Interim Financial Report 2020

(Translation from the Italian original which remains the definitive version)

openjobmetis

AGENZIA PER IL LAVORO

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CORPORATE INFORMATION

Openjobmetis S.p.A.
Auth. Prot. No. 1111 – SG of 26/11/2004

Registered Office
Via G. Fara 35 – 20124 Milan

Headquarters and Offices
Via Marsala 40/C Centro Direzionale Le Torri, 21013 Gallarate (VA)

Legal Information
Approved and subscribed share capital: EUR 13,712,000
Registered in the Milan Register of Companies under tax code 13343690155

Website
www.openjobmetis.it

Professional.
Personal.

CORPORATE BODIES

The ordinary shareholders' meeting, convened on 24 April 2018, appointed the new Board of Directors and the new Board of Statutory Auditors for 2018-2020.

Board of Directors[1]

Chairman	Marco Vittorelli
Managing Director	Rosario Rasizza
Directors[2]	Alberica Brivio Sforza[3]
	Giovanni Fantasia[3]
	Carlo Gentili[3]
	Biagio La Porta
	Alberto Rosati[3]
	Daniela Toscani
	Corrado Vittorelli

Board of Statutory Auditors

Chairman	Chiara Segala
Standing Auditors	Manuela Paola Pagliarello
	Roberto Tribuno
Alternate Auditors	Alvise Deganello
	Marco Sironi

1 In office until the Shareholders' Meeting called to approve the financial statements as at 31/12/2020

2 On 4 February 2019, Fabrizio Viola resigned from the office of non-executive independent Director of the Company, as well as the office of Chairman of the Company's Remuneration Committee.

3 Independent Director

Committees

Control and Risks Committee	Alberto Rosati (Chairman)[3] Giovanni Fantasia[3] Daniela Toscani
Remuneration Committee[4]	Alberica Brivio Sforza (Chairman)[3] Alberto Rosati[3] Daniela Toscani
Related Parties Committee	Alberica Brivio Sforza (Chairman)[3] Giovanni Fantasia[3] Alberto Rosati[3]

* * *

Manager in charge of financial reporting — Alessandro Esposti

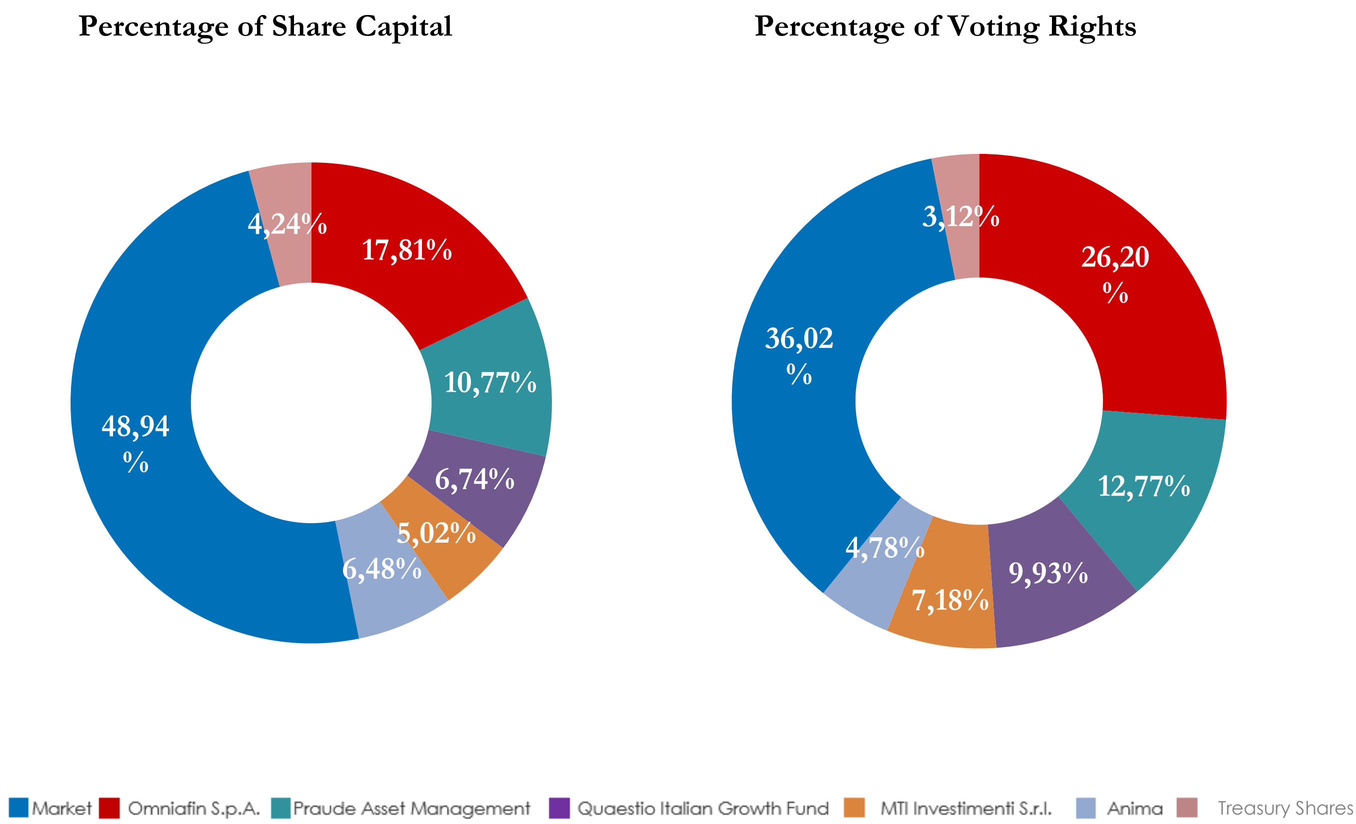
* * *

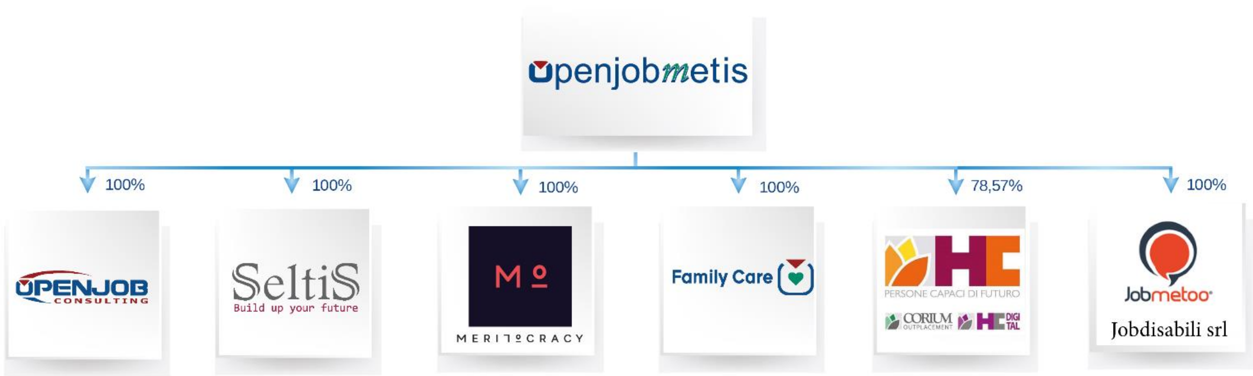
Independent Auditors[5] — KPMG S.p.A.

4 On 11 February 2019, the Board of Directors, having taken note of the resignation of Fabrizio Viola from the office of non-executive and independent Director of the Company as well as from the office of Chairman of the Company's Remuneration Committee, resolved to appoint Alberto Rosati as a new member of the Remuneration Committee, and to appoint Alberica Brivio Sforza from among its members as the new Chairman, until the expiry of the mandate.

5 In office until 31/12/2023

STRUCTURE OF THE GROUP[6]



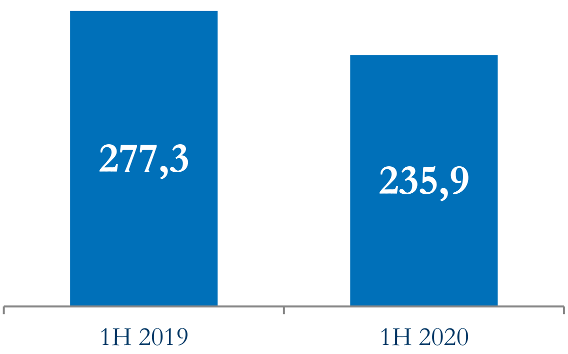


[6] Structure of the share capital and voting rights as at 16 July 2020 based on information received pursuant to Articles 120 and 122 of the Consolidated Law on Finance (TUF - *Testo Unico della Finanza*)

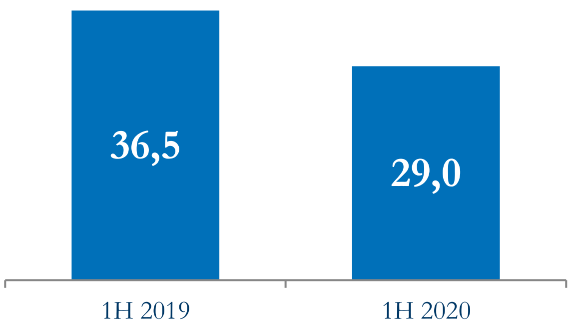
DIRECTORS' REPORT

Highlights (in millions of EUR)

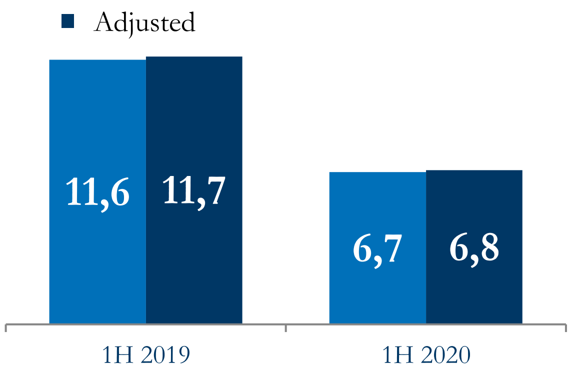
Revenue



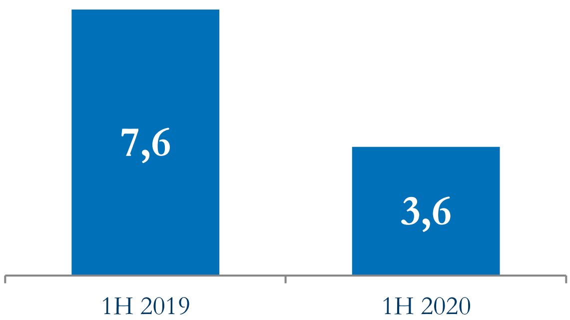
First contribution margin



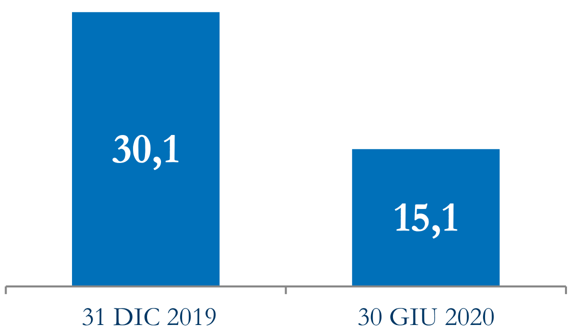
EBITDA



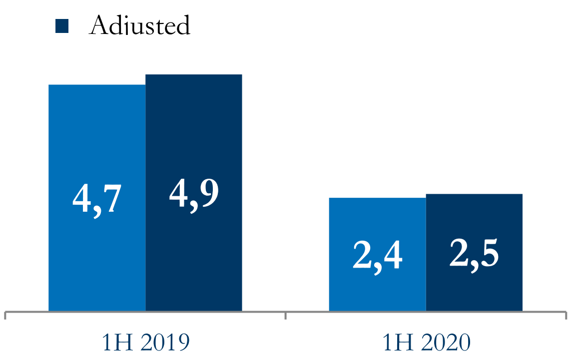
Adjusted EBITA*



Net Financial Indebtedness (NFI)



Profit (loss) for the period



* Calculated as indicated in the "*Trends in key, financial and operating indicators - alternative performance indicators*" section of this report

Note: where not specified, figures are to be understood as "Reported"

Trends in key financial and operating indicators – alternative performance indicators

Income Statement indicators	30/06/2020		30/06/2019		Δ 20 vs. 19	
	EUR	%	EUR	%	EUR	%
First contribution margin (millions/margin) (1)	29.0	12.3%	36.5	13.2%	(7.5)	(20.7%)
EBITDA (millions/margin) (2)	6.7	2.8%	11.6	4.2%	(4.9)	(42.4%)
Adjusted EBITDA (millions/margin) (3)	6.8	2.9%	11.7	4.2%	(4.9)	(42.3%)
EBITA (millions/margin) (4)	3.6	1.5%	7.4	2.7%	(3.8)	(52.0%)
Adjusted EBITA (millions/margin) (5)	3.6	1.5%	7.6	2.7%	(4.0)	(51.7%)
Profit (loss) for the period (millions/margin)	2.4	1.0%	4.7	1.7%	(2.3)	(49.9%)
Adjusted profit (loss) for the period (millions/margin)(6)	2.5	1.0%	4.9	1.8%	(2.4)	(50.3%)
Earnings (loss) per share (EUR)	0.18	-	0.34	-	(0.16)	(47.1%)

Other indicators	30/06/2020	31/12/2019	Δ 20 vs. 19	
			Value	%
Net financial indebtedness (EUR million) (7)	15.1	30.1	(15.0)	(50.0%)
Number of shares (thousand)	13,712	13,712	0	0.0%
Average No. of days to collect trade receivables (days) (8)	75	74	1	1.4%

(1) The first contribution margin is calculated as the difference between Revenue and Personnel expense for temporary workers.

(2) EBITDA is calculated as Profit (loss) for the period before income taxes, net financial expense, amortisation, provisions and impairment losses on trade receivables and other assets.

(3) Adjusted EBITDA is calculated as EBITDA before charges mainly relating to consultancy and due diligence costs for potential acquisitions (as indicated in the following pages of this report).

(4) EBITA is calculated as Profit (loss) for the period before income taxes, net financial expense and amortisation of customer relations included in the balance of Intangible assets and goodwill.

(5) Adjusted EBITA is calculated as EBITA before charges mainly relating to consultancy and due diligence costs for potential acquisitions (as indicated in the following pages of this report).

(6) Adjusted Profit (loss) for the period is calculated as Adjusted Profit (loss) for the period before charges mainly relating to consultancy and due diligence costs for potential acquisitions (as indicated in the following pages of this report) and net of the related tax effect.

(7) Net financial indebtedness shows the company's financial exposure to lenders and is the difference between financial assets and the sum of current and non-current financial liabilities (see the section on "Operating performance and results of the Group" for its detail).

(8) Average number of days to collect trade receivables: I) as at 31 December, trade receivables / sales revenue x 360; II) as at 30 June, trade receivables / sales revenue x 180.

The costs subject to adjustment as part of the aforementioned alternative performance indicators (consultancy and due diligence costs for potential acquisitions and amortisation of customer relations) with the related reconciliations to the financial statements data are provided in the "analysis of the operating performance of the Openjobmetis Group in the first half of 2020" section of this report.

The above-mentioned indicators are considered to facilitate the analysis of business performance, ensuring better comparability of results over time.

The above indicators are not identified as accounting measures under IFRS; therefore, the quantitative determination thereof may not be unique; the use of alternative performance indicators aims to facilitate understanding of the results of the Group. The determination criteria applied by the Group may not be consistent with those adopted by other groups, and therefore the balances obtained by the Group may not be comparable with those determined by the latter.

General economic situation and labour market - Covid-19 pandemic impacts[7]

The economic situation in the first half of 2020 is clearly influenced by the effects of the Covid-19 pandemic that is spreading across Italy from the end of February 2020.

Because of these effects, the latest "*Quarterly Economic Accounts*" published by ISTAT already show a sharp drop in GDP for the first quarter of 2020, equal to 5.3% compared to the fourth quarter of 2019, driven down mainly by a drop in the domestic final consumption (-4.1% compared to the fourth quarter of 2019) and investments (-1.5% compared to the fourth quarter of 2019). The sectors that were affected the most are Trade, Transport, and Accommodation and Catering, down 9.3% overall compared to the fourth quarter of 2019. The Industry has contracted sharply as well, down 8.1% compared to the previous quarter.

According to the latest estimates of the Bank of Italy, the GDP in the second quarter could be down by approximately 10% compared to the previous period due to the closure of non-core activities imposed by the Government (so-called lockdown). According to the Bank of Italy, industrial production has recorded a marked deceleration (-19.1%), a general slowdown that also affects the service sector.
The Bank of Italy estimates a GDP slowdown of 9.5% for 2020, not as negative as the estimates of the European Commission made in July (-11.2%).

On the employment front, after partially holding up in March, April registered a sharp drop in employment (-300,000 compared to the previous month). At the same time, the unemployment rate declined while the number of inactive people increased sharply (+23.9% compared to the previous month). In May 2020, according to ISTAT, the trend of the decrease in employment continued and an increase in job seekers was registered (+18.9% compared to April), against a marked decline in inactive people. The spread of the Covid-19 pandemic drove the dynamics of the labour market in the first part of 2020: since February the level of employment has decreased by more than 500K units. A similar trend is reported for job seekers (-400K units). At the same time, inactivity has increased by 900K units. The resulting unemployment rate in May, despite what one might expect, stands at 7.8%, down by more than 2 percentage points compared to May 2019.

The impact of the Covid 19 pandemic has obviously affected the results of the Openjobmetis Group as well: the second quarter of the year was more affected, with a drop in revenues of

[7] Sources: INPS, Bank of Italy, EBITEMP

approximately 28% compared to the same period of the previous year. In particular, it was the month of April, with a drop in revenues of more than 40% compared to the same month in 2019, which suffered the most from the effects of the pandemic, as due to the "lockdown" imposed by the Italian government. During this month, indeed, most of the production activities had to temporary close in Italy, with the exception of the so-called essential activities which were allowed to continue their operations, including those undertaken by Openjobmetis S.p.A.

Starting on May 4 (from April 27th only for certain companies and districts in the manufacturing sector as well as companies in the construction sector), the Government implemented a plan to return to normality, known as Phase 2, that led to a gradual reopening of activities. In this new phase, the month of May showed a growth in revenues that reached +40% compared to April, but remained below that recorded in May 2019 (-28%). The recovery continued in June, which saw revenues grow further by 18% compared to May (-13% compared to June 2019). The half-year ended with a 14.9% drop in revenues.

It should also be noted that the levels of absenteeism, resulting from the pandemic effects of Covid-19, have returned to normal after the leap in March and April, which had a negative impact on the Group's first contribution margin.

Openjobmetis, in order to contain the economic and financial repercussions of the pandemic and defend its profitability, has adopted, as of April 2020, a plan to control and reduce costs, with tangible effects already from the second quarter of the year. It should also be noted that the Group has only used the *Cassa Integrazione Guadagni* (Temporary Unemployment Compensation fund) for a few subsidiaries, which, due to the intrinsic characteristics of their business, could not have operated during this complex phase, for example, management training activities could not have been carried out.

