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**FINANCIAL GALA – Integrae SIM**

Milan, May 18<sup>th</sup>, 2023

# AGENDA

- + *AT A GLANCE*
- + SERVICES AND BUSINESS MODEL
- + STRATEGIC GUIDELINES
- + FINANCIALS HIGHLIGHTS
- + APPENDIX

# AT A GLANCE

**Promotica** represents one of the primary players in the **Loyalty and Relationship Marketing** market in Italy, operating internationally with a **Data Driven** approach.

**Active for 20 years**, it creates loyalty, communication and promo-incentive activities aimed at the **B2C and B2B** channel.

An efficient and reliable **loyalty agency**, a one-stop partner for the conception and management of **taylor made projects in all its phases**: from conception to management, from the creation of Made in Italy products for campaigns to monitoring.

20

YEARS

4

ITALY  
LOCATIONS

96

PEOPLE



SHORT  
COLLECTION



SELF  
LIQUIDATING



CATALOG OF AWARDS



COMPETITION FOR  
PRIZES



INCENTIVE B2B



PRIVILEGE CLUB



KIDS PROMOTION



# THE HISTORY OF GROWTH

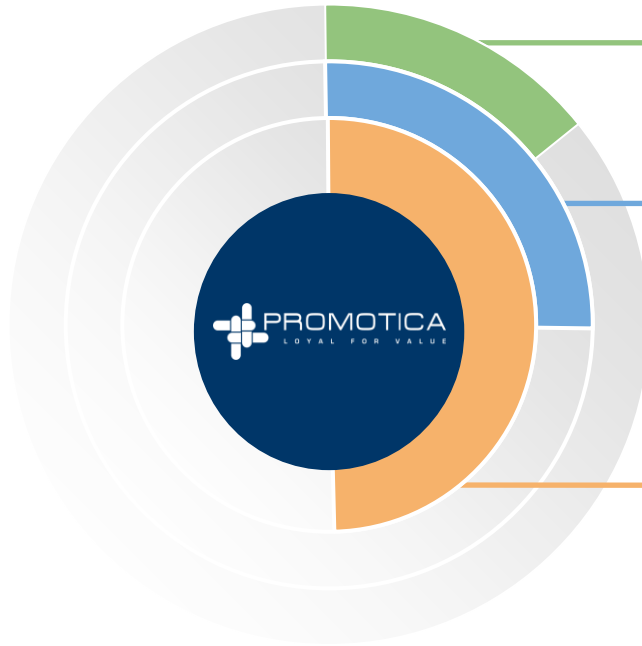


- 2003** ● BORN PROMOTICA
- 2008** ● **ACQUISITION**  
AGENZIA CREATIVA DEMO
- 2018** ● START INTERNATIONALIZATION  
PROCESS
- 2020** ● **ACQUISITION**  
  
PROJECT ELITE BORSA ITALIANA  
GROWTH'S LEADER Sole 24 ore
- LISTED ON THE EGM MARKET  
**EURONEXT GROWTH®**
- 2021** ● **ACQUISITION 80%**  
GRANI&PARTNERS
- 2022** ● **ACQUISITION**  
BUSINESS UNIT INCENTIVE AND LOYALTY  
**GIGLIO GROUP**
- **ACQUISITION**  
MERCATI SRL 
- 2023** ● **PROMOTICA INTERNATIONAL**

PROMOTICA  
GROUP



# THE GROUP



**Mercati Srl** an Italian company operating in the production and import of **household, personal and leisure items**. The proprietary brand, Wd Lifestyle, has been on the domestic and European market since 2015, mainly in the retail, gift and loyalty channels.



**Grani&Partners**, which has more than 40 years of history, is one of the leading global players in the promotional market for products dedicated to the **world of kids and adults**, with a focus on automotive.



**Kiki Lab - Ebeltoft Italy** is a company with consolidated experience in **research, education and services for the retail world**. Kiki Lab is the Italian member of **Ebeltoft Group**, a network that groups more than 20 Retail consulting companies and operates worldwide with different businesses.

