PRESS RELEASE

THE BOARD OF DIRECTORS OF DIGITAL360 S.P.A. APPROVES THE CONSOLIDATED HALF-YEARLY FINANCIAL REPORT AT JUNE 30, 2021:

RESULTS STILL GROWING STRONGLY: TURNOVER +28%, EBITDA +33%,

NFP ESSENTIALLY ZEROED OUT.

Group results for the first half of 2021:

- ***Consolidated revenues of €16.2 million, an increase of 28%, compared to the same period in 2020;***
- ***EBITDA[1] of Euro 3.7 million, up 33%, compared to Euro 2.8 million in the same period of 2020;***
- ***EBIT and Adjusted[2] EBIT of €2.3 million and €2.8 million, respectively, both up almost 50% from 30 June 2020;***
- ***Net income and Adjusted net income of €1.4 million and €1.9 million, respectively, compared to €1.1 million and €1.46 million at 30 June 2020;***
- ***Net Financial Position substantially reduced to zero (€0.3 million), compared to €3.6 million at 30 June 2020 and €1.4 million at 31 December 2020.***

Milan, 20 September 2021 - DIGITAL360 S.p.A., an innovative SME listed on the AIM Italia market of Borsa Italiana, ("**D360" or the "Company**"), announces that the Board of Directors, which met today, reviewed and approved the consolidated half-year financial report as of 30 June 2021, prepared in accordance with the AIM Italia Issuers' Regulations and in compliance with Italian accounting standards.

"*The analysis of the half-yearly results of the last two years shows that we have more than doubled our EBITDA, and its ratio to revenues has gone from 11% to 23%*", says Andrea Rangone, President of DIGITAL360. "*In just one and a half years we have zeroed the Group's net financial position starting from a value of over 6 million at December 31, 2019, and this despite investments and acquisitions made for several million euros; since the listing, in June 2017, the company's capitalization has quadrupled. We are particularly satisfied with the results achieved, because they are rooted in the entrepreneurial vision that has always guided us and in the investments made in past years. We are confident for the new market scenario that we see in front of us, strongly*

[1] The *EBITDA* and *EBIT* ratios are not identified as an accounting measure under national and international accounting standards and should not be considered as an alternative measure for evaluating the performance of the group's operating results.

[2] *Adjusted* amounts are reclassified to neutralise the effects of amortisation relating to consolidation differences at 30 June.

positively impacted by the shake-up of digitalization induced by the pandemic and the National Recovery and Resilience Plan, and satisfied because this year we became a Benefit Company, convinced that our growth can be achieved in an increasingly sustainable and inclusive manner, with positive impacts on the entire ecosystem that surrounds us."

"The scalability of the business and the ability to contain costs with respect to the evolution of revenues has allowed us to grow margins higher than revenues, thus repaying the investments in technological innovation made in recent years, and thanks to which we have been able to increasingly develop highly innovative and engineered service models, which have allowed us to extend the business model especially towards the market of small and medium-sized companies - says Gabriele Faggioli, CEO of DIGITAL360 -. We are increasingly focusing on an innovative approach, strongly based on proprietary assets (in addition to the DIGITAL360 Network, we also have know-how based on technological platforms delivered in As-A-Service mode), which is revolutionizing the reference markets.

"*Underlying this significant growth is also the significant increase in Annual Recurring Revenue by subscription, which at the end of the first half reached 7.7 million euros, an increase of around 50% compared to the first half of 2020," says Raffaello Balocco, CEO of DIGITAL360. "The growth we achieved in the half-year, which was entirely organic, takes on even greater significance for us if read in light of the fact that an important and historic line of business for the Group, that relating to the organization of events in presence, has not yet been able to count on resuming operations, due to the restrictions linked to the health emergency. And we are convinced that the recently finalized acquisitions will further boost the Group's revenue and margin growth*".

Main consolidated results for the half-year

Revenues earned for the six months ended June 30, 2021 amounted to €16.2 million, an increase of 28% compared to €12.7 million in the corresponding period of 2020.

Value of production came close to 17 million euros, compared with 13.4 million euros in the previous half-year.

EBITDA amounted to 3.7 million euros, up 33% from 2.8 million on June 30, 2020.

EBIT was €2.3 million and consolidated net income was €1.4 million, compared to €1.5 million and €1.1 million, respectively, in the corresponding period of 2020.

