



# SPAFID CONNECT

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Societa' : Dominion Hosting Holding S.p.A.

Identificativo : 129617

Informazione  
Regolamentata

Nome utilizzatore : DOMINIONNSS02 - Giandomenico Sica

Tipologia : 1.1

Data/Ora Ricezione : 26 Marzo 2020 17:42:12

Data/Ora Inizio : 26 Marzo 2020 17:45:20

Diffusione presunta

Oggetto : The BoD of DHH approved the financial  
statements 2019

*Testo del comunicato*

Double-digit growth in sales, robust cash flow generation and strong net financial position. Business grown by 70% since the IPO (2016).

FINANCIAL HIGHLIGHTS:

NET SALES EQUAL TO EUR 6,8 MILLION VERSUS EUR 6 MILLION AS OF 31 DECEMBER 2018

EBITDA EQUAL TO EUR 495 THOUSAND VERSUS EUR 534 THOUSAND AS OF 31 DECEMBER 2018

NET RESULT EQUAL TO EUR 61 THOUSAND VERSUS EUR 101 THOUSAND AS OF 31 DECEMBER 2018

NET FINANCIAL POSITION EQUAL TO EUR 2,2 MILLION (OF WHICH: EUR 2,5 MILLION CASH AND CASH EQUIVALENT AND EUR 120 THOUSAND CURRENT FINANCIAL DEBT AND EUR 205 THOUSAND NON-CURRENT FINANCIAL DEBT) VERSUS EUR 2,6 MILLION AS OF 31 DECEMBER 2018

**The Board of Directors of DHH S.p.A. has examined and approved the consolidated financial statements and the draft financial statements of the parent company as at 31 December 2019**

*Double-digit growth in sales, robust cash flow generation and strong net financial position  
Business grown by 70% since the IPO (2016)*

**FINANCIAL HIGHLIGHTS:**

- NET SALES EQUAL TO **EUR 6,8 MILLION** VERSUS **EUR 6 MILLION** AS OF 31 DECEMBER 2018
- EBITDA EQUAL TO **EUR 495 THOUSAND** VERSUS **EUR 534 THOUSAND** AS OF 31 DECEMBER 2018
- NET RESULT EQUAL TO **EUR 61 THOUSAND** VERSUS **EUR 101 THOUSAND** AS OF 31 DECEMBER 2018
- NET FINANCIAL POSITION EQUAL TO **EUR 2,2 MILLION** (OF WHICH: **EUR 2,5 MILLION CASH AND CASH EQUIVALENT** AND **EUR 120 THOUSAND CURRENT FINANCIAL DEBT** AND **EUR 205 THOUSAND NON-CURRENT FINANCIAL DEBT**) VERSUS **EUR 2,6 MILLION** AS OF 31 DECEMBER 2018

Giandomenico Sica, Chairman of the Board of Directors of DHH, commented: “2019 has been a positive year for us. We organically grew our business by 13% passing from 6M EUR to 6,8M EUR of revenue, with a sound cash flow generation. Despite the fact that in 2019 we had extra costs tied to M&A that reduced our EBITDA by 16%, thanks to our subscription-based business model our cash flow from operating activities was equal to 994k EUR (approx 14,5% of our revenue), with cash availabilities equal to 2,5M EUR. Since our IPO in 2016, we grew our turnover by 70%, mixing organic growth with M&A, having executed 7 acquisitions across Italy, Italian Switzerland, Slovenia, Croatia, Serbia in these years. During the fourth quarter of 2019, we acquired the customer base of the Si-Shell brand, the 5th largest web hosting provider in Slovenia. This deal is boosting our presence in Slovenia, where we already have a market-leading position, supporting us in acquiring market share in the local VPS and cloud hosting market. In terms of products, at the end of 2019, we launched NextCloud in Switzerland. NextCloud is very similar to Dropbox or Google Drive, but it is on the private cloud, so it is not shared with anyone. It is based on a Swiss server farm and all the data are located in Switzerland. Furthermore, thanks to NextCloud talks it is also possible to organize video-conferences, webinars and virtual workshops. This is very relevant since it is another step into the world of remote work, which is becoming the “new normal” in light of the pandemic related to COVID-19. Regarding this point, the New York Times recently (on

March 23rd, 2020) published an article titled “Big Tech Could Emerge From Coronavirus Crisis Stronger Than Ever” where they point out the fact that cloud computing has become essential to home workers. While this is certainly true, as it is true that from the first data we are observing in our control management system we have not been negatively impacted by the health emergency, it is too soon to comment about how this new normal will affect our results. The cloud computing business is on a strong growth trend, which is accelerated by the mass adoption of remote working tools, but we expect that our clients will be impacted by COVID-19 somehow and we are not yet able to predict the consequences of this event on the economy. As per the extraordinary activities, in 2019 our team worked hard on new M&A deals, which are a core business for us, and this emergency is not stopping us from continuously exploring further opportunities on the market.”

