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### **TXT e-solutions: Q1 2025 Results**

**Revenues €92.2 million (+37.3%)**

**Normalised Organic Revenue Growth +12.1%**

**EBITDA €13.3 million (+52.4%)**

**Adjusted Operating Profit (EBIT) €10.8 million (+53.5%)**

**Adjusted Net Profit €6.6 million (+30.1%)**

### **TXT Capital Markets Day | Milan, 27 May 2025**

- Revenues of €92.2 million (+37.3%), of which €19.4 million related to the Smart Solutions division, €14.9 million to the Digital Advisory division, and €57.8 million to the Software Engineering division.
- Revenues on a like-for-like basis amounted to €71.9 million, +12.1% excluding one-off revenues of €3.0 million within the 2024 perimeter.
- EBITDA of €13.3 million (+52.4%), net of significant research and development investments of €5.1 million fully expensed during the period (+51.4%). EBITDA margin stood at 14.5%, up 1.5 percentage points compared to the first quarter of 2024.
- Adjusted Operating Profit (EBIT) – excluding non-cash effects arising from the PPA process on M&A – amounted to €10.8 million (+53.5%).
- Adjusted Net Profit – excluding non-cash effects arising from the PPA process on M&A – amounted to €6.6 million (+30.1%) after interest and financial charges net of financial income (€1.9 million) and tax charges (€2.3 million).
- Adjusted Net Financial Position stood at €88.6 million, a decrease of €2.1 million compared to 31 December 2024.

Milan, 15 May 2025 – 4:50 PM

The Board of Directors of TXT e-solutions, chaired by Enrico Magni, today approved the financial results as of 31 March 2025.



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The main economic and financial results in the first quarter of 2025 were as follows:

**Revenues** for the first quarter of 2025 amounted to €92.2 million, up by +37.3% compared to €67.1 million in the first quarter of 2024. Normalised organic growth – excluding €3.0 million of one-off revenues in 2024 related to resales – was +12.1%, while acquisitions contributed €20.3 million. Total international revenues accounted for 16.3% of total revenues in the first quarter of 2025.

The Smart Solutions division recorded revenues of €19.4 million, up by +54.7% compared to the first quarter of 2024, of which €1.1 million from organic growth (+8.5%) and €5.8 million from M&A.

The Digital Advisory division recorded revenues of €14.9 million, up by +51.6% compared to the first quarter of 2024, of which €2.1 million from organic growth (+21.8%) and €2.9 million from M&A.

The Software Engineering division recorded revenues of €57.8 million, up by +29.3% compared to the first quarter of 2024, of which €1.6 million from organic growth (+3.5%) and €11.5 million from M&A. The division's normalised organic growth – excluding €3.0 million of one-off revenues in 2024 related to resales – was +10.9%.

**EBITDA** amounted to €13.3 million, up by +52.4% compared to the first quarter of 2024 (€8.8 million), following increased investments in research and development totalling €5.1 million, fully expensed in the first quarter of 2025 (+51.4% compared to the first quarter of 2024). The EBITDA margin stood at 14.5%, up 1.5 percentage points compared to the first quarter of 2024, thanks to the positive contribution of Webgenesys, synergies, and operational efficiency improvements. General and administrative costs as a percentage of revenues decreased from 7.3% in the first quarter of 2024 to 6.8%.

**EBIT** (Operating Profit) amounted to €9.7 million, up by +60.2% compared to the first quarter of 2024 (€6.1 million), after amortisation of intangible assets (€1.3 million, of which €1.0 million related to Purchase Price Allocation), tangible assets (€2.2 million, of which €1.6 million related to IFRS 16), and impairments (€0.1 million).

**Adjusted EBIT**, which neutralises the purely accounting effects deriving from the PPA process on acquisitions made over the past six years, amounted to €10.8 million in the first quarter of 2025, up by +53.5% compared to the same period in 2024, representing 11.7% of revenues.



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**Financial expenses** were a net negative €1.9 million of which €1.5 million related to interest and banking charges, net of financial income of €0.1 million, €0.4 million in net exchange losses, and €0.1 million in minority interest results. In Q1 2024, financial expenses had a net negative balance of €0.4 million.