Adjusted EBIT amounted to €2.8 million, an increase of 48% compared to the value at 30 June 2020.

Adjusted consolidated net income was €1.9 million, compared to €1.46 million in the first half of 2020.

Regarding the main balance sheet and financial data, it should be noted the Group's Net Financial Position (debt) went from € 1.4 million at 31 December 2020 to € 0.3 million at 30 June 2021.

With regards to the NFP, it is worth remembering that at the end of the half-year period, a residual portion of the convertible bond (POC) amounting to 1.56 million euros was still outstanding: considering the conversion ratio corresponding to 1.60 euros per share, at the current share price (well above 4.00 euros) the conversion option is highly convenient, i.e., "in the money", with a virtually positive NFP (credit) for more than one million euros in case of full exercise of the conversion option.

These are positive results, considering in the first half of the year (i) the Group sustained a cash out for investments totalling Euro 2.4 million (of which Euro 1.4 million for M&A), (ii) the Group settled, for a total of approximately 0.9 million euros, IRES (corporate income tax) and IRAP (regional tax on productive activities) balances and payments on negligible accounts from the previous year, and (iii) the growth in volumes, with the inevitable increase in trade receivables and payables, partly curtailed the positive contribution of net working capital to the generation of liquidity.

Consolidated Shareholders' Equity strengthened, rising from €9.8 million at December 31, 2020 to €12.7 million at June 30, 2021.

A summary of the main economic and financial indicators is provided below.

Operating results	30.06.20	30.06.21	Δ
values in mln euro			
Value of Production	***13,4***	***16,9***	**26%**
TOTAL REVENUES	***12,7***	***16,2***	**28%**
EBITDA	***2,8***	***3,7***	**33%**
% EBITDA / Total revenues	22,1%	23,1%	
EBIT	*1,5*	*2,3*	49%
% Ebitda / Total revenues	12,0%	14,1%	
EBIT Adjusted	***1,9***	***2,3***	**19%**
% Ebit Adjusted / Ricavi complessivi	15,1%	14,1%	
Net Profit	*1,1*	*1,4*	30%
% Net profit / Total revenues	8,3%	8,4%	
Adjusted net profit	***1,46***	***1,37***	**-6%**
% Adjusted net profit / Total revenues	11,5%	8,4%	

** Adjusted figures are reclassified without taking into account the amortisation of consolidation differences.*

Financial indicators	31.12.20	30.06.21	Δ
Shareholders' equity	***9,8***	***12,7***	**29%**
Net financial position	***1,4***	***0,3***	**-78%**

Financial indicators	30.06.20	30.06.21	Δ
Operating Cash Flow for the period*	***2,7***	***2,1***	**n.s.**
NFP/ EBITDA	***129%***	***8%***	**n.s.**

*** excluding M&A investments***

The reference scenario

The Italian context is still clearly characterized by a lower average level of digitalization compared to the most advanced European countries. But precisely in such an underdeveloped context, the pandemic has accelerated - in a sudden and unpredictable way - some dynamics that had occured for years. It has revealed the strategic importance of information and communication technologies (ICT), pushed digital transformation of businesses and public administrations, induced a change - on the part of individuals and organizations - of many habits and behaviors, making the importance and effectiveness of many tools, services and digital communication systems tangible. All of this has concretely accelerated the market's adoption of many services that DIGITAL360 has been offering for years and in which many resources have been invested - such as digital events, online communication, digital lead generation, remote advisory - and has made aware the importance of themes such as smart working, cybersecurity, industry 4.0, the development of digital skills, digital marketing, and remote selling - areas in which the Group has always operated.

The healthcare emergency has therefore not only had a contingent impact on the business, but has encouraged its evolution towards a model that had already been in development for some time, accelerating its effects thanks to the greater digital sensitivity of the market and the greater need for innovative services.

The results achieved by the Group in the first half of 2021 should be interpreted in this context: the significant increase in revenues from the most innovative, digital, remote and recursive services more than offset the decline in revenues from physical events.

If the increase in innovative services is firmly established in the business of the Group, establishing groundwork for further growth in the future, the resuming of missed activities and events as a result of the current vaccination campaign could favorably give, in the near future, further impetus to revenues.

Main events of the first half of the year

The main events of the year are described below.

