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| Informazione<br>Regolamentata n.<br>20088-9-2021 | Data/Ora Ricezione<br>26 Marzo 2021<br>13:34:59 | AIM -Italia/Mercato<br>Alternativo del Capitale |
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Societa' : Dominion Hosting Holding S.p.A.  
Identificativo : 144234  
Informazione  
Regolamentata  
Nome utilizzatore : DOMINIONNSS02 - Giandomenico Sica  
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Data/Ora Ricezione : 26 Marzo 2021 13:34:59  
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Diffusione presunta  
Oggetto : DHH S.p.A. examined and approved the  
draft financial statements with proposal to  
distribute an ordinary dividend

*Testo del comunicato*

In 5 years since the foundation (2015), DHH passes from being an idea “on paper” to a leading player in the cloud computing industry in Southeastern Europe focused on recurring revenue by selling subscription-based, “as a service” products (SaaS - “Software As A Service”; IaaS - “Infrastructure As A Service”) on the market, serving more than 100.000 customers in the region

#### FINANCIAL HIGHLIGHTS :

NET SALES EQUAL TO EURO 18 MILLION VERSUS EURO 16,8 MILLION AS OF 31 DECEMBER 2019 +8%

RECURRING REVENUE (SAAS/IAAS) EQUAL TO ~90% OF NET SALES

EBITDA EQUAL TO EURO 6,8 MILLION VERSUS EURO 5,6 MILLION AS OF 31 DECEMBER 2019 +21%

NET RESULT EQUAL TO EURO 2,6 MILLION VERSUS EURO 1,8 MILLION AS OF 31 DECEMBER 2019 +45%

OPERATING CASHFLOW EQUAL TO EUR 5 MILLION VERSUS EBITDA EQUAL TO EUR 6,8 MILLION – CASH CONVERSION EQUAL TO 73,5%

NET EQUITY EQUAL TO EURO 16,4 MILLION VERSUS EURO 14,2 MILLION AS OF 31 DECEMBER 2019 +15%

NET FINANCIAL POSITION EQUAL TO EURO 1,5 MILLION (CASH) (OF WHICH EURO 8,8 MILLION RELATING TO CASH AND CASH EQUIVALENT, EURO 2,2 MILLION RELATING TO CURRENT FINANCIAL DEBT AND EURO 5,3 MILLION RELATING TO NON-CURRENT FINANCIAL DEBT) VERSUS EURO 2,2 MILLION (DEBT) AS OF 31 DECEMBER 2019 +168%



**The Board of Directors of DHH S.p.A. examined and approved the draft statutory financial statements as well as the group consolidated financial statements and *pro-forma* consolidated financial statements at 31 December 2020, with proposal to distribute an ordinary dividend in kind equal to no. 1 share per each no. 25 shares held (equivalent to Euro 2.205.101 as per the shares' price at March 25, 2021)**

*In 5 years since the foundation (2015), DHH passes from being an idea “on paper” to a leading player in the cloud computing industry in Southeastern Europe focused on recurring revenue by selling subscription-based, “as a service” products (SaaS - “Software As A Service”; IaaS - “Infrastructure As A Service”) on the market, serving more than 100.000 customers in the region*

#### **FINANCIAL HIGHLIGHTS<sup>1</sup>:**

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- EBITDA EQUAL TO **EURO 6,8 MILLION VERSUS EURO 5,6 MILLION** AS OF 31 DECEMBER 2019 **+21%**
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- OPERATING CASHFLOW EQUAL TO **EUR 5 MILLION** VERSUS EBITDA EQUAL TO **EUR 6,8 MILLION – CASH CONVERSION EQUAL TO 73,5%**
- NET EQUITY EQUAL TO **EURO 16,4 MILLION VERSUS EURO 14,2 MILLION** AS OF 31 DECEMBER 2019 **+15%**
- NET FINANCIAL POSITION EQUAL TO **EURO 1,5 MILLION (CASH)** (OF WHICH **EURO 8,8 MILLION** RELATING TO CASH AND CASH EQUIVALENT, **EURO 2,2 MILLION** RELATING TO CURRENT FINANCIAL DEBT AND **EURO 5,3 MILLION**

<sup>1</sup> The financial highlights are all referred to the **consolidated pro-forma financial statements** of DHH SpA, which include the full results of Seeweb Srl, both for 2020 and 2019, so to provide the reader with a like for like comparison, in accordance to what communicated in the information memorandum related to the reverse takeover between DHH SpA and Seeweb Holding Srl, published on May 21, 2020. The pro-forma consolidated financial statements are audited and have been prepared in accordance with the International Financial Reporting Standards and elaborated in accordance with the CONSOB Communication no. DEM/1052803 on 5 July 2001 that governs the methodology of preparation of pro-forma data.



RELATING TO NON-CURRENT FINANCIAL DEBT) VERSUS EURO 2,2 MILLION  
(DEBT) AS OF 31 DECEMBER 2019 +168%

Giandomenico Sica, Executive Chairman of DHH's Board of Directors, commented: *“In a world - the technology one - where we are surrounded by wannabe unicorns, we prefer to think of DHH as a turtle. A “fast turtle”. There is a popular Aesop's Fable titled “The Tortoise and the Hare”, in which the turtle challenges an arrogant hare to a race. The hare soon leaves the tortoise behind and, confident of winning, takes a nap midway through the race. When the hare awakes however, he finds that his competitor, crawling slowly but steadily, has arrived before him. Since the foundation of our company in 2015 we are working hard to improve our organic performances - net sales, EBITDA, net profit, cash flow - year after year, slowly but steadily. On top of the day to day activities on our portfolio companies we add M&A, and thanks to that we accelerate our growth. As a result, in 5 years DHH passed from being an ambitious idea “on paper” to a tech group with more than 18M EUR of revenue, 6,8M EUR of EBITDA, 2,6M EUR of net profit and a solid presence in Southeastern Europe, serving more than 100.000 customers in the region through well known brands like Artera, Domenca, Domovanje, InfoNet, mCloud, Plus Hosting, Seeweb, Si-Shell, Studio4Web, Sysbee, Tophost. In these years we executed 12 cross border M&A deals, aggregating the local champions in our industry, and we are going forward in this direction. With pandemic travelling is hard, but this doesn't stop our M&A activities and we are actively looking for opportunities on the market in the Emerging Markets of Europe and beyond (see <https://join.dhb.international>)”.*

Milan, 26 March 2021. (“DHH” or the “Company”), the cloud computing provider of Southeast Europe whose financial instruments are listed on AIM Italia, the Multilateral Trading Facility organised and managed by Borsa Italiana S.p.A. (DHH.MI | WDHH21.MI) (ISIN shares IT0005203622 | ISIN warrants IT0005203689), announces that today the Board of Directors examined and approved the draft statutory financial statements of the Company as well as the consolidated financial statements and the *pro-forma* consolidated financial statements relating to the group headed by DHH (the “Group”) at 31 December 2020.

The abovementioned documents shall be submitted, for the relevant approval and acknowledgement respectively, to the Shareholders' Meeting of DHH which will be convened for 28 April 2021.

The Board of Directors also resolved to propose to the Shareholders' Meeting, on the same occasion, the distribution of a dividend in kind consisting of free allocation of a portion of Company's treasury shares, equal to **no. 1 share per each no. 25 shares held** (with rounding down to the lowest unit number) **up to a maximum of no. 180.746 shares**, collectively representing up to 4% of DHH's share capital – in respect of no. 341.325 treasury shares currently owned, collectively representing 7,55% of DHH's share capital – and with a dividend total value amounting to Euro 2.205.101,2 (calculated on the basis of the shares' closing price as of yesterday, 25 March 2021). According to the Board of Directors proposal, the relevant detachment date would be **3 May 2021**, with record date on **4 May 2021** and payment date on **5 May 2021**. The dividend is an ordinary one. In accordance to the communications of the Italian tax office n.26/E of March 7, 2011 and n.12/E of February 7, 2012 the shares related to scrip dividends are not subject to taxation at the time of assignment.



