



PRESS RELEASE

RELATECH: BOD APPROVES THE CONSOLIDATED FINANCIAL STATEMENTS AND THE DRAFT FINANCIAL STATEMENTS AT 31 DECEMBER 2020

Main consolidated results at 31ST December 2020:

- Value of Production: Euro 24.3 million, +13% (FY19, Euro 21.3 million)
- 55% of revenues from foreign customers
- Recurring revenues: 27% of revenues, +41% (FY19, 22%)

- EBITDA adjusted¹: Euro 5.9 million, +20% (FY19, Euro 4.9 million)
- EBITDA *margin adj* 32% on revenues
- Adjusted NET PROFIT: Euro 3.2 million, +8% (FY19, Euro 3 million)
- Management NFP (cash): equal to Euro 2.4 million (cash) with cash liquidity equal to Euro 8.3 million
- NFP IAS (cash): Euro 50 thousand (cash)²

Main consolidated results as at 31 December 2020 by proforming³ acquisitions of Mediatech and Xonne on 12 months:

- Value of Production Euro 26.5 million + 24%
- Sales revenues of Euro 20.4 million + 14%
- Recurring revenues: 27% of revenues
- EBITDA *adjusted*: Euro 6.15 million, + 25%
- EBITDA *margin adjusted*: 30% on revenues
- Customer base growing up to + 15%

Milan, March 24th 2021

Relatech S.p.A., *Digital Enabler Solution knowledge (D.E.S.K.) Company* and innovative SME listed on AIM Italia market (Ticker: RLT), ("**Relatech**" or the "**Company**"), announces that today the Board of Directors of the Company, connected via audio conference, examined, and approved the consolidated financial statements and the draft financial statements as of December 31, 2020.

¹ Adjusted equal to Euro 0.7 million relating to extraordinary expenses for employee bonuses, directors' bonuses, Stock-grant, expenses advice on extraordinary operations.

² Including the hypothetical debt for the exercise of the put&call option.

³ All pro-forma figures reported are unaudited.



Pasquale Lambardi, President of the Board of Directors of Relatech, stated as follows:

*"The economic and financial results approved today are a source of enormous satisfaction in that represent evidence that the Group has demonstrated great resilience and flexibility in facing a particularly difficult year. Thanks to our modular and cloud platform based RePlatform, we were able to quickly repositioned the business from the sectors they have suffered a slowdown due to the pandemic such as retail, transport and services to sectors that are managed to grow in the new scenario that has arisen in the last 12 months such as healthcare, e-commerce, and logistics. We have been dynamic and quick in being able to offer customers: **Innovation Services** aimed at defining new digital innovation paths for improve the efficiency of the related business models and **Digital Solutions** that leverage all of them frontier technologies and make it possible to achieve the objectives deriving from strategic value analysis defined with the customer."*

Main consolidated economic and financial results at 31 December 2020

The **Production Value** stands at Euro 24.3 million, an increase of 13% compared to Euro 21.3 million of the previous year. The Value of Production on a pro forma basis amounts to approximately Euro 26.5 million, in the case of consolidation of Mediatech and Xonne from 1 January 2020. The Consolidation took place starting from the second half of 2020.

Revenues from sales amounted to approximately Euro 18.3 million, an increase of approximately 2% compared to Euro 17.9 million as of December 31, 2019.

The **sales revenues of the pro-formed Group** following the acquisition of the company Mediatech, formalized on 23 June 2020, and Xonne, formalized on 20 July 2020, are equal to approximately Euro 20.4 million, an increase of 14% compared to Euro 17.9 million at 31 December 2019.

Below is the breakdown of revenues for the various Group companies in the 12 months of 2020:

- Revenues from sales of the Relatech Group (Relatech SpA, Relatech Consulting Srl, Ithea Srl and OKT Srl) consolidated at 31 December 2020 amount to approximately Euro 16.1 million;
- Mediatech sales revenues at 31 December 2020 amounted to approximately Euro 3.4 million;
- The revenues from sales of Xonne at 31 December 2020 amounted to approximately Euro 0.9 million;



Other revenues Euro 2.3 million (Euro 0.74 million in 2019) consist of public grants relating to research projects conducted with universities and research centers, from the tax credit for research and development activities conducted by Group companies and the tax credit relating to listing costs.

During 2020 the **number of customers increased by 15%** compared to 2019, this result is due to of new customers resulting from the acquisition and ii) from the offer that Relatech is able to bring to market. **Over 55% of revenues** come from **foreign customers**.

Recurring revenues amount to Euro 5 million and represent **27% of total revenues**. This figure, of significant importance for the Company's *business model*, is up **41%** compared to the same period of the previous year. This increase is made possible and sustainable thanks to **investments in research and development** (equal to Euro 4.3 million, accounting for approximately **23% of revenues**), which generate new *assets* within the digital platform **RePlatform**, a central element of the Company's *value proposition*.

