

2019

AIM
Italia Conference
2019

D B A GROUP



DBAGROUP

A year of intense activity to realize an Integrated and multidisciplinary methodology in the field of infrastructure design and to increase our presence along the Belt and Road Initiative.

47

Mn Sales

+11%

Sales increase

440

Direct Employees

360

New Contracts

+11%

Contracts Growth

We are a technology consulting firm focused on high value added solutions and services, characterized by a significant degree of innovation.

FINANCIAL STATEMENTS FOR 2018 FY

Sales	Net Revenues reach € 47.0 Mn (+11% vs last year)
EBITDA Adjusted	€ 4.8 Mn (-1.7% vs last year)
EBITDA	€ 4.4 Mn (-3.0% vs last year)
Net Financial Position	€ -9.6 Mn (€ +2.7 Mn as at 31 December 2017)
Equity	€ 23.6 Mn (€ 24.6 Mn as at 31 December 2017)

BACKLOG2019

Contract Backlog

€ 47.6 Mn (€ +20% vs last year)

Breakdown Backlog

SBU	2019	2020+	TOTAL
ARCH & ENG	9.5 Mn €	10.1 Mn €	19.6 Mn €
PMO	4.4 Mn €	10.5 Mn €	14.9 Mn €
ICT	8.6 Mn €	4.5 Mn €	13.1 Mn €
TOTAL	22.5 Mn €* 	25.1 Mn €	47.6 Mn €

*Backlog + YTD Revenues covers about 60% of 2019 estimated revenues

FINANCIAL STATEMENTS FOR 2018 FY

Results of consolidated financial statements at December 31, 2018 indicate a growth in the value of production and a decrease of profit margins due to the contraction of market prices in sectors where the company operates.

The decrease in profit margins is also due to continuous efforts by the Group in Research activities for innovative solutions to develop the future business of DBA.

Over 2018 financial year the company pursued the following objectives:

- to strengthening internal functioning;
- to continue expansion towards foreign markets;
- to proceed in M&A opportunities scouting during the current and coming financial years;
- to provide continuity to all Research and Development activities promoted by the Innovation Department.

BP2019-2013 STRATEGIES

DBA Group BP 2019-2023 is being drafted and shortly we will present it to Market . Today we show you the main strategic guidelines:

Organisational Structure

DBA Group will equip itself with a new operational organisation aiming at reducing costs and organizational effectiveness

Geographical Area

DBA Group intends to diversify the geographic business area to pursue the interests of the Group

Growth

DBA Group intends to grow by M&A activities to further pursue the objectives of internationalization and to reinforce the Know-how of existing operative structures

M&A BRI AND OTHERS

M&A

Acquisition of 100% of ACTUAL IT D.D., completed in September 2018, and Acquisition of SJS, completed in October 2018.

On going scouting and meeting for M&A opportunities in ICT, Cybersecurity and Asset Facility Management.

A new resource, fully dedicated to our M&A activities, has joined our Group

BRI

International development in Eastern Europe, Western Asia and North Africa along the new silk way.

Signed in April 2019 an agreement with the port Authority for the implementation of the Port Community system (PCS) of Rijeka in Croatia. Contract Value: about 1 million €.

Digital Infrastructures

Integrated and multidisciplinary approach in the field of infrastructure design for their digitalization

PAS AND BUYBACK

Price Adjustment Share

On May 22, 2019 the Board of Directors notes the complete cancellation of 1,500,000 PAS (Price Adjustment Share) held by the main shareholder DB Holding S.r.l. (holder of 1,352,308 PAS shares) and Neurberger Berman Aifm Limited (holder of 147,692 PAS).

At the IPO the Company meant to reach a target of EBITDA 2018 equal to Euro 6 million net of the effects of the listing process; in case of failure to reach the threshold indicated above, the PAS action mechanism provided for the gradual cancellation up to a maximum of n. 1,500,000 shares held by historical shareholders. The 2018 financial year closed with a normalized 2018 EBITDA (net of the accounting effects of the listing) of approximately Euro 4.8 million.

Following the cancellation, the Company's share capital consists of n. 11,500,000 ordinary shares. The cancellation has been effective since May 22, 2019.

Purchase and provision of own shares

On April 19, 2019 the Board of Directors has resolved to propose to the Shareholders' Meeting the authorization for the purchase and disposal of DBA Group's own ordinary shares.

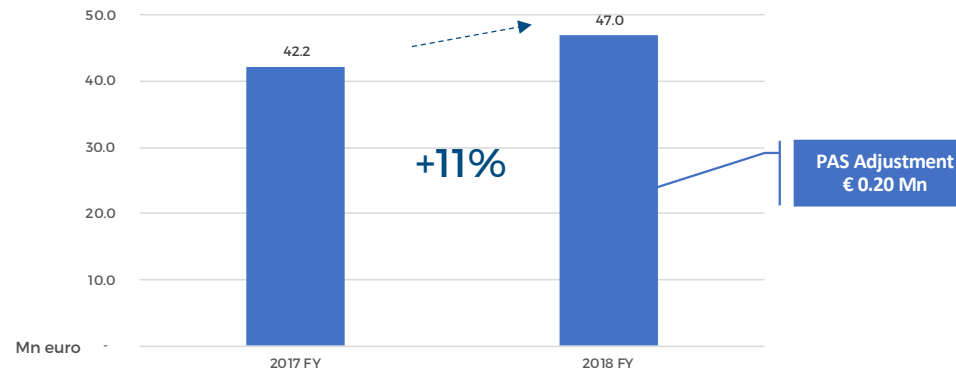
Main purposes:

- fulfill the obligations arising, where approved, from stock option programs or other assignments of shares to employees or members of the administrative or control bodies of DBA Group or its subsidiaries;
- to intervene, in compliance with the provisions in force (and where possible), also through intermediaries, to contain anomalous movements in prices and to regularize the trend of trading and prices, against temporary distorting phenomena linked to an excess of volatility or a lack of liquidity in trading.

