PRESS RELEASE /

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SONAE ESTABLISHES STRATEGIC PARTNERSHIP WITH CVC STRATEGIC OPPORTUNITIES FOR SONAE MC

Agreement for the sale of a minority stake in Sonae MC, valuing Sonae's food retail unit at up to €2.4bn in Equity.

Sonae has entered into an agreement with CVC Strategic Opportunities for the sale of a minority stake of 24.99% in Sonae MC for €528 million in cash proceeds plus a contingent deferred payment of up to €63 million.

This agreement establishes a strategic partnership between one of the largest Portuguese economic groups and a top-tier investor that shares the same vision of Sonae MC and supports its growth plan, while Sonae retains a controlling position. This partnership is aligned with Sonae's active portfolio management strategy, targeting the optimal shareholding structure for each of its businesses and bringing highly experienced and value-added partners.

CVC Strategic Opportunities is a an internationally recognised investor with a successful track-record of partnering across the globe, that is investing in Sonae MC in a long-term investment horizon. CVC will add its extensive experience in retail, as well as a long history of supporting organic and inorganic growth initiatives, which is expected to support Sonae MC on its strategy.

Claúdia Azevedo, Sonae's CEO, says: "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".

Jan Reinier Voûte, Co-Head of CVC Strategic Opportunities, says: "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

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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."

Sonae MC is the leading Portuguese food retailer in Portugal, with almost 1,000 company operated stores, operating through a multi-banner and omnichannel portfolio to capture all shopping missions, being also a highly recognized brand in Portugal. In the last 12 months, Sonae MC registered a turnover of €5.2 bn and generated €527 million of underlying EBITDA.

The transaction entails the sale of 24.99% of the share capital of Sonae MC for upfront cash proceeds of €528 million. In addition to the upfront cash proceeds, the transaction includes a contingent deferred cash payment of up to c. €63 million for Sonae, which can bring the equity value for 100% of the share capital of Sonae MC up to c. €2.4 bn and its Enterprise Value up to €4 bn, corresponding to an Enterprise Value / EBITDA multiple of 7.7x based on the last twelve months results. The completion of the transaction is expected to occur in August 2021 and is not subject to any conditions precedent.

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

About CVC Strategic Opportunities

Established in 1981, CVC is a world leader in private equity and credit with $114.8 billion of assets under management, $162.7 billion of funds committed and a global network of 24 local offices: 16 across Europe and the Americas and eight in the Asia Pacific region. CVC's private equity platform manages $86.6 billion of assets and comprises four strategies: Europe/Americas; Asia; Strategic Opportunities; and Growth Partners, each of which benefits from CVC's global platform. CVC Strategic Opportunities was founded in 2014 to invest in high-quality businesses that may not suit a traditional private equity mandate. Its strategy has a core focus on corporate private equity investments with a lower risk profile, primarily in Europe and North America.