



# SPAFID CONNECT

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Societa' : TINEXTA S.p.A.

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Informazione  
Regolamentata

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Diffusione presunta

Oggetto : The BoD approves the quarterly financial results as of 30 March 2020

*Testo del comunicato*

Vedi allegato.

PRESS RELEASE

**Board of Directors approved Results at 31 March 2020<sup>1</sup>**

- **Revenues: € 54.9 million, -8.1%**
- **EBITDA: €10.9 million, -24.5%**
- **Net Profit: €2.9 million, -50.2%**
- **Free Cash Flow: €20.1 million (€17.9 million in Q1'19)**
- **Net Financial Indebtedness: €111.4 million (€129.1 million at 31/12/2019)**

\* \* \* \* \*

**Buy-back Program to service the Stock Option Plan 2020-2022 being implemented**

\* \* \* \* \*

**Rome, 15 May 2020.** The Board of Directors of **Tinexta S.p.A.**, a leading provider of *Digital Trust, Credit Information & Management, and Innovation & Marketing Services*, approved today the Interim Report on Operations at 31 March 2020. In First Quarter 2020 Revenues **amounted to €54.9 million (-8.1%)**, EBITDA to **€ 10.9 million (-24.5%)** and **Net Income € 2.9 million (-50.2%)**.

**Chairman Enrico Salza** commented: "*During this health emergency period, Tinexta has aimed to protect the health of its employees to ensure the full operational continuity of customer services. In the near term Tinexta will participate in the economic restart especially supporting, with the most advanced technologies, the progressive return to business normality, the small and medium-sized enterprises.*"

**CEO Pier Andrea Chevallard** added: "*The lockdown phase did not prevent the Group from overseeing its business, preparing Tinexta's responses to the COVID-19 crisis, and achieving important results, especially in the Digital Trust sector. Tinexta's positioning and the excellence of the offer will permit the Group to continue to pursue its strategy without relevant discontinuities.*"

**CONSOLIDATED GROUP ECONOMIC RESULTS AT 31 MARCH 2020<sup>2</sup>**

Summary income statement (€ '000s)	1 <sup>ST</sup> Quarter 2020	1 <sup>ST</sup> Quarter 2019	Change	Change %
Revenues	54,911	59,735	-4,823	-8.1%
EBITDA	10,916	14,450	-3,534	-24.5%
Operating Profit	4,681	9,168	-4,487	-48.9%
Net Profit	2,918	5,855	-2,937	-50.2%
Adjusted net profit	3,892	7,494	-3,602	-48.1%
Free Cash Flow	20,113	17,927	2,186	12.2%

The Group closed First Quarter 2020 with **Revenues of € 54.9 million**.

<sup>1</sup> The First Quarter 2019 comparative data have been re-determined in relation to the completion of the *fair value* identification activities of Comas Srl and Webber Srl. consolidated in full starting 1 July 2018, as well as Promozioni Servizi s.r.l. fully consolidated from 1 November 2018.

<sup>2</sup> Please note that first quarter results include the results of the company PrivacyLab Srl, fully consolidated from 1 January 2020.



**EBITDA** amounted to **€ 10.9 million**, or **19.9%** of Revenues. **Operating income** and **Net income** amounted to **€ 4.7 million** and **€ 2.9 million**, or 8.5% and 5.3% of Revenues, respectively. Revenues decreased compared to First Quarter 2019 by € 4.8 million, or -8.1%; EBITDA decreased € 3.5 million, or -24.5%. Operating Income decreased by € 4.5 million equal to -48.9%, while Net Profit equaled €2.9 million, a reduction equal to -50.2%.

The results for the First Quarter of 2020 are compared with a particularly positive First Quarter 2019 in Innovation & Marketing Services: this segment had seen the completion in the first months of 2019 of a high number of consulting projects, which had been started in 2018, that generated revenues (with high margin) of approximately € 2.1 million in the First Quarter of 2019. The results for First Quarter 2020 are also affected by the ongoing pandemic emergency and thus related activity restrictions that have significantly impacted the results in March. The first two months of the year had been in line with the forecasts for revenues and higher than expected in terms of EBITDA.

As a result of the reduction in revenues, management has implemented a cost-cutting policy that will have a stronger effect from the second quarter.

