



Join DHH

Make the next step in your lifecycle and find a permanent home for your business



OUR PROPOSITION



DHH works collaboratively with the founders to realize their personal and professional goals

Why joining DHH?

Consolidate your leadership on the market

Do you see the opportunity on your local market but lack the means? DHH provides required tools and know-how to execute your vision

Monetize past successes, while continuing to pursue your vision

Each company joining the DHH Group retains leadership, autonomy, branding and market positioning

Supercharge your team in the company's critical moments

Local businesses often struggle to make it to the next level. DHH ecosystem of entrepreneurs and specialists will share their expertise of successfully overcoming similar obstacles

Our proposition...

Permanent home for your company

Each company joining the DHH Group retains leadership, autonomy, branding and market positioning

Our support in operating and growing the business

We support our companies with strategy, corporate governance, business plan, M&A, compliance, strategic sourcing and executive search

Funds and know-how to grow

The Group companies have better access to capital resources. We created an environment where businesses share knowledge and build bottom-up synergies

- DHH started as a cloud hosting group in the Southeast Europe. Today, our core focus is on b2b cloud computing and internet access and we want to further expand into IaaS/PaaS/SaaS and connectivity looking for local champions and innovative young companies not only in Southeast Europe but also in the emerging markets internationally.
- DHH is aimed at building a decentralized conglomerate of cloud computing companies which would exchange innovations and know-how while remaining independent businesses with own branding, market positioning and leadership.
- Now there are 9 businesses in the Group, and we are looking for further expertise expansion and acquiring new competences within cloud computing.

DIFFERENTIATORS



Unlike PE/VC funds, we do not have investment horizon; unlike global strategics we do not reconfigure the business to match our vision

	DHH	Overseas strategic buyer	PE/VC fund
Valuation	Fair and well-considered valuation	Fair valuation	Valuation on lower end in case of PE, high valuation of best players by VC
Terms for the founders	Full or partial cash-out	Usually, majority stake with full or partial cash-out	Full or partial cash-out for a majority in case of PE, minority stake and no cash to founders in VC
Industry know-how	Industry expertise from 7 similar size companies	Extensive industry expertise, yet often from a perspective of large companies	Most often little or no industry expertise
Market experience	Proven experience of growing companies on the local market	Usually no or little experience on the local market	Good market knowledge in case of local funds
Growth opportunities	Capital and know-how to support long-term healthy growth, no exit in mind	High growth potential as a part of a corporate structure	Large pressure on growth (VC) or cash generation (PE) with an exit strategy in mind
Brand identity	Keep brand, culture and company position on the market untouched	The brand is often dissolved as business is fully integrated in the Group	Usually keep brand, may however intervene in culture

LISTED GROUP



There are numerous benefits of being part of a publicly listed group



Joining a listed Group increases brand visibility and credibility among clients and business partners

Benefits of joining DHH

- 1 Easier and quicker access to additional capital to fund further expansion
- 2 Transparency of relationships among group companies
- 3 Improved credibility and perception of the company among counterparties
- 4 Possibility to use company stock as a currency for M&A activities

DHH is listed on Euronext Growth Milan (EGM), an MTF segment of Borsa Italiana



1. Listed companies are able to raise additional equity financing quicker and at a fairer valuation as they always have direct access to investors
2. Entrepreneurs feel safer being a part of a listed company as their relationships are governed by corporate organization rules
3. Joining a listed group improves company's standing in a marketplace which is crucial for building a trusted well-recognized business
4. Holding company stock can be used to finance M&A transactions or to encourage employees by rewarding with stock with a clear value

We know what areas to focus on in the different stages of the company lifecycle

Key challenges per lifecycle phase



VALUE ADDED

Our support across various functions improved both financial and market standing of the portfolio companies

Our advisory role in the portfolio companies

Track record

Strategy

Synthesizing and executing the growth strategy together with the entrepreneurs



Supported (1) Artera in pivoting its business, (2) Plus Hosting in spin-offing a separate business related to managed hosting, (3) Tophost in redesigning its offering, (4) Klaro in designing new products.

Corporate governance

Introducing best practices to better direct and control the business



Supported all the portfolio companies in structuring directorship agreements to include goals and incentives for the key managers. We also introduced non-executive directors to provide support to the CEOs.

Business planning

Implementing planning & control processes to improve performance and drive growth



Introduced business planning tools to the portfolio companies which more than doubled the companies' margins and improved top line growth from a few percent annually to a sound double-digit CAGRs.

M&A

Leveraging our extensive M&A experience to guarantee success of every transaction



Supported (1) Plus Hosting in consolidating the Croatian market by acquiring 3 competitors, (2) Klaro in strengthening its leadership in Slovenia by acquiring Si-Shell, (4) Seeweb on acquisition of a customer list on the Italian market (3) merged Plus Hosting Serbia with mCloud to build one of the largest players in Serbia.

