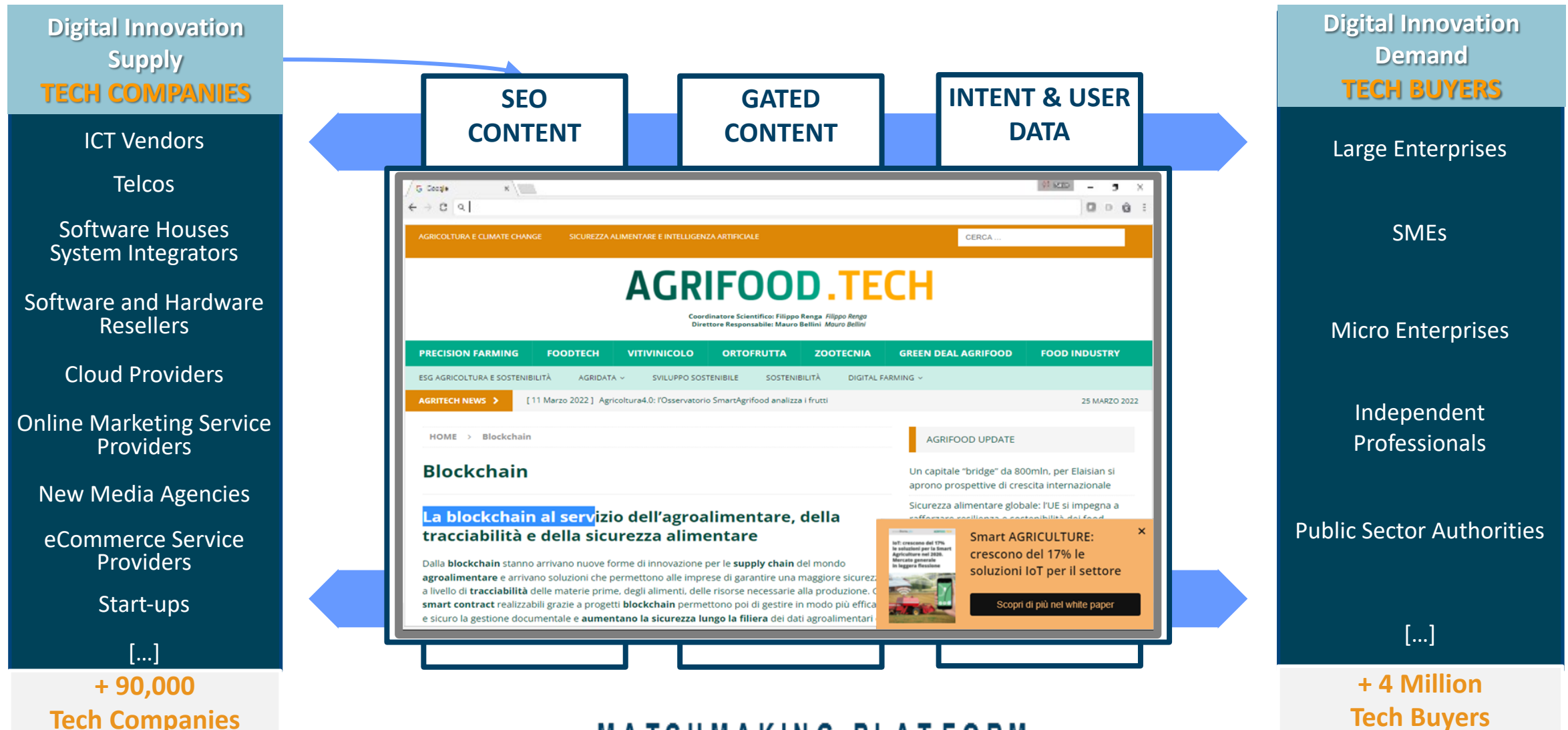
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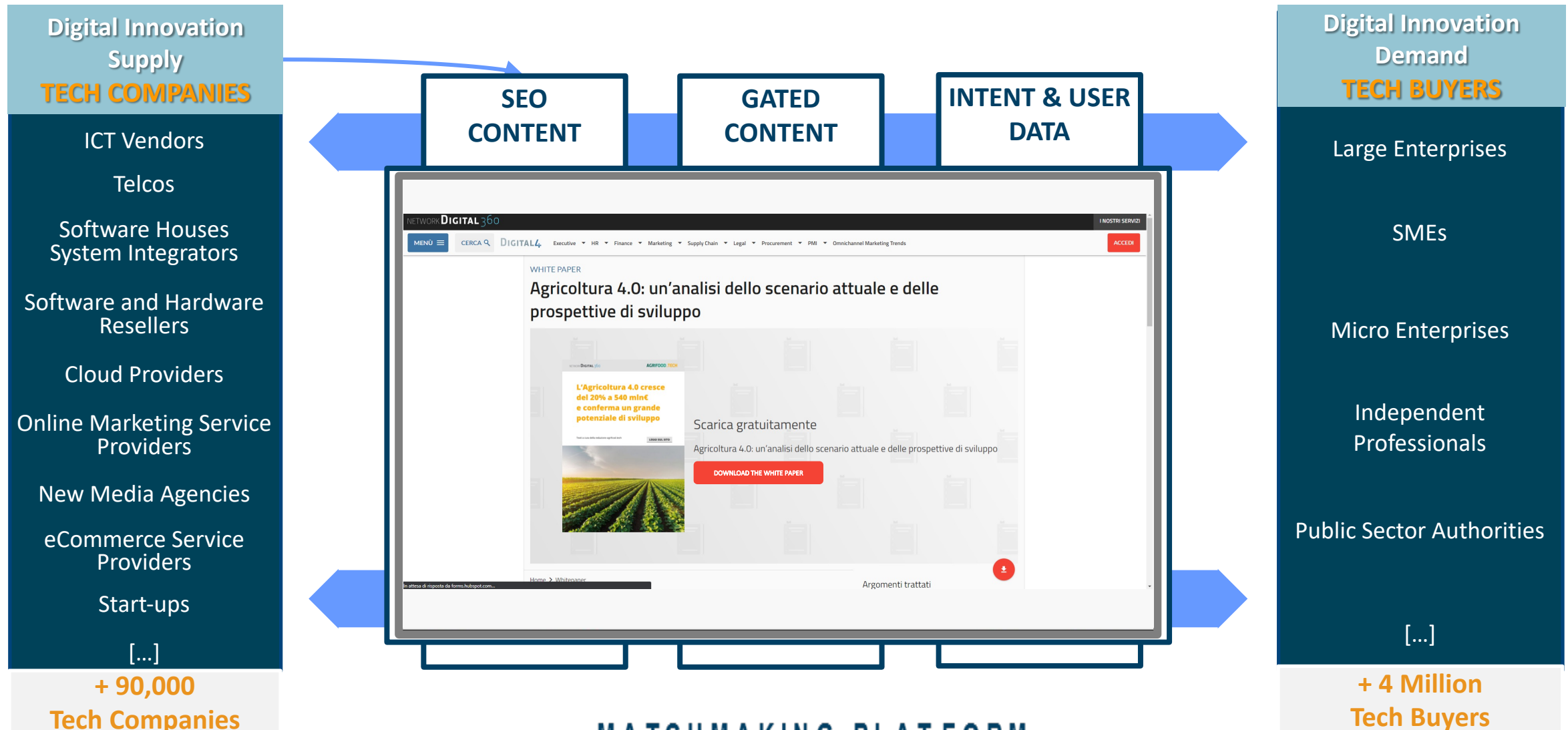
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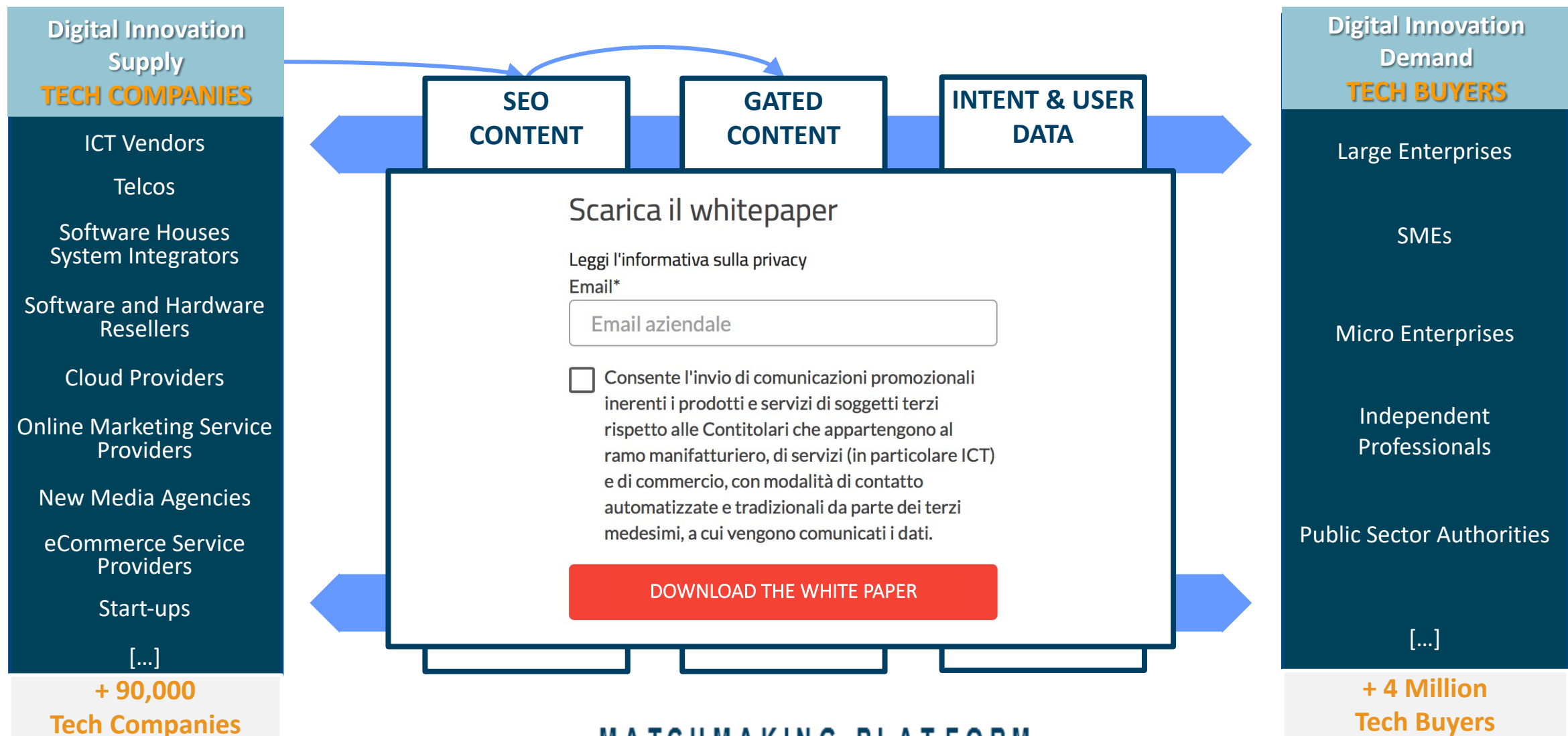
Matchmaking Platform: how it works (the user experience)