# KPI 2022



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# ACTIVITIES AND SERVICES

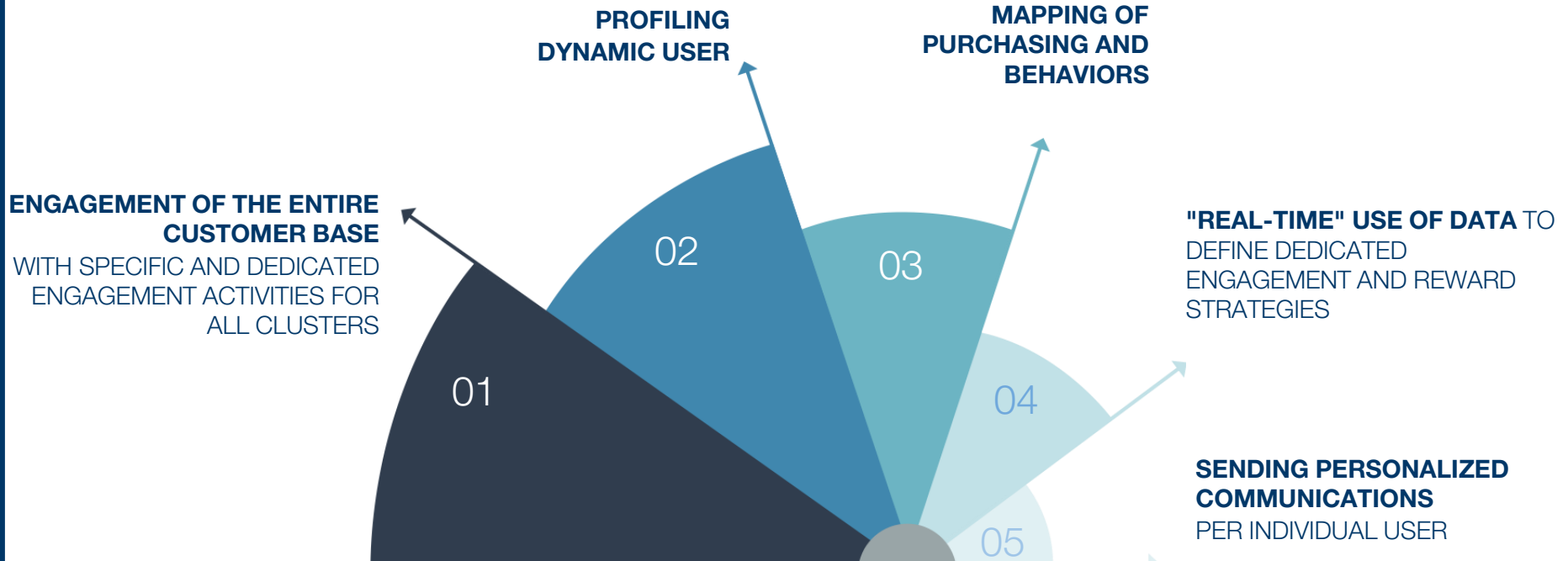




# THE DATA – DRIVEN APPROACH



**Every decision we make is data-driven.** Every customer activity within Loyalty will represent important information, which is analyzed and clustered by our platform to **optimize marketing investments**, working with cluster-specific goals and strategies, and **optimize results**, defining **customized Loyalty paths**.



