

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 – H1 2025: CONSOLIDATED REVENUES OF EURO 172.6 MILLION. POSITIVE NET FINANCIAL POSITION WITH BANKS IMPROVED BY EURO 117.1 MILLION.

Turin, July 31, 2025 - The Board of Directors of BasicNet S.p.A. has reviewed the Group performance for H1 2025:

- **aggregate sales** of Group brands products by the Global Network of Euro 567.1 million, up 4.3%, as follows:
 - commercial licensees and direct sales: Euro 392.7 million (Euro 390.3 million in H1 2024, +0.6%),
 - productive licensees sales: Euro 174.4 million (Euro 153.4 million in H1 2024, +13.7%).
 Commercial licensees and direct sales up 5.2% in Europe, a region accounting for 79.7% of aggregate sales. Sales in all other regions saw a decline: Asia and Oceania by 3.6%, the Middle East and Africa by 5.8%, and the Americas by 33.3%.
- **consolidated revenues** of Euro 172.6 million (Euro 173.9 million in H1 2024, -0.7%), as follows:
 - royalties from commercial and productive licensees of Euro 34.6 million (Euro 29.7 million in H1 2024, +16.6%);
 - direct sales: Euro 137.3 million (Euro 143.4 million in 2024, -4.2%). The decrease stems from the conversion of a number of distribution contracts into licensing agreements.

In order to provide a more accurate representation of the Group's operating performance during the period, the indicators below have been prepared on the basis of pro-forma consolidated financial statements, which exclude the income statement impacts of non-recurring charges related to the conclusion of commercial relationships or the settlement of various disputes (for approximately Euro 2.3 million), in addition to the extraordinary income statement impacts of the divestment, completed on February 28, of approximately 40% of the stake held in K-Way S.p.A. and in particular the related costs (amounting to Euro 18.3 million). The gain from the sale, provisionally amounting to Euro 140.1 million, is only recognisable in the separate financial statements of BasicNet S.p.A.

- **EBITDA***: Euro 15.1 million (Euro 17.6 million in H1 2024);
- **EBIT***: Euro 4.4 million (Euro 8.7 million in H1 2024), after amortisation and depreciation of Euro 4.9 million and depreciation of right-of-use for Euro 5.7 million, increasing due to the new openings (8 direct sales points), as part of retail segment development;
- **net profit***: Euro 0.8 million (Euro 2.8 million in H1 2024);
- **net financial position with banks**, including the effects of the sale of the stake in K-Way S.p.A., is positive for Euro 26.3 million (Euro -90.8 million at December 31, 2024). The **net financial position** improved from Euro -142.0 million at December 31, 2024 to Euro -32.6 million at June 30, 2025. Dividends of Euro 7.4 million were paid and treasury shares acquired for Euro 7.9 million, while the property loan undertaken by BasicVillage was settled early. The Debt/Equity Ratio improved significantly, from 0.83 in December 2024 to 0.11 at June 30, 2025.

* pro-forma net of a number of extraordinary and non-recurring costs, including the extraordinary effects from the sale of approximately 40% interest in K-Way S.p.A.

OUTLOOK

Against an uncertain geopolitical and macroeconomic backdrop, the Group remains focused on sustainable growth and brands enhancement over the medium to long term through a flexible and responsive approach.

Group CFO Marco Enrico will present the H1 2025 results during a video conference to be held today, in English, at 6PM.

Participate via computer or mobile app or remote device

Participate at the meeting now

Meeting ID: 388 797 307 359 4 / Passcode: 6GP2pE6T

Alternatively, attend by calling (only audio)

[+39 02 0062 4808.662684602](tel:+390200624808662684602) Italy, Milan - Conference Call ID: 662 684 602#

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 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”.
Contribution margin on direct sales	“gross margin”.
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.
Debt/equity ratio	this is an indicator of the financial structure of the balance sheet and is calculated as the ratio of financial debt to shareholders' equity.

The Executive Officer for Financial Reporting, Marco Enrico, 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.

The financial statements are attached.

