



cynny

EXECUTIVE SUMMARY / CYNNY OVERVIEW

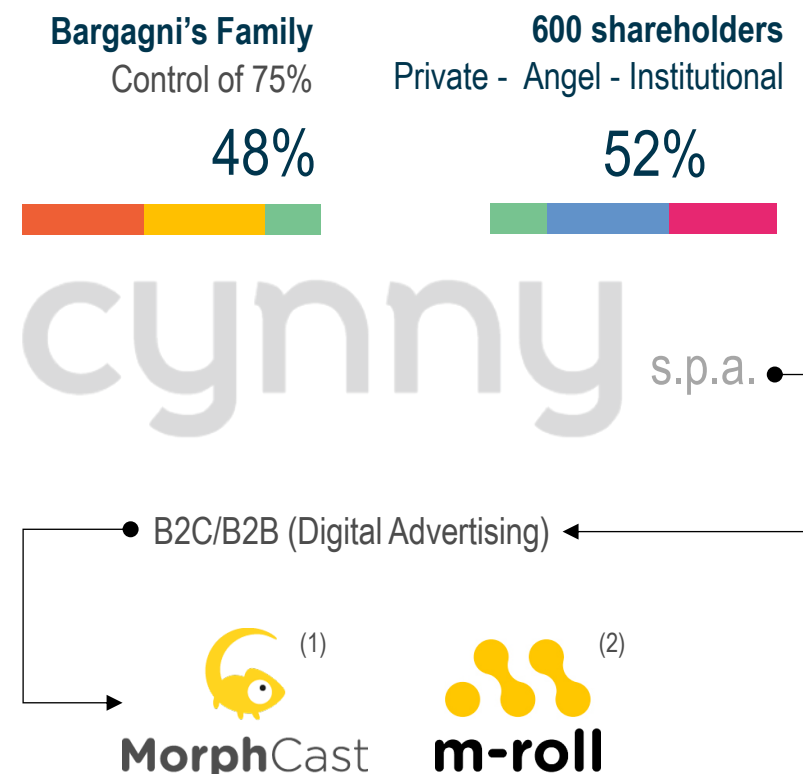
2 main business divisions:

1. **MorphCast** – B2C/B Morphing videos made and shared by consumers on social networks added by brand content injection and product placement by our Advertising Platform
2. **M-roll** – B2B platforms that deliver interactive videos, instantly adapting their content, based on viewers' emotions (real time facial expression analysis, with AI, in the browser)

Demo

WATCH VIDEOS ADAPT TO YOU

Corporate structure:



Since 2013, Cynny has developed technologies with high market potential. **3 US patents** filed, **1 granted**, 2 more pending

Based in Florence (Italy) with its subsidiary Cynny Inc. based in Redwood City (CA, USA), Cynny has 30 full time employees, including **24 engineers and 4 PhDs**

Cynny raised **€8.8mn** to date, and benefits from a governance framework in line with listed companies and is **audited by KPMG**

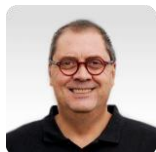
In May 2017, Lando Barbagli joined Cynny. He is a serial entrepreneur with 2 decades of **technology experience in the Silicon Valley** and with a strong background in digital advertising

With his contribution, the company began developing a **pioneering** B2B operation called M-roll. Its development is based on the R&D of MorphCast, a new media, with the potential to become **a new standard**, such as animated GIFs or MP4s. Revenue is expected for Q2 2018

To effectively progress with its technological and commercial targets, Cynny has partnered with **Funambol**, a Silicon Valley company, with over **100mn active users**

MANAGEMENT TEAM

STEFANO BARGAGNI, FOUNDER AND CEO



Stefano began his career in 1979 leading Italian IT companies, founding and managing industrial projects such as the design and production of the Frael Bruc 100 computer on behalf of Frael. In 1993, he founded CHL, one of the world's first e-commerce platforms prior to Amazon, and served as chairman until 2003. CHL went public on the Milan Stock Exchange in 2000 with over €100mn revenue

SIMONE PRATESI, STRATEGIC DEVELOPMENT AND CFO



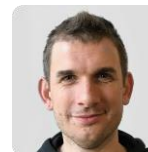
Simone holds a Business Administration degree from the University of Florence, brings to the board his wide experience in finance and administration. He gained a 25 years experience at B&C Speakers, market leading manufacturer of high-end professional loudspeaker transducers. In 2007, he led the listing of B&C Speakers on the Italian Stock Exchange

