

# Digitouch Group 2024 Financials And Strategic Priorities

**31 March  
2025**

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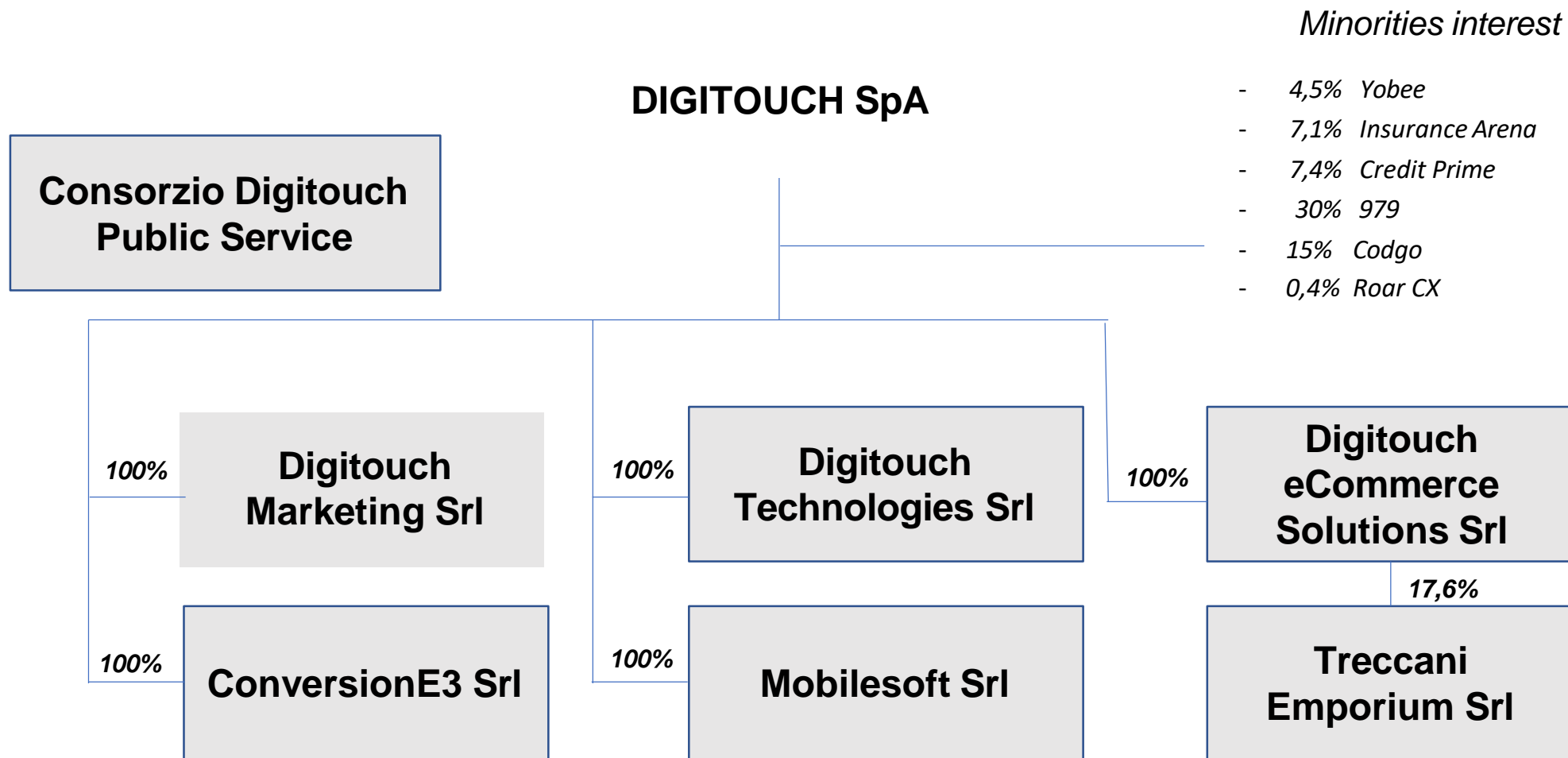
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## 2024 - Main take outs: MARTECH IS MORE TECH

- 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*

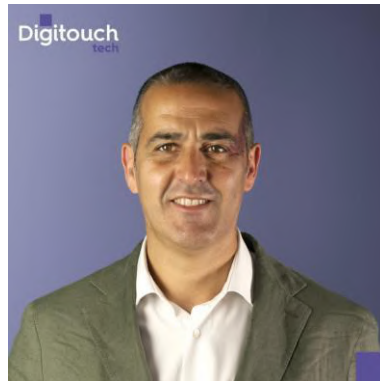
# Digitouch Group has a proven and strong leadership team that is driving its growth and value creation



**Simone Ranucci Brandimarte**  
Founder and Group CEO



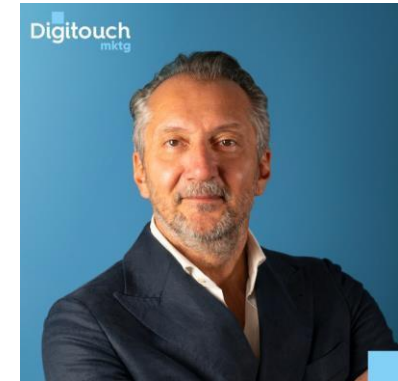
**Patrizia Fortuna**  
Group Sales & Strategy Director



