



INDUSTRIAL PLAN 2020-2022

Taking it to the next level

Investors Presentation
Piazza Affari, Milan October 2019

This presentation contains forward-looking statements regarding the timing and financial impact of Be SpA's ability to implement its business plan, expected revenues and future success. These statements involve a number of risks and uncertainties and are based on assumptions involving judgments with respect to future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond BE SpA's control. Some of the important factors that could cause actual results to differ materially from those indicated by the forward-looking statements are general economic conditions, failure to achieve expected revenue growth, changes in our operating expenses, or legal developments, competitive pressures, changes in customer and market requirements and standards, and risk factors detailed from time to time in BE SpA's statutory filings, including without limitation, BE SpA's Annual Reports. The forward-looking statements in this press release are based upon management's reasonable belief as of the date hereof. BE SpA undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

● **Where We Stand: 10 years of Growth**

- Be Faster and Smarter on our Core Business
- A Brave New World: Getting Inside the Digital Eco-System
- Industrial Plan 2020-2022 Targets

"BE" AT A GLANCE: OUR KEY STATEMENTS

01

Leading «**Business Consulting & Advanced IT Service Platform**» for Financial Institutions. Consulting & ICT, expenditure in Banking sector is expected to keep on growing, reaching over € 50 bln in 2020 with an 8% Y/Y growth.

02

In only 10 years, starting from zero, becomes one of the top 5 consulting firms for revenues in Financial Industry in a G8 Country with an increasing international footprint (operations in 9 countries, ~40% of non domestic revenues in 2018).

03

A **wide range of value added services** offered to Banks, Insurance companies, Processors and new players (GAFA) in Financial Industry; leveraging on strong and valuable **partnerships with leading technology market leaders**.

04

Focus on **Top Multinational Financial Groups operating in Europe**: growing share of wallet among the **top 20 Banks in Europe**. Reducing portfolio concentration on Top5 clients from 74% to 53% in 3 years.

05

New areas of investment: **experiences and passions** are increasingly driving the propensity for digital spending. Being excellent in **managing this eco-system** opens up important opportunities as a stand-alone business and as a booster for our financial services portfolio.

06

Full **interest alignment** among **shareholders** and an experienced **management team**. More than 1,600 professionals, of which nearly 1,200 internal. We build on talented people forming leading specialists in Financial Industry. Be is a unique investment opportunity for investing in the area of professional services.

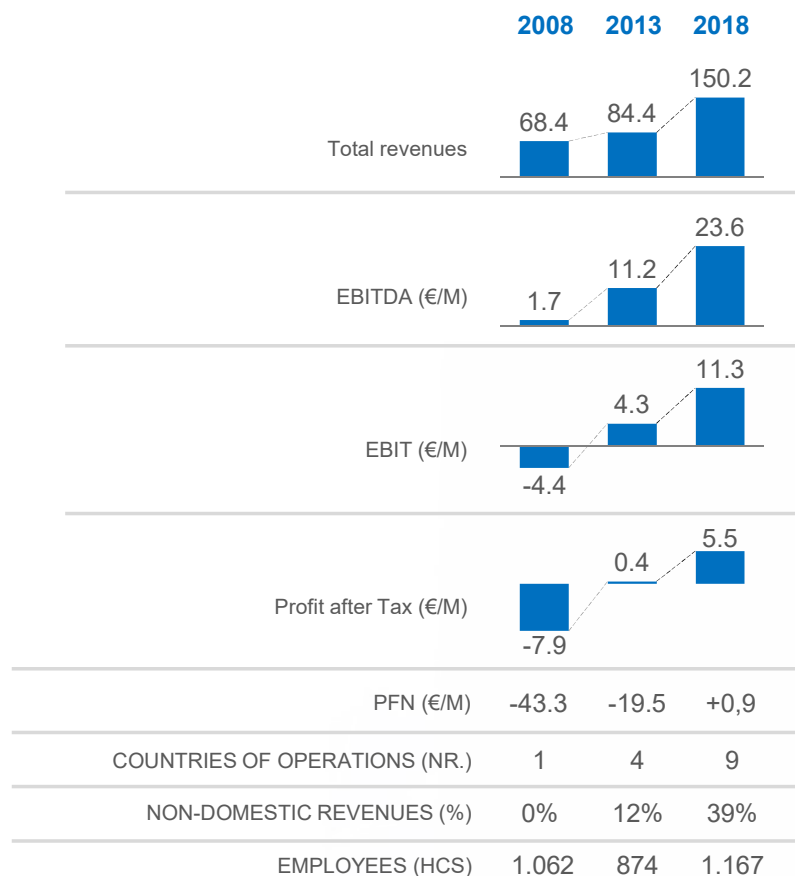
07

1-year acceleration in achievement of 2019 profitability target, with consolidated 2018 EBITDA at € 23.6 mln and **NFP > 0. Constant Dividends flow** (dividend yield 2018: 2.44%).

08

We have laid the foundation for the future growth. **2020-2022 3-year Plan** is designed around internal and M&A-driven growth.

