

Completion of a related party property exchange transaction

Arezzo (AR), December 13, 2018 – Monnalisa S.p.A. (**"Monnalisa"** or the **"Company"**), the operative holding company of the Monnalisa Group, the high-end childrenswear leader, announces that the Board of Directors today approved the undertaking of a property exchange transaction involving a property owned by the Company located in Monte San Savino, Caggiolo Locality, viale Santa Maria delle Vertighe (the **"Monnalisa Property"**) and a property owned by the company P.J. S.r.l. (**"PJ"**), located in Civitella in Val di Chiana – Badia al Pino Locality, Via di Basserone (the **"PJ Property"**).

This transaction (the **"Transaction"**) was completed today, following the Board meeting, through the signing of a property exchange agreement, as per the deed drawn up by Mr. Giacomo Pieraccini, Notary in Arezzo (index no. 18251 - file no. 12466) (the **"Exchange Agreement"**).

The properties involved in the Transaction were subject to an expert opinion prepared by Mr. Stefano Lisi, as an independent expert with appropriate and proven professional standing, who valued the PJ Property at Euro 1,300,000.00 and the Monnalisa Property at Euro 1,000,000.00. The difference in value between the two properties was settled in cash simultaneously to the signing of the Exchange Agreement.

The Transaction is part of the reorganisation of Monnalisa Group (the **"Group"**) assets, according to the operative strategy undertaken ahead of the listing of the Company on the AIM Italia / Alternative Capital Market (**"AIM Italia"**), in order to provide the Monnalisa Group with the assets necessary to pursue business operations, such as the PJ Property - already leased to the Company - and the disposal of assets no longer considered strategic - such as the Monnalisa Property, currently leased to a third party.

In addition, the Transaction is considered for Monnalisa as a *"related party transaction"* as per the Related Party Transactions Policy approved by the Board of Directors of Monnalisa on July 5, 2018 (the **"RPT Policy"**), in addition to the provisions regarding related parties for issuers admitted to trading on the AIM Italia.

In particular, Mr. Piero Iacomoni, Chairman of the Board of Directors both of the Company and of Jafin Due S.p.A. (**"Jafin Due"**), the parent company, is also the sole director of PJ and, directly and indirectly, holds more than 20% of the share capital of PJ. In addition, Ms. Barbara Bertocci, Vice Chairman of the Board of Directors of Jafin Due, and also the spouse of Mr. Piero Iacomoni, in turn, directly and indirectly, holds more than 20% of the share capital of PJ.

Due to the above connections (and also considering the substance), the Transaction was subject to the RPT Policy, with the consequent involvement of the Related Party Transactions Committee of the Company (composing the Independent Director and the Chairman of the Board of Statutory Auditors - the **"Committee"**).

The Committee, called to express its opinion with regards to this type of transaction, as set out under the RPT Policy and informed of the above Transaction, was involved from the investigatory phase through to the receipt of timely and adequate information. This Committee, meeting on December 7, 2018, issued a favourable opinion with regards to the Transaction's execution.

Monnalisa S.p.A.

*Monnalisa, engaged in the high-end childrenswear segment for fifty years, was founded in Arezzo in 1968. Distributing **in over 60 countries**, both through direct flagship stores and at the world's best known Department Stores and over 750 multibrand sales points, revenues of **Euro 47.7 million** were reported in **2017**. High quality and appealing design is combined with significant research and development spend, keen social awareness, SA8000 compliance and ISO 14001 environmental certification. The company has been Elite-Borsa Italiana certified since April 2016.*

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