

PRESS RELEASE

MONNALISA: ITS BUSINESS MODEL UNIQUENESS AND EVOLUTION PUSH THE GROWTH OF ITS MAIN ECONOMIC RESULTS, WITH FY2021 REVENUES UP 30% AND A SIGNIFICANT IMPROVEMENT OF THE PROFITABILITY - ALSO ON 2019; € 1,5 MILLION CASH GENERATED BY OPERATING ACTIVITIES.

- The uniqueness of the brand and the business model, associated with the company resilience, pushed the revenues to € 43.6 million (€ 33.6 million in 2020), 63% of which overseas;
- Reported EBITDA back in positive territory (€ 0.2 million), growth of € 6.7 million on 2020 and of € 3.2 million on 2019; Adjusted EBITDA¹ of € 2.02 million, up over € 4 million on FY 2020 (loss of € 2.2 million) and approx. € 1.8 million on FY 2019, reflecting the strength of management decisions;
- Adjusted Net Result reports a profit (€ 0.2 million), significantly improving both on 2020, despite higher amortisation and depreciation for € 2.6 million, and on 2019 (+108%);
- Cash generation from operating activities of € 1.5 million;
- High double-digit direct online channel growth, with revenues of approx. € 3 million; online revenue (direct and indirect) share rises to 18% (14% in 2020);
- Share of direct, physical and online retail (D2C - Direct to Consumer) up 5 points to 39% of revenues, confirming the company's ability to execute a closer-to-customer strategy; company directly operated stores number 51 at end of 2021 (47 in 2020);
- The Group in 2022 aims to consolidate the direct-to-consumer growth, mainly in the on-line channel, maintaining at the same time its product range extension strategy, also through new selective collaboration projects.

Arezzo (AR), March 31, 2022

The Board of Directors of **Monnalisa S.p.A.**, the operative holding company of the Monnalisa Group, high-end childrenswear leader listed on the Euronext Growth Milan market organised and managed by Borsa Italiana, met today and approved the 2021 Consolidated and Separate Financial Statements.

Christian Simoni, Chief Executive Officer of Monnalisa, stated: *"In view of the recent dramatic geo-political events, arising at a time when the global pandemic was improving but had not yet been overcome, it now appears clear that the "new normal" for entrepreneurs - for those with a strategic vision and seeking to execute development plans - is increasingly based on the certainty of uncertainty. It is equally clear that resilience, strategic flexibility, an ability to anticipate, creativity in imagining new solutions, readiness, responsiveness, and adaptability are more than ever essential skills for the continuity and renewal of the company's success over time, particularly where centring on a solid, rooted and mature approach to sustainability. Aware of the presence of this mix of elements at the core of our governance and our talent, which allowed us to promptly evolve our business model, I am confident in the company's future and I consider the excellent results achieved in 2021 a supporting*

¹ The adjusted EBITDA mainly reflects the adjustments related to extraordinary costs related to opening and closing out of DOS during the period and to one-off transactions.



evidence. I am very satisfied with the significant and progressive recovery of earnings, as well as with the steps we have taken on sustainability, reflected also in the ESG rating obtained in the initial months of 2022, and with the new projects being rolled out, particularly in the digital and product development and collaborations area, including those previously announced with Chiara Ferragni, but also those with the Dutch company LCS Europe for the stroller and other products to be launched over the coming year.”

2021 CONSOLIDATED KEY FINANCIAL HIGHLIGHTS

The Group reports **revenues** of Euro 43.6 million, up 30% (at current exchange rates, +31% at like-for-like exchange rates) compared to Euro 33.6 million in 2020. The pandemic in 2021 continued to have impacts, in times and manners that differed in the various regions in which the Group operates, although amid a gradual return to normal conditions. In this scenario, the Group has gradually recovered sales volumes more in line with the pre-pandemic years (Euro 47.9 million in 2019).

The distribution of revenues by channel shows a 69% YoY e-commerce growth, thanks to a strategy of technological investment to support the company digital architecture, in addition to a more focused full-funnel digital marketing and communication strategy and the use of marketing automation tools to provide customers with a more customised experience and boost the conversion rate.