As at 30 June 2020, Openjobmetis benefited from the salary supplement (*Trattamento di Integrazione Salariale* - TIS) for temporary workers for an amount of EUR 16,117 thousand, the value of which is reimbursed by Forma.Temp and is recognised in the income statement for the period as a direct reduction of cost. With a view to making a concrete contribution to the effort produced by the Company, at all levels, in dealing with the impact of the Covid-19 emergency, on 15 May 2020 all beneficiaries identified for the first tranche of the phantom stock options plan have formalised an unconditional and irrevocable waiver to the Board of the right to exercise options accrued for a value of approximately EUR 0.5 million.

There are currently no particular risk situations regarding the solvency of the Openjobmetis Group's customers compared to the pre-Covid period. This is demonstrated by the average collection time (DSO - days of sales outstanding) which at 30 June 2020 remained stable at 75 days compared to 74 days at 31 December 2019. In addition, net financial indebtedness continued to fall sharply at 30 June 2020 (EUR 15.1 million compared to EUR 30.1 million at 31/12/2019), with a positive cash flow generated by operating activities of EUR 21.1 million (EUR 13.5 million at 30 June 2019). Nevertheless, as a precautionary measure, the Group has decided to enter into two new loans of 18 months' duration each with leading credit institutions, for a total amount of EUR 10 million which, together with the medium/long-term loan already in place, would provide further protection in case of possible financial tensions arising on the markets.

Refer to the information reported in the "Intangible assets and goodwill" section for information on the assessments made regarding the analysis of the recoverability of the value of goodwill at 30 June 2020.

Openjobmetis S.p.A. continued to operate regularly during the "lockdown" period, guaranteeing normal support to user companies. Headquarters and branch activities were carried out thanks to an agile work plan implemented in record time, which is based on the use of digital platforms. The company officially reopened its offices on 18 May 2020. In order to safeguard the health of its employees, a detailed safety protocol has been launched; this protocol which includes, among other things: division of the various departments into groups to maximise spacing, measurement of body temperature at the entrance to offices, widespread distribution of disinfectant gel for hands and separation of adjoining workstations using Plexiglas panels. In addition, a kit consisting of FFP2 masks (replacement masks are delivered to each employee every week), facial protective visors, as well as hand disinfectant gel and plastic gloves was delivered to each employee. Finally, each employee was given the opportunity to perform a serological test for the presence of Covid-19 IgG and IgM antibodies in the blood.

In relation to the purchase of PPE for the Group's personnel and for the adjustment of working spaces and relative interventions, costs were incurred during the half year for approx. EUR 100 thousand.

According to the latest estimates of the Bank of Italy, the contraction of Italian GDP in 2020 should by autumn lead to a shift from 4% to 5.5% in the number of people employed. The degree of flexibility that companies will need to adapt in order to cope with a changing market environment will be of central importance at this stage.

Operating performance and results of the Group

Analysis of the operating performance of the Openjobmetis Group in the first half of 2020

Revenue from sales for the first six months of 2020 came to EUR 235.9 million compared to EUR 277.3 million for the same period in the previous year. In the first six months of 2020, operating profit (or EBIT, earnings before interest and tax) amounted to EUR 3.5 million compared to EUR 7.4 million in the same period of 2019.

The table below shows the consolidated financial figures of the Group for the periods ended 30 June 2020 and 2019.

(Amounts in thousands of EUR)	Period ended 30 June				2020/2019 Change	
	2020	**% of Revenue**	**2019**	**% of Revenue**	**Value**	**%**
Revenue	235,883	100.0%	277,260	100.0%	(41,377)	(14.9%)
Costs of temporary work	(206,904)	(87.7%)	(240,731)	(86.8%)	33,827	(14.1%)
First contribution margin	**28,979**	**12.3%**	**36,529**	**13.2%**	**(7,550)**	**(20.7%)**
Other income	3,480	1.5%	5,037	1.8%	(1,557)	(30.9%)
Employee costs	(14,963)	(6.3%)	(16,614)	(6.0%)	1,651	(9.9%)
Cost of raw materials and consumables	(108)	(0.0%)	(125)	(0.0%)	17	(13.6%)
Costs for services	(10,412)	(4.4%)	(12,895)	(4.7%)	2,483	(19.3%)
Other operating expenses	(297)	(0.1%)	(342)	(0.1%)	45	(13.1%)
EBITDA	**6,679**	**2.8%**	**11,590**	**4.2%**	**(4,911)**	**(42.4%)**
Impairment loss on trade and other receivables	(657)	(0.3%)	(1,847)	(0.7%)	1,190	(64.4%)
Amortisation and depreciation	(2,468)	(1.0%)	(2,339)	(0.8%)	(129)	5.5%
EBITA	**3,553**	**1.5%**	**7,404**	**2.7%**	**(3,851)**	**(52.0%)**
Amortisation of intangible assets	(22)	(0.0%)	(22)	(0.0%)	0	0.0%
EBIT	**3,532**	**1.5%**	**7,382**	**2.7%**	**(3,850)**	**(52.2%)**
Financial income	191	0.1%	28	0.0%	163	573.1%
Financial expense	(272)	(0.1%)	(452)	(0.2%)	180	(39.8%)
Profit (loss) before taxes	**3,451**	**1.5%**	**6,958**	**2.5%**	**(3,507)**	**(50.4%)**
Income taxes	(1,086)	(0.5%)	(2,242)	(0.8%)	1,156	(51.6%)
Profit (loss) for the period	**2,365**	**1.0%**	**4,716**	**1.7%**	**(2,351)**	**(49.9%)**

The table below provides a breakdown of the costs that have been adjusted for the purposes of determining the Alternative Performance Indicators (APIs).

(In thousands of EUR)	**Brief description**	**30/06/2020**	**30/06/2019**
Costs for services	Charges relating mainly to consultancy and due diligence costs for potential acquisitions	96	149
Financial expense	Commission release following early settlement of medium/long-term loan	-	116
Total		**96**	**265**
Amortisation	Amortisation of customer relations included in the amount of intangible assets and goodwill	22	22
Total costs		**118**	**287**
Tax effect		(33)	(76)
Total impact on the Income Statement		**85**	**211**

In the first six months of 2020, charges relating mainly to consultancy and due diligence costs for potential acquisitions amounted to EUR 96 thousand and amortisation of customer relations included in the amount of intangible assets and goodwill amounted to EUR 22 thousand. The above resulted in an adjusted net profit of EUR 2,450 thousand, taking into account a negative tax effect of EUR 33 thousand.

Consequences of adopting new accounting standard IFRS 16 - Leases

The Openjobmetis Group adopted IFRS 16 Leases starting from 1 January 2019.

IFRS 16 redefines the way in which lease agreements are recognised. The standard replaces IAS 17 "*Leases*", in addition to IFRIC 4 "*Determining whether an Arrangement contains a Lease*", SIC 15 "*Operating Leases - Incentives*" and SIC 27 "*Evaluating the Substance of Transactions Involving the Legal Form of a Lease*".

IFRS 16 introduces a single lessee accounting model for requiring, as a general rule, the recognition under assets of the right of use of the underlying asset and under liabilities of the lease liability. There are exceptions to the application of IFRS 16 for short-term leases and for low-value assets.

The Group recognised new assets and liabilities mainly for its operating leases on properties used as headquarters and in which branches operate, and for the operating leases of company cars. The nature of the costs relating to the above-mentioned leases consequently changed since the Group amortised right-of-use assets, posting the interest expense on lease liabilities.
Previously, the Group recognised costs for operating leases on a straight-line basis over the lease term and recorded assets and liabilities only in the presence of temporary differences between the moment in which it made the lease payments and cost recognition.

The main financial impacts following the adoption of IFRS 16 are the following:

- **Costs for services**: these amounted to EUR 10,412 thousand in the first half of 2020 (EUR 12,895 thousand in the first half of 2019). Before the adoption of the new IFRS 16, costs for services would have been recognised for a total of EUR 12,455 thousand (EUR 14,797 thousand in the first half of 2019). The difference of EUR 2,043 thousand is due to not recording costs for operating leases on a straight-line basis throughout the lease term (excluding the reclassification of the Aprilia property).

- **EBITDA**: In the first six months of 2020, EBITDA was EUR 6,679 thousand (EUR 11,590 thousand in the first six months of 2019); the adjusted EBITDA was equal to EUR 6,775 thousand in the first six months of 2020, compared to EUR 11,739 thousand in the same period in 2019. Prior to the adoption of IFRS 16, EBITDA for the first six months of 2020 would have been EUR 4,636 thousand (EUR 9,688 thousand in the first six months of 2019) and adjusted EBITDA would have been EUR 4,732 thousand (EUR 9,837 thousand in the first six months of 2019).

- **Amortisation**: this amounted to EUR 2,490 thousand in the first half of 2020 (EUR 2,361 thousand in the same period of 2019). Before the adoption of the new IFRS 16, amortisation would have been recognised for a total of EUR 531 thousand (EUR 510 thousand in the first half of 2019). The difference of EUR 1,959 thousand is due to recording the amortisation for right of use of the assets underlying the operating leases (excluding the reclassification of the Aprilia property).

- **Financial expense**: this amounted to EUR 272 thousand in the first half of 2020 (EUR 452 thousand in the first half of 2019). Before the adoption of the new IFRS 16, financial expense would have been recognised for a total of EUR 165 thousand (EUR 344 in the first half of 2019). The difference of EUR 107 thousand is due to recording financial expense on lease liabilities.

- **Net financial indebtedness**: this showed a balance of EUR 15,057 thousand as at 30 June 2020 (EUR 30,103 as at 31 December 2019). Before adoption of the new IFRS 16, net financial indebtedness would have amounted to EUR 2,974 thousand (EUR 18,090 thousand as at 31 December 2019). The difference of EUR 12,083 thousand is due to recording lease liabilities.

The application of IFRS 16 has therefore led to the recognition of lower costs for services, higher amortisation and higher financial expense, with a negative impact of EUR 23 thousand on the period result (negative net impact of EUR 57 thousand in the first half of 2019).
For further information, please refer to notes 4 and 13 of the Condensed Interim Consolidated Financial Statements.

Revenue from sales and services

Revenues for the first six months of 2020 amounted to EUR 235,883 thousand compared to EUR 277,260 thousand in the same period of 2019. The 14.9% drop in revenues is mainly due to the effects of the Covid-19 pandemic, which spread in Italy from the end of February 2020. This phenomenon affected all the Group's areas of activity (Recruitment and Selection -17.9%, outplacement -55.4%, other revenues -33.5% compared to the first half of 2019).
In contrast is the excellent performance of activities related to care of the elderly and non-self-sufficient, which grew by 33% compared to the first six months of 2019 despite the health crisis.
In the second quarter of 2020, the results for April (a month that, in its entirety, was affected by the impact of lockdown) were down 43% in terms of revenues compared to the same month in 2019. However, already in May there was a recovery in revenues, which was +39% compared to April and -28% compared to May 2019. The positive trend also emerges from the performance in June which clearly indicates a trajectory of further recovery compared to the previous month (+18%) as well as a significant narrowing of the gap compared to the same month in 2019 (-13%).

Costs of temporary work

Personnel expense relating to temporary workers shows a decrease of EUR 33,827 thousand, from EUR 240,731 thousand in the first half of 2019 to EUR 206,904 thousand in the same period of 2020 with an incidence on revenues of 87.7%, an increase compared to the first six months of 2019 (86.8%).

The change was mainly due to the decrease in business volume, in terms of temporary worker hours, sold to customers.

First contribution margin

The first contribution margin of the Group in the first six months of 2020 was equal to EUR 28,979 thousand, compared to EUR 36,529 thousand in the same period of 2019. The incidence on revenues was 12.3%, down from the first six months of 2019 (13.2%), but up from the first quarter of the year. This is mainly due to the more than proportional decrease in revenues from high margin services such as recruitment and selection and training, due to the effects of the Covid 19 pandemic. The first contribution margin in the first half of 2020 was also negatively affected by absenteeism, which increased unseasonably due to suspected illness during the peak months of the pandemic. It should be noted that the work margin in the second quarter stood at 11.5%, a result not far from that achieved in the second quarter of 2019 (11.8%). This can be interpreted as a sign that the recovery of volumes in the months following the lockdown is structural and not driven by aggressive pricing policies.

Other income

The item *Other income* in the first half of 2020 amounts to EUR 3,480 thousand, compared to EUR 5,037 thousand in the same period of 2019.

The item mainly includes grants from Forma.Temp (EUR 2,964 thousand for 2020, against EUR 4,697 thousand in 2019) for costs incurred by the Group to deliver training courses for temporary workers through qualified trainers, and other sundry income (EUR 516 thousand in 2020, against EUR 340 thousand in 2019).

Employee costs

The average number of employees in the first half of 2020 was 650, compared to 641 in the first half of 2019, and includes staff employed at the headquarters and at the Group's subsidiaries (184 employees in the first half of 2020 for the Group) and at the Openjobmetis branch offices located throughout the country (466 employees in the first half of 2020 for the Group).

Employee costs amounted to EUR 14,963 thousand in the first half of 2020, a decrease of EUR 1,651 thousand compared to the first half of 2019 (EUR 16,614 thousand). This trend reflects the cost containment measures implemented by the Group to counter the effects of the Covid-19 pandemic. These include the unconditional and irrevocable waiver by all the beneficiaries identified for the first tranche of the Phantom Stock Option plan of the right to exercise the vested options, for a value of approximately EUR 0.5 million.

Costs for services

In the first six months of 2020, costs for services were EUR 10,412 thousand (EUR 12,895 thousand in the first six months of 2019), a decrease of EUR 2,483 thousand with respect to the same period of 2019. Again, the savings primarily reflect the Group's efforts to defend its profitability from the heavy impact of the Covid 19 pandemic, as well as the reduction in the cost of training activities for temporary workers.

Costs for services mainly include the costs incurred for the organisation of training courses for temporary workers, amounting to EUR 2,970 thousand for 2020, compared to EUR 4,697 thousand in 2019. The Group receives contributions from Forma.Temp to fully cover the costs incurred for training, following accurate and timely reporting of said costs.

The remaining costs for services, the incidence of which on revenue rose slightly to 3.2% (3.0% in the first half of 2019), refer mainly to the costs for tax, legal, IT and business consultancy costs and fees to sourcers and professional advisors.

In the first half of 2020, charges were recognised mainly relating to consultancy and due diligence costs for potential acquisitions of EUR 96 thousand, compared to EUR 149 thousand in 2019.

EBITDA and EBITA and respective adjusted values

In the first half of 2020, EBITDA amounted to EUR 6,679 thousand, compared to EUR 11,590 thousand in the same period in 2019. Adjusted EBITDA[8] was EUR 6,775 thousand in the first six months of 2020, compared to EUR 11,739 thousand in the first six months of 2019.

In the first half of 2020 EBITA amounted to EUR 3,553 thousand compared to EUR 7,404 thousand in 2019 and the adjusted EBITA[9] was EUR 3,649 thousand compared to EUR 7,553 thousand in the first half of 2019.

[8]Calculated as EBITDA before charges mainly relating to consultancy and due diligence costs for potential acquisitions

[9] Calculated as EBITA before charges mainly relating to consultancy and due diligence costs for potential acquisitions

Amortisation

Amortisation was EUR 2,490 thousand for the first six months of 2020, compared to EUR 2,361 thousand in 2019. The amortisation portion of the value of customer relations capitalised among intangible assets and goodwill, included in the amortisation value of intangible assets, amounted to EUR 22 thousand, the same amount as in the first six months of 2019.

Impairment loss on trade and other receivables

Impairment loss on trade and other receivables in the first half of 2020 totalled EUR 657 thousand, compared to EUR 1,847 thousand in the same period of 2019. Write-downs as a percentage of total turnover in the first six months of 2020 amounted to 0.3% (0.7% in the first half of 2019); the Group considers a target of 0.4% to be standard, in view of the specific dynamics of the individual periods examined.

EBIT

As a result of the above, the operating profit of the Group in the first half of 2020 was equal to EUR 3,532 thousand, compared to EUR 7,382 thousand for the same period of 2019.

Financial income and financial expense

Net financial income and expense show a negative net balance of EUR 81 thousand in the first half of 2020, compared to a negative EUR 424 thousand in the same period of 2019. The change is mainly due to the reduction of the average financial indebtedness and to the fact that during the first half of 2019, expenses for EUR 116 thousand were recorded relating to the early extinguishment of the previous loan.

Income taxes

Taxes for the first half of 2020 amounted to EUR 1,086 thousand compared to EUR 2,242 thousand in the same period of 2019. The item consists of current taxes totalling EUR 1,143 thousand and refer to EUR 275 thousand for IRAP and EUR 868 thousand for IRES. Current taxes for the first half of 2019 totalling EUR 2,117 thousand refer to IRAP of EUR 513 thousand and to IRES of EUR 1,604 thousand. For further information, please refer to explanatory note 28 of the condensed interim consolidated financial statements.

Net Profit/(Loss) for the period and adjusted Profit/(Loss) for the period

As a result of the above, a net profit of EUR 2,365 thousand was recognised in the first half of 2020, compared to a net profit of EUR 4,716 thousand in the first half of 2019. Adjusted net profit for the period, as shown in the table below, amounted to EUR 2,450 thousand in the first six months of 2020, compared to EUR 4,927 thousand in the same period of 2019.

Adjusted profit (EUR thousand)	**1H 2020**	**1H 2019**
Profit for the period	**2,365**	**4,716**
Costs for services (costs relating to due diligence activities for potential targets)	96	149
Amortisation of customer relations included in the amount of intangible assets and goodwill	22	22
Commission release following early settlement of medium/long-term loan	-	116
Tax effect	(33)	(76)
Adjusted profit for the period	**2,450**	**4,927**

Statement of Financial Position

The table below shows the Group's consolidated statement of financial position reclassified in a financial perspective as at 30 June 2020 and as at 31 December 2019.

(Amounts in thousands of EUR)					**2020/2019 Change**	
	30/06/2020	% on NIC* or Total sources	**31/12/2019**	% on NIC* or Total sources	**Value**	**%**
Intangible assets and goodwill	75,933	64.0%	75,992	56.5%	(59)	(0.1%)
Property, plant and equipment	2,453	2.1%	2,422	1.8%	31	1.3%
Right of use for leases	12,033	10.1%	11,989	8.9%	44	0.4%
Other net non-current assets and liabilities	2,174	1.8%	1,602	1.2%	572	35.7%
Total non-current assets/liabilities	**92,593**	**78.0%**	**92,005**	**68.4%**	**588**	**0.6%**
Trade receivables	97,701	82.3%	116,357	86.6%	(18,656)	(16.0%)
Other receivables	10,185	8.6%	8,479	6.3%	1,706	20.1%
Current tax assets	55	0.0%	1,081	0.8%	(1,026)	(94.9%)
Trade payables	(6,848)	(5.8%)	(7,942)	(5.9%)	1,094	(13.8%)
Current employee benefits	(44,057)	(37.1%)	(40,403)	(30.1%)	(3,654)	9.0%
Other payables	(28,838)	(24.3%)	(33,171)	(24.7%)	4,333	(13.1%)
Current tax liabilities	(115)	(0.1%)	(24)	(0.0%)	(91)	380.8%
Provisions for risks and current charges	(2,003)	(1.7%)	(1,962)	(1.5%)	(41)	2.1%
Net working capital	**26,080**	**22.0%**	**42,415**	**31.6%**	**(16,335)**	**(38.5%)**
Total loans - net invested capital	**118,673**	**100.0%**	**134,420**	**100.0%**	**(15,747)**	**(11.7%)**
Shareholders' Equity	102,347	86.2%	103,159	76.7%	(812)	(0.8%)
Net Financial Indebtedness (NFI)	15,057	12.7%	30,103	22.4%	(15,046)	(50.0%)
Non-current employee benefits	1,270	1.1%	1,158	0.9%	112	9.6%
Total sources	**118,673**	**100.0%**	**134,420**	**100.0%**	**(15,747)**	**(11.7%)**

* Net Invested Capital

Intangible assets and goodwill

Intangible assets totalled EUR 75,933 thousand as at 30 June 2020, compared to EUR 75,992 thousand as at 31 December 2019, and consist primarily of goodwill, customer relations, software and other intangible assets under development and payments on account.

