

PRESS RELEASE

DIGITAL BROS S.p.A. SHAREHOLDERS' ANNUAL GENERAL MEETING

- FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2022-2023 APPROVED, AS PROPOSED BY THE BOARD OF DIRECTORS
- NET PROFIT ALLOCATED TO THE LEGAL RESERVE AND THE RESIDUAL AMOUNT TO RETAINED EARNINGS
- FIRST SECTION OF THE REMUNERATION REPORT APPROVED, FAVOURABLE OPINION ON ITS SECOND SECTION
- ELECTION OF THE NINE MEMBERS OF THE BOARD OF DIRECTORS FOR 2024-2026
- ABRAMO GALANTE CONFIRMED AS CHAIRMAN OF THE BOARD OF DIRECTORS
- AGGREGATE REMUNERATION OF THE BOARD OF DIRECTORS UNCHANGED VERSUS PREVIOUS PERIOD
- MEMBERS OF THE BOARD OF STATUTORY AUDITORS APPOINTED FOR 2024-2026
- AUTHORIZATION TO PURCHASE AND DISPOSE OF TREASURY SHARES

Milan, October 27th, 2023 -The **Shareholders' Meeting of Digital Bros S.p.A.** (DIB:MI), videogames company listed on the Euronext STAR Milan (ISIN: IT0001469995) and part of the FTSE Italia Small Cap index and Euronext Tech Leaders, today **approved the Financial Statements for the fiscal year 2022-2023** (July 1st, 2022 - June 30th, 2023), as proposed by the Board of Directors.

Digital Bros Group's key consolidated results for the fiscal year 2022-2023, together with prior year comparatives, are as follows:

- **Consolidated gross revenue** of Euro 118 million, down by 10.8%, compared to Euro 132.2 million on June 30th, 2022, still 2 million better than pre-closing forecast;
- **EBITDA** at Euro 43.5 million;
- **EBIT** at Euro 19.3 million, after Euro 7.7 million write-offs related to the underperforming launch of videogames in the second half of FY 2022-2023;
- **Net profit** of Euro 9.6 million compared to 28.7 million on June 30th, 2022;
- **Net financial position** is negative at Euro 39.6 million (Euro 34.3 million net of the IFRS 16 effect), due to significant investments during FY 2022-2023.

As of June 30th, 2023, gross revenue of the parent company Digital Bros S.p.A, amounted to Euro 7,877 thousand, down by 14.7% compared to Euro 9,235 thousand realized in the previous fiscal year. Net profit amounted to Euro 4,933 thousand compared to net profit of Euro 7,325 thousand as of June 30th, 2022.

The Parent Company will enhance the Group coordination activities, which will result in a growth of other revenues. The expected positive performance of its subsidiaries, Kunos Simulazioni S.r.l. and 505 Games S.p.A., will enable Digital Bros to keep dividends in line with the previous fiscal years.

RESOLUTIONS OF THE SHAREHOLDERS' ANNUAL GENERAL MEETING

ALLOCATION OF EARNINGS

The Shareholders' general meeting approved the allocation of Euro 294 to the Legal Reserve and the remaining balance of Euro 4,933,077.54 thousand to Retained Earnings.

REMUNERATION REPORT

The Shareholders' Meeting approved the First Section of the Remuneration Report, pursuant to art 123 ter, paragraph 3, of the Legislative Decree no.58 of February 24th, 1998.

In addition, the Shareholders' Meeting expressed a favourable opinion on the Second Section of the Remuneration Report pursuant to art. 123-ter, paragraph 4, of the Legislative Decree no.58 of February 24th, 1998 ("T.U.F.").

The Remuneration Report is available on the Company's website www.digitalbros.com either in the "Governance/Shareholders' Meeting" and "Governance/Remuneration" sections.

