



**Results Presentation 1H 2023 –
Integrae SIM**

October 4th, 2023

AGENDA

- + *AT A GLANCE*
- + SERVICES AND BUSINESS MODEL
- + GROWTH PILLARS
- + 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

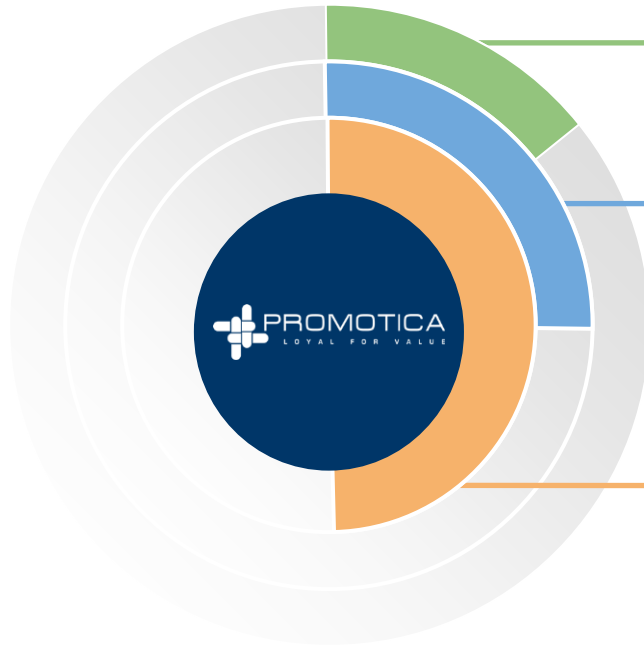


- 2003** ● BORN PROMOTICA
- 2008** ● **ACQUISITION**
AGENZIA CREATIVA DEMO
- 2018** ● START INTERNATIONALIZATION
PROCESS
- 2020** ● **ACQUISITION**
 KIKI LAB
350° Retail
- PROJECT ELITE BORSA ITALIANA
GROWTH'S LEADER Sole 24 ore
- LISTED ON THE EGM MARKET
EURONEXT GROWTH®
- 2021** ● **ACQUISITION 80%**
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.

PROMOTICA GROUP KPI 2022



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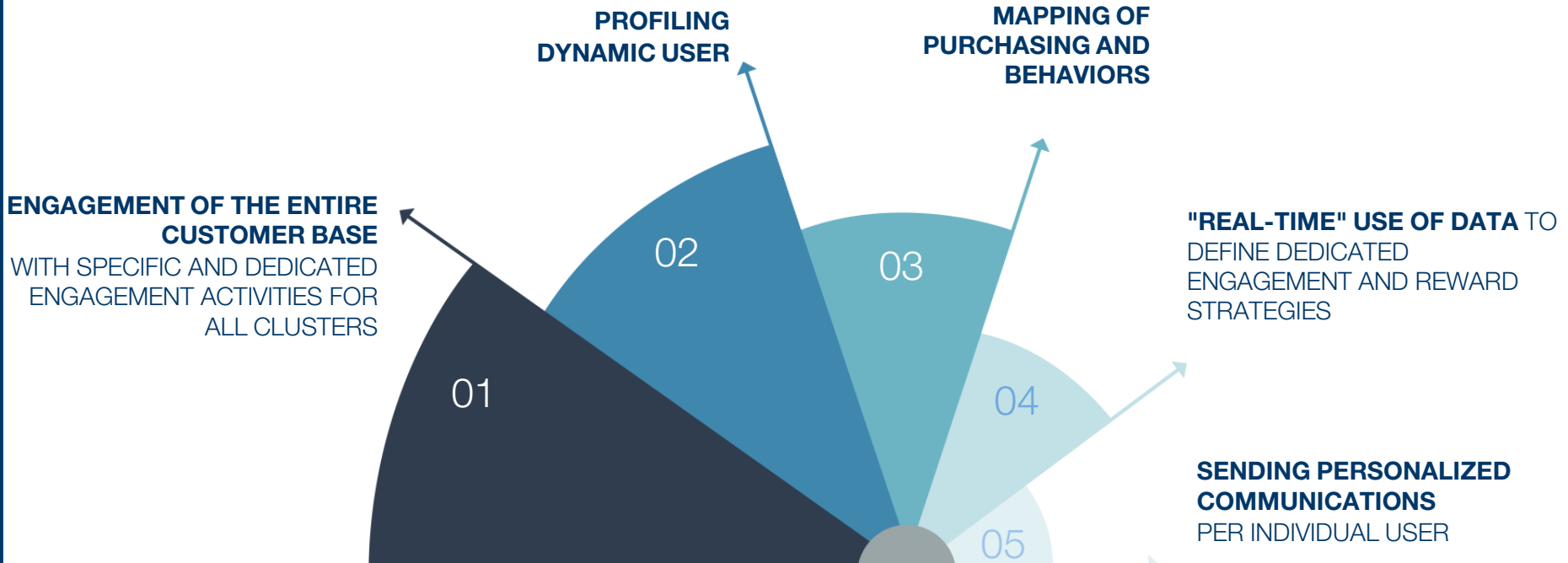
ACTIVITIES AND SERVICES