**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**

**EBIT  
INCREASE YoY**

**FREE  
CASH FLOW (FCF)**

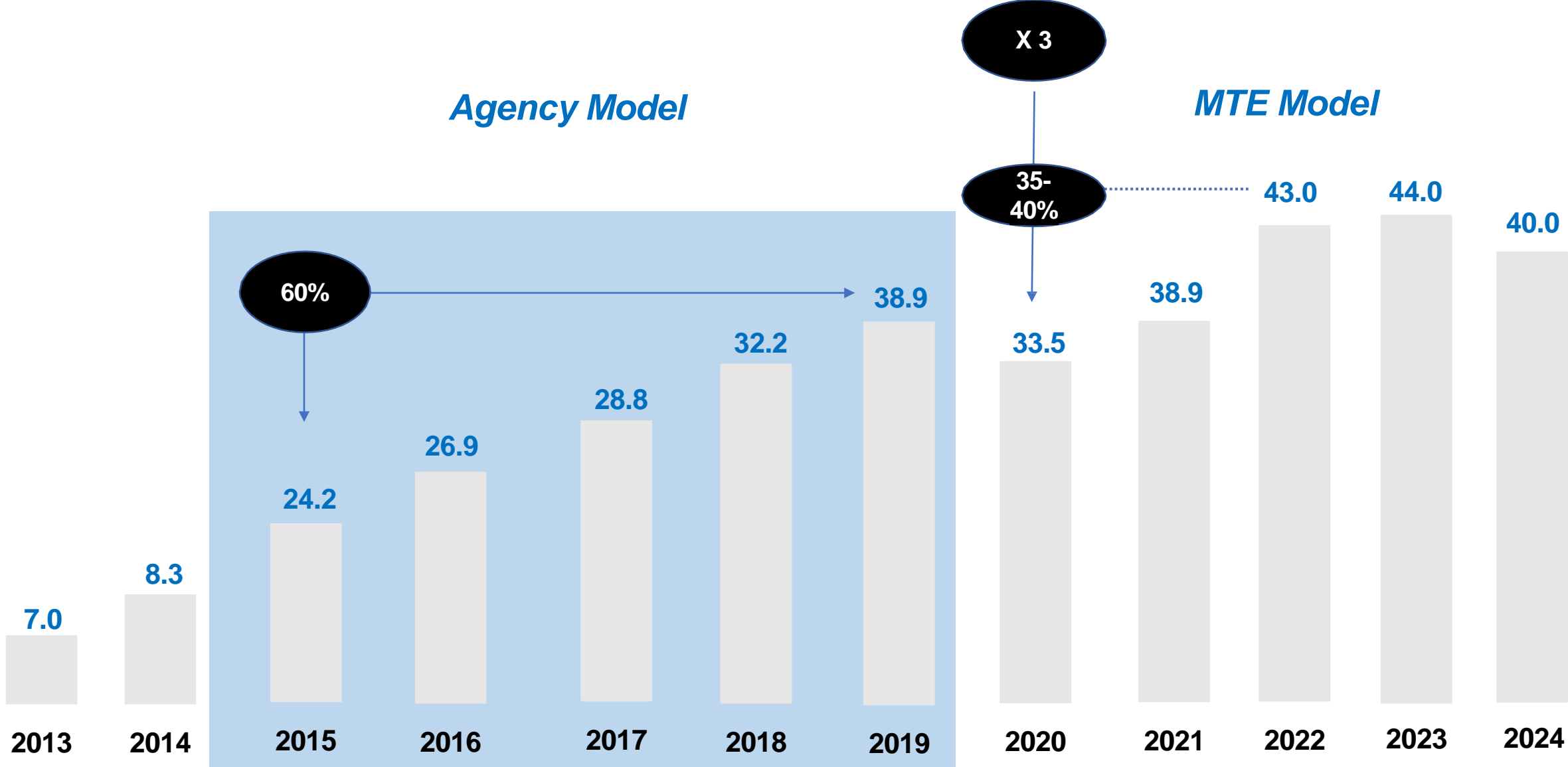
**18,8% at 7.5  
Mio Euro**

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

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

**CAGR '23-'24**  
~ 13 - 14%