LANDO BARBAGLI, COO



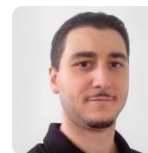
Lando gained a Business Administration degree from the University of Florence. His field of expertise is entertainment and media & digital advertising. He spent 18 years in the US working for Aurelio De Laurentis at Filmauro Beverly Hills. He then founded two start-ups in digital advertising and entertainment. His last start-up "Shobot.com" has been acquired by Peel Technologies, a Mountain View company

MICHELE CAINI, CTO, RESPONSIBLE FOR ARCHITECTURE



Michele focuses on IO engine, Chord protocol/algorithm, ECS model, routing system, and test machines on the server side as lead software architect, and SDK mobile, cooperative multitasking system on the client side. His server side developments gave rise to Cynny Space. C++ gold badge on StackOverflow. Owner of uvw, the most used libuv wrapper in C++. He's also the author of EnTT, a well known open source entity-component system in C++

LORENZO LINARI, CTO, RESPONSIBLE FOR DATA ORGANISATION



Lorenzo is the lead software engineer of the AI R&D team of Cynny for user experience enhancement and personalisation at MorphCast. He develops solutions across the Cynny applicative stack. Expert in embedded C and Arm/PowerPC Assembler programming. Author of DL4, a modern microkernel operating system for GE. Contributor in many projects for Natural Interaction, Augmented Reality and Graphic Programming

DETAILED CVS

Cynny developed a technology to capture the following information whilst an individual is surfing the web:

- Emotions (anger, disgust, fear, happiness, sadness and surprise)
- Age
- Gender
- Face recognition
- 3D head-pose tracking

The platform benefits from:

- Anonymity of the viewer / In browser elaboration
- Accuracy of data collected:
 - 89% Gender, 89% Happiness, 82% Anger, 37% Fear, 69% Disgust, 67% Sadness, 72% Surprise, 70% Neutral
 - +/- 3.5 years for Age
- 97% Face recognition
- 100% 3D head-pose tracking

The elaboration of the information allows for instant change in the content shown to the viewer (*videos, products, news, pictures, music, effects, page layout*)

- The platform has been built exactly to read and influence people's behavior/emotions - differently from other media

The aggregate data collected can be used for:

- Market intel
- Advertising
- Profiling

cynny

MARKET

Online advertising has boomed from a marginal share of the total advertising market (1999: 0.5%) to the largest advertising medium in Europe (2016: 37.2%)¹

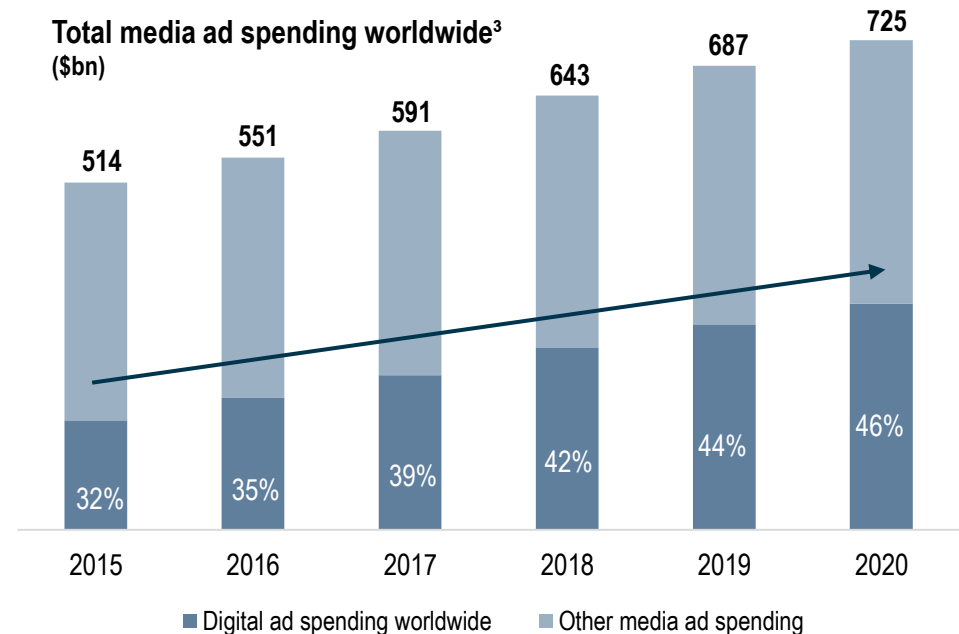
Factors contributing to video advertising growth include:

- Innovations in the mobile industry
- Video and automation
- Changes in media consumption behavior (from TV to online)
- New technology standard specifications (e.g. IAB Digital VAST)

(bn)	Daily video views	Daily photo views
Snapchat	10.00	1.50
Facebook	8.00	0.60
YouTube	1.00	-
Instagram	0.85	0.10
WhatsApp	0.25	1.20
Pinterest	-	0.02
Flickr	-	0.01
Total	20.10	3.43

