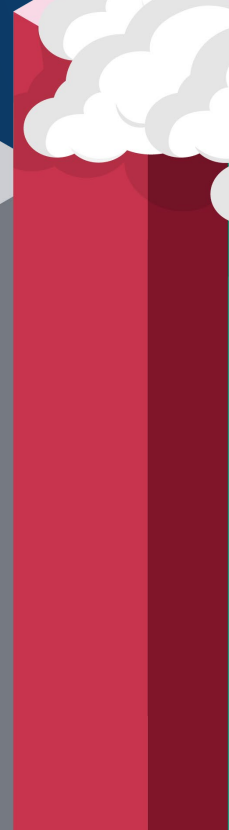
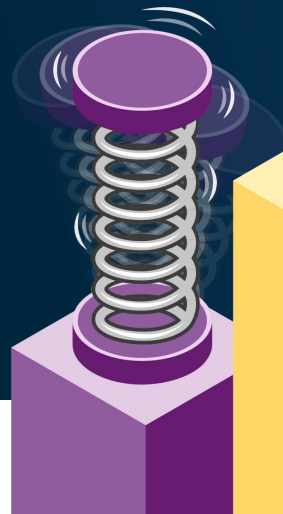




# altogether

Unaudited Interim Results for the  
Six Months Ended 30 September 2022





# Presentation Team

Unaudited Interim Results for the Six Months  
Ended 30 September 2022

## Presentation Team



CEO

### Nichole Stella

- 17 years executive level experience in the Promo industry
- Experienced AIM PLC CEO and board member
- Track record of identifying & capitalizing on new revenue sources, launching products/services, driving profitable growth, strategic planning and raising finance
- Named to ASI's Power 50 List – Most Influential leaders in Promo Industry