Source: Forrester Global Martech Forecast 2023 to 2027

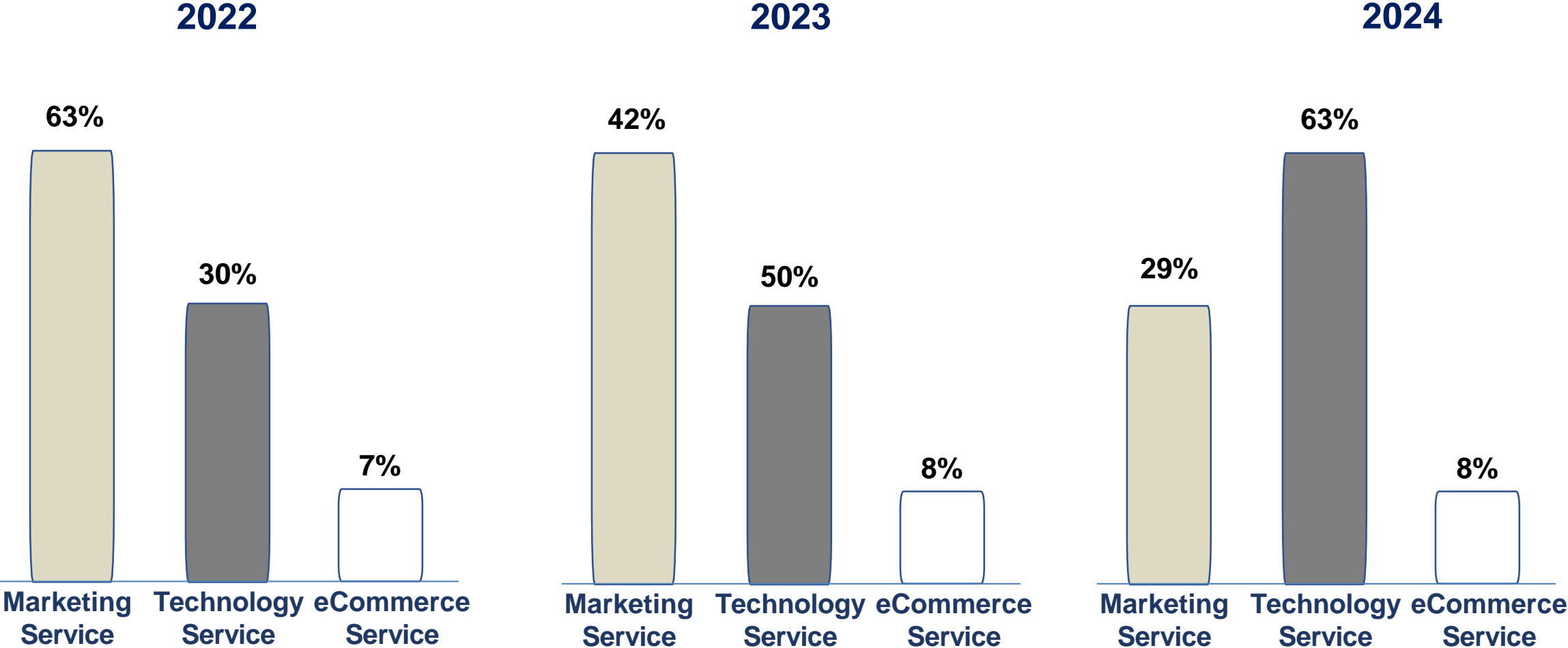


## FY '21 - 24 - evolution on main KPI

	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



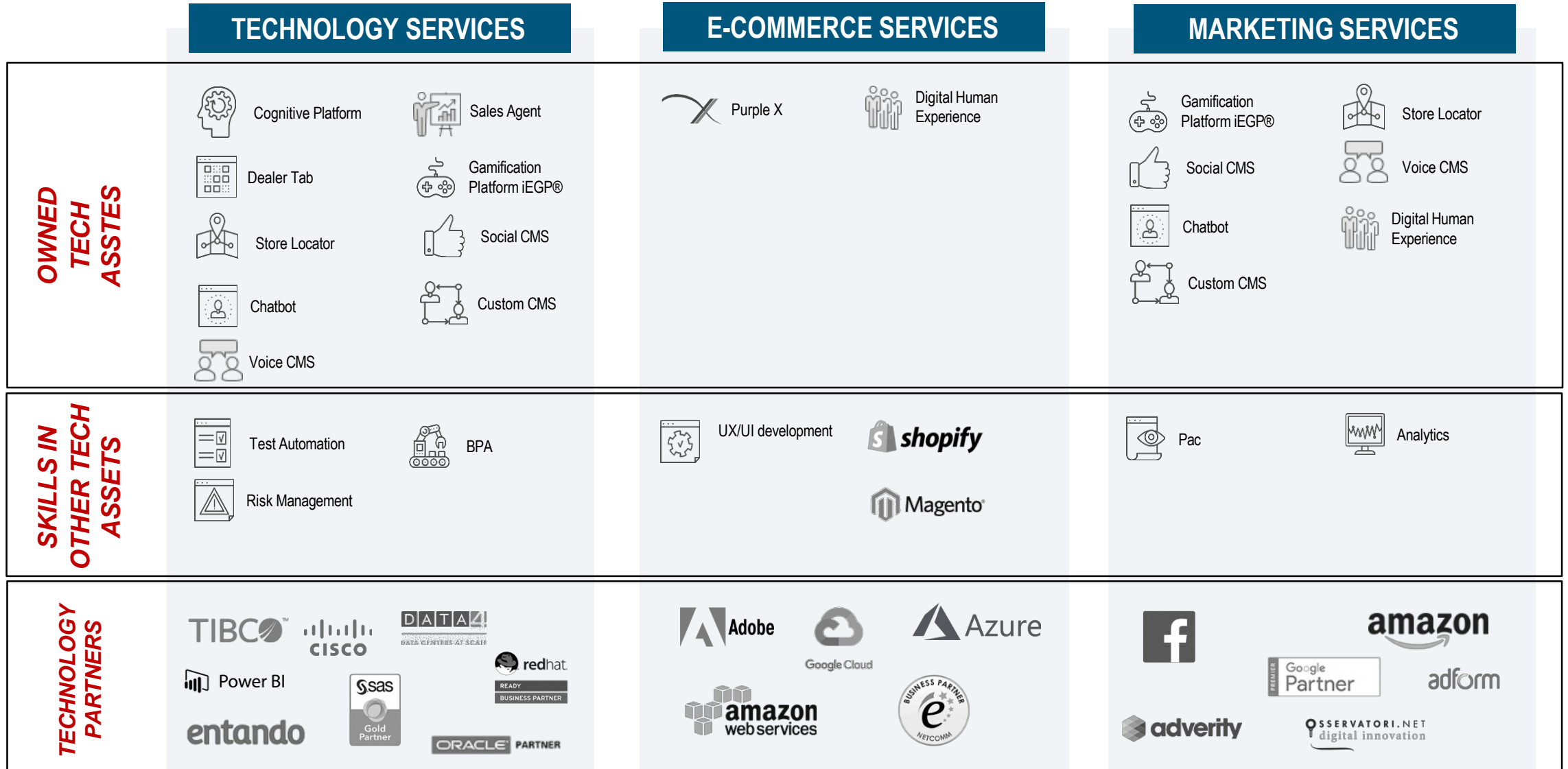
# Digitouch Group leverage on a diversified industry client portfolio...

