

# FY2022 Results and Q1 2023 Update

Investor Presentation  
José Antonio Martínez Aguilar  
CEO Making Science

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# Investor Presentation

## FY2022 Results and Q1 2023 Update

- 01** Overview of Making Science
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- 03** Core Business: US Expansion
- 04** Investments: E-Commerce & Products
- 05** FY2022 and Financial Update
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# 01. Overview of Making Science



# Making Science is a Marketing and Technology Consulting Firm Helping Companies Accelerate Their Digital Capabilities

Making Science is an international digital acceleration company with more than 1,200 employees and a presence in 14 countries.

Making Science's businesses are focused on the high-growth markets of digital advertising, data analytics, e-commerce, and cloud.

<b>1,200+</b> Employees	<b>750+</b> Clients
<b>14</b> Countries	<b>22</b> Offices
<b>€200M</b> Revenue in 2022 (Core Digital Business)	<b>€11M</b> EBITDA in 2022 (Core Digital Business)



**BME Growth**

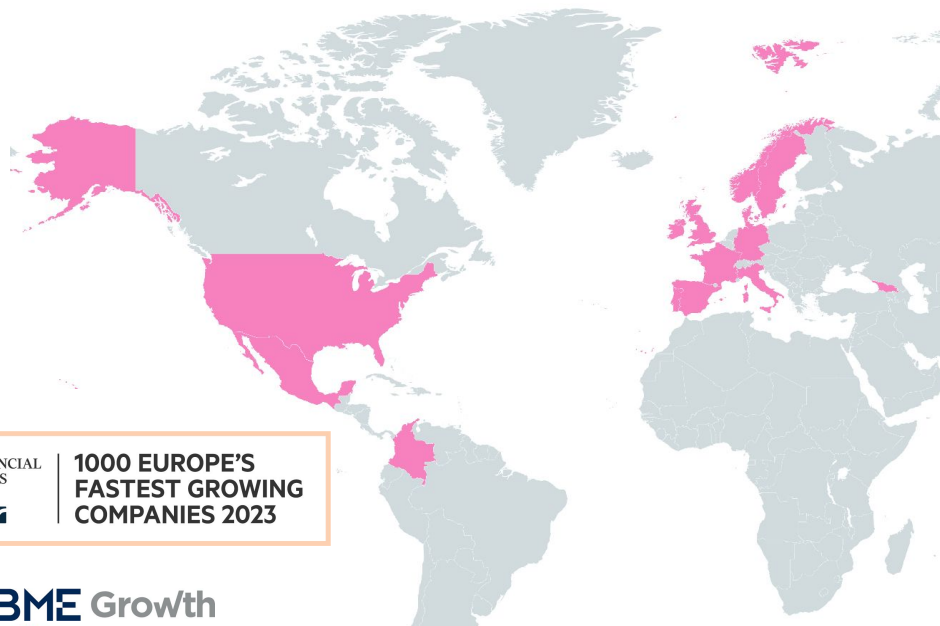


**Listed Company**

Ticker: MAKS (BME)

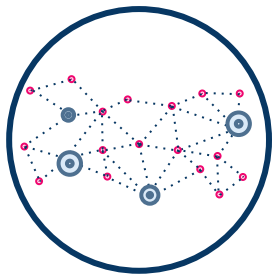


**making science**



## 360° Capabilities Across All Aspects of Digital Marketing Services

Our strategic framework is based on the **understanding that our digital ecosystem** is a complex puzzle and the importance of building an **integrated strategy**

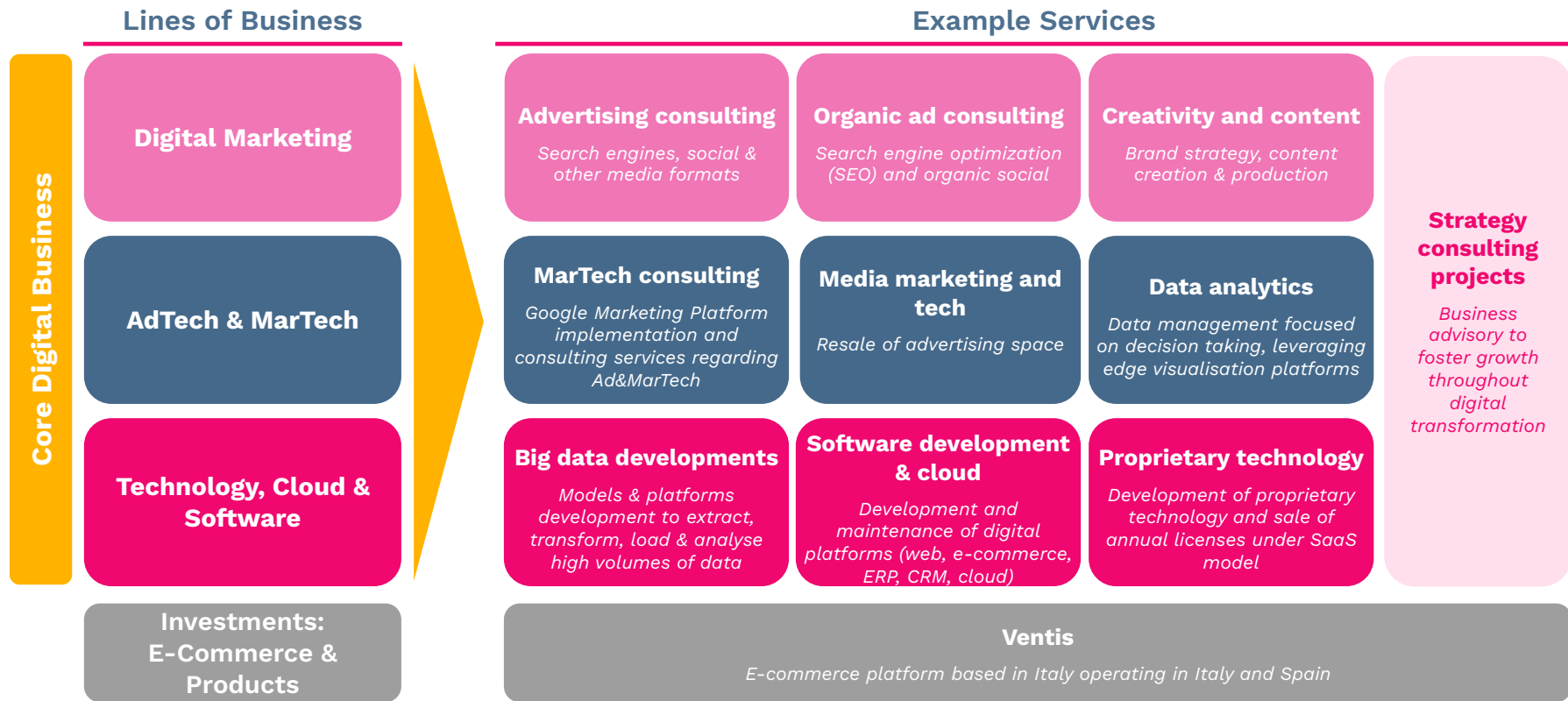


### Benefits of building a robust and integrated digital ecosystem:

- Cost efficiency
- Agility
- Budget & resource optimization
- Economies of learning
- Maximization of results
- Traceability
- Integrated reporting

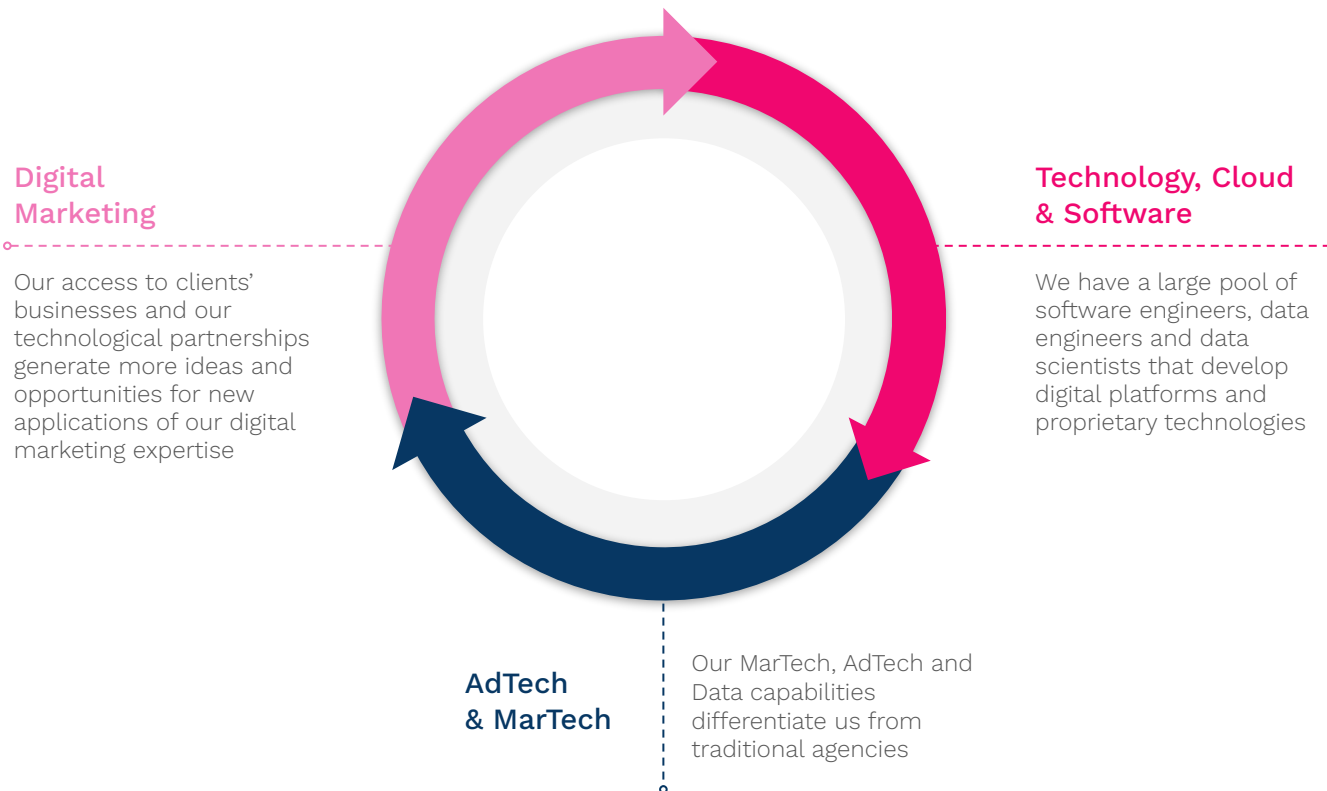


# Overview of Making Science Services



## Our Flywheel

Complementary, high-growth lines of business that reinforce the value proposition to the client



## Some of Our Clients

We create value through integrated solutions to deliver a 360-degree, results-driven experience