Pasquale Lambardi, Chairman of the Relatech Board of Directors, continues by stating:

"In 2020 the Group expanded its ecosystem of business partnerships to enriching the offer with cutting-edge technological solutions. Thanks to the acquisitions of Mediatech we have strengthened our activities in the Cloud and Cybersecurity to guarantee robust, flexible and secure infrastructures for the protection of information while with the acquisition of Xonne we have internalized high skills in the Digital Customer Experience (in particular AR/VR). The verticalization of the solution within Industry 4.0 (ReFab 4.0) has allowed us to increase the share of recurring revenues to 27% of revenues, demonstrating the scalability of our business model. During the year, began the process of strengthening the organizational structure with the entry of new managerial figures who will support the Group in the growth of the coming years."

Adjusted EBITDA is equal to Euro 5.9 million with **an increase of 20%** compared to Euro 4.9 million at December 31, 2019, compared to *reported* EBITDA which was equal to Euro 5.2 million, the *adjusted* result excludes approximately Euro 0.7 million deriving from extraordinary expenses for bonuses to employees and directors linked to the successful outcome of the IPO, Stock-grant, expenses advice on extraordinary transactions.

Adjusted EBITDA proforma is equal to Euro 6.1 million, an increase of 25% compared to 2019.



Adjusted EBIT, a consequence of the above, is equal to Euro 4.1 million, with a decrease of 4% compared to Euro 4.3 million at 31 December 2019. The **adjusted proforma EBIT** is equal to Euro 4.4 million, up by 2% on 2019. This result was influenced by an increase in the depreciation charge due to increased investments.

The **adjusted Net Result**, due to the above, is equal to Euro 3.2 million, up by about 8% compared to the same period of the previous year (Euro 2.9 million). The reported Net Result amounted to Euro 2.8 million (+10% compared to 2019). The *adjusted proforma* Net Result of the Group is equal to Euro 3.4 million.

The operating **Net Financial Position** at 31 December 2020 (calculated as financial debt net of current financial debt and rights of use liabilities) is equal to Euro 2.4 million (cash), with cash liquidity equal to Euro 8.3 million compared to a Net Financial Position at 31 December 2019 of Euro 0.7 million. The Net Financial Position, calculated pursuant to the application of IFRS 9, due to the inclusion of the adjustments induced by the valuation of the option rights for the purchase of the remaining shares of the subsidiaries estimated at Euro 2.41 million, is equal to Euro 50 thousand (cash).

It should be noted that, as of today, the Company directly holds no. **1,450,338** treasury shares, equal to **4.4%** of the share capital.

The cash flow after the change in net working capital is equal to Euro 7.4 million compared to Euro 3.9 million at 31 December 2019 with a positive change of Euro 3.5 million.

The **Net worth** amounted to Euro 13.4 million compared to Euro 8.7 million at 31 December 2019. The main movements in the period include the subscribed capital increase for the exercise of the "Relatech Warrants 2019-2022" of the first exercise period equal to Euro 3.47 million and the net profit for the period.

All pro-forma data reported are unaudited.

2021 strategy and objectives

Relatech bases its growth path on 3M strategy (Merge - Management - Margin).

The 3M strategy provides:



- constant attention to M&A (Merge) activities with the aim of identifying companies with specific latest generation technologies, process expertise and customer-base on new sectors;
- careful management of the Group's resources (Management) to strengthen governance, guaranteeing talent development plans, consolidating and expanding partnerships with research centers and university institutes;
- a progressive sustainability and economic growth (Margin) that allows technological leadership thanks to proprietary solutions with recurring revenues.

As communicated on February 16, for 2021 the Group estimates sales revenues of Euro 26.2 million, an increase of 43% compared to the consolidated revenues of 2020 with estimated revenues of Euro 7.9 million in the Innovation Services area, with an incidence of 30% of total revenues. The Digital Solutions area is expected to reach Euro 18.3 million with an incidence on total revenues equal to 70%.

Based on the 3M Strategy during 2020:

- Relatech acquired Mediatech (23 June 2020) and Xonne (20 July 2020) which have strengthened the Group's competencies respectively in the Cloud and Cybersecurity and virtual and augmented reality and IoT areas;
- New managerial figures have been introduced to strengthen the current organizational structure;
- New solutions have been developed on the **RePlatform** platform, including the vertical solution, ReFab4.0, predictive maintenance AIoT solution for Industry 4.0.

To support the significant growth of 2021, the Company is investing in the team by introducing new figures to strengthen its commercial structure. The figure fits into this perspective by the Engineer Gianfranco Severino, a manager with a diversified and decennial experience acquired in the ICT sector, most recently IBM Italy, which has been the manager since March 2021 of the Sales Department & Marketing.

