TINEXTA

Annual Financial Report as at 31/12/2023

This English version of Tinexta's 2023 Annual Financial Report 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. Only the original text in Italian language is authoritative and constitutes the official version which is compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.

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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

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 Corghi	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 Corghi	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)	2023	2022	Change	% change
Revenues	395,777	357,163	38,614	10.8%
Adjusted EBITDA	102,954	94,758	8,196	8.6%
EBITDA	93,837	86,294	7,543	8.7%
Adjusted operating profit (loss)	79,569	77,573	1,996	2.6%
Operating profit	52,397	51,613	784	1.5%
Adjusted net profit from continuing operations	54,474	52,368	2,106	4.0%
Net profit from continuing operations	34,248	32,601	1,647	5.1%
Profit (loss) from discontinued operations	35,614	45,527	(9,913)	-21.8%
Net profit	69,861	78,128	(8,267)	-10.6%
Adjusted free cash flow from continuing operations	56,897	49,456	7,441	15.0%
Free cash flow from continuing operations	52,327	40,013	12,314	30.8%
Free cash flow	49,972	48,661	1,311	2.7%
Earnings per share (in Euro)	1.38	1.65	(0.26)	-16.0%
Earnings per share from continuing operations (in Euro)	0.60	0.62	(0.02)	-3.4%
Dividend	20,994	23,260	(2,265)	-9.7%
Dividend per share (in Euro)	0.46	0.51	(0.05)	-9.8%

Summary economic data for Quarter IV (Amounts in thousands of Euro)	IV Quarter 2023	IV Quarter 2022	Change	% change
Revenues	126,230	110,494	15,736	14.2%
Adjusted EBITDA	46,056	39,979	6,077	15.2%
EBITDA	42,715	37,420	5,296	14.2%
Adjusted operating profit (loss)	38,484	35,030	3,454	9.9%
Operating profit	30,741	27,984	2,758	9.9%
Adjusted net profit from continuing operations	26,826	24,770	2,056	8.3%
Net profit from continuing operations	21,924	17,868	4,056	22.7%
Profit (loss) from discontinued operations	(535)	62	(597)	-968.7%
Net profit	21,389	17,929	3,459	19.3%
Adjusted free cash flow from continuing operations	16,618	13,266	3,352	25.3%
Free cash flow from continuing operations	14,892	11,961	2,931	24.5%
Free cash flow	14,892	11,582	3,310	28.6%
Earnings per share (in Euro)	0.39	0.34	0.05	15.5%
Earnings per share from continuing operations (in Euro)	0.40	0.34	0.07	19.7%

Summary financial position statement data (Amounts in thousands of Euro)	31/12/2023	31/12/2022	Change	% change
Share capital	47,207	47,207	0	0.0%
Shareholders' equity	455,401	402,015	53,386	13.3%
Total financial indebtedness	102,047	77,557	24,490	31.6%

Letter to Shareholders

Dear Shareholders,
Presenting the work of a year requires broadening our vision beyond our primary objectives and, in seeking a summary, outlining the contours within which we operate.
In just a few years, the 11th of September, the financial crisis, the Covid-19 pandemic, the war in Ukraine and the Israeli-Palestine conflict have shown us the risks of a world in which local events rapidly become global crises with enormous economic and geopolitical ramifications. It is quite clear that **the balance of the world is changing today** and the trend towards a new order defined by the competition between great powers marked, in some cases, by protectionist policies has started. It is a sort of anti-globalization that could have enormous consequences for the world economy. This is a transition that will involve **new challenges** and, at the same time, new technological advances, and will require **companies** whose core business is innovation **to be ready** to keep up with the design of new scenarios.

In this highly complex context, we have confidently chosen to not change the strategies that guide our business plan, pursued with prudence and determination, convinced that innovative capacity will become increasingly important.

The innovation hubs will be central.

In 2023, still characterised by restrictive policies promoted by central banks to combat high inflation, **Tinexta expanded its scope of action and increased its profile as a company capable of producing and offering digital ecosystems**.

On 1 February 2023, **Warrant Hub** completed the merger by incorporation of the subsidiaries Enhancers, Plannet, PrivacyLab, Trix and Warrant Innovation Lab, creating the "**Digital Area**", a hub in which specific skills are concentrated for the design of digital innovation projects for processes, products and services in a 4.0 perspective. In the first quarter of the year, in addition to completing the investment of **Bregal Milestone** in the share capital of InfoCert and completing the merger by incorporation of the company **Sferabit** into Visura, the Group completed the transfer to CRIF of 95% of the share capital of **RE Valuta** for a consideration of €48.4 million, which formed the basis for further acquisitions.

In the cyber sector, Tinexta consolidated its presence in advanced strategic sectors and increased its industrial and commercial synergies through a cross-selling plan with the products of **Defence Tech**, a major Italian trader strategic for national security, specialised in services and products for the protection of critical infrastructure, complementary with the offer of **Tinexta Cyber.** In March 2023, Tinexta purchased 20% of the capital of Defence Tech and signed an agreement that provides for a call option, exercisable in 2024, for the acquisition of the majority. This marks significant progress towards the creation of an increasingly advanced cyber hub equipped to respond to current complex scenarios.

Since June, Tinexta holds 100% of the company **Sixtema**, while InfoCert has acquired full control of the share capital of the French company **CertEurope**.

In the second half of the year, the deed of merger by incorporation of Co.Mark into Warrant Hub was signed, with legal effectiveness from 30 December 2023.

In July, Tinexta and **Digital Magics**, a certified business incubator, signed an agreement to launch a joint venture to make investments in high-potential digital start-ups. 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.

Before the summer, InfoCert completed the purchase of 65% of the share capital of **Ascertia**, a leading player in the Digital Trust market, an operation through which the Group achieves several strategic objectives: the strengthening of its international presence with the entry into the UK, Middle East and North Africa markets; and the integration of new technological skills.

Also as part of the international growth process, Tinexta has finalised, through its subsidiary Warrant Hub, a binding offer for the acquisition of 73.9% of the capital of **ABF Group**, a French company based in Tours, which carries out consulting activities for SMEs. The acquisition, whose closing was finalised in January 2024, strengthens the Group's international presence and allows Warrant Hub, already present in France with **Euroquality** and in Spain with **Evalue**, to place itself on the European market as a one of the few operators present to support innovation and business growth.

At the end of the year, Warrant Hub completed the acquisition of 80% of the share capital of **Studio Fieschi & Soci**, a company specialised in business consulting on ESG issues.

In December, the Parent Company established the company **Antexis Strategies** S.r.l., wholly-owned and delegated to providing advisory services, thus launching **a new business line** dedicated to strategic and operational advisory for SMEs.

The Group's financial parameters are positive: Revenues **increased** compared to 2022 by €38,614 thousand or 10.8%, adjusted EBITDA by €8,196 thousand or 8.6%, EBITDA by €7,543 thousand or 8.7%, Operating profit by €784 thousand or 1.5%, as well as Net profit from continuing operations by €1,647 thousand or 5.1%.

The Tinexta stock (Ticker: TNXT) closed 2023 at a price of €20.28 per share, compared to €22.80 per share as at 31 December 2022, with a decrease of €2.52 (-11.1%). As at 31 December 2023, market capitalisation was €957.36 million. The lowest closing price in 2023 was €14.55, recorded on 26 September, while the highest closing price was €26.12, recorded on 7 February. In the course of 2023, trading of Tinexta shares in the market managed by Borsa Italiana S.p.A. reached an average daily value of €1,263,198.83 and an average daily volume of 67,392.67 shares.

The stock suffered from the unfavourable macroeconomic scenario, with interest rates still high and low liquidity recorded in the mid-cap segment in favour of larger companies.

Today we present a Group with solid fundamentals and forward-looking guidelines, which has made great progress in international expansion and consolidation in its reference markets. At the same time, an important consolidation process was launched within the Business Units aimed at strengthening the qualified offer of services through the consolidation of the structures and the easing of the Group perimeter.

We are confident of the choices made and comforted by the market response. The skills, our true assets and the know-how that we continue to increase are the foundations on which our future progress will rest.

7 March 2024

Enrico Salza
Chairman
Tinexta S.p.A.

Report on Operations

Introduction

This Report on Operations relates to the Separate Financial Statements and Consolidated Financial Statements of Tinexta as at 31 December 2023, prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB) and approved by the European Union. The report should be read together with the corresponding Tables and related Notes, which together make up the Separate and Consolidated Financial Statements for the year ended 31 December 2023.

Unless otherwise indicated, all the amounts in this Report are in thousands of Euro.

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., 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 Perù 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 Certeurope 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 2023, 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), Yoroi 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 business consulting market through Warrant Hub S.p.A. (Warrant Hub) and its subsidiaries. Starting from 30 December, but with accounting effects retroactive from 1 January 2023, the company Co.Mark was merged by incorporation into Warrant Hub S.p.A.; Co.Mark's activities are therefore now integrated into Warrant Hub.

   The activities of the Business Innovation BU are divided into three areas:

   i) consulting for obtaining subsidised finance funds (automatic, from regional, national, European tenders, Patent Boxes, technology transfer, etc.);

   ii) support to companies in the digitisation of factory processes through project management activities, research contracts, technological scouting, technology & innovation intelligence;

iii) support to small and medium-sized enterprises in their internationalisation process, in the search for customers and in creating business opportunities in Italy as well as abroad.

The first area offers 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 S.p.r.l. 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. The Corporate Finance division, on the other hand, supports companies in managing relations with credit institutions and in analysing the company rating in order to identify the most critical variables on which to implement interventions aimed at improving the company with a view to Basel 2.

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.

Evalue Innovación SL, acquired by Warrant Hub in January 2022, is a leader in consulting to businesses for subsidised finance operations in support of innovation and development projects and boasts a widespread presence throughout Spain 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.

Euroquality SAS, based in Paris, and affiliate Europroject OOD, based in Sofia (Bulgaria), are specialised in supporting their customers in accessing European funds for innovation.

On 16 November 2023, Warrant Hub S.p.A. completed the acquisition of 80% of the share capital of Studio Fieschi & Soci S.r.l. (Studio Fieschi), already 20% held from 2021 and specialised in business consulting on ESG (Environmental, Social, Governance) issues.

In December 2023, Warrant Hub S.p.A. finalised a binding offer for the acquisition of 73.9% of the capital of ABF Group S.A.S., in the form of a put option in favour of the selling shareholders, according to French practice. ABF Group, based in France, was founded in 2004 and carries out, through a network of business partners and highly qualified professionals, consulting activities for SMEs for the development of local projects supported by public loans for innovation. ABF Group is also present in the European planning and tax incentives market. The transaction is in line with the international positioning strategy and allows Warrant Hub, already present in France with Euroquality and in Spain with Evalue, to position itself on the European market as one of the few operators present in support of innovation and growth of companies, to promote their innovative services in France, already successfully tested in Italy, and to strengthen expertise in the sector of public loans for innovation and sustainable development. In addition, this transaction will offer the possibility of expanding the respective offer portfolios, in particular that of ABF Group, by integrating the unique skills of Warrant Hub and creating synergies and exchanges of knowledge between Italy, France and Spain.

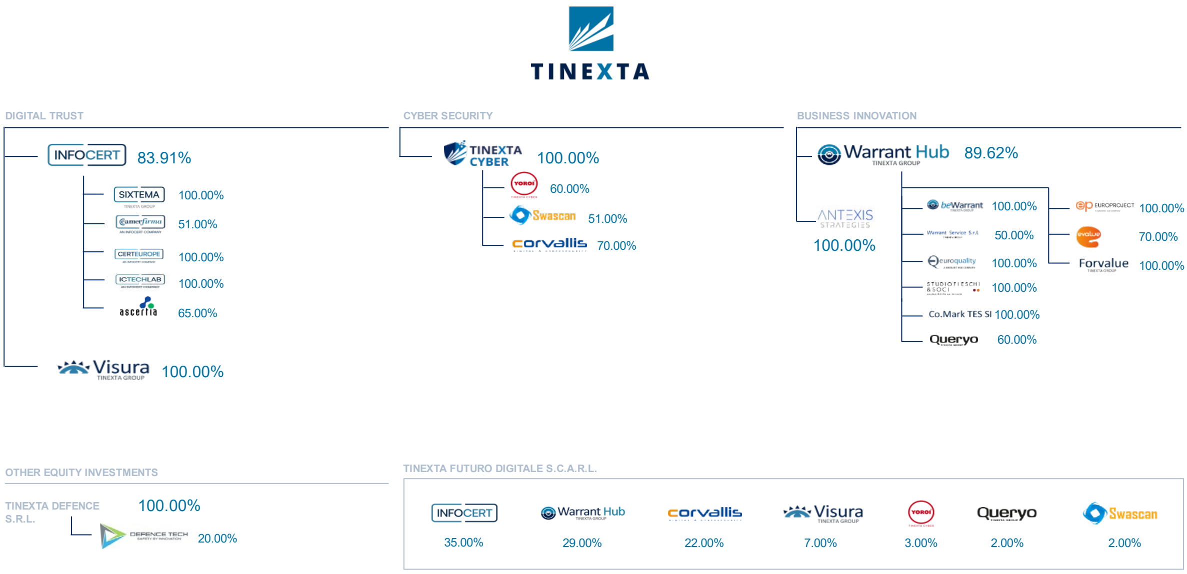
The second Digital area is a hub in which specific solutions and skills are concentrated for the design and implementation of innovation and digital transformation projects of processes, products and services, also with a view to 4.0: from the design and development of digital ecosystems and advanced 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.

This area was strengthened in February 2023 following the merger by incorporation into Warrant Hub of the subsidiaries Enhancers SpA, Plannet Srl, PrivacyLab Srl, Trix Srl and Warrant Innovation Lab Srl. The merger sets the stage for 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.

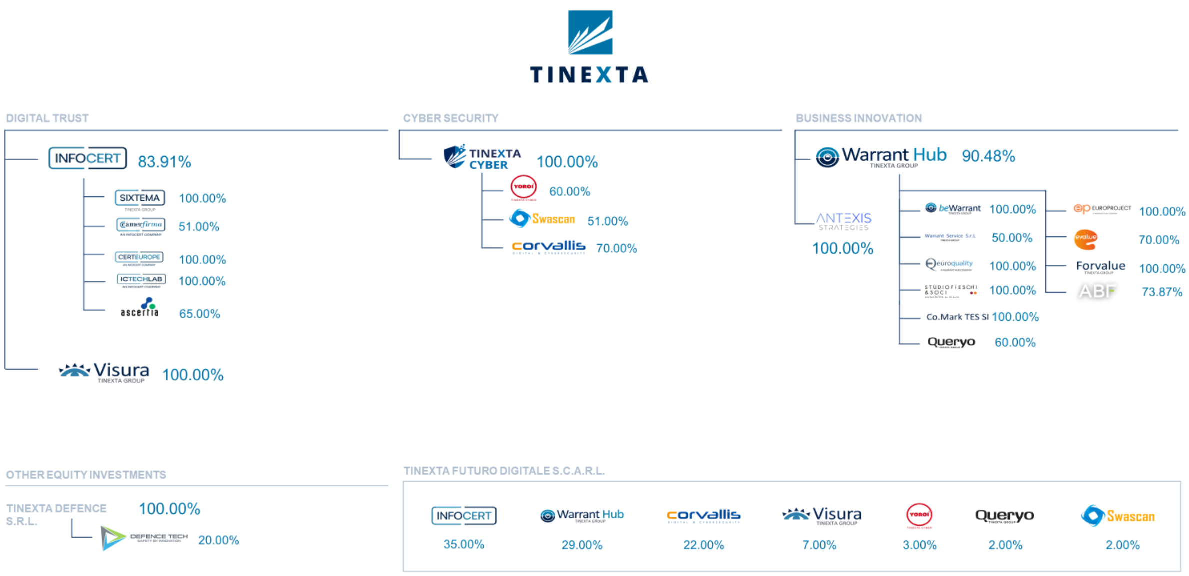
The third area, through Warrant Hub, seeks out new opportunities for its customers by targeting foreign markets; this service generates added value thanks to the ability of the TES® (Temporary Export Specialist®) team to enter into synergy with companies and to identify the best target markets and the most suitable distribution channels.

Digital marketing services are instead the prerogative of the subsidiary Queryo Advance S.r.l., acquired in January 2021. It operates in the design and management of Digital ADV campaigns, in SEM (Search Engine Marketing) - SEA (Search Engine Advertising) and SEO (Search Engine Optimization), as well as in Social Media Marketing, Remarketing and advanced Web Analytics.

Structure of the Tinexta Group, including only controlling interests held, as at 31 December 2023:



Structure of the Tinexta Group, including only controlling interests held, at the date of this meeting of the Board of Directors:



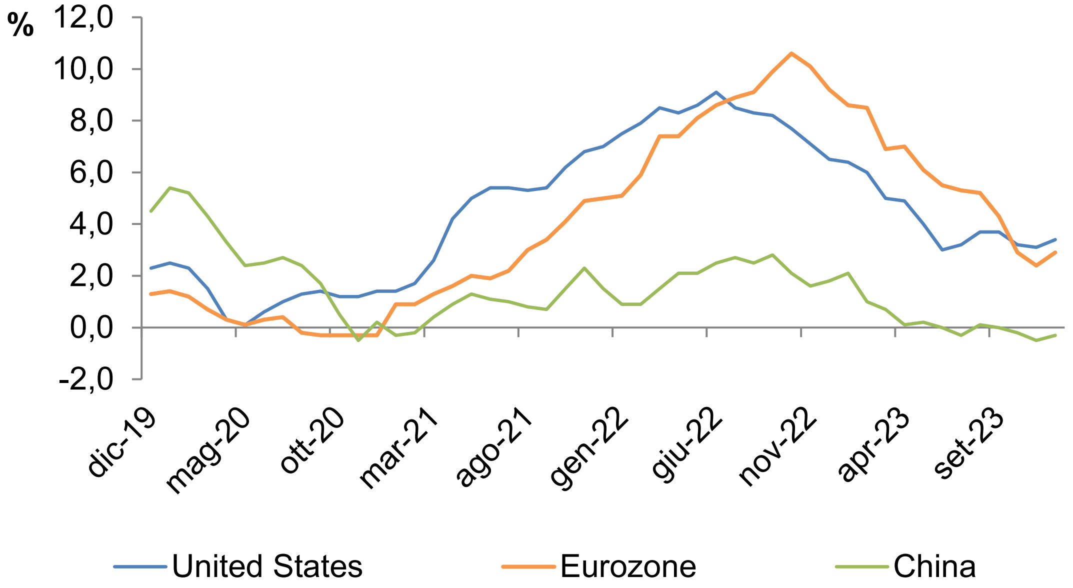
Macroeconomic context

The year 2023 was characterised once again by restrictive policies promoted globally by central banks to combat high inflation. Unlike in 2022, in 2023 the tightening process of central banks reached a peak and operators began to hypothesise significant rate cuts during 2024, also in consideration of reducing inflation, mainly due to the falling price of energy goods.

With a decisive reversal of the trend compared to what was seen in 2022, inflation in the main economies, Europe and the United States, started decreasing during 2023 with the December data at 3.4% and 2.9%, respectively. China, which in 2022 had maintained inflation at around 2% due to lockdowns, experienced deflationary months with an economy that is still struggling to recover in the post-Covid-19 period.

Evolution of inflation in the main world economies

(31 December 2019 - 31 December 2023)



In 2023, the international economy continued to grow, with a moderate deceleration compared to the previous year. The international economic outlook remained characterised by high uncertainty and downside risks mainly linked to the worsening and spread of geopolitical tensions and to less favourable financial conditions. During the year, there was a general moderation of inflation as a result of the more restrictive stance of monetary policy and the drop in the energy commodity prices compared to the peaks of last year. The economic recovery was also favoured by the reopening of the Chinese economy after the end of the "zero-COVID" strategy, even though the country's growth prospects were disappointing.

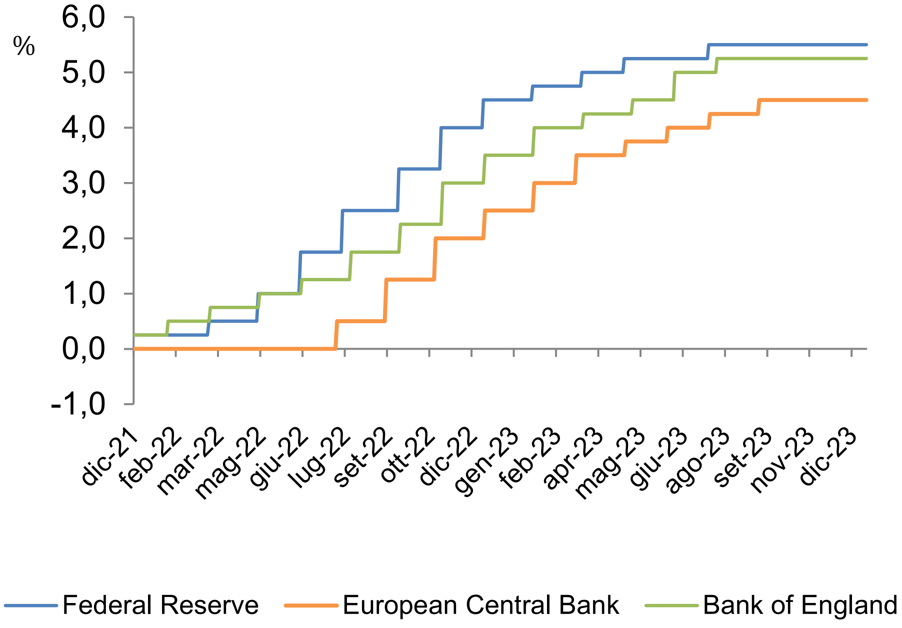
In terms of monetary policy, the European Central Bank (ECB) continued its tight monetary policy in line with expectations, bringing the reference rate on deposits to 4% from 2% at the beginning of 2023, in a squeeze of 200 basis points resulting from six increases during the year. From the September meeting onwards, rates were left unchanged as inflation in 2023 showed a decreasing trend, dropping from 9.2% in December 2022 to 2.9% in the last data of the year. In the final part of the year, the Governing Council considered that inflation — although it had decreased in recent months — will probably return to a temporary increase in the short term and then approach the 2% target in 2025. Future decisions of the Governing Council will ensure that reference rates are set at sufficiently restrictive levels for as long as necessary with a data-driven approach in determining the appropriate level and duration of the tightening.

During 2023, the Asset Purchase Programme (APP) portfolio shrank at a measured and predictable pace, given that the Eurosystem no longer reinvests the principal repaid on expiring securities. With regard to the Pandemic Emergency Purchase Programme (PEPP), the ECB's recommendations are for a full reinvestment of the capital repaid on expiring securities under the programme in the first part of 2024. In the second part of the year, forecasts are for a reduction in the PEPP portfolio of €7.5 billion per month, on average, and to end reinvestments under this programme at the end of 2024.

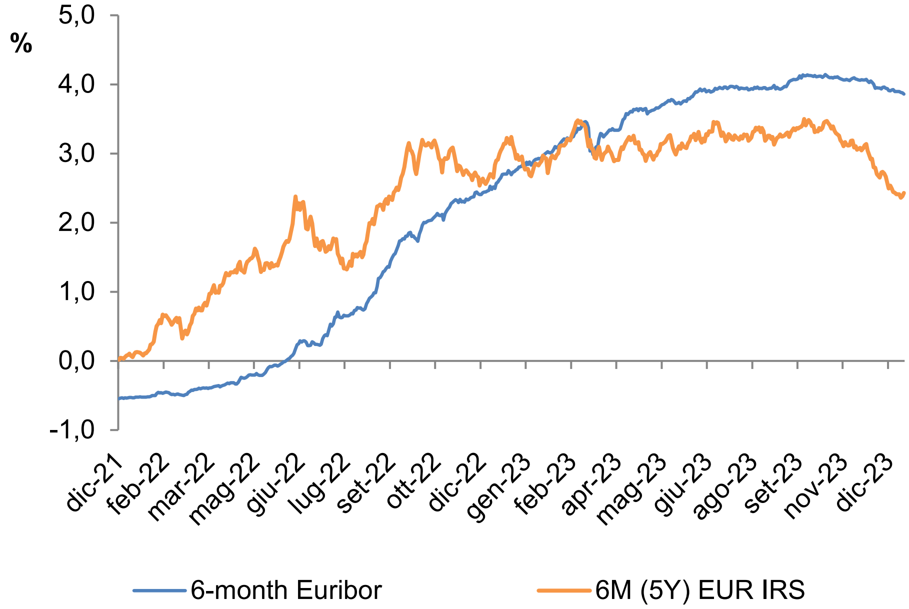
In 2023, the Federal Reserve opted for four rate increases, reaching an overall monetary squeeze of 100 basis points, to then left them unchanged during the last three meetings of the year in a range between 5.25% and 5.5%. According to the latest Fed projections, the reference rate will fall to 4.6% next year, suggesting three rate cuts in 2024, while for 2025 members expect rates to drop to 3.6% from the previous 3.9%.

In the last few months of 2023, the markets began to price in potential rate cuts by the main central banks in 2024 in light of a marked decline in inflation and an economy that is struggling to recover. However, the geopolitical context that remains challenging, with potential disruptions in supply chains, could make the downward path of inflation more difficult.

Evolution of the reference interest rates of the main central banks
(31 December 2021 - 31 December 2023)

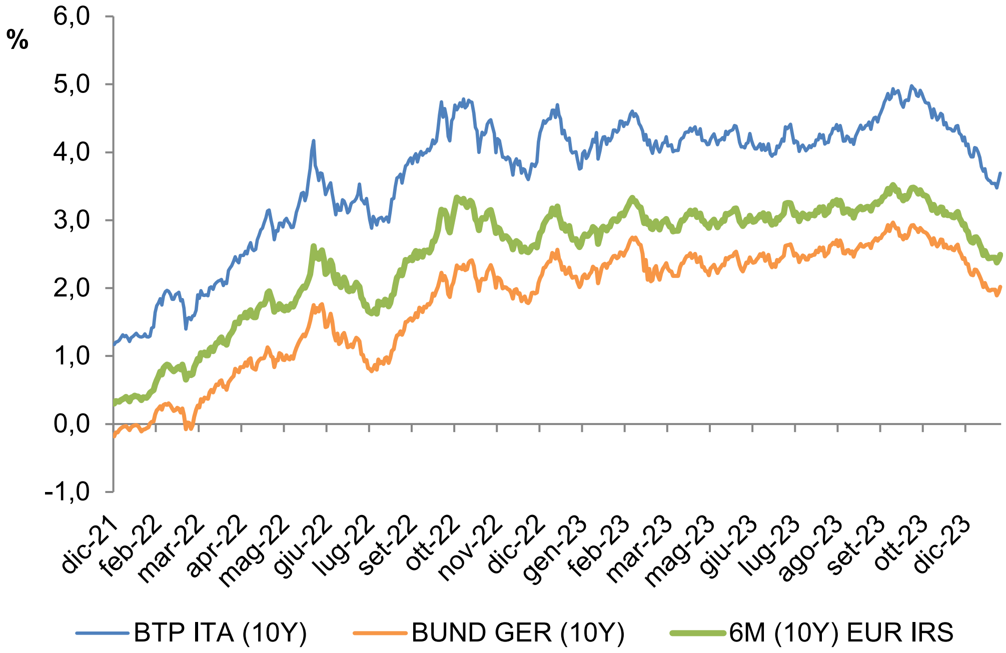


6-month Euribor and 5-year EUR IRS figures
(31 December 2021 - 31 December 2023)



10-year BTP, 10-year Bund and 10-year EUR IRS yield evolution

(31 December 2021 - 31 December 2023)



The Central Bank of Japan (BOJ) again this year went in the opposite direction compared to the other central banks and in its last meeting in December confirmed negative interest rates at -0.1% for the short term, also keeping unaltered its ultra-accommodative policy, which includes asset purchases and other stimulus measures such as yield curve control measures. The BOJ will allow the return of the ten-year bond to range between 1% and -1%. As for inflation, the BOJ expects it to remain above its annual target of 2% in 2024, although price growth is expected to slow down.

The decline of the Eurozone economy extended to the last month of 2023, as shown by the data collected by the HCOB PMI survey, prolonging a contraction that had been observed since June. The demand for goods and services in the Eurozone continued to weaken and employment levels again recorded decrease, the second in almost three years. However, economic growth forecasts have improved, increasing further compared to the lows of September and reaching the highest value in seven months (which however remains weak compared to the historical average). Once seasonally adjusted, the HCOB Eurozone Composite PMI, which consists of a weighted average of the HCOB Eurozone Manufacturing PMI and the HCOB Eurozone Services PMI, equalled the value of November in December, at 47.6. In December, the index continued to indicate a value below 50.0, extending a sequence which repeated monthly in the third and fourth quarter of 2023. In the

United States, the Services PMI stood at 51.4 in December, while the Manufacturing PMI rose to 47.9, down compared to previous months and remaining below the 50 threshold. In this way, in the last month of the year the US Composite PMI rose to 50.9.

In its October publication, the International Monetary Fund revised its growth estimates for this and next year, with a more pronounced cut for developed countries. In its World Economic Outlook, the IMF now expects global GDP to rise by 3% in 2023 from 3.5% in 2022, to then slow down to +2.9% in 2024 (the previous estimate was +3%). As regards the Eurozone, estimates are down by 0.2%, to 0.7% in 2023 and by 0.3% to 1.2% in 2024. In Italy, the cut in expectations is 0.4% in 2023 and 0.2% in 2024. GDP should therefore grow by only 0.7% in both years. On the other hand, as regards Italian public debt, the IMF estimates that it will reach 143.7% this year, to drop to 143.2% in 2024 and 140.1% in 2028. According to forecasts, the global inflation index will gradually decrease, from 8.7% last year to 6.9% this year and to 5.8% next year. However, the forecasts for 2023 and 2024 have been adjusted upwards by 0.1 and 0.6 percentage points and it is expected that prices will not return to the target before 2025 in most cases. For the Eurozone, the IMF predicts a decline to 5.6% this year and to 3.3% next year, while in the United States the trajectory should record a decline to 4.1% by 31 December and a further attenuation to 2.8% in 2024.

Key events of the period

Key events that occurred in the first nine months of 2023:

- 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 (RABB) 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 as at 31 December 2023 ("Tinexta Call") 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 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. 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 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 Shareholding, 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, as well as 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 and as at 31 December 2023 it had not generated accounting effects.

- On **21 April 2023**, the Ordinary Shareholders' Meeting of Tinexta S.p.A.:
  - approved the financial statements as 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, 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 prerequisites 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 trading session before 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 bid on the trading venue 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 set 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%. The merger has legal effectiveness from **30 December 2023**, with accounting and tax effectiveness backdating to 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 within the Credit Information & Management division, through which Tinexta S.p.A. undertook, without recognition of the claims, to pay 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, signed a termsheet 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. To this end, the company OPENT S.p.A. was established on **16 November 2023** with a share capital of €50 thousand, 50% subscribed by Tinexta S.p.A. and 50% by Digital Magic S.p.A. The term of the company is set at 31 December 2033.

- 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 GBP 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 (of which €3.7 million paid on 31 December 2023 on 2023 performance), respectively, and a Put&Call on the remaining 35%, exercisable upon approval of the 2025 financial statements, resulting in the recognition of an 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.

- On **16 November 2023**, Warrant Hub S.p.A. completed the acquisition of 80% of the share capital of Studio Fieschi & Soci S.r.l. (Studio Fieschi), already 20% held from 2021 and specialised in business consulting on ESG (Environmental, Social, Governance) issues. The transaction envisaged the purchase of 80% of the share capital of Studio Fieschi for a consideration of €2.6 million plus price adjustments on the 2023 performance estimated at €0.7 million. The agreement also includes two earn-outs estimated at a total of €2.6 million, respectively on the basis of 2024 and 2025 performance.

- On **14 December 2023**, as part of the international growth process, Tinexta S.p.A. finalized, through its subsidiary Warrant Hub S.p.A., a binding and irrevocable offer for the acquisition of 73.9% of the capital of ABF Group S.A.S., in the form of a put option in favour of selling shareholders, according to French practice. In compliance with the French legal system, the possible exercise of the put option by the sellers is subject to the completion of the information-consultation procedure in favour of the employees in the event of the sale of the company. Following the closing, which took place on **18 January 2024,** the remaining 26.1% of the share capital continues to be held by the three founding shareholders – who will retain managerial and operational roles of the company – and for a minority share by some managers. ABF Group, based in France, was founded in 2004 and carries out, through a network of business partners and highly qualified professionals, consulting activities for SMEs for the development of local projects supported by public loans for innovation. ABF Group is also present in the European planning and tax incentives market. Between 2020 and 2022, the company recorded significant growth in revenues, which rose from €10.1 million to €19.9 million, with a 2022 Adjusted EBITDA of €9.4 million and an EBITDA Margin of 47%. The operating margin of the company in recent years has remained steadily above 45%, allowing ABF Group to position itself as a market leader in the medium-sized player segment. On 11 December 2023, the Board of Directors of ABF Group approved the preliminary financial statements for 2023, which forecasts Revenues of €30.6 million, up 54% compared to the previous year, and an Adjusted EBITDA of €14.6 million, with an EBITDA Margin of 48%. The expected performance envisages, over the course of the plan, a growth in revenues of between 20% and 23% per year, with a slight increase in percentage margins. At present the company covers the entire French territory through 8 offices and has over 130 employees with more than 500 SME customers with a high innovation content. The transaction is in line with Tinexta's international positioning strategy and allows Warrant Hub, already present in France with Euroquality and in Spain with Evalue, to position itself on the European market as one of the few operators present in support of innovation and growth of companies, to promote its innovative services in France, already successfully tested in Italy, and to strengthen expertise in the sector of public loans for innovation and sustainable development. In addition, this transaction will offer the possibility of expanding the respective offer portfolios, in particular that of ABF Group, by integrating the unique skills of Warrant Hub and creating synergies and exchanges of knowledge between Italy, France and Spain. The Enterprise Value for 100% of ABF Group was valued at €155 million. The consideration for the purchase of 73.9% of the company's share capital totalled €72.5 million paid at closing, in addition to two earn-outs, estimated at €5.7 million and €10.9 million, linked to 2023 and 2024 performance. Put and call options are also envisaged for the purchase by Warrant Hub of the minority interest in an amount equal to 50% of the same, after the approval of the 2027 financial statements of the ABF Group, and for the remaining 50%, after the approval of the 2028 financial statements, based on the performance obtained by the Company in the reference periods.

The acquisition is financed with the Group's existing liquid assets.

The Board of Directors of ABF Group – which will be composed by a majority of members appointed by Warrant Hub – will supervise management's work. With reference to the circulation of equity investments, as normal practice, lock-up agreements are envisaged (until the date of possible exercise of the puts and call) as well as pre-emption rights in favour of Warrant Hub and tag-along and drag-along rights, in line with normal market practice.

- The meeting of the Board of Directors of Tinexta S.p.A. on **15 December 2023**, as part of the 2023-2025 LTI Performance Shares Plan approved by the Shareholders' Meeting of 21 April 2023, assigned an additional 26,614 rights to receive free of charge up to a maximum of 39,921 shares of the Company in the event of maximum achievement of all performance objectives.
- On **19 December 2023**, Tinexta S.p.A. established the company Antexis Strategies S.r.l., wholly-owned and responsible for the provision of advisory services. Tinexta thus launches a new business line dedicated to strategic and operational advisory for SMEs.

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 payment plans and long-term incentives reserved for the Group's managers and 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 payment plans and long-term incentives reserved for the Group's managers and 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 components, net of the cost relative to the share-based payment plans and long-term incentives reserved for the Group's managers and 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[1]", "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[2]".

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

[1] Limited to derivative instruments used for hedging purposes on financial liabilities

[2] Limited to derivative instruments used for non-hedging purposes on financial liabilities

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"[3].

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".

[3] With the exception of derivative instruments used for non-hedging purposes on financial liabilities

Summary of 2023 results

The Group closed 2023 with Revenues of €395,777 thousand. Adjusted EBITDA amounted to €102,954 thousand, or 26.0% of Revenues. EBITDA amounted to €93,837 thousand, equal to 23.7% of Revenues. Operating profit and Net profit from continuing operations amounted to €52,397 thousand and €34,248 thousand, respectively, equal to 13.2% and 8.7% of revenues. Net profit, which includes Profit (loss) from discontinued operations, amounted to €35,614 thousand.

Condensed Consolidated Income Statement ***(In thousands of Euro)***	**2023**	**%**	**2022**	**%**	**Change**	**% change**
Revenues	395,777	*100.0%*	357,163	*100.0%*	38,614	*10.8%*
Adjusted EBITDA	102,954	*26.0%*	94,758	*26.5%*	8,196	*8.6%*
EBITDA	93,837	*23.7%*	86,294	*24.2%*	7,543	*8.7%*
Operating profit (loss)	52,397	*13.2%*	51,613	*14.5%*	784	*1.5%*
Net profit from continuing operations	34,248	*8.7%*	32,601	*9.1%*	1,647	*5.1%*
Profit (loss) from discontinued operations	35,614	*N/A*	45,527	*N/A*	(9,913)	-21.8%
Net profit	69,861	*N/A*	78,128	*N/A*	(8,267)	*-10.6%*

Revenues increased compared to 2022 by €38,614 thousand or 10.8%, adjusted EBITDA by €8,196 thousand or 8.6%, EBITDA by €7,543 thousand or 8.7%, Operating profit by €784 thousand or 1.5%, as well as Net profit from continuing operations by €1,647 thousand or 5.1%. Net profit, which includes Profit (loss) from discontinued operations, decreased by €9,913 thousand and includes the net capital gain realised from the sale of RE Valuta S.p.A. amounting to €37,094 thousand, compared to the net capital gain realised in 2022 from the sale of Innolva S.p.A. amounting to €41,123 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 the scope, while following the aforementioned mergers, the contribution to the 2023 results of the acquisitions finalised in 2022 cannot be accurately measured and reported as a change in the scope.

2023 Income statement, compared with the same period of the previous year:

Consolidated Income Statement (In thousands of Euro)	2023	%	2022	%	Change	% change
Revenues	**395,777**	**100.0%**	**357,163**	**100.0%**	**38,614**	**10.8%**
Costs of raw materials	(17,272)	-4.4%	(14,297)	-4.0%	(2,975)	20.8%
Service costs	(111,436)	-28.2%	(105,959)	-29.7%	(5,477)	5.2%
Personnel costs	(154,377)	-39.0%	(134,860)	-37.8%	(19,517)	14.5%
Contract costs	(6,205)	-1.6%	(4,226)	-1.2%	(1,979)	46.8%
Other operating costs	(3,532)	-0.9%	(3,062)	-0.9%	(470)	15.4%
Total Operating Costs*	**(292,823)**	**-74.0%**	**(262,405)**	**-73.5%**	**(30,417)**	**11.6%**
Adjusted EBITDA	**102,954**	**26.0%**	**94,758**	**26.5%**	**8,196**	**8.6%**
LTI incentive plans**	(4,230)	-1.1%	(2,101)	-0.6%	(2,129)	101.3%
Non-recurring components	(4,887)	-1.2%	(6,363)	-1.8%	1,476	-23.2%
EBITDA	**93,837**	**23.7%**	**86,294**	**24.2%**	**7,543**	**8.7%**
Amortisation/depreciation of rights of use	(5,554)	-1.4%	(5,483)	-1.5%	(71)	1.3%
Depreciation of property, plant and equipment	(2,240)	-0.6%	(2,418)	-0.7%	178	-7.4%
Amortisation of intangible assets	(12,680)	-3.2%	(7,290)	-2.0%	(5,390)	73.9%
Amortisation of other intangible assets from consolidation	(17,946)	-4.5%	(17,496)	-4.9%	(450)	2.6%
Provisions	(511)	-0.1%	(830)	-0.2%	319	-38.4%
Impairment	(2,508)	-0.6%	(1,163)	-0.3%	(1,345)	115.6%
Amortisation and depreciation, provisions and impairment	**(41,440)**	**-10.5%**	**(34,681)**	**-9.7%**	**(6,760)**	**19.5%**
Operating profit	**52,397**	**13.2%**	**51,613**	**14.5%**	**784**	**1.5%**
Financial income	7,776	2.0%	733	0.2%	7,042	960.2%
Financial charges	(9,378)	-2.4%	(6,981)	-2.0%	(2,397)	34.3%
Net financial charges	**(1,603)**	**-0.4%**	**(6,248)**	**-1.7%**	**4,645**	**-74.3%**
Result of equity-accounted investments	(180)	0.0%	(246)	-0.1%	66	-26.7%
Profit before tax	**50,614**	**12.8%**	**45,119**	**12.6%**	**5,494**	**12.2%**
Income taxes	(16,366)	-4.1%	(12,518)	-3.5%	(3,848)	30.7%
Net profit from continuing operations	**34,248**	**8.7%**	**32,601**	**9.1%**	**1,647**	**5.1%**
Profit (loss) from discontinued operations	35,614	N/A	45,527	N/A	(9,913)	-21.8%
Net profit	**69,861**	**N/A**	**78,128**	**N/A**	**(8,267)**	**-10.6%**
of which minority interests	*6,866*	*N/A*	*2,401*	*N/A*	*4,465*	185.9%

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

Revenues increased from €357,163 thousand in 2022 to €395,777 thousand in 2023, with an increase of €38,614 thousand, equal to 10.8%. The increase in revenues attributable to the change in the scope of consolidation was 1.2% (€4,136 thousand), organic growth was 9.7% (€34,477 thousand).

Operating costs increased from €262,405 thousand in 2022 to €292,823 thousand in 2023, with an increase of €30,417 thousand, equal to 11.6%. The increase in Operating costs attributable to the change in the scope of consolidation was 1.6% (€4,076 thousand), the remaining 10.0% was attributable to organic growth (€26,342 thousand).

***Adjusted* EBITDA** rose from €94,758 thousand in 2022 to €102,954 thousand in 2023, with an increase of €8,196 thousand, or 8.6%. The increase in *adjusted* EBITDA attributable to the change in the scope of consolidation was 0.1% (€61 thousand), organic growth was 8.6% (€8,135 thousand).

EBITDA rose from €86,294 thousand in 2022 to €93,837 thousand in 2023, with an increase of €7,543 thousand, or 8.7%. The increase in EBITDA attributable to the change in the scope of consolidation was 0.1% (€61 thousand), organic growth was 8.7% (€7,482 thousand).

The items **Amortisation, depreciation, provisions and impairment** for a total of €41,440 thousand (€34,681 thousand in 2022) include €17,946 thousand of *Amortisation of other intangible assets from consolidation* that emerged during the allocation of the price paid in the Business Combinations (€17,496 thousand in 2022), mainly of the Cybersecurity BU, CertEurope, Evalue 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). The increase in amortisation of intangible assets of €5,390 thousand reflects the increase in investments compared to the previous year. *Provisions* for risks decreased by €319 thousand. *Write- downs* increased by €1,345 thousand and refer to trade receivables.

Net financial charges for 2023 amounted to €1,603 thousand, a significant decrease compared to 2022 (€6,248 thousand). The increase of €7,042 thousand in **Financial income** includes interest accrued on short-term investments of liquidity (time deposits) for €3,278 thousand, income for adjustment of potential considerations for €1,414 thousand and non-recurring financial income for €1,341 thousand, while the increase in **Financial charges** that amounted to €2,397 thousand was affected by the higher interest expenses 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 2023 was negative for €1,385 thousand (€3,413 thousand in 2022).

Income taxes, calculated based on the tax rates envisaged for the year by the current tax laws, amounted to €16,366 thousand (€12,518 thousand in 2022). The tax rate for 2022 was 27.7%, 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 2022 tax rate would have been 33.8%, compared to the 2023 tax rate of 32.3%.

Net profit from continuing operations in 2023 amounted to €34,248 thousand compared to €32,601 thousand in 2022, up by 5.1%.

Profit (loss) from discontinued operations of €35,614 thousand in 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) and the effects of a settlement agreement concluded in July, for €2,000 thousand, relating to the Investment Agreement signed in 2020 within the *Credit Information & Management* division.

Profit (loss) from discontinued operations in 2022 included the capital gain from the sale of Innolva S.p.A., the economic values of the Innolva S.p.A. Group up to the date of completion of the sale (concluded on 3 August 2022) and of RE Valuta S.p.A.

Details of *Profit (loss) from discontinued operations*:

In thousands of Euro	Twelve-month period closed as at 31 December 2023	2022
Revenues	**2,186**	**47,493**
Operating costs	**(4,115)**	**(40,680)**
OPERATING PROFIT	**(1,929)**	**6,813**
Financial income	1	131
Financial charges	(0)	(350)
Net financial income (charges)	**1**	**(219)**
Share of profit of equity-accounted investments, net of tax effects	0	(29)
Profit (loss) from discontinued operations, gross of tax effects	**(1,928)**	**6,565**
Income taxes	447	(1,893)
GAINS (LOSSES) FROM DISCONTINUED OPERATIONS, NET OF TAX EFFECTS (A)	**(1,481)**	**4,673**
Capital gain on disposal	37,526	41,552
Tax effect of capital gain	(431)	(699)
NET CAPITAL GAIN ON DISPOSAL (B)	**37,094**	**40,854**
PROFIT (LOSS) FROM DISCONTINUED OPERATIONS (A+B)	**35,614**	**45,527**

In 2023, **Losses from discontinued operations net of the tax effects** amounted to €1,481 thousand and benefited from lower amortisation on intangible assets and depreciation on property, plant and equipment recognised until 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 as at 31 July 2022;
- Deconsolidation of RE Valuta S.p.A. as 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 €37,094 thousand. In 2022, costs relating to the sale of RE Valuta S.p.A. were recorded for an additional €269 thousand.

Net profit in 2023 was €69,861 thousand (of which €6,866 thousand was minority interest) compared to €78,128 thousand in 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 managers and 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.

Adjusted Income Statement (*In thousands of Euro*)	2023	%	2022	%	Change	% change
Revenues	395,777	*100.0%*	357,163	*100.0%*	38,614	*10.8%*
Adjusted EBITDA	102,954	*26.0%*	94,758	*26.5%*	8,196	*8.6%*
Adjusted operating profit	79,569	*20.1%*	77,573	*21.7%*	1,996	*2.6%*
Adjusted net profit from continuing operations	54,474	*13.8%*	52,368	*14.7%*	2,106	*4.0%*

Adjusted results show an increase in EBITDA compared to 2022 of 8.6%, in EBIT of 2.6% and in Net profit from continuing operations of 4.0%, with all revenue indicators improving.

Non-recurring components

Over the course of 2023, *Non-recurring operating costs* of €4,887 thousand were recognised, of which €2,115 thousand for reorganisation activities and €2,048 connected to acquisitions of target companies.

Non-recurring provisions include charges of €109 thousand.

Non-recurring financial income includes the income of €1,062 thousand deriving from the restatement to fair value of the 20% equity investment in Studio Fieschi S.r.l. due to the purchase of the additional 80% and therefore the change in the consolidation methodology from the equity method to line-by-line consolidation. *Non-recurring financial income* includes additional €279 thousand for impairment of price deferments related to acquisitions.

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 settlement agreement previously mentioned in *Key events of the period*, which envisaged the settlement for the sum of €2 million through the granting to the counterparty of the ownership of the share capital of FBS Next S.p.A. held by Tinexta.

Non-recurring taxes include non-recurring income of €1,220 thousand, relating to the tax effect on non-recurring components of the result before tax.

In 2022, *Non-recurring operating costs* were equal to €6,363 thousand, *Net non-recurring financial charges* to €944 thousand and income under *Non-recurring income taxes* to €3,649 thousand.

LTI incentives and plans

The costs recognised, amounting to €4,230 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 €1,219 thousand, to the Performance Shares Plan as detailed in the paragraph **2023-2025 Performance Shares Plan** for €1,770 thousand and costs for long-term incentives to managers and key management personnel of the Group for €451 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 €17,946 thousand (€17,496 thousand in 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 €232 thousand (€1,640 thousand in the previous year).

Method of calculation of the *adjusted* economic indicators:

Calculation of adjusted economic results	**EBITDA**		**Operating profit (loss)**		**Net profit from continuing operations**	
(In thousands of Euro)	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
***Reported* income statement results**	**93,837**	**86,294**	**52,397**	**51,613**	**34,248**	**32,601**
Non-recurring service costs	3,294	5,088	3,294	5,088	3,294	5,088
LTI incentive plans	4,230	2,101	4,230	2,101	4,230	2,101
Non-recurring personnel costs	862	1,210	862	1,210	862	1,210
Other non-recurring operating costs	731	66	731	66	731	66
Amortisation of Other intangible assets from consolidation			17,946	17,496	17,946	17,496
Non-recurring provisions			109		109	
Non-recurring financial income					(1,341)	53
Adjustment of contingent considerations					232	1,640
Non-recurring financial charges					1,313	997
Tax effect on adjustments					(7,152)	(6,151)
Non-recurring taxes					0	(2,733)
***Adjusted* income statement results**	**102,954**	**94,758**	**79,569**	**77,573**	**54,474**	**52,368**
Change from previous year	*8.6%*		*2.6%*		*4.0%*	

Results by business segment

Condensed Income Statement by business segment *(In thousands of Euro)*	2023	EBITDA *MARGIN* 2023	2022	EBITDA *MARGIN* 2022	Change	% change		
						Total	Organic	Scope of consolidation
Revenues								
Digital Trust	181,638		156,977		24,661	15.7%	13.1%	2.6%
Cybersecurity	89,385		77,508		11,876	15.3%	15.3%	0.0%
Business Innovation	130,995		125,665		5,329	4.2%	4.2%	0.0%
Other segments (Parent Company)	4,810		3,371		1,439	42.7%	42.7%	0.0%
Intra-segment	(11,050)		(6,358)		(4,692)	73.8%	73.8%	0.0%
Total Revenues	**395,777**		**357,163**		**38,614**	**10.8%**	**9.7%**	**1.2%**
EBITDA								
Digital Trust	49,968	27.5%	44,251	28.2%	5,717	12.9%	12.8%	0.1%
Cybersecurity	13,573	15.2%	9,718	12.5%	3,855	39.7%	39.7%	0.0%
Business Innovation	47,285	36.1%	49,386	39.3%	(2,101)	-4.3%	-4.3%	0.0%
Other segments (Parent Company)	(16,482)	N/A	(16,858)	N/A	376	2.2%	2.2%	0.0%
Intra-segment	(508)	N/A	(204)	N/A	(304)	-148.9%	-148.9%	0.0%
Total EBITDA	**93,837**	**23.7%**	**86,294**	**24.2%**	**7,543**	**8.7%**	**8.7%**	**0.1%**

Adjusted income statement results by business segment:

Condensed Income Statement *adjusted* by business segment *(In thousands of Euro)*	2023	EBITDA *MARGIN* 2023	2022	EBITDA *MARGIN* 2022	Change	% change		
						Total	Organic	Scope of consolidation
Revenues								
Digital Trust	181,638		156,977		24,661	15.7%	13.1%	2.6%
Cybersecurity	89,385		77,508		11,876	15.3%	15.3%	0.0%
Business Innovation	130,995		125,665		5,329	4.2%	4.2%	0.0%
Other segments (Parent Company)	4,810		3,371		1,439	42.7%	42.7%	0.0%
Intra-segment	(11,050)		(6,358)		(4,692)	73.8%	73.8%	0.0%
Total Revenues	**395,777**		**357,163**		**38,614**	**10.8%**	**9.7%**	**1.2%**
***Adjusted* EBITDA**								
Digital Trust	54,538	30.0%	47,306	30.1%	7,231	15.3%	15.2%	0.1%
Cybersecurity	14,976	16.8%	10,311	13.3%	4,664	45.2%	45.2%	0.0%
Business Innovation	48,871	37.3%	51,643	41.1%	(2,772)	-5.4%	-5.4%	0.0%
Other segments (Parent Company)	(14,922)	N/A	(14,299)	N/A	(623)	-4.4%	-4.4%	0.0%
Intra-segment	(508)	N/A	(204)	N/A	(304)	-148.9%	-148.9%	0.0%
Total adjusted EBITDA	**102,954**	**26.0%**	**94,758**	**26.5%**	**8,196**	**8.6%**	**8.6%**	**0.1%**

Digital Trust

Revenues of the Digital Trust Business Unit amounted to €181,638 thousand, an increase compared to 2022 equal to 15.7%, in absolute value €24,661 thousand, attributable for 13.1% to organic growth and for the 2.6% 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 and KYC platform 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 CAGR higher than 10% and whose value is estimated in 2023 at over €2 billion.

The growth in revenues in 2023 was driven by LegalMail solutions (certified email address (PEC) mailboxes and related extensions), with a focus on the Public Administration market, by LegalCert and technical operations and production (TOP) solutions for the Enterprise market. The economic support coming from the National Recovery and Resilience Plan (NRRP) resources also contributed to the growth.

At international level, the growth path continues through the direct sale of solutions to European customers; international revenues accounted for 15.9% of the total in 2023.

The e-commerce channel recorded a significant increase also due to the increase in prices implemented to mitigate inflationary impacts.

During 2023, the outsourced Infocert datacentre migration process was concluded; an operation that will allow for greater scalability, an improved offer for customers as well as a cost optimisation over time. Investments also continued for the development of portfolio products intended for national and international markets, aimed at the need for reference regulations adaptation, as well as integration with Cybersecurity functions.

Adjusted EBITDA for the segment reached €54,538 thousand, increasing by €7,231 (+15.3%) compared to 2022, and a margin of 30.0% on revenues (30.1% in 2022). This adjusted EBITDA level is the result of the increase in revenues and the greater weight, in the sales mix, of products and solutions characterised by a high standard of innovation.

Cybersecurity

The *Cybersecurity* Business Unit revenues amounted to €89,385 thousand, an increase of 15.3% compared to 2022, in absolute value €11,876 thousand.

The BU operates in the Cybersecurity market and develops its own offer on Digital Transformation project activities. The growth trend currently underway on the market is also confirmed for the next few years and is estimated at between 11% and 13% per year.

The total value of the reference markets (Cybersecurity and Digital Transformation) was, for the year 2023, approximately €80 billion, of which €2.6 billion with a CAGR of 10% relating only to the Cybersecurity market, posting 14% growth.

In this scenario, the Cybersecurity BU closed the year 2023 with growth in revenues and margins, significantly improving the 2022 results. The over 15% higher revenue growth compared to the previous year is attributable to the Advisory, Implementation Services and Managed Security Services offering components.

The Cybersecurity BU continued to develop its business in line with the defined strategic guidelines, aimed at a service offering for its customers' end-to-end security management. From this point of view, the main results can be attributed to "Asset Based" services, both in the context of "Managed Security Services" (Swascan's SOC-H24 and Yoroi's CSDC services) and of "Implementation Services".

As for the offer of the Advisory segment, 2023 was characterised by a significant growth in services based on Cyber Threat Intelligence. This growth is mainly due to the evolution and intensification of cyber threats and is followed by Yoroi and Swascan through a solution developed in-house and already operational with numerous customers. In a scenario in which cyber-attacks are becoming increasingly sophisticated and targeted, the ability to anticipate and mitigate these threats before they can significantly impact business operations has proved to be of fundamental importance.

The market's positive response to the combined offer of "Digital Trust" and "Cybersecurity" services continues to be an important competitive advantage for the Group. This commercial proposition (Legalmail Security Premium, Mail defender), which started in the previous year, was continued in 2023 with the addition of further services on the Infocert online shop.

Within the Digital Transformation segment, the Cybersecurity BU and in particular Corvallis confirmed their positioning on the market, also following the multi-year renewals of contracts and project activities undertaken with leading banking and insurance institutions during the year.

The consolidation of Corvallis' position as a product leader in the AML area continues with the sale of the proprietary solution "Provisio".

Adjusted EBITDA for the segment was €14,976 thousand, showing a sharp increase (+45.2%) compared to 2022 of €4,664 thousand, recording a significant improvement in revenue margins, which rose from 13.3% to 16.8%. This growth can be attributed to a volume effect and the sales mix effect, on which the high-margin proprietary products and services of the Advisory and MSS businesses weighed the most.

Business Innovation

Revenues of the *Business innovation* Business Unit amounted to €130,995 thousand, an increase of 4.2% compared to 2022, or €5,329 thousand in absolute terms.

During 2023, Warrant Hub S.p.A. (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 led to the creation of a reference digital skills hub in the manufacturing area, and received a positive response from the reference market.

On 30 December 2023, the merger by incorporation into Warrant Hub of the company Co.Mark S.p.A. (formerly part of Business Innovation), with accounting and tax effectiveness backdated to 1 January 2023, was completed. Following this, Warrant consolidated the activity of commercial and digital marketing consultancy, as well as the provision of internationalisation services to companies interested in foreign markets. The merger of the two companies creates an operator of integrated and complete services, ranging from digital and green transformation to the exploration of new markets, in order to enhance and develop the business of companies.

On 16 November 2023, Warrant Hub acquired 100% of Studio Fieschi & soci (a company specialising in business consulting on Environmental, Social, Governance (ESG) issues), thus completing a process started in 2021, when Warrant Hub had acquired a 20% share of the company’s share capital.

The Warrant Hub - Co.Mark merger, as well as the acquisitions made, mark a decisive step towards the realisation of the strategic vision of the Business Innovation BU, which aims to establish itself as a European leader in integrated consulting services for the sustainable development of companies, accompanying small and medium enterprises (SME) in their growth and expansion in both national and international markets.

With regard to the market and in particular that of subsidised services for innovation, in which Warrant Hub continues to hold a leadership position in Italy, in 2023 it was characterised by a reduction in the rates on the Tax Credit 4.0 instrument, whereas on the subsidy issue, the promulgation of the Prime Minister Decree attributable to Art. 23 of Italian Law Decree no. 73 of 21 June 2022 did not take concrete form.

Internationalisation services volumes recorded a contraction, due to the specific market context. In fact, the elimination of support to SMEs for the export services provided by the Italian Ministry of Foreign Affairs and International Cooperation through the MAECI tender was a contributing factor.

Adjusted EBITDA for the segment was €48,871 thousand with a margin of 37.3%.

The decrease compared to 2022 is 5.4%; this trend is mainly attributable to the aforementioned reduction in rates and to the mix of revenues that generated a lower absorption of the cost of productive labour.

Summary of the results for the fourth quarter of 2023

The Group closed the fourth quarter of 2023 with Revenues of €126,230 thousand. Adjusted EBITDA amounted to €46,056 thousand, or 36.5% of revenues. EBITDA amounted to €42,715 thousand, equal to 33.8% of revenues. Operating profit and Net profit from continuing operations amounted to €30,741 thousand and €21,924 thousand, respectively, equal to 24.4% and 17.4% of revenues. Net profit, which includes Profit (loss) from discontinued operations, amounted to €21,389 thousand.

Condensed Consolidated Income Statement ***(In thousands of Euro)***	**IV Quarter 2023**	**%**	**IV Quarter 2022**	**%**	**Change**	**% change**
Revenues	126,230	*100.0%*	110,494	*100.0%*	15,736	*14.2%*
Adjusted EBITDA	46,056	*36.5%*	39,979	*36.2%*	6,077	*15.2%*
EBITDA	42,715	*33.8%*	37,420	*33.9%*	5,296	*14.2%*
Operating profit (loss)	30,741	*24.4%*	27,984	*25.3%*	2,758	*9.9%*
Net profit from continuing operations	21,924	*17.4%*	17,868	*16.2%*	4,056	*22.7%*
Profit (loss) from discontinued operations	(535)	*N/A*	62	*N/A*	(597)	-968.7%
Net profit	21,389	*N/A*	17,929	*N/A*	3,459	*19.3%*

Revenues increased compared to the fourth quarter of 2022 by €15,736 thousand or 14.2%, adjusted EBITDA by €6,077 thousand or 15.2%, EBITDA by €5,296 thousand or 14.2%, Operating profit by €2,758 thousand or 9.9%, as well as Net profit from continuing operations by €4,056 thousand or 22.7%.

The results for the period include the contribution of the acquisition of Ascertia Ltd (and its subsidiaries) consolidated from 1 August 2023. The contribution from this acquisition is shown below as a change in the scope of consolidation.

Income statement for the fourth quarter of 2023 compared with the same period of last year:

Consolidated Income Statement (In thousands of Euro)	IV Quarter 2023	%	IV Quarter 2022	%	Change	% change
Revenues	**126,230**	**100.0%**	**110,494**	**100.0%**	**15,736**	**14.2%**
Costs of raw materials	(4,758)	-3.8%	(4,463)	-4.0%	(295)	6.6%
Service costs	(31,972)	-25.3%	(30,574)	-27.7%	(1,398)	4.6%
Personnel costs	(39,747)	-31.5%	(33,533)	-30.3%	(6,214)	18.5%
Contract costs	(2,083)	-1.7%	(932)	-0.8%	(1,151)	123.4%
Other operating costs	(1,613)	-1.3%	(1,012)	-0.9%	(601)	59.4%
Total Operating Costs*	**(80,173)**	**-63.5%**	**(70,514)**	**-63.8%**	**(9,659)**	**13.7%**
Adjusted EBITDA	**46,056**	**36.5%**	**39,979**	**36.2%**	**6,077**	**15.2%**
LTI incentive plans**	(1,334)	-1.1%	(860)	-0.8%	(474)	55.1%
Non-recurring components	(2,008)	-1.6%	(1,699)	-1.5%	(308)	18.1%
EBITDA	**42,715**	**33.8%**	**37,420**	**33.9%**	**5,296**	**14.2%**
Amortisation/depreciation of rights of use	(1,569)	-1.2%	(1,415)	-1.3%	(154)	10.9%
Depreciation of property, plant and equipment	(598)	-0.5%	(614)	-0.6%	17	-2.7%
Amortisation of intangible assets	(5,311)	-4.2%	(3,140)	-2.8%	(2,171)	69.1%
Amortisation of other intangible assets from consolidation	(4,490)	-3.6%	(4,486)	-4.1%	(3)	0.1%
Provisions	(43)	0.0%	74	0.1%	(118)	-158.2%
Impairment	37	0.0%	145	0.1%	(108)	-74.4%
Amortisation and depreciation, provisions and impairment	**(11,974)**	**-9.5%**	**(9,437)**	**-8.5%**	**(2,537)**	**26.9%**
Operating profit	**30,741**	**24.4%**	**27,984**	**25.3%**	**2,758**	**9.9%**
Financial income	3,040	2.4%	598	0.5%	2,441	408.1%
Financial charges	(2,602)	-2.1%	(2,679)	-2.4%	77	-2.9%
Net financial income (charges)	**437**	**0.3%**	**(2,081)**	**-1.9%**	**2,518**	**-121.0%**
Result of equity-accounted investments	(62)	0.0%	(103)	-0.1%	41	-39.7%
Profit before tax	**31,116**	**24.7%**	**25,800**	**23.3%**	**5,317**	**20.6%**
Income taxes	(9,193)	-7.3%	(7,931)	-7.2%	(1,262)	15.9%
Net profit from continuing operations	**21,924**	**17.4%**	**17,868**	**16.2%**	**4,056**	**22.7%**
Profit (loss) from discontinued operations	(535)	N/A	62	N/A	(597)	-968.7%
Net profit	**21,389**	**N/A**	**17,929**	**N/A**	**3,459**	**19.3%**
of which minority interests	*3,496*	*N/A*	*2,383*	*N/A*	*1,113*	46.7%

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

Revenues increased from €110,494 thousand in the fourth quarter of 2022 to €126,230 thousand in the fourth quarter of 2023, an increase of €15,736 thousand or 14.2%. The increase in revenues attributable to organic growth was 12.0% (€13,271 thousand), the change in the scope of consolidation was 2.2% (€2,466 thousand).

Operating costs increased from €70,514 thousand in the fourth quarter of 2022 to €80,173 thousand in the fourth quarter of 2023, an increase of €9,659 thousand or 13.7%. The increase in Operating costs attributable to organic growth was 10.4% (€7,299 thousand), the change in the scope of consolidation was 3.3% (€2,360 thousand).

***Adjusted* EBITDA** rose from €39,979 thousand in the fourth quarter of 2022 to €46,056 thousand in the fourth quarter of 2023, an increase of €6,077 thousand or 15.2%. The increase in adjusted EBITDA attributable to the change in organic growth was 14.9% (€5,971 thousand), while the change in scope of consolidation was 0.3% (€106 thousand).

EBITDA increased from €37,420 thousand in the fourth quarter of 2022 to €42,715 thousand in the fourth quarter of 2023, an increase of €5,296 thousand or 14.2%. The increase in EBITDA attributable to organic growth was 13.9% (€5,190 thousand), while the change in the scope of consolidation was 0.3% (€106 thousand).

Amortisation and depreciation, provisions and impairment totalled €11,974 thousand (€9,437 thousand in the fourth 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 fourth quarter of 2022), mainly pertaining to Cybersecurity, CertEurope, Evalue Innovación, Warrant Hub, Forvalue and Queryo. The increase in amortisation of intangible assets of €2,171 thousand reflects the increase in investments compared to the previous year. *Provisions* for risks increased by €118 thousand. *Impairments* increased by €108 thousand and refer to trade receivables.

Net financial income in the fourth quarter of 2023 amounted to €437 thousand (€2,081 thousand for **Net financial charges** in the fourth quarter of 2022). The increase of €2,441 thousand in **Financial income** includes interest accrued on short-term liquidity investments (time deposits) and non-recurring income for €1,062 thousand. **Financial charges** are substantially in line (-2.9%) with the same period of the previous year. The balance of interest income/expense in the fourth quarter of 2023 was negative for €40 thousand (€612 thousand in the fourth quarter of 2022).

Income taxes, calculated based on the tax rates envisaged for the year by the current tax laws, amounted to €9,193 thousand (€7,931 thousand in the fourth quarter of 2022). The tax rate is 29.5%, down slightly compared to the tax rate in the fourth quarter of 2022 (30.7%), mainly due to the non-taxability of the non-recurring financial income mentioned above.

Net profit from continuing operations in the fourth quarter of 2023 amounted to €21,924 thousand compared to €17,868 thousand in the same period of 2022, up by 22.7%.

Net profit for the fourth quarter of 2023 amounted to €21,389 thousand (of which €3,496 thousand was minority interest) compared to €17,929 thousand in the fourth quarter of 2022 (of which €2,383 thousand was minority interest).

Adjusted income statement results

Adjusted income statement results calculated before the non-recurring components, before the cost relating to share-based payment plans and long-term incentives reserved for the Group's managers and 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.

Adjusted Income Statement (*In thousands of Euro*)	IV Quarter 2023	%	IV Quarter 2022	%	Change	% change
Revenues	126,230	*100.0%*	110,494	*100.0%*	15,736	*14.2%*
Adjusted EBITDA	46,056	*36.5%*	39,979	*36.2%*	6,077	*15.2%*
Adjusted operating profit	38,484	*30.5%*	35,030	*31.7%*	3,454	*9.9%*
Adjusted net profit from continuing operations	26,826	*21.3%*	24,770	*22.4%*	2,056	*8.3%*

Adjusted results show an increase in EBITDA compared to the fourth quarter of 2023 of 15.2%, an increase in EBIT of 9.9% and in Net profit from continuing operations of 8.3%, with all revenue indicators improving.

Non-recurring components

Over the course of the fourth quarter of 2023, *Non-recurring operating costs* of €2,008 thousand were recognised, of which €817 thousand for acquisitions of target companies and €820 thousand for reorganisation activities.

Non-recurring provisions include charges of €109 thousand.

Non-recurring financial income includes the income of €1,062 thousand deriving from the restatement to fair value of the 20% equity investment in Studio Fieschi S.r.l. due to the purchase of the additional 80% and therefore the change in the consolidation methodology from equity method to line-by-line consolidation.

Non-recurring taxes include non-recurring income of €498 thousand, relating to the tax effect on non-recurring components of the result before tax.

In the fourth quarter of 2022, *Non-recurring operating costs* were equal to €1,699 thousand, *Net financial charges* to €944 thousand and income under *Non-recurring income taxes* to €103 thousand.

LTI incentives and plans

The costs recognised, amounting to €1,334 thousand, refer to the 2021-2023 Stock Option Plan as detailed in the paragraph **2021-2023 Stock Option Plan** for €425 thousand, to the Performance Shares Plan as detailed in the paragraph **2023-2025 Performance Shares Plan** for €682 thousand and costs for long-term incentives to managers and key management personnel of the Group for €227 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 €263 thousand (€331 thousand in the same period of the previous year).