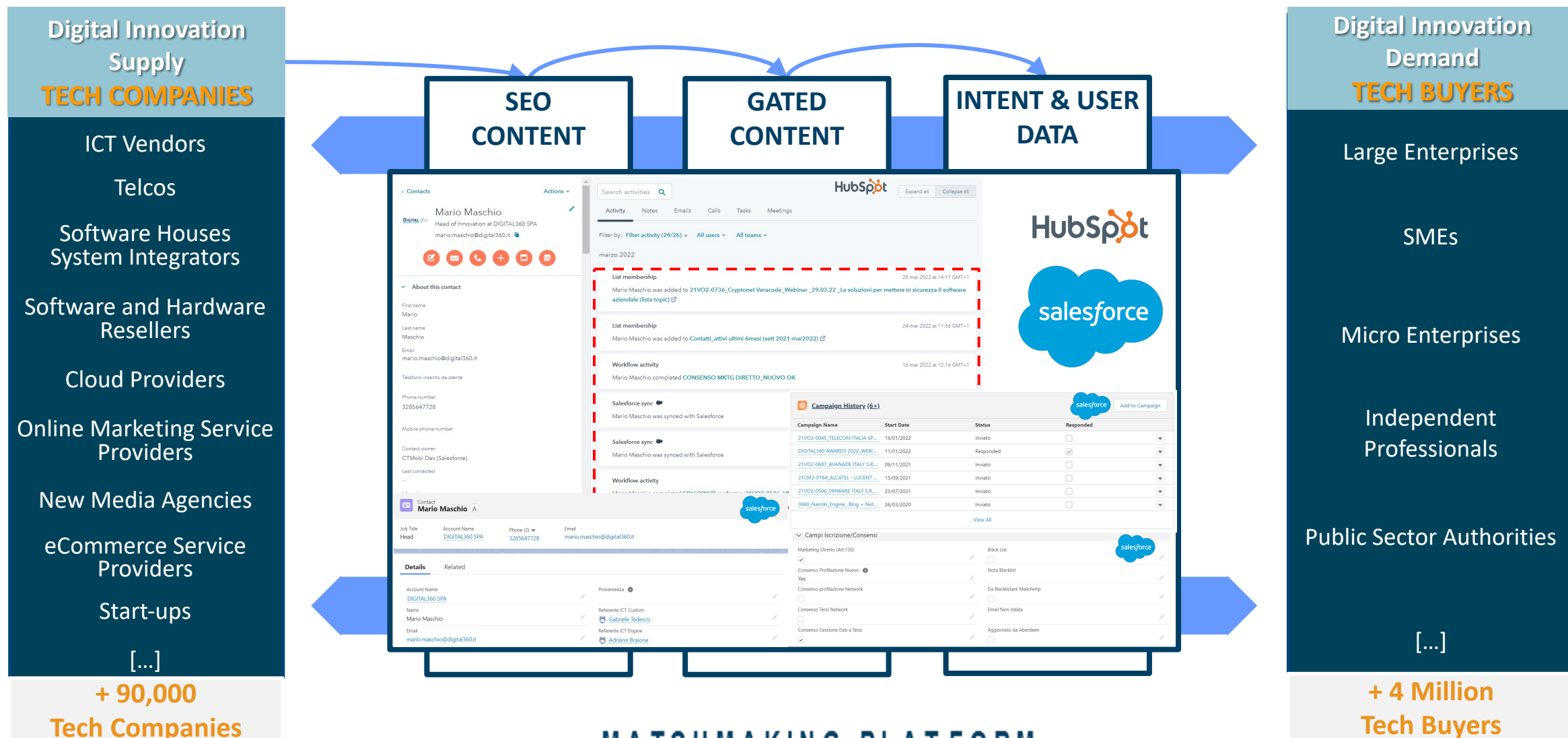
MATCHMAKING PLATFORM

DIGITAL 360

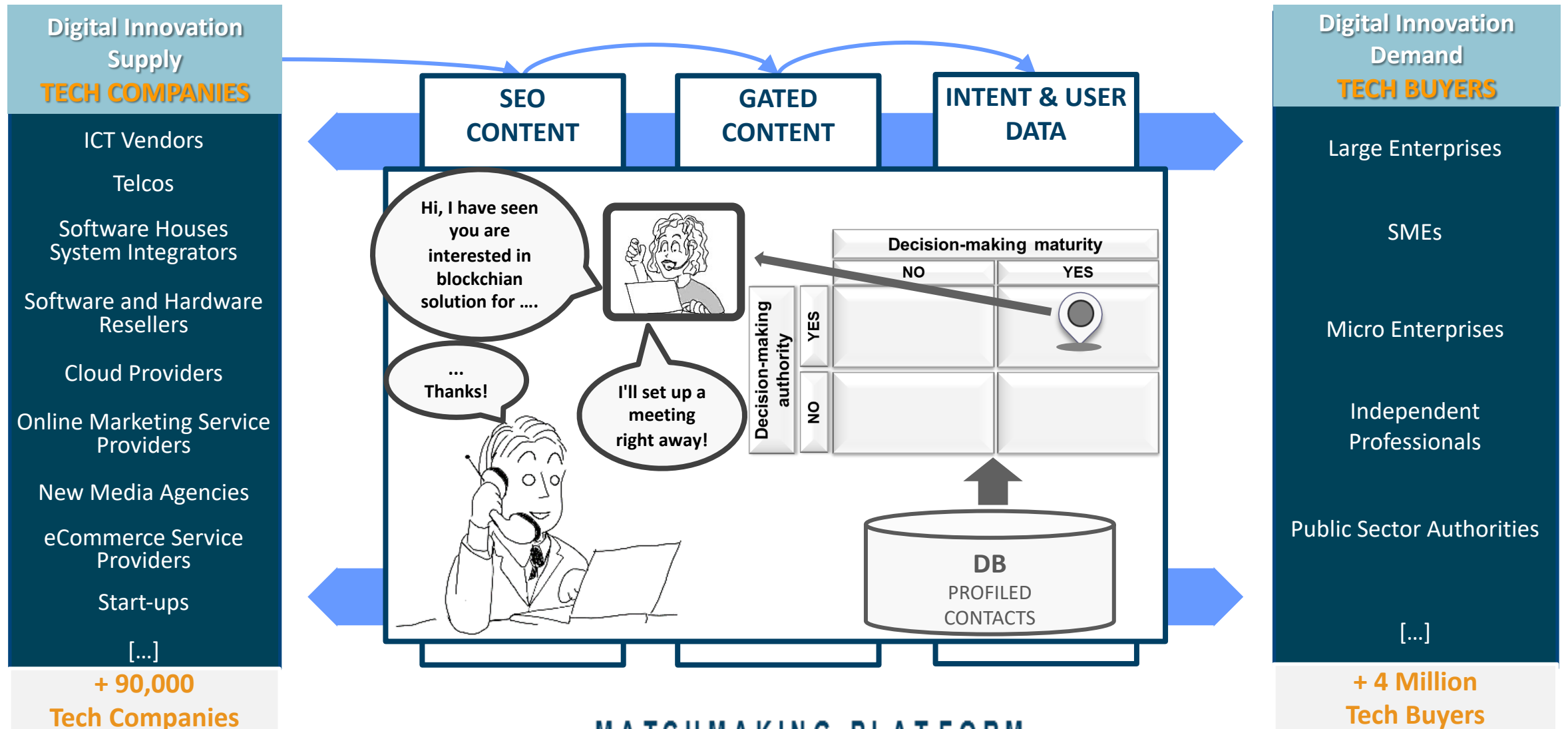
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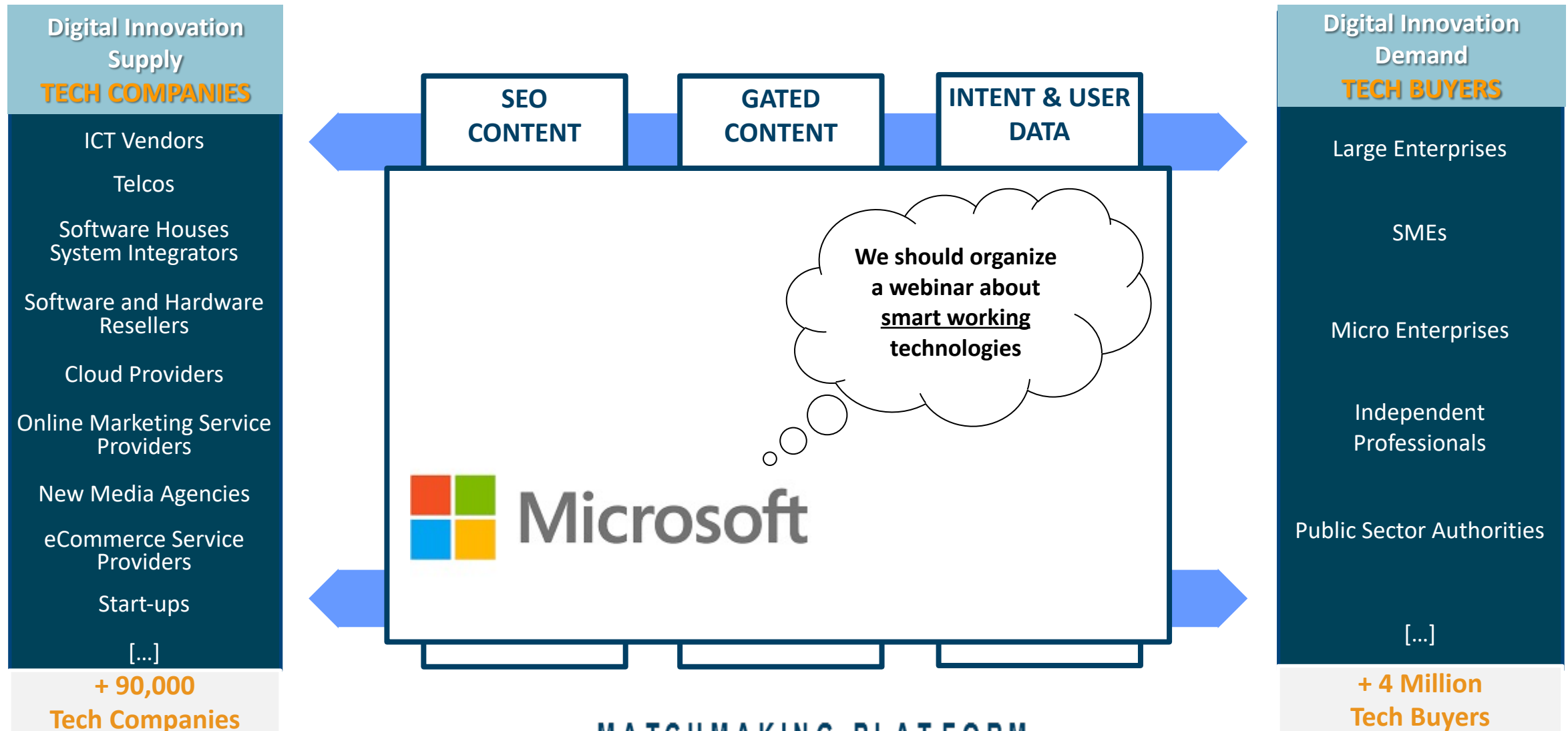
