



SPAFID CONNECT

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Societa' : TINEXTA S.p.A.
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Oggetto : Tinexta: growth continues in First Half 2019

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| <i>Testo del comunicato</i> |
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Vedi allegato.



PRESS RELEASE

Tinexta: growth continues in First Half 2019¹

➤ **Approved Results as of 30 June 2019²**

- **Revenues: €126.6 million, + 10.6%**
- **EBITDA: €32.4 million, +12.1%**
- **Adjusted EBITDA³: €35.7 million, + 22.7%**
- **Net Profit: €14.0 million, +0.3%**
- **Free Cash Flow: €23.8 million**
- **Net Financial Debt: €140.2 million (€124.9 million as of 31/12/18), of which 14.7 million due to the adoption of accounting IFRS Standard 16**

➤ **2019 Targets Confirmed**

Rome, 5 August 2019. The Board of Directors of **Tinexta S.p.A.**, active in the services of *Digital Trust, Credit Information & Management and Innovation & Marketing Services*, approved the Half-Year Financial Report as of 30 June 2019, which shows a strong progression of Group's consolidated economic results, supported by a positive performance from all 3 business units.

The Group closed First Half 2019 with **Revenues of €126.6 million, EBITDA of €32.4 million, equal to 25.6%** of Revenues, and **Net income was €14.0 million**, or 11.1% of **Revenues. Adjusted EBITDA**, calculated gross of the extraordinarily large provision of €3.3 million, amounted to **€35.7 million**, or **28.2%** of revenues.

Chairman Enrico Salza commented: "*The excellent operating results for the half year, in a difficult economic environment, confirm the strategic choices of the Group, which continues to consolidate its leadership in each sector of activity.*"

Chief Executive Pier Andrea Chevallard expressed satisfaction with the results: "*In the first half of the year the Group continued to grow, reporting an increase in sales and profitability in line with the long-term goals. In addition, it has undertaken activities aimed at implementing a new Group operating model that will enable the realization of synergies both in terms of the generation of new cross-selling revenues and cost efficiency.*"

¹ From 1 January 2019 the Group has adopted accounting standard IFRS 16 "Leasing" which has led to changes in accounting policies and in some cases adjustments to the amounts recognized in the financial statements. The comparative figures for 2018 have not been restated while the figures for the period in question are affected by the application of the aforementioned Standard. In order to ensure effective comparability with the economic, equity and financial results of 2018, the effects on the comparative analyses deriving from the application of IFRS 16 adopted from 1 January 2019 are illustrated.

² The comparative data for First Half 2018 have been redetermined in relation to the completion in the last quarter of 2018 of the activities identifying the fair value of the assets and liabilities of Warrant Hub S.p.A. and its consolidated subsidiaries 1 December 2017, as well as the completion in the last quarter of 2018 of the assets identifying of the fair value assets and liabilities of AC Camerfirma S.A., consolidated in full from 1 May 2018.

³ Calculated as EBITDA before the provision for the Virtual Stock Option Plan for senior executives with strategic responsibilities of Tinexta S.p.A. and approved by the Board of Directors on 14 November 2016. It is calculated as EBITDA before the provision for the Virtual Stock Option Plan for senior executives with strategic responsibilities of Tinexta S.p.A. and approved by the Board of Directors on 14 November 2016. No adjustment was made due to the effect of IFRS 16, whose impact is € 1.7 million.



TINEXTA

GROUP CONSOLIDATED ECONOMIC RESULTS TO 30 JUNE 2019

Below is the table of the Income Statement with the details of the items of First Half 2019 compared with the same period of the previous year:

| Consolidate Income Statement (€000s) | 1st Half 2019 | % | 1st Half 2018 | % | Change | of which change IFRS 16 | % Change | of which %Δ IFRS 16 |
|--|------------------|---------------|------------------|---------------|---------------|-------------------------------|--------------|---------------------------|
| Revenues | 126,592 | 100.0% | 114,510 | 100.0% | 12,082 | 0 | 10.6% | 0.0% |
| Total Operating Costs | 90,929 | 71.8% | 85,455 | 74.6% | 5,475 | -1,685 | 6.4% | -2.0% |
| Costs of raw materials | 3,415 | 2.7% | 2,875 | 2.5% | 540 | 0 | 18.8% | 0.0% |
| Service costs | 40,731 | 32.2% | 38,657 | 33.8% | 2,075 | -1,546 | 5.4% | -4.0% |
| Personnel costs* | 41,299 | 32.6% | 38,265 | 33.4% | 3,034 | -139 | 7.9% | -0.4% |
| Contract costs | 4,191 | 3.3% | 4,644 | 4.1% | -454 | 0 | -9.8% | 0.0% |
| Other operating costs | 1,293 | 1.0% | 1,014 | 0.9% | 279 | 0 | 27.6% | 0.0% |
| Adjusted EBITDA | 35,663 | 28.2% | 29,055 | 25.4% | 6,608 | 1,685 | 22.7% | 5.8% |
| Virtual Stock Option provisions * | 3,293 | 2.6% | 182 | 0.2% | 3,112 | 0 | 1,711.3% | 0.0% |
| EBITDA | 32,369 | 25.6% | 28,873 | 25.2% | 3,496 | 1,685 | 12.1% | 5.8% |
| Amortisation depreciation, provisions and impairment | 11,019 | 8.7% | 7,940 | 6.9% | 3,079 | 1,634 | 38.8% | 20.6% |
| EBIT | 21,350 | 16.9% | 20,933 | 18.3% | 417 | 52 | 2.0% | 0.2% |
| Financial income | 226 | 0.2% | 82 | 0.1% | 143 | 0 | 174.6% | 0.0% |
| Financial charges | 1,494 | 1.2% | 1,077 | 0.9% | 417 | 172 | 38.8% | 16.0% |
| Profit of equity accounted investments | 15 | 0.0% | 30 | 0.0% | -16 | 0 | -51.5% | 0.0% |
| Profit Before Tax | 20,096 | 15.9% | 19,968 | 17.4% | 127 | -120 | 0.6% | -0.6% |
| Income taxes | 6,079 | 4.8% | 5,997 | 5.2% | 83 | -34 | 1.4% | -0.6% |
| Net Profit | 14,016 | 11.1% | 13,972 | 12.2% | 45 | -87 | 0.3% | -0.6% |

*Personnel Costs are presented net of the Virtual Stock Option Provision, which is disclosed separately below, in order to better understand the construction of Adjusted EBITDA.

Revenues amounted to **€126.6 million** in First Half 2019, an **increase of 10.6%** compared to First Half 2018. The increase in revenues attributable to organic growth was 6.3%, while 4.3% was due to changes in perimeter.

EBITDA totalled **€32.4 million**, an **increase of 12.1%**, while the **EBITDA margin** equalled **25.6%** (25.2% in First Half 2018). The application of IFRS 16 had a positive impact on EBITDA, in terms of lower costs, amounting to €1.7 million. Organic EBITDA growth was 2.4%, while the change in the consolidation perimeter resulted in a 3.8% increase.

In the first half of the year, the appreciation of Tinexta's stock resulted in a provision in relation to the Virtual Stock Option Plan, aimed at executives with strategic responsibility, amounting to €3.3 million. Excluding this provision, the **Adjusted EBITDA margin** increased to **28.2%** in First Half 2019 from 25.4% in First Half 2018. The improvement is due to the positive mix of sales, careful cost control and the effect of the adoption of the IFRS16 Standard; excluding the latter, the Adjusted EBITDA margin for First Half 2019 would have been 26.8%.

Amortization, depreciation, provisions and impairment totalled €11.0 million (€7.9 million in First Half 2018), including €3.0 million of amortization of other intangible assets that emerged when allocating the



excess cost paid for business combinations, mainly of Innolva, Visura, Co.Mark and Warrant Hub. The increase in the item is affected by the adoption of the IFRS Principle 16, which involved the recognition of depreciation on the rights of use collected for €1.6 million.

The balance of **Financial Income and Charges** in First Half 2019 is negative €1.3 million (€-1.0 million in First Half 2018).

The tax estimate, calculated on the basis of the rates foreseen for the year by the current legislation, is €6.1 million. The **tax rate** is **30.3%**, in line with the same period of the previous year (30.0%).

Non-recurring components

The table below shows the economic results net of non-recurring components.

| Summary Income Statement net of non-recurring items (€'000s) | 1st Half 2019 | % | 1st Half 2018 | % | Change | of which change for IFRS 16 | % change | of which %Δ IFRS 16 |
|--|---------------|--------|---------------|--------|--------|-----------------------------|----------|---------------------|
| Revenues | 126,592 | 100.0% | 114,330 | 100.0% | 12,261 | - | 10.7% | 0.0% |
| EBITDA <i>Adjusted</i> | 36,657 | 29.0% | 29,411 | 25.7% | 7,246 | 1,685 | 24.6% | 5.7% |
| EBITDA | 33,363 | 26.4% | 29,229 | 25.6% | 4,134 | 1,685 | 14.1% | 5.8% |
| EBIT | 22,344 | 17.7% | 21,289 | 18.6% | 1,055 | 52 | 5.0% | 0.2% |
| Net Profit | 14,380 | 11.4% | 14,224 | 12.4% | 156 | -87 | 1.1% | -0.6% |

During First Half 2019, *non-recurring Operating Costs* of €1.0 million were reported, for charges related to the implementation of the Group's new operating model and other restructuring and reorganization charges of the Group. *Non-recurring financial income* equalled €0.15 million, relating to a capital gain made on the sale of a minority stake. *Non-recurring tax income* amounted to €0.5 million for the tax effect on non-recurring components of the pre-tax result and for the benefit of the so-called "Patent Box" for the 2019 year as reported by InfoCert S.p.A.