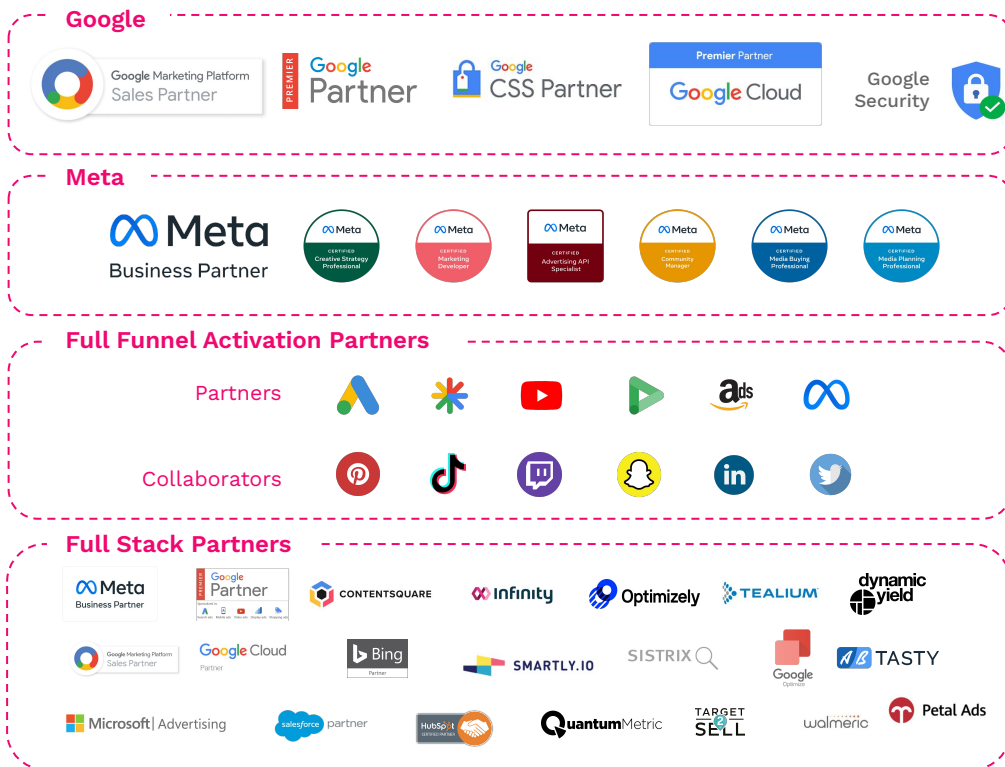


# Operating in Partnership With the Largest Global Platforms

We are experienced in all channels of the digital ecosystem

**We are partners of the largest companies in the sector, which gives us a complete vision of the digital advertising ecosystem.**

**Our way of working is linked to our technology partners**, so we can offer the latest developments in the market and the best treatment by the partners.



# Investment Highlights

Why invest in Making Science



**making  
science**

- 1 Unique **combination of synergistic businesses** bringing together digital marketing, data analytics and cloud & software technology
- 2 Strong organic growth performance, **outpacing the sector's** high growth rate
- 3 Sound track record of M&A execution, **accelerating acquired companies' performance** right after onboarding
- 4 **Highly diversified profile** in all dimensions: businesses, clients, sectors and geographies
- 5 Solid business model based on **revenue recurrency**, first-class **partnerships**, **proprietary technology** and **talent development**
- 6 **Digital natives** in a fast growing industry with resilience to economic conditions as an **efficiency enabler for our clients**
- 7 Recognized management team, proper governance and right set of **cultural values perfectly aligned** with the strategy
- 8 Disciplined financial approach, well-managed working capital and **high cash conversion ratio**

## 02. Core Business: Growth Strategy



# Our Multi-Pronged Growth Strategy

1

## Continue to Pursue Rapid and Profitable **Organic Growth**

- Maintain and expand market share in high-growth digital ad market
- Drive margin expansion through efficiencies and economies of scale
- Focus on growing profitably and accelerating the growth of acquired companies

2

## Expand Global Presence via **Acquisition Strategy**

- Grow scale through geographic expansion of capabilities and M&A in attractive, high-growth global markets
- Pure digital companies with complementary services or traditional agencies
- Disciplined approach to assessing potential strategic acquisitions

3

## Use **Innovation and Technology** to Drive Customer Success

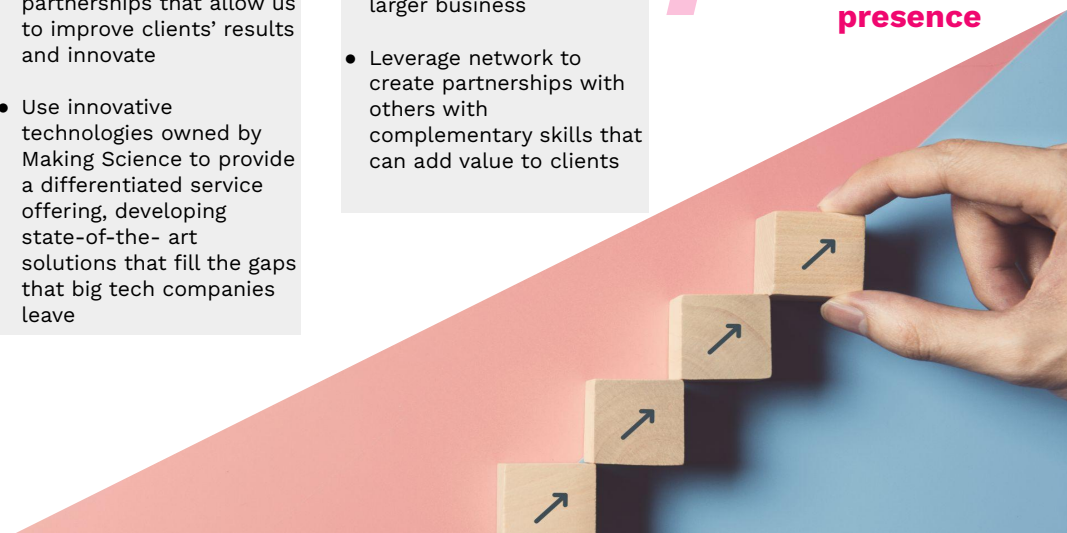
- Maintain strong technological partnerships that allow us to improve clients' results and innovate
- Use innovative technologies owned by Making Science to provide a differentiated service offering, developing state-of-the-art solutions that fill the gaps that big tech companies leave

4

## Create **Partnerships** to Accelerate Global Growth

- Continue to work with Local Planet and individual partners to develop the network and compete for larger and larger business
- Leverage network to create partnerships with others with complementary skills that can add value to clients

**Our goal is to be one of the top advertising and technology consulting companies in the world, with a strong international presence**



## Why Pursue Internationalization?

The benefits of global scale in our industry



### Local presence

Local team facilitates communication and knowledge of the local market, including local operations of global clients



### Relationships with major global partners

Increase collaboration with major global partners such as Google and Meta, which are used worldwide by large clients



### New business and market share opportunities

Ability to offer Making Science services to clients in new markets, including the biggest global digital advertising markets



### One-stop shop supplier

Full suite of services not dependent on third parties; ability to leverage talent worldwide for any role



### Size and scale helps generate business

Greater brand awareness and positioning; more referrals and RFPs from global brands and ability to meet complex needs

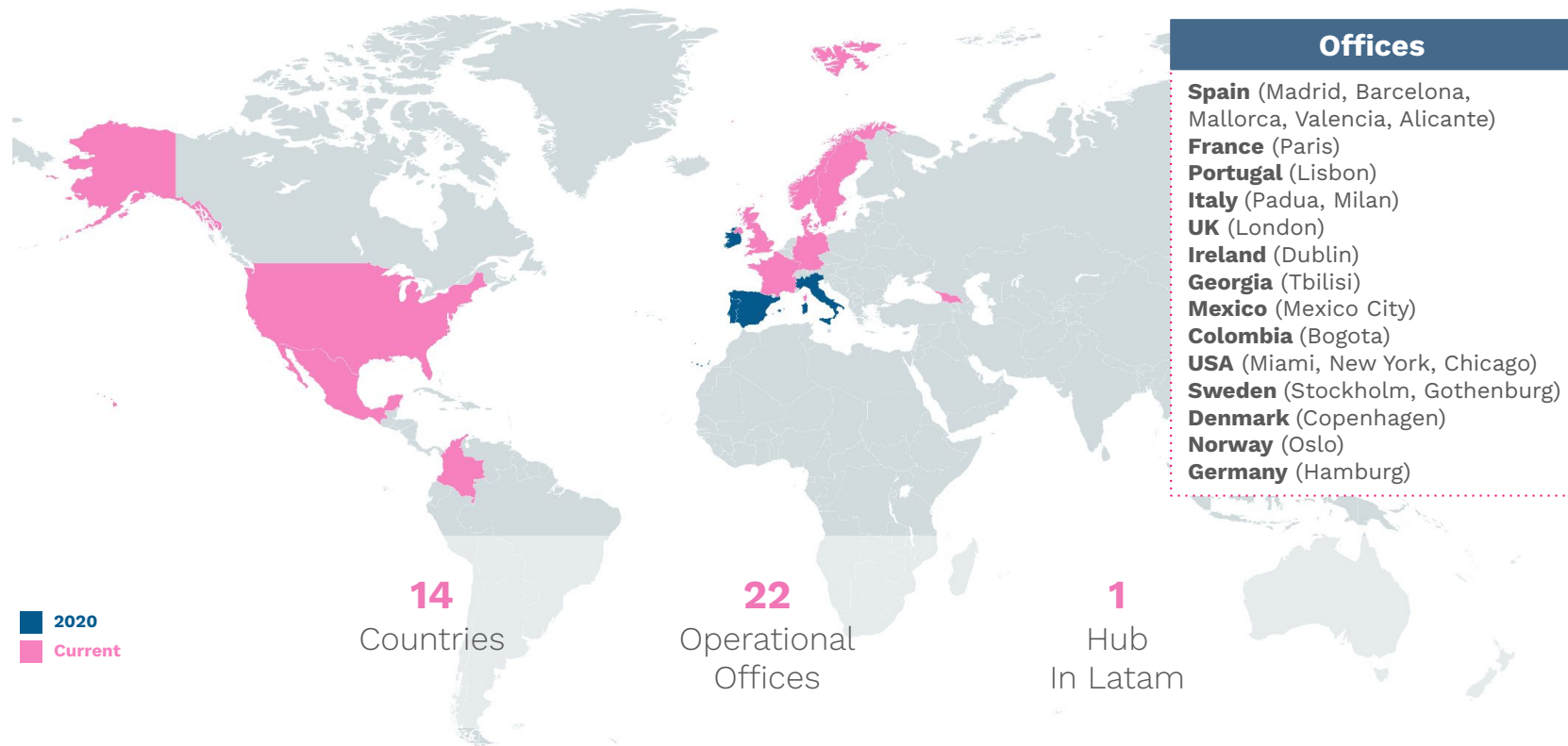


### Cost savings

Scale existing processes to increase efficiency; joint use of resources; stronger supplier relationships

## Global Diversification Progress: Expanding Global Reach

Our aspiration is to be present in the top 20 global advertising markets



## Global Diversification Progress: EBITDA and Employees

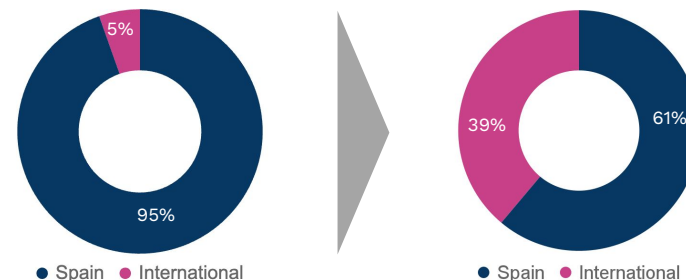
Our aspiration is to be present in the top 20 global advertising markets



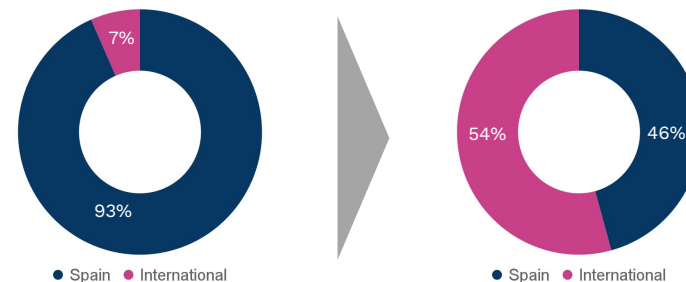
Making Science has made significant progress in diversifying throughout Europe and the global economy.