Method of calculation of the *adjusted* economic indicators:

Calculation of adjusted economic results	**EBITDA**		**Operating profit (loss)**		**Net profit from continuing operations**	
(In thousands of Euro)	**IV Quarter 2023**	**IV Quarter 2022**	**IV Quarter 2023**	**IV Quarter 2022**	**IV Quarter 2023**	**IV Quarter 2022**
***Reported* income statement results**	**42,715**	**37,420**	**30,741**	**27,984**	**21,924**	**17,868**
Non-recurring service costs	1,340	1,230	1,340	1,230	1,340	1,230
LTI incentive plans	1,334	860	1,334	860	1,334	860
Non-recurring personnel costs	312	483	312	483	312	483
Other non-recurring operating costs	355	(13)	355	(13)	355	(13)
Amortisation of Other intangible assets from consolidation			4,490	4,486	4,490	4,486
Non-recurring provisions			109	0	109	0
Non-recurring impairment			(198)	0	(198)	0
Non-recurring financial income					(1,062)	53
Adjustment of contingent considerations					263	331
Non-recurring financial charges					0	997
Tax effect on adjustments					(2,041)	(1,526)
***Adjusted* income statement results**	**46,056**	**39,979**	**38,484**	**35,030**	**26,826**	**24,770**
Change from previous year	*15.2%*		*9.9%*		*8.3%*	

Results by business segment

Condensed Income Statement by business segment *(In thousands of Euro)*	IV Quarter 2023	EBITDA MARGIN IV Quarter 2023	IV Quarter 2022	EBITDA MARGIN IV Quarter 2022	Change	% change		
						Total	Organic	Scope of consolidation
Revenues								
Digital Trust	51,394		43,094		8,300	19.3%	13.5%	5.7%
Cybersecurity	26,637		22,779		3,858	16.9%	16.9%	0.0%
Business Innovation	50,445		45,994		4,451	9.7%	9.7%	0.0%
Other segments (Parent Company)	1,577		1,026		551	53.7%	53.7%	0.0%
Intra-segment	(3,823)		(2,400)		(1,423)	59.3%	59.3%	0.0%
Total Revenues	**126,230**		**110,494**		**15,736**	**14.2%**	**12.0%**	**2.2%**
EBITDA								
Digital Trust	15,508	30.2%	13,723	31.8%	1,785	13.0%	12.2%	0.8%
Cybersecurity	6,346	23.8%	5,265	23.1%	1,082	20.5%	20.5%	0.0%
Business Innovation	26,111	51.8%	23,349	50.8%	2,762	11.8%	11.8%	0.0%
Other segments (Parent Company)	(4,785)	N/A	(4,827)	N/A	42	0.9%	0.9%	0.0%
Intra-segment	(465)	N/A	(90)	N/A	(376)	-419.0%	-419.0%	0.0%
Total EBITDA	**42,715**	**33.8%**	**37,420**	**33.9%**	**5,296**	**14.2%**	**13.9%**	**0.3%**

Adjusted results by business segment:

Adjusted **condensed Income Statement by business segment** *(In thousands of Euro)*	IV Quarter 2023	EBITDA MARGIN IV Quarter 2023	IV Quarter 2022	EBITDA MARGIN IV Quarter 2022	Change	% change		
						Total	Organic	Scope of consolidation
Revenues								
Digital Trust	51,394		43,094		8,300	19.3%	13.5%	5.7%
Cybersecurity	26,637		22,779		3,858	16.9%	16.9%	0.0%
Business Innovation	50,445		45,994		4,451	9.7%	9.7%	0.0%
Other segments (Parent Company)	1,577		1,026		551	53.7%	53.7%	0.0%
Intra-segment	(3,823)		(2,400)		(1,423)	59.3%	59.3%	0.0%
Total Revenues	**126,230**		**110,494**		**15,736**	**14.2%**	**12.0%**	**2.2%**
Adjusted **EBITDA**								
Digital Trust	16,878	32.8%	14,506	33.7%	2,372	16.4%	15.6%	0.7%
Cybersecurity	7,015	26.3%	5,537	24.3%	1,478	26.7%	26.7%	0.0%
Business Innovation	26,764	53.1%	23,910	52.0%	2,854	11.9%	11.9%	0.0%
Other segments (Parent Company)	(4,135)	N/A	(3,884)	N/A	(251)	-6.5%	-6.5%	0.0%
Intra-segment	(465)	N/A	(90)	N/A	(376)	-419.0%	-419.0%	0.0%
Total ***Adjusted*** **EBITDA**	**46,056**	**36.5%**	**39,979**	**36.2%**	**6,077**	**15.2%**	**14.9%**	**0.3%**

Statement of financial position of the Group

The Group's financial position as at 31 December 2023 compared with 31 December 2022:

In thousands of Euro	31/12/2023	%	31/12/2022	%	Δ	% Δ
Goodwill	362,883	65.1%	316,060	65.9%	46,823	14.8%
Other intangible assets from consolidation	126,949	22.8%	144,895	30.2%	(17,946)	-12.4%
Intangible assets	51,584	9.3%	26,382	5.5%	25,202	95.5%
Property, plant and equipment	8,223	1.5%	5,194	1.1%	3,029	58.3%
Leased property, plant and equipment	42,940	7.7%	43,229	9.0%	(289)	-0.7%
Financial assets	31,608	5.7%	7,887	1.6%	23,721	300.8%
Net fixed assets	**624,187**	**112.0%**	**543,647**	**113.4%**	**80,541**	**14.8%**
Inventories	2,084	0.4%	1,926	0.4%	158	8.2%
Trade receivables	127,219	22.8%	111,150	23.2%	16,069	14.5%
Contract assets	22,383	4.0%	16,979	3.5%	5,405	31.8%
Contract cost assets	12,162	2.2%	9,180	1.9%	2,982	32.5%
Trade payables	(55,844)	-10.0%	(50,745)	-10.6%	(5,099)	10.0%
Contract liabilities and deferred income	(101,736)	-18.3%	(84,466)	-17.6%	(17,269)	20.4%
of which current	(83,338)	-14.9%	(66,434)	-13.9%	(16,904)	25.4%
of which non-current	(18,398)	-3.3%	(18,033)	-3.8%	(365)	2.0%
Payables to employees	(21,138)	-3.8%	(18,434)	-3.8%	(2,704)	14.7%
Other receivables	25,162	4.5%	20,717	4.3%	4,445	21.5%
Other payables	(28,170)	-5.1%	(23,129)	-4.8%	(5,041)	21.8%
Current tax assets (liabilities)	(1,073)	-0.2%	(1,784)	-0.4%	711	-39.9%
Deferred tax assets (liabilities)	(24,107)	-4.3%	(30,184)	-6.3%	6,077	-20.1%
Net working capital	**(43,058)**	**-7.7%**	**(48,791)**	**-10.2%**	**5,733**	**-11.7%**
Employee benefits	(19,946)	-3.6%	(16,613)	-3.5%	(3,333)	20.1%
Provisions for risks and charges	(3,734)	-0.7%	(2,961)	-0.6%	(773)	26.1%
Provisions	**(23,680)**	**-4.2%**	**(19,574)**	**-4.1%**	**(4,106)**	**21.0%**
TOTAL NWC AND PROVISIONS	**(66,738)**	**-12.0%**	**(68,365)**	**-14.3%**	**1,627**	**-2.4%**
Assets (Liabilities) held for sale	(0)	0.0%	4,291	0.9%	(4,291)	-100.0%
TOTAL LOANS - NET INVESTED CAPITAL	**557,449**	**100.0%**	**479,573**	**100.0%**	**77,877**	**16.2%**
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	409,713	73.5%	365,665	76.2%	44,048	12.0%
Minority interests	45,689	8.2%	36,351	7.6%	9,338	25.7%
SHAREHOLDERS' EQUITY	**455,401**	**81.7%**	**402,015**	**83.8%**	**53,386**	**13.3%**
TOTAL FINANCIAL INDEBTEDNESS	**102,047**	**18.3%**	**77,557**	**16.2%**	**24,490**	**31.6%**
TOTAL SOURCES	**557,449**	**100.0%**	**479,573**	**100.0%**	**77,877**	**16.2%**

Net invested capital increased by €77.9 million compared to 31 December 2022, mainly due to the effect of:

- investment in Ascertia (€44.4 million at the acquisition date);
- investment in Studio Fieschi (€6.5 million);
- investment in Defence Tech (€25.6 million);

- extraordinary investments in intangible assets (€13.1 million) for the acquisition of the CRIF Phygital software license.
- spread (equal to €11.0 million) between investments and amortisation of *Intangible fixed assets* and depreciation of *Tangible fixed assets*;
- increase in Net Working Capital and Provisions for €1.6 million;
- deconsolidation of RE Valuta S.p.A. (€5.0 million at closing);
- amortisation of other intangible assets from consolidation (€17.9 million).

Net fixed assets amounted to €624,187 thousand as at 31 December 2023, with an increase of €80,541 thousand (14.8%) compared to 31 December 2022 (€543,647 thousand). The change in Goodwill is attributable to the acquisitions of Ascertia (€40,365 thousand) and Studio Fieschi (€6,458 thousand).

With regard to continuing operations, Investments in *Intangible assets and Property, plant and equipment* amounted to €25,916 thousand in 2023, excluding the extraordinary investment of €13,095 thousand for the acquisition of the CRIF Phygital software license (€20,023 thousand in 2022, while amortisation and depreciation amounted to €14,920 thousand (€9,709 thousand in 2022).

The increase in *Financial assets* includes the acquisition of the equity investment (consolidated using the equity method) of 20% in Defence Tech Holding S.p.A. for €25,630 thousand. The change also includes: the sale of FBS Next S.p.A. (€2,193 thousand as at 31 December 2022) and the complete write-down of Wisee S.r.l. Società Benefit (€1,361 thousand as at 31 December 2022), the 9.1% investment of €1,310 thousand, including accessory charges, in the share capital of Opstart, the first Fintech Italian hub and one of the main players on the national crowdinvesting market.

Net working capital increased from €-48,791 thousand as at 31 December 2022 to €-43,058 thousand (€-44,249 thousand excluding the change in the scope of consolidation) as at 31 December 2023:

- The sum of *Trade receivables and Contract assets* increased by €21,474 thousand, equal to 16.8% (12.6% for organic growth);
- *Trade payables* increased by €5,099 thousand, equal to 10.0% (9.3% for organic growth);
- *Contract liabilities and deferred income* increased by €17,269 thousand, equal to 20.4% (16.5% for organic growth);
- *Payables to employees* increased by €2,704 thousand, equal to 14.7% (13.2% for organic growth);
- *Deferred taxes liabilities* decreased by €6,077 thousand, equal to 20.1%, mainly due to deferred taxes on *Other intangible assets from consolidation* (€4,820 thousand).

Employee benefits as at 31 December 2023 amounted to €19,946 thousand and increased by €3,333 thousand compared to 31 December 2022, equal to 20.1%. Organic growth is 19.7% and is attributable for €622 thousand (3.7%) to the expenses of the actuarial component of the defined-benefits plans

Provisions for risks and charges as at 31 December 2023 amounted to €3,734 thousand and increased by €773 thousand compared to 31 December 2022, equal to 26.1%.

Shareholders' equity increased by €53,386 thousand compared to 31 December 2022 primarily due to the combined effect of:

- positive result of the comprehensive income statement for the period of €66,314 thousand driven by the net capital gain realised from the sale of RE Valuta S.p.A. equal to €37,094 thousand;
- decrease due to resolved dividends amounting to €33,253 thousand (of which €983 thousand not yet distributed or collected by the entitled parties), of which €5,806 thousand distributed by Group companies to minority shareholders;
- 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;
- decrease due to the adjustment of Put options on minority interests for a total of €10,106 thousand (of which: €-13,107 thousand on the subsidiaries of Tinexta Cyber, €-1,399 thousand on Ascertia, €-247 thousand on Evalue Innovaciò, €-33 thousand on Sixtema, €1,925 thousand on CertEurope and €2,755 thousand on Queryo Advance) due to: the change in the results expected by the companies concerned, the distribution of dividends resolved during the year, the revaluation due to the passage of time, as well as the change in the discount rate;
- decrease for the purchase of 210,000 treasury shares, equal to 0.445% of the Share Capital, for a purchase amount of €3,908 thousand, partly offset by the sale of 74,254 treasury shares, equal to 0.157% of the Share Capital, for the partial exercise of the options linked to the **2020-2022 Stock Option Plan** for a sale value of €815 thousand.
- increase in the share-based Payment Reserve for €3,811 thousand for the provision for costs of the year;
- decrease of €262 thousand on minority interests due to the deconsolidation of RE Valuta S.p.A.

Minority interests rose from €36,351 thousand as at 31 December 2022 to €45,689 thousand as at 31 December 2023. The increase is first of all attributable to the dilution on the InfoCert S.p.A. equity investment from 88.17% to 83.91% for the share capital increase subscribed by minority shareholders.

The increase in Net Invested Capital of €77.9 million partially offset by the increase in Shareholders' Equity of €53.4 million led to an increase in *Total financial indebtedness* of €24.5 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 Ltd led to an increase in *Net Invested Capital* and *Total financial indebtedness* of €44.4 million. The first consolidation of Studio Fieschi S.r.l. resulted in an increase in *Net Invested Capital* of €6.5 million, in Shareholders' equity of €1.1 million due to the restatement at fair value of the equity investment already held and *Total financial indebtedness* of €5.4 million.

Group's total financial indebtedness

Total financial indebtedness of the Group as at 31 December 2023 compared with 31 December 2022:

In thousands of Euro	31/12/2023	31/12/2022	Δ	% Δ
A Cash	106,713	116,890	(10,178)	-8.7%
B Cash equivalents	54,965	0	54,965	N/A
C Other current financial assets	25,989	125,784	(99,795)	-79.3%
D Liquidity (A+B+C)	**187,667**	**242,674**	**(55,007)**	**-22.7%**
E Current financial debt	69,912	40,067	29,845	74.5%
F Current portion of non-current financial debt	51,420	53,447	(2,027)	-3.8%
G Current financial indebtedness (E+F)	**121,331**	**93,514**	**27,817**	**29.7%**
H Net current financial indebtedness (G-D)	**(66,336)**	**(149,160)**	**82,825**	**-55.5%**
I Non-current financial debt	168,382	226,717	(58,335)	-25.7%
J Debt instruments	0	0	0	N/A
K Non-current trade and other payables	0	0	0	N/A
L Non-current financial indebtedness (I+J+K)	**168,382**	**226,717**	**(58,335)**	**-25.7%**
M Total financial indebtedness (H+L) (*)	**102,047**	**77,557**	**24,490**	**31.6%**
N Other non-current financial assets	1,947	1,668	279	16.7%
O Total adjusted financial indebtedness (M-N)	**100,099**	**75,889**	**24,210**	**31.9%**

(*) **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 €102,047 thousand, with an increase of €24,490 thousand compared to 31 December 2022.

Composition of *Total financial indebtedness*:

Composition of Total financial indebtedness	31/12/2023		31/12/2022	
	Balance	Incidence	Balance	Incidence
Total financial indebtedness	**102,047**		**77,557**	
Financial indebtedness related to continuing operations	**102,047**		**79,075**	
Gross financial indebtedness	**289,714**	**100.0%**	**320,137**	**100.0%**
Bank debt	126,333	43.6%	168,734	52.7%
Hedging derivatives on Bank debt	(4,509)	-1.6%	(8,640)	-2.7%
Payable for acquisition of equity investments	117,548	40.6%	112,980	35.3%
Liabilities related to the purchase of minority interests	*94,892*	*32.8%*	*94,373*	*29.5%*
Contingent consideration connected to acquisitions	*20,664*	*7.1%*	*14,743*	*4.6%*
Price deferments granted by sellers	*1,993*	*0.7%*	*3,864*	*1.2%*
Lease payables	44,118	15.2%	43,001	13.4%
Other financial payables	6,224	2.1%	4,061	1.3%
Liquidity	**(187,667)**	**100.0%**	**(241,062)**	**100.0%**
Cash and cash equivalents	(161,678)	86.2%	(115,278)	47.8%
Other financial assets	(25,989)	13.8%	(125,784)	52.2%
Financial indebtedness related to assets held for sale	0		(1,518)	

Change in *Total financial indebtedness* in 2023 compared to 2022:

In thousands of Euro	*2023*	*2022*
Total financial indebtedness - opening balance	**77,557**	**264,388**
Adjusted free cash flow from continuing operations	(56,897)	(49,456)
Non-recurring components of the Free cash flow from continuing operations	4,570	9,443
Free cash flow from discontinued operations	2,355	(8,648)
Net financial (income) charges	754	3,525
Approved dividends	33,253	21,206
New leases and adjustments to existing contracts	5,114	30,379
Acquisitions	77,049	72,764
Adjustment of put options	10,106	(14,284)
Adjustment of the contingent considerations on acquisitions	232	1,640
Disposals	(43,189)	(129,536)
Extraordinary investments in intangible assets	13,095	0
Capital increase	(30,000)	(124,920)
Treasury shares	3,093	8,109
OCI derivatives	4,171	(8,556)
Other residual	784	1,503
Total financial indebtedness - closing balance	**102,047**	**77,557**

- The *Free cash flow* from *continuing operations* generated in 2023 amounted to €52,327 thousand. The *adjusted Free cash flow from continuing operations* amounted to €56,897 thousand, a significant increase of 15.0% compared to the previous year. The cash flow for non-recurring components in 2023 amounted to €4,570 thousand:

In thousands of Euro	*2023*	*2022*
Cash and cash equivalents generated by continuing operations	**99,365**	**85,717**
Income taxes paid on continuing operations	(21,924)	(25,240)
Net cash and cash equivalents generated by continuing operations	**77,441**	**60,477**
Investments in Property, plant and equipment and Intangible assets for continuing operations	(38,209)	(20,464)
Extraordinary investments in Intangible assets	13,095	
Free cash flow from continuing operations	**52,327**	**40,013**
Cash flow from non-recurring components	4,570	9,443
Adjusted Free cash flow from continuing operations	**56,897**	**49,456**

- Resolved dividends amounted to €33,253 thousand (of which €983 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 2023 resulted in a total increase in financial indebtedness of €5,114 thousand.
- The balance of *Acquisitions*, amounting to €77,049 thousand, is composed of:

- the impact of the first-time consolidation of Ascertia and its subsidiaries amounting to €44,396 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 of Ascertia and its subsidiaries;
- the impact of the first consolidation of Studio Fieschi S.r.l. equal to €5,389 thousand, deriving from the cash and cash equivalents paid and the recognition of contingent considerations, as well as the consolidation of the Total financial indebtedness of Studio Fieschi S.r.l.;
- 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;
- investments in other equity investments for €1,634 thousand, including the purchase of 9.1% of Opstart S.r.l. for €1,310 thousand including additional charges.

* *Adjustment of Put options on minority interests* for a total of €10,106 thousand (of which: €-13,107 thousand on the subsidiaries of Tinexta Cyber, €-1,399 thousand on Ascertia, €-247 thousand on Evalue Innovaciò, €-33 thousand on Sixtema, €1,925 thousand on CertEurope and €2,755 thousand on Queryo Advance) due to the joint effect of:
  - change in the forecast results expected by the companies concerned;
  - distribution of dividends resolved during the year;
  - revaluation due to the passage of time;
  - change in the discount rate.
* *Disposals* of €43,189 thousand include the impact on *Total financial indebtedness* deriving from the closing of the sale of RE Valuta S.p.A. of €43,376 thousand plus ancillary costs for the sale already paid for €1,393 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 net of accessory charges for €7 thousand.
* *Extraordinary investments in intangible assets* relate to the acquisition of the CRIF Phygital software license.
* 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%.
* As at 31 December 2023, 210,000 treasury shares had been purchased, equal to 0.445% of the Share Capital, for a purchase amount of €3,908 thousand, partly offset by the sale of 74,254 treasury shares, equal to 0.157% of the Share Capital, for the partial exercise of the options linked to the **2020-2022 Stock Option Plan** for a sale value of €815 thousand.

- *OCI derivatives* refer to the depreciation of hedging derivatives on outstanding loans also due to the effect of collections in the period recognised under *net Financial charges* for €3,850 thousand.

Results of the Parent Company

Main values related to the economic results and the statement of financial position of the Parent Company Tinexta S.p.A.

Economic results of the Parent Company

Income Statement (In thousands of Euro)	2023	%	2022	%	Change	% change
Revenues	**4,783**	**100%**	**3,548**	**100%**	**1,235**	**35.8%**
Total Operating costs	**(19,565)**	**-409.1%**	**(17,892)**	**-504.3%**	**(1,673)**	**9.4%**
Service costs	(7,922)	-165.6%	(7,486)	-211.0%	(436)	5.8%
Personnel costs*	(10,393)	-217.3%	(9,550)	-269.2%	(843)	8.8%
Other operating costs	(1,250)	-26.1%	(856)	-24.1%	(394)	46.1%
Adjusted EBITDA	**(14,782)**	**-309.1%**	**(14,344)**	**-404.3%**	**(438)**	**3.1%**
LTI incentive plans**	(1,534)	-32.1%	(931)	-26.2%	(604)	64.9%
Non-recurring components	(2,250)	-47.0%	(1,583)	-44.6%	(667)	42.1%
EBITDA	**(18,567)**	**-388.2%**	**(16,858)**	**-475.2%**	**(1,709)**	**10.1%**
Amortisation/depreciation of rights of use	(579)	-12.1%	(371)	-10.5%	(208)	56.1%
Depreciation of property, plant and equipment	(178)	-3.7%	(55)	-1.5%	(123)	223.7%
Amortisation of intangible assets	(630)	-13.2%	(392)	-11.0%	(238)	60.7%
Amortisation and depreciation, provisions and impairment	**(1,387)**	**-29.0%**	**(818)**	**-23.1%**	**(569)**	**69.6%**
Operating profit (loss)	**(19,954)**	**-417.2%**	**(17,676)**	**-498.2%**	**(2,278)**	**12.9%**
Financial income	86,475	1808.2%	99,479	2804.0%	(13,004)	-13.1%
Financial charges	(7,878)	-164.7%	(3,627)	-102.2%	(4,251)	117.2%
Net financial income	**78,598**	**1643.4%**	**95,852**	**2701.8%**	**(17,254)**	**-18.0%**
Profit before tax	**58,644**	**1226.2%**	**78,176**	**2203.5%**	**(19,532)**	**-25.0%**
Income taxes	4,068	85.1%	3,392	95.6%	676	19.9%
Net profit	**62,712**	**1311.3%**	**81,569**	**2299.2%**	**(18,857)**	**-23.1%**

* *Operating Costs* are stated net of non-recurring components and net of the cost relating to share-based payment plans recognised under "Personnel costs".
** The Cost of LTI incentive plans includes the cost of share-based payment plans.

Revenues increased from €3,548 thousand in 2022 to €4,783 thousand in 2023, with an increase of €1,235 thousand, equal to 35.8%. Revenues relate to services provided to subsidiaries as part of the management holding activities provided by the Company for the functions of Data Protection, HR services, Corporate Affairs, Internal audit, tax assistance and common services as part of the sub-leases of the offices of the Milan headquarters, as well as charge-backs to the subsidiaries of specific costs incurred by the Parent Company, in particular for software licenses, seconded personnel and common services as part of the sub-leases of the offices of the Milan headquarters.

Costs for services increased from €7,486 thousand in 2022 to €7,922 thousand in 2023, with an increase of €436 thousand, equal to 5.8%.

Personnel costs increased from €9,550 thousand in 2022 to €10,393 thousand in 2023, with an increase of €843 thousand, equal to 8.8%.

The costs recognised in the item **LTI plans and incentives**, amounting to €1,534 thousand, refer to the 2020-2022 Stock Option Plan as detailed in the paragraph **2020-2022 Stock Option Plan** for €319 thousand, to the 2021-2023 Stock Option Plan as detailed in the paragraph **2021-2023 Stock Option Plan** for €418 thousand, to the Performance Shares Plan as detailed in the paragraph **2023-2025 Performance Shares Plan** for €798 thousand.

In **Non-recurring components**, amounting to €2,250 thousand, €2,099 thousand were recognised for the settlement agreement relating to an investment agreement signed in 2020 within the Credit Information & Management division, through which Tinexta S.p.A. undertook, without recognition of the claims, to pay 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.

The increase in **Amortisation and depreciation** of €569 thousand (€1,387 thousand in 2023, €818 thousand in 2022) reflects: the recognition from October of the amortisation of the right of use of the new Milan office, the investments related to the fit-out works on the Milan property and the increase in investments in intangible assets.

Net financial income decreased from €95,852 thousand in 2022 to €78,598 thousand in 2023, with a reduction of €17,254 thousand, equal to 18.0%. **Financial income** includes:

- the net capital gain of €43,349 thousand deriving from the sale of the equity investment in RE Valuta S.p.A. (in 2022 the net capital gain of €56,749 thousand deriving from the sale of the equity investment in Innolva S.p.A. was included);
- dividends from subsidiaries for €38,611 thousand (€41,756 thousand in 2022):

Dividends from subsidiaries *Amounts in thousands of Euro*	**2023**	**2022**	**Change**
Warrant Hub S.p.A.	22,812	22,561	251
InfoCert S.p.A.	10,877	9,346	1,531
Visura S.p.A.	4,922	4,679	243
Innolva S.p.A.	0	3,745	(3,745)
RE Valuta S.p.A.	0	1,425	(1,425)
Dividends from subsidiaries	**38,611**	**41,756**	**(3,145)**

- interest accrued on short-term liquidity investments (time deposits) for €3,127 thousand, interest income on cash and cash equivalents, loans and cash pooling from subsidiaries.

The increase in **Financial charges** was affected by:

- non-recurring write-downs on equity investments for €1,521 thousand, of which €1,511 thousand for the complete write-down of the equity investment of Wisee S.r.l. Società Benefit due to the company being put into liquidation during the third quarter;
- the higher interest expenses for leases, for €951 thousand, mainly attributable to the leases of the Rome and Milan offices signed in the second half of 2022;
- higher interest expenses on bank loans and cash pooling to subsidiaries.

Statement of financial position of the Parent Company

Statement of Financial Position of Tinexta S.p.A.

In thousands of Euro	31/12/2023	%	31/12/2022	%	Δ	% Δ
Intangible assets	2,004	0.5%	1,704	0.5%	299	17.6%
Property, plant and equipment	3,275	0.9%	171	0.1%	3,104	1810.2%
Leased property, plant and equipment	22,896	6.3%	29,385	9.1%	(6,489)	-22.1%
Financial assets	341,648	93.5%	297,500	91.6%	44,147	14.8%
Net fixed assets	**369,822**	**101.2%**	**328,761**	**101.3%**	**41,062**	**12.5%**
Trade receivables	2,749	0.8%	1,157	0.4%	1,592	137.5%
Contract assets	351	0.1%	538	0.2%	(187)	-34.7%
Trade payables	(5,892)	-1.6%	(4,247)	-1.3%	(1,646)	38.7%
Payables to employees	(1,480)	-0.4%	(1,663)	-0.5%	183	-11.0%
Other receivables	2,123	0.6%	769	0.2%	1,354	176.1%
Other payables	(2,014)	-0.6%	(1,524)	-0.5%	(490)	32.2%
Current tax assets (liabilities)	1,315	0.4%	(806)	-0.2%	2,121	-263.1%
Deferred tax assets (liabilities)	(452)	-0.1%	(1,469)	-0.5%	1,017	-69.2%
Net working capital	**(3,300)**	**-0.9%**	**(7,245)**	**-2.2%**	**3,944**	**-54.4%**
Employee benefits	(1,042)	-0.3%	(797)	-0.2%	(245)	30.7%
TOTAL NWC AND PROVISIONS	**(4,342)**	**-1.2%**	**(8,041)**	**-2.5%**	**3,700**	**-46.0%**
Assets (Liabilities) held for sale	0	0.0%	3,928	1.2%	(3,928)	-100.0%
TOTAL LOANS - NET INVESTED CAPITAL	**365,481**	**100.0%**	**324,647**	**100.0%**	**40,833**	**12.6%**
SHAREHOLDERS' EQUITY	**287,177**	**78.6%**	**250,084**	**77.0%**	**37,094**	**14.8%**
NET FINANCIAL POSITION	**78,303**	**21.4%**	**74,563**	**23.0%**	**3,740**	**5.0%**
TOTAL SOURCES	**365,481**	**100.0%**	**324,647**	**100.0%**	**40,833**	**12.6%**

Net invested capital increased by €40.8 million due to the effect of the increase in *Net fixed assets* for €41.1 million and Net working capital and Provisions for €3.7 million, partially offset by the effect of the sale of the equity investment in RE Valuta S.p.A. (€3.9 million as at 31 December 2022).

Net fixed assets amounted to €369,822 thousand as at 31 December 2023, with an increase of €41,062 thousand (12.5%) compared to 31 December 2022 (€328,761 thousand). The change is mainly the result of the following factors:

- an increase due to the establishment of Tinexta Defence S.r.l., a vehicle entirely held to implement the agreements for the purchase of 20% of the capital of Defence Tech Holding S.p.A., with payment of €25,525 thousand (of which €25 thousand for the full subscription of the Share Capital and €25,500 thousand as capital contribution);
- an increase due to the revaluation of equity investments in subsidiaries to employees who have been assigned the 2020-2022 Stock Option Plan, the 2021-2023 Stock Option Plan and the 2023-2025 Performance Shares Plan for a total of €2,370 thousand;

- an increase due to the revaluation of potential considerations paid by Tinexta S.p.A. in 2022 to the subsidiaries Warrant Hub S.p.A. and Visura S.p.A. for a total of €1,174 thousand;
- an increase due to the increase in non-current loans deriving from the combined effect of:
    - subscription of a loan issued by Warrant Hub S.p.A. for a total of €25,000 thousand;
    - repayment by Warrant Hub S.p.A. of the non-current loan present as at 31 December 2022 for €3,856 thousand;
    - reclassification under current loans of the loan of €3,000 thousand to Co.Mark S.p.A. (now merged into Warrant Hub S.p.A.);
    - reclassification under current loans of the loan of €5,300 thousand to Tinexta Cyber S.p.A.;
- a decrease due to the sale of the equity investment in FBS Next S.p.A. for €2,000 thousand, equal to the carrying amount, net of accessory costs;
- a decrease due to the write-down of €1,511 thousand of the equity investment in Wisee S.r.l. Società Benefit due to the company being put into liquidation during the third quarter;
- a decrease due to the sale to the subsidiaries of part of the right of use (equal to €6,403 thousand) relating to the property in Milan following the signing of sublease agreements, partially offset by the recognition of non-current loans for €5,406.

In 2023, Investments in Property, plant and equipment and intangible assets amounted to €4,211 thousand (€1,850 thousand in 2022), while amortisation and depreciation amounted to €808 thousand (€447 thousand in 2022). The increase in investments includes capitalised costs relating to the fit-out works of the Milan property.

Shareholders' Equity increased by €37,094 thousand due to the combined effect of:

- positive result from comprehensive income for the period of €59,510 thousand;
- dividends approved for €23,260 thousand (not collected by those entitled for €77 thousand);
- a decrease due to treasury shares acquired in the period (210,000, equal to 0.445% of the Share Capital) for a total purchase value of €3,908 thousand (details can be found in the paragraph **Treasury share purchase programme**);
- an increase due to treasury shares sold during the period (74,254, equal to 0.157% of the Share Capital), due to the partial exercise of the options linked to the 2020-2022 Stock Option Plan for a sale value of €815 thousand;
- an increase in the Share-based payment reserve for €3,937 thousand for the provision for costs for the year of Tinexta S.p.A. personnel and for the revaluation of equity investments in subsidiaries to employees for which parent company share-based payments were assigned.

The increase in net Invested Capital of €40.8 million, partially offset by the increase in Shareholders' equity of €37.1 thousand, generated an increase in the *Net financial position* of €3.7 million.

Total financial indebtedness of Tinexta S.p.A.

In thousands of Euro	31/12/2023	31/12/2022	Change	%
A Cash	62,737	70,594	(7,857)	-11.1%
B Cash equivalents	45,101	0	45,101	N/A
C Other current financial assets	36,236	148,285	(112,049)	-75.6%
D Liquidity (A+B+C)	**144,074**	**218,880**	**(74,806)**	**-34.2%**
E Current financial debt	63,301	95,654	(32,354)	-33.8%
F Current portion of non-current financial debt	43,850	45,128	(1,278)	-2.8%
G Current financial indebtedness (E+F)	**107,151**	**140,783**	**(33,632)**	**-23.9%**
H Net current financial indebtedness (G-D)	**(36,923)**	**(78,097)**	**41,174**	**-52.7%**
I Non-current financial debt	115,226	152,660	(37,435)	-24.5%
J Debt instruments	0	0	0	N/A
K Non-current trade and other payables	0	0	0	N/A
L Non-current financial indebtedness (I+J+K)	**115,226**	**152,660**	**(37,435)**	**-24.5%**
M Total financial indebtedness (H+L) (*)	**78,303**	**74,563**	**3,740**	**5.0%**
N Other non-current financial assets	31,395	13,115	18,281	139.4%
O Total adjusted financial indebtedness (M-N)	**46,908**	**61,449**	**(14,541)**	**-23.7%**

(*) **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 Net financial indebtedness amounted to €78,303 thousand, with an increase of €3,740 thousand compared to 31 December 2022.

Composition of *Total financial indebtedness*:

Composition of Total financial indebtedness	31/12/2023		31/12/2022	
	Balance	Incidence	Balance	Incidence
Total financial indebtedness	**78,303**		**74,563**	
Financial indebtedness related to continuing operations	**78,303**		**74,563**	
Gross financial indebtedness	**222,377**	**100.0%**	**293,443**	**100.0%**
Bank debt	119,419	53.7%	163,179	55.6%
Hedging derivatives on Bank debt	(4,509)	-2.0%	(8,640)	-2.9%
Payable for acquisition of equity investments	14,397	6.5%	14,287	4.9%
Contingent considerations connected to acquisitions	*13,607*	*6.1%*	*12,432*	*4.2%*
Price deferments granted by sellers	*790*	*0.4%*	*1,855*	*0.6%*
Lease payables	30,262	13.6%	28,973	9.9%
Payables for cash pooling	62,732	28.2%	95,567	32.6%
Other financial payables	77	0.0%	77	0.0%
Liquidity	**(144,074)**	**100.0%**	**218,880**	**100.0%**
Cash and cash equivalents	(107,838)	74.8%	(70,594)	32.3%
Receivables for cash pooling	(3,743)	2.6%	(25,817)	11.8%
Other financial assets	(32,493)	22.6%	(122,468)	56.0%

Recognised in *Other financial assets as at 31 December 2023* are Time Deposits for €20,160 thousand (€120,377 thousand as at 31 December 2022).

Change in Total financial indebtedness in 2023 compared to 2022:

In thousands of Euro	31/12/2023	31/12/2022
Total financial indebtedness - opening balance	**74,563**	**183,781**
Free cash flow including the dividends collected	(19,756)	(28,670)
Investments in shareholdings	25,837	41,115
Approved dividends	23,260	13,802
Disposal of shareholdings	(48,247)	(169,174)
Non-current loans to subsidiaries	12,844	2,356
Purchase of treasury shares	3,908	8,109
Sale of treasury shares	(815)	0
Net financial charges	1,815	2,645
OCI derivatives	4,171	(8,556)
New leases and adjustments to existing contracts	494	27,921
Sublease of lease agreements	(996)	0
IFRS 16 guarantee deposits	0	1,201
Adjustment of liabilities for contingent considerations	1,174	0
Other changes	52	33
Total financial indebtedness - closing balance	**78,303**	**74,563**

- The *Free cash flow* generated, including the dividends collected in 2023, was €19,756 thousand.
- *Investments in shareholdings* refer to the payment of €25,525 thousand for the establishment of Tinexta Defence S.r.l., a wholly-owned vehicle to implement the agreements for the purchase of 20% of the capital of Defence Tech Holding S.p.A., as well as the investment of €76 thousand for the establishment of a joint venture in OPENT S.p.A., a newly established company to implement the agreements signed on 19 July 2023 with Digital Magics, and minor investments.
- The *Disposal of shareholdings* includes the collection deriving from the sale of RE Valuta S.p.A. for €48,434 thousand, net of accessory costs paid for €1,393 thousand, accessory costs paid in 2023 related to the sale of Innolva S.p.A. for €786 thousand, and the sale of FBS Next S.p.A. for €2,000 thousand, net of accessory costs paid for €7 thousand.
- During the year, Tinexta S.p.A. purchased 210,000 treasury shares (equal to 0.445% of the Share Capital) for a total purchase value of €3,908 thousand (details can be found in the paragraph **Treasury share purchase programme**). Tinexta S.p.A. also sold 74,254 treasury shares, equal to 0.157% of the Share Capital, during the year due to the partial exercise of the options linked to the 2020-2022 Stock Option Plan for a sale value of €815 thousand.
- *OCI derivatives* refer to the depreciation of hedging derivatives on outstanding loans also due to the effect of collections in the period recognised under net Financial charges for €3,850 thousand.
- *New leases and adjustments to existing contracts* in 2023 resulted in a total increase in financial indebtedness of €494 thousand;

- *Sublease of lease agreements* relates to the stipulation of sublease agreements with the Group companies for the property in Milan, which entailed the recognition of a current financial receivable in Tinexta S.p.A. for €996 thousand. The non-current portion of the financial receivable is equal to €5,406 recognised under *Financial assets*.
- *Adjustment of liabilities for contingent considerations* shows the adjustment as at 31 December 2023 of the liabilities to the selling shareholders of Enhancers S.p.A., Plannet S.r.l., Trix S.r.l. (recognised in 2022 for taking over the debt for a capital increase by Warrant Hub S.p.A.) and to the selling shareholders of Sferabit S.r.l. (recognised in 2022 for taking over the debt for a capital increase by Visura S.p.A.) for a total of €1,174 thousand.

Key events subsequent to year-end

On **15 January 2024**, in order to provide Warrant Hub with the appropriate financial resources to complete the acquisition of 73.9% of the capital of ABF Group S.A.S., Tinexta exercised i) its option right to subscribe the capital increase of Warrant Hub S.p.A. resolved on 22 December 2023 and ii) its option right on the unexercised right, at the same time undertaking to credit the total amount of €50.0 million. This transaction involved the change in the shareholding of Tinexta S.p.A. in Warrant Hub, which rose from 89.6% to 90.5%.

On **18 January 2024**, Tinexta S.p.A. finalised, through its subsidiary Warrant Hub S.p.A., the closing relating to the acquisition of 73.9% of the share capital of ABF Group S.A.S. The transaction was finalised in line with the terms of the agreement of 14 December 2023, in particular through the payment of an amount of €72.5 million, paid by Warrant Hub S.p.A. in cash. Tinexta Group's international presence is therefore strengthened, allowing Warrant Hub, already present in France with Euroquality and in Spain with Evalue, to position itself on the European market as one of the few operators present in support of innovation and growth of companies, to promote its innovative services in France, already successfully tested in Italy, and to strengthen expertise in the sector of public loans for innovation and sustainable development. In addition, this transaction will offer the possibility of expanding the respective offer portfolios, in particular that of ABF Group, by integrating the unique skills of Warrant Hub and creating synergies and exchanges of knowledge between Italy, France and Spain.

On **19 February 2024**, Tinexta S.p.A. announced the creation of a new business line dedicated to strategic consulting that will assist corporate customers in defining their strategies and in the execution of high-impact transformational projects. The responsibility for the project is entrusted to Aurelio Matrone, Group Chief Strategy Officer of Tinexta. As a vehicle for the provision of advisory services, Tinexta established Antexis Strategies Srl, wholly-owned, which signed binding agreements for the acquisition of 60% of the capital of Lenovys Srl ("Lenovys"), which will represent the basic core of the project's business proposition. Based in Livorno and Milan, Lenovys, founded in 2009 by Luciano Attolico, boasts a customer portfolio of around 1,000 accounts, with over 50 professionals, mostly engineers, spread over three offices in Italy. The company annually serves more than 130 high-profile mid-corp customers, to whom it offers strategic and lean management consulting, divided into 6 competence centres: Strategy & Governance, Office & Operations, Innovation & R&D, People & Organization, Sales & Go-to Market and Digital Change. For the year 2023, Lenovys expects Revenues of approximately €7.8 million and a reported EBITDA of approximately €1.8 million, with an EBITDA Margin of 23.1%. The consideration for the acquisition of 60% of the shares of Lenovys will be calculated at closing on the basis of an Enterprise Value of €15 million, plus adjusted NFP, and will be paid in three tranches between 2024 and 2026. Put & Call options are also envisaged for the purchase of the minority shareholding in an amount equal to 50% of the same, after the approval of the 2026 financial statements, and for the remainder, the approval of the 2027 financial statements. In light of the above, the disbursement envisaged on the basis of the business plan, in the case of cash free/debt free, is distributed over time as follows:

• Initial cash out: €5.4 million (1st tranche)

• Discounted debt for 2nd and 3rd tranches: €3 million

• Discounted options debt: €7.9 million

The acquisition will be financed with the existing cash and cash equivalents of the Group. Luciano Attolico, founder and current key manager of Lenovys, and all the top management will remain with the company.

Outlook

Today, the Board of Directors analysed and approved the 2024-2026 Three-Year Plan.

Over the next three-year period, Tinexta will continue to pursue its growth strategy aimed at consolidating leadership in its target markets. The guidelines of the approved growth strategy and plan are:

- continuation of the progressive expansion of the proposal of innovative products and services in all business areas, to maintain the market shares achieved as a leader in the respective reference markets;
- acceleration of integration processes at Business Unit level, enabling single offer capacity and operational efficiency;
- investments into the Company's most important assets: people & sustainability;
- growth of foreign activities, both organic and through acquisitions;
- focus on operating cash generation.

The 2024-2026 Plan envisages[4] that 2024 consolidated revenues, which consolidate ABF Group and Ascertia for 12 months, will grow between 21% and 23% compared to 2023 (approximately 7% on an organic basis), with an Adjusted EBITDA up between 28% and 32% (approximately 10% on an organic basis). Tinexta expects 2023-2026 consolidated revenues to increase at an average annual compound rate (CAGR 2023-2026) between 12% and 14% and Adjusted EBITDA (CAGR 2023-2026) between 17% and 19%.

The Plan targets for the individual Business Units are as follows:

[4] 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.

- for the Digital Trust BU, which consolidates Ascertia for 12 months, 2024 revenues up between 14% and 16% compared to 2023 (between 8% and 10% on an organic basis) and Adjusted EBITDA up between 17% and 19% (between 11% and 13% on an organic basis). 2023-2026 revenues are expected to increase at an average annual compound rate (CAGR 2023-2026) between 10% and 12% and at the Adjusted EBITDA level between 15% and 17%.
- for the Cybersecurity BU, for which there is no expected change in the scope of the plan, 2024 revenues up between 14% and 16% compared to 2023 and Adjusted EBITDA up between 21% and 23%. 2023-2026 revenues are expected to increase at an average annual compound rate (CAGR 2023-2026) between 11% and 13% and at the Adjusted EBITDA level between 15% and 17%.
- for the Business Innovation BU, which consolidates ABF Group, 2024 revenues up between 38% and 40% compared to 2023 (between 7% and 9% on an organic basis) and Adjusted EBITDA up between 43% and 45% (between 5% and 7% on an organic basis). 2023-2026 revenues are expected to increase at an average annual compound rate (CAGR 2023-2026) between 19% and 21% and at the Adjusted EBITDA level between 22% and 24%.

The debt ratio (NFP/Adjusted EBITDA) is expected to be between 1.7x and 1.9x at the end of 2024, and is expected to decrease between 0.8x and 1.0x at the end of the Plan period, including an annual dividend payout and thus confirming a solid operating cash generation by the Group.

The targets set out do not contain the opportunities for growth through external strands that the Group, in line with the strategy it has set out, intends to continue to pursue, supported by the solid equity and financial situation and by the significant generation of operating cash that is expected.

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 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, 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 trading session before 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 bid on the trading venue 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 laws 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.

As at 31 December 2023, the Company holds 1,735,993 treasury shares, equal to 3.677% of the Share Capital, for a total book value of €30,059 thousand (including commissions for €42 thousand). In 2023, 210,000 treasury shares were purchased, equal to 0.445% of the Share Capital, for a purchase price of €3,908 thousand; 74,254 treasury shares were sold, equal to 0.157% of the Share Capital, for the partial exercise of the options linked to the 2020-2022 Stock Option Plan for a sale amount of €815 thousand. The unit book value of the Treasury shares in portfolio is €17.31 per share.

At the date of this Board meeting, the Company holds 1,566,913 treasury shares, equal to 3.319% of the share capital.

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 management personnel 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 give 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 as at 31 December 2022 of ≥ 80% of the approved budget value. If EBITDA proves to be between ≥ 80% and ≥ 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 at €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 allocation 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.

As at 31 December 2023, 74,254 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 management personnel 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 as at 31 December 2023 of ≥ 80% of the approved budget value. If EBITDA proves to be between ≥ 80% and ≥ 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 at €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 allocation 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 assign a further 100,000 options at an exercise price set at €32.2852. At the allocation date, 5 October 2021, the fair value for each option was equal to €12.15.

As at 31 December 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 to 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%), the TSR (relative weight 30%) and the ESG Indicator related to the 2023-2025 Three-Year ESG Plan (relative weight 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 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. At the allocation date, the average fair value for each right was equal to €17.60.

The meeting of the Board of Directors of Tinexta S.p.A. on 15 December 2023 assigned an additional 26,614 rights to receive free of charge up to a maximum of 39,921 shares of the Company in the event of maximum achievement of all performance objectives. At the allocation date, the average fair value for each right was equal to €19.51.

Human resources

As at 31 December 2023, the Group had 2,583 employees compared to 2,354 as at 31 December 2022. The FTE (Full Time Equivalents) workforce is 2,498 units, compared to 2,243 as at 31 December 2022. The average number of employees in the Tinexta Group in 2023 amounted to 2,382 units compared to 2,436 as at 31 December 2022.

	TOTAL					
Number of employees	Annual Average		FTE		31 December	
	2023	2022	2023	2022	2023	2022
Senior Management	95	93	99	92	102	93
Middle Management	367	342	380	324	386	320
Employees	1,906	1,996	2,010	1,819	2,085	1,932
Workers	13	5	9	7	10	9
Total	**2,382**	**2,436**	**2,498**	**2,243**	**2,583**	**2,354**

With reference to **Continuing operations**, as at 31 December 2023, the Group had 2,583 employees, compared to 2,292 as at 31 December 2022. The FTE (Full Time Equivalents) workforce is 2,498 units, compared to 2,183 as at 31 December 2022. The average number of employees in the Tinexta Group in 2023 amounted to 2,382 units compared to 2,198 as at 31 December 2022.

	Continuing operations					
Number of employees	Annual Average		FTE		31-Dec	
	2023	2022	2023	2022	2022	2022
Senior Management	95	84	99	88	102	89
Middle Management	367	311	380	314	386	309
Employees	1,906	1,798	2,010	1,772	2,085	1,885
Workers	13	5	9	7	10	9
Total	**2,382**	**2,198**	**2,498**	**2,183**	**2,583**	**2,292**

The national labour contracts applied are:

- Services sector: commerce, distribution and services
- Industry metalworking sector

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 Framework". 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 that are 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 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). As for this matter, please note the adoption of the Code of Ethics and Conduct aimed at setting forth the values and moral and professional standards from which the companies of the Group must take inspiration in carrying out their activities, also in terms of efficiency and reliability. 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 acquisition and investment transactions 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, the operating results and the financial aspects underlying the transaction, also thanks to a post- acquisition integration organisational model which, by assigning specific responsibilities in this regard, makes it possible to manage the integration activities subsequent to M&A transactions in order to maximise synergies and guarantee an integrated organisation

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.
To monitor these risks, the Group has identified a Security Strategy aligned with the business objectives, and planned and developed a Security Program for the implementation of all the planned initiatives. It also defined the methodologies and tools to support Risk Management activities in the Cyber area and to support Incident Management and process monitoring activities.
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. Therefore, in order to effectively communicate this commitment, the Group has issued its "Sustainability Policy", applying it in any country and level of the organisation. This document, which the Group undertakes to keep updated and aligned with the corporate strategy, is consistent and

integrates with the Code of Ethics and Conduct and contains the areas of action defined following a materiality analysis carried out according to a ESG (Environment, Social, Governance) type approach.
The Sustainability Policy is also accompanied by thematic and operating policies on specific areas: Environment, Human Rights, Diversity & Inclusion, Anti-Corruption and Taxation.

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 risk" in the Notes to the Consolidated Financial Statements.

Uncertainties

Among the uncertainties is the current geopolitical context, characterised by the persistence of significant conflicts on a global scale. With reference to the Russia-Ukraine conflict that broke out at the end of February 2022 and whose development is still unpredictable to date, elements such as to determine the need to carry out impairment tests on the assets recorded in the financial statements have not been identified, 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.
It should also be noted that tensions between Israel and Palestine are becoming more significant, as the trade routes and the presence of oil in the area concerned represent an important crossroads of geopolitical interests. Although also in this context it is not possible to anticipate the effects deriving from the developments of the conflict, it is believed that any involvement of other powers could have significant consequences on energy prices, supply chains and global economies.
Generally speaking, a significant escalation with reference to the aforementioned conflicts could expose the Tinexta Group to the effects that would be had 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.

Information concerning climate and environmental aspects

The Parent Company and the other companies of the Group operate in an environmentally responsible and friendly manner in order to ensure a sustainable development of its business. However, climate and environmental issues are not crucial within the service sector in which the Group operates. For additional information, see the Consolidated Non-Financial Statement pursuant to Italian Legislative Decree 254/2016.

Information on corporate governance

The Company has modified its corporate governance system to meet the requirements established by Italian Legislative Decree no. 58/1998 ("Consolidated Finance Act") and the Code of Corporate Governance for Listed Companies, promoted by Borsa Italiana (the "Corporate Governance Code").
Pursuant to Article 123-bis of the Consolidated Finance Act, the Company is required to prepare the annual report on Corporate Governance and Ownership Structures containing a general description of the corporate governance system adopted by the Group and which includes, among other things, information on the ownership structure and on the main governance practices implemented and the characteristics of the internal control and risk management system, also with reference to the financial reporting process.
The Report on Corporate Governance and Ownership Structures, approved by the Board of Directors on 7 March 2024, is available at the registered office of the Company and on the Company website (https://tinexta.com/en-IT/company/governance/documenti-societari).

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. Reference is made to the section "Transactions with Related Parties" in the Notes for further information on transactions with related parties, also in relation to information to be provided on the basis of CONSOB Resolution no. 17221 of 12 March 2010, amended by Resolution no. 17389 of 23 June 2010. The "Procedure for transactions with related parties" is available on the Company's website (https://tinexta.com/en/company/governance/politiche-procedure).

Research & Development

Digital Trust

During financial year 2023, the Digital Trust Business Unit continued to carry out innovative activities aimed at research, development and innovation of company products and processes in order to support the competitiveness of the BU and increase the efficiency of internal processes. In continuity with the previous year, it focused its efforts on three areas of activity:

- study and research for the experimentation of innovative products trying to evolve the contents of its offering and to respond quickly and flexibly to the countless needs deriving from the markets served;
- technological innovation aimed at improving products and services in terms of technical characteristics, incorporated software, simplification of use procedures and greater flexibility regarding performance and functionality;
- technological innovation with the objective of digital innovation 4.0, including the improvement of business processes in order to achieve a higher level of efficiency of the resources used and a good degree of reliability and integration between applications.

The discipline of the R&D tax credit, pursuant to Article 3 of Italian Law Decree no. 145/2013, operational since 2015, was replaced by the aforementioned Budget Law which expanded, starting from the 2020 financial year, the scope of activity subject to the tax credit and the methods of calculating the subsidy, abandoning the incremental logic in relation to a fixed historical reference parameter (2012-2014 average) to acquire a volumetric nature. The tax credit can only be used as compensation, in three annual instalments of the same amount, starting from the tax period following that of accrual, subject to the fulfilment of the certification obligations. Furthermore, the tax credit does not contribute to the formation of business income or to the tax base of the regional tax on productive activities.
In consideration of the continuation of the investment programmes and projects, the BU intends to avail itself of the incentives envisaged in Italian Law no. 160, of 27 December 2019, Article 1, paragraphs 198 et seq. (Tax credit for research and development activities, in ecological transition 4.0 and other innovative activities). The benefit due for the current year has been estimated at €465 thousand. To this benefit is added that deriving from the contributions received during 2023 for the participation in projects financed by the European Community.

Cybersecurity

During the 2023 financial year, the Business Unit carried out pre-competitive activities of an innovative nature, focusing its efforts in particular on the following projects in the various companies of the Business Unit:

Corvallis S.r.l.

Research and development activities carried out in the field of plant protection: AGREED

Continuation of the AGREED project, which aims to create a plant health surveillance system based on the integration of advanced IT, geomatic, forecasting, diagnostic and metabolomic technologies, which cooperate with each other to support sustainable plant health management of fruit and vegetable crops in compliance with the environment, safety and healthiness of production.

Research and development activities in the field of cybersecurity, tourism enhancement, agri-food traceability, cultural heritage and for the creation of a middleware for welfare and social-health services: CORVALLIS 4.0

Continuation of the CORVALLIS 4.0 project divided into the following lines of research:
LR1NEW - System of services for the cybersecurity of small/medium-sized businesses and PAs
LR2 - New tool for tourism enhancement and territory promotion
LR3 - Health-remote assistance system
LR4 - Blockchain at the service of agri-food chains
LR5 - System for Cultural Heritage Restoration and Monitoring
LR6 - Platform for the integration of social and health welfare services

Industrial research activities aimed at certification and traceability of the wine supply chain: ENOBIT

Continuation and conclusion of the project that permitted the creation of a technological infrastructure for the traceability and trackability of agri-food products capable of overcoming the model centred on protection consortia and/or certifier entities.

Research and development activities for MaaS (mobility as a service): MY PASS

Continuation of the project aimed at developing actions that favour the diffusion of the MaaS model in Italy in order to achieve:
- integration between the various systems that enable new forms of mobility as a service;
- user behaviour processing models;
- innovative business models for MaaS systems;
- identification and promotion of the regulatory and legal context for the development and implementation of MaaS schemes at national level;
- strategies to facilitate the behavioural change of citizens towards the concept of sustainable mobility.

Research and development activities for the creation of an Environment Control Room: RESILIO

Launch and execution of the project that will allow the creation of an Environment Control Room for the optimisation of environmental governance by the bodies responsible for monitoring the state of the environment, the control of pollutants and the supervision of compliance with current legislation.

Technological innovation activities for the Company Digital Ecosystem: MYHUB

The continuation of this highly innovative project has as its main objective the creation of a CloudNative solution with micro-services for the industrial management of order P&L,

including timesheets and external costs through integration with accounting and payroll systems, allowing complete industrial management in a single platform.
The main activities carried out included:

- Reporting for P&L monitoring by organisational unit;
- Operations management controls;
- Extension/balancing of the debit cycle integrated with the Group's SAP system;
- Added data consultation with SelfService BI dashboard;
- Efficiency of massive reporting processing and data extraction.

Technological innovation activities of the suite: PROVISIO

Technological innovation activities of the PROVISIO product. In particular, the EZ-DEV template suite was extended with the introduction of some new libraries, the TRUSTIFY module was implemented, the CONTROL module for the management of new indicators issued by UIF in May 2023 was evolved, the frontend was evolved with a particular focus on the adaptation of the UX/UI to the new AgID guidelines for the accessibility of websites/web applications and the integration of the KeyCloak library to standardise authentication methods to the application (SSO or application LogIn).

Finv suite technological innovation activities: NEWFINV

Technological innovation activities of the Finv product for the placement of Italian mutual funds and foreign funds and for the management of foreign products as party in charge of payments.
A product catalogue has been developed, which makes use of an enriched set of metrics such as to allow specific operations to be defined by Institute/Channel/Customer/Product and which guides the authorisation and eligibility of the operations. It is a front end for the platform in which the configuration and control/monitoring phases of the devices that can be activated and the CORE product that manages the Underwriting governed by a specific flow will mainly be managed.
In particular, the design phases were:

- Industrialisation of Configurator Prototype;
- Industrialisation of Underwriting Device Prototype;
- FrontEnd Analysis (UX) for Configurator and Placement Agent;
- Development and Extensions of Configurator Functions;
- Analysis and development for Exchange with Counterparties.

Suite technological innovation activities: RiQuadro.

Technological innovation of the RiQuadro product, a suite of advanced Business Monitoring tools.
The macro activities carried out are attributable to the evolution of the back-end layer (engine) of the product and the evolution of the Dynamic Dashboard module and, more generally, to the enrichment of the functions of the front-end layer.

Innovation activities for the development of a portable lab to test the detection capabilities of NDR tools: CYBER LAB.

The activity led to the design and implementation of a detection environment completely virtual and portable by the customer who analyses the traffic inside the network to highlight malicious behaviour aimed at compromising various company services.

The projects were carried out at the following offices:
- VIA ALDO MORO NO. 36 - 73100 LECCE (LECCE) AREA MEZZOGIORNO
- VIALE DELLA REGIONE VENETO, 18 - 35127 PADUA (PD)

For the development of these projects the Company incurred costs totalling €3,736 thousand, €2,398 thousand of which eligible for the purposes of a Tax Credit for research, development, technological innovation, design and aesthetic conception activities pursuant to Article 1, paragraphs 198-209, of Italian Law no. 160 of 27 December 2019 as amended and supplemented.

The Company expects that the investment and innovation activities described above may generate a competitive strengthening with favourable economic repercussions for the near future.

Yoroi S.r.l.

Development of a proprietary endpoint protection solution – Kanwa Project.

Development of a product that aims to offer solutions to assess and improve the IT security of organisations by addressing regulatory compliance issues, financial, legal and reputational risks and, of course, cyber security risks – Ryoken Project.

Development of an innovative solution to increase the resilience of the digital space of local SMEs and PAs – DefensYo Project.

The projects were carried out in the facilities of:
- VIA RAVENNATE, 901 - 20127 CESENA (FC)
- PIAZZA SALLUSTIO, 9 - 00187 ROME (RM)

For the development of these projects the Group incurred eligible costs totalling €190 thousand for the purpose of a Tax Credit for research, development, technological innovation, design and aesthetic conception activities pursuant to Article 1, paragraphs 198-209, of Italian Law no. 160 of 27 December 2019 as amended and supplemented.

GSOC provides assistance 24 hours a day, 365 days a year. The security events generated by the special probes installed in the customer's IT infrastructure are immediately forwarded to the monitoring system set up, managed and supervised by the certified GSOC Analysts of Swascan which, in the event of unusual activities, quickly provide the information necessary to deal with the potential threat.

The RESEARCH TEAM within the Swascan Company is responsible for identifying new vulnerabilities and developing new defence techniques. This expertise allows us to explore unexplored market segments not fully developed by our competitors, offering our customers innovative and customised solutions. Our unique expertise in detecting emerging trends in the field of information security allows us to support customers in facing new and complex challenges.

CTI Evolution represents a significant advancement in the field of Cyber Threat Intelligence. Through the pioneering integration of Domain Threat Intelligence components and tools for identifying potential phishing, the project is at the forefront of brand protection. The platform offers a unique and highly innovative solution, characterised by an integrated dashboard that consolidates data and analysis in a single control point. This innovation not only improves IT security, but also translates into greater commercial effectiveness .

For the development of these projects the Company incurred eligible costs totalling €490 thousand for the purpose of a Tax Credit for research, development, technological innovation, design and aesthetic conception activities pursuant to Article 1, paragraphs 198-209, of Italian Law no. 160 of 27 December 2019 as amended and supplemented.

Business Innovation

During 2023, the Business Unit carried out development activities (mainly at Warrant Hub and Queryo Advance), directing efforts on projects deemed of particular importance for a total value of approximately €3,814 thousand. The main projects carried out are as follows:

- projects for the internal production and development of the new modules of Compass 10 Compass 20 and PCO (formerly Plannet);
- cloud projects for the management of Whistleblowing (Wallbreakers), a system able to comply with all legal requirements by developing through external APIs the GlobalLeaks project also used by ANAC;
- cloud system for the management of consents (KONSENTO);
- internal support system for business operations *(SPACE operational management, My garden, Asset tracking, PNRR Positioning, API integration and Datalake*).

Other minor projects were carried out for operational management and to facilitate internal organisation.

Stock performance

The Tinexta stock (Ticker: TNXT) closed 2023 at a price of €22.28 per share, compared to €20.80 per share as at 31 December 2022, with a decrease of €2.52 (-11.1%). As at 31 December 2023, market capitalisation was €957.36 million.

Tinexta	
Price @ 31 December 2023 (€)	20.28
No. of shares (n. Mn)	47.21
Mkt Cap (€ Mn)	957.36
Price change (%)	-11.1%

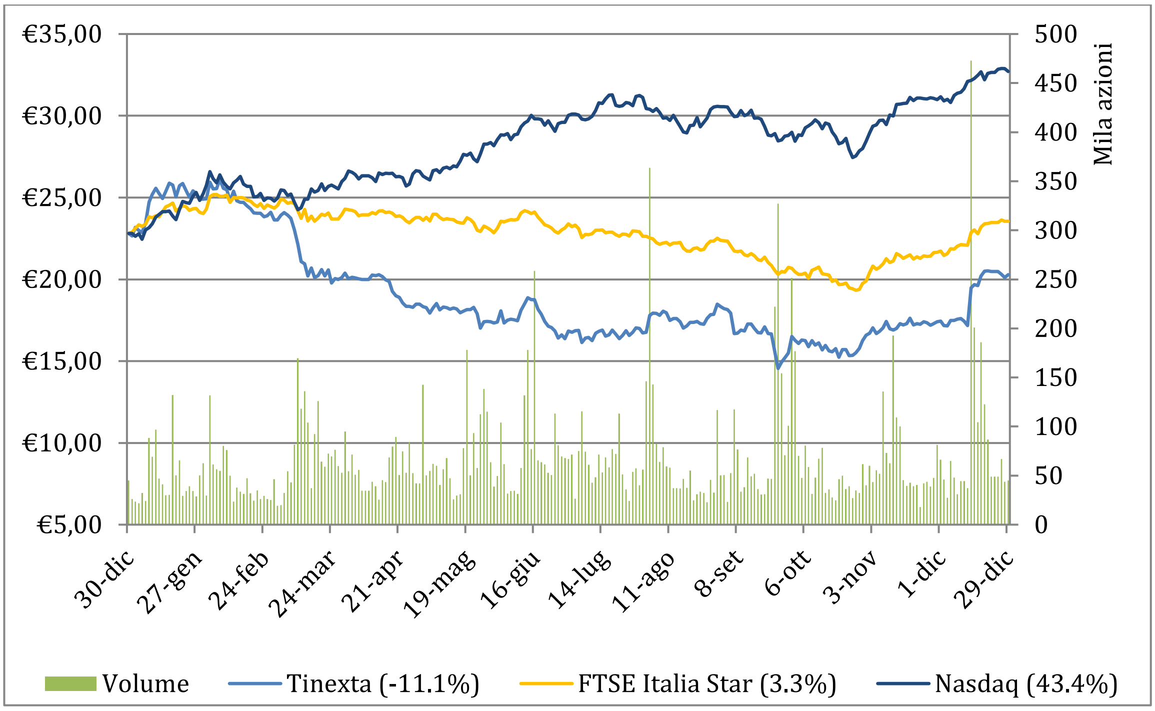
The lowest closing price in 2023 was €14.55, recorded on 26 September, while the highest closing price was €26.12, recorded on 7 February. In the course of 2023, trading of Tinexta shares in the market managed by Borsa Italiana S.p.A. reached an average daily value of €1,263,198.83 and an average daily volume of 67,392.67 shares.

Period	Average volumes Borsa Italiana	Average value Borsa Italiana	Days on Borsa Italiana
Jan-23	48,043	1,203,421	22
Feb-23	45,593	1,144,633	20
Mar-23	73,227	1,548,166	23
Apr-23	55,837	1,081,589	18
May-23	72,437	1,302,432	22
Jun-23	79,219	1,410,810	22
Jul-23	61,493	1,023,318	21
Aug-23	72,947	1,283,320	22
Sep-23	79,912	1,291,764	21
Oct-23	61,694	989,749	22
Nov-23	63,801	1,091,230	22
Dec-23	94,103	1,793,977	19
2023 average	**67,392.67**	**1,263,198.83**	**21**

	Closing price			
	1 month	3 months	6 months	12 months
Simple Average (€)	18.83	17.20	17.09	19.05
Volume-weighted Average (€)	18.77	17.20	17.10	19.06
Max (€)	20.52	20.52	20.52	26.12
Min (€)	17.15	15.24	14.55	14.55

In 2023, the FTSE Italia STAR index recorded a positive performance of 3.3%, the FTSE Italia All-Share index recorded +26.3% while the Nasdaq increased by 43.4%. In a market environment that continued to be volatile, where macroeconomic issues were the main driver of the portfolio choices of global investors, the Tinexta stock recorded a negative performance of 11.1%, underperforming the reference market. The stock suffered from the unfavourable macroeconomic scenario, with interest rates still high and low liquidity recorded in the mid-cap segment in favour of larger companies.

Comparison of the trend of Tinexta with the main reference indexes
(31 December 2022 - 31 December 2023)



Statement of reconciliation of Shareholders' equity/net profit of the Parent Company with consolidated figures

The reconciliation between Shareholders' equity and Profit for the year, highlighted in the Parent Company's statements, and the Group Shareholders' equity and Net profit for the year, presented in the Consolidated Financial Statements, shows that as at 31 December 2023, Group Shareholders' equity, equal to €409,713 thousand, was €122,535 thousand higher than that of Tinexta S.p.A., and the Group's Net profit of €62,995 thousand was €283 thousand higher than that of Tinexta S.p.A.

Amounts in thousands of Euro	**Net profit 2023**	**Shareholders' equity 31/12/2023**	**Net profit 2022**	**Shareholders' equity 31/12/2022**
Tinexta S.p.A.	**62,712**	**287,177**	**81,569**	**250,084**
Shareholders' equity of consolidated companies and allocation of their results	54,208	362,485	46,536	314,662
Book value of consolidated equity investments		(309,799)		(284,607)
Allocation of goodwill		100,645		105,224
Allocation of intangible assets	(1,249)	13,499	(1,663)	14,749
Recognition in the Income statement of the adjustment of contingent considerations	(1,174)	0	(248)	
Derecognition of intra-group dividends	(38,611)	0	(41,756)	
Use of non-deductible interest expenses in tax consolidation	(107)	213	(37)	321
Equity method valuation of associated companies	103	141	81	38
Disposal of BU Credit Information & Management	(5,779)	(6,188)	(13,888)	(6,188)
Adjustment for sale of Forvalue under common control	0	7,632	7,632	7,632
Other consolidation adjustments	(241)	(405)	(97)	102
Shareholders' equity and profit for the year attributable to minority interests	(6,866)	(45,689)	(2,401)	(36,351)
Tinexta Group _ Consolidated Financial Statements	**62,995**	**409,713**	**75,726**	**365,665**

Proposed allocation of the 2023 profit of Tinexta S.p.A.

In inviting you to approve the Financial Statements and the Report as presented, we invite you to approve the allocation of the profit for the year, amounting to €62,711,952.17, as follows:

- €20,994,495.22 to distribution of dividend, equal to €0.46 per share;
- €41,717,456.95 to profits carried forward.

7 March 2024

Enrico Salza
Chairman
Tinexta S.p.A.

