



TXT to acquire Embedded Graphics technology from Presagis

**Presagis' VAPS XT product line expands TXT's Smart Solutions portfolio in
the Aerospace & Defence market.**

- *TXT e-solutions S.p.A. ("TXT") continues its plan to strengthen its Smart Solutions portfolio with the signing of an Asset Purchase Agreement ("APA") for the acquisition of the Embedded Graphics business ("EG business") from Presagis entities, which are wholly-owned subsidiaries of the Canadian company CAE Inc. ("CAE").*
- *Presagis' EG business positions itself as the market leader for the commercialization of cutting-edge COTS (Commercial-Off-The Shelf) HMI (Human Machine Interface) software solutions for embedded displays serving blue chips in the Aerospace & Defence industry, with highest technological, safety and cybersecurity standards.*
- *The EG business will be synergically integrated within the PACE offering, strengthening its positioning as leading digital innovator in aviation.*
- *The closing of the transaction is subject to certain conditions set forth in the APA and is expected to take place in the third quarter 2023.*

Milan, 11 July 2023 – 19:00

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 an agreement was signed for the acquisition of assets ("Asset Purchase Agreement" or "APA") belonging to the Embedded Graphics business ("EG business") of the companies *Presagis Canada Inc, Presagis Europe S.A.S. and Presagis USA Inc.* All such companies are subsidiaries of CAE Inc. ("CAE"), a Canadian technology company that digitalizes the



physical world, deploying software-based simulation training and critical operations support solutions. The closing of the transaction is subject to the fulfilment of certain conditions under the APA and is expected to take place in the third quarter 2023.

The object of the transaction is the Embedded Graphics business, which is based on a range of software solutions and services aimed at seamlessly integrating this solution into customer workflows. Over the years, the business has established itself as a world-leading provider of human machine interface (HMI) development tools and services for safety-critical and mission-critical systems. The main product family offered by the EG business is represented by VAPS XT, a modular tool launched on the market in 2011 and evolved over the years through continuous development and close collaboration with manufacturers of aircraft and first-class avionics systems.

Today, the VAPS XT product line offers HMI designers, avionics system designers, embedded software engineers as well as certification specialists maximum control and flexibility for creating interactive real-time graphical displays for avionics with the highest certifiability, safety and cybersecurity standards. With an open architecture and integrated logic functionality, VAPS XT provides the essential features for the design and implementation of certifiable cockpit displays in a model-based environment that supports all stages of development, from initial conception to deployment on embedded systems. VAPS XT also enables the generation of qualifiable code for rapid DO-178C certifiable software development, supporting state-of-the-art avionics standards such as ARINC 661.

The main assets of TXT's investment encompass the technology associated with the proprietary solution portfolio and contracts with key players in the Aerospace & Defence market. Employees within the acquired business will also be transitioning to TXT. These employees consist predominantly of specialized technical resources, along with skilled commercial professionals. The objective of this investment is to maintain the successful trajectory of over a decade and propel the technological advancement of the invested Embedded Graphics solution portfolio.



TXT

In evaluating the transaction, TXT recognized substantial technological and commercial synergies from the integration of the EG offering within the portfolio of Smart Solutions for the Aerospace & Defence market already owned by the TXT Group. This integration will be particularly advantageous for TXT's subsidiary PACE GmbH, which operates under the same business model and serves the EG business' key customer base, including large enterprises and blue-chip companies. Additionally, the investment presents significant opportunities for up-selling, cross-selling, and geographical diversification within the engineering and system integration services associated with the VAPS XT software. TXT is already offering these services in the domestic market and can leverage this expertise to serve the extensive customer base targeted by the acquisition. This move capitalizes on the specialized skills honed by TXT over the course of more than ten years of presence in the embedded graphic segment for defence.

The acquisition of the Embedded Graphics business was unanimously approved by the Board of Directors of TXT.

"The investment in Embedded Graphic represents a strategic step in the implementation of our growth plan" commented Daniele Misani, CEO of TXT, "by adding a new Smart Solution to our portfolio we strengthen our positioning in Aerospace & Defence market and we increase our international footprint. Thanks to the specialized technologies acquired and synergies with PACE and TXT E-Tech, the TXT Group aims to generate greater value supporting the innovation of aerospace giants' products."

The acquisition of Presagis' Embedded Graphics business marks a significant achievement in strengthening and expanding TXT's Smart Solutions portfolio within the Aerospace & Defence sector, a market of long-standing strategic importance; for the continuation of 2023, in line with what has been previously communicated, TXT Group plans to continue its M&A plan with the consolidation of consolidated realities and smaller realities but with great potential, with the aggregation of technologies, specialised skills and excellencies in markets that are already proprietary or adjacent to the current ones, with ambitious growth targets.



TXT

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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