



TINEXTA

Think Next

1Q 2024 Results

Ended March 31, 2024

Milan – May 14, 2024



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J. Mastragostino | Chief Investor Relations Officer



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1Q'24 Highlights and Updates

J. Mastragostino | Chief Investor Relations Officer



Key data

EBITDA Adjusted
€ 15.4 M (+3% vs PY)

EBITDA EBIT Adjusted
€ 8.6 M € 8.1M

REVENUES

€ 98.4 M
+14% vs PY

NET PROFIT Adjusted
€ 5.8 M

FCF Adjusted of cont. ops.
€ 27.2 M

NFP
€ 240.1 M
vs € 102 M in FY2023

Results at 31/03/2024

1Q 2024: Gradual start of the year, driven by well-known seasonality

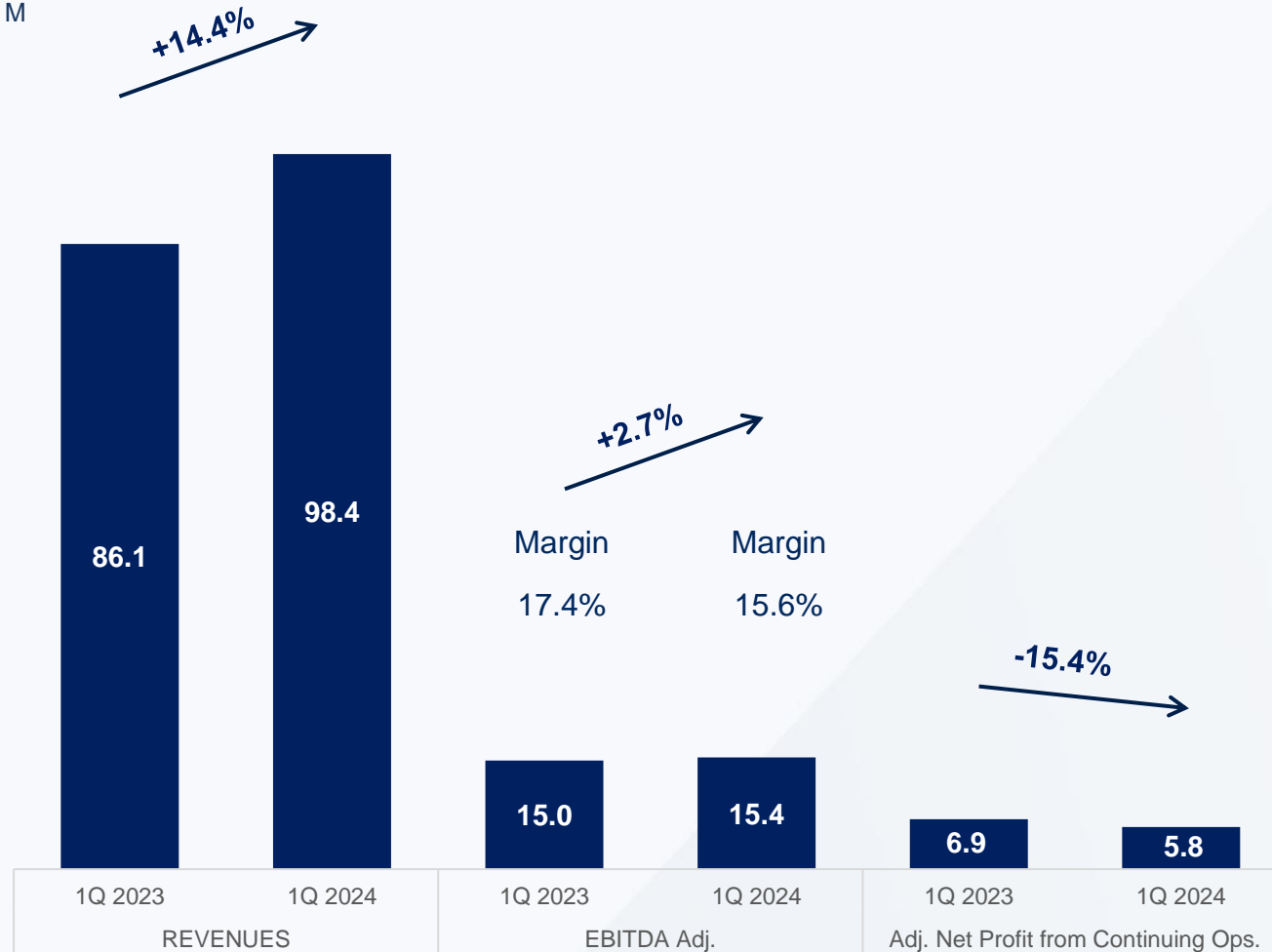
- **Results:**
 - **Revenues** at **€ 98.4M** in 1Q'24 (+ 14.4% vs PY);
 - **EBITDA Adjusted** at **€ 15.4M** in 1Q'24 (+ 2.7% vs PY) mainly driven by strong growth in DT & CS and historically well-known BI's seasonality, **EBITDA¹** at **€ 8.6M** in 1Q'24 (- 36.2%vs PY) includes € 5.5M of non-recurring;
 - **EBITDA Adjusted margin 15.6%** (17.4% vs PY); **EBITDA¹ margin 8.8%** (15.7% vs PY);
 - **EBIT Adjusted** at **€ 8.1M** (- 20.0% vs PY); **EBIT Adj. Margin** at 8.3%;
 - **Adjusted Net Profit of continuing operations** at **€ 5.8M** (- 15.4% vs PY); **Net Profit** at **€ - 2.0M**;
 - **NFP** of **€ 240.1M** (€ 102.0M in FY'23) reflects ABF's acquisition; **NFP/LTM EBITDA Adjusted** of **2.32x** up from **0.04x** in 1Q'23;
 - **Adjusted Free Cash Flow of continuing operations: € 27.2M** vs € 22.8M in 1Q'23; on a LTM base Adjusted FCF of continuing ops was: **€ 61.4M**.
- **Top line growing in all business lines²:**
 - **Digital Trust**, kicked-off with strong quarterly growth. Revenues grew 21.1%, EBITDA + 35.8%. Excellent EBITDA margin of 30.8%
 - **Cybersecurity**, grew 15.7% in Revenues, EBITDA hit + 10.1%. EBITDA margin at 9.7%
 - **Business Innovation**, posted a + 4.4% growth in Revenues with EBITDA at 1.2M. EBITDA margin 4.8%