CONSOLIDATED FINANCIAL STATEMENTS 2023

Statements and Notes

Consolidated Financial Statements
Consolidated Statement of Financial Position

In thousands of Euro	Notes	31/12/2023	31/12/2022
ASSETS			
Property, plant and equipment	15	51,164	48,423
Intangible assets and goodwill	16	541,416	487,337
Equity-accounted investments	17	27,784	5,891
Other equity investments	17	1,877	332
Other financial assets, excluding derivative financial instruments	18	1,947	1,664
- of which vs. related parties	*45*	*45*	*137*
Derivative financial instruments	26	4,525	8,562
Deferred tax assets	19	11,912	12,229
Trade and other receivables	22	4,101	2,329
Contract cost assets	20	9,947	7,248
NON-CURRENT ASSETS		**654,671**	**574,014**
Inventories	23	2,084	1,926
Other financial assets, excluding derivative financial instruments	24	25,989	125,784
- of which vs. related parties	*45*	*2,210*	*1,574*
Derivative financial instruments	26	0	107
Current tax assets	25	1,792	1,133
Trade and other receivables	22	148,280	129,538
- of which vs. related parties	*45*	*886*	*740*
Contract assets	21	22,383	16,979
- of which vs. related parties	*45*	*1*	*0*
Contract cost assets	20	2,215	1,932
Cash and cash equivalents	27	161,678	115,278
- of which vs. related parties	*45*	*3,765*	*4,444*
Assets held for sale	13	0	10,853
CURRENT ASSETS		**364,421**	**403,529**
TOTAL ASSETS		**1,019,093**	**977,543**

In thousands of Euro	Notes	31/12/2023	31/12/2022
EQUITY AND LIABILITIES			
Share capital		47,207	47,207
Treasury shares		(30,059)	(27,437)
Share premium reserve		55,439	55,439
Other reserves		337,125	290,455
Shareholders' equity attributable to the Group		*409,713*	*365,665*
Minority interests		*45,689*	*36,351*
TOTAL EQUITY	**28**	**455,401**	**402,015**
LIABILITIES			
Provisions	29	3,195	2,567
Employee benefits	30	18,972	16,363
Financial liabilities, excluding derivative financial instruments	31	172,892	235,200
- of which vs. related parties	*45*	*790*	*954*
Derivative financial instruments	26	15	29
Deferred tax liabilities	19	36,019	42,412
Contract liabilities	33	17,534	17,911
- of which vs. related parties	*45*	*29*	*55*
Deferred income	34	863	122
NON-CURRENT LIABILITIES		**249,490**	**314,604**
Provisions	29	539	393
Employee benefits	30	975	251
Financial liabilities, excluding derivative financial instruments	31	121,331	93,577
- of which vs. related parties	*45*	*354*	*1,004*
Trade and other payables	32	105,152	92,308
- of which vs. related parties	*46*	*960*	*747*
Contract liabilities	33	79,033	64,081
- of which vs. related parties	*45*	*122*	*125*
Deferred income	34	4,305	2,353
Current tax liabilities	25	2,866	2,917
Liabilities held for sale	13	0	5,044
CURRENT LIABILITIES		**314,201**	**260,924**
TOTAL LIABILITIES		**563,691**	**575,528**
TOTAL EQUITY AND LIABILITIES		**1,019,093**	**977,543**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Twelve-month period closed as at 31 December	
Amounts in thousands of Euro	**Notes**	**2023**	**2022**
Revenues	**35**	**395,777**	**357,163**
- *of which vs. related parties*	*45*	*299*	*386*
Costs of raw materials	36	(17,272)	(14,297)
Service costs	37	(114,730)	(111,047)
- *of which vs. related parties*	*45*	*(2,168)*	*(2,749)*
- *of which non-recurring*	*37*	*(3,294)*	*(5,088)*
Personnel costs	38	(159,470)	(138,172)
- *of which non-recurring*	*38*	*(862)*	*(1,210)*
Contract costs	39	(6,205)	(4,226)
Other operating costs	40	(4,263)	(3,128)
- *of which vs. related parties*	*45*	*(18)*	*(4)*
- *of which non-recurring*	*40*	*(731)*	*(66)*
Amortisation and depreciation	41	(38,421)	(32,688)
Provisions	41	(511)	(830)
- *of which non-recurring*	*41*	*(109)*	*0*
Impairment	41	(2,508)	(1,163)
Total Costs		**(343,380)**	**(305,550)**
OPERATING PROFIT		**52,397**	**51,613**
Financial income	42	7,776	733
- *of which vs. related parties*	*45*	*58*	*24*
- *of which non-recurring*	*42*	*1,341*	*53*
Financial charges	42	(9,378)	(6,981)
- *of which vs. related parties*	*45*	*(20)*	*(61)*
- *of which non-recurring*	*42*	*(1,313)*	*(997)*
Net financial income (charges)		**(1,603)**	**(6,248)**
Share of profit of equity-accounted investments, net of tax effects	17	(180)	(246)
PROFIT BEFORE TAX		**50,614**	**45,119**
Income taxes	43	(16,366)	(12,518)
- *of which non-recurring*	*43*	*1,220*	*3,649*
NET PROFIT FROM CONTINUING OPERATIONS		**34,248**	**32,601**
Profit (loss) from discontinued operations	13	35,614	45,527
- *of which vs. related parties*	*13*	*34*	*273*
- *of which non-recurring*	*13*	*35,499*	*40,839*
NET PROFIT		**69,861**	**78,128**

In thousands of Euro	Notes	2023	2022
Other components of the comprehensive income statement			
Components that will never be reclassified to profit or loss			
Actuarial gains (losses) of employee benefit provisions	30	(622)	2,577
Tax effect		150	(618)
Total components that will never be reclassified to profit or loss		**(472)**	**1,959**
Components that may be later reclassified to profit or loss			
Exchange rate differences from the translation of foreign financial statements		87	50
Profits (losses) from measurement at fair value of derivative financial instruments	26	(4,171)	8,556
Equity-accounted investments - share of Other comprehensive income	17	7	0
Tax effect		1,001	(2,053)
Total components that may be later reclassified to profit or loss		**(3,076)**	**6,552**
Total other components of comprehensive income for the period, net of tax		**(3,548)**	**8,511**
- of which relating to discontinued operations		*0*	*97*
Total comprehensive income for the period		**66,314**	**86,639**
Net profit attributable to:			
Group		62,995	75,726
Minority interests		6,866	2,401
Total comprehensive income for the period attributable to:			
Group		59,466	84,075
Minority interests		6,847	2,563
Earnings per share			
Basic earnings per Share (in Euro)	**44**	**1.38**	**1.65**
- of which from continuing operations	44	0.60	0.62
- of which from discontinued operations	44	0.78	1.03
Diluted earnings per share (in Euro)	**44**	**1.36**	**1.62**
- of which from continuing operations	44	0.59	0.61
- of which from discontinued operations	44	0.77	1.01

Consolidated Statement of Changes in Equity

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
									Twelve-month period closed as at 31 December 2023		
Balance as at 1 January 2023	**47,207**	**(27,437)**	**7,150**	**55,439**	**6,482**	**531**	**5,720**	**270,571**	**365,665**	**36,351**	**402,015**
Comprehensive income for the period											
Profit for the period								62,995	62,995	6,866	69,861
Other components of the comprehensive income statement					(3,170)	(438)		78	(3,529)	(19)	(3,548)
Total comprehensive income for the period	*0*	*0*	*0*	*0*	*(3,170)*	*(438)*	*0*	*63,074*	*59,466*	*6,847*	*66,314*
Transactions with shareholders											
Dividends								(27,447)	(27,447)	(5,806)	(33,253)
Allocation to legal reserve			2,291					(2,291)	0		0
Purchase of treasury shares		(3,908)							(3,908)		(3,908)
Sale of treasury shares		1,286					(257)	(214)	815		815
Put adjustment on minority interests								(10,446)	(10,446)	340	(10,106)
Share-based payments							3,674		3,674	137	3,811
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
Acquisitions of minority interests in subsidiaries						(18)	(28)	826	780	(785)	(5)
Other changes								(12)	(12)	(9)	(21)
Total transactions with shareholders	*0*	*(2,622)*	*2,291*	*0*	*0*	*(34)*	*3,335*	*(18,389)*	*(15,419)*	*2,490*	*(12,929)*
Balance as at 31 December 2023	**47,207**	**(30,059)**	**9,441**	**55,439**	**3,312**	**60**	**9,055**	**315,256**	**409,713**	**45,689**	**455,401**

Amounts 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
									Twelve-month period closed as at 31 December 2022		
Balance as at 1 January 2022	**47,207**	**(19,327)**	**5,673**	**55,439**	**(21)**	**(1,487)**	**3,056**	**105,277**	**195,815**	**46,867**	**242,682**
Comprehensive income for the period											
Profit for the period								75,726	75,726	2,401	78,128
Other components of the comprehensive income statement					6,503	1,823		22	8,349	162	8,511
Total comprehensive income for the period	*0*	*0*	*0*	*0*	*6,503*	*1,823*	*0*	*75,748*	*84,075*	*2,563*	*86,639*
Transactions with shareholders											
Dividends								(17,567)	(17,567)	(3,638)	(21,206)
Allocation to legal reserve			1,477					(1,477)	0		0
Purchase of treasury shares		(8,109)							(8,109)		(8,109)
Put adjustment on minority interests								14,575	14,575	(291)	14,284
Share-based payments							2,847	0	2,847	109	2,956
Disposal of equity investments						63		(63)	0	(39,740)	(39,740)
Sale of minority interests in subsidiaries						133	(182)	94,348	94,298	30,622	124,920
Acquisitions of minority interests in subsidiaries								(289)	(289)	(140)	(429)
Other changes								19	19	0	19
Total transactions with shareholders	*0*	*(8,109)*	*1,477*	*0*	*0*	*195*	*2,665*	*89,546*	*85,774*	*(13,079)*	*72,695*
Balance as at 31 December 2022	**47,207**	**(27,437)**	**7,150**	**55,439**	**6,482**	**531**	**5,720**	**270,571**	**365,665**	**36,351**	**402,015**

Consolidated Statement of Cash Flows

(Amounts in thousands of Euro) closed as at 31 December	Notes	*Twelve-month period* 2023	2022
Cash flows from operations			
Net profit		**69,861**	**78,128**
Adjustments for:			
- Amortisation and depreciation	41	38,421	36,563
- Impairment (Revaluations)	41	2,508	1,244
- Provisions	41	511	830
- Provisions for share-based plans	38	3,790	2,849
- Net financial charges		1,790	6,466
- *of which vs. related parties*		*(38)*	*37*
- Share of profit of equity-accounted investments	17	180	276
- Loss (Profit) from the sale of discontinued operations, net of the tax effect	13	(37,094)	(40,854)
- Losses (Profit) from the sale of fixed assets		(185)	0
- Income taxes	43	15,919	14,411
Changes in:			
- Inventories		(158)	(65)
- Contract cost assets		(2,982)	(2,293)
- Trade and other receivables and Contract assets		(22,130)	(21,075)
- *of which vs. related parties*		*(147)*	*(304)*
- Trade and other payables		10,195	11,344
- *of which vs. related parties*		*213*	*327*
- Provisions and employee benefits		2,412	(197)
- Contract liabilities and deferred income, including public contributions		13,989	11,114
- *of which vs. related parties*		*(29)*	*47*
Cash and cash equivalents generated by operations		**97,028**	**98,740**
Income taxes paid		(21,924)	(25,959)
Net cash and cash equivalents generated by operations		**75,103**	**72,781**
of which discontinued operations		***(2,337)***	***12,304***
Cash flows from investments			
Interest collected		3,902	322
Dividends collected		0	652
- *of which vs. related parties*		*0*	*652*
Collections from sale or repayment of financial assets	18.24	311,226	20,954
Investments in equity-accounted shareholdings	17	(25,769)	(1,006)
Disinvestments from equity-accounted shareholdings	17	1,993	27
Investments in unconsolidated shareholdings		(1,485)	(192)
Investments in property, plant and equipment	15	(4,553)	(3,833)
Investments in other financial assets	18.24	(211,096)	(144,285)
- *of which vs. related parties*		*(579)*	*(1,674)*
Investments in intangible assets	16	(33,673)	(20,287)
Increases in the scope of consolidation, net of liquidity acquired	14	(16,643)	(42,331)
Decreases in the scope of consolidation, net of liquidity sold	13	41,075	126,855
Net cash and cash equivalents generated/(absorbed) by investments		**64,976**	**(63,126)**
of which discontinued operations		***41,057***	***123,358***

Cash flows from financing	Notes	2023	2022
Purchase of minority interests in subsidiaries		(31,758)	(1,659)
Interest paid		(3,568)	(2,726)
- *of which vs. related parties*		*(34)*	*(59)*
MLT bank loans taken out	31	4,494	10,082
Repayment of MLT bank loans	31	(47,681)	(49,519)
Repayment of price deferment liabilities on acquisitions of equity investments	31	(1,571)	(2,018)
- *of which vs. related parties*		*(685)*	*(675)*
Repayment of contingent consideration liabilities	31	(5,218)	(4,547)
Change in other current bank payables		(5)	(420)
Change in other financial payables		1,775	(338)
Repayment of lease liabilities	31	(5,350)	(5,854)
- *of which vs. related parties*		*(365)*	*(509)*
Sale (Purchase) of treasury shares	28	(3,093)	(8,109)
Capital increases - subsidiaries	28	30,000	124,920
Dividends paid		(33,415)	(20,829)
Net cash and cash equivalents generated/(absorbed) by financing		**(95,389)**	**38,983**
of which discontinued operations		***(3)***	***(7,132)***
Net increase (decrease) in cash and cash equivalents		44,690	48,638
Cash and cash equivalents as at 1 January		116,890	68,253
Exchange rate effect on cash and cash equivalents		98	0
Cash and cash equivalents as at 31 December		**161,678**	**116,890**

Notes to the Consolidated Financial Statements as at 31 December 2023

1. Entity that prepares the financial statements

Tinexta S.p.A. has its offices in Italy, in Rome, Piazza Sallustio n. 9. These Consolidated Financial Statements as at 31 December 2023 include the Financial Statements of the Tinexta S.p.A. (the "Parent Company") and its subsidiaries (jointly, the "Group").

The Group is mainly active in the Digital Trust, Cybersecurity and Business Innovation sectors.

These Consolidated Financial Statements as at 31 December 2023 were approved and authorised for publication by the Board of Directors of Tinexta S.p.A. at its meeting on 7 March 2024. The publication of these Consolidated Financial Statements was carried out in accordance with the Delegated Regulation of the European Commission no. 2019/815 and subsequent amendments.

The shares of the Parent Company are listed in Italy on the Electronic Equity Market (MTA) managed by Borsa Italiana S.p.A., STAR segment. At the date of preparation of these Consolidated Financial Statements, Tecno Holding S.p.A. (the "Controlling Shareholder") is the shareholder with an absolute majority of Tinexta S.p.A. shares. The Controlling Shareholder does not exercise management nor coordination activities over Tinexta.

Name of the entity that prepares the financial statements	Tinexta S.p.A.
Registered office of the entity that prepares the financial statements	Rome, Italy
Legal form of the entity that prepares the financial statements	S.p.A.
Country of registration	Italy
Address of the registered office of the entity that prepares the financial statements	Piazza Sallustio 9, 00187, Rome
Company name of the Controlling Shareholder	Tecno Holding S.p.A.
Company name of the Parent Company	Tinexta S.p.A.
The Group's main place of business	Italy

2. Preparation criteria and compliance with IFRS

These Consolidated Financial Statements prepared in accordance with Article 154-ter of Italian Legislative Decree no. 58/98 - CFA and subsequent amendments and additions, have been prepared in accordance with the International Financial Reporting Standards (IFRS), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), approved by the European Commission and in force at the reporting date, as well as the previous International Accounting Standards (IAS). Furthermore, reference was made to the provisions issued by CONSOB in implementation of paragraph 3 of Article 9 of Italian Legislative Decree no. 38/2005.

The Consolidated Financial Statements were drafted on a going concern basis, as the Directors have verified that there are no financial, managerial or other indicators that suggest critical issues concerning the Group capacity to fulfil its commitments in the foreseeable future and, in particular, over the next 12 months. The description of the procedures through which the Group manages financial risks is provided in the note below on Financial risk management.

3. Presentation criteria

The Consolidated Financial Statements consist of the Statement of Financial Position, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows, and these Notes.

It is specified that:

- the Statement of Financial Position has been prepared by classifying assets and liabilities according to the "current/non-current" criteria;
- the Statement of Profit or Loss and Other Comprehensive Income is classified on the basis of the nature of costs;
- the Statement of Cash Flows is presented using the indirect method.

In accordance with CONSOB Resolution no. 15519 of 28 July 2006, the Statement of Profit or Loss separately identifies, if any, income and charges arising from non-recurring transactions; similarly, shown separately in the Financial Statements are the balances of transactions with related parties which are further described in Note *45. Transactions with Related Parties*.

The Consolidated Financial Statements are presented in Euro, i.e. the functional currency of the Parent Company and of its subsidiaries (except for Ascertia Ltd, whose functional currency is the Sterling - GBP, Ascertia PVT Ltd, whose functional currency is the Pakistan Rupee - PKR, Ascertia Software Trading LLC, whose functional currency is the United Arab Emirates Dirham - AED, Camerfirma Perù S.A.C., whose functional currency is the Peruvian Nuevo Sol - PEN and Europroject OOD whose functional currency is the Bulgarian Lev - BGN) and all values are expressed in thousands of Euro unless otherwise indicated.

4. 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 with the equity method as at 31 December 2023 is shown in the following table.

Company	Registered office	as at 31 December 2023					
		Share Capital		% ownership	via	% contribution to the Group	Consolidation method
		Amount (in thousands)	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
Visura S.p.A.	Rome	1,000	Euro	100.00%	N/A	100.00%	Line-by-line
Warrant Hub S.p.A.	Correggio (RE)	76	Euro	89.62%	N/A	89.62%	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
Antexis Strategies S.r.l.	Milan	50	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	100.00%	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%	Warrant Hub S.p.A.	89.62%	Line-by-line
Queryo Advance S.r.l.	Quartu Sant'Elena (CA)	10	Euro	60.00%	Warrant Hub S.p.A.	89.62%	Line-by-line
Warrant Service S.r.l.	Correggio (RE)	40	Euro	50.00%	Warrant Hub S.p.A.	44.81%	Line-by-line
Bewarrant S.p.r.l.	Belgium	12	Euro	100.00%	Warrant Hub S.p.A.	89.62%	Line-by-line
Euroquality SAS	France	16	Euro	100.00%	Warrant Hub S.p.A.	89.62%	Line-by-line
Europroject OOD	Bulgaria	10	BGN	100.00%	90.00% Warrant Hub S.p.A. 10.00% Euroquality SAS	89.62%	Line-by-line
Evalue Innovación SL	Spain	62	Euro	70.00%	Warrant Hub S.p.A.	89.62%	Line-by-line
Forvalue S.p.A.	Milan	150	Euro	100.00%	Warrant Hub S.p.A.	89.62%	Line-by-line
Studio Fieschi & Soci S.r.l.	Turin	13	Euro	100.00%	Warrant Hub S.p.A.	89.62%	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 Perù 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	160	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. 29.00% Warrant Hub S.p.A. 22.00% Corvallis S.r.l. 7.00% Visura S.p.A. 3.00% Yoroi S.r.l. 2.00% Queryo Advance S.r.l. 2.00% Swascan S.r.l.	91.15%	Line-by-line
Wisee S.r.l. Società Benefit in liquidation	Milan	18	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.	13.98%	Equity method
OPENT S.p.A.	Milan	50	Euro	50.00%	Tinexta S.p.A.	50.00%	Equity method
Digital Hub S.r.l.	Reggio Emilia	3	Euro	30.00%	Warrant Hub S.p.A.	26.89%	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
Opera S.r.l.	Bassano del Grappa (VI)	13	Euro	20.00%	Warrant Service S.r.l.	8.96%	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 contribution percentage refers to the contribution to the shareholders' equity of the Group made by the individual companies following the recognition of additional equity investments in the consolidated companies as a result of the recognition of the put options granted to the minority shareholders on the shares held by them.

The financial statements of the subsidiaries are consolidated starting from the date on which the control was acquired.

All the financial statements used for the preparation of the Consolidated Financial Statements were drafted as at 31 December 2023 and adjusted, where necessary, to make them consistent with the accounting standards applied by the Parent Company.

The criteria adopted for line-by-line consolidation are the following:

- assets and liabilities, charges and income of the subsidiaries are consolidated line by line, attributing to the minority interests, if applicable, the portion of shareholders' equity and net profit for the period that pertains to them; these portions are shown separately within shareholders' equity and the income statement;
- the items deriving from relations between the consolidated companies are cancelled, especially those deriving from outstanding receivables and payables at the end of the period, costs and revenues as well as financial charges and income recognised in the Income Statements of these companies. Realised profits and losses between the consolidated companies with the related tax adjustments are also derecognised.

Business combinations

Business combinations are recognised in accordance with the provisions of IFRS 3 Business Combinations according to the acquisition method. The cost of acquisition is represented by the current value ("fair value") at the time of the acquisition of the assets sold, the liabilities taken on and the equity instruments issued. The identifiable assets acquired, the liabilities and potential liabilities taken on are recognised at their fair value at the time of the acquisition, with the exception of deferred tax assets and liabilities, assets and liabilities for employee benefit obligations, and assets held for sale, which are recognised on the basis of the corresponding reference accounting standards. The difference between the cost of acquisition and the current value of the assets and liabilities acquired is recognised as goodwill in intangible assets, if positive; if negative, after checking the correct measurement of the current values of the assets and liabilities acquired and the acquisition cost, it is recognised directly in the Income Statement, as *Financial income*. The accessory charges related to the acquisition are recognised in the Income Statement at the time in which the services are provided. In the case of purchase of controlling interests of less than 100% of share capital, goodwill is recognised only for the part attributable to the Parent Company. The book value of minority interests is calculated in proportion to the portions of equity investment held by third parties in the net identifiable assets of the acquired company, that is to say, at their fair value on the date of acquisition. Any contingent consideration is recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration, classified as an asset or a liability, i.e. as a financial instrument pursuant to IFRS 9, are recognised in the Income Statement under *Financial Income/Charges*. The contingent consideration that is classified as an equity instrument is not remeasured and, consequently, its settlement is accounted for under shareholders' equity. If the business combination was carried out in multiple stages, at the time of the acquisition of the control the equity investments previously held are re-measured at fair value and any difference (positive or negative) is recognised in the Income Statement in *Financial Income/Charges*. If the fair values of the assets, liabilities and contingent liabilities can be determined only provisionally, the business combination is recognised using these provisional values. Any adjustments, deriving from the completion of the valuation process, are recognized within 12 months from the acquisition date, restating the comparative data.

Acquisition or sale of minority interests after obtaining control

In the case of the purchase of minority interests, after control has been obtained, the difference between the acquisition cost and book value of the minority interests acquired is deducted from or added to the shareholders’ equity of the Parent Company. In the case of sales of equity investments that do not involve a loss of control, instead, the difference between sale price and carrying amount of the equity investments sold is recognised directly to shareholders’ equity (as an increase), without passing through the Income Statement.

Non-current assets (or disposal groups) classified as held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their book value will be recovered mainly through a sale transaction rather than through their continuous use.

For this to occur, the asset (or disposal group) must be available for immediate sale in its current condition, subject to conditions, which are customary and customary, for the sale of such assets (or disposal groups) and the sale must be highly probable.

When the Group is involved in a sales plan that involves the loss of control over an investee and the requirements of IFRS 5 are met, all the assets and liabilities of the subsidiary are classified as held for sale regardless of the fact that, after the sale, the Group retains a minority interest in the former subsidiary.

Non-current assets (or disposal groups) and liabilities included in disposal groups classified as held for sale are presented separately from other assets and liabilities in the Statement of Financial Position. The amounts presented for non-current assets or for assets and liabilities of a disposal group classified as held for sale are not reclassified or restated for the periods under comparison.

Immediately before the initial classification of non-current assets (or disposal groups) as held for sale, the book values of the asset (or group) are measured in accordance with the specific accounting standard applicable to these assets or liabilities.

Non-current assets (or disposal groups) classified as held for sale are measured at the lower of the book value and the related fair value, net of costs to sell. Non-current assets are not depreciated until they are classified as held for sale or until they are included in a disposal group classified as held for sale.

A discontinued operation is a component of the Group that has been disposed of, or classified as held for sale, and:

- represents an important autonomous business or geographical segment;
- is part of a single, coordinated programme for the divestment of an important stand-alone line of business or geographical segment; or
- is a subsidiary acquired exclusively for resale.

The Group shows, in a separate item of the Income Statement, a single amount represented by the total:

- profits or losses from discontinued operations net of tax effects; and
- the capital gain or loss, net of tax effects, recognised following the measurement at fair value net of the costs to sell or the disposal of the assets (or disposal group) that make up the discontinued operation.

The corresponding amounts are re-presented in the Income Statement for the periods under comparison, so that the disclosure refers to all discontinued operations by the reference date of the last financial statements presented.

Associated companies

Associated companies are those on which the Group exercises a significant influence, which is assumed to exist when the equity investment holds between 20% and 50% of voting rights.

Equity investments in associated companies are valued with the equity method and are initially recognised at cost. The equity method is described below:

- the carrying amount of the equity investments is aligned with the shareholders' equity adjusted, if necessary, to reflect the application of IFRS and includes the recognition of the greater/lower values allocated to the assets and to the liabilities, and any goodwill identified at the time of the acquisition;
- the profits or losses attributable to the Group are recognised from the date on which the significant influence starts and until the date the significant influence ceases. If, as a result of the losses, the Company measured with the method in question reports negative shareholders' equity, the carrying value of the equity investment is cancelled and any excess attributable to the Group, where the latter is committed to fulfil legal or implicit obligations of the associated company, or in any case to cover its losses, is recognised in a specific reserve; the changes in the shareholders' equity of the Company valued with the equity method are not represented in the Income Statement, but are recognised directly among the other components of comprehensive income;
- unrealised profits and losses on transactions carried out between the Company/subsidiaries and the associated company measured with the equity method, including distributed dividends, are eliminated on the basis of the value of the equity investment of the Group in the associated company, excluding losses if these are representative of a decrease in value of the underlying assets.

5. Translation of financial statements expressed in currencies other than the presentation currency

The rules for the translation of the financial statements expressed in currencies different from the currency of presentation (excluding situations in which the currency belongs to a hyper-inflation country, which is not the case for the Group), are the following:
• assets and liabilities included in the statements presented have been converted at the exchange rate on the closing date of the period;
• costs and revenues, expenses and income, included in the statements presented are translated at the average exchange rate for the period, or at the exchange rate on the transaction date if it differs significantly from the average exchange rate;
• the translation reserve includes both the exchange rate differences generated from the conversion of economic amounts at an exchange rate different from the closing exchange rate and those generated from the conversion of opening shareholders' equity at a different exchange rate than that of the closing of the reporting period. The translation reserve is transferred to the Income Statement at the time of the full or partial sale of the equity investment when this sale involves the loss of control.
Goodwill and the adjustments deriving from the measurement at fair value of the assets and liabilities resulting from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the end of period exchange rate.

6. Segment reporting

Information regarding the business segments has been prepared in accordance with IFRS 8 "Operating Segments", which provides information consistently with the manner adopted

by management to make operating decisions. Therefore, the identification of the operating segments and the information presented are defined on the basis of the internal reports used by the management to allocate resources to the different units and to analyse their performance.
An operating segment is defined by IFRS 8 as the component of an entity (i) that carries out business activities generating revenues and costs (including revenues and costs for transactions with other components of the same entity); (ii) the operating results of which are reviewed regularly at the highest decisional level of the entity to make decisions on the resources to be allocated to the sector and the measurement of the performance; (iii) for which separate financial statements' information is available.

The operating units identified by management, which encompass all the services and products provided to the customers, are:

- *Digital Trust*
- *Cybersecurity*
- *Business Innovation*

With respect to 2022, the consolidated economic data for 2023 include:

- the 12-month balances of Enhancers S.p.A., now merged into Warrant Hub S.p.A. (Business Innovation segment) consolidated as from 1 April 2022;
- the 12-month balances of Nomesia S.r.l. now merged into Queryo Advance S.r.l. (Business Innovation segment) consolidated as from 1 April 2022;
- the 12-month balances of Sferabit S.r.l., now merged into Visura S.p.A. (Digital Trust segment) consolidated as from 1 May 2022;
- the 12-month balances of Plannet S.r.l., now merged into Warrant Hub S.p.A. (Business Innovation segment) consolidated as from 1 July 2022;
- the 12-month balances of LAN&WAN S.r.l., now merged into Corvallis S.r.l. (Cybersecurity segment) consolidated as from 1 July 2022;
- the 12-month balances of the Teknesi business unit (Cybersecurity segment) consolidated as from 1 July 2022;
- the balances of Ascertia Ltd and its subsidiaries (Digital Trust segment) consolidated from 1 August 2023.

The results of the operating segments are measured and revised periodically by management by analysing trends in EBITDA, defined as "Net Profit" before "Income taxes", "Net financial income (charges)", "Portion of profits from equity-accounted investments", "Amortisation/depreciation", "Provisions" and "Impairment", i.e., as "Revenues" net of "Costs of raw materials", "Service costs", "Personnel costs", "Contract costs" and "Other operating costs".

In particular, management believes that EBITDA provides a good indication of performance as it is not affected by tax regulations and amortisation and depreciation policies.

Breakdown of the Revenues and EBITDA for the individual operating units:

Amounts in thousands of Euro / ***Twelve-month period ended 31 December***	***Digital Trust***		***Cybersecurity***		***Business Innovation***		**Other sectors (Parent Company)**		***Total***	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Segment revenues	181,638	156,977	89,385	77,508	130,995	125,665	4,810	3,371	406,827	363,521
Intra-segment revenues	(800)	(428)	(4,167)	(2,517)	(1,660)	(417)	(4,423)	(2,996)	(11,050)	(6,358)
Revenues from third parties	**180,838**	**156,549**	**85,217**	**74,992**	**129,334**	**125,248**	**387**	**375**	**395,777**	**357,163**
EBITDA	**49,968**	**44,251**	**13,573**	**9,718**	**47,285**	**49,386**	**(16,990)**	**(17,062)**	**93,837**	**86,294**
Amortisation and depreciation, provisions and impairment									(41,440)	(34,681)
Operating profit (loss)									**52,397**	**51,613**
Net financial income (charges)									(1,603)	(6,248)
Income from equity investments									(180)	(246)
Profit before tax									**50,614**	**45,119**
Income taxes									(16,366)	(12,518)
Net profit from continuing operations									**34,248**	**32,601**

Breakdown of assets and liabilities by operating segment:

Amounts in thousands of Euro	***Digital Trust***		***Cybersecurity***		***Discontinued operations***		***Business Innovation***		**Other sectors (Parent Company) Eliminations from consolidation**		***Total***	
	31/12/2023	**31/12/2022**	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**
Net Invested Capital	137,252	83,056	110,969	112,387	0	4,291	264,594	252,611	44,634	27,227	557,449	479,573
Total financial indebtedness	(43,349)	(59,026)	61,101	51,165	0	(1,518)	41,329	28,377	42,967	58,558	102,047	77,557

7. New standards or amendments for 2023 and future requirements

As required by IAS 8 - Accounting standards, changes in accounting estimates and errors, the new accounting standards and interpretations are indicated below, as well as changes to existing standards and interpretations already applicable, not yet in force at the balance sheet date, which could be applied in the future in the consolidated financial statements of the Tinexta Group:

a) New documents issued by the IASB and endorsed by the EU to be mandatorily adopted starting from the financial statements for the years starting on 1 January 2023

Document title	Date of issue	Date of entry into force	Date of endorsement	EU regulation and publication date
IFRS 17 – Insurance Contracts (including amendments published in June 2020)	May 2017 June 2020	1 January 2023	19 November 2021	(EU) 2021/2036 23 November 2021
First-time adoption of IFRS 17 and IFRS 9 - Comparative information (Amendments to IFRS 17)	December 2021	1 January 2023	8 September 2022	(UE) 2022/1491 9 September 2022
Definition of accounting estimates (Amendments to IAS 8)	February 2021	1 January 2023	2 March 2022	(EU) 2022/357 3 March 2022
Disclosure on accounting standards (Amendments to [5]IAS 1)	February 2021	1 January 2023	2 March 2022	(EU) 2022/357 3 March 2022
Deferred taxes relating to assets and liabilities arising from a single transaction (Amendments to IAS 12)	May 2021	1 January 2023	11 August 2022	(UE) 2022/1392 12 August 2022
International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12)	May 2023	1 January 2023	8 November 2023	(EU) 2023/2468 9 November 2023

The accounting standards, amendments and interpretations, in force from 1 January 2023 and endorsed by the European Commission, are set out below:

- **New standard IFRS 17 – Insurance Contracts (issued on 18 May 2017); including amendments published on 25 June 2020**

On 18 May 2017, the IASB published the new standard IFRS 17 Insurance Contracts, which replaces the current IFRS 4 Insurance Contracts.
With Regulation (EU) no. 2021/2036 of 19 November 2021, the European Commission endorsed IFRS 17 Insurance Contracts, in the version published by the International Accounting Standards Board on 18 May 2017 and subsequently amended on 25 June 2020.
IFRS 17, which replaces IFRS 4 Insurance Contracts, came into force for financial years starting on 1 January 2023. Early application was permitted to entities that already applied IFRS 9 Financial Instruments or had decided to apply this standard from the date of first-time adoption of IFRS 17.
The main changes introduced by the new standard include, in particular:

- valuation of technical provisions at essentially current values;
- transformation of the estimate of the expected profit of insurance contracts into an accounting value; IFRS 17 introduces the concept of expected profit of insurance contracts that must be recognised in profit/(loss) for the year over the life of the contract;
- introduction of the concept of "insurance contract portfolio", in turn divided into "groups of insurance contracts";

[5] The document published by the IASB includes amendments to the document "IFRS Practice Statements 2 - Making Materiality Judgements" that have not been endorsed by the European Union as they do not relate to an accounting standard or an interpretation.

- new representation in the statement of profit or loss for the year significantly different from the past and more in line with a logic "by margins".

- **First-time adoption of IFRS 17 and IFRS 9 - Comparative information (Amendments to IFRS 17)**

  On 9 December 2021, the IASB issued "Application of IFRS 17 and IFRS 9 - Comparative Information (Amendment to IFRS 17)", which adds an option at the time of transition to the new standard regarding comparative information on financial assets reported upon initial application of IFRS 17. The amendment is intended to help entities avoid temporary accounting mismatches between the financial assets and liabilities of insurance contracts, thereby improving the usefulness of comparative information for the users of financial statements.

- **Amendments to IAS 8 – Accounting standards, changes in accounting estimates and errors: definition of accounting estimates**

  On 12 February 2021, the IASB issued the document "Definition of Accounting Estimates (Amendments to IAS 8)". The amendments are intended to clarify how to differentiate between changes in accounting standards and changes in accounting estimates. The amendments to IAS 8 clarify that: (i) the accounting estimates are "monetary amounts in the financial statements subject to measurement uncertainty"; (ii) entities make accounting estimates if accounting standards require items in the financial statements to be measured in a way that results in measurement uncertainty; (iii) a change in the accounting estimate resulting from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or measurement technique used to make an accounting estimate are changes in accounting estimates if they do not result from the correction of errors from previous periods; (iv) a change in an accounting estimate can only affect the profit or loss for the current year, or profit or loss for both the current and future years.

  In order to clarify the interaction between an accounting standard and an accounting estimate, IAS 8 was amended to state that an accounting standard could require the measurement of financial statement items at monetary amounts that cannot be observed directly, and therefore must be estimates (since they involve measurement uncertainty).

  In these circumstances, accounting estimates are prepared to achieve the objective established by the accounting standard, including the use of valuations and assumptions based on the most recent reliable information available. The amendments explain how measurement techniques and inputs should be used to develop accounting estimates and establish that these techniques include both measurement and estimation techniques.

  In order to provide greater guidance, the amendments clarify that the effects on an accounting estimate of a change in an input or a valuation technique are changes in accounting estimates, unless they derive from the correction of errors from previous years. In addition, changes in accounting estimates resulting from new information are not corrections of errors. The effect of the change relating to the current year is recognised as income or expense in the current year. Any effect on future periods is recognised as income or expense in such future periods.

- **Amendments to IAS 1 – Presentation of financial statements and IFRS Practice Statement 2: Disclosure of Accounting Policies**

  On 12 February 2021, the IASB issued the document "Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)" with the aim of indicating the accounting policies to be illustrated in the financial statements. The amendments are intended to support the decision on which accounting policies to illustrate in the financial statements.

  In this regard:

  - the amendments to IAS 1– Presentation of Financial Statements require the provision of information on "relevant" (i.e. material) accounting standards, rather than on "significant" ones;
  - the amendments to IFRS Practice Statement 2 – Making Materiality Judgements aim to provide guidance on how to apply the concept of materiality to the accounting standards disclosure.

  In the absence of a definition of "significant" in the IFRSs, in the context of the accounting standards disclosure, the term was replaced with "relevant". In this regard, the definition of relevant was amended in October 2018, and aligned with the IFRSs and the Conceptual Framework, and, therefore, it was widely understood by the financial statements' primary users. In accordance with IAS 1, the accounting standards disclosure is relevant if, when considered together with other information included in the financial statements, it is reasonable to expect that it will influence the decisions that financial statements primary users make on the basis of such financial statements.

  In assessing the relevance of the accounting standards disclosure, it is appropriate to consider both the amount of transactions, other events or conditions, and their nature. However, although a transaction, another event or condition to which the accounting standards disclosure refers may be relevant, it should be noted that this does not imply that the corresponding disclosure is relevant for the purposes of the financial statements.

  In this context, the amendments to IFRS Practice Statement 2 aim to illustrate how it is possible to assess whether the disclosure on an accounting standard is relevant for the purposes of the financial statements, providing guidance. These amendments aim to: (i) clarify that the assessment of the relevance of the accounting standards disclosure should follow the same guidelines applicable in the assessment of the relevance of other disclosures, therefore, considering both qualitative and quantitative factors; (ii) emphasise the importance of providing accounting standards information that is specific to the Group; (iii) provide examples of situations where generic or standardised information, which summarises or duplicates the requirements of the IFRSs, can be considered information on the relevant accounting standards.

- **Amendments to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction**

  On 7 May 2022, the IASB issued the document "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The amendments to IAS 12 clarify the accounting treatment of deferred taxes relating to assets and liabilities recognised in the financial statements as a result of a single transaction, whose book values differ from tax values.

The IASB Board clarified the following:

- the exceptions to the initial recognition of deferred tax assets and liabilities do not apply if an asset and a liability are recognized in the financial statements from a single transaction, resulting in taxable temporary differences and deductible temporary differences of equal value;
- the deductible and taxable temporary differences must be calculated considering separately the assets and liabilities recognised in the financial statements as a result of an individual transaction and not on their net value. Deferred tax assets relating to deductible temporary differences, determined as indicated above, are recognised in the financial statements only if deemed recoverable.

Lastly, the IASB Board clarified that, if the taxable and deductible temporary differences relating to the initial recognition in the financial statements of an asset and a liability as a result of an individual transaction have a different value, the entity shall not recognise the deferred tax assets and liabilities, as their initial recognition would entail an initial adjustment of the book value of the asset or liability to which they refer, making the financial statements less transparent.

In general, it should be noted that the exemption from initial recognition envisaged by IAS 12 prohibits the recognition of deferred assets and liabilities, referring to the initial recognition of assets or liabilities, in a transaction that does not constitute a business combination, and does not affect the accounting or taxable profit; in this context, as illustrated, the amendments narrowed the scope of the exception.

For transactions (e.g. leases and decommissioning provisions), subject to the amendments, the related deferred assets and liabilities are required to be recognised at the start of the first comparative period presented, with any cumulative effect recognised as an adjustment to the retained earnings (or other components of shareholders' equity) at that date.

- **Amendments to IAS 12 - International Tax Reform - Pillar Two Model Rules**

On 23 May 2023, the IASB issued the document "Amendments to IAS 12 Income taxes:

International Tax Reform - Pillar Two Model Rules". The amendments to IAS 12 introduced a temporary exemption to the recognition of deferred taxes determined by the enforcement of the OECD Pillar Two rules, as well as targeted supplementary information for the entities concerned.

The amendment includes:

- a temporary and mandatory exemption from the accounting of deferred taxes deriving from the introduction of the global minimum taxation and;
- specific indications to be included in the notes of the parties concerned, to allow users of the financial statements to understand to what extent an entity will be affected by the minimum tax, in particular before the entry into force of the regulations.

The exemption must be applied immediately after the publication of the amendment. For companies that apply the IFRSs endorsed by the European Union, this obligation applies only after the corresponding endorsement.

The adoption of the new standards from 1 January 2023 had no impact on the Group's consolidated financial statements.

b) New documents issued by the IASB applicable to financial statements starting after 1 January 2023, documents endorsed by the EU as at 31 December 2023:

Document title	Date of issue	Date of entry into force	Date of endorsement	EU regulation and publication date
Lease liabilities in a sale and leaseback transaction (Amendments to IFRS 16)	September 2022	1 January 2024	20 November 2023	(EU) 2023/2579 21 November 2023
Classification of liabilities as current or non-current (Amendments to IAS 1) and Non-current liabilities with covenants (Amendments to IAS 1)	January 2020 July 2020 October 2022	1 January 2024	19 December 2023	EU 2023/2822 20 December 2023

c) New documents issued by the IASB applicable to financial statements starting after 1 January 2023, not endorsed by the EU as at 31 December 2023:

At the date of approval of these Consolidated Financial Statements, the IASB issued certain accounting standards, interpretations and amendments not yet approved by the European Union and some still in the consultation phase, including:

Document title	Date of issue by the IASB	Date of entry into force of the IASB document
Supplier Finance Arrangements (Amendment to IAS 7 and IFRS 9)	May 2023	1 January 2024
Lack of Exchangeability (Amendment to IAS 21)	August 2023	1 January 2025

For all the newly issued standards, as well as for the revisions and amendments to existing standards, the Group is evaluating any impacts that cannot currently be reasonably estimated deriving from their future application.

8. Measurement criteria

We describe below the accounting standards and the most significant measurement criteria used for the preparation of the consolidated financial statements as at 31 December 2023. These standards and criteria are consistent with those used for the preparation of the consolidated financial statements financial statements of the previous year.

8.1 Property, Plant and Equipment

Property, plant and equipment are valued at the cost of purchase or production and net of accumulated depreciation and impairment, if any. The cost includes all the charges directly incurred to prepare the assets to be used, as well as any dismantling and removal charge that shall be incurred to bring the work site back to its original conditions.
The charges incurred for ordinary and/or regular maintenance and repair are directly recognised in the income statement in the year in which they are incurred. The capitalisation of the costs for the expansion, modernisation or improvement of the structural items owned or in use by third parties is carried out only to the extent to which they meet the requirement for a separate classification as assets or part of an asset. Any public contributions related to property, plant and equipment are recorded as deferred revenues and recognised as income in the income statement on a systematic and rational basis over the useful life of the related asset.
The value of an asset is adjusted for systematic depreciation, calculated on the basis of its estimated useful life. When the asset is recognised for the first time, the depreciation is calculated keeping into account the effective date on which the asset is ready for use. The useful life estimated by the Group, for the different classes of assets, is the following:

	Estimated useful life
Land	indefinite
Buildings	33 years
Electronic machines	2.5 - 6 years
Other assets	2.5 - 8 years
Leasehold improvements	6 - 9 years

The estimates of the useful life and of the residual value are reviewed at least once a year. Depreciation ends when the asset is transferred or reclassified as held for sale.
If the asset subject to depreciation includes distinctly identifiable and significant components, with different estimated useful life, the depreciation is calculated separately for each of the different components, in application of the component approach principle.
Gains and losses realised on the sale of assets or groups of assets are calculated by comparing the sale price with the corresponding net carrying amount.
The assets related to the rights of use concerning lease agreements are recognised under the item Property, plant and equipment. As regards the initial recognition and subsequent measurement criteria applied to these assets, see the section Leased assets.

8.2 Leased assets

The Group assesses if the agreement is or contains a lease at its effective date. The agreement is or contains a lease if, against payment, gives the right to control the use of a specific asset, for a given period of time. At the date when the lessor makes the underlying asset available to the Group (effective date of the lease), the latter recognises the asset consisting of the right of use, and recognises the lease liability, except for short term leases (as in the case of lease agreements of a duration equal to or less than 12 months) and for the leases of assets of a modest value (namely, with a value less than €5,000 when new). For the latter, the Group recognises the payments due for said leases as a cost, on a straight-line basis for the duration of the lease, or according to another criterion that is a better representative of the way the benefits are obtained.

Financial liabilities deriving from the lease are initially recognised at the current value of the future payments at the effective date of the agreement, discounted at the implicit rate of the lease. If this rate is not promptly determinable, the rate used is the marginal loan rate of the Group, understood as the rate that the Group should pay for a loan with a similar duration and guarantees, necessary to obtain an asset of a value similar to the asset consisting of the right of use within a similar economic context.

At their maturity dates, the payments due for the lease, included in the measurement of lease liabilities, comprise the following payments for the right of use of the underlying asset throughout the duration of the lease, not yet made at the maturity date:

- fixed payments, net of any lease incentive to be received;
- variable payments due for the leases that depend on an index or a rate, valued initially by using an index or a rate at their start date (e.g. instalments revalued according to ISTAT or associated to the Euribor);
- amounts that the Group is expected to pay as a guarantee on the residual value;
- penalties to be paid for the termination of a lease if the duration of the lease provides for the exercise by the Group of the option of lease termination.

After the start date, the Group assesses the lease liability:

- increasing the accounting value to take into account the interest on the lease liability;
- decreasing the accounting value to take into account the payments due for the executed leases; and
- re-determining the accounting value to take into account any new assessment or change in the lease or the revision of the fixed payments due for the lease.

After the effective date, the Group re-determines the lease liability as an adjustment of the asset consisting of the right of use:

- in the case of a change in the duration of the lease, by discounting the revised lease payments using a revised discounting rate;
- in the case of a change in the assessment of an option for the purchase of the underlying asset, by discounting the revised lease payments using a revised discounting rate;
- in the case of a change in the payments following a change in the index or in the rate used to determine the payments, by discounting the revised lease payments using the same discounting rate.

The initial cost of the asset consisting of the right of use includes: the amount of the initial measurement of the lease liability, the lease payments made at or before the effective date, net of the lease incentives received, the initial direct costs incurred by the Group, i.e. those incremental costs incurred for obtaining the lease that would have not been incurred if the lease had not been obtained and the estimate of the costs that the Group must bear for the dismissal and removal of the underlying asset and for the restoration of the site where it is located or for the restoration of the underlying assets in the conditions set forth in lease, unless these costs are incurred for producing inventory.

The Group opted for the recognition of assets consisting of the right of use under the item Property, plant and equipment under the same categories where the corresponding assets would have been recognised if they were owned.
The asset consisting of the right of use is subsequently measured by applying the cost model, net of the accumulated depreciation and accumulated impairment, adjusted in order to take into account any re-measurement of the lease liability. If the lease transfers the ownership of the underlying asset to the Group at the end of the lease or if the cost of the asset consisting of the right of use reflects the fact that the Group will exercise the purchase option, the Group depreciates the asset consisting of the right of use from the effective date until the end of the useful life of the underlying asset. Conversely, the Group depreciates the asset consisting of the right of use from the effective date to the end of the useful life of said asset or, if prior, to the end of the lease duration.

8.3 Intangible assets

Intangible assets consist of non-monetary items without physical form, but which can be clearly identified and able to generate future economic benefits for the company. These items are recognised at the acquisition and/or production cost, inclusive of the expenses directly attributable to the stage of preparation to the activity to make it operational, net of accumulated amortisation (with the exception of intangible assets with indefinite useful life) and any impairment. The amortisation starts when the asset becomes available for use and is allocated systematically with regard to its residual possibility of use, that is, on the basis of its useful life. When the intangible asset is recognised for the first time, amortisation is calculated taking into account the effective use of the asset. Specifically, within the Group, the following main categories of intangible assets can be identified:

- *Goodwill*: goodwill recognised among intangible assets is related to business combination transactions and represents the difference between the cost incurred for the acquisition of a company or a business unit and the sum of the fair value assigned, at the time of acquisition, to the individual assets and liabilities that make up the capital of that company or business unit. Having indefinite useful life, goodwill is not subject to systematic amortisation but undergoes an impairment test at least once a year. For the purposes of the execution of the impairment test, the goodwill acquired in a business combination is allocated to the individual Cash-Generating Unit (CGU) or to groups of CGUs that are expected to benefit of the synergies of the aggregation, in compliance with the minimum level at which this goodwill is monitored within the Group. Goodwill related to associated companies, joint ventures or non-consolidated subsidiaries is included in the value of the equity investments.
- *Software:* software is recognised at its acquisition and/or development cost net of accumulated amortisation and impairment, if any. The amortisation is carried out from the year in which the software, either acquired or internally developed, is available for use and is calculated taking as reference the shorter period between that of expected use and that of ownership. Useful life varies according to the business of the companies and is between 3 and 7 years.
- *Concessions, licences and trademarks:* costs for the acquisition, internal production and user licenses of the trademarks fall under this category. The costs, inclusive of the direct and indirect expenses incurred to obtain the rights, may be capitalised as assets after obtaining their ownership and are systematically amortised taking as reference the

shorter period between that of expected use and that of ownership of the rights. The useful life is between 5 and 18 years.

- *Databases:* the costs to acquire financial information are recognised in intangible assets only to the extent to which the Group is able to reliably measure for these costs the future benefits deriving from the acquisition of the information assets. The useful life is between 3 and 4 years.
- *Intangible assets from business combination transactions*: these concern the allocation during PPA (purchase price allocation) of the excess cost paid for the acquisition of control:
    - ✓ of Warrant Hub and its subsidiaries, carried out in November 2017, which has involved the recognition of an intangible asset for customer lists for an amount of €29,451 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 17 years from the acquisition date;
    - ✓ of Camerfirma and its subsidiaries, carried out in May 2018, which has involved the recognition of an intangible asset for customer lists for an amount of €360 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 7 years from the acquisition date;
    - ✓ of Privacy Lab (today merged into Warrant Hub S.p.A.), which occurred in January 2020, which has involved the recognition of an intangible asset for customer lists for an amount of €687 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 9 years from the acquisition date;
    - ✓ of Swascan, carried out in October 2020, which has involved the recognition of an intangible asset for customer lists for an amount of €3,774 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 5 years from the acquisition date;
    - ✓ of Euroquality, carried out in December 2020, which has involved the recognition of an intangible asset for backlog orders for an amount of €575 thousand that, on the basis of the term of the contracts, it is believed may exhaust its future utility in a period of 6 years from the acquisition date;
    - ✓ of Corvallis, which occurred in January 2021, which has involved the recognition of an intangible asset for customer lists for an amount of €46,535 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 17 years from the acquisition date;
    - ✓ of Yoroi, which occurred in January 2021, which has involved the recognition of an intangible asset for customer lists for an amount of €13,338 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 5 years from the acquisition date;
    - ✓ of Queryo Advance, which occurred in January 2021, which has involved the recognition of an intangible asset for customer lists for an amount of €12,245 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 15 years from the acquisition date;
    - ✓ of Forvalue, which occurred in July 2021, which has involved the recognition of an intangible asset for customer lists for an amount of €14,500 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 11 years from the acquisition date;

- ✓ of Financial Consulting Lab (today merged into Warrant Hub S.p.A.), carried out in October 2021, which has involved the recognition of an intangible asset for customer lists for an amount of €3,409 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 10 years from the acquisition date;
- ✓ of CertEurope, which occurred in November 2021, which has involved the recognition of an intangible asset for customer lists for an amount of €27,654 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 8 years from the acquisition date;
- ✓ of Evalue Innovacion, which occurred in January 2022, which has involved the recognition of an intangible asset for customer lists for an amount of €15,405 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 6 years from the acquisition date;
- ✓ of Enhancers (today merged into Warrant Hub S.p.A.), which occurred in April 2022, which has involved the recognition of an intangible asset for customer lists for an amount of €4,338 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 6 years from the acquisition date;
- ✓ of Sferabit (today merged into Visura S.p.A.), which occurred in May 2022, which has involved the recognition of an intangible asset for customer lists for an amount of €1,040 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 5 years from the acquisition date;
- ✓ of LAN&WAN (today merged into Corvallis S.r.l.), which occurred in July 2022, which has involved the recognition of an intangible asset for customer lists for an amount of €462 thousand that, on the basis of the rate of turnover of customers, it is believed may exhaust its future utility in a period of 10 years from the acquisition date;
- ✓ of Plannet (today merged into Warrant Hub S.p.A.), carried out in July 2022, which has involved the recognition of an intangible asset for customer lists for an amount of €4,324 thousand that, based on the customer turnover rate, is believed may exhaust its future utility in a period of 15 years from the acquisition date and of an intangible asset for backlog orders for an amount of €291 thousand that, based on the term of the contracts, is believed may exhaust its future utility in a period of 4.5 years from the acquisition date.

8.4 Investment property

Property held for the purpose of obtaining rents or for the appreciation of invested capital, or both (other than those intended for use in the production or supply of goods or services or in the administration of the company, recorded in the item Property, plant and equipment), are valued at cost and subject to depreciation.

8.5 Impairment of property, plant and equipment and intangible assets (asset impairment)

Goodwill and intangible assets with indefinite useful life

Assets with indefinite useful life are not subject to amortisation, but undergo, at least once a year, an assessment of the recoverability of the value recognised in the financial statements (impairment test). As previously indicated, goodwill undergoes an impairment test, annually or more frequently, if there are indications that it may have suffered a decrease in value.
The impairment test is carried out on each of the Cash-Generating Units ("CGU") to which goodwill was allocated and monitored by management.
Any decrease in value of goodwill is recognised if the recoverable amount of the CGU to which goodwill is allocated is less than the corresponding value recognised in the financial statements.
The recoverable amount is understood as the greater between the fair value of the CGU, net of sale charges, and the corresponding value in use, the latter being the current value of the expected future cash flows for the assets that make up the CGU. In calculating the value in use, the expected future cash flows are discounted using a discount rate inclusive of taxes, which reflects the current market assessments of the cost of cash, in proportion to the period of the investment and the specific risk of the asset. If the decrease in value identified through impairment testing is greater than the value of the goodwill allocated to the CGU, the residual excess is allocated to the assets included in the CGU in proportion to their carrying value. This allocation has as minimum the highest of:
(i) fair value of the asset, net of sale costs;
(ii) value in use, as above defined;
(iii) zero.
The original value of goodwill cannot be restored if the reasons for its impairment no longer apply.

Property, plant and equipment and intangible assets with definite useful life

For the assets subject to depreciation/amortisation, at each reporting date an assessment is carried out as to the existence of internal and external indications of impairment. If such indications are observed, the recoverable amount of said assets is estimated, and any impairment with respect to the corresponding book value is recognised in the income statement. The recoverable amount of an asset is represented by the greater between the fair value, net of accessory sale costs, and the corresponding value in use, the latter being the current value of the expected future cash flows from the assets. In calculating the value in use, the expected future cash flows are discounted using a discount rate inclusive of taxes, which reflects the current market assessments of the cost of cash, in proportion to the period of the investment and the specific risk of the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is calculated with regard to the cash-generating unit to which this asset pertains.
An impairment is recognised in the income statement if the value of recognition of the asset, or of the corresponding CGU to which this is allocated, exceeds the recoverable amount. The impairment of a CGU is recognised first as a decrease in the carrying amount of any allocated goodwill and, then, as a decrease in other assets, in proportion to their carrying amount and within the limits of the corresponding recoverable amount. If the conditions for an impairment previously carried out no longer apply, the carrying amount of the assets is restored to the income statement, within the limits of the net carrying amount that the asset

in question would have had if the write-down had not been carried out and the corresponding amortisation and depreciation had been carried out.

8.6 Receivables and financial assets

The Group classifies financial assets in the following categories:
• Financial assets at amortised cost;
• Financial assets at fair value through other comprehensive income;
• Financial assets at fair value through profit or loss.

The management decides on the classification of a financial asset at the time of its first recognition.

Financial assets at amortised cost. This category includes financial assets that meet both of the following conditions: (i) the financial asset is held within the framework of a hold-to-collect business model and (ii) the contractual terms of the financial assets call for cash flows at specific dates represented solely by payments of principal and interest on the amount of principal to be repaid.
In the above-mentioned business model, the goal is to collect the contractual cash flows generated by the individual financial assets and not to maximise the overall return on the portfolio by holding and selling the financial assets. The use of this portfolio does not necessarily assume that the financial asset will be held to maturity. In particular, sales of financial assets following a deterioration in credit risk are not incompatible with the objective of collecting contractual cash flows, as activities intending to minimise losses due to credit risk are an integral part of this business model. The sale of a financial asset because it no longer satisfies requirements in terms of credit risk set forth in the company policy is an example of a "permitted" sale. Sales justified by other reasons could also be consistent with this business model, but in this case the frequency and relevance of such sales is checked. The value of financial assets at amortised cost is determined at each reporting date until they are derecognised using the effective interest method. The gain or loss on the financial asset at amortised cost which is not part of a hedging relationship is recognised in profit (loss) for the year when the financial asset is derecognised or reclassified to *Financial assets at fair value through profit or loss*, through the amortisation process, or in order to recognise gains or losses caused by impairment.

Financial assets at fair value through other comprehensive income (FVOCI): this category includes assets that meet both of the following conditions: (i) the financial asset is held within the framework of a hold-to-collect-and-sell business model and (ii) the contractual terms of the financial assets call for cash flows at specific dates represented solely by payments of principal and interest on the amount of principal to be repaid. This type of business model entails more sales, in terms of frequency as well as relevance, than the hold-to-collect business model, as the sale of financial assets is an integral part of this business model. The value of *Financial assets at fair value through other comprehensive income* is determined at each reporting date until they are derecognised. The gain or loss on the financial asset is recognised in other comprehensive income, with the exception of gains and losses due to impairment and exchange gains or losses, until the financial asset is derecognised or reclassified. If the financial asset is derecognised, the cumulative profit or loss previously recognised in other comprehensive income is reclassified from shareholders' equity to profit (loss) for the year by means of a reclassification adjustment. The interest calculated using the effective interest approach is recognised in profit (loss) for the year.

Financial assets at fair value through profit or loss: the assets that are part of a business model that is not hold-to-collect or hold-to-collect-and-sell, and therefore are not measured at amortised cost or at fair value through other comprehensive income, are measured at fair value through profit or loss (FVTPL). An example of this business model is a portfolio managed with a view to generating cash flows from the sale of financial assets. Indeed, decisions are taken based on the fair value of the financial assets and, the fact that the entity collects contractual cash flows while it holds the financial assets does not in any event make it possible to claim that the business model is one of those described above. Likewise, a portfolio that is managed and the performance of which is evaluated on the basis of fair value can never be classified in the business models described previously. Furthermore, it is possible to exercise the fair value option upon initial recognition, based on which the Group may irrevocably designate the financial asset as measured at fair value through profit or loss if by so doing it eliminates or significantly reduces a measurement or recognition inconsistency which would otherwise result from the measurement of the assets or liabilities or the recognition of the relative gains and losses on a different basis. The value of these financial assets is determined at each reporting date until they are derecognised. The gains and losses arising from fluctuations in fair value are included in the income statement for the year in which they take place and include gains and losses realised from the disposal of the assets.

Impairment

The Group adopts a forecasting model for expected credit losses ("ECL"). The model assumes a significant level of assessment regarding the impact of changes in economic factors on the ECL, which are weighted based on probabilities.
The impairment model applies to financial assets measured at amortised cost or at FVOCI, with the exception of equity securities and assets deriving from contracts with customers.
The standard envisages that provisions covering receivables are measured using the "*general deterioration method*", which requires that financial instruments included in the scope of application of IFRS 9 are classified into three stages. The three stages reflect the level of deterioration in credit quality from the moment the financial instrument is acquired and involve different methods of calculating ECL.
The Group uses the "simplified approach" for trade receivables. Under the simplified approach, the loss must be recognised for the lifetime of the receivable. The Group uses an allocation matrix based on historical experience to estimate expected losses on receivables. Depending on the type of customer, the Group may use groupings if the historical experience for credit losses is significantly different than the loss models by different customer segments.

8.7 Derivatives

In line with the provisions of IFRS 9, the Group has decided to exercise the option of continuing to apply the hedge accounting provisions set forth in IAS 39. Thus, the provisions regarding derivatives have remained the same.

Derivative instruments are always treated as assets held for trading and recognised at fair value through profit or loss, unless they represent effective instruments to hedge a specific risk related to underlying assets or liabilities or commitments taken by the Group.

The effectiveness of the hedging transactions is documented and tested both at the beginning of the transaction and regularly (at least at each reporting date) and is measured by comparing the changes in the fair value/cash flow of the hedging instrument with those of the hedged item or, in the case of more complex instruments, through a statistical analysis based on the change of the risk.

The changes in the fair value of derivatives indicated as fair value hedges (not used by the Group) and that are qualified as such, are recognised in the income statement, in the same way as it is done for the changes in the fair value of hedged assets or liabilities due to the risk hedged with the hedging transaction.

The changes in the fair value of the derivatives indicated as cash flow hedges and qualified as such are recognised, only for the "effective" portion, among the other components of the comprehensive income statement through a special equity reserve ("cash flow hedge reserve"), which is transferred to the income statement at the time the underlying hedged asset produces effects on the statement of financial position or income statement. The change in fair value due to the ineffective portion is immediately recognised in the income statement of the period. If the execution of the underlying transaction is no longer considered highly likely, the corresponding portion of the cash flow hedge reserve is immediately transferred to income statement. If, instead, the derivative instrument is sold, expires or no longer qualifies as effective hedge of the risk against which the transaction had been initiated, the corresponding portion of cash flow hedge reserve is kept until when the underlying contract produces effects. The hedging is then derecognised as cash flow hedge.

The Group uses derivative instruments within hedging strategies aimed at neutralising the risk of changes in the expected cash flows from transactions contractually defined or highly likely (cash flow hedge).

8.8 Fair value measurement

The Group measures financial instruments, such as derivatives, at fair value at each reporting date. Fair value is the price that would be received for the sale of an asset, or that would be paid to transfer a liability in an arm’s length transaction at the measurement date. A fair value measurement assumes that the sale transaction of the asset or transfer of the liability takes place:

- in the main market of the asset or liability; or
- in the absence of a main market, in the most advantageous market for the asset or liability.

The main market or the most advantageous market must be accessible to the Group.

The fair value of an asset or liability is measured by adopting the assumptions that market operators would use in the determination of price of the asset or liability, assuming that market operators act to best meet their own economic interest. A fair value measurement of a non-financial asset considers the ability of a market operator to generate economic benefits by making highest and best use of the asset or by selling it to another market operator that would make the highest and best use of it.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair value of the instruments listed in public markets is calculated on the basis of the listed prices at the end of the period. The fair value of unlisted instruments is measured with reference to financial valuation techniques. In particular, the fair value of interest rate swaps is measured by discounting the expected cash flows.

All assets and liabilities for which the fair value is measured or recognised in the financial statements are categorised according to the fair value hierarchy, as described below:

- Level 1: financial assets and liabilities the fair value of which is calculated on the basis of the (unadjusted) prices listed in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: financial assets and liabilities the fair value of which is calculated on the basis of input different from listed prices specified in Level 1 but observable, either directly (prices) or indirectly (derived from prices);
- Level 3: financial assets and liabilities the fair value of which is calculated through measurement models that use unobservable input data.

If the input data used to calculate the fair value of an asset or liability may be classified at different levels of the fair value hierarchy, the entire measurement is placed at the level of hierarchy of the input at the lowest level that is significant for the entire measurement. The Group records the transfers between the different levels of the fair value hierarchy at the end of the period in which the transfer has taken place.

8.9 Contract cost assets

The following are recognised under "Contract cost assets":

- *incremental costs to obtain the sales contract;*
- *sales contract fulfilment costs.*

Incremental costs to obtain the sales contract are recognised in non-current assets.

Contract fulfilment costs are recognised under current assets if it is believed that the transfer to the customer of the goods or services to which the asset refers will take place as part of the normal operating cycle, including when it is expected that the transfer will not occur within twelve months of the closing date for the year. In fact, the operating cycle is identified as the time between the acquisition of goods for the production process and their realisation in terms of cash and cash equivalents. When the normal operating cycle cannot be clearly identified, it is assumed to have a duration of twelve months. Non-current assets include costs to fulfil the sales contract if the transfer to the customer of the goods and services to which the asset refers is carried out after the normal operating cycle.

The Group recognises incremental costs to obtain the sales contract if it expects to recover these costs. These incremental costs to obtain the contract are costs that the Company incurs to obtain the contract with the customer, and which would not have been incurred if the contract had not been obtained. Costs to obtain the contract that would have been incurred even if the contract had not been obtained are recognised as expenses at the time they are incurred, unless they are explicitly chargeable to the customer even if the contract is not obtained.

Contract cost assets are amortised on a straight-line basis in correspondence with the transfer to the customer of the goods and services to which the asset refers and are recognised in the item Contract costs in the income statement.

8.10 Inventories

Inventories are recognised at the lower of cost, calculated making reference to the method of weighted average cost, and the net realisable value, excluding the financial charges and the general structure expenses. The net realisable value is the sale price in the normal management, net of estimated completion costs and those costs needed to carry out the sale.

8.11 Contract assets and liabilities

Contract assets represent the Group’s right to consideration in exchange for goods or services transferred to the customer when the right is subject to something other than the passing of time. If the Group fulfilled its obligations, the contract is represented in the statement of financial position as Contract assets, for the amount exceeding the service performed and the receivable recognised. Thus, the item includes invoices to be issued, the gross amount due from customers for project work and accrued trade assets.

Contract liabilities represent the Group’s obligation to transfer goods or services to customers, for which the Group has received consideration from the customer or for which consideration is due. If the customer pays the consideration, or if the Group is entitled to an amount of the consideration that is unconditional (i.e., a receivable), before transferring the good or service to the customer, the contract is shown as a Contract liability, at the moment when payment is made or (if earlier) when the payment is due. This item includes deferred trade income, advances and thus prepaid trade amounts, the gross amount due to customers for project work and the value of options (material rights) which allow the customer to acquire additional goods or services free of charge or with a discount.

Contract assets and liabilities are included in, respectively, current assets and liabilities if it is believed that the assets will be realised (or the liability will be extinguished) during the normal operating cycle, including when it is expected that they will not be realised/extinguished within twelve months of the closing date for the year. In fact, the operating cycle is identified as the time between the acquisition of goods for the production process and their realisation in terms of cash and cash equivalents. When the normal operating cycle cannot be clearly identified, it is assumed to have a duration of twelve months.

8.12 Cash and cash equivalents

These include cash, deposits at banks or at other credit institutes available for current transactions, postal accounts and other equivalent values as well as investments maturing in the three months of the date of purchase. The cash and cash equivalents are recognised at fair value, usually, coinciding with the nominal value.

8.13 Shareholders' equity

Share Capital

Share capital is represented by the subscribed and paid in capital of the Parent Company.

Treasury shares reserve

This is a negative reserve which includes the purchase cost of treasury shares, including the related transaction costs, as a deduction from shareholders' equity. Purchases and sales of treasury shares, as well as any gains or losses deriving from their sale, are recognised in the financial statements as changes in shareholders' equity.

Share premium reserve

This item consists of the amounts collected by the Company for the issuance of shares at a price above nominal value.

Other reserves

This item includes the reserves of most common use, which may have a generic or specific allocation. The item includes the net profit of previous years, which was not distributed or allocated, or uncovered losses.

Transaction costs relating to the issue of equity instruments

The transaction costs relating to the issue of equity instruments are recognised as a decrease (net of any related tax benefit) of the Share premium reserve, generated by the same transaction, to the extent that they are marginal costs directly attributable to the capital transaction that would have otherwise been avoided.
Listing costs not relating to the issue of new shares are recognised in the income statement. If the listing involves the sale of existing shares and the issue of new shares, the costs directly attributable to the issue of new shares are recognised as a decrease in the Share premium reserve, the costs directly attributable to the listing of existing shares are recognised in the income statement. Costs related to both transactions are recognised as a decrease of the Share premium reserve, in relation to the ratio between issued shares and existing shares, and the remainder is recognised in the income statement.

Dividend distributions

Dividend distributions to shareholders are recognised as a decrease in shareholders' equity and as a payable in the period in which the payment of the dividend is approved by the shareholders' meeting.

8.14 Payables and other financial liabilities

Financial liabilities include financial payables, lease payables and trade payables.
Payables to banks and other lenders are initially recognised at fair value net of directly attributable transaction costs and subsequently they are measured at amortised cost, applying the effective interest rate method. If there is a change in future cash flows, the value of the liabilities is recalculated to reflect this change on the basis of the current value of the new expected cash flows and internal rate of yield originally calculated.

