



PRESS RELEASE

SESA GROUP ACQUISITION OF SMARTCAE S.R.L., COMPANY OPERATING IN ELECTRONIC DESIGN SOFTWARE SOLUTIONS SECTOR

Empoli (FI), January 22, 2024

Sesa ("SESA" – SES.MI), reference player in technological innovation and digital services for the business segment, with about Eu 3 billion consolidated revenues and 5,000 employees, has acquired through Var Group S.p.A. (Sesa wholly owned subsidiary) the 51% stake of SmartCAE S.r.l. ("SmartCAE"), that will be integrated in the Var4Industries Business Unit, strengthening skills and software solutions for the engineering sector.

SmartCAE, based in Florence, with revenues in Year 2023 of about Eu 3 million, an Ebitda Margin of approximately 20% and 15 skilled resources, develops engineering software solutions on Siemens Industries Software platforms (Simcenter 3D, StarCCM+, Simcenter Femap, Simcenter Nastran).

The company, combining specialized *Computer-Aided Engineering* software with design and consulting services, operates with a customer set of about 200 engineering intensive international enterprise customers, operating in the electronics, aerospace, automotive, automation, robotics and energy sectors, providing structural, thermo-fluid dynamics and composite materials performance simulation solutions.

Var Group, thanks to the aggregation of SmartCAE in its Var4Industries Business Unit, established in 2017 with the acquisition of Tech Value S.p.A., and developed thanks to the following acquisitions of PBU CAD-Systeme GmbH in February 2019, Cadlog Group S.r.l. in May 2021 and TRIAS Mikroelektronik GmbH in October 2023, will generate revenues of approximately Eu 60 million as of April 30, 2024 in the Digital Engineering sector, of which 40% abroad, mainly in the DACH Area, with about 200 skilled human resources.

The corporate acquisition has been closed on evaluation criteria in line with those usually adopted by Sesa Group, in application of an EV/Ebitda evaluation criteria equal to about 5x, with long-term operative involvement, also through equity commitment mechanisms of the Managing Partners and founders Simone Ragionieri, Francesco Palloni, Luca Andreini, Alessio Signorini, targeting sustainable growth of skills and specializations and the progressive integration in Var4Industries.

The corporate partnership integrates the wider Sesa Group strategy of investment in the industrial development of its vertical digital skills in strategic sectors for the European economy, to support the digital transformation of Enterprises and Organizations.

Sesa Group continues to boost its development path in human resources and digital skills, driven by bolt-on industrial M&A and great organic growth capability, with the following CAGR in the last four-Year period (FY April 30, 2020 – FY April 30, 2023) at consolidated level: Revenues +17.0%, Ebitda +29.6%, EAT Adjusted 33.6%.





“Thanks to the acquisition of SmartCAE, we strengthen our presence alongside the Italian and European manufacturing districts, supporting the digital transformation of engineering intensive manufacturing companies. We strengthen our European digital engineering centre supporting the industrial design, thanks to the most innovative technologies. With the aggregation of SmartCAE, in the Fiscal Year ending on April 30, 2024, we will develop a perimeter of about 200 human resources and Eu 60 million revenues in the main European countries, with the aim of further growth and consolidation, enabling technological innovation and digital transformation of manufacturing Industry” stated **Francesca Moriani, CEO of Var Group S.p.A. and Filippo D’Agata, Head of Var4Industries.**

“We are glad to join Sesa Group organization, to accelerate our skills development and to contribute with our know-how to the development of Var4Industries organization, improving all the digital skills of our human capital, with innovative solutions developed for the benefit of engineering-intensive excellences of the main European and international engineering districts” stated **Simone Ragionieri, Francesco Palloni, Luca Andreini, Alessio Signorini, Founders of SmartCAE.**

“We extend our path of skills aggregation, strengthening our specializations in the electronic design software solutions sector and further enriching our offering of skills and software solutions for the engineering sector, expanding our customer base and human capital. We will continue to boost our long-term and steady growth in revenues, human resources and digital skills, driven by bolt-on industrial M&A in strategic development areas and targeting long-term sustainable value generation for our stakeholders”, stated **Alessandro Fabbioni, 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 that represents the reference player in Italy in technological innovation and digital services for the business segment, with consolidated revenues of Euro 2,908 million (+21.7% Y/Y) and 4,717 employees in the Fiscal Year as of April 30, 2023 (+13.3% 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 about revenues of Euro 20 million and 150 human resources as of April 30, 2023;
- VAD (Value Added Distribution), with about revenues of Euro 2,236 million and 655 human resources as of April 30, 2023;
- SSI (Software and System Integration), with about revenues of Euro 703 million and 3,345 human resources as of April 30, 2023;
- Business Services, with about revenues of Euro 84 million and 570 human resources as of April 30, 2023.

Sesa Group pursues a sustainable development strategy for the benefit of all Stakeholders, with a track record in the period 2012-2023 of continuous growth in employment, revenues (CAGR revenues 2012-2023 +12.0%) and profitability (CAGR Ebitda 2012-2023 +16.2%). 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, 2023, the Group distributed a net economic value of about Eu 309 million (+26% Y/Y), of which for over 60% to the remuneration of Human Resources, with 4,717 employees(+13% Y/Y), improved hiring programs (760 hires in FY23, +25% Y/Y), education (over 69,000 training hours, +14% Y/Y) and welfare programs to support parenting, diversity, well-being and work-life balance of Human Resources. Sesa introduced in its corporate bylaw the sustainable growth as Board of Directors priority and starting from FY 2022 Sesa has 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 Gold level issued by Ecovadis and achieved the increase to BBB level of MSCI, and the B level of sustainability rating issued by CDP. 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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