TAS S.p.A.

Consolidated Financial Statements and Annual Financial Statements at 31 December 2021

COMPANY SUBJECT TO THE MANAGEMENT AND COORDINATION OF OWL S.p.A.

Name of the entity that prepares the financial statements: TAS S.p.A.
Registered Office: Rome
Legal structure: Joint stock company
Country: Italy
Registered office: Via Cristoforo Colombo 149 – Rome, Italy
Main location of business: Casalecchio di Reno (BO)
Description of business: Production, processing and development of operating programmes (software) and data processing system applications
Group parent company name: TAS S.p.A.
Ultimate parent company name: OWL S.p.A.

TABLE OF CONTENTS

CONSOLIDATED FINANCIAL STATEMENTS OF TAS GROUP

FINANCIAL STATEMENTS OF TAS S.P.A.

CORPORATE BODIES

Board of Directors
expiry: on the approval of the Financial Statements at 31 December 2022

Valentino Bravi	1	Chairman and Chief Executive Officer
Fabio Bravi	1	Director
Maurits Edward Boomsma	4	Non-executive Director
Giuseppe Franze	4	Non-executive Director
Gianluigi Manna	4	Non-executive Director
Carlotta De Franceschi	1.3	Independent non-executive director
Ambrosella Ilaria Landonio	1.2	Independent non-executive director
Roberta Viglione	1.2	Independent non-executive director
Annunziata Magnotti	1.3	Independent non-executive director

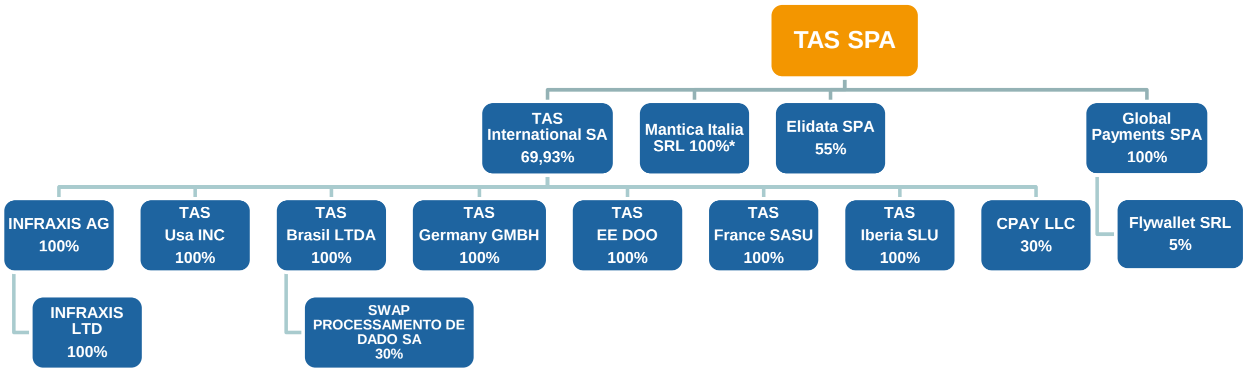
Board of Statutory Auditors
expiry: on the approval of the Financial Statements at 31 December 2022

Statutory Auditors		
Antonio Mele	1	Chairman
Luca Maria Tesio	1	
Diana Rizzo	1	
Alternate Auditors		
Sonia Ferrero	1	
Gian Luca Succi	1	
Auditing Firm		Deloitte & Touche S.p.A.
Share capital	€24,704,330.23[1]	Fully subscribed and paid-up
No. shares	83,880,761	

1 *Appointed by the Shareholders' Meeting 28 April 2020*
2 *Member of the Control, Risks and Related Parties Committee*
3 *Member of the Remuneration a Appointments Committee*
4 *On 25 January 2022, resignations from their respective offices were received fro Dario Pardi, Umberto Pardi and Giancarlo Mai Albini. On the same day, the TAS Board of Directo appointed by cooptation the representativ of Rivean Capital (formerly Gilde Priva Equity) as indicated in the table.*

[1] On 25 February 2022, the TAS Board of Directors resolved to allow the beneficiaries of the stock option plan approved by the Shareholders' Meeting on 28 April 2020 to exercise 353,863 options in advance, with respect to a total of 374,000 options.

GROUP STRUCTURE



** On 11 March 2022, the residual stake of 20% was acquired in Mantica Italia S.r.l.*

INFORMATION ON TAS S.P.A.

TAS Group is a group specialising in **software solutions for electronic money, payments, capital markets and Extended Enterprise systems**. Listed on the Italian Online Stock Exchange [“Mercato Telematico Azionario”] since May 2000, TAS is the **market leader in Italy** for **card management systems, payment networks access and stock exchange order management**.

TAS Group (hereinafter the “Group”) is the trade name identifying the **group of companies** comprising **TAS Tecnologia Avanzata dei Sistemi S.p.A**. (hereinafter “TAS”, “TAS S.p.A.”, the “Company” or the “Parent Company”) - controlled by **OWL S.p.A.** -, of the companies in which interests are held **Global Payments S.p.A.** (“Global Payments”), **Mantica Italia S.r.l.** (”Mantica”), **EliData S.p.A**. (“Elidata”) **and TAS International S.A.** (“TAS International”), as well as the subsidiaries of this latter: **TAS France S.A.S.U.** (“TAS France”)**, TAS Iberia S.L.U.** (“TAS Iberia”)**, TAS Germany GmbH** (“TAS Germany”)**, TAS Brasil Ltda** (formerly TASAMERICAS Ltda), **TAS USA Inc** (“TAS Usa”), **TAS Eastern Europe d.o.o.** (“TAS EE”), **Infraxis AG** and **Infraxis LTD** (“Infraxis Group” or “Infraxis”).

The TAS Group serves **the most important commercial and central banks in Italy and Europe, major organisations offering financial services and some of the main global brokers** present in the Fortune Global 500 classification.

Operating through its subsidiaries, the TAS Group is a first level partner on the **international market, through the foreign subsidiaries, all of which answer to TAS International S.A.**

Thanks to the diversification path followed over the last ten years, TAS Group solutions have been adopted by **Public Administrations** (Ministries, Regions and other local Entities) and by **non-banking companies** from many different sectors.

As of 30 March 2022, TAS is 72.91% held by OWL S.p.A. and 18.3% by Solidus Bidco S.p.A. (the parent company of OWL S.p.A.).

As specified in more detail below in this report, following the press releases issued on 21 October 2021 and 10 January 2022, on 25 January 2022 the Company communicated the closing of the “Sales Contract” through which Solidus BidCo purchased the full share capital of GUM International and 2BP S.r.l. (“2BP”) and, indirectly, the full share capital of OWL S.p.A. (“OWL”), the direct parent of TAS.

Over 100 million cards managed at international level

Direct presence in 9 countries and more than 150 customers worldwide

The largest payment carrier in Europe

20

Over 100 financial institutions in Italy manage securities using TAS solutions

ISO UNI 9001 and 27001 certifications

ERP solutions adopted by major service industries and PA entities

1st Quarter

At the beginning of the year, a long-planned initiative was begun to deal with the lack of talent available for insertion within TAS human capital. Known as TAS Academy, the project is intended to structure the specific training process for Developers, Testers and Analysts in the “digital payment” area, combining both ICT skills for software design as well as functional and domain skills, made possible through the over 35 years of expertise the TAS Group has in the Payments sector.
The first edition, which consisted of lessons and exercises for 8 hours a day for a total of 6 weeks, saw the participation of 11 new graduates coming from the areas of engineering, IT, statistics and physics.

Internationally, in March the client Cascade, an issuer and processor based in the United States, launched its prepaid Visa® THAT ™ card, the first card program entirely based on the Issuing PayStorm platform, the TAS Group solution developed for microservices based on advanced API.

2nd Quarter

In the second quarter, TAS France launched a new brand and a new line of services: **TAS Group Cloud Services**, based on the infrastructure of the Sophia-Antipolis Data centre in France and supported by other Data centres in Europe (Milan, Bologna, Paris).
The offer leverages the wide array of SME customers acquired by TAS France over the year, allowing it to develop unique skills and offer flexible tailor-made solutions appropriate for the various stages of the digital transition that many small and medium enterprises are facing.

Between April and May, the Group strengthened and expanded its international quality certifications. The companies **TAS SpA** and **Global Payments SpA** received **UNI CEI EN ISO/IEC 27001:2017** certification (information security management). **Mantica srl** obtained **UNI EN ISO 9001:2015** certification. These new certifications were added to the **ISO 9001:2015** certification already received by TAS, Global Payments and TAS France, the latter of which was certified **ISO 27001:2017** in 2019.

In June, the subsidiary Global Payments acquired a minority stake in Flywallet S.r.l., the Italian FinTech start-up that has developed a digital platform to authorise payments and services through wearable devices with biometric authentication.

Also in June, active participation by TAS in the main events of the financial industry began, after it was invited to participate in the EBA’s Open Forum on Digital Transformation and at the Payments CEE Summit, where TAS Eastern Europe provided a contribution on omnichannel payment acceptance. It also cosponsored the EBADay at the end of June, during which TAS participated on the Panel dedicated to the future of Instant Payments, offering its experience and distinctive skills on the issue of the convergence of card and account-based payments.

3rd Quarter

In September, the work of the User Group Aquarius returned to the office, coordinated by TAS in cooperation with KPMG and Accenture, for Italian market operators facing the challenges of compliance with the new Target services in the Eurosystem, with a particular focus on the most recent of the ECB's projects - the ECMS platform (Eurosystem Collateral Management System), which is expected to go live in November 2023.

The TAS Group's interim report showed all indicators up with respect to the same period the previous year, with significant acceleration in margins. These notably positive results furthered the trend seen in the company, which has demonstrated a strong propensity for continued development and growth.
For the 13th consecutive year the Group was included in the 2021 IDC Fintech Classification, which lists the main suppliers of hardware, software and services for the financial sector throughout the world.

4th Quarter

In October, TAS sponsored the virtual edition of SIBOS, conducting a session dedicated to the evolution of the ECMS project and offering its perspective as a FinTech leader on digitalisation of bank treasuries.

A the 2021 Payments Salon, held virtually due to the continued pandemic, TAS presented its Global Payment Platform solution to an audience of over 160 professionals, while the Remote Teller solution was presented during the session of its Partner Accenture, with over 150 participants.

On 21 October TAS Group announced the agreement signed with Solidus BidCo S.p.A., a subsidiary of Gilde Buy-Out Fund VI C.V. and Gilde Buy-Out Fund VI 2 C.V. (recently renamed Rivean Capital), for the indirect acquisition by the latter of the full share capital of OWL S.p.A., the controlling shareholder of TAS S.p.A. This agreement will be finalised at the end of January 2022, after the takeover bid begins relative to the security listed on Euronext.

Finally, integration of EliData into the Group was completed on 1 November, to strengthen the strategic development of offerings in the Capital Market sector, making it possible to enlarge the customer base and contributing to increasing the presence of TAS on European markets.

GROUP ACTIVITIES

TAS Tecnologia Avanzata dei Sistemi S.p.A. works with its subsidiaries in the IT sector with particular reference to the development and marketing of software applications and solutions, consulting, providing support and maintenance, able to offer proprietary and/or integrated third party solutions in SaaS mode or cloud, thanks to its specialised Data Centre infrastructure or through partnership agreements with providers when requested by customers.

For over 35 years, the Company has been one of the leading operators on the Italian market and has been steadily improving its international position in the electronic money sector over the last decade (with over 100 million cards managed with the following solutions: Card Lifecycle Management, Acquiring Channels and Terminal Management, Authorisation Systems, Fraud Management and EMV Solutions), as well as relative to payment and collection systems and access to interbank exchange and settlement circuits (with installations at the heart of the Eurosystem T2 and T2S infrastructure), in addition to securities trading and settlement on financial markets, including liquidity and compliance management for bank treasuries.

In particular, the major TAS solutions include:

- the “cashless 3.0” platform, which is among the most innovative and comprehensive at world level for the issuing, authorisation and control of all kinds of physical and virtual cards, providing modular management of all issuing and acquiring process and fraud management;
- the PayStorm platform, developed by Infraxis AG, a company acquired by TAS International in mid-2020, through which payment transactions for over 30% of credit cards issued in Germany are authorised;
- the *EasyBranch* suite solutions to guide the transformation of bank branches towards the future in Customer-Bank relations, by managing the entire ATM channel and creating a new generation of customer journey self-services for banking customers;
- the platform known as *Network Gateway 3.0* which manages decoupling between back-office applications and protocols for interfacing with market infrastructure for trading and interbank transaction settlement, including Instant Payments; this platform was recently strengthen to offer both an API Open Banking management framework in compliance with the changes introduced by the PSD2 directive (which gave rise to the TAS TPP Enabler solutions) and architectural and functional coverage that allow it to serve as an extended Payment Hub for banks and PSP. Given the notable regulatory adjustments planned between 2022 and 2023 (in particular the unified ESMIG interface for the Eurosystem target services and migration from SWIFT FIN messaging to the ISO20022 standard), the aim is for the Network Gateway 3.0 to become the reference solution offered to European banks to mitigate compliance impacts;
- management of B2C, B2B and B2G e-marketplaces, which extends to new smart devices and innovative projects:
    - Multichannel FVC portals for Payment Institutions,
    - e-Payment/e-Collection platforms,
    - Collaborative Order-to-Cash solutions;
- the *PayTAS* application suite dedicated to eGovernment, making a single access point available to citizens, companies and the Public Administration for the collection of taxes and duties and the payment of goods and services provided by Public Administrations; the platform integrates a number of traditional and innovative payment channels, and offers public entities technological tools for interfacing with the pagoPA system;

- the Global Payment Platform - GPP, which rationalises and reuses numerous components coming from the above solutions, with the objective of creating a single horizontal infrastructure for end to end management of any type of payment, from card-based, to bank transfers and innovative next generation payments, multi-channel and regardless of the type of payment (P2P, C2C, B2C,B2B, B2G); this platform, which can be used API or white label, is mainly intended for new actors playing an active role in the ecosystem transformed by PSD2: IP/IMEL/PISP/AISP/CISP/Challenger banks. It also includes a series of "light core banking" functions in Platform as a Service (Paas) mode, designed to make this type of customer more autonomous and allow new services to be offered to the market more rapidly;
- the *Aquarius* platform for Bank treasury Liquidity Management, which is a market leader in the integrated and real-time management of securities, cash and collateral;
- additional solutions for *Capital Markets* aimed especially at guaranteeing:
  - *Straight-through processing* from securities trading to settlement;
  - *Regulatory Reporting and Trading Compliance;*
  - *Data acquisition and market integration*, also thanks to the assets of EliData, which became part of the Group in 2021, with more than twenty years of experience in creating systems to interconnect international financial markets for some of the largest Italian and European banking groups, with a presence in Germany, Spain and Switzerland
- the *TAS ExtendERP* solutions for Corporate Clients, for the sectors:
  - Public Governance: a suite for managing performance management processes in the public administration, currently being used by important Italian PA offices;
  - Services companies: a platform which offers full coverage of administrative-accounting issues, as well as core business processes (project management, billing, procurement) and that currently has a significant customer base in Italy;
  - The international and national market: an offer based on advanced social and collaborative user models, and implemented on the Oracle Cloud Application platform, using the leverage of the consolidated partnership with Oracle.

The sizeable portfolio of TAS products was also enhanced by the contributions of Mantica Italia S.r.l., a company that entered the Group in 2019, specialising in the processing of Artificial Intelligence and Machine Learning models for bank, fintech and corporate applications. The acquisition of Mantica has specifically consolidated the TAS *Fraud Protect* Fraud Prevention solution, making it one of the most attractive solutions for the European PSP market. In addition to fraud aspects, more recently Mantica's Adaptive Intelligence technology is giving rise to a suite of predictive components that strengthen the Group's offerings both with regards to Open Banking-PSD2, with the Harmonizer Hub and Payment Intelligence products, and in Anti-Money Laundering (AML), with a solution that offers sanction screening for financial transactions.

In general, application solutions developed by TAS for the market can be installed directly at the customer's base, or provided in Cloud and SaaS mode (*Software as a Service*) from the technology infrastructure managed by TAS.

The Company operates abroad through its Swiss subsidiary TAS International SA, which serves as the parent for the subsidiaries TAS France S.A.S.U., TAS Germany GmbH, TAS Iberia S.L.U., TAS USA Inc., TAS Brasil Ltda, TAS E.E. d.o.o., Infraxis AG and Infraxis Ltd.

TAS International provides coordination for the foreign subsidiaries and is the preferred interlocutor for countries without a subsidiary. It also coordinates all the Group's international business development and go to market, promoting services in the areas of E-Money, Capital Market and Service Bureau for the TAS Group.

TAS France, a French company created as a data center and internet service provider with significant experience in Housing & Hosting value added services, is now one of the most innovative Data Centers in France thanks to major investments, it has excellent development potential above all in the provision of Cloud services, while also offering extremely high data security levels, as demonstrated by its **HDS:2018 Hosting Health Data** certification, received for **hosting and outsourcing** with regards to **health data management**. In line with the **ISO 27001 framework**, HDS certification focuses on the protection of sensitive personal data in the health area.

Infraxis AG is a Swiss company and together with its British subsidiary Infraxis Ltd, based in Leeds, they further enrich the solutions offered by the TAS Group through their PayStorm platform and IQS, as well as supporting TAS international production capacity with a mix of solutions and expertise relative to cards, digital payments and software quality control

TAS Eastern Europe, a company incorporated under Serbian law, is the result of the rebranding of the acquisition Arsblue and has the objective of strengthening the group's development capacity and offerings in the electronic money segment, by leveraging its experience in issuing and acquiring, as well as its portfolio of customers located in Eastern Europe.

Tas Brasil is a Brazilian company that serves the goal of development in the local market, taking advantage of greater proximity to customers and, thanks to the investment in the processing company Swap Processamento de Dados, further extends the range of solutions and services.

TAS USA a company incorporated under USA law was established at the end 2014 with the objective of driving Group solutions in the North American market, relative to issuing (payment cards) and interconnection to payment circuits worldwide (Gateway Services).

Tas Germany is a German company established at the end of 2015 with the aim of supporting German speaking customers, while also representing the support and Help Desk services for the TAS International Group.

TAS Iberia, a Spanish registered company, operates as the Group's EMV centre for payment cards with chips. In this respect, it provides standardised software solutions, customised software solutions, maintenance and outsourcing services. It supports and sells Group solutions on the Iberian peninsula, in the Caribbean and in Spanish-speaking Latin America, particularly with reference to Digital and Mobile Payments and SWIFT connection services.

TAS International and its subsidiaries have specific separate agreements in effect with the Parent Company for reciprocal marketing of products in their respective reference markets.

SCOPE OF CONSOLIDATION

Below are the transactions which led to changes in the scope of consolidation during 2021, with more details provided further on in this report:

- On 25 February 2021, TAS International acquired full control over the Brazilian subsidiary TAS Brasil Ltd;
- On 13 July 2021 the company CPay LLC was established in Qatar, to promote and develop digital payments business in Qatar. TAS International holds a 30% stake in the company, with the remaining equity held by local partners;
- On 6 October 2021 TAS finalised its merger with Elidata S.p.A., a company that develops IT solutions for the financial sector, and now holds a 55% stake in the share capital of Elidata, effective as of 1 November 2021.

Recall that with reference to the Infraxis Group, during the previous year the Company and the sellers signed a shareholders' agreement which establishes, among other things, a put and call option relative to the current equity investment of 27.2% in TAS International, which can be exercised through 2024 in the case of a change in control over TAS. Based on IAS 32.23, in the case of put options on own equity the option is not measured, rather the existence of the presuppositions for the recognition of a liability. In the case at hand, in consideration of the fact that the change of control depends on the decisions of the parent company OWL S.p.A. and not the Company, a liability was recognised at fair value. Consequently, already as of the consolidated financial statements for the previous year, TAS International was consolidated as if it were 97.13% controlled, with the result of a fair value payable of Euro 12.4 million, neutralising the TAS International share capital increase carried out through a contribution in kind by the minority interests described above. On 25 January 2022, the contract to purchase all the share capital of GUM International and 2BP S.r.l. by Solidus BidCo (a company indirectly held by the funds Gilde Buy-Out Fund VI C.V. and Gilde Buy-Out Fund VI 2 C.V.) and therefore, indirectly the full share capital of OWL S.p.A. the direct parent of TAS. This event, which occurred after the end of the financial year, was treated as a non-adjusting event, meaning it had no impacts on the calculation of the fair value of the option at 31 December 2021. The first few months of 2022 passed without either the sellers of Infraxis or TAS exercising the options by the deadline. In the absence of any transactions between shareholders, the stake of equity relative to minority interests against the payable will be restored in the financial statements for 2022. Group subsidiaries are consolidated using the line-by-line consolidation method, while associated companies are consolidated with the net equity method. The companies held by the Group at 31 December 2021 and the relevant equity investments are shown below, including adjustment to the Group's accounting standards:

Company Name	Nationality	Share capital (€/000) at 31/12/2021	% Ownership 31/12/2021	% Ownership 31/12/2020	Net Equity (€/000) at 31/12/2021
TAS SPA	Italy	24,330			55,399
TAS FRANCE SASU*	France	500	100	100	2,584
TAS INTERNATIONAL SA	Switzerland	105	69.93	69.93	21,891
TAS IBERIA SLU*	Spain	20	100	100	30
TAS BRASIL LTDA*	Brazil	792	100	99.65	362
TAS USA INC*	USA	16	100	100	735
TAS GERMANY GMBH*	Germany	25	100	100	99
MANTICA ITALIA SRL	Italy	10	100**	80	(221)
GLOBAL PAYMENTS SPA	Italy	6,000	100	100	32,059
TAS EASTERN EUROPE D.O.O.*	Serbia	1,016	100	100	1,084
ELIDATA SPA	Italy	104	55	NA	14,006
INFRAXIS AG*	Switzerland	561	100	100	5,222
INFRAXIS LTD*	UK	22	100	100	49

* The ownership percentage refers in part to TAS International SA.

** With a deed dated 11 March 2022, the parent company TAS acquired the residual stake of 20%.

Company Name	Registered office	Secondary Unit	% Share
TAS S.p.A. (Parent Company)	Via Cristoforo Colombo no.149, Rome – Italy	- Milan, Via Famagosta no. 75 – Italy - Verona, Via Francia no. 21 – Italy - Siena, Via Bruno Marzi, 4 – Italy - Parma, Via Colorno no. 63/a – Italy - Casalecchio di Reno (BO), Via del Lavoro, 47 – Italy - Prato, Via Traversa Pistoiese, 83 - Italy	
TAS France Sasu	15 Traverse des Brucs, 06560 Valbonne, France		100.00%
TAS International Sa	Via Serafino Balestra 22B Lugano – Switzerland		69.93%
TAS Iberia SLU	Calle Julian Camarillo, 47 Madrid – Spain	- Plaza Ramon y Cayal 1, Cordoba – Spain	100.00%
TAS Brasil Ltda	Rua Irma Gabriela nº 51, Brooklin Novo – São Paulo – SP – Brazil		100.00%
TAS Usa Inc	Empire State Building 350 Fifth Avenue, 41st Floor New York, NY 10118-4100	- 1180 N. Town Center Drive, Suite 100 Las Vegas, NV 89144**	100.00%
TAS Germany Gmbh	c/o A.L.B. Friedl GmbH Wilhelm-Hale-Str. 50 80639 Munich– Germany	- Raume Nr. 411, 4 Stock, Strade 68, 55122 Mainz	100.00%
TAS EE D.o.o.	Bulevar Mihajla Pupina, 115 z Belgrade– Serbia		100.00%
Mantica Italia S.r.l.	Via Cristoforo Colombo no.149, Rome – Italy		100.00%*
Global Payments S.p.A.	Via Famagosta no. 75, Milan – Italy		100.00%
Elidata S.p.A.	Via Sanadolo no.19, Castiglione d'Adda – Italy	Via Vittor Pisani 13 – Milan – Italy Via Cristoforo Colombo no. 149, Rome – Italy	55.00%
Infraxis AG	Via Serafino Balestra 22 Lugano – Switzerland		100.00%
Infraxis LTD	Leeds, 11B Platform New Station Street– UK		100.00%

* With a deed dated 11 March 2022, the parent company TAS acquired the residual stake of 20%.
****** Disposed of in March 2022.

DIRECTORS' MANAGEMENT REPORT

INTRODUCTION

Dear Shareholders,

The Management Report at 31 December 2021 that we are submitting for your consideration forms part of the TAS Group's Consolidated Financial Statements at 31 December 2021 and contains references to the significant events that have occurred during the financial year and their impact on the Financial Statements and Consolidated Financial Statements, together with a description of the principal risks and uncertainties faced by TAS S.p.A. and the Group.

The Consolidated Financial Statements at 31 December 2021 were drawn up in accordance with the applicable international accounting standards adopted by the European Union under Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002, with the regulations issued to implement Art. 9 of Italian Legislative Decree No. 38/2005, and in compliance with Consob Regulation No. 11971 of 14 May 1999 and subsequent amendments.

In particular, the Consolidated Financial Statements follow the format required by international accounting standards (IAS/IFRS) as adopted by the European Union.
The amounts shown are in thousands of Euro. The corresponding figure for the same period last year is shown next to each figure in the Financial Statements, for comparison purposes.

Also note that the Group, having exceeded 500 units, must prepare the non-financial declaration pursuant to Art. 2 of Italian Legislative Decree 254 of 30 December 2016 and CONSOB Resolution 20267 of 18 January 2018.

The consolidated non-financial declaration, which contains information on environmental, social and personnel issues, as well as on compliance and prevention of corruption, useful to ensure full understanding of the Group's activities, performance, results and impacts, is found in a separate document, published in the investor relations section in the same manner as this report. Additionally, the remuneration information required under article 123 of the TUF is also published and made available on the Company's website, in accordance with the relative approval processes.

By referring to what is stated in this Report and in the Notes to the financial statements for further details, we note that the Financial Statements submitted for your consideration include:

1)
The effects as of 1 November 2021 of the binding agreement signed on 6 August 2021 for TAS to purchase 55% of the share capital of the Italian company Elidata SpA ("Elidata").

Elidata, established in February 1999, has more than twenty years of experience in creating systems to interconnect international financial markets for some of the largest Italian and European banking groups, with a presence in Germany, Spain and Switzerland.

This acquisition involved:
- a share capital increase through a contribution in kind of Euro 14,350,000.00, reserved for TAS, released through the transfer by the latter of its Capital Market business unit ("CM Business Unit" (the "Capital Increase"), equivalent to 51.7% of Elidata share capital. Note

that the fair value of Elidata and the CM Business Unit were appraised by independent consultants; and

- the acquisition by TAS, relative to the shareholder equity investments after the Capital Increase, of an equity investment equal to 3.3% of the share capital of Elidata for a total of Euro 700,000.00.

When the operation was carried out, the parties also began activities necessary to begin the merger by incorporation of C64 S.r.l. (a Elidata shareholder holding 17.61% of the capital prior to the merger), pursuant to and in accordance with article 2501-*bis* of the Italian Civil Code, completed with a deed dated 29 December 2021. The accounting effects of the merger were retroactive to 1 January 2021.

Through this operation, TAS expanded the array of solutions dedicated to the financial industry, in particular for financial markets ("Capital Market" Business Unit), adding Elidata's offerings, which have always offered high quality, both in terms of security and in terms of compliance with national and international regulations, to its own "Capital Market" Business Unit.

Therefore, the consolidated financial statements for the Group as at 31 December 2021 only include the income statement for the months of November and December for Elidata, as control was acquired and initial consolidation began on 1 November 2021.

A summary of the main details referring to this transaction are provided below.

Company Name	**Date of operation (1)**	**Cost of operation (2)**	**Ownership interest**	**Group profit/loss (3)**
Elidata	01/11/2021	15,050	55%	251

(1) Date when control was acquired.

(2) The cost of the operation refers to the total price to acquire the 55% stake in Elidata.

(3) The economic results specified refer to November and December for the company, determined using the accounting standards of the TAS Group, which differ from those utilised the company. On the other hand, the results for the year up to 31.10.2021 had no impact on the Group's Consolidated Income Statement but are recognised under Shareholders' Equity to determine the initial consolidation difference, which was then subjected to "purchase price allocation".

The business combination carried out was recognised by applying IFRS 3 standards, as adopted with Regulation (EC) No. EC 495/2009 of the European Commission dated 3/6/2009.

The table below shows the assets and liabilities acquired *(in thousands of Euros):*

ELIDATA	Amounts as per balance sheet	Adjustments to Group standards	Book value /000
Intangible fixed assets	862	-37	825
Tangible fixed assets	1,345	190	1,535
Financial fixed assets	39	0	39
Trade receivables and other receivables	1,559	43	1,602
Trade payables and other payables	-1,707	0	-1,707
Employee severance indemnity provision (TFR) and other provisions	-675	-114	-789
Net assets at current values	**1,423**	**82**	**1,505**
Net financial position	-1,908	-188	-2,096
Net Equity	**-485**	**-106**	**-591**

* *The CM Business Unit in the TAS Group consolidated financial statements continues to be recognised at the accounting values prior to the Elidata acquisition because the Group never lost control over the same. Therefore, the portion of fair value associated with the CM Business Unit was reversed.*

The table below shows assets and liabilities partially transferred with the transfer of the Capital Market Business Unit and the impact on Group net equity:

Balance Sheet	Book value /000
Intangible fixed assets	21
Tangible fixed assets	17
Financial fixed assets	0
Trade receivables and other receivables	1,042
Trade payables and other payables	-978
Employee severance indemnity provision (TFR) and other provisions	-198
Net assets at current values	**-96**

Net financial position	-17
Net Equity	**-113**
% attributable to the Group	45.0%
Pro-rata net equity	**-51**
45% transfer price	**6,099**
Equity impact	**6,149**

The accounting effects deriving from the transfer of the net assets and liabilities of the business unit led to a Euro 6,149 thousand increase in equity. Pursuant to IFRS 10, the impacts of this operation, in fact, must not lead to the recognition of profit in the income statement, as this is an equity operation given that the Group did not lose control over the CM Business Unit.

2)
The effects of the purchase price allocation carried out by the Company with regard to the business combination described in the previous point are detailed below.

After the assessment programme carried out based on plans prepared by Group management, the presence of intangible assets with defined useful life were identified which had not previously been recorded in the financial statements of the acquired company (Elidata). More specifically, these were:

- specific contracts with major customers (Customer List), for a total *fair value* of Euro 3,842 thousand.
- the software known as *Caronte.* This software is an all-in-one trading system involving over 80 markets globally, (MTF, OTF and international brokers), with a modular structure that allows for integration of third party software solutions including Back Office, Position Keeping and Transaction Reporting. The fair value determined was Euro 732 thousand.

Additionally, the real estate owned by the company for office use were recognised at fair value, estimated using the financial income method, with an increase of Euro 1,076 thousand.

The recognition of these assets in the Group's consolidated financial statements also led to corresponding entries for deferred tax liabilities, as detailed in the table below;

Balance Sheet	**31.12.2021 (provisional amounts)**	**PPA**	**31.12.2021 (definitive amounts)**
Intangible fixed assets	825	4,574	5,399
- Goodwill (merger, C64)	*723*	-	*723*
- Customer list	-	*3,842*	*3,842*
- Software	-	*732*	*732*
- Other intangible fixed assets	*102*	-	*102*
Tangible fixed assets	1,535	*1,076*	2,611
Financial fixed assets	39	-	39
Cash and cash equivalents	1,626	-	1,626

Other assets	1,602	-	1,602
Total Assets	**5,627**	**5,650**	**11,277**
Employee severance indemnity provision (TFR) and other provisions	(789)		(789)
Financial liabilities	(3,722)		(3,722)
Other liabilities	(1,707)	(1,576)	(3,283)
Total liabilities	**(6,218)**	**(1,576)**	**(7,794)**
Net assets/liabilities at fair value (A)	**(591)**	**4,074**	**3,483**
% minority interests (B)	45%	45%	45%
Net assets/liabilities at fair value (A x B)	**(266)**	**1,833**	**1,567**
Purchase price (C)	**15,050**	**-**	**15,050**
% attributable to the Group	55%	55%	55%
Reversal, fair value portion of business unit not transferred C*	**(8,252)**	**-**	**(8,252)**
Goodwill (B-A+C)	**7,123**	**(2,241)**	**4,882**

* *The CM Business Unit in the TAS Group consolidated financial statements continues to be recognised at the accounting values prior to the Elidata acquisition because the Group never lost control over the same. Therefore, the portion of fair value associated with the CM Business Unit was reversed.*

Therefore, the total goodwill deriving from the Elidata operation, also considering the C64 merger operation, amounted to Euro 5,605 thousand at 31 December 2021.

INDIRECTION ACQUISITION OF TAS S.P.A. BY SOLIDUS BIDCO S.P.A.

Following the press releases issued on 21 October 2021 and 10 January 2022, on 25 January 2022 the Company communicated the closing of the "Sales Contract" through which Solidus BidCo purchased the full share capital of GUM International and 2BP S.r.l. ("2BP") and, indirectly, the full share capital of OWL S.p.A. ("OWL"), the direct parent of TAS.

Solidus BidCo is a company whose share capital is indirectly held by the funds of Rivean Capital (formerly Gilde Private Equity) Gilde Buy-Out Fund VI C.V. and Gilde Buy-Out Fund VI 2 C.V. (these funds, jointly, "Gilde").

As an effect of the closing, Solidus BidCo put forward, pursuant to articles 102, 106 and 109 of Legislative Decree 58 of 24 February 1998 ("TUF"), and article 45 of the Regulation adopted with CONSOB resolution 11971/1999 (the "Issuers Regulation"), a mandatory full public takeover bid (OPA) for the ordinary shares of the Company other than the shares directly or indirectly held by Solidus BidCo, at a price of Euro 2.20 per ordinary share.

In the context of this Closing, the Chairman and executive member of the Company's Board of

Directors, Dario Pardi, the non-executive director Umberto Pardi and the independent director Giancarlo Maria Albini (the latter also the lead independent director pursuant to the corporate governance code for listed companies, chairman of the appointments and remuneration committee as well as member of the control, risks and related parties committee) submitted their resignations from their respective offices.

The resignations of Dario Pardi and Umberto Pardi occurred in virtue of the agreements established in the Purchase Contract, while the resignation of Mr. Albini were motivated by the expediency of facilitating the process of changing the Company's management.

Note that based on the information available to the Company and made known to the market, Dario Pardi, prior to the Closing, had indirect control over the Company, through GUM International S.r.l., which he owned, indirectly through GUM Consulting S.p.A. in which he held 51% of the share capital.
To replace the directors who had resigned, the TAS Board of Directors appointed by cooptation, pursuant to the law and the by-laws, Gilde representatives Maurits Edward Boomsma, Giuseppe Franze and Gianluigi Manna as non-independent directors of TAS, who will remain in office until the next Shareholders' Meeting, none of which have received operational powers.

The Board of Directors also appointed as chairman the current Chief Executive Officer Valentino Bravi, and also determined the new structure of its internal committees:

Control, Risks and Related Parties Committee:
Ambrosella Ilaria Landonio – Chairman and Independent Director;
Annunziata Magnotti – Independent Director;
Roberta Viglione – Independent Director.

Remuneration and Appointments Committee:
Carlotta de Franceschi – Chairman and Independent Director;
Annunziata Magnotti – Independent Director;
Ambrosella Ilaria Landonio – Independent Director.

Finally, the Board of Directors designated at its lead independent director, pursuant to the corporate governance code for listed companies, Director Roberta Viglione, assigning investor relations responsibilities to the CFO Paolo Colavecchio.

Note that the Company has begun the process for delisting the shares currently traded on the Euronext Milan regulated market. This process should be completed in May 2022 after which the Company will no longer be an issuer of shares listed on a regulated market in Italy or the European Union and, therefore, will no longer be subject to the provisions established for such issuers. While awaiting completion of the delisting process, the Directors have prepared the financial statements and complied with the additional requirements established for the annual financial reports of listed companies. Given that the Shareholders' Meeting to approve the financial statements has been called for 27 June 2022, the report on the remuneration policy and fees paid has not yet been prepared which, pursuant to article 123-ter of Legislative Decree 58/98, must be made available to the public at least 21 days prior to the date of the Shareholders' Meeting. To that end, if the delisting process is not completed in time, the Directors will publish this report by the cited deadline. If the delisting is completed prior to this deadline, the report in question will not be prepared, given that the Company will not longer be subject to the requirement.

GROUP RESULTS SUMMARY[2]

The following table summarises the key financial results of the Group at 31 December 2021:

TAS GROUP (in thousands of Euro)	31.12.2021	31/12/2020	Change	% change
Total revenue	**64,953**	**61,654**	**3,299**	**5.4%**
- of which typical	*63,825*	*60,929*	*2,896*	*4.8%*
- of which non-typical	*1,128*	*725*	*403*	*55.6%*
Gross operating margin (EBITDA[3])	**15,666**	**16,333**	**(667)**	**(4.1%)**
% of total revenue	*24.1%*	*26.5%*	*(2.4%)*	*(9.0%)*
Operating result (EBIT)	**5,561**	**7,936**	**(2,375)**	**(29.9%)**
% of total revenue	*8.6%*	*12.9%*	*(4.3%)*	*(33.5%)*
Profit/(loss) before tax	**5,336**	**9,125**	**(3,789)**	**(41.5%)**
% of total revenue	*8.2%*	*14.8%*	*(6.6%)*	*(44.5%)*
Group net profit/(loss) for the year	**4,354**	**8,817**	**(4,463)**	**(50.6%)**
% of total revenue	*6.7%*	*14.3%*	*(7.6%)*	*(53.1%)*

TAS GROUP (in thousands of Euro)	31.12.2021	31/12/2020	Change	% change
Total Assets	**126,375**	**105,481**	**20,894**	**19.8%**
Total net equity	**51,791**	**38,611**	**13,180**	**34.1%**
Net Equity attributable to parent company shareholders	**49,550**	**37,968**	**11,582**	**30.5%**
Net Financial Position[4]	**(9,114)**	**(6,412)**	**(2,702)**	**(42.1%)**
- of which cash and cash equivalents	*13,311*	*10,647*	*2,664*	*25.0%*
- of which liabilities to banks and other lenders	*(15,156)*	*(9,035)*	*(6,121)*	*(67.7%)*
- of which liabilities for leases (IFRS 16)	*(7,269)*	*(8,024)*	*755*	*9.4%*
Net Financial Position excluding IFRS 16 payables6	**(1,845)**	**1,612**	**(3,457)**	**>(100)%**

Employees at the year-end (number)	**603**	**561**	**42**	**7.5%**
Employees (average in the year)	**567**	**525**	**42**	**8.0%**

The Group's **total revenue** amounted to Euro 65 million, with an increase of 5.4% compared to Euro 61.7 million the previous year.

Core revenues, consisting of software licenses and related maintenance (34.4%), royalties, usage and SAAS service fees (12.9%), support fees and professional services (52.7%) were up by 4.8%. Revenues in Italy were substantially in line with the previous year (+0.8%), while revenues abroad increased by 19.7% (Euro +2.5 million), mainly due to the increase seen in the Infraxis Group (Euro +3.3 million), consolidated for the entire year in contrast to only the second half in 2020.

[2] The European Securities and Markets Authority (ESMA) has published guidelines on Alternative Performance Measures ("API") for listed issuers. The APIs refer to measures used by management and investors to analyse Group trends and performance, which are not derived directly from the financial statements. These measures are important in helping management and investors to analyse the Group's performance. Investors should not consider these APIs as substitutes, but rather as supplements to the information included in the financial statements. Please note that the API, as defined, may not be comparable to similarly titled measures used by other companies.

[3] IAP: EBITDA (Earning Before Interest Taxes Depreciations and Amortisations - Gross Operating Margin) is an alternative performance indicator not defined by IFRS but used nonetheless by the Company's management to monitor and evaluate operational performance, as this is not influenced by the volatility arising from different criteria in determining taxable income, the amount and nature of capital employed, and the relevant depreciation policies. This indicator is defined for the Group as Profit/(loss) before depreciation, gross of amortisation and write-downs, tangible and intangible assets, financial income and expenses, and taxes on income.

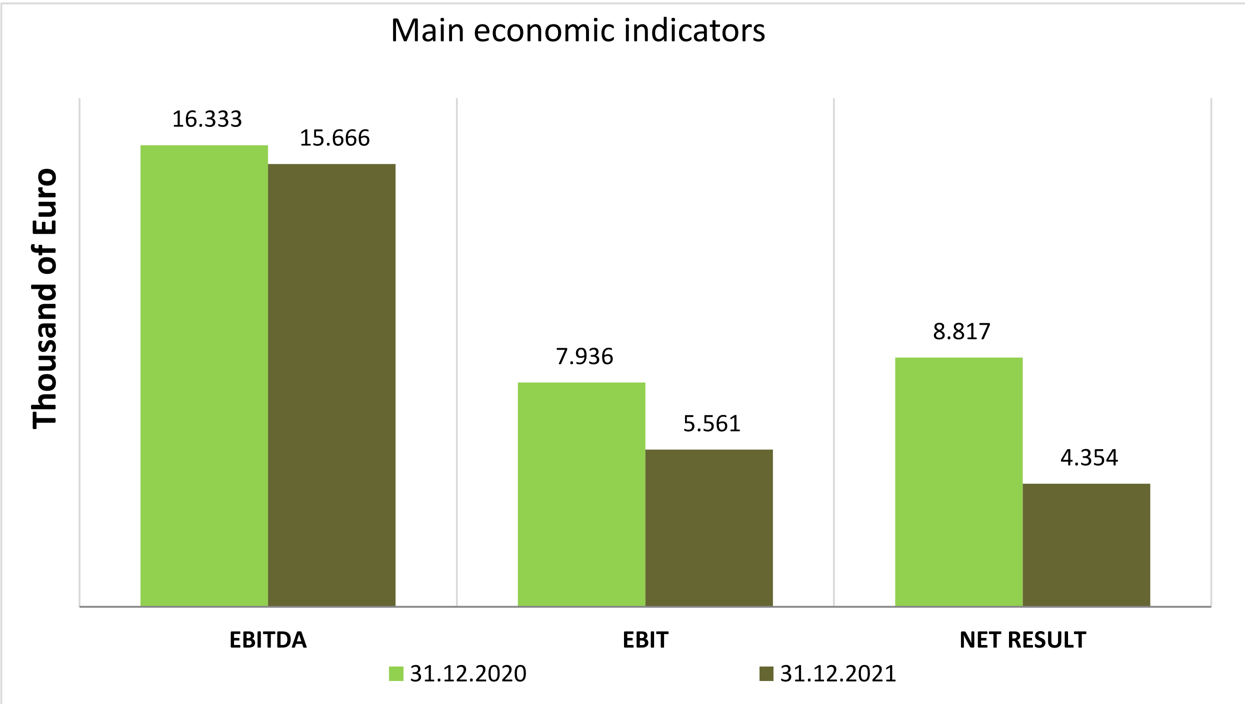
[4] The Company applied the new Net Financial Position structure established in CONSOB Call to Attention 5/21 of 29 April 2021, which implements the ESMA Guideline published on 4 March 2021.

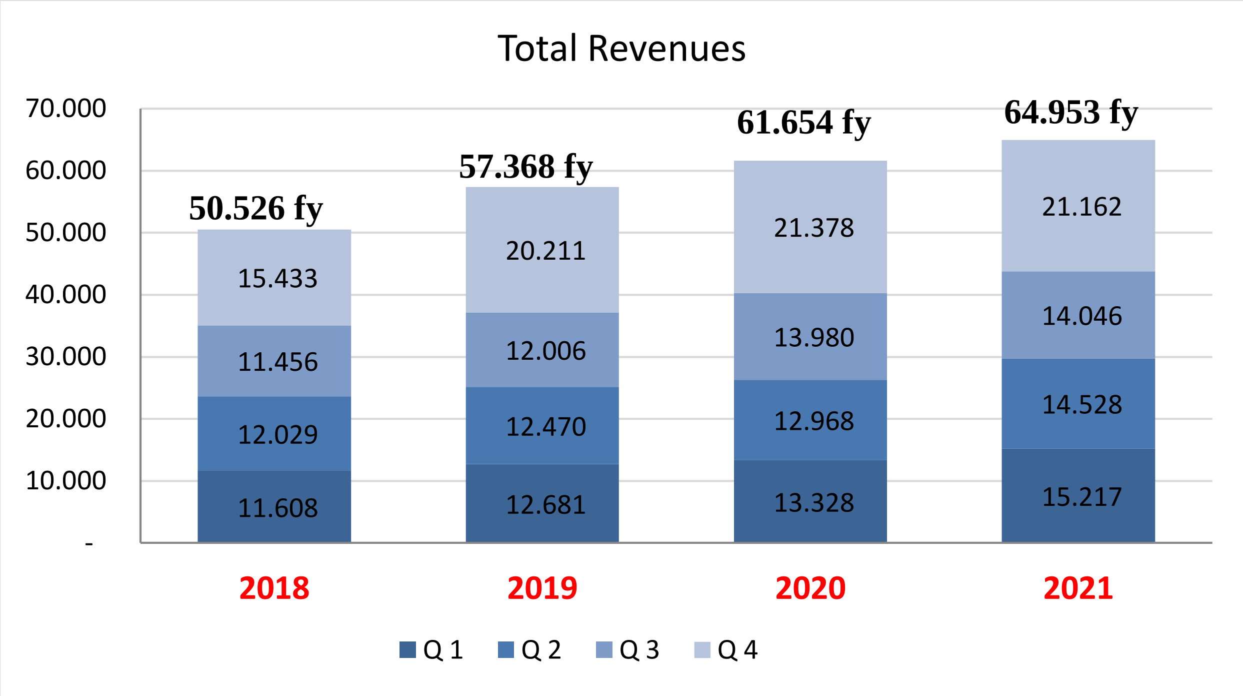
EBITDA for the year was substantially in line with the previous year, totalling Euro 15.7 million in comparison to 16.3 million, with a 24.1% impact on total revenue. This figure was 26.5% in 2020.

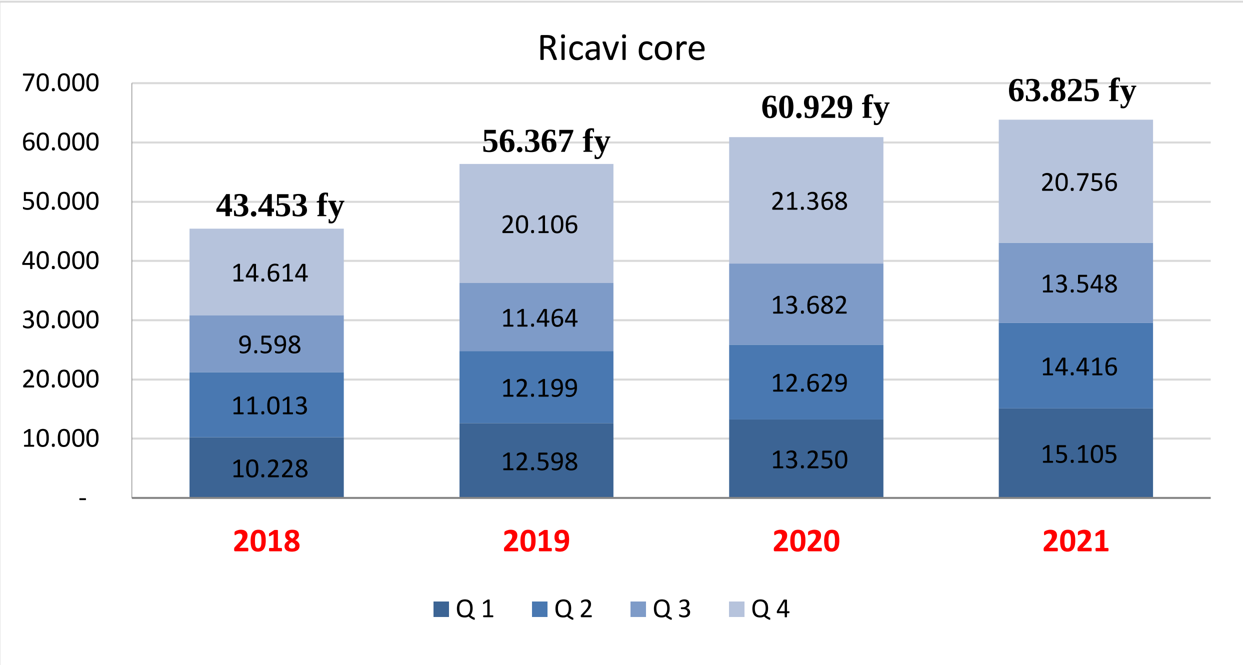
Operating profit for the year, which includes amortisation of Euro 10.1 million (Euro 8.4 million in 2020) was positive for Euro 5.6 million, compared to Euro 7.9 million the previous year.

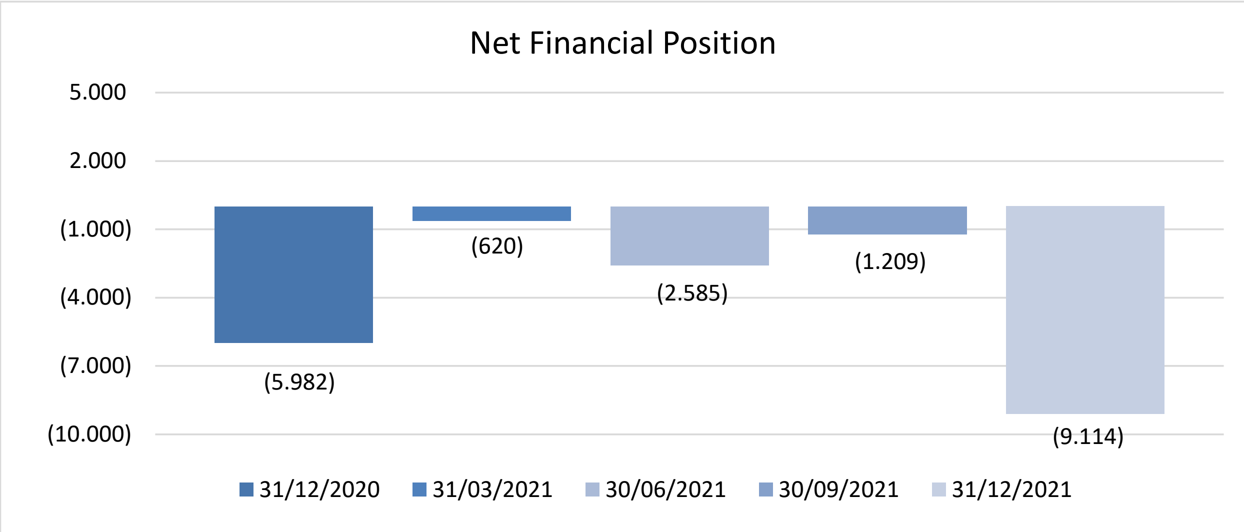
Net profit for the year, after current and deferred taxes for Euro 0.9 million (Euro 0.3 million the previous year) was positive at Euro 4.4 million, compared to Euro 8.8 million at 31 December 2020. The figure for the previous year included Euro 0.6 million relative to the fair value remeasurement of the equity investment in SIA S.p.A., now NEXI S.p.A., following the merger by incorporation on 1 January 2022 (negative at Euro 0.1 million in 2021), and a positive impact of Euro 1.3 million (Euro 0.5 million in 2021) associated with the fair value measurement of the payable for the put option established in the shareholders agreement signed by the Company and the shareholders of the Infraxis Group relative to the 27.2% stake in TAS International share capital.

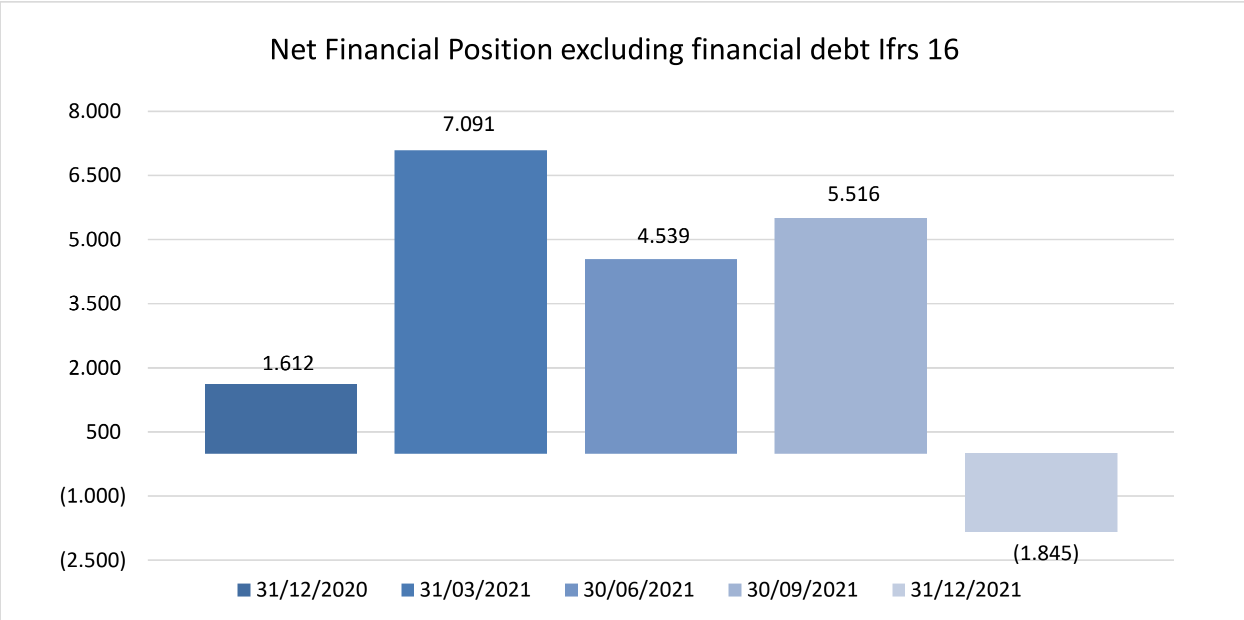
Excluding the impacts of IFRS 16, the **Net Financial Position** was negative for Euro 1.8 million compared to the positive Euro 1.6 million at 31 December 2020. The Euro 3 million decrease is mainly due to loans contributed by the newly acquired Elidata S.p.A. Including the impacts of IFRS 16, the net financial position was negative at Euro 9.1 million, compared to Euro 6.4 million at 31 December 2020. Cash and cash equivalents totalled Euro 13.3 million, an improvement with respect to the Euro 10.6 million at 31 December 2020 These include Euro 2.2 million from the newly acquired Elidata.




Total Revenues
70.000
60.000
50.000
40.000
30.000
20.000
10.000
-
50.526 fy
15.433
11.456
12.029
11.608
57.368 fy
20.211
12.006
12.470
12.681
61.654 fy
21.378
13.980
12.968
13.328
64.953 fy
21.162
14.046
14.528
15.217
2018
2019
2020
2021
Q 1
Q 2
Q 3
Q 4


Ricavi core
70.000
60.000
50.000
40.000
30.000
20.000
10.000
-
43.453 fy
14.614
9.598
11.013
10.228
56.367 fy
20.106
11.464
12.199
12.598
60.929 fy
21.368
13.682
12.629
13.250
63.825 fy
20.756
13.548
14.416
15.105
2018
2019
2020
2021
Q 1
Q 2
Q 3
Q 4


Net Financial Position
5.000
2.000
(1.000)
(4.000)
(7.000)
(10.000)
(5.982)
(620)
(2.585)
(1.209)
(9.114)
31/12/2020
31/03/2021
30/06/2021
30/09/2021
31/12/2021


Net Financial Position excluding financial debt Ifrs 16
8.000
6.500
5.000
3.500
2.000
500
(1.000)
(2.500)
1.612
7.091
4.539
5.516
(1.845)
31/12/2020
31/03/2021
30/06/2021
30/09/2021
31/12/2021

ANALYSIS OF THE MAIN ECONOMIC AND FINANCIAL DATA

An analysis of the main economic and financial data for 2021 is found below.