**Net profit** was €5.5 million, an increase of +34.7% compared to €4.1 million in the first quarter of 2024. Net profit as a percentage of revenues was 6.0% in the first quarter of 2025, in line with the first quarter of 2024 despite higher net financial charges of €1.5 million recorded in the first quarter of 2025 compared to the same period in 2024.

**Adjusted Net Profit**, which neutralises the purely accounting effects deriving from the PPA process on acquisitions made over the past six years, amounted to €6.6 million in the first quarter of 2025, an increase of +30.1% compared to the first quarter of 2024, representing 7.1% of the period's revenues. Adjusted Net Profit excludes the tax effects arising from the aforementioned accounting adjustment, as they are not material in amount.

The **Adjusted Net Financial Debt** as at 31 March 2025 stood at €88.6 million, a decrease of €2.1 million compared to €90.7 million as at 31 December 2024, due to cash generation from operating results, partially offset by cash outflows related to the repurchase of treasury shares for €1.1 million, interest payments of €1.6 million, and the impact of a €2.6 million increase in net working capital compared to 31 December 2024, mainly due to the increase in the value of WIP (Work In Progress) on fixed-price customer projects.

The consolidated **Net Financial Debt** as of 31 March 2025 amounted to €106.8 million, after the reclassification of TXT's investment in Banca del Fucino (€17.8 million) among non-current assets.

Treasury shares as at 31 March 2025 amounted to 351,037 (314,435 as at 31 December 2024), equal to 2.69% of issued shares, with a value of €9.9 million, calculated based on TXT's share price of €31.50 as of 31 March 2025.

CEO Daniele Misani commented *"The first quarter of 2025 confirms the strength of our industrial model, with revenue growth of 37% and 12.1% on a like-for-like basis, net of one-off items. The significant improvement in operating profitability, with EBITDA up by 52%, reflects both solid organic performance and the successful integration of recent acquisitions. Our continued and fully expensed investments in research and development reinforce our positioning in high-value technologies. At the same time, the reduction in net financial debt highlights our solid and disciplined financial management. We remain*



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*fully committed to a path of sustainable growth, creating long-term value for all our stakeholders: customers, employees, industrial and financial partners, and the communities in which we operate."*

On **16 May 2025 at 11:00 AM (CEST)**, a **conference call** will be held during which CEO Daniele Misani will present and comment on the Q1 2025 results. The registration form for the conference call is available on the Company's website at [www.txtgroup.com](http://www.txtgroup.com) under the "Financial News & Calendar" page.

On **27 May 2025**, starting from **10:30 AM (CEST)**, **TXT's Capital Markets Day (CMD)** will take place, during which Chairman Enrico Magni and CEO Daniele Misani, along with part of the Group's Management, will share TXT's strategic initiatives and growth prospects across its various offerings and market verticals. The registration form for TXT's CMD is available on the Company's website at [www.txtgroup.com](http://www.txtgroup.com), under the Investor section, on the "[TXT Capital Markets Day 2025](#)" page.

### **Subsequent events and expected development of operations**

After a first quarter of the current year in which TXT Group recorded organic growth rates in line with the targets set by the Group's management, and a positive contribution from the consolidation of Webgenesys, which has brought benefits in terms of profitability and positioning in the Public Sector, TXT's management expects to maintain an organic growth trend consistent with the first quarter for the remaining months of the year. Annual margins are expected to remain in line with the first quarter, with a possible slight contraction during the second quarter due to one-off expenditures related to M&A activities.

In the Smart Solutions division, the growth of the Aerospace & Defence segment continues, driven by recurring subscription contracts, new software license contracts, and the positive effects from the consolidation of new businesses, including the specialized flight simulation business provided by ProSim, which recorded strong growth in revenues and margins in the first quarter of the year, with promising expectations for the future. In other market segments, the Fintech offering continues its expansion phase through mature solutions and investments in support of new initiatives, including new technologies in digital payments. The Refine offering for Digital Marketing, consolidated from the third quarter of 2024, is delivering results in line with expectations and generating commercial and strategic synergies within the Group. Starting from the second quarter of the current year, TXT



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will also integrate IT Values' suite into its Smart Solutions portfolio, with the Public Sector as the main target segment.

In the Digital Advisory division, the first quarter showed continuity in the accelerated organic growth trend recorded in 2024. For the remaining nine months of the year, a slight contraction in organic growth rates can be expected, following the strong performance of the division starting from the second quarter of 2024. The Martech offering continues to integrate positively within the TXT ecosystem, with strong performance recorded in the first quarter of 2025, and a slight increase anticipated over the remaining nine months of the year.