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**.



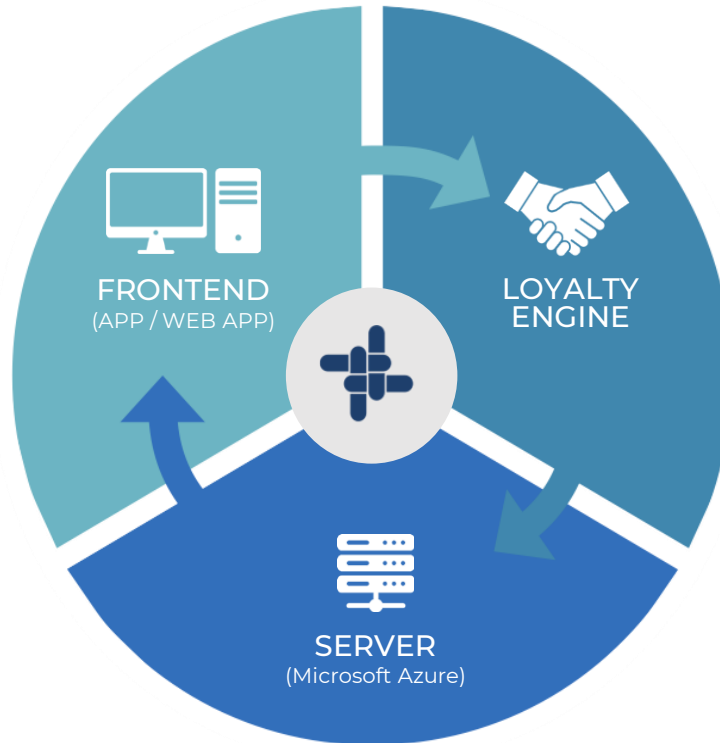
IT PLATFORM



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.