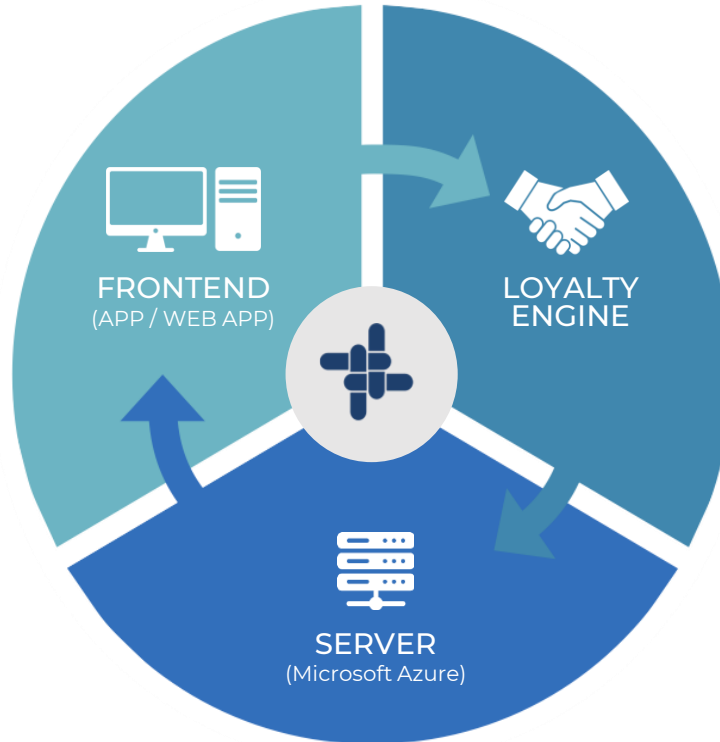
# IT PLATFORM



Our Engagement Platform was built to **manage promo-communication projects and enrollment, profiling, clustering and rewarding processes at the multichannel level.**

**A customized interface** is created for each project (Web App or App) based on the Client's Brand Identity or specific design needs.

The aim is to provide the user with a simplified, immediate and effective user experience by facilitating their interaction with the program.



The system dialogues with front-end via Rest API and **can be easily integrated with Client Companies' systems** (CRM, ERP, e-commerce) through the use of prebuilt and deployed connectors, or by quickly creating new connectors and services.

Using redundant **cloud infrastructure** with automated scalability.