## 2024 – Revenue per industry



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

## TECH SKILLS WITHIN THREE CORE DIVISIONS



# ... 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.



## Strategic Partnership

- **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.

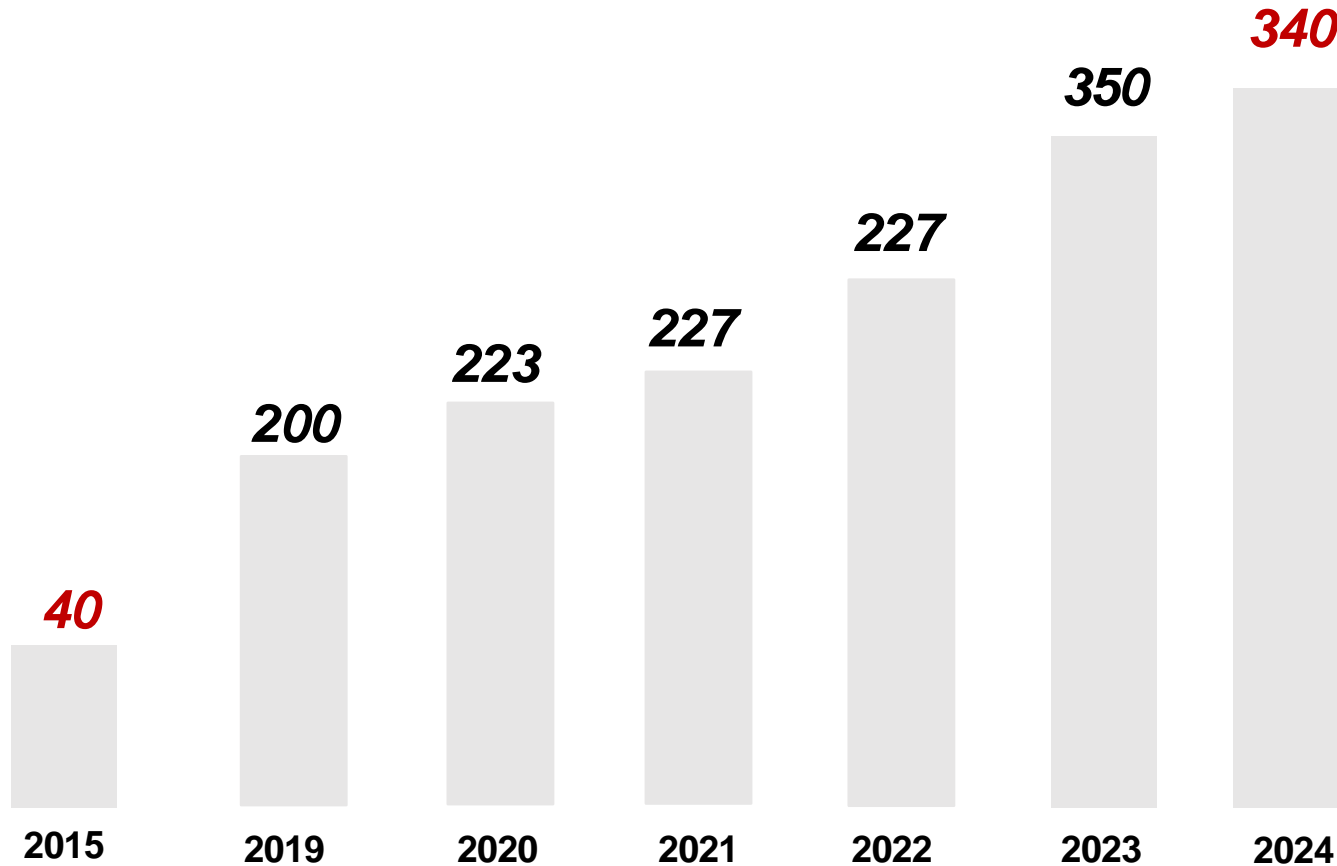


## CX - Platform

- **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)