Cynny addresses the video advertising segment, the highest growing of the digital advertising market, with a CAGR of 17% and a projected market size of \$45.5bn by 2021²

Total media ad spending worldwide³
(\$bn)



1: HIS Markit and IAB Europe - 2: Statista Digital Market Outlook 2016

3: <https://www.emarketer.com/Report/Worldwide-Ad-Spending-eMarketers-Updated-Estimates-Forecast-20152020/2001916#moreReport>

CYNNY STRENGTHS



Strong set of patents and highly specialized team

- 3 patents, one granted
- Funder & CEO's strong precognitive vision of users' needs and market orientation
- 24+ engineers and researchers



Very sophisticated analytics dashboard and API to:

- Collect, elaborate, exploit information
- Change the content, in browser, live, instantaneously depending on age, gender, emotions, 3D head-pose
- Main patented differentiating factor vs. competitors



Unparalleled level of accuracy of the information collected

- c. 70% for the 6 basic emotions
- c. 7 years error for age (similar to human error)
- c. 89% for gender



Clear benefits to the viewer:

- Customised content (videos, products, news, pictures, music, effects, layout)
- High level of engagement achieved using viewer's face to direct the video watched
- Anonymity
- In browser platform (no app to download!)



Solid revenues potential given advanced discussions with major potential clients and partners

- Nutella, Coca Cola, Gucci, Barilla, Enel, Save The Children
- Ogilvy & Mather, Yahoo, Momentumww, JWT, WeChat, Line, Kik, Funambol

HIGH REVENUE POTENTIAL

Cynny's revenue strategy is focused on 3 items below:

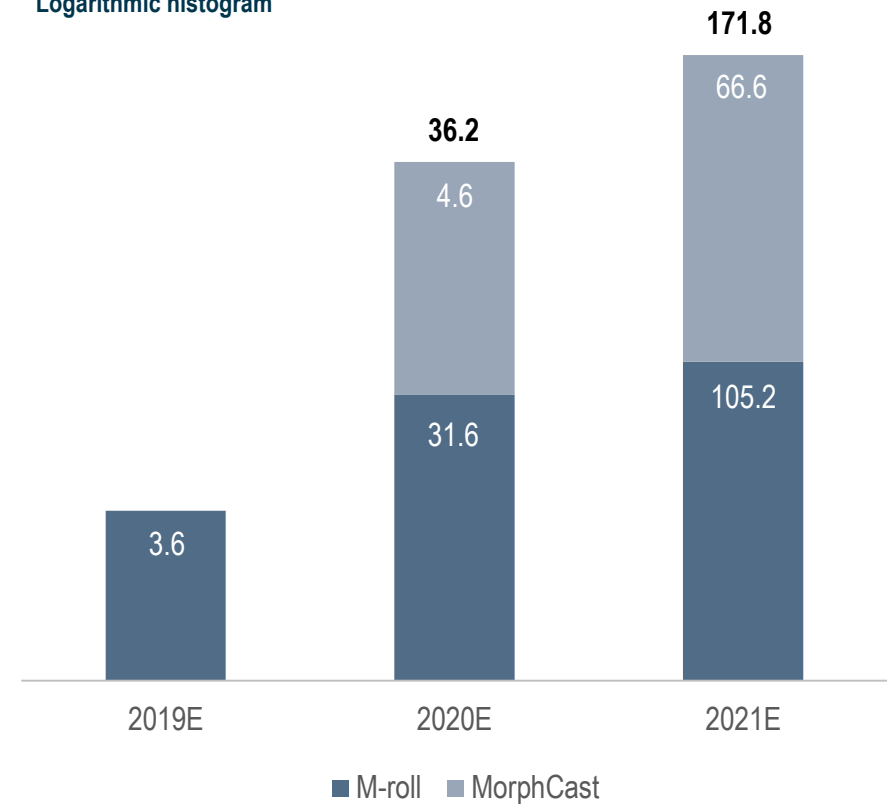
- 1) M-Roll digital advertising revenues B2B
- 2) MorphCast digital advertising revenues B2C/B2B with the goal of reaching 30mn views per day
 - It has been demonstrated that a company passing the 30mn threshold, will be highly profitable in building its own advertising platform. In other words, the ability of making "brand content injection" in any MorphCast viewed by surpassing the 30mn views per day
- 3) For sectors where Cynny encounters high barriers to entry, like telecommunications and security, the company is signing licensing agreements with consolidated market operators (i.e. Funambol)

Cynny is reported in 3 of the
"10 Hot Consumer Trends 2018", respectively
#1, #5, #8, identified by ERICSSON¹