CFO

### Graham Feltham

- Qualified FCA with EY in 2000
- Experienced AIM PLC CFO and Board member
- Tech, Services, FMCG & Manufacturing Industry experience
- Private Equity experience including transactional
- Strategic Business Planning & Partnering and Raising Finance



# Key Highlights – Financial

Unaudited Interim Results for the Six Months  
Ended 30 September 2022

## Key Highlights – Financial

Group revenues

**£7.7m**

↑ 29.3% (HY22: £5.9m)

Group adjusted operating profit\*

**£0.76m**

↑ 50.5% (HY22: £0.51m)

Gross profit\*

**£3.9m**

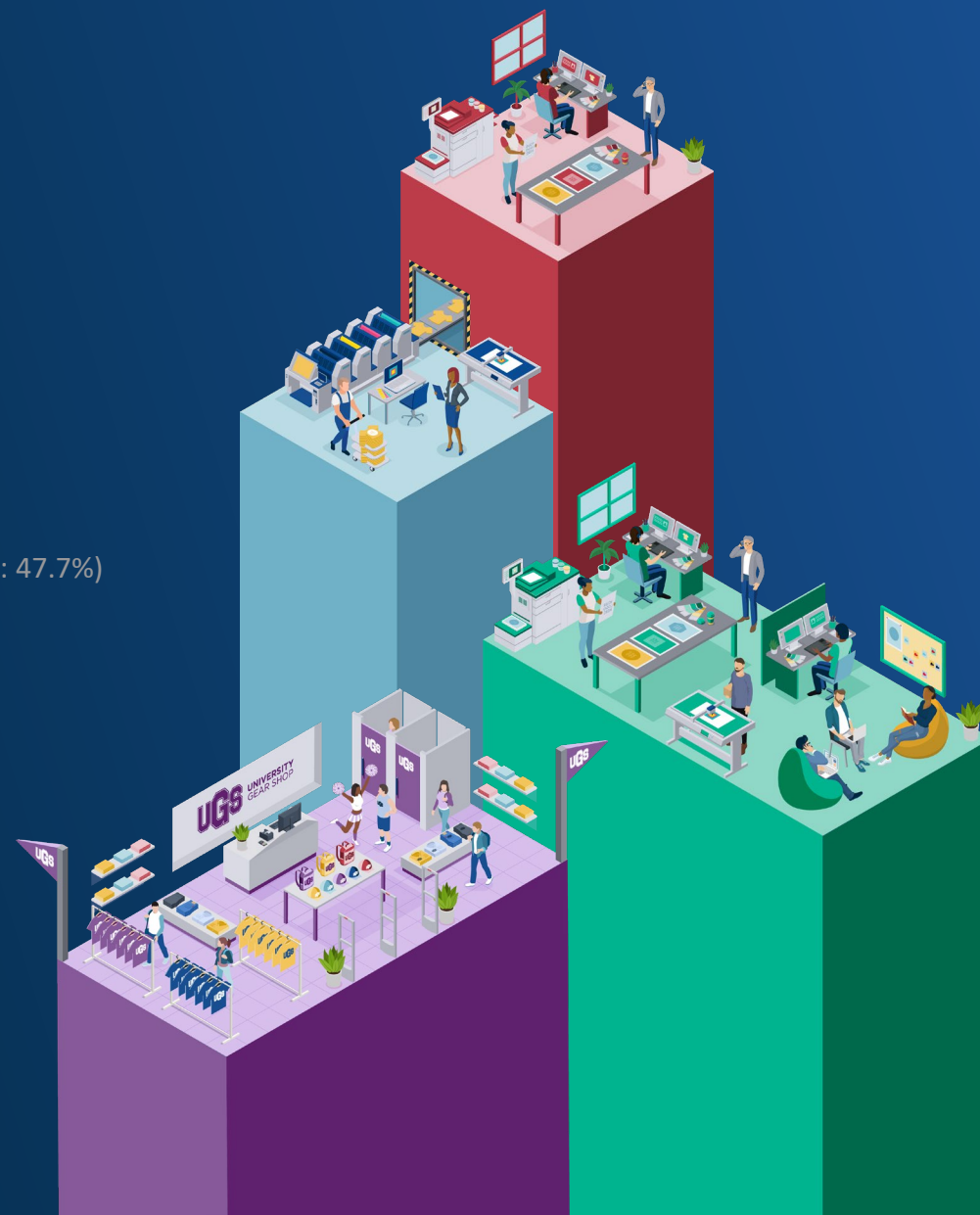
↑ 39.5% (HY22: £2.8m)

