

DIGITAL360 Investor Presentation

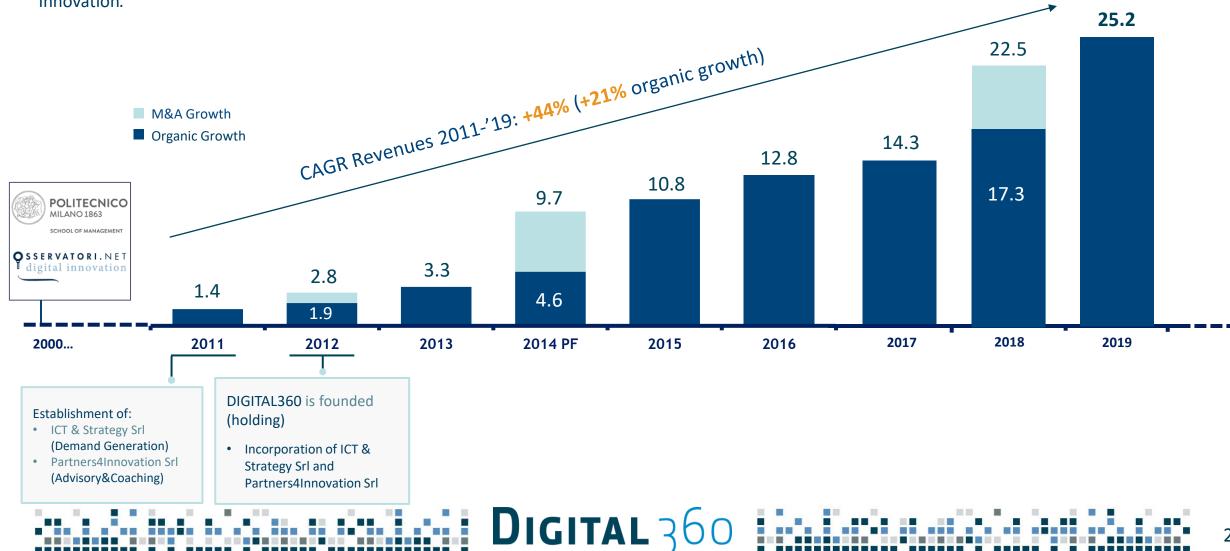
Milan, 25th May 2020

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History

DIGITAL 360 stems from the experience developed by Politecnico di Milano Professors in the area of Digital Transformation and Entrepreneurial Innovation.



DIGITAL 360 EMPOWERING INNOVATION





VISION

Digital Transformation and Entrepreneurial

Innovation - the engine for economic growth and
for modernising businesses and public bodies

MISSION

To help businesses and public bodies understand and pursue their path of Digital Transformation and Entrepreneurial Innovation

Business Model: two Business Units leveraging the same Community

Digital Innovation
Supply
TECH COMPANIES

ICT Vendors

Telcos

Software Houses System Integrators

Software and Hardware Resellers

Cloud Providers

Online Marketing Service Providers

New Media Agencies

eCommerce Service Providers

Start-ups

[...]

Over 90,000 Tech Companies

Digital solutions/ services market

(over 30 bn euro in Italy)

DIGITAL 360

We are a multi-channel B2B platform (online portals, events, advisory, etc.), based on the largest **Innovation Ecosystem** in Italy involving all the main actors: first of all **tech buyers** & **tech companies**, but also institutions, policy makers, politicians, etc).

Demand generation

We help the best suppliers of digital solutions/services build a reputation on the market and connect with new customers through innovative **Marketing & Sales Services**

Advisory & Coaching

We help businesses and public bodies pursue their path of digital transformation and entrepreneurial innovation through the provision of innovative **Advisory and Coaching services**

Digital Innovation

Demand

TECH BUYERS

Large Enterprises

SMEs

Micro Enterprises

Independent Professionals

Public Sector Authorities

[...]

Over 4 Million Tech Buyers



Our Community: the Innovation Ecosystem:

Digital Innovation
Supply
TECH COMPANIES

ICT Vendors

Telcos

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Software and Hardware Resellers

Cloud Providers

Online Marketing Service Providers

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Start-ups

[...]

