



Technical Publications Service S.p.A.

• PRESS RELEASE •

TPS GROUP APPROVES CONSOLIDATED INTERIM FINANCIAL REPORT AT 30.06.2021

INCREASE IN PROFIT MARGINS AND FINANCIAL RESOURCES IN SUPPORT OF THE GROWTH PROCESS

Revenue: Euro 17.7 million, **+15%** - (1H2020: Euro 15.4 million)

EBITDA: Euro 4 million, **+ 56%** - (1H2020: Euro 2.5 million)

Net profit: Euro 1,979 thousand - (1H2020: Euro 606 thousand)

NFP / (available financial resources): Euro (10.8 million) - (increase of 5.7 Euro million compared to 31.12.2020)

Gallarate (VA), September 20, 2021 – The TPS Board of Directors (TPS: IM) the operational *holding* of the TPS Group, leading company in technical services and engineering for the aeronautical and automotive industry, today approved the consolidated interim report as at 30 June 2021, which had been voluntarily subjected to a limited audit.

Alessandro Rosso, CEO of TPS had this comment to make on the results for the period: *“In the first six months of 2021, the TPS Group has resumed the process of development and growth that has characterized it in the last few years, and which only slowed down somewhat in 2020. This is without forgetting that the economic effects of the crisis caused by the COVID-19 pandemic are continuing to be felt in some industrial sectors in which we work. Nonetheless, the TPS Group quickly managed to adapt its organization to make the business model consistent with the changed market conditions, thus allowing the improvement of profitability indicators over the period. We are working to increase our competitiveness further, offering new solutions and technological innovation to the market, and I think that in the coming months we will further broaden our field of action and our skills also by introducing new entities within the Group. A first-level management team, strategic vision, professionalism, involvement of human resources, and last but not least, financial resources are factors for a qualitative leap. Factors that are clearly present within the TPS Group”.*

Key consolidated results at 30 June 2021¹

Revenue has settled at Euro 17.7 million, which is 15% up on the same period (first six-month period) in 2020 (Euro 15.4 million), a period that was affected by the peak of the issues generated by the Covid-19 pandemic.

The **EBITDA** for the period is Euro 4 million, compared to Euro 2.5 million at 30 June 2020, for an EBITDA *margin* of 22.5% (16.6% at 30 June 2020). The **EBIT** is Euro 3 million (Euro 1.2 million at 30 June 2020).

The **Net profit** is Euro 1,979 thousand, of which Euro 1,916 thousand from the Group.

The **Net financial position** is Euro -10.8 million (available cash flow), a net improvement on the Euro -5.1 million at 31 December 2020 (taking into account the impact of the principle IFRS 16 on use and leasing rights).

¹ The consolidated interim financial report, as at 30 June 2021, was drawn up on the basis of the financial statements ending on 30.06.2021 for the companies TPS S.p.A., Aviotrace Swiss SA, Stemar Consulting S.r.l., Satiz Technical Publishing & Multimedia S.r.l., Satiz Poland sp.zoo, Dead Pixels S.r.l. and EMTB S.r.l. within the consolidation perimeter.

The **Generation of Cash Flow** (*Cash flow from Income management*) for the six-month period was Euro 5.8 million.

Net Worth is Euro 22.7 million, which is an increase on the Euro 20.8 million as at 31 December 2020 due to the effect of the positive economic result of the six-month period.

Significant events during the half-year period

The first six months of 2021 have seen TPS Group working to make the production system even more effective and to meet the growth in demand for technical services by our customers, responding positively to the effects of the 2020 world crisis caused by the Covid-19 pandemic.

Parallel to the process of efficiency of production activity, the Group has been working on the technological improvement project of its IT infrastructure, necessary for dealing with the new cybersecurity requirements. The project, which is still ongoing, has allowed TPS S.p.A. to achieve the ISO/IEC 27001 certification that characterizes the information security management system.

As regards to the Company Profile, the beginning of the year has seen the completion of the Group reorganization project, with the merger through incorporation of the wholly-owned companies Neos S.r.l., Adriatech S.r.l., and TPS Aerospace Engineering in TPS S.p.A.

Business outlook

In July, the acquisition of 80% of shares in the Company ASI S.r.l. was completed, thus resuming the growth process for external lines and allowing the extension of the Group's technical skills. The acquisition of control of ASI S.r.l. (www.airsupportinternational.net) opens interesting prospects in design, certification, production, and installation of aeronautical kits. The Company specializes in the maintenance of small/medium-sized aircraft and works in the Turin and Biella offices.

Unfortunately, the negative effects of the healthcare crisis caused by the Covid-19 pandemic remain, and there are still uncertainties regarding the positioning of some industrial sectors, such as the automotive one in particular. This situation will require close attention on any relevant internal organisational aspects.

The TPS Group has successfully overcome the effects of the 2020 world crisis by diversifying its activity and increasing its sustainability indexes, a condition that places us in a favourable position to respond to the challenges we face. Therefore, the evolution of the TPS Group management in the second half of 2021 will be oriented towards seeking out new opportunities for organic growth and external lines.

This press release is available to read on line at www.1info.it and www.tps-group.it in the Investors/Press Release section.



