



PRESS RELEASE

REWAY GROUP: Closing for the acquisition of 70% of Se.Gi. S.p.A.

The company acquired by Reway Group is one of the leading players of the railway rehabilitation sector

Value of the transaction at closing: €63 million

- **Put & Call option for the acquisition of the remaining 30% interest planned, exercisable as of approval of Se.Gi.'s financial statements for the year ending 31 December 2025**
- **The Enterprise Value of 100% of the target company is set at €90 million**
- **Se.Gi.'s certified backlog as at 30 June 2023 of €235.8 million**
- **New Board of Directors of Se.Gi. appointed**

Licciana Nardi (MS), 21 November 2023 – **Reway Group S.p.A.** (EGM: RWY), the largest Italian player specialised in road and highway infrastructure rehabilitation (the "Company" or "Reway Group"), listed on Euronext Growth Milan of Borsa Italiana S.p.A., announces the closing of the acquisition of 70% of the share capital of Se.Gi. S.p.A. ("Se.Gi."), a leading player specialised in civilian work and infrastructure maintenance for the railway sector.

The transaction, whose signing of the binding agreement was announced on 13 October 2023, represents a new milestone in Reway Group's growth path and confirms the Group's development plans and marks its entry into the railway market, which has high entry barriers and where Italy has planned major investments in ordinary and extraordinary maintenance of infrastructures and civil works, including linked to major NRRP projects.

Thanks to the closing of the deal, qualified as *reverse take-over* operation within the meaning of Article 14 of the Euronext Growth Milan Rules for Companies, Reway Group will become Italy's first operator whose core business includes both highway and railway network rehabilitation.

A further advantage for Reway Group and for the Group resulting from the acquisition is the creation of significant synergies in terms of transferring the technologies used for highway and motorway infrastructure rehabilitation to the railway sector.

Value of the transaction and Investment Agreement evolution

The Closing took place following the approval by the ordinary shareholders' meeting of Reway Group S.p.A. and the obtaining of the bank loan, for a total amount of €47 million, obtained from a pool of three banks of primary standing (Crédit Agricole Italia- as agent bank, BNL BNP PARIBAS and UniCredit) that participated on an equal basis.

Value of the transaction at closing amount to €63 million, of which €47 million paid using the aforementioned bank loan and €16 million through own resources, partly using the proceeds from the listing in March 2023 on Euronext Growth Milan.

The Investment Agreement signed between Reway Group and Se.Gi.'s shareholders comprises the commitment by Reway Group to purchase the remaining 30% of target company Share Capital by exercising a put & call option, exercisable as of the date of approval of Se.Gi.'s financial statements for the year ending 31 December 2025.

The Enterprise Value of 100% of the target company set at €90 million (value given by the sum of €63 million for the purchase of 70% and €27 million for the purchase of the remaining 30%).



Governance

The Transaction has no impact on Reway Group's corporate governance, which therefore remains unchanged, and does not entail any changes in the remuneration of the Board of Directors of the Company or its subsidiaries.

Conversely, with reference to Se.Gi's governance, Se.Gi.'s new Board of Directors came into office today, composed of five Directors, of whom: three Directors will be appointed by Reway and two Non-Executive Directors will be elected by Se.Gi.

Among the directors appointed by Reway, Mr Pietro Bettaglio - who boasts an important management career in one of Italy's most important motorway operators - will take over as President and CEO of Se.Gi.

The target company

With a workforce of over 100 people (at 30 June 2023), Se.Gi. is specialised in the railway maintenance sector, it deals in particular with the rehabilitation of bridges, viaducts and tunnels, construction and maintenance of railway stations, maintenance of civil works for tunnels, stabilisation and protection of slopes and extraordinary maintenance of civil works for tunnels.

The company boasts an extensive fleet of railway, road and other operating vehicles and, in addition, it holds SOA certification for participating in public tenders for the execution of works of unlimited amount in three categories (OG1 – Civil and industrial buildings; OG3 – Roads, motorways, bridges, viaducts, railways, underground railways; OG4).

Se.Gi. has as its main customer RFI - Rete Ferroviaria Italiana S.p.A., the company of Ferrovie dello Stato Italiane Group that manages the Italian Railway Infrastructure. With a view to differentiating the business, in recent years the company has also started working for ANAS and Autostrade per l'Italia, thus also dealing with road and highway infrastructure redevelopment.

