

BasicNet S.p.A.

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BASICNET – EBITDA up 40.9% in Q1 2021.

On April 27, the vaccination hub of the Humanitas hospital was inaugurated at the BasicVillage: first example collaboration between private business in Torino.

Turin, April 29, 2021. The Board of Directors of BasicNet S.p.A. has reviewed the Group performance for Q1 2021:

- **EBITDA:** Euro 9 million (Euro 6.4 million in Q1 2020, +40.9%);
- **EBIT:** Euro 6.1 million (Euro 3.5 million in Q1 2020, +74.8%);
- **net financial position:** Euro -78.5 million (Euro -83.3 million at March 31, 2020 and Euro -82.2 million at December 31, 2020).
- **aggregate sales** of Group products by the Global licensee Network of Euro 216.7 million, in line with Q1 2020 sales and as follows:
 - commercial licensees of Euro 160.3 million (Euro 159.2 million in Q1 2020, +0.7%) and
 - productive licensees of Euro 56.4 million (Euro 57.5 million in Q1 2020, -2%).

In particular, commercial licensees sales, despite the continuation of restrictive measures, grew across all the main markets (Europe +3.4%, Middle East and Africa +16.3%, Americas +1%), with the exception of Asia and Oceania (-29.2%), in which a licensee is currently being replaced;

- **consolidated revenues** of Euro 67 million (Euro 70.6 million in Q1 2020, -5.2%), as follows:
 - royalties from commercial and productive licensees: Euro 12.6 million (Euro 12.2 million in Q1 2020, +2.5%)
 - direct sales: Euro 54.4 million (Euro 58.4 million in 2020, -6.8%). Direct sales were impacted by the prolonged closure of plug@sell stores in Italy (in 2020 closures were limited to approx. three weeks in March, whilst in the first quarter of 2021 concerned the entire period, albeit not constantly), while sales by the subsidiary Kappa Europe grew 5.8%;

Outlook

in light of the ongoing pandemic crisis, It is rather difficult to make operating performance forecasts for the current year, even though the intensive vaccination campaigns across the leading countries and the related reopening forecasts suggest a possible return to normality. In this environment, the proven effectiveness of the business model and the major investments made in 2020 put the Group in a position to reboot and consolidate growth.

Vaccination hub opening

On Tuesday 27 April the Humanitas Gradenigo vaccination hub opened in Turin at BasicVillage, BasicNet's headquarter. The hub will have a vaccination capacity of 800 people per day.

BasicNet **President** Marco Boglione declared: *«We felt strongly compelled to answer the call and we're grateful to Humanitas for providing us with the opportunity to do so. We set up a vaccination hub in record time, inside our most prestigious commercial spaces and supplying all the necessary resources. I truly hope our initiative will be useful not only for all the BasicNet Group's human resources and their families, but also for Torino as a whole, and especially for the Aurora area where the company has been based for over 100 years».*

The Chief Executive Officer Federico Trono will present to the market the Q1 2021 results during a video conference to be held today at 6PM CET.

To join the video conference call (to be held in English), click on:

Attend the Microsoft Teams meeting

+39 02 0062 4808,,599721513# Italy, Milan (charges applied)

Telephone ID conference: 599 721 513#

The presentation may be downloaded from the website www.BasicNet.com, from the section: "financial data/other information and presentations" shortly before the video conference, at the following link:

www.basicnet.com/contenuti/datifinanziari/informazioniannuali.asp?menuSelectedID=3g&language=IT

In relation to the “alternative performance measures”, as defined by the ESMA/2015/1415 guidelines, we provide below a definition of the measures used in this press release:

- **Commercial licensees or licensees:** independent business owners, granted licenses to distribute Group brand products in their respective regions.
- **Productive licensees or sourcing centers:** third-party firms to the Group. Their function is to manufacture and market merchandise and are located in various countries worldwide, depending on what type of goods they produce.
- **Commercial licensee aggregate sales:** sales by commercial licensees, recognised by the BasicNet Group to the “royalties and sourcing commissions” account of the income statement.
- **Productive licensee aggregate sales:** sales by productive licensees, recognised by the BasicNet Group to the “royalties and sourcing commissions” account of the income statement.
- **Consolidated Revenues** the sum of royalties, sourcing commissions and sales of the licensee company BasicItalia S.p.A. and its subsidiaries BasicRetail S.r.l., BasicRetail Suisse S.A. and the companies of the Kappa Europe S.A.S. Group, in addition to the parent company BasicNet S.p.A..
- **EBITDA:** “operating result” before “amortisation and depreciation”.
- **EBIT:** “operating result”.
- **Net financial position:** total of current and medium/long-term financial payables, less cash and cash equivalents and other current financial assets.

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.