

Eurotech: management buyout of the operating activities of the Security, Surveillance and Traffic line of business

Eurotech Group's business line dedicated to the security, surveillance and traffic market becomes an independent legal entity

AMARO (Italy), February 29th, 2016 – Eurotech, a leading provider of Machine-to-Machine (M2M) technologies and Internet of Things (IoT) platforms, announces that it has signed today with the management of the fully owned subsidiary IPS Sistemi Programmabili S.r.l. the sale of operating activities of the line of business dedicated to the security, surveillance and traffic vertical market for a value of EUR 2.4 million. The value of the transaction will be subject to a possible adjustment in the maximum amount of Euro 90 thousand on the basis of working capital of the business sold as at February 29, 2016. The turnover achieved by the line of business in the year 2015 was EUR 1.32 million, with a negative EBIT of Euro 0.94 million.

Compared to the book value of the assets and liabilities transferred, Eurotech realizes a capital gain of approximately EUR 1.7 million.

With this operation Eurotech consolidates its focus on the role of horizontal provider of hardware and software technologies for the Internet of Things, while maintaining the ability to market all intelligent cameras of the security, surveillance and traffic line of business, as was waived to the non-compete obligation foreseen by Italian Civil Code art. 2557. Eurotech will also retain ownership of the SEKU product family trademarks and of the ETH Security brand. The line of business sold, in the new role of independent SME focused on a vertical market, will benefit from increased agility of action and a clear strategic focus.

The law firm Fruttarolo Cappelletti & Chiavon served as the exclusive advisor to Eurotech throughout the sale process.

About Eurotech

Eurotech (ETH:IM) is a global company that designs, creates and delivers full Internet of Things solutions, including services, software and hardware to leading systems integrators and enterprises large and small. With Eurotech solutions in place, clients have access to the latest open source and standardized software stacks, flexible and rugged multi-service gateways and sophisticated sensors to bring actionable data from the field into business operations. Working with world-class ecosystem partners, Eurotech delivers on the promise of the Internet of Things either from end to end, or with best in class building blocks, including device and data management, connectivity and communication platform, intelligent edge devices and smart objects following business models that fit today's business world. Learn more about Eurotech at

www.eurotech.com

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