

Press release

**THE BOARD OF DIRECTORS OF DIGITAL360 S.P.A. APPROVES THE
CONSOLIDATED FINANCIAL STATEMENTS AND THE DRAFT FINANCIAL
STATEMENTS AS AT 31 DECEMBER 2021**

STRONG GROWTH IN RESULTS: TURNOVER UP 31%. PRO FORMA REVENUES¹ POST ACQUISITIONS AT 41.4 MILLION (+57%). EBITDA IN SENSITIVE PROGRESS AT 6.9 MILLION (+38%), EBITDA PRO FORMA TO 8 MILLION (+59%). NFP CREDIT FOR 3.1 MILLION.

- **Production value of €36 million, up 30% compared to the same period in 2020, and pro forma production value reaching €43 million, up 56%;**
- **Consolidated revenues of €34.4 million, up 31% on 2020, and pro forma revenues of €41.4 million, up 57%;**
- **EBITDA² of 6.9 million euros, up 38% from 5.0 million in 2020 and pro forma EBITDA of 8 million euros, up 59% from 2020;**
- **EBIT and EBIT Adjusted³ pro forma equal to 3.6 and 5.8 million euros respectively, compared to 2.5 and 3.3 at 31 December 2020;**
- **Pro forma net profit and adjusted net profit of 2.0 and 3.9 million euros respectively, compared to 1.6 and 2.3 million euros as of 31 December 2020;**
- **Net financial position in credit of EUR 3.1 million, a clear improvement on the debt position of EUR -1.4 million on 31 December 2020.**

Milan, 28 March 2022 - DIGITAL360 S.p.A. a company listed on the Euronext Growth Milan market, announces that the Board of Directors, which met today, examined and approved the consolidated financial statements and the draft financial statements for the year 2021, prepared in accordance with the Italian Accounting Standards (OIC).

"The increase in revenues and margins in 2021 was particularly significant and was the result of both the significant organic growth and the acquisitions made during the year," says Raffaello Balocco, CEO of DIGITAL360. "We

¹ The pro forma figures consolidate the economic values of the subsidiaries for the entire year and not pro rata temporis. They are reclassified by management and are for information purposes only, as they are not audited.

² The EBITDA and EBIT ratios are not identified as an accounting measure in the context of national and international accounting standards and should not be considered as an alternative measure for assessing the performance of the group's operating results.

³ Adjusted values are reclassified to neutralize the effects of amortization relating to consolidation differences at 31 December.



achieved these excellent results, also thanks to the boost in Annual Recurring Revenue by subscription, which at the end of the year reached EUR 8.5 million with an increase of 33% compared to 2020."

"The scalability of the business and the ability to contain costs in relation 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 that have allowed us to develop an innovative approach, based on proprietary assets (online portals, know-how, technological platforms), which is revolutionizing the reference markets" - states Gabriele Faggioli, CEO of DIGITAL360.

Andrea Rangone, President of DIGITAL360, says: *"We believe that the excellent results and growth we have achieved can be replicated outside our country: the company has embarked on an ambitious path of international expansion based mainly on M&A, which should take shape with several acquisitions as early as 2022. In the meantime, we have also strengthened the management structure with the entry of important executives, with great experience in managing complexity."*

Main consolidated results for the year

Seven acquisitions were made during the year, two of which were additions to companies that were already 51% owned at the beginning of the year and whose shareholding increased to 100%. The new shareholdings have significantly changed the consolidation perimeter, making it difficult to read the economic and financial data in comparison with the previous year. The acquisitions that, from the point of view of the new perimeter, had the greatest impact were in particular completed in the last quarter of 2021 and consolidated in the financial statements on a *pro rata temporis* basis, with a therefore still very limited impact on the economic result of the consolidated financial statements. Due to this inconsistency, the pro forma figures of the income statement were also shown, simulating the effect of consolidation as if it referred to the entire year. The pro forma data are therefore useful to better represent the management effects of the acquisitions on the Group's business and the overall dimensional impact of costs and revenues, increasing their significance also in view of the year 2022.