- At the beginning of the financial year, the conditions for the vesting of options under the **DIGITAL360 2017-2020 Stock Option Plan**, reserved for certain directors, employees, contractors and consultants of the Group, occurred. As a result of the Company's positive performance, the conditions for the exercise of the options were met and the final outcome of the plan was the grant of 1,068,270 ordinary shares, subject to their issue.

- In March, DIGITAL360 purchased for 180,000 euros a 90% stake in the share capital of **Innovation Post S.r.l (IP), of** which it already owned 10%, thus coming to hold all the shares. IP is the owner of www.innovationpost.it, a leading online magazine providing information and in-depth analysis of policies and technologies for digital innovation in the manufacturing sector, enabling the Group to strengthen its online positioning in the Industry 4.0 market.

- In May the call options on the remaining shares in **ServicePro Italy S.r.l. ("ServicePro"), a full service marketing agency specialising in complex events and the management of demand and lead generation campaigns, and IQ Consulting S.r.l., were** exercised. "**("ServicePro"), a** full service marketing agency specialising in the creation of complex events and the management of demand and lead generation campaigns, and **IQ Consulting S.r.l. ("IQC")**, an academic spin-off company active in the field of Industry 4.0 and Supply Chain Management, both already 51% owned. The price paid for 49% of the shareholding in ServicePro was a total of €4,025,000 (of which €1,500,000 was paid in newly issued DIGITAL360 shares). A portion of the price payment, amounting to €1,250,000, was deferred until 2022. The price paid for 49% of the IQC shareholding was set at a total of 402,200 euros (paid in full in newly issued DIGITAL360 shares).

- In June, a binding agreement was signed (and then closed at the beginning of July) for **the acquisition of a 100% stake in CTMobi S.r.l..** The acquired company is based in Catania and is mainly active in the development of Cloud-based software solutions, User Interface & Experience Design services and the development of Cloud architectures (also thanks to its AWS-Amazon Web Services Select Consulting Partner status). For more than six years CTMobi has been a technology partner of DIGITAL360 Group, for which it has developed some of the main technological platforms at the basis of its business. The internalization of CTMobi's skills will allow, in addition to developing its commercial potential, to have an even stronger control over an asset - such as technology - which is fundamental for the development strategies of the companies of the Group; the price for the purchase of the

Company was set at 690 thousand euros including the NFP and was paid at the closing for half in cash and the remaining half through the assignment of newly issued DIGITAL360 shares.

- DIGITAL360's commitment and development were not only reflected in the excellent economic results achieved in the first half of the year, but also in the Group's social commitment: by becoming a **Benefit Society**, the company formalized its commitment to pursuing common good objectives. In May, therefore, at the proposal of the Board of Directors, the Extraordinary Shareholders' Meeting approved the amendment to the articles of association that provides for the adoption of the status of a Benefit Corporation. This change represents a stimulus to combine the goal of profit with that of common benefit. In a context that sees Italy at the center of a historic cultural change, in which digital innovation is the most powerful engine for development and modernization of the economy and society, DIGITAL360 wants to contribute to accelerating the digital evolution of the productive fabric and public administration, with specific attention to the sustainability and inclusiveness of this evolution.

- The Ordinary Shareholders' Meeting of April 2021 approved the proposal for the **purchase and disposal of treasury shares** presented by the Board of Directors. Among the main purposes of the resolution are to support the liquidity of the shares on the market to facilitate the regular course of trading and dispose of treasury shares, in line with the strategic lines that the Company intends to pursue, as part of extraordinary transactions. The authorisation is valid for 18 months and was granted in order to give the Board of Directors the power to carry out the purchase, in one or more *tranches*, up to a maximum total amount of Euro 1,500,000 and up to a maximum number of shares not exceeding 3% of the share capital.

- Due to capitalization of the company exceeding 40 million euros in May 2021 for three consecutive months, Borsa Italiana, at the request of the company, ordered the **transition to the minimum unit lot as of** May 17, 2021. This facilitates purchases of the stock, possible even with small amounts of money, consequently affecting the liquidity of the stock.

Significant events after June 30, 2021 and business outlook

In the months following the end of the first half of 2021, DIGITAL360 continued its path of developing revenues from digital and remote services.

In addition to the good sales performance, commercial orders also showed signs of growth compared to 2020, suggesting a positive performance for the second half of 2021 and in line with the planned budget for the current year.

