



**ESPRINET: RECORD GROWTH IN Q2 2020, +9%
THE H1 2020 CLOSES WITH REVENUES
APPROX. 920 EURO MLN, +7%
POSITIVE NFP FOR APPROX. 110 EURO MLN
WITH STRONG GROWTH EXPECTED FOR EBITDA**

- SALES FROM CONTRACTS WITH CUSTOMERS Q2 2020: approx. €920 mln, +9% (Q2 2019: € 842,0)
- SALES FROM CONTRACTS WITH CUSTOMERS: approx. € 1.834 mln, +7% (H1 2019: € 1.717,5 mln)
- CASH CONVERSION CYCLE: approx. 12 days (H1 2019: 28 days)
- NET FINANCIAL POSITION: positive for approx. € 110 mln (positive for approx. € 215 mln pre-IFRS 16); H1 2019: negative for € 183,1 mln

Vimercate (Monza Brianza), July 28th 2020 - The Board of Directors of ESPRINET (PRT:IM), which met yesterday under the chairmanship of Mr. Maurizio Rota, has examined the preliminary figures as at June 30th 2020.

Alessandro Cattani, CEO of ESPRINET: "We are very pleased to report preliminary half year figures with a strong growth in demand for PCs and Smartphones. We have been able to take advantage of this opportunity on all our reference markets, achieving the highest market share of the last three years and making it the main driver of growth in our revenue, which stood at approx. 1,834 million euros, recording a growth of +7% compared to the previous year. During 2020 we also implemented a series of measures aimed at further improving the efficiency of the capital structure, which were fully reflected in the optimization of the Cash Conversion Cycle (went down to approx. 12 days), more than halved compared to the previous half, and in the Net Financial Position (positive for approx. 110 million euro). These results allow us to have the maximum operational flexibility necessary for the optimal management of our business. From the point of view of profitability, there is also a strong improvement in consolidated EBITDA compared to the previous half year, despite the one off cost incurred for the acquisition of GTI. The month of July is also showing a significant double-digit revenue growth".

Sales from contracts with customers stood at approx. 1.834 million Euros, an increase of +7% compared to 1,717.5 million Euros in the first half of 2019. In the second quarter, the Group reported revenues of approx. 920 million Euros, up by +9% compared to Q2 2019 (842.0 million Euros) thanks above all to the excellent performances achieved in the months of May and June. **Revenues by Geographical Area** show an outperformance compared to the market for Spanish activities (+10%) and sales on the Portuguese territory, which recorded a performance of +68%, rewarding the investments made for the local warehouse. Revenues in Italy grow by +7%.

ESPRINET consolidates its market shares and in the second quarter of 2020 the Group records the best result of the last 3 years in the three geographies where it is present.



The **Sales by product line** show a significant increase in the Consumer Electronics segment (+ 15%), driven by the growth of + 23% for Smartphones, and in the IT Clients segment (+ 5%) due to the strong increase in PCs (+ 12%).

The breakdown of **Sales by customer type** shows similar growth in both the "consumer" and "business" segments.

The **Cash Conversion Cycle** continues the continuous improvement trend and closes at approx. 12 days (-22 days compared to the peak of the beginning of 2018), with a sequential reduction of 8 days compared to Q1 2020 and an improvement compared to Q2 2019 of 16 days.

The **Net Financial Position** at 30 June 2020 was positive for approx. 110 million Euros, a significant improvement compared to 31 March 2020 (negative for 127.1 million Euros) and compared to 30 June 2019 (negative for 183.1 million Euros), essentially due to the better management of working capital. The Net Financial Position at 30 June 2020 pre-IFRS 16 was positive for approx. 215 million Euros (negative for 90.0 million Euros at 30 June 2019).

APPOINTMENT OF THE CHIEF OPERATING OFFICER

ESPRINET announces that the Company's Board of Directors, with the favorable opinion of the Appointments and Remuneration Committee, has appointed Mr Giovanni Testa as Chief Operating Officer effective since July 27th 2020.

Mr Giovanni Testa, was born in Milan on 26 May 1968, after graduating in Law, started his career in the field of Control Management.

With his entry into Esprinet he was able to further enhance his skills in Credit, Treasury and Data-warehouse. Over the years, thanks to his experience in Control Management and the Credit area, he has been able to develop excellent relationships with both clients and suppliers of the Group, working directly with the Commercial Management.

In November 2016, he was appointed as Esprinet Group Italy Business Operations Manager with five commercial management areas reporting to him.

The curriculum vitae of Mr Testa is available on the Company's website at www.investor.esprinet.com.

