



TINEXTA

Think Next

Call option exercise on Defence Tech

Reinforcing the Group's presence in the
Cybersecurity space

Milan – June 21, 2024

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J. Mastragostino | Chief Investor Relations Officer



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Executive Summary

J. Mastragostino | Chief Investor Relations Officer



TINEXTA

Defence Tech



Revenues in 2023

€ 22.4M (+ 1.4% vs PY)

EBITDA Adj. in 2023

€ 9.0M (+11.9% vs PY,
40.4% margin)



Key Info

Established in 2010 in Rome (ITALY), the company creates and certifies systems for the management of classified information aimed at protecting critical infrastructures.

End of 2021, listed on the Euronext Growth Market in Milan, fully through primary offering

Rationale

- Defence Tech a technological hub that is increasingly a reference point for the protection of the strategic assets of institutions and private companies
- The group has proprietary Cyber Communication, End Point Protection and Technology for Intelligence solutions and technological laboratories dedicated to security and Ce.Va. (Evaluation Center authorized to conduct security assessments in accordance with the provisions of the "National Scheme for the evaluation and certification of information technology security") accredited

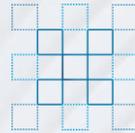
Equity Value (Call option)
€ 62.3M for 100%
consideration

Who is buying what?



- Initial 20% stake purchased in 2023
- Call option for the remaining stakes of the selling shareholders
- Price set at 2023 EBITDA Adj. x 12 + pro rata Adj. NFP
- Enterprise Value (Call option): € 67.2M

Digital Trust



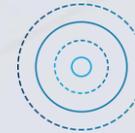
Refers to IT solutions for digital identity and the dematerialization of processes according to the applicable legislation

Products and services such as certified electronic mail, electronic archiving, digital signature, electronic invoicing, and solutions for the secure and simplified transmission of legal and financial documents.

Revenues	Margin	EBITDA Adj.
€ 182M	30%	€ 55M
+16%	Historic high	+15%

(vs PY)

Cybersecurity



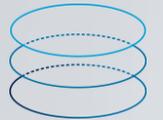
Strategic infrastructure and a key asset for the protection of citizens and their "social economy"

National cybersecurity hub, with custom and proprietary solutions for the mitigation and governance of risks related to the digital sector, pursuing the evolution of platforms and offer controls, as well as innovation profiles.

Revenues	Margin	EBITDA Adj.
€ 89M	17%	€ 15M
+15%	+350bps	+45%

(vs PY)

Business Innovation



Warrant Group, offers a consultancy platform to SMEs to support them in phases of manufacturing growth, digital marketing, and expansion of commercial activities, including abroad.

Revenues	Margin	EBITDA Adj.
€ 131M	37%	€ 49M
+4%	Lower on mix	-5%

(vs PY)

BU Revenues and EBITDA Adjusted data do not include intra-sectoral intercompany.

*Following the acquisitions that occurred in the period, the lower income due to the postponement by management of the exercise of the accrued Stock Options and the adjustments to the put/calls specific to the Cybersecurity BU.

