DADA

DADA

COMPANY PRESENTATION

Geneva Midcap Event 2016


The gateway to your digital presence

Agenda

- DADA at a Glance
- 9M 2016 Achievements
- Business Overview
- Market & Positioning
- 9M 2016 Financials & KPIs
- Strategic Guidelines
- Investment Highlights

Leading European Player in Digital & Online Services for SMBs

WHO WE ARE

- **Leading European Player** in **Digital Services** for the **Online Presence** & **E-Business**
- **Domains & Hosting** services targeted at **SMBs** & **SoHo**
- Broad **Suite of Solutions** from "**Do It Yourself** "to "**We Do It For You**"
- Fully Integrated **Technology Infrastructure**, Proprietary **Datacenter**, World Class **Data Driven Platform**
- Listed on the **STAR Segment** of the Milan Stock Exchange (EV € 65.0** mln)

BY THE NUMBERS

15 years
Successful **Track Record** in the Industry

600* k
paying **Clients (+11% yoy)**

1.9 mln
Domains* under management

Presence in **7**
European countries

€62.2 mln
Revenues FY2015 **(+4.5% yoy)**, o/w **56% International**

€10.5 mln
Ebitda FY2015 **(+14% yoy) - 18% Ebitda Margin**

455
Highly Qualified **Employees***

* Data as of 30 September 2016
** Data as of 11 Nov 2016, NFP as of 30 September 2016

DADA Key Assets

BUSINESS & METRICS

- 600 K CUSTOMERS
- 1.9 MLN DOMAINS
- 1.8 MLN EMAILS
- 650 K HOSTING

BRANDS & RANKING

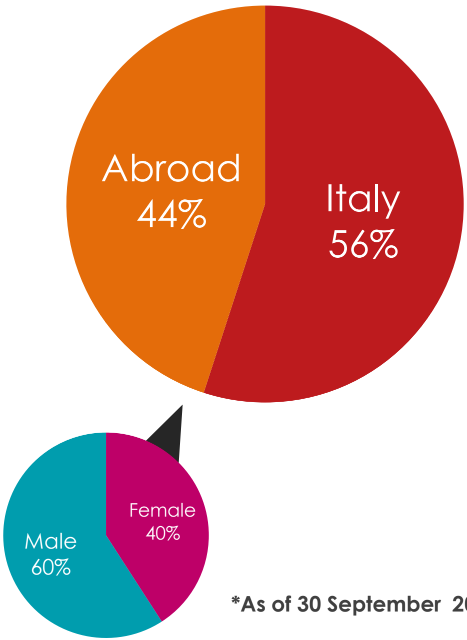
#2 ITALY	#4 UK	#2 IRELAND	#1 PORTUGAL	TOP 5 FRANCE	TOP 9 SPAIN
( )register.it ( )etinet ( )sfera	( )names.co.uk ( ) simply HOSTING & SERVERS	( )register365	( )amen.pt	( )amen.fr	( )nominalia

PLATFORM & SUPPORT

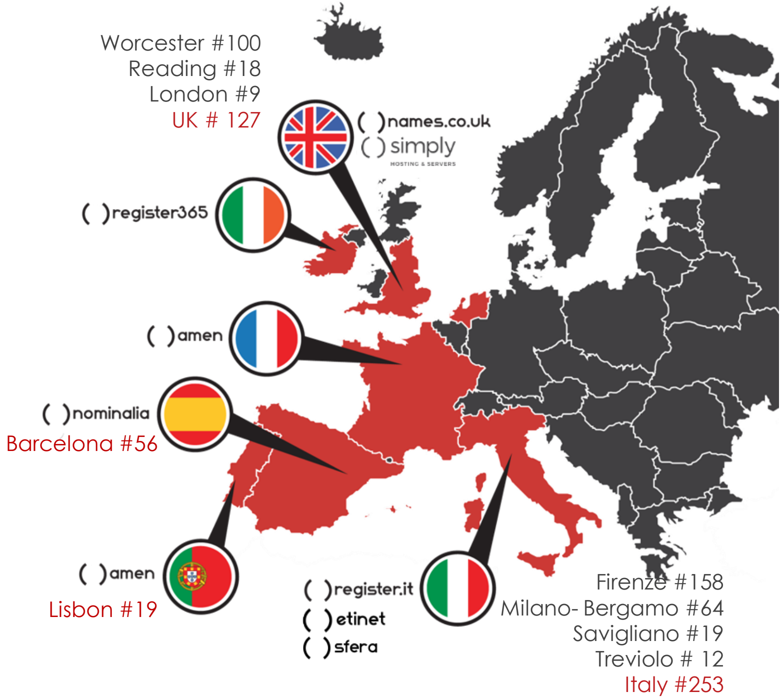
- OUTSTANDING LOCAL & INTERNAL CUSTOMER CARE (120 EMPLOYEES)
- PREMIER DATA DRIVEN PLATFORM & MNGT. SYSTEMS
- DATACENTER 5.000 sq.m 99.9% UPTIME SLA
- 7 PETABYTES INFRASTRUCTURE DATA STORAGE

Human Capital

455 Highly Skilled Employees*



*As of 30 September 2016



DADA's Milestones

From Local Player to European Leading Position

2005 - 2010

From a pure Italian player to a Leading Multinational

- register.it
- names.co.uk
- register365
- poundhost
- nominalia
- amen

D&H REVENUES: 5%

2011 - 2013

Focus on Core Business and DC start-up

2011 Sale 100% of Dada.net

2013 Start New UK Data Center

D&H REVENUES: 75%

2014 - 2015

Optimization and Refocusing Completed

2015 Sale 100% of:

- moqu-adv
- simply

July 2015 Acquisition of etinet

D&H REVENUES: 97%

2016…

Leading European Player in Online Presence for SMBs

- Strongly Positioned in 
- **Broad Suite of Solutions &** High – Perfomance **UK Datacenter**
- July 2016 **Acquisition** of SFERA

D&H REVENUES: 100%

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9M 2016 - Consistent Execution of Strategic Guidelines

Continued Strong **Growth** yoy…

+11% Customer Base
+45% New **Customers**
+30% New **Domains** reg.

Increased **Virtual & Private Servers** Clients

Improved **Market Share** in major geographies

REVENUE increased +6% yoy like for like, +2% rep. to **€47.7** mln

EBITDA €8.2 mln (vs €8.5 9M15), **Ebitda margin 17%**

EBIT improved by **+6%** yoy to **€3.2** mln

NFP € 29.4 mln, following acquisition of Sfera for €3.2 mln

9M 2016 - Consistent Execution of Strategic Guidelines

Improved **Off Line Sales**, **Customer Support** & **Tailor Made Services**

Focus on **Virtual**, **Private** & **Dedicated Servers** and **IT Managed** Solutions

Continued **Initial Offering** Promotions to **Develop Customer Base**

Increased **COA** efficiency

Acquired 100% of **SFERA NETWORK** (July 14th) specialized in **managed** & **customized IT services**