Total revenues in the consolidated financial statements for the year ended December 31 2021 amounted to €34.4 million, an increase of 31% compared to the same period in 2020, when they amounted to €26.3 million. Just under a third of the increase of €8.1 million was due to the contribution of the new consolidated companies, which accounted for approximately €2.5 million, and the difference (€5.6 million) to organic growth in revenues on a like-for-like basis (+21% compared to 2020).

Pro forma revenues of EUR 41.4 million were 57% higher than those recorded last year.



The value of production in the consolidated financial statements amounts to 36 million, with an overall growth of 8.4 million (+30%): of this, 2.7 million is related to the expansion of the perimeter.

The pro forma production value is 43 million euros, up to 56% compared to 2020.

EBITDA consolidated financial statements amounted to EUR 6.9 million, an increase of 38% compared to the figure recorded at 31 December 2020, when it was EUR 5 million. The increase of €1.9 million is 20% related to the contribution from the newly consolidated companies, which accounts for approximately €0.4 million, and the difference to organic growth. EBITDA on a like-for-like basis, i.e. without considering the effect of the new acquisitions, was €6.5 million, an increase of €1.5 million compared to 2020 (+29%, more than proportional to revenue growth, +21%).

Pro forma EBITDA amounted to 8.0 million euros and increased by a good 3 million (+59%) compared to last year's result.

EBIT consolidated financial statements amounted to €3.6 million at 31.12.21, an increase of 44% compared to the same period in 2020 (when it was worth €2.5 million), while Adjusted EBIT amounted to €5.0 million, an increase of 51% compared to the value reported at 31 December 2020 (it was €3.3 million). The effect of the new scope of consolidation weighs on EBIT by €0.4 million.

With reference to pro-forma data, Adjusted EBIT reached 5.8 million euros at the end of the financial year, 76% higher than the 3.3 million euros of the previous year.

Consolidated net profit increased to EUR 2.0 million (it was EUR 1.6 million in 2020).

Adjusted net profit, measured on a pro forma 12-month basis, amounted to €3.9 million, 67% higher than the previous year (when it was €2.3 million).

During the year, the Group's Net Financial Position (NFP) improved significantly, from 1.4 million (debt) at 31 December 2020 to -3.1 million (credit) at 31 December 2021.

It is worth mentioning that, at year-end, there was still a residual portion of the convertible bond (POC) issued by the company at the time of the IPO, maturing on 13 June 2022, in the amount of EUR 1.1 million. At current share prices (above EUR 4.00), the conversion option is still highly attractive, i.e. "in the money", which should significantly benefit the Group's NFP in the 2022 financial year.



Consolidated shareholders' equity was strengthened, rising from €9.8 million at 31 December 2020 to €16.4 million at 31 December 2021.

The following is a summary of the main economic, equity and financial indicators.



Operating Results - P&L

Euro/m^lns

31.12.20	31.12.21	Growth	31.12.21	Growth
		21 vs	pro forma	21PF vs
financial statement		20	**	20

TOTAL REVENUES	26,3	34,4	31%	41,4	57%
EBITDA	5,0	6,9	38%	8,0	59%
% Ebitda / Revenues	19,1%	20,2%		19,3%	
EBIT	2,5	3,6	44%	4,4	76%
% Ebit / Revenues	9,6%	10,6%		10,7%	
EBIT Adjusted *	3,3	5,0	51%	5,8	76%
% Ebit Adjusted / Revenues	12,5%	14,5%		14,0%	
Net Profit	1,6	2,0	25%	2,6	63%
% Net profit / Revenues	6,0%	5,7%		8,0%	
Net profit Adjusted	2,3	3,3	41%	3,9	67%
% Net profit Adjusted / Revenues	8,9%	9,6%		9,4%	

Financial indicators	31.12.20	31.12.21	Δ
Equity	9,8	16,4	67%
Net financial position	1,4	-3,1	-325%

In 2021, despite a still difficult economic context, due to the continuation of the pandemic, DIGITAL360 has seized the opportunities of a market - the digital one - that is still growing, where the adoption of many services that the Group has been offering for years and on which many resources have been invested - such as digital events, online communication, digital lead generation, remote (remote) advisory - is accelerating.