Goodwill, amounting to EUR 74,607 thousand as at 31 March 2020, is attributable for EUR 45,999 thousand to acquisitions carried out before 2011 and the merger with WM S.r.l. carried out in 2007, for EUR 27,164 thousand to the acquisition and subsequent merger of Metis S.p.A. carried out in 2011, and for EUR 383 thousand to the acquisition of the subsidiary Corium S.r.l. carried out in 2013. Subsequently, the goodwill value increased in relation to the acquisitions of Meritocracy S.r.l. and HC S.r.l., respectively for amounts equal to EUR 288 thousand and EUR 604 thousand. In conclusion, the goodwill value increased by EUR 169 thousand in relation to the transaction for acquisition of Jobdisabili S.r.l. on 31 January 2020.

At the end of each year, the Group assesses whether goodwill recognised can be recovered, with the support of an independent professional. The impairment test on goodwill is carried out on the basis of the value in use through calculations based on projected cash flows taken from the approved five-year business plan.

In accordance with the ESMA Communication of 20 May 2020 "Implications of the Covid-19 pandemic on the interim reports" and the subsequent Consob Notice No. 8/20 of 16 July 2020, the Company was called upon to assess, with great detail, the sustainability of this plan and the related Impairment Test at 31 December 2019.

With regard to the impairment indicators referred to in IAS 36.12, it should be noted that in direct correlation to the aforementioned pandemic, in the months of lockdown the Company recorded economic performance that was clearly lower than expected and, in line with a trend that is widespread among companies with listed shares, at the same time it saw its market capitalisation fall below the book value of shareholders' equity.

The Impairment Test is based on estimates with a medium-long term time horizon (for companies with going concern prospects, this horizon is indefinite); therefore, in order to correctly assess the validity of the Impairment Test, a number of elements must be taken into account.

As previously commented on, the results for April 2020 (a month that, in its entirety, was affected by the impact of lockdown) were down 43% in terms of revenues compared to the same month in 2019. However, already in May 2020, there was a marked reversal in revenues, which were +39%

compared to April 2020 and -28% compared to May 2019. A positive sign also emerges from the performance in June 2020 which clearly indicates a trajectory of further recovery compared to the previous month (+18%) as well as a significant narrowing of the gap compared to the same month in 2019 (-13%).

In assessing the Company's exposure - in terms of the effect on income and cash flows in the coming months - it must be taken into account that the Company has also launched a cost containment plan that will have a significant impact in 2020.

It should also be noted that the goodwill Impairment Test as at 31 December 2019 showed a break-even if, alternatively: a) a discount rate 220 bps higher than the one actually used (about 12.7% vs. 10.5%) was used, or b) net operating cash flows decreased by 18.8%. In the economics of these results, it should also be remembered that the adoption of IFRS 16 had the effect of reducing the difference between the recoverable value of the CGU and the operating invested capital compared to what would have been obtained if the aforementioned standard had not come into force; as a result, the impairment was particularly cautious.

In addition, the particular nature of the Company's business has always shown that a decrease in revenues is matched by a decrease in net working capital and a consequent increase in cash flow, with a corresponding balancing of the negative impact of the decrease in profitability.

In the same direction, it should be noted that the Company's debt exposure as at 30 June 2020 is significantly better than that as at 31 December 2019, given that, at present, the value of net financial indebtedness amounts to approximately EUR 3.0 million, compared to the previous EUR 18.1 million prior to the adoption of IFRS 16, without prejudice to the availability, for a further total of EUR 25 million, by virtue of both the loan (EUR 15 million) entered into in 2019 and the loans (EUR 10 million) obtained in order to ensure a significant liquidity reserve as a precautionary measure.

The DSO remains at a similar level to previous periods, demonstrating a normal capacity for the user companies to pay invoices; moreover, the economic support interventions put in place by the Government are specifically aimed at guaranteeing an influx of financial resources such as to prevent the interruption of the supply payments cycle.

With regard to the medium/long-term viability issues, the crisis has been generated by a cause exogenous to the economic context and the Company is only marginally exposed to the sectors most affected (transport, tourism and accommodation and catering), which will be those that are expected to experience a slower recovery than the rest of the economy.

In line with the forecasts of the main research institutions (e.g. ISTAT), the trends most recently recorded by the Company seem to support the assumption that the pandemic impact of COVID-19 may begin to be reabsorbed within a reasonably short period of time. However, these trends are yet to be confirmed in a scenario still characterised by great uncertainty, it being understood that a possible modification of the Business Plan would require a more defined framework of reference.

The Company will also constantly monitor the evolution of its economic and financial situation for the purposes of continually updating and assessing the validity of the estimates of the Impairment Test, not excluding, in the event of a worsening of the general framework, prompt interventions in this regard, even before the end of the current financial year.

On the basis of the above, in light of the expected results and the sensitivity analyses carried out with reference to the Impairment Test as at 31 December 2019, the Board of Directors of Openjobmetis resolved to confirm the validity of the Impairment Test approved and carried out in relation to the Company's financial position as at 31 December 2019, as it did not believe that an impairment loss could emerge for the interim financial statements as at 30 June 2020 and therefore the estimated recoverable value has not been updated.

Trade receivables

Trade receivables as at 30 June 2020 amounted to EUR 97,701 thousand, compared to EUR 116,357 thousand as at 31 December 2019, and included trade receivables from third-party customers of EUR 103,002 thousand, recorded in the consolidated financial statements net of an allowance for impairment of EUR 5,301 thousand (EUR 4,866 thousand as at 31 December 2019). During the first six months of 2020, no receivables were factored.

The days sales outstanding (DSO) granted to customers is 75 days, compared to 74 days as at 31 December 2019. Calculating the DSO in the second quarter only, i.e. quarterly receivables/turnover x 90 days, a 83-day DSO is obtained.

There are no receivables with insurance coverage.

There are no credit risk profiles for related parties.

Other receivables

As at 30 June 2020, Other receivables totalled EUR 10,185 thousand, compared to EUR 8,479 thousand as at 31 December 2019; they primarily relate to an IRES credit for IRAP deduction for the years 2007-2011 for EUR 104 thousand (EUR 1,245 thousand as at 31 December 2019); receivables from INPS (the Italian Social Security Institution) for post-employment benefits for EUR 26 thousand (EUR 1,299 thousand as at 31 December 2019); prepayments for EUR 1,828 thousand (EUR 862 thousand as at 31 December 2019); other disputed receivables for EUR 1,095 thousand relating to a receivable from a former director of Metis S.p.A. for unjustified expenses (unchanged from 31 December 2019); and receivables from Forma.Temp for EUR 7,081 thousand, relating to the reimbursement of the salary supplement (Trattamento di Integrazione Salariale - TIS) paid in advance to temporary workers. It should be noted that these receivables have already been collected for an amount of EUR 3,043 thousand during the month of July.

The item Receivables from INPS (Italian Social Security Institutions) for post-employment benefits relates to the amount of post-employment benefits of terminated temporary workers, which is advanced by Openjobmetis S.p.A. to the worker and requested as a reimbursement from the INPS treasury, to which it had been previously paid. The change in this item as at 30 June 2020 compared to 31 December 2019 is mainly due to the seasonal nature of temporary employment, the contracts which generally terminate prior to the customer companies' closure for the holidays.

The item Other prepayments mainly refers to advanced costs for training courses for temporary workers, sponsorships, bank fees, insurance and sundry rentals.

Trade payables

As at 30 June 2020, trade payables amounted to EUR 6,848 thousand, compared to EUR 7,942 thousand as at 31 December 2019. There were no concentrations of payables due to a limited number of suppliers as at 30 June 2020.

Employee benefits

As at 30 June 2020, payables for current employee benefits totalled EUR 44,057 thousand, compared to EUR 40,403 thousand as at 31 December 2019, a EUR 3,654 thousand increase. The item mainly refers to payables for salaries and compensation due to temporary workers and company employees, in addition to the payables for post-employment benefits due to temporary workers. The increase recorded as at 30 June 2020 compared to 31 December 2019 is attributable mainly to accruals for temporary workers of additional months' pay in the first half, but not yet paid.

Given the nature of business carried out by the Group and the average duration of employment contracts with temporary workers, employee benefits represented by the post-employment benefits of temporary workers are paid periodically and were consequently regarded as current liabilities. Therefore, there was no need to make any actuarial valuation and the liability corresponds to the obligation due to temporary workers at the end of the contract.

Current tax liabilities

As at 30 June 2020, current tax liabilities amount to EUR 115 thousand and refer to a receivable from tax authorities for IRAP.

As at 31 December 2019 the payable for current taxes, equal to EUR 24 thousand, refers to the payable to the tax authorities for IRAP. This amount was recognised as income in the first half of 2020 as a result of regulatory measures issued by the government to support businesses in the Covid-19 pandemic.

Other payables

As at 30 June 2020, other payables amounted to EUR 28,838 thousand, compared to EUR 33,171 thousand as at 31 December 2019. The item refers mainly to social security charges payable for EUR 20,161 thousand as at 30 June 2020 (EUR 18,946 thousand as at 31 December 2019), tax liabilities principally related to withholdings on employees' remuneration of EUR 7,499 thousand (EUR 11,324 thousand as at 31 December 2019), payables to Forma.Temp of EUR 433 thousand (EUR 2,225 thousand as at 31 December 2019) and other payables mainly including deferred income and salary/pension backed loans for a total of EUR 745 thousand (EUR 676 thousand as at 31 December 2019).

Shareholders' Equity

As at 30 June 2020, Shareholders' equity amounted to EUR 102,347 thousand, compared to EUR 103,159 thousand as at 31 December 2019. The changes in the half-year are mainly referable to the distribution of dividends for EUR 2,769 thousand and the purchase of treasury shares for EUR 435 thousand and to the profit for the period.

Net Financial Indebtedness (NFI)

Net financial indebtedness shows a net balance of EUR 15,057 thousand as at 30 June 2020, compared to EUR 30,103 thousand as at 31 December 2019.

The Group's net financial indebtedness as at 30 June 2020 and 31 December 2019, calculated in accordance with the provisions of Recommendation ESMA/2013/319 and Consob Communication No. DEM/606493 of 28 July 2006, is shown below.

	(Amounts in thousands of EUR)			**2020 vs 2019**	
		30/06/2020	**31/12/2019**	**Value**	**%**
A	Cash	34	34	0	0.0%
B	Other cash and cash equivalents	19,653	6,497	13,156	202.5%
C	Securities held for trading	-	-	-	-
D	**Cash and cash equivalents (A+B+C)**	**19,687**	**6,531**	**13,156**	201.4%
E	Current financial receivables		-	-	-
F	Current bank loans and borrowings	(6,910)	(11,140)	4,230	(38.0%)
G	Current portion of non-current debt	(3,000)	(3,000)	-	0.0%
H	Other current loans and borrowings	(3,554)	(3,514)	(40)	1.1%
I	**Current financial indebtedness (F+G+H)**	**(13,464)**	**(17,654)**	**4,190**	(23.7%)
J	**Net current financial indebtedness (D+E+I)**	**6,223**	**(11,123)**	**17,346**	(155.9%)
K	Non-current bank loans and borrowings	(12,690)	(10,417)	(2,273)	21.8%
L	Bonds issued	-	-	-	-
M	Other non-current liabilities	(8,589)	(8,563)	(26)	0.3%
N	**Non-current financial indebtedness (K+L+M)**	**(21,279)**	**(18,980)**	**(2,299)**	12.1%
O	**Net Financial Indebtedness (J+N)**	**(15,057)**	**(30,103)**	**15,046**	(50.0%)

Net financial indebtedness showed a balance of EUR 15,057 thousand as at 30 June 2020. Before the adoption of the new IFRS 16, net financial indebtedness would have amounted to EUR 2,974 thousand. The difference of EUR 12,083 thousand is due to recording lease liabilities as required by IFRS 16.

Risks related to operations

Risks related to the general operating performance

The general trend in the temporary work market is affected by a number of factors beyond the Group's control, including the general economic environment and the employment level. Demand for temporary workers is correlated with the GDP trend.

Negative economic conditions in Italy could adversely affect the demand for temporary workers and lead to a proliferation of unlawful arrangements on the labour market, with consequent negative effects on the Group's business and expected results.

Risks relating to market competition

The temporary work employment industry is highly competitive and some of the competitors are large multinationals that are able to adapt quickly to market changes and offer services at competitive prices, thanks to their financial strength, the marketing tools they can deploy and the economies of scale they can take advantage of.

Therefore, it cannot be excluded that the current structure of Openjobmetis S.p.A. will prove inadequate in this competitive environment, and that in order to maintain its competitiveness it may have to take certain initiatives that other market players have resorted to, and consequently may incur unexpected costs, with possible impacts on the Group's financial position, results of operations and cash flows.

Risks associated with changes in the national regulatory framework

Since its introduction in 2003, the temporary work employment agreement has been the subject of subsequent legislative amendments that have progressively changed the scope of application.

Within the framework of these constantly evolving regulations, however, it cannot be ruled out that future legislative measures could reduce the number of cases where the use of the temporary work employment, whether open ended or fixed-term, is allowed, or the possible future introduction of types of contracts alternative to employment.

Any changes in the legislation and/or collective bargaining schemes regarding training services may adversely affect the possibility for the Group to manage professional training courses for temporary workers, and ultimately the ability to provide companies that use temporary workers with adequate and competitive training under the same conditions as apply today, and the Group's financial position, results of operations and cash flows.

Risks to reputation and to the maintenance of Ministerial authorisations

The Group could suffer negative consequences from possible damage to its reputation in the future.

Openjobmetis S.p.A. and the Group companies HC S.r.l. (formerly Corium S.r.l.), Seltis S.r.l., Family Care S.r.l. and Jobdisabili S.r.l., acquired on 31 January 2020 and wholly owned by Openjobmetis S.p.A., conduct their business on the basis of authorisations issued by the Ministry of Labour and Social Affairs, which are mandatory for the performance of their activities.

Specifically: Openjobmetis S.p.A. conducts its business as a provider of temporary work employment by virtue of a ministerial authorisation pursuant to Article 4, paragraph 1(a) of Legislative Decree No. 276/2003; Seltis S.r.l. holds a ministerial authorisation pursuant to Article 2, paragraph 1(c) of Legislative Decree No. 276/2003, to provide personnel recruitment and selection services; HC S.r.l. (formerly Corium S.r.l.) holds a ministerial authorisation pursuant to Article 2, paragraph 1(d) of Legislative Decree No. 276/2003 to provide professional outplacement support. Family Care S.r.l. conducts its business as a provider of temporary work employment by virtue of a ministerial authorisation pursuant to Article 4, paragraph 1(a) of Legislative Decree No. 276/2003 (according to the provisions of the law, a provisional ministerial concession is granted for new local public agencies, which can be applied indefinitely after 2 years). Finally, Jobdisabili S.r.l., acquired in 2020, holds a ministerial authorisation pursuant to Article 2, paragraph 1(c) of Legislative Decree No. 276/2003, to carry out personnel recruitment and selection.

Over the previous years and in the current year, the Ministerial authorisations granted to Group companies were not subject to revocation or suspension. In addition, during the same period, Group companies have not received any remarks from the competent authorities, nor were they involved in proceedings in connection with the ministerial authorisations.

Although to date there is no reason to believe that the above authorisations may be suspended or revoked, it cannot be excluded that this may happen in the future, including as a result of any developments in the applicable regulatory requirements, with the possible consequence that the Group's continuing operation would be compromised.

Risks associated with debt exposure and the ability to meet financial requirements

The Group uses bank loans to finance its working capital to meet its cash requirements and obligations to pay the salaries of its employees and temporary workers.

This means that any withdrawal by banks of the credit lines or facilities in place could negatively affect the Group's financial position, with the risk that, to honour its commitments, the Group may be forced to find other sources of funding - possibly at less advantageous conditions.

As at 30 June 2020, the Group had a debt exposure to banks and to other lenders amounting to approximately EUR 34,743 thousand, gross of cash and cash equivalents. The Group's debt exposure (including banks and other financial institutions) as at 31 December 2019 amounted to EUR 36,634 thousand.

With particular reference to the senior loan entered into in 2019, existing as at 30 June 2020, it should be noted that it provides for: (a) the obligation of the Company to comply with a specific financial parameter, to be calculated annually on the items of the consolidated financial statements of the Group, (b) certain non-performance events involving the right for the lenders to terminate the Loan Contract, or to withdraw therefrom and declare the Company's benefit of postponed payment to be forfeited, depending on the circumstances.

Risks associated with court and/or arbitration proceedings and the possible inadequacy of provisions for risks

As at 30 June 2020, the Group companies are party to ongoing disputes and litigation.

Considering the sector in which they operate, they are exposed to the risk of being involved in legal and/or arbitration proceedings of a labour law nature, both with reference to temporary workers and to Group employees and in relation to contracts with independent collaborators, including commercial advisors, sourcers and professional consulting firms, with potential adverse effects on the Group's financial position.

Interest rate risks

The financial indebtedness has variable interest rates, therefore the Group could be exposed to the risks related to fluctuations in these rates. To address these risks, the Group has adopted partial hedging instruments against the risk of interest rate changes. More specifically, derivative contracts that qualify as "hedging instruments" have been entered into, aimed at transforming the variable rates applied into average fixed rates on the hedged portion of the loan, equal to 50% of the nominal value of the amortising line for the first three years.

It cannot be excluded that any unpredictable fluctuations in interest rates may have minimal adverse effects on the Group's financial position, also taking into account the reduced indebtedness.

Credit risks

The Group keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery; the condensed interim consolidated financial statements as at 30 June 2020 show the Group's receivables from customers amounting to EUR 103,002 thousand, gross of the allowance for impairment of EUR 5,301 thousand. These receivables amounted to EUR 121,223 thousand as at 31 December 2019, gross of the allowance for impairment of EUR 4,866 thousand.

It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquidity available to the Parent and the Group, increasing the need for additional sources of funding.

Additionally, any deterioration in the economic environment or negative market developments could have adverse effects on customer relations, compromising the possibility for the Group to recover its trade receivables, with possible negative impacts on the Group's business and on its financial position, results of operations and cash flows.

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Lastly, please note that financial risk management objectives and policies are described in the dedicated paragraphs of the Notes to the condensed interim consolidated financial statements.

Relations with subsidiaries and related parties

The relationships between Group companies and the Group with related parties, as identified on the basis of the criteria defined in IAS 24 - Related Party Disclosures - and CONSOB (the Italian Commission for listed companies and the stock exchange) provisions issued in this regard, are mainly commercial in nature and relate to transactions carried out at arm's length.

