



From Digital Experience to Digital Engagement

EPB Retail day September 2020

Per Mandorf
President & CEO

The IR-team



PER MANDORF
President & CEO

- Joined ZetaDisplay in 2019.
- Experience: Managing Director of Retail Tech and Software company Visma Retail AB. Commercial Director for Retail Tech and Software company ExtendaRetail. VP/Sales Director Visma Retail AB. Nordic Retail Manager NilsonGroup, and several leading positions in Nordic retail companies.
- Shareholdings: 125,000 share option rights (share option rights through an employee incentive plan 2019/22, 2020/23).
- Holds a degree as Market Economist and MBA.



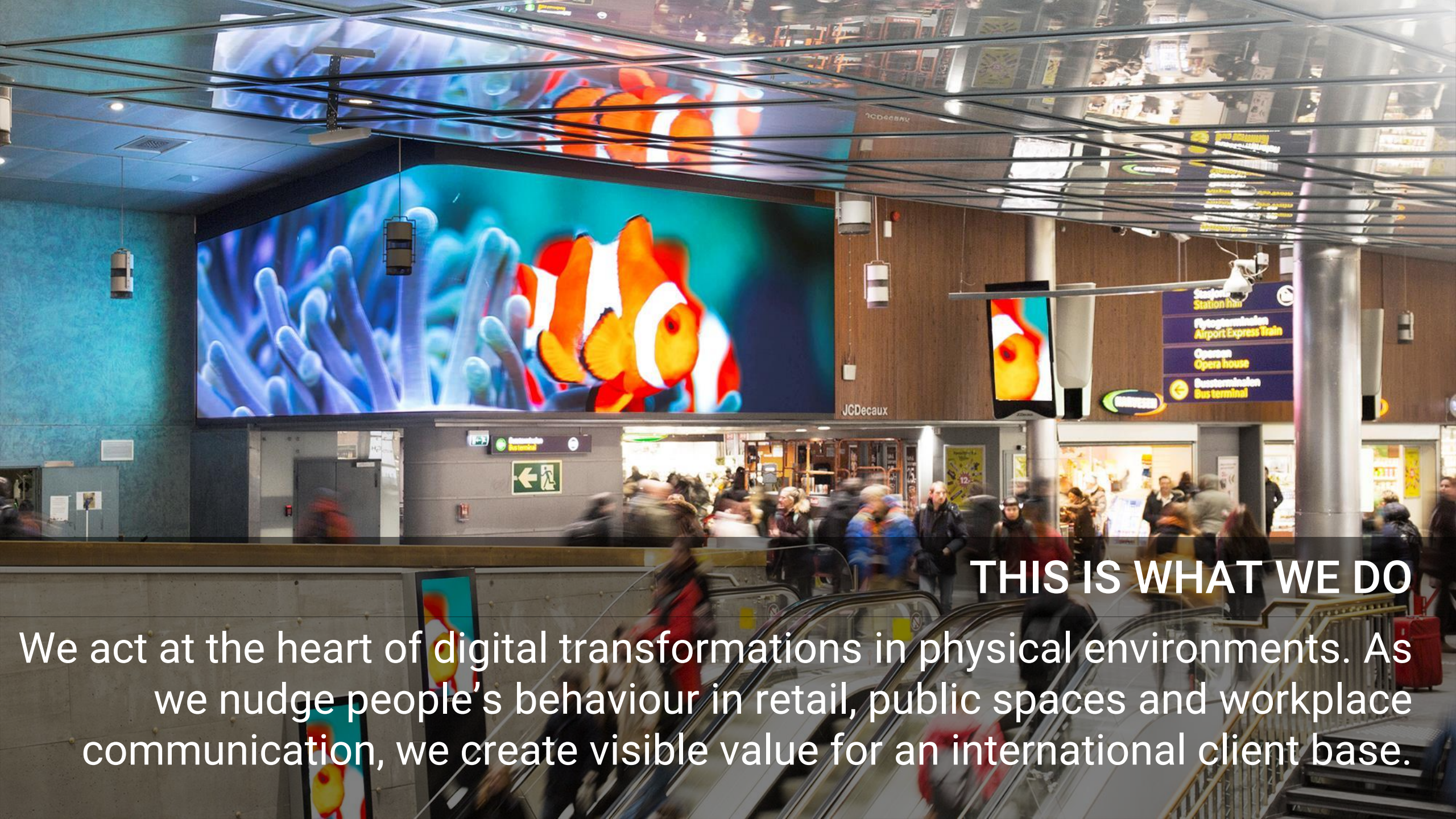
JACOB STJERNFÄLT
CFO

- Joined ZetaDisplay in 2020.
- Experience: CFO CFO CDON.COM, Finance Director Latin America EF Education First, VP Finance Metro International. Previously auditor at Arthur Andersen.
- Shareholdings: 25,000 share option rights through an employee incentive plan 2020/23
- Holds a Master of Science in Business and Economics University of Lund