At 30 June 2023, Se.Gi's order backlog amounted to €235.8 million. Furthermore, at the economic-financial level, Se.Gi. ended the financial year as at 31 December 2022 with revenues of more than €50 million and with EBITDA of 14.6 million (EBITDA margin of 27.3%). By contrast, at 30 June 2023 the value of production amounted to €27.7 million and EBITDA was €7.0 million. The company has no bank debts and has always supported the development of its business with its own resources; consequently, net financial position at 31 December 2022 and at 30 June 2023 was cash positive and equal to €18.3 million and €14.9 million, respectively.

The Advisors of the Transaction

In the Transaction for the acquisition of Se.Gi. Reway Group S.p.A. was assisted by Integrae SIM S.p.A. as Euronext Growth Advisor, LS Lexjus Sinacta for the legal matters and in particular by the corporate and capital market team led by partner Gianluigi Serafini, with Attorneys Silvia Frattesi and Anna Maria Mazzoni for the corporate aspects and with Attorneys Francesca Capodiferno, Elisa Fabbri and Silvia Muscolino for the capital market, by Baker Tilly Bolla Bergero Bianco CTL Consultancy, with partner Riccardo Bolla and senior Stefano Roncagliolo for the tax aspects. RSM Società di Revisione e Organizzazione Contabile S.p.A., with equity partner Nicola Tufo and senior manager Fabiano Guarino, performed the accounting and financial due diligence activities.

In obtaining the financing, Reway Group was assisted by Movent Capital Advisors with Managing Partner Alberto Daina for the structuring, Lexjus Sinacta for the legal part and co-ordination, and Orrick, Herrington & Sutcliffe (Europe) LLP as the lenders' lawyers.

SE.GI. S.p.A. was assisted by lawyers Raffaele Cappiello and Valerio Tolli, as legal advisors, and by the Investis Advisory S.r.l. team led by partner Mattia Patti with associate Yefa N. K. Obeng and analyst Francesco Valente.

For further information on the reverse takeover transaction, please refer to the press releases dated 13 October 2023, 25 October 2023 and 10 November 2023, as well as to the information document prepared pursuant to Article 14 of the Euronext Growth Milan Issuers' Regulations, made available to the public on the website www.rewaygroup.com, under the section "Investor Relations/Reverse Takeover Transaction", as well as on the website www.borsaitaliana.it, section "Shares/Documents".



For disseminating its regulated information, Reway Group uses the 1info dissemination system (www.1info.it), managed by Computershare S.p.A., based in Milan at Via Lorenzo Mascheroni 19, and authorised by CONSOB.

This press release is available on the Company's website <https://www.rewaygroup.com/>, in the *Investor Relations – Press releases* section, and on www.1info.it.

Reway Group — the Parent Company of the Group of the same name — is Italy's largest operator specialised in rehabilitation and maintenance of road and highway infrastructures, as well as the only organisation in Italy capable of handling all the activities related to the chain of restoration of bridges, tunnels and viaducts, thus providing the client with "turnkey" technology solutions.

Reway Group was formed in December 2021 via the assignment of the shares held by **M.G.A. S.r.l.**, **Soteco S.r.l.** and **TLS S.r.l.** — companies operating in Italy in the road and highway infrastructure maintenance and rehabilitation sector, which are currently operational and 100% controlled by Reway Group. The Group was created to provide its subsidiaries with a unified corporate and managerial structure, in order to best address the evolution of a sector that is markedly expanding and growing, both in Italy and abroad. To this end, the Company provides services to its subsidiaries, including planning and financial strategy, procurement of goods and services and management of technical accounting.

With regard to its individual subsidiaries, **M.G.A. S.r.l.**, based in Licciana Nardi (Massa-Carrara), specialises in the renovation and rehabilitation of road and highway tunnels and viaducts, **Soteco S.r.l.**, based in Aulla (Massa-Carrara), operates in the field of tunnel coating and structural rehabilitation and sound barrier installations, and **TLS S.r.l.**, based in Latina, operates in the field of seismic adjustments of viaducts, bridges and tunnels.

Reway Group has a workforce of 400 overall and has a modern fleet with over 200 operating vehicles. The consolidated value of production amounted to €110.5 million in 2022, up compared to a consolidated pro-forma figure of €91.8 million in 2021.

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