

Approval of the Consolidated Financial Report as of June 30, 2024 of Digitouch Group

30 September 2024

Safer harbor

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Agenda

Market Trends in Martech

H1 '24 Highlights

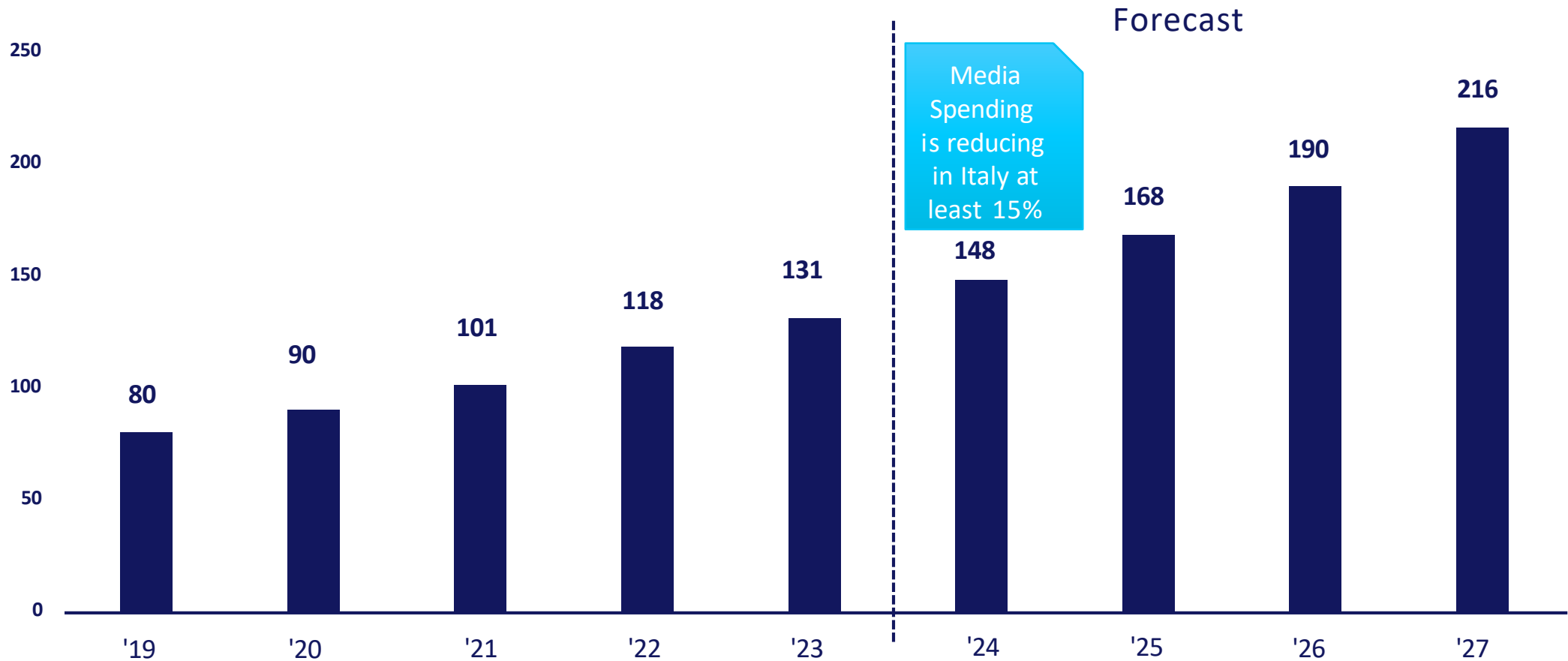
Long Term View and Main events of the period