# SUPPLIERS



EXCLUSIVE  
BRAND

**Ariete**  
IL GENIO DELLA CASA

KENWOOD

**SONY**  
make.believe

**tescoma.**

**ROR**  
CRISTALLERIA  
ITALIANA

**IMETEC**

**chicco**

RONCATO  
**V**

**SELETTI**

FORCELLANE  
**Tognana**

**FERRINO**

Guy Laroche

**PHILIPS**

**PANTONE**<sup>®</sup>

**SpongeBob**  
SQUAREPANTS



**GARMIN**<sup>™</sup>

Keith Haring

**EGAN**<sup>®</sup>  
ITALY

**GHEPARD**<sup>®</sup>

**giannini**  
HOME VALUES

*Easy Life.*  
DESIGNED IN ITALY

**Trudi**

**IW**  
Handmade in Italy

**PLAY**  
**FOOD**  
TASTE YOUR LIFE

*lifestyle*  
**WD**

**ALV**<sup>®</sup>  
ANDARE LONTANO VIAGGIANDO  
BY ALVIERO MARTINI

*Baci*  
Milano <sup>™</sup>

**ANTICA MURRINA**<sup>®</sup>  
VENEZIA

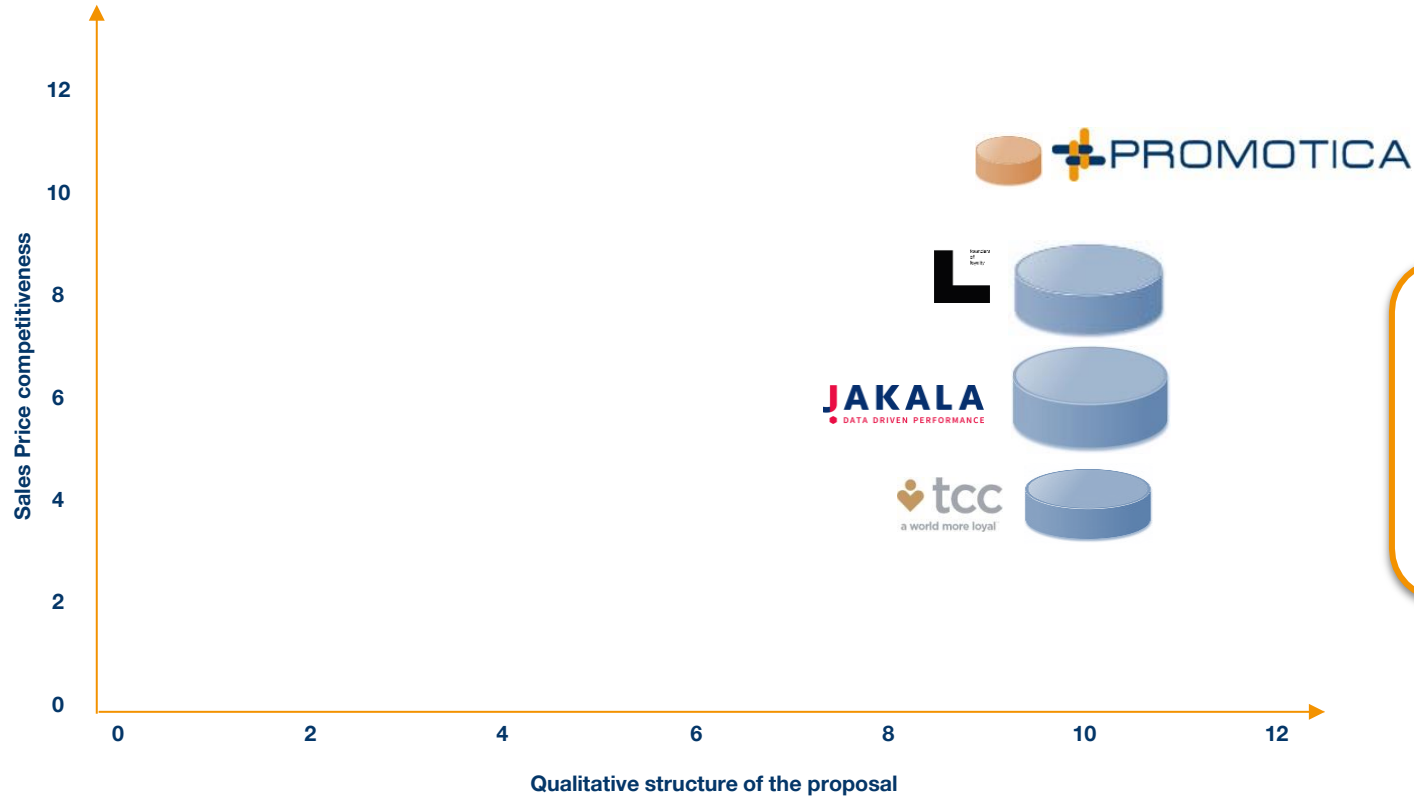
# CLIENTS



# AGENDA

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# REFERENCE MARKET: COMPETITIVE CONTEXT



Competitive positioning of Promotica assigning values to the variables Competitiveness of the sales price (y) turnkey campaign and the Qualitative structure of the Proposal (x) in terms of personalization, brand and breadth of the offer presented.

\* Source: Elaboration by Management

 Dimension proportional to VoP

# STRATEGIC GUIDELINES



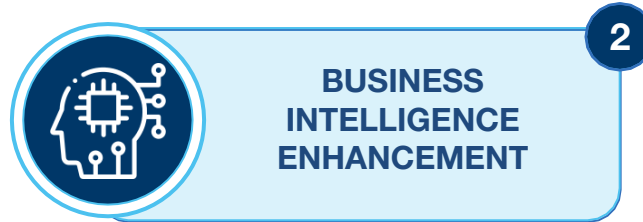
## Pursuing internationalization by:

- > Hiring **sales director for international markets;**
- > Coverage of **18 European countries** starting in June 2023;
- > Coverage of **12 APAC countries** starting in January 2024;
- > **M&A activities** : scouting for partnership with major actors in the loyalty market in North/Eastern Europe.

## > Markets already active

- SERBIA
- CROATIA
- BALTICS
- HUNGARY
- CYPRUS
- BULGARIA
- ROMANIA
- POLAND





**Strengthening of big data analytics processes**, in order to improve knowledge of consumer purchasing decisions by:

- > **Acquisition of specific software platforms;**
- > **Hiring of new employees in the BI area;**
- > **Partnership with leading market research players**
- > **M&A activities:** Horizontal integration with active targets in the Artificial Intelligence, big data, analysis processing skills and market research.

