

Press release

The ordinary Shareholders' Meeting of Digital360 S.p.A. unanimously approves the financial statement as of 31 December 2018

MILAN, 9 May 2019 – The Ordinary Shareholders' Meeting of Digital360 S.p.A. (“**Digital360**” or the “**Company**”), a company listed on the AIM Italia - Mercato Alternativo del Capitale market, organised and managed by Borsa Italiana S.p.A., held on second call, unanimously examined and approved the financial statement for the year ending 31 December, 2018, on the terms proposed by the Board of Directors and already made public on 27 March 2019.

MAIN CONSOLIDATED RESULTS

Today's meeting, in addition to Digital360 S.p.A.'s financial statements, also saw the presentation of the Group's Consolidated Financial Statement as of 31 December 2018, which had already been approved by the Board of Directors on 27 March 2019.

Consolidated revenues achieved as at 31 December 2018 total Euro 22.5 million, an increase of 57% compared with the corresponding period of 2017 (Euro 14.3 million). This growth is due to the consolidation of three new companies, as well as to a substantial 21% increase in revenues on a like-for-like basis. An important contribution to this growth comes from the “Advisory&Coaching” Business Unit (BU that provides consulting and assistance to companies and public authorities in support of their digital transformation), which increased revenues significantly (+78%) compared to 2017, mainly due to substantial organic growth. The “Demand Generation” Business Unit (BU that carries out activities focused on communication, marketing and business opportunity generation for technology companies that supply digital innovation) also saw substantial growth (+45%), primarily attributable to the acquisitions made during the period.

EBITDA totals Euro 2.6 million, an increase of 57% compared with that made as at 31 December 2017 (Euro 1.64 million), amounting to 11.5% of revenues, which is more or less the same as in the reference period. The improved result can be primarily attributed to the widening of the scope of consolidation, but even on a like-for-like basis, the Group results show organic growth, with EBITDA up 6% compared with 2017.

Adjusted¹ EBITDA is Euro 1.14 million, an increase of 51% on the value as at 31 December 2017. On a like-for-like basis, however, adjusted EBIT fell by 27%, because of the increase in amortisation of intangible assets, which grew as a result of the investments made for innovations in the technology platforms and in the offering, based on innovative “As-A-Service” (*Engine*) business models and, therefore, on long-term growth.

The *adjusted* consolidated net profit is Euro 0.59 million, against Euro 0.53 million in 2017, amounting to 2.6% of revenues.

The Group’s (negative) net financial position increased from Euro 2.6 million as at 31 December 2017 to Euro 4.6 million as at 31 December 2018. The change over the 12-month period reflects the amounts used for investments and acquisitions during the period. Shareholders’ equity increased from Euro 7.8 million as at 31 December 2017 to Euro 8.6 million as at 30 June 2018. The change is largely attributable to the capital increase of Euro 900,000 made in the context of the acquisition operations.

RESULTS OF THE PARENT COMPANY

In the 2018 financial year the parent company, Digital360 S.p.A., recorded an income of Euro 3.145 million, entirely accounted for by services provided to companies within the Group.

The year ended with a net profit after taxes amounting to Euro 103,591 and, as proposed by the Board of Directors, the Shareholders’ Meeting resolved to allocate 5% equal to Euro 5,180 to the legal reserve, and the remaining part, amounting to Euro 98,411, carried forward.

The Company announces that a copy of the financial statement as of 31 December 2018, reported in abbreviated form pursuant to Article 2435-bis of the Italian Civil Code and in-line with Italian accounting standards, is available to the public at its registered office in Milan and on the Company website at www.digital360.it.

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

¹ The adjusted values do not take into consideration depreciation/amortisation related to consolidation differences as at 31 December 2018.



DIGITAL360

DIGITAL360, a company listed on the Borsa Italiana AIM Market, aims to partner with businesses and public authorities assisting them in the understanding and implementation of digital transformation solutions, relying on the best technology providers on the market. DIGITAL360 pursues this objective through two business units: one, called “Demand Generation”, supports technological companies (vendors, software houses, system integrators, start-up companies, etc.) in their communication, storytelling, event management and business opportunity generation activities; the other, called “Advisory & Coaching” is aimed at all companies and all public administrations who wish to embark on any digital transformation path. NetworkDIGITAL360, which covers both business units, is the largest online publications network dedicated to all aspects of digital innovation, with 53 online portals and newsletters, more than 1.5 million unique visitors a month, and over 5,000 keywords of the digital world on the first page on Google. DIGITAL360 integrates a multidisciplinary and multicultural mix of professionalism and expertise, thanks to analysts, journalists, consultants and experts active in the digital world who all share a great passion and a common mission: digital innovation as an engine of growth and modernisation of our country. For more information: www.digital360.it

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