

PRESS RELEASE

**SHAREHOLDERS' GENERAL MEETING AND BOARD OF DIRECTORS OF  
DIGITAL BROS S.P.A.**

**FINANCIAL STATEMENT APPROVED FOR THE FISCAL YEAR 2019-2020**

**€0.15 SHARE DIVIDEND**

**NINE MEMBERS APPOINTED TO THE NEW BOARD OF DIRECTORS FOR THE 2021-2023 THREE-  
YEAR PERIOD**

**NEW BOARD OF STATUTORY AUDITORS APPOINTED FOR THE 2021-2023 THREE-YEAR  
PERIOD**

**ABRAMO GALANTE CONFIRMED AS CHAIRMAN AND CEO**

**RAFFAELE GALANTE CONFIRMED AS CEO**

**FIRST SECTION OF REMUNERATION REPORT APPROVED AND SECOND SECTION CONFIRMED**

**INDIPENDENCE DIRECTORS REQUIREMENTS EVALUATED**

*Milan, October 28<sup>th</sup>, 2020* - **The Shareholders' Meeting of Digital Bros Group**, a videogames company listed in the Star segment of Borsa Italiana, **has approved today the Financial Statement for the fiscal year 2019-2020** (1st July 2019 – 30th June 2020).

Digital Bros Group's key consolidated results for the fiscal year 2019-2020, together with prior year comparatives, are as follows:

- **Consolidated Gross Revenue** at Euro 139 million, increased compared to €81.3 million on June 30<sup>th</sup>, 2019 (+71% YoY);
- **EBITDA** of €34.7 million, increased compared to €7.7 million on June 30<sup>th</sup>, 2019;
- **EBIT** of €20.1 million compared to negative €1.3 million on June 30<sup>th</sup>, 2019;
- **Profit Before Tax** of €20.7 million compared to loss before tax of €1.3 million on June 20<sup>th</sup>, 2019;
- **Net profit** of €15 million significantly increased compared to net loss of €1.5 million on June 30<sup>th</sup>, 2019. **Recurring profit** of €16.3 million;
- **Net cash** at the end of the fiscal year was €2.6 million compared to net debt of €16.2 million on June 30, 2019 (24.2 million excluding IFRS 16 effect).

On June 30<sup>th</sup>, 2020, the parent company Digital Bros S.p.A. realized **gross revenue** of €13.9 million, down by 6.9% compared to €14.9 million in the previous fiscal year. **Net loss** amounted to €273 thousand compared to net profit of €840 thousand on June 30<sup>th</sup>, 2020. The parent company Digital Bros S.p.A. forecasts a significant net profit in the next fiscal year.

## **RESOLUTIONS OF THE ORDINARY SHAREHOLDERS' GENERAL MEETING**

### **DIVIDEND PER SHARE**

The shareholders' meeting has approved a dividend distribution of €0.15 per share. The dividend payment date shall be December 16<sup>th</sup>, 2020, by clipping coupon number 10 on December 14<sup>th</sup>, 2020 and record date shall be December 15<sup>th</sup>, 2020.

### **APPOINTMENT OF THE BOARD OF DIRECTORS' MEMBERS AND BOARD MEMBERS' REMUNERATION**

The shareholders' meeting resolved:

- to appoint nine members to the Board of Directors;
- to appoint the new Board of Directors for the three-year period 2021-2023 (until the approval of the Financial Statements for the fiscal year ending June 30<sup>th</sup>, 2023). The following directors have been elected: Sylvia Anna Bartyan, Lidia Florean, Abramo Galante, Davide Galante, Raffaele Galante, Susanna Pedretti, Stefano Salbe, Laura Soifer, Dario Treves;
- to re-elect Abramo Galante as the Chairman of the Board of Directors;
- to approve the combined annual remuneration of the Board of Directors of Euro 1.2 million, the Board will share the total amount between the members.