During First Half 2018, *non-recurring revenues* of €0.2 million were reported, *non-recurring operating costs* of €5 million euros and *non-recurring tax income* of €0.1 million.

Adjusted Net Profit for First Half 2019 was **€19.0 million, + 15.8%** with respect to 2018. Adjusted Net Profit is calculated as "Net Profit" before non-recurring components, provision for the Virtual Stock Option Plan, depreciation of other intangible assets emerged when the Purchase Price paid for a company's aggregation was allocated, net of its tax effect. This indicator reflects the economic performance of the Group, net of non-recurring factors that are not closely related to the operations and management of the "core business", thus allowing a more homogeneous comparison of the Group's performance in the periods represented.



| Summary Consolidated Income Statement (€'000s) | 1st Half 2019 | 1st Half 2018 | Change | of which % change IFRS 16 | % Change | of which % change IFRS 16 |
|--|------------------|------------------|--------------|---------------------------------|--------------|---------------------------------|
| Net Profit | 14,016 | 13,972 | 45 | -87 | 0.3% | -0.6% |
| Non-recurring revenues | 0 | -179 | 179 | | | |
| Non-recurring services costs | 755 | 401 | 354 | | | |
| Non-recurring personnel costs | 239 | 134 | 105 | | | |
| Virtual stock options provisions | 3,293 | 182 | 3,112 | | | |
| Depreciation of other intangible assets that emerged during allocation | 2,957 | 2,859 | 98 | | | |
| Non recurring financial income | -148 | 0 | -148 | | | |
| Tax effect | -2,114 | -962 | -1,152 | | | |
| Adjusted Net Profit | 19,000 | 16,407 | 2,594 | -87 | 15.8% | -0.5% |

ECONOMIC RESULTS AS OF 30 JUNE 2019 BY BUSINESS SEGMENT

The table below shows the economic results by business segment, net of non-recurring components and then a comment on each business unit:

| Abbreviated Income Statement by business segment net of nonrecurring items (€'000s) | 1st Half 2019 | EBITDA % 1st Half 2019 | 1st Half 2018 | EBITDA % 1st Half 2018 | Change | of which change IFRS 16 | % Change | | | |
|--|------------------|------------------------------|------------------|------------------------------|---------------|-------------------------------|--------------|-------------|-------------|-------------|
| | | | | | | | Total | IFRS 16 | Organic | Perimeter |
| Revenues | | | | | | | | | | |
| Digital Trust | 51,745 | | 45,503 | | 6,242 | 0 | 13.7% | 0.0% | 10.0% | 3.7% |
| Credit Information & Management | 37,912 | | 37,170 | | 741 | 0 | 2.0% | 0.0% | -6.7% | 8.7% |
| Innovation & Marketing Services | 36,935 | | 31,656 | | 5,278 | 0 | 16.7% | 0.0% | 16.7% | 0.0% |
| Other segments (Parent Company) | 0 | | 0 | | 0 | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Revenues total | 126,592 | | 114,330 | | 12,261 | 0 | 10.7% | 0.0% | 6.4% | 4.3% |
| EBITDA | | | | | | | | | | |
| Digital Trust | 13,358 | 25.8% | 11,505 | 25.3% | 1,853 | 778 | 16.1% | 6.8% | 6.9% | 2.5% |
| Credit Information & Management | 9,529 | 25.1% | 7,814 | 21.0% | 1,716 | 394 | 22.0% | 5.2% | 6.9% | 9.8% |
| Innovation & Marketing Services | 17,378 | 47.1% | 13,012 | 41.1% | 4,366 | 441 | 33.6% | 3.4% | 30.2% | 0.0% |
| Other Segments (Parent Company) | -6,902 | n,a | -3,102 | n,a | -3,800 | 72 | -122.5% | 2.3% | -124.8% | 0.0% |
| EBITDA Total | 33,363 | 26.4% | 29,229 | 25.6% | 4,134 | 1,685 | 14.1% | 5.8% | 3.8% | 4.6% |

Digital Trust

Revenues in the *Digital Trust* segment amounted to €51.7 million. The increase compared to First Half 2018 was 13.7%, consisting of organic growth of 10.0% and a growth from perimeter change of 3.7%. The change in perimeter is due to the full consolidation of Camerfirma and Camerfirma Peru as of 1 May 2018.