DANIEL OELKER
Chief Communication Officer

- Joined ZetaDisplay in 2018.
- Experience: SVP Communication & Branding for Thule Group, Hilding Anders and SCA Hygiene Products AG (Essity).
- Other assignments: Board member for SleepingWorld AB.
- Shareholdings: 30,000 ordinary shares and 125,000 share option rights (share option rights through an employee incentive plan 2018/21, 2019/22, 2020/23).
- Holds an MBA and Master in Communications.



THIS IS WHAT WE DO

We act at the heart of digital transformations in physical environments. As we nudge people's behaviour in retail, public spaces and workplace communication, we create visible value for an international client base.

A EUROPEAN LEADER IN DIGITAL SIGNAGE

2003

Founded

+52,000

Installations

+50

Markets

56

EBITDA LTM
(MSEK)
Adj for one-off items

429

Total sales LTM
(MSEK)

152

ARR
(Annual Recurring Revenues)
(MSEK)

158 STAFF

9 OFFICES

Sweden, Denmark, Norway, Finland, and
the Netherlands

#1 IN NORDICS

#2 IN EUROPE

Market share
within Digital Signage

[ZETA]

Listed on Nasdaq Stockholm

Geared for further growth and taking on market leadership



Underlying market
growth

EMEA+15%



Compounder with
successful M&A
track record

7 in
5 years



Strong SaaS and
ARR revenue base

+35%
YoY



Digital
Transformation
partner

Our position
and
framework
agreements



Strong concept
portfolio and
customer base

31%
SaaS



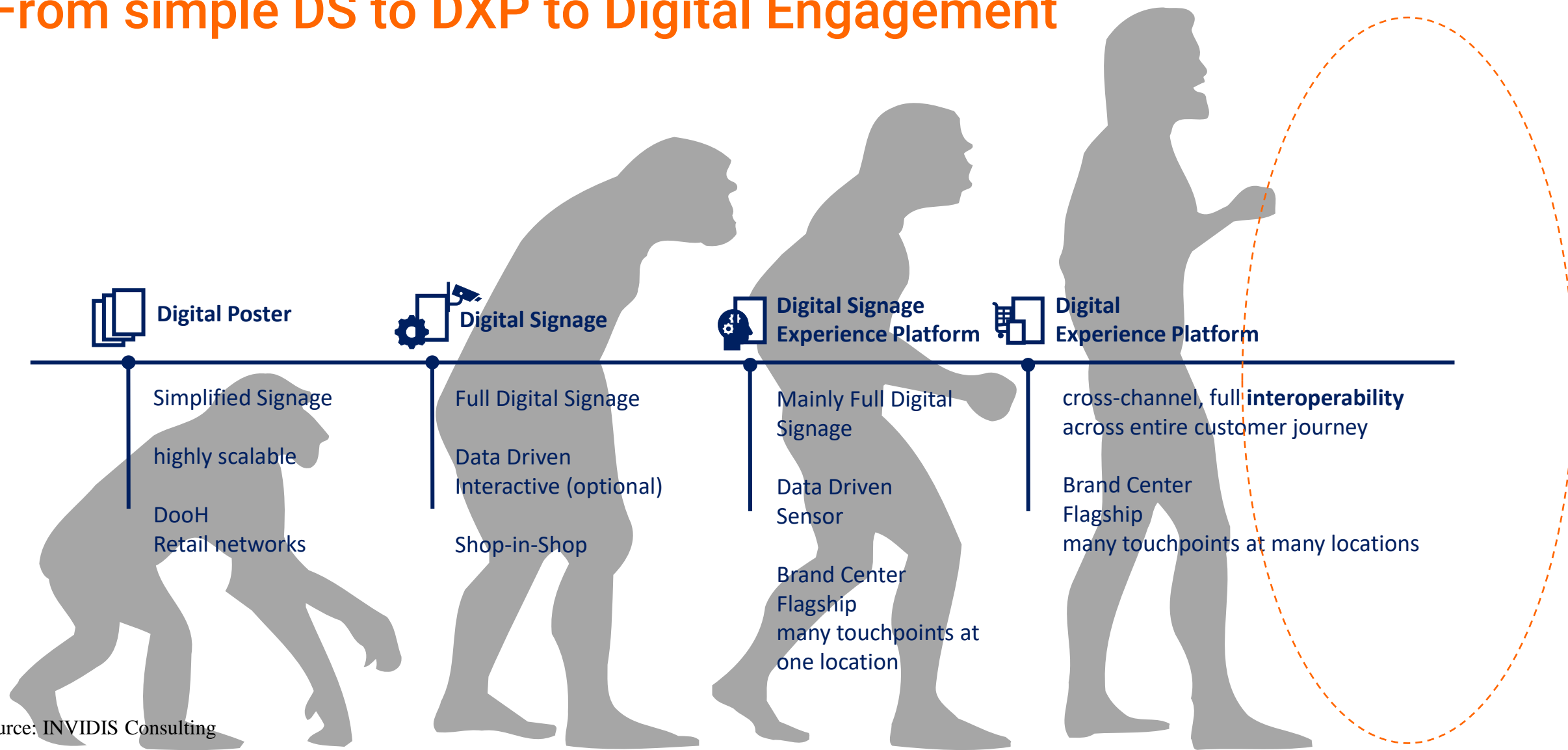
Abilities
and Capacities

Organization,
Product and
Operation

A close-up photograph of a human eye, looking directly at the camera. The eye is partially obscured by a large, semi-transparent white 'Z' shape that serves as a background for the text. The surrounding skin and eyelashes are heavily splattered with vibrant, multi-colored paint in shades of red, purple, blue, yellow, and green, creating a dynamic and artistic visual.