It is in this context that the Group's results of 2021 should be interpreted. The health emergency has not only had a contingent impact on the business, but has encouraged its evolution towards a model that had already been in the making for some time, accelerating its effects thanks to the market's greater digital sensitivity and the increased need for innovative services.

The opportunities that have emerged thanks to the growth of the digital innovation market have pushed DIGITAL360 to broaden its scope of action, growing in Italy with new acquisitions and laying the foundations for development abroad, especially in those countries where there are better growth prospects.

Main events of the year

The main activities and investments for the year, as detailed and described in the Report on Operations, are as follows

Investment in technological innovation

- **Launch of the PropTech360 portal**, which provides in-depth information on the digital technologies that are transforming and innovating the real estate supply chain.
- **Development of a portal dedicated to 'space economy'**, with a focus on connectivity, infrastructures and applications beyond the boundaries of terrestrial use cases, and the first steps of development were taken, with a look at the launch of a Spaceconomy360 portal in March 2022.
- **Launch of the portal www.healthtech360.it** dedicated to technologies and innovation for health, well-being and quality of life.
- **Launch of InnovaciónDigital360.com**, the Spanish-language portal that aims to showcase all the opportunities of digital innovation for Latin American countries and Spain.
- **Process engineering related to the Digital Marketing & Sales Engine**; during 2021, the development and engineering of processes to support the delivery of Digital Marketing & Sales Engine services continued.



- ***Launch of the GRC360 solution for the management of Model 231 compliance***, a new software solution that enables companies to develop and manage organization, management and control models for the prevention of administrative liability arising from offenses under Legislative Decree 231/2001.
- ***Development of the GRC360 solution for the management of ISO/IEC 27001 certification***, to support companies in their needs to manage ISO/IEC 27001 certification on 'Information Security Management Systems'.
- ***Development of the GRC360 solution for the management of compliance audits***, for the revision and modernization of the software solution that enables different types of audits to be carried out and managed in the regulatory environment, from planning to the production of audit reports.
- ***Launch of Feedback4You***, a Web App to support the employee performance appraisal process within a company through a new *Continuous Performance Management* approach.
- ***Development of EmpowerCare***, an ecosystem of consultancy services to support healthcare players in the process of digital innovation, with various projects in the field of Telemedicine/Televisiting, Connected Care and Digital Reception.
- ***Development of the Sustainability Support Service (ESG Rating)***, an advisory service to guide organizations to obtain and improve their sustainability profile and, consequently, their ESG (Environmental, Social and Governance) rating over time, also in relation to the regulatory obligations arising from Legislative Decree 26/2016. ***Investments made in Corporate functions.***
- ***Maintenance and updating of CRM***, with the development of new dashboards and indicators which allow the effectiveness of the profiling tools on the DIGITAL360 Network portals to be monitored in real time.
- ***Study and development of the Martech 3.0 platform***, an innovative platform aimed at integrating a set of marketing and lead generation services.
- ***Study and development of the Event360 platform***, an innovative platform for the management and delivery of online events and webinars, which will be used both by companies of the DIGITAL360 group for the delivery of their digital events and by clients in self-service mode.
- ***Robotic Process Automation (RPA) solutions are being studied and tested for the first time***, with the aim of identifying repetitive processes that can be fully or partially automated using RPA platforms. The development of 'intelligent' software (so-called 'robots') has also been launched, with the aim of automating or supporting the first processes using this technology extensively by 2022.

Stock option plans



At the beginning of the financial year, the conditions for the vesting of options relating to DIGITAL360 2017-2020 Stock Option Plan, reserved for directors, employees, collaborators and consultants of the Group, were met.

The Company, upon the achievement of the objectives set by the Plan, served it through the issue of a total of 1,068,270 ordinary shares, with a consequent capital increase of €534,125.

During the year, the company also approved two new incentive plans based on options and a stock grant plan.