## PERFORMANCE OF THE GROUP

The performance of the group is best represented by the *pro-forma* consolidated financial statements, which allow to compare the organic results of DHH including the merger by absorption of Seeweb Holding S.r.l., announced to the market on May 21, 2020 (ref. the “**RTO**”), approved by the shareholders of DHH on June 30, 2020, and effective since 11:59 p.m. of October 31, 2020.

In the information document related to the RTO as well as in the related section of DHH’s website (ref. <https://www.dhh.international/rto>), it is possible to find the *pro-forma* consolidated financial statements 2019 and 2018, which sum-up the performances of the new business entity, as communicated to the market.

In coherence with what communicated during the RTO process, and adopting the same criteria, DHH prepared the *pro-forma* consolidated financial statements with the goal of showing the evolution of the organic results of the group comparing them, like-for-like, to the ones achieved in 2019 and 2018.

The *pro-forma* consolidated financial statements are audited and have been prepared in accordance with the International Financial Reporting Standards and elaborated in accordance with the CONSOB Communication no. DEM/1052803 on 5 July 2001 that governs the methodology of preparation of *pro-forma* data.

| Pro-forma consolidated financial statements (in EUR) | 2020       | 2019       | 2018       | Delta 3Y (2018-2020) |
|--|------------|------------|------------|----------------------|
| Revenue  | 18.073.847 | 16.797.276 | 15.901.438 | +14%                 |
| EBITDA   | 6.828.578  | 5.623.228  | 3.684.650  | +85%                 |
| Net Profit   | 2.584.067  | 1.786.608  | 1.650.622  | +57%                 |
| Operating cash flow                                  | 5.008.530  | n/a        | n/a        | n/a                  |

Commenting the *pro-forma* financial statements, the consolidated net sales, amounting to Euro 17.900.116, show an increase of 8% compared to Euro 16.609.091 million in 2019. Such increase reflects the positive results achieved by the Group’s companies and is mainly attributable: to the double digit growth in Tophost in Italy on the business segment focused on low cost web hosting; to the double digit growth in Slovenia, thanks to the introduction of cloud computing services in the country under the brand Si-Shell; to the distributed growth on the other companies in the group (ref. Seeweb, mCloud, DHH Croatia).



## Geographical distribution of revenue

| Country            | Revenue (in EUR)                 | Delta vs 2019 |
|--------------------|----------------------------------|---------------|
| <b>Italy</b>       | 12,33M<br>(69% of total revenue) | +4%           |
| <b>Slovenia</b>    | 2,05M<br>(11% of total revenue)  | +22%          |
| <b>Croatia</b>     | 2,27M<br>(13% of total revenue)  | +4%           |
| <b>Serbia</b>      | 636k<br>(4% of total revenue)    | +15%          |
| <b>Switzerland</b> | 614k<br>(3% of total revenue)    | +89%          |

The Group's activity is currently focused on the following core business lines: cloud computing, and cloud hosting. DHH is home to 7 independent and autonomous businesses across five countries (Croatia, Italy, Serbia, Slovenia, and Italian Switzerland), each with its own branding, market positioning, and leadership. The Group companies are supported across various functions incl. strategy, corporate governance, business plan, M&A, compliance, strategic sourcing, and executive search. DHH serves as an environment where businesses share knowledge and build bottom-up synergies.

The Group provides a wide range of cloud computing services in a subscription model (SaaS/IaaS/PaaS), where customers are either billed in advance with a fixed, typically, annual fee or based on service usage (metered). The group companies are characterized by high customer retention of ~90% and, thus, a large share of recurring revenues.

DHH Group developed a well-balanced portfolio of over 100.000 clients across different segments within the market. The target segments are SMEs and solo entrepreneurs with the share of the largest client of 1%. Each portfolio company has its own product offering with an ARPU ranging from EUR 30 to EUR 7.600 across group companies (average EUR 190).

The offering spans from domain registration to cloud hosting, from cloud servers, housing, and colocation to ready IoT solutions. The comprehensive and well-balanced product portfolio is supported by extensive proprietary physical and network infrastructures managed by Seeweb.

The consolidated EBITDA results equal to Euro 6.828.578, with an increase of 21% compared to Euro 5.623.228 in 2019, corresponding to an EBITDA margin of 38% (33% in 2019). The EBIT, equal to Euro 3.785.100, rose by 49% in respect to Euro 2.542.320 in 2019.



The consolidated net result is reported as of Euro 2.584.067, increasing by 45% compared to Euro 1.786.608 in 2019.

The consolidated net financial position amounts to Euro(1.483.863) – of which Euro 8.846.040 relating to cash equivalents, Euro 209.932 relating to current financial assets, Euro 2.237.577 relating to current financial debt and Euro 5.334.532 relating to non-current financial debt – while it amounted to Euro 2.173.480 in 2019.

The consolidated net equity is of Euro 16.355.894, in respect of Euro 14.211.800 million in 2019.

As an integration to the above-mentioned information, below it is possible to find the main indicators of the consolidated financial statements 2019 of DHH, as shared to the market on March 26, 2020 (therefore without taking into account the contribution of Seeweb, since the transaction was not yet completed at that time).

They are compared with the consolidated financial statements 2020 of DHH, including the contribution of Seeweb since the data of effectiveness of the transaction (11:59 p.m. of October 31, 2020).

| <b>Consolidated financial statements</b> | <b>2020</b> | <b>2019</b> | <b>Delta</b> |
|--|-------------|-------------|--------------|
| <b>Revenue</b>                           | 9.349.167   | 6.812.175   | <b>+37%</b>  |
| <b>EBITDA</b>                            | 1.834.234   | 495.202     | <b>+270%</b> |
| <b>Net Profit</b>                        | 615.009     | 60.732      | <b>+913%</b> |
| <b>Operating cash flow</b>               | 2.110.309   | 994.931     | <b>+112%</b> |

Additional details are available in the Annexes to the current press release.

## **DHH PROFIT/LOSS ALLOCATION**

DHH, parent company of the Group, in the financial year ended on 31 December 2020 reported a loss amounting to Euro 385.127. DHH's Board of Directors proposes to the shareholders to carry forward the loss.

## **AUTHORISATION TO THE PURCHASE AND DISPOSAL OF TREASURY SHARES**

In addition to the above, during the meeting of DHH's Board of Directors held on today's date it was resolved to submit to DHH's shareholders the proposal of authorising the purchase and disposal of treasury shares pursuant to article 2357 of the Italian Civil Code, prior revocation of the authorisation granted with resolution of the Shareholders' Meeting on 27 April 2020.



The reason of the proposal is to allow the Board of Directors to utilise the treasury shares for one or more of the following purposes:

- executing share incentive plans (*e.g.* stock options, stock grant, work for equity plans *etc.*), allocating shares – in incentive perspective – as compensations or consideration or bonuses to directors, employees and/or co-workers, freely allocating shares to shareholders, fulfil to obligations deriving from warrants or other financial instruments;
- allocating or exchanging shares within the context of transactions related to the core management and operations of the Company or to the strategic lines that the Company intends to pursue (extraordinary financing transactions, business combination transactions, strategic commercial agreements *etc.*);
- considering the share as an object of investment, in order to efficiently use the liquidity generated through the carrying out of the ordinary business activity of the Company; and
- taking actions (if possible under the applicable laws and regulations and in compliance therewith), also through intermediaries, aimed at limiting anomalous movements in share prices and regularising tradings and runs in case of temporary distorting phenomena due to an excess of volatility or limited exchange liquidity or, more in general, to support the shares' liquidity and the market efficiency.