Sfera positively contributed to 3Q'16

ETINET - acquired in 2H15 **fully integrated** and **performing** well

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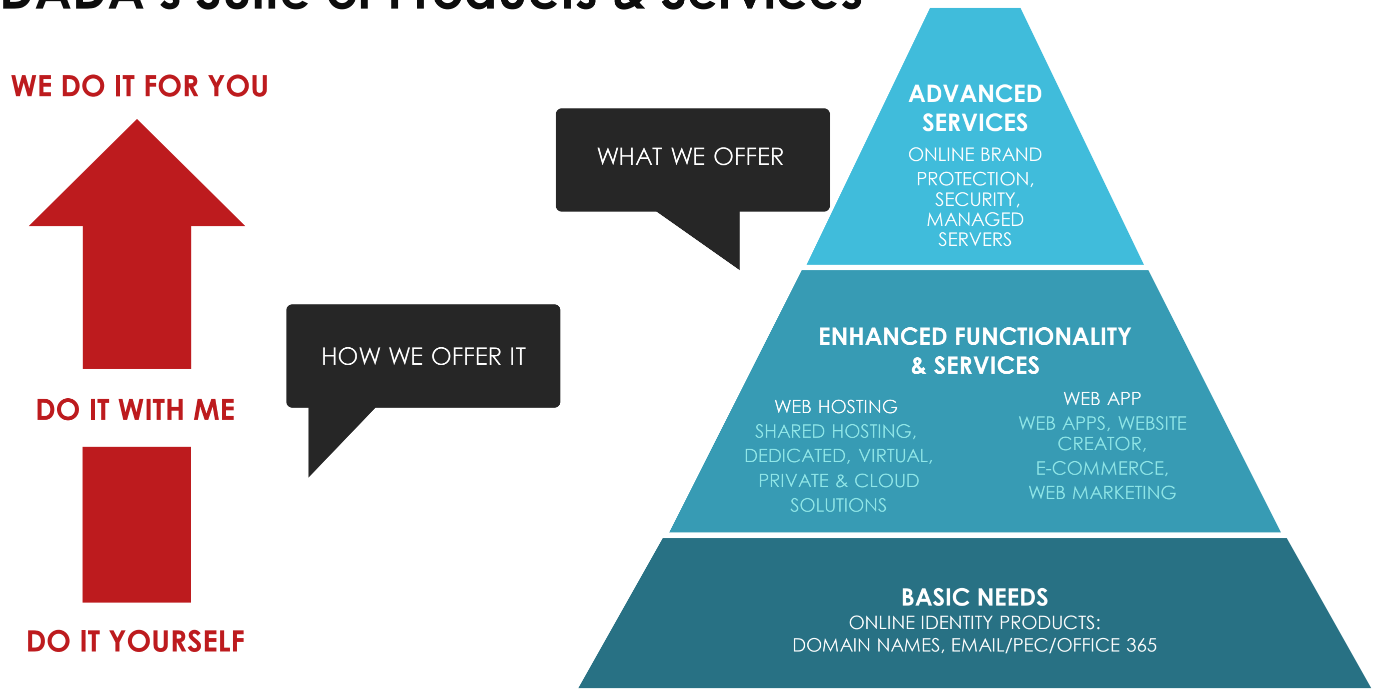
We Help SMBs Go Digital

- Wide and complete suite of Products
- High level of Security and Reliability
- Constant Support and Consultancy
- Tailor made Solutions

DADA’s Suite of Products & Services



Broad Suite of Solutions to Meet Different Customer Needs…

- Dedicated
- VPS
- Backup
- Cloud
- Reseller packages
- Biz Apps
- Custom DC solutions

- Domain
- Hosting
- Site Builders
- Advertising packages
- Email solutions
- Biz Apps

- Customer build and manage its online presence with the help of a coach via Phone, Chat, …

- Base packages
- Build for me
- Local & Social
- Paid enhanced support
- Web agency services
- OBP

..Supported by World-Class Customer Care

SUPPORT, CONSULT AND DELIGHT OUR CUSTOMERS

CUSTOMER FACING RESOURCES
30% of Human Capital

PROPRIETARY LOCAL PRESENCE
5 Local Desks

MULTICHANNEL
Phone, Email, Chat, Webinar..

WORD-CLASS PERFORMANCES
Top NPS based goals

AND PROMPT
85% in 30sec.
90% tickets in 4h

Pre Sales Assistance &
Post Sales Technical Support Team
For High Value Service and Top Level Support

..and by a Powerful IT Infrastructure

Reading (UK)

PROPRIETARY POWERFUL & RELIABLE DATACENTER

- 5,000 sq. m Green Park Allocation
- Tier 4 like
- 4 Petabytes Data Storage
- 80+Gbps Transit Bandwidth
- 10,000+ Servers
- 24/7 customer support

Reading (DADA)+Milan (BT)

COMPLETE INFRASTRUCTURE

- Tier 4
- 7 Petabytes Data Storage
- 120 + Gbps Transit Bandwidth
- 11,000+ servers
- 24/7 customer support

All our Services are built on a fully integrated and redundant IT Infrastructure, based on best in class technologies

Data Driven Platform & Management Systems

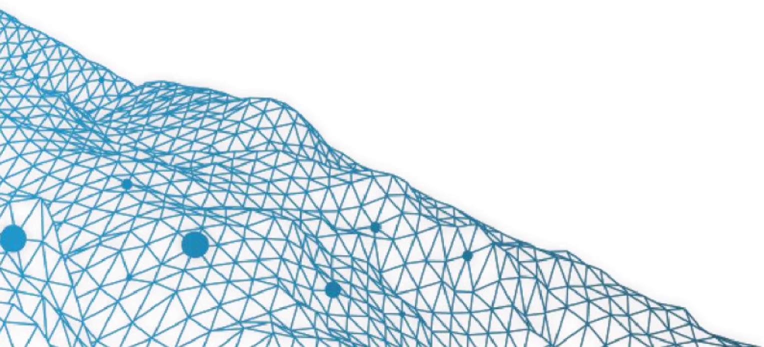
Cutting edge Data Management Systems

- Real time data to Support Sales and Marketing Teams
- In depth Analysis of Customer Segments and Cohorts
- Data driven Product Development

Fuelled by

- Big Data internally developed Platforms
- A.I. proprietary Algorithms
- Dedicated "Quants" Teams

In depth Data Driven understanding of Customer Base and monitoring of Business Financials



Investing in Diverse and Efficient Customer Acquisition Channels

BRAND AWARENESS

- Investment in brand and offer of free products to create customer prospect

CO-BRANDING

- Boost brand awareness

ONLINE MARKETING

- Pay per Click campaigns
- Banner Ads & affiliates

CUSTOMER POOL

- Acquiring basic client

IN & OUTBOUND TELESALES

- Wholly-owned and local functions, not out-sourced
- Driven cross-sell and up-sell

PRE & POST-SALES

- Commercial offers
- Renewals: alert deadline
- Orders intake

LOCAL OFFLINE

- Offline sales desks
- Web agency
- Targeting premium customer, higher ARPU

TRADITIONAL AGENCY

- Web factory with strong offline expertise

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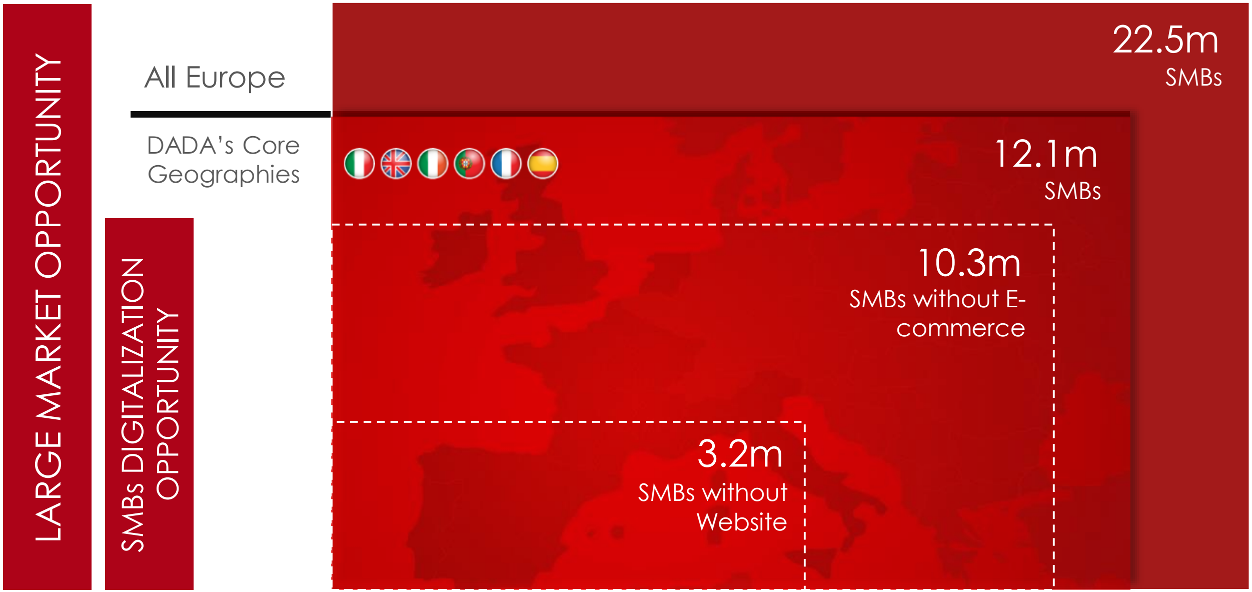
A Large & Underserved Market