Specifically, the following plans have been approved:

- a stock option incentive plan for key Group personnel who play a significant role in the future growth of the business ("**SOP Italia 2021-2024**");
- a specific incentive plan for key people dedicated to the development of the international business ("**International SOP 2021-2026**");
- issue of free shares reserved for the sellers of the company Effettodomino S.r.l. ("**Grant Plan**") with reasons provided by the investment agreement.

All details of the stock option plans have been disclosed to the market and reported in the management report. In general, the mechanism that allows options to be exercised is linked to the actual creation of value for the company.

Acquisitions

Seven acquisitions were concluded during the year, for a total value of EUR 8.6 million, of which EUR 2.6 million still to be settled (vendor loan). The following represents a brief list:

- In March, DIGITAL360 acquired Innovation Post S.r.l (IP), in which it already owned a 10% stake, thus becoming the sole owner. IP was the owner of **www.innovationpost.it**, a leading online news and information publication dedicated to policies and technologies for digital innovation in the manufacturing sector. This acquisition strengthened the Group's online positioning and its services in the Industry 4.0 market, allowing, in particular, to strengthen its offer of recurring subscription-based services for "Digital Marketing & Sales Engine" also in the sector of manufacturers of machinery, robots, machine tools and industrial automation systems, in line with the strategy already undertaken to develop these innovative services outside the digital technology sector.
- In May, the call option on the remaining shareholding of ServicePro Italy S.r.l. was exercised. ("ServicePro") already held at 51% since 2018. ServicePro is a full service marketing agency specializing in the creation of complex events and the management of demand and lead generation campaigns.



- Also, in May, the call option on the remaining stake in IQ Consulting S.r.l. ("IQC"), an academic spin-off active in the field of Industry 4.0 and Supply Chain Management, was exercised. ("IQC"), an academic spin-off company active in the field of Industry 4.0 and Supply Chain Management.
- In July, DIGITAL360 acquired 100% of the company CTMobi S.r.l. (CTMobi) which is mainly active in the development of Cloud-based software solutions, User Interface & Experience Design services and IT architecture development. For more than six years, CTMobi has been the main technological partner of DIGITAL360 Group, for which it has developed some of the most important technological platforms on the basis of its business.
- In October, the acquisition of a 51% stake in the companies Imageware S.r.l. (Imageware) and Hi-Comm S.r.l. was completed. (Imageware) and Hi-Comm S.r.l. (Hi-Comm), together defined as "Imageware Group". Imageware Group is one of the most prestigious and competent PR, marketing and communication agencies on the Italian scene. It operates in three main areas of activity: (i) Public Relations and Social Media; (ii) implementation of creativity and communication projects; (iii) organization of physical and digital events.
- Also, in October, the acquisition of a 51% stake in the company ICT LAB PA S.r.l. was contracted. (ICT LAB). The company, established in 2015, is based in Rome and offers consulting services aimed at accompanying the digital innovation paths of Public Administrations (PA).
- At the end of the year, DIGITAL360 announced the signing of a binding agreement for the purchase of a 75% stake in the company Corecube S.r.l. ("Corecube"), which specializes in designing training courses for professionals. The acquisition has been finalized in early 2022.

Benefit Society

DIGITAL360's commitment and development were not only reflected in the excellent economic results achieved during 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, at the proposal of the Board of Directors, the Extraordinary Shareholders' Meeting approved an amendment to the Articles of Association to adopt the status of a Benefit Company. 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 an 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 consolidated financial statements of the Company and those of the parent company for the year ended December 31 2021 will be made available to the public in accordance with the terms and procedures set out in the Euronext Growth Milano Issuers' Regulations, and will be available on the Company's website, www.digital360.it, in the Investor Relations section.

The net result for the year of the parent company DIGITAL360 S.p.A. amounted to euro 1,778,742.

The board of directors will propose to the shareholders' meeting to allocate the result of the budget as follows:

- Euro 88,937 to the legal reserve;
- Euro 1,689,805 as new.

Lastly, the Board of Directors resolved on the proposal to amend the Articles of Association of DIGITAL360 S.p.A., which are necessary in order to implement the provisions of the Euronext Growth Milan Issuers' Regulations on the subject of Tender Offers.

