

BasicNet S.p.A.

Largo Maurizio Vitale, 1
 10152 Torino
 Italy
 phone +39 011 2617 1
 fax +39 011 2617 595
 e-mail: someone@basic.net
 pec: basicnet@legalmail.it
 www.basic.net

PRESS RELEASE
BASICNET – 9M 2023 RESULTS: CONSOLIDATED REVENUES OF EURO 297.5 MILLION + 5.3%, EBITDA OF EURO 44.7 MILLION + 1.3%.

Turin, October 31, 2023. The Board of Directors of BasicNet S.p.A. has reviewed the Group performance as at September 30, 2023:

- **consolidated revenues** of Euro 297.5 million (Euro 282.6 million in 9M 2022, +5.3%), which include:

- royalties from commercial and productive licensees: Euro 48.3 million (Euro 53.7 million in 9M 2022, -10.0%);
- direct sales: Euro 247.9 million (Euro 228.2 million in 9M 2022, +8.6%).

Direct sales grew on the same period of the previous year, partly due to the contribution of K-Way France S.a.s, acquired in April 2022. On the other hand, the corresponding royalties from the French subsidiary decreased.

- **aggregate sales** of Group brands products by the global Network of Euro 858.4 million worldwide, compared to Euro 929.4 million in 9M 2022 (-7.6%), as follows:

- commercial licensees and direct sales: Euro 625.2 million (Euro 649.9 million in 9M 2022, -3.8%).
- productive licensees sales: Euro 233.3 million (Euro 279.5 million in 9M 2022, -16.5%).

Commercial licensees and direct sales up 6.6% in Europe, a region accounting for approximately 71.1% of aggregate sales. European market performance was impacted by an unusually warm September, which has delayed autumn-winter season purchases. Sales in the other regions decline (Americas -31.5%, Asia and Oceania -25.1%, Middle East and Africa -10.8%), due to a contraction in consumption in some markets which saw extraordinary growth in the preceding period;

- **EBITDA:** Euro 44.7 million (Euro 44.1 million in 9M 2022, +1.3%);
- **EBIT:** Euro 32.2 million (Euro 33.3 million in 9M 2022, -3.3%), after amortisation and depreciation of Euro 6.5 million, increasing on 2022 as BasicVillage Milano becomes fully operational, and depreciation of right-of-use for Euro 5.9 million, increasing due to the new openings (9 direct sales points), as part of retail segment development;
- **Net financial position:** Euro -168.3 million (Euro -141.7 million at December 31, 2022 and Euro -144.6 million at September 30, 2022), including the remaining portion of the loans obtained to support the acquisition of the Sebago® brand and of the Kappa® brand for the territory of Japan (Euro 11.4 million), the loans to support major real estate investment (Euro 28.4 million Euro), and the remaining earnout for the acquisition of 100% of the share capital of K-Way France s.a.s. (Euro 9.7 million, against a total cost for the investment of Euro 36.9 million). The increase in the period is mainly due to the advance supply to satisfy promptly and in a timely manner market demand. In addition, dividends of approx. Euro 9 million were distributed in the first nine months of 2023 and treasury shares acquired for Euro 1.7 million.

Outlook

On the basis of the order portfolio and forecast royalties and sourcing commissions, consolidated revenues are expected to confirm the growth at year-end, thanks also to the ongoing retail component

development. The results from operations however remain contingent on the evolving global general economic and geopolitical environment.

The Chief Executive Officer Federico Trono will present the 9M 2023 results during a video conference to be held today, in English at 6PM.

Participate via computer or mobile app or remote device

[Click here to attend the meeting](#)

Meeting ID: 390 029 192 514 - Passcode: jjP3ni

Download Teams | Participate on the Web

Alternatively, attend by calling (only audio)

+39 02 0062 4808,,887399916# Italy, Milan - Telephone ID conference: 887 399 916#

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

<http://www.basicnet.com/contenuti/datifinanziari/informazioniannuali.asp?menuSelectedID=3a>

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:

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| <ul style="list-style-type: none"> Commercial licensees or licensees Productive licensees or sourcing centers Commercial licensees and direct aggregate sales Productive licensees aggregate sales | <p>independent business owners, granted licenses to distribute Group brands products in their respective regions.</p> <p>third-party firms to the Group. Their function is to manufacture and market products and are located in various countries worldwide, depending on what type of goods they produce.</p> <p>sales by commercial licensees, recognised by the BasicNet Group to the royalties account and the sales by the Group companies.</p> <p>sales by productive licensees, recognised by the BasicNet Group to the "royalties and sourcing commissions" account of the income statement.</p> |
| <ul style="list-style-type: none"> Brands aggregate sales Consolidated Revenues | <p>is the sum of "Commercial licensees and direct aggregate sales" and "Aggregate sales of productive licensees".</p> <p>the sum of royalties, sourcing commissions and sales of the BasicNet Group companies and real estate revenues from third parties.</p> |
| <ul style="list-style-type: none"> EBITDA EBIT | <p>"operating result" before "amortisation and depreciation".</p> <p>"operating result".</p> |
| <ul style="list-style-type: none"> Net financial position | <p>total of current and medium/long-term financial payables, less cash and cash equivalents and other current financial assets.</p> |

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.