Milan, 26 March 2020. The Board of Directors of DHH S.p.A. (DHH.MI | WDHH21.MI) (ISIN shares IT0005203622 | ISIN warrants IT0005203689), the cloud computing provider of Southeast Europe, today reviewed and approved the consolidated financial statements and the draft financial statements as at 31 December 2019, which will be resolved by the shareholders’ meeting of 27 April 2020.

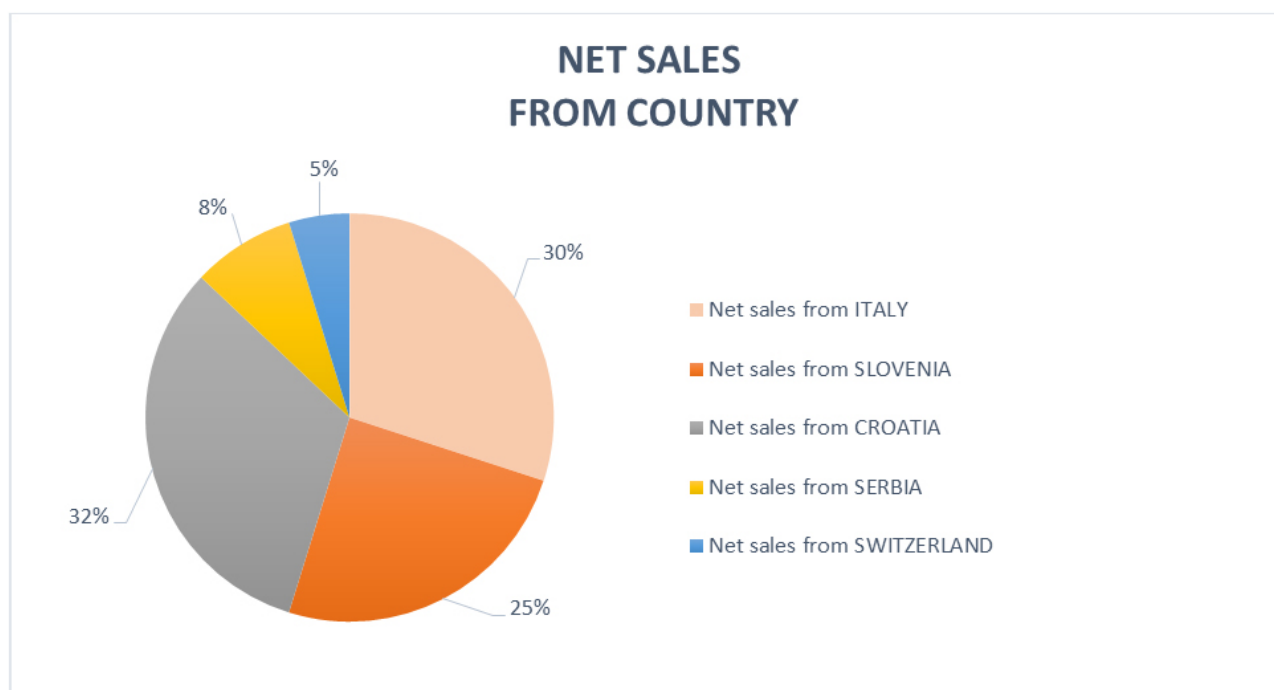
## PERFORMANCE OF THE GROUP

<b>MAIN RESULTS 2019 (ALL AMOUNTS ARE IN EURO)</b>	<b>31.12.2019 with IFRS 16 impact</b>	<b>31.12.2018</b>	<b>DELTA</b>
<b>NET SALES</b>	6.757.942	5.969.739	+13%
<b>EBITDA</b>	495.202	534.059	-7,3%
<b>NET RESULT</b>	60.732	101.388	-40%
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	994.931	302.718	+229%

The Profit and Loss Statement has been prepared with the adoption of the new accounting standard IFRS 16 – ‘Leases’: the accounting of instalment of costs for operating leases is replaced by amortization of the right of use and calculation of financial charges on lease liabilities. The new standard was introduced starting from January 1st, 2019; the figures for the comparative period have not been restated because the Group chose the retrospective modified approach. For further information please see the paragraph “Changes in the accounting principles” of the Annual Report.

During the financial year ended 31 December 2019 the total consolidated revenues of the Group are equal to 6,81M EUR while the consolidated EBITDA of the year amounts to 495k EUR and it has been reduced by 16% because of the impact of the extra costs tied to M&A.

The Group is focused on web hosting and cloud computing services as core business lines and its revenues are approx. 2,03M EUR in Italy (Tophost and DHH Italia), 1,68M EUR in Slovenia (DHH.si), 2,18M EUR in Croatia (DHH and System Bee), 552k EUR in Serbia (mCloud) and 324k EUR in Switzerland (DHH SWZ).



