

Press release

**The Board of Directors of 4Science S.p.A. examined and approved the draft financial statements at 31 December 2022, which confirm strong growth, maintenance of margins, operating cash generation.**  
**Convocation of the Ordinary Shareholders' Meeting 27 April 2023**

**Financial Results for the year FY2022:**

- Revenues for "core" products and services Euro **2.24** million against Euro **1.82** million in 2021 (+23%), of which **60%** abroad
- Value of Production up +**26.5%** to Euro **3.09** million (Euro **2.44** million in 2021)
- Almost constant gross margin of **88.5%** of total revenues
- Ebitda stable at Euro 0.71 million (Ebitda margin 23.0%) against Euro **0.73** million in 2021
- Ebit at Euro **0.45** million (Ebit margin **14.4%**) compared to **0.52** million in 2021
- Net Profit Euro 0.23 million against Euro **0.33** million in 2021 allocated to reserve
- Operating cash flow (after changes in working capital) of Euro **0.83** million, with *cash conversion* equal to **117%** of Ebitda
- Shareholders' equity quadrupled to Euro **4.1** million compared to the end of 2021, thanks in particular to the capital increase functional to the listing on the Direct Market in Vienna
- NFP of approximately Euro **2.01** million (net cash) of which Euro **1.44** million cash available on spot basis
- Investments in fixed assets equal to Euro **1.2 mln**
- Increase in staff to 27 employees at 31 December 2022 (compared to **20** employees a year earlier, +**7** units), with a view to strengthening the commercial and technical structure in order to make it consistent with the growth forecast in the business plan

Milan, 23 March 2023 – **4Science S.p.A.** (Isin Code **IT0005503989**, ticker "**4SCI**", hereinafter also "**4Science**" or the "**Company**"), **Innovative SME** listed on the MTF Direct Market of the Vienna Stock Exchange and part of the **Itway Group** (listed on the Euronext Milan market, Isin Code **IT0003057624**), specified in Data Science, Data Management and Data Repository for the **Scientific Research, Cultural Heritage** and **Big Data** market, announces that the Board of Directors has examined and approved the Company's draft statutory financial statements.

The company closed 2022 with Euro **3.09** million in Production Value (+**26.5%** on the previous year) and a stable Ebitda of Euro 0.71 million (with Ebitda margin of 23.0%) and a **Net Profit** of Euro **0.23** million (**0.33** million in 2021).

The **NFP** at the end of 2022 amounted to Euro **2.01** million (net cash), of which Euro **1.44** million in spot cash.

Since the Gross margin is almost constant (**88.5%** of total revenues), the slight decrease in margins at the level of Ebitda (and therefore Ebit and Net Profit) is explained by the huge investments in structural costs, and in particular in the increase of +7 units of qualified personnel, which brings the total employees to **27** at the end of 2022.

Research and Development activities have increased; in particular, total investments tripled compared to 2021, amounting to Euro **1.2** million.

Operating cash flow amounted to Euro **0.83** million, with a *cash conversion rate* of **117%** of Ebitda.

The Board of Directors also resolved to convene the ordinary shareholders' meeting for **27 April 2023** with the agenda "Examination and approval of the Financial Statements at 31 December 2022. Related and consequent resolutions."

The notice of call will be published within the time limits and in the manner prescribed by law and by the Articles of Association.

*"We are very pleased to close the first financial statements as a listed company, with data that confirm a seamless growth for 2022, as has happened since the birth of 4Science" comments G. Andrea Farina, President of 4Science. "In the last 3 years we are proud to have even more than doubled our turnover, and this without neglecting the attention to the creation of value in terms of margins and ability to produce operational cash. The slight decline in margins is explained by the fact that we wanted to strengthen our structure, increasing the workforce by more than a third, in a market where people are the ones who make success.*

*The results are even more valuable if we think that we have managed to achieve them in a historical period and moment that has not given the slightest respite either to the global industry or to the financial markets on a global scale".*

#### **About 4Science S.p.A.**

**4Science S.p.A.** (Isin Code **IT0005503989**, ticker "**4SCI**"), a company listed on the Direct Market of Vienna, is an **Innovative SME** belonging to the **Itway Group** - listed on **Euronext Milan** - specialized in **Data Science, Data Management** and **Data Repository** for the **Scientific Research, Cultural Heritage** and **Big Data**.