Total revenue

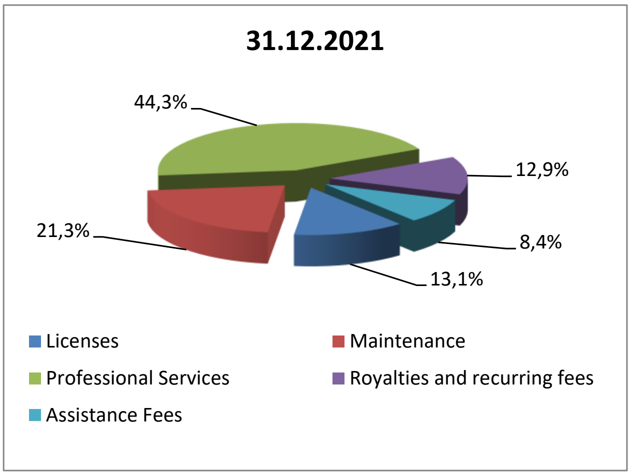
Revenue	31.12.2021	31/12/2020	Change	Change %
Revenue	62,853	58,053	4,800	8.3%
Changes to orders in progress	972	2,876	(1,904)	(66.2%)
Total core revenue	**63,825**	**60,929**	**2,896**	**4.8%**
Other revenue	1,128	725	403	55.6%
TOTAL	**64,953**	**61,654**	**3,299**	**5.4%**

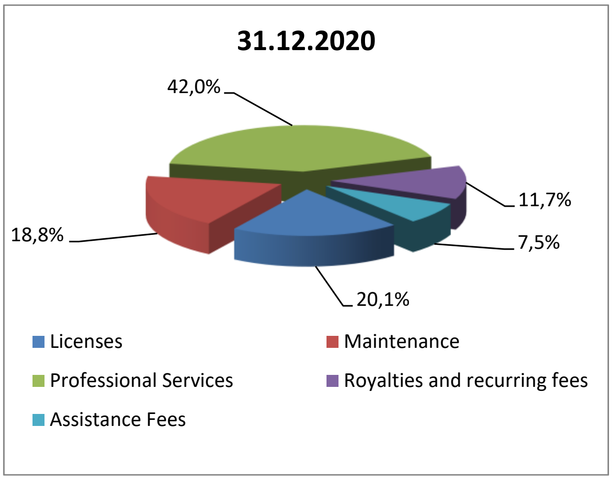
At 31 December 2021, the Group recorded *Total revenue* for Euro 64,953 thousand, compared to Euro 61,654 thousand for the previous year, broken down as follows:

- Euro 63,825 thousand made up of revenue from typical management (Euro 60,929 thousand in 2020);
- Euro 1,128 thousand made up of other non-typical revenue (Euro 725 thousand in 2020).

The increase in other revenues with respect to the previous year is attributable for Euro 217 thousand to positive exchange differences (reclassified in the current year under operating profit) and for Euro 271 thousand to greater revenue for R&D tax credits in Italy.

Core revenue by type



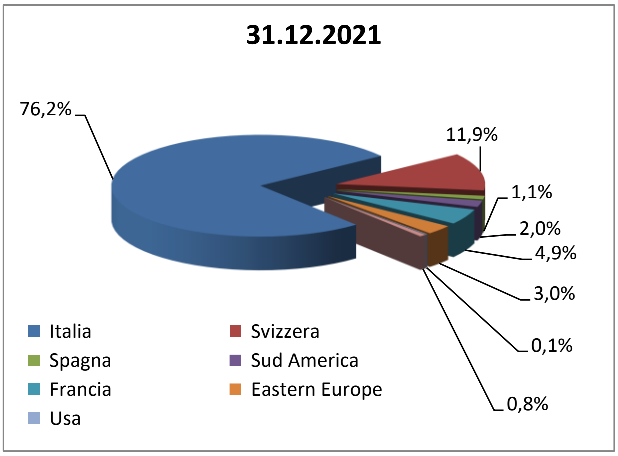


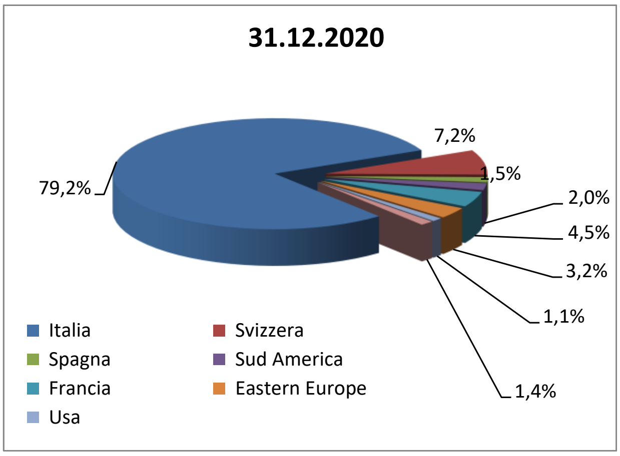
The details of revenue by type are reported below:

Revenue by type	31.12.2021	% impact	31.12.2020	% impact	Change	Change %
- Licenses	8,344	13.1%	12,230	20.1%	(3,886)	(31.8%)
- Maintenance	13,601	21.3%	11,462	18.8%	2,139	18.7%
- Services	28,256	44.3%	25,569	42.0%	2,687	10.5%
- Royalties and usage fees	8,247	12.9%	7,101	11.7%	1,146	16.1%
- Support fees	5,377	8.4%	4,567	7.5%	810	17.7%
TOTAL CORE REVENUE	**63,825**	**100.0%**	**60,929**	**100.0%**	**2,896**	**4.8%**

Analysing total core revenues by the nature of service provided, total growth of 4.8% can be seen with respect to the previous year, relative to all types of services, with the exception of licenses which saw a 31.8% decrease, accounting for 13.1% compared to 20.1% of total core revenue in 2020. (Recall that 2020 benefited from the compelling event in the Capital Market relative to the sales of Project Consolidation).

Revenue by geographic area





The table below shows the distribution of revenue by geographic area:

Revenue by geographic area	31.12.2021	% impact	31.12.2020	% impact	Change	Change %
- Italy	**48,615**	**76.2%**	**48,226**	**79.2%**	**389**	**0.8%**
Switzerland	7,621	11.9%	4,405	7.2%	3,216	73.0%
Spain	722	1.1%	921	1.5%	(199)	(21.6%)
South America	1,297	2.0%	1,218	2.0%	79	6.5%
France	3,121	4.9%	2,720	4.5%	401	14.7%
Eastern Europe	1,884	3.0%	1,958	3.2%	(74)	(3.8%)
USA	83	0.1%	656	1.1%	(573)	(87.3%)
Other foreign countries	482	0.8%	825	1.4%	(343)	(41.6%)
- Foreign countries	**15,210**	**23.8%**	**12,703**	**20.8%**	**2,507**	**19.7%**
TOTAL CORE REVENUE	**63,825**	**100.0%**	**60,929**	**100.0%**	**2,896**	**4.8%**

The distribution of revenue by geographic area reflects the location of the companies that make up the Group. Revenue for *Other Foreign Countries* mainly includes Cuba, Germany and Great Britain.

Revenue abroad increased by 19.7% (Euro +2.5 million), due to the full consolidation of the economic flows coming from the Infraxis Group in 2021, equal to Euro 6.5 million (Euro 3.2 million in 2020), compared to only six months following the date of acquisition in 2020.

Total costs

The table below sets out a cost comparison at 31 December 2021, against the previous year:

Costs	31.12.2021	31/12/2020	Change	Change %
Raw materials, consumables and goods	1,355	971	384	39.5%
Personnel costs	32,972	30,843	2,129	6.9%
For services	13,073	11,767	1,306	11.1%
Other costs	1,887	1,740	147	8.4%
TOTAL	**49,287**	**45,321**	**3,966**	**8.8%**

The table below shows, for each individual cost item, capitalised costs for software development, the impact associated with IFRS 16 and non-recurring costs:

Costs	31.12.2021	31/12/2020	Change	Change %
Raw materials, consumables and goods	1,355	971	384	39.5%
Personnel costs	36,342	34,058	2,284	6.7%
Costs of services	16,462	14,361	2,101	14.6%
Other costs:	3,710	3,463	247	7.1%
- For use of third-party assets	*1,951*	*1,903*	*48*	*2.5%*
- Other operating costs	*1,104*	*660*	*444*	*67.3%*
- Provisions for risks and other charges	*655*	*900*	*(245)*	*(27.2%)*
TOTAL CORE COSTS	**57,869**	**52,853**	**5,016**	**9.5%**
IFRS 16 impact	(1,823)	(1,723)	(100)	(5.8%)
Capitalised costs for software development	(7,128)	(6,242)	(886)	(14.2%)
Non-recurring costs	369	433	(64)	(14.8%)
TOTAL	**49,287**	**45,321**	**3,966**	**8.8%**

The increase in *Capitalised costs for software development* is mainly linked to investments made in Italy.

The item *Other operating expenses* includes Euro 935 thousand in other operating expenses (Euro 660 thousand at 31 December 2020) and Euro 167 thousand in operating losses on reclassified exchange differences reclassified in the current year to the operating result.

The most significant item in the Income Statement is Personnel costs, which at 31 December 2021 stood at Euro 36,342 thousand, and is detailed below:

Personnel costs	31.12.2021	31/12/2020	Change	Change %
Salaries and wages	27,109	25,203	1,906	7.6%
Social security contributions	7,298	7,120	178	2.5%
TFR provision	1,387	1,357	30	2.2%
Other costs	548	378	170	45.0%
TOTAL	**36,342**	**34,058**	**2,284**	**6.7%**

The table below illustrates the TAS Group staff numbers at 31 December 2021:

Staff	31/12/2021	31/12/2020*	Change
TAS	155	176	(21)
GLOBAL PAYMENTS	272	251	21
ELIDATA	49	-	49
TAS INTERNATIONAL	17	14	3
TAS FRANCE	7	9	(2)
TAS BRASIL	5	3	2
TAS IBERIA	9	11	(2)
MANTICA	5	6	(1)
TAS EE	59	60	(1)
TAS GERMANY	5	4	1
TAS USA	-	1	(1)
INFRAXIS Group	20	26	(6)
Number of employees	**603**	**561**	**42**
Average number of employees	**567**	**525**	**42**

* *Following the process to improve the reporting system, the figure for employees at 31/12/2020 was restated with respect to that shown in the financial statements at 31/12/2020.*

35 employees were acquired with Elidata, to which were sent the 16 employees of the TAS Capital Market Business Unit as of 1 November 2021.

The *costs of services* amounted to Euro 16,462 thousand, a 14.6% increase compared to the previous period. These are made up as follows:

Costs of services	31.12.2021	31/12/2020	Change	Change %
Software design and development	3,866	4,033	(167)	(4.1%)
Professional services from third parties for resale	5,675	3,598	2,077	57.7%
Remuneration and refunds to directors, statutory auditors and committees	1,714	1,283	431	33.6%
Travel costs	264	281	(17)	(6.0%)
Consulting and auditing firm	1,507	1,948	(441)	(22.6%)
Outsourced IT services	1,108	807	301	37.3%
Utilities and logistics	548	688	(140)	(20.3%)
Insurance	420	320	100	31.3%
Marketing and communication	370	330	40	12.1%
Personnel services	720	672	48	7.1%
Other services	270	401	(131)	(32.7%)
TOTAL SERVICE COSTS	**16,462**	**14,361**	**2,101**	**14.6%**

The increase in the item “Professional services from third parties for resale” is correlated to the increase in revenues and amounts capitalised for software development, while greater fees to directors are mainly due to the parent company (see details below in the Notes).

Operating result

The *Operating result* for the year was positive for Euro 5,561 thousand compared to Euro 7,936 thousand in the previous year.

In accordance with Consob communication DEM/6064293 of 28 July 2006, non-recurring costs are shown below for Euro 369 thousand, which impacted on the results stated above:

BALANCE SHEET ITEM	AMOUNT	DESCRIPTION
“Costs of services”	(369)	Elidata acquisition operation and TAS change of control
Total	**(369)**	
TOTAL NON-RECURRING COSTS	**(369)**	

The statement of non-recurring income and costs for 2020 is attached for comparative purposes:

BALANCE SHEET ITEM	AMOUNT	DESCRIPTION
“Costs of services”	(433)	Infraxis Group and TAS EE minority interest acquisition and simultaneous dilution of the TAS equity investment in TAS International
Total	**(433)**	
TOTAL NON-RECURRING COSTS	**(433)**	

Results of financial management

At 31 December 2021 the *results of financial management* was negative at Euro 143 thousand, compared to a positive Euro 1,189 thousand the previous year. The result at 31 December 2021 mainly includes the positive adjustment of the liability measured at fair value for the put option previously described, for Euro 538 thousand (Euro 1,316 thousand in 2020) and Euro 525 thousand in interest payable and other financial expense (Euro 630 thousand in 2020) linked to loans due by the Group.

Consolidated profit/(loss) for the year

At 31 December 2021, a profit of Euro 4,354 thousand was recorded, compared to Euro 8,817 thousand in financial year 2020. The earnings per share for the year was Euro 0.05 compared to the amount 0.11 at 31 December 2020.

Earnings per share	31.12.2021	31/12/2020
Share Capital	24,331	24,331
Profit/(loss) for the year	4,354	8,817
Ordinary shares	83,536,898	83,536,898
Weighted average of number of shares in circulation in financial year	**83,536,898**	**83,536,898**
EARNINGS PER SHARE	**0.05**	**0.11**

CONSOLIDATED BALANCE SHEET

TAS GROUP (in thousands of Euro)	**31.12.2021**	**31/12/2020**
Non-current assets	67,348	56,492
- of which, Goodwill	*31,574*	*25,637*
- of which Other intangible fixed assets	*21,916*	*17,535*
- of which, Right of use IFRS 16	*6,609*	*7,199*
Net working capital	12,718	8,136
Non-current liabilities	(20,066)	(20,034)
Net Invested Capital	**60,000**	**44,594**
Net financial position in respect of banks	**9,114**	**6,412**
Non-current borrowings	**(905)**	**(430)**
Total net equity	**51,791**	**38,612**
- of which profit for the period	*4,354*	*8,817*

***** based on that established in CONSOB Call to Attention 5/21 of 29 April 2021

Non-current assets (API)

Non-current assets are broken down as follows:

- Euro 31,574 thousand relating to *goodwill* of which (Euro 25,637 at 31 December 2020):
  - Euro 15,976 thousand relative to the Payments CGU transferred to Global Payments S.p.A. together with the "payments" business unit;
  - Euro 1,345 thousand relating to the TAS Iberia CGU;
  - Euro 91 thousand relating to the TAS France CGU;
  - Euro 943 relating to the TAS EE CGU;
  - Euro 7,614 thousand related to the Infraxis CGU (Euro 7,282 thousand at 31 December 2020). This change is associated exclusively with the adjustment to the closing rate at 31 December 2021;
  - Euro 5,605 relating to the Elidata CGU acquired during the year.
- Euro 21,916 thousand relating to other intangible fixed assets, mainly for:
  - Euro 7,579 thousand for software developed internally;
  - Euro 14,122 thousand following the purchase price allocation process for the incorporated companies Infraxis, TAS EE and Elidata, of which:
    - Euro 11,307 thousand relative to the customer list, of which Euro 253 thousand for TAS EE, Euro 7,254 thousand for the Infraxis Group and Euro 3,800 for Elidata*;*
    - Euro 2,815 thousand for identified software, of which Euro 2,098 for Paystorm and Iqs from the Infraxis Group and Euro 717 thousand for Caronte from Elidata.

  Other intangible fixed assets amounted to Euro 17,535 thousand at 31 December 2020.
- Euro 11,782 thousand related to tangible fixed assets (Euro 9,868 thousand at 31 December 2020). This amount includes the Euro 6,609 thousand effects of IFRS 16 (Euro 7,198 thousand at 31 December 2020). The increase with respect to the previous year is for the most part attributable to the acquisition of Elidata, as described above;
- Euro 1,168 thousand relative mainly to:
  - Euro 606 thousand for the equity investment in Nexi S.p.A. (Euro 740 thousand at 31 December 2020). The decrease is linked to the fair value change in the equity investment. For more information, please see the Explanatory Notes;
  - Euro 109 thousand relative to the 5% minority interest acquired in 2021 by the subsidiary Global Payments in Flywallet S.r.l., an Italian FinTech start-up that

developed a digital platform for payments and services that uses wearable devices with biometric authentication.
    - Euro 413 thousand relative to the associated company SWAP Processamento de Dados S.A. acquired on 30 December 2020 (Euro 494 thousand at 31 December 2020). The decrease implements measurement at equity as of 31 December 2021.
- Euro 908 thousand relating to deferred tax receivables and other receivables (Euro 2,219 thousand at 31 December 2020). This amount takes into the net exposure of deferred tax assets and liabilities resulting for each country and, therefore, is decreased by the deferred tax liabilities which arose in the context of the Elidata purchase price allocation.

Net working capital (API)

Net working capital included:

- Euro 40,406 thousand relating to trade receivables and contract assets with customers (35,071 thousand at 31 December 2020);
- Euro 4,406 thousand relating to other receivables including trade accruals and deferrals receivable (Euro 2,814 thousand at 31 December 2020);
- Euro 5,914 thousand relating to trade payables (Euro 5,716 thousand at 31 December 2020);
- Euro 26,180 thousand relating to other payables including accruals payable and liabilities from contracts with customers (Euro 24,061 thousand at 31 December 2020). In particular, the item in question includes Euro 2,251 thousand in current tax payables (Euro 2,522 thousand at 31 December 2020), mainly relative to Global Payments.

Non-current liabilities (API)

Non-current liabilities included:

- Euro 5,515 thousand related to the employee severance indemnity provision (Euro 4,939 thousand at 31 December 2020);
- Euro 368 thousand relating to provisions for risks and charges (Euro 178 thousand at 31 December 2020);
- Euro 12,415 relative to the fair value of the put option to be exercised in the case of a change in control for TAS through 2024, established in the shareholders' agreement signed by the Company and the Infraxis Group relative to the 27.2% equity investment in the share capital of TAS International (Euro 12,953 thousand at 31 December 2020).
- Euro 1,768 thousand relating to deferred tax liabilities, mainly arising at the time of the Infraxis purchase price allocation (Euro 1,964 thousand at 31 December 2020). This amount takes into account net exposure for deferred tax assets and liabilities for each country.

Net Equity

At 31 December 2021, consolidated net equity was equal to Euro 51,791 thousand compared to Euro 38,611 thousand at 31 December 2020.

Net Financial Position

The net financial position based on CONSOB Call to Attention 5/21 of 29 April 2021, implementing the ESMA Guideline published on 4 March 2021, is shown below.

Consolidated Net Financial Position	*NOTES*	*31.12.2021*	*31/12/2020*
A. Cash	**22**	(13,307)	(10,639)
B. Cash equivalents		-	-
C. Other current financial assets	**21**	(4)	(8)
D. Cash and cash equivalents (A) + (B) + (C)		**(13,311)**	**(10,647)**
E. Current financial liabilities		2,068	2,684
of which liabilities for leases (IFRS 16)		*1,447*	*1,395*
F. Current portion of non-current financial liabilities		5,594	2,380
G. Current financial debt (E) + (F)	**32**	**7,662**	**5,064**
H. Current net financial position (D) + (E) + (J)		**(5,649)**	**(5,583)**
I. Non-current financial liabilities		14,763	11,995
of which liabilities for leases (IFRS 16)		*5,822*	*6,629*
J. Debt instruments		-	-
K. Trade payables and other non-current payables		-	-
L. Non-current financial debt (I) + (J) + (K)	**28**	**14,763**	**11,995**
S. Total financial debt (H) + (L)		**9,114**	**6,412**
of which, excluding liabilities for leases (IFRS 16)		*1,845*	*(1,612)*

Indirect debt and debt subject to conditions at 31 December 2021 are represented exclusively by the Group's employee severance indemnity provision, equal to Euro 5,515 thousand.

Excluding the impacts of IFRS 16, the **Net Financial Position** was negative for Euro 1.8 million compared to the positive Euro 1.6 million at 31 December 2020. The Euro 3 million decrease is mainly due to loans associated with the newly acquired Elidata S.p.A.
Including the impacts of IFRS 16, the net financial position was negative at Euro 9.1 million, compared to Euro 6.4 million at 31 December 2020. Cash and cash equivalents totalled Euro 13.3 million, an improvement with respect to the Euro 10.6 million at 31 December 2020 These include Euro 2.2 million from the newly acquired Elidata. The increase in financial payables is mainly linked to:

- the receipt on 8 February 2021 of a Euro 5 million bank loan by the subsidiary Global Payments, with a residual value of Euro 4,337 thousand at 31 December 2021;
- the loans associated with the newly acquired Elidata, with a residual value of Euro 3,766 thousand at 31 December 2021.

During the year, capital payments were made for a total of Euro 2.9 million.

The Euro 12.4 million liability relative to the put option to be exercised in the case of a change in control for TAS through 2024, established in the shareholders' agreement signed by the Company and the Infraxis Group relative to the 27.2% equity investment in the share capital of TAS International, is recognised under the item "Other payables" in non-current liabilities.

MACRO-ECONOMIC REFERENCE SCENARIO

In the second and third quarters of 2021, the Italian economy saw excellent recovery, thanks to the success of the vaccination campaign and the consequent loosening of containment measures. Finally, in the fourth quarter Italian GDP saw an additional increase (+0.6%), due to increased value added for industry and services, leading to an overall 6.5% increase in GDP for 2021 (source: Istat). Commercial trade recovered to the levels seen prior to the pandemic, but with tension in terms of the supplies of raw materials and intermediate input, in part due to the rapidity of the growth, as well as significant uncertainties caused by high energy prices.

During the year, funding conditions for Italian banks remained accommodating, due to the wide availability of deposits, the liquidity supplied by the Eurosystem and low returns on the bond markets. The pandemic did not slow the plans to dispose of impaired loans; capitalisation was strengthened further, benefiting in part from a programme of public guarantees and the restructuring of portfolio assets towards less risky exposures (which led to a reduction in risk-weighted assets) and in part, to a lesser extent, from the increase in higher quality capital.

Bank of Italy projections for 2022 estimate strong economic recovery supported by the gradual loosening of Covid containment measures which, after a high point in contagions during the first quarter of 2022, will progressively lead to a return to mobility and normal consumer behaviour. A strong recovery is expected starting in the spring, returning to pre-pandemic levels by around mid-2022, accompanied by recovery in employment levels and a gradual reduction in energy prices.

Monetary and financial conditions remain favourable, with the conditions for business loans remaining relaxed. It can be hypothesised that the global economy will continue to recovery after the temporary weakening caused by tensions in the global value chain, the effects of which should be lessened during the year.

Considerable support for growth may derive from the stimulus measures financed by the national budget and European funds, in particular those envisaged in the National Recovery and Resilience Plan (NRRP).

Sales abroad will likely continue to expand thanks to improved global commerce and increased competitiveness; services will further benefit from the recovery in international tourism.

Consumer prices are expected to increase by 3.5 percent this year, mainly due to increases in energy prices and in particular the unprecedented rise in gas and electricity rates; nonetheless, these effects will slowly diminish during 2022, disappearing by the end of the year[5].

The forecasts provided may be revised downward due to the crisis in Ukraine, for which macroeconomic impacts are not easy to determine. Initial forecasts suggest downward corrections to gross domestic product that will continue until 2024. The growth rate achieved in 2021, stronger than predicted, is inserted into a situation that requires redoing all the accounts with new variables relative to energy and inflation, with relative impacts on the rhythm of economic activities.

[5] Source: Bank of Italy Economic Bulletin

At present nobody is able to measure the amount of the decline, which will depend on various factors: the duration of the crisis, the possibility to make use of diplomatic channels, the structure of sanctions imposed on Russia.

Oxford Economics, one of the most authoritative international sources in terms of macroeconomic predictions, has published its initial calculations measuring the decrease in world growth caused by the invasion of Ukraine. The country hit the hardest is Russia, with a 0.7% hit to its GDP this year, 1.2% the next and 1.1% in 2024. The Eurozone is also expected to see a decrease of 0.3% in the initially forecast GDP growth for this year, with an additional 1% between 2023 and 2024.

To summarise briefly, the overall situation suggests that the moment at which economic policy can leave behind the emergency conditions of the last two years is still to be determined. This will inevitably affect the development of EU fiscal regulations and its monetary policy.

For Italy, the central point is represented by the levels at which growth forecasts settle, hit by both a new stage in the energy crisis, which now risks upsetting the structure of NRRP project costs - the main motor that can push the Italian recovery towards a more structural form. The other variable is represented by the possible need to implement new assistance for families and companies hit by energy bills that continue to rise[6].

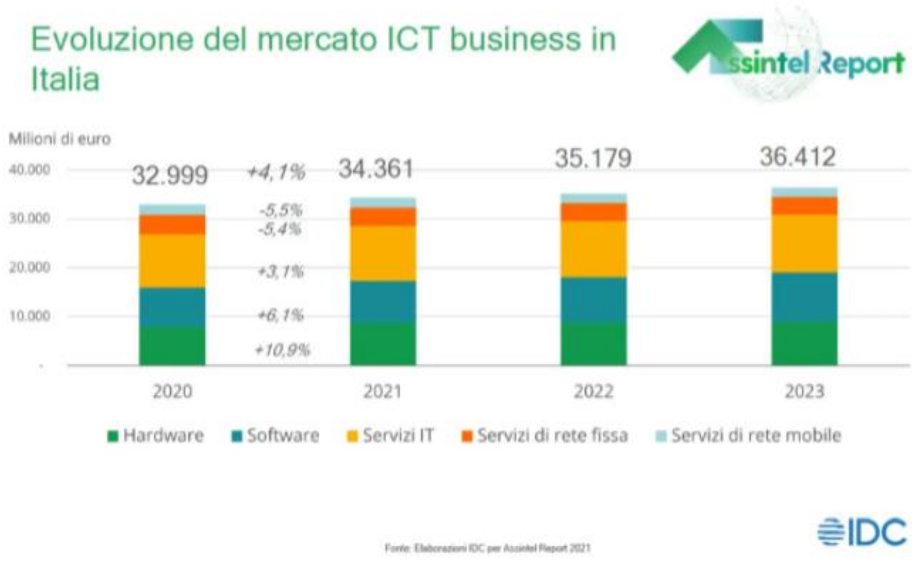
THE REFERENCE MARKET

In terms of payment systems, 2021 saw the continued implementation of two projects in Europe through which the Eurosystem intends to modernise and strengthen its market infrastructure. The first, entrusted jointly to Bank of Italy and Deutsche Bundesbank, involves the technical and functional strengthening of the TARGET2 and T2S platforms (T2-T2S Consolidation). The second, assigned to Banque de France and Banco de España, consists in the creation of a single platform that will manage guarantees granted by banks which can participate in Eurosystem credit operations (Eurosystem Collateral Management System, ECMS). The start up of both projects, originally established for November 2021 and November 2022, respectively, has been postponed by one year by a decision of the ECB Executive Board. In fact, the Council noted the requests put forward in 2020 by financial operators due to the consequences of the pandemic on their activities, as well as the decision made by SWIFT to postpone by one year (to November 2022) the start of its migration to the ISO 20022 financial messaging standard for cross border payments.

Modernisation of market infrastructure represents both possibility and obligation for bank operators. Based on the recent ABI LAB 2022 report, between 2019 and 2022 86% of banks established projects to modernise their own core banking systems. Cloud native models and microservice architectural solutions are the basis of these innovations.

In 2021, the Italian ICT market saw 4.1% growth, with spending of 34.4 billion. 2022-2023 will see further growth, but lesser with respect to the record performance seen this past year; estimates suggest +3.3% annual growth, reaching Euro 35 billion in the coming year and then 36.4 billion. These were the forecasts offered by Assintel in its annual report prepared with IDC, with sponsorship from Confcommercio, Grenke and Intesa Sanpaolo.

[6] Source: Il Sole 24 ore



Despite the significant increase in investments, **the Italian ICT market still has a significant gap**: i**32% of companies have not yet been able to activate the change.** And there are also those who have **even reduced investments.** These are the types of companies which, according to Confcommercio, **require action at the local level for involvement in NRRP relaunch projects.**

The pandemic has doubtless contributed to accelerating the digitalisation process which, under normal conditions, would have required much longer periods of time.

Digitalisation and digital payment indexes are rapidly changing, in a positive sense. Under this scenario, the contactless segment has grown by 26% (from 31.4 to 52.1 billion). Another positive signal in terms of greater use of electronic money can be seen in the reduction of cash withdrawals. This is 3% in terms of the number of operations and 6% in terms of value. This does not mean there is not still a long road, as there are still significant discrepancies in terms of geography and social groups[7].

Based on the ICT 2021 scenario presented at the ABI Lab Forum in March 2021, most banks recalibrated their technology investments at the end of 2020, in line with the new operating model driven by Covid. The ICT 2021 budget was expected to be constant or increased and one of the priorities was ***digital onboarding***: the emergency situation pushed towards facilitating the activation of customer services, helping customers to become autonomous in finalising relationships with banks, without needing to visit the branch. This was followed, again in terms of spending forecasts, by the strengthening of ***mobile banking*** services, significant attention to **Data Governance** and the strengthening of **cyber security** components, which for all banks in Italy represent an absolute priority. The commitment made to **modernising and adapting infrastructure** is also notable, with initiatives intended to both increase **digitalisation,** and to **transform technological architecture, also in consideration of the constant increase in the use of mobile phones to access customer services.**

[7] Source: Assintel Report

The ABI Lab report also highlighted the significant interest banks have in the **Cloud** as a strategic tool, to change the face of the delivery model used by banks. The centrality of the Cloud was also confirmed by the changes seen in Public Administration, whether Central (+4.3% in 2021 and +4.1% in 2022) or Local (+3.7% in 2021 and +4.4% in 2022)[8].

Based on the third Fintech survey published by Bank of Italy in November 2021 (carried out every two years), spending on fintech in the Italian banking system in 2021-2022 amounts to Euro 530 million, up with respect to the previous two year period (Euro 456 million). Investment projects are mainly intended to create new products and services (21.3 percent), with slightly lower rates (around 18 percent) to develop new channels and processes, reduce costs and improve customer satisfaction. Just under a fifth of projects are developed and realised fully in house, while the rest are developed in cooperation with a third party or entirely outsourced. These cooperative projects respond to the desire to make use of advanced technology which would otherwise not be available to the company (47.7 percent of projects) and to accelerate completion time, reducing time to market (15.8 percent).

Finally, in terms of the impacts of the war on the ICT market at the global level, IDC analysts see a number of variables in play.

In the Russian and Ukrainian markets:

- A significant slowing in the ICT sector in these two markets, which together represent 1% of the global ICT market and 5.5% of the European market.

- A decrease also linked to the fact that companies based in Russia are experiencing operating problems and have limited access to credit.

- An outflow of digital skills from Russia and Ukraine in terms of international ICT companies with branches in these countries (more than 100).

- The entry of Chinese technology suppliers in the Russian market in terms of hardware, devices, infrastructure and cloud.

- An increase in the costs to import technology and technological components from the rest of the world due to fluctuating exchange rates and the depreciation of the ruble.

In the global market:

- There will be additional inflationary pressure, due to higher costs for oil, gas, raw materials and other commodities, which will increase interest rates and likely cause a global economic slowdown.

- More significant problems will arise linked to the global supply chain, mainly due to the lack of technological components and an interruption in the supply of materials used to produce chips.

- An increase is predicted in global IT security attacks with a consequent increase in defensive technology spending in the countries of western Europe.

---

[8] Anitec-Assinform / NetConsulting cube Report, November 2020

- The debate on data sovereignty will become more heated, as global cloud operators are under pressure to close their business in Russia and many countries are reassessing their dependence on foreign platforms.

- Finally, a number of countries will accelerate their decarbonisation efforts, to reduce dependence on Russian gas and oil and accelerate the switch to renewable energy.

Given the above, the 2007-20025 scenario is entirely different from that outlined by IDC prior to 24 February. If before the war the Russian ICT market in 2021 was worth 51.5 billion dollars, in 2022, due to the conflict, sanctions and supply chain crises the ICT market is expected to lose 25% of its value, with 56 billion dollars swept away by the conflict from 2022-2025.

While a significant drop and slow recovery is expected for ICT spending in Russia and Ukraine, the global impact of this drop will be limited in the rest of the world (because these two countries account for only 5.5% of all ICT spending in Europe and just 1% globally).

If the war is short, ICT spending in Europe, with respect to the growth forecasts, will lose around 143 billion dollars from 2022-2025. At the global level, the loss will be around 240 billion in the next four years.

CORPORATE GOVERNANCE

The TAS Group adheres to and complies with, as compatible with the characteristics of the Group, the Corporate Governance Code for Listed Companies approved by the Corporate Governance Committee established by the business associations (ABI, ANIA, Assonime, Confindustria), Borsa Italiana S.p.A. and the Association of Professional Investors (Assogestioni). The Corporate Governance Code can be consulted on the Borsa Italiana website at https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf.
The report on corporate governance and ownership structure ("Corporate Governance Report") is drawn up on an annual basis pursuant to regulatory obligations. This document contains a general description of the system of corporate governance adopted by the Group, including information on the ownership structure and adherence to the Corporate Governance Code, covering the main governance practices applied and the characteristics of the system of internal control and risk management in relation to financial reporting process.
The Corporate Governance Report, drawn up pursuant to art. 123-*bis* of the Consolidated Law on Finance (TUF), is also available on the TAS website http://www.tasgroup.it/investors, under "Financial Statements and Documents" and update notices can be found under "Press Releases".

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

In accordance with the requirements of art. 123-*bis* of Italian Legislative Decree no. 58 of 24 February 1998 ("TUF"), we provide the following information:
a) Structure of share capital (as per art. 123-bis, paragraph 1, letter a) TUF)

Share capital totals Euro 24,704,330.23, consisting of 83,880,761 ordinary shares with voting rights, without any nominal value.

On 28 April 2020, the Extraordinary Shareholders' Meeting resolved a paid capital increase, divisible, for a maximum nominal value of Euro 482,299.58 (four hundred eighty two thousand two hundred ninety nine and 58 cents), plus share premium, with the issuing, also on multiple occasions, of a maximum of 1,663,102 (one million six hundred sixty three thousand one hundred two) new ordinary shares with no nominal value, with regular dividend, excluding the option right pursuant to article 2441, paragraph 8 of the Civil Code, to be reserved for beneficiaries of the stock option plan, pursuant to article 114-bis, TUF and article 84-ter of the Issuers' Regulation, with particular reference to employees (including directors with strategic responsibilities) of TAS and its subsidiaries, for 2020-2022 ("2020-2022 Stock Option Plan:"), approved by the Shareholders' Meeting on 28 April 2020 and better described in the informational document prepared pursuant to article 114-bis of the TUF and article 84-bis of the Issuers' Regulation ("**Informational Document**"), as well as the Report on Remuneration Policy and Fees Paid and, at a price per share, including the share premium, to be determined by the Board of Directors at the time of assignment, based on that established in the Informational Document.

b) Restrictions on the transfer of securities (as per art. 123-*bis*, paragraph 1, letter b) TUF)

In terms of the by-laws, shares are registered, non-divisible and freely transferable. The provisions referring to representation, entitlement and circulation of company shares related to securities traded on regulated markets are applicable.

On 21 December 2018, TAS signed to terminate the execution agreement for the recovery plan pursuant to Art. 67, paragraph three, letter d) of the Italian Bankruptcy Law, referring to a medium-long term loan contract for Euro 72,000,000.00 of 29 November 2007 (the "**Termination Agreement**"). The residual financial debt in this regard was Euro 5,000,000.00. The financial resources utilised to free up the debt referred to above were made available by the Parent Company OWL in the scope of the concurrent lending operation in favour of OWL, whereby Illimity - Banca Interprovinciale S.p.A. provided a loan of Euro 15,000,000.00 (fifteen million), with due date set at 31 December 2020. Following execution of the Termination Agreement, there was a pledge involving 20,875,871 TAS shares owned by OWL, corresponding to 24.99% of share capital, registered as a guarantee for Illimity (Banca Interprovinciale per il Finanziamento), granted to the same by OWL on 21 December 2018; this pledge was cancelled on 25 January 2022 and no longer existed as of the date this Report was approved.

Furthermore, in 2021, the Parent Company OWL had amended the share lease contracts stipulated in 2019 with its shareholder GUM International S.r.l. and the latter's GUM Consulting S.r.l., respectively in relation to 4,200,000 and 5,300,000 TAS shares, corresponding to a total of 11.372% of the share capital, which the lessee companies pledged to Banca Santa Giulia S.p.A., as surety on the loan provided by the bank for the TAS chain of control restructuring operation. Both the lease contracts and the relative pledge contracts were terminated, with the pledges cancelled, on 25 January 2022.

c) Significant investments in the share capital (as per art 123-*bis*, paragraph 1, letter c) of the TUF)

The company qualifies as an SME according to Art. 1, comma 1, letter w-*quater*.1) of the TUF and, therefore, pursuant to Art. 120, paragraph 2 of the TUF, the significant equity investments in the Company's share capital for the purposes of reporting requirements are those that exceed 5% of the share capital.

Persons who, at the date of approval of these financial statements, based on statements made in accordance with Art. 120 of the TUF, directly or indirectly possess a significant shareholding exceeding 5% of the share capital of TAS are as follows:

<table>
<tr><th rowspan="2">Declarant or person at the top of the investment chain</th><th colspan="2">Direct shareholder</th><th rowspan="2">% share of voting capital</th><th rowspan="2">% share of ordinary capital</th></tr>
<tr><th>Company Name</th><th>Ownership status</th></tr>
<tr><td rowspan="5">GMC VI BV</td><td rowspan="2">OWL S.p.A.
(indirectly controlled by Solidus BidCo S.p.A.)</td><td>Ownership</td><td>72.908</td><td>72.908</td></tr>
<tr><td>Total</td><td>72.908</td><td>72.908</td></tr>
<tr><td rowspan="2">Solidus BidCo S.p.A.</td><td>Ownership</td><td>18.297</td><td>21.211</td></tr>
<tr><td>Total</td><td>18.297</td><td>21.211</td></tr>
<tr><td colspan="2">Total*</td><td>91.205*</td><td>91.205*</td></tr>
</table>

*****please note that the information found in Table 2 above is up to date as of 30 March 2022.

d) Securities that grant special rights (pursuant to article 123-bis, paragraph 1, letter d) TUF)

There has been no issue of securities that confer special or other controlling rights. There are no special powers. The by-laws of TAS do not provide for multiple or loyalty votes.

e) Employee share ownership: mechanism for exercising voting rights (as per art. 123-*bis*, paragraph 1, letter e) TUF)

There are no specific mechanisms for exercising voting rights in the event of employee share ownership.

f) Restrictions on voting rights (as per art. 123-*bis*, paragraph 1, letter f) TUF)

There are no restrictions on voting rights.

g) Shareholder agreements (as per art. 123-*bis*, paragraph 1, letter g) TUF)

The following significant shareholder agreements are in force as of the date this Report was approved, pursuant to article 122, TUF:

- a shareholder agreement between Solidus Invest B.V. (the "**Investor**"), Solidus HoldCo S.p.A. ("**HoldCo**"), BidCo, Bravi Consulting S.r.l. ("**Bravi Consulting**"), and Valentino Bravi, involving, among other things, provisions regarding:

    a) the TAS Board of Directors: within 1 (one) business day of the completion of the OPA, Valentino Bravi and Fabio Bravi must resign from the TAS Board of Directors with immediate effect, thereby causing the dissolution of the entire Board of Directors. At the Shareholders' Meeting called to appoint the new Board of Directors, Bravi Consulting must ensure that OWL: (i) in the case that TAS shares are no longer listed, expresses its votes to appoint a Board of Directors and a Board of Statutory Auditors composed on the basis of the criteria agreed upon for the respective bodies of HoldCo; or (ii) in the case that TAS shares are still listed, votes in favour of the list of candidates prepared by the Investor and Bravi Consulting, taking into account the criteria implemented for the corporate governance of HoldCo;

    b) Boards of Directors of TAS subsidiaries: pursuant to the agreement, the TAS subsidiaries must, to the extent allowed under applicable law, be administered by 1 (one) sole director or 2 (two) directors appointed based on the instructions received from the Chief Executive Officer of HoldCo and must apply the provisions regarding matters reserved for Boards;

    c) HoldCo share transfers (lock-up, drag along and co-sale rights, also indirect) and provisions relative to divestment.

- a shareholder agreement between Solidus Invest B.V. (the "**Investor**"), Solidus HoldCo S.p.A. ("**HoldCo**"), and Umberto Pardi, regarding, among other things, provision regarding HoldCo share transfers (lock-up, drag along and co-sales rights, also indirect) and provisions regarding a prohibition on acquiring TAS shares.

For more details, please see the extracts published on the Company's website, which can be consulted at https://www.tasgroup.it/investors/investor-relations/pattuizioni-parasociali.

h) Change of control clause and statutory regulations on takeover bids (as per art. 123-*bis*, paragraph 1, letter h) TUF and art. 104, paragraph 1-*ter* and 104-*bis*, paragraph 1)

On 30 June 2020, as part of the transaction to acquire Infraxis AG, the Company signed a shareholders' agreement which, among other things, establishes put and call options in the case of a change of control over TAS.

The By-laws envisage no derogation from the passivity rule provided for by Art. 104, paragraphs 1 and 1-*bis* of the TUF, nor provides for the implementation of neutralisation rules set out by Art. 104-*bis*, paragraphs 2 and 3 of the TUF.

i) Mandates to increase the Share Capital and authorisations to purchase treasury shares (as per art. 123-*bis*, paragraph 1, letter m), TUF)

On 28 April 2020, the, Shareholders' Meeting resolved:

a) to increase the share capital for pay, divisible, for a maximum nominal value of Euro 482,299.58 (four hundred eight two thousand two hundred ninety nine and 58 cents), plus share premium, with the issuing, also on multiple of occasions, of a maximum of 1,663,102 (one million six hundred sixty three thousand one hundred two) ordinary shares with no nominal value, with regular dividends, with the exclusion of the option right pursuant to article 2441, paragraph 8 of the Civil Code, reserved for beneficiaries of the 2020-2022 Stock Option Plan, at a price per share, including share premium, to be determined by the Board of Directors at the time of assignment, based on that established in the Informational Document;

b) to authorise the Board of Directors to acquire, on one or more occasions, for a period of 18 (eighteen) months starting on the date of the resolution, ordinary TAS shares, for the purposes and within the limits indicated in the illustrative report prepared pursuant to article 125-*ter* TUF and article 73 of the Issuers' Regulation, with the following methods and terms:

   (i) without prejudice to the limit on distributable profits and available reserves identified in each regularly approved annual financial statements, for a maximum number of ordinary TAS S.p.A. shares with no nominal value held by the subsidiaries, not to exceed a fifth of share capital;

   (ii) for a fee that will be determined each time by the Board of Directors with regards to the trend in prices in the period prior to the transaction and always in the best interest of the Company, without prejudice to the terms, conditions and requirements established under applicable national and EU regulations and of market practices allowed and in effect at the time;

   (iii) in compliance with article 144-bis of the Issuers' Regulation, with the following methods: (a) through a public takeover bid; (b) on the market, using the operating methods established by the market management company which do not allow the direct coupling of put and call proposals; (c) the methods established by market practices allowed by CONSOB, pursuant to article 13 of Regulation (EU). 596/2014; (d) under the conditions indicated in article 5 of Regulation (EU) 596/2014, or with methods other than those above when allowed under article 132, paragraph 3 of TUF or by other provisions applicable and in effect at the time of the operation;

c) to also authorise the use of TAS ordinary shares acquired in this way, on one or more occasions, without time limits and also prior to exhausting the maximum limit on acquisitions determined pursuant to the resolution in question; the Board of Directors may determine the criteria used each time to determine the fee and/or the methods, terms and conditions for transactions with regards to the execution methods used, the trend in prices for shares in the period prior to the transaction and in the best interest of the Company, also in relation to the assignment of shares (or options on the same), in execution of compensation plans based around financial instruments; these operations can be carried out directly or through intermediaries, in compliance with applicable national and EU regulations and with market practices allowed ad in effect at the time.

As of the date this Report was approved, the Company did not hold any treasury shares.

At present, the Company’s Directors are not authorised to issue equity instruments.

l) Management and coordination activities (as per Art. 2497 et seq. of the Italian Civil Code)

The Company is controlled by OWL, which as of the date this Report was approved holds a 72.908% stake of the share capital and also provides management and coordination activities pursuant to art. 2497 of the Italian Civil Code.

Other information

Note also that:

- the information required pursuant to article 123-*bis*, paragraph one, letter i) (“*agreements between the company and directors … providing an indemnity in the case of dismissal or resignation without just cause or if the working relationship should cease subsequent to a public takeover bid*”) is provided in the remuneration report published in terms of art. 123-*ter* of the TUF;

- the information required by article 123-*bis*, paragraph one, letter l) (“*the regulations applicable to the appointment and replacement of Directors … as well as changes to the by-laws, if different from legislative and regulatory rules applicable by way of addition*”) is provided in the section in the Corporate Governance Report dedicated to the Board of Directors.

INTERNAL AUDIT SYSTEM

Following the actions undertaken during the course of previous financial years, the Board of Directors continued with the implementation of the internal audit system to ensure that the main risks to which TAS and its subsidiaries are exposed can be correctly identified and properly measured, managed and monitored, while also defining criteria to make such risks compatible with sound and proper management.

The process is continuously updated and strengthened.

The internal audit system of TAS consists of an organised system of internal rules, procedures and organisational structures whose purpose is to facilitate the achievement of business objectives through effective and efficient operations and compliance with laws and regulations.

In order to assess the effectiveness of the internal audit system, the governance of TAS requires the involvement of the following entities, each according to its respective responsibilities:

- Board of Directors;
- Director in charge of the internal control and risk management system;
- Control, Risks and Related Parties Committee;
- Person in charge of Internal Audit function;
- Director responsible for preparing corporate accounting documents pursuant to Law No. 262/05;
- Supervisory Board formed pursuant to Italian Legislative Decree 231/2001;
- Board of Statutory Auditors.

The system's functioning is ensured with frequent meetings between the bodies referred to above, mainly through the supervision and coordination of the Control, Risks and Related Parties Committee and the Board of Statutory Auditors, in order to provide the most complete picture of business risks and the mechanisms implemented to control them.

In terms of risk issues regarding interim financial reporting, the company has identified a number of measures to achieve the objectives of trustworthiness, accuracy, reliability and timeliness regarding accounting and finance information, which are based on accounting standards.

On the one hand, control is focused on the tasks and responsibilities of the Director in charge, who was granted the powers and means to carry out his duties and, on the other hand, on the definition of a structured system of procedures influencing the administrative and accounting aspects.

Setting the internal rules referred to above was carried out on the basis of an analysis of each operational process, which focused on the Financial Statement items relevant to financial reporting as a way to address the risks identified with appropriate control mechanisms.

Responsibility for maintaining the adequacy of this regulatory system was governed and communicated within the administration-finance-control area, and periodic analyses were carried out by the Internal Audit Manager.

As additional structural elements of the control environment, it is necessary to highlight both the supervision provided by the "Quality" unit and the correlated existence of an integrated system of operating procedures governing internal operations.

The organisational structure is formalised through internal regulations issued by the Organisation and Human Resources management following the approval of the CEO; these communications are available to all employees on the company and the Board of Directors is regularly informed about the most significant organisational changes.

Based on the information gathered at the meeting on 22 March 2021, the Control and Risk Management Committee made a positive evaluation of the adequacy, efficiency and effectiveness of the internal control system, referring to the reports of the responsible bodies (Internal Audit structure and Supervisory Body).

Main characteristics of the internal control system and management of existing risks in relation to the financial disclosure process - *Application criterion 7, paragraph 1, letter d) and art. 123 bis, paragraph 2 letter b) of the TUF*

Introduction

For the system of internal control and risk management, the Company has taken the "COSO Framework" as a reference model; this standard is considered a best practice internationally. The system is made up by the set of business procedures and rules adopted by the different operational units to allow, through an appropriate identification process, for the measurement, management and monitoring of the main risks in achieving business objectives.

The internal control and risk management system is also intended to provide reasonable certainty that the financial reporting information disclosed to users, in compliance with established deadlines, gives a true and accurate presentation of management events, ensuring the integrity, accuracy, reliability and timeliness of the financial reporting.

Characteristics of the system of management of existing risk and internal control in relation to the financial reporting process

To ensure the effective application of the system and a high standard of reliability of information, various business procedures, including administrative and accounting checks, are adopted and periodically updated subsequent to organisational and regulatory changes.

With particular reference to the structure and operating modes that characterise the operation of the system of internal control and management of risks in relation to the financial reporting process, we specify that:

- the identification of financial reporting risks has been carried out within the wider process of risk assessment of identification risks that may affect the achievement of the objectives established by business processes; the risk assessment is updated annually at the time of the internal audit plan;
- the risk assessment is done with qualitative criteria designed to estimate the probability of events occurring and their impact on the pursuit of business objectives;
- risk oversight is ensured by responsible individuals and institutions' monitoring of compliance with procedures, in addition to the specific activities of the Internal Audit function. In that regard, it should be noted that the audit plan of the Internal Audit function provides specific tests for administrative processes to allow the the director of financial reporting to issue certifications for the financial reports at 31 December 2020 (Italian Legislative Decree No. 262/05).
- the assessment of controls on identified risks is carried out through the Internal Auditor's activity and may involve, where appropriate, the identification of compensating controls, corrective actions or improvement plans.

- the Head of the Internal Audit function provides a quarterly report on the results of the monitoring activities to the Chief Executive Officer to oversee the operation of the Internal Control System, and by the Internal Control and Risk Committee, which in turn reports to the Board of Directors and the Board of Statutory Auditors.

Within the financial reporting process, the preparation of financial reporting is the responsibility of the Legal, Administration, Finance and Control Department, which the CFO oversees, also in his capacity as manager in charge. The CFO reports to the CEO and is therefore independent of all business areas.

The administrative heads of subsidiaries report to that area on a functional level. The area reports to the CEO.

Financial reporting processes are supported by written procedures that govern roles and responsibilities and control points; the procedures are prepared by the process owner, verified by the Internal Audit Function Manager and approved and issued by the CFO.

These procedures cover the Company’s entire operations; foreign subsidiaries are less complex from the administrative point of view.

The Internal Audit function, responsible for outsourcing to third parties outside the Company with adequate specific competence and experience and a suitable organisational structure to support the execution of control, reports directly to the Board of Directors and operates on the basis of an appropriate plan of checks prepared annually.

Board of Directors

Pursuant to Art. 18 of the by-laws, the entire Board of Directors, made up of no less than five and no more than eleven members, is elected by the Shareholders’ Meeting on the basis of lists that are filed at the registered offices twenty five days prior to the date set for the Meeting, accompanied by all the documents and information required by law.

The Board is appointed by a list voting procedure to ensure (i) compliance with *pro tempore* gender balance rules in force and (ii) the presence of minority shareholders among at least one fifth of the Directors to be elected.

Only shareholders that individually or together with other shareholders representing the percentage set by Consob pursuant to article 144-*quater* of the Issuers Regulation, published in terms of article 144-*septies* of Consob Issuers Regulation, are entitled to present lists, or failing this representing at least 2.5%. With management resolution No. 28 of 30 January 2020 in respect of 2020, Consob set the shareholding percentage required to present a list of candidates for election to TAS administrative and control bodies at 2.5%[9].

The by-laws do not incorporate the provision under Article 147-*ter*, paragraph one of the TUF, according to which in the interests of the Directors to be elected, the by-laws disregard the lists that have not obtained a percentage of votes equal to at least half of that required by the by-laws for their submission.

Directors must have the prerequisites stipulated by pro tempore applicable regulations; of these, a number corresponding to the minimum set by the regulations must have the prerequisite of independence pursuant to article 148, paragraph 3 of the TUF. The by-laws do not stipulate further requisites of independence with respect to those laid down for statutory auditors under the terms

[9] This threshold was again confirmed for 2021, through Determination 44 of 29 January 2021 made by the Head of the Executive Corporate Governance Division.

of the aforementioned Article 148 of the TUF, and/or integrity and/or professionalism for the appointment of Directors. This also applies regarding the requisites stipulated by the Codes of Conduct drawn up by the management companies of the regulated markets or by the category associations.

Reference is made to the Corporate Governance Report for information on the diversity policy.

Director in charge of the control and risk management system

The Board has appointed the Chief Executive Officer Valentino Bravi as the Executive Director in charge of the internal control and risk management system.

The executive Director in charge of the internal control and risk management system has identified the main business risks (strategic, operational, financial and compliance) in the context of the risk assessment process especially, taking into account the characteristics of the activities conducted by the Company and its subsidiaries, and submitted them periodically to the Board; he implemented the guidelines defined by the Board, overseeing the design, implementation and management of the internal control and risk management system, constantly monitoring its adequacy and effectiveness; adapted the system to changes in operating conditions and legislative and regulatory framework; within the scope of the renewal, he has proposed the appointment of the Head of the Internal Audit function, continuing with the appointment being outsourced; he has the authority to ask the Internal Audit function to conduct any audits on specific operating areas or on compliance with internal rules and procedures in executing corporate operations; he has always reported promptly to the Control and Risk Management Committee and to the Board of Directors regarding any critical issues and problems emerging in the course of its business or of which he might become aware to take appropriate action.

Control, Risks and Related Parties Committee

The Board of Directors has established an internal Control, Risks and Related Parties Committee (the "**CCR**" or simply the "**Committee**"), with the duties formalised in the CG Code.

Until the resignation of the Non-Executive Independent Director Giancarlo Albini on 25 January 2021, the Committee consisted of three Independent Directors: Ambrosella Ilaria Landonio (Chairperson), Roberta Viglione and Giancarlo Maria Albini.

On the same date, the Board of Directors appointed to replace Giancarlo Albini the Non-Executive Independent Director Annunziata Magnotti, as a new member of the Committee.

During the year and at the date of approval of this document, the Committee is made up of only independent and non-executive directors, whose work is coordinated by a Chairperson, who is currently Ambrosella Ilaria Landonio.

The composition of the Committee is in line with the indications of recommendation 35 for the Corporate Governance Code, based on which the Committee holds adequate skills within it relative to the business sector in which the Company works, functional to evaluating the relative risks. In particular, at least one member of the Control and Risks Committee has experience and knowledge in the field of risk management and/or accounting and finance, which the Board of Directors deemed adequate at the time of their appointment.

On 14 May 2021, the Board of Directors approved an amendment to the CCR regulation, mainly to implement the amendments introduced by the new Code (Article 6).

During the year, the Control and Risks Committee met 7 (seven) times, with an average meeting duration of about 35 minutes, with majority participation of its members at all meetings. As regards the financial year 2022, as of the date this Report was approved two meetings had been held.

The Committee meetings held this year were attended by the current Chairman of the Board, who is also the Chief Executive Officer – Valentino Bravi and CFO Paolo Colavecchio, on the invitation of the Committee or its Chairman. The meetings of the Committee were also attended, upon invitation, by members of the Board of Statutory Auditors and the other parties involved in the control and risk management system, in particular the Head of the Internal Audit function and other members of the Supervisory Board. There were also suitable and prompt exchanges of information between the Board of Statutory Auditors and the members of the Committee for the execution of their relative responsibilities.

Remuneration and Appointments Committee

The Remuneration and Appointments Committee established by the Board of Directors currently consists of three independent directors: Giancarlo Maria Albini (Chairman), Carlotta De Franceschi and Annunziata Magnotti.

Both during the year and on the date this Report was approved, the Committee consisted of only independent and non-executive directors. Pursuant to recommendation 26 of the Code, the Committee is chaired by an independent director and at least one member of the committee has adequate knowledge and experience in financial and/or remuneration policy. All members have ensured effective and proactive participation in the meetings and the discussions.

On 14 May 2021, the Board of Directors also approved a new regulation which, in compliance with Recommendation 11 of the CG Code, establishes its structure, tasks and operations.

During the year, the Committee met a total of six times, with an average duration of around 25 minutes; minutes were duly prepared for all meetings and the Chairman of the Committee regularly reported to the Board of Directors with regards to the Committee’s activities. As regards the financial year 2022, as of the date this Report was approved two meetings had been held.

In line with recommendation 26 of the Code, Directors must abstain from taking part in the committee meetings formulating proposals to the Board relating to their own remuneration.

At the invitation of the Committee itself, the meetings held during the year were always attended by the CFO Paolo Colavecchio and the Board of Statutory Auditors: also invited to take part were representatives of the company functions involved from time to time in the individual points on the agenda, including the Human Resources Manager.

After the end of the year and following the resignation of Director Giancarlo Maria Albini, the Board of Directors added another member to the Committee, which as of the date this Report was approved was as follows:

- Carlotta de Franceschi - Chairman
- Annunziata Magnotti
- Ambrosella Ilaria Landonio.

Person in charge of Internal Audit function

Based on the proposal of the executive Director in charge of Internal Audit and Risk Management, and the favourable opinion of the Control and Risks Committee and the Board of Statutory Auditors, the Board of Directors appointed Gerardo Diamanti as the Internal Audit Function Manager.

The Company has therefore continued with its commitment to ensure maximum independence with the appointment of an external person to be responsible for this function. Without prejudice to him reporting to the Board of Directors in accordance with the Italian Civil Code, he reports on a functional level to the Chairman of the Board of Directors, and to the Board and the Control and Risks Committee on an information level.

