



## **DHH enters the cloud computing market in Bulgaria thanks to the acquisition of Evolink**

Milan, 23 November 2021. DHH S.p.A. (“DHH” or the “Company”) (DHH.MI | WDHH21.MI) (ISIN shares IT0005203622), the cloud computing provider of Southeast Europe, announces to have signed today a binding agreement for the acquisition of 60% of [Evolink AD](#) (“Evolink”). The closing is expected to happen within 30<sup>th</sup> November 2021.

Evolink, established in 2004 and based in Sofia (Bulgaria), with its team of 50 employees is one of the largest “Infrastructure-as-a-Service” (IaaS) providers in Bulgaria. Currently it has two active directly operated data centers, both located in Sofia. The customer portfolio includes large companies and telecom operators.

In 2021 the company is expected to have a turnover of 3,2M EUR (vs 3M EUR of 2020), an EBITDA of 234k EUR (vs -340k EUR of 2020), a net profit of 15k EUR (vs -430k EUR of 2020). The company doesn't have financial debts and is cash flow positive with a cash conversion rate (EBITDA/FCF) > 100%. The net cash is expected to increase by 360k EUR in 2021 (from 515k EUR to 895k EUR) vs an increase of 120k EUR in 2020 (from 394k EUR to 515k EUR).

DHH completed today the first step of the transaction, the purchase of the first stake of 60% of the share capital of Evolink. The price - equal to ca. 2,45M EUR - will be paid in cash. The purchase of the remaining 40% of the share capital will take place within 90 days from the approval of the financial statements for the year 2024. The price for the purchase of the second step is regulated by an earn-out agreement and will depend on the performance of the company in the period.

DHH plans to keep Evolink as an independent company within the group, with its own management team, brands, people, and operations. Bisser Sergiev Tzonev and Svetoslav Georgiev Hristov, collectively owning 40% of the company, have been confirmed as executive directors of Evolink. The results of Evolink will be consolidated in DHH's financial statements starting from 1<sup>st</sup> December 2021.

Giandomenico Sica, Chairman of the Board of Directors of DHH, commented: *“We are very happy to welcome Evolink to our group. Evolink is one of the main players in the cloud computing field in Bulgaria, with a unique video streaming technology and a lot of untapped growth potential on the mainstream products like cloud servers, cloud backup and on the cybersecurity offering (email protection, DDoS protection, web application firewalls). Thanks to this deal we are keeping the pace of one relevant M&A transaction per year, and we are also entering a new geography with an interesting future for cloud technologies, thus expanding our positioning across Southeast Europe. Special kudos to my partner Matija Jekovec for the great work he did in managing the whole cross border M&A process, which - in times of pandemic - was definitely not an easy challenge.”*



## **About DHH S.p.A.**

Established in July 2015 and located in Milan, DHH SpA (“DHH”) is a tech-group that provides the “virtual infrastructure” to run websites, apps, e-commerces and software as a service solutions to 100.000+ customers across Southeast Europe (the so-called “Adriatic Sea area”), a geographic area where expected growth rates are higher thanks to current lower digital penetration.

DHH is listed on AIM Italia, a Multilateral Trading Facility regulated by Borsa Italiana S.p.A. and registered as an SME Growth Market.

For more information please visit: [www.dhh.international](http://www.dhh.international)

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