

Press Release

**DIGITAL360 continues development in Latam.
Binding agreement signed for the majority of shares in X3
Media S.A.S.**

Milan, 15 September 2022 - **DIGITAL360 S.p.A.**, an innovative SME listed on the Euronext Growth Milan market, following the signing of the binding agreement for the acquisition of the company Xona in Argentina, announces that it has signed a binding agreement for the acquisition of a 51% stake in the company X3 MEDIA S.A.S. ("**X3 Media**") in Colombia.

X3 Media is an agency specialising in Martech and Salestech based in Bogotá. Internationally, the **market for digital transformation of marketing and sales processes (Martech and Salestech)** in Latin America is becoming increasingly important, partly resulting from the pandemic period, which has prompted B2B companies to digitally rethink their main marketing and sales processes.

With the acquisition of X3 Media, DIGITAL360 continues its growth, both in terms of geographical coverage and specific skills, in a huge market with great development potential. This is distinguished by multiple factors of interest to the Group, whose economic and cultural fabric is similar to that of Italy's. It is characterised by the presence of many SMEs and by delayed use of digital technologies; a strong acceleration of digitalisation, driven by the cultural impulse of the pandemic and by the arrival of substantial public funds to relaunch the economy; a favourable competitive environment, fragmented and lacking operators with significant market shares; the central role in the market played by global technology vendors that are already clients of the Group in Italy; multiple countries sharing the Spanish language, which allows the creation of a single team and a single shared platform.

The international expansion path intends to replicate the development model already successfully tried and tested by DIGITAL360 in Italy, based both on significant organic growth and on the acquisition and integration of numerous businesses, with the ultimate goal of consolidating highly fragmented markets.

To integrate the companies acquired in LATAM, Uruguay-based company **Digixem360 SA**, was established. The company, wholly owned by the Digital360 Group, will represent the hub of LATAM activities and will take care of the commercial, editorial and operational coordination, maximising synergies with the activities carried out in Italy and guaranteeing the acquired companies the full fungibility of the technological platforms developed by Digital360, the foundations at the base of this ambitious project of international expansion.

In the last financial year, X3 Media recorded revenues of around EUR 350,000 with an EBITDA of around EUR 20,000 and a substantially break-even NFP: more than the still small overall numbers of the company, which are nevertheless growing significantly in 2022, its strategic importance in the overall investment context in the area is of significance for DIGITAL360.

Under the agreement, the sale of 51% of the shares will take place for a consideration of EUR 204,000, payable in cash at closing.



Among other stipulations, the agreement specifies, in accordance with a consolidated acquisition scheme that has been successfully used several times in the past, that selling partners Claudia Méndez and Yesid Méndez will be appointed as board members - together with three members appointed by D360 - and, in continuity with the current management situation, will continue to serve as managers for at least three years after the acquisition.

Lastly, the agreement provides for the possibility for both parties to exercise cross-options (Put & Call) for the purchase or sale of the remaining 49% of X3 Media, the price of which will be established on the basis of the EBITDA realised by the company in the financial years 2024 and 2025, in addition to the NFP, as of the approval of the financial statements for the year ending 31 December 2025.

Says DIGITAL360 CEO **Raffaello Balocco**: "I am very pleased with this operation, which represents another concrete step towards the Group's international expansion path, with which we intend to replicate in an area of great market prospect the successful model already tested in Italy".

"X3 Media is a wonderful agency, platinum partner of Hubspot (a leading software company in the MarTech world and listed on Nasdaq), with a team of extremely competent professionals and an excellent client base," says **Simone Battiferri**, Head of LATAM Business Development at DIGITAL360.

"X3media has been a pioneer in Colombia in the implementation of Inbound Marketing and CRM strategies, which have allowed our clients to grow in an organised and effective manner," say **Claudia and Yesid Mendez**. "In this new phase, with our entry into the Digital360 Group, we will create synergies to offer an increasingly broader portfolio of services to our clients, and we are confident that we will be able to seize better growth opportunities, both locally and regionally".

This press release is available on the Company's website at www.digital360.it.

DIGITAL360

DIGITAL360, a company listed on the Euronext Growth Milan Market of the Italian Stock Exchange, aims to accompany companies and public administrations in the understanding and implementation of digital transformation and to encourage them to meet the best technology suppliers. DIGITAL360 pursues this objective through two business units: one, called "Demand Generation" supports technology companies (vendors, software houses, system integrators, start-ups, etc.) in communication, storytelling, event management, and generation of business opportunities; the other, called "Advisory & Coaching" is aimed at all companies and public administrations wishing to undertake any digital transformation path. NetworkDIGITAL360, transversal to both Business Units, is the largest network of online publications dedicated to all topics of Digital Innovation. DIGITAL360 integrates a multidisciplinary and multicultural mix of professionalism and skills thanks to analysts, journalists, consultants and experts in the digital world, united by a great passion and mission: digital innovation as an engine for the growth and modernisation of our country. For further information: www.digital360.it

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