

PRESS RELEASE

**THE BOARD OF DIRECTORS HAS APPROVED THE
INTERIM REPORT ON MARCH 31, 2020**

THE GROWTH OF ALL ECONOMIC INDICATORS CONTINUES

DOUBLE-FIGURE GROWTH IN EBITDA WITH REVENUES INCREASING BY 17.4%

- Core revenues up 5.2% to 13.2 million Euros compared to 12.6 million Euros in the first quarter of 2019
- Total revenues up 5.1% to 13.3 million Euros compared to 12.7 million Euros in the first quarter of 2019
- Gross Operating Margin (EBITDA) up 13.6% compared to the figure for the first quarter of 2019, reaching 2.3 million Euros compared to 2 million in 2019
- Operating result (EBIT) positive by 1 million Euros, a clear improvement compared to the 0.5 million Euros of the first quarter of 2019.
- Consolidated net profit of 0.2 million euros substantially in line with the same period of 2019.
- Positive Net Financial Position at 2.3 million Euros, excluding the impact deriving from IFRS 16, compared to a negative value of 0.4 million Euros as at 31 December 2019.

Milan, Italy – 14 May 2020 –The Board of Directors of TAS S.p.A. (hereinafter the "Company" or "TAS"), a leading company in Italy in the supply of software and services for banking and financial applications, also present in Europe and America, which met today under the chairmanship of Dario Pardi, approved the interim management report at March 31, 2020.

President Dario Pardi commented: *“The first quarter of 2020 has undoubtedly confirmed the growing results achieved both in terms of volumes and in margins and in light of the current dramatic health emergency they can be considered very satisfactory. In the first few months of 2020 we also completed important projects, from the completion of the Group's reorganization at an international level, to the modification of the ownership structures of TAS, not forgetting the signing of important commercial and partnership agreements. The new-found financial strength and the significant economic and financial improvements achieved, have allowed us to exit the Consob Grey List, an exit that will allow us to further increase our efforts to continue the path taken in recent years and to develop it within the strategic lines of the three-year Industrial plan, recently approved by the Board of Directors”.*

*“The analysed period - **underlined CEO Valentino Bravi** - was characterized, in its last part, by a serious health crisis that we managed with maximum respect for the health and safety of our employees and collaborators, who remain the 'top priority' for our company. I would like to emphasize that the operating methodologies of our technical structures (software factory and project delivery) already included smart working enabling technologies since a long-time and that the Company, thanks to experience gained in recent years, has been able to pursue its objectives in continuity and without any impact for our customers and our development plans.*

The quarter was full of satisfactions, both nationally and internationally, and was characterized by the innovative search for solutions to meet the new needs of the market and our customers. Finally, I would like to mention the important initiative that saw the Group's employees as playing a leading role, who donated hours of work which in turn the company transformed into a donation, doubling

the amount in favor of the IRCCS Policlinico San Matteo Foundation of Pavia and of the National Institute of Infectious Diseases Lazzaro Spallanzani in Rome".

Data as of 31/03/2020

The following table summarizes the main economic and financial results of the Group at March 31, 2020.

TAS Group (thousands of Euro)	31.03.2020	31.03.2019*	Var.	Var %
Total revenues	13.328	12.681	647	5,1%
- of which core	13.250	12.598	652	5,2%
- of which non typical	78	83	(5)	(6,0%)
Gross Operating Margin (Ebitda¹)	2.314	2.037	277	13,6%
% of total revenue	17,4%	16,1%	1,3%	8,1%
Operating income (Ebit)	967	534	433	81,1%
% of total revenue	7,3%	4,2%	3,0%	72,3%
Result before tax	757	391	366	93,6%
% of total revenue	5,7%	3,1%	2,6%	84,2%
Net profit / (loss) for the period	188	216	(28)	(13,0%)
% of total revenue	1,4%	1,7%	(0,3%)	(17,2%)