Talent development

Creating tailor-made learning experience to increase skills and know-how



Launched DHH Academy to develop leadership in the portfolio companies. 9 different workshops spread over 4 months, 4 workshops with an impeccable NPS score of 100, 3 with 83 and 2 with 66.

Strategic sourcing

Sourcing new partners and developing business relations with counterparties



Introduced partners on digital marketing in Tophost, Plus, and Klaro, supporting the revamping of their digital presence and the implementation of new lead generation activities.

Executive search

Supporting succession plans by finding great CEOs



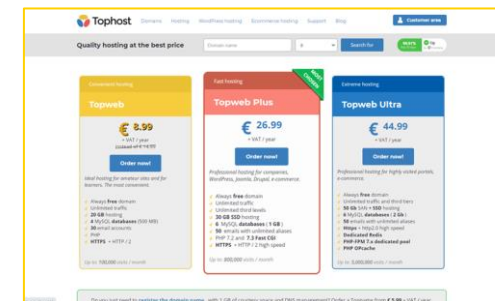
Supported Klaro and Plus Hosting with managing their succession plans, recruiting and training new CEOs, when the founders transitioning to a different role at a Group level.

Tophost: from a struggling business to double-digit growth and healthy margins

2015



Toda



Background

- When DHH took over Tophost in 2015 from an industrial player, the company had no CEO, the offering was outdated, the online presence was not maintained and there was no clear direction.
- Hence, the customer base was shrinking and all relevant KPIs were negative - average customer acquisition costs (CAC) were not adequate to lifetime value (LTV) provided on average by customers.

Actions taken

- Following the acquisition, we (1) appointed a new CEO, (2) supported him in designing a new marketing strategy, (3) revamped the product offering and (4) introduced governance practices.
- These actions enhanced Tophost online visibility and customer satisfaction which improved its key KPIs, incl. CAC and LTV.

Tophost today

- In a few years Tophost went from EUR 1.2m with a declining trend to EUR 1.6m with a double-digit growth, sound margins and cash generation.
- Today, Tophost has a clear focus on simple but comprehensive low-cost products supported by first-class hardware and connectivity provided by Seeweb

Plus: consolidating the Croatian market and building the largest local player

2015



Toda



Background

- DHH acquired Plus at the end of 2015 from the 2 owners - one wishing to leave the business and pursue other opportunity and another staying in the company.
- At that time, the Plus was a EUR 1m business.

Actions taken

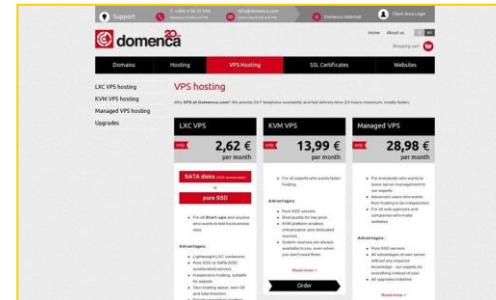
- DHH supported the CEO in (1) repositioning the company on the market, (2) simplifying the offering, (3) spinning-off the most innovative part of the business into a separate entity, (4) developing a planning and control practice.
- We also supported the execution and provided capital for consolidating acquisitions of the 3 competitors.

Plus hosting today

- Today, Plus Hosting is the largest Croatian player with a turnover of EUR 2.3m (incl. the spun-off business) and healthy margins.
- Plus also had a Serbian subsidiary, a stagnant business with no leadership in place. We merged it with mCloud, a Serbian player acquired by DHH, which made the new entity the leading operator in Serbia.

Klaro: doubling the revenues in a few years

2015



Toda



Background

- DHH acquired Klaro (owner of Domenca, Domovanje brands) in Oct 2015 from the owners. At that time, the company was a EUR 1m business.

Actions taken

- The former Klaro owners transitioned to a new role at a group level in DHH, one employee was promoted to CEO. DHH assisted the CEO with introduction of (1) planning and control practices and (2) product development process.
- DHH also supported the CEO in the negotiations, due diligence and structuring the acquisition of Si-Shell, competitor focused on VPS and cloud servers.

Klaro today

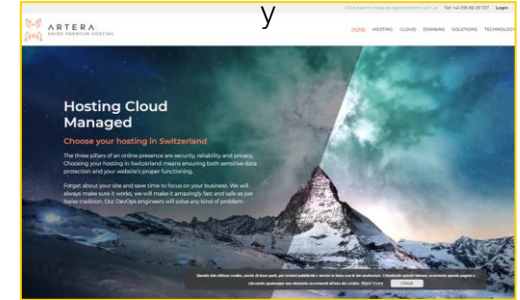
- Today, Klaro is on the growth track – it has introduced several new products on the market incl. email marketing SaaS tools, business emails, vertical Wordpress hosting.
- The company's revenues surpassed EUR 2m and margins improved greatly.

