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Informazione Regolamentata n. 20053-60-2020	Data/Ora Ricezione 12 Novembre 2020 16:00:56	MTA - Star
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Societa' : TINEXTA S.p.A.  
Identificativo : 139165  
Informazione  
Regolamentata  
Nome utilizzatore : TINEXTANSS01 - KAY  
Tipologia : REGEM  
Data/Ora Ricezione : 12 Novembre 2020 16:00:56  
Data/Ora Inizio : 12 Novembre 2020 16:00:57  
Diffusione presunta  
Oggetto : Tinexta: Positive Trend of Results  
Accelerates in Q3 Guidance for 2020  
Raised

*Testo del comunicato*

Vedi allegato.



# TINEXTA

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PRESS RELEASE

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## *Tinexta: Positive Trend of Results Accelerates in Q3 Guidance for 2020 Raised*

### Results approved at 30 September 2020

- Revenues: €188.9 million, +4.3%
- EBITDA: €55.6 million, +20.4%
- Net Profit: €26.3 million, +37.8%
- Adjusted Net Profit: €28.5 million, +9.0%
- Free Cash Flow: €52.6 million (€36.6 million in the first nine months of 2019)
- Net Financial Debt: €93.4 million (€129.1 million at 31/12/19)

### In light of the positive results, the Board of Directors revised the Guidance for 2020:

- Revenues: over €260 million (previously: over €250 million)
- EBITDA close to €80 million (previously: €72 million)

### Conversion of the JV with LuxTrust into a Commercial Alliance

**Rome, 12 November 2020.** The Board of Directors of **Tinexta S.p.A.**, a leader in digital services and innovation, approved today the Interim Report on Operations at 30 September 2020, which recorded the following growth: Revenues +4.3%, EBITDA +20.4% and Net Profit +37.8% with a Free Cash Flow of €52.6 million, up sharply from the €36.6 million of a year earlier.

**Chairman Enrico Salza** commented "*In a context where a state of emergency exists as a result of the Covid-19 pandemic, Tinexta has offered its industrial, financial and professional customers suitable and innovative solutions to deal with the crisis. The Company reported positive results in the first 9 months of the year and continued to invest in the expansion of the portfolio of activities, to serve companies better, with the entry into the Cybersecurity market, thus laying the foundations for durable and sustainable development of the Group in the future.*"

**Chief Executive Pier Andrea Chevallard** commented: "*Tinexta's business model has allowed positive economic and financial results to be reported even during an extraordinarily difficult time for markets, reporting an acceleration in the Third Quarter, which allows, even in a context of deep uncertainty, to forecast Revenues for the year 2020 to grow to over €260 million, with EBITDA close to €80 million. In addition, the growth prospects in the medium/long-term will benefit from the entrance of Tinexta in the Cybersecurity market.*"



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## CONVERSION OF THE JV WITH LUXTRUST INTO A COMMERCIAL ALLIANCE

At the end of the two-year period following the investment, the shareholders InfoCert and LuxTrust Development S.A. have verified a divergence of strategic objectives. In fact, the shareholder LuxTrust Development believes that it is a priority in the coming years to focus LuxTrust's attention on its core markets to ensure a strong development of the digital economy. Therefore, by mutual agreement, it was decided to proceed to dissolve the Joint Venture and transform it into a strong commercial alliance. In this context, InfoCert will collaborate with LuxTrust and will pursue its strategy in Europe with the aim of creating a pan-European leader in Trust Services.

Today the Board of Directors of Tinexta took note of the communication received on 9 November sent by LuxTrust Development, in accordance with the Shareholders' Agreement of 21 December 2018. The communication was the notification of the exercise of the Call Option on 6,207,777 class B shares held by InfoCert S.p.A., which correspond to 50% of the share capital of LuxTrust. The exercise will take place at the original subscription price of €12.0 million.