Payables and the other liabilities are classified as current liabilities, unless the Group has contractual rights to repay its obligations at least more than 12 months after the date of the annual or interim financial statements.

As regards the criteria for the initial recognition and subsequent measurement of the financial liabilities related to lease agreements, see the section *Leased assets*.
Financial liabilities are derecognised when the obligation underlying the liability is extinguished, cancelled or fulfilled.

Contractual amendments relating to financial liabilities are assessed from a qualitative and quantitative point of view (using the 10% test) to determine whether they are of a substantial nature and therefore require a derecognition of the original debt. In the event of non-substantial changes, the Group recognises the impact of the changes in the income statement.

Trade payables are obligations to pay for goods or services acquired from suppliers as part of ordinary business activities. Trade payables are classified as current liabilities if payment is made within one year of the reporting date. Otherwise, these payables are classified as non-current liabilities. Trade and other payables are initially recognised at fair value and subsequently measured using the amortised cost method.

Put options on minority interests

An option contract that contains an obligation for an entity to buy the equity investments of the minority shareholders of a subsidiary in exchange for cash or other financial assets generates in the consolidated financial statements a financial liability for the current value of the amount to be paid against the reversal of the interest of these minority shareholders. This financial liability will have the offsetting entry in either goodwill or other intangible assets, if the put option was underwritten within a business combination, or shareholders' equity if underwritten after this date. Any change in the financial liability, for any reason recognised, after the date of recognition, is recognised with offsetting item in shareholders' equity.

Contingent Considerations

A contingent consideration agreed in a business combination gives rise in the consolidated financial statements to a financial liability for the present value of the amount to be paid at the agreed maturity. Such financial liability will have the offsetting entry in either goodwill or other intangible assets. Any change in the financial liability related to the same after the date of recognition, is recognised in the income statement.

8.15 Taxes

The tax burden of the Group is composed of current and deferred taxes. If due to items recognised in the income and charges recognised to shareholders' equity within the other components of comprehensive income, said taxes are recognised as an offsetting item in the same item.

Current taxes are calculated on the basis of the tax laws in force at the reporting date; any risk related to different interpretations of positive or negative income items, like disputes with the tax authorities, are recognised as taxes in the income statement with offsetting adjustment made to the liabilities to adjust the provisions recognised in the financial statements.

Deferred taxes are calculated on the basis of the temporary differences that are generated between the carrying amount of the assets and liabilities and their value for tax purposes, as well as on tax losses. The measurement of deferred tax assets and liabilities is carried out by applying the tax rate that is expected to be in force at the time in which the temporary differences will be reversed; this forecast is made on the basis of the tax laws in force or substantially in force at the reporting date of the period. Deferred tax assets, including those deriving from tax losses, are recognised only if it is believed that taxable income sufficient for their recovery will be generated in the following years.

In 2021, the Parent Company Tinexta S.p.A., in its capacity as fiscal consolidator, initiated the tacit renewal for the 2021-2023 three-year period of the consolidated taxation regime pursuant to Articles 117 et seq. of Italian Presidential Decree no. 917/86 (Consolidated Law on Income Taxes – TUIR). The companies currently included, as consolidated companies, are: InfoCert S.p.A., Sixtema S.p.A., Visura S.p.A., Warrant Hub S.p.A., Tinexta Cyber S.p.A., Swascan S.r.l., Corvallis S.r.l., ForValue S.p.A., Queryo Advance S.r.l., Yoroi S.r.l. and Tinexta Defence S.r.l.

With effect from the 2023 tax period, the tax consolidation was interrupted due to the absence of the legal requirements (i.e., the loss of the requirement of control as a result of the transfer of the equity investment to Crif S.p.A.) with respect to RE Valuta S.p.A.

The economic and financial relations, as well as the reciprocal responsibilities and obligations, between the Parent Company and the consolidated companies are defined in the corresponding tax consolidation regulations. Accordingly, the Group has reported in these consolidated financial statements the net items related to current IRES (i.e. Corporate Income) taxes for companies participating in the Tinexta tax consolidation. The recognition of current taxes for IRAP purposes remains unchanged.

8.16 Employee benefits

The short-term benefits are represented by salaries, wages, corresponding social security contributions, pay in lieu of vacation and incentives paid as bonuses to be paid in the twelve months from the date of the financial statements. These benefits are recognised as items of personnel costs in the period of employment.
The benefits after the termination of the employment are divided into two categories:

- *defined-contribution plans,* in which the company pays fixed contributions to a separate entity (for example a pension fund) without a legal or implicit obligation to pay additional contributions if said entity does not have sufficient assets to pay the benefits corresponding to the service provided during employment at the company. The company recognises the contributions to the plan only when the employees have provided their activity in exchange for those contributions;
- *defined-benefit plans,* which include the severance indemnity due to employees pursuant to Article 2120 of the Italian Civil Code ("TFR"), for the portion accrued until 31 December 2006, in which the company commits to grant the benefits agreed with the employees in service taking on the actuarial and investment risks related to the plan. The cost of this plan is therefore not defined on the basis of the contributions due for the year, but is recalculated on the basis of demographic assumptions, statistics and on the wage trends. The methodology applied is called "projected unit credit method". The value of the liability recognised in the financial statements is, therefore, in line with the value resulting from its actuarial measurement, with full and immediate recognition of actuarial profits and losses, in the period in which they arise, as other components of the comprehensive income statement, through a special equity reserve ("*Employee benefits reserve*"). In the calculation of the amount to be recognised in the statement of financial position, the current value of the obligation for defined-benefit plans is decreased by the fair value of the assets servicing the plan, calculated using the interest rate adopted to discount the obligation.

For the companies with more than 50 employees, starting from 1 January 2007, the so-called Budget Act of 2007 and the corresponding implementation decrees have made significant changes to the TFR rules, including the option given to the worker to choose the destination of his/her TFR. Specifically, the new TFR flows can be directed by the workers to pension schemes of their choice or else kept in the company. In both cases, from this date the newly accrued portions represent defined-contribution plans not subject to actuarial measurement.
With reference to the classification of the costs related to the TFR contributions, service costs are recognised under "Personnel costs" and interest costs under "Financial charges", while actuarial profits/losses are recognised among the other components of the comprehensive income statement.

8.17 Share-based payments

In the event of transactions with share-based payments settled with equity instruments of the Company, the fair value on the allocation date of the options on shares or rights on shares granted to employees is recognised under personnel costs, with a corresponding increase in shareholders' equity in the "*Reserve for share-based payments*" item, throughout the period during which employees obtain the unconditional right to incentives. The amount

recognised as cost will be adjusted to reflect the actual number of incentives (options) for which the conditions of permanence in service and achievement of non-market conditions have accrued, so that the final amount recognised as cost is based on the number of incentives that will definitively accrue. Similarly, when estimating the fair value of the options granted, all non-vesting conditions must be considered. With reference to the non-vesting conditions, any differences between the assumptions on the allocation date and the actual ones will have no impact on the financial statements.
In the event of transactions with share-based payments settled in cash (or shares or other financial instruments not belonging to the Company), the fair value of the amount to be paid to employees is recorded as cost, with a corresponding increase of liabilities for employee benefits throughout the period during which employees will accrue the unconditional right to receive payment. The liability is measured at each year-end date and settlement date on the basis of the fair value of share revaluation rights. Any changes in the fair value of liabilities are recognised in the profit or loss for the year under personnel costs.

8.18 Provisions for risks and charges

Provisions to the reserve for risks and charges are recognised when, at the reference date, in the presence of a legal or implicit obligation towards third parties, deriving from a past event, it is likely that meeting the obligation will require an outlay of resources, the amount of which can be reliably estimated.
This amount represents the current value, if the financial effect of time is significant, of the best estimate of the expense needed to extinguish the obligation. The rate used in the calculation of the current value of the liability reflects current market values and includes the additional effects related to the specific risk associated to each liability. The changes in the estimate are reflected in the income statement of the year in which the change takes place.
If the Group is exposed to risks for which the occurrence of a liability is only a possibility, these risks are described in the Notes and no provision is made.

The *Provision for risks and charges* includes the Provision for pensions referring to the supplemental agents' leaving indemnity due, in the cases set forth by the law, to agents. This liability is estimated based on the actuarial valuation by quantifying future payments, through the projection of the indemnities accrued at the performance evaluation date of the agents until the assumed time of termination of the contractual relationship. Provisions are recognised, by their nature, under *Service costs*.

Provisions for litigation matters are recognised, by their nature, under *Personnel costs*.

8.19 Revenues

The methodological approach followed by the Group in recognising Revenues from contracts with customers (also referred to below as Revenues from sales and services) is broken down into five basic steps (five-step model):
1. Identify the contract with the customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations;
5. Recognise the revenue when the performance obligation is satisfied.

Revenues are measured taking into account the contractual terms and commercial practices generally applied in relations with customers. The transaction price is the amount of the consideration (which may include fixed amounts, variable amounts or both) to which the seller believes to be entitled in exchange for the transfer of control over the promised goods/services. Control refers generically to the ability to decide on the use of the asset (good/service) and to substantially draw all remaining benefits from it. The total consideration of service agreements is broken down between all of the services on the basis of the sale price of the relative services as if they had been sold individually.

Within each contract, the reference element for the recognition of revenues is the individual performance obligation. For each individually identified performance obligation, the Group recognises revenues when (or as) it fulfils the obligation by transferring the promised good/service (or asset) to the customer. The asset is transferred when (or as) the customer acquires control over it.
For performance obligations fulfilled over time, revenues are recognised over time, measuring the progress made towards fulfilling the obligation in full at the end of each year. To measure its progress, the Group uses the input-based method (cost-to-cost method). Revenues are recognised on the basis of the inputs used to fulfil the obligation until that date, with respect to the total inputs assumed that will be used to fulfil the entire obligation. When the inputs are distributed uniformly over time, the Group recognises the corresponding revenues on a straight-line basis. In specific circumstances, when it is not possible to reasonably assess the result of the performance obligation, revenues are recognised only up to the amount of costs incurred.

If the contractual consideration includes a variable amount (e.g., as a result of reductions, discounts, refunds, credits, price concessions, incentives, performance bonuses, penalties, or because the fee itself depends on whether or not an uncertain future event occurs), the amount of the consideration to which the Group is entitled must be estimated. The Group estimates the variable charges consistently for similar cases, using the expected value or the value of the most probable amount; subsequently, it includes the estimated amount of the variable consideration in the transaction price only to the extent that this amount is highly probable.

The Group’s revenues are adjusted for significant financial components, both if the financial component is financed by the customer (advance collection) and if it is financed by the Group (deferred collections). The presence of a significant financial component is identified at the signing of the contract, comparing the expected revenues with the payments to be received. The significant financial component is not recorded if the time between the time of transfer of the good/service and the time of payment is less than 12 months.

The Group breaks down revenues from contracts with customers by business segment, by geographic area, and into the following product/service categories:

Digital Trust products: this category includes product sales (certified e-mail, digital signature, time stamps, e-invoicing, digital preservation, and digital identity) that do not include project elements. Revenue is mostly recognised over time, that is, throughout the duration of the contract or based on the consumption recorded.

Digital Trust solutions: regards the sale of complex dematerialisation solutions to companies, which, as such, include project elements. Revenue is recognised over time, that is, throughout the duration of the contract.

Data distribution platforms, software and electronic services: this category includes the supply of software, management, and infrastructure services and solutions, as well as solutions for access to the electronic process for businesses and professionals. Consulting and training services provided are also included. Revenue is predominantly recognised over time, that is, throughout the duration of the contract or based on the consumption recorded.

Marketing consulting: this category includes the consulting service to support customers' globalisation. Revenue is recognised over time, that is, throughout the duration of the consulting contract.

Innovation consulting: refers to consulting services for businesses that invest in productivity, innovation, research, and development in order to obtain incentives, contributions and subsidised financing. The service includes a fixed component and a variable component calculated on the benefits obtained by the customer. Revenue is recognised at a point in time, upon delivery to the customer of the reporting file.

Other innovation services: refer to other innovation services and consulting, including activities related to European projects, energy, and technology transfer. Revenue is predominantly recognised at a point in time, upon delivery to the customer of the reporting file.

Cybersecurity consultancy: refers to Cybersecurity and IT services. These services are provided either through project activities in which the revenue is recorded over time, or through consumption contracts, in which the revenue is recognised at a point in time, that is, when the service is provided.

8.20 Government grants

Government grants are recognised only if there is reasonable certainty that the Group will comply with the conditions envisaged and that the grants will be received. Operating grants, aimed at integrating revenues or covering certain operating costs, are recognised under *Other revenues*. Capital grants, for which it is an essential condition that the Group purchases, builds or otherwise acquires fixed assets, are recorded under Deferred income (current and/or non-current in relation to the release period) and charged as income in the income statement under *Other revenues* with a systematic and rational criterion during the useful life of the asset to which they refer.

8.21 Costs

The costs related to the purchase of assets are recognised when the risks and benefits of the assets traded are transferred; the service costs received are recognised proportionally when the service is provided.
The Group recognises incremental costs to obtain the sales contract and contract fulfilment costs in accordance with the principles discussed in the section *Contract cost assets*. Contract costs include the amortisation on a straight-line basis in correspondence with the transfer to the customer of the goods and services to which the asset refers.

8.22 Financial income and charges

Interest is recognised on an accrual basis on the basis of the effective interest method, using in other words the interest rate that makes financially equivalent all inflows and outflows (including any premium, discount, commissions etc.) from a transaction.
Interest income is recognised to the extent that it is probable that the economic benefits will flow to the Group and their amount can be reliably measured.
Other financial income and charges also include changes in the fair value of financial instruments other than derivatives.

8.23 Earnings per share

Earnings per share - basic
The basic EPS is calculated by dividing the net profit attributable to the Group by the weighted average of ordinary shares outstanding during the year, excluding treasury shares.

Earnings per share - diluted
The diluted EPS is calculated by dividing the net profit attributable to the Group by the weighted average of ordinary shares outstanding during the year, excluding treasury shares. For the purposes of the calculation of the diluted EPS, the weighted average of the outstanding shares is modified assuming that all the rights with a potential diluting effect are exercised, while the net profit attributable to the Group is adjusted for the effect, net of taxes, of the exercise of said rights.

9. Use of estimates

In drafting these Consolidated Financial Statements, in application of the reference accounting standards, the Directors had to formulate assessments, estimates and assumptions which influence the amounts of the assets, liabilities, and costs and revenues recognised in the financial statements, as well as the disclosure provided. Therefore, the final results of the items for which said estimates were used could differ from those reported in these financial statements, given the uncertainty that characterises the assumptions and the hypotheses on which the estimates are based.
The accounting standards and the financial statement items that involve a greater subjectivity by the Directors in the estimation process are the following:

- *Intangible assets with indefinite life*: goodwill is assessed on an annual basis, to identify whether there is an impairment that should be recognised in the income statement. Specifically, the assessment in question requires the calculation of the recoverable amount of the CGUs (Cash-Generating Units) to which goodwill is allocated. The recoverable amount is calculated by estimating the value in use or the fair value net of disposal costs; if the recoverable amount is less than the carrying amount of the CGUs, goodwill allocated to the CGUs is written down. The calculation of the recoverable amount of the CGUs requires estimates based on factors that may change over time, with a potentially significant impact on the assessments carried out by Directors. With particular reference to the determination of the value in use with the method of discounting expected future cash flows, it should be noted that this method is characterised by a high degree of complexity and by the use of estimates, which are uncertain and subjective by nature, about:

  - the cash flows expected from the CGUs, determined taking into account the general economic performance of the sector to which they belong, the cash flows recorded in the last few years and the forecast growth rates;
  - the financial parameters used to determine the discount rate.

- *Allocation of the price paid for the acquisition of control over an entity (purchase price allocation):* in terms of business combinations, in exchange for the consideration transferred for the acquisition of control over a company, the identifiable assets acquired and the liabilities assumed are recognised in the consolidated financial statements at current values (fair value) at the acquisition date, through a purchase price allocation process. Generally, the Group determines the fair value of the assets acquired and the liabilities assumed using methods based on the discounting of expected cash flows and on the royalty rates recognised under license agreements. This method is characterised by a high degree of complexity and by the use of estimates, which are by their nature uncertain and subjective, about:
  - the expected cash flows, determined taking into account the economic performance of the acquired companies and the sectors to which they belong, the cash flows recorded in the last few years and the forecast growth rates;
  - the financial parameters used to determine the discount rate;
  - the quantitative and qualitative parameters relating to the royalty rates used.

- *Impairment of fixed assets*: property, plant and equipment and intangible assets with finite useful life are assessed to establish whether there was a decrease in value, to be recognised through impairment, if there are indicators that predict difficulties in recovering the relevant net accounting value through use. To establish the presence of said indications, Directors must make subjective assessments on the basis of information available within the Company and the market, as well as historical experience. Moreover, if it is determined that a potential impairment may have been generated, the impairment is calculated using appropriate measurement techniques. The correct identification of the factors indicating the occurrence of a potential decrease in value, as well as the estimates for the calculation of the latter depend on factors that may vary over time, affecting the assessments and estimates carried out by the Directors.
- *Liabilities for the purchase of minority interests* and *Liabilities for contingent considerations*: they are determined at the present value of the amounts to be paid at the contractually envisaged due dates. The assessment of liabilities entails the use of estimates tied to the prospective results of the entities to which they refer, which depend on factors that may change over time, with a subsequent potentially significant impact on the assessments carried out by the Directors.
- *Measurement at fair value*: in measuring the fair value of an asset or a liability, the Group makes use of observable market data as far as possible. Fair values are allocated to different hierarchical levels on the basis of the input data used in the valuation techniques.

- *Measurement of lease liabilities*: the measurement of lease liabilities is affected by the duration of the lease, understood as the non-cancellable lease period to which these two periods must be added: a) periods covered by a lease extension option if the lessee has the reasonable certainty to exercise this option; and b) periods covered by the option of terminating the lease, if the lessee has the reasonable certainty not to exercise the option. The assessment of the duration of the lease entails the use of estimates based on factors that may change over time, with a potentially significant impact on the assessments carried out by the Directors.

- *Valuation of the provision for expected losses on commercial receivables*: the Group uses an allocation matrix based on historical experience to estimate expected losses on receivables. Depending on the type of customer, the Group may use groupings if the historical experience for credit losses is significantly different than the loss models by different customer segments. Estimates and assumptions are periodically reviewed, and the effects of each change are reflected in the income statement for that year.

- *Valuation of the defined-benefit plans*: actuarial valuation requires the formulation of various assumptions that may differ from actual future developments. The results depend on the technical basis adopted such as, among others, the actualisation rate, the inflation rate, the wage increase rate and the expected turnover. All assumptions are reviewed on an annual basis.

10. Management of financial risks

The Group is exposed to financial risks connected with its operations, especially to the following:

- interest rate risks, from the financial exposure of the Group;
- exchange rate risks, from operations in currencies different from the functional currency;
- liquidity risks, related to the availability of financial resources and access to credit markets;
- credit risks, resulting from normal business transactions or liquidity management activities.

The Tinexta Group monitors each financial risk closely, intervening with the objective of minimising them promptly also by making use of hedging derivatives.

Interest rate risk

The Group uses external financial resources in the form of debt and deposits the liquidity in bank deposit accounts. Changes in market interest rates influence the cost and return of the different types of borrowing and depositing and therefore have an impact on the level of the financial charges and income.

Being exposed to interest rate fluctuations with regard to the extent of the financial charges incurred to borrow funds, the Group periodically reviews its exposure to the risk of changes in interest rates and actively manages it also by making use of interest rate derivatives, specifically through Interest Rate Swaps (IRS), Interest Rate Floors (Floors), Interest Rate Caps (Caps) and Interest Rate Collars (Collars) purely for hedging purposes. Cash mainly consists of deposits on floating-rate bank current accounts with no mandatory duration, and therefore its fair value is equivalent to the value recognised in the financial statements. The interest rate benchmark to which the Group is most exposed on indebtedness is the 6-month Euribor. During the 2022 financial year, the rapid increase in inflation, attributable in particular to the increase in commodity prices, produced a significant and rapid increase in interest rates, however, given the hedging transactions in place, the net effect in terms of higher financial charges is limited. Therefore, although in the presence of a further rise in the 6-month Euribor index (forward rates curve) estimated in the immediate future, the interest rate risk appears to be adequately monitored and the debt portfolio structure is considered adequate for the Group's needs.

Cash flow hedge strategy on bank loans as at 31 December 2023:

Bank loans at 31 December 2023 *Amounts in thousands of Euro*		**Cash flow hedge derivatives - Notional values by type as at 31 December 2023**			
	Nominal amount	**IRS**	**Capped swaps**	**Collars**	**Total**
Floating-rate loans	120,663	53,446	35,861	18,118	**107,425**
Fixed rate loans	6,097				**0**
	126,760	**53,446**	**35,861**	**18,118**	**107,425**

The hedging rate of floating-rate bank loans is 89.0% (87.9% as at 31 December 2022).

Sensitivity analysis on interest rate risk which shows the effects (net of any related tax effects) on the income statement, on an annual basis, and on the shareholders' equity as at 31 December 2023, deriving from the following changes in the Euribor rate: +300 bps, +100 bps, -100 bps limited to bank loans as at 31 December 2023:

Sensitivity analysis of interest rate risk	**Profit (loss) on an annual basis**			**Shareholders' equity as at 31 December 2023**		
Amounts in thousands of Euro	300 bps increase	100 bps increase	100 bps decrease	300 bps increase	100 bps increase	100 bps decrease
Floating-rate bank loans	(2,461)	(857)	756	0	0	0
Interest rate swaps	1,048	377	(300)	1,064	368	(380)
Capped swaps	772	258	(261)	1,136	384	(366)
Collars	359	120	(121)	278	93	(85)
Financial flow sensitivity (net)	**(282)**	**(102)**	**73**	**2,479**	**845**	**(831)**

Exchange rate risk

The exposure to the risk of changes in exchange rates derives from the execution of activities in currencies different from the Euro. The Group carries out most of its activity in Italy, and most of the sales or purchases of services with foreign countries are carried out with EU countries, with transactions settled mainly in Euro. Therefore, the Group is not greatly exposed to the risk of fluctuation of the exchange rates of foreign currencies against the Euro.

The volumes in currencies other than the Euro are mainly in Sterling - GBP and in Dollars - USD in reference to the activity carried out by Ascertia Ltd and its subsidiaries, in Sterling - GBP in reference to the contingent considerations and liabilities for the purchase planned in

2025 of the minority shares of Ascertia Ltd, and in Dollars - USD with particular reference to the purchase of hosting and cloud computing services. There are also exposures of lesser significance in relation to the activities carried out by the subsidiaries in the respective national territories: in Pakistan Rupees - PKR for the activity carried out by Ascertia PVT Ltd, in United Arab Emirates Dirhams - AED for the activity carried out by Ascertia Software Trading LLC, in Peruvian Nuevo Sol - PEN for the activity carried out by Camerfirma Perù S.A.C. and in Bulgarian Lev - BGN with reference to the activity carried out by Europroject OOD.

The Group monitors fluctuations in currencies other than the Euro, in particular Pounds Sterling - GBP and Dollars - USD, and periodically assesses whether to apply hedging strategies based on the identified risk. As at 31 December 2023, there are no exchange rate hedging strategies in place. The balance of exchange gains and losses recognised in the Income Statement as at 31 December 2023 was positive for €188 thousand, while the exchange rate differences recognised in Other comprehensive income statement components deriving from the conversion of foreign companies were positive for €87 thousand.

Credit risk

Financial credit risk results from the inability of a counterparty to fulfil its obligations. As at 31 December 2023, the liquidity of the Group was deposited in bank accounts held at prime credit institutions.

Trade credit risk derives essentially from receivables from customers. To mitigate credit risk from trade counterparties, each Group entity has implemented internal procedures requiring a preliminary assessment of the solvency of the client before accepting a contract, through a scoring analysis. There are also procedures for the recovery and management of trade receivables, which provide for written reminders to be sent in the case of late payments and gradually more targeted actions (letters, phone reminders, legal actions). The Group uses an allocation matrix to calculate the expected losses, based on historical data. Depending on the type of customer, the Group may use groupings if the historical experience for credit losses is significantly different than the loss models by different customer segments.

The table in Note *22. Trade and Other Receivables* provides a breakdown of current trade receivables from customers as at 31 December 2023, grouped by maturity, gross and net of the related bad debts provision.

Liquidity risk

Liquidity risk may take the form of an inability to promptly raise, at market conditions, the financial resources needed for the Group to operate. The two main factors that influence the liquidity of the Group are:

(i) the financial resources generated or absorbed by operating and investing activities;

(ii) the maturity of financial debt.

Liquidity risk is managed through careful control of operating cash flows and use of a cash pooling system between the Group companies. The liquidity requirements of the Group are monitored by the Group treasury function, with the objective of ensuring that financial resources can be effectively and promptly obtained and an adequate investment/return of liquidity.

The management believes that the cash and the credit lines currently available, in addition to those that will be generated by operating and financing activities, will allow the Group to meet its requirements, deriving from investing activities, management of working capital and repayment of loans at their contractual maturity. The extraordinary Shareholders' Meeting held on 27 April 2021 resolved also on the right of the Board of Directors to increase the share capital against payment and indivisibly in one or more tranches, with or without warrants, even excluding pre-emption rights pursuant to Art. 2441, paragraphs 4 and 5 of the Italian Civil Code, for a maximum of €100 million including share premium.

The expected flows (including principal and interest expected on the interest rate curve as at 31 December 2023) on financial liabilities and on derivative instruments hedging bank loans recognised in the financial statements as at 31 December 2023 are summarised below, broken down based on the contractually envisaged due date.

Amounts in Euro	within 1 year	between 1 and 2 years	between 2 and 3 years	between 3 and 4 years	between 4 and 5 years	more than 5 years	Expected cash flows as at 31/12/2023
Bank loans	48,529	44,611	34,824	6,001	1,171	50	**135,187**
Hedging derivatives on bank loans	(3,112)	(1,054)	(344)	(79)			**(4,588)**
Other current bank payables	249						**249**
Liabilities for the purchase of minority interests	60,582	33,327	9,295				**103,204**
Liabilities for contingent considerations	4,871	16,580	1,400				**22,851**
Price deferment liabilities	1,698	317					**2,015**
Lease liabilities	8,208	7,068	7,389	6,767	5,957	18,136	**53,523**
Liabilities to other lenders	6,224						**6,224**
Total financial liabilities	**127,250**	**100,849**	**52,564**	**12,689**	**7,128**	**18,186**	**318,665**

The table is in Note *31. Financial liabilities, excluding derivative financial instruments* summarises the financial liabilities recognised in the financial statements as at 31 December 2023, classified according to contractual maturity, based on principal alone.

11. Categories of financial assets and liabilities

Reconciliation between financial asset and liability classes as identified in the statement of financial position of the Company and the types of financial assets and liabilities identified on the basis of IFRS 7 requirements:

Amounts in thousands of Euro	Assets measured at fair value through profit or loss	Assets/ Liabilities designated at fair value through profit or loss	Liabilities held for trading measured at fair value through profit or loss	Fair value of hedging instruments	Assets/Liabilities measured at amortised cost	Assets measured at fair value through OCI	Investments in equity instruments recognised in OCI	Total
NON-CURRENT ASSETS	**0**	**0**	**0**	**4,525**	**6,048**	**0**	**0**	**10,573**
Other financial assets, excluding derivative financial instruments	0	0	0	0	1,947	0	0	**1,947**
Derivative financial instruments	0	0	0	4,525	0	0	0	**4,525**
Trade and other receivables	0	0	0	0	4,101	0	0	**4,101**
CURRENT ASSETS	**0**	**2,074**	**0**	**0**	**333,873**	**0**	**0**	**335,947**
Other financial assets, excluding derivative financial instruments	0	2,074	0	0	23,915	0	0	**25,989**
Trade and other receivables	0	0	0	0	148,280	0	0	**148,280**
Cash and cash equivalents	0	0	0	0	161,678	0	0	**161,678**
NON-CURRENT LIABILITIES	**0**	**52,117**	**0**	**15**	**120,774**	**0**	**0**	**172,907**
Financial liabilities, excluding derivative financial instruments*	0	52,117	0	0	120,774	0	0	**172,892**
Derivative financial instruments	0	0	0	15	0	0	0	**15**
CURRENT LIABILITIES	**0**	**63,438**	**0**	**0**	**163,045**	**0**	**0**	**226,483**
Financial liabilities, excluding derivative financial instruments*	0	63,438	0	0	57,893	0	0	**121,331**
Trade and other payables	0	0	0	0	105,152	0	0	**105,152**

* This item includes *Liabilities for the purchase of minority interests* and *Liabilities for contingent considerations linked to the acquisitions* (more details are provided in Note *31*). As indicated in Note *8. Measurement criteria*, *Liabilities for the purchase of minority interests* are recognised at their fair value with changes recorded as a counter-entry of shareholders' equity, *Liabilities for contingent considerations linked to acquisitions* are recognised at their fair value with changes recorded as counter-entries of the income statement.

12. Fair value hierarchy

IFRS 13 establishes a fair value hierarchy which classifies the inputs of the valuation techniques adopted to measure fair value into three levels. The fair value hierarchy assigns the highest priority to (unadjusted) listed prices in active markets for identical assets or liabilities (Level 1 data) and the lowest priority to unobservable inputs (Level 3 data).

Fair value hierarchy for assets and liabilities of the Group.

Amounts in thousands of Euro	*Fair value*			
	Level 1	*Level 2*	*Level 3*	***Total***
NON-CURRENT ASSETS	**0**	**4,525**	**0**	**4,525**
Derivative financial instruments		4,525		4,525
CURRENT ASSETS	**2,074**	**0**	**0**	**2,074**
Other financial assets, excluding derivative financial instruments	*2,074*	*0*	*0*	*2,074*
Capitalisation policy	2,074		0	2,074
NON-CURRENT LIABILITIES	**0**	**15**	**52,117**	**52,133**
Derivative financial instruments		*15*		15
Other financial liabilities, excluding derivative financial instruments	*0*	*0*	*52,117*	*52,117*
Liabilities for put options			36,302	36,302
Contingent considerations			15,815	15,815
CURRENT LIABILITIES	**0**	**0**	**63,438**	**63,438**
Other financial liabilities, excluding derivative financial instruments	*0*	*0*	*63,438*	*63,438*
Liabilities for put options			58,590	58,590
Contingent considerations			4,849	4,849

13. Discontinued operations

On 30 May 2022, Tinexta S.p.A. entered into binding agreements for the sale to CRIF S.p.A. of the Credit Information & Management division, which offers business information and technical-valuation services in the real estate sector, through the sale of Tinexta's stakes in Innolva S.p.A. and RE Valuta S.p.A.

The division to be sold included Innolva S.p.A. (and its subsidiaries Comas S.r.l. and Innolva Relazioni Investigative S.r.l. and the invested company Creditreform GPA Ticino S.A) – 75% owned by Tinexta and 25% owned by Intesa Sanpaolo – and RE Valuta S.p.A. – 95% owned by Tinexta and 5% owned by Cedacri. The sale of Innolva S.p.A. was completed on 3 August 2022. On 7 March 2023 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 €48.4 million. The equity value was determined on the basis of an enterprise value for RE Valuta of €46 million, adjusted for the 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.

In consideration of the binding agreements illustrated above, the contribution to the consolidated values of the company RE Valuta S.p.A. in 2023 and up to sale completion date is presented as Discontinued operations pursuant to IFRS 5. The comparative balances of the "Profit/Loss from discontinued operations" include the contribution of the Credit Information & Management division (Innolva S.p.A. and its subsidiaries until finalisation of the sale and RE Valuta S.p.A.).

With regard to the presentation of intra-group transactions between Continuing and Discontinued Operations, the following approach was adopted:

- the income statement items relating to Continuing Operations were reported without taking into account the derecognition of intercompany transactions with the Credit Information & Management division. Profit (loss) from discontinued operations also includes the effect of consolidation derecognitions of intercompany transactions with the Credit Information & Management division. The services charged-back by the Parent Company Tinexta S.p.A. as part of the management holding company activities were instead derecognised within the Continuing Operations;
- the individual financial situation statement items relating to continuing operations and discontinued operations are both shown net of the derecognitions relating to intercompany transactions with the Credit Information & Management division.

Contribution of the Credit Information & Management division (Discontinued operations) to the net profit (loss) for 2023 compared to 2022, after derecognising intercompany transactions:

In thousands of Euro	Twelve-month period closed as at 31 December 2023	2022
Revenues	2,186	47,493
Operating costs	(4,115)	(40,680)
OPERATING PROFIT	**(1,929)**	**6,813**
Financial income	1	131
Financial charges	(0)	(350)
Net financial income (charges)	**1**	**(219)**
Share of profit of equity-accounted investments, net of tax effects	0	(29)
Profit (loss) from discontinued operations, gross of tax effects	**(1,928)**	**6,565**
Income taxes	447	(1,893)
GAINS (LOSSES) FROM DISCONTINUED OPERATIONS, NET OF TAX EFFECTS (A)	**(1,481)**	**4,673**
Capital gain on disposal	37,526	41,552
Tax effect of capital gain	(431)	(699)
NET CAPITAL GAIN ON DISPOSAL (B)	**37,094**	**40,854**
PROFIT (LOSS) FROM DISCONTINUED OPERATIONS (A+B)	**35,614**	**45,527**

Profit (loss) from discontinued operations of €35,614 thousand in 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) and the effects of a settlement agreement concluded in July, for €2,000 thousand, relating to the investment agreement signed in 2020 within the Credit Information & Management division.

Profit (loss) from discontinued operations in 2022 included the economic values of the Innolva S.p.A. Group up to the date of completion of the sale (concluded on 3 August 2022) and of RE Valuta S.p.A.

In 2023, **Losses from discontinued operations net of the tax effects** amounted to €1,481 thousand and benefited from lower amortisation of intangible assets and depreciation of property, plant and equipment recognised until 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 as at 31 July 2022;
- Deconsolidation of RE Valuta S.p.A. as 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 €37,094 thousand. In 2022, costs relating to the sale of RE Valuta S.p.A. were recorded for an additional €269 thousand.

Summary cash flows from Discontinued operations in 2023 compared with 2022:

	twelve-month period closed as at 31 December	
In thousands of Euro	**2023**	**2022**
Net cash flow from operating activities of discontinued operations	(2,337)	12,304
Net cash flow from investing activities of discontinued operations	41,057	123,358
Net cash flow from financing activities of discontinued operations	(3)	(7,132)
Net cash flow from discontinued operations	**38,717**	**128,529**

Net cash flow from investing activities includes the flow deriving from the disposal of RE Valuta S.p.A. of €41,861 thousand including the collection of the sale price of €48,434 thousand net of deconsolidated liquidity of €5,179 thousand and direct sale costs paid of €1,393 thousand in addition to the payment of direct sale costs linked to the disposal of Innolva S.p.A., for which a provision of €786 thousand had already been allocated in 2022.

14. Business combinations

Business combinations for which accounting recognition has not been completed

Acquisition of Ascertia Ltd and its subsidiaries

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 (Ascertia Software Trading LLC) and in Pakistan (Ascertia PVT). 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 GBP 16.3 million in addition to the net financial position. At the closing of the transaction, InfoCert S.p.A. paid €20,893 thousand plus estimated price adjustments of €777 thousand (of which €259 thousand paid as at 31 December 2023 net of the exchange rate difference generated in the period). The agreement also includes two earn-outs estimated to total €6,850 thousand, based on the performances of the financial years ended as at 31 March 2023 and as at 31 March 2024, respectively (of which €3,651 thousand paid on 31 December 2023 on performance as at 31 March 2023 net of the exchange rate difference generated in the period) and a Put&Call on the remaining 35%, exercisable upon approval of the financial statements as at 31 March 2025, resulting in the recognition of an indebtedness estimated at €22,139 thousand. The amounts as at the date of the first consolidation shown above were converted at the exchange rate on the closing date (EUR 1 = GBP 0.8692). Accessory charges to the acquisition amounted to €1,204 thousand, of which €237 thousand were recognised in the year 2023.

Ascertia Ltd and its subsidiaries Ascertia Software Trading LLC and Ascertia PVT have been consolidated on a line-by-line basis from 1 August 2023 and contributed €4,313 thousand to the 2023 revenues of Tinexta Group and recognised a loss of €584 thousand.

The following table summarises the fair value at the acquisition date of the main components of the consideration transferred:

Amounts in thousands of Euro	
Cash and cash equivalents paid for 65%	20,893
Price adjustment for 65%	777
Contingent consideration for 65% 2023	3,651
Contingent consideration for 65% 2024	3,199
Fair value of Put & Call options on 35%*	22,139
Total consideration transferred	**50,659**
Charges for the transaction	1,204
Total consideration including charges	**51,863**

*Discounted values

The following is a summary of book values recognised with reference to the assets acquired and liabilities assumed at the acquisition date of Ascertia Ltd and its subsidiaries:

Amounts in thousands of Euro	**Book values**
Property, plant and equipment	181
Intangible assets	4,222
Non-current financial assets	4
Trade and other receivables	3,897
Other financial assets	60
Contract assets	333
Current and deferred tax assets	215
Cash and cash equivalents	6,208
Total assets acquired	**15,120**
Current financial liabilities	5
Trade and other payables	1,698
Contract liabilities	3,008
Current and deferred tax liabilities	114
Total liabilities assumed	**4,825**
Net assets acquired	**10,294**

Goodwill arising from the acquisition has been provisionally recognised as shown in the following table:

Amounts in thousands of Euro	
Total consideration transferred	50,659
Net assets acquired	10,294
Goodwill	**40,365**

The net cash flow, at the acquisition date, deriving from consolidation of the company is shown below:

Amounts in thousands of Euro	
Cash and cash equivalents paid for 65%	(20,893)
Cash and cash equivalents acquired at closing	6,208
Net cash flow deriving from consolidation	**(14,685)**

Acquisition of Studio Fieschi

On 16 November 2023, Warrant Hub S.p.A. completed the acquisition of 80% of the share capital of Studio Fieschi & Soci S.r.l. (Studio Fieschi), specialised in business consulting on ESG (Environmental, Social, Governance) issues, already 20% held from 2021 and consolidated with the equity method.

The transaction envisaged the purchase of the remaining 80% of the share capital of Studio Fieschi for a consideration of €2,613 thousand plus price adjustments on the 2023 performance estimated at €653 thousand. The agreement also includes two earn-outs estimated at a total of €2,574 thousand, respectively on the basis of 2024 and 2025 performance, to be paid in 2025 and 2026, respectively. The accessory charges to the acquisition amount to €18 thousand.

Studio Fieschi has been consolidated on a line-by-line basis since 31 December 2023, therefore it did not contribute to the 2023 revenues of Tinexta Group or to the consolidated net profit.

As at 31 December 2023, the valuation with the equity method of the 20% interest in Studio Fieschi S.r.l. amounted to €398 thousand. The fair value at the acquisition date of the 20% interest previously held amounted to €1,460 thousand. The non-recurring income recognised after the fair value measurement of the interest therefore amounted to €1,062 thousand.

The following table summarises the fair value at the acquisition date of the main components of the consideration transferred:

Amounts in thousands of Euro	
Fair value of the equity investment of 20%	1,460
Cash and cash equivalents paid for 80%	2,613
Price adjustment for 80%	653
Contingent consideration for 80% 2025*	1,458
Contingent consideration for 80% 2026*	1,116
Total consideration transferred	**7,300**
Charges for the transaction	18
Total consideration including charges	**7,318**

*Discounted values

The following is a summary of book values recognised with reference to the assets acquired and liabilities assumed at the date of acquisition of Studio Fieschi:

Amounts in thousands of Euro	**Book values**
Property, plant and equipment	253
Intangible assets	2
Non-current financial assets	4
Trade and other receivables	555
Contract assets	115
Current and deferred tax assets	28
Cash and cash equivalents	654
Total assets acquired	**1,613**
Provisions and employee benefits	68
Non-current financial liabilities	168
Current financial liabilities	35
Trade and other payables	295
Contract liabilities	204
Total liabilities assumed	**770**
Net assets acquired	**842**

Goodwill arising from the acquisition has been provisionally recognised as shown in the following table:

Amounts in thousands of Euro	
Total consideration transferred	7,300
Net assets acquired	842
Goodwill	**6,458**

The net cash flow, at the acquisition date, deriving from consolidation of the company is shown below:

Amounts in thousands of Euro	
Cash and cash equivalents paid for 80%	(2,613)
Cash and cash equivalents acquired at closing	654
Net cash flow deriving from consolidation	**(1,958)**

Information on the Statement of Financial Position

The items of the Consolidated Statement of Financial Position as at 31 December 2023 are commented hereunder.

The statements of changes in the statement of financial position items show the effect on the consolidated figures of the changes in the scope of consolidation (of the assets and liabilities acquired of Ascertia Ltd and its subsidiaries and of Studio Fieschi S.r.l.). The contributions from these companies are shown below as **Changes in the scope of *Acquisitions***, as outlined in Note *14. Business Combinations*.

15. Property, plant and equipment

Changes in investments in property, plant and equipment:

Amounts in thousands of Euro	31/12 2022	Investments	Divestments	Depreciation	Reclassifications	Change in the scope of Acquisitions	Revaluations	Impairments	Exchange rate delta	31/12 2023
Leased land										
Cost	520	0	(147)	0	0	0	5	(1)	0	377
Net value	**520**	**0**	**(147)**	**0**	**0**	**0**	**5**	**(1)**	**0**	**377**
Buildings										
Cost	631	0	(631)	0	0	105	0	0	(2)	103
Accumulated Depreciation	(329)	0	347	(18)	0	(7)	0	0	0	(8)
Net value	**301**	**0**	**(284)**	**(18)**	**0**	**97**	**0**	**0**	**(2)**	**95**
Leased buildings										
Cost	48,987	2,433	(1,730)	0	(0)	177	1,829	(1,096)	(2)	50,598
Accumulated Depreciation	(8,715)	0	1,730	(4,067)	0	0	3	0	0	(11,049)
Net value	**40,271**	**2,433**	**0**	**(4,067)**	**(0)**	**177**	**1,832**	**(1,096)**	**(1)**	**39,549**
Electronic machines										
Cost	26,700	1,801	(6,173)	0	193	331	0	0	(3)	22,850
Accumulated Depreciation	(23,604)	0	5,393	(1,509)	3	(207)	0	0	3	(19,922)
Net value	**3,096**	**1,801**	**(780)**	**(1,509)**	**196**	**124**	**0**	**0**	**(0)**	**2,928**
Leased electronic machines										
Cost	692	0	0	0	0	0	2	0	0	694
Accumulated Depreciation	(677)	0	0	(17)	0	0	0	0	0	(694)
Net value	**15**	**0**	**0**	**(17)**	**0**	**0**	**2**	**0**	**0**	**0**
Leasehold improvements										
Cost	2,281	501	7	0	1,636	0	0	0	(1)	4,424
Accumulated Depreciation	(1,809)	0	(7)	(200)	7	0	0	0	0	(2,009)
Net value	**472**	**501**	**0**	**(200)**	**1,643**	**0**	**0**	**0**	**(1)**	**2,415**
Assets in progress and advances										
Cost	164	2,331	0	0	(2,432)	0	0	0	(0)	63
Net value	**164**	**2,331**	**0**	**0**	**(2,432)**	**0**	**0**	**0**	**(0)**	**63**
Other assets										
Cost	7,563	1,438	(243)	0	602	90	0	0	(1)	9,448
Accumulated Depreciation	(6,403)	6	241	(512)	(10)	(48)	0	0	0	(6,726)
Net value	**1,160**	**1,444**	**(2)**	**(512)**	**593**	**42**	**0**	**0**	**(1)**	**2,722**
Other leased assets										
Cost	5,146	2,139	(1,165)	0	0	0	146	(223)	0	6,043
Accumulated Depreciation	(2,723)	0	1,165	(1,470)	0	0	0	0	0	(3,028)
Net value	**2,423**	**2,139**	**0**	**(1,470)**	**0**	**0**	**146**	**(223)**	**0**	**3,014**
Property, plant and equipment	**48,423**	**10,647**	**(1,213)**	**(7,794)**	**(0)**	**441**	**1,985**	**(1,321)**	**(5)**	**51,164**
of which leased	**43,229**	**4,572**	**(147)**	**(5,554)**	**(0)**	**177**	**1,985**	**(1,321)**	**(1)**	**42,940**

The Group has opted to recognise right-of-use assets from leases under *Property, plant and equipment*, in the same categories in which the underlying assets would have been recognised if owned. Right-of-use assets on properties are recognised under *Leased buildings*, whilst right-of-use assets on vehicles are recorded under *Other leased assets*. *Revaluations* include adjustments to rights of use due to increases in lease payments or to lease extensions; *Impairment* refers solely to early terminations of leases.

Investments during the year amounted to €10,647 thousand (of which €4,572 thousand for new lease agreements) against depreciation of €7,794 thousand (of which €5,554 thousand on lease agreements). As at 31 December 2022, with reference to Continuing operations, investments during the year amounted to €33,961 thousand (of which €30,688 thousand for new lease agreements) against depreciation of €7,901 thousand (of which €5,483 thousand on lease agreements).

Investments in *Leasehold improvements* mainly relate to the fit-out works of the new Milan office, which came into operation at the end of the third quarter of the year.

The investments in *Electronic machines* equal to €1,801 thousand include about €1,273 thousand attributable to the Digital Trust segment, and refer mainly to acquisitions of hardware and electronic devices required for company data centre operations.

16. Intangible assets and goodwill

This item includes intangible assets with indefinite (goodwill) or definite (intangible assets) useful life as follows:

Amounts in thousands of Euro	31/12 2022	Invest ments	Divest ments	Amorti sation	Reclassi fications	Change in scope of *Acquisitions*	Exchange rate delta	31/12 2023
Goodwill								
Original cost	316,060	0	0	0	0	46,823	0	362,883
Net value	**316,060**	**0**	**0**	**0**	**0**	**46,823**	**0**	**362,883**
Other intangible assets with indefinite useful life								
Original cost	328	0	0	0	0	0	0	328
Bad debts provision								0
Net value	**328**	**0**	**0**	**0**	**0**	**0**	**0**	**328**
Internally generated software								
Original cost	55,069	1,819	2,065	0	9,945	4,254	(22)	73,131
Accumulated amortisation	(43,190)	0	(2,065)	(7,999)	0	(8)	2	(53,260)
Net value	**11,879**	**1,819**	**0**	**(7,999)**	**9,945**	**4,246**	**(20)**	**19,871**
Software								
Original cost	32,125	498	(849)	0	14,497	10	0	46,282
Accumulated amortisation	(26,052)	0	826	(4,588)	0	(10)	0	(29,823)
Net value	**6,073**	**498**	**(22)**	**(4,588)**	**14,497**	**0**	**0**	**16,459**
Concessions, licences, trademarks and similar rights								
Original cost	318	24	0	0	(1)	0	0	341
Accumulated amortisation	(189)	0	0	(20)	2	0	0	(207)
Net value	**129**	**24**	**0**	**(20)**	**0**	**0**	**0**	**134**
Other intangible assets from consolidation								
Original cost	190,900	0	(5,301)	0	0	0	0	185,599
Accumulated amortisation	(46,005)	0	5,301	(17,946)	0	0	0	(58,650)
Net value	**144,895**	**0**	**0**	**(17,946)**	**0**	**0**	**0**	**126,949**
Assets in progress and advances								
Original cost	7,800	31,337	0	0	(24,443)	0	0	14,694
Net value	**7,800**	**31,337**	**0**	**0**	**(24,443)**	**0**	**0**	**14,694**
Other								
Original cost	222	0	(7)	0	0	0	(0)	215
Accumulated amortisation	(49)	0	7	(74)	0	0	0	(116)
Net value	**173**	**0**	**0**	**(74)**	**0**	**0**	**0**	**98**
Intangible assets with definite and indefinite useful life	**487,337**	**33,678**	**(22)**	**(30,626)**	**(0)**	**51,069**	**(20)**	**541,416**

Investments in the year amounted to €33,678 thousand, of which €13,095 thousand related to the extraordinary investment for the acquisition of the CRIF Phygital software license, against amortisation of €30,626 thousand (of which €17,946 thousand of *Other intangible assets from consolidation* deriving from the price allocation on business combinations).

As at 31 December 2022, with reference to Ongoing operations, investments in the year were €16,713 thousand against amortisation of €24,786 thousand (of which €17,496 thousand on Other intangible assets from consolidation deriving from the price allocation on business combinations).

Goodwill

As at 31 December 2023, the item amounted to €362,883 thousand and can be broken down as follows among the CGUs/Operating segments:

Amounts in thousands of Euro **CGUs** ***Operating segments***		31/12/2023	31/12/2022	Change
Warrant Hub	(*Business Innovation*) goodwill	126,548	76,840	49,708
Evalue	(*Business Innovation*) goodwill	19,808	19,808	0
Forvalue	(*Business Innovation*) goodwill	16,785	16,785	0
Queryo	(*Business Innovation*) goodwill	8,196	0	8,196
Studio Fieschi	(*Business Innovation*) goodwill	6,458	-	6,458
Euroquality	(*Business Innovation*) goodwill	2,216	2,216	0
Co.Mark	(*Business Innovation*) goodwill	0	57,904	(57,904)
CertEurope	(*Digital Trust*) goodwill	54,046	54,046	0
Ascertia	(*Digital Trust*) goodwill	40,365	-	40,365
Visura	(*Digital Trust*) goodwill	27,995	27,995	0
InfoCert	(*Digital Trust*) goodwill	27	27	0
Corvallis	(*Cybersecurity)* goodwill	22,656	22,656	0
Yoroi	(*Cybersecurity)* goodwill	27,576	27,576	0
Swascan	(*Cybersecurity)* goodwill	10,206	10,206	0
	Goodwill	**362,883**	**316,060**	**46,823**

The increase in the item *Goodwill* is attributable to the goodwill provisionally allocated, deriving from the acquisitions concluded during the year of Ascertia Ltd and its subsidiaries and of Studio Fieschi S.r.l. In Note *14. Business Combinations* details are given on the allocation of the listed goodwill.

As a result of the merger by incorporation of Co.Mark S.p.A. into Warrant Hub S.p.A. (with accounting effects backdated to 1 January 2023), the goodwill previously allocated to the Co. Mark CGU of €57,904 thousand was allocated to the Warrant Hub CGU for €49,708 thousand and €8,196 thousand to the Queryo CGU. In the absence of this reorganisation, there would have been no write-down of the previous Co.Mark and Warrant Hub CGUs based on the results of the last 2023-2025 plan approved by the directors of the respective CGUs.

In compliance with the requirements of IAS 36, the CGUs were defined as the smallest identifiable asset group that generates cash flows that are largely independent from the cash flows generated by other assets or groups of assets and represent the minimum level at which goodwill is monitored for internal management purposes.

The identified CGUs to which goodwill has been allocated are indicated in the table above. In particular, goodwill was allocated to the CGUs, as defined above, at the time of the acquisition of control of each individual company or group of companies.

The related recoverable amount was determined on the basis of an estimate of the value in use, as the fair value of the individual CGUs could not be determined in a reliable manner, with the exception of the RE Valuta CGU, whose recoverable value was calculated referring to the price of sale net expected selling costs.

The value in use has been determined by using the discounted cash flow method, in the unlevered version, applied to forecasts prepared by the directors of each CGU in relation to the three-year period from 2024 to 2026 (with the exception of the Forvalue CGU whose plan extends for a four-year period). The cash flows used for the determination of the value in use are related to the operational management of each CGU and do not include financial charges and extraordinary items; they include the investments envisaged in the plans and changes in cash attributable to working capital, without taking into consideration the effects of future restructuring not yet approved by the directors or future investments to improve future profitability. The forecast growth in the plans used as the basis for the impairment test is in line with the corresponding growth forecast in the respective sectors. An explicit period of three years was used, beyond which the above flows were projected according to the perpetual return method (terminal value) using a growth rate (g-rate) for the market within which the individual CGUs operate (equal to 1.8%). The macroeconomic assumptions at the base of the plans, when available, were determined based on external sources of information, while the estimates in terms of growth and profitability used by the directors are derived from historical trends and expectations related to the markets in which Group companies operate.

Tinexta Cyber S.p.A. is considered as an auxiliary and joint activity within the amalgamation of the Corvallis, Yoroi and Swascan CGUs, therefore it is not tested on a stand-alone basis. Since the cash flows of Tinexta Cyber S.p.A cannot be allocated according to a reasonable and consistent criterion to the CGUs identified, the procedure was as follows:

i) the first impairment test was carried out at the level of the individual CGUs without the contribution of Tinexta Cyber (bottom-up test);

ii) the second impairment test was carried out on the flows of the consolidated Tinexta Cyber, identified as the smallest group of CGUs to which the flows of Tinexta Cyber S.p.A. can be allocated according to a reasonable and consistent criterion (top-down test); please refer to the tables below, which explain the results of the impairment tests carried out at both the single CGU level and at the Tinexta Cyber consolidation level.

The cash flows of the CGUs operating in Italy of the Business Innovation and Digital Trust segments were discounted using a WACC equal to 9.50% after tax, estimated with a Capital Asset Pricing Model approach, as represented below:

- risk-free rate of 4.3%, equal to the gross average return of Italian ten-year BTPs;
- *market risk premium* of 4.6%;
- additional risk factor equal to 2.0%;

- sector levered beta of 0.92, determined considering a list of comparable listed companies;
- financial structure of the companies set to 22.5%, considering the average of the D/E ratio recorded by comparable companies.
- cost of debt applicable to the Group, equal to 4.7%.

The cash flows of the CGUs operating in France in the Business Innovation and Digital Trust sectors (Euroquality, CertEurope) were discounted using a post-tax WACC of 8.49% adopting a risk-free rate of 3.1%, equal to the average gross return of the 10-year French OATs.

The cash flows of the CGU operating in Spain in the Business Innovation segment (Evalue) were discounted using a post-tax WACC of 8.88%, adopting a risk-free rate of 3.6%, equal to the average gross return of the 10-year Spanish BONOS.

The cash flows of the CGU of the Cybersecurity segment were discounted using a post-tax WACC of 9.90%, estimated with a Capital Asset Pricing Model approach, with the following change compared to the WACC of the Business Innovation and Digital Trust segments:

- sector levered beta of 1.08 determined considering a list of comparable listed companies;
- financial structure of the companies set to 27.2%, considering the average of the D/E ratio recorded by comparable companies.

The impairment tests as at 31 December 2023 did not identify any impairment in the recognised goodwill. The Ascertia and Studio Fieschi CGUs were not subject to impairment test as at 31 December 2023 as the acquisition was concluded on 20 July 2023 and 16 November 2023, respectively, and no impairment indicators emerged from the acquisition date.

The plans underlying the impairment tests mentioned above were approved by the Boards of Directors of the individual companies, or sub-groups, to which goodwill has been allocated. The impairment tests were approved by the Board of Directors of Tinexta on 7 March 2024.

The excess of the recoverable value of the main CGUs with respect to the book value, determined on the basis of the assumptions described above, is equal to:

Amounts in thousands of Euro		31/12/2023
CGUs	***Operating segments***	
Warrant Hub	(*Business Innovation*) goodwill	111,194
Evalue	(*Business Innovation*) goodwill	47,247
Forvalue	(*Business Innovation*) goodwill	8,293
Queryo	(*Business Innovation*) goodwill	13,794
Euroquality	(*Business Innovation*) goodwill	13,754
CertEurope	(*Digital Trust*) goodwill	11,098
Visura	(*Digital Trust*) goodwill	64,710
Corvallis	*Cybersecurity)* goodwill	34,125
Yoroi	(*Cybersecurity)* goodwill	17,122
Swascan	*(Cybersecurity)* goodwill	10,746
Tinexta Cyber	(*Cybersecurity*) goodwill	23,063

The following table sets out the excess of the recoverable value of the CGUs with respect to the book value, compared with the following sensitivity analyses: (i) increase in WACC used to develop cash flows of all CGUs of 50 basis points, all other conditions being equal; (ii) decrease in the growth rate in the calculation of the terminal value of 50 basis points, all other conditions being equal.

Amounts in thousands of Euro		**WACC**	***g-rate***
CGUs	***Operating segments***	**0.50%**	**-0.50%**
Warrant Hub	(*Business Innovation*) goodwill	93,492	95,886
Evalue	(*Business Innovation*) goodwill	42,080	42,729
Forvalue	(*Business Innovation*) goodwill	5,998	6,425
Queryo	(*Business Innovation*) goodwill	11,810	12,080
Euroquality	(*Business Innovation*) goodwill	12,547	12,689
CertEurope	(*Digital Trust*) goodwill	5,886	6,520
Visura	(*Digital Trust*) goodwill	59,566	60,274
Corvallis	*(Cybersecurity)* goodwill	28,541	29,336
Yoroi	*(Cybersecurity)* goodwill	13,975	14,403
Swascan	*(Cybersecurity)* goodwill	9,408	9,596
Tinexta Cyber	(*Cybersecurity*) goodwill	15,024	16,146

The following table shows the values of the WACC or g-rate that would result in the recoverable value of each CGU being equal to the related book value, with all other parameters used in the respective impairment tests remaining the same.

%		WACC	g-rate
CGUs	***Operating segments***		
Warrant Hub	(*Business Innovation*) goodwill	14.28	(4.3)
Evalue	(*Business Innovation*) goodwill	19.65	(13.9)
Forvalue	(*Business Innovation*) goodwill	11.68	(1.0)
Queryo	(*Business Innovation*) goodwill	15.16	(5.6)
Euroquality	(*Business Innovation*) goodwill	34.83	(57.0)
CertEurope	(*Digital Trust*) goodwill	9.65	0.5
Visura	(*Digital Trust*) goodwill	34.45	(60.0)
Corvallis	*(Cybersecurity)* goodwill	14.36	(3.9)
Yoroi	*(Cybersecurity)* goodwill	13.65	(2.8)
Swascan	*(Cybersecurity)* goodwill	17.01	(7.8)
Tinexta Cyber	(*Cybersecurity*) goodwill	11.52	(0.1)

Intangible assets with definite useful life

Software and Internally generated software

Investments for the year in Software and Internally generated software, for a total of €26,759 thousand, are attributable for €18,871 thousand to the Digital Trust segment and include the extraordinary investment of €13,095 thousand for the acquisition of the CRIF Phygital software license, €3,344 thousand to Cybersecurity and €3,985 thousand to Business Innovation.

Other intangible assets from consolidation

Other intangible assets from consolidation consist of the intangible assets recognised during the fair value measurement of the assets acquired as part of the following business combinations:

Amounts in thousands of Euro		**31/12/2022**	**Amortisation**	**31/12/2023**
CGUs	*Operating segments*			
Cybersecurity customer list	*(Cybersecurity)*	51,577	6,206	45,371
Warrant Hub customer list	*(Business Innovation)*	32,061	3,161	28,900
Warrant Hub backlog	*(Business Innovation)*	259	65	194
Evalue customer list	*(Business Innovation)*	12,838	2,568	10,271
Euroquality backlog	*(Business Innovation)*	383	96	287
Forvalue customer list	*(Business Innovation)*	12,523	1,318	11,205
Queryo customer list	*(Business Innovation)*	10,612	816	9,796
CertEurope customer list	*(Digital Trust)*	23,621	3,457	20,164
Camerfirma customer list	*(Digital Trust)*	120	51	69
Visura customer list	*(Digital Trust)*	901	208	693
Other intangible assets from consolidation		**144,895**	**17,946**	**126,949**

Assets in progress and advances

Assets in progress rose by €6,894 thousand, of which €6,691 thousand in the Digital Trust segment for the implementation of various innovative solutions with different purposes and characteristics; both direct costs, referring to internal personnel costs, and external costs for technical consultation necessary for the development and implementation of the solutions, were capitalised.

17. Equity investments

Equity-accounted investments

Table with details on the valuation of companies consolidated using the equity method:

Amounts in thousands of Euro	% ownership	31/12 2022	Increases/ Decreases to Income Statement	Acqui sitions	Divest ments	Impair ments	Reclassifications	Exchange rate delta	31/12 2023	% ownership
Defence Tech Holding S.p.A. Società Benefit	-	-	143	25,630					25,773	20.0%
Authada Gmbh	16.7%	1,519	(75)			(69)			1,376	16.7%
Opera S.r.l.	20.0%	289	2						291	20.0%
Camerfirma Colombia S.A.S.	51.0%	66	(3)	63				6	132	51.0%
eTuitus S.r.l.	24.0%	99	30						129	24.0%
OPENT S.p.A.	-	-		76					76	50.0%
Digital Hub S.r.l.	30.0%	4	2						6	30.0%
IDecys S.A.S.	30.0%	0	0						0	30.0%
Studio Fieschi & Soci S.r.l.	20.0%	359	39				(398)		0	100.0%
Wisee S.r.l. Società Benefit	36.8%	1,361	(376)			(985)			0	36.8%
FBS Next S.p.A.	30.0%	2,193	57		(1,991)	(259)			0	-
Equity investments in associated companies		**5,891**	(180)	25,769	(1,991)	(1,313)	(398)	6	**27,784**	

Defence Tech Holding S.p.A. Società Benefit

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") 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 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 €25,045 thousand in addition to accessory charges.

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 Defence Tech Board of Directors of the consolidated financial statements of the Company as at 31 December 2023 ("Tinexta

Call") 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 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. 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 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 Shareholding, 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, as well as 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 and as at 31 December 2023 it had not generated accounting effects.

Summary data of the latest accounting situation of Defence Tech Holding S.p.A. Società Benefit considered for valuation using the equity method:

Defence Tech Holding S.p.A. Società Benefit			
Amounts in millions of Euro for the 6 months as at 30.06.2023			
Non-current assets	20.2	Revenues	14.0
Current assets	38.7	Impairment and amortisations/depreciations	0.8
of which cash and cash equivalents	*1.6*	Interest expenses	0.8
Current liabilities	14.6	Income taxes	0.6
of which financial	*8.8*	Profit (loss) for the period	1.7

Authada GmbH

Summary data of the accounting situation of the company Authada GmbH considered for the valuation with the equity method:

Authada GmbH			
Amounts in millions of Euro as at 31 December 2023			
Non-current assets	0.1	Revenues	2.1
Current assets	0.5	Impairment and amortisations/depreciations	0.0
of which cash and cash equivalents	*0.3*	Interest expenses	0.0
Current liabilities	2.3	Income taxes	0.0
of which financial	*2.0*	Profit (loss) for the period	(0.4)

FBS Next S.p.A.

On 17 July 2023, a settlement agreement was signed relating to an investment agreement signed in 2020 within the Credit Information & Management division, through which Tinexta S.p.A. undertook, without recognition of the claims, to pay 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. The capital loss recognised as at 31 December 2023 was €259 thousand.

Wisee S.r.l. Società Benefit

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. Tinexta S.p.A. wrote down the entire value of the equity investment held, equal to €985 thousand after the recognition of the losses for the year.

Studio Fieschi S.r.l.

On 16 November 2023, Warrant Hub S.p.A. completed the acquisition of 80% of the share capital of Studio Fieschi & Soci S.r.l. (Studio Fieschi), already 20% held from 2021 and specialised in business consulting on ESG (Environmental, Social, Governance) issues. As at 31 December 2023, the valuation with the equity method of the 20% interest in Studio Fieschi S.r.l. amounted to €398 thousand. The fair value at the acquisition date of the 20% interest held as at 31 December 2017 amounted to €1,460 thousand. The non-recurring income recognised after the fair value measurement of the interest therefore amounted to €1,062 thousand.

OPENT S.p.A.

On **16 November 2023**, the company OPENT S.p.A. was established with a share capital of €50 thousand, 50% subscribed by Tinexta S.p.A. and 50% by Digital Magic S.p.A. to implement the agreements signed on 19 July 2023 with Digital Magic.

Other equity investments

The item in question includes equity investments in other companies for €1,877 thousand (€332 thousand as at 31 December 2022) and refers to minority interests in companies/consortia. The increase in the period is attributable, in the first place, to the entry of Warrant Hub, with a share of 9.1% and an investment of €1,310 thousand, including accessory charges, in the share capital of Opstart, the first Fintech Italian hub and one of the main players on the national crowdinvesting market. During the year, additional payments were made by the Parent Company for €185 thousand to the Primo Digital mutual investment fund established by Primo Ventures SGR S.p.A.; the total commitment made by the Parent Company is equal to €2.5 million, payments as at 31 December 2023 amounted to €377 thousand.

18. Other non-current financial assets excluding derivative financial instruments

Amounts in thousands of Euro	31/12/2023	31/12/2022	Change
Other financial assets, excluding derivative financial instruments	**1,947**	**1,664**	**284**

The item includes mainly receivables for security deposits, of which €45 thousand from related parties.

19. Deferred tax assets and liabilities

Deferred tax assets/liabilities, due to temporary deductible and taxable differences generated also as a result of consolidation adjustments, can be broken down as follows:

Deferred tax assets:	31/12/2022	Allocations (Releases) Income statement	Allocations (Releases) Comprehensive income statement	Allocations (Releases) Shareholders' Equity	Change in scope *Acquisitions*	Exchange rate delta	31/12/2023
Property, plant and equipment	836	(284)					552
Intangible assets	6,830	(1,196)			1		5,635
Inventories	38	1					39
Trade and other receivables, including Contract assets	1,131	(78)			216	10	1,279
Derivatives	6	0	(3)				3
Provisions	754	561					1,315
Employee benefits	370	425	111				906
Contract liabilities	30	5					35
Financial liabilities	0	13					13
Share-based payment	253	213					466
Interest expenses	320	(107)					213
Losses that can be carried forward for tax purposes	1,285	(152)					1,133
Other temporary differences	376	(53)				(0)	323
Total Deferred tax assets	**12,229**	**(652)**	**108**	**0**	**216**	**10**	**11,912**

Deferred tax liabilities:	31/12/2022	Allocations (Releases) Income statement	Allocations (Releases) Comprehensive income statement	Allocations (Releases) Shareholders' Equity	Change in scope *Acquisitions*	Exchange rate delta	31/12/2023
Property, plant and equipment	241	(73)					168
Intangible assets	39,482	(5,054)					34,428
Equity investments	23	0					23
Derivatives	2,054	0	(1,004)				1,049
Contract cost assets	127	(1)					126
Employee benefits	35	(4)	(39)				(8)
Financial liabilities	2	(2)					0
Contract liabilities	14	(4)					10
Other temporary differences	435	(211)					224
Total Deferred tax liabilities	**42,412**	**(5,350)**	**(1,044)**	**0**	**0**	**0**	**36,019**
Net Balance	**(30,183)**	**4,698**	**1,151**	**0**	**216**	**10**	**(24,108)**

Deferred taxes liabilities recognised under *Intangible assets* are mainly attributable to the fair value of the assets that emerged at the time of allocation of the excess cost paid in the business combinations, and the release of the period under *Intangible assets* is linked to the related amortisation.

Deferred tax assets have been recognised as at 31 December 2023 as the management has deemed them to be recoverable in future years.

20. Contract cost assets

The following are recognised under Contract cost assets, pursuant to IFRS 15 "*Revenue from Contracts with Customers*":

- incremental costs to obtain the sales contract;
- sales contract fulfilment costs.

Amounts in thousands of Euro	31/12/2023	31/12/2022	Change
Contract acquisition cost assets	1,112	724	388
Contract fulfilment cost assets	8,835	6,524	2,310
Non-current contract cost assets	**9,947**	**7,248**	**2,699**
Contract fulfilment cost assets	2,215	1,932	284
Current contract cost assets	**2,215**	**1,932**	**284**
Contract cost assets	**12,162**	**9,180**	**2,982**

The incremental costs to obtain a sales contract are recognised under Non-current assets; the Group recognises as expenses the incremental costs to obtain the contract when they are sustained, in the case in which the amortisation period of the assets that the Group would have otherwise recognised does not exceed one year.

Contract acquisition cost assets, equal to €1,112 thousand as at 31 December 2023 (versus €724 thousand as at 31 December 2022) include commissions paid to agents to obtain contracts predominantly in the Business Innovation sector. These costs are systematically amortised over the average life of the contracts to which they refer. The periodic release of the amount relating to 2023 totalled €1,027 thousand (€1,368 thousand in 2022) with no impairment losses on the capitalised costs recorded.

