



**TINEXTA**

# Interim Report on Operations at 30/09/2023

This English version of Tinexta's Interim Report on Operations at 30/09/2023 is made available to provide non-Italian speakers a translation of the original document. Please note that in the event of any inconsistency or discrepancy between the English version and the Italian version, the original Italian version shall prevail.

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## Company data and composition of corporate bodies

### Parent Company's Registered Office

TINEXTA S.p.A.  
Piazza Sallustio 9  
00187 Rome - Italy

### Statutory Information about the Parent Company

Share capital resolved, subscribed and paid-in €47,207,120  
Rome Corporate Registry no. RM 1247386  
Tax ID and VAT no. 10654631000  
Institutional website [www.tinexta.com](http://www.tinexta.com)

### Corporate bodies currently in office

#### Board of Directors

Enrico Salza	Chairperson
Riccardo Ranalli	Deputy Chairperson
Pier Andrea Chevallard	Chief Executive Officer
Laura Benedetto	Director
Eugenio Rossetti	Director (independent)
Valerio Veronesi	Director (independent)
Elisa Corgi	Director (independent)
Paola Generali	Director (independent)
Caterina Giomi	Director (independent)
Laura Rovizzi	Director (independent)
Gianmarco Montanari	Director (independent)

#### Control, Risks and Sustainability Committee

Eugenio Rossetti	Chairperson
Riccardo Ranalli	
Laura Rovizzi	

#### Related Party Committee

Valerio Veronesi	Chairperson
Paola Generali	
Caterina Giomi	

#### Remuneration Committee

Elisa Corgi	Chairperson
Laura Benedetto	
Gianmarco Montanari	

#### Board of Statutory Auditors

Luca Laurini	Chairperson
Andrea Bignami	Standing Auditor
Monica Mannino	Standing Auditor
Maria Cristina Ramenzoni	Alternate Auditor
Umberto Bocchino	Alternate Auditor

#### Independent Auditors

KPMG S.p.A.

#### Manager responsible for the preparation of the corporate accounting documents

Oddone Pozzi

#### Registered and operating headquarters

Piazza Sallustio 9 - 00187 Rome

#### Operating headquarters

Via Fernanda Wittgens 2 c/o Vetra Building – 20123 Milan  
Via Principi d'Acaia 12 – 10138 Turin

## Summary of Group results

Summary income statement data (Amounts in thousands of Euro)	30/09/2023	30/09/2022 <sup>1</sup>	Change	% change
Revenues	269,547	246,669	22,877	9.3%
Adjusted EBITDA	56,898	54,779	2,119	3.9%
EBITDA	51,121	48,873	2,248	4.6%
Adjusted operating profit (loss)	41,085	42,543	(1,458)	-3.4%
Operating profit (loss)	21,655	23,629	(1,974)	-8.4%
Adjusted net profit from continuing operations	27,766	27,596	169	0.6%
Net profit from continuing operations	12,324	14,733	(2,409)	-16.3%
Profit (loss) from discontinued operations	36,149	45,465	(9,316)	-20.5%
Net profit	48,473	60,198	(11,725)	-19.5%
Adjusted free cash flow from continuing operations	40,279	36,189	4,090	11.3%
Free cash flow from continuing operations	37,436	28,052	9,383	33.4%
Free cash flow	35,080	37,079	(1,999)	-5.4%
Earnings per share (in Euro)	0.99	1.31	(0.32)	-24.2%
Earnings per share from continuing operations (in Euro)	0.20	0.28	(0.09)	-30.8%

Summary income statement data (Amounts in thousands of Euro)	3rd Quarter 2023	3rd quarter 2022 Restated <sup>2</sup>	Change	% change
Revenues	87,071	78,668	8,402	10.7%
Adjusted EBITDA	18,993	17,724	1,269	7.2%
EBITDA	16,593	16,248	346	2.1%
Adjusted operating profit (loss)	13,070	13,772	(701)	-5.1%
Operating profit (loss)	6,420	7,811	(1,391)	-17.8%
Adjusted net profit from continuing operations	8,733	8,836	(102)	-1.2%
Net profit from continuing operations	2,989	3,818	(829)	-21.7%
Profit (loss) from discontinued operations	83	42,195	(42,112)	-99.8%
Net profit	3,072	46,013	(42,941)	-93.3%
Adjusted free cash flow from continuing operations	11,011	13,212	(2,200)	-16.7%
Free cash flow from continuing operations	9,494	11,937	(2,442)	-20.5%
Free cash flow	7,395	13,933	(6,537)	-46.9%
Earnings per share (in Euro)	0.05	1.03	(0.98)	-95.5%
Earnings per share from continuing operations (in Euro)	0.04	0.07	(0.03)	-37.6%

<sup>1</sup> The comparative figures at 30 September 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalue Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

<sup>2</sup>The comparative figures of the third quarter of 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalue Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

Summary financial position statement data (Amounts in thousands of Euro)	30/09/2023	31/12/2022	Change	% change
Share capital	47,207	47,207	0	0.0%
Shareholders' equity	449,533	402,015	47,518	11.8%
Total financial indebtedness	91,498	77,557	13,941	18.0%

Summary financial position statement data (Amounts in thousands of Euro)	30/09/2023	30/09/2022 <sup>3</sup>	Change	% change
Share capital	47,207	47,207	0	0.0%
Shareholders' equity	449,533	316,942	132,591	41.8%
Total financial indebtedness	91,498	140,185	(48,687)	-34.7%

<sup>3</sup> The comparative figures at 30 September 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalve Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

## INTERIM REPORT ON OPERATIONS

### Group activities

The Tinexta Group provides, mainly in Italy, a wide range of Digital Trust, Cybersecurity and Business Innovation services. On 30 May 2022, Tinexta S.p.A. concluded binding agreements for the sale to CRIF S.p.A. ("CRIF") of the Credit Information & Management division through the sale of the equity investments held by Tinexta in the companies Innolva S.p.A. and RE Valuta S.p.A. The transaction relating to the Innolva Group closed on 3 August 2022. The closing of the transaction with reference to RE Valuta took place on 7 March 2023.

The Group has developed rapidly in recent years, due to both organic growth and acquisitions aimed at expanding the portfolio of products/services and extending the offering to market sectors considered strategic and synergistic.

The Group operates through the following Business Units (BUs):

1. the Digital Trust *BU* offers the market IT solutions for the digital identity and dematerialisation of processes in line with applicable regulations (including eIDAS European regulations issued in 2016, EU Regulation 910/2014) and compliance standards of customers and industry. Products can also be broken down between Off the Shelf products (Telematic Trust Solutions) such as certified e-mail (CEM), electronic storage, digital signature, e-invoicing and Enterprise Solutions such as Trusted Onboarding Platform (TOP) and GoSign, within the market of Digital Transaction Management. Digital Trust activities are provided by the Group through InfoCert S.p.A., its subsidiaries and associates and RE Visura S.p.A.

For the purpose of carrying out activities as a manager of certified e-mail, electronic storage and Digital Signature, InfoCert is qualified as a Certification Authority and accredited by the AgID (Agenzia per l'Italia Digitale – Italian Digital Agency) of the Italian Presidency of the Council of Ministers. The ability to provide said IT solutions is reserved for entities that meet certain legal requirements, in terms of both assets and organic & technological infrastructure. InfoCert has also been accredited by AgID as a Qualified Trust Service Provider ("QTPS"), i.e. a Digital Identity manager, which can issue digital identities to citizens and businesses, managing in total security the user authentication.

Sixtema S.p.A., 100%-owned by InfoCert since April 2017, provides IT and management services to companies, entities, associations and institutions, with a particular focus on the world of the CNA (Confederazione Nazionale dell'Artigianato – National Confederation of Artisans). It has its own data centre through which it provides software services in ASP and/or SaaS mode. Moreover, as service provider, it provides an integrated technological infrastructure service. Its offering includes software solutions to comply with all tax obligations, employment legislation and other regulations in general.

AC Camerfirma S.A. (hereinafter also "Camerfirma"), 51%-owned by InfoCert since May 2018, operating in Spain in the Digital Trust sector and present in the South American market as well (Camerfirma Perú S.A.C. and Camerfirma Colombia S.A.S.), offers mainly digital certification services. It has launched the marketing of

higher value-added InfoCert products to banks and large companies operating on the Spanish market.

Visura S.p.A. is active in the Digital Trust market mainly through the sale of Telematic Trust Solutions and resale services of products such as certified e-mail, digital signature and electronic invoicing. It offers also IT products and services to professional associations such as telematic certificates, Quadra (electronic filing of documents and management of civil proceedings), electronic filing of paperwork and financial statements, and CAF Facile (the filing of 730 tax returns and ISEE statements). It manages around 450 thousand customer records including professionals, professional firms, public administrations, professional associations and companies.

In November 2021, the acquisition by Infocert S.p.A. of Certeuropa S.a.S. CertEurope, based in Paris, was finalised. This is one of the three largest Certification Authorities in France with a very well-known brand and a market share of around 40% in the eIDAS certificate sector. The company has the authorisations and accreditations necessary to issue all types of certificates required by the French market, in compliance with the technical requirements established by the French Agency for the Security of Information Systems (ANSSI). Through the acquisition, Tinexta is entering the French market, the second largest in the European Community, and InfoCert, the largest Certification Authority in Europe, will be able to sell its solutions on the territory. CertEurope's well-established business relationships with a number of important trade associations (attorneys, inter alia) and with large national retailers (resellers of digital services) represent a potentially significant accelerator for the penetration of InfoCert solutions into the French market.

In July 2022, InfoCert S.p.A. completed the purchase of Ascertia. Based in London (UK), Ascertia also operates in the United Arab Emirates and Pakistan. Recognised by Gartner as a reference player in the PKI (Public Key Infrastructure), infrastructure necessary to implement public key cryptography solutions to protect communications, authentications and the integrity of digital transactions. Ascertia also offers digital signature products compliant with the eIDAS regulation and ETSI standards.

2. In October 2020 Tinexta announced the creation of the *Cybersecurity BU* to assist private and public customers in digital transformation processes with the best technologies and protocols for digital security and identity. Tinexta signed binding agreements for the acquisition of the majority of the share capital of three major Italian companies: the company containing the Projects and Solutions – IT and R&D divisions of Corvallis (acquisition completed on 22 January 2021), Yoroï S.r.l. (acquisition completed on 26 January 2021) and Swascan S.r.l. (acquisition completed on 20 October 2020).

The IT and R&D divisions of Corvallis (now merged into Corvallis S.r.l. together with the 100% equity investment in Payotik S.r.l.) have a long experience on the market as a provider of high value solutions. The skills developed by Corvallis are essential to create solutions for large projects of financial companies and other sectors. This activity is based on a broad client base, developed on strong relationships and on processes aligned to international best practices. It boasts also a training model



based on an "Academy", also thanks to the collaboration with the University of Padua and the University of Milan-Bicocca.

Yoroi S.r.l. (which had incorporated Cybaze and @Mediaservice, before joining Tinexta) provides cutting-edge solutions to companies and organisations that must contain and manage all levels of IT risk, in order to prevent or reduce the damages potentially deriving from a cyberattack. The company has a diversified commercial offer that covers the entire IT security value chain for large companies, with highly specialised technologies and well-known brands such as Cybaze, Emaze, Yoroi and Mediaservice.net. Lastly, Yoroi carries out intensive R&D activities, collaborating with the University of Bologna, La Sapienza University in Rome, and the University of Sannio.

Swascan S.r.l. is an innovative Italian Cybersecurity start-up, owner of the Swascan Cloud Security Testing platform and a recognised Cyber Competence Centre. The combination of the "SaaS ready to use" platform and the company's vertical and highly specialised skills make it a point of reference for SMEs for IT security and legislative compliance requirements.

3. The *Business Innovation BU* operates in the market through Co.Mark S.p.A. (acquired in 2016) and its subsidiaries and Warrant Hub S.p.A. and its subsidiaries. Through a team of TES® (Temporary Export Specialists®), Co.Mark provides value-added services aimed at supporting small and medium-sized companies or networks of companies in their internationalisation, in the search for customers and in creating business opportunities in Italy and abroad. In July 2015, Co.Mark TES was established in Barcelona with the objective of developing the innovative export model to support Spanish SMEs, which operate in a market very similar to the Italian one. On 28 January 2021, Co.Mark S.p.A. completed the acquisition of control of Queryo Advance S.r.l. (Queryo), a Digital Agency founded in 2014, which offers mainly services for the design and management of Digital ADV, SEM (Search Engine Marketing), SEA (Search Engine Advertising) and SEO (Search Engine Optimisation), Social Media Marketing, Remarketing and advanced Web Analytics campaigns, with a distinctly Data Driven and performance-oriented vision.

Warrant Hub and its subsidiaries offer mainly consulting services to companies that invest in productivity and innovation/R&D to obtain subsidised and integrated loans primarily from the Italian Ministry of Economic Development and the Regions, as well as the tools provided by the National Industry 4.0 Plan. BeWarrant and the *European Funding Division* of Warrant Hub support European projects for research, development or innovation, facilitating access to the European co-financing through dedicated programmes such as *Horizon 2020* (in the future *Horizon Europe*), *Life*, *SME Instruments* and *Fast Track to Innovation*. Warrant Hub offers specific support to companies in managing relations with banks and in analysing company ratings in order to identify the most critical variables on which to implement actions to improve the company in view of Basel 2. Warrant Innovation Lab focuses on promoting the sharing of knowledge, ideas, products, technologies and methodologies among companies, universities and research centres, in order to systematically generate and support industrial innovation. Privacy Lab, acquired in January 2020, operates in the sale of licenses, consulting, training and tools for managing GDPR compliance. On 11 November 2020, Warrant Hub S.p.A. finalised the acquisition of Euroquality SAS,



based in Paris, and its affiliate Europroject OOD ("Europroject"), based in Sofia (Bulgaria), consulting companies specialised in supporting their own customers in accessing European funds for innovation.

In January 2022, the Tinexta Group, through its subsidiary Warrant Hub S.p.A., acquired the majority of the Spanish company Evalúe Innovación SL ("Evalúe"), leader in consulting to companies for subsidised finance operations in support of innovation and development projects. The new acquisition strengthens the European vocation of Warrant Hub, already present in Belgium, France and Bulgaria, allowing it to exploit both commercial development potential – especially as regards opportunities linked to European finance – and industrial, starting a virtuous exchange of know-how and best practices. Evalúe boasts a widespread presence throughout the Spanish territory with offices in Valencia, Madrid, Barcelona, Seville and Murcia. The company offers support services for obtaining tax incentives for R&D and technological innovation projects and national and European subsidised finance services.

In March 2022, the Tinexta Group through its subsidiary Warrant Hub S.p.A. completed the acquisition of Enhancers S.p.A. (Enhancers). The transaction presents a high degree of complementarity between the Warrant Hub offer in the Digital Manufacturing area and the skills of Enhancers. In fact, the Warrant Innovation Lab facility, which currently operates in consultancy and project management activities in projects for the optimisation of digitisation processes, will be able to integrate its offer downstream with the development and implementation of the technological component. Enhancers, with offices in Turin and Bologna, combines design and planning activities, aimed at improving the user experience, with the creation of digital products and, in particular, the development of "task-oriented" digital systems (Digital Product Suite) and services aimed at manufacturing companies on products in the Internet of Things (IoT) and Human Machine Interface (HMI) fields.

In June 2022, again through its subsidiary Warrant Hub S.p.A., the Tinexta Group announced the acquisition of Plannet S.r.l. (Plannet). With this transaction, Warrant Hub completes its offering range of services in the Digital Manufacturing area with Plannet's specialised skills aimed at optimising supply chain control and planning processes. Plannet, based in Reggio Emilia and operating for twenty years, offers consultancy on process innovation and digitisation and operates through proprietary software products.

Forvalue S.p.A., acquired by the Group in July 2021 and transferred from Innolva S.p.A. to Warrant Hub S.p.A. in 2022, offers services and products through a network of partners to support business innovation, growth and the efficiency of management processes.

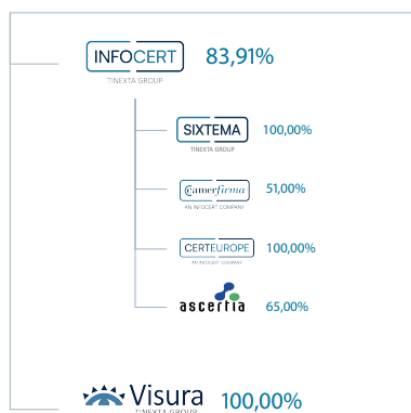
In February 2023, as part of the industrial growth project undertaken in recent years, Warrant Hub completed the merger by incorporation of the subsidiaries Enhancers S.p.A., Plannet S.r.l., PrivacyLab S.r.l., Trix S.r.l. and Warrant Innovation Lab S.r.l., creating the Digital Area. The merger represents further advances in the proposal of integrated consulting solutions and technologies to support the digital transition of companies and is aimed at simplifying the organisational structure, further increasing

the efficiency of operating processes and, above all, enhancing the strong business synergies between the different business areas. The Digital Area is a hub in which specific solutions and skills are concentrated for the design and implementation of innovation projects and digital transformation of processes, products and services, also with a view to 4.0: from the design and development of digital ecosystems and advanced human-centred IoT solutions to the optimisation of supply chain control and planning processes, also through proprietary software or through scouting and technology transfer activities and consultancy in the field of intangible assets.

Structure of the Tinexta Group, including only controlling interests held, at 30 September 2023:



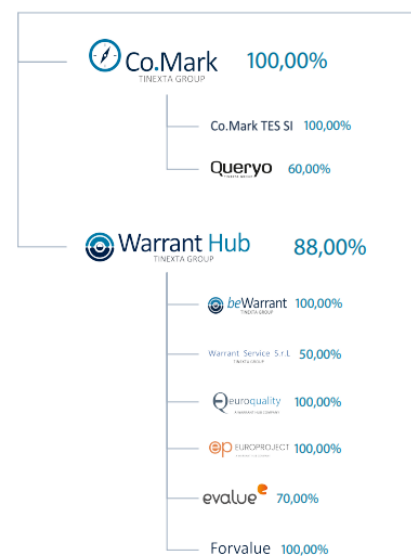
DIGITAL TRUST



CYBER SECURITY



BUSINESS INNOVATION



ALTRE PARTECIPAZIONI

TINEXTA DEFENCE S.R.L. 100,00%



## Key events of the period

An overview of the key events that occurred in the first nine months of 2023 is provided as follows:

- On **1 February 2023**, as part of the industrial growth project undertaken in recent years, Warrant Hub completed the merger by incorporation of the subsidiaries Enhancers S.p.A., Plannet S.r.l., PrivacyLab S.r.l., Trix S.r.l. and Warrant Innovation Lab S.r.l., creating the Digital Area. The merger represents further advances in the proposal of integrated consulting solutions and technologies to support the digital transition of companies and is aimed at simplifying the organisational structure, further increasing the efficiency of operating processes and, above all, enhancing the strong business synergies between the different business areas. The Digital Area is a hub in which specific solutions and skills are concentrated for the design and implementation of innovation projects and digital transformation of processes, products and services, also with a view to 4.0: from the design and development of digital ecosystems and advanced human-centred IoT solutions, to the optimisation of supply chain control and planning processes, also through proprietary software or through scouting and technology transfer activities and consultancy in the field of intangible assets.
- On **2 February 2023**, following the agreements signed on 27 October 2021, the investment of €100 million by Bregal Milestone in InfoCert was completed. Bregal Milestone made an investment of €70 million on 3 February 2022 and, within the term of 12 months envisaged by the agreements, paid an additional €30 million, reaching a stake of approximately 16.09% of the share capital of InfoCert.
- On **1 March 2023**, the merger by incorporation of the company Sferabit S.r.l. into Visura S.p.A. was completed. The production of legal effects was established by the deed of merger starting from 31 March 2023, with the accounting/balance sheet and tax effects backdated to 1 January 2023.
- On **7 March 2023**, following agreements signed on 30 May 2022, Tinexta S.p.A. finalised the transfer to CRIF S.p.A. of 95% of the share capital of RE Valuta S.p.A. for a consideration of €48.2 million. The total equity value was determined on the basis of an enterprise value for RE Valuta of €46 million, adjusted for the estimated net financial position at the closing. The parties agreed on a revision of the enterprise value of €4 million compared to the agreements of 30 May 2022, in consideration of the deterioration of the macro-economic conditions, which occurred and consolidated after the conclusion of the original agreements.
- On **7 March 2023**, InfoCert S.p.A. and CRIF S.p.A., a global company specialised in credit and business information systems, analytics, outsourcing and processing services as well as advanced digital solutions for business development and open banking, signed a partnership agreement with the aim of integrating the respective technological platforms in the KYC (Know Your Customer) area and with the aim of offering the market the most advanced solution for the identification, contracting and anti-money laundering check processes for the onboarding of customers in the

Financial Services area. InfoCert contributes to the partnership with vertical skills, the intellectual property of its 22 patents and the TOP® – Trusted Onboarding Platform for remote onboarding and contracting, adopted by over 120 customers in 30 countries and with over 20 million onboarding already completed as well as acquiring the CRIF Phygital software license relating to innovative solutions for the management of KYC processes for the onboarding of retail customers. For its part, CRIF brings its advanced analytical skills and proprietary credit & business information ecosystem to the partnership. Among the main benefits deriving from the partnership, in addition to the simplification of the offer, it should also be emphasised the convenience of being able to rely on a single integrated and packaged platform, equipped with advanced security features, suitable to meet the needs of customers of any size. In addition, the InfoCert-CRIF platform is already set up to support future European identity schemes based on digital wallets and identity credentials.