10 YEARS OF GROWTH: FROM RESTRUCTURING, TO DOMESTIC LEADERSHIP ON TO EUROPEAN EXPANSION

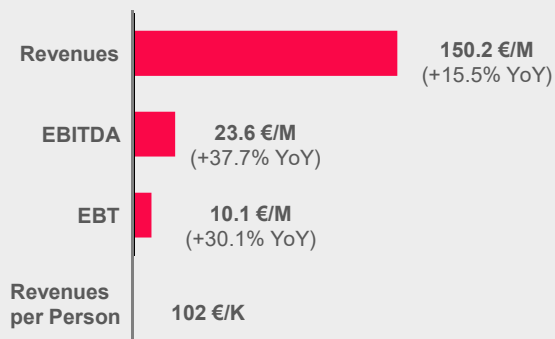


A consistent Track record

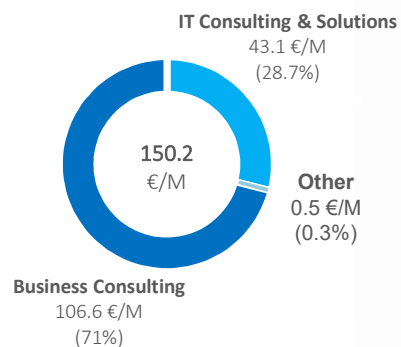
- **Doubling of turnover every 5 years** while steering from local “Back Office & Operation Company” to European Consultancy Firm supporting leading Financial Institutions.
- The only company to have covered **all the segments of the MTA in just three years**. Listed on the STAR Segment - MSE since 2014 with a **public company profile and international shareholders**
- In **6 year we have changed our profile from domestic player to regional player** operating in 9 different European countries (40% of total revenues)
- A **constant dividend flow** from 2012 with more than 2% of dividend yield per year

BE SHAPING THE FUTURE: BUSINESS METRICS

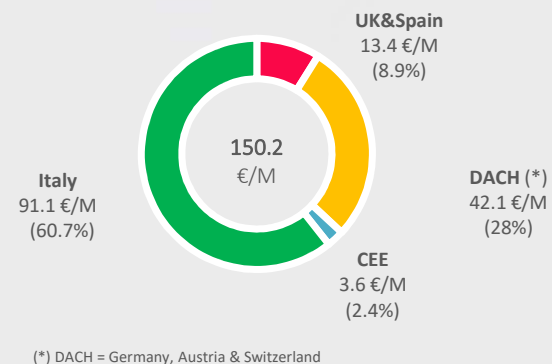
2018 Results



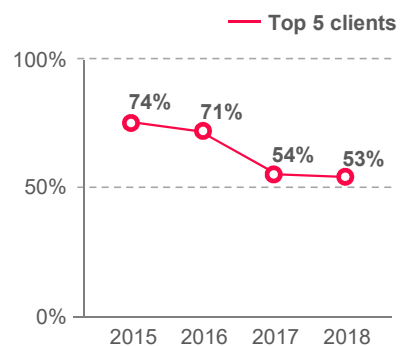
2018 Revenues by Segment (€/M)



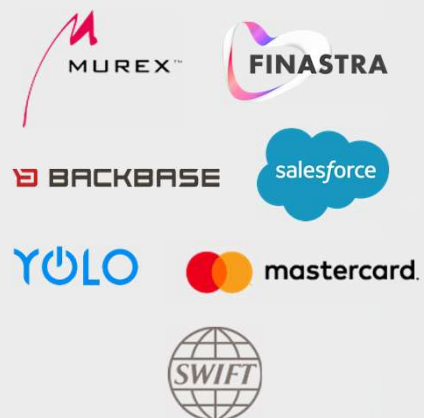
2018 Revenues by Region (€/M)



Customer base composition (%)



Strategic Partnerships



Solution Portfolio

Fanize

SPORTXP
FAN EXPERIENCE PLATFORM

EventBuilder

Ticketing Solution
(under Development)

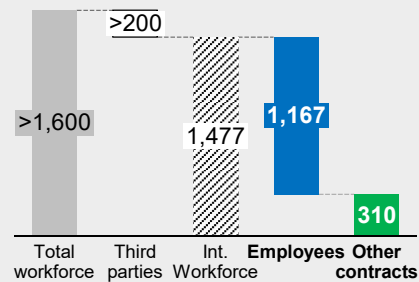
UNIVERSO
Life Insurance

KITE
Fraud Prevention

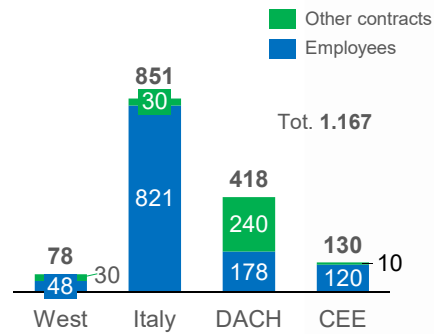
ISIPOL
General Insurance

BE SHAPING THE FUTURE: NON FINANCIAL METRICS

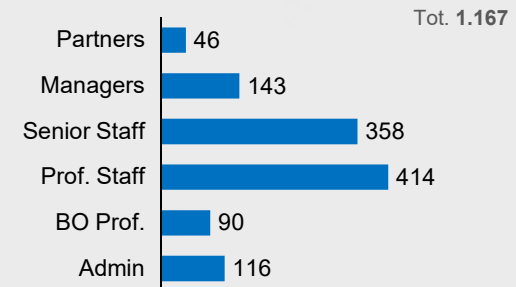
Internal Workforce composition (HCs)



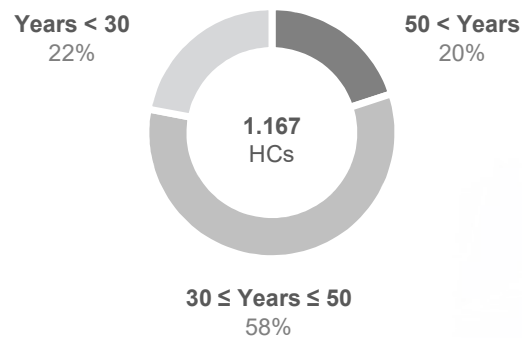
Internal Workforce by Region (HCs)