## GROUP CONSOLIDATED ECONOMIC RESULTS AT 30 SEPTEMBER 2020

Summary Consolidated Income Statement (€m)	30/09/2020	%	30/09/2019	%	Change	Change %
<b>Revenues</b>	<b>188.9</b>	<b>100.0%</b>	<b>181.2</b>	<b>100.0%</b>	<b>7.7</b>	<b>4.3%</b>
<b>Total Operating costs*</b>	<b>132.8</b>	<b>70.3%</b>	<b>131.4</b>	<b>72.5%</b>	<b>1.4</b>	<b>1.1%</b>
Costs of raw materials	6.6	3.5%	5.1	2.8%	1.5	28.6%
Service costs	59.1	31.3%	59.5	32.8%	-0.4	-0.7%
Personnel costs *	60.5	32.0%	58.8	32.5%	1.7	2.9%
Contract costs	5.4	2.8%	5.9	3.3%	-0.6	-9.7%
Other operating costs	1.3	0.7%	2.1	1.2%	-0.8	-36.1%
<b>EBITDA before Stock Option</b>	<b>56.1</b>	<b>29.7%</b>	<b>49.7</b>	<b>27.5%</b>	<b>6.3</b>	<b>12.7%</b>
Stock Option costs	0.5	0.3%	3.6	2.0%	-3.1	-86.5%
<b>EBITDA</b>	<b>55.6</b>	<b>29.4%</b>	<b>46.2</b>	<b>25.5%</b>	<b>9.4</b>	<b>20.4%</b>
Depreciation, amortisation, and provisions	18.5	9.8%	16.5	9.1%	2.0	11.8%
<b>Operating Profit</b>	<b>37.1</b>	<b>19.6%</b>	<b>29.6</b>	<b>16.4%</b>	<b>7.5</b>	<b>25.1%</b>
Financial Income	1.3	0.7%	0.3	0.2%	1.1	378.2%
Financial charges	2.1	1.1%	2.2	1.2%	-0.1	-4.9%
<b>Net financial charges</b>	<b>0.8</b>	<b>0.4%</b>	<b>1.9</b>	<b>1.1%</b>	<b>-1.2</b>	<b>-60.5%</b>
Profit of equity-accounted investments	0.1	0.0%	0.0	0.0%	0.1	6939.1%
<b>Profit before tax</b>	<b>36.4</b>	<b>19.3%</b>	<b>27.7</b>	<b>15.3%</b>	<b>8.71</b>	<b>31.4%</b>
Income taxes	10.1	5.3%	8.6	4.8%	1.5	17.2%
<b>Net Profit</b>	<b>26.3</b>	<b>13.9%</b>	<b>19.1</b>	<b>10.5%</b>	<b>7.2</b>	<b>37.8%</b>

After a slowdown in March and April, due to the restrictive measures imposed by the Covid-19 pandemic, the resumption of activity since May has allowed the Group to report better-than-expected results in the first 9 months of the year.

The results of the first 9 months include the company PrivacyLab S.r.l., consolidated as of 1 January 2020. The effects of the contribution of PrivacyLab S.r.l. are reported below as a change of perimeter.



**Revenues** increased from €181.2 million at 30 September 2019 to **€188.9 million** at 30 September 2020, **an increase of €7.7 million or 4.3%**. The increase in Revenues attributable to the change in perimeter for the consolidation of PrivacyLab S.r.l. is equal to 0.5%, organic growth is equal to 3.8%.

Operating costs, excluding *Stock Option* costs, increased from €131.4 million in the first nine months of 2019 to €132.8 million in the first nine months of 2020, an increase of €1.4 million or 1.1%. The increase in Operating Expenses attributable to the change in perimeter is 0.3%, the remaining 0.8% is attributable to organic growth.

As a result, the Group's **EBITDA** in the first nine months of 2020 amounted to **€55.6 million, an increase of €9.4 million, or 20.4%**, compared to the first nine months of 2019.

The item Depreciation, write-downs and provisions, amounting to €18.5 million, recorded an increase of about €2.0 million compared to the first nine months of 2019. The increase was mainly affected by amortization of Intangible Assets (+€1.2 million), in particular on databases and software, as well as increased provisions for the write-down of commercial receivables (+€0.5 million) and provisions for risks (+€0.3 million).

The **operating result** at 30 September thus reached **€37.1 million, an increase of €7.5 million or 25.1%**.

Net financial charges in the first nine months of 2020 amount to €0.8 million (€1.9 million in the first nine months of 2019). The renegotiation of three loans during the period resulted in the recording of non-recurring financial income of €1.1 million.

The Group's **net profit** in the first nine months of 2020 reached **€26.3 million, an increase of €7.2 million, or 37.8%**, compared to the same period of the previous year.

**Free Cash Flow** in the first nine months of 2020 amounted to **€52.6 million**, compared to €36.6 million in the same period of 2019.

The comparison between Q3 2020 and Q3 2019 follows.

Summary Consolidated Income Statement (€ m)	Q3 2020	%	Q3 2019	%	Change	Change %
Revenues	65.1	100.0%	54.6	100.0%	10.5	19.2%
EBITDA before Stock Options	21.6	33.2%	14.1	25.8%	7.5	53.4%
EBITDA	21.2	32.5%	13.8	25.3%	7.4	53.4%
Operating Profit	15.4	23.7%	8.3	15.2%	7.1	86.1%
Net Profit	10.3	15.9%	5.1	9.3%	5.3	103.2%
Adjusted Net Profit	11.8	18.1%	7.0	12.8%	4.8	68.2%
Free Cash Flow	23.6	36.3%	12.9	23.6%	10.8	83.5%

### Adjusted Group Results

The following are the Adjusted economic results before (i) non-recurring items, (ii) cost of Stock Option plans, (iii) amortization of other intangible assets that emerged when allocating the price paid in *Business Combinations*, (iv) adjustment of liabilities for contingent consideration related to acquisitions, net of related tax effects.