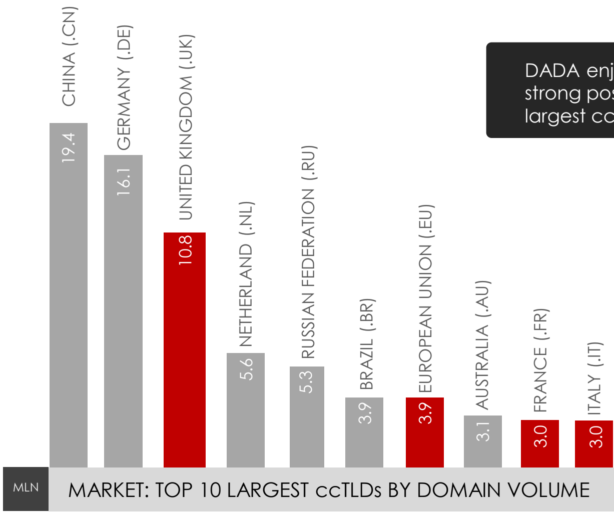
Sources: European Commission - SME Performance Review – SME Company Analysis



With more than 600.000 SMB European customers, the current DADA's Market Penetration in its core geographies is ***5%***

Market & Positioning

Top European Player with Leading Positioning in Largest ccTLDs



DADA enjoys a strong position in largest ccTLDs

Figure at 2Q 2016 - Source www.centr.org, Domain Wire Global TLD Stat Q2 2016

DADA'S POSITIONING IN ITS CORE GEOGRAPHIES

*Mk share calculated on .EU TLDs registered in DADA core geographies

Well Positioned to Beat the Market 1/2

MARKET FEATURES AND TRENDS

- **ccTLD** Domains Markets stabilizing – Arising opportunities from **New gTLDs**
- Expected **Growth** of the **Web Presence** and **Hosting / Servers** market segment
- Increasing **Competition** to acquire new customers and **Rising COA**
- Market **Consolidation** Trend (M&A)

DADA STRATEGIC POSITIONING

- Leading Positioning in **ccTLD,** First Adopter **New gTLDs**
- **European leader** in **digitization**, **online presence, Hosting** and **business services tailored** to SMBs
- **New** customer **Acquisition Channels**
- Low Customer Churn (monthly) – **<1.2%** & Enhanced **upselling** strategies to **Base**

Well Positioned to Beat the Market 2/2

MARKET KEY DRIVERS / BARRIERS

- **Quality** & **Reliability** of Services
- Complete **Range** of **Products**
- **Brand** Recognition
- **Scale** dimensions
- **Full Support** and Premium **Consulting** (from DIY to DIFY)

DADA ASSETS / STRENGHTS

- Broad **Suite of Solutions**, **Agile Dev.** Teams
- Integrated Tech. **Platforms** & **Powerful DC**
- Premier **Brands Awareness**
- Strongly **increasing Customer Base – high retention rate**
- Enhanced **Tailored Products (DIFY) &** Word Class Proprietary **Customer Care**

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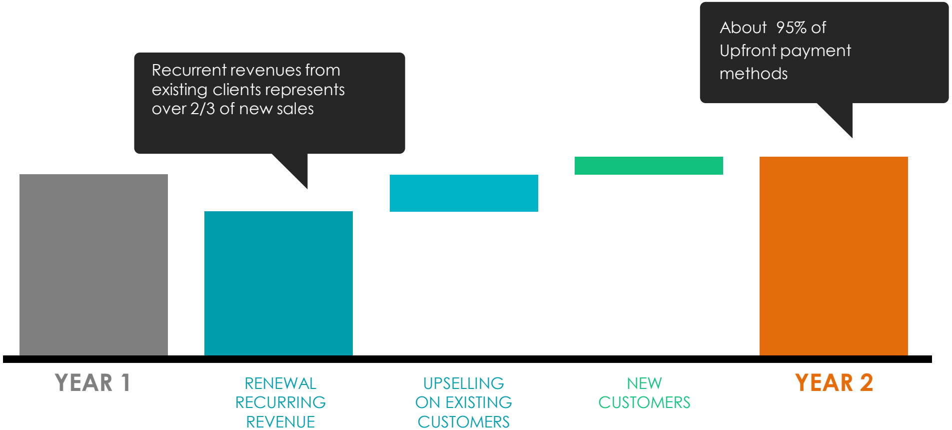
An Appealing Revenue Model..

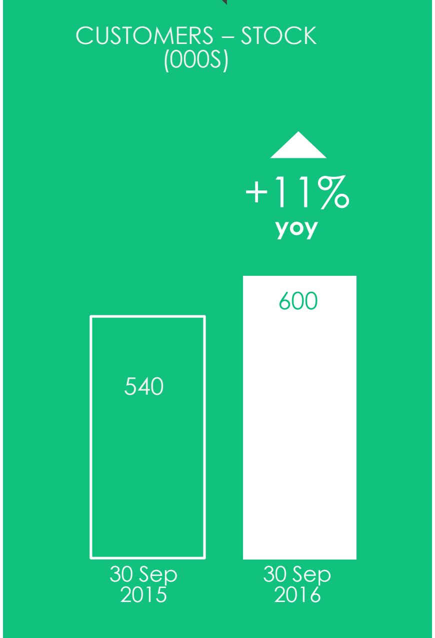


KEY FEATURES AND INTRINSIC STRENGTHS

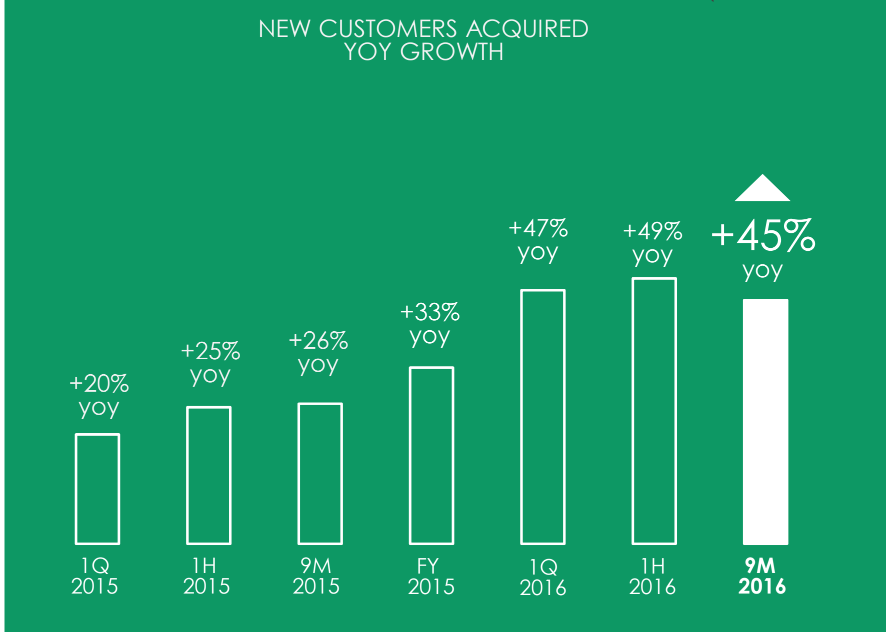
- ✓ High **Revenues Visibility** & **Predictability** - Customer retention **> 85%**
- ✓ **ARPU** increasing overtime – Upgrade to **Premium** Services and **Upsell**
- ✓ Low **credit risk** & **NWC** invest. - **95%** Revenues from **Upfront Payment**

