

Digitouch Group 2024 Financials And Strategic Priorities

**31 March
2025**

Safe harbor statement

This document has been prepared by Gruppo Digitouch (the “Company”) for use during meetings with investors and financial analysts and solely for information purposes.

The information set out herein has not been verified by an independent audit company, neither the Company nor any of its subsidiaries, affiliates, branches, representative offices as well as any of their directors, officers, employees, advisers or agents accepts any responsibility for/or makes any representation or warranty, express or implied, as to the accuracy, timeliness or completeness of the information set out herein or any other related information regarding the Company, whether written, oral or in visual or electronic form, transmitted or made available.

This document may contain forward looking statements about the Company based on current expectations and opinions developed by the Company. These forward looking statements are subject to significant risks and uncertainties (many of which are outside the control of the Company) which could cause a material difference between forward looking information and actual future results. The Company assumes no obligation to provide updates of any of the aforesaid forward looking statements.

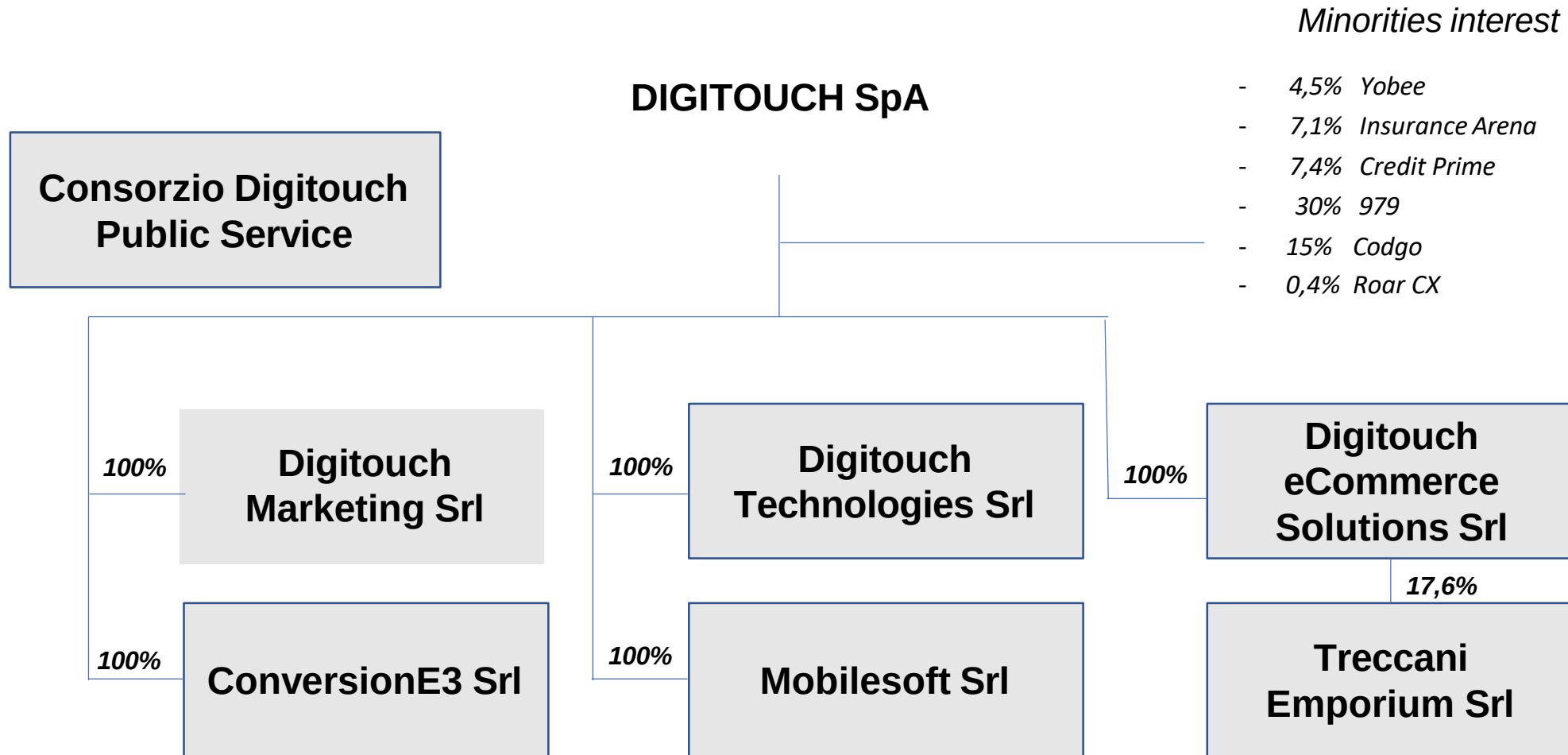
Under no circumstances shall the Company and/or any of the its representatives be held liable (for negligence or otherwise) for any loss or damage arising from any use of this document or its contents or otherwise in connection with the document or the aforesaid forward looking statements. This document does not constitute an offer to sell or a solicitation to buy or subscribe to Company shares and neither this entire document or a portion of it may constitute a recommendation to effect any transaction or to conclude any legal act of any kind whatsoever.

This document may not be reproduced or distributed, in whole or in part, by any person other than the Company; by viewing and/or accepting a copy of this document, you agree to be bound by the foregoing limitations.