The pandemic has profoundly changed the perception of the importance and urgency of digital transformation in businesses and public administrations, but also in political and institutional decision-makers, well-demonstrated by the Next Generation EU plan and the corresponding substantial funds made available by the European Union. It is therefore expected that some of the positive dynamics triggered in 2020 and continued in the first half of 2021 can hopefully continue in the coming years, leading to a significant, structural and irreversible acceleration in the adoption of digital services by businesses and public administrations.

The Company's consolidated half-yearly financial report for the six months ended 30 June 2021 will be made available to the public in accordance with the terms and procedures set out in the AIM Italy Issuers' Regulations, and will be available on the Company's website, www.digital360.it Investor Relations section.

The consolidated income statement, balance sheet and cash flow statement are attached.

DIGITAL360's CEOs and Chairman will comment on the first half 2020 results during an investor call on 22 September 2021 at 10.30am CET, which you can register for via this link: https://bit.ly/3AqaMFN

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

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DIGITAL360

DIGITAL360, a company listed on the AIM Market of the Italian Stock Exchange, has the objective of accompanying companies and public administrations in the understanding and implementation of digital transformation and favoring their encounter with the best technological suppliers. DIGITAL360 pursues this objective through two business units: one, called "Demand Generation" supports technology companies (vendors, software houses, system integrators, startups, etc.) in communication, storytelling, event management, and generating business opportunities. The other, called "Advisory & Coaching" is aimed at all companies and public administrations that want to undertake any kind of digital transformation. 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 modernization of our country. For further information: www.digital360.it

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DIGITAL 360
EMPOWERING INNOVATION

DIGITAL360 S.p.A.

Registered office: Milan Via Copernico 38

Share Capital: Euro 1.850.615 i.v.

Milan Register of Companies no. 08053820968

REA no. 2000431

CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2021

	BALANCE SHEET - ASSETS	30.06.2021	31.12.2020
A)	A) RECEIVABLES FOR PAYMENTS		
B)	FIXED ASSETS		
	I. Intangible assets:		
	(2) development costs	3.083.497	3.087.436
	3) Industrial patents and intellectual property rights	849.576	758.356
	4) concessions, licences, trademarks	13.909	12.682
	5 bis) Consolidation differences	6.901.632	4.102.790
	7) other assets	593.927	550.509
	Total intangible fixed assets	11.442.541	8.511.773
	II. Tangible fixed assets		
	(1) land and buildings	295.260	300.234
	4) other assets	162.295	166.486
	Total	457.555	466.720
	III. Financial Fixed Assets		
	1) participations in:		
	b) affiliated companies	17.155	24.005
	d) other companies	97.759	98.759
	Total shareholdings	114.914	122.764
	Total	114.914	122.764
	TOTAL FIXED ASSETS (B)	12.015.010	9.101.256
	II. Credits		
	1) towards clients	11.701.399	10.232.407
	of which due beyond the year	-	-
	4 bis) tax credits	103.829	115.377
	of which due beyond the year	-	-
	4 ter) deferred tax assets	156.815	250.288
	di cui esigib. oltre l'es.	-	-
	5) to others	292.299	294.992
	of which due beyond the year		
	Total	12.254.343	10.893.064
	IV. Liquidity		
	1) bank and postal deposits	9.402.815	6.317.406
	3) cash and valuables on hand	778	13.823
	Total	9.403.593	6.331.228
	TOTAL CURRENT ASSETS ©	21.657.936	17.224.292
D)	ACCRUALS AND DEFERRALS		
	a) prepayments and accrued income	335.051	81.262
	TOTAL ACCRUALS AND DEFERRALS (D)	335.051	81.262
	TOTAL ASSETS (A+B+C+D)	**34.007.997**	**26.406.811**