9M '16 Customer Base Growth – Investing for the future

Monthly Churn <1.2%

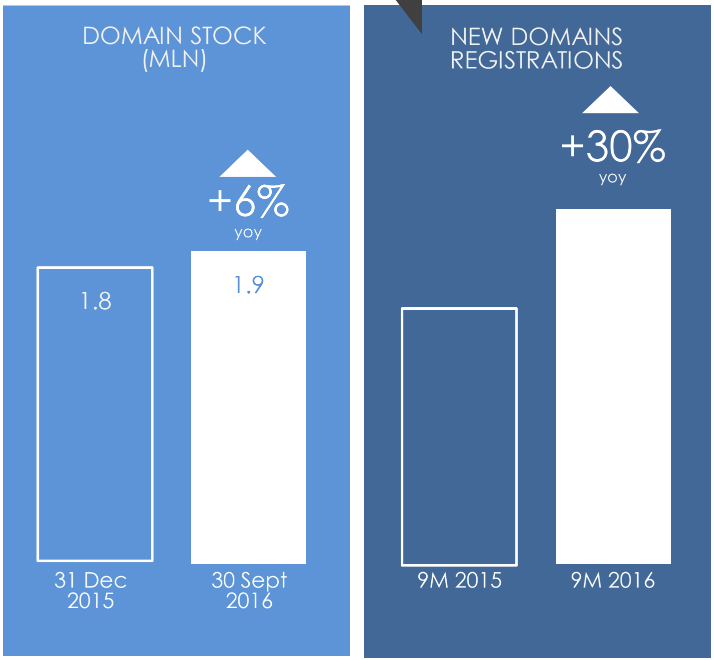


Strong **New Customers increase**: effective marketing strategies from 1H2015, improved **COA** efficiency



9M '16 Business Metrics - Growing Faster than the Market

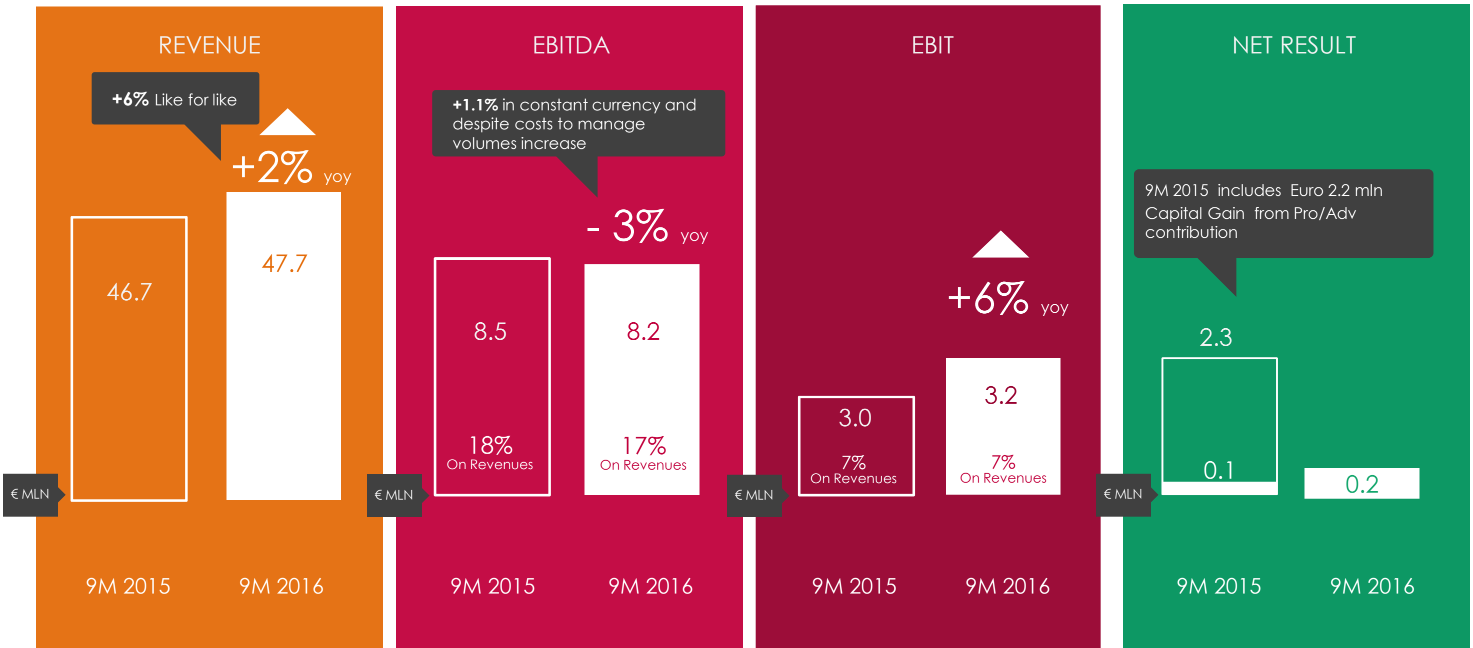
DADA continues to grow faster than the Mkt , **grabbing Mkt Share** from competitors



*Calculated on new registrations. Data Registro.it and DADA analysis

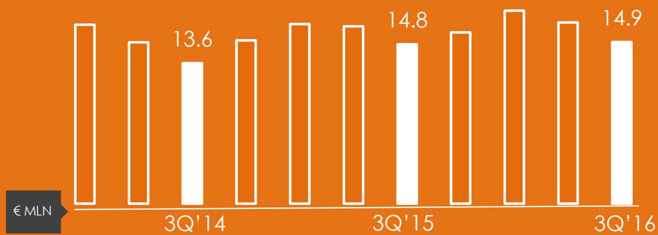
- Domain registrations is the first step for the SMBs "go digital" and is a **key driver to acquire new customers**
- Continued strong **New registrations growth** in 9M 2016, **DADA grew faster** than the **market**
- In **Italy** (.it – ccTLD) **market penetration*** exceeded **20%**
- Market penetration increased thanks to **effective sales policies,** and continuous **products improvement**
- **Launched** in the period **new gTLDs** such as: **.BARCELONA; .PROMO; .CARS; .INSURANCE; .SHOP.**
- Strong **market share** in main new gTLDs:
  .wine **8% worldwide** (60% In Italy)
  .bio **18% worldwide**

9M '16 Key Financial Results

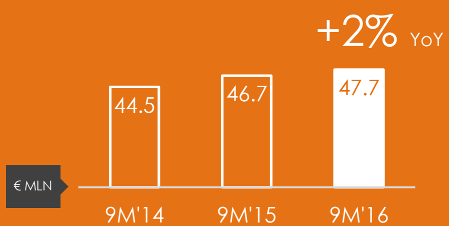


Revenue Trend : +6% like for like

REVENUE by Quarter* as reported



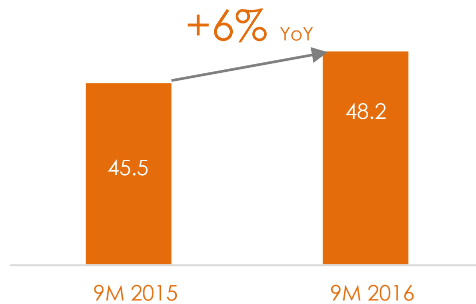
REVENUE 9M as reported



Revenue **continued to improve** all along the 3 quarters of 2016 **despite** negative **Euro/Gbp** impact in particular in 2Q16 & 3Q16