#### Non-recurring items

During the first nine months of 2020, non-recurring revenues of €0.1 million were achieved, relating to insurance compensation on non-recurring costs of previous years, and *non-recurring operating costs* of €1.0 million were incurred, of which €0.9 million for charges related to acquisitions of target companies.



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*Non-recurring financial income* includes €1.1 million as a result of the renegotiation, concluded in the period, of three loans.

*Non-recurring taxes* include non-recurring income equal to a total of €1.0 million, referring to €0.7 million to the occurrence deriving from the cancelation of the IRAP 2019 tax due balance provided for by the so-called "Relaunch Decree" and for €0.4 million to the *Patent Box* benefit relating to the 2019 fiscal year.

In the first nine months of 2019, *non-recurring operating costs* of €1.8 million, *non-recurring financial income* of €0.1 million and *non-recurring tax revenues* of €0.7 million were recorded.

## Stock Options Plan

The Costs related to the Stock Options Plan 2020-2022 are equal, in the first nine months of 2020, to €0.5 million and compare with €3.6 million the previous year (related to the Virtual Stock Option Plan concluded in 2019).

## Amortization of other intangible assets

The amortization of *other intangible assets* that emerged when allocating the price paid in *Business Combinations* amounted to €4.4 million (in line with the €4.4 million recorded in 2019).

## Contingent consideration related to acquisitions

Adjustments in contingent consideration related to acquisitions resulted in *Financial income* in the first nine months of 2020 of €0.2 million (Financial charges of €0.1 million in 2019).

## Group Results adjusted for Business Segment

The tables below set out the economic results *adjusted* by business segment, compared with the same reference period as the previous year.

Abbreviated Adjusted Income Statement by Business Segment (€ m)	9 Months at 30/09/2020	EBITDA % 30/09/2020	9 Months at 30/09/2019	EBITDA % 30/09/2019	Change	Change %		
						Total	Organic	Perimeter
<b>Revenues</b>								
Digital Trust	82.6		76.8		5.8	7.5%	7.5%	0.0%
Credit Information & Management	55.6		52.7		2.8	5.4%	5.4%	0.0%
Innovation & Marketing Services	50.7		51.6		-0.9	-1.8%	-3.5%	1.7%
Other Segments (Parent Company)	0.0		0.0		0.0	n.a.	n.a.	n.a.
<b>Total Adjusted Revenues</b>	<b>188.8</b>		<b>181.2</b>		<b>7.7</b>	<b>4.2%</b>	<b>3.7%</b>	<b>0.5%</b>
<b>EBITDA</b>								
Digital Trust	22.0	26.6%	21.1	27.4%	0.9	4.4%	4.4%	0.0%
Credit Information & Management	17.6	31.6%	12.7	24.0%	4.9	38.8%	38.8%	0.0%
Innovation & Marketing Services	23.6	46.5%	23.2	44.9%	0.4	1.7%	-0.6%	2.3%
Other Segments (Parent Company)	-6.2	n.a.	-5.4	n.a.	-0.8	-15.6%	-15.6%	0.0%
<b>Total Adjusted EBITDA</b>	<b>56.9</b>	<b>30.2%</b>	<b>51.6</b>	<b>28.5%</b>	<b>5.4</b>	<b>10.5%</b>	<b>9.4%</b>	<b>1.0%</b>



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Abbreviated Adjusted Income Statement by Business Segment (€ m)	Q3 2020	EBITDA %	Q3 2019	EBITDA %	Change	Change %		
						Total	Organic	Perimeter
<b>Revenues</b>								
Digital Trust	27.5		25.1		2.5	9.9%	9.9%	0.0%
Credit Information & Management	20.5		14.8		5.7	38.7%	38.7%	0.0%
Innovation & Marketing Services	17.0		14.7		2.3	15.7%	12.9%	2.8%
Other Segments (Parent Company)	0.0		0.0		0.0	n.a.	n.a.	n.a.
<b>Total Adjusted Revenues</b>	<b>65.1</b>		<b>54.6</b>		<b>10.5</b>	<b>19.2%</b>	<b>18.5%</b>	<b>0.7%</b>
<b>EBITDA</b>								
Digital Trust	8.0	29.2%	7.7	30.8%	0.3	4.2%	4.2%	0.0%
Credit Information & Management	7.4	36.2%	3.1	21.2%	4.3	136.4%	136.4%	0.0%
Innovation & Marketing Services	8.6	50.8%	5.8	39.6%	2.8	48.4%	43.2%	5.3%
Other Segments (Parent Company)	-2.1	n.a.	-1.8	n.a.	-0.3	-15.9%	-15.9%	0.0%
<b>Total Adjusted EBITDA</b>	<b>22.0</b>	<b>33.9%</b>	<b>14.9</b>	<b>27.3%</b>	<b>7.1</b>	<b>48.0%</b>	<b>45.9%</b>	<b>2.1%</b>

