

PRESS RELEASE

DIGITAL BROS S.P.A. SHAREHOLDERS' GENERAL MEETING

APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2020-2021

€0.18 SHARE DIVIDEND

APPROVAL OF THE REMUNERATION REPORT

ERNEST & YOUNG S.P.A. WILL BE THE AUDITOR FOR THE PERIOD 2022-2030

AUTHORIZATION OF NEGOTIATION IN TREASURY SHARES

Milan, October 27th, 2021 - The **Shareholders' Meeting** of **Digital Bros Group**, listed on the Euronext STAR segment of Borsa Italiana and operating in the videogames market, today **approved the Financial Statements for the fiscal year 2020-2021** (July 1st, 2020 – June 30th, 2021).

Digital Bros Group's key consolidated results for the fiscal year 2020-2021 are as follows:

- **Consolidated gross revenues** of €150.7 million, increased compared to €139 million on June 30th, 2020 (+8.4% YoY);
- **EBITDA** of €57.8 million (38.7% of consolidated net revenues), significantly increased compared to €34.7 million on June 30th, 2020 (+66.7% YoY);
- **EBIT** of €30.6 million (20.5% of consolidated net revenues), significantly increased compared to €20.1 million on June 30th, 2020;
- **Profit before tax** of €34.8 million, significantly increased compared to €20.7 million on June 30th, 2020;
- **Net profit** increased to €21.9 million, more than doubled compared to €14.9 million on June 30th, 2020;
- **Net financial position** of €38.3 million, increasing by €35.7 million compared to €2.6 million as at June 30th, 2020 (€43 million excluding IFRS 16 effect).

On June 30th, 2021, the parent company Digital Bros S.p.A. realized **gross revenues** of €9.6 million, down by 31.1% compared to €13.9 million realized in the previous fiscal year. **Net profit** amounted to €8.4 million compared to the net loss of €273 thousand on June 30th, 2020. The parent company Digital Bros S.p.A. expects to realize a significant net profit in the next fiscal year.

RESOLUTIONS OF THE SHAREHOLDERS' GENERAL MEETING

DIVIDEND PER SHARE

The Shareholders' Meeting approved the distribution of a dividend for €0.18 per share, corresponding to a total expected consideration of €2,567 thousand. The dividend payment date shall be December 8th, 2021, with the exclusion of treasury shares held at the record date, by clipping coupon no. 11 on December 06th, 2021 and record date on December 07th, 2021, in accordance with the Borsa Italiana calendar.

The Shareholders' Meeting resolved to book the remaining profit of €5,866 thousand as retained earnings.

REMUNERATION REPORT

The Shareholders' Meeting agreed the remuneration policy for the fiscal year 2020-2021 by approving 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 February 24th, 1998 ("T.U.F.") 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 in the "Governance/Shareholders' Meeting" and "Governance/Remuneration" sections.

APPOINTMENT OF THE AUDIT FIRM FOR THE PERIOD 2022-2030

The Shareholders' Meeting appointed Ernest & Young S.p.A. as Digital Bros Group's new auditor for the period 2022-2030. The Shareholder's Meeting authorized the Chairman to execute by signing the relevant contracts. This includes the handover process and the execution of the formalities with the competent authorities and/or offices, with the power to introduce any non-substantial changes, if required.

AUTHORIZATION TO THE NEGOTIATION OF TREASURY SHARES

The Shareholders' Meeting authorized the Board of Directors to purchase and dispose of treasury shares up to a maximum of 10% of the existing share capital, for a period not exceeding 18 months from the date of the Shareholders' resolution, pursuant to Art. 2357-2357-ter of the Italian Civil Code, Art. 132 of the T.U.F. and Art. 144-bis of CONSOB regulation 11971/99.

The purchase shall be made:

- to support the liquidity and market efficiency;
- for retention and for subsequent uses including: exchange of shares with other companies, contribution or other act of disposition and/or use with other subjects, including convertible bonds or warrants; and
- to use against plans based on financial instruments in favor of the Group directors, employees or consultants pursuant to Art. 114-bis of the T.U.F., as well as free shares allotment to the existing Shareholders.

The Shareholders' Meeting has also resolved:

- that the purchase price of each treasury share should not be lower than the Stock Exchange price of the trading day preceding the day on which the purchase transaction will be carried out, decreased by 20%, and not higher than the Stock Exchange price of the day preceding the day in which the purchase transaction will be carried out, increased by 10%, in compliance with Art. 5 of EU Regulation no. 596/2014 and Art. 3 of Delegated Regulation (EU) no. 1052/2016.
- to authorize the Board of Directors to dispose in whole and/or in part, without time limits, of the treasury shares purchased pursuant to Art. 2357-ter of the Italian Civil Code, setting the price and the rules of disposal and making any accounting booking necessary or appropriate, in compliance with the applicable Law and accounting standards;
- to enforce the Board of Directors (and on its behalf to the Chairman and CEO) with the appropriate powers to purchase, sell, exchange and transfer treasury shares, to implement the above resolutions, signing the executive instructions of the relative purchase programs, including buy-back plans pursuant to the Delegated Regulation (EU) no. 1052/2016, in compliance with any competent authorities' requirements.

At June 30th, 2021, Digital Bros S.p.A. did not hold any treasury shares, as no transactions have been performed in the period, pursuant to Art. 2428 paragraph 2.3 of the Italian Civil Code.

This press release is available on the websites www.digitalbros.com and www.1info.it

ART. 154-BIS OF THE T.U.F.

As required by paragraph 2, Art. 154-bis of the T.U.F., Digital Bros Group's Chief Financial Officer, Stefano Salbe, declares that the information contained in this press release corresponds to the Group's underlying documents, books and accounting records.

DIGITAL BROS GROUP

Listed on the Euronext 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, United States, UK, France, Spain, Germany, Czech Republic, China, Japan, Australia and Canada with approximately 325 employees.

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