- On **20 March 2023**, Tinexta S.p.A., following the agreements entered into on 28 December 2022, established the wholly-owned vehicle called Tinexta Defence S.r.l. with a share capital of €25 thousand to implement the agreements for the purchase of 20% of the share capital of Defence Tech Holding S.p.A.
- On **17 April 2023**, in follow-up to the agreements signed on 28 December 2022, Tinexta S.p.A. finalised the acquisition of 20% of the capital of Defence Tech Holding S.p.A. Società Benefit ("Defence Tech" or the "Company") through a wholly-owned vehicle (Tinexta Defence S.r.l., "Tinexta Vehicle").

The transfer of the equity investment to Tinexta was finalised upon fulfilment of all the conditions precedent set forth in the related binding agreement, including the Golden Power authorisation and the attainment of confirmation from the Panel of Borsa Italiana S.p.A. regarding the non-existence of promoting a takeover bid following the signing of the Tinexta Call described below.

The purchase by the Tinexta Vehicle of 20% of the capital of Defence Tech (equal to approximately 5,108,571 shares) was made pro-rata by the reference shareholders, Comunimpresa S.p.A., GE.DA Europe S.r.l. and Starlife S.r.l. ("Starlife" and jointly the "Selling Shareholders"), at €4.9 per share, for a total consideration of approximately €25.0 million.

On the same date, the Selling Shareholders initiated a reverse accelerated bookbuilding transaction concerning the pro-rata purchase on the market of 1,428,571 shares (equal to approximately 5.6% of the share capital, or approximately 20% of the share currently held by the market) at the price of €4.9 per share.

On that same date, a call option was also stipulated, which can be exercised by the Tinexta Vehicle within 100 days from the date of approval by the Board of Directors of Defence Tech, of the consolidated financial statements of the Company at 31 December 2023 ("Call Tinexta") on a portion corresponding to the residual equity investments of the shareholders Comunimpresa S.p.A. and GE.DA S.r.l. The call price was defined as 2023 Adjusted EBITDA for a multiple of 12x, plus a pro rata Adjusted NFP. If the Tinexta Call option is not exercised, the shareholders Comunimpresa S.p.A. and GE.DA S.r.l. may exercise a call option on the Tinexta

share at the higher of the price paid by Tinexta at the time of purchase of 20% and the Tinexta Call price for the 20% share.

On that same date, a shareholders' agreement was also signed, replacing the one currently in force between the reference shareholders, containing provisions pertaining to the governance of Defence Tech. This agreement is aimed at allowing Defence Tech to continue the process of organic growth by implementing the business plan and protecting Tinexta's investment as well as the possible exercise of the Tinexta Call option. If the Tinexta Vehicle should decide to exercise the Tinexta Call, the Tinexta Vehicle would come to hold a percentage of the share capital of Defence Tech including (depending on the outcome of the RABB Transaction) between approximately 56.2% and approximately 60.1%. Comunimpresa and Ge.Da. would no longer hold any equity investment and Starlife would remain the owner of a percentage ranging (depending on the outcome of the RABB Transaction) between approximately 15.8% and approximately 17.5% (the "Starlife Shareholding").

The purchase of the shares subject to the Tinexta Call by the Tinexta Vehicle would give rise to the obligation on the part of the same to launch a takeover bid on all the shares of the Company pursuant to Article 106, paragraph 1, of the Italian Legislative Decree no. 58/98 ("Consolidated Finance Act"), as well as pursuant to Article 6-bis of the Euronext Growth Milan Regulation and Article 11 of the Company's Articles of Association (the "Takeover Bid" or the "Offer"). The takeover bid consideration, pursuant to Article 106, paragraph 2 of the Consolidated Finance Act, will not be lower than the price paid by the Offeror and by the parties acting together with the same for the purchase of shares in the twelve months prior to the occurrence of the obligation.

Lastly, on that same date, Tinexta, the Tinexta Vehicle and Starlife entered into an investment agreement (the "Investment Agreement") pursuant to which: (i) Starlife has undertaken - in the event that the Tinexta Vehicle should exercise the Tinexta Call, and should the purchases and sales subject to the Tinexta Call be finalised - to bring 3% of the share capital into the takeover bid (the "Investment Subject to Acceptance"), and with reference to the Residual Starlife Investment, subscribe, after the final payment date of the takeover bid, a share capital increase of the Company, freeing it up in full by transferring this investment into the Tinexta Vehicle. At the date of the transfer, shareholder agreements are also expected to be entered into between Tinexta and Starlife regulating the governance of the Tinexta Vehicle and of the Issuer and agreements concerning the relations between the top management and the Tinexta Vehicle, after Starlife's execution of the investment.

Lastly, provision is also made for a put & call option between Tinexta and Starlife – regarding the investment of Starlife in the Tinexta Vehicle – to be exercised in 2029, following the pursuit of the 2024-2028 plan, the period in which Defence Tech will be headed up by the current management. The 2029 put & call option will be measured at the fair market value of the Tinexta Vehicle.

- On **21 April 2023**, the Ordinary Shareholders' Meeting of Tinexta S.p.A.:
  - approved the financial statements at 31 December 2022;
  - approved the distribution to the Shareholders of a dividend of €0.51 gross for each outstanding share, for a total of €23,259,505.23. The dividend was paid from 7 June 2023, with ex-dividend date no. 9 on 5 June 2023 and record date



on 6 June 2023. The Shareholders' Meeting also approved to allocate the remaining part of the profit for the year for €2,291,090.87 to the legal reserve, and for €56,017,933.35 to retained earnings;

- approved the remuneration policy and approved the remuneration paid for the year 2022;
- approved the authorisation for the purchase and disposal of treasury shares, pursuant to Arts. 2357 et seq. of the Italian Civil Code and Art. 132 of the Consolidated Finance Act, also in several tranches, and on a revolving basis, up to a maximum number that, taking into account the Company's ordinary shares held from time to time in portfolio by the Company and its subsidiaries, does not exceed a total of more than 10% of the share capital, in accordance with the provisions of Art. 2357, paragraph 3 of the Italian Civil Code. At 21 April 2023, the Company held 1,727,445 treasury shares, equal to 3.659% of the share capital. The authorisation to carry out transactions for the purchase and disposal of treasury shares is to allow the purchase and disposal of the Company's ordinary shares, in accordance with applicable EU and national regulations and accepted market practices recognised by CONSOB, for the following purposes: (i) to dispose of treasury shares to be allocated in service of the existing and future share-based incentive plans in order to incentivise and retain employees, partners and directors of the Company, the subsidiaries and/or other categories of persons chosen at the discretion of the Board of Directors; (ii) to implement transactions such as the sale and/or exchange of treasury shares for acquisitions of equity investments, direct or indirect, and/or properties and/or to enter into agreements with strategic partners and/or to implement industrial projects or extraordinary finance operations, falling within the targets for expansion of the Company and of the Group; (iii) to complete subsequent purchase and sale operations of shares, within the limits of permitted market practices; (iv) to carry out, directly or by way of intermediaries, any stabilisation and/or support operations of the liquidity of the Company's stock in respect of permitted market practices; (v) to set up a "stockpile", useful in any future extraordinary financial transactions; (vi) to implement a medium- and long-term investment or in any case to grasp the opportunity to make a good investment, in view of the expected risk and return of alternative investments and also through the purchase and resale of shares when considered appropriate; (vii) to use surplus liquid resources. The duration of the authorisation to purchase is fixed for the maximum period provided for in the applicable legislation. The authorisation provides for the purchases of treasury shares to be carried out in compliance with legal and regulatory provisions, including those in Regulation (EU) 596/2014 and Delegated Regulation (EU) 2016/1052, as well as acceptable market practices at the time in force, where applicable. In any event, purchases must be made (i) at a price per share which shall not deviate downwards or upwards by more than 10% from the reference price recorded by the share during the trading session preceding each individual transaction; (ii) at a price which shall not exceed the higher of the price of the last independent transaction and the price of the highest current independent bid on the trading venue where the purchase is made. In view of the different purposes that can be served by transactions on treasury shares, authorisation is granted for purchases to be made, in compliance with the



principle of equal treatment of shareholders provided for in Article 132 of the Consolidated Finance Act, according to any of the methods set out in Article 144-bis of the Issuers' Regulations (including through subsidiaries), to be identified, on a case-by-case basis, at the discretion of the Board of Directors. For any further information on this regard, please refer to the Directors' report published on the Company's website [www.tinexta.com](http://www.tinexta.com), in the Governance Section;

- approved the new long-term incentive plan based on financial instruments called "2023-2025 Performance Shares Plan" addressed to the persons who will be identified among the Directors with proxies, the Key Management Personnel, and other employees with strategic roles of Tinexta S.p.A. and other companies it controls. The Plan is based on the assignment, free of charge, of rights to receive ordinary shares of the Company, subject to the occurrence of certain performance conditions;
  - appointed a new Tinexta S.p.A. alternate auditor.
- On **10 May 2023** the Board of Directors of Tinexta S.p.A.:
    - resolved to launch a buy-back programme in implementation of the authorisation approved by the Shareholders' Meeting on 28 April 2022 (the "Buy-back"). The Buy-back has the main aim of disposing of treasury shares to be allocated in service of current and future incentive plans in order to incentivise and retain employees, partners and directors of the Company, the subsidiaries and/or other categories of persons chosen at the discretion of the Board of Directors, without prejudice to the Board being able to contemplate further or other purposes for the Buy-back than those approved by the Shareholders' Meeting of 21 April 2023. The maximum number of shares to be purchased and the maximum amount allocated to the Buy-Back. In view of the limits set by the aforementioned meeting resolution of 21 April 2023, the purchases of treasury shares must be made to such an extent that, at any time, taking into account the Tinexta ordinary shares held at the time by the Company and its subsidiaries, those shares must not in total exceed 10% of the Company's share capital, i.e. 4,720,712 shares. To execute the Buy-back, the Company therefore aims to purchase a maximum of 832,254 shares. The Company mandated Banca IMI as an independent intermediary to carry out the Buy-back in full independence and in accordance with the constraints arising from applicable legislation and within the limits of the aforementioned resolutions. The buy-back transactions will be carried out in accordance with the principle of equal treatment of Shareholders provided by Art. 132 of the Consolidated Finance Act, in any way in the manner referred to in Art. 144-bis of the CONSOB Regulation (also through subsidiaries), to be identified from time to time. In addition, the purchase of shares may also be carried out in the manner envisaged by Art. 3 of the Commission Delegated Regulation (EU) No. 2016/1052 in order to benefit – if the presuppositions are in place – from the exemption under Art. 5, para. 1 of Regulation (EU) No. 596/2014 on market abuse with regard to the abuse of inside information and market manipulation. The purchase price of the shares will be determined from time to time for each individual transaction, provided that purchases will have to be made at a price per share that will not differ, nor decrease, or increase, by more than 10%

compared to the reference price recorded by the stock in the previous trading session each individual transaction and at a consideration that is not higher than the higher price between the price of the last independent transaction and the price of the highest current independent purchase offer present at the trading location where the purchase is made. The purchases of treasury shares, in one or more tranches and even on a revolving basis, must be made within 18 months of the date of the Shareholders' Meeting resolution. The duration of the authorisation to the disposal of the relative shares is without a time limit. The Company may proceed without any time constraints to the acts of disposal within the limits of what is allowed and from the normative and regulatory requirements and the permitted pro-tempore practices in force, where applicable, and by the Regulations issued by Borsa Italiana S.p.A., as well as in accordance with the objectives outlined above and with the Company's strategic guidelines that it intends to pursue. Any transactions made and the details will be communicated to the market in the terms and manner of the current regulations.

- provided to identify (i) the beneficiaries of the 2023-2025 LTI Performance Shares Plan approved by the Shareholders' Meeting of 21 April 2023, including the Chief Executive Officer and key management personnel, as well as (ii) the number of rights assigned to each beneficiary. Further assignments may be made in the first 18 months of the vesting period. The Board of Directors assigned a total of 473,890 rights to receive up to a maximum of 710,835 Company shares in case of maximum achievement of all performance targets.
- On **5 June 2023**, pursuant to the agreements signed on 29 June 2020, InfoCert S.p.A. exercised the option rights on the residual 20% of the share capital of Sixtema S.p.A., coming to hold 100% of the company. The consideration was defined at the conditions defined in the aforementioned agreements at €1,084 thousand.
- On **5 July 2023**, the Shareholders' Meetings of Warrant Hub S.p.A. and Co.Mark S.p.A. resolved on the merger by incorporation of Co.Mark S.p.A. into Warrant Hub S.p.A., which includes the determination of the correct swap ratio of Co.Mark S.p.A. shares leading to the equity investment of the minority shareholder of Warrant Hub S.p.A. to be reduced from 12.00% to 10.38%. Currently, the legal terms necessary for the preliminary steps required for the merger's legal effectiveness are pending, however the merger will have accounting and tax effectiveness from 1 January 2023.
- On **12 July 2023**, pursuant to the purchase agreement signed on 26 October 2021 between the French company Oodrive S.A.S., and InfoCert S.p.A., the purchase option was exercised on the remaining 40% of the share capital of CertEurope S.A.S., under the conditions defined in the aforementioned contract. Already holder of 60% of the share capital, InfoCert thus acquires full control of the CertEurope's share capital. The consideration for the purchase of 40% of the share capital amounts to approximately €30.6 million. Pursuant to the contract, the aforementioned option was exercisable following the approval of CertEurope's 2022 financial statements. The transaction was financed using own funds.

- On **17 July 2023**, a settlement agreement was signed relating to an investment agreement signed in 2020 as part of the Credit Information & Management division, through which Tinexta S.p.A. undertook, without recognition of the claims, to recognise an amount of €2 million settled by transfer of ownership to the counterparty of the equity investment in the share capital of FBS Next S.p.A. held by Tinexta. The share endorsement took place on 20 July 2023.
  
- On **19 July 2023**, Tinexta S.p.A. and Digital Magics, a certified business incubator listed on the Euronext Growth Milan market and a leader in technological innovation in Italy, today signed a term sheet for the launch of a Joint Venture, through the establishment of a newco joint venture, aimed at making investments aimed at high-potential digital start-ups. The funding necessary for the initiative will be provided by Tinexta through participatory financial instruments (PFIs) intended for future investments; the newco's deal-flow will be managed by a dedicated Digital Magics team through an advisory agreement. The joint venture partnership envisages investments including early-stage, seed stage and any subsequent follow-on in companies that develop digital technologies, also through artificial intelligence tools and solutions, in areas potentially related to the Tinexta Group's reference industries in an “open innovation” logic. Through this partnership, Tinexta intends to select investment opportunities in start-ups that, following a growth process, can contribute to providing functional solutions to innovate the Group's offer. The target companies will be mainly those where Digital Magics is already present, directly or indirectly, in the share capital, opening to investment in start-ups not already present in the portfolio and in which the JV and Digital Magics will invest together. The investment strategy will be guided by “ESG” criteria of primary interest to both the Tinexta Group and Digital Magics. Equity investments are planned in approximately 10 companies, with an average ticket of €250 thousand and possibilities for follow-on, for a total value of €5 million. The Joint Venture will have a duration of approximately 10 years, with an investment cycle of approximately 5 years.
  
- On **20 July 2023**, InfoCert S.p.A. finalised the purchase of 65% of the share capital of Ascertia Limited according to the terms set forth in the signing of **18 January 2023**. Ascertia is a leading player in the Digital Trust market. Based in London (UK), Ascertia also operates in the United Arab Emirates and Pakistan. Recognised by Gartner as a reference player in the PKI (Public Key Infrastructure), infrastructure necessary to implement public key cryptography solutions to protect communications, authentications and the integrity of digital transactions. Ascertia also offers digital signature products compliant with the eIDAS regulation and ETSI standards. Ascertia's customers include central banks, government agencies, financial organisations, corporates and large enterprises. The company has also established a consolidated business relationship with major global partners, which are an important accelerator for penetration into new geographies. Through this transaction, Tinexta therefore achieves several strategic objectives, with the development of industrial and commercial synergies, in particular:
  - strengthening its international presence by entering the UK, Middle East and North Africa markets;

- integrating new technological skills in the InfoCert perimeter, thanks to Ascertia's specialisation in PKI, in particular, which will enable offering customers a larger and more innovative offer portfolio;
- the possibility of reaching new markets by using the extensive sales network developed by Ascertia and a more technological offer that is independent from the individual jurisdictions.

Therefore, the Tinexta Group's international presence is strengthened, reaching new markets thanks to Ascertia's international customers and partners network, while new technological skills are integrated, in particular in the field of PKI (Public Key Infrastructure) and electronic signature, which complete the Digital Trust solutions offered by InfoCert.

The transaction involved the purchase of 65% of Ascertia's capital for a consideration of €16.3 million in addition to the net financial position. At the transaction closing, InfoCert S.p.A. paid €20.9 million plus adjustments estimated at €0.8 million. The agreement also includes two earn-outs totalling €6.8 million, based on the 2023 and 2024 performances, respectively, and a Put&Call on the remaining 35%, exercisable upon approval of the 2025 financial statements, resulting in the recognition of a indebtedness estimated at €22.1 million. The amounts shown above were converted at the exchange rate on the closing date (EUR 1 = GBP 0.8692).

At the closing date, a shareholders' agreement was signed, already defined between the parties, containing provisions relating to the governance of the Ascertia group and the circulation of the equity investments in Ascertia as well as agreements relating to relations with Ascertia's top management.

The acquisition of Ascertia was financed with the existing liquid assets.

- On **8 August 2023**, the company Wisee S.r.l. Società Benefit, 36.8% owned by Tinexta S.p.A. and consolidated using the equity method, was placed in voluntary liquidation. Registration on the companies register took place on 31 August 2023.

