



PRESS RELEASE

FAE TECHNOLOGY: CLOSING COMPLETED FOR ACQUISITION OF ELETTRONICA GF

Gianmarco Lanza assumes the position of Chief Executive Officer of the acquired company

Gazzaniga (BG), December 21, 2023 - FAE Technology S.p.A. - Benefit Company ("**FAE Technology**" or the "**Company**"), an Innovative SME operating in the design, prototyping, engineering and production of solutions for the electronics industry, today announces the completion of the acquisition of the entire share capital of Elettronica GF S.r.l. ("**Elettronica GF**", hereafter together with the Company, the "**Group**"), a leading supplier of microprocessor-based proprietary electronic systems, such as panel PCs, SOMs (System On Modules) and Single Board Computers for a range of areas of application (see press release dated November 8, 2023). The Group estimates to exceed Euro 80 million in total revenues in FY 2024, establishing itself as a leading player on the Italian and European markets.

Through the acquisition, FAE Technology extends its expertise in the development and engineering of highly-complex proprietary electronic solutions, expanding its offerings and diversifying its customer base.

Gianmarco Lanza, Chairperson and Chief Executive Officer of FAE Technology, underlined: "*I am greatly satisfied as we embark on this journey together with Elettronica GF, which is also accompanied by the entry of Gian Franco Argnani, whom I thank for the trust he has shown, into the corporate structure of FAE Technology. This stage is a key moment in our growth, as it opens us up to new and exciting opportunities. The rapid integration of our teams and the synergies we have identified and are initiating will enable us both to complete and enhance our electronics application spectrum and to maximize our market offerings, creating value in the medium to long-term through the technological assets at our disposal*".

Terms and conditions of the transaction

The closing took place with the payment to the counterparty of consideration, entirely in cash, of Euro 3.220 million. Added to this amount is: i) a fixed component of Euro 0.3 million, already paid as an advance on November 9, 2023, ii) Euro 1.2 million on the 18th month from the closing date, iii) a possible component of Euro 0.9 million on the 24th month from the closing date, linked exclusively to the achievement of certain commercial and management performance objectives. The total price to be paid is thus Euro 5.620 million, including Euro 0.9 million as the contingent portion. The original total price of Euro 5.625 million stipulated during contractual negotiations was reduced by Euro 5 thousand due to an adjustment made at the closing.

The acquisition agreement also stipulates the commitment by Gian Franco Argnani - former founding partner, Chairperson and Chief Executive Officer of Elettronica GF - to subscribe to a capital increase reserved for him, approved by the Board of Directors of FAE Technology on December 15, 2023 (see press release of the same date), in partial execution of the power granted to him by the Extraordinary Shareholders' Meeting on October 27, 2023, in the amount of Euro 2.125 million through the purchase of 1,062,500 ordinary shares with no indication of par



value, offered at a unit subscription price of Euro 2.00, including Euro 1.97 as share premium and Euro 0.03 as the capital portion.

It is also announced that the newly-issued ordinary shares in favor of the shareholder Gian Franco Argnani are subject to lock up in the amount of i) 30% for a period of 24 months from the date of subscription and ii) 60% for a period of 36 months from the date of subscription.

Effective today, Gianmarco Lanza will assume the position of Chairperson and Chief Executive Officer of Elettronica GF while Gian Franco Argnani will take on the role of Technical Manager of the acquired company.

Pursuant to the Transparency Regulation and Article 17 of the Euronext Growth Milan Issuers' Regulation, FAE Technology announces the receipt from the shareholder Gian Franco Argnani today of notification of a substantial change in shareholding, in relation to exceeding the 5% materiality threshold. Specifically, Gian Franco Argnani declares that he holds a 6.09% stake in the Company's share capital. Pursuant to Article 26 of the Euronext Growth Milan Issuers' Regulation, the names of significant shareholders of FAE Technology will be updated and made available on the Company's website <https://fae.technology/investor-relations/> "Shareholders and Share Capital" section.

The transaction advisors

In the transaction to acquire Elettronica GF, FAE Technology was assisted by Bonelli Errede as legal advisor and by beLab's transaction services team for legal due diligence. KPMG was in charge of financial and tax due diligence, while the notary firm Prinetti Venditti in the person of notary Amedeo Venditti was involved for the notary services.

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This Press Release is available in the Investors Relations/Press Releases section of the website <https://fae.technology/> and at www.1info.it.

FAE Technology S.p.A. - Benefit Company, an innovative SME, specializes in design, development, industrial engineering and prototyping, and in providing solutions to the integrated electronics sector. Founded in 1990 in Gazzaniga (BG) by Francesco Lanza, who began by producing a small series of electronic boards, the Company has been led since 2008 by his son Gianmarco Lanza, Chairperson and Chief Executive Officer. FAE Technology, through several dedicated and integrated assets, can very rapidly enable electronic innovation in the various sectors in which it plays a central role, including e-mobility, the Internet of things (IoT), industrial automation 4.0 and aerospace. FAE Technology is known for its focus on innovation - promoting open innovation and shared research at the "Kilometro Rosso" hub - and on sustainability and corporate social responsibility, becoming a Benefit Company on May 13, 2022. The company benefits from strategic partnerships and memberships with major sector players, in addition to renowned universities and research centers, including the "Senseable City Lab" at MIT (Massachusetts Institute of Technology) in Boston. FAE Technology is fast-growing - reporting revenues of Euro 39.4 million in 2022 (+64.4% on 2021). The company reports revenues of Euro 27.3 million for H1 2023, up 57.0% compared to the same period of 2022.

ISIN FAE Ordinary Shares IT0005500688 - ISIN Warrants WFAE25 IT0005500639



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