<i>Business units</i>	FTE
<i>Marketing Services</i>	60
<i>Technology Services</i>	230
<i>eCommerce Services</i>	30
<i>Central Share service</i>	20
<hr/>	
	340

# 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

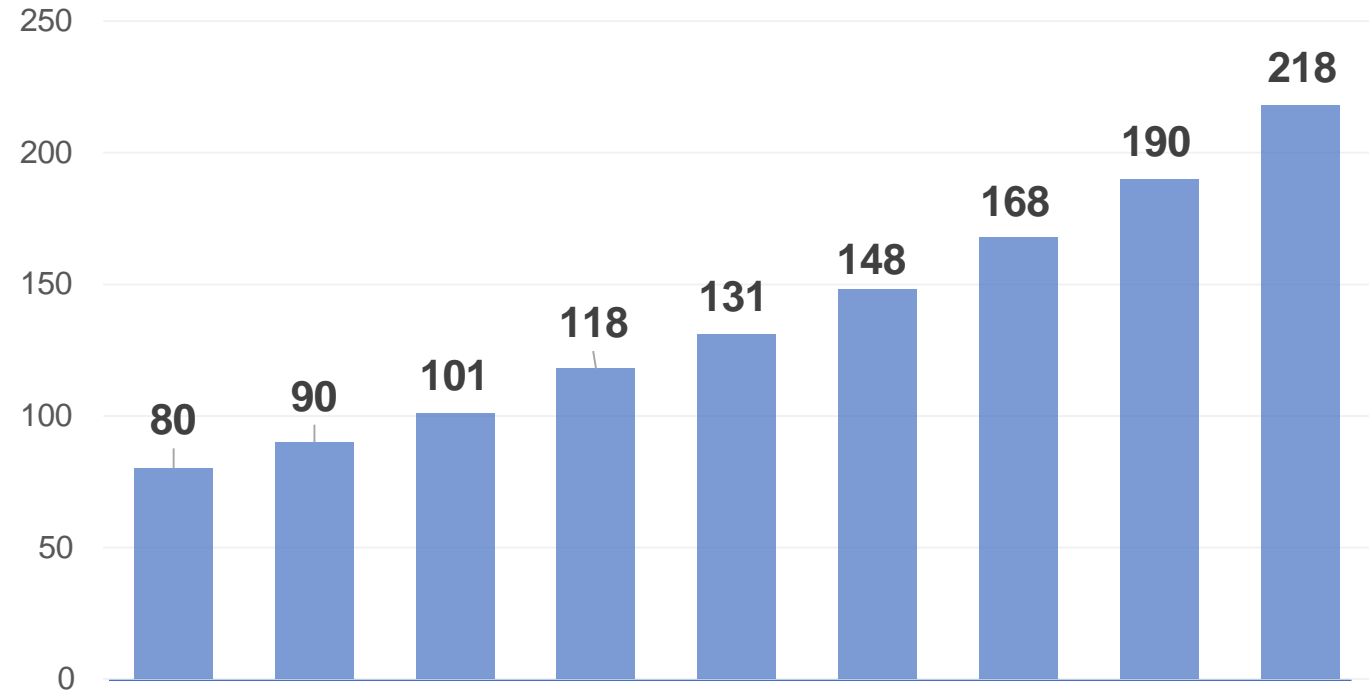
*Global B2C marketing decision makers says they spend 18% of marketing budget on technology*

*Customer data management will grow at a CAGR of 14% between 2023 and 2027 and reach 37BI 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)

