



**Foro MedCap
Investors Presentation**

27 mayo 2021

BME Growth

“ Si quieres llegar rápido,
camina solo.
Si quieres **llegar lejos**,
camina en grupo”

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The verification of the data carried out for the year 2020 has been the subject of a complete audit by the auditor of the Company ERNST & YOUNG S.L.



Summary



1. Introduction to Tier1
 2. Company Story
 3. Description of the company
 4. The market
 5. Strategic lines
 6. Results
 7. Valuation
 8. Investment considerations
- 



Tier1 Technology, S.A.

Corporate group based in Seville focusing on:

- Building, evolving and implementing own software solutions
- Deploying and maintenance IT infrastructures

EMPLOYEES



210

CLIENTS



+1.000

REVENUE



12,9 MM €


 5 MM€
Recurrent

MARKET VALUE



18,8 MM €



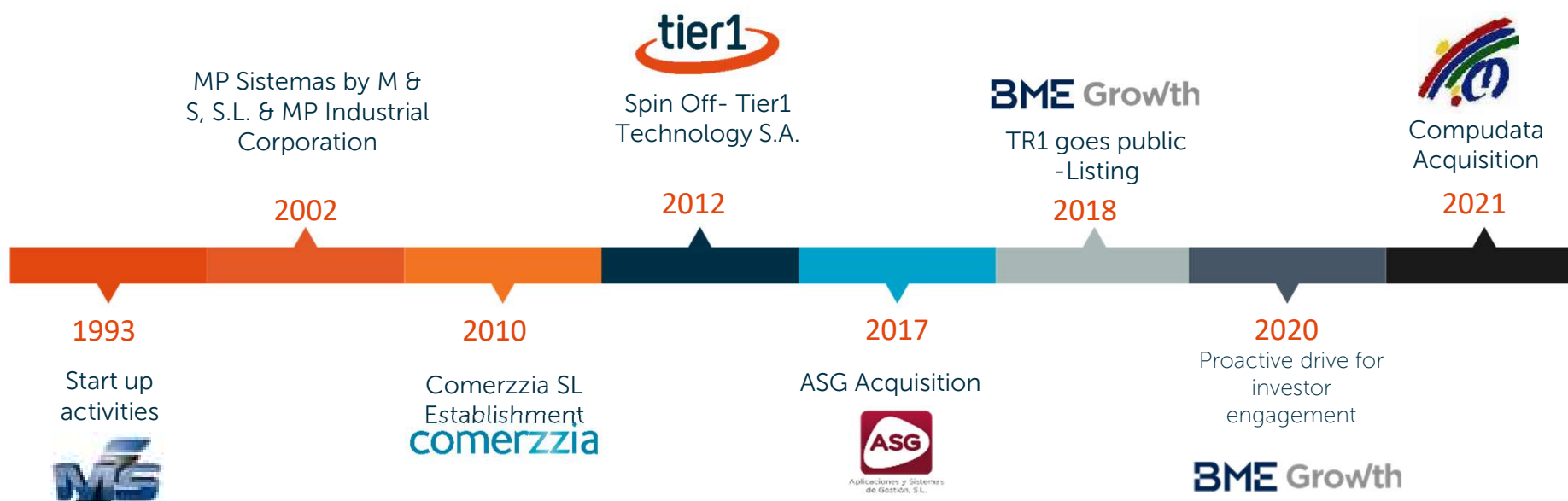
OFFICES NETWORK

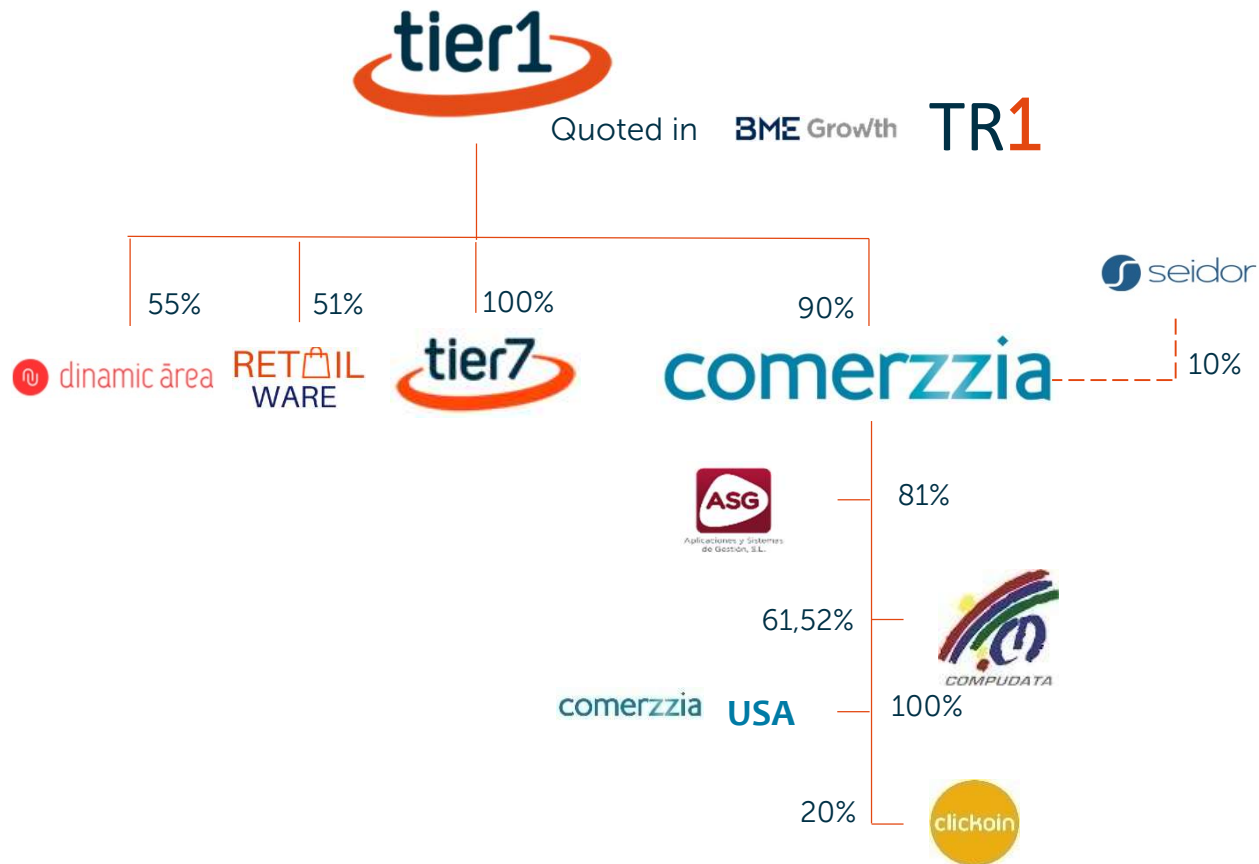
- 10 España
- 1 Colombia
- 1 Miami

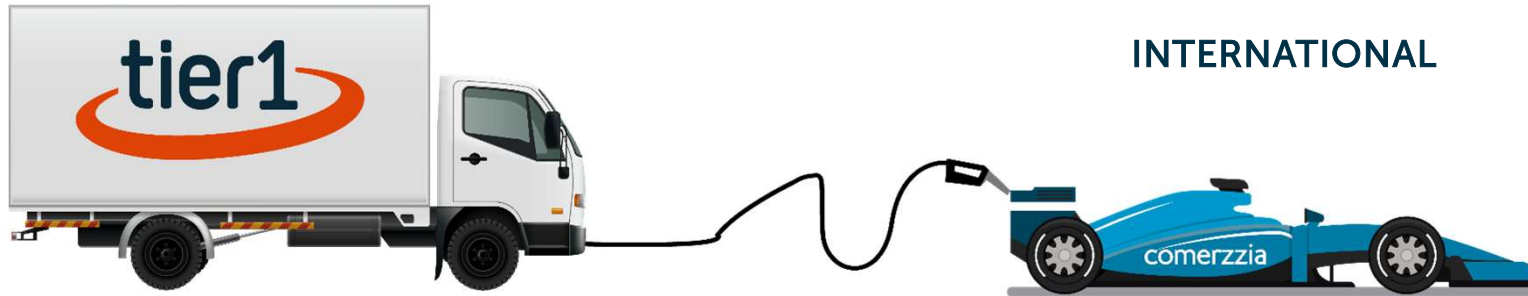


INTERNATIONAL PRESENCE/ Comerzzia

- Comerzzia running in 17 países
- Europa, LatAm, Emiratos Árabes y Asia







- ✓ Software building, evolution, deployment and maintenance.



- ✓ IT infrastructures deployment and Maintenance.
- ✓ PaaS (USC/ Logistics).