Over 90,000 Tech Companies

DIGITAL 360

The largest community in Italy of tech users & buyers

56 digital assets (online portals, newsletters, etc)

4.5 mln unique visitors per month (*April 2020*)

1st page on Google with more than **45,000 keywords** in the Tech sector

1500 original articles published each month

2,000 published white papers until 2019, downloaded by more than 29,000 users in 2019

640 events and webinars with 75,000 registrations in 2019

> 490k fans and followers on social media channels (company's accounts and key people's accounts)

124k profiled contacts in 2019 through events, webinars, white papers and contact center

Digital Innovation
Demand
TECH BUYERS

Large Enterprises

SMEs

Micro Enterprises

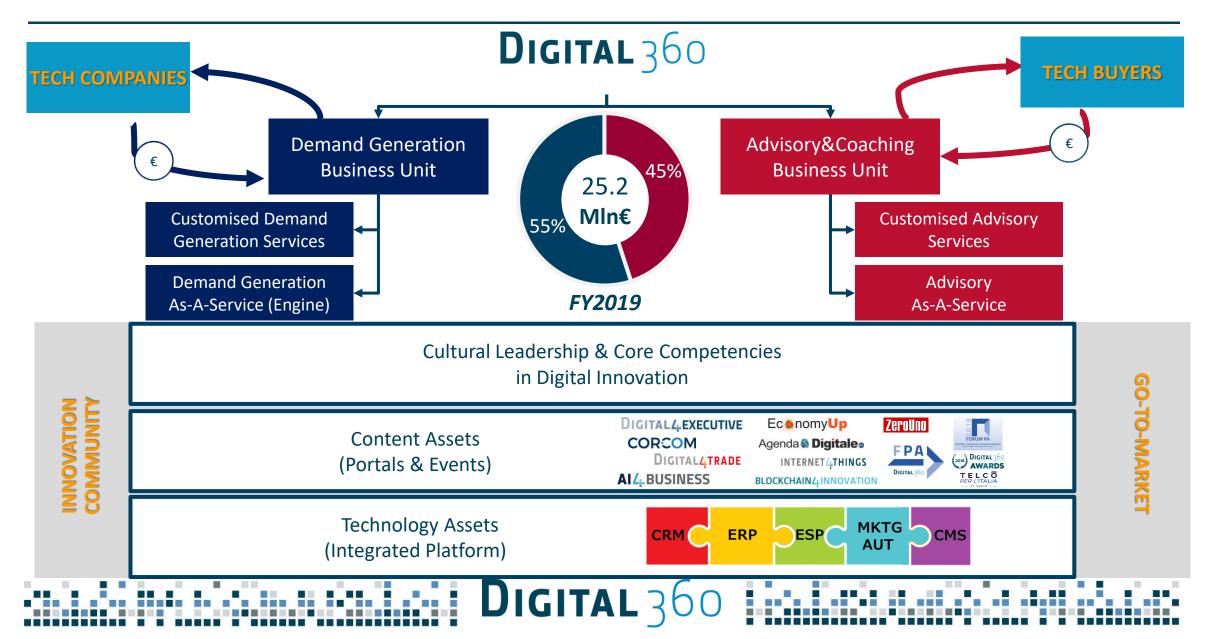
Independent Professionals

Public Sector Authorities

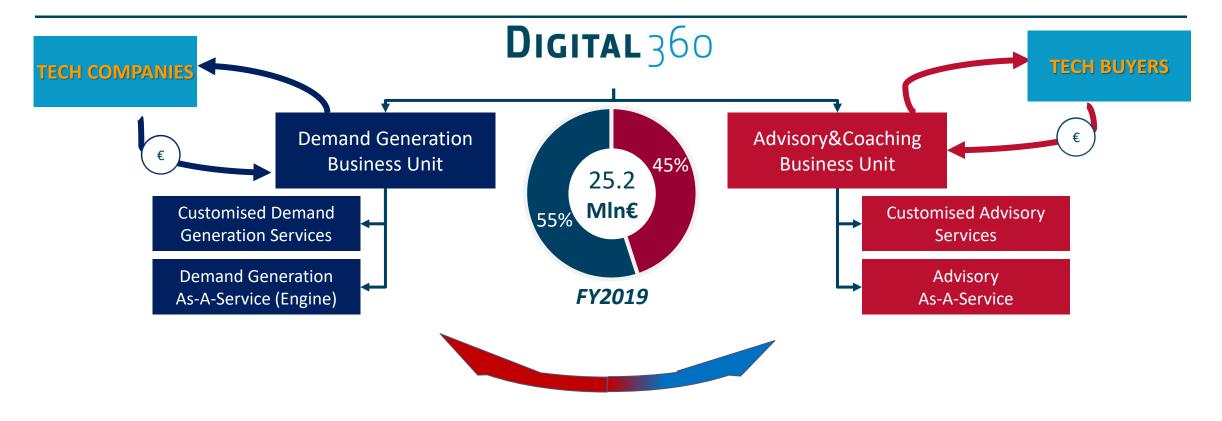
[...]