The proposal that will be submitted to the DHH's shareholders is to authorise the Board of Directors, for a period of 18 months starting from the date of the relevant resolution adopted by the Shareholders' Meeting, to:

- (a) purchase, in one or more occasions or in *tranches*, up to a maximum number of treasury shares (including the ones held also by subsidiaries) representing the 15% of the shares outstanding from time to time;
- (b) utilise, for the purchase, a maximum amount equal to Euro 1.000.000;
- (c) purchase the shares through any of the modalities allowed by the laws and regulations in force, and, in any case, according to the principle of equal treatment of the shareholders and in compliance with article 132 of the Legislative Decree no. 58/1998, article 144-*bis* of Consob Regulations no 11971/1999, as well as with EU Regulations no. 596/2014 and relevant implementing regulations;
- (d) purchase the shares at a price not lower and not higher of more than 15% compared to the relevant official stock exchange price registered on the date of the meeting preceding each transaction (with certain exceptions and, in any case, in compliance with the EU Delegated Regulations no. 2016/1052 and the other applicable laws and regulations); and
- (e) dispose or utilise the treasury shares through any of the modalities allowed by the laws and regulations in force and according to prices and under conditions and criteria determined by the Board of Directors, taking into account the modality of disposal or utilisation, the trends of the relevant prices during the period preceding the transactions and the best interest of DHH.





## **GRANTING OF DELEGATION FOR SHARE CAPITAL INCREASES AND ISSUANCE OF BONDS (ALSO CONVERTIBLE OR MANDATORY CONVERTIBLE BONDS)**

Furthermore, the Board of Directors of DHH resolved to propose to the Shareholders' Meeting the granting of a delegation pursuant to, respectively, article 2443 and article 2420-ter of the Italian Civil Code, to increase the share capital of the Company and issue bonds (also convertible or mandatory convertible bonds or, however, granting the right to purchase or subscribe shares), also with exclusion of option rights or through free capital increases pursuant to article 2441, paragraphs 4, 5 and 8, and article 2349 of the Italian Civil Code.

The proposal at issue is to grant the Board of Directors of DHH with the abovementioned wide delegation (i) for a period up to 5 years from the date of the resolution adopted by the Shareholders' Meeting and (ii) up to a maximum total amount of Euro 30.000.000,00, relating to both the share capital increases (including share premium) and the issuance of bonds.

The reasons for the proposal are, among others, the prospective advantages in terms of flexibility and promptness in completing extraordinary transactions, when rapidity of action may be deemed useful or appropriate to seize the best opportunities, also taking into account the significant uncertainty and volatility of financial markets.

It is to be noted that, in case of approval of the proposal by the Shareholders' Meeting, the Board of Directors of DHH does not intend to immediately exercise the delegation granted.

## **OTHER RESOLUTIONS**

Within the context of the Board of Directors' meeting held on today's date, it was resolved, *inter alia*, to submit to the Shareholders' Meeting:

- the granting of a compensation in favour of the directors for the financial year 2021, *i.e.* an attendance allowance equal to Euro 500,00 per each Board of Directors' meeting to which any board member will have attended (in line with the past years 2019 and 2020); and
- certain amendments to the Company's by-laws, aimed at aligning the same with the legislative and regulatory changes recently occurred and with the market best practice.

Furthermore the entering into, by DHH's subsidiary Seeweb, of three services agreements with Quadrant S.r.l. (which is a related party of both Seeweb and DHH) was approved by DHH's Board of Directors. More specifically, Quadrant is owned (i) as for 50,67%, by Antonio Domenico Baldassarra (member of DHH's Board of Directors and relative majority shareholder of the Company, as the owner of DHH's shares representing more than 20% of the share capital), and (ii) as for the remaining 49,33%, by Enrico Vona (Sole Director of Quadrant and shareholder of the Company as the owner of DHH's shares representing more than 20% of the share capital).



In light of the above, the execution of each of the mentioned agreements constitutes a transaction with related party under the “*Procedure for Managing Transactions with Related Parties*” adopted by DHH’s Board of Directors on 28 September 2020 (the “**Procedure**”) and under the applicable regulatory provisions.

The agreements at issue may be synthetically described as follows.

1. Technological services agreement (Milan, Via Caldera 21): object of the agreement is the supply, by Quadrant in favour of Seeweb, of technological services (including the granting of using spaces) at the “Caldera Business Park” in Milan, Via Caldera 21, for a duration of 1 year starting from 1 January 2021, against compensation amounting to Euro 255.000,00 plus VAT.
2. Services agreement (Frosinone, Via Armando Vona 66): object of the agreement is the supply, by Quadrant in favour of Seeweb, of services (cleaning, sanitisation, gardening, surveillance and security *etc.*) at the industrial premises – currently leased to Seeweb – in Frosinone, Via Armando Vona 66, for a duration of 1 year starting from 1 January 2021, against compensation of Euro 110.000,00 plus VAT.
3. Services agreement (Frosinone, Corso Lazio 9): object of the agreement is the supply, by Quadrant in favour of Seeweb, of services (cleaning, gardening, surveillance and security *etc.*) at the premises – currently leased to Seeweb – in Frosinone, Corso Lazio 9, for a duration of 1 year starting from 1 January 2021, against compensation of Euro 10.000,00 plus VAT.

The services agreements described above are functional to the business activity carried out by Seeweb and the premises where the services are rendered – and where Seeweb’s data centers are located – are strategically important.

Due to their respective values (lower than the materiality thresholds set out for the “Significant Transactions”, as defined in the Procedure on the basis of the criteria set out in Annex 2 to the AIM Italia Related Parties Provisions), the agreements under items 1 and 2 above have been subject to the relevant approval process provided in respect to “Less Significant Related Party Transactions” under the Procedure.

More specifically, in compliance with the mentioned Procedure, the entering into of the services agreements with Quadrant has been approved by DHH’s Board of Directors also on the basis of the relevant favourable opinions issued by a proper Related-Party Transactions Committee duly constituted for the purpose, composed by the Independent Director and the Chairman of the Statutory Auditors of the Company.

The Committee, after having been involved in the preliminary stages of the transactions and provided with complete and adequate information on the same, issued the mentioned reasoned opinion, expressly stating the interest of the Company and Seeweb in carrying out the transactions, as well as the convenience and substantive correctness of the relevant applicable terms and conditions.



## **MATERIAL EVENTS OCCURRED DURING THE FINANCIAL YEAR 2020 AND SUBSEQUENTLY OCCURRED**

Significant government action and intervention began to take place on 30 January 2020 when the World Health Organisation declared COVID-19 to be a global health emergency, which generally triggered the recognition of the broad economic effects of the outbreak in financial statements. The exceptional measures adopted by the governments of many countries to limit the spread of COVID-19 generated effects beginning from the end of March.

With regard to the DHH Group organization, local offices have not stopped its activities, strictly complying with safety measures set by local authorities and, wherever possible, with the smart-working policies being recommended for office-based employees, given that the safety and wellbeing of people is a top priority.

No significant events and transactions have occurred since 31 december 2019 relate to the effects of the global pandemic on Group's consolidated financial statements 2020.

### **21 May 2020**

DHH's Board of Directors approved the RTO and the relevant merger plan relating to the merger by absorption of Seeweb Holding into the Company, with an exchange ratio equal to no. 31.828,92 DHH's shares per each Euro 1.000,00 of Seeweb Holding's corporate capital. The completion of the RTO was conditional upon the authorisation by the Ordinary Shareholders' Meeting of the Company (pursuant to article 14 of the AIM Italia Issuers Regulation) and approval of the relevant merger by the Extraordinary Shareholders' Meeting of the Company with the majorities under article 49, paragraph 1, letter g), of the Issuers Regulation approved by CONSOB with resolution no. 11971/1999 (so called "whitewash waiver").