2024 - Main take outs: MARTECH IS MORE TECH

- Digitouch has shown in '24 a **resilient business model capable of managing a changing and volatile market environment** with **AI becoming a cornerstone of martech advancements**
- MTE business model (Marketing-Technology-Ecommerce) has further developed integrated value offerings in line with the **MarTech market trends** that forecast a spending of more **215 billion USD by 2027**
- **Revenue growth** in '24 is down by 9% due to **Marketing Services** impacted by slower consumer consumptions and a revised adv spending *modus operandi*. Though we see a consistent growth on **Technology and eCommerce Services** driven by data and martech solutions
- **Cost structure** has reported a reduction in variable cost whereas labour costs has increased due to Mobilesoft consolidation and new hirings in Technology. Headcount have reached almost **350 highly qualified professionals**
- Strong cash flow generation of **4.1 Mio Euro (FOCF)**. Net Financial Position/EBITDA from **1.5x to 1.1x** leaving room for **additional M&A**

Digitouch Group Structure at 31.03.2025



Mobilesoft 100% acquisition has been completed ahead of schedule to leverage stronger synergies and economies's scale

Digitouch Group has a proven and strong leadership team that is driving its growth and value creation



Simone Ranucci Brandimarte
Founder and Group CEO



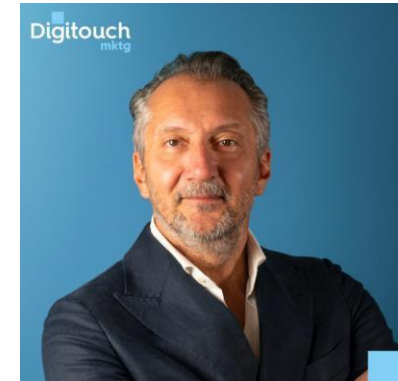
Patrizia Fortuna
Group Sales & Strategy Director



Giuseppe Sacco
Vice President
Digitouch Technologies



Luca Biancheri
Vice President
Digitouch eCommerce Solutions



Alessio Angiolillo
Vice President
Digitouch Marketing and Conversion E3

Improvement across all key 2024 KPIs in a complex environment, leveraging a resilient business model

**EBITDA
ADJUSTED**

**18,8% at 7.5
Mio Euro**

**EBIT
INCREASE YoY**

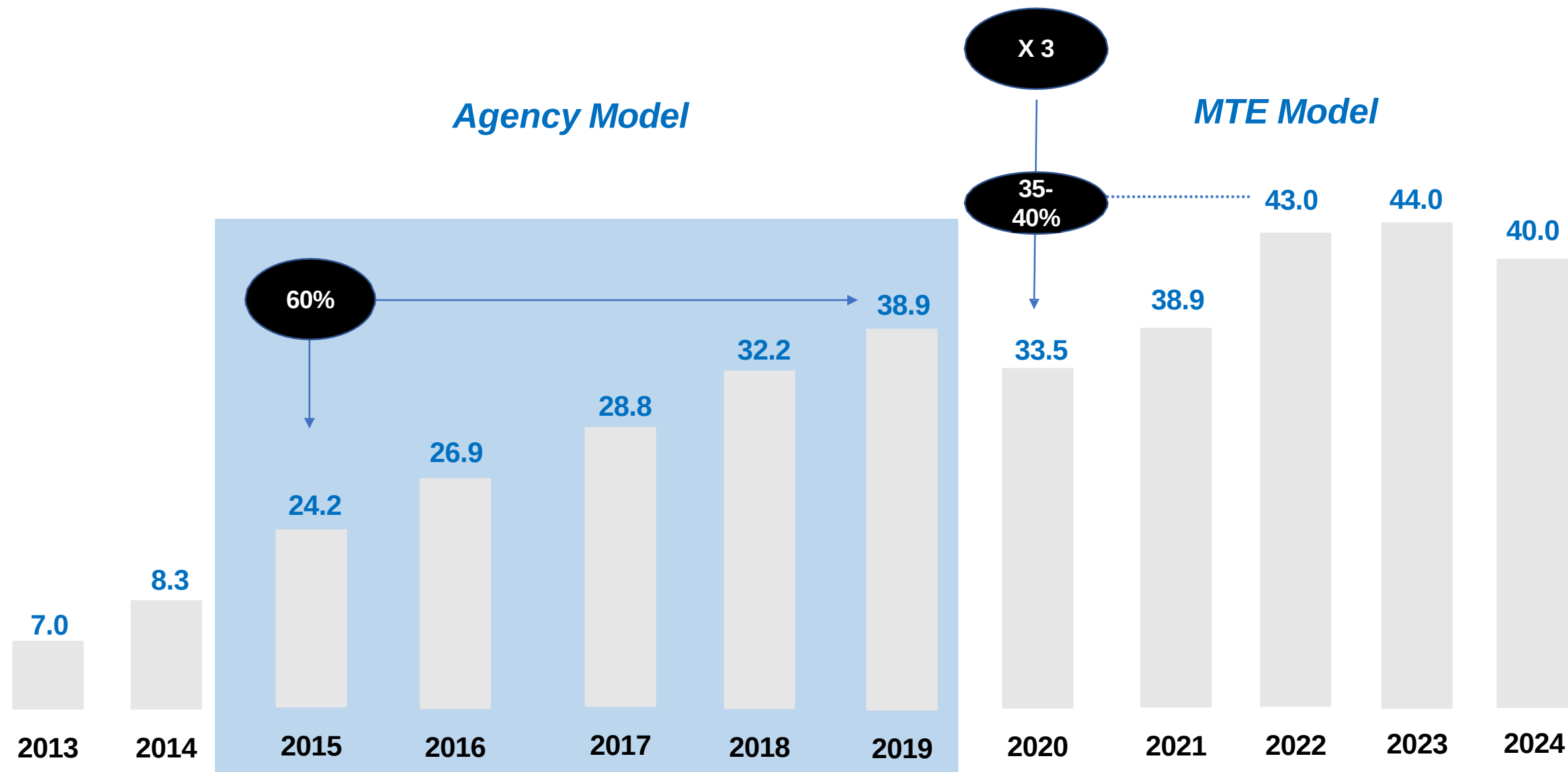
**11,1% at 4.2
Mio Euro**

**FREE
CASH FLOW (FCF)**

**4.1 Mio
Euro**

**Proposed dividend of Euro 0.03 per share (+22% 'FY23)
to be submitted at AGM**

Digitouch over the last years has evolved its business model from a pure full marketing agency to a MarTech company with an integrated positioning