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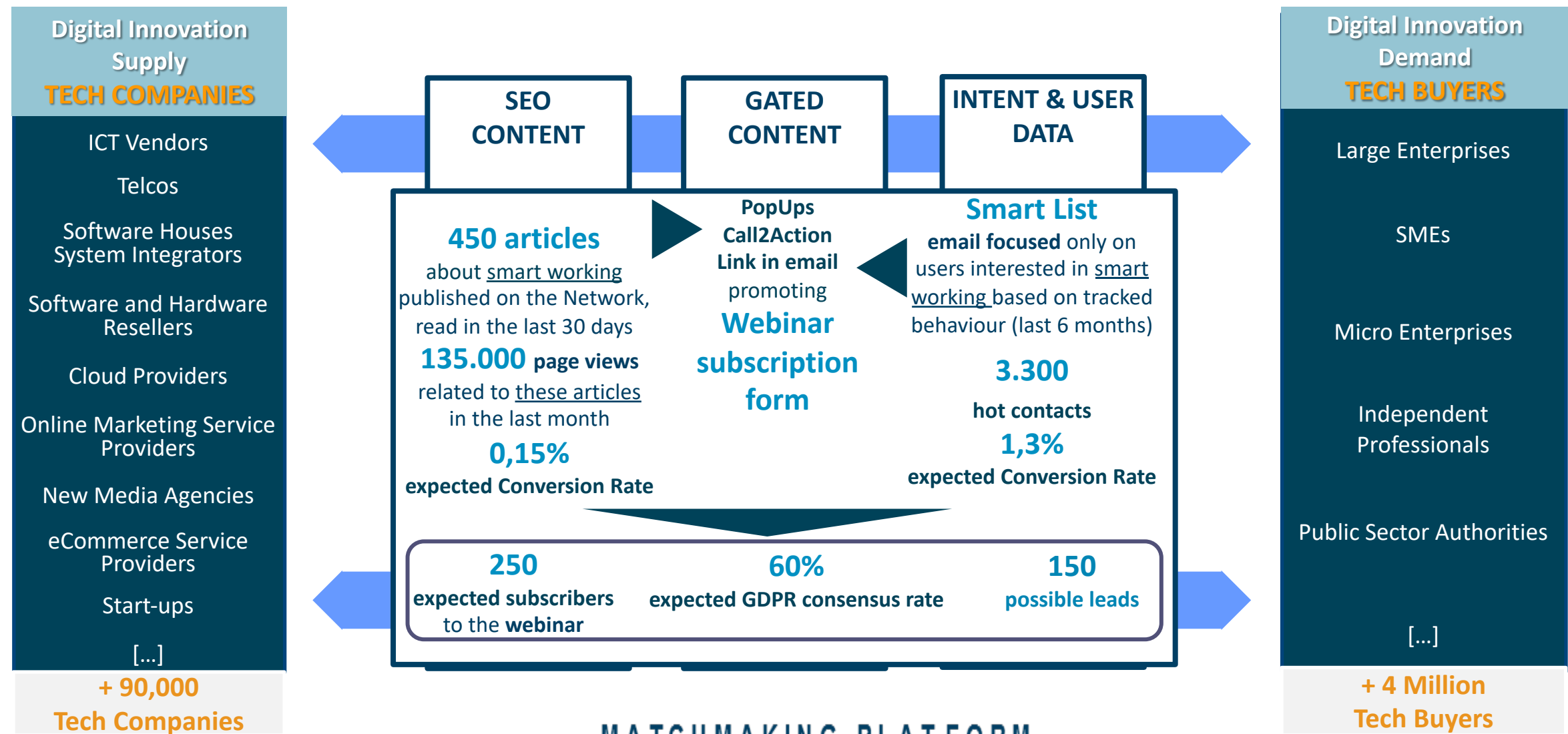
Matchmaking Platform: how it works (the tech company experience)