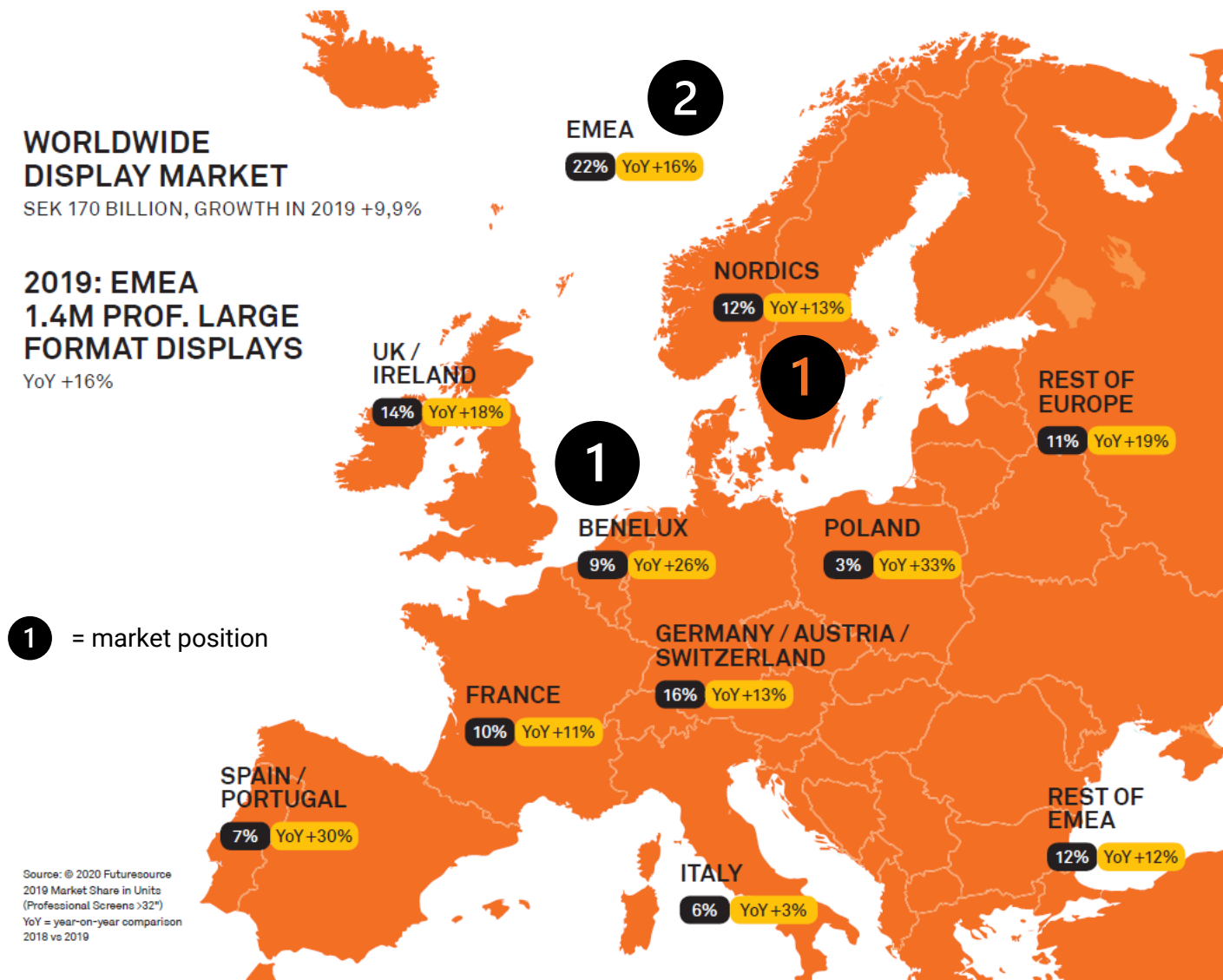
Growth drivers

From simple DS to DXP to Digital Engagement



Addressing a growth market

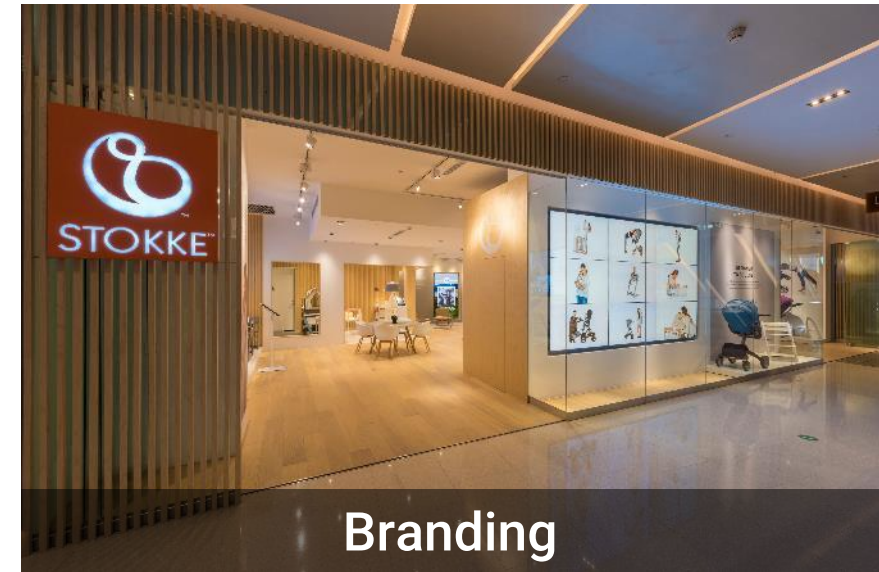
- The European market is expected to continue growing as maturity increases (+16%)
- Digital transformations in society drive investments into Digital Signage
- The Nordics as leading region regarding innovation and maturity
- Ongoing consolidation