Revenues by division

(€mn)

Logarithmic histogram



BRAND INJECTION

DIGITAL ADVERTISING





Viewer's emotions are driving the content of the video you are viewing (Patent Granted)

- MorphCast **analyses facial expressions** to identify emotions, adapting the video content, effects and layout, based on who's watching, while the video is playing!
- Web page API for a **dynamically responsive layout** based on emotions, gender, age and angle of view (3D head-pose tracking)
- **Selects and executes specific scenes and plots** as the video progresses
- All happens **within the browser**, no software download required
- **Builds the interactive video in real-time whilst the user is watching**
- **Reduced bandwidth need** compared to mp4 videos

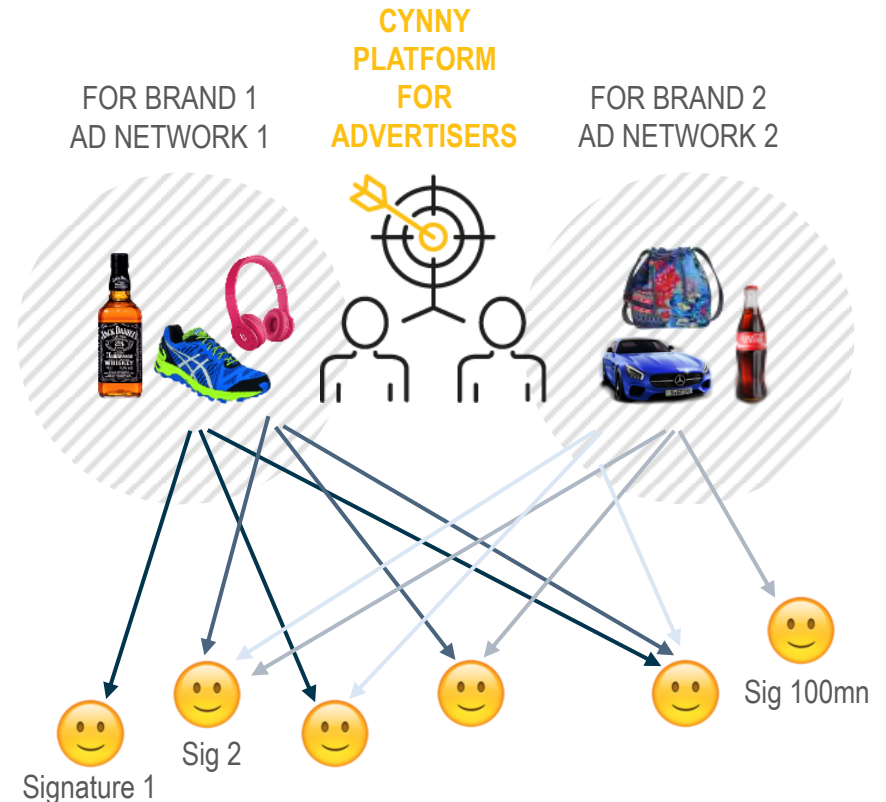
Creates a unique, intelligent, real-time and dynamic Signature, residing on your mobile device only (Patent: Pending)

- Acts as an active local **recommendation system**
- Is anonymous and it does **not get copied**, transferred or used by other parties
- Is **continuously updating** and learning. It builds real time, an accurate profiling of the viewer, active and used for subsequent MorphCast views
- **Recognises the user face** to avoid data mixes between users of the same device (i.e. family shared tablets)
- **Attracts content, videos, and ads** that fit the user, based on locally profiled Signature
- Is HTML5 compatible, **browser and native app agnostic**



Opportunity for Cynny proprietary platform for advertisers (30mn views per day)

- **MorphCasts are viewed** since they come from a friend or a chat, email, text, word of mouth
- Context sensitive **Brand Content Injection** that fit viewers' profile (local Signature)
- Cynny platform enables Signature driven and context **sensitive product placement** in the MorphCast received
- **Only Cynny can do it** because the interactive movie (MorphCast) is instantly built into the user's device as it is watched (Patent: Granted)
- Local Signature can select and insert **appropriate ads**, into the MorphCast, based on user's profiling
- **Protects the viewer's privacy** as it doesn't exchange or store data server side