### Business performance by country

MAIN RESULTS 2019 (ALL AMOUNTS ARE IN EURO)	31.12.2019	31.12.2018	DELTA
<b>ITALY</b>	2.027.739	2.042.261	-0,7%
<b>SLOVENIA</b>	1.676.045	1.409.301	+19%
<b>CROATIA</b>	2.178.318	1.966.065	+11%
<b>SERBIA</b>	551.873	216.242	+155%
<b>SWITZERLAND</b>	323.966	237.937	+36%
<b>TOTAL</b>	6.757.942	5.871.806	+15%

The consolidated net financial position is equal to **EUR 2.225.702**, of which: **EUR 2.537.357** (*cash equivalents*); **EUR 13.442** (*current financial assets*); **EUR 119.848** (*current financial debt*) and **EUR 205.248** (*non-current financial debt*).

The net equity is **EUR 7.577.161**.

#### THE GROUP CONSOLIDATED PRO-FORMA\* RESULTS 2019

<b>MAIN RESULTS 2019 (ALL AMOUNTS ARE IN EURO)</b>	<b>CONSOLIDATED PRO-FORMA* 31.12.2019</b>	<b>CONSOLIDATED 31.12.2019</b>	<b>DELTA</b>
<b>NET SALES</b>	6.757.942	6.757.942	0%
<b>EBITDA</b>	1.145.056	495.202	+131%
<b>NET RESULT</b>	586.298	60.732	+865%

\* The consolidated pro forma is not audited by the audit firm but it has been checked for mathematical accuracy.

<b>MAIN RESULTS 2019 (ALL AMOUNTS ARE IN EURO)</b>	<b>CONSOLIDATED PRO-FORMA* 31.12.2019</b>	<b>CONSOLIDATED PRO-FORMA* 31.12.2018</b>	<b>DELTA</b>
<b>NET SALES</b>	6.757.942	6.162.905	+10%
<b>EBITDA</b>	1.145.056	840.771	+36%
<b>NET RESULT</b>	586.298	499.837	+17%

\* The consolidated pro forma is not audited by the audit firm but it has been checked only the mathematics accuracy.

The consolidated pro-forma p&l includes the full results of the acquisitions made during the year, while the officially consolidated p&l comprises only the pro-quota results after the acquisition date of the new companies.

Furthermore, all direct and indirect costs related to being a company publicly listed on the Italian Stock Exchange have been deleted in the pro-forma consolidated p&l, together with all direct and indirect costs related to M&A and extraordinary activities. This exercise is performed to make the group comparable with unlisted competitors.

## **MATERIAL EVENTS OCCURRED DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 AND SUBSEQUENTLY OCCURRED**

### **3<sup>RD</sup> JANUARY 2019**

DHH announces a change of shareholders, accordingly to article 17 – Rules for Companies. Seeweb Srl, in the framework of an internal reorganization activity, transferred its 360.000 shares of DHH (equal to the 25,352% of the social capital of DHH) to Seeweb Holding Srl.

The shareholding structure of Seeweb Srl and Seeweb Holding Srl is the same and in both cases, the majority owner is Antonio Domenico Baldassarra. He acts as a DHH board member.

### **15<sup>TH</sup> MARCH 2019**

As per the agreement signed with the shareholders of mCloud d.o.o. Beograd on 16th October 2018, mCloud has reached the goals agreed by the parties related to the revenues of the company and other KPIs.

### **10<sup>TH</sup> APRIL 2019**

DHH acquired the 20% of DHH Switzerland SA from Mr. Sergio Ravera.

In the framework of the agreement signed with Mr. Ravera on 12th May 2017, DHH activated the procedure for the price adjustment on DHH Switzerland SA.

As a result of the activation of this procedure and the subsequent dialogue with Mr. Ravera, DHH and Mr. Ravera agreed on a price adjustment of 190.000 EUR to be paid by Mr. Ravera with shares of DHH Switzerland SA. For the effect of this adjustment, DHH now owns 80%, and Mr. Ravera owns 20% of DHH Switzerland SA.

DHH and Mr. Ravera signed also an agreement through which they have the option to buy (DHH) and to sell (Mr. Ravera) the remaining stake of Mr. Ravera in DHH Switzerland SA as soon as certain conditions mutually agreed by the parties – and related to business KPIs – are met. Both the options can be exercised within 120 days from the approval of the financial statements 2021 of DHH Switzerland SA.

**2<sup>ND</sup> MAY 2019**

DHH announces to have completed the merger between the two portfolio companies mCloud d.o.o. and DHH SRB d.o.o. so to result in a single entity. The merger has been designed to simplify the group organization and operations, following what already done in Slovenia and in Croatia.

**9<sup>TH</sup> MAY 2019**

DHH during the Shareholders Meeting of 30<sup>th</sup> April announces that Giandomenico Sica, Uroš Čimžar, and Matija Jekovec, have been re-appointed as executive directors of the company. Giandomenico Sica, Chairman of the Board of Directors, will have also the responsibility of the Investor Relations activities. In the same Meeting have been re-appointed BDO Spa as Auditing Firm and as Statutory Auditors Mr. Umberto Lombardi, Pizzutelli Stefano, Pipolo Pierluigi, Capogna Umberto, Cinelli Cesare.