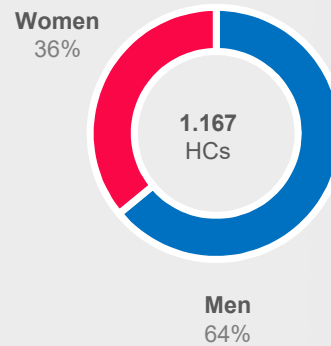
Employees by Role (HCs)



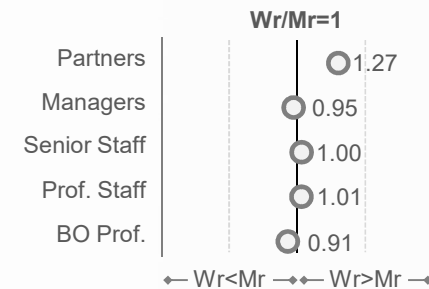
Employees by Age (%)



Employees by Gender (%)



Gender Pay Gap Italy (Ratio Wr/Mr¹)



¹ Ratio of remuneration of Women/remuneration of Men; representation related to personnel involved in core business (admin personnel excluded)

Ambition 2020-2022

Be a Top player for industry vision, specialist knowledge, effective client support, end-to-end capabilities

How to do it

- **Increase the share of wallet among the Leading European Financial Institutions (SIFI - Sistemically Important Financial Institutions) and GAFA** (Google, Amazon, Facebook, Apple);
- Participate to **larger transformational digital projects** and in the **design of new services/products/platforms** across all main business domains: Investment Banking, Risk Management, Regulatory and Compliance, Transactional Banking, Advanced Analytics, Digital Channels;
- **Develop outstanding capabilities**, service platforms and solutions in Digital Engagement also through the selection and the use of world-class assets.

- Where We Stand: 10 Years of Growth
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THE CASE OF RETAIL BANKING: THE NEED OF «FIXED» VARIABLE COSTS



From managing a tough situation...

- Due to the **fast adoption of Digital Channels** over last decade **the traditional Financial Industry has loosen its grip** on Retail Banking Business.
- **Clients have plenty of offers to choose** from cheaper, smarter, faster and more integrated in multipurpose eco-systems than ever.
- Financial regulations (i.e. PSD2) and an ever growing pressure on interest, fees and commissions did the rest.
- **Part of Bankers' know-how became marginalized** and Innovation leadership shifted to new players (**Fintech or GAFA**) **allowing direct access** to **basic products** through simplified processes.
- **Banks' internal operations and IT departments became innovation backwater, loaded with elderly (and costly) personnel.**
- Innovation has become less of a strategic asset for any individual bank and more of a defensive drive.

...could arise opportunities to grow

- **Innovation requires gigantic efforts and investment** by banks to shackle off constraints of legacy systems, new interconnected hubs, tough regulations.
- It is a **serious problem** in a time where **personnel reduction goals** coupled with **unavailability of specialist skills** in operations drove banks to outsource innovation including, critically, its implementation.
- This creates the need for a **“fixed” variable cost** in banks P&L. This oxymoron translates into healthy sales for implementation consultancy companies operating in this space.
- The **great implementation consultancy demand risks creating inflation on the prices** of professional services, **inducing war on people** among the major competitors

FINANCIAL INDUSTRY MARKET EXPENDITURE AND MAJOR SPENDING AREAS UP TO 2022

In **Europe**, spending on Consulting, IT implementation and Application Software by the **Financial Services Industry** is expected to **total 50 billion dollars in 2020** with an estimated **growth of 8% year on year**.

Over **50% of expenditure** is concentrated in **three largest countries** where our Group operates (Germany, UK and Italy).

Financial Services Strategic Business Priorities¹

1. Digital Transformation
2. Revenues/business Growth
3. Operational Excellence
4. Customer Experience
5. Cost Optimization
6. Data & Analytics
7. Moderniz. Legacy systems
8. Business Model Change
9. Security
10. New Products/Services

Financial Services Top technology areas for new spending¹

1. BI/ Data Analytics Solutions
2. Cyber/Information Security
3. Digital Business Initiatives
4. Core System improvements
5. Customer/User experience
6. Mobile Applications
7. AI / Machine learning
8. Automation
9. Cloud services/solutions
10. Infrastructure/ data center

¹Source Team analysis on Gartner data

FACING THE EUROPEAN COMPETITION ARENA

PeersType	Country	Stock Exchange	Revenues in Europe (€/M) ¹	Revenues in EU on Fin.Serv. (€/M) ¹	Revenues per Person (€/M) ¹
Be Think Solve Execute	Italy	Borsa Italiana	150	150	0.102
Global Business Advisory and IT Consulting Services	USA	NYSE	12,291	2,558	0.072
Global Business Advisory and IT Consulting Services	France	Paris Stock Exchange	6,467	1,746	0.062
Global Business Advisory and IT Consulting Services	India	Indian Stock Market	4,605	1,469	0.042
Global Business Advisory and IT Consulting Services	USA	NASDAQ	2,471	896	0.050
Global Business Advisory and IT Consulting Services	Spain	Spanish Stock Exch.	2,060	433	0.071
European IT Consulting Services	France	Paris Stock Exchange	609	140	0.094
Global IT Consulting Services	Russia	NYSE	494	283	0.062
European Business Advisory and IT Consulting Services	Germany	Frankfurt Stock Exch.	327	327	0.085
European IT Consulting Services	Italy	Borsa Italiana (2)	1.036	262.	0.136
European IT Consulting Services	Italy	- (2)	1.180	240	0.110

