

<p>Informazione Regolamentata n. 20088-22-2024</p>	<p>Data/Ora Inizio Diffusione 22 Maggio 2024 10:25:02</p>	<p>Euronext Growth Milan</p>
--	---	------------------------------

Societa' : DHH

Identificativo Informazione Regolamentata : 191123

Utenza - Referente : DOMINIONN02 - Giandomenico Sica

Tipologia : 3.1

Data/Ora Ricezione : 22 Maggio 2024 10:25:02

Data/Ora Inizio Diffusione : 22 Maggio 2024 10:25:02

Oggetto : DHH S.p.A. Quarterly Results – Q1 2024

*Testo del comunicato*

FINANCIAL PERFORMANCE OVERVIEW: • Net Sales: Reached EUR 8,9M in the current period (Q1 2024), compared to EUR 8,1M in the previous period (Q1 2023), representing a growth of 10%. • Recurring Revenue: Constitutes 95% of total revenue, highlighting a stable turnover predictability. • EBITDA: Amounted to EUR 3,2M, up from EUR 2,0M, reflecting an increase of 58% and an EBITDA margin of 36%. • Earnings Before Tax (EBT): Stood at EUR 1,8M, significantly up from EUR 0,4M, showing a growth of 327%. • Net Profit: Increased to EUR 1,2M from EUR 0,03M, marking a substantial rise of 3.429%. • Operating Cash Flow: Reported at EUR 2,6M against an EBITDA of EUR 3,2M, with a cash conversion rate of 80%. • Net Debt: Reduced to EUR 6,0M, a decrease of EUR 0,5M since the end of the previous year, due to effective liquidity management.



## DHH S.p.A. Quarterly Results – Q1 2024

### FINANCIAL PERFORMANCE OVERVIEW:

- **Net Sales:** Reached EUR 8,9M in the current period (Q1 2024), compared to EUR 8,1M in the previous period (Q1 2023), representing a **growth of 10%**.
- **Recurring Revenue:** Constitutes 95% of total revenue, highlighting a stable turnover predictability.
- **EBITDA:** Amounted to EUR 3,2M, up from EUR 2,0M, reflecting an **increase of 58%** and an **EBITDA margin of 36%**.
- **Earnings Before Tax (EBT):** Stood at EUR 1,8M, significantly up from EUR 0,4M, showing a **growth of 327%**.
- **Net Profit:** Increased to EUR 1,2M from EUR 0,03M, marking a substantial **rise of 3.429%**.
- **Operating Cash Flow:** Reported at EUR 2,6M against an EBITDA of EUR 3,2M, with a **cash conversion rate of 80%**.
- **Net Debt: Reduced to EUR 6,0M**, a decrease of EUR 0,5M since the end of the previous year, due to effective liquidity management.

*Milan, 22 May 2024.* DHH S.p.A. (DHH.MI) (ISIN shares IT0005203622) today reports the findings from the Board of Directors' review of the first quarter results for 2024. These figures are derived from the group's management accounts and are non-audited.

### FINANCIAL HIGHLIGHTS

#### Growth and Market Development:

**Consolidated Net Sales:** Increased to EUR 8,9M in Q1 2024 from EUR 8,1M in Q1 2023, marking a growth of 10%. This increase is largely attributed to:

- A 9% rise in the Infrastructure as a Service (IaaS) segment, now accounting for 36% of Net Sales or EUR 3,3M.
- A 13% growth in the Platform as a Service (PaaS) segment, representing 26% of Net Sales or EUR 2,3M.
- A 10% expansion in the Internet Access segment, contributing 21% of Net Sales or EUR 1,9M.



**Geographical Performance:** Net Sales growth was noted across several markets, with increases of 13% in Italy, 9% in Slovenia and Croatia, 3% in Serbia, and 12% in Switzerland. Performance in Bulgaria remained relatively stable, with a marginal decrease of 2%.

**Notable Developments:**

- The Cloud GPU product line saw an 88% year-over-year increase, although it contributes less than EUR 1M in annual recurring revenue.
- The acquisition of Evolink in Bulgaria continues to be integrated, moving from a loss to a profit structure, although adjustments in market strategy are ongoing.

**Operational and Financial Efficiency:**

**Consolidated EBITDA:** Increased from EUR 2M in Q1 2023 to EUR 3,2M in Q1 2024 with an EBITDA margin of 36%. This improvement reflects the scalability of the DHH business model, characterized by stable personnel costs despite higher revenue and reduced expenditures in datacenter, network, and professional services. The data centre operations experienced higher expenses in the previous year due to increased energy costs. Despite a challenging economic environment this year, DHH managed to mitigate these costs, contributing positively to the EBITDA growth. The previous year's (Q1 2023) costs associated with professional services included approximately EUR 0,7M related to the stock option plan. This year, we have seen the elimination of such non-recurring expenses, further enhancing the group's EBITDA performance.