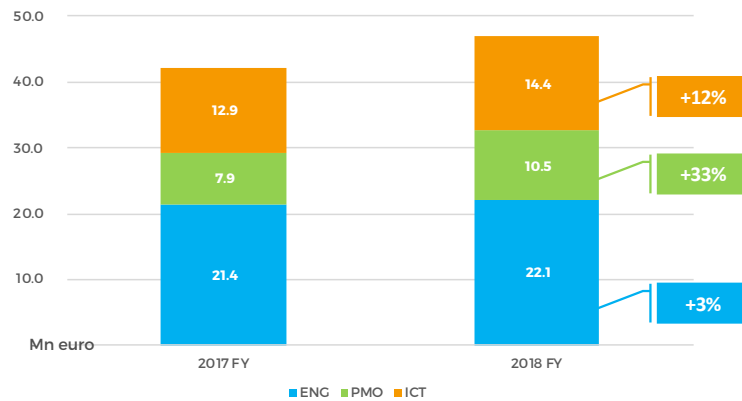
FINANCIALS

NETREVENUES

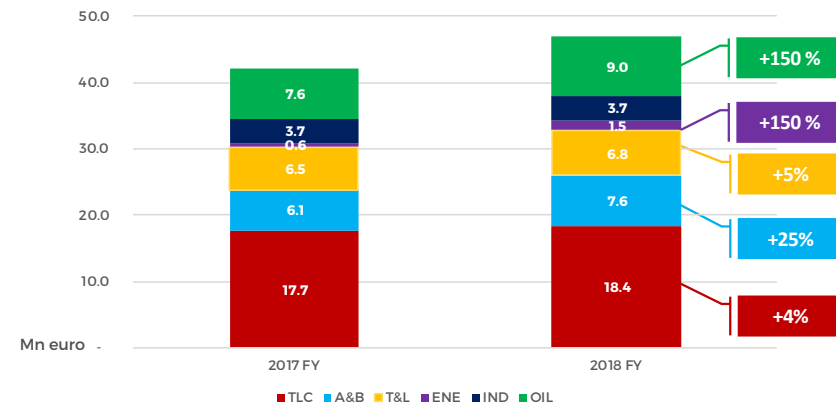
Net Revenues



Net Revenues by SBU



Net Revenues by Sector

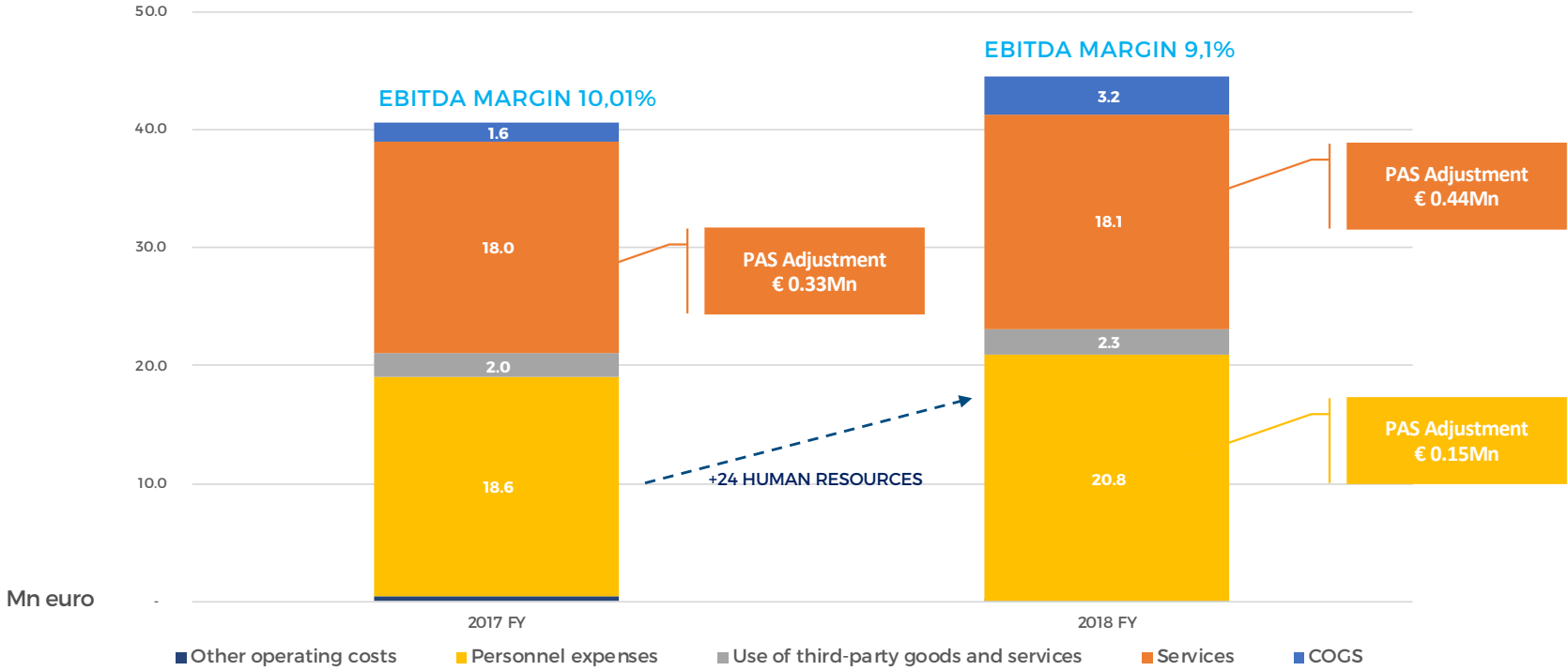


OTHER REVENUES

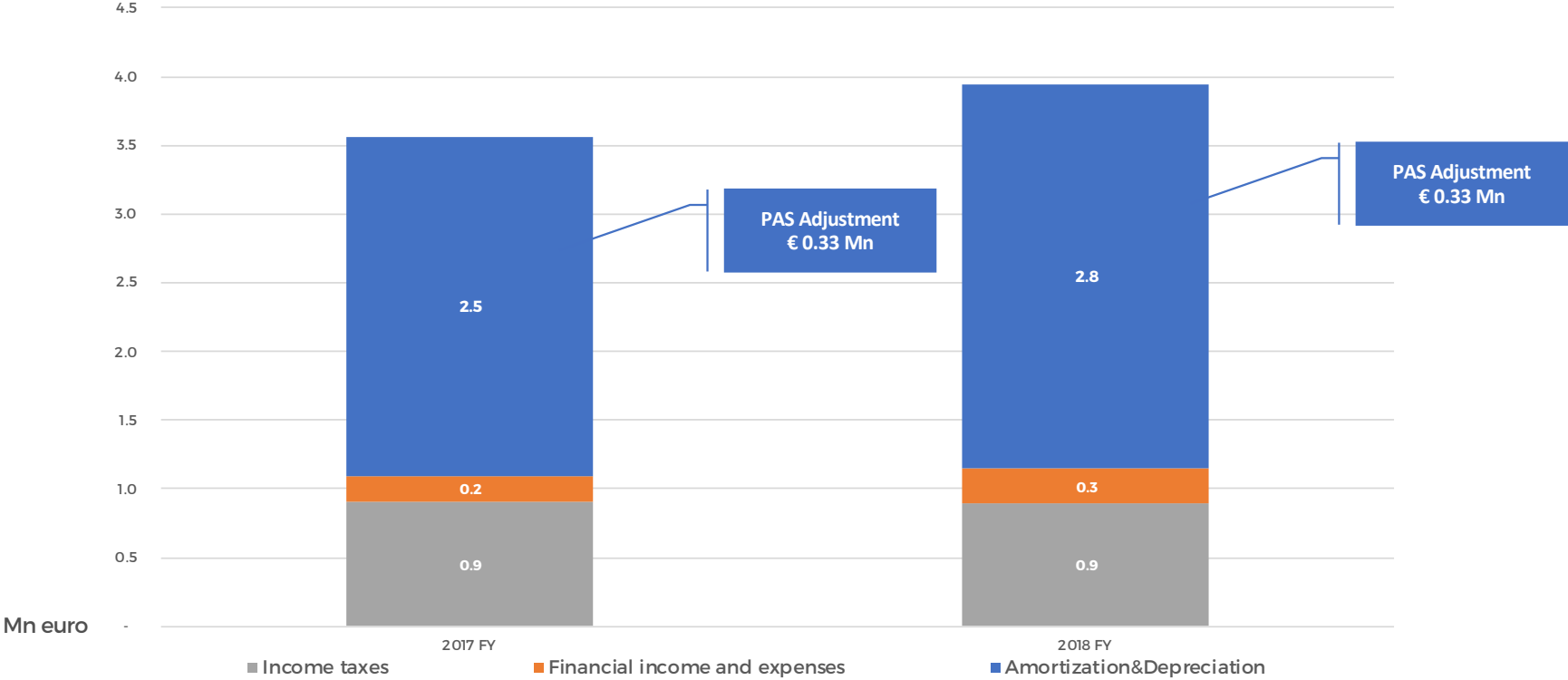
Other Revenues (2.0 Mn €) mainly refer to the following capitalized development costs:

€ 1.8 Mn	ENERGY MANAGEMENT SYSTEM € 0.05 Mn
	PORT COMMUNITY SYSTEM € 0.31 Mn
	GAS STATIONS MANAGEMENT SYSTEM € 0.38 Mn
	ASSET MANAGEMENT SYSTEM € 0.53 Mn
	DECISION SUPPORT SYSTEM € 0.43 Mn
	Others € 0.10 Mn