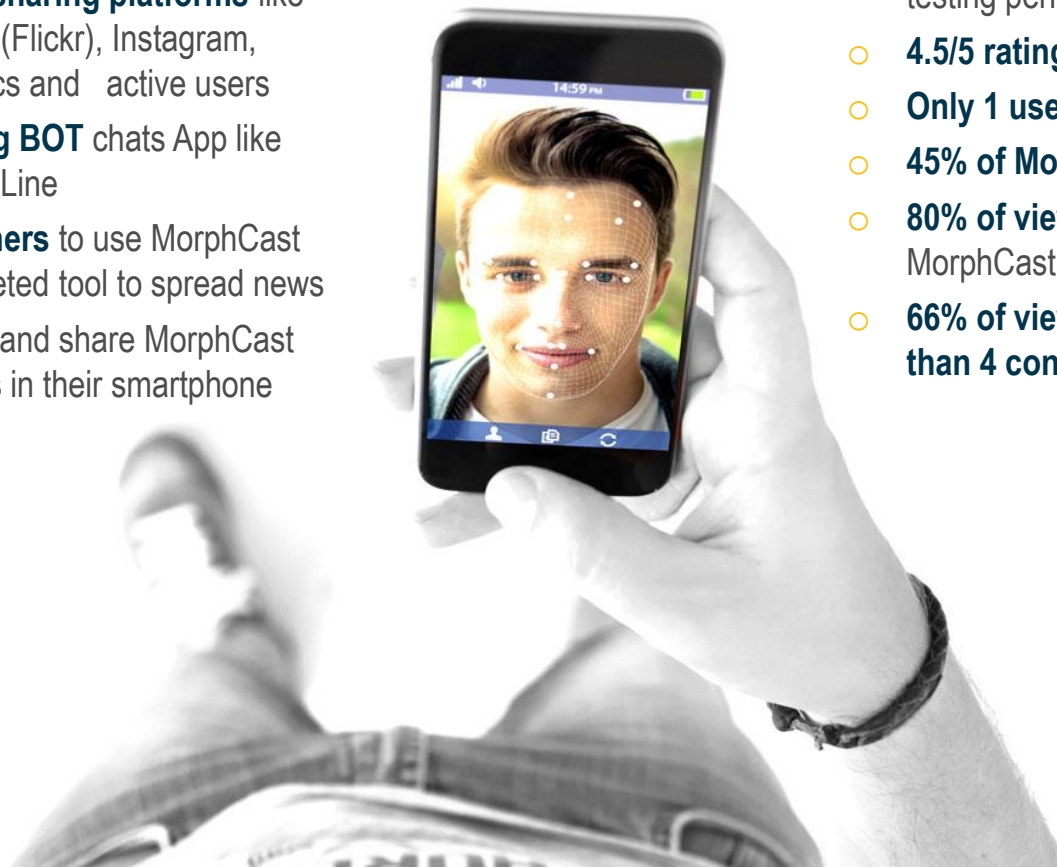


MorphCast consumer market drivers

- **Viral MorphCast** spread on social media by specialised operators in viral contents
- **Partnership with Photo sharing platforms** like Funambol (Zefiro), Yahoo (Flickr), Instagram, Pinterest, any App with pics and active users
- **Partnership with existing BOT** chats App like Kik, Messenger, WeChat, Line
- **Partnership with publishers** to use MorphCast as an interactive and targeted tool to spread news
- **MorphCast App** to make and share MorphCast using user's pics and clips in their smartphone and socials

Opportunity demonstrated by Cynny's App (iOS & AND)

- Reached **34,000+ viewers** during the testing period
- **4.5/5 rating** by Android users
- **Only 1 user out of 3 quit the app**
- **45% of MorphCasts were shared**
- **80% of viewers** created at least one MorphCast
- **66% of viewers uploaded more than 4 contents**





M-ROLL / PROFESSIONAL MORPHCAST IN DIGITAL ADVERTISEMENT MARKET

Platform connecting viewers to brands using MorphCast technology to maximise the engagement and keep the brand relevant