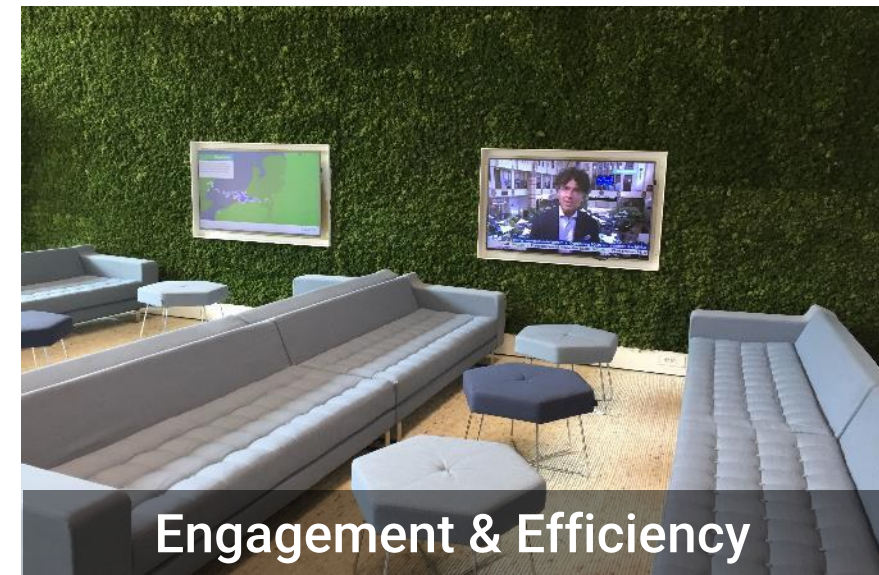
DIGITAL SIGNAGE CORE BENEFITS



Footfall & conversion



Branding

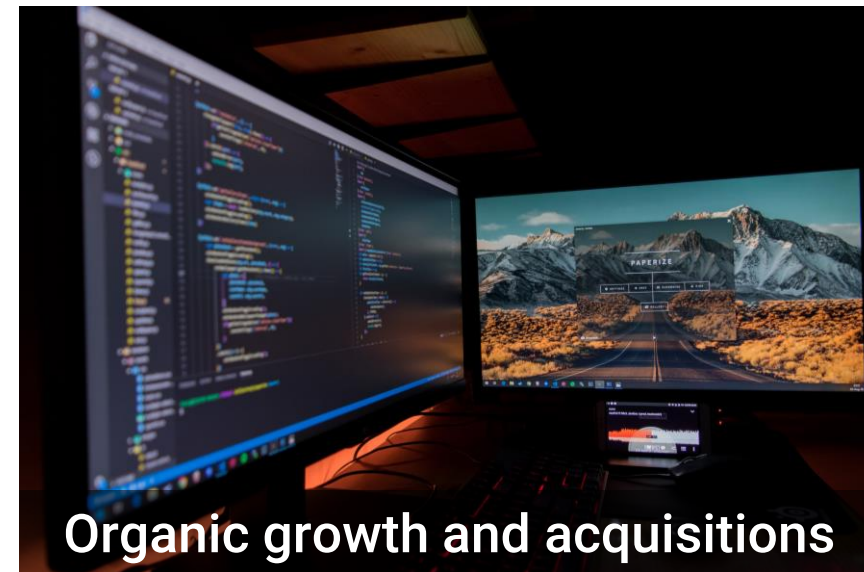


Engagement & Efficiency

Our strategy for growth



Scalability and Harmonization



Organic growth and acquisitions



Customer Centricity

An integrated product offer

Concept,
Strategy and
Project