OPERATING EXPENSES

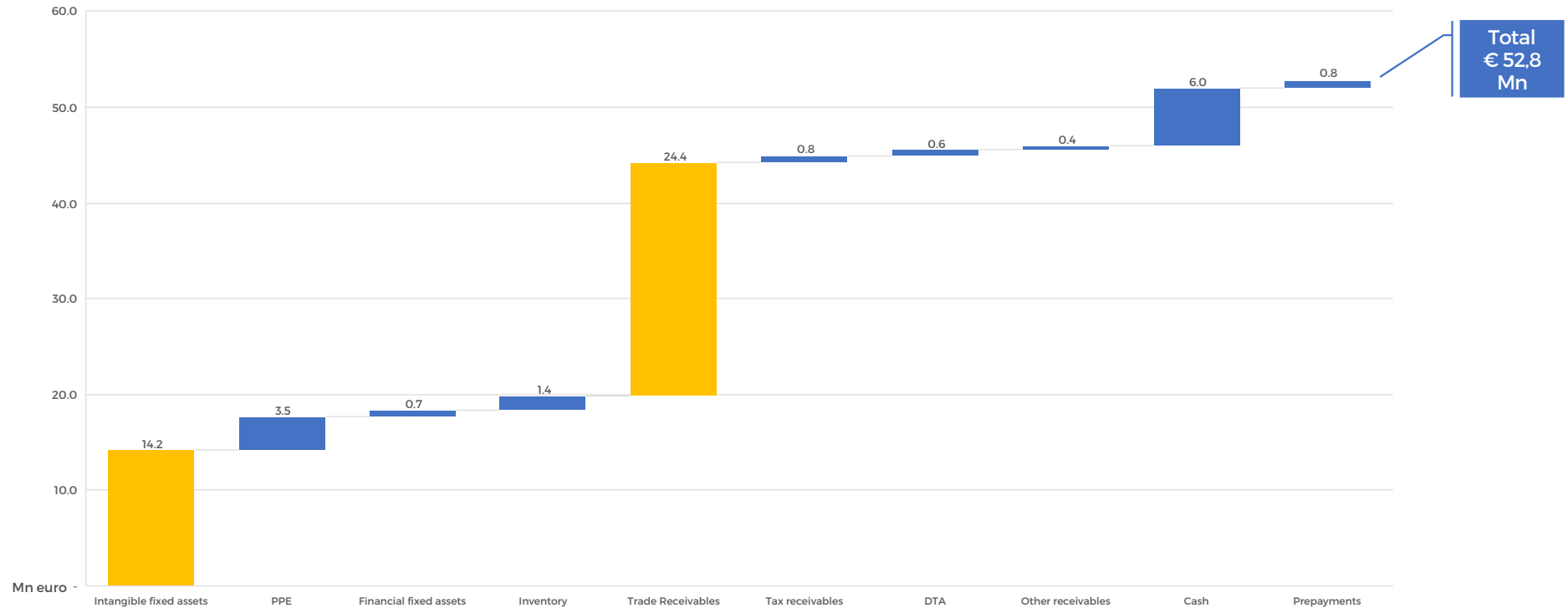


OTHER ITEMS OF THE INCOME STATEMENT



BALANCESHEET

Assets

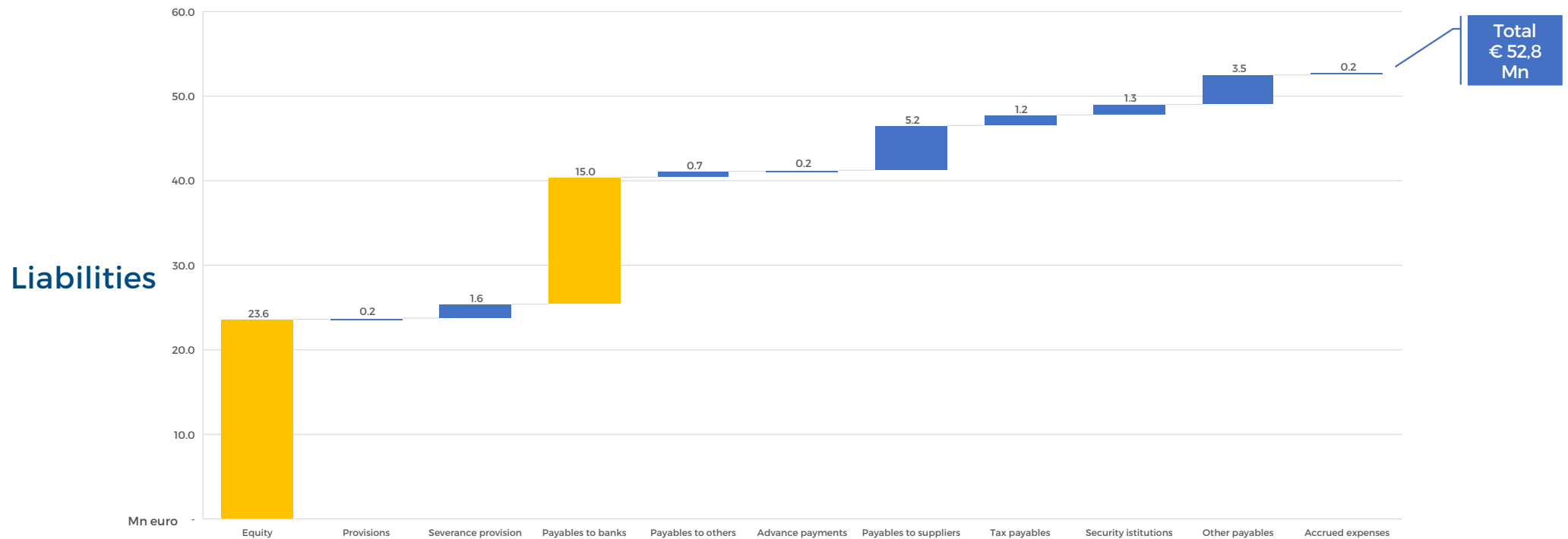


Intangible assets mainly include:

- a) goodwill amounting to € 8.0 Mn (out of which € 3.9 Mn for Actual/Itelis Group and € 3.6 Mn for SJS);
- b) R&D costs amounting to € 3.1 Mn (for details of costs incurred in 2018, see slide 11).