**27<sup>TH</sup> JUNE 2019**

DHH announces that on 21 June Tomaž Koštial has been appointed as CEO of DHH.si.

**18<sup>TH</sup> JULY 2019**

DHH announces that pursuant to article 17 of the AIM Italia Rules for Issuers, it has appointed EnVent Capital Markets Ltd as new Nomad; the assignment took effect from 19 July 2019.

EnVent Capital Markets Ltd, within the two months following the engagement, completed the verification of the existence of suitable procedures to guarantee the compliance by DHH S.p.A. with the AIM Italia Issuers Regulation.

**26<sup>TH</sup> JULY 2019**

DHH announces that the period during which entitled shareholders may request the free allocation of bonus shares will begin on 28 July 2019, as stated in section 4.1.2 of the Admission Document relating to the IPO and admission to trading of DHH ordinary shares on the Stock Exchange organized and managed by Borsa Italiana S.p.A. (the “Admission Document”).

**5<sup>TH</sup> AUGUST 2019**

DHH announces to have completed the process of appointment of Veljko Drakulić as CEO of DHH d.o.o. (DHH Croatia). This appointment is part of a broader process aimed at renewing and improving the governance of the local portfolio companies of DHH through the promotion of internal managers or the appointment of a new – young – external management.

**6<sup>TH</sup> SEPTEMBER 2019**

DHH announces that 68.550 bonus shares have been allocated to entitled shareholders, as approved by the company General Shareholders Meeting held on June 9, 2016.

As defined during the IPO process, the shareholders that in the IPO have underwritten shares of the Company and have maintained them until July 27, 2019, and have applied for the allocation of the



bonus share in the period between July 28, 2019 and August 27, 2019, have been granted, free of charge 1 Company's ordinary share (ISIN IT0005203622) for every 5 shares ordinary with bonus share allocated in the context of the IPO (ISIN IT0005203663).

The allocation of the new 68.550 ordinary shares, which have the same features of the outstanding ordinary shares, determines the increase of the Company's share capital to Euro 148.855,00 represented by 1.488.550 ordinary shares with no nominal value.

### **11<sup>TH</sup> SEPTEMBER 2019**

DHH announces that, as notified to the Italian Business Register on 9 September 2019, as a result of the issuance of the bonus shares mentioned in the press release published on 6 September 2019, the share capital of DHH is now equal to Euro 148.855, represented by no. 1.488.550 ordinary shares without par value. Such variation of the share capital was registered in the above mentioned Italian Business Register effective from 9 September 2019.

The share capital of DHH, fully subscribed and paid-in, has been filed with the Italian Business Register of ordinary shares without par value on 9 September 2019, as a result of the issuance of 68.550 ordinary shares in favor of the shareholders with the bonus share right, according to the provisions of the General Shareholders Meeting held on June 9, 2016.

### **6<sup>TH</sup> DECEMBER 2019**

DHH completed the acquisition of Si-Shell ([www.si-shell.net](http://www.si-shell.net)), the business unit of iServer d.o.o. – one of the most important Slovenian providers – focused on the hosting and domain segment and having approximately 1.800 active customers. The acquisition is aimed at consolidating DHH presence in the local market. This deal doesn't exceed 25% in any of the class tests (ref. Rules for Companies, art. 12), is not a substantial transaction, but has a strategic value for DHH since it increases the market share of the group in Slovenia. The valuation has been made on the historical data shared by the management team of iServer and verified by DHH during the due diligence process.

### **23<sup>RD</sup> FEBRUARY 2020**

The Italian Government published the Decree-Law No 6 of 23 February 2020, the first of a series urgent measures on the containment and management of the epidemiological emergency by COVID-19.

### **PMI INNOVATIVA**

During 2019 DHH S.p.A. has been confirmed "PMI Innovativa" in the related section of the company register in Milan. The company has incurred costs relating to research, development and innovation, over 3% of the higher value between total costs and value of manufacturing.

## **DHH S.p.A. PROFIT/LOSS ALLOCATION**

DHH S.p.A. as a parent company reported a loss of EUR 176.886,58. The Board of Directors proposes to the shareholders to cover it as follows: EUR 7.201,41 thanks to the extraordinary reserve; EUR 169.685,17 thanks to share premium reserve.

## **NOTICE OF SHAREHOLDERS' MEETING**

The Board of Directors delegated the President to convene an Ordinary Shareholders' Meeting on 27 April 2020.

The Notice of Shareholders' Meeting and the supporting documents concerning the items on the Agenda will be available within the statutory deadline at the Company's registered office and on the DHH website: [www.dhh.international](http://www.dhh.international).

Shareholders may view these documents and request copies of them.