- **Recent Events & Updates:**
 - Reached the 100% of Yoroi, Swascan & Corvallis; impact already included in NFP as of acquisition date
 - Launch of a new strategic and operational advisory business line for SMEs'
 - Finalized the acquisition of 73.9% of ABF Group
 - The BOD approved the start of the share buyback program



1Q 2024 Results

€ M



1Q 2024 results show Revenues of €98.4 million euros, EBITDA Adjusted of €15.4 million euros and Net Profit of € -2.0 million euros.

Growth was registered both in Revenues (c. +14%) and EBITDA Adjusted (c. +3%)

EBITDA Adjusted amounted to 15.4 million euros up from 15.0 million in PY

EBITDA Adjusted margin was 15.6% (vs 17.4% in PY)

EBITDA reported was 8.6 million euros (-36.2% vs PY)

EBITDA reported margin at 8.8%

Net Profit came in at -2.0 million euros

Adj. Net Profit from continuing operations was equal to 5.8 million euros

Adjusted Free Cash Flow from continuing operations was 27.2 million euros

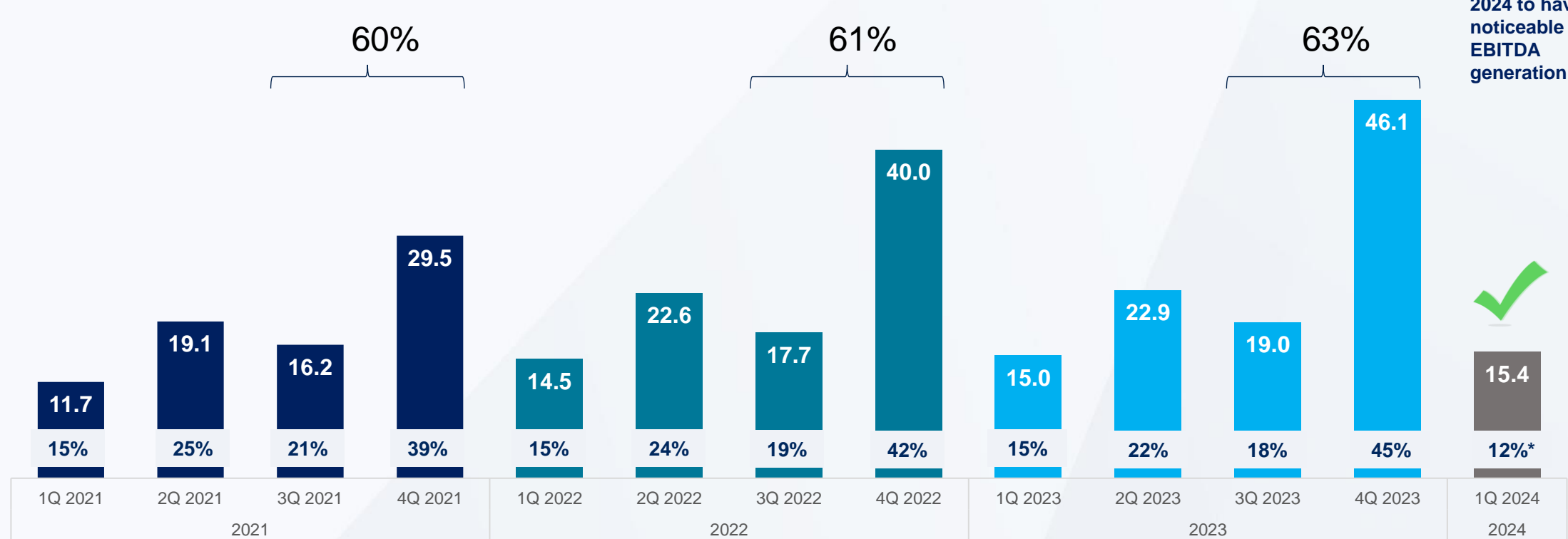


EBITDA Adjusted Quarter by Quarter – back end weighted business

€ M

Significant 2H historical weight driven by business model →

Weight of each Q on Total EBITDA Adjusted →



2024 to have noticeable 2H EBITDA generation

*Data considers mid-point of 2024 EBITDA Adjusted guidance

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1Q'24 Financial Results

O. Pozzi | Group Chief Financial Officer



1Q 2024 Results – Income Statement

€ M	1Q'24	%	1Q'23	%	1Q 2024 on 2023	%	with Acquisitions		LFL2023	
							Δ	Δ%	Δ	Δ%
Revenues	98.4	100.0%	86.1	100.0%	90.1	100.0%	12.4	14.4%	4.1	4.7%
Total Operating Costs	(83.1)	-84.4%	(71.1)	-82.6%	(76.8)	-85.2%	(12.0)	16.9%	(5.7)	8.0%
Service & Other Costs	(41.4)	-42.0%	(32.6)	-37.9%	(37.3)	-41.3%	(8.8)	26.9%	(4.6)	14.2%
Personnel Costs	(41.7)	-42.4%	(38.5)	-44.7%	(39.5)	-43.9%	(3.2)	8.4%	(1.0)	2.7%
EBITDA Adjusted	15.4	15.6%	15.0	17.4%	13.3	14.8%	0.4	2.7%	(1.6)	-10.8%
Share Based Payments & Other non-recurring costs	(6.7)	-6.8%	(1.4)	-1.6%	(6.7)	-7.5%	(5.3)	376.7%	(5.3)	376.7%
EBITDA	8.6	8.8%	13.5	15.7%	6.6	7.3%	(4.9)	-36.2%	(6.9)	-51.2%
Depreciation, amortisation, provisions and impairment	(11.7)	-11.9%	(9.3)	-10.8%	(11.1)	-12.3%	(2.4)	26.4%	(1.8)	19.6%
Operating Profit	(3.1)	-3.1%	4.3	5.0%	(4.5)	-5.0%	(7.4)	-171.6%	(8.7)	-204.2%
Financial Income	2.7	2.7%	0.8	0.9%	0.8	0.9%	1.8	226.8%	0.0	-0.6%
Financial Charges	(-2.4)	-2.4%	(1.7)	-1.9%	(1.7)	-1.8%	(0.7)	43.5%	0.0	-0.3%
Net financial Charges	0.3	0.3%	(0.9)	-1.0%	(0.9)	-1.0%	1.1	-129.5%	0.0	-0.1%
Profit of equity-accounted investments	0.3	0.3%	0.0	0.0%	0.3	0.3%	0.3	-4258.8%	0.3	4258.8%
Profit Before Taxes	(2.6)	-2.6%	3.4	4.0%	(5.1)	-5.6%	(6.0)	-174.9%	(8.5)	-248.2%
Income Taxes	(0.5)	0.6%	(1.3)	-1.5%	0.3	0.3%	1.9	-141.1%	1.6	-120.5%
Net Profit of Continuing Operations	(2.0)	-2.0%	2.1	2.4%	(4.8)	-5.3%	(4.1)	-196.4%	(6.9)	-329.7%
Results of Discontinued Operations	0.0	N/A	37.6	N/A	0.0	N/A	(37.6)	-100.0%	(37.6)	-100.0%
Net Profit	(2.0)	N/A	39.7	N/A	(4.8)	N/A	(41.7)	-105.1%	(44.5)	-112.1%