Among its duties, the Head of the Internal Audit function reported during the year to the Control and Risks Committee on the outcome of the compliance tests regarding current procedures and the need to update and implement these. During the year, Internal Audit functions were conducted according to the work plan prepared by the function itself for 2021 (the "**2021 IA Plan**").

Manager responsible for preparing corporate accounting documents

The appointment of a manager responsible for preparing the corporate accounting documents was conferred on the Administrative and Finance Manager, Paolo Colavecchio.

Under the provisions of Art. 27 of the by-laws, the appointment was made on the basis of a Board resolution, after consulting the Board of Statutory Auditors and prior to the relevant verification regarding his professionalism, accounting, economic and financial skills, as well as his familiarity with the appointment covered thus far. In fact, as he was already specifically responsible for the preparation of the accounting documents, he was the obvious choice as candidate.

With the adoption of procedures in accordance with Law 262/2005, the precise and appropriate responsibilities for carrying out the tasks laid down in the laws and regulations have been described in detail and are governed by the procedures.

Supervisory Board formed pursuant to Italian Legislative Decree 231/2001

From 2008, TAS S.p.A. follows an organisation, management and control model pursuant to art. 6 of Italian Legislative Decree 231/2001.

This SB currently consists of two parties external to the Group (the Chairman, Massimiliano Lei and Gerardo Diamanti, Manager of the Internal Audit function) and the Director responsible for preparing the accounting documents, Mr Paolo Colavecchio.

The Supervisory Board constantly monitors the changes introduced in legislation and case law relating to the responsibility of entities pursuant to Italian Legislative Decree 231/01, so that it may make the necessary updates to the Organisation, Management and Control Model adopted by the Company, which implemented said updates in order to incorporate the intervening amendments to Italian Legislative Decree 231/2001.

The model also paid particular attention to the following elements, which are considered essential in terms of its adequacy:

- the appointment of a Supervisory Board, consisting of the Internal Audit Manager, a director of the Company, and an outside professional with proven and specific experience on various legal aspects of the "231" within the Company. The Supervisory Board generally meets twice a month and reports regularly to the Board of Directors, also through the Audit and Risk Management Committee and the Board of Statutory Auditors. The decision to appoint an executive of the Issuer to the Supervisory Board was done to ensure coordination between the various entities involved in the internal control and risk management system.

- the formalisation of the code of ethics as a fundamental element of corporate ethics. The document has been communicated to all employees and is considered an integral part of internal organisational model; it is available on a special directory within the corporate Intranet and is also published on the Company's website together with the general part of the model, at http://www.tasgroup.it/investors/governance.
- A comprehensive staff training programme.

This Model represents a further step towards the seriousness, transparency and a sense of responsibility required within the Company and towards the external world, while guaranteeing shareholders efficient and proper management.

During the financial year, and up until the approval of the Report, no infringements of the Organisational Model or notices of critical areas have been received by the Supervisory Body.

Board of Statutory Auditors

Pursuant to Art. No. 31 of the by-laws, the appointment of the Board of Statutory Auditors is made on the basis of lists filed at the registered offices at least twenty five days prior to the date set for the meeting, accompanied by the candidate's declaration accepting the candidacy. In the declaration, each candidate declares that there are no reasons for ineligibility or incompatibility, and that the candidate complies with the requirements prescribed by applicable regulations. This is accompanied by detailed information on the candidates' personal and professional profiles. In particular, Art. 31 of the by-laws provides that no person can assume the office of Statutory Auditor or be included in lists if they have exceeded the limits on the number of management and control positions held, if incompatible or failing to meet the requirements of integrity and professionalism pursuant to applicable legislation and regulations, specifying, for the purposes thereof, that business matters and sectors closely connected to that of the company shall be understood as matters and the sectors of information technology and communications. The nomination is done on the basis of a voting list system, which ensures representation to the minority and gender balance, based on applicable *pro tempore* regulations.

HUMAN RESOURCES

For the TAS Group, the attention paid to the valuable assets in its human resources is a central and critical factor for a Group that focuses on innovation within rapidly and continuously changing scenarios.

Continuous training enables the development of knowledge and innovation capacity and the systematic transfer of skills, in a process of continuous improvement, focusing on human resources, their motivation and their involvement in the company's objectives.

A great deal of commitment is therefore given every year to staff development and training based on a needs analysis, the definition of plans and training programmes, conducting courses internally and with reliable external institutes, webinars and on-line courses, participation in workshops and seminars and evaluating training activities.

Special attention is also given to the selection of staff based on sophisticated research procedures and scientific assessments to identify the best candidates to recruit for TAS and ensure the necessary technical, people skills and integrity in the people appointed.

The TAS Group has always focused on collaborating with specialist schools, universities and other higher education institutes to identify and attract young talents to the TAS Group for placement on specific career paths.

The TAS Group promotes corporate social responsibility activities with employment start-off schemes for young graduates and job seekers and with participation in various school-work alternating programmes, as well as IFTS technical-scientific commissions. Also in the context of corporate social responsibility and to promote contact with new talent to be added to its teams, in 2021 the TAS Group carried out three editions of the TAS Academy, training around thirty new STEM graduates to which it then offered, after the end of the Academy course, an apprentice position at the Group companies: TAS and Global Payments.

RESEARCH AND DEVELOPMENT

Research and development are recognised by the Group as a fundamental value for its growth and consolidation strategy in the domestic and international market. The Group was again confirmed its commitment in this area in 2021, with an overall annual investment of Euro 7,128 thousand.

Investments in fixed assets	31.12.2021	31/12/2020	Change
Software development	7,128	6,241	887
Other intangible fixed assets	68	271	(203)
Electronic office equipment and hardware	506	154	352
Other tangible fixed assets	232	397	(165)
TOTAL	**7,934**	**7,063**	**871**

The item *Software development* for Euro 7,128 thousand relates to capitalised internal costs for the development of new computer applications. The increase with respect to the previous year is mainly connected to investments made in Italy and the fact that the previous year the impacts of the Infraxis Group were limited to only the second half, as the initial consolidation date was 30 June 2020.

Group investments continued during the year in different areas, with market action consolidated in European countries, and strategic partnerships established to develop the Group's business. Specifically:

- in the **Financial Markets and Treasury** area: the continued development of the Aquarius platform to manage liquidity, under Basel 3 principles, in an integrated manner for bonds, cash and collateral. Aquarius was specifically designed for the European market and integrated with the Target2 and Target 2 Securities platforms, as well as new unified ECMS Collateral Management system, expected to launch in November 2023. Thanks to the work done by the inter-bank work group for the Consolidation T2/T2S Eurosystem project, created and coordinated by TAS with the support of its Partners KPMG and Accenture, the Aquarius solution qualifies as the most flexible, complete and updated platform available to the Banks involved in the challenging compliance consequences created by the new European Central Bank regulatory infrastructure replacing current systems as of November 2022, based on a big bang approach;
- for the **Electronic Money** area: the preparation of a new proposal for the next generation bank branch: the **Remote Teller**, a bank desk managed remotely, that allows the institution, despite the need to cut costs with a consequent reduction of physical branches, to not lose the group of customers who are still not accustomed to using internet banking and who seek a trust-based relationship with their credit institution. The Fraud Protect solution, accompanied by predictive models for card-based payment transactions and also for bank transfers and instant payments continued to be strengthened with special attention paid to the implications of the PSD2 regulations relative to Strong Customer Authentication exemption and Transaction Risk Analysis; the Payment Intelligence and Harmonizer Hub components were also prepared, developed to simplify behavioural analysis involving customer transaction big data, as well as the additional module within Fraud Protect, dedicated to Sanction Screening for payment transactions, obligatory for Transaction Banking for Anti-Money Laundering purposes. In the foreign market, Infraxis continued to develop its Paystorm product for international customers and specifically for the Brazilian market with its partner Swap. Additionally, Infraxis AG added to the functions of its IQS testing product. Additionally, coordinated by TAS International, activities continued to integrate the Card 3.0 I.E. suite (International Edition) with PayStorm, rebranding the entire Card 3.0 I.E. suite under the PayStorm name;
- for the **Payment Systems** area: continuation of development and extension of the TAS TPP Enabler solution, after the interest demonstrated by banks and other candidate third parties in serving as PISP/AISP/CISP in response to requests and opportunities introduced by PSD2 and implementation of the Global Payment Platform (GPP) for new non-banking entities; development on the Network Gateway 3.0 platform also continued, relative to the evolution of the ESMIG access interface for the new Eurosystem Target Services (T2/T2S/TIPS/TIPS/ECMS);
- for the **Financial Value Chain** area: strengthening of the offerings for the PayTAS suite for eGovernment for access to Payment Nodes by Payment Service Providers (PSP) and central and local public administration, in line with the evolution dictated by PagoPA S.p.A, a public company with the mission to spread digital payments and services Italy. The functional and technical review of e-Banking and Corporate Banking (for microservices) continued for business customers, also in terms of PSD2 and consumers, as well as the preparation of a use case which focuses on the new European Request to Pay (RTP) scheme;

- in the **2ESolutions** area: the continuation of the project to reposition TAS' offering, changing it from a proprietary solution to a market-orientated solution with international reach, focusing on the Cloud, Customer eXperience and Social business collaboration, built on Oracle Cloud Applications.

Geographically, market actions continued in Europe, North American and Latin America where joint Issuing and Processing offerings linked with Cloud products are differentiated, thanks to the high levels of flexibility offered by the operating model and the significant reduction in time-to-market for the issuing of new payment card products. In Brazil, as an effect of the acquisition of a stake in Swap Processamento de Dados by TAS Brasil, with the commitment of the former to base its electronic money and processing offerings on the PayStorm platform, new services have been launched for Swap's direct customers, while sales activities have intensified relative to potential new customers which will also allow for the activation of new products and services supplied directly by Swap.

Activities to develop and strengthen the channel also continued, which begun in 2020 with the integration of the PayStorm platform and the T24/Transact and Infinity solutions offered by the partner Temenos, facilitated by the partnership with ITSS, one of the most important System Integrators from the global leader in core banking solutions. Market scouting done in cooperation with partners continued, also with regards to Fiserv and TCS, without any geographic restrictions. In Italy, Aquarius continued to demonstrate its strength as a treasury solution able to meet the challenge of Consolidation T2/T2S, and the Global Payment Platform continued to be promoted to new non-banking entities which have entered the payments ecosystem thanks to PSD2.

Investments in tangible assets do not include rights of use.

SIGNIFICANT EVENTS

In addition to that noted above, the activities, noteworthy and extraordinary events for the year included:

- On **8 February 2021** the subsidiary Global Payments obtained, through UBI Banca S.p.A. (now Intesa SanPaolo), a Euro 5 million loan which calls for 6 monthly pre-amortisation payments starting on 8 March 2021 and 30 monthly repayment instalments. At the same time, the company signed an Interest Rate Swap contract with the same bank, detailed below:

Type of financial transaction	Start date	Maturity	Bank parameter rate	Customer parameter rate	Notional amount in Euros	Reference bank
IRS	08/02/2021	08/02/2024	Euribor 3m	Euribor 3m + Spread 1.05%	5,000,000	INTESA

  These are operations to hedge against interest rate risk deriving from the loan taken out with Intesa SanPaolo.

- In **February 2021**, the **LEAT** Laboratory at UCA Université Cote d'Azur, part of the French National Centre for Scientific Research, began a partnership with the TAS Group to test performance and explore prospects for large-scale distribution of the **blockchain,**

applied to data protection and authentication for the activation of Smart Contracts. These new technologies are expected to revolutionise the way vehicle claims are managed in coming years.

- On **2 March 2021**, TAS France and Symag, an innovative provider of collection and loyalty solutions and services in the Retail sector and a member of the BNP Paribas Group, signed a technology partnership to allow Symag customers to rapidly implement the latter's solutions in SaaS mode, with 24/7 availability.

- On **16 March 2021**, Cascade, an issuer and processor based in the United States, announced the upcoming launch of the prepaid Visa® THAT ™ card. THAT will be the first card program offered by Cascade entirely based on the Issuing PayStorm platform, the TAS Group solution developed for **microservices and based on advanced API**.

- On **29 April 2021,** the Company's Ordinary Shareholders' Meeting approved the allocation of the profit for 2020, as follows:

  - Euro 829,873.12 to the Legal Reserve pursuant to Art. 2430 of the Italian Civil Code;
  - Euro 15,767,589.36 carried forward.

- On **28 May 2021** the TAS Group announced it had acquired ISO 27001 for its parent company and the subsidiary Global Payments. Mantica S.r.l., the Group company specialised in Machine Learning, also passed the audit and received UNI EN ISO 9001:2015 certification for its quality management system.

- On **24 June 2021** TAS Group **launched a new brand and line of services: TAS Group Cloud Services.** The main operating structure for TAS Group cloud services is in the Data centre in Sophia-Antipolis (France), supported by other Data centres in Europe (Milan, Bologna, Paris). TAS Group Cloud Services. are certified **ISO 9001, ISO 27001** (information security), **HDS** (healthcare data protection) and **PCI-DSS** (credit card data protection), uniting an extremely high level of certification in terms of service quality with increased data protection guarantees.

- On **22 June 2021** Global Payment S.p.A. signed a share capital investment agreement, with a 5% minority interest, with Flywallet S.r.l., the innovative start-up that has created a digital platform to enable payments and services through wearable devices with biometric authentication.

- On **22 July 2021** the subsidiary TAS International signed a credit agreement for a total of Euro 5 million with Credit Suisse. This amount can be used by the subsidiary as a current account overdraft, as cash advances to be requested within the first 12 months, or as a guarantee line (of which up to Euro 4 million within the first 12 months). The amount falls each year by Euro 0.5 million, starting on 30 June 2022, until Euro 3 million is reached. The financing is guaranteed by the parent company.

- On **14 September 2021,** for the thirteenth consecutive year, TAS was confirmed among the Top 100 companies in the IDC FinTech Rankings 2021.

- In **October 2021**, TAS sponsored the virtual edition of SIBOS, conducting a session dedicated to the evolution of the ECMS project and offering its perspective as a FinTech leader on digitalisation of bank treasuries.

- On **6 October 2021**, TAS, implementing the binding agreement signed on 6 August 2021, completed the integration of the Italian company Elidata SpA, relative to a 55% stake, effective as of 1 November 2021.

  Elidata, established in February 1999, has more than twenty years of experience in creating systems to interconnect international financial markets for some of the largest Italian and European banking groups, with a presence in Germany, Spain and Switzerland.

  This acquisition involved:
    - a share capital increase through a contribution in kind of Euro 14,350,000.00, reserved for TAS, achieved through the transfer by the latter of its Capital Market business unit (the "Capital Increase"), equivalent to 51.7% of Elidata share, and
    - the acquisition by TAS, relative to the shareholder equity investments after the Capital Increase, of an equity investment equal to 3.3% of the share capital of Elidata for a total of Euro 700,000.00.

  When the operation was carried out, the parties also began activities necessary to begin the merger by incorporation of C64 S.r.l. (a Elidata shareholder holding 17.61% of the capital prior to the merger), pursuant to and in accordance with article 2501-*bis* of the Italian Civil Code, completed with a deed dated 29 December 2021. The accounting effects of the merger were retroactive to 1 January 2021.

  Through this operation, TAS expanded the array of solutions dedicated to the financial industry, in particular for financial markets ("Capital Market" Business Unit), adding Elidata's offerings, which have always offered high quality, both in terms of security and in terms of compliance with national and international regulations, to its own "Capital Market" Business Unit.

- On **9 December 2021** it communicated it had migrated to the cloud payment acceptance services via POS utilising Amazon Web Services and certification as a PCI-DSS Level 1 Service Provider. With the objective of making it solutions increasingly easy to adopt and accessible, even to new players in the Open Banking and Open Finance ecosystem, TAS perfected the **GPP platform - Global Payments Platform** which integrates in a single structure its offerings relative to cards, account-based payments, transaction banking and financial value chain, while enabling the innovative "as a service" logic in the cloud.

  The new infrastructure is based on Container infrastructure and makes wide use of AWS services, including Amazon Elastic Kubernetes Service (Amazon EKS) and Amazon Aurora. Among the benefits achieved by this migration, the main ones include simplifying Business Continuity, the possibility of decreasing TAS personnel labour dedicated to managing the infrastructure and, above all, the greater flexibility and scalability of the service offered to customers, crucial factors to ensure agility in the face of continuously developing market scenarios.

The process of transforming the TAS Group from a supplier of software solutions to a partner able to facilitate customer business models, offering platforms and solutions "as a service" is a strategic goal implemented in recent years by the Group, which sees the Cloud as an essential foundation for the same. The ability to offer configurable services that can be activated with minimal time to market, while also guaranteeing customers the ability to differentiate themselves on the market, has already provided encouraging initial results to the TAS Group in terms of the Group's economic performance, as well as in terms of its appeal for new market operators.

At the **2021 Payments Salon**, held virtually due to the continued pandemic, TAS presented its Global Payment Platform solution to an audience of over 160 professionals, while the Remote Teller solution was presented during the session of its Partner Accenture, with over 150 participants.

INFORMATION FOR INVESTORS

The Group Parent Company has been listed on the Italian Online Stock Exchange (ISIN code IT0001424644) since May 2000.

On 30 December 2021, the last trading day of the year, TAS securities reached a closing price of Euro 2.17 and its market capitalisation amounted to approximately Euro 181 million. In the last twelve months, the value of TAS securities was negative for 38%, going from Euro 1.57 to Euro 2.17.

Note, as described above, as an effect of the closing, Solidus BidCo put forward, pursuant to articles 102, 106 and 109 of Legislative Decree 58 of 24 February 1998 ("TUF"), and article 45 of the Regulation adopted with CONSOB resolution 11971/1999 (the "Issuers Regulation"), a mandatory full public takeover bid for the ordinary shares of the Company other than the shares directly or indirectly held by Solidus BidCo, at a price of Euro 2.20 per ordinary share.

REMARKS ON THE ADEQUACY OF THE DIRECTIVES ISSUED BY THE COMPANY TO SUBSIDIARIES PURSUANT TO ART. 114, PARAGRAPH 2 OF ITALIAN LEGISLATIVE DECREE 58/1998

In reiterating that the Company is subject to the management and coordination of the Parent Company OWL, the Board of Directors confirmed the certification pursuant to paragraphs 7 and 8 of Art. 2.6.2 of Borsa Italiana S.p.A. Regulation relating to compliance with the provisions under articles 15 and 16 of the Markets Regulation ("*Conditions for the listing of parent company joint-stock companies incorporated and governed by the laws of non-EU member countries and "conditions that prevent the listing of shares of parent companies subject to the management and coordination of other companies*").

MAIN RISKS AND UNCERTAINTIES TO WHICH TAS S.P.A. AND THE GROUP WERE EXPOSED

The Company has an internal control system consisting of a system of rules, procedures and organisational structures intended to enable sound, correct business management, which includes the proper identification, management and monitoring of the principal risks that could threaten the achievement of corporate objectives.

This paragraph describes the risk factors and uncertainties related to the economic-regulatory framework and market, which could significantly impact the Company's performance; the specific risks that could result in obligations for the Company and the Group are assessed at the time of determining the relevant provisions and are mentioned in the Notes to the financial statements, together with any significant potential liabilities.

Additional risks and uncertain events that are currently not predictable or deemed improbable, could similarly influence and the Company and Group's business, economic and financial position and prospects.

The Company adopts specific procedures to manage risk factors aimed at maximising value for its shareholders and putting in place the measures needed to prevent the risks inherent to the Group's activities. As the parent company, the Company is exposed to the same risks and uncertainties described below for the Group.

Exposure to various types of risk

FINANCIAL RISKS

(i) Foreign exchange risks

The Group is not particularly exposed to currency risk except for the conversion of the Financial Statements of its subsidiaries TAS International (Switzerland), Infraxis AG (Switzerland), Infraxis Ltd (United Kingdom), TAS Brasil (Brazil), TAS USA (United States) and TAS EE (Serbia).
At 31 December 2021, there were no significant business transactions denominated in a currency other than the functional currency of the company (Euro).
At the reporting date, there was no hedging in place to protect from such exposure.
(ii) Interest rate risks (of fair value and cash flow)

The interest rate risk to which the Group is exposed mainly derives from loans taken out during the year. At the date of these financial statements there are no significant risks of fluctuation in market interest rates, also due to the Interest Rate Swap contracts stipulated at the time the loans were taken out for hedging purposes. For more details, please see note 32.

(iii) Credit risk

The Group operates almost exclusively in the banking sector, mainly with known and reliable customers who possess proven solidity and solvency; this is why loan losses in past years have always been insignificant. The Group does not have significant areas of customer solvency risk.
The receivables balance is monitored constantly throughout the year. In particular, all overdue items are specifically analysed and an estimate is made on losses on receivables, based on information that includes historic, current and forecast data as required by the IFRS 9 standard.
Financial assets are entered in the balance sheet net of depreciation calculated on the basis of the risk of a counterparty default, which is determined based on the available information on customers' creditworthiness.

(iv) Liquidity risk

Liquidity risk management deals with the risk of the financial resources available to the company proving insufficient to meet the financial and commercial obligations under the agreed terms and deadlines.
The cash flows, financing needs and the liquidity of the Group companies are constantly monitored, with the aim of ensuring effective and efficient management of financial resources.
It cannot be ruled out that, should the situation of weakness and uncertainty in the market continue resulting in a drop in revenue, or if longer collection times or significant write-offs occur, there could be a risk of reduced liquidity with the consequent need to seek recourse to external financing.

At 31 December 2021, the liquidity reserve assets was as follows:

Bank credit lines	***Loans 31.12.2021***	***Utilisation 31.12.2021***	***Availability of credit 31.12.2021***	***Availability of credit 31/12/2020***
Cash credit line	5,579	(983)	4,556	272
Self-liquidating lines	2,000	-	2,000	2,000
Financing Lines	9,777	(9,777)	-	-
Other Financial Lines	241	(13)	228	130
Total Bank Credit Lines	**17,596**	**(10,772)**	**6,784**	**2,402**
Factoring Lines	8,900	-	8,900	2,979
Total Factoring Credit Lines	**8,900**	**-**	**8,900**	**2,979**
Total Banking/Factoring Credit Lines	**26,496**	**(10,772)**	**15,684**	**5,381**
Cash and cash equivalents			13,307	10,639
Total	**26,496**	**(10,772)**	**28,991**	**16,020**

The Group's liquidity reserve of Euro 29 million is deemed sufficient to meet existing commitments on the balance sheet date.

EXTERNAL RISKS

(i) Risks associated with general economic and sector conditions

The market for IT consulting is linked with economic trends in industrialised countries, where the demand for high technology content products is much higher.

Unfavourable economic conditions at domestic and/or international level, or high inflation rates could stall or reduce growth in demand, with consequent repercussions on business and the Group's economic, asset and financial position.

With reference to the main uncertainties identified as of the date this Financial Report was presented, we note:

- those associated with the Covid-19 pandemic (Coronavirus). These circumstances, which are extraordinary in terms of their nature and extent, are still causing direct and indirect repercussions on economic activities, creating general uncertainty, in which the relative developments and effects cannot yet entirely predicted. More specifically, given the Group's reference market and current visibility in terms of the development of the Covid-19 pandemic, it is expected to have a limited impact. When preparing the consolidated accounting situation at 31 December 2021, in the context of the main measurement and estimation processes, sensitivity analysis was done, with the aim of identifying the value of key parameters relative to which recoverable values would coincide with book values. This analysis, despite these generalised uncertainties, did not indicate any risks of future impairment of the amounts recognised in the financial statements at 31 December 2021. However, it cannot be excluded that the continuation of the current situation of uncertainty could have economic impacts which, as of the date this report was prepared, cannot be quantified or estimated.

The nature of the Company and Group's business and working methods have allowed all company activities to continue and move forward. As of the date these financial statements were approved, the Group is fully operational, making use of remote work when necessary. The use of innovative communication technologies allows for effective and productive work and contact between colleagues and customers, even under the current conditions of social distancing. During the period, customer assistance was provided without interruption and projects were moved forward or begun. The pandemic did not impact the company's ability to innovative or make decisions of great import.

➢ Issues associated with the crisis in Ukraine and their impact at a macroeconomic level cannot yet easily be determined. Initial forecasts suggest downward corrections to gross domestic product that will continue until 2024. The growth rate achieved in 2021, stronger than predicted, is inserted into a situation that requires redoing all the accounts with new variables relative to energy and inflation, with relative impacts on the rhythm of economic activities.

  At present nobody is able to measure the amount of the decline, which will depend on various factors: the duration of the crisis, the possibility to make use of diplomatic channels, the structure of sanctions imposed on Russia.
  To that end, we note that the TAS Group does not currently have offices in the countries directly involved in the conflict, nor to these represent significant markets for growth or supplies for it. Nonetheless, the events currently in progress have created a situation of general uncertainty, in which future developments and potential effects are not foreseeable.

(ii) Risks associated with rapidly changing technologies, customer needs and the reference regulatory framework

The industry in which the Group operates is characterised by rapid and profound technological change and constant developments in skills and professionalism. In addition, the increase in customer requirements, together with any change in the regulatory framework, demand constant software updates for the banking sector and other financial institutions.
The Group invests heavily in the development of new projects and technologies, not only in order to respond quickly to its target market demand, but also to anticipate potential development lines, thus offering a range of new products that are suitable to influence user demand. Therefore, any reduction in the customers' spending propensity in respect of new technologies could expose the Group to the risk of not gaining adequate returns on its investments.
Regardless, these investments cannot guarantee that the Group will always be able to recognise and use innovative technological tools, eliminate the risk of obsolescence of existing products, or ensure the Group's ability to develop and introduce new products or renew existing ones, and do so at an appropriate time for customers that is acceptable for the market. The situations described pose a significant potential risk to the business and the Group's economic and financial results.

(iii) Risks associated with the high levels of competition in the sector where the Group operates

The IT market is highly competitive, and some competitors could attempt to expand at the expense of the Group's market share. In addition, the increased intensity in competition levels and the possible entry of new players in the Group's target sectors, with human resources and financial and technological capabilities that offer more competitive prices, could affect the Group's business and its ability to consolidate or expand its competitive position in the sector, negatively impacting on the business and economic situation and the Group's financial position.

(iv) Risks associated with protecting intellectual property

The Group's software procedures and programmes are protected under Italian copyright legislation. The Group also holds the exclusive rights to the usage of certain programmes and procedures that have been registered in the Special Public Register for Computer Programmes held at the Italian Author and Publishers Association SIAE [*Società Italiana degli Autori ed Editori*]. Management also believes that the level of technology in the products offered by the Group, combined with the necessary technical know-how to constantly and progressively implement and update these, in themselves constitute elements that limit the risks associated with potential and current competitors gaining significant competitive advantages. However, there is no certainty that the protection granted by Italian legislation on copyright law prevents other sector operators from independently developing similar products or duplicating the Group's unregistered products, or further, designing new ones that could replicate the same systems and functions without however, violating the Group's rights. The Group's technology could also become exposed to piracy from outside parties.

(v) Risks associated with Cyber security

Cyber threats are one of the risks emerging at global level. Cyber security is an issue that impacts pervasively on company organisations, the development of software products and the provision of services. The reference TAS market is based on a relationship of consolidated trust between the supplier (TAS) and customer (primarily Banks and Service Centres). If TAS' reputation should be affected regarding its ability to protect and guarantee the cyber security of its products and services it could translate into significant losses in terms of business. Therefore, for some time now TAS has put in place a series of measures and prevention policies to mitigate the risks, investing in state-of-the-art technology, both in respect of data protection and access, as well as the development of secure software. In brief, the most important projects implemented in this area in recent years and/or in progress are:

- Security Operating Center (SOC) Activation
- quarterly Vulnerability Assessments and half yearly Penetration Tests
- Adoption of code review platform (secure development)
- Cyber Security Strategy Assessment
- Adhesion to CERTFin: **CERT Finanziario Italiano** is a cooperative public/private initiative intended to strengthen the **IT risk** management capabilities of financial operators and to improve the **cyber resilience** of the Italian financial system through operational and strategic support for **IT attack** and **security incident** prevention, preparation and response activities.
- Cyber Security Assessment

- Establishment of the Chief Operating Security Officer (CISO), who reports directly to the CEO
- Adoption of strong authentication
- Disk Encryption
- Strengthening of VDI Infrastructure

Of particular import in terms of evaluating cyber risk is the increase of threats which has occurred in this most recent period, associated with the conflict between Russia and Ukraine. For the first time, the most dangerous groups of hackers in the world are dividing up into factions and, within cyberspace, we are seeing an unprecedented series of attacks.
Ransom ware viruses, one of the main threats to business continuity for companies, have multiplied and transformed from simple extortion devices used with companies into destructive tools which entirely ignore the spending ability of companies, focussing exclusively on destroying the systems they attack.
In terms of the proliferation of ZeroDay vulnerabilities (vulnerabilities not yet identified by antivirus systems - the most dangerous), there has been a dramatic increase in rates paid for these on the DarkWeb and this has dramatically increased cyber risks for all companies.
Within the Group, in addition to all the actions which already exist to mitigate cyber risk, we have also agreed to increase the level of attention paid to this in the Security Operations Center, also through the insertion of IOCs (Indicators of Compromise) which has allowed us to obtain greater visibility specifically for the threats that have arisen due to the conflict.

(vi) Risks associated with health, safety and the environment

TAS undertakes regular and systematic prevention and control to protect health in the workplace, in accordance with applicable legislation on the subject. Specifically:

› keeps the powers, delegations and appointments referring to health and safety in the workplace updated;
› implements a health monitoring programme;
› implements a management system for health and safety in the workplace;
› monitors trends in occupational accidents and illnesses;

It should also be noted that the TAS Group is specifically committed to the aspects referring to administrative, safety and environmental liability in the scope of the risk of committing the crimes pursuant to Italian Legislative Decree No. 231/01.

(vii) Risks associated with climate change

The Group does not consider the risk associated with climate change to be high. The progressive move towards a low-carbon economy should not have significant repercussions for the Group's business, and to date, the resulting technology changes should not have significant effects on the reference market.

INTERNAL RISKS

(i) Risks related to dependence on key personnel

The Group's success depends significantly on the ability of certain key figures that have made a decisive contribution to its development, such as the executive directors and other management personnel with multiple years of experience in the sector.
The loss of any of these key figures without an adequate replacement, could have negative repercussions on the Group's outlook, assets and economic and financial results. The Group is also strongly characterised by the extremely high technical skills of its staff.
The future success of its business therefore depends on the continuity of the functions carried out by specialised technical employees, and the ability to attract and retain highly qualified personnel. Within the IT field, personnel costs represent a critical development factor. The difficulties of the Group in managing staff could have an adverse effect on its business, its financial position and operating profits.

(ii) Risks related to sales deadlines and implementation cycles
Sales cycles of the Group's software products demand major investments in terms of time, particularly due to the need to illustrate the potential benefits of the Group's products and provide customer training to allow for the products to be used properly. Negotiations and the consequential requirements arising from the sale of products extend for an average period of time ranging from several months to a year. Furthermore, the implementation process for the Group products often requires the customer to engage human and economic resources for extended periods. Sales activities and adjustment cycles of the product to the customer's computer system may suffer potential delays caused, for example, by the completion of the implementation process on the product itself, unexpected events outside of the Group's control such as sudden budget constraints or the client or business restructuring or, more generally, the complexity of the customer's technical requirements. Any delays due to extended sales cycles or related to the use of the product by the customer could affect business development and the Group's financial position and operating profits.

(iii) Risks related to dependence on customers

The Group offers its products and services to small, medium and large companies operating in different markets. A significant part of the Group's revenue is concentrated on a relatively small number of customers whose potential loss could, therefore, adversely affect future business and the Group's economic and financial position.
Management believes, however, that Group profits do not significantly depend on any specific customer in particular, because these customers update their information systems at different times and with rather long intervals.

(iv) Risks associated with internationalisation

The Group has made significant efforts in recent years as part of its internationalisation strategy and expects that an increasingly large part of its revenue will be generated from foreign customers. Therefore, the Group could be exposed to risks inherent to international operations, which include those relating to changes in economic, political, tax and local regulations, as well as to changes in the currency exchange rate in the case of countries outside the Euro area. The occurrence of adverse developments in these areas could adversely affect the Group's business and future prospects.

(v) Risks relating to breaches in contractual obligations and potential liabilities in respect of customers

Highly complex software products such as those offered by the Group can, even when duly tested, present inefficiencies and anomalies in the installation process and integration into the customer's computer system. These circumstances may damage the image of the company and its products, as well as expose the same to claims for damages suffered by customers and the application of contractual penalties for failure to comply with deadlines and/or quality standards.
Furthermore, the Group may need to allocate significant resources for the implementation of corrective actions and be forced to stop, delay or discontinue the provision of services to the customer.
To date, there have been no significant events of this nature that could lead to conflict in customer relationships.

CAPITAL RISK MANAGEMENT

The Group manages its capital with the aim of protecting its continuity, ensuring returns to shareholders, benefits to stakeholders, and maintaining an optimal capital structure while reducing the relevant costs. In line with industry practices, the Group monitors capital on the basis of the gearing ratio. This index is calculated as the relationship between net debt and net equity. Net debt is calculated by applied the new Net Financial Position structure established in CONSOB Call to Attention 5/21 of 29 April 2021, which implements the ESMA Guideline published on 4 March 2021. Total capital corresponds with the "net equity" shown in the Consolidated Financial Statements plus net debt, as defined above.
As can be seen from the table below, the Group's gearing ratio is 16%, compared to 14% the previous year.

	31.12.2021	**31/12/2020**
Financial assets/liabilities	22,421	17,051
Less: cash and cash equivalents	(13,307)	(10,639)
Net debt (A)	9,114	6,412
Group net equity (B)	49,550	37,968
Total Capital [(A) + (B)] = (C)	58,664	44,380
gearing ratio (A)/(C)	**16%**	**14%**

TRANSACTIONS WITH SUBSIDIARIES, WITH COMPANIES PURSUANT TO ART. 2497-*BIS* OF THE CIVIL CODE AND RELATED PARTIES

With regard to transactions with related parties, including intra-group transactions, it should be noted that these were not classified as atypical or unusual, but rather as part of the Group's normal course of business.
These transactions are regulated at arm's length given the characteristics of the goods and services provided and comply with the OPC Procedure.
Information on related-party transactions, including the information required by Consob Communication of 28 July 2006, is presented in Note 43 of the Consolidated Financial Statements and Note 41 of the Financial Statements.

TREASURY SHARES AND SHARES/SHAREHOLDINGS OF PARENT COMPANIES

During the financial year, the Company did not purchase or sell any treasury shares or parent company shares. The Company does not directly or indirectly retain ownership of treasury shares or parent companies' shares.

MANAGEMENT OUTLOOK

The scenario expected for 2022 continues to hold a number of uncertainties at the macroeconomic level, also as a consequence of the international political events involving Russia and Ukraine. If on one hand the global economy is still expected to grow, although at a lower rate than in the previous year, the wave of inflation is expected to continue for most of 2022, with additional highs.

The Group has guarantee full operations and continuity of its support and projects for its customers, with almost full remote working due to the pandemic still in progress and the safety rules issued by the government. At the same time, adjustments have been implemented in the offices of the main locations to allow personnel to safely return to work.

The Group has made significant investments to develop a core banking system (integrated with the Global Payments Platform) for payment institutions and electronic money, which has also allowed it to obtain a leading position in this specific market sector.

The Group has also created the necessary infrastructure to handle the go-live of its first major customer in PaaS (Platform as a Service) model, relative to the suite of payment and electronic money products. This is the start of an important process to convert the Group's offerings from "On Premises" solutions to an "As a Service" structure.

Partnerships with some of the main system integration players are also being strengthened, which will allow the Company to promote its solutions to handle increasingly more complex and mission critical projects.

The national and international scenario is still affected by the spread of the Coronavirus, and the consequent restrictive measures to contain it introduced by the authorities in the countries affected. Recently, thanks to the lower level of danger in the new variants of the virus, less restrictive measures are being seen, leaving space for the hope that operations will recover in coming months. Global application of remote working by operating units has caused a reduction in productivity in a number of areas, even if the company has provided itself with tools that support collaboration between working groups and guarantee complete security for remote work.

The risks of attacks from hackers have increased significantly. For this reason, the Group has and continues to provide itself with processes, instruments and services intended to maximise the security of its systems, to protect the data and source code of our programmes.

EQUITY INVESTMENTS HELD BY MEMBERS OF THE ADMINISTRATIVE AND CONTROLLING STRUCTURES, GENERAL MANAGERS AND DIRECTORS WITH STRATEGIC RESPONSIBILITIES

Pursuant to and for the purposes of the provisions of art. 84-*quater*, paragraph 4 of Consob Regulation 11971/1999 and subsequent amendments, and according to the criteria set out in Annex 3A diagram 7-*ter*, the shares held in TAS S.p.A. and its subsidiaries by directors and statutory auditors of TAS, as well as spouses not legally separated and minor children, either directly or through subsidiaries, trust companies or nominees, as per the shareholders' register, communications received and other information obtained from same members of the administrative and control bodies, general managers and directors with strategic responsibilities, are indicated in the table below.

Surname and first name	Position	Company in which the interest is held	Number of shares held at the end of the previous year	number of shares acquired	number of shares sold	number of shares held at year end
Dario Pardi and Valentino Bravi	Chairman and Chief Executive Officer	TAS S.p.A.	61,155,995	0	0	61,155,995*

* Shares held through the indirect participation in OWL as per the press releases to the market.

Pursuant to and for the purposes of the provisions of art. 84-*quater*, paragraph 4 of Consob Regulation 11971/1999 and subsequent amendments, and according to the criteria set out in Annex 3A diagram 7-*ter*, the shares held in TAS S.p.A. and its subsidiaries by key management personnel of TAS, as well as spouses unless legally separated and minor children, either directly or through subsidiaries, trust companies or nominees, as per the shareholders' register, communications received and other information obtained from same members of the administrative and control bodies, general managers and directors with strategic responsibilities, are indicated in the table below.

Number of directors with strategic responsibilities	Company in which the interest is held	Number of shares or quotas held at the end of the previous year	Number of shares acquired	Number of shares sold	Number of shares or quotas held at year-end
1	TAS S.p.A.	8,500	0	0	8,500
1	TAS Brasil Ltd	10,088.36	0	10,088.36	0

FINANCIAL POSITION OF TAS SPA

The tables presented and discussed below have been prepared on the basis of referenced separate financial statements at 31 December 2021, prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union, and the provisions implementing Art. 9 of Italian Legislative Decree 38/2005.

In particular, we note that the TAS financial statements presented below, include the effects as of 1 November 2021 of the binding agreement signed on 6 August 2021 for TAS to purchase 55% of the share capital of the Italian company Elidata SpA (“Elidata”).

Elidata, established in February 1999, has more than twenty years of experience in creating systems to interconnect international financial markets for some of the largest Italian and European banking groups, with a presence in Germany, Spain and Switzerland.

This acquisition involved:

- a share capital increase through a contribution in kind of Euro 14,350,000.00, reserved for TAS, achieved through the transfer by the latter of its Capital Market business unit (the “Capital Increase”), equivalent to 51.7% of Elidata share, and
- the acquisition by TAS, relative to the shareholder equity investments after the Capital Increase, of an equity investment equal to 3.3% of the share capital of Elidata for a total of Euro 700,000.00.

When the operation was carried out, the parties also began activities necessary to begin the merger by incorporation of C64 S.r.l. (a Elidata shareholder holding 17.61% of the capital prior to the merger), pursuant to and in accordance with article 2501-*bis* of the Italian Civil Code, completed with a deed dated 29 December 2021. The accounting effects of the merger were retroactive to 1 January 2021.

Through this operation, TAS expanded the array of solutions dedicated to the financial industry, in particular for financial markets (“Capital Market” Business Unit), adding Elidata’s offerings, which have always offered high quality, both in terms of security and in terms of compliance with national and international regulations, to its own “Capital Market” Business Unit.

The TAS financial statements at 31 December 2021 therefore include the separation of the Capital Market business unit equity balances and the income statement through 31 October 2021, as the transfer date was 1 November 2021.

The table below shows assets and liabilities separated with the transfer of the Capital Market Business Unit and the impact on the Company’s income statement. In fact, TAS S.p.A. measures its investments in subsidiaries using the equity method, therefore the effects described above relative to the consolidated financial statements similarly apply at the level of the annual financial statements and the portion of capital gains attributable to the fair value of the CM Business Unit held by TAS is reversed:

The table below shows assets and liabilities partially transferred with the transfer of the Capital Market Business Unit and the impact on the Company's income statement:

Balance Sheet	**Book value /000**
Intangible fixed assets	21
Tangible fixed assets	17
Financial fixed assets	0
Trade receivables and other receivables	1,042
Trade payables and other payables	-978
Employee severance indemnity provision (TFR) and other provisions	-198
Net assets at current values	**-96**
Net financial position	-17
Net Equity	**-113**
Price paid	14,350
Capital gains	14,463
% transferred to third parties	48.3%
Income in income statement	**6,986**

Following this transaction, the Extended ERP assets still are held by TAS, as are the centralised staff and corporate functions.

ECONOMIC PERFORMANCE

The table below summarises the key financial results of TAS at 31 December 2021 and the comparison with the last year:

TAS (in thousands of Euro)	31/12/2021	31/12/2020	Change	% change
Total Revenue	**22,304**	**24,014**	**(1,710)**	**(7.1%)**
- of which typical	*14,686*	*17,957*	*(3,271)*	(18.2%)
- of which non-typical	*7,618*	*6,057*	*1,561*	25.8%
Gross operating margin (EBITDA)[10]	**1,054**	**1,677**	**(623)**	**(37.1%)**
% of total revenue	*4.7%*	*7.0%*	*(2.3%)*	(32.3%)
Operating result	**2,871**	**4,977**	**(2,106)**	**(42.3%)**
% of total revenue	*12.9%*	*20.7%*	*(7.9%)*	(37.9%)
Net profit (loss) for the period	**10,657**	**16,597**	**(5,940)**	**(35.8%)**
% of total revenue	47.8%	*69.1%*	*(21.3%)*	(30.9%)
Net Financial Position[11]	**(6,411)**	**(14,696)**	**8,285**	**56.4%**
- of which cash and cash equivalents	2,593	3,332	*(739)*	(22.2%)
- of which banks and other lenders	*(4,173)*	*(11,751)*	*7,578*	64.5%
- of which liabilities for leases (IFRS 16)	*(4,831)*	*(6,277)*	*1,446*	23.0%

At 31 December 2021 TAS recorded **Total revenue** equal to Euro 22.3 million, compared to Euro 24 million the previous year. The core revenues consist of software licenses and related maintenance (22.3%), royalties, usage and SAAS service fees (17%), support fees and professional services (60.7%). 94% of the total is represented by revenues in Italy.

EBITDA for the year is Euro 1.1 million, impacting total revenues for 4.7% compared to Euro 1.7 million at 31 December 2020, impacting total revenues for 7%.

Operating profit for the year was positive for Euro 2.9 million, and includes amortisations for Euro 3.2 million and a positive impact of Euro 5 million deriving from subsidiaries measured at equity. The result for 2020 was Euro 5 million. This impacted for 12.9% of revenues.

Net profit for the year, influenced by income associated with the Elidata operation described above, equal to Euro 7 million, amounts to Euro 10.7 million, compared to Euro 16.6 million the previous year, also influenced by non-recurring profit due to the 30.07% dilution of the share capital of the Swiss subsidiary TAS International as part of the operation to acquire Infraxis AG, for Euro 9.4 million.

Excluding the impacts of IFRS 16, the **Net Financial Position** was negative for Euro 1.6 million compared to the negative Euro 8.4 million at 31 December 2020. Cash and cash equivalents came to Euro 2.6 million, compared to Euro 3.3 million at 31 December 2020.
Including the impacts of IFRS 16, the net financial position was negative at Euro 6.4 million, compared to Euro 14.7 million at 31 December 2020.

[10] EBITDA (Earnings Before Interest Taxes Depreciation and Amortisation – Gross Operating Margin) is an alternative performance indicator not defined by IFRS but used nonetheless by the Company's management to monitor and evaluate operational performance, as this is not influenced by the volatility arising from different criteria in determining taxable income, the amount and nature of capital employed and the relevant depreciation policies. This indicator is defined for the Company as Profit/(Loss) before depreciation, amortisation and write-downs of tangible and intangible assets, financial income and expenses, and income tax.

[11] The Company applied the new Net Financial Position structure established in CONSOB Call to Attention 5/21 of 29 April 2021, which implements the ESMA Guideline published on 4 March 2021.

The decrease in financial payables is mainly linked to:

- the closure of the Euro 5 million financing received from the subsidiary Global Payments, on 11 December 2020, offset with the dividend paid by the subsidiary during the year;
- the repayment of capital amounts on existing loans, for Euro 1.7 million.

BALANCE SHEET

The Balance Sheet for the Parent Company at 31 December 2021 can be summarised in the following table:

TAS (in thousands of Euro)	31/12/2021	31/12/2020
Non-current assets	65,398	59,007
- of which, Right of use IFRS 16	*4,242*	*5,508*
- of which, Equity investments	*56,058*	*48,692*
Net working capital	(2,989)	(191)
Non-current liabilities	(1,498)	(1,629)
Net Invested Capital	**60,911**	**57,187**
Net financial position	**6,411**	**14,696**
Non-current borrowings	**(899)**	**(2,272)**
Total net equity	**55,399**	**44,763**
- of which Profit for the year	*10,658*	*16,597*

NON-CURRENT ASSETS

Non-current assets (API) are broken down as follows:

- Euro 2,388 thousand for other intangible fixed assets refer mainly to internally developed software (Euro 2,274 thousand at 31 December 2020);
- Euro 5,067 thousand related to tangible fixed assets (Euro 6,115 thousand at 31 December 2020). This amount includes the Euro 4,242 thousand in rights of use (Euro 5,508 thousand at 31 December 2020);
- Euro 56,058 thousand relating to the controlling interests in Group companies and other companies(Euro 48,682 thousand at 31 December 2020). Changes over the year refer primarily to:
    - the acquisition of Elidata, described above, which was measured at equity at Euro 6,849 thousand at 31 December 2021;
    - positive effects deriving from application of the equity method totalling Euro 5,162 thousand after the negative impact of the dividend paid out by the subsidiary Global Payments for Euro 5,000 thousand;
    - the negative effects from application of the equity method for Euro 189 thousand;

  Investments in other companies, totalling Euro 606 thousand refer to the equity investment in Nexi S.p.A. (Euro 739 thousand at 31 December 2020). The decrease is linked to the change in the fair value of the investee after the exchange with Nexi shares after completion of the merger by incorporation;
- Euro 1,885 thousand relating to deferred tax receivables and other receivables (Euro 1,926 thousand at 31 December 2020).

NET WORKING CAPITAL

Net working capital (API) included:

- Euro 19,148 thousand relating to trade receivables and contract assets with customers (Euro 14,012 thousand at 31 December 2020);
- Euro 2,929 thousand relating to other receivables including trade accruals and deferrals receivable (Euro 1,609 thousand at 31 December 2020). This item includes Euro 1,366 thousand in current income tax receivables (Euro 878 thousand at 31 December 2020);
- Euro 18,858 thousand relating to trade payables for which the increase mainly is linked to the exposure with the subsidiary Global Payments, for reinvoicing of third party customers for work orders relative to the subsidiary (Euro 10,948 thousand at 31 December 2020);
- Euro 6,207 thousand relating to other payables including accruals payable and liabilities from contracts with customers (Euro 8,415 thousand at 31 December 2020).

NON-CURRENT LIABILITIES

Non-current liabilities (API) included:

- Euro 1,125 thousand related to the employee severance indemnity provision (Euro 1,416 thousand at 31 December 2020);
- Euro 352 thousand relating to provisions for risks and charges (Euro 175 thousand at 31 December 2020).
- Euro 21 thousand related to deferred tax liabilities (Euro 38 thousand at 31 December 2020).

NET EQUITY

At 31 December 2021, net equity was equal to Euro 55,399 thousand compared to Euro 44,763 thousand at 31 December 2020.

NET FINANCIAL POSITION

The net financial position based on CONSOB Call to Attention 5/21 of 29 April 2021, implementing the ESMA Guideline published on 4 March 2021, is shown below.

Statutory Net Financial Position	***NOTES***	***31.12.2021***	***31/12/2020***
A. Cash	**24**	(911)	(1,667)
B. Cash equivalents		-	-
C. Other current financial assets	**23**	(1,682)	(1,665)
D. Cash and cash equivalents (A) + (B) + (C)		**(2,593)**	**(3,332)**
E. Current financial liabilities		746	3,458
of which liabilities for leases (IFRS 16)		*734*	*861*
F. Current portion of non-current financial liabilities		2,160	1,647
G. Current financial debt (E) + (F)	**32**	**2,906**	**5,105**
H. Current net financial debt (D) + (E) + (J)		**313**	**1,773**
I. Non-current financial liabilities		6,098	12,923
of which liabilities for leases (IFRS 16)		*4,097*	*5,416*
J. Debt instruments		-	-
K. Trade payables and other non-current payables		-	-

L. Non-current financial debt (I) + (J) + (K)	**29**	**6,098**	**12,923**
S. Total financial debt (H) + (L)		**6,411**	**14,696**
of which, excluding liabilities for leases (IFRS 16)		*1,580*	*8,419*

Indirect debt and debt subject to conditions at 31 December 2021 are represented exclusively by the Company's employee severance indemnity provision, equal to Euro 1,125 thousand.

RECONCILIATION OF NET EQUITY

The reconciliation between net equity and the profits of the Parent Company and the corresponding consolidated figures is as follows:

	31/12/2021		31/12/2020	
(in thousands of Euro)	***Net Equity***	***Profit***	***Net Equity***	***Profit***
Net equity and profit for the year as reported in the Parent Company's Financial Statements	**55,399**	**10,658**	**44,764**	**16,597**
Reversal of business combination capital gains	(8,817)	(6,986)	(8,817)	(9,431)
Put Option Impact	2,970	684	2,021	1,651
Other changes	(2)	(2)	-	-
Net Equity and profit/(loss) for the year attributable to the Group	**49,550**	**4,354**	**37,968**	**8,817**
Net Equity and profit for the year attributable to third parties	2,241	58	643	31
Consolidated net equity and profit	**51,791**	**4,412**	**38,611**	**8,848**

OTHER INFORMATION

Management systems

UNI 9001: 2015 certification

The Company adopted and maintains a **Quality Management System,** compliant with UNI EN ISO 9001:2015 regulation, for the design, development, installation, support and maintenance of infrastructure and application software for payment systems, electronic money, bank services, financial markets, public administration and IT consulting on the products supplied. Design and provision of *Data Centre Hosting* and *Housing* services.

During 2021, TAS S.p.A. successfully passed the Audits by the Certification Authorities to renew and maintain existing certification.

ISO 27001 and HDS certification

Data and information security is a critical factor for success, particularly for the Group's business. The TAS Group has implemented an information security management system based on the requirements of the international ISO 27001 standard, in order to guarantee high levels of data and information confidentiality, integrity and availability.

TAS France is also certified under HDS (Hébergeur de Données de Santé), which specifically refers to the processing of healthcare data.

Note on branches

The Company has five branches where software development and maintenance activities are conducted:

- Milan, Via Famagosta No. 75 – Italy
- Casalecchio di Reno (BO), Via del Lavoro, 47 – Italy
- Siena, Via Bruno Marzi, 4 - Italy
- Parma, Via Colorno No. 63/A - Italy
- Prato, Via Traversa Pistoiese, 83 - Italy

For the Board of Directors

Chief Executive Officer

VALENTINO BRAVI

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 December 2021

FINANCIAL STATEMENTS

Consolidated Balance Sheet	***Notes***	***31.12.2021***	***31/12/2020***
Intangible fixed assets	**12**	53,490	43,172
- Goodwill		*31,574*	*25,637*
- Other intangible fixed assets		*21,916*	*17,535*
Tangible fixed assets	**13**	11,782	9,869
- Right of use IFRS 16		*6,609*	*7,199*
- Other tangible fixed assets		*5,173*	*2,670*
Investments and other securities	**14**	1,168	1,234
Non-current borrowings	**15**	904	430
Deferred tax receivables	**16**	855	2,174
Other receivables	**17**	53	45
Total non-current assets		**68,252**	**56,924**
Contract assets with customers	**18**	10,376	9,453
Trade receivables	**19**	31,335	26,776
(of which trade accruals and deferrals)		*1,305*	*1,158*
Other receivables	**20**	1,139	221
Receivables for current taxes on income	**21**	1,962	1,462
(of which in respect of related companies)		*1,366*	*718*
Current financial receivables	**22**	4	8
Cash and cash equivalents	**23**	13,307	10,639
Total current assets		**58,123**	**48,559**
TOTAL ASSETS		**126,375**	**105,483**
Share capital		24,331	24,331
Other reserves		15,351	6,339
Profit/(loss) of previous years		5,514	(1,518)
Profit (loss) for the period		4,354	8,817
Group net equity	**24**	**49,550**	**37,969**
Capital and reserves attributable to third parties		2,183	612
Profit/(loss) attributable to third parties		58	31
Net equity attributable to third parties		**2,241**	**643**
Consolidated net equity		**51,791**	**38,612**
Employee severance indemnity provision	**25**	5,515	4,939
Provisions for risks and charges	**26**	368	178
Deferred taxes provision	**27**	1,768	1,964
Other payables	**28**	12,415	12,953
Financial liabilities	**29**	14,763	11,995
Total non-current liabilities		**34,829**	**32,029**
Trade payables	**30**	18,318	15,460
(of which liabilities from contract with customers)		*12,392*	*9,681*
(of which trade accruals payable)		*12*	*63*
(of which in respect of related companies)		*2*	*80*
Other payables	**31**	11,524	11,796
(of which in respect of related companies)		*83*	-
Current income tax payables	**32**	2,251	2,522
(of which in respect of related companies)		*1,524*	*1,829*
Financial liabilities	**33**	7,662	5,064
Total current liabilities		**39,755**	**34,842**
TOTAL LIABILITIES		**126,375**	**105,483**

Consolidated Income Statement	***Notes***	***31.12.2021***	***31/12/2020***
Revenues from sales and services		62,853	58,053
Changes to orders in progress		972	2,876
Other revenue		1,128	725
Total revenue	**34**	**64,953**	**61,654**
Raw material consumables		(1,355)	(971)
Personnel costs		(32,972)	(30,843)
Costs of services		(13,073)	(11,767)
(of which in respect of related companies)		*(405)*	*(378)*
Other costs		(1,887)	(1,740)
Total costs	**35**	**(49,287)**	**(45,321)**
Depreciation and amortisation	**36**	(10,098)	(8,393)
Write-downs	**36**	(7)	(4)
Operating result		**5,561**	**7,936**
Financial revenue		565	2,403
Financial charges		(708)	(1,214)
(of which in respect of related companies)		-	*(192)*
Results of financial management	**37**	**(143)**	**1,189**
Net profit/(loss) on investments valued using the net equity method	**38**	**(82)**	**-**
Profit/(loss) before tax		**5,336**	**9,125**
Current and deferred taxes	**39**	(924)	(277)
(of which in respect of related companies)		*(254)*	*(973)*
Profit/(loss) from continuing operations		**4,412**	**8,848**
Profit/(loss) from non-continuing operations		-	-
Profit/(loss) for the year		**4,412**	**8,848**
Net profit/(loss) attributable to third parties		58	31
Net profit/(loss) attributable to the Group		**4,354**	**8,817**
Earnings per share	**40**		
- base		**0.05**	**0.11**
- diluted		**0.05**	**0.11**

Comprehensive Consolidated Income Statement	***Notes***	***31.12.2021***	***31/12/2020***
Net profit/(loss) for the year (A)		**4,412**	**8,848**
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		(146)	(120)
Tax effect		73	(12)
Total Other profit/(loss), net of tax effect that will not subsequently be reclassified in the financial year profit/(loss) (B1)		**(73)**	**(132)**
Other profits/(losses) that will subsequently be reclassified in the financial year profit/(loss):			
Effective portion of profit/(loss) for cash flow hedges		7	(10)
Profit/(loss) deriving from the conversion of foreign companies' Financial Statements		138	(210)
Profit/(loss) deriving from the adjustment of the goodwill and assets of foreign companies		749	(73)
Profit/(loss) arising from the delta change on dividends of foreign companies		-	9
Tax effect		(2)	3
Total Other profit/(loss), net of tax effect that will subsequently be reclassified in the financial year profit/(loss) (B2)		**892**	**(281)**
Total Other profit/(loss), net of tax effect (B1 + B2=B)	**41**	**819**	**(413)**
Total Profit/(loss) (A) + (B)		**5,231**	**8,435**
Total Profit/(loss) attributable to:			
Shareholders of parent company		**5,148**	**8,404**
Third-party interests		**83**	**31**

Consolidated Cash Flow Statement	Notes	31/12/2021	31/12/2020
Profit/(loss) for the year		4,412	8,848
Income taxes	**39**	924	277
Amortisations and depreciations	**36**	10,105	8,397
Change to employee severance provision	**25**	(336)	(73)
Change in provisions for risks and charges	**26**	-	(218)
Payment of income taxes		(2,336)	(330)
Interest liabilities/ (interest income)	**37**	(263)	(685)
Fair value writedowns/writebacks of other equity investments	**37**	132	(603)
Stock Option	**24**	285	68
Other non-monetary changes		744	(881)
Decrease/ (increase) in contract assets with customers and other current assets items		(4,816)	(4,365)
Increase/(decrease) in accounts payable and other liabilities		881	3,148
Cash flow from operating activities		**9,732**	**13,583**
Net change in intangible fixed assets	**12**	(7,197)	(6,512)
Net change in tangible fixed assets	**13**	(725)	(490)
Net change in financial fixed assets	**14**	(109)	-
Change to current financial receivables	**22**	8	14
Change to financial fixed asset receivables	**15**	13	59
Business combinations		926	(2,214)
Cash flow from investments		**(7,084)**	**(9,143)**
New loans	**29/33**	5,680	6,500
Loan repayment	**29/33**	(2,910)	(5,656)
Change to other financial liabilities	**29/33**	(717)	109
Paid financial charges		(463)	(585)
Refunds liabilities for leases IFRS 16		(1,570)	(1,416)
Cash flow from financing		**20**	**(1,048)**
Change in cash and cash equivalents		**2,668**	**3,392**
Cash and cash equivalents - initial balance		**10,639**	**7,247**
CASH AND CASH EQUIVALENTS – CLOSING BALANCE	**23**	**13,307**	**10,639**

Statement of changes in Consolidated Net Equity

€ thousand	***Share capital***	***Cash flow hedge reserve***	***Res. Stock Option***	***Conv. res.***	***Legal res.***	***Res. Extr.***	***Res. IAS 19***	***Profit/(loss) carried forward***	***Profit/(loss) for the year***	***Tot. Group net equity***	***Cap. and Minority Share Res.***	***Minority share***	***Tot. Third party net equity***	***Total net equity***
Balances at 31 December 2019	**24,331**	**-**	**-**	**1,610**	**360**	**5,707**	**(1,433)**	**(6,611)**	**5,363**	**29,327**	**455**	**(56)**	**399**	**29,726**
allocation of 2019 profit	-	-	-	-	270	-	-	5,093	(5,363)	-	(56)	56	-	-
profit from comprehensive profit and loss account	-	(8)	-	(273)	-	-	(132)	-	8,817	8,404	-	31	31	8,435
Stock Option plan	-	-	68	-	-	-	-	-	-	68	-	-	-	68
change in consolidation scope	-	-	-	-	-	170	-	-	-	170	213	-	213	383
Balances at 31 December 2020	**24,331**	**(8)**	**68**	**1,337**	**630**	**5,877**	**(1,565)**	**(1,518)**	**8,817**	**37,969**	**612**	**31**	**643**	**38,612**
allocation of 2020 profit	-	-	-	-	830	827	128	7,032	(8,817)	-	31	(31)	-	-
profit from comprehensive profit and loss account	-	5	-	862	-	-	(73)	-	4,354	5,148	25	58	83	5,231
Stock Option plan	-	-	284	-	-	-	-	-	-	284	1	-	1	285
change in consolidation scope	-	-	-	-	-	6,149	-	-	-	6,149	1,514	-	1,514	7,663
Balances at 31 December 2021	**24,331**	**(3)**	**352**	**2,199**	**1,460**	**12,853**	**(1,510)**	**5,514**	**4,354**	**49,550**	**2,183**	**58**	**2,241**	**51,791**

EXPLANATORY NOTES

INTRODUCTION

TAS S.p.A. (hereafter, "TAS", the "Company" or the "Parent Company") is a company listed on the Borsa Italiana S.p.A. exchange in Milan, in the MTA standard segment, held for 72.91% (the value as of the date this report was approved) by OWL S.p.A., which provides management and coordination (hereafter, "OWL"), held 18.3% by Solidus BidCo S.p.A. and by the market for the remaining portion.[12]
Its registered office is in Rome, in Via Cristoforo Colombo 149, while the administrative offices are in Casalecchio di Reno (prov. Bologna) in Via del Lavoro 47.

