



Anchor

T R A D I N G

WHO WE ARE



Anchor Trading is a Data-Driven, Omni-Channel, Veteran-Owned Corporate Trade and Media Investment Company that provides Financial and Marketing Solutions for Consumer Advertisers



HIGHLIGHTS

\$275MM+

Amount of media savings delivered to our clients



+ 176%

Annualized Digital Media growth in the last two years



#1

NVBDC 2019 Veteran-Owned Business of the Year



#19

2020 Ranking on the Inc. 500



21%

Percentage of our work force that have served in the Armed Forces



\$1.1MM+

Donations made to select Veteran, Military and Humanitarian charities



OUR CLIENTS SPAN CATEGORIES



Santa Margherita

Honeywell



Luzianne
- FAMILY OWNED SINCE 1982 -

mentos



think!

acima
Leasing™

Beiersdorf

Tullamore Dew

L'ORÉAL

TOMMY HILFINGER

PRIMO
Water & Dispensers

HENDRICK'S
GIN

Coppertone



THE ORIGINAL
OAT-LY!

TRINCHERO
Family Estates



ANCHOR IS EVOLVING THE BARTER MARKETPLACE



Greater ROI

Anchor's nimbleness in the marketplace provides greater trade credit blends, which allows our clients the ability to spend down their trade credits quicker



Digital at Our Core

Over 50% of Anchor's media mix composition comes from Digital channels, including programmatic, CTV, OTT



100% Independent

Anchor has no affiliation with any agency, financial or otherwise, guaranteeing all buys are an "arm's length transaction"



Unparalleled Client Service

Our clients are our reason for being. We strive to solve problems, be collaborative and place our clients needs above all else



TRADE TRANSACTION PROCESS

ANCHOR PROVIDES A SEAMLESS PROCESS

1 Client Identifies Underperforming Asset

2 Client Receives Full Value Payment for the Underperforming Asset

3 Client Purchases Consumer Media through Anchor

4 Client Receives Financial and Marketing Benefits

Excess Inventory

Real Estate

Fleet Vehicles

Capital Equipment / MRO Spare Parts

Unfinished Goods / Raw Materials

Trade Credit

Cash

Combination

Programmatic / OTT/CTV / Addressable TV

Linear Cable TV

Local Broadcast

Out-of-Home

Audio

EBITDA Improvement

Cash Flow Savings

Same Media Pricing

Same Media Quality

Same Media Deliverables



ANCHOR'S VALUE PROPOSITION



Trade Transaction Example Full Value Recovery for a \$3MM Underperforming Asset

| BALANCE SHEET | WITHOUT ANCHOR | WITH ANCHOR |
|------------------------------------|----------------|--------------------|
| Asset Original Value | \$3,000,000 | \$3,000,000 |
| Fair Market Value | \$1,000,000 | \$1,000,000 |
| Trade Credit from Anchor | \$0 | \$3,000,000 |
| EBITDA Improvement | \$0 | \$2,000,000 |
| Client's Normal Net Cost of Media | \$15,000,000 | \$15,000,000 |
| Cash Outflow for Media | \$15,000,000 | \$12,000,000 |
| Trade Credit Outflow for Media | \$0 | \$3,000,000 |
| Income Statement Marketing Expense | \$15,000,000 | \$15,000,000 |
| Cash Flow Savings | \$0 | \$3,000,000 |

| CLIENT FINANCIAL BENEFITS | | |
|---------------------------|--|--------------------|
| EBITDA Improvement | | \$2,000,000 |
| Cash Flow Savings | | \$3,000,000 |



MEDIA BUYING PROCESS



PLANNING

- ✓ Business Objectives
- ✓ Campaign Brief
- ✓ Goals, Target, Budget, etc.