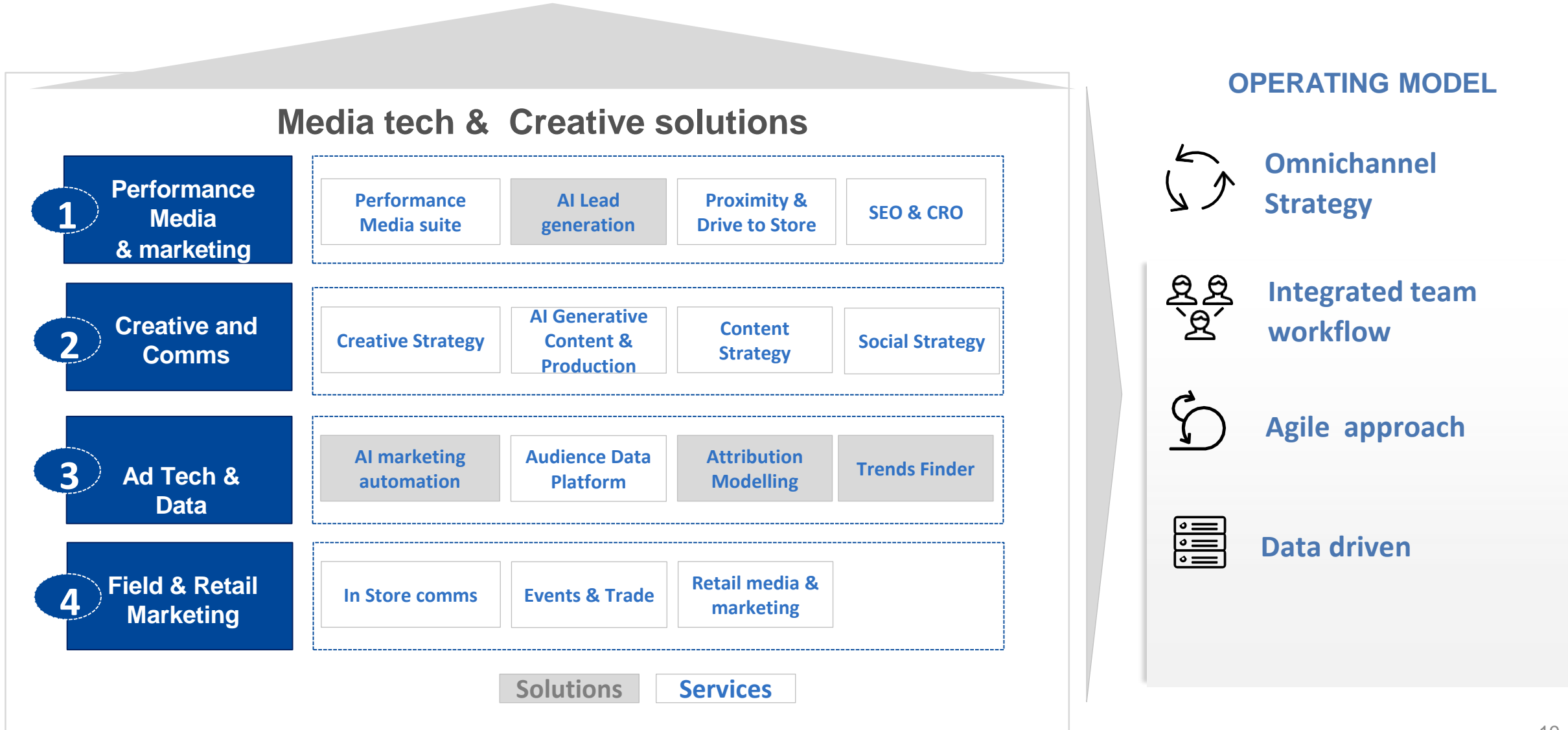


***Forrester: «MarTech is a very fragmented market, ... whereas marketers would love simplicity the reality is that they have to better integrate their existing ecosystem»***

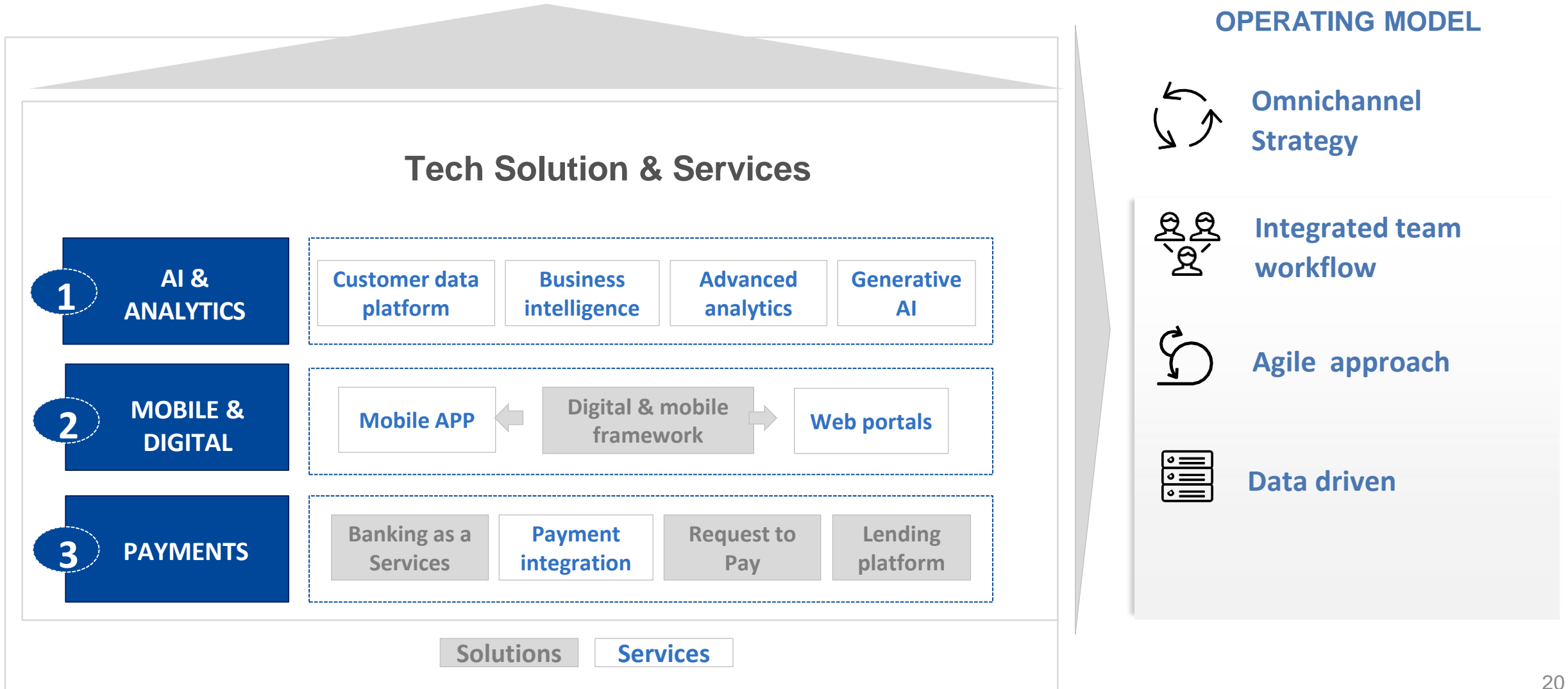
# As Martech continues to advance, DGT Group maximizes its potential through a seamless and integrated business approach