- ✓ Software building, evolution, licensing and services for Retail sector. (comerzzia)



- ✓ Other software developed or acquired by M&A (GEMMA, PRAXIS)

Consolidated Activities

Predictable Profit
Low Risk
Organic Growth

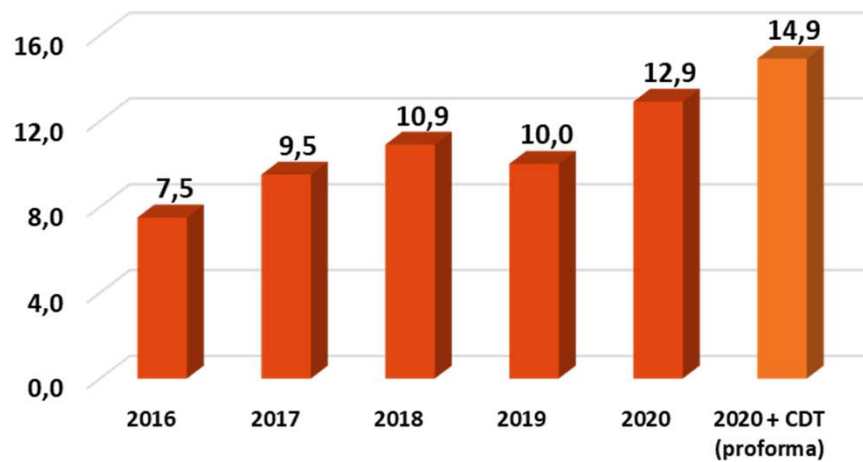


Expansion (Comerzzia)

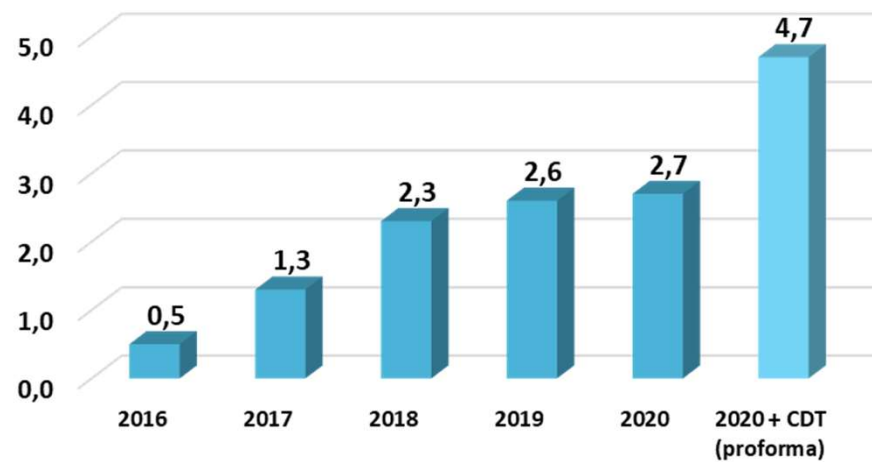
High Potential Profit
Higher Risk
Organic and Inorganic Growth



Total Revenue (M€)

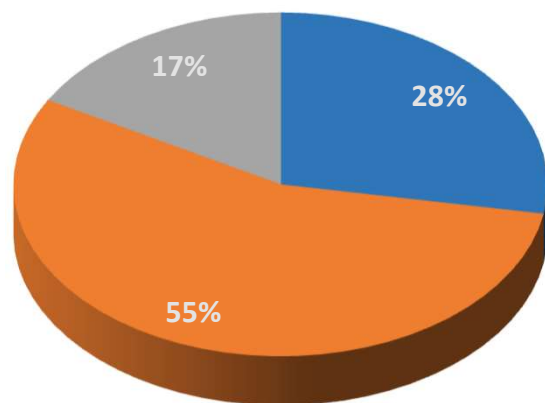


Expansion: Comerzzia & Subsidiary (M€)



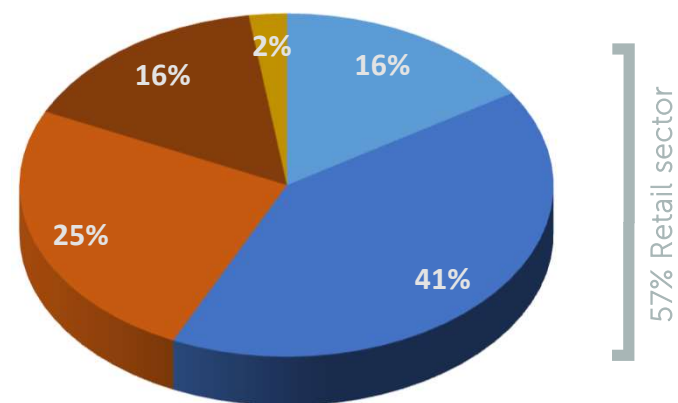
- ✓ Steady growth in the consolidated activities of Tier1.
- ✓ Comerzzia, in expansion: 5 million euros in business around proprietary software for Retail.