Silvio Cosoleto, Chief Operating Officer and Director of Relatech, stated: *"I am sure that adding new resources within our team means making every day of important steps to increase and consolidate the results of our Group. A sales structure strengthened alongside the technological soul of Relatech represents the consolidation of a business model based on innovation, through R&D and scientific ecosystem, and diversification, through RePlatform, with solutions on different*



market sectors. This union will allow us to seize the new opportunities that the global context already stands outlining and achieving the ambitious goals set. The integration process with the newly acquired companies is bringing positive effects in the strengthening of the platform thanks to the enrichment with new proprietary assets (Mediatech in the cloud and cybersecurity field, Xonne in the Augmented Reality and Virtual Reality field) aimed at the birth of new vertical solutions. Furthermore, having a shared business plan based on a synergistic offer in terms of skills, allows you to maximize cross-selling and up-selling activities with a positive effect on the recurring revenue component.”

Main economic and financial results of Relatech S.p.A. at 31 December 2020

Value of Production is equal to Euro 17 million, up to **4%** compared to Euro 16.4 million at December 31, 2019.

EBITDA is equal to Euro 2.3 million compared to Euro 2.6 million at 31 December 2019. **Adjusted EBITDA** is equal to Euro 2.9 million compared to an Adjusted EBITDA equal to Euro 2.8 million at 31 December 2019 and corresponds to an **EBITDA margin adjusted of 20%**. The EBITDA adjustment for Euro 0.6 million is entirely attributable to extraordinary bonuses for Directors and employees respectively for the execution of the Stock Grant plan and IPO listing.

EBIT is equal to Euro 1.6 million compared to Euro 2.3 million at 31 December 2019. **Adjusted EBIT** is equal to Euro 2.2 million compared to Euro 2.5 million in 2019.

Profit before tax amounted to Euro 1.9 million compared to Euro 2.3 million at 31 December 2019. **Net profit** amounted to Euro 1.87 million compared to Euro 1.7 million as at 31 December 2019.

The **Net Financial Position** (Cash) is equal to Euro 4.6 million, a clear improvement compared to Euro 2.8 million at 31 December 2019. **Net Worth** is equal to Euro 16.2 million (Euro 8.3 million at 31 December 2019). In relation to the increase in equity, the following are specified as special transactions: the conclusion of the first exercise period of the "Relatech Warrants 2019-2022", (included between May 15, 2020 and May 22, inclusive). During this period, no. 2,941,414 Warrants and consequently subscribed at the price of Euro 2.36 per share (in the ratio of 1 ordinary share for every 2 Warrants exercised) no. 1,470,707 Relatech ordinary shares of new issue, without indication of the nominal value, with regular dividend rights and the same



characteristics as the Relatech ordinary shares in circulation at the issue date (the "Conversion Shares"), for a total value equal to Euro 3,470,868.52, of which Euro 3,456,161 to increase the share premium reserve and of which Euro 14,707 to increase the share capital.

Below, as a further circumstance, we note the item Revaluation reserves which includes the counterpart of the revaluation of the historical cost of the trademark carried out under Article 110, paragraph 2 of Law Decree no. 104/2020 in an amount equal to Euro 4,500,000.00 net of the relative substitute tax in the amount of 3% of the revalued amount, equal to Euro 135,000.00 (iecd positive balance of revaluation equal to Euro 4,365,000.00).

Allocation Proposal of Profit for the year

The financial statements at 31 December 2020 of Relatech shows a profit of Euro 1,871,239.

The Board of Directors resolved to propose to the Shareholders' Meeting that the profit be allocated as follows:

- Euro 3,175 to legal reserve;
- Euro 494,388 to unavailable reserve pursuant to art. 2426 paragraph 1 n. 4 of the civil code, corresponding to the share of profit for the year formed following the adoption of the valuation criterion of equity investments using the equity method;
- Euro 1,373,676 to extraordinary reserve

Main events of 2020

- Penetration in new market sectors (Industry 4.0, Utilities, Telco, Distribution) and expansion of the customer base
- New services/solutions on the RePlatform cloud-based platform in the Cloud areas (hybrid, public and private), AI, Blockchain, IoT, Cybersecurity, Virtual & Augmented Reality
- Signing of a new collaboration agreement with Nordcom S.p.A.
- New agreement signed with Logisan S.p.A., a leading company in the distribution of pharmaceutical products and hospital supplies
- Consolidation of the partnership with Bruni Glass, international customer leader in the world of design packaging



- Strengthening of the collaboration with Apoteca Natura on Big Data and Machine Learning technology
- Approval by the Ministry of Economic Development of the “True Detective 4.0” project with the Concession Decree Relatech S.p.A.
- Opening of two new operational offices (Brescia, Parma)
- Inclusion of new managerial figures
- Program for the purchase of treasury shares up to a maximum of Euro 1,500,000 to be made through the buyback plan (May 15, 2020)
- Closure of the first exercise period of the “Relatech Warrants 2019-2022” for no. 2,941,414 Warrants Exercised and signed no. 1,470,707 Newly issued Ordinary Shares for a total of Euro 3,470,868.52
- Acquisition of 60% of Mediatech S.r.l., a leading company in the development of solutions and services in Cloud (private, public and hyper-convergent) and Cybersecurity (closing 23 June 2020)
- Acquisition of 53.50% of the share capital of Xonne S.r.l., an Innovative SME specialized in solutions and applications for the digital customer experience based on virtual, augmented and mixed (or digital) reality
- Approval by the Ministry of Development Economic for the Validated Question Answering project proposed as part of the call "Sportello Fabbrica Intelligente - PON I&C" (in english Intelligent Factory Desk – PON I&C) 2014 - 2020 with the concession decree to checked OKT
- Strengthening of the technological partnership through the subsidiary Mediatech with Indena S.p.A., with the launch of a new solution with a five-year contract for the implementation, among the first in Italy, of Nutanix Cloud technology within the data management system SapHana
- Approval by the Ministry of Economic Development of the research project “Catch 4.0 - An intelligence Consumer-centric Approach To manage engagements, Contents & insigHts” with the concession decree to the subsidiary Ithea
- Signing of an agreement with the customer Eles regarding the digitization of their own business model, with the strategic goal of automating the servitization process more and more with which Eles sells innovative solutions.