GO TO MARKET

- ✓ Vendor Negotiations
- ✓ IMP(000) / GRPs
- ✓ Added Value



REVIEW SCHEDULES

- ✓ Affirm Goals
- ✓ Authorization to Order
- ✓ Purchase Media



STEWARDSHIP

- ✓ ADU / Make-Goods
- ✓ Optimization
- ✓ Post Analysis

CLIENT

CLIENT'S AGENCY OF RECORD

ANCHOR TRADING



MEDIA 2.0



✓ **Full-Service Digital & Linear Operations**

✓ **Programmatic Video, Display, Mobile**

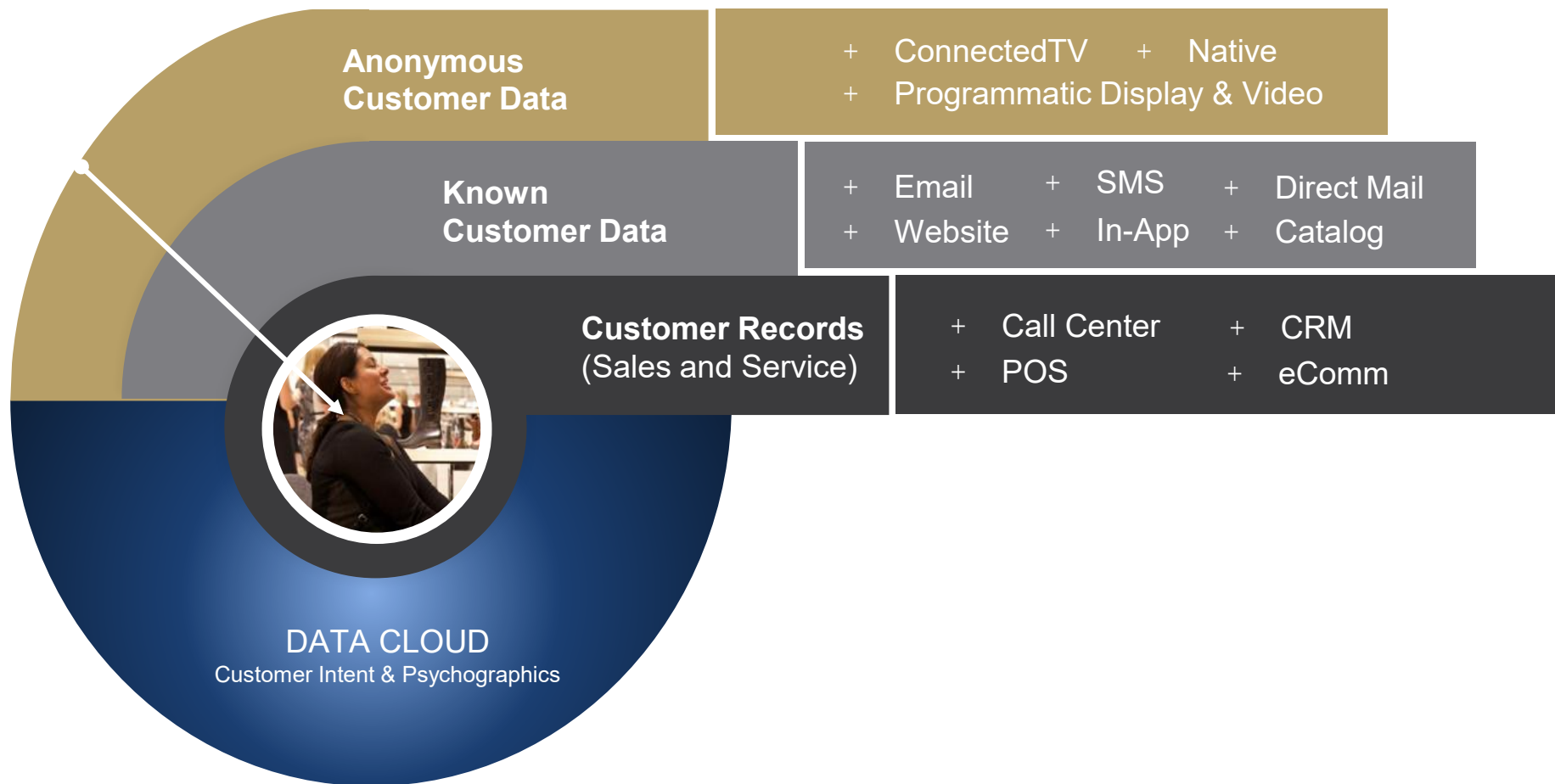
✓ **Upfront and Scatter Buyer**

✓ **Dedicated Omni-channel Media Teams**

✓ **CRM Solutions Nurture Relationships**



NEXT GENERATION CUSTOMER DATA MANAGEMENT



BRAND MARKETING AND AGENCY SAFEGUARDS



Agency Pricing Remains Intact

Anchor delivers against the Client's net pricing and buying guidelines. The way Client pays for media is different using a combination of cash and trade credits



No Agency Fees or Commissions

Anchor does not charge any fees or commissions. The agency net pricing is the total price that Client will pay



Brand Agency Remains In Charge

The Client's agency continues to develop all media strategy and buying guidelines. Anchor simply executes the media delivering 15% - 20% in trade usage to the buys



Quality Media Value Verification

The Client's agency approves all media schedules, inclusive of value add, pricing and quality, prior to Anchor securing. All inventory level details of buys are auditable



WE SOLVE APPAREL CHALLENGES

US BASED WOMEN'S SPORTS BRAS



Challenge

Company had 500K units of unsold women's sports bras

To further this challenge, the packaging of the sports bras did not have a UPC code nor did they contain universal sizing. They only had a closed loop 5 digit item number that reflected the product and size. Company was also burdened with the carrying costs of this excess inventory.



Solution

- Anchor purchased the 500K units for \$1.5MM in trade credits, restoring the full COG's value
- Anchor enlisted one of its third party retailers to immediately remove the items from Company's warehouse to relieve them of any further carrying costs
- Once in possession of the inventory, we printed up new labels with product name, conventional sizing, UPC code and a new item number that worked for the Brick & Mortar Retailer
- We then sorted, relabeled and shipped to 90 stores throughout the US
- This process took 45 days from beginning to completion

The Corporate Trade program helped our client avoid losses of more than \$1,500,000.

Company received full COGs value, achieved a \$1,000,000 EBITDA improvement, minimized carrying costs and increased their cash flow by \$1,500,000, while using the trade credits to purchase media.



FOUNDING PRINCIPLES

Anchor was founded on the premise that our Corporate Trade solution can deliver powerful financial results while also providing employment opportunities to Veterans and support to select registered 501(c)(3) Veteran organizations

We Support





THANK YOU!