

PORTOBELLO

- PRESS RELEASE -

Portobello wins the auction for the business unit containing the online portal of ePrice Operations S.r.l.

Rome, 22 June 2022

Portobello S.p.A. ("**Portobello**" or the "**Company**"), holding company of the retail chain of the same name, which provides quality products at affordable prices and is active through bartering in the media advertising sector, listed on the Euronext Growth Milan market, announces that today has won the auction, within the framework of the pre-bankruptcy procedure pending before the Court of Milan, for the so-called "*marketplace*" business unit owned by ePrice Operations S.r.l.

Description of the branch business

Founded in Milan in 2000, ePrice is one of Italy's leading online shops, specializing in the sale of high-tech products, mostly electronics, and leading in the large household appliances segment.

The offer of the "*marketplace*" business unit concerns the *eprice.it* portal and consists of the following elements.

- Goodwill, understood as the intangible value of the business, reflecting market position, brand awareness, supplier and customer network and business reputation;
- The equipment and hardware necessary and required to ensure business continuity;
- All intangible assets inherent in the business unit, including the database of (i) personal data of the company's customers, (ii) personal data and master data of the market place sellers, and (iii) that of the users (i.e. visitors) of the web pages of the portal;
- Contracts and all authorizations necessary and required for the conduct of the business branch's activities;
- A 25% shareholding in the Dutch-registered company International Marketing Network b.v., JV founded along with 3 other operators to create an international marketplace between Italy, France, Germany and Romania;
- Work contracts with 25 employees necessary to ensure business continuity;

The business unit recorded a 2020 turnover of approximately € 101.4 million and an EBITDA of € -14.1 million. Also, in 2020, the portal has received almost 65 million visits with 500,000 customers who made 637,000 orders with an average receipt of € 287.

Roberto Panfili, Co-founder and COO of Portobello S.p.A., said: "*The acquisition of the ePrice portal certainly represents a milestone in the growth of Portobello, which as of today, while maintaining its focus on the development of its chain of physical stores,*

becomes one of the leading Italian e-commerce players. Thanks to the 20-year leadership of this platform, the company has a first-class asset to strengthen its multi-channel sales."

Objectives of the acquisition, achievable synergies and effect of the transaction on the Company

The transaction will be finalized with the economic and operational support of the Spanish company Riba Mundo Tecnologia S.L., a European market leader in the purchase and resale of electronic products in the B2B segment. Thanks to the flexibility of Portobello's business model and the support of Riba Mundo Tecnologia S.L., the acquisition of the business unit will enable the Company to:

- become an omnichannel operator by creating strong synergies between online (e-commerce) and offline (retail chain) aimed at increasing brand awareness, customer loyalty and optimizing touch points with the consumers;
- expand the product range on the *eprice.it* portal with some categories of the Portobello retail chain to strengthen the online offer, marginality and competitiveness of the e-commerce portal;
- rapidly develop economies of scale both on costs related to logistics, shipping, communication and marketing and on margins by being able to obtain more favorable terms from suppliers;
- develop a competitive B2B offer for SMEs, which make up the vast majority of the Italian industrial fabric, also thanks to the advertising exchange mechanism.

Pietro Peligra, President of Portobello S.p.A., said: *"This operation allows us to accelerate our growth path and improve all the main economic and financial indicators thanks to the synergies that will be created and the unique positioning that Portobello will have in a market where we are already more competitive than most existing operators."*

Terms and conditions of the operation

The business unit will be acquired through PB Online S.r.l., a company incorporated in May 2022 and which will be equally owned and managed with Riba Mundo Tecnologia S.L. with which Portobello has agreed to finalize the joint investment.

The price for the sale and purchase of the business unit is about € 6 million, paid in full to the selling party in cash on the closing date and in part by taking over the debt of about € 900,000, inherent to the 25 employees being transferred within the business unit.

The purchase transaction will be supported 50% by Portobello through a loan granted by a leading international credit institution and the remaining 50% by Riba Mundo Tecnologia S.L.

It is expected that the closing of the acquisition can be performed within the technical timeframe foreseen for this kind of transaction, as soon as the tendering procedures, including the union procedure for the transfer of employees are completed, with an estimate of approximately 90 days.

The branch, as it was acquired from a company in pre- bankruptcy proceedings, will be free of encumbrances and debts in addition to those expressly subject to take-over.

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The transaction described above falls within the significant transactions referred to in Article 12 of the Euronext Growth Milan Issuers' Regulation.

Portobello is assisted in legal matters by the law firm Simmons & Simmons.

The press release is available online at www.portobellospa.com in the Investor Relations section and at www.linfo.it

Portobello S.p.A. founded in Rome in 2016 and listed on the Euronext Growth Milan market, operates through 3 Business Units active in the Media & Advertising, Retail and B2B sectors. The Company deals with the resale of advertising space, either owned or purchased from third parties, for monetary consideration or through the barter system. The Company also operates a chain of shops under the Portobello brand. In 2021, it achieved Revenues of EUR 88.2 million with EBITDA of EUR 16.5 million and a Net Profit of EUR 8.8 million.

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