During the meeting of 12 October 2015, the Board of Directors approved the related party transactions policy and procedure, in accordance with Article 2391-bis of the Italian Civil Code and with the "Related party transactions regulations" adopted by CONSOB with resolution No. 17221 of 12 March 2010 and subsequent amendments. The aforementioned procedure can be downloaded from the Group's website.

Relationships with Subsidiaries

Openjobmetis S.p.A., whose core business is the provision of temporary work employment, owns 100% of:

- **Seltis S.r.l.**: focused on personnel recruitment and selection for third parties;
- **Openjob Consulting S.r.l.**: focused on supporting the Parent with payroll management tasks and training activities.
- **Meritocracy S.r.l.**: focused on digital head hunting.
- **Family Care S.r.l.**: focused on providing family assistants dedicated to the elderly and non-self-sufficient.
- **Jobdisabili S.r.l.**: company which is the owner of the trademark "Jobmetoo" (https://www.jobmetoo.com), an online platform specialised in the recruitment and selection of personnel with disabilities, a meeting place between those belonging to protected categories and the world of work and businesses.

Furthermore, Openjobmetis S.p.A directly controls 78.6% of **HC S.r.l**. (after the merger by incorporation of Corium S.r.l. during the half-year), a company focused on training, coaching and outplacement.

Openjobmetis S.p.A. maintains relations with the other Group companies in matters of commercial transactions. The revenue invoiced by Openjobmetis S.p.A. to the subsidiaries relates primarily to a range of general management, accounting and administrative support, operational control, personnel management, sales management, debt collection, EDP and data processing, call centre and procurement services provided by the Parent to the other Group companies, as well as secondment. The revenue invoiced by Openjob Consulting S.r.l. to Openjobmetis S.p.A. and Family Care S.r.l. – Agenzia per il Lavoro pertains to the processing of temporary workers' payslips, including the calculation of taxes and social security contributions (withholdings) and the processing of required periodic and annual reporting, in addition to training services, while the revenue invoiced by HC S.r.l. to Openjobmetis S.p.A. pertains to the realisation of three different projects pertaining to the sales area.

Openjobmetis S.p.A. and the subsidiaries Openjob Consulting S.r.l., Seltis S.r.l., HC S.r.l. and Meritocracy S.r.l. have opted for the national tax consolidation scheme pursuant to Articles 117/129 of the Consolidated Income Tax Act (TUIR), thus permitting all the participating companies to offset the taxable profit with tax losses in a single tax return. Within the terms set by law, an assessment will be made as to the possibility of requesting to extend the option of tax consolidation to the remaining companies (Family Care S.r.l. - Agenzia per il Lavoro and Jobdisabili S.r.l.). At the end of the three-year period, the option is tacitly renewed for another three years unless it is revoked.

The following table shows the relationships between the various Group companies in the periods indicated:

Intercompany Revenue/Costs among Openjobmetis S.p.A. Group companies

(Values in EUR thousand)

Year	**1H 2020**	**1H 2019**
Revenue		
Openjobmetis vs Openjob Consulting	150	127
Openjobmetis vs Corium	0	7
Openjobmetis vs Seltis	96	75
Openjobmetis vs Meritocracy	83	10
Openjobmetis vs HC	70	14
Openjobmetis vs Family Care	146	0
HC vs Openjobmetis	22	0
Meritocracy vs Corium	0	4
Openjob Consulting vs Family Care	70	0
Openjob Consulting vs Openjobmetis	509	585
Total Revenue/Costs	**1,146**	**822**

Intercompany Receivables/Payables among Openjobmetis S.p.A. Group companies

(Values in EUR thousand)

Year	**30/06/2020**	**31/12/2019**
Receivables		
Openjobmetis vs Openjob Consulting	25	0
Openjobmetis vs Family Care	19	0
Openjobmetis vs Seltis	96	80
Openjobmetis vs Meritocracy	37	0
Openjobmetis vs HC	7	66
Meritocracy vs Openjobmetis	0	105
Corium vs Openjobmetis	0	53
Openjob Consulting vs Family Care	20	0
Openjob Consulting vs Openjobmetis	0	20
Total Receivables/Payables	**204**	**324**

Remuneration of key management personnel

The total remuneration of key management personnel as at 30 June 2020 amounted to EUR 964 thousand, against EUR 910 thousand as at 30 June 2019.

The Board of Directors of Openjobmetis S.p.A. identified the beneficiaries of the second tranche of the 2019-2021 LTI Performance Shares Plan approved at the Shareholders' Meeting of 17 April 2019, including the Chairman of the Board of Directors Marco Vittorelli, the Managing Director Rosario Rasizza, a director and key management personnel of Openjobmetis, as well as the number of rights assigned to each beneficiary. For further information, please refer to the press release issued on 15 May 2020 by Openjobmetis S.p.A.

In addition to salaries, the Group also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers, such as company cars, company mobiles, health and injury insurance coverage.

It should also be noted that the Managing Director Rosario Rasizza, the Board Member Biagio La Porta and the HR Director Marina Schejola indirectly hold 5.0% through MTI Investimenti S.r.l., of which they are shareholders respectively with 60%, 20% and 20% of the related share capital. It should also be noted that the Chairman Marco Vittorelli and the Director Corrado Vittorelli indirectly hold 17.8% through Omniafin S.p.A., of which they are shareholders with equal portions.

Other related party transactions

For details on transactions with related parties, reference is made to section 32 of the Notes to the condensed interim consolidated financial statements.

In the course of normal business, the Group has provided temporary worker supply services to other related parties for insignificant amounts and under market conditions.

Significant events in the first half of the year and after 30 June 2020

On 1 January 2020, the transfer to Family Care S.r.l. – Agenzia per il Lavoro of the business unit, which has as its object the assets and liabilities relating to the care activities of elderly and non-self-sufficient persons, became effective. This transfer has had no impact on the Group's consolidated financial statements.

On 24 January 2020, Corium S.r.l., a company wholly owned by Openjobmetis S.p.A., first merged by incorporation the company HC S.r.l., previously 70% owned by Openjobmetis S.p.A., and subsequently changed its name to the name of the incorporated company. As a result of this operation, Openjobmetis S.p.A. directly controls 78.6% of the "new" HC S.r.l.

On 31 January 2020, Openjobmetis S.p.A. acquired 100% of the share capital of Jobdisabili S.r.l., owner of the trademark "Jobmetoo" (https://www.jobmetoo.com), an online platform specialised in the recruitment and selection of personnel with disabilities, a meeting place between those belonging to protected categories and the world of work and businesses.

On 16 March 2020, the Boards of Directors of Seltis S.r.l. and Meritocracy S.r.l. approved the project for the merger of Meritocracy S.r.l. within Seltis S.r.l., for the purpose of submitting the same for the resolution of the respective shareholders' meetings. This merger project was subsequently filed for registration care of the Companies' Register.

On 21 April 2020, the Shareholders' Meeting approved the financial statements as at 31 December 2019, approved allocation of the profit for the year and resolved on the distribution of a unitary dividend of EUR 0.21 per each entitled share. Furthermore, the Shareholders' Meeting resolved to authorise the Board of Directors to purchase and dispose of treasury shares, up to a maximum of shares not exceeding 5% of the share capital of Openjobmetis S.p.A.

On 21 April, the Board of Directors of Openjobmetis S.p.A. resolved the launch of the afore-mentioned treasury share purchase programme as from 22 April 2020.

On 15 May 2020, the Board of Directors of Openjobmetis S.p.A. identified the beneficiaries of the first tranche of the 2019-2021 LTI Performance Shares Plan approved by the Shareholders' Meeting of 17 April 2019, including the Chairman of the Board of Directors Marco Vittorelli, the Managing Director Rosario Rasizza, a director and key management personnel of Openjobmetis, as well as the number of rights assigned to each beneficiary. For further information, please refer to the relevant press release.

On May 15 all the beneficiaries identified for the 2017 tranche of the Phantom Stock Option plan - including the Managing Director Rosario Rasizza, the Director Biagio La Porta and Key management personnel of Openjobmetis S.p.A. - with a view to making a further tangible contribution to the effort made by the Company, at all levels, to deal with the impact of the Covid-19 emergency, have formalised to the Board the express and irrevocable waiver of the right to exercise the options as vested.

On 13 July 2020, the shareholders of Openjobmetis S.p.A., Omniafin S.p.A. and MTI Investimenti S.r.l. terminated in advance the shareholders' agreement signed between them on 12 November 2015 and expiring in December 2020 and have signed a new shareholders' agreement (the "2020 Shareholders' Agreement"), effective from 14 July 2020 until 13 July 2023, automatically renewed on the date of expiry for a further three years, unless notice of termination is given by one of the parties to the other at least six months beforehand, concerning the exercise of voting rights in accordance with Article 122, paragraph 1, of Legislative Decree No. 58/1998, with particular reference to the appointment of the Company's corporate bodies. For further information, please refer to the relevant press release.

With regard to issues in relation to the Covid 19 pandemic, please refer to the chapter "*General economic situation and labour market - Covid-19 pandemic impacts*" of this report.

Outlook

After a positive start to the year, the results for the first half of 2020 were largely influenced by the Covid-19 pandemic and the lockdown measures imposed by the Government, which led to the consequent stoppage of operations by a significant number of user companies. As early as May, the month in which the government allowed the reopening (albeit gradual) of production activities, there was a marked recovery in revenues compared to April. Similar dynamics occurred in June, which shows a gap of only 13% compared to the same month of the previous year, far from the -43% in April.

This trend in revenues could be a prelude to a second part of the year with further recovery in the reference market.

Other information

Treasury shares

The Shareholders' Meeting called on 21 April 2020 authorised the Board of Directors to purchase and dispose of treasury shares, up to a maximum of 5% of the *pro tempore* share capital of Openjobmetis S.p.A., pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Italian Legislative Decree no. 58 of 24 February 1998. Subsequently, the Board of Directors meeting called on 21 April 2020 resolved to launch the buyback programme from 22 April 2020, assigning EQUITA SIM as the financial intermediary. Note that on 30 June 2020, the Company directly held 576,497 treasury shares, equal to approximately 4.20% of Openjobmetis S.p.A.'s share capital.

Dividend policy

On 19 February 2019, the Board of Directors of Openjobmetis S.p.A. resolved to adopt, starting from the approval of the financial statements as at 31 December 2018, a dividend policy that provides for the proposal for the average distribution of 25% of the consolidated net profit for the three-year period 2018-2020.
On 21 April 2020 the Shareholders' Meeting resolved to distribute a dividend of EUR 0.21 per share gross of the withholding taxes required to be paid starting from 13 May 2020, with coupon No. 2 to be detached on 11 May 2020 and record date (date when payment of the dividend is legitimated pursuant to Art. 83-terdecies of Italian Legislative Decree no. 58 of 24 February 1998 and Art. 2.6.6, paragraph 2, of the Regulation of the Markets Organised and Managed by Borsa Italiana S.p.A.) on 12 May 2020.

Management and coordination

In accordance with Art. 2497-bis of the Italian Civil Code, the Parent is not subject to the management and coordination of other corporate structures, as all business decisions are taken independently by the Board of Directors.

Atypical or unusual transactions

The first half of 2020 does not reflect any income components or capital and financial items, either positive and/or negative, arising from atypical and/or unusual events and transactions, as defined in Consob communication No. DEM/6064293 of 28 July 2006.

Procedure adopted to ensure the transparency and fairness of related party transactions

The Board of Directors has appointed the Related Parties Committee and approved the procedure for the management of related party transactions, and has subsequently identified all the individuals and companies that, should they enter into business relations with the Group, could potentially give rise to significant transactions for the purposes of the above. The Committee has commenced its activities and reviews the transactions that are brought to its attention.

National tax consolidation scheme

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis S.r.l., HC S.r.l. and Meritocracy S.r.l. concerning the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

Amount paid to directors, statutory auditors and key management personnel

In paragraph 33 of the Notes to the condensed interim consolidated financial statements shows the compensation paid in as at 30 June 2020 by Openjobmetis S.p.A. and its subsidiaries to members of the governing and control bodies and other key management personnel. This includes all the individuals who have held these positions even for just part of the year.

Information pursuant to Articles 70 and 71 of the Issuers' Regulation approved by Consob Resolution No. 11971 of 14 May 1999 and subsequent amendments

The Company avails itself of the option, introduced by CONSOB with Resolution No. 18079 of 20 January 2012, to waive the obligation to make available to the public an information document in case of significant transactions related to mergers, demergers, share capital increases by way of contributions in kind, acquisitions and sales.

Milan, 31 July 2020

On behalf of the Board of Directors

The Chairman

Marco Vittorelli

(signed on the original)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Statement of Financial Position

(In thousands of EUR)	Notes	30/06/2020	31/12/2019
ASSETS			
Non-current assets			
Property, plant and equipment	*4*	2,453	2,422
Right of use for leases	*4*	12,033	11,989
Intangible assets and goodwill	*5*	75,933	75,992
Financial assets	*6*	42	43
Deferred tax assets	*7*	2,132	1,559
Total non-current assets		**92,593**	**92,005**
Current assets			
Cash and cash equivalents	*8*	19,687	6,531
Trade receivables	*10*	97,701	116,357
Other receivables	*11*	10,185	8,479
Current tax assets	*12*	55	1,081
Total current assets		**127,628**	**132,448**
Total assets		**220,221**	**224,453**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Non-current liabilities			
Financial liabilities	*13*	12,690	10,417
Lease liabilities	*13*	8,560	8,537
Derivative instruments	*13-30*	29	26
Employee benefits	*14*	1,270	1,158
Total non-current liabilities		**22,549**	**20,138**
Current liabilities			
Bank loans and borrowings and other financial liabilities	*13*	9,910	14,140
Lease liabilities	*13*	3,554	3,514
Trade payables	*15*	6,848	7,942
Employee benefits	*14*	44,057	40,403
Other payables	*16*	28,838	33,171
Current tax liabilities	*17*	115	24
Provisions	*18*	2,003	1,962
Total current liabilities		**95,325**	**101,156**
Total liabilities		**117,874**	**121,294**
SHAREHOLDERS' EQUITY			
Share capital		13,712	13,712
Legal reserve		2,834	2,315
Share premium reserve		31,193	31,193
Other reserves		52,152	45,474
Profit (loss) for the period attributable to the shareholders of the Parent		2,383	10,374
Equity attributable to:			
Shareholders of the Parent		102,274	103,068
Non-controlling interests		73	91
Total shareholders' equity	***19***	**102,347**	**103,159**
Total liabilities and shareholders' equity		**220,221**	**224,453**

Statement of Comprehensive Income

(In thousands of EUR)	**Notes**	**the first half of 2020**	**the first half of 2019**
Revenue	*20*	235,883	277,260
Costs of temporary work	*22*	(206,904)	(240,731)
First contribution margin		**28,979**	**36,529**
Other income	*21*	3,480	5,037
Personnel expense	*22*	(14,963)	(16,614)
Cost of raw materials and consumables	*23*	(108)	(125)
Costs for services	*24*	(10,412)	(12,895)
Amortisation	*4.5*	(2,490)	(2,361)
Impairment loss on trade and other receivables	*26*	(657)	(1,847)
Other operating expenses	*25*	(297)	(342)
Operating profit		**3,532**	**7,382**
Financial income	*27*	191	28
Financial expense	*27*	(272)	(452)
Profit (loss) before taxes		**3,451**	**6,958**
Income taxes	*28*	(1,086)	(2,242)
Profit (loss) for the period		**2,365**	**4,716**
Other comprehensive income (expense)			
Components that are or may subsequently be reclassified to profit/loss:			
Effective portion of changes in fair value of cash flow hedges		(3)	(41)
Components that will not be reclassified to profit/loss:			
Actuarial gain (loss) on defined benefit plans		(18)	(56)
Total other comprehensive income (expense) for the period		**(21)**	**(97)**
Total comprehensive income (expense) for the period		**2,344**	**4,619**
Profit for the period attributable to:			
Shareholders of the Parent		2,383	4,696
Non-controlling interests		(18)	20
Profit (loss) for the period		**2,365**	**4,716**
Comprehensive income (expense) for the period attributable to:			
Shareholders of the Parent		2,362	4,599
Non-controlling interests		(18)	20
Total comprehensive income (expense) for the period		**2,344**	**4,619**
Earnings (loss) per share (in EUR):			
Basic	*35*	*0.18*	*0.34*
Diluted	*35*	*0.18*	*0.34*

Statement of Changes in Equity

(*In thousands of EUR*)	Note	Share capital	Legal reserve	Share premium reserve	Other reserves	Treasury shares reserve	Hedging reserve and actuarial reserve	Profit (Loss) for the period/year	Shareholders' Equity attributable to the shareholders of the Parent	Shareholders' Equity attributable to non-controlling interests	Total Shareholders' Equity
Balances as at 01/01/2019	**19**	**13,712**	**1,676**	**31,553**	**41,138**	**(3,920)**	**(54)**	**12,356**	**96,461**	**61**	**96,522**
Allocation of profit (loss) for the year			**639**	**(360)**	**12,077**			**(12,356)**	**0**		**0**
Effective portion of changes in fair value of cash flow hedges							**(41)**		**(41)**		**(41)**
Actuarial gain (loss) on defined benefit plans							**(56)**		**(56)**		**(56)**
Rounding					**7**				**7**		**7**
Profit (loss) for the period	**19**							**4,696**	**4,696**	**20**	**4,716**
Transactions with shareholders											
Distribution of dividends					**(3,059)**				**(3,059)**		**(3,059)**
Purchase of treasury shares						**(341)**			**(341)**		**(341)**
Total comprehensive income (expense) for the period	**19**						**(97)**	**4,696**	**4,599**	**20**	**4,619**
Balances as at 30/06/2019	**19**	**13,712**	**2,315**	**31,193**	**50,163**	**(4,261)**	**(151)**	**4,696**	**97,667**	**81**	**97,748**

(*In thousands of EUR*)	Note	Share capital	Legal reserve	Share premium reserve	Other reserves	Treasury shares reserve	Hedging reserve and actuarial reserve	Profit (Loss) for the period/year	Shareholders' Equity attributable to the shareholders of the Parent	Shareholders' Equity attributable to non-controlling interests	Total Shareholders' Equity
Balances as at 01/01/2020	**19**	**13,712**	**2,315**	**31,193**	**50,247**	**(4,571)**	**(202)**	**10,374**	**103,068**	**91**	**103,159**
Allocation of profit (loss) for the year			**519**		**9,855**			**(10,374)**	**0**		**0**
Effective portion of changes in fair value of cash flow hedges							**(3)**		**(3)**		**(3)**
Fair Value share-based plans					**55**				**55**		**55**

Actuarial gain (loss) on defined benefit plans							**(18)**		**(18)**		**(18)**
Profit (loss) for the period	**19**							**2,383**	**2,383**	**(18)**	**2,365**
Transactions with shareholders											
Rounding					**(7)**				**(7)**		**(7)**
Distribution of dividends					**(2,769)**				**(2,769)**		**(2,769)**
Purchase of treasury shares						**(435)**			**(435)**		**(435)**
Total comprehensive income (expense) for the period	**19**						**(21)**	**2,383**	**2,362**	**(18)**	**2,344**
Balances as at 30/06/2020	**19**	**13,712**	**2,834**	**31,193**	**57,381**	**(5,006)**	**(223)**	**2,383**	**102,274**	**73**	**102,347**

Statement of Cash Flows

(*In thousands of EUR*)	Notes	the first half of	the first half of
Cash flows from operating activities			
Profit (loss) for the period		2,365	4,716
Adjustments for:			
Amortisation of the right of use of leased assets	4	1,961	1,854
Amortisation of property, plant and equipment	4	194	216
Amortisation of intangible assets	5	335	291
Capital losses/(gains) on sales of property, plant and equipment		0	8
Impairment loss on trade receivables	26, 30	657	1,847
Current and deferred taxes	28	1,086	2,242
Net financial expense	27	81	424
Cash flows before changes in working capital and provisions		**6,679**	**11,598**
Change in trade and other receivables gross of impairment loss	10, 11	16,491	(7,580)
Change in trade and other payables	15.16	(5,584)	1,732
Change in employee benefits	14	3,599	7,815
Change in current and deferred tax assets and liabilities net of paid taxes for the period and current and deferred taxes for the period	7	166	222
Change in provisions	18	41	(31)
Paid income taxes		(166)	(244)
Cash and cash equivalents generated/(absorbed) by operating activities (a)		**21,226**	**13,512**
Purchase of property, plant and equipment	4	(219)	(471)
Proceeds from sales of property, plant and equipment		0	27
Acquisition of Company, net of cash acquired		(500)	0
Other net increases in intangible assets	5	(93)	(198)
Interest received		191	28
Change in other financial assets	6	0	(26)
Cash and cash equivalents generated/(absorbed) by investing activities (b)		**(621)**	**(640)**
Lease payments		(2,043)	(1,902)
Interest paid		(165)	(225)
New loan disbursement	13	10,000	15,000
Repayment of loan instalments	13	(1,500)	(13,800)
Dividend distribution		(2,769)	(3,059)
Purchase of treasury shares	19	(435)	(341)
Change in short-term bank loans and borrowings and other short-term liabilities		(10,537)	(7,666)
Cash and cash equivalents generated/(absorbed) by financing activities (c)		**(7,449)**	**(11,993)**
Cash flows from the period (a) + (b) + (c)	**8**	**13,156**	**879**
Opening net cash and cash equivalents as at 1 January	**8**	**6,531**	**6,478**
Net cash and cash equivalents as at 30 June	**8**	**19,687**	**7,357**

Notes to the condensed interim consolidated financial statements

General information

Openjobmetis S.p.A. (hereinafter also the “Company”) is based in Italy, Via G. Fara 35, Milan.