Contract fulfilment costs are recognised under Current assets if it is believed that the transfer to the customer of the goods or services to which the asset refers will take place within twelve months. Non-current assets include costs to fulfil the sales contract if the transfer to the customer of the goods and services to which the asset refers is carried out after twelve months.

Non-current contract fulfilment cost assets include costs sustained in Digital Trust to implement "ad hoc" customer platforms to provide a series of services within a time frame of over twelve months. *Current contract fulfilment cost assets* include costs sustained to provide consulting services, primarily with regard to innovation consulting, in Business Innovation, with respect to which the relative income has not yet been recognised. The periodic release of Contract fulfilment cost assets relating to 2023 was equal to €5,178 thousand (versus €2,859 thousand in 2022), with no impairment losses on the capitalised costs recorded.

21. Contract assets

Contract assets of €22,383 thousand as at 31 December 2023 (€16,979 thousand as at 31 December 2022) predominantly comprise the Group's right to receive consideration for work completed but not yet invoiced at the end of the period. These assets are reclassified under *Trade receivables* when the right becomes unconditional. The item thus includes invoices to be issued, the gross amount due from customers for project work and accrued trade assets. The *Contract assets* contributed by the companies that entered the consolidation scope during the year amounted to €454 thousand at the date of first-time consolidation.

22. Trade and other receivables

Trade and other receivables totalled €152,381 thousand (€131,867 thousand at 31 December 2022) and can be detailed as follows:

In thousands of Euro	31/12/2023	31/12/2022	Change
Trade receivables from customers	0	91	(91)
Prepaid expenses	2,585	1,373	1,212
Other tax receivables	1,463	813	651
Receivables from others	52	52	0
Non-current trade and other receivables	**4,101**	**2,329**	**1,771**
Trade receivables from customers	126,416	110,437	15,979
Trade receivables from associated companies	804	622	182
Current trade receivables	**127,219**	**111,059**	**16,160**
Receivables from others	5,825	6,245	(420)
VAT credit	1,027	356	670
Other tax receivables	3,188	3,794	(606)
Prepaid expenses	11,021	8,083	2,938
Other current receivables	21,061	18,479	2,582
Current trade and other receivables	**148,280**	**129,538**	**18,743**
of which vs. related parties	***886***	***740***	***146***
Trade and other receivables	**152,381**	**131,867**	**20,514**

Trade receivables from customers are shown net of the related bad debts provision of €9,457 thousand (€6,846 thousand as at 31 December 2022). The change in trade receivables from customers includes the balances contributed at the date of first-time consolidation by the companies that entered the consolidation scope during the year, for a total of €4,787 thousand.

The following table provides a breakdown of *Current trade receivables from customers* as at 31 December 2023 (which includes the balances contributed by the companies that entered the scope of consolidation during the year) grouped by maturity brackets, gross and net of the related bad debts provision, compared with the situation as at 31 December 2022:

Amounts in thousands of Euro	**31/12/2023**	due	past due within 90 days	past due between 91 and 180 days	past due between 181 days and 1 year	past due beyond 1 year
Current trade receivables from customers	**135,872**	98,019	13,374	6,588	8,261	9,631
Bad debts provision	**9,457**	721	268	717	1,776	5,974
% Bad debts provision	**7.0%**	0.7%	2.0%	10.9%	21.5%	62.0%
Net value	**126,416**	97,298	13,105	5,871	6,485	3,657

Amounts in thousands of Euro	**31/12/2022**	due	past due within 90 days	past due between 91 and 180 days	past due between 181 days and 1 year	past due beyond 1 year
Current trade receivables from customers	**117,283**	92,515	9,812	5,015	3,620	6,321
Bad debts provision	**6,846**	769	294	508	968	4,307
% Bad debts provision	**5.8%**	0.8%	3.0%	10.1%	26.7%	68.1%
Net value	**110,437**	91,746	9,518	4,507	2,652	2,015

The following table shows changes in the year in the Bad debts provision.

Amounts in thousands of Euro	**2023**	**2022**
Bad debts provision as at 1 January	**6,846**	**7,014**
Provisions	2,508	1,208
Uses	(290)	(762)
Change in scope of consolidation *Acquisitions*	388	476
Change in scope of consolidation *Disposals*	0	(1,091)
Exchange rate delta	4	0
Bad debts provision at 31 December	**9,457**	**6,846**

The balance of *Receivables from others* as at 31 December 2023 included Receivables for operating grants on research and development projects whose residual balance is mainly attributable to advances to suppliers and agents.

As regards the *VAT credit*, note that the Group companies (with the exception of foreign companies, Warrant Service S.r.l. and companies entering the scope of consolidation during 2023) are among the entities to which the split payment rule applies pursuant to Art. 17-ter of Italian Presidential Decree no. 633 of 26 October 1972. As a result, VAT is not paid to suppliers (who are not professionals subject to withholding tax).

Other tax receivables mainly include tax credits for research and development projects and, to a residual extent, for super-amortisation.

Prepaid expenses represent charges whose accrual is deferred with respect to the payment and/or recording date; they do not depend on the payment date of the corresponding charges, pertain to two or more fiscal years and are proportionally allocated based on time.

23. Inventories

Inventories as at 31 December 2023 amounted to €2,084 thousand (€1,926 thousand as at 31 December 2022). Inventories are detailed as follows:

In thousands of Euro	31/12/2023	31/12/2022	Change
Raw and ancillary materials and consumables	682	868	(186)
Finished products and goods	1,402	1,058	344
Inventories	**2,084**	**1,926**	158

Inventories of raw materials are mainly attributable to the *Digital Trust* segment and consist primarily of chips for business keys, smart cards, CNS and other electronic components available for sale. Inventories of raw materials are shown net of the related obsolescence provision equal to €115 thousand (unchanged compared to the previous year). Inventories of finished products and goods are attributable for €625 thousand to the Digital Trust sector and relate to inventories of readers for digital signature, smart cards and business keys and for the remainder mainly to the Cybersecurity sector for €773 thousand for miscellaneous material relating to activities related to the resale of electronic equipment in the cybersecurity field, including the DefensYo product developed and marketed in 2023.

24. Other current financial assets excluding derivative financial instruments

Other current financial assets amounted to €25,989 thousand as at 31 December 2023 (€125,784 thousand as at 31 December 2022).

In thousands of Euro	31/12/2023	31/12/2022	Change
Financial receivables from associated companies	2,210	1,574	636
Capitalisation insurance contracts	2,074	2,064	10
Other financial assets	21,704	122,145	(100,441)
Other current financial assets	**25,989**	**125,784**	**(99,795)**
of which vs. related parties	***2,210***	***1,574***	***636***

Financial receivables from associated companies include the short-term interest-bearing loan disbursed to the associate Authada.

Other financial assets include the following Time Deposit contract for short-term liquidity management:

Counterparty	Rate	Nominal amount in thousands of Euro	Expiry date
Mediobanca	4.04%	20,000	January 2024

During the year, investments were made in Time Deposits (classified under *Other financial assets*, therefore with a duration of more than 3 months) for €165 million and Time Deposits were collected for €265 million plus interest income for €2,111 thousand. Euro.

25. Current tax assets and liabilities

As at 31 December 2023, the Group showed an overall net debt position for current taxes equal to €1,074 thousand (€1,784 thousand as at 31 December 2022) as detailed below:

In thousands of Euro	**31/12/2023**	**31/12/2022**	**Change**
Current tax assets	1,792	1,133	659
Current tax liabilities	2,866	2,917	(51)
Net current tax assets (liabilities)	**(1,074)**	**(1,784)**	**710**

In 2021, the Parent Company Tinexta S.p.A., in its capacity as fiscal consolidator, initiated the tacit renewal for the 2021-2023 three-year period of the consolidated taxation regime pursuant to Articles 117 et seq. of Italian Presidential Decree no. 917/86 (Consolidated Law on Income Taxes – TUIR). The companies currently included, as consolidated companies, are: InfoCert S.p.A., Sixtema S.p.A., Visura S.p.A., Warrant Hub S.p.A., Tinexta Cyber S.p.A., Swascan S.r.l., Corvallis S.r.l., ForValue S.p.A., Queryo Advance S.r.l., Yoroi S.r.l. and Tinexta Defence S.r.l. With effect from the 2023 tax period, the tax consolidation was interrupted due to the absence of the legal requirements (i.e., the loss of the requirement of control as a result of the transfer of the equity investment to Crif S.p.A.) with respect to RE Valuta S.p.A. The economic and financial relations, as well as the reciprocal responsibilities and obligations, between the Parent Company and the consolidated companies are defined in the corresponding tax consolidation regulations.

26. Derivative financial instruments

The financial assets and liabilities for derivative instruments may be broken down as follows:

Amounts in thousands of Euro	**31/12/2023**	**31/12/2022**	**Change**
Non-current financial assets for hedging derivatives	4,525	8,562	(4,037)
Current financial assets for hedging derivatives	0	107	(107)
Non-current financial liabilities for hedging derivatives	15	29	(13)
Assets (liabilities) for net hedging derivative financial instruments	**4,509**	**8,640**	**(4,131)**

The current *Derivative financial instruments* as at 31 December 2023 refer to the contracts executed by the Group in order to hedge the risk of financial flow changes due to the fluctuations of the interest rates on a portion of the bank loans (for details, see Note *31. Financial liabilities, excluding derivative financial instruments*).

Table illustrating the contract type, notional value, loan hedged and fair value of current derivatives as at 31 December 2023:

In thousands of Euro

Type	**Loan hedged**	**Notional**	**Maturity date**	**Rate received**	**Rate paid**	***Fair value as at* 31/12/2023**	***Fair value as at* 31/12/2022**
IRS	CA line A	0	30/06/2023	6-month Euribor[1]	0.600%	0	12
IRS	CA line A	0	30/06/2023	6-month Euribor	0.640%	0	0
IRS	BNL	0	18/07/2023	3-month Euribor	-0.350%	0	60
IRS	CA line C	3,000	31/12/2024	6-month Euribor	-0.220%	84	245
IRS	CA line A	13,820	30/06/2025	6-month Euribor	-0.146%	534	1,046
IRS	CA line B	3,333	30/06/2025	6-month Euribor	-0.276%	118	287
IRS	ISP Group	14,487	31/12/2025	6-month Euribor[2]	-0.163%	590	1,253
IRS	Unicredit	13,091	31/12/2025	6-month Euribor	-0.008%	851	1,330
IRS	BPER	5,714	31/12/2027	6-month Euribor[3]	-0.182%	357	634
Total Interest Rate Swap hedging instruments		**53,446**				**2,533**	**4,866**

1 the index has a lower limit (Floor) of zero
2 the index has a lower limit (Floor) of -1.40%
3 the index has a lower limit (Floor) of -1.40%

In thousands of Euro

Type	Loan hedged	Notional	Maturity date	Hedged rate	Strike	*Fair value as at 31/12/2023*	Fair value as at 31/12/2022
Capped Swap	CA line A	0	30/06/2023	6-month Euribor	1.500%	0	7
Capped Swap	BPS	0	30/06/2023	6-month Euribor	1.500%	0	6
Capped Swap	UBI	0	29/05/2023	6-month Euribor	0.500%	0	22
Capped Swap	ISP Group	6,395	30/06/2026	6-month Euribor	0.600%	291	522
Capped Swap	ISP Group	22,800	30/06/2026	6-month Euribor	0.500%	1,012	1,843
Capped Swap	BPM	6,667	31/12/2026	6-month Euribor	0.500%	241	480
Total Capped Swap hedging instruments[1]		**35,861**				**1,544**	**2,880**

[1] the derivatives provide for a periodic 6-monthly premium

In thousands of Euro

Type	Loan hedged	Notional	Maturity date	Hedged rate	Strike	*Fair value as at 31/12/2023*	Fair value as at 31/12/2022
Floor	BNL	13,600	31/12/2025	6-month Euribor	-1.450%	(15)	(29)
Total Floor Option hedging instruments[1]		**13,600**				**(15)**	**(29)**

[1] the derivatives provide for a periodic 6-monthly premium

In thousands of Euro

Type	Loan hedged	Notional	Maturity date	Hedged rate	Strike	*Fair value as at 31/12/2023*	Fair value as at 31/12/2022
Collar	ISP Group	4,518	31/12/2025	6-month Euribor	1.75%/-0.33%	80	178
Collar	BNL	13,600	31/12/2025	6-month Euribor	1.00%/-0.30%	368	745
Total Collar Option hedging instruments		**18,118**				**448**	**922**

Derivative financial instruments fall within Level 2 of the fair value hierarchy.

27. Cash and cash equivalents

Cash and cash equivalents amounted to €161,278 thousand as at 31 December 2023 (€115,278 thousand as at 31 December 2022) and the breakdown is as follows:

Amounts in thousands of Euro	31/12/2023	31/12/2022	Change
Bank and postal deposits	106,583	115,144	(8,561)
Cheques	0	1	(1)
Cash and other cash on hand	129	133	(3)
Cash equivalents	54,965	0	54,965
Cash and cash equivalents	**161,678**	**115,278**	**46,399**
of which vs related parties	***3,765***	***4,444***	***(679)***
Cash and cash equivalents directly related to operating assets available for sales	**0**	**1,612**	**(1,612)**
Cash and cash equivalents at 31 December of the Statement of Cash Flows	**161,678**	**116,890**	**44,787**

The balance is mainly represented by the cash and cash equivalents held in bank accounts at leading banks. The Statement of Cash Flows provides a detailed analysis of the changes shown.

The balance of *Bank and postal deposits* is mainly represented by the cash and cash equivalents held in bank accounts at leading banks.

Cash equivalents include the following Time Deposit contracts with a duration of less than three months (for a total nominal amount of €29,865 thousand in addition to accrued interest of €101 thousand) for short-term liquidity management:

Counterparty	Rate	Nominal amount in thousands of Euro	Expiry date
Credit Agricole	3.82%	15,000	February 2024
Sella	3.75%	5,000	January 2024
Société Générale	4.20%	9,865	January 2024
	Total	**29,865**	

During the year, investments were made in Time Deposits for €277,865 thousand, of which €29,865 not yet collected and summarised above. During the year, gross interest was collected on Time Deposit for €1,042 thousand.

Cash and cash equivalents also include €25,000 thousand relating to a deposit contract remunerated at an average monthly 1M-Euribor rate subscribed with BPER in the year.

28. Shareholders' equity

The approved, subscribed and paid-in share capital amounted to €47,207,120 as at 31 December 2023 and consists of 47,207,120 ordinary shares.

As at 31 December 2023, the Company holds 1,735,993 treasury shares, equal to 3.677% of the Share Capital, for a total book value of €30,059 thousand (including commissions for €42 thousand). In 2023, 210,000 treasury shares were purchased, equal to 0.445% of the Share Capital, for a purchase price of €3,908 thousand; 74,254 treasury shares were sold, equal to 0.157% of the Share Capital, for the partial exercise of the options linked to the 2020-2022 Stock Option Plan for a sale amount of €815 thousand. The unit book value of the *Treasury shares in portfolio* is €17.31 per share, and the Tinexta stock (Ticker: TNXT) closed 2023 with a price per share of €20.28.

Consolidated shareholders' equity as at 31 December 2023 amounted to €455,401 thousand (€402,015 thousand as at 31 December 2022) and can be detailed as follows:

Amounts in thousands of Euro	31/12/2023	31/12/2022	Change
Share capital	47,207	47,207	0
Treasury shares in portfolio	(30,059)	(27,437)	(2,622)
Legal reserve	9,441	7,150	2,291
Share premium reserve	55,439	55,439	0
Reserve for share-based payments	9,055	5,720	3,335
Reserve from valuation of hedging derivatives	3,312	6,482	(3,170)
Defined-benefit plans reserve	60	531	(471)
Other reserves	252,261	194,845	57,416
Profit (loss) for the Group	62,995	75,726	(12,730)
Total Group shareholders' equity	**409,713**	**365,665**	**44,048**
Share capital and reserves attributable to minority interests	38,823	33,950	4,873
Profit (loss) attributable to minority interests	6,866	2,401	4,465
Total Minority interests	**45,689**	**36,351**	**9,338**
Total Shareholders' equity	**455,401**	**402,015**	**53,386**

The item *Treasury shares in portfolio* includes the cost incurred for the purchase of treasury shares and the related transaction costs equal to €3,908 thousand, net of the book value of the shares sold of €1,286 thousand.

The *Reserve for share-based payments* relates to the provision recognised in *Personnel costs* (to which reference should be made for details) on the 2020-2022 Stock Option Plan, the 2021-2023 Stock Option Plan and the 2023-2025 Performance Shares Plan, partially offset by the use of the Reserve for the partial exercise of the options linked to the 2022-2022 Stock Option Plan.

The *Reserve from valuation of hedging derivatives* refers to the fair value measurement of hedging derivatives (referred to in Note *26. Derivative financial instruments*).

The *Defined-benefit plans reserve* refers to the actuarial component of the Employee severance indemnity according to the requirements of IAS 19 (for further details, see Note *30. Employee benefits*).

Other reserves include retained earnings from previous years. The significant increase in the item equal to €57,416 thousand mainly reflects:

- the consolidation income of €21,125 thousand deriving from the dilution of the interest in InfoCert S.p.A. from 88.17% to 83.91% against the cash contribution of Bregal Milestone of €30,000 thousand;
- the amount of Group profit for 2022 carried forward of €75,726 thousand, net of €2,291 thousand allocated to the Legal reserve and net of the distribution of dividends of €23,260 thousand by the Parent Company Tinexta S.p.A. and of the subsidiaries to minority shareholders holding put options for €4,187 thousand;
- the negative adjustment of liabilities for the purchase of minority interests for €10,446 thousand;
- the consolidation income of €826 thousand deriving from the increase in the interest in Warrant Hub S.p.A. from 88% to 89.62% following the contribution in the merger by incorporation of Co.Mark S.p.A., wholly owned.

Dividends distributed by the Parent Company Tinexta S.p.A. in 2023 amounted to €23,260 thousand, equal to €0.51 per share.

29. Provisions

Provisions, amounting to €3,733 thousand as at 31 December 2023 (€2,961 thousand as at 31 December 2022) are detailed as follows:

Amounts in thousands of Euro	**31/12/2022**	**Provisions**	**Uses**	**Releases**	**31/12/2023**
Provision for pensions	223	161	(26)	(9)	349
Other non-current provisions	2,345	652	(151)	0	2,846
Non-current provisions	**2,567**	**813**	**(177)**	**(9)**	**3,195**
Provision for disputes with employees	390	53	(16)	0	427
Other current provisions	3	109	0	0	112
Current provisions	**393**	**162**	**(16)**	**0**	**539**
Provisions	**2,961**	**975**	**(193)**	**(9)**	**3,733**

Provision for pensions relates to the provision of the supplementary indemnity due to agents, in the cases provided by law, based on the actuarial valuation of the liability quantifying future payments, through the projection of indemnities accrued on the valuation date by agents until the estimated time of interruption of the contract. Provisions net of releases are recognised by nature under *Service costs*.

Other non-current provisions include allocations for litigations with customers, agents and tax authorities, where the risk of losing is considered to be likely.

The item *Provision for disputes with employees* includes allocations for litigations with current employees or with employees whose work relationship was terminated as at 31 December 2023. Provisions for disputes with employees, net of releases, are recognised by nature in *Personnel costs* for an overall release effect during the year of €37 thousand.

Other information

Following a personal data breach sustained by the subsidiary Visura S.p.A. in May 2019 that also affected InfoCert S.p.A., the Italian Data Protection Authority started an investigation requesting information and inspections at the companies' offices. During September 2021, the companies received a communication from the Italian Data Protection Authority with which it notified the conclusion of the investigation conducted by the same Authority following the personal data breach which occurred in May 2019. To the communication, made also pursuant to Art. 166, paragraph 5 of Italian Legislative Decree no. 196/2003 as amended and supplemented ("Privacy Code") and Art. 58, paragraph 1, letter d) of Regulation (EU) 2016/679 on the protection of individuals with regard to the processing of personal data ("GDPR"), the companies have given prompt and analytical feedback. At present there is no evidence of further requests or decisions, and, therefore, in light of the complex factual/legal situation, although it is not possible to exclude the imposition of sanctions, it is not possible to indicate with certainty whether they will be imposed or, if they were, to provide a reliable estimate.

In the Business Innovation segment, there are pending disputes with some customers, whose risk of losing is deemed possible for a aggregate amount estimated at €0.9 million.

30. Employee benefits

Employee benefits, amounting to €19,945 thousand as at 31 December 2023 (€16,613 thousand as at 31 December 2022) are detailed as follows:

Amounts in thousands of Euro	**31/12/2023**	**31/12/2022**	**Change**
Defined employee benefit plans	18,335	16,243	2,092
Other non-current employee benefits	637	120	516
Non-current employee benefits	**18,972**	**16,363**	**2,609**
Other current employee benefits	975	251	724
Current employee benefits	**975**	**251**	**724**
Employee benefits	**19,946**	**16,613**	**3,333**

The Defined employee benefit plans include the effects of the actuarial calculations made pursuant to IAS 19.

Changes in liabilities for defined-benefit plans to employees:

Amounts in thousands of Euro	**2023**	**2022**	**Change**
Liabilities at the beginning of the period	**16,243**	**19,037**	**(2,794)**
Change in scope - *Acquisitions*	68	1,065	(997)
Change in scope - *Disposals*	0	(2,075)	2,075
Current service cost	2,443	2,542	(99)
Financial charges	496	145	351
Benefits paid	(1,537)	(1,895)	358
Actuarial (profits)/losses recognised in the period	622	(2,577)	3,199
Liabilities at the end of the period	**18,335**	**16,243**	**2,092**

Details of the economic and demographic assumptions used for the purposes of the actuarial calculations of the defined-benefit plans:

Parameters	**31/12/2023**	**31/12/2022**
Discount rate	3.17%	3.77%
Inflation rate	2.00%	2.30%
TFR increase rate	3.00%	3.23%
Real rate of increase in wages	1.00%	1.00%
Expected mortality rate	RG48 from General Accounting Office	RG48 from General Accounting Office
Expected invalidity rate	INPS tables broken down by age and gender	INPS tables broken down by age and gender
Resignations expected	9% - 2.5%	10% - 2.5%
Advances expected	1.5% - 6.0%	1.5% - 6.0%

The table below sets out an analysis of the sensitivity of the main actuarial assumptions included in the calculation model considering the scenario previously described as base, and increasing and decreasing the average annual discount rate, the average inflation rate and the turnover rate by a quarter, a quarter and one percentage point, respectively.

Amounts in thousands of Euro	**31/12/2023**
Turnover rate +1%	18,375
Turnover rate -1%	18,288
Inflation rate +0.25%	18,606
Inflation rate -0.25%	18,070
Discount rate +0.25%	17,986
Discount rate -0.25%	18,696

The item *Other employee benefits* as at 31 December 2023 includes the provision relating to short- and long-term incentive schemes in favour of employees and directors of the Group, the change compared to 31 December 2022 is attributable to provisions for the period totalling €1,240 thousand.

31. Financial liabilities, excluding derivative financial instruments

This item includes financial liabilities assumed by the Group for a variety of reasons, with the exception of those deriving from the underwriting of derivative financial instruments, and is broken down as follows:

Amounts in thousands of Euro	**31/12/2023**	**31/12/2022**	**Change**
Current portion of bank loans	43,408	47,165	(3,757)
Non-current portion of bank loans	82,676	121,324	(38,648)
Other current bank payables	249	246	4
Liabilities for the purchase of minority interests, current	58,590	33,618	24,971
Liabilities for the purchase of minority interests, non-current	36,302	60,755	(24,452)
Liabilities for current contingent considerations	4,849	2,134	2,715
Liabilities for non-current contingent considerations	15,815	12,610	3,206
Current price deferment liabilities	1,684	1,609	75
Non-current price deferment liabilities	308	2,255	(1,946)
Liabilities for the purchase of current leased assets	6,328	4,744	1,584
Liabilities for the purchase of non-current leased assets	37,790	38,257	(467)
Current payables to other lenders	6,224	4,061	2,163
Current financial liabilities	**121,331**	**93,577**	**27,754**
of which vs. related parties	***354***	**1,004**	***(650)***
Non-current financial liabilities	**172,892**	**235,200**	**(62,308)**
of which vs. related parties	***790***	***954***	***(164)***
Total	**294,223**	**328,777**	**(34,554)**

The expiry of non-current financial liabilities is expected within 5 years from the date of the financial statements in the amount of €16,244 thousand, of which €18 thousand for bank loans and €16,225 thousand for lease liabilities. The following is a summary of the financial liabilities recognised in the financial statements as at 31 December 2023, classified according to the contractual due dates:

Amounts in Euro	**within 1 year**	**between 1 and 2 years**	**between 2 and 3 years**	**between 3 and 4 years**	**between 4 and 5 years**	**more than 5 years**	**Book value as at 31/12/2023**
Bank loans	43,408	41,959	33,879	5,754	1,066	18	**126,084**
Other current bank payables	249						**249**
Liabilities for the purchase of minority interests	58,590	28,680	7,622				**94,892**
Liabilities for contingent considerations	4,849	14,699	1,116				**20,664**
Price deferment liabilities	1,684	309					**1,993**
Lease liabilities	6,328	4,957	5,958	5,608	5,042	16,225	**44,118**
Liabilities to other lenders	6,224	0					**6,224**
Total financial liabilities	**121,331**	**90,604**	**48,575**	**11,362**	**6,108**	**16,244**	**294,223**

Bank loans

Bank loans *Amounts in thousands of Euro*	Counterparty	Rate	Maturity date	Nominal amount	Book value	Current portion	Non-current portion
Credem loan	Credem	6-month Euribor + 1.20% spread	30/01/2024	87	87	87	0
CA line C loan	Crédit Agricole	6-month Euribor + 1.20% spread[2]	31/12/2024	3,000	2,992	2,992	0
CA line A loan	Crédit Agricole	6-month Euribor + 1.05% spread[2]	30/06/2025	13,820	13,639	5,863	7,777
CA line B loan	Crédit Agricole	6-month Euribor + 1.05% spread[2]	30/06/2025	3,333	3,322	2,213	1,109
ISP Group line A1 loan	Intesa Sanpaolo Group	6-month Euribor + 0.9% spread	30/06/2026	25,400	25,030	9,091	15,939
ISP Group line A2 loan	Intesa Sanpaolo Group	6-month Euribor + 1.15% spread	30/06/2026	22,800	22,659	2,340	20,319
BNL loan	BNL	6-month Euribor + 1.45% spread	31/12/2025	13,600	13,546	5,964	7,582
Mediobanca loan	Mediobanca	6-month Euribor + 1.65% spread[2]	11/11/2025	6,667	6,699	3,371	3,328
ICCREA-BCC loan	ICCREA-BCC	6-month Euribor[1] + 1.00% spread	15/12/2026	6,000	5,972	1,984	3,988
BPM loan	Banco BPM	6-month Euribor + 1.20% spread	31/12/2026	6,667	6,656	2,218	4,438
BPER loan	BPER	6-month Euribor + 1.2% spread[2]	31/12/2027	5,714	5,676	1,412	4,264
Unicredit loan	Unicredit	6-month Euribor + 1.25% spread	30/09/2027	13,091	13,212	3,420	9,793
CDP loan	CDP	Fixed rate	31/12/2028	4,037	4,037	795	3,243
Other minor loans		Fixed rate		2,084	2,083	1,649	434
Other minor loans		Floating rate		484	472	10	462
				126,784	**126,085**	**43,408**	**82,676**

[2] Spread subject to change on the NFP/EBITDA parameter defined contractually
[3] Floor at -0.70% on 3-month Euribor

Credem loan of an original amount of €5 million. The loan was disbursed on 29 January 2019 at the 6-month Euribor plus 120 bps and requires repayment of principal in increasing half-yearly instalments starting from 28 February 2019 and maturing on 30 January 2024, with interest paid on a monthly basis starting from 28 February 2019. This loan does not require compliance with financial limits.

The **Crédit Agricole line C** loan was disbursed for €15 million on 28 June 2019. The main terms of the contract are as follows: maturity on 31 December 2024, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 31 December 2019) and interest settled at the variable 6-month Euribor rate, plus a margin updated every six months based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 2 margin 150 bps; NFP/EBITDA ≤ 2 and > 1.5 margin 135 bps; NFP/EBITDA ≤ 1.5 margin 120 bps. As at 31 December 2023, based on the parameters indicated above, the margin paid was 120 bps.

The **Crédit Agricole line A loan** was signed on 18 June 2020 with a pool of banks for a total of €31 million and maturity on 30 June 2025, includes repayment of principal in deferred semi-annual instalments starting from 31 December 2020 and interest settled at the floating 6-month Euribor rate plus a margin updated every year based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 1.75 margin 110 bps; NFP/EBITDA ≤ 1.75 margin 105 bps. As at 31 December 2023, based on the parameters indicated above, the margin paid was 105 bps.

The loan agreement executed on 18 June 2020 envisages an additional credit facility (**Crédit Agricole line B**) for €10 million, which had been disbursed in full on 10 December 2020. The main terms of the line are: maturity on 30 June 2025, repayment of principal in deferred semi-annual instalments and interest settled at the floating 6-month Euribor rate plus a margin updated every year based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 1.75 margin 110 bps; NFP/EBITDA ≤ 1.75 margin 105 bps. As at 31 December 2023, based on the parameters indicated above, the margin paid was 105 bps.

On the Crédit Agricole loans, the Company is committed, for each reference half-year, to respecting the following limits: maximum threshold of *NFP/EBITDA* ratio of 3.5 and *NFP/Shareholders' Equity* ratio of 2.0. As at 31 December 2023 these parameters were found to have been respected.

BNL loan for a total of €20 million, for which Tinexta S.p.A. signed the agreement on 20 December 2019, and used in full in 2020. The rate applied is the 6-month Euribor plus 145 bps and requires repayment of principal in increasing semi-annual instalments starting from 30 June 2021 and maturing on 31 December 2025, with interest paid semi-annually starting from 31 December 2020. From 31 December 2018 and for each reference half-year, the Group has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity below 2.0. As at 31 December 2023 these parameters were found to have been respected.

The **Intesa Sanpaolo loan** was signed on 31 July 2020 with Intesa Sanpaolo. **Line A1**, for a total of €50 million, matures on 30 June 2026 and envisages repayment of principal in deferred semi-annual instalments from 30 June 2021 and interest settled at the floating 6-month Euribor rate plus a margin of 90 bps. The Group has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected. The executed loan agreement envisages an additional credit line (**line A2**) for €30 million used in full on 25 January 2021. The main terms of the line A2 are: maturity on 30 June 2026, repayment of principal in deferred semi-annual instalments and interest settled at the floating 6-month Euribor rate plus a margin of 115 bps.

The **Mediobanca loan** was signed on 11 November 2020 and disbursed for €15 million on 30 December 2020. The main terms of the contract are as follows: maturity on 11 November 2025, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 11 May 2021) and interest settled at the floating 6-month Euribor rate, with a zero floor, plus a margin updated every six months based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 3 margin 190 bps; NFP/EBITDA ≤ 3 and > 2 margin 165 bps; NFP/EBITDA ≤ 2.0 margin 145 bps. The Group has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity below 2.0. As at 31 December 2023 these parameters were found to have been respected. Based on the parameters indicated above, the margin paid was 165 bps.

The **ICCREA-BCC loan** was signed on 15 December 2020 with a pool of banks comprising ICCREA Banca and BCC Milano for €10 million. The amount was fully disbursed on 29 January 2021. The main terms of the contract are as follows: maturity on 15 December 2026, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 31 December 2021) and interest settled at the floating 6-month Euribor rate with a zero floor, plus a margin of 100 bps. The Group has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected.

The **BPM loan** was signed and fully disbursed on 30 April 2021 for €10 million. The main terms of the agreement are as follows: maturity on 31 December 2026, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 30 June 2022) and interest settled at the floating 6-month Euribor rate, plus a margin of 120 bps. Starting from 31 December 2021, the Group has committed to respect the following financial limits: NFP/EBITDA less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected.

The **BPER loan** was signed on 19 February 2021 for €10 million, the amount was fully disbursed on 24 February 2021. The main terms of the agreement are as follows: maturity on 31 December 2027, repayment of principal in semi-annual equal instalments starting on 30 June 2021 and interest settled at the floating 6-month Euribor rate plus a margin updated every year based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 1.75 margin 125 bps; NFP/EBITDA ≤ 1.75 margin 120 bps. The Group has committed to respect the following financial limits: NFP/EBITDA less than 3.5 and NFP/Shareholders' Equity below 2.0. As at 31 December 2023 these parameters were found to have been respected. Based on the parameters indicated above, the margin paid was 120 bps.

The **Unicredit loan** was signed on 21 September 2021 for €18 million, the amount was fully disbursed on the same date. The main terms of the agreement are as follows: maturity on 30 September 2027, repayment of principal in semi-annual equal instalments starting from 30 September 2022 and interest settled at the floating 6-month Euribor rate (with a zero floor), plus a margin of 125 bps. The Group has committed to respect the following financial limits: NFP/EBITDA less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected.

The **CDP loan** was signed on 10 July 2023 by Corvallis S.r.l. for about €4.0 million, the amount was fully disbursed on the same date. The main terms of the contract are as follows: due date on 31 December 2028, repayment of principal in variable half-yearly payments (constant instalment) starting from 30 June 2024 and interest settled at the fixed subsidised rate of 0.8%. The loan is part of the subsidies aimed at research and development activities and was accompanied by a bank loan for €0.5 million with the same due date at the 6-month Euribor rate plus a margin of 275 bps, the repayment of which will take effect from 30 June 2027. The loan is aimed at the sole purpose of carrying out the project subject to the subsidy application and therefore does not suffer financial limits, but rather obligations related to the compliance of use and the fulfilment of reporting activities as required by law.

Changes in *Bank loans*:

Amounts in Euro	31/12/2022	Principal payments	Collections for new loans	Interest paid	Accrued interest	Change in scope *Acquisitions*	31/12/2023
Bank loans	**168,488**	(47,681)	4,494	(6,748)	7,505	24	**126,083**

Accrued interest includes €748 thousand of charges accrued by applying the effective interest criterion. The new loans refer to the **CDP loan** for €4,037 thousand and the related loan for €457 thousand.

Other current bank payables

Other current bank payables amounted to €249 thousand as at 31 December 2023 (€246 thousand as at 31 December 2022) and are composed primarily of bank current account overdrafts.

Liabilities for the purchase of minority interests

The item *Liabilities for the purchase of minority interests* includes the liabilities for put options granted by the Group to the minority shareholders of Corvallis S.r.l. (30%), Yoroi S.r.l. (40%), Queryo Advance S.r.l. (40%), Swascan S.r.l. (49%), Evalue Innovacion (30%) and Ascertia Ltd (35%). The value of these liabilities was determined as the current value of the amount to be paid at the contractual maturities against the acquisition of the interests of these minority shareholders. As at 31 December 2023, the discount rate used was equal to the WACC used for the purposes of the impairment test of the goodwill as at 31 December 2023.

Amounts in thousands of Euro	31/12/2023	*31/12/2023*		31/12/2022	*31/12/2022*		Change
		Current	*Non-current*		*Current*	*Non-current*	
Yoroi put options	**23,859**	*23,859*		**14,703**		*14,703*	**9,156**
Ascertia put options	**23,538**		*23,538*	**0**			**23,538**
Swascan put options	**16,672**	*16,672*		**9,240**		*9,240*	**7,432**
Evalue Innovacion put options	**14,511**	*6,888*	*7,622*	**14,264**		*14,264*	**247**
Corvallis put options	**11,170**	*11,170*		**14,652**		*14,652*	**(3,482)**
Queryo Advance put options	**5,142**		*5,142*	**7,896**		*7,896*	**(2,754)**
CertEurope put options	**0**			**32,567**	*32,567*		**(32,567)**
Sixtema put options	**0**	*0*		**1,051**	*1,051*		**(1,051)**
Total liabilities for the purchase of minority interests	**94,892**	*58,590*	*36,302*	**94,373**	*33,618*	*60,755*	**519**

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 set at the conditions defined in the aforementioned agreements at €1,084 thousand.

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., arriving at holding 100% of the company. The consideration was set at the conditions defined in the aforementioned agreements at €30,642 thousand plus accessory charges.

The changes in liabilities for the purchase of minority interests, subsequent to the first accounting of the business combination (for details, please refer to Note *14. Business combinations)* to which they refer, are recognised in equity: the overall effect of the change recognised during the year is negative for €10,106 thousand.

Liabilities for contingent considerations

Liabilities for contingent considerations linked to acquisitions were determined at the present value of the amount to be paid at the contractual expiries, if the payment is envisaged more than 12 months after initial recognition. As at 31 December 2023, the discount rate used was equal to the WACC used for the purposes of the impairment test of the goodwill as at 31 December 2023.

Amounts in thousands of Euro	**31/12/2023**	*31/12/2023*		**31/12/2022**	*31/12/2022*		**Change**
		Current	*Non-current*		*Current*	*Non-current*	
Enhancers contingent consideration	**9,396**		*9,396*	**8,168**		*8,168*	**1,228**
Ascertia contingent consideration	**3,718**	*3,718*		**0**			**3,718**
Plannet contingent consideration	**3,248**		*3,248*	**3,703**		*3,703*	**(455)**
Studio Fieschi contingent consideration	**3,228**	*653*	*2,574*	**0**			**3,228**
Trix contingent consideration	**485**		*485*	**127**		*127*	**358**
Sferabit contingent consideration	**478**	*478*		**434**		*434*	**44**
Teknesi contingent consideration	**108**		*108*	**97**		*97*	**11**
LAN&WAN contingent consideration	**4**		*4*	**80**		*80*	**(76)**
CertEurope contingent consideration	**0**			**1,640**	*1,640*		**(1,640)**
Queryo Advance contingent consideration	**0**			**494**	*494*		**(494)**
Total liabilities for contingent considerations	**20,664**	4,849	15,815	**14,743**	2,134	12,610	**5,921**

The changes in contingent considerations, subsequent to the first accounting of the business combination (for details, please refer to Note *14. Business combinations)* to which they refer, are recognised in the income statement under *Financial income (charges)*: the overall effect of the change recognised during the year is negative for €232 thousand.

During the year, contingent considerations were paid for a total of €5,218 thousand:

- to the selling shareholders of Ascertia for €3,961 thousand;
- to the selling shareholders of CertEurope for €763 thousand;
- to the selling shareholders of Queryo Advance for €494 thousand.

Price deferment liabilities

Price deferment liabilities represent the payable at the reporting date referring to deferments obtained from the selling shareholders of Financial Consulting Lab S.r.l., Sferabit S.r.l., the Teknesi business unit and LAN&WAN S.r.l.

Changes in *Price deferment liabilities*:

Amounts in Euro	31/12/2022	Principal payments	Paid interest	Accrued interest	Other non-cash-flow changes	31/12/2023
Price deferment liabilities	**3,864**	(1,571)	(51)	45	(294)	**1,993**

Other non-cash-flow changes include the write-down of the price deferment related to the acquisition of LAN&WAN S.r.l.

Lease liabilities

Lease liabilities includes the present value of payments due on the leases falling under the application of IFRS 16.

Changes of *Lease liabilities*:

Amounts in Euro	31/12 2022	New leases	Principal payments	Paid interest	Accrued interest	Change in scope *Acquisitions*	Other non-cash-flow changes	Exchange rate delta	31/12 2023
Lease liabilities	**43,001**	4,264	(5,350)	(534)	1,684	177	877	(1)	**44,118**

The *New leases* led to an overall increase in Lease liabilities of €4,264 thousand.

Other non-cash-flow changes include adjustments to lease liabilities for changes in lease payments (e.g. ISTAT adjustments), extensions and early terminations.

Liabilities to other lenders

Liabilities to other lenders amounted to €6,224 thousand (€4,061 thousand at 31 December 2022). The item mainly includes:

- €2,838 thousand prepaid by customers for the purchase of stamps and rights and not yet used as at 31 December 2023 (€2,764 thousand as at 31 December 2022);
- €1,657 thousand in liabilities in relation to the cash collected for projects and initiatives approved by the European Commission and to be paid to the partner companies in such projects and initiatives (€139 thousand as at 31 December 2022);
- €983 thousand of payables for dividends to be paid: €906 thousand of Queryo Advance S.r.l. and €77 thousand of the Parent Company Tinexta S.p.A. (€1,145 thousand as at 31 December 2022);
- €727 thousand of liabilities linked to collections to be retroceded.

32. Trade and other current payables

The item *Current trade and other payables* totalled €105,152 thousand (€92,308 thousand as at 31 December 2022) and is detailed as follows:

Amounts in thousands of Euro	**31/12/2023**	**31/12/2022**	**Change**
Trade payables to suppliers	55,122	49,999	5,123
Trade payables to parent company	215	242	(27)
Trade payables to associated companies	506	504	2
Trade payables	**55,844**	**50,745**	**5,099**
Due to social security institutions	12,675	10,068	2,607
VAT payable	9,861	8,154	1,707
Payable for withholding taxes to be paid	5,076	4,389	688
Other tax liabilities	(0)	13	(13)
Payables to employees	21,138	18,434	2,704
Due to others	557	504	53
Other current payables	**49,308**	**41,563**	**7,745**
Current trade and other payables	**105,152**	**92,308**	**12,844**
of which vs. related parties	***960***	***747***	***213***

The change in Trade and other payables includes the balances contributed at the date of first-time consolidation by the companies that entered the consolidation scope during the year, for a total of €2,005 thousand.

Trade payables to suppliers are summarised below by past due brackets:

Trade payables to suppliers *Amounts in thousands of Euro*	**Balance**	**Accruals and invoices to be received**	**Invoices received**					
				due	past due within 90 days	past due between 91 and 180 days	past due between 181 days and 1 year	past due beyond 1 year
31 December 2023	**55,122**	**15,909**	**39,212**	19,506	11,078	4,659	3,293	677
31 December 2022	**49,999**	**15,253**	**34,746**	22,887	9,231	1,566	728	333

The item *Payables to employees* includes payables for wages to be paid, pay in lieu of vacation, expense reports to be reimbursed and bonuses to be paid.

33. Contract liabilities

Contract liabilities represent the Group's obligation to transfer to the customer goods or services for which the Group has received consideration from the customer or for which consideration is due. This item includes deferred trade income, advances and thus prepaid trade amounts, the gross amount due to customers for project work and the value of options (material rights) which allow the customer to acquire additional goods or services free of charge or with a discount.

This item amounted to a total of €96,567 thousand (€81,991 thousand at 31 December 2022).

Changes in the item:

Amounts in thousands of Euro	**31/12/2022**	**Decreases Revenues 2022**	**Increases**	**Reclassifications**	**Change in scope *Acquisitions***	**Exchange rate delta**	**31/12/2023**
Non-current contract liabilities	**17,911**	(16)	7,456	(7,817)	0	0	**17,534**
Current contract liabilities	**64,081**	(63,487)	67,412	7,817	3,236	(27)	**79,033**
Contract liabilities	**81,991**	**(63,502)**	**74,868**	**0**	**3,236**	**(27)**	**96,567**

34. Deferred income

The item *Deferred income* totalled €5,169 thousand (€2,474 thousand as at 31 December 2022) and includes primarily prepayment and deferrals for government grants; €863 thousand are included in *Non-current liabilities*.

Information on the Comprehensive Income Statement

With respect to 2022, the consolidated economic data for 2023 include:

- the 12-month balances of Enhancers S.p.A., now merged into Warrant Hub S.p.A. (Business Innovation segment) consolidated as from 1 April 2022;
- the 12-month balances of Nomesia S.r.l. now merged into Queryo Advance S.r.l. (Business Innovation segment) consolidated as from 1 April 2022;
- the 12-month balances of Sferabit S.r.l., now merged into Visura S.p.A. (Digital Trust segment) consolidated as from 1 May 2022;
- the 12-month balances of Plannet S.r.l., now merged into Warrant Hub S.p.A. (Business Innovation segment) consolidated as from 1 July 2022;
- the 12-month balances of LAN&WAN S.r.l., now merged into Corvallis S.r.l. (Cybersecurity segment) consolidated as from 1 July 2022;
- the 12-month balances of the Teknesi business unit (Cybersecurity segment) consolidated as from 1 July 2022;
- the balances of Ascertia Ltd and its subsidiaries (Digital Trust segment) consolidated from 1 August 2023.

The contribution of Ascertia Ltd (and its subsidiaries) is shown below as a change in the scope, while following the aforementioned mergers, the contribution to the 2023 results of the acquisitions finalised in 2022 cannot be accurately measured and reported as a change in the scope.

35. Revenues

In 2023, *Revenues* totalled €395,777 thousand (€357,163 thousand in 2022). Revenues rose compared with the previous year by 10.8%, of which 9.7% due to organic growth and 1.2% to the change in the scope of consolidation.

Amounts in thousands of Euro	2023	2022	Change
Revenues from sales and services	389,750	348,328	41,422
Other revenues and income	6,027	8,836	(2,809)
Revenues	**395,777**	**357,163**	**38,614**
of which vs. related parties	***299***	***386***	***(86)***

Breakdown of revenues by business segment:

Amounts in thousands of Euro ***Twelve-month period ended 31 December***	***Digital Trust***		***Cybersecurity***		***Business Innovation***		**Other segments (Holding)**		***Total***	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Segment revenues	181,638	156,977	89,385	77,508	130,995	125,665	4,810	3,371	406,827	363,521
Intra-segment revenues	(800)	(428)	(4,167)	(2,517)	(1,660)	(417)	(4,423)	(2,996)	(11,050)	(6,358)
Revenues from third parties	**180,838**	**156,549**	**85,217**	**74,992**	**129,334**	**125,248**	**387**	**375**	**395,777**	**357,163**

Revenues from sales and services

This item includes revenues from contracts with customers. Summary table providing the breakdown of *Revenues from sales and services* recognised during the year by business segment, geographic area and type of product or service:

Amounts in thousands of Euro	2023					2022			
	Digital Trust	*Business Innovation*	*Cybersecurity*	*Holding*	**Total**	*Digital Trust*	*Business Innovation*	*Cybersecurity*	**Total**
Italy	150,305	108,164	84,084	4	**342,557**	131,049	105,842	71,196	**308,088**
EU	24,375	17,764	129		**42,268**	22,775	15,245	98	**38,118**
Non-EU	4,180	212	533		**4,925**	857	405	860	**2,122**
Total by Geographic area	*178,860*	*126,140*	*84,746*	*4*	**389,750**	*154,681*	*121,492*	*72,155*	**348,328**
Digital Trust products	92,777				**92,777**	77,343			**77,343**
Digital Trust solutions	56,034				**56,034**	50,052			**50,052**
Data distribution platforms, software and electronic services	30,050				**30,050**	27,286			**27,286**
Marketing consulting		22,840			**22,840**		25,274		**25,274**
Innovation consulting		52,527			**52,527**		53,446		**53,446**
Other innovation services		50,773			**50,773**		42,771		**42,771**
Cybersecurity consulting			84,746		**84,746**			72,155	**72,155**
Other residual				4	**4**				**0**
Total by type of product/service	*178,860*	*126,140*	*84,746*	*4*	**389,750**	*154,681*	*121,492*	*72,155*	**348,328**

* For more detailed information on product/service categories, please refer to Note *8. Measurement criteria – Revenues.*

Other revenues and income

Amounts in thousands of Euro	**2023**	**2022**	**Change**
Government grants	4,745	7,244	(2,499)
Capital gains on the sale of assets	486	19	467
Other	796	1,572	(776)
Other revenues and income	**6,027**	**8,836**	**(2,809)**

Other revenues and income totalled €6,027 thousand (€8,836 thousand in 2022). Government grants amounted to €4,745 thousand, of which €4,317 thousand for operating grants and €428 thousand for capital grants for allocation to income with a systematic and rational criterion during the useful life of the asset to which they refer.

36. Costs of raw materials

Costs of raw materials in 2023 amounted to €17,272 thousand (€14,297 thousand in 2022) and refer to a large extent to the Digital Trust Business Unit, and mainly include the amounts relating to the purchase of IT products intended for resale to customers. Costs of raw materials were up 20,8% compared to the same period of the previous year.

Amounts in thousands of Euro	**2023**	**2022**	**Change**
Hardware, software	17,440	14,162	3,278
Change in inventories of raw and ancillary materials, consumables and goods	(169)	135	(304)
Costs of raw materials	**17,272**	**14,297**	**2,975**

37. Service costs

In 2023, *Service costs* totalled €114,730 thousand (€111,047 thousand in 2022). Service costs rose compared with the previous period by 3.3%, of which 1.6% attributable to organic growth and 1.7% to the change in the scope of consolidation.

Amounts in thousands of Euro	**2023**	**2022**	**Change**
Technical services	56,883	50,256	6,627
IT structure costs	23,132	22,905	227
Specialist professional services	7,148	9,159	(2,011)
Outsourcing services	6,281	5,519	762
Advertising, marketing and communication costs	5,875	4,985	890
Travel, assignments and lodging expenses	4,223	3,207	1,016
Costs for agent network	4,080	4,203	(123)
Access to databases and commercial information	2,882	2,786	96
Property, plant and vehicle management costs	2,723	2,428	295
Other costs of the commercial network	1,966	2,426	(460)
Consultancy	2,799	2,684	115
Utilities and telephone costs	1,753	1,919	(166)
Banking costs	1,412	1,170	242
Independent auditors' fees for audit and other services	905	766	138
Insurance	861	765	97
Rental costs excluding IFRS 16	842	962	(120)
Remuneration of the Board of Statutory Auditors and Supervisory Body	594	651	(56)
Other service costs	1,743	1,798	(54)
Capitalised service costs	(11,373)	(7,542)	(3,831)
Service costs	**114,730**	**111,047**	**3,683**
of which vs. related parties	***2,168***	***2,749***	***(580)***
of which non-recurring	***3,294***	***5,088***	***(1,794)***

Technical services represent professional and technical services relating to the Group's ordinary operations, which can be potentially insourced and are activated only for technical and organisational reasons or business practice. These include €28,217 thousand for Digital Trust (€21,305 thousand in 2022), €16,148 thousand for Business Innovation (€17,703 thousand in 2022), and €12,513 thousand for Cybersecurity (€11,248 thousand in 2021).

IT structure costs represent the costs incurred for the operation (including the software license fees, the housing/hosting services and the network and connectivity costs) and the maintenance of the IT equipment. They refer to Digital Trust for €14,706 thousand (€14,455 thousand in 2022) and Cybersecurity for €4,478 thousand (€5,047 thousand in 2022), to Business Innovation for €957 thousand and to the Parent Company for €2,992 thousand for software licenses and payments, in part charged back to the segments.

Specialist professional services include *Non-recurring costs* amounting to €982 thousand, mainly for cost linked to acquisitions of target companies. In the previous year, they were €3,475, mainly for charges linked to acquisitions of target companies.

In 2023, *Rental costs excluding IFRS 16* included €589 thousand in property and vehicle lease instalments for which the lease term is less than 12 months (€710 thousand in 2022), and €253 thousand in instalments on low value assets (€252 thousand in 2022).

Capitalised service costs refer for €4,676 thousand (€2,715 thousand in 2021) to *costs incurred for fulfilling contract obligations*, for the external costs incurred in Digital Trust, to implement "ad hoc" customer platforms to provide a series of services within a time frame of over twelve months, and for external costs sustained for the provision of consulting services, primarily relating to innovation in Business Innovation, for which the related revenue has not yet been recognised. The additional capitalised costs of €6,696 thousand (€4,827 thousand in 2022) refer to software development activities in the Digital Trust segment (€4,588 thousand), in the Business Innovation segment (€1,321 thousand) and in the Cybersecurity segment (€762 thousand).

38. Personnel costs

In 2023, *Personnel costs* totalled €159,470 thousand (€138,172 thousand in 2022). Personnel costs rose compared with the previous year by 15.4%, of which 13.8% attributable to organic growth and 1.6% to the change in the scope of consolidation.

Amounts in thousands of Euro	**2023**	**2022**	**Change**
Wages and salaries	113,378	97,828	15,550
Social security contributions	34,629	29,875	4,754
Employee severance indemnity	6,368	6,172	196
Retirement incentives	369	519	(150)
Provisions for disputes with personnel	53	(125)	178
Provisions *for share-based payments*	3,779	2,679	1,100
Other personnel costs	5,881	4,749	1,133
Capitalised personnel costs	(12,117)	(9,122)	(2,996)
Directors’ fees	6,247	4,604	1,642
Ongoing partnerships	884	993	(109)
Personnel costs	**159,470**	**138,172**	**21,299**
of which non-recurring	***862***	***1,210***	***(348)***

The increase in costs for wages and salaries, social security contributions and employee severance indemnity is consistent with the increase in the average number of employees employed in the Group compared to the previous year.

The number of employees as at 31 December 2023 along with the average number of employees in 2023 compared with the average number of employees in 2022:

Number of employees of Continuing operations	***31/12/2023***	**Average 2023**	**Average 2022**
Senior Management	102	95	84
Middle Management	386	367	311
Employees	2,085	1,906	1,798
Workers	10	13	5
Total	**2,583**	**2,382**	**2,198**

In 2023, the costs for *Provisions for share-based payments*, equal to €3,779 thousand, refer for €790 thousand to the 2020-2022 Stock Option Plan concluded during the year, for €1,219 thousand to the 2021-2023 Stock Option Plan and for €1,770 thousand to the 2023-2025 Performance Shares Plan launched during the year.

Capitalised personnel costs refer for €2,993 thousand (€2,940 thousand in 2022) to *costs incurred for fulfilling contract obligations*, for personnel costs incurred in Digital Trust, to implement "ad hoc" customer platforms to provide a series of services within a time frame of over twelve months, and for costs sustained for the provision of consulting services, primarily relating to innovation consulting in Business Innovation, for which the relative revenue has not yet been recognised. Additional capitalised costs of €9,125 thousand (€6,182 thousand in 2022) refer to software development activities in the Digital Trust segment for €3,870 thousand (€2,375 thousand in 2022), in the Cybersecurity segment for €2,702 thousand (€2,847 thousand in 2022) and in the Business Innovation segment for €2,553 thousand (€959 thousand in 2022).

Information on the 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. In particular, among the executive directors, key management personnel 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 give 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 as at 31 December 2022 of ≥ 80% of the approved budget value. If EBITDA proves to be between ≥ 80% and ≥ 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 at €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.

In application of IFRS 2, the option rights underlying the Plan were measured at fair value at the time of assignment.

At the grant date, 23 June 2020, the fair value for each option right was equal to €3.463892. The fair value of the options assigned was calculated by an independent expert, reflecting the "no arbitrage" and "risk neutral framework" characteristics common to the basic pricing models for options, by means of the calculation parameters indicated below:

- risk-free rate curve obtained from market IRS rates at the measurement date;
- expected dividends: 2%;
- share price volatility: 40%;
- annual probability of beneficiary exits: 3%.

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.

As at 31 December 2023, 74,254 options had been exercised.

The accrued cost recognised in the 2023 for the aforementioned plan amounted to €822 thousand and was recognised under *Personnel costs* for €790 thousand and in *Profit (loss) from discontinued operations* for €32 thousand.

Information on the 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 management personnel 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 as at 31 December 2023 of ≥ 80% of the approved budget value. If EBITDA proves to be between ≥ 80% and ≥ 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 at €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.

In application of IFRS 2, the option rights underlying the Plan were measured at fair value at the time of assignment.

At the grant date, 23 June 2021, the fair value for each option was equal to €12.000555. The fair value of the options assigned was calculated by an independent expert, reflecting the "no arbitrage" and "risk neutral framework" characteristics common to the basic pricing models for options, by means of the calculation parameters indicated below:

- risk-free rate curve obtained from market IRS rates at the measurement date;
- expected dividends: 2%;
- share price volatility: 40%;
- annual probability of beneficiary exits: 3%.

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. The fair value for each option right was equal to €12.1476 using the same parameters of the assignment of 23 June 2021.

As at 31 December 2023, 290,000 options had been allocated.

The accrued cost recognised in 2023 for the aforementioned plan under *Personnel costs* was €1,219 thousand.

Information on the 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 to 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%), the TSR (relative weight 30%) and the ESG Indicator related to the 2023-2025 Three-Year ESG Plan (relative weight 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 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.

The meeting of the Board of Directors of Tinexta S.p.A. on 15 December 2023 assigned an additional 26,614 rights to receive free of charge up to a maximum of 39,921 shares of the Company in the event of maximum achievement of all performance objectives.

At the assignment date, 10 May 2023, the fair value for each right was €18.30 for the "non-market based" components linked to the achievement of targets of the Group's cumulative three-year Adjusted EBITDA and the ESG Indicator related to the Three-Year ESG Plan (with a 70% weight) and €15.97 for the "market-based" component linked to the measurement of the Company's performance in terms of Total Shareholder Return with respect to the companies making up the FSTE Italia All-Share index (with a 30% weight). The fair value of the rights of the "market-based" component of the assigned options was estimated by an independent expert using the stochastic simulation with the Monte Carlo Method which, on the basis of appropriate assumptions, made it possible to define a consistent number of alternative scenarios over the period time considered, reflecting the "no arbitrage" and "risk neutral framework" characteristics using the calculation parameters shown below:

- share average annual growth rate equal to 3.14%;
- share volatility of 40.8% (reasonable estimate based on the historical volatility over three years calculated with reference to the valuation date);
- the discount rate is equal to 3.14% set equal to the share average annual growth rate.

At the assignment date, 15 December 2023, the fair value for each right was €19.68 for the "non-market based" components linked to the achievement of targets of the Group's cumulative three-year Adjusted EBITDA and the ESG Indicator related to the Three-Year ESG Plan (with a 70% weight) and €19.10 for the "market-based" component linked to the measurement of the Company's performance in terms of Total Shareholder Return with respect to the companies making up the FSTE Italia All-Share index (with a 30% weight). The fair value of the rights of the "market-based" component of the assigned options was estimated by an independent expert using the stochastic simulation with the Monte Carlo Method which, on the basis of appropriate assumptions, made it possible to define a consistent number of alternative scenarios over the period time considered, reflecting the "no arbitrage" and "risk neutral framework" characteristics using the calculation parameters shown below:

- share average annual growth rate equal to 2.65%;

- share volatility of 38.53% (reasonable estimate based on the historical volatility over three years calculated with reference to the valuation date);
- the discount rate is equal to 2.65% set equal to the share average annual growth rate.

As at 31 December 2023, a total of 500,504 rights had been assigned.

The accrued cost recognised in 2023 for the aforementioned plan under *Personnel costs* was €1,770 thousand.

39. Contract costs

The item *Contract costs* includes the periodic release of the year's share of the incremental cost assets capitalised for obtaining or fulfilling the contract (better described in Note *20. Contract cost assets*). *Contract costs* were up 46.8% compared to the prior year.

Amounts in thousands of Euro	2023	2022	Change
Contract acquisition cost assets	1,027	1,368	(340)
Contract fulfilment costs	5,178	2,859	2,319
Contract costs	**6,205**	**4,226**	**1,979**

40. Other operating costs

Other operating costs amounted to €4,263 thousand in 2023 (€3,128 thousand in 2022) of which €18 thousand from related parties and €731 thousand non-recurring. Other operating costs increased 36.3% on those of the previous year, of which 35.3% attributable to the change in organic growth. These costs refer to items of a residual nature, the most significant of which include: sundry taxes and duties of €1,124 thousand (€823 thousand in 2022) and membership fees, donations and gifts totalling €650 thousand (€523 thousand in 2022).

41. Amortisation and depreciation, provisions and impairment

Details of amortisation and depreciation, provisions and impairment line items:

Amounts in thousands of Euro	2023	2022	Change
Depreciation of property, plant and equipment	7,794	7,901	(107)
of which leased	*5,554*	*5,483*	*71*
Amortisation of intangible assets	30,626	24,786	5,840
of which for Other intangible assets from consolidation	*17,946*	*17,496*	*450*
Amortisation and depreciation	**38,421**	**32,688**	**5,733**
Provisions	**511**	**830**	**(319)**
of which non-recurring	***109***	***0***	***109***
Impairment	**2,508**	**1,163**	**1,345**

Depreciation and amortisation in 2023 amounted to €38,421 thousand (€32,688 thousand in 2022) of which €7,794 thousand referring to *Property, plant and equipment* (€5,554 thousand on rights of use), €30,626 thousand referring to *Intangible assets* (of which €17,946 for *Other intangible assets from consolidation* that emerged at the time of allocation of the price paid in the *Business Combinations*).

Regarding the nature of *Provisions* for the period, see Note *29. Provisions*.

Impairment in the period (€2,508 thousand) refers to the expected losses on trade receivables (in this regard, please refer to Note *22. Trade and other receivables)*.

42. Net financial income (charges)

Net financial charges totalled €1,603 thousand (€6,248 thousand in 2022).

Amounts in thousands of Euro	2023	2022	Change
Financial income	7,776	733	7,042
of which vs. related parties	*58*	*24*	*33*
of which non-recurring	*1,341*	*53*	*1,288*
Financial charges	(9,378)	(6,981)	(2,397)
of which vs. related parties	*(20)*	*(61)*	*41*
of which non-recurring	*(1,313)*	*(997)*	*(316)*
Net financial income (charges)	**(1,603)**	**(6,248)**	**4,645**

The significant improvement in financial management is attributable to the use of liquidity deriving from the disposal of the Credit Information & Management BU and the improvement in non-recurring components.

Financial income

Amounts in thousands of Euro	2023	2022	Change
Income on financial assets at amortised cost	3,310	452	2,857
Positive fair value adjustment of contingent considerations	1,414	1	1,413
Bank and postal interest	665	19	646
Exchange gains	623	114	509
Positive adjustment to financial instruments at fair value	15	27	(12)
Income on derivatives	0	10	(10)
Other interest income	77	47	30
Other financial income	1,672	63	1,609
Financial income	**7,776**	**733**	**7,043**
of which vs. related parties	***58***	***24***	***33***
of which non-recurring	***1,341***	***53***	***1,288***

Income on financial assets at amortised cost includes interest accrued on Time Deposits*24. Other current financial assets and* Note 27. *Cash and cash equivalents*).

Other financial income includes *non-recurring financial income* of €1,341 thousand for the income of €1,062 thousand deriving from the restatement to fair value of the 20% investment in Studio Fieschi S.r.l. due to the purchase of an additional 80% and therefore the change in the consolidation method from the equity method to line-by-line consolidation and for write-downs of price deferments connected to acquisitions for €279 thousand. A further €184 thousand relates to income deriving from the purchase of tax credit.

As regards *Positive fair value adjustment of contingent consideration*, it is mainly affected by the estimated final price adjustment on the CertEurope acquisition and by the estimated price adjustment on the Plannet acquisition referred to in Note *31. Financial Liabilities*.

Financial charges

Amounts in thousands of Euro	2023	2022	Change
Interest expenses on bank loans	6,757	2,131	4,626
Hedging derivatives on bank loans	(3,850)	103	(3,952)
Amortised cost adjustment on bank loans	748	979	(231)
Interest expenses on leases	1,684	637	1,047
Negative fair value adjustment of contingent considerations	1,647	1,641	5
Financial component of employee benefits	496	139	357
Exchange losses	435	267	168
Interest expenses on payment deferments	45	58	(13)
Other interest expenses	52	24	28
Other financial charges	1,363	1,002	361
Financial charges	**9,378**	**6,981**	**2,397**
of which vs. related parties	***20***	***61***	***(41)***
of which non-recurring	***1,313***	***997***	***316***

The increase in *Interest expenses on bank loans* mainly reflects the increase in the reference index of the interest rate to which the Company is most exposed on debt (6-month Euribor), partially offset by income recognised on *Hedging derivatives on bank loans*. The increase in interest expenses, net of income on hedging derivatives on bank loans is equal to €674 thousand.

The increase in Interest expenses on leases is mainly attributable to the recognition in the second half of 2022 of the two lease contracts for office use in Milan and Rome.

The *Negative fair value adjustment of contingent considerations* is mainly affected by the estimated price adjustment on the Enhancers and Trix acquisitions referred to in Note *31. Financial liabilities*.

Other financial charges include *Non-recurring financial charges* for 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 liquidation of the company during the third quarter and €259 thousand relating to the adjustments of the value of the equity investment FBS Next SpA to the settlement agreement already mentioned in Note 17. *Equity investments*, which provided for the settlement of the sum of €2 million through the transfer of ownership to the counterparty of the equity investment in the share capital of FBS Next S.p.A. held by Tinexta.

43. Income taxes

In 2023, the income tax expense totalled €16,366 thousand, and can be detailed as follows:

Amounts in thousands of Euro	**2023**	**2022**	**Change**
IRES	14,155	13,378	776
IRAP	3,666	3,351	315
Current foreign taxes	3,402	2,624	778
Deferred tax liabilities	(5,350)	(4,778)	(573)
Deferred tax assets	652	(5,704)	6,356
Income taxes for previous years	(159)	(28)	(130)
Taxes other than the above	0	3,675	(3,675)
Income taxes	**16,366**	**12,518**	**3,848**
of which non-recurring	***(1,220)***	***(3,649)***	***2,429***

Income taxes, calculated based on the tax rates envisaged for the year by the current tax laws, amounted to €16,366 thousand (€12,518 thousand in 2022). The tax rate for 2022 was 27.7%, 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 2022 tax rate would have been 33.8%, compared to the 2023 tax rate of 32.3%.

Non-recurring taxes include a total non-recurring income of €1,220 thousand, relating to the tax effect on non-recurring components of the result before tax.

The item *Deferred tax liabilities* refers predominantly to the releases of deferred tax liabilities relating to the amortisation of intangible assets recorded at the time of the accounting of business combinations at *fair value*, as better detailed in Note *19. Deferred tax assets and liabilities*.

Reconciliation between the theoretical current tax and the balance of the item *Income taxes*:

Amounts in millions of Euro		
Profit before tax	**50.6**	
Income taxes	**16.4**	**32.3%**

	IRES	IRAP
Profit before tax	**50.6**	**50.6**
PEX tax on dividends eliminated in the Consolidation	2.5	0.0
Business Combination Costs Capitalised in separate financial statements	0.7	0.7
Earn-out adjustment	0.2	0.0
Result of equity-accounted investments	0.2	0.2
Write-down of equity-accounted investments	1.3	1.3
Studio Fieschi line-by-line consolidation income	(1.1)	(1.1)
Financial charges (income)	0.0	1.9
ACE benefit	(1.9)	0.0
EBIT of Tinexta S.p.A.	0.0	20.0
EBIT of Tinexta Cyber S.p.A.	0.0	3.1
EBIT of consolidated foreign companies	0.0	(11.6)
Fees for directors and statutory auditors	0.0	4.2
Personnel costs net of deductions	0.0	3.1
Leased staff and seconded personnel	0.0	1.3
Write-downs and losses on receivables	0.0	2.7
Contingent liabilities	0.0	0.0
Tax credit contributions	(0.8)	(0.8)
Car/telephony/hospitality costs	2.0	1.7
Super-depreciation/amortisation	(0.3)	0.0
IRES deduction on IRAP	(0.4)	0.0
Other changes	1.6	0.7
Taxable amount	**54.6**	**78.1**
% TAX	24%	4%
Tax	**13.1**	**3.1**
Current and deferred taxes	**16.2**	
Other adjustments	0.2	
Taxes Recalculation	**16.4**	

Additional information

44. Earnings per share

Basic earnings per share are calculated by dividing net profit for the period attributable to the Group by the weighted average number of ordinary shares outstanding during the period (net of any treasury shares).

Basic earnings per share were determined as follows:

	2023	2022
Group net profit (*thousands of Euro*)	62,995	75,726
Weighted average number of outstanding ordinary shares	45,510,108	45,934,325
Basic earnings per share (*in Euro*)	**1.38**	**1.65**

Basic earnings per share from continuing operations were determined as follows:

	2023	2022
Net profit from continuing operations attributable to the Group (*thousands of Euro*)	27,382	28,601
Weighted average number of outstanding ordinary shares	45,510,108	45,934,325
Basic earnings per share from continuing operations (*in Euro*)	**0.60**	**0.62**

The **diluted earnings per share** are obtained by dividing Group net profit for the year by the weighted average number of outstanding shares during the year, adjusted for the dilutive effects of potential shares weighted based on the period in which they are outstanding. In the outstanding shares calculation, purchases and sales of treasury shares were considered cancellations and issues of shares, respectively. The categories of potential ordinary shares derive from the possible conversion of stock options and from exercising rights assigned to Group directors and employees. The average fair value of shares in the period was used to calculate the average number of potential shares outstanding.

