

PRESS RELEASE

PITECO: THE BOARD OF DIRECTORS CALLS THE EXTRAORDINARY SHAREHOLDERS' MEETING AND PROPOSES A RESERVED CAPITAL INCREASE FOR AN AGGREGATE AMOUNT OF EURO 8 MILLION IN SUPPORT OF THE ACQUISITION OF A 70% INTEREST IN RAD INFORMATICA

- **Proposed issue price equal to Euro 8.45 per share, including a premium equal to 11.5% over the VWAP (volume weighted average price) of Piteco's shares over the last 3 months. New shares equal to 4.9% of the share capital.**
- **The Related Parties Committee has issued its unanimous favorable opinion on the proposed share capital increase.**

Milan, October 27, 2020

Following the press release dated October 15, 2020, the Board of Directors of Piteco(PITE:IM), a company listed on the MTA market and leading player in the financial software industry, resolved to call the Extraordinary Shareholders' Meeting on December 1, 2020, on a single call, to resolve upon the following agenda:

- Proposal for an indivisible share capital increase, against payment, with exclusion of preemptive rights, pursuant to Article 2441, paragraph 4, second subparagraph of the Italian civil code, for an aggregate amount of Euro 7,999,995.25, through the issuance of No. 946,745 new ordinary shares, reserved to the directors and shareholders Marco Podini and Maria Luisa Podini. Amendment of Article 5 of the Company's corporate By-Laws. Resolutions related thereto (the "**Reserved Capital Increase**").

In the context of the envisaged acquisition of an aggregate 70% interest in the corporate capital of RAD Informatica S.r.l. ("**RAD**") by Piteco, the Reserved Capital Increase is aimed at providing the Company with a portion of the financial resources necessary to pay the purchase price, equal to Euro 35,000,000, including a deferred price of Euro 8,000,000 (the "**Acquisition**"). As already announced, the remaining portion of the purchase price will be funded through a financing to be provided by a primary bank institution.

The Acquisition represents, from a strategic, industrial and managerial perspective, an important opportunity for the growth and development of the Piteco Group business. In such context, the Reserved Capital Increase is particularly convenient for the Company in terms of timing and certainty as to its positive outcome, while allowing the Company to limit the financial indebtedness relating to the transaction.

The subscription price of the newly issued shares to be proposed to the Shareholders' Meeting is equal to Euro 8.45 per share, to be allocated in full to share capital (the "**Issue Price**").

The Issue Price includes a premium of 11.5% over VWAP (volume weighted average price) of Piteco's shares over the period of 3 months prior to the date of approval of today's Board of Directors resolution. In addition, the Issue Price includes a premium even if compared to the VWAP over shorter or longer timeframes (premium of 6.5% over VWAP for the last month and premium of 21.1% over VWAP for the last 6 months).

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The Notice of Call of the Extraordinary Shareholders' Meeting will be made available to the public, in accordance with applicable laws and regulations, at the registered office of the Company, on the Company's website www.pitecolab.it (Investor Relations – Shareholders' Meeting) and on the authorized storage system IInfo (www.1info.it) as well on the daily newspaper "Italia Oggi" in the form of an excerpt.

The explanatory report of the Board of Directors, provided for under Article 125-ter of Legislative Decree No. 58/1998 as well as the auditing company's report on the correspondence of the issue price of the shares to their market value pursuant to Article 2441, paragraph 4 of the Italian civil code will be made available to the public in accordance with applicable laws and regulations.

The proposed Reserved Capital Increase is expected to be executed and subscribed by the shareholders and directors Marco Podini and Maria Luisa Podini as soon as possible, approximately by December 10, 2020, following the approval by the Shareholders' Meeting. The final term for the subscription of the newly issued shares is December 18, 2020. The Reserved Capital Increase will be effective from its full subscription. In the context of the Reserved Capital Increase, as anticipated, no underwriting or placement syndicate will be formed, nor other forms of placement will take place. In addition, the newly issued shares will not be subject to any lock-up provision.

In the context of the proposed Reserved Capital Increase, (i) Marco Podini will subscribe 473,373 new shares, and (ii) Maria Luisa Podini will subscribe 473,372 new shares.

The new shares, in aggregate, represent 4.9% of Piteco's current share capital. Following the full subscription of the Reserved Capital Increase, the dilution rate of the other shareholders will be equal to 4.7%.

Since the directors and shareholders Marco Podini (Chairman) and Maria Luisa Podini are related parties of the Company, the Board of Directors' resolution was taken after the issuance of a reasoned unanimous favorable opinion of the Related Parties Committee of the Company, on October 26, 2020, following the relevant preliminary activities, in accordance with the provisions of Article 5 of the procedure relating to the regulation of transactions with related parties of the Company (the "**Procedure**").

Furthermore, the Reserved Capital Increase is a transaction of "greater importance" with related parties, in accordance with Article 4, Paragraph 1, letter (a) of the Regulation on Transactions with Related Parties adopted by CONSOB by resolution No. 17221 of March 12, 2010 (the "**RPT Consob Regulation**") and Article 9.2 of the Procedure, considering it exceeds the equivalent-value relevance ratio identified in Annex 3 to the RPT Consob Regulation. The information document relating to transactions of "greater importance" with related parties provided for under Article 5 of the RPT Consob Regulation will be made available to the public in accordance with applicable laws and regulations.

Finally, (i) the proposed Reserved Capital Increase will not trigger the obligation to publish a prospectus pursuant to the applicable exemptions provided for under Regulation (EU) 2017/1129; (ii) both for the Acquisition and for the Reserved Capital Increase the publication of an information document for significant transactions referred to in Annex 3B to Consob Issuer Regulation No. 11971 of 14 May 1999 (the "**Issuers' Regulation**") is not required, having the Company opted for the application of a simplified scheme (the so-called opt-out scheme) provided for under Article 70, Paragraph 8 and Article 71, Paragraph 1-bis of the Issuers' Regulation.

The press release can be viewed on www.pitecolab.it and www.1info.it websites

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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 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.

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