¹ Benchmark processed by Be Group on public data provided by Accenture, Capgemini, Cognizant Technology Solutions, Devoteam, Engineering S.p.A., GFT Group, Indra Sistemas, Luxoft, Reply S.p.A., Tata Consultancy Services

² Total Group Revenues

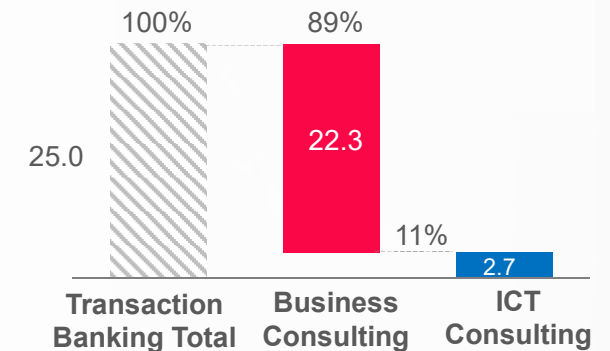
MASTERING FINANCIAL INDUSTRY KNOWLEDGE, OUR BUSINESS PRACTICES

Business practices	Advisory	Solutions	Near shoring	Main areas of activity
Transaction Banking	✓	✓		<ul style="list-style-type: none"> • Payment Schemes & Networks (Swift, Mastercard,...), • Card based products (Issuing, Acquiring), • Digital Payments & Wallets (Apple Pay, Google Pay,...), • VAS & Open Banking models.
Investment Banking	✓	✓	✓	<ul style="list-style-type: none"> • Advanced products and processes design, • Industry Regulations, Risk Management & Compliance, • Front-Middle & Back Office systems, • Market Accounting systems & Brokerage OTC Platforms
Digital Trasformation	✓	✓	✓	<ul style="list-style-type: none"> • Large Transformational Program & Project management, • Omnichannel strategies and industry platforms Development • Domain Functional specifications (Finance, Loans, Current Accounts,...),
Regulatory & compliance	✓	✓		<ul style="list-style-type: none"> • Industry regulations management: Privacy & GDPR,... • Methodologies for Capital Requirements & Liquidity • ECB/ABI/EBA /ESMA requirements,
Risk Management & Actuarial Science	✓			<ul style="list-style-type: none"> • Risk Engines and Quantitative teams for risk analysis • Life Insurance Actuarial Laboratories, • Life & General Insurance Product Design, • Solvency & IDD requirements.
Data Science, Machine Learning & AI	✓	✓		<ul style="list-style-type: none"> • Machine Learning Algorithms Design & Implementation, • Data Scientist Team for bespoke analysis, • Artificial Intelligence Systems applief to Finance and Insurance, • Predictive models and Advanced Analytics
Insurance Core Systems		✓		<ul style="list-style-type: none"> • End to End Management of Life/General Insurance Bancassurance • IVASS Regulatory Requirements, • Branch & Digital Sales Bancassurance Front End, • Certified Core System for Insurance Companies.

Transaction Banking Practice «At a Glance»

- ~25 € / M of revenues in 2018 in Europe (~ 16% of total Be Group revenues) of which 89% generated by Business Consulting services and 11% by ICT consulting;
- Partnerships with world-class brands: Mastercard and Swift;
- ~ 80% of revenues from the practice generated in 5 different countries: Italy, UK, Germany, Ukraine, Austria;
- Major Financial Institutions as clients: ABI, AGID, Banco BPM, Bundesbank, HSBC, Intesa SanPaolo, Lloyds, Mastercard, NEXI, Poste Italiane, SIA, UBI, Unicredit;
- Main Business areas: Products, Compliance, Risk Management, Processes, Digital Transformation;
- ~ 60% of revenues from the Transaction Products: physical and digital payments, cards, payments systems, wholesale regulation and acceptance networks;
- More than 200 employees and 160 external consultants involved.

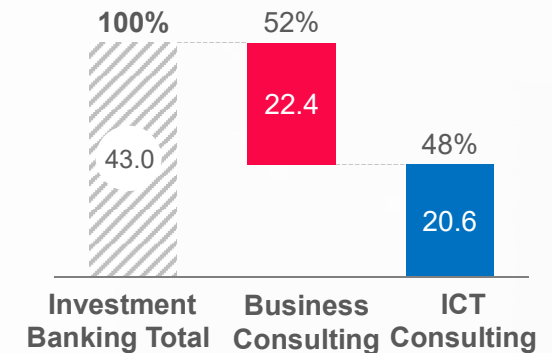
2018 Revenues
(€/M)



Investment Banking Practice «At a Glance»

- ~ 43 € / M of revenues in 2018 in Europe (~ 30% of total Be Group revenues) of which 52% generated by Business Consulting services and 48% by ICT Consulting;
- Partnerships with leading players in the world: Murex, Finastra;
- ~ 65% of revenues from the practice generated in 4 different countries: Italy, Germany, Poland, Austria;
- Major Financial Institutions as clients: Banco BPM, Deutsche Boerse, Deutsche Bank, ENI, Intesa SanPaolo, LBBW, Mediobanca, UBI, Unicredit, Unipol;
- Main Business areas: Products, Compliance, Risk Management, Processes, Digital Transformation;
- Main thematic Areas: Front Office Systems, M.O | B.O. and collaterals, Market Access & Brokerage, Risk Engines, Accounting and P&L;
- Activities: Consulting, System Integration, Platform Development, Proprietary System Design & Maintenance, Quantitative Team for market analysis and product design.