The Group operates in the sector of temporary work employment i.e. the professional supply of permanent or fixed-term labour, pursuant to Article 20 of Legislative Decree No. 276/2003 as amended and supplemented, pursuant to Article 4, paragraph 1, letter 9 of the same Legislative Decree.

As from 3 December 2015 Openjobmetis S.p.A. has been listed on the STAR segment of the online stock exchange (MTA) organised and operated by Borsa Italiana S.p.A.

At the present date, the Company is not a subsidiary in accordance with Article 93 of the Consolidated Law on Finance (TUF).

Covid 19 pandemic impacts

The impact of the Covid 19 pandemic has obviously affected the results of the Openjobmetis Group as well: the second quarter of the year was more affected, with a drop in revenues of approximately 28% compared to the same period of the previous year. In particular, it was the month of April, with a drop in revenues of more than 40% compared to the same month in 2019, which suffered the most from the effects of the pandemic, as due to the "lockdown" imposed by the Italian government. During this month, indeed, most of the production activities had to temporary close in Italy, with the exception of the so-called essential activities which were allowed to continue their operations, including those undertaken by Openjobmetis S.p.A.

Starting on May 4 (from April 27th only for certain companies and districts in the manufacturing sector as well as companies in the construction sector), the Government implemented a plan to return to normality, known as Phase 2, that led to a gradual reopening of activities. In this new phase, the month of May showed a growth in revenues that reached +40% compared to April, but remained below that recorded in May 2019 (-28%). The recovery continued in June, which saw revenues grow further by 18% compared to May (-13% compared to June 2019). The half-year ended with a 14.9% drop in revenues.

It should also be noted that the levels of absenteeism, resulting from the pandemic effects of Covid-19, have returned to normal after the leap in March and April, which had a negative impact on the Group's first contribution margin.

Openjobmetis, in order to contain the economic and financial repercussions of the pandemic and defend its profitability, has adopted, as of April 2020, a plan to control and reduce costs, with tangible effects already from the second quarter of the year. It should also be noted that the Group has only used the *Cassa Integrazione Guadagni* (Temporary Unemployment Compensation fund) for a few subsidiaries, which, due to the intrinsic characteristics of their business, could not have operated during this complex phase, for example, management training activities could not have been carried out.

As at 30 June 2020, Openjobmetis benefited from the salary supplement (*Trattamento di Integrazione Salariale* - TIS) for temporary workers for an amount of EUR 16,117 thousand, the value of which is reimbursed by Forma.Temp and is recognised in the income statement for the period as a direct reduction of cost. With a view to making a concrete contribution to the effort produced by the Company, at all levels, in dealing with the impact of the Covid-19 emergency, on 15 May 2020 all beneficiaries identified for the first tranche of the phantom stock options plan have formalised an unconditional and irrevocable waiver to the Board of the right to exercise options accrued for a value of approximately EUR 0.5 million.

There are currently no particular risk situations regarding the solvency of the Openjobmetis Group's customers compared to the pre-Covid period. This is demonstrated by the average collection time (DSO - days of sales outstanding) which at 30 June 2020 remained stable at 75 days compared to 74 days at 31 December 2019. In addition, net financial indebtedness continued to fall sharply at 30 June 2020 (EUR 15.1 million compared to EUR 30.1 million at 31/12/2019), with a positive cash flow generated by operating activities of EUR 21.1 million (EUR 13.5 million at 30 June 2019). Nevertheless, as a precautionary measure, the Group has decided to enter into two new loans of 18 months' duration each with leading credit institutions, for a total amount of EUR 10 million which, together with the medium/long-term loan already in place, would provide further protection in case of possible financial tensions arising on the markets.

Refer to the information reported in the "Intangible assets and goodwill" section for information on the assessments made regarding the analysis of the recoverability of the value of goodwill at 30 June 2020.Openjobmetis S.p.A. continued to operate regularly during the "lockdown" period, guaranteeing normal support to user companies. Headquarters and branch activities were carried out thanks to an agile work plan, implemented in record time, which is based on the use of digital platforms. The company officially reopened its offices on 18 May 2020. In order to safeguard the health of its employees, a detailed safety protocol has been launched; this protocol which includes, among other things: division of the various departments into groups to maximise spacing, measurement of body temperature at the entrance to offices, widespread distribution of disinfectant gel for hands and separation of adjoining workstations using Plexiglas panels. In addition, a kit consisting of FFP2 masks (replacement masks are delivered to each employee every week), facial protective visors, as well as hand disinfectant gel and plastic gloves was delivered to each employee. Finally, each employee was given the opportunity to perform a serological test for the presence of Covid-19 IgG and IgM antibodies in the blood.

In relation to the purchase of PPE for the Group's personnel and for the adjustment of working spaces and relative interventions, costs were incurred during the half year for approx. EUR 100 thousand.

Accounting standards and basis of presentation adopted in preparing the condensed interim consolidated financial statements

1. Basis of presentation, accounting standards and statement of compliance

The Group's Interim Financial Report as at 30 June 2020 has been prepared in accordance with the provisions of Article 154-ter, paragraph 2, of Legislative Decree No. 58/97 (TUF), as amended.

These condensed interim consolidated financial statements included in the Interim Financial Report, were prepared in accordance with "IAS 34 Interim Financial Reporting" and consist of the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and Notes to the condensed interim consolidated financial statements. They do not contain all the information and notes required for the annual financial statements and must therefore be read in conjunction with the consolidated financial statements as at 31 December 2019. Though not all information required for a complete financial statements disclosure is provided, specific explanatory notes are included to explain events and transactions that are important to understanding the changes in the Group's financial position and performance since the last annual report.

These condensed interim consolidated financial statements have been prepared on a going concern basis since the Directors have verified the absence of financial, operational or other types of indicators that can indicate critical issues regarding the Group's ability to meet its obligations in the foreseeable future and in particular in the next 12 months.

The condensed interim consolidated financial statements as at 30 June 2020 of the Openjobmetis S.p.A. Group were approved and authorised for issue by the Board of Directors on 31 July 2020. Publication will be made within the time limits prescribed by law.

All amounts are expressed in thousands of Euros, unless otherwise indicated.

These condensed interim consolidated financial statements were reviewed by KPMG S.p.A.

New accounting standards adopted by the Group from 1 January 2020

These condensed interim consolidated financial statements have been prepared using the same accounting standards applied by the Group in its latest annual financial statements. The new standards applicable from 1 January 2020 had no significant effect on the condensed interim consolidated financial statements.

New standards or amendments to standards will enter into force for financial years starting after 1 January 2020 and early application is permitted. The Group has, however, decided not to adopt them in advance for the preparation of these condensed interim consolidated financial statements.

Use of estimates and valuations

While preparing the condensed interim consolidated financial statements, company management had to formulate valuations, estimates and assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, costs and revenue recognised in the financial statements. However, it should be noted that, as these are estimates, the results obtained will not necessarily be the same as those shown in the financial statements.

These estimates and assumptions are regularly revised; any changes resulting from the revision of accounting estimates are recognised in the year in which the revision is carried out and in future years.

The main subjective assessments made by corporate management in applying the accounting standards and the main sources of uncertainty in estimates were the same as those applied for the preparation of the consolidated financial statements for the year ended 31 December 2019. With regard to the impact of the Covid 19 pandemic, it should be noted that the forecasts made with regard to future developments in the economic environment in which the Group operates are characterised by an even greater degree of uncertainty that could be reflected in the assessment of the recoverability of, among other things, the non-financial assets recognised in the financial statements.

Income taxes are recognised on the basis of a best estimate of the rate expected for the full financial year.

Subsidiaries

Subsidiaries are companies controlled by the Group, or for which the Group is exposed to variable returns deriving from its relationship with the entity, or has claims over those returns, while having the ability to affect them by exercising its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the time when the parent starts to exercise control until the time when this control ends. Where necessary, the accounting policies of subsidiaries were changed to align them with the Group's accounting policies.

The subsidiaries included in the scope of consolidation as at 30 June 2020 and 31 December 2019 are shown below:

Company name	**% held as at 30/06/2020**	**Registered office**	**Share capital**
Openjob Consulting S.r.l.	100%	Gallarate, Via Marsala 40/C	EUR 100,000
Seltis S.r.l.	100%	Milan, Via G. Fara 35	EUR 110,000
Meritocracy S.r.l.	100%	Milan, Via G. Fara 35	EUR 25,000
HC S.r.l.	78.6%	Milan, Via G. Fara 35	EUR 40,727
Family Care S.r.l. Agenzia per il Lavoro	100%	Milan, Via G. Fara 35	EUR 1,100,000
Jobdisabili S.r.l.	100%	Milan, Corso Italia 22	EUR 239,432

On 1 January 2020, the transfer to Family Care S.r.l. – Agenzia per il Lavoro of the business unit, which has as its object the assets and liabilities relating to the care activities of elderly and non-self-sufficient persons, became effective. This transfer has had no impact on the Group's consolidated financial statements.

On 24 January 2020, Corium S.r.l., a company wholly owned by Openjobmetis S.p.A., first merged by incorporation the company HC S.r.l., previously 70% owned by Openjobmetis S.p.A., and subsequently changed its name to the name of the incorporated company. As a result of this operation, Openjobmetis S.p.A. directly controls 78.6% of the "new" HC S.r.l.

On 31 January 2020, Openjobmetis S.p.A. acquired 100% of the share capital of Jobdisabili S.r.l., owner of the trademark "Jobmetoo" (https://www.jobmetoo.com), an online platform specialised in the recruitment and selection of personnel with disabilities, a meeting place between those belonging to protected categories and the world of work and businesses.

Company name	% held as at 31/12/2019	Registered office	Share capital
Openjob Consulting S.r.l.	100%	Gallarate, Via Marsala 40/C	EUR 100,000
Seltis S.r.l.	100%	Milan, Via G. Fara 35	EUR 110,000
Corium S.r.l.	100%	Milan, Via G. Fara 35	EUR 32,000
Meritocracy S.r.l.	100%	Milan, Via G. Fara 35	EUR 25,000
HC S.r.l.	70%	Milan, Via G. Fara 35	EUR 10,000
Family Care S.r.l. Agenzia per il Lavoro	100%	Milan, Via G. Fara 35	EUR 1,000,000

2. Financial Risk Management

The Group is exposed to the following risks arising from the use of financial instruments:

- credit risk;
- liquidity risk;
- interest rate risk.

This section provides information on the Group's exposure to each of the above risks, the objectives, policies and processes for managing those risks and the methods used to measure them, as well as the management of the Group's capital.

The Board of Directors of Openjobmetis S.p.A. is responsible for creating and overseeing the Group's risk management system.

The purpose of the risk management policies of the Group is to identify and analyse the risks to which it is exposed, establish proper limits, and control and monitor the risks and the observance of such limits. These policies and related systems are revised regularly to reflect any changes in the market conditions and the Group's activities. Through training, standards and management procedures, the Group aims to create a regulated and constructive control environment in which its employees are aware of their roles and responsibilities.

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss by failing to discharge an obligation, and mainly derives from the Group's trade receivables.

The Group's exposure to credit risk mainly depends on the specific characteristics of each customer. The Group's customer portfolio consists of many customers, and does not show significant levels of concentration in a few customers. The main type of customer consists of medium-small sized companies, operating in almost all sectors. There is no strong geographic concentration of credit; part of it is mainly located in the regions of central and northern Italy. Any deterioration in the general economic environment or negative credit market developments could have adverse effects on customer relations, compromising the possibility for the Group to recover its trade receivables and influencing the management of working capital.

It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquidity available to the Company, increasing the need for additional sources of funding.

The Group keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery.

Before supplying temporary workers, a proper evaluation procedure is carried out envisaging that the creditworthiness of each new customer must be analysed individually before offering the standard conditions in terms of payment and supply. This analysis also includes external assessments, where available, and, in some cases, banking information. Supply limits, representing the maximum credit line beyond which the direct approval of the Management is required, are established for each customer.

The overall amount due from customers mainly consists of the total expense of the temporary worker's remuneration, which in addition to the elements of normal remuneration as per the National labour agreement of reference, also includes remuneration accrued but not paid (thirteenth month and fourteenth month pay, holidays plus any other element), the margin and VAT calculated only on the margin of the Group.

The breakdown of macro items making up the amount of a trade receivable involves a different degree of legal credit protection. In fact, in the case of customer bankruptcy, only the portion of receivable representing the remuneration of the temporary worker is secured during repayment.

(ii) Liquidity risk

Liquidity risk is the risk that the Group has difficulty in meeting the obligations related to financial liabilities. The approach of the Group to liquidity management is to ensure, as much as possible, that there are always sufficient funds to fulfil its obligations when due, both in normal conditions and during financial tension, without having to bear excessive costs or run the risk of damaging its reputation.

The Group monitors the economic and financial performance of each Branch thus facilitating the monitoring of liquidity requirements and optimising the return on investments. Generally, the Group makes sure that there are cash and cash equivalents on demand sufficient for covering expected operating costs for a period of 60 days, including those relating to liabilities represented by "Temporary Worker Benefits" and to related social security contribution liabilities.

Moreover, the Group has the following credit lines:

- EUR 15 million of revolving credit lines, at an average interest rate equal to the 6-month Euribor plus 1.65%, subject to compliance with a financial covenant as described below;
- EUR 94 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor;
- EUR 10 million in medium/long-term credit lines to be used to deal with any epidemiological emergency situation related to Covid-19.

As described below, the Group is subject to compliance with the economic and financial covenant included in the new loan and calculated on the Group's consolidated financial statements once a year.

The new loan existing as at 30 June 2020, provides for certain non-performance events involving the right for the lenders to terminate the Loan Contract, or to withdraw therefrom and declare the Company's benefit of postponed payment to be forfeited, as the case may be.

Moreover, the Group has the following financial guarantees in place:

(*In thousands of* EUR)

Beneficiary	***Type***	**30 June 2020**	**31 December 2019**	**Change**
A.N.P.A.L.	Authorisation pursuant to Italian Legislative Decree No. 276	27,768	29,277	(1,509)
Third Parties	Sureties for participating in tenders	437	168	269
Third Parties	Sureties for leases	724	707	17

(*In thousands of* EUR)				
Beneficiary	***Type***	**30 June 2020**	**31 December 2019**	**Change**
Third Parties	Other	0	51	(51)
Total		**28,929**	**30,203**	**(1,274)**

The guarantees given in favour of the A.N.P.A.L. (Italian National Agency for Active Labour Market Policies) refer to the legal requirement to issue appropriate guarantees for the amount due to workers employed on temporary employment contracts.

Sureties for leases refer to guarantees given in favour of various owners of the buildings in which the head office of the Group and some branches are located.

(iii) Interest rate risk

The Group's financial indebtedness has variable interest rates, therefore the Group could be exposed to the risks related to fluctuations in these rates. To address these risks, the Group has adopted partial hedging instruments against the risk of interest rate changes. More specifically, derivative contracts that qualify as "hedging instruments" have been entered into, aimed at transforming the variable rates applied into average fixed rates on the hedged portion of the loan, equal to 50% of the nominal value of the amortising line for the first three years.

It cannot be excluded that any unpredictable fluctuations in interest rates may have adverse effects on the Group's financial position.

3. Acquisitions of subsidiaries and non-controlling interests

The original goodwill of EUR 45,999 thousand generated as from 1 July 2007 mainly refers to the skills and technological know-how of the personnel of the Openjob S.p.A. Group (with particular reference to Openjob S.p.A., In Time S.p.A. and Quandoccorre S.p.A.) acquired in June 2007 by WM S.r.l., which was subsequently the subject of a reverse merger into Openjob S.p.A.

Moreover, during this business combination, the value of the customer relations of Openjob S.p.A. and of the subsidiary Intime S.p.A. was reported for EUR 2,472 thousand and EUR 1,390 thousand, respectively, on the basis of an appraisal drawn up by an independent expert.

Following the acquisition and subsequent merger by incorporation of Metis S.p.A. on 31 December 2011, a merger deficit was generated, allocated entirely to goodwill, equal to EUR 27,164 thousand.

In addition, following the acquisition of Corium S.r.l. (now HC S.r.l.) in January 2013, for a countervalue of EUR 477 thousand, goodwill of EUR 383 thousand was recognised.

Following the acquisition of Meritocracy S.r.l., (formerly Coverclip S.r.l.), on 5 June 2018, additional goodwill of EUR 288 thousand was recognised.

Following the acquisition of HC S.r.l., which took place on 5 June 2018, goodwill was recognised for a value of EUR 604 thousand.

Finally, following the acquisition of Jobdisabili S.r.l., which took place on 31 January 2020, goodwill was recognised for EUR 169 thousand.

4. Property, plant and equipment and Right of use for leases

The following tables show the changes occurred in this item.