Content

Interface

Integrations

Cloud

Media Player

After market
services

- Market needs
- Consumer insights
- Customer journey

- Templates
- Channel management
- Feeds

- User-friendly interface
- CMS platform

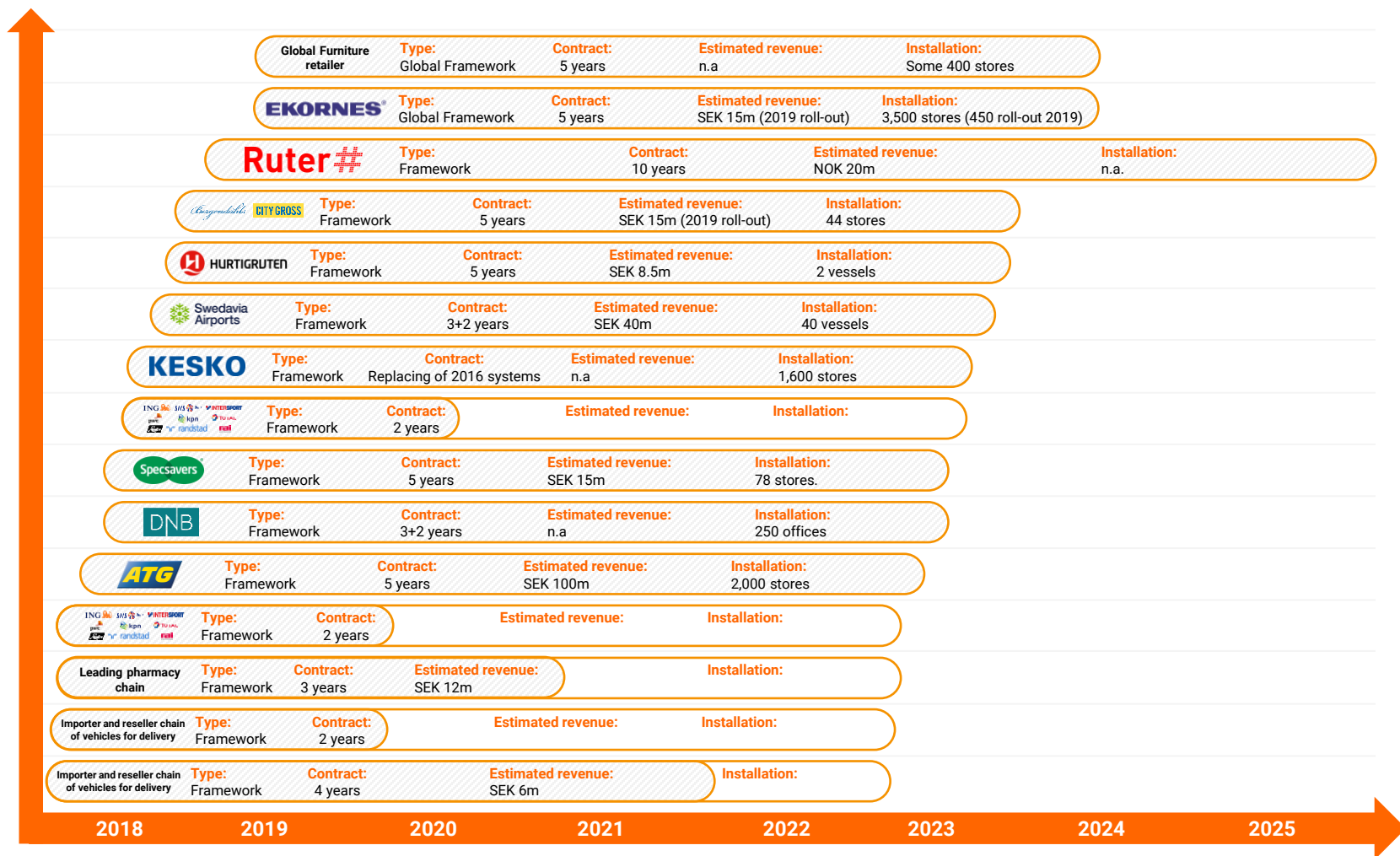
- Connections to the customers' digital eco-systems based on functional demands
- Deployment