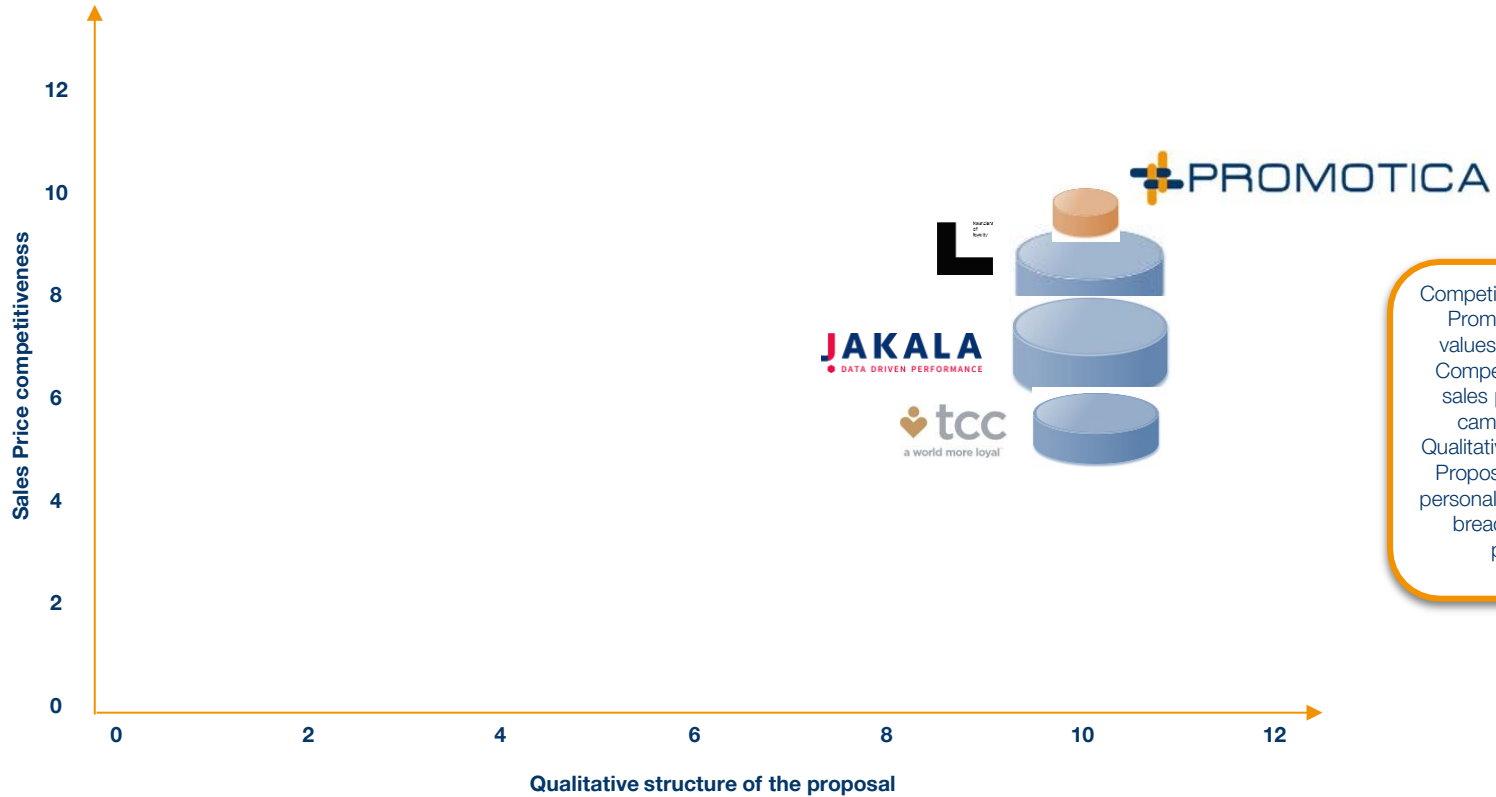
MAJOR CLIENTS



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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