EBITDA for the segment was €13.4 million euros. The increase compared to EBITDA in First Half 2018 was 16.1%. Organic growth amounts to 6.9%, the contribution of Camerfirma and Camerfirma Peru, for the aforementioned change of perimeter, is equal to 2.5%. The adoption of IFRS Standard 16 from 1 January 2019 resulted in a positive change compared to First Half 2018 of 6.8%. The EBITDA margin was 25.8% compared to 25.3% of the previous year); excluding the effects of the adoption of IFRS 16, the EBITDA margin fell modestly to 24.3% as a result of the higher support and assistance costs incurred in connection with the start of electronic invoicing from 1 January 2019.



Credit Information & Management

In the *Credit Information & Management* segment, revenues amounted to €37.9 million. Compared to the first half of the previous year, there was an increase of 2.0% consisting of an organic reduction of 6.7% and a change of perimeter of 8.7% as a result of the consolidation of Comas and Webber from 1 July 2018, of Promozioni Servizi from 1 November 2018 and the deconsolidation from June 2018 of Creditreform Assicom Ticino (now Creditreform GPA Ticino).

EBITDA increased 22.0% compared to First Half 2018 to €9.5 million; the change in perimeter was 9.8% and organic growth of 6.9%. The adoption of IFRS Standard 16 from 1 January 2019 resulted in a positive change compared to First Half 2018 of 5.2%. The EBITDA *margin* was 25.1%, increasing from the same period of the previous year (21.0%), also net of the effects of the adoption of IFRS 16 (24.1%).

Despite an extremely competitive market, which resulted in an organic reduction of revenues in First Half 2019, organic EBITDA growth has been positive thanks to a careful cost control policy.

Innovation & Marketing Services

Revenues in the *Innovation & Marketing Services* segment amounted to €36.9 million. The increase compared to First Half 2018 was 16.7%, in line with forecasts.

EBITDA for the segment was €17.4 million euros. The increase compared to EBITDA in the previous year was 33.6%. Organic growth amounts to 30.2%. The adoption of IFRS Standard 16 from 1 January 2019 resulted in a change of 3.4% compared to First Half 2018. The EBITDA margin was 47.1%, increasing from First Half 2018 (41.1%), also net of the effects of the adoption of IFRS 16 (45.9%).

Group Net Financial Indebtedness

Net Financial Indebtedness amounted to €140.2 million, an increase of €15.3 million compared to 31 December 2018.

The main factors affecting the change in Net Financial Indebtedness are summarized below.

| | (€'000) |
|---|----------------|
| Net Financial Indebtedness at 31/12/2018 | 124,946 |
| <i>Free Cash Flow</i> | -23,751 |
| Dividends approved | 16,396 |
| FTA IFRS 16 | 15,043 |
| Adjustments to put options | 5,274 |
| Net financial (Income) charges | 1,416 |
| New leasing contracts | 1,019 |
| Sales of minority participations | -150 |
| Other | 52 |
| Net Financial Indebtedness al 30/06/2019 | 140,245 |

- The *Free Cash Flow* generated in the period amounted to €23.8 million: €29.5 million of *Net cash generated by operations* net of €5.7 million absorbed by investments in *Property, plant and equipment* and in *Intangible assets*.
- The adoption of the IFRS Standard 16 as of 1 January 2019 resulted in the detection of financing liabilities for leasing amounting to €15.0 million. In First Half 2019, the signing of new leasing contracts resulted in €1.0 million of additional financial liabilities. Taking into account the payments and interest accrued during the first half of the year, the impact of IFRS 16 on Net Financial Indebtedness as of 30 June was €14.7 million.



- *Dividends deliberated* amount to €16.4 million euros, of which 10.7 million regarding Tinexta S.p.A and €5.7 million from the Group's companies to minorities.
- The *Adjustment of Put options*, as a result of the revision of the estimate of expected payments based on the forward-looking results forecast by the interested companies and as a result of the revaluation due to the passage of time, was €5.3 million.

The composition of the Net Financial Indebtedness as of 30 June 2019 reflects the exercise of Warrant HUB's PUT Options (20.25% of its capital), which resulted in an increase in bank debt and a reduction in debt to selling shareholders.

