

## Press release

### THE BOARD OF DIRECTORS OF DIGITAL360 S.P.A APPROVES CONSOLIDATED FINANCIAL STATEMENTS AND DRAFT FINANCIAL STATEMENTS AS AT 31 DECEMBER 2018

TURNOVER UP 57% AND MARGINS UP 57% (EBITDA) DRIVEN BY ACQUISITIONS AND SUBSTANTIAL ORGANIC GROWTH

#### Group results for financial year 2018:<sup>1</sup>

- Consolidated revenues of 22.5 million euros, an increase of 57% on the same period in 2017 (around 21% on a like-for-like basis);
- EBITDA<sup>2</sup> of 2.6 million euros, up 57% on the value at 31 December 2017;
- Adjusted EBIT<sup>3</sup> of 1.14 million euros, compared with 0.76 million euros at 31 December 2017;
- Adjusted net profit<sup>3</sup> of 0.59 million euros, compared with 0.53 million euros as at 31 December 2017;
- Negative net financial position of 4.6 million euros, compared with 2.6 million euros as at 31 December 2017.

Milan, 27 March 2019 – DIGITAL360 S.p.A., a company listed on the AIM Italia market, announced that the Board of Directors, which met today, examined and approved the consolidated financial statements and draft financial statements for the financial year 2018, drawn up in compliance with Italian accounting principles.

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<sup>1</sup> The scope of consolidation for 2018 has widened compared to the same period in 2017 as a result of three new acquisitions made during the period.

<sup>2</sup> The EBITDA and EBIT indices are not seen as accounting measurements in the context of national and international accounting principles and should not be regarded as alternative measurements for assessing the performance of the group's operating results.

<sup>3</sup> The adjusted values do not take into consideration depreciation/amortisation related to consolidation differences as at 31 December 2018.

“The Group’s growth reflects not only the successful acquisition of new companies, made with income from the listing, but also a sharp rise in activities relating to more innovative, digital services bringing in regular monthly income.

In a strong growth market like digital transformation services, we are overhauling our offering, by applying innovative “as-a-Service” models, which enable us not only to increase the proportion of regular income but also to scale up more easily to SMIs”, says Andrea Rangone, Managing Director of DIGITAL360”.

## **Main consolidated results of the financial year**

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

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

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

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

With reference to the Group’s main balance sheet and financial data, it should be noted that the Group’s (negative) net financial position increased from 2.6 million euros as at 31 December 2017 to

4.6 million as at 31 December 2018. The change over the 12-month period reflects the amounts used for investments and acquisitions during the period. Shareholders' equity increased from 7.8 million euros as at 31 December 2017 to 8.6 million euros as at 30 June 2018. The change is largely attributable to the capital increase of 900,000 thousand euros made in the context of the acquisition operations.

A summary of major economic and financial indicators is presented below.

<b>Operating results</b>	<b>31.12.17</b>	<b>31.12.18</b>	<b>Δ</b>
values in millions of Euros			
<b>Total revenues</b>	<b>14,3</b>	<b>22,5</b>	<b>57%</b>
<b>EBITDA</b>	<b>1,64</b>	<b>2,6</b>	<b>57%</b>
% Ebitda / Total revenues	11,5%	11,4%	
<b>EBIT</b>	<b>0,28</b>	<b>0,39</b>	<b>39%</b>
% Ebit / Total revenues	2,0%	1,7%	
<b>Adjusted EBIT</b>	<b>0,76</b>	<b>1,14</b>	<b>51%</b>
% Adjusted Ebit / Total revenues	5,3%	5,1%	
<b>Net profit</b>	<b>0,05</b>	<b>-0,17</b>	<b>N/A</b>
% Net profit / Total revenues	0,4%	-0,01	
<b>Adjusted net profit</b>	<b>0,53</b>	<b>0,59</b>	<b>11%</b>
% Adjusted net profit / Total revenues	3,7%	2,6%	

<b>Balance Sheet indicators</b>	<b>31.12.17</b>	<b>31.12.18</b>	<b>Δ</b>
<b>Shareholders' equity</b>	<b>7,80</b>	<b>8,60</b>	<b>10%</b>
<b>Net financial position</b>	<b>2,60</b>	<b>4,60</b>	<b>77%</b>

## **Main events during the financial year 2018**

The main events that took place during the financial year are detailed below:

### M&A operations

During 2018 DIGITAL360 acquired a 100% stake in Effettodomino S.r.l. and majority stakes in IQ Consulting S.r.l. and ServicePro Italy S.r.l.