- In 2020, 95% of EBITDA was from Spain; in 2022, that number has fallen to only 61%
- As Making Science has expanded internationally, its employee base has become more globally diversified with over half of employees now outside of Spain

### EBITDA by Region (2020 vs. 2022)<sup>1</sup>



### Employees by Region (YE 2020 vs. YE 2022)



1. Based on split between Spain and International segments of the Core Business disclosed by the company on an accounting basis.

## 1 Organic Growth: 2022 Highlights

Global demand for digital services will continue to grow

In 2022, Making Science continued executing its organic growth plan in the high-growth digital industries it competes in.

Growth in key global markets presents a major opportunity for digital marketing specialists that boast **integrated capabilities** in the worlds of AdTech, MarTech, cloud and software.

1. Excluding acquisitions.

2. Includes YTD 2023.

### Organic Growth Highlights (2022)



**31%**

**Organic EBITDA Growth**



**250**

**New Clients<sup>1</sup>**



**5**

**New Offices Opened<sup>1 2</sup>**



**300+**

**Net New Employees<sup>1</sup>**

## 2 Acquisition Strategy: Overview

Deep experience in acquiring and integrating companies to accelerate their growth

### Acquisition Criteria

- ✓ Pure digital companies or traditional full-service agencies
- ✓ Proven track record of growth and strong margins
- ✓ Ability for Making Science to accelerate targets' growth
- ✓ Complementary geographical location
- ✓ Experienced founder and management team
- ✓ Synergies through buy-in to integrated service model
- ✓ Attractive financial profile

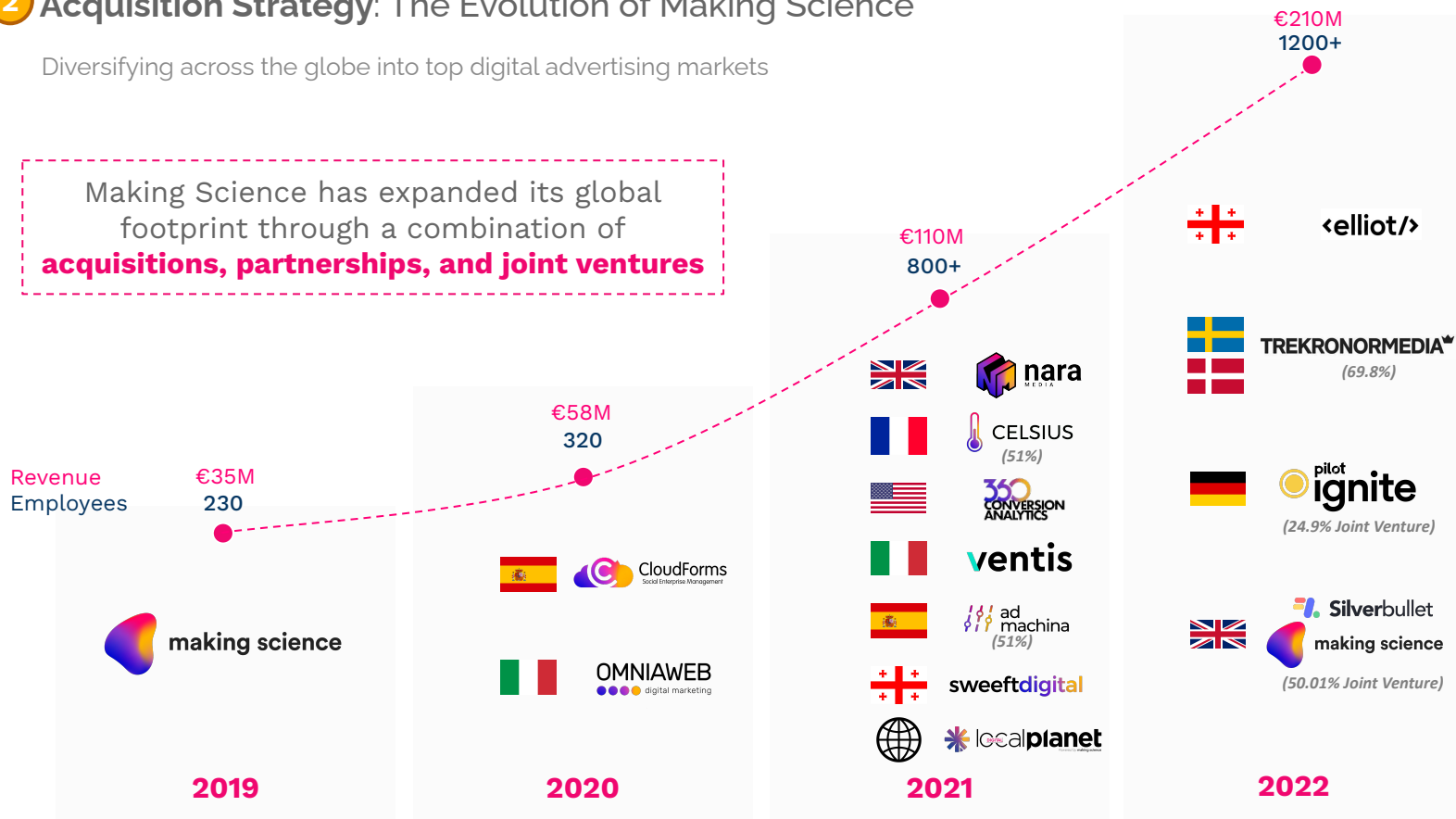
**Strong track record** of integration and realization of synergies in acquired companies



## 2 Acquisition Strategy: The Evolution of Making Science

Diversifying across the globe into top digital advertising markets

Making Science has expanded its global footprint through a combination of **acquisitions, partnerships, and joint ventures**



### 3 Innovation and Technology: Gauss

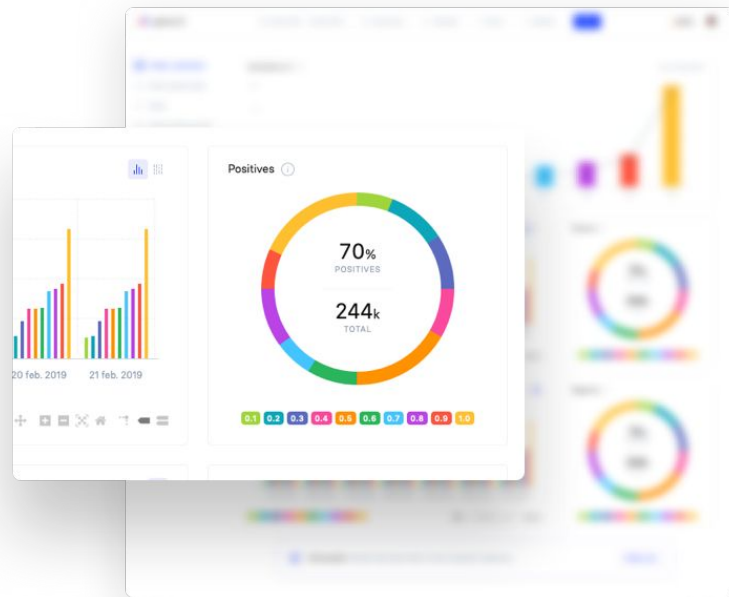
Innovative AI technology developed by Making Science



**Product** developed by Making Science that provides easy **activation of data** through **Artificial Intelligence**. Designed to provide solutions for digital marketing and sales.

Gauss AI helps to solve:

- Will this visitor buy or not?
- What will be the next product this customer will buy?
- Should I bid on this cookie?
- What will be the conversion rate next month?



Sample  
Services

#### GAUSS Smart Advertising

To improve signals throughout the sales funnel in a value-based bidding context.

#### GAUSS Data Quality & Alerts

Monitor the quality of the data we are activating to ensure its completeness, accuracy, consistency and validity.

#### GAUSS Connector

Bidirectional exchange of data with marketing platforms to enrich reporting, attribution and smart bidding.

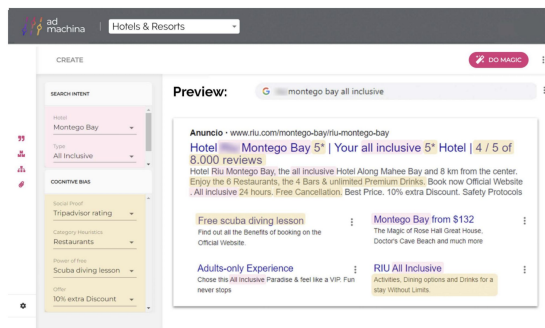
#### GAUSS Attribution + Media Mix Modelling

Make decisions based on the best actions that lead to conversion using both user data and proprietary model integrations.

### 3 Innovation and Technology: Ad-Machina

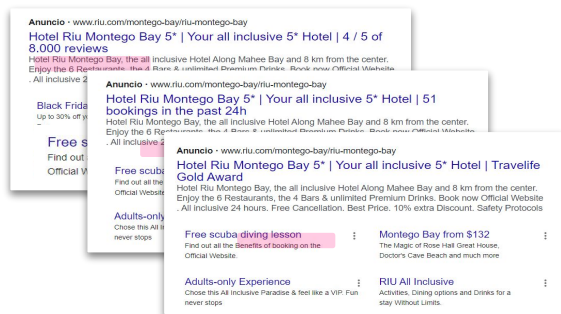
State-of-the-art campaign automation technology for Google Ads

**ad machina** “ad-machina is a **natural language generation technology** that transforms data feeds into advanced Google ads campaigns, generating **more sales and at a lower cost.**”



#### Generate ads at scale

Hundreds of thousands of ads automated with optimized conversion rates in different languages



#### Create personalised ads for Google Ads campaigns

Hyper-personalise ads in real time for each user and each search, according to product price and availability



#### Provide users customized landing pages

Landing pages adapt to improve customer satisfaction by improving the accuracy of the messaging

## 4 Partnerships: Local Planet Partnership

Strengthening our position as a global operator



In October 2021, Making Science joined Local Planet as its specialist digital consultancy partner.

With Local Planet's global reach, Making Science has been able to offer our best-in-class digital marketing solutions to a wider range of international clients and work collaboratively to win clients.