(In thousands of EUR)	**Land and buildings**	**Plant and equipment**	**Other items of property, plant and**	**Other Assets**	**Leasehold improvements**	**Total**
Cost:						
Balances as at 1 January 2020	**1,682**	**988**	**4,212**	**106**	**179**	**7,167**
Increases	0	17	202	0	0	219
Companies acquired	0	2	11	0	0	13
Decreases	0	0	0	0	0	0
Balances as at 30 June 2020	**1,682**	**1,007**	**4,425**	**106**	**179**	**7,399**
Depreciation and impairment:						
Balances as at 1 January 2020	**788**	**704**	**2,968**	**106**	**179**	**4,745**
Increases	24	39	131	0	0	194
Companies acquired	0	1	5	0	0	6
Decreases	0	0	0	0	0	0
Balances as at 30 June 2020	**812**	**744**	**3,104**	**106**	**179**	**4,945**
Carrying amounts:						
As at 1 January 2020	**893**	**284**	**1,245**	**0**	**0**	**2,422**
As at 30 June 2020	**869**	**263**	**1,321**	**0**	**0**	**2,453**

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and	Other Assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2019	**1,862**	**918**	**4,172**	**106**	**179**	**7,237**
Increases	0	72	567	0	0	639
Decreases	0	(2)	(527)	0	0	(529)
Reclassification	(180)	0	0	0	0	(180)
Balances as at 31 December	**1,682**	**988**	**4,212**	**106**	**179**	**7,167**
Depreciation and impairment:						
Balances as at 1 January 2019	**806**	**623**	**3,147**	**106**	**179**	**4,861**
Increases	55	82	313	0	0	450
Decreases	0	(1)	(493)	0	0	(494)
Reclassification	(72)	0	0	0	0	(72)
Balances as at 31 December	**789**	**704**	**2,967**	**106**	**179**	**4,745**
Carrying amounts:						
As at 1 January 2019	**1,056**	**295**	**1,025**	**0**	**0**	**2,376**
As at 31 December 2019	**893**	**284**	**1,245**	**0**	**0**	**2,422**

Land and buildings

The item includes buildings in the province of Udine, Brescia and in Rodengo Saiano (BS). The Aprilia building, already held by means of specific finance lease agreement, was reclassified under the item "Right of use for leases". At the end of the lease agreement, the Group will be able to purchase the building at a previously established redemption price.

In 2008, following the business combination, the amount of EUR 501 thousand was recognised related to the greater value of the buildings based on the appraisal provided by an independent expert; this greater value, mainly related to the building in Rodengo Saiano (BS), has not undergone significant changes since the last time the appraisal was updated.

Plant and equipment

The Group has some non-current assets mainly related to equipment, plant and furniture at the Branches.

Other items of property, plant and equipment

The item mainly includes electronic office machines, furniture and fittings, illuminated signs and motor vehicles.

The following table shows the changes in the item "Right of use for leases".

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2020	**3,358**	**12,112**	**81**	**15,551**
Increases	847	1,252	15	2,114
Decreases	(272)	(49)	0	(321)
Balances as at 30 June 2020	**3,933**	**13,315**	**96**	**17,344**
Amortisation and impairment:				
Balances as at 1 January 2020	**973**	**2,564**	**25**	**3,562**
Increases	622	1,318	21	1,961
Decreases	(190)	(22)	0	(212)
Balances as at 30 June 2020	**1,405**	**3,860**	**46**	**5,311**
Carrying amounts:				
As at 1 January 2020	**2,385**	**9,548**	**56**	**11,989**
As at 30 June 2020	**2,528**	**9,455**	**50**	**12,033**

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2019	**1,743**	**10,171**	**81**	**11,995**
Increases	1816	1,870	15	3,701
Decreases	(201)	(109)	(15)	(325)
Reclassification	0	180	0	180
Balances as at 31 December 2019	**3,358**	**12,112**	**81**	**15,551**
Amortisation and impairment:				
Balances as at 1 January 2019	**0**	**0**	**0**	**0**
Increases	1,165	2,569	40	3,774
Decreases	(192)	(77)	(15)	(284)
Reclassification	0	72	0	72
Balances as at 31 December 2019	**973**	**2,564**	**25**	**3,562**
Carrying amounts:				
As at 1 January 2019	**1,743**	**10,171**	**81**	**11,995**
As at 31 December 2019	**2,385**	**9,548**	**56**	**11,989**

Motor vehicles

This item mainly includes vehicles assigned to personnel under lease agreements. The increases represent the new agreements signed during the half-year.

Property

This item mainly includes property owned by the Group's head office and operating branches under lease agreements. The increases refer to new lease agreements signed during the first half-of the year following the opening of new branches and the renewal of existing agreements concluded during the period.

Other fixed assets

This item mainly includes electronic equipment held by the Group under lease agreements.

5. Intangible assets and goodwill

The following tables show the changes in this item:

(In thousands of EUR)	Goodwill	Customer relations	Software	Research and development costs	Trademarks	Assets under development and payments on	Total
Cost:							
Balances as at 1 January 2020	**74,438**	**8,152**	**3,768**	**126**	**90**	**113**	**86,687**
Increases	169	0	213	0	0	0	382
Decreases	0	0	0	0	0	(113)	(113)
Companies acquired	0	2	205	0	0	0	207
Balances at 30 June 2020	**74,607**	**8,154**	**4,186**	**126**	**90**	**0**	**87,163**
Amortisation and impairment losses:							
Balances as at 1 January 2020	**0**	**8,107**	**2,491**	**97**	**0**	**0**	**10,695**
Increases	0	22	300	5	8	0	335
Decreases	0	0	0	0	0	0	0
Companies acquired	0	2	198	0	0	0	200
Balances at 30 June 2020	**0**	**8,131**	**2,989**	**102**	**8**	**0**	**11,230**
Carrying amounts:							
As at 1 January 2020	**74,438**	**45**	**1,277**	**29**	**90**	**113**	**75,992**
As at 30 June 2020	**74,607**	**23**	**1,197**	**24**	**82**	**0**	**75,933**

(In thousands of EUR)	Goodwill	Customer relations	Software	Research and development costs	Trademarks	Assets under development and payments on	Total
Cost:							
Balances as at 1 January 2019	**74,438**	**8,152**	**3,718**	**126**	**10**	**45**	**86,489**
Increases	0	0	50	0	80	68	197
Decreases	0	0	0	0	0	0	0
Reclassification	0	0	0	0	0	0	0
Balances as at 31 December 2019	**74,438**	**8,152**	**3,768**	**126**	**90**	**113**	**86,687**
Amortisation and impairment losses:							
Balances as at 1 January 2019	**0**	**8,063**	**1,957**	**81**	**0**	**0**	**10,101**
Increases	0	44	534	16	0	0	594
Decreases	0	0	0	0	0	0	0
Reclassification	0	0	0	0	0	0	0
Balances as at 31 December 2019	**0**	**8,107**	**2,491**	**97**	**0**	**0**	**10,695**
Carrying amounts:							
As at 1 January 2019	**74,438**	**89**	**1,761**	**45**	**10**	**45**	**76,388**
As at 31 December 2019	**74,438**	**45**	**1,277**	**29**	**90**	**113**	**75,992**

Goodwill

At the end of each year, the Group assesses, with the support of an independent professional, whether goodwill recognised for a total value of EUR 74.4 million can be recovered. The impairment test on goodwill is carried out on the basis of the value in use through calculations based on projected cash flows taken from the approved five-year business plan.

In accordance with the ESMA Communication of 20 May 2020 "Implications of the Covid-19 pandemic on the interim reports" and the subsequent Consob Notice No. 8/20 of 16 July 2020, the Company was called upon to assess, with great detail, the sustainability of this plan and the related Impairment Test at 31 December 2019.

With regard to the impairment indicators referred to in IAS 36.12, it should be noted that in direct correlation to the aforementioned pandemic, in the months of lockdown the Company recorded economic performance that was clearly lower than expected and, in line with a trend that is widespread among companies with listed shares, at the same time it saw its market capitalisation fall below the book value of shareholders' equity.

The Impairment Test is based on estimates with a medium-long term time horizon (for companies with going concern prospects, this horizon is indefinite); therefore, in order to correctly assess the validity of the Impairment Test, a number of elements must be taken into account.

As previously commented on, the results for April 2020 (a month that, in its entirety, was affected by the impact of lockdown) were down 43% in terms of revenues compared to the same month in 2019. However, already in May 2020, there was a marked reversal in revenues, which were +39% compared to April 2020 and -28% compared to May 2019. A positive sign also emerges from the performance in June 2020 which clearly indicates a trajectory of further recovery compared to the previous month (+18%) as well as a significant narrowing of the gap compared to the same month in 2019 (-13%).

In assessing the Company's exposure - in terms of the effect on income and cash flows in the coming months - it must be taken into account that the Company has also launched a cost containment plan that will have a significant impact in 2020.

It should also be noted that the goodwill Impairment Test as at 31 December 2019 showed a break-even if, alternatively: a) a discount rate 220 bps higher than the one actually used (about 12.7% vs. 10.5%) was used, or b) net operating cash flows decreased by 18.8%. In the economics of these results, it should also be remembered that the adoption of IFRS 16 had the effect of reducing the difference between the recoverable value of the CGU and the operating invested capital by a simple accounting impact compared to what would have been obtained if the adoption of the aforementioned standard had not come into force; as a result, the impairment was particularly cautious.

In addition, the particular nature of the Company's business has always shown that a decrease in revenues is matched by a decrease in net working capital and a consequent increase in cash flow, with a corresponding balancing of the negative impact of the decrease in profitability.

In the same direction, it should be noted that the Company's debt exposure as at 30 June 2020 is significantly better than that as at 31 December 2019, given that, at present, the value of net financial indebtedness amounts to approximately EUR 3.0 million, compared to the previous EUR 18.1 million prior to the adoption of IFRS 16, without prejudice to the availability, for a further total of EUR 25 million, by virtue of both the loan (EUR 15 million) entered into in 2019 and the loans (EUR 10 million) obtained in order to ensure a significant liquidity reserve as a precautionary measure.

The DSO remains at a similar level to previous periods, demonstrating a normal capacity for the user companies to pay invoices; moreover, the economic support interventions put in place by the Government are specifically aimed at guaranteeing an influx of financial resources such as to prevent the interruption of the supply payments cycle.

With regard to the medium/long-term viability issues, the crisis has been generated by a cause exogenous to the economic context and the Company is only marginally exposed to the sectors most affected (transport, tourism and accommodation and catering), which will be those that are expected to experience a slower recovery than the rest of the economy.

In line with the forecasts of the main research institutions (e.g. ISTAT), the trends most recently recorded by the Company seem to support the assumption that the pandemic impact of COVID-19 may begin to be reabsorbed within a reasonably short period of time. However, these trends are yet to be confirmed in a scenario still characterised by great uncertainty, it being understood that a possible modification of the Business Plan would require a more defined framework of reference.

The Company will also constantly monitor the evolution of its economic and financial situation for the purposes of continually updating and assessing the validity of the estimates of the Impairment Test, not excluding, in the event of a worsening of the general framework, prompt interventions in this regard, even before the end of the current financial year.

On the basis of the above, in light of the expected results and the sensitivity analyses carried out with reference to the Impairment Test as at 31 December 2019, the Board of Directors of Openjobmetis resolved to confirm the validity of the Impairment Test approved and carried out in relation to the Company's financial position as at 31 December 2019, as it did not believe that an impairment loss could emerge for the interim financial statements as at 30 June 2020 and therefore the estimated recoverable value has not been updated.

Customer relations

The item Customer relations includes the value attributed to customer relations of the former Openjob S.p.A. (historical cost of EUR 2,472 thousand) and of Intime S.p.A. (historical cost of EUR 1,390 thousand), as identified by the appraisal prepared by an independent expert. The customer relations were considered representative of the intangible asset that makes a significant as well as specifically identifiable contribution to the Group's result. In particular, the "excess earning method" was used to calculate it on the basis of which the income attributed to customer relations was obtained by deducting from the expected cash flows over the time horizon that defines the economic life of the intangible asset itself, defined below, the remuneration for the use of other items of property, plant and equipment and intangible assets that form the Group's result. Therefore, these cash flows were discounted at a rate of 9.97% deemed consistent with the risk profile attributable to the intangible asset in question. Its remaining useful economic life was identified as 7.5 years starting from the date of the estimate with reference to 30 June 2007. The item increased in 2009 and 2010 (a total of EUR 2,690 thousand) for the acquisition of the business unit of J.O.B. S.p.A. consisting mainly of contracts in progress on the date of acquisition. Consequently, the amount paid was considered mainly due to customer relations at the date of acquisition and was therefore recognised under Customer Relations. The useful life is deemed to be similar to the Customer Relations identified previously and therefore it is amortised over 7.5 years. The item increased again (EUR 1,400 thousand) in 2011 due to the acquisition of Metis S.p.A.: in this specific case, the value identified by the appraisal prepared by an independent expert, with the same criteria previously used, is amortised over 4.5 years. Lastly, on 1 July 2016, the historic cost was increased by EUR 200 thousand following the purchase of the "Noi per Voi S.r.l." customer database, and is amortised over 4.5 years.

Software

The item Software refers to the operating and management programmes acquired by the Group. The project to develop the Databook software, dedicated to supporting operational processes and exchanges of information regarding the activities of the Local Public Agency, was amortised as from 2017.

On the basis of the appraisal prepared by a professional independent expert, the fair value of the platform owned by Meritocracy, equal to EUR 1,157 thousand, was accounted for and the useful life was reasonably assumed to be five years.

Assets under development

Assets under development and payments on account as at 31 December 2019 referred to costs incurred for the development of a software interface between Databook and the CRM Salesforces, which was rolled out during the second half of 2020 and consequently reclassified to software.

6. Non-current financial assets

This item mainly consists of guarantee deposits paid for utilities of the registered office and the Branches.

7. Deferred tax assets and liabilities

Deferred tax assets and liabilities refer to the following items:

(In thousands of EUR)	Assets		Liabilities		Net	
	30/06/2020	**31/12/2019**	**30/06/2020**	**31/12/2019**	**30/06/2020**	**31/12/2019**
Property, plant and equipment	0	0	168	171	(168)	(171)
Intangible assets	0	0	210	242	(210)	(242)
Employee benefits	11	9	0	0	11	9
Provisions	385	375	0	0	385	375
Allowance for impairment	1,106	1,017	0	0	1,106	1,017
Costs with deferred deductibility	313	431	0	0	313	431
Tax losses	695	140	0	0	695	140
Total	**2,510**	**1,972**	**378**	**413**	**2,132**	**1,559**

Temporary differences between the tax base of assets and liabilities and their carrying amounts were not excluded from the calculation of deferred taxes.

Tax assets and liabilities are measured using the tax rates that are expected to be applicable in the period in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by measures in force.

Changes in net deferred tax assets and liabilities were as follows:

(In thousands of EUR)	**Balance as at 31 December 2019**	**Companies acquired**	**Changes in profit or loss**	**Balance as at 30 June 2020**
Property, plant and equipment	(171)	0	3	(168)
Intangible assets	(242)	0	32	(210)
Employee benefits	9	0	2	11
Provisions	375	0	10	385
Trade and other receivables	1,017	0	89	1,106
Costs with deferred deductibility	431	0	(118)	313
Tax losses	140	534	21	695
Total	**1,559**	**534**	**39**	**2,132**

8. Cash and cash equivalents

The item includes the credit balance of bank and postal deposits and cash in hand.

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Bank and postal deposits	19,654	6,497	13,156
Cash in hand and cash equivalents	33	34	(1)
Total cash and cash equivalents	**19,687**	**6,531**	**13,156**

With reference to the net financial indebtedness, as required by Recommendation ESMA/2013/319 and Consob Communication No. DEM/6064293 of 28 July 2006, please refer to note 13 below.

9. Other short-term financial assets

There are no short-term financial assets.

10. Trade receivables

The item is made up as follows:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
From third-party customers	103,002	121,223	(18,221)
Allowance for impairment	(5,301)	(4,866)	(435)
Total trade receivables	**97,701**	**116,357**	**(18,656)**

As at 30 June 2020 and 31 December 2019, there were no trade receivables arising from factoring with recourse. Total receivables are mainly related to Italian customers, there are no receivables in currencies other than the Euro. At the reporting dates, there was no concentration of receivables from a limited number of customers.

The item is recorded in the consolidated financial statements net of an allowance for impairment of EUR 5,301 thousand.

The days sales outstanding (DSO) granted to customers is 75 days, compared to 74 days as at 31 December 2019. Calculating the DSO in the second quarter only, i.e. quarterly receivables/turnover x 90 days, a 83-day DSO is obtained.

Reference is made to note 30 (a) "Impairment losses" for further information about the analysis of trade receivables exposure at the reporting date.

11. Other receivables

The item is made up as follows:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
IRES credit on 2007-2011 IRAP	104	1,245	(1,141)
Receivables from the INPS treasury funds for post-employment benefits	26	1,299	(1,273)
Prepayments	1,828	862	966
Other disputed receivables	1,095	1,095	0
Receivables from Forma.Temp	7,081	3,928	3,153
Other sundry receivables	51	50	1
Total other receivables	**10,185**	**8,479**	**1,706**

The change in the amount due from the INPS treasury fund for post-employment benefits is mainly due to the seasonal nature of temporary work employment, the contracts which generally terminate prior to the customer companies' closure for the holidays.

The item Other disputed receivables refers to the receivable from a former Director of Metis who left office in 2009; the Provisions for risks reflect the considerations made for this litigation.

Prepayments as at 30 June 2019 of EUR 1,828 thousand mainly refer to advance costs relating to the provision of training courses for temporary workers yet to be completed that will qualify for the Forma.Temp recognition in the following months, as well as bank fees and insurance.

The item "Receivables from Forma.Temp" for EUR 7,081 thousand refers to the reimbursement of the salary supplement (Trattamento di Integrazione Salariale - TIS) paid in advance to temporary workers. It should be noted that these receivables have already been collected for an amount of EUR 3,043 thousand during the month of July.

12. Current tax assets

As at 30 June 2020, the current income tax assets amounted to EUR 55 thousand and refer to the assets due from tax authorities for IRAP of EUR 12 thousand and tax assets for IRES of EUR 43 thousand. As at 31 December 2019, current income taxes amounted to EUR 1,081 thousand and refer to the tax receivable for IRAP of EUR 172 thousand, EUR 894 thousand for IRES and EUR 15 thousand for IRES of the subsidiary HC Srl.

13. Bank loans and borrowings and other financial liabilities

This note illustrates the contractual conditions that regulate the Group's financial liabilities. For further information on the Group's exposure to interest rate risk, reference is made to note 30.

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Non-current liabilities:			
Line A New Loan	8,934	10,417	(1,483)
M/L loan within 18 months	3,756	0	3,756
Lease liabilities	8,560	8,537	23
Derivative instruments	29	26	3
Total non-current liabilities	**21,279**	**18,980**	**2,299**
Current liabilities			
Line A New Loan	3,000	3,000	0
M/L loan within 18 months	6,244	0	6,244
Non-guaranteed bank loans and borrowings	666	11,140	(10,474)
Lease liabilities	3,554	3,514	40
Total current liabilities	**13,464**	**17,654**	**(4,190)**
Total current and non-current liabilities	**34,743**	**36,634**	**(1,891)**

In March 2019, a medium to long-term amortising loan of EUR 15 million was subscribed and issued, which envisages a revolving credit line of EUR 15 million not used on the date of approval of the condensed interim consolidated financial statements.