Over 4 Million Tech Buvers

Core Competences & Strategic Assets



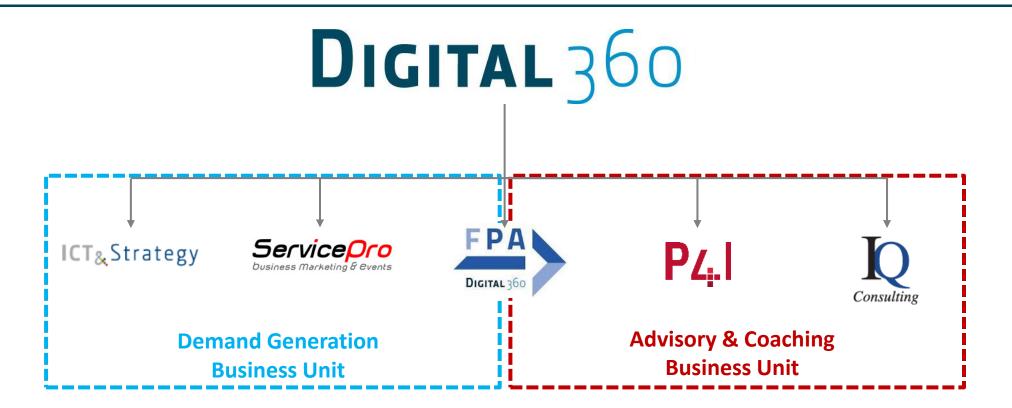
Business Units, Services & Synergies



Synergies between Business Units

- They both leverage the community, the innovation ecosystem
- Visibility and reputation for advisory and key people and lead generation
 - (scalable go-to-market channel, in particular towards SMBs)
- Professional **know-how** and **content** for online portals and **excellent speakers** for events





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Demand Generation

Customised services



Our services

Communication

Storytelling
Content Marketing
Communication/Advertising
plans

Open Innovation

Call4ideas Hackathons

Events

Roundtables & focus groups Conventions, summits, webinars

Research

Surveys, focus groups Customer Insights, Market Outlooks

Lead Generation

Profiling Business meetings

Integrated Projects

Communication, events, lead generation, etc.











































































Demand Generation

Demand Generation As-A-Service: the Digital Marketing & Sales «Engine»

2019 KPI

- Engines sold: 67
- Average Price: 45k€
- Annual (recurrent)value: 3 M€

Original methodologies and models



Engineering the know how



Recurring Revenues



Software as a Service



Go-to-market Channel



The strong links with
Universities and the
customised 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



DIGITAL 360





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Advisory&Coaching

Customised services













































































Advisory&Coaching

Advisory&Coaching As-A-Service

2019 KPI

- AAS Advisory subscriptions sold: 46 (mainly DPO AAS)
- Annual (recurrent) value:1.3M€

Original methodologies and models



Engineering the know how



Recurring Revenues



Software as a Service



Go-to-market Channel



The strong links with
Universities and the
customised 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