For more information see [www.4science.it](http://www.4science.it).

## About Itway S.p.A.

Founded in Ravenna on 4 July 1996 by G. Andrea Farina, **Itway S.p.A.** (Isin Code **IT0003057624**, ticker "**ITW**") is the head of a Group that operates in the IT sector for the design, production and distribution of technologies and solutions in the field of **cybersecurity, artificial intelligence (AI), cloud computing and big data.**

For over 25 years, the group has been the benchmark in the field of **Digital Transformation** solutions and services.

Since 2001 Itway has been listed on the Mercato Telematico Azionario (MTA) of the Italian Stock Exchange.

## Contacts

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*This press release is available at the Company's registered office and website at [www.4science.it](http://www.4science.it).*

## Budget layouts

<b>Active Balance Sheet</b>		<b>31/12/2022</b>	<b>31/12/2021</b>
<b>A</b>	<b>Receivables from members for payments still due</b>	<b>0</b>	<b>0</b>
<b>B</b>	<b>FIXED ASSETS</b>		
I	Intangible assets	2.078.873	1.358.806
	1) installation and expansion costs	109.557	685
	2) development costs	693.271	829.008
	4) licenses trademarks and similar rights	30.550	-
	6) Fixed assets in progress	1.245.495	529.113
II	Property, plant and equipment	26.434	9.205
	4) Other goods	26.434	9.205
III	Financial fixed assets	185.129	33.919
	1) Investments in:		
	(a) subsidiaries	151.210	-
	(d-a) Other	33.919	33.919
	<b>Total fixed assets</b>	<b>2.290.436</b>	<b>1.401.930</b>
<b>C</b>	<b>CURRENT ASSETS</b>		
I	Inventories	847.380	667.480
II	Credits	2.978.762	963.472
	1) Receivables from customers	640.984	441.295
	2) Receivables from subsidiaries	16.336	-
	4) Receivables from parent companies	2.243.600	516.997
	(5a) Tax claims	74.962	5.180
	(5b) Deferred tax	2.880	-
III	Financial assets that are not fixed assets	5.568	1.215
	6) Other	5.568	1.215
IV	Cash equivalents	1.435.462	181.730
	1) Bank and postal deposits	1.435.451	181.720
	3) Money and cash values	10	10
	<b>Total current assets</b>	<b>5.267.171</b>	<b>1.813.897</b>
D	Accruals and deferred income	45.155	54.625
<b>TOTAL ASSETS</b>		<b>7.602.762</b>	<b>3.270.452</b>

<b>Liabilities Balance Sheet</b>		<b>31/12/2022</b>	<b>31/12/2021</b>
A	<b>Equity:</b>		
I	Social Capital	61.000,01	10.000
II	Share premium reserve	2.790.000	-
III	Revaluation reserves	-	-
IV	Legal reserve	2.153	2.153
In	Statutory reserve	-	-
WE	Other reservations, clearly indicated:		
	Voluntary Reserve	-	-
	Fusion surplus	200.163	200.163
	Capital increase payments	150.000	190.000
VIII	Retained earnings (losses)	686.631	358.520
IX	Profit (loss) for the year	232.075	328.111
	<b>Total Shareholders' Equity</b>	<b>4.122.022</b>	<b>1.088.947</b>
B	Provisions for liabilities and charges	-	-
C	Severance pay	250.641	213.274
D	Debts	3.038.585	1.713.431
	4) debts to banks	1.236.656	-
		<i>within 12 months</i>	<i>262.494</i>
		<i>over 12 months</i>	<i>974.162</i>
	7) Payables to suppliers	308.887	109.490
	11) Payables to parent company	503.000	760.916
	12) Tax debts	622.667	552.779
	13) Payables to pension funds	197.013	159.083
	14) Other debts	170.362	131.163
And	Accruals and deferred income	191.514	254.800
	<b>TOTAL LIABILITIES</b>	<b>7.602.762</b>	<b>3.270.452</b>