- Approval of a series of operations to strengthen the organizational structure and resources loyalty of resources including:
 - the appointment of Gianni Franco Papa appointed as Executive Deputy Chairman of the Company;
 - the appointment of Veronica Carullo as new investor relations manager;
- Ordinary and extraordinary shareholders' meeting at December 30th 2020 to deliberate on:
 - increase the total number of shares by splitting them from no. 10,922,507 to no. 32,767,521 and modify the statute mainly in order to adapt it to the new provisions of AIM Issuers Regulation;
 - approve a new stock grant plan for directors and employees, including executives, of Relatech S.p.A.;
 - to grant the Board of Directors a new authorization for a buyback of treasury shares for a total amount of Euro 1,500,000.
- New five-year agreement signed by the subsidiary Mediatech for the supply of Cloud solutions and the management of the Data center of Metra S.p.A., multinational with worldwide offices and a new technological partnership with Cynet for Cybersecurity services.

Significant events after the closure of 2020

- On January 20, 2021, the Company informs the market that, starting from January 25, 2021 the share splitting operation approved by the shareholders' meeting will take effect and that the new isin of the shares will be IT0005433740. As a result of the stock split transaction, the Company announces that the "WARRANT RELATECH 2019 – 2022" regulations are available on the company site, updated in execution of the resolution on 30 December 2020. As in this regard, the Company reminds that (i) the conversion shares may be subscribed in reason of no. 3 conversion shares for every no. 2 Warrants exercised; (ii) the strike price of the warrants relating to the Second Exercise Period (i.e. the period between 10 May 2021 and 21 May 2021 inclusive) will be equal to Euro 0.86 and the exercise price relating to Third Exercise Period (i.e. the period between 9 May 2022 and 20 May 2022 inclusive) will be equal to Euro 0.95.
- On 21 January 2021, the Company announces that Carlotta Gatteschi, an entrepreneur of Parma, acquires 1% of the share capital of Relatech S.p.A. also through the purchase



of treasury shares of the issuer with a medium-long investment time term. The interest of new investors with proven skills in the industrial sector, where Relatech aims to grow significantly, confirms the solidity of the model of company business.

- On February 16, 2021, the Company approved the 2021 budget: expected sales revenues of Euro 26.2 million.

COVID Emergency 19 - Actions taken to safeguard and ensure business continuity

In March 2020, two major systemic phenomena hit companies and worldwide economies: the health emergency linked to the spread of the Covid-19 virus and the correlated collapse and increase in financial market volatility. Administrators and Relatech top management ensured a prompt response to the constant scenario change, having as absolute priority the health and safety of employees, their families and the entire community. Starting from 23 February 2020, all Group employees and collaborators have continued to carry out the work remotely. The procedures in place and the infrastructure in use in the Group, as well as the nature of the business, are fully prepared for agile work and remote collaboration and this was possible both for the solidity and protection of the instrumentation and services through Cloud technology and Cybersecurity, both for the high level cooperation between internal resources and the ecosystem of external collaborators. During 2020 there is no substantial impact on operations, productivity or availability of the staff. In accordance with the legislation issued by the Italian government during the lockdown period, which provided for the closure of all "non-essential" economic activities for the purpose of containing the contagion, the Relatech Group was included in the list of companies that were allowed to be fully operational. During 2020 there were no impacts on the level of employment.

As regards the Group's customer base, certain sectors such as the tourism-hotel industry, food / catering, transport and retail were negatively affected by the emergency situation with varying degrees of intensity, while an increase in activity was recorded in other sectors such as pharmaceuticals, logistics, e-commerce. Throughout the period there has been a constant commitment of the Group's commercial structure to maintain continuous contact with our customers.