- Effettodomino S.r.l. is an innovative digital marketing agency that has been operating since 2015 with the aim of supporting companies in the development of marketing and sales processes through innovative inbound marketing strategies. It is one of the first companies in Italy to specialise in marketing automation, the new frontier of digital marketing, which enables the management of all online direct marketing processes leading to the generation of new leads through sophisticated software platforms;
- IQ Consulting S.r.l. is an academic spin-off company active in the Industry 4.0 and supply chain management sectors. IQC supports innovation and the strategic management of supply chains that design, supply, produce and distribute products and services, providing integrated logistical, technological, organisational and IT skills;
- ServicePro S.r.l. is a company operating as a “full service” marketing agency, organising complex events and managing demand generation and lead generation campaigns. It particularly aims its services at large vendors of technological solutions, carrying out the role of preferred agency for a number of these and managing important elements of their marketing budgets.

Thanks to the integration with the newly acquired businesses, which are highly complementary and synergistic with respect to those already held by the Group, DIGITAL360 is laying the foundations for further important future development. The three acquisitions strengthen the expertise and market positioning of DIGITAL360 in several strategic areas of its core business: marketing automation and the new inbound marketing services; Industry 4.0 and the digital transformation of industrial enterprises; the organisation of complex events and the management of demand generation and lead generation campaigns.

### Authorisation to increase the share capital for external growth operations

On 10 April 2018 the Board of Directors (on the basis of the relative Shareholders' Meeting Resolution of March 21, 2018) approved a paid share capital increase, including premium, of 900,000 euros. The Company issued 720,000 ordinary shares, without indication of nominal value, with the same characteristics as the ordinary shares in circulation at the issue date, waiving pre-emption rights pursuant to Article 2441, paragraph 5 of the Italian Civil Code. The issue price was 1.25 euros per share, of which 0.10 euros represented equity and 1.15 euros the premium. This increase was reserved and subscribed by the sellers of the shares of the companies acquired.

## Investments

During the financial year 2018 the Group also continued to implement its plan to invest in innovation of the technology platforms in the offering, which are needed to develop the new “As-A-Service” business model in the two business units. More specifically, the investments, in line with the strategic plan in question, were made in four main areas:

- development and integration of the Group’s strategic technological platforms (Content Management System - CMS, Customer Relationship Management - CRM, Marketing Automation, etc.);
- the launch of new portals and the updating of some of those already online, to strengthen the online positioning of the network, including with regard to SEO and social media;
- the launch of the new digital marketing & sales engine services model, which is revolutionising marketing and lead generation services to technology companies, from a one-off model to an ongoing “as-a-Service” model;
- investments to develop new practices and for know-how engineering, which is required for the first experiments of the new “Advisory-as-a-Service” model.

## Buy back

During the first half of 2018 DIGITAL360 S.p.A. launched a buy back program approved by the Shareholders’ Meeting of 19 December 2017, aimed at supporting the liquidity of the shares and using them where necessary or appropriate as payment in extraordinary transactions, and for the exchange of shareholdings with other entities, in the context of operations of interest to the same.

The Company’s consolidated financial statements and those of the parent company for the financial year ended 31 December 2018 will be made available to the public in accordance with the terms and procedures provided for by the AIM Italia Issuer Regulations, and will be available to view on the Company website, [www.digital360.it](http://www.digital360.it) Investor Relations section.

The Board of Directors has resolved to call the Shareholders' Meeting for approval of the financial statements for the year ended 31 December 2018 on 30 April 2019 (first call) and 9 May (second call). The calling notice will be published in accordance with the law.