<b>Income statement</b>		<b>31/12/2022</b>	<b>31/12/2021</b>
A	Value of production		
1	Sales and performance revenues	2.242.087	1.823.491
4	Increases in fixed assets for internal works	672.800	335.113
5	Other income and income	174.069	283.182
	<b>Total value of production</b>	<b>3.088.956</b>	<b>2.441.786</b>
B	Production costs		
6	for goods	62.007	66.293
7	for services	740.197	416.522
8	for the enjoyment of third party goods	30.261	24.276
9	For staff:	1.537.674	1.106.365
a)	Wages and salaries	1.115.911	801.652
b)	Social security contributions	322.006	240.878
c)	Severance pay	94.057	60.845
d)	quiescent treatment and similar	-	-
e)	Other costs	5.700	2.990
10	Amortisation, depreciation and write-downs	263.654	211.067
a	Depreciation of intangible assets	255.024	207.611
b	Depreciation of tangible assets	8.630	3.456
c	Other write-downs on fixed assets	-	-
12	Provisions for risks	-	-
13	Other provisions	-	-
14	Miscellaneous management charges	9.223	101.092
	<b>Total production costs</b>	<b>2.643.016</b>	<b>1.925.615</b>
	<b>Difference between value and cost of production (A-B)</b>	<b>445.940</b>	<b>516.171</b>
C	Financial income and expenses		
16	Other financial income and expenses:		
	income other than the above, with separate indication of		
d)	income from subsidiaries and associates and to parent companies	-	-
	interest and other financial charges, with separate		
17	indication of those towards subsidiaries and associates and towards parent companies	130.531	35.895
	<b>Total financial income and charges</b>	<b>(130.531)</b>	<b>(35.895)</b>
D	Value adjustments of financial assets:	-	-
	<b>Total value adjustments of financial assets</b>	<b>-</b>	<b>-</b>
	<b>Pre-tax profit (A-B+- C+-D)</b>	<b>315.409</b>	<b>480.276</b>
20	income taxes for the year, current, deferred		
a)	Current taxes	86.214	152.165
c)	Deferred and deferred taxes	(2.880)	0
	<b>Total taxes</b>	<b>83.334</b>	<b>152.165</b>
21	<b>Profit (Loss) for the Year</b>	<b>232.075</b>	<b>328.111</b>

***Cash flow statement (indirect method)***

<i>Euro</i>	<b>31/12/22</b>	<b>31/12/21</b>
Net Result	232.075	328.111
<b><i>Adjustments for items that have no effect on liquidity:</i></b>		
Depreciation and equipment	8.630	3.456
Depreciation and amortisation of intangible assets	255.024	207.611
Provision for bad debts	0	4.366
TFR provision	94.057	60.845
<b><i>Cash flow from operating activities before changes in working capital</i></b>	<b>589.787</b>	<b>604.389</b>
Employee benefit payments and fund payments	(56.691)	(22.756)
Change in trade receivables and other current assets	(283.570)	130.103
Change in trade receivables from parent	80.000	829.533
Change in inventories	(179.900)	(133.840)
Change in trade payables and other current liabilities	684.128	(61.818)
<b><i>Cash flow from operating activities generated (absorbed) by changes in CCN</i></b>	<b>243.967</b>	<b>741.223</b>
<b><i>Cash flow from operating activities (A)</i></b>	<b>833.754</b>	<b>1.345.611</b>
Investments in property, plant and equipment and intangible assets	(1.000.950)	(341.659)
(Investments)/Divestments in equity investments and financial assets	(151.210)	0
<b><i>Cash flow from investment activities (B)</i></b>	<b>(1.152.160)</b>	<b>(341.659)</b>
Initiation/(Repayments) of current financial liabilities	262.494	0
Initiation/(Repayments) of non-current financial liabilities	974.162	0
Change in financial receivables (payables) from parent companies	(2.465.519)	(922.741)
Share Capital Increase	2.801.000	0
<b><i>Cash flow from financing activities (C)</i></b>	<b>1.572.137</b>	<b>(922.741)</b>
<b><i>Increase/(decrease) cash and cash equivalents (A+B+C+D)</i></b>	<b>1.253.731</b>	<b>81.212</b>
Cash and cash equivalents at the beginning of the period	181.731	100.519
Cash and cash equivalents at the end of the period	1.435.462	181.731