### Definition of "non-GAAP" alternative performance indicators

Tinexta management evaluates the performance of the Group and of the business segments also on the basis of a number of indicators not envisaged by the IFRS. With regard to said indicators, on 3 December 2015, CONSOB issued Communication no. 0092543/15, authorising application of the Guidelines issued on 5 October 2015 by the European Securities and Markets Authority (ESMA/2015/1415), regarding their presentation in the regulated information disclosed or in the statements published starting from 3 July 2016. These guidelines are intended to promote the usefulness and transparency of the alternative performance indicators included in the regulated information or in the statements falling within the scope of application of Directive 2003/71/EC, in order to improve their comparability, reliability and comprehensibility, when such indicators are not defined or envisaged by the financial reporting framework. The criteria used to calculate these indicators are provided below, in line with the aforementioned communications.



**EBITDA:** is calculated as "Net profit (loss) from continuing operations" before "Taxes", "Net financial income (charges)", "Share of profit of equity-accounted investments", "Amortisation and depreciation", "Provisions" and "Impairment", or as "Revenues" net of "Costs of raw materials", "Service costs", "Personnel costs", "Contract costs" and "Other operating costs".

**Adjusted EBITDA:** is calculated as EBITDA before the cost relating to the share-based payments and long-term incentive plans reserved for the Group's key management personnel, both recognised under "Personnel costs", and before the non-recurring components.

**Operating profit:** although the IFRS do not contain a definition of Operating profit, it is presented in the Statement of Profit or Loss and other comprehensive income and is calculated by subtracting "Amortisation/depreciation", "Provisions" and "Impairment" from EBITDA.

**Adjusted operating profit:** is calculated as "Operating profit" before the non-recurring components, before the cost relating to the share-based payments and long-term incentive plans reserved for the Group's key management personnel, and before the amortisation of Other intangible assets that emerged at the time of allocation of the price paid in Business Combinations.

**Adjusted net profit from continuing operations:** is calculated as "Net profit from continuing operations" before non-recurring elements, net of the cost relative to the share-based payments and long-term incentive plans reserved for the Group's key management personnel, amortisation of Other intangible assets that emerged at the time of allocation of the price paid in Business Combinations, and before the adjustment of liabilities for contingent considerations related to the acquisitions, net of the related tax effects. This indicator reflects the Group's economic performance, net of non-recurring factors that are not directly attributable to the activities and operation of its business.

**Adjusted earnings per share:** obtained from the ratio of *Adjusted net profit* and the weighted average number of ordinary shares outstanding during the year.

**Total financial indebtedness (also Net financial indebtedness):** is calculated in accordance with CONSOB Communication no. 6064293 of 28 July 2006 and in compliance with the Warning Notice no. 5/21 issued by CONSOB on 29 April 2021 with reference to the Guideline ESMA32-382-1138 dated 4 March 2021, by adding together "Cash and cash equivalents", "Other current financial assets" and "Current derivative financial instruments receivable", "Non-current derivative financial instruments receivable<sup>4</sup>", "Current financial liabilities", "Derivative financial instruments payable", "Non-current financial liabilities" and "Assets (Liabilities) held for sale".

**Total adjusted financial indebtedness:** is calculated by adding to the *Total financial indebtedness* the amount of "Other non-current financial assets" and "Non-current derivative financial instruments receivable<sup>5</sup>".

**Free cash flow:** represents the cash flow available for the Group and is the sum of the cash flow from operating activities and the cash flow from ordinary investments in fixed capital. It is equal to the sum of "Net cash and cash equivalents generated by operations" and the sum of "Investments in property, plant and equipment" and "Investments in intangible

<sup>4</sup> Limited to derivative instruments used for hedging purposes on financial liabilities

<sup>5</sup> Limited to derivative instruments used for non-hedging purposes on financial liabilities

assets" (with the exception of non-ordinary investments) included in the Statement of Cash Flows.

**Adjusted free cash flow:** calculated as Free cash flow gross of cash flows from non-recurring components.

**Free cash flow from continuing operations:** represents the cash flow available for the Group and is the sum of the cash flow from operating activities of continuing operations and the cash flow from ordinary investments in fixed capital of continuing operations. It is equal to the sum of "Net cash and cash equivalents generated by continuing operations" and the sum of "Investments in property, plant and equipment" and "Investments in intangible assets" (with the exception of non-ordinary investments) of continuing operations included in the Statement of Cash Flows.

**Adjusted free cash flow from continuing operations:** calculated as Free cash flow from continuing operations gross of cash flows from non-recurring components.

**Net fixed assets:** this is the algebraic sum of:

- "Property, plant and equipment";
- "Intangible assets and goodwill";
- "Investment property";
- "Equity-accounted investments";
- "Other investments";
- "Non-current financial assets"<sup>6</sup>.

**Net working capital:** this is the algebraic sum of:

- + "Inventories";
- + Current and non-current "Trade and other receivables";
- + "Contract assets";
- + "Contract cost assets";
- + "Current and deferred tax assets";
- Current and non-current "Trade and other payables";
- "Contract liabilities" and "Deferred income";
- "Current and deferred tax liabilities".

**Total net working capital and provisions:** this is the algebraic sum of:

- + "Net working capital" as determined above;
- Current and non-current "Provisions";
- Current and non-current "Employee benefits".

**Net invested capital:** is the algebraic sum of "Net fixed assets", "Total net working capital and provisions" and "Non-financial assets (liabilities) held for sale".

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<sup>6</sup> With the exception of derivative instruments used for non-hedging purposes on financial liabilities



## Summary of results at 30 September 2023

The Group closed the first nine months of 2023 with Revenues of €269,547 thousand. Adjusted EBITDA amounted to €56,898 thousand, or 21.1% of revenues. EBITDA amounted to €51,121 thousand, equal to 19.0% of revenues. Operating profit and Net profit from continuing operations amounted to €21,655 thousand and €12,324 thousand, respectively, equal to 8.0% and 4.6% of revenues. Net profit, which includes Profit (loss) from discontinued operations, amounted to €48,473 thousand.

Condensed Consolidated Income Statement (In thousands of Euro)	30/09/2023	%	30/09/2022 Restated <sup>7</sup>	%	Change	% change
Revenues	269,547	100.0%	246,669	100.0%	22,877	9.3%
Adjusted EBITDA	56,898	21.1%	54,779	22.2%	2,119	3.9%
EBITDA	51,121	19.0%	48,873	19.8%	2,248	4.6%
Operating profit (loss)	21,655	8.0%	23,629	9.6%	(1,974)	-8.4%
Net profit from continuing operations	12,324	4.6%	14,733	6.0%	(2,409)	-16.3%
Profit (loss) from discontinued operations	36,149	N/A	45,465	N/A	(9,316)	-20.5%
Net profit	48,473	N/A	60,198	N/A	(11,725)	-19.5%

Revenues increased compared to the first nine months of 2022 by €22,877 thousand or 9.3%, adjusted EBITDA by €2,119 thousand or 3.9%, EBITDA by €2,248 thousand or 4.6%, Operating profit decreased by €1,974 thousand or 8.4%, as well as Net profit from continuing operations by €2,409 thousand or 16.3%. Net profit, which includes Profit (loss) from discontinued operations, decreased by €11,725 thousand and includes the net capital gain realised from the sale of RE Valuta S.p.A. amounting to €37,629 thousand.

The results for the period include the contribution of the acquisitions: Enhancers S.p.A. (consolidated from 1 April 2022 and merged into Warrant Hub S.p.A. with retroactive effect to 1 January 2023), Sferabit S.r.l. (consolidated from 1 May 2022 and merged into Visura S.p.A. with retroactive effect to 1 January 2023), Plannet S.r.l. (consolidated from 1 July 2022 and merged into Warrant Hub S.p.A. with retroactive effect to 1 January 2023), LAN&WAN Solutions S.r.l. (consolidated from 1 July 2022 and merged into Corvallis S.r.l. effective from 1 January 2023) and Ascertia Ltd (and its subsidiaries) consolidated from 1 August 2023. The contribution of Ascertia Ltd (and its subsidiaries) is shown below as a change in scope, while following the aforementioned mergers, the contribution to the 2023 results of the acquisitions finalized during 2022 cannot be precisely measured and reported as a change in scope.

<sup>7</sup> The comparative figures of the first nine months of 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalue Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

Income Statement for the first nine months of 2023 compared with the same period of the previous year:

Consolidated Income Statement (In thousands of Euro)	30/09/2023	%	30/09/2022 Restated	%	Change	% change
<b>Revenues</b>	<b>269,547</b>	<b>100.0%</b>	<b>246,669</b>	<b>100.0%</b>	<b>22,877</b>	<b>9.3%</b>
Costs of raw materials	(12,514)	-4.6%	(9,834)	-4.0%	(2,680)	27.3%
Service costs	(79,464)	-29.5%	(75,386)	-30.6%	(4,078)	5.4%
Personnel costs	(114,630)	-42.5%	(101,327)	-41.1%	(13,303)	13.1%
Contract costs	(4,122)	-1.5%	(3,294)	-1.3%	(828)	25.1%
Other operating costs	(1,919)	-0.7%	(2,050)	-0.8%	131	-6.4%
<b>Total Operating Costs*</b>	<b>(212,649)</b>	<b>-78.9%</b>	<b>(191,891)</b>	<b>-77.8%</b>	<b>(20,758)</b>	<b>10.8%</b>
<b>Adjusted EBITDA</b>	<b>56,898</b>	<b>21.1%</b>	<b>54,779</b>	<b>22.2%</b>	<b>2,119</b>	<b>3.9%</b>
LTI incentive plans**	(2,897)	-1.1%	(1,242)	-0.5%	(1,655)	133.3%
Non-recurring components	(2,879)	-1.1%	(4,664)	-1.9%	1,784	-38.3%
<b>EBITDA</b>	<b>51,121</b>	<b>19.0%</b>	<b>48,873</b>	<b>19.8%</b>	<b>2,248</b>	<b>4.6%</b>
Amortisation/depreciation of rights of use	(3,985)	-1.5%	(4,068)	-1.6%	83	-2.0%
Depreciation of property, plant and equipment	(1,642)	-0.6%	(1,804)	-0.7%	162	-9.0%
Amortisation of intangible assets	(7,369)	-2.7%	(4,150)	-1.7%	(3,219)	77.6%
Amortisation of other intangible assets from consolidation	(13,456)	-5.0%	(13,009)	-5.3%	(447)	3.4%
Provisions	(468)	-0.2%	(904)	-0.4%	436	-48.3%
Impairment	(2,546)	-0.9%	(1,309)	-0.5%	(1,237)	94.5%
<b>Amortisation and depreciation, provisions and impairment</b>	<b>(29,466)</b>	<b>-10.9%</b>	<b>(25,244)</b>	<b>-10.2%</b>	<b>(4,222)</b>	<b>16.7%</b>
<b>Operating profit</b>	<b>21,655</b>	<b>8.0%</b>	<b>23,629</b>	<b>9.6%</b>	<b>(1,974)</b>	<b>-8.4%</b>
Financial income	4,736	1.8%	182	0.1%	4,554	2501.1%
Financial charges	(6,776)	-2.5%	(4,349)	-1.8%	(2,427)	55.8%
<b>Net financial charges</b>	<b>(2,040)</b>	<b>-0.8%</b>	<b>(4,167)</b>	<b>-1.7%</b>	<b>2,127</b>	<b>-51.0%</b>
Result of equity-accounted investments	(118)	0.0%	(142)	-0.1%	25	-17.3%
<b>Profit before tax</b>	<b>19,497</b>	<b>7.2%</b>	<b>19,320</b>	<b>7.8%</b>	<b>178</b>	<b>0.9%</b>
Income taxes	(7,173)	-2.7%	(4,587)	-1.9%	(2,586)	56.4%
<b>Net profit from continuing operations</b>	<b>12,324</b>	<b>4.6%</b>	<b>14,733</b>	<b>6.0%</b>	<b>(2,409)</b>	<b>-16.3%</b>
Profit (loss) from discontinued operations	36,149	N/A	45,465	N/A	(9,316)	-20.5%
<b>Net profit</b>	<b>48,473</b>	<b>N/A</b>	<b>60,198</b>	<b>N/A</b>	<b>(11,725)</b>	<b>-19.5%</b>
<i>of which minority interests</i>	<i>3,370</i>	<i>N/A</i>	<i>18</i>	<i>N/A</i>	<i>3,352</i>	<i>18456.9%</i>

\* *Operating Costs* are stated net of non-recurring components and net of the cost relating to the share-based payments and long-term incentive plans reserved for the Group's key management personnel, both recognised under "Personnel costs".

\*\* The Cost of LTI incentive plans includes the cost of share-based payment and long-term incentive plans to managers and key management personnel of the Group, both recognised under "Personnel costs".

**Revenues** increased from €246,669 thousand in the first nine months of 2022 to €269,547 thousand in the first nine months of 2023, with a growth of €22,877 thousand or 9.3%. The increase in revenues attributable to organic growth was 8.6% (€21,206 thousand), the change in the scope of consolidation was 0.7% (€1,671 thousand).

**Operating costs** increased from €191,891 thousand in the first nine months of 2022 to €212,649 thousand in the first nine months of 2023, with an increase of €20,758 thousand or 10.8%. The increase in Operating costs attributable to organic growth was 9.9% (€19,042 thousand), the change in the scope of consolidation was 0.9% (€1,716 thousand).

**Adjusted EBITDA** rose from €54,779 thousand in the first nine months of 2022 to €56,898 thousand in the first nine months of 2023, with an increase of €2,119 thousand, or 3.9%. The increase in adjusted EBITDA attributable to organic growth was 4.0% (€2,164 thousand).

**EBITDA** increased from €48,873 thousand in the first nine months of 2022 to €51,121 thousand in the first nine months of 2023, with an increase of €2,249 thousand or 4.6%. The increase in EBITDA attributable to organic growth was 4.7% (€ 2,293 thousand).

The items **Amortisation, depreciation, provisions and impairment** for a total of €29,466 thousand (€25,244 thousand in the first nine months of 2022) include €13,456 thousand of Amortisation of *other intangible assets from consolidation* that emerged during the allocation of the price paid in the Business Combinations (€13,009 thousand in the first nine months of 2022), mainly of the Cybersecurity, CertEurope, Evalua Innovación, Warrant Hub, Forvalue and Queryo (this does not include depreciation and amortisation that may arise from the completion of the Business Combination of Ascertia and of its subsidiaries, whose recognition may result in a restatement of balances after the date of first consolidation). *Provisions* for risks decreased by €436 thousand. *Impairment* increased by €1,237 thousand and are mainly attributable to trade receivables and also include non-recurring write-downs on properties amounting to €197 thousand.

**Net financial charges** for the first nine months of 2023 amounted to €2,040 thousand, a significant decrease compared to the same period of 2022 (€4,167 thousand). The increase of €4,554 thousand in **Financial income** includes interest accrued on short-term investments of liquidity (time deposits) for €2,425 thousand, income for adjustment of potential considerations for €959 thousand and non-recurring financial income for €279 thousand, while the increase in **Financial charges** was affected by the higher interest expense for leases mainly attributable to the new lease contracts of the offices in Rome and Milan signed in the second half of 2022 and to non-recurring impairment on equity investments consolidated with the equity method for €1,313 thousand. The balance of interest income/expense in the first nine months of 2023 was negative for €1,346 thousand (€2,802 thousand in the first nine months of 2022).

**Income taxes**, calculated based on the tax rates envisaged for the year by the current tax laws, amounted to €7,173 thousand (€4,587 thousand in the first nine months of 2022). The *tax rate* is 36.8%. The *tax rate* for the first nine months of 2022 was 23.7%, mainly related to the tax relief benefit (pursuant to Art. 15, paragraph 10 of Italian Legislative Decree no. 185/2008) of statutory/fiscal value differentials for a total of €2,733 thousand. Net of this benefit, the *tax rate* for the first nine months of 2022 would have been 37.9%.

**Net profit from continuing operations** in the first nine months of 2023 amounted to €12,324 thousand compared to €14,733 thousand in the same period of 2022, down by 16.3%.

**Profit (loss) from discontinued operations** of €36,149 thousand in the first nine months of 2023 includes the capital gain realised from the sale of RE Valuta S.p.A. and the economic values of the same until the closing of the sale (until February 2023) including the effects of a settlement agreement concluded in July, for €2,000 thousand, relating to the Investment Agreement signed in 2020 as part of the Credit Information & Management division.

The Profit (loss) from discontinued operations in the first nine months of 2022 included the income statement values of the Innolva S.p.A. Group (whose sale was completed in 2022) and RE Valuta S.p.A.

Details of Profit (loss) from discontinued operations:

	<i>nine-month period ended 30 September</i>	
<i>In thousands of Euro</i>	2023	2022
<b>Revenues</b>	2,186	42,787
<b>Operating costs</b>	(4,115)	(36,767)
<b>OPERATING PROFIT</b>	<b>(1,929)</b>	<b>6,020</b>
Financial income	1	132
Financial charges	(0)	(345)
<b>Net financial income (charges)</b>	<b>1</b>	<b>(213)</b>
Share of profit of equity-accounted investments, net of tax effects	0	(29)
<b>Profit (loss) from discontinued operations, gross of tax effects</b>	<b>(1,928)</b>	<b>5,778</b>
Income taxes	447	(1,678)
<b>GAINS (LOSSES) FROM DISCONTINUED OPERATIONS, NET OF TAX EFFECTS (A)</b>	<b>(1,481)</b>	<b>4,100</b>
Capital gain on disposal	38,067	42,050
Tax effect of capital gains	(438)	(685)
<b>NET CAPITAL GAIN ON DISPOSAL (B)</b>	<b>37,629</b>	<b>41,365</b>
<b>PROFIT (LOSS) FROM DISCONTINUED OPERATIONS (A+B)</b>	<b>36,149</b>	<b>45,465</b>

In the first nine months of 2023, **Losses from discontinued operations net of the tax effect** amounted to €1,481 thousand and benefited from lower amortisation of intangible assets and depreciation of property, plant and equipment recognised at 31 May 2022, the date the different presentation of the Credit Information & Management division's contribution begins. The decrease in Profit (loss) from discontinued operations was affected by:

- Deconsolidation of the Innolva Group at 31 July 2022;
- Deconsolidation of RE Valuta S.p.A. at 28 February 2023;
- Accounting for the settlement agreement concluded in July for €2,000 thousand.

The **Net capital gain** from the sale of the RE Valuta S.p.A. amounted to €37,629 thousand.

**Net profit** in the first nine months of 2023 was €48,473 thousand (of which €3,370 thousand from minority interests) compared to €60,198 thousand in the first nine months of 2022.

### **Adjusted income statement results**

*Adjusted* income statement results calculated before the non-recurring components, before the cost relating to share-based payments and long-term incentive plans reserved for the Group's key management personnel, before the amortisation of Other intangible assets that emerged at the time of allocation of the price paid in Business Combinations, and before the adjustment of liabilities for contingent considerations related to the acquisitions, net of related tax effects and net of "Profit (loss) from discontinued operations". These indicators

reflect the Group's economic performance, excluding non-recurring factors not strictly related to the activities and management of the business.

<i>Adjusted Income Statement</i>						
<i>(In thousands of Euro)</i>	30/09 2023	%	30/09 2022 Restated	%	Change	% change
Revenues	269,547	100.0%	246,669	100.0%	22,877	9.3%
Adjusted EBITDA	56,898	21.1%	54,779	22.2%	2,119	3.9%
Adjusted operating profit	41,085	15.2%	42,543	17.2%	(1,458)	-3.4%
Adjusted net profit from continuing operations	27,766	10.3%	27,596	11.2%	169	0.6%

*Adjusted* results show an increase in EBITDA compared to the first nine months of 2022 of 3.9%, a decrease in Operating profit of 3.4% and increase in Net profit from continuing operations of 0.6%.

### Non-recurring components

Over the course of the first nine months of 2023, *Non-recurring operating costs* of €2,879 thousand were recognised, of which €1,231 thousand for acquisitions of target companies and €1,261 thousand for reorganisation activities.