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*This press release is available on the Company website at [www.digital360.it](http://www.digital360.it).*

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### **DIGITAL360**

DIGITAL360, a company listed on the Borsa Italiana AIM Market, aims to partner with businesses and public authorities assisting them in the understanding and implementation of digital transformation solutions, relying on the best technology providers on the market. DIGITAL360 pursues this aim through two business units: the “Demand Generation” BU supports technology companies (vendors, software houses, system integrators, start-ups, etc.) in communication, storytelling, event management and business opportunity generation activities; the “Advisory & Coaching” BU is aimed at all businesses and public authorities that wish to undertake steps towards digital transformation. NetworkDigital360, which covers both business units, is the largest online publications network dedicated to all aspects of digital innovation, with 53 online portals and newsletters, more than 1.5 million unique visitors a month, and over 5,000 keywords of the digital world on the first page on Google. DIGITAL360 integrates a multidisciplinary and multicultural mix of professionalism and expertise, thanks to analysts, journalists, consultants and experts active in the digital world who all share a great passion and a common mission: digital innovation as an engine of growth and modernisation of our country. For more information: [www.digital360.it](http://www.digital360.it)

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<b>DIGITAL360 S.p.A.</b> Registered office: Via Copernico 38, Milan Share capital: 1,609,154 euros (fully paid up) Milan Companies Register no. 08053820968 REA no. 2000431  <b>CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2018</b>		
BALANCE SHEET - ASSETS	31.12.2018	31.12.2017
A) SUBSCRIBED CAPITAL, UNPAID (A)	-	-
B) FIXED ASSETS		
I. Intangible fixed assets:		
2) development costs	2.640.469	1.934.940
3) industrial patents and intellectual property rights	503.139	408.316
4) concessions, licences, trademarks	-	278
5 bis) consolidation differences	5.671.824	3.378.105
7) other assets	1.005.035	1.051.158
Total intangible fixed assets	9.820.467	6.772.797
II. Tangible fixed assets:		
1) land and buildings	320.294	-
4) other assets	200.375	95.955
Total tangible fixed assets	520.669	95.955
III. Financial fixed assets:		
1) investments in:		
b) associated companies	24.005	14.005
d) other companies	112.966	167.808
Total investments	136.971	181.812
2) receivables:		
Total receivables	-	-
Total financial fixed assets	136.971	181.812
<b>TOTAL FIXED ASSETS (B)</b>	<b>10.478.106</b>	<b>7.050.565</b>
C) CURRENT ASSETS		
II. Receivables		
1) from customers	8.342.876	5.219.559
of which due beyond the financial year	-	-
4 bis) tax receivables	832.373	992.616
of which due beyond the financial year	-	-
4 ter) deferred tax assets	383.961	130.820
of which due beyond the financial year	-	-
5) from others	306.899	215.321
of which due beyond the financial year	-	-
Total	9.866.109	6.558.316
III. Current financial assets not held as fixed assets		
6) other securities	2.861	-
Total	2.861	-
IV. Cash and cash equivalents		
1) deposit accounts	1.898.285	2.080.986
Total	1.898.285	2.080.986
<b>TOTAL CURRENT ASSETS (C)</b>	<b>11.767.255</b>	<b>8.639.302</b>
D) ACCRUALS AND DEFERRALS		
a) prepaid expenses and accrued income	707.129	772.173
<b>TOTAL ACCRUALS AND DEFERRALS (D)</b>	<b>707.129</b>	<b>772.173</b>
<b>TOTAL ASSETS (A+B+C+D)</b>	<b>22.952.490</b>	<b>16.462.040</b>