Following is the table of the Income Statement with the detail of the items of First Quarter 2020 compared with the same period of the previous year:

Consolidated Income Statement (€ '000s)	1 <sup>st</sup> Quarter 2020	%	1 <sup>st</sup> Quarter 2019	%	Change	Change %
<b>Revenues</b>	<b>54,911</b>	<b>100.0%</b>	<b>59,735</b>	<b>100,0%</b>	<b>-4,823</b>	<b>-8.1%</b>
<b>Total Operating Costs*</b>	<b>43,995</b>	<b>80.1%</b>	<b>44,667</b>	<b>74.8%</b>	<b>-672</b>	<b>-1.5%</b>
Costs of Raw materials	1,875	3.4%	1,694	2.8%	181	10.7%
Service costs	19,555	35.6%	19,606	32.8%	-51	-0.3%
Personnel costs*	20,234	36.8%	20,648	34.6%	-414	-2.0%
Contract costs	1,887	3.4%	2,146	3.6%	-259	-12.1%
Other operating costs	444	0.8%	573	1.0%	-129	-22.5%
<b>EBITDA before Virtual Stock Option</b>	<b>10,916</b>	<b>19.9%</b>	<b>15,067</b>	<b>25.2%</b>	<b>-4,151</b>	<b>-27.6%</b>
Virtual Stock Option costs *	0	0.0%	617	1.0%	-617	-100.0%
<b>EBITDA</b>	<b>10,916</b>	<b>19.9%</b>	<b>14,450</b>	<b>24.2%</b>	<b>-3,534</b>	<b>-24.5%</b>
Depreciation, amortisation, provisions and impairment	6,235	11.4%	5,282	8.8%	953	18.0%
<b>Operating Profit</b>	<b>4,681</b>	<b>8.5%</b>	<b>9,168</b>	<b>15.3%</b>	<b>-4,487</b>	<b>-48.9%</b>
Financial Income	204	0.4%	176	0.3%	28	16.0%
Financial Charges	687	1.3%	659	1.1%	28	4.2%
<b>Net Financial Charges</b>	<b>483</b>	<b>0.9%</b>	<b>483</b>	<b>0.8%</b>	<b>0</b>	<b>-0.1%</b>
Profit of equity-accounted investments	14	0.0%	29	0.0%	-15	-51.0%
<b>Profit before tax</b>	<b>4,212</b>	<b>7.7%</b>	<b>8,713</b>	<b>14.6%</b>	<b>-4,501</b>	<b>-51.7%</b>
Income Taxes	1,294	2.4%	2,859	4.8%	-1,565	-54.7%
<b>Net Profit</b>	<b>2,918</b>	<b>5.3%</b>	<b>5,855</b>	<b>9.8%</b>	<b>-2,937</b>	<b>-50.2%</b>

\* Personnel costs are presented net of the Virtual Stock Option Costs, which is broken out below, in order to better understand the construction of EBITDA before Virtual Stock Options.

### Non-recurring components

Non-recurring operating Costs of € 0.08 million were recorded during the quarter, of which € 0.06 million were incurred for transaction-related charges for the acquisition of control of PrivacyLab Ltd. In First Quarter 2019, non-recurring operating costs of € 0.4 million, non-recurring financial income of € 0.15 million and non-recurring tax income of € 0.2 million were recorded.

### Virtual Stock Options

The Virtual Stock Option plan, completed in 2019, resulted in costs in the comparison period of € 0.6 million.

### RESULTS BY BUSINESS SEGMENT

Growth dynamics by business segment are shown in the following table that shows the adjusted results by business segment:

Adjusted Abbreviated Income Statement by business segment (€ '000s)	1 <sup>st</sup> Quarter 2020	EBITDA % 1 <sup>st</sup> Quarter 2020	1 <sup>st</sup> Quarter 2019	EBITDA % 1 <sup>st</sup> Quarter 2019	Change	Change %		
						Total	Organic	Perimeter
<b>Revenues</b>								
Digital Trust	25,932		25,192		740	2.9%	2.9%	0.0%
Credit Information & Management	16,987		19,364		-2,377	-12.3%	-12.3%	0.0%
Innovation & Marketing Services	11,992		15,178		-3,186	-21.0%	-22.3%	1.4%
Other Segments (Parent Company)	0		0		0	n.a.	n.a.	n.a.
<b>Adjusted Total Revenues</b>	<b>54,911</b>		<b>59,735</b>		<b>-4,823</b>	<b>-8.1%</b>	<b>-8.4%</b>	<b>0.3%</b>
<b>EBITDA</b>								
Digital Trust	5,919	22.8%	5,984	23.8%	-65	-1.1%	-1.1%	0.0%
Credit Information & Management	3,584	21.1%	5,289	27.3%	-1,705	-32.2%	-32.2%	0.0%
Innovation & Marketing Services	3,396	28.3%	5,927	39.0%	-2,531	-42.7%	-44.0%	1.3%
Other Segments (Parent Company)	-1,899	n.a.	-1,687	n.a.	-212	-12.6%	-12.6%	0.0%
<b>Adjusted Total EBITDA</b>	<b>10,999</b>	<b>20.0%</b>	<b>15,512</b>	<b>26.0%</b>	<b>-4,513</b>	<b>-29.1%</b>	<b>-29.6%</b>	<b>0.5%</b>

### Digital Trust

**Revenues** in the Digital Trust segment amounted to **€ 25.9 million**. The increase compared to First Quarter 2019 is 2.9%, in absolute terms € 0.7 million euros. In this first phase of the pandemic crisis, the demand for digital solutions is sustained and receives a further boost precisely from the market's demand for tools to improve remote working capabilities.

Segment **EBITDA** was **€5.9 million** and is in line with the same period of the previous year. In percentage terms, the EBITDA margin was 22.8%, slightly lower than First Quarter 2019 (23.8%).

### Credit Information & Management

In the Credit Information & Management segment, **Revenues** amounted to **€ 17.0 million**. Compared to First Quarter 2019, they decreased 12.3%, in absolute terms € -2.4 million. As a result of the pandemic virus, the division reported a decline in activity in both the Finance and Corporate sectors. Volumes in both markets declined, as both the real estate and the Business information components were affected.



**EBITDA** decreased by **32.2%** compared to the same period of the previous year to € **3.6 million**. In percentage terms, the EBITDA margin equaled 21.1%, down from First Quarter 2019 (27.3%).

### ***Innovation & Marketing Services***

**Revenues** in the Innovation & Marketing Services segment amounted to € **12.0 million**. Compared to First Quarter 2019, there was a decrease of 21.0%, in absolute value equal to € -3.2 million. This change is determined by an increase in the consolidation perimeter (1.4%), due to the consolidation of PrivacyLab S.r.l. from 1 January 2020, and an organic reduction (-22.3%).

Segment **EBITDA** equaled € **3.4 million**. The decrease compared to EBITDA in First Quarter 2019 is 42.7%. The perimeter change growth equaled 1.3%, while the organic contraction equaled 44.0%. In percentage terms, the EBITDA margin equaled 28.3%, down from the same period of the previous year (39.0%).

The intensification of restrictive measures to deal with the emergency has led to a slowdown in ongoing consulting activities. As stated above, First Quarter 2019 also included particularly positive revenues due to a recognition of innovation consultancy revenues deriving from Fourth Quarter 2018 (for a net effect of about € 2.1 million of Revenues with high margins). The comparison with the First Quarter of 2018 (Revenues of € 11.4 million and EBITDA of € 2.9 million) denoted a growth in revenues of € 5.0% in the First Quarter of 2020 and EBITDA of 17.8%.

## **GROUP NET FINANCIAL INDEBTEDNESS**

Below is the table with the detail of the Group's Net Financial Indebtedness as of 31 March 2020 compared to the Net Financial Indebtedness at 31 December 2019.

