



## PRESS RELEASE

**PITECO ENTERS INTO AN AGREEMENT FOR THE ACQUISITION OF 70% OF  
THE CORPORATE CAPITAL OF RAD INFORMATICA S.R.L.****A COMPANY OPERATING IN THE INDUSTRY OF SOFTWARE FOR THE  
MANAGEMENT OF NON-PERFORMING LOANS****FINANCIAL HIGHLIGHTS OF RAD INFORMATICA SRL****AS OF JUNE 30, 2020<sup>1</sup>:**

- **Net revenues: € 10.3 million**
- **EBITDA: € 5.9 million (57% EBITDA margin)**

Milan, October 15, 2020

Piteco Spa (PITE:IM), a company listed on the MTA market and leading player in the financial software industry, announces that today it has entered into a quota purchase agreement for the acquisition of a 70% stake in the corporate capital of RAD Informatica S.r.l. ("**RAD**") from RAD Informatica S.p.A. ("**RAD Holding**") and Corrado Costa S.r.l. ("**CC**") (the "**Acquisition**"), for an aggregate amount of Euro 35 million (the "**Purchase Price**").

RAD originates from a spin-off of RAD Holding (a leading company in the market of software production for the management of the credit recovery process) and operates in the production, supply and commercialization of software for the organization of the entire management process of non-performing loans and recovery of bank and financial credit.

The Acquisition represents, in a strategic, industrial and managerial perspective, an important opportunity for the growth and development of the Piteco Group business. The Acquisition is aimed at consolidating the role of the Piteco Group as a leader in the financial software industry at a national and international level, with a distinctive competitive position in the industry and with significant growth and value creation prospects. Piteco confirms its project to grow by external lines, which envisages the realization of aggregation transactions with primary software manufacturers.

During the last financial year ended on June 30, 2020, the business unit of RAD Holding operating in the software production, supply and commercialization recorded pro-forma revenues of Euro 10.3 million and pro-forma EBITDA of Euro 5.9 million.

The Acquisition was structured as an acquisition by Piteco Spa of a 70% stake in the corporate capital of RAD in 2 (two) tranches equal to, respectively, 8% (eight percent), executed today ("**First Stake**") and 62% (sixty-two percent), that will be completed subject to the fulfillment of certain contractually agreed conditions ("**Second Stake**"). Following the Acquisition, RAD Holding and CC will hold a stake equal to, respectively, 10% and 20% of the corporate capital of RAD.

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<sup>1</sup> Pro-forma financial data of the business unit relating to the software production, supply and commercialization of RAD Informatica S.p.A., for the period July 1, 2019 – June 30, 2020.

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Piteco Spa will finance the Acquisition through (i) a financing to be provided by a primary bank institution (the "**Financing**"); and (ii) a capital increase, for a maximum amount of Euro 8 million, the terms of which will be determined following a board of directors meeting of Piteco Spa which will be convened shortly, and which will be made public pursuant to applicable law. Piteco Spa has already received the preliminary availability of the existing shareholders Marco Podini, Maria Luisa Podini, Riccardo Veneziani, Paolo Virenti, Andrea Guillermaz and Dedagroup S.p.A. to participate to the subscription of the above capital increase.

Today, Piteco Spa acquired the First Stake from RAD Holding, with the simultaneous payment of a price of Euro 4 million.

The Second Stake will be transferred to Piteco Spa approximately by the end of November 2020 (at the second closing), subject to the fulfillment of the contractually agreed conditions precedent, including the provision of the Financing.

According to the contractual arrangements, a portion of the price equal to Euro 8 million will be paid in a deferred way, upon completion of the abovementioned share capital increase of Piteco Spa.

The Purchase Price is subject to the usual adjustment mechanisms in line with the standards for similar transactions.

The quota purchase agreement includes representation and warranties of the Sellers and related indemnification rights, in line with the standards for similar transactions. In addition, the contractual documentation of the transaction provides for the execution of a quotaholders' agreement relating to the governance of RAD, in a perspective of operational continuity, the execution of a directorship agreement with Mr. Corrado Costa, who has a significant knowledge of RAD's business, having served as chief executive officer of RAD since its incorporation and, prior to the spin-off of the business unit, as chief executive officer of RAD Holding, the transferring company.

The quotaholders' agreement includes a call and put option in connection with the remaining 30% of the corporate capital held by Sellers to be exercised in different time frames following the approval of the financial statements of RAD for the 2023, 2024 and 2025 financial years or if certain events, provided for under the option agreement, occur. In addition, with regards to the stake held by RAD Holding only, an additional time frame between March 23, 2021 and March 31, 2021 is provided.

For the Acquisition, Piteco Spa has been advised by PricewaterhouseCoopers Advisory S.p.A., which acted as financial advisor, Shearman & Sterling LLP, which acted as legal advisor, Studio Spalla e Associati, which acted as tax advisor while Studio Legale Toffoletto De Luca Tamajo advised in connection with the labour law profiles.

The Sellers have been advised by Studio Artina, which acted as tax and financial advisor, Klecha & Co., which acted as financial advisor, and Pedersoli Studio Legale, which acted as legal advisor.

*The press release can be viewed on [www.pitecolab.it](http://www.pitecolab.it) and [www.info.it](http://www.info.it) websites*

**PITECO Group (PITE:IM)** is an important player in the international financial software sector. With offices in Italy, Switzerland and USA and 120 employees, in the period 2015-2019 it has achieved an important organic growth supported by an intense M&A activity with the acquisition of Centro Data (2015), LendingTools.com Inc. (2017) and Myrios Srl (2018). The business model is characterized by the high levels of visibility of revenues, profitability and cash generation. The Group has a large portfolio of highly loyal customers belonging to different sectors and operates through 3 business areas:

- **TREASURY MANAGEMENT:** Piteco S.p.A. is the absolute leading software house in Italy in the solutions for the management of corporate treasury and financial planning used by over 650 national and international groups active in all industrial sectors. On the market for over 30 years, it has covered the entire software value chain: R&D, design, implementation, sale and

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assistance. The software is entirely owned, integrated with the main company information systems (Oracle, SAP, Microsoft etc.), can be customized according to customer needs and working in over 50 countries.

- **BANKING:** the subsidiary Juniper Payments LLC is leader in the USA with proprietary solutions in the digital payments and clearing house sector. Managing the accounting regulation of interbank financial flows (bank transfers and check cashing) of approximately 3,500 American banks and \$ 3 billion a day. It represents one of the largest US interbank networks.

- **FINANCIAL RISK MANAGEMENT:** the subsidiary Myrios S.r.l. is an Italian software house that offers Risk Management, Capital Markets and Compliance services to banks and large companies.

In 2019 Myrios Switzerland S.A. was established in Geneva to distribute the group's software solutions on the Swiss financial market.

Ordinary share ISIN: IT0004997984

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