The complexity of Consumer Digital Experiences Drives Martech Growth

- **Martech investment gets spread evenly across marketing responsibilities.** To deliver customer-obsessed marketing strategies, marketers invest in technologies across three pillars:
 - 38% of spending goes to technologies that **support brand experience** (automation and orchestration technologies such as cross-channel marketing hubs, real-time interaction management, and content marketing platforms)
 - 32% goes to technologies that support customer understanding **data management and analytics**
 - 30% goes to technologies that support brand strategy **marketing/performance resource management (MRM)**
- **Data is the cornerstone of modern technology stacks.** The explosion of digital channels generates more data than ever and necessitates greater investment in customer data management tools such as customer profile solutions, cross-channel identity resolution, and customer data platforms (CDPs) that collect, process, and analyze customer and enterprise data to provide a view of customer behavior across channels.
- **Marketers crave integration of their many tools.** Martech is one of the most fragmented software markets, with thousands of vendors that span **100 functional areas in six categories**. This reflects the rapid innovation in this segment.

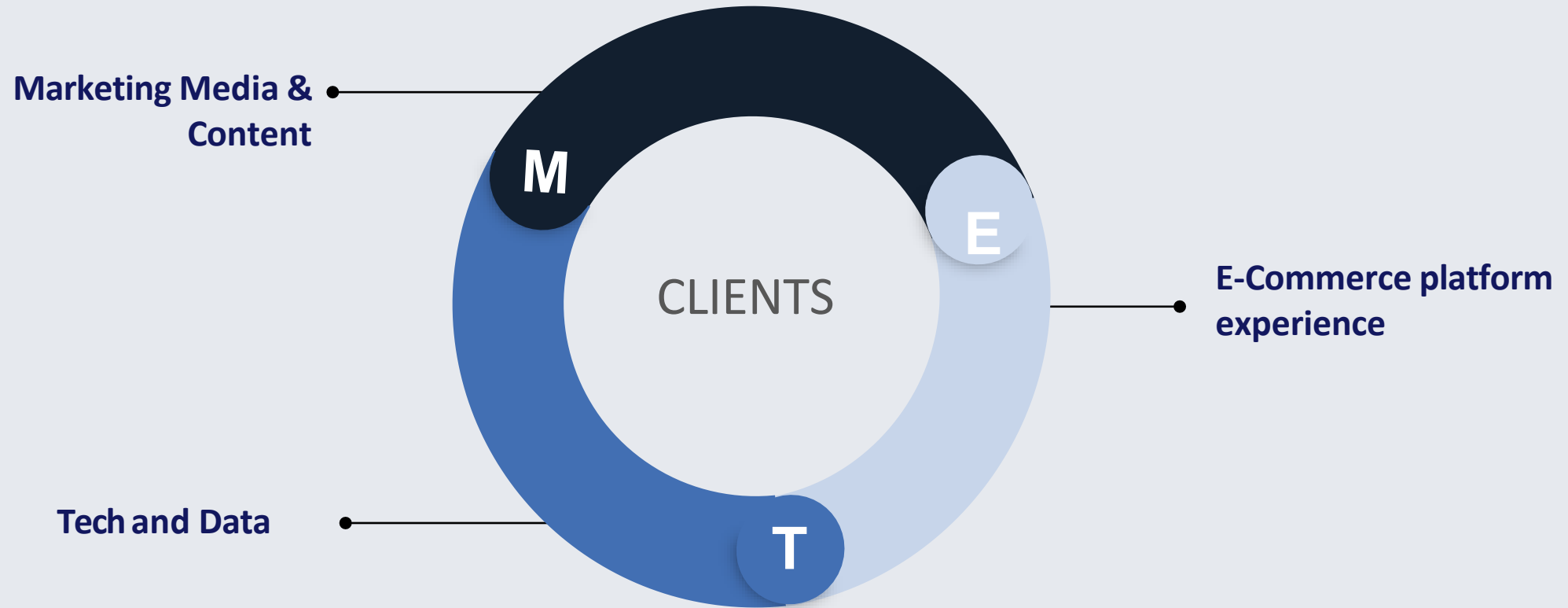
Global Martech Spending still growing at a 10.9% rate just Media Spending is struggling

Global spending on **Martech** has grown **10.9% in 2023**, reaching **\$131 billion**. Despite considerable slowdown in growth from the previous two years, the rapid digitization of consumer experiences and marketers' continuous adoption of new technologies create plenty of opportunity for the next phase of growth. We expect spending to surpass \$215 billion by 2027.