The **first and unique two-sided platform system** in the advertising sector

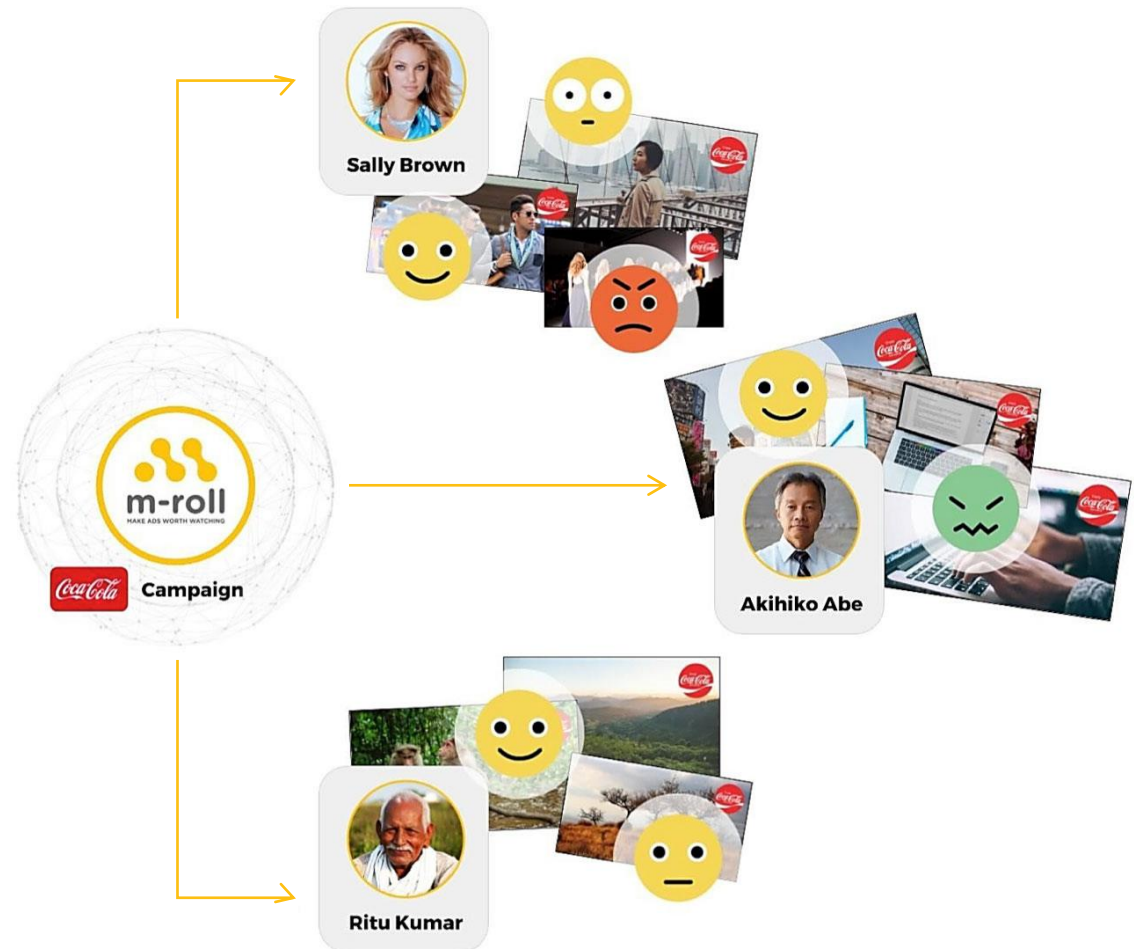
M-roll **builds the ad video in real-time whilst the user is watching!**

M-roll desktop professional application to help the creatives to build MorphCast ad clips

Scene-by-scene adaptation according to the emotions, age, gender, 3D head position detected **enables the viewer to become an active participant of the advertisement** and not merely a target for ads

Result: much higher engagement and redemption vs. traditional marketing techniques

M-roll has a sophisticated **analytics dashboard and API** to exchange data in client's system



WATCH VIDEOS ADAPT TO YOU



Attention-based model:

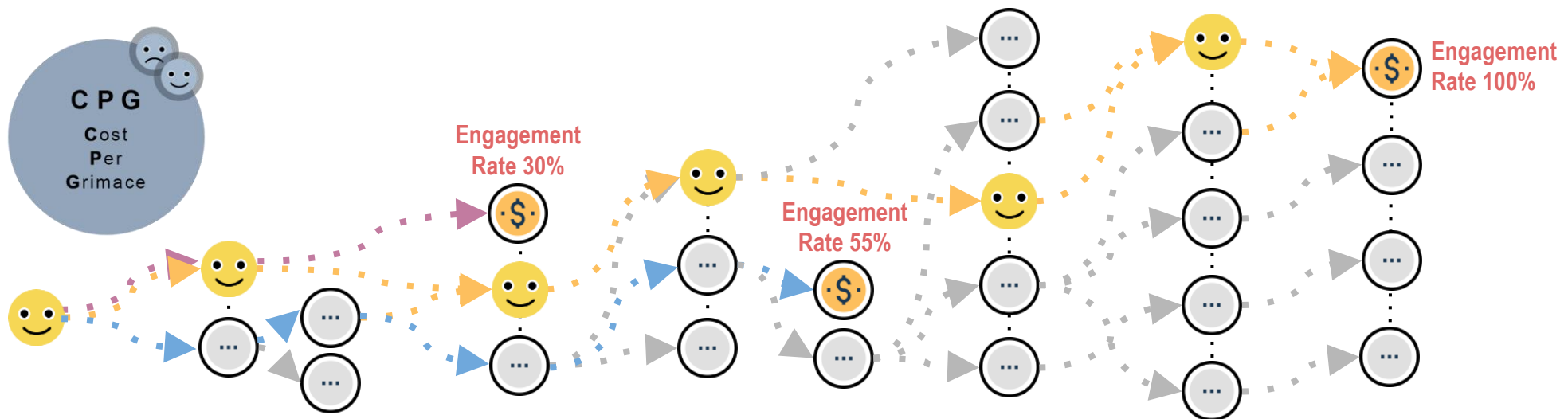
M-roll focuses on user attention-based selling -

emotionally engaged viewers, watch longer videos, also more than once, to discover alternative plots