Total revenue by business lines 2020



■ Software ■ Infrastructure & Operations IT ■ Others

Total revenue by sector 2020

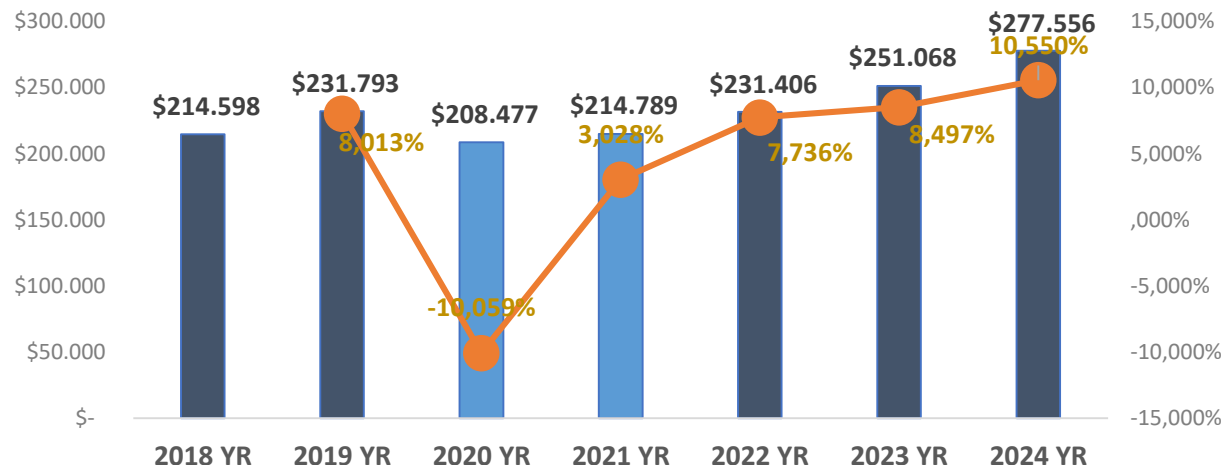


■ Retail Non Food ■ Retail Food ■ Industry ■ Public sector ■ Others

- ✓ 100% Own Software solutions. Customer Loyalty.
- ✓ 37% Recurrent, within 40% comes from software products and 45% from I& IT. Long term contracts.

UNIFIED COMMERCE – MANDATORY EXPERIENCE FOR *RETAILERS*


Retail — IT Spend (5Yr CAGR: 3.7%) (20-21 combined growth: -7.3%)



Fuente: Gartner Forecast Enterprise IT Spending by Vertical Industry Market, Worldwide, 2018-2024. Update in millions of \$ and constant currency

- Covid-19 has accelerated digital investment and changed customer **purchase behaviour** (these changes will have a long-lasting effect). A true **digital transformation** begins on Unified Commerce, cornerstone of retailer's environment. (*Market Guide for Unified Commerce Platforms Anchored by POS for Tier1 and Tier2 Retailers*).
- Covid-19 recovery phase is creating a constant change atmosphere. Industry **Merges & Acquisitions** is creating **reinvented companies**, needed to solve the complex problems of Unified Commerce. (*The Postpandemic Planning Framework*)

Covid-19 has accelerated digital transformation on commercial retail from years to months.



In 2021, retailers expect dramatic increases in the customers **self-service** and **engagement** level. Getting both beyond transactional interactions, becoming **experimental** by nature.

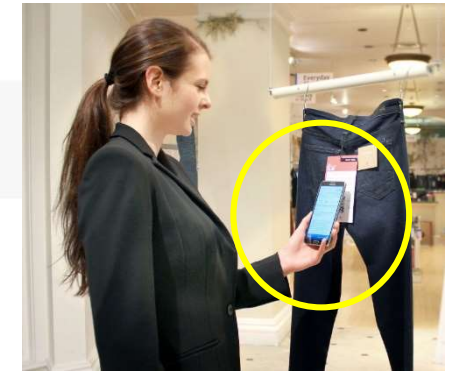
Commercial retailers are facing **historical changes**, driven by **customers behaviour**, allowed by **technology** and accelerated by **Covid-19**.