In the first nine months of 2023, *Non-recurring impairment* of €198 thousand were recognised on owned properties and rights of use.

*Non-recurring financial charges* include impairment on equity investments consolidated using the equity method for €1,313 thousand, of which €985 thousand for the adjustment of the portion pertaining to the shareholders' equity of Wisee S.r.l. Società Benefit due to the company being placed into liquidation in the third quarter and €259 thousand relating to the adjustment of the value of the equity investments in FBS Next S.p.A. to the aforementioned settlement agreement, which envisages the settlement for the sum of €2 million taking place through the granting to the counterparty of the ownership of the share capital of FBS Next S.p.A. held by Tinexta. *Non-recurring financial income* includes €279 thousand for impairment of price extensions related to acquisitions.

*Non-recurring taxes* include non-recurring income of €703 thousand, relating to the tax effect on non-recurring components of the result before tax.

In the first nine months of 2022, *Non-recurring operating costs* of €4,664 thousand were recorded and income under *Non-recurring taxes* amounted to €3,546 thousand.

### LTI incentives and plans

The costs recognised, amounting to €2,897 thousand, refer to the 2020-2022 Stock Option Plan as detailed in the paragraph **2020-2022 Stock Option Plan** for €790 thousand, to the 2021-2023 Stock Option Plan as detailed in the paragraph **2021-2023 Stock Option Plan** for €794 thousand, the Performance Shares Plan as detailed in the paragraph **2023-2025 Performance Shares Plan** for €1,088 thousand and costs for long-term incentives to managers and key management personnel of the Group for €225 thousand.



## Amortisation of Other intangible assets from Business Combinations

The amortisation of *Other intangible assets* that emerged at the time of the allocation of the price paid in Business Combinations came to €13,456 thousand (€13,009 thousand in the same period of the previous year).

## Adjustment of the contingent considerations connected to acquisitions

Adjustments of the contingent considerations connected to acquisitions entailed the recognition of *Net financial income* for €30 thousand (€1,309 thousand in *Net financial charges* in the same period of the previous year).

Method of calculation of the *adjusted* economic indicators:

Calculation of adjusted economic results <i>(In thousands of Euro)</i>	EBITDA		Operating profit (loss)		Net profit from continuing operations	
	30/09/2023	30/09/2022 Restated	30/09/2023	30/09/2022 Restated	30/09/2023	30/09/2022 Restated
<b>Reported income statement results</b>	<b>51,121</b>	<b>48,873</b>	<b>21,655</b>	<b>23,629</b>	<b>12,324</b>	<b>14,733</b>
Non-recurring service costs	(1,953)	3,858	(1,953)	3,858	(1,953)	3,858
LTI incentive plans	2,897	1,242	2,897	1,242	2,897	1,242
Non-recurring personnel costs	550	727	550	727	550	727
Other non-recurring operating costs	376	79	376	79	376	79
Amortisation of Other intangible assets from consolidation			13,456	13,009	13,456	13,009
Non-recurring impairment			198	0	198	0
Non-recurring financial income					(279)	0
Adjustment of contingent consideration					(30)	1,309
Non-recurring financial charges					1,313	0
Tax effect on adjustments					(4,993)	(4,627)
Non-recurring taxes					0	(2,733)
<b>Adjusted income statement results</b>	<b>56,898</b>	<b>54,778</b>	<b>41,085</b>	<b>42,543</b>	<b>27,766</b>	<b>27,596</b>
<i>Change from previous year</i>	<i>3.9%</i>		<i>-3.4%</i>		<i>0.6%</i>	



## Results by business segment

Condensed Income Statement by business segment (In thousands of Euro)	30/09/2023	EBITDA MARGIN 30/09/2023	30/09/2022 Restated	EBITDA MARGIN 30/09/2022	Change	% change		
						Total	Organic	Scope of consolidation
<b>Revenues</b>								
Digital Trust	130,244		113,883		16,362	14.4%	12.9%	1.5%
Cybersecurity	62,747		54,729		8,018	14.7%	14.7%	0.0%
Business Innovation	80,550		79,671		879	1.1%	1.1%	0.0%
Other segments (Parent Company)	3,233		2,345		888	37.9%	37.9%	0.0%
Intra-segment	(7,227)		(3,958)		(3,269)	82.6%	82.6%	0.0%
<b>Total Revenues</b>	<b>269,547</b>		<b>246,669</b>		<b>22,877</b>	<b>9.3%</b>	<b>8.6%</b>	<b>0.7%</b>
<b>EBITDA</b>								
Digital Trust	34,460	26.5%	30,529	26.8%	3,932	12.9%	13.0%	-0.1%
Cybersecurity	7,227	11.5%	4,454	8.1%	2,773	62.3%	62.3%	0.0%
Business Innovation	21,174	26.3%	26,037	32.7%	(4,863)	-18.7%	-18.7%	0.0%
Other segments (Parent Company)	(11,796)	N/A	(12,031)	N/A	235	2.0%	2.0%	0.0%
Intra-segment	57	N/A	(116)	N/A	172	148.9%	148.9%	0.0%
<b>Total EBITDA</b>	<b>51,121</b>	<b>19.0%</b>	<b>48,873</b>	<b>19.8%</b>	<b>2,248</b>	<b>4.6%</b>	<b>4.7%</b>	<b>-0.1%</b>

Adjusted condensed Income Statement by business segment (In thousands of Euro)	30/09/2023	EBITDA MARGIN 30/09/2023	30/09/2022 Restated	EBITDA MARGIN 30/09/2022	Change	% change		
						Total	Organic	Scope of consolidation
<b>Revenues</b>								
Digital Trust	130,244		113,883		16,362	14.4%	12.9%	1.5%
Cybersecurity	62,747		54,729		8,018	14.7%	14.7%	0.0%
Business Innovation	80,550		79,671		879	1.1%	1.1%	0.0%
Other segments (Parent Company)	3,233		2,345		888	37.9%	37.9%	0.0%
Intra-segment	(7,227)		(3,958)		(3,269)	82.6%	82.6%	0.0%
<b>Total Revenues</b>	<b>269,547</b>		<b>246,669</b>		<b>22,877</b>	<b>9.3%</b>	<b>8.6%</b>	<b>0.7%</b>
<b>EBITDA</b>								
Digital Trust	37,660	28.9%	32,801	28.8%	4,859	14.8%	14.9%	-0.1%
Cybersecurity	7,961	12.7%	4,774	8.7%	3,187	66.8%	66.8%	0.0%
Business Innovation	22,127	27.5%	27,733	34.8%	(5,606)	-20.2%	-20.2%	0.0%
Other segments (Parent Company)	(10,761)	N/A	(10,414)	N/A	(347)	-3.3%	-3.3%	0.0%
Intra-segment	(89)	N/A	(116)	N/A	27	23.2%	23.2%	0.0%
<b>Total Adjusted EBITDA</b>	<b>56,898</b>	<b>21.1%</b>	<b>54,778</b>	<b>22.2%</b>	<b>2,119</b>	<b>3.9%</b>	<b>4.0%</b>	<b>-0.1%</b>

### Digital Trust

Revenues of the Digital Trust segment amounted to €130,244 thousand, an increase compared to the first nine months of 2022 equal to 14.4%, in absolute value €16,362 thousand, attributable for 12.9% to organic growth and for the 1.5% to the change in the scope of consolidation, due to the consolidation of Ascertia Ltd and its subsidiaries from 1

August 2023. Organic growth includes the effects of the consolidation of SferaBit by Visura for €0.4 million and the results of the strategic partnership between InfoCert and CRIF for the launch of an integrated onboarding platform and KYC in the financial services area.

The BU operates mainly in the Digital Trust market, which is expected to experience a growth in the years 2023-2025 with a double-digit CAGR and whose value is estimated in 2023 at over €2 billion.

The sustained growth in the first nine months of the year was driven by the LegalMail, LegalCert and LegalInvoice solutions of the OTS area in the Public Administration market, thanks to the economic support deriving from the NRRP resources. The performance of the foreign subsidiaries Camerfirma and CertEurope (whose products fall under the LegalCert category) contributed to the growth. At international level, the growth path continues through the direct sale of solutions to European customers. The E-Commerce market recorded a strong growth, also due to the price increase implemented to mitigate inflationary impacts.

During the third quarter of the year, the outsourced Infocert datacentre migration process was concluded, an operation that will allow for greater scalability, an improved offer for customers as well as cost optimisations over time. Investments also continued for the development of portfolio products intended for national and international markets, aimed at reference regulations adaptation as well as integration with Cybersecurity functions.

Adjusted EBITDA for the segment amounted to €37,660 thousand, up by €4,859 thousand compared to the first nine months of 2022 (+14.8%) and a margin of 28.9% on revenues (28.8% in the first nine months of 2022). The continuous improvement of marginal profitability is determined by the increase in revenues and the growth of products and solutions characterised by a high standard of innovation.

## Cybersecurity

The *Cybersecurity* segment revenues amounted to €62,747 thousand, an increase of 14.7% compared to the first nine months of 2022, in absolute value €8,018 thousand.

The BU operates in the Cybersecurity market, developing its offer on Digital Transformation project activities, where a positive growth trend is confirmed for the years 2023-2025. The total value of the reference markets (Cybersecurity and Digital Transformation) is estimated, for the year 2023, at approximately €80 billion, of which €2.3 billion with a CAGR of 8% relating only to the Cybersecurity market.

In this scenario, the Cybersecurity BU closed the first nine months of the year with clear growth with all three subsidiaries operating on the market. The growth in revenues, up approximately 15% compared to the previous year, is predominantly observed in the Cybersecurity area in the Advisory, Implementation Services and Managed Security Services components.

The Cybersecurity BU continued to develop its business in line with the strategic guidelines defined for 2023 aimed at a service offering for its Customers' end-to-end security management. From this point of view, the main results derived from the "Asset Based" services, both in the context of "Managed Security Services" (with Swanscan's SOC-H24 and Yoroi's CSDC services) and of "Implementation Services". The development of the "Asset Based" offering took place through proprietary solutions and by integrating third-party solutions.

In line with this strategy, in the first part of the year a partnership with Google Cloud was activated, which allows the companies of the Cybersecurity BU (Corvallis, Swascan and Yoroi) to offer its customers Google Cloud Integrated Chronicle SIEM (Security Information and Event Management) integrated with its own Threat Intelligence and SOC services. The agreement is now fully operational and marketing activities run in conjunction with Google are underway for business development, which is continuing in accordance with initial expectations. Also due to the contribution of this strategic partnership, the Cyber BU achieved excellent results, a marked growth compared to the previous year, also in the area of managed services (SocH24 and CSDC) with an overall order for the period, for only two services, of over €6.5 million. This result allows the Cyber BU to increasingly consolidate its cybersecurity reference position in Italy.

As regards the Advisory offering, the first nine months of the year recorded excellent results in terms of orders for the new Cyber Threat Intelligence (CTI) of Swascan, developed in the internal laboratories and already operating at numerous Customers. Again in the Advisory segment, through Yoroi, the BU increased its activities in the "Compliance" area, intercepting new regulatory requirements in the Finance area such as the DORA regulation. Furthermore, "Incident Response" and "Digital Forensic" services were also consolidated as market leaders.

Positive market feedback was also confirmed in relation with the convergence strategy of "Digital Trust" and "Cybersecurity" services, which together represent an important competitive advantage for the Group. Launched in 2022 (Legalmail Security Premium, Mail defender), this commercial proposal also continued in 2023 with the launch of the offering, in the third quarter of the year, of the DNS Defence service on the InfoCert online store; this offering is gathering significant interest in the market.

Within the Digital Transformation market, where Corvallis mainly operates, confirming its market positioning, after multi-year renewals of contracts and project activities with leading banking and insurance institutions, in the third quarter Corvallis successfully launched numerous project initiatives with customers aimed at technological but also functional and process innovation.

Adjusted EBITDA for the segment amounted to €7,961 thousand, a significant increase (+66.8%) compared to the first nine months of 2022 of €3,187 thousand, recording a significant improvement in profitability in percentage terms that rose from 8.7% to 12.7% of Revenues. The above described result is attributable not only to the growth in revenues, but also to the improved margins achieved on proprietary products and services sales, particularly in the Advisory and MSS business areas.

## Business Innovation

Revenues of the *Business innovation* segment amounted to €80,550 thousand, an increase of 1.1% compared to the first nine months of 2022, or €879 thousand in absolute terms.

During the first nine months of 2023, Warrant Hub completed its corporate rationalisation started in 2022 with the merger on 30 January 2023 of the companies Warrant Innovation Lab, Trix, Enhancers, Plannet and Privacy Lab. The reorganisation process supports the project to integrate the new Digital component in the proposition of services. This integration, which led to the creation of a reference digital skills hub in the Manufacturing area, is receiving a positive response from the reference market.

In 2023 the market for innovation-facilitating services, where Warrant Hub continues to hold a leadership position in Italy, was characterised by a reduction in rates and in the subsequent revenues, as had been expected. In addition, the possible benefits expected from the announcement of the Italian Prime Ministerial Decree attributable to Art. 23 of Italian Decree Law no. 73 of 21 June 2022 have not yet occurred.

Internationalisation services volumes continued to record a contraction, due to the lack of support to SMEs for the export services provided by the Italian Ministry of Foreign Affairs and International Cooperation through the MAECI tender.

Adjusted EBITDA for the segment was €22,127 thousand with a margin of 27.5%. The decrease compared to the first nine months of 2022 is 20.2%; this trend, in addition to an unfavourable revenue mix, is mainly attributable to the increase in personnel costs which, at the end of the third quarter, has not yet resulted into an increase in revenues, which is, however, expected in the fourth quarter.

### Summary of the results of the third quarter of 2023

The Group ended the third quarter of 2023 with Revenues of €87,071 thousand. Adjusted EBITDA amounted to €18,993 thousand, or 21.8% of Revenues. EBITDA amounted to €16,593 thousand, equal to 19.1% of revenues. Operating profit and Net profit from continuing operations amounted to €6,420 thousand and €2,989 thousand, respectively, equal to 7.4% and 3.4% of revenues. Net profit, which includes Profit (loss) from discontinued operations, amounted to €3,072 thousand.

Condensed Consolidated Income Statement (In thousands of Euro)	3rd Quarter 2023	%	3rd quarter 2022 Restated <sup>8</sup>	%	Change	% change
Revenues	87,071	100.0%	78,668	100.0%	8,402	10.7%
Adjusted EBITDA	18,993	21.8%	17,724	22.5%	1,269	7.2%
EBITDA	16,593	19.1%	16,248	20.7%	346	2.1%
Operating profit (loss)	6,420	7.4%	7,811	9.9%	(1,391)	-17.8%
Net profit from continuing operations	2,989	3.4%	3,818	4.9%	(829)	-21.7%
Profit (loss) from discontinued operations	83	N/A	42,195	N/A	(42,112)	-99.8%
Net profit	3,072	N/A	46,013	N/A	(42,941)	-93.3%

Revenues increased compared to the third quarter of 2022 by €8,402 thousand or 10.7%, Adjusted EBITDA by €1,269 thousand or 7.2%, EBITDA by €346 thousand or 2.1%, Operating profit decreased by €1,391 thousand or 17.8%, as well as Net profit from continuing operations by €829 thousand or 21.7%.

The results for the period include the contribution of the acquisitions: Plannet S.r.l. (consolidated from 1 July 2022 and merged into Warrant Hub S.p.A. with retroactive effect to 1 January 2023), LAN&WAN Solutions S.r.l. (consolidated from 1 July 2022 and merged into Corvallis S.r.l. with effect from 1 January 2023) and Ascertia Ltd (and its subsidiaries) consolidated from 1 August 2023. The contribution of Ascertia Ltd (and its subsidiaries) is

<sup>8</sup>The comparative figures of the third quarter of 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalue Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

shown below as a change in scope, while following the aforementioned mergers, the contribution to the 2023 results of the acquisitions finalized during 2022 cannot be precisely measured and reported as a change in scope.

Income Statement for the third quarter of 2023 compared with the same period of the previous year:

Consolidated Income Statement (In thousands of Euro)	3rd Quarter 2023	%	3rd quarter 2022 Restated	%	Change	% change
<b>Revenues</b>	<b>87,071</b>	<b>100.0%</b>	<b>78,668</b>	<b>100.0%</b>	<b>8,402</b>	<b>10.7%</b>
Costs of raw materials	(4,365)	-5.0%	(3,421)	-4.3%	(945)	27.6%
Service costs	(25,843)	-29.7%	(24,573)	-31.2%	(1,270)	5.2%
Personnel costs	(35,977)	-41.3%	(31,161)	-39.6%	(4,816)	15.5%
Contract costs	(1,316)	-1.5%	(822)	-1.0%	(494)	60.1%
Other operating costs	(576)	-0.7%	(968)	-1.2%	392	-40.5%
<b>Total Operating Costs*</b>	<b>(68,078)</b>	<b>-78.2%</b>	<b>(60,944)</b>	<b>-77.5%</b>	<b>(7,133)</b>	<b>11.7%</b>
<b>Adjusted EBITDA</b>	<b>18,993</b>	<b>21.8%</b>	<b>17,724</b>	<b>22.5%</b>	<b>1,269</b>	<b>7.2%</b>
LTI incentive plans**	(1,142)	-1.3%	214	0.3%	(1,356)	-633.0%
Non-recurring components	(1,258)	-1.4%	(1,690)	-2.1%	432	-25.5%
<b>EBITDA</b>	<b>16,593</b>	<b>19.1%</b>	<b>16,248</b>	<b>20.7%</b>	<b>346</b>	<b>2.1%</b>
Amortisation/depreciation of rights of use	(1,409)	-1.6%	(1,358)	-1.7%	(52)	3.8%
Depreciation of property, plant and equipment	(437)	-0.5%	(599)	-0.8%	162	-27.0%
Amortisation of intangible assets	(2,742)	-3.1%	(1,551)	-2.0%	(1,191)	76.8%
Amortisation of other intangible assets from consolidation	(4,490)	-5.2%	(4,486)	-5.7%	(5)	0.1%
Provisions	55	0.1%	(203)	-0.3%	258	-127.2%
Impairment	(1,150)	-1.3%	(241)	-0.3%	(910)	378.3%
<b>Amortisation and depreciation, provisions and impairment</b>	<b>(10,173)</b>	<b>-11.7%</b>	<b>(8,437)</b>	<b>-10.7%</b>	<b>(1,737)</b>	<b>20.6%</b>
<b>Operating profit</b>	<b>6,420</b>	<b>7.4%</b>	<b>7,811</b>	<b>9.9%</b>	<b>(1,391)</b>	<b>-17.8%</b>
Financial income	1,571	1.8%	57	0.1%	1,515	2674.9%
Financial charges	(3,025)	-3.5%	(1,671)	-2.1%	(1,354)	81.0%
<b>Net financial income (charges)</b>	<b>(1,454)</b>	<b>-1.7%</b>	<b>(1,615)</b>	<b>-2.1%</b>	<b>161</b>	<b>-10.0%</b>
Result of equity-accounted investments	(7)	0.0%	(113)	-0.1%	106	-93.7%
<b>Profit before tax</b>	<b>4,959</b>	<b>5.7%</b>	<b>6,084</b>	<b>7.7%</b>	<b>(1,125)</b>	<b>-18.5%</b>
Income taxes	(1,970)	-2.3%	(2,266)	-2.9%	295	-13.0%
<b>Net profit from continuing operations</b>	<b>2,989</b>	<b>3.4%</b>	<b>3,818</b>	<b>4.9%</b>	<b>(829)</b>	<b>-21.7%</b>
Profit (loss) from discontinued operations	83	N/A	42,195	N/A	(42,112)	-99.8%
<b>Net profit</b>	<b>3,072</b>	<b>N/A</b>	<b>46,013</b>	<b>N/A</b>	<b>(42,941)</b>	<b>-93.3%</b>
<i>of which minority interests</i>	<i>977</i>	<i>N/A</i>	<i>(1,412)</i>	<i>N/A</i>	<i>2,389</i>	<i>-169.2%</i>

\* Operating Costs are stated net of non-recurring components and net of the cost relating to the share-based payments and long-term incentive plans reserved for the Group's key management personnel, both recognised under "Personnel costs".