A FULLY INTEGRATED OFFER: MARKETING, TECHNOLOGY & ECOMMERCE

CREATING VALUE BY LEVERAGING ON AN INTEGRATED APPROACH



We are a **Cloud Marketing Company** with focus on integrating **Technology, Marketing, & Ecommerce skills and solutions.**

Flexibility, market centricity, consultancy and assets integration are our keys

Prominent Marketing Software Categories covered by Digitouch Group with the 3 line of services business and its Global Market CAGR '23-'27

Brand Experience DGT Marketing LoS		Customer Understanding DGT Technologies LoS		Ecommerce Solutions DGT Ecommerce LoS	
<i>Experience delivery</i>	<i>Marketing Automation</i>	<i>Customer Analytics and Payments</i>	<i>Customer Data Management</i>	<i>Service & Experience Design</i>	<i>E-Commerce Platform</i>
<ul style="list-style-type: none"> Customer Marketing Journey Media Planning Social Suites Digital Experience Platforms SEO Platforms Mobile engagement platforms Trade marketing 	<ul style="list-style-type: none"> Content marketing Platforms Influencers marketing platforms Customer Loyalty Store media solutions Reports and Dashboard Content Production 	<ul style="list-style-type: none"> Customer Analytics Technologies Predictive analysis and Machine Learning Web and Mobile Analytics APP and Mobile Solution Payments Solutions 	<ul style="list-style-type: none"> Customer Data Platforms Identity resolution AI Chatbot Journey Mapping Platforms ... 	<ul style="list-style-type: none"> Journey: Service & Experience Design Service Mapping UX Design UI Design Design System Conversion Rate UX Optimization Feedback and Survey Tools Accessibility 	<ul style="list-style-type: none"> B2C Solutions B2B Solutions Catalog as a Service platform Helpdesk Service AI Product Optimization AI Marketplace integration solutions

A powerful "Corporate Social Responsibility" and "quality" engine to ensure significant progress

Certifications



ESG assessment

In the process of obtaining the ESG rating, the Group has adopted policies and procedures aimed at guaranteeing a positive impact on its employees, customers, suppliers, all stakeholders and in general on the environment in which it operates. Particularly

- re ■ Policy for gender equality
- Parenting Policy
- Whistleblowing procedure
- Individual smartworking agreements

Training

In last year, almost 20,000 hours of training were provided through Training 4.0 with approximately €70,000 of tax credit obtained. regarding soft skills the most popular courses were:

- #1 Conquer everyone with public speaking
- #2 Keep prejudice at bay
- #3 Fight mobbing and harassment in the company
- #4 Work remotely
- #5 Artificial intelligence

CSR Projects

The three areas of CSR strategy were covered by the 3 projects:

- **Ceramiche Noi** – safeguarding small Italian businesses
- **Differenza Donna** – inclusion and fight against gender violence, through a fundraising campaign for the NGO
- **Legler Foundation** – actions to protect Italian cultural heritage

For 2024 we are working with the CSR Committee to identify new areas of intervention, bringing the skills of our people into play.