The Board of Directors resolved to convene the Ordinary and Extraordinary Shareholders' Meeting for the approval of the financial statements for the year ended on December 31 2021 and for the amendment of the Articles of Association referred to in the previous point on 28 April 2022 on first call and on 4 May 2022 on second call. The notice of call will be published in accordance with the law.

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, has the objective of accompanying companies and public administrations in the understanding and implementation of digital transformation and encouraging 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 growth and modernization of our country. For further information: www.digital360.it.

Contact

Investor relations

Emilio Adinolfi

Email: emilio.adinolfi@digital360.it



Tel: +39 0292852801

DIGITAL360 press office: d'I comunicazione

Piero Orlando

Email: po@dicomunicazione.it

Tel: +39 3351753472

Euronext Growth Advisor

CFO SIM S.p.A.

Email: ecm@cfosim.com

Tel: +39 02303431

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CONSOLIDATED FINANCIAL STATEMENTS OF DIGITAL360 S.P.A.

DIGITAL360 S.p.A. Registered office: Milan Via Copernico 38 Share Capital: Euro 1,897,546 fully paid up. Milan Company Register no. 08053820968 REA no. 2000431 CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021		
BALANCE SHEET - ASSETS	31.12.2021	31.12.2020
A) RECEIVABLES FOR PAYMENTS		
B) FIXED ASSETS		
I. Intangible fixed assets Intangible assets:		
1) start-up and expansion costs	9.872	
2) Development costs	3.182.514	3.087.436
3) Industrial patent and intellectual property rights	940.854	758.356
4) concessions, licences, trademarks	17.284	12.682
5) Start-up	479.114	
5a) Consolidation difference	8.786.776	4.102.790
6) Imm. in progress	85.250	
7) other assets	818.348	550.509
Total intangible fixed assets	14.320.010	8.511.773
II. Tangible fixed assets		
(1) land and buildings	290.204	300.234
4) other assets	313.156	166.486
Total	603.360	466.720
III. Financial Fixed Assets		
1) Holdings in:		
(b) Associated companies	17.155	24.005
d) other companies	109.858	98.759
IV. Credits		
d) towards others	7.252	
Total participations	134.264	122.764
Total	134.264	122.764
TOTAL FIXED ASSETS (B)	15.057.635	9.101.256
II. Credits		
1) towards customers	13.845.746	10.232.407
of which due beyond one year	-	-
4a) Tax credits	442.053	115.377
of which due after one year	-	-
4b) Deferred tax assets	133.592	250.288
of which due after one year	-	-
5) towards others	1.618.817	294.992
of which due after one year		
Total	16.040.208	10.893.064
IV. Liquid assets		
1) bank and post office deposits	12.695.951	6.317.406
3) cash and valuables on hand	4.783	13.823
Total	12.700.734	6.331.228
TOTAL CURRENT ASSETS (C)	28.740.942	17.224.292
D) ACCRUALS AND DEFERRALS		
(a) accrued income and prepaid expenses	691.572	81.262
TOTAL ACCRUALS AND DEFERRALS (D)	691.572	81.262
TOTAL ASSETS (A+B+C+D)	44.490.149	26.406.811

