TeamSystem

# H1 2026 Financial Results

29th July 2026

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# TeamSystem H1 2026 performance summary

## Financial performance

- **ARR is growing organically +13.4% vs** Q2 2025
- Q2 2026 Statutory revenue growing **+15.8% YoY (+9.4% organic growth)**
- **LTM PF revenue +14.3% YoY**
- Q2 2026 Statutory EBITDA Adj. grew **+21.5% YoY** reaching a margin of **44.4% (+2.1 p.p. expansion vs Q1 2025)** sustained by Nuovamacut sale, Reloaded program and higher share of high margin business (international and micro)
- **LTM PF EBITDA Adj.** margin reached **50.1%** on a pro-forma basis, representing **+29.4% growth YoY vs Q2 2025 (+14.8% organic)**

## Business evolution

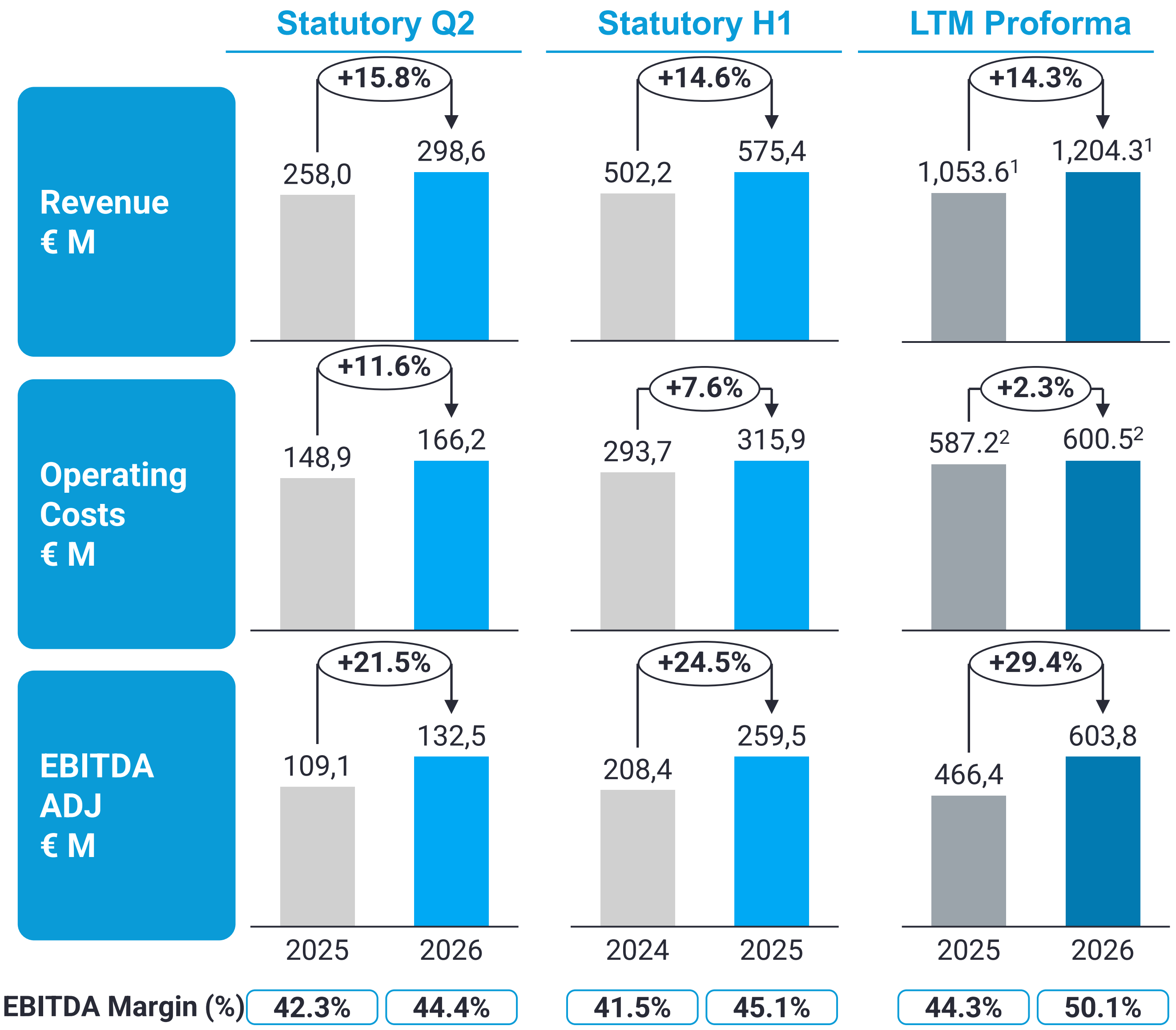
- **Acceleration in organic growth** (+9.4%) compared to Q1 2026 despite lower license contribution
- Solid **organic recurring revenue growth was +12.9% YoY**
- **Q2 2026 Recurring** revenue has reached **90%** (up from 86% in Q2 2025). AI revenue Q2 2026 growing >55% QoQ vs Q1 2026
- **International** markets accelerating to +20% YoY organic in Q2 **in absence of regulatory tailwinds**
- **Achieved 86% of initial program savings target** (38€m run rate out of 44€m target). 17€m already sustaining LTM Q2 2026 EBITDAC