## Digital Trust

Revenues in the *Digital Trust* segment amounted to €82.6 million. The increase compared to the first nine months of 2019 was €5.8 million (+7.5%). The first nine months of 2020 led to a growing demand for digital services and dematerialization, such as certified e-mail (Legalmail), Digital Signature and SPID (Public Digital Identity System). The satisfaction of this demand has led to an increase in *Off the Shelf (Telematic Trust Solutions)* revenues sold mainly through the Group's websites and digital platforms. There was also an increase in revenues related to *Enterprise Solutions*. The services offered have allowed the Group's customers to increase their *digital onboarding* capacity, as well as to guarantee continuity to their organizational structures via remote working with high standards of security and functionality.

The EBITDA of the segment amounted to €22.0 million; the increase compared to the first nine months of 2019 was €0.9 million (+4.4%). The EBITDA margin was 26.6% (27.4% in the first nine months of 2019).

## Credit Information & Management

Revenues in the *Credit Information & Management* segment equaled €55.6 million, an increase of €2.8 million (+5.4%) compared to the first nine months of 2019. The regulatory measures issued as a result of the pandemic and, in particular, the enactment of Decree Law No. 23 of 8 April 2020, called "*Liquidità imprese*" (Liquidity for Enterprises), have generated an increase in the demand for services offered by the Group to banks. On the contrary, the restrictions on movement within Italian territory have led to a temporary contraction in the demand for real estate information and real estate estimation services.

EBITDA increased by 38.8% compared to the same period of the previous year to €17.6 million. The EBITDA margin was 31.6%, a significant increase from 24% in the first nine months of 2019. This increase was largely driven by the positive revenue mix.

## Innovation & Marketing Services

Revenues in the *Innovation & Marketing Services* segment amounted to €50.7 million; compared to the first nine months of 2019, there was a decrease of €0.9 million (-1.8%). The positive change resulting from the consolidation from 1 January 2020 of PrivacyLab S.r.l (+1.7%) was offset by an organic reduction in revenues (-3.5%).



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The restrictions on the activity of companies, deriving from the measures imposed to deal with the Covid-19 epidemiological emergency, have led to a greater difficulty in providing the Group's consulting services, engaged in the development of innovative services and products in response to customer needs.

The segment's EBITDA amounted to €23.6 million, an increase of 1.7% compared to the first nine months of 2019. The growth from the change in perimeter was 2.3% while the organic contraction amounted to 0.6%. The EBITDA *margin* was 46.5%, up from 44.9% in the same period a year earlier.

## GROUP NET FINANCIAL DEBT

*Net financial debt* amounted to €93.4 million, a decrease compared to 31 December 2019 of €35.7 million.

Net Financial Indebtedness Detailed Movement		(€ m)
	Net Financial Indebtedness at 31/12/2019	129.1
<i>Free Cash Flow</i>		-52.6
Dividends approved and distributed		2.2
Net Financial (Income) Charges		0.8
Change in cash flow hedging derivatives recognised in Other comprehensive income		0.7
Business Combination – PrivacyLab		1.8
Purchase of treasury shares		10.0
Adjustment for Put options		0.4
Adjustment for leases		0.7
Other residual		0.2
	Net Financial Indebtedness at 30/09/2020	93.4

The main factors that have affected the change in net financial debt compared to 31 December 2019 are:

- The Free Cash Flow generated in the period, amounting to €52.6 million (*Net cash and cash equivalents generated by operating activities* amounting to €61.4 million net of investments in *Property, plant and equipment* and *Intangible Assets* of €8.9 million);
- *Dividends approved and distributed* by the Group's companies to minorities, amounting to €2.2 million. It should be recalled that the Shareholders' Meeting of Tinexta S.p.A., on a proposal from the Board of Directors, resolved not to distribute dividends during 2020 by reinvesting in the Group's activities the profit for the 2019 financial year.
- The consolidation of PrivacyLab at 1 January 2020, which led to an increase in *net financial debt* of €1.8 million;
- the purchase in the first nine months of 2020 of 857,014 Treasury Shares (equal to 1.815% of the Share Capital) for a countervalue of €10.0 million.