### **30 June 2020**

The Ordinary Shareholders' Meeting of DHH approved the authorisation to the RTO, while the Extraordinary Shareholders' Meeting approved the merger of Seeweb Holding into the Company with the majorities required for the purposes of the whitewash waiver.

### **15 October 2020**

For the purposes of the RTO, the notarial merger deed related to the merger by absorption of Seeweb Holding into DHH was entered into pursuant to article 2504 of the Italian Civil Code.

### **27 October 2020**

DHH announced that the RTO and the relevant merger by absorption of Seeweb Holding into DHH would have been effective, for statutory purposes, starting from 23:59 p.m. of 31 October 2020 (while, for accounting and tax purposes, it was effective starting from 1 January 2020).



## 28 December 2020

DHH, owner of 80% of DHH Switzerland S.A.'s corporate capital, announced to have acquired the remaining 20% from Sergio Ravera, against assignment of no. 18.675 DHH's treasury shares (for a total value equal to Euro 200.000,00).

## 12 January 2021

Borsa Italiana authorized DHH to trade its ordinary shares (ISIN IT0005203622) with a minimum lot size equal to 1.

## 18 January 2021

Seeweb, DHH fully owned portfolio company – [www.seeweb.it](http://www.seeweb.it), was awarded the Legality Rating with a score ★★ by AGCM, the Italian Competition Authority.

## 10 March 2021

DHH has identified MIT SIM S.p.A. as the new specialist and has entered into an agreement with the same, pursuant to which MIT SIM S.p.A. will take on such office from 14 June 2021.

## 16 March 2021

DHH communicates the variation of share capital.

As a result of the exercise period no. 1.500 warrants were exercised and consequently issued no. 38 regular new DHH shares with no indication of nominal value, for a total value of Euro 448,40. The share capital of DHH is now equal to Euro 451.866,90, represented by no. 4.518.669 ordinary shares without par value.

## **NOTICE OF CALL FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF DHH**

In light of all the above, DHH's Board of Directors resolved to convene the Ordinary and Extraordinary Shareholders' Meeting of the Company for 28 April 2021, in order to discuss and decide about the following items:

- 1) In ordinary session:
  1. approval of DHH's statutory financial statements at 31 December 2020, presentation of the Group's consolidated financial statements and *pro-forma* consolidated financial statements as of 31 December 2020 and distribution of a dividend in kind;
  2. authorisation to the purchase and disposal of DHH's treasury shares, after revocation of the previous authorisation granted with resolution by the Shareholders' Meeting of the Company on 27 April 2020;



3. granting of compensation to DHH's Board of Directors for the financial year 2021;
  4. adoption of DHH Shareholders' Meetings Regulations;
- 2) in extraordinary session:
1. amendment of DHH's by-laws currently in force;
  2. granting of delegation to DHH's Board of Directors for share capital's increases and issuance of bonds (including convertible or mandatory convertible bonds) up to the maximum amount of Euro 30.000.000,00, also with exclusion of option rights or through free capital increases.

The relevant notice of call will be available – together with all supporting documentation – within the term provided for by the law and DHH's by-laws at the Company's registered office and at the website [www.dhh.international](http://www.dhh.international), section "For Investors". DHH's shareholders may view such documentation and request copy thereof.

The financial reports will be made available on the company's website at [www.dhh.international](http://www.dhh.international).

The financial statements are attached: [link](#)

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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 S.p.A. and registered as an SME Growth Market.

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

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## PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS

| <b>CONSOLIDATED PRO-FORMA INCOME STATEMENT DHH GROUP</b>   | <b>PRO-FORMA</b>   | <b>PRO-FORMA</b>   | <b>DELTA</b> |
|--|--------------------|--------------------|--------------|
| (All amounts are in EURO)                                  | 31.12.2020         | 31.12.2019         |              |
| Net Sales  | 17.900.116         | 16.609.091         | 8%           |
| Other Revenues   | 173.731            | 188.185            | -8%          |
| <b>OPERATING REVENUES</b>                                  | <b>18.073.847</b>  | <b>16.797.276</b>  | 8%           |
| Material costs Service costs and use of third party assets | -7.709.303         | -7.345.492         | 5%           |
| Personnel costs  | -3.076.313         | -3.339.830         | -8%          |
| Other expenses   | -459.653           | -488.726           | -6%          |
| <b>TOTAL OPERATING COSTS</b>                               | <b>-11.245.269</b> | <b>-11.174.048</b> | 1%           |
| <b>OPERATING INCOME - EBITDA</b>                           | <b>6.828.578</b>   | <b>5.623.228</b>   | 21%          |
| Amortization and impairment                                | -3.043.477         | -3.080.908         | -1%          |
| <b>EBIT</b>  | <b>3.785.100</b>   | <b>2.542.320</b>   | 49%          |
| Financial income (expenses)                                | -184.973           | -172.922           | 7%           |
| Other non-operating income/expense                         | -                  | 180.517            | n/a          |
| <b>EARNINGS BEFORE TAXES</b>                               | <b>3.600.126</b>   | <b>2.549.915</b>   | 41%          |
| Total current and deferred income taxes                    | -1.016.060         | -763.307           | 33%          |
| <b>NET INCOME (LOSS) FOR THE YEAR</b>                      | <b>2.584.067</b>   | <b>1.786.608</b>   | 45%          |



| <b>ASSETS</b>                               | <b>CONSOLIDATED<br/>PRO-FORMA</b> | <b>CONSOLIDATED<br/>PRO-FORMA</b> | <b>DELTA</b> |
|---|-----------------------------------|-----------------------------------|--------------|
| (All amounts are in EURO)                   | 31.12.2020                        | 31.12.2019                        |              |
| Trademark                                   | 3.087.307                         |                                   |              |
| Goodwill                                    | 7.956.819                         | 10.731.115                        | -26%         |
| Tangible fixed assets                       | 1.782.841                         | 1.766.574                         | 1%           |
| Right of use                                | 4.255.078                         | 5.721.813                         | -26%         |
| Intangible assets                           | 1.009.773                         | 970.458                           | 4%           |
| Investments                                 | 259.601                           | 259.601                           | 0%           |
| Non current financial assets                | 18.302                            | 18.263                            | 0%           |
| Other non current assets                    | -                                 | 177                               |              |
| Prepaid Tax assets                          | 303.308                           | 179.864                           | 69%          |
| <b>NON CURRENT ASSETS</b>                   | <b>18.673.028</b>                 | <b>19.647.866</b>                 | <b>-5%</b>   |
| Trade receivables                           | 2.193.909                         | 2.088.816                         | 5%           |
| Current financial assets                    | 209.932                           | 470.132                           | -55%         |
| Other current assets                        | 541.285                           | 505.891                           | 7%           |
| Tax receivables                             | 253.607                           | 200.641                           | 26%          |
| Cash and cash equivalents                   | 8.846.040                         | 4.562.133                         | 94%          |
| <b>CURRENT ASSETS</b>                       | <b>12.044.772</b>                 | <b>7.827.612</b>                  | <b>54%</b>   |
| <b>TOTAL ASSETS</b>                         | <b>30.717.798</b>                 | <b>27.475.478</b>                 | <b>12%</b>   |
|   |                                   |                                   |              |
| <b>LIABILITIES</b>                          | <b>CONSOLIDATED<br/>PRO-FORMA</b> | <b>CONSOLIDATED<br/>PRO-FORMA</b> | <b>DELTA</b> |
| (All amounts are in EURO)                   | 31.12.2020                        | 31.12.2019                        |              |
| <b>NET EQUITY</b>                           | <b>16.355.894</b>                 | <b>14.211.800</b>                 | <b>15%</b>   |
| Non current financial payables              | 5.334.532                         | 4.704.218                         | 13%          |
| Severance reserves                          | 573.638                           | 559.511                           | 3%           |
| Provisions for risks and future liabilities | -                                 | -                                 |              |
| Other non current liabilities               | -                                 | -                                 |              |
| Liabilities for deferred taxes              | 881.622                           | 21.314                            | 4.036%       |
| <b>NON CURRENT LIABILITIES</b>              | <b>6.789.791</b>                  | <b>5.285.044</b>                  | <b>28%</b>   |
| Trade payables                              | 1.768.490                         | 2.169.520                         | -18%         |
| Other current liabilities                   | 2.989.826                         | 2.816.802                         | 6%           |
| Current financial liabilities               | 2.237.577                         | 2.501.527                         | -11%         |
| Tax payables                                | 576.221                           | 490.786                           | 17%          |
| <b>CURRENT LIABILITIES</b>                  | <b>7.572.114</b>                  | <b>7.978.634</b>                  | <b>-5%</b>   |
| <b>TOTAL LIABILITIES AND NET EQUITY</b>     | <b>30.717.798</b>                 | <b>27.475.479</b>                 | <b>12%</b>   |