Viewers' expressions reflect their overall engagement with the ad. **Through emotion analytics, advertisers can measure unfiltered and unbiased consumer emotional responses** to digital content

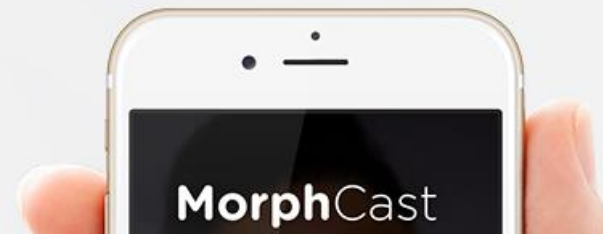
M-Roll allows video makers to create the narrative based on viewer's emotions. It **enables brands to better target and data-mine viewers and their habits**

M-Roll has no direct competitors, it is the first to deliver ad videos, with emotions recognition, on a mobile browser, using the neural network technology, offered by MorphCast



WATCH VIDEOS ADAPT TO YOU

APPENDIX / PATENT INFORMATION



PRODUCT AREA	PATENT NAME	SERIAL NUMBER	DATE OF FILING	TYPE OF APPLICATION
MorphCast	Systems and Methods to present interactive content	152954-200301	18 Dec 2014	Patented on 20th Dec 2016 US Pat. No. 9524278
Object Recognition on mobile	Object recognition with adaptive system	152954-200400	3 May 2016	Provisional Application No. 62/331,366
User Privacy Fatima	Systems and methods to process sensitive data using mobile devices for services from a remote server	152954-200500	5 Jul 2016	Provisional Application No. 62/358,399

APPENDIX / DETAILED CVS

STEFANO BARGAGNI, FOUNDER AND CEO

Stefano has demonstrated countless times in his life foresight in technical fields and leadership in quickly grow business. Stefano began his career developing his own hardware projects in the field of sound and radio frequency in the 1970's. In the 80s and 90s, moving often between Germany and Taiwan, Stefano led several industrial projects based on hardware and software technologies, such as the design and production of the computer Frael Bruc 100. In 1993, he was the founder and president of CHL, the first worldwide e-commerce platform (a year before Amazon). After only 6 years in June 2000, CHL held an IPO, with a turnover of €100mn, with a single license of CHL's proprietary e-commerce platform being sold to the Spanish group Altadis y Cortefiel for \$6mn. In those years, he also ran two start-ups in the USA: Pride Inc. and Activei Inc. Stefano managed a period of high growth in revenues and organization, during CHL's IPO in 2000. His strategy lay in leading roadshows and hosting various investment and media presentations throughout Europe. An inveterate innovator, Stefano is the holder of 7 Cynny's patents, with two granted to him directly.

LANDO BARBAGLI, COO

Lando, son of a high school professor and entrepreneur in the fashion industry, has inherited a strong entrepreneurial spirit. He has over 20 years of experience as business leader, driven by innovation and creativity in the entertainment and consumer industries. From 1995 to 2001, he worked as CMO in Staples Advantage, and founded a small B2B sales and marketing firm, Area Marketing, while finishing his master's degree. He built his team from 120 to 270 in 42 months. He doubled the company's sales to €80mn. From 2002 to 2011, he brokered commercial deals with A&E Network, Universal Studios, FILMAURO (of the Greater Los Angeles Area). From 2011 to 2016, he was CEO in ShoBot (Los Angeles). ShoBot is a patented technology that enables networks and cable/satellite providers to track conversion rates and boost ROI of online marketing campaigns. ShoBot has been sold to a Silicon Valley technology house with a global reach. From September 2016 to April 2017, he was a Strategy, Technology & Investment Advisor in TL Holdings, a Silicon Valley-based private investment group dedicated to growing brands via capital, operational expertise, and technology acceleration. He is currently responsible with overseeing and driving MorphCast's financial and operational performance, as well as business operations, as part of the executive leadership team of Cynny S.p.A.