- Operating the digital environment 24/7

- Programmed device presenting chosen content, either built-in or as separate device

- Monitoring
- Channel development
- Content management

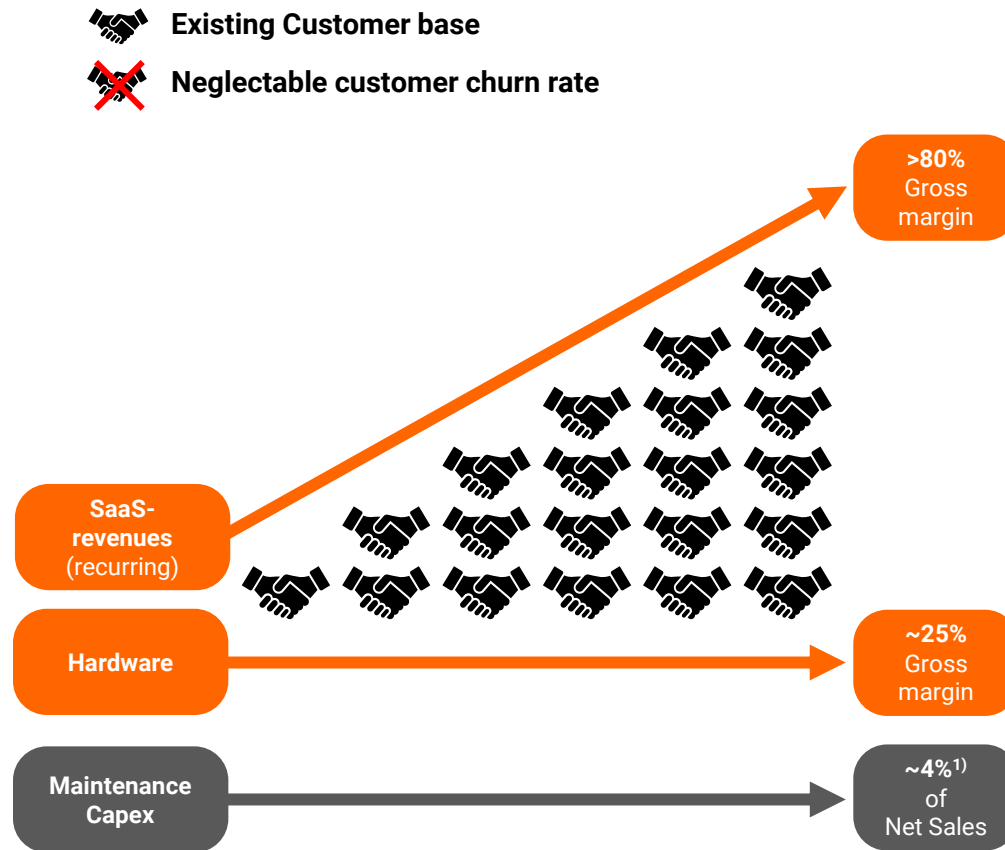
Framework agreements provide predictable cash flows



Framework agreements usually range between 3 – 5 years and enable add-on orders during the lifetime of the contract

High degree of customers extending their contract at the end of the initial Framework agreement

Existing customer base creates attractive margins and growth rates



1) Average Maintenance capex of 4.2 percent over Net Sales between 2014 to 2019 H1 LTM. Company information

Digital Signage and Retail



Customers do not *have*
to go to the store
anymore..