*Considering before 2015 only D&H BU

REVENUE 9M like for like

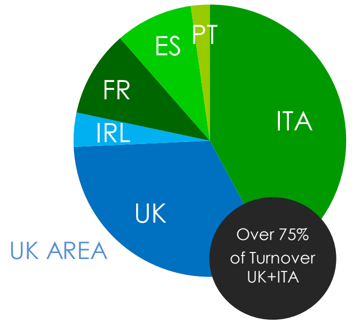


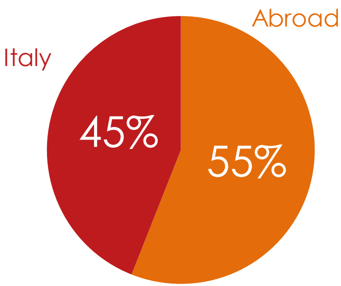
Like for like view is net of

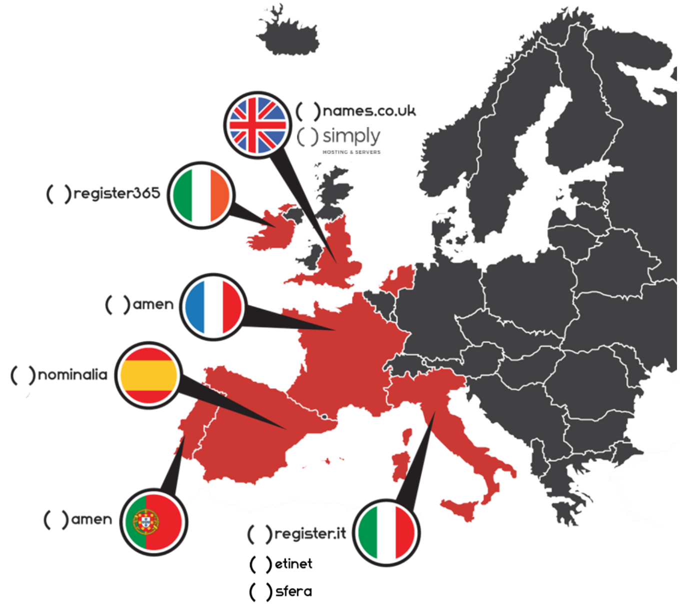
- €/GBP Effects - €1.7 mln
- Changes in Perimeter:
  ProAdv €1.2 mln (1H2015)
  Etinet €0.7 mln (1H2016)
  Sfera €0.5 mln (3Q2016)