The Consolidated Financial Statements at 31 December 2021 include TAS and its subsidiaries (hereafter referred to as the "Group").

These Financial Statements were prepared by the Board of Directors on 15 April 2022, for approval by the Shareholders' Meeting called for 27 June 2022 at the first call, and 28 June 2022 at the second call.

1. SIGNIFICANT EVENTS

INDIRECTION ACQUISITION OF TAS S.P.A. BY SOLIDUS BIDCO S.P.A.

Following the press releases issued on 21 October 2021 and 10 January 2022, on 25 January 2022 the Company communicated the closing of the "Sales Contract" through which Solidus BidCo purchased the full share capital of GUM International and 2BP S.r.l. ("2BP") and, indirectly, the full share capital of OWL S.p.A. ("OWL"), the direct parent of TAS.

Solidus BidCo is a company whose share capital is indirectly held by the funds of Gilde Buy-Out Fund VI C.V. and Gilde Buy-Out Fund VI 2 C.V. (these funds, jointly, "Gilde").

As an effect of the closing, Solidus BidCo put forward, pursuant to articles 102, 106 and 109 of Legislative Decree 58 of 24 February 1998 ("TUF"), and article 45 of the Regulation adopted with CONSOB resolution 11971/1999 (the "Issuers Regulation"), a mandatory full public takeover bid (OPA) for the ordinary shares of the Company other than the shares directly or indirectly held by Solidus BidCo, at a price of Euro 2.20 per ordinary share.

In the context of this Closing, the Chairman and executive member of the Company's Board of Directors, Dario Pardi, the non-executive director Umberto Pardi and the independent director Giancarlo Maria Albini (the latter also the lead independent director pursuant to the corporate governance code for listed companies, chairman of the appointments and remuneration committee as well as member of the control, risks and related parties committee) submitted their resignations from their respective offices.

The resignations of Dario Pardi and Umberto Pardi occurred in virtue of the agreements

[12] These amounts are up to date as at 30 March 2022.

established in the Purchase Contract, while the resignation of Mr. Albini were motivated by the expediency of facilitating the process of changing the Company's management.

Note that based on the information available to the Company and made known to the market, Dario Pardi, prior to the Closing, had indirect control over the Company, through GUM International S.r.l., which he owned, indirectly through GUM Consulting S.p.A. in which he held 51% of the share capital.

To replace the directors who had resigned, the TAS Board of Directors appointed by cooptation, pursuant to the law and the by-laws, Gilde representatives Maurits Edward Boomsma, Giuseppe Franze and Gianluigi Manna as non-independent directors of TAS, who will remain in office until the next Shareholders' Meeting, none of which have received operational powers.

The Board of Directors also appointed as chairman the current Chief Executive Officer Valentino Bravi, and also determined the new structure of its internal committees:

Control, Risks and Related Parties Committee:
Ambrosella Ilaria Landonio – Chairman and Independent Director;
Annunziata Magnotti – Independent Director;
Roberta Viglione – Independent Director.

Remuneration and Appointments Committee:
Carlotta de Franceschi – Chairman and Independent Director;
Annunziata Magnotti – Independent Director;
Ambrosella Ilaria Landonio – Independent Director.

Finally, the Board of Directors designated at its lead independent director, pursuant to the corporate governance code for listed companies, Director Roberta Viglione, assigning investor relations responsibilities to the CFO Paolo Colavecchio.

2. BUSINESS COMBINATION TRANSACTION

ELIDATA

This took effect on 1 November 2021 as a consequence of the binding agreement signed on 6 August 2021 for TAS to purchase 55% of the share capital of the Italian company Elidata SpA ("Elidata").

Elidata, established in February 1999, has more than twenty years of experience in creating systems to interconnect international financial markets for some of the largest Italian and European banking groups, with a presence in Germany, Spain and Switzerland.

This acquisition involved:

- a share capital increase through a contribution in kind of Euro 14,350,000.00, reserved for TAS, released through the transfer by the latter of its Capital Market business unit ("CM Business Unit" (the "Capital Increase"), equivalent to 51.7% of Elidata share capital. Note that the fair value of Elidata and the CM Business Unit were appraised by independent consultants; and

- the acquisition by TAS, relative to the shareholder equity investments after the Capital Increase, of an equity investment equal to 3.3% of the share capital of Elidata for a total of Euro 700,000.00.

When the operation was carried out, the parties also began activities necessary to begin the merger by incorporation of C64 S.r.l. (a Elidata shareholder holding 17.61% of the capital prior to the merger), pursuant to and in accordance with article 2501-*bis* of the Italian Civil Code, completed with a deed dated 29 December 2021. The accounting effects of the merger were retroactive to 1 January 2021.

Through this operation, TAS expanded the array of solutions dedicated to the financial industry, in particular for financial markets (“Capital Market” Business Unit), adding Elidata’s offerings, which have always offered high quality, both in terms of security and in terms of compliance with national and international regulations, to its own “Capital Market” Business Unit.

Therefore, the consolidated financial statements for the Group as at 31 December 2021 only include the income statement for the months of November and December for Elidata, as control was acquired and initial consolidation began on 1 November 2021.

A summary of the main details referring to this transaction are provided below.

Company Name	Date of operation (1)	Cost of operation (2)	Ownership interest	Group profit/loss (3)
Elidata	01/11/2021	15,050	55%	251

(1) Date when control was acquired.

(2) The cost of the operation refers to the total price to acquire the 55% stake in Elidata.

(3) The economic results specified refer to November and December for the company, determined using the accounting standards of the TAS Group, which differ from those utilised the company. On the other hand, the results for the year up to 31.10.2021 had no impact on the Group’s Consolidated Income Statement but are recognised under Shareholders’ Equity to determine the initial consolidation difference, which was then subjected to “purchase price allocation”.

The business combination carried out was recognised by applying IFRS 3 standards, as adopted with Regulation (EC) No. EC 495/2009 of the European Commission dated 3/6/2009.

The table below shows the assets and liabilities acquired *(in thousands of Euros):*

ELIDATA	**Amounts as per balance sheet**	**Adjustments to Group standards**	**Book value /000**
Intangible fixed assets	862	-37	825
Tangible fixed assets	1,345	190	1,535
Financial fixed assets	39	0	39
Trade receivables and other receivables	1,559	43	1,602
Trade payables and other payables	-1,707	0	-1,707
Employee severance indemnity provision (TFR) and other provisions	-675	-114	-789
Net assets at current values	**1,423**	**82**	**1,505**
Net financial position	-1,908	-188	-2,096
Net Equity	**-485**	**-106**	**-591**

The table below shows assets and liabilities partially transferred with the transfer of the Capital Market Business Unit, for a stake equal to 45%:

Balance Sheet	**Book value /000**
Intangible fixed assets	21
Tangible fixed assets	17
Financial fixed assets	0
Trade receivables and other receivables	1,042
Trade payables and other payables	-978
Employee severance indemnity provision (TFR) and other provisions	-198
Net assets at current values	**-96**
Net financial position	-17

Net Equity	**-113**
% attributable to the Group	45.0%
Pro-rata net equity	**-51**
45% transfer price	**6,099**
Equity impact	**6,149**

The accounting effects deriving from the 45% transfer of the net assets and liabilities of the business unit led to a Euro 6,149 thousand increase in equity. Pursuant to IFRS 10, the impacts of this operation, in fact, must not lead to the recognition of profit in the income statement, as this is an equity operation given that the Group did not lose control over the CM Business Unit.

PURCHASE PRICE ALLOCATION

In compliance with IFRS 3, on the date of the initial consolidation of Elidata, 1 November 2021, the purchase price allocation was prepared.

After the assessment programme carried out based on plans prepared by Group management, the presence of intangible assets with defined useful life were identified which had not previously been recorded in the financial statements of the acquired company (Elidata). More specifically, these were:

- specific contracts with major customers (Customer List), for a total *fair value* of Euro 3,842 thousand.
- the software known as *Caronte.* This software is an all-in-one trading system involving over 80 markets globally, (MTF, OTF and international brokers), with a modular structure that allows for integration of third party software solutions including Back Office, Position Keeping and Transaction Reporting. The fair value determined was Euro 732 thousand.

Additionally, the real estate owned by the company for office use were recognised at fair value, estimated using the financial income method, with an increase of Euro 1,076 thousand.

The recognition of these assets in the Group's consolidated financial statements also led to corresponding entries for deferred tax liabilities, as detailed in the table below;

Balance Sheet	**31.12.2021 (provisional amounts)**	**PPA**	**31.12.2021 (definitive amounts)**
Intangible fixed assets	825	4,574	5,399
- Goodwill (merger, C64)	*723*	-	*723*
- Customer list	-	*3,842*	*3,842*
- Software	-	*732*	*732*
- Other intangible fixed assets	*102*	-	*102*
Tangible fixed assets	1,535	*1,076*	2,611

Financial fixed assets	39	-	39
Cash and cash equivalents	1,626	-	1,626
Other assets	1,602	-	1,602
Total Assets	**5,627**	**5,650**	**11,277**
Employee severance indemnity provision (TFR) and other provisions	(789)		(789)
Financial liabilities	(3,722)		(3,722)
Other liabilities	(1,707)	(1,576)	(3,283)
Total liabilities	**(6,218)**	**(1,576)**	**(7,794)**
Net assets/liabilities at fair value (A)	**(591)**	**4,074**	**3,483**
% minority interests (B)	45%	45%	45%
Net assets/liabilities at fair value (A x B)	**(266)**	**1,833**	**1,567**
Purchase price (C)	**15,050**	**-**	**15,050**
% attributable to the Group	55%	55%	55%
Reversal, fair value portion of business unit not transferred C*	**(8,252)**	**-**	**(8,252)**
Goodwill (B-A+C)	**7,123**	**(2,241)**	**4,882**

* *The CM Business Unit in the TAS Group consolidated financial statements continues to be recognised at the accounting values prior to the Elidata acquisition because the Group never lost control over the same. Therefore, the portion of fair value associated with the CM Business Unit was reversed.*

Therefore, the total goodwill deriving from the Elidata operation, also considering the C64 merger operation, amounted to Euro 5,605 thousand at 31 December 2021.

3. RUSSIA/UKRAINE CRISIS – CALL TO ATTENTION FOR FINANCIAL DISCLOSURES

In compliance with the CONSOB call to attention of 18 March 2022, regarding the financial disclosure that issuers must provide in the light of the war in Ukraine (in line with the recommendations published by ESMA on 14 March 2022, illustrating the supervisory and coordination actions undertaken in this context) the Company provides the following information relative to the points below:

i. disseminate as soon as possible any privileged information involving the impacts of the crisis on fundamentals, prospects and the financial situation, in line with transparency requirements pursuant to market abuse regulations, unless there are conditions that allow publication of the same to be delayed; and

ii. provide information, to the extent possible both qualitative and quantitative, regarding current and foreseeable, direct and indirect effects of the crisis on commercial activities, exposure to markets affected, supply chains, the financial situation and economic results in the 2021 financial reports, if these have not yet been approved, and at the annual Shareholders' Meeting or otherwise, in the interim financial reports.

Impacts associated with the crisis in Ukraine, at present nobody is able to measure the amount of the decline, which will depend on various factors: the duration of the crisis, the possibility to make use of diplomatic channels, the structure of sanctions imposed on Russia.

We note that the TAS Group does not currently have offices in the countries directly involved in the conflict, nor to these represent significant markets for growth or supplies for it. Nonetheless, the events currently have created a situation of general uncertainty, in which future developments and potential effects are not foreseeable.

Of particular note is the increase in threats relative to assessing cyber risk linked to the conflict between Russia and Ukraine. For the first time, the most dangerous groups of hackers in the world are dividing up into factions and, within cyberspace, we are seeing an unprecedented series of attacks.
Ransom ware viruses, one of the main threats to business continuity for companies, have multiplied and transformed from simple extortion devices used with companies into destructive tools which entirely ignore the spending ability of companies, focussing exclusively on destroying the systems they attack.
In terms of the proliferation of ZeroDay vulnerabilities (vulnerabilities not yet identified by antivirus systems - the most dangerous), there has been a dramatic increase in rates paid for these on the DarkWeb and this has dramatically increased cyber risks for all companies.

Within the Group, in addition to all the actions which already exist to mitigate cyber risk, we have also agreed to increase the level of attention paid to this in the Security Operations Center, also through the insertion of IOCs (Indicators of Compromise) which has allowed us to obtain greater visibility specifically for the threats that have arisen due to the conflict.

4. VALUATION CRITERIA

REFERENCE ACCOUNTING STANDARDS

The 2021 consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, and the measures implementing Art. 9 of Italian Legislative Decree 38/2005. IFRS also means the currently applicable International Accounting Standards (IAS) and all of the interpretation documents issued by the IFRS Interpretations Committee, formerly known as International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee before that (SIC).

The Financial Statements were prepared on the basis of the historic cost principle, modified where required for the valuation of certain assets and liabilities, where the fair value principle was applied, and the assumption of a going concern.

FINANCIAL STATEMENTS

The Consolidated Financial Statements are presented in thousands of Euro.
Accounting policies have been uniformly applied in all Group companies and for all the periods presented.
The Financial Statements adopted by the Group have the following characteristics:

- in the Consolidated Balance Sheet, assets and liabilities were analysed according to when they fall due, separating current and non-current items with due dates within or after 12 months from the date of the Financial Statements, respectively. Pre-paid and deferred taxes were offset per country and recorded under the assets or liabilities in the Financial Statements according to the net deferred taxes for each country;
- the Consolidated Income Statement and the Consolidated Comprehensive Income Statement were presented with the different items analysed based on their nature;
- the Statement of changes in the consolidated equity statements were prepared in accordance with IAS 1 provisions;
- the Consolidated Cash Flow Statement shows consolidated cash flows based on the "indirect method", as permitted by IAS 7.

Finally, we note that with reference to Consob Resolution no. 15519 of 27 July 2006 on Financial Statement schedules, related party transactions have been disclosed.

In particular, relative to the Consolidated Cash Flow Statement, below is a reconciliation of changes in net a working capital and IFRS 16 financial liabilities, for which cash flows are shown within operations in the Group's cash flow statement.

Net Working Capital	***Notes***	***31/12/2021***	***31/12/2020***
Contract assets with customers	**18**	(923)	(2,655)
Trade receivables	**19**	(4,566)	(2,318)
Other receivables (including non-current)	**17/20**	(927)	(20)
Receivables for current taxes on income	**21**	(500)	(977)
Deferred tax receivables	**16**	1,318	(1,001)
Trade payables	**30**	2,858	1,609
Current income tax payables	**32**	(271)	(2,027)
Other payables (including non-current)	**28/31**	(808)	19,998
Financial Statement schedules		**(3,819)**	**12,609**
Receivables for current taxes on income		500	977
Deferred tax receivables		256	1,001
Current income tax payables		271	(246)
Put option		538	(12,953)
Impact of mergers on NWC		(105)	(2,605)
Cash Flow Statement		**(2,359)**	**(1,217)**

IFRS 16 leasing liabilities	***Notes***	***31/12/2021***	***31/12/2020***
Change in current debt	**33**	52	279
Change in non-current debt	**29**	(807)	(1,423)
Financial Statement schedules		**(755)**	**(1,144)**
New or renewed contracts		(1,317)	(855)
Partial or complete contract termination		502	691
Impact of Infraxis operation		-	(108)
Cash Flow Statement		**(1,570)**	**(1,416)**

Use of estimates and assumptions in preparing the Consolidated Financial Statements

The preparation of the Consolidated Financial Statements also requires the use of estimates and assumptions that can determine significant effects on the values posted on the balance sheet and income statement, as well as on the disclosure relative to the potential liabilities and assets stated on the financial statements. The production of such estimates involves the use of available information and the adoption of subjective assessments based on past experience, which are used to formulate reasonable assumptions for the recognition of operations. By their nature, these estimates and assumptions may change from year to year and, therefore, cannot be excluded that, in future years, the current values entered in the Financial Statements may differ significantly as a result of changes in the subjective valuations.

The main areas where subjective judgements by management were required include:

- the quantification of losses for impairment of loans and, generally, other financial assets;
- the determination of fair value of financial instruments;
- an assessment on whether the goodwill, other intangible fixed assets and investments are appropriate (it is noted that, due to the importance of this particular item, a sensitivity analysis was carried out. Reference is made in this regard to Note 12);
- an estimate of contract costs for the valuation of assets resulting from contracts;
- the quantification of severance indemnity provisions and the risks and charges provisions;
- estimates and assumptions relating to the recognition of deferred tax receivables.

The description of the accounting principles applied to the main items in the Financial Statements provides the information needed to identify the main assumptions and subjective judgements used in preparing the Consolidated Financial Statements. Reference is made to the specific sections of the Notes for more information and details on the item’s composition and amounts involved in these estimates.

CONSOLIDATION PRINCIPLES

The Consolidated Financial Statements include the Financial Statements of TAS and those of companies over which TAS exercises direct or indirect control.

The criteria adopted for the classification, recognition, assessment and cancellation of various asset and liability entries are set out below, together with the criteria for the recognition of income components. The accounting standards applied are the same as those applied to the Annual Financial Statements at 31 December 2020, with the exception of that described in the section

"Accounting standards, amendments and interpretations applied from 1 January 2021" and in the relative sections of the Notes on the affected items.

Scope and methods of consolidation

The consolidated financial statements are prepared on the basis of the draft financial statements at 31 December 2021, prepared by the directors of the companies included in the scope of consolidation, submitted for the approval of the Shareholders' Meeting.

The scope of consolidation changed during the year due to the following operations:

- On 25 February 2021, TAS International acquired full control over the Brazilian subsidiary TAS Brasil Ltd;
- On 6 October 2021 TAS finalised its merger with Elidata S.p.A., a company that develops IT solutions for the financial sector, and now holds a 55% stake in the share capital of Elidata, effective as of 1 November 2021.

Recall that with reference to the Infraxis Group, during the previous year the Company and the sellers signed a shareholders' agreement which establishes, among other things, a put and call option relative to the current equity investment of 27.2% in TAS International, which can be exercised through 2024 in the case of a change in control over TAS. Based on IAS 32.23, in the case of put options on own equity the option is not measured, rather the existence of the presuppositions for the recognition of a liability. In the case at hand, in consideration of the fact that the change of control depends on the decisions of the parent company OWL S.p.A. and not the Company, a liability was recognised at fair value.

Consequently, already as of the consolidated financial statements for the previous year, TAS International was consolidated as if it were 97.13% controlled, with the result of a fair value payable of Euro 12.4 million, neutralising the TAS International share capital increase carried out through a contribution in kind by the minority interests described above.

On 25 January 2022, the contract to purchase all the share capital of GUM International and 2BP S.r.l. by Solidus BidCo (a company indirectly held by the funds Gilde Buy-Out Fund VI C.V. and Gilde Buy-Out Fund VI 2 C.V.) and therefore, indirectly the full share capital of OWL S.p.A. the direct parent of TAS. This event, which occurred after the end of the financial year, was treated as a non-adjusting event, meaning it had no impacts on the calculation of the fair value of the option at 31 December 2021. The first few months of 2022 passed without either the sellers of Infraxis or TAS exercising the options by the deadline. In the absence of any transactions between shareholders, the stake of equity relative to minority interests against the payable will be restored in the financial statements for 2022.

Group subsidiaries are consolidated using the line-by-line consolidation method, while associated companies are consolidated with the net equity method.

The companies held by the Group at 31 December 2021 and the relevant equity investments are shown below, including adjustment to the Group's accounting standards:

Company Name	Nationality	Share capital (€/000) at 31/12/2021	% Ownership 31/12/2021	% Ownership 31/12/2020	Net Equity (€/000) at 31/12/2021
TAS SPA	Italy	24,330			55,399
TAS FRANCE SASU*	France	500	100	100	2,584
TAS INTERNATIONAL SA	Switzerland	105	69.93	69.93	21,891
TAS IBERIA SLU*	Spain	20	100	100	30
TAS BRASIL LTDA*	Brazil	792	100	99.65	362
TAS USA INC*	USA	16	100	100	735
TAS GERMANY GMBH*	Germany	25	100	100	99
MANTICA ITALIA SRL	Italy	10	100**	80	(221)
GLOBAL PAYMENTS SPA	Italy	6,000	100	100	32,059
TAS EASTERN EUROPE D.O.O.*	Serbia	1,016	100	100	1,084
ELIDATA SPA	Italy	104	55	NA	14,006
INFRAXIS AG*	Switzerland	561	100	100	5,222
INFRAXIS LTD*	UK	22	100	100	49

* The ownership percentage refers in part to TAS International SA.
** With a deed dated 11 March 2022, the parent company TAS acquired the residual stake of 20%.

With regard to the consolidation methodology, equity investments were consolidated using the line-by-line method. In accordance with IFRS 10, the concept of control goes beyond a majority percentage interest held in the investee company's share capital, and applies when an entity is exposed to variable returns, or is entitled to these returns, resulting from its relationship with the subsidiary, and at the same time, has the ability to affect these returns by exercising its power over said entity.

The consolidation envisages the line-by-line aggregation of balance sheet and income statement aggregates in the subsidiaries' accounting positions. The following adjustments were made in this regard:

(a) the carrying amount for equity investments held by the Parent Company and the corresponding portion of net equity were eliminated;
(b) the portion of net equity and profit or loss for the year pertinent to minority interests were recognised in a separate item.

If the outcome of these adjustments is positive, after being allocated as assets or liabilities of the subsidiary, they are recognised as goodwill under "Intangible fixed assets" on the date of first consolidation, if the requisites apply.

If the resulting differences are negative, these are generally recognised in the income statement. Infra-group balances and transactions, including revenue, costs and dividends are completely eliminated. The financial results of a subsidiary acquired during the year are included in the consolidated financial statements from the date control was acquired.

Similarly, the financial results of a sold subsidiary are included in the consolidated financial statements up to the date when control ceased. The accounting positions used in drafting the consolidated financial statements are prepared on the same date. The consolidated financial statements are drawn up using uniform accounting standards for similar transactions and events.

If a subsidiary should use different accounting standards from the ones in the consolidated financial statements for similar transactions and events under similar circumstances, adjustments are made to the accounts for the purpose of consolidating the financial and asset balances.

All assets and liabilities of foreign subsidiaries in currencies other than the Euro that fell within scope of consolidation were converted using the exchange rate applicable at the Financial Statements date (current exchange rate method). Income and expense items were converted at the average exchange rate for the period. Exchange rate differences resulting from the application of this method were recorded in the Comprehensive Income Statement and accumulated in the specific equity reserve until the investment was sold. In preparing the Consolidated Cash Flow Statement, cash flows of foreign subsidiaries were converted using exchange rates that approximate the effective ones.

Goodwill and fair value adjustments resulting from the acquisition of foreign companies were recorded in the relevant currency and converted using the exchange rate at the end of the period.
On first-time adoption of IAS/IFRS (1 January 2004), the cumulative conversion differences arising from the consolidation of foreign subsidiaries outside the Euro area were cleared, as permitted by IFRS 1.
Capital gains/losses on the subsequent disposal of said companies will only include the cumulative conversion differences arising after 1 January 2004.

The exchange rates used were as follows:

Currency	Average		Close	
	2021	2020	2021	2020
Swiss Franc	1.08	1.07	1.03	1.08
Brazilian Real	6.38	5.89	6.31	6.37
Serbian Dinar	117.55	117.62	117.62	117.41
US dollar	1.18	1.14	1.13	1.23
British pound	0.86	0.89	0.84	0.90

As from the financial statements starting from 1 July 2009, business combinations must be recognised by applying the IFRS 3 accounting standards; the recognition of shareholding acquisition operations, where control was acquired and that could qualify as “business combinations”, must be done using the “acquisition method”, which requires:

- identifying the acquirer;
- determining the acquisition date;
- recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree;
- recognising and measuring goodwill or a gain from a bargain purchase.

INTANGIBLE FIXED ASSETS

Goodwill

Goodwill acquired in a business combination represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not individually identified and separately recognised, or it is determined as the positive difference between the consideration transferred (equal to the fair value at the acquisition date) and the net amounts at the date of acquisition of the assumed identifiable assets and liabilities. It should be noted that if the difference is negative, a gain is recognised in the Income Statement.
It is entered in the balance sheet as an intangible asset.
Goodwill is recorded at cost and is not amortised but is subject to impairment tests once a year or more frequently if any events or changes in circumstances indicate possible losses in value (impairment losses), according to the provisions of IAS 36 – *Impairment of assets*.
After initial recognition, goodwill is measured at cost less any accumulated impairment losses.
In the context of First-time Adoption IAS/IFRS, it was decided not to apply IFRS 3 retrospectively to the business combinations that occurred before 1 January 2005; as a consequence, goodwill arising on acquisitions before the date of transition to IFRS was retained at the previous Italian GAAP amounts, subject to impairment testing at that date.

Research and development expenses

Research costs were charged to the Income Statement at the time the cost was incurred on the basis of IAS 38.
When the costs incurred in respect of software development meet the following conditions, they are recognised as an intangible assets on the asset side of the balance sheet.
Capitalisation begins when the company can demonstrate:

a) the technical possibility of completing the software solution so that it is available for use or sale;
b) its intention to complete the software solution to use it or sell it;
c) its ability to use or sell the software solution;
d) the procedure to generate future economic profits, e.g., by demonstrating the existence of a market for any software-based product or for software itself, or its internal use;
e) the availability of adequate technical, financial and other resources to complete the development of software and the use or sale of the software;
f) the ability to reliably assess the cost attributable to the software during the development phase.

The amortisation of capitalised software development costs is based on a systematic criterion from the initial product availability for use through to the estimated useful life, which is normally three years. The straight-line method is the chosen amortisation approach.

Other intangible fixed assets

Other intangible assets are recognised as assets in accordance with IAS 38 – *Intangible fixed assets*, when it is probable that the use of said assets will generate future economic benefits and if their costs can be reliably measured. Assets are valued at purchase cost and amortised on a straight-line basis over their estimated useful life.

The other intangible fixed assets include specific intangible fixed assets acquired by the Group in the scope of company aggregation operations, and these are therefore identified and measured at fair value on the acquisition date in the context of recognition using the abovementioned purchase method. These assets are considered as intangible fixed assets with a definite life and are amortised over their estimated useful life.

The useful life for each category is as follows:

CATEGORY	**RATES**
Goodwill	Indefinite useful life
Development costs	33.33%
Industrial patent rights	20.00%
Trademarks	10.00%
TAS EE Customer List	16.67%
Infraxis Customer List	7.14%
Elidata Customer List	6.67%
Infraxis Software	12.50%
Elidata Software	12.50%

TANGIBLE FIXED ASSETS

Property, plants and machinery

Tangible fixed assets are recognised at cost and entered at the purchase price or cost of production including the directly attributable ancillary costs necessary to make the assets available for use.

Tangible assets are systematically depreciated on a straight-line basis throughout their useful life, with this understood as the estimated period in which the asset will be used by the company. Should tangible fixed assets consist of several components with different useful lives, depreciation is calculated separately for each component. The depreciation value is represented by the recognition value less the presumed net value of disposal at the end of its useful life, if significant and reasonably determinable.

When events occur that lead to expectations of an impairment in the value of tangible assets, their recoverability is verified by comparing the recognition and value against the related recoverable value, represented by the higher of the fair value, net of disposal costs, and the value in use.

In the absence of any binding sale agreement, fair value is estimated on the basis of the values expressed by an active market, by recent transactions, or on the basis of the best information available to reflect the amount that the company could obtain from selling the assets.
The value in use is determined by discounting the expected cash flows deriving from use of the assets and, if significant and reasonably determinable, from its disposal at the end of its life. Cash flows are determined on the basis of reasonable and documented assumptions representing the best estimate of future economic conditions during the asset's remaining life. Discounting takes place at a rate that takes into account the implicit risk in the business sector.
Should the grounds for impairment lapse, the assets would be revalued and the adjustment recognised in the Income Statement as a revaluation (reversal of impairment) up to the amount of

the write-down, or the lower of the recoverable value and the carrying value before previous write-downs and reduced by the depreciation had it not been written down.
Depreciation begins when the asset is available for use, taking into account the actual time that condition is realised.

The rates applied by the Company are as follows:

CATEGORY		**RATES**
Specific plants and machinery		15%
Equipment:		15%-20%-25%
Other assets:		
	- Cellphones	25%
	- Furniture and furnishings	12%
	- Electronic office machinery	40%
	- Hardware	40%

Leased fixed assets

Assets held by the Group through leasing contracts, including operating leases, are recognised among the assets with a financial payable balancing entry, in accordance with standard IFRS 16, in effect as of 1 January 2019. In particular, assets are recognised at an amount equal to the current value of future payments as of the date the contract was signed, discounted with the applicable borrowing rate for each contract, amortised based on the duration of underlying contract, taking into account the effects of any extension or early termination clause which is reasonably certain of being used.

In compliance with the provisions of IFRS 16, as of 1 January 2019 the Group identifies as leases contracts against which it acquires a right of use over an identifiable asset for a period of time, in exchange for payment.
Relative to each leasing contract, starting on the commencement date for the same, the Group recognises an asset among tangible fixed assets (the right of use for the asset) as a balancing entry for the corresponding financial liability (leasing payable), with the exception of the following cases: (i) short term leases; (ii) low value leases, applied to situations in which the asset leased has a value of no more than Euro 5 thousand (when new).
For short term and low value leases, the financial liability and relative right of use are not recognised, but instead the rental payments are recognised in the income statement on a straight-line basis of over the duration of the respective contracts.
In the case of a complex contract which includes a leasing component, the latter is always handled separately with respect to the other services included in the contract.
Rights of use are recognised among tangible fixed assets. At the time a leasing contract is initially recognised, the right of use is recognised at a value which corresponds to the leasing payable, determined as above, plus any rent paid in advance and accessory charges, net of any incentives received. When applicable, the initial value of the rights of use also includes correlated costs for dismantling and restoration of the area.
Situations which lead to redetermination of the leasing payable require a corresponding change in the value of the right of use.

After initial recognition, the right of use is subject to straight line amortisation, starting on the commencement date of the lease, and is subject to writedowns in the case of a loss of value. Amortisation is recognised based on the lesser of the duration of the lease and the useful life of the underlying asset. Nonetheless, in the case that a leasing contract involves a change of ownership, also when due to the use of options included in the value of the right of use, amortisation is recognised on the basis of the useful life of the asset.

Leasing payables are recognised in the financial statements among current and non-current financial liabilities, together with the Group's other financial payables. At the time of initial recognition, the leasing payable is recognised on the basis of the current value of the leasing payments to be made, determined using the implicit interest rate for the contract (that is, the interest rate which makes the current value of the sum of payments and the residual value equal to the sum of the fair value of the underlying asset and the initial direct costs sustained by the Group); if this rate is not indicated in the contract and cannot be easily determined, the current value is determined by using the “incremental borrowing rate”, that is the incremental rate which, in a similar economic situation and to obtain a sum equal to the value of the right of use, the Group would pay for a loan with a similar duration and collateral.

Leasing payments subject to discounting include fixed payments; variable payments based on an index or rate; a release price, when it exists and the Group is reasonably sure of utilising it; the amount of the payment established against the release of collateral for the residual value of the asset; the amount of penalties to be paid in the case early contract termination options are exercised, if the Group is reasonably certain of exercising the option.

After initial recognition, the leasing payable is increased to take into account interest accrued, determined on the basis of the amortised cost, and is decreased against the leasing payments made. Further, the leasing payable is subject to redetermination upwards or downwards in cases of changes to the contracts or in other situations envisaged under IFRS 16 which involve a change in the amount of the payments and/or the duration of the lease. In particular, in the presence of situations which involve a change in the estimated probability of the utilisation (or non-utilisation) of renewal or early termination options for the contract, or in the probability of the release (or not) of the asset upon contract maturity, the leasing payable is redetermined, discounting the new value of the payments to be made based on the new discounting rate.

Impairment of assets (impairment test)

Goodwill, intangible assets with an indeterminate life, and current development costs are subjected to a systematic impairment test, at least once a year or whenever indications of value impairments arise.

Tangible assets and equity investments in subsidiaries, affiliates and joint ventures, as well as intangible fixed assets subject to amortisation undergo an impairment test, whenever indicators of impairment are identified.

The reductions in value correspond to the difference between the book value and the recoverable value of an asset. The recoverable value is the higher of the fair value of an asset or a cash generating unit, less the sale costs, and its value in use, defined on the basis of discounted future cash flows. The value in use is the sum of the cash flows expected from the use of an asset, or their sum in the case of cash-generating units.

The discounting of the expected cash flows is carried out according to the weighted average cost of capital (WACC). If the recoverable value is less than the book value, it is entered at the recoverable value, and the impairment in value is recorded on the Income Statement. If the value impairment of the assets (excluding goodwill) ceases to exist, the book value of the assets (or CGU) is increased up to the new estimate of the recoverable value without exceeding the original value.

Associated companies

Associated companies are all companies in which the Group has a significant influence, but over which it does not exercise control. Significant influence is judged to exist when the Group holds an equity investment that represents between 20% and 50% of the voting rights in the Shareholders' Meeting. If this circumstance does not exist, the Group assesses the specific facts and circumstances to determine whether significant influence exists.
Equity investments in associated companies are measured using the Equity method. In this method, the equity investment in the associated company is initially recognised using the acquisition method described above and the carrying value is increased or decreased to indicate the portion of profits or losses realised by the investee after acquisition which pertain to the investor. Goodwill relative to an associated company is included in the carrying value of the equity investment and is not subject to amortisation.
The portion of profits or losses post-acquisition of associated companies pertaining to the Group is recognised in the Income Statement, while its post-acquisition stake in changes in reserves is recognised among the reserves. Cumulative post-acquisition changes are included in the carrying value of the equity investment.
Unrealised profits following transactions carried out between the Group and its associated companies are eliminated in proportion to the equity investments the Group holds in the associated companies. Unrealised profits are also eliminated unless the loss is held to represent impairment of the assets transferred. The accounting standards adopted by associated companies are adapted when necessary in order to ensure consistency with the policies adopted by the Group.
When significant influence over an associated company is lost, the Group measures and recognises the residual equity investment at fair value. Any difference between the carrying value of the equity investment as of the day on which significant influence was lost and the fair value of the residual equity investment and payment received must be recognised in the Income Statement.

FINANCIAL ASSETS AND LIABILITIES

The Group measures certain financial assets and liabilities at fair value. Fair value is the price for which an asset would be sold or that which would be paid to transfer a liability, in a regular transaction between market operators on the measurement date.
Fair value measurement supposes that the sale of the asset or transfer of the liability takes place:

- on the primary market for the asset or liability or
- in the absence of a primary market, on the market most advantageous for the asset or liability.

The main market or most advantageous market must be accessible to the Group. The fair value of an asset or liability is measured adopting the assumptions which market operators would use in determining the price of the asset or liability, presuming that these act to best satisfy their own economic interest. Fair value measurement of a non-financial asset considers the ability of a market operator to generate economic benefits by using the asset as much and as well as possible or by selling it to another market operator which would use the asset as much and as well as possible.

The Group uses measurement techniques appropriate to the circumstances and for which sufficient data is available to measure fair value, preferring observable significant data over non-observable input. All assets and liabilities for which fair value is measured or recognised in the financial statements are categorised on the basis of the fair value hierarchy, as described below:

- Level 1 - listed (non adjusted) prices on active markets for identical assets or liabilities, which the entity can access on the measurement date;
- Level 2 - inputs other than the listed prices included on Level 1, directly or indirectly observable for the asset or liability;
- Level 3 - measurement techniques for which the input data for the asset or liability cannot be observed.

The fair value measurement is classified entirely within the fair value level in which the lowest level input used for the measurement falls.
For assets and liabilities recognised in the Financial Statements on a recurring basis, the Group determines whether changes between fair value hierarchy levels have occurred at each reporting date.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset for an entity and a financial liability or instrument representing equity for another entity.

Financial assets
Financial assets are initially recognised at their fair value plus any accessory charges, in the case of a non-financial asset not at fair value recognised through profit and loss. An exception is financial receivables which do not contain a significant financing component. For these, the Group applies the practical expedient, measuring them at the price of the transaction determined based on IFRS 15.

At the time of recognition, for the purposes of subsequent measurement, financial assets are classified based on four possible measurement methods, described below:

- Financial assets at amortised cost;
- Financial assets measured at fair value through other comprehensive income with reclassification of cumulative profits and losses;
- Financial assets measured at fair value through other comprehensive income without reversal of cumulative profits and losses at the time of elimination (instruments representing equity);
- Financial assets measured at fair value through profit or loss.

The process for classifying financial assets depends on:

- the nature of the financial assets, determined mainly by the features of the contractually established cash flows;
- the business model the Group uses to manage the financial asset to generate cash flows, which may derive from the collection of contractual cash flows, the sale of the financial assets or both.

For a financial asset to be classified and measured at amortised cost or at FVOCI, it must generate “solely payments of principal and interest” or SPPI. This aspect is indicated as the SPPI test and is performed for each individual instrument.

Financial assets are removed from the financial statements when the right to receive cash flows has ended, the Group has transferred the right to receive the cash flows from the asset to a third entity or it has taken on a contractual obligation to pay them fully and without delay and (1) has substantially transferred all the risks and benefits of ownership of the financial assets, or (2) has not transferred nor substantially maintained all the risks and benefits of the assets, but has transferred control over the same.

In cases in which the Group has transferred the rights to receive cash flows from an asset or has signed an agreement on the basis of which it maintains the contractual rights to receive cash flows from the financial asset but has a contractual obligation to pay these cash flows to one or more beneficiaries (pass-through), it then determines whether and to what extent it still holds the risks and benefits inherent to possession.

Assessments are regularly carried out to determine whether there is objective evidence that a financial asset or group of financial assets may be impaired. If there is objective evidence of this, the impairment is recognised as a cost in the income statement for the period.

For trade receivables and assets deriving from contracts, the Group applies a simplified approach when calculating expected losses. Therefore, the Group does not monitor changes in credit risk, but recognises the entirety of expected losses at each reference date.

Financial liabilities

Financial liabilities are measured with the amortised cost method, recognising charges to the income statement with the effective interest rate method, with the exception of financial liabilities acquired for trading purposes and derivatives (see the following section), as well as those designated FVTPL by Management at initial recognition, which are measured at fair value with a balancing entry in the income statement.

Financial guarantee liabilities are contracts which require payment to reimburse the holder of a debt security against a loss suffered by the same due to the debtor not making a contractually due payment at maturity. When issued by the Group, financial guarantee contracts are initially recognised as a liability at fair value, plus any transaction costs directly attributable to the emission of the guarantee. Subsequently, the liability is measured at the greater of the best estimate of the outlay required to comply with the obligation guaranteed as of the reporting date or the amount initially recognised, net of cumulative amortisation.

A financial liability is eliminated when the obligation underlying the liability has been extinguished, cancelled or honoured. When an existing financial liability is replaced by another from the same entity, under substantially different conditions, or the conditions of an existing liability are substantially changed, this exchange or change is handled by cancelling the original liability while recognising a new liability, recognising any differences in the carrying values in the Income Statement. In the case of changes to financial liabilities defined as non-substantial, the economic effects of the renegotiation are recognised in the income statement.

Offsetting of financial instruments

A financial asset and liability can be offset and the net balance shown in the Balance Sheet, if there is a current legal right to offset the amounts recognised for accounting purposes and there is an intention to pay the net residual amount or sell the asset and simultaneously extinguish the liability.

Financial assets measured at fair value through profit or loss

They are entered at fair value and the related changes for the period are recognised in the Income Statement.
The fair value of listed securities is based on current market prices.

Derivative financial instruments

Derivatives, including implicit ones (embedded derivatives) subject to separation from the main contract, are initially recognised at fair value.
Derivatives are classified as hedging instruments when the relationship between the derivative and the object being hedged is formally documented and the efficacy of the hedge, verified periodically, is high.
When hedging derivatives cover the risk of a change in the fair value of the instruments being hedged, these are recognised at fair value, with the effects shown in the Income Statement. Similarly, the instruments being hedged are adequate to reflect the changes in fair value associated with the risk being hedged against.
When derivatives cover the risk of a change in cash flows from the instruments being hedged (cash flow hedge), the hedges established are recognised against the exposure to variability in cash flows attributable to risks which could influence the Income Statement at a later date; these risks are generally associated with an asset or liability recognised in the financial statements (as future payments on variable rate liabilities).
The effective part of the fair value change relative to derivative contracts designated as hedges, based on the requirements outlined in the standard, is recognised as a component in the Comprehensive Income Statement (Hedging Reserve); this reserve is then included in the profit/(loss) for the period in which the hedged transaction influences the Income Statement.
The ineffective part of the fair value change, as well as the entire fair value change of derivatives not classified as hedges or which do not meet the requirements established under IFRS 9, is recognised directly in the Income Statement.

Contract assets with customers

The Group initially recognises an asset deriving from contracts with customers for each project carried out. These amounts are then reclassified under trade receivables at the time the amount is invoiced to the customer (generally once contract-based milestones have been achieved).

The payment of receivables arising from software installation services is not payable by the customer until the installation service is completed, and consequently any assets deriving from contracts with customers is recognised during the period when the installation services were carried out, so that the balance sheet reflects the company’s right to consider the services as transferred at the financial statements’ reporting date.

The Group always calculates a write-down provision on the amounts arising from contracts with customers for an amount equal to the losses expected over the entire life of the asset, basing this on its experience regarding losses on receivables and an assessment of future developments in the construction industry. None of the amounts for assets deriving from contracts with customers had lapsed at the end of the financial period.

Cash and cash equivalents

Cash and cash equivalents include liquid assets, bank and postal deposits.

Financial liabilities valued at amortised cost

Financial liabilities are recorded initially at the cost corresponding to the fair value. Subsequently, financial liabilities held until maturity are valued at the amortised cost. Transaction costs directly attributable to the issue of the liabilities are amortised throughout the life of the loan.
In the event of contract changes associated with renegotiations, the Group’s internal accounting policy requires that both a qualitative and quantitative test are carried out.

Employee severance indemnity provision (TFR)

The employee severance indemnity (TFR) is classified as a post-employment benefit and consists of payments due to employees after the termination of their employment contracts.
Under IAS 19 Revised – *Employee benefits*, the related liability is considered on the basis of a valuation made on the date of the balance sheet, in respect of the service rendered during the current year, and in previous years. The method used is the projected unit credit method applied by independent actuaries.
This calculation consists of estimating the amount of benefit that the employee will receive on the estimated date of termination, using demographic assumptions (such as the rate of mortality and staff rotation rate) and financial assumptions (such as the discount rate and future salary increments). The total calculated in this way is discounted and re-proportioned on the basis of the length of service accumulated, compared to the total length of service, and represents a reasonable estimate of the benefits already accrued by each employee in return for their work.
The actuarial gains and losses deriving from the actuarial calculation are recorded in the Balance Sheet under Reserves IAS 19 and accounted for in the Comprehensive Income Statement. The cost components relating to work and net financial expenses are accounted for in the Income Statement.
With reference to the TFR provision, considered as a defined-benefits plan until 31 December 2006, Law no. 296 of 27 December 2006 (the “2007 Finance Act”) and the subsequent decrees and regulations issued during 2007 introduced significant reforms to the way in which quotas of severance pay are allocated, as part of the reforms to the welfare and pensions system.
Specifically, workers can now decide to allocate new TFR benefits to supplementary pension schemes or keep them with the company (for companies with less than 50 staff) or transfer them to the National Pension Fund (INPS) (for companies with more than 50 staff). Following these reforms, the Company has based itself on the generally accepted interpretation and has decided that:

- for TFR benefits accruing up until 31 December 2006 the provision will be a defined-benefits plan to be valued according to the existing actuarial rules but without including the component relating to future salary increases;
- for subsequent TFR benefits, whether these are destined for supplementary pension schemes or the Treasury fund held by INPS, they are classified as defined-benefit plans. Components subject to actuarial estimates are excluded from the calculation of the accrual cost.

Provisions for potential risks and liabilities

Provisions for risks and charges relate to costs and charges of a certain nature, or risks and charges which are certain or likely to exist on the closing date but whose amount or date of occurrence is not yet known. The provisions are recorded when: (i) the existence of a legal or implied obligation deriving from a past event is probable; (ii) it is probable that fulfilment of the liability will involve expenditure; (iii) the amount of the liability can be reliably estimated. The provisions are booked at the value representing the best estimate of the amount that the company would reasonably pay to discharge the obligation or to transfer it to a third party, on the closing date. When the temporal financial effect is significant and the payment dates can be reasonably estimated the provision is discounted.
The costs that the company expects to incur by carrying out restructuring programmes are recognised in the year in which the programme is formally defined, and when the interested parties have a reasonable expectation that the restructuring will take place.
The provisions are periodically updated to reflect any changes in the costs' estimates, realisation times and discounting rates. The revised estimates of the provisions are charged to the same Income Statement headings under which the provision was previously booked, or, when the liability relates to material assets, as a contra-entry to the assets in question.

Foreign currency transactions

Transactions in foreign currencies are recorded at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are converted at the spot exchange rate prevailing on that date. Exchange differences arising from the settlement of monetary items or from their conversion at rates other than those at which they were initially recorded during the period or in previous financial statements, are recognised in the Income Statement.

Revenue

As required by **IFRS 15 - *Revenue from Contracts with Customers,*** the recognition of revenue follows the steps set out below:

- identifying the contract with the customer;
- identifying the performance obligations in the contract;
- determining the price;
- assigning the price to the contract's performance obligations;
- the recording criteria for revenue when the entity satisfies each performance obligation.

Specifically:

- Revenues from proprietary software applications are recognised in the income statement at the time of receipt by the customer of the material required for installation with the customer. As this relates to user licences, the installation of the test environment is considered to represent the transfer of the intangible asset to the client, because, as from that time onwards, the client has the standard software version available.
- Revenue from customised software applications are recognised according to the terms and conditions of the related contract, when the test environments are installed with the client.
- The revenue for maintenance services governed by periodic contracts are recognised on an accrual basis.
- The revenue for fixed-price orders are recognised with reference to the stage of completion on the balance sheet date, according to the completion percentage criterion.

- The revenue for other types of order are recognised at the time when the services were rendered, on an accruals basis.

Government grants

According to the provisions of IAS 20, government grants are only recognised if there is reasonable certainty that:
a. the company will meet the required conditions; and
b. the grants have been received.

Public grants are booked as income, according to a systematic principle, in the years needed to set them against the related costs that the grant is intended to offset.

Share-based payments - Transactions with payment settled through equity instruments

Some Group employees receive part of their remuneration in the form of share-based payments. Therefore, these employees provide services in exchange for shares ("transactions settled with equity instruments").
The cost of transactions settled with equity instruments is determined by the fair value on the date the transfer is carried out, using an appropriate measurement method.
This cost is recognised among personnel costs throughout the period in which the conditions relative to achievement of objectives and/or provision of services were satisfied, with a corresponding increase in shareholders' equity as a balancing entry. Cumulative costs recognised against these transactions at the end of each financial year, through to the time of maturity, are then aligned with the end of the maturity and the best estimate of the number of equity instruments which will effectively accrue.

Service and performance conditions are not taken into consideration when the fair value of the plan is defined on the assignment date. However, the probability that the conditions will be met is taken into account when making the best estimate of the number of equity instruments which will reach maturity. Market conditions are reflected in the fair value on the assignment date. Any other condition linked to the plan which does not involve a service obligation is not considered as a condition for maturity. Non-maturity conditions are reflected in the fair value of the plan and are immediately recognised in the cost of the plan, unless there are also service or performance conditions.

No cost is recognised for rights which do not reach maturity as the performance and/or service conditions are not satisfied. When rights include a market condition or a non-maturity condition, these are treated as if they have accrued regardless of whether the market or other non-maturity conditions upon which they depend are respected, without prejudice to the fact that all other performance and/or service conditions must be satisfied.

If plan conditions are changed, the minimum cost to recognise is the fair value at assignment in the absence of the change to the plan, supposing the original conditions of the plan were satisfied. Additionally, a cost is recognised for each change that involves an increase in the total fair value of the payment plan, or which is any case favourable to the employees. This cost is measured with reference to the date of the change. When a plan is cancelled by the entity or the counterparty, any remaining element of the fair value of the plan is immediately reversed to the income statement.

Taxes

Income taxes include all taxes based upon the taxable profits. Taxes on income are recognised in the Income Statement unless they relate to items directly charged or credited to net equity, in which case the effect is recognised directly in net equity. Provisions for income taxes that could arise on the distribution of the subsidiaries' undistributed profits are only made where there is a real intention to distribute such profits. Deferred taxes are recognised using the full liability method. Deferred tax receivables on unused tax losses and tax credits carried forward are recognised to the extent that is it probable that future profits will be available against which they can be recovered. Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same tax authority and where there is a legally enforceable right of offset. Deferred tax assets and liabilities are measured at the tax rates expected to apply in the periods in which temporary differences will be realised or discharged.
Deferred taxes are not discounted and are classified under non-current assets/liabilities.

Management, coordination and Tax Consolidation

In accordance with Italian Legislative Decree No. 6/2003, it is noted that the Company is subject to the management and coordination of OWL S.p.A.
The contract, signed in 2008 between the Company and OWL S.p.A., now the parent company of TAS, governs the reciprocal relations resulting from and consequent to implementation of the consolidation option.

Dividends

Dividends payable are reported as a movement in net equity in the period in which they are approved by the Shareholders' Meeting.

Earnings per share

Basic earnings per share are calculated by dividing the Group's net profit by the weighted average number of shares in circulation during the year, excluding treasury shares. For the calculation of the diluted earnings per share, the weighted average number of shares in circulation is adjusted assuming conversion of all potentially diluting shares.

5. ACCOUNTING PRINCIPLES, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2021

The following IFRS accounting principles, amendments and interpretation were applied for the first time by the Group from 1 January 2021:

- On 31 March 2021, the IASB published an amendment titled "***Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments to IFRS 16)***" which extended by one year the period for application of the amendment issued in 2020, which allowed lessees the ability to recognise reductions in rent associated with Covid-19 without needing to determine whether the definition of a lease modification established in IFRS 16 was met through contract analysis. Therefore, lessees which applied this option in 2020 recognised the effects of the reductions in rent directly in the income statement as of the date the reduction took effect. The 2021 amendment, available solely to entities that already made use of the amendment in 2020, applies as of 1 April 2021 and early adoption is allowed. The adoption of these amendments has not had any effect on the Group's consolidated financial statements.

- On 27 August 2020, in the light of the interbank interest rate reform (IBOR), the IASB published "***Interest Rate Benchmark Reform—Phase 2***" which contains amendments to the following standards:
  - IFRS 9 Financial Instruments;
  - IAS 39 Financial Instruments: Recognition and Measurement;
  - IFRS 7 Financial Instruments: Disclosures;
  - IFRS 4 Insurance Contracts; and
  - IFRS 16 Leases.

  All these amendments took effect on 1 January 2021. The adoption of this amendment has not had any effect on the Group's consolidated financial statements.

6. AIFRS AND IFRIC ACCOUNTING PRINCIPLES, AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EU BUT NOT YET MANDATORY AND NOT ADOPTED EARLY BY THE GROUP AT 31 DECEMBER 2021

- On 14 May 2020, the IASB published the following amendments:
  - ***Amendments to IFRS 3 Business Combinations***: the amendments serve to update the reference made in IFRS 3 to the Conceptual Framework to the revised version, without this creating any changes to the provisions of the standard.
  - ***Amendments to IAS 16 Property, Plant and Equipment***: the amendments are intended to disallow deduction from the cost of property, plant and equipment the amount received from the sale of assets produced during testing of the asset. These sale revenues and the relative costs will hence be recognised in the income statement.
  - ***Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets***: the amendment clarifies that when estimating the possible expense associated with a contract, all costs directly attributable to the contract must be considered. As a consequence, the measurement of the possible expense of a contract includes not only incremental costs (e.g. the cost of the material directly used in processing), but also all costs the company cannot avoid due to the signing of the contract (e.g., the portion of depreciation of machinery used to fulfil the contract).
  - ***Annual Improvements 2018-2020***: amendments were made to IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 9 *Financial Instruments*, IAS 41 *Agriculture* and to *Illustrative Examples* of IFRS 16 *Leases*.

  All these amendments take effect as of 1 January 2022. The Directors do not expect the adoption of these amendments to have a significant effect on the Group's consolidated Financial Statements.

- On 18 May 2017, the IASB published **IFRS 17 – *Insurance Contracts*** that is intended to replace IFRS 4 – *Insurance Contracts*.

  The aim of the new standard is to ensure that an entity provides pertinent information to faithfully represent the rights and obligations deriving from the insurance contracts issued. The IASB developed the standard to eliminate discrepancies and weaknesses in existing accounting policies, providing a single principle-based framework to take into consideration for all kinds of insurance contracts, including the reinsurance contracts held by an insurer.