| <b>CONSOLIDATED PRO-FORMA<br/>CASH FLOW STATEMENT DHH GROUP</b>                             | <b>PRO-FORMA<br/>31.12.2020</b> |
|---|---------------------------------|
| (All amounts are in EURO)   |                                 |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                 |
| Profit for period   | 2.584.067                       |
| Income taxes  | 1.016.060                       |
| Interest payables/(receivables)   | 184.974                         |
| (Capital losses)/gains from sales of assets   | -                               |
| <b>1. EARNINGS BEFORE INCOME TAX, INTEREST,<br/>DIVIDENDS AND CAPITAL GAIN/LOSSES</b>       | <b>3.785.100</b>                |
| Adjustments for non-cash items that are<br>not accounted for in net working capital change: | 2.883.752                       |
| - Allocation to reserves  | 13.075                          |
| - Amortization and depreciation of assets   | 3.043.477                       |
| - Permanent loss write-down   | -                               |
| - Other adjustments on non-monetary items   | (172.800)                       |
| <b>2. CASH FLOW BEFORE NWC CHANGES</b>  | <b>6.668.853</b>                |
| Changes in NWC:   | (459.289)                       |
| - Decrease (increase) in inventories  | -                               |
| - Decrease (increase) in customer receivables   | (105.092)                       |
| - Increase (decrease) in supplier payables  | (401.030)                       |
| - Decrease (increase) in prepaid expenses and accrued income                                | (35.394)                        |
| - Increase (decrease) in accrued expenses and deferred income                               | 173.024                         |
| - Other changes to the NWC  | (90.798)                        |
| <b>3. CASH FLOW AFTER NWC CHANGES</b>   | <b>6.209.563</b>                |
| Other changes:  | (1.201.034)                     |
| - Interests collected/(paid)  | (184.974)                       |
| - (income taxes paid)   | (1.016.060)                     |
| - Dividends received  | -                               |
| - (Use of reserves)   | -                               |
| <b>CASH FLOW FROM OPERATING ACTIVITIES [A]</b>  | <b>5.008.530</b>                |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                                 |
| (Investments) disinvestment in tangible assets  | (623.666)                       |
| (Investments) disinvestment in right of use   | (504.874)                       |
| (Investments) disinvestment in intangible assets  | (267.651)                       |
| (Investments) disinvestment in financial assets   | (38)                            |





|  |                |
|--|----------------|
| CASH FLOW FROM INVESTING ACTIVITIES [B]        | (1.396.229)    |
| C. CASH FLOW FROM FINANCING ACTIVITIES [C]     |                |
| Increase (decrease) current payables to banks  | 260.200        |
| New loans (Loan repayments)                    | 366.363        |
| Paid capital increase                          | 45.043         |
| Treasury share sale (purchase)                 |                |
| (Dividends paid)                               |                |
| <b>CASH FLOW FROM FINANCING ACTIVITIES [C]</b> | <b>671.606</b> |
| INCREASE (DECREASE) IN LIQUIDITY [A]+[B]+[C]   | 4.283.907      |
| LIQUID FUNDS AT THE BEGINNING OF THE PERIOD    | 4.562.133      |
| LIQUID FUNDS AT THE END OF THE PERIOD          | 8.846.040      |

| <b>NET FINANCIAL POSITION<br/>PARENT COMPANY DHH SPA</b><br>(All amounts are in EURO) | 31.12.2020         | 31.12.2019         | <b>DELTA</b> |
|---|--------------------|--------------------|--------------|
| A. Cash   | -                  | -                  | n/a          |
| B. Cash equivalents   | (8.846.040)        | (4.562.133)        | 94%          |
| C. Securities held for trading  | -                  | -                  | n/a          |
| <b>D. LIQUIDITY (A)+(B)+ (C)</b>  | <b>(8.846.040)</b> | <b>(4.562.133)</b> | <b>94%</b>   |
| <b>E. Current financial Receivables</b>   | <b>(209.932)</b>   | <b>(470.132)</b>   | <b>-55%</b>  |
| F. Short-term bank liabilities  | -                  | -                  | n/a          |
| G. Current part of non-current borrowing  | -                  | -                  | n/a          |
| H. Other current financial liabilities  | 2.237.577          | 2.501.527          | -11%         |
| <b>I. CURRENT FINANCIAL DEBT (F)+(G)+(H)</b>  | <b>2.237.577</b>   | <b>2.501.527</b>   | <b>-11%</b>  |
| <b>J. NET CURRENT FINANCIAL DEBT (I)-(E)-(D)</b>                                      | <b>(6.818.395)</b> | <b>(2.530.738)</b> | <b>169%</b>  |
| K. Non-current bank liabilities   | -                  | -                  | n/a          |
| L. Bonds issued   | -                  | -                  | n/a          |
| M. Other non-current liabilities  | 5.334.532          | 4.704.218          | 13%          |
| <b>N. NON-CURRENT FINANCIAL DEBT (K)+(L)+(M)</b>                                      | <b>5.334.532</b>   | <b>4.704.218</b>   | <b>13%</b>   |
| <b>O. NET FINANCIAL DEBT (J)+(N)</b>  | <b>(1.483.863)</b> | <b>2.173.480</b>   | <b>-168%</b> |



## FINANCIAL STATEMENTS OF DHH SPA AS A SINGLE ENTITY

| <b>INCOME STATEMENT<br/>PARENT COMPANY DHH SPA*</b><br>(All amounts are in EURO) | 31.12.2020       | 31.12.2019       | <b>DELTA</b> |
|--|------------------|------------------|--------------|
| Net Sales  | 102.401          | 455.144          | -78%         |
| Other Revenues   | 3                | 0                | 731%         |
| <b>OPERATING REVENUES</b>  | <b>102.405</b>   | <b>455.145</b>   | <b>-78%</b>  |
| Material costs   | (282)            |                  | n/a          |
| Services costs and use of third party assets                                     | (591.598)        | (585.067)        | 1%           |
| <b>GROSS MARGIN</b>  | <b>(489.475)</b> | <b>(129.923)</b> | <b>277%</b>  |
| Personnel costs  | -                | -                | n/a          |
| Other expenses   | (33.524)         | (4.012)          | 736%         |
| <b>EBITDA</b>  | <b>(522.999)</b> | <b>(133.935)</b> | <b>290%</b>  |
| Amortization and impairment  | (28.492)         | (53.308)         | -47%         |
| <b>EBIT</b>  | <b>(551.491)</b> | <b>(187.243)</b> | <b>195%</b>  |
| Financial income (expenses)  | 167.492          | 8.090            | 1.970%       |
| Other non-operating income/expense   | -                | -                | n/a          |
| <b>EARNINGS BEFORE TAXES</b>   | <b>(383.999)</b> | <b>(179.153)</b> | <b>114%</b>  |
| Income taxes   | (1.128)          | 2.266            | -150%        |
| <b>NET RESULT</b>  | <b>(385.127)</b> | <b>(176.887)</b> | <b>118%</b>  |