RESIGNATION OF VALERIO CASARI FROM THE BOARD OF DIRECTORS

ESPRINET announces that Mr Valerio Casari, for personal reasons, has resigned from his role of Executive Director and Group Chief Financial Officer of Esprinet S.p.A. and from any other position, function and role held in Esprinet SpA and in any other company of the Esprinet Group. The Board of Directors accepted the resignation of Mr Valerio Casari.

During a twenty-year period of collaboration, Mr Valerio Casari was a major contributor to the birth and subsequent development of the Esprinet Group, including the listing on the Stock Exchange that took place in July 2001. The Board of Directors thanked and expressed deep gratitude to the Mr Valerio Casari for the commitment and the important contribution made to the Group in recent years, wishing him the best for his future professional life.



The agreement for the termination of relationship with Mr Valerio Casari was approved by the Board of Directors of Esprinet, with the favorable opinion of the Appointments and Remuneration Committee.

Pursuant to the agreement, and in line with the provisions of the remuneration policy approved by the AGM of Esprinet, the Company will pay Mr Valerio Casari, in addition to the pro rata fixed accrued remuneration and severance indemnities due by law: (i) an indemnity for the termination of all relationships between the Company and Mr Valerio Casari equal to € 680,000; (ii) the payment of the yearly bonus in the maximum annual gross amount of Euro 240,000 , of which the gross portion related to the over-performance, equal to Euro 80,000, with deferred payment to the next year; (iii) the upfront payment of a gross compensation equal to Euro 470,000 as consideration for the non-compete agreement; (iv) the assignment of a number of free allotment rights of the same number of Esprinet ordinary shares to be calculated, on a pro rata temporis basis with respect to the overall vesting period, on the maximum number of allotment rights attributed to Mr Valerio Casari; (v) the contribution of € 30,000, plus VAT and CPA, for the legal fees of Mr Valerio Casari in relation to the agreement.

APPOINTMENT OF THE INVESTOR RELATIONS MANAGER

ESPRINET announces that as of today, Mrs Giulia Perfetti has been appointed as the new Investor Relations Manager of the Group.

Mrs Giulia Perfetti, was born in Milan on November 25th 1974. After completing her degree in economics at Bocconi University in Milan, she began her professional career in Esprinet S.p.a. in 2000.

After holding numerous roles within the Marketing Department, she was appointed Head of Group Vendor Management in July 2019 reporting directly to the CEO.

DEFINITION OF INDICATORS AND TARGETS FOR THE SHORT-TERM VARIABLE REMUNERATION SYSTEM OF EXECUTIVE DIRECTORS

In compliance with the provisions of the Remuneration Policy Report approved by the AGM of Esprinet Spa held on May 25th 2020, the Company informs that the performance indicators, relative weights and targets for the short-term variable remuneration system of executive directors have been defined.

The first performance indicator weighing 45% of the total was defined as the Adjusted EBITDA. The second performance indicator weighing 40% of the total was defined as the ratio between Adjusted EBITDA and Financial Charges.

The third performance indicator with a weight of 7.5% of the total was defined as a Customer Satisfaction indicator.

The fourth performance indicator with a weight of 7.5% of the total was defined as an Employee Engagement indicator.

CHANGE IN CORPORATE EVENTS CALENDAR

ESPRINET also informs that with respect to the annual calendar of corporate events for the year 2020 communicated to the market, the meeting of the Board of Directors for the approval of



the Half-Yearly Financial Report at 30/06/2020, originally scheduled on September 10th 2020, was moved to September 7th, 2020.

The officer charged with the drawing up of the accounting documents of the Company, Pietro Aglianò, declares that, in compliance with the provisions of paragraph 2 of art. 154-bis of T.U.F. - Finance Consolidation Act, the financial data shown in this press release corresponds to the findings resulting from accounting documents, books and accounting records.

The Esprinet Group (PRT:IM Esprinet Group (PRT:IM Esprinet Group (PRT:IM –ISIN IT0003850929) ISIN IT0003850929) ISIN IT0003850929) is the leading company in South Europe in the distribution of Information Technology and Consumer Electronics to IT resellers, VAR, System Integrators, specialised stores, retailers and e-commerce portals. With a consolidated turnover in 2019 of around Euro 4 billion, Esprinet ranks in the top 50 Italian industrial groups and in the top 10 distributors worldwide. Thanks to the work of its 1,300 employees and a business model based on the coexistence of different sales channels tailored to the specific characteristics of over 30,000 reseller clients, Esprinet markets approximately 130,000 different products.

Press release available on www.esprinet.com

For more information:

INVESTOR RELATIONS

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