SIMONE PRATESI, STRATEGIC DEVELOPMENT AND CFO

Simone is a manager with over 25 years of experience in B&C Speakers, a world leader in the production of electro-acoustic transducers. He currently holds the positions of Investor Relator, CFO, and Board member at B&C Speakers. The company was a family business operating only in Italy. After more than 20 years of Simone as the head of Business Development, B&C Speakers has become a world leader in terms of market share. Simone led B&C Speakers' listing on the Italian Stock Exchange in 2007. In 2017, Simone developed the relationship between Cynny Space and Dedalus for the design of an embedded product, made possible by Dedalus' investment as a partner in Cynny Space. Also in 2017, Simone developed the relationship with Leonardo Group (ex Finmeccanica) of which Cynny Space has become a preferred partner after the development of another embedded product for the Special Project division of Leonardo. He is now shareholder, member of the board of directors and CFO of CYNNY S.p.A.

MICHELE CAINI, CTO, RESPONSIBLE FOR ARCHITECTURE

Michele is a Computer Science Engineer with over 10 years of experience in the industry. He proved his skills in different areas prior to joining Cynny, from embedded systems to banking. Michele began his career working as a Researcher for Department of Systems and Computer Science of University of Florence. Since 2013, he works in Cynny S.p.A. as a Lead Software Architect. He designed and developed most of the products, some of which have given rise to Cynny Space. He is passionate about software architectures and spends most of his time studying and experimenting. He has an outstanding capacity to pick up architectures from different areas of computer science and to effectively apply them where others have not seen room for those solutions. During his working experience, he has participated also in several open source projects. Moreover, he developed and released a few tools welcomed by the community, such as EnTT (<https://github.com/skypjack/entt>) and uvw (<https://github.com/skypjack/uvw>). He published also an algorithm well known in the Boost C++ Libraries. In particular the Boost Graph Library, which implements a two-graphs common spanning trees algorithm (<http://www.boost.org/>). His academic credentials include a Master's Degree in Computer Science with the highest honours of 110/110 cum Laude.

LORENZO LINARI, CTO, RESPONSIBLE FOR DATA ORGANISATION

Lorenzo is a Computer Science Engineer with 10 years experience in the industry. He started his career at iO S.r.l. in 2007 as a Software Engineer. He researched and developed advanced solutions for Natural Interaction systems, which allowed users to freely interact their own body movements with multimedia installations. During his experience in iO S.r.l., he acquired expertise in Computer Graphics, 3D Programming, Artificial Vision and C++ language. In 2010, he started working at GE Transportation Systems, where he was the Lead Developer for a new proprietary embedded operating system aimed to run on multiple hardware boards for on-board and sidetrack automatic train control. He acquired deep knowledge of C and Assembler languages, PowerPC and ARM architectures and Operating Systems development. Since 2015, Lorenzo began a new exciting challenge working with Cynny as Engineering Team Manager and Planner, Senior Software Engineer, and Team Leader of the Cynny R&D team. In his capacity as Team Leader of R&D, Lorenzo has focused on Deep Learning and Machine Learning where he is currently exploring Neural and Convolutional networks. These have been instrumental in objects and scenes classification, User Identity, Face Detection and localization of salient points in images. His academic credentials include a Master Degree in Computer Science with the highest Honors of 110/110 cum Laude.

CONTACT DETAILS

STEFANO BARGAGNI - CEO

T: +39 338 578 2461

stefano@cynny.com

LANDO BARBAGLI - COO

T: +39 333 823 4717

lando.barbagli@cynny.com

SIMONE PRATESI - CFO

T: +39 335 691 5031

simone.pratesi@cynny.com

Florence

8 Via Delle Mantellate,
50129 Firenze - Italy

Redwood City

585 Broadway St.
Redwood City, CA
90063 - USA

Disclaimer

This document has been drafted by CYNMY S.p.A. (the “Company” or “CYNMY” and, alongside its subsidiaries, the “Group”) for informative purposes only and as background for the presentation of certain information on the Group.

This document and the information herein set out do not constitute any offer, recommendation or invitation for the purchase, sale or subscription of securities.

This presentation sets out certain forward-looking statements, including statements that are not historical facts and thus, by their nature, uncertain. Forward-looking statements are based on certain underlying assumptions, expectations, projections and plans with respect to future events and are subject to many uncertainties and other factors beyond the control of CYNMY. Many factors could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements and therefore such information should not be relied upon for the future performance. CYNMY does not undertake any commitment to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The Company, each subsidiary and the relevant representatives, directors, executives, employees or advisors disclaim any liability anyway stemming from this documents or its contents or in respect of any loss arising from its use or reliance on the same.

By attending the Group’s presentation and coming into possession of this document you do acknowledge and accept the above restrictions.



GRAZIE