DIGITAL360 S.p.A. Registered office: Milan Via Copernico 38 Share Capital: Euro 1,897,546 fully paid up. Milan Company Register no. 08053820968 REA no. 2000431 CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021		
BALANCE SHEET - LIABILITIES	31.12.2021	31.12.2020
A		
) NET ASSETS		
I. Group capital	1.897.546	1.630.921
II. Share Premium Reserve	10.884.540	6.823.642
IV. Legal Reserve	16.897	15.467
V. Reserve for own shares in portfolio	-113.239	-39.345
Merger surplus reserve	20.964	20.964
Cash flow hedge reserve	-4.654	-5.919
Other reserves	26.706	26.706
VIII. Reserve arrears Euro	-6	-6
IX Reserve for capital increase	-	-
X. Retained earnings (losses) of the group	108.108	-961.206
XI. Group profit (loss) for the year	1.803.835	1.070.745
TOTAL NET ASSETS of the group	14.640.696	8.581.968
Capital and reserves of third parties	1.581.597	763.135
Profit (loss) for the year attributable to minority interests	165.368	497.394
TOTAL NET ASSETS of third parties	1.746.965	1.260.529
TOTAL NET ASSETS (A)	16.387.661	9.842.497
B		
) PROVISIONS FOR RISKS AND CHARGES		
1) for retirement benefits and similar obligations	699.291	24.527
3) Others	6.124	7.788
TOTAL PROVISIONS FOR RISKS AND CHARGES (B)	705.415	32.315
C		
) SEVERANCE PAY EMPLOYMENT (C)	2.355.347	1.229.321
D		
) DEBTS		
2) Convertible bonds	1.099.200	1.918.400
of which due after one year	-	1.918.400
4) bank debts	8.522.367	5.781.229
of which due after one year	6.214.044	3.950.981
5) to other lenders	76	-
of which due after one year	-	-
6) advance payments	652.986	50.212
of which due after one year	-	-
7) payables to suppliers	6.690.168	3.388.033
of which due after one year	-	-
12) tax debts	1.152.501	1.153.901
of which due after one year	-	-
13) Amounts owed to social security institutions	657.221	333.575
of which due after one year	-	-
14) other payables	4.169.412	916.101
of which due after one year	-	-
TOTAL DEBTS (D)	22.943.931	13.541.451
E) ACCRUALS AND DEFERRALS		
(a) accrued expenses and deferred income	2.097.795	1.761.228
TOTAL ACCRUALS AND DEFERRALS (E)	2.097.795	1.761.228
TOTAL LIABILITIES AND NET A+B+C+D+E	44.490.149	26.406.811

DIGITAL360 Sp.A. Registered office: Milan Via Copernico 38 Share Capital: Euro 1,897,546 fully paid up. Milan Company Register no. 08053820968 REA no. 2000431 CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021		
PROFIT AND LOSS ACCOUNT	31.12.2021	31.12.2020
A) VALUE OF PRODUCTION		
1) revenues from sales and services	33.655.684	26.098.668
3) Changes in contract work in progress	17.050	
4) Increases in fixed assets for internal work	1.582.981	1.305.942
5) other revenues and income	728.053	244.968
TOTAL PRODUCTION VALUE (A)	35.983.768	27.649.579
B) PRODUCTION COSTS		
6) for raw, ancillary and consumable materials and goods for resale	30.113	23.511
7) for services	16.460.742	12.860.100
8) for use of third party assets	696.883	751.861
9) for staff:		
(a) wages and salaries	8.472.372	6.352.562
(b) social security contributions	2.245.088	1.499.545
c) severance pay	616.617	441.789
e) other costs	17.911	5.230
Total personnel costs	11.351.988	8.299.126
10) depreciation and amortisation:		
a) amortisation of intangible assets	3.191.825	2.424.161
b) depreciation of tangible fixed assets	85.259	83.542
(c) write-down of receivables included in current assets	47.987	76.400
Total depreciation and amortisation	3.325.071	2.584.104
14) Other operating expenses	495.606	612.543
TOTAL PRODUCTION COSTS (B)	32.360.404	25.131.245
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A-B)	3.623.364	2.518.333
C) FINANCIAL INCOME AND EXPENSES		
15) Income from participations		
- others	12.347	212.942
16) Other financial income		
- others	3.019	250
Total financial income	15.366	213.192
17) Interest and financial charges:		
- towards others	329.021	293.872
Total interest and other financial charges	329.021	293.872
17a) Foreign exchange gains and losses	1.105	-890
TOTAL FINANCIAL INCOME/EXPENSES	312.550	81.569
D) VALUE ADJUSTMENTS ON FINANCIAL ASSETS	#N/D	#N/D
18) Revaluations:		
Total revaluations	-	-
19) Write-downs:		
(a) of participations	6.851	11.246
Total write-downs	6.851	11.246
Earnings before tax (A - B +- C +- D +- E)	3.303.963	2.425.518
22) Current, deferred and prepaid income taxes for the year		
current taxes	1.219.279	731.471
prepaid taxes	116.296	133.068
income (expenses) from participation in the tax consolidation scheme		4.975
Taxes from previous years	-816	-12.135
Total income tax for the year, current, deferred and prepaid	1.334.760	857.379
23) Profit (loss) for the year	1.969.203	1.568.139
About the group	1.803.835	1.070.745
Pertaining to third parties	165.368	497.394