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	
Experience delivery	Marketing Automation	Customer Analytics and Payments	Customer Data Management	Service & Experience Design	E-Commerce Platform
- Customer Marketing Journey - Media Planning - Social Suites - Digital Experience Platforms - SEO Platforms - Mobile engagement platforms - Trade marketing	- Content marketing Platforms - Influencers marketing platforms - Customer Loyalty - Store media solutions - Reports and Dashboard - Content Production	- Customer Analytics Technologies - Predictive analysis and Machine Learning - Web and Mobile Analytics - APP and Mobile Solution - Payments Solutions	- Customer Data Platforms - Identity resolution - AI Chatbot - Journey Mapping Platforms ...	- Journey: Service & Experience Design - Service Mapping - UX Design - UI Design - Design System - Conversion Rate UX Optimization - Feedback and Survey Tools - Accessibility	- B2C Solutions - B2B Solutions - Catalog as a Service platform - Helpdesk - Service AI - Product Optimization AI - Marketplace integration solutions

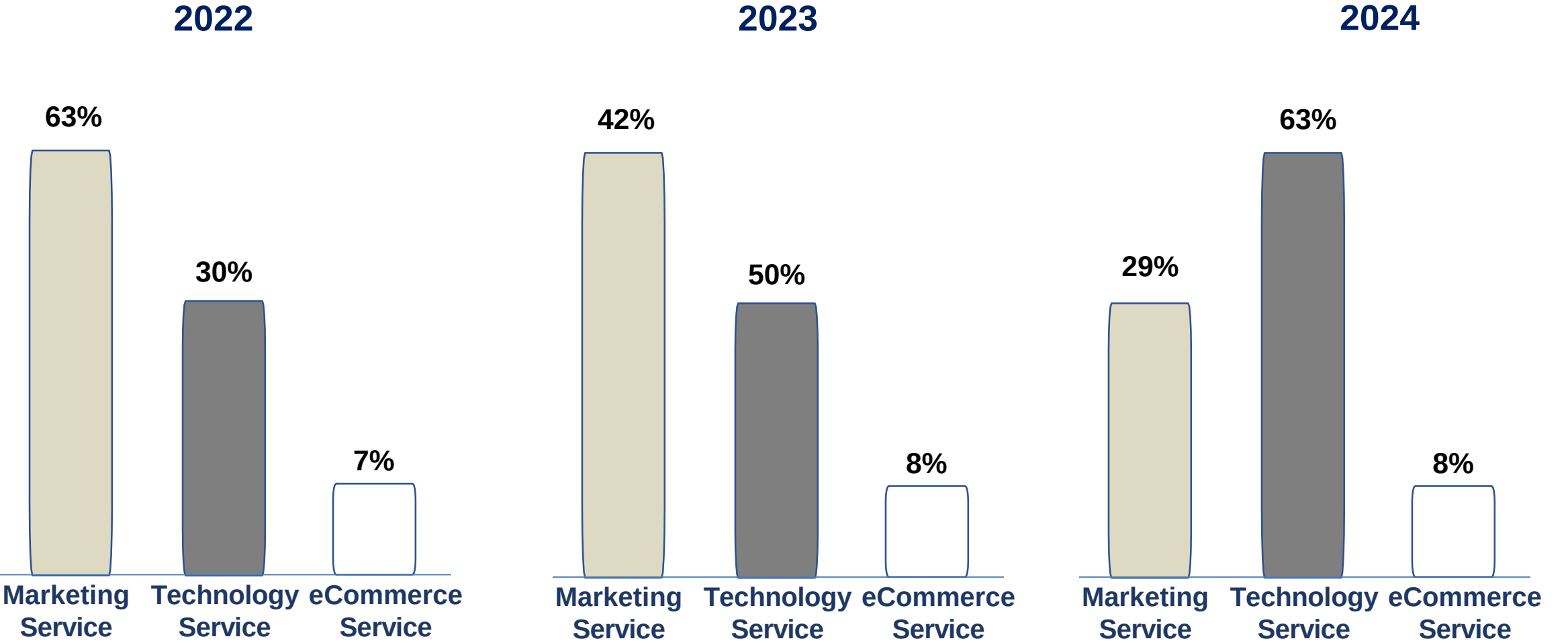
CAGR '23-'24
~ 13 - 14%

FY '21 - 24 - evolution on main KPI

	2021	2022	2023	2024	'24 vs '21
Total Revenues	38.9	42.3	44.1	40.0	2.82%
Adj EBITDA	5.8	6.9	7.3	7.6	31.03%
EBIT	3.1	4.2	3.8	4.4	41.93%
Net Financial Position IFRS	5.3	4.9	10.8	8.3	56.60%
Equity	17.5	17.5	19.0	19.5	11.42%

Digitouch Group MARTECH market positioning

2022 - 2024 – Revenue per line of Business



Digitouch Group leverage on a diversified industry client portfolio...

2024 – Revenue per industry



... a wide portfolio of third parties technologies under management ...

TECH SKILLS WITHIN THREE CORE DIVISIONS

	TECHNOLOGY SERVICES	E-COMMERCE SERVICES	MARKETING SERVICES
OWNED TECH ASSETS	 Cognitive Platform  Sales Agent  Dealer Tab  Gamification Platform iEGP®  Store Locator  Social CMS  Chatbot  Custom CMS  Voice CMS	 Purple X  Digital Human Experience	 Gamification Platform iEGP®  Store Locator  Social CMS  Voice CMS  Chatbot  Digital Human Experience  Custom CMS
SKILLS IN OTHER TECH ASSETS	 Test Automation  BPA  Risk Management	 UX/UI development  shopify  Magento	 Pac  Analytics
TECHNOLOGY PARTNERS	 TIBCO  CISCO  DATA4 DATA CENTERS AT SCALE  Power BI  SAS Gold Partner  redhat READY BUSINESS PARTNER  entando  ORACLE PARTNER	 Adobe  Google Cloud  Azure  amazon web services  BUSINESS PARTNER e NETCOMM	 f  amazon  adform  adverity  Google Partner  OSSERVATORI.NET digital innovation

... as well as development and commercialization of internally developed assets



AI Content Platform

- **Vertical solution based on generative AI capabilities to speed up the production and sending of articles and contents** with related images on different channels (for example: campaigns / newsletters / social posts / blogs / TV / Lookbook and so on ...), even simultaneously in multiple languages.