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H1 '23 - '24 MAIN HIGHLIGHTS FOCUS ON MARGINALITY

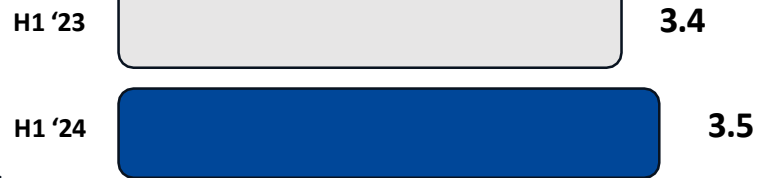
Revenues Mio Euro



- 6%

Flat revenues due to market slow down and search for marginality

EBITD ADJ Mio Euro



+ 3%

Strong growth in marginality from 16,5% to 18,1%

Net Profit Mio Euro



- 34%

Net profit impacted by higher amortizations (with 8% intangible asset reduction) and interests on debts

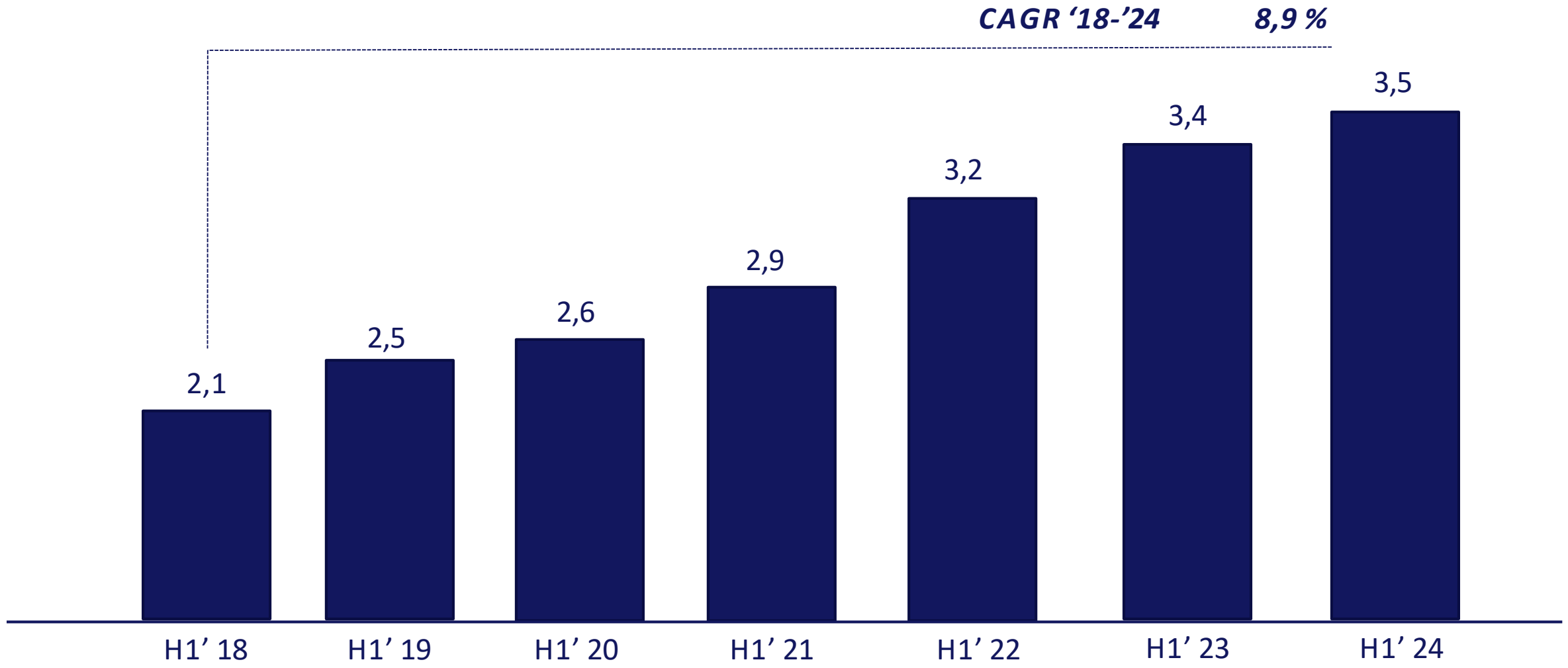
Net Financial Position Mio Euro



- 6%

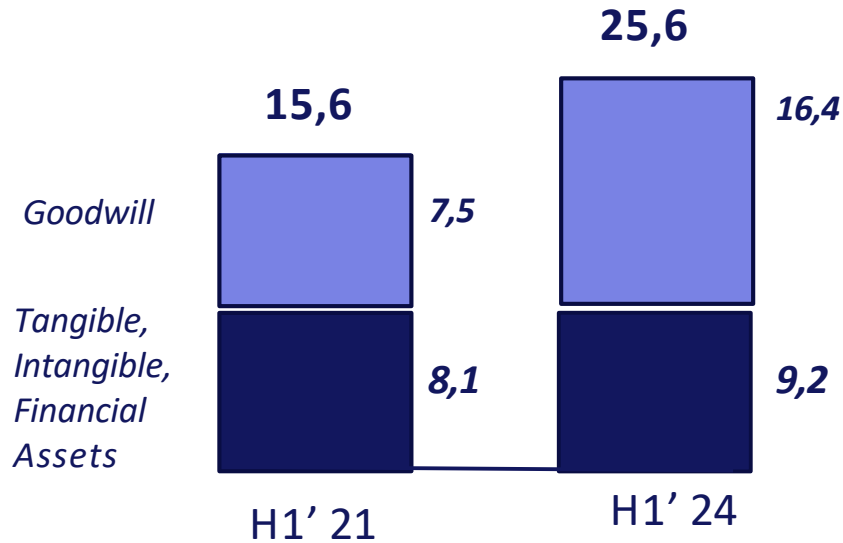
Strong improvement on cash flow generation and NFP improvement of 6.2%

EBITDA ADJUSTED Performance in the H1 '18 – '24 Period. Solid and constant growth



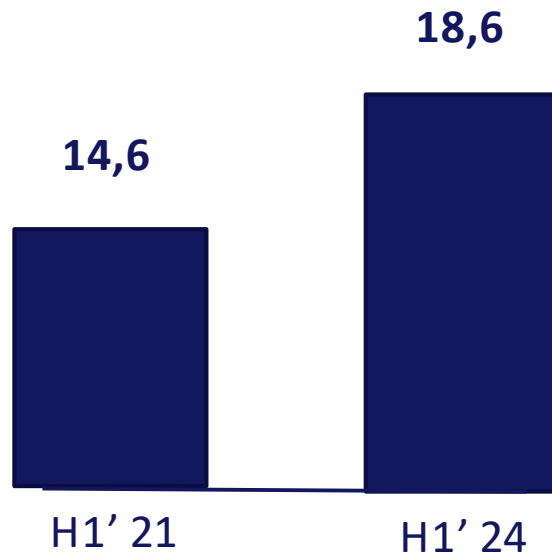
H1 '24 Results – Balance Sheet strong performance over the years

Goodwill and other asset (Mio Euro)



- 65% of the Net Invested Capital is determined by goodwill over M&A Transactions
- Intangible and Tangible assets have been reduced in H1 '24 vs H1 '23 of 7 KEuro due to the revised CAPEX strategy

Total Shareholders' Equity (Mio Euro)



- Constant profitability over the years has allowed increase in shareholders' equity
- Conservative dividend policy (1,4% average dividend yield)

H1 2024 Results – Economic highlights

INCOME STATEMENT (€M)

Income Statement (€M)	H1 '24	H1 '23	YoY
Total Revenues	19,6	20,8	-5,8%
Operating costs	7,8	9,3	-16,1%
Personnel costs	8,2	8,0	2,5%
EBITDA Adjusted	3,6	3,5	2,9%
EBITDA Margin	18,2%	16,5%	
Amortisation, depreciation and other operating costs	1,5	1,2	21,8%
EBIT	1,9	2,1	-9,8%
EBIT Margin	9,9%	10,3%	
Financial income and expenses	0,5	0,4	33,3%
EBT	1,5	1,8	-17,5%
EBT Margin			
Current and deferred income taxes	0,6	0,5	20,0%
Net Income	0,8	1,3	-34,4%
Net income margin	4,2%	6,0%	