## RELEVANT FACTS FOLLOWING THE CLOSE OF 30 SEPTEMBER 2020

On October 7, 2020, the Extraordinary Meetings of Innolva S.p.A. and Promotions Servizi S.r.l., which decided on the proposed merger by incorporation of Promotions Services S.r.l. into Innolva. It is expected that the merger will be completed by the end of the current year with accounting and tax retroactively effective as of



1 January 2020.

**On the same date 7 October 2020**, in compliance with the strategic agreements signed on 22 September 2020, InfoCert S.p.A. paid the amount of €3 million in consideration for the purchase of a 16.7% stake in the German company Authada GmbH, a digital identity provider with state-of-the-art technology, based in Darmstadt, Germany. Authada is active in the finance, telecommunications and betting markets, with well-known clients such as Vodafone, Comdirect (Commerzbank Group) and Sparkassenfinanzgruppe. The agreements include Put&Call options that can be exercised following the approval of the 2021 and 2022 results that will allow InfoCert to reach 100% control of Authada, subject to certain conditions of performance and collaboration.

**On October 12, 2020**, Tinexta announced the creation of a new national *Cybersecurity* hub, which will assist private and public customers in digital transformation by offering the best technologies and the most advanced protocols for security and digital identity. Tinexta has signed binding agreements for the acquisition of the majority of the share capital of three important Italian companies: 70% of the capital of the company containing the business branch of Corvallis Projects and Solutions – IT and R&D, 60% of the share capital by Yoroi S.r.l. (which will include Cybaze italia S.p.A. and @Mediaservice.net S.r.l.) and 51% of Swascan S.r.l., against an estimated total consideration of €47.8 million (which includes an earn-out of €0.6 million related to 2020 performance) and the assumption of a financial debt of €10 million. The new BU Cybersecurity realized, on the basis of pro-forma data for the 2019 financial year, revenues of approximately €61 million and an EBITDA of about €7 million.

The *Closing* of the acquisitions, with the exception of that of Swascan which was completed on 20 October 2020, is expected at the beginning of 2021. Tinexta will be able to acquire the additional shares in the three companies' share capital in 2024, based on Put&Call option rights.

The three companies will form the core of Tinexta's new Cybersecurity Business Unit ("BU") with expertise, highly specialized resources and advanced technologies to seize growing opportunities in the booming digital market.

On **October 28, 2020**, Tinexta S.p.A. subscribed, with an investment of €2.0 million, a stake equal to 30% of the capital of FBS Next S.p.A., a company operating in the problem credit sector (NPL/UTP), which carries out servicer activities, problem credit portfolio manager, promoter activities and other ancillary activities. The company will operate in synergy with the Group companies, Re Valuta S.p.A. and Innolva S.p.A.

### *LuxTrust*

On 9 November 2020 the official communication was received from LuxTrust Development S.A., following the DeadLock Matter Acknowledgment that occurred on 28 October 2020, of the exercise of the Call Option. The Call Option concerns 6,207,777 class B shares held by InfoCert S.p.A. in LuxTrust which represent the entire number of shares held by InfoCert S.p.A. in LuxTrust, in accordance with the Shareholders' Agreement of 21 December 2018. The repurchase price of the class B shares held by InfoCert S.p.A. is equal to the original subscription price of €12.0 million. The entire amount is equal to the price paid by InfoCert S.p.A. for 50% of the investment in LuxTrust S.A. The transfer of the shares is subject to clearance from the CSSF (*Commission de Surveillance du Secteur Financier*).

### *Euroquality*

On **11 November 2020**, Warrant Hub S.p.A. perfected the acquisition of Euroquality SAS ("Euroquality"), based in Paris, and its associated company Europroject OOD ("Europroject"), based in Sofia (Bulgaria), which are consulting firms specializing in supporting their clients in accessing European Union funds for innovation. The acquisition is part of the Warrant Group's geographical expansion process, that is focused on countries such as France, that have an entrepreneurial fabric and legislative framework similar to those of the Italian





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market. Based on 2019 Pro Forma data, it is estimated that the two companies in 2019 produced combined revenues of about €1.9 million with an EBITDA of about €0.4 million Euros. Warrant Hub purchased 100% of Euroquality for a consideration of €2 million, with the possibility of a price adjustment based on the 2020 and 2021 results. Warrant Hub also purchased 100% of the share capital of Europroject for a turnover of €0.4 million. The fees paid do not include the Net Financial Position, the calculation of which, contractually defined, will take place within 60 days of closing and will result in a further price adjustment.

## OUTLOOK

In a macroeconomic and social context significantly impacted by the COVID-2019 crisis, the Group's positive performance highlighted the resilience of business areas as well as management's ability to successfully respond to business conditions, accelerating the *time to market* of the offer of innovative products and services consistent with customer needs in the new context, and acting promptly on costs, thereby improving operating cash generation compared to the first nine months of 2019.

In view of the results for the first nine months, as well as the performance of the first weeks of the current quarter, it is reasonable to estimate that in 2020 the Group will achieve:

- Revenues: over €260 million (previously: over €250 million)
- EBITDA: close to €80 million (previously: €72 million)

This forecast does not include possible effects deriving from further measures to contain the Covid-19 epidemic that involve a further *lockdown* or similar restrictions of activities.