- > Activation of the **DECIDERE** platform (by Vedrai)
- > **New tool:** system based on machine learning (AI) that will be trained to recognize the affinity of thousands of rewards with the interests of individual consumers, ranking each reward based on an approval rating.



# STRATEGIC GUIDELINES



SUSTAINABILITY

3



- > First ESG Report approved in 2022 relating to the FY2021
- > Communicate to all Stakeholders in a transparent and consistent manner what are the **values, strategies and performance directly related to the related economic, social and environmental impacts**
- > Financial statements prepared in accordance with the **GRI Sustainability Reporting Standards** (GRI Standards)

## > Stamp collecting under the banner of sustainability

Unicoop Firenze campaign to sustain sportive association

## > Collection & Charity with Egan and Conad: over 2.5 mln Euro donated



RACCOGLI I BOLLINI  
DAL 1 GIUGNO  
AL 10 AGOSTO 2022

coop.fi  
fidarsi conviene.



DAL 31 OTTOBRE ALL' 11 DICEMBRE 2022

Ogni 15€ di spesa, con **1,90€** puoi acquistare un Goofy.  
0,50€ saranno devoluti in beneficenza a:



**CONAD**  
Persone oltre le cose

Scopri di più su conad.it

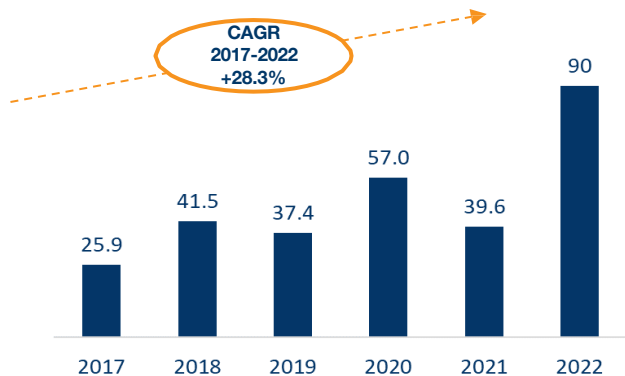
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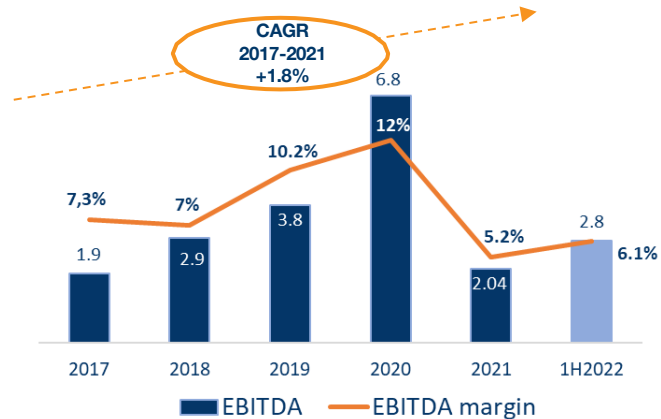
# FINANCIAL RESULTS



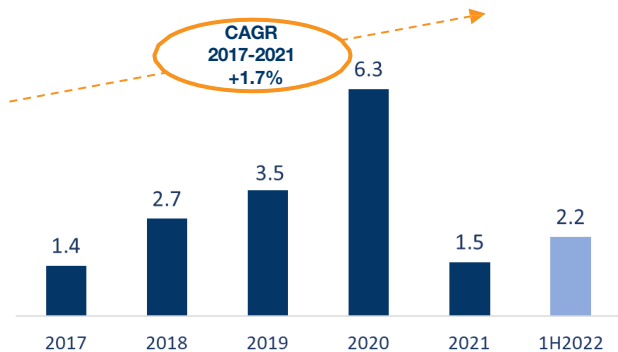
### Revenues (€/m)



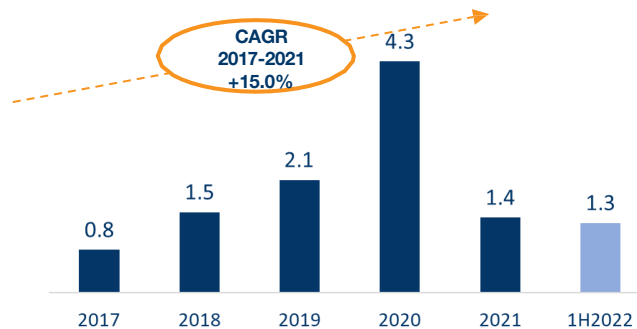
### EBITDA (€/m)