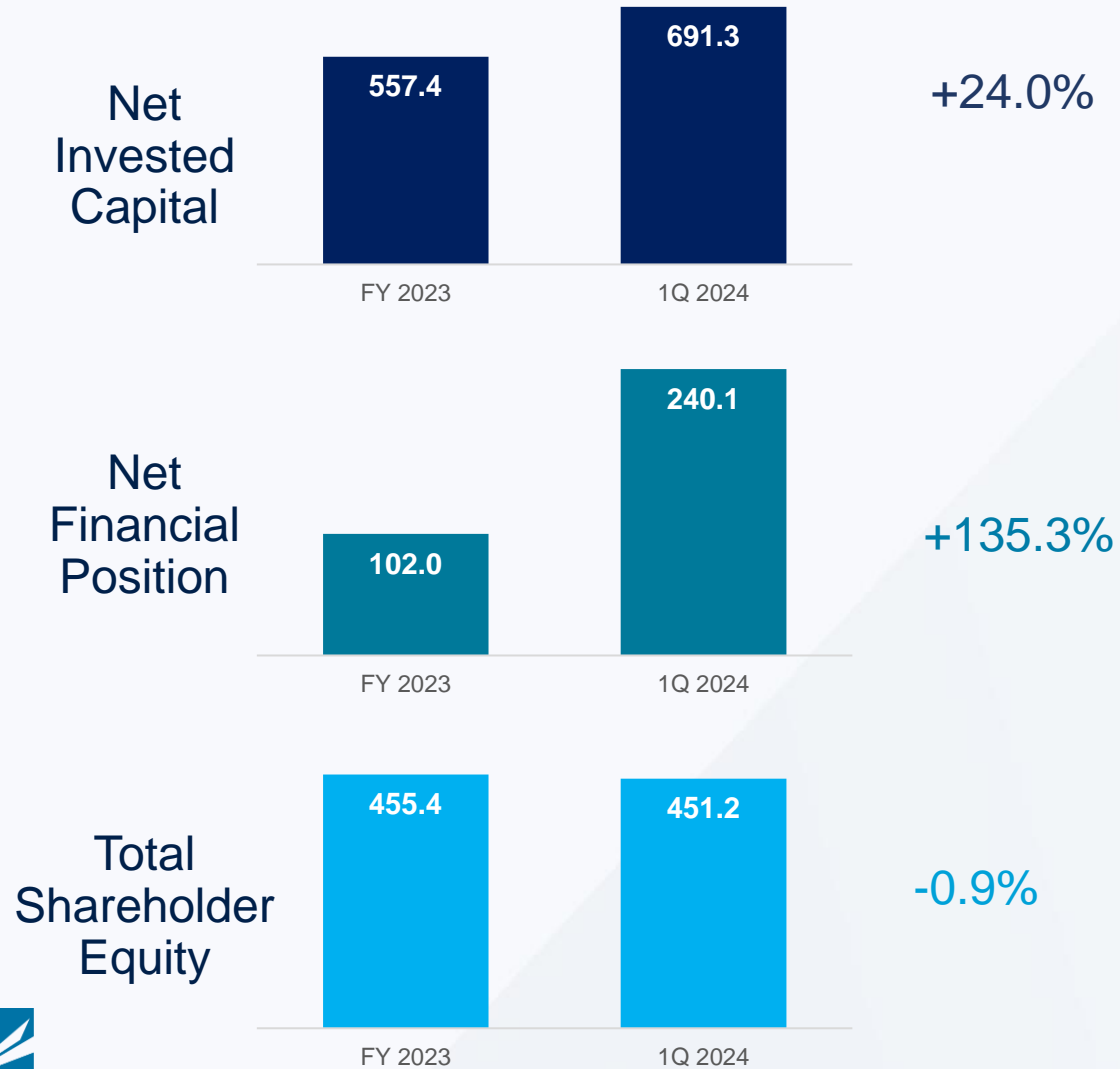
1Q 2024 Results – Having a clear view on P&L Adjustments

€ M

	EBITDA		Operating profit (loss)		Net profit from continuing operations	
	1Q'24	1Q'23	1Q'24	1Q'23	1Q'24	1Q'23
Reported income statement results	8.6	13.5	-3.1	4.3	-2.0	2.1
Non-recurring service costs	3.1	0.6	3.1	0.6	3.1	0.6
LTI incentive plans	1.2	0.7	1.2	0.7	1.2	0.7
Non-recurring personnel costs	2.4	0.2	2.4	0.2	2.4	0.2
Other non-recurring operating costs	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of Other intangible assets from consolidation			4.5	4.5	4.5	4.5
Adjustment of contingent considerations					-1.1	0.3
Tax effect on adjustments					-2.3	-1.4
Adjusted income statement results	15.4	15.0	8.1	10.2	5.8	6.9
<i>Change from previous year</i>		<i>2.7%</i>		<i>-20%</i>		<i>-15.4%</i>

1Q 2024 Results – Balance Sheet

€ M



Net invested capital increased by **€133.9 million** compared to 31 December 2023 mainly because of the investment in ABF for a total of **€155.1 million** at the acquisition date, partially offset by the decrease in net working capital and provisions for **€18.5 million** and by the change in net fixed assets for **€2.7 million**

Net Financial Position amounts to **€240.1 million** with an increase of **€138.1 million** compared to 31 December 2023. These changes reflect:

- Free Cash Flow + €21.4M
- Acquisitions - €155.2M
- PUT Adjustment - €5.7M
- Treasury Shares + €2.3M
- Contingent Consideration (Earn-out) + €1.1M
- Adjustments to leasing contracts on NFP - €0.8M
- OCI Derivatives - €0.2M

Main changes in Shareholders' Equity are:

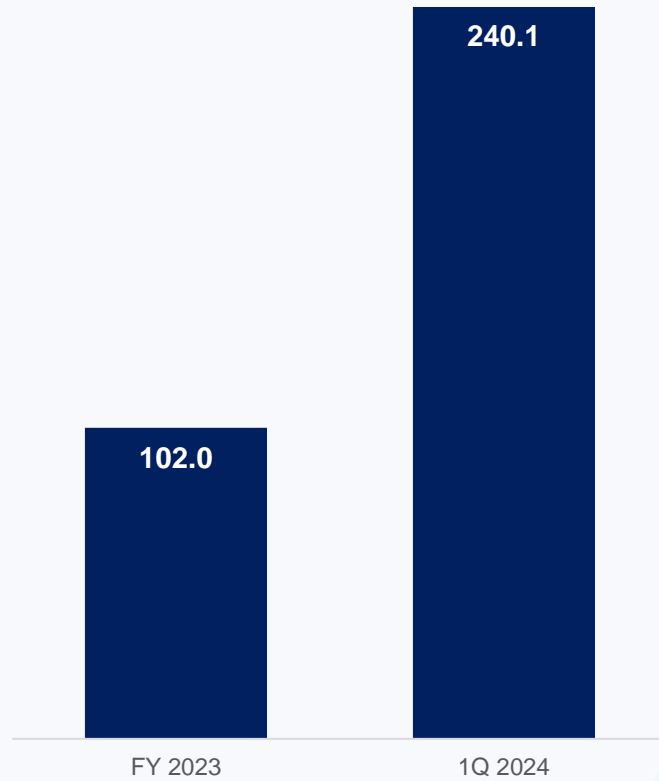
- Total comprehensive income for the period of - €1.9M
- PUT Adjustment of - €5.7M
- Share Based Payment Reserve of + €1.1M
- Treasury Shares + €2.3M

1Q'24 Financial Results

1Q 2024 Results – NFP & FCF

€ M

NFP



Main Changes in 1Q 2024:

- - €5.7M Put Options
- + €2.3M Treasury Shares
- - €155.2M Acquisitions
- - €0.8M Adjustments to leasing contracts
- - €0.2M OCI hedging Derivatives

Adjusted FCF of continuing ops



1Q 2024 Results – NFP Bridge

€ M

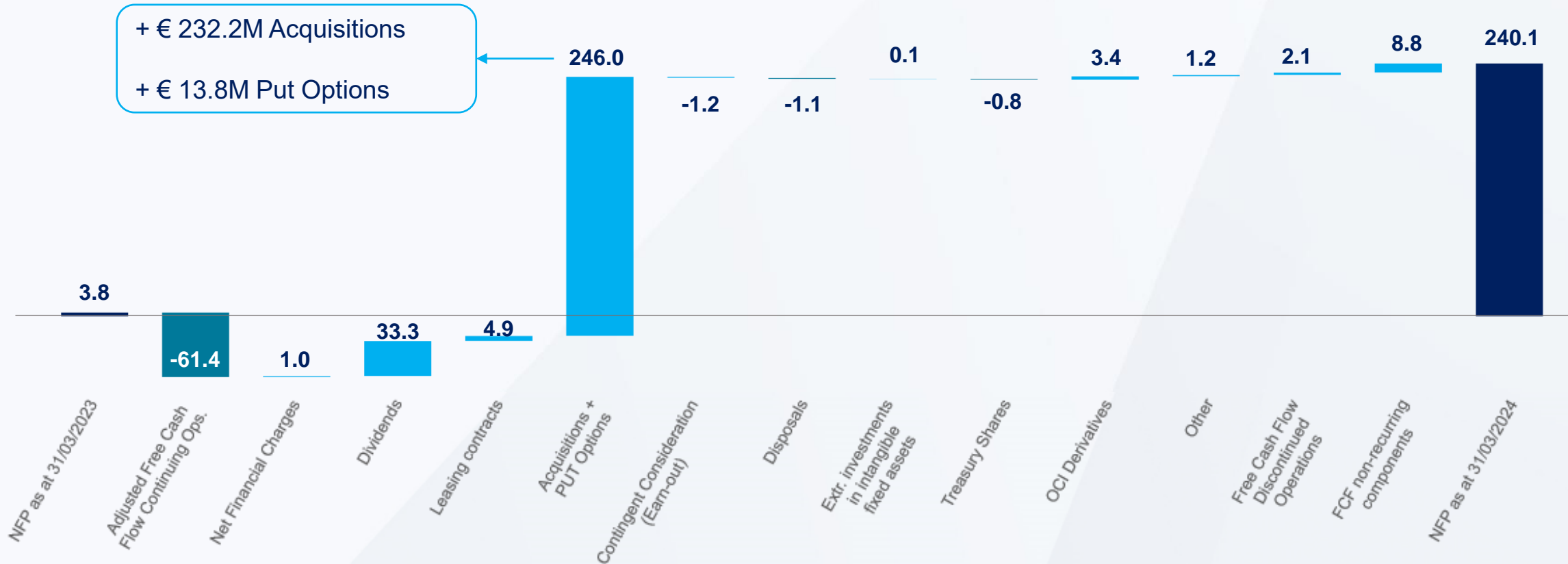


+ € 155.2M Acquisitions
+ € 5.7M Put Options

0.99x	<u>NFP/EBITDA¹</u>	2.32x
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1Q 2024 Results – NFP LTM Bridge