2018 Revenues
(€/M)



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REASONS WHY WE ARE INVESTING IN THE ENTERTAINMENT INDUSTRY

01

As Be Group, **we have worked over the last ten years in important projects supporting major European financial institutions in the development of customer engagement strategies** and in the design of products geared to needs and user experience of individuals.

02

In affluent **societies, “experiences” and “passions” are an important accelerator of propensity to consume.** Art, Music, Tourism, Sports make up more than 10% of the Italian GDP - with important growth expectations even in a stagnant or contracting economy.

03

Moving from the knowledge and specializations of our Group - loyalties systems, data analysis skills and development of advanced behavioral analysis systems, knowledge of physical and digital payment instruments and networks - **we have decided to invest human capital and financial resources in supporting the entertainment industry.**

BECOMING THE CHALLENGER IN THE ENTERTAINMENT SOLUTIONS INDUSTRY

Our Target business areas



Specialist advisory capabilities

Advisory services, Digital Strategy, Data Monetization, System integration of cutting edge solutions - proven on the largest European Financial Institutions in supporting their investments in sport and entertainment.



A suite of distinctive technology solutions in the Entertainment Industry

APPs, Fan Engagement Platforms, Web Solutions, Loyalty Platforms, Payments Solutions, etc... that we are continuously integrating with new developments and acquisition.



Distinctive skills in Loyalty Design merchant relationships

We manage the running some of the most evolved loyalty systems in the Italian Market. This is enhanced by a couple of units dedicated on developing merchants relationship for marketing purpose and to develop advanced analytics systems.



A growing portfolio of unique assets in the Sport & Entertainment industry

Be awarded of some of the most prestigious competitions in the international sport calendar (Alpin Ski World Race 2021);

Be spoken services for Corporate Events management

We have developed skills, solutions & facilities to support our major clients in organizing complex business/ corporate events.



Talent: personal coaching, talent management, brand development

Talent research and development, image and digital presence management, brand creation, personal coaching, media management.

These Brands have trust in our work



Fondazione
ARENA DI VERONA





SHAPING THE FUTURE

We have a consolidated experience in managing large projects for the development of digital platforms