Gross Margin ↑ 3.7% to 51.4% (HY22: 47.7%)

Adjusted basic earnings per share\*\*

**0.44p**

↑ 145% (HY22: 0.18p)



## Key Highlights – Financial

### Revenue

Group revenue grew by

 **29.3%**

£7.7m (HY22: £5.9m)

Services revenue grew by

 **36.5%**

reflecting the strong performance of our AIM network (24.9% @constant currency)

Merchanting revenue grew by

 **22.8%**

c.\$6m annualised new signings and onboarding of high-quality affiliates (8.1% at constant currency)

### Adjusted Profit

Group adjusted operating profit\*

 **£0.76m**

50.5% (HY22: £0.51m)

At constant currencies the group delivered **growth of 26.3%**

HY22 profit of £0.5m includes **£0.5m benefit** of US Government Credit

### Secure Financial Position

Net Assets

 **£1.4m**

£9.5m (HY22: £8.1m)

**Strong balance sheet** with working capital requirements within seasonal expectations

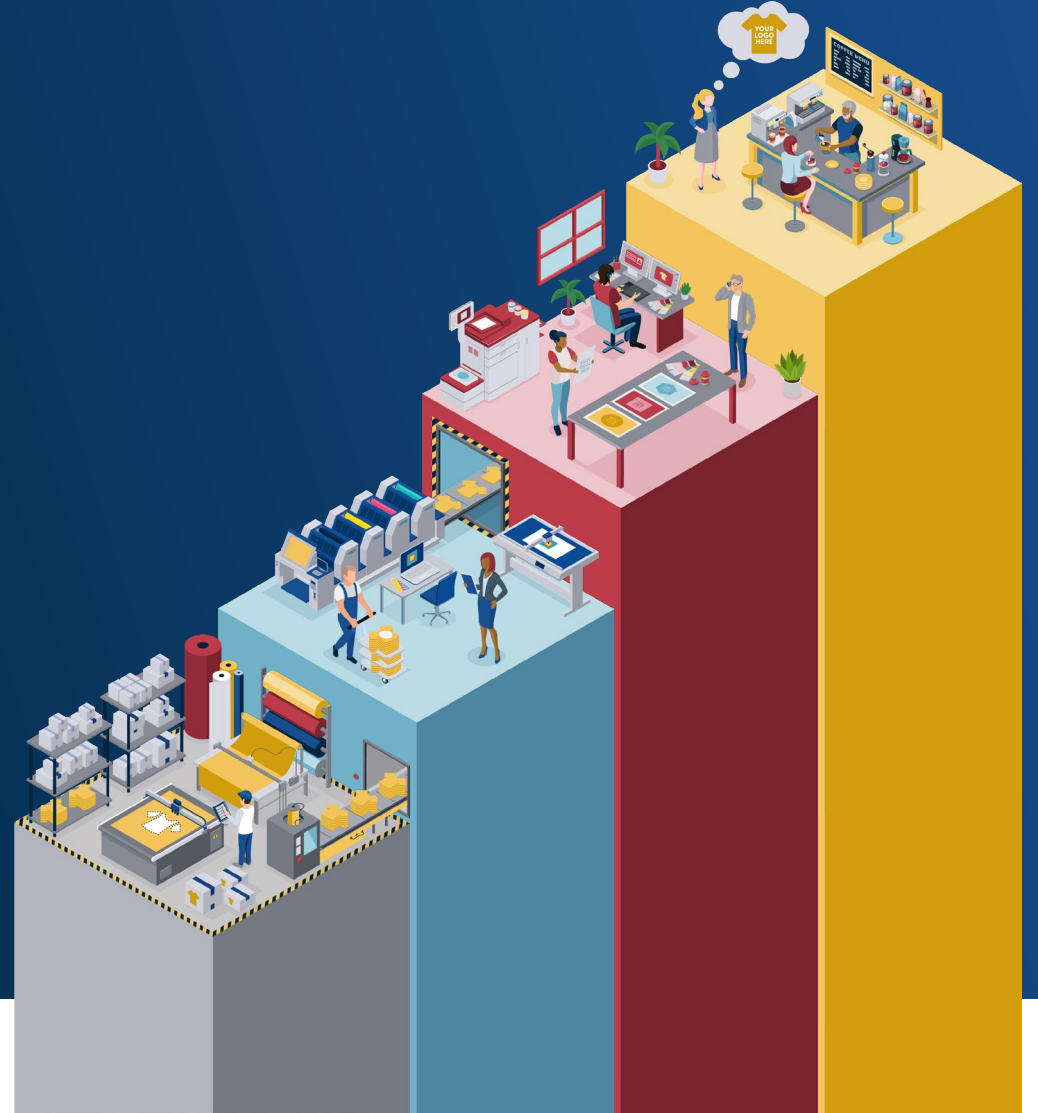
Group credit **facility of \$700,000** (HY22: \$nil) remains undrawn with a cash position of £814,000 (HY22: £754,000)



ALTITUDE  
GROUP PLC

# Industry we Serve

Unaudited Interim Results for the Six Months  
Ended 30 September 2022





## Industry we Serve

Most recent reports state the market for promotional products in the US alone is estimated to be worth more than **\$23 billion**.

(Source: ASI)



## Industry we Serve

It is a large market, but an **inefficient one**, with approximately **75% of transactions** still carried out **offline**.

US Market



## Industry we Serve

Additionally, it is very fragmented with approximately **3,000 suppliers** and **23,000 distributors** serving a very broad customer base, spanning individual consumers to very large corporates and non-profit organisations.