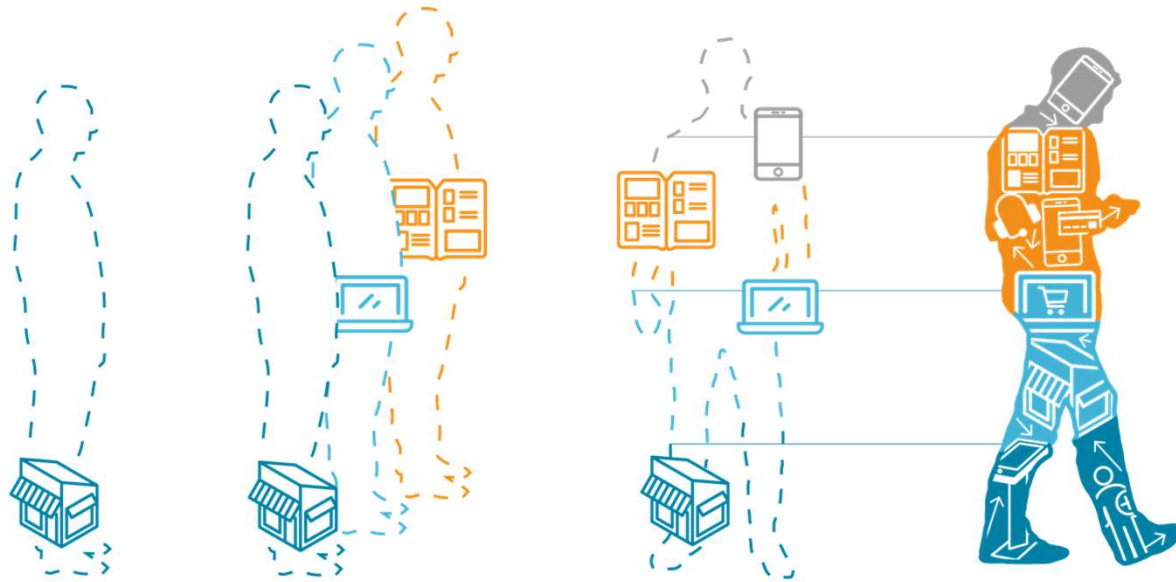


TRENDS

- Contactless interactions
- Fulfillment
- Algorithmic optimization
- Employee with superior role
- Collaborative environments
- Cost optimization
- Value based purchases

**Source Gartner : Top Trends in Retail Digital Transformation and Innovation for 2021
2021 CIO Agenda: 5 Digital Business Acceleration Trends for Retail*





ERP is irrelevant
for the sector

~~OPPORTUNITY
MUST!!~~

comerzzia

Solve the biggest
challenge of the
sector:
**Unified
Commerce**

La Transformación Digital necesita una solución software segura.

Single Channel

Multi Channel

Omni Channel

Unified Commerce

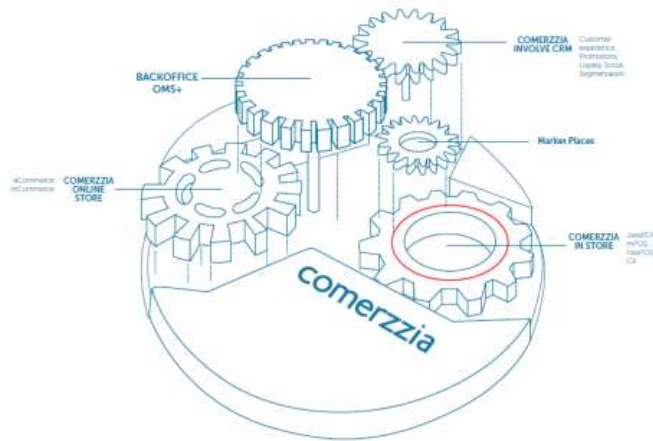
Evolution from physical store – Multichannel –
Omnichannel – Unified Commerce.

Large retailers compete to offer a great shopping
experience, flawless and flexible between the different sale
channels

comerzzia merges the online & offline worlds: Search, transaction,
order management, stock management and, if it is needed: return
and refund through any channel and anytime

