

Monnalisa: Update on Group Performance

March 6, 2020, Arezzo

The Board of Directors of Monnalisa S.p.A., meeting today, analysed the Group's operating performance and in particular the 2019 preliminary consolidated revenues, which are forecast to amount to Euro 48 million, down approximately 3% on the previous year. The draft financial statements and the consolidated financial statements will be reviewed and approved by the Board of Directors on March 30, 2020. In particular, the distribution of revenues by channel indicates a 12% decrease on the wholesale channel and 26% growth on the retail channel, while the e-commerce channel percentage remains almost unchanged.

The sharp drop in wholesale revenues - only partly recovering in the first half of 2019 - was impacted by the multi-brand childrenswear distribution crisis - particularly in Europe and Russia - in addition to the significant political and economic instability in some key geographical areas for Monnalisa, especially in the Middle East. The retail channel was affected by additional country dynamics, including the turbulent political and social climate in Hong Kong, a market in which Monnalisa has three direct sales outlets.

Although Company management has not yet finalized the figures under discussion, it expects a negative operating margin as a result of both the decrease in wholesale revenues, as well as higher cost of goods sold. Added to this, there was an increase in non-recurring costs generated by the concentration of planned openings and closures of certain stores in the second half of the year. The retail channel - by definition still in the start-up phase (as per Group strategies) - represents about one-third of Monnalisa's total business and, as is known, has more accelerated cost dynamics than revenues.

Further details on the operating performance for the previous year and the outlook for the current year will be reported in the financial statements expected to be issued on March 30, 2020.

Monnalisa SpA (Aim Italia -Ticker MNL), listed on the AIM Italia market since July 12, 2018 and engaged in the high-end childrenswear segment, was founded in Arezzo in 1968. It distributes **in over 60 countries**, both through direct flagship stores and at the world's best-known Department Stores and more than 700 multibrand sales points. Focusing on high-quality and made in Italy style, its research and development investment is matched by a commitment to sustainability. The company complies with the SA8000 regulation and environmental certification ISO 14001. The company has been Elite-Borsa Italiana certified since April 2016.

Monnalisa S.p.A.

Issuer

Corso Buenos Aires, 1
20124 Milan
Elena Losa
Tel. +39 02 20520744
e.losa@monnalisa.eu

CFO SIM S.p.A.

Nomad & Specialist

Via dell'Annunciata 23/4
20121 Milan
Tel. +39 02 303431
ecm@cfofim.com

IR Top Consulting

Investor & Media Relations

Via Bigli, 19
20123 Milan
Tel. +39 02 4547 3883/4
ir@irtop.com
ufficiostampa@irtop.com