Statement of Cash Flows 31 December 2021	31/12/21	31/12/20
A. Cash flows from operating activities (indirect method)		
Profit (loss) for the year	1.969.203	1.568.136
Incometax	1.334.760	857.379
Interest expense/(interest income)	312.550	92.815
(Gains)/losses on disposal of assets	4.790	(212.688)
1. Profit (loss) for the year before income tax, interest, dividends and capital gains/losses on disposal	3.621.303	2.305.641
<i>Adjustments for non-monetary items that did not have a counterpart in net working capital</i>		
Provisions for severance pay	616.617	441.789
Depreciation of fixed assets	3.277.084	2.507.703
Impairment losses	6.851	-
Other adjustments for non-monetary items	(44.086)	(32.080)
<i>Total adjustments of non-monetary items</i>	<i>3.856.466</i>	<i>2.917.412</i>
2. Cash flow before changes in ccn	7.477.769	5.223.053
<i>Changes in net working capital</i>		
Decrease/(increase) in receivables from customers	(3.613.340)	(816.198)
Increase/(decrease) in trade payables	3.302.135	289.734
Decrease/(increase) in accrued income and prepaid expenses	(610.310)	308.649
Increase/(decrease) in accrued expenses and deferred income	336.567	1.543.073
Other changes in net working capital	36.492	(28.178)
<i>Total changes in net working capital</i>	<i>(548.456)</i>	<i>1.297.080</i>
3. Cash flow after changes in ccn	6.929.313	6.520.133
<i>Other adjustments</i>		
Interest received/(paid)	(312.550)	(92.815)
(Incometaxes paid)	(1.291.649)	(162.720)
Dividends received	-	-
Increase in funds from new perimeter	1.867.327	-
(Use of funds)	(324.652)	(192.510)
<i>Total Other adjustments</i>	<i>(61.524)</i>	<i>(448.045)</i>
Cash flow from operating activities (A)	6.867.789	6.072.088
B. Cash flows from investing activities		
<i>Tangible fixed assets</i>		
(Investments)	(221.899)	(29.657)
Realised price of divestments	-	-
<i>Intangible fixed assets</i>		
(Investments)	(2.964.525)	(1.660.590)
Realised price of divestments	-	-
<i>Financial fixed assets</i>		
(Investments)	(6.053.537)	-
Realised price of divestments	1.111	224.282
<i>Financial assets not held as fixed assets</i>		
(Investments)	-	-
Realised price of divestments	-	-
<i>Acquisition or disposal of subsidiaries</i>		
	-	-
Cash flow from investing activities (B)	(9.238.850)	(1.465.966)
C. Cash flows from financing activities		
<i>Third-party means</i>		
Increase (decrease) in short-term payables to banks	-	(1.304.341)
Financing	3.500.000	1.700.000
Net proceeds Convertible bond loan	-	-
Repayment of loans	(758.862)	(749.198)
Payables for the acquisition of equity investments (Vendor Loan)	-	-
M&A balance payment (Vendor Loan)	2.565.000	-
<i>Own means</i>		
Capital increase against payment	3.508.323	83.333
Sale (purchase) of own shares	(73.894)	(4.563)
Dividends (and interim dividends) paid	-	-
Cash flow from financing activities (C)	8.740.567	- 274.769
Increase (decrease) in cash and cash equivalents (A ± B ± C)	6.369.506	4.331.353
Cash and cash equivalents at 1 January	6.331.228	1.999.876
Cash and cash equivalents as at 31 December	12.700.734	6.331.228

Balance sheet Parent company Digital S.p.a.

