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PRESS RELEASE
BASICNET – 9M 2019 COMMERCIAL RESULTS HIGHLIGHT CONTINUED GROWTH:

- aggregate sales: Euro 777.6 million, +22.8% (+18.7% at like-for-like exchange rates),
- consolidated revenues: Euro 235.8 million, +55.2% (+54.9% at like-for-like exchange rates).

Turin, November 8, 2019 The Board of Directors of BasicNet S.p.A., in a meeting today chaired by Marco Boglione, reviewed the Group 9M 2019 commercial performance.

In summary:

- aggregate sales of Group brand products by the Global licensee Network of Euro 777.6 million, up 22.8% at current exchange rates (+18.7% at like-for-like exchange rates) - as follows:¹
 - commercial licensee sales of Euro 565.4 million, Euro 453.4 million in 9M 2018, +24.7% at current exchange rates (+21.4% at like-for-like exchange rates);
 - productive licensee sales of Euro 212.2 million, Euro 179.7 million in 9M 2018, +18.1% at current exchange rates (+11.7% at like-for-like exchange rates);
- European market grows 22.5%; major American market development (+50%) and in the Middle East and Africa (+43%); growth (+8.1%) also on Asian and Oceania markets;
- Consolidated revenues, comprising the royalties, sourcing commissions and sales of BasicItalia S.p.A., BasicRetail S.r.l., BasicRetail Suisse S.A. and Kappa Europe S.A.S., total Euro 235.8 million (Euro 151.9 million in 2018), up 55.2% at current exchange rates (54.9% at like-for-like exchange rates). This growth was supported by the entry of the French Group into the consolidation, net of which consolidated revenues grew 18.1% over 9M 2018. Consolidated revenues break down as follows:
 - royalties and sourcing commissions of Euro 40 million (Euro 38.9 million in 9M 2018), +2.8% at current exchange rates (+1.6% at like-for-like exchange rates). 9M 2019 royalties do not include Euro 5.1 million matured on revenues generated by Kappa Europe Group, which joined the consolidation from January 1, including which growth of 15.9% would have been reported against 9M 2018;
 - direct consolidated sales of Euro 195.8 million (Euro 113 million in the same period of 2018), +73.3% (both at current and like-for-like exchange rates). Excluding Kappa Europe's revenues, direct consolidated sales grew 18.9%.

Outlook

The strong operating performance is expected to continue during the remainder of the year on the basis of the current figures.

¹ aggregate sales did not change following the acquisition of the Kappa Europe Group, whose revenues are included in 2018 and 2019 aggregate sales

The Chief Executive Officer Federico Trono will present to the market the 9M 2019 commercial results during a video conference to be held **this afternoon at 5 PM**. To participate, click:

[Join Skype Meeting](#)

or telephone: +39 02 00624808

(ID conference: 112773360 and PIN conference: 47794)

The presentation may be downloaded from the website www.BasicNet.com, from the section: "financial data/other information and presentations"

(www.basicnet.com/contenuti/dati finanziari/informazioni annuali.asp?menuSelectedID=3g&language=IT) shortly before the video conference.

In relation to the "alternative performance indicators", as defined by CESR/05-178b recommendation and Consob Communication DEM/6064293 of July 28, 2006, we provide below a definition of the indicators used in this press release:

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| <ul style="list-style-type: none">• Commercial licensee aggregate sales: | sales by commercial licensees, recognised by the BasicNet Group to the "royalties" account of the income statement; |
| <ul style="list-style-type: none">• Productive licensee aggregate sales: | sales by productive licensees, recognised by the BasicNet Group to the "sourcing commissions" account of the income statement; |
| <ul style="list-style-type: none">• Consolidated revenues | the sum of royalties, sourcing commissions and sales of the subsidiaries BasicItalia S.p.A., BasicRetail S.r.l., BasicRetail Suisse S.A., Kappa Europe S.A.S. Group and of the parent company BasicNet S.p.A. |

The Executive Officer for Financial Reporting, Ms. Paola Bruschi, declares in accordance with Article 154-bis, paragraph 2, of the Consolidated Finance Act that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.