Digital Transformation need a safe software solution

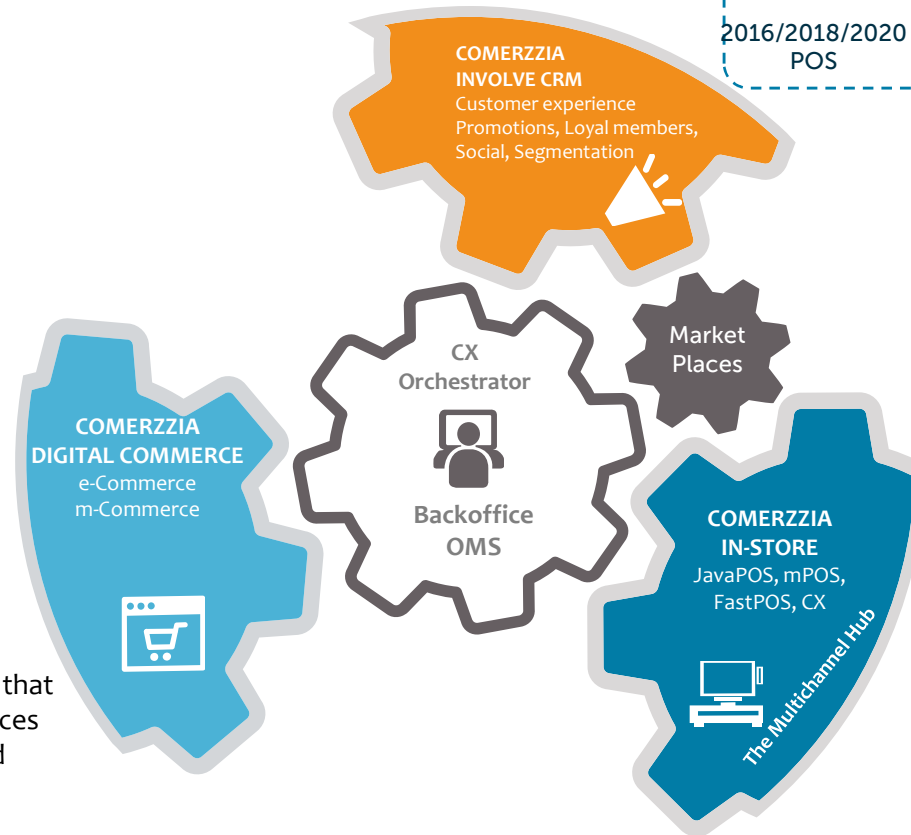
Gartner references
 2016/2018/2020 POS 2020/2021 CLIENTELING



UNIFIED COMMERCE PLATFORM

Anywhere anytime

comerzzia is a modular platform for all sales commerce processes that enables retailers to optimize their customers' shopping experiences through multiple points of contact, in a consistent, unified and seamless way, generating greater engagement and sales.



The SALES GENERATOR and execution machinery



Differential advantages

Lowest TCO in the market

Built from 0 for unified commerce.
No inheritance from non-omnichannel schemes.

Integrable with ERP and third party software. Pre-integrated with SAP-Hybris and Magento.

Shared source code.

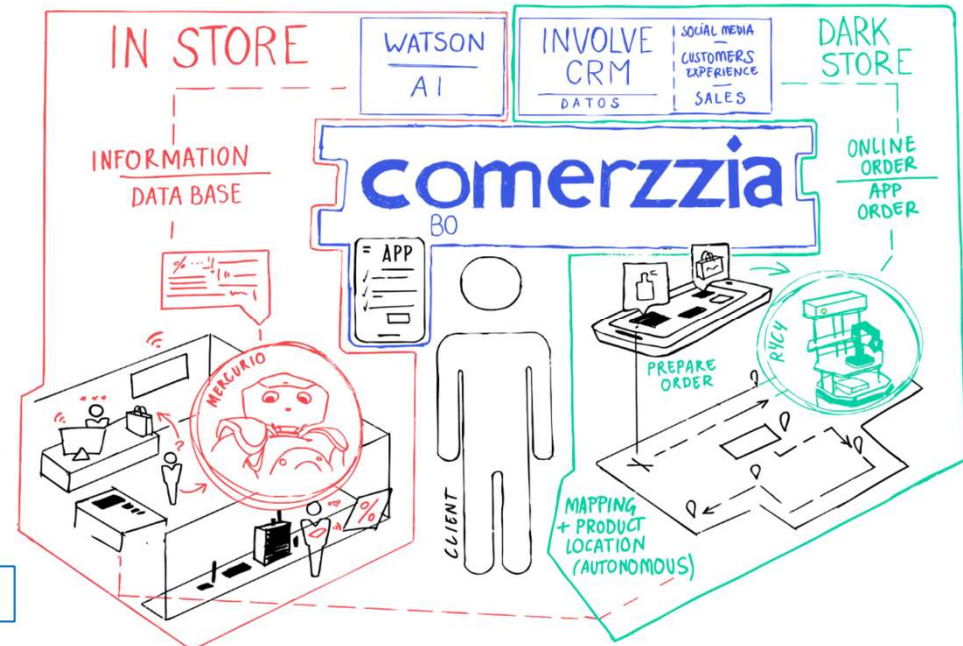
JAVA Re-written. Powerful API WEB/REST service platform.

