

## **DISCLOSURE DOCUMENT**

*Drawn up according to Article 5 of the Regulation approved by Consob with resolution no. 17221 of 12 March 2010, and subsequent modifications, concerning the extension of the pledge on Unieuro S.p.A. shares, granted by the majority partner of the company, and a pledge on the Italian Electronics Holdings S.r.l. quotas as guarantee of a new line of financing.*

Forlì, 20<sup>th</sup> of June, 2017

*Disclosure document available to the public at the registered office of Unieuro S.p.A. (Forlì, via V. G. Schiaparelli n.31), on the Unieuro S.p.A. website. ([www.unieurocorporate.it](http://www.unieurocorporate.it)) and on the authorized storage mechanism: E-Market Storage.*

## CONTENTS

CONTENTS .....	2
Main definitions .....	3
Introduction.....	4
1 Please Note.....	5
1.1 Risks related to potential conflicts of interest arising from the operation.....	5
2 Information related to the operation.....	5
2.1 Description of the characteristics, methods, terms and conditions of the operation .....	5
2.2 Indication of the related parties with which the transaction was made, the nature of the correlation and the nature and extent of the interests of those parties in the transaction .....	6
2.3 The economic reasons and convenience for the company of the operation.....	6
2.4 Method of determining the amount of the transaction .....	6
2.5 The operation, financial and economic effects and applicable relevance indexes.....	6
2.6 Impact of the operation on remuneration members of the Board of Directors of Unieuro and its subsidiaries .....	7
2.7 Interests of the members of the governing and supervisory bodies, general managers and executives of the issuer.....	7
2.8 Description of the activities carried out by the Related-Parties Committee in connection with the operation.....	7

## **Main definitions**

The terms listed below shall have the following meaning in the Disclosure Document:

<b>Borsa Italiana</b>	Borsa Italiana S.p.A., with registered office at Piazza degli Affari 6 - Milan.
<b>Related-Parties Committee</b>	The Committee of independent directors of Unieuro established within the Board of Directors of Unieuro and composed by Stefano Meloni and Marino Marin.
<b>Loan Agreement</b>	The long-term loan agreement, named "Euro Term and Revolving Credit Facilities Agreement" signed on 29 November 2013 between the Issuer and Banca IMI S.p.A., as financing Bank and Agent Bank, UniCredit S.p.A., Banca Popolare di Milano S.p.A. and Monte dei Paschi di Siena Capital Services Banca per le Imprese S.p.A., as financing banks.
<b>Disclosure Document</b>	The present disclosure document relating to More Significant Transactions between the related parties.
<b>New Financing</b>	The new credit facility for a maximum total amount equal to €50,000,000.00 granted in favour of Unieuro.
<b>Procedure</b>	The Procedure for Related Party Transactions approved by the Board of Directors of Unieuro on 12 December 2016.
<b>Issuer Regulation</b>	The Issuers Regulation adopted by CONSOB with resolution 11971/1999.
<b>Related Parties Regulations</b>	The regulation on related-party transactions approved by Consob with resolution 17221 of 12 March 2010, as subsequently amended.
<b>Unieuro or Company</b>	Unieuro S.p.A., with registered office in via v. g. Schiaparelli 31, Forlì, Tax No. and VAT number 00876320409, registered in the register of companies of Forlì-Cesena.
<b>TUF</b>	Legislative Decree 58/1998.

## Introduction

The disclosure document was prepared by Unieuro according to (i) Article 5 of the Related Parties Regulations and (ii) Article 11 of the Procedure.

The disclosure document was prepared with reference to the extension of the pledge on Unieuro S.p.A shares ("**Unieuro Pledge**") granted by the majority shareholder Italian Electronics Holdings S.r.l. ("**IEH**") and the pledge on the Italian Electronics Holdings S.r.l. quotas ("**IEH Pledge**") granted by: (i) International Retail Holdings S.r.l. ("**IRH**"); (ii) Giancarlo Nicosanti Monterastelli, Chief Executive Officer of the Company ("**GNM**"); (ii) Luigi Fusco, *Chief Operations Officer* of the Company ("**LF**"), (iii) Italo Valenti, *Chief Financial Officer* of the Company ("**IV**"), and (iv) Andrea Scozzoli, *Chief Corporate Development Officer* of the company ("**AS**", and in combination with IRH, GNM and LF, "**IEH Guarantors**"). The IEH Pledge and the Unieuro Pledge have been granted as a guarantee of the New Financing.