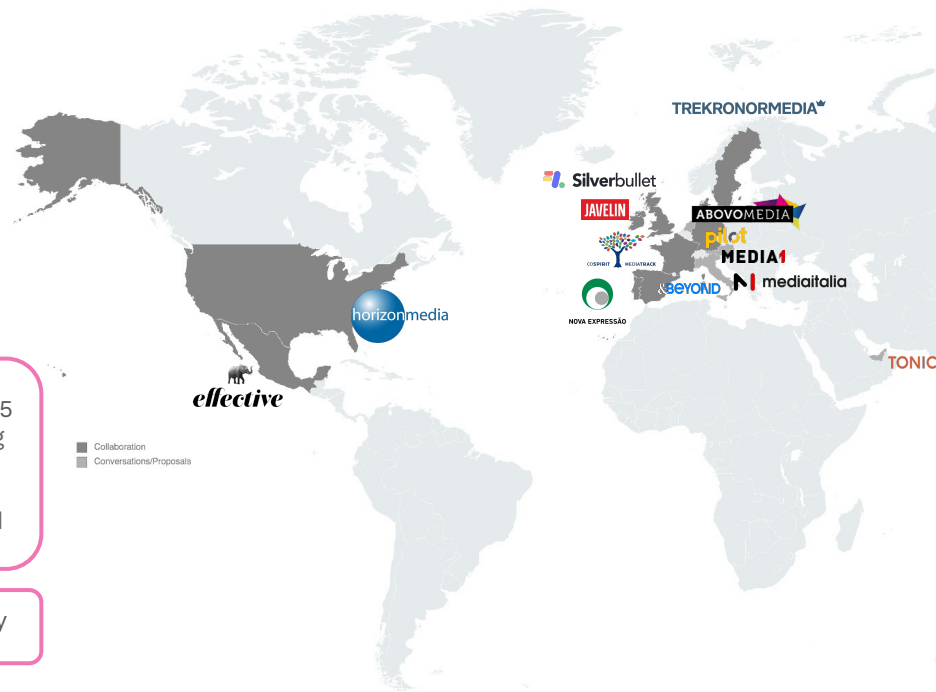
### Local Planet Overview

Network of 62 agencies present in 85 markets providing media, marketing and communications solutions

\$17 billion in managed media spend

### Making Science Ownership

11.9% ownership in holding company  
(Including Tre-Kronor media ownership)




## 03. Core Business: US Expansion



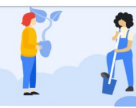
## Certified Partner Status













After 18 months of work, we have gotten our US Google Marketing Platform Certification



### Partner Gallery

Find Certified Companies and Sales Partners who can support you every step of the way.



 <p><b>Making Science USA</b> United States</p>  <p>14 Services <a href="#">Details</a></p>	 <p><b>Making Science Spain</b> Spain</p> <p>Sales Partner Analytics &amp; Advertising</p>  <p>17 Services <a href="#">Details</a></p>	 <p><b>Making Science Portugal</b> Portugal</p> <p>Sales Partner Advertising</p>  <p>12 Services <a href="#">Details</a></p>
 <p><b>Making Science France</b> France</p>  <p>16 Services <a href="#">Details</a></p>	 <p><b>Making Science Italy</b> Italy</p>  <p>12 Services <a href="#">Details</a></p>	 <p><b>Making Science UK</b> United Kingdom</p>  <p>13 Services <a href="#">Details</a></p>

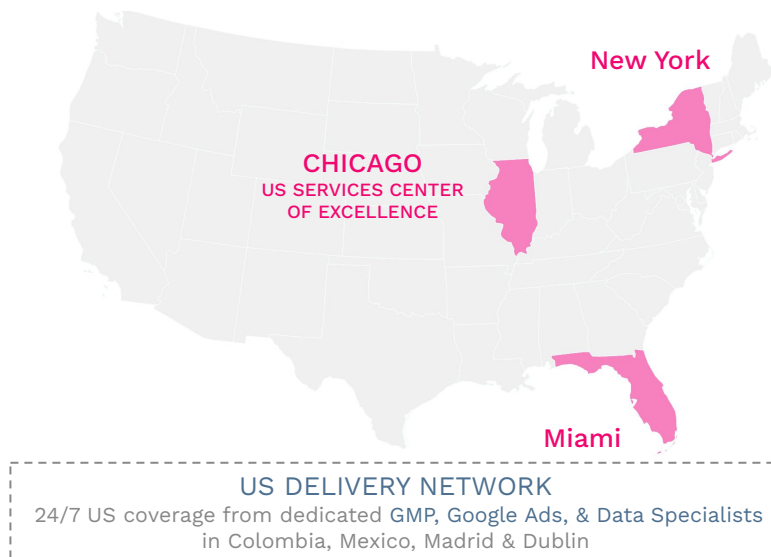
## Now is the Time to Grow in the US

### Making Science is breaking into the US market with a major expansion of its US-based team

Appointed three C-level executives, all former Googlers, to elevate awareness of Making Science's digital marketing solutions and proprietary technology in the US

Teams are being established with key specialists who will be supported by consultants in Making Science's service delivery hubs

**Significant investment by Making Science in the most important advertising market in the world**



## Expanding in the US Market Organically

### Making Science is investing heavily into the US expansion organically, rather than through M&A

- Making Science entered the US market in 2021 through the acquisition of 360 Conversion Analytics
- The current expansion represents a significantly larger investment, with a focus on organically building the brand by leveraging our relationships with Google
- Instead of a capex outlay, the result of this investment will be lower EBITDA in the initial quarters of the expansion as costs precede revenues
- Over time, we expect that this investment will be significantly more profitable than a large M&A deal (€30M+), which would be required to establish a real presence in this market

#### Initial Focus: AdTech and MarTech

##### **MarTech consulting**

*Google Marketing Platform implementation and consulting services regarding Ad&MarTech*

##### **Media marketing and tech**

*Resale of advertising space*

##### **Data analytics**

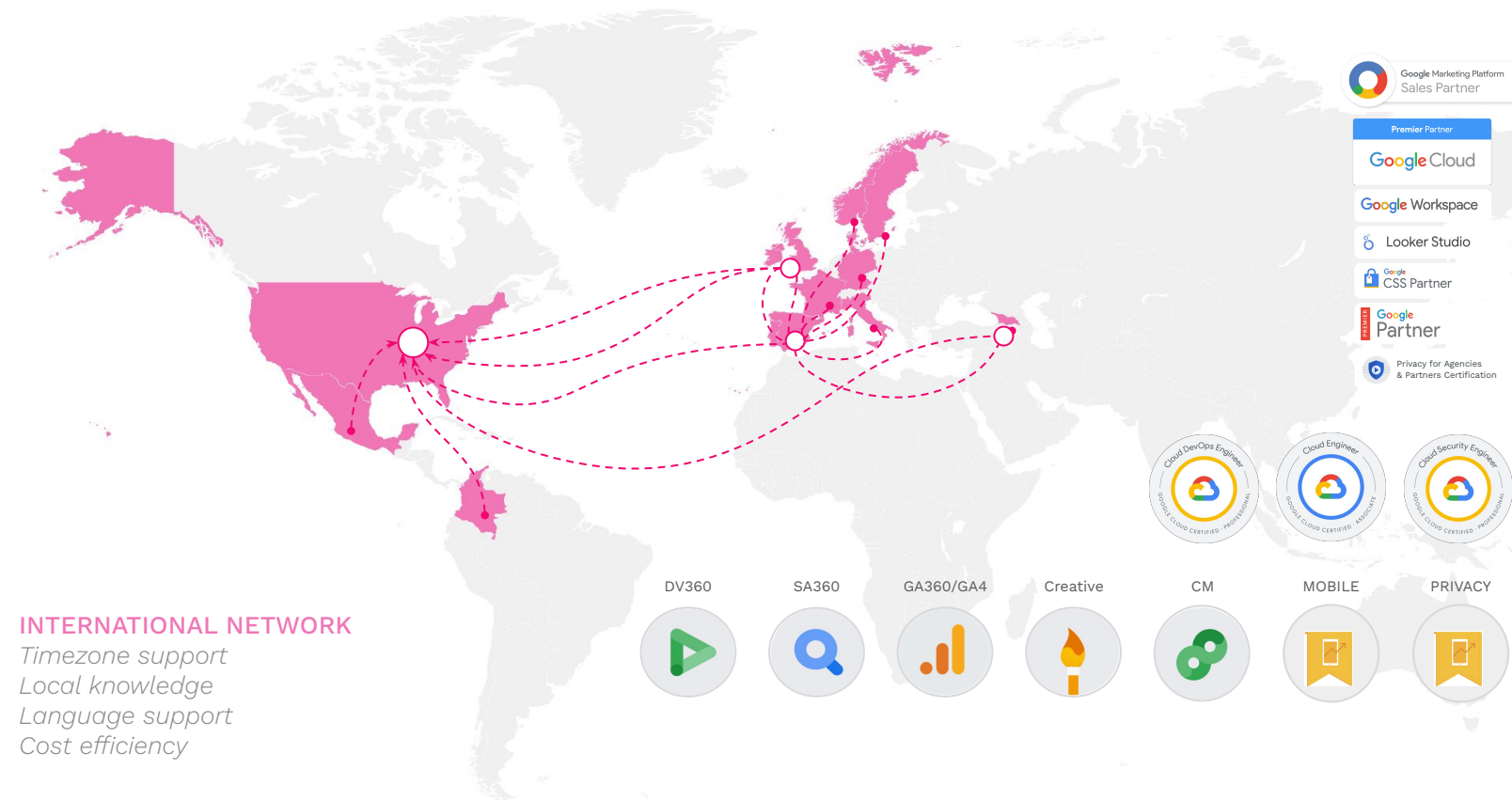
*Data management focused on decision taking, leveraging edge visualisation platforms*

We partner with other agencies, including in the Local Planet network, to win business by making use of each partner's distinct capabilities.

Some of our partners:



## 24/7 Professional Services – Team Certifications



## The US Market Opportunity

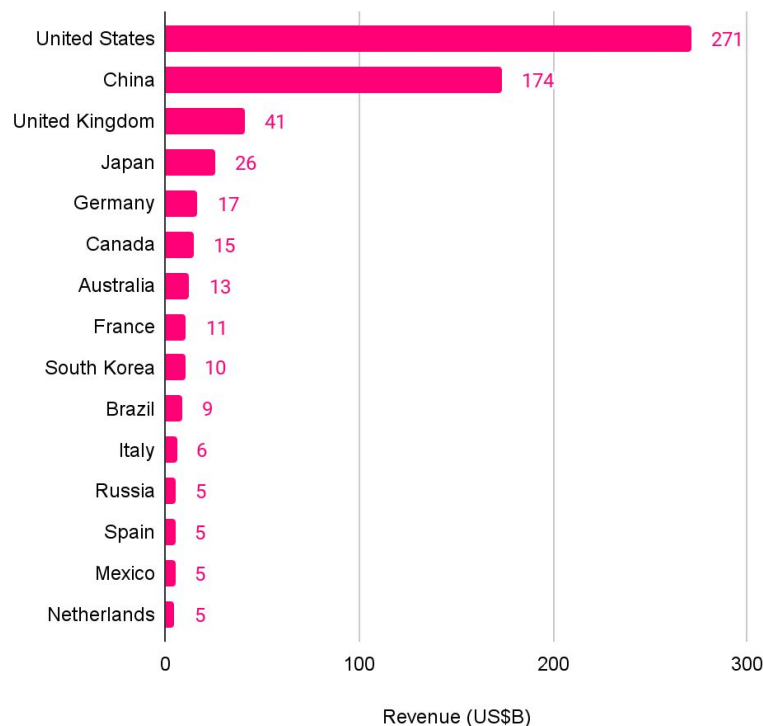
The US market is the largest digital advertising market in the world, encompassing ~40% of global digital advertising spend and ~53% excluding China

Despite its large size, it is forecasted to continue to grow at a faster rate than other global markets.