International Business

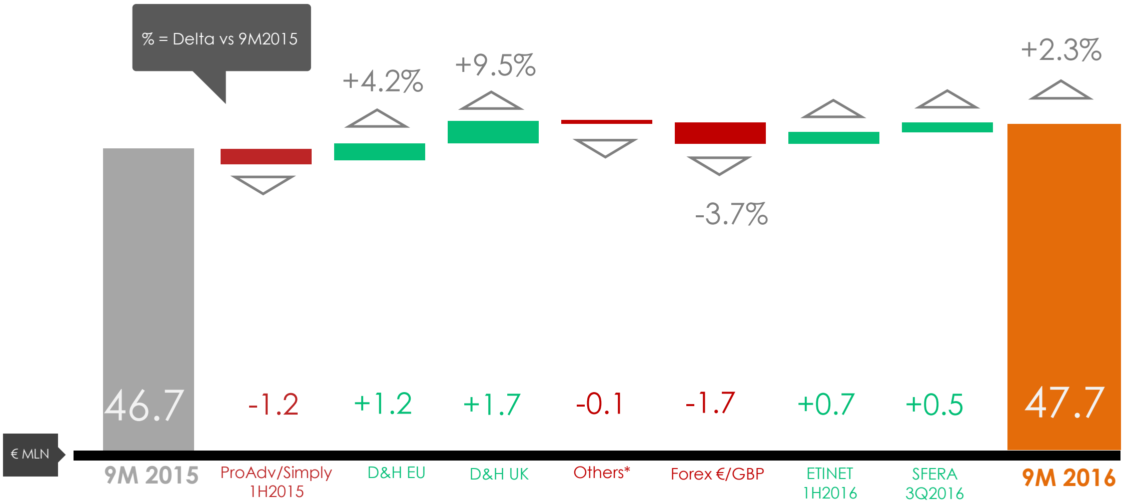
9M '16 Revenue Breakdown





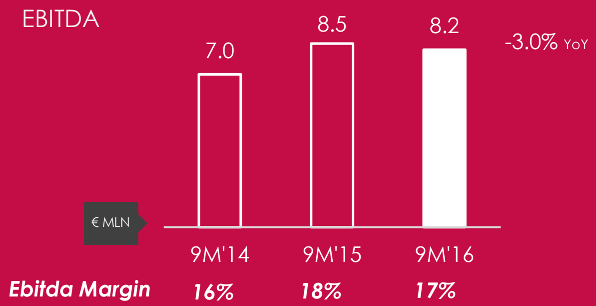


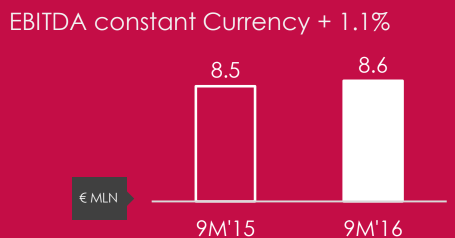
9M ‘16 Revenue Bridge vs 9M ‘15



*Mainly service fees verso Moqu & 4W MarketPlace

EBITDA:17% margin despite investments to expand the business

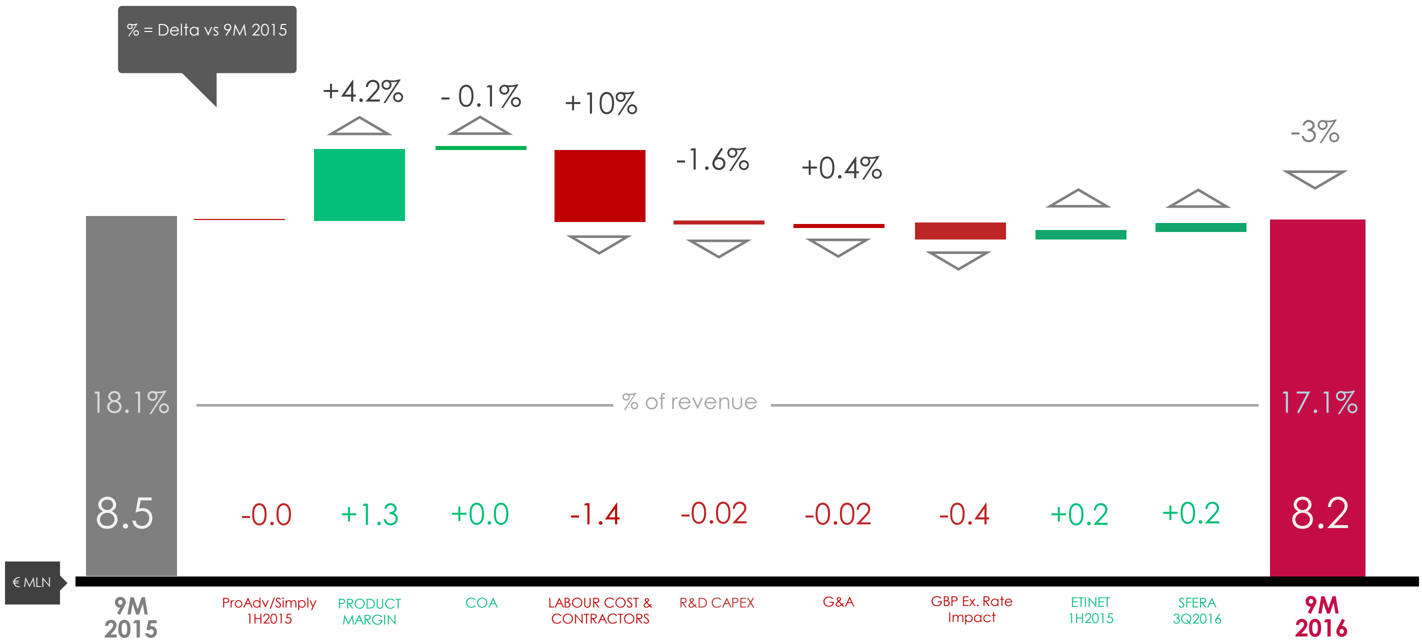




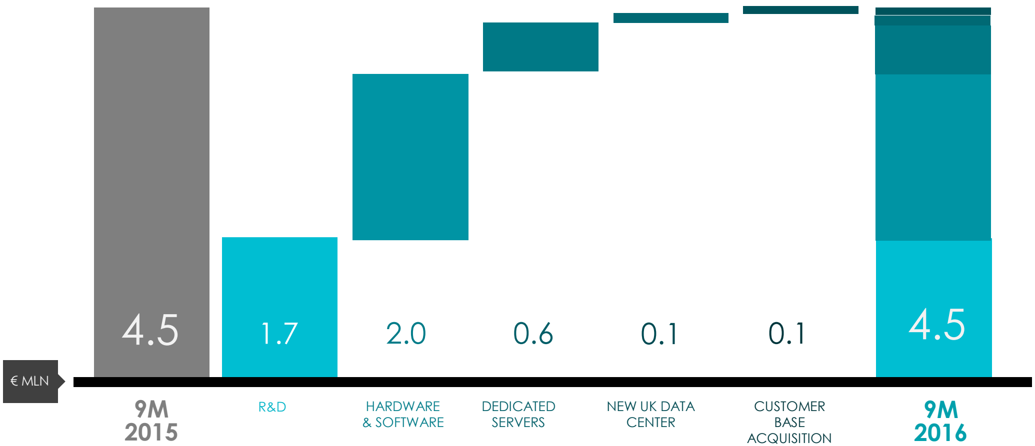
9M'16 Ebitda trend is due to:

- **Benefits arising** from full operation of new Datacenter and integration of the operational platforms
- **Costs to manage** the **growth** in **volumes** aimed to **improve future profitability** including:
  - ✓ **Initial Promotion Strategies (time –limited)** affecting new customer Arpu and Direct Margins
  - ✓ **Cost of personnel** increase to face **higher volumes**, maintain **quality of services** & provide new tailor made solutions (Insourcing of Customer Care in '15, Improving off line channels, consolidation of acquisitions)
- Recent acquisitions **Etinet** and **Sfera** contributed **positively**. Changes in perimeter contributions offset the negative effects of **Euro/Gbp** trend (**-€0.4 mln**)