BALANCE SHEET - LIABILITIES	31.12.2018	31.12.2017
A) SHAREHOLDERS' EQUITY		
I. Group share capital	1.609.154	1.537.154
II. Share premium reserve	6.680.476	5.852.476
IV. Legal reserve	2.382	2.382
V. Treasury shares portfolio reserve	-31.481	-
Merger surplus reserve	20.964	20.964
Other reserves	26.706	26.705
VIII. Euro rounding reserve	-4	-2
X. Group retained earnings (accumulated losses)	331.897	281.531
XI. Group profit (loss) for the financial year	-435.821	50.366
TOTAL NET ASSETS of the group	8.204.273	7.771.576
Minority share capital and reserves	134.098	5.329
Profit (loss) for the financial year attributable to minority interests	260.123	2.556
TOTAL MINORITY INTERESTS	394.221	7.885
<b>TOTAL NET ASSETS (A)</b>	<b>8.598.494</b>	<b>7.779.461</b>
B) PROVISIONS FOR LIABILITIES AND CHARGES		
1) for pensions and similar obligations	24.527	24.527
<b>TOTAL PROVISIONS FOR RISKS AND CHARGES (B)</b>	<b>24.527</b>	<b>24.527</b>
C) <b>EMPLOYEE SEVERANCE INDEMNITIES (C)</b>	<b>993.074</b>	<b>698.510</b>
D) PAYABLES		
2) convertible bonds	2.000.000	2.000.000
of which due beyond the financial year	2.000.000	2.000.000
4) payables to banks	4.064.733	2.250.649
of which due beyond the financial year	2.229.316	682.662
7) payables to suppliers	3.434.681	2.009.446
of which due beyond the financial year	-	-
12) tax payables	862.969	462.987
of which due beyond the financial year	-	-
13) payables to social security and welfare institutions	374.934	228.623
of which due beyond the financial year	-	-
14) other payables	2.409.778	876.237
of which due beyond the financial year	-	399.596
<b>TOTAL PAYABLES (D)</b>	<b>13.147.095</b>	<b>7.827.941</b>
E) ACCRUALS AND DEFERRALS		
a) accrued expenses and deferred income	189.300	131.600
<b>TOTAL ACCRUALS AND DEFERRALS (E)</b>	<b>189.300</b>	<b>131.600</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY A+B+C+D+E</b>	<b>22.952.490</b>	<b>16.462.040</b>



INCOME STATEMENT	31.12.2018	31.12.2017
A) VALUE OF PRODUCTION		
1) revenue from sales and services	21.875.821	13.458.881
5) other income and revenues	637.409	860.927
<b>TOTAL VALUE OF PRODUCTION (A)</b>	<b>22.513.230</b>	<b>14.319.808</b>
B) PRODUCTION COSTS		
6) for raw and auxiliary materials, consumables and goods	8.374	-
7) for services	12.570.806	7.347.151
8) for rents and leases	714.505	663.164
9) personnel costs:		
a) salaries and wages	4.239.896	3.338.432
b) social security and welfare contributions	1.214.564	751.784
c) employee severance indemnity	357.563	268.142
e) other personnel costs	123.332	16.992
Total personnel costs	5.935.355	4.375.350
10) amortisation, depreciation and write-downs:		
a) amortisation of intangible assets	2.062.377	1.275.971
b) depreciation of tangible assets	73.744	28.986
d) depreciation of receivables included in current assets and cash and cash equivalents	42.732	51.706
Total amortisation, depreciation and write-downs	2.178.853	1.356.663
14) other operating expenses	715.666	294.468
<b>TOTAL PRODUCTION COSTS (B)</b>	<b>22.123.560</b>	<b>14.036.796</b>
<b>DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A-B)</b>	<b>389.670</b>	<b>283.012</b>
C) FINANCIAL INCOME AND EXPENSES		
15) investment income		
Total investment income	-	-
16) other financial income:		
a) from receivables included in fixed assets		
others	2.498	33.459
Total financial income from receivables included in fixed assets	2.498	33.459
17) interest expenses and financial charges:		
- to others	273.052	242.902
Total interest and other financial charges	273.052	242.902
17 bis) gains and losses on foreign exchange	-267	-5.777
<b>TOTAL FINANCIAL INCOME/EXPENSES (C)</b>	<b>-270.821</b>	<b>-215.220</b>
D) VALUE ADJUSTMENTS OF FINANCIAL ASSETS		
18) revaluations (write-ups)		
Total revaluations (write-ups)	-	-
19) devaluations (write-downs)		
a) of investments	50.063	-
Total devaluations (write-downs)	50.063	-
<b>Income before taxes (A - B + - C + - D + - E)</b>	<b>68.785</b>	<b>67.792</b>
22) current, deferred and prepaid income taxes for the financial year		
current taxes	470.847	104.840
deferred tax assets	-229.476	-89.970
tax for previous financial years	3.111	-
Total current, deferred and prepaid taxes for the financial year	244.482	14.870
<b>23) profit (loss) for the financial year</b>	<b>-175.697</b>	<b>52.922</b>
Group	-435.821	50.366
Minority interests	260.123	2.556