**A significant presence in the US is critical for our ambitions to be a global leader in digital acceleration.**

1. Source: Statista Digital Market Insights

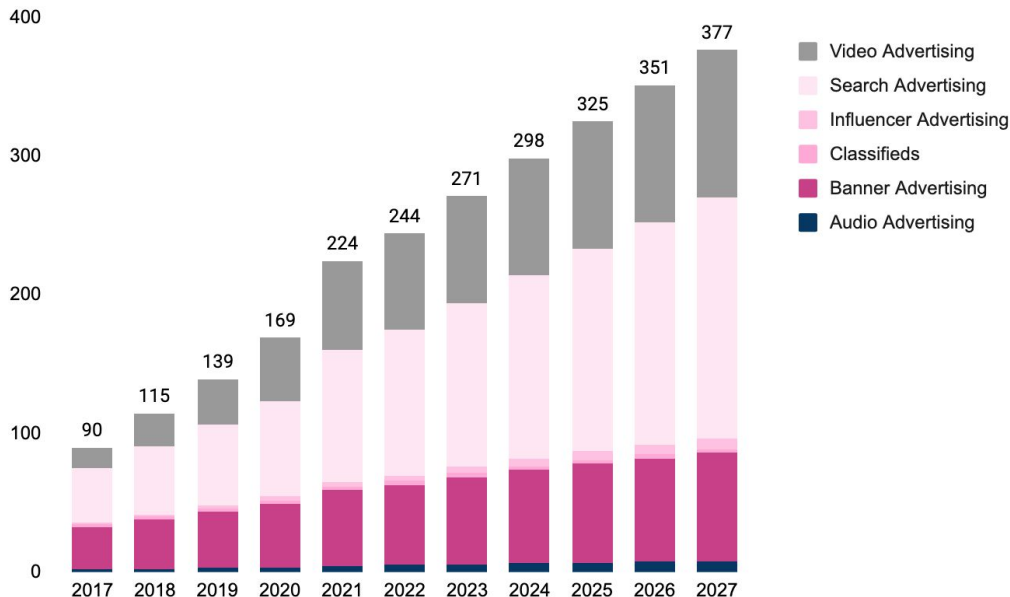
### Largest Digital Advertising Markets Worldwide (2023)<sup>1</sup>



## US Market Growth: Ad Spending by Segment

**Search Advertising makes up approximately ~45% of digital advertising spending in the US, and has a higher rate of growth than other large segments**

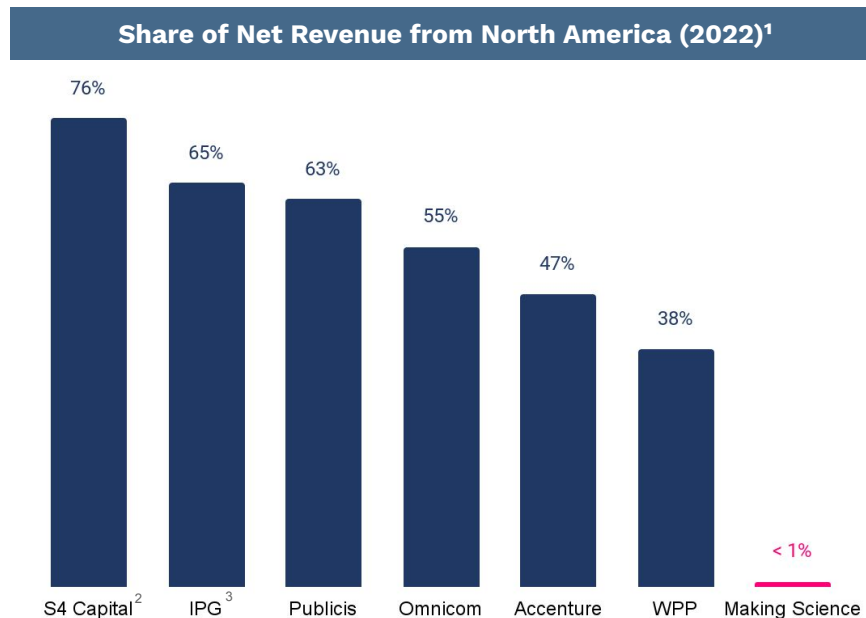
**US Advertising Spending by Segment (US\$B)<sup>1</sup>**



1. Source: Statista Digital Market Insights

## North American Presence of Other Consulting Firms

In comparison with other major global agencies and consulting firms, Making Science has very little exposure to North America. This represents an opportunity to grow in this region.

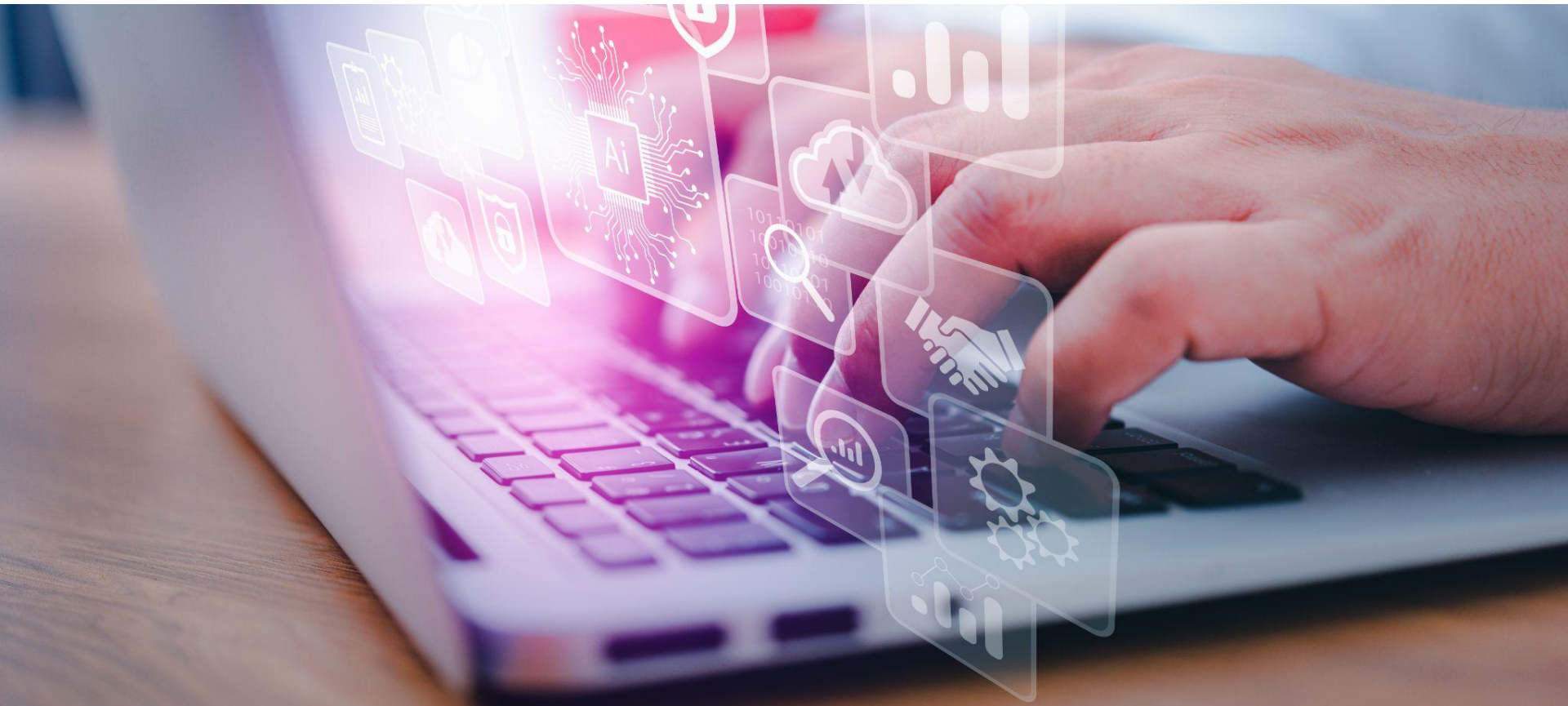


1. Source: Statista, annual reports.

2. Includes all Americas.

3. Excludes Canada.

## 04. Investments: E-Commerce & Products



# Ventis Overview

E-commerce business with significant potential for value creation



**Ventis** is an e-commerce business acquired by Making Science in May 2021

## Product Categories

Fashion, Home and Gourmet

## Countries

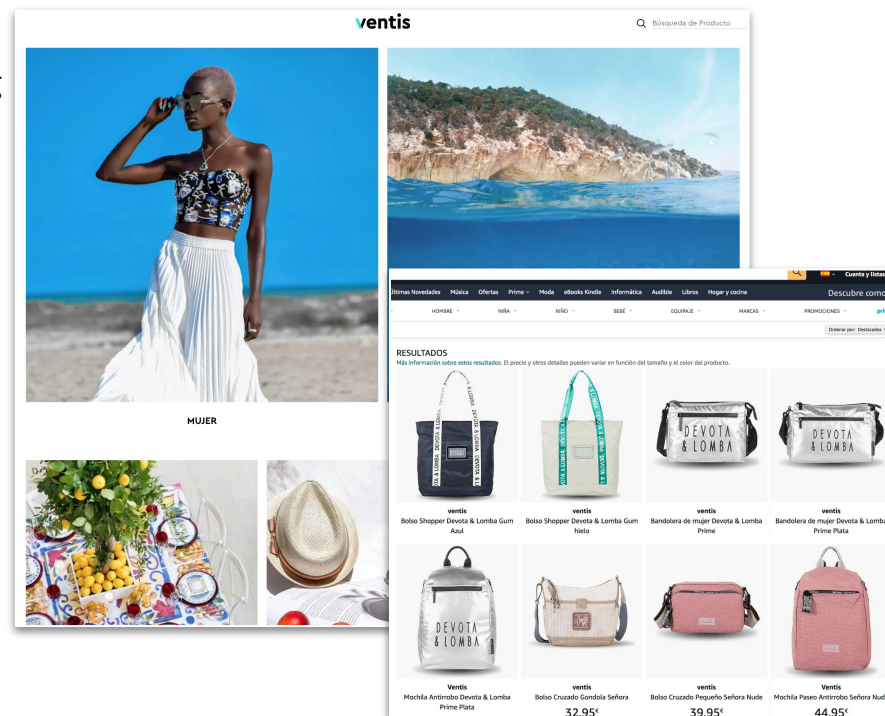
Based in Italy  
Launched in Spain in Q4 2021

## Revenue

€10.6M (2022)

## Investment Case

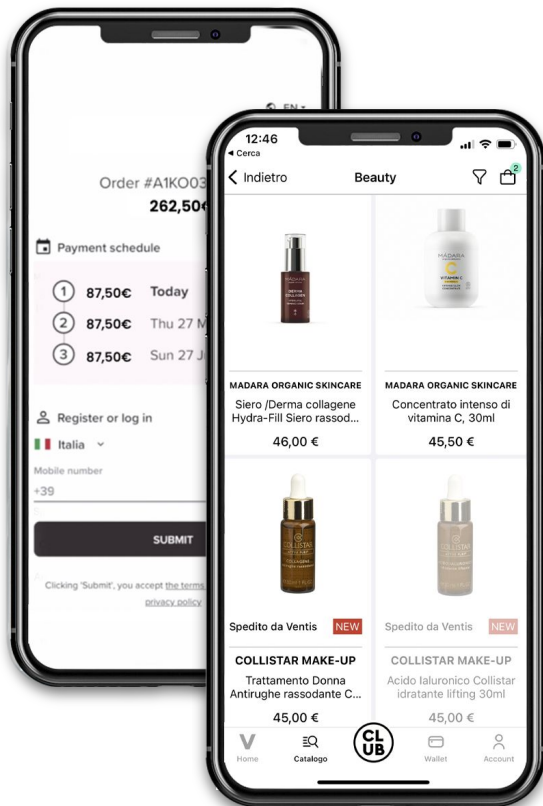
- ✓ Attractive price
- ✓ Long-term deferred payment structure
- ✓ Synergies from use of MS expertise in digital marketing
- ✓ Growing digital industry with strong tailwinds



Note: Acquisition price of €9.5M paid in installments over the next 5 years; €7.5M remaining to be paid.