## Financial position and leverage

- Adj. Operating cash flow reached **€269M in H1 2026**, up from €240M in H1 2025**. Normalized cash conversion was 119%, compared to** 127% achieved in **H1 2025**, which had benefited from pre-paid e-ledger sale in Türkiye
- **Consolidated Senior Secured Net Leverage stands at 4.68x** as of June 2026 in line with March 2026

# Q2 & H1 2026 Performance overview






## Revenue

- **Q2 2026 statutory revenue growth +15.8% YoY**. LTM PF revenue growth **+14.3%**
- Q2 organic revenue growth in acceleration compared to Q1 (9.3% vs 7.7%)
- Recurring revenue growing organically double-digit (+12.9% Q2 26 yoy growth vs +11.1% in Q1 26)
- **Micro Italy and International** continue to underpin above average group **growth**, delivering **organic expansion in Q2 of +14% and +20%,** respectively. International in acceleration (in terms ofQ2 growth, Türkiye and Israel are best performers)

## Operating costs and Margin

- **Q2 2026 Statutory Adj. EBITDA increased by +21.5% YoY, reaching a margin of 44.4%.** This was supported by
  - continued **cost discipline: operating costs increasing organically by only +3.6% YoY in Q2 2026**
  - tangible benefits from **transformation program** implementation: €17M of savings already realized as of Q2 2026 out of a €44M total target
- **On a pro forma basis, LTM Adj. EBITDA margin reached 50.1%, representing +29.4% YoY growth.**