#Trends Finder

- **Vertical Solution enabling brand positioning in the competitive landscape**, adopting generative AI capabilities to explore -in one shot- market / sector / product / viral trends and so on ...to identify best practices and sales key moments



Sales Accelerator Toolkit

- **Joint Sales & Marketing framework for sales performance monitoring.** - AI toolkit for B2B portfolio management: allows profiling and segmentation of large and small companies, improving customer information gathering also through the collection of feedback from KAM activities on the field.



- **Adoption of eCommerce / Data & Analytics platforms for enabling B2B/B2C value added services (VAS) Portfolio:** Fraud & Risk management, Marketing Automation, Catalogue as a service (CaaS), Inventory management to support enterprise decisioning in several business critical areas.

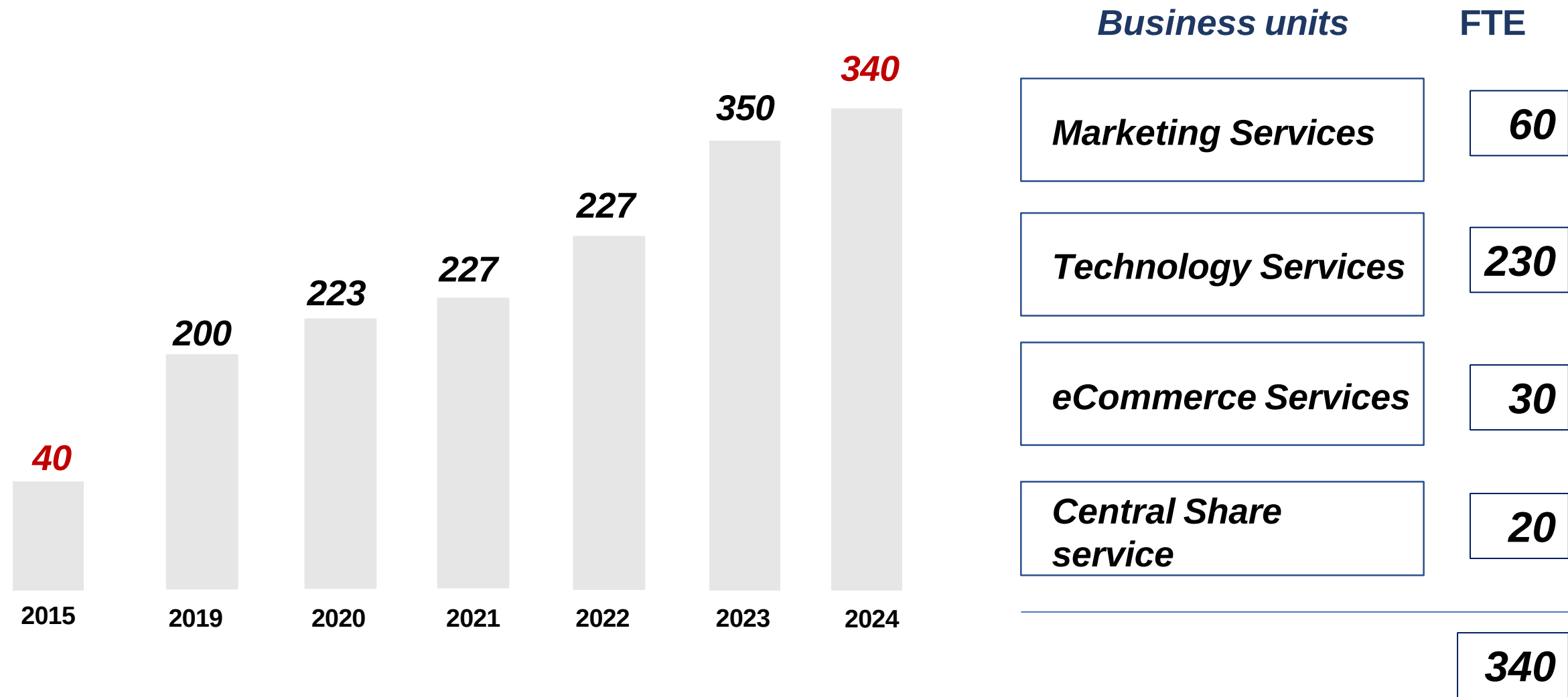


CX - Platform

- **Platform and tools that empower clients' CX Management efforts to cost,** effectively move from reacting to preventing, ensuring customer issues today do not occur in the future.

... leveraging on about 340 professionals with passion and talent

2105 – 2024 Digitouch Group professionals (FTE)



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

Certifications



Training

In 2024 specific training courses were held for areas of expertise and specialization, such as:

- **client management**
- **azure Certifications**
- **generative Ai.**

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

- **Policy for gender equality**
- **Parenting Policy**
- **Whistleblowing procedure**
- **Individual smartworking agreements**

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.