Consolidated Cash Flow Statement 31 December 2018	31/12/2018	31/12/2017
<b>A. Cash flows from operating activities (indirect method)</b>		
<b>Profit (loss) for the financial year</b>	<b>(175,697)</b>	<b>52,922</b>
Income taxes	244,482	14,870
Interest expense/(interest income)	268,475	215,220
(Dividends)	0	0
(Capital gains)/capital losses arising from the disposal of assets	2,346	(8,063)
<b>1. Profit (loss) for the financial year before income taxes, interest, dividends and gains/losses on disposals</b>	<b>339,607</b>	<b>274,949</b>
<i>Adjustments for non-cash items that had no counterpart in net working capital</i>		
Severance indemnity provisions	357,563	268,142
Amortisation/depreciation of fixed assets	2,136,121	1,304,957
Write-downs for impairment losses	50,063	50,578
Other adjustments for non-cash items	(71,141)	(124,707)
<i>Total adjustments for non-cash items</i>	<b>2,472,606</b>	<b>1,498,970</b>
<b>2. Cash flow before changes in net working capital</b>	<b>2,812,213</b>	<b>1,773,919</b>
<i>Changes in net working capital</i>		
Decrease/(increase) in receivables from customers	(3,123,317)	(427,808)
Increase/(decrease) in payables to suppliers	1,425,235	365,646
Decrease/(increase) in prepaid expenses and accrued income	65,044	(215,716)
Increase/(decrease) in accrued expenses and deferred income	57,700	(42,842)
Other changes in net working capital	1,205,311	(762,433)
<i>Total changes in net working capital</i>	<b>(370,027)</b>	<b>(1,083,154)</b>
<b>3. Cash flow after changes in net working capital</b>	<b>2,442,186</b>	<b>690,765</b>
<i>Other adjustments</i>		
Interest received/(paid)	(268,475)	(215,220)
(Income taxes paid)	(612,567)	(66,544)
Dividends received	0	0
(Use of funds)	0	0
<i>Total other adjustments</i>	<b>(881,043)</b>	<b>(281,764)</b>
<b>Cash flows from operating activities (A)</b>	<b>1,561,143</b>	<b>409,001</b>
<b>B. Cash flows from investing activities</b>		
<i>Tangible fixed assets</i>		
(Investments)	(498,457)	(43,682)

Price for disposals	0	0
<i>Intangible fixed assets</i>		
(Investments)	(1,740,295)	(1,785,325)
Price for disposals	575	63,872
<i>Acquisition or disposal of controlled companies</i>	(3,369,752)	0
<b>Cash flow from investing activities (B)</b>	<b>(5,607,929)</b>	<b>(1,765,135)</b>
<b>C. Cash flows from financing activities</b>		
<i>Third party equity</i>		
Increase (decrease) in accounts payable to banks	331,960	(1,186,121)
New financing	2,897,525	630,000
Net proceeds from convertible bonds		1,440,000
Repayment of loans	(1,415,400)	(1,171,056)
Payables for acquisition of equity investments (Vendor Loan)	1,150,000	0
Payment of M&A instalments and balance (Vendor Loan)	0	(534,376)
<i>Own equity</i>		
Paid capital increase	900,000	3,998,550
Disposal (purchase) of treasury shares	0	0
Dividends (and interim dividends) paid	0	0
<b>Cash flow from financing activities (C)</b>	<b>3,864,085</b>	<b>3,176,998</b>
Increase (decrease) of cash and cash equivalents (A ± B ± C)	-182,701	1,820,864
<b>Cash and cash equivalents as at 1 January 2018</b>	<b>2,080,986</b>	<b>260,122</b>
<b>Cash and cash equivalents as at 31 December 2018</b>	<b>1,898,285</b>	<b>2,080,986</b>