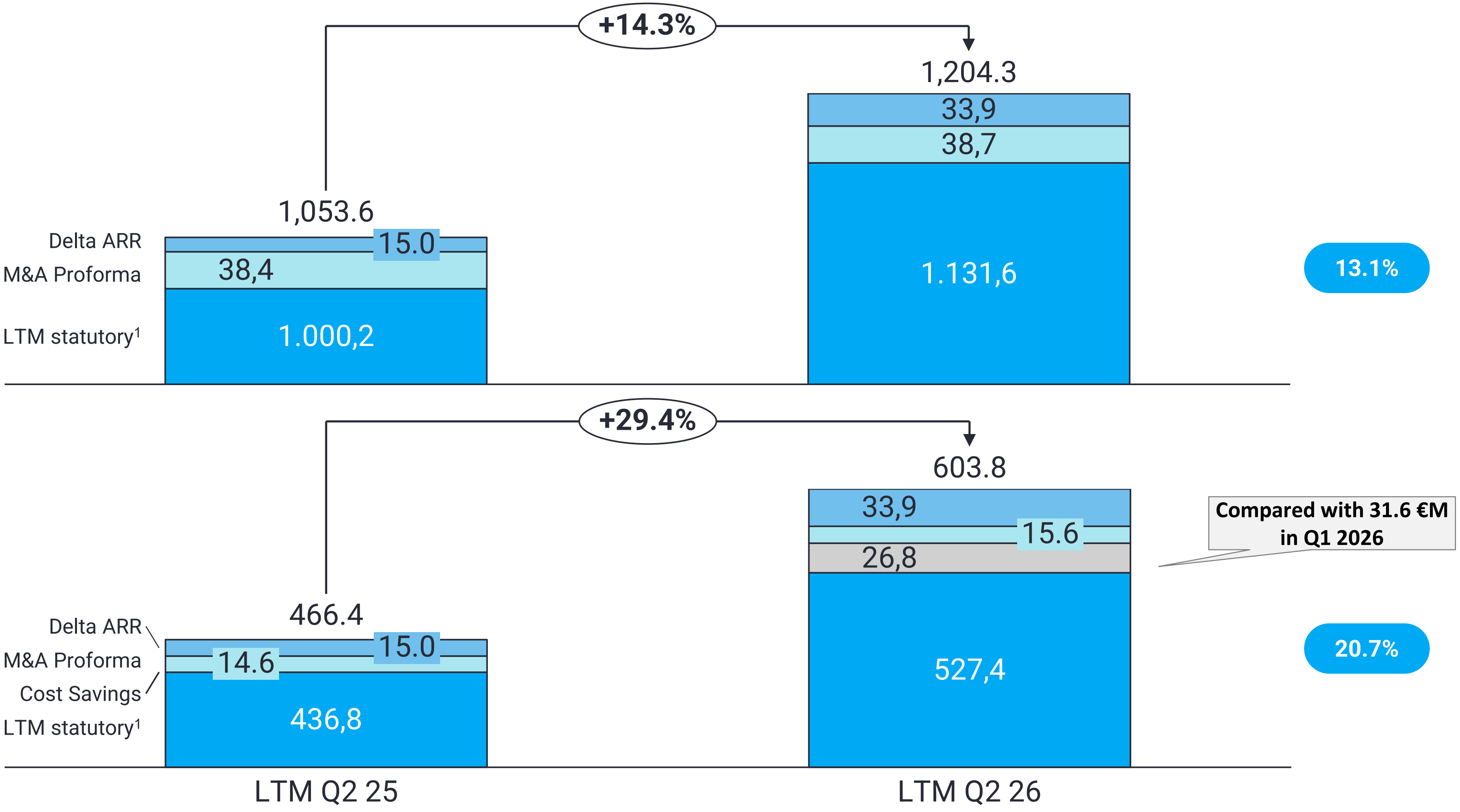
1. Include delta ARR, IFRS29 for Türkiye, and new M&A signed/disposed (Nuovamacut) | 2. Net of Cost savings Run Rate

# LTM Pro-Forma (2026 vs 2025)



€M

LTM Pro-Forma Q2 2026




| €M | 26 vs 25 (%) | LTM PF Organic growth |
|---|---|---|
| Revenue € M | 13.1% | 9.2% |
| EBITDA ADJ € M | 20.7% | 14.8% |

| | LTM Q2 25 | LTM Q2 26 |
|---|---|---|
| EBITDA Adj Margin (%) | 44.3% | 50.1% |



1.Include IFRS29 for Türkiye

# Key drivers of H1 2026 statutory results



## P&L and Operating Costs by Nature - TeamSystem group | 6M 2026 vs 6M 2025 Statutory, € M

| | 2025 Stat | 2026 Stat | Δ 26 vs 25 (%) | %YoY Organic Growth | |
|---|---|---|---|---|---|
| **Revenue** | 502.2 | 575.4 | 14.6% | 8.6% | |
| **Recurring Revenue** | 433.6 | 522.0 | 20.4% | 12.0% | |
| **Operating Cost** | 293.7 | 315.9 | 7.6% | 3.1% | |
| **COGS** | 69.9 | 58.2 | -16.6% | 6.4% | A |
| **Personnel** | 161.8 | 186.2 | 15.1% | 4.6% | B |
| **Personnel Like** | 20.8 | 22.9 | 10.1% | -0.6% | B |
| **Non-Personnel** | 58.6 | 72.0 | 22.9% | 5.4% | C |
| **Capitalized development Cost** | (17.4) | (23.4) | 34.9% | 33.3% | D |
| **Adjusted EBITDA** | 208.4 | 259.5 | 24.5% | 14.9% | |
| ***% of Revs*** | ***41.5%*** | ***45.1%*** | ***3.6ppt*** | | |
| **Bad Debt** | 4.1 | 4.5 | 11.2% | 2.3% | |
| ***% of Revs*** | ***0.8%*** | ***0.8%*** | ***0.0ppt*** | | |