MATCHMAKING PLATFORM

DIGITAL 360

Matchmaking Platform: how it works (the tech company experience)



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III. Business Units

IV. Strategic directions

V. Financials

VI. Annex



Demand Generation: Customized Services

Services

Communication

Storytelling
Content Marketing
PR
Advertising

Events

Roundtables & focus groups
Conventions & summits
Digital events & webinars

Lead Generation

Content distribution
Marketing Automation
Profiling
Business meetings

Others

Open Innovation: Call4ideas, Hackathons
Research: Surveys, Focus groups, Customer Insights, Market Outlooks



Demand Generation: an innovative integrated Business Model

Marketing & Sales
Agencies

Publishers (Content)

Agency 4.0

Marketing & Sales
Technology Providers

Our competitive advantages:

- **unique integrated positioning on the market** (important synergies and economies of scope)
- **strong competencies** in MarTech & SalesTech-based services
- **critical mass & economies of scale**

Demand Generation: Subscription Services

Subscription Services based on MarTech & SalesTech



The strong links with Universities and the customized projects (i.e. communication, events, lead generation) enable the development of **original digital marketing&sales methodologies**



By leveraging the engineering and systematization of knowledge, our original methodologies evolve into **replicable & standardized marketing&sales services**



Replicable & standardized marketing&sales services are offered to SMBs through an **“As-A-Service” approach**, which generates **subscription-based revenues** on an ongoing basis



The marketing and sales services can be delivered through specific **software-as-a-service platforms** (i.e. Hubspot, Martech proprietary platform, etc.)