..they *choose* to go
to the store!

Visplay UK says

“The physical shop is the showroom for both online and offline transactions – both concepts need each other”

Gary Watton, Head of Sales

ZETA
DISPLAY

YEARBOOK 2019

Download
on
ir.zetadisplay.com



**FROM DIGITAL
EXPERIENCE
TO DIGITAL
ENGAGEMENT**

THINKING BEYOND THE SCREEN™

Global retail trends – as we see it

TIME

The end consumer perceives it is worthwhile spending one's own precious time in a physical environment

PURPOSE

The brand or physical place needs to have a purpose

DISCOVERY

The consumers need to learn or experience something new in the physical environment leading to engagement

Invidis Consulting says

“Digital Signage today is more relevant than ever, as it is the perfect digital entry to engaging and targeted consumer journeys”

Florian Rotberg, CEO



2020 – Creating concrete value for the retail trade



Source: m1nd-set travel retail study "CX: Attitudes & Expectations Pre and Post Covid-19" (June 2020)

The balance between selling, inspiring and brand building

Zone	Degree of attention	Brand building	Driving Sales
Entrance	1-3 s	Low	Medium
Beginning of store	1-3 s	Low	High
Service points	1-20 s	High	High
Sales steering	1-5 s	Low	High
Rooms	1-5 s	Medium	High
Function	1-20 s	Medium	High
Check-out	1-30 s	High	Medium
Staff room	60+ s	High	-

Illustrative

Pharmacy

Objective: Increase footfall (share of passersby)



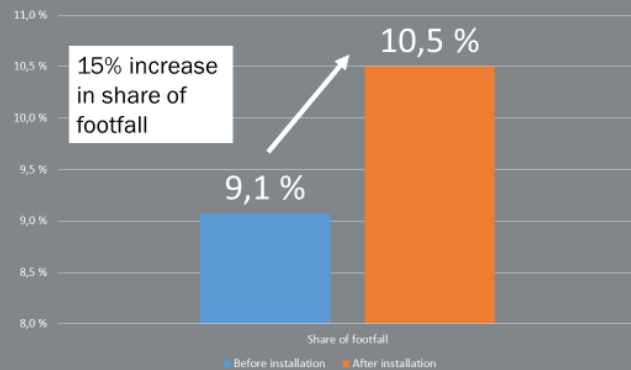
Pharmacy case-study

9-15% increase in footfall

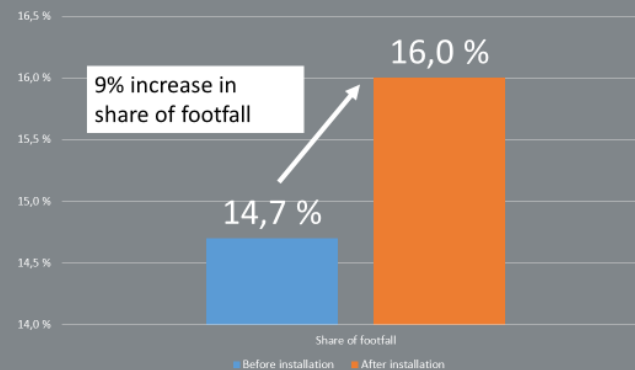
In this test we used share of passersby to isolate the effect on footfall in the pharmacies. One pharmacy had an increase of 15% while the other had an increase of 9%.

The actual increase was roughly 1 percentage point. The pharmacy had a business case where they could have 0,5 percentage points increase to make an investment positive. The pharmacy also had 0,5 percentage points as their hypothesis in terms of increase in footfall.