US Market



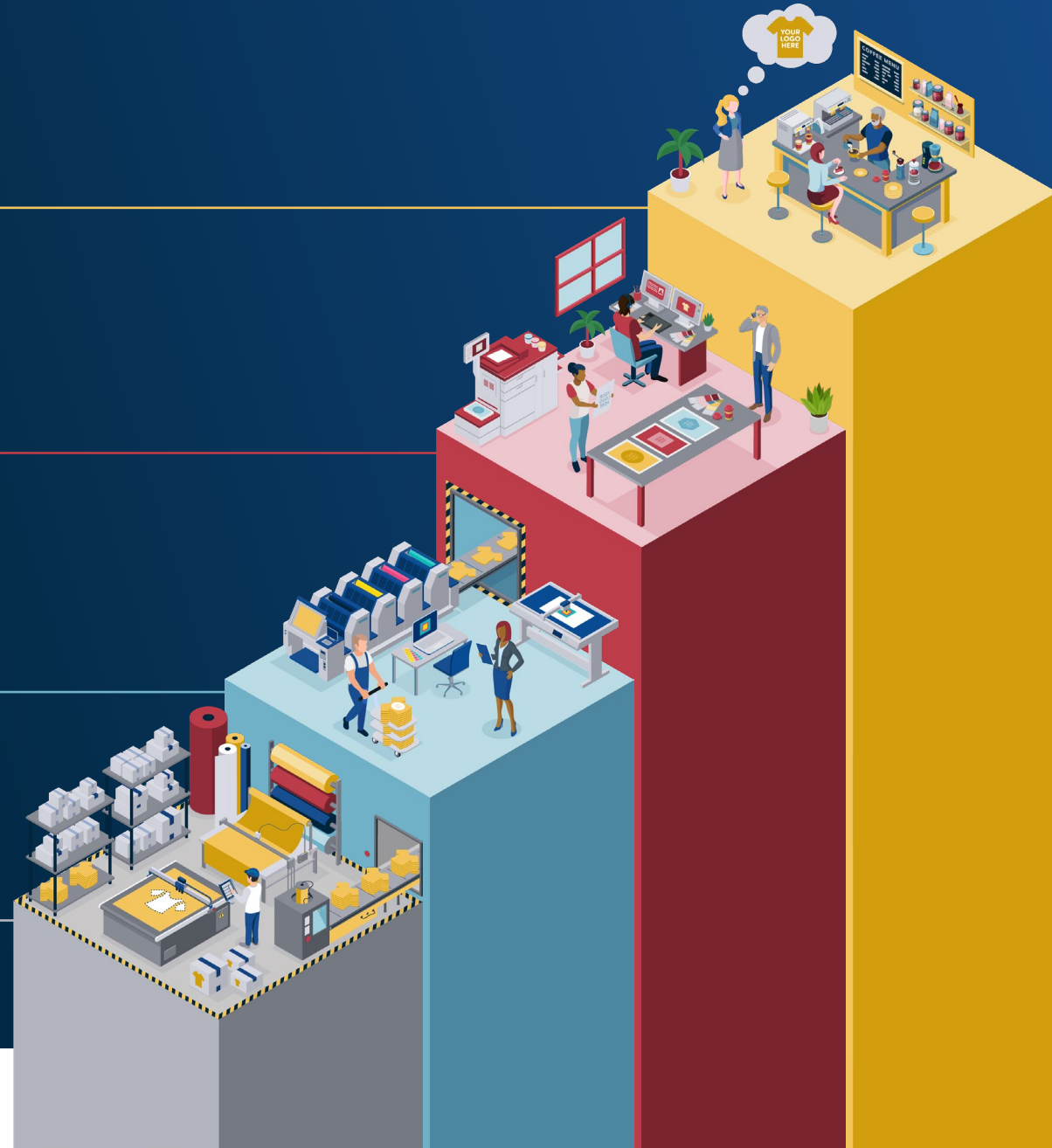
Industry we Serve

End Buyer Company/ End User

Distributor Sales (Members and Affiliates)

Supplier

Overseas Manufacturer





# Who are we?

Unaudited Interim Results for the Six Months  
Ended 30 September 2022



## Who are we?



Altitude is a technology company. We've combined our tech with an experienced team and proven service offerings delivers in-  
industry **scalable growth opportunities** and expansion into adjacent markets.

## Who are we?

# We deliver products and services in two distinct areas - Services and Merchandising.

**Services** is comprised of technology and software applications, membership subscriptions, preferred partner programmes, and marketing services programmes.



Our **Merchandising** programmes include our affiliate programme, AIM Capital Solutions (ACS) and our adjacent market programme, where the Group acts as principal in the sale of promotional products.





# Services and Merchants / How we make money

Unaudited Interim Results for the Six Months  
Ended 30 September 2022



## Services / How we make money

### Business Services

- Preferred Partner pricing benefits
- Freight programs and shipping discounts
- Community & networking opportunities
- Education & professional development
- Expanded marketing services, products and tools
- Access to Products and Services via technology platforms

**How we make money:** The Group derives subscription fee revenue from providing a broad range of services to distributors including supplier relations services, negotiated group discounts, events and exhibitions, catalogues, artwork services and marketing programs.

↑ **Subscription fees**



HY22 Service Revenue

**£3.85m**

↑ 36.5%

## Services / How we make money

### Preferred Partner Services

- The Group provides suppliers with services to expand their visibility and sales to the AIM and ACS community
- Top level visibility across our marketplace product search engine
- Preferred technology integration opportunities
- Guaranteed participation in publications, catalogues, merchandise campaigns
- Expanded access to AIM community via social media, events

**How we make money:** Altitude derives revenue through gross transaction fees on orders throughout supplier partner network, and other vendors and service providers (Preferred Partners) in return for providing marketing services and promotion of those suppliers to distributors. Revenues from this source reflect the value of the resulting purchase orders placed with preferred suppliers by distributors.