TAS Group (thousands of Euro)	31.03.2020	31.12.2019	Var.	Var %
Total Assets	79.222	75.367	3.855	5,1%
Total Equity	30.155	29.727	428	1,4%
Net equity attributable to owners of the parent company	29.644	29.328	316	1,1%
Net financial position	(6.907)	(9.544)	2.637	27,6%
- of which liquidity	9.706	7.247	2.459	33,9%
- of which payables to banks and other lenders	(2.537)	(2.743)	206	7,5%
- of which payables for leasing (IFRS 16)	(9.167)	(9.168)	1	0,0%
- of which to shareholders	(4.909)	(4.879)	(30)	(0,6%)

Employees at the end of the period (number)	495	477	18	3,8%
Employees (average over the period)	491	486	5	1,0%

* The data at 31.03.2019 have been amended, compared to those approved by the board of directors on 14 May 2019, as they highlight the effects of the definitive accounting of the aggregation operation of the subsidiary TAS EE executed at the end of 2018.

Results as of March 31, 2020

TAS Group's core revenues grew by 5.2% to 13.2 million Euros at March 31, 2020. Core revenues consist of software licenses and related maintenance (37.4%), royalties, usage and SaaS services fees (14.2%), support fees and professional services (48.4%).

Revenues in Italy grew by (+ 9.4%), while abroad there was mainly an increase in revenues from the Eastern Europe area of 456,000 Euros (+ 86.5%).

Total Revenues amounted to 13.3 million Euros at March 31, 2020 compared to 12.7 million Euros in the corresponding period of the previous year (+ 5.1%).

¹ IAP: EBITDA (Earnings Before Interest Taxes Depreciations and Amortizations - Gross Operating Margin) represents an alternative performance indicator not defined by IFRS but used by the management of the Company to monitor and evaluate its operating performance, as it is not influenced by the volatility due to the effects of the various criteria for determining taxable income, the amount and characteristics of the capital employed as well as the related amortization policies. This indicator is defined for the Group as Profit / (Loss) for the period gross of amortization and write-downs of tangible and intangible fixed assets, financial income and expenses and income taxes.

EBITDA increased by 13.6% compared to the figure of the first quarter of 2019, reaching 2.3 million Euros compared to 2 million in 2019, with an incidence on total revenues of 17.4% compared to 16,1% of 2019.

The **operating result** for the period was positive by 1 million Euros, a clear improvement compared to the 0.5 million Euros of the corresponding period of the previous year. This value is affected by depreciation for 1.3 million Euros.

The **net result** for the period, after current and deferred taxes of 0.5 million Euros, shows a profit of 0.2 million Euros, in line with the first quarter of 2019 when the impact of current and deferred taxes was 40,000 Euros.

The **Net Financial Position**, excluding the impact deriving from the adoption of IFRS 16, is positive by 2.3 million Euros compared to a negative value of 0.4 million Euros at 31 December 2019. Including the impact of the IFRS 16, the net financial position is negative by 7 million Euros compared to 9.5 million Euros at 31 December 2019. Cash and cash equivalents are growing to 9.7 million Euros compared to 7.3 million Euros at 31 December 2019 mainly linked to the seasonality of the collections historically expected in the first months of the year due to the annual billing of the maintenance and usage fees on the installed software products.

Operating performance

During the period, the Group's investments continued in the various areas and market activity in European countries was strengthened as well as the definition of strategic partnerships for the development of the Group's business. In particular, it should be noted:

- for the **Financial Markets and Treasury area**: the continuation of the development projects related to the Aquarius platform, to manage liquidity, according to the principles of Basel 3, in an integrated manner for securities, cash and collateral. Aquarius is designed in particular for the European market and integrated with the Target2 and Target2 Securities platforms as well as with the triparty collateral management systems. Thanks to the work of the interbank working group for the Eurosystem T2/T2S Consolidation project, created and coordinated by TAS in partnership with KPMG and Accenture, the Aquarius solution qualifies as the most flexible, complete and updated platform available to the Banks involved in the challenging compliance impacts generated by the new regulatory infrastructure of the Eurosystem, which will replace the current systems in a big bang mode;
- for the **e-money area**: the continuous evolutions applied to the cashless 3.0® platform for the Italian market and CARD 3.0 IE (International Edition) for the foreign market and the strengthening of the ACS solution with the introduction of the Risk Based Authentication for the secure authentication of cardholders according to the EMVCo 3D Secure 2.0 protocol; also the Fraud Protect solution, equipped with predictive models concerning card-based payment transactions but also for wire transfers and instant payments, has been strengthened, with particular attention to the implications of the PSD2 regulation on the subject of Strong Customer Authentication (SCA) exemption and Transaction Risk Analysis (TRA); the Payment Intelligence component is also being released, designed to simplify behavioral analytics on the Big Data of customer transactions;
- for the **Payment Systems area**: the continuation of the development and expansion of the TAS TPP Enabler solution following the interest shown by Banks and Third Parties wishing to operate as a PISP / AISP / CISP in response to the trends and opportunities introduced by the PSD2; the development of the Network Gateway 3.0 platform also continues, with a

focus on the evolution of the ESMIG access interface to the new Eurosystem Target Services (T2 / T2S / TIPS);

- for the **Financial Value Chain area**: the strengthening of the eGovernment PayTAS suite in line with the specifications being defined in relation to the pagoPA circuit for PSPs (Payment Service Providers) and central and local public administration bodies. The functional and technological review of the e-Banking and Corporate Banking solution for business customers also continues, as well as from a PSD2 and consumer perspective;

- for the **2ESolutions area**: the continuation of the project to reposition the TAS offer from a proprietary solution to a market proposition, with a focus on the Cloud, Customer eXperience and Social business collaboration, with an international perspective, leveraging the Oracle Cloud Applications.

Geographically, market activity continues in North America where CARD 3.0 IE combined with the proposition in Cloud is proving successful, as is the proposition of new vertical security solutions in the Latin American market and in Brazil.

Finally, to be noted: the partnership agreement reached with Temenos, the world leader in core banking solutions, for the inclusion of TAS Group's card solutions in its marketplace; NEXI choosing to rely on TAS TPP Enabler technology for the implementation of the solution for the CBI Globe tender won; the affirmation of the leading Aquarius platform on the Italian market for the Consolidation T2/T2S project.

INFORMATION ON CONSOB REQUEST PURSUANT TO ART. 114 LEGISLATIVE DECREE 58/98

In relation to the revocation, communicated by Consob to TAS on 7 May 2020, of the obligation to disclose supplementary periodic information on a quarterly basis pursuant to art. 114 of Legislative Decree No. 58/98 (the so-called "Grey List Obligations"), it is noted that Consob has requested the Company, in place of the Grey List Obligations, to disseminate - upon approval of the additional periodic information (interim management report) as of March 31, 2020 - the following updated information:

- (i) on the risks associated with COVID-19 which may have an impact on the economic-equity and financial situation;
- (ii) on any measures taken or planned to mitigate these risks as well as;
- (iii) a qualitative and/or quantitative indication of the potential impacts that are considered when estimating the future performance of the company on the occasion of the approval of the additional periodic information.

For such information, please refer to the press release issued by the Company today also in compliance with the obligations set out in Attention Notice no. 6/20 issued by Consob on 9 April 2020, relating to the financial information that issuers must provide in relation to the possible impacts from COVID-19 (in line with the recommendations published by ESMA).

Significant events that occurred in the first quarter of 2020

- On February 17, 2020 TAS completed the Group's international business reorganization project already communicated to the market on July 18, 2019. In particular, on that date the transfer of all the investments held by TAS in the foreign subsidiaries of the Group TAS France SASU, TAS Germany GmbH, TAS Iberia SLU, TAS USA Inc., TAS Americas Ltda and TAS EE d.o.o. was made, without a capital increase, in TAS International S.A. (formerly TAS Helvetia SA) - a company incorporated under Swiss law wholly owned by TAS. The

contribution value, equal to the value of the equity investments concerned were recorded in the individual TAS financial statements as at 31 December 2019, including movements up to March 18, 2020, date of approval of the TAS S.p.A. financial statements, was accounted for in TAS International S.A. as "capital injection reserves".