ELECTION OF THE BOARD OF DIRECTORS

Following the guidelines of the expiring Board of Directors, the Shareholders' Meeting voted:

- to appoint 9 Directors to the Board of Directors;
- to elect the new Board of Directors for the three-year period, 2024-2026 until the approval of the Financial Statements for the fiscal year ending June 30th, 2026. The following Directors were elected: Carlotta Ilaria D'Ercole, Lidia Florean, Abramo Galante, Davide Galante, Raffaele Galante, Susanna Pedretti, Stefano Salbe, Laura Soifer, Dario Treves;
- to nominate Abramo Galante as Chairman of the Board of Directors;
- to confirm the aggregate annual remuneration for the Board of Directors to Euro 1,200,000, in compliance with Art. 23 of the Article of Association. The Board of Directors will share the total aggregate remuneration among its members.

ELECTION OF THE BOARD OF STATUTORY AUDITORS

The Shareholders' Meeting has appointed the Board of Statutory Auditors for the 2024-2026 three-year period, until the approval of the Financial Statements for the fiscal year ending June 30th, 2026. The Board is formed by: Paolo Villa – statutory auditor (Chairman), Pietro Piccone Ferrarotti – statutory auditor, Maria Pia Maspes – statutory auditor, Andrea Serra – alternate auditor, Stefano Spiniello – alternate auditor.

The Shareholders' Meeting approved the remuneration fees in Euro 27,000 to the Chairman and Euro 22,000 to each Statutory Auditor.

AUTHORIZATION TO PURCHASE AND DISPOSE OF TREASURY SHARES

The Shareholders' Meeting resolved to cancel the resolution of the Shareholders' Meeting as of October 26th,2022 which authorized the purchase and disposal of treasury shares.

With the same resolution, the Shareholders' Meeting approved a new authorization to purchase and dispose of treasury shares up to a maximum of 10% of the existing share capital, for 18 months from the date of the Shareholders' resolution, keeping in consideration the treasury shares already purchased, pursuant to Art. 2357-2357-ter of the Italian Civil Code and Art. 132 of the T.U.F.. In executing the overall approval, the transactions made through the exercise of what provided by art. 144-bis, paragraph 1, comma c) of the Issuers Regulation shall not exceed the 5% of the share capital.

The execution will comply with the provision of the Law, in particular Art. 132 of the T.U.F., Art.144-bis of Consob

regulation 11971/99, and pursuant to the Delegated Regulation (EU) no.1052/2016 and Art.13 of the Regulation (EU) no.596/2014 approved by the Consob, if applicable.

The execution shall be made:

- to support market liquidity and efficiency;
- for retention for future uses, including: consideration in extraordinary transactions, including exchange or sale of equity investments, contribution or other acts of disposition with other parties, including use to service convertible bonds into shares of the Company or bonds with warrants;
- used to service compensation plans based on financial instruments in favor of the Group directors, employees or contractors pursuant to Art. 114-bis of the T.U.F., as well as the free of charge assignment of shares to Shareholders.

The purchase price of each share should not be lower than the official stock market price of the previous trading day, decreased by 20%, and not higher than the stock market price of the last trading day, increased by 10%, in compliance with Art. 5 of the Regulation no. 596/214 and with the Delegated Regulation no. 1052/2016.

The Shareholders' Meeting also resolved:

- to authorize the Board of Directors to dispose, as a whole or in tranches, without time restrictions, of the treasury shares purchased pursuant to Art. 2357-ter of the Italian Civil Code, identifying the price and the rules of disposal, and keep the related accounting in compliance with the applicable Law and the current accounting principles;
- to empower the Board of Directors (and on its behalf the Chairman and CEO) to purchase, sell, exchange and transfer treasury shares and to implement the above resolutions, carrying out the acts of disposal and buy-back plans, also through a legal representative, pursuant to the Delegated Regulation (EU) and in compliance with the laws and regulations in force.

As of June 30th, 2023, Digital Bros S.p.A. did not hold any treasury shares, and no transactions have been performed in the period.

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.

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

DIGITAL BROS GROUP

Listed on the Euronext STAR Milan and part of Euronext Tech Leaders, Digital Bros Group is a global company that has been operating since 1989 as a developer, publisher and distributor of video games through its brand 505 Games. The Group markets 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 430 employees.

For further information please contact:

Digital Bros S.p.A.
Stefano Salbe - CFO
Tel, + 39 02 413031
ir@digitalbros.com