#### ↑ Service Fees



HY22 Service Revenue

£3.85m

↑ 36.5%

## Merchandising / How we make money

Our Merchandising Programs are focused on operational gearing that drives efficiency and feeds into our Services / Preferred Partner Programs

### Affiliates

- The Group recruits high-caliber sales professionals to affiliate (Affiliates) with the Group
- The Group is the principle in the sale
- Technology use is mandatory
- Provides scalable expansion and growth back to the Group
- Provides administrative support to allow sales professionals to focus on driving sales growth

**How we make money:** The Group derives revenue from the sale of promotional products which is procured via our affiliates who act as sales agents.

↑ Procurement sales



## Merchanting / How we make money

### Adjacent Markets

- Non-competitive spaces
- Integrated E-commerce Driven Technology
- Supply chain know how
- The Group's financing facility of £0.5m remains undrawn. This was put into place to support future growth.

**How we make money:** The Group derives revenue from the integration of its technology and the sale of branded apparel and promotional products in alliance with our adjacent market partners.



Merchanting Revenue

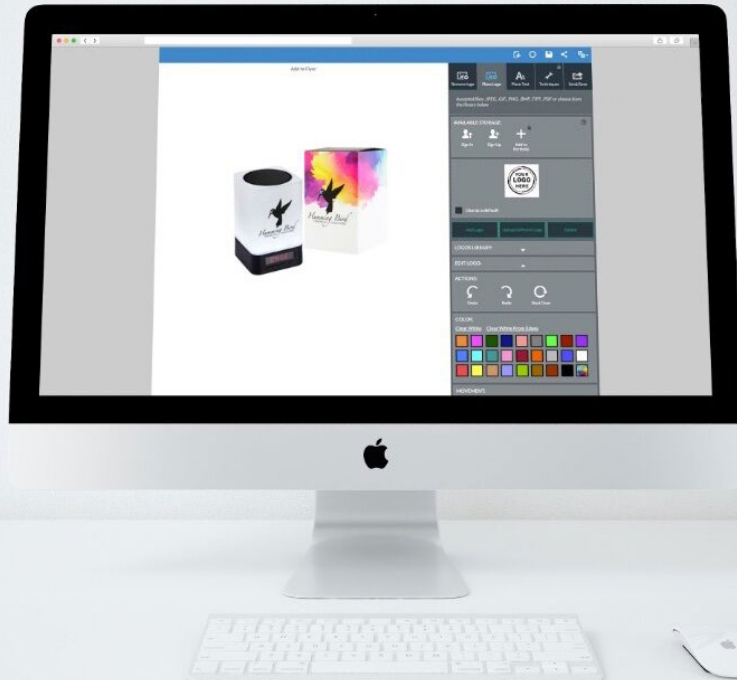
**£3.82m**

↑ 22.8%

↑ Procurement sales



## Who are we?

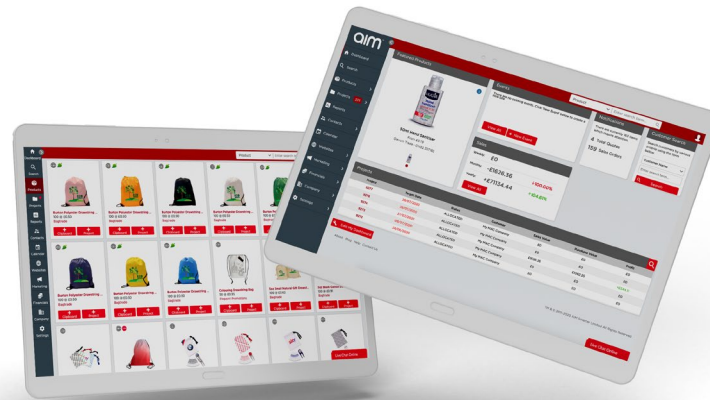


Our tech stack is built and our teams work within an agile environment making feature improvements for our **industry specific marketplace** which provides various design tools, applications, and web site pop-up stores for promotional product distributors and suppliers.