Predictable evolution of management

Pursuant to and for the purposes of what is indicated in point 6) of the third paragraph of art. 2428 of the Civil Code, it should be noted that in a socio-economic context strongly influenced by the spread of the Covid-19 pandemic, the results achieved in the exercise give signs of positive outlook. In this moment of difficulty and of great uncertainty about the trend economic, the Company has intensified its Investor Relations activity with the aim of being more transparent towards investors but also towards customers e providers. Meetings with the foreign financial community were also intensified, taking place in mind that over 55% of our turnover comes from foreign customers, also by virtue of the strategic plan of Relatech, of consolidation in Italy and openness and development in the international context. However, to date the national and global macroeconomic framework is still characterized by uncertainty profiles on the actual times of recovery, in this context the Company has not recorded a significant decline in revenues, but it is not possible to exclude that the persistence of the epidemiological emergency from COVID-19, as well as the extension, revival and / or possible tightening of the precautions and restrictions that could be put in place in Italy, Europe and the world, may have depressive effects on the national and international macro-economic trend and negative repercussions both on the reference market of the Group and on the regular performance of the activities by the same such as to determine potential negative effects on the business, on the prospects and on the economic, equity and financial situation.

Shareholder's Meeting Convocation

The Board of Directors has resolved to convene the Ordinary Shareholders' Meeting on 23 April 2021 in single call to discuss and resolve on the approval of the financial statements as at 31 December 2020; and presentation of the consolidated financial statements at 31 December 2020 as well as for the confirmation of the administrator Dr. Gianni Franco Papa, co-opted by the Board of Directors pursuant to art. 2386 of the Italian Civil Code.

Documentation

All the documentation covered by this press release will be made available to the public according to the terms and conditions set out in the AIM Italia Issuers' Regulations, as well as on the Company's website, www.relatech.com, in the "Investor Relations/Financial Reports" section.



Financial Events

The Company also announces that it has defined a calendar of meetings events for the first part of 2021 with the financial community which are reported below:

1 ST April 2021	Relatech – web-conference Presentation of the economic-financial data FY 2020
2 nd April 2021	IRTop - Smart Tech Investor Day Link to the event
14-15 th April 2021	CF&B - European SmallCap Event 2021, Paris Link to the event
20-22 nd April 2021	Virgilio Mid-Small cap Link to the event
17-19 th May 2021	EF Equity Forum - German Spring Conference Frankfurt Link to the event
25-27 th May 2021	Borsa Italiana – AIM Italia Conference Link to the event

This press release is online at www.relatech.com (Investor Relations/Press Release section) www.emarketstorage.com.

Relatech (ticker RLT ISINIT0005433740), Digital Enabler Solution Knowledge (D.E.S.K.) Company, listed on AIM Italia since June 2019, is present on the market with innovative solutions dedicated to the digital transformation of companies. Relatech is an innovative SME focused on customers looking for the most innovative solutions, becoming a strategic partner for digitization and ICT services. Relatech constantly invests in Open innovation with an extensive R&D activity carried out internally and numerous partnerships with the main Italian Universities and research centers. Thanks to its digital platform and cloud based RePlatform, it provides services and develops innovative digital solutions in frontier technologies of Digital Enabler, such as Cloud, Cybersecurity, Blockchain, Big Data, Machine Learning, Artificial Intelligence, Internet of Things.



Contacts

ISSUER

Relatech S.p.A. - Investor Relations

Veronica Carullo | investor@relatech.com | T: +39 02 2404909 | Via Ercole Marelli, 165 - 20099 Sesto San Giovanni (MI)

NOMAD & SPECIALIST

BPER Banca S.p.A. | relatech@bper.it | T: +39 02 7274 9229 | Via Gaetano Negri, 10 - 20123 Milan

INVESTOR & MEDIA RELATIONS ADVISOR

IR Top Consulting | ir@irtop.com | T: + 39 02 4547 3883/4 | Via Bigli, 19 - 20121 Milano

Attached:

It should be noted that the consolidated data will be subject to auditing while the proforma data will not be subject to auditing.

- *Consolidated Income Statement* prepared in accordance with International Accounting Standards (IAS/IFRS) as at 12/31/2020
- *Consolidated Balance Sheet* prepared in accordance with International Accounting Standards (IAS/IFRS) as at 12/31/2020
- *Consolidated Net Financial Position* at 31 December 2020
- *Consolidated Cash Flow Statement* prepared in accordance with International Accounting Standards (IAS/IFRS) as at 12/31/2020
- Proforma Consolidated Income Statement as at 12/31/2020
- *Relatech S.p.A. Income Statement* prepared in accordance with National Accounting Standards (OIC) as at 12/31/2020
- *Relatech S.p.A. balance sheet* prepared in accordance with the National Accounting Standards (OIC) as at 12/31/2020
- *Relatech S.p.A. Cash Flow Statement* prepared in accordance with the National Accounting Standards (OIC) as at 12/31/2020



Consolidated Income Statement 31/12/2020

The table below shows the consolidated income statement figures of the Group for the financial years closed on 31 December 2020 and 31 December 2019.