Any revision of the Plan will be communicated to the market after the end of 2020.

\* \* \* \* \*

*The Manager responsible for the preparation of the corporate accounting documents, Nicola Di Liello, declares under paragraph 2 of Article 154-bis of the Single Text of Finance that the accounting information contained in this press release corresponds to the document results, books and accounting records.*

\* \* \* \* \*

The Interim Report on Operations at 30 September 2020 will be made available to the public within the terms of the law, at the company's legal headquarters – Piazza Sallustio, 9, 00187 Rome, on the authorized storage mechanism and Market STORAGE ([www.emarketstorage.com](http://www.emarketstorage.com)) and on the Company's website: The English translation will be made as soon as possible after the Italian version is deposited

\* \* \* \* \*

The Board of Directors took note of the resignation announced by Lawrence Kay, Director of the Group's Investor Relations Office and thanked him for his significant contribution and expresses best wishes for his new professional endeavors. The Investor Relations function is assigned to the Group CFO, Oddone Pozzi, on an interim basis.

\* \* \* \* \*

## CONFERENCE CALL

The Company will present its Consolidated Results as of 30 September 2020 in a Conference Call set for today, at 17.30 p.m. CET. Investors and analysts who are interested in participating are encouraged to call the following numbers: Italy: +39 02 805 8811; UK: +44 121 281 8003; USA: +1 718 705 8794. For digital playback: (+39 02 72495), +1 212 818 005, +1 718 705 8797, Access code: 807. For more information, please contact the Investor Relations Office

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**Attached:** Prospectuses as at 30 September 2020 of the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, Group Net Financial Position and the Consolidated Statement of Cash Flows.

## Tinexta Group

Tinexta, listed on the STAR segment of the Milan Stock Exchange, reported the following Consolidated results as of 31 December 2019: Revenues of €258.7 million, EBITDA equal to €71.3 million and Net Profit of €28.8 million. Tinexta Group is one of the leading operators in Italy in the three business areas: Digital Trust, Credit Information & Management and Innovation & Marketing Services. The Digital Trust Business Unit provides, through the companies InfoCert, Visura, Sixtema and the Spanish company Camerfirma, products and solutions for digitization: digital signature, digital identity, customer onboarding, e-mail invoicing and certified e-mail (PEC) for large companies, banks, insurance and finance companies, SMEs, associations and professionals. In the Credit Information & Management Business Unit, Innolva and its subsidiaries offer services to support decision-making (Chamber of Commerce and real estate information. aggregated reports. synthetic ratings. decision models. credit assessment and credit recovery), while ReValuta offers real estate services (appraisals and valuations). In the Innovation & Marketing Services Business Unit, Warrant Hub is a leader in consulting in subsidized finance and industrial innovation 3 and Co.Mark provides Temporary Export Management advice to SMEs to support them in commercial expansion. On 12 October 2020 the creation of a new Cybersecurity Business Unit was announced. As of 31 December 2019, the Group's staff amounted to 1,293 employees.

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

CONTACTS		
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# TINEXTA

## Consolidated Statement of Financial Position

€ '000s	30/09/2020	31/12/2019
<b>ASSETS</b>		
Property, plant and equipment	18,452	21,215
Intangible assets and goodwill	268,595	269,935
Investment property	730	750
Equity-accounted investments	11,576	11,454
Other investments	22	22
Other financial assets, excluding derivative financial instruments	1,199	1,149
- of which vs. Related Parties	0	8
Derivative financial instruments	0	15
Deferred tax assets	5,236	5,635
Trade and other receivables	1,028	1,333
Contract cost assets	5,271	5,230
<b>NON-CURRENT ASSETS</b>	<b>312,110</b>	<b>316,737</b>
Inventories	1,162	1,145
Other financial assets, excluding derivative financial instruments	7,118	6,593
- of which vs. Related Parties	12	0
Derivative financial instruments	6	16
Current tax assets	254	756
- of which vs. Related Parties	6	322
Trade and other receivables	72,360	89,775
- of which vs. Related Parties	161	267
Contract assets	8,015	6,187
Contract cost assets	965	1,278
Cash and cash equivalents	56,556	33,600
<b>CURRENT ASSETS</b>	<b>146,436</b>	<b>139,351</b>
<b>TOTAL ASSETS</b>	<b>458,546</b>	<b>456,087</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	47,207	47,207
Treasury shares	-10,001	0
Reserves	122,147	98,360
Shareholders' Equity attributable to Group	159,354	145,567
Minority interests	3,635	3,859
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>162,989</b>	<b>149,426</b>
<b>LIABILITIES</b>		
Provisions	3,355	3,013
Employee benefits	12,449	11,878
Financial liabilities, excluding derivative financial instruments	130,826	107,039
- of which vs. Related Parties	1,034	1,458
Derivative financial instruments	1,039	262
Deferred tax liabilities	14,437	15,848
Contract liabilities	8,431	8,180
- of which vs. Related Parties	42	81
<b>NON-CURRENT LIABILITIES</b>	<b>170,537</b>	<b>146,221</b>
Provisions	393	420
Employee benefits	0	571
Financial liabilities, excluding derivative financial instruments	25,207	62,001
- of which vs. Related Parties	570	578
Derivative financial instruments	17	45
Trade and other payables	50,476	54,953
- of which vs. Related Parties	207	205
Contract liabilities	40,786	37,722
- of which vs. Related Parties	143	123
Deferred income	1,298	1,818
Current tax liabilities	6,842	2,911
<b>CURRENT LIABILITIES</b>	<b>125,020</b>	<b>160,441</b>
<b>TOTAL LIABILITIES</b>	<b>295,557</b>	<b>306,661</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>458,546</b>	<b>456,087</b>