In particular, the financial indebtedness as of 30 June 2019 includes:

- €35.0 million of liabilities related to the purchase of minority shares for *Put* options (€59.1 million as of December 31, 2018),
- Liabilities for contingent consideration linked to the acquisitions of €6.4 million (1.2 million as of December 31, 2018) and
- Liabilities for deferred payments granted by sellers of €8.3 million (€10.7 million as of 31 December 2018).

On 28 June 2019, the loan of €25 million extended by the controlling shareholder Tecno Holding was also repaid through the use of bank financing lines.

* * * * *

As communicated on 15 May 2019, at the beginning of May 2019 the subsidiary Visura S.p.A. suffered a cyber-attack that required precautionary measures on about 13% of the Certified Electronic Mail addresses marketed by the same and managed by InfoCert. These measures were aimed at restoring operations and guaranteeing the security of the services rendered. As already communicated, the appropriate in-depth analyses have been carried out and the necessary reports have been made to the competent authorities.

As of today, preliminary investigations have been undertaken by the Data Protection Authority with regard to Visura S.p.A. and InfoCert S.p.A. and by AgID (the Italian Governmental Digital Agency) regarding InfoCert.

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IMPORTANT FACTS FOLLOWING THE END OF THE HALF-YEAR

On **19 July 2019**, the Options on the remaining 10% of Co.Mark S.p.A.'s share capital were exercised, as defined in the Option Agreement stipulated at the time of the acquisition. The consideration was set at €5.2 million. With this transaction, Tinexta arrives at holding 100% of Co.Mark S.p.A. The transaction was funded using the financing concluded with the Intesa Sanpaolo Group on 28 March 2019.

On the same date, Tinexta completed two *Interest Rate Swap* transactions with Banca Intesa Sanpaolo. The transactions were activated to cover the variable rate financing contracted with Intesa Sanpaolo Group on 28 March 2019. As a result of these transactions, Tinexta has set the total cost of the entire debt of €50 million at a fixed rate of 1.237%.

On **24 July 2019**, Tinexta completed another *Interest Rate Swap* transaction with Crédit Agricole. The transaction was activated to cover the variable rate financing concluded on 4 December 2018 for a total amount of €15 million. Through this transaction, Tinexta has fixed the total cost of the entire debt of €15 million at a fixed rate of 1.28%

On **30 July 2019**, Tinexta S.p.A., under the terms of the purchase agreement signed on 9 June 2016, exercised the Options on the remaining 40% of the capital of Visura S.p.A. thereby obtaining 100% of the company. The



consideration was set at €15.4 million. The transaction was financed using €11.9 million of the financing concluded with the Intesa Sanpaolo Group (on 28 March) and for the remainder through cash on hand.

OUTLOOK

In First Half 2019, Tinexta continued to implement its strategy of:

- Consolidate its leadership in Digital Trust in the European market;
- Develop an innovative offering with digital marketing, digital transformation and cyber security services/products;
- Implement a new organizational model to strengthen business support and seize all the growth opportunities offered by presence in multiple markets

In light of the positive results reported for the first half, Tinexta confirms its 2019 growth targets, in line with the guidance already announced on 12 March:

- Revenues of more than € 250 million;
- EBITDA between 68 and 70 million euros.

It is noted that this guidance did not include the impact of IFRS 16.

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The Manager in charge of drafting the corporate accounting documents declares, Nicola Di Liello, according to the effects of art. 154-bis, paragraph 2 of the TUF, that the information contained in this statement corresponds to the documentary findings, books and accounting records.

* * * * *

The Half-Year Financial Report at 30 June 2019 will be made available to the public within the statutory deadlines, at the company's legal headquarters – Piazza Sallustio, 9, 00187 Rome, on the authorized storage mechanism and Market STORAGE (www.emarketstorage.com) and on the Company's website: <http://tinexta.com/investor-relations/> in the Financial Reports and Presentations section.

CONFERENCE CALL

Investors and analysts who are interested are invited to participate in the Conference Call scheduled for 6 August 2019 at 10:30 a.m. (CET). The numbers to call in are as follows: +39 02 805 8811 or +44 121 281 8003. For more information, please contact the Investor Relations Office.

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Attached: Prospectuses as of 30 June 2019 of the Total Consolidated Income Statement, the Consolidated Financial Situation, the Group's Net Financial Position and the Consolidated Statement of Cash Flows.