The Group accounted certain and solvent trade receivables for 24.4 Mn €.

BALANCESHEET



Equity registered an overall decrease of € 1.0 Mn mainly due to the acquisition of Actual IT dd's minority shareholding.

Payables to banks increased by € 4.7 Mn compared to December 31, 2017; they are collectable within the next financial year for the amount of € 9.2 Mn, and within 5 years for the amount of € 5Mn.

CORPORATE HIGHLIGHTS

SBU

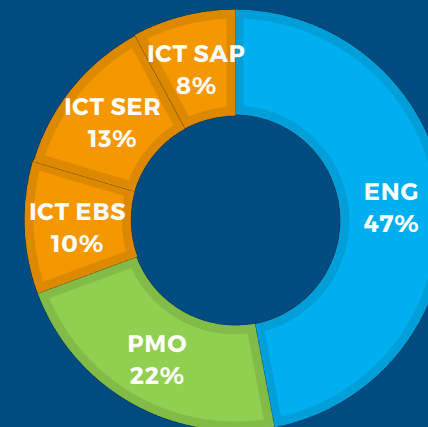
ARCHITECTURE & ENGINEERING



PROJECT & LIFECYCLE MANAGEMENT









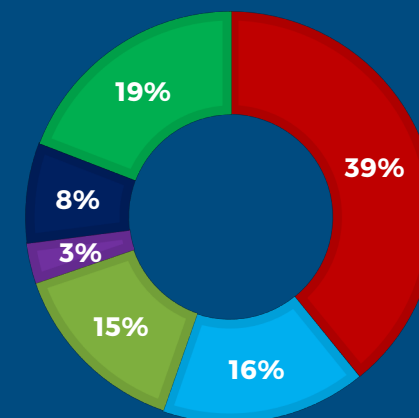
INFORMATION & COMMUNICATION TECHNOLOGY









SBU	SALES 2018
ENG	22.1 Mn €
PMO	10.5 Mn €
ICT EBS	4.8 Mn €
ICT SER	5.9 Mn €
ICT SAP	3.7 Mn €
TOT	47.0 Mn €

SECTORS

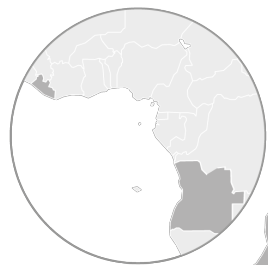
 TELCO & MEDIA	Telecommunications - Fixed and mobile telecommunication infrastructures, Data Center, PoP and Central Offices.
 ARCH & BUILDINGS	Real Estate - Commercial, Offices, Residential, Hospitality, Public Buildings.
 TRANSPORT & LOGISTICS	Transport & Logistics - Roads, Highways, Tunnels, Railways, Ports and Airports.
 ENERGY	Energy - Production, Transport and Distribution of energy, Measurement, Analysis and Optimisation of consumptions.
 OIL & GAS	Oil - Storage and distribution of hydrocarbons, LNG, CNG, LPG.
 INDUSTRIAL	Industry - Electronic, Engineering, Automotive, Chemical, Pharmaceutical, Textile, Apparel, Food Industry.



SECTORS	SALES 2018
 TELCO & MEDIA	18.4 Mn €
 TRANSPORT & LOGISTICS	6.8 Mn €
 OIL & GAS	9.0 Mn €
 ARCHITECTURE & BUILDINGS	7.6 Mn €
 INDUSTRIAL	3.7 Mn €
 ENERGY	1.5 Mn €
TOTAL	47.0 Mn €