***TPS S.p.A.** is the operational holding company of TPS Group, leader in the technical and engineering services for the aeronautical industry, with a particular focus on the helicopter segment. TPS has been a Borsa Italiana "Elite" company since 2016.*

TPS Group works in the aeronautical, automotive, defence, railway, naval and cable transport systems sectors, providing Technical Publishing & Training, Engineering, Design and Cost Engineering, Avionic Software Development and Systems Integration, Digital Content Management. The TPS Group's clients include leaders in the design and production of aircraft and aeronautical components, as well as leaders in the automotive, railway, defence and cable transport systems manufacturing sector.

ISIN code ordinary shares: IT0005246142 – Ticker ordinary shares: TPS

For further information:

• **Investor Relations Manager** •
Sanna Rossella
email: investor.relations@tps-group.it

• **Integrae SIM S.p.A.** •
Nominated Adviser
tel.: +39 02/87208720
email: info@integraesim.it

CONSOLIDATED RECLASSIFIED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT	Balance at 30.06.2021	Balance at 30.06.2020
Value of production	17.691.267	15.359.600
Costs for materials and services	(3.886.513)	(3.482.223)
Added value	13.804.754	11.877.377
Personnel costs	(9.776.911)	(9.273.066)
Other operating costs	(53.001)	(58.810)
Gross operating profit (EBITDA)	3.974.842	2.545.501
Depreciations, amortisations and impairments	(995.199)	(1.350.561)
Operating result	2.979.643	1.194.940
Financial expenses and income	(38.501)	(128.500)
Extraordinary expenses and income	(118.544)	(173.537)
Pre-tax profit (loss)	2.822.597	892.903
Taxes	(844.001)	(287.080)
Consolidated net result	1.978.596	605.823
Group net result	1.916.259	597.905

CONSOLIDATED RECLASSIFIED STATEMENT OF FINANCIAL POSITION

RECLASSIFIED STATEMENT OF FINANCIAL POSITION	30.06.2021	31.12.2020
Subscribed capital, unpaid	-	-
Intangible assets	3.898.645	4.255.772
Property, plant and equipment	2.970.050	3.263.709
Financial assets	200.744	207.213
Total assets	7.069.439	7.726.694
Trade receivables	14.415.732	16.318.395
Trade payables	(2.451.742)	(2.108.123)
Working Capital	11.963.990	14.210.272
Other assets	1.525.583	1.709.018
Other liabilities	(4.550.015)	(3.924.191)
Other assets and liabilities	(3.024.432)	(2.215.174)
Provisions for risks and charges	(25.360)	(25.360)
Post-employment benefits provision (TFR)	(4.065.785)	(3.940.311)
Total Provisions	(4.091.145)	(3.965.671)
Net Invested Capital (N.I.C.)	11.917.852	15.756.121
Equity	20.452.526	18.966.761
Equity non-controlling interests	317.966	325.721
Profit/loss attributable to Group	1.916.259	1.506.499
Profit/loss attributable to non-controlling interests	62.337	49.989
CONSOLIDATED EQUITY	22.749.088	20.848.971
Net financial debt (NFP)	(10.831.236)	(5.092.850)
To cover N.I.C.	11.917.852	15.756.121

CONSOLIDATED NET FINANCIAL POSITION

Details of TPS GROUP NFP	30.06.2021	31.12.2020
Payables to credit institutions	42.028	91.667
Payables to other lenders	608.950	1.503.246
Cash and cash equivalents	(13.988.007)	(9.504.411)
Lease payables	327.843	341.219
Rights-of-use payables	2.177.950	2.475.429
NFP	(10.831.236)	(5.092.850)

CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT	30.06.2021	30.06.2020
Profit (loss) for the year before taxes	2.822.597	860.464
Adjustments for:		
- non-monetary items - Change in inventories	-	-
- non-monetary items - Net impairment (reversal) of fixed assets	-	-
- non-monetary items - provisions /(releases)	-	-
- non-monetary items - depreciations and amortisations	995.199	1.350.561
Adjusted profit (loss) for the year before taxes	3.817.796	2.211.025
Cash and cash equivalents from operations		
- Income taxes	(822.191)	(287.080)
Other adjustments without cash flow	(18.156)	32.439
Total	(840.347)	(254.641)
Changes in working capital		
(Increase)/decrease in trade receivables	1.902.663	619.922
Change in payables to suppliers	343.619	(860.430)
Other changes	477.673	759.970
Changes in other provisions	125.474	114.818
Total	2.849.429	634.280
Cash flows from operating activities (1)	5.826.878	2.590.664
Investments:		
- Property, plant and equipment	(265.317)	(713.156)
- Intangible assets	(82.755)	(63.830)
- Acquisition of company shareholdings	-	(65.000)
- Financial	6.469	(23.698)
Cash flows from investment activities (2)	(341.603)	(865.684)
Financing activities		
Increases/(decreases) in financial liabilities	(943.935)	(1.508.526)
Capital Increases	-	8.918
Distribution of dividends	(57.744)	-
Cash flows from financing activities (3)	(1.001.679)	(1.499.608)
Change in cash and cash equivalents (1+2+3)	4.483.596	225.372
Cash and cash equivalents at beginning of the year	9.504.411	8.311.792
Cash and cash equivalents at end of the year	13.988.007	8.537.164