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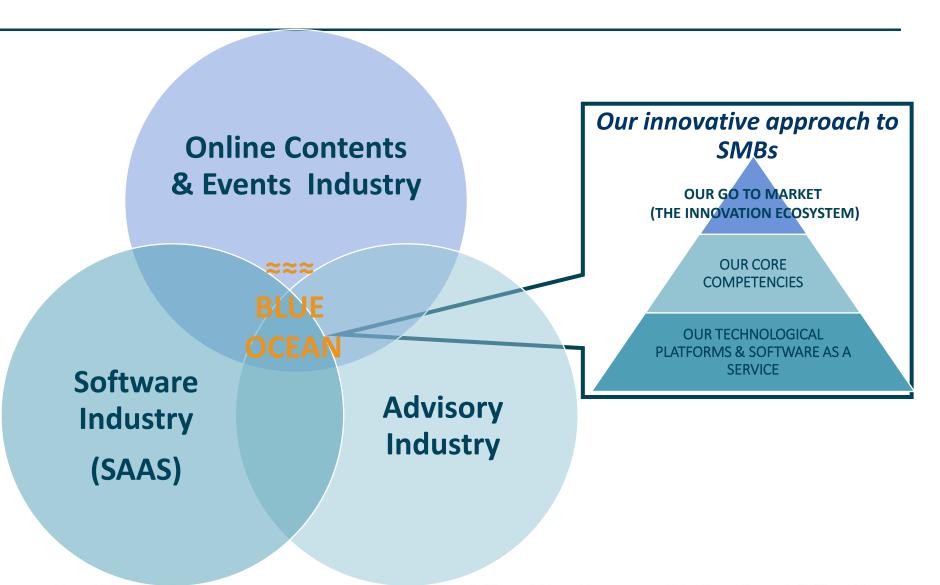
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Our Blue Ocean Strategy: Digital As-A-Service

