

Maia, 31st July 2021

(Translation from the Portuguese original)

Announcement

Sonae SGPS, S.A. (“Sonae SGPS”) hereby announces that it has reached an agreement to sell 24.99% of the share capital of Sonae MC, SGPS (“Sonae MC”) to Camoens Investments S, á r. l, an entity that is indirectly owned by funds advised by CVC Advisers Company (Luxembourg) S. á r. l. (“CVC Funds”).

Sonae MC is the leading Portuguese grocery retailer with almost 1,000 company operated stores, €5.2 billion turnover and €527 M underlying EBITDA based on the last twelve months results¹, comprising a multi-format portfolio to capture all shopping missions and having one of the most recognised brands in Portugal.

CVC Funds are financial investors with a successful track-record of partnerships across the globe. CVC Funds are investing through their Strategic Opportunities platform, with its long-term investment horizon, and will be bringing its extensive experience in retail and a long history of supporting organic and inorganic growth initiatives, supporting Sonae MC in the execution of its strategy.

This transaction allows Sonae SGPS to partner with a top-tier investor to support the growth plan of Sonae MC, while retaining a controlling position in a pivotal asset in its portfolio. This partnership is part of Sonae SGPS’s active portfolio management strategy, aiming to put in place the optimal shareholder structure for each of its businesses and joining forces with highly experienced partners.

The transaction entails the sale of 24.99% of the share capital of Sonae MC for cash proceeds of €528 million. In addition to the cash proceeds, the consideration includes a contingent deferred cash payment of up to c. €63 million to Sonae SGPS, which can bring the equity value for 100% of the share capital of Sonae MC up to

¹ Proforma unaudited figures reported according to IFRS 16. Restated to consider Maxmat as a discontinued operation. Turnover and underlying EBITDA figures computed based on figures reported for last four quarters ending on June 2021.

Head Office

Lugar do Espido, Via Norte, Maia
Share Capital: €2.000.000.000,00
Maia Commercial Registry and Fiscal Number 500273170
Sociedade Aberta

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c. €2,363 million corresponding to an enterprise value of c. €4,047 million and an enterprise value / EBITDA multiple of 7.7x² based on the last twelve months results.

“We are excited to partner with CVC Strategic Opportunities and we truly believe this long-term partnership will further strengthen Sonae MC and its growth strategy. Partnering with one of the most successful institutional investors in the world fully validates the strong track-record of Sonae MC and its team, particularly after the challenges posed by the pandemic. Sonae is very proud of Sonae MC’s journey and enthusiastic about the opportunity to continue to support its growth.” said Cláudia Azevedo, Sonae SGPS CEO.

“CVC Strategic Opportunities is delighted to invest in Sonae MC as the leading grocery retailer in Portugal and partner with Sonae SGPS and the Azevedo family. Under the leadership of Luís Moutinho, Continente has developed excellent offerings for all Portuguese families and has established strong customer loyalty and engagement both in stores and online. We look forward to bringing CVC’s expertise to fuel its long-term growth and continued success”, said Jan Reinier Voûte, Co-Head of CVC Strategic Opportunities.

The completion of the transaction is expected to occur in August of 2021 and is not subject to any conditions precedent. The transaction is not expected to generate any capital gains or losses for Sonae SGPS.

Sonae SGPS was advised by Goldman Sachs International as exclusive financial adviser and the law firm Morais Leitão, Galvão Teles, Soares Da Silva & Associados - Sociedade De Advogados and Deloitte Corporate Finance, S.A..

CVC was advised by J.P.Morgan, the law firms Cuatrecasas and Freshfields Bruckhaus Deringer, PwC, and McKinsey & Company.

The Representative for Market Relations,

² Assuming Net Debt of €1,685m, corresponding to €1,750m as of June 2021 (which was restated to consider Maxmat as a discontinued operation) less €65m of estimated proceeds from sale of Maxmat.

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