## Recent Initiatives

Making Science is executing an operational turnaround to enhance Ventis' growth and profitability



### MARKETING

- Improved SEO structure
- Upgraded media strategy, now included on Google Shopping search results
- Partnerships with Welfare and Corporate Benefits portals
- New distribution channels
- Tightening investment to improve ROAS

### PRODUCT

- Automation process to speed up merchant onboarding leading to massive catalogue growth
- Launch of Beauty and Wellness
- Integration of new high end fashion boutique in order to transition fully to premium

### TECHNOLOGY

- Revamped UX with improved navigation, loyalty program and member referrals
- New checkout process
- Buy Now Pay Later solution implemented (Scalapay)
- Improved mobile app
- New internal portal to handle product with automated processes

### CUSTOMER EXPERIENCE

- Enhanced shipment and return processes and customer support
- Reduced click to delivery times
- Simplified returns process
- New logistic from Ventis warehouse to improve control and quality of shipments

### SUPPLIER EXPERIENCE

- Automated process to import catalogues from various sources
- New supplier hub for merchants to review orders, print shipping labels and initiate shipping
- Tighter relationship with profitable partners

### ORDER ECONOMICS

- Reduction in warehouse products and increase in dropshipping enabled by improved merchant backend
- New rotation and profitability dashboard
- Decreased shipping costs and overhead costs
- Heavy reduction of returns (damages, etc.)

## Path to First Quarter of Profitability

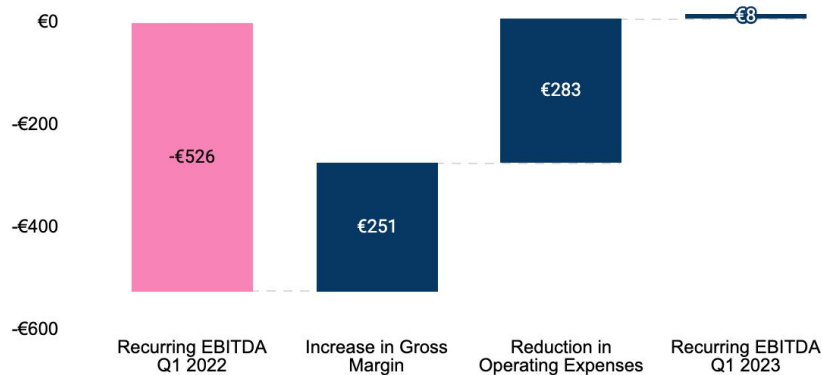
Ventis achieved its first breakeven recurring EBITDA in Q1

### Ventis achieved its first breakeven quarter in Q1 2023, due to the impact of:

- Increase in Gross Margin
  - Refined pricing mechanism on highly requested products from all categories
  - Removal of low margin products with high risk of returns / breakage
  - More revenue from shipping paid by customers
  - Reduction of broad discounts in favour of selected offers on strategic brands and categories
- Reduction in Operating Expenses
  - Team restructuring and consolidation of office space
  - Increased automation of digital catalogue operations
  - Improved logistic costs and operations
  - Merchants moved to full dropshipping with returns going back to their warehouses (zero stock policy)

### Recurring EBITDA Bridge (Q1 2022 - Q1 2023)

in € 000s

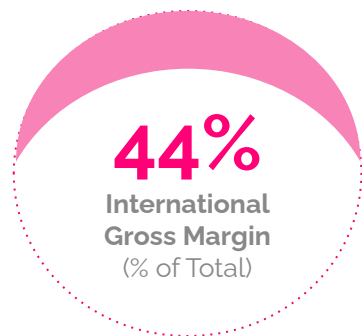


## 05. FY2022 and Financial Update

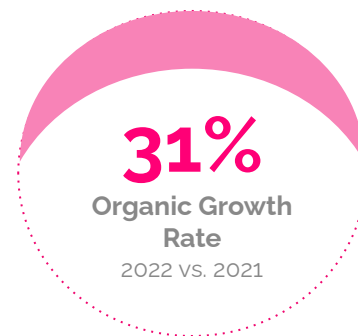
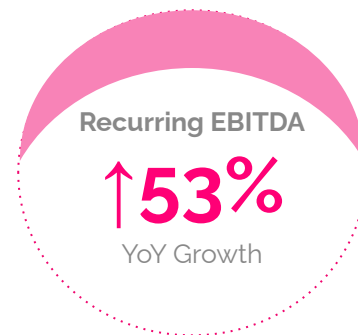


# Financial Highlights

FY2022



-----  
**€11.0M**  
 FY2022 Recurring  
 EBITDA  
 -----

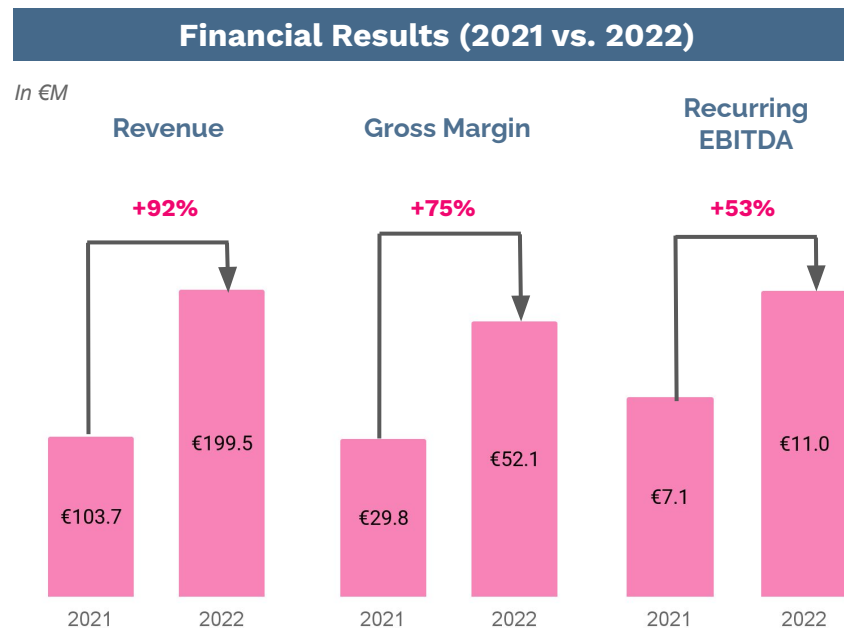


Note: results based on Core Digital Business.

## 2022 Results: Core Digital Business

Significant growth in our business demonstrates the strength of our core operations

- Revenue and gross margin grew by 92% and 75% in 2022 to €199.5M and €52.1M, respectively
- Recurring EBITDA grew by 53% to €11.0M**, including the negative impact of internationalization and integration expenses<sup>1</sup>

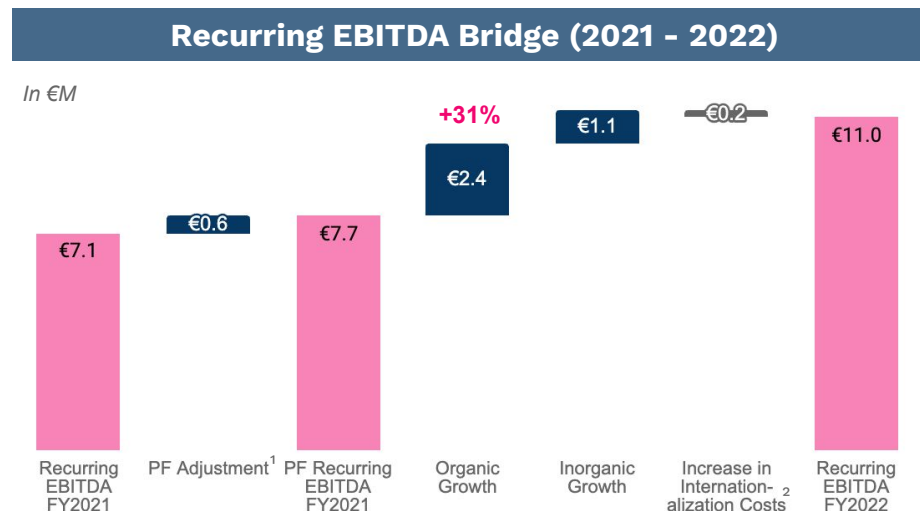


1. Internationalization expenses include the provision of structure to the country teams (Finance, MarCom and People), software licenses for corporate platforms and the implementation of internal integration programs.

## 2022 Results: Core Digital Business (cont'd)

Accelerating both organic and inorganic growth while maintaining profitability

- Solid and sustained organic growth in 2022 compared to the same period in 2021, with Like-for-Like EBITDA of €10.1 million representing an **organic growth rate of 31%**
- International acquisitions made between January 1, 2022 and December 31, 2022 contributed €0.9 million in recurring EBITDA



1. Represents effect on accounting EBITDA of acquisitions completed before December 31, 2021, as if they had been part of the scope of Making Science since January 1, 2021, in order to make the comparison on the same basis.

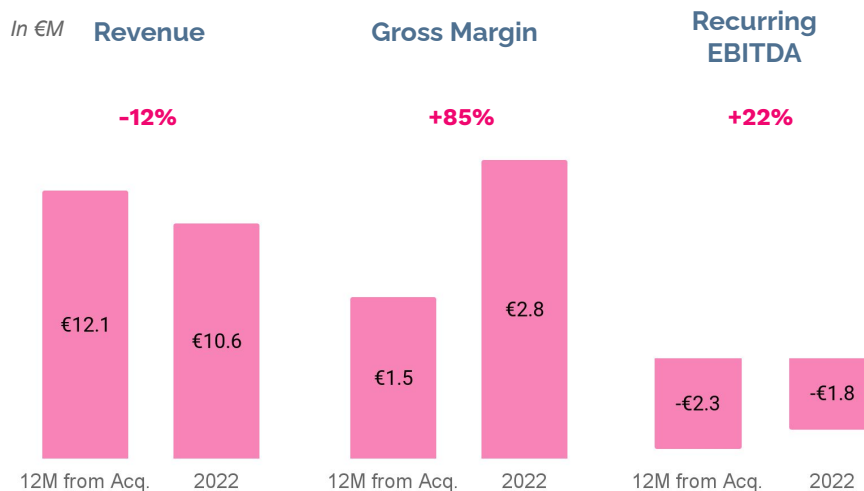
2. Internationalization expenses include the provision of structure to the country teams (Finance, MarCom and People), software licenses for corporate platforms and the implementation of internal integration programs.