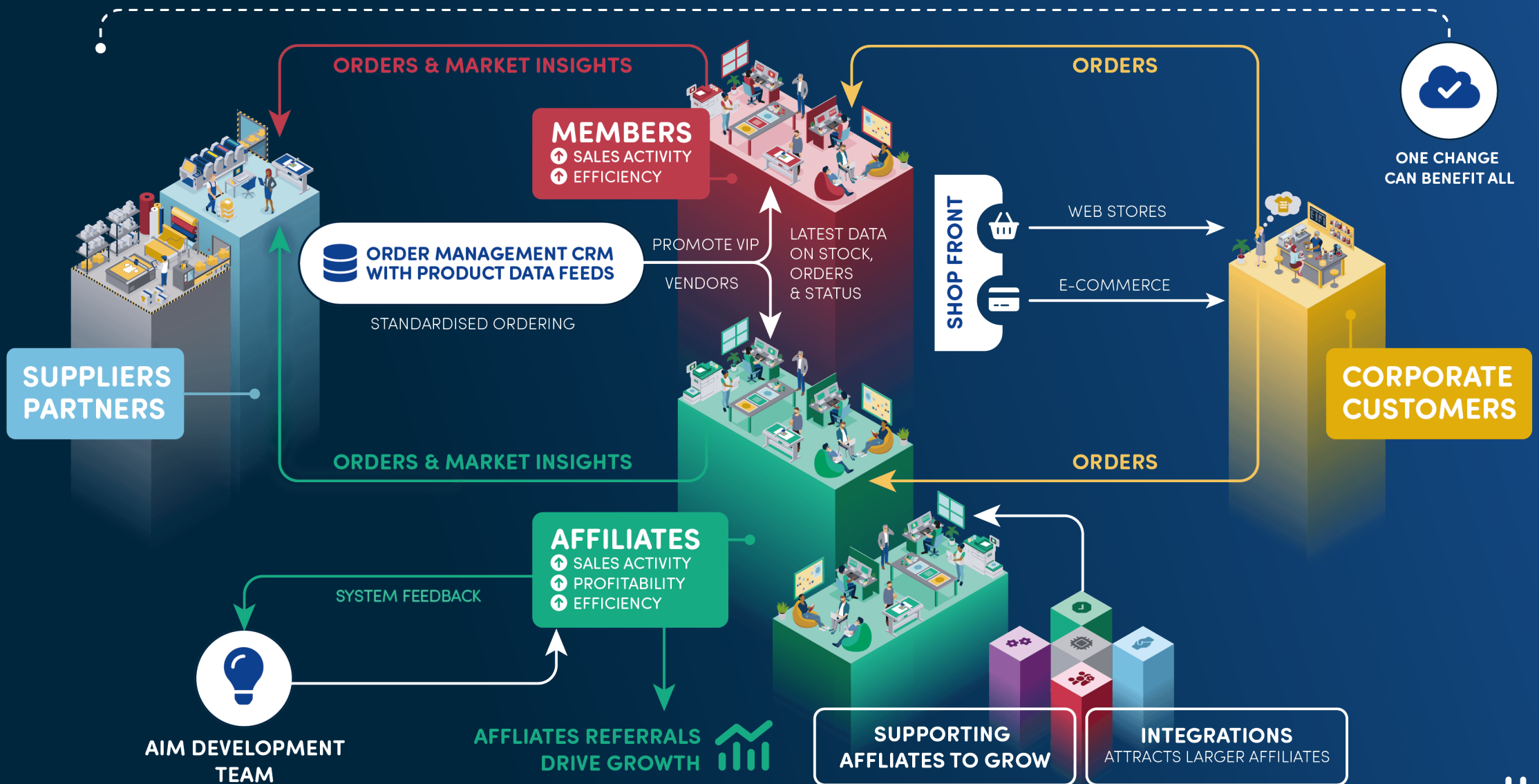


Tech Suite adoption increased to 524 users  
32% 2,658 Unique webstores live

# Driving Efficiency with Integrations



# Technology.... How our tech supports our growth





# What have we been up to

Unaudited Interim Results for the Six Months  
Ended 30 September 2022



# What have we been up to



**Foundation Built**

**Gearing for Greater Efficiency**

**More Features = More Users**

**From Ready to Scale to Scaling Now!**

Period ended  
31 March 2020  
£'millions

**15**  
months

Year ended  
31 March 2021  
£'millions  
12 months

**12**  
months



Year ended  
31 March 2022  
£'millions  
12 months

**12**  
months

Period ended  
31 March 2022  
£'millions

**6**  
months



	8.31	7.71	11.94	7.7
Revenue	8.31	7.71	11.94	7.7
Gross Profit	7.46	5.58	6.15	3.9
Adjusted operating profit/(loss)*	0.46	0.56	1.07	0.76
Adjusted profit before tax**	(0.6)	(0.6)	0.08	0.25

\* Operating profit before share-based payment charges, amortisation of intangible assets, depreciation of tangible assets and exceptional charges  
 \*\* Adjusted basic earnings per share from continuing operations is calculated using profit after tax but before share-based payment charges, amortisation of acquired intangible assets and exceptional charges and the weighted average number of equity voting shares in issue



# Financials

# How we've performed

Unaudited Interim Results for the Six Months  
Ended 30 September 2022

## Group Performance

### Group revenues

**£7.7m**

↑ 29.3% (HY22: £5.9m)