- On 20 February 2020, a change was made to the ownership structure of TAS Group, with the entry of the new investor CLP S.r.l. and the increase in the participation of the controlling shareholder GUM International S.r.l., indirect parent company of TAS. For more details, please refer to what has already been communicated to the market.
- On March 12, 2020, TAS Group entered the MarketPlace of Temenos, a world leader in the supply of core banking systems, with its cutting-edge platform for digital and mobile payments CARD 3.0 IE. The addition of CARD 3.0 IE, a powerful end-to-end card management platform, to the Temenos MarketPlace, allows banks, both new challenger-banks looking for a quick and easy distribution approach and a short time-to-market, and established incumbents wanting to embrace the digital transformation to keep up with customer expectations, to leverage a complete digital and mobile payment user experience.

Events subsequent to the end of the year

- On April 28, 2020, the Shareholders' Meeting appointed the new Board of Directors made up of nine members, who will remain in office for the duration of three financial years expiring on the date of the Shareholders' Meeting for the approval of the financial statements as at 31/12/ 2022, designating Dario Pardi as President.

The Shareholders' Meeting also appointed the new Board of Statutory Auditors for three financial years, expiring on the date of approval of the financial statements as at 31/12/2022, formed by Antonio Mele, Chairman, Luca Maria Tesio and Diana Rizzo, standing auditors, Sonia Ferrero and Gian Luca Succi, alternate auditors.

- On **May 4, 2020**, the newly appointed Board of Directors, met under the chairmanship of Dario Pardi, renewed the appointment of Valentino Bravi as Chief Executive Officer, giving the latter the administrative powers of the Company. Valentino Bravi has also been appointed Director in charge of the internal control and risk management system. He also conferred some strategic and commercial powers to the Chairman of the Board, Dario Pardi. The chairman was also confirmed in the investor relations function. On the same occasion, the Board also renewed the Committees envisaged by the Corporate Governance Code for listed companies, which are composed as follows:
 - The Appointments and Remuneration Committee is made up of:
Giancarlo Maria Albini - President
Carlotta De Franceschi
Annunziata Magnotti
 - The Control, Risks and Related Parties Committee is made up of:
Ambrosella Ilaria Landonio - President
Giancarlo Maria Albini
Roberta Viglione

The Board of Directors has also entrusted the role of lead independent director to the independent director Giancarlo Maria Albini pursuant to the Corporate Governance Code for listed companies.

- On **May 8, 2020**, the Company announced that, on May 7, 2020, Consob, at the request of the same, revoked the obligation to disclose supplementary periodic information on a quarterly basis pursuant to art. 114 Legislative Decree No. 58/98.

Prospects for the current year

The great success experienced by TAS in relation to the ECB ESMIG project concerning the T2/T2S consolidation - so-called "Consolidation Project" – we have acquired over 80% of the Italian market share – and the successes achieved with the recently launched PSD2 platforms, the Payment HUB and Fraud Protect, the latter being among the first solutions worldwide to manage the prevention of fraud in an integrated way between account based and card based payments, have allowed us to guarantee excellent growth in the first quarter of this year and, above all, to look to the near future with moderate optimism, despite the period being among the most negative of the world economy.

In these first three months of the year, TAS has guaranteed the full continuity of its developments in the creation of new products, in service delivery and in project management while adopting smartworking for 100% of the workforce.

We are planning several new initiatives for the development of new products and services at European level which will complete the Group's offer for the last months of the current year and, in particular, for the next year.

Finally, the excellent results of the Serbian subsidiary TAS E.E. which achieved decidedly significant growth in the quarter thanks to the sale of some licenses through a very important commercial partnership and through the collaboration with Temenos, which is generating various worldwide opportunities that could accelerate the Group's international development plan.