### EBIT (€/m)



### Net Profit (€/m)



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# KEY PEOPLE



**Diego Toscani**

*President of the Board of Directors and Chief Executive Officer*

He graduated in Economics and Commerce from the University of Brescia, and in 1996 he held the role of Junior Marketing Manager at Groupe Couzon in Thiers (France). In 1997 he became Commercial Manager of Pintinox S.p.A. for the management of the GDO and promotional channel. In 1998 he founded the "micro brewery" HOPSI. From 2000 to 2003 he was the Commercial Director of Recom S.p.A. in Trento. In 2003 he founded Promotica of which he is currently President and CEO. From 2008 to 2014 he was Chairman of ASVT S.p.A. (multi-utility sector). Since 2009 he is President of Propri Immobiliare (real estate). He is also founder and President of Buongusto Italiano and President of Easy Life Srl.

**Gabriele Maifredi**

*Vice President of the Board of Directors*

He graduated in Literature and Philosophy in 2004 from the Catholic University of Brescia. He began his career in 2002 as Inventory Manager at Nike Retail Italy in Brescia. From 2004 to 2009 he was Category Manager at the company Stilnovo, and From 2009 to 2012 he was General Manager of the same company strengthening his duties and responsibilities in the group loyalty area. In 2013 he was Director of the Market Proposition Area in Promotica, dealing with the design of Loyalty campaigns and the definition of supply and product development agreements. Today he is General Manager of Promotica. Since 2020 he is also Managing Director of Easy Life Srl.



**Michele Grazioli**

*Board Member*

Michele Grazioli is a young entrepreneur in AI applications and is considered among the top experts in AI applied to Proactive Decision making. In 2019 he entered the Forbes under 30 ranking in the top 5 of the 100 most influential Italian young innovators in Italy. He holds a degree in Economics and Management from Bocconi University. He is today Chairman and Chief Executive Officer of Vedrai Spa, an innovative startup that deals with the development of platforms for the improvement of the decision-making process, the Director of the Divisible Group and Manager of the Mival Capital Fund, which invests in high-potential SMEs with a hybrid approach involving both the provision of technology and risk capital.

**Alvise Gnutti**

*Board Member*

He graduated in Economics and Commerce in 1991 from the University of Brescia. In 1992 he has obtained the accountant qualification. Since 1996 he became Member of the Register of Auditors and since 2012 he is member of the Register of Auditors of local authorities. During the practice of the profession he held positions as Technical Consultant of Brescia Court Office in accounting and fiscal matters. He was Chairman of the Board of Directors of companies controlled by companies listed on the Italian Stock Exchange, and member of the Board of Statutory Auditors of Italian companies. He has gained extensive experience in the field of corporate restructuring, assisting the company, as a global advisor, in the process of rehabilitation and restructuring.



**Michele Andreaus**

*Independent Director*

He graduated in Economics and Business in 1990 from the University of Trento and obtained a PhD in Business Administration in 1994. Since 2006 he has been Full Professor of Business Administration at the Faculty of Economics of the University of Trento, where he was also Director of the Department of Computer Science and Business Studies until 2012. In parallel to his academic activities, he has been a member of the Board of Directors and of the Executive Committee of Banca di Trento e Bolzano, as well as a director and vice-president of Cassa del Trentino and Casa Girelli S.p.A.. He is currently a director of La Finanziaria Trentina S.p.A., Fratelli Poli S.p.A., and Banca Fide, as well as a member of the board of statutory auditors of the San Patrignano Foundation.



