

MARKET UPDATE: SALE OF SURFDOME SHOP LIMITED

12 October 2017

The Administrators of SurfStitch Group Limited and SurfStitch Holdings Pty Limited ("the Companies"), John Park, Quentin Olde and Joseph Hansell of FTI Consulting, announce the sale of its wholly owned UK subsidiary, Surfdome Shop Limited ("Surfdome") to Internet Fusion Limited ("Internet Fusion").

The Companies had agreed terms and entered into an exclusive process with Internet Fusion in relation to the Surfdome transaction before the appointment of Administrators to the Companies.

Surfdome is the leading board sports online retailer based in the UK, delivering to surf, skate and snow customers across Europe. Internet Fusion is a UK based sports and adventure retailer, servicing a number of distinct markets with specialist websites via its proprietary eCommerce platform.

Quentin Olde, one of the joint administrators, said "The sale of Surfdome to a synergistic Buyer, Internet Fusion, is a good outcome for the ongoing growth of the Surfdome business and continues with the execution of the restructuring plan for the group to sell down non-core assets to focus on the profitable and successful SurfStitch Australian business".

Internet Fusion has paid cash and has an obligation to pay deferred consideration for the acquisition. The total consideration (including the deferred consideration) for the acquisition amounts to c.GBP £7m.

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