Revenue slight slow by 6% is due to **Marketing Services** revenues reduction offset by the growth in **Technology Services** revenues and search for margin's contracts

Reduction of variable costs due to the improvement in operational efficiency following the **rationalization of contracts** focused on improving industrial margins

Increase of **amortization of intangible assets**

Increase of financial costs as result of **ECB's monetary policy**

H1 2024 Results – Financial highlights

BALANCE SHEET (€M)		
Balance Sheet (€M)	H1' 24	FY '23
Goodwill	16,4	16,4
Other Assets	9,3	9,9
Net Working Capital	5,9	6,0
Long Term Liabilities	-2,7	-2,6
Net Capital Employed	28,8	29,7
Net Equity	18,7	18,9
Net Financial Debt	10,1	10,8
Net Equity and Funds	28,8	29,7

- **Net invested capital** in line with 31 December 2023. The net decrease of 0.9 million is attributed to depreciation for the period
- **Working capital** in line with 31 December 2023
- **Reduction in Shareholders' Equity** due to the payment of dividends and buybacks
- See following slide on **PFN evolution**

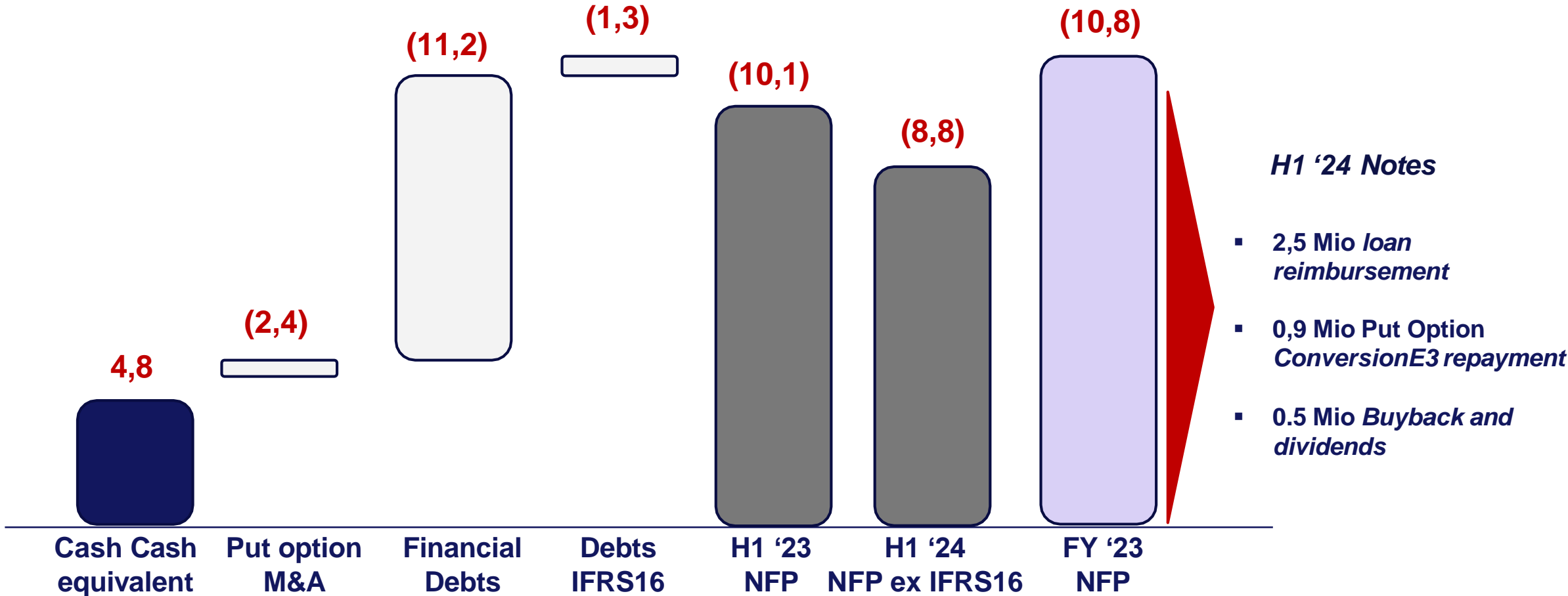
H1 2024 Results – Cash Flow

CASH FLOW (€M)		
Detailed NCF (€M)	H1 '24	FY '23
Net Income	0,8	2,0
Other	1,1	3,0
Change in WC	0,1	-3,0
Operating Cash Flow	2,0	2,0
Capital expenditures	0,0	-7,7
Other (investments)/disinvestments	-0,3	0,4
FCF	1,7	-5,2
Dividends and buy back program	-1,0	-0,7
Net Loan reimbursement	-2,3	3,4
NET CF	-1,6	-2,5

- **Operating cash flow** in line with 31 December 2023 with strong generation
- **Strong positive Free cash flow** due to the reduction in CAPEX and Intangible Assets investments

NFP H1 '24 – Digitouch has generated strong positive cash flow reducing financial debts that leaves room for additional M&A as a growth's driver

H1 '24 Net Financial Position Structure (Mio Euro)



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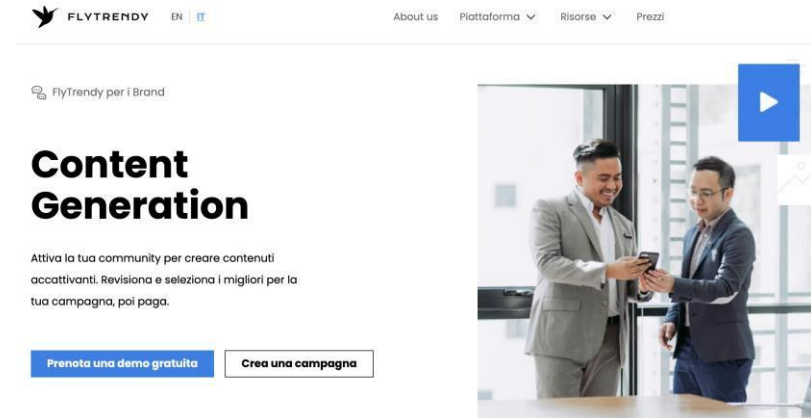
