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FOR THE ACQUISITION OF EFA
AUTOMAZIONE

Testo del comunicato

Vedi allegato.



PRESS RELEASE

**RELATECH: SIGNED AN AGREEMENT FOR THE ACQUISITION OF
EFA AUTOMAZIONE, LEADER IN IOT SOLUTIONS.**

**REVENUES IN THE FIRST 9 MONTHS OF 2021 OF APPROXIMATELY
EURO 13 MILLION
EBITDA MARGIN OF 14% AND POSITIVE CASH FLOW OF EURO 0.7
MILLION**

**RELATECH CONSOLIDATES ITS EVOLUTION INTO AN E2E HUB
THAT BRIDGES THE GAP BETWEEN IT AND OT
WITH A VIEW TO A DATA-DRIVEN INFRASTRUCTURE, A
STRATEGIC NODE FOR INDUSTRY 4.0, SMART & SAFE CITIES IN
LINE WITH THE NRRP GUIDELINES**

Milan, 29 December 2021

Relatech S.p.A., *Digital Enabler Solution Knowledge (DESK) Company* and innovative SME listed on Euronext Growth Milan (Ticker: RLT), announces that it has signed a binding agreement aimed at acquiring, in a first phase, an 81.66% stake in the share capital of E.F.A. AUTOMAZIONE S.p.A. ("**EFA**" and the "**Transaction**"). The remaining part of the share capital of EFA will be acquired in a second phase through specific put and call mechanisms.

Pasquale Lambardi, President and CEO of Relatech, states: "*The aim of the transaction is to combine Relatech's expertise in Digital Enablers Technologies with EFA's experience in the **Industrial IoT field**, consolidating the Group's presence in the market of **smart cities, logistics, energy and critical infrastructures** thanks to the possibility of connecting smart objects (capable of identification, localisation, data acquisition, processing and communication) and smart networks (open, standard and multifunctional). Relatech aims to be a strategic hub for the development of **critical infrastructures for advanced urban and industrial services**. All developments in IoT-related technologies will have an exponential impact thanks to their interrelation, application in **Smart & Safe Cities** and Data Driven Manufacturing. The intention is to anticipate the needs of Italian companies of the near future as outlined by the NRRP, hyper-*



connected realities that use data strategically and that will progressively require partners more and more integrated in the offer..”

The purchase of EFA makes it possible to evolve the platform of enabling services in its ability to assist the industry sector both in the infrastructural set-up process (enabled by IoT technology) and in the management of big data, combining verticality of skills and horizontality of the offering.

The strategic choice responds to the need to anticipate and seize the technological challenge of the near future, which – from the mere transformation and use of data – requires addressing the issue of digital transition, at the same time, in terms of: innovation and research, infrastructure and security, data mining (AI, ML).

EFA achieved, as at 31 December 2020 and in the first nine months of 2021 respectively:

- revenues of approximately Euro 13.5 million and Euro 12.7 million;
- EBITDA of approximately Euro 1.5 million and Euro 1.8 million;
- Net Profit of approximately Euro 1.0 million and Euro 1.2 million;
- positive Net Cash of approximately Euro 0.04 million and Euro 0.68 million;

STRATEGIC RATIONALE

Strengthening of the Relatech Group business model

Data management and the interconnection between IT and OT environments will be the dominant paradigm of the near future. In this scenario, the Group positions itself as a 360° reference hub of technologies, skills and assets, covering all needs for connectivity, collection, analysis and protection of data and machines. The business model is therefore extended to the provision of end-to-end services and solutions covering the entire Industry 4.0 supply chain, intensifying the cross-selling of proprietary solutions in AR/VR, cybersecurity, mobile and cloud.

The integration expands the customer base and introduces customers (including international customers) of primary standing in the industry with which EFA has long-standing relationships and which will increase the Group's share of recurring revenues.

Franco Andrighetti, CEO of **EFA Automazione**, comments: *“As is well known to all those working in the field of Industrial Automation and, more specifically, its digital evolution, one of the main obstacles that still stand in the way of its full realisation is the integration of two heterogeneous worlds such as IT (Information Technology) and OT (Operational Technology), historically characterised by cultural, system and technological differences. Relatech's skills,*



*starting with Cloud, Blockchain, Cybersecurity, Artificial Intelligence, Machine Learning, together with EFA Automazione's leading role in industrial connectivity, **effectively bridge the gap between these two worlds (IT and OT).***

Relatech's entry into EFA Automazione's corporate structure plays a decisive role in that it will give rise to a unique entity capable of offering the market all the technologies that are essential for the realisation of finished digitalisation processes, capable of bringing added value and innovation.