- **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

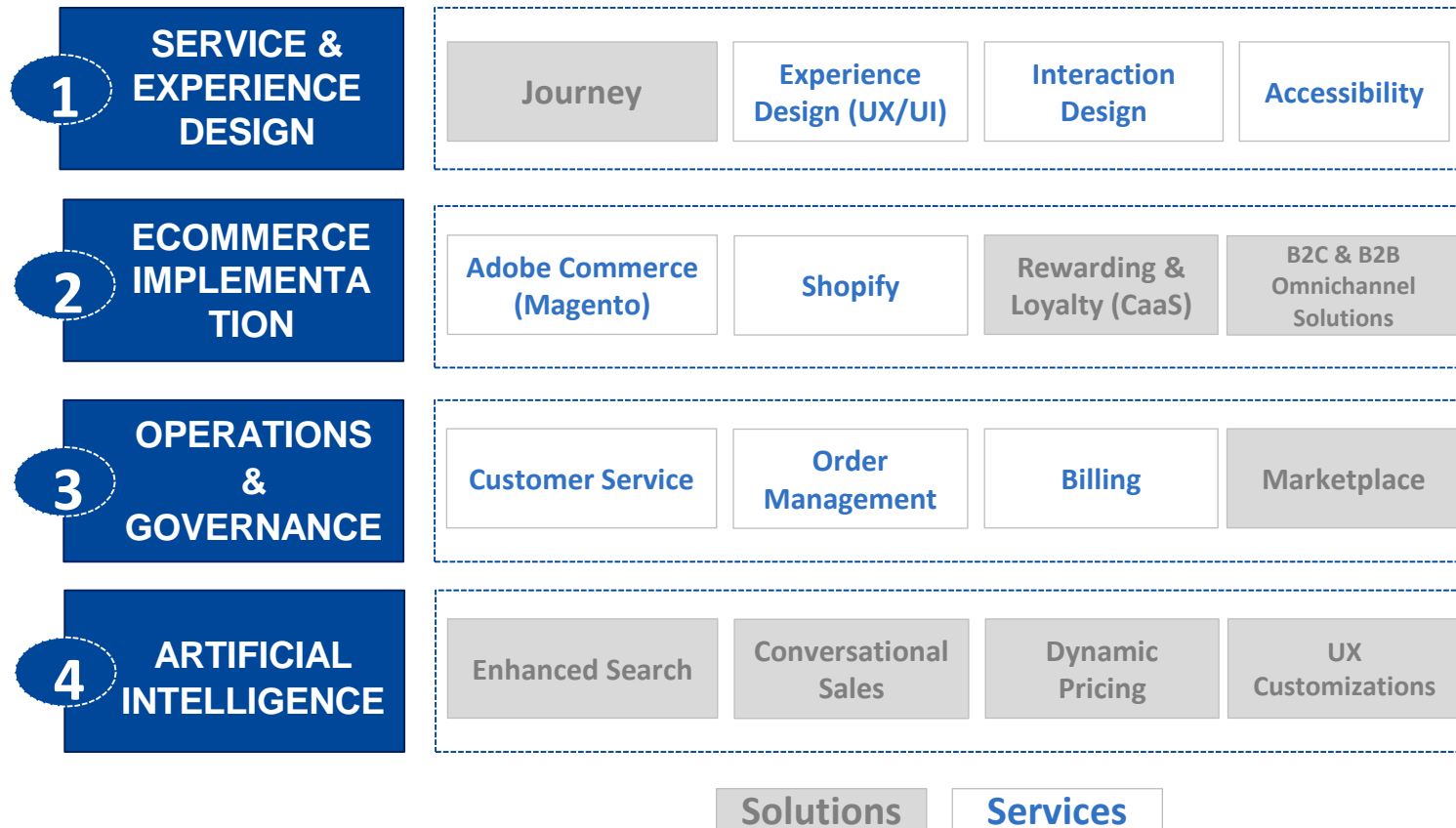


# Digitouch Tech – is the division that develops as core services analytics, mobile and payment solutions



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

## Ecommerce Experience Platform



## OPERATING MODEL



Omnichannel Strategy



Integrated team workflow



Agile approach



Data driven

# **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

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

<b>BALANCE SHEET (€M)</b>		
<b>Balance Sheet (€M)</b>	<b>FY '24</b>	<b>FY '23</b>
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
<b>Net Capital Employed</b>	<b>27,76</b>	<b>29,67</b>
Net Equity	19,35	18,85
Net Financial Debt	8,41	10,82
<b>Net Equity and Funds</b>	<b>27,76</b>	<b>29,67</b>