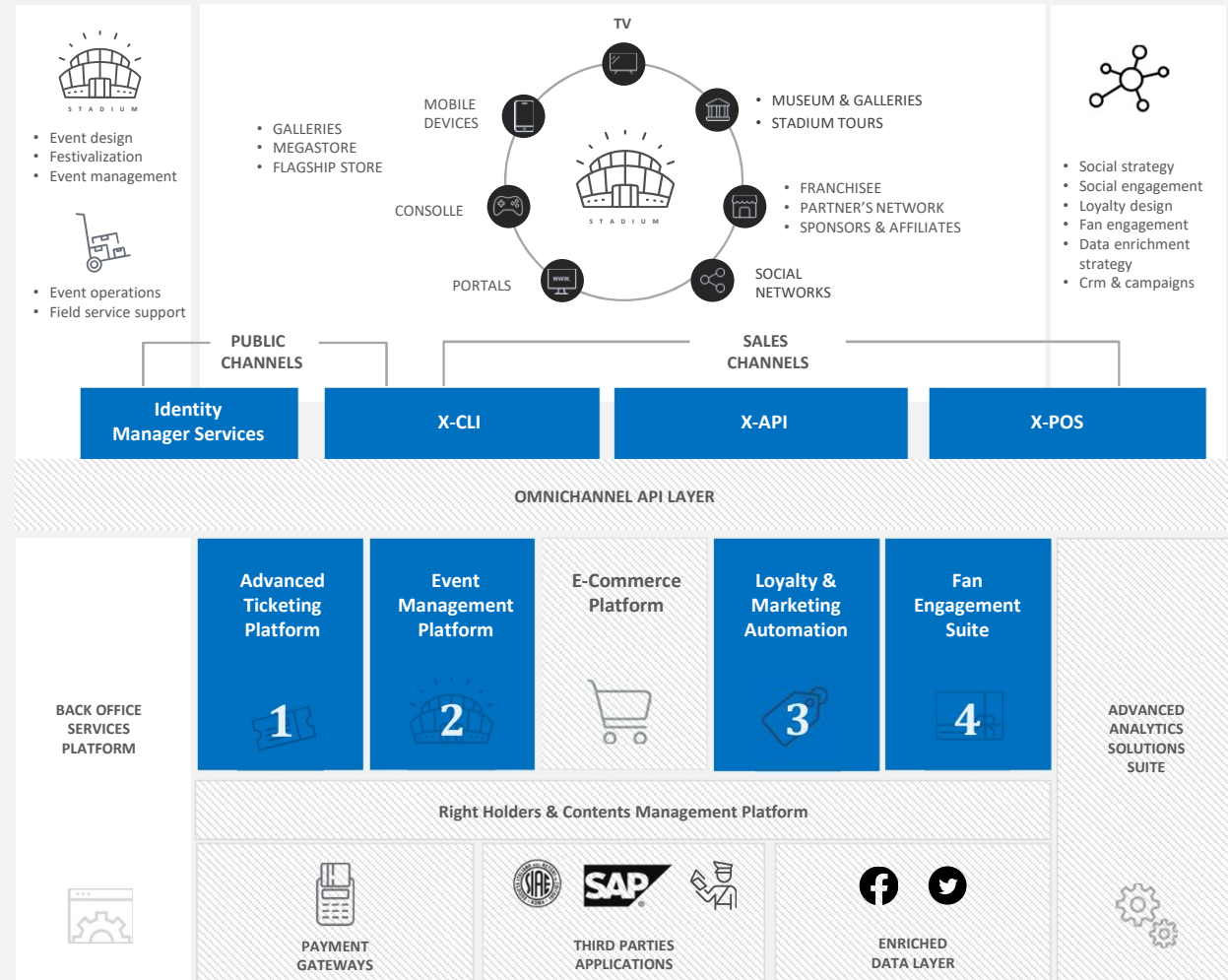
FAN EXTENDED ENVIRONMENT



Areas in which BE Group owns proprietary solutions

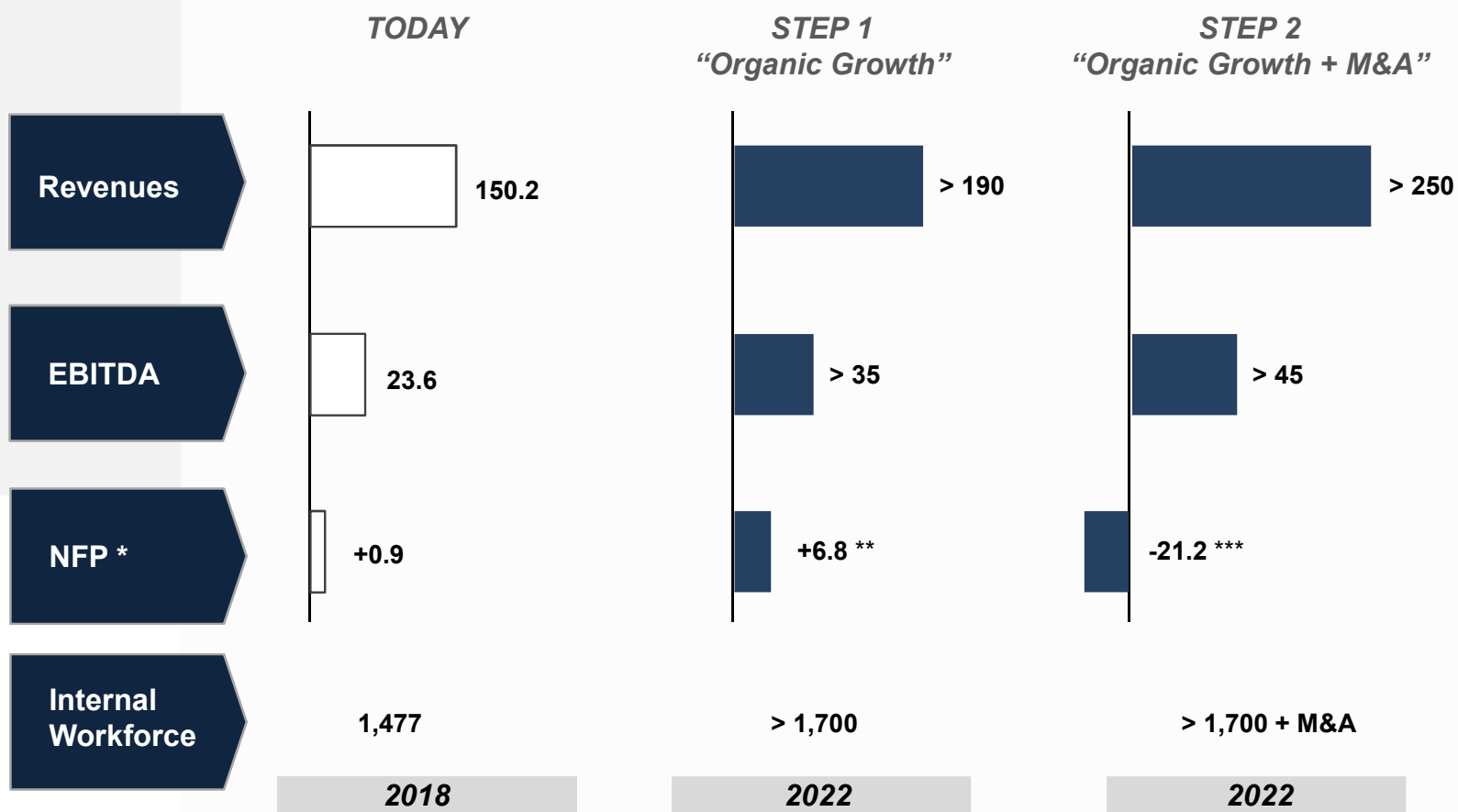


Areas in which BE Group manage large system integration projects



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THE GROWTH JOURNEY

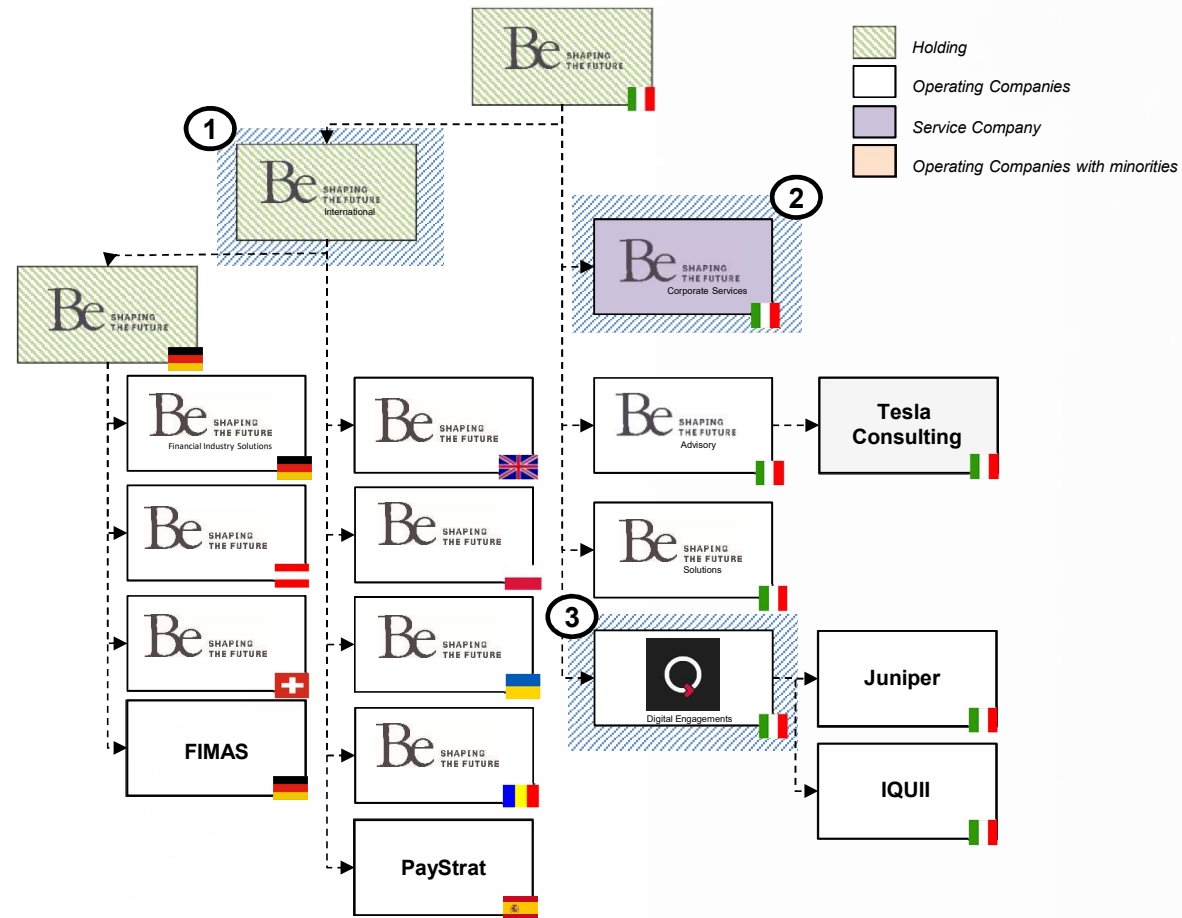


* Positive Net Financial Position indicates positive balance

** +13,2 €/M net of IFRS16 effect

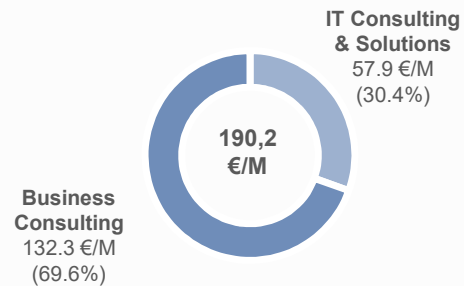
*** -14,8 €/M net of IFRS16 effect

RESHAPING ORGANIZATION



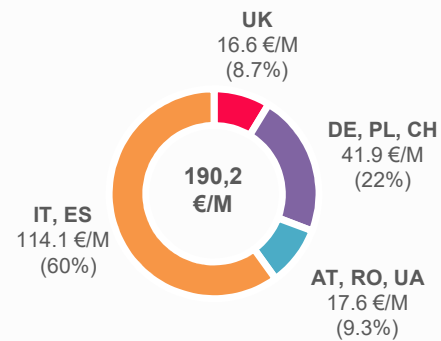
TARGET BUSINESS INDICATORS 2020-2022

2022 Target “organic growth” revenues by Segment (€/M)



Expected relevant increase (+34%) of the contribution of IT Consulting to Group results based on development of proprietary platforms.

2022 Target “organic growth” revenues by Region (€/M)











Synergies across geographies (e.g. Poland nearshoring towards Germany, focusing on CEE Austria, Romania and Ukraine) and cross-selling.

2022 Customer Base composition (%)



Remaining focused on big clients, while reducing the weight of the “Top 5 customers”.