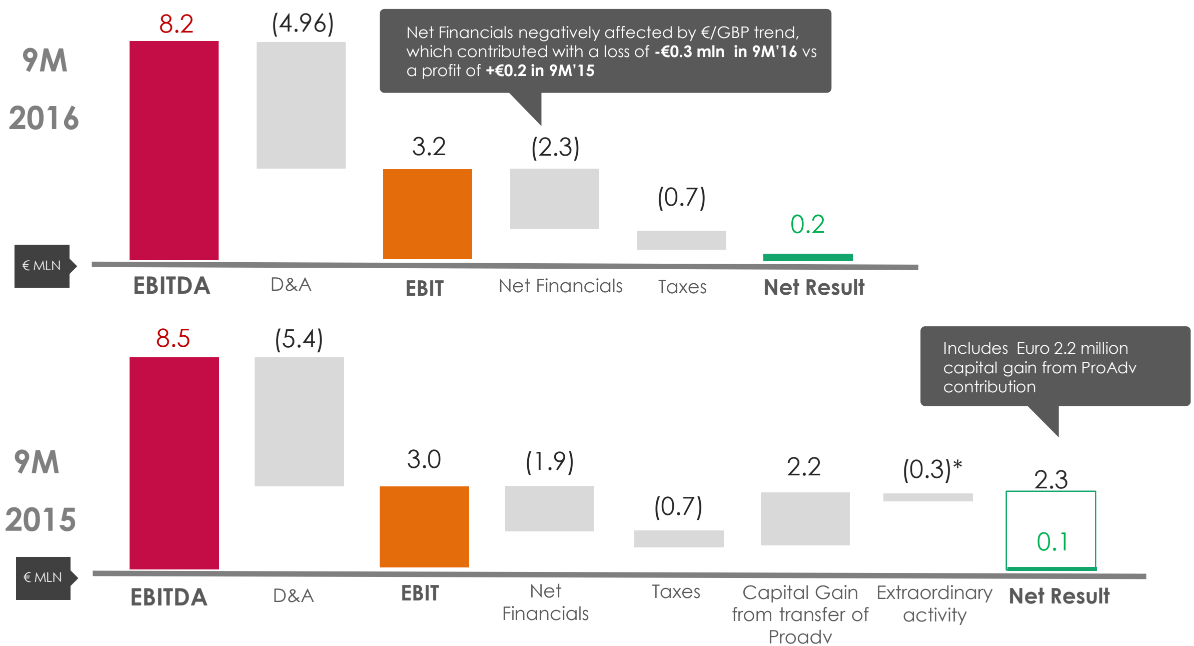
9M '16 EBITDA Bridge vs 9M '15



9M ‘16 Capex Composition

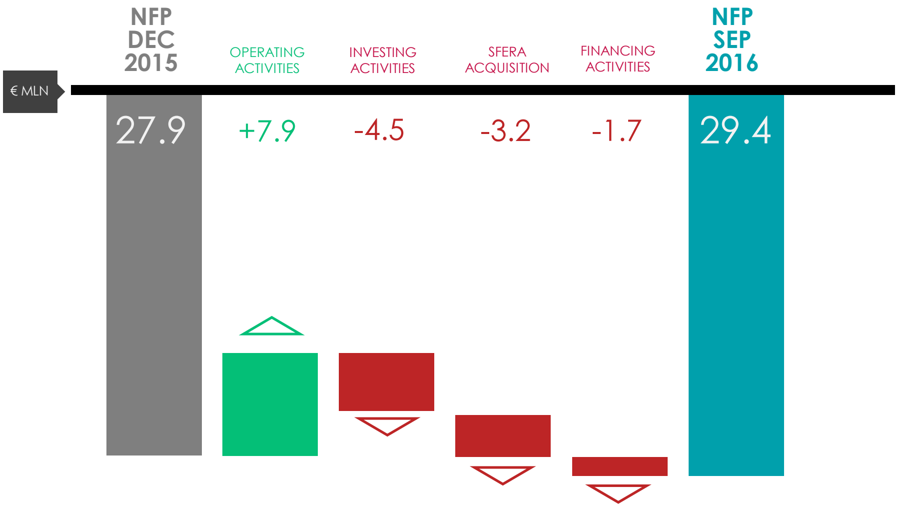


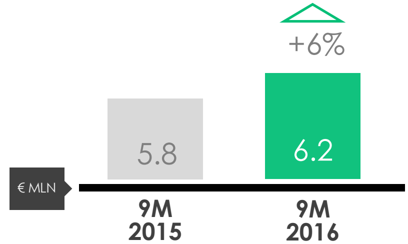
9M ‘16 From EBITDA to Net Result



* Performance Advertising Division Sold in March 2015

9M '16 Cash Flow

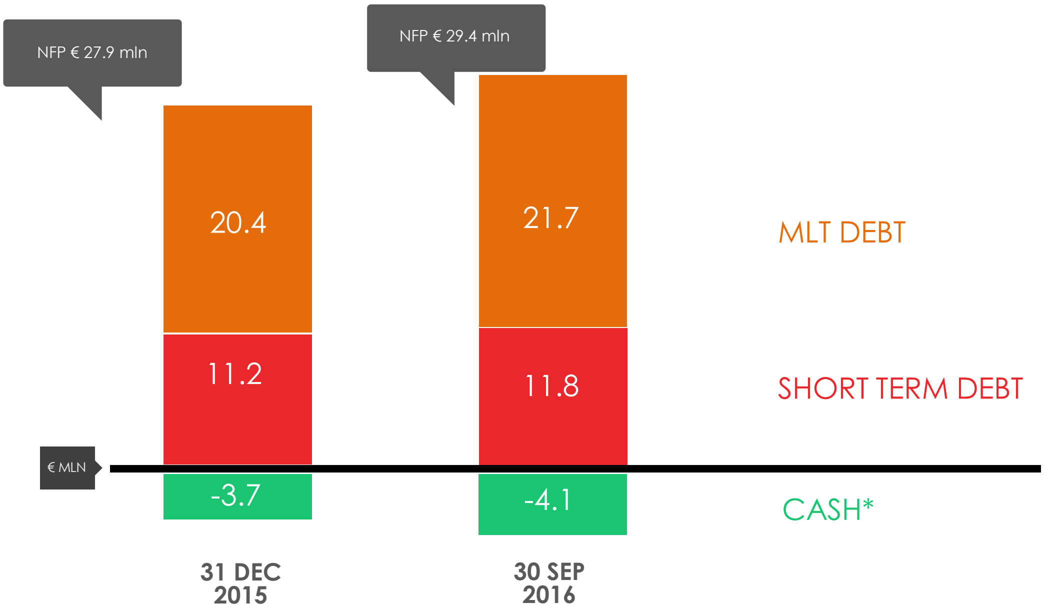




NET OPERATING CASH FLOW* IMPROVED

*Net Operating Cash Flow : Operating Cash Flow + NWC Chg + Income Taxes + Interests Paid

9M'16 Net Financial Position



* Cash = Cash, bank and post office deposits

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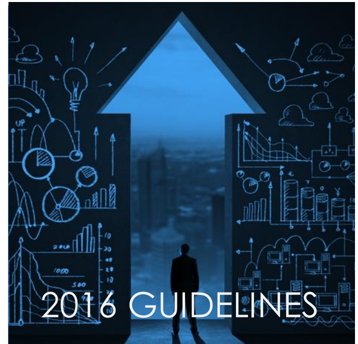
Key Pillars of Future Strategy & 2016 Guidelines

STRENGTHEN EUROPEAN LEADING POSITION & FURTHER IMPROVE FINANCIALS

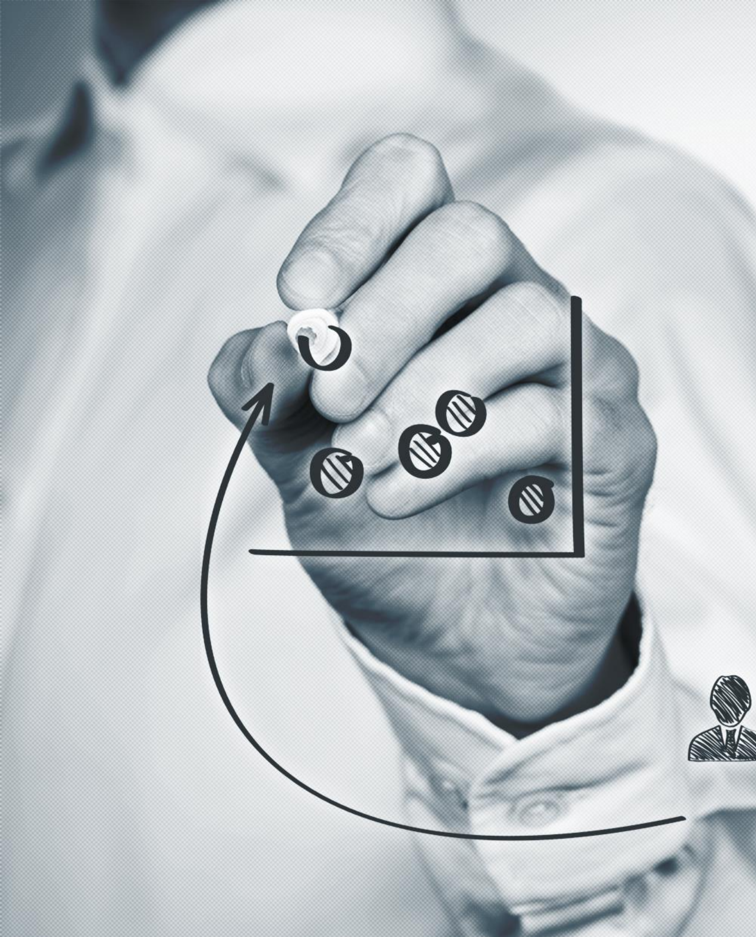
- **Increase Mkt Share** in core geographies
- Broaden range of services in "**We do it for you**" mode
- Strengthen positioning in **Cloud Hosting**, **Virtual Dedicated** & **Private Servers**

- Build **Volumes** – New Clients
- Enhance **Retention Rate** and **Upselling Activities** – increase ARPU
- Finalize **Platforms Integration**
- Increase **COA** efficiency

- Major offline/ online push – **Organic Growth**
- **Small Portfolio** acquisition to increase mkt share / add new services



- **Mid-single digit Revenues increase** - on a like for like basis
- **Operating Margins** expected to **grow in 4Q'16** vs 4Q'15 also benefitting from operating initiatives implemented in the last months



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1	Large and Underserved Addressable Market
2	Leading Position in European Core Geographies
3	Successful Business Model: Broad and High Value Suite of Products, Powerful & Proprietary Infrastructure, Owned & Local Oustanding Customer Care
4	Good Revenues Visibility & Predictability
5	Significant Economies of Scale with Volumes Growth
6	Data–Driven Understanding & Managing of Customer Base & Customer Acquisition
7	Successful Track Record in Revenue Consolidation, Cost Optimization & M&A

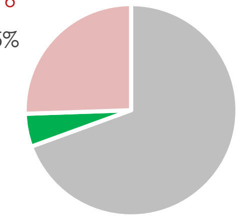
Overview

DADA AS OF NOV 11th 2016

MARKET	STAR SEGMENT – MTA
PRICE	€ 2.14
NOSH	€ 16.7 MLN
MKT CAP	€ 35.8 MLN
PERFORMANCE YTD (04Jan – 11 Novl)	+2.8%
RELATIVE PERF vs STAR INDEX YTD	+4.5%
AVERAGE DAILY VOLUMES YTD	14,303

SHAREHOLDING STRUCTURE

As of NOV 11th 2016



*Through its wholly-owned subs. Libero Acquisition S.à.r.l.

DADA

APPENDIX

Recent M&A activity

Etinet & Sfera Strategic Fit

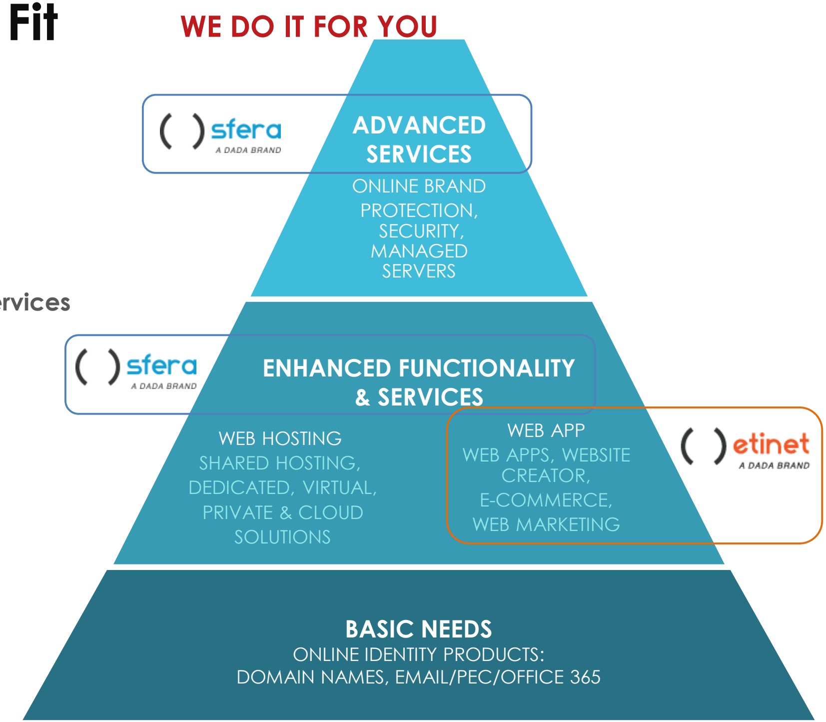
RATIONALE

Complete DADA's offering of:

- ***tailor made* web site** solutions
- **managed** & **customized** higher- end **IT services**

Acquire Highly **qualified Human Capital**;

Leverage on respective **customer base**



DO IT YOURSELF

9M '16 – Dada Group Consolidated P&L

€/mln	9M 2016	9M 2015	Delta vs 2015	
Revenue	**47,7**	**46,7**	**1,1**	***2,3%***
COGS	-16,7	-16,2	-0,5	*3,0%*
Product Margin	**31,1**	**30,5**	**0,6**	***1,9%***
COA	-4,5	-4,7	0,2	*-4,6%*
Gross Margin	**26,6**	**25,8**	**0,8**	***3,0%***
Labour Cost & Contractors	-14,8	-13,7	-1,1	*7,7%*
R&D CAPEX & WIP	1,7	1,7	-0,0	*-1,7%*
G&A	-5,3	-5,3	0,0	*-0,5%*
EBITDA	**8,2**	**8,5**	**-0,3**	***-3,3%***
Non recurring charges/Write-downs	-0,3	-0,4	0,1	*-19,2%*
D&A	-4,7	-5,1	0,4	*-7,7%*
EBIT	**3,2**	**3,0**	**0,2**	***5,8%***
Net Financials	-2,3	-1,9	-0,4	*22,6%*
Taxes	-0,7	-0,7	-0,0	*0,5%*
Profit (Loss) from Discontinued Operations	0,0	-0,3	0,3	*n.m.*
Net Result before Capital Gain	**0,2**	**0,1**	**0,1**	***102,1%***
Capital Gain		2,2	-2,2	*n.m.*
Net Result	**0,2**	**2,3**	**-2,1**	***-91,7%***

* income €2.2 mln from the transfer of ProAdv Bu to 4W Markeplace

9M '16 – Balance Sheet

€ mln	30.09.2016	31.12.2015
Net Working Capital	**(12.2)***	**(11.5)**
Fixed Assets	**95.3**	**99.7**
Severance and Other Funds	(1.1)	(1.1)
Net Capital Employed	**82.1**	**87.2**
Net Financial Position	**(29.4)**	**(27.9)**
Total Shareholders' Equity	**(52.7)**	**(59.3)**

Differences between NCE and the sum of NFP and Net Equity area due to rounding

** Of which € 13.9 mln deferred revenues included*

9M '16 – NPF Breakdown

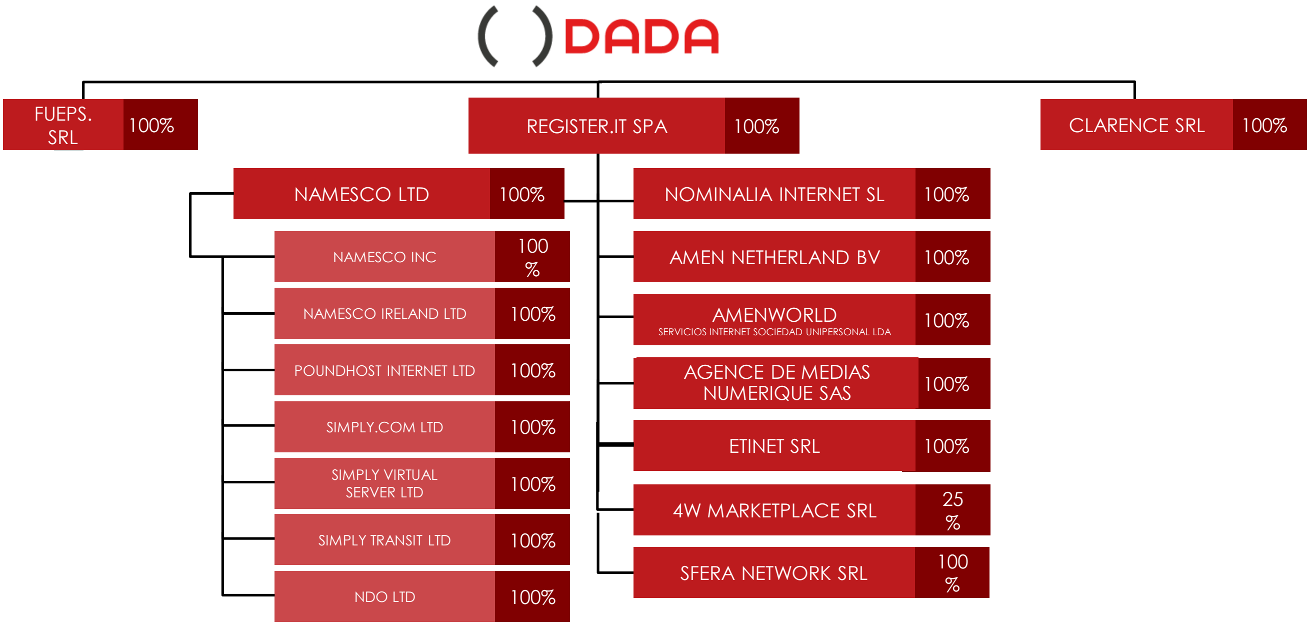
€ mln	30.09.2016	31.12.2015
Cash, bank and post office deposits	**4.1**	**3.7**
Credit lines, account overdrafts and current bank borrowings	(11.7)	(11.1)
Non-current bank borrowings (M/L T)	(21.6)	(20.3)
Derivatives	(0.2)	(0.1)
NPF	**(29.4)**	**(27.9)**

9M '16– Cash Flow Statement

€ mln	9M 2016	9M 2015
Cash and Cash Equivalents at the Beginning of Period	**(8.8)**	**(16.8)**
Group Net Profit (Loss)	0.2	2.3
Gross Operating Cash Flow	**8.0**	**8.4**
Working capital, Income taxes and Interest paid	(1.9)	(2.6)
Net Operating Cash Flow	**6.2**	**5.8**
Capex & Investing Activities	(5.4)	(0.7)
Financing Activities	(0.2)	6.4
Free Cash Flow	**0.6**	**11.5**
Cash and Cash Equivalents at the End of Period	**(8.3)**	**(5.3)**

Corporate Group

Structure as of November 2016



M&A Activity

register.it
A DADA BRAND
July 2006
Last 3% acquisition

nominalia
A DADA BRAND
August 2006
100% acquisition

names.co.uk
A DADA BRAND
July 2007
100% acquisition

register365
A DADA BRAND
May 2008
100% acquisition

amen.fr
A DADA BRAND
July 2008
100% acquisition

poundhost
January 2010
100% acquisition

Dada.net
May 2011
100% sale

moqu-adv
March 2015
100% sale

simply
June 2015
100% contribution

etinet
A DADA BRAND
July 2015
100% acquisition

sfera
A DADA BRAND
July 2016
100% acquisition

M&A Multiples

Country	Brand	Year	EV/Ebitda Acqu. Multiple	DADA Trading Multiple
Spain	( )nominalia	2006	2.7x	12.8x
UK	( )names.co.uk	2007	8.6x	15.1x
Ireland	( )register365	2008	4.9x	6.7x
France Portugal	( )amen.fr ( )amen.pt	2008	6.8x	5.6x
UK	( )poundhost	2010	2.7x	4.5x
Italy	( )etinet	2015	2.6x	6.6x
Italy	( )sfera	2016	4.8x / 5.5x	6.4x

Many thanks!

Contacts

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