### Adjusted basic earnings per share\*\*

**0.44p**

↑ 145% (HY22: 0.18p)

	<b>HY23</b> <b>£m</b>	<b>Audited</b> <b>12 months</b> <b>31 Mar 2022</b> <b>£m</b>	<b>HY22</b> <b>£m</b>
<b>Revenue</b>	<b>7.7</b>	<b>11.9</b>	<b>5.9</b>
<b>Gross Profit</b>	<b>3.9</b>	<b>6.2</b>	<b>2.8</b>
<b>GP%</b>	<b>51%</b>		<b>48%</b>
Overheads (ex central costs)	(2.4)	(4.2)	(1.7)
<b>Adj Op profit before central costs</b>	<b>1.5</b>	<b>1.9</b>	<b>1.2</b>
Central costs	(0.7)	(0.8)	(0.7)
<b>Adj Group Op profit*</b>	<b>0.8</b>	<b>1.1</b>	<b>0.5</b>
Share based payments	(0.2)	0.1	(0.4)
Amortisation and depreciation	(0.6)	(1.0)	(0.5)
Exceptional costs	(0.1)	(0.2)	-
<b>Operating loss</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.4)</b>
Interest	(0.0)	(0.1)	(0.0)
<b>Loss before tax</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.4)</b>
Taxation	0.1	0.3	0.1
<b>Profit/(loss) attributable to the equity shareholders</b>	<b>(0.1)</b>	<b>0.1</b>	<b>(0.3)</b>
<b>EPS - Basic &amp; diluted (pence)</b>	<b>(0.10p)</b>	<b>0.14p</b>	<b>(0.42p)</b>
<b>Adj EPS** - Basic &amp; diluted (pence)</b>	<b>0.44p</b>	<b>0.48p</b>	<b>0.18p</b>

Numbers presented subject to rounding

## Segmental performance

**HY23 Services  
revenue**

**£3.85m**

↑ **36.5%** (HY22: £2.82m)

**HY23 Merchenting  
revenue**

**£3.82m**

↑ **22.8%** (HY22: £3.11m)

	HY23 £m	Audited 12 months 31 Mar 22 £m	HY22 £m
<b>Services</b>			
Turnover	3.85	6.31	2.82
Cost of Sales	(0.25)	(0.56)	(0.22)
Gross Profit	3.60	5.75	2.60
<b>Gross Profit Margin %</b>	<b>93.5%</b>	<b>91.1%</b>	<b>92.3%</b>
<b>Merchanting</b>			
Turnover	3.82	5.63	3.11
Cost of Sales	(3.47)	(5.23)	(2.88)
Gross Profit	0.35	0.40	0.23
<b>Gross Profit Margin %</b>	<b>9.0%</b>	<b>7.1%</b>	<b>7.2%</b>
<b>Group</b>			
Turnover	7.67	11.94	5.93
Cost of Sales	(3.72)	(5.79)	(3.10)
Gross Profit	3.94	6.15	2.83
<b>Gross Profit Margin %</b>	<b>51.4%</b>	<b>51.5%</b>	<b>47.7%</b>
<b>Adjusted Operating Profit/(Loss)* before central costs</b>	<b>1.50</b>	<b>1.91</b>	<b>1.29</b>
Central costs	(0.74)	(0.84)	(0.66)
<b>Adjusted Operating Profit/(Loss)*</b>	<b>0.76</b>	<b>1.07</b>	<b>0.63</b>

Numbers presented subject to rounding

## Financial Position

### Net Assets

**£9.49m**

↑ **£1.38m** (HY22: £8.11m)

### Cash position

**£0.81m**

↑ **£0.06m** (HY22: £0.75m)

	HY23 £m	Audited 12 Months 31-Mar-22 £m	HY22 £m
<b>Total non-current assets</b>	<b>7.10</b>	<b>6.44</b>	<b>6.36</b>
<b>Current assets</b>			
Inventory	0.09	0.03	0.02
Trade and other receivables	4.65	3.88	3.79
Corporation Tax Receivable	0.06	0.04	0.15
Cash and cash equivalents	0.81	0.90	0.75
<b>Total current assets</b>	<b>5.62</b>	<b>4.85</b>	<b>4.71</b>
<b>Total assets</b>	<b>12.72</b>	<b>11.29</b>	<b>11.07</b>
<b>Current liabilities</b>			
Trade and other payables	(2.34)	(2.28)	(1.98)
<b>Net current assets</b>	<b>3.28</b>	<b>2.57</b>	<b>2.73</b>
<b>Non current liabilities</b>	<b>(0.90)</b>	<b>(0.90)</b>	<b>(0.98)</b>
<b>Total liabilities</b>	<b>(3.23)</b>	<b>(3.18)</b>	<b>(2.96)</b>
<b>Net assets</b>	<b>9.49</b>	<b>8.11</b>	<b>8.11</b>

