



The Board of Directors today approved the draft Consolidated Financial Statements for 2018. Ordinary Shareholders' Meeting to approve the Financial Statements for 2018 called on 30 April 2019 (first call) and, if need be, on 7 May 2019 (second call).

Alkemy's growth continues for the sixth consecutive year since its foundation: turnover +67.7% and EBITDA +58.5% in 2018 YoY

- The 2018 financial statements were **prepared for the first time according to the IAS/IFRS accounting standards**, which provide, among other things, for the conversion of the previous year's data in order to conform to clear comparability parameters¹.
- Consolidated Revenues amounted to €71.6 million in 2018, +67.7% compared to €42.7 million for the previous year.
- FY2018 EBITDA was €6.2 million, +58.5% compared to €3.9 million for 2017.
- FY2018 EBIT was €4.8 million, compared to €2.9 million for 2017.
- Net profit for the year totalled €3.4 million, +150%, compared to €1.4 million for 2017.
- Net Financial Position was €-10.7 million at 31 December 2018, compared to €+12.6 million at 31 December 2017, mainly due to the acquisition operations concluded during the year.

Milan, 28 March 2019 – The Board of Directors of **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), approved today the Consolidated and Statutory Financial Statements for FY2018, prepared for the first time in accordance with the IAS/IFRS Principles, as a preliminary step to the trans-listing on the MTA-STAR Segment.

The Group's consolidated revenues for **2018** amounted to €71.6 million, **up by 67.7%** compared to €42.7 million for 2017. This result was achieved by growing organically in the areas in which Alkemy operates and by offering services developed by integrating competencies acquired through M&A activity.

"2018 was the sixth consecutive year of growth for Alkemy SpA since its foundation in 2012. It was a year of important organic growth as well as growth connected to the integration of new and important elements acquired through M&A activity - Nunatac, Kreativa New Formula, Ontwice Interactive Services. The growth concerned both the domestic and the international markets in which the Group operates through its subsidiaries, namely Spain, Mexico and the Balkan area, which today account for over 20% of revenues", stated Alkemy's **Chief Executive Officer Duccio Vitali**.

FY2018 consolidated EBITDA was €6.2 million, **up by 58.5%** compared to €3.9 million for 2017, mainly due to organic growth and to the extension of the Group's scope.

As the turnover connected to the integration of one of the acquired companies in the

¹The results at 31 December 2017 recorded in the Consolidated Financial Statements closed on 31 December 2018 were subject to adjustment to International accounting Standards (IAS/IFRS) and therefore differ from those reported in the Consolidated Financial Statements at 31 December 2017 that was presented to the Shareholders' Meeting held on 3 May 2018, which had been prepared in accordance with National Accounting Standards (Italian GAAP).



Spanish and Mexican markets has an important Media component (purchase and sale of digital Media spaces, characterized by very low margins), we believe it could be useful to also present the adjusted EBITDA margin², equal to 9.67%, compared to 9.16% of the 2017 EBITDA margin.

Consolidated EBIT for 2018 was €4.8 million compared to €2.9 million for 2017, growing in line with the wider scope of the Group.

FY 2018 Consolidated net profit was €3.4 million, compared to €1.3 million for 2017, **up by 150%**.

Net financial Position at 31 December 2018 was negative at €-10.7 million compared to a Net Financial Position of €+12.6 million at 31 December 2017. This change is mainly related to the M&A transactions carried out during the year, connected to the outlays for shares acquisition and to the recording among financial payables of the value of the put options that have been issued to minority shareholders for the future purchase of subsidiaries' minority shares.

OUTLOOK

In the year 2019, Alkemy intends to pursue its **development and growth strategy**, maintaining its specialisation in technological and digital innovation aimed at providing added-value and innovative services that are able to improve companies' economic performances.

This strategy will be implemented through **organic growth** and the integration of the acquired companies' specific elements, through **non-organic growth**, aiming at an expansion of competencies, and also by assessing the opportunity to expand to new geographical markets.

Furthermore, Alkemy will continue its process of scalability, industrialization and improvement of the organizational structure based on the concept of **Customer Centricity** - where not just products and services but all processes and structures are aligned to customers' needs - through control and knowledge management systems, which will be extended to all Group companies.