  The new standard also sets presentation and disclosure requirements to improve comparability between the entities belonging to this sector.

  The new standard measures insurance contracts on the basis of a General Model or a simplified version of the same, called Premium Allocation Approach ("PAA").

  The entity must apply the new standard to insurance contracts issued, including reinsurance contracts issued, reinsurance contracts held and investment contracts with a discretionary participation feature (DPF).
  The standard applies as of 1 January 2023 with early application permitted only for companies that have already applied IFRS 9 -*Financial Instruments* and IFRS 15 - *Revenue from Contracts with Customers*. The Directors do not expect the adoption of this standard to have effect on the Group's Consolidated Financial Statements as this case does not exist within the Group.

7. IFRS ACCOUNTING PRINCIPLES, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EU

At the reference date of this annual financial report, the relevant bodies of the European Union had not yet concluded the approval process necessary for the adoption of the following amendments and accounting principles.

- On 23 January 2020, the IASB published an amendment titled "***Amendments to IAS 1 Presentation of Financial Statements***: ***Classification of Liabilities as Current or Non-current***". The document is intended to clarify how to classify payables and other liabilities as short or long-term. The amendments apply as of 1 January 2023. Early application is allowed. The Directors do not expect the adoption of this amendment to have a significant effect on the Group's Consolidated Financial Statements.

- On 12 February 2021, the IASB published two amendments called "***Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2***" *and "**Definition of Accounting Estimates—Amendments to IAS 8**".* The amendments are intended to improve accounting policy disclosures, so as to provide more useful information to investors and other primary users of financial statements, as well as to help companies in distinguishing between changes in accounting estimates and changes in accounting policies. The amendments apply as of 1 January 2023, with early application permitted. The Directors do not expect the adoption of these amendments to have a significant effect on the Group's consolidated Financial Statements.

- On 7 May 2021, the IASB published an amendment titled "***Amendments to IAS 12 Income Taxes***: ***Deferred Tax related to Assets and Liabilities arising from a Single Transaction***". The document clarifies how to recognise deferred taxes on certain operations which may generate assets and liabilities of the same amount, such as leases and dismantling requirements. The amendments apply as of 1 January 2023, with early application permitted. The Directors do not expect the adoption of this amendment to have a significant effect on the Group's Consolidated Financial Statements.

- On 9 December 2021, the IASB published an amendment titled "***Amendments to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information"***. The amendment offers a transition option for disclosures involving comparative information about financial assets presented at first time application of IFRS 17. The amendment is intended to avoid temporary accounting imbalances between financial assets and liabilities for insurance contracts and, therefore, to improve the utility of comparative information for readers of financial statements. The amendments apply as of 1 January 2023, when IFRS 17 is applied. The Directors do not expect the adoption of this amendment to have an effect on the Group's Consolidated Financial Statements as this case does not exist within the Group.

8. MAIN RISKS AND UNCERTAINTIES TO WHICH TAS S.P.A. AND THE GROUP WERE EXPOSED

In carrying out its activities, the Group is exposed to various financial risks, related to the economic-regulatory and market conditions that may affect the Group's performance.
The Group has an internal control system consisting of a system of rules, procedures and organisational structures intended to enable sound, correct business management, which includes the proper identification, management and monitoring of the principal risks that could threaten the achievement of corporate objectives.
The Group constantly monitors the risks to which it is exposed, in order to value the potentially negative effects in advance, and so that the best action can be taken to mitigate them.
TAS S.p.A., as the parent company, is exposed to the same risks and uncertainties described below for the Group.
The Group's risk management policies seek to identify and analyse the risks the Company is exposed to, by establishing appropriate limits and controls and monitoring risks and compliance with such limits. These policies and related systems are reviewed on a regular basis in order to reflect any changes in market conditions and the Group's activities. For more details on the principal risks and uncertainties facing the Group, please refer to the relevant section of the Group Report on Operations.

9. FINANCIAL LIABILITIES BASED ON DUE DATE

The table below analyses the Group's net financial liabilities and traded derivatives, which have been grouped according to residual maturity and contractual expiry date, compared to the reporting date. The amounts shown below, relating to financial liabilities, represent the discounted contractual cash flows.

At 31 December 2021	From 0 to 1 year	From 1 to 5 years	More than 5 years	Total
Financial liabilities	6,212	8,942	-	**15,154**
Derivative financial instruments (IRS)	4	-	-	**4**
Trade and other payables	19,702	-	-	**19,702**
Financial liabilities - IFRS 16	1,639	5,271	1,115	**8,026**
Other payables (put option)	-	12,415	-	**12,415**
Commitment liabilities	51	-	-	**51**

At 31 December 2020	From 0 to 1 year	From 1 to 5 years	More than 5 years	Total
Financial liabilities	3,658	5,320	46	**9,024**
Derivative financial instruments (IRS)	11			**11**
Trade and other payables	20,096	-	-	**20,096**
Financial liabilities - IFRS 16	1,651	5,390	2,067	**9,107**
Other payables (put option)		12,953		**12,953**
Commitment liabilities	132	-	-	**132**

10. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

The table below details "Financial assets and liabilities", based on IFRS 9:

	Financial assets at amortised cost	Financial assets at FV recognised in income statement	Financial assets at FV recognised in OCI	31.12.2021
Non-current financial assets	**882**	**756**	**-**	**1,638**
Investments and other securities	412	756	-	1,168
Financial fixed asset receivables	417	-	-	417
Other receivables	53	-	-	53
Current financial assets	**31,660**	**-**	**-**	**31,660**
Trade receivables (2.4)	30,030	-	-	30,030
Other receivables	1,139	-	-	1,139
Financial receivables	491	-	-	491
Total	**32,542**	**756**	**-**	**33,298**

	Financial liabilities at amortised cost	Financial liabilities at FV recognised in income statement	Financial liabilities at FV recognised in OCI	31.12.2021
Non-current financial liabilities	**14,763**	**12,415**	**-**	**27,178**
Other payables (2.10)	-	12,415	-	12,415
Financial liabilities - Financing (2.11)	8,041	-	-	8,041
Financial liabilities - Others (2.11)	6,722	-	-	6,722
Current financial liabilities	**25,097**	**-**	**4**	**25,101**
Trade payables (2.12)	5,914	-	-	5,914
Other payables (2.13)	11,525	-	-	11,525
Financial liabilities - Financing (2.15)	5,594	-	-	5,594
Financial liabilities - Others (2.15)	2,064	-	4	2,068
Total	**39,860**	**12,415**	**4**	**52,279**

11. FAIR VALUE HIERARCHY BASED ON IFRS 13

The table below lists the assets and liabilities measured at "fair value" and classified according to a three-level hierarchy which takes into account the different variables used for valuation purposes.

	Level 1	Level 2	Level 3	Total
ASSETS AND LIABILITIES				
Investments and other securities (13)	606	-	150	**756**
Other non-current financial liabilities (27)	-	-	12,415	**12,415**
Derivative financial instruments (32)	-	-	4	**4**
Total Assets and Liabilities	**606**	**-**	**12,569**	**13,175**

The classification of financial instruments at fair value required by IFRS 13, measured according to the quality of the input sources used, results in the following hierarchy:

Level 1: fair value determined based on the listed prices (unadjusted) in active markets for identical assets or liabilities. The balance refers to the equity investment in Nexi S.p.A.;

Level 2: fair value determined based on inputs other than the listed prices included under "Level 1", that are directly or indirectly observable. At this time, there are no instruments falling into this category;

Level 3: fair value determined based on the evaluation models where the inputs are not founded on unobservable market data. This category includes:
- equity instruments for unlisted companies not representing associates or subsidiaries classified in the category *fair value through profit and loss*. The balance mainly includes Euro 109 thousand for the investment in Flywallet. For the latter, in consideration of the fact that the acquisition occurred during the year, as well as the fact that the company is still a start up, it is considered that the price paid represents the fair value of the investment.
- the liability connected to the put&call option to be exercised in the case of a change in control for TAS established in the shareholders' agreement signed by the Company and the sellers of the Infraxis Group relative to the 27.2% equity investment in the share capital of TAS International, in the amount of Euro 12,415 thousand;
- the Parent Company's Interest Rate Swap derivative financial instruments.

BALANCE SHEET INFORMATION

ASSETS

Below are the comments on the financial accounting data. This is compared with the figures at 31 December 2020.
Note that deferred tax assets and liabilities were recognised under the assets or liabilities according to the net deferred taxes for each country.

NON-CURRENT ASSETS

12. INTANGIBLE FIXED ASSETS

GOODWILL

Goodwill	31.12.2021	31/12/2020	Change
Goodwill	31,574	25,637	5,937
TOTAL	**31,574**	**25,637**	**5,937**

The following table shows the detail for individual CGUs:

CGU	31.12.2021	31/12/2020	Change
TAS Payments Unit	15,976	15,976	-
Elidata	5,605	-	5,605
Infraxis Group	7,614	7,282	332
TAS Iberia	1,345	1,345	-
TAS France	91	91	-
TAS EE	943	943	-
Total	**31,574**	**25,637**	**5,937**

The changes during the year are shown below:

CGU	31.12.2020	Business combination	Effect exchange	31.12.2021
TAS Payments Unit	15,976	-	-	15,976
ELIDATA	-	5,605		5,605
Infraxis Group	7,282		332	7,614
TAS Iberia	1,345	-	-	1,345
TAS France	91	-	-	91
TAS EE	943	-	-	943
Total	**25,637**	**5,605**	**332**	**31,574**

These CGUs respond to the requirements of IAS 36 para. 6, i.e. they represent “the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets” and see also IAS 36 para. 80 paragraphs a) and b).

Changes during the year, other than the impacts of the business combination which are detailed in comment 2, refer to the adjustment made in accordance with IAS 21 to the closing rate at 31 December 2021 for goodwill related to the Infraxis Group CGU.

Note that the Payments CGU, which refers solely to the Payments business unit, transferred in 2020 to Global Payments S.p.A., also includes the cash flows generated by the subsidiaries TAS Brasil, TAS International and TAS USA, given that these derive primarily from resales and support on the business unit's related products.

In terms of the Elidata CGU, the impairment test was not done because the purchase price at the end of 2021 is representative of the fair value.

In line with the provisions of international accounting standard IAS 36, an impairment test was carried out to verify whether any impairment existed for all the CGUs identified, with the exception of Elidata as stated above, done by comparing the recoverable value against the related book values of the net invested capital (including the assets with an undefined useful life).

In particular, to take into account effects associated with the spread of Covid-19 and general economic uncertainty, in the previous year management, based on the macroeconomic scenario and evaluating possible repercussions on the Company's sector and business, and in consideration of doubts about the time and method of the recovery, held it expedient to carry out an impairment test based on an "alternative" scenario with reference to the "management case", revising the margins expected with reference to the 2022 and 2023 Plan approved by the Board of Directors, in order to reflect any delays similar to those seen in 2020 and that forecast in the 2021 budget with respect to the Plan.

Consequently, in the management case at 31 December 2021, to estimate the recoverable value, using the "Discounted Cash Flow – asset side" criteria, operating cash flows expected by the individual CGUs were used for 2022, based on economic/financial projections contained in the 2022 budget approved by the Board of Directors on 30 March 2022, while for 2023 the economic/financial projections from the "alternative" scenario were used, already utilised for the impairment test on 31 December 2020, and still held valid. Finally, cash flows for 2024 were estimated with an inertial growth rate aligned with the "g" rate used to calculate the terminal value.

For the purposes of estimating the recoverable value, the value in use of the net invested capital of each CGU was calculated by using the "Discounted Cash Flow – asset side" principle, which considers the company's expected cash flows based on data approved by management.

The calculation formula for the above methodology is given below:

$$V = \sum_{i=1}^{n} FCF_i \Big/ (1 + WACC)_i + TV$$

FCF = free cash flow, or cash flow generated by operations;
WACC = weighted average cost of capital;
n = specific forecast period;
TV = current terminal value, i.e. the value deriving from the cash flows generated beyond the forecast period.

The cash flows for the period after the third year were calculated based on the following formula (Gordon formula):

$$TV = {FCF_n * (1+g)} \Big/ {WACC - g}$$

where:

FCFn = cash flow sustainable beyond the forecast period;
g = business growth rate beyond the period of the plan in question
WACC = weighted average cost of capital.
The main assumptions used in calculating the value in use are given below:

- Discount rate (Weighted Average Cost of Capital – WACC) post tax:
    - 6.0% for the TAS France CGU (5.4% at 31 December 2020)
    - 6.7% for the TAS Iberia CGU (6.1% at 31 December 2020)
    - 8.3% for the TAS EE CGU (7.6% at 31 December 2020)
    - 5.1% for the Infraxis Group CGU (4.5% at 31 December 2020)

  For the Payments Unit CGU, the discount rates used were as follows:
    - 7.0% for Italy cash flows relative to Global Payments(6.6% 2020)
    - 9.7% for flows relative to TAS Brazil (8.6% 2020)
    - 5.1% for cash flows relative to TAS International (4.5% 2020)
    - 6.9% for cash flows relative to TAS Usa (5.9% 2020)

  The WACC was determined on the basis of the following values:
    a. Financial structure of the industry (debt/equity ratio + third party equity = 6.60%)
    b. Risk free rate:
        - 2.04% for the Payments Unit CGU
        - 1.07% for the TAS France CGU
        - 1.72% for the TAS Iberia CGU
        - 3.38% for the TAS EE CGU
        - 0% for the Infraxis Group CGU

  For the Payments Unit CGU, the risk free rates used were as follows:
        - 2.04% for Italy cash flows relative to Global Payments;
        - 4.91% for cash flows relative to TAS Brazil
        - 0% for cash flows relative to TAS International
        - 1.94% for cash flows relative to TAS Usa

    c. Sector unlevered beta: 0.920 to 5 years
    d. Risk premium: 5.50% for all the CGUs
- The criteria for estimating future financial flows: the cash flows – net of taxes – were taken as references as shown above.
- A total was then calculated for the discounted values (using the WACC mentioned above) of the expected cash flows after the last year of the plan extrapolated on the basis of a constant growth rate, as follows:
    - 1.39% for the Payments Unit CGU
    - 1.07% for the TAS France CGU
    - 1.70% for the TAS Iberia CGU
    - 2.79% for the TAS EE CGU
    - 0% for the Infraxis Group CGU

  For the Payments Unit CGU, the growth rates used were as follows:

  - 1.39% for Italy cash flows relative to Global Payments;
  - 3.06% for cash flows relative to TAS America
  - 0% for cash flows relative to TAS International
  - 2.34% for cash flows relative to TAS Usa
- The principal values used to determine the value in use are given in the table below:

	TAS Iberia	TAS France	TAS EE	Payments Unit	Infraxis Group
Average weighted rate of growth of income	23.0%	7.3%	7.9%	11.9%	2.7%
Average gross operating margin (EBITDA)	12.4%	41.2%	57.4%	26.4%	61.2%
Rate of growth in cash flow after plan period	1.70%	1.07%	2.79%	1.39%*	0%
Post-tax discounting rate (WACC - post tax)	6.7%	6.0%	8.3%	7.0%*	5.1%

*Represents the value relative to cash flows for Global Payments

The discounting rate used reflected the specific risk of the sector in which the TAS Group companies operate.

As permitted by paragraph 55 of IAS 36, the discounting rate was estimated post-tax, as the unlevered cash flows of each Cash Generating Unit (CGU) were also estimated post-tax, calculated on the basis of the specific tax rate of each CGU.

PAYMENTS UNIT CGU RESULTS

The criteria used for estimating the value in use recorded recoverable values that were higher than the book value of the net invested capital (CIN) for the Payments Unit CGU at 31 December 2021, inclusive of goodwill. In the light of the results of the impairment test, no significant value impairments were recorded.

A sensitivity analysis appears below, where the book value of the invested capital of the TAS Payments Unit CGU on 31 December 2021 was compared against the related value in use calculated on the basis of the discount and long-term growth rate “g” chosen by the Company, as indicated above, based on the different cash flows making up the CGU and with the value in use calculated based on a discount rate and “g” rate respectively higher or lower by a percentage point with respect to the parameters used.

Below are the results of the management case.

“g”= base

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use - TAS Units CGU	201,307	164,831	139,472
CIN carrying amount at 31 December 2021	32,604	32,604	32,604
Surplus value in use on book value	168,703	132,227	106,868

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use - TAS Units CGU	178,414	146,143	123,706
CIN carrying amount at 31 December 2021	32,604	32,604	32,604
Surplus value in use on book value	145,810	113,539	91,102

“g”= base -1.0%

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use - TAS Units CGU	167,893	142,029	123,006
CIN carrying amount at 31 December 2021	32,604	32,604	32,604
Surplus value in use on book value	135,289	109,425	90,402

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use - TAS Units CGU	148,857	125,974	109,141
CIN carrying amount at 31 December 2021	32,604	32,604	32,604
Surplus value in use on book value	116,253	93,370	76,537

“g”= base +1.0%

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use - TAS Units CGU	253,497	197,623	161,853
CIN carrying amount at 31 December 2021	32,604	32,604	32,604
Surplus value in use on book value	220,893	165,019	129,249

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use - TAS Units CGU	224,581	175,149	143,502
CIN carrying amount at 31 December 2021	32,604	32,604	32,604
Surplus value in use on book value	191,977	142,545	110,898

Additionally, sensitivity analysis was done to identify the break-even point for the results of the impairment test which would be achieved through a 71% reduction of expected cash flows throughout the period of the plan.

TAS FRANCE CGU RESULTS

The criteria used for estimating the value in use led to the recording of recoverable values that were higher than the book value of the net invested capital (CIN) of the TAS France CGU on 31 December 2021, inclusive of goodwill. In the light of the results of the impairment test, no significant value impairments were recorded.

Below is a sensitivity analysis, in which the book value of the invested capital of the TAS France CGU on 31 December 2021 was compared with the related value in use calculated on the basis of a 6.0% discount rate and a long-term growth rate “g” of 1.07%, selected by the company and with the value in use calculated on the basis of a discounting rate and a “g” rate that were respectively a percentage point lower (5.0%, 0.07%) or higher (7.0%; 2.07%) than the parameters used.

Below are the results of the management case.

“g”=1.07%

Amounts in €/000	**5.0% rate**	**6.0% rate**	**7.0% rate**
Value in use - TAS France CGU	17,019	13,605	11,334
CIN carrying amount at 31 December 2021	3,250	3,250	3,250
Surplus value in use on book value	13,769	10,355	8,084

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.0% rate**	**6.0% rate**	**7.0% rate**
Value in use - TAS France CGU	14,636	11,716	9,772
CIN carrying amount at 31 December 2021	3,250	3,250	3,250
Surplus value in use on book value	11,386	8,466	6,522

“g”=0.07%

Amounts in €/000	**5.0% rate**	**6.0% rate**	**7.0% rate**
Value in use - TAS France CGU	13,858	11,541	9,889
CIN carrying amount at 31 December 2021	3,250	3,250	3,250
Surplus value in use on book value	10,608	8,291	6,639

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.0% rate**	**6.0% rate**	**7.0% rate**
Value in use - TAS France CGU	11,933	9,951	8,537
CIN carrying amount at 31 December 2021	3,250	3,250	3,250
Surplus value in use on book value	8,683	6,701	5,287

“g”=2.07%

Amounts in €/000	**5.0% rate**	**6.0% rate**	**7.0% rate**
Value in use - TAS France CGU	22,304	16,707	13,359
CIN carrying amount at 31 December 2021	3,250	3,250	3,250
Surplus value in use on book value	19,054	13,457	10,109

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.0% rate**	**6.0% rate**	**7.0% rate**
Value in use - TAS France CGU	19,155	14,368	11,504
CIN carrying amount at 31 December 2021	3,250	3,250	3,250
Surplus value in use on book value	15,905	11,118	8,254

Additionally, sensitivity analysis was done to identify the break-even point for the results of the impairment test which would be achieved through a 45% reduction of expected cash flows throughout the period of the plan.

TAS IBERIA CGU RESULTS

The criteria used for estimating the value in use led to the recording of recoverable values that were higher than the book value of the net invested capital (CIN) of the TAS Iberia CGU on 31 December 2021, inclusive of goodwill. In the light of the results of the impairment test, no significant value impairments were recorded.

Below is a sensitivity analysis, in which the book value of the net invested capital of the TAS Iberia CGU on 31 December 2021 was compared with the related value in use calculated on the basis of a 6.7% discount rate and a long-term growth rate "g" of 1.7%, selected by the company and with the value in use calculated on the basis of a discounting rate and a "g" rate that were respectively a percentage point lower (5.7%, 0.7%) or higher (7.7%; 2.7%) than the parameters used.

Below are the results of the management case.

"g"=1.7%

Amounts in €/000	**5.7% rate**	**6.7% rate**	**7.7% rate**
Value in use TAS Iberia CGU	2,816	2,281	1,916
CIN carrying amount at 31 December 2021	1,220	1,220	1,220
Surplus value in use on book value	1,596	1,061	696

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.7% rate**	**6.7% rate**	**7.7% rate**
Value in use TAS Iberia CGU	2,496	2,024	1,701
CIN carrying amount at 31 December 2021	1,220	1,220	1,220
Surplus value in use on book value	1,276	804	481

"g"=0.7%

Amounts in €/000	**5.7% rate**	**6.7% rate**	**7.7% rate**
Value in use TAS Iberia CGU	2,371	1,990	1,712
CIN carrying amount at 31 December 2021	1,220	1,220	1,220
Surplus value in use on book value	1,151	770	492

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.7% rate**	**6.7% rate**	**7.7% rate**
Value in use TAS Iberia CGU	2,107	1,769	1,522
CIN carrying amount at 31 December 2021	1,220	1,220	1,220
Surplus value in use on book value	887	549	302

“g”=2.7%

Amounts in €/000	**5.7% rate**	**6.7% rate**	**7.7% rate**
Value in use TAS Iberia CGU	3,559	2,717	2,201
CIN carrying amount at 31 December 2021	1,220	1,220	1,220
Surplus value in use on book value	2,339	1,497	981

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.7% rate**	**6.7% rate**	**7.7% rate**
Value in use TAS Iberia CGU	3,146	2,405	1,951
CIN carrying amount at 31 December 2021	1,220	1,220	1,220
Surplus value in use on book value	1,926	1,185	731

Additionally, sensitivity analysis was done to identify the break-even point for the results of the impairment test which would be achieved through a 40% reduction of expected cash flows throughout the period of the plan.

TAS EE RESULTS

The criteria used for estimating the value in use led to the recording of recoverable values that were higher than the book value of the net invested capital (CIN) of the TAS EE CGU on 31 December 2021, inclusive of goodwill. In the light of the results of the impairment test, no significant value impairments were recorded.

Below is a sensitivity analysis, in which the book value of the net invested capital of the TAS EE CGU on 31 December 2021 was compared with the related value in use calculated on the basis of a 8.3% discount rate and a long-term growth rate “g” of 2.79%, selected by the company and with the value in use calculated on the basis of a discounting rate and a “g” rate that were respectively a percentage point lower (7.3%, 1.79%) or higher (9.3%; 3.79%) than the parameters used.

Below are the results of the management case.

“g”=2.79%

Amounts in €/000	**7.3% rate**	**8.3% rate**	**9.3% rate**
Value in use TAS EE CGU	20,208	16,350	13,689
CIN carrying amount at 31 December 2021	2,818	2,818	2,818
Surplus value in use on book value	17,390	13,532	10,871

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**7.3% rate**	**8.3% rate**	**9.3% rate**
Value in use TAS EE CGU	18,019	14,581	12,210
CIN carrying amount at 31 December 2021	2,818	2,818	2,818
Surplus value in use on book value	15,201	11,763	9,392

“g”=1.79%

Amounts in €/000	**7.3% rate**	**8.3% rate**	**9.3% rate**
Value in use TAS EE CGU	16,656	13,943	11,960
CIN carrying amount at 31 December 2021	2,818	2,818	2,818
Surplus value in use on book value	13,838	11,125	9,142

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**7.3% rate**	**8.3% rate**	**9.3% rate**
Value in use TAS EE CGU	14,854	12,437	10,669
CIN carrying amount at 31 December 2021	2,818	2,818	2,818
Surplus value in use on book value	12,036	9,619	7,851

“g”=3.79%

Amounts in €/000	**7.3% rate**	**8.3% rate**	**9.3% rate**
Value in use TAS EE CGU	25,814	19,837	16,052
CIN carrying amount at 31 December 2021	2,818	2,818	2,818
Surplus value in use on book value	22,996	17,019	13,234

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**7.3% rate**	**8.3% rate**	**9.3% rate**
Value in use TAS EE CGU	23,013	17,687	14,315
CIN carrying amount at 31 December 2021	2,818	2,818	2,818
Surplus value in use on book value	20,195	14,869	11,497

Additionally, sensitivity analysis was done to identify the break-even point for the results of the impairment test which would be achieved through a 76% reduction of expected cash flows throughout the period of the plan.

INFRAXIS GROUP CGU RESULTS

The criteria used for estimating the value in use led to the recording of recoverable values that were higher than the book value of the net invested capital (CIN) of the Infraxis Group CGU on 31 December 2021, inclusive of goodwill. In the light of the results of the impairment test, no significant value impairments were recorded.

Below is a sensitivity analysis, in which the book value of the net invested capital of the Infraxis Group CGU on 31 December 2021 was compared with the related value in use calculated on the basis of a 5.1% discount rate and a long-term growth rate “g” of 0%, selected by the company and with the value in use calculated on the basis of a discounting rate and a “g” rate that were respectively a half percentage point lower (4.1%, 0%) or higher (6.1%; 0.5%) than the parameters used.

Below are the results of the management case.

“g”=0%

Amounts in €/000	**4.1% rate**	**5.1% rate**	**6.1% rate**
Infraxis Group CGU Value in Use	57,524	46,239	38,664
CIN carrying amount at 31 December 2021	16,227	16,227	16,227
Surplus value in use on book value	41,297	30,012	22,437

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**4.1% rate**	**5.1% rate**	**6.1% rate**
Infraxis Group CGU Value in Use	49,626	39,941	33,438
CIN carrying amount at 31 December 2021	16,227	16,227	16,227
Surplus value in use on book value	33,399	23,714	17,211

“g”=0.50%

Amounts in €/000	**4.1% rate**	**5.1% rate**	**6.1% rate**
Infraxis Group CGU Value in Use	64,912	50,790	41,727
CIN carrying amount at 31 December 2021	16,227	16,227	16,227
Surplus value in use on book value	48,685	34,563	25,500

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**4.1% rate**	**5.1% rate**	**6.1% rate**
Infraxis Group CGU Value in Use	55,964	43,845	36,066
CIN carrying amount at 31 December 2021	16,227	16,227	16,227
Surplus value in use on book value	39,737	27,618	19,839

Additionally, sensitivity analysis was done to identify the break-even point for the results of the impairment test which would be achieved through a 48% reduction of expected cash flows throughout the period of the plan.

OTHER INTANGIBLE FIXED ASSETS

Other intangible fixed assets increased by Euro 4,381 thousand compared to 31 December 2020. The net value of Euro 21,916 thousand was made up as follows:

Other intangible fixed assets	**31.12.2021**	**31/12/2020**	**Change**
Software developed internally	7,579	7,075	504
Industrial patents and intellectual property rights	2,854	2,359	495
Customer List	11,307	7,830	3,477
Other intangible fixed assets	176	271	(95)
TOTAL	**21,916**	**17,535**	**4,381**

Below are the movements in the past two financial years:

Description	Value on 31/12/2019	Aggregation operation	Increases for the year	Reductions for the year	Amortisation for the year	Value on 31/12/2020
- Software developed internally	3,958	2,316	6,241	-	(5,440)	7,075
- Industrial patent rights	90	2,495	4	(29)	(201)	2,359
- *Customer List*	421	7,852	-	(78)	(365)	7,830
- Others	173	-	267	(8)	(161)	271
TOTAL	**4,642**	**12,663**	**6,512**	**(115)**	**(6,167)**	**17,535**

Description	Value on 31/12/2020	Aggregation operation	Increases for the year	Exchange effect	Amortisation for the year	Value on 31/12/2021
- Software developed internally	7,075	-	7,128	55	(6,679)	7,579
- Industrial patent rights	2,359	746	-	88	(339)	2,854
- *Customer List*	7,830	3,842	-	316	(681)	11,307
- Others	271	-	68	-	(163)	176
TOTAL	**17,535**	**4,588**	**7,196**	**459**	**(7,862)**	**21,916**

The balance of the item *Software developed internally*, which amounted to Euro 7,579 thousand, was made up of development costs which were capitalised as they meet the requirements of IAS 38.

Group investments continued during the year in different areas, with market action consolidated in European countries, and strategic partnerships established to develop the Group’s business. Specifically:

- in the **Financial Markets and Treasury** area: the continued development of the Aquarius platform to manage liquidity, under Basel 3 principles, in an integrated manner for bonds, cash and collateral. Aquarius was specifically designed for the European market and integrated with the Target2 and Target 2 Securities platforms, as well as the triparty collateral management systems. Thanks to the work done by the inter-bank work group for the Consolidation T2/T2S Eurosystem project, created and coordinated by TAS with the support of its Partners KPMG and Accenture, the Aquarius solution qualifies as the most flexible, complete and updated platform available to the Banks involved in the challenging compliance consequences created by the new European Central Bank regulatory infrastructure replacing current systems as of November 2022, based on a big bang approach;
- for the **Electronic Money** area: continued development on the *CashLess* 3.0® platform for the Italy market, as well as strengthening of the ACS solution with the introduction of Risk Based Authentication for secure authentication of cardholders based on the EMVCo 3Dsecure2.0 protocol; the *Fraud Protect* solution, accompanied by predictive models for card-based payment transactions and also for bank transfers and instant payments, was also strengthened, with special attention paid to the implications of the PSD2 regulations on *Strong Customer Authentication exemption* and *Transaction Risk Analysis*; additional the *Payment Intelligence and Harmonizer Hub* components were prepared, developed to simplify behavioural analysis on customer transaction big data; finally, the development of an additional module with Fraud Protect was begun, dedicated to Sanction Screen for payment transactions, which is obligatory for Transaction Banking for Anti-Money Laundering purposes. In the foreign market, Infraxis continued to develop its Paystorm product for international customers and specifically for the Brazilian market with its partner Swap. Additionally, Infraxis added to the functions of its IQS testing product. Finally, after acquisition of Infraxis, in the second half of 2020 TAS International began integrating the Card 3.0 I.E. (International Edition) suite and the PayStorm product;

- for the **Payment Systems** area: continuation of development and extension of the TAS TPP Enabler solution, after the interest demonstrated by banks and other candidate third parties in serving as PISP/AISP/CISP in response to requests and opportunities introduced by PSD2 and implementation of the Global Payment Platform (GPP) for the same; development on the Network Gateway 3.0 platform also continued, relative to the evolution of the ESMIG access interface for the new Eurosystem Target Services (T2/T2S/TIPS);
- for the **Financial Value Chain** area: strengthening of the offerings for the PayTAS suite for eGovernment for access to Payment Nodes by Payment Service Providers (PSP) and central and local public administration, in line with the evolution dictated by PagoPA S.p.A, a public company with the mission to spread digital payments and services Italy. Furthermore, the operational and technological overview (of microservices) continues regarding the e-Banking and Corporate Banking solutions for business clientèle, also from the perspective of PSD2 and consumers;
- in the **2ESolutions** area: the continuation of the project to reposition TAS' offering, changing it from a proprietary solution to a market-orientated solution with international reach, focusing on the Cloud, Customer eXperience and Social business collaboration, built on Oracle Cloud Applications.

Geographically, market actions continued in North and Latin America where joint Issuing and Processing offerings linked with Cloud products are seeing success thanks to the high levels of flexibility offered by the operating model and the significant reduction in time-to-market for the issuing of new payment card products.

Finally, of note were: the partnership agreement signed with Temenos, a global leader in core banking solutions, to include TAS Group card solutions in its marketplace; the choice of NEXI to use TAS *TPP Enabler* technology to implement its tender winning solution for CBI; the choice made by Centro Servizi CABEL to adopt the Network Gateway 3.0 platform and the *Fraud Protect* component to create its *Payment Hub*; the acclamation of the Acquarius platform, the leader on the Italian market for the "Consolidation T2/T2S" project; the business alliance with Swap Meios de Pagamentos e Swap Processamento de Dados for the Brazilian market and Latin America, which will use Paystorm to manage payment cards for all Swap Meios de Pagamentos customers and use and promotion of processing services based exclusively on TAS group technology, through the company Swap Processamento de Dados with which, at the end of 2020, TAS Brazil signed a reserved capital increase equal to 30% of available stock post-increase.
The value of the Customer list item is the result of the purchase price allocation conducted by the Company consequent to the aggregation operation for:

- TAS EE in 2018, for which the residual value is Euro 253 thousand based on a residual useful life of 6 years;
- Infraxis Group the previous year, for which the residual value is Euro 7,254 thousand based on a residual useful life of 14 years;
- Elidata in the reporting year, for which the residual value is Euro 3,800 thousand based on a residual useful life of 15 years.

The item *Industrial patent rights* refers almost exclusively to software identified during the purchase price allocation process for the Infraxis Group for Euro 2,098 thousand and for the newly acquired Elidata for Euro 717 thousand.

13. TANGIBLE FIXED ASSETS

These went from Euro 9,868 thousand in 2020 to Euro 11,782 thousand at 31 December 2021. The net value was made up as follows:

Tangible fixed assets	31.12.2021	31/12/2020	Change
Land and buildings	2,221	-	2,221
Plants and machinery	1,266	1,995	(729)
Industrial and commercial equipment	3	-	3
Other assets	1,683	675	1,008
Right of use	6,609	7,198	(589)
TOTAL	**11,782**	**9,868**	**1,914**

Detailed movements for the last two years are reported below:

Description	Value on 31/12/2019	Aggregation operation	Increases for the year	Transfers during the year	Reductions for the year	Amortisation for the year	Value on 31/12/2020
Plants and machinery	2,102	-	154	-	(6)	(255)	1,995
Other assets	652	19	397	-	(55)	(338)	675
Right of use	8,559	108	855	-	(691)	(1,633)	7,198
- buildings	7,715	*108*	*279*	-	*(683)*	*(1,101)*	*6,318*
- vehicles	383	-	*530*	-	*(8)*	*(309)*	*596*
- other assets	461	-	46	-	-	(223)	*284*
TOTAL	**11,314**	**127**	**1,406**	**-**	**(753)**	**(2,226)**	**9,868**

Description	Value on 31/12/2020	Aggregation operation	Increases for the year	Transfers during the year	Reductions for the year	Amortisation for the year	Value on 31/12/2021
Land and buildings	-	2,233	-	-	-	(12)	2,221
Plants and machinery	1,995	91	38	(714)	-	(144)	1,266
Industrial and commercial equipment	-	3	-	-	-	-	3
Other assets	675	94	700	714	(13)	(487)	1,683
Right of use	7,198	191	1,317	-	(504)	(1,593)	6,609
- buildings	*6,318*	33	865	-	(487)	(1,067)	*5,662*
- vehicles	*596*	54	359	-	(17)	(353)	*639*
- other assets	*284*	104	93	-	-	(173)	*308*
TOTAL	**9,868**	**2,612**	**2,055**	**-**	**(517)**	**(2,236)**	**11,782**

The item *Land and Buildings* refers to properties owned by the subsidiary Elidata for office use and measured at fair value in accordance with IFRS 3 in the context of the purchase price allocation.

Plants and machinery refer in particular to the Data Centre at the TAS France subsidiary.

Right of use refers primarily to the rental contracts for the Company's premises and for those of its main foreign subsidiaries. Increases relate to new contracts signed or renewals of expiring contracts, while decreases mainly related to the early termination of two rental contracts for offices for the Parent Company.

14. EQUITY INVESTMENTS AND OTHER INVESTMENT SECURITIES

These amount to Euro 1,168 thousand and can be broken down as follows:

Other investments and investment securities	31.12.2021	31/12/2020	Change
Equity investments in associated companies	*412*	*494*	*(82)*
Equity investments valued using the equity method	412	494	(82)
Equity investments in other companies	*756*	*740*	*16*
Equity investments in other companies valued at fair value	756	740	16
TOTAL	**1,168**	**1,234**	**(66)**

The change in the last two years is shown below:

Description	Value on 31/12/2019	Increases for year	Reductions for year	Value on 31/12/2020
Equity investments valued using the equity method	-	494	-	494
Equity investments in other companies valued at fair value	137	603	-	740
TOTAL	**137**	**1,097**	**-**	**1,234**

Description	Value on 31/12/2020	Increases for year	Reductions for year	Value on 31/12/2021
Equity investments valued using the equity method	494	-	(82)	412
Equity investments in other companies valued at fair value	740	148	(132)	756
TOTAL	**1,234**	**148**	**(214)**	**1,168**

Associated companies, measured with the equity method, refer to the equity investment in SWAP Processamento de Dados SA (a Brazilian company which provides payment services to B2B customers in Brazil and Latin America, a member of the Swap Group).
The equity situation at 31 December 2021 for Swap Processamento de Dados shows assets equal to 6,432 thousand Brazilian Reals and shareholders' equity of 826 thousand. The change during the year of Euro 82 thousand refers to the equity measurement of the associated company at 31 December 2021.

Other companies refer to:
- the investment in Nexi S.p.A. of Euro 606, with the fair value of the same suffering a decrease of Euro 132 thousand during the year following the completion of the merger by incorporation of SIA S.p.A., an equity investment previously held in Nexi S.p.A. by TAS S.p.A.;
- the 5% minority interest acquired in 2021 for Euro 109 thousand by the subsidiary Global Payments in Flywallet S.r.l., an Italian FinTech start-up that developed a digital platform for payments and services that uses wearable devices with biometric authentication.
- a minority interest of Euro 39 thousand held by Elidata.

15. FINANCIAL FIXED ASSET RECEIVABLES

Financial fixed asset receivables amounted to Euro 904 thousand and related to:

financial fixed asset receivables	31.12.2021	31/12/2020	Change
Security deposits	417	430	(13)

Other financial receivables	487	-	487
Financial instruments fair value	-	-	-
TOTAL	**904**	**430**	**474**
Within the following year	-	-	-
From 1 to 5 years	904	430	474
More than 5 years	-	-	-
TOTAL	**904**	**430**	**474**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The item *Other financial receivables* refers to receivables for insurance policies for employees of the newly acquired Elidata.

The book value of the financial receivables is considered to reflect their fair value.

16. DEFERRED TAX ASSETS

Deferred tax assets at 31 December 2021 can be broken down as follows:

Deferred taxes	31.12.2021	31/12/2020	Change
Italy	489	1,952	(1,463)
USA	366	222	144
TOTAL	**855**	**2,174**	**(1,319)**

Below are the movements in the past two financial years:

ITALY

DEDUCTIBLE TEMPORARY DIFFERENCES	Discounting employee severance indemnity	Tax losses	Cash flow hedge reserve	Other	TOTAL
1.12.2020	**-**	**-**	**-**	**814**	**814**
Increases/decreases on Income Statement	-	782	-	353	1,135
Changes on Comprehensive Income Statement	-	-	3	-	3
31/12/2020	**-**	**782**	**3**	**1,167**	**1,952**

DEDUCTIBLE TEMPORARY DIFFERENCES	Discounting employee severance indemnity	Tax losses	Cash flow hedge reserve	Other	TOTAL
1.12.2021	**-**	**782**	**3**	**1,167**	**1,952**
Elidata PPA effect	-	-	-	(1,576)	(1,576)
Reclassification	127	-	-	(79)	48
Increases/decreases on Income Statement	-	(5)	-	-	(5)
Changes on Comprehensive Income Statement	72	-	(2)	-	70
31.12.2021	**199**	**777**	**1**	**(488)**	**489**

The Elidata PPA effect refers to the recognition of deferred tax liabilities following the Purchase Price Allocation done by the Company with reference to the Elidata business combination which, as of 2022, will be part of the Italian tax consolidation which includes OWL, TAS and Global Payments.

Deferred tax assets for Italian Group companies recognised in the financial statements net of deferred tax liabilities, as required under IAS 12, refer for Euro 1,835 thousand (Euro 1,862 thousand at 31 December 2020) to the Parent Company. Analysis is based on the positive tax results in 2021 and due to positive results expected both in the 2022 budget and for subsequent years for the subsidiary Global Payments.

The item *Other* refers to costs with deferred deductibility recognised during the year and in previous years.

The total unregistered amount for advances on prior tax losses is approximately 10.2 million Euro (of which 8.9 million Euro relates to the Parent Company and 1.3 million Euro to the Spanish subsidiary TAS Iberia). It should be remembered however that with the elimination of the restriction on carrying-over tax losses, the Group will still have the option of recognising these in the future.

Deferred tax assets in the USA refer to withholdings for royalties relative to Group companies still to be paid and which may be requested as reimbursement.

17. OTHER NON-CURRENT RECEIVABLES

Other receivables totalling Euro 53 thousand mainly referred to advances paid to employees of the parent company in accordance with the harmonisation agreement signed with workers' representatives.

Other fixed-asset receivables	31.12.2021	31/12/2020	Change
Loans to employees	46	45	1
Other	7	-	7
TOTAL	**53**	**45**	**8**
Within the following year	-	-	-
From 1 to 5 years	53	45	8
More than 5 years	-	-	-
TOTAL	**53**	**45**	**8**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The book value is considered to reflect their fair value.

CURRENT ASSETS

18. CONTRACT ASSETS WITH CUSTOMERS

Amounted to Euro 10,376 thousand. The value of work in progress referred mainly to the installation activities and services currently being completed by the Parent Company and its subsidiary Global Payments. All work presented at 31 December 2021 had begun during the period in question, whereas those that existed at 31 December 2020 were all fully completed. This item comprises:

Contract assets with customers	Gross value at 31/12/2021	Risk provisions on work in progress	Net value at 31/12/2021	Net value at 31/12/2020	Change
Work in progress	11,176	(800)	10,376	9,449	927
Advances to suppliers	-	-	-	4	(4)
TOTAL	**11,176**	**(800)**	**10,376**	**9,453**	**923**

A large number of activities were initiated in 2021 compared to the previous year, which partially accounts for the increase in revenue, determining the increase in the items in question.

Below are the changes in the provision, proportional to the gross increase in the item:

Risk provisions on work in progress	31.12.2020	Provisions	Utilisation	31.12.2021
Risk provisions on work in progress	750	50	-	800
TOTAL	**750**	**50**	**-**	**800**

19. TRADE RECEIVABLES

The value of trade receivables, totalling Euro 31,335 thousand also included trade-related accruals and deferrals receivable, and was made up as follows:

Trade receivables and accruals and deferrals receivable	31.12.2021	31/12/2020	Change
Trade receivables	30,030	25,618	4,412
Trade accruals and deferrals receivable	1,305	1,158	147
TOTAL	**31,335**	**26,776**	**4,559**
Within the following year	31,335	26,776	4,559
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**31,335**	**26,776**	**4,559**
Overdue – less than 1 month	938	1,588	(650)
Overdue – more than 1 month	449	2,010	(1,561)
Overdue – more than 6 months	2,099	1,144	955
TOTAL	**3,486**	**2,413**	**1,073**

Trade receivables amounted to Euro 30,030 thousand (net of the write-down provision of Euro 3,983 thousand), with a 17% increase with respect to the comparison data at 31 December 2020, which is essentially in line with the increase in recorded revenue. The increase in the amount overdue by more than six months refers to a legal dispute which recently arose and is still in the preliminary stages, relative to which a need to establish a provision for bad credit was not deemed necessary, also taking into account the opinion provided by the Parent Company's legal consultants.

The book value of the trade receivables is considered to reflect their fair value.

The receivables write-down provision underwent the following changes during 2021:

Write-down provision	31.12.2020	Business combinations	Provisions	Utilisation	31.12.2021
Write-down provision (trade receivables)	3,920	61	8	(6)	3,983
TOTAL	**3,920**	**61**	**8**	**(6)**	**3,983**

On the balance sheet date the maximum credit risk exposure was equal to the fair value of each of the categories indicated above.

The trade accruals and deferrals receivable related mainly to:

Trade accrued income and prepaid expenses	31.12.2021	31/12/2020	Change
Insurance	18	43	(25)
Leases and maintenance and other services	271	311	(40)
Purchase of hardware/software for resale	176	144	32
Information and connectivity systems	262	339	(77)
Others	578	321	257
TOTAL	**1,305**	**1,158**	**147**

20. OTHER RECEIVABLES

This item amounted to Euro 1,139 thousand and was made up as follows:

Other receivables	31.12.2021	31/12/2020	Change
Tax receivables	988	102	886
Receivables from personnel	49	54	(5)
Advances to suppliers	90	43	47
Various receivables	12	22	(10)
TOTAL	**1,139**	**221**	**918**
Within the following year	1,139	221	918
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**1,139**	**221**	**918**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Tax receivables mainly refer to the Parent Company's VAT credit.

The book value of the other receivables is considered to reflect their fair value.

21. CURRENT TAX RECEIVABLES

Current tax receivables	31.12.2021	31/12/2020	Change
Current tax receivables	596	744	(148)
Receivables from related parties	1,366	718	648
TOTAL	**1,962**	**1,462**	**500**
Within the following year	1,962	1,462	500
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**1,962**	**1,462**	**500**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Current tax receivables for Euro 436 thousand relates to a tax credit accrued on investments made by the French subsidiary that can be utilised for the next year to offset taxes on the subsidiary company's taxable income. On expiry, an application can be made for any residue.

Receivables from related parties refer to the parent company OWL S.p.A., for a tax consolidation credit mainly relative to the tax losses of the Parent Company used at the time of consolidation of taxable amounts.

22. FINANCIAL RECEIVABLES

The amount of financial receivables due within 12 months is provided below:

Current financial receivables	31.12.2021	31/12/2020	Change
Receivables from related parties	-	-	-
Other financial receivables	4	8	(4)
Financial accruals and deferrals receivable	-	-	-
TOTAL	**4**	**8**	**(4)**
Within the following year	4	8	(4)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**4**	**8**	**(4)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The book value of the financial receivables is considered to reflect their fair value.

23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounted to Euro 13,307 thousand and were made up as follows:

Cash and cash equivalents	31.12.2021	31/12/2020	Change
Cash and cash equivalents	5	7	(2)
Bank and postal deposits	13,302	10,632	2,670
TOTAL	**13,307**	**10,639**	**2,668**

The balance represents cash and cash equivalents and the number and values that existed at the date the financial year ended. The values stated may be converted readily into cash and are subject to an insignificant risk of a change in value. The changes compared to the previous period are shown in the Cash Flow Statement.

Note that the carrying value of cash and cash equivalents is in line with their fair value on the reporting date.

The credit risk related to the cash and cash equivalents is limited, as the counterparties are leading national banks.

BALANCE SHEET INFORMATION

LIABILITIES AND NET EQUITY

24. NET EQUITY

A breakdown of the net equity items is given below, while the related changes are shown in the relevant schedule.

Net Equity	31.12.2021	31/12/2020	Change
Share capital	24,331	24,331	-
Legal Reserve	1,460	630	830
Extraordinary reserve	12,852	5,876	6,976
Stock option reserve	352	68	284
Conversion reserve	2,199	1,337	862
Cash flow hedge reserve	(2)	(8)	6
IAS 19 actuarial valuation reserve	(1,510)	(1,565)	55
Profit/(loss) carried forward	5,514	(1,518)	7,032
Group profit (loss) for the period	4,354	8,817	(4,463)
TOTAL GROUP NET EQUITY	**49,550**	**37,968**	**11,582**

The share capital was made up as follows:

Shares	Number	Nominal value
Ordinary shares	83,536,898	No value
Total	**83,536,898**	

No new shares were subscribed during the year.

Therefore on the closing date 83,536,898 ordinary shares were in circulation with no nominal value, and the share capital amounted to Euro 24,330,645.50.

On 29 April 2021 the TAS Shareholders' Meeting resolved to allocate 830 thousand to the legal reserve, with the remaining portion of the 2020 profits, Euro 15,768 thousand, carried for.

The *Stock Option Reserve* refers to the stock option plan approved by the Parent Company for employees (including directors with strategic responsibilities) for TAS and of its subsidiaries. The value recognised refers to the estimated fair value of the equity instruments assigned.

Note that on 25 February 2022, the TAS Board of Directors resolved to allow the beneficiaries of the plan to exercise a total of 353,863 options in advance, with respect to a total of 374,000 options.

Consequently, shares in circulation as communicated on 28 March 2022 amount to 83,880,761 ordinary shares with no nominal value, and share capital totals Euro 24,704,330.23.

The *Conversion reserve* was generated from the process of converting the Financial Statements of the foreign subsidiaries in currencies other than the Euro.
The *Cash Flow Hedge Reserve* includes the fair value of derivatives used by the Parent Company to hedge its exposure to interest rates until the hedged underlying is manifested in the income statement. When this occurs, it is reversed to the income statement, offsetting the effects generated

by the economic manifestation of the hedged operation.

The *Actuarial valuation reserve* was generated by the recognition of actuarial gains and losses in the Comprehensive Income Statement. The changes were as follows:

Movements in the actuarial valuation reserve	2020
Actuarial valuation reserve 1.1.2020	**(1,433)**
Effect of actuarial valuation	(121)
Tax effect on actuarial valuation	(11)
Actuarial valuation reserve 31.12.2020	**(1,565)**

Movements in the actuarial valuation reserve	2021
Actuarial valuation reserve 1.1.2021	**(1,565)**
Effect of actuarial valuation	(146)
Tax effect on actuarial valuation	73
Other changes	128
Actuarial valuation reserve 31.23.2021	**(1,510)**

With regard to the comments on the Comprehensive Income Statement reference is made to Note 41 in this section.

NON-CURRENT LIABILITIES

25. EMPLOYEE SEVERANCE INDEMNITY PROVISION

The provision represents the severance pay liability to be paid to employees in the case of contract termination and is represented net of the advances paid. This item mainly reflected the Group and its subsidiary Global Payments' residual liability relating to the indemnity granted to employees in Italy until 31 December 2006. If specific conditions occur, it may be paid in advance to an employee during his service. The changes compared to the previous year are as follows:

Employee severance indemnity provision (TFR)	31.12.2021	31/12/2020	Change
Employee severance indemnity provision	5,515	4,939	576
TOTAL	**5,515**	**4,939**	**576**

The fund is made up as follows:

employee severance indemnity provision changes	31/12/2020
Employee Severance indemnity provision 1.1.2020	**4,801**
Provision for the period	1,357
Business combination	40
Interest costs	25
Amount paid to the INPS Treasury fund and other supplementary funds	(1,343)
Indemnities and advances paid during the year	(73)
Actuarial profit/(loss)	132
Employee Severance indemnity provision 31.12.2020	**4,939**

employee severance indemnity provision changes	31.12.2021
Employee Severance indemnity provision 1.1.2021	**4,939**
Provision for the period	1,387
Business combination	605
Interest costs	7
Amount paid to the INPS Treasury fund and other supplementary funds	(1,373)
Indemnities and advances paid during the year	(336)
Actuarial profit/(loss)	286
Employee Severance indemnity provision 31.12.2021	**5,515**

Changes in liabilities during the financial year include Euro 1,387 thousand for provisions, of which Euro 1,373 thousand paid to the INPS treasury fund, utilisations from indemnities paid during the year for a total of Euro 336 thousand, a negative effect from the actuarial valuation for Euro 286 thousand and interest costs for Euro 7 thousand. The impact of the Elidata business combination amounts to Euro 605 thousand.

The actuarial model used for the valuation of severance pay is based on various demographic, economic and financial assumptions.
Where possible, for some of the assumptions express reference has been made to the direct experience of the parent company while for others, industry best practices have been applied.

The main assumptions of the model are given below:

Financial assumptions	
Annual discounting rate	0.44% for Italian TFR 0.35% for Swiss TFR
Annual inflation rate	1.75% for Italian TFR 1.00% for Swiss TFR
Annual rate of increase in employee severance indemnity	2.81% for Italian TFR 0.00% for TAS International
Annual rate of salary increase	0.50% for Italian TFR 0.00% for Swiss TFR
Demographic assumptions	
Mortality	RG48 mortality table
Disability	INPS tables divided by age and gender
Pension age	TAS: 100% upon reaching the Mandatory General Insurance requirements TAS International: Men 65/ Women 64

From the historical experience of the parent company and based on the available data, an annual turnover rate of 5% and an anticipation rate of 2% were deduced.

In particular, we note that:

- the **Annual discounting rate** in Italy used to calculate the current figure for the obligation was determined according to par. 78 of IAS 19, with reference to the IBoxx Eurozone Corporate AA 7- 10 and 10+ index;
- the **Annual rate of increase in employee severance indemnity** in Italy pursuant to Art. 2120 of the Italian Civil Code is 75% of inflation plus 1.5 percentage points.

The sensitivity analysis for the Italian TFR appears below:

Sensitivity analysis of main data evaluation parameters at 31.12.2021	**TFR [Employee Severance Pay]**	**Delta**	**%**
+ 1% on turnover rate	4,225	- 41.92	-1.0%
- 1% on turnover rate	4,312	44.68	1.1%
+ 1/4% on annual inflation rate	4,327	59.82	1.4%
- 1/4% on annual inflation rate	4,207	- 60.40	-1.4%
+ 1/4% on annual discounting rate	4,173	- 93.60	-2.2%
- 1/4% on annual discounting rate	4,362	95.14	2.2%

26. PROVISIONS FOR RISKS AND CHARGES

These amount to Euro 368 thousand and can be broken down as follows:

Risk provisions	**31.12.2021**	**31/12/2020**	**Change**
Provision for risks	178	178	-
Other provisions	190	-	190
TOTAL	**368**	**178**	**190**

The changes are shown below:

Changes in provisions for risks	31/12/2020
Opening balance at 1.1.2020	**323**
Business combination (Infraxis Group operation)	**3**
Increases	70
Utilisation	(218)
Provision for risks at 31.12.2020	**178**

Risk provision changes	31.12.2021
Opening balance at 1.1.2021	**178**
Business combination (Elidata operation)	185
Increases	5
Utilisation	-
Provision for risks at 31.12.2021	**368**

Provisions for risks refers mainly to disputes with former employees.

Other provisions refers to the subsidiary Elidata for employee indemnities.

27. DEFERRED TAX PROVISION

The deferred tax provision at 31 December 2021 amounts to Euro 1,768 thousand and mainly refers to the effects of the purchase price allocation following the Infraxis Group business combination in the previous year.

Deferred tax provision	31.12.2021	31/12/2020	Change
Serbia	25	46	(21)
Switzerland	1,743	1,918	(175)
TOTAL	**1,768**	**1,964**	**(196)**

Changes in taxes for Switzerland are shown below:

SWITZERLAND

DEDUCTIBLE TEMPORARY DIFFERENCES	Discounting Pension plans	Intangible	Other	TOTAL
1.12.2020	**235**	**-**	**(6)**	**229**
PPA effect	**-**	(2,178)	**-**	(2,178)
Increases/decreases on Income Statement	18	21	5	44
Changes on Comprehensive Income Statement	(13)	-	-	(13)
31/12/2020	**240**	**(2,157)**	**(1)**	**(1,918)**

DEDUCTIBLE TEMPORARY DIFFERENCES	Discounting Pension plans	Intangible	Other	TOTAL
1.12.2021	**240**	**(2,157)**	**(1)**	**(1,918)**
Increases/decreases on Income Statement	13	205	(41)	177
Changes on Comprehensive Income Statement	(2)	-	-	(2)
31.12.2021	**251**	**(1,952)**	**(42)**	**(1,743)**

Note that the positive balance of deferred taxes for Switzerland at 31 December 2019 was classified under the balance sheet assets.

28. OTHER NON-CURRENT PAYABLES

Other non-current payables	31.12.2021	31/12/2020	Change
Put&Call option	12,415	12,953	(538)
TOTAL	**12,415**	**12,953**	**(538)**

The balance of the item represents the fair value of the put&call option to be exercised by 2024 in the case of a change in control for TAS established in the shareholders' agreement signed by the Company and the sellers of the Infraxis Group relative to the 28% equity investment in the share capital of TAS International. Based on IAS 32.23, in consideration of the fact that a change of control depends upon decisions made by the parent company OWL S.p.A. and not by the Company, the fair value of the liability, equal to Euro 12.4 million, was recognised in the consolidated financial statements as a payable. The change in the payable, relative to fair value, was recognised in the income statement under financial revenue. On 25 January 2022, the contract to purchase all the share capital of GUM International and 2BP S.r.l. by Solidus BidCo (a company indirectly held by the funds Gilde Buy-Out Fund VI C.V. and Gilde Buy-Out Fund VI 2 C.V.) and therefore, indirectly the full share capital of OWL S.p.A. the direct parent of TAS. This event, which occurred after the end of the financial year, was treated as a non-adjusting event, meaning it had no impacts on the calculation of the fair value of the option at 31 December 2021. The first few months of 2022 passed without either the sellers of Infraxis or TAS exercising the options by the deadline. In the absence of any transactions between shareholders, the stake of equity relative to minority interests against the payable will be restored in the financial statements for 2022.