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<b>CONSOLIDATED INCOME STATEMENT</b>	<b>CONSOLIDATED 31.12.2019</b> with IFRS 16 impact	<b>CONSOLIDATED 31.12.2019</b> without IFRS 16 impact	<b>CONSOLIDATED 31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)			
Net Sales	6.757.942	6.757.942	5.969.739
Other Revenues	54.234	54.234	337.202
Internal project	-	-	-
<b>OPERATING REVENUES</b>	<b>6.812.175</b>	<b>6.812.175</b>	<b>6.306.941</b>
Material costs	(24.180)	(24.180)	(33.891)
Services costs and use of third party assets	(4.011.490)	(4.128.977)	(3.593.747)
<b>GROSS MARGIN</b>	<b>2.776.505</b>	<b>2.659.019</b>	<b>2.679.303</b>
Personnel costs	(2.007.396)	(2.007.396)	(1.816.287)
Other expenses	(273.908)	(273.908)	(328.957)
<b>EBITDA</b>	<b>495.202</b>	<b>377.715</b>	<b>534.059</b>
Amortization and impairment	(349.918)	(241.490)	(361.420)
<b>EBIT</b>	<b>145.283</b>	<b>136.225</b>	<b>172.639</b>
Financial income (expenses)	(31.251)	(15.726)	(20.781)
Other non-operating income/expense	(1.272)	(1.272)	1.337
<b>EARNINGS BEFORE TAXES</b>	<b>112.760</b>	<b>119.227</b>	<b>153.195</b>
Income taxes	(52.028)	(53.091)	(51.807)
<b>NET RESULT</b>	<b>60.732</b>	<b>66.136</b>	<b>101.388</b>
relating to the shareholders of the Group	99.665	103.235	102.796
relating to the third party shareholders	(38.933)	(37.099)	(1.408)

<b>CONSOLIDATED PRO-FORMA INCOME STATEMENT</b> (ALL AMOUNTS ARE IN EURO)	<b>PRO-FORMA * 31.12.2019</b>	<b>CONSOLIDATED 31.12.2019</b>
Net Sales	6.757.942	6.757.942
Other Revenues	54.233	54.234
Internal project	-	-
<b>OPERATING REVENUES</b>	<b>6.812.175</b>	<b>6.812.175</b>
Material costs	(24.180)	(24.180)
Service costs and use of third party assets	(3.376.191)	(4.011.490)
Personnel costs	(2.007.396)	(2.007.396)
Other expenses	(259.353)	(273.908)
<b>TOTAL OPERATING COSTS</b>	<b>(5.667.119)</b>	<b>(6.316.974)</b>
<b>OPERATING INCOME - EBITDA</b>	<b>1.145.056</b>	<b>495.202</b>
Amortization and impairment	(341.134)	(349.918)
<b>EBIT</b>	<b>803.922</b>	<b>145.283</b>
Financial income (expenses)	(39.600)	(31.251)
Other non-operating income/expense	-	(1.272)
<b>EARNINGS BEFORE TAXES</b>	<b>764.321</b>	<b>112.760</b>
Total current and deferred income taxes	(178.023)	(52.028)
<b>NET INCOME (LOSS) FOR THE YEAR</b>	<b>586.298</b>	<b>60.732</b>
<b>OF WHICH:</b>		
relating to the shareholders of the Group	604.471	101.499
relating to the third party shareholders	(18.173)	(40.767)

*\* The consolidated pro forma is not audited by the audit firm but it has been checked only the mathematic accuracy.*

<b>CONSOLIDATED NET FINANCIAL POSITION</b>	<b>CONSOLIDATED 31.12.2019</b> with IFRS 16 impact	<b>CONSOLIDATED 31.12.2019</b> without IFRS 16 impact	<b>CONSOLIDATED 31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)			
A. Cash	-	-	(234)
B. Cash equivalents	(2.537.357)	(2.537.357)	(2.699.306)
C. Securities held for trading	-	-	-
<b>D. LIQUIDITY (A)+(B)+(C)</b>	<b>(2.537.357)</b>	<b>(2.537.357)</b>	<b>(2.699.540)</b>
E. Current financial Receivables	<b>(13.442)</b>	<b>(13.442)</b>	-
F. Short-term bank liabilities	12.387	12.387	95.066
G. Current part of non-current borrowing	-	-	-
H. Current lease debt	107.462	-	-
I. Other current financial liabilities	-	-	-
<b>J. CURRENT FINANCIAL DEBT (F)+(G)+(H)+(I)</b>	<b>119.848</b>	<b>12.387</b>	<b>95.066</b>
<b>K. NET CURRENT FINANCIAL DEBT (J)-(E)-(D)</b>	<b>(2.430.950)</b>	<b>(2.538.412)</b>	<b>(2.604.474)</b>
L. Non-current bank liabilities	(412.086)	(412.086)	-
M. Bonds issued	-	-	-
N. Non current lease debt	205.248	-	-
O. Other non-current liabilities	412.086	412.086	-
<b>P. NON-CURRENT FINANCIAL DEBT (L)+(M)+(N)+(O)</b>	<b>205.248</b>	<b>-</b>	<b>-</b>
<b>Q. NET FINANCIAL DEBT (K)+(P)</b>	<b>(2.225.702)</b>	<b>(2.538.412)</b>	<b>(2.604.474)</b>