€ '000s	31/03/2020	31/12/2019	Change	%
A Cash	48,767	33,586	15,180	45.2%
B Cash equivalents	22	14	9	62.4%
<b>D Liquid Assets (A+B)</b>	<b>48,789</b>	<b>33,600</b>	<b>15,189</b>	<b>45.2%</b>
E Current Financial Receivables	6,699	6,609	90	1.4%
F Current Bank Debt	-992	-2,952	1,960	-66.4%
G Current Portion of non-current debt	-23,992	-23,752	-240	1.0%
H Other current financial debt	-37,041	-35,342	-1,699	4.8%
<b>I Current Financial Debt (F+G+H)</b>	<b>-62,025</b>	<b>-62,046</b>	<b>21</b>	<b>0.0%</b>
<b>J Net current Financial Indebtedness (D+E+I)</b>	<b>-6,537</b>	<b>-21,837</b>	<b>15,299</b>	<b>-70.1%</b>
K Noncurrent bank debt	-90,410	-90,552	142	-0.2%
L Other non-current financial debt	-14,418	-16,749	2,331	-13.9%
<b>M non-current financial debt (K+L)</b>	<b>-104,828</b>	<b>-107,301</b>	<b>2,473</b>	<b>-2.3%</b>
<b>N Net Financial Position (J+M) (*)</b>	<b>-111,366</b>	<b>-129,138</b>	<b>17,772</b>	<b>-13.8%</b>
O Other non-current financial assets	1,232	1,163	69	5.9%
<b>P Total net financial position (Indebtedness) (N+O)</b>	<b>-110,134</b>	<b>-127,974</b>	<b>17,841</b>	<b>-13.9%</b>

(\*) 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

**Net Financial Indebtedness** amounted to €**111.4 million**, a **decrease** compared to 31 December 2019 of € **17.8 million**. The amount of Net Financial indebtedness at 31 March 2020 includes: €19.0



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million of liabilities related to the purchase of minority shares for Put options (€ 18.0 million as of 31 December 2019), liabilities for acquisition related contingent consideration of € 8.0 million (€ 7.7 million as of 31 December 2019) and price deferral liabilities granted by sellers for € 7.2 million (€ 8.2 million as of 31 December 2019).

Detail of Variation in Net Financial Indebtedness	€ 000's
<b>Net Financial Indebtedness at 31/12/2019</b>	<b>129,138</b>
<i>Free Cash Flow</i>	-20,113
<i>Business Combination PrivacyLab</i>	1,560
Net Financial (Income) Charges	483
<i>Cash Flow Hedge</i> derivatives change in other components of the comprehensive income	231
Adjustment for <i>Put</i> options	76
New leasing and adjustments of existing contracts	-185
Other residual	176
<b>Net Financial Indebtedness at 31/03/2020</b>	<b>111,366</b>

- **The Free Cash Flow** generated in the period amounted to **€20.1 million**, (€ 22.4 million of Net Cash income generated by operating activity, net of € 2.3 million absorbed by investments in Property, plant and equipment and Intangible Assets. In First Quarter 2019 The Free Cash Flow generated equaled € 17.9 million.
- The first consolidation of PrivacyLab as of 1 January 2020 resulted in an increase of Net Financial Indebtedness of € 1.6 million.
- The review of the estimate of expected payments on the basis of the expected prospective results of the concerned companies resulted in an adjustment of the Put options of € 0.08 million.
- New lease adjustments resulted in a total decrease in Net Financial Indebtedness of € 0.2 million. The new leasing contracts resulted in the detection of financial liabilities of € 0.5 million, the adjustments resulted in the reversal of financial liabilities of € 0.7 million, mainly as a result of early terminations.

## IMPORTANT EVENTS FOLLOWING THE CLOSURE OF FIRST QUARTER 2020

**On April 28, 2020**, the Tinexta S.p.A. Shareholders' Meeting approved the Board's proposal not to distribute dividends and to reinvest the Group's 2019 profit; € 1.2 million equal to **5%** (of Net Profit) was earmarked for the **Legal Reserve**, the remainder, €22.8 million, was carried forward. The Shareholders' Meeting also approved the 2020-2022 Stock Option Plan in favor of executive directors and executives with strategic responsibilities and other management figures of Tinexta Group and other Companies of the Tinexta Group and renewed the authorization of the Company to purchase and dispose Treasury Shares under Articles 2357 and ss. of the Civil Code and Article 132 of the TUF.

**On 30 April 2020**, in agreement with the minority shareholders of Sixtema S.p.A., the deadline for the exercise of the option to purchase the remaining 20% participation was extended until 30 June 2020.

**On 4 May 2020**, Italy opened the so-called "Phase 2" which allows the lightening of the restrictive measures imposed to stop the contagion of Covid-19. The companies of the Tinexta Group, although operating in Smart Working, are moving to restore in the most secure way the normal operations at their offices.



**On 7 May 2020**, Tinexta S.p.A. received notice of the exercise of the Put option on 11.875% of the capital of ReValuta S.p.A. by the minority shareholder Coesa S.r.l. Activities are under way to define the operating price according to the contractual terms.