M&A: Exercise of the Call Option on Defence Tech Holdings

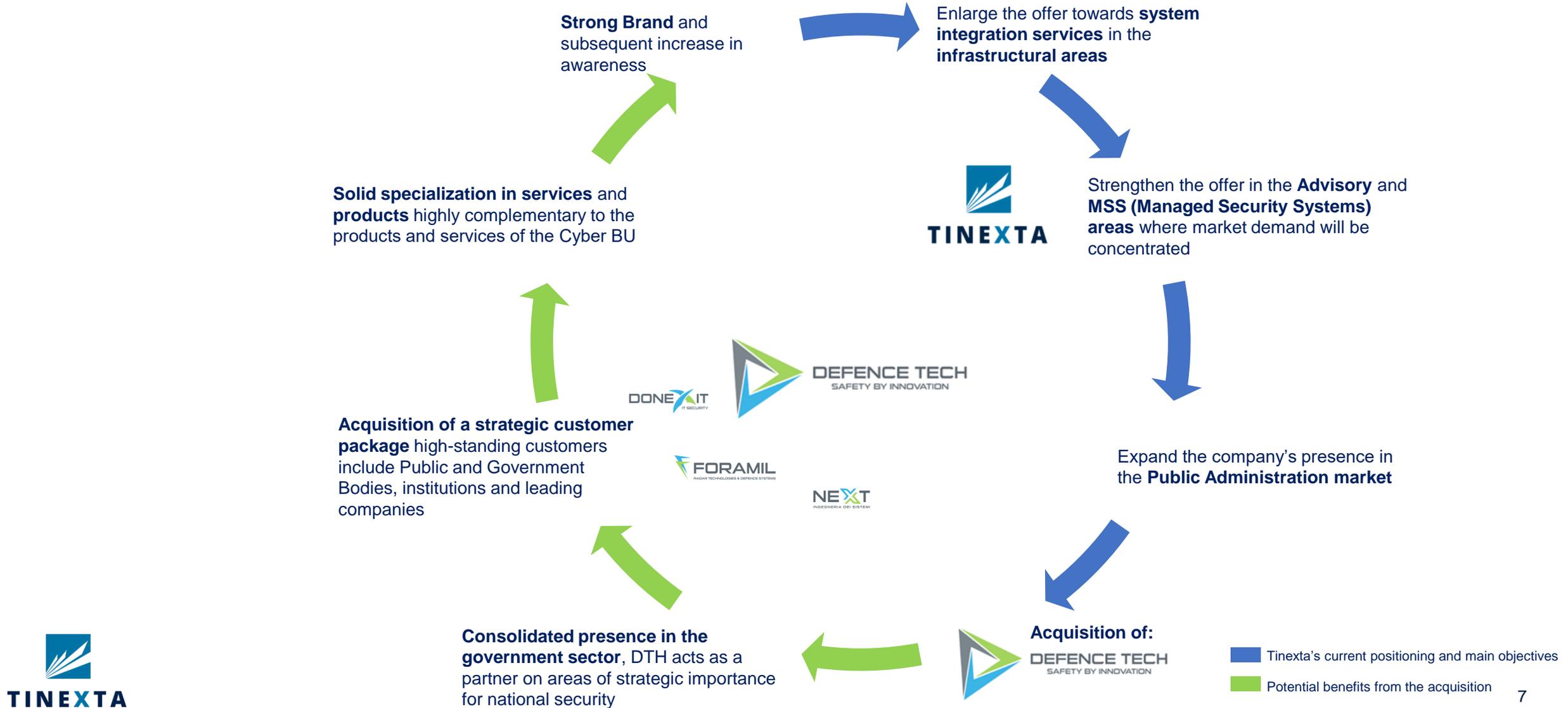
- **The Board of Directors of Tinexta S.p.A. has decided to exercise the Call Option on Defence Tech for € 2.44 per share or € 24.9M**

- **Deal and Structure considerations:**

- On December 29, 2022, Tinexta had signed a binding agreement to **purchase a 20% stake of Defence Tech Holding S.p.A.** via a wholly-owned vehicle (Tinexta Defence S.r.l.; Tinexta's Vehicle)
 - **The purchase of a minority stake**, pro rata from its current reference shareholders (the sellers), at the price of € 4.9 per share
- On June 21, 2024, Tinexta Exercised the call option for 40.09% (the remaining stakes) of the selling shareholders*. Call option pricing set at: 2023 EBITDA Adjusted x 12, plus pro rata Adj. NFP; equal to € 24.9M or € 2.44 per share
- Next steps entail, the transfer of the shareholding covered by the Tinexta Call is subject to Golden Power authorization as well as a process for verifying the exercise price of the Tinexta Call by the selling shareholders
 - Following the transfer of the shareholding, the vehicle Tinexta would hold 60.09% of the share capital of Defence Tech and this will – consequently – **trigger of a takeover bid (Public Offer)** to be launched on the whole share capital not owned
 - As a reminder, following the launch of the takeover bid (Public Offer), the current shareholder “Starlife” – comprised of the company’s management – had already expressed its intention to: (i) tender a portion of the shareholding representing 3% of the Issuer's share capital in acceptance of the Offer and, following completion of the Offer, (ii) confer the residual portion of the Issuer's shareholding in Tinexta Defence
 - As a result of the transfer and in the event of a successful tender offer, Tinexta Defence would be held for about 85% by Tinexta and about 15% by Starlife and would hold 100% of Defence Tech, which would no longer be listed
 - There is also a put/call option in place between Tinexta and Starlife regarding Starlife’s stake in Tinexta Defence exercisable in 2029, to be settled in cash at fair market value
- **Call Option valued 100% of the Equity Value equal to € 62.3M, equivalent to € 2.44 per share**
- **Tinexta estimates that the industrial and commercial synergies obtainable at Group level will be able to generate, when fully operational, an additional EBITDA of approximately 2 million euros**
- Finance already in place to fulfil both the Call Option and the potential takeover