FINANCIAL STATEMENTS

BasicNet Group Key Financial Highlights

<i>(Euro thousands)</i>	H1 2025	H1 2025 Pro forma (*)	H1 2024	Changes Vs. Pro forma	%
Brand aggregate sales **	567,074	567,074	543,664	23,409	4.3%
Royalties and sourcing commissions	34,623	34,623	29,684	4,939	16.6%
Consolidated direct sales	137,335	137,335	143,373	(6,038)	(4.2%)
Contribution margin on direct sales	61,257	61,257	59,910	1,347	2.2%
EBITDA	(5,468)	15,102	17,611	(2,509)	(14.2%)
EBIT	(16,167)	4,404	8,667	(4,263)	(49.2%)
Group Net Profit/(loss)	(19,014)	835	2,820	(1,984)	(70.4%)
Basic earnings/(loss) per ordinary share**	(0.4079)	0.0181	0.0572	(0.0392)	(68.4%)
Diluted earnings/(loss) per ordinary share **	(0.4072)	0.0179	0.0572	(0.0393)	(68.8%)

* pro-forma net of a number of extraordinary and non-recurring costs, including the extraordinary effects from the sale of approximately 40% of the company's stake in K-Way S.p.A.

** Data not audited

BasicNet Group Condensed Balance Sheet

<i>(Euro thousands)</i>	June 30, 2025	December 31, 2024	June 30, 2024
Property	38,919	39,781	38,341
Brands	59,235	59,174	59,169
Non-current assets	139,776	81,524	82,487
Rights-of-use	50,537	41,871	42,808
Current assets	300,910	245,356	242,016
Total assets	589,378	467,706	464,821
Group shareholders' equity	298,818	170,346	159,806
Non-current liabilities	68,269	95,791	103,211
Current liabilities	222,290	201,569	201,804
Total liabilities and shareholders' equity	589,378	467,706	464,821

BasicNet Group Summary Net Financial Position

<i>(Euro thousands)</i>	June 30, 2025	December 31, 2024	June 30, 2024	Changes vs December 31, 2024	Changes vs June 30, 2024
Net financial position – Short-term	(21,797)	(62,585)	(59,281)	40,788	37,484
Financial investments – Medium to long-term	50,100	-	-	50,100	50,100
Financial payables – Medium-term	(1,753)	(27,922)	(33,471)	26,169	31,718
Finance leases	(242)	(284)	(369)	41	126
Net financial position with banks	26,308	(90,791)	(93,121)	117,099	119,428
Payables for purchase of investments beyond one year	(6,432)	(8,081)	(8,081)	1,649	1,649
Payables for rights-of-use	(52,462)	(43,080)	(43,633)	(9,382)	(8,828)
Net Financial Position	(32,586)	(141,952)	(144,835)	109,366	112,249
Debt/equity ratio	0.11	0.83	0.91	(0.72)	(0.80)

BASICNET GROUP
Financial Statements

CONSOLIDATED INCOME STATEMENT

<i>(Euro thousands)</i>	H1 2025		H1 2024		Changes	
Consolidated direct sales	137,335	100.00	143,373	100.00	(6,038)	(4.21)
Cost of sales	(76,078)	(55.40)	(83,463)	(58.21)	7,385	8.85
GROSS MARGIN	61,257	44.60	59,910	41.79	1,347	2.25
Royalties and sourcing commissions	34,623	25.21	29,684	20.70	4,939	16.64
Other income	3,590	2.61	9,173	6.40	(5,583)	(60.87)
Sponsorship and media costs	(22,638)	(16.48)	(20,383)	(14.22)	(2,255)	(11.06)
Personnel costs	(27,704)	(20.17)	(24,382)	(17.01)	(3,322)	(13.63)
Selling, general and administrative costs, royalties expenses	(54,595)	(39.75)	(36,391)	(25.38)	(18,204)	(50.02)
Amortisation & depreciation	(10,698)	(7.79)	(8,944)	(6.24)	(1,754)	(19.61)
EBIT	(16,167)	(11.77)	8,667	6.05	(24,834)	(286.53)
Net financial income (charges)	(1,514)	(1.10)	(2,379)	(1.66)	865	36.37
Management of equity investments	(3)	(0.00)	(3)	(0.00)	-	-
PROFIT /(LOSS) BEFORE TAXES	(17,684)	(12.88)	6,285	4.38	(23,968)	(381.41)
Income taxes	(1,330)	(0.97)	(3,465)	(2.42)	2,135	61.62
NET PROFIT/(LOSS)	(19,014)	(13.84)	2,820	1.97	(21,833)	(774.35)
Attributable to:						
- Shareholders of the company	(16,624)	(12.10)	-	-	(16,624)	N.A.
- Minority shareholders	(2,390)	(1.74)	-	-	(2,390)	N.A.
Earnings per share:						
Basic	(0.4079)		0.0572		(0.465)	(812.63)
Diluted	(0.4072)		0.0572		(0.464)	(811.37)