The **wholesale** channel, although considering the continued pandemic, grew 20%.

The **retail** channel reports a 45% recovery on 2020, accounting for one-third of the total company revenues. In line with the company’s strategic plan, whose pillars include strengthening the direct channels with the end consumer (direct online and direct physical stores), the D2C – Direct-to-Consumer distribution channel now accounts for 39% of total revenues. In this environment, thanks to the strategies adopted over the last three years, direct online sales represent 18% of total company retail sales.

During the year, the company further executed its strategy to boost retail channel profitability, also through managing the turnover of the DOS (directly operated stores) and DOO (directly operated outlets) portfolios, closing less profitable direct sales points and opening new ones with greater profitability potential. At year-end, the Monnalisa Group had 51 direct sales points globally, compared to 47 at December 31, 2020.

December 31 at current exchange rates						
Euro thousands	2021	%	2020	%	Change	Change %
Retail	13,996	32%	9,625	29%	4,371	45%
Wholesale	26,689	61%	22,232	66%	4,457	20%
B2C direct (online)	2,968	7%	1,755	5%	1,213	69%
Total	43,653	100%	33,612	100%	10,041	30%

December 31 at like-for-like exchange rates						
Euro thousands	2021	%	2020	%	Change	Change %
Retail	14,173	32%	9,625	29%	4,548	47%
Wholesale	26,785	61%	22,232	66%	4,553	20%
B2C direct (online)	2,965	7%	1,755	5%	1,209	69%
Total	43,923	100%	33,612	100%	10,311	31%

Revenues by region indicate a significant boost for Italian market sales of 49% on 2020. Similarly, European sales rose 37%, while the “Rest of the World” was up 11%, maintaining however a 36% share of total sales revenues.

December 31 at current exchange rates						
Euro thousands	2021	%	2020	%	Change	Change %

Italy	16,004	37%	10,752	32%	5,252	49%
Europe	11,943	27%	8,700	26%	3,243	37%
Rest of the World	15,707	36%	14,159	42%	1,548	11%
Total	43,653	100%	33,612	100%	10,041	30%

December 31 at like-for-like exchange rates						
Euro thousands	2021	%	2020	%	Change	Change %
Italy	16,004	36%	10,752	32%	5,252	49%
Europe	12,029	27%	8,700	26%	3,329	38%
Rest of the World	15,890	36%	14,159	42%	1,731	12%
Total	43,923	100%	33,612	100%	10,311	31%

Reported consolidated EBITDA was Euro 0.2 million at current exchange rates (Euro 0.5 million at like-for-like exchange rates), against a loss of Euro 6.5 million in 2020 and a loss also in 2019 of Euro 3 million.

Consolidated adjusted EBITDA was Euro 2.02 million, significantly up both on a loss of Euro 2.2 million in 2020 and compared to Euro 0.26 million in 2019. The adjustments to EBITDA mainly concern the opening and closure of sales points in the year, and a number of one-off costs, in particular the closure of the Hong Kong Ocean Terminal DOS, which caused a capital loss and additional way out costs for early termination.

The improved result was due not only to the strict implementation of a spending review and higher revenues, absorbing overheads in a more balanced manner, but particularly an improvement in the contribution margin, with a significant reduction in the percentage of the cost of sales against the previous year.

Consolidated adjusted EBIT was a loss of Euro 1.13 million, improving on a loss of Euro 2.8 million in 2020. Consolidated reported EBIT was a loss of Euro 3.23 million (loss of Euro 7.4 million in 2020). The Adjustments on EBIT were due to the amortisation and depreciation of the stores opening and closing in the year. The improvement was even stronger if considering that in the previous year amortisation and depreciation was suspended for Euro 2.1 million following the exception, introduced by Article 60 of Law No. 126 of October 13, 2020, applied to the amortisation and depreciation of the parent company.

The **Consolidated adjusted net result**, a profit of Euro 0.2 million, confirms the significant improvement in operations and a strong trend (loss of Euro 2.5 million in 2020). The Consolidated Net Result was a loss of Euro 1.9 million (loss of Euro 7.8 million in 2020 and of Euro 8.4 million in 2019).