During the current year, two loans for a total of EUR 10 million were subscribed and issued, to be repaid within 18 months of the date of issue.

The contractual conditions of bank loans and borrowings and other financial liabilities, excluding financial instruments, are set below:

(In thousands of EUR)				**30 June 2020**		**31 December 2019**	
	Curr.	**Nominal interest rate**	**Year of maturity**	**Nominal amount**	**Carrying amount**	**Nominal amount**	**Carrying amount**
Line A New Loan	EUR	Euribor*	2024	12,000	11,934	13,500	13,417
M/L loan within 18 months	EUR	1.1%**	2021	10,000	10,000	0	0
Non-guaranteed bank loans and borrowings	EUR	0.1%**	-	666	666	11,140	11,140
Lease liabilities	EUR	1.77%***	2020/25	12,503	12,114	12,542	12,051
Total interest-bearing liabilities				**35,169**	**34,714**	**37,182**	**36,608**

* 6-month Euribor plus a spread ranging from a minimum of 1.45% to a maximum of 2.00% in relation to compliance with a financial restriction

** These are approximate average rates

*** Weighted average incremental interest rate

The new outstanding medium to long-term loan requires compliance with a financial restriction known as leverage ratio, consisting of the NFI/EBITDA ratio as defined in the loan agreement. The measurement of this financial restriction is performed on an annual basis as at 31 December, since it is based on the values of the Group's consolidated financial statements. The lending bank has the right to request the termination of the loan agreement if, at the date of calculation, the restriction is not complied with.

The financial restriction that must be complied with on a consolidated basis is shown below:

Calculation Dates	**NFI/EBITDA <**
31 December 2019	2.25
31 December 2020	2.25
31 December 2021	2.25
31 December 2022	2.25

NFI = Net Financial Indebtedness
EBITDA = Consolidated net profit for the period before income taxes, net financial expense, amortisation, provisions and impairment losses

It should be noted that as at 31 December 2019 the financial restriction had been complied with.

Branch leases contain extension options that can be exercised up to 6 months before the end of the binding period. If, at their respective deadlines, all extension actions are carried out, the potential cash flows that are not currently reflected in the lease liability would amount to approximately EUR 12,000 thousand.

Below is the reconciliation of the changes in lease liabilities, bank borrowings and other financial liabilities arising from financing activities.

(In thousands of EUR)	Lease liabilities	Financial liabilities, bank loans and borrowings and other liabilities
Balance as at 1 January 2020	**12,051**	**24,557**
Changes in financial liabilities		
Lease payments	(2,043)	-
Interest expense	107	-
New leases, renewals and contract terminations	1,999	-
New loan disbursement	-	10,000
Repayment of loan instalments	-	(1,500)
Other financial payables and interest	-	(10,457)
Total changes in liabilities	**63**	**(1,957)**
Balance as at 30 June 2020	**12,114**	**22,600**

The table below shows the net financial indebtedness of the Group as at 30 June 2020 and as at 31 December 2019, calculated in accordance with the provisions of Recommendation ESMA/2013/319 and Consob Communication No. DEM/6064293 of 28 July 2006.

	(Amounts in thousands of EUR)			2020 vs 2019	
		30/06/2020	**31/12/2019**	**Value**	**%**
A	Cash	34	34	-	0.0%
B	Other cash and cash equivalents	19,653	6,497	13,156	202.5%
C	Securities held for trading	-	-	-	-
D	**Cash and cash equivalents (A+B+C)**	**19,687**	**6,531**	**13,156**	201.4%
E	Current financial receivables		-	-	-
F	Current bank loans and borrowings	(6,910)	(11,140)	4,230	(38.0%)
G	Current portion of non-current debt	(3,000)	(3,000)	-	0.0%
H	Other current loans and borrowings	(3,554)	(3,514)	(40)	1.1%
I	**Current financial indebtedness (F+G+H)**	**(13,464)**	**(17,654)**	**4,190**	(23.7%)
J	**Net current financial indebtedness (D+E+I)**	**6,223**	**(11,123)**	**17,346**	(155.9%)
K	Non-current bank loans and borrowings	(12,690)	(10,417)	(2,273)	21.8%
L	Bonds issued	-	-	-	-
M	Other non-current liabilities	(8,589)	(8,563)	(26)	0.3%
N	**Non-current financial indebtedness (K+L+M)**	**(21,279)**	**(18,980)**	**(2,299)**	12.1%

(Amounts in thousands of EUR)			2020 vs 2019	
	30/06/2020	**31/12/2019**	**Value**	**%**
O Net Financial Indebtedness (J+N)	**(15,057)**	**(30,103)**	**15,046**	(50.0%)

14. Employee benefits

(a) current

The balance of the item current employee benefits includes:

(In thousands of EUR)	30/06/2020	31/12/2019	Change
Salaries payable to temporary workers	24,585	28,331	(3,746)
Remuneration payable to temporary workers	16,328	8,124	8,204
Post-employment benefits of temporary workers	241	207	34
Remuneration payable to employees	2,903	3,741	(838)
Total payables for employee benefits	**44,057**	**40,403**	**3,654**

Given the nature of business carried out by the Group and the average duration of employment contracts with temporary workers, employee benefits represented by the post-employment benefits of temporary workers were paid periodically and were consequently regarded as current liabilities. Therefore, the liability was not discounted and corresponds to the obligation due to temporary workers at the end of the contract.

The increase recorded as at 30 June 2020 compared to 31 December 2019 is attributable mainly to accruals for temporary workers of additional months' pay in the first half, but not yet paid.

(b) non-current

The balance of the item Employee benefits relates to post-employment benefits due to employees. The change in the amount related to employee benefits in the different years is summarised as follows:

(In thousands of EUR)	30/06/2020	31/12/2019	Change
Payables for employee benefits as at 1 January	1,158	1,093	65
Increase for companies acquired	62	0	62
Cost recognised in profit or loss	75	134	(59)
Payments during the year/period	(40)	(190)	150
Actuarial valuation	15	121	(106)
Total payables for employee benefits	**1,270**	**1,158**	**112**

The amount is recognised in profit or loss as per the following table:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Current service cost	68	104	(36)
Interest expense on the obligation	7	30	(23)
Total	**75**	**134**	**(59)**

The liability related to post-employment benefits is based on the actuarial valuation made by independent experts according to the following main parameters:

	30/06/2020	**31/12/2019**
Projected future salary increases (average amount)	1.0%	1.0%
Projected staff turnover	9.0%	9.0%
Discount rate	1.28%	1.35%
Average inflation rate	1.5%	1.5%

15. Trade payables

The item includes trade payables for the provision of services and consultancy.

Total payables at the reporting date are exclusively due to Italian suppliers. Moreover, there are no payables in currencies other than the Euro. At the reporting date, there was no concentration of payables due to a limited number of suppliers.

The item is broken down as follows:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Trade payables to third parties	6,848	7,942	(1,094)
Total trade payables	**6,848**	**7,942**	**(1,094)**

16. Other payables

The item is broken down as follows:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Social security charges payable	20,161	18,946	1,215
Tax payables	7,499	11,324	(3,825)
Payables to Forma.Temp	433	2,225	(1,792)
Other payables	745	676	69

(In thousands of EUR)	30/06/2020	31/12/2019	Change
Total other payables	**28,838**	**33,171**	**(4,333)**

Social security charges payable mainly refers to amount due to INPS (the Italian Social Security Institution), INAIL (the Italian National Institute for Insurance against Accidents at Work) and other social security institutions referring to wages and salaries to temporary workers and employees.

Liabilities due to Forma.Temp refer to the management contribution and the contribution for the training of permanent personnel hired in June.

The item Tax payables is broken down as follows:

(In thousands of EUR)	30/06/2020	31/12/2019	Change
Withholding taxes - Employees	6,268	10,567	(4,299)
VAT and other minor payables	1,231	757	474
Total tax payables	**7,499**	**11,324**	**(3,825)**

It should be noted that at the closing date of the financial statements there were payables for about EUR 400 thousand relating to taxes due and not yet paid following the extension established by the "Relaunch Decree" to deal with the Covid-19 crisis.

17. Current tax liabilities

Current tax liabilities refer to the payable to the tax authorities for IRAP of EUR 115 thousand.

Current tax liabilities as at 31 December 2019 amount to EUR 24 thousand and refer to the tax liability for IRAP.

18. Provisions

Changes in this item are broken down as follows:

(In thousands of EUR)	Disputes
Balance as at 1 January 2020	**1,962**
Increases	65
Uses	(24)
Balance as at 30 June 2020	**2,003**

The item refers to possible future charges related to disputes with personnel, a dispute related to a non-trade asset, in addition to other minor risks.

19. Shareholders' Equity

(a) Share capital

(In thousands of shares)	**2020**	**2019**
Ordinary shares		
Issued as at 1 January	13,712	13,712
Issued as at 30 June	13,712	13,712

At 30 June 2020, the approved share capital consisted of 13,712,000 ordinary shares, the ownership percentages of which are specified in the "*Group Structure*" section, to which explicit reference is made.

The Shareholders' Meeting, convened on 24 April 2018, authorised the Board of Directors to purchase and dispose of treasury shares pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Italian Legislative Decree no. 58 of 24 February 1998. The Board of Directors' meeting called for 15 May 2018 resolved to launch the buyback programme from 16 May 2018.

Subsequently, with a resolution approved by the Shareholders' Meeting on 21 April 2020, the purchase programme was restarted by the Board of Directors of Openjobmetis S.p.A., with a resolution on the same date, starting from 22 April 2020 up to a maximum number of shares not exceeding 5% of the *pro-tempore* share capital.

Note that, on 30 June 2020, Openjobmetis S.p.A. directly held 576,497 treasury shares.

The Company did not issue any preference shares.

The share capital has been fully paid up.

(b) Share premium reserve

The item Share premium reserve includes the share premium paid as a result of the share capital increase made during the extraordinary Shareholders' Meeting of 18 March 2005 (EUR 3,899 thousand), the share premium recognised as a result of the share capital increase made on 11 June

2007 (EUR 51 thousand), the share premium recognised as a result of the share capital increase made by injection on 14 March 2011 (EUR 5,030 thousand), the share premium paid as a result of the share capital increase on 14 March 2011 (EUR 7,833 thousand), the share premium recognised as a result of the conversion of the bond issue on 26 June 2015 (EUR 700 thousand), and the share premium recognised as a result of the Public Offering of Sale and Subscription made on 3 December 2015 (EUR 16,240 thousand). Moreover, the reserve was reduced by EUR 2,208 thousand for the portion of the listing costs related to the public subscription offering (i.e. costs directly attributable to the latter and portion pro rata of the other listing costs, in proportion to the number of shares related to the public subscription offering, relative to the total number of shares of the initial public offering, including the greenshoe option). Finally, the subsidiary Seltis S.r.l. distributed, upon the approval of the 2018 profit for the year, part of the reserve for an amount of EUR 360 thousand.

(c) Other Reserves

The item Other Reserves includes the residual portion of EUR 15,602 thousand of the equity-related reserve of WM S.r.l. originally of EUR 25,959 thousand. This reserve was used in part to cover losses for 2007, and increased following the negative goodwill arising on the merger with Quandoccorre S.p.A.; subsequently, it decreased to cover the 2009 losses carried forward.

As at 30 June 2020, in accordance with IAS 19, the net actuarial loss of EUR 18 thousand - resulting from the difference between the amount of expected benefits calculated for the period of reference and the actual benefit resulting from the new measurement assumptions at the end of the period - was accounted for in equity.

Moreover, the fair value as at 30 June 2020 of the derivative contract put in place to hedge interest rate risks related to the New Loan totalling EUR 29 thousand, was accounted for as a reduction of equity. The effective portion of the change in the fair value of hedging instruments is accumulated in the cash flow hedge reserve as a separate component of equity.

The value of *Other reserves* is net of the separate negative reserve for the purchase of treasury shares held, equal to EUR 5,006 thousand as at 30 June 2020, and of the reserve for the put option for the remaining 21.43% of the equity investment in H.C. S.r.l. and of the reserve of EUR 137 thousand related to the 2019-2021 Performance Shares Plan, as discussed in more detail in Note 22.

20. Revenue

A breakdown of revenue by type of service, all in Euro and from Italian customers, is summarised in the following table:

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Revenue from temporary work	232,499	272,510	(40,011)
Revenue from personnel recruitment and selection	1,646	2,006	(360)
Revenue from outplacement	175	393	(218)
Revenue from other activities	1,563	2,351	(788)
Total Revenue	**235,883**	**277,260**	**(41,377)**

The item Revenue from other activities mainly refers to consultancy on administration and organisational matters as part of the training activities, training courses as well as courses dedicated to the development and motivation of employees and other minor revenue.

21. Other income

The item includes:

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Recognition of contributions from Forma.Temp and Ebiref	2,964	4,697	(1,733)
Other sundry income	516	340	176
Total other income	**3,480**	**5,037**	**(1,557)**

The recognition of contributions from Forma.Temp refers to contributions received from said Body for the repayment of the costs incurred for training courses for temporary workers, included in the item Costs for services.

The contributions are recognised by the Body on the basis of the specific reporting of costs for organising and carrying out the training activities. The relevant revenue recognition occurs in a timely manner on the basis of the reporting of costs incurred for each course.

The item Other sundry income includes income not pertaining to the period such as the collection of previously impaired receivables and adjustments to the allocations of costs related to previous years, sundry reimbursements and other minor income.

22. Personnel expense

The item includes:

Cost of temporary work

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Wages and salaries of temporary workers	147,523	171,450	(23,927)
Social security charges of temporary workers	43,481	52,606	(9,125)
Post-employment benefits of temporary workers	8,547	8,841	(294)
Forma.Temp contributions for temporary workers	5,945	6,305	(360)
Other costs of temporary workers	1,408	1,529	(121)
Total personnel expense	**206,904**	**240,731**	**(33,827)**

Forma.Temp contributions refer to the compulsory payment to the Bilateral body of approximately 4% of some elements of gross salaries of temporary workers, to be allocated to the promotion of qualification courses for the workers themselves.

The cost of wages and salaries, at 30 June 2020, is shown net of the salary supplement (Trattamento di Integrazione Salariale - TIS) equal to EUR 16,117 thousand whose value is reimbursed by Forma.temp.

Other costs of temporary workers mainly refer to additional charges such as luncheon vouchers and various refunds.

Employee costs

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Salaries and wages of employees	10,375	11,181	(806)
Social security costs of employees	3,177	3,496	(319)
Post-employment benefits of employees	767	736	31
Remuneration to the Board of Directors and committees	749	695	54
Social security charges of the Board of Directors	71	65	6
Other employee costs	369	638	(269)
Long term incentive	(545)	(197)	(348)
Total personnel expense	**14,963**	**16,614**	**(1,651)**

Other costs of temporary workers mainly refer to additional charges such as luncheon vouchers and various refunds.

The remuneration of key management personnel is indicated in note 33.

The average number of employees is set out below:

Average number of employees	30/06/2020	30/06/2019	Change
Executives - employees	2	2	0
White-collar staff - employees	648	639	9
Total	**650**	**641**	**9**

Long term incentive

On 12 May 2017 and on 15 May 2018, the Board of Directors assigned a number of directors and key management personnel the option, i.e. the right to receive a sum of money corresponding to the increase in the value of the Openjobmetis S.p.A. shares at the end of the three-year vesting period and subject to the occurrence of the conditions contained in the “Information document relating to the incentive plan” based on the attribution of Phantom Stock Options available on the company website (to which explicit reference is made).

Subsequently, with a view to making a concrete contribution to the effort produced by the Company, at all levels, in dealing with the impact of the Covid-19 emergency, on 15 May 2020 all beneficiaries identified for the first tranche have formalised an unconditional and irrevocable waiver to the Board of the right to exercise options accrued for a value of approximately EUR 0.5 million, recognised as a reduction in personnel expense for the period.

The estimated cost for the last tranche of the Phantom Stock Option Plan is EUR 64 thousand and corresponds to the liability measured at fair value, representing the amount to be paid to employees for whom the unconditional right will arise to receive payment in relation to the tranche granted in 2018 under the Plan and the Regulations in force. The related liability is included in employee benefits at the reporting date.

The fair value of the rights of share revaluation was determined in accordance with the Black-Scholes model. The conditions of remaining employed and achieving specific results were considered in the fair value measurement.

The parameters used in the fair value measurement at the date of assignment and valuation of the plan with share-based payment are: the price of the shares at the assignment date is equal to EUR 11.7536 and the price at the valuation date is equal to EUR 6.10, option duration of 3 years, expected dividend rate of 3.5%, expected exit rate of 0%, annual volatility of 30%, applying a risk-free rate curve inferred from the Interest Rate Swap rates on the market at the valuation date.

Expected volatility was estimated on the basis of the valuation of historical volatility of the Company's share prices.

The option's unitary fair value was EUR 0.1551 at the reporting date.

The shareholders' meeting of 17 April 2019 approved the adoption of a 2019-2021 Performance Shares Plan which provides for the right of directors, key management personnel and other key employees to receive, at the end of the 3-year vesting period, ordinary shares of Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

The Board of Directors on 25 June 2019 and on 15 May 2020 identified the beneficiaries of the first two tranches of the Plan.

The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Company's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios.

The assigned estimated cost for the year of the Performances Shares equal to EUR 55 thousand corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranches allocated in 2019 and 2020. The related liability is included in the Equity item "other reserves" at the reporting date.

The parameters used in the fair value measurement at the dates of assignment and valuation of the plan are as follows: share price at the valuation date of EUR 7.16 for the first tranche and EUR 5.10 for the second tranche, expected dividend rate of 3.5%, discount rate of 1% for the first tranche and 0.40% for the second tranche, vesting right of the "market based" component equal to 47% for the first tranche and 55% for the second tranche , annual volatility 31% for the first tranche and 32% for the second tranche, applying a reasonable estimate on the basis of historical volatility calculated with reference to the valuation date.

The unitary fair value of the right to receive the bonus shares at the reporting date was EUR 6.68 for the first tranche and EUR 4.76 for the second tranche.

23. Cost of raw materials and consumables

The item mainly includes costs for consumables, stationery and other minor expenses.

24. Costs for services

The item includes:

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Costs for organising courses for temporary workers	2,970	4,697	(1,727)
Costs for tax, legal, IT, business consultancy	2,339	2,535	(196)
Costs for marketing consultancy	840	986	(146)
Fees to sourcers and professional advisors	1,368	1,204	164
Costs for advertising and sponsorships	692	725	(33)
Costs for utilities	410	534	(124)
Remuneration to the Board of Statutory Auditors	44	44	0
Costs for due diligence and consultancy services	96	149	(53)
Other	1,653	2,021	(368)
Total costs for services	**10,412**	**12,895**	**(2,483)**

Costs for organising courses for temporary workers mainly refer to costs charged by training companies, for organising training activities carried out in favour of temporary workers, in addition to additional charges. The costs borne by the organisational bodies mainly consist of services invoiced by independent experts. Against the precise and timely reporting of the costs incurred for the courses, Openjobmetis S.p.A. receives a specific refund from Forma.Temp and other bodies.

The item marketing consultancy includes the costs incurred for commercial development projects in certain geographical areas.

The item fees to sourcers and professional advisors refers to costs incurred to promote meetings with potential customers.

Costs for advertising and sponsorship refer to ads, costs to promote of the corporate image and the contribution as the main sponsor of a sports company.