## Consolidated net financial position at 31.12.18 and 31.12.17

values in millions of Euros	31.12.17	31.12.18
Net bank debt	0.2	2.2
Other financial debts (*)	0.4	0.4
Liabilities to bondholders	2.0	2.0
<b>TOTAL NET FINANCIAL POSITION</b>	<b>2.6</b>	<b>4.6</b>

(\*) Item included in "Other payables"

## Financial statements of the Parent Company DIGITAL360 S.P.A.

<b>DIGITAL360 S.p.A.</b> Registered office: Via Copernico 38, Milan Share capital: 1,609,154 euros (fully paid up) Milan Companies Register no. 08053820968 REA no. 2000431  <b>FINANCIAL STATEMENTS AT 31 DECEMBER 2018</b>		
BALANCE SHEET - ASSETS	31.12.2018	31.12.2017
A) SUBSCRIBED CAPITAL, UNPAID (A)	-	-
B) FIXED ASSETS		
I. Intangible fixed assets:		
2) development costs	479.988	100.324
3) industrial patents and intellectual property rights	266.101	58.398
7) other assets	938.021	919.060
Total intangible fixed assets	1.684.111	1.077.782
II. Tangible fixed assets:		
4) other assets	14.243	6.994
Total tangible fixed assets	14.243	6.994
III. Financial fixed assets:		
1) investments in:		
a) controlled companies	9.644.298	6.227.058
b) associated companies	14.005	14.005
d) other companies	112.666	167.507
Total investments	9.770.968	6.408.570
2) receivables:		
Total receivables	-	-
Total financial fixed assets	9.770.968	6.408.570
<b>TOTAL FIXED ASSETS (B)</b>	<b>11.469.322</b>	<b>7.493.346</b>
C) CURRENT ASSETS		
II. Receivables		
2) from controlled companies	2.223.348	1.863.612
of which due beyond the financial year	-	-
4 bis) tax receivables	144.370	67.963
of which due beyond the financial year	-	-
4 ter) deferred tax assets	89.592	60.432
of which due beyond the financial year	-	-
5) from others	39.199	32.229
of which due beyond the financial year	-	-
Total	2.496.510	2.024.235
III. Current financial assets not held as fixed assets		
Total	-	-
IV. Cash and cash equivalents		
1) deposit accounts	179.410	1.239.920
Total	179.410	1.239.920
<b>TOTAL CURRENT ASSETS (C)</b>	<b>2.675.920</b>	<b>3.264.155</b>
D) ACCRUALS AND DEFERRALS		
a) prepaid expenses and accrued income	134.502	163.355
<b>TOTAL ACCRUALS AND DEFERRALS (D)</b>	<b>134.502</b>	<b>163.355</b>
<b>TOTAL ASSETS (A+B+C+D)</b>	<b>14.279.744</b>	<b>10.920.856</b>