**On 14 May 2020**, Tinexta S.p.A. received notice of the Put option exercise on 9.25% of Warrant Hub S.p.A.'s capital from the minority shareholder. Activities are under way to define the operating price according to the contractual terms.

## **OUTLOOK**

Although the Group considers it premature to share a new Guidance with the market, it does not see, at the consolidated level, great discontinuities compared to the previous year. In fact, on the one hand, the Group sees positive feedback from the investments made in 2019, in particular resulting from the implementation of a CRM system in all major subsidiaries, and intends to support enterprises and professionals with respect to the different scenarios that characterize the changed economic context. On the other hand, since March, it has promptly implemented the implementation of strong and decisive measures to reduce costs and contain the negative impacts that, inevitably, have manifested themselves and will manifest themselves in the short term. Based on the initial analysis of the business performance, the Group expects a gradual recovery of business over the remainder of the year.

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## **BUY-BACK PROGRAM IN IMPLEMENTATION OF THE AUTHORIZATION APPROVED BY THE SHAREHOLDERS' MEETING ON 28 APRIL 2020**

**Tinexta** also communicates that, under Art. 144-bis, paragraph 3, of the Consob Regulation 11971/1999 (and successive modifications), the Company's Board of Directors has also decided today to start the share purchase programme in accordance with the authorisation approved by the Shareholders' Assembly of 28 April 2020 (the **Buy-back**).

### **Purpose of Buy-back**

The **Buy-back** has the main purpose of implementing the "Stock Option Plan 2020-2022" (the "Plan") approved by the Ordinary Meeting of Shareholders meeting on 28 April 2020, as well as other share incentive plans, while the Board reserves the right to allocate the Shares object of the Buyback to the additional purposes approved by the Meeting of 28 April 2020.

### **Maximum number of shares to buy and maximum amount allocated to the Buy-back**

In view of the limits set by the aforementioned meeting resolution of 28 April 2020, the purchases of Treasury Stock must be made to such an extent that at any time, taking into account the Ordinary Shares Tinexta from time to time held in the portfolio by the Company and the companies it controls, those Shares must not in total exceed 10% of the Company's Share Capital, i.e. 4,720,712 Shares. As of today, the Company does not hold any Treasury Stock, nor do the companies controlled by Tinexta hold its Shares.

To execute the Plan, the Company therefore aims to purchase a maximum of 1,700,000 Own Shares. The potential maximum Share purchase pay-out for the Plan has been set by the Council at a maximum of € 25 million.



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In accordance with Art. 2357, paragraph 1, of the Italian Civil Code, purchases of Treasury Stock must still be made within the limits of the distributable profits and available reserves resulting from the last budget approved at the time of carrying out each transaction.

### **How purchases can be made and purchase price**

The Company has mandated Banca IMI as an independent intermediary to carry out the buy-back in full independence and in accordance with the constraints arising from applicable legislation and within the limits of the resolutions.

The buy-back transactions will be carried out in accordance with the principle of equal treatment of Shareholders provided by Art. 132 of the TUF, in any way in the manner referred to in Article 144-bis of the Consob Regulation (also through subsidiaries), to be identified from time to time.

In addition, the purchase of Shares may also be carried out in the manner provided for by Art. 3 of the Commission's 2016/1052 Delegate Regulation (EU) in order to benefit from the exemption under Article 5, paragraph 1 of Regulation 596/2014 relating to market abuse with regard to the abuse of Insider Information and Market Manipulation, where the conditions are based. To qualify for this exemption, a volume of more than 25% of the average daily volume of Shares at the trading venue where the purchase is made can be purchased on each trading day.

The purchase price of the Shares will then be determined from time to time for each individual transaction, provided that purchases will have to be made at a price per Share that will not differ, nor decrease, or increase, by more than 10% compared to the reference price recorded by the stock in the previous trading session each individual transaction and at a consideration that is not higher than the higher price between the price of the last independent transaction and the price of the highest current independent purchase offer present at the trading location where the purchase is made.

### **Buy-back duration**

The purchases of Treasury Stock must be made by 28 October 2021, i.e. within 18 months of the date of the Assembly's deliberation. The duration of the authorization to the disposal of the relative Shares is without a time limit.