In particular, the Unieuro Pledge and the IEH Pledge are part of an effort to re-define the Financing Agreement, following the IPO of the Company's and the listing of its shares on the Italian Stock Exchange (STAR Segment); and the grant by the same financing banks of the New Financing.

In this context, the banks, as an essential condition for the provision of new funding, requested, *inter alia*, to IEH and the members of IEH (including the IEH's Guarantors) to extend the pledge, respectively on Unieuro shares and on IEH shares, owned by the same companies, also to the new credit facility.

At the date of the disclosure document in accordance with the procedure, IEH is considered a related party of the Company as controlling shareholder of Unieuro, holding a stake equal to 65.49% of the share capital of Unieuro. Similarly, the IEH Guarantors are considered related parties because: (a) IRH holds 70.49% of IEH, controlling shareholder of the Company; (b) GNM is Chief Executive Officer of the Company; (c) LF, IV and AS are Managers with strategic responsibilities of the Company.

## 1 Please Note

### 1.1 *Risks related to potential conflicts of interest arising from the transaction*

At the date of this Disclosure Document, Unieuro is controlled by IEH, which holds no. 13,098,427.00 of Unieuro ordinary shares representing the 65.49% of Unieuro's share capital. Similarly, IEH Guarantors are considered related parties because: (a) IRH holds the 70.49% of IEH, controlling shareholder of the Company; (b) GNM is Chief Executive Officer of the Company; (c) LF, IV and AS are Managers with strategic responsibilities of the Company.

Moreover, the transaction qualifies as transaction with related parties of greater importance according to the Related Parties Regulations and to the procedure, taking into account the total value of the new financing.

The transaction does not expose Unieuro to particular risks related to potential conflicts of interest, different from those typically arising out of transactions between related parties.

## 2 Information on the transaction

### 2.1 *Description of the characteristics, methods, terms and conditions of the transaction*

The Unieuro Pledge and the IEH Pledge are inserted are integral part of an effort to redefining the Financing Agreement and in particular of the granting of new credit facility from the same banks.

It is important to remember that, in view of the Company's IPO on the Italian Stock Exchange (STAR SEGMENT), on December 26 2016, the Company submitted to the financing banks a proposal to amend the Financing Agreement, in order to align it with the regulations applicable to listed companies and to the market practices for financing operations in favour of listed companies ("**Proposal of Amendment**"). This Amendment Proposal has been accepted by the banks on January 27, 2017.

The Issuer has also requested and obtained from the financial banks the granting of a new credit line for a total amount of €50,000,000 (i.e. the New Financing). In this context the financial banks, as an essential condition for the provision of new funding, asked for the extension to the new financing of the guarantees previously granted for credit lines provided for by the Loan Agreement.

In this context, IEH has agreed to extending the first-rank pledge on a number of Unieuro shares representing 65.49% of Unieuro's share capital in the interest of the Company, in order to ensure timely fulfilment by the Company of the obligations of payment according to the New Financing granted in its favour by the financial banks. In the same way, the members of IEH (among which the IEH's Guarantors) have granted to extend, as a guarantee of new financing, the pledge previously granted on the quotas held by the same company in the share capital of IEH.

The granting of the Unieuro Pledge and IEH Pledge is free of charge and therefore without Unieuro or its direct or indirect members being required to pay any consideration to IEH or

to the IEH Guarantors (without prejudice to the costs for the negotiation and drafting of agreements concerning the renegotiation and redefinition of the Loan Agreement and the establishment of a pledge, at the expense of the Company).

**2.2 *Indication of the related parties with which the transaction was made, the nature of the correlation and the nature and extent of the interests of those parties in the transaction***

At the date of this Disclosure Document, Unieuro is controlled by IEH, which holds no. 13,098,427.00, Unieuro ordinary shares representing 65.49% of Unieuro's share capital. Similarly, the IEH Guarantors are considered related parties because: (a) IRH holds the 70.49% of IEH, controlling shareholder of the Company; (b) GNM is Chief Executive Officer of the Company; (c) LF, IV and AS are Managers with strategic responsibilities of the Company.

The transaction is also part of the related parties transactions of "*greater importance*" under the criteria set out in the Annex 3 Related Party Regulations, because of the significance of the same (see Section 2.5 of the Disclosure Document).

**2.3 *The economic reasons and interest of the company in the transaction***

Unieuro Pledge and IEH Pledge result to be in the interest of the Company, as the planned extension of the pledge on Unieuro shares and IEH shares are necessary for the finalization of the new financing.