### A COGS

**Organic increase of 6.4% (vs 8.6% of revenue) further sustaining the Gross Margin.** Dynamics explained by i) reduction in COGS Hardware and Machinery (Nuovamacut sale); ii) lower weight of 3rd party-SW sales as we continue to improve revenue quality; iii) increase in infra-cloud cost driven by new cloud sale, SaaS migration program and AI adoption

### B Personnel & Personnel like

**Personnel costs have increased organically by 4.6% in deceleration compared to previous quarters** driven by lower intakes as we are experiencing benefit from AI adoption across Customer Support and R&D while we continue to invest across Sales, customer adoption and AI capabilities

Decrease on personnel like costs explained by lower contribution of agents channel compared to field and digital

### C Non-Personnel

Dynamics of non-Personnel costs is the result of **investments across i) Marketing** (mainly in Micro and International); ii) **IT Costs** related to internal SW development (AI tools, HR Management, CPM, group ERP, etc.) and **cybersecurity investments**; iii) people initiatives (events, training, etc.). **Savings across admin, consulting, and rents** thanks to simplification and optimization initiatives on our operating model

### D Capitalized development costs

Growth of capitalized development costs reflects increase in R&D **investments mainly around 1Platform and AI capabilities within our product suite**

1. Includes COGS related to Application & Maintenance and Hardware, Delivery, Customer Support

# Statutory revenue mix by BU



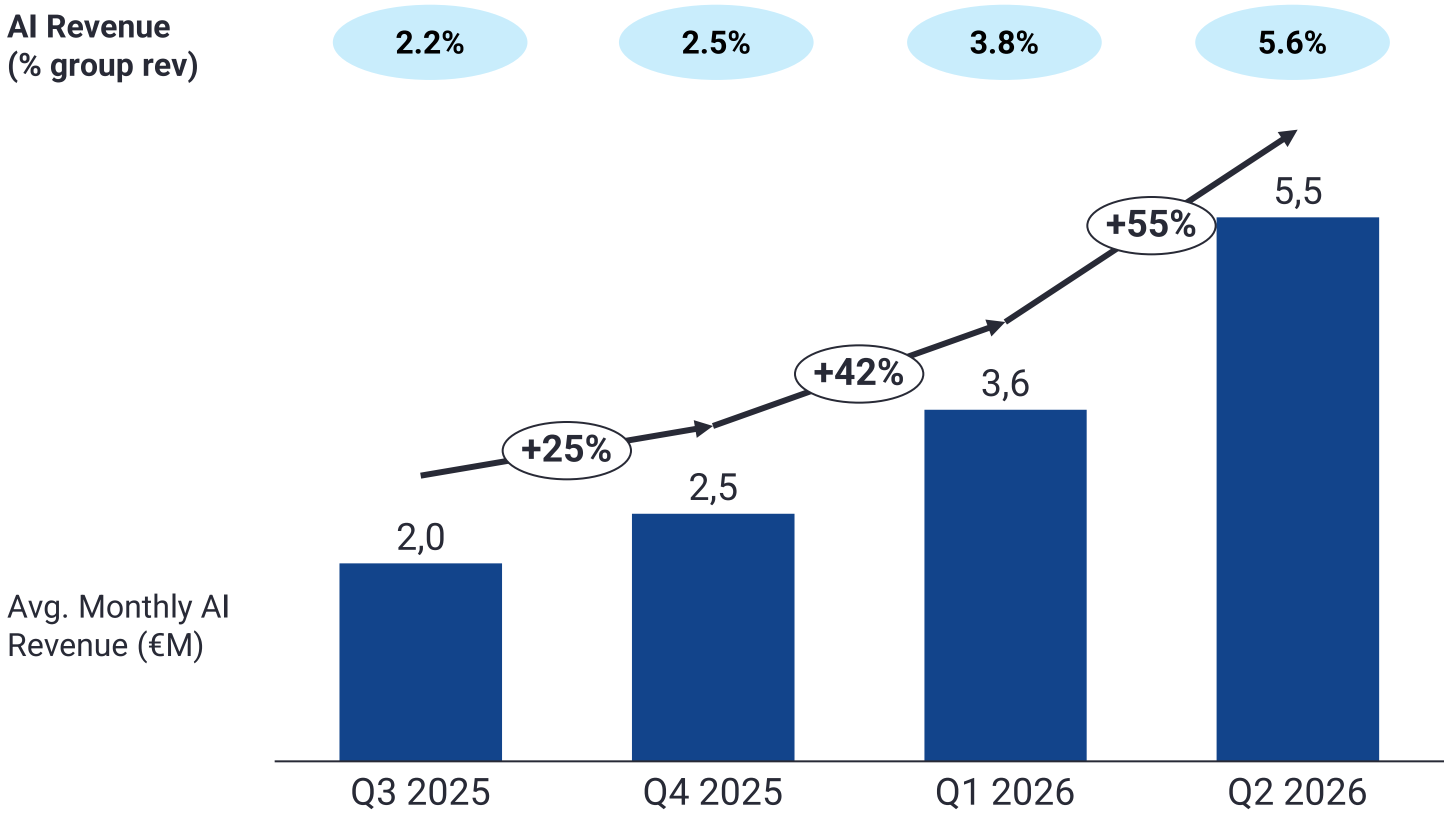
## Revenue by BU | 6M 2026 vs 6M 2025, € M