Artera: from near-bankruptcy to positive cash flows and growth

2017



Toda



Background

- DHH acquired Artera in 2017, a EUR 1.4m business at that time. The company did not have a clear focus and was partly involved in mass hosting, cloud computing, IT maintenance and web development.
- The company faced a EUR 200k loss and was going bankrupt.

Actions taken

- DHH supported the founder in (1) restructuring the business, (2) focusing on cloud computing, (3) redesigning the organization, (4) building a control management system, (5) defining a business planning practice and marketing strategy.

Artera today

- In a few years, Artera became a pure cloud computing company targeting Italian Swiss customers.
- The company is cashflow positive again, with healthy margins and a revamped growth trend in place.

We do not force top-down integrations. All synergies are bottom-up

Examples of bottom-up synergies

1 Knowledge sharing

The companies in the group share knowledge about the best practices in marketing strategies, customer care management, product development

Lead generation **2**

DHH Group companies shared leads with Sysbee as it was gaining traction on the market. We foster lead exchange among companies when one of our businesses receives an opportunity which is more suitable for other company within the Group

Infrastructure **3**

Seeweb provides cloud infrastructure to the other companies in the Group. This allows companies to have better quality, prices, and flexibility with experimenting with new products

Group buying **4**

The web hosting providers work together to collectively buy domains, software licenses, legal advisory and other professional services at a better price

SysOps **5**

Klaro and Plus Hosting having similar pain points decided to build a common team for system administration. The team now also supports other Group companies with their sysadmin needs

Certifications **6**

Klaro supported Plus Hosting in becoming the first Croatian company accredited to sell Slovenian domains

Growth by acquisitions: Growing by acquisition is a paramount cornerstone of DHH strategy also thank to its sound cash flow generation.

Creating an ecosystem of independent businesses, that means each company remains independent with its own brand, organization, and management team. Indeed, relying on a full commitment of all founders who together with top management team bring in-depth skills in digital business, the Group will help local tech-pioneers:

- Offering expert support, cost and revenue synergies achievement, resources and capabilities enhancement
- Delivering know-how in managerial processes, business development, financial KPIs implementation etc.
- Providing strategic thinking, technology solutions, marketing know-how and other best practices

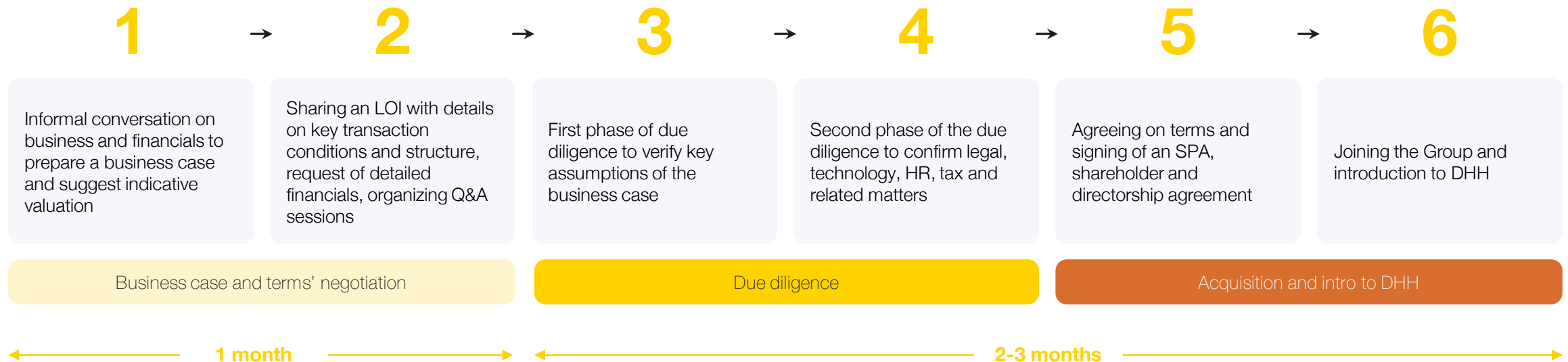
Scouting for opportunities in Consolidation, Expansion, Startup in the cloud computing arena

Criteria	1. Consolidation	2. Expansion	3. Start-ups
Objective	Increasing market share in the current company's reference market, acquiring small to mid-sized companies	Entering in new geographies, or expanding into contiguous market segments by acquiring growing and cash generating companies	Investing at least €1mn in worldwide innovative start-ups with appealing ideas
Stage of development	Companies with an existing customer base and distribution network	Cash generating companies with low leverage / Companies with an existing infrastructure network	Team and product with proven traction
Acquisition strategy	Asset acquisition without retaining the management	Initially cash purchase of 51%-60% of equity with the option to buy the remaining stake via cash or equity	Initial minority stakes with contingent call options
Deal size	0,5M-2M EUR	2M-20M EUR	<0,5M EUR

THE INVESTMENT PROCESS



Our investment process is smart and smooth



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Thank you.

For further information, please visit

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