Diluted earnings per share were calculated as follows:

	2023	2022
Group net profit (*thousands of Euro*)	62,995	75,726
Diluted weighted average number of outstanding ordinary shares	46,432,699	46,846,753
Diluted earnings per share (*in Euro*)	**1.36**	**1.62**

Diluted earnings per share from continuing operations were determined as follows:

	2023	2022
Net profit from continuing operations attributable to the Group (*thousands of Euro*)	27,382	28,601
Diluted weighted average number of outstanding ordinary shares	46,432,699	46,846,753
Diluted earnings per share from continuing operations (*in Euro*)	**0.59**	**0.61**

45. Transactions with Related Parties

All transactions with related parties are part of normal business operations and are regulated at normal market conditions.

Table that summarises all the equity balances and their incidence on the related items in the statement of financial position as at 31 December 2023 and the corresponding comparative figures as at 31 December 2022:

31/12/2023										
Amounts in thousands of Euro	Non-current financial assets	Current financial assets	Current trade and other receivables	Contract assets	Cash and cash equivalents	Non-current financial liabilities	Non-current contract liabilities	Current financial liabilities	Current trade and other payables	Current contract liabilities
Parent Company	45					231		142	223	
Associated companies		2,210	797	1			29		526	122
Other related parties			89		3,765	559		212	210	
Total related parties	***45***	***2,210***	***886***	***1***	***3,765***	***790***	***29***	***354***	***960***	***122***
Total financial statements' item	**1,947**	**25,989**	**148,280**	**22,383**	**161,678**	**172,892**	**17,534**	**121,331**	**105,152**	**79,033**
% Incidence on Total	*2.3%*	*8.5%*	*0.6%*	*0.0%*	*2.3%*	*0.5%*	*0.2%*	*0.3%*	*0.9%*	*0.2%*
31/12/2022										
Amounts in thousands of Euro	Non-current financial assets	Current financial assets	Current trade and other receivables	Contract assets	Cash and cash equivalents	Non-current financial liabilities	Non-current contract liabilities	Current financial liabilities	Current trade and other payables	Current contract liabilities
Parent Company	45	0	8	0	0	183	0	111	242	0
Associated companies	0	1,574	642	0	0	0	55	0	497	125
Other related parties	92	0	89	0	4,444	771	0	893	8	0
Total related parties	***137***	***1,574***	***740***	***0***	***4,444***	***954***	***55***	***1,004***	***747***	***125***
Total financial statements' item	**1,664**	**125,784**	**129,538**	**16,979**	**115,278**	**235,200**	**17,911**	**93,577**	**92,308**	**64,081**
% Incidence on Total	*8.2%*	*1.3%*	*0.6%*	*0.0%*	*3.9%*	*0.4%*	*0.3%*	*1.1%*	*0.8%*	*0.2%*

Current financial assets include the short-term interest-bearing loan granted to the associate Authada by InfoCert S.p.A.

Cash and cash equivalents include *Bank deposits* of the Warrant Hub S.p.A. Group with the Intesa Sanpaolo Group (minority shares in with significant influence).

Financial liabilities include the lease payable for property lease agreements already in existence at 31 December 2023 due to the controlling shareholder Tecno Holding S.p.A. (€367 thousand) and to other related parties of the Group (€766 thousand). During 2023 the payable for price deferments was settled (€695 thousand as at 31 December 2022) granted in previous years by shareholders selling their stakes, now considered other related parties, as strategic managers of the Group.

The table below summarises all economic transactions and their incidence on the associated items of the income statement in 2023 and the corresponding comparative figures for 2022:

Twelve-month period ended 31 December 2023						
Amounts in thousands of Euro	**Revenues**	**Service costs**	**Other operating costs**	**Financial income**	**Financial charges**	**Profit (loss) from discontinued operations**
Parent Company	3	279	16	0	6	34
Associated companies	297	1,591	2	57		
Other related parties		298			14	
Total related parties	**299**	**2,168**	**18**	**58**	**20**	**34**
Total financial statements' item	**395,777**	**114,730**	**4,263**	**7,776**	**9,378**	**35,614**
% Incidence on Total	*0.1%*	*1.9%*	*0.4%*	*0.7%*	*0.2%*	*0.1%*

Twelve-month period ended 31 December 2022						
Amounts in thousands of Euro	**Revenues**	**Service costs**	**Other operating costs**	**Financial income**	**Financial charges**	**Profit (loss) from discontinued operations**
Parent Company	2	356	2	0	11	(159)
Associated companies	347	1,131	0	24	0	0
Other related parties	36	1,261	2	0	50	432
Total related parties	**386**	**2,749**	**4**	**24**	**61**	**273**
Total financial statements' item	**357,163**	**111,047**	**3,128**	**733**	**6,981**	**45,527**
% Incidence on Total	*0.1%*	*2.5%*	*0.1%*	*3.3%*	*0.9%*	*0.6%*

Service costs to the parent company relate mainly to the service contracts in place for the offices used by the Parent Company (€41 thousand), as well as for personnel seconded by the Parent Company (€223 thousand). *Service costs to associated companies* mainly refer to purchases from Etuitus in the Digital Trust segment for €1,229 thousand and from Studio Fieschi S.r.l. for €291 thousand. *Services costs to other related parties* mainly refer to purchases made by Corvallis S.p.A. from the minority shareholder (or by companies related to them) and from Forvalue S.p.A. from the Intesa Sanpaolo Group with significant influence in Warrant Hub S.p.A.

Financial charges to related parties refer to interest expenses on lease agreements.

46. Total financial indebtedness

Total financial indebtedness of the Group as at 31 December 2023, compared with 31 December 2022, as required by CONSOB communication no. DEM/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, was:

In thousands of Euro	31/12/2023	*of which vs. related parties*	31/12/2022	*of which vs. related parties*
A Cash	106,713	*3,713*	116,890	*4,444*
B Cash equivalents	54,965		0	
C Other current financial assets	25,989	*2,210*	125,784	*1,574*
D Liquidity (A+B+C)	**187,667**		**242,674**	
E Current financial debt	69,912		40,067	
F Current portion of non-current financial debt	51,420	*354*	53,447	*1,004*
G Current financial indebtedness (E+F)	**121,331**		**93,514**	
H Net current financial indebtedness (G-D)	**(66,336)**		**-149,160**	
I Non-current financial debt	168,382	*790*	226,717	*954*
J Debt instruments	0		0	
K Non-current trade and other payables	0		0	
L Non-current financial indebtedness (I+J+K)	**168,382**		**226,717**	
M Total financial indebtedness (H+L)	**102,047**		**77,557**	

47. Other information

Commitments made by the Group

In relation to the transaction concluded on 10 November 2022, with the signing by Intesa Sanpaolo for the €55.0 million capital increase resolved by Warrant Hub S.p.A., Put&Call option rights are envisaged on the stake held by Intesa Sanpaolo in the share capital of Warrant Hub S.p.A., subject to the termination of the partnership and/or on some results with respect to the plan objectives, and exercisable in two time windows within the two-year period 2025-2026. The price of the Put option may be paid, at Tinexta's choice: in cash, or through the assignment to Intesa of existing or newly issued Tinexta shares. An earn-out (today not due) is also envisaged if certain plan objectives are exceeded with the approval of the 2025 financial statements of Forvalue.

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 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 (RABB) 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 as at 31 December 2023 ("Tinexta Call") 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 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. 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 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 Shareholding, 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, as well as 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 and as at 31 December 2023 it had not generated accounting effects.

Public funding

Italian Law no. 124/2017 requires companies to provide information on funding received from national or supranational bodies. The funding received by the Group during the year is detailed below:

Beneficiary	Funder	Disbursement *in thousands of Euro*	Reason for economic benefit received
Corvallis S.r.l.	Ministry for Economic Development	688	FRI Large Projects - Digital Agenda tender pursuant to Ministerial Decree of 24.7.2015 and subsequent Ministerial Decree of 18.10.2017
Corvallis S.r.l.	Ministry for Economic Development	308	Digital agenda - PON I&C 2014-2020, MISE Min. Decree of 1 June 2016
Corvallis S.r.l.	Ministry for Economic Development	7	Horizon 2020 - PON I&C 2014-2020, MISE Min. Decree of 1 June 2016
Corvallis S.r.l.	Apulia Region	1,487	Operational Program FESR 2014-2020 - Title II - Chapter 1
Corvallis S.r.l.	Apulia Region	55	POR Puglia FESR - ESF 2014-2020. Action 1.6 - "InnoNetwork" public notice approved with A.D. no. 498/2016 and A.D. no. 16/2017.
Corvallis S.r.l.	Veneto Region	42	POR FESR 2014-2020. Action 1.1.4 "Support for Research and Development projects carried out by Regional Innovative Networks and Industrial Districts"
InfoCert S.p.A.	European Commission	68	KRAKEN project
InfoCert S.p.A.	European Commission	35	PRESENT Project
InfoCert S.p.A.	European Commission	26	Horizon 2020 - Deploy 02 - TOOP Project
InfoCert S.p.A.	European Commission	159	Digital 2022 - Deploy 02 - EWC Project
InfoCert S.p.A.	European Commission	205	Digital 2022 - Deploy 02 - NOBID Project
InfoCert S.p.A.	European Commission	86	Digital 2022 - Deploy 02 - TRACE4EU Project

During the 2023 financial year, in relation to the JEDI Project "FRI Large Projects - Digital Agenda tender pursuant to Ministerial Decree of 24.7.2015 and subsequent Ministerial Decree of 18.10.2017", Corvallis S.r.l. obtained the first and second tranche of a loan from CDP at a subsidised rate for €4,037,095 with due date on 31 December 2028, in addition to a bank loan related to the same project and with the same due date.

The Group also received state aid and "de minimis" aid from Italian public bodies. For detailed information, please refer to the Registro Nazionale degli Aiuti di Stato (National Registry of State Aid).

Remuneration to Directors, Statutory Auditors, General Managers and other Key Management Personnel of the Parent Company

With reference to disclosures on the remuneration paid to Directors, Statutory Auditors, General Managers and other Key Management Personnel of the Parent Company, see the table below and refer to the Report on remuneration policy and compensation paid pursuant to Article 123-ter of the Consolidated Finance Act for further details.

Amounts in thousands of Euro	Fixed remuneration	Remuneration for participation in Committees	Variable non-equity remuneration (bonuses and other incentives)	Non-monetary benefits	Other remuneration	Total
Directors and General Manager	1,788	159	308	7	0	**2,262**
Statutory Auditors	143	14	0	0	0	**157**
Other Key Management Personnel	2,329	132	1,249	40	428	**4,177**

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", as approved by the Shareholders' Meeting on 28 April 2020. The options allocated on 31 December 2023 totalled 192,560 to the Chief Executive Officer and 539,168 to other Key Management Personnel.

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", as approved by the Shareholders' Meeting on 27 April 2021. The options allocated on 31 December 2023 totalled 230,000 to other Key Management Personnel.

On 10 May 2023, after obtaining opinion from the Remuneration Committee, the Board of Directors resolved to allocate rights in execution of the long-term rights-based incentive scheme known as the "2023-2025 Performance Shares Plan", as approved by the Shareholders' Meeting on 21 April 2023. The rights allocated on 31 December 2023 totalled 88,494 to the Chief Executive Officer and 220,581 to other Key Management Personnel.

For details, see the Report on remuneration pursuant to Article 123-ter of the Consolidated Finance Act.

Independent Auditors' fees

Below are details of the remuneration of the Independent Auditors and of other companies belonging to the network pursuant to Article 149-duodecies of the Implementing Regulation of Italian Legislative Decree no. 58 of 24 February 1998. The fees shown in the table, applicable to the year 2023, are those agreed upon in the contract, inclusive of any index-linking (but not out-of-pocket expenses, supervisory contribution, if any, or VAT).

Amounts in thousands of Euro	**KPMG S.p.A.**	**KPMG network entities**	**Total KPMG**
Auditing Services	**695**		**695**
- Parent Company Tinexta S.p.A.	*121*		**121**
- Subsidiaries	*574*		**574**
Certification Services	**102**		**102**
- Parent Company Tinexta S.p.A.	*27*		**27**
- Subsidiaries	*76*		**76**
Other services		*55*	**55**
- Subsidiaries		*55*	**55**
Total	**798**	**55**	**853**

48. Key events subsequent to year-end

On **15 January 2024**, in order to provide Warrant Hub with the appropriate financial resources to complete the acquisition of 73.9% of the capital of ABF Group S.A.S., Tinexta exercised i) its option right to subscribe the capital increase of Warrant Hub S.p.A. resolved on 22 December 2023 and ii) its option right on the unexercised right, at the same time undertaking to credit the total amount of €50.0 million. This transaction involved the change in the shareholding of Tinexta S.p.A. in Warrant Hub, which rose from 89.6% to 90.5%.

On **18 January 2024**, Tinexta S.p.A. finalised, through its subsidiary Warrant Hub S.p.A., the closing relating to the acquisition of 73.9% of the share capital of ABF Group S.A.S. The transaction was finalised in line with the terms of the agreement of 14 December 2023, in particular through the payment of an amount of €72.5 million, paid by Warrant Hub S.p.A. in cash. Tinexta Group's international presence is therefore strengthened, allowing Warrant Hub, already present in France with Euroquality and in Spain with Evalue, to position itself on the European market as one of the few operators present in support of innovation and growth of companies, to promote its innovative services in France, already successfully tested in Italy, and to strengthen expertise in the sector of public loans for innovation and sustainable development. In addition, this transaction will offer the possibility of expanding the respective offer portfolios, in particular that of ABF Group, by integrating the unique skills of Warrant Hub and creating synergies and exchanges of knowledge between Italy, France and Spain.

On **19 February 2024**, Tinexta S.p.A. announced the creation of a new business line dedicated to strategic consulting that will assist corporate customers in defining their strategies and in the execution of high-impact transformational projects. The responsibility for the project is entrusted to Aurelio Matrone, Group Chief Strategy Officer of Tinexta. As a vehicle for the provision of advisory services, Tinexta established Antexis Strategies Srl, wholly-owned, which signed binding agreements for the acquisition of 60% of the capital of Lenovys Srl ("Lenovys"), which will represent the basic core of the project's business proposition. Based in Livorno and Milan, Lenovys, founded in 2009 by Luciano Attolico, boasts a customer portfolio of around 1,000 accounts, with over 50 professionals, mostly engineers, spread over three offices in Italy. The company annually serves more than 130 high-profile mid-corp customers, to whom it offers strategic and lean management consulting, divided into 6 competence centres: Strategy & Governance, Office & Operations, Innovation & R&D, People & Organization, Sales & Go-to Market and Digital Change. For the year 2023, Lenovys expects Revenues of approximately €7.8 million and a reported EBITDA of approximately €1.8 million, with an EBITDA Margin of 23.1%. The consideration for the acquisition of 60% of the shares of Lenovys will be calculated at closing on the basis of an Enterprise Value of €15 million, plus adjusted NFP, and will be paid in three tranches between 2024 and 2026. Put & Call options are also envisaged for the purchase of the minority shareholding in an amount equal to 50% of the same, after the approval of the 2026 financial statements, and for the remainder, the approval of the 2027 financial statements. In light of the above, the disbursement envisaged on the basis of the business plan, in the case of cash free/debt free, is distributed over time as follows:

• Initial cash out: €5.4 million (1st tranche)

• Discounted debt for 2nd and 3rd tranches: €3 million

• Discounted options debt: €7.9 million

The acquisition will be financed with the existing cash and cash equivalents of the Group. Luciano Attolico, founder and current key manager of Lenovys, and all the top management will remain with the company.

7 March 2024

Enrico Salza
Chairman
Tinexta S.p.A.

SEPARATE FINANCIAL STATEMENTS 2023
Statements and Notes

Separate Financial Statements of Tinexta S.p.A.

Statement of Financial Position

In Euro	Notes	31/12/2023	31/12/2022
ASSETS			
Property, plant and equipment	10	26,171,287	29,556,238
Intangible assets	11	2,003,621	1,704,345
Equity investments recognised at cost	12	310,252,092	284,385,445
Financial assets, excluding derivative financial instruments	17	31,395,470	13,114,627
- of which vs. related parties	*31*	*30,444,264*	*12,193,906*
Derivative financial instruments	22	4,524,873	8,561,643
Deferred tax assets	14	620,558	609,436
Trade and other receivables	15	40,204	19,216
- of which vs. related parties	*31*	*0*	*17,301*
NON-CURRENT ASSETS		**375,008,104**	**337,950,949**
Financial assets, excluding derivative financial instruments	17	36,235,837	148,285,314
- of which vs. related parties	*31*	*13,283,127*	*26,729,135*
Derivative financial instruments	22	0	106,876
Current tax assets	16	3,803,852	1,744,757
- of which vs. related parties	*31*	*2,619,452*	*1,744,757*
Trade and other receivables	15	4,831,430	1,906,926
- of which vs. related parties	*31*	*2,541,603*	*1,241,076*
Contract assets	15	351,150	537,782
- of which vs. related parties	*31*	*350,224*	*497,054*
Cash and cash equivalents	18	107,837,689	70,594,367
Assets held for sale	13	0	3,927,877
CURRENT ASSETS		**153,059,958**	**227,103,900**
TOTAL ASSETS		**528,068,063**	**565,054,849**
EQUITY AND LIABILITIES			
Share capital		47,207,120	47,207,120
Treasury shares reserve		(30,058,540)	(27,436,531)
Share premium reserve		55,438,803	55,438,803
Other reserves		214,590,032	174,874,271
TOTAL EQUITY	19	**287,177,416**	**250,083,662**
LIABILITIES			
Employee benefits	20	1,041,567	796,842
Financial liabilities, excluding derivative financial instruments	21	119,735,189	161,193,466
- of which vs. related parties	*31*	*136,830*	*182,625*
Derivative financial instruments	22	15,452	28,504
Deferred tax liabilities	14	1,072,342	2,078,194
NON-CURRENT LIABILITIES		**121,864,550**	**164,097,005**
Financial liabilities, excluding derivative financial instruments	21	107,150,920	140,889,681
- of which vs. related parties	*31*	*62,843,291*	*96,372,928*
Trade and other payables	23	9,386,261	7,433,722
- of which vs. related parties	*31*	*862,173*	*917,633*
Current tax liabilities	16	2,488,917	2,550,779
- of which vs. related parties	*31*	*2,420,784*	*1,757,350*
CURRENT LIABILITIES		**119,026,097**	**150,874,181**
TOTAL LIABILITIES		**240,890,647**	**314,971,186**
TOTAL EQUITY AND LIABILITIES		**528,068,063**	**565,054,849**

Statement of Profit or Loss and other comprehensive income

In Euro	Notes	for the year ended 31 December 2023	2022
Revenues	24	**4,782,514**	**3,547,768**
- of which vs. related parties	31	*4,408,940*	*3,321,749*
Service costs	25	(8,072,166)	(8,974,633)
- of which vs. related parties	31	*(1,157,770)*	*(1,202,053)*
- of which non-recurring	25	*(150,614)*	*(1,488,790)*
Personnel costs	26	(11,927,854)	(10,560,642)
- of which non-recurring	26	*0*	*(79,599)*
Other operating costs	27	(3,349,453)	(870,379)
- of which vs. related parties	31	*206,745*	*89,057*
- of which non-recurring	27	*(2,099,346)*	*(14,660)*
Amortisation and depreciation	28	(1,387,044)	(817,912)
Total Costs		**(24,736,516)**	**(21,223,566)**
OPERATING PROFIT		**(19,954,003)**	**(17,675,798)**
Financial income	29	86,475,498	99,479,017
- of which vs. related parties	31	*39,399,240*	*42,262,417*
- of which non-recurring	29	*43,349,177*	*56,748,673*
Financial charges	29	(7,877,562)	(3,626,792)
- of which vs. related parties	31	*(1,399,597)*	*(113,008)*
- of which non-recurring	29	*(1,521,021)*	*0*
Net financial income (charges)		**78,597,937**	**95,852,225**
PROFIT BEFORE TAX		**58,643,934**	**78,176,427**
Income taxes	30	4,068,018	3,392,102
- of which non-recurring	30	*195,655*	*(321,254)*
NET PROFIT		**62,711,952**	**81,568,529**
Other components of the comprehensive income statement			
Components that will never be reclassified to profit (loss) for the year			
Actuarial gains (losses) of employee benefit provisions	20	(42,604)	129,137
Tax effect		10,225	(30,993)
Total components that will never be reclassified to profit (loss) for the year		**(32,379)**	**98,144**
Components that may be later reclassified to profit (loss) for the year			
Profits (losses) from measurement at fair value of derivative financial instruments	22	(4,170,772)	8,555,685
Tax effect		1,000,985	(2,053,364)
Total components that may be later reclassified to profit (loss) for the year		**(3,169,787)**	**6,502,320**
Total other components of comprehensive income, net of tax effects		**(3,202,166)**	**6,600,465**
Total comprehensive income for the year		**59,509,787**	**88,168,994**

Statement of Changes in Equity

For the year ended 31 December 2023									
Amounts in Euro	**Share capital**	**Treasury shares**	**Legal reserve**	**Share premium reserve**	**Hedging derivatives reserve**	**Defined-benefit plans reserve**	**Reserve for share-based payments**	**Other reserves**	**Total**
Balance as at 1 January 2023	**47,207,120**	**(27,436,531)**	**7,150,333**	**55,438,803**	**6,481,910**	**(49,230)**	**5,955,411**	**155,335,846**	**250,083,662**
Comprehensive income for the year									
Profit for the year								62,711,952	62,711,952
Other components of the comprehensive income statement					(3,169,787)	(32,379)			(3,202,166)
Total comprehensive income for the year	*0*	*0*	*0*	*0*	*(3,169,787)*	*(32,379)*	*0*	*62,711,952*	*59,509,787*
Transactions with shareholders									
Allocation to legal reserve			2,291,091					(2,291,091)	0
Dividends								(23,259,505)	(23,259,505)
Share-based payments							3,936,592		3,936,592
Purchase of treasury shares		(3,907,950)							(3,907,950)
Sale of treasury shares		1,285,941					(257,208)	(213,904)	814,830
Total transactions with shareholders	*0*	*(2,622,008)*	*2,291,091*	*0*	*0*	*0*	*3,679,384*	*(25,764,500)*	*(22,416,033)*
Balance as at 31 December 2023	**47,207,120**	**(30,058,540)**	**9,441,424**	**55,438,803**	**3,312,123**	**(81,609)**	**9,634,795**	**192,283,299**	**287,177,416**

For the year ended 31 December 2022									
Amounts in Euro	**Share capital**	**Treasury shares**	**Legal reserve**	**Share premium reserve**	**Hedging derivatives reserve**	**Defined-benefit plans reserve**	**Stock Option reserve**	**Other reserves**	**Total**
Balance as at 1 January 2022	**47,207,120**	**(19,327,481)**	**5,673,531**	**55,438,803**	**(20,410)**	**(147,374)**	**3,135,937**	**89,046,181**	**181,006,307**
Comprehensive income for the year									
Profit for the year								81,568,529	81,568,529
Other components of the comprehensive income statement					6,502,320	98,144			6,600,465
Total comprehensive income for the year	*0*	*0*	*0*	*0*	*6,502,320*	*98,144*	*0*	*81,568,529*	*88,168,994*
Transactions with shareholders									
Allocation to legal reserve			1,476,802					(1,476,802)	0
Dividends								(13,802,062)	(13,802,062)
Share-based payments							2,819,474		2,819,474
Purchase of treasury shares		(8,109,051)							(8,109,051)
Total transactions with shareholders	*0*	*(8,109,051)*	*1,476,802*	*0*	*0*	*0*	*2,819,474*	*(15,278,864)*	*(19,091,639)*
Balance as at 31 December 2022	**47,207,120**	**(27,436,531)**	**7,150,333**	**55,438,803**	**6,481,910**	**(49,230)**	**5,955,411**	**155,335,846**	**250,083,662**

Statement of Cash Flows

	Notes	*for the year ended 31 December* 2023	2022
Cash flows from operations			
Profit for the year		62,711,952	81,568,529
Adjustments for:			
- Amortisation and depreciation	28	1,387,044	817,912
- Net financial charges (income)	29	(78,597,937)	(95,852,225)
- *of which vs. related parties*	31	*(37,999,643)*	*(42,149,409)*
- Losses from the sale of property, plant and equipment	27	573	0
- Provisions for share-based payments	26	1,534,499	930,795
- Income taxes	30	(4,068,018)	(3,392,102)
Changes in:			
- Trade and other receivables and Contract assets	15	(2,758,861)	(645,462)
- *of which vs. related parties*	31	*(1,136,396)*	*(759,600)*
- Trade and other payables	23	3,029,646	862,383
- *of which vs. related parties*	31	*(55,461)*	*70,278*
- Provisions and employee benefits	20	175,531	205,998
Cash and cash equivalents generated/(absorbed) by operations		**(16,585,572)**	**(15,504,172)**
Income taxes collected/(paid)		1,941,297	4,707,250
Net cash and cash equivalents generated/(absorbed) by operations		**(14,644,274)**	**(10,796,922)**
Cash flows from investments			
Dividends collected	29	38,610,976	41,755,756
- *of which vs. related parties*	31	*38,610,976*	*41,755,756*
Interest collected		3,570,261	543,846
- *of which vs. related parties*		*242,813*	*364,845*
Investments in shareholdings	12	(25,836,535)	(27,106,551)
Disposal of shareholdings	12	48,246,886	*169,174,220*
Investments in property, plant and equipment	10	(3,281,335)	(550,338)
Investments in other financial assets	17	(166,242,998)	(142,375,736)
Collections from sale or repayment of financial assets	17	265,321,643	20,020,436
- *of which vs. related parties*		*101,229*	*0*
Investments in intangible assets	11	(929,085)	(1,738,262)
Granting of loans to subsidiaries	17	(25,000,000)	(31,000,000)
- *of which vs. related parties*	17	*(25,000,000)*	*(31,000,000)*
Repayment of loans of subsidiaries	17	4,627,327	31,872,673
- *of which vs. related parties*	17	*4,627,327*	*31,872,673*
Current accounts with subsidiaries	17	22,351,496	(8,419,289)
- *of which vs. related parties*	17	*22,351,496*	*(8,419,289)*
Net cash and cash equivalents generated/(absorbed) by investments		**161,438,637**	**52,176,755**
Cash flows from financing			
Interest paid		(3,160,459)	(2,384,051)
- *of which vs. related parties*		*(99,002)*	*(91,513)*
Change in other current bank payables	21	3,839	690
Bank loans taken out	21	0	9,990,000
Bank loans repaid	21	(44,519,077)	(41,771,603)
Repayment of price deferment liabilities on acquisitions of equity investments	21	(1,054,076)	(1,824,614)
- *of which vs. related parties*		*(685,149)*	*(674,953)*
Repayment of lease liabilities	21	(326,725)	(401,726)
- *of which vs. related parties*		*(136,474)*	*(151,053)*
Current accounts with subsidiaries	21	(34,141,318)	64,101,197
- *of which vs. related parties*		*(34,141,318)*	*64,101,197*
Purchase of treasury shares	19	(3,907,950)	(8,109,051)
Sale of treasury shares	19	814,839	0
Dividends paid		(23,260,115)	(13,834,424)
Net cash and cash equivalents generated/(absorbed) by financing		**(109,551,042)**	**5,766,420**
Net increase (decrease) in cash and cash equivalents		*37,243,321*	*47,146,254*
Cash and cash equivalents as at 1 January		70,594,367	23,448,113
Cash and cash equivalents as at 31 December		**107,837,689**	**70,594,367**

Notes to the Separate Financial Statements as at 31 December 2023

1. Entity that prepares the financial statements

Tinexta S.p.A. (the Company) is based in Rome (Italy) – Piazza Sallustio 9 and has been listed on the STAR segment of Borsa Italiana since August 2016.

Tinexta operates, through its subsidiaries, primarily in Italy, with diversified and customisable services through three business units: Digital Trust, Business Innovation and Cybersecurity.

At the date of preparation of these Financial Statements, Tecno Holding S.p.A. (the "Controlling Shareholder") is the shareholder that holds the absolute majority of the shares of Tinexta S.p.A. The Controlling Shareholder does not exercise any management and coordination activities over the Company.

It is noted that as the Company has significant controlling interests in other companies, it also prepares the Group Consolidated Financial Statements, published together with the Separate Financial Statements.

These Financial Statements were approved and authorised for publication by the Board of Directors of the Company at its meeting on 7 March 2024.

2. Preparation criteria and compliance with IFRS

These Separate Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), approved by the European Commission and in force at the reporting date, as well as the previous International Accounting Standards (IAS). Furthermore, reference was made to the provisions issued by CONSOB in implementation of paragraph 3 of Article 9 of Italian Legislative Decree no. 38/2005.

These Financial Statements have been prepared under the going concern assumption. The general policy adopted in preparing these Financial Statements is the historical cost, with the exception of items that, under IFRS, are mandatorily measured at fair value, as indicated in the measurement criteria of individual items.

3. Presentation criteria

The Separate Financial Statements consist of the Statement of Financial Position, the Statement of Profit or Loss and Other comprehensive income, the Statement of Changes in Equity, the Statement of Cash Flows, and these Notes.

It is specified that:

- the Statement of Financial Position has been prepared by classifying assets and liabilities according to the "current/non-current" criteria;
- the Statement of Profit or Loss and Other Comprehensive Income is classified on the basis of the nature of costs;
- the Statement of Cash Flows is presented using the indirect method.

In accordance with CONSOB Resolution no. 15519 of 28 July 2006, the Statement of Profit or Loss separately identifies, if any, income and charges arising from non-recurring transactions; similarly, shown separately in the Financial Statements are the Balances of transactions with related parties which are further described in Note *31. Transactions with Related Parties*.
The Separate Financial Statements have been prepared in Euro, which is the functional currency of the Company. The Financial Statements are expressed in Euro, as well as the related notes, unless otherwise specified.

4. New standards or amendments for 2023 and future requirements

As required by IAS 8 – Accounting standards, changes in accounting estimates and errors, the new accounting standards and interpretations are indicated below, as well as changes to existing standards and interpretations already applicable, not yet in force at the balance sheet date, which could be applied in the future in the separate financial statements of the Company:

a) New documents issued by the IASB and endorsed by the EU to be mandatorily adopted starting from the financial statements for the years starting on 1 January 2023

Document title	Date of issue	Date of entry into force	Date of endorsement	EU regulation and publication date
IFRS 17 – Insurance Contracts (including amendments published in June 2020)	May 2017 June 2020	1 January 2023	19 November 2021	(EU) 2021/2036 23 November 2021
First-time adoption of IFRS 17 and IFRS 9 - Comparative information (Amendments to IFRS 17)	December 2021	1 January 2023	8 September 2022	(UE) 2022/1491 9 September 2022
Definition of accounting estimates (Amendments to IAS 8)	February 2021	1 January 2023	2 March 2022	(EU) 2022/357 3 March 2022
Disclosure on accounting standards (Amendments to [6]IAS 1)	February 2021	1 January 2023	2 March 2022	(EU) 2022/357 3 March 2022
Deferred taxes relating to assets and liabilities arising from a single transaction (Amendments to IAS 12)	May 2021	1 January 2023	11 August 2022	(UE) 2022/1392 12 August 2022
International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12)	May 2023	1 January 2023	8 November 2023	(EU) 2023/2468 9 November 2023

The accounting standards, amendments and interpretations, in force from 1 January 2023 and endorsed by the European Commission, are set out below:

- New standard IFRS 17 – Insurance Contracts (issued on 18 May 2017); including amendments published on 25 June 2020

[6] The document published by the IASB includes amendments to the document "IFRS Practice Statements 2 - Making Materiality Judgements" that have not been endorsed by the European Union as they do not relate to an accounting standard or an interpretation.

On 18 May 2017, the IASB published the new standard IFRS 17 Insurance Contracts, which replaces the current IFRS 4 Insurance Contracts.
With Regulation (EU) no. 2021/2036 of 19 November 2021, the European Commission endorsed IFRS 17 Insurance Contracts, in the version published by the International Accounting Standards Board on 18 May 2017 and subsequently amended on 25 June 2020.
IFRS 17, which replaces IFRS 4 Insurance Contracts, came into force for financial years starting on 1 January 2023. Early application was permitted to entities that already applied IFRS 9 Financial Instruments or had decided to apply this standard from the date of first-time adoption of IFRS 17.
The main changes introduced by the new standard include, in particular:

- valuation of technical provisions at essentially current values;
- transformation of the estimate of the expected profit of insurance contracts into an accounting value; IFRS 17 introduces the concept of expected profit of insurance contracts that must be recognised in profit/(loss) for the year over the life of the contract;
- introduction of the concept of "insurance contract portfolio", in turn divided into "groups of insurance contracts";
- new representation in the statement of profit or loss for the year significantly different from the past and more in line with a logic "by margins".

- First-time adoption of IFRS 17 and IFRS 9 - Comparative information (Amendments to IFRS 17)

On 9 December 2021, the IASB issued "Application of IFRS 17 and IFRS 9 - Comparative Information (Amendment to IFRS 17)", which adds an option at the time of transition to the new standard regarding comparative information on financial assets reported upon initial application of IFRS 17. The amendment is intended to help entities avoid temporary accounting mismatches between the financial assets and liabilities of insurance contracts, thereby improving the usefulness of comparative information for the users of financial statements.

- Amendments to IAS 8 – Accounting standards, changes in accounting estimates and errors: definition of accounting estimates

On 12 February 2021, the IASB issued the document "Definition of Accounting Estimates (Amendments to IAS 8)". The amendments are intended to clarify how to differentiate between changes in accounting standards and changes in accounting estimates. The amendments to IAS 8 clarify that: (i) the accounting estimates are "monetary amounts in the financial statements subject to measurement uncertainty"; (ii) entities make accounting estimates if accounting standards require items in the financial statements to be measured in a way that results in measurement uncertainty; (iii) a change in the accounting estimate resulting from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or measurement technique used to make an accounting estimate are changes in accounting estimates if they do not result from the correction of errors from previous periods; (iv) a change in an accounting estimate can only affect the profit or loss for the current year, or profit or loss for both the current and future years.

In order to clarify the interaction between an accounting standard and an accounting estimate, IAS 8 was amended to state that an accounting standard could require the measurement of financial statement items at monetary amounts that cannot be observed directly, and therefore must be estimates (since they involve measurement uncertainty).

In these circumstances, accounting estimates are prepared to achieve the objective established by the accounting standard, including the use of valuations and assumptions based on the most recent reliable information available. The amendments explain how measurement techniques and inputs should be used to develop accounting estimates and establish that these techniques include both measurement and estimation techniques.

In order to provide greater guidance, the amendments clarify that the effects on an accounting estimate of a change in an input or a valuation technique are changes in accounting estimates, unless they derive from the correction of errors from previous years. In addition, changes in accounting estimates resulting from new information are not corrections of errors. The effect of the change relating to the current year is recognised as income or expense in the current year. Any effect on future periods is recognised as income or expense in such future periods.

- Amendments to IAS 1 – Presentation of financial statements and IFRS Practice Statement 2: Disclosure of Accounting Policies

On 12 February 2021, the IASB issued the document "Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)" with the aim of indicating the accounting principles to be illustrated in the financial statements. The amendments are intended to support the decision on which accounting policies to illustrate in the financial statements.

In this regard:

- the amendments to IAS 1– Presentation of Financial Statements require the provision of information on "relevant" (i.e. material) accounting standards, rather than on "significant" ones;
- the amendments to IFRS Practice Statement 2 – Making Materiality Judgements aim to provide guidance on how to apply the concept of materiality to the accounting standards disclosure.

In the absence of a definition of "significant" in the IFRSs, in the context of the accounting standards disclosure, the term was replaced with "relevant". In this regard, the definition of relevant was amended in October 2018, and aligned with the IFRSs and the Conceptual Framework, and, therefore, it was widely understood by the financial statements' primary users. In accordance with IAS 1, the accounting standards disclosure is relevant if, when considered together with other information included in the financial statements, it is reasonable to expect that it will influence the decisions that financial statements primary users make on the basis of such financial statements.

In assessing the relevance of the accounting standards disclosure, it is appropriate to consider both the amount of transactions, other events or conditions, and their nature. However, although a transaction, another event or condition to which the accounting standards disclosure refers may be relevant, it should be noted that this does not imply that the corresponding disclosure is relevant for the purposes of the financial statements.

In this context, the amendments to IFRS Practice Statement 2 aim to illustrate how it is possible to assess whether the disclosure on an accounting standard is relevant for the purposes of the financial statements, providing guidance. These amendments aim to: (i) clarify that the assessment of the relevance of the accounting standards disclosure should follow the same guidelines applicable in the assessment of the relevance of other disclosures, therefore, considering both qualitative and quantitative factors; (ii) emphasise the importance of providing accounting standards information that is specific to the Group; (iii) provide examples of situations where generic or standardised information, which summarises or duplicates the requirements of the IFRSs, can be considered information on the relevant accounting standards.

- Amendments to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction

On 7 May 2022, the IASB issued the document "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The amendments to IAS 12 clarify the accounting treatment of deferred taxes relating to assets and liabilities recognised in the financial statements as a result of a single transaction, whose book values differ from tax values.

The IASB Board clarified the following:

- the exceptions to the initial recognition of deferred tax assets and liabilities do not apply if an asset and a liability are recognized in the financial statements from a single transaction, resulting in taxable temporary differences and deductible temporary differences of equal value;
- the deductible and taxable temporary differences must be calculated considering separately the assets and liabilities recognised in the financial statements as a result of an individual transaction and not on their net value. Deferred tax assets relating to deductible temporary differences, determined as indicated above, are recognised in the financial statements only if deemed recoverable.

Lastly, the IASB Board clarified that, if the taxable and deductible temporary differences relating to the initial recognition in the financial statements of an asset and a liability as a result of an individual transaction have a different value, the entity shall not recognise the deferred tax assets and liabilities, as their initial recognition would entail an initial adjustment of the book value of the asset or liability to which they refer, making the financial statements less transparent.

In general, it should be noted that the exemption from initial recognition envisaged by IAS 12 prohibits the recognition of deferred assets and liabilities, referring to the initial recognition of assets or liabilities, in a transaction that does not constitute a business combination, and does not affect the accounting or taxable profit; in this context, as illustrated, the amendments narrowed the scope of the exception.

For transactions (e.g. leases and decommissioning provisions), subject to the amendments, the related deferred assets and liabilities are required to be recognised at the start of the first comparative period presented, with any cumulative effect recognised as an adjustment to the retained earnings (or other components of shareholders' equity) at that date.

- Amendments to IAS 12 - International Tax Reform - Pillar Two Model Rules

  On 23 May 2023, the IASB issued the document "Amendments to IAS 12 Income taxes:

  International Tax Reform - Pillar Two Model Rules". The amendments to IAS 12 introduced a temporary exemption to the recognition of deferred taxes determined by the enforcement of the OECD Pillar Two rules, as well as targeted supplementary information for the entity concerned.

  The amendment includes:

  - a temporary and mandatory exemption from the accounting of deferred taxes deriving from the introduction of the global minimum taxation and;
  - specific indications to be included in the notes of the parties concerned, to allow users of the financial statements to understand to what extent an entity will be affected by the minimum tax, in particular before the entry into force of the regulations.

  The exemption must be applied immediately after the publication of the amendment. For companies that apply the IFRSs endorsed by the European Union, this obligation applies only after the corresponding endorsement.

The adoption of the new standards from 1 January 2023 had no impact on the Company's financial statements.

b) New documents issued by the IASB applicable to financial statements starting after 1 January 2023, documents endorsed by the EU as at 31 December 2023:

Document title	Date of issue	Date of entry into force	Date of endorsement	EU regulation and publication date
Lease liabilities in a sale and leaseback transaction (Amendments to IFRS 16)	September 2022	1 January 2024	20 November 2023	(EU) 2023/2579 21 November 2023
Classification of liabilities as current or non-current (Amendments to IAS 1) and Non-current liabilities with covenants (Amendments to IAS 1)	January 2020 July 2020 October 2022	1 January 2024	19 December 2023	EU 2023/2822 20 December 2023

c) New documents issued by the IASB applicable to financial statements starting after 1 January 2023, not endorsed by the EU as at 31 December 2023:

At the date of approval of these Separate Financial Statements, the IASB had issued certain accounting standards, interpretations and amendments not yet approved by the European Union and some still in the consultation phase, including:

Document title	Date of issue by the IASB	Date of entry into force of the IASB document
Supplier Finance Arrangements (Amendment to IAS 7 and IFRS 9)	May 2023	1 January 2024
Lack of Exchangeability (Amendment to IAS 21)	August 2023	1 January 2025

For all the newly issued standards, as well as for the revisions and amendments to existing standards, the Company is evaluating any impacts currently not reasonably estimated deriving from their future application.

5. Measurement criteria

We describe below the accounting standards and the most significant measurement criteria used for the preparation of the financial statements as at 31 December 2023. These standards and criteria are consistent with those used for the preparation of the above-mentioned financial statements of the previous year.

Property, plant and equipment

Property, plant and equipment are valued at the cost of purchase or production and net of accumulated depreciation and impairment, if any. The cost includes all the charges directly incurred to prepare the assets to be used, as well as any dismantling and removal charge that shall be incurred to bring the work site back to its original conditions.
The charges incurred for ordinary and/or regular maintenance and repair are directly recognised in the income statement in the year in which they are incurred. The capitalisation of the costs for the expansion, modernisation or improvement of the structural items owned or in use by third parties is carried out only to the extent to which they meet the requirement for a separate classification as assets or part of an asset. Any public contributions related to property, plant and equipment are recorded as deferred revenues and recognised as income in the income statement on a systematic and rational basis over the useful life of the related asset.
The value of an asset is adjusted for systematic depreciation, calculated on the basis of its estimated useful life. When the asset is recognised for the first time, the depreciation is calculated keeping into account the effective date on which the asset is ready for use. The useful life estimated by the Company, for the different classes of assets, is the following:

	Estimated useful life
Electronic machines	2.5 - 3 years
Other assets	2.5 - 6.5 years
Leasehold improvements	6 - 9 years

The estimates of the useful life and of the residual value are reviewed at least once a year. Depreciation ends when the asset is transferred or reclassified as held for sale.
If the asset subject to depreciation includes distinctly identifiable and significant components, with different estimated useful life, the depreciation is calculated separately for each of the different components, in application of the component approach principle.
Gains and losses realised on the sale of assets or groups of assets are calculated by comparing the sale price with the corresponding net carrying amount.
The assets related to the rights of use concerning lease agreements are recognised under the item *Property, plant and equipment*. As regards the initial recognition and subsequent measurement criteria applied to these assets, see the section *Leased assets*.

Leased assets

The Company assesses if the agreement is or contains a lease at its effective date. The agreement is or contains a lease if, against payment, gives the right to control the use of a specific asset, for a given period of time. At the date when the lessor makes the underlying asset available to the Company (effective date of the lease), the latter recognises the asset consisting of the right of use, and recognises the lease liability, except for short term leases (as in the case of lease agreements of a duration equal to or less than 12 months) and for the leases of assets of a modest value (namely, with a value less than €5,000 when new). For the latter, the Company recognises the payments due for said leases as a cost, on a straight-line basis for the duration of the lease, or according to another criterion that is a better representative of the way the benefits are obtained.

Financial liabilities deriving from the lease are initially recognised at the current value of the future payments at the effective date of the agreement, discounted at the implicit rate of the lease. If this rate is not promptly determinable, the rate used is the marginal loan rate of the Company, understood as the rate that the Company should pay for a loan with a similar duration and guarantees, necessary to obtain an asset of a value similar to the asset consisting of the right of use within a similar economic context.

At their maturity dates, the payments due for the lease, included in the measurement of lease liabilities, comprise the following payments for the right of use of the underlying asset throughout the duration of the lease, not yet made at the maturity date:

- fixed payments, net of any lease incentive to be received;
- variable payments due for the lease that depend on an index or a rate, valued initially by using an index or a rate at their start date (e.g. instalments revalued according to ISTAT or associated to the Euribor);
- amounts that the Company is expected to pay as a guarantee on the residual value;
- penalties to be paid for the termination of a lease if the duration of the lease provides for the exercise by the Company of the option of lease termination.

After the start date, the Company assesses the lease liability:

- increasing the accounting value to take into account the interest on the lease liability;
- decreasing the accounting value to take into account the payments due for the executed leases; and
- re-determining the accounting value to take into account any new assessment or change in the lease or the revision of the fixed payments due for the lease.

After the effective date, the Company re-determines the lease liability as an adjustment of the asset consisting of the right of use:

- in the case of a change in the duration of the lease, by discounting the revised lease payments using a revised discounting rate;
- in the case of a change in the assessment of an option for the purchase of the underlying asset, by discounting the revised lease payments using a revised discounting rate;

- in the case of a change in the payments following a change in the index or in the rate used to determine the payments, by discounting the revised lease payments using the same discounting rate.

The initial cost of the asset consisting of the right of use includes: the amount of the initial measurement of the lease liability, the lease payments made at or before the effective date, net of the lease incentives received, the initial direct costs incurred by the Company, i.e. those incremental costs incurred for obtaining the lease that would have not been incurred if the lease had not been obtained and the estimate of the costs that the Company must bear for the dismissal and removal of the underlying asset and for the restoration of the site where it is located or for the restoration of the underlying assets in the conditions set forth in the lease, unless these costs are incurred for producing inventory.

The Company opted for the recognition of assets consisting of the right of use under the item *Property, plant and equipment* under the same categories where the corresponding assets would have been recognised if they were owned.

The asset consisting of the right of use is subsequently measured by applying the cost model, net of the accumulated depreciation and impairment of the accumulated value, adjusted in order to take into account any re-measurement of the lease liability. If the lease transfers the ownership of the underlying asset to the Company at the end of the lease or if the cost of the asset consisting of the right of use reflects the fact that the Company will exercise the purchase option, the Company depreciates the asset consisting of the right of use from the effective date until the end of the useful life of the underlying asset. Conversely, the Company depreciates the asset consisting of the right of use from the effective date to the end of the useful life of said asset or, if prior, to the end of the lease duration.

Intangible assets

Intangible assets consist of non-monetary items without physical form, but which can be clearly identified and able to generate future economic benefits for the company. These items are recognised at the acquisition and/or production cost, inclusive of the expenses directly attributable to the stage of preparation to the activity to make it operational, net of accumulated amortisation (with the exception of intangible assets with indefinite useful life) and any impairment. The amortisation starts when the asset becomes available for use and is allocated systematically with regard to its residual possibility of use, that is, on the basis of its useful life. When the intangible asset is recognised for the first time, amortisation is calculated taking into account the effective use of the asset. Specifically, within the Company, the following main categories of intangible assets can be identified:

- *Software:* software is recognised at its acquisition and/or development cost net of accumulated amortisation and impairment, if any. The amortisation is carried out from the year in which the software, acquired or internally developed, is available for use and is calculated taking as reference the shorter period between that of expected use and that of ownership. Estimated useful life is between 3 and 5 years.

Impairment of property, plant and equipment and intangible assets (asset impairment)

For the assets subject to depreciation/amortisation, at each reporting date an assessment is carried out as to the existence of internal and external indications of impairment. If such indications are observed, the recoverable amount of said assets is estimated, and any impairment with respect to the corresponding book value is recognised in the income statement. The recoverable amount of an asset is represented by the greater between the fair value, net of accessory sale costs, and the corresponding value in use, the latter being the current value of the expected future cash flows from the assets. In calculating the value in use, the expected future cash flows are discounted using a discount rate inclusive of taxes, which reflects the current market assessments of the cost of cash, in proportion to the period of the investment and the specific risk of the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is calculated with regard to the cash-generating unit to which this asset pertains.
An impairment is recognised in the income statement if the value of recognition of the asset, or of the corresponding CGU to which this is allocated, exceeds the recoverable amount. The impairment of a CGU is recognised first as a decrease in the carrying amount of any allocated goodwill and, then, as a decrease in other assets, in proportion to their carrying amount and within the limits of the corresponding recoverable amount. If the conditions for an impairment previously carried out no longer apply, the carrying amount of the assets is restored to the income statement, within the limits of the net carrying amount that the asset in question would have had if the write-down had not been carried out and the corresponding amortisation and depreciation had been carried out.

Investments in shareholdings

Shareholdings in subsidiaries, associates and joint ventures are classified as "investments in shareholdings" and measured at cost in accordance with IAS 27. In the presence of objective evidence of impairment, the recoverability is tested by comparing the book value of the asset with the recoverable value represented by the higher of the fair value (net of disposal costs) and the value in use.
Shareholdings in companies other than subsidiaries, affiliates and joint ventures (in general with a percentage of ownership of less than 20%) are classified, at the time of acquisition, among "investments in shareholdings". These instruments are initially recognised at cost at the transaction date, as representative of the fair value, including transaction costs directly attributable to the related transaction. Subsequent to initial recognition, these shareholdings are measured at fair value, if determinable, with recognition of the effects in the comprehensive income statement and, therefore, in a specific equity reserve. Upon realisation or recognition of an impairment loss, when there is objective evidence that such instruments have suffered a material and prolonged impairment, gains and losses accumulated in said reserve are reclassified in the income statement. If upon the outcome of the update of the related fair value, any impairment is recovered, in whole or in part, the related effects will also be recognised in the comprehensive income statement recognising in an offsetting item the specific reserve already established.

The contingent consideration related to the acquisition of shareholdings is recognised at the acquisition date, as an increase of the shareholding to which it refers, at the present value of the estimated liability. Subsequent changes, due to both changes in the estimate, and to the capitalisation of the present value, are recognised as an increase or decrease of the shareholding.

The cost of shareholdings is increased in the presence of share-based payment agreements concerning equity instruments of the controlling shareholder assigned to employees of the subsidiaries. The controlling shareholder has an obligation to settle the transaction with the employees of the subsidiary by providing the representative instruments of the controlling shareholder. Therefore, the controlling shareholder must measure its obligation according to the requirements applicable to share-based payment transactions settled with equity instruments.

Receivables and financial assets

The Company classifies financial assets in the following categories:
• Financial assets at amortised cost;
• Financial assets at fair value through other comprehensive income;
• Financial assets at fair value through profit or loss.

The management decides on the classification of a financial asset at the time of its first recognition.

Financial assets at amortised cost. This category includes financial assets that meet both of the following conditions: (i) the financial asset is held within the framework of a hold-to-collect business model and (ii) the contractual terms of the financial assets call for cash flows at specific dates represented solely by payments of principal and interest on the amount of principal to be repaid.
In the above-mentioned business model, the goal is to collect the contractual cash flows generated by the individual financial assets and not to maximise the overall return on the portfolio by holding and selling the financial assets. The use of this portfolio does not necessarily assume that the financial asset will be held to maturity. In particular, sales of financial assets following a deterioration in credit risk are not incompatible with the objective of collecting contractual cash flows, as activities intending to minimise losses due to credit risk are an integral part of this business model. The sale of a financial asset because it no longer satisfies requirements in terms of credit risk set forth in the company policy is an example of a "permitted" sale. Sales justified by other reasons could also be consistent with this business model, but in this case the frequency and relevance of such sales is checked.
The value of financial assets at amortised cost is determined at each reporting date until they are derecognised using the effective interest method. The gain or loss on the financial asset at amortised cost which is not part of a hedging relationship is recognised in profit (loss) for the year when the financial asset is derecognised or reclassified to *Financial assets at fair value through profit or loss*, through the amortisation process, or in order to recognise gains or losses caused by impairment.

Financial assets at fair value through other comprehensive income (FVOCI): this category includes assets that meet both of the following conditions: (i) the financial asset is held within the framework of a hold-to-collect-and-sell business model and (ii) the contractual terms of the financial assets call for cash flows at specific dates represented solely by payments of principal and interest on the amount of principal to be repaid. This type of business model entails more sales, in terms of frequency as well as relevance, than the hold-to-collect business model, as the sale of financial assets is an integral part of this business model. The value of *Financial assets at fair value through other comprehensive income* is determined at each reporting date until they are derecognised. The gain or loss on the financial asset is recognised in other comprehensive income, with the exception of gains and losses due to impairment and exchange gains or losses, until the financial asset is derecognised or reclassified. If the financial asset is derecognised, the cumulative profit or loss previously recognised in other comprehensive income is reclassified from shareholders' equity to profit (loss) for the year by means of a reclassification adjustment. The interest calculated using the effective interest approach is recognised in profit (loss) for the year.

Financial assets at fair value through profit or loss: the assets that are part of a business model that is not hold-to-collect or hold-to-collect-and-sell, and therefore are not measured at amortised cost or at fair value through other comprehensive income, are measured at fair value through profit or loss (FVTPL). An example of this business model is a portfolio managed with a view to generating cash flows from the sale of financial assets. Indeed, decisions are taken based on the fair value of the financial assets and, the fact that the entity collects contractual cash flows while it holds the financial assets does not in any event make it possible to claim that the business model is one of those described above. Likewise, a portfolio that is managed and the performance of which is evaluated on the basis of fair value can never be classified in the business models described previously. Furthermore, it is possible to exercise the fair value option upon initial recognition, based on which the Company may irrevocably designate the financial asset as measured at fair value through profit or loss if by so doing it eliminates or significantly reduces a measurement or recognition inconsistency which would otherwise result from the measurement of the assets or liabilities or the recognition of the relative gains and losses on a different basis. The value of these financial assets is determined at each reporting date until they are derecognised. The gains and losses arising from fluctuations in fair value are included in the income statement for the year in which they take place and include gains and losses realised from the disposal of the assets.

Derivatives

In line with the provisions of IFRS 9, the Company has decided to exercise the option of continuing to apply the hedge accounting provisions set forth in IAS 39. Thus, the provisions regarding derivatives have remained the same.

Derivative instruments are always treated as assets held for trading and recognised at fair value through profit or loss, unless they represent effective instruments to hedge a specific risk related to underlying assets or liabilities or commitments taken by the Company.

The effectiveness of the hedging transactions is documented and tested both at the beginning of the transaction and regularly (at least at each reporting date) and is measured by comparing the changes in the fair value/cash flow of the hedging instrument with those of the hedged item or, in the case of more complex instruments, through a statistical analysis based on the change of the risk.

The changes in the fair value of derivatives indicated as fair value hedges (not used by the Company) and that are qualified as such, are recognised in the income statement, in the same way as it is done for the changes in the fair value of hedged assets or liabilities due to the risk hedged with the hedging transaction.

The changes in the fair value of the derivatives indicated as cash flow hedges and qualified as such are recognised, only for the "effective" portion, among the other components of the comprehensive income statement through a special equity reserve ("cash flow hedge reserve"), which is transferred to the income statement at the time the underlying hedged asset produces effects on the statement of financial position or income statement. The change in fair value due to the ineffective portion is immediately recognised in the income statement of the period. If the execution of the underlying transaction is no longer considered highly likely, the corresponding portion of the cash flow hedge reserve is immediately transferred to income statement. If, instead, the derivative instrument is sold, expires or no longer qualifies as effective hedge of the risk against which the transaction had been initiated, the corresponding portion of cash flow hedge reserve is kept until when the underlying contract produces effects. The hedging is then derecognised as cash flow hedge.

The Company uses derivative instruments within hedging strategies aimed at neutralising the risk of changes in the expected cash flows from transactions contractually defined or highly likely (cash flow hedge).

Fair value measurement

The Company measures financial instruments, such as derivatives, at fair value at each reporting date. Fair value is the price that would be received for the sale of an asset, or that would be paid to transfer a liability in an arm’s length transaction at the measurement date. A fair value measurement assumes that the sale transaction of the asset or transfer of the liability takes place:

- in the main market of the asset or liability; or
- in the absence of a main market, in the most advantageous market for the asset or liability.

The main market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured by adopting the assumptions that market operators would use in the determination of price of the asset or liability, assuming that market operators act to best meet their own economic interest. An assessment of the fair value of a non-financial asset considers the ability of a market operator to generate economic benefits by making highest and best use of the asset or by selling it to another market operator that would make the highest and best use of it.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair value of the instruments listed in public markets is calculated on the basis of the listed prices at the end of the period. The fair value of instruments not listed is calculated with financial measurement techniques: specifically, the fair value of the interest rate swap is measured discounting the expected cash flows.

All assets and liabilities for which the fair value is measured or recognised in the financial statements are categorised according to the fair value hierarchy, as described below:

- Level 1: financial assets and liabilities the fair value of which is calculated on the basis of the (unadjusted) prices listed in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: financial assets and liabilities the fair value of which is calculated on the basis of input different from listed prices specified in Level 1 but observable, either directly (prices) or indirectly (derived from prices);
- Level 3: financial assets and liabilities the fair value of which is calculated through measurement models that use unobservable input data.

If the input data used to calculate the fair value of an asset or liability may be classified at different levels of the fair value hierarchy, the entire measurement is placed at the level of hierarchy of the input at the lowest level that is significant for the entire measurement. The Company records the transfers between the different levels of the fair value hierarchy at the end of the period in which the transfer has taken place.

Contract assets and liabilities

Contract assets represent the Company's right to consideration in exchange for goods or services transferred to the customer when the right is subject to something other than the passing of time. If the Company fulfilled its obligations, the contract is represented in the statement of financial position as *Contract assets*, for the amount exceeding the service performed and the receivable recognised. Thus, the item includes invoices to be issued, the gross amount due from customers for project work and accrued trade assets.

Contract liabilities represent the Company's obligation to transfer goods or services to customers, for which the Company has received consideration from the customer or for which consideration is due. If the customer pays the consideration, or if the Company is entitled to an amount of the consideration that is unconditional (i.e., a receivable), before transferring the good or service to the customer, the contract is shown as a Contract liability, at the moment when payment is made or (if earlier) when the payment is due. This item includes deferred trade income, advances and thus prepaid trade amounts, the gross amount due to customers for project work and the value of options (material rights) which allow the customer to acquire additional goods or services free of charge or with a discount.

Contract assets and *Contract liabilities* are included in, respectively, current assets and liabilities if it is believed that the assets will be realised (or the liability will be extinguished) during the normal operating cycle, including when it is expected that they will not be realised/extinguished within twelve months of the closing date for the year. In fact, the operating cycle is identified as the time between the acquisition of goods for the production process and their realisation in terms of cash and cash equivalents. When the normal operating cycle cannot be clearly identified, it is assumed to have a duration of twelve months.

Cash and cash equivalents

These include cash, deposits at banks or at other credit institutes available for current transactions, postal accounts and other equivalent values as well as investments maturing in the three months of the date of purchase. The cash and cash equivalents are recognised at fair value, usually, coinciding with the nominal value.

Shareholders’ equity

Share Capital
Share capital is represented by the subscribed and paid in capital of the Parent Company.

Treasury shares reserve
This is a negative reserve which includes the purchase cost of treasury shares, including the related transaction costs, as a deduction from shareholders' equity. Purchases and sales of treasury shares, as well as any gains or losses deriving from their sale, are recognised in the financial statements as changes in shareholders' equity.

Share premium reserve
This item consists of the amounts collected by the Company for the issuance of shares at a price above nominal value.

Other reserves
This item includes the reserves of most common use, which may have a generic or specific allocation. The item includes the net profit of previous years, which was not distributed or allocated, or uncovered losses.

Transaction costs relating to the issue of equity instruments
The transaction costs relating to the issue of equity instruments are recognised as a decrease (net of any related tax benefit) of the *Share premium reserve*, generated by the same transaction, to the extent that they are marginal costs directly attributable to the capital transaction that would have otherwise been avoided. The costs of a capital transaction that is abandoned are recognised in the income statement.
Listing costs not relating to the issue of new shares are recognised in the income statement. If the listing involves the sale of existing shares and the issue of new shares, the costs directly attributable to the issue of new shares are recognised as a decrease in the *Share premium reserve*, the costs directly attributable to the listing of existing shares are recognised in the income statement. Costs related to both transactions are recognised as a decrease of the *Share premium reserve*, in relation to the ratio between issued shares and existing shares, and the remainder is recognised in the income statement.

Payables and other financial liabilities

Payables and other financial liabilities are initially recognised at fair value net of transaction costs: subsequently they are measured at amortised cost, using the effective interest rate method. If there is a change in the estimate of future cash flows, the value of the liabilities is recalculated to reflect this change on the basis of the current value of the new expected cash flows and the effective interest rate originally calculated.
Payables and the other liabilities are classified as current liabilities, unless the Company has the contractual right to extinguish its obligations more than 12 months after the date of the annual or interim financial statements.

As regards the criteria for the initial recognition and subsequent measurement of the financial liabilities related to lease agreements, see the section *Leased Assets*.

Contingent considerations

A contingent consideration agreed upon during the acquisition of a shareholding gives rise in the financial statements to a financial liability for the current value of the amount to be paid at the agreed upon maturity. This financial liability will have as a counter-entry the cost of the shareholding. Any change in the financial liability related thereto after the recording date is recognised as an increase or decrease of the cost of the shareholding itself.

Income taxes

The tax expense of the Company is given by current and deferred taxes. If due to items recognised in the income and charges recognised to shareholders' equity within the other components of comprehensive income, said taxes are recognised as an offsetting item in the same item.
Current taxes are calculated on the basis of the tax laws in force at the reporting date; any risk related to different interpretations of positive or negative income items, like disputes with the tax authorities, are recognised as taxes in the income statement with offsetting adjustment made to the liabilities to adjust the provisions recognised in the financial statements.
Deferred taxes are calculated on the basis of the temporary differences that are generated between the carrying amount of the assets and liabilities and their value for tax purposes, as well as on tax losses. The measurement of deferred tax assets and liabilities is carried out by applying the tax rate that is expected to be in force at the time in which the temporary differences will be reversed; this forecast is made on the basis of the tax laws in force or substantially in force at the reporting date of the period. Deferred tax assets, including those deriving from tax losses, are recognised only if it is believed that taxable income sufficient for their recovery will be generated in the following years.

In 2021, Tinexta S.p.A., in its capacity as fiscal consolidator, initiated the tacit renewal for the 2021-2023 three-year period of the consolidated taxation regime pursuant to Articles 117 et seq. of Italian Presidential Decree no. 917/86 (Consolidated Law on Income Taxes – TUIR). The companies currently included, as consolidated companies, are: InfoCert S.p.A., Sixtema S.p.A., Visura S.p.A., Warrant Hub S.p.A., Tinexta Cyber S.p.A., Swascan S.r.l., Corvallis S.r.l., ForValue S.p.A., Queryo Advance S.r.l., Yoroi S.r.l. and Tinexta Defence S.r.l.

With effect from the 2023 tax period, the tax consolidation was interrupted due to the absence of the legal requirements (i.e., the loss of the requirement of control as a result of the transfer of the equity investment to Crif S.p.A.) with respect to RE Valuta S.p.A.

The economic and financial relations, as well as the reciprocal responsibilities and obligations, between the Parent Company and the consolidated companies are defined in the corresponding tax consolidation regulations. As a result, in current tax assets/liabilities in these financial statements the Company has recognised both the amounts due to the tax authorities for IRES relating to the Tinexta tax consolidation as well as balance sheet items with the companies participating in the tax consolidation for the receivable/payable transferred as part of the above-mentioned tax consolidation.

Employee benefits

The short-term benefits are represented by salaries, wages, corresponding social security contributions, pay in lieu of vacation and incentives paid as bonuses to be paid in the twelve months from the date of the financial statements. These benefits are recognised as items of personnel costs in the period of employment.
The benefits after the termination of the employment are divided into two categories:

- *defined-contribution plans* in which the Company pays fixed contributions to a separate entity (for example a pension fund) without a legal or implicit obligation to pay additional contributions if said entity does not have sufficient assets to pay the benefits corresponding to the service provided during employment at the company. The Company recognises the contributions to the plan only when the employees have provided their activity in exchange for those contributions;
- *defined-benefit plans*, which include the severance indemnity due to employees pursuant to Article 2120 of the Italian Civil Code ("TFR"), for the portion accrued until 31 December 2006, in which the company commits to grant the benefits agreed with the employees in service taking the actuarial and investment risks related to the plan. The cost of this plan is therefore not defined on the basis of the contributions due for the year, but is recalculated on the basis of demographic assumptions, statistics and on the wage trends. The methodology applied is called "projected unit credit method". The value of the liability recognised in the financial statements is, therefore, in line with the value resulting from its actuarial measurement, with full and immediate recognition of actuarial profits and losses, in the period in which they arise as other components of the comprehensive income statement, through a special equity reserve (*Employee benefits reserve*).

For the companies with more than 50 employees, starting from 1 January 2007, the so-called Budget Act of 2007 and the corresponding implementation decrees have made significant changes to the TFR rules, including the option given to the worker to choose the destination of his/her TFR. Specifically, the new TFR flows can be directed by the workers to pension schemes of their choice or else kept in the company. In both cases, from this date the newly accrued portions represent defined-contribution plans not subject to actuarial measurement.

With reference to the classification of the costs related to the TFR contributions, service costs are recognised under *Personnel costs* and interest costs under *Financial charges*, while actuarial profits/losses are recognised among the other components of the comprehensive income statement.

Share-based payments

In the event of transactions with share-based payments settled with equity instruments of the Company, the fair value on the allocation date of the options on shares or rights on shares granted to employees is recognised under personnel costs, with a corresponding increase in shareholders' equity in the "Reserve for share-based payments" item, throughout the period during which employees obtain the unconditional right to incentives. The amount recognised as cost will be adjusted to reflect the actual number of incentives (options) for which the conditions of permanence in service and achievement of non-market conditions have accrued, so that the final amount recognised as cost is based on the number of incentives that will definitively accrue. Similarly, when estimating the fair value of the options granted, all non-vesting conditions must be considered. With reference to the non-vesting conditions, any differences between the assumptions on the allocation date and the actual ones will have no impact on the financial statements.
In the event of transactions with share-based payments settled in cash (or shares or other financial instruments not belonging to the Company), the fair value of the amount to be paid to employees is recorded as cost, with a corresponding increase of liabilities for employee benefits throughout the period during which employees will accrue the unconditional right to receive payment. The liability is measured at each year-end date and settlement date on the basis of the fair value of share revaluation rights. Any changes in the fair value of liabilities are recognised in the profit or loss for the year under *Personnel costs*.

Provisions for risks and charges

Allocations to the provision for risks and charges are recognised when, at the reference date, in the presence of a legal or implicit obligation towards third parties, deriving from a past event, it is likely that meeting the obligation will require an outlay of resources, the amount of which can be reliably estimated.
This amount represents the current value, if the financial effect of time is significant, of the best estimate of the expense needed to extinguish the obligation. The rate used in the calculation of the current value of the liability reflects current market values and includes the additional effects related to the specific risk associated to each liability. The changes in the estimate are reflected in the income statement of the year in which the change takes place.
If the Company is exposed to risks for which the occurrence of a liability is only a possibility, these risks are described in the notes and no provision is made.

Revenues

The methodological approach followed by the Company in recognising revenues from contracts with customers (also referred to below as revenues from sales and services) is broken down into five basic steps (five-step model):
1. Identify the contract with the customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations;
5. Recognise the revenue when the performance obligation is satisfied.

Revenues are measured taking into account the contractual terms and commercial practices generally applied in relations with customers. The transaction price is the amount of the consideration (which may include fixed amounts, variable amounts or both) to which the seller believes to be entitled in exchange for the transfer of control over the promised goods/services. Control refers generically to the ability to decide on the use of the asset (good/service) and to substantially draw all remaining benefits from it. The total consideration of service agreements is broken down between all of the services on the basis of the sale price of the relative services as if they had been sold individually.

Within each contract, the reference element for the recognition of revenues is the individual performance obligation. For each individually identified performance obligation, the Company recognises revenues when (or as) it fulfils the obligation by transferring the promised good/service (or asset) to the customer. The asset is transferred when (or as) the customer acquires control over it.
For performance obligations fulfilled over time, revenues are recognised over time, measuring the progress made towards fulfilling the obligation in full at the end of each year. To measure its progress, the Company uses the input-based method (cost-to-cost method). Revenues are recognised on the basis of the inputs used to fulfil the obligation until that date, with respect to the total inputs assumed that will be used to fulfil the entire obligation. When the inputs are distributed uniformly over time, the Company recognises the corresponding revenues on a straight-line basis. In specific circumstances, when it is not possible to reasonably assess the result of the performance obligation, revenues are recognised only up to the amount of costs incurred.