Last but not least, Alkemy confirms its intention to transfer its shares from the AIM Italia to the MTA-STAR Segment by the end of 2019, which will give the Company greater visibility in the Financial Community, especially among institutional investors, as well as giving further value to the stock thanks to the high requirements of the STAR Segment in terms of transparency, corporate information and Corporate Governance.

Alkemy S.p.A.'s Financial Statements for the year ended 31 December 2018 show a net profit of €1,972,668 (€705,350 in 2017). The Board of Directors will submit to the General Shareholders' Meeting a proposal to allocate Alkemy S.p.A.'s net profit for 2018, apart from the amount due as legal reserve, entirely to "profits carried forward".

² The Adjusted EBITDA Margin is calculated by comparing EBITDA to total revenues and income, net of the Media cost of the acquired companies in the Spanish and Mexican markets.



The accounting figures provided herein are still being audited by the independent auditors. The annexes provide further information.

Those entitled to participate in and to exercise their vote at the General Shareholders' Meetings are called to the Ordinary Shareholders' Meeting on **30 April 2019 at 9:00 a.m. CET (first call)**, at the Company's headquarters in Milan, via San Gregorio 34, and, if need be, on **7 May 2019 at 4:00 p.m. CET (second call)**, at the Company's headquarters in Milan, via San Gregorio 34, to discuss and resolve upon the approval of the Company's Financial Statements for 2018 and the presentation of the Consolidated Financial Statements for the year ended 31 December 2018.

The documents pertaining to the items on the Agenda of the Ordinary Shareholders' Meeting will be made available at the Company's registered office and on the corporate website www.alkemy.com in section Corporate Governance, in accordance with the terms and methods established by law.



Attachments

RECLASSIFIED CONSOLIDATED INCOME STATEMENT (values expressed in '000 Euros)

	31 Dec. 2018	31 Dec. 2017
Net revenues	71.629	42.693
Costs for services, goods and other operating costs	42.859	24.142
Personnel costs	22.570	14.639
Gross operating profit (EBITDA)	6.200	3.912
Amortization, depreciation and write-downs	1.366	990
Operating income	4.834	2.922
Financial income	236	10
Financial charges	(796)	(406)
Profit (loss) before tax	4.274	2.526
Income taxes	879	1.171
Profit (loss) for the year	3.395	1.355
of which of the Group	3.248	1.379
of which of Third Parties	147	(24)



RECLASSIFIED CONSOLIDATED BALANCE SHEET
(values expressed in '000 Euros)

NON-CURRENT ASSETS

Tangible fixed assets	1.064	757
Goodwill	31.748	11.500
Intangible assets with a finite life	1.444	1.008
Non-current financial assets	1.335	8
Deferred tax assets	977	678
Other receivables and non-current assets	149	114
TOTAL NON-CURRENT ASSETS	36.717	14.065

CURRENT ASSETS

Inventories	251	251
Commercial credits	32.632	18.170
Current financial assets	82	0
Tax credits	2.431	370
Other current assets	4.304	2.494
Cash	10.098	23.451
TOTAL CURRENT ASSETS	49.798	44.736

TOTAL ASSETS	86.515	58.801
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NET ASSETS

Share capital	574	567
Reserves	30.811	29.061
Profit (loss) for the year	3.248	1.380
Group equity	34.633	31.008
Third-party equity	274	7
TOTAL NET ASSETS	34.907	31.015

NON-CURRENT LIABILITIES

Financial liabilities	11.644	8.696
Employee benefits	3.647	1.673
Provisions for risks and charges	25	0
Deferred tax liabilities	0	5
TOTAL	15.316	10.374

CURRENT LIABILITIES

Financial liabilities	9.170	2.189
Commercial debts	18.303	10.626
Tax payables	1.268	1.032
Other liabilities	7.551	3.565
TOTAL CURRENT LIABILITIES	36.292	17.412

TOTAL LIABILITIES AND SHAREHOLDERS 'EQUITY	86.515	58.801
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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, technology and data analytics into its offer, and manages wide-ranging digital transformation projects that cover the entire value chain, from strategy to implementation.

For further information:

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