€ M



+ € 232.2M Acquisitions
+ € 13.8M Put Options

0.04x NFP/EBITDA¹ **2.32x**

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Business Units Deep Dive

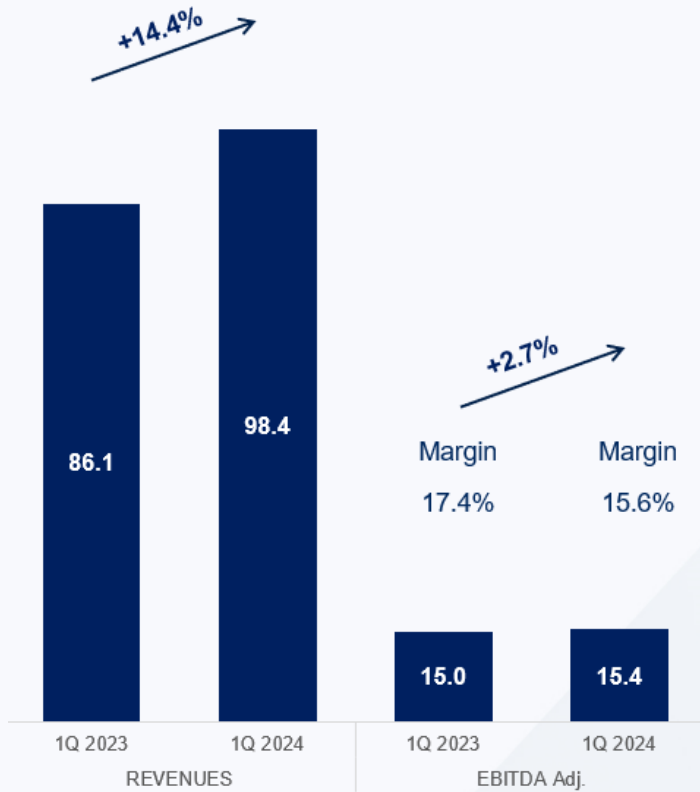
O. Pozzi | Group Chief Financial Officer