Reduction of hardware investment. (Independent Platform) On premise/Cloud/Containers.

Flexibility and versatility, adaptability to both food and specialists. (Proven efficiency)

Not limited by location. Tax adaptation module.

Continuous improvement: R&D&I. Roadmap minimum of 3 years.



Retail leaders compete to provide a great, seamless and flexible shopping experience across different sales channels

comerzzia
guarantees for its customers the
present and future of Unified
commerce

Vendor Capabilities	Aptos	comerzzia	Cegid	Microsoft	NCR	SAP (GK)	Wynd	Retail Pro	Oracle
POS (the anchor for unified commerce platforms)									
OMS	●	●	●	◐	◑	●	●	◑	●
Cross-channel Processes	◑	●	●	◐	◐	●	●	●	●
Mobile POS with payments	●	●	◑	◑	◑	◐	◑	◑	◐
Cloud/SaaS	●	●	●	●	●	●	◑	●	●
CUSTOMER RELATIONSHIP MANAGEMENT									
Clienteling/CRM		●	◐		●	●	◐	◑	◑
Analytics	●	●	◑	●	◑	◑	◑	◐	◐
Omn. Campaign Management	●	●			●	◑		◑	◑
Pricing & Promotions		◐				◐			◑
STOCK MANAGEMENT									
One View of Stock	◑	●		◑		●	●		●
DIGITAL COMMERCE									
Smart check-out / Scan&Go		●			◐		◐	◑	◐
m-commerce / e-commerce	◐	●			◐	◐	◑		◑



Benchmark based on Gartner reports for POS and Ominichannel Solutions (2018 and 2020).

comerzzia

Positioned in **Gartner** Market Guide for Retail

única solución tecnológica española



Referenced again in the 2020 Retail Market Guide

Referenced in the Digital Commerce Vendor Guide

- ✓ Gartner August 2016.
- ✓ Gartner May 2018.
- ✓ **Gartner April 2020.**

- ✓ Gartner March 2020.
- ✓ Gartner April 2021.

- Referenced for Tier1 (more than 3 billion €) y Tier2 (between 500 million € y 3 billion €) retailers
- The Only Spanish solution.
- 26 total solutions. (Aptos, Cegid, Manhattan Ass., Microsoft, Oracle, SAP, NCR).

Software solution **recognized** by experts, prescribers y customers.

MAIN PARTNERS



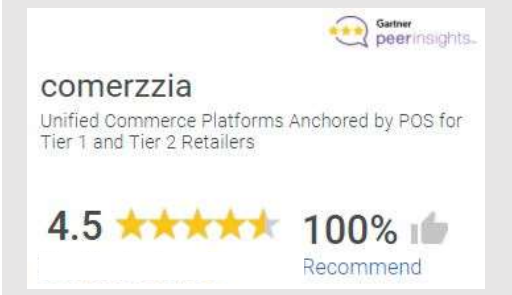
INTERNATIONAL PARTNERS



OTHERS PARTNERS



- ✓ **comerzzia is working in 17 countries.**
- ✓ **Adaptability to tax and other requirements.**
- ✓ **comerzzia is deployed in more than 5.500 POS.**



comerzzia
Unified Commerce Platforms Anchored by POS for Tier 1 and Tier 2 Retailers

4.5 ★★★★★ 100% Recommend

SUPERMARKETS



OTHER RETAILERS



INDUSTRY



CONSTRUCTION AND MAINTENANCE



HOTELS



DSITRIBUTION



PUBLIC SECTOR



1. Shareholding diffusion: Mix liquidity + establiity.
2. M&A: Inorganic growth.
3. Strengthen Comerzzia brand. Organic growth.
4. Reference in Retail: Sector focus.
5. New niche business developments. Software manufacturing capacity. Own product investment.
6. Technological Leadership R+D+i. Continuous improvement. Transformation from Tier1 to Tier1 Group. Sinergy.

