Press Release

DIGITAL360: signed a binding agreement for the acquisition of the majority of the shares of ICT LAB PA S.r.l.. company specialized in innovation paths for Public Administrations.

Milan, September 21, 2021 - **DIGITAL360 S.p.A. an** innovative SME listed on the AIM Italia market of the Italian Stock Exchange, announced today that it has signed a binding agreement for the acquisition of a 51% stake in ICT LAB PA S.r.l. (ICT LAB).

The company, founded in 2015, is based in Rome and offers consulting services aimed at accompanying the innovation paths of Public Administrations (PA).

The acquisition completes the range of services already offered to the world of Public Administration by DIGITAL360, thus expanding the market potential and the range of consulting and training services offered by the Group in the public sector, which has enormous potential for growth and development. The Group also considers the PNRR and the massive investments that will be made in the coming years to pursue the objective of digital transformation of the Italian public administration.

ICT LAB, whose turnover is often derived from multi-year contracts, achieved in 2020 revenues of 1.4 million euros, with an EBITDA of about 20%.

With reference to the details of the transaction, it is expected that 51% of the shares will be acquired from the three selling shareholders, two of which are legal persons (GMS-General Management Services S.r.l. and Nergal Consulting S.r.l.) and a natural person, Carlo Flamment, who from 1995 to 2021 in the role of President of Filas, of Roma Capitale, of Capitale Lavoro and finally for 15 years of Formez PA, has planned, managed and reported hundreds of programs related to innovation in public administration and in the world of public work, both at central and regional and local level.

The purchase will be completed in two separate stages:

1. The first 25.5% of the company's shares will be acquired at a price of €831,600, including €81,600 paid for the company's NFP (creditor), which will then be adjusted on the basis of the definitive NFP at the end of the 2021 financial year; the closing is expected to take place by the end of October. The payment for this first tranche will be paid as follows:
    - For the sum of 327,000 euros upon transfer of the shares and, at the discretion of DIGITAL360, will be paid in cash or by assignment to the sellers of newly issued ordinary shares of DIGITAL360, the number of which will be determined from the average price of the shares on the AIM Italia market during the 3 months preceding the closing date;
    - For the sum of 279,600 euro at the closing for cash;
    - For the residual amount of 225,000 within 12 months from the date of closing.

2. The next 25.5% of the shares will be acquired at a price of €750,000, in addition to the pro-rata share of the NFP existing at the end of the 2021 financial year. This second transfer is expected by May 2022 and the price of the sale will be paid entirely in cash, half of which will be paid on the closing date and the remainder by 31 January 2023.

The agreement between the parties provides, among other stipulations, for the active involvement of current shareholders and directors, Carlo Flamment and Fabio Pasquazi, in the future management of the company. They will hold two of the five seats on the Board of Directors that will manage the company. Flamment will be named Chief Executive Officer.
A lock-up commitment was also agreed upon by the sellers, until the end of 2023, on any shares received in payment of the price, and a general non-competition obligation for a period of three years.

With respect to the total price paid for 51% of the shares, and equal to €1,500,000 (excluding NFP), an adjustment to the sale price has been provided for on the basis of the EBITDA recorded by the company in the years 2021, 2022 and 2023.

Based on the same criterion, the agreement provides finally, from the time of approval of the financial statements for the 31/12/2023, the possibility for both parties to exercise cross options (*Put & Call*) for the purchase or sale of the remaining 49% of ICT LAB. Their price will then be established on the basis of the average EBITDA recorded by the company in the years 2021, 2022 and 2023, in addition to the NFP.

According DIGITAL360 CEO Gabriele Faggioli, "We are very satisfied with this operation, which will allow us to better seize the significant opportunities that the PNRR offers in the field of digital transformation of the country and in particular of its Public Administration. The digitization and modernization of the public machine is in fact the first of the great reforms that the Plan envisages, and its implementation will make it possible to provide better services to citizens and businesses, and to enhance the value of human capital and hire young people who are well prepared. The DIGITAL360 Group, one of whose objectives is to accompany businesses and PA along this path, will be able to take advantage of the experience and skills of a group of professionals, starting with Carlo Flamment, of great value and credibility in the world of public administration".

"The integration of ICTLAB PA into the DIGITAL360 Group is an important step in integrating consulting projects for technological innovation in the public and private sectors. The two systems can grow and develop in a sustainable way, if they open to the necessary osmosis between their resources, human capital and operating models. ICTLAB PA has accelerated in 2021 its path in this integration strategy and the entry into the Group can really bring a concrete contribution to facilitate the digital transition in Italy, both supporting with the appropriate technologies the necessary leap in quality of Public Administrations, and allowing SMEs to seize the opportunities related to the investments of the PNRR and Next Generation EU. "

The legal aspects of the operation were followed by Advant Nctm, as advisor to DIGITAL360.

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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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