

PRESS RELEASE

Düsseldorf, July 01, 2020

SMS group invests in Brazilian Center of Competence for industrial digitalization

Expansion/Establishment of digital competence:
Digitalization conserves resources and saves energy



Fully digitalized: We are working together remotely during the CoVid-19-Pandemic, and even the contract signing took place via digital channels!

German SMS group is investing in the acquisition of shares in two Brazil-based companies, Viridis and Vetta, thus expanding its market presence in Latin America. Part of the transaction is the merger of these

two Brazilian companies to create a competency center for industrial digitalization, with emphasis on efficiency and sustainability technologies. The new business will operate under the name Vetta in conjunction with SMS digital, SMS group subsidiary specialized in digital solutions.

Viridis Energy Solutions, a company based in Belo Horizonte, Brazil, is the creator of an innovative energy and sustainability digital platform for process industries and large energy consumers. Viridis clients benefit from increased energy efficiency, reduced environmental impact, including lower carbon footprint, along with substantial improvements to their operational management and planning capabilities. Founded in 2013, Viridis is the leader in its original market and is now expanding its solutions worldwide.

Vetta Technologies, also based in Belo Horizonte, Brazil, has been providing digital solutions for various industries since 2001. Having a strong presence in the metals and mining sectors, the company focuses on customized digital transformation projects, which are based on advanced technologies developed by Vetta itself or integrated from other vendors. Vetta also specializes in industrial solutions, including data-driven models for process and planning optimization.

Viridis has first been funded by angel investor David Flam, and later by FIMA, a fund dedicated to the creation of new environmental technologies. FIMA, along with other funds, is managed by KPTL, a Brazilian venture capital management firm. The SMS group has acquired all shares from both investors and made a capital injection in the company to fuel its growth. The SMS group has also acquired shares from Vetta, allowing the two businesses to merge under a unified capital structure. The merged company will be managed by the two original founders, Dr. Thiago Turchetti Maia and Ricardo Giacomini. The SMS group will keep the majority of capital and the control of the business, whilst retaining the founding partners in the capital table. The new company will operate under the name Vetta Tecnologia S.A.

The learning plant is the vision of a holistically networked production site, predicting highly complex scenarios based on smart algorithms, deriving decisions from real incidents, and continuously optimizing and monitoring itself thanks to the use of Artificial Intelligence. The core elements of the concept include predictive maintenance, assurance of product quality, condition monitoring and prediction. The learning plant transforms data into information and information into added value. It makes efficient use of the benefits of innovative technologies – 5G, for example – to enhance productivity and user friendliness – all this with a significantly positive effect on the sustainability and cost-efficiency of production.

The combination with the Vetta and Viridis merger adds the energy and sustainability business to the portfolio of SMS digital. These areas are of key importance for the entire steel and metals industry, with decisive influence on the cost-efficiency of the companies and acting as a lever in reducing their carbon footprint. With Vetta's established solutions, SMS digital is now in a position to globally supply digitalization solutions that integrate all production areas of the steel and metals industry. Also the expansion into other sectors, such as chemicals, pulp & paper, etc. becomes feasible. The SMS Data Factory and further data integration solutions will enable us to also interlink energy management, in addition to condition monitoring, quality control and production planning, understanding their interrelationships and influences and, building on this knowledge, generating significant efficiency improvements in all these areas.

Together, Vetta and Viridis will join the SMS group with a 200-strong team of engineers and IT professionals.

For further details, please visit www.vetta.digital.

SMS group is a group of companies internationally active in plant construction and mechanical engineering for the steel and nonferrous metals industry. It has some 14,000 employees who generate worldwide sales of more than EUR 2.9 billion. The sole owner of the holding company SMS GmbH is the Familie Weiss Foundation.