| | Key metrics and performance | | | | |
|---|---|---|---|---|---|
| | *Statutory Revenue '25 - '26, €M, %* | *Org. growth , % (26 vs 25)* | *% Group Rev. ('26 H1)* | *% Recurring (26' H1, 26vs 25)* | *Key performance drivers and achievement* |
| **Professional** | +3.7%; 148 → 153; Other rev. 7 → 8; Rec. rev. 141 → 145 | Tot **2.3%**<br>Rec. **2.9%** | 27% | **95%**<br>*(-0.3 p.p.)* | • Increased **cloud revenue by 6 p.p**. reaching **70% and recurring revenue 95%. Acceleration in Q2 compared to Q1** sustained by AI upselling and cross-selling (mainly trust and digital finance solutions) |
| **Mid-Market** | +4.5%; 112 → 117; Other rev. 17 → 8; Rec. rev. 94 → 109 | **8%** PF license equivalent<br>Tot **5.8%**<br>Rec. **13.1%** | 20% | **93%**<br>*(+8.9 p.p.)* | • **+13.1% YoY growth increase in recurring revenue** thanks to switch from license to subs model and 7 p.p. increase in cloud revenue sustained by SaaS migration |
| **Micro** | +16.8%; 86 → 101; Other rev. 3 → 2; Rec. rev. 84 → 98 | Tot **14.3%**<br>Rec. **15.8%** | 17% | **98%**<br>*(+0.6 p.p.)* | • Growth sustained by i) **migration** of Danea clients **to cloud** solutions, ii) **new client** acquisition **and iii)** targeted **upselling** initiatives **including AI monetization** |
| **International** | +96.2%; 74 → 146; Other rev. 13 → 20; Rec. rev. 62 → 126 | Tot **16.9%**<br>Rec. **18.8%** | 25% | **86%**<br>*(+3.6 p.p.)* | • **Solid organic performance across all international countries that compare with a very strong H1 2026:**<br>  • **Türkiye +18%** org.growth without regulatory tailwinds (E-Ledger)<br>  • **Spain +22%** org. growth sustained by new clients acquisition<br>  • **Israel +19%** org.growth demonstrating strong business resiliency |
| **Large Account** | -28.5%; 82 → 59; Other rev. 29 → 16; Rec. rev. 54 → 43 | Tot **4.2%**<br>Rec. **18.5%** | 10% | **74%**<br>*(+8.4 p.p.)* | • Decline in statutory revenue driven by Nuovamacut sale<br>• Recurring revenue now represents 74% of the total (up by **8 p.p.**) growing **18% organically**. Decrease in non-recurring mainly related to switch from license to subs in Construction business line |

# AI deep-dive



## Avg. Monthly AI revenue and costs evolution | Q3 2025 – Q2 2026, € M




## Key Highlights

- **AI has continued to gain traction,** with growing customers adoption and revenue that has reached 6.0% of the total in June
- In Q2 we have released 13 new use cases (97 in total)
- Now use cases live across all countries
- We are observing sustained repeat usage: >90% of customers using AI functionalities re-use it
- Costs related to AI use cases deployment are limited and represent ~2.5-3.0% of AI revenue