RESHAPING THE REGIONS GOVERNANCE TO BOOST THE GROWTH

2018 Geographic Layout	2020 – 2022 Layout	Driver of the change	Revenues (€/M)		
			2018	2022 Target «Organic Growth»	2022 Target «Org. Growth + M&A»
Domestic 	Italy and Spain 	<ul style="list-style-type: none"> To focus on Spain growth, leveraging on its proximity to and common approach with Italy 	91,1	114.1	138.0
Western Region (UK, ES) 	UK 	<ul style="list-style-type: none"> To be more focused on opportunities generated by UK market 			
DACH (DE, CH, AT) 	Germany, Switzerland, Poland 	<ul style="list-style-type: none"> To foster the increase of revenues, leveraging on Poland nearshoring to increase the market share in Germany 	59.1	76,1	112.0
CEE (RO, UA, PL) 	Austria, Romania, Ukraine 	<ul style="list-style-type: none"> To leverage on Austria as hub for the expansion towards eastern countries 			
			150.2	> 190	> 250

MAIN ASSUMPTIONS ON M&A OPERATIONS

Drivers	Financial Services	Digital Engagement	
In which countries are we going to invest?	Germany, Austria, UK, Spain	Italy	<div><div>Δ Turnover 2020-2022</div><div>ml/€</div><div><div><div>5,0</div><div>41,3</div><div>65,5</div></div><div><div>2020</div><div>2021</div><div>2022</div></div></div></div>
Which capabilities are we looking for?	Priority to investments in management consulting area with focus on skills in: <ul style="list-style-type: none">• Transaction banking• Investment banking• Digital Transformation• Data Science, Machine Learning & AI	Priority to investments in companies or asset with: <ul style="list-style-type: none">• entertainment Rights & Digital Properties• specific skills in event management & Fan Engagement	<div><div>Δ EBITDA 2020-2022</div><div>ml/€</div><div><div><div>0,9</div><div>6,8</div><div>10,5</div></div><div><div>2020</div><div>2021</div><div>2022</div></div></div></div>
Target Size	> 10 ml/€ revenue x year 15-18% EBITDA	> 3,5 ml/€ revenue x year 15-20% EBITDA	
Acquisition Formula	Step 1 >= 51% Step 2: 3/5 ys <= 49% earnout		
Expected EBITDA Multiplier	Between 5 to 7 in Step 1		
20-22 Investments	Up to 25 ml/€	Up to 15 ml/€	<div><div>Investment flow 2020-2022</div><div>ml/€</div><div><div><div>6,0</div><div>15,9</div><div>9,9</div></div><div><div>2020</div><div>2021</div><div>2022</div></div></div></div>
y-o-y growth post acquisition	8%	12,5%	

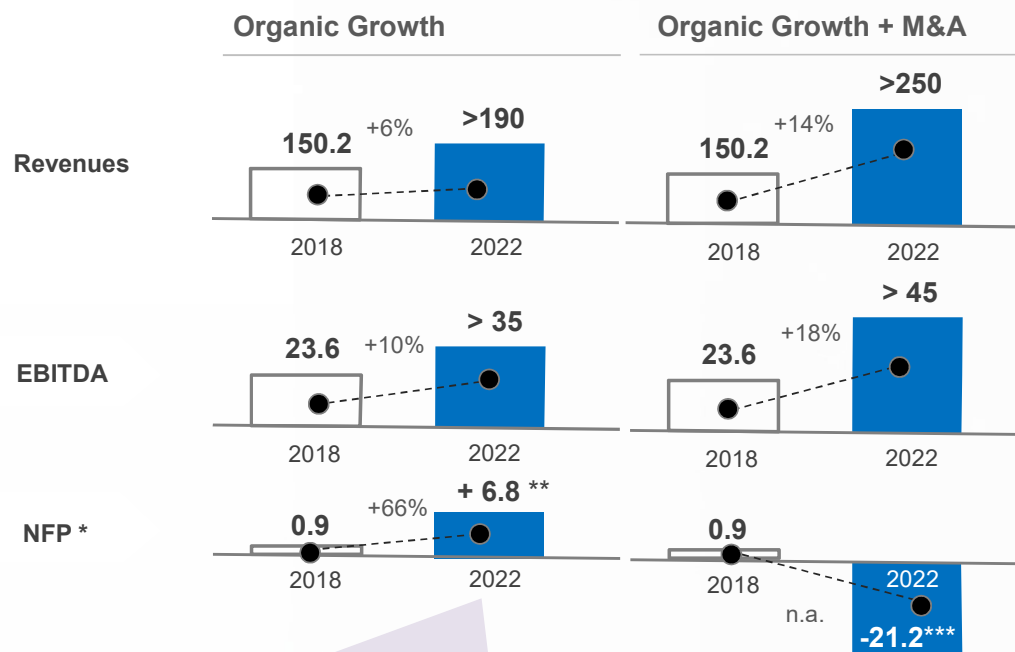
2020-2022 INDUSTRIAL PLAN TARGETS

Main Assumption

- Expected organic growth > of 190 ml/€ in 2022 inclusive of > 60 ml/€ resulting from M&A operations.
- Expected EBITDA generation contributed by Consulting services for 70% and ICT for 30%.
- Non-domestic revenues > 40%. Germany, Spain and UK as markets of greatest interest for M&A operations on Core Business.
- Strong reinforcement of the Digital Engagement business line, with the objective of reaching a share of wallet > 10% on total group volumes.

Industrial Plan 2020-2022

● -- ● CAGR



NFP Assumption on organic growth:

- Costant flow of dividends over the period (9.0 ml/€)
- Investments on own shares buy back (4.5 ml/€)
- Cash out for "Minorities Earn out" (5.0 ml/€)
- Investments on products/platforms (13.5 ml/€)
- Other Working capital variations (9.3 ml/€)

- NFP from Organic Growth (6.8 ml/€)
- Investments in M&A (-31.8 ml/€)
- Other Working capital variations (-0.8 ml/€)

* Positive Net Financial Position indicates positive balance

** +13,2 €/M net of IFRS16 effect

*** -14,8 €/M net of IFRS16 effect