\*\* The Cost of LTI incentive plans includes the cost of share-based payment and long-term incentive plans to managers and key management personnel of the Group, both recognised under "Personnel costs".

**Revenues** increased from €78,668 thousand in the third quarter of 2022 to €87,071 thousand in the third quarter of 2023, an increase of €8,402 thousand or 10.7%. The increase in revenues attributable to organic growth was 8.6% (€6,731 thousand), the change in the scope of consolidation was 2.1% (€1,671 thousand).

**Operating costs** increased from €60,944 thousand in the third quarter of 2022 to €68,078 thousand in the third quarter of 2023, an increase of €7,133 thousand or 11.7%. The



increase in Operating costs attributable to organic growth was 8.9% (€5,418 thousand), the change in the scope of consolidation was 2.8% (€1,716 thousand).

**Adjusted EBITDA** rose from €17,724 thousand in the third quarter of 2022 to €18,993 thousand in the third quarter of 2023, an increase of €1,269 thousand or 7.2%. The increase in adjusted EBITDA attributable to organic growth was 7.4% (€1,314 thousand).

**EBITDA** increased from €16,248 thousand in the third quarter of 2022 to €16,593 thousand in the third quarter of 2023, an increase of €346 thousand or 2.1%. The increase in EBITDA attributable to organic growth was 2.4% (€391 thousand).

**Amortisation and depreciation, provisions and impairment** totalled €10,173 thousand (€8,437 thousand in the third quarter of 2022) and include €4,490 thousand of *Amortisation of other intangible assets from consolidation* arising from the allocation of the price paid in Business Combinations (€4,486 thousand in the third quarter of 2022), mainly pertaining to Cybersecurity, CertEurope, Evalúe Innovación, Warrant Hub, Forvalue and Queryo. *Provisions* for risks decreased by €258 thousand. *Impairments* increased by €910 thousand due to impairment of trade receivables.

**Net financial charges** in the third quarter of 2023 amounted to €1,454 thousand (€1,615 thousand in the third quarter of 2022). The increase of €1,515 thousand in **Financial income** includes interest accrued on short-term investments of liquidity (time deposits) and non-recurrent income for €279 thousand, while the increase in **Financial charges** was affected by the higher interest expense for leases mainly attributable to the new lease contracts of the offices of Rome and Milan signed in the second half of 2022 and to non-recurring impairment on equity investments consolidated with the equity method for €995 thousand. The balance of interest income/expense in the third quarter of 2023 was negative for €395 thousand (€1,087 thousand in the third quarter of 2022).

**Income taxes**, calculated based on the tax rates envisaged for the year by the current tax laws, amounted to €1,970 thousand (€2,266 thousand in the third quarter of 2022). The *tax rate* was 39.7%, up compared to the *tax rate* in the third quarter of 2022 (37.2%), mainly due to the non-deductibility of the investments impairments mentioned above.

**Net profit from continuing operations** in the third quarter of 2023 amounted to €2,989 thousand compared to €3,818 thousand in the same period of 2022, down by 21.7%.

**Net profit** for the third quarter of 2023 amounted to €3,072 thousand (of which €977 thousand pertaining to minority interests) compared to €46,013 thousand in the third quarter of 2022 when the sale of Innolva S.p.A. and its subsidiaries was concluded.

### **Adjusted income statement results**

*Adjusted* income statement results calculated before the non-recurring components, before the cost relating to share-based payments and long-term incentive plans reserved for the Group's key management personnel, before the amortisation of Other intangible assets that emerged at the time of allocation of the price paid in Business Combinations, and before the adjustment of liabilities for contingent considerations related to the acquisitions, net of related tax effects and net of "Profit (loss) from discontinued operations". These indicators reflect the Group's economic performance, excluding non-recurring factors not strictly related to the activities and management of the business.



<b>Adjusted Income Statement</b>						
<i>(In thousands of Euro)</i>	<b>3rd Quarter 2023</b>	<b>%</b>	<b>3rd quarter 2022 Restated</b>	<b>%</b>	<b>Change</b>	<b>% change</b>
Revenues	87,071	100.0%	78,668	100.0%	8,402	10.7%
Adjusted EBITDA	18,993	21.8%	17,724	22.5%	1,269	7.2%
Adjusted operating profit	13,070	15.0%	13,772	17.5%	(701)	-5.1%
Adjusted net profit from continuing operations	8,733	10.0%	8,836	11.2%	(102)	-1.2%

Adjusted results show an increase in EBITDA compared to the third quarter of 2023 of 7.2%, a decrease in Operating profit of 5.1% and in Net profit from continuing operations of 1.2%.

### Non-recurring components

Over the course of the third quarter of 2023, *Non-recurring operating costs* of €1,258 thousand were recognised, of which €465 thousand for acquisitions of target companies and €652 thousand for reorganisation activities.

*Non-recurring financial charges* include impairment on equity investments consolidated using the equity method for €995 thousand, of which €985 thousand for the adjustment of the portion pertaining to the shareholders' equity of Wisee S.r.l. Società Benefit due to the company being put into liquidation during the third quarter. *Non-recurring financial income* includes €279 thousand for impairment of price extensions related to acquisitions.

*Non-recurring taxes* include non-recurring income of €391 thousand, relating to the tax effect on non-recurring components of the result before tax.

In the third quarter of 2022, *Non-recurring operating costs* of €1,690 thousand were recorded and income under *Non-recurring taxes* amounted to €264 thousand.

### LTI incentives and plans

The costs recognised, amounting to €1,142 thousand, refer to the 2021-2023 Stock Option Plan as detailed in the paragraph **2021-2023 Stock Option Plan** for €267 thousand, to the Performance Shares Plan as detailed in the paragraph **2023-2025 Performance Shares Plan** for €700 thousand and costs for long-term incentives to managers and key management personnel of the Group for €174 thousand.

### Amortisation of Other intangible assets from Business Combinations

The amortisation of *Other intangible assets* recognised at the time of the allocation of the price paid in Business Combinations was equal to €4,490 thousand (€4,486 thousand in the same period of the previous year).

### Adjustment of the contingent considerations connected to acquisitions

Adjustments of the contingent considerations connected to acquisitions entailed the recognition of *Net financial charges* for €265 thousand (€526 thousand in the same period of the previous year).

## Method of calculation of the *adjusted* economic indicators:

Calculation of adjusted economic results <i>(In thousands of Euro)</i>	EBITDA		Operating profit (loss)		Net profit from continuing operations	
	3rd Quarter 2023	3rd quarter 2022 Restated	3rd Quarter 2023	3rd quarter 2022 Restated	3rd Quarter 2023	3rd quarter 2022 Restated
<b>Reported income statement results</b>	<b>16,593</b>	<b>16,248</b>	<b>6,420</b>	<b>7,811</b>	<b>2,989</b>	<b>3,818</b>
Non-recurring service costs	598	1,012	598	1,012	598	1,012
LTI incentive plans	1,142	(214)	1,142	(214)	1,142	(214)
Non-recurring personnel costs	293	599	293	599	293	599
Other non-recurring operating costs	368	79	368	79	368	79
Amortisation of Other intangible assets from consolidation			4,490	4,486	4,490	4,486
Non-recurring provisions			(240)	0	(240)	0
Non-recurring financial income					(279)	0
Adjustment of contingent consideration					265	526
Non-recurring financial charges					995	0
Tax effect on adjustments					(1,886)	(1,470)
<b>Adjusted income statement results</b>	<b>18,993</b>	<b>17,724</b>	<b>13,070</b>	<b>13,772</b>	<b>8,733</b>	<b>8,836</b>
<i>Change from previous year</i>		<i>7.2%</i>		<i>-5.1%</i>		<i>-1.2%</i>

## Results by business segment

Condensed Income Statement by business segment <i>(In thousands of Euro)</i>	3rd quarter 2023	EBITDA MARGIN 3rd Quarter 2023	3rd quarter 2022 Restated	EBITDA MARGIN 3rd Quarter 2022	Change	% change		
						Total	Organic	Scope of consolidation
<b>Revenues</b>								
Digital Trust	43,833		37,025		6,808	18.4%	13.9%	4.5%
Cybersecurity	20,185		17,961		2,224	12.4%	12.4%	0.0%
Business Innovation	24,439		24,307		133	0.5%	0.5%	0.0%
Other segments (Parent Company)	1,047		865		181	20.9%	20.9%	0.0%
Intra-segment	(2,434)		(1,490)		(943)	63.3%	63.3%	0.0%
<b>Total Revenues</b>	<b>87,071</b>		<b>78,668</b>		<b>8,403</b>	<b>10.7%</b>	<b>8.6%</b>	<b>2.1%</b>
<b>EBITDA</b>								
Digital Trust	12,032	27.4%	10,618	28.7%	1,414	13.3%	13.7%	-0.4%
Cybersecurity	2,847	14.1%	2,166	12.1%	681	31.5%	31.5%	0.0%
Business Innovation	5,448	22.3%	7,484	30.8%	(2,036)	-27.2%	-27.2%	0.0%
Other segments (Parent Company)	(3,755)	N/A	(4,044)	N/A	289	7.1%	7.1%	0.0%
Intra-segment	22	N/A	24	N/A	(2)	-6.3%	-6.3%	0.0%
<b>Total EBITDA</b>	<b>16,593</b>	<b>19.1%</b>	<b>16,248</b>	<b>20.7%</b>	<b>346</b>	<b>2.1%</b>	<b>2.4%</b>	<b>-0.3%</b>

## Adjusted results by business segment:

Adjusted condensed Income Statement by business segment <i>(In thousands of Euro)</i>	3rd quarter 2023	EBITDA MARGIN 3rd Quarter 2023	3rd quarter 2022 Restated	EBITDA MARGIN 3rd Quarter 2022	Change	% change		
						Total	Organic	Scope of consolidation
<b>Revenues</b>								
Digital Trust	43,833		37,025		6,808	18.4%	13.9%	4.5%
Cybersecurity	20,185		17,961		2,224	12.4%	12.4%	0.0%
Business Innovation	24,439		24,307		133	0.5%	0.5%	0.0%
Other segments (Parent Company)	1,047		865		181	20.9%	20.9%	0.0%
Intra-segment	(2,434)		(1,490)		(943)	63.3%	63.3%	0.0%
<b>Total Revenues</b>	<b>87,071</b>		<b>78,668</b>		<b>8,403</b>	<b>10.7%</b>	<b>8.6%</b>	<b>2.1%</b>
<b>EBITDA</b>								
Digital Trust	13,310	30.4%	11,713	31.6%	1,597	13.6%	14.0%	-0.4%
Cybersecurity	3,160	15.7%	1,757	9.8%	1,404	79.9%	79.9%	0.0%
Business Innovation	5,819	23.8%	7,727	31.8%	(1,907)	-24.7%	-24.7%	0.0%
Other segments (Parent Company)	(3,319)	N/A	(3,496)	N/A	177	5.1%	5.1%	0.0%
Intra-segment	22	N/A	24	N/A	(2)	-6.3%	-6.3%	0.0%
<b>Total Adjusted EBITDA</b>	<b>18,993</b>	<b>21.8%</b>	<b>17,724</b>	<b>22.5%</b>	<b>1,269</b>	<b>7.2%</b>	<b>7.4%</b>	<b>-0.3%</b>

## Statement of financial position of the Group

The Group's financial position at 30 September 2023 compared with 31 December 2022 and 30 September 2022:

In thousands of Euro	30/09/2023		Comparison at 31 December 2022				Comparison at 30 September 2022 <sup>9</sup>			
		%	31/12/2022	%	Δ	% Δ	30/09/2022	%	Δ	% Δ
Goodwill	356,411	65.9%	316,060	65.9%	40,351	12.8%	316,035	69.1%	40,376	12.8%
Other intangible assets from consolidation	131,439	24.3%	144,895	30.2%	(13,456)	-9.3%	149,382	32.7%	(17,943)	-12.0%
Intangible assets	48,985	9.1%	26,382	5.5%	22,602	85.7%	21,353	4.7%	27,631	129.4%
Property, plant and equipment	6,236	1.2%	5,194	1.1%	1,042	20.1%	5,052	1.1%	1,184	23.4%
Leased property, plant and equipment	42,338	7.8%	43,229	9.0%	(891)	-2.1%	31,375	6.9%	10,964	34.9%
Financial assets	31,863	5.9%	7,887	1.6%	23,976	304.0%	10,408	2.3%	21,455	206.1%
<b>Net fixed assets</b>	<b>617,271</b>	<b>114.1%</b>	<b>543,647</b>	<b>113.4%</b>	<b>73,624</b>	<b>13.5%</b>	<b>533,605</b>	<b>116.7%</b>	<b>83,666</b>	<b>15.7%</b>
Inventories	1,999	0.4%	1,926	0.4%	73	3.8%	1,941	0.4%	59	3.0%
Trade receivables	80,313	14.8%	111,150	23.2%	(30,837)	-27.7%	65,806	14.4%	14,507	22.0%
Contract assets	26,633	4.9%	16,979	3.5%	9,655	56.9%	23,493	5.1%	3,140	13.4%
Contract cost assets	11,016	2.0%	9,180	1.9%	1,836	20.0%	8,309	1.8%	2,707	32.6%
Trade payables	(41,843)	-7.7%	(50,745)	-10.6%	8,902	-17.5%	(40,250)	-8.8%	(1,593)	4.0%
Contract liabilities and deferred income	(89,455)	-16.5%	(84,466)	-17.6%	(4,989)	5.9%	(68,769)	-15.0%	(20,686)	30.1%
of which current	(73,791)	-13.6%	(66,434)	-13.9%	(7,357)	11.1%	(52,348)	-11.5%	(21,443)	41.0%
of which non-current	(15,664)	-2.9%	(18,033)	-3.8%	2,369	-13.1%	(16,421)	-3.6%	757	-4.6%
Payables to employees	(22,234)	-4.1%	(18,434)	-3.8%	(3,800)	20.6%	(20,069)	-4.4%	(2,165)	10.8%
Other receivables	25,496	4.7%	20,717	4.3%	4,779	23.1%	22,063	4.8%	3,432	15.6%
Other payables	(18,995)	-3.5%	(23,129)	-4.8%	4,134	-17.9%	(16,292)	-3.6%	(2,703)	16.6%
Current tax assets (liabilities)	(200)	0.0%	(1,784)	-0.4%	1,584	-88.8%	(2,389)	-0.5%	2,189	-91.6%
Deferred tax assets (liabilities)	(26,804)	-5.0%	(30,184)	-6.3%	3,380	-11.2%	(30,440)	-6.7%	3,637	-11.9%
<b>Net working capital</b>	<b>(54,074)</b>	<b>-10.0%</b>	<b>(48,791)</b>	<b>-10.2%</b>	<b>(5,283)</b>	<b>10.8%</b>	<b>(56,597)</b>	<b>-12.4%</b>	<b>2,523</b>	<b>-4.5%</b>
Employee benefits	(18,649)	-3.4%	(16,613)	-3.5%	(2,036)	12.3%	(19,505)	-4.3%	856	-4.4%
Provisions for risks and charges	(3,518)	-0.7%	(2,961)	-0.6%	(557)	18.8%	(3,926)	-0.9%	408	-10.4%
<b>Provisions</b>	<b>(22,167)</b>	<b>-4.1%</b>	<b>(19,574)</b>	<b>-4.1%</b>	<b>(2,593)</b>	<b>13.2%</b>	<b>(23,431)</b>	<b>-5.1%</b>	<b>1,264</b>	<b>-5.4%</b>
<b>TOTAL NWC AND PROVISIONS</b>	<b>(76,240)</b>	<b>-14.1%</b>	<b>(68,365)</b>	<b>-14.3%</b>	<b>(7,875)</b>	<b>11.5%</b>	<b>(80,028)</b>	<b>-17.5%</b>	<b>3,788</b>	<b>-4.7%</b>
Assets (Liabilities) held for sale	(0)	0.0%	4,291	0.9%	(4,291)	-100.0%	3,550	0.8%	(3,550)	-100.0%
<b>TOTAL LOANS - NET INVESTED CAPITAL</b>	<b>541,031</b>	<b>100.0%</b>	<b>479,573</b>	<b>100.0%</b>	<b>61,458</b>	<b>12.8%</b>	<b>457,127</b>	<b>100.0%</b>	<b>83,904</b>	<b>18.4%</b>
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	406,560	75.1%	365,665	76.2%	40,895	11.2%	301,210	65.9%	105,350	35.0%
Minority interests	42,973	7.9%	36,351	7.6%	6,622	18.2%	15,732	3.4%	27,241	173.2%
<b>SHAREHOLDERS' EQUITY</b>	<b>449,533</b>	<b>83.1%</b>	<b>402,015</b>	<b>83.8%</b>	<b>47,518</b>	<b>11.8%</b>	<b>316,942</b>	<b>69.3%</b>	<b>132,591</b>	<b>41.8%</b>
<b>NET FINANCIAL POSITION</b>	<b>91,498</b>	<b>16.9%</b>	<b>77,557</b>	<b>16.2%</b>	<b>13,941</b>	<b>18.0%</b>	<b>140,185</b>	<b>30.7%</b>	<b>(48,687)</b>	<b>-34.7%</b>
<b>TOTAL SOURCES</b>	<b>541,031</b>	<b>100.0%</b>	<b>479,573</b>	<b>100.0%</b>	<b>61,458</b>	<b>12.8%</b>	<b>457,127</b>	<b>100.0%</b>	<b>83,904</b>	<b>18.4%</b>

**Net invested capital** increased by €61.5 million compared to 31 December 2022 mainly due to the effect of the investment in Ascertia (€44.4 million at the date of acquisition), in Defence Tech (€25.6 million) and of the extraordinary investments in intangible assets (€13.1 million) for the acquisition of the CRIF Phygital software license, partially offset by

<sup>9</sup> The comparative figures at 30 September 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalve Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

the decrease in Net working capital and Provisions (€7.9 million), the deconsolidation of RE Valuta S.p.A. (€5.0 million at closing), amortisation of Other intangible assets from consolidation (€13.5 million).

*Net fixed assets* amounted to €617,271 thousand at 30 September 2023, with an increase of €73,624 thousand (13.5%) compared to 31 December 2022 (€543,647 thousand). The change in Goodwill is entirely attributable to the Ascertia acquisition.

With regard to continuing operations, Investments in *Intangible assets and Property, plant and equipment* amounted to €15,247 thousand in the first nine months of 2023, excluding the extraordinary investment of €13,095 thousand for the acquisition of the CRIF Phygital software license (€11,101 thousand of the first nine months of 2022, €24,171 thousand in the last 12 months) while amortisation and depreciation amounted to €9,011 thousand (€5,954 thousand in the first nine months of 2022, €12,765 thousand in the last 12 months).

**Net working capital** decreased from -€48,791 thousand at 31 December 2022 to -€54,074 thousand (-€54,553 thousand excluding the change in the scope of consolidation) at 30 September 2023:

- The sum of *Trade receivables and Contract assets* decreased by €21,182 thousand, equal to 16.5% (19.8% for organic contraction);
- *Trade payables* decreased by €8,902 thousand, or 17.5% (18.6% for organic contraction);
- *Contract liabilities and deferred income* increased by €4,989 thousand, equal to 5.9% (2.3% for organic growth);
- *Payables to employees* increased by €3,800 thousand, equal to 20.6% (19.3% for organic growth);
- *Current tax liabilities* decreased by €1,584 thousand, equal to 88.8%, due to current taxes paid in the first nine months partially offset by the provision for the period.