# GOVERNANCE



## BOARD OF DIRECTORS

Diego Toscani  
Chairman & CEO

Gabriele Maifredi  
Vice President

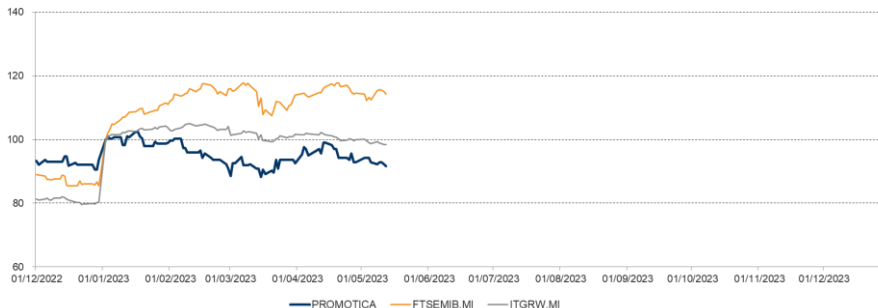
Alvise Gnutti  
Director

Michele Grazioli  
Director

Michele Andreaus  
Independent Director

## STOCK FIGURES

Outstanding shares	16,962,242	Free Float	13.59%
Date IPO	November 27, 2020	Market Cap (12/05/2023)	€ 46.2m
Issue Price (€)	€ 1.75	Share Price (12/05/2023)	€ 2.72
Market	Euronext Growth Milan		



## BOARD OF STATUTORY AUDITORS

Marco Giacomo Inverardi  
Chairman

Pier Federico Carrozzo  
Regular Statutory Auditor

Claudio Massaroli Perani  
Regular Statutory Auditor

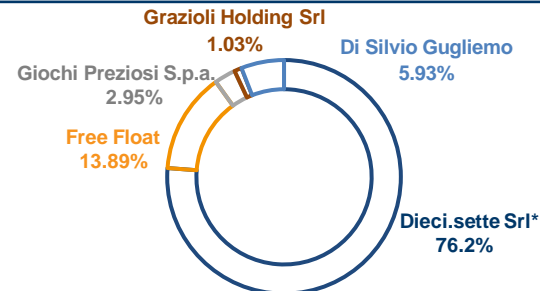
Silvano Mombelli  
Alternate Statutory Auditor

Angiolino Zanni  
Alternate Statutory Auditor

## AUDIT FIRM & EGA



## SHAREHOLDERS



\* Company entirely owned by Dr. Diego Toscani

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This Presentation is not an offer, or a solicitation of an offer, to buy, sell or exchange any securities in Italy, pursuant to Section 1, letter (t) and letter (v) of Legislative Decree no. 58 of February 24, 1998, or in any other Country or State and is not a prospectus or an offer document within the meaning of Italian laws and regulations.”



DESENZANO DEL GARDA

SAREZZO

BRESCIA

MILANO

HONG KONG

BELGRADO

[www.promotica.it](http://www.promotica.it)



# GRANI&PARTNERS – ENTERING THE KIDS’ WORLD



**Grani&Partners**, is one of the **main players at a global level** in the promotional market for products dedicated to the kids’ world

It acts as a strategic consultant in the **conception and realization of every kind of promotional operation** conceived to increase sales and loyalty, offering a turnkey project based for specific customers’ needs.



Grani&Partners develops 46% of its turnover abroad through **63 clients, in 19 countries** and about 800 new articles managed every year.

Purchase of **80%** of the equity investment held by Giochi Preziosi S.p.A. in Grani & Partners S.p.A. amounting to **400,000 shares** against payment of a consideration of **€2,000,000**.



# GRANI&PARTNERS – MAIN SUCCESSES



# ACQUISITION OF GIGLIO GROUP BUSINESS UNIT



A **Rewarding platform**, able to recognize complex behaviors, transforming them into credits to be spent, allowing to manage thousands of prizes at low costs and fast delivery times.

**Data management and customer enhancement** through the integration of Marketing Automation dynamics in Loyalty & Engagement projects with a proven method, ensuring the generation of constant and calculable new turnover.



**Strong know-how** recognized on the market, with skills in loyalty and engagement activities both on B2B and B2C channels and consultancy support in the correct legal and fiscal framework of promotional initiatives.

The consideration is **€ 1,200,000**, fully paid, from own resources subject to the agreed amount of **€ 150,000 as a guarantee** against any contingent liabilities.