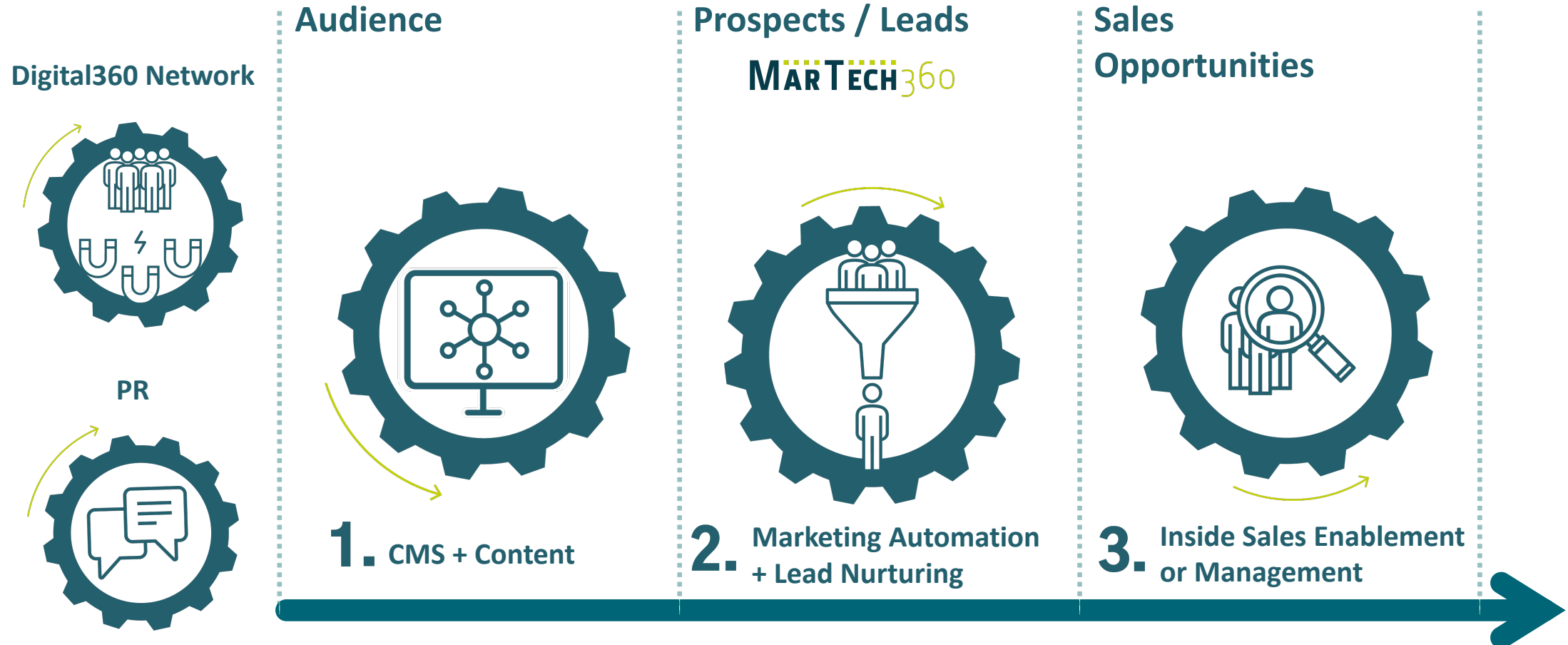


The marketing&sales services are promoted through **Digital360hub**, all the portals of **Digital360 Network** and specific **events/webinars**, generating a **steady stream of prospects**

Demand Generation: The Marketing & Sales Engine (an example of Subscription Service)

Marketing & Sales Engine is an innovative approach, aimed at both

- strengthening the **online positioning** and **brand awareness** of a Tech Company
- and **generating business opportunities** on a continuous basis



Advisory&Coaching: Customised Services

Services

Data Protection

Information &
Cyber Security

Smart Working &
HR Trasformation

IT Governance

Industry 4.0

Digital Open
Innovation

Healthcare
Innovation

Compliance &
Audit

Legal



mercury payment services



[...]

Subscription Services based on **ConsulTech**



The strong links with Universities and the customized projects (i.e. communication, events, lead generation) enable the development of **original methodologies**



By leveraging the engineering and systematization of knowledge, our original methodologies evolve into **replicable & standardized advisory services**



Replicable & standardized advisory services are offered to SMBs through an “**As-A-Service**” approach, which generates **subscription-based revenues** on an ongoing basis



The Advisory services can be based on specific **software-as-a-service platforms**, aimed at making the advisory services themselves more effective and efficient

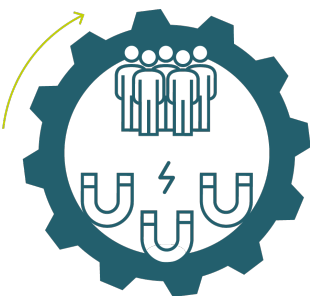


The Advisory team and its key people can enjoy a high level of visibility on the **portals and events** offered by the Group, positioning itself as an opinion leader and **generating a steady stream of prospects**

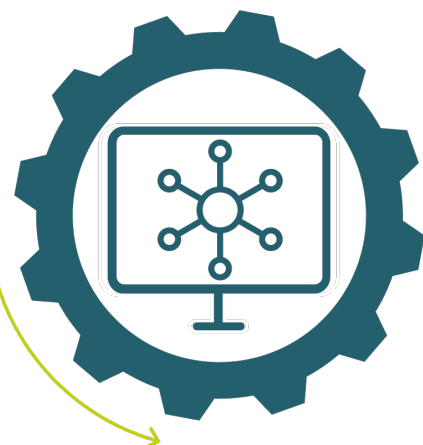
Advisory&Coaching: Data Protection As-A-Service (an example of Subscription Service)

We act as **Data Protection Officer (DPO)** on behalf of Companies and Public Administrations, performing support and control, advisory, training and information functions in relation to the application of the GDPR, but also cooperation with Control Authorities and Data Subjects

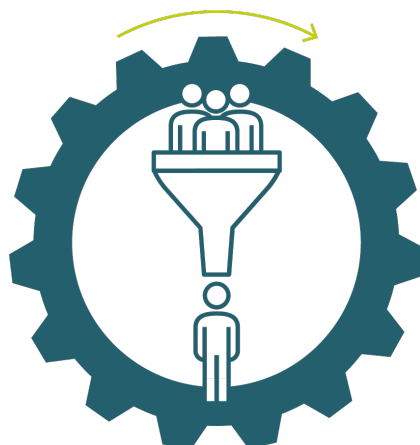
Information and
Training



GRC₃₆₀



1. Advising on
Obligations



2. Scheduling and delivery
of risk-based audits



3. Assistance in Managing
the Relationship



4. Specialist support



I. Company overview

II. Network DIGITAL360

III. Business Units

IV. Strategic directions

V. Financials

VI. Annex



Strategic directions

SD1 Investments in our strategic assets (Knowledge, Content, Technology, Data assets)

SD2 Subscription services

SD3 M&A

SD4 Internationalization

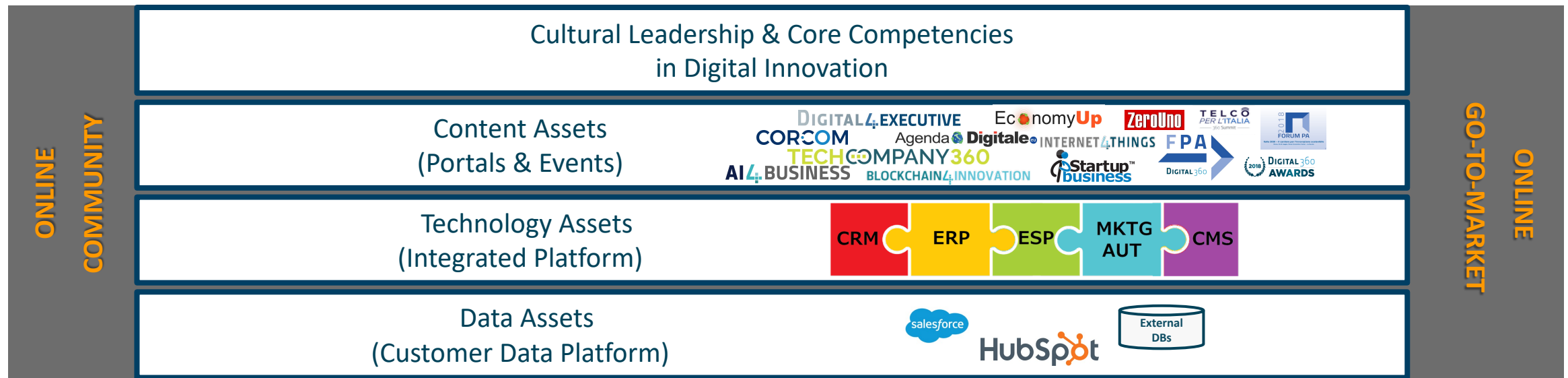
SD5 Empowerment of managerial structure

SD6 Benefit Company

SD1 - Investments in our strategic assets

Investments in:

- ✓ **core competencies** in digital innovation (knowledge, engineered know-how, etc.)
- ✓ **content assets** (portals, SEO, social networks, etc.) to develop our **community**
- ✓ **technological platforms** (AI, RPA, Analytics, CRM, Martech, Digital Events, HRTech, etc.)
- ✓ **data collection, qualification & enrichment**



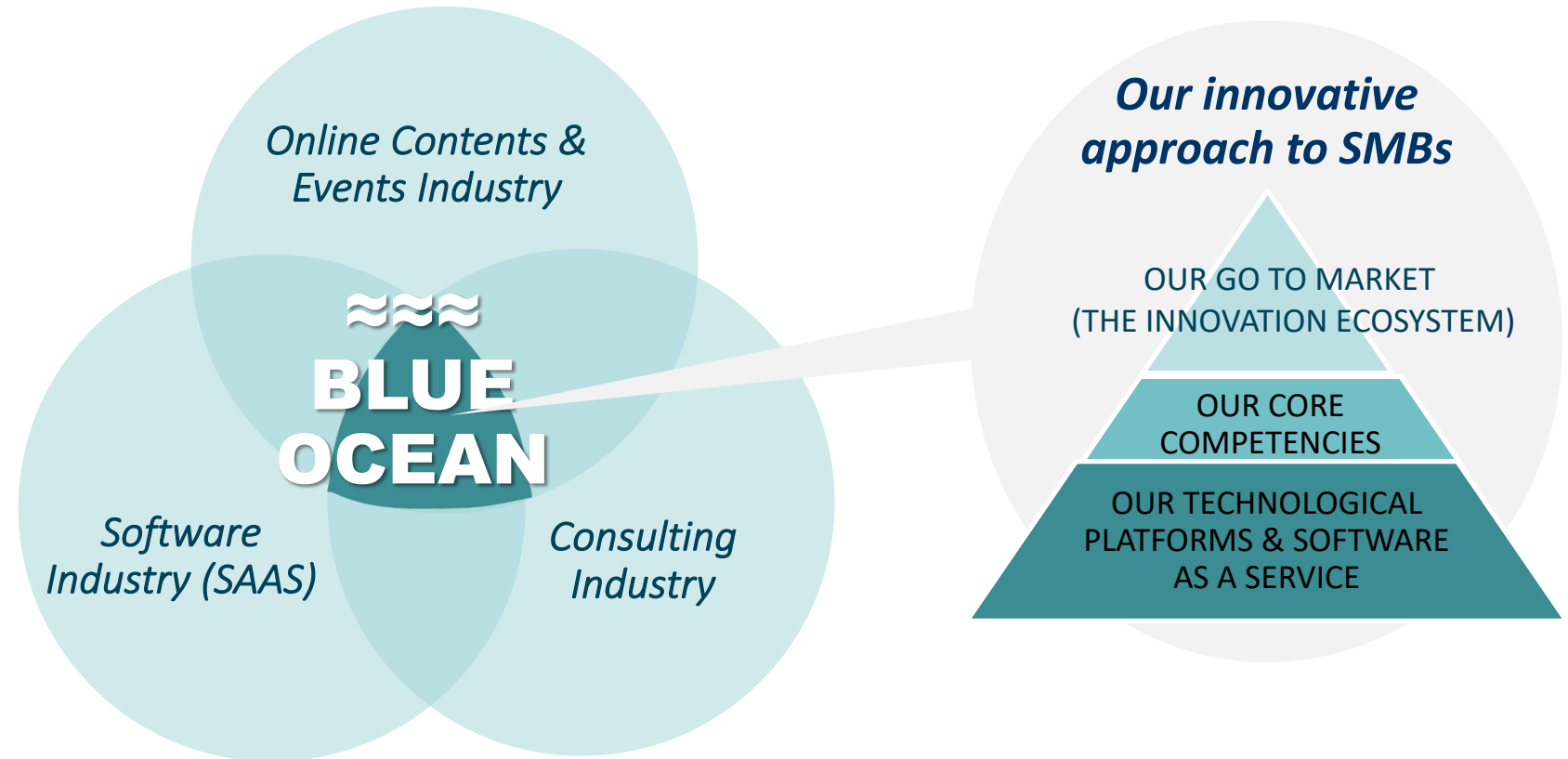
SD2 - Subscription services: our Blue Ocean Strategy



Our Goal: support SMBs in undertaking digital transformation, by outsourcing ICT-intensive processes which, otherwise, would require rare and expensive internal employees

A **new** interpretation of 3 traditional industries to support the digital transformation of SMBs (a huge potential market in Italy)

- with «subscription-based» professional services
- supported by software-as-a-service platforms
- promoted and sold through our community (innovation ecosystem)



Last acquisitions

- 1 Acquisition of **Innovation Post** (02/21)
 - ✓ To enlarge our B2B Business out of ICT sector
- 2 Acquisition of **CTMobi** (07/21)
 - ✓ To increase our technological team and to boost the development of our proprietary platforms
- 3 Acquisition of **IMAGEWARE** (10/21)
 - ✓ To expand the customer base and the service portfolio in the DG Business Unit, consolidating our leadership in the Italian market
- 4 Acquisition of **ICT LAB** (10/21)
 - ✓ To boost our advisory services aimed to accompanying the digital transformation of Public Administrations
- 5 Acquisition of **minority interests** in **ServicePro** and **IQ Consulting** (05/21)
 - ✓ To consolidate business, team, financial results in the DG and ADV Business Units
- 6 Acquisition of **XONA** (01/22)
 - ✓ First acquisition in LATAM
- 7 Acquisition of **DIGITAL SALES** (02/22)
 - ✓ To strengthen our Martech and Salestech competencies and services

- ✓ **15 companies already acquired & integrated**
- ✓ Several companies in the scouting **pipeline** in Italy, Spain and Latam
- ✓ **Experienced M&A team & very standardised process**

SD4 - Internationalization

- ✓ An **in-depth analysis** of the **international scenario** carried out last year by a **dedicated DIGITAL360 task force** has, highlighted interesting business development opportunities in some of the Group's strategic areas of activity. The analysis has shown the high **attractiveness of the geopolitical area including SPAIN and LATAM** , for a number of reasons:
 - **overall area addressable with one single Spanish speaking team** (content is king in the business of Demand Generation!)
 - **many similarities with Italy:** culture, industrial tissue (role of SMBs), digital maturity, etc.
 - **significant growth** rates in all local markets based on **digital technology** as a result of the cultural impact of the pandemic and the significant financial resources coming in to relaunch the economy and its digitalization
 - **favourable competitive context:** fragmented, without dominant player on the market
- ✓ DIGITAL360, for the experience gained during these years in Italy, can play an important role **of aggregation and consolidation** in these markets, becoming the reference player in the whole region for all global ICT Vendor, in the logic of **one-stop-shop**
- ✓ One company already acquired (**Xona**)
- ✓ **Important pipeline** of target companies

SD5 – Empowerment of managerial structure

✓ Enzo Greco: Group General Manager

Top manager with long experience, Enzo Greco will strengthen the managerial structure in the face of the ambitious objectives of organic growth, M&A and international expansion that the Group has set itself for the near future, with responsibility for human resources, administration, purchasing, information systems and general Services.