*Net working capital* increased by €2,523 thousand or 4.5% compared to 30 September 2022 (up by €2,044 thousand or 3.6% excluding the change in the scope of consolidation):

- The sum of *Trade receivables and Contract assets* increased by €17,647 thousand, equal to 19.8% (15.0% for organic growth);
- *Trade payables* increased by €1,593 thousand, equal to 4.0% (2.6% for organic growth);
- *Contract liabilities and deferred income* increased by €20,686 thousand, equal to 30.1% (25.7% for organic growth);
- *Payables to employees* increased by €2,165 thousand, equal to 10.8% (9.6% for organic growth);

*Employee benefits* at 30 September 2023 amounted to €18,649 thousand and increased by €2,036 thousand compared to 31 December 2022, equal to 12.3%.

*Provisions for risks and charges* at 30 September 2023 amounted to €3,518 thousand and increased by €557 thousand compared to 31 December 2022, equal to 18.8%.

**Shareholders' equity** increased by €47,518 thousand compared to 31 December 2022 primarily due to the combined effect of:



- positive result of the comprehensive income statement for the period of €47,914 thousand driven by the net capital gain realised from the sale of RE Valuta S.p.A. equal to €37,629 thousand;
- a decrease due to resolved dividends amounting to €33,253 thousand (of which €1,399 thousand not yet distributed or collected by the entitled parties), of which €5,806 thousand distributed by Group companies to minority shareholders;
- an increase of €30,000 thousand for the contribution in cash relating to the additional payment, envisaged by the original agreements, of Bregal Milestone in the share capital of InfoCert S.p.A., reaching a stake of approximately 16.09% of the share capital of InfoCert, as a result of which the equity investment of Tinexta S.p.A. fell from 88.17% to 83.91%. The gain on the Group's shareholders' equity was €21,125 thousand;
- an increase due to the adjustment of Put options on minority interests for a total of €3,758 thousand (of which: €1,139 thousand on the subsidiaries of Tinexta Cyber, €1,925 thousand on CertEurope, €855 thousand on Queryo Advance, €223 thousand on Evalue Innovaciòn, -€351 thousand on Ascertia and the remaining -€33 thousand on Sixtema) in the distribution of dividends resolved during the year, the change in the expected results for the previous year of the companies concerned, the revaluation due to the passage of time, as well as the change in the discount rate.
- a decrease for the purchase of 174,000 treasury shares, equal to 0.369% of the Share Capital, for a purchase amount of €3,341 thousand, partly offset by the sale of 3,040 treasury shares for the partial exercise of the options linked to the **2020-2022 Stock Option Plan** for a sale value of €33 thousand.
- an increase in the Share-based payment reserve for €2,705 thousand;
- a decrease of €262 thousand on minority interests due to the deconsolidation of RE Valuta S.p.A.

*Minority interests* rose from €36,351 thousand at 31 December 2022 to €42,973 thousand at 30 September 2023. The increase is attributable to the dilution on InfoCert S.p.A. from 88.17% to 83.91% for the share capital increase subscribed by minority shareholders.

The increase in Net Invested Capital of €61.5 million partially offset by the increase in Shareholders' Equity of €47.5 million led to a decrease in *Total financial indebtedness* of €13.9 million. The deconsolidation of RE Valuta S.p.A. led to a reduction in *Net Invested Capital* of €5.0 million, the elimination of the Minority interests for €0.3 million, a gross capital gain for sale costs of €38.6 million and consequently a benefit on the *Total financial indebtedness* of €43.3 million. The first consolidation of Ascertia led to an increase in *Net Invested Capital* and *Total financial indebtedness* of €44.4 million.

## Group's total financial indebtedness

Total financial indebtedness of the Group at 30 September 2023 compared with that at 31 December 2022 and 30 September 2022:

In thousands of Euro	30/09 2023	Comparison at 31 December 2022			Comparison at 30 September 2022		
		31/12 2022	Δ	% Δ	30/09 2022	Δ	% Δ
A Cash	68,041	116,890	(48,850)	-41.8%	205,048	(137,007)	-66.8%
B Cash equivalents	104,768	0	104,768	N/A	0	104,768	N/A
C Other current financial assets	24,836	125,784	(100,948)	-80.3%	3,803	21,033	553.1%
<b>D Liquidity (A+B+C)</b>	<b>197,644</b>	<b>242,674</b>	<b>(45,030)</b>	<b>-18.6%</b>	<b>208,850</b>	<b>(11,206)</b>	<b>-5.4%</b>
E Current financial debt	57,010	40,067	16,943	42.3%	42,202	14,808	35.1%
F Current portion of non-current financial debt	49,531	53,447	(3,916)	-7.3%	57,804	(8,274)	-14.3%
<b>G Current financial indebtedness (E+F)</b>	<b>106,541</b>	<b>93,514</b>	<b>13,027</b>	<b>13.9%</b>	<b>100,007</b>	<b>6,534</b>	<b>6.5%</b>
H Net current financial indebtedness (G-D)	(91,103)	(149,160)	58,057	-38.9%	(108,843)	17,741	-16.3%
I Non-current financial debt	182,600	226,717	(44,117)	-19.5%	249,028	(66,428)	-26.7%
J Debt instruments	0	0	0	N/A	0	0	N/A
K Non-current trade and other payables	0	0	0	N/A	0	0	N/A
<b>L Non-current financial indebtedness (I+J+K)</b>	<b>182,600</b>	<b>226,717</b>	<b>(44,117)</b>	<b>-19.5%</b>	<b>249,028</b>	<b>(66,428)</b>	<b>-26.7%</b>
<b>M Total financial indebtedness (H+L) (*)</b>	<b>91,498</b>	<b>77,557</b>	<b>13,941</b>	<b>18.0%</b>	<b>140,185</b>	<b>(48,687)</b>	<b>-34.7%</b>
N Other non-current financial assets	1,893	1,668	225	13.5%	3,061	(1,168)	-38.2%
<b>O Total adjusted financial indebtedness (M-N)</b>	<b>89,605</b>	<b>75,889</b>	<b>13,716</b>	<b>18.1%</b>	<b>137,124</b>	<b>(47,519)</b>	<b>-34.7%</b>

(\*) **Total financial indebtedness** calculated in accordance with the provisions of CONSOB Communication no. 6064293 of 28 July 2006 and in compliance with the Warning Notice no. 5/21 issued by CONSOB on 29 April 2021 with reference to the Guideline ESMA32-382-1138 dated 4 March 2021.

Total financial indebtedness amounted to €91,498 thousand, with an increase of €13,941 thousand compared to 31 December 2022.

Composition of Total financial indebtedness:

Composition of Total financial indebtedness	30/09/2023		31/12/2022		30/09/2022	
	Balance	Incidence	Balance	Incidence	Balance	Incidence
<b>Total financial indebtedness</b>	<b>91,498</b>		<b>77,557</b>		<b>140,185</b>	
Financial indebtedness related to continuing operations	91,498		79,075		141,909	
<b>Gross financial indebtedness</b>	<b>289,142</b>	<b>100.0%</b>	<b>320,137</b>	<b>100.0%</b>	<b>348,891</b>	<b>100.0%</b>
Bank debt	145,187	50.2%	168,734	52.7%	189,449	54.3%
Hedging derivatives on Bank debt	(8,371)	-2.9%	(8,640)	-2.7%	(7,952)	-2.3%
Payable for acquisition of equity investments	104,122	36.0%	112,980	35.3%	131,575	37.7%
<i>Liabilities related to the purchase of minority interests</i>	<i>81,028</i>	<i>28.0%</i>	<i>94,373</i>	<i>29.5%</i>	<i>109,824</i>	<i>31.5%</i>
<i>Contingent consideration connected to acquisitions</i>	<i>21,109</i>	<i>7.3%</i>	<i>14,743</i>	<i>4.6%</i>	<i>17,117</i>	<i>4.9%</i>
<i>Price deferrals granted by sellers</i>	<i>1,984</i>	<i>0.7%</i>	<i>3,864</i>	<i>1.2%</i>	<i>4,633</i>	<i>1.3%</i>
Lease payables	43,206	14.9%	43,001	13.4%	31,120	8.9%
Other financial payables	4,997	1.7%	4,061	1.3%	4,699	1.3%
<b>Liquidity</b>	<b>(197,644)</b>	<b>100.0%</b>	<b>(241,062)</b>	<b>100.0%</b>	<b>(206,982)</b>	<b>100.0%</b>
Cash and cash equivalents	(172,808)	87.4%	(115,278)	47.8%	(203,266)	98.2%
Other financial assets	(24,836)	12.6%	(125,784)	52.2%	(3,716)	1.8%
Financial indebtedness related to assets held for sale			(1,518)		(1,724)	

Change in *Total financial indebtedness* in the first nine months of 2023 compared to the first nine months of 2022 and the last 12 months at 30 June 2023:

<i>In thousands of Euro</i>	<i>30/09/2023</i>	<i>30/09/2022</i>	<i>Last 12 months at 30 September 2023</i>
<b>Total financial indebtedness - opening balance</b>	<b>77,557</b>	<b>264,388</b>	<b>140,185</b>
<i>Adjusted free cash flow from continuing operations</i>	(40,279)	(36,189)	(53,545)
<i>Non-recurring components of the Free Cash Flow from continuing operations</i>	2,843	8,137	4,149
<i>Free Cash Flow from discontinued operations</i>	2,355	(9,027)	2,735
Net financial (income) charges	822	4,397	1,590
Approved dividends	33,253	21,206	33,253
New leases and adjustments to existing contracts	3,238	18,117	15,499
Acquisitions	71,496	72,719	71,541
Disposals	(43,738)	(130,287)	(42,987)
Extraordinary investments in intangible assets	13,095	0	13,095
Adjustment of put options	(3,758)	980	(19,022)
Capital increase	(30,000)	(70,000)	(84,920)
Treasury shares	3,308	1,678	9,739
OCI derivatives	1,114	(7,951)	509
Other residual	192	2,018	(323)
<b>Total financial indebtedness - closing balance</b>	<b>91,498</b>	<b>140,185</b>	<b>91,498</b>

- Free Cash Flow from continuing operations generated in the first nine months of 2023 was €37,436 thousand. The Adjusted free cash flow from continuing operations amounted to €40,279 thousand. The cash flow for non-recurring items in the first nine months of 2023 amounted to €2,843 thousand:

<i>In thousands of Euro</i>	<i>30/09/2023</i>	<i>30/09/2022</i>	<i>Last 12 months at 30 September 2023</i>
<b>Cash and cash equivalents generated by Continuing Operations</b>	<b>64,372</b>	<b>55,079</b>	<b>95,009</b>
Income taxes paid on continuing operations	(11,729)	(15,926)	(21,042)
<b>Net cash and cash equivalents generated by Continuing Operations</b>	<b>52,643</b>	<b>39,153</b>	<b>73,967</b>
Investments in Property, plant and equipment and Intangible assets for Continuing operations	(28,303)	(11,101)	(37,666)
Extraordinary investments in Intangible assets	13,095	0	13,095
<b>Free Cash Flow from Continuing operations</b>	<b>37,436</b>	<b>28,052</b>	<b>49,396</b>
Cash flow from non-recurring components	2,843	8,137	4,149
<b>Adjusted Free Cash Flow from Continuing operations</b>	<b>40,279</b>	<b>36,189</b>	<b>53,546</b>

- Resolved dividends amounted to €33,253 thousand (of which €1,399 thousand not yet distributed or collected by the entitled parties), of which €5,806 thousand distributed by Group companies to minority shareholders;
- New leases and adjustments to existing contracts in the first nine months of 2023 resulted in a total increase in financial indebtedness of €3,238 thousand.
- Disposals of €43,738 thousand include the impact on Total financial indebtedness deriving from the closing of the sale of RE Valuta S.p.A. of €43,335 thousand plus

ancillary costs for the sale already paid for €811 thousand, the balance of the charges associated with the sale of the Innolva S.p.A. for €786 thousand and the transfer of FBS Next S.p.A. for €2,000.

- The balance of *Acquisitions*, amounting to €71,496 thousand, is composed of:
  - the impact of the first-time consolidation of Ascertia and its subsidiaries amounting to €44,382 thousand, deriving from the cash and cash equivalents paid, the recognition of contingent considerations and liabilities for the acquisition of minority interests, as well as the consolidation of Total financial indebtedness for Ascertia and its subsidiaries;
  - the acquisition of 20% of Defence Tech Holding S.p.A. Società Benefit, accounted for using the equity method, for €25,630 thousand including ancillary charges paid;
  - from Investments in other shareholdings for €1,484 thousand.
- *Extraordinary investments in intangible assets* relate to the acquisition of the CRIF Phygital software license.
- The *Adjustment of Put options on minority interests* is positive for a total of €3,758 thousand (of which: €1,139 thousand on the subsidiaries of Tinexta Cyber, €1,925 thousand on CertEurope, €855 thousand on Queryo Advance, €223 thousand on Evalue Innovaciòn, -€351 thousand on Ascertia and the remaining -€33 thousand on Sixtema) in the distribution of dividends resolved during the year, the change in the expected results for the previous year of the companies concerned, the revaluation due to the passage of time, as well as the change in the discount rate.
- The *increases of minority interests* of €30,000 thousand relate to the contribution in cash relating to the additional payment, envisaged by the original agreements, of Bregal Milestone in the Share Capital of InfoCert S.p.A., reaching a stake of approximately 16.09% of the share capital of InfoCert, as a result of which the equity investment of Tinexta S.p.A. fell from 88.17% to 83.91%.
- At 30 September 2023, 174,000 treasury shares were purchased, equal to 0.369% of the Share Capital, for a purchase price of €3,341 thousand; 3,040 treasury shares were sold for the partial exercise of the options linked to the **2020-2022 Stock Option Plan** for a sale amount of €33 thousand.
- *OCI derivatives* refer to the depreciation of hedging derivatives on outstanding loans also due to the effect of collections in the period.

### Key events subsequent to the end of the period at 30 September 2023

No key events occurred subsequent to the end of the period at 30 September 2023.

## Outlook

In light of the results of the first nine months of 2023, the Board of Directors confirms for the current year the growth expectations<sup>10</sup> for the 2023 consolidated revenues, with the same consolidation scope at 31 December 2022<sup>11</sup>, of between 11% and 15% compared to 2022, with Adjusted EBITDA up between 8% and 12%.

Following the acquisitions that took place in the first nine months of the year, as well as the lower collections due to the postponement by the management of the exercise of the Stock Options accrued, the NFP/Adjusted EBITDA ratio is expected to be in the range of 0.7/0.8x at the end of 2023; moreover, the solid cash generation from operations to the extent expected at the beginning of the year was confirmed.

## Treasury share purchase programme

On 21 April 2023 the Shareholders' Meeting of Tinexta S.p.A. approved the authorisation for the purchase and disposal of treasury shares, pursuant to Arts. 2357 et seq. of the Italian Civil Code and Art. 132 of the Consolidated Finance Act, also in several tranches, and on a revolving basis, up to a maximum number that, taking into account the Company's ordinary shares held from time to time in portfolio by the Company and its subsidiaries, does not exceed a total of more than 10% of the share capital, in accordance with the provisions of Art. 2357, paragraph 3 of the Italian Civil Code. The authorisation to carry out purchase and sale transactions of treasury shares is aimed at allowing the Company to purchase and sell ordinary shares of the Company, in respect of the EU and domestic legislation in force and permitted market practices recognised by CONSOB, for the following purposes:

- to dispose of treasury shares to be allocated in service of the existing and future share-based incentive plans in order to incentivise and retain employees, partners and directors of the Company, the subsidiaries and/or other categories of persons chosen at the discretion of the Board of Directors;
- to implement transactions such as the sale and/or exchange of treasury shares for acquisitions of equity investments, direct or indirect, and/or properties and/or to enter into agreements with strategic partners and/or to implement industrial projects or extraordinary finance operations, falling within the targets for expansion of the Company and of the Group;
- to complete subsequent purchase and sale operations of shares, within the limits of permitted market practices;
- to carry out, directly or through intermediaries, any stabilisation and/or support operations of the liquidity of the Company's stock in respect of permitted market practices;
- to set up a "stockpile", useful in any future extraordinary financial transactions;
- to implement a medium and long-term investment or in any case to grasp the opportunity to make a good investment, in view of the expected risk and return of

<sup>10</sup> It is important to note that these forecasts are based on different assumptions, expectations, projections and provisional data relating to future events and are subject to a number of uncertainties and other factors that are out of the control of the Tinexta Group. There are numerous factors, which may generate results and performances that are notably different with respect to the implicit or explicit contents of the provisional information and, therefore, this information is not a reliable guarantee of future performances.

<sup>11</sup> Excluding the contribution of Ascertia and its subsidiaries consolidated from 1 August 2023.



- alternative investments and also through the purchase and resale of shares when considered appropriate;
- to use surplus liquid resources.

The duration of the authorisation to purchase is fixed for the maximum period provided for in the applicable legislation. The authorisation provides for the purchases of treasury shares to be carried out in compliance with legal and regulatory provisions, including those in Regulation (EU) 596/2014 and Delegated Regulation (EU) 2016/1052, as well as acceptable market practices at the time in force, where applicable. In any event, purchases must be made (i) at a price per share which shall not deviate downwards or upwards by more than 10% from the reference price recorded by the share during the trading session preceding each individual transaction; (ii) at a price which shall not exceed the higher of the price of the last independent transaction and the price of the highest current independent bid on the trading venue where the purchase is made. In view of the different purposes that can be served by transactions on treasury shares, authorisation is granted for purchases to be made, in compliance with the principle of equal treatment of shareholders provided for in Article 132 of the Consolidated Finance Act, according to any of the methods set out in Article 144-bis of the Issuers' Regulations (including through subsidiaries), to be identified, on a case-by-case basis, at the discretion of the Board of Directors. For any further information on this regard, please refer to the Directors' report published on the Company's website [www.tinexta.com](http://www.tinexta.com), in the Governance Section.

On 10 May 2023, the Board of Directors of Tinexta S.p.A. resolved to initiate the treasury share purchase programme in implementation of the authorisation approved by the Shareholders' Meeting of 28 April 2022 (the "Buy-back"). The Buy-back has the main aim of disposing of treasury shares to be allocated in service of current and future incentive plans in order to incentivise and retain employees, partners and directors of the Company, the subsidiaries and/or other categories of persons chosen at the discretion of the Board of Directors, without prejudice to the Board being able to contemplate further or other purposes for the Buy-back than those approved by the Shareholders' Meeting of 21 April 2023. In view of the limits set by the aforementioned meeting resolution of 21 April 2023, the purchases of treasury shares must be made to such an extent that, at any time, taking into account the Tinexta ordinary shares held at the time by the Company and its subsidiaries, those shares must not in total exceed 10% of the Company's share capital, i.e. 4,720,712 shares. To execute the Buy-back, the Company therefore aims to purchase a maximum of 832,254 shares. The Company mandated Banca IMI as an independent intermediary to carry out the Buy-back in full independence and in accordance with the constraints arising from applicable legislation and within the limits of the aforementioned resolutions. The buy-back transactions will be carried out in accordance with the principle of equal treatment of Shareholders provided by Art. 132 of the Consolidated Finance Act, in any way in the manner referred to in Art. 144-bis of the CONSOB Regulation (also through subsidiaries), to be identified from time to time. In addition, the purchase of shares may also be carried out in the manner envisaged by Art. 3 of the Commission Delegated Regulation (EU) No. 2016/1052 in order to benefit – if the presuppositions are in place – from the exemption under Art. 5, para. 1 of Regulation (EU) No. 596/2014 on market abuse with regard to the abuse of inside information and market manipulation. The purchase price of the shares will be determined from time to time for each individual transaction, provided that purchases will have to be made at a price per share that will not differ, nor decrease, or increase, by more than 10%

compared to the reference price recorded by the stock in the previous trading session each individual transaction and at a consideration that is not higher than the higher price between the price of the last independent transaction and the price of the highest current independent purchase offer present at the trading location where the purchase is made. The purchases of treasury shares, in one or more tranches and even on a revolving basis, must be made within 18 months of the date of the Shareholders' Meeting resolution. The duration of the authorisation to the disposal of the relative shares is without a time limit. The Company may proceed without any time constraints to the acts of disposal within the limits of what is allowed and from the regulatory and regulatory requirements and the permitted pro-tempore practices in force, where applicable, and by the Regulations issued by Borsa Italiana S.p.A., as well as in accordance with the objectives outlined above and with the Company's strategic guidelines that it intends to pursue. Any transactions made and the details will be communicated to the market in the terms and manner of the current regulations.