The Group **Net Financial Position** was a debt of Euro 7.8 million, also improving on a debt of Euro 8 million at December 31, 2020.

The company during the year confirmed its ability to generate cash through operating activities, producing - despite a significant increase in wholesale revenues - cash flows of over Euro 1.5 million.

The group's growth strategy oriented towards the D2C channel, characterized by a shorter working capital cycle, combined with good inventory management, is bringing benefits in terms of cash generation.

This allowed a reduction in the long-term debt for over Euro 2 million.

Investment activities in the year absorbed approx. Euro 1 million, equally distributed between tangible fixed assets, mainly related to the opening of new stores, and intangible assets, which includes leasehold improvements related to the new openings and the development of the site for online sales and digital transformation.

Group shareholders' equity amounts to Euro 29.5 million.

Subsequent events to December 31, 2021

In 2022, reflecting the steps taken by the Monnalisa Group in terms of ESG (Environmental, Social and Governance), the Standard Ethics2 Ratings Agency awarded an EE- (adequate) rating, i.e. investment grade, to Monnalisa, placing it at the top of its sector. The rating responds to the Group's need to have a non-self-referential and ethic-neutral assessment by an independent agency, as well as to understand the outside perception of our ESG area policies and activities.

On January 18, 2022, the Group improved its early childhood range, designing a new line of strollers for Leclerc Baby and thus expanding its new-born offer, so far focused mainly on layette and beauty products. The three-year renewable license agreement covers multi-channel international distribution and provides a dual margin source for Monnalisa: on sales made by LSC Europe, owner of Leclerc Baby trademark, through its website and its network of multi-brand customers specializing in baby care, Monnalisa will receive a royalty; Monnalisa will also sell this line of products through its wholesale, retail and e-commerce channels, acting substantially as a distributor.

On January 26, 2022, the Group received the legality rating with the score ★★+(two stars +) from the Antitrust Authority. The assignment of a legality rating demonstrates the transparency of the company towards the market, supports lending timing and conditions and allows companies to benefit from potential public funding opportunities.

Outlook

The climate of uncertainty of the beginning of 2022 related to the COVID-19 pandemic may continue to impact people consumption, habits and mobility, with a potential impact on forecast revenues. We in addition consider the geopolitical tensions related to the Russia and Ukraine conflict, which brought another challenge to the general economy and specifically in terms of growth and consolidation of revenues and international business opportunities.

The area involved in the conflict and by the sanctions, including Russia, Ukraine, and Belarus, in 2021 had a ca. 13% incidence on the consolidated revenues, with a specific weight that varies by channel, retail, wholesale, and online. The conflict had as a direct consequence, by the beginning of March, the temporary suspension of the direct e-commerce operation in that area, which in 2021 represented 7,6% of the total direct online sales. We, obviously, also interrupted the deliveries to our Ukrainian wholesalers, which had already received about 60% of the goods they had ordered for 2022 spring-summer season, and which had also already placed orders for 2022 fall-winter season for 80% of their buying budget. The balance of the current season goods to be delivered to the Ukrainian clients was promptly made available for direct online sales and for wholesale and retail replenishment orders fulfilment, with the expectation to sell it entirely. With the same kind of readiness, we decided to keep the orders our Ukrainian clients placed for 2022 fall-winter season as an integration to an internal back-up order we had also made to feed our online sales, which in 2021 were negatively affected by the lack of inventories, and the wholesalers' replenishment orders. With regards to the Russian market, we completed 2022 spring-summer collection deliveries and, despite what could be expected, we also received and delivered a few in-season replenishment orders; the fall-winter wholesale sales campaign was carried on, with a slight increase on last year backlog. Finally, we are evaluating the possibility to re-engineer certain processes to restart online sales directly operating through our Russian subsidiary, using the locally available merchandise.