Enzo Greco has gained an important career in large companies, holding the role of General Manager, Chief Information Officer and responsible for the digital transformation of major companies in the large-scale retail, fashion, banking and technology sectors; previously **General Manager of Central Functions of Bennet, Group CIO of Prada, CIO of Esselunga** and BCC Sistemi Informatici and Sinergia. Thanks to a professional career with a strong technological matrix, the world of innovation and digital transformation is in his DNA

✓ Simone Battiferri: Latam Director

The arrival of Battiferri in DIGITAL360 guarantees a strong managerial and cultural oversight of the expansion in Latin American countries. The new executive boasts in his curriculum a great international experience, with a focus in particular on the Latam area, and a strong specialization in ICT, digital innovation and M&A. In fact, Battiferri has held numerous top positions both in Italy and abroad, including Head of the ICT Solutions and Service Platforms Business Unit and of the Business Market in Telecom Italia, **President of Olivetti, Chief Operating Officer of Telecom Argentina**. In addition to the above, Battiferri was **responsible for Telecom Italia's international business development** and is also a partner of Xona

✓ Spain Country Manager: coming soon

SD6 - Benefit Company

- ✓ To strengthen our commitment to pursue objectives of common good, related to develop a **greater digital culture** and the promotion of **digital innovation as a lever for sustainable & inclusive economic growth**

Our Goals



1

The **dissemination of digital culture** at all levels, with the aim of accelerating the process of digital innovation



3

The promotion of a more **inclusive labour market**, in particular for fragile people



2

Mentoring entities or organizations of any kind to help them fully understand the opportunity offered by **digital innovation** to develop **sustainable and inclusive growth paths**



4

The **growth of its people**, fostering their wellbeing in both the professional and personal spheres, seeking to **promote diversity** and to make the most of the aptitudes and aspirations of each individual

- ✓ In the same stream of commitment, this year we will issue our first **sustainability report** on FY2021, thus starting a journey to improve our **ESG profile**

SD6 - The first social inclusion project of DIGITAL360

«Al Lavoro 4.0» is a **social innovation** project aiming at the creation of a **more inclusive labor market thanks to digital technologies**.

The project is organized in collaboration with **Caritas Ambrosiana** and **Fondazione San Carlo Onlus** and it is part of the CSR initiatives by Digital360. Their objective is to help young **NEETs** (Not in Education Employment or Training) to enter the job market through the new professions created during the current digital transformation.

The project provides 400 hours of theoretical and practical training within companies in the manufacturing industry that, at the end of the course, are going to offer internships and concrete opportunities for placement to the students.



I. Company overview

II. Network DIGITAL360

III. Business Units

IV. Strategic directions

V. Financials

VI. Annex



Financial 2021 -- Income statement

P&L Euro/mlns	31.12.20	31.12.21	Growth %	31.12.21	Growth %
	<i>financial statement</i>		<i>21 vs 20</i>	<i>pro forma **</i>	<i>21PF vs 20</i>
TOTAL REVENUES	26,3	34,4	31%	41,4	57%
EBITDA	5,0	6,9	38%	8,0	59%
% Ebitda / Revenues	19,1%	20,2%		19,3%	
EBIT	2,5	3,6	44%	4,4	76%
% Ebit / Revenues	9,6%	10,6%		10,7%	
*EBIT Adjusted	3,3	5,0	51%	5,8	76%
% Ebit Adjusted / Revenues	12,5%	14,5%		14,0%	
Net Profit	1,6	2,0	25%	2,6	63%
% Net profit / Revenues	6,0%	5,7%		8,0%	
*Net profit Adjusted	2,3	3,3	41%	3,9	67%
% Net profit Adjusted / Revenues	8,9%	9,6%		9,4%	

(*) EBIT and Net Profit Adjusted are reclassified without taking into account the **amortization of the consolidation differences**

Financials 2021 -- Balance Sheet

Balance Sheet		31.12.20	31.12.21	Change	Change %
Euro/mlns		financial statement			
Fixed Assets					
Materials		0,5	0,6	0,1	29%
Immaterials		8,5	14,3	5,8	68%
Financials		0,1	0,1	0,0	n.s.
Total Fixed Assets	A	9,1	15,1	6,0	65%
Operating Working Capital (OWC)					
Receivables		10,2	13,8	3,6	35%
Commercial Debts		-3,4	-6,7	-3,3	95%
Other short terms ass/liabilities		-3,4	-6,4	-3,0	89%
Total Operating Working Capital	B	3,4	0,7	-2,7	-78%
Net Capital Invested (CNI)	A+B	12,5	15,8	3,3	26%
Equity and Banks					
Equity		9,8	16,4	6,6	67%
Net Financial Position		1,4	-3,1	-4,5	-319%
Other funds		1,3	2,5	1,2	95%
Total Equity, Banks and Funds		12,5	15,8	3,3	26%

The increase is due to investment made in innovation and especially M&A, deducting amortization

The change in OWC reflects the increase of receivables and commercial Debts due to the **new consolidation perimeter** and the increase in turnover; the total final reduction is mainly due to the increase of **vendor loan** on acquisitions (2.6 mln)

The change mainly reflects: (i) positive operating cash flows, (ii) investments made in innovation and M&A , (iii) bond conversion in equity and (iv) new consolidation perimeter

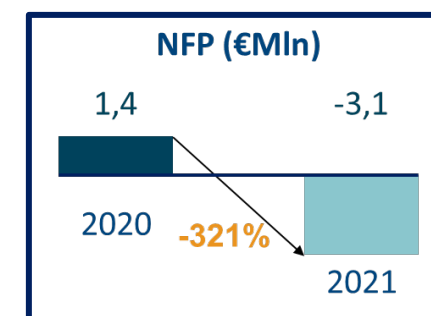
Financials 2021 - Cash Flow

Cash Flow Euro/mlns	31.12.20	31.12.21 <i>Orig. Perim.</i>	Change	Change %
Ebitda	5,0	6,5	1,5	29%
Severance pay and other funds	0,2	0,3	--	--
Investments in innovation	-1,7	-2,3	-0,6	-35%
CF from business less investments (A)	3,5	4,5	1,0	28%
Tax	-0,6	-1,8	-1,2	-200%
Interests on loans	-0,3	-0,3	--	--
CF from Taxes and Interests (B)	-0,9	-2,1	-1,2	-133%
ΔOWC (C)	2,0	0,5	-1,5	n.s.
Operating Cash Flow (A+B+C)	4,6	2,9	-1,7	-37%
M&A and extraord.	0,3	-2,8	-3,1	n.s.
Free Cash Flow	4,9	0,1	-4,8	n.s.