THE THREE STRATEGIC PILLARS



**PROMOTICA
INTERNATIONAL**



**BUSINESS
INTELLIGENCE
ENHANCEMENT**



SUSTAINABILITY

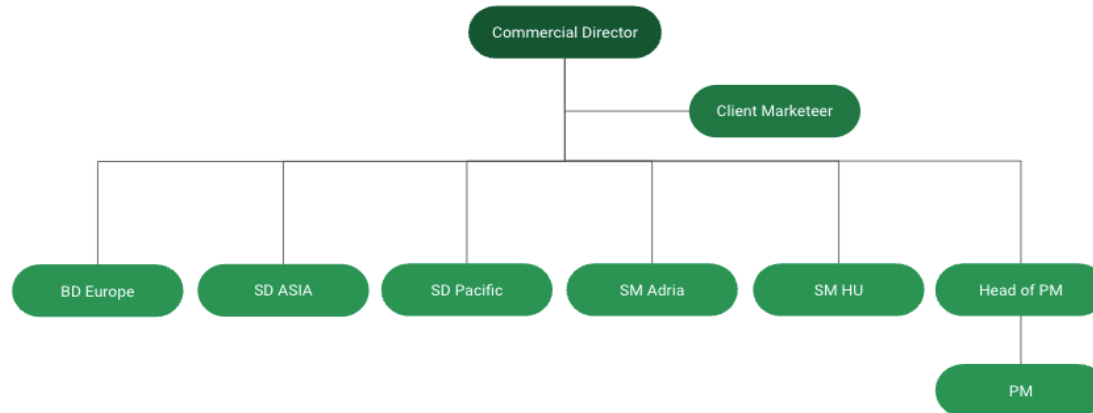


> Set up of a **new International division with experienced managers**

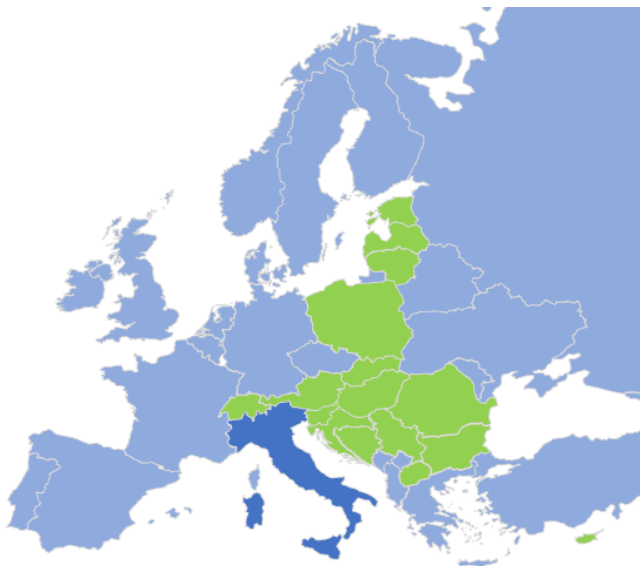


Bas van Andel

- Based in The Netherlands, Utrecht
- In Promotica since July 2023
- 48 years old and just got married
- Loyalty: Brand Loyalty (2016 -2022)
- FMCG: Cloetta / Sperlari (2007-2014)



Focus on EUROPE...



➤ **Focused and direct approach** into 15 countries

Markets already active:

- Serbia
- Croatia
- Baltics,
- Hungary
- Cyprus
- Bulgaria,
- Romania
- Poland

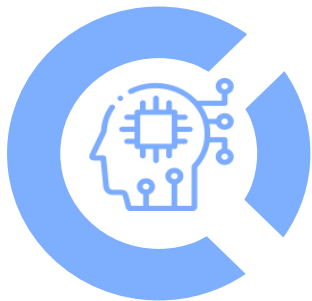


... and global expansion focused on APAC



Invest in selective entry in APAC: starting from January 2024:

- Hong Kong
- Singapore
- Taiwan
- Australia
- New Zealand



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.



- **Second ESG Report approved in 2023 relating to the FY2022**
- 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)
- Establishment of the **Sustainability Committee** in 2023