In this context, the Group remains focused on its long-term development strategy, although closely monitoring over the short-term impacts of the geopolitical events on its operations, in addition to the prices of energy and international transport. Monnalisa is focused on continuing to consolidate its competitive positioning, applying a close cost management policy and continuing to strengthen its financial and equity

² Standard Ethics Ltd is an independent sustainability rating agency based in London. It qualifies as a "self-regulated sustainability rating agency" for having voluntarily adopted - in the absence of rules on ESG Ratings - the model and constraints of credit rating agencies. The agency issues the Standard Ethics Rating, a sustainability and governance rating based on "compliance" with the principles and voluntary guidelines of the United Nations, of the Organisation for Economic Cooperation and Development (OECD) and the European Union. Assessing compliance with international guidelines only, Standard Ethics adopts an "ethic neutral" principle for its assessments

situation, while further committing itself to sustainability.

Shareholders' Meeting call and Documentation

The Board of Directors has called the Shareholders' Meeting for April 29, 2022, in a first call, and for May 3 in a second call, at the times and places to be communicated in the relative notice, which shall be published according to the times and means required by the applicable regulations.

Documentation shall be made available to the public according to the times and means set out by the regulation, and also on Monnalisa's website, www.monnalisa.com/it/ in the "Investor Relations/Financial Report" section.

Proposal to allocate profits for the period

The Board of Directors proposes the Shareholder's meeting to assign the profit of the period of Monnalisa S.p.A., amounting to Euro 698.603, to the legal reserve for Euro 34.930, to unrealized foreign exchange differences for Euro 352.053 and to profit and loss to be carried forward for Euro 311.620.

This Press Release is available on the company website www.monnalisa.com/it/ , in the "Investor Relations/Press Releases" section and at www.emarketstorage.com.

Monnalisa SpA (Ticker MNL), listed on the Euronext Growth Milan (previously AIM Italia) market since July 12, 2018 and engaged in the high-end childrenswear segment for fifty years, 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 over 500 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.

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The following financial statements are annexed to this press release³:

- Reclassification of Consolidated Income Statement for 2021 vs 2020
- Reclassification of Consolidated Balance Sheet at December 31, 2021 vs December 31, 2020
- Consolidated Cash Flow Statement at December 31, 2021 vs December 31, 2020
- Reclassification of Income Statement for 2021 vs. 2020
- Reclassification of Balance Sheet at December 31, 2021 vs December 31, 2020
- Cash Flow Statement at December 31, 2021 vs December 31, 2020

³The annexed statements and the tables reported in the press release, are still "unaudited"



Reclassification of Consolidated Income Statement

INCOME STATEMENT	31.12.2021	31.12.2020
A) Value of Production		
1) Revenues from sales	43,653,303	33,612,162
2) Changes in inventories of work in progress, semi-finished goods and finished products	(1,158,222)	(1,401,669)
4) Capitalization of internal work	0	16,975
5) Other revenues and income	1,567,878	809,358
Total value of production	44,062,959	33,036,826
B) Costs of Production		
6) Raw materials, consumables and goods for resale	11,832,785	10,808,571
7) Services	13,202,405	12,080,916
8) Use of third-party assets	6,695,552	5,712,395
9) Personnel Costs		
a) Wages and salaries	8,224,306	7,205,519
b) Social security charges	1,933,890	1,698,983
c) Termination indemnities	482,188	280,814
d) Pensions and similar obligations	36,882	215,904
e) Other costs	94,860	72,340
<i>Total personnel Costs</i>	<i>10,772,126</i>	<i>9,473,561</i>
10) Amortization, depreciation and write-downs		
a) Amortization of intangible fixed assets	1,533,056	667,754
b) Depreciation of tangible fixed assets	1,880,184	213,432
d) Write-downs of receivables in current assets and cash and cash equivalents	197,019	504,397
<i>Totale amortization, depreciation and write-downs</i>	<i>3,610,259</i>	<i>1,385,583</i>
11) Change in inventory of raw, ancillary, consumable materials and goods	316,830	139,227
14) Other operating costs	870,470	858,270
Total production costs	47,300,427	40,458,523
Difference between value and production costs (A-B)	(3,237,468)	(7,421,697)
C) Financial income and expenses		
16) Other financial income:		
a) from receivables classified as fixed assets	0	8,800
b) from securities classified as fixed assets	0	30,000
d) others	4,288	7,465
<i>Totale financial income</i>	<i>4,288</i>	<i>46,265</i>
17) Interests and other financial expenses		
-other	418,636	407,890
<i>Total financial expenses</i>	<i>418,636</i>	<i>407,890</i>
17-bis) Losses and gains on currency exchange	668,132	(943,236)
Total financial income and expenses	253,785	(1,304,860)
D) Value adjustments to financial assets		
19) Write-downs:		
d) financial derivative instruments	0	19,744
Total write-downs	0	19,744
Total value adjustments to financial assets (D)	0	19,744
Profit/(Loss) before taxes (A-B±C±D)	(2,983,683)	(8,746,301)
a) Current taxes	7,134	0
b) Deferred taxes	(1,088,013)	(933,602)
Total Income, current, deferred taxes	(1,080,879)	(933,602)
21) Profit (loss) for the period	(1,902,804)	(7,812,699)
Profit (loss) attributable to the Group	(1,902,218)	(7,805,982)
Profit (loss) attributable to minority interests	(586)	(6,717)