At 30 September 2023, the Company holds 1,771,207 treasury shares, equal to 3.752% of the Share Capital, for a total purchase value of €30,725 thousand (including commissions for €41 thousand). In the first nine months of 2023, 174,000 treasury shares were purchased, equal to 0.369% of the Share Capital, for a purchase price of € 3,341 thousand; 3,040 treasury shares were sold, equal to 0.006% of the Share Capital, for the partial exercise of the options linked to the 2020-2022 Stock Option Plan for a sale amount of €33 thousand.

## 2020-2022 Stock Option Plan

On 23 June 2020, after obtaining opinion from the Remuneration Committee, the Board of Directors resolved to allocate options in execution of the long-term stock option-based incentive scheme known as the "2020-2022 Stock Option Plan" (hereinafter also "Plan"), as approved by the Shareholders' Meeting on 28 April 2020. The Plan envisages the allocation of a maximum 1,700,000 options. In particular, among the executive directors, key managers and/or other employees and managerial roles in the Company and/or subsidiaries, the Board of Directors identified 29 beneficiaries to whom a total of 1,670,000 options have been allocated. The options offer the right to purchase and, if appropriate, subscribe Company shares in the ratio of 1 share for every 1 option exercised. The Plan provides for a single option allocation cycle and envisages a vesting period of 36 months from the date the options are allocated to beneficiaries. Exercise of the options is subordinated to achieving EBITDA in the consolidated financial statements at 31 December 2022 of  $\geq 80\%$  of the approved budget value. If EBITDA proves to be between  $\geq 80\%$  and  $\geq 100\%$ , the option vesting will be proportionate. The Accrued options may be exercised at the end of a 36-month vesting period as from the Allocation Date. The exercise price is established as €10.97367, based on the arithmetic mean of official prices recorded by the Company's shares on the MTA market in the half-year prior to the option allocation date. Further details of the Plan can be found in the Information Document already disclosed to the public pursuant to Art. 114-bis, Italian Legislative Decree no. 58 of 24 February 1998 (the "Consolidated Finance Act") and Art. 84-bis, paragraph 1 of the Issuers' Regulation, in the Company/Governance/Shareholders' Meeting/2020 section of the Company's web site (<https://tinexta.com/en/company/governance/assemblea-azionisti>), which will be updated in compliance with the provisions of Art. 84-bis, paragraph 5 of the Issuers' Regulation.

At the grant date, 23 June 2020, the fair value for each option was equal to €3.46.

On 23 June 2023, a total of 1,559,736 options were assigned in relation to the achievement of the 96.28% EBITDA target with respect to the 1,620,000 options assigned.

At 30 September 2023, 3,040 options had been exercised.

### **2021-2023 Stock Option Plan**

On 23 June 2021, after obtaining opinion from the Remuneration Committee, the Board of Directors resolved to allocate options in execution of the long-term stock option-based incentive scheme known as the "2021-2023 Stock Option Plan" (hereinafter also "Plan"), as approved by the Shareholders' Meeting on 27 April 2021. The Plan envisages the allocation of a maximum 300,000 options. In particular, among the executive directors, key managers and/or other employees and managerial roles in the Company and/or subsidiaries, the Board of Directors has identified 3 beneficiaries to whom a total of 190,000 options have been allocated. The options offer the right to purchase and, if appropriate, subscribe Company shares in the ratio of 1 share for every 1 option exercised. The Plan provides for a single option allocation cycle and envisages a vesting period of 36 months from the date the options are allocated to beneficiaries. Exercise of the options is subordinated to achieving EBITDA in the consolidated financial statements at 31 December 2023 of  $\geq 80\%$  of the approved budget value. If EBITDA proves to be between  $\geq 80\%$  and  $\geq 100\%$ , the option vesting will be proportionate. The Accrued options may be exercised at the end of a 36-month vesting period as from the Allocation Date. The exercise price is established as €23.49, based on the arithmetic mean of official prices recorded by the Company's shares on the MTA market in the half-year prior to the option allocation date. Further details of the Plan can be found in the Information Document already disclosed to the public pursuant to Art. 114-bis, Italian Legislative Decree no. 58 of 24 February 1998 (the "Consolidated Finance Act") and Art. 84-bis, paragraph 1 of the Issuers' Regulation, in the Company/Governance/Shareholders' Meeting/2021 section of the Company's web site (<https://tinexta.com/en/company/governance/assemblea-azionisti>), which will be updated in compliance with the provisions of Art. 84-bis, paragraph 5 of the Issuers' Regulation.

At the grant date, 23 June 2021, the fair value for each option was equal to €12.00.

On 5 October 2021, the Board of Directors of Tinexta S.p.A. resolved to grant a further 100,000 options at an exercise price set at €32.2852. At the grant date, 5 October 2021, the fair value for each option was equal to €12.15.

At 30 September 2023, 290,000 options had been allocated.

### **2023-2025 Performance Shares Plan**

On 21 April 2023 the Shareholders' Meeting of Tinexta S.p.A. approved the new long-term incentive plan based on financial instruments called "2023-2025 Performance Shares Plan" addressed to the persons identified among the Directors with proxies, the Key Management

Personnel, and other employees with strategic roles of Tinexta S.p.A. and other companies it controls. The Plan is based on the assignment, free of charge, of rights to receive ordinary shares of the Company, subject to the occurrence of certain performance conditions; The Plan has a long-term duration and provides for a single assignment of shares to the beneficiaries without prejudice to the possibility of the entry of new beneficiaries by 30 June 2024. In the event of the entry of new beneficiaries, within the eighteenth month, the bonus will be re-proportioned according to the pro-rata temporis principle. The Plan provides for a three-year vesting period for all beneficiaries running from the date of assignment of the rights and the date of assignment of the shares to the beneficiaries. The Group has defined as Plan objectives the Group's cumulative three-year Adjusted EBITDA (relative weight 60%) of the TSR (relative weight 30%) of the ESG Indicator related to the 2023-2025 Three-Year ESG Plan (relative weighting 10%). At the end of the vesting period, the beneficiaries will also be paid an additional number of Shares equivalent to the ordinary and extraordinary dividends paid by the Company during the vesting period, which would have been due on the number of shares actually allocated to the beneficiaries in proportion the performance levels achieved under the terms and conditions set out in the plan. The incentive plan also provides for a lock-up period for a portion of the shares possibly assigned to the Chief Executive Officer and to the Key Management Personnel.

For further information on the Plan's main characteristics, please refer to the Information Document pursuant to Art. 84-bis of CONSOB Regulation no. 11971/1999 ("Issuers' Regulation"), which can be consulted at the Company's registered office and on the Company's website [www.tinexta.com](http://www.tinexta.com) in the Corporate Governance/Shareholders' Meeting/21 April 2023 Section.

At the meeting on 10 May 2023, the Board of Directors of Tinexta S.p.A. identified (i) the beneficiaries of the 2023-2025 LTI Performance Shares Plan approved by the Shareholders' Meeting of 21 April 2023, including the Chief Executive Officer and key management personnel, as well as (ii) the number of rights assigned to each beneficiary. The Board of Directors assigned a total of 473,890 rights to receive up to a maximum of 710,835 Company shares in case of maximum achievement of all performance targets.

## Main risks and uncertainties

The internal Control and Risk Management System (SCIGR) is the set of rules, procedures and organisational structures of the Company and Tinexta Group specified to allow the identification, measurement, management and monitoring of the key risks. The SCIGR also guarantees the protection of the company's assets, the efficiency and effectiveness of the company's operations, the reliability of the financial reporting, compliance with the laws and regulations, as well as with the Articles of Association and internal procedures, to ensure a safe and efficient management.

## External and Internal Risks

The Group adopts an Enterprise Risk Management (ERM) process, aimed at the systematic analysis of all business risks of the Group, defined according to the international standard called "Co.S.O. – Enterprise Risk Management". This process is the result of company management that has always aimed at maximising value for its shareholders by



implementing all the measures necessary to prevent the risks inherent in the Group's activities. Tinexta S.p.A., in its position as Parent Company, is in fact exposed to the same risks and uncertainties to which the Group itself is exposed and listed below. The risk factors described below must be read together with the other information contained in the Annual Financial Statements.

### Risks related to competition

The intensification of the level of competition, also linked to the possible entry, in the Group's reference sectors, of new subjects with human resources, financial and technological skills that can offer more competitive prices could affect the Group's activities and the possibility of consolidating or expanding its competitive position in the reference sectors with consequent repercussions on the Group's business and economic, equity and financial situation. In particular, there is a high level of competitiveness in the IT consulting market: some competitors may be able to expand their market share to the detriment of the Group.

### Risks associated with changes in the regulatory framework

The Group is subject to the laws and regulations applicable in the countries in which it operates, such as the rules on the protection of health and safety in the workplace, the environment and the protection of intellectual property rights, regulations in the tax field, the regulations for the protection of privacy, the administrative liability of entities pursuant to Italian Legislative Decree no. 231/01 or similar, of the liability pursuant to Italian Law no. 262/05. In this regard, the Group has set up processes that guarantee knowledge of the specific local regulations and the changes that gradually occur. Any violations of regulations could result in civil, tax, administrative and criminal sanctions, as well as the obligation to carry out regularisation activities, the costs and responsibilities of which could have a negative impact on the Group's business and its results.

### Risks associated with the internationalisation and development of the Group

As part of its internationalisation strategy, the Group could be exposed to the typical risks deriving from the conduct of business on an international basis, including those relating to changes in the political, macroeconomic, tax and/or regulatory framework. These events could negatively affect the Group's growth prospects abroad.

The constant growth in the size of the Group presents new management and organisational challenges. The Group constantly focuses its efforts on training employees and maintaining internal controls to prevent any unlawful conduct (such as, for example, the misuse of sensitive or confidential information, failure to comply with data protection laws or regulations and/or the inappropriate use of social network sites that could lead to breaches of confidentiality, unauthorised disclosure of confidential company information or damage to reputation). If the Group does not promptly make and implement the changes to the operating model required by the changes, including dimensional changes, and if it does not continue to develop and activate the most appropriate processes and tools for the management of the company and the dissemination of its culture and values among the employees, the ability to compete successfully and achieve company objectives could be compromised.



## Risks associated with acquisitions and other extraordinary transactions

The Group expects to continue to pursue strategic acquisitions and investments to improve and add new skills, service offerings and solutions, and to allow expansion in certain geographic and other markets. Any investment made in this area and any other future investment may lead to an increase in complexity in the Group's operations and there is no certainty in the return of expected profitability, or on the timing of integration in terms of quality standards, policies and procedures with the rest of operating activities. The Group therefore pays great attention to these aspects with a strong oversight of the investment made and the business objectives, operating results and financial aspects underlying the transaction.

## IT security, data management and dissemination risks, cyber security risk and service evolution

The Group's activity is based on IT networks and systems to securely process, transmit and store electronic information and to communicate with its employees, customers, technological partners and suppliers. As the breadth and complexity of this infrastructure continue to grow, also due to the increasing dependence on and use of mobile technologies, social media and cloud-based services, the risk of security incidents and cyber-attacks increases.

Such breaches could result in the shutdown or interruption of the systems of the Group and those of our customers, technology partners and suppliers, and the potential unauthorised disclosure of sensitive or confidential information, including personal data. In the event of such actions, the Group could be exposed to potential liability, litigation and regulatory or other actions, as well as the loss of existing or potential customers, damage to the brand and reputation, and other financial losses.

The services sector in which the Group operates is characterised by rapid and profound technological changes and by a constant evolution of the composition of the professionalism and skills to be aggregated in the implementation of the services themselves, with the need for continuous development and updating of new products and services and timeliness in the go to market. Therefore, the future development of the Group's business will also depend on its ability to anticipate technological developments and the content of its services, also through significant investments in research and development activities, or through effective and efficient extraordinary transactions.

## Risks relating to dependence on key personnel and loss of know-how

The success of the Group depends to a large extent on a number of key figures who have contributed significantly to its development. The loss of the services of one of the aforementioned key figures without adequate replacement, as well as the inability to attract and retain new and qualified resources, could have negative effects on the prospects, on the maintenance of critical know-how, activities and economic and financial results of the Group. The management believes, in any case, that the Company has an operational and managerial structure capable of ensuring continuity in the management of corporate affairs.

## Risks relating to social, environmental and business ethics responsibility

In recent years, the increasing attention by the community to social, environmental and business ethics issues, as well as the evolution of national and international regulations, have given impetus to the exposure and measurement of non-financial performance, which today is fully included among the qualifying factors of business management and competitive capacity of a company. In this regard, the socio-environmental and business ethics issues are increasingly integrated into the strategic choices of companies and increasingly attract the attention of the various stakeholders attentive to sustainability issues. The Group undertakes to manage its business activities with particular attention to respect for the environment, social issues, employment relationships, the promotion of human rights and the fight against corruption, contributing to the dissemination of a culture of sustainability in compliance with future generations. The risk of not adequately monitoring these issues could subject the Group to risks of sanctions as well as reputational risks.

## Financial Risks

The Group is exposed to some financial risks: interest rate risk, liquidity risk, credit risk and exchange rate risk. As regards the interest rate risk, the Group assesses on a regular basis its exposure to changes in interest rates and actively manages it by also using financial derivatives for exclusive hedging purposes. The credit risk related to trading receivables is mitigated through internal procedures that provide for a preliminary assessment of the customer solvency, as well as through procedures for credit recovery and management. Liquidity risk is managed through careful management and monitoring of operating cash flows and recourse to a cash pooling system between the Group companies. As regards exchange rate risk, the Group carries out most of its activity in Italy, and in any case most of the sales or purchases of services with foreign countries are carried out with EU countries and the transactions are settled almost exclusively in Euro; therefore, it is not greatly exposed to the risk of fluctuation of the exchange rates of foreign currencies against the Euro. For additional information on the main risks and uncertainties to which the Group is exposed, see the paragraph “Management of financial risks” in the Notes to the Group Consolidated Financial Statements at 31 December 2022.

## Uncertainties

Among the uncertainties, we note the outbreak of the Russia-Ukraine conflict at the end of February 2022, the evolution of which is not foreseeable to date. The overall assessment of the effects related to the Russian-Ukrainian conflict did not lead to the identification of elements such as to determine the need to carry out impairment tests on the assets recorded in the financial statements, nor were significant impacts on the Group's business estimated. In particular, it should be noted in the first place that the Tinexta Group has no direct exposure to the nations directly involved in the conflict. However, it could be indirectly exposed to the effects that the prolonged conflict between Russia and Ukraine could have on the geopolitical context and on the main economic and macroeconomic variables, such as (a) the increase in the price of raw materials, including the increase in the cost of electricity and (b) the increase in financial market interest rates. With reference to the first aspect, the increase in the price of raw materials and commodities in general could lead to an increase in costs that the Group will have to incur in relation to both investments and operating costs. However, these higher costs may be reabsorbed through the adjustment of

the related fees for the services rendered. Lastly, it should be noted that the Group has loan agreements in place for which hedging derivatives have been entered into in order to reduce interest rate risk.

### Transactions with Related Parties

Transactions with related parties of the Group do not qualify as atypical nor as unusual, as they are part of the normal activities of the Group. These transactions are carried out on behalf of the Group at normal market conditions. The "Procedure for transactions with related parties" is available on the Company's website (<https://tinexta.com/en/company/governance/politiche-procedure>).

## INTERIM REPORT PREPARATION CRITERIA

The Group's Interim Report on Operations at 30 September 2023 was prepared in accordance with Art. 154-ter, paragraph 5 of the Consolidated Finance Act, introduced by Italian Legislative Decree 195/2007, in implementation of Directive 2004/109/EC. The Interim Report on Operations was approved by the Board of Directors of Tinexta on 10 November 2023, and its disclosure was authorised by the same body on said date. The Group's Interim Report on Operations at 30 September 2023 was not audited. The Interim Report on Operations is prepared on the basis of the recognition and measurement criteria set forth in the International Financial Reporting Standards (IFRS) adopted by the European Union. The accounting standards adopted for the preparation of this Interim Report on Operations are the same as those adopted for the drafting of the Group's annual Consolidated Financial Statements for the year ended 31 December 2022.

### Scope of Consolidation and Consolidation Criteria

The Consolidated Financial Statements include the Financial Statements of the Parent Company Tinexta S.p.A. and of the companies on which the Company has the right to exercise control, directly or indirectly, as defined by IFRS 10 "Consolidated Financial Statements". For the purposes of the assessment of the existence of control, the three necessary elements are all present:

- power over the company;
- exposure to the risk or rights arising from the variable returns linked to its involvement;
- ability to influence the company, so as to have an impact on the results (positive or negative) for the investor (correlation between power and own exposure to risks and benefits). Control can be exercised both on the basis of the direct or indirect possession of the majority of the shares with voting rights, on the basis of contractual or legal agreements, independently from the possession of stocks. In assessing these rights, we take into account the power to exercise these rights independently from their effective exercise and all potential voting rights are considered.

The list of companies consolidated on a line-by-line basis or using the equity method at 30 September 2023 is shown in the following table.