Consolidated Income Statement (Euro)	31-Dec-20	% on revenues	31-Dec-19	% on revenues	ΔYoY	Δ%
Revenues	18,265,937	100%	17,974,807	100%	291,130	2%
change in inventories of work in progress, semi-finished and finished goods	348,731				348,731	n/d
Increases in self constructed fixed assets	3,425,619		2,596,109		829,510	32%
Other revenues and other income	2,302,879		744,316		1,558,563	209%
Value of Production	24,343,165		21,315,232		2,679,202	12.57%
Cost of Goods Sold	14,828,202		12,808,315		2,019,887	16%
Gross Profit	9,514,963		8,506,917		659,315	7.8%
R&D Cost	4,286,706		3,749,749			
EBITDA	5,228,257	29%	4,757,168	26%	471,089	10%
Adjustments for extraordinary provisions	669,471		164,238		505,233	308%
EBITDA ADJUSTED	5,897,728	32%	4,921,406	27%	976,323	20%
Depreciation and provisions	1,792,960		930,951		862,009	93%
EBIT	3,435,297	19%	3,826,217	21%	(390,919)	-10%
Adjustments for extraordinary provisions			288,000			0%
EBIT ADJUSTED	4,104,769	22%	4,278,455		(173,686)	-4%
Financial management	(76,672)		(75,751)		(921)	1%
Adjustments to financial assets	(2,804)				(2,804)	
EBT	3,355,821	18.4%	3,750,466		(394,645)	-11%
EBT ADJUSTED	4,025,292	22.0%	4,202,704	23.4%	(177,412)	-4%
Current taxes	207,707		727,353		(519,646)	-71%
Deferred/prepaid taxes	428,226		440,818		(12,592)	-3%
Profit (Loss) for the year	2,719,888	15%	2,582,294	14%	(532,238)	-21%
Profit (Loss) of third parties	169,020		48,038		120,982	252%
Profit (Loss) of the Group	2,550,868	14%	2,534,256	14%	16,612	1%
Profit (Loss) of the Group ADJUSTED	3,220,339	18%	2,986,494	17%	233,845	8%



Consolidated Balance Sheet as at 12/31/2020

The following table shows the summary reclassified balance sheet referring to 31 December 2020 and to December 31, 2019 as well as the changes compared to the previous period.

Consolidated Balance Sheet (Euro)	31-Dec-20	31-Dec-19	Δ
Intangible Assets	5,909,270	3,688,935	2,220,336
Goodwill	5,689,266	1,352,820	4,336,447
Assets for rights of use	1,445,484	1,585,124	(139,639)
Tangible assets	442,400	290,083	152,317
Financial assets	27,725	21,782	5,943
Fixed assets	13,514,145	6,938,743	6,575,403
Inventories	528,902		528,902
Accounts receivables from customers	6,555,783	4,695,810	1,859,974
payables to suppliers	(2,808,201)	(772,331)	(2,035,871)
Commercial working capital	4,276,484	3,923,479	353,006
Tax receivables and payables	1,332,108	(163,664)	1,495,772
Accruals and deferrals	(464,044)	232,394	(696,437)
Other receivables and payables	(2,347,941)	(1,240,721)	(1,107,220)
Other current assets and liabilities	(1,479,877)	(1,171,992)	(307,885)
Net working Capital	2,796,608	2,751,487	45,121
Other non-current assets and liabilities	306,385	329,425	(23,040)
Provisions for risks and charges	(1,397,159)	(974,608)	(422,551)
Provisions for employee and director benefits	(1,824,406)	(1,021,617)	(802,790)
Other non-current assets and liabilities	(2,915,180)	(1,666,799)	(1,248,381)
Net invested Capital	13,395,573	8,023,430	5,372,143
Share capital	109,225	93,349	15,876
Reserves	3,579,948	1,642,092	1,937,856
Reserve for treasury shares in portfolio	(2,056,646)		(2,056,646)
Retained earnings /loss	1,457,868	573,985	883,883
Profit (Loss) of the Group	2,550,868	2,534,256	16,612
Group shareholders equity	12,714,946	8,540,990	4,173,956
Shareholder's equity to third parties	730,589	184,942	545,647
Net worth	13,445,535	8,725,932	4,719,603
Short-term payables vs Banks	(3,910,711)	(2,835,914)	(1,074,797)
Non-fixed financial assets		(250,000)	250,000
Payabled to other landers	1,031,636	1,206,193	(174,557)
M/I terms payables to banks	2,829,113	1,177,219	1,651,894
Medium long term payables	3,860,749	2,383,412	1,477,337
NFP	(49,962)	(702,502)	652,540
Total sources	13,395,573	8,023,430	5,372,143



Net Financial Position

The following table shows the Group's Net Financial Position at December 31, 2020 and at 31 December 2019.

