
PRESS RELEASE

EDILIZIACROBATICAC SPA: BINDING AGREEMENT SIGNED FOR THE ACQUISITION OF 51% OF THE SHARE CAPITAL OF ENIGMA CAPITAL INVESTMENTS, AN EMIRATI COMPANY HEADING A GROUP IN THE MIDDLE EAST IN THE CONSTRUCTION, ROPE ACCESS, CLEANING AND FACILITY MANAGEMENT SECTOR

Genoa, 2nd March 2023 – EdiliziAcrobatica S.p.A. (the *Company* or *EDAC*), a company specialised in external renovation works, listed on the Euronext Growth Milan market (ticker symbol EDAC) and on Euronext Growth in Paris (ticker symbol ALEAC), announces that today it signed a binding agreement for the acquisition of 51% of the share capital of the company Enigma Capital Investments LLC.

Enigma Capital Investments LLC is an Emirati holding company based in Dubai, heading a group in the Middle East, active in the construction sector, rope access, cleaning services for residential and commercial buildings, as well as certain facility management services (hereinafter also *Enigma Capital* and the *Acquisition*).

Enigma Capital is the effective owner of the entire share capital of the following companies, all incorporated under the laws of the United Arab Emirates: SBC Global Contracting LCC, Magnum Plus, Spider Access Cladding Works & Building Cleaning (which controls the Spider Access Cladding Works & Building Cleaning – branch of Dubai), Vertico Xtreme LLC (which controls Vertico Xtreme KSA), (singularly, *SBC*, *Magnum*, *Spider Access*, *Vertico Xtreme*, collectively the *Subsidiaries*), which employ more than 400 operators in the Middle East.

With this transaction, the Company aims to boost the Group's growth through external lines with a view to expanding its commercial operations also in the Middle East, integrating Enigma Capital's services.

Enigma Group and the Subsidiaries, have recorded on 31st December 2021 the following aggregated data:

- Revenues: 25 millions AED (approximately 6.4 millions 1st March exchange)
- EBITDA: 4 millions AED (approximately 1 million 1st March exchange)
- EBITDA margin: 16%
- Net profit: 3.3 millions AED (approximately 841K 1st March exchange)
- Net profit margin: 13%
- Assets: 10.6 millions (approximately 2.7 millions 1st March exchange)
- NFP as at 31 October 2022: 7,584,799 millions AED (approximately 1.9 millions 1st March exchange)

Enigma Capital does not draw a consolidated financial statement as of 31 December 2021.

Riccardo Iovino, CEO and Founder of EDAC, commented: “We worked for a long time to perfect the agreement with Enigma Capital, and we did so by first observing the market for construction and maintenance works using rope access in the United Arab Emirates. It’s a market that has an impressive percentage of buildings where our particular expertise will make a huge difference in terms of costs, speed of execution and safety. Our business model, which has proven successful not only in Italy but also in France, Spain and Monaco, will also make tomorrow a difference in the whole Middle East market where the Group will strengthen its positioning also in another relevant continent in addition to European.. We are confident that this is a new beginning, a first Acrobatica flag that will be the prelude to many others that we will plant around the globe. We have never hidden our main objective, which is the mission we’ve had for 29 years: to revolutionise the way construction is done throughout the world, and this is just one more important step in our journey.

TERMS OF THE ACQUISITION

The agreement for the acquisition of the controlling interest in Enigma Capital (the **Binding Agreement**) provides that at the Closing of the Acquisition, EDAC will acquire 51% of the shareholdings of Enigma Capital which will be sold by the actual shareholders, natural persons resident in the United Arab Emirates, holding the majority of Enigma Capital, against payment of a provisional price of AED 28,291,327 (approximately €7.2 millions at 1st March exchange) which was determined by applying a multiple of 15 to the sum of the net profit 2021 produced by Spider Access, and the net profit 2019 produced by Vertico Xtreme, the main operating companies of the Enigma Capital Group, from which the net financial position equal to 7,584,799 (approximately €2 millions at 1st March exchange) was subtracted (the **Provisional Price**).

The Binding Agreement provides for a post-closing adjustment mechanism of the Provisional Price if the net financial position of Enigma Capital calculated at the closing date is different from the figure used for the determination of the Provisional Price.

