



Alkemy's consolidation in the Balkans continues: Alkemy SEE buys 51% of Kreativa New Formula, Serbian independent marketing & advertising agency

Alkemy SEE D.o.o., 70% of which is controlled by Alkemy S.p.A., signs an agreement for the acquisition of 51% of the share capital of Kreativa New Formula D.o.o., one of the largest independent digital agencies in Serbia. The acquisition of the remaining 49% of the share capital will be finalized in several tranches within five years.

Milan, 26 April 2018 – **Alkemy S.p.A.**, leading company in the innovation of the business model of large and medium-sized companies and listed on the AIM Italia market of Borsa Italiana since 5 December 2017 (ticker: ALK), announces that its **subsidiary Alkemy SEE D.o.o.** (South Eastern Europe), based in Belgrade and headed by Milan Perovic, **signed an agreement for the acquisition of 51% of Kreativa New Formula, one of the largest independent marketing and advertising digital agencies in Serbia**, among the first players on the market to transform its offer towards digital solutions. The acquisition of the remaining 49% of the share capital will be finalized in several tranches within five years.

Founded in 2008 by Vera Lloyd Thomas, CEO and sole shareholder of the company, **Kreativa New Formula** employs over 20 people, is based in Belgrade and operates mainly nationally. Over time, it has established itself as a solid and well-known company in the local market, creating ongoing business relationships with major brands such as Delhaize, Volkswagen/Porsche and Societè Generale.

*"In line with our external growth strategy and after the establishment of a joint venture company with Nelt Group D.o.o. in the Balkan peninsula, with the acquisition of Kreativa New Formula we intend to move a further step in the consolidation of our position in South-Eastern Europe, a market that is growing at a CAGR of 15% (2014-2017) and is very similar to the Italian one. The operations in the Balkans, led by Milan Perovic, and coordinated internationally by Paolo Fontana, are already showing concrete results, which we expect will grow thanks to the new additions in terms of team and skills", **commented Duccio Vitali, CEO of Alkemy S.p.A.***

Thanks to this operation, it will be possible to exploit both operational synergies in terms of technological nearshoring and commercial ones in terms of cross-selling, such as, for instance, the involvement of the Kreativa New Formula web design team for the eCommerce development of Alkemy SEE customers operating in the Fashion world, and the involvement of the Alkemy team with customers that are already in Kreativa New Formula portfolio, for Data Analysis and Communication interventions.





The total value of the transaction (Equity Value) is approx. 1.2 million Euros.

Transaction structure requires that Alkemy SEE acquires 51% of Kreativa New Formula and – as for past extraordinary transactions carried out by Alkemy – completes the acquisition of the remaining 49% of the company's share capital after the exercise of five-years put/call options.

The initial 51% will be purchased on the basis of a valuation of Kreativa New Formula of 5.8 times the 2017 adjusted¹ Ebitda and the consideration will be paid in cash.

*"The acquisition of Kreativa New Formula represents yet another use of IPO proceeds and is in line with Alkemy's external growth strategy: it is, in fact, an accretive operation, allows commercial and operational synergies and enriches the Group's entrepreneurial team. As with the other companies we have aggregated in the past as well as recently – such as Nunatac, Italian company specialized in data analysis for business –, while remaining a separate legal entity, the company's commercial operations and financial management will be fully integrated with those of the Group, leaving space to the founder's entrepreneurial ability in ordinary business management", commented **Alessandro Mattiacci, Vice President and Head of Corporate Development at Alkemy S.p.A..***

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Born in 2012 thanks to a group of entrepreneurs who had gained significant experience at leading international companies in the world of business consultancy and technological innovation, Alkemy S.p.A. works to improve the market position and competitiveness of large and medium-sized companies — innovating and transforming their business model according to the evolution of technology and consumer behaviour. The Company integrates skills and expertise in the areas of strategy, e-commerce, communication, performance and technology into its offer, and manages wide-ranging digital transformation projects that cover the entire value chain, from strategy to implementation.

For further info

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¹ Non-recurring and/or extraordinary items are excluded