It should be noted that where this press release contains forward-looking statements regarding the Group's intentions, beliefs or current expectations in relation to the financial results and other aspects of the Group's activities and strategies, the reader must not place undue reliance on any forward-looking statements as the final results could differ significantly from those contained in said forecasts as a consequence of multiple factors, most of which are outside the Group's control.

Please note that the interim management report at March 31, 2020 is not subject to audit and is available according to the terms of the law at the registered office, on the storage mechanism authorized by Consob called "1Info", available at [www.1info .it](http://www.1info.it), and on the Company website www.tasgroup.it.

The Manager in charge of preparing the corporate accounting documents of TAS SpA, Paolo Colavecchio, declares - pursuant to paragraph 2 of article 154 bis of the Consolidated Law on Finance (Legislative Decree 58/1998) - that, based on his knowledge , the accounting information contained in this press release corresponds to the documented results, books and accounting records.

Pursuant to current legislation, the original Italian press release is available at the registered office, on the 1info storage mechanism and on the Company's website at the address <http://www.tasgroup.it/investors/comunicati>.



TAS Group is a leading technology company, providing advanced solutions for cards, payment systems, capital markets and extended enterprise. Our leading-edge software allows both banks and new players in the payments space to deliver and manage frictionless, real-time B2C, B2B, B2G transactions, integrating with and leveraging the latest technologies. From advanced fraud management solutions that exploit the power of Machine Learning, to scalable, modular payment platforms delivered over the Cloud, we empower our customers to unlock the infinite potential of the open and instant era and play an active role in the new payments ecosystem. Trusted by European Central Banks to manage millions of financial messages each day, our 35-year-old reputation in the market and unrivalled domain expertise has made us an internationally preferred partner for commercial banks and corporations. TAS has a global reach and offices in 8 countries spanning Europe, the USA and Latin America. www.tasgroup.eu

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Consolidated Financial Statements

Consolidated income statement	31.03.2020	31.03.2019²
Revenues	13.047	10.111
Change in orders in progress	203	2.487
Other revenues	78	83
Total revenues	13.328	12.681
Raw material consumables	(198)	(570)
Personnel costs	(7.410)	(7.007)
Costs for services	(3.238)	(2.847)
<i>(of which non-recurring)</i>	<i>(6)</i>	<i>-</i>
<i>of which in respect of related companies</i>	<i>(78)</i>	<i>(70)</i>
Other costs	(167)	(220)
Total costs	(11.013)	(10.644)
Depreciation	(1.348)	(1.459)
Write-downs	-	(44)
Operating result	967	534
Financial revenue	112	63
Financial charges	(322)	(206)
<i>of which in respect of related companies</i>	<i>(48)</i>	<i>(46)</i>
Result of financial management	(210)	(143)
Pre-tax result	757	391
Current and deferred taxes	(460)	(40)
Result of continuing operations	297	352
Result of non-continuing operations	-	(147)
Result of the period	297	205
Minority interest in net profit (loss)	108	(11)
Group interest in net profit (loss)	188	216
Earnings per share		
- base	0,00	0,00
- diluted	0,00	0,00

² The income statement at 31 March 2019 has been amended, compared to the one approved by the Board of Directors on 14 May 2019, following the company aggregation operation undertaken in 2018. In particular, the operating result was Euro 555 thousand and the net result was Euro 226 thousand.

Comprehensive Consolidated Income statement	31.03.2020	31.03.2019³
Net result for the period (A)	297	205
Other profits/(losses), net of tax effect that will not subsequently be reclassified in the financial year profit/(loss):		
Actuarial profit/(loss) on defined benefit plans	110	(163)
Tax effect	-	-
Total Other profits/(losses), net of tax effect, which will not be subsequently reclassified to profits/(losses) for the year (B1)	110	(163)
Other comprehensive income that will be subsequently reclassified to profit/(loss) for the year:		
Profit/(loss) deriving from the conversion of foreign companies' Financial Statements	20	(282)
Tax effect	-	-
Total Other profits/(losses), net of tax effect, which will be subsequently reclassified to profits/(losses) for the year (B2)	20	(282)
Total Other profit / (loss), net of tax effect (B1+B2=B)	130	(444)
Total comprehensive profit/(loss) (A)+(B)	427	(239)
Total comprehensive profit/(loss) attributable to:		
Shareholders of parent company	316	70
Third-party interests	111	(310)

³ The statement of comprehensive income at 31 March 2019 has been amended, compared to the one approved by the Board of Directors on 14 May 2019, following the company aggregation operation undertaken in 2018. In particular, the comprehensive income attributable to minority interests amounted to Euro 301 thousand.