In the Software Engineering division, which represents the largest division in terms of volume, the acquisition of Webgenesys has provided positive momentum in terms of positioning in the Italian public sector market and excellent management of acquired projects, which is reflected in the Group's financial performance. In other key segments, Aerospace & Defence continues its constant double-digit growth, benefiting from the launch of new long-term defense projects, with positive forecasts for the future. Meanwhile, the Telco division has seen margin improvement due to the cessation of one-off activities in 2024 related to resales. The Software Engineering offering for Banking & Finance remained stable in the first quarter of 2025, with benefits expected from the second half of the current year. Encouraging signs were also recorded in the Industrial vertical during the first quarter of 2025, with positive expectations for the following quarters.

On 1 April 2025, TXT announced the closing of the acquisition of 100% of the share capital of IT Values S.r.l. ("IT Values"), a software boutique specializing in the development and sale of solutions for digital innovation in the optimization of public administration processes and, more generally, the enterprise market. As of the closing date, IT Values has a backlog of over €3.5 million in orders, which, together with the expected commercial synergies from integrating IT Values into the TXT ecosystem, will drive accelerated growth in IT Values' business. Revenues for 2025 are expected to be €6 million, with EBITDA anticipated to exceed €3.0 million (expected EBITDA margin above 50%). The consideration paid for the purchase of 100% of IT Values, net of earn-outs, claw-back, and the Net Financial Position (NFP) which will be settled in cash, was €15.0 million, of which €12.0 million (80%) was paid in cash and €3.0 million (20%) through the issuance of TXT e-solutions S.p.A. shares, at a price of €37.10, corresponding to the average stock price over the 30



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trading days preceding the closing date. TXT will consolidate the results of IT Values starting from 1 April 2025 within its Smart Solutions division.

For the remainder of 2025, TXT Group's objective within its M&A strategy is to continue its acquisition plan, focusing on strategic investments in technologies and skills that complement its current offerings, with attention to their financial sustainability and the ability to synergistically increase the Group's profitability.

In the current global geopolitical context, characterized by instability linked to the ongoing military conflicts in Ukraine and the Middle East and the escalation of the trade war driven by protectionist policies of the new US presidency, TXT's Board of Directors has identified short-term risks that can be mitigated, given TXT's minimal and non-strategic exposure in the territories affected by military conflicts and the nature of the IT services provided by TXT in the US, which are not currently subject to tariffs.

### **Declaration by the officer responsible for preparing the corporate accounting documents**

The Officer Responsible for Preparing the Corporate Accounting Documents, Eugenio Forcinito, declares, pursuant to Article 154-bis, paragraph 2 of Legislative Decree No. 58 of February 24, 1998, that the accounting information contained in this press release corresponds to the results documented in the company's accounting records, books, and ledgers.

This press release is also available on the Company's website [www.txtgroup.com](http://www.txtgroup.com) as of today.

TXT is a multinational IT Group, an end-to-end provider of software solutions, consulting, and services supporting the digital transformation of products and processes. With a portfolio of proprietary software and specialized vertical solutions, TXT operates in various markets, with a growing presence in the aerospace, aviation, defense, industrial, government, and Fintech sectors. TXT is headquartered in Milan and operates with subsidiaries in Italy, Germany, the UK, France, Switzerland, and the United States. The parent company, TXT e-solutions S.p.A., has been listed on the Italian Stock Exchange, in the Star Segment (TXT.MI), since July 2000.



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### Management Income Statement as of 31 March 2025