The strategic rationale – Adding Value



Defence Tech – Details & Corporate Structure

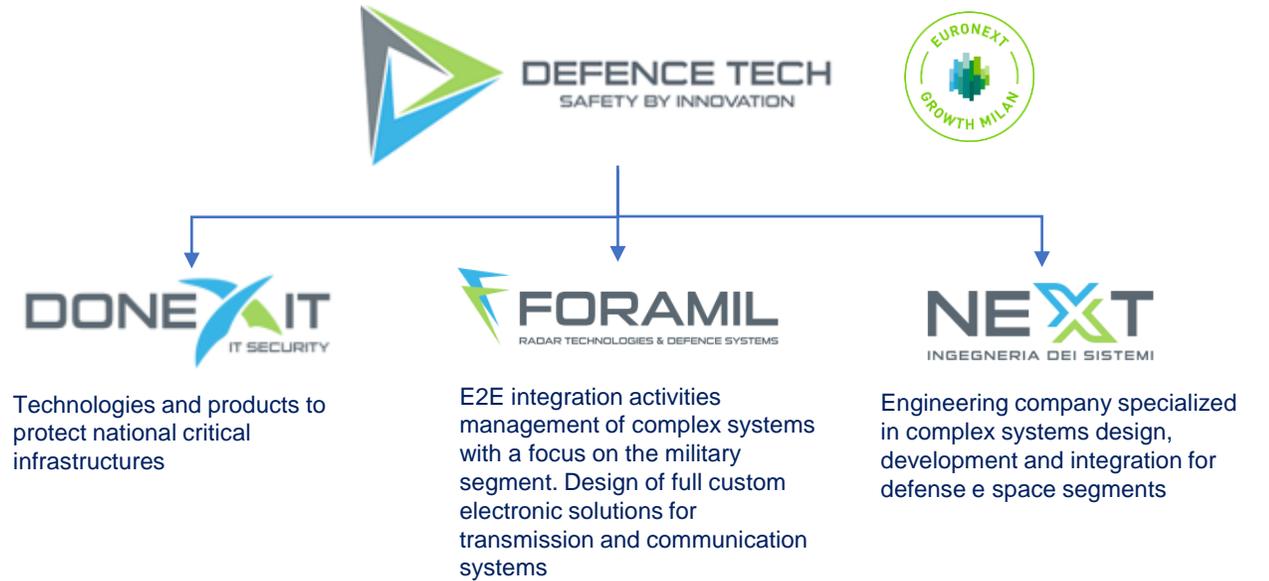
Comprised of **3** main business areas: **Cyber Security & Technology for intelligence, Communication & Control System, Micro Electronics**

The reference markets are those of Cyber Security, both in government and corporate terms, and the domains of Defense and Space, with a predominantly national presence

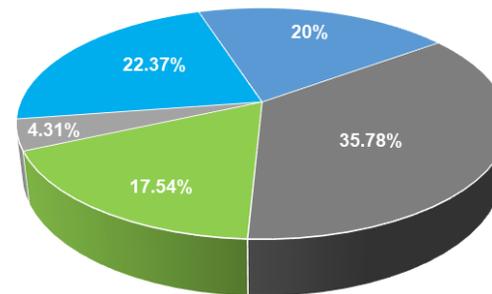
Beyond Roma, the company has **4 other operating centers** located in Italy:

1. **Naples**
2. **Taranto**
3. **La Spezia**
4. **Avezzano**

The first 3 were born to optimize the performance of the activities requested by the main customers (*Marina Military, MBDA and Fincantieri*), while the center of Avezzano is used to carry out demonstration/representative activities



Shareholders prior to call



■ COMUNIMPRESA ■ STARLIFE ■ GEDA EUROPE ■ FREE FLOAT (MKT) ■ TINEXTA

Sectors



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Transaction details + Financials

O. Pozzi | Group Chief Financial Officer

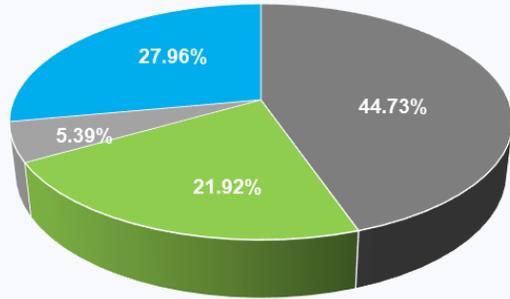


TRANSACTION DETAILS

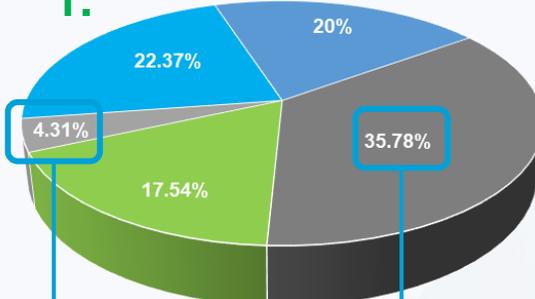
A three steps process – Current status

Current to Target Corporate Structure:

Prior to December 2022



1. As of April 2023



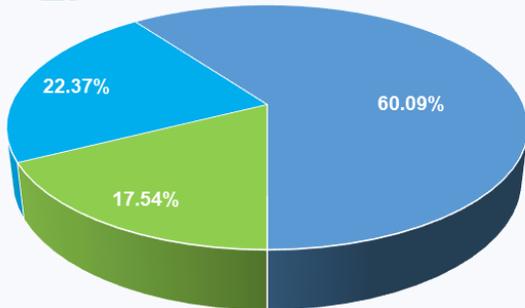
40.09% In June 2024: Exercise of the call option triggers a takeover bid (Public Offer)

SHAREHOLDERS	% as is	% Post option	% Tender offer
Comunimpresa	35.78%	-	-
Starlife	17.54%	17.54%*	3%*
Geda Europe	4.31%	-	-
Free Float (Mkt)	22.37%	22.37%	22.37%
Tinexta	20.0%	60.09%	-
TOTAL	100%	100%	25.4%

COMUNIMPRESA STARLIFE GEDA EUROPE FREE FLOAT (MKT) TINEXTA

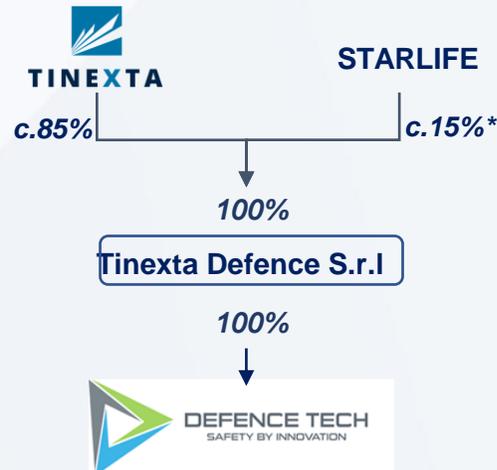
Sellers

2. June 2024



3.