DBA WORLDWIDE

The Group operates through its 14 offices in Italy and 10 abroad

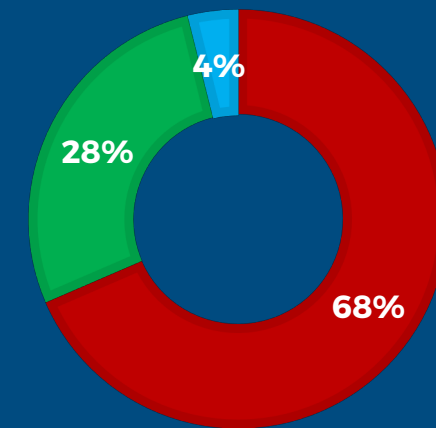


DBA OFFICES

Italy, Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, Russia, Azerbaijan

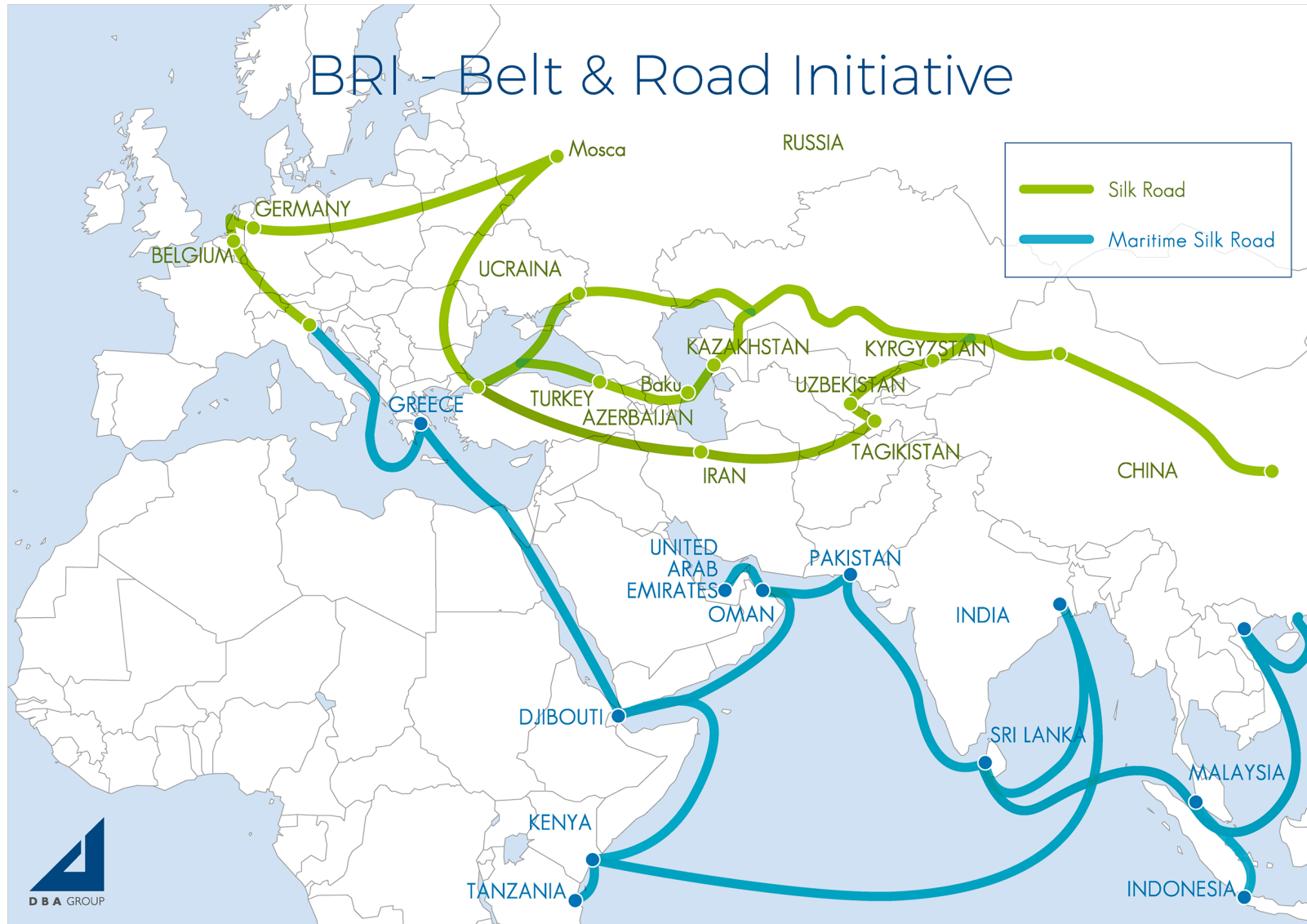
PROJECTS

Romania, Bulgaria, Albania, Greece, Turkey, Georgia, Armenia, Jordan, KSA, Spain, Portugal, Morocco, Liberia, Angola, Mexico, Venezuela, Thailand






AREA	SALES 2018
Italy	32.2 Mn €
Balkans	13.0 Mn €
Russia & Caucasus	1.8 Mn €
TOTAL	47.0 Mn €