TINEXTA GROUP

Tinexta S.p.A., listed on the STAR segment of the Milan Stock Exchange, **reported the following Consolidated results at 31 December 2018: Revenues of €239.6 million, EBITDA of €66.0 million and Net Profit of €33.1 million.** Tinexta Group is one of the leading operators in Italy in its three areas of business: Digital Trust, Credit Information & Management and Innovation and Marketing Services. The Digital Trust Business Unit delivers, through InfoCert, Visura,



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Sixtema and the Spanish company Camerfirma, products and services for digitization, electronic invoicing, certified e-mail (PEC) and digital signature as well as services for professionals, associations and SMEs. In December 2018 InfoCert also purchased 50% of LuxTrust to form a strategic joint venture to expand in Digital Trust industry in Europe. In the Credit Information and Management Business Unit, Innolva and its subsidiaries offer services to support decision making such as corporate financial statements and real estate information, aggregate reports, synthetic ratings, decision models, credit ratings and credit recovery, while Re Valuta offers primarily real estate appraisals and evaluations. In the Innovation and Marketing Services Business Unit, Warrant Hub is a leader in consultancy to obtain subsidized financing and for industrial innovation, while Co.Mark provides *Temporary Export Management* consulting to SMEs to support them in commercial expansion. As of December 31, 2018, the Group's staff had 1,294 employees.

Site web: www.tinexta.com, Stock ticker: TNXT, ISIN Code IT0005037210

| CONTATTI | | |
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Consolidated Statement of Financial Position

| €'000s | 30/06/2019 | 31/12/2018 ^{4 5} |
|--|----------------|---------------------------|
| ASSETS | | |
| Property, plant and equipment | 22,267 | 8,232 |
| Intangible assets and goodwill | 270,216 | 272,104 |
| Investment property | 585 | 594 |
| Equity-accounted investments | 12,659 | 12,533 |
| Other investments | 22 | 24 |
| Other financial assets, excluding derivative financial instruments | 1,139 | 1,123 |
| - of which vs related parties | 0 | 8 |
| Derivative financial instruments | 32 | 30 |
| Deferred tax assets | 6,517 | 6,677 |
| Trade and other receivables | 1,217 | 830 |
| Contract cost assets | 5,001 | 5,000 |
| NON-CURRENT ASSETS | 319,656 | 307,148 |
| Inventories | 1,344 | 1,344 |
| Other financial assets, excluding derivative financial instruments | 8,246 | 8,186 |
| Current tax assets | 1,297 | 4,519 |
| - of which vs related parties | 458 | 458 |
| Trade and other receivables | 88,816 | 86,321 |
| - of which vs related parties | 154 | 44 |
| Contract assets | 6,250 | 6,145 |
| Contract cost assets | 1,662 | 1,556 |
| Cash and cash equivalents | 26,660 | 35,136 |
| Assets held for sale | 199 | 199 |
| CURRENT ASSETS | 134,475 | 143,407 |
| TOTAL ASSETS | 454,132 | 450,555 |
| EQUITY AND LIABILITIES | | |
| Share capital | 46,890 | 46,890 |
| Reserves | 87,264 | 94,729 |
| Shareholders' Equity attributable to the Group | 134,154 | 141,619 |
| Minority interests | 3,522 | 3,757 |
| TOTAL SHAREHOLDERS' EQUITY | 137,676 | 145,376 |
| LIABILITIES | | |
| Provisions | 2,098 | 1,945 |
| Employee benefits | 10,770 | 11,353 |
| Financial liabilities, excluding derivative financial instruments | 103,960 | 70,667 |
| - of which vs related parties | 1,796 | 0 |
| Derivative financial instruments | 230 | 217 |
| Deferred tax liabilities | 17,172 | 18,246 |
| Contract liabilities | 8,938 | 8,395 |
| - of which vs related parties | 19 | 0 |
| NON-CURRENT LIABILITIES | 143,167 | 110,823 |
| Provisions | 288 | 186 |
| Employee benefits | 4,564 | 1,488 |
| Financial liabilities, excluding derivative financial instruments | 70,961 | 97,380 |
| - of which vs related parties | 858 | 25,252 |
| Derivative financial instruments | 0 | 3 |
| Trade and other payables | 51,564 | 53,318 |
| - of which vs related parties | 168 | 274 |
| Contract liabilities | 40,617 | 40,587 |
| - of which vs related parties | 19 | 0 |
| Deferred income | 947 | 690 |
| Current tax liabilities | 4,347 | 704 |
| CURRENT LIABILITIES | 173,289 | 194,356 |
| TOTAL LIABILITIES | 316,456 | 305,179 |
| TOTAL EQUITY AND LIABILITIES | 454,132 | 450,555 |

Consolidated Statement of Profit/(Loss) and Other comprehensive income

⁴ The comparative data at 31 December 2018 were restated following the completion during the first half of the current year of activities to identify the fair values of the assets and liabilities of Comas S.r.l. and Webber S.r.l. consolidated on a line-by-line basis from 1 July 2018, as well as of Promozioni Servizi consolidated on a line-by-line basis from 1 November 2018.