After Public Offer



1. Purchase of a 20% stake in Defence Tech as of April 2023

2. Tinexta (vehicle) exercises the option to purchase the remaining shares from **Comunimpresa** and **GEDA** The price of the option has been calculated: **2023 EBITDA Adjusted and 12x multiple, plus pro rata Adj. NFP**
 ➤ Trigger of a takeover bid (Public Offer)

3. Mandatory takeover bid

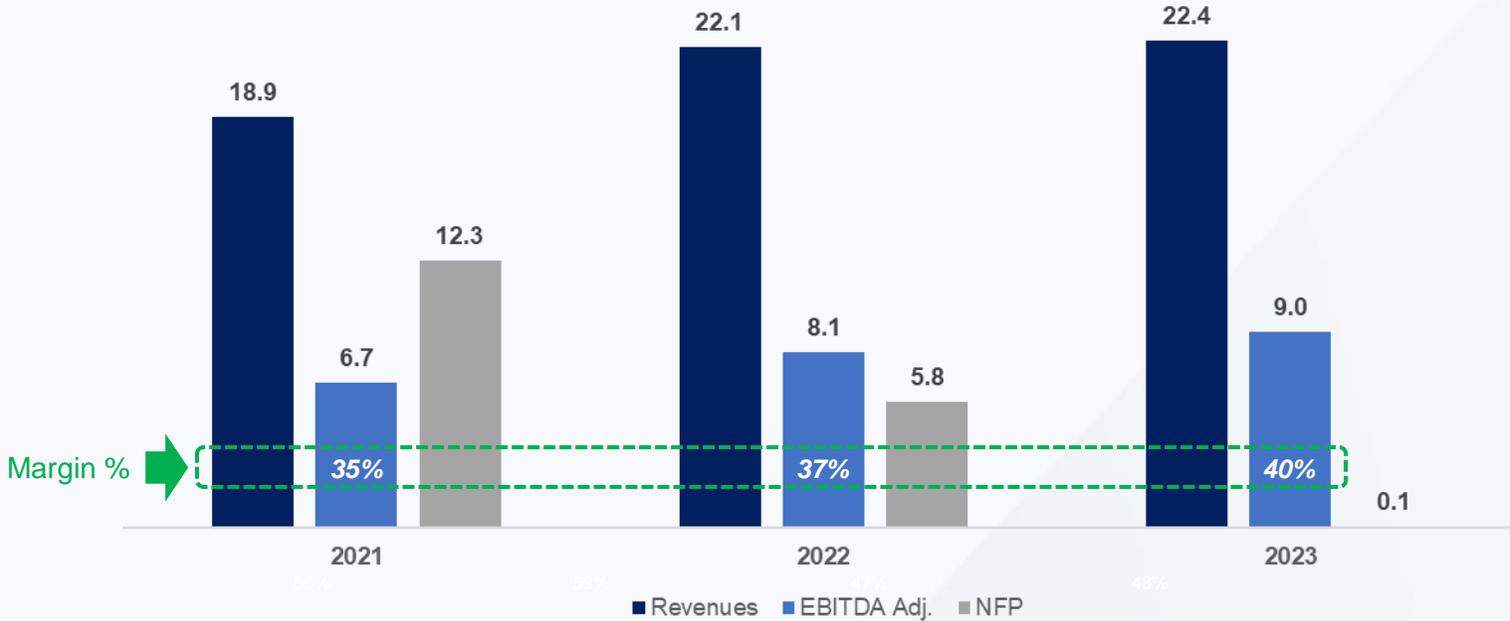


*Following the public tender, a portion of the shareholding (3% of the share capital) will be tendered. The final % will be between 14.5% and 18.7%.