29. NON-CURRENT FINANCIAL LIABILITIES

Non-current financial liabilities for Euro 14,763 thousand are detailed below:

Non-current financial liabilities	31.12.2021	31/12/2020	Change
Financing liabilities	8,041	5,268	2,773
Payables to banks	839	-	839
Financial liabilities for IFRS 16 leases, of which:	5,822	6,629	(807)
- Right of use buildings	*5,317*	*6,152*	(835)
- Right of use vehicles	*305*	*331*	(26)
- Other assets right of use	*200*	*147*	53
Other financial liabilities	121	111	10
Effect of recognition at the amortised cost of financial liabilities	(60)	(13)	(47)
TOTAL	**14,763**	**11,995**	**2,768**
Within the following year	-	-	-
From 1 to 5 years	13,685	9,978	3,707
More than 5 years	1,078	2,017	(939)
TOTAL	**14,763**	**11,995**	**2,768**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The decrease in *Financial liabilities for IFRS 16* refers not only to rent paid but also to the early termination of two rental contracts for offices relative to the Parent Company, net of the new contracts signed the financial year.

The increase in *Payables to banks* mainly refers to cash advances and credit lines for the subsidiaries TAS International and TAS Iberia.

The change in the item *Financial liabilities* mainly refers to loans due from the newly acquired Elidata and the Euro 5 million loan obtained from Intesa SanPaolo by the subsidiary Global Payments, for which the long-term portion amounts to Euro 2,343 thousand.

Specifically:

- the loan from Banca Centropadana Credito Cooperativo originally for Euro 1 million, for which the long-term portion amounts to Euro 335 thousand at 31 December 2021;
- the loan from BPM originally for Euro 3.8 million, for which the long-term portion amounts to Euro 2,602 thousand at 31 December 2021.

The following table contains the details of the three loans:

(Thousands of Euros)	**Date loan taken out**	**Date of loan expiry (1)**	**Base rate of interest (2)**	**Spread (2)**	**Nominal Value**	***Effect of amortised cost*** **at 31.12.2021 (3)**	**Balance at 31.12.2021**
BANCO BPM	30/06/2021	30/06/2026	Euribor 6 months	2.50%	3,800	(92)	3,328
CENTROPADANA	01/02/2016	01/02/2026	Euribor 6 months	2.00%	1,000	-	438
INTESA	08/02/2021	08/02/2024	Euribor 3 months	1.05%	5,000	-	4,337
Total					**9,800**	**(92)**	**8,103**

(1) The agreement with BANCO BPM calls for quarterly amortisation payments, the last of which due on 30/06/2026. The agreement with CENTROPADANA calls for monthly amortisation payments, the last of which due on 01/02/2026. The agreement with INTESA calls for 6 monthly pre-amortisation payments as from 08/03/2021 and 30 monthly amortisation payments, the first due 08/09/2021 and the last due on 08/02/2024.

(2) The agreement with BANCO BPM makes use of the Euribor 6 month rate plus a spread of 250 basis points, while the CENTROPADANA agreement uses the Euribor 6 month plus a spread of 200 basis points. The agreement out with INTESA calls for an interest rate based on the Euribor 3 months plus a spread of 105 basis points.

(3) Residual amortised cost

In accordance with Consob communication DEM/6064293 of 28 July 2006, the following financial parameters relating to debtor positions are provided below. In particular, there is one financial parameter shown below relative to the BPM loan associated with the subsidiary Elidata.

- EBITDA of the subsidiary Elidata;
- Net financial debt of the subsidiary Elidata.

The ratio shown above, until full repayment of the loan, must be less than or equal to 2% at the end of every year.

Note that at 31 December 2021, the financial parameter was respected.

CURRENT LIABILITIES

30. TRADE PAYABLES

The value of trade payables, totalling Euro 18,318 thousand included the liabilities from customer contracts and trade-related accruals payable, and was made up as follows:

Trade payables	31.12.2021	31/12/2020	Change
Advances	648	671	(23)
Payables to suppliers	5,264	4,965	299
Payables to related parties	2	80	(78)
Contract liabilities with customers	12,392	9,681	2,711
Trade accruals payable	12	63	(51)
TOTAL	**18,318**	**15,460**	**2,858**
Within the following year	18,318	15,460	2,858
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**18,318**	**15,460**	**2,858**
Overdue – less than 1 month	1,050	898	152
Overdue – more than 1 month	484	567	(83)
TOTAL	**1,534**	**1,465**	**69**

Payables to suppliers amount to Euro 5,264 thousand and are substantially in line with the figure at 31 December 2020.

The item *Advances* included the advances received from customers in relation to the supply of goods and services not yet completed.

The *Contract liabilities with customers* related mainly to the deferral of orders in progress already invoiced to the customer but not yet completed at 31 December 2021.

Reference is made to Note 44 in this section for relations with related companies.

31. OTHER PAYABLES

Other payables for Euro 11,525 thousand, related to:

Other payables	31.12.2021	31/12/2020	Change
Tax payables	2,321	3,264	(943)
Payables to social security institutions	3,052	2,981	71
Various payables	6,152	5,550	602
TOTAL	**11,525**	**11,795**	**(270)**
Within the following year	11,525	11,795	(270)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**11,525**	**11,795**	**(270)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The details relating to the other payables appear below:

Tax payables	31.12.2021	31/12/2020	Change
IRPEF payables	1,395	1,310	85
VAT payables	834	1,872	(1,038)
Other tax payables	92	82	10
TOTAL	**2,321**	**3,264**	**(943)**
Within the following year	2,321	3,264	(943)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**2,321**	**3,264**	**(943)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

IRPEF payables relate to withholding tax on the December payroll.

Social security payables	31.12.2021	31/12/2020	Change
Payable to INPS [pension fund]	2,652	2,394	258
Payables to INAIL and other institutions	285	286	(1)
Other social security payables	115	301	(186)
TOTAL	**3,052**	**2,981**	**71**
Within the following year	3,052	2,981	71
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**3,052**	**2,981**	**71**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Payables to social security institutions relate mainly to contributions payable on the December payroll, and on salaries accruing on the balance sheet date in relation to additional monthly salary payments, holidays not taken and bonuses.

Various payables	31.12.2021	31/12/2020	Change
Payables to personnel	4,834	4,977	(143)
Various other payables	1,318	573	745
TOTAL	**6,152**	**5,550**	**602**
Within the following year	6,152	5,550	602
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**6,152**	**5,550**	**602**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

There were no outstanding payables to employees on 31 December 2021. The increase in the amount “various other payables” with respect to the previous year is mainly due to the newly acquired Elidata S.p.A.

The book value of the Other payables on the balance sheet date is considered to reflect their fair value.

32. CURRENT INCOME TAX PAYABLES

The amount of Euro 2,251 thousand refers to current tax liabilities for companies included in the scope of consolidation, net of advances paid.
In particular, *payables to related parties*, for Euro 1,524 thousand, refer to the IRES burden of the subsidiary Global Payments with regards to the consolidating entity OWL.

Current tax payables	31.12.2021	31/12/2020	Change
Current tax payables	727	693	34
Payables to related parties	1,524	1,829	(305)
TOTAL	**2,251**	**2,522**	**(271)**
Within the following year	2,251	2,522	(271)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**2,251**	**2,522**	**(271)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

33. CURRENT FINANCIAL LIABILITIES

Current financial payables amounted to Euro 7,662 thousand and were made up as follows:

Current financial liabilities	31.12.2021	31/12/2020	Change
Financing liabilities	5,594	2,402	3,192
Payables to banks	195	312	(117)
Fair value of derivatives	4	11	(7)
Other financial liabilities	464	987	(523)
Financial liabilities for IFRS 16	1,447	1,395	52
- Right of use buildings	*987*	*967*	*20*
- Right of use vehicles	*334*	*286*	*48*
- Other assets right of use	*126*	*141*	*(15)*
Effect of recognition at the amortised cost of financial liabilities	(45)	(43)	(2)
Financial accruals and deferrals	3	-	3
TOTAL	**7,662**	**5,064**	**2,598**
Within the following year	7,662	5,064	2,598
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**7,662**	**5,064**	**2,598**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The change in the item *Financing liabilities* mainly refers to the short term portion of loans taken out by the subsidiary Global Payments and acquired with the Elidata operation, as indicated in note 29.

The balance of the item *Fair value of financial instruments* refers to the fair value measurement of the Parent Company's Interest Rate Swap derivatives. The measurement at 31 December 2021 was negative in the amount of Euro 4 thousand. The fair value of derivatives is calculated considering market parameters on the reporting date and using evaluation models widely utilised in the financial sector. In particular, the fair value of interest rate swaps is determined using the future cash flow discounting method.

The table below provides details on the two existing contracts and their respective fair values:

Type of financial transaction	Start date	Maturity	Bank parameter rate	Customer parameter rate	Notional amount in Euros	Reference bank	Fair value
IRS	01/07/2020	30/06/2023	Euribor 3m	Euribor 3m + 1.25%	4,000,000	BANCO BPM	-
IRS	07/07/2020	07/07/2024	Euribor 1m	Euribor 1m + 1.30%	2,500,000	INTESA	(1)
IRS	08/02/2021	08/02/2024	Euribor 3m	-0.370% + Spread 1.05%	5,000,000	INTESA	(3)
						TOTAL	**(4)**

These are operations to hedge against interest rate risk deriving from the loans taken out by the Parent Company.

Note that the fair value change was recorded in the comprehensive income statement and accumulates in a specific Shareholders' Equity reserve as established under IFRS 9, given that these are instruments which hedge against future cash flows and all the requirements established for the use of hedge accounting in the said standard are respected. Fair value hedges were found to be effective and hence nothing was recognised in the income statement.
The fair value of financing (current and non-current), largely corresponded with the book value.

The structure of the current and non-current financial liabilities, in terms of the annual interest rate at 31 December 2021 is as follows (carrying values):

Financial liabilities	zero rate	less than 5%	between 5% and 10.0%
Euro *of which:*	585	21,456	-
- Bank financing	-	13,635	-
- Financial liabilities IFRS 16	-	*7,269*	-
- Other bank and financial payables	*585*	*552*	-
Rsd	-	380	-
TOTAL	**585**	**21,836**	**-**

In particular, to determine the financial liabilities for leasing under IFRS 16, an incremental borrowing rate of 4% was used when the standard took effect, while for subsequent new contracts a rate of 1.30% was used, in line with the rate applied to the Parent's existing loans.

At the reporting date, the Group's exposure to changes in interest rates, and the dates for the review of the rates, were as follows:

Rate review period	31/12/2021	31/12/2020
From 0 to 6 Months	13,635	7,670

The table below shows the changes in the Group's financial liabilities (balance sheet values):

Financial liabilities	31.12.2021	31/12/2020	Change
Non-current	14,763	11,995	2,768
Current	7,662	5,064	2,598
TOTAL	**22,425**	**17,059**	**5,366**

Changes	31/12/2020
Opening balance at 1.1.2020	**17,302**
Accounting effect at amortised cost	128
New BANCO BPM bank loan	4,000
New INTESA bank loan	2,500
Close of loan from parent company Owl	(5,000)
Repayment of capital portion of loans	(656)
Changes to financial payables IFRS 16	(1,144)
Purchase price, Otik business unit	699
Payment Otik business unit	(312)
Monetary change in other bank and financial payables	(458)
Closing balance at 31.12.2020	**17,059**

Changes	31.12.2021
Opening balance at 1.1.2021	**17,059**
Accounting effect at amortised cost	(49)
Opening of loans and credit lines	5,680
Repayment of capital portion of loans	(2,910)
Changes to financial payables IFRS 16	(755)
Elidata business combination	4,335
Last payment Otik business unit	(386)
Monetary change in other bank and financial payables	(549)
Closing balance at 31.12.2021	**22,425**

At 31 December 2021, the liquidity reserve assets was as follows:

Bank credit lines	***Loans 31.12.2021***	***Utilisation 31.12.2021***	***Availability of credit 31.12.2021***	***Availability of credit 31/12/2020***
Cash credit line	5,579	(983)	4,556	272
Self-liquidating lines	2,000	-	2,000	2,000
Financing Lines	9,777	(9,777)	-	-
Other Financial Lines	241	(13)	228	130
Total Bank Credit Lines	**17,596**	**(10,772)**	**6,784**	**2,402**
Factoring Lines	8,900	-	8,900	2,979
Total Factoring Credit Lines	**8,900**	**-**	**8,900**	**2,979**
Total Banking/Factoring Credit Lines	**26,496**	**(10,772)**	**15,684**	**5,381**
Cash and cash equivalents			13,307	10,639
Total	**26,496**	**(10,772)**	**28,991**	**16,020**

The Group's liquidity reserve of Euro 29 million is deemed sufficient to meet existing commitments on the balance sheet date.

INFORMATION ON THE INCOME STATEMENT

Comments on the Income Statement follow. These are compared with the relevant figures for the corresponding period in 2020.
It also shows the revenue and costs accruing with regard to related parties. Reference is made to Note 44 in this section for the relevant details.

34. REVENUE

Revenue	31.12.2021	31/12/2020	Change	Change %
Revenue	62,853	58,053	4,800	8.3%
Changes to orders in progress	972	2,876	(1,904)	(66.2%)
Total core revenue	**63,825**	**60,929**	**2,896**	**4.8%**
Other revenue	1,128	725	403	55.6%
TOTAL	**64,953**	**61,654**	**3,299**	**5.4%**

At 31 December 2021, the Group recorded *Total revenue* for Euro 64,953 thousand, compared to Euro 61,654 thousand for the previous year, broken down as follows:

- Euro 63,825 thousand made up of revenue from typical management (Euro 60,929 thousand in 2020);
- Euro 1,128 thousand made up of other non-typical revenue (Euro 725 thousand in 2020).

For further details on the trend in revenue, reference is made to the Report on Operations.

35. COSTS OF PRODUCTION

Costs of production amounting to Euro 49,287 thousand are detailed in the following table:

Costs	31.12.2021	31/12/2020	Change	Change %
Raw materials, consumables and goods	1,355	971	384	39.5%
Personnel costs	32,972	30,843	2,129	6.9%
For services	13,073	11,767	1,306	11.1%
Other costs	1,887	1,740	147	8.4%
TOTAL	**49,287**	**45,321**	**3,966**	**8.8%**

The table below shows, for each individual cost item, capitalised costs for software development, the impact associated with IFRS 16 and non-recurring costs:

Costs	31.12.2021	31/12/2020	Change	Change %
Raw materials, consumables and goods	1,355	971	384	39.5%
Personnel costs	36,342	34,058	2,284	6.7%
Costs of services	16,462	14,361	2,101	14.6%
Other costs:	3,710	3,463	247	7.1%
- For use of third-party assets	*1,951*	*1,903*	*48*	*2.5%*
- Other operating costs	*1,104*	*660*	*444*	*67.3%*
- Provisions for risks and other charges	*655*	*900*	*(245)*	*(27.2%)*
TOTAL CORE COSTS	**57,869**	**52,853**	**5,016**	**9.5%**
IFRS 16 impact	(1,823)	(1,723)	(100)	(5.8%)
Capitalised costs for software development	(7,128)	(6,242)	(886)	(14.2%)
Non-recurring costs	369	433	(64)	(14.8%)
TOTAL	**49,287**	**45,321**	**3,966**	**8.8%**

For further details on the trend in costs, please see that found in the Report on Operations.

36. AMORTISATIONS AND DEPRECIATIONS

Amortisations and depreciations amounted to Euro 10,105 thousand and was broken down as follows:

Amortisations and depreciations	31.12.2021	31/12/2020	Change	Change %
Capitalised software	6,679	5,440	1,239	22.8%
Customer list	681	365	316	86.6%
Other intangible fixed assets	502	361	141	39.1%
Tangible fixed assets	2,236	2,227	9	0.4%
- of which, IFRS 16 rights of use	*1,593*	*1,633*	(40)	(2.4%)
Impairment of trade receivables	7	4	3	75.0%
TOTAL	**10,105**	**8,397**	**1,708**	**20.3%**

The increase during the year is due to the consolidation of Infraxis AG for the full twelve months, compared to only six months in 2020, as well as two months of consolidation for Elidata S.p.A.

37. FINANCIAL INCOME AND CHARGES

The balance of financial management was negative for Euro 143 thousand and was made up as follows:

Financial income/(expenses)	31.12.2021	31/12/2020	Change	Change %
Income from fair value recognition	538	1,919	(1,381)	(72.0%)
Other income	6	192	(186)	(96.9%)
Exchange rate gains	21	292	(271)	(92.8%)
TOTAL FINANCIAL INCOME	**565**	**2,403**	**(1,838)**	**(76.5%)**
Interest payable and other financial charges	(525)	(630)	105	16.7%
Interest payable to parent company OWL	-	(22)	22	100.0%
Fair value adjustment, investments in other companies	(132)	-	(132)	-
Exchange rate losses	(51)	(562)	511	90.9%
TOTAL FINANCIAL CHARGES	**(708)**	**(1,214)**	**506**	**41.7%**
TOTAL RESULT OF FINANCIAL MANAGEMENT	**(143)**	**1,189**	**(1,332)**	**>(100)%**

Income from fair value recognition refers to the fair value change of the liability associated with the put&call option for the Infraxis Group business combination.

The item *Interest payable and other financial charges*, which went from Euro 630 thousand in 2020 to Euro 525 thousand at 31 December 2021, included:

- interest payable on loans, current bank accounts and factoring accounts for Euro 213 thousand (Euro 129 thousand in 2020);
- the effect for the year for Euro 56 thousand relating to the recognition of the amortised cost of financial liabilities (Euro 178 thousand in 2020);
- the effect for the year for Euro 6 thousand (Euro 21 thousand in 2020) relating to the recognition of interest costs linked to the actuarial valuation of the employee severance indemnity provision (TFR).
- the effect for the year for Euro 250 thousand relative to IFRS 16 (Euro 301 thousand in 2020).

The item *Fair value adjustment, investments in other companies* is linked to the change in the investee Nexi S.p.A. (formerly SIA).
The interest rate risk to which the Group is exposed mainly derives from loans taken out during the year. At the date of these financial statements there are no significant risks of fluctuation in market interest rates. In addition, Interest Rate Swap contracts were taken out at the same time as the loans for hedging purposes. More details can be found in note 33.

Consequently, a hypothetical 0.5% increase or decrease in the interest rates applicable to the above loans would have no significant impact on the consolidated financial statements.

38. NET RESULT OF INVESTMENTS MEASURED WITH THE EQUITY METHOD

The amount, equal to Euro 82 thousand, refers the equity measured investment in SWAP Processamento de Dados SA (a Brazilian company which provides payment services to B2B customers in Brazil and Latin America, a member of the Swap Group) as at 31 December 2021.

39. TAXES

Current taxes amounted to Euro 2,558 thousand and refer to subsidiaries' current taxes included in the scope of consolidation. More specifically, Euro 1,807 thousand refers to the IRES and IRAP amounts for Global Payments.

Current and deferred taxes	31.12.2021	31/12/2020	Change	Change %
Current taxes	2,558	2,410	148	6.1%
Expense/Income from tax consolidation	(1,270)	(857)	(413)	(48.2%)
Deferred tax assets/liabilities	(364)	(1,276)	912	71.5%
TOTAL	**924**	**277**	**647**	**>100%**

Income from tax consolidation refers to the Parent Company with regards to the consolidating entity OWL, mainly due to previous tax losses used in consolidation of taxable amounts.
The taxes included adjustments relating to the recognition of the deferred tax payables and receivables. Details for these can be found in Notes 16 and 28. They have been calculated according to the global allocation principle, taking into account the cumulative effect of all the temporary differences based on the rates expected to be in force at the time when those differences are realised.

40. PROFIT/(LOSS) PER SHARE

At 31 December 2021, a profit of Euro 4,354 thousand was recorded, compared to Euro 8,817 thousand in 2020. The earnings per share for the period was Euro 0.05 compared to 0.11 at 31 December 2020.

Earnings per share	31.12.2021	31/12/2020
Share Capital	24,331	24,331
Profit/(loss) for the year	4,354	8,817
Ordinary shares	83,536,898	83,536,898
Weighted average of number of shares in circulation in financial year	**83,536,898**	**83,536,898**
EARNINGS PER SHARE	**0.05**	**0.11**

As there are no potential shares or any other circumstances that could lead to dilutions, the diluted result per share is the same as the basic result per share calculated above.

41. OTHER PROFIT/(LOSS) IN THE COMPREHENSIVE INCOME STATEMENT

The value of the Other profit/(loss) is made up as follows:

Other profit/(loss)	31.12.2021	31/12/2020
Effective portion of profit/(loss) on cash flow hedge instruments generated during the period	7	(10)
Effective portion of profit/(loss) on cash flow hedge instruments reclassified in the comprehensive income statement	-	-
Effective portion of profit/(loss) on hedging instruments for cash flow hedge	**7**	**(10)**
Profit/(loss) deriving from the conversion of foreign companies' Financial Statements	138	(210)
Profit/(loss) deriving from the adjustment of the goodwill and assets of foreign companies	749	(73)
Profit/(loss) deriving from the conversion of foreign companies' Financial Statements	**887**	**(283)**
Actuarial profit/(loss) on defined benefit plans	(146)	(120)
Income tax relating to Other profit/(loss)	71	(9)
Total Other profit/(loss), net of tax effect	**819**	**(413)**

The income tax effect relating to Other profit/(loss) is made up as follows:

	31.12.2021			31/12/2020		
	Gross value	tax (burden)/benefit	Net value	Gross value	tax (burden)/benefit	Net value
Effective portion of profit/(loss) on cash flow hedge instruments	7	(2)	5	(10)	-	(10)
Profit/(loss) deriving from the conversion of foreign companies' Financial Statements	887	-	887	(283)	-	(283)
Profit/(loss) arising from the delta change on dividends of foreign companies	-	-	-	9	-	9
Actuarial profit/(loss) on defined benefit plans	(146)	73	(73)	(120)	(9)	(129)
Total Other profit/(loss)	**748**	**71**	**819**	**(404)**	**(9)**	**(413)**

42. DISCLOSURE OF AUDITING FIRM'S FEES

According to the provisions of Article 149-*duodecies* of the Issuers Regulations, enacting Italian Legislative Decree No. 58 of 24 February 1998, below are the details of the services rendered by the auditing firm in 2021.
The table below indicates the fees in thousands of Euro, for the accounts auditing and other services.

Type of services	Service provider	Service recipient	Fees/Euros
Accounts audited	Parent company auditor	Parent company TAS S.p.A.	117,000
	Parent company auditor	Subsidiaries	58,000
Services other than auditing*	Parent company auditor	Parent company TAS S.p.A.	21,000

* Includes the limited audit of the consolidated non-financial disclosure and auditing of expenses sustained for research and development.

43. INFORMATION ON OPERATING SEGMENTS

INFORMATION ON OPERATING SEGMENTS

An operating segment is part of an entity that undertakes business activities that generate costs and revenue, the results of which are periodically reviewed at the highest operational decision-making level so that decisions can be taken about the resources to be allocated to the segment, and the evaluation of its results. A geographical segment refers to a group of activities that supply products or services within a specific economic environment subject to risks and returns that differ from those of segments operating in other economic environments.

We note that at the reporting date for these consolidated Financial Statements, the operating segment did not meet the requirements of IFRS 8 to provide for a separate disclosure.
In terms of IFRS 8, information is provided below on the geographic segments. Specifically:

- revenue from external customers from the country where the business has its registered office, and all foreign countries, that the business obtain revenue from;
- non-current assets other than financial instruments and deferred tax assets in the country where the business has its registered office and in all foreign countries, in total where the business holds assets.

GEOGRAPHIC SEGMENT

The other information about geographic segments is provided below:

Income statement	*31.12.2021*								
€ thousand	*Italy*	*Switzerland*	*Spain*	*South America*	*France*	*Eastern Europe*	*USA*	*Other foreign countries*	*Cons.*
Total revenue	**49,408**	**7,824**	**722**	**1,324**	**3,143**	**1,945**	**86**	**501**	**64,953**

Income statement	*31/12/2020*								
€ thousand	*Italy*	*Switzerland*	*Spain*	*South America*	*France*	*Eastern Europe*	*USA*	*Other foreign countries*	*Cons*
Total revenue	**48,763**	**4,440**	**921**	**1,226**	**2,766**	**2,049**	**664**	**825**	**61,65**

Balance Sheet	*31.12.2021*								
€ thousand	*Italy*	*Switzerland*	*Spain*	*South America*	*France*	*Eastern Europe*	*USA*	*Other foreign countries*	*Cons.*
Intangible fixed assets	32,259	18,241	1,365	6	110	1,510	-	-	53,490
- Goodwill	21,582	7,614	1,345	-	91	943	-	-	31,574
- Other intangible fixed assets	10,677	10,627	20	6	19	568	-	-	21,916
Tangible fixed assets	7,846	461	14	11	2,753	431	-	265	11,782
Financial receivables and fixed assets	766	23	12	4	135	-	2	14	957
Non-current assets	**40,871**	**18,725**	**1,391**	**21**	**2,998**	**1,941**	**2**	**280**	**66,229**

Balance Sheet	*31/12/2020*								
€ thousand	*Italy*	*Switzerland*	*Spain*	*South America*	*France*	*Eastern Europe*	*USA*	*Other foreign countries*	*Cons*
Intangible fixed assets	21,504	18,638	1,407	8	117	1,498	-	-	43,17
- Goodwill	15,977	7,281	1,345	-	91	943	-	-	25,63
- Other intangible fixed assets	5,528	11,356	62	8	26	555	-	-	17,53
Tangible fixed assets	6,323	71	100	12	2,984	289	-	89	9,86
Financial receivables and fixed assets	297	10	12	4	135	-	2	13	47
Non-current assets	**28,125**	**18,719**	**1,519**	**24**	**3,236**	**1,787**	**2**	**102**	**53,51**

44. TRANSACTIONS WITH RELATED PARTIES

The following related-party transactions took place during the period. For the definition of "Related parties", reference is made to IAS 24 R, approved by Regulation (EC) No. 632/2010.
Related-party transactions as defined by IAS 24R were carried out in accordance with laws in force, at normal market prices.
The table below summarises the economic, capital and financial relations with related parties on 31 December 2021:

	OWL SPA	GUM CONSULTING SRL	PAYGLOBE
Current tax receivables	1,278	-	-
			-
Trade payables	-	-	(2)
Other payables	-	(83)	-
Current tax payables	(1,524)	-	-
Costs			
Costs of services	-	(395)	(10)
Other costs	-	-	
Taxes			
Taxes	(342)	-	-

Relations with related parties during the year were all conducted at arm's length, and refer to:

- relations between the Company and the parent OWL SpA and refer to recognition of relationships associated with tax consolidation;
- the relations with the company Gum Consulting S.r.l. in which Dario Pardi is a majority shareholder and referring to the compensation including the refund of expenses as Chairman of the Company's Board of Directors;
- the relations with Payglobe S.r.l. for services provided based on a work order from the Parent Company.

The following information contains details of the impact that related-party transactions had on the Group's financial and asset position:

Impact of related-party transactions			
		Related parties	
	Total	**Absolute Amount**	**%**
a) Impact of related-party transactions on items on the Balance Sheet			
Current tax receivables	1,962	1,278	65.14%
Trade payables	(18,318)	(2)	0.01%
Other payables	(11,525)	(83)	0.72%
Current tax payables	(2,251)	(1,524)	67.70%
b) Impact of related-party transactions on items on the Income Statement			
Costs of services	(13,073)	(405)	3.10%
Taxes	(924)	(342)	37.01%

45. SUBSEQUENT EVENTS

From the financial year's closing date, it is noted as follows:

- on **25 February 2022** the TAS Board of Directors, in the light of the change in control over TAS which occurred on 25 January of this year, as well as the consequent mandatory full public takeover bid put forward for TAS shares by Solidus BidCo S.p.A. (the "Offer"), in compliance with that established in the implementation rules for the current 2020-2022 TAS stock option plan and after hearing the opinion of the remuneration and appointments committee, resolved to allow the beneficiaries of this plan to exercise in advance a total of 353,863 options with respect to the total amount of 374,000 options so that the beneficiaries could adhere to the Offer if desired with the TAS shares derived from exercising the options. Consequently, shares in circulation as communicated on 28 March 2022 amount to 83,880,761 ordinary shares with no nominal value, and share capital totals Euro 24,704,330.23.

- on **16 March 2022** TAS signed an agreement with Piteco an Italian software company offering management solutions for company treasuries and financial planning. This began a strategic collaboration with the specific objective of supporting international growth strategies for companies by simplifying access to the SWIFT network (Society for Worldwide Interbank Financial Telecommunication), the main system used by banks to carry out fast and secure cross border payments.

With reference to the Russian/Ukrainian conflict, please see that found under Note 3.

46. INFORMATION REQUIRED BY THE LAW OF 4 AUGUST 2017, ART. 1, PARAGRAPHS 125-129

Paragraphs 125 to 129 were added to article 1 of Italian Law 124/2017 to introduce certain measures aimed at ensuring transparency in the public service provider system, which fall within the scope of the European and national regulatory framework: in this regard, Italian Legislative Decree 33/2013 reformulated the regulations referring to the right of civic access and obligations of disclosure, transparency and the dissemination of information by public administrations.
The formulation of the text in this regulation immediately gave rise to a number of problems for businesses in terms of interpretation and application. The National Anti-Corruption Authority [ANAC] then intervened in this regard with resolution no. 1134 of 8 November 2017, in which it identified people responsible for the implementation and monitoring of service provision in individual administrations, and the correct fulfilment of the consequent obligations. In the opinion no. 1149 dated 1 June 2018, the Council of State then clarified that 2019 would be the first year of application for the amounts received from 1 January to 31 December 2018.
More recently, Italian Law dated 11 February 2019 (Italian Legislative Decree no. 135 of 14 December 2018) stipulated that provisions falling within the scope of the National State Aid Register established by the Ministry of Economic Development did not need to be disclosed (Italian Law 115/2015).
Also of note is the Assonime Circular No.5 “Business and competition activities”, published on 22 February 2019, which contains certain guidelines and notes the main areas of uncertainties, hoping that the authorities will intervene by issuing regulations to guarantee the correct and standard fulfilment of business obligations, and that the sanctions contained in the regulation will not be applied. On this basis, the criteria adopted by TAS S.p.A. in accordance with the Assonime Circular referred to, are set out below. Grants, contributions and economic benefits of any kind received from 1 January to 31 December 2021 were taken into consideration. These amounts were recognised for the purposes of this regulation based on a cash criterion, whilst complying with the correct accounting standards, they were recognised in the financial statements according to the accrual criterion. Considerations were excluded on the other hand, including remunerated appointments, tax incentives, grants to private parties and those originating from the public entities of other countries, or supranational entities (for example, the European Commission). Based on the above, it is believed that TAS has no amounts to report with regard to this Law.

47. NUMBER OF EMPLOYEES

Staff	31/12/2021	31/12/2020*	Change
TAS	155	176	(21)
GLOBAL PAYMENTS	272	251	21
ELIDATA	49	-	49
TAS INTERNATIONAL	17	14	3
TAS FRANCE	7	9	(2)
TAS BRASIL	5	3	2
TAS IBERIA	9	11	(2)
MANTICA	5	6	(1)
TAS EE	59	60	(1)
TAS GERMANY	5	4	1
TAS USA	-	1	(1)
INFRAXIS Group	20	26	(6)
Number of employees	**603**	**561**	**42**
Average number of employees	**567**	**525**	**42**

* *Following the process to improve the reporting system, the figure for employees at 31/12/2020 was restated with respect to that shown in the financial statements at 31/12/2020.*

48. FEES PAID TO DIRECTORS, STATUTORY AUDITORS, GENERAL MANAGERS AND DIRECTORS WITH STRATEGIC RESPONSIBILITIES

Below are the details of the remuneration (in Euro) payable to the directors, members of the Board of Statutory Auditors, General Managers and directors with strategic responsibilities in the year 2021.

Name and Surname	Position held during the year	Period in which the position was held	Expiry of office	Fixed remuneration	Consideration as member of committees	Non-monetary benefits	Bonuses and other incentives	Other benefits	Fair value of equity compensation	Total	Proportion betw and variable rem Fixed remuneration over total (%)	re ov
Dario Pardi	Chairman	01/01-31/12/2021	Approval of 2022 Financial Statements	**399,624**			**-**			**399,624**	100.0%	
remuneration in the Company				375,000						375,000	100.0%	
remuneration from subsidiaries				24,624						24,624	100.0%	
Valentino Bravi	Chief Executive Officer	01/01-31/12/2021	Approval of 2022 Financial Statements	**484,624**		**3,331**	**-**	**25,000**		**512,954**	100.0%	
remuneration in the Company				460,000		3,331		25,000		488,331	100.0%	
remuneration from subsidiaries				24,624						24,624	100.0%	
Fabio Bravi	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	**29,624**		**761**	**-**	**108,000**		**138,385**	100.0%	
remuneration in the Company				15,000		761	-	108,000		123,761	100.0%	
remuneration from subsidiaries				14,624						14,624	100.0%	
Carlotta De Franceschi	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	5,000					20,000	100.0%	
Giancarlo Maria Albini	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	10,000					25,000	100.0%	
Roberta Viglione	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	5,000					20,000	100.0%	
Ambrosella Ilaria Landonio	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	5,000					20,000	100.0%	
Umberto Pardi	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	**33,495**		**-**	**9,247**	**111,892**		**154,634**	94.0%	
remuneration in the Company				15,000						15,000	100.0%	
remuneration from subsidiaries				18,495			9,247	111,892		139,634	93.4%	
Annunziata Magnotti	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	10,000	3,333					13,333	100.0%	
Total directors' remuneration				**1,017,365**	**28,333**	**4,092**	**9,247**	**244,892**	**-**	**1,303,930**	**99.3%**	
Antonio Mele	Chairman	01/01-31/12/2021	Approval of 2022 Financial Statements		**59,280**						**59,280**	
remuneration in the Company				41,600						41,600		
remuneration from subsidiaries				17,680						17,680		
Diana Rizzo	Standing Auditor	01/01-31/12/2021	Approval of 2022 Financial Statements		31,200						31,200	
Luca Maria Tesio	Standing Auditor	01/01-31/12/2021	Approval of 2022 Financial Statements		31,200						31,200	
Total auditors' remuneration				**121,680**	**-**	**-**	**-**	**-**	**-**	**121,680**	**100.0%**	
TOTAL REMUNERATION				**1,139,045**	**28,333**	**4,092**	**9,247**	**244,892**	**-**	**1,425,610**	**99.4%**	
Directors with strategic responsibilities				**605,151**		**11,008**	**-**	**-**	**-**	**616,159**	**100.0%**	
remuneration in the Company				550,000		11,008				561,008		
remuneration from subsidiaries				55,151						55,151		

* Includes the 4 directors in office on 31 December 2021.

PROPOSAL FOR THE APPROVAL OF THE FINANCIAL STATEMENTS AND ALLOCATION OF THE PROFIT/(LOSS) FOR THE 2021 FINANCIAL PERIOD

Dear Shareholders,
We believe that the Management Report in support of the Company's Financial Statements and the Consolidated Financial Statements of the TAS Group provide a comprehensive representation of the performance and results achieved in 2021.

The draft financial statements for TAS S.p.A. were approved on 15 April 2022 and showed a net profit for the period of Euro 10,658,274.80. The Board of Directors proposes allocating this profit as follows:

- Euro 532,913.74 to the Legal Reserve pursuant to Art. 2430 of the Italian Civil Code;
- Euro 10,125,361.06 to be carried forward.

Casalecchio di Reno, 15 April 2022

For the Board of Directors
the Chief Executive Officer
VALENTINO BRAVI

Certification of the Consolidated Financial Statements pursuant to Art. 81-*ter* of the Consob Regulation No. 11971 of 14 May 1999, as amended.

The undersigned Valentino Bravi, Chief Executive Officer, and Paolo Colavecchio, as Officer in charge of the preparation of the company accounting documents for TAS S.p.A. also considering that as established by Art. 154-*bis*, paragraphs 3 and 4 of Italian Legislative Decree No. 58 of 24 February 1998, certify:

- the adequacy in respect of the Company's characteristics, and
- the effective application of the administrative and accounting procedures for the preparation of the Consolidated Financial Statements during the financial period from January-December 2021.

It is also hereby certified that the Consolidated Financial Statements at 31 December 2021:

a. have been drawn up according to the international accounting standards applicable and recognised in the European Community pursuant to the regulation (EC) no. 1606/2002 of the European Parliament and Council of 19 July 2002;
b. correspond to the balances in the accounting records;
c. provide a true and correct representation of the equity and economic and financial situation of the issuer and of all the companies included in the consolidation.

The Report on Operations includes a reliable analysis of the trend and operating profit, in addition to the position of TAS and all businesses included in the consolidation and a description of the main risks and uncertainties to which they are exposed.

Casalecchio di Reno, 15 April 2022

Chief Executive Officer
Valentino Bravi

Financial Reporting Officer
Paolo Colavecchio

Tas SpA
Administrative Headquarters
Via del Lavoro 47
40033 Casalecchio di Reno (BO)
T [+39] 051 458011
F [+39] 051 4580248
www.tasgroup.it

Tas SpA
Registered Office
Via Cristoforo Colombo 149
00142 Rome
T [+39] 06 7297141
F [+39] 06 72971444

Share Capital €24,330,645.50 fully paid up
R.E.A. No. RM 732344
VAT number 03984951008
Tax code and Rome Co. Reg. no. 05345750581
PEC: amministrazione@pec-tasgroup.it

TAS TECNOLOGIA AVANZATA DEI SISTEMI S.p.A.

Registered Office Via Cristoforo Colombo, 149 - 00142 Rome (RM) - Fully paid-up Share Capital: Euro 24.330645,50 - Registration Company Reg. and Tax Code 05345750581 - Rea 732344

FINANCIAL STATEMENTS AT 31 December 2021

Balance sheet	***Notes***	***31.12.2021***	***31/12/2020***
Intangible fixed assets	**13**	2,388	2,274
Tangible fixed assets	**14**	5,067	6,114
- Right of use IFRS 16		*4,242*	*5,508*
- Other tangible fixed assets		*825*	*606*
Investments and other securities	**15**	56,058	48,692
Non-current borrowings	**16**	899	2,272
Deferred tax receivables	**17**	1,856	1,900
Other receivables	**18**	29	26
Total non-current assets		**66,297**	**61,278**
Contract assets with customers	**19**	4,236	3,552
Trade receivables	**20**	15,819	14,698
(of which trade accruals and deferrals)		*907*	*686*
(of which in respect of related companies)		*1,716*	*290*
Other receivables	**21**	656	45
Receivables for current taxes on income	**22**	1,366	878
(of which in respect of related companies)		*1,278*	*718*
Current financial receivables	**23**	1,683	1,665
(of which in respect of related companies)		*1,682*	*1,665*
Cash and cash equivalents	**24**	912	1,667
Total current assets		**24,672**	**22,505**
TOTAL ASSETS		**90,969**	**83,783**
Share capital		24,331	24,331
Other reserves		6,201	(1,297)
Profit (loss) for the period		10,658	16,597
Net Equity	**25**	**55,399**	**44,763**
Employee severance indemnity provision	**26**	1,125	1,416
Provisions for risks and charges	**27**	352	175
Deferred taxes provision	**28**	21	38
Financial liabilities	**29**	6,100	12,924
Total non-current liabilities		**7,598**	**14,553**
Trade payables	**30**	21,533	14,784
(of which liabilities from contract with customers)		*2,681*	*3,837*
(of which trade accruals payable)		*6*	*1*
(of which in respect of related companies)		*16,281*	*8,321*
Other payables	**31**	3,533	4,578
(of which in respect of related companies)		*63*	*-*
Financial liabilities	**32**	2,906	5,105
Total current liabilities		**27,972**	**24,467**
TOTAL LIABILITIES		**90,969**	**83,783**

Income statement	***Notes***	***31.12.2021***	***31/12/2020***
Revenues from sales and services		13,887	15,522
(of which in respect of related companies)		*1,433*	*1,004*
Changes to orders in progress		799	2,435
Other revenue		7,618	6,057
(of which in respect of related companies)		*7,178*	*5,587*
Total revenue	**33**	**22,304**	**24,014**
Raw material consumables		(156)	(256)
Personnel costs		(10,664)	(11,395)
Costs of services		(9,613)	(9,584)
(of which in respect of related companies)		*(3,117)*	*(3,327)*
Other costs		(816)	(1,102)
Total costs	**34**	**(21,249)**	**(22,337)**
Depreciation and amortisation	**35**	(3,156)	(2,837)
Write-downs		-	-
Revaluation/impairment of equity investments measured at equity	**36**	4,973	6,137
Operating result		**2,872**	**4,977**
Financial revenue		7,023	10,301
(of which in respect of related companies)		37	76
Financial charges		(468)	(583)
(of which in respect of related companies)		*(30)*	*(194)*
Results of financial management	**37**	**6,555**	**9,718**
Profit/(loss) before tax		**9,427**	**14,695**
Current and deferred taxes	**38**	1,231	1,902
(of which in respect of related companies)		*1,182*	*857*
Profit/(loss) for the year		**10,658**	**16,597**

Comprehensive income statement	***Notes***	***31.12.2021***	***31/12/2020***
Net profit/(loss) for the year (A)		**10,658**	**16,597**
Other profits/(losses), net of tax effect that will not subsequently be reclassified in the financial year profit/(loss):			
Profit/(loss) relative to equity investments measured at equity		(36)	(71)
Actuarial profit/(loss) on defined benefit plans		(48)	(61)
Tax effect		13	-
Total Other profit/(loss), net of tax effect that will not subsequently be reclassified in the financial year profit/(loss) (B1)		**(71)**	**(132)**
Other profits/(losses) that will subsequently be reclassified in the financial year profit/(loss):			
Effective portion of profit/(loss) for cash flow hedges		9	(10)
Profit/(loss) relative to equity investments measured at equity		599	(231)
Tax effect		(2)	3
Total Other profit/(loss), net of tax effect that will subsequently be reclassified in the financial year profit/(loss) (B2)		**606**	**(238)**
Total Other profit/(loss), net of tax effect (B1 + B2=B)	**39**	**535**	**(370)**
Total Profit/(loss) (A) + (B)		**11,193**	**16,227**

Cash Flow Statement	**Notes**	**31/12/2021**	**31/12/2020**
Profit/(loss) for the year		10,658	16,597
Income taxes	**38**	(1,231)	(1,902)
Amortisation of intangible fixed assets	**35**	3,156	2,837
Change to employee severance provision	**26**	(142)	(17)
Change in provisions for risks and charges	**27**	-	(195)
Payment of income taxes		-	(160)
Interest liabilities/ (interest income)	**37**	(6,630)	567
Capital gains from the dilution of the percentage held of subsidiaries		-	(9,432)
Valuation of equity investments using the equity method	**36**	(4,973)	(6,137)
Fair value revaluation of other equity investments	**37**	-	(603)
Stock Option	**25**	228	55
Other non-monetary changes		(243)	83
Decrease/ (increase) in contract assets with customers and other current assets items		(2,584)	(12,013)
Increase/(decrease) in accounts payable and other liabilities		6,682	8,038
Cash flow from operating activities		**4,921**	**(2,282)**
Net change in intangible fixed assets	**13**	(2,015)	(1,873)
Net change in tangible fixed assets	**14**	(566)	(321)
Net change in financial fixed assets	**15**	(700)	(272)
Disbursement of loans to subsidiaries		-	(4,000)
Change to current financial receivables	**23**	(17)	79
Collection of capital portions of loans to subsidiaries	**24**	1,372	327
Financial revenue received		37	64
Business combinations		-	(787)
Cash flow from investments		**(1,889)**	**(6,783)**
New loans	**29/32**	-	11,500
Loan repayment	**29/32**	(1,669)	(5,656)
Change to other financial liabilities	**29/32**	(923)	27
Refunds liabilities for leases IFRS 16		(934)	(932)
Paid financial charges		(261)	(441)
Cash flow from financing		**(3,787)**	**4,498**
Change in cash and cash equivalents		**(755)**	**(4,567)**
Cash and cash equivalents - initial balance		**1,667**	**6,234**
CASH AND CASH EQUIVALENTS – CLOSING BALANCE	**24**	**912**	**1,667**

Statement of Changes in Net Equity

€ thousand	Share capital	Res. Legal	Res. Port. to NE	Res. Stock Option	Cash flow hedge reserve	Act. val. reserve	Other reserves	Profit/(loss) carried forward	Reserve for the year	Total
Balances at 31 December 2019	**24,331**	**360**	**(6,126)**	**-**	**-**	**(396)**	**5,725**	**-**	**5,402**	**29,296**
Allocation of 2019 profit	-	270	-	-	-	-	-	5,132	(5,402)	-
Stock Option plan	-	-	-	68	-	-	-	-	-	68
Comprehensive profit (loss) for the year	-	-	(302)	-	(7)	(61)	-	-	16,597	16,227
Other changes	-	-	(828)	-	-	-		-		(828)
Balances at 31 December 2020	**24,331**	**630**	**(7,256)**	**68**	**(7)**	**(457)**	**5,725**	**5,132**	**16,597**	**44,763**
Allocation of 2020 profit	-	830	6,563	-	-	127	-	9,077	(16,597)	-
Impact of Elidata acquisition	-	-	(836)	-	-	-	-	-	-	(836)
Stock Option plan	-	-	(7)	286	-	-	-	-	-	279
Comprehensive profit (loss) for the year	-	-	563	-	7	(35)	-	-	10,658	11,193
Balances at 31 December 2021	**24,331**	**1,460**	**(973)**	**354**	**-**	**(365)**	**5,725**	**14,209**	**10,658**	**55,399**

EXPLANATORY NOTES

INTRODUCTION

TAS S.p.A. (hereafter, "TAS", the "Company" or the "Parent Company") is a company listed on the Borsa Italiana S.p.A. exchange in Milan, in the MTA standard segment, held for 72.91% (the value as of the date this report was approved) by OWL S.p.A., which provides management and coordination (hereafter, "OWL"), held 18.3% by Solidus BidCo S.p.A. and by the market for the remaining portion.[13]
Its registered office is in Rome, in Via Cristoforo Colombo 149, while the administrative offices are in Casalecchio di Reno (prov. Bologna) in Via del Lavoro 47.

These Financial Statements were prepared by the Board of Directors on 15 April 2022, for approval by the Shareholders' Meeting called for 27 June 2022 at the first call, and 28 June 2022 at the second call.

1. Significant events

INDIRECTION ACQUISITION OF TAS S.P.A. BY SOLIDUS BIDCO S.P.A.

Following the press releases issued on 21 October 2021 and 10 January 2022, on 25 January 2022 the Company communicated the closing of the "Sales Contract" through which Solidus BidCo purchased the full share capital of GUM International and 2BP S.r.l. ("2BP") and, indirectly, the full share capital of OWL S.p.A. ("OWL"), the direct parent of TAS.

Solidus BidCo is a company whose share capital is indirectly held by the funds of Gilde Buy-Out Fund VI C.V. and Gilde Buy-Out Fund VI 2 C.V. (these funds, jointly, "Gilde").

As an effect of the closing, Solidus BidCo put forward, pursuant to articles 102, 106 and 109 of Legislative Decree 58 of 24 February 1998 ("TUF"), and article 45 of the Regulation adopted with CONSOB resolution 11971/1999 (the "Issuers Regulation"), a mandatory full public takeover bid (OPA) for the ordinary shares of the Company other than the shares directly or indirectly held by Solidus BidCo, at a price of Euro 2.20 per ordinary share.

In the context of this Closing, the Chairman and executive member of the Company's Board of Directors, Dario Pardi, the non-executive director Umberto Pardi and the independent director Giancarlo Maria Albini (the latter also the lead independent director pursuant to the corporate governance code for listed companies, chairman of the appointments and remuneration committee as well as member of the control, risks and related parties committee) submitted their resignations from their respective offices.

The resignations of Dario Pardi and Umberto Pardi occurred in virtue of the agreements established in the Purchase Contract, while the resignation of Mr. Albini were motivated by the expediency of facilitating the process of changing the Company's management.

---

[13] These amounts are up to date as at 30 March 2022.

Note that based on the information available to the Company and made known to the market, Dario Pardi, prior to the Closing, had indirect control over the Company, through GUM International S.r.l., which he owned, indirectly through GUM Consulting S.p.A. in which he held 51% of the share capital.

To replace the directors who had resigned, the TAS Board of Directors appointed by cooptation, pursuant to the law and the by-laws, Gilde representatives Maurits Edward Boomsma, Giuseppe Franze and Gianluigi Manna as non-independent directors of TAS, who will remain in office until the next Shareholders' Meeting, none of which have received operational powers.

The Board of Directors also appointed as chairman the current Chief Executive Officer Valentino Bravi, and also determined the new structure of its internal committees:

Control, Risks and Related Parties Committee:
Ambrosella Ilaria Landonio – Chairman and Independent Director;
Annunziata Magnotti – Independent Director;
Roberta Viglione – Independent Director.

Remuneration and Appointments Committee:
Carlotta de Franceschi – Chairman and Independent Director;
Annunziata Magnotti – Independent Director;
Ambrosella Ilaria Landonio – Independent Director.

Finally, the Board of Directors designated at its lead independent director, pursuant to the corporate governance code for listed companies, Director Roberta Viglione, assigning investor relations responsibilities to the CFO Paolo Colavecchio.

Note that the Company has begun the process for delisting the shares currently traded on the Euronext Milan regulated market. This process should be completed in May 2022 after which the Company will no longer be an issuer of shares listed on a regulated market in Italy or the European Union and, therefore, will no longer be subject to the provisions established for such issuers. While awaiting completion of the delisting process, the Directors have prepared the financial statements and complied with the additional requirements established for the annual financial reports of listed companies. Given that the Shareholders' Meeting to approve the financial statements has been called for 27 June 2022, the report on the remuneration policy and fees paid has not yet been prepared which, pursuant to article 123-ter of Legislative Decree 58/98, must be made available to the public at least 21 days prior to the date of the Shareholders' Meeting. To that end, if the delisting process is not completed in time, the Directors will publish this report by the cited deadline. If the delisting is completed prior to this deadline, the report in question will not be prepared, given that the Company will not longer be subject to the requirement.

2. BUSINESS COMBINATION TRANSACTION

ELIDATA

This took effect on 1 November 2021 as a consequence of the binding agreement signed on 6 August 2021 for TAS to purchase 55% of the share capital of the Italian company Elidata SpA (“Elidata”).

Elidata, established in February 1999, has more than twenty years of experience in creating systems to interconnect international financial markets for some of the largest Italian and European banking groups, with a presence in Germany, Spain and Switzerland.

This acquisition involved:

- a share capital increase through a contribution in kind of Euro 14,350,000.00, reserved for TAS, released through the transfer by the latter of its Capital Market business unit (“CM Business Unit” (the “Capital Increase”), equivalent to 51.7% of Elidata share capital. Note that the fair value of Elidata and the CM Business Unit were appraised by independent consultants; and
- the acquisition by TAS, relative to the shareholder equity investments after the Capital Increase, of an equity investment equal to 3.3% of the share capital of Elidata for a total of Euro 700,000.00.

When the operation was carried out, the parties also began activities necessary to begin the merger by incorporation of C64 S.r.l. (a Elidata shareholder holding 17.61% of the capital prior to the merger), pursuant to and in accordance with article 2501-*bis* of the Italian Civil Code, completed with a deed dated 29 December 2021. The accounting effects of the merger were retroactive to 1 January 2021.

Through this operation, TAS expanded the array of solutions dedicated to the financial industry, in particular for financial markets (“Capital Market” Business Unit), adding Elidata’s offerings, which have always offered high quality, both in terms of security and in terms of compliance with national and international regulations, to its own “Capital Market” Business Unit. The Extended ERP assets still are held by TAS, as are the centralised staff and corporate functions.

A summary of the main details referring to this transaction are provided below.

Company Name	Date of operation (1)	Cost of operation (2)	Ownership interest
Elidata	01/11/2021	15,050,000	55%

(1) Date when control was acquired.

(2) The cost of the operation refers to the total price to acquire the 55% stake in Elidata.

The table below shows assets and liabilities separated with the transfer of the Capital Market Business Unit and the impact on the Company’s income statement. In fact, TAS S.p.A. measures its investments in subsidiaries using the equity method, therefore the effects described above relative to the consolidated financial statements similarly apply at the level of the annual financial statements and the portion of capital gains attributable to the fair value of the CM Business Unit held by TAS is reversed:

Balance Sheet	**Book value /000**
Intangible fixed assets	21
Tangible fixed assets	17
Financial fixed assets	0
Trade receivables and other receivables	1,042
Trade payables and other payables	-978
Employee severance indemnity provision (TF) and other provisions	-198
Net assets at current values	**-96**
Net financial position	-17
Net Equity	**-113**
Price paid	14,350
Capital gains	14,463
% transferred to third parties	48.3%
Income in income statement	**6,986**

3. RUSSIA/UKRAINE CRISIS: CALL TO ATTENTION FOR FINANCIAL DISCLOSURES

In compliance with the CONSOB call to attention of 18 March 2022, regarding the financial disclosure that issuers must provide in the light of the war in Ukraine (in line with the recommendations published by ESMA on 14 March 2022, illustrating the supervisory and coordination actions undertaken in this context) the Company provides the following information relative to the points below:

i. disseminate as soon as possible any privileged information involving the impacts of the crisis on fundamentals, prospects and the financial situation, in line with transparency requirements pursuant to market abuse regulations, unless there are conditions that allow publication of the same to be delayed; and

ii. provide information, to the extent possible both qualitative and quantitative, regarding current and foreseeable, direct and indirect effects of the crisis on commercial activities, exposure to markets affected, supply chains, the financial situation and economic results in the 2021 financial reports, if these have not yet been approved, and at the annual Shareholders' Meeting or otherwise, in the interim financial reports.

Impacts associated with the crisis in Ukraine, at present nobody is able to measure the amount of the decline, which will depend on various factors: the duration of the crisis, the possibility to make use of diplomatic channels, the structure of sanctions imposed on Russia.

We note that the Company does not currently have offices in the countries directly involved in the conflict, nor to these represent significant markets for growth or supplies for it. Nonetheless, the events currently have created a situation of general uncertainty, in which future developments and potential effects are not foreseeable.

Of particular note is the increase in threats relative to assessing cyber risk linked to the conflict between Russia and Ukraine. For the first time, the most dangerous groups of hackers in the world are dividing up into factions and, within cyberspace, we are seeing an unprecedented series of attacks.
Ransom ware viruses, one of the main threats to business continuity for companies, have multiplied and transformed from simple extortion devices used with companies into destructive tools which entirely ignore the spending ability of companies, focussing exclusively on destroying the systems they attack.
In terms of the proliferation of ZeroDay vulnerabilities (vulnerabilities not yet identified by antivirus systems - the most dangerous), there has been a dramatic increase in rates paid for these on the DarkWeb and this has dramatically increased cyber risks for all companies.

Within the Group, in addition to all the actions which already exist to mitigate cyber risk, we have also agreed to increase the level of attention paid to this in the Security Operations Center, also through the insertion of IOCs (Indicators of Compromise) which has allowed us to obtain greater visibility specifically for the threats that have arisen due to the conflict.

4. VALUATION CRITERIA

REFERENCE ACCOUNTING STANDARDS

The annual Financial Statements for 2021 were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and the measures implementing Art. 9 of Italian Legislative Decree No. 38/2005. IFRS also means the currently applicable International Accounting Standards (IAS) and all of the interpretation documents issued by the IFRS Interpretations Committee, formerly known as International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee before that (SIC).

The Financial Statements were prepared on the basis of the historic cost principle, modified where required for the valuation of certain assets and liabilities, where the fair value principle was applied, and the assumption of a going concern.

FINANCIAL STATEMENTS

The Financial Statements are presented in thousands of Euro.
The Financial Statements structures adopted by the Group have the following characteristics:

- in the Balance Sheet, assets and liabilities were analysed according to when they fall due, separating current and non-current items with due dates within or after 12 months from the date of the Financial Statements, respectively;
- the Income Statement and the Comprehensive Income Statement were presented with the different items analysed based on their nature;
- the Statement of changes in the equity statements were prepared in accordance with IAS 1 provisions;
- the Cash Flow Statement shows cash flows based on the "indirect method", as permitted by IAS 7.

Finally, we note that with reference to Consob Resolution no. 15519 of 27 July 2006 on Financial Statement schedules, related party transactions have been disclosed.

