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PRESS RELEASE - BasicNet Group - K-Way France: agreement reached for the acquisition by the BasicNet Group of 100% of K-Way France. Letter of intent signed.

The BasicNet Group and K-Way France S.a.s., the licensee of the K-Way® brand in France, have reached an agreement for the acquisition by the BasicNet Group of the entire share capital of K-Way France by signing a letter of intent with the shareholders of K-Way France. The agreed purchase consideration provides for a fixed price and a variable price. The fixed price is equal to Euro 8 million, in addition to the value of the Shareholders' Equity of K-Way France at the end of 2021 (estimated at approx. Euro 10 million). The variable price, in any event for an amount not less than Euro 6 million, will be determined as a portion of K-Way France's reported net profits for the period 2022-2025. The transaction, which is expected to be finalised by June 30, 2022, is subject to the positive outcome of the legal, tax and labour law due diligence, to be completed by the first quarter of 2022, and to the definition and signing of the contractual documentation. The financial commitment needed for the transaction will be supported by the existing credit lines and by the foreseeable cash flow of the Group. The acquisition will allow the Group to further consolidate the growth of the K-Way® brand in one of its main markets and also in the country where the brand was created in the mid-1960's.

Turin, December 23, 2021