	31/12/21	31/12/20
Balance sheet		
Active		
B) Fixed assets		
I - Intangible fixed assets	1.899.767	1.668.822
II - Tangible fixed assets	44.195	36.577
III - Financial fixed assets	18.396.451	9.730.166
Total fixed assets (B)	20.340.413	11.435.565
C) Current assets		
II - Credits		
due within the next financial year	3.808.178	3.129.982
prepaid taxes	45.403	83.424
Total credits	3.853.581	3.213.406
IV - Cash and cash equivalents	936.323	721.530
Total current assets (C)	4.789.904	3.934.936
D) Accruals and deferrals	269.566	23.756
Total assets	25.399.883	15.394.257
Passive		
A) Net assets		
I - Capital	1.897.546	1.630.921
II - Share premium reserve	10.884.540	6.823.642
IV - Legal reserve	16.897	15.467
VI - Other reserves	-113.239	-39.345
VII - Reserve for cash flow hedging transactions	-4.654	-5.919
VIII - Retained earnings (losses) carried forward	-103.250	-130.434
IX - Profit (loss) for the year	1.778.742	28.615
Total net assets	14.356.582	8.322.947
B) Provisions for risks and charges	6.124	7.788
C) Employee severance pay	438.424	170.472
D) Payables		
due within the next financial year	5.251.587	3.315.756
due beyond the next financial year	5.274.444	3.528.644
Total payables	10.526.031	6.844.400
E) Accruals and deferrals	72.722	48.650
Total liabilities	25.399.883	15.394.257

Profit and loss account Parent company Digital S.p.a.

	31/12/21	31/12/20
Profit and loss account		
A) Value of production		
1) revenues from sales and services	6.240.325	4.090.750
4) increases in fixed assets for internal work	431.374	268.167
5) other revenues and income		
operating grants	257.734	10.927
Other	29.507	19.857
Total other income and revenues	287.241	30.784
Total value of production	6.958.940	4.389.701
B) Costs of production		
6) for raw materials, consumables and goods	3.962	12.884
7) for services	2.088.561	1.951.014
8) for use of third party assets	426.758	485.753
9) for staff		
(a) wages and salaries	2.282.668	973.628
(b) social security contributions	646.937	240.839
(c), (d), (e) severance pay, retirement benefits, other personnel costs	167.205	69.878
(c) severance pay	165.038	68.369
e) other costs	2.167	1.509
Total personnel costs	3.096.810	1.284.345
10) depreciation and amortisation		
a), b), c) amortisation of intangible and tangible fixed assets, other write-downs of fixed assets	717.607	624.754
a) amortisation of intangible fixed assets	705.031	615.623
b) depreciation of tangible fixed assets	12.576	9.131
Total depreciation and amortisation	717.607	624.754
14) Other operating expenses	136.077	56.432
Total production costs	6.469.775	4.415.182
Difference between value and cost of production (A - B)	489.165	-25.481
C) Financial income and expenses		
15) income from participations		
from subsidiaries	1.612.335	-
Other	-	212.688
Total income from participations	1.612.335	212.688
16) other financial income		
(d) income other than the above		
from subsidiaries	2.816	1.991
More	160	79
Total income other than above	2.976	2.070
Total other financial income	2.976	2.070
17) interest and other financial charges		
towards subsidiaries	14.616	21.836
Other	165.414	157.809
Total interest and other financial charges	180.030	179.645
17-bis) foreign exchange gains and losses	682	75
Total financial income and charges (15 + 16 - 17 + - 17-bis)	1.435.963	35.188
D) Value adjustments to financial assets and liabilities		
19) devaluations		
(a) of participations	-	11.246
Total write-downs	-	11.246
Total value adjustments on financial assets and liabilities (18 - 19)	-	-11.246
Earnings before tax (A - B + C - D)	1.925.128	-1.539
20) Current, deferred and prepaid income taxes for the year		
current taxes	108.765	15.267
deferred and prepaid taxes	37.621	2.644
income (expenses) from participation in the tax consolidation/tax transparency scheme	-	48.065
Total current, deferred and prepaid income taxes for the year	146.386	-30.154
21) Profit (loss) for the year	1.778.742	28.615