# ACQUISITION OF MERCATI S.R.L.



- Company specialized in the **production and import of household, personal and leisure items**. It operates through the **brand WD Lifestyle**, on a national and european level. Mainly active in the **retail, gift and loyalty channel**, with a focus on the SMU (Special Make Up Market) for Industry and Food sector.



- Mercati counts over **900 clients** and closed 2021 results with **Revenues of € 7,9** millions and **EBITDA at € 1,2** million.



- **€ 7.000.000,00**, paid partly cash and partly in new shares



- The **synergies** deriving from the acquisitions are linked to the Company's proven expertise in the production and marketing of goods of various types. In particular, Mercati has the following **strenghts factors**:
  - **Consolidated relationships** with actors operating in the specialized retail sector, with over 800 independent retailers as well as chains such as Coin, Rinascente, Stilnovo, etc..
  - **Specialisation in the SMU** (Special Make Up) market for Industry and Food sector
  - **Focus on Service import**: Mercati has consolidated relationships with leader international suppliers
  - **Database about Far East companies**: Promotica's future strategy includes the espansion in tha Far East market, a high potential market for loyalty

# POSITIVE 2022 OUTLOOK



- > **Double digit growth** in group consolidated revenues in the **first six months of 2022**, including Grani & Partners S.p.A.
- > Collaboration with **Selex Commercial Group** to design and manage the 2022 national prize catalog worth more than **€7.5 million**
- > New loyalty campaign for **Coop Italy** worth between **€18 and 21 million**
- > Evaluation of **possible further acquisitions** to increase the **services offered and markets served**, to strengthen its position in the Italian market and to **develop foreign markets**
- > Expected **Group synergies to positively impact on** 2022 accounts
- > **First zero-impact company** in its industry, as through measuring its environmental impact it will proceed to offset its carbon footprint

# INCOME STATEMENT



€/000	1H2022	1H2021
<b>Sales Revenues</b>	<b>45,169</b>	<b>23,364</b>
Cost of goods sold	(33,392)	(16,102)
<b>Industrial Margin</b>	<b>11,777</b>	<b>7,262</b>
Costs of services	(5,567)	(2,590)
Other operating costs	(966)	(366)
<b>Total Operating Costs</b>	<b>(6,533)</b>	<b>(2,956)</b>
Labour costs	(2,475)	(1,145)
<b>EBITDA</b>	<b>2,769</b>	<b>3,162</b>
Depreciation and amortisation	575	1,132
<b>EBIT</b>	<b>2,194</b>	<b>2,029</b>
Financial proceeds and charges	(263)	(89)
Value adjustments of financial assets and liabilities	(20)	(10)
<b>EBT</b>	<b>1,911</b>	<b>1,930</b>
Income taxes	(636)	(553)
<b>Net Profit</b>	<b>1,275</b>	<b>1,377</b>

**Sales revenues** at € 45.2 million compared to € 23.4 million achieved in the first semester 2021 **(+93.3%)** included € 11.3 million from the business developed by the Grani Group.

**The industrial margin** is approximately € 11.8 million, with a 26.1% share of revenue, compared to € 7.3 million as at 30 June 2021..

**EBITDA Margin** is 6.1% and is affected by the generalized increase in all major cost items, which could only marginally be passed to the end customer due to the marginal rate of price increases during the period.

**Net Profit** at € 1.3 million in line with 30 June 2021.

# BALANCE SHEET



€/000	30-jun-2022	31-dec-2021
Fixed Assets	11.625	8.825
Net Working Capital	28.031	17.251
Net Financial Position	24.464	12.405
Shareholders' equity	13.809	12.443

- > At 1H2022, **Net Working Capital** was related to inventories for € 17.9 million, trade receivables at € 30.2 million, partly offset by trade payables to suppliers of € 17.6 million.
- > The **NFP** is negative (debt) for € 24.5 million. The increase in net financial debt is partly related to the financing of working capital and partly to the increased resources available for the 'cash' payment of €4.5 million for the acquisition of Mercati S.r.l. concluded in August 2022.

€/m