# Statutory P&L by Business Unit



| 6M 2026, € M | Group | Professional | Mid-Market | Micro | International | Large Account |
|---|---|---|---|---|---|---|
| **Revenue** | **575.4** | **153.1** | **116.8** | **100.6** | **146.1** | **58.8** |
| Recurring | 522.0 | 145.4 | 108.9 | 98.2 | 126.2 | 43.3 |
| Other revenue | 53.4 | 7.7 | 7.9 | 2.3 | 19.9 | 15.6 |
| **COGS + CS + Del** | **(114.0)** | **(31.6)** | **(26.8)** | **(7.9)** | **(22.1)** | **(25.6)** |
| • COGS A&M, HW, Edu, Oth. | *(46.0)* | *(12.1)* | *(13.4)* | *(4.2)* | *(4.6)* | *(11.8)* |
| • CS/CSM/Fin Ops | *(45.8)* | *(14.7)* | *(6.5)* | *(2.6)* | *(15.0)* | *(7.0)* |
| • Delivery | *(22.2)* | *(4.8)* | *(6.9)* | *(1.2)* | *(2.5)* | *(6.9)* |
| Gross Margin | **461.4** | **121.5** | **90.0** | **92.7** | **124.0** | **33.2** |
| *Gross Margin % of Revs (2026)* | *80.2%* | *79.4%* | *77.1%* | *92.1%* | *84.9%* | *56.4%* |
| ***Delta Gross Margin (26 vs 25)*** | *3.4ppt* | *0.2ppt* | *-2.0ppt* | *-2.3ppt* | *0.7ppt* | *11.9ppt* |
| • **Sales & Mktg** | **(88.7)** | **(22.8)** | **(17.6)** | **(13.0)** | **(26.6)** | **(8.7)** |
| • **R&D** | **(45.4)** | **(8.0)** | **(9.0)** | **(3.8)** | **(14.2)** | **(10.4)** |
| • **G&A** | **(14.2)** | **(3.6)** | **(3.3)** | **(1.2)** | **(1.3)** | **(4.7)** |
| I Margin | **313.1** | **87.0** | **60.2** | **74.7** | **81.9** | **9.3** |
| *I Margin % of Revs (2026)* | *54.4%* | *56.9%* | *51.5%* | *74.3%* | *56.0%* | *15.8%* |
| *I Margin % of Revs (2025)* | *51.0%* | *57.6%* | *54.3%* | *76.4%* | *47.9%* | *10.8%* |
| ***Delta I Margin (26vs25)*** | *3.4ppt* | *-0.8ppt* | *-2.8ppt* | *-2.1ppt* | *8.2ppt* | *5.0ppt* |
| Indirect Costs | **(77.1)** | | | | | |
| *% of Revs (2026)* | *-13.4%* | | | | | |
| *% of Revs (2025)* | *-13.0%* | | | | | |
| Capitalized Development Costs | 23.4 | | | | | |
| Adjusted EBITDA | **259.5** | | | | | |
| *% of Revs (2026)* | *45.1%* | | | | | |
| *% of Revs (2025)* | *41.5%* | | | | | |

## Key Highlights

- **+340 bps expansion in Gross Margin :**
  - Nuovamacut sales (+230 bps)
  - Lower delivery/HW and resale business contribution (mainly mid-market)
  - **improvements in customer operations thanks to AI adoption scale up** (mainly professional)
  - **Improved business mix (higher share of International and micro)**
- **Improvement in I Margin follows expansion at Gross Margin level (+3.4 p.p.).**
- Increase in International I Margin thanks to greater scale benefit
- Slight increase in indirect costs weight (+0.4 p.p vs '25) driven by several investments across IT, Cyber, and AI capabilities driven by the efficiency program