➤ **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**



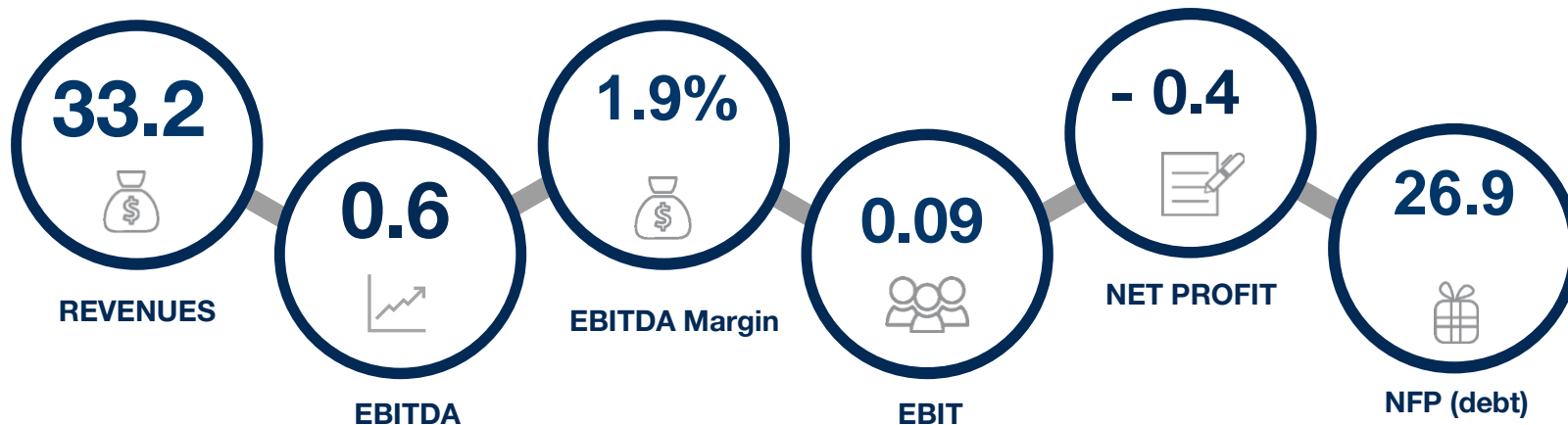
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FINANCIAL HIGHLIGHTS 1H2023



€/m

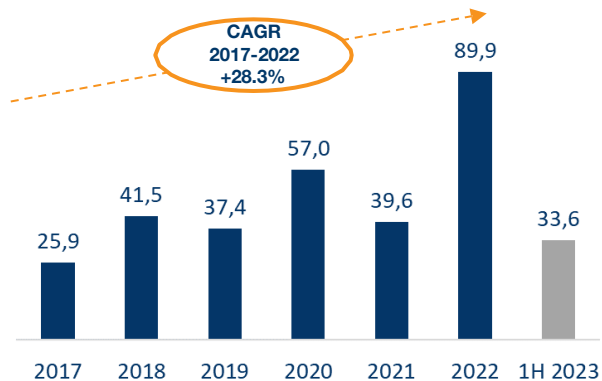


€ 50 mln new loyalty campaigns in the order book ready to start in October

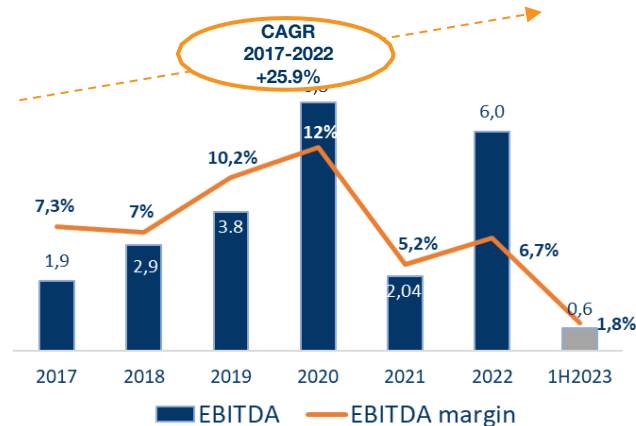
FINANCIAL RESULTS 1H2023



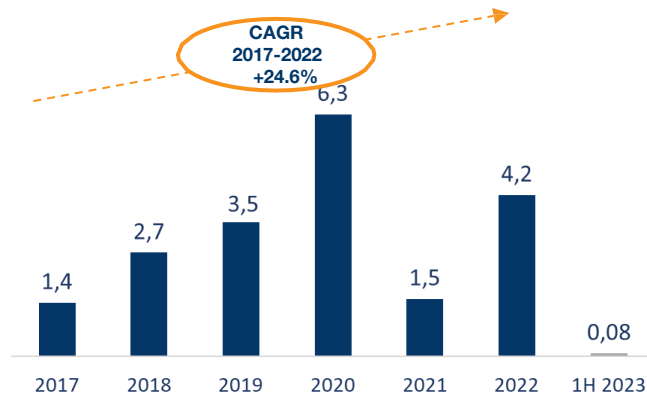
Revenues (€/m)