*Numbers presented subject to rounding*

## Cash Performance

Net Cash inflow from operating activities

**£0.37m**

↑ **£1.35m**  
(HY22: outflow £0.98m)

Undrawn facility

**\$0.7m**

↑ (HY22: \$nil)

	HY23 £m	Audited 12 Months 31 Mar 22 £m	HY22 £m
<b>Operating cash flow before changes in working capital</b>	<b>0.76</b>	<b>1.07</b>	<b>0.51</b>
Movement in inventory	(0.06)	(0.03)	(0.02)
Movement in trade and other receivables	(0.17)	(1.40)	(1.42)
Movement in trade and other payables	(0.09)	(0.10)	(0.23)
<b>Changes in working capital</b>	<b>(0.32)</b>	<b>(1.53)</b>	<b>(1.67)</b>
Exceptional items	(0.07)	(0.18)	-
<b>Net cash flow from operating activities after exceptional items</b>	<b>0.37</b>	<b>(0.64)</b>	<b>(1.16)</b>
Income tax received	-	0.41	0.18
<b>Net cash flow from operating activities</b>	<b>0.37</b>	<b>(0.23)</b>	<b>(0.98)</b>
Net cash flow from investing in operations	(0.39)	(0.85)	(0.42)
Net cash flow from financing activities	(0.14)	(0.16)	(0.09)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(0.16)</b>	<b>(1.24)</b>	<b>(1.50)</b>

Numbers presented subject to rounding



# Outlook

Unaudited Interim Results for the Six Months  
Ended 30 September 2022

## Outlook

- The Group experienced a robust performance across key Services and Merchanting programmes showing significant growth on the same period last year.
- Strong, consistent, and upward momentum in the performance of the business in both revenue and profit growth demonstrates the Group's ability to execute on its strategy.
- Continued robust growth anticipated into second half of the year with new partner agreements signed across all key programmes and a growing new business pipeline
- The Board is confident in the future scalability and success of the business and the executive management team's ability to successfully execute upon the Group's strategy





## Outlook

*“In the first six-months of the current financial year, the Group experienced a robust performance across key Services and Merchanting programmes, showing significant growth on the same period last year. The continued strong, consistent, and upward momentum in the performance of the business in both revenue and profit growth demonstrates the Group’s ability to execute on its strategy. Based on the performance in the year to date, the Board was pleased to announce on 22 November 2022 that the Group will exceed market expectations for the full financial year and achieve record year-end results. With continued focus on scaling the business and a healthy new business pipeline, the Group is well placed for accelerated future growth, and the Board is confident in the long-term success of the business and its positive outlook for the future.”*

**N. Stella, CEO Altitude Group, Plc**



# Questions & Discussions

Unaudited Interim Results for the Six Months  
Ended 30 September 2022



# Blue Sky / Market Opportunities

Unaudited Interim Results for the Six Months  
Ended 30 September 2022

## Blue Sky / Market Opportunities / As the market place grows we grow



- Currently, the Group has **exceeded pre-covid network numbers** with more than 2122 distributors within the North American network, representing nearly 10% of the industry's distributor companies.
- The market is highly fragmented with a network of c.23,000 distributors and the **top 5 market-leading distributor organizations representing a small segment** of the market at c.\$3 billion in sales.
- Post-covid, the Advertising Specialty Institute® (ASI) marked the ongoing resilience of North American promotional products industry, with total annual revenue rising to **\$23.2 billion** in 2021, up from the covid-impacted 2020 industry revenue of \$20.7 billion.

## Blue Sky / Market Opportunities / As the market place grows we grow

- **E-commerce continues to drive sales activity** across the industry. Promotional Products Association International (PPAI) reported on 1 June 2022, “the share of online sales of promotional products was 25.8% in 2021 (up from 17.3% in 2020).”
- Coupling the size of the untapped addressable promotional product market with our robust software solutions and programs we believe the **market opportunity for the Group is strong.**
- Additionally, adjacent markets that are active in promotional product sales such as; **Print (\$78.9b), Uniform (\$12bn), Printed signage (\$10.6b) Collegiate markets (\$10b)** expand the potential addressable market substantially.