NFP (Euro)	31-Dec-20	31-Dec-19	Δ
Net Cash	(19,741)	(233)	(19,509)
Other cash equivalents	(8,245,889)	(3,804,726)	(4,441,163)
Securities held for trading		(250,000)	250,000
Total cash	(8,265,630)	(4,054,959)	(4,210,672)
Current financial receivable			
Current banks payable	1,223,672	582,548	641,125
Current portion of non-current indebtedness			
Other current financial debts			
Current financial debt	1,223,672	582,548	641,125
Current net financial debt	(7,041,958)	(3,472,411)	(3,569,547)
Non-current bank debts	2,829,113	1,177,219	1,651,894
Debt securities issued			
Non-current financial debt	288,000		
Non-current financial indebtedness	3,117,113	1,177,219	1,939,894
Net financial debt	(3,924,844)	(2,295,192)	(1,629,653)
Short-term debt liabilities	431,536	386,497	45,039
Long-term debt liabilities	1,031,636	1,206,193	(174,557)
Net financial debt	(2,461,673)	(702,502)	(1,759,171)
Options of IFRS 9 effects	2,411,710		
NFP including IFRS 9 effects	(49,962)	(702,502)	652,540



Consolidated Cash Flow Statement as of 31/12/2020

The following table shows the Consolidated Cash Flow Statement at 31 December 2020 and 31 December 2019.

Consolidated Cash Flow Statement	31-Dec-20	31-Dec-19
A) Cash flow from operating activities (indirect method)		
Profit (Loss) for the year	2,719,888	2,582,294
Income taxes	635,933	1,168,171
Interest payables/receivable	76,672	75,751
1) Profit (Loss) for the year before income taxes, interests, dividends and gain/losses on disposals	3,432,493	3,826,217
Adjustments for non-monetary items offset in net working capital		
Provisions to funds	511,255	735,505
Depreciation of assets	1,786,809	642,951
Other upward/ (downward) adjustments for non-monetary items	447,094	-335,972
Total adjustments for non-monetary items not offset in net working capital	2,745,157	1,042,484
2) Cash flow before changes in net working capital	6,177,651	4,868,701
Changes in net working capital	1,224,752	-882,682
3) Cash flow after changes in net working capital	7,402,403	3,986,019
Other adjustments		
Interests received/(paid)	-76,672	-75,751
(Income taxes paid)	-207,707	-570,005
Use of funds	-137,602	-139,323
Total other adjustments	-421,981	-785,080
Cash flow from operating activities (A)	6,980,422	3,200,939
B) Cash flow from investing activities		
Cash flow from activities (B)	-5,881,389	-4,732,809
C) Cash flow from financing activities		
Increase/(decrease) short term banks debts	641,125	-246,157
Increase/(decrease) short term other lenders	-345,602	-313,503
Starting financing	2,107,207	1,206,193
(Reimbursement financing)	455,313	-417,443
Share capital increase	3,470,869	3,347,938
Other changes in own funds	-2,056,646	
Cash flow from financing activities (C)	3,361,639	3,327,028
Increase (decrease) in cash and cash equivalents (A ± B ± C)	4,460,672	1,795,158
Cash and cash equivalents at the beginning of the year	3,804,959	2,009,801
Cash and cash equivalents at the end of the year	8,265,630	3,804,959



Proforma Consolidated Income Statement - 12/31/2020

For representative purposes, the following is the Pro-Forma Income Statement for the year closed on 31 December 2020 drawn up in order to simulate the economic effects that would have derived from the acquisition of the companies Mediatech and Xonne, if the same took place on January 1, 2020, compared with the results as at 31 December 2019. These data are unaudited.

Consolidated Income statement Proforma (Euro)	Consolidated Pro-Forma	% on revenues	31-Dec-19	% on revenues	Δ	Δ%
Ricavi	20,380,176	100%	17,974,807	100%	2,405,369	13%
change in inventories of work in progress, semi-finished and finished goods	335,902				335,902	n/d
Increases in fixed assets for internal work	3,425,619		2,596,109		829,510	32%
Other income and revenues	2,339,559		744,316		1,595,243	214%
Value of Production	26,481,256		21,315,232		5,166,024	24%
Total costs	20,999,762		16,558,064		4,441,698	27%
EBITDA	5,481,494	27%	4,757,168	26%	724,326	15%
Adjustments for extraordinary costs	669,471		164,238			
ADJUSTED EBITDA	6,150,965	30%	4,921,406	27%	1,229,560	25%
Depreciation and provisions	1,797,579	9%	930,951	5%	866,628	93%
EBIT	3,683,915	18%	3,826,217	21%	(142,301)	-4%
Adjustments for extraordinary costs			288,000			
ADJUSTED EBIT	4,353,387	21%	4,278,455	24%	74,932	2%
Financial management	(83,020)		(75,751)		(7,269)	10%
Adjustments to financial assets	(2,804)				(2,804)	
EBT	3,598,091	18%	3,750,466	21%	(152,375)	-4%
ADJUSTED EBT	4,267,562	21%	4,202,704	23%		
Current taxes	207,707		727,353		(519,646)	-71%
Deferred/prepaid taxes	428,226		440,818		(12,592)	-3%
Profit (loss) for the year	2,962,158	15%	2,582,294	14%	379,863	15%
<i>Profit (Loss) of third parties</i>	<i>169,020</i>		<i>48,038</i>		<i>120,981</i>	
Profit (Loss) of the Group	2,793,138	14%	2,534,257	14%	258,881	10%
Profit (Loss) of the Group ADJUSTED	3,462,610	17%	2,986,494	17%		