EBITDA (€/m)



EBIT (€/m)



INCOME STATEMENT



€/000	1H 2023	1H 2022
Sales Revenues	33.221	45.169
Cost of goods sold	(23.274)	(33.392)
Industrial Margin	9.947	11.777
Costs of services	(5.908)	(5.567)
Other operating costs	(455)	(966)
Total Operating Costs	(6.363)	(6.533)
Labour costs	(2.948)	(2.475)
EBITDA	636	2.769
Depreciation and amortisation	547	575
EBIT	89	2.193
Financial proceeds and charges	(722)	(263)
Value adjustments of financial assets and liabilities	0	(20)
EBT	(633)	1.911
Income taxes	194	(636)
Net Profit	(439)	1.275
Gruop's Net Profit	(428)	1.330

The results were affected by the **considerable investments made for the development of the campaigns** planned for the second half of the year. In fact, in the first half of the year, in addition to the **seasonality typical of the sector**, the need to **acquire the merchandise for the aforesaid campaigns** had an impact, thus anticipating costs, against revenues expected for the second half. The Group has in its portfolio approximately **50 million Euro worth of campaigns that are expected to be launched from October onwards**.

Sales revenues at € 33.2 million compared to € 45.2 million achieved in the first 2022.

Ebitda is € 0.6 million compared to € 2.8 million in 1H2022, with an **Ebitda margin of 1.9%**.

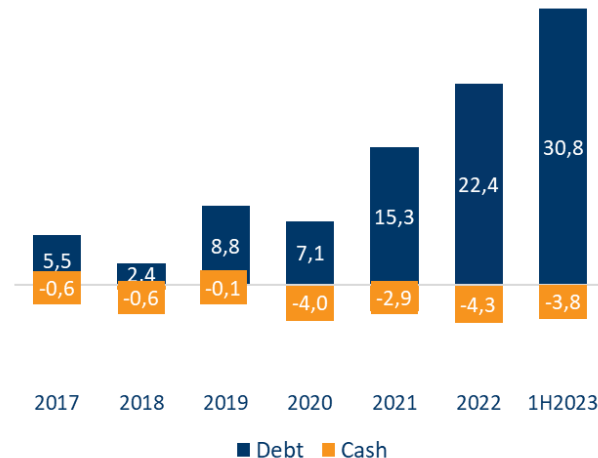
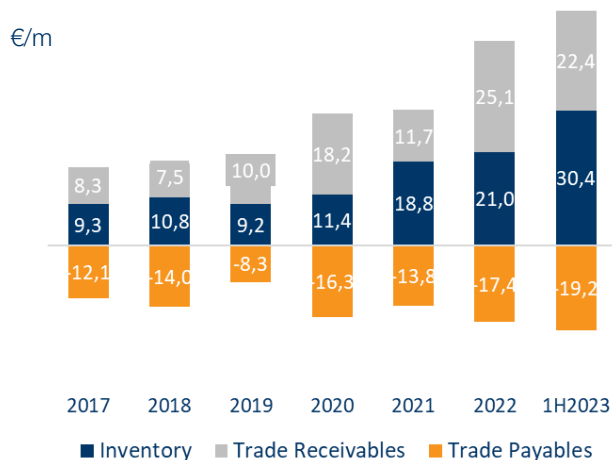
The Group Net Result amounted to € - 0.4 million, after financial expenses of € 0.7 million (due to higher interest rates).

BALANCE SHEET



€/000	30-giu-23	31-dec-2022
Fixed Assets	11,330	11,063
Net Working Capital	33,65	26,792
Net Financial Position	26,909	18,079
Shareholders' equity	17,819	18,277

- > **Net fixed assets** amounted to € 11.3 million, an increase of 2.4%. In particular, the change in intangible assets was due to the recognition of intangible assets in progress consisting of the **implementation of Promotica International** and amortisation processes.
- > **NFP** as of 30 June 2023 was negative (debt) and amounted to € 26.9 million, up from € 18.1 million recorded as of 31 December 2022. This increase is related to the **costs incurred for the purchase of goods for the relevant campaign start-up**, which will take place in the first weeks of October 2023.