MARKET VIEW

Marketers plan to invest more in technology and software

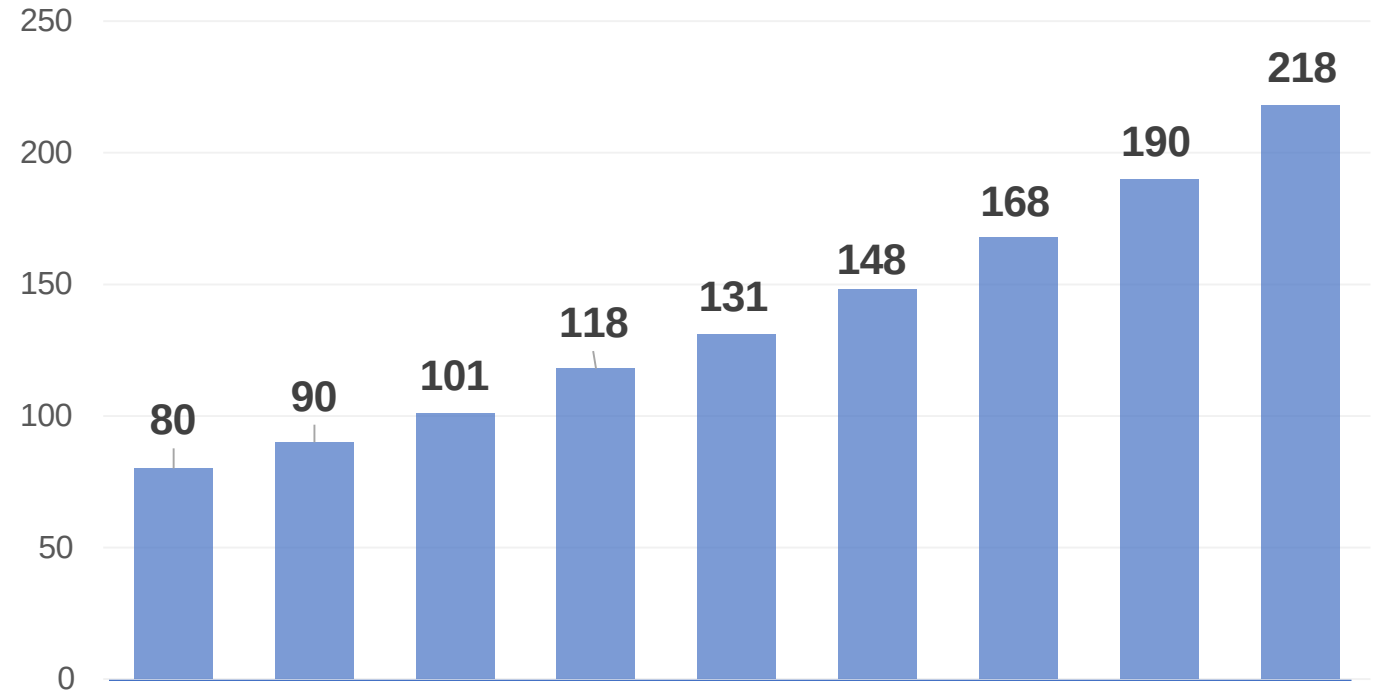
Global B2C marketing decision makers says they spend 18% of marketing budget on technology

Customer data management will grow at a CAGR of 14% between 2023 and 2027 and reach 37Bl USD

Martech represents 14,9% of Global Enterprise Software spending in 2023 and 15,4% in 2027

M&A Activity has bounced in recent quarters.

Global MarTech spending (Mio USD)