<b>BALANCE SHEET - LIABILITIES</b>	<b>31.12.2018</b>	<b>31.12.2017</b>
<b>A) SHAREHOLDERS' EQUITY</b>		
I. Group share capital	1.609.154	1.537.154
II. Share premium reserve	6.680.476	5.852.476
IV. Legal reserve	2.382	2.382
V. Treasury shares portfolio reserve	-31.481	-
VII. Other reserves		
VIII. Euro rounding reserve	-	1
X. Group retained earnings (accumulated losses)	-379.042	-226.663
XI. Group profit (loss) for the financial year	103.591	-152.379
<b>TOTAL NET ASSETS of the group</b>	<b>7.985.080</b>	<b>7.012.971</b>
Minority share capital and reserves	-	-
Profit (loss) for the financial year attributable to minority interests	-	-
<b>TOTAL MINORITY INTERESTS</b>	<b>-</b>	<b>-</b>
<b>TOTAL NET ASSETS (A)</b>	<b>7.985.080</b>	<b>7.012.971</b>
<b>B) PROVISIONS FOR LIABILITIES AND CHARGES</b>		
<b>TOTAL PROVISIONS FOR RISKS AND CHARGES (B)</b>	<b>-</b>	<b>-</b>
<b>C) EMPLOYEE SEVERANCE INDEMNITIES (C)</b>	<b>121.318</b>	<b>90.360</b>
<b>D) PAYABLES</b>		
2) convertible bonds	2.000.000	2.000.000
of which due beyond the financial year	2.000.000	2.000.000
4) payables to banks	1.065.675	48.547
of which due beyond the financial year	819.739	-
7) payables to suppliers	784.757	553.529
of which due beyond the financial year	-	-
9) payables to controlled companies	369.699	545.314
of which due beyond the financial year	-	-
12) tax payables	204.613	70.851
of which due beyond the financial year	-	-
13) payables to social security and welfare institutions	70.927	48.943
of which due beyond the financial year	-	-
14) other payables	1.670.207	466.677
of which due beyond the financial year	-	399.596
<b>TOTAL PAYABLES (D)</b>	<b>6.165.878</b>	<b>3.733.861</b>
<b>E) ACCRUALS AND DEFERRALS</b>		
a) accrued expenses and deferred income	7.468	83.664
<b>TOTAL ACCRUALS AND DEFERRALS (E)</b>	<b>7.468</b>	<b>83.664</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY A+B+C+D+E</b>	<b>14.279.744</b>	<b>10.920.856</b>

INCOME STATEMENT	31.12.2018	31.12.2017
A) VALUE OF PRODUCTION		
1) revenue from sales and services	2.996.298	1.883.540
5) other income and revenues	148.985	54.508
<b>TOTAL VALUE OF PRODUCTION (A)</b>	<b>3.145.283</b>	<b>1.938.048</b>
B) PRODUCTION COSTS		
6) for raw and auxiliary materials, consumables and goods	3.435	-
7) for services	1.228.416	621.990
8) for rents and leases	532.426	564.773
9) personnel costs:		
a) salaries and wages	452.225	393.023
b) social security and welfare contributions	232.111	117.749
c) employee severance indemnity	63.823	67.217
e) other personnel costs	68.603	309
Total personnel costs	816.762	578.298
10) amortisation, depreciation and write-downs:		
a) amortisation of intangible assets	378.823	192.592
b) depreciation of tangible assets	3.184	1.994
Total amortisation, depreciation and write-downs	382.007	194.586
14) other operating expenses	84.361	77.825
<b>TOTAL PRODUCTION COSTS (B)</b>	<b>3.047.407</b>	<b>2.037.472</b>
<b>DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A-B)</b>	<b>97.876</b>	<b>-99.424</b>
C) FINANCIAL INCOME AND EXPENSES		
15) investment income:		
from controlled companies	150.000	-
Total investment income	150.000	-
16) other financial income:		
a) from receivables included in fixed assets:		
from controlled companies	17.195	7.317
others	229	33.416
Total financial income from receivables included in fixed assets	17.424	40.733
17) interest expenses and financial charges:		
- to controlled companies	17.490	22.618
- to others	114.409	117.500
Total interest and other financial charges	131.899	140.118
17 bis) gains and losses on foreign exchange	-6	-
<b>TOTAL FINANCIAL INCOME/EXPENSES (C)</b>	<b>35.519</b>	<b>-99.385</b>
D) VALUE ADJUSTMENTS OF FINANCIAL ASSETS		
18) revaluations (write-ups)		
Total revaluations (write-ups)	-	-
19) devaluations (write-downs)		
a) of investments	50.063	-
Total devaluations (write-downs)	50.063	-
<b>Income before taxes (A - B + - C + - D + - E)</b>	<b>83.332</b>	<b>-198.809</b>
22) current, deferred and prepaid income taxes for the financial year		
current taxes	8.902	-
deferred tax assets	-29.161	-46.430
<b>Total current, deferred and prepaid taxes for the financial year</b>	<b>-20.259</b>	<b>-46.430</b>
<b>23) profit (loss) for the financial year</b>	<b>103.591</b>	<b>-152.379</b>
Group	-	-
Minority interests	-	-