The Company is not obligated to execute the Buy-Back and, if initiated, may be suspended, discontinued or amended at any time, for any reason and without notice, in accordance with applicable laws and regulations. Any subsequent changes to the Buy-back program will then be communicated by the Company to the public in a timely manner and in accordance with applicable regulations.

### **Further information**

The Company may proceed without any time constraints to the acts of disposal within the limits of what is allowed and from the regulatory and regulatory requirements and the permitted pro-tempore practices in force, where applicable, and by the Regulations issued by the Italian Stock Exchange S.p.A., as well as in accordance with the objectives outlined above and with the Company's strategic guidelines that it intends to pursue.

The dispositions under the share incentive plans may be put in place in the manner and terms set out in the Plan Regulation.

Any subsequent changes to the Buy-Back will be communicated by the Company in a timely manner to the public, in the manner and terms of the current legislation.





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Any transactions made and the details will be communicated to the market in the terms and manner of the current regulations.

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*The Manager in charge of drafting the corporate accounting documents declares, 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*

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The Interim Report on Operations at 31 March 2020 will be made available to the public within the legal terms, at the company's registered office – Piazza Sallustio, 9, 00187 Rome, on the authorized storage mechanism and Market STORAGE ([www.emarketstorage.com](http://www.emarketstorage.com)) and on the Company's website: [http://www.tinexta.com/en\\_GB/bilanci-relazioni-presentazioni](http://www.tinexta.com/en_GB/bilanci-relazioni-presentazioni) in the Financial Reports and Presentations section.

## CONFERENCE CALL

The Company will present the Consolidated Results as of 31 March 2020 in a Conference Call set for Monday, May 18, 2020 at 10 a.m. (CET). Investors and analysts interested in participating are invited to call the following numbers: Italy: +39 02 805 8811; UK: +44 121 281 8003 USA: USA +1 718 705 8794. Digital playback numbers: +39 02 72495, +44 1 212 818 005, +1718 705 8797; Access code: 807#. For further information please contact the Investor Relations Office.

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**Attached:** *Prospectus as of 31 March 2020 of the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flows.*

## TINEXTA Group.

Tinexta, listed on the STAR segment of the Milan Stock Exchange, reported the following **Consolidated Results as of 31 December 2019: Revenues of €258.7 million EBITDA equal to €71.3 million and Net Profit of €28.8 million.** Tinexta Group is one of the leading operators in Italy in the three business areas: Digital Trust. Credit Information & Management and Innovation & Marketing Services. The Digital Trust Business Unit provides, through the companies InfoCert, Visura, Sixtema and the Spanish company Camerfirma, products and services for digitization, e-billing, certified e-mail (PEC) and digital signature as well as services professionals, associations and SMEs. InfoCert, the largest Certification Authority in Europe, has purchased a 50% stake in LuxTrust, a strategic joint venture for the development of its activities in Europe. In the Credit Information & Management Business Unit, Innolva and its subsidiaries offer services to support decision-making (Chamber of Commerce and real estate information, aggregated reports, synthetic ratings, decision models, credit assessment and recovery) while ReValuta offers real estate services (appraisals and valuations). In the Innovation & Marketing Services Business Unit, Warrant Hub is a leader in consulting in facilitated finance and industrial innovation, while Co.Mark provides Temporary Export Management advice to SMEs to support them in commercial expansion. As of 31 December 2019, the Group's staff amounted to 1.293 employees.

Sito web: [www.tinexta.com](http://www.tinexta.com). Stock ticker: TNXT. ISIN Code IT0005037210

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## Consolidated Statement of Profit or Loss and Other Comprehensive Income