**Consolidated EBT and Net Profit:** Both indicators experienced substantial growth in Q1 2024. Consolidated EBT increased from EUR 0,4M to EUR 1,8M, while Consolidated Net Profit rose from EUR 0,03M to EUR 1,2M. This performance reflects the positive trajectory of EBITDA, combined with a reduction in amortization from EUR 1M in Q1 2023 to EUR 0,8M in Q1 2024, and stable depreciation despite an increase in turnover. Financial expenses slightly increased from EUR 0,2M to EUR 0,3M due to the loan that supported M&A activities in 2023.

**Operating Cash Flow and Liquidity:**

- Operating cash flow remains robust, with an EBITDA cash conversion rate of 80%.
- The liquidity generated has reduced the company's net debt from EUR 6,5M (Q4 2023) to EUR 6M (Q1 2024) in the period.

**Corporate Activity:**

No new acquisitions were made in Q1 2024; all results reported are from organic growth. DHH S.p.A. continues to leverage its technology-as-a-service business model, efficiently managing resources to sustain growth and profitability across its market segments.



## OTHER RESOLUTIONS

DHH announces that the Board of Directors, which met today, resolved to initiate the program for the purchase and disposition of treasury shares for a maximum value of EUR 1,5M, in execution of the resolution of the Shareholders' Meeting of April 29, 2024 (“**Program**”).

The Program will start on June 3, 2024 and end by May 7, 2025.

In accordance with the resolution of the Shareholders' Meeting, the purchase of treasury shares will be made in order to enable the Company to: (i) implement stock incentive plans, as well as use the shares in the portfolio for incentive purposes and to serve the payment of emoluments/remuneration or bonuses to directors, employees and/or collaborators or make free allocations to shareholders or fulfill obligations arising from warrants, convertible financial instruments, mandatory conversion or exchangeable for shares; (ii) to use treasury shares as part of transactions related to ordinary operations or projects consistent with the strategic lines that the Company intends to pursue, with the main objective of equipping itself with a portfolio of treasury shares that it can dispose of in the context of extraordinary finance transactions and/or other uses deemed to be of financial-management and strategic interest to the Company, including corporate integration transactions with potential strategic partners, exchanges of equity investments or agreements of a commercial and/or professional nature deemed to be strategic; (iii) to use its shares as an investment object for the efficient use of the liquidity generated by the Company's core business; as well as (iv) to intervene, in compliance with the provisions in force, including through intermediaries, to contain abnormal price movements and to regularize trading and price trends, in the face of momentary distorting phenomena linked to excessive volatility or poor trading liquidity or, more generally, to support stock liquidity and market efficiency.

More specifically, the Program provides for the purchase of a maximum quantity of treasury shares which, also taking into account the shares held in the portfolio from time to time by the Company and the companies controlled by them, does not exceed in the aggregate the limit of 10% of the number of shares outstanding from time to time for a consideration that is not 15% more or 15% less than the official stock market price of reference recorded on the day preceding each individual transaction, or the different consideration provided for in the accepted market practices in force from time to time, in compliance in each case with the terms and conditions established by MAR, Delegated Regulation (EU) no. 1052 of March 8, 2016 (and in particular by Article 3 of Delegated Regulation (EU) 2016/1052) and thus at a price not exceeding the higher of the price of the last independent transaction and the price of the current independent bid on the trading venue where the purchase is made.

The Board of Directors also resolved to appoint MIT SIM S.p.A., an independent financial intermediary, to execute the Program. The assignment will last for the entire duration of the share buyback program and will be carried out in full independence, in compliance with current regulations and in line with the aforementioned decision of the Shareholders' Meeting.

DHH will disclose details of the purchases made to the market in accordance with applicable laws.

As of today's date, the Company holds no treasury shares.



## About DHH S.p.A.

DHH S.p.A. (DHH.MI) (ISIN shares IT0005203622) is dedicated to reshaping internet infrastructure through the integration of next-generation technology and artificial intelligence. Based in Europe, the company leverages open-source technologies to enhance digital connectivity across various industries and regions. With a commitment to continuous research and open innovation, DHH aligns technological progress with stringent data privacy standards. This approach promotes technological excellence while safeguarding individual privacy, aiming to position the company as a relevant player in the evolution of global internet infrastructure. [www.dhh.international](http://www.dhh.international)

## Contact

### DHH S.p.A.

Via Caldera 21, 20153 Milano

+39 02 87365100

[info@dhh.international](mailto:info@dhh.international)

[www.dhh.international](http://www.dhh.international)

### Euronext Growth Advisor

**Luca Perconti**

**EnVent Italia SIM S.p.A.**

Via degli Omenoni 2, 20121 Milano

+39 02 22175979

[lperconti@envent.it](mailto:lperconti@envent.it)

**DHH S.p.A.**

Via Caldera 21, 20153 Milano

P.IVA/CF: 09150720960

[www.dhh.international](http://www.dhh.international)

Fine Comunicato n.20088-22-2024

Numero di Pagine: 6