Costs for *due diligence and consultancy services* as at 30 June 2020 relate mainly to non-recurring activities for possible extraordinary transactions.

Other costs mainly include costs incurred for insurance, information on customer solvency, remuneration of the independent auditor, published notices and sundry rentals.

25. Other operating expenses

The item includes:

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Other expenses	297	342	(45)
Total other operating expenses	**297**	**342**	**(45)**

Other expenses include expense for donations, stamps, membership fees, other taxes such as waste taxes and advertising, minor taxes and penalties, and capital losses on the disposal of assets.

26. Impairment loss on trade and other receivables

For further details on the allowance for impairment, reference is made to the directors' report and to note 30 below.

27. Net financial income (expense)

Net financial income and expense are shown in the following table:

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Bank interest income	182	9	173
Interest income on trade receivables	9	19	(10)
Total financial income	**191**	**28**	**163**
Interest expense on loans	(109)	(135)	26
Interest expense on current accounts	(7)	(11)	4
Other interest expense	(156)	(306)	150
Total financial expense	**(272)**	**(452)**	**180**
Total financial income (expense)	**(81)**	**(424)**	**343**

Other interest expense mainly refers to the portion of costs attributable to each year deriving from application of the amortised cost method to the loan in accordance with IFRS 9, and the expense relating to the recognition of the right of use pursuant to IFRS 16, amounting to EUR 107 thousand.

28. Income taxes

Income taxes recognised in profit or loss are broken down as follows:

(In thousands of EUR)	**30/06/2020**	**30/06/2019**	**Change**
Current taxes	1,143	2,117	(974)
Deferred tax assets	2	165	(163)
Deferred tax liabilities	(35)	(41)	6
Tax from previous years	(24)	1	(25)
Total income taxes	**1,086**	**2,242**	**(1,156)**

Current taxes for the first half of 2020 totalling EUR 1,143 thousand refer to IRAP of EUR 275 thousand and to IRES of EUR 868 thousand.

Current taxes for the first half of 2019 totalling EUR 2,117 thousand refer to IRAP of EUR 513 thousand and to IRES of EUR 1,604 thousand.

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis S.r.l., HC S.r.l., Meritocracy S.r.l. and Family Care S.r.l. concerning the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

29. Potential liabilities

The Group is a party to pending litigations and legal disputes. Based on the opinion of legal and tax advisors, the Directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Group, in addition to that already allocated in the condensed interim consolidated financial statements.

Specifically:

- The subsidiary Openjob Consulting S.r.l., at an event held in Perugia, underwent a tax inspection by the competent Local Labour Office that led to the preparation of a report which alleged violations concerning forms of contract used on this occasion with consequent possible administrative sanctions not yet notified. Openjob Consulting S.r.l. appealed against the report and this appeal was rejected. Following this report, a charge notice was issued by INPS, later effectively suspended by the Labour Court of Perugia and still pending. In September 2018, an order was issued by the Local Labour Inspectorate, to whom the Company had appealed, relating to the payment of only a portion of the administrative sanctions demanded at the time of the report. This order greatly reduced the value of the sanctions following the proven invalidity of some of the violations originally alleged. The Company and the Local Labour Office (LLO) subsequently reached a settlement in June 2019, following which Openjob Consulting S.r.l. paid about EUR 29 thousand to settle any claim by the LLO.

30. Financial instruments

(a) Credit risk

- <u>**Exposure to credit risk**</u>

The carrying amount of the financial assets represents the Group's maximum exposure to credit risk. At the end of the reporting period, this exposure was as shown below:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Held-to-maturity investments	42	43	(1)
Trade receivables	97,701	116,357	(18,656)
Cash and cash equivalents	19,687	6,531	13,156
Total	**117,430**	**122,931**	**(5,501)**

Receivables mainly refer to Italian customers.

There are no particular concentrations of receivables in specific sectors.

Exposure to the top 10 customers accounts for approximately 25% of total receivables as at 30 June 2020.

- **Impairment losses**

The ageing of trade receivables at the end of the reporting period was as follows:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Falling due	79,793	95,381	(15,588)
Past due from 0 to 90 days	15,493	18,270	(2,777)
Past due from 91 to 360 days	2,787	2,912	(125)
Past due 360 days or more	4,929	4,660	269
Total trade receivables	**103,002**	**121,223**	**(18,221)**

The changes in the allowance for impairment during the period were as follows:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Opening balance	**4,866**	**5,270**	**(404)**
Impairment losses for the period/year	657	3,062	(2,405)
Uses made during the period/year	(222)	(3,466)	3,244
Closing balance	**5,301**	**4,866**	**435**

The Group allocates an allowance for impairment that reflects the estimate of losses on trade receivables and on other receivables, whose main components are the impairment losses on individual significant exposures and the collective impairment loss on homogeneous groups of assets against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Group's view of the economic conditions over the expected life of the receivables. The allowance for impairment mainly relates to receivables that have been past due for more than 360 days.

The impairment loss for the period refers to the provision for estimated impairment losses on trade receivables as described above.

The Group constantly monitors its exposure to credit risk relating to relations with its customers, and adopts appropriate measures to mitigate them. Specifically, on the basis of the policies adopted by the Group, receivables that are past due are the subject of specific reminders and recovery actions, including forced. The result of these actions is considered in determining the allowance for expected impairment losses.

During the period, the Group did not recognise impairment losses on held-to-maturity investments.

The Group uses allowances for impairment to recognise the impairment losses on trade receivables and on held-to-maturity investments; however, when there is the certainty that the amount due cannot be recovered, the amount considered irrecoverable is written off directly from the related financial asset.

(b) Liquidity risk

The contractual maturities of financial liabilities, including interest to be paid and excluding the effects of offsetting agreements, are shown in the following table:

Non-derivative financial liabilities	**30 June 2020**					
(In thousands of EUR)	**Carrying amount**	**Contractual cash flows**	**6 months or less**	**6-12 months**	**1-5 years**	**More than 5 years**
Line A New Loan	(11,934)	(12,444)	(1,599)	(1,586)	(9,259)	0
M/L loan within 18 months	(10,000)	(10,105)	(2,136)	(4,199)	(3,770)	0
Non-guaranteed bank loans and borrowings	(666)	(666)	(666)	0	0	0
Lease liabilities	(12,114)	(12,503)	(1,872)	(1,872)	(8,385)	(374)
Trade payables	(6,848)	(6,848)	(6,848)	0	0	0
Other payables	(28,838)	(28,838)	(28,838)	0	0	0
Employee benefits *	(44,057)	(44,057)	(44,057)	0	0	0
Total	**(114,457)**	**(115,461)**	**(86,016)**	**(7,657)**	**(21,414)**	**(374)**

Non-derivative financial liabilities	**31 December 2019**					
(In thousands of EUR)	**Carrying amount**	**Contractual cash flows**	**6 months or less**	**6-12 months**	**1-5 years**	**More than 5 years**
Line A New Loan	(13,417)	(14,056)	(1,611)	(1,599)	(10,846)	0
Non-guaranteed bank loans and borrowings	(11,140)	(11,140)	(11,140)	0	0	0
Lease liabilities	(12,051)	(12,542)	(1,859)	(1,859)	(8,650)	(174)
Trade payables	(7,942)	(7,942)	(7,942)	0	0	0
Other payables	(33,171)	(33,171)	(33,171)	0	0	0
Employee benefits *	(40,403)	(40,403)	(40,403)	0	0	0

Non-derivative financial liabilities	31 December 2019					
(In thousands of EUR)	**Carrying amount**	**Contractual cash flows**	**6 months or less**	**6-12 months**	**1-5 years**	**More than 5 years**
Total	**(118,124)**	**(119,254)**	**(96,126)**	**(3,458)**	**(19,496)**	**(174)**

*the item Employee benefits considers only short-term benefits that will generally be settled periodically.

The cash flows included in the above-mentioned tables are not expected to occur significantly in advance or for considerably different amounts.

Please note that for Line B - Revolving of the New Loan outstanding as at 30 June 2020, unused to date, contractual cash flows will have a maximum duration of six months.

(c) Interest rate risk

Floating rate financial liabilities are summarised below:

(In thousands of EUR)	**30/06/2020**	**31/12/2019**	**Change**
Non-guaranteed bank loans and borrowings	666	11,140	(10,474)
Line A New Loan	11,934	13,417	(1,483)
M/L loan within 18 months	10,000	0	10,000
Total financial liabilities	**22,600**	**24,557**	**(1,957)**

If the interest rates payable had increased by 1% at the reporting date, the equity and the net profit for the period would have been negatively affected, gross of the related tax effect, by an approximate amount of EUR 100 thousand. However, the potential effect of extreme circumstances that cannot be reasonably foreseen remains excluded.

A derivative contract hedging the risk of interest rate change is in place for a portion equal to 50% of the nominal value of the amortising line for the first three years of the New Loan.

(d) Fair value

- **Fair value and carrying amount**

The following table shows the carrying amount recorded in the statement of financial position and the fair value of each financial asset and liability:

(In thousands of EUR)	30 June 2020		31 December 2019	
	Carrying amount	**Fair Value**	**Carrying amount**	**Fair Value**
Held-to-maturity investments	42	42	43	43
Trade receivables, other receivables and tax assets	107,941	107,941	125,916	125,916
Cash and cash equivalents	19,687	19,687	6,531	6,531
Lease liabilities	(12,114)	(12,114)	(12,051)	(12,051)
Line A New Loan	(11,934)	(11,934)	(13,417)	(13,417)
M/L loan within 18 months	(10,000)	(10,000)	0	0
Non-guaranteed bank loans and borrowings	(666)	(666)	(11,140)	(11,140)
Trade payables, other payables and tax payables	(35,801)	(35,801)	(41,137)	(41,137)
Employee benefits	(44,057)	(44,057)	(40,403)	(40,403)
Total	**13,098**	**13,098**	**14,342**	**14,342**

- **Methods for determining fair value**

The methods and main assumptions used for measuring the fair value of the financial instruments are shown below:

- *Non-derivative financial liabilities*

Bank loans and borrowings and other financial liabilities bear interest at floating rate and therefore, also considering that they are indicated net of the related charges, no significant differences between the carrying amount and fair value were identified.

- *Derivative financial liabilities*

The fair value of Interest Rate Swaps is equal to the present value of the future cash flows estimated on the basis of observable market parameters, and also compared with the prices of the financial intermediary with whom the contract was signed.

- *Trade and other receivables*

The fair value of trade and other receivables is estimated based on future cash flows discounted using market interest rates at the reporting date. The fair value matches the carrying amount as it already reflects the impairment loss.

For information concerning the interest rates used to discount the expected cash flows, where applicable, on the elements listed in the above table, mainly used for calculating the financial liabilities at amortised cost, see note 13.

- *Fair value hierarchy*

The following table shows the financial instruments recognised at fair value based on the valuation technique used. The different levels were defined as follows:

Level 1: (unadjusted) prices quoted in active markets for identical assets or liabilities;

Level 2: inputs other than quoted market prices defined in Level 1, which are observable for the asset or the liability, either directly (as in the case of prices), or indirectly (derived from prices);

Level 3: inputs relating to the asset or liability that are not based on observable market data (data not observable).

(In thousands of EUR)	**Hedging IRS**	
	30/06/2020	**31/12/2019**
Level 1	0	0
Level 2	(29)	(26)
Level 3	0	0
Total	**(29)**	**(26)**

31. Leases

The Group, for the purposes of its business, makes use of several leases, especially for car rental and building lease.

As from 1 January 2019, these leases have been accounted for in accordance with IFRS 16.

32. Related parties

Some members of the Board of Directors hold a position in other entities and may be in a position to exercise control or significant influence on the financial and management policies of such entities.

The relationships between Group companies and the Group with related parties, as identified on the basis of the criteria defined in IAS 24 Related Party Disclosures, are mainly commercial in nature.

During the period, the Group carried out transactions with some of the above-mentioned entities as shown below. The general conditions that regulate said transactions have been carried out on an arm's length basis.

According to Article 2391-bis of the Italian Civil Code and the OPC Regulation laying down provisions for transactions with related parties, the Board of Directors approved on 12 October 2015 and subsequently amended on 6 November 2015, the procedure for transactions with related parties. The total value of the transactions and residual balances is as follows:

Description	**(in thousands of EUR)**	**30 June 2020**	**Other related parties**	**Total related parties**	**% weight on financial statement items**
Employee costs		14,963	1,123	1,123	7.50%
Description	**(in thousands of EUR)**	**30 June 2019**	**Other related parties**	**Total related parties**	**% weight on financial statement items**
Employee costs		16,614	1,082	1,082	6.51%

As shown in note 33 below, the item Employee costs from Other related parties includes costs equal to EUR 749 thousand as at 30 June 2020 (EUR 695 thousand as at 30 June 2019) for the Board of Directors, EUR 215 thousand as at 30 June 2020 (EUR 215 thousand as at 30 June 2019) for Key management personnel and EUR 159 thousand as at 30 June 2020 (EUR 172 thousand as at 30 June 2019) for salaries paid to close relatives of the latter.

In the course of normal business, the Group has provided temporary worker supply services to other related parties not reported in the above table as irrelevant and concluded on an arm's length basis.

33. Remuneration of members of the Board of Directors, key management personnel and members of the Board of Statutory Auditors

The general conditions governing transactions with key management personnel and their related parties were not more favourable than those applied, or that could reasonably be applied, in the case of similar transactions with non-key management personnel related to the same entities at arm's length.

The total remuneration of key management personnel, recorded in the item Personnel expense and costs for services, amounted to EUR 964 thousand, of which EUR 749 thousand to members of the Board of Directors and EUR 215 thousand to key management personnel (EUR 910 thousand for the first half of 2019, of which EUR 695 thousand to members of the Board of Directors and EUR 215 thousand to key management personnel). In addition to salaries, the Group also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers. Note that the Board of Directors has assigned to a number of directors and key management personnel the option, i.e. the right to receive a sum of money corresponding to the increase in the value of the stock of Openjobmetis S.p.A. at the end of the three-year vesting period and subject to the occurrence of the conditions contained in the Plan Regulation available on the company website (to which explicit reference is made). On 25 June 2019 and 15 May 2020, the Board of Directors assigned certain directors and key management personnel the right to receive ordinary shares of the company free of charge, subject to the achievement of certain performance objectives and the fulfilment of the additional conditions set out in the regulations. It should also be noted that the remuneration to certain Directors is paid to their respective companies rather than to individual beneficiaries, according to an agreement between them and the companies in question, for a total of EUR 20 thousand (EUR 19 thousand for the first half of 2019).

Remuneration to the Board of Statutory Auditors as at 30 June 2020 amounted to EUR 44 thousand (EUR 44 thousand for the first half of 2019).

For more information regarding fees of said managers, reference is made to the Report on remuneration policy and fees paid 2019/2020, published in the "Corporate Governance / Corporate Documents" section of the company website.

34. Atypical and/or unusual transactions

The consolidated financial statements at 30 June 2020 do not show any income components or capital and financial items, either positive or negative, arising from atypical and/or unusual events and transactions, as defined in Consob communication No. DEM/606493 of 28 July 2006.

35. Significant non-recurring events and transactions

In compliance with Consob Communication No. DEM/6064293 of 28 July 2006, as regards events or transactions whose occurrence is non-recurring or those transactions or events which do not occur frequently in the ordinary course of business, reference should be made to the comments made in Note 24, in relation to consultancy and due diligence costs for potential targets of EUR 96 thousand (approximately 0.9% of costs for services and about 1.5% of trade payables).

36. Earnings (loss) per share

The calculation of earnings per share for the periods ended 30 June 2020 and 30 June 2019 is shown in the following table and is based on the ratio of profit (loss) attributable to the Group to the weighted average number of issued outstanding shares.

(In thousands of EUR)	**30/06/2020**	**30/06/2019**
Profit for the period	2,365	4,716
Average number of shares*	13,136	13,712
Basic earnings per share (in EUR)	**0.18**	**0.34**
Diluted earnings per share (in EUR)	**0.18**	**0.34**

* *The average number of shares is calculated net of treasury shares purchased following the buy-back programme, as described in more detail in Note 19, to which reference is made.*

37. Subsequent events

On 13 July 2020, the shareholders of Openjobmetis S.p.A., Omniafin S.p.A. and MTI Investimenti S.r.l. terminated in advance, starting at 11:59pm of 13 July 2020, the shareholders' agreement signed between them on 12 November 2015 and expiring in December 2020 and have signed a new shareholders' agreement (the "2020 Shareholders' Agreement"), effective from 14 July 2020 until 13 July 2023 which, on the expiration date, will be automatically renewed for a further three years, unless notice of termination is given by one of the parties to the other at least six months beforehand, concerning the exercise of voting rights in accordance with Article 122, paragraph 1, of Legislative Decree No. 122. 58/1998, with particular reference to the appointment of the Company's corporate bodies. For further information, please refer to the relevant press release.

Milan, 31 July 2020

On behalf of the Board of Directors

The Chairman

Marco Vittorelli
(signed on the original)

STATEMENT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 154-BIS OF LEGISLATIVE DECREE NO. 58/98 AS AMENDED AND SUPPLEMENTED

1. We the undersigned Rosario Rasizza, Managing Director, and Alessandro Esposti, Manager in charge of financial reporting of Openjobmetis S.p.A., hereby certify, taking into account, inter alia, the provisions of Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree No. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- actual application of the administrative and accounting procedures for the preparation of the condensed interim consolidated financial statements, during the period from *01/01/2020 to 30/06/2020.*

2. In this regard, it should be noted that the adequacy of administrative and accounting procedures for the preparation of the condensed interim consolidated financial statements as at 30 June 2020 was evaluated on the basis of the assessment of the system for internal control and audit of the processes directly or indirectly related to the formation of accounting and financial statement data.

3. We confirm that:

I. The condensed interim consolidated financial statements as at 30 June 2020:

- correspond with the information contained in the accounting ledgers and records;
- have been prepared in accordance with applicable international accounting standards recognised by the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 as well as the provisions issued in implementation of Legislative Decree 38/2005;
- provide a true and fair view of the financial position, results of operations and cash flows of the issuer and all its consolidated companies.

II. The directors' report on the condensed interim consolidated financial statements includes a reliable analysis of operating performance and results and of the situation of the Issuer and of all entities included in the consolidation of events that occurred in the first six months of the year and their incidence on the consolidated financial statements, as well as a description of the main risks and uncertainties to which the Group is exposed for the remaining six months of the year and information on significant transactions with related parties. Pursuant to the provisions of Article 154-ter of Legislative Decree no. 58/98.

Milan, 31 July 2020

Managing Director	Manager in charge of financial reporting
Rosario Rasizza	Alessandro Esposti
(signed on the original)	(signed on the original)

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(Translation from the Italian original which remains the definitive version)

Report on review of condensed interim consolidated financial statements

To the shareholders of
Openjobmetis S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Openjobmetis Group comprising the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto, as at and for the six months ended 30 June 2020. The directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Openjobmetis Group as at and for the six months ended 30 June 2020 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Milan, 3 August 2020

KPMG S.p.A.

(signed on the original)

Luisa Polignano
Director of Audit

OPENJOBMETIS S.P.A.

Employment Agency
Aut. Prot. N.1111-SG del 11/26/2004

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openjobmetis
AGENZIA PER IL LAVORO