

Agreement signed and finalised for the acquisition of a shareholding equal to 92% (corresponding to 100% of the ordinary shares providing voting rights in the shareholders' meeting) of the share capital of HSPI S.p.A, an Italian company specialised in digital transformation processes

TXT consolidates HSPI's results from 19 October 2020

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TXT e-Solutions S.p.A. ("**TXT**" or "**Company**"), a company with shares listed on the Italian stock market - STAR segment, announces that today an agreement ("**Purchase Agreement**") was signed and finalised for the acquisition of a shareholding equal to 92% (corresponding to 100% of the ordinary shares providing voting rights in the shareholders' meeting) of the share capital of HSPI S.p.A. ("**HSPI**" and, overall, "**Transaction**").

HSPI is a company specialised in the digital transformation of large public and private Italian companies and a leader in the field of IT governance, with 2019 revenues amounting to € 12 million, an EBITDA margin of 15% and roughly 100 specialised consultants.

With the acquisition of HSPI, the TXT Group continues to diversify and expand significantly the breadth and depth of its technological and advisory services, inheriting a new broad and diversified customer portfolio, which strengthens its presence in the Fintech and Industrial markets, and guarantees its access to new sectors (Public Administration, Energy & Utilities). Thanks to HSPI, the TXT Group will obtain a leadership position in Italy, with the addition of new operating offices, such as in Bologna and, especially, Rome. The Transaction will further reinforce the know-how of the TXT Group in key areas such as *Information Risk Management, Process Mining, blockchain, data science and advanced analytics*; it will expand the offer to the field of cyber security, expected to grow substantially over the coming years, and the public administration sector, thanks to an internal office set up to participate in calls for tender.

"The integration of HSPI will make it possible to reinforce the TXT Group's strategic position as a leader in digital process and product innovation, with a complete end-to-end offer ranging from consulting to the provision of proprietary products and specialised solutions", commented Daniele Misani, CEO of the TXT Group. *"Technological and commercial synergies already enacted and the consolidation of HSPI's excellent results will enable us to look to the future with optimism, with outlooks for further Group growth in terms of offerings and markets".*

"I am very satisfied with and motivated by the growth project underlying the transaction concluded today, as are the two founders Ambra Neri and Giorgio Toma and the entire HSPI Team", commented Sebastiano Manno, CEO of HSPI. *"Joining a Group like TXT enables us to develop new and innovative best practices through the use of the proprietary IT and engineering processes and technologies of the TXT Group. Thanks to multiple market and expertise synergies, especially in the realm of cyber security, risk management, data analytics, VR/AM/XR and blockchain, we will be able to implement a shared accelerated growth plan".*

Please also note that, thanks to consolidated and strategic relationships with its customers, even during the lockdown HSPI maintained its pre-crisis volumes. Indeed, for 2020, the HSPI's Top Management estimates revenues aligned with 2019 and just slightly lower margins (i.e., around -1 p.p.); for the subsequent years, by leveraging on technological and commercial synergies and barring any new lockdowns, the Top Management expects sustained business growth and in line with the shared strategic plans.

The structure of the Transaction involves the acquisition by TXT of a shareholding equal to 92% (corresponding to 100% of the ordinary shares providing voting rights in the shareholders' meeting) of HSPI ("**Shareholding**") from Laserline S.p.A. ("**Laserline**"), MFRCB S.r.l. ("**MFRCB**") and another 3 Manager shareholders ("**Selling Managers**" and, jointly with Laserline and MFRCB, the "**Sellers**").

The consideration ("**Price**") for the acquisition of the Shareholding was agreed by the parties as the algebraic sum of the following amounts:

- an amount equal to € 11,576,250.00 ("**Provisional Price**"), of which € 9,061,000.00 in cash ("**Price in Cash**") and € 2,515,250 by means of the transfer of TXT ordinary treasury shares ("**Price in Shares**");
- an amount - which may be negative (and therefore due from the Sellers to the Purchaser) or positive (and therefore due from the Purchaser to the Sellers) - equal to the NFP_{Closing} (defined as the value of the HSPI NFP reported on the last day prior to the closing date);
- a possible additional variable amount ("**Restricted Shares Price Adjustment**").

