

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 Group - Q3 2024 reports growth: consolidated revenues +4%, EBITDA +4.3%, EBIT +3.4%.

Turin, October 29, 2024. The Board of Directors of BasicNet S.p.A. has reviewed the Group performance as at September 30, 2024:

- **consolidated revenues** of Euro 296.1 million (Euro 297.5 million in 9M 2023, -0.5%), which include:
 - direct sales of Euro 250.5 million (Euro 247.9 million in 2023, +1.1%).
 - royalties from commercial and productive licensees of Euro 44.4 million (Euro 48.3 million in 9M 2023, -8.1%);
 - in Q3 alone, consolidated revenues grow 4% on 2023;
- **aggregate sales** of Group brands products of Euro 846.8 million worldwide, as follows:
 - commercial licensees and direct sales: Euro 623.6 million (Euro 625.2 million in 9M 2023, -0.2%);
 - productive licensees sales: Euro 223.1 million (Euro 233.3 million in 9M 2023, -4.3%).

Commercial licensees and direct sales grow in Europe (+7.3%), which accounts for approx 76.5% of aggregate sales, while reducing in the other regions (the Americas -30.9%, Asia and Oceania -24.7%, Middle East and Africa -5.4%), due to a general contraction in consumption.

- **EBITDA:** Euro 40.6 million (Euro 44.7 million in 9M 2023, -9.1%). In Q3 alone, EBITDA grows 4.3%;
- **EBIT:** Euro 26.9 million (Euro 32.2 million in 9M 2023, -16.4%), after amortisation and depreciation of Euro 6.8 million and depreciation of right-of-use for Euro 6.8 million, increasing due to the new openings (11 direct sales points), as part of retail segment development. In Q3 alone, EBIT grows 3.4%;
- **net financial position with banks** is of Euro -108.6 million (debt of Euro -92.6 million at December 31, 2023), improving compared to Euro -125.6 million at September 30, 2023; **net financial position:** Euro -160.5 million (Euro -139.1 million at December 31, 2023, -168.3 million at September 30, 2023).

Outlook

On the basis of the mono-brand store sales forecasts, the order portfolio and the forecasted stream of royalties and sourcing commissions, the last quarter is expected to perform in line with the previous year. The agreement signed last Friday regarding private equity firm Permira's strategic investment in the subsidiary K-Way S.p.A. confirms the effectiveness of our strategy and the willingness to continue supporting the medium and long-term growth.

In addition to what has already been reported in the press release issued to the market on October 25, 2024, concerning the information provided with regard to the agreement on the private equity firm Permira strategic investment in K-Way S.p.A., available at the link below, at the request of CONSOB pursuant to Article 114 of Legislative Decree No. 58/1998 ("CFA"), BasicNet S.p.A. (hereinafter referred to as the "Company" or the "Parent Company") provides the following additional information.

<https://www.basicpress.com/contenuti/media/resultMedia.asp?ID=183628>

Regarding the transaction's consideration that, subject to standard final computation of Net Financial Position and Net Working Capital at closing, will be approximately between 180 and 190 million euros, BasicNet will provide the K-Way Group with a vendor loan of 65 million euros, and the remainder will improve the Net Financial Position and be used to support the development projects of the Group brands.

Further information will be provided upon the completion of the transaction, expected in the early months of 2025.

The Chief Executive Officer Federico Trono will present the 9M 2024 results during a video conference to be held today in English at 6PM.

To participate:

Participate via computer or mobile app or remote device

Participate at the meeting now

Meeting ID: 392 181 465 78 - Passcode: 64og3X

Download Teams | Participate on the Web

Alternatively, attend by calling (only audio)

+39 02 0062 4808,,365496208# Italy, Milan – Conference Call ID: 365 496 208#

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:

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

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 brands products in their respective regions.
Productive licensees or sourcing centers	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.
Commercial licensees and direct aggregate sales	sales by commercial licensees, recognised by the BasicNet Group to the royalties account and the sales by the Group companies.
Productive licensees aggregate sales	sales by productive licensees, recognised by the BasicNet Group to the “royalties and sourcing commissions” account of the income statement.
Brands aggregate sales	is the sum of “Commercial licensees and direct aggregate sales” and “Aggregate sales of productive licensees”
Consolidated revenues	the sum of royalties, sourcing commissions and sales of the BasicNet Group companies and real estate revenues from third parties.
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.
Net financial position with banks	the Net financial position, net of payables for rights-of-use and payables for the acquisition of company shares.

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.