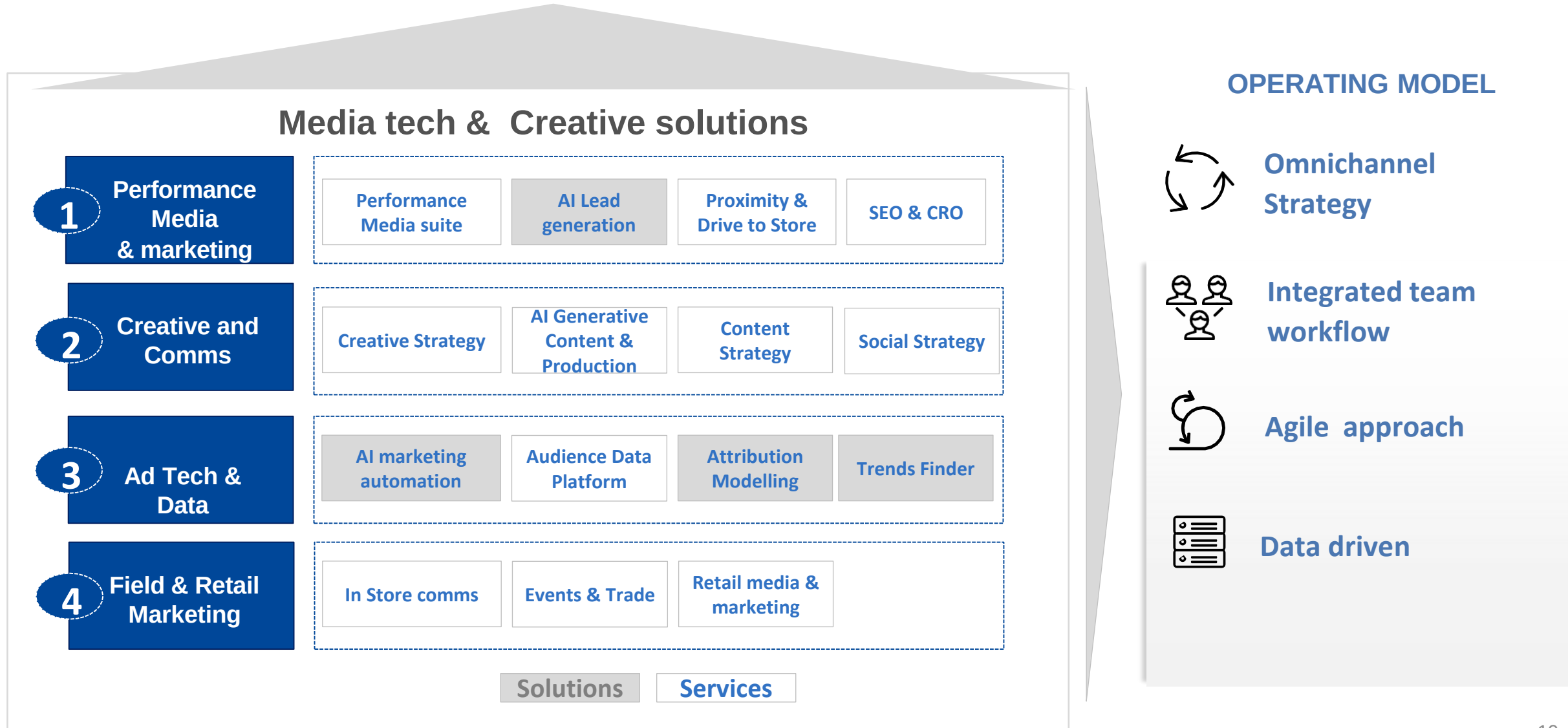


Forrester: «MarTech is a very fragmented market, ... whereas marketers would love simplicity the reality is that they have to better integrate their existing ecosystem»

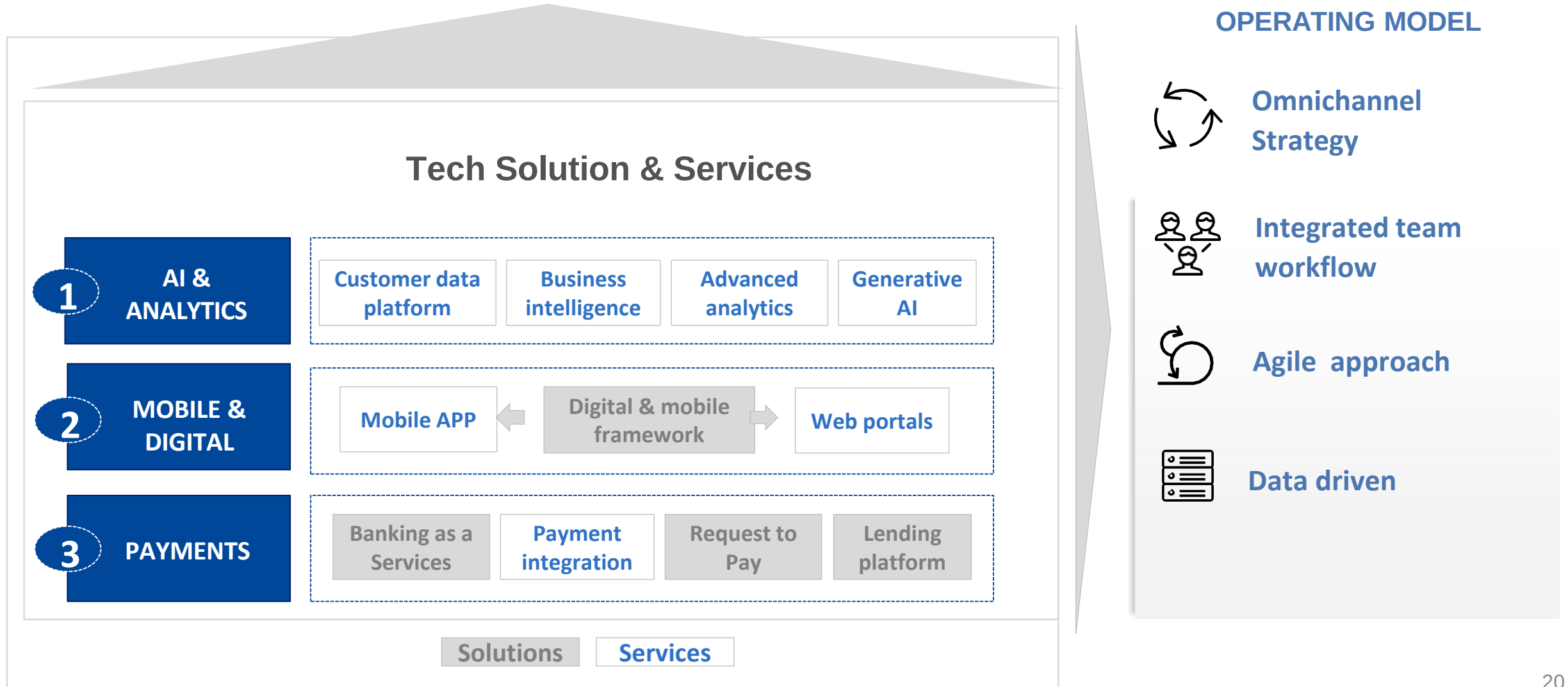
As Martech continues to advance, DGT Group maximizes its potential through a seamless and integrated business approach

- **AI** - brands will leverage AI to analyze data and deliver more precise, individualized experiences across all touchpoints—online and offline. Expect smarter content recommendation systems, personalized ads, and dynamic email marketing.
- **Omnichannel Marketing Automation** - companies will increasingly invest in **omnichannel platforms** that allow for consistent and seamless marketing across platforms—email, social media, apps, websites, physical stores, payments.
- **Predictive Analytics and Advanced Customer Insights** - will provide actionable insights into consumer behavior, allowing marketers to proactively **anticipate needs** and **optimize strategies**. **Sentiment analysis** and **social listening** tools will also enhance how businesses understand their audiences.
- **Subscription Models and Customer Retention Tools** As subscription-based businesses grow, Martech tools that focus on **customer retention** and **churn reduction** will be essential. Brands will use advanced **Customer Relationship Management** tools to nurture long-term customer relationships and provide tailored retention strategies.
- **Programmatic Advertising Evolution** - **PA** will continue to evolve with the help of AI and machine learning. Real-time bidding and **automated ad placement** will become more refined, and marketers will benefit from more **targeted, efficient, and cost-effective campaigns**.
- **Interactive and Shoppable Video** - **Shoppable video content** will become mainstream, with video ads enabling users to directly purchase products without leaving the platform. Interactive features like clickable links, shopping carts, and integrated payment systems will transform how consumers shop.