\*OIC

| <b>NET FINANCIAL POSITION<br/>PARENT COMPANY DHH SPA*</b><br>(All amounts are in EURO) | 31.12.2020       | 31.12.2019       | <b>DELTA</b> |
|--|------------------|------------------|--------------|
| A. Cash  | -                | -                | n/a          |
| B. Cash equivalents  | (270.093)        | (376.064)        | -28%         |
| C. Securities held for trading   | -                | -                | n/a          |
| <b>D. LIQUIDITY (A)+(B)+ (C)</b>   | <b>(270.093)</b> | <b>(376.064)</b> | <b>-28%</b>  |
| <b>E. Current financial Receivables</b>  | -                | <b>(8.181)</b>   | -100%        |
| F. Short-term bank liabilities   | -                | -                | n/a          |
| G. Current part of non-current borrowing   | -                | -                | n/a          |
| H. Other current financial liabilities   | 25               | 48               | -48%         |
| <b>I. CURRENT FINANCIAL DEBT (F)+(G)+(H)</b>   | <b>25</b>        | <b>48</b>        | <b>-48%</b>  |
| <b>J. NET CURRENT FINANCIAL DEBT (I)-(E)-(D)</b>                                       | <b>(270.068)</b> | <b>(384.197)</b> | <b>-30%</b>  |
| K. Non-current bank liabilities  | -                | -                | n/a          |
| L. Bonds issued  | -                | -                | n/a          |
| M. Other non-current liabilities   | 64.000           | -                | n/a          |
| <b>N. NON-CURRENT FINANCIAL DEBT (K)+(L)+(M)</b>                                       | <b>64.000</b>    | -                | <b>n/a</b>   |
| <b>O. NET FINANCIAL DEBT (J)+(N)</b>   | <b>(206.068)</b> | <b>(384.197)</b> | <b>-46%</b>  |

\*OIC



| <b>ASSETS PARENT COMPANY DHH SPA*</b><br>(All amounts are in EURO)     | 31.12.2020       | 31.12.2019       | <b>DELTA</b> |
|--|------------------|------------------|--------------|
| Investments  | 6.119.299        | 5.583.999        | 10%          |
| Tangible fixed assets  | -                | -                | n/a          |
| Intangible assets  | 467.863          | 13.199           | 3.445%       |
| Non current financial assets   | -                | 540.000          | -100%        |
| Other non current assets   | -                | -                | n/a          |
| Prepaid Tax assets   | 2.952            | 4.080            | -28%         |
| <b>NON CURRENT ASSETS</b>  | <b>6.590.114</b> | <b>6.141.278</b> | <b>7%</b>    |
| Trade receivables  | 24.309           | 188.499          | -87%         |
| Current financial assets   | -                | 8.181            | -100%        |
| Other current assets   | -                | -                | n/a          |
| Tax receivables  | 238.686          | 131.908          | 81%          |
| Cash and cash equivalents  | 270.093          | 376.064          | -28%         |
| Prepaid expenses and accrued income                                    | 17.919           | 23.786           | -25%         |
| <b>CURRENT ASSETS</b>  | <b>551.008</b>   | <b>728.439</b>   | <b>-24%</b>  |
| <b>TOTAL ASSETS</b>  | <b>7.141.122</b> | <b>6.869.717</b> | <b>4%</b>    |
|  |                  |                  |              |
| <b>LIABILITIES PARENT COMPANY DHH SPA</b><br>(All amounts are in EURO) | 31.12.2020       | 31.12.2019       | <b>DELTA</b> |
| Share Capital  | 451.867          | 148.855          | 204%         |
| Reserves   | 6.757.205        | 6.745.772        | 0,2%         |
| Year's profit (loss) relating to the shareholders of the Group         | -385.127         | -176.887         | 118%         |
| <b>NET EQUITY</b>  | <b>6.823.945</b> | <b>6.717.740</b> | <b>1,6%</b>  |
| Non current financial payables   | 64.000           | -                | n/a          |
| Severance reserves   | -                | -                | n/a          |
| Provisions for risks and future liabilities                            | -                | -                | n/a          |
| Other non current liabilities  | -                | -                | n/a          |
| Liabilities for deferred taxes   | -                | -                | n/a          |
| <b>NON CURRENT LIABILITIES</b>   | <b>64.000</b>    | <b>0</b>         | <b>n/a</b>   |
| Trade payables   | 192.669          | 111.401          | 73%          |
| Other current liabilities  | 33.530           | 32.499           | 3%           |
| Current financial liabilities  | 25               | 48               | -47%         |
| Tax payables   | 26.812           | 7.936            | 238%         |
| Accrued liabilities and deferred income                                | 140              | 93               | 51%          |
| <b>CURRENT LIABILITIES</b>   | <b>253.177</b>   | <b>151.977</b>   | <b>67%</b>   |
| <b>TOTAL LIABILITIES</b>   | <b>317.177</b>   | <b>151.977</b>   | <b>109%</b>  |
| <b>TOTAL LIABILITIES AND NET EQUITY</b>                                | <b>7.141.121</b> | <b>6.869.717</b> | <b>4%</b>    |

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| <b>CASH FLOW STATEMENT<br/>PARENT COMPANY DHH SPA*</b><br>(All amounts are in EURO)         | 31.12.2020       | 31.12.2019       | <b>DELTA</b> |
|---|------------------|------------------|--------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                  |                  |              |
| Profit for period   | (385.127)        | (176.887)        | 118%         |
| Income taxes  | 1.128            | (2.266)          | -150%        |
| Interest payables/(receivables)   | (167.291)        | (8.119)          | 1960%        |
| (Capital losses)/gains from sales of assets   | -                | -                | n/a          |
| <b>1. EARNINGS BEFORE INCOME TAX, INTEREST,<br/>DIVIDENDS AND CAPITAL GAIN/LOSSES</b>       | <b>(551.290)</b> | <b>(187.272)</b> | <b>194%</b>  |
| Adjustments for non-cash items that are<br>not accounted for in net working capital change: | 28.492           | 53.307           | -47%         |
| - Allocation to reserves  | -                | -                | n/a          |
| - Amortization and depreciation of assets   | 28.492           | 16.082           | 77%          |
| - Permanent loss write-down   | -                | 37.225           | -100%        |
| - Other adjustments on non-monetary items   | -                | -                | n/a          |
| <b>2. CASH FLOW BEFORE NWC CHANGES</b>  | <b>(522.798)</b> | <b>(133.965)</b> | <b>290%</b>  |
| Changes in NWC:   | 237.786          | (139.380)        | -271%        |
| - Decrease (increase) in inventories  | -                | -                | n/a          |
| - Decrease (increase) in customer receivables   | -                | -                | n/a          |
| - Increase (decrease) in supplier payables  | -                | -                | n/a          |
| - Decrease (increase) in prepaid expenses and accrued income                                | 14.048           | (17.714)         | -179%        |
| - Increase (decrease) in accrued expenses and deferred income                               | 47               | (13)             | -462%        |
| - Other changes to the NWC  | 223.691          | (121.653)        | -284%        |
| <b>3. CASH FLOW AFTER NWC CHANGES</b>   | <b>(285.012)</b> | <b>(273.345)</b> | <b>4%</b>    |
| Other changes:  | 166.163          | 10.385           | 1500%        |
| - Interests collected/(paid)  | 3.242            | 8.119            | -60%         |
| - (income taxes paid)   | (1.128)          | 2.266            | n/a          |
| - Dividends received  | 164.049          | -                | n/a          |
| - (Use of reserves)   | -                | -                | n/a          |
| <b>CASH FLOW FROM OPERATING ACTIVITIES [A]</b>  | <b>(118.849)</b> | <b>(262.960)</b> | <b>-55%</b>  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                  |                  |              |
| (Investments) disinvestment in tangible assets  | -                | -                | n/a          |
| (Investments) disinvestment in intangible assets  | (483.156)        | -                | n/a          |
| (Investments) disinvestment in financial assets   | 4.700            | (238.600)        | -102%        |
| (Investments) disinvestment in non-capitalized financial assets                             | -                | -                | n/a          |
| <b>CASH FLOW FROM INVESTING ACTIVITIES [B]</b>  | <b>(478.456)</b> | <b>(238.600)</b> | <b>101%</b>  |