# TINEXTA

## Consolidated Statement of Profit or Loss and Other comprehensive income

€ '000s	nine-month period closed at 30 September	
	2020	2019
<b>Revenues</b>	<b>188,901</b>	<b>181,169</b>
- of which vs. Related Parties	120	31
- of which non-recurring	74	0
Costs of raw materials	6,602	5,133
Service costs	59,075	59,474
- of which vs. Related Parties	841	820
- of which non-recurring	959	1,227
Personnel costs	60,955	62,371
- of which non-recurring	0	239
Contract costs	5,361	5,936
Other operating costs	1,336	2,089
- of which vs. Related Parties	1	0
- of which non-recurring	0	340
Amortisation and depreciation	15,986	14,779
Provisions	426	144
Impairment	2,064	1,597
<b>Total Costs</b>	<b>151,805</b>	<b>151,524</b>
<b>OPERATING PROFIT</b>	<b>37,096</b>	<b>29,645</b>
Financial income	1,340	280
- of which non-recurring	1,075	148
Financial charges	2,101	2,209
- of which vs. Related Parties	32	299
<b>Net financial income (charges)</b>	<b>-761</b>	<b>-1,929</b>
Share of profit of equity-accounted investments, net of tax	88	1
<b>PROFIT BEFORE TAX</b>	<b>36,423</b>	<b>27,718</b>
Income taxes	10,089	8,611
- of which non-recurring	-1,042	-657
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>26,334</b>	<b>19,107</b>
Profit (loss) from discontinued operations	0	0
<b>NET PROFIT</b>	<b>26,334</b>	<b>19,107</b>
<b>Other components of the comprehensive Income Statement</b>		
<b>Components that will never be reclassified to profit or loss</b>		
<b>Total components that will never be reclassified to profit or loss</b>	<b>0</b>	<b>0</b>
<b>Components that are or may be later reclassified to profit or loss:</b>		
Exchange rate differences from the translation of foreign Financial Statements	-42	11
Profits (losses) from measurement at fair value of derivative financial instruments	-717	-399
Equity-accounted investments - share of Other comprehensive income	-16	6
Tax effect	172	96
<b>Total components that are or may be later reclassified to profit (loss)</b>	<b>-604</b>	<b>-285</b>
<b>Total other components of comprehensive income, net of tax</b>	<b>-604</b>	<b>-285</b>
<b>Total comprehensive income for the period</b>	<b>25,730</b>	<b>18,822</b>
<b>Net Profit attributable to:</b>		
Group	26,045	18,745
Minority interests	289	361
<b>Total comprehensive income for the period attributable to:</b>		
Group	25,470	18,455
Minority interests	260	367
<b>Earnings per Share</b>		
Basic earnings per Share (Euro)	0.56	0.40
Diluted earnings per Share (Euro)	0.55	0.40