The Price in Cash was paid today as follows: (i) € 6,745,750 to Laserline S.p.A. and (ii) € 2,315,250 to the 3 Selling Managers, in basically equal shares.

The Price in Shares was paid to MFRBC today and for the Selling Managers it will be paid within 30 business days of the date on which the value to be attributed to the NFP_{Closing} will have become definitively binding between the Company and the Sellers in compliance with the verification procedure defined in the Purchase Agreement ("**Restricted TXT Shares Transfer Date**") by means of the transfer of ordinary treasury shares of TXT. The number of them will be determined on the basis of the conventional value of each TXT share, equal to the average price, weighted by the relative quantities, of all contracts concluded during the day, of the TXT shares in the 90 trading days prior to the closing date ("**Average Value**"), for an equivalent value equal to € 2,515,250 in the following proportions: (i) € 200,000 to MFRBC; (ii) € 2,315,250 to the Selling Managers. The TXT shares transferred to the Selling Managers in consideration of the payment of the Price in Shares will be transferred to a restricted securities account for a period equal to 3 years from the closing date ("**Restricted TXT Shares**"), also in consideration of the stability commitment they have assumed with respect to TXT. The balance of the Restricted TXT Shares existing in the restricted securities account will be released to the Selling Managers at the following deadlines:

- 30% one year after the closing date;
- 30% two years after the closing date;
- 40% three years after the closing date.

The amount relating to the NFPClosing will be calculated by TXT within 30 business days of the closing date, and it will be transmitted to the Sellers by means of a dedicated written communication. The Purchase Agreement establishes a detailed verification procedure in this regard.

Please note that any violation of the representations and warranties provided by the sellers will trigger the emergence of indemnity obligations subject to maximums and limitations in compliance with market practices.

The Transaction constitutes a related party transaction, as Laserline S.p.A. is wholly owned by Enrico Magni, Chairman of the Board of Directors of TXT, and is also majority shareholder of HSPI, with a share representing 53.36% of its share capital. Furthermore, Enrico Magni is Chairman of the Board of Directors of Laserline. In addition, Matteo Magni, director of TXT and son of Enrico Magni, is Chief Executive Officer of Laserline.

Please note that the Transaction is also a transaction of "major importance" between related parties pursuant to the provisions of Article 8, paragraph 1 of CONSOB Regulation 17221/2010 and Article 2 of the related parties procedure approved by the Company. In this context, an information document shall be made available in compliance with the provisions of CONSOB Regulation 17221/2010 and the related parties procedure approved by the Company.

On 14 September 2020, the Company's Related Parties Committee, consisting of Paola Generali, Stefania Saviolo and Valentina Cogliati, expressed its non-binding favourable prior opinion on the Transaction and, in particular, on the Company's interests in carrying it out, as well as on the profitability and substantial fairness of the relative conditions, for the preparation of which it relied on the fairness opinion of the independent expert Mr. Carlo Gotta ("**Expert**"), issued for the benefit of the Related Parties Committee after he was engaged for this purpose on 28 July 2020 ("**Fairness Opinion**").

TXT e-solutions is a world leader in the supply of software products and strategic solutions. It operates in dynamic markets that require high specialisation and the capacity to innovate. TXT is focused on software for the aerospace, aeronautical and automotive sector, where it offers specific products and specialist engineering services and on the Fintech sector with services related to testing and IT governance and products and solutions for the management of loans, NPLs and large financial system risks. Listed on the Italian Stock Market since 2000 in the Star segment (TXT.MI), TXT has its registered office in Milan and offices in Italy, France, the UK, Germany, Switzerland and the USA.

For further information:

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