FINANCIALS

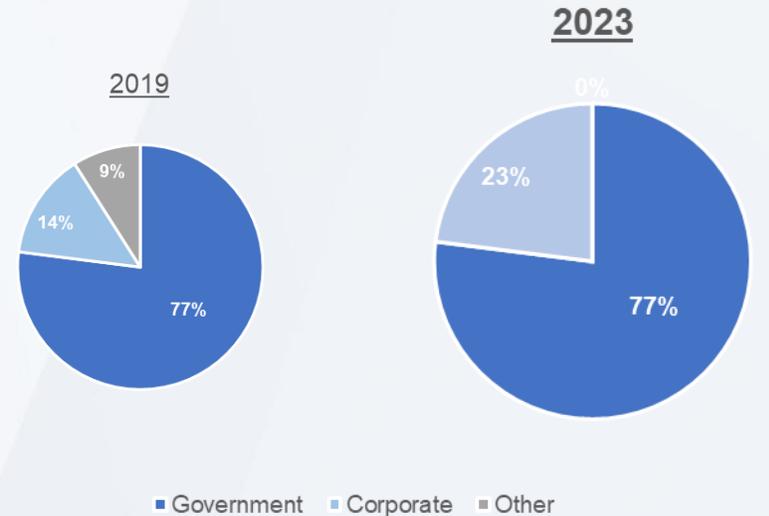
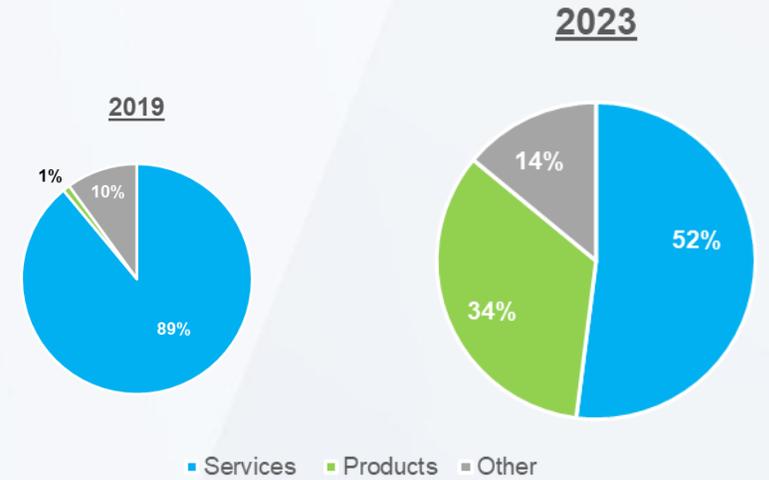
KPIs – Business financials

€ M



- Outstanding EBITDA margins
- Defence Tech is expected to grow in revenues with a CAGR ('24-26) of 12% and margins at 29%

Revenues by Category and Client



Funding the acquisition – Walkthrough

Valuation of the Tinexta Call

Valuation	€ M
Call Tinexta	24.979
2023 EBITDA Adj.	5.598
Multiple	12
EV Call	67.171
NFP Adj. 31/12/2023	(4.863)
Equity Value 100%	62.308
EQ Value Call Tinexta at 40.09%	24.979
Price per share (in €)	2.44
Number of shares (in M)	10.24

Considering a Blended valuation for 100% Enterprise Value the equivalent EV/EBITDA multiple is equal to 9.9x

Available Funds

Tinexta signed in April 2024 two banking facilities with a pool of banks to fully front any liquidity needs for M&A transactions and beyond

Facility A of € 100M to reestablish all current cash needs post ABF acquisition

Facility B up to € 85M for Defence Tech acquisition

€ 35M RCF (Revolving Credit Facility)

Duration: 6 years for Facilities A and B; 5 years for the RCF

Rates: Euribor 6 months (zero floor) + attractive spreads depending on leverage ratios

Covenants: NFP/EBITDA Adjusted < 3.5x and NFP/Equity < 2.0x

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Closing Remarks + Q&A

J. Mastragostino | Chief Investor Relations Officer



Closing Remarks



Further step in the cybersecurity market in Italy with bold key strategic player



Entrance in the National perimeter of cybersecurity and preferred access in the public administration market



M&A deal accretive to Group's growth, strengthening marginality in the BU



Leverage on scale for business model expansion, proprietary dual-use technology, and combined network for increased Group sales and synergies

Disclaimer

This company presentation includes:

- forward-looking data based on internal management assumptions that are subject to material changes, including changes due to external factors beyond the Group's control
- management data, when presented, are identified as such

Business unit data are divisional and do not include the elimination of intra-BU items, which are instead eliminated at a Group level.

For detailed information on Tinexta S.p.A., it is recommended to refer to the company's documentation, including the latest interim reports and the Company's financial statements.



TINEXTA

Think Next

Thanks.

Tinexta.com

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