

PRESS RELEASE

Franchetti S.p.A., binding agreement signed to acquire 100% of Matildi+Partners S.r.l., a bridges and viaducts structural design and maintenance specialist

Closing expected by December 2024. CEO Paolo Franchetti: "We are delivering upon the M&A roadmap set out on our stock market listing"

Arzignano (VI), November 26, 2024 - The Board of Directors of Franchetti S.p.A. ("Franchetti" or the "Company" or the "Group," Ticker BIT: FCH), parent of the multinational software development and engineering design Group of the same name, a pioneer in planning, diagnosis and treatment for the safety and predictive planning of maintenance for network infrastructure, particularly bridges and viaducts, announces the signing of a binding agreement to **acquire 100% of the share capital of Matildi+Partners S.r.l.**

Matildi is a Bologna-based company engaged in structural design, maintenance and technical consulting, in addition to structural monitoring and safety coordination for works on both new and existing bridges and viaducts. Formally established in 2023, Matildi+Partners S.r.l. encapsulates the professional expertise developed by Prof. Giuseppe Matildi within Studio Matildi and, even earlier, by the father Pietro (foundation 1950). Against such extensive experience, the company has a well-established track record and a plays a leading role as an innovator in the field of infrastructure design - factors which underscore its intrinsic value.

The company's ongoing commitment to technological innovation is an aspect which sets it apart. Matildi+Partners operates both in Italy and internationally and participates in competitions and projects in various countries.

Matildi's share capital is divided between the two partners Giuseppe Matildi (60%) and Carlo Vittorio Matildi (40%).

Matildi+Partners S.r.l. in 2023 generated sales revenue of Euro 1,488,049, EBITDA of Euro 491,006, and a net profit of Euro 438,632, while at December 31, 2023 had a net financial debt of Euro 623,264, and shareholders' equity of Euro 529,145.

Headquarters

Franchetti spa
Piazzale della Vittoria 7
I-36071 Arzignano/Vi
Tel. +39 0444 671443
Fax +39 0444 456336
Pl. 03835470240
info@franchetti.tech
franchetti.tech

Certified by:



The acquisition enables the Franchetti Group to further broaden **its spectrum of engineering services and technological expertise, particularly for the overall management of steel structures and bridges**, further strengthening the value chain, as well as the offering to customers.

Paolo Franchetti, Chairperson and Chief Executive Officer of Franchetti S.p.A.: *"This transaction augments Franchetti S.p.A. with a leading partner in the design of steel bridges and structures, which boasts of a cohesive and market-recognized team of experienced professionals who for many years have worked in full harmony under the leadership of Prof. Giuseppe Matildi.*

With Matildi+Partners, we add value to key areas: specialized steel design for both new bridges and improvements and upgrades to existing bridges, in addition to the accurate estimation of construction, maintenance, and rehabilitation costs, which is a benefit which is difficult to find in the marketplace.

Matildi's experience, gained from close contact with manufacturers, is unique and particularly valuable.

Steel, which is highly reliable, is set to play an increasingly central role in the construction of new bridges and the refurbishment of obsolete bridges. Matildi+Partners has vertical and highly specialized expertise on this material, both from a cost and construction design perspective.

The integration of these skills with Franchetti S.p.A.'s experience in predictive maintenance and the optimization of limited economic resources will create synergies of extraordinary reliability and concreteness and a unique market offering, both in Italy and overseas.

Our commitment to M&A's does not end here. We will continue to explore new opportunities, including internationally, to support the growth plans of the group and strengthen our leadership".

Timing of the Acquisition - Indicatively on **December 2, 2024**, the transfer to the Company of 67% of the share capital of the Target, with Giuseppe Matildi contributing 32% of the share capital of the Target and Carlo Vittorio Matildi 35% of the share capital of the Target, will be finalized. On **June 30, 2027**, the transfer to the Company of the remaining portion of the share capital will be finalized.

Consideration - The **price**¹ for the acquisition of Matildi+Partners is set at a maximum of **Euro 4.240,000**, consideration based on multiples of approximately 6 times the EV/EBITDA multiple against current FY expected values (both for the NFP and EBITDA).

¹ The Price will be paid in three tranches, specifically: Euro 2,000,000, concurrently with the First Transfer; a possible and variable amount not exceeding Euro 850,000 (which may also be negative) calculated on the basis of Matildi's NFP as of December 31, 2024 to be paid by June 30, 2026; and Euro 1,390,000 to be settled concurrently with the Second Transfer. A possible and variable earn-out, but not exceeding Euro 1,000,000, based on the average EBITDA of Matildi+Partners over the 2026/2027 two-year period, to be paid after the approval of the Target company's financial statements as of December 31, 2027.

The final amount of the outlay - which will be settled by the Company from its own funds and possibly also through recourse to bank financing - will also be based on the value of the target company's Net Financial Position (NFP) as of December 31, 2024, with a possible price adjustment mechanism².

Governance - Mr. Giuseppe Matildi will assume the position of Chief Executive Officer, thus ensuring the full continuity of Matildi's multi-decade operations.

Advisors of the transaction - Franchetti used ADVANT Nctm as the advisor for the legal aspects of the transaction and the company Atax for the tax aspects.

The transaction is not considered a significant transaction as per Article 12 of the Euronext Growth Milan Issuers' Regulation.

This press release is available in the Investor Relations/Financial Press Releases section of the website www.franchetti.tech and at <https://www.info.it/PORTALEINFO>

Franchetti S.p.A.

Franchetti S.p.A. heads the Franchetti Group, a pioneer in the management, diagnostics and predictive maintenance of infrastructure (bridges and viaducts in particular). Founded in 2013 in Arzignano (VI), with subsidiaries in Brazil and Canada and operations in the US and India, Franchetti is an innovative SME that has worked on over 40,000 equivalent motorway and railway bridges worldwide. The Group boasts a technical and scientific track record that places it among the industry's leading international experts. Operations are broken into two main business lines: diagnosis and planning for infrastructure maintenance, with inspections and assessments, intervention planning and construction management and ICT services for the predictive programming of infrastructure maintenance. Franchetti has in fact developed two proprietary software programs that leverage the potential of artificial intelligence and predictive data analysis: Argan® can estimate an infrastructure's life cycle and automatically assess safety levels over time for a range of maintenance scenarios and contexts, Pathwork© ensures the optimized management of road and highway works on infrastructure and to support sustainable mobility, while SIDECHECK© can intelligently compare collected data related to inspections, inspectors, schedules, and work estimates to make the evaluation process as objective and complete as possible. With a workforce of 70 professionals, more than 90% of whom are engineering graduates, the Group achieved a Value of Production of Euro 3.5 million in H1 2024 (+22% on H1 2023) and EBITDA of Euro 1.1 million (+122% on H1 2023).

Contacts:

Issuer

Franchetti S.p.A.
Tel. +39 0444671443
ir@franchetti.tech

Investor & Media Relations Advisor

TWIN
franchetti@twin.services
Mara Di Giorgio || +39 335 7737417
Federico Bagatella || +39 331 8007258
Chiara Bortolato || +39 347 8533894

Euronext Growth Advisor & Specialist

Integrae Sim S.p.A.

Tel: + 39 02 80 50 61 60

