



PRESS RELEASE

SESA GROUP STRENGTHENS IN SOFTWARE AND SYSTEM INTEGRATION SECTOR

VAR GROUP S.P.A. ACQUIRES PALITALSOFT SRL, DEVELOPING A POLE OF SKILLS FOR THE DIGITALIZATION OF LOCAL PUBLIC SERVICES

Empoli, January 18, 2021

Sesa Group ("SESA" – SES.MI), reference operator in Italy in the sector of technological innovation and IT and digital services for the business segment, communicates the purchase – through the subsidiary Var Group S.p.A., head of Group's *Software and System Integration* sector – of 55% of the capital of Palitalsoft S.r.l.

Palitalsoft, with a human capital of over 60 specialized resources, offers Software and digital transformation solutions to local public companies, in support of the digitization of public services, with a customer set of about 700 customers including Municipalities, Provinces, Regions, local authorities such as Port Authority of Genoa and Naples, the Competition and Market Authority and multi-utility such as IREN.

The acquisition, carried out by Var Group S.p.A. through the subsidiary Apra S.p.A., will contribute to Sesa Group's results from January 2021, with annual revenues of approximately Eu 5 million and an Ebitda margin of approximately 10%. This is for Sesa the fifteenth acquisition since January 2020, made on the basis of a price in line with the reference EV/Ebitda (4.75 x normalized Ebitda) ratio generally applied in this type of transaction.

Var Group strengthens its positioning as a reference player in the *ERP & Vertical Solutions* sector, with a revenues of over Eu 150 million, 1,000 human resources and about 6,000 customers throughout the country, in support of the digital transformation of the Italian economy. The operation involves the enhancement of human capital and the involvement in the management of the CEO of Palitalsoft Alessandro Marilungo with aims of growth and sustainable value generation in the long term.

"The digitization of local public services is one of the issues most felt by citizens in this time, in which transparency and effectiveness are considered essential aspects of administrative action in the territories. Innovation and digitalization of processes must be dimensions present within the dynamics of public organizations, just as happens for private companies" – stated Francesca Moriani, CEO of Var Group – "Through this operation, Var Group declines its advanced skills as a partner for the digitalization of Made In Italy to the strategic area of the PA, whose modernization is synonymous with evolution for the whole country".

Alessandro Marilungo, CEO Palitalsoft stated: *"We are proud to join a great company such as Var Group and within the Sesa Group. We can thus increase our support for the public administration. Today, public bodies must be considered as a company and digitization has become strategic for their existence".*

"Our growth path continues with the strengthening of the Software and System Integration sector and the enhancement of human capital which reaches a total of 3,300 employees at Group level. We complete the fifteenth M&A operation from the beginning of 2020 by adding new skills to support the digital transformation of the Italian economy, with an additional perimeter from recent M&A operations equal to around Eu 115 million in revenues with an Ebitda margin of about 10%. External growth constitutes a strategic lever to accelerate the Group organic and industrial development for the benefit of all Stakeholders", stated 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, Customer Experience, 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).

For Media Information

Community S.r.l.
Lea Calvo Platero
+39 02 89404231 - sesa@communitygroup.it

Idea Point S.r.l.
Alessandro Pasquinucci
+39 0571 99744 - info@ideapoint.it

For Financial Information

Sesa S.p.A.
Conxi Palmero, Investor Relations Manager
+39 0571 997326 - investor@sesa.it