Consolidated statement of financial position	31.03.2020	31.12.2019
Intangible fixed assets	23.189	22.997
- <i>Goodwill</i>	18.355	18.355
- <i>Other intangible assets</i>	4.834	4.642
Tangible fixed assets	11.150	11.313
- <i>Rights of use IFRS 16</i>	8.465	8.559
- <i>Other tangible fixed assets</i>	2.685	2.754
Investments and other securities	137	137
Financial fixed asset receivables	491	489
Deferred tax receivables	1.175	1.172
Other receivables	45	45
Total non-current assets	36.187	36.153
Contract assets with customers	6.989	6.798
Trade receivables	25.589	24.462
<i>(of which trade accruals and deferrals)</i>	<i>1.608</i>	<i>1.176</i>
Other receivables	215	200
Receivables for current income taxes	514	486
Financial receivables	22	22
Cash and cash equivalents	9.706	7.247
Total current assets	43.035	39.214
TOTAL ASSETS	79.222	75.367
Share capital	24.331	24.331
Other reserves	6.373	6.245
Profit/(loss) of previous years	(1.248)	(6.611)
Profit (loss) for the period	188	5.363
Group net equity	29.644	29.328
Minority interests in capital and reserves	402	455
Minority interest in profit/(loss)	108	(56)
Minority interest in shareholders' equity	510	399
Consolidated net equity	30.155	29.727
Employee severance indemnity provision	4.691	4.801
Provisions for risks and charges	178	323
Deferred taxes provision	60	63
Financial liabilities	9.929	10.321
Total non-current liabilities	14.857	15.508
Trade payables	16.605	13.851
<i>(of which liabilities from customer contracts)</i>	<i>10.912</i>	<i>8.168</i>
<i>(of which accrued trade payables)</i>	<i>46</i>	<i>22</i>
<i>of which in respect of related companies</i>	<i>54</i>	<i>69</i>
Other payables	9.434	8.804
Current income tax payables	973	495
<i>of which in respect of related companies</i>	<i>212</i>	<i>140</i>
Financial liabilities	7.197	6.982
<i>of which in respect of related companies</i>	<i>4.909</i>	<i>4.879</i>
Total current liabilities	34.210	30.132
TOTAL LIABILITIES AND NET EQUITY	79.222	75.367

Consolidated Cash Flow Statement	31/03/2020	31/03/2019⁴
Profit/(loss) for the period	297	205
Amortization, depreciation and write-downs	1.348	1.503
Change to employee severance provision	(7)	9
Change in provisions for risks and charges	(145)	(60)
Payment of income tax	(78)	-
Interest expense / (interest income)	87	89
Other non-monetary changes	(124)	383
Decrease/(increase) in inventories and other current assets	(1.364)	(2.426)
Increase /(decrease) in payables and other liability items	3.862	5.229
Cash flow from operating activities	3.875	4.932
Change in intangible assets	(1.005)	(1.122)
Change in property, plant and equipment	(75)	(74)
Cash flow from investments	(1.080)	(1.196)
Change in long-term financial receivables	(2)	(17)
Change in other financial payables	(215)	(44)
Paid Financial charges	(119)	(122)
Cash flow from financing	(336)	(184)
Change in cash and cash equivalents	2.459	3.552
Opening cash and cash equivalents	7.247	5.315
FINAL CASH AND CASH EQUIVALENTS	9.706	8.867

⁴ The Cash Flow Statement at 31 March 2019 has been amended, compared to the one approved by the Board of Directors on 14 May 2019, following the company aggregation operation undertaken in 2018.