<b>ASSETS</b>	<b>CONSOLIDATED 31.12.2019</b> with IFRS 16 impact	<b>CONSOLIDATED 31.12.2019</b> without IFRS 16 impact	<b>CONSOLIDATED 31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)			
Goodwill	5.648.925	5.648.925	5.468.645
Tangible fixed assets	256.096	256.096	304.061
Right of use	304.441	-	-

Intangible assets	905.963	905.963	375.879
Non current financial assets	6.661	6.661	6.409
Other non current assets	177	177	1.364
Prepaid Tax assets	28.531	27.396	15.086
<b>NON CURRENT ASSETS</b>	<b>7.150.793</b>	<b>6.845.217</b>	<b>6.171.445</b>
Trade receivables	382.806	382.806	552.581
Current financial assets	13.442	13.442	-
Other current assets	121.713	121.713	72.365
Tax receivables	147.003	147.003	166.758
Cash and cash equivalents	2.537.357	2.537.357	2.699.540
Prepaid expenses and accrued income	481.987	481.987	465.721
<b>CURRENT ASSETS</b>	<b>3.684.309</b>	<b>3.684.309</b>	<b>3.956.966</b>
<b>TOTAL ASSETS</b>	<b>10.835.101</b>	<b>10.529.526</b>	<b>10.128.411</b>
<b>LIABILITIES</b>	<b>CONSOLIDATED 31.12.2019 with IFRS 16 impact</b>	<b>CONSOLIDATED 31.12.2019 without IFRS 16 impact</b>	<b>CONSOLIDATED 31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)			
Share Capital	148.855	148.855	142.000
Reserves	6.750.047	6.751.337	6.696.962
Retained Profit (Loss)	597.276	597.254	583.458
Year's profit (loss) relating to the shareholders of the Group	99.665	103.235	102.796
<b>NET EQUITY PARENT COMPANY</b>	<b>7.595.843</b>	<b>7.600.680</b>	<b>7.525.216</b>
Capital and Reserves relating to the third party shareholders	20.250	20.713	47.397
Year's Profit/loss relating to the third party shareholders	(38.933)	(37.099)	(1.408)
<b>NET EQUITY TO THE THIRD PARTY SHAREHOLDERS</b>	<b>(18.682)</b>	<b>(16.386)</b>	<b>45.989</b>
<b>NET EQUITY</b>	<b>7.577.161</b>	<b>7.584.295</b>	<b>7.571.206</b>
Non current financial payables	205.248	(0)	-

Severance reserves	14.932	14.932	15.233
Provisions for risks and future liabilities	-	-	-
Other non current liabilities	-	-	-
Liabilities for deferred taxes	15.212	15.212	17.396
<b>NON CURRENT LIABILITIES</b>	<b>235.392</b>	<b>30.144</b>	<b>32.629</b>
Trade payables	560.853	560.853	379.345
Other current liabilities	220.188	220.188	201.305
Current financial liabilities	119.848	12.387	95.066
Tax payables	140.968	140.968	92.318
Accrued liabilities and deferred income	1.980.692	1.980.692	1.756.541
<b>CURRENT LIABILITIES</b>	<b>3.022.549</b>	<b>2.915.087</b>	<b>2.524.576</b>
<b>TOTAL LIABILITIES</b>	<b>3.257.941</b>	<b>2.945.231</b>	<b>2.557.205</b>
<b>TOTAL LIABILITIES AND NET EQUITY</b>	<b>10.835.101</b>	<b>10.529.526</b>	<b>10.128.410</b>

<b>CASH FLOW STATEMENT</b>	<b>CONSOLIDATED 31.12.2019 with IFRS 16 impact</b>	<b>CONSOLIDATED 31.12.2019 without IFRS 16 impact</b>	<b>CONSOLIDATED 31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)			
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit for period	60.732	66.136	101.388
Income taxes	52.028	53.091	51.807
Interest payables/(receivables)	32.523	16.998	23.453
(Capital losses)/gains from sales of assets	-	-	
<b>1. EARNINGS BEFORE INCOME TAX, INTEREST, DIVIDENDS AND CAPITAL GAIN/LOSSES</b>	<b>145.283</b>	<b>136.225</b>	176.648
Adjustments for non-cash items that are not accounted for in net working capital change:	386.625	279.808	361.489
- Allocation to reserves	3.915	3.915	4.600
- Amortization and depreciation of assets	349.695	241.266	247.279
- Permanent loss write-down	38.185	38.185	116.622
- Other adjustments on non-monetary items	(5.170)	(3.558)	(7.012)