# TINEXTA

## Consolidated Statement of Cash Flows

€ '000s	Nine-month period closed at 30 September	
	2020	2019
<i>Cash flows from operations</i>		
<b>Net Profit</b>	<b>26,334</b>	<b>19,107</b>
Adjustments for:		
- Depreciation of property, plant and equipment	5,006	4,969
- Amortisation of intangible assets	10,960	9,797
- Depreciation of investment property	20	13
- Impairment (Revaluations)	2,064	1,597
- Provisions	426	144
- Stock option provisions	482	0
- Contract costs	5,361	5,936
- Net financial charges (income)	761	1,929
- <i>of which vs. Related Parties</i>	32	299
- Share of profit of equity-accounted investments	-88	-1
- Income taxes	10,089	8,611
Changes in:		
- Inventories	-17	159
- Contract cost assets	-5,089	-5,801
- Trade and other receivables and Contract assets	14,249	14,441
- <i>of which vs. Related Parties</i>	106	-111
- Trade and other payables	-4,735	-8,226
- <i>of which vs. Related Parties</i>	2	-126
- Provisions and employee benefits	-119	-1,150
- Contract liabilities and deferred income, including public contributions	2,207	-4,120
- <i>of which vs. Related Parties</i>	-18	0
<b>Cash and cash equivalents generated by operations</b>	<b>67,912</b>	<b>47,404</b>
Income taxes collected/(paid)	-6,505	-2,710
<b>Net cash and cash equivalents generated by operations</b>	<b>61,406</b>	<b>44,694</b>
<i>Cash flows from investments</i>		
Interest collected	23	24
Collections from sale or repayment of financial assets	228	1,789
Investments in shareholdings consolidated using the equity method	-44	-27
Investments in property, plant and equipment	-1,461	-1,413
Investments in other financial assets	-778	0
Investments in intangible assets	-7,390	-6,647
Increases in the scope of consolidation, net of liquidity acquired	-452	0
<b>Net cash and cash equivalents generated/(absorbed) by investing activities</b>	<b>-9,872</b>	<b>-6,274</b>
<i>Cash flows from financing</i>		
Purchase of Minority interests in subsidiaries	-17,271	-43,594
Repayment of loans extended by Controlling Shareholder	0	-25,000
- <i>of which vs. Related Parties</i>	0	-25,000
Interest paid	-1,225	-1,259
- <i>of which vs. Related Parties</i>	-32	-290
MLT bank loans taken out	24,827	68,992
Repayment of MLT bank loans	-7,026	-6,014
Repayment of price deferment liabilities on acquisitions of equity investments	-2,638	-2,472
Repayment of contingent consideration liabilities	-7,581	-1,347
Change in other current bank payables	-2,553	-6,707
Change in other financial payables	-35	-2,109
Repayment of lease liabilities	-2,881	-2,485
- <i>of which vs. Related Parties</i>	-435	-526
Purchase of Treasury Shares	-10,001	0
Share capital increase contribution	0	1,078
Dividends paid	-2,195	-16,396
<b>Net cash and cash equivalents generated/(absorbed) by financing</b>	<b>-28,578</b>	<b>-37,312</b>
Net increase (decrease) in cash and cash equivalents	22,956	1,107
Cash and cash equivalents at 1 January	33,600	35,136
<b>Cash and cash equivalents at 30 September</b>	<b>56,556</b>	<b>36,244</b>



# TINEXTA

## Group Net Financial Indebtedness

€ '000s	30/09/20	31/12/19	Change	%	30/09/19	Change	%
A Cash	56,540	33,586	22,953	68.3%	36,231	20,308	56.1%
B Cash equivalents	17	14	3	20.9%	12	4	36.2%
<b>D Liquid assets (A+B)</b>	<b>56,556</b>	<b>33,600</b>	<b>22,956</b>	<b>68.3%</b>	<b>36,244</b>	<b>20,313</b>	<b>56.0%</b>
E Current financial receivables	7,124	6,609	514	7.8%	6,382	742	11.6%
F Current bank debt	-403	-2,952	2,549	-86.3%	-1,217	814	-66.9%
G Current portion of non-current debt	-14,758	-23,752	8,994	-37.9%	-19,418	4,660	-24.0%
H Other current financial debt	-10,063	-35,342	25,279	-71.5%	-31,277	21,214	-67.8%
<b>I Current financial debt (F+G+H)</b>	<b>-25,224</b>	<b>-62,046</b>	<b>36,822</b>	<b>-59.3%</b>	<b>-51,912</b>	<b>26,687</b>	<b>-51.4%</b>
<b>J Net current financial position (indebtedness) (D+E+I)</b>	<b>38,456</b>	<b>-21,837</b>	<b>60,292</b>	<b>-276.1%</b>	<b>-9,286</b>	<b>47,742</b>	<b>-514.1%</b>
K Non-current bank debt	-117,140	-90,552	-26,588	29.4%	-102,243	-14,896	14.6%
L Other non-current financial debt	-14,725	-16,749	2,024	-12.1%	-17,987	3,262	-18.1%
<b>M Non-current financial debt (K+L)</b>	<b>-131,865</b>	<b>-107,301</b>	<b>-24,564</b>	<b>22.9%</b>	<b>-120,231</b>	<b>-11,634</b>	<b>9.7%</b>
<b>N Net Financial Position (Indebtedness) (J+M) (*)</b>	<b>-93,409</b>	<b>-129,138</b>	<b>35,728</b>	<b>-27.7%</b>	<b>-129,517</b>	<b>36,108</b>	<b>-27.9%</b>
O Other non-current financial assets	1,199	1,163	36	3.1%	1,187	12	1.0%
<b>P Total net financial position (indebtedness) (N+O)</b>	<b>-92,210</b>	<b>-127,974</b>	<b>35,764</b>	<b>-27.9%</b>	<b>-128,329</b>	<b>36,119</b>	<b>-28.1%</b>

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

Fine Comunicato n.20053-60

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