Use of estimates and assumptions in the preparation of the annual Financial Statements

The preparation of the Consolidated Financial Statements requires the use of estimates and assumptions that may have a significant effect on the amounts recognised in the Balance Sheet and Income Statement, as well as the disclosure of contingent assets and liabilities reported in the Financial Statements. The production of such estimates involves the use of available information and the adoption of subjective assessments based on past experience, which are used to formulate reasonable assumptions for the recognition of operations. By their nature, these estimates and assumptions may change from year to year and, therefore, cannot be excluded that, in future years, the current values entered in the Financial Statements may differ significantly as a result of changes in the subjective valuations.

The main areas where subjective judgements by management were required include:

- the quantification of losses for impairment of loans and, generally, other financial assets;
- the determination of fair value of financial instruments;
- an assessment of whether the other intangible assets are appropriate;
- an assessment of whether the carrying values of certain equity investments in subsidiaries are appropriate (it is noted that, due to the importance of this particular item, a sensitivity analysis was carried out. Reference is made in this regard in note 14);
- an estimate of contract costs for the valuation of assets resulting from contracts;
- the quantification of severance indemnity provisions and the risks and charges provisions;
- estimates and assumptions relating to the recoverability of deferred tax assets.

The description of the accounting policies applied to the main aggregates of the Financial Statements provides the information needed to identify the key assumptions and subjective evaluations used in the preparation of the Financial Statements. Reference is made to the specific sections of the Notes for more information and details on the item's composition and amounts involved in these estimates.

INTANGIBLE FIXED ASSETS

Research and development expenses

Research costs were charged to the Income Statement at the time the cost was incurred on the basis of IAS 38.
When the costs incurred in respect of software development meet the following conditions, they are recognised as an intangible assets on the asset side of the balance sheet.
Capitalisation begins when the company can demonstrate:

a) the technical possibility of completing the software solution so that it is available for use or sale;
b) its intention to complete the software solution to use it or sell it;
c) its ability to use or sell the software solution;
d) the procedure to generate future economic profits, e.g., by demonstrating the existence of a market for any software-based product or for software itself, or its internal use;
e) the availability of adequate technical, financial and other resources to complete the development of software and the use or sale of the software;
f) the ability to reliably assess the cost attributable to the software during the development phase.

The amortisation of capitalised software development costs is based on a systematic criterion from the initial product availability for use through to the estimated useful life, which is normally three years. The straight-line method is the chosen amortisation approach.

Other intangible fixed assets

Other intangible assets are recognised as assets in accordance with IAS 38 – *Intangible fixed assets*, when it is probable that the use of said assets will generate future economic benefits and if their costs can be reliably measured. Assets are valued at purchase cost and amortised on a straight-line basis over their estimated useful life.
The useful life for each category is as follows:

DESCRIPTION	**YEARS**
Development costs	3 years
Industrial patent rights	5 years
Trademarks	10 years

TANGIBLE FIXED ASSETS

Property, plants and machinery

Tangible fixed assets are recognised at cost and entered at the purchase price or cost of production including the directly attributable ancillary costs necessary to make the assets available for use.

Assets acquired under financial leases, where all the risks and benefits of ownership are substantially transferred to the Company, are classified as tangible assets at their fair value or, if lower, at the present value of minimum lease payments under the lease. The corresponding liability to the lessor, equal to the capital portion of future lease payments, is recognised under financial liabilities. If there is no reasonable certainty that the right of redemption can be exercised, the asset is depreciated over the life of the lease, if shorter than the asset's useful life.
Tangible assets are systematically depreciated on a straight-line basis throughout their useful life, with this understood as the estimated period in which the asset will be used by the company. Should tangible fixed assets consist of several components with different useful lives, depreciation is calculated separately for each component. The depreciation value is represented by the recognition value less the presumed net value of disposal at the end of its useful life, if significant and reasonably determinable.
The cost of improvements, modernisation or transformation that increases the working life of tangible assets are allocated to the relevant category and depreciated throughout the asset's residual life.

When events occur that lead to expectations of an impairment in the value of tangible assets, their recoverability is verified by comparing the recognition and value against the related recoverable value, represented by the higher of the fair value, net of disposal costs, and the value in use.

In the absence of any binding sale agreement, fair value is estimated on the basis of the values expressed by an active market, by recent transactions, or on the basis of the best information available to reflect the amount that the company could obtain from selling the assets.
The value in use is determined by discounting the expected cash flows deriving from use of the assets and, if significant and reasonably determinable, from its disposal at the end of its life. Cash flows are determined on the basis of reasonable and documented assumptions representing the best estimate of future economic conditions during the asset's remaining life. Discounting takes place at a rate that takes into account the implicit risk in the business sector.

Should the grounds for impairment lapse, the assets would be revalued and the adjustment recognised in the Income Statement as a revaluation (reversal of impairment) up to the amount of the write-down, or the lower of the recoverable value and the carrying value before previous write-downs and reduced by the depreciation had it not been written down.

Depreciation begins when the asset is available for use, taking into account the actual time that condition is realised.
The rates applied by the Company are as follows:

CATEGORY	**RATES**
Specific plants and machinery	15%

Equipment:		15%-20%-25%
Other assets:		
	- Cellphones	25%
	- Furniture and furnishings	12%
	- Electronic office machinery	40%
	- Hardware	40%

Leased fixed assets

Assets held by the Company through leasing contracts, including operating leases, are recognised among the assets with a financial payable balancing entry, in accordance with standard IFRS 16, in effect as of 1 January 2019. In particular, assets are recognised at an amount equal to the current value of future payments as of the date the contract was signed, discounted with the applicable borrowing rate for each contract, amortised based on the duration of underlying contract, taking into account the effects of any extension or early termination clause which is reasonably certain of being used.

In compliance with the provisions of IFRS 16, as of 1 January 2019 the Company identifies as leases contracts against which it acquires a right of use over an identifiable asset for a period of time, in exchange for payment.
Relative to each leasing contract, starting on the commencement date for the same, the Company recognises an asset among tangible fixed assets (the right of use for the asset) as a balancing entry for the corresponding financial liability (leasing payable), with the exception of the following cases: (i) short term leases; (ii) low value leases, applied to situations in which the asset leased has a value of no more than Euro 5 thousand (when new).
For short term and low value leases, the financial liability and relative right of use are not recognised, but instead the rental payments are recognised in the income statement on a straight-line basis of over the duration of the respective contracts.
In the case of a complex contract which includes a leasing component, the latter is always handled separately with respect to the other services included in the contract.

Rights of use are recognised among tangible fixed assets. At the time a leasing contract is initially recognised, the right of use is recognised at a value which corresponds to the leasing payable, determined as above, plus any rent paid in advance and accessory charges, net of any incentives received. When applicable, the initial value of the rights of use also includes correlated costs for dismantling and restoration of the area.
Situations which lead to redetermination of the leasing payable require a corresponding change in the value of the right of use.
After initial recognition, the right of use is subject to straight line amortisation, starting on the commencement date of the lease, and is subject to writedowns in the case of a loss of value. Amortisation is recognised based on the lesser of the duration of the lease and the useful life of the underlying asset. Nonetheless, in the case that a leasing contract involves a change of ownership, also when due to the use of options included in the value of the right of use, amortisation is recognised on the basis of the useful life of the asset.

Leasing payables are recognised in the financial statements among current and non-current financial liabilities, together with the Company's other financial payables. At the time of initial recognition, the leasing payable is recognised on the basis of the current value of the leasing

payments to be made, determined using the implicit interest rate for the contract (that is, the interest rate which makes the current value of the sum of payments and the residual value equal to the sum of the fair value of the underlying asset and the initial direct costs sustained by the Company); if this rate is not indicated in the contract and cannot be easily determined, the current value is determined by using the “incremental borrowing rate”, that is the incremental rate which, in a similar economic situation and to obtain a sum equal to the value of the right of use, the Company would pay for a loan with a similar duration and collateral.
Leasing payments subject to discounting include fixed payments; variable payments based on an index or rate; a release price, when it exists and the Company is reasonably sure of utilising it; the amount of the payment established against the release of collateral for the residual value of the asset; the amount of penalties to be paid in the case early contract termination options are exercised, if the Company is reasonably certain of exercising the option.
After initial recognition, the leasing payable is increased to take into account interest accrued, determined on the basis of the amortised cost, and is decreased against the leasing payments made. Further, the leasing payable is subject to redetermination upwards or downwards in cases of changes to the contracts or in other situations envisaged under IFRS 16 which involve a change in the amount of the payments and/or the duration of the lease. In particular, in the presence of situations which involve a change in the estimated probability of the utilisation (or non-utilisation) of renewal or early termination options for the contract, or in the probability of the release (or not) of the asset upon contract maturity, the leasing payable is redetermined, discounting the new value of the payments to be made based on the new discounting rate.

Impairment of assets (impairment test)

Developments in progress and equity investments in subsidiaries for which measurement with the equity method incorporates implicit goodwill are subject to systematic impairment testing at least annually and whenever indicators of impairment arise.
Tangible assets and equity investments in subsidiaries other than the above, as well as in associated companies and joint ventures, in addition to intangible fixed assets subject to amortisation undergo an impairment test whenever indicators of impairment are identified.
The reductions in value correspond to the difference between the book value and the recoverable value of an asset. The recoverable value is the higher of the fair value of an asset or a cash generating unit, less the sale costs, and its value in use, defined on the basis of discounted future cash flows. The value in use is the sum of the cash flows expected from the use of an asset, or their sum in the case of cash-generating units.
The discounting of the expected cash flows is carried out according to the weighted average cost of capital (WACC). If the recoverable value is less than the book value, it is entered at the recoverable value, and the impairment in value is recorded on the Income Statement. If the value impairment of the assets (excluding goodwill) ceases to exist, the book value of the assets (or CGU) is increased up to the new estimate of the recoverable value without exceeding the original value.

FINANCIAL ASSETS AND LIABILITIES

The Company measures certain financial assets and liabilities at fair value. Fair value is the price for which an asset would be sold or that which would be paid to transfer a liability, in a regular transaction between market operators on the measurement date.

Fair value measurement supposes that the sale of the asset or transfer of the liability takes place:

- on the primary market for the asset or liability or
- in the absence of a primary market, on the market most advantageous for the asset or liability.

The main market or most advantageous market must be accessible to the Company. The fair value of an asset or liability is measured adopting the assumptions which market operators would use in determining the price of the asset or liability, presuming that these act to best satisfy their own economic interest. Fair value measurement of a non-financial asset considers the ability of a market operator to generate economic benefits by using the asset as much and as well as possible or by selling it to another market operator which would use the asset as much and as well as possible.
The Company uses measurement techniques appropriate to the circumstances and for which sufficient data is available to measure fair value, preferring observable significant data over non-observable input. All assets and liabilities for which fair value is measured or recognised in the financial statements are categorised on the basis of the fair value hierarchy, as described below:

- Level 1 - listed (non adjusted) prices on active markets for identical assets or liabilities, which the entity can access on the measurement date;
- Level 2 - inputs other than the listed prices included on Level 1, directly or indirectly observable for the asset or liability;
- Level 3 - measurement techniques for which the input data for the asset or liability cannot be observed.

The fair value measurement is classified entirely within the fair value level in which the lowest level input used for the measurement falls.
For assets and liabilities recognised in the Financial Statements on a recurring basis, the Company determines whether changes between fair value hierarchy levels have occurred at each reporting date.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset for an entity and a financial liability or instrument representing equity for another entity.

Financial assets
Financial assets are initially recognised at their fair value plus any accessory charges, in the case of a non-financial asset not at fair value recognised through profit and loss. An exception is financial receivables which do not contain a significant financing component. For these, the Company applies the practical expedient, measuring them at the price of the transaction determined based on IFRS 15.

At the time of recognition, for the purposes of subsequent measurement, financial assets are classified based on four possible measurement methods, described below:

- Financial assets at amortised cost;
- Financial assets measured at fair value through other comprehensive income with reclassification of cumulative profits and losses;
- Financial assets measured at fair value through other comprehensive income without reversal of cumulative profits and losses at the time of elimination (instruments representing equity);
- Financial assets measured at fair value through profit or loss.

The process for classifying financial assets depends on:

- the nature of the financial assets, determined mainly by the features of the contractually established cash flows;
- the business model the Company uses to manage the financial asset to generate cash flows, which may derive from the collection of contractual cash flows, the sale of the financial assets or both.

For a financial asset to be classified and measured at amortised cost or at FVOCI, it must generate "solely payments of principal and interest" or SPPI. This aspect is indicated as the SPPI test and is performed for each individual instrument.

Financial assets are removed from the financial statements when the right to receive cash flows has ended, the Company has transferred the right to receive the cash flows from the asset to a third entity or it has taken on a contractual obligation to pay them fully and without delay and (1) has substantially transferred all the risks and benefits of ownership of the financial assets, or (2) has not transferred nor substantially maintained all the risks and benefits of the assets, but has transferred control over the same.

In cases in which the Company has transferred the rights to receive cash flows from an asset or has signed an agreement on the basis of which it maintains the contractual rights to receive cash flows from the financial asset but has a contractual obligation to pay these cash flows to one or more beneficiaries (pass-through), it then determines whether and to what extent it still holds the risks and benefits inherent to possession.

Assessments are regularly carried out to determine whether there is objective evidence that a financial asset or group of financial assets may be impaired. If there is objective evidence of this, the impairment is recognised as a cost in the income statement for the period.

For trade receivables and assets deriving from contracts, the Company applies a simplified approach when calculating expected losses. Therefore, the Company does not monitor changes in credit risk, but recognises the entirety of expected losses at each reference date.

Financial liabilities

Financial liabilities are measured with the amortised cost method, recognising charges to the income statement with the effective interest rate method, with the exception of financial liabilities acquired for trading purposes and derivatives (see the following section), as well as those designated FVTPL by Management at initial recognition, which are measured at fair value with a balancing entry in the income statement.

Financial guarantee liabilities are contracts which require payment to reimburse the holder of a debt security against a loss suffered by the same due to the debtor not making a contractually due payment at maturity. When issued by the Company, financial guarantee contracts are initially recognised as a liability at fair value, plus any transaction costs directly attributable to the emission of the guarantee. Subsequently, the liability is measured at the greater of the best estimate of the outlay required to comply with the obligation guaranteed as of the reporting date or the amount initially recognised, net of cumulative amortisation.

A financial liability is eliminated when the obligation underlying the liability has been extinguished, cancelled or honoured. When an existing financial liability is replaced by another from the same entity, under substantially different conditions, or the conditions of an existing liability are substantially changed, this exchange or change is handled by cancelling the original liability while recognising a new liability, recognising any differences in the carrying values in the Income Statement. In the case of changes to financial liabilities defined as non-substantial, the economic effects of the renegotiation are recognised in the income statement.

Offsetting of financial instruments
A financial asset and liability can be offset and the net balance shown in the Balance Sheet, if there is a current legal right to offset the amounts recognised for accounting purposes and there is an intention to pay the net residual amount or sell the asset and simultaneously extinguish the liability.

Equity investments

a) Equity investments in subsidiaries

TAS S.p.A. controls a company when, in exercising the power that it has in regard of the latter, it is exposed and entitled to its variable returns, via its involvement in management, and at the same time, it is in a position to impact on the subsidiary's variable returns. Power is exercised over the subsidiary on the basis of: (i) voting rights held, all be they potential, and whereby a majority of votes may be exercised in the company's ordinary shareholders' meeting; (ii) the content of possible shareholder agreements or the existence of specific by-laws, attributing the powers of governance; (iii) controlling a sufficient number of votes to exercise effective control of the company's ordinary shareholders' meeting.
Equity investments in subsidiaries are measured in the financial statements using the equity method, as permitted by IAS 27 and based on the provisions of IAS 28. By applying the equity method, the investment in a subsidiary is initially recognised at cost and the book value is increased or decreased to record the Parent Company's relevant portion of the subsidiary's profit or losses realised after the acquisition date. The portion of the subsidiary's profit/(loss) for the period pertinent to the Parent Company is recognised in the income statement. Dividends received from a subsidiary reduce the equity investment's book value. Adjustments to the book value may become necessary following changes to the investment portion or changes to items in the other comprehensive income in the subsidiary's comprehensive income statement (e.g. changes arising from conversion differences for entries in foreign currencies). The relevant portion of these changes is recognised under other comprehensive income in the comprehensive income statement.

If the relevant portion of the subsidiary's losses is equal to or surpasses the value of the equity investment, after bringing the interest's value to zero, the additional losses are accrued and recognised as liabilities, only to the extent that there are legal or implicit obligations, or if payments have been made on behalf of the subsidiary. If the subsidiary should subsequently realise profits, the subsidiary resumes recognising the portion of profits only once it has matched the portion of unrecognised losses.

Profits and losses deriving from transactions with a subsidiary are recognised in the Parent Company's financial statements limited to the portion of minority interests in the subsidiary. When a company measured at equity in turn holds investments in subsidiaries, associates or joint ventures, the profit/(loss) for the period, the other comprehensive income and the net assets considered when applying the equity method are those recorded in the consolidated financial statements of the company in which the interest is held.

Should there be evidence of impairment, the equity investment is subjected to an impairment test, based on the same process previously referred to under tangible and intangible fixed assets. Equity investments for which measurement with the equity method includes implicit goodwill are subjected to an impairment test at least once a year.

For the purposes of applying the equity method, the financial statements of each foreign subsidiary is stated in Euro, which is the functional currency for TAS S.p.A., and the presentation currency for the separate financial statements. All assets and liabilities of foreign subsidiaries in currencies other than the Euro are converted using the exchange rate applicable at the financial statements' reporting date (current rate method). Income and expense items were converted at the average exchange rate for the period. The conversion difference from the application of this method, and the conversion difference resulting from the comparison between the initial net equity converted to current rates, and the same converted to historic rates, transit in the comprehensive income statement and are accumulated in a specific equity reserve until the equity investment is sold.

The exchange rates used to convert subsidiaries' financial statements into Euro are shown below:

Currency	Average		Close	
	2021	2020	2021	2020
Swiss Franc	1.08	1.07	1.03	1.08
Brazilian Real	6.38	5.89	6.31	6.37
Serbian Dinar	117.55	117.62	117.62	117.41
US dollar	1.18	1.14	1.13	1.23
British pound	0.86	0.89	0.84	0.90

Financial assets measured at fair value through profit or loss

They are entered at fair value and the related changes for the period are recognised in the Income Statement.
The fair value of listed securities is based on current market prices.

Derivative financial instruments

Derivatives, including implicit ones (embedded derivatives) subject to separation from the main contract, are initially recognised at fair value.
Derivatives are classified as hedging instruments when the relationship between the derivative and the object being hedged is formally documented and the efficacy of the hedge, verified periodically, is high.
When hedging derivatives cover the risk of a change in the fair value of the instruments being hedged, these are recognised at fair value, with the effects shown in the Income Statement. Similarly, the instruments being hedged are adequate to reflect the changes in fair value associated with the risk being hedged against.
When derivatives cover the risk of a change in cash flows from the instruments being hedged (cash flow hedge), the hedges established are recognised against the exposure to variability in cash flows attributable to risks which could influence the Income Statement at a later date; these risks are generally associated with an asset or liability recognised in the financial statements (as future payments on variable rate liabilities).
The effective part of the fair value change relative to derivative contracts designated as hedges, based on the requirements outlined in the standard, is recognised as a component in the

Comprehensive Income Statement (Hedging Reserve); this reserve is then included in the profit/(loss) for the period in which the hedged transaction influences the Income Statement.
The ineffective part of the fair value change, as well as the entire fair value change of derivatives not classified as hedges or which do not meet the requirements established under IFRS 9, is recognised directly in the Income Statement.

Contract assets with customers

The Company initially recognises an asset deriving from contracts with customers for each project carried out. These amounts are then reclassified under trade receivables at the time the amount is invoiced to the customer (generally once contract-based milestones have been achieved).

The payment of receivables arising from software installation services is not payable by the customer until the installation service is completed, and consequently any assets deriving from contracts with customers is recognised during the period when the installation services were carried out, so that the balance sheet reflects the company's right to consider the services as transferred at the financial statements' reporting date.
The Company always calculates a write-down provision on the amounts arising from contracts with customers for an amount equal to the losses expected over the entire life of the asset, basing this on its experience regarding losses on receivables and an assessment of future developments in the construction industry. None of the amounts for assets deriving from contracts with customers had lapsed at the end of the financial period.

Cash and cash equivalents

Cash and cash equivalents include liquid assets, bank and postal deposits.

Employee severance indemnity provision (TFR)

The employee severance indemnity (TFR) is classified as a post-employment benefit and consists of payments due to employees after the termination of their employment contracts.
Under IAS 19 Revised 2011 – *Employee benefits*, the related liability is considered on the basis of a valuation made on the date of the balance sheet, in respect of the service rendered during the current year, and in previous years. The method used is the projected unit credit method applied by independent actuaries.
This calculation consists of estimating the amount of benefit that the employee will receive on the estimated date of termination, using demographic assumptions (such as the rate of mortality and staff rotation rate) and financial assumptions (such as the discount rate and future salary increments). The total calculated in this way is discounted and re-proportioned on the basis of the length of service accumulated, compared to the total length of service, and represents a reasonable estimate of the benefits already accrued by each employee in return for their work.
The actuarial gains and losses deriving from the actuarial calculation are recorded in the Balance Sheet under Reserves IAS 19 and accounted for in the Comprehensive Income Statement. The cost components relating to work and net financial expenses are accounted for in the Income Statement.
With reference to the TFR provision, considered as a defined-benefits plan until 31 December 2006, Law no. 296 of 27 December 2006 (the "2007 Finance Act") and the subsequent decrees and regulations issued during 2007 introduced significant reforms to the way in which quotas of

severance pay are allocated, as part of the reforms to the welfare and pensions system.
Specifically, workers can now decide to allocate new TFR benefits to supplementary pension schemes or keep them with the company (for companies with less than 50 staff) or transfer them to the National Pension Fund (INPS) (for companies with more than 50 staff). Following these reforms, the Company has based itself on the generally accepted interpretation and has decided that:

- for TFR benefits accruing up until 31 December 2006 the provision will be a defined-benefits plan to be valued according to the existing actuarial rules but without including the component relating to future salary increases. The difference resulting from the new calculation, compared to the previous one was dealt with a curtailment, in accordance with the provisions under paragraph 109 of IAS 19 and, consequently recorded in the Income Statement;
- for subsequent TFR benefits, whether they are destined for supplementary pension schemes or the Treasury fund held by INPS, they are classified as defined-benefit plans. Components subject to actuarial estimates are excluded from the calculation of the accrual cost.

Provisions for potential risks and liabilities

Provisions for risks and charges relate to costs and charges of a certain nature, or risks and charges which are certain or likely to exist on the closing date but whose amount or date of occurrence is not yet known. The provisions are recorded when: (i) the existence of a legal or implied obligation deriving from a past event is probable; (ii) it is probable that fulfilment of the liability will involve expenditure; (iii) the amount of the liability can be reliably estimated. The provisions are booked at the value representing the best estimate of the amount that the company would reasonably pay to discharge the obligation or to transfer it to a third party, on the closing date. When the temporal financial effect is significant and the payment dates can be reasonably estimated the provision is discounted.
The costs that the company expects to incur by carrying out restructuring programmes are recognised in the year in which the programme is formally defined, and when the interested parties have a reasonable expectation that the restructuring will take place.
The provisions are periodically updated to reflect any changes in the costs' estimates, realisation times and discounting rates. The revised estimates of the provisions are charged to the same Income Statement headings under which the provision was previously booked, or, when the liability relates to material assets, as a contra-entry to the assets in question.

Foreign currency transactions

Transactions in foreign currencies are recorded at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are converted at the spot exchange rate prevailing on that date. Exchange differences arising from the settlement of monetary items or from their conversion at rates other than those at which they were initially recorded during the period or in previous financial statements, are recognised in the Income Statement.

Revenue

As required by **IFRS 15 - Revenue from Contracts with Customers**, the recognition of revenue follows the steps set out below:

- identifying the contract with the customer;
- identifying the performance obligations in the contract;
- determining the price;
- assigning the price to the contract's performance obligations;
- the recording criteria for revenue when the entity satisfies each performance obligation.

Specifically:

- Revenues from proprietary software applications are recognised in the income statement at the time of receipt by the customer of the material required for installation with the customer. As this relates to user licences, the installation of the test environment is considered to represent the transfer of the intangible asset to the client, because, as from that time onwards, the client has the standard software version available.
- Revenue from customised software applications are recognised according to the terms and conditions of the related contract, when the test environments are installed with the client.
- The revenue for maintenance services governed by periodic contracts are recognised on an accrual basis.
- The revenue for fixed-price orders are recognised with reference to the stage of completion on the balance sheet date, according to the completion percentage criterion.
- The revenue for other types of order are recognised at the time when the services were rendered, on an accruals basis.

Government grants

According to the provisions of IAS 20, government grants are only recognised if there is reasonable certainty that:

a. the company will meet the required conditions; and
b. the grants have been received.

Public grants are booked as income, according to a systematic principle, in the years needed to set them against the related costs that the grant is intended to offset.

Share-based payments - Transactions with payment settled through equity instruments

Some Company and Group employees receive part of their remuneration in the form of share-based payments. Therefore, these employees provide services in exchange for shares ("transactions settled with equity instruments").
The cost of transactions settled with equity instruments is determined by the fair value on the date the transfer is carried out, using an appropriate measurement method.
This cost is recognised among personnel costs for employees of TAS S.p.A. and for employees of other Group companies as an increase in the value of the equity investment, throughout the period in which the conditions relative to achievement of objectives and/or provision of services were satisfied, with a corresponding increase in shareholders' equity as a balancing entry. Cumulative costs recognised against these transactions at the end of each financial year, through to the time of

maturity, are then aligned with the end of the maturity and the best estimate of the number of equity instruments which will effectively accrue.

Service and performance conditions are not taken into consideration when the fair value of the plan is defined on the assignment date. However, the probability that the conditions will be met is taken into account when making the best estimate of the number of equity instruments which will reach maturity. Market conditions are reflected in the fair value on the assignment date. Any other condition linked to the plan which does not involve a service obligation is not considered as a condition for maturity. Non-maturity conditions are reflected in the fair value of the plan and are immediately recognised in the cost of the plan, unless there are also service or performance conditions.

No cost is recognised for rights which do not reach maturity as the performance and/or service conditions are not satisfied. When rights include a market condition or a non-maturity condition, these are treated as if they have accrued regardless of whether the market or other non-maturity conditions upon which they depend are respected, without prejudice to the fact that all other performance and/or service conditions must be satisfied.

If plan conditions are changed, the minimum cost to recognise is the fair value at assignment in the absence of the change to the plan, supposing the original conditions of the plan were satisfied. Additionally, a cost is recognised for each change that involves an increase in the total fair value of the payment plan, or which is any case favourable to the employees. This cost is measured with reference to the date of the change. When a plan is cancelled by the entity or the counterparty, any remaining element of the fair value of the plan is immediately reversed to the income statement.

Taxes

Income taxes include all taxes based upon the taxable profits. Taxes on income are recognised in the Income Statement unless they relate to items directly charged or credited to net equity, in which case the effect is recognised directly in net equity. Provisions for income taxes that could arise on the distribution of the subsidiaries' undistributed profits are only made where there is a real intention to distribute such profits. Deferred taxes are recognised using the full liability method. Deferred tax receivables on unused tax losses and tax credits carried forward are recognised to the extent that is it probable that future profits will be available against which they can be recovered. Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same tax authority and where there is a legally enforceable right of offset. Deferred tax assets and liabilities are measured at the tax rates expected to apply in the periods in which temporary differences will be realised or discharged.
Deferred taxes are not discounted and are classified under non-current assets/liabilities.

Management, coordination and Tax Consolidation

In accordance with Italian Legislative Decree No. 6/2003, it is noted that the Company is subject to the management and coordination of OWL S.p.A.
The contract, signed in 2008 between the Company and OWL S.p.A., now the parent company of TAS, governs the reciprocal relations resulting from and consequent to implementation of the consolidation option.

Dividends

Dividends payable are reported as a movement in net equity in the period in which they are approved by the Shareholders' Meeting.

Earnings per share

Basic earnings per share are calculated by dividing the Company's net profit by the weighted average number of shares in circulation during the year, excluding treasury shares. For the calculation of the diluted earnings per share, the weighted average number of shares in circulation is adjusted assuming conversion of all potentially diluting shares.

5. ACCOUNTING PRINCIPLES, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2021

The following accounting principles, amendments and interpretation were applied for the first time by the Company as from 1 January 2021:

- On 31 March 2021, the IASB published an amendment titled "***Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments to IFRS 16)***" which extended by one year the period for application of the amendment issued in 2020, which allowed lessees the ability to recognise reductions in rent associated with Covid-19 without needing to determine whether the definition of a lease modification established in IFRS 16 was met through contract analysis. Therefore, lessees which applied this option in 2020 recognised the effects of the reductions in rent directly in the income statement as of the date the reduction took effect. The 2021 amendment, available solely to entities that already made use of the amendment in 2020, applies as of 1 April 2021 and early adoption is allowed. The adoption of these amendments has not had any effect on the Company's financial statements.

- On 27 August 2020, in the light of the interbank interest rate reform (IBOR), the IASB published "***Interest Rate Benchmark Reform—Phase 2***" which contains amendments to the following standards:
  - IFRS 9 Financial Instruments;
  - IAS 39 Financial Instruments: Recognition and Measurement;
  - IFRS 7 Financial Instruments: Disclosures;
  - IFRS 4 Insurance Contracts; and
  - IFRS 16 Leases.

  All these amendments took effect on 1 January 2021. The adoption of this amendment has not had any effect on the Company's financial statements.

6. AIFRS AND IFRIC ACCOUNTING PRINCIPLES, AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EU BUT NOT YET MANDATORY AND NOT ADOPTED EARLY BY THE COMPANY AT 31 DECEMBER 2021

- On 14 May 2020, the IASB published the following amendments:

- ***Amendments to IFRS 3 Business Combinations***: the amendments serve to update the reference made in IFRS 3 to the Conceptual Framework to the revised version, without this creating any changes to the provisions of the standard.
- ***Amendments to IAS 16 Property, Plant and Equipment***: the amendments are intended to disallow deduction from the cost of property, plant and equipment the amount received from the sale of assets produced during testing of the asset. These sale revenues and the relative costs will hence be recognised in the income statement.
- ***Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets***: the amendment clarifies that when estimating the possible expense associated with a contract, all costs directly attributable to the contract must be considered. As a consequence, the measurement of the possible expense of a contract includes not only incremental costs (e.g. the cost of the material directly used in processing), but also all costs the company cannot avoid due to the signing of the contract (e.g., the portion of depreciation of machinery used to fulfil the contract).
- ***Annual Improvements 2018-2020***: amendments were made to IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 9 *Financial Instruments*, IAS 41 *Agriculture* and to *Illustrative Examples* of IFRS 16 *Leases*.

All these amendments take effect as of 1 January 2022. The Directors do not expect the adoption of these amendments to have a significant effect in the Company's annual financial statements.

- On 18 May 2017, the IASB published **IFRS 17 – *Insurance Contracts*** that is intended to replace IFRS 4 – *Insurance Contracts*.

  The aim of the new standard is to ensure that an entity provides pertinent information to faithfully represent the rights and obligations deriving from the insurance contracts issued. The IASB developed the standard to eliminate discrepancies and weaknesses in existing accounting policies, providing a single principle-based framework to take into consideration for all kinds of insurance contracts, including the reinsurance contracts held by an insurer.

  The new standard also sets presentation and disclosure requirements to improve comparability between the entities belonging to this sector.

  The new standard measures insurance contracts on the basis of a General Model or a simplified version of the same, called Premium Allocation Approach ("PAA").

  The entity must apply the new standard to insurance contracts issued, including reinsurance contracts issued, reinsurance contracts held and investment contracts with a discretionary participation feature (DPF).
  The standard applies as of 1 January 2023 with early application permitted only for companies that have already applied IFRS 9 -*Financial Instruments* and IFRS 15 - *Revenue from Contracts with Customers*. The Directors do not expect the adoption of this standard to have any effect on the Company's annual financial statements as this case does not exist.

7. ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED

At the reference date of this annual financial report, the relevant bodies of the European Union had not yet concluded the approval process necessary for the adoption of the following amendments and accounting principles.

- On 23 January 2020, the IASB published an amendment titled "***Amendments to IAS 1 Presentation of Financial Statements***: ***Classification of Liabilities as Current or Non-current***". The document is intended to clarify how to classify payables and other liabilities as short or long-term. The amendments apply as of 1 January 2023. Early application is allowed. The Directors do not expect the adoption of this amendment to have a significant effect in the Company's annual financial statements.

- On 12 February 2021, the IASB published two amendments called "***Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2****" and "****Definition of Accounting Estimates—Amendments to IAS 8***". The amendments are intended to improve accounting policy disclosures, so as to provide more useful information to investors and other primary users of financial statements, as well as to help companies in distinguishing between changes in accounting estimates and changes in accounting policies. The amendments apply as of 1 January 2023, with early application permitted. The Directors do not expect the adoption of these amendments to have a significant effect in the Company's annual financial statements.

- On 7 May 2021, the IASB published an amendment titled "***Amendments to IAS 12 Income Taxes***: ***Deferred Tax related to Assets and Liabilities arising from a Single Transaction***". The document clarifies how to recognise deferred taxes on certain operations which may generate assets and liabilities of the same amount, such as leases and dismantling requirements. The amendments apply as of 1 January 2023, with early application permitted. The Directors do not expect the adoption of this amendment to have a significant effect in the Company's annual financial statements.

- On 9 December 2021, the IASB published an amendment titled "***Amendments to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information***". The amendment offers a transition option for disclosures involving comparative information about financial assets presented at first time application of IFRS 17. The amendment is intended to avoid temporary accounting imbalances between financial assets and liabilities for insurance contracts and, therefore, to improve the utility of comparative information for readers of financial statements. The amendments apply as of 1 January 2023, when IFRS 17 is applied. The Directors do not expect the adoption of this amendment to have any effect on the Company's annual financial statements as this case does not exist.

8. Main risks and uncertainties to which TAS S.p.A is exposed

In carrying out its business, the Company is exposed to various risks of a financial nature, related to the financial-regulatory and market context which might influence the Company's performance.

The Company has an internal control system consisting of a system of rules, procedures and organisational structures intended to enable sound, correct business management, which includes the proper identification, management and monitoring of the principal risks that could threaten the achievement of corporate objectives.
The Company constantly monitors the risks to which it is exposed, in order to assess the potentially negative effects in advance, and so that the best action can be taken to mitigate them.

The Company's risk management policies seek to identify and analyse the risks the Company is exposed to, by establishing appropriate limits and controls and monitoring risks and compliance with such limits.
These policies and related systems are reviewed on a regular basis in order to reflect any changes in market conditions and the Company's activities.

For more details on the principal risks and uncertainties facing the Company, please refer to the relevant section of the Group Report on Operations.

9. FINANCIAL LIABILITIES BASED ON DUE DATE

The table below analyses the Company's net financial liabilities, which have been grouped according to the residual maturity and contractual expiry date, compared to the reporting date.
The amounts shown below, relating to financial liabilities, represent the discounted contractual cash flows.

At 31 December 2021	**From 0 to 1 year**	**From 1 to 5 years**	**More than 5 years**	**Total**
Financial liabilities	2,206	2,016	-	**4,222**
Derivative financial instruments (IRS)	1	-	-	**1**
Trade and other payables	22,384	-	-	**22,384**
Financial liabilities - IFRS 16	903	3,554	1,046	**5,504**
Commitments: rents payable	14	-	-	**14**
At 31 December 2020	**From 0 to 1 year**	**From 1 to 5 years**	**More than 5 years**	**Total**
Financial liabilities	4,326	7,586	-	**11,912**
Derivative financial instruments (IRS)	11	-	-	**11**
Trade and other payables	15,526	-	-	**15,526**
Financial liabilities - IFRS 16	1,082	4,264	1,892	**7,238**
Commitments: rents payable	28	-	-	**28**

10. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

The table below details "Financial assets and liabilities", based on IFRS 9:

	Financial assets at amortised cost	Financial assets at FV recognised in income statement	Financial assets at FV recognised in OCI	31.12.2021
Non-current financial assets	**56,380**	**606**	**-**	**56,986**
Investments and other securities (15)	55,452	606		56,058
Financial fixed asset receivables (16)	899			899
Other receivables (18)	29			29
Current financial assets	**17,251**	**-**	**-**	**17,251**
Trade receivables (20)	14,912			14,912
Other receivables (21)	656			656
Financial receivables (23)	1,683			1,683
Total	**73,631**	**606**	**-**	**74,237**

	Financial liabilities at amortised cost	Financial liabilities at FV recognised in income statement	Financial liabilities at FV recognised in OCI	31.12.2021
Non-current financial liabilities	**6,100**	**-**	**-**	**6,100**
Financial liabilities - Financing (29)	2,005			2,005
Financial liabilities - Others (29)	4,095			4,095
Current financial liabilities	**25,283**	**-**	**1**	**25,284**
Trade payables (30)	18,846			18,846
Other payables (31)	3,532			3,532
Derivative financial instruments (32)	-		1	1
Financial liabilities - Financing (32)	2,171			2,171
Financial liabilities - Others (32)	734			734
Total	**31,383**	**-**	**1**	**31,384**

11. FAIR VALUE HIERARCHY BASED ON IFRS 13

The table below lists the assets and liabilities measured at "fair value" and classified according to a three-level hierarchy which takes into account the different variables used for valuation purposes.

	Level 1	Level 2	Level 3	Total
ASSETS AND LIABILITIES				
Investments and other securities (15)	606	-	-	**606**
Total Assets and Liabilities	**606**	**-**	**-**	**606**

The classification of financial instruments at fair value required by IFRS 13, measured according to the quality of the input sources used, results in the following hierarchy:

Level 1: fair value determined based on the listed prices (unadjusted) in active markets for identical assets or liabilities. The balance refers to the equity investment in Nexi S.p.A.;

Level 2: fair value determined based on inputs other than the listed prices included under "Level 1", that are directly or indirectly observable. At this time, there are no instruments falling into this category;
Level 3: fair value determined based on the evaluation models where the inputs are not founded

on unobservable market data. Falling within this category are equity instruments relating to unlisted companies not representing associates or subsidiaries classified in the category *fair value through profit and loss*. At this time, there are no instruments falling into this category.

12. CAPITAL RISK MANAGEMENT

The Company manages its capital with the aim of protecting its continuity, ensuring shareholders' return and stakeholders' benefits, and maintaining an optimal capital structure while reducing its cost. In line with practices in the sector, the Company monitors capital based on the gearing ratio. This index is calculated as the relationship between net debt and net equity. Net debt is calculated by subtracting cash and cash equivalents calculated for the purposes of the cash flow from the remaining financial assets and liabilities shown in the balance sheet. The total capital corresponds to the "net equity", as shown in the Balance Sheet for the year plus the net debt, as determined above.
As can be seen from the table below, the Company's gearing ratio is 10%, compared to 25% from the previous year.

	2021	2020
Financial assets/liabilities	7,323	16,363
Less: cash and cash equivalents	(912)	(1,667)
Net debt (A)	6,411	14,696
Net Equity (B)	55,399	44,763
Total Capital [(A) + (B)] = (C)	61,810	59,459
gearing ratio (A)/(C)	**10%**	**25%**

BALANCE SHEET INFORMATION

ASSETS

Comments on the equity accounting data schedules are provided below, which describe the previously described effects of the transfer of the CM Business Unit to Elidata, effective as of 1 November 2021, in exchange for an equity investment in the same.

NON-CURRENT ASSETS

13. INTANGIBLE FIXED ASSETS

The item *intangible fixed assets* is broken down as follows:

Other intangible fixed assets	31/12/2021	31/12/2020	Change
Software developed internally	2,244	2,048	196
Other intangible fixed assets	144	226	(82)
TOTAL	**2,388**	**2,274**	**114**

Detailed movements for the last two years are reported below:

Description	Value on 31/12/2019	GP business unit transfer	Acquisition of Otik business unit	Increases for the year	Amortisation for the year	Value on 31/12/2020
- Software developed internally	3,690	(2,907)	885	1,626	(1,246)	2,048
- Industrial patents and intellectual property rights	32	-	-	-	(32)	-
- Others	129	(8)	-	248	(143)	226
TOTAL	**3,851**	**(2,915)**	**885**	**1,874**	**(1,421)**	**2,274**

Description	Value on 31/12/2020	CM business unit transfer	Other changes	Increases for the year	Amortisation for the year	Value on 31/12/2021
- Software developed internally	2,048	(21)	-	1,948	(1,731)	2,244
- Others	226		-	66	(148)	144
TOTAL	**2,274**	**(21)**	**-**	**2,014**	**(1,879)**	**2,388**

The balance of the item *Software developed internally*, which amounted to Euro 2,244 thousand, was made up of development costs which were capitalised as they meet the requirements of IAS 38.

During the year, the Company moved forward with the following main investments:

- in the **Financial Markets and Treasury** area: the continued development of the Aquarius platform to manage liquidity, under Basel 3 principles, in an integrated manner for bonds, cash and collateral. Aquarius was specifically designed for the European market and integrated with the Target2 and Target 2 Securities platforms, as well as new unified ECMS Collateral Management system, expected to launch in November 2023. Thanks to the work done by the inter-bank work group for the Consolidation T2/T2S Eurosystem project, created and coordinated by TAS with the support of its Partners KPMG and Accenture, the Aquarius solution qualifies as the most flexible, complete and updated platform available to the Banks involved in the challenging compliance consequences created by the new European Central Bank regulatory infrastructure replacing current systems as of November 2022, based on a big bang approach;

- in the **2ESolutions** area: the continuation of the project to reposition TAS' offering, changing it from a proprietary solution to a market-orientated solution with international reach, focusing on the Cloud, Customer eXperience and Social business collaboration, built on Oracle Cloud Applications.

14. TANGIBLE FIXED ASSETS

These went from Euro 6,115 thousand in 2020 to Euro 5,067 thousand at 31 December 2021. The net value was made up as follows:

Tangible fixed assets	31/12/2021	31/12/2020	Change
Plants and machinery	103	130	(27)
Other assets	723	476	247
Right of use	4,241	5,509	(1,268)
TOTAL	**5,067**	**6,115**	**(1,048)**

Detailed movements for the last two years are reported below:

Description	Value on 31/12/2019	GP business unit transfer	Increases for the year	Reductions for the year	Amortisation for the year	Value on 31/12/2020
- Plants and machinery	121	-	60	(6)	(45)	130
- Other assets	439	-	266	-	(229)	476
- Right of use	7,207	(139)	263	(680)	(1,142)	5,509
- buildings	6,588	-	-	(674)	(803)	5,111
- vehicles	374	(139)	263	(6)	(184)	308
- other assets	245	-	-	-	(155)	90
TOTAL	**7,767**	**(139)**	**589**	**(686)**	**(1,416)**	**6,115**

Description	Value on 31/12/2020	CM Business Unit transfer	Increases for the year	Reductions for the year	Amortisation for the year	Value on 31/12/2021
- Plants and machinery	130	-	19	-	(46)	103
- Other assets	476	-	554	(6)	(301)	723
- Right of use	5,509	(17)	105	(426)	(930)	4,241
- buildings	*5,111*	-	-	*(426)*	*(665)*	*4,020*
- vehicles	*308*	(17)	*105*	-	*(175)*	*221*
- other assets	*90*	-	-	-	*(90)*	-
TOTAL	**6,115**	**(17)**	**678**	**(432)**	**(1,277)**	**5,067**

Right of use refers primarily to the rental contracts for the Company's premises. Decreases included the closure of the Verona offices and part of Rome offices.

The item Other assets relates mainly to electronic office equipment and furniture of the Company.

15. EQUITY INVESTMENTS AND OTHER INVESTMENT SECURITIES

The balance for the item is made up as follows:

Investments and other securities	31/12/2021	31/12/2020	Change
Equity investments in subsidiaries	55,452	47,953	7,499
Equity investments in other companies	606	739	(133)
TOTAL	**56,058**	**48,692**	**7,366**

The equity investments entered under assets referred to a long-term strategic investment by the Company.
No availability restrictions on the part of the investing company existed on any term equity holdings, nor were there any option rights or other privileges.

A detailed breakdown of the changes to equity investments in subsidiaries in the last two years is given below:

Equity investments in subsidiaries changes	31/12/2019	Increases	Decreases	Total impact NE	Revaluations / (Impairments)	31/12/2020
Equity investments in Tas International	-	18,116	(3,193)	(173)	805	15,555
Equity investments in Tas Americas	194	-	(194)	-	-	-
Equity investments in Tas Iberia	1,531	-	(1,531)	-	-	-
Equity investments in Tas France	1,995	-	(1,995)	-	-	-
Equity investments in Tas Germany	1	-	(1)	-	-	-
Equity investments in Tas USA	648	272	(919)	-	-	-
Equity investments in Tas EE	1,845	-	(1,845)	-	-	-
Equity investments in Mantica Italia	12	-	-	-	1	12
Equity investments in Global Payments	38	27,147	-	(129)	5,330	32,386
TOTAL	**6,262**	**45,535**	**(9,677)**	**(302)**	**6,136**	**47,954**

Equity investments in subsidiaries changes	31.12.2020	Increases	Decreases	Total impact NE	Revaluations / (Impairments)	31.12.2021
Equity investments in Tas International	15,555	26	-	587	376	16,544
Equity investments in Mantica Italia	12	177	-	-	(189)	-
Equity investments in Elidata	-	15,050	(8,314)	-	113	6,849
Equity investments in Global Payments	32,386	31	(5,000)	(32)	4,673	32,058
TOTAL	**47,954**	**15,284**	**(13,314)**	**555**	**4,973**	**55,452**

Increases and decreases in *Equity investments in subsidiaries* refer to the equity measurement of subsidiaries.

The decrease of Euro 5,000 thousand for Global Payments is due to the dividend distributed during the year, while that for Elidata is relative to the operation to transfer to the CM Business Unit to Elidata in exchange for a 55% equity investment in the company, more specifically the reversal of the portion of proceeds relative to the fair value of the 55% which remains the property of TAS.

Note that Euro 177 thousand relative to the investment in Mantica refers to the portion of the subsidiary's losses which exceed the value of the equity investment. Consequently, after bringing the interest's value to zero, the additional losses were accrued and recognised as liabilities under provisions for risks.

The increases in TAS International and Global Payments, respectively for Euro 26 thousand and

Euro 31 thousand, refer to TAS S.p.A. stock options assigned to employees/directors of the same.

Information relating to subsidiaries is provided below.

Subsidiaries

Company Name	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net Equity	Revenue	Costs	Profit/(loss)
TAS International SA*	26,713	11,466	(6,930)	(7,591)	(23,658)	16,179	(15,641)	538
Mantica Italia Srl	22	16	(68)	(190)	221	262	(498)	(236)
Elidata SpA	17,006	4,475	(3,897)	(3,683)	(13,901)	5,231	(4,278)	953
Global Payments SpA	19,572	39,892	(4,732)	(22,672)	(32,059)	37,919	(33,246)	4,673

***** The figures refer to the sub-consolidated TAS International Group

The values above represent amounts from the company's financial statements, aligned to the Group's standards.

Company Name	Net Equity	Profit/(loss)	% Share	Carrying Value	Delta
TAS International SA*	16,544	376	69.93	16,544	-
Mantica Italia Srl	(177)	(189)	80.00	0	(177)
Elidata SpA**	7,703	138	55.00	6,848	855
Global Payments SpA	32,059	4,673	100.00	32,059	-
			Total	**55,452**	**678**

***** The figures refer to the consolidated amounts for the TAS International Group
****** The values are those relative to the consolidated financial statements

As can be seen in the table, in application of the equity method, the value of equity investments is aligned with the pro-rata value of the net equity of the investee with the exception of:

- Mantica Italia for which losses during the year led to the reduction of the investment to zero and the establishment of a provision for risks;
- Elidata, for which equity for the purposes of equity measurement is aligned to the amounts recognised in the consolidated financial statements which include the effects of the Purchase Price Allocation, relative to which more information can be found in the Notes to the Group's Consolidated Financial Statements.

As stipulated by the international accounting standard IAS 36, an impairment test was carried out to check for the possible existence of losses in value for all equity investments in subsidiaries for which measurement with the equity method includes implicit goodwill. In particular, measurement of the equity investment in Global Payments S.p.A. includes goodwill for the Payments CGU of Euro 15,392 thousand, while measurement of the equity investment in TAS International SA includes the stake held by the Company in the goodwill of foreign CGUs, equal to Euro 7,031 thousand.
The value of the investment in Elidata, also including goodwill for Euro 3,082 thousand, was not subject to an impairment test given that the value recognised in the financial statements was held to represent its fair value, as it was acquired on 1 November 2021.

In particular, to take into account effects associated with the spread of Covid-19 and general economic uncertainty, in the previous year management, based on the macroeconomic scenario and evaluating possible repercussions on the Company's sector and business, and in consideration of doubts about the time and method of the recovery, held it expedient to carry out an impairment test based on an "alternative" scenario with reference to the "management case", revising the margins expected with reference to the 2022 and 2023 Plan approved by the Board of Directors, in order to reflect any delays similar to those seen in 2020 and that forecast in the 2021 budget with respect to the Plan.

Consequently, in the management case at 31 December 2021, to estimate the recoverable value, using the "Discounted Cash Flow – asset side" criteria, operating cash flows expected by the individual CGUs were used for 2022, based on economic/financial projections contained in the 2022 budget approved by the Board of Directors on 30 March 2022, while for 2023 the economic/financial projections from the "alternative" scenario were used, already utilised for the impairment test on 31 December 2020, and still held valid. Finally, cash flows for 2024 were estimated with an inertial growth rate aligned with the "g" rate used to calculate the terminal value.

In particular, the expected operating cash flows for the subsidiary TAS International used for the test refer to the values of the sub-consolidated TAS International.

The terminal value is determined by applying a perpetual growth rate to operating cash flows relating to the last year of the appropriately standardised plan, which varies based on the reference country of the CGU. The discounting rate used to discount cash flows reflects the current market valuation, with reference to the current money value and specific risks related to the business. The discounting rates were estimated net of taxes, corresponding to the cash flows considered, based on the weighted average cost of capital (WACC).

The main rates used to determine the value in use and results of the impairment test are shown below:

	TAS International	Global Payments
Average weighted rate of growth of income	17.9%	3.9%
Average gross operating margin (EBITDA)	35.9%	31.4%
Rate of growth in cash flow after plan period	0%*	1.39%
Post-tax discounting rate (WACC - post tax)	5.1%*	6.96%

*Represents the value relative to cash flows for TAS International

The average weighted growth rate for revenues for the sub-consolidated TAS International is significantly higher than that of Global Payments in that some foreign companies are still in the start-up phase or have just concluded it.

The test was carried out by comparing the recoverable value of the equity investments net of the net financial position ("PFN") on 31 December 2021 ("Economic Value"), with the relative carrying load amounts for the equity investments at 31 December 2021.

TAS INTERNATIONAL

The criterion to estimate the economic value of equity investments, pro-rata at 69.93%, led to the collection of recoverable values higher than the accounting carrying value in the TAS Individual Balance Sheet at 31 December 2021. In the light of the results of the impairment test, no significant value impairments were recorded.
Below is the sensitivity analysis, in which the recoverable value net of the net financial position at 31 December 2021 is compared with the relative value in use calculated on the basis of the discount and long-term growth rate “g” chosen by the Company based on the different cash flows making up the CGU and with the value in use calculated based on a discount rate and “g” rate respectively higher or lower by a percentage point with respect to the parameters used.

Below are the results of the management case.

“g”= base

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use TAS International CGU	113,213	91,033	76,133
PFN at 31 December 2021	(1,346)	(1,346)	(1,346)
Economic value equity investment in TAS Int.	111,867	89,687	74,787
Load value of equity investment	16,544	16,544	16,544
Surplus economic value over carrying amount	61,685	46,174	35,754

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use TAS International CGU	98,761	79,483	66,531
PFN at 31 December 2021	(1,346)	(1,346)	(1,346)
Economic value equity investment in TAS Int.	97,415	78,137	65,185
Load value of equity investment	16,544	16,544	16,544
Surplus economic value over carrying amount	51,579	38,098	29,040

“g”= base -1%

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use TAS International CGU	103,799	84,830	71,744
PFN at 31 December 2021	(1,346)	(1,346)	(1,346)
Economic value equity investment in TAS Int.	102,454	83,484	70,398
Load value of equity investment	16,544	16,544	16,544
Surplus economic value over carrying amount	55,102	41,836	32,685

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use TAS International CGU	90,488	74,032	62,674
PFN at 31 December 2021	(1,346)	(1,346)	(1,346)
Economic value equity investment in TAS Int.	89,142	72,686	61,328
Load value of equity investment	16,544	16,544	16,544
Surplus economic value over carrying amount	45,793	34,285	26,342

“g”= base +1%

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use TAS International CGU	147,291	111,076	89,337
PFN at 31 December 2021	(1,346)	(1,346)	(1,346)
Economic value equity investment in TAS Int.	145,945	109,730	87,991
Load value of equity investment	16,544	16,544	16,544
Surplus economic value over carrying amount	85,515	60,190	44,988

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**-1% rate**	**Base rate**	**+1% rate**
Value in use TAS International CGU	128,375	96,893	77,999
PFN at 31 December 2021	(1,346)	(1,346)	(1,346)
Economic value equity investment in TAS Int.	127,030	95,547	76,653
Load value of equity investment	16,544	16,544	16,544
Surplus economic value over carrying amount	72,288	50,272	37,060

Additionally, sensitivity analysis was done to identify the break-even point for the results of the impairment test which would be achieved through a 57% reduction of expected cash flows throughout the period of the plan.

GLOBAL PAYMENTS

The criterion to estimate the economic value of equity investments led to the collection of recoverable values higher than the accounting carrying value in the TAS Individual Balance Sheet at 31 December 2021. In the light of the results of the impairment test, no significant value impairments were recorded.

Sensitivity analysis is below, in which the carrying amount in the TAS individual balance sheet at 31 December 2021 is compared with the relative value in use calculated on the basis of the 6.96% discount rate and a long term growth rate “g” of 1.39%, selected by the company, and with a value in use calculated based on a discount rate and “g” rate respectively one percentage point lower (5.96%; 0.39%) or higher (7.96%; 2.39%) with respect to the parameters used.

Below are the results of the management case.

“g”=1.39%

Amounts in €/000	**5.96% rate**	**6.96% rate**	**7.96% rate**
Value in use Global Payments CGU	187,490	153,501	129,866
PFN at 31 December 2021	918	918	918
Economic value equity investment in Global Payments	188,408	154,419	130,784
Load value of equity investment	32,059	32,059	32,059
Surplus economic value over carrying amount	156,349	122,360	98,725

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.96% rate**	**6.96% rate**	**7.96% rate**
Value in use Global Payments CGU	166,059	136,012	115,116
PFN at 31 December 2021	918	918	918
Economic value equity investment in Global Payments	166,978	136,930	116,034
Load value of equity investment	32,059	32,059	32,059
Surplus economic value over carrying amount	134,918	104,871	83,975

“g”=0.39%

Amounts in €/000	**5.6% rate**	**6.6% rate**	**7.6% rate**
Value in use Global Payments CGU	208,100	174,379	149,663
PFN at 31 December 2020	9,798	9,798	9,798
Economic value equity investment in Global Payments	217,898	184,177	159,461
Load value of equity investment	32,386	32,386	32,386
Surplus economic value over carrying amount	185,511	151,790	127,075

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.96% rate**	**6.96% rate**	**7.96% rate**
Value in use Global Payments CGU	156,351	132,246	114,516
PFN at 31 December 2021	918	918	918
Economic value equity investment in Global Payments	157,270	133,165	115,435
Load value of equity investment	32,059	32,059	32,059
Surplus economic value over carrying amount	125,210	101,106	83,376

“g”=2.39%

Amounts in €/000	**5.96% rate**	**6.96% rate**	**7.96% rate**
Value in use Global Payments CGU	236,080	184,060	150,728
PFN at 31 December 2021	918	918	918
Economic value equity investment in Global Payments	236,999	184,978	151,647
Load value of equity investment	32,059	32,059	32,059
Surplus economic value over carrying amount	204,939	152,919	119,588

with a value for plan cash flows and subsequent less than 10%, the results were as follows:

Amounts in €/000	**5.96% rate**	**6.96% rate**	**7.96% rate**
Value in use Global Payments CGU	209,005	163,021	133,555
PFN at 31 December 2021	918	918	918
Economic value equity investment in Global Payments	209,924	163,939	134,473
Load value of equity investment	32,059	32,059	32,059
Surplus economic value over carrying amount	177,864	131,880	102,414

Additionally, sensitivity analysis was done to identify the break-even point for the results of the impairment test which would be achieved through a 70% reduction of expected cash flows throughout the period of the plan.