Costs

The costs related to the purchase of assets are recognised when the risks and benefits of the assets traded are transferred; the service costs received are recognised proportionally when the service is provided.

Financial income and charges

Interest is recognised on an accrual basis on the basis of the effective interest method, using in other words the interest rate that makes financially equivalent all inflows and outflows (including any premium, discount, commissions etc.) from a transaction. Interest income is recognised to the extent that it is probable that the economic benefits will flow to the

Company and their amount can be reliably measured. Other financial income and charges also include changes in the fair value of financial instruments other than derivatives.

6. Use of estimates

As part of the preparation of these financial statements, in application of the reference accounting standards, the Directors had to make assessments, estimates and assumptions that influence the amounts of the assets, liabilities, costs, and revenues recognised in the financial statements, as well as the information provided. Therefore, the final results of the items for which said estimates were used could differ from those reported in these financial statements, given the uncertainty that characterises the assumptions and the hypotheses on which the estimates are based.

The accounting standards and the financial statement items that involve a greater subjectivity by the Directors in the estimation process are the following:

- *Equity investments recognised at cost*: equity investments recognised at cost, the carrying amount of which is higher than the relative shareholders' equity, are assessed on an annual basis to identify whether there is an impairment that should be recognised in the income statement. Specifically, the assessment in question requires the calculation of the recoverable amount of the equity investment by estimating the value in use or the fair value net of disposal costs; if the recoverable amount is less than the carrying amount, the equity investment is written down. The calculation of the recoverable amount of the equity investments requires estimates based on factors that may change over time, with a potentially significant impact on the assessments carried out by Directors. With particular reference to the determination of the value in use with the method of discounting expected future cash flows, it should be noted that this method is characterised by a high degree of complexity and by the use of estimates, which are uncertain and subjective by nature, about:
    - the expected cash flows of these investees, determined taking into account the general economic performance, the sector to which they belong, the cash flows recorded in the last few years and the forecast growth rates;
    - the financial parameters used to determine the discount rate.

- *Impairment of fixed assets*: property, plant and equipment and intangible assets with finite useful life are assessed to establish whether there was a decrease in value, to be recognised through impairment, if there are indicators that predict difficulties in recovering the relevant net accounting value through use. To establish the presence of said indications, Directors must make subjective assessments on the basis of information available within the Company and the market, as well as historical experience. Moreover, if it is determined that a potential impairment loss may be generated, this loss is calculated using appropriate measurement techniques. The correct identification of the factors indicating the occurrence of a potential decrease in value, as well as the estimates for the calculation of the latter depend on factors that may vary over time, affecting the assessments and estimates carried out by the Directors.

- *Measurement at fair value*: in measuring the fair value of an asset or liability, the Company makes use of observable market data as far as possible. Fair values are allocated to different hierarchical levels on the basis of the input data used in the valuation techniques.

- *Measurement of lease liabilities*: the measurement of lease liabilities is affected by the duration of the lease, understood as the non-cancellable lease period to which these two periods must be added: a) periods covered by a lease extension option if the lessee has the reasonable certainty to exercise this option; and b) periods covered by the option of terminating the lease, if the lessee has the reasonable certainty not to exercise the option. The assessment of the duration of the lease entails the use of estimates based on factors that may change over time, with a subsequent potentially significant impact on the assessments carried out by the Directors.

- *Valuation of the defined-benefit plans*: actuarial valuation requires the formulation of various assumptions that may differ from actual future developments. The results depend on the technical basis adopted such as, among others, the actualisation rate, the inflation rate, the wage increase rate and the expected turnover. All assumptions are reviewed on an annual basis.

7. Management of financial risks

The Company is exposed to financial risks connected with its operations, especially related to the following:

- interest rate risks, from the financial exposure of the Company;
- exchange rate risks, from operations in currencies different from the functional currency;
- liquidity risks, related to the availability of financial resources and access to credit markets;
- credit risks, resulting from normal business transactions or liquidity management activities.

The Company monitors each financial risk closely, intervening with the objective of minimising them promptly also by making use of hedging derivatives.

Interest rate risk

The Company uses external financial resources in the form of debt and deposits the liquidity in bank current accounts. Changes in market interest rates influence the cost and return of the different types of borrowing and depositing and therefore have an impact on the level of the financial charges and income.
Being exposed to interest rate fluctuations with regard to the extent of the financial charges incurred to borrow funds, the Company periodically reviews its exposure to the risk of changes in interest rates and actively manages it also by making use of interest rate derivatives, specifically through Interest Rate Swaps (IRS), Interest Rate Floors (Floors), Interest Rate Caps (Caps) and Interest Rate Collars (Collars) purely for hedging purposes.
Cash mainly consists of deposits on floating-rate bank current accounts with no mandatory

duration, and therefore its fair value is equivalent to the value recognised in the financial statements. The interest rate benchmark to which the Company is most exposed on indebtedness is the 6-month Euribor. During the 2022 financial year, the rapid increase in inflation, attributable in particular to the increase in commodity prices, produced a significant and rapid increase in interest rates, however, given the hedging transactions in place, the net effect in terms of higher financial charges is limited. Therefore, although in the presence of a further rise in the 6-month Euribor index (forward rates curve) estimated in the immediate future, the interest rate risk appears to be adequately monitored and the debt portfolio structure is considered adequate for the Company's needs.

Cash flow hedge strategy on bank loans as at 31 December 2023:

Bank loans at 31 December 2023 *Amounts in thousands of Euro*		**Cash flow hedge derivatives - Notional values by type as at 31 December 2023**			
	Nominal amount	**IRS**	**Capped swaps**	**Collars**	**Total**
Floating-rate loans	120,092	53,446	35,861	18,118	**107,425**
	120,092	**53,446**	**35,861**	**18,118**	**107,425**

The hedging rate of bank loans is 89.5% (88.5% as at 31 December 2022).

Sensitivity analysis on interest rate risk which shows the effects (net of any related tax effects) on the income statement, on an annual basis, and on the shareholders' equity as at 31 December 2023, deriving from the following changes in the Euribor rate: +300 bps, +100 bps, -100 bps limited to bank loans as at 31 December 2023:

Sensitivity analysis of interest rate risk	**Profit (Loss) for the year**			**Shareholders' equity as at 31 December 2023**		
Amounts in thousands of Euro	300 bps increase	100 bps increase	100 bps decrease	300 bps increase	100 bps increase	100 bps decrease
Floating-rate bank loans	**(2,461)**	**(857)**	**756**	**0**	**0**	**0**
Interest rate swaps	1,048	377	(300)	1,064	368	(380)
Capped swaps	772	258	(261)	1,136	384	(366)
Collars	359	120	(121)	278	93	(85)
Financial flow sensitivity (net)	**(282)**	**(102)**	**73**	**2,479**	**845**	**(831)**

Exchange rate risk

The exposure to the risk of changes in exchange rates derives from the execution of activities in currencies different from the Euro. The Company conducts its business exclusively in Italy, the entire turnover and almost all purchases are carried out with countries members of the EU and the transactions are almost exclusively settled in Euro; therefore, it is not significantly exposed to the risk of fluctuations in foreign currency exchange rates against the Euro.

Credit risk

Financial credit risk results from the inability of a counterparty to fulfil its obligations. As at 31 December 2023, the liquidity of the Company was deposited in bank accounts held at prime credit institutions.

The trade receivable risk mainly arises from receivables from subsidiaries deriving from the charge-back of infra-group services; therefore, the Company is not significantly exposed to the trade receivable risk.

Liquidity risk

Liquidity risk consists of an inability to raise, on adequate terms, the financial resources needed for the Company to operate. The main factors that influence the liquidity of the Company are:

(i) the financial resources generated or absorbed by operating and investing activities;
(ii) the financial resources generated or absorbed by the direct and indirect subsidiaries, given the Group's centralised treasury management system (cash pooling);
(ii) the maturity of financial debt.

The liquidity requirements of the Company and the Group are monitored by the treasury function, with the objective of ensuring that financial resources can be effectively found and an adequate investment/return of liquidity.

The management believes that the cash and the credit lines currently available, in addition to those that will be generated by operating and financing activities, will allow the Company to meet its requirements, deriving from investing activities, management of working capital and repayment of loans at their contractual maturity. The extraordinary Shareholders' Meeting held on 27 April 2021 resolved also on the right of the Board of Directors to increase the share capital against payment and indivisibly in one or more tranches, with or without warrants, even excluding pre-emption rights pursuant to Art. 2441, paragraphs 4 and 5 of the Italian Civil Code, for a maximum of €100 million including share premium.

The expected flows (including principal and interest expected on the interest rate curve as at 31 December 2023) on financial liabilities and on derivative instruments hedging bank loans recognised in the financial statements as at 31 December 2023 are summarised below, broken down based on the contractually envisaged due date.

Amounts in Euro	**within 1 year**	**between 1 and 2 years**	**between 2 and 3 years**	**between 3 and 4 years**	**between 4 and 5 years**	**more than 5 years**	**Expected cash flows as at 31/12/2023**
Bank loans	46,376	43,437	33,760	4,820			**128,393**
Hedging derivatives on bank loans	(3,112)	(1,054)	(344)	(79)			**(4,588)**
Other current bank payables	14						**14**
Liabilities for contingent considerations	500	14,782					**15,282**
Price deferment liabilities	794						**794**
Lease liabilities	3,185	3,112	4,740	4,823	4,792	16,121	**36,774**
Liabilities to other lenders	77						**77**
Total financial liabilities	**47,835**	**60,277**	**38,157**	**9,564**	**4,792**	**16,121**	**176,746**

In Note *21. Financial liabilities, excluding derivative financial instruments*, the financial liabilities recognised in the financial statements as at 31 December 2023 are summarised and classified according to contractual maturity.

8. Categories of financial assets and liabilities

Reconciliation between financial asset and liability classes as identified in the statement of financial position of the Company and the types of financial assets and liabilities identified on the basis of IFRS 7 requirements:

Amounts in thousands of Euro	Assets measured at fair value through profit or loss	Assets/Liabilities designated at fair value through profit or loss	Liabilities held for trading measured at fair value through profit or loss	Fair value of hedging instruments	Assets/Liabilities measured at amortised cost	Assets measured at fair value through OCI	Investments in equity instruments recognised in OCI	**Total**
NON-CURRENT ASSETS	**0**	**0**	**0**	**4,525**	**31,436**	**0**	**0**	**35,961**
Other financial assets, excluding derivative financial instruments	0	0	0	0	31,395	0	0	**31,395**
Derivative financial instruments	0	0	0	4,525	0	0	0	**4,525**
Trade and other receivables	0	0	0	0	40	0	0	**40**
CURRENT ASSETS	**0**	**0**	**0**	**0**	**148,905**	**0**	**0**	**148,905**
Other financial assets, excluding derivative financial instruments	0	0	0	0	36,236	0	0	**36,236**
Trade and other receivables	0	0	0	0	4,831	0	0	**4,831**
Cash and cash equivalents	0	0	0	0	107,838	0	0	**107,838**
NON-CURRENT LIABILITIES	**0**	**13,129**	**0**	**15**	**106,607**	**0**	**0**	**119,751**
Financial liabilities, excluding derivative financial instruments	0	13,129	0	0	106,607	0	0	**119,735**
Derivative financial instruments	0	0	0	15	0	0	0	**15**
CURRENT LIABILITIES	**0**	**478**	**0**	**0**	**116,059**	**0**	**0**	**116,537**
Financial liabilities, excluding derivative financial instruments	0	478	0	0	106,673	0		**107,151**
Trade and other payables	0	0	0	0	9,386	0		**9,386**

9. Fair value hierarchy

IFRS 13 establishes a fair value hierarchy which classifies the inputs of the valuation techniques adopted to measure fair value into three levels. The fair value hierarchy assigns the highest priority to (unadjusted) listed prices in active markets for identical assets or liabilities (Level 1 data) and the lowest priority to unobservable inputs (Level 3 data).

Fair value hierarchy for assets and liabilities of the Company:

Amounts in thousands of Euro	*Fair value*			
	Level 1	Level 2	Level 3	***Total***
NON-CURRENT ASSETS	**0**	**4,525**	**0**	**4,525**
Derivative financial instruments		*4,525*		*4,525*
NON-CURRENT LIABILITIES	**0**	**15**	**13,129**	**13,144**
Derivative financial instruments		*15*		*15*
Other financial liabilities, excluding derivative financial instruments			*13,129*	*13,129*
Liabilities for contingent considerations			13,129	13,129
CURRENT LIABILITIES	**0**	**0**	**478**	**478**
Other financial liabilities, excluding derivative financial instruments			*478*	*478*
Liabilities for contingent considerations			478	478

Information on the Statement of Financial Position

10. Property, plant and equipment

Details of property, plant and equipment.

Amounts in Euro	31/12/2022	Investments	Divestments	Depreciation	Reclassifications	Revaluations	Impairment	31/12/2023
Leased buildings								
Cost	29,921,377	36,233	(6,402,676)	0	0	400,405	(22,384)	23,932,956
Accumulated Depreciation	(641,033)	0	0	(508,650)	0	0	0	(1,149,684)
Net value	**29,280,344**	**36,233**	**(6,402,676)**	**(508,650)**	**0**	**400,405**	**(22,384)**	**22,783,272**
Electronic machines								
Cost	138,051	235,599	(5,413)	0	176,367	0	0	544,605
Accumulated Depreciation	(112,573)	0	5,122	(51,048)	0	0	0	(158,499)
Net value	**25,478**	**235,599**	**(291)**	**(51,048)**	**176,367**	**0**	**0**	**386,106**
Leasehold improvements								
Cost	19,038	467,492	(878,122)	0	1,587,098	0	0	1,195,506
Accumulated Depreciation	(12,079)	0	0	(41,812)	0	0	0	(53,891)
Net value	**6,959**	**467,492**	**(878,122)**	**(41,812)**	**1,587,098**	**0**	**0**	**1,141,615**
Assets in progress and advances								
Cost	73,600	2,260,692	0	0	(2,271,851)	0	0	62,442
Net value	**73,600**	**2,260,692**	**0**	**0**	**(2,271,851)**	**0**	**0**	**62,442**
Other assets								
Cost	190,675	1,196,140	(1,155)	0	508,385	0	0	1,894,045
Accumulated Depreciation	(125,266)	0	1,075	(84,981)	0	0	0	(209,171)
Net value	**65,409**	**1,196,140**	**(80)**	**(84,981)**	**508,385**	**0**	**0**	**1,684,875**
Other leased assets								
Cost	248,360	74,051	(15,323)	0	0	13,674	(8,451)	312,312
Accumulated Depreciation	(143,913)	0	15,323	(70,744)	0	0	0	(199,334)
Net value	**104,447**	**74,051**	**0**	**(70,744)**	**0**	**13,674**	**(8,451)**	**112,977**
Property, plant and equipment	**29,556,238**	**4,270,209**	**(7,281,168)**	**(757,235)**	**0**	**414,079**	**(30,835)**	**26,171,287**
of which leased	**29,384,791**	**110,285**	**(6,402,676)**	**(579,395)**	**0**	**414,079**	**(30,835)**	**22,896,250**

The Company opted for the recognition of rights of use in the item *Property, plant and equipment* in the same categories in which the corresponding underlying assets would have been shown if they had been owned. Assets for rights of use on properties are included under *Leased buildings*, while the assets for rights of use on vehicles are recognised in *Other leased assets*. *Revaluations* include the adjustments of the rights of use for increases in leases or extensions of leasing contracts; *Impairments* refer to early terminations of leasing contracts.

Investments during the year amounted to €4,270 thousand (of which €110 thousand for new lease agreements) against depreciation of €757 thousand (of which €579 thousand on lease agreements). Investments in 2023 include the capitalisation of costs relating to the fit-out works of the Milan property.

Divestments of *Leased buildings* relate to the sale to subsidiaries of part of the right of use (equal to €6,403 thousand) relating to the property in Milan following the signing of sub-lease agreements.

11. Intangible assets

The item comprises intangible assets with definite useful life as follows:

Amounts in Euro	31/12/2022	Investments	Amortisation	Reclassifications	31/12/2023
Software					
Cost	3,189,364	287,152	0	330,035	3,806,551
Accumulated Amortisation	(1,624,019)	0	(629,809)	0	(2,253,828)
Net value	**1,565,345**	**287,152**	**(629,809)**	**330,035**	**1,552,723**
Assets in progress and advances					
Cost	139,000	641,932	0	(330,035)	450,897
Net value	**139,000**	**641,932**	**0**	**(330,035)**	**450,897**
Intangible assets with definite useful life	**1,704,345**	**929,085**	**(629,809)**	**0**	**2,003,621**

The increase in the period in *Intangible assets* relates to software implementations.

12. Equity investments recognised at cost

The increase of €25,867 thousand compared to the value as at 31 December 2022 is mainly due to the establishment of Tinexta Defence S.r.l., a vehicle entirely held to implement the agreements for the purchase of 20% of the capital of Defence Tech Holding S.p.A., with payment of €25,525 thousand.

Balance of the item Equity investments recognised at cost divided between Equity investments in subsidiaries and Equity investments in associates and in other companies:

Amounts in Euro	31/12/2023	31/12/2022	Change
Equity investments in subsidiaries	309,798,607	280,679,523	29,119,084
Equity investments in associated companies	76,428	3,513,971	-3,437,543
Equity investments in other companies	377,057	191,950	185,107
Equity investments recognised at cost	**310,252,092**	**284,385,445**	**25,866,647**

Equity investments in subsidiaries

The following tables provide:

- the opening and closing balances of the equity investments held by the Company, and the related changes in the year;

Amounts in Euro	01/01/2023			Changes in the year				31/12/2023		
	% ownership	Cost	Net balance	Investments	Increases in Share-based payments	Mergers	Other Changes	% ownership	Cost	Net balance
InfoCert S.p.A.	88.17	19,535,442	*19,535,442*		403,580			83.91	19,939,023	*19,939,023*
Co.Mark S.p.A.	100.00	51,324,511	*51,324,511*		-	(51,324,511)		-	0	*0*
Visura S.p.A.	100.00	38,832,297	*38,832,297*		53,007		43,542	100.00	38,928,846	*38,928,846*
Warrant Hub S.p.A.	88.00	118,931,764	*118,931,764*		778,570	51,324,511	1,130,696	89.62	172,165,541	*172,165,541*
Tinexta Cyber	100.00	52,055,509	*52,055,509*		1,134,688			100.00	53,190,197	*53,190,197*
Tinexta Defence S.r.l.	-	-	*0*	25,525,000	-			100.00	25,525,000	*25,525,000*
Antexis Strategies S.r.l.	-	-	*0*	50,000	-			100.00	50,000	*50,000*
Equity investments in subsidiaries		**280,679,523**	**280,679,523**	**25,575,000**	**2,369,846**	**0**	**1,174,238**		**309,798,607**	**309,798,607**

- details of the equity investments, including, among other information, the ownership percentages and the related carrying value as at 31 December 2023.

Amounts in Euro	% ownership	Cost	Registered office	Share Capital as at 31/12/2023	Shareholders' Equity as at 31/12/2023	Profit for the year 2023
InfoCert S.p.A.	83.91	19,939,023	Rome	21,099,232	148,968,997	22,485,013
Visura S.p.A.	100.00	38,928,846	Rome	1,000,000	9,641,582	6,461,328
Warrant Hub S.p.A.	89.62	172,165,541	Correggio (RE)	75,824	127,718,476	23,567,458
Tinexta Cyber S.p.A.	100.00	53,190,197	Rome	1,000,000	51,837,392	(1,117,540)
Tinexta Defence S.r.l.	100.00	25,525,000	Rome	25,000	25,558,112	33,112
Antexis Strategies S.r.l.	100.00	50,000	Milan	50,000	50,000	-

With reference to the equity investments for which the cost value is higher than the relative shareholders' equity, please note that impairment tests were conducted in relation to the carrying amounts as at 31 December 2023.

The related recoverable amount was determined on the basis of an estimate of the value in use, as the fair value of the individual equity investments could not be determined in a reliable manner.

The value in use has been determined by using the discounted cash flow method, in the unlevered version, applied to forecasts prepared by the Directors of each investee in relation to the three-year period from 2024 to 2026. The cash flows used for the determination of the value in use are related to the operational management of each investee and do not include financial charges and extraordinary items; they include the investments envisaged in the plans and changes in cash attributable to working capital, without taking into consideration the effects of future restructuring not yet approved by the directors or future investments to improve future profitability. The forecast growth in the plans used as the basis for impairment tests is in line with the corresponding growth forecast in the respective sectors. An explicit period of three years was used, beyond which the above flows were projected according to the perpetual return method (terminal value) using a growth rate (g-rate) equal to 1.8% for the market within which the individual equity investments operate. The macroeconomic assumptions at the base of the plans, when available, were determined based on external sources of information, while the estimates in terms of growth and profitability used by the directors are derived from historical trends and expectations related to the markets in which Group companies operate.

The cash flows of the equity investments operating in Italy in the Business Innovation and Digital Trust sectors (Warrant Hub S.p.A., Visura S.p.A.) were discounted using a WACC equal to 9.50% after tax, estimated with a Capital Asset Pricing Model approach, as represented below:

- risk-free rate of 4.3%, equal to the gross average return of Italian ten-year BTPs;
- *market risk premium* of 4.6%;
- additional risk factor equal to 2.0%;
- sector levered beta of 0.92, determined considering a list of comparable listed companies;
- financial structure of the companies set to 22.5%, considering the average of the D/E ratio recorded by comparable companies.
- cost of debt applicable to the Group, equal to 4.7%.

The cash flows of Tinexta Cyber S.p.A. of the Cybersecurity sector were discounted using a WACC equal to 9.90% after tax, estimated with a Capital Asset Pricing Model approach, with the following changes compared to the WACC of the Business Innovation and Digital Trust sectors:

- sector levered beta of 1.08 determined considering a list of comparable listed companies;
- financial structure of the companies set to 27.2%, considering the average of the D/E ratio recorded by comparable companies.

The plans underlying the impairment tests mentioned above were approved by the Boards of Directors of the individual investees. The impairment tests were approved by the Board of Directors of Tinexta on 7 March 2024.

The impairments test carried out did not show any impairment.

Changes during the year recognised in the item:

InfoCert S.p.A.

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. Following this last payment, the equity investment of Tinexta S.p.A. fell from 88.17% to 83.91%.

Co.Mark S.p.A. and Warrant Hub S.p.A.

On 5 July 2023, the Shareholders' Meetings of Warrant Hub S.p.A. and Co.Mark S.p.A. resolved on the project for the merger by incorporation of Co.Mark S.p.A. into Warrant Hub S.p.A. The merger has legal effect from 30 December 2023, with backdating of accounting and tax effect as at 1 January 2023. Following the merger, the equity investment held by Tinexta in Warrant Hub S.p.A. rose from 88.00% to 89.62%.

Other changes also include the adjustment as at 31 December 2023 of the liability for contingent considerations to the selling shareholders of Enhancers S.p.A., Plannet S.r.l. and Trix S.r.l. recognised in 2022 by Tinexta S.p.A. for the taking over.

Visura S.p.A.

Other changes include the adjustment as at 31 December 2023 of the liability for contingent considerations to the selling shareholders of Sferabit S.r.l. recognised in 2022 by Tinexta S.p.A. for the taking over.

Tinexta Defence S.r.l.

To follow up the agreements signed on 28 December 2022 for the purchase of 20% of the capital of Defence Tech Holding S.p.A., on 20 March 2023 Tinexta S.p.A. established Tinexta Defence S.r.l., a vehicle entirely held, with payment of €25,525 thousand (of which €25 thousand for the full subscription of the Share Capital and €25,500 thousand as capital contribution).

Antexis Strategies S.r.l.

On 19 December 2023, Tinexta S.p.A. established the company Antexis Strategies S.r.l. against payment of €50 thousand as full subscription of the Share Capital. Its purpose is to provide advisory services.

Provision for Share-based payments

The 2020-2022 and 2021-2023 Stock Option Plans and the 2023-2025 Performance Shares Plan approved by Tinexta S.p.A. led to an increase in equity investments for the portion of options and rights assigned by Tinexta S.p.A. to directors and employees of the subsidiaries. The 2020-2022 Stock Option Plan provides for a total of 895,404 options assigned to directors and employees of the subsidiaries, the provision for the year is equal to €596 thousand. The 2021-2023 Stock Option Plan provides for a total of 190,000 options assigned to directors and employees of the subsidiaries, the provision for the year is equal to €801 thousand. The Board of Directors assigned a total of 276,229 rights for the 2023-2025 Performance Shares Plan, to receive, free of charge, up to a maximum of 414,343 Company shares in case of maximum achievement of all performance targets. The provision for the year is €973 thousand.

Equity investments in associated companies

Table with details on the valuation of companies consolidated using the equity method

Amounts in Euro	% ownership	31/12/2022	Acquisitions	Disposals	Impairment	31/12/2023	% ownership
OPENT S.p.A.	-	-	76,428			76,428	50.0%
Wisee S.r.l. Società Benefit	36.8%	1,511,368			(1,511,368)	-	36.8%
FBS Next S.p.A.	30.0%	2,002,603		(1,992,950)	(9,653)	-	-
Equity investments in associated companies		**3,513,971**	**76,428**	**(1,992,950)**	**(1,521,021)**	**76,428**	

FBS Next S.p.A.

On 17 July 2023, a settlement agreement was signed relating to an investment agreement signed in 2020 within the Credit Information & Management division, through which Tinexta S.p.A. undertook, without recognition of the claims, to pay 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. The capital loss recognised as at 31 December 2023 is equal to €10 thousand.

Wisee S.r.l. Società Benefit

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. Tinexta S.p.A. wrote down the entire value of the equity investment held, equal to €1,511 thousand.

OPENT S.p.A.

On 16 November 2023, the company OPENT S.p.A. was established with a share capital of €50 thousand, 50% subscribed by Tinexta S.p.A. and 50% by Digital Magic S.p.A. to implement the agreements signed on 19 July 2023 with Digital Magic.

Other equity investments

The item in question includes a minority equity investment for an amount of €377 thousand. Tinexta subscribed a 5.19% stake in the Primo Digital mutual investment fund set up by Primo Ventures SGR S.p.A; the increase for the year is attributable to the payment of €185 thousand for a total commitment made by Tinexta of €2.5 million.

13. Assets held for sale

Amounts in Euro	31/12/2023	31/12/2022	Change
Assets held for sale	**0**	**3,927,877**	**(3,927,877)**

Following up the agreements signed on 30 May 2022, on 7 March 2023 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 €48.4 million. The equity value was determined on the basis of an enterprise value for RE Valuta of €46 million, adjusted for the 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. The accessory costs paid during the year in relation to the sale of the equity investment in RE Valuta S.p.A. amounted to €1,393 thousand. The capital gain realised from the sale of the equity investment, recognised under *Financial income*, is equal to €43,349 thousand.

14. Deferred tax assets and liabilities

Detail of Deferred tax assets and liabilities and changes during the year:

Amounts in Euro	31/12/2022	Allocations (Releases) Income statement	Allocations (Releases) Comprehensive income statement	31/12/2023
Deferred tax assets:				
Property, plant and equipment	19,248	3,115	0	22,363
Intangible assets	425	(107)	0	318
Hedging derivative financial instruments	6,611	0	(3,132)	3,479
Employee benefits	38,992	4,571	10,225	53,788
Losses that can be carried forward for tax purposes	457,572	0	0	457,572
Other temporary differences	86,589	(3,550)	0	83,039
Deferred tax assets	**609,436**	**4,030**	**7,092**	**620,558**
Deferred tax liabilities:				
Equity investments	22,930	0	0	22,930
Hedging derivative financial instruments	2,053,531	0	(1,004,118)	1,049,413
Financial liabilities	1,734	(1,734)	0	0
Deferred tax liabilities	**2,078,194**	**(1,734)**	**(1,004,118)**	**1,072,342**
Net deferred tax assets (liabilities)	**(1,468,758)**	**5,764**	**1,011,210**	**(451,784)**

Deferred tax assets have been recognised as at 31 December 2023 as the management of the Company has deemed them to be recoverable in future years.

15. Trade and other receivables and Contract assets

The item *Trade and other receivables* totalled €4,872 thousand (€1,926 thousand as at 31 December 2022) and can be detailed as follows:

Amounts in Euro	31/12/2023	31/12/2022	Change
Prepaid expenses	40,204	19,216	20,988
Non-current trade and other receivables	**40,204**	**19,216**	**20,988**
of which vs. related parties	**0**	**17,301**	**(17,301)**
Trade receivables from subsidiaries	2,172,776	1,130,149	1,042,627
Other receivables from subsidiaries	601	0	601
Trade receivables from customers	576,157	27,251	548,906
Other receivables	366,191	76,418	289,773
VAT credit	910,012	0	910,012
Prepaid expenses	805,694	673,108	132,586
Current trade and other receivables	**4,831,430**	**1,906,926**	**2,924,504**
of which vs. related parties	**2,541,603**	**1,241,076**	**1,300,527**
Trade and other receivables	**4,871,634**	**1,926,142**	**2,945,492**

There is no bad debts provision as the book value is considered fully recoverable.

The following table provides a breakdown of Current trade receivables from customers as at 31 December 2023, grouped by maturity brackets, compared with the situation as at 31 December 2022:

Amounts in Euro	**Total**	**due**	**past due within 90 days**	**past due between 91 and 180 days**	**past due between 181 days and 1 year**	**past due beyond 1 year**
31 December 2023	**576,157**	101,716	474,441			
31 December 2022	**27,251**		27,251			

As regards the *VAT credit*, it should be noted that the Company is among the subjects to which the split payment rule, under Article 17 of Italian Presidential Decree no. 633 of 26 October 1972, applies. As a result, VAT is not paid to suppliers and periodic required payments are made to the tax authorities.

Amounts in Euro	**31/12/2023**	**31/12/2022**	**Change**
Contract assets	**351,150**	**537,782**	**(186,631)**
of which vs. related parties	**350,224**	**497,054**	**(146,830)**

Contract assets of €351 thousand as at 31 December 2023 (€538 thousand as at 31 December 2022), almost entirely from subsidiaries, predominantly comprise the Company's right to receive consideration for work completed but not yet invoiced at the end of the year. These assets are reclassified under *Trade receivables* when the right becomes unconditional.

16. Current tax assets and liabilities

The table shows the Company's exposure, in its capacity as consolidating company, to the tax authorities, as well as the amounts receivable from/payable to the consolidated companies.

Amounts in Euro	**31/12/2023**	**31/12/2022**	**Change**
Receivables from tax authorities for IRES	1,184,399	0	1,184,399
Receivables from subsidiaries participating in Tinexta tax consolidation	2,619,452	1,744,757	874,696
Current tax assets	**3,803,851**	**1,744,757**	**2,059,095**
of which vs. related parties	**2,619,452**	**1,744,757**	**874,696**
Payables to tax authorities for IRES	0	793,429	-793,429
Payables to subsidiaries participating in Tinexta tax consolidation	2,488,917	1,757,350	731,566
Current tax liabilities	**2,488,917**	**2,550,779**	**(61,862)**
of which vs. related parties	**2,420,784**	**1,757,350**	**663,434**
Net current tax assets/(liabilities)	**1,314,935**	**(806,022)**	**2,120,957**

In 2021, Tinexta S.p.A., in its capacity as fiscal consolidator, initiated the tacit renewal for the 2021-2023 three-year period of the consolidated taxation regime pursuant to Articles 117 et seq. of Italian Presidential Decree no. 917/86 (Consolidated Law on Income Taxes – TUIR). The companies currently included, as consolidated companies, are: InfoCert S.p.A., Sixtema S.p.A., Visura S.p.A., Warrant Hub S.p.A., Tinexta Cyber S.p.A., Swascan S.r.l., Corvallis S.r.l., ForValue S.p.A., Queryo Advance S.r.l., Yoroi S.r.l. and Tinexta Defence S.r.l.

With effect from the 2023 tax period, the tax consolidation was interrupted due to the absence of the legal requirements (i.e., the loss of the requirement of control as a result of the transfer of the equity investment to Crif S.p.A.) with respect to RE Valuta S.p.A.

The economic and financial relations, as well as the reciprocal responsibilities and obligations, between Tinexta S.p.A. and the consolidated companies are defined in the corresponding tax consolidation regulations.

17. Other financial assets, excluding derivative financial instruments

Amounts in Euro	**31/12/2023**	**31/12/2022**	**Change**
Non-current loans to subsidiaries	30,406,464	12,156,106	18,250,358
Other non-current financial assets	989,005	958,522	30,484
Non-current financial assets, excluding derivative financial instruments	**31,395,470**	**13,114,627**	**18,280,843**
of which vs. related parties	**30,444,264**	**12,193,906**	**18,250,358**
Positive balance current accounts with subsidiaries	3,743,272	25,817,246	(22,073,974)
Current financial receivables from subsidiaries	9,539,854	911,888	8,627,966
Other current financial assets	22,952,710	121,556,180	(98,603,470)
Current financial assets, excluding derivative financial instruments	**36,235,837**	**148,285,314**	**(112,049,478)**
of which vs. related parties	**13,283,127**	**26,729,135**	**(13,446,008)**

With reference to *Non-current loans to subsidiaries*, on 12 September 2023 Tinexta S.p.A. signed a bond issued by Warrant Hub S.p.A. for a total of €25,000 thousand, consisting of 50 interest-bearing bonds, each with a face value of €500 thousand and due date on 15 September 2028. During the year, Tinexta S.p.A. also received the repayment of the remaining part of the loan disbursed to Warrant Hub S.p.A., present as at 31 December 2022, for €3,856 thousand. Contributing to the change in the item is the reclassification, in current financial receivables from subsidiaries, of the loan of €3,000 thousand to Co.Mark S.p.A. (now merged into Warrant Hub S.p.A.) and of the loan of €5,300 thousand to Tinexta Cyber S.p.A. and the recognition of the non-current portion of the financial receivable from subsidiaries that Tinexta S.p.A. recognised following the signing of sublease agreements for the Milan property for a value of €5,406 thousand.

Other non-current financial assets include the guarantee deposits.

The item *Positive balance current accounts with subsidiaries* refers to positive balance current accounts with subsidiaries as a result of the application of the centralised Group treasury management system (cash pooling) by the Company.

Current financial receivables from subsidiaries include the aforementioned loan to the subsidiary Warrant Hub S.p.A. of €3,000 thousand, the loan to the subsidiary Tinexta Cyber S.p.A. for €5,300 thousand and the current portion of the financial receivable from subsidiaries recognised after the signing of sublease agreements for the property in Milan for a value of €964 thousand.

Other financial assets include the following Time Deposit contract (for a total nominal amount of €20,000 thousand in addition to accrued interest for €159 thousand as at 31 December 2023) for short-term liquidity management:

Counterparty	Rate	Nominal amount in Euro	Expiry date
Mediobanca	4.04%	20,000,000	January 2024
Total		**20,000,000**	

During the year, investments were made in Time Deposits (classified under *Other financial assets*, therefore with a duration of more than 3 months) for €165 million and Time Deposits were collected for €265 million plus interest income for €2,111 thousand. Euro.

The item *Other financial assets* also includes the deposit of €1,175 thousand paid for the lease contract for office use in Rome signed by Tinexta S.p.A. and the financial receivable of €1,243 thousand from the lessor of the property in Milan for amounts paid in advance for fit-out works pending retrocession.

18. Cash and cash equivalents

Cash and cash equivalents can be broken down as follows:

Amounts in Euro	31/12/2023	31/12/2022	Change
Bank and postal deposits	62,736,468	70,593,414	(7,856,946)
Cash and other cash on hand	654	953	(299)
Cash and cash equivalents	45,100,566	0	45,100,566
Cash and cash equivalents	**107,837,689**	**70,594,367**	**37,243,321**

The balance of *Bank and postal deposits* is mainly represented by the cash and cash equivalents held in bank accounts at leading Italian banks.

A centralised treasury management system (cash pooling) is set up at the Group level by the Company. The direct and indirect subsidiaries participating in the cash pooling are InfoCert S.p.A., Sixtema S.p.A. (subsidiary of InfoCert S.p.A.), Visura S.p.A., Warrant Hub S.p.A., Tinexta Cyber S.p.A., Corvallis S.r.l. (subsidiary of Tinexta Cyber S.p.A.), Forvalue S.p.A. (subsidiary of Warrant Hub S.p.A.) and Tinexta Defence S.r.l. The balance payable to subsidiaries, recognised under current financial liabilities, amounted to €62,732 thousand (for details see Note *21. Financial liabilities, excluding derivative financial instruments*); the balance receivable from subsidiaries, recognised under current financial assets, amounted to €3,743 thousand (for details see Note *17. Financial assets, excluding derivative financial instruments*).

The change in the period as detailed in the Statement of Cash Flows is attributable to the liquidity absorbed by operating activities for €14,644 thousand; to the liquidity generated by the investing activities for €161,439 thousand mainly coming from the sale of equity investments, collection of dividends and collections of Time Deposits, partially offset by the investments in other financial assets linked to the Time Deposit contracts, by investments in shareholdings and the disbursements of loans to subsidiaries; to the liquidity generated by the financing activities for €109,551 thousand, in particular the repayment of bank loans, the reduction in exposure to Cash Pooling towards subsidiaries, the purchase of treasury shares and the payment of dividends.

Cash equivalents include the following Time Deposit contracts with a duration of less than three months (for a total nominal amount of €20,000 thousand in addition to accrued interest of €101 thousand) for short-term liquidity management:

Counterparty	Rate	Nominal amount in Euro	Expiry date
Credit Agricole	3.82%	15,000,000	February 2024
Sella	3.75%	5,000,000	January 2024
Total		**20,000,000**	

Cash and cash equivalents also include €25,000 thousand relating to a deposit contract remunerated at an average monthly 1M-Euribor rate subscribed with BPER in the year.

19. Shareholders' equity

The approved, subscribed and paid-in share capital amounted to €47,207,120 as at 31 December 2023 and consists of 47,207,120 ordinary shares.

As at 31 December 2023, the Company holds 1,735,993 treasury shares, equal to 3.677% of the Share Capital, for a total book value of €30,059 thousand (including commissions for €42 thousand). In 2023, 210,000 treasury shares were purchased, equal to 0.445% of the Share Capital, for a purchase price of €3,908 thousand; 74,254 treasury shares were sold, equal to 0.157% of the Share Capital, for the partial exercise of the options linked to the 2020-2022 Stock Option Plan for a sale amount of €815 thousand. The unit book value of the *Treasury shares in portfolio* is equal to €17.31 per share. The Tinexta share (Ticker: TNXT) closed 2023 with a price per share of €20.28.

Shareholders' equity as at 31 December 2023 amounted to €287,177 thousand (€250,084 thousand as at 31 December 2022) and can be broken down as follows:

Amounts in Euro	31/12/2023	31/12/2022	Change
Share capital	**47,207,120**	**47,207,120**	**0**
Treasury shares in portfolio	(30,058,540)	(27,436,531)	(2,622,008)
Legal reserve	9,441,424	7,150,333	2,291,091
Share premium reserve	55,438,803	55,438,803	0
Extraordinary reserve	8,223,589	8,223,589	0
Revaluation reserve pursuant to Art. 2426 Civil Code	554,012	554,012	0
First Time Adoption Reserve	4,393	4,393	0
Reserve for share-based payments	9,634,795	5,955,411	3,679,384
Profits (losses) from previous years	120,789,353	64,985,323	55,804,030
Reserve from valuation of hedging derivatives	3,312,123	6,481,910	(3,169,787)
Defined-benefit plans reserve	(81,609)	(49,230)	(32,379)
Profit (loss) for the year	62,711,952	81,568,529	(18,856,577)
Total Shareholders' equity	**287,177,416**	**250,083,662**	**37,093,754**

The items of shareholders' equity are broken down as follows according to their origin, possible use, allocation and use in the three prior years:

Amounts in Euro	31/12/2023	Possibility of use	Available portion	Distributable portion	Summary of uses in the three previous years	
					For loss coverage	For other reasons
Share capital	47,207,120		0	0		
Treasury shares in portfolio	(30,058,540)		(30,058,540)	(30,058,540)		
Legal reserve	9,441,424	B	0	0		
Share premium reserve	55,438,803	A, B, C	55,438,803	55,438,803		
Extraordinary reserve	8,223,589	A, B, C	8,223,589	8,223,589		
Revaluation reserve pursuant to Art. 2426 Civil Code	554,012	A, B	554,012	0		
First Time Adoption Reserve	4,393	A	0	0		
Reserve for share-based payments	9,634,795	A, B	9,634,795	0		
Profits (losses) from previous years	120,789,353	A, B, C	120,789,353	120,789,353		
Reserve from valuation of hedging derivatives	3,312,123		0	0		
Defined-benefit plans reserve	(81,609)		(81,609)	(81,609)		
Profit (loss) for the year	62,711,952		62,711,952	62,711,952		
Total	**287,177,416**		**227,212,356**	**217,023,549**		

Key
A: For capital increase
B: To cover losses
C: For distribution to shareholders

The *Reserve for share-based payments* refers to the allocation recognised on the 2020-2022 Stock Option Plan, on the 2021-2023 Stock Option Plan and on the 2023-2025 Performance Shares Plan.

The *Reserve from valuation of hedging derivatives* refers to the fair value measurement of hedging derivatives (referred to in Note *22. Derivative financial instruments*).

The *Defined-benefit plans reserve* refers to the actuarial component of the Employee severance indemnity according to the requirements of IAS 19 (for further details, see Note *20. Employee benefits*).

20. Employee benefits

Liabilities for *Employee benefits* amounted to €1,042 thousand as at 31 December 2023 (€797 thousand as at 31 December 2022) and may be broken down as follows:

Amounts in Euro	31/12/2023	31/12/2022	Change
Employee severance indemnity	918,260	735,186	183,075
Other non-current employee benefits	123,307	61,656	61,651
Total non-current employee benefits	**1,041,567**	**796,842**	**244,726**
Total employee benefits	**1,041,567**	**796,842**	**244,726**

The item *Other non-current employee benefits* as at 31 December 2023 includes the provision relating to medium- and long-term incentive schemes in favour of employees.

The Employee severance indemnity (TFR) includes the effects of the actuarial calculations according to the requirements of IAS 19.

The changes in the TFR liability were as follows:

Amounts in Euro	2023	2022	Change
Liabilities at the beginning of the period	**735,186**	**713,231**	**21,955**
Current service cost	173,560	193,306	(19,746)
Financial charges	26,592	6,750	19,842
Benefits paid	(59,680)	(48,964)	(10,716)
Actuarial (profits)/losses recognised in the period	42,604	(129,137)	171,741
Liabilities at the end of the period	**918,260**	**735,186**	**183,075**

The details of the economic and demographic assumptions used for the purposes of the actuarial calculations are provided below.

Parameters	31/12/2023	31/12/2022
Discount rate	3.17%	3.77%
Inflation rate	2.00%	2.30%
TFR increase rate	3.00%	3.225%
Real rate of increase in wages	1.00%	1.00%
Expected mortality rate	RG48 from General Accounting Office	RG48 from General Accounting Office
Expected invalidity rate	INPS tables broken down by age and gender	INPS tables broken down by age and gender
Resignations expected	4.50%	4.50%
Advances expected	2.50%	2.50%

Below is a sensitivity analysis of the main actuarial assumptions included in the calculation model considering as the base scenario the one previously described and increasing and decreasing the average annual discounting rate, the average inflation rate and turnover rate, respectively, by a quarter, a quarter and one percentage point. The results obtained are summarised in the following table:

Amounts in thousands of Euro	31/12/2023
Turnover rate +1%	919,965
Turnover rate -1%	916,246
Inflation rate +0.25%	932,349
Inflation rate -0.25%	904,625
Discount rate +0.25%	901,486
Discount rate -0.25%	935,807

21. Financial liabilities, excluding derivative financial instruments

This item includes financial liabilities incurred by the Company for a variety of reasons, with the exception of those deriving from the underwriting of derivative financial instruments, and is broken down as follows:

Amounts in Euro	31/12/2023	31/12/2022	Change
Current liabilities for bank loans	40,867,619	44,003,934	(3,136,315)
Non-current liabilities for bank loans	78,537,030	119,164,995	(40,627,965)
Other current bank payables	14,345	10,506	3,839
Current price deferment liabilities	790,232	1,068,681	(278,448)
Non-current price deferment liabilities	0	786,225	(786,225)
Current liabilities for contingent considerations	477,878	0	477,878
Non-current liabilities for contingent considerations	13,128,678	12,432,319	696,359
Current liabilities for leases	2,192,162	162,635	2,029,527
Non-current liabilities for leases	28,069,480	28,809,927	(740,447)
Negative balance current accounts with subsidiaries	62,732,184	95,566,815	(32,834,632)
Current liabilities to other lenders	76,500	77,110	(610)
Current financial liabilities	**107,150,920**	**140,889,681**	**(33,738,761)**
of which vs. related parties	**62,843,291**	**96,372,928**	**(33,529,637)**
Non-current financial liabilities	**119,735,189**	**161,193,466**	**(41,458,277)**
of which vs. related parties	**136,830**	**182,625**	**(45,794)**
Total financial liabilities	**226,886,109**	**302,083,147**	**(75,197,038)**

Non-current financial liabilities expected to mature in more than 5 years from the date of the financial statements equal €14,832 thousand, fully attributable to lease payables. The following is a summary of the financial liabilities recognised in the financial statements as at 31 December 2023, classified according to the contractual due dates:

Amounts in Euro	Within 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Total
Bank loans	40,867,619	40,894,674	32,947,165	4,695,192			**119,404,649**
Other current bank payables	14,345						**14,345**
Price deferment liabilities	790,232						**790,232**
Liabilities for contingent consideration	477,878	13,128,678					**13,606,555**
Lease liabilities	2,192,162	1,839,007	3,582,110	3,835,017	3,981,103	14,832,243	**30,261,643**
Negative balance current accounts with subsidiaries	62,732,184						**62,732,184**
Current payables to other lenders	76,500						**76,500**
Total financial liabilities	**107,150,920**	**55,862,359**	**36,529,275**	**8,530,209**	**3,981,103**	**14,832,243**	**226,886,109**

Bank loans

Breakdown of *Bank loans* as at 31 December 2023 showing the current and non-current portions of their book value, including the effects of measurement at amortised cost:

Bank loans
Amounts in thousands of Euro

	Counterparty	Rate	Maturity date	Nominal amount	Book value	Current portion	Non-current portion
CA line C loan	Crédit Agricole	6-month Euribor + 1.20% spread[2]	31/12/2024	3,000	2,992	2,992	0
CA line A loan	Crédit Agricole	6-month Euribor + 1.05% spread[2]	30/06/2025	13,820	13,639	5,863	7,777
CA line B loan	Crédit Agricole	6-month Euribor + 1.05% spread[2]	30/06/2025	3,333	3,322	2,213	1,109
ISP Group line A1 loan	Intesa Sanpaolo Group	6-month Euribor + 0.9% spread	30/06/2026	25,400	25,030	9,091	15,939
ISP Group line A2 loan	Intesa Sanpaolo Group	6-month Euribor + 1.15% spread	30/06/2026	22,800	22,659	2,340	20,319
BNL loan	BNL	6-month Euribor + 1.45% spread	31/12/2025	13,600	13,546	5,964	7,582
Mediobanca loan	Mediobanca	6-month Euribor + 1.65% spread[2]	11/11/2025	6,667	6,699	3,371	3,328
ICCREA-BCC loan	ICCREA-BCC	6-month Euribor[1] + 1.00% spread	15/12/2026	6,000	5,972	1,984	3,988
BPM loan	Banco BPM	6-month Euribor + 1.20% spread	31/12/2026	6,667	6,656	2,218	4,438
BPER loan	BPER	6-month Euribor + 1.2% spread[2]	31/12/2027	5,714	5,676	1,412	4,264
Unicredit loan	Unicredit	6-month Euribor + 1.25% spread	30/09/2027	13,091	13,212	3,420	9,793
				120,092	**119,405**	**40,867**	**78,537**

[2] Spread subject to change on the NFP/EBITDA parameter defined contractually
[3] Floor at -0.70% on 3-month Euribor

The **Crédit Agricole line C loan** was disbursed for €15 million on 28 June 2019. The main terms of the contract are as follows: maturity on 31 December 2024, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 31 December 2019) and interest settled at the variable 6-month Euribor rate, plus a margin updated every six months based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 2 margin 150 bps; NFP/EBITDA ≤ 2 and > 1.5 margin 135 bps; NFP/EBITDA ≤ 1.5 margin 120 bps. As at 31 December 2023, based on the parameters indicated above, the margin paid was 120 bps.

The **Crédit Agricole line Aloan** was signed on 18 June 2020. The **line A**, for a total of €31 million, matures on 30 June 2025, includes repayment of principal in deferred semi-annual instalments starting from 31 December 2020 and interest settled at the floating 6-month Euribor rate plus a margin updated every year based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 1.75 margin 110 bps; NFP/EBITDA ≤ 1.75 margin 105 bps. As at 31 December 2023, based on the parameters indicated above, the margin paid was 105 bps.

The loan agreement executed on 18 June 2020 envisages an additional credit facility (**Crédit Agricole line B**) for €10 million, which had been disbursed in full on 10 December 2020. The main terms of the line are: maturity on 30 June 2025, repayment of principal in deferred semi-annual instalments and interest settled at the floating 6-month Euribor rate plus a margin updated every year based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 1.75 margin 110 bps; NFP/EBITDA ≤ 1.75 margin 105 bps. As at 31 December 2023, based on the parameters indicated above, the margin paid was 105 bps.

On the Crédit Agricole loans, the Company is committed, for each reference half-year, to respecting the following limits: maximum threshold of *NFP/EBITDA* ratio of 3.5 and *NFP/Shareholders' Equity* ratio of 2.0. As at 31 December 2023 these parameters were found to have been respected.

BNL loan for a total of €20 million, for which Tinexta S.p.A. signed the agreement on 20 December 2019. The loan was used in full in 2020. The rate applied is the 6-month Euribor plus 145 bps and requires repayment of principal in increasing semi-annual instalments starting from 30 June 2021 and maturing on 31 December 2025, with interest paid semi-annually starting from 31 December 2020. From 31 December 2018 and for each reference half-year, the Company has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity below 2.0. As at 31 December 2023 these parameters were found to have been respected.

The **Intesa Sanpaolo loan** was signed on 31 July 2020. **Line A1**, for a total of €50 million, matures on 30 June 2026 and envisages repayment of principal in deferred semi-annual instalments from 30 June 2021 and interest settled at the floating 6-month Euribor rate plus a margin of 90 bps. The Company has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected. The executed loan agreement envisages an additional credit line (**line A2**) for €30 million used in full on 25 January 2021. The main terms of the line A2 are: maturity on 30 June 2026, repayment of principal in deferred semi-annual instalments and interest settled at the floating 6-month Euribor rate plus a margin of 115 bps.

The **Mediobanca loan** was signed on 11 November 2020 and disbursed for €15 million on 30 December 2020. The main terms of the contract are as follows: maturity on 11 November 2025, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 11 May 2021) and interest settled at the floating 6-month Euribor rate, with a zero floor, plus a margin updated every six months based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 3 margin 190 bps; NFP/EBITDA ≤ 3 and > 2 margin 165 bps; NFP/EBITDA ≤ 2.0 margin 145 bps. The Company has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity below 2.0. As at 31 December 2023 these parameters were found to have been respected. Based on the parameters indicated above, the margin paid was 165 bps.

The **ICCREA-BCC loan** was signed on 15 December 2020 with a pool of banks comprising ICCREA Banca and BCC Milano for €10 million. The amount was fully disbursed on 29 January 2021. The main terms of the contract are as follows: maturity on 15 December 2026, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 31 December 2021) and interest settled at the floating 6-month Euribor rate with a zero floor, plus a margin of 100 bps. The Company has committed to respect the following financial limits: *NFP/EBITDA* less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected.

The **BPM loan** was signed and fully disbursed on 30 April 2021 for €10 million. The main terms of the agreement are as follows: maturity on 31 December 2026, repayment of principal in semi-annual equal instalments with a first pre-amortisation period (until 30 June 2022) and interest settled at the floating 6-month Euribor rate, plus a margin of 120 bps. Starting from 31 December 2021, the Company has committed to respect the following financial limits: NFP/EBITDA less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected.

The **BPER loan** was signed on 19 February 2021 for €10 million, the amount was fully disbursed on 24 February 2021. The main terms of the agreement are as follows: maturity on 31 December 2027, repayment of principal in semi-annual equal instalments starting on 30 June 2021 and interest settled at the floating 6-month Euribor rate plus a margin updated every year based on the ratio of NFP to EBITDA, defined contractually, as follows: NFP/EBITDA > 1.75 margin 125 bps; NFP/EBITDA ≤ 1.75 margin 120 bps. The Company has committed to respect the following financial limits: NFP/EBITDA less than 3.5 and NFP/Shareholders' Equity below 2.0. As at 31 December 2023 these parameters were found to have been respected. Based on the parameters indicated above, the margin paid was 120 bps.

The **Unicredit loan** was signed on 21 September 2021 for €18 million, the amount was fully disbursed on the same date. The main terms of the agreement are as follows: maturity on 30 September 2027, repayment of principal in semi-annual equal instalments starting from 30 September 2022 and interest settled at the floating 6-month Euribor rate (with a zero floor), plus a margin of 125 bps. The Company has committed to respect the following financial limits: NFP/EBITDA less than 3.5 and NFP/Shareholders' Equity less than 2.0. As at 31 December 2023 these parameters were found to have been respected.

Changes in *Bank loans*:

Amounts in Euro	31/12/2022	Principal payments	Paid interest	Accrued interest	31/12/2023
Bank loans	163,168,929	(44,519,077)	(6,655,975)	7,410,773	**119,404,649**

Accrued interest includes €746 thousand of charges accrued by applying the effective interest criterion.

Other current bank payables

Other current bank payables refer to the debt on company credit cards not charged to the current account as at 31 December 2023.

Price deferment liabilities

Price deferment liabilities represent the payable at the reporting date referring to deferments obtained from the selling shareholders of Financial Consulting Lab S.r.l.

Changes in *Price deferment liabilities*:

Amounts in Euro	31/12/2022	Principal payments	Paid interest	Accrued interest	31/12/2023
Price deferment liabilities	1,854,905	(1,054,076)	(15,924)	5,327	**790,232**

Liabilities for contingent considerations

Liabilities for contingent considerations linked to acquisitions were determined at the present value of the amount to be paid at the contractual expiries, if the payment is envisaged more than 12 months after initial recognition. As at 31 December 2023, the discount rate used was equal to the WACC used for the purposes of the impairment test of shareholdings as at 31 December 2023.

Amounts in thousands of Euro	31/12/2023	31/12/2023		31/12/2022	31/12/2022		Change
		Current	*Non-current*		*Current*	*Non-current*	
Enhancers contingent consideration	**9,396,352**		9,396,352	**8,168,064**		8,168,064	**1,228,288**
Plannet contingent consideration	**3,247,671**		3,247,671	**3,703,099**		3,703,099	**(455,428)**
Sferabit contingent consideration	**477,878**	477,878		**434,336**		434,336	**43,542**
Trix contingent consideration	**484,656**		484,656	**126,821**		126,821	**357,834**
Total liabilities for contingent considerations	**13,606,555**	**477,878**	**13,128,678**	**12,432,319**	**0**	**12,432,319**	**1,174,237**

The liabilities for contingent considerations to the selling shareholders of Enhancers S.p.A., Plannet S.r.l., Trix S.r.l. and Sferabit S.r.l. were recognised in 2022 for the assumption of the liabilities pertaining to Warrant Hub S.p.A. and Visura S.p.A.

During the year, there was a negative change in liabilities for contingent considerations for a total of €1,174 thousand.

Liabilities for the purchase of leased assets

Lease liabilities includes the present value of payments due on the leases falling under the application of IFRS 16.

The changes in *Lease liabilities* are shown below, to allow for a better understanding of cash flows recognised under Financing activities in the Statement of Cash Flows:

Amounts in Euro	31/12/2022	New leases	Principal payments	Paid interest	Accrued interest	Other non-cash-flow changes	31/12/2023
Lease liabilities	28,972,563	110,285	(326,725)	(207,981)	1,330,271	383,230	**30,261,643**

The *New lease contracts* led to an overall increase in Lease liabilities of €110 thousand.

Other non-cash-flow changes also include adjustments to lease liabilities for changes in lease payments (e.g. ISTAT adjustments), extensions and early terminations.

Negative balance current accounts with subsidiaries

This item refers to negative balance current accounts with subsidiaries as a result of the application of the centralised Group treasury management system (cash pooling) by the Company.

22. Derivative financial instruments

The financial assets and liabilities for derivative instruments may be broken down as follows:

Amounts in thousands of Euro	**31/12/2023**	**31/12/2022**	**Change**
Non-current financial assets for hedging derivatives	4,524,873	8,561,643	(4,036,769)
Current financial assets for hedging derivatives	0	106,876	(106,876)
Non-current financial liabilities for hedging derivatives	15,452	28,504	(13,052)
Assets (liabilities) for net hedging derivative financial instruments	**4,509,421**	**8,640,015**	**(4,130,593)**

The current Derivative financial instruments as at 31 December 2023 refer to the contracts executed by the Company in order to hedge the risk of financial flow changes due to the fluctuations of the interest rates on a portion of the bank loans (for details, see Note *21. Financial liabilities, excluding derivative financial instruments*).

Table illustrating the contract type, notional value, loan hedged and fair value of current derivatives as at 31 December 2023:

In thousands of Euro

Type	**Loan hedged**	**Notional**	**Maturity date**	**Rate received**	**Rate paid**	***Fair value as at 31/12/2023***	***Fair value as at 31/12/2022***
IRS	CA line A	0	30/06/2023	6-month Euribor[1]	0.600%	0	12
IRS	CA line A	0	30/06/2023	6-month Euribor	0.640%	0	0
IRS	BNL	0	18/07/2023	3-month Euribor	-0.350%	0	60
IRS	CA line C	3,000	31/12/2024	6-month Euribor	-0.220%	84	245
IRS	CA line A	13,820	30/06/2025	6-month Euribor	-0.146%	534	1,046
IRS	CA line B	3,333	30/06/2025	6-month Euribor	-0.276%	118	287
IRS	ISP Group	14,487	31/12/2025	6-month Euribor[2]	-0.163%	590	1,253
IRS	Unicredit	13,091	31/12/2025	6-month Euribor	-0.008%	851	1,330
IRS	BPER	5,714	31/12/2027	6-month Euribor[3]	-0.182%	357	634
Total Interest Rate Swap hedging instruments		**53,446**				**2,533**	**4,866**

1 the index has a lower limit (Floor) of zero

2 the index has a lower limit (Floor) of -1.40%

3 the index has a lower limit (Floor) of -1.40%

In thousands of Euro

Type	***Loan hedged***	***Notional***	***Maturity date***	***Hedged rate***	***Strike***	***Fair value as at 31/12/2023***	***Fair value as at 31/12/2022***
Capped Swap	CA line A	0	30/06/2023	6-month Euribor	1.500%	0	7
Capped Swap	BPS	0	30/06/2023	6-month Euribor	1.500%	0	6
Capped Swap	UBI	0	29/05/2023	6-month Euribor	0.500%	0	22
Capped Swap	ISP Group	6,395	30/06/2026	6-month Euribor	0.600%	291	522
Capped Swap	ISP Group	22,800	30/06/2026	6-month Euribor	0.500%	1,012	1,843
Capped Swap	BPM	6,667	31/12/2026	6-month Euribor	0.500%	241	480
Total Capped Swap hedging instruments1		**35,861**				**1,544**	**2,880**

1 the derivatives provide for a periodic 6-monthly premium

In thousands of Euro

Type	***Loan hedged***	***Notional***	***Maturity date***	***Hedged rate***	***Strike***	***Fair value as at 31/12/2023***	***Fair value as at 31/12/2022***
Floor	BNL	13,600	31/12/2025	6-month Euribor	-1.450%	(15)	(29)
Total Floor Option hedging instruments1		***13,600***				***(15)***	***(29)***

1 the derivatives provide for a periodic 6-monthly premium

In thousands of Euro

Type	Loan hedged	Notional	Maturity date	Hedged rate	Strike	*Fair value as at 31/12/2023*	Fair value as at 31/12/2022
Collar	ISP Group	4,518	31/12/2025	6-month Euribor	1.75%/-0.33%	80	178
Collar	BNL	13,600	31/12/2025	6-month Euribor	1.00%/-0.30%	368	745
Total Collar Option hedging instruments		**18,118**				**448**	**922**

Derivative financial instruments fall within Level 2 of the fair value hierarchy.

23. Current trade and other payables

The item *Trade and other payables* totalled €9,386 thousand (€7,434 thousand as at 31 December 2022) and can be detailed as follows:

Amounts in Euro	31/12/2023	31/12/2022	Change
Trade payables to suppliers	5,040,414	3,330,494	1,709,920
Trade payables to parent company	223,506	251,732	(28,226)
Trade payables to subsidiaries	628,476	633,803	(5,327)
Trade payables to associated companies	0	30,800	(30,800)
Other payables to subsidiaries	10,190	1,298	8,892
Current VAT payable	758,287	269,411	488,876
Due to social security institutions	717,700	669,547	48,154
Payable for withholding taxes to be paid	484,543	577,507	(92,964)
Payables to employees	1,479,607	1,662,907	(183,300)
Due to others	43,537	6,223	37,314
Current trade and other payables	**9,386,261**	**7,433,722**	**1,952,539**
of which vs. related parties	**862,173**	**917,633**	**(55,461)**

Trade payables to suppliers include €646 thousand of payables for invoices to be received (€979 thousand as at 31 December 2022).

Trade payables to suppliers			Invoices received					
Amounts in thousands of Euro	**Balance**	**Accruals and invoices to be received**		due	past due within 90 days	past due between 91 and 180 days	past due between 181 days and 1 year	past due beyond 1 year
31 December 2023	**5,040,414**	**645,710**	**4,394,704**	445,967	2,047,942	1,390,605	359,482	150,707
31 December 2022	**3,330,494**	**979,083**	**2,351,411**	1,685,310	639,566	5,307	21,228	0

The item *Payables to employees* includes payables for wages to be paid, pay in lieu of vacation, expense reports to be reimbursed and bonuses to be paid.

Information on the Comprehensive Income Statement

24. Revenues

Revenues for 2023 amounted to €4,783 thousand (€3,548 thousand for 2022) and can be broken down as follows:

Amounts in Euro	2023	2022	Change
Revenues from sales and services	1,377,002	1,234,259	142,743
Other revenues and income	3,405,512	2,313,509	1,092,003
Revenues	**4,782,514**	**3,547,768**	**1,234,746**
of which vs. related parties	**4,408,940**	**3,321,749**	**1,087,191**

Revenues from sales and services relate to services provided to subsidiaries as part of the management holding activities provided by the Company for the functions of Data Protection, HR services, Corporate Affairs, Internal audit, tax assistance and common services as part of the sub-leases of the offices of the Milan headquarters.

Other revenues and income include primarily charge-backs to the subsidiaries related to the reversal of costs incurred by the Parent Company, in particular for software licenses and seconded personnel.

25. Service costs

Service costs for 2023 amounted to €8,072 thousand (€8,975 thousand for 2022) and can be broken down as follows:

Amounts in Euro	2023	2022	Change
IT structure costs	3,312,052	2,860,446	451,606
Specialist professional services	1,451,719	2,302,426	(850,706)
Consultancy	638,074	1,494,932	(856,857)
Outsourcing services	513,865	401,011	112,854
Property, plant and vehicle management costs	511,314	323,057	188,257
Travel, assignments and lodging expenses	434,906	353,125	81,781
Advertising, marketing and communication costs	367,693	456,982	(89,290)
Remuneration of the statutory auditors and Supervisory Body	161,923	168,912	(6,989)
Independent auditors' fees for audit and other services	151,725	129,904	21,821
Banking costs	68,936	44,764	24,172
Telephone costs	54,592	26,384	28,208
Insurance	52,287	76,484	(24,197)
Rental costs excluding IFRS 16	42,201	41,873	327
Capitalised service costs	(18,900)	0	(18,900)
Other costs for services other than the previous ones	329,777	294,332	35,446
Service costs	**8,072,166**	**8,974,633**	**(902,467)**
of which vs. related parties	**1,157,770**	**1,202,053**	**(44,283)**
of which non-recurring	**150,614**	**1,488,790**	**(1,338,176)**

IT structure costs include costs for software lease instalments and licenses for €3,285 thousand, offset by charge-backs (recognised under *Other revenues and income*) for €2,230 thousand.

Costs for non-recurring services for the year amounted to €150 thousand, recognised in *Specialist professional services* for €-209 thousand linked to acquisitions of target companies, in *Consultancy* and *IT structure costs* for a total of €360 thousand for charges related to reorganisation activities.

26. Personnel costs

Personnel costs for 2023 amounted to €11,928 thousand (€10,561 thousand for 2022) and can be broken down as follows:

Amounts in Euro	2023	2022	Change
Wages and salaries	5,925,988	5,615,802	310,186
Social security contributions	1,856,690	1,679,487	177,203
Employee severance indemnity	350,393	350,291	102
Other personnel costs	571,481	426,673	144,807
Provisions for share-based payments	1,534,499	930,795	603,704
Directors' fees	1,686,642	1,557,593	129,049
Ongoing partnerships	2,160	0	2,160
Personnel costs	**11,927,854**	**10,560,642**	**1,367,212**
of which non-recurring	**0**	**79,599**	**(79,599)**

Average number of employees of Tinexta S.p.A. in 2023 and the number of employees as at 31 December 2023, broken down by category, compared with 2022:

Number of employees	Average		Year-end	
	2023	2022	2023	2022
Senior Management	11	11	12	12
Middle Management	24	20	24	21
Employees	27	30	26	26
Total	**61**	**61**	**62**	**59**

In 2023, the costs for *Provisions for share-based payments*, equal to €1,534 thousand, refer for €319 thousand to the 2020-2022 Stock Option Plan concluded during the year, for €418 thousand to the 2021-2023 Stock Option Plan and for €798 thousand to the 2023-2025 Performance Shares Plan launched during the year.

Information on the 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. In particular, among the executive directors, key management personnel 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 give 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 as at 31 December 2022 of ≥ 80% of the approved budget value. If EBITDA proves to be between ≥ 80% and ≥ 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 at €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. In application of IFRS 2, the option rights underlying the Plan were measured at fair value at the time of assignment.

At the grant date, 23 June 2020, the fair value for each option right was equal to €3.463892.

The fair value of the options assigned was calculated by an independent expert, reflecting the "no arbitrage" and "risk neutral framework" characteristics common to the basic pricing models for options, by means of the calculation parameters indicated below:

- risk-free rate curve obtained from market IRS rates at the measurement date;
- expected dividends: 2%;
- share price volatility: 40%;
- annual probability of beneficiary exits: 3%.

On 23 June 2023, a total of 664,332 options were assigned in relation to the achievement of the 96.28% EBITDA target with respect to the 690,000 options assigned.

As at 31 December 2023, no options had been exercised.

The accrued cost recognised by Tinexta S.p.A. as at 31 December 2023 for the aforementioned plan, under *Personnel costs*, was €319 thousand.

Information on the 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. 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 as at 31 December 2023 of ≥ 80% of the approved budget value. If EBITDA proves to be between ≥ 80% and ≥ 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 at €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 €12.000555.

On 5 October 2021 the Board of Directors of Tinexta S.p.A. resolved to grant 100,000 options at an exercise price set at €32.2852 to one Tinexta S.p.A. beneficiary. The fair value for each option right was equal to €12.1476. The fair value of the options assigned was calculated by an independent expert, reflecting the "no arbitrage" and "risk neutral framework" characteristics common to the basic pricing models for options, by means of the calculation parameters indicated below:

- risk-free rate curve obtained from market IRS rates at the measurement date;
- expected dividends: 2%;
- share price volatility: 40%;
- annual probability of beneficiary exits: 3%.

The options assigned to the beneficiaries of Tinexta S.p.A. as at 31 December 2023 totalled 100,000.