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	BALANCE SHEET - LIABILITY	30.06.2021	31.12.2020
A)	NET ASSETS		
	I. Group share capital	1.836.759	1.630.921
	II. Share premium account	9.406.132	6.823.642
	IV. Legal Reserve	16.897	15.467
	V. Reserve Own shares in portfolio	-70.277	-39.345
	Reserve for merger surplus	20.964	20.964
	Cash flow hedge reserve	-5.765	-5.919
	Other reserves	26.706	26.706
	VIII. Reserve arrears Euro	-5	-6
	IX Reserve for capital increase	-	-
	X. Group retained earnings (losses)	108.108	-961.206
	XI. Group profit (loss) for the year	1.368.890	1.070.745
	TOTAL GROUP NET ASSETS	12.708.409	8.581.968
	Capital and reserves of third parties	0	763.135
	Profit (loss) for the year attributable to minority interests	0	497.394
	TOTAL third-party net assets	0	1.260.529
	TOTAL NET ASSETS (A)	12.708.409	9.842.497
B)	PROVISIONS FOR RISKS AND CHARGES		
	1) for retirement provision	24.527	24.527
	and similar requirements		
	3) others	7.586	7.788
	TOTAL PROVISIONS FOR RISKS AND CHARGES (B)	32.113	32.315
C)	SEVERANCE PAY (C)	1.326.193	1.229.321
D)	DEBTS		
	2) convertible bonds	1.566.400	1.918.400
	of which due beyond the year	-	1.918.400
	4) liabilities to banks	8.162.192	5.781.229
	of which due beyond the year	4.112.390	3.950.981
	6) advance payments	48.382	50.212
	of which due beyond the year	-	-
	7) debts to suppliers	4.716.086	3.388.033
	of which due beyond the year	-	-
	12) tax liabilities	1.316.331	1.153.901
	of which due beyond the year	-	-
	13) debts to social security institutions	466.706	333.575
	of which due beyond the year	-	-
	14) other liabilities	2.683.754	916.101
	of which due beyond the year	-	-
	TOTAL LIABILITIES (D)	18.959.850	13.541.451
E)	ACCRUALS AND DEFERRALS		
	a) accrued expenses and deferred income	981.433	1.761.228
	TOTAL ACCRUALS AND DEFERRALS (E)	981.433	1.761.228
	TOTAL LIABILITIES AND NET A+B+C+D+E	34.007.997	26.406.811

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	INCOME STATEMENT	30.06.2021	30.06.2020
A)	PRODUCTION VALUE		
	1) sales and service revenues	16.204.537	12.659.213
	4) Increases in fixed assets for internal work	705.961	682.663
	5) other income and revenues	26.913	60.752
	TOTAL PRODUCTION VALUE	**16.937.410**	**13.402.628**
B)	PRODUCTION COSTS		
	6) for raw, ancillary and consumable materials and goods for resale	5.271	4.894
	7) for services	7.001.924	5.888.083
	8) for use of third party assets	302.429	392.952
	9) for the staff:		
	a) salaries and wages	4.266.692	3.046.627
	b) social charges	1.144.234	827.003
	c) severance pay	264.155	217.594
	e) other expenses	859	4.272
	Total staff costs	5.675.940	4.095.495
	10) amortisation and depreciation:		
	a) intangible property amortisation	1.415.244	1.225.234
	b) depreciation of tangible property	37.953	48.924
	c) write-down of receivables included in current assets	6.839	
	Total depreciation and amortisation	1.460.036	1.274.158
	14) other operating charges	208.159	197.031
	TOTAL PRODUCTION COSTS (B)	**14.653.758**	**11.852.613**
	DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A-B)	**2.283.652**	**1.550.015**
C)	FINANCIAL INCOME AND CHARGES		
	15) Income from equity investments		
	- others	34	212.713
	16) Other financial revenues		
	- others	156	-
	Total financial revenues	190	212.713
	17) interest and financial charges:		
	- to others	131.042	142.091
	Total interest and other financial charges	131.042	142.091
	17 bis) Exchange gains and losses	1.771	440
	TOTAL FINANCIAL INCOME/CHARGES	**129.080**	**-71.062**
		#N/D	
D)	VALUE ADJUSTMENTS ON FINANCIAL ASSETS		
	18) Reassessments:	-	-
	Total revaluations	-	-
	19) Devaluations		-
	a) of shareholdings	6.851	-
	Total devaluations	6.851	-
	Result before taxes (A - B + - C + - D + - E)	**2.147.721**	**1.621.077**
	22) Current, deferred and prepaid income taxes for the year		
	current taxes	138.000	112.054
	prepaid taxes	93.424	118.082
	income (expenses) from participation in the tax consolidation scheme	548.223	317.169
	Taxes of previous years	-816	
	Total income taxes for the year, current, deferred and prepaid	778.831	547.305
	23) Net profit (loss) for the year	**1.368.890**	**1.073.772**
	Of the group	1.368.890	858.039
	Third party	-	215.733