If the conditions precedent envisaged by the Binding Agreement have been met, the parties plan to close the transaction by 31 March 2023 (the **Closing**). With regard to the terms and methods of payment of the Provisional Price, the Binding Agreement provides that on the Closing date EDAC will pay cash to the sellers, on a pro rata basis, in an amount corresponding to 70% of the Provisional Price, equal to a total of AED 19,803,928 (approximately €5 millions at 1st March exchange). As for the balance, the remaining amount of AED 8,487,398 (approximately €2.1 millions at 1st March exchange) (the **Deferred Price**), equal to 30% of the Provisional Price, will be paid in cash to the sellers only if the main operating companies of the Enigma Capital group, achieve certain net profit targets in 2023. Moreover, an adjustment mechanism is envisaged in the event that these result targets are not achieved.

If the conditions are met, the Binding Agreement provides that by 30 June 2023 the Company shall ensure that a capital increase against payment is resolved, so that the selling shareholders can proceed to complete an investment in the Company’s equity.

The issue price of the new shares of the Company will be determined on the basis of the volume weighted average price of the EdiliziAcrobatica shares recorded in the market during the six months of trading on the stock exchange prior to the date of approval of the resolution of a capital increase by the Company.

In addition, the Binding Agreement also provides for an earn-out mechanism in the event that the performance of Enigma Capital is particularly positive during 2023.

SHAREHOLDERS' AGREEMENTS AND STABILITY COMMITMENTS OF THE SELLING SHAREHOLDERS

At the same time as the Acquisition is completed, shareholders' agreements will be signed between the Company and the selling shareholders to regulate the governance of Enigma Capital, the subsidiaries and the circulation of the company's shareholding. In this regard, there will be lock-up commitments of five years for the selling shareholders starting from the Closing date, as well as a call option in favor of the Company and a put option in favor of the selling shareholders, both concerning the minority shareholding held by the selling shareholders, equal to 49% of the share capital.

In order to contribute as much as possible to the growth of Enigma Capital, and showing confidence in the international growth of the EdiliziAcrobatica group, the Binding Agreement also provides that the selling shareholders will continue to perform a strategic-directional function within the company even after the Closing of the transaction, and in this regard the sellers will both make stability commitments lasting five years from the date of the Closing, in addition to specific non-competition obligations.

FINANCING MADE AVAILABLE TO ENIGMA CAPITAL

The Company also announces that during the negotiations with the selling shareholders defining the technical and commercial details of the Acquisition of Enigma Capital, the opportunity arose for Enigma Capital to take on important in the United Arab Emirates and Saudi Arabia, including one for maintenance and cleaning of the tallest, most iconic skyscraper in the world, the "Burj Khalifa" in Dubai. Given the importance of the orders, including from a media perspective, and the operational complexity of managing them, with the signing of an interest-bearing loan agreement on 28 October 2022 with Enigma Capital and the selling shareholders, EDAC has made financial resources of approximately €1,5 milioni available to Enigma Capital, which have allowed it to make the necessary initial investments as well as to deal with the overall management of the project, mainly the hiring of about 200 more people in the group's workforce (the *Enigma Loan*).

This loan operation was preparatory as well as strictly functional and connected to the Acquisition since in any case they are important orders from a financial and marketing point of view that EdiliziAcrobatica itself will benefit from, including in terms of reputation and image.

Note that the Company decided to delay the public disclosure of the signing of the Enigma Loan contract in consideration of the fact that the dissemination of such price-sensitive information – being strictly functional and connected to the broader operation of acquiring Enigma Capital, the main terms

of which were the subject of discussion between the parties and their advisors – could have harmed the interests of the Company and become misleading where, in the relative press release, the underlying operation would in any case have had to be mentioned.

Finally, it should be noted that the Acquisition does not qualify as significant pursuant to article 12 of the Euronext Growth Milan Issuers' Regulation (the **Issuers' Regulation**), since none of the relevant indices referred to in Schedule Three of the Issuers' Regulation is greater than 25% and in particular the relevant indices of turnover, EBITDA and equivalent value.

EDAC is assisted in the transaction by Emintad Italy S.r.l. as financial advisor, by LCA Studio Legale for the legal aspects and for the capital market aspects of Italian law, and by Diacron Consultants DMCC for the financial due diligence.

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