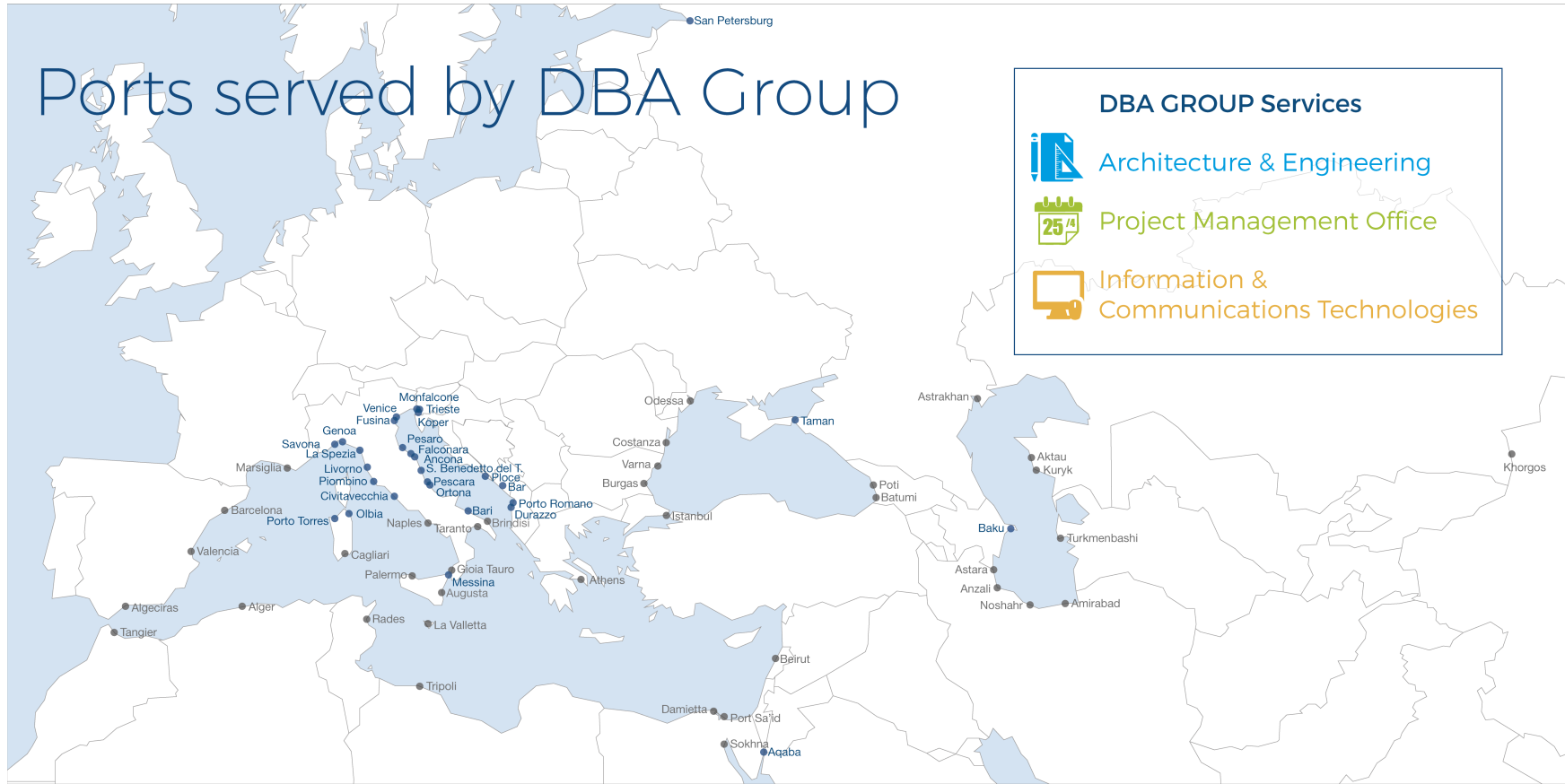
BRI - Belt & Road Initiative



Ports served by DBA Group

DBA GROUP Services

-  Architecture & Engineering
-  Project Management Office
-  Information & Communications Technologies



- | | | | | |
|---|---|--|---|---|
|  Ancona |  Brindisi |  Koper |  Pesaro |  Savona |
|  Aqaba |  Civitavecchia |  La Spezia |  Pescara |  Taman |
|  Augusta |  Dammam |  Livorno |  Piombino |  Taranto |
|  Baku |  Falconara |  Messina |  Ploce |  Trieste |
|  Bangkok |  Fusina |  Monfalcone |  Porto Roman |  Venice |
|  Bar |  Genoa |  Olbia |  S. Benedetto del T. | |
|  Bari |  Gioia Tauro |  Ortona |  San Petersburg | |

● Ports served by DBA Group



Annex

BALANCE SHEET - ASSETS	31 December 2018	31 December 2017
B) Fixed assets		
I - Intangible fixed assets		
1) startup and expansion costs	979,511	1,307,399
3) patent and intellectual property rights	2,113,229	1,202,683
4) franchise, licences, trademarks and similar rights	24,684	26,785
5) goodwill	8,008,688	3,517,863
6) assets under development and advance payments	3,055,327	2,649,004
7) other intangible fixed assets	31,471	421,859
Total Intangible fixed assets	14,212,910	9,125,593
II – Property, plant and equipment		
1) land and buildings	898,122	926,060
2) plant and machinery	80,348	99,926
3) fixtures and fittings, tools and equipment	24,732	24,203
4) other assets	2,487,550	2,209,199
Total Property, plant and equipment	3,490,752	3,259,388
III – Financial fixed assets		
4) derivative financial instruments assets	8	112
Total Financial fixed assets	650,835	721,482
Total Fixed assets (B)	18,354,497	13,106,463
C) Current assets		
I – Inventory		
3) work in progress and semi-finished products	1,302,105	864,290
4) finished products and supplies	144,505	47,224
Total Inventory	1,446,610	911,514
II – Receivables		
1) from customers	23,932,973	19,123,421
2) from subsidiaries	55,459	51,674
4) from parent companies	319,424	261,488
5-bis) tax receivables	770,412	1,426,056
5-ter) deferred tax assets	602,117	450,208
5 quater) other accounts receivable	487,994	410,752
Total Receivables	26,168,379	21,723,599
IV – Cash and cash equivalents		
1) bank current accounts and deposits	6,015,636	13,012,815
3) cash account	7,378	7,493
Total Cash and cash equivalents	6,023,014	13,020,308
Total Current assets (C)	33,638,003	35,655,421
D) Prepayments and accrued income	843,219	768,284
TOTAL ASSETS	52,835,719	49,530,168

BALANCE SHEET - LIABILITIES	31 December 2018	31 December 2017
A) Shareholders' equity		
I - Share capital	3,195,876	3,195,876
II - Share premium reserve	15,904,124	15,904,124
IV - Legal reserve	6,006	6,006
Translation reserve	28,715	(3,939)
Conferment reserve	1,986,929	1,986,929
Other reserves	700,000	1,344,037
VII – Cash flow hedge reserve	(13,155)	(5,795)
VIII - Earnings / (Losses) carried forward	1,533,171	125,158
IX - Earnings / (Losses) for the period	219,023	769,493
Group Shareholders' Equity	23,560,689	23,321,889
Minority interests' capital and reserves	(135,317)	1,079,375
Minority interests' profit / (loss) for the period	170,684	240,000
Minority interests	35,367	1,319,375
Total Shareholders' Equity (A)	23,596,056	24,641,264
B) Provision for contingencies and charges		
1) provision for pension and similar obligations	39,543	5,542
2) provision for taxes, including deferred taxes	134,636	513
3) derivative financial instruments liabilities	13,163	17,420
4) other provisions	33,460	-
Total Provision for contingencies and charges (B)	220,802	23,475
C) Employee severance indemnity provision	1,569,403	1,480,863
D) Payables		
4) payables to banks	15,022,751	10,345,498
5) payables to other lenders	689,981	1,002,964
6) advance payments	230,394	933,538
7) payables to suppliers	5,163,988	5,935,275
9) payables to subsidiaries	17,500	-
11 bis) payables to affiliates	-	7,000
12) tax payables	1,247,112	1,417,137
13) payables to social security institutions	1,340,142	1,091,841
14) other payables	3,497,325	2,080,046
Total Payables (D)	27,209,193	22,813,299
E) Accrued expense & deferred income	240,265	571,267
TOTAL LIABILITIES	52,835,719	49,530,168

