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Societa' : TXT e-SOLUTIONS

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Informazione
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Diffusione

Oggetto : TXT acquired FastCode: Strengthened
Cloud and Digital Transformation Expertise

<p><i>Testo del comunicato</i></p>

Vedi allegato.



PRESS RELEASE

TXT Strengthens Cloud and Digital Transformation Expertise with Acquisition of FastCode

- *TXT e-solutions S.p.A. ("TXT") announces the acquisition of 100% of the share capital of FastCode S.p.A. ("FastCode"), a company emerged from a project initiated in 2006 by the current selling partners. FastCode has developed into a firm with specialized proficiency in digital transformation, supported by advanced capabilities in cloud computing, data analytics, and other enabling technologies. FastCode delivers these innovative solutions to its predominantly large enterprise client base through a team of over one hundred professionals situated at the Cesena headquarters and three additional offices in northern Italy.*
- *Financial revenue is expected at EUR 9.5 million in 2023. The Adjusted EBITDA margin 2023 is expected to be 15%, in line with the previous year;*
- *In 2024, the budget shared with FastCode's management anticipates a steady revenue growth exceeding 10%, with the synergies expected to provide additional momentum to the overall growth of the TXT Group. Continuity in EBITDA margin is anticipated. FastCode's results will be consolidated within TXT's Software Engineering division, effective from 1st December 2023.*
- *FastCode showcases specialised skills in software and application development, particularly with cloud-native technologies. Over its more than fifteen years of market presence as a technology partner for large companies in the local area, the company has excelled in providing services for the digitalisation of customer processes, including cloud migration. The potential for scalability is enhanced by leveraging the widespread presence of the TXT ecosystem in both national and targeted international territories.*
- *The price paid at closing for the acquisition of 100% of FastCode's capital, exclusive of earn-outs and Net Financial Debt, stood at EUR 5.0 million. This amount comprised a portion in cash and a portion through the sale of TXT treasury shares. The two selling shareholders, who currently serve as directors and managers at FastCode, will retain their positions under specific conditions. These include retention, claw-back, and double earn-out clauses. The initial earn-out clause concludes upon the approval of FastCode's financial statements as of 31/12/2023, with an estimated amount exceeding EUR 2 million.*



PRESS RELEASE

The second earn-out clause concludes upon the approval of FastCode's 2027 financial statements, contingent on meeting growth targets.

Milan, 4 December 2023 – 18:05

TXT e-Solutions S.p.A. ("TXT"), a company listed on the STAR Segment of the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A., informs that today a contract was signed for the acquisition of 100% of the share capital of FastCode S.p.A., a digital company founded by the current sales partners with specialised skills in digital transformation supported by cloud, data analytics and other innovative technologies. TXT will consolidate the results within its Software Engineering division as of 1 December 2023.

The acquisition of FastCode represents a strategic move in the accelerated growth project of the TXT Group. This operation involves the consolidation of cross-cutting expertise with the addition of over one hundred specialists in digital technologies. It also reinforces geographical coverage in the highly industrialised Emilia-Romagna region and broadens the portfolio of digital services associated with cloud technologies.

FastCode, established in Modena by two young engineers who currently serve as sales partners, has accumulated over 15 years of experience in the ICT market. Through continuous growth and the acquisition of major clients in the Telco, Industrial, and Automotive sectors, FastCode has developed specialized expertise in digital transformation. This proficiency is reinforced by capabilities in cloud computing, data analytics, and other enabling technologies. Primarily catering to large enterprises, FastCode's services are delivered by a dedicated team of over one hundred professionals across its four operational offices in northern Italy. Throughout its history, FastCode has consistently achieved steady revenue growth, resulting in an anticipated sales revenue of EUR 9.5 million in 2023, accompanied by an Adjusted EBITDA margin of 15%.

"We firmly believe that the incorporation of our team's specialized skills into the TXT Ecosystem marks a strategic and pivotal milestone for our company", state Gianni Mancini and Massimiliano Saponaro, founders of FastCode Spa. "This move accelerates the professional development of all our resources and positions us to compete in contexts that were previously beyond reach."



PRESS RELEASE

FastCode's Software Engineering services concentrate on consulting and ICT projects dedicated to digitising and innovating enterprise processes. Encompassing phases such as design, analysis, project management, and culminating in the deployment of the final customer solution, FastCode excels in providing comprehensive solutions. The company specialises in developing innovative outsourced software and applications, with a particular emphasis on front-end and back-end development, software architecture, and robust expertise in cloudization (e.g., cloud application development, cloud migration, etc.) of core customer processes. These competencies will be seamlessly integrated into the TXT Group's technology portfolio, creating synergies to further enrich its offerings.

"With FastCode, we enhance the TXT Group's ecosystem by incorporating expertise and over one hundred highly specialised resources in the Cloud," comments Daniele Misani, CEO of the TXT Group. *"We broaden the Group's customer base, fostering new technological and commercial synergies to fortify our position in the intricate digital innovation market."*

The acquisition of FastCode received unanimous approval from TXT's Board of Directors.

The agreed base consideration for the acquisition of 100% of FastCode paid at the closing, net of the earn-outs and claw-back outlined below, was set at €5.0 million. This comprised a portion in cash and a portion in TXT e-solutions S.p.A. shares. The Net Financial Debt determined at the closing will be settled in cash.

The current directors and managers of FastCode, who are also the selling shareholders, will continue their roles within the company. The acquisition agreement outlines provisions for retention, claw-back, and two earn-outs in their favour. These earn-outs are scheduled to mature from the approval date of FastCode's 2023 financial statements to the approval of its financial statements for the year ending 31 December 2027. The initial earn-out, estimated to exceed EUR 2 million, will be calculated based on FastCode's actual results for the year 2023. The second earn-out will be determined by FastCode's average EBITDA from its 2026 and 2027 financial statements. Additionally, the agreement includes a claw-back clause tied to FastCode's average EBITDA over the period from 2024 to 2027. Both the earn-outs and claw-back clauses are designed to align the selling and managing shareholders of FastCode with the growth targets established in collaboration with TXT's management.



TXT

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TXT is an international IT Group, end-to-end provider of consultancy, software services and solutions, supporting the digital transformation of customers' products and core processes. With a proprietary software portfolio and deep expertise in vertical domains, TXT operates across different markets, with a growing footprint in Aerospace, Aviation, Defense, Industrial, Government and Fintech. TXT is headquartered in Milan and has subsidiaries in Italy, Germany, the United Kingdom, France, Switzerland and the United States of America. The holding company TXT e-solutions S.p.A, has been listed on the Italian Stock Exchange, STAR segment (TXT.MI), since July 2000.

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