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KEY PEOPLE



Diego Toscani
President and CEO

He graduated in Economics and Commerce from the University of Brescia, and after experience in marketing and sales in the GDO and promotional channel, 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

He graduated in Literature and Philosophy. He began his career as Inventory Manager at Nike Retail Italy in Brescia. He was Category Manager at the company Stilnovo, and then he was General Manager of the same company. 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.



Guglielmo Di Silvio
Board Member

He graduated in Statistics and Economics from the University of Padova. He began his career in 1994 in Fashion's Group as Commercial Employee and in 1997 he became Purchasing Manager of Recom SpA, specialized in loyalty programmes for GDO and Industry. In 2003 he was founding partners and director of Promotica, and from 2005 he is director of Mercati Srl, company specialising in the manufacture and import of home and leisure articles, owner of the brand WD Lifestyle.



Michele Grazioli
Board Member

He is a young entrepreneur in AI applications. He entered the Forbes under 30 ranking in the top 5 of the 100 most influential Italian young innovators in Italy. He is today Chairman and CEO 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.



Alvisè Gnutti
Board Member

He graduated in Economics and Commerce and 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. 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.



Michele Andreaus
Independent Director

He graduated in Economics and Business and obtained a PhD in Business Administration. Since 2006 he has been Full Professor of Business Administration 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 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

Guglielmo Di Silvio
Director

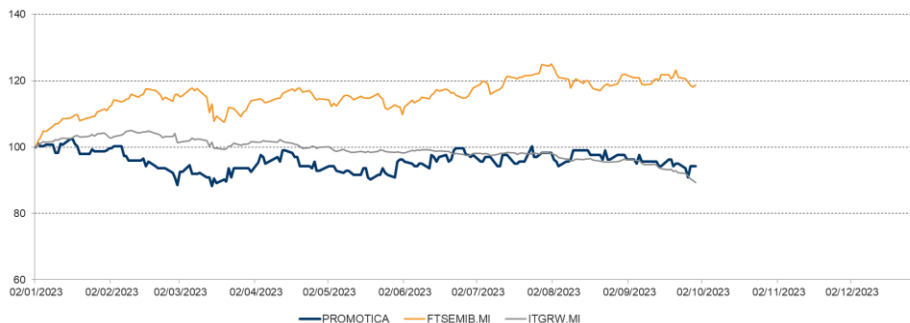
Alvise Gnutti
Director

Michele Grazioli
Director

Michele Andreaus
Independent Director

STOCK FIGURES

Outstanding shares	16,962,242	Free Float	15.66%
Date IPO	November 27, 2020	Market Cap (29/09/2023)	€ 45.8m
Issue Price (€)	€ 1.75	Share Price (29/09/2023)	€ 2.70
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

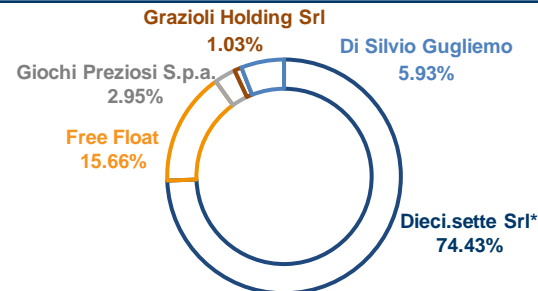
Angiolino Zanni
Alternate Statutory Auditor

AUDIT FIRM & EGA



I SIM
INTEGRÆ

SHAREHOLDERS



* Company entirely owned by Dr. Diego Toscani

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

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DESENZANO DEL GARDA

SAREZZO

BRESCIA

MILANO

HONG KONG

BELGRADO

www.promotica.it