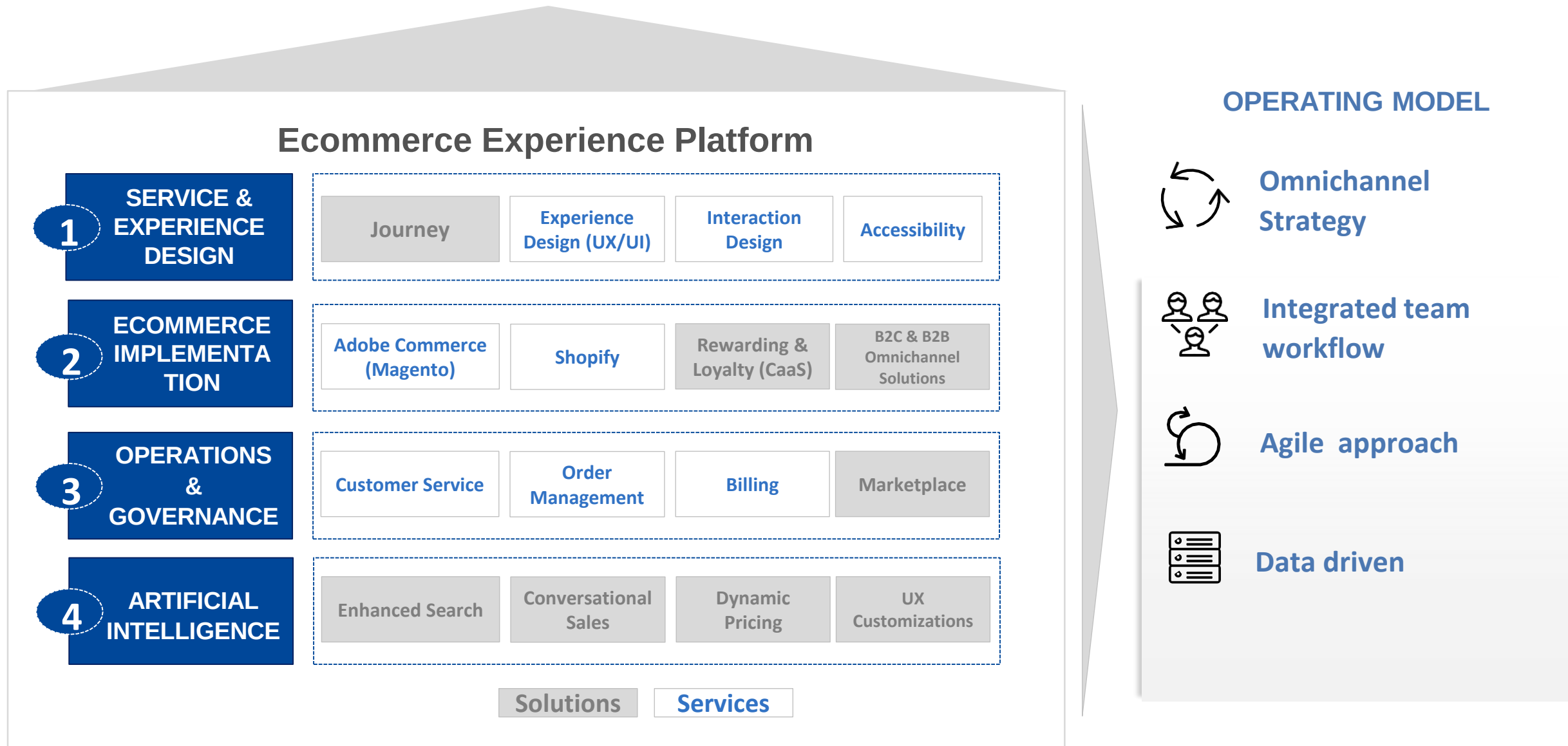
Digitouch Marketing – is the division that creates omnichannel comms and media tech strategy pursuing business outcomes



Digitouch Tech – is the division that develops as core services analytics, mobile and payment solutions



Digitouch Ecom – is the division that design, implements and manages sales channel



2024 FINANCIALS DETAILS

2024 PL shows the benefit of a well balanced business model with a 4% increase in EBITDA and a TOP performance at 18% EBITDA margin

INCOME STATEMENT (€M)

Income Statement (€M)	FY '24	FY '23	YoY
Total Revenues	40,01	44,11	-9,3%
EBITDA Adjusted	7,56	7,26	3,8%
EBITDA Margin	18,8%	16,4%	
EBIT	4,21	3,79	11.1%
EBIT Margin	10,5%	8,5%	
EBT	3,12	3,03	3%
Net Income	1,66	1,99	-17%
Net income margin	4,2%	4,5%	

- **Top-line organic reduction of 9.3%**, primarily due to a slowdown in marketing services and the rationalization of low-margin contracts.
- **Adjusted EBITDA at €7.56 million**, up **3.8%** compared to FY 2023, driven by lower operating cost incidence on revenues and improved internal efficiency.
- **EBIT increased by 11.1% to €4.2 million**, supported by reduced amortization and lower devaluation expenses.
- Despite the **significant impact of financial charges** due to rising interest rates, **EBT grew by 3%**.
- **Group net income reached approximately €1.7 million**, reflecting a **17% decline**, mainly due to higher taxes and increased interest on debt.

