

PRESS RELEASE

DIGITAL360: Signed a new acquisition for 51% of the shares of Meridiana Italia S.r.l. , a company specialising in innovative solutions and projects for Public Administration

Milan, 25 July 2022 - **DIGITAL360 S.p.A.** ("DIGITAL360" or the "Company"), an innovative SME listed on the Euronext Growth Milan market, announces that today it has signed an agreement to acquire a 51% stake in Meridiana Italia s.r.l. ("Meridiana").

Meridiana operates in the field of specialised services for the Public Administration ("PA"), supporting organisations and institutions in European programmes management at the national and EU level. Meridiana's main area of operation is technical assistance, provided to PA clients, for the design, management, evaluation and monitoring of programmes and projects using European and national structural funds.

The acquisition of Meridiana strengthens DIGITAL360's presence in consultancy services supporting innovation and digital transformation of PA, an area already covered by the Group through the companies FPA, ICT LAB PA and some practices of Partners4Innovation.

According to *Assoconsult*, the consultancy sector in Italy generated a total turnover of more than EUR 5 billion in 2021: forecasts for 2022 show an expectation of an acceleration in the growth rate, around 10%; also arising from the first positive effects from the implementation of the PNRR. In this framework, the public administration, which for many years had generated very little demand for consultancy, partly due to the spending review, is emerging as one of the biggest sectors responsible for post-pandemic market recovery. The management of NRP-related projects is also expected to contribute over the coming years to the importance of consultancy in the public sector ⁽¹⁾. Within this framework, the potential market in Italy for technical assistance to financed programmes alone, an area in which Meridiana operates, exceeds EUR 2 billion in the period in question, more than three quarters of which are destined to support programmes in less developed regions ⁽²⁾.

Meridiana's entry into the DIGITAL360 Group makes it possible to pursue a twofold objective more quickly: to seize the opportunity of a fast-growing market, thanks also to the significant financial resources received through the PNRR, and to make our contribution to the transformation and renewal of the PA, a goal of extraordinary importance for the entire country.

Meridiana closed the financial statements as at 31 December 2021 with a value of production of EUR 4.7 million, an adjusted Ebitda of EUR 0.8 million, and a net financial position (NFP) in debt of about EUR 0.8 million. The half-yearly report for 2022 (not subject to external audit) shows a further increase in business, with revenue of about EUR 2.8 million, an Ebitda of over

⁽¹⁾ *Assoconsult Observatory, 2022.*

⁽²⁾ *Italian Government, 'Italy 2021-2027 Partnership Agreement'.*



EUR 600,000 and an improvement in the NFP in the half-year of about EUR 1 million mainly due to the operating cash flow generated.

The acquisition of 51% of Meridiana will take place at a price consisting of a fixed and a variable component.

The first component was determined to be EUR 3.3 million:

- Up to a maximum of EUR 0.62 million in DIGITAL360 shares, the unit value of which will be determined by the average of the official share prices in the three months preceding the closing;
- In the amount of EUR 1.57 million in cash at closing;
- In the amount of EUR 1.15 million in cash within 12 months of the closing.

The second component will be determined in an amount equal to 51% of the NFP of Meridiana calculated as of the last day of the month preceding the closing. This amount, if positive (credit), will be disbursed in full in cash by DIGITAL360 to the sellers, if negative (debt), it will be paid back by them (in proportion to their share) to DIGITAL360 as a reduction of the fixed component referred to in the preceding point.

The transaction is scheduled to close in November 2022.

"With the entry of Meridiana, the DIGITAL360 Group continues the path begun with FPA and Partners4Innovation, and then with ICT LAB PA, in a strategy that sees the transfer of successful models in the digital transition from the private world to the public world," states Gabriele Faggioli, CEO of DIGITAL360. "We also intend to invest in human resources from the southern regions, in order to increase the spread of the digital transition in PA throughout the country."

Adds Antonio Imbrogno, founder of Meridiana: "The decision to merge into DIGITAL360 intersects with Meridiana Italia's need to develop a new model of support for PA, which increasingly integrates digital solutions into the processes of planning and investment management. This operation will ensure the pooling of the mix of skills and professionalism required to create a centre of excellence specialising in innovative services to the PA with a specific focus in the South of Italy. In order to ensure a sustainable and resilient recovery of this area of the country, it is essential to focus on the digital transformation of PA".

"Helping with technical assistance the success of European programmes, investments in digital transition and the improvement of skills and interaction between public administrations, citizens and businesses, is the basis for the future prosperity of the entire nation," concludes Meridiana partner Carlo Flamment.

For the legal and tax aspects of the transaction DIGITAL360 used ADVANT Nctm.



DIGITAL360

DIGITAL360, a company listed on the Euronext Growth Milan Market, has the objective of accompanying companies and public administrations in understanding and implementing digital transformation and facilitating their encounter with 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 activities, 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.

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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