With reference to the interest of the Company, it should be noted that the granting of Unieuro Pledge and IEH Pledge is free of charge. Moreover, the new financing is aimed at funding certain acquisitions, which are considered strategical by the Company.

**2.4 *Method of determining the amount of the transaction***

The granting of Unieuro Pledge and IEH Pledge is free of charge and therefore without Unieuro or its direct or indirect members being required to pay any consideration to IEH or to the IEH Guarantors (without prejudice to the costs for the negotiation and drafting of agreements concerning the redefinition of the Loan Agreement and the establishment of a pledge at the expenses of the Company). There are not, therefore, elements that can cause doubts about the interest and the substantial fairness of economic conditions related to the granting of Unieuro Pledge and the IEH Pledge.

Based on these considerations, the Related-Parties Committee gave a favourable opinion about about the interest and the substantial fairness of economic of the transaction. The opinion of the Related-Parties Committee is enclosed to this Disclosure Document.

There have not been requested opinions for independent experts to support the congruity of the economic conditions of the transaction.

**2.5 *The transaction, financial and economic effects and applicable relevance indexes***

In the light of what has been pointed out previously, the granting of Unieuro Pledge and IEH Pledge does not cause any significant effect of an economic or financial nature.

The granting of Unieuro Pledge and IEH Pledge result to be a transaction of greater importance. This assessment was made considering the relevant index of the equivalent value intended, in the present case, as maximum amount object of guarantee, equal to a maximum of €50 million.

**2.6 *Impact of the transaction on the remuneration of the members of the Board of Directors of Unieuro and its subsidiaries***

The granting of Unieuro Pledge and IEH Pledge does not involve any change in the fees of the Unieuro's directors.

**2.7 *Interests of the members of the governing and supervisory bodies, general managers and executives of the issuer***

The transaction does not involve the interests of members of the Board of Directors, members of the Board of statutory auditors, and managers with strategic responsibilities of Unieuro.

**2.8 *Description of the activities carried out by the Related-Parties Committee in connection with the transaction***

According to Article 4 of the Related-Party Procedure, in the case of transactions between related parties, it is expected, *inter alia* that the Related-Parties Committee express – in good time in order to allow the relevant corporate body to deliberate about it – a non-binding substantiated opinion related to the transaction.

The Related-Parties Committee received, in advance, the information and documents about the transaction. The Related-Parties Committee expressed- on May 10, 2017, its favourable opinion in relation to the granting of Unieuro Pledge and IEH Pledge and, in particular, with regard to the interest of the Company in the completion thereof and substantial fairness of the conditions.

The opinion of the Related-Parties Committee is annexed to this Disclosure Document.

During the meeting dated May 10 2017, the Company's Board of Directors took note of the favourable opinion of the Related-Parties Committee and, with no abstentions or contrary votes, approved the transaction.

Forlì, June 20, 2017

Giancarlo Nicosanti Monterastelli

(CHIEF EXECUTIVE OFFICER)

**OPINION ON EXTENSION OF PLEDGE TO GUARANTEE NEW LOAN AGREEMENT**

prepared pursuant to the Unieuro S.p.A. Procedure for Related-Parties Transactions

Milan, 10 May 2017

## **Main definitions**

The terms listed below shall have the following meaning in the Disclosure Document:

<b>Borsa Italiana</b>	Borsa Italiana S.p.A., with registered office at Piazza degli Affari 6 - Milan.
<b>Related-Parties Committee</b>	The Committee of independent directors of Unieuro established within the Board of Directors of Unieuro and comprising Stefano Meloni and Marino Marin.
<b>Loan Agreement</b>	The medium/long-term loan agreement, named “Euro Term and Revolving Facilities Agreement” signed on 29 November 2013 between the Issuer and Banca IMI S.p.A., as financing bank and agent bank, UniCredit S.p.A., Banca Popolare di Milan S.p.A. and Monte dei Paschi di Siena Capital Service Banca per le Imprese S.p.A., as financing banks.
<b>Opinion</b>	This opinion relating to a transaction with related parties of greater importance.
<b>New Financing</b>	The new credit facility for a maximum total amount equal to €50,000,000.00 granted in favour of Unieuro.
<b>Procedure</b>	The Procedure for Related Party Transactions approved by the Board of Directors of Unieuro on 12 December 2016, as subsequently amended.
<b>Issuer Regulation</b>	The Issuer Regulation adopted by CONSOB with resolution 11971/1999.
<b>Related Parties Regulations</b>	The regulation on related-party transactions approved by Consob with resolution 17221 of 12 March 2010, as subsequently amended.
<b>Unieuro or Company</b>	Unieuro S.p.A., with registered office in via V. G. Schiaparelli 31, Forlì, Tax No. and VAT number 00876320409, registered in the register of companies of Forlì-Cesena.
<b>TUF</b>	Legislative Decree 58/1998.