2024 - Balance Sheet is proven to be strong even vs consistent investments and a net working capital pressure given by payments' terms prolongment

BALANCE SHEET (€M)		
Balance Sheet (€M)	FY '24	FY '23
Goodwill	16,40	16,43
Other Assets	8,43	9,87
Net Working Capital	6,08	5,96
Long Term Liabilities	-3,15	-2,59
Net Capital Employed	27,76	29,67
Net Equity	19,35	18,85
Net Financial Debt	8,41	10,82
Net Equity and Funds	27,76	29,67

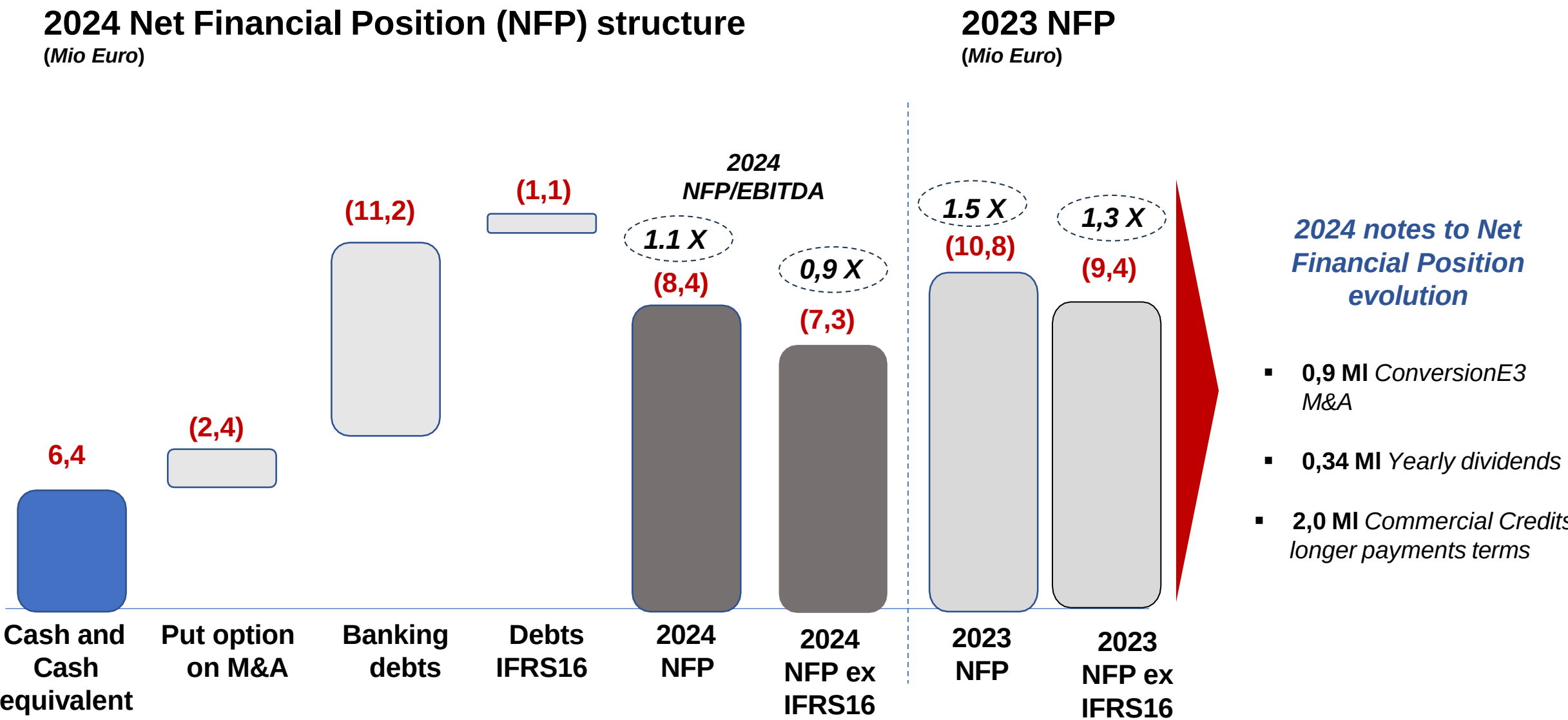
- **Goodwill** stable at 16,40 Mio Euro including the latest acquisition of Mobilesoft
- **Net Working Capital increase** driven by longer collecting procedures on one side and on the other still strict supplier's payments
- Decrease **Net capital** employed
- **NFP** (IFRS 16) of 8.41 Million Euro vs 10.82 Million Euro in FY '23 strong improvement driven by good cash generation and lower capex
- **Net equity** up to 19.35 despite the payment of dividends of 0,35 Million Euro

2024 – Cash Flow

CASH FLOW (€M)		
Detailed NCF (€M)	FY '24	FY '23
Net Income	1,66	1,99
Other	4,68	3,02
Change in WC	-2,229	-2,97
Operating Cash Flow	4,12	2,04
Capital expenditures	-0,43	-7,69
Other (investments)/disinvestments	-0,02	0,21
FCF	3,67	-5,44
Dividends and buy back program	-1,17	-0,47
Net Loan reimbursement	-2,35	3,44
NET CF	0,14	-2,47

- **Operating cash flow** strong improvements compared to 2023
- **Strong positive Free cash flow** due to the reduction in CAPEX and Intangible Assets investments
- **Positive cash flow** for the year 2024

Digitouch keeps a sustainable financial structure with a strong cash generation improved by 22% that leaves room for additional M&A as growth's driver ...



2025 View

Despite the continued market volatility in 2024 **Digitouch Group remains well-positioned for growth**, underpinned by a clear set of strategic priorities:

- **Integrated Business Model** – Strengthening **synergies across the Group's three business lines** to drive a more seamless and effective market approach leveraging on an unique team
- **Sustainable & Profitable Growth** – Prioritizing engagements that align with the Group's long-term strategy, while avoiding contracts that do not contribute to sustainable value creation
- **Financial Discipline & Cost Efficiency** – Maintaining **strict financial oversight**, optimizing cost structures, and ensuring prudent debt management to enhance profitability
- **Strategic M&A Initiatives** – Identifying and pursuing **value-accretive acquisitions**, adhering to rigorous valuation metrics and strategic alignment.

TARGET VIEW '25

Backlog '25 26 Mio Euro
Revenues '25 growth + 10%
FCF > 5.5 - 6.5 Mio Euro