Test pharmacy 1



Test pharmacy 2





Anton Sport

Objective: Increase spend through music

Anton Sport

Indications of a 4% increase in conversion rate

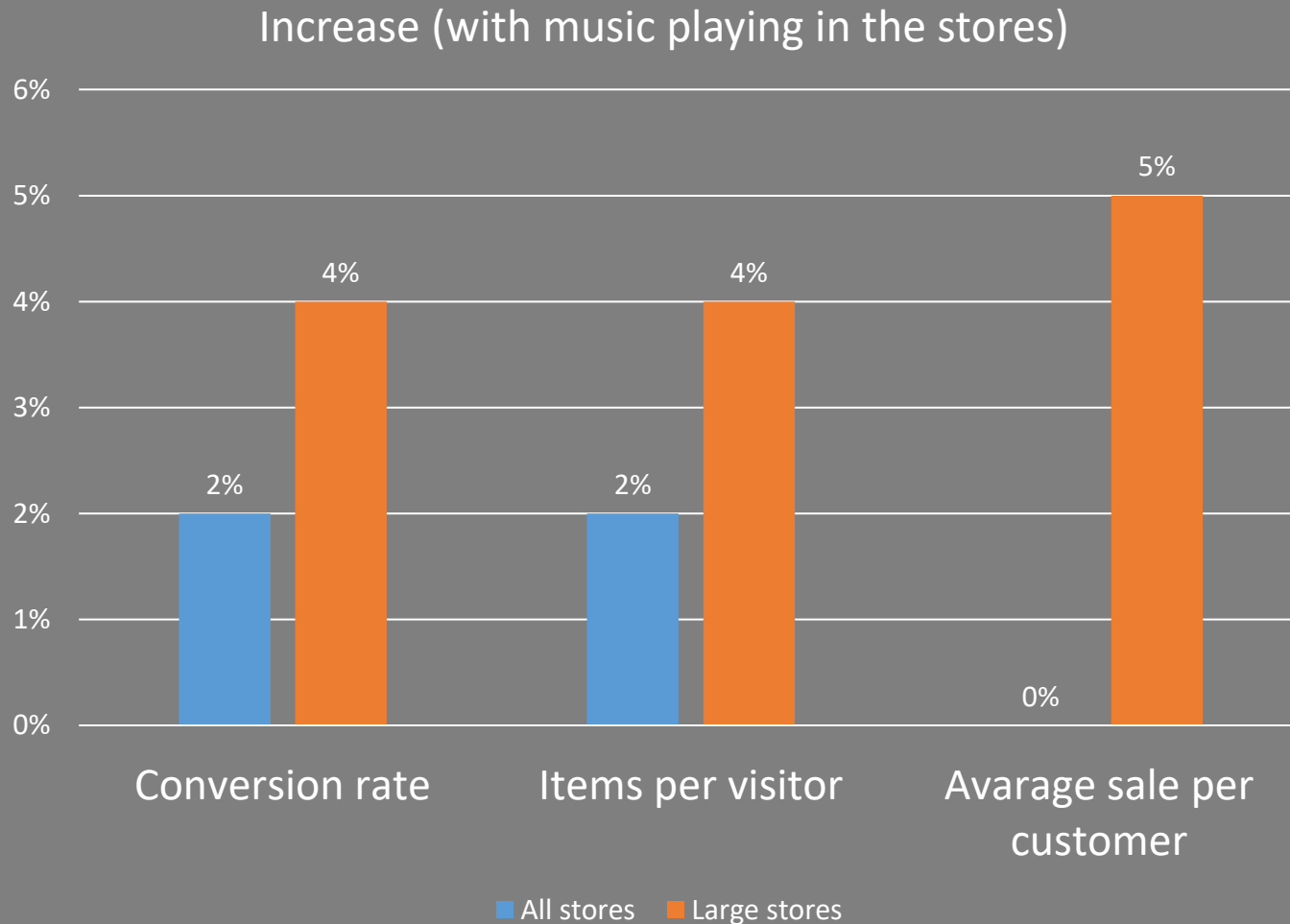
Number of people who ended up buying an item increased by 2% in all stores and 4% in the large format stores.

4% increase in items bought per visitor

A substantial increase in items bought when music is playing. People probably felt that it was a good place to spend more time in, and to browse more items.

5% increase in average sale per visitor

In all stores combined one can not see any change from music, but when looking at the large stores music plays a bigger part.



2019 – gaining traction



Lighthouse projects

Digital Signage Awards

International recognition



Important framework agreements

Geared for further growth and taking on market leadership



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31%
SaaS



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Financial targets – geared for 2022

SaaS
Revenues

SaaS-revenues exceeding MSEK 200 at the end of 2022

EBIT

EBIT amounting to SEK 100 million at the end of 2022

Capital
structure

An equity ratio in the period up to 2022 between 30% and 50%

Dividend
policy

Use dividends to ensure that equity/assets ratio does not exceed 50%



THINKING BEYOND THE SCREEN™