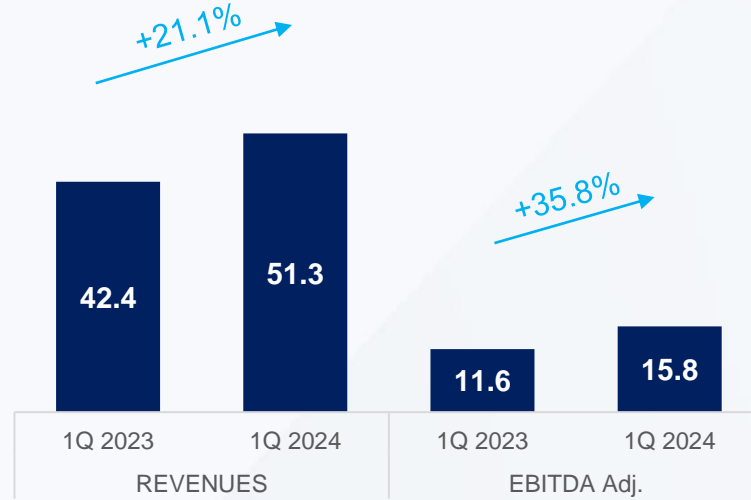
Overview 1Q'24

€ M

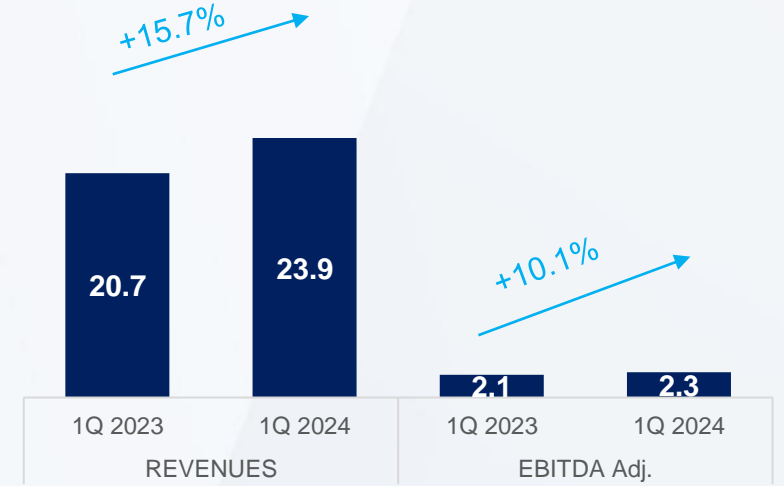
Group



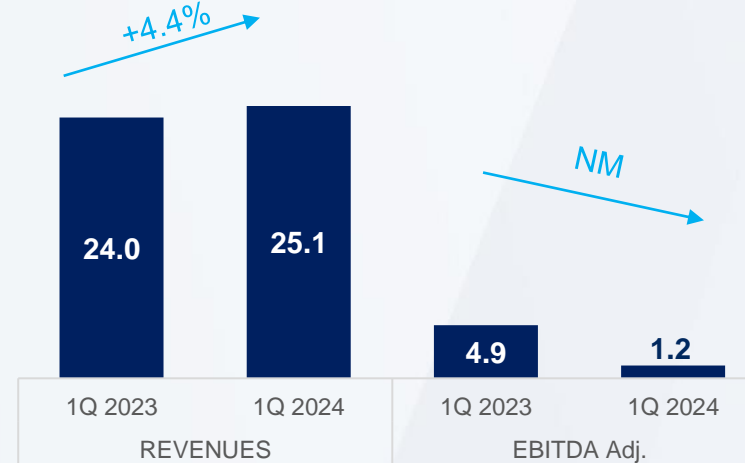
Digital Trust



Cybersecurity

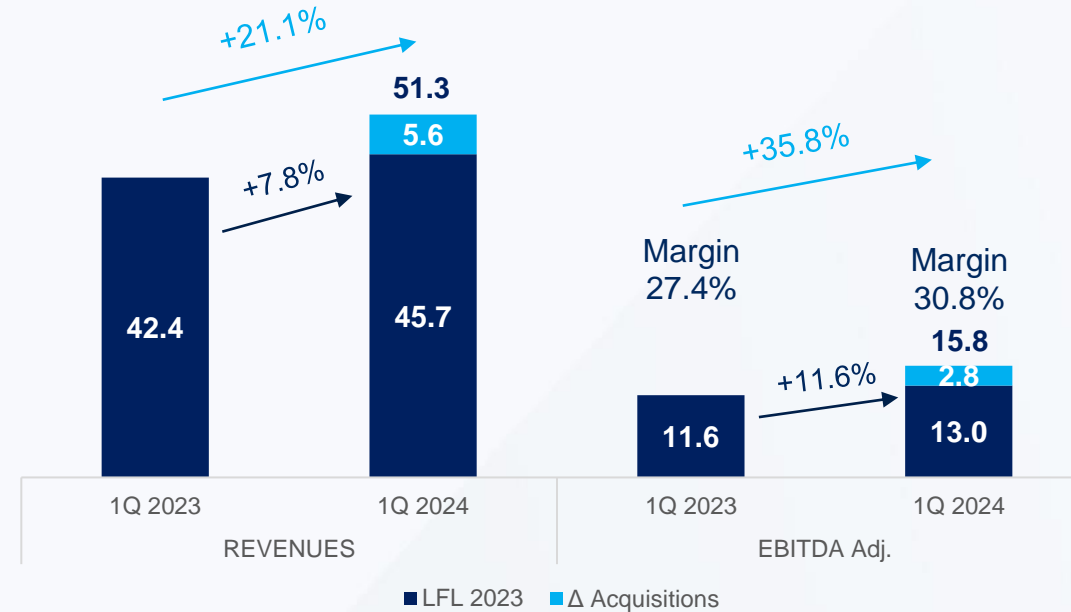


Business Innovation



Digital Trust 1Q'24

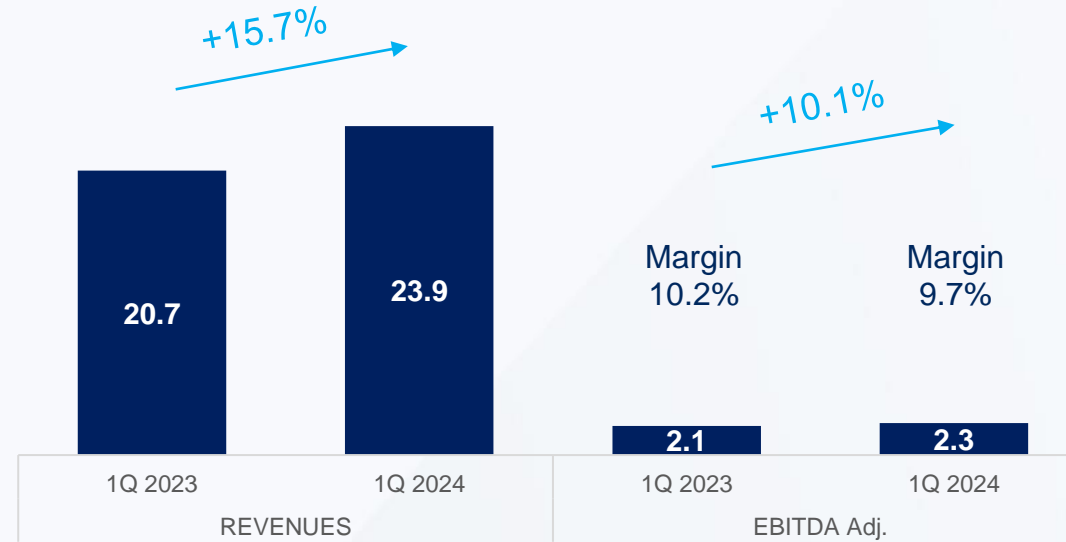
€ M



- Revenues amounted to 51.3 million euros, up by 21.1% (+7.8% on a 2023 base) of which 13.2% attributable to the acquisition of Ascertia (which entered the Group's perimeter as of August 1st, 2023)
- Growth was mainly driven by LegalMail solutions for the Public Administration and large enterprises, LegalCert came strong in the transport sector, and the organic growth of both GoSign and Trusted Onboarding Platform solutions. International revenues grew considerably and now stand at 21.0% of total BU revenues vs 11.8% in PY
- The BU continued the path of development, improvement, and adaptation of its products and solutions to regulatory and market needs. Investment activities continued to guarantee operational and organizational efficiencies, while maintaining product and financial performance
- Adjusted EBITDA at 15.8 million euros. The increase, which is equal to 35.8% (o/w 11.6% on a 2023 base), confirms the ability to improve operating leverage