Market Trends in Martech

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Main events of the Period

- Digitouch Group in the first half of 2024 has focus its strategy in developing its martech solutions. A strategic agreement has been signed with **Flytrendy Group one of the most relevant Italian Influencers Platforms with more than 25k contents creators**
- Digitouch Group will start its international development in the MENA (Middle East and North Africa) region. A newly started subsidiary (**Digitouch MENA**) will start by year end focused on advanced digital marketing services, cutting-edge technology solutions, and **comprehensive digital transformation consulting solutions**
- Strong growth in Public Tender contract acquisition. In H1 2024 Digitouch Group has won contracts for a value of more than **8,0 mio Euro**



Long term view confirmed

Despite the volatile market environment still persisting in 2024 due to the stringent political economy by the Central Bank and the geopolitical turmoil in certain part of the world the perspective of Digitouch Group for 2024 look very positive with focus on certain **strategic priorities**:

- **people care and talent attraction / retention**
- **maintain a rigid financial discipline (debt control) and cost efficiency control over the**
- **organization to gain margin from better talent allocation and contract value creation**
- **focus on sustainable and profitable growth avoiding clients and contracts that do not align with this principle or that can jeopardize it**
- **continue to persue a fully integrated market offering leveraging a balance among the 3 business lines**
- **keep looking for M&A opportunities in line with the Group strategy and always safeguarding valuation metrics**
- **leverage on selected strategical partnerships for proven MarTech products (Yext, Google,...) and commercial drivers (DXC, Engeneering, Accenture, ...)**