The accrued cost recognised by Tinexta S.p.A. as at 31 December 2023 for the aforementioned plan, under *Personnel costs*, was €418 thousand.

Information on the 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 to the date of assignment of the shares to the beneficiaries. The Company has defined as Plan objectives: the Group's cumulative three-year Adjusted EBITDA (relative weight 60%), the TSR (relative weight 30%) and the ESG Indicator related to the 2023-2025 Three-Year ESG Plan (relative weight 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 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 (of which 213,709 rights to Tinexta S.p.A. personnel) to receive up to a maximum of 710,835 Company shares in case of maximum achievement of all performance targets.

The meeting of the Board of Directors of Tinexta S.p.A. on 15 December 2023 assigned an additional 26,614 rights (of which 10,566 rights to Tinexta S.p.A. personnel) to receive free of charge up to a maximum of 39,921 shares of the Company in the event of maximum achievement of all performance objectives. At the allocation date, the average fair value for each right was equal to €19.51.

At the assignment date, 10 May 2023, the fair value for each right was €18.30 for the "non-market based" components linked to the achievement of targets of the Group's cumulative three-year Adjusted EBITDA and the ESG Indicator related to the Three-Year ESG Plan (with a 70% weight) and €15.97 for the "market-based" component linked to the measurement of the Company's performance in terms of Total Shareholder Return with respect to the companies making up the FSTE Italia All-Share index (with a 30% weight). The fair value of the rights of the "market-based" component of the assigned options was estimated by an independent expert using the stochastic simulation with the Monte Carlo Method which, on the basis of appropriate assumptions, made it possible to define a consistent number of alternative scenarios over the period time considered, reflecting the "no arbitrage" and "risk neutral framework" characteristics using the calculation parameters shown below:

- share average annual growth rate equal to 3.14%;
- share volatility of 40.8% (reasonable estimate based on the historical volatility over three years calculated with reference to the valuation date);
- the discount rate is equal to 3.14% set equal to the share average annual growth rate.

At the assignment date, 15 December 2023, the fair value for each right was €19.68 for the "non-market based" components linked to the achievement of targets of the Group's cumulative three-year Adjusted EBITDA and the ESG Indicator related to the Three-Year ESG Plan (with a 70% weight) and €19.10 for the "market-based" component linked to the measurement of the Company's performance in terms of Total Shareholder Return with respect to the companies making up the FSTE Italia All-Share index (with a 30% weight). The fair value of the rights of the "market-based" component of the assigned options was estimated by an independent expert using the stochastic simulation with the Monte Carlo Method which, on the basis of appropriate assumptions, made it possible to define a consistent number of alternative scenarios over the period time considered, reflecting the "no arbitrage" and "risk neutral framework" characteristics using the calculation parameters shown below:

- share average annual growth rate equal to 2.65%;
- share volatility of 38.53% (reasonable estimate based on the historical volatility over three years calculated with reference to the valuation date);
- the discount rate is equal to 2.65% set equal to the share average annual growth rate.

As at 31 December 2023, a total of 224,275 rights had been assigned.

The accrued cost recognised in 2023 for the aforementioned plan under *Personnel costs* was €798 thousand.

27. Other operating costs

Other operating costs amounted to €3,349 thousand in 2023 (€870 thousand in 2022) of which €-207 thousand from related parties, linked to charge-backs to subsidiaries, and €2,099 thousand non-recurring.

Amounts in Euro	2023	2022	Change
Other operating costs	2,791,449	430,009	2,361,440
Donations, gifts and membership fees	210,738	175,795	34,943
Taxes and duties	347,266	264,576	82,691
Other operating costs	**3,349,453**	**870,379**	**2,479,074**
of which vs. related parties	**(206,745)**	**(89,057)**	**(117,688)**
of which non-recurring	**(2,099,346)**	**(14,660)**	**(2,084,686)**

These costs refer to items of a residual nature, which include: sundry taxes and duties of €347 thousand (€265 thousand in 2022) and membership fees, donations and gifts totalling €211 thousand (€176 thousand in 2022).

In *Other non-recurring operating costs*, €2,099 thousand were recognised for the settlement agreement relating to an investment agreement signed in 2020 within 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.

28. Amortisation and depreciation, provisions and impairment

Amounts in Euro	2023	2022	Change
Depreciation of property, plant and equipment	757,235	426,007	331,229
of which leased	579,395	371,065	208,330
Amortisation of intangible assets	629,809	391,906	237,903
Amortisation and depreciation, provisions and impairment	**1,387,044**	**817,912**	**569,132**

Amortisation and depreciation in 2023 amounted to €1,387 thousand (€818 thousand in 2021), of which €757 thousand referring to *Property, plant and equipment* (€579 thousand to rights of use) and €630 thousand to *Intangible assets*.

For further details regarding amortisation and depreciation, reference is made to as specified in Notes *10* and *11*.

29. Net financial income (charges)

Financial income

Financial income for 2023 amounted to €86,475 thousand (€99,479 thousand in 2022) of which €39,399 thousand from related parties mainly attributable to dividends from subsidiaries (€38,611 thousand) and €43,349 thousand non-recurring and deriving from the sale of the equity investment in RE Valuta S.p.A.

The item is detailed as follows:

Amounts in Euro	2023	2022	Change
Income on shareholdings in subsidiaries	43,349,177	56,748,673	(13,399,496)
Dividends from subsidiaries	38,610,976	41,755,756	(3,144,779)
Bank and postal interest	530,114	5,866	524,248
Interest income on loans to subsidiaries	375,209	458,418	(83,209)
Interest income on current accounts with subsidiaries	317,585	48,243	269,341
Income on derivatives	0	10,321	(10,321)
Other interest income on financial assets at amortised cost	3,252,965	451,740	2,801,225
Other financial income	39,473	0	39,473
Financial income	**86,475,498**	**99,479,017**	**(13,003,519)**
of which vs. related parties	**39,399,240**	**42,262,417**	**(2,863,177)**
of which non-recurring	**43,349,177**	**56,748,673**	**(13,399,496)**

Income on shareholdings in subsidiaries is attributable to the capital gain realised on the sale of RE Valuta *S.p.A.* (for details, please refer to Note *13. Assets held for sale*), in 2022 the item reported the net capital gain of €56,749 thousand deriving from the sale of the equity investment in Innolva S.p.A.

Dividends from subsidiaries recognised in 2023, the year in which the respective Shareholders' Meetings approved their distribution, compared with those recognised in the previous year:

Dividends from subsidiaries *Amounts in thousands of Euro*	2023	2022	Change
Warrant Hub S.p.A.	22,812,089	22,561,337	250,752
InfoCert S.p.A.	10,877,169	9,346,301	1,530,868
Visura S.p.A.	4,921,719	4,678,542	243,177
Innolva S.p.A.	0	3,744,575	(3,744,575)
RE Valuta S.p.A.	0	1,425,000	(1,425,000)
Dividends from subsidiaries	**38,610,976**	**41,755,756**	**(3,144,779)**

The decrease in dividends collected was affected by the sale of the equity investments in Innolva S.p.A. in 2022 and RE Valuta S.p.A. (for details, see Note *13. Assets held for sale*).

Other interest income on financial assets at amortised cost is attributable to the Time Deposit contracts referred to in Note *17. Other Financial assets* and Note *18. Cash and cash equivalents* for €3,127 thousand.

Financial charges

Financial charges for 2023 amounted to €7,878 thousand (€3,627 thousand for 2022) and can be broken down as follows:

Amounts in Euro	2023	2022	Change
Interest expenses on bank loans	6,664,790	2,049,942	4,614,848
Hedging derivatives on bank loans	(3,849,534)	102,805	(3,952,339)
Amortised cost on bank loans	745,983	969,633	(223,650)
Interest expenses on current accounts with subsidiaries	1,396,163	91,266	1,304,897
Interest expenses on leases	1,330,271	379,134	951,137
Bank and postal interest expenses	3,140	0	3,140
Interest expenses on payment deferments connected to acquisitions	5,327	27,263	(21,936)
Other interest expenses	33,809	0	33,809
Financial component of employee benefits	26,592	6,750	19,842
Charges on shareholdings in associated companies	1,521,021	0	1,521,021
Financial charges	**7,877,562**	**3,626,792**	**4,250,770**
of which vs. related parties	**1,399,597**	**113,008**	**1,286,589**
of which non-recurring	**1,521,021**	**0**	**1,521,021**

The increase in *Interest expenses on bank loans* mainly reflects the increase in the reference index of the interest rate to which the Company is most exposed on debt (6-month Euribor), partially offset by income recognised on *Hedging derivatives on bank loans.* The increase in interest expenses, net of income on hedging derivatives on bank loans is equal to €663 thousand.

The increase in *Interest expenses on leases* is attributable to the recognition of the two lease contracts for office use in Milan and Rome in the second half of 2022.

Charges on shareholdings in associated companies include €1,511 thousand for the complete write-down of the equity investment of Wisee S.r.l. Società Benefit due to the company being put into liquidation during the third quarter.

30. Income taxes

Income taxes for 2023 were negative for €4,068 thousand (€3,392 thousand for 2022) and can be broken down as follows:

Amounts in Euro	2023	2022	Change
Deferred tax assets	(4,030)	(39,025)	34,995
Deferred tax liabilities	(1,734)	(7,116)	5,382
Income taxes for previous years	61,983	(201)	62,184
Income from tax consolidation	(4,124,238)	(3,345,761)	(778,477)
Income taxes	**(4,068,018)**	**(3,392,102)**	**(675,916)**
of which non-recurring	**(195,655)**	**321,254**	**(516,909)**

For a breakdown and changes, during the period, in prepaid and deferred taxes, reference is made to what is outlined in Note *14. Deferred tax assets and liabilities*.

The Company closed the year 2023 with a tax loss and, therefore, no current taxes have been recognised for IRES and IRAP purposes. The income from the tax consolidation recognised during the year refers to the 2023 IRES tax loss, the 2023 ACE benefit and the non-deductible interest expenses transferred by the Company to the tax consolidation for use in the fiscal unit.

The non-recurring portion of taxes, amounting to €196 thousand, refers to the tax effect on the income deriving from the sale of the equity investment in RE Valuta S.p.A., partially offset by the tax effect of non-recurring costs.

Reconciliation between the theoretical current IRES tax and the *Income from tax consolidation*:

Amounts in thousands of Euro		*IRES rate*
Profit before tax	**58,644**	
Theoretical current tax on income	**14,075**	**24.0%**
Decreases		
Dividends from subsidiaries (PEX Regime)	(9,267)	
Capital gains on equity investments (PEX)	(10,404)	
Directors' fees	(71)	
Statutory/fiscal amortisation	(8)	
Other decreases	(98)	
Total Decreases	**(19,848)**	
Increases		
Taxable portion of dividends from subsidiaries (PEX Regime)	463	
Taxable portion of capital gains on equity investments (PEX)	427	
Non-deductible interest expenses	213	
Directors' fees	60	
Adjustment of financial charges IFRS 9	2	
Statutory/fiscal amortisation	18	
Other increases	465	
Total Increases	**1,649**	
Income from tax consolidation	**(4,124)**	**-7.0%**

Additional information

31. Transactions with Related Parties

All transactions with related parties are part of normal business operations and are regulated at normal market conditions.

Summary table of equity balances and their incidence on the related items in the statement of financial position as at 31 December 2023 and the corresponding comparative figures as at 31 December 2022:

	31/12/2023									
Amounts in Euro	**Non-current trade and other receivables**	**Non-current financial assets**	**Current financial assets**	**Current tax assets**	**Current trade and other receivables**	**Contract assets**	**Non-current financial liabilities**	**Current financial liabilities**	**Current trade and other payables**	**Current tax liabilities**
Controlling Shareholder		37,800					136,830	111,107	223,506	
Subsidiaries		30,406,464	13,283,127	2,619,452	2,493,236	350,224		62,732,184	638,666	2,420,784
Associated companies										
Other related parties					48,367					
Total related parties		**30,444,264**	**13,283,127**	**2,619,452**	**2,541,603**	**350,224**	**136,830**	**62,843,291**	**862,173**	**2,420,784**
Total financial statements' item	**40,204**	**31,395,470**	**36,235,837**	**3,803,852**	**4,831,430**	**351,150**	**119,735,189**	**107,150,920**	**9,386,261**	**2,488,917**
% Incidence on Total	*0.0%*	*97.0%*	*36.7%*	*68.9%*	*52.6%*	*99.7%*	*0.1%*	*58.6%*	*9.2%*	*97.3%*

31/12/2022										
Amounts in Euro	**Non-current trade and other receivables**	**Non-current financial assets**	**Current financial assets**	**Current tax assets**	**Current trade and other receivables**	**Contract assets**	**Non-current financial liabilities**	**Current financial liabilities**	**Current trade and other payables**	**Current tax liabilities**
Controlling Shareholder		37,800			8,262		182,625	111,038	251,732	
Subsidiaries	17,301	12,156,106	26,729,135	1,744,757	1,184,447	497,054		95,566,815	635,101	1,757,350
Associated companies									30,800	
Other related parties					48,367			695,075		
Total related parties	**17,301**	**12,193,906**	**26,729,135**	**1,744,757**	**1,241,076**	**497,054**	**182,625**	**96,372,928**	**917,633**	**1,757,350**
Total financial statements' item	**19,216**	**13,114,627**	**148,285,314**	**1,744,757**	**1,906,926**	**537,782**	**161,193,466**	**140,889,681**	**7,433,722**	**2,550,779**
% Incidence on Total	*90.0%*	*93.0%*	*18.0%*	*100.0%*	*65.1%*	*92.4%*	*0.1%*	*68.4%*	*12.3%*	*68.9%*

Non-current financial assets from subsidiaries includes the bond issued by Warrant Hub S.p.A. that Tinexta S.p.A. signed on 15 September 2023. The bond totals €25,000 thousand and consists of 50 interest-bearing bonds, each with a face value of €500 thousand and due date on 15 September 2028. The item also includes the non-current portion of the financial receivable from subsidiaries that Tinexta S.p.A. recognised following the signing of sublease agreements for the Milan property for a value of €5,406 thousand.

Current financial assets from subsidiaries include the following loans aimed at supporting extraordinary activities relating to acquisitions:

- Warrant Hub S.p.A.: €3,000 thousand at a fixed rate of 1.1% and bullet maturity on 29/03/2024;
- Tinexta Cyber S.p.A.: €5,300 thousand at a fixed rate of 1.2% and bullet maturity on 31/12/2024.

The item includes the receivable equal to €3,743 thousand referring to positive balance current accounts with the subsidiaries as a result of the application of the centralised Group treasury management system (cash pooling) by the Company; the current amount of the above-mentioned bond for €178 thousand and the financial receivable from the subsidiaries relating to the signing of subleases for the Milan property for €964 thousand are also included.

Current financial liabilities to subsidiaries include the payable of €62,732 thousand relating to negative balance current accounts with subsidiaries. The rate applied to both positive and negative balances is 2.3%, in line with the average effective debt rate of the Tinexta Group at the fixing date of the parameter. The rate applied to the cash pooling transactions is set on an annual basis by 31 March of each year.

In 2021, Tinexta S.p.A., in its capacity as fiscal consolidator, initiated the tacit renewal for the 2021-2023 three-year period of the consolidated taxation regime pursuant to Articles 117 et seq. of Italian Presidential Decree no. 917/86 (Consolidated Law on Income Taxes – TUIR). The companies currently included, as consolidated companies, are: InfoCert S.p.A., Sixtema S.p.A., Visura S.p.A., Warrant Hub S.p.A., Tinexta Cyber S.p.A., Swascan S.r.l., Corvallis S.r.l., ForValue S.p.A., Queryo Advance S.r.l., Yoroi S.r.l. and Tinexta Defence S.r.l. With effect from the 2023 tax period, the tax consolidation was interrupted due to the absence of the legal requirements (i.e., the loss of the requirement of control as a result of the transfer of the equity investment to Crif S.p.A.) with respect to RE Valuta S.p.A. The economic and financial relations, as well as the reciprocal responsibilities and obligations, between Tinexta S.p.A. and the consolidated companies are defined in the corresponding tax consolidation regulations.

Financial liabilities due to the Controlling Shareholder as at 31 December 2023 refer to lease payables related to current lease agreements for the offices in Rome and Turin.

Summary table of all economic transactions and the incidence on the related items of the 2023 income statement and the relative comparative figures of 2022:

			2023		
Amounts in Euro	**Revenues**	**Service costs**	**Other operating costs**	**Financial income**	**Financial charges**
Controlling Shareholder		266,451	16,120	473	3,778
Subsidiaries	4,408,940	891,319	(222,865)	39,398,767	1,395,819
Associated companies					
Other related parties					
Total related parties	**4,408,940**	**1,157,770**	**(206,745)**	**39,399,240**	**1,399,597**
Total financial statements' item	**4,782,514**	**8,072,166**	**3,349,453**	**86,475,498**	**7,877,562**
% Incidence on Total	*92.2%*	*14.3%*	*-6.2%*	*45.6%*	*17.8%*
			2022		
Amounts in Euro	**Revenues**	**Service costs**	**Other operating costs**	**Financial income**	**Financial charges**
Controlling Shareholder		343,281	2,097		10,972
Subsidiaries	3,321,749	808,872	(91,374)	42,262,417	91,266
Associated companies		49,900	220		
Other related parties					10,770
Total related parties	**3,321,749**	**1,202,053**	**(89,057)**	**42,262,417**	**113,008**
Total financial statements' item	**3,547,768**	**8,974,633**	**870,379**	**99,479,017**	**3,626,792**
% Incidence on Total	*93.6%*	*13.4%*	*-10.2%*	*42.5%*	*3.1%*

Revenues from subsidiaries relate to services provided to subsidiaries as part of the management holding activities provided by the Company for the functions of Data Protection, HR services, Corporate Affairs, Internal audit, tax assistance and common services as part of the sub-leases of the offices of the Milan headquarters, as well as charge-backs to the subsidiaries of specific costs incurred by the Parent Company, in particular for software licenses, seconded personnel and common services as part of the sub-leases of the offices of the Milan headquarters.

Service costs to the Controlling Shareholder consist of the costs for seconded personnel and costs related to service instalments for the offices in Milan.

Other operating costs to subsidiaries relate to the charge-back of Other operating costs incurred by the Parent Company on behalf of the subsidiaries.

Financial income from subsidiaries refers to the dividends approved and distributed in the amount of €38,611 thousand as well as interest income for the disbursement of loans (€375 thousand), application of the Group centralised treasury management system (cash pooling) by the Company (€318 thousand) and interest income relating to the financial receivable from subsidiaries of €95 thousand for the signing of subleases for the Milan property.

Interest on existing lease contracts is recognised under *Financial charges to the Controlling Shareholder*. *Financial charges to subsidiaries* refer to the interest expenses of cash pooling.

32. Total financial indebtedness

Total financial indebtedness of the Company as at 31 December 2023, compared with 31 December 2022, as required by CONSOB communication no. DEM/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, was:

In thousands of Euro	31/12/2023	of which vs. related parties	31/12/2022	of which vs. related parties
A Cash	62,737,123		70,594,367	
B Cash equivalents	45,100,566		0	
C Other current financial assets	36,235,837	13,283,127	148,285,314	26,729,135
D Liquidity (A+B+C)	**144,073,526**		**218,879,682**	
E Current financial debt	63,300,907	62,732,184	95,654,431	95,566,815
F Current portion of non-current financial debt	43,850,013	111,107	45,128,374	806,113
G Current financial indebtedness (E+F)	**107,150,919**		**140,782,805**	
H Net current financial indebtedness (G-D)	**(36,922,606)**		**(78,096,877)**	
I Non-current financial debt	115,225,768	136,830	152,660,327	182,625
J Debt instruments	0		0	
K Non-current trade and other payables	0		0	
L Non-current financial indebtedness (I+J+K)	**115,225,768**		**152,660,327**	
M Total financial indebtedness (H+L) (*)	**78,303,161**		**74,563,450**	

33. Other information

Commitments undertaken by the Company

In relation to the transaction concluded on 10 November 2022, with the signing by Intesa Sanpaolo for the €55.0 million capital increase resolved by Warrant Hub S.p.A., Put&Call option rights are envisaged on the stake held by Intesa Sanpaolo in the share capital of Warrant Hub S.p.A., subject to the termination of the partnership and/or on some results with respect to the plan objectives, and exercisable in two time windows within the two-year period 2025-2026. The price of the Put option may be paid, at Tinexta's choice: in cash, or through the assignment to Intesa of existing or newly issued Tinexta shares. An earn-out (today not due) is also envisaged if certain plan objectives are exceeded with the approval of the 2025 financial statements of Forvalue.

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 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 (RABB) 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 as at 31 December 2023 ("Tinexta Call") 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 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. 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 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 Shareholding, 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, as well as 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 and as at 31 December 2023 it had not generated accounting effects.

Remuneration to Directors, Statutory Auditors, General Managers and other Key Management Personnel of the Company

With reference to disclosures on the remuneration paid to Directors, Statutory Auditors, General Managers and other Key Management Personnel of the Company, see the table below and refer to the Report on remuneration policy and compensation paid pursuant to Article 123-ter of the Consolidated Finance Act for further details.

Amounts in thousands of Euro	**Fixed remuneration**	**Remuneration for participation in Committees**	**Variable non-equity remuneration (bonuses and other incentives)**	**Non-monetary benefits**	**Other remuneration**	**Total**
Directors and General Manager	1,595	159	308	7	0	**2,069**
Statutory Auditors	113	14	0	0	0	**127**
Other Key Management Personnel	1,051	0	470	25	428	**1,974**

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", as approved by the Shareholders' Meeting on 28 April 2020. The options allocated on 31 December 2023 totalled 192,560 to the Chief Executive Officer and 539,168 to other Key Management Personnel.

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", as approved by the Shareholders' Meeting on 27 April 2021. The options allocated on 31 December 2023 totalled 230,000 to other Key Management Personnel.

On 10 May 2023, after obtaining opinion from the Remuneration Committee, the Board of Directors resolved to allocate rights in execution of the long-term rights-based incentive scheme known as the "2023-2025 Performance Shares Plan", as approved by the Shareholders' Meeting on 21 April 2023. The rights allocated on 31 December 2023 totalled 88,494 to the Chief Executive Officer and 220,581 to other Key Management Personnel.

For details, see the Report on remuneration pursuant to Article 123-ter of the Consolidated Finance Act.

Independent Auditors' fees

Below are details of the remuneration of the Independent Auditors and other companies belonging to the network pursuant to Article 149-duodecies of Implementing Regulation of Italian Legislative Decree no. 58 of 24 February 1998. The fees shown in the table, applicable to the year 2023, are those agreed upon in the contract, inclusive of any index-linking (but not out-of-pocket expenses, supervisory contribution, if any, or VAT).

Amounts in thousands of Euro	KPMG S.p.A.	KPMG network entities	Total KPMG
Auditing Services	**121**		**121**
Certification services	**27**		**27**
Total	**148**	**-**	**148**

34. Key events subsequent to year-end

On **15 January 2024**, in order to provide Warrant Hub with the appropriate financial resources to complete the acquisition of 73.9% of the capital of ABF Group S.A.S., Tinexta exercised i) its option right to subscribe the capital increase of Warrant Hub S.p.A. resolved on 22 December 2023 and ii) its option right on the unexercised right, at the same time undertaking to credit the total amount of €50.0 million. This transaction involved the change in the shareholding of Tinexta S.p.A. in Warrant Hub, which rose from 89.6% to 90.5%.

On **18 January 2024**, Tinexta S.p.A. finalised, through its subsidiary Warrant Hub S.p.A., the closing relating to the acquisition of 73.9% of the share capital of ABF Group S.A.S. The transaction was finalised in line with the terms of the agreement of 14 December 2023, in particular through the payment of an amount of €72.5 million, paid by Warrant Hub S.p.A. in cash. Tinexta Group's international presence is therefore strengthened, allowing Warrant Hub, already present in France with Euroquality and in Spain with Evalue, to position itself on the European market as one of the few operators present in support of innovation and growth of companies, to promote its innovative services in France, already successfully tested in Italy, and to strengthen expertise in the sector of public loans for innovation and sustainable development. In addition, this transaction will offer the possibility of expanding the respective offer portfolios, in particular that of ABF Group, by integrating the unique skills of Warrant Hub and creating synergies and exchanges of knowledge between Italy, France and Spain.

On **19 February 2024**, Tinexta S.p.A. announced the creation of a new business line dedicated to strategic consulting that will assist corporate customers in defining their strategies and in the execution of high-impact transformational projects. The responsibility for the project is entrusted to Aurelio Matrone, Group Chief Strategy Officer of Tinexta. As a vehicle for the provision of advisory services, Tinexta established Antexis Strategies Srl, wholly-owned, which signed binding agreements for the acquisition of 60% of the capital of Lenovys Srl ("Lenovys"), which will represent the basic core of the project's business proposition. Based in Livorno and Milan, Lenovys, founded in 2009 by Luciano Attolico, boasts a customer portfolio of around 1,000 accounts, with over 50 professionals, mostly engineers, spread over three offices in Italy. The company annually serves more than 130 high-profile mid-corp customers, to whom it offers strategic and lean management consulting, divided into 6 competence centres: Strategy & Governance, Office & Operations, Innovation & R&D, People & Organization, Sales & Go-to Market and Digital Change. For the year 2023, Lenovys expects Revenues of approximately €7.8 million and a reported EBITDA of approximately €1.8 million, with an EBITDA Margin of 23.1%. The consideration for the acquisition of 60% of the shares of Lenovys will be calculated at closing on the basis of an Enterprise Value of €15 million, plus adjusted NFP, and will be paid in three tranches between 2024 and 2026. Put & Call options are also envisaged for the purchase of the minority shareholding in an amount equal to 50% of the same, after the approval of the 2026 financial statements, and for the remainder, the approval of the 2027 financial statements. In light of the above, the disbursement envisaged on the basis of the business plan, in the case of cash free/debt free, is distributed over time as follows:

• Initial cash out: €5.4 million (1st tranche)

• Discounted debt for 2nd and 3rd tranches: €3 million

• Discounted options debt: €7.9 million

The acquisition will be financed with the existing cash and cash equivalents of the Group. Luciano Attolico, founder and current key manager of Lenovys, and all the top management will remain with the company.

35. Proposed allocation of the 2023 profit of Tinexta S.p.A.

In inviting you to approve the Financial Statements and the Report as presented, we invite you to approve the allocation of the profit for the year, amounting to €62,711,952.17, as follows:

- €20,994,495.22 to distribution of dividend, equal to €0.46 per share;
- €41,717,456.95 to profits carried forward.

7 March 2024

Enrico Salza
Chairman
Tinexta S.p.A.

Certification of the consolidated financial statements of the Tinexta Group as at 31 December 2023 pursuant to the provisions of Art. 154-bis, paragraph 5 of Italian Legislative Decree 58/1998 (Consolidated Finance Act)

1. The undersigned Pier Andrea Chevallard and Oddone Pozzi, as Chief Executive Officer and Manager responsible for the preparation of the corporate accounting documents of Tinexta S.p.A., respectively, certify, taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Italian Legislative Decree 24 February 1998 n. 58:

- the adequacy in relation to the characteristics and
- the effective application of the administrative and accounting procedures in drawing up the Consolidated Financial Statements during 2023.

2. In this regard, it is to be noted that:

a) administrative and accounting procedures for the preparation of the Consolidated Financial Statements at 31 December 2023 were defined and an adequacy assessment was carried out on the basis of defined rules and methodologies by Tinexta S.p.A. in line with the "Internal Control - Integrated Framework" issued by the "Committee of Sponsoring Organizations of the Treadway Commission", which represents a generally accepted reference framework for an internal control system on an international level;

b) such valuation assessment did not identify any material aspects.

3. It is also certified that

3.1 The Consolidated Financial Statements:

a) are drawn up in accordance with the applicable international accounting standards recognized in the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002;

b) correspond to the results of the books and accounting records;

c) are suitable in providing a true and accurate representation of the balance sheet, income statement and financial position of the issuer and of the set of companies included within the scope of consolidation;

3.2 the Report on operations includes a reliable analysis of the operating performance and results, as well as the situation of the Issuer and all of the companies included within the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Rome, 07 March 2024

Pier Andrea Chevallard	Oddone Pozzi
Chief Executive Officer	Manager responsible for the preparation of the corporate accounting documents

Certification of the financial statements of Tinexta S.p.A. as at 31 December 2023 pursuant to the provisions of Art. 154-bis, paragraph 5 of Italian Legislative Decree 58/1998 (Consolidated Finance Act)

1. The undersigned, Pier Andrea Chevallard and Oddone Pozzi, as Chief Executive Officer and Manager responsible for the preparation of the corporate accounting documents of Tinexta S.p.A., respectively, certify, taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Italian Legislative Decree 24 February 1998 n. 58:

- the adequacy in relation to the characteristics and
- the actual application of the administrative and accounting procedures in drawing up the Financial Statements during 2023.

2. In this regard, it is to be noted that:

a) administrative and accounting procedures for the preparation of the Financial Statements at 31 December 2023 were defined and an adequacy assessment was carried out on the basis of defined rules and methodologies by Tinexta S.p.A. in line with the "Internal Control - Integrated Framework" issued by the "Committee of Sponsoring Organizations of the Treadway Commission", which represents a generally accepted reference framework for an internal control system on an international level;

b) such valuation assessment did not identify any material aspects.

3. It is also certified that

3.1 The Financial Statements:

a) are drawn up in accordance with the applicable international accounting standards recognized in the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002;

b) correspond to the results of the books and accounting records;

c) are suitable in providing a true and accurate representation of the balance sheet, income statement and financial position of the issuer;

3.2 the Report on operations includes a reliable analysis of the operating performance and results, as well as the Issuer's situation, together with a description of the main risks and uncertainties to which it is exposed.

Rome, 07 March 2024

Pier Andrea Chevallard	Oddone Pozzi
Chief Executive Officer	Manager responsible for the preparation of the corporate accounting documents

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(The accompanying translated consolidated financial statements of the Tinexta Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Tinexta S.p.A.

Report on the audit of the financial statements

Opinion

We have audited the consolidated financial statements of the Tinexta Group (the "group"), which comprise the statement of financial position as at 31 December 2023, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Tinexta Group as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Tinexta S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill

Notes to the consolidated financial statements: note 8 "Accounting policies" - "Impairment losses on property, plant and equipment, investment property and intangible assets (impairment of assets)", note 9 "Use of estimates" and note 16 "Intangible assets and goodwill"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2023 include goodwill of €362,883 thousand under the caption "Intangible assets with finite and indefinite useful lives" which totals €541,416 thousand. The directors tested the cash-generating units (CGUs) to which goodwill is allocated for impairment, in order to identify any impairment losses compared to their recoverable amount. They estimated the recoverable amount based on value in use, calculated using the discounted cash flow model. The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about: • the expected cash flows, calculated by taking into account the general economic performance and that of the group's sector, the actual cash flows for recent years and the projected growth rates; • the financial parameters used to calculate the discount rate. For the above reasons and considering the materiality of the financial statements caption, we believe that the recoverability of goodwill is a key audit matter.	Our audit procedures included: • understanding the process adopted for impairment testing approved by the parent's board of directors; • analysing the criteria used to identify the CGU and tracing the amount of the CGU assets and liabilities to the relevant carrying amounts in the consolidated financial statements; • understanding the process adopted to prepare the 2024-2026 business plan approved by the parent's board of directors (the "2024-2026 plan") from which the expected cash flows used for impairment testing have been derived, as well as analysing the reasonableness of the assumptions used; • analysing the most significant discrepancies between the previous year business plans' figures and actual figures, in order to check the accuracy of the estimation process adopted by the directors; • comparing the cash flows used for impairment testing to the cash flows forecast in the 2024-2026 plan and analysing any discrepancies for reasonableness; • involving experts of the KPMG network in the assessment of the reasonableness of the impairment testing model and related assumptions, including by means of a comparison with external data and information; • assessing the appropriateness of the disclosures provided in the notes about goodwill and related impairment tests.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in this report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 29 April 2016, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2016 to 31 December 2024.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2023 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2023 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 31 December 2023 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the group's consolidated financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the group's consolidated financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Tinexta S.p.A. are responsible for the preparation of a non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the consolidated non-financial statement separately.

Rome, 28 March 2024

KPMG S.p.A.

(signed on the original)

Arrigo Parisi
Director of Audit

KPMG

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(The accompanying translated separate financial statements of Tinexta S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Tinexta S.p.A.

Report on the audit of the financial statements

Opinion

We have audited the separate financial statements of Tinexta S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2023, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Tinexta S.p.A. as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the parent in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of the carrying amount of investments in subsidiaries

Notes to the separate financial statements: note 5 "Accounting policies" – paragraph "Equity investments", note 6 "Use of estimates" and note 12 "Equity investments recognised at cost"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2023 include investments in subsidiaries of €309,799 thousand recognised at acquisition or incorporation cost under the caption "Equity investments recognised at cost", which totals €310,252 thousand. When they identify indicators of impairment, the directors test these equity investments for impairment, checking their recoverability by comparing their carrying amounts with their value in use calculated using the discounted cash flow model. The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective about: • the subsidiaries' expected cash flows, calculated by taking into account the general economic performance and that of the subsidiaries' sector, the actual cash flows for recent years and the projected growth rates; • the financial parameters used to calculate the discount rate. For the above reasons and considering the materiality of the financial statements caption, we believe that the recoverability of the carrying amount of investments in subsidiaries is a key audit matter.	Our audit procedures included: • understanding the process adopted for impairment testing approved by the company's board of directors; • understanding the process adopted to prepare the 2024-2026 business plan approved by the company's board of directors (the "2024-2026 plan") from which the expected cash flows used for impairment testing have been derived, as well as analysing the reasonableness of the assumptions used; • analysing the most significant discrepancies between the previous year business plans' figures and actual figures, in order to check the accuracy of the estimation process adopted by the directors; • comparing the cash flows used for impairment testing to the cash flows forecast in the 2024-2026 plan and analysing any discrepancies for reasonableness; • involving experts of the KPMG network in the assessment of the reasonableness of the impairment testing model and related assumptions, including by means of a comparison with external data and information; • assessing the appropriateness of the disclosures provided in the notes about the measurement of investments in subsidiaries.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in this report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 29 April 2016, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2016 to 31 December 2024.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2023 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2023 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 31 December 2023 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the company's separate financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the company's separate financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Rome, 28 March 2024

KPMG S.p.A.

(signed on the original)

Arrigo Parisi
Director of Audit

Report of the Board of Statutory Auditors to the Shareholders' Meeting pursuant to Article 153 of the Consolidated Finance Law (TUF)

Dear Shareholders,

On a preliminary basis, we remind you that the Board of Statutory Auditors appointed by the Shareholders' Meeting of Tinexta S.p.A. (hereinafter Company) on 27 April 2021 and in charge for the 2021-2023 three-year period, i.e. until the date of the Shareholders' Meeting called to approve the Financial Statements as at 31 December 2023, is formed as follows:

• Standing Auditors: Luca Laurini (Chairman), Andrea Bignami and Monica Mannino;

• Alternate Auditors: Maria Cristina Ramenzoni and Umberto Bocchino.

During the financial year ended 31 December 2023, the Board of Statutory Auditors carried out the supervisory activities required by the applicable legislation, in the performance of its own duties, to the extent of its responsibilities, as regards compliance with the law and with the Articles of Association, compliance with the principles of correct management, adequacy of the organisational structure, internal audit and administrative and accounting systems, as well as the reliability of the latter in correctly representing management events and the methods of practical implementation of the governance rules.

REFERENCE LEGAL FRAMEWORK

The performance of the functions assigned to us as Board of Statutory Auditors has been carried out in compliance with the applicable laws, and in particular with the provisions set forth under Article 149 of the Consolidated Law on Finance ("TUF"). More generally, we acknowledge that we assumed as inspiring values of our institutional activities the principles contained in the code of conduct of the Board of Statutory Auditors of listed companies issued by the Italian National Board of Chartered and Public Accountants (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili), the recommendations of the National Commission for Companies and the Stock Exchange (CONSOB) regarding corporate control and activities of the Board of Statutory Auditors, as well as the guidelines of the Corporate Governance Code.

It is acknowledged that the composition of the Board of Statutory Auditors in charge complies with the provisions on gender diversity reported in article 148, paragraph 1bis of Legislative Decree 58/1998, as amended by article 1, paragraph 303, law. 27 December 2019 n. 160, and applied pursuant to article 1, paragraph 304 of the same law, as well as in accordance with the provisions of art. 144-undecies.1 of the Issuers' Regulation.

The Board of Statutory Auditors has carried out periodic checks on the compliance with the criteria of independence, as well as professionalism and integrity of its members as required by the law (art. 148 paragraphs 3 and 4 of the T.U.F.) and by the principles set out in the Rules of conduct of the Board of Auditors recommended by the National Council of Chartered Accountants and Accounting Experts, as well as by the Corporate Governance Code (January 2020 edition - recommendations 7 and 9), acknowledging that its members:

- do not fall into any situation of ineligibility, incompatibility and decadence provided for the office of Auditor by law, regulation and the Articles of Association;

- possess the requirements of integrity and professionalism prescribed by the applicable legislation and, specifically, the requirements established for the members of the supervisory bodies with the Regulation issued pursuant to art. 148, paragraph 4 of Legislative Decree no. 58/1998;

- comply with the provisions relating to the limits on the positions covering established by current legislation.

In order to gain information useful for the performance of its supervisory duties, the Board of Statutory Auditors, during the 2023 financial year, met a total of no. 18 times.

The Board of Statutory Auditors is invested with the role of Internal Control and Auditing Committee pursuant to Article 19 of Italian Legislative Decree no. 39/2010, taking into account the supplements and amendments to this made by Italian Legislative Decree no. 135 of 17 July 2016, in implementation of Directive 2014/56/EU. The Board of Statutory Auditors is also entrusted with a supervisory role with regard to the obligations relating to non-financial information pursuant to Italian Legislative Decree no. 254/2016. As the Internal Control Committee, we acknowledge that we have received and examined the additional report pursuant to Article 11 of European Regulation no. 537/2014 received from the Auditing Firm and have transmitted it to the Board of Directors accompanied by our observations.

ACTIVITIES OF THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors planned its activities during 2023, on the basis of the reference regulatory framework, as well as carrying out the checks deemed most appropriate in relation to the activities and structural size of the Company.

The Board of Statutory Auditors' activities were as follows:

- regular meetings with the Heads of the different corporate functions;
- attendance at meetings of the corporate bodies, in particular of the Board of Directors and the Shareholders’ Meeting;
- regular exchange of information with the Auditing Firm, in compliance with applicable law;

- exchange of information with the boards of statutory auditors of Subsidiaries;
- attendance of the Board of Statutory Auditors at the meetings of the board committees: Remuneration Committee, Related Parties Committee and Control, Risks and Sustainability Committee.
- acquisition of significant information and the evaluation of the outcomes of the activity carried out by the Supervisory Board ex Legislative Decree no. 231/2001 with personal meetings and through Monica Mannino, member of the Board of Statutory Auditors as member of the same Supervisory Board.

The Board of Statutory Auditors performed a self-assessment of its work, recognising the adequacy of its members to perform the assigned functions in terms of professionalism, competence, time availability and independence requirements, as well as mutually acknowledging the absence of economic and financial conditions that could constitute a risk for the independence requirement. The report on the self-assessment of the members of the Board of Statutory Auditors was sent to the Board of Directors, which took note of it at the meeting held on 7 March 2024.

With the shareholders meeting to approve the financial statements as of 31.12.2023, the terms of expiry of the current Board of Statutory Auditors will be verified.

For this purpose, the Board of Statutory Auditors approved on 20 February 2024 the attached document to the explanatory report drawn up pursuant to art. 125-ter of the TUF and called "Guidelines to shareholders on the renewal of the Board of Statutory Auditors", including some indications for the shareholders regarding the diversity policy in the composition of the Company's supervisory body.

Frequency and number of meetings of the Board of Directors, the board committees and the Board of Statutory Auditors

The Board of Statutory Auditors attended all 11 meetings of the Board of Directors held during the course of 2023, acquiring, in accordance with the provisions set forth under Article 2381, paragraph 5, of the Italian Civil Code and under the Articles of Association, timely and suitable information on the general management trend and on the Company’s foreseeable evolution, as well as on the most significant transactions, for their size or characteristics, carried out by the Company.

The Board of Statutory Auditors attended 10 meetings of the Control, Risks and Sustainability Committee and 9 meetings of the Remuneration Committee.

The Board of Statutory Auditors attended one Ordinary Shareholders’ Meeting held during the year. In this regard, the Board of Statutory Auditors verified the due constitution of the above-mentioned Board and Shareholders’ meetings, together with the compliance of the resolutions taken by the Administrative Body and by the Shareholders’ Meeting with the provisions of the Italian Civil Code and with the current Articles of Association. The adopted resolutions were deemed to comply with the principles of prudence and correct management and such resolutions were not in conflict with any provisions set forth under laws or the Articles of Association.

Comments in relation to the most relevant economic, financial and patrimonial transactions carried out by the Company and their compliance with the law and the Articles of Association

The information gathered in relation to the most relevant economic, financial and patrimonial transactions carried out by the Company and its subsidiaries, allowed us to ascertain their compliance with applicable laws, the Articles of Association and the conformity with the corporate interest.

In this respect, the Board of Statutory Auditors considers that such transactions have been exhaustively described in the Report on Operations in the paragraph "Key events of the period", to which the reader is referred.

It is acknowledged that the work of the Board of Directors effectively responds to the requirement to be informed when taking the relevant resolutions.

In particular, the Administrative Body assessed the opportunities and the consequences of the transactions carried out on the basis of forecast estimates, due diligence, the financial impact of the transactions and a preliminary general assessment of the deriving impacts.

The transactions were disclosed to the market within the terms and with the required transparency.

Remarks regarding the compliance with the principles of correct management

The Board of Statutory Auditors acquired information and supervised, to the extent of its responsibilities, on the compliance with the fundamental standard of correct and prudent management of the Company and with the more general principle of diligence, all the above thanks to our attendance at the Board of Directors' meetings, of the documentation and timely information directly received from the management bodies with regard to the transactions carried out by the Group.

The acquired information allowed to verify the compliance with the law and the Articles of Association of the activities resolved and implemented and that such activities were not manifestly imprudent or risky.

As far as the Board of Statutory Auditors is aware, the Delegated Body has acted within the extent of the powers granted to it.

The Board of Directors has received adequate information from the Delegated Body on the management trend of the Company and its Subsidiaries.

With reference to the Italian Legislative Decree no. 231/2001, the Supervisory Body has carried out the control activities relating to the adequacy, the observance and the updating of the Management Model), without noting any critical points.

Remarks on the adequacy of the organisational structure

The composition of the Administrative Body complies with the provisions of Article 148, paragraph 3, of the Consolidated Law on Finance, as referred to in Article 147-ter, paragraph 4, with reference to the presence in the Board of independent directors drawn from minority lists and gender quotas.

During the financial year in question, the Board of Statutory Auditors acquired information and supervised, to the extent of its responsibilities, on the adequacy of the Company's organisational structure in relation to the size and nature of the Company activities, having in this regard no particular remarks to report.

The Company centralised the protection, direction, coordination and monitoring activities of the subsidiaries.

The organisational structure is sufficiently adequate for the Group's structure. In particular, the Company has the following main functions overseen by its appointed managers:

- Administration and Finance Function;
- Legal and Corporate Function;
- Human Resources and Organisation Function;
- Internal Audit Function;
- Policies, Procedures & Quality Management System Function;
- Planning and Management Control Function;
- Information Security Function, with the appointment of a manager who also acts as DPO under the Privacy Policy (GDPR);
- Compliance Function;
- Compliance 262 Function (established in 2022);
- Risk Function (implemented in 2022);
- ICT Function;
- Purchasing Function.

It is acknowledged that, in accordance with the principles of the Corporate Governance Code regarding the remuneration of executive directors and in line with the international best practices on the matter, the Company has an incentive plan that aims to constitute a medium-long term remuneration system favouring the alignment of the interests of senior executives with strategic responsibilities of the Group with those of investors. In our opinion, the plans are suitable instruments for developing a remuneration system correlated to the Group's growth of value.

Lastly, the Board of Statutory Auditors monitored the attribution of powers conferred to the Delegated Body and the definition of decision-making powers.

In compliance with the Corporate Governance Code prepared by the Committee for the Corporate Governance of Listed Companies, the Company has initiated a self-assessment by the members of the Board of Directors, entrusting the Compliance Function Manager with the task of setting up the analysis process and evaluating its outcome.

At procedural level, in ascertaining that the Company has adopted an internal set of rules to meet the requirements deriving from listing on the Electronic Equity Market (Mercato Telematico Azionario - MTA), it is noted that, following the changes introduced in the reference regulatory framework, the internal procedures on Market Abuse are adequate and in line with the MAR Directive.

Independent directors constitute the majority of Directors.

The Board of Statutory Auditors has verified the correct application by the Board of Directors of the criteria for assessing the independence of its members, pursuant to Article 148, paragraph 3 of the Consolidated Law on Finance and Article 2 of the Corporate Governance Code of Borsa Italiana, a topic discussed by the Board of Directors at its meeting of 7 March 2024. As part of our engagement, we monitored the process to evaluate its effectiveness. We have no particular observation in relation to a possible process improvement.

Remarks on the adequacy of the internal control system and in particular on the activity carried out by the persons in charge of Internal Control.

The Board of Statutory Auditors oversaw the internal control system and its extension to the subsidiaries and believes, also as a result of the increase in the number of staff dedicated to the internal control system, that the same is appropriate for the management characteristics of the Company and of the Group, meeting the requirements of efficiency and effectiveness in the management of risks and in compliance with the procedures and internal and external provisions.

The Company's control system is based on first, second and third level controls:

- of first level as implicit in the procedures or hierarchically entrusted to the same functions;
- of second level as attributed to Management Control and the Compliance Function;
- of third level, on the other hand, as entrusted to the Internal Audit function.

The Board of Statutory Auditors verified the adequacy of the Internal Audit plan and interacted regularly with the head of the function.

The Internal Audit function was subjected to the Quality Assurance Review procedure from which only a few points of attention of a purely formal nature emerged.

As to the effectiveness of the internal control and risk management system – aimed at ensuring the protection of the corporate assets, the efficiency of the business processes, the reliability of the financial information and, more generally, the compliance with laws, the Articles of Association and internal procedures – the Board of Statutory Auditors confirms to have assessed the completeness, appropriateness and effectiveness of the Risk Management Internal Control System noting that the planning process is supported by adequate informative systems and procedures that make it possible to reliably match the key economic and financial information with the outcomes of the informative systems used within each subsidiary.

The process ensures the accuracy and integrity of such information.

Remarks on the adequacy of the administrative/accounting system and its reliability to correctly represent management events

The Board of Statutory Auditors assessed, to the extent of our responsibilities, the reliability of the administrative and accounting system to detect and correctly represent management events, by acquiring information directly from the Heads of the various Functions and through regular meetings with the Auditing Firm.

In this regard the Model created to comply with Italian Law 262/2005 and the controls implemented by the Manager responsible for preparing corporate accounting documents, assume fundamental importance, also through the internal control function within the financial administrative governance framework.

The Company adopts a unique IT system (SAP system) for all the Group companies, migrating to the evolved version of SAP4HANA, aimed at ensuring a significant improvement in the management and control of business performance.

The procedures relating to the impairment process in compliance with the accounting standard IAS 36 are also formalized within the Model referred to Law 262/2005.

The Company has carried out impairment tests on the goodwill and intangible assets recognized in the consolidated financial statements closed on 31 December 2023. Taking into account the recommendations formulated by the European Securities and Markets Authority (ESMA) aimed at ensuring greater transparency of the methodologies adopted by listed companies as part of the impairment test procedures on goodwill and intangible assets, as well as in line with the recommendations of the joint Bank of Italy-Consob-Isvap document no. 4 of 3 March 2010 and in light of the indications provided by Consob itself, the compliance of the impairment test procedure with the requirements of the international accounting standard IAS 36 was subject to the approval of the Board of Directors of the Company on 07 March 2024, prior to the favorable opinion issued in this regard by the Control, Risk and Sustainability Committee.

The results of the impairment tests are adequately illustrated in the Notes to the Financial Statements to which reference should be made.

The Board of Statutory Auditors monitored the compliance with the ESMA32-193237008 1793 (25 October 2023) disclosure requirements with reference to the consideration of the *climate related matters in the financial statements*, and in particular for the purposes of the impairment test of assets. For a more complete description of the methodologies and assumptions applied, please refer to the relevant note in the Consolidated Financial Statements.

Comments and proposals in relation to the separate financial statements and their approval

With reference to the audit of the accounting records and the correct reporting of the management activities in the accounting records, as well as the matching verification between the financial statements information and the outcomes of the accounting records and the compliance of the financial statements with the reference normative framework, it should be noted that these duties are conferred to the Auditing Firm.

The opinion rendered by the Auditing Firm with reference to the separate and consolidated financial statements is “without modification"; therefore, it does not highlight any critical issues, situations of uncertainty or any limitations in the checks, nor does it call for informational requests.

To the extent of its competence, the Board of Statutory Auditors supervised the general approach given to the Financial Statements being examined. In particular, as already shown, having previously ascertained – through meetings with the Heads of the concerned Functions and with the Auditing Firm – the adequacy of the administrative and accounting system in detecting and correctly representing the management activities, it is acknowledged that:

- the Financial Statements have been prepared with the application of the International Financial Reporting Standards (IFRS) and in accordance with the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), approved by the European Commission and effective on the date of the financial statements, as well as previous International Accounting Standards (IAS) and Delegated Regulation (EU) 2019/815 "technical regulation rules relating to the specification of the single electronic communication format" requested of issuers whose securities are admitted to trading in a regulated market of the European Union (ESEF);
- the production, the setting and the presentation formats of the Annual Financial Statements comply with the reference normative framework;
- the Financial Statements are consistent with the events and the information of which we became aware following the attendance at the meetings of the Corporate Bodies which allowed the obtainment of adequate information in relation to the most significant transactions, from an economic, financial and patrimonial standpoint, carried out by the Company;
- to the knowledge of the Board of Statutory Auditors, the Board of Directors in drafting the Financial Statements did not derogate from the legal provisions established by Article 2423, fifth paragraph, of the Italian Civil Code;

- during the performance of the impairment test procedures, the Company adopted the internal model, properly reviewed and updated.

On 28 March 2024, the Independent Auditors issued the reports pursuant to Articles 14 of Italian Legislative Decree no. 39/2010 and Article 10 of European Regulation no. 537/2014, which certified that:

- the Company's financial statements and the Group's consolidated financial statements as at 31 December 2023 provide a true and fair view of the equity and financial position, the economic result and the cash flows for the year ended on that date in accordance with international accounting standards IAS/IFRS, as well as the provisions issued in implementation of Article 9 of Italian Legislative Decree no. 38/2005;
- the Report on Operations and the information pursuant to Article 123-bis of the TUF contained in the Report on Corporate Governance and Ownership Structures are consistent with the financial statements of the Company and with the consolidated financial statements of the Group as at 31 December 2023 and were drawn up in compliance with the law;
- the opinion on the separate financial statements and on the consolidated financial statements expressed in the aforementioned Reports is in line with that indicated in the Additional Report prepared pursuant to Article 11 of EU Regulation no. 537/2014;
- the separate financial statements of Tinexta have been prepared in XHTML format in compliance with the provisions of Delegated Regulation (EU) no. 2019/815;
- the consolidated financial statements of the Group have been prepared in XHTML format and have been marked, together with the explanatory notes, in all significant aspects, in compliance with the provisions of Delegated Regulation (EU) no. 2019/815; in this regard, the auditing firm represented that "Some information contained in the explanatory notes to the consolidated financial statements when extracted from the XHTML format in an XBRL instance, due to certain technical limitations, may not be reproduced in an identical manner with respect to the corresponding information that can be viewed in the financial statements consolidated in XHTML format".

In the aforementioned reports of the Auditing Firm there are no findings or requests for information pursuant to art. 14, 2nd paragraph, letter. d), nor declarations issued pursuant to art. 14, 2nd paragraph, letter. e) and f) of the Legislative Decree. 39/10.

In this regard, to the extent of our competence, supervisory activities will also be carried out this year to ascertain the adequacy of the governance actions that the Board of Directors shall deem appropriate to support and protect the company's assets and business continuity, as well as the safety of the working environment and employees is concerned.

With respect to the financial statements as at 31 December 2023, the Board of Statutory Auditors has no further comments or proposals to submit. The supervisory and control activity carried out by the Board of Statutory Auditors during the financial year, also in relation to the tasks attributed to the same as Committee for the Internal Control and Audit of the accounts, as described in this report, did not highlight further events to be reported to the Shareholders' Meeting.

Furthermore, the Board of Statutory Auditors verified that the Company has fulfilled the obligations set out in Italian Legislative Decree no. 254/2016 and that, in particular, it has drawn up the Consolidated Non-Financial Declaration in compliance with the provisions of Articles 3 and 4 of said decree.

In exercising its functions, the Board of Statutory Auditors supervised compliance with the provisions contained in Italian Legislative Decree no. 254 of 30 December 2016 and in the Consob Regulation implementing the decree adopted with resolution no. 20267 of 18 January 2018, particularly with reference to the preparation process and the contents of the Non-Financial Declaration ("NFD") prepared by the Tinexta Group.

On 7 March 2024, the Board of Directors approved the NFD as a document separate from the Report on Operations accompanying the consolidated financial statements as at 31 December 2023.

The Auditing Firm tasked with the limited examination of the NFD pursuant to Article 3, paragraph 10 of Italian Legislative Decree no. 254/2016 pointed out in their report issued on 28 March 2024 that no elements such as to find the NFD of the Tinexta Group regarding the year ended on 31 December 2023 not prepared in all important aspects in compliance with the requirements under Articles 3 and 4 of Italian Legislative Decree no. 254/2016 and in the "Global Reporting Initiative Sustainability Reporting Standards" defined from GRI – Global Reporting Iniziative ("GRI Standards").

In addition, the Auditing Firm reported that the conclusions set forth in said report do not extend to the information contained in the paragraph "Taxonomy" of the NFD, required by Article 8 of European Regulation no. 2020/852.

Remarks regarding the consolidated financial statements

The Consolidated Financial Statements as at 31 December 2023, as already noted, were drawn up through the application of the International Financial Reporting Standards (IFRS), in accordance with the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), approved by the European Commission and in force at the reporting date, as well as the previous International Accounting Standards (IAS).

The consolidation area includes InfoCert S.p.A., Visura S.p.A., Warrant Hub S.p.A., Tinexta Cyber S.p.a., Tinexta Defence srl, Antexis Strategies srl, Sixtema S.p.A., AC Camerfirma SA, Certeurope S.A.S., IC TECH LAB SUARL, Ascertia Ltd, Co.Mark TES S.L., Queryo Advance srl, Warrant Service S.r.l., Bewarrant S.p.r.l., Euroquality SAS, Europroject OOD, Trix srl, Evalue Innovacion SL, Forvalue spa, Studio Fieschi & soci srl, Swascan srl, Corvallis srl, Yoroi srl, Camerfirma Perù S.A.C., Acertia PVT Ltd, Ascertia software Trading LLC, Tinexta Futuro digitale Scarl, Wisee srl società benefit, Etuitus S.r.l., Authada GmbH, OPENT Spa, Digital Hub srl, Camerfirma Colombia S.A.S., IDecys S.A.S., Opera srl, Defence Tech Holding Spa società benefit.

Following the supervisory activity carried out on the Consolidated Financial Statements and on the basis of the direct disclosures and the information obtained, the Board of Statutory Auditors has ascertained and may acknowledge, that:

– the provisions concerning the establishment and the framework of the Consolidated Financial Statements and of the accompanying Report on Operations have been complied with;

– the documents taken on the basis of the full consolidation process are represented by the draft Financial Statements referring to 31 December 2023, as approved by the competent Administrative Bodies of the subsidiaries, and adjusted, where necessary, to make them consistent with the accounting standards applied by the Parent Company. For companies whose control was acquired during the year, the relative financial statements have been consolidated starting from the date on which control was acquired;

– no subsidiary company is excluded from the consolidation area;

– the scope, valuation criteria and consolidation principles adopted are adequately illustrated by the Directors in the Explanatory Notes.

The Board of Statutory Auditors took note of the "without modification" opinion expressed by the Auditing Firm with specific reference to the statutory audit of the consolidated accounts, and thus the absence of uncertainty or any limitations in the verifications or information recalls.

Information regarding the adherence of the Company to the Corporate Governance Code issued by the Committee for the Corporate Governance of Listed Companies

As already mentioned above, the Company has decided to adhere to the Corporate Governance Code, prepared by the Committee for the Corporate Governance of Listed Companies.

It should be noted that the Company has not set up an Appointments Committee, a choice justified by the following circumstances, which also arose from the self-assessment carried out by the members of the Board of Directors: the majority of directors on the Board are independent, the Chairman is extraneous with respect to the management of the business and he has made contributions to ensure the transparency of how Board workings are conducted.

Remarks on the adequacy of the instructions issued by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of the Consolidated Finance Law (TUF)

The Board of Statutory Auditors oversaw the adequacy of the instructions given by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of the Consolidated Finance Law (TUF), and the correct flow of information between them, and believes that these instructions allowed the latter to promptly provide the Company with the information necessary to comply with the disclosure requirements set forth by the legislation. The information flow to the central Auditor, articulated on the various levels of the corporate control chain, active throughout the year and functional to the control activities of annual and interim accounts, was considered effective.

The Board of Statutory Auditors met and maintained a liaison with the Supervisory Bodies of the subsidiaries in order to share issues of common relevance for the various Group companies: as a result of these meetings, no critical issues worthy of mention arose.

Finally, The Board of Statutory Auditors activated a process to monitor the progress achieved for the implementation by the subsidiaries of the internal procedural framework.

Related Party transactions. Indication of the possible existence of atypical and/or unusual transactions, including intragroup or related party transactions

The Company has adopted a Procedure for Transactions with Related Parties. The Related Parties Committee is called to carry out a preliminary exam and to provide an opinion concerning the various typologies of related party transactions, except for those transactions which, pursuant to the same procedure, are excluded.

For our part we acknowledge that we have found the substantial suitability of the procedure adopted. The mapping of the Related Parties is updated periodically on an annual basis.

As a result of our control activities and attendance at the Board of Directors meetings, the Board of Statutory Auditors acquired appropriate information on intragroup and related party transactions that are adequately described in the Report on Operations and in the Explanatory Notes, in compliance with the indications to be provided in this context on the basis of the CONSOB resolutions.

These are transactions with and between Tinexta's subsidiaries, which are part of the company's normal operations and were settled at normal market conditions. Therefore, they fall within the scope of operations excluded from the application of the procedure and the scrutiny of the related Committee.

It is also acknowledged the compliance of these transactions with law and the Articles of Association, their compliance with the company's interest, and the absence of situations that would entail further considerations and comments.

The Company has not carried out any intragroup, related party, or third party transactions which are atypical and/or unusual during the financial year.

Indication of the potential submission of complaints pursuant to Article 2408 of the Italian Civil Code, of petitions, of the potential initiatives taken and their relevant outcomes.

The Board of Statutory Auditors acknowledges that during the 2023 financial year no complaints pursuant to Article 2408 of the Italian Civil Code or petitions have been submitted to the Board of Statutory Auditors.

Remarks on the possible significant issues arising during the meetings with the Auditors pursuant to Article 150, paragraph 3, of the Consolidated Finance Law (TUF)

In 2023, the Board of Statutory Auditors met and held 5 meetings (including meetings held during the current year) with the Auditing Firm. The results are presented in the section of this Report, related to the activity carried out by the Board in its role as Internal Control and Auditing Committee (ICAC).

Final evaluations concerning the supervisory activity carried out, as well as any omissions, reprehensible facts or irregularities detected performing such activity

The Board of Statutory Auditors certifies that its supervisory activity, carried out during the 2023 financial year, has been performed under normal circumstances, and that it has not revealed any significant events that would require a specific mention in this report. Pursuant to Article 153, paragraph 2 of the Consolidated Finance Law (TUF) regarding the Board's competence, the Board does not believe it has to make additional proposals or comments.

Indications on the content of the Auditing Firm’s Report and judgement of the Financial Statements

The audit report for the year ended on 31 December 2023 presents:

- the paragraph containing the key audit matters;
- the paragraph on the responsibilities of the Auditing Firm in order to provide more information on the activities carried out within the audit process, including the communications to the persons responsible for the governance activities;

- the paragraph containing specific declarations required by Regulation (EU) no. 537/14;
- the paragraph containing not only the opinion on consistency of the report on operations with the financial statements, but also that of its compliance with legal provisions and the declaration on any significant errors found;
- the paragraph containing the opinion on the compliance of the financial statements with the provisions of Delegated Regulation (EU) no. 2019/815 on the subject of European Single Electronic Format (ESEF).

The report issued by the Auditing Firm contains an unqualified opinion that does not require disclosure.

Indication of possible conferral of further assignments on the Auditing Firm and related costs

On the basis of the information acquired, the additional assignments carried out by the independent auditors in 2023 are shown below.

Parent company: assignment for the limited execution of the Consolidated non-Financial Statement of the Tinexta Group, drawn up pursuant to Italian Legislative Decree no. 254/2016: €25,139.00.

Subsidiaries:

- certification mandate assigned to the Group's independent auditors, requested directly by the subsidiary InfoCert Spa in relation to the certification for costs incurred for research and development, €22,000.00;
- certification assignment relating to the certification for costs incurred for advertising expenses for the company InfoCert Spa, €8,000.00;
- certification mandate mandatorily assigned to the Group's independent auditors, requested directly by the subsidiary Sixtema Spa in relation to the certification for costs incurred for research and development, €3,180.00;
- certification mandate mandatorily assigned to the Group's independent auditors, requested directly by the subsidiary Corvallis Spa in relation to the certification for costs incurred for research and development, €15,000.00;
- certification mandate mandatorily assigned to the Group's independent auditors, requested directly by the subsidiary Yoroi srl in relation to the certification for costs incurred for research and development, €6,000.00;
- certification assignment relating to the certification for costs incurred for training expenses for the company Corvallis S.p.A., €5,000.00;
- assistance assignment for the implementation of the SAP system on behalf of the subsidiary Certeurope, €16,500.00.

The Board of Statutory Auditors, as ICAC, has examined KPMG S.p.A.'s proposals and has positively assessed their appropriateness and consistency, also considering the greater effectiveness and efficiency of the work carried out for this purpose by the same person appointed to audit the accounts.

Furthermore, the ICAC, having evaluated the economic offers from time to time, verified the maintenance of the requirements in terms of independence in accordance with Article 5.4 of Regulation no. 537/2014 and, where required, expressed approval for the assignment of the individual assignment.

Indication of the possible appointment granted to parties which have relationships with the Auditing firm

On the basis of the information acquired, the additional assignments given to KPMG S.p.A. network entities during 2023 are shown.

Subsidiaries:

- KPMG Avocats (France), a company of the KPMG network, was given an assignment related to legal assistance for the company Certeurope for €55,200.00.

There have been no assignments to the shareholders, directors, members of the control bodies or employees of the Auditing Firm itself and to companies controlled or connected to it.

The Auditing Firm issued the declaration on their independence in relation to which reference should be made to the section of this report concerning the activity carried out by the Board in its role as ICAC.

Indication of the existence of opinions, proposals and remarks issued in compliance with law during the financial year

In 2023 financial year, the Board of Statutory Auditors expressed its opinion in all those cases in which it was requested by the Board of Directors, also in compliance with regulatory provisions requiring prior consultation with the Board of Statutory Auditors.

The Board notes that it has issued, in 2023, the following opinions:

- approval in relation to the proposals of the Remuneration Committee regarding the Group's remuneration policies;
- favorable opinion for the replacement of the Manager responsible for preparing corporate accounting documents;
- opinions for assignments to the independent auditors for audit-related services.

ROLE OF THE COMMITTEE FOR INTERNAL CONTROL AND AUDITING ACTIVITY

Pursuant to Article 19 of Italian Legislative Decree no. 39/2010, the Board of Statutory Auditors acts as the Internal Control and Audit Committee (ICAC) and in this capacity has carried out the activities required by law.

As a preliminary point, the Board declares that it has carried out the necessary self-assessment in this regard by recognising in itself, also in its capacity as members of the ICAC, the possession of the competence requisites with respect to the sector in which the Company operates.

The supervision of the financial reporting process by the Board in its capacity as ICAC is summarised below.

- The ICAC monitored the independence of the Auditor, as required by Article 10-bis of Italian Legislative Decree no. 39/2010 and Article 6 of the European Regulation no. 537 of 16 April 2014, to carry out the task in terms of independence and objectivity, definition of appropriate measures to mitigate the risks of independence, availability of competent professional staff, authorisation of the person responsible for the assignment to perform the legal audit.
- In relation to the above, the independent auditors were appointed to carry out the limited review of the Group's Consolidated Non-Financial Statement; for certifications of the expenses for Research and Development of the companies Infocert, Sixtema, Corvallis, and Yoroi; for certification of advertising expenses for Infocert; for certification of training expenses for Corvallis; for assistance in the implementation of the SAP system on behalf of Certeurope; for review of the contractual and data protection documentation of the Certeurope company.
- The ICAC monitored the work of the Auditing Firm and, in this regard, acknowledges that it has assessed ex-ante the planning of the activity by the Auditing Firm, and that it is consistent with the size and characteristics of the Company, as well as the risk assessment of errors or frauds conducted by the Auditor itself, which appeared consistent with the information available to the ICAC.
- With regard to the assessment of the effectiveness of the internal control and risk management systems of the Company related to financial reporting, the ICAC took account of the controls adopted, pursuant to Italian Law no. 262/2005, by the Financial Reporting Manager and of the improvements the same suggested also by the Internal Audit function as a result of the ad hoc tests carried out. In particular, we believe that the Company's decision to have adopted a Group ERP (SAP system) represents the consolidation of the administrative and financial governance system.
- The ICAC has taken note of the methods adopted by the Auditing Firm for the performance of the assignment, which consist of, with risk-adjusted graduation, process evaluations, direct detailed procedures and analysis procedures, comparative to the previous year.
- With reference to the work of the Auditor, the ICAC has verified the absence of objections by the Auditor in relation to the evaluation methods adopted by the

Company with regard to their correctness, to the adequacy of their application with particular regard to coherence with the de facto situation of the options exercised and the reasonableness of the parameters assumed.

– The Board of Statutory Auditors, in its capacity as ICAC, notes that it has ascertained, as has the Auditor, the absence of events or circumstances that could raise significant doubts regarding the continuity of the business, as well as the absence of significant weaknesses in the internal control system for financial information and/or accounting system.

– In its capacity as ICAC, the Board acknowledges that it has not ascertained, as the Auditor has not, the presence of significant events concerning cases of non-compliance, actual or presumed, with laws and regulations or provisions of the Articles of Association detected during the audit, deemed important for allowing the ICAC to carry out its functions.

As for the relevant topics emerged during the audit activity, the ICAC acknowledges having discussed and shared them with the Audit Firm. They are detailed as follows:

- key audit matters:
  - limited to the separate financial statements: recoverability of the value of investments;
  - limited to the consolidated financial statements: recoverability of goodwill;
- other relevant aspects of the audit activity:
  - with reference to the consolidated and separate financial statements: Management forcing controls;
  - revenue recognition (for the consolidated financial statements).

The ICAC shares the identified KAMs and acknowledges that the control procedures adopted by the Auditor appear to be adequate.

CONCLUSIONS

As a result of the supervisory activity carried out during the 2023 financial year and taking into account the findings of the activity performed by the entity in charge of the auditing of the accounts, included in the specific reports accompanying the Financial Statements, the Board of Statutory Auditors:

a) acknowledges the adequacy of the organisational, administrative and accounting structure adopted by the Company and its concrete functioning, as well as the efficiency and effectiveness of the internal controls, internal audit and risk management system;

b) does not see, for the reasons for which is responsible, any reasons preventing the approval of the financial statements for the year ended 31 December 2023, as drafted by the Board of Directors, and the proposal made by the same Administrative Body regarding the allocation of the profit earned.

Milan, 28 March 2024

STATUTORY AUDITORS

Luca Laurini, Chairman

Monica Mannino, Standing Auditor

Andrea Bignami, Standing Auditor