Company	Registered office	at 30 September 2023					
		Share Capital		% ownership	via	% contribution to the Group	Consolidation method
		Amount (Amounts in thousands of Euro)	Currency				
Tinexta S.p.A. (Parent Company)	Rome	47,207	Euro	N/A	N/A	N/A	N/A
InfoCert S.p.A.	Rome	21,099	Euro	83.91%	N/A	83.91%	Line-by-line
Co.Mark S.p.A.	Bergamo	150	Euro	100.00%	N/A	100.00%	Line-by-line
Visura S.p.A.	Rome	1,000	Euro	100.00%	N/A	100.00%	Line-by-line
Warrant Hub S.p.A.	Correggio (RE)	66	Euro	100.00%	N/A	88.00%	Line-by-line
Tinexta Cyber S.p.A.	Rome	1,000	Euro	100.00%	N/A	100.00%	Line-by-line
Tinexta Defence S.r.l.	Rome	25	Euro	100.00%	N/A	100.00%	Line-by-line
Sixtema S.p.A.	Rome	6,180	Euro	100.00%	InfoCert S.p.A.	83.91%	Line-by-line
AC Camerfirma S.A.	Spain	3,421	Euro	51.00%	InfoCert S.p.A.	42.80%	Line-by-line
CertEurope S.A.S.	France	500	Euro	60.00%	InfoCert S.p.A.	83.91%	Line-by-line
IC TECH LAB SUARL	Tunisia	60	TND	100.00%	InfoCert S.p.A.	83.91%	Line-by-line
Ascertia Ltd	United Kingdom	0	GBP	65.00%	InfoCert S.p.A.	83.91%	Line-by-line
Co.Mark TES S.L.	Spain	36	Euro	100.00%	CoMark S.p.A.	100.00%	Line-by-line
Queryo Advance S.r.l.	Quartu Sant'Elena (CA)	10	Euro	60.00%	CoMark S.p.A.	100.00%	Line-by-line
Warrant Service S.r.l.	Correggio (RE)	40	Euro	50.00%	Warrant Hub S.p.A.	44.00%	Line-by-line
Bewarrant S.p.r.l.	Belgium	12	Euro	100.00%	Warrant Hub S.p.A.	88.00%	Line-by-line
Euroquality SAS	France	16	Euro	100.00%	Warrant Hub S.p.A.	88.00%	Line-by-line
Europroject OOD	Bulgaria	10	BGN	100.00%	90.00% Warrant Hub S.p.A. 10.00% Euroquality SAS	88.00%	Line-by-line
Evalue Innovación SL	Spain	62	Euro	70.00%	Warrant Hub S.p.A.	88.00%	Line-by-line
Forvalue S.p.A.	Milan	150	Euro	100.00%	Warrant Hub S.p.A.	88.00%	Line-by-line
Swascan S.r.l.	Milan	178	Euro	51.00%	Tinexta Cyber S.p.A.	100.00%	Line-by-line
Corvallis S.r.l.	Padua	1,000	Euro	70.00%	Tinexta Cyber S.p.A.	100.00%	Line-by-line
Yoroi S.r.l.	Rome	100	Euro	60.00%	Tinexta Cyber S.p.A.	100.00%	Line-by-line
Camerfirma Perú S.A.C.	Peru	84	PEN	99.99%	AC Camerfirma S.A.	42.79%	Line-by-line
Ascertia PVT Ltd	Pakistan	500	PKR	99.98%	Ascertia Ltd	83.90%	Line-by-line
Ascertia Software Trading LLC	UAE	0	AED	100.00%	Ascertia Ltd	83.91%	Line-by-line
Tinexta futuro digitale S.c.a.r.l.	Rome	15	Euro	100.00%	35.00% InfoCert S.p.A. 24.00% Warrant Hub S.p.A. 22.00% Corvallis S.r.l. 7.00% Visura S.p.A. 5.00% Co.Mark S.p.A. 3.00% Yoroi S.r.l. 2.00% Queryo Advance S.r.l. 2.00% Swascan S.r.l.	91.49%	Line-by-line
Wisee S.r.l. Società Benefit in liquidation	Milan	17.8	Euro	36.80%	Tinexta S.p.A.	36.80%	Equity method
Etuitus S.r.l.	Salerno	50	Euro	24.00%	InfoCert S.p.A.	20.14%	Equity method
Authada GmbH	Germany	74	Euro	16.67%	InfoCert S.p.A.	13.99%	Equity method
Camerfirma Colombia S.A.S.	Colombia	1,200,000	COP	51.00%	1% InfoCert S.p.A. 50% AC Camerfirma S.A.	22.24%	Equity method
IDecys S.A.S.	France	1	Euro	30.00%	CertEurope S.A.S.	25.17%	Equity method
Studio Fieschi & Soci S.r.l.	Turin	13	Euro	20.00%	Warrant Hub S.p.A.	17.60%	Equity method
Opera S.r.l.	Bassano del Grappa (VI)	13	Euro	20.00%	Warrant Service S.r.l.	8.80%	Equity method
Digital Hub S.r.l.	Reggio Emilia	10	Euro	30.00%	Warrant Hub S.p.A.	26.40%	Equity method
Defence Tech Holding S.p.A. Società Benefit	Rome	2,554	Euro	20.00%	Tinexta Defence S.r.l.	20.00%	Equity method

The percentage of ownership indicated in the table refers to the portions actually owned by the Group at the reporting date. The percentage of contribution refers to the contribution to the Group's shareholders' equity by the individual companies as a result of recognition of the additional equity investments in the consolidated companies as a result of the recognition of the Put options granted to the minority shareholders on the portions in their possession.



## **FINANCIAL STATEMENTS**

### **30 SEPTEMBER 2023**

## Consolidated Financial Statements

### Consolidated Statement of Financial Position

<i>In thousands of Euro</i>	30/09/2023	31/12/2022
<b>ASSETS</b>		
Property, plant and equipment	48,574	48,423
Intangible assets and goodwill	536,834	487,337
Equity-accounted investments	28,104	5,891
Other equity investments	1,866	332
Other financial assets, excluding derivative financial instruments	1,893	1,664
- <i>of which vs. related parties</i>	45	137
Derivative financial instruments	8,393	8,562
Deferred tax assets	11,764	12,229
Trade and other receivables	2,725	2,329
- <i>of which vs. related parties</i>	42	0
Contract cost assets	9,071	7,248
<b>NON-CURRENT ASSETS</b>	<b>649,224</b>	<b>574,014</b>
Inventories	1,999	1,926
Other financial assets, excluding derivative financial instruments	24,836	125,784
- <i>of which vs. related parties</i>	2,195	1,574
Derivative financial instruments	0	107
Current tax assets	2,168	1,133
Trade and other receivables	103,083	129,538
- <i>of which vs. related parties</i>	762	740
Contract assets	26,633	16,979
- <i>of which vs. related parties</i>	5	0
Contract cost assets	1,945	1,932
Cash and cash equivalents	172,808	115,278
- <i>of which vs. related parties</i>	1,732	4,444
Assets held for sale	0	10,853
<b>CURRENT ASSETS</b>	<b>333,472</b>	<b>403,529</b>
<b>TOTAL ASSETS</b>	<b>982,696</b>	<b>977,543</b>

<i>In thousands of Euro</i>	<b>30/09/2023</b>	<b>31/12/2022</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	47,207	47,207
Treasury shares	(30,725)	(27,437)
Share premium reserve	55,439	55,439
Other reserves	334,639	290,455
<i>Shareholders' equity attributable to the Group</i>	<i>406,560</i>	<i>365,665</i>
<i>Minority interests</i>	<i>42,973</i>	<i>36,351</i>
<b>TOTAL EQUITY</b>	<b>449,533</b>	<b>402,015</b>
<b>LIABILITIES</b>		
Provisions	2,812	2,567
Employee benefits	18,167	16,363
Financial liabilities, excluding derivative financial instruments	190,971	235,200
- <i>of which vs. related parties</i>	<i>929</i>	<i>954</i>
Derivative financial instruments	22	29
Deferred tax liabilities	38,567	42,412
Contract liabilities	15,559	17,911
- <i>of which vs. related parties</i>	<i>32</i>	<i>55</i>
Deferred income	104	122
<b>NON-CURRENT LIABILITIES</b>	<b>266,203</b>	<b>314,604</b>
Provisions	706	393
Employee benefits	482	251
Financial liabilities, excluding derivative financial instruments	106,541	93,577
- <i>of which vs. related parties</i>	<i>307</i>	<i>1,004</i>
Trade and other payables	83,072	92,308
- <i>of which vs. related parties</i>	<i>667</i>	<i>747</i>
Contract liabilities	70,015	64,081
- <i>of which vs. related parties</i>	<i>112</i>	<i>125</i>
Deferred income	3,776	2,353
Current tax liabilities	2,368	2,917
Liabilities held for sale	0	5,044
<b>CURRENT LIABILITIES</b>	<b>266,960</b>	<b>260,924</b>
<b>TOTAL LIABILITIES</b>	<b>533,163</b>	<b>575,528</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>982,696</b>	<b>977,543</b>

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

<i>In thousands of Euro</i>	<i>Nine-month period ended 30 September</i>	
	<b>2023</b>	<b>2022<sup>12</sup></b>
<b>Revenues</b>	<b>269,547</b>	<b>246,669</b>
- of which vs. related parties	175	201
Costs of raw materials	(12,514)	(9,834)
Service costs	(81,417)	(79,243)
- of which vs. related parties	(2,162)	(1,503)
- of which non-recurring	(1,953)	(3,858)
Personnel costs	(118,077)	(103,296)
- of which non-recurring	(550)	(727)
Contract costs	(4,122)	(3,294)
- of which vs. related parties	0	(3)
Other operating costs	(2,296)	(2,129)
- of which vs. related parties	(9)	(3)
- of which non-recurring	(376)	(79)
Amortisation and depreciation	(26,453)	(23,031)
Provisions	(468)	(904)
Impairment	(2,546)	(1,309)
- of which non-recurring	(198)	0
<b>Total Costs</b>	<b>(247,892)</b>	<b>(223,040)</b>
<b>OPERATING PROFIT</b>	<b>21,655</b>	<b>23,629</b>
Financial income	4,736	182
- of which vs. related parties	42	14
- of which non-recurring	279	0
Financial charges	(6,776)	(4,349)
- of which vs. related parties	(166)	(50)
- of which non-recurring	(1,313)	0
<b>Net financial income (charges)</b>	<b>(2,040)</b>	<b>(4,167)</b>
Share of profit of equity-accounted investments, net of tax effects	(118)	(142)
<b>PROFIT BEFORE TAX</b>	<b>19,497</b>	<b>19,320</b>
Income taxes	(7,173)	(4,587)
- of which non-recurring	703	3,546
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>12,324</b>	<b>14,733</b>
Profit (loss) from discontinued operations	36,149	45,465
- of which vs. related parties	(34)	746
- of which non-recurring	36,034	41,365
<b>NET PROFIT</b>	<b>48,473</b>	<b>60,198</b>

<sup>12</sup> The comparative figures of the nine months of 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalue Innovacion consolidated on a line-by-line basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

<i>In thousands of Euro</i>	<b>2023</b>	<b>2022</b>
<b>Other components of the comprehensive income statement</b>		
<b>Components that will never be reclassified to profit or loss</b>		
Actuarial gains (losses) of employee benefit provisions	(180)	(34)
Tax effect	45	9
<b>Total components that will never be reclassified to profit or loss</b>	<b>(135)</b>	<b>(26)</b>
<b>Components that may be later reclassified to profit or loss:</b>		
Exchange rate differences from the translation of foreign financial statements	416	73
Profits (losses) from measurement at fair value of derivative financial instruments	(1,114)	7,951
Equity-accounted investments - share of Other comprehensive income	7	10
Tax effect	267	(1,908)
<b>Total components that are or may be later reclassified to profit or loss</b>	<b>(423)</b>	<b>6,126</b>
<b>Total other components of comprehensive income for the period, net of tax</b>	<b>(559)</b>	<b>6,100</b>
<i>- of which relating to discontinued operations</i>	<i>0</i>	<i>0</i>
<b>Total comprehensive income for the period</b>	<b>47,914</b>	<b>66,298</b>
<b>Net profit attributable to:</b>		
Group	45,103	60,180
Minority interests	3,370	18
<b>Total comprehensive income for the period attributable to:</b>		
Group	44,494	66,240
Minority interests	3,421	58
<b>Earnings per share</b>		
<b>Basic earnings per Share (in Euro)</b>	<b>0.99</b>	<b>1.31</b>
- of which from continuing operations	0.20	0.28
- of which from discontinued operations	0.79	1.02
<b>Diluted earnings per share (in Euro)</b>	<b>0.98</b>	<b>1.28</b>
- of which from continuing operations	0.19	0.28
- of which from discontinued operations	0.78	1.00



## Consolidated Statement of Changes Equity

Nine-month period ended 30 September 2023											
In thousands of Euro	Share capital	Treasury shares	Legal reserve	Share premium reserve	Hedging derivatives reserve	Defined benefits reserve	Reserve for share-based payments	Other reserves	Shareholders' equity attributable to the Group	Minority interests	Consolidated shareholders' equity
<b>Balance at 1 January 2023</b>	47,207	(27,437)	7,150	55,439	6,482	531	5,720	270,571	365,665	36,351	402,015
<i>Comprehensive income for the period</i>											
Profit for the period								45,103	45,103	3,370	48,473
Other components of the comprehensive income statement					(846)	(114)		350	(610)	51	(559)
<i>Total comprehensive income for the period</i>	0	0	0	0	(846)	(114)	0	45,453	44,494	3,421	47,914
<i>Transactions with shareholders</i>											
Dividends								(27,447)	(27,447)	(5,806)	(33,253)
Allocation to legal reserve			2,291					(2,291)	0		0
Purchase of treasury shares		(3,341)							(3,341)		(3,341)
Sale of treasury shares		53					(11)	(9)	33		33
Put adjustment on minority interests								3,483	3,483	275	3,758
Share-based payments							2,627		2,627	77	2,705
Disposal of equity investments						(14)		14	0	(262)	(262)
Sale of minority interests in subsidiaries						(3)	(54)	21,181	21,125	8,875	30,000
Other changes								(78)	(78)	43	(35)
<i>Total transactions with shareholders</i>	0	(3,289)	2,291	0	0	(16)	2,563	(5,147)	(3,598)	3,202	(396)
<b>Balance at 30 September 2023</b>	47,207	(30,725)	9,441	55,439	5,636	402	8,283	310,877	406,560	42,973	449,533

Nine-month period ended 30 September 2022											
In thousands of Euro	Share capital	Treasury shares	Legal reserve	Share premium reserve	Hedging derivatives reserve	Defined benefits reserve	Reserve for share-based payments	Other reserves	Shareholders' equity attributable to the Group	Minority interests	Consolidated shareholders' equity
<b>Balance at 1 January 2022</b>	47,207	(19,327)	5,673	55,439	(21)	(1,487)	3,056	105,277	195,816	46,867	242,683
<i>Comprehensive income for the period</i>											
Profit for the period								60,180	60,180	18	60,198
Other components of the comprehensive income statement					6,044	(23)		39	6,060	40	6,100
<i>Total comprehensive income for the period</i>	0	0	0	0	6,044	(23)	0	60,218	66,240	58	66,298
<i>Transactions with shareholders</i>											
Dividends								(17,567)	(17,567)	(3,638)	(21,206)
Allocation to legal reserve			1,477					(1,477)	0		0
Purchase of treasury shares		(1,678)							(1,678)		(1,678)
Put adjustment on minority interests								(1,021)	(1,021)	41	(980)
Share-based payments							1,985		1,985	75	2,060
Disposal of equity investments						63		(63)	0	(39,740)	(39,740)
Sale of minority interests in subsidiaries						86	(89)	57,793	57,790	12,210	70,000
Acquisitions of minority interests in subsidiaries								(289)	(289)	(140)	(429)
Other changes								(65)	(65)	(1)	(66)
<i>Total transactions with shareholders</i>	0	(1,678)	1,477	0	0	149	1,895	37,312	39,155	(31,194)	7,961
<b>Restated Balance at 30 September 2022<sup>13</sup></b>	47,207	(21,005)	7,150	55,439	6,022	(1,361)	4,951	202,807	301,210	15,732	316,942

<sup>13</sup> The comparative figures of the nine months of 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalua Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

## Consolidated Statement of Cash Flows

<i>Amounts in thousands of Euro</i>	<i>Nine-month period ended 30 September</i>	
	<b>2023</b>	<b>2022<sup>14</sup></b>
<i>Cash flows from operations</i>		
<b>Net profit</b>	<b>48,473</b>	<b>60,198</b>
Adjustments for:		
- Amortisation and depreciation	26,453	26,907
- Impairment (Revaluations)	2,546	1,303
- Provisions	468	904
- Provisions for share-based plans	2,683	1,975
- Net financial charges	2,039	4,379
- <i>of which vs. related parties</i>	<i>124</i>	<i>36</i>
- Share of profit of equity-accounted investments	118	171
- Profit from the sale of discontinued operations, net of the tax effect	(37,629)	(41,365)
- Income taxes	6,726	6,265
Changes in:		
- Inventories	(73)	(80)
- Contract cost assets	(1,836)	(1,422)
- Trade and other receivables and Contract assets	19,449	17,191
- <i>of which vs. related parties</i>	<i>(68)</i>	<i>(156)</i>
- Trade and other payables	(11,217)	(5,671)
- <i>of which vs. related parties</i>	<i>(80)</i>	<i>189</i>
- Provisions and employee benefits	1,946	1,337
- Contract liabilities and deferred income, including public contributions	1,891	(4,320)
- <i>of which vs. related parties</i>	<i>(37)</i>	<i>31</i>
<b>Cash and cash equivalents generated by operations</b>	<b>62,034</b>	<b>67,773</b>
Income taxes paid	(11,729)	(16,149)
<b>Net cash and cash equivalents generated by operations</b>	<b>50,306</b>	<b>51,624</b>
<b><i>of which discontinued operations</i></b>	<b><i>(2,337)</i></b>	<b><i>12,471</i></b>
<i>Cash flows from investments</i>		
Interest collected	3,098	147
Dividends collected	0	652
- <i>of which vs. related parties</i>	<i>0</i>	<i>652</i>
Collections from sale or repayment of financial assets	292,127	1,018
Investments in equity-accounted shareholdings	(25,630)	(1,006)
Disinvestments of equity-accounted shareholdings	2,000	0
Investments in property, plant and equipment	(2,575)	(2,655)
Investments in unconsolidated equity investments	(1,484)	(146)
Investments in other financial assets	(188,332)	(3,996)
- <i>of which vs. related parties</i>	<i>(579)</i>	<i>(1,314)</i>
Investments in intangible assets	(25,745)	(11,890)
Increases in the scope of consolidation, net of liquidity acquired	(14,685)	(42,331)
Decreases in the scope of consolidation, net of liquidity sold	41,617	127,749
<b>Net cash and cash equivalents generated/(absorbed) by investments</b>	<b>80,390</b>	<b>67,542</b>
<b><i>of which discontinued operations</i></b>	<b><i>41,599</i></b>	<b><i>124,464</i></b>

<sup>14</sup> The comparative figures of the nine months of 2022 have been restated in relation to the completion, in the fourth quarter of 2022, of the activities to identify the fair values of the assets and liabilities of CertEurope S.A., consolidated on a line-by-line basis from 1 November 2021, of Evalue Innovacion consolidated on a line-by-line-basis from 1 January 2022, of Enhancers S.p.A. consolidated from 1 April 2022, of Sferabit S.r.l. consolidated from 1 May 2022, of Plannet S.r.l. and LAN&WAN S.r.l. consolidated from 1 July 2022.

<i>Cash flows from financing</i>		
Purchase of minority interests in subsidiaries	(31,726)	(1,599)
Interest paid	(1,748)	(1,413)
- <i>of which vs. related parties</i>	(28)	(56)
MLT bank loans taken out	0	9,990
Repayment of MLT bank loans	(29,914)	(28,726)
Repayment of price deferment liabilities on acquisitions of equity investments	(1,571)	(1,231)
- <i>of which vs. related parties</i>	(685)	(675)
Repayment of contingent consideration liabilities	(1,257)	(1,864)
Change in other current bank payables	1,003	(566)
Change in other financial payables	682	(58)
Repayment of lease liabilities	(4,036)	(4,474)
- <i>of which vs. related parties</i>	(264)	(552)
Purchase of treasury shares	(3,308)	(1,678)
Capital increases (decreases) - subsidiaries	30,000	70,000
Dividends paid	(32,999)	(20,752)
<b>Net cash and cash equivalents generated/(absorbed) by financing</b>	<b>(74,875)</b>	<b>17,630</b>
<b><i>of which discontinued operations</i></b>	<b>(3)</b>	<b>(7,297)</b>
Net increase (decrease) in cash and cash equivalents	55,820	136,795
Cash and cash equivalents at 1 January	116,890	68,253
Change in exchange rates on cash and cash equivalents in foreign currency	98	0
<b>Cash and cash equivalents at 30 September</b>	<b>172,808</b>	<b>205,048</b>

**Declaration of the Manager responsible for the preparation of the Company's accounting documents pursuant to the provisions of Article 154-bis, paragraph 2 of Italian Legislative Decree no. 58/1998 (Consolidated Finance Act)**

The Manager responsible for the preparation of the corporate accounting documents hereby declares, pursuant to Art. 154-bis, paragraph 2, of the Consolidated Finance Act, that the accounting information in this Interim Report on Operations at 30 September 2023 corresponds to the documentary results, books and accounting records.

Milan, 10 November 2023

Manager responsible for the preparation  
of the corporate accounting documents

Oddone Pozzi