



PRESS RELEASE

SESA STRENGTHENS IN THE SOFTWARE AND SYSTEM INTEGRATION SECTOR VAR GROUP PURCHASES 55% OF WSS ITALIA SRL (WORLDWIDE SOFTWARE SOLUTIONS ITALIA) BY EXPANDING ITS SOFTWARE AND APPLICATION MANAGEMENT SOLUTIONS ON THE ITALIAN AND SWISS MARKET

Empoli, 5 August 2020

Sesa Group ("SESA" - SES.MI), reference player in Italy in technology innovation solutions and IT and digital services for business segment, with revenues of approximately Eu 1.8 billion and over 2,500 employees, has signed a binding agreement through Var Group SpA, a wholly owned subsidiary operating in Software and System Integration sector, for acquiring 55% of share capital of WSS Italia (Worldwide Software Solution Italia).

WSS Italia ("WSS"), based in Milan and with a branch in Switzerland, operates with a human capital of about 50 specialized resources and offers system management software solutions and remote and application management services on both Italian and Swiss markets.

WSS Italia, together with the wholly-owned subsidiary WSS IT Sagl, based in Switzerland, closed the 2019 financial year with revenues of over Eu 5.0 million, an adjusted Ebitda of approximately 10% of revenues, a net profit after tax of approximately Eu 150 thousand, an active Net Financial Position ("NFP") for Eu 350 thousand.

The forecast for 2020 foresees further growth in revenues and profitability, thanks to the order portfolio already acquired and the growing demand for IT services in the reference sectors.

The acquisition price is consistent with the Ev/Ebitda parameters applied by Sesa Group in recent acquisitions (4.75 times the normal average Ebitda) and will be paid in part at closing and in part in the following 36 months, under earn-out mechanisms and on the basis of an alignment plan of interest with the Company founders, who will remain involved in the management and ownership for a multi-year period. The acquisition has among the main milestones the managerial and operational continuity of the two founding partners, as well as of the Company's human capital.

Thanks to this acquisition, Var Group consolidates its role as reference digital partner in software and application management sector for the enterprise segment, also entering the Swiss market, taking advantage of the human capital skills and specialized solutions of WSS. It's also confirmed the support of Var Group towards the excellent Made in Italy companies, as technological innovation partner, in a phase of strong market evolution and acceleration of digital transformation.

Var Group also expands its presence on foreign markets, starting with this operation the coverage of the Swiss market and already operating with 3 offices in Germany (which offer smart industries solutions), 1 in Spain, 1 in Romania and 1 in China in Shanghai (offering digital marketing solutions). The transaction is part of the Sesa Group's continuous investment and focus strategy on the areas with the highest added value of Information Technology, with long-term growth and value generation and represents the tenth acquisition of corporate control carried out since the beginning of 2020 and particularly since the start of the pandemic emergency phase.

"Thanks to this operation, we further enrich our skills in the sector of software solutions and application management, supporting the digital transformation of companies, increasingly oriented towards digitization. To support the challenges and digital transformation of companies, in the current restart phase, investments



in innovative technologies and specialized human capital with a deep knowledge of business processes are needed, such as the ones we integrate through the partnership with WSS ", said Francesca Moriani, CEO of Var Group.

"The integration into Var Group is a crucial step to continue our development path, with the common goal of pursuing long-term sustainable growth, enriching the skills developed in some of the most important sectors of Made in Italy and with objectives of growth also on the Swiss market " said Massimo Fumagalli, founder and CEO of WSS Italia.

"In a phase of sharp acceleration of digital transformation, driven by the evolution of corporate organization to hybrid models converging to digital technology, Sesa Group closed its tenth acquisition of corporate control starting from February 2020, further enriching human capital with specialized resources in strategic development areas. The acceleration in external growth adopted in the current restart phase, through long-term industrial projects, will boost future path of sustainable development of Sesa Group ", said Alessandro Fabbroni, CEO of Sesa.

Sesa S.p.A., based in Empoli (FI), is reference player in Italy in technological innovation solutions and IT and digital services for business segment. The Sesa Group operates on the whole national territory with presence over some European countries including Germany, Spain, Switzerland, with consolidated revenues of Euro 1,776 million, an Ebitda of Euro 94.5 million, a consolidated net profit after tax of Euro 42.2 million with over 2,500 employees (Financial Year data as of April 30, 2020).

The Group has the mission of offering technological innovation solutions and Digital Transformation services to companies and organizations. Thanks to the skills and specializations of its human resources and the solutions developed, Sesa Group operates in sectors such as Collaboration, Cloud, Digital Process, ERP & Vertical Solutions, Security to support digital transformation of partners and customers.

The Sesa Group operates through three main business sectors:

- the VAD (Value Added Distribution) Sector with Revenues of € 1.45 billion and approximately 400 human resources;*
- the SSI (Software and System Integration) Sector with revenues of approximately Euro 400 million and over 1,800 employees;*
- the BS (Business Services) Sector with revenues of approximately Euro 50 million and approximately 300 employees, consolidated since March 2020.*

The Corporate Sector manages Group operating and financial platform as well as the Strategic Governance with revenues of approximately Euro 20 million and 180 human resources.

The Sesa Group pursues a sustainable development policy for the benefit of its Stakeholders and over 2011-2020 period has achieved a track record of continuous growth in employment, revenues (CAGR revenues 2011-2020 +10.1%) and profitability (CAGR Ebitda 2011 -2020 + 11.9%, CAGR EAT Adjusted 2011-2020 +15.2%). Sesa S.p.A. is listed on the STAR segment of Borsa Italiana MTA Market (ISIN Code: IT0004729759).

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