<b>2. CASH FLOW BEFORE NWC CHANGES</b>	<b>531.908</b>	<b>416.033</b>	538.137
Changes in NWC:	550.550	550.550	(142.275)
- Decrease (increase) in inventories	-	-	
- Decrease (increase) in customer receivables	154.307	154.307	(71.195)
- Increase (decrease) in supplier payables	196.015	196.015	(87.097)
- Decrease (increase) in prepaid expenses and accrued income	(16.266)	(16.266)	125.779
- Increase (decrease) in accrued expenses and deferred income	179.826	179.826	81.719
- Other changes to the NWC	36.668	36.668	(191.481)
<b>3. CASH FLOW AFTER NWC CHANGES</b>	<b>1.082.458</b>	<b>966.583</b>	395.861
Other changes:	(87.528)	(87.528)	(93.143)
- Interests collected/(paid)	(15.726)	(15.726)	(23.453)
- (income taxes paid)	(67.584)	(67.584)	(59.436)
- Dividends received	-	-	
- (Use of reserves)	(4.217)	(4.217)	(10.255)
<b>CASH FLOW FROM OPERATING ACTIVITIES [A]</b>	<b>994.931</b>	<b>879.056</b>	302.718
	-	-	
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-	
(Investments) disinvestment in tangible assets	(42.141)	(42.141)	(66.800)
(Investments) disinvestment in right of use assets	(440.501)	-	-
(Investments) disinvestment in intangible assets	(868.452)	(868.452)	(24.931)
(Investments) disinvestment in financial assets	(36.289)	(36.289)	(202.758)
(Investments) disinvestment in non-capitalized financial assets	(13.442)	(13.442)	-
<b>CASH FLOW FROM INVESTING ACTIVITIES [B]</b>	<b>(1.400.824)</b>	<b>(960.323)</b>	(294.489)
	-	-	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES [C]</b>	-	-	-
Increase (decrease) current payables to banks	(82.679)	(82.679)	(29.168)
New loans (Loan repayments)	324.626	-	(8.930)
Paid capital increase	1.763	1.763	114.898



Treasury share sale (purchase)	-	-	-
(Dividends paid)	-	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES [C]</b>	<b>243.710</b>	<b>(80.916)</b>	76.800
INCREASE (DECREASE) IN LIQUIDITY [A]+[B]+[C]	(162.184)	(162.184)	85.029
LIQUID FUNDS AT THE BEGINNING OF THE PERIOD	2.699.540	2.699.540	2.614.511
LIQUID FUNDS AT THE END OF THE PERIOD	2.537.357	2.537.357	2.699.540

<b>INCOME STATEMENT PARENT COMPANY DHH SPA</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)		
Net Sales	455.144	442.185
Other Revenues	0	288.012
<b>TOTAL REVENUES</b>	<b>455.145</b>	<b>730.197</b>
Service costs and use of third party assets	(585.067)	(409.966)
Personnel costs		-
Other expenses	(4.012)	(101.610)
<b>TOTAL OPERATING COSTS</b>	<b>589.079</b>	<b>511.576</b>
<b>OPERATING INCOME - EBITDA</b>	<b>(133.935)</b>	<b>218.621</b>
Amortization and impairment	(40.412)	(168.326)
<b>EBIT</b>	<b>(174.347)</b>	<b>50.295</b>
Financial income (expenses)	8.090	4.918
<b>EARNINGS BEFORE TAXES</b>	<b>(166.257)</b>	<b>55.212</b>
Total current and deferred income taxes	306	(13.205)
<b>NET INCOME (LOSS) FOR THE YEAR</b>	<b>(166.563)</b>	<b>42.008</b>

<b>NET FINANCIAL POSITION PARENT COMPANY DHH SPA</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)		
A. Cash	-	-
B. Cash equivalents	(376.064)	(877.624)
C. Securities held for trading	-	-
<b>D. LIQUIDITY (A)+(B)+(C)</b>	<b>(376.064)</b>	<b>(877.624)</b>
E. Current financial Receivables	(8.181)	(8.475)
F. Short-term bank liabilities	-	-
G. Current part of non-current borrowing	-	-
H. Other current financial liabilities	48	-
<b>I. CURRENT FINANCIAL DEBT (F)+(G)+(H)</b>	<b>48</b>	<b>-</b>
<b>J. NET CURRENT FINANCIAL DEBT (I)-(E)-(D)</b>	<b>(384.197)</b>	<b>(886.099)</b>
K. Non-current bank liabilities	-	-
L. Bonds issued	-	-
M. Other non-current liabilities	-	505.114
<b>N. NON-CURRENT FINANCIAL DEBT (K)+(L)+(M)</b>	<b>-</b>	<b>505.114</b>
<b>O. NET FINANCIAL DEBT (J)+(N)</b>	<b>(384.197)</b>	<b>(380.985)</b>

<b>ASSETS PARENT COMPANY DHH SPA</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)		
Investments	5.583.999	5.351.224
Intangible assets	9.393	12.580
Non current financial assets	540.000	571.402
Prepaid Tax assets	5.516	5.822
<b>NON CURRENT ASSETS</b>	<b>6.138.908</b>	<b>5.941.028</b>