## 2022 Results: Investments (E-Commerce & Products)

Significant value creation opportunity in Ventis operational improvement

- Net revenue was slightly down in 2022 compared to the 12 months since the acquisition by Making Science<sup>1</sup>, but **gross margin increased 85%** as the company's profitability improvement initiatives started to take effect
- Major cost saving initiatives were implemented in Q4, and effects will be seen in Q1 2023+, particularly on the operating expenses side

### Financial Results (12M From Acquisition vs. 2022)



1. Represents the period from July 2021 to June 2022.

# Income Statement Summary (GAAP)

## FY2022 Results

- Revenue growth of 90% and gross margin growth of 83% in 2022, from both organic and inorganic growth
- Recurring EBITDA growth of 61%, representing an increase of €3.5M (+€3.8M in the Core business and an additional -€0.3M in Investments, due to the incorporation of more months of Ventis in 2022 since its acquisition in mid-2021)
- Consolidated net loss of €4.6M in 2022 compared to net loss of €3.2M in 2021 due primarily to the impact of depreciation and amortization of capex and goodwill and increased interest expense

## Income Statement Summary

<i>In €M</i>	<b>2021</b>	<b>2022</b>
Revenue	€110.4	€210.1
Cost of Sales	(€80.4)	(€155.2)
<b>Gross Margin</b>	<b>€30.0</b>	<b>€55.0</b>
Capitalized Expenses <sup>1</sup>	€2.5	€3.3
Personnel Expenses	(€21.3)	(€36.2)
Other Net Operating Expenses <sup>2</sup>	(€8.8)	(€14.4)
<b>EBITDA<sup>3</sup></b>	<b>€2.4</b>	<b>€7.5</b>
<b>EBITDA (Recurring)</b>	<b>€5.7</b>	<b>€9.2</b>
Depreciation & Amortization	(€3.8)	(€7.6)
<b>EBIT</b>	<b>(€1.5)</b>	<b>(€0.1)</b>
Net Finance Expense	(€1.1)	(€3.0)
Income from Equity-Method Investments	–	€0.0
Income Tax Expense	(€0.7)	(€1.5)
<b>Net Income (Loss)</b>	<b>(€3.2)</b>	<b>(€4.6)</b>
<i>Attributable to Shareholders</i>	(€3.5)	(€5.0)
<i>Attributable to Non-Controlling Interest</i>	€0.3	€0.4

1. Represents investments in the company's proprietary technologies.

2. Includes Other Operating Expenses, Other Operating Income, Other Results, and Gain/Loss on Disposal of Fixed Assets.

3. Includes impact of non-recurring expenses (€3.4M in 2021 and €1.7M in 2022).

## Balance Sheet Summary (GAAP)

### FY2022 Results

- Material cash cushion of €31.3M at December 31, 2022, providing flexibility to achieve corporate objectives
- Continued negative net working capital balance as client payments are received before payments to suppliers are made
- Growth in intangible assets driven by acquisitions and the company's investments in its proprietary technology

### Balance Sheet Summary

<i>In €M</i>	<b>2021</b>	<b>2022</b>
Cash and Equivalents	€30.2	€31.3
Accounts Receivable	€29.7	€45.3
Other Current Assets	€3.6	€4.6
<b>Total Current Assets</b>	<b>€63.5</b>	<b>€81.3</b>
Intangible Assets	€39.7	€48.8
Other Long-Term Assets	€2.2	€3.3
<b>Total Assets</b>	<b>€105.5</b>	<b>€133.5</b>
Short-Term Debt	€19.7	€24.1
Accounts Payable	€33.2	€53.7
Other Current Liabilities	€6.3	€8.7
<b>Total Current Liabilities</b>	<b>€59.1</b>	<b>€86.4</b>
Long-Term Debt	€34.1	€32.2
Other Long-Term Liabilities	€0.5	€0.2
<b>Total Liabilities</b>	<b>€93.7</b>	<b>€118.8</b>
Shareholders' Equity	€11.8	€14.6
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>€105.5</b>	<b>€133.5</b>

# Cash Flow Summary (GAAP)

## FY2022 Results

- Increase in cash balance of €1.1M in 2022, ending the year with €31.3M
- Significant organic operating cash flow of €10.9M reflecting strong EBITDA growth and sustainable negative working capital position
- €11.2M in Capex and Acquisitions and €5.2M in debt repayments funded by operating cash flow and equity issuance completed in May 2022
- Organic capital expenditures consist primarily of investments in the company's proprietary technologies
  - Majority of Capex & Acquisitions consists of M&A activity

1. Represents cash paid for acquisitions, excluding equity and earn-out portion of consideration paid for acquired companies, and considering net debt and working capital in the integration.

## Cash Flow Summary

<i>In €M</i>	<b>2021</b>	<b>2022</b>
EBITDA (Recurring)	€5.7	€9.2
Non-Recurring Expenses	(€3.4)	(€1.7)
Change in Net Working Capital	€5.8	€5.7
Interest, Tax & Other Operating CFs	(€0.9)	(€2.3)
<b>Operating Cash Flow</b>	<b>€7.2</b>	<b>€10.9</b>
CAPEX	(€3.1)	(€4.7)
Acquisitions (net) <sup>1</sup>	(€10.5)	(€6.5)
<b>Business Cash Flow</b>	<b>(€6.4)</b>	<b>(€0.3)</b>
Bond and Bank Debt Issuance (Net)	€26.6	€0.1
Repayment of Debt with Associates	(€1.6)	(€5.3)
Equity Issuance (Cash)	–	€8.9
Share Repurchases	€0.0	(€1.2)
Other Financing CFs	(€0.3)	(€1.1)
<b>Total Cash Flow</b>	<b>€18.3</b>	<b>€1.1</b>
<b>Cash Flow Conversion (Business Cash Flow ex-M&amp;A / Recurring EBITDA)</b>	<b>71.4%</b>	<b>68.3%</b>

## Net Debt

Disciplined use of debt financing and earn-outs to accelerate growth

- Net Debt increased by only €1.3M from 2021 to 2022, as organic cash flow generation offset the cash impact of capex and acquisitions
- Acquisitions have been financed with a mix of shares, cash, and earn-outs based on the performance of the acquired businesses
- Acquisition-related earn-outs are recorded as debt, although **future payments are contingent on performance** of the acquired businesses

Net Debt <sup>1</sup>		
<i>In €M</i>	<b>2021</b>	<b>2022</b>
Bank Debt	€24.6	€26.1
Bonds	€11.8	€11.8
M&A-Related Payments and Other Financial Liabilities <sup>2</sup>	€17.3	€18.4
Less: Cash and Equivalents	(€30.2)	(€31.3)
Less: Short-Term Financial Investments	(€0.2)	(€0.3)
<b>Net Debt</b>	<b>€23.3</b>	<b>€24.6</b>
Unrecognized Earn-Outs	€4.2	€3.0
<b>Adjusted Net Debt</b>	<b>€27.5</b>	<b>€27.6</b>
<b>Adjusted Net Debt / Recurring EBITDA</b>	<b>4.8x</b>	<b>3.0x</b>

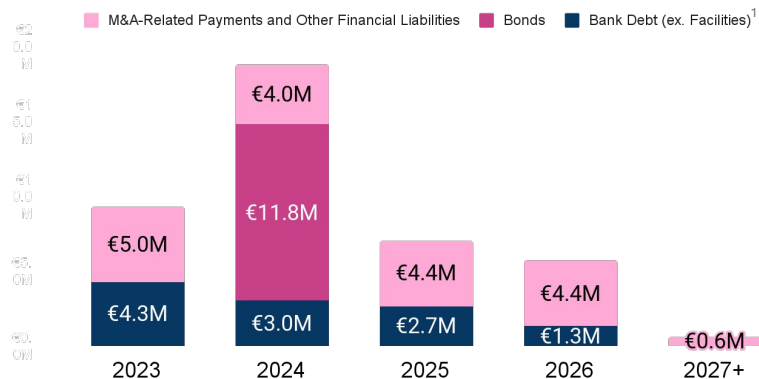
1. Book values as at December 31.

2. Remaining payments for the acquisition of Ventis constituted €8.5M of the balance at YE 2021 and €7.5M of the balance at YE 2022.

## Credit Profile

Making Science is well-positioned to finance its growth strategy

### Debt Maturity Schedule



### Credit Position

Bond Covenant (2022 Year End)<sup>2</sup>

**3x Net Debt / EBITDA**

Credit Rating (EthiFinance)<sup>3</sup>

**BB (Positive)**

Avg. Cost of Debt (Bank Debt & Bonds)

**~5.3%**

Avg. Cost of Debt (Total)<sup>4</sup>

**~3.6%**

- **Staged maturity schedule** with a mix of short-term bank debt, longer-term bonds, and multi-year staged payouts related to M&A transactions
- Balanced M&A consideration mix of earn-out and share consideration **conserves capital while reducing downside risk** of acquired businesses' performance

1. Excludes credit facilities and other debt without scheduled principal repayments.

2. Adjusted net debt for €12M bond covenant includes 100% of the maximum earn-out payable, including portions not recognized in the audited financial statements of €2.95M.

3. Date of last rating: June 13, 2022.

4. All debt including M&A-Related Payments and Other Financial Liabilities.

## Shareholder Information

Significant ongoing investment from key stakeholders of the company

### Share Information

**BME Growth**  
(Madrid)

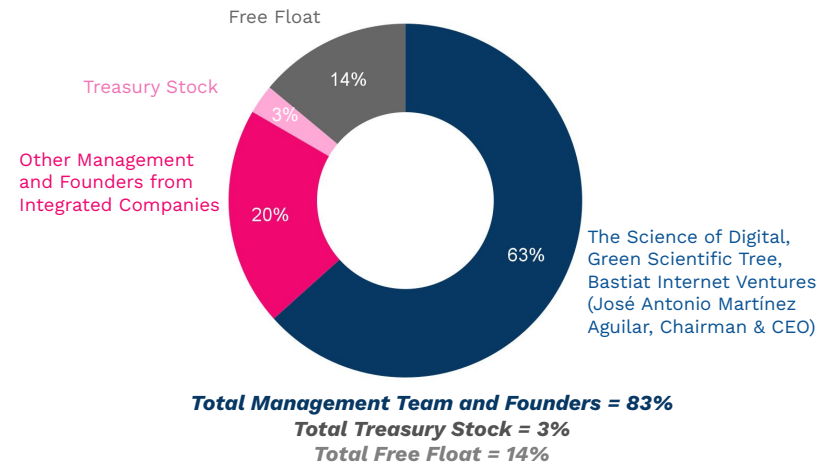
 **EURONEXT**  
(Paris)

Shares Outstanding 8,285,967

Current Share Price May 26, 2023 €10.80

**Market Capitalization €89M**

### Shareholder Composition



Management and employees of Making Science collectively own **~83%** of outstanding shares, ensuring **financial alignment with shareholders**

## 06. Q1 2023 Update



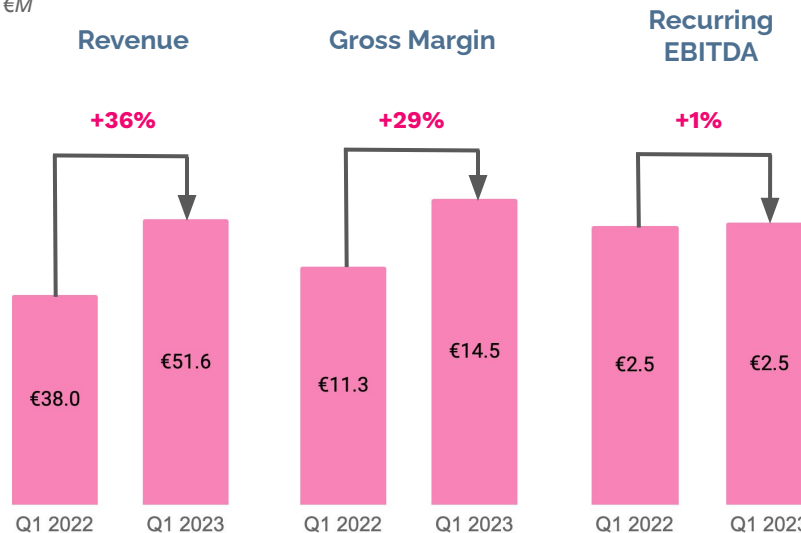
## Q1 2023 Results: Core Digital Business

Significant growth in our business demonstrates the strength of our core operations

- Revenue and gross margin grew by 36% and 29% in Q1 2023 to €51.6M and €14.5M, respectively
- Recurring EBITDA grew by 1% to €2.5M**, including the negative impact of internationalization and integration expenses<sup>1</sup>

### Financial Results (Q1 2022 vs. Q1 2023)

In €M



1. Internationalization expenses include the provision of structure to the country teams (Finance, MarCom and People), software licenses for corporate platforms and the implementation of internal integration programs.