Income Statement Relatech S.p.A. 12/31/2020

Income Statement (Euro)	31-Dec-20	%	31-Dec-19	%
Revenues from sales and services	14,355,189	100%	15,058,559	100%
+ Increases in fixed assets for internal work	992,722		1,054,549	
+ Other revenues and income	1,723,274		268,337	
Value of production	17,071,184		16,381,444	
Total operating costs	14,754,033		13,778,192	
EBITDA	2,317,151	16%	2,603,253	17%
Adjustments for extraordinary costs	591,387		164,238	
ADJUSTED EBITDA	2,908,538	20%	2,767,491	18%
- Amortisation and depreciation	742,807		311,837	
EBIT	1,574,344	11%	2,291,416	15%
ADJUSTED EBIT	2,165,731	15%	2,455,654	16%
+ Financial Income	-		648	
+/- Foreign exchange gains and losses	-1,775		-10,265	
- Financial charges	18,869		16,334	
+/- Value adjustments	382,325		4,863	
EBT	1,936,025	13%	2,270,327	15%
- Income tax for the year	64,786		593,308	
Net Result	1,871,239	13%	1,677,019	11%



Balance Sheet Relatech S.p.A. to 12/31/2020

Reclassified Balance Sheet (Euro)	31-Dec-20	31-Dec-19
Intangible fixed assets	7,024,038	2,103,965
Tangible fixed assets	167,323	197,023
Financial fixed assets	3,260,749	677,512
Fix assets	10,452,110	2,978,500
Accounts receivables from customers	2,790,911	3,889,896
Accounts receivables from subsidiaries	165,550	76,937
Payables to suppliers	-1,338,765	-411,033
Payables to subsidiaries	-1,294,515	-852,729
Commercial working capital	323,180	2,703,071
Tax receivables and payables	839,533	-87,894
Accrued and deferred income and charges	194,678	100,209
Other receivables and payables	-1,060,470	-841,552
Othercurrent assets and liabilities	-26,260	-829,237
Net working capital	296,920	1,873,833
Other non-current assets and liabilities	1,641,498	1,162,318
Provisions for risk and charges	-42,000	-30,000
Severance pay fund	-737,393	-578,399
Other non-current assets and liabilities	862,105	553,919
Net invested Capital	11,611,136	5,406,252
Share capital	109,225	93,349
Reserves	14,516,295	6,784,325
Profit (loss) carried forward	-262,413	-262,413
Profit (loss) for the year	1,871,239	1,677,019
Net worth	16,234,346	8,292,280
Total Shareholders' Equity	16,234,346	8,292,280
Short-term payables (cash)	-6,501,243	-3,054,122
Financial assets that do not constitute fixed assets		-250,000
Medium-long term payables	1,878,033	418,093
Net Financial Position	-4,623,211	-2,886,028
Total Sources	11,611,136	5,406,252



Cash Flow Statement Relatech S.p.A. to 12/31/2020

Cash Flow Statement (Euro)	31-Dec-20	31-Dec-19
A) Cash Flow from operating activities (indirect method)		
Profit (loss) for the year	1,871,239	1,677,019
Income tax	64,786	593,308
Interest expense/(income)	20,849	25,952
(Dividends)		
(Gains)/Losses on disposal of assets		
1) Profit (loss) for the year before income taxes, interest, dividends and capital gains/losses on disposals	1,956,874	2,296,279
Adjustments for non-monetary items that did not have a counterpart in net working capital		
Provisions to funds	264,492	258,900
Depreciation of fixed assets	742,807	311,837
Impairment losses	-382,325	-40,285
2) Cash flow before changes in net working capital	1,331,901	2,821,868
Changes in net working capital		
Decrease/(Increase) in inventories		
Decrease/(Increase) in receivables from customers	1,098,985	-1,346,467
Increase/(Decrease) in trade payables	927,733	-534,141
Decrease/(Increase) in accrued income and prepaid expenses	-323,290	-17,527
Increase/(Decrease) in accrued expenses and deferred income	228,821	
Other decreases/(Other increases) in net working capital	181,832	1,153,071
Total changes in net working capital	2,114,081	-745,064
3) Cash flow after changes in net working capital	3,445,982	2,076,804
Interest received/(paid)	-20,849	-25,952
(Income taxes paid)	-178,451	-593,308
Dividends received		
(Use of funds)	288,827	-80,599
Other receipts/(payments)		
Total other adjustments	89,527	-699,859
Cash flow from operating activities (A)	4,785,456	1,376,945
B) Cash flow from investing activities		
Cash flow from investing activities (B)	-4,504,100	-2,188,589
C) Cash flow from financing activities		
Cash flow from financing activities (C)	3,454,779	3,273,765
Increase (decrease) in cash equivalents (A ± B ± C)	3,736,135	2,462,122
Cash at the beginning of the year	3,438,237	
Cash at the end of the year	7,174,371	3,438,237