- **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

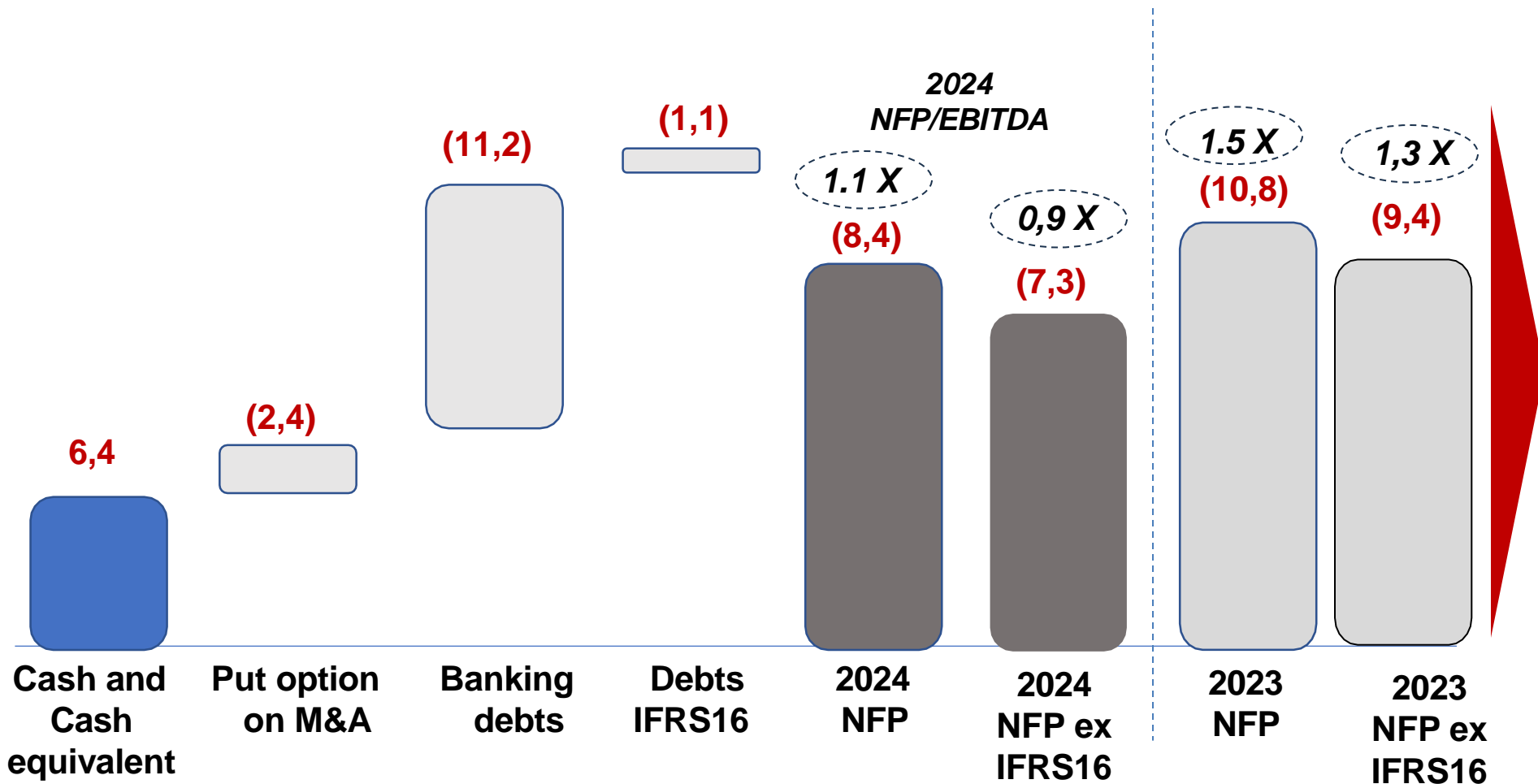
<b>CASH FLOW (€M)</b>		
<b>Detailed NCF (€M)</b>	<b>FY '24</b>	<b>FY '23</b>
Net Income	1,66	1,99
Other	4,68	3,02
Change in WC	-2,229	-2,97
<b>Operating Cash Flow</b>	<b>4,12</b>	<b>2,04</b>
Capital expenditures	-0,43	-7,69
Other (investments)/disinvestments	-0,02	0,21
<b>FCF</b>	<b>3,67</b>	<b>-5,44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

- **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 ...

**2024 Net Financial Position (NFP) structure**  
(Mio Euro)

**2023 NFP**  
(Mio Euro)



**2024 notes to Net Financial Position evolution**

- 0,9 MI Conversion E3 M&A
- 0,34 MI Yearly dividends
- 2,0 MI Commercial Credits longer payments terms

# 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**