### **APPOINTMENT OF THE STATUTORY AUDITORS' MEMBERS AND RELATED FEES**

The Shareholders' Meeting has appointed the Board of Statutory Auditors for the 2021-2023 three-year period (until the Financial Statement ending June 30<sup>th</sup>, 2023 approval) as follows: Carlo Hassan – statutory auditor (Chairman), Gianfranco Corrao – statutory auditor, Maria Pia Maspes – statutory auditor, Daniela Delfrate – alternate auditor, Stefano Spiniello – alternate auditor.

The Shareholders Meeting has also approved the remuneration of the Board of Statutory Auditors' in €71 thousand per year, of which €27 thousand to the Chairman and €22 thousand to each Statutory Auditor.

### **REMUNERATION REPORT**

The Shareholders' Meeting has approved the remuneration policy for the fiscal year 2019-2020 contained in the First Section of the Remuneration Report proposed by the Boards of Directors pursuant to art. 123-ter of the Legislative Decree no.58 of 24 February 1998 ("TUF") and voted in favour of the Second Section of the Remuneration Report.

The Remuneration Report is available on the Company's website [www.digitalbros.com](http://www.digitalbros.com) in the "Governance/Shareholders' Meeting" and "Governance/Remuneration" sections.

## **RESOLUTION OF THE BOARD OF DIRECTORS**

The Board of Directors, formed by the newly appointed members, held immediately after the Shareholders' Meeting, has resolved on the following items:

### **APPOINTMENT OF CEOs**

The Board of Directors confirmed Abramo Galante and Raffaele Galante as Chief Executive Officers of the Group.

### **DIRECTORS' INDEPENDENT REQUIREMENTS**

The Board of Directors has evaluated the independence requirements, pursuant to Art. 147-ter, paragraph 4 and Art. 148, paragraph 3, of the "TUF" and to Art. 3 of the Corporate Governance Code promoted by the Corporate Governance Committee (the "Corporate Governance Code"), of the Directors who have communicated to have such requirements.

The following Directors resulted to be independent: Sylvia Anna Bartyan, Susanna Pedretti and Laura Soifer.

The Board of Directors has nominated Laura Soifer as Lead Independent Director, in compliance with the recommendations provided under the application criteria 2.C.4 and 2.C.5 of the Corporate Governance Code.

### **REMUNERATION COMMITTEE**

The Board of Directors appointed members of the Remuneration Committee the following three non-executive and independent Directors: Sylvia Anna Bartyan, Susanna Pedretti and Laura Soifer.

### **RISK AND CONTROL COMMITTEE**

The Board of Directors appointed members of the Risk and Control Committee the following three non-executive and independent Directors: Sylvia Anna Bartyan, Susanna Pedretti and Laura Soifer.

### **EXECUTIVE DIRECTOR IN CHARGE OF THE INTERNAL CONTROL**

The Board of Directors confirmed Stefano Salbe as the Executive Director in charge of internal control.

**ART. 154-BIS OF THE "TUF" (TESTO UNICO DELLA FINANZA)**

*As required by paragraph 2, Art. 154-bis of the "Testo Unico della Finanza", Digital Bros Group's CFO, Stefano Salbe, hereby declares that the information provided in this press release corresponds to the Group's documented results, books and accounting records.*

**DIGITAL BROS GROUP**

Listed on the Star segment of Borsa Italiana, Digital Bros Group is a global company that has been operating since 1989 as a developer, publisher and distributor of videogames through its brand 505 Games. The Group distributes its contents on both retail and digital channels. Digital Bros Group is active around the world through its own direct operations in Italy, the United States, the UK, France, Spain, Germany, China, Hong Kong and Japan with approximately 220 employees.

Contacts:

**Digital Bros S.p.A.**

**Stefano Salbe**

CFO

*Tel. + 39 02 413031*

[ir@digitalbros.com](mailto:ir@digitalbros.com)