# Net financial Position – H1 2026



| Eur Millions | Jun 30 2026 PF TeamSystem SpA | Jun 30 2026 TeamSystem SpA | Mar 31 2026 TeamSystem SpA | Dec 31 2025 TeamSystem SpA | Jun 30 2025 PF TeamSystem SpA | Dec 31 2024 TeamSystem SpA |
|---|---|---|---|---|---|---|
| Cash and Bank balances | 424.7M€ | 239.3M€ | 203.7M€ | 281.3M€ | 467.5M€ | 167.2M€ |
| Pro-forma cash out of new signed Acquisitions (not consolidated)1 | -14.5M€ | -14.5M | -11.5M€ | -313.1M€ | -43.0M€ | -163.4M€ |
| Guarantee ancillary facility | -0.9 M€ | -0.9 M€ | -0.9 M€ | -0.8 M€ | -0.8 M€ | -1.7 M€ |
| Notes | -3.150.0M€ | -2.750.0M€ | -2.750.0M€ | -2.750.0M€ | -2.750.0M€ | -1.850.0M€ |
| RCF | 0.0M€ | -205.0M€ | -180.0M€ | 0.0M€ | 0.0M€ | 0.0 M€ |
| **Consolidated Senior Secured Net Leverage** | **-2.740.7 M€** | **-2.731.1M€** | **-2.738.7 M€** | **-2.782.6M€** | **-2.326.3M€** | **-1.847.9 M€** |
| Other financial assets | 19.8 M€ | 19.8M€ | 24.5 M€ | 19.9 M€ | 19.4 M€ | 10.6 M€ |
| Accrued interests on Notes/RCF (net of hedging accrued interests) | -30.4M€ | -30.4M€ | -39.1M€ | -29.9M€ | -9.8M€ | -22.5 M€ |
| Other financial liabilities | -11.0M€ | -11.0M€ | -10.8M€ | -9.2M€ | -6.8M€ | -6.5M€ |
| Other financial liabilities/assets new signed Acquisitions (not consolidated)1 | 0.0M€ | 0.0M€ | -5.8M€ | -9.2M€ | -0.0M€ | -0.0M€ |
| Finance Leases Liabilities | -78.4M€ | -78.4M€ | -78.3M€ | -79.7M€ | -84.3M€ | -36.8 M€ |
| **Total Net Financial Position** | **-2.840.7 M€** | **-2.831.1M€** | **-2.848.2 M€** | **-2.890.7M€** | **-2.407.8M€** | **-1.903.1 M€** |
| **Consolidated Senior Secured Net Leverage[2]** | **4.70X** | **4.68X** | **4.65X** | **4.98X** | **5.14X** | **4.05X** |



1. Expected Cash –out / acquired net debt of acquisitions closed by 15.07.2026 | 2. Calculations include also Accrued interests on notes and Guarantee ancillary facility not included in the Notes documentation

# Cash flow Bridge



| | H1 2025 | H1 2026 | Δ H1 26 vs H1 25 (%) |
|---|---|---|---|
| **Adjusted EBITDA** | **208.4** | **259.5** | **24.5%** |
| Adjustment for TS S.p.A. Level Consolidation | 0.3 | 0.3 | -8.9% |
| **Adjusted EBITDA consolidated at TS S.p.A. Level** | **208.8** | **259.8** | **24.4%** |
| Bad Debt | (4.1) | (4.5) | 11.2% |
| Change in NWC[1] | 81.1 | 62.2 | -23.3% |
| **Operating Cash Flow** | **285.8** | **317.5** | **11.1%** |
| Capitalised R&D | (17.4) | (23.4) | 34.9% |
| Capex (excl. Capitalised R&D) | (28.9) | (25.2) | -12.8% |
| Disposal of Tangible Assets | | - | |
| **Adj. Operating Cash Flow** | **239.6** | **268.9** | **12.2%** |
| ***Cash Flow Conversion[2]*** | ***127.9%*** | ***116.0%*** | ***-11.9 pp*** |
| ***Cash Flow Conversion normalized*** | ***127.9%*** | ***119.0%*** | ***-8.9 pp*** |
| Non-Operating Costs | (17.2) | (18.7) | |
| Change in Provision | (3.9) | (7.0) | |
| New Investments / Contigent Liab. to Minorities | (298.7) | (351.0) | |
| Interest expenses paid | (60.1) | (78.1) | |
| Net debt repayment (including lease debt) | (17.2) | (13.4) | |
| Net change in RCF | 210.0 | 205.0 | |
| Financing Fees | (0.5) | (0.3) | |
| Other Financial Items | (12.3) | (15.0) | |
| Income Tax | (44.1) | (32.4) | |
| **Change in Cash** | **(4.3)** | **(42.0)** | |
| | | | |
| **Beginning Cash Balance** | **167.2** | **281.3** | |
| **Ending Cash Balance** | **162.9** | **239.3** | |