Good generation of cash flows

Strong cash outflows due to the increase in **taxes** for the good result in 2020 Fiscal year, amplified by advances paid for Fiscal year 2021

Includes cap. **M&A** (-3,1 mln) and increase from stock opt. (0,3 mln)



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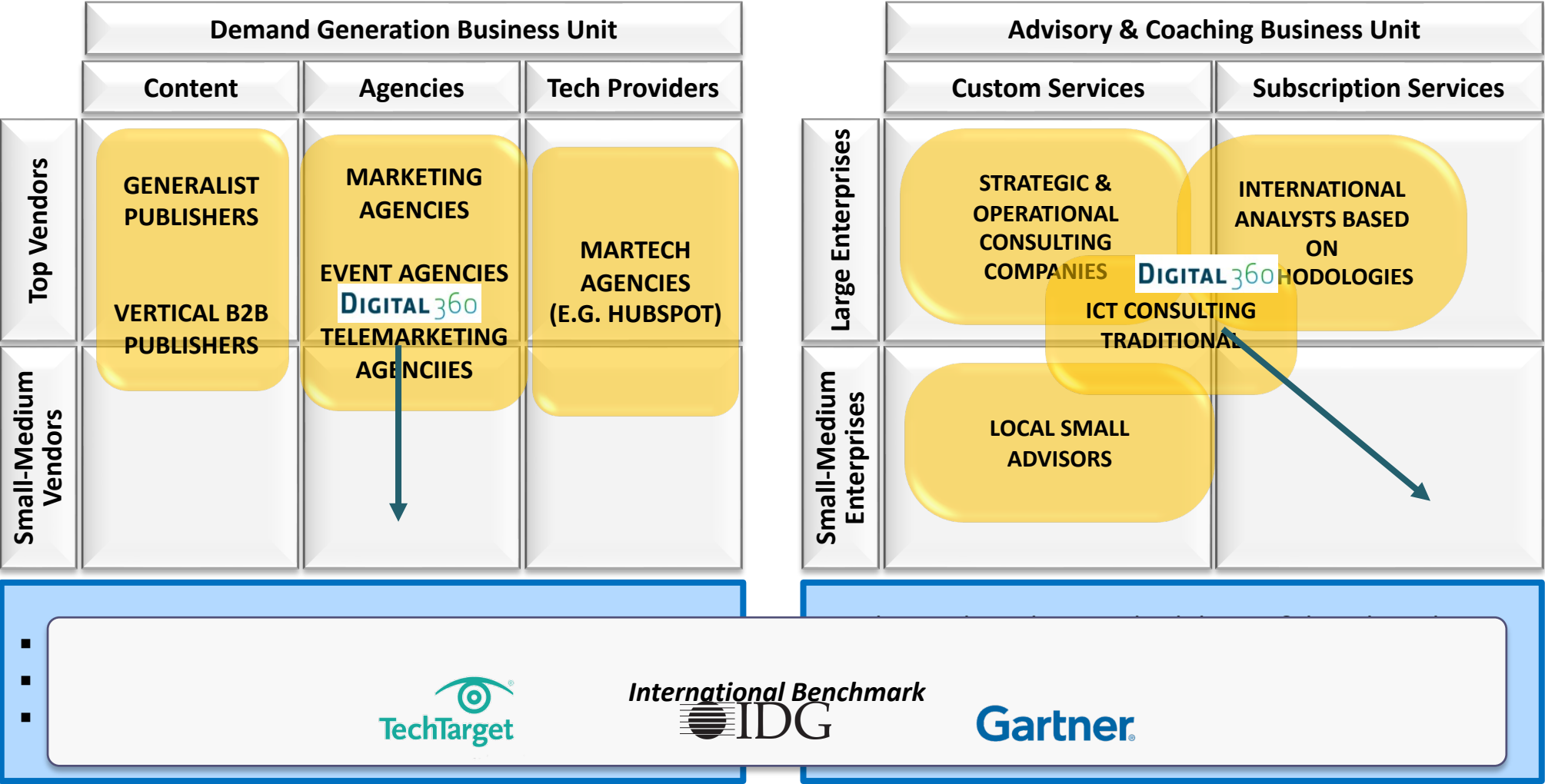
III. Business Units

IV. Strategic directions

V. Financials

VI. Annex

Competition and market positioning



«Demand Generation» Business Unit: scalable organisation

	Portal							
	DIGITAL4 EXECUTIVE	CORCOM	Ec onomyUp	Agenda Digitale	INNOVATION <small>Politiche e tecnologie per l'industria</small>	TECHCOMPANY360	ZeroUno	[...]
Sales Boost								
SEO boost								
Technology advisory & platforms								
New Services								

The growth strategy

- ☐ Internal (recruitment of new directors)
- ☐ External (acquisition of new portals/headings)

«Demand Generation» Business Unit: scalable organisation

	Practice							
	Cyber Security	Data Protection	IT Governance	Industry 4.0	Smart Working	Space Economy	Sustainability ESG	[...]
Sales boost								
SEO boost								
Technology advisory & platforms								
New Services								

The growth strategy

- ☐ Internal (recruitment of new practice leaders)
- ☐ External (acquisition of small specialised companies)



Some Benchmark: Tech Target



	2021	2020
Dollar/mlns		
Revenues	263	148
Ebitda	55	30
	21%	20%
PFN (- means credit)	-361	-82
Market cap	2.387	
EV	2.748	
X Ebitda	50	

150 websites, 29,1M Registered members and users

Recently acquired:

- BrightTalk (Leading marketing platform for webinars and virtual events in the Enterprise IT Market)
- ESG Enterprise Strategy Group (Leading analyst-driven content production in the Enterprise IT Market)
- xTelligent HealthCare Media (Leading Health Care Technology vertical sites)

- Demand Generation & ABM
- Brand consideration
- Sales enablement
- Market intelligence

Some Benchmark : IDG Group



IDG Inc owns Foundry (former IDG Communications) and IDC

Acquired by Blackstone in november 2021: total transaction
1,3 bill

20 brand editorial magazines and web sites
48M audience members,

Recent acquisitions:

- Selling Simplified (Marketing-as-a-Service platform that provides lead generation products, data services and analytics)
- LeadSift (Canadian-based B2B sales and marketing intelligence platform)
- Kickfire (Silicon Valley-based marketing data and intelligence company)

- Market intelligence (IDC)
- MarTech
- Advertising, content marketing, events
- Sales development

Some Benchmark : MotorK



	2021	2020
Euro/mlns		
Revenues	28	19
Ebitda	0,8	-1,1
	3%	-6%
PFN (- means credit)	-34	22
Market cap	198	
EV	232	
X Ebitda	290	

15,1 Annual Recurring Revenues in 2021

Listed in Nov 21, raising 75 mil euro

MotorK provides advanced technology and software solutions specifically designed to support the businesses of car manufacturers, dealers and after-sales operators

Lead generation and management for dealership network and digital dealership



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