INCOME STATEMENT	31 December 2018	31 December 2017
A) Value of production		
1) revenue from sales and services	46,971,457	42,253,681
3) changes in construction contracts	(150,438)	(133,153)
4) increase in assets for internal works	1,788,630	2,629,294
5) other revenues and proceeds	358,004	442,236
Total Value of production	48,967,653	45,192,058
B) Production costs		
6) for raw and auxiliary materials, consumables and merchandise	3,294,940	2,015,662
7) for services	18,096,172	18,001,174
8) for use of third-party goods and services	2,265,405	1,952,934
9) for personnel	20,803,316	18,621,934
10) amortization, depreciation and impairment of assets	2,793,371	2,463,914
11) changes in raw and auxiliary materials, consumables and merchandise	(97,281)	(411,572)
12) provision for risks	3,501	-
14) other operating costs	167,425	441,872
Total Production costs	47,326,849	43,085,918
EBIT	1,640,804	2,106,140
C) Financial income and expenses		
16) other financial income	3,898	12,790
17) interest and other financial expenses	212,797	171,419
17-bis) exchange gains and losses	(50,984)	(31,598)
Total Financial income and expenses	(259,883)	(190,227)
Earnings before taxes	1,380,921	1,915,913
20) current, deferred and prepaid income taxes	991,214	906,421
21) net profit / (loss)	389,707	1,009,492
21) minority interests profit / (loss)	170,684	240,000
21) group profit / (loss)	219,023	769,492

CASH FLOW STATEMENT	31 December 2018	31 December 2017
A. Cash flows from operating activities		
Net profit / (loss)	389,707	1,009,492
Current, deferred and prepaid income taxes	991,214	906,421
Financial income and expenses	208,899	190,227
Capital (gains) / losses from disposal of assets	(51,042)	-
1. Earnings before taxes, interests, dividends and capital gain / loss from disposals of assets	1,538,778	2,106,140
<i>Adjustments for non-monetary income and expenses</i>		
Provisions for contingencies, charges and employee severance indemnity provision	473,332	846,479
Amortisation and depreciation	2,598,748	2,372,799
Impairment of assets	76,086	-
Adjustments to derivative financial instruments assets and liabilities	4,153	-
Other non-monetary income and expenses	9,323	51,363
2. Cash flows before changes in Net Working Capital	4,700,420	5,376,781
<i>Changes in Net Working Capital</i>		
Changes in inventory	58,989	544,725
Changes in receivables from customers	(4,022,835)	(4,623,958)
Changes in payables to suppliers	(1,517,558)	(360,830)
Changes in prepayments and accrued income	(57,449)	(366,343)
Changes in accrued expense & deferred income	(331,002)	148,465
Other changes in Net Working Capital	961,010	268,045
3. Cash flows after changes in Net Working Capital	(208,425)	986,885
<i>Other adjustments</i>		
Financial interests collected / (paid)	(208,899)	(190,227)
Income tax payments	(929,224)	(2,013,542)
Use of provisions for contingencies, charges and employee severance indemnity provision	(338,453)	(1,079,381)
Other cash flows	(1,476,576)	(3,283,150)
Cash flows from operating activities (A)	(1,685,001)	(2,296,265)

CASH FLOW STATEMENT	31 December 2018	31 December 2017
B. Cash flows from Investing activities		
<i>Plant, property and equipment</i>		
Investments	(1,217,886)	(1,649,344)
Disposals	56,378	5,569
<i>Intangible fixed assets</i>		
Investments	(1,491,709)	(4,420,790)
Disposals	9,666	45,404
<i>Financial assets</i>		
Investments	-	(331,903)
<i>Financial non-fixed assets</i>		
Disposals	70,647	-
<i>Net cash flow disposed of from investments in companies</i>	<i>(6,463,612)</i>	<i>(711,111)</i>
Cash flows from Investing activities (B)	(9,036,516)	(7,062,175)
C. Cash flows from financing activities		
<i>Third parties</i>		
Changes in short-term payables to banks	(1,410,903)	4,479,276
New loans	7,942,000	4,709,000
(Reimbursements)	(2,790,371)	(2,980,568)
<i>Own capital</i>		
Increases in share capital	-	12,000,000
Cash flows from financing activities (C)	3,740,726	18,207,708
Total cash flows for the period (A ± B ± C)	(6,980,791)	8,849,268
Exchange changes in cash and cash equivalents	(16,503)	-
Opening cash and cash equivalents	13,020,308	4,171,040
of which:		
bank current accounts and deposits	13,012,815	4,158,762
cash account	7,493	12,278
Closing cash and cash equivalents	6,023,014	13,020,308
of which:		
bank current accounts and deposits	6,015,636	13,012,815
cash account	7,378	7,493

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