

Letter to the stakeholders

In 2024, we continued to grow, sustaining the digitisation of companies and organisations, with investments in vertical technical expertise, with a particular focus on DATA/AI technologies

Dear stakeholders

The Sesa Group closed the 2024 financial year with strong growth in consolidated revenue and profitability, and a further improvement in ESG performance, strengthening the role of reference player in the Technological, Consulting and Vertical Applications sector for the digital transformation of companies and organisations. The main industrial, financial and sustainability KPIs are growing significantly and mainly organically, confirming the success of our value generation model, based on the technical expertise of our people and to the benefit of all stakeholders.

In FY 2024, total Consolidated Revenues and Other Income was Euro 3,210.4 million, up 10.4% Y/Y, and profitability (Ebitda) reached a total of Euro 239.5 million (+14.4% Y/Y), with an Adjusted Net Income (EAT) of Euro 106.4 million (+4.1% Y/Y), thereby attaining record levels of annual average growth (CAGR) of 16.0% in terms of revenues and 26.2% at profitability level over the five years from 2020 to 2024. Specifically, over the period 2020-2024, consolidated revenues essentially doubled, climbing from Euro 1,776.0 million to Euro 3,210.4 million, while Ebitda increased from Euro 94.5 million to Euro 239.5 million, with an Ebitda margin that reached the threshold of 7.5% compared to 5.3% in the year ended 30 April 2020.

The Group's growth was determined by investments and a progressive focus on the segments enabling technological innovation with a focus on emerging technologies, from Cloud to Cyber Security, from Digital Platforms to Data AI, with the continuous development of the extent and skills of human resources, reaching a total of 5,691 resources as of 30 April 2024, up 21.0% compared to 4,717 in the previous year and 2,547 resources as of 30 April 2020, thanks to the hiring and inclusion programmes, with approximately 1,000 new employees recruited in the last year alone, 50% of whom under the age of thirty.

In 2024 we continued our industrial investments, amounting to Euro 142 million including the 13 bolt-on M&As, consolidating our leadership in the main areas of technological innovation, increasing market share in the Group's three business sectors (source: Sirmi, June 2024) and continuing

to support the digitisation of businesses and organisations through the further development of vertical skills and applications. Investments in Data Science and Artificial Intelligence (AI) expertise, technologies that have been part of our organisation for some time, and which are now crucial drivers of the digital transformation of companies, impacting every aspect of business activities as well as the way people work and live, were particularly important.

The Italian Data/AI market, which reached a value of Euro 674 million in 2023 (source: Sirmi, June 2024), is expected to grow further and strongly in the coming years, reaching Euro 960 million in 2024 (+55% Y/Y), and Euro 1.294 billion in 2025 (+35% Y/Y). The adoption of Analytics and AI technologies, with the recent addition of generative AI, at the service of business, has prompted us to organise dedicated skills centres in each Group sector, with the aim of employing AI not only as a technological tool, but specifically as a strategic lever to transform and improve the way companies operate and the quality of people's lives. Data/AI solutions are increasingly pervasive within the Group's strategic development areas, such as Cloud, Cyber Security, Vertical Applications and Digital Platforms, with a total of about 700 resources with specific skills and about 30 projects in the Data/AI area in FY 2024.

The Group's evolution in 2024 benefited from solid organic growth, with a significant contribution of external development accounting for a third of the total for the period. 13 bolt-on industrial M&A deals were completed in the year, including additional capacities in terms of people, applications and platforms to support the digital transformation of businesses and organisations.

Talent development initiatives were further strengthened during the year, with the expansion of hiring, welfare, education and work-life balancing programmes, promoting an innovative corporate culture that is inclusive and open to diversity. We have invested and worked to make the Sesa Group an ideal place to attract and retain talent, promoting the wellbeing, sense of belonging and professional growth of our people.

Our corporate culture has always been oriented towards long-term sustainable growth, as well as the generation of value for all stakeholders and attention to people, which are the central elements of our purpose and our path of continuous growth.

We significantly improved our ESG performance during the year, achieving our sustainable development goals: the economic value distributed exceeded the threshold of Euro 390 million (+26% Y/Y), mainly to the benefit of human resources, and at the same time the environmental impact was reduced thanks to the increase in the use of green energy, accounting for more than 95% of the total, the reduction of emissions per capita by 12.3% Y/Y, and the reduction of waste production per capita by 21% Y/Y. As part of the Group's virtuous path, the main international sustainability ratings, including the CDP rating, at level "B", the MSCI rating, at level "BBB", and the Gold EcoVadis rating, were confirmed.

The Group has invested about Euro 600 million in expertise and technology over the past five years, with about 60 M&A boltons, while confirming its financial solidity with an Active

Consolidated Net Financial Position of Euro 211.0 million as of 30 April 2024, net of the aforementioned investments to support growth, as well as the distribution of dividends of Euro 15.5 million in September 2023.

In the light of the positive economic and financial performance, we propose to the shareholders' meeting the distribution of a dividend of 1 Euro per share, in continuity with the previous year's dividend, with the aim of continuing investments to support our long-term future growth and strengthen our role as reference player for the digitisation of businesses and organisations.

We would like to thank all the people and stakeholders of the Sesa Group who contribute with commitment and strong involvement to our extraordinary growth, inspired by common business vision based on long-term and sustainable development. Attention to people, the environment and the communities in which we operate represent the central elements of our history and our future development.



Paolo Castellacci

Chairman of the BoD

Alessandro Fabbroni

CEO

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