



PRESS RELEASE

CYRES CONSULTING, COMPANY BASED IN MUNICH WITH EU 5.5 MN OF REVENUES AND 50 SKILLED HUMAN RESOURCES, REFERENCE PLAYER IN CYBER SECURITY CONSULTING SECTOR FOR THE AUTOMOTIVE INDUSTRY JOINS SESA GROUP

VAR GROUP ACQUIRES THE MAJORITY STAKE OF THE COMPANY FOCUSED ON CYBER SECURITY FOR THE AUTOMOTIVE SECTOR, WITH A THREE-YEAR HIGH-GROWTH PLAN TO SUPPORT THE EXPECTED DIGITAL SECURITY DEMAND ACCELERATION OF THE AUTOMOTIVE INDUSTRY

Empoli (FI), December 16, 2022

Sesa (“SESA” – SES.MI), reference player in technological innovation and digital services for the business segment, has signed, through the wholly owned subsidiary Var Group S.p.A., an industrial partnership agreement for the majority stake acquisition of CYRES Consulting Services GmbH (“CYRES”).

CYRES, based in Munich (Germany), is a reference player in technical and compliance consultancy in cyber security for the automotive industry, with focus on the full supply chain. The company operates with a team of over 50 skilled human resources, with expected revenues in Year 2022 of approximately Eu 5.5 million, an Ebitda Margin equal to 25% and a three-year high-growth plan considering the expected digital security demand acceleration of the automotive industry, deriving from the growing adoption of digitalisation, electric and interconnection and from changes in compliance and process organization, required to strengthen Cyber Security controls.

The business combination strengthens the skills in Cyber Security of Var Group Digital Security, which achieves a total of 200 skilled human resources in IT consulting and digital security, with a strong European presence, specifically in the DACH Region. The partnership expands the vertical solutions for the automotive sector and its Supply Chain in cyber security, optimizing the IT security solutions integration processes with the infrastructures of its customers.

The corporate partnership is based on evaluation criteria consistent with those generally adopted by Sesa Group (5x Ebitda) with Earn Out mechanisms based on the long-term generation value, with management and operations continuity and the long-term involvement in the share capital of the founder Eng. Philipp Veronesi, targeting sustainable growth of skills and specializations at an international level.

The corporate partnership integrates the wider Sesa Group strategy of investment in the industrial development of the vertical digital skills in strategic sectors for the European economy, to support the digital transformation of Enterprises and Organizations. Sesa Group thus continues to boost its development path in areas of strategic development through *bolt-on* industrial M&As, with a strategy of sustainable value generation for the stakeholders.

“CYRES, one of the leading European player in Cyber Security consulting, joins our digital security organization; we established one of the largest and advanced Mittel European hub of digital security skills, with total 200 skilled human resources alongside the main European manufacturing districts. In a phase of increasing and pervasive threats and cyberattacks for companies and organizations arise the strong and growing need of strengthening digital security organization procedures”, stated Francesca Moriani, CEO of Var Group and Mirko Gatto, CEO of Var Group Digital Security.

"The automotive sector, where we are operating for years with a focus of strong specialization, is in the aftermath of regulatory changes and technology evolutions that lead to digital security demand acceleration. With CYRES joining Var Group Digital Security and Sesa Group, we further accelerate the skills and





innovative solutions growth for the benefit of our customers", stated Philipp Veronesi, managing partner and Founder of CYRES.

"We are pleased to welcome as part of Sesa Group CYRES organization and human resources, that represent a technical excellence which significantly enlarge our skills in the Cyber Security, a crucial area for our strategic development and the digital evolution of Enterprises and Organizations. Our Group has develop over 500 human resources specialized in the whole information security chain, for the benefit of the main Mittel European industries, such as automotive. We continue to sustain our Group growth through bolt-on industrial M&As targeting long-term sustainable value generation for our stakeholders", stated Alessandro Fabbroni, CEO of Sesa.

Sesa S.p.A., with Headquarters in Empoli (Florence), is the operating holding company of a Group with presence on the whole Italian territory and foreign countries as Germany, Switzerland, Austria, France, Spain, Romania and China and represents the reference player in Italy in technological innovation and digital services for the business segment, with consolidated revenues of Euro 2,390 million (+17.3% Y/Y), Ebitda Eu 167.7 million (+33.1% Y/Y) and 4,200 employees as of April 30, 2022 (+21% Y/Y).

Sesa Group has the mission of offering technological solutions, digital services and business applications to support the digital transformation and innovation towards sustainability of Enterprises and Organizations, through four main business Sectors:

- Corporate, with revenues of about Euro 16 million and 140 human resources as of April 30, 2022;
- VAD (Value Added Distribution), with revenues of about Euro 1,857 million and 630 human resources as of April 30, 2022;
- SSI (Software and System Integration), with revenues of about Euro 572 million and 2,850 human resources as of April 30, 2022;
- Business Services, with revenues of about Euro 59 million and 550 human resources as of April 30, 2022.

Sesa Group pursues the sustainable development strategy for the benefit of all Stakeholders, with a track record in the period 2011-2022 of continuous growth in employment, revenues (CAGR revenues 2011-2022 +11.2%) and profitability (CAGR Ebitda 2011-2022 +15.5%).

Sesa Group strategy of long-term value generation for all stakeholder is based on human resources skill development, environmental sustainability and social responsibility, with continuous improvement of ESG performance.

As of April 30, 2022, the Group generated a net economic value of about Eu 315 million (+26% Y/Y), distributed for over 60% for the remuneration of Human Resources, with about 4,200 employees, in further growth compared to the previous year (+21% Y/Y), with improved hiring programs (607 in FY22, +51% Y/Y), skills development investments (approximately 61,000 training hours, +132% Y/Y) and welfare programs to support parenting, diversity, well-being and work-life balance of Human Resources.

In Year 2021 Sesa introduced in its corporate bylaw the sustainable growth as Board of Directors priority and starting from FY2022 Sesa published the Integrated Annual Report, providing a complete, measurable, and transparent representation of the Group value generation, at financial and ESG performance level. In terms of sustainability governance, the Group's main companies achieved the ISO 14001 certification and the UN Global Compact membership. In 2022 Sesa reached the Silver Ecovadis sustainability rating. Sesa S.p.A. is listed on the Euronext STAR Milan (ISIN Code: IT0004729759) and is part of FTSE Italia Mid Cap index.

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