The details of *Equity investments in other companies*, measured at fair value, are set out below:

Other companies

Company Name	Registered office	Share Capital	Net Equity	Profit/(loss)	% Share	Carrying Value
Nexi S.p.A.[14]	Corso Sempione, 55, Milan, Italy	57,070	1,395,087	49,744	0.003	606
					Total	**606**

Following the merger by incorporation of SIA S.p.A. in Nexi S.p.A, effective as of 1 January 2022, the Company now holds 43,343 Nexi shares. It had held 27,500 shares of the former SIA S.p.A.

A detailed breakdown of the changes to equity investments in other companies in the last two years is given below.

Change Equity investments Other companies	31/12/2019	Increases	Decreases	31/12/2020
Equity investments in SIA SpA (now NEXI S.p.A.)	135	603	-	738
TOTAL	**135**	**603**	**-**	**738**

Change Equity investments Other companies	31.12.2020	Increases	Decreases	31.12.2021
Equity investments in SIA SpA (now NEXI S.p.A.)	738	-	(132)	606
TOTAL	**738**	**-**	**(132)**	**606**

The decrease for the period refers to the change in the fair value of the equity investment.

16. FINANCIAL FIXED ASSET RECEIVABLES

Financial fixed asset receivables amounted to Euro 899 thousand and related to:

Financial receivables	31/12/2021	31/12/2020	Change
Guarantee deposits for rentals	222	253	(31)
Receivables from related parties	677	2,019	(1,342)
TOTAL	**899**	**2,272**	**(1,373)**
Within the following year	-	-	-
From 1 to 5 years	899	2,272	(1,373)
More than 5 years	-	-	-
TOTAL	**899**	**2,272**	**(1,373)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Receivables from related parties refers to the loan granted to the subsidiary TAS International on 24 June 2020 to support the business combination involving the Infraxis Group and the change during the period is linked to the receipt of capital payments in line with the repayment plan.

The following table contains the details of the loan.

[14] Values taken from the financial statements at 31.12.2020.

(In thousands of Euro)	Date loan taken out	Date of loan maturity (1)	Base rate of interest (2)	Spread (2)	Nominal Value	Balance at 31.12.2021
Loan	24/06/2020	30/06/2023	Euribor 3 months	1.30%	4,000	2,360
Loan					**4,000**	**2,360**

(1) The Agreement calls for 36 monthly amortisation payments which can be settled after the fact as of 30 September 2020, the first rate includes pre-amortisation interest through 30 June 2020.

(2) The Agreement calls for an interest rate based on the Euribor 3 months plus a spread of 130 base points.

The book value of the financial receivables is considered to reflect their fair value.

17. DEFERRED TAX ASSETS RECEIVABLES

Deferred tax assets at 31 December 2021 can be broken down as follows:

Receivables for deferred tax assets	31/12/2021	31/12/2020	Change
Cash flow hedge reserve	1	3	(2)
Tax losses	777	782	(5)
Discounting employee severance indemnity	140	-	140
Other temporary tax differences	938	1,115	(177)
TOTAL	**1,856**	**1,900**	**(44)**

The items recognises the taxes paid in previous years to the current year.

In the light of the positive tax results in recent financial years for Global Payments S.p.A. (which is part of tax consolidation) and due to the positive results expected in both the 2022 budget and for subsequent years by the same, the Company does not foresee any problems in recovering the deferred tax assets receivables recognised in the financial statements.

Note that there are deferred tax assets relative to previous tax losses not recognised in the financial statements for around Euro 10.2 million. In fact, the Directors have decided to not exceed the recoverable value determined in the specific forecast for 2022-2024 prepared for the impairment test, applying a conservative sensitivity analysis in terms of margins realised. It should be remembered however that with the elimination of the restriction on carrying-over tax losses, the Company will still have the option of recognising these in the future.

18. OTHER NON-CURRENT RECEIVABLES

Other receivables, totalling Euro 29 thousand, referred exclusively to advances paid to employees of the Company in accordance with the harmonisation agreement signed with the workers' representatives.

Other fixed-asset receivables	31/12/2021	31/12/2020	Change
Receivables from personnel	22	24	(2)
Other	7	2	5
TOTAL	**29**	**26**	**3**
Within the following year	-	-	-
From 1 to 5 years	29	26	3
More than 5 years	-	-	-
TOTAL	**29**	**26**	**3**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The book value of the other receivables is considered to reflect their fair value.

CURRENT ASSETS

19. CONTRACT ASSETS WITH CUSTOMERS

Amounted to Euro 4,236 thousand. The value of work in progress referred mainly to the installation activities and services currently being completed by the Company. All work presented at 31 December 2021 had begun during the period in question, whereas those that existed at 31 December 2020 had all been fully completed.

This item comprises:

Contract assets with customers	Gross value at 31/12/2021	Risk provisions on work in progress	Net value at 31/12/2021	Net value at 31/12/2020
Work in progress	4,636	(400)	4,236	3,552
Finished products and goods	-	-	-	-
TOTAL	**4,636**	**(400)**	**4,236**	**3,552**

Below are movements in the provision, which did not see any changes with respect to the previous year:

Risk provisions on work in progress	31/12/2020	Provisions	Utilisation	31/12/2021
Risk provisions on work in progress	400	-	-	400
TOTAL	**400**	**-**	**-**	**400**

20. TRADE RECEIVABLES

The value of trade receivables, totalling Euro 15,819 thousand also included trade-related accruals and deferrals receivable, and was made up as follows:

Trade receivables	31/12/2021	31/12/2020	Change
Trade receivables	13,196	13,722	(526)
Receivables from related parties	1,716	290	1,426
Trade accruals and deferrals receivable	907	686	221
TOTAL	**15,819**	**14,698**	**1,121**
Within the following year	15,819	14,698	1,121
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**15,819**	**14,698**	**1,121**
Overdue – less than 1 month	534	393	141
Overdue – more than 1 month	9	638	(629)
Overdue – more than 6 months	1,117	67	1,050
TOTAL	**1,660**	**1,098**	**562**

Trade receivables amounted to Euro 13,196 thousand (net of the write-down provision of Euro 3,562 thousand) and are substantially in line with the previous year.
The increase in the amount overdue by more than six months refers to a legal dispute which recently arose and is still in the preliminary stages, relative to which a need to establish a provision for bad credit was not deemed necessary, also taking into account the opinion provided by the Company's legal consultants.

Relative to *Receivables from related parties* please see note 41 in this section.
The book value of the trade receivables is considered to reflect their fair value.

The provision for impairment of receivables did not see any changes in 2021:

Write-down provision	31/12/2020	Provisions	Utilisation	31/12/2021
Write-down provision (trade receivables)	3,562	-	-	3,562
TOTAL	**3,562**	**-**	**-**	**3,562**

On the balance sheet date the maximum credit risk exposure was equal to the fair value of each of the categories indicated above.

The accruals and deferrals receivable are made up of:

Trade accrued income and prepaid expenses	31/12/2021	31/12/2020	Change
Insurance	14	32	(18)
Leases and maintenance and other services	184	196	(12)
Purchase of hardware/software for resale	41	16	25
Information and connectivity systems	270	339	(69)
Others	398	103	295
TOTAL	**907**	**686**	**221**

21. OTHER RECEIVABLES

This item amounted to Euro 656 thousand and was made up as follows:

Other receivables	31/12/2021	31/12/2020	Change
Tax receivables	622	-	622
Receivables from personnel	5	5	-
Advances to suppliers	28	31	(3)
Various receivables	1	9	(8)
TOTAL	**656**	**45**	**611**
Within the following year	656	45	611
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**656**	**45**	**611**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Tax receivables mainly refer to VAT credit.

The book value of the other receivables is considered to reflect their fair value.

22. RECEIVABLES FOR CURRENT TAXES ON INCOME

These amount to Euro 1,366 thousand and can be broken down as follows:

Current tax receivables	31/12/2021	31/12/2020	Change
Current tax receivables	-	160	(160)
Receivables from related parties	1,366	718	648
TOTAL	**1,366**	**878**	**488**
Within the following year	1,366	878	488
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**1,366**	**878**	**488**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Receivables from related parties refer to the parent company OWL S.p.A., for a tax consolidation credit mainly relative to the tax losses of the Company used at the time of consolidation of taxable amounts.

23. CURRENT FINANCIAL RECEIVABLES

The value of financial receivables due within 12 months totals Euro 1,683 thousand and refers to the short-term component of the loan granted to the subsidiary TAS International.

Current financial receivables	31/12/2021	31/12/2020	Change
Receivables from others	1	-	1
Receivables from related parties	1,682	1,665	17
Financial accruals and deferrals receivable	-	-	-
TOTAL	**1,683**	**1,665**	**18**
Within the following year	1,683	1,665	18
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**1,683**	**1,665**	**18**
Overdue – less than 1 month	340	-	340
Overdue – more than 1 month	-	-	-
TOTAL	**340**	**-**	**340**

The book value of the financial receivables is considered to reflect their fair value.

24. CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounted to Euro 912 thousand and were made up as follows:

Cash and cash equivalents	31/12/2021	31/12/2020	Change
Cash and cash equivalents	2	3	(1)
Bank and postal deposits	910	1,664	(754)
TOTAL	**912**	**1,667**	**(755)**

The balance represents cash and cash equivalents and the number and values that existed at the date the financial year ended. The values stated may be converted readily into cash and are subject to an insignificant risk of a change in value.

It is considered that the book value of the cash assets is aligned with their fair value on the balance sheet date. The credit risk related to the cash and cash equivalents is limited, as the counterparties are leading national banks.

BALANCE SHEET INFORMATION

LIABILITIES AND NET EQUITY

25. NET EQUITY

A breakdown of the net equity items is given below, while the related changes are shown in the relevant schedule.

Net Equity	31/12/2021	31/12/2020	Change
Capital	24,331	24,331	-
Legal Reserve	1,460	630	830
Extraordinary reserve	5,725	4,898	827
Cash flow hedge reserve	-	(8)	8
IAS 19 actuarial valuation reserve	(364)	(457)	93
Equity valuation reserve	(973)	(6,428)	5,455
Stock option reserve	353	68	285
Profit/(loss) carried forward	14,209	5,132	9,077
Profit (loss) for the period	10,658	16,597	(5,939)
TOTAL	**55,399**	**44,763**	**10,636**

On 29 April 2021 the TAS Shareholders’ Meeting resolved to destine the Company's 2020 profits:

- for Euro 830 thousand to the Legal Reserve pursuant to Art. 2430 of the Italian Civil Code;
- for Euro 15,768 thousand, carried forward.

The share capital was made up as follows:

Shares	Number	Nominal value
Ordinary shares	83,536,898	No value
Total	**83,536,898**	

No new shares were subscribed during the year.
Therefore on the closing date 83,536,898 ordinary shares were in circulation with no nominal value, and the share capital amounted to Euro 24,330,645.50.

The *Actuarial valuation reserve* was generated by the recognition of actuarial gains and losses in the Comprehensive Income Statement. The changes were as follows:

Movements in the actuarial valuation reserve	2020
Actuarial valuation reserve 1.1.2020	**(396)**
Effect of actuarial valuation	(61)
Tax effect on actuarial valuation	-
Actuarial valuation reserve 31.12.2020	**(457)**

Movements in the actuarial valuation reserve	2021
Actuarial valuation reserve 1.1.2021	**(457)**
Effect of actuarial valuation	(47)
Reclassification of profit due to equity measurement from previous year and other changes	127
Tax effect on actuarial valuation	13
Actuarial valuation reserve 31.12.2021	**(364)**

The *equity valuation reserve* is generated by applying the equity method to investments in subsidiaries.

Changes for the year are shown below:

Changes Equity valuation reserve	2020
Equity valuation reserve 1.01.2020	**(6,126)**
Effects from actuarial reserve	(71)
Effects from conversion reserve	(231)
Equity valuation reserve 31.12.2020	**(6,428)**

Changes Equity valuation reserve	2021
Equity valuation reserve 1.01.2021	**(6,428)**
Effects from actuarial reserve	(36)
Reclassification of Equity	4,892
Effects from conversion reserve	599
Equity valuation reserve 31.12.2021	**(973)**

The item *Stock Option Reserve* refers to the stock option plan approved by the Company for employees (including directors with strategic responsibilities) for TAS and of its subsidiaries. The value recognised refers to the estimated fair value of the equity instruments assigned.

Note that on 25 February 2022, the TAS Board of Directors resolved to allow the beneficiaries of the plan to exercise a total of 353,863 options in advance, with respect to a total of 374,000 options.

Consequently, shares in circulation as communicated on 28 March 2022 amount to 83,880,761 ordinary shares with no nominal value, and share capital totals Euro 24,704,330.23.

The table below shows the origin, possibility of use and availability for each item in the net equity, as well as actual uses in the previous financial years:

				Summary of uses over the three previous years	
Nature/description	Amount	Possibility for use	Unrestricted portion	to replenish losses	for other reasons
Capital	24,331	B	-	-	-
Other Reserves					
Fair value reserve	-	A,B,C	-	-	-
Reserve for measurement of equity investments in subsidiaries using the equity method	(973)	A,B,C	(973)		
IAS 19 actuarial valuation reserve	(364)	A,B,C	(364)	-	-
Other Reserves	353	A	353	-	-
Profit reserve					
Legal Reserve	1,460	B	1,460	-	-
Extraordinary reserve	5,725	A,B,C	5,725	-	-
Profit/(loss) carried forward	14,209	A,B,C	14,209	-	-
Profit/(loss) current year	10,658	A,B,C	10,658	-	-
Total	**55,399**		**31,068**	**-**	**-**
Non-distributable portion			**6,003**		
Remaining distributable portion			**25,065**		

Key:

A: for capital increase

B: to cover losses

C: for distribution to shareholders

The non-distributable portion of shareholders’ equity amounts to Euro 6,003 thousand, covering the legal reserve equalling one fifth of the share capital, development costs recognised in balance sheet assets to be amortised and capital gains deriving from application of the equity method. The remaining distributable portion amounted to Euro 25,065 thousand.

With regard to the comments on the Comprehensive Income Statement, please see note 39 in this section.

NON-CURRENT LIABILITIES

26. EMPLOYEE SEVERANCE INDEMNITY PROVISION

The provision represents the severance pay liability to be paid to employees in the case of contract termination and is represented net of the advances paid. Its value has been updated.

The changes compared to the previous year are as follows:

Employee severance indemnity provision (TFR)	31/12/2021	31/12/2020	Change
Employee severance indemnity provision	1,125	1,416	(291)
TOTAL	**1,125**	**1,416**	**(291)**

The movement was as follows:

employee severance indemnity provision changes	Year 20
Employee Severance indemnity provision 1.1.2020	**3,588**
Transfer Global Payments SpA business unit	**(2,264)**
Provision for the period	576
Interest costs	8
Amount paid to the INPS Treasury fund and other funds	(576)
Indemnities and advances paid during the year	(17)
Acquisition of Otik business unit	40
Actuarial profit/(loss)	61
Employee Severance indemnity provision 31.12.2020	**1,416**

employee severance indemnity provision changes	Year 21
Employee Severance indemnity provision 1.1.2021	**1,416**
CM Business Unit transfer	(198)
Provision for the period	512
Interest costs	2
Amount paid to the INPS Treasury fund and other funds	(533)
Indemnities and advances paid during the year	(121)
Actuarial profit/(loss)	47
Employee Severance indemnity provision 31.12.2021	**1,125**

In addition to the effects of the CM business unit transfer as part of the Elidata operation, changes in liabilities during the period include Euro 512 thousand for provisioning, Euro 533 in payments to the INPS treasury fund, Euro 121 thousand in utilisations for indemnities paid during the year, a negative effect from the actuarial valuation for Euro 47 thousand and interest costs for Euro 2 thousand.

The actuarial model used for the valuation of severance pay is based on various demographic, economic and financial assumptions.
Where possible, for some of the assumptions express reference was made to the direct experience of the Company while for others, industry best practices were applied.

The main assumptions of the model are given below.

Financial assumptions	
Annual discounting rate	0.44%
Annual inflation rate:	1.75%
Annual rate of increase in employee severance indemnity	2.81%
Demographic assumptions	
Mortality	RG48 mortality table
Disability	INPS tables divided by age and gender
Pension age	100% upon reaching the Mandatory General Insurance requirements

From the historical experience of the parent company and based on the available data, an annual turnover rate of 5% and an anticipation rate of 2% were deduced.

In particular, we note that:
- the **Annual discounting rate** in Italy used to calculate the current figure for the obligation was determined according to par. 78 of IAS 19, with reference to the IBoxx Eurozone Corporate AA 7- 10 and 10+ index;
- the **Annual rate of increase in employee severance indemnity** in Italy pursuant to Art. 2120 of the Italian Civil Code is 75% of inflation plus 1.5 percentage points.

The sensitivity analysis for the Company's TFR follows:

Sensitivity analysis of main data evaluation parameters at 31.12.2021	**TFR [Employee Severance Pay]**	**Delta**	**%**
+ 1% on turnover rate	1,115	- 9.99	-0.9%
- 1% on turnover rate	1,135	10.28	0.9%
+ 1/4% on annual inflation rate	1,139	13.60	1.2%
- 1/4% on annual inflation rate	1,111	- 14.06	-1.2%
+ 1/4% on annual discounting rate	1,102	- 22.51	-2.0%
- 1/4% on annual discounting rate	1,148	22.55	2.0%

27. PROVISIONS FOR RISKS AND CHARGES

These amount to Euro 352 thousand and can be broken down as follows:

Risk provisions	**31/12/2021**	**31/12/2020**	**Change**
Provision for risks	175	175	-
Other provisions	177	-	177
TOTAL	**352**	**175**	**177**

The movement was as follows:

Risk provision changes	Year 20
Opening balance at 1.1.2020	**472**
Increases	70
Reclassification risk provisions work in progress	(172)
Utilisation	(195)
Provision for risks at 31.12.2020	**175**

Risk provision changes	Year 21
Opening balance at 1.1.2021	**175**
Increases	177
Utilisation	-
Provision for risks at 31.12.2021	**352**

Provisions for risks refers to disputes with former employees.

The item *Other provisions* refers to the portion of losses for the subsidiary Mantica Italia which exceeded the value of the equity investment. After bringing the interest's value to zero, the additional losses were accrued and recognised as liabilities.

28. PROVISION FOR DEFERRED TAX LIABILITIES

At 31 December 2021 the provision for deferred tax liabilities amounted to Euro 21 thousand.

Deferred taxes provision	31/12/2021	31/12/2020	Change
Deferred taxes provision	21	38	(17)
TOTAL	**21**	**38**	**(17)**

29. NON-CURRENT FINANCIAL LIABILITIES

Non-current financial liabilities for Euro 6,100 thousand are detailed below:

Non-current financial liabilities	31/12/2021	31/12/2020	Change
Financial liabilities for IFRS 16 leases, of which:	4,097	5,416	(1,319)
- Right of use buildings	*3,973*	*5,214*	*(1,241)*
- Right of use vehicles	*124*	*202*	*(78)*
Payables to related parties	-	3,345	*(3,345)*
Payables to banks for loans	2,005	4,176	*(2,171)*
Effect of recognition at the amortised cost of financial liabilities	(2)	(13)	11
TOTAL	**6,100**	**12,924**	**(6,824)**
Within the following year	-	-	-
From 1 to 5 years	5,090	11,124	(6,034)
More than 5 years	1,010	1,800	(790)
TOTAL	**6,100**	**12,924**	**(6,824)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Payables to related parties refers to the long-term portion of the loan provided by the subsidiary Global Payments S.p.A. which was offset through the dividend approved by the subsidiary during the year.

Payables to banks for loans refers to the long-term portion of loans taken out by the

Company. The table below supplies the details:

(Thousands of Euros)	**Date loan taken out**	**Date of loan expiry (1)**	**Base rate of interest (2)**	**Spread (2)**	**Nominal Value**	***Amortised cost* at 31.12.2021 (3)**	**Balance at 31.12.2021**
BANCO BPM	24/06/2020	30/06/2023	Euribor 3 months	1.25%	4,000	(13)	2,006
INTESA	10/07/2020	10/07/2024	Euribor 1 month	1.30%	2,500	-	2,156
Total					**6,500**	**(13)**	**4,162**

(1) The agreement with BANCO BPM calls for 1 pre-amortisation payment due on 30/06/2020 and 36 monthly amortisation payments, the first due on 31/07/2020 and the last due on 30/06/2023. The agreement with INTESA calls for 12 pre-amortisation payments due on 10/07/2021 and 36 monthly amortisation payments, the first due on 10/08/2021 and the last due on 10/07/2024.

(2) The agreement with BANCO BPM makes use of the Euribor 3 month rate plus a spread of 125 basis points, while the INTESA agreement uses the Euribor 1 month plus a spread of 130 basis points.

(3) Residual amortised cost

The BANCO BPM bank loan is guaranteed by a surety of the same amount issued by OWL S.p.A. (the parent company of the Parent Company), while that from INTESA is 90% guaranteed by Medio Credito Centrale.

CURRENT LIABILITIES

30. TRADE PAYABLES

The value of trade payables, totalling Euro 21,533 thousand also included trade-related accruals and deferrals payable, and was made up as follows:

Trade payables	31/12/2021	31/12/2020	Change
Advances	150	54	96
Payables to suppliers	2,415	2,571	(156)
Payables to related parties	16,281	8,321	7,960
Contract liabilities with customers	2,681	3,837	(1,156)
Trade accruals payable	6	1	5
TOTAL	**21,533**	**14,784**	**6,749**
Within the following year	21,533	14,784	6,749
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**21,533**	**14,784**	**6,749**
Overdue – less than 1 month	1,536	855	681
Overdue – more than 1 month	6,909	1,164	5,745
TOTAL	**8,445**	**2,019**	**6,426**

The figure for *Payables to suppliers* at 31 December 2021 referred entirely to trade debts payable within 12 months.

The item *Advances* included the advances received from customers in relation to the supply of goods and services not yet completed.

The *Contract liabilities with customers* related mainly to the deferral of orders in progress already invoiced to the customer but not yet completed on the year-end date. The reduction with respect to the previous year is due to the transfer of the CM Business Unit, as described above.

With regard to relations with related companies, reference is made to Note 41 in this section.

The book value of the trade payables at the reporting date is considered to reflect their fair value.

31. OTHER PAYABLES

Other payables for Euro 3,532 thousand, related to:

Other payables	31/12/2021	31/12/2020	Change
Tax payables	531	1,116	(585)
Payables to social security institutions	824	1,058	(234)
Various payables	2,177	2,405	(228)
TOTAL	**3,532**	**4,579**	**(1,047)**
Within the following year	3,532	4,579	(1,047)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**3,532**	**4,579**	**(1,047)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The details relating to other payables appear below:

Tax payables	31/12/2021	31/12/2020	Change
IRPEF payables	524	575	(51)
VAT payables	-	540	(540)
Other tax payables	7	1	6
TOTAL	**531**	**1,116**	**(585)**
Within the following year	531	1,116	(585)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**531**	**1,116**	**(585)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

IRPEF payables relate to withholding tax on the December payroll.

Social security payables	31/12/2021	31/12/2020	Change
Payable to INPS [pension fund]	706	936	(230)
Payables to INAIL and other institutions	118	122	(4)
TOTAL	**824**	**1,058**	**(234)**
Within the following year	824	1,058	(234)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**824**	**1,058**	**(234)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

Payables to social security institutions relate mainly to contributions payable on the December payroll, and on salaries accruing on the balance sheet date in relation to additional monthly salary payments, holidays not taken and bonuses.

Various payables	31/12/2021	31/12/2020	Change
Payables to personnel	1,300	2,209	(909)
Various other payables	877	196	681
TOTAL	**2,177**	**2,405**	**(228)**
Within the following year	2,177	2,405	(228)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**2,177**	**2,405**	**(228)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

There were no outstanding payables to employees on 31 December 2021. There were no outstanding payables to employees on 31 December 2021. The increase in the item “various other payables” refers for Euro 365 thousand to the adjustment of certain items collected by TAS but associated with the CM Business Unit transferred to Elidata, as well as early retirement incentives.

The book value of the Other payables on the balance sheet date is considered to reflect their fair value.

32. CURRENT FINANCIAL LIABILITIES

Current financial payables amounted to Euro 2,906 thousand and were made up as follows:

Current financial liabilities	31/12/2021	31/12/2020	Change
Other financial liabilities	-	943	(943)
Fair value of derivatives	1	11	(10)
Payables to banks	10	8	2
Payables to banks for loans	2,171	1,668	503
Payables to related parties	-	1,655	(1,655)
Financial liabilities for IFRS 16	734	861	(127)
- Right of use buildings	*613*	*638*	(25)
- Right of use vehicles	*121*	*131*	(10)
- Other assets right of use	-	*92*	(92)
Effect of recognition at the amortised cost of financial liabilities	(11)	(43)	32
Financial accruals and deferrals	1	2	(1)
TOTAL	**2,906**	**5,105**	**(2,199)**
Within the following year	2,906	5,105	(2,199)
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
TOTAL	**2,906**	**5,105**	**(2,199)**
Overdue – less than 1 month	-	-	-
Overdue – more than 1 month	-	-	-
TOTAL	**-**	**-**	**-**

The fair value of financing (current and non-current), largely corresponded with the book value.

Payables to banks for loans refers to the short-term portion of loans taken out by the Company, as outlined in note 27 above.

Payables to related parties refers to the short-term portion of the loan provided by the subsidiary Global Payments offset during the year by the dividend approved by the subsidiary.

The balance of the item *Fair value of financial instruments* refers to the fair value measurement of the Parent Company's Interest Rate Swap derivatives. The measurement at 31 December 2021 was negative in the amount of Euro 1 thousand. The fair value of derivatives is calculated considering market parameters on the reporting date and using evaluation models widely utilised in the financial sector. In particular, the fair value of interest rate swaps is determined using the future cash flow discounting method.

The table below provides details on the two existing contracts and their respective fair values:

Type of financial transaction	Start date	Maturity	Bank parameter rate	Customer parameter rate	Notional amount in Euros	Reference bank	Fair value
IRS	01/07/2020	30/06/2023	Euribor 3m	Euribor 3m + 1.25%	4,000,000	BANCO BPM	-
IRS	07/07/2020	07/07/2024	Euribor 1m	Euribor 1m + 1.30%	2,500,000	INTESA	(1)
						TOTAL	**(1)**

These are operations to hedge against interest rate risk deriving from the loans taken out during the year.

Note that the fair value change was recorded in the comprehensive income statement and accumulates in a specific Shareholders' Equity reserve as established under IFRS 9, given that these are instruments which hedge against future cash flows and all the requirements established for the use of hedge accounting in the said standard are respected. Fair value hedges were found to be effective and hence nothing was recognised in the income statement.

The fair value of financing (current and non-current), largely corresponded with the book value.

The structure of the current and non-current financial liabilities, in terms of the annual interest rate at 31 December 2021 exclusively in Euro, is as follows (carrying amounts):

Financial liabilities	zero rate	less than 5%	between 5% and 10.0%
Euro *of which:*	-	9,007	-
- Bank financing	-	*4,176*	-
- Financial liabilities IFRS 16	-	*4,831*	-
TOTAL	**-**	**9,007**	**-**

In particular, to determine the financial liabilities for leasing under IFRS 16, an incremental borrowing rate of 4% was used when the standard took effect, while for subsequent new contracts a rate of 1.30% was used, in line with the rate applied to the Company's existing loans.

At the reporting date, the Company's exposure to changes in interest rates, and the dates for the review of the rates, were as follows:

Rate review period	31/12/2021	31/12/2020
From 0 to 6 Months	4,176	10,844

The table below shows the changes in the Company's financial payables:

Financial liabilities	31/12/2021	31/12/2020	Change
Non-current	6,100	12,924	(6,824)
Current	2,906	5,105	(2,199)
TOTAL	**9,006**	**18,029**	**(9,023)**

Changes	Year 20
Opening balance at 1.1.2020	**13,701**
Instalment payment acquisition TAS EE	(557)
Change in financial payables IFRS 16	(1,489)
Residual payable Otik business unit	386
Effect of recognition at the amortised cost of financial liabilities	128
New BANCO BPM bank loan	4,000
New INTESA bank loan	2,500
Bank loan repayment	(656)
Extinguishing of loan from parent company Owl SpA	(5,000)
New loan from subsidiary Global Payments SpA	5,000
Changes in other bank and financial payables	16
Closing balance at 31.12.2020	**18,029**

Changes	Year 21
Opening balance at 1.1.2021	**18,029**
Change in financial payables IFRS 16	(1,446)
Residual payable Otik business unit	(386)
Effect of recognition at the amortised cost of financial liabilities	43
Bank loan repayment	(1,669)
Bassilichi-Nexi payment	(557)
Closure of loan from subsidiary Global Payments SpA	(5,000)
Changes in other bank and financial payables	(8)
Closing balance at 31.12.2021	**9,006**

At 31 December 2021, the cash reserve was as follows:

Bank credit lines	***Loans 31.12.2021***	***Utilisation 31.12.2021***	***Availability of credit 31.12.2021***	***Availability of credit 31/12/2020***
Cash credit line	30	-	30	30
Self-liquidating lines	1,000	-	1,000	1,000
Financing Lines	4,175	(4,175)	-	-
Total Bank Credit Lines	**5,205**	**(4,175)**	**1,030**	**1,030**
Factoring Lines	4,700	-	4,700	2,732
Total Factoring Credit Lines	**4,700**	**-**	**4,700**	**2,732**
Total Banking/Factoring Credit Lines	**9,905**	**(4,175)**	**5,730**	**3,762**
Cash and cash equivalents			**912**	**1,667**
Total			**6,642**	**5,429**

The Company's liquidity reserve of 6.6 million Euro has been considered sufficient to meet the existing commitments on the reporting date. For the sake of completeness, note that the cash reserves of the fully controlled subsidiary Global Payments amounted to Euro 5,426 thousand at 31 December 2021.

INFORMATION ON THE INCOME STATEMENT

Comments on the income statement accounting schedules are provided below, which include the transfer of the CM Business Unit to the subsidiary Elidata S.p.A., commented on multiple times above and effective as of 1 November 2021.
It also shows the revenue and costs accruing with regard to related parties.
For additional details on the relations with related parties, please refer to Note 41 in this section.

33. REVENUE

Revenue	31/12/2021	31/12/2020	Change	% Change
Revenue	13,887	15,522	(1,635)	(10.5%)
(of which in respect of related companies)	*1,433*	*1,004*	*429*	42.7%
Changes to orders in progress	799	2,435	(1,636)	(67.2%)
Total core revenue	**14,686**	**17,957**	***(3,271)***	**(18.2%)**
Other revenue	7,618	6,057	1,561	25.8%
(of which in respect of related companies)	*7,178*	*5,587*	*1,591*	28.5%
TOTAL	**22,304**	**24,014**	**(1,710)**	**(7.1%)**

At 31 December 2021 the Company recorded *Total revenue* for Euro 22,304 thousand, compared to Euro 24,014 thousand the previous financial year. These are made up as follows:

- Euro 14,686 thousand made up of revenue from typical management (Euro 17,957 thousand in 2020);
- Euro 7,618 thousand made up of other non-typical revenue (Euro 6,057 thousand in 2020).

In particular, the item *Other revenues* includes Euro 7,060 thousand (Euro 5,500 thousand at 31 December 2020) for costs charged back to the company Global Payments for 2021, for the staff and corporate functions still with TAS after transfer of the Payments Unit.

The details of core revenue by type are reported below:

Revenue by type	31/12/2021	Impact %	31/12/2020	Impact %	Change	% Change
- Licenses	1,082	7.4%	5,795	32.3%	(4,713)	(81.3%)
- Maintenance	2,190	14.9%	2,251	12.5%	(61)	(2.7%)
- Services	7,784	53.0%	6,188	34.5%	1,596	25.8%
- Royalties and usage fees	2,498	17.0%	2,764	15.4%	(266)	(9.6%)
- Support fees	1,132	7.7%	959	5.3%	173	18.0%
TOTAL CORE REVENUE	**14,686**	**100.0%**	**17,957**	**100.0%**	**(3,271)**	**(18.2%)**

Revenues refer to Extended ERP and Capital Market activities, with the latter remaining with the Company until 31 October 2021 following the transfer of the CM Business Unit.
The table below shows the distribution of core revenues by geographic area:

Revenue by geographic area	31/12/2021	Impact %	31/12/2020	Impact %	Change	% Change
- Italy	13,809	94.0%	17,145	95.5%	(3,336)	(19.5%)
- Germany	135	0.9%	146	0.8%	(11)	(7.5%)
- Great Britain	96	0.7%	119	0.7%	(23)	(19.3%)
- Spain	69	0.5%	31	0.2%	38	>100%
- Switzerland	571	3.9%	509	2.8%	62	12.2%
- Other	6	0.0%	7	0.0%	(1)	(14.3%)
TOTAL CORE REVENUE	**14,686**	**100.0%**	**17,957**	**100.0%**	**(3,271)**	**(18.2%)**

Revenues in the Italy area represent 94% of the total.

34. COSTS OF PRODUCTION

The table below sets out a cost comparison at 31 December 2021, against the previous year:

Costs	31/12/2021	31/12/2020	Change	% Change
Raw materials, consumables and goods	156	256	(100)	(39.1%)
Personnel costs	10,664	11,395	*(731)*	(6.4%)
For services	9,613	9,584	29	0.3%
Other costs	817	1,102	(285)	(25.9%)
TOTAL COSTS	**21,250**	**22,337**	**(1,087)**	**(4.9%)**

The table below shows, for each individual cost item, capitalised costs for software development, the impact associated with IFRS 16 and non-recurring costs:

Costs	31/12/2021	31/12/2020	Change	Change %
Raw materials, consumables and goods	156	256	(100)	(39.1%)
Personnel costs	11,396	12,160	(764)	(6.3%)
For services	10,510	10,012	498	5.0%
Other costs:	1,949	2,292	(343)	(15.0%)
- Use of third-party assets net of IFRS 16 effect	*1,184*	*1,235*	*(51)*	*(4.1%)*
- Provision for risks	-	*370*	*(370)*	*(100.0%)*
- Other operating costs	*765*	*687*	*78*	*11.4%*
TOTAL CORE COSTS	**24,011**	**24,720**	**(709)**	**(2.9%)**
IFRS 16 impact	(1,132)	(1,190)	58	4.9%
Capitalised costs for software development	(1,949)	(1,626)	(323)	(19.9%)
Non-recurring costs	320	433	(113)	(26.1%)
TOTAL	**21,250**	**22,337**	**(1,087)**	**(4.9%)**

Note that all office lease contracts remained with the Company.

The most significant item in the Income Statement is Personnel costs, which at 31 December 2021 stood at Euro 11,396 thousand, and is detailed below:

Personnel costs	31/12/2021	31/12/2020	Change	% Change
Salaries and wages	8,371	8,872	(501)	(5.6%)
Social security contributions	2,415	2,630	(215)	(8.2%)
TFR provision	512	576	(64)	(11.1%)
Other costs	98	82	16	19.5%
TOTAL	**11,396**	**12,160**	**(764)**	**(6.3%)**

The impact on total Company revenue was 51% as at 31 December 2020.

The table below illustrates TAS staff at 31 December 2021. The number of employees transferred with the CM Business Unit was 16:

Staff	31/12/2021	31/12/2020	Change
- Managers	15	16	(1)
- Executive	30	45	(15)
- Workers	110	115	(5)
TOTAL	**155**	**176**	**(21)**

The *costs of services* amounted to Euro 10,510 thousand, increasing by 5% compared to the previous period. These are made up as follows:

Costs of services	31/12/2021	31/12/2020	Change	% Change
Software design and development	3,231	2,686	545	20.3%
Professional services from third parties for resale	2,481	3,055	(574)	(18.8%)
Remuneration and refunds to directors, statutory auditors and committees	1,258	1,014	244	24.1%
Travel costs	172	127	45	35.4%
Consulting and auditing firm	829	712	117	16.4%
Outsourced IT services	1,004	968	36	3.7%
Utilities and logistics	306	372	(66)	(17.7%)
Insurance	327	255	72	28.2%
Marketing and communication	492	435	57	13.1%
Personnel services	313	336	(23)	(6.8%)
Other services	97	52	45	86.5%
TOTAL SERVICE COSTS	**10,510**	**10,012**	**498**	**5.0%**

In accordance with Consob communication DEM/6064293 of 28 July 2006, non-recurring costs are shown below for Euro 320 thousand (433 thousand 31 December 2020), which impacted on the results stated above:

BALANCE SHEET ITEM	AMOUNT	DESCRIPTION
"Costs of services"	320	Extraordinary operations and change of control due diligence
TOTAL NON-RECURRING COSTS	**320**	

35. AMORTISATIONS AND DEPRECIATIONS

This item went from Euro 2,837 thousand to Euro 3,156 as follows:

Amortisations, depreciations and impairment reversals	31/12/2021	31/12/2020	Change	% Change
Capitalised software	1,731	1,246	485	38.9%
Other intangible fixed assets	148	175	(27)	(15.4%)
Tangible fixed assets	1,277	1,416	(139)	(9.8%)
TOTAL	**3,156**	**2,837**	**319**	**11.2%**

36. REVALUATION/IMPAIRMENT OF EQUITY INVESTMENTS MEASURED AT EQUITY

Revaluations and impairment of equity investments valued using the equity method amount to Euro 4,973 thousand compared to a net balance of revaluation/impairment of Euro 6,136 thousand the previous year. For further details, please refer to note 15.

37. FINANCIAL INCOME AND CHARGES

The balance of financial management was positive at Euro 6,555 thousand and was made up as follows:

Financial income/(expenses)	31/12/2021	31/12/2020	Change	% Change
Income from subsidiary shareholdings	-	9,432	(9,432)	(100.0%)
Income from non-current receivables	37	76	(39)	(51.3%)
Income from fair value recognition	-	603	(603)	(100.0%)
Other income	6,986	187	6,799	>100%
Exchange rate gains	-	3	(3)	(100.0%)
TOTAL FINANCIAL INCOME	**7,023**	**10,301**	**(3,278)**	**(31.8%)**
Interest payable and other financial charges	(336)	(501)	165	32.9%
Charges from fair value recognition	(132)	-	(132)	-
Interest payable to parent company OWL	-	(72)	72	100.0%
Exchange rate losses	-	(10)	10	100.0%
TOTAL FINANCIAL CHARGES	**(468)**	**(583)**	**115**	**19.7%**
TOTAL RESULT OF FINANCIAL MANAGEMENT	**6,555**	**9,718**	**(3,163)**	**(32.5%)**

Other income refers to the accounting effects deriving from the transfer of the CM Business Unit as part of the Elidata acquisition. More information can be found above in Note 2.

Income from fair value recognition is linked to the fair value change in the investee SIA S.p.A. (now NEXI S.p.A.).

The item *Interest payable and other financial charges,* which went from Euro 501 thousand in 2020 to Euro 336 thousand at 31 December 2021, included:

- interest payable on loans, current bank accounts, factoring and bank commissions account for Euro 87 thousand (Euro 66 thousand in 2020);
- the effect for the year for Euro 43 thousand relating to the recognition of the amortised cost of bank payables (Euro 178 thousand in 2020);
- the effect for the year for Euro 2 thousand (Euro 8 thousand in 2020) relating to the recognition of interest costs linked to the actuarial valuation of the employee severance indemnity provision (TFR).
- the effect for the year for Euro 203 thousand relative to IFRS 16 (Euro 250 thousand in 2020).

The interest rate risk to which the Group is exposed mainly derives from loans taken out during the year. At the date of these financial statements there are no significant risks of fluctuation in market interest rates. Nonetheless, Interest Rate Swap contracts were taken out at the same time as the loans for hedging purposes. More details can be found in note 32.

Consequently, a hypothetical 0.5% increase or decrease in the interest rates applicable to the above loans would have no impact on the consolidated financial statements.

38. TAXES

Taxes include income from tax consolidation relative to the parent company OWL for Euro 1,270 thousand.

Current and deferred taxes	31/12/2021	31/12/2020	Change	% Change
Current taxes	-	-	-	-
Income from tax consolidation	(1,270)	(857)	(413)	(48.2%)
Deferred taxes	39	(1,045)	1,084	>100%
TOTAL	**(1,231)**	**(1,902)**	**671**	**35.3%**

The breakdown of deferred tax assets is found in note 17.

The reconciliation of the IRES and IRAP tax charges is reported below:

Reconciliation of IRES tax charges	31/12/2021	31/12/2020
Pre-tax profit	9,427	14,696
Theoretical rate (IRES)	24.0%	24.0%
Theoretical taxes	**2,262**	**3,527**
Higher taxes from non-deductible costs	378	896
Less taxes from non-taxable income/deductible costs	(3,996)	(4,485)
lower tax from use of prior tax losses	-	-
Net variation in deferred tax recognised and not recognised	1,356	62
TOTAL	**-**	**-**

Reconciliation of IRAP tax charges	31/12/2021	31/12/2020
Balance IRAP carrying balances = (A-B) +B.9 + B.10.d) + B.12 + B.13	8,800	10,867
Theoretical rate (IRAP 4.19%: weighted average between regions with 3.9% rate and Lombardy at 4.82%)	4.20%	4.19%
Theoretical taxes	**369**	**455**
Higher taxes from non-deductible costs	684	61
Less taxes from non-taxable income/deductible costs	(177)	(79)
lower taxes due to tax wedge	(876)	(437)
Net variation in deferred tax recognised and not recognised	-	
TOTAL	**-**	**-**

39. OTHER PROFIT/(LOSS) IN THE COMPREHENSIVE INCOME STATEMENT

The value of the Other profit/(loss) is made up as follows:

Other profit/(loss)	31/12/2021	31/12/2020	Change
Profit/(loss) relative to equity investments measured at equity	563	(302)	865
Actuarial profit/(loss) on defined benefit plans	(47)	(61)	14
Effective portion of profit/(loss) for cash flow hedges	7	(10)	17
Income tax relating to Other profit/(loss)	13	3	10
Total Other profit/(loss), net of tax effect	**536**	**(370)**	**906**

Profit/(loss) relative to equity investments measured at equity refers to the effects from the equity method valuation of equity investments in subsidiaries relating to the comprehensive income statement.

40. DISCLOSURE OF AUDITING FIRM'S FEES

According to the provisions of article 149-*duodecies* of the Issuers Regulations, enacting Italian Legislative Decree No. 58 of 24 February 1998, below are details of the services rendered by the auditing firm in 2021, in thousands of Euro.
The table below indicates the fees for the accounts audited and other services.

Type of services	Service provider	Service recipient	Fees/Euros
Accounts audited	Company auditor	TAS S.p.A.	117,000
Services other than auditing*	Company auditor	TAS S.p.A.	17,000

* Includes the limited audit of the consolidated non-financial disclosure and auditing of expenses sustained for research and development.

41. TRANSACTIONS WITH RELATED PARTIES

The following related-party transactions took place during the period. For the definition of "Related parties", reference is made to IAS 24 R, approved by Regulation (EC) No. 632/2010.

The table below summarises the economic, capital and financial relations with related parties on 31 December 2021:

	GLOBAL PAYMENTS SPA	ELIDATA SPA	INFRAXIS LTD	TAS FRANCE	TAS GERMANY	TAS IBERIA	TAS INT. S.A.	OWL	GUM CONSULTING
Trade receivables	1,282	191	-	10	-	127	106	-	-
Financial receivables	-	-	-	-	-	-	2,360	-	-
Other receivables	-	-	-	-	-	-	-	1,366	-
Trade payables	(15,425)	(555)	(1)	(227)	-	(8)	(67)	-	-
Other payables	-	-	-	-	-	-	-	-	(63)
Costs									
Costs for raw materials	-	-	-	-	-	-	-	-	-
Costs of services	(2,194)	(38)	-	(262)	-	(4)	(244)	-	(375)
Financial charges	(30)	-	-	-	-	-	-	-	-
Revenue									
Revenue for services	798	45	4	-	8	69	509	-	-
Other revenue	7,060	118	-	-	-	-	-	-	-
Financial revenue	-	-	-	-	-	-	37	-	-
Taxes									
Taxes	-	-	-	-	-	-	-	1,270	

Related-party transactions as defined by IAS 24 were carried out in accordance with laws in force, at normal market prices.

- Relations between the Company and the parent OWL SpA refer to recognition of relationships associated with tax consolidation;
- Relations with Global Payments mainly refer to work orders directly invoiced by the Company but pertaining to the subsidiary. Other revenue refers to structure and corporate costs pertaining to the subsidiary;
- The relations with the company Gum Consulting S.r.l. in which Dario Pardi is a majority shareholder and referring to the compensation including the refund of expenses as Chairman of the Company's Board of Directors;
- Costs for services indicated with regards to other associated companies mainly refer to days worked by their employees on the Company's jobs and projects;
- Revenue from other associated companies instead mainly refers to royalties due to the Company from the associated companies revenue;

The following information contains details of the impact that related-party transactions had on the Company's financial and asset situation:

Impact of related-party transactions			
		Related parties	
	Total	**Absolute Amount**	**%**
a) Impact of related-party transactions on items on the Balance Sheet			
Trade receivables	15,819	1,716	10.8%
Current financial receivables	1,683	2,360	140.2%
Current tax receivables	1,366	1,366	100.0%
Trade payables	(21,533)	(16,281)	75.6%
Current financial liabilities	(2,906)	-	0.0%
b) Impact of related-party transactions on items on the Income Statement			
Costs of services	(9,613)	(3,117)	32.4%
Trade revenue	13,887	1,433	10.3%
Other revenue	7,618	7,178	94.2%
Taxes	1,231	1,270	103.2%
c) Impact of related-party transactions on cash flow			
Financial revenue	7,023	37	0.5%
Financial charges	(468)	(30)	6.3%

42. SUBSEQUENT EVENTS

From the financial year's closing date, it is noted as follows:

- on **25 February 2022** the TAS Board of Directors, in the light of the change in control over TAS which occurred on 25 January of this year, as well as the consequent mandatory full public takeover bid put forward for TAS shares by Solidus BidCo S.p.A. (the "Offer"), in compliance with that established in the implementation rules for the current 2020-2022 TAS stock option plan and after hearing the opinion of the remuneration and appointments committee, resolved to allow the beneficiaries of this plan to exercise in advance a total of 353,863 options with respect to the total amount of 374,000 options so that the beneficiaries could adhere to the Offer if desired with the TAS shares derived from exercising the options. Consequently, shares in circulation as communicated on 28 March 2022 amount to 83,880,761 ordinary shares with no nominal value, and share capital totals Euro 24,704,330.23.

  on **16 March 2022** TAS signed an agreement with Piteco an Italian software company offering management solutions for company treasuries and financial planning. This began a strategic collaboration with the specific objective of supporting international growth strategies for companies by simplifying access to the SWIFT network (Society for Worldwide Interbank Financial Telecommunication), the main system used by banks to carry out fast and secure cross border payments.

With reference to the Russian/Ukrainian conflict, please see that found under Note 3.

43. NUMBER OF EMPLOYEES

Staff	31/12/2021	31/12/2020	Change
- Managers	15	16	(1)
- Executive	30	45	(15)
- Workers	110	115	(5)
TOTAL	**155**	**176**	**(21)**

The number of employees transferred with the CM Business Unit was 16.

44. INFORMATION REQUIRED BY THE LAW OF 4 AUGUST 2017, ART. 1, PARAGRAPHS 125-129

Paragraphs 125 to 129 were added to article 1 of Italian Law 124/2017 to introduce certain measures aimed at ensuring transparency in the public service provider system, which fall within the scope of the European and national regulatory framework: in this regard, Italian Legislative Decree 33/2013 reformulated the regulations referring to the right of civic access and obligations of disclosure, transparency and the dissemination of information by public administrations.

The formulation of the text in this regulation immediately gave rise to a number of problems for businesses in terms of interpretation and application. The National Anti-Corruption Authority [ANAC] then intervened in this regard with resolution no. 1134 of 8 November 2017, in which it identified people responsible for the implementation and monitoring of service provision in individual administrations, and the correct fulfilment of the consequent obligations. In the opinion no. 1149 dated 1 June 2018, the Council of State then clarified that 2019 would be the first year of application for the amounts received from 1 January to 31 December 2018.

More recently, Italian Law dated 11 February 2019 (Italian Legislative Decree no. 135 of 14 December 2018) stipulated that provisions falling within the scope of the National State Aid Register established by the Ministry of Economic Development did not need to be disclosed (Italian Law 115/2015).

Also of note is the Assonime Circular No.5 "Business and competition activities", published on 22 February 2019, which contains certain guidelines and notes the main areas of uncertainties, hoping that the authorities will intervene by issuing regulations to guarantee the correct and standard fulfilment of business obligations, and that the sanctions contained in the regulation will not be applied.

On this basis, the criteria adopted by TAS S.p.A. in accordance with the Assonime Circular referred to, are set out below. Grants, contributions and economic benefits of any kind received from 1 January to 31 December 2020 were taken into consideration. These amounts were recognised for the purposes of this regulation based on a cash criterion, whilst complying with the correct accounting standards, they were recognised in the financial statements according to the accrual criterion. Considerations were excluded on the other hand, including remunerated appointments, tax incentives, grants to private parties and those originating from the public entities of other countries, or supranational entities (for example, the European Commission).

Based on the above, it is believed that TAS has no amounts to report with regard to this Law.

45. FEES PAID TO DIRECTORS, STATUTORY AUDITORS, GENERAL MANAGERS AND DIRECTORS WITH STRATEGIC RESPONSIBILITIES

Below are the details of the remuneration (in Euro) payable to the directors, members of the Board of Statutory Auditors, General Managers and directors with strategic responsibilities in the year 2021.

											Proportion betw and variable rem	
Name and Surname	**Position held during the year**	**Period in which the position was held**	**Expiry of office**	**Fixed remuneration**	**Consideration as member of committees**	**Non-monetary benefits**	**Bonuses and other incentives**	**Other benefits**	**Fair value of equity compensation**	**Total**	**Fixed remuneration over total (%)**	**re ov**
Dario Pardi	Chairman	01/01-31/12/2021	Approval of 2022 Financial Statements	**399,624**			**-**			**399,624**	100.0%	
remuneration in the Company				375,000						375,000	100.0%	
remuneration from subsidiaries				24,624						24,624	100.0%	
Valentino Bravi	Chief Executive Officer	01/01-31/12/2021	Approval of 2022 Financial Statements	**484,624**		**3,331**	**-**	**25,000**		**512,954**	100.0%	
remuneration in the Company				460,000		3,331		25,000		488,331	100.0%	
remuneration from subsidiaries				24,624						24,624	100.0%	
Fabio Bravi	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	**29,624**		**761**	**-**	**108,000**		**138,385**	100.0%	
remuneration in the Company				15,000		761	-	108,000		123,761	100.0%	
remuneration from subsidiaries				14,624						14,624	100.0%	
Carlotta De Franceschi	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	5,000					20,000	100.0%	
Giancarlo Maria Albini	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	10,000					25,000	100.0%	
Roberta Viglione	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	5,000					20,000	100.0%	
Ambrosella Ilaria Landonio	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	15,000	5,000					20,000	100.0%	
Umberto Pardi	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	**33,495**		**-**	**9,247**	**111,892**		**154,634**	94.0%	
remuneration in the Company				15,000						15,000	100.0%	
remuneration from subsidiaries				18,495			9,247	111,892		139,634	93.4%	
Annunziata Magnotti	Board member	01/01-31/12/2021	Approval of 2022 Financial Statements	10,000	3,333					13,333	100.0%	
Total directors' remuneration				**1,017,365**	**28,333**	**4,092**	**9,247**	**244,892**	**-**	**1,303,930**	**99.3%**	
Antonio Mele	Chairman	01/01-31/12/2021	Approval of 2022 Financial Statements		**59,280**						**59,280**	
remuneration in the Company				41,600						41,600		
remuneration from subsidiaries				17,680						17,680		
Diana Rizzo	Standing Auditor	01/01-31/12/2021	Approval of 2022 Financial Statements		31,200						31,200	
Luca Maria Tesio	Standing Auditor	01/01-31/12/2021	Approval of 2022 Financial Statements		31,200						31,200	
Total auditors' remuneration				**121,680**	**-**	**-**	**-**	**-**	**-**	**121,680**	**100.0%**	
TOTAL REMUNERATION				**1,139,045**	**28,333**	**4,092**	**9,247**	**244,892**	**-**	**1,425,610**	**99.4%**	
Directors with strategic responsibilities				**605,151**		**11,008**	**-**	**-**	**-**	**616,159**	**100.0%**	
remuneration in the Company				550,000		11,008				561,008		
remuneration from subsidiaries				55,151						55,151		

* Includes the 4 directors in office on 31 December 2021.

Casalecchio di Reno, 15 April 2022

For the Board of Directors
the Chief Executive Officer
VALENTINO BRAVI

ANNEX 1:

The basic data on the parent company OWL S.p.A. set out in the summary chart required by article 2497-*bis* of the Civil Code, was taken from the respective Balance Sheet for the financial year ending 31 December 2020. For a full and complete understanding of the Balance Sheet and financial situation of OWL S.p.A. at 31 December 2020, as well as the financial profit achieved by the company in the financial year which ended on that date, reference is made to the Financial Statements which, together with the auditing firm's report, is available in the forms and formats set down by law.

OWL S.p.A.
Registered Office: Via Dell'Annunciata, 23/4 - Milan
Tax code/Milan Registry of Businesses No. 03222440160

BALANCE SHEET			
ASSETS **Amounts in Euro**		**31/12/2020**	**31/12/2019**
A	Receivables from shareholders for outstanding payments	-	-
B	Fixed assets	93,654,114	39,585,721
C	Current assets	2,566,811	2,841,818
D	Accruals and deferrals	22,354	51,721
TOTAL ASSETS		**96,243,279**	**42,479,260**
LIABILITIES **Amounts in Euro**		**31/12/2020**	**31/12/2019**
A	Net Equity	90,559,279	35,049,810
	Share capital	*120,000*	*120,000*
	Reserves	*25,084,413*	*25,084,413*
	Profit/(loss) carried forward	*7,245,397*	*2,832,393*
	Profit (loss) for financial year	*58,109,469*	*7,013,004*
B	Provisions for risks and charges	-	-
C	Severance pay for end of employment	-	-
D	Payables	5,683,907	7,429,450
E	Accruals and deferrals	93	-
TOTAL LIABILITIES		**96,243,279**	**42,479,260**
INCOME STATEMENT **Amounts in Euro**		**31/12/2020**	**31/12/2019**
A	Value of production	-	6,503
B	Costs of production	(523,965)	(737,070)
C	Financial income and charges	(165,031)	7,602,044
D	Impairment of financial assets	57,905,674	(76,923)
E	Extraordinary income and expenses	-	-
	Income tax for financial year	892,791	218,450
	Profit (loss) for the period	**58,109,469**	**7,013,004**

Certification of the Financial Statements pursuant to Art. 81-ter of Consob Regulation No.11971 of 14 May 1999, as amended

The undersigned Valentino Bravi, Chief Executive Officer, and Paolo Colavecchio, as Officer in charge of the preparation of the company accounting documents for TAS S.p.A. also considering that as established by Art. 154-*bis*, paragraphs 3 and 4 of Italian Legislative Decree No. 58 of 24 February 1998, certify:

- the adequacy in respect of the Company's characteristics, and
- the effective application of the administrative and accounting procedures for the preparation of the Annual Financial Statements during the financial period from January-December 2021.

It is also hereby certified that the Financial Statements at 31 December 2021:

a. have been drawn up according to the international accounting standards applicable and recognised in the European Community pursuant to the regulation (EC) no. 1606/2002 of the European Parliament and Council of 19 July 2002;
b. correspond to the balances in the accounting records;
c. provide a true and correct representation of the equity and economic and financial situation of the issuer and of all the companies included in the consolidation.

The Report on Operations includes a reliable analysis of the trend and operating profit, in addition to the position of TAS and all businesses included in the consolidation and a description of the main risks and uncertainties to which they are exposed.

Casalecchio di Reno, 15 April 2022

Chief Executive Officer
Valentino Bravi

Financial Reporting Officer
Paolo Colavecchio

Tas SpA
Administrative Headquarters
Via del Lavoro 47
40033 Casalecchio di Reno (BO)
T [+39] 051 458011
F [+39] 051 4580248
www.tasgroup.it

Tas SpA
Registered Office
Via Cristoforo Colombo 149
00147 Rome
T [+39] 06 7297141
F [+39] 06 72971444

Share Capital €24,330,645.50 fully paid up
R.E.A. No. RM 732344
VAT number 03984951008
Tax code and Rome Co. Reg. no. 05345750581
PEC: amministrazione@pec-tasgroup.it

Company subject to the direction and coordination of OWL S.p.A. based in Milan, Via dell'Annunciata 23/4 - Tax Code and Milan Company Reg.