The year 2022 will mark an epoch-making turning point in the ongoing digitalisation process, and this operation will allow Relatech and EFA Automazione to position themselves on the market as a reference group capable of assisting the fabric of Italian manufacturing SMEs towards the digitalisation process, which is absolutely necessary in order to compete on the global market."

STRUCTURE OF THE TRANSACTION

The Transaction is structured in two phases and provides for (a) an agreement with all the current shareholders of EFA ("**Selling Shareholders**") for the purchase of 81.66% of the capital ("**Majority Shareholding**") for a total consideration of Euro 7,350,000.00 subject to the application of a price adjustment mechanism in favour of Relatech and based, inter alia, on a formula that takes into account the value of EFA's NFP as of the date of the closing (the "**First Tranche**" and the "**Final Price**") and (b) an agreement with the current managing director of EFA Franco Andrighetti aimed at regulating, as of the date of the completion of the closing relating to the First Tranche, his role as managing director of EFA, the governance of EFA and the limits and rights of the shareholders in case of transfer of the participation in EFA.

The agreement with the Managing Director provides for, inter alia, a lock-up period of the shareholdings in EFA for a period of 36 months from the acquisition of the Majority Shareholding and put option rights in favour of Franco Andrighetti and call option rights in favour of Relatech (exercisable in certain time windows that can be anticipated upon the occurrence of certain conditions) concerning up to the entire residual shareholding (equal to 18.33% of the share capital of EFA) held by Mr. Andrighetti.

The exercise prices of the aforesaid put and call options are determined taking into account the Final Price per share as well as other parameters agreed between the parties with reference to the different circumstances (including the achievement of certain average EBIT levels of EFA in the next financial years). If the above put and call options are exercised, Mr. Andrighetti, if requested by Relatech, will resign from his position as Chief Executive Officer.



In the event of the exercise of the aforesaid put and call options, Relatech may, at its discretion, pay the relevant consideration (a) in cash; or (b) 50% in cash and 50% in Relatech's shares valued at a price mutually agreed upon by the parties, which takes into account the average daily volume-weighted price for the month prior to closing. In the event of payment (in whole or in part) in Relatech shares, such shares shall be subject to a lock-up period of 6 (six) months from the date of grant.

The Selling Shareholders have undertaken towards Relatech a commitment (i) not to carry out activities in competition with those carried out by EFA and (ii) not to solicit EFA's employees for a period of 5 years from the date of the transfer of the Majority Shareholding (with application of penalties in case of breach of such commitments). Mr. Andrighetti has also undertaken non-competition undertakings of the same tenor and with a duration of 5 years starting from the moment of exercise of the above mentioned put and call options and in any case from the termination of his role as director of EFA.

It should be noted that the transfer of the Majority Shareholding is subject to the usual conditions precedent for transactions of this type and, inter alia, to the notification of the transaction to the Council of Ministers pursuant to Legislative Decree 21/2012 (the so-called Golden Power legislation) and the obtaining of the relevant authorisation from the Council of Ministers.

In order to finalise the Transaction, the Company is evaluating the opportunity to resort in part to a bank loan.

Relatech will promptly inform the market about the closing of the first tranche.

This press release is online at www.relatech.com (Investor Relations/Press Release section) and www.emarketstorage.com.

Relatech (ticker RLT ISINIT0005433740), Digital Enabler Solution Knowledge (DESK) Company, listed on Euronext Growth Milan since June 2019, is present on the market with innovative solutions dedicated to the digital transformation of companies. Relatech is an innovative SME focused on customers looking for the most innovative solutions, becoming a strategic partner for digitization and ICT services. Relatech constantly invests in Open innovation with an extensive R&D activity carried out internally and numerous partnerships with the main Italian Universities and research centers. Thanks to its digital platform and cloud based RePlatform, it provides services and develops innovative digital solutions in frontier technologies of Digital Enabler, such as Cloud, Cybersecurity, Blockchain, Big Data, Machine Learning, Artificial Intelligence, Internet of Things.

EFA Automazione SpA, is a company that has been working in the Industrial Automation sector for over 30 years, developing specific skills in communication and connectivity of machines and plants. Its in-depth knowledge of communication protocols and drivers, as well as the natural process data management of the OT (Operational Technology) world, makes it the natural interlocutor of the IT (Information Technology) world which, thanks to its proprietary technologies, is able to tap into process data in a simple and secure way to support any manufacturing industry to undertake its digitisation in a simple, fast and economical way.

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