Trade receivables	188.499	529.157
Current financial assets	8.181	8.475
Tax receivables	131.908	150.977
Cash and cash equivalents	376.064	877.624
Prepaid expenses and accrued income	23.786	14.253
<b>CURRENT ASSETS</b>	<b>728.438</b>	<b>1.580.486</b>
<b>TOTAL ASSETS</b>	<b>6.867.346</b>	<b>7.521.514</b>
<b>LIABILITIES (ALL AMOUNTS ARE IN EURO)</b>		
Share Capital	148.855	142.000
Reserves	6.733.078	6.697.926
Year's profit (loss)	(166.563)	42.008
<b>NET EQUITY</b>	<b>6.715.370</b>	<b>6.881.933</b>
Non current financial payables	-	-
Severance reserves	-	-
Other non current liabilities	-	505.114
Liabilities for deferred taxes	-	-
<b>NON CURRENT LIABILITIES</b>	<b>-</b>	<b>505.114</b>
Trade payables	111.401	88.870
Other current liabilities	32.499	28.342
Current financial liabilities	-	-
Tax payables	7.936	17.149
Accrued liabilities and deferred income	93	106
<b>CURRENT LIABILITIES</b>	<b>151.976</b>	<b>134.083</b>
<b>TOTAL LIABILITIES</b>	<b>151.976</b>	<b>639.581</b>
<b>TOTAL LIABILITIES AND NET EQUITY</b>	<b>6.867.346</b>	<b>7.521.514</b>

<b>CASH FLOW STATEMENT PARENT COMPANY DHH SPA</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
(ALL AMOUNTS ARE IN EURO)		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for period	(166.563)	42.008
Income taxes	306	13.205
Interest payables/(receivables)	(8.080)	(4.918)
(Capital losses)/gains from sales of assets	-	-
<b>1. EARNINGS BEFORE INCOME TAX, INTEREST, DIVIDENDS AND CAPITAL GAIN/LOSSES</b>	<b>(174.347)</b>	<b>50.295</b>
Adjustments for non-cash items that are not accounted for in net working capital change:	40.612	2.222
- Allocation to reserves	-	-
- Amortization and depreciation of assets	3.186	2.222
- Permanent loss write-down	-	-
- Other adjustments on non-monetary items	37.225	-
<b>2. CASH FLOW BEFORE NWC CHANGES</b>	<b>(133.935)</b>	<b>52.517</b>
Changes in NWC:	368.657	(301.866)
- Decrease (increase) in inventories	-	-
- Decrease (increase) in customer receivables	340.658	(333.549)
- Increase (decrease) in supplier payables	22.531	29.033
- Decrease (increase) in prepaid expenses and accrued income	(9.533)	3.909
- Increase (decrease) in accrued expenses and deferred income	(13)	41
- Other changes to the NWC	14.014	(1.299)
<b>3. CASH FLOW AFTER NWC CHANGES</b>	<b>233.722</b>	<b>(249.349)</b>
Other changes:	8.080	(7.529)
- Interests collected/(paid)	8.080	4.918
- (income taxes paid)	-	(12.447)

- Dividends received	-	-
- (Use of reserves)	-	-
<b>CASH FLOW FROM OPERATING ACTIVITIES [A]</b>	<b>241.812</b>	<b>(256.878)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Investments) disinvestment in tangible assets	-	-
(Investments) disinvestment in intangible assets	-	(8.426)
(Investments) disinvestment in financial assets	(258.598)	(42.515)
(Investments) disinvestment in non-capitalized financial assets	294	3.246
<b>CASH FLOW FROM INVESTING ACTIVITIES [B]</b>	<b>(238.304)</b>	<b>(47.695)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES [C]</b>		
Increase (decrease) current payables to banks	48	(256.825)
New loans (Loan repayments)	(505.114)	-
Paid capital increase	-	-
Treasury share sale (purchase)	-	-
Paid capital increase	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES [C]</b>	<b>(505.066)</b>	<b>(256.825)</b>
<b>INCREASE (DECREASE) IN LIQUIDITY [A]+[B]+[C]</b>	<b>(501.559)</b>	<b>(561.398)</b>
LIQUID FUNDS AT THE BEGINNING OF THE PERIOD	877.624	1.439.021
LIQUID FUNDS AT THE END OF THE PERIOD	376.064	877.624

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### **About DHH S.p.A.**

Established in July 2015 and located in Milan, DHH SpA (“DHH”) is a tech-group that provides the “virtual infrastructure” to run websites, apps, e-commerces and software as a service solutions to 100.000+ customers across Southeast Europe (the so-called “Adriatic Sea area”), a geographic area where expected growth rates are higher thanks to current lower digital penetration.

DHH is listed on AIM Italia, a Multilateral Trading Facility regulated by Borsa Italiana and registered as an SME Growth Market.

For more information please visit: [www.dhh.international](http://www.dhh.international)

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