Cybersecurity 1Q'24

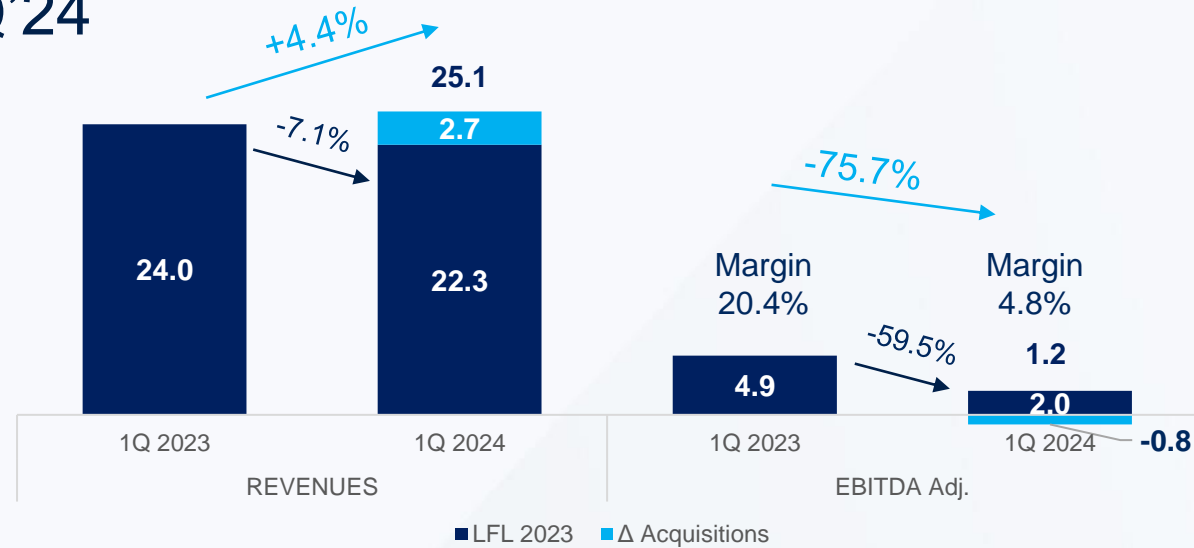
€ M



- Revenues amounted to 23.9 million euros, growing 15.7%
- Growth was registered in Cybersecurity mostly in the Implementation Services offer. Managed Security Service's results reflect new installments of Yoroi's CSDC and Swascan's SOC H24 (supported by the partnership with Google Cloud); Legal Mail continued to consolidate its sales growth with over 40,000 new subscriptions in 1Q'24
- Implementation Services' results were mostly linked to security monitoring while Advisory continued its positive results momentum with the new Cyber Threat Intelligence (CTI) and Compliance services. In the Digital Transformation side of the business, the BU continued its initiatives on technological, process, and security innovation. Strong and positive signs came from the AML (Anti Money Laundering) sector as well as from the pipeline of our proprietary solution, Provisio
- Adjusted EBITDA at 2.3 million euros, with an increase of 10.1% and a margin of 9.7%, driven by a different revenue mix

Business Innovation 1Q'24

€ M



- Revenues amounted to 25.1 million euros growing 4.4% vs PY because of a 7.1% decrease in organic and an increase of 11.4% due to acquisitions
- The decrease in organic revenues is mainly attributable to the well-known decline in volumes and deductible rates relating to automatic subsidized finance services as well as lower sales in Training, Energy, Gas Credit, and Green. The Subsidized finance market has also been affected by the well-known reduction in rates relating to R&D Credit 4.0. The rephasing of the PNRR for “Transazione 5.0” – which will allow for deductible rates to be double (as high as 40%) – represents a strong growth opportunity. During 2024, further benefits relating to the “Register of Certifiers” are expected
- ABF’s 1Q performance reflects the very small component (around 5%) of expected annual revenues. Such performance – in fact – explains the marginality of the quarter which bares a lower absorption of costs
- Adjusted EBITDA at 1.2 million euros; such reduction is attributable to the combined effect of the decrease in profitability (due to lower rates) and different product mix, resulting from the growth in the weight of Digital services compared to automatic subsidized finance services (which carry a higher average industrial marginality)

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Closing Remarks + Q&A

J. Mastragostino | Chief Investor Relations Officer



Closing Remarks + Q&A

Guidance is confirmed

2024
vs PY

Revenues

+21-23%
of which 7% Organic

EBITDA Adjusted

+28-32%
of which 10% Organic

NFP / EBITDA Adj.

1.7x-1.9x

Dividends

30% of Net Profit

PNRR's potential positive benefits not included in guidance nor any additional M&A

Disclaimer

This company presentation includes:

- forward-looking data based on internal management assumptions that are subject to material changes, including changes due to external factors beyond the Group's control
- management data, when presented, are identified as such

Business unit data are divisional and do not include the elimination of intra-BU items, which are instead eliminated at a Group level.

For detailed information on Tinexta S.p.A., it is recommended to refer to the company's documentation, including the latest interim reports and the Company's financial statements.



TINEXTA

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Thanks.

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