|   |                  |                  |             |
|---|------------------|------------------|-------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES [C]          |                  |                  |             |
| Increase (decrease) current payables to banks       | -                | -                | n/a         |
| New loans (Loan repayments)                         | -                | -                | n/a         |
| Paid capital increase                               | 2.229.731        | -                | n/a         |
| Treasury share sale (purchase)                      | (1.738.397)      | -                | n/a         |
| (Dividends paid)                                    | -                | -                | n/a         |
| <b>CASH FLOW FROM FINANCING ACTIVITIES [C]</b>      | <b>491.334</b>   | <b>-</b>         | <b>n/a</b>  |
| <b>INCREASE (DECREASE) IN LIQUIDITY [A]+[B]+[C]</b> | <b>(105.971)</b> | <b>(501.560)</b> | <b>-79%</b> |
| LIQUID FUNDS AT THE BEGINNING OF THE PERIOD         | 376.064          | 877.624          | -57%        |
| LIQUID FUNDS AT THE END OF THE PERIOD               | 270.093          | 376.064          | -28%        |

\*OIC



## CONSOLIDATED FINANCIAL STATEMENTS

| <b>CONSOLIDATED INCOME STATEMENT</b><br>(All amounts are in EURO) | <b>CONSOLIDATED</b><br>31.12.2020 | <b>CONSOLIDATED</b><br>31.12.2019 | <b>DELTA</b> |
|---|-----------------------------------|-----------------------------------|--------------|
| Net Sales   | 9.193.822                         | 6.757.942                         | 36%          |
| Other Revenues  | 155.345                           | 54.234                            | 186%         |
| Internal project  | -                                 | -                                 | n/a          |
| <b>OPERATING REVENUES</b>   | <b>9.349.167</b>                  | <b>6.812.175</b>                  | <b>37%</b>   |
| Material costs  | (167.032)                         | (24.180)                          | 591%         |
| Services costs and use of third party assets                      | (4.988.311)                       | (4.011.490)                       | 24%          |
| <b>GROSS MARGIN</b>   | <b>4.193.824</b>                  | <b>2.776.505</b>                  | <b>51%</b>   |
| Personnel costs   | (2.028.751)                       | (2.007.396)                       | 1%           |
| Other expenses  | (330.839)                         | (273.908)                         | 21%          |
| <b>EBITDA</b>   | <b>1.834.234</b>                  | <b>495.202</b>                    | <b>270%</b>  |
| Amortization and impairment                                       | (887.775)                         | (349.918)                         | 154%         |
| <b>EBIT</b>   | <b>946.458</b>                    | <b>145.283</b>                    | <b>551%</b>  |
| Financial income (expenses)                                       | (77.059)                          | (31.251)                          | 147%         |
| Other non-operating income/expense                                | -                                 | (1.272)                           | -100%        |
| <b>EARNINGS BEFORE TAXES</b>                                      | <b>869.399</b>                    | <b>112.760</b>                    | <b>671%</b>  |
| Income taxes  | (254.390)                         | (52.028)                          | 389%         |
| <b>NET RESULT</b>   | <b>615.009</b>                    | <b>60.732</b>                     | <b>913%</b>  |
| relating to the shareholders of the Group                         | 612.651                           | 99.665                            | 515%         |
| relating to the third party shareholders                          | 2.358                             | (38.933)                          | -106%        |



| <b>CONSOLIDATED NET FINANCIAL POSITION</b>           | <b>CONSOLIDATED</b> | <b>CONSOLIDATED</b> | <b>DELTA</b>  |
|--|---------------------|---------------------|---------------|
| (All amounts are in EURO)                            | 31.12.2020          | 31.12.2019          |               |
| A. Cash  | -                   | -                   | n/a           |
| B. Cash equivalents                                  | (8.846.040)         | (2.537.357)         | 249%          |
| C. Securities held for trading                       | -                   | -                   | n/a           |
| <b>D. LIQUIDITY (A)+(B)+ (C )</b>                    | <b>(8.846.040)</b>  | <b>(2.537.357)</b>  | <b>249%</b>   |
| <b>E. CURRENT FINANCIAL RECEIVABLES</b>              | <b>(209.932)</b>    | <b>(13.442)</b>     | <b>1.462%</b> |
| F. Short-term bank liabilities                       | 442.582             | 12.387              | 3.473%        |
| G. Current part of non current borrowing             | -                   | -                   | n/a           |
| H. Current lease debt                                | 1.794.994           | 107.462             | 1.570%        |
| I. Other current financial liabilities               | -                   | -                   | n/a           |
| <b>J. CURRENT FINANCIAL DEBT (F)+(G)+(H)+(I)</b>     | <b>2.237.576</b>    | <b>119.848</b>      | <b>1.767%</b> |
| <b>K. NET CURRENT FINANCIAL DEBT (J)-(E)-(D)</b>     | <b>(6.818.395)</b>  | <b>(2.430.950)</b>  | <b>180%</b>   |
| L. Non-current bank liabilities                      | 2.780.030           | (412.086)           | -775%         |
| M. Bonds issued                                      | -                   | -                   | n/a           |
| N. Non current lease debt                            | 2.554.502           | 205.248             | 1.145%        |
| O. Other non-current liabilities                     | -                   | 412.086             | -100%         |
| <b>P. NON-CURRENT FINANCIAL DEBT (L)+(M)+(N)+(O)</b> | <b>5.334.532</b>    | <b>205.248</b>      | <b>2.499%</b> |
| <b>Q. NET FINANCIAL DEBT (K)+(P)</b>                 | <b>(1.483.863)</b>  | <b>(2.225.702)</b>  | <b>-33%</b>   |