⁵ From 1 January 2019 the Group has adopted IFRS 16 "Leasing" retrospectively with the cumulative effect of initially applying the Standard recognised at 1 January 2019. Comparative 2018 data have not been restated.



| €'000s | six months ended 30 June | |
|---|--------------------------|---------------------|
| | 2019 | 2018 ^{6 7} |
| Revenues | 126,592 | 114,510 |
| - of which vs related parties | 20 | 1,145 |
| - of which non-recurring | 0 | 179 |
| Costs of raw materials | 3,415 | 2,875 |
| Service costs | 40,731 | 38,657 |
| - of which vs related parties | 502 | 635 |
| - of which non-recurring | 755 | 401 |
| Personnel costs | 44,593 | 38,447 |
| - of which non-recurring | 239 | 134 |
| Contract costs | 4,191 | 4,644 |
| Other operating costs | 1,293 | 1,014 |
| - of which vs related parties | 0 | 3 |
| Amortisation and depreciation | 9,730 | 7,167 |
| Provisions | 132 | -117 |
| Impairment | 1,158 | 890 |
| Total Costs | 105,242 | 93,577 |
| OPERATING PROFIT | 21,350 | 20,933 |
| Financial income | 226 | 82 |
| - of which non-recurring | 148 | 0 |
| Financial charges | 1,494 | 1,077 |
| - of which vs related parties | 284 | 248 |
| Net financial income (charges) | -1,269 | -995 |
| Share of profit of equity-accounted investments, net of tax | 15 | 30 |
| PROFIT BEFORE TAX | 20,096 | 19,968 |
| Income taxes | 6,079 | 5,997 |
| - of which non-recurring | -483 | -104 |
| NET PROFIT FROM CONTINUING OPERATIONS | 14,016 | 13,972 |
| Profit (loss) from discontinued operations | 0 | 0 |
| NET PROFIT | 14,016 | 13,972 |
| Other components of the comprehensive income statement | | |
| <i>Components that will never be reclassified to profit or loss:</i> | | |
| Total components that will never be reclassified to profit or loss | 0 | 0 |
| <i>Components that are or may be later reclassified to profit or loss:</i> | | |
| Exchange rate differences from the translation of foreign financial statements | 7 | 0 |
| Profits (losses) from measurement at fair value of derivative financial instruments | -2 | 6 |
| Equity-accounted investees - share of OCI | 3 | -1 |
| Tax effect | 1 | -1 |
| Total components that are or may be later reclassified to profit (loss) | 8 | 4 |
| Total other components of comprehensive income, net of tax | 8 | 4 |
| Total comprehensive income for the period | 14,025 | 13,976 |
| Net profit attributable to: | | |
| Group | 13,758 | 13,578 |
| Minority interests | 258 | 394 |
| Total comprehensive income for the period attributable to: | | |
| Group | 13,763 | 13,582 |
| Minority interests | 261 | 394 |
| Earnings per share | | |
| Basic earnings per share (euro) | 0.29 | 0.29 |
| Diluted earnings per share (euro) | 0.29 | 0.29 |

⁶ The comparative data for 1st Half of 2018 were restated following the completion during the last quarter of 2018 of the activities to identify the fair values of the assets and liabilities of Warrant Hub S.p.A. and its subsidiaries, consolidated on a line-by-line basis from 1 December 2017, as well as of AC Camerfirma S.A. consolidated on a line-by-line basis from 1 May 2018.

⁷ From 1 January 2019 the Group has adopted IFRS 16 "Leasing" retrospectively with the cumulative effect of initially applying the Standard recognised at 1 January 2019. Comparative 2018 data have not been restated.