€ thousand	Q1 2025	%	Q1 2024	%	Var %
<b>REVENUES</b>	<b>92,154</b>	<b>100</b>	<b>67,127</b>	<b>100</b>	<b>37.3</b>
Direct costs	61,414	66.6	45,327	67.5	35.5
<b>GROSS MARGIN</b>	<b>30,739</b>	<b>33.4</b>	<b>21,801</b>	<b>32.5</b>	<b>41.0</b>
Research and Development costs	5,059	5.5	3,342	5.0	51.4
Commercial costs	6,069	6.6	4,836	7.2	25.5
General and Administrative costs	6,269	6.8	4,870	7.3	28.7
<b>EBITDA</b>	<b>13,343</b>	<b>14.5</b>	<b>8,754</b>	<b>13.0</b>	<b>52.4</b>
Depreciation	2,209	2.4	1,530	2.3	44.4
Amortization (Excl. PPA)	257	0.3	150	0.2	71.3
Write-offs and Reorganization Costs	110	0.1	59	0.1	87.2
<b>OPERATING PROFIT (EBIT) ADJ.</b>	<b>10,766</b>	<b>11.7</b>	<b>7,014</b>	<b>10.4</b>	<b>53.5</b>
Amortization – PPA	1,018	1.1	929	1.4	9.6
<b>OPERATING PROFIT (EBIT)</b>	<b>9,748</b>	<b>10.6</b>	<b>6,085</b>	<b>9.1</b>	<b>60.2</b>
Net Financial income (charges)	(1,891)	(2.1)	(72)	(0.1)	2529.4
Share of profit/(loss) of associates	(23)	(0.0)	(317)	(0.5)	(92.6)
<b>EARNINGS BEFORE TAXES (EBT)</b>	<b>7,833</b>	<b>8.5</b>	<b>5,696</b>	<b>8.5</b>	<b>37.5</b>
Taxes	(2,301)	(2.5)	(1,589)	(2.4)	44.8
<b>NET PROFIT</b>	<b>5,533</b>	<b>6.0</b>	<b>4,107</b>	<b>6.1</b>	<b>34.7</b>
<b>NET PROFIT ADJ. (Excl. PPA)</b>	<b>6,551</b>	<b>7.1</b>	<b>5,036</b>	<b>7.5</b>	<b>30.1</b>



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### Net Financial Debt as of 31 March 2025

<b>.000 Euro</b>	<b>31.03.2025</b>	<b>31.12.2024</b>	<b>Var</b>
Cash	(83,196)	(58,250)	(24,946)
Trading securities at fair value	(3,469)	(17,283)	13,814
Other Short Term Financial Assets	(399)	(254)	(144)
Short term Financial Debts	63,768	65,658	(1,889)
<b>Short term Financial Debts</b>	<b>(23,296)</b>	<b>(10,130)</b>	<b>(13,166)</b>
Non current Financial Debts - Lessors IFRS 16	9,740	10,476	(736)
Other Long Term Financial Assets	-	-	-
Other Non current Financial Debts	120,348	108,517	11,831
<b>Non current Financial Debts</b>	<b>130,088</b>	<b>118,993</b>	<b>11,095</b>
<b>Net Financial Debt</b>	<b>106,792</b>	<b>108,863</b>	<b>(2,071)</b>
<b>Non-monetary</b> debts for adjustment of the price of the acquisitions to be paid in TXT shares	(380)	(380)	-
<b>Financial Investment</b> - Banca Del Fucino	(17,778)	(17,778)	-
<b>Adjusted Net Financial Debt</b>	<b>88,634</b>	<b>90,705</b>	<b>(2,071)</b>



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### Consolidated Balance Sheet as of 31 March 2025

€ thousand	31.03.2025	31.12.20024	Change
Intangible assets	158,698	159,254	(556)
Tangible assets	28,875	28,840	35
Other fixed assets	26,789	26,506	283
<b>Fixed Assets</b>	<b>214,363</b>	<b>214,601</b>	<b>(238)</b>
Inventories	27,081	23,737	3,344
Trade receivables	114,763	114,054	709
Other short term assets	22,129	20,198	1,931
Trade payables	(42,922)	(43,342)	420
Tax payables	(12,016)	(10,879)	(1,137)
Other payables and short term liabilities	(51,168)	(48,481)	(2,687)
<b>Net working capital</b>	<b>57,867</b>	<b>55,287</b>	<b>2,580</b>
<b>Severance and other non current liabilities</b>	<b>(9,492)</b>	<b>(9,200)</b>	<b>(292)</b>
<b>Capital employed - Continuing Operations</b>	<b>262,737</b>	<b>260,688</b>	<b>2,049</b>
Shareholders' equity	153,396	149,764	3,632
Shareholders' equity - minority interest	2,550	2,061	489
Net financial debt	106,792	108,863	(2,071)
<b>Financing of capital employed</b>	<b>262,738</b>	<b>260,688</b>	<b>2,049</b>