## Key Highlights

- Cash flow remain consistently above >100% - **slight decrease related to strong e-ledger sale in H1 2025**
- Non-operating costs mainly related to M&A activity and Group Transformation Program
- Increase in interest expenses paid related to new refinancing done in 2025

Note: 1. Change in NWC is part of the calculation of our cash flows from operating activities and it does not include the change in working capital associated to the items considered not to be core to our ongoing business and that are included in the calculation of the Adj. EBITDA; 2. Cash flow conversion calculated as ratio between adjusted operating cashflow and adjusted EBITDA less allowance for bad debts and capitalized R&D

# Appendix

# Reconciliation of net financial indebtedness for H1 2026 YTD

In the table below, we provide a reconciliation of the net financial indebtedness between the consolidated accounts of:

- TeamSystem Holdco S.p.A.;
- TeamSystem Holdco 3 S.p.A (previously named Brunello Midco2);
- TeamSystem S.p.A (which incorporated Brunello Bidco S.p.A. as a consequence of the reverse merger occurred in October 2021);

being the net financial indebtedness the only material difference between these three consolidated accounts.

**Euro thousands**

| RECONCILIATION OF NET FINANCIAL POSITION TEAMSYSTEM HOLDCO GROUP VS TEAMSYSTEM SPA GROUP | TEAMSYSTEM HOLDCO CONSOLIDATED | TEAMSYSTEM HOLDCO STAND ALONE NET OF INTERCOMPANY | TEAMSYSTEM HOLDCO 1 STAND ALONE NET OF INTERCOMPANY | TEAMSYSTEM HOLDCO 2 STAND ALONE NET OF INTERCOMPANY | TEAMSYSTEM HOLDCO 3 CONSOLIDATED | TEAMSYSTEM HOLDCO 3 STAND ALONE NET OF INTERCOMPANY | TEAMSYSTEM SPA CONSOLIDATED |
|---|---|---|---|---|---|---|---|
| Other financial assets | 36,428 | - | 0 | - | 36,428 | | 36,428 |
| Cash and bank balances | 241,283 | 332 | 20 | 68 | 240,863 | 1,597 | 239,266 |
| Financial liabilities with banks and other institutions | (4,011,371) | - | - | - | (4,011,371) | (671,301) | (3,340,070) |
| **TOTAL** | **(3,733,659)** | **332** | **20** | **68** | **(3,734,079)** | **(669,704)** | **(3,064,375)** |

# Definitions

## Metrics calculation

| | |
|---|---|
| **I Margin is calculated as:** | (+) total revenue and<br>(-) direct costs |
| **Adjusted EBITDA is calculated as:** | I Margin<br>(-) minus indirect cost<br>(+) Capitalizations costs |
| **Pro-Forma revenue is calculated as:** | Statutory revenue<br>(+) Delta ARR<br>(+) Pro-Forma revenue of M&A deals signed or closed (difference between last 12 months actual and statutory revenue of acquired companies) |
| **Pro-Forma Adjusted EBITDA** | Statutory revenue<br>(+) Delta ARR<br>(+) Pro-Forma Adj. EBITDA of M&A deals signed or closed (difference between last 12 months actual and statutory revenue of acquired companies)<br>(+) Run rate of cost-savings initiatives not yet materialized in the P&L |

## Definition

| | |
|---|---|
| **Delta ARR:** | Difference between (i) revenue expected to be recognized in the next year on the basis of the subscription agreements with customers net of churn, and (ii) the actual LTM revenue |
| **Direct costs include** | Direct personnel, SW/HW resale costs, external delivery, customer service, sales rebates, commissions and other sales incentives, recurring R&D consultant costs; direct product marketing, direct R&D consultancy, T&E of Business Unit personnel |
| **Indirect costs include** | Costs that are not uniquely attributable to one or more business units and consist mainly of:<br>• Personnel costs of the Group's support functions, events, recruiting and training activities;<br>• Costs for IT infrastructure, cybersecurity, compliance, Artificial Intelligence and Data;<br>• Costs for rent, maintenance, utilities for the TeamSystem Group's operating sites;. Administrative, legal, tax, labor law and audit consultancy costs;<br>• Costs for insurance, association memberships and board of statutory auditors' fees;<br>• Research and development costs that cannot be allocated to an individual Business Unit. |