Statement of Net Financial Position of Tinexta S.p.A

€'000s

| | 30/06/2019 | 31/12/2018 | Change | % |
|--|-----------------|-----------------|----------------|---------------|
| A Cash | 26,647 | 35,117 | -8,470 | -24.1% |
| B Cash equivalents | 14 | 19 | -5 | -28.2% |
| D Liquid assets (A+B) | 26,660 | 35,136 | -8,476 | -24.1% |
| E Current financial receivables | 8,246 | 8,186 | 60 | 0.7% |
| F Current bank debt | -1,174 | -8,113 | 6,939 | -85.5% |
| G Current portion of non-current debt | -18,342 | -12,018 | -6,324 | 52.6% |
| H Other current financial debt | -51,445 | -77,252 | 25,807 | -33.4% |
| I Current financial debt (F+G+H) | -70,961 | -97,384 | 26,422 | -27.1% |
| J Net current financial position (indebtedness) (D+E+I) | -36,055 | -54,062 | 18,007 | -33.3% |
| K Non-current bank debt | -86,548 | -45,706 | -40,842 | 89.4% |
| L Other non-current financial debt | -17,642 | -25,178 | 7,536 | -29.9% |
| M Non-current financial debt (K+L) | -104,190 | -70,884 | -33,306 | 47.0% |
| N Net financial position (indebtedness) (J+M) (*) | -140,245 | -124,946 | -15,299 | 12.2% |
| O Other non-current financial assets | 1,171 | 1,152 | 19 | 1.6% |
| P Total net financial position (indebtedness) (N+O) | -139,073 | -123,793 | -15,280 | 12.3% |

(*) Net financial indebtedness computed in accordance with the provisions of Consob Communication no. 6064293 of 28 July 2006 and consistent with the ESMA/2013/319 Recommendation



Consolidated Statement of Cash Flows

| €'000s | six months ended 30 June | |
|---|--------------------------|----------------|
| | 2019 | 2018 |
| <i>Cash flows from operations</i> | | |
| Net profit | 14,016 | 13,972 |
| Adjustments for: | | |
| - Depreciation of property, plant and equipment | 3,329 | 1,775 |
| - Amortisation of intangible assets | 6,392 | 5,392 |
| - Depreciation of investment property | 9 | 0 |
| - Write-downs (Revaluations) | 1,158 | 890 |
| - Provisions | 132 | -117 |
| - Contract costs | 4,191 | 4,644 |
| - Net financial charges (income) | 1,269 | 995 |
| - <i>of which vs related parties</i> | 284 | 248 |
| - Share of profit of equity-accounted investments | -15 | -30 |
| - Income taxes | 6,079 | 5,997 |
| Changes in: | | |
| - Inventories | 0 | 101 |
| - Contract cost assets | -4,297 | -6,749 |
| - Trade and other receivables and Contract assets | -4,486 | -8,107 |
| - <i>of which vs related parties</i> | -110 | 90 |
| - Trade and other payables | -1,754 | 3,800 |
| - <i>of which vs related parties</i> | -106 | -15 |
| - Provisions and employee benefits | 2,748 | 349 |
| - Contract liabilities and deferred income, including public contributions | 830 | 7,076 |
| Cash and cash equivalents generated by operations | 29,600 | 29,987 |
| Income taxes paid | -134 | -112 |
| Net cash and cash equivalents generated by operations | 29,466 | 29,875 |
| <i>Cash flows from investments</i> | | |
| Interest collected | 8 | 39 |
| Collections from sale or repayment of financial assets | 185 | 450 |
| Investments in shareholdings consolidated using the equity method | -27 | 0 |
| Investments in property, plant and equipment | -1,212 | -1,414 |
| Investments in intangible assets | -4,504 | -5,730 |
| Increases in the scope of consolidation, net of liquidity acquired | 0 | 286 |
| Decreases in the scope of consolidation, net of liquidity sold | 0 | -23 |
| Net cash and cash equivalents generated/(absorbed) by investing activities | -5,550 | -6,392 |
| <i>Cash flows from financing</i> | | |
| Purchase of minority interests in subsidiaries | -22,895 | 0 |
| Repayment of loans extended by Majority Shareholder | -25,000 | 0 |
| - <i>of which vs related parties</i> | -25,000 | 0 |
| Interest paid | -1,080 | -799 |
| - <i>of which vs related parties</i> | -270 | -252 |
| MLT bank loans taken out | 51,886 | 0 |
| Repayment of MLT bank loans | -5,607 | -3,976 |
| Repayment of price deferment liabilities on acquisitions of equity investments | -2,383 | -1,522 |
| Repayment of contingent consideration liabilities | -1,347 | -372 |
| Change in other current bank payables | -6,345 | -486 |
| Change in other current financial payables | -1,691 | 767 |
| Repayment of lease liabilities | -1,542 | -119 |
| - <i>of which vs related parties</i> | -291 | 0 |
| Capital increases – subsidiaries | 0 | 2 |
| Dividends paid | -16,389 | -10,611 |
| Net cash and cash equivalents generated/(absorbed) by financing | -32,392 | -17,117 |
| Net increase (decrease) in cash and cash equivalents | -8,476 | 6,366 |
| Cash and cash equivalents at 1 January | 35,136 | 36,987 |
| Cash and cash equivalents at 30 June | 26,660 | 43,352 |

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