CONSOLIDATED BALANCE SHEET

<i>(Euro thousands)</i>	June 30, 2025	December 31, 2024	June 30, 2024
Intangible assets	73,816	71,834	70,732
Rights-of-use	50,537	41,871	42,808
Goodwill	45,732	43,719	43,687
Property, plant and equipment	56,106	56,763	56,974
Equity invest. & other financial assets	55,439	1,980	1,246
Interests in joint ventures	172	175	185
Deferred tax assets	6,666	6,008	7,173
Total non-current assets	288,467	222,350	222,805
Net inventories	142,654	108,357	123,707
Trade receivables	66,809	84,073	72,885
Other current assets	56,562	10,985	14,385
Prepayments	9,373	10,645	9,900
Cash and cash equivalents	25,442	28,195	19,349
Derivative financial instruments	70	3,101	1,790
Total current assets	300,910	245,356	242,016
TOTAL ASSETS	589,378	467,706	464,821

<i>(Euro thousands)</i>	June 30, 2025	December 31, 2024	June 30, 2024
Share capital	31,717	31,717	31,717
Reserve for treasury shares in portfolio	(38,730)	(30,861)	(17,876)
Other reserves	324,845	144,226	143,145
Net Profit/ (loss) for the period	(19,014)	25,264	2,820
TOTAL GROUP SHAREHOLDERS' EQUITY	298,818	170,346	159,806
NON-CONTROLLING INTERESTS	36,943	-	-
Provisions for risks and charges	2,169	2,440	4,552
Loans	1,995	28,206	33,839
Payables for rights-of-use	52,462	43,080	43,633
Other financial payables	-	6,432	6,432
Employee and Director benefits	3,344	4,443	4,131
Deferred tax liabilities	6,722	9,507	8,397
Other non-current liabilities	1,576	1,684	2,227
Total non-current liabilities	68,269	95,791	103,211
Bank payables	87,239	90,780	78,630
Trade payables	96,881	82,294	96,762
Tax payables	5,701	5,254	6,181
Other current liabilities	21,413	14,546	13,447
Accrued expenses	3,890	8,648	6,510
Derivative financial instruments	7,166	48	274
Total current liabilities	222,290	201,569	201,804
TOTAL LIABILITIES	290,560	297,360	305,015
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	589,378	467,706	464,821

CONSOLIDATED CASH FLOW STATEMENT OF THE BASICNET GROUP

<i>(Euro thousands)</i>	June 30, 2025	June 30, 2024
A) OPENING SHORT-TERM NET BANK DEBT	(51,371)	(39,059)
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(loss) for the period	(19,014)	2,820
Amortisation & depreciation	10,698	8,944
Management of equity investments	3	3
Changes in working capital:		
- (increase) decrease of trade receivables	17,259	3,444
- (increase) decrease of inventories	(34,298)	(11,467)
- (increase) decrease of other receivables	(3,326)	2,930
- increase (decrease) of trade payables	14,542	19,804
- increase (decrease) of other payables	(4,671)	(4,328)
Net changes in employee and director benefits	(1,099)	260
Others, net	200	293
	(19,702)	22,703
C) CASH FLOW FROM INVESTING ACTIVITIES		
Investments in fixed assets:		
- tangible assets	(1,765)	(4,271)
- intangible assets	(4,677)	(4,302)
- financial assets	(3,010)	-
- Acquisition K-Way France franchisee	(1,727)	-
- Acquisition K-Way France	(1,649)	(1,657)
Realisable value for fixed asset disposals:		
- intangible assets	115	561
- financial assets	-	(294)
	(12,713)	(9,962)
D) CASH FLOW FROM FINANCING ACTIVITIES		
Undertaking of medium/long-term loans	41	308
Loan repayments	(32,173)	(8,169)
Repayment of loans for rights-of-use	(5,059)	(4,403)
Contribution from the sale of the stake in K-Way S.p.A.	170,389	-
Acquisition of treasury shares	(7,869)	(1,434)
Dividend payments	(7,449)	(7,421)
	117,880	(21,119)
E) CASH FLOW IN THE PERIOD	85,465	(8,378)
F) CLOSING SHORT-TERM NET BANK DEBT	34,094	(47,437)