| <b>ASSETS</b>  | <b>CONSOLIDATED</b> | <b>CONSOLIDATED</b> | <b>DELTA</b> |
|--|---------------------|---------------------|--------------|
| (All amounts are in EURO)                                      | 31.12.2020          | 31.12.2019          |              |
| Trademark  | 3.087.307           |                     | n/a          |
| Goodwill   | 7.956.819           | 5.648.925           | 41%          |
| Tangible fixed assets  | 1.782.841           | 256.096             | 596%         |
| Right of use Assets  | 4.255.078           | 304.441             | 1.298%       |
| Intangible assets  | 1.013.002           | 905.963             | 12%          |
| Investments  | 259.601             |                     | n/a          |
| Non current financial assets                                   | 18.302              | 6.661               | 175%         |
| Other non current assets                                       | -                   | 177                 | -100%        |
| Prepaid Tax assets   | 303.308             | 28.531              | 963%         |
| <b>NON CURRENT ASSETS</b>                                      | <b>18.676.257</b>   | <b>7.150.793</b>    | <b>161%</b>  |
| Trade receivables  | 2.193.909           | 382.806             | 473%         |
| Current financial assets                                       | 209.932             | 13.442              | 1.462%       |
| Other current assets   | 46.531              | 121.713             | -62%         |
| Tax receivables  | 253.607             | 147.003             | 73%          |
| Cash and cash equivalents                                      | 8.846.040           | 2.537.357           | 249%         |
| Prepaid expenses and accrued income                            | 494.753             | 481.987             | 3%           |
| <b>CURRENT ASSETS</b>  | <b>12.044.772</b>   | <b>3.684.309</b>    | <b>227%</b>  |
| <b>TOTAL ASSETS</b>  | <b>30.721.028</b>   | <b>10.835.101</b>   | <b>184%</b>  |
|  |                     |                     |              |
| <b>LIABILITIES</b>   | <b>CONSOLIDATED</b> | <b>CONSOLIDATED</b> | <b>DELTA</b> |
| (All amounts are in EURO)                                      | 31.12.2020          | 31.12.2019          |              |
| Share Capital  | 451.867             | 148.855             | 204%         |
| Reserves   | 14.586.586          | 6.750.047           | 116%         |
| Retained Profit (Loss)   | 733.603             | 597.276             | 23%          |
| Year's profit (loss) relating to the shareholders of the Group | 612.651             | 99.665              | 515%         |
| <b>NET EQUITY PARENT COMPANY</b>                               | <b>16.384.706</b>   | <b>7.595.843</b>    | <b>116%</b>  |
| Capital and Reserves relating to the third party shareholders  | (27.941)            | 20.250              | -238%        |
| Year's Profit/loss relating to the third party shareholders    | 2.358               | (38.933)            | -106%        |
| <b>NET EQUITY TO THE THIRD PARTY SHAREHOLDERS</b>              | <b>(25.583)</b>     | <b>(18.682)</b>     | <b>37%</b>   |
| <b>NET EQUITY</b>  | <b>16.359.123</b>   | <b>7.577.161</b>    | <b>116%</b>  |
| Non current financial payables                                 | 5.334.532           | 205.248             | 2.499%       |
| Severance reserves   | 573.638             | 14.932              | 3.742%       |
| Provisions for risks and future liabilities                    | -                   | -                   | n/a          |





|   |                   |                   |               |
|---|-------------------|-------------------|---------------|
| Other non current liabilities           | -                 | -                 | n/a           |
| Liabilities for deferred taxes          | 881.621           | 15.212            | 5.695%        |
| <b>NON CURRENT LIABILITIES</b>          | <b>6.789.791</b>  | <b>235.392</b>    | <b>2.784%</b> |
| Trade payables                          | 1.768.490         | 560.853           | 215%          |
| Other current liabilities               | 368.368           | 220.188           | 67%           |
| Current financial liabilities           | 2.237.577         | 119.848           | 1.767%        |
| Tax payables                            | 576.221           | 140.968           | 309%          |
| Accrued liabilities and deferred income | 2.621.458         | 1.980.692         | 32%           |
| <b>CURRENT LIABILITIES</b>              | <b>7.527.114</b>  | <b>3.022.549</b>  | <b>149%</b>   |
| <b>TOTAL LIABILITIES</b>                | <b>14.361.905</b> | <b>3.257.941</b>  | <b>341%</b>   |
| <b>TOTAL LIABILITIES AND NET EQUITY</b> | <b>30.721.028</b> | <b>10.835.101</b> | <b>184%</b>   |



| <b>CASH FLOW STATEMENT</b>   | <b>CONSOLIDATED</b> | <b>CONSOLIDATED</b> | <b>DELTA</b> |
|--|---------------------|---------------------|--------------|
| (All amounts are in EURO)  | 31.12.2020          | 31.12.2019          |              |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>  |                     |                     |              |
| Profit for period  | 615.009             | 60.732              | 913%         |
| Income taxes   | 254.390             | 52.028              | 389%         |
| Interest payables/(receivables)  | 77.059              | 32.523              | 137%         |
| (Capital losses)/gains from sales of assets  | -                   | -                   | n/a          |
| (Capital losses)/gains from Business Combinations  | -                   |                     | n/a          |
| <b>1. EARNINGS BEFORE INCOME TAX, INTEREST, DIVIDENDS AND CAPITAL GAIN/LOSSES</b>        | <b>946.458</b>      | <b>145.283</b>      | <b>551%</b>  |
| Adjustments for non-cash items that are not accounted for in net working capital change: |                     |                     |              |
|  | 903.796             | 386.625             | 134%         |
| - Allocation to reserves   | 13.325              | 3.915               | 240%         |
| - Amortization and depreciation of assets  | 824.891             | 349.695             | 136%         |
| - Permanent loss write-down  | 62.884              | 38.185              | 65%          |
| - Other adjustments on non-monetary items  | 2.696               | (5.170)             | -152%        |
| <b>2. CASH FLOW BEFORE NWC CHANGES</b>   | <b>1.850.255</b>    | <b>531.908</b>      | <b>248%</b>  |
| Changes in NWC:  | 594.732             | 550.550             | 8%           |
| - Decrease (increase) in inventories   | -                   | -                   | n/a          |
| - Decrease (increase) in customer receivables  | 481.243             | 154.307             | 212%         |
| - Increase (decrease) in supplier payables   | (28.572)            | 196.015             | -115%        |
| - Decrease (increase) in prepaid expenses and accrued income                             | 494.575             | (16.266)            | -3.141%      |
| - Increase (decrease) in accrued expenses and deferred income                            | (187.602)           | 179.826             | -204%        |
| - Other changes to the NWC   | (164.911)           | 36.668              | -550%        |
| <b>3. CASH FLOW AFTER NWC CHANGES</b>  | <b>2.444.987</b>    | <b>1.082.458</b>    | <b>126%</b>  |
| Other changes:   | (334.678)           | (87.528)            | 282%         |
| - Interests collected/(paid)   | (77.059)            | (15.726)            | 390%         |
| - (income taxes paid)  | (257.401)           | (67.584)            | 281%         |
| - Dividends received   | -                   | -                   | n/a          |
| - (Use of reserves)  | (218)               | (4.217)             | -95%         |
| <b>CASH FLOW FROM OPERATING ACTIVITIES [A]</b>   | <b>2.110.309</b>    | <b>994.931</b>      | <b>112%</b>  |
|  |                     |                     |              |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>  |                     |                     |              |
| (Investments) disinvestment in tangible assets   | (329.115)           | (42.141)            | 681%         |
| (Investments) disinvestment in right of use assets                                       | (381.548)           | (440.501)           | -13%         |
| (Investments) disinvestment in intangible assets   | (36.663)            | (868.452)           | -96%         |
| (Investments) disinvestment in financial assets  | (583.334)           | (36.289)            | 1.507%       |



|   |                  |                    |              |
|---|------------------|--------------------|--------------|
| (Investments) disinvestment in non-capitalized financial assets |                  | (13.442)           | -100%        |
| <b>CASH FLOW FROM INVESTING ACTIVITIES [B]</b>                  | <b>1.330.660</b> | <b>(1.400.824)</b> | <b>-195%</b> |
|   |                  |                    |              |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES [C]</b>               |                  |                    |              |
| Increase (decrease) current payables to banks                   | (1.663.311)      | (82.679)           | 1.912%       |
| New loans (Loan repayments)                                     | 1.775.644        | 324.626            | 447%         |
| Paid capital increase   | 23.837           | 1.763              | 1.252%       |
| Treasury share sale (purchase)                                  | -                | -                  | n/a          |
| (Dividends paid)  | -                | -                  | n/a          |
| <b>CASH FLOW FROM FINANCING ACTIVITIES [C]</b>                  | <b>136.169</b>   | <b>243.710</b>     | <b>-44%</b>  |
| <b>INCREASE (DECREASE) IN LIQUIDITY [A]+[B]+[C]</b>             | <b>915.819</b>   | <b>(162.184)</b>   | <b>-665%</b> |
| LIQUID FUNDS AT THE BEGINNING OF THE PERIOD                     | 2.537.357        | 2.699.540          | -6%          |
|   | 5.392.864        |                    |              |
| LIQUID FUNDS AT THE END OF THE PERIOD                           | 8.846.040        | 2.537.357          | 249%         |

Fine Comunicato n.20088-9

Numero di Pagine: 28