## Q1 2023 Results: Core Digital Business

Impact on margins in 2023 driven by investments in organic growth

- In Q1 2023, EBITDA growth and margins in the Core Business were lower compared to Q1 2022
- The lower EBITDA growth is driven by investments made in personnel expenses, particularly hiring sales teams in key markets, to accelerate organic growth
- Additionally, Making Science has strengthened the US business by bringing on board a team of former Google executives in order to grow its digital marketing solutions and proprietary technology, whose impact will be felt in Q2 2023
- These organic investments are expected to result in greater revenue in the future and a higher EBITDA, however the company expects that these investments will have a negative impact on EBITDA for the rest of the year, as the teams ramp up and begin winning clients
- Once the initial ramp-up is completed, it is expected that EBITDA margins will gradually be restored to more normal levels

### Financial Results (Q1 2022 vs. Q1 2023)

<i>in € 000s</i>	<b>Q1 2022</b>	<b>Q1 2023</b>	<b>Change</b>
<b>Net Revenue</b>	<b>37,961</b>	<b>51,644</b>	<b>36%</b>
Cost of Sales	-26,684	-37,147	39%
<b>Gross Margin</b>	<b>11,278</b>	<b>14,497</b>	<b>29%</b>
<i>% of Revenue</i>	29.7%	28.1%	
Capitalized Expenses	615	781	27%
Personnel Expenses	-7,228	-10,027	39%
<i>% of Gross Margin</i>	64.1%	69.2%	
Other Operating Expenses	-2,253	-2,849	26%
<i>% of Gross Margin</i>	20.0%	19.7%	
Other Operating Income	88	124	41%
<b>Recurring EBITDA</b>	<b>2,500</b>	<b>2,526</b>	<b>1%</b>
<i>% of Gross Margin</i>	<b>22.2%</b>	<b>17.4%</b>	
Non-Recurring Operating Expenses	-219	-300	37%
<b>EBITDA</b>	<b>2,281</b>	<b>2,227</b>	<b>-2%</b>
<i>% of Gross Margin</i>	<b>20.2%</b>	<b>15.4%</b>	

## Q1 2023 Results: Investments (E-Commerce & Products)

Significant value creation opportunity in Ventis operational improvement

- Net revenue was down year-over-year in Q1, but **gross margin increased 52%** as the company's profitability improvement initiatives started to take effect
  - Shift to marketplace sales results in reduced revenue but higher margin
- Major cost saving initiatives were implemented in Q4 2022 and Q1 2023, and effects will be seen in Q2+
- As a result of the company's initiatives, Ventis has achieved its first profitable quarter, improving EBITDA from -€0.5M in Q1 2022 to €0.0M in Q1 2023

### Financial Results (Q1 2022 vs. Q1 2023)

In €M



# Thank you!



The Digital Acceleration Company

# Appendix



## 2022 Results by Business Area

in € 000s	2021					2022					'21-'22 Growth Rates		
	Spain	Int'l	Core Dig. Bus	Investments	Total	Spain	Int'l	Core Dig. Bus	Investments	Total	Spain	Int'l	Core Dig. Bus
<b>Net Revenue</b>	<b>84,829</b>	<b>18,885</b>	<b>103,715</b>	<b>6,730</b>	<b>110,445</b>	<b>116,386</b>	<b>83,126</b>	<b>199,511</b>	<b>10,621</b>	<b>210,132</b>	<b>37%</b>	<b>340%</b>	<b>92%</b>
Cost of Sales	-63,595	-10,273	-73,868	-6,542	-80,410	-87,172	-60,209	-147,381	-7,800	-155,181	37%	486%	100%
<b>Gross Margin</b>	<b>21,234</b>	<b>8,612</b>	<b>29,847</b>	<b>188</b>	<b>30,035</b>	<b>29,213</b>	<b>22,917</b>	<b>52,130</b>	<b>2,821</b>	<b>54,951</b>	<b>38%</b>	<b>166%</b>	<b>75%</b>
% of Revenue	25.0%	45.6%	28.8%	2.8%	27.2%	25.1%	27.6%	26.1%	26.6%	26.2%			
Capitalized Expenses	2,160	0	2,160	294	2,454	2,813	0	2,813	446	3,258	30%	n/a	30%
Personnel Expenses	-13,983	-3,782	-17,765	-1,100	-18,865	-19,228	-13,482	-32,710	-2,043	-34,753	38%	257%	84%
% of Gross Margin	65.9%	43.9%	59.5%	585.1%	62.8%	65.8%	58.8%	62.7%	72.4%	63.2%			
Other Operating Expenses	-4,627	-1,689	-6,316	-811	-7,127	-5,563	-3,610	-9,173	-3,028	-12,201	20%	114%	45%
% of Gross Margin	21.8%	19.6%	21.2%	431.4%	23.7%	19.0%	15.8%	17.6%	107.4%	22.2%			
Other Operating Income	265	210	475	0	475	261	108	368	33	401	-2%	-49%	-23%
<b>Recurring EBITDA Before Internationalization Expenses</b>	<b>5,049</b>	<b>3,352</b>	<b>8,401</b>	<b>-1,429</b>	<b>6,972</b>	<b>7,496</b>	<b>5,933</b>	<b>13,429</b>	<b>-1,772</b>	<b>11,656</b>	<b>48%</b>	<b>77%</b>	<b>60%</b>
% of Gross Margin	23.8%	38.9%	28.1%	-760.1%	23.2%	25.7%	25.9%	25.8%	-62.8%	21.2%			
Internationalization and Integration Ex.	0	-1,254	-1,254	0	-1,254	-795	-1,671	-2,466	0	-2,466			
<b>Recurring EBITDA</b>	<b>5,049</b>	<b>2,098</b>	<b>7,147</b>	<b>-1,429</b>	<b>5,718</b>	<b>6,701</b>	<b>4,262</b>	<b>10,962</b>	<b>-1,772</b>	<b>9,189</b>	<b>33%</b>	<b>103%</b>	<b>53%</b>
% of Gross Margin	23.8%	24.4%	23.9%	-760.1%	19.0%	22.9%	18.6%	21.0%	-62.8%	16.7%			
Non-Recurring Operating Expenses	-2,486	-122	-2,608	-756	-3,364	-614	-426	-1,040	-614	-1,654			
<b>EBITDA</b>	<b>2,563</b>	<b>1,976</b>	<b>4,539</b>	<b>-2,185</b>	<b>2,353</b>	<b>6,087</b>	<b>3,836</b>	<b>9,923</b>	<b>-2,386</b>	<b>7,537</b>	<b>137%</b>	<b>94%</b>	<b>119%</b>
% of Gross Margin	12.1%	22.9%	15.2%	-1162%	7.8%	20.8%	16.7%	19.0%	-84.6%	13.7%			

## Q1 2023 Results by Business Area






in € 000s	Q1 2022					Q1 2023					Q1 '22-'23 Growth Rates		
	Spain	Int'l	Core Dig. Bus	Investments	Total	Spain	Int'l	Core Dig. Bus	Investments	Total	Spain	Int'l	Core Dig. Bus
<b>Net Revenue</b>	<b>22,932</b>	<b>15,029</b>	<b>37,961</b>	<b>3,588</b>	<b>39,668</b>	<b>32,411</b>	<b>19,233</b>	<b>51,644</b>	<b>2,402</b>	<b>54,046</b>	<b>41%</b>	<b>28%</b>	<b>36%</b>
Cost of Sales	-16,303	-10,381	-26,684	-3,105	-27,907	-24,378	-12,769	-37,147	-1,668	-38,815	50%	23%	39%
<b>Gross Margin</b>	<b>6,629</b>	<b>4,649</b>	<b>11,278</b>	<b>483</b>	<b>11,761</b>	<b>8,033</b>	<b>6,464</b>	<b>14,497</b>	<b>734</b>	<b>15,231</b>	<b>21%</b>	<b>39%</b>	<b>29%</b>
% of Revenue	28.9%	30.9%	29.7%	13.5%	29.6%	24.8%	33.6%	28.1%	30.6%	28.2%			
Capitalized Expenses	615	0	615	190	805	781	0	781	65	846	27%	n/a	27%
Personnel Expenses	-4,408	-2,821	-7,228	-446	-7,674	-5,732	-4,295	-10,027	-390	-10,417	30%	52%	39%
% of Gross Margin	66.5%	60.7%	64.1%	92.4%	65.3%	71.4%	66.4%	69.2%	53.2%	68.4%			
Other Operating Expenses	-1,347	-905	-2,253	-753	-3,006	-1,601	-1,248	-2,849	-405	-3,255	19%	38%	26%
% of Gross Margin	20.3%	19.5%	20.0%	156.0%	25.6%	19.9%	19.3%	19.7%	55.2%	21.4%			
Other Operating Income	67	21	88	1	89	82	42	124	5	129	23%	99%	41%
<b>Recurring EBITDA</b>	<b>1,556</b>	<b>944</b>	<b>2,500</b>	<b>-526</b>	<b>1,975</b>	<b>1,563</b>	<b>963</b>	<b>2,526</b>	<b>8</b>	<b>2,534</b>	<b>0%</b>	<b>2%</b>	<b>1%</b>
% of Gross Margin	23.5%	20.3%	22.2%	-109%	16.8%	19.5%	14.9%	17.4%	1.1%	16.6%			
Non-Recurring Operating Expenses	-187	-32	-219	-148	-367	-252	-47	-300	-297	-596	35%	45%	37%
<b>EBITDA</b>	<b>1,370</b>	<b>911</b>	<b>2,281</b>	<b>-673</b>	<b>1,608</b>	<b>1,310</b>	<b>916</b>	<b>2,227</b>	<b>-289</b>	<b>1,938</b>	<b>-4%</b>	<b>1%</b>	<b>-2%</b>
% of Gross Margin	20.7%	19.6%	20.2%	-139.4%	13.7%	16.3%	14.2%	15.4%	-39.3%	12.7%			

# Acquisitions, Partnerships and Joint Ventures

## International Acquisitions



	<i>Date</i>	<i>Area of expertise / complementarity</i>
 <b>OMNIAWEB</b> <small>digital marketing</small>	Oct. 2020	• Presence in Italy
 <b>nara</b> <small>media</small>	Feb. 2021	• Presence in the United Kingdom
 <b>CELSIUS</b> <small>(51%)</small>	Feb. 2021	• Presence in France
 <b>350 CONVERSION ANALYTICS</b>	Apr. 2021	• Presence in the United States
 <b>ventis</b>	May. 2021	• Marketplace based in Italy
 <b>sweeftdigital</b>	Sep. 2021	• > 200 developers and data scientists • Customers in UK, Italy, Georgia, Germany
 <b>&lt;elliott/&gt;</b>	Jan. 2022	• Reinforcement of digital marketing skills, creativity, data configuration in Georgia
 <b>TREKRONORMEDIA™</b> <small>(69.8%)</small>	Feb. 2022	• Presence in Nordic countries

## Other Initiatives

	<i>Date</i>	<i>Area of expertise / complementarity</i>
 <b>ad machina</b> <small>(51%)</small>	Sep. 2021	• AdTech technological platform based in Mallorca
 <b>localplanet</b> <small>Powered by making science</small>	Oct. 2021	• Making Science joined Local Planet as its specialist digital consultancy partner • Network of 62 agencies in 85 markets
 <b>pilot ignite</b> <small>(24.9% Joint Venture)</small>	Apr. 2022	• Joint venture with pilot, one of the leading independent agencies in Germany • Entry into German market
 <b>Silverbullet</b>	May 2022	• Joint venture with UK data and digital transformation company Silverbullet Group
 <b>making science</b> <small>(50.01% Joint Venture)</small>		• Solutions for the privacy-first, post-cookie era

## Analyst Coverage

Equity research analyst reports are available to investors on Making Science's [Investor Relations](#) page

Broker	Analyst
	<i>Fernando Abril-Martorell</i>
	<i>Iván San Félix Carbajo</i>