## **Introduction**

The opinion is issued by the Related-Parties Transaction Committee of Unieuro S.p.A. with reference to the extension of the pledge to guarantee the obligations arising for the Company by virtue of the New Financing (“**Extension of the Pledge**”).

## **Description of the transaction.**

The transaction is an extension of the pledge on Unieuro S.p.A. shares. (“**Unieuro Pledge**”) granted by the majority shareholder Italian Electronics Shareholdings S.r.l. (“**IEH**”) and of the pledge on quotas of Italian Electronics Holdings S.r.l. (“**IEH Pledge**”) granted by: (i) International Retail Holdings S.à.r.l. (“**IRH**”); (ii) Giancarlo Nicosanti Monterastelli, Chief Executive Officer of the Company (“**GNM**”); (ii) Luigi Fusco, Chief Operations Officer of the Company (“**LF**”), (iii) Italo Valenti, Chief Financial Officer of the Company (“**IV**”), and (iv) Andrea Scozzoli, Chief Corporate Development Officer of the Company (“**AS**”, and jointly with IRH, GNM and LF, “**IEH Guarantors**”), to guarantee the obligations arising for the Company by virtue of the New Financing.

In particular, the Unieuro Pledge and the IEH Pledge are part of an effort to re-define the Financing Agreement, following the IPO of the Company's and the listing of its shares on the Italian Stock Exchange (STAR Segment); and the grant by the same financing banks of the New Financing. Against this background, the lending banks – as an essential condition for disbursing the New Financing – have asked inter alia for IEH and the members of IEH (including the IEH Guarantors) to extend the pledge, respectively on the Unieuro and IEH shares owned by the same companies, also to the new credit facility.

At the date of this Opinion, IEH is considered a related party of the Company as controlling shareholder of Unieuro, holding a stake equal to 65.49% of the share capital of Unieuro. Similarly, the IEH Guarantors are considered related parties because: (a) IRH holds 70.49% of IEH, the controlling shareholder of the Company; (b) GNM is Chief Executive Officer of the Company; (c) LF, IV and AS are Managers with Strategic Responsibilities of the Company.

## **Enquiry**

The Committee was involved in the initial phase of the negotiations and in the enquiry phase relating to the Extension of the Pledge, sending timely and appropriate information flows and regularly receiving updates from Company management as regards the activities in progress.

Specifically:

- on 12 April, the members of the Committee were informed, at a board meeting held on that date, of the Company's intention to request the grant of a new credit facility to support the acquisitions that the board had resolved to undertake;
- on 10 May 2017, the Committee was informed by the Company on the progress of the negotiations for the grant of the New Financing and the guarantees required by the Banks, including the Extension of the Pledge.

In accordance with the Procedure, the Committee has been asked to express its opinion on the Company's interest in performing the transaction, as well as on its convenience and formal correctness.

On May 10, 2017, Mr Marin, director of the Company, was informed that Banca Interprovinciale S.p.A. is one of the lenders; Mr Marin acted, in the past, via a company controlled by himself, as financial advisor to the bank. However, he has been oblivious of the transaction with the Company, until then.

Mr Meloni, after consulting with the Company's legal counsel, Lukas Plattner, such a circumstance does not jeopardize Mr Marin's independence, in respect of the Extension of the Pledge.

The Opinion was expressed unanimously by the members of the Committee; in performing its activities the Committee has engaged with and/or requested clarifications from Company management. Moreover, the Committee examined the Information Memorandum on the Loan Agreement and the New Financing, which was drawn-up by the Company.

## **Conclusions**

This Committee,

- having acknowledged the information and documentation received from the Company;
- having acknowledged the strategic interest in undertaking the transaction as a whole, as expressed by the relevant corporate bodies of the Company;

considers that the Extension of the Pledge is advantageous and correct, in the interest of the Company and its Shareholders.

Consequently, in accordance with the Procedure, the Committee expresses its favourable opinion as regards Unieuro's interest in carrying out the transaction as a whole and the Extension of the Pledge in particular, as well as the fairness and substantial correctness of the relevant conditions.

Milan, 10 May 2017

(For the Committee)