<i>In thousands of Euro</i>	<i>three-month period closed at 31 March</i>	
	2020	2019 <sup>3</sup>
<b>Revenues</b>	<b>54,911</b>	<b>59,735</b>
- - of which vs. Related Parties	34	0
Costs of raw materials	1,875	1,694
Service costs	19,555	19,606
- of which vs. Related Parties	328	262
- - of which non-recurring	83	321
Personnel costs	20,234	21,265
- of which non-recurring	0	124
Contract costs	1,887	2,146
Other operating costs	444	573
Amortisation and depreciation	5,124	4,728
Provisions	238	0
Impairment	873	554
<b>Total Costs</b>	<b>50,230</b>	<b>50,567</b>
<b>OPERATING PROFIT</b>	<b>4,681</b>	<b>9,168</b>
Financial income	204	176
- of which non-recurring	0	148
Financial charges	687	659
- of which vs. Related Parties	11	153
<b>Net financial income (charges)</b>	<b>-483</b>	<b>-483</b>
Share of profit of equity-accounted investments, net of tax	14	29
<b>PROFIT BEFORE TAX</b>	<b>4,212</b>	<b>8,713</b>
Income taxes	1,294	2,859
- of which non-recurring	-5	-201
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>2,918</b>	<b>5,855</b>
Profit (loss) from discontinued operations	0	0
<b>NET PROFIT</b>	<b>2,918</b>	<b>5,855</b>
<b>Other components of the comprehensive Income Statement</b>		
<b>Components that will never be reclassified to profit or loss</b>		
<b>Total components that will never be reclassified to profit or loss</b>	<b>0</b>	<b>0</b>
<b>Components that are or may be later reclassified to profit or loss:</b>		
Exchange rate differences from the translation of foreign Financial Statements	-3	8
Profits (losses) from measurement at fair value of derivative financial instruments	-231	-2
Equity-accounted investments - share of OCI	-8	1
Tax effect	55	1
<b>Total components that are or may be later reclassified to profit (loss)</b>	<b>-187</b>	<b>8</b>
<b>Total other components of comprehensive income, net of tax</b>	<b>-187</b>	<b>8</b>
<b>Total comprehensive income for the period</b>	<b>2,732</b>	<b>5,863</b>
<b>Net Profit attributable to:</b>		
Group	2,898	5,719
Minority interests	20	136
<b>Total comprehensive income for the period attributable to:</b>		
Group	2,720	5,723
Minority interests	11	140
<b>Earnings per Share</b>		
Basic earnings per Share (Euro)	0.06	0.12
Diluted earnings per Share (Euro)	0.06	0.12

<sup>3</sup> The comparative data of First Quarter 2019 were re-stated in relation to the completion, in 2019, of the activities for the identification of 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 S.r.l. consolidated on a line-by-line basis from 1 November 2018.



# TINEXTA

## Consolidated Statement of Financial Position

<i>In thousands of Euro</i>	31/03/2020 <sup>4</sup>	31/12/2019
<b>ASSETS</b>		
Property, plant and equipment	19,666	21,215
Intangible assets and goodwill	270,520	269,935
Investment property	743	750
Equity-accounted investments	11,470	11,454
Other investments	22	22
Other financial assets, excluding derivative financial instruments	1,232	1,149
- <i>of which vs. Related Parties</i>	8	8
Derivative financial instruments	0	15
Deferred tax assets	5,706	5,635
Trade and other receivables	1,289	1,333
Contract cost assets	5,184	5,230
<b>NON-CURRENT ASSETS</b>	<b>315,832</b>	<b>316,737</b>
Inventories	1,211	1,145
Other financial assets, excluding derivative financial instruments.	6,683	6,593
- <i>of which vs. Related Parties</i>	12	0
Derivative financial instruments	16	16
Current tax assets	483	756
- <i>of which vs. Related Parties</i>	155	322
Trade and other receivables	72,300	89,775
- <i>of which vs. Related Parties</i>	330	267
Contract assets	6,521	6,187
Contract cost assets	1,478	1,278
Cash and cash equivalents	48,789	33,600
<b>CURRENT ASSETS</b>	<b>137,480</b>	<b>139,351</b>
<b>TOTAL ASSETS</b>	<b>453,312</b>	<b>456,087</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	47,207	47,207
Reserves	101,004	98,360
<i>Shareholders' Equity attributable to the Group</i>	<i>148,211</i>	<i>145,567</i>
<i>Minority interests</i>	<i>3,891</i>	<i>3,859</i>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>152,101</b>	<b>149,426</b>
<b>LIABILITIES</b>		
Provisions	3,254	3,013
Employee benefits	11,978	11,878
Financial liabilities, excluding derivative financial instruments	104,303	107,039
- <i>of which vs. Related Parties</i>	<i>1,308</i>	<i>1,458</i>
Derivative financial instruments	525	262
Deferred tax liabilities	15,359	15,848
Contract liabilities	7,584	8,180
- <i>of which vs. Related Parties</i>	<i>53</i>	<i>81</i>
<b>NON-CURRENT LIABILITIES</b>	<b>143,004</b>	<b>146,221</b>
Provisions	459	420
Employee benefits	571	571
Financial liabilities, excluding derivative financial instruments.	61,980	62,001
- <i>of which vs. Related Parties</i>	<i>581</i>	<i>578</i>
Derivative financial instruments	45	45
Trade and other payables	45,960	54,953
- <i>of which vs. Related Parties</i>	<i>155</i>	<i>205</i>
Contract liabilities	43,216	37,722
- <i>of which vs. Related Parties</i>	<i>118</i>	<i>123</i>
Deferred income	1,388	1,818
Current tax liabilities	4,588	2,911
<b>CURRENT LIABILITIES</b>	<b>158,207</b>	<b>160,441</b>
<b>TOTAL LIABILITIES</b>	<b>301,211</b>	<b>306,661</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>453,312</b>	<b>456,087</b>