Figures in thousands of euros	<u>2020</u>	<u>2019</u>
TOTAL SALES	12.867	10.008
EBITDA	1.447	1.231
NET INCOME	849	641
NET PROFIT / TOTAL SALES	6,6%	6,4%
DIVIDEND PER SHARE (€)	0,35	0,30

28,6% growth

32,3% growth

[Record the](#)

2,8 M€ over the last 8 years

Figures in thousands of euros	<u>2020</u>	<u>2019</u>
TOTAL ASSETS	7.943	6.628
TOTAL EQUITY	3.734	3.453
SOLVENCY RATIO	47,0%	52,1%
CURRENT ASSETS	6.860	5.476
SHORT-TERM FINANCIAL ASSETS	2.127	1.167
FINANCIAL DEBT- BANKS	242	0
PROYECTS DEBT R+D	844	1.053

Relevant

Solvency

High

>80% Total Assets

Duplicate cash

Subsidiaries, ICO Funding

Interest-free. Long-term

Minibase in EUR as of 10/05/21 - WIP

Name	Edit	Current mkt caps (stock currency) 21	Sales 21	EBITDA (m) 21	Sales growth 21	EBITDA (adj) Growth 21	EBITDA margin 21	EV/Sales 21	EV/EBITDA (adj.) 21	P/E (adj.) 21	P/BV 21	Dividend Yield 21
	Update											
AGILE CONTENT		162,5	37,23	4,52	82,5%	40,1%	12,1%	4,5	36,9	nm	6,6	0,0
GIGAS HOSTING		78,7	50,08	10,89	362,0%	416,5%	21,8%	2,6	12,1	nm	2,5	0,0
LLEIDA.NET		98,2	20,92	3,86	26,2%	41,3%	18,4%	4,6	25,0	47,5	16,6	0,2
CUATROOCHENTA *		52,0	15,1	2,00	13,9%	15,0%	13,2%	3,9	29,6	55,4	8,2	0,0
ALTIA *		174,7	143,00	12,87	10,0%	10,0%	9,0%	1,2	13,2	25,0	4,0	0,0
TIER 1 TECHNOLOGY *		18,8	16,61	2,05	29,1%	41,3%	12,3%	1,1	9,2	14,4	4,3	3,5

Estimaciones GVC Gaesco Valores. ** estimaciones mercado

With multipliers of companies listed in the same segment of BME Growth related to any of the technology areas or similar to Tier1, we see that Tier1 is one of the companies with the most revaluation potential at current prices. (source GVC Gaesco)

On May 7, GVC Gaesco updated a full Tier1 Assessment Report, which is posted on the BME Growth website..

https://www.bmegrowth.es/docs/analisis/2021/05/05344_Analisis_20210507.pdf?60c9KA

Tier 1 Technology

Spain | Technology Hardware & Equipment

Investment Research

Company Update

Buy	
Recommendation unchanged	
Share price: EUR	19,30
closing price as of 06/05/2021	
Target price: EUR	26,50
from Target Price: EUR	21,00
Upside/Downside Potential	37,3%
Reuters/Bloomberg	TRI.MC:TR1GM
Market capitalisation (EURm)	19
Current N° of shares (m)	1
Free float	21%
Daily avg. no. trad. sh. 12mth (k)	0
Daily avg. trad. vol. 12mth (k)	9,25
Price high/low 12 months	20,00 / 14,30
AbsPerfs 1/3/12 mths (%)	4,32/14,88/26,14
Key financials (EUR)	12/20 12/21e 12/22e
Sales (m)	13 17 20
EBITDA (m)	1 2 3

Reason: Estimates revision

Demostrando resiliencia y adaptab

Con numerosos establecimientos comerciales consumo muy penalizado, los resultados de forma significativa en las diferentes líneas de empresa no sólo ha crecido orgánicamente, estrategia de compra de empresas completas de Computada.

- ✓ En un contexto tan complicado para el crecimiento de resultados de Tier1, refleja la e a sus clientes pero también el carácter de "ga inversiones en software y sistemas para las €
- ✓ Tier1 ha avanzado en su objetivo de posición en la oferta de software para el negocio integral para empresas del sector retail en Es

1. **Consolidation of sales and profit** in the recurrent business lines (Tier1): Manufacture of IT solutions, implementation of these IT products and the deployment and maintenance of ICT infrastructures and operations.
2. **A resilience business model in 2020:** +28,6% sales and +32,2% Net Profit.
3. **Growth and scalability** of its own innovative solutions (**Comerzzia**), which allows clients an optimal adaptation to emerging technologies, focused on value generation while being at the digital forefront and increasing competitiveness.
 - Organic and M&A growth: February 2021 Comerzzia buys 62% of Computata S.L. Strengthens the group's position on the sector. Continuist policy in the Group's Strategy.
 - Sector with the high volume and international projection: Retail and Distribution, in need of adapting technology to changes in the market. Generates 57% of revenue. Strong presence in FOOD.
4. **Price below industry average.**

Investor Relations and shareholders:

ir@tier1.es

Thank you!