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

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





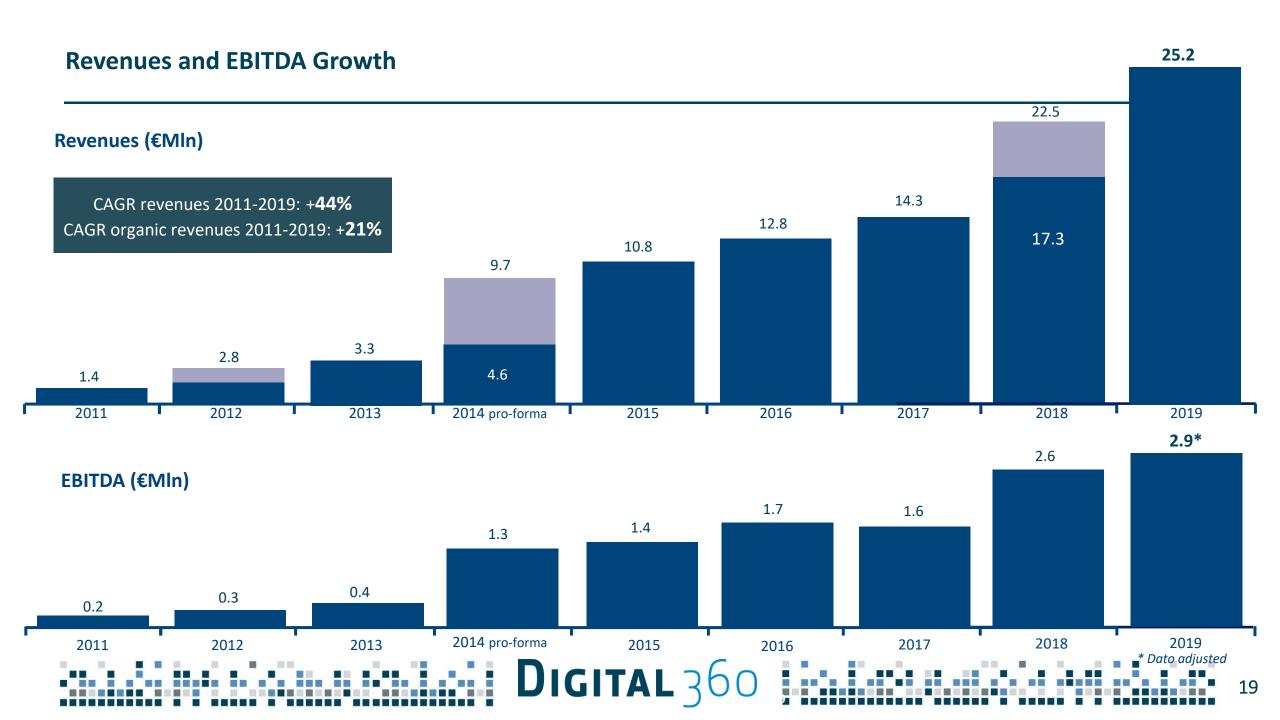


Strategic Directions in 2020

- Strategic focus on the development of "As-A-Service" packaged solutions, with recurrent revenues:
 - Digital Marketing & Sales Engine (non only for tech companies but also in other industries)
 - Advisory-As-A Service
 - 360DigitalSkill & FPADigitalSchool
- Scouting of innovative small tech companies and startups (M&A), to support and accelerate the development od our "As-A-Service" solutions (in particular software-as-a-service provider in strategic areas, like MarTech, GRC, HR, Industry4.0, etc.)
- 3 Investments in
 - core competencies in digital innovation (knowledge, engineered know-how, etc.)
 - **technological platforms** (Artificial Intelligence, Automatic Process Automation, Business Analytics, CRM, Marketing Automation, etc.)
 - content assets (portals, SEO, social networks, etc.), in order to develop our community (innovation ecosystem)

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Financials: Income statement

Operating Results - P&L	31.12.18	31.12.19 Change %	Entirely organic growth in both Business Unit
Euro/mlns Revenues	22,5	25,2 12%	(+19% A&C, +7% DemGen), thanks to the new offer of digital services "Digital As-A-Service"
EBITDA	2,6	2,5 -1%	EBITDA Adjusted highlights the economic
EBITDA Adjusted	2,6	2,9 13%	results, net of one-off extraordinary costs,
% Ebitda / Total Revenues	11,4%	11,5%	equal to 380 thousand euros, incurred during the year to carry out the reorganization and
EBIT	0,4	<u>0,1</u> 79%	restructuring plan of some group companies.
% Ebit / Total Revenues	1,7%	0,3%	
EBIT Adjusted	1,1	1,2 9%	
% Ebit Adjusted / Total Revenues	5,1%	4,9%	(*) EBIT and net profit Adjusted are reclassified without taking into account the amortization
Net profit	-0,2	<i>-0,4</i> 165%	of the consolidation differences, as well as the
% Utile netto / Total Revenues	-0,7%	-1,8%	extraordinary "one-off" costs
Net Profit Adjusted	0,59	0,72 23%	
% Net Profit Adjusted / Total Revenues	2,6%	2,9%	



Financials: Financial statement

Balance Sheet	31.12.2018	31.12.2019	Change	Change %	The 5% reduction is due to amortization which reduced its
Euro/mlns					book value. About half of the total value of the fixed assets (€ 4.9M) is
Fixed Assets					represented by the consolidation differences arising from
Materials	0,5	0,5	0,0	n.s.	M&A transactions;
Immaterials	9,8	9,3	-0,5	-6%	the residual part derives from the costs of technological
<u>Financials</u>	0,1	0,1		<u>n.s.</u>	development and launch of new services
Total Fixed Assets A	10,4	9,9	-0,5	-5%	development and ladition of new services
Operating Working Capital (OWC)					Increase due to Revenues growth
Receivables	8,3	9,4	1,1	13%	
Commercial Debts	-3,4	-3,1	0,3	-8%	(+12%)
Other short terms ass/liabilities	-1,1	-0,7	0,4	33%	
Total Operating Working Capital B	3,8	5,6	1,8	48%	The increase is significantly affected by the payment of Vendor Loan (1.2M €). Net of this extraordinary expense,
Net Capital Invested (CNI) A+B	14,2	15,5	1,2	9%	the increase would be 17%. A part of the increase is also
					due to the reduction in tax credits
Equity and Banks					
Equity	8,6	8,0	-0,5	-5%	The change reflects (i) positive operating cash flows (+
Net Financial Position	4,6	6,3	1,7	38%	1.4M) (ii) the balance (-1.2M) of the Vendor Loans and (iii)
Other funds	1,0	1,0		1%	the investments made (-1.9M)
Total Equity, Banks and Funds	14,2	15,3	1,3	9%	



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