<sup>4</sup> Goodwill arising from the acquisition of PrivacyLab S.r.l. has been provisionally recognized, as the fair value measurement of the net assets acquired is still in progress.

## Consolidated Statement of Cash Flow

<i>In thousands of Euro</i>	<i>three-month period closed at 31 March</i>	
	<b>2020</b>	<b>2019</b>
<i>Cash flows from operations</i>		
<b>Net Profit</b>	<b>2,918</b>	<b>5,979</b>
Adjustments for:		
- Depreciation of property, plant and equipment	1,679	1,635
- Amortisation of intangible assets	3,439	2,916
- Depreciation of investment property	7	4
- Impairment (Revaluations)	873	554
- Provisions	238	0
- Contract costs	1,887	2,146
- Net financial charges (income)	483	483
- <i>of which vs. Related Parties</i>	<i>11</i>	<i>153</i>
- Share of profit of equity-accounted investments	-14	-29
- Income taxes	1,294	2,907
Changes in:		
- Inventories	-66	215
- Contract cost assets	-2,041	-2,841
- Trade receivables and other receivables and Contract assets	16,925	5,715
- <i>of which vs. Related Parties</i>	<i>-63</i>	<i>10</i>
- Trade and other payables	-9,252	-715
- <i>of which vs. Related Parties</i>	<i>-50</i>	<i>-155</i>
- Provisions and employee benefits	136	109
- Contract liabilities and deferred income, including public contributions	3,732	1,896
- <i>of which vs. Related Parties</i>	<i>-33</i>	<i>0</i>
<b>Cash and cash equivalents generated by operations</b>	<b>22,237</b>	<b>20,975</b>
Income taxes collected/(paid)	161	-38
<b>Net cash and cash equivalents generated by operations</b>	<b>22,398</b>	<b>20,937</b>
<i>Cash flows from investments</i>		
Interest collected	4	4
Collections from sale or repayment of financial assets	0	110
Investments in property, plant and equipment	-247	-567
Investments in other financial assets	-230	-750
Investments in intangible assets	-2,038	-2,442
Increases in the scope of consolidation, net of liquidity acquired	-170	0
<b>Net cash and cash equivalents generated/(absorbed) by investing activities</b>	<b>-2,681</b>	<b>-3,645</b>
<i>Cash flows from financing</i>		
Interest paid	-146	-219
- <i>of which vs. Related Parties</i>	<i>-11</i>	<i>-9</i>
MLT bank loans taken out	0	4,975
Repayment of MLT bank loans	-408	-526
Repayment of price deferment liabilities on acquisitions of equity investments	-1,008	-2,383
Repayment of contingent consideration liabilities	0	0
Change in other current bank payables	-1,965	-6,077
Change in other financial payables	-126	-2,201
Repayment of lease liabilities	-874	-653
- <i>of which vs. Related Parties</i>	<i>-147</i>	<i>-205</i>
Dividends paid	0	-5,355
<b>Net cash and cash equivalents generated/(absorbed) by financing</b>	<b>-4,528</b>	<b>-12,439</b>
Net increase (decrease) in cash and cash equivalents	15,189	4,852
Cash and cash equivalents at 1 January	33,600	35,136
<b>Cash and cash equivalents at 31 March</b>	<b>48,789</b>	<b>39,988</b>

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