Reclassification of Consolidated Balance Sheet

ASSETS	31.12.2021	31.12.2020
A) Subscribed capital unpaid		
B) Fixed Assets		
I - Intangibles Assets		
1) Start-up and expansion costs	408,347	805,583
3) Industrial Patent and Intellectual Property Rights	588,493	642,008
5) Goodwill	643,141	816,599
6) Work in progress and advance payments	25,459	108,294
7) Other	1,224,346	1,611,442
Total Intangible assets	2,889,786	3,983,926
II - Tangible Assets		
1) Land and Buildings	11,929,275	10,998,874
2) Plants and equipment	3,137,863	3,823,074
3) Industrial and commercial equipment	315,003	379,359
4) Other Assets	2,736,211	3,050,073
5) Work in progress and advance payments	64,404	23,742
Total Tangible Assets	18,182,757	18,275,120
III - Financial Assets		
1) Equity investments in:		
D bis) other companies	8,624	8,624
Total Equity Investments	8,624	8,624
2) Receivables		
d bis) due from others	1,125,204	1,205,114
3) Other Securities	0	1,200,000
Total Financial Assets	1,133,829	2,413,738
B) Total Fixed Assets	22,206,371	24,672,784
C) Current Assets		
I - Inventory		
1) Raw, supplies and consumable materials	1,887,649	2,203,903
2) Work in progress and semi-finished products	1,176,661	805,726
4) Finished products and goods	12,106,511	13,397,466
5) Advances	104,498	27,493
Total inventory	15,275,320	16,434,588
II - Receivables		
1) Due from customers		
- within 12 months	8,060,919	7,202,591
Total Due from customers	8,060,919	7,202,591
5-bis) Tax Receivables		
- within 12 months	1,497,248	1,956,740
Total Tax Receivables	1,497,248	1,956,740
5-ter) Deferred tax assets		
- within 12 months	575,648	273,233
- beyond 12 months	3,060,737	2,339,613
Total Deferred tax assets	3,636,385	2,612,846
5-quater) Due from others		
- within 12 months	479,078	160,597
- beyond 12 months	360,520	0
Total Due from others	839,598	160,597
Total Receivables	14,034,149	11,932,774
III - Financial Assets (other than fixed assets)		

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5) Derivative financial instrument assets	19,436	3,833
Total financial assets (other than fixed assets)	19,436	3,833
IV - Cash and cash equivalents		
1) Bank and postal deposits	4,138,313	4,044,177
2) Checks	354,666	0
3) Cash on hand	67,090	34,711
Total cash and cash equivalents	4,560,070	4,078,887
C) Totale current assets	33,888,975	32,450,082
D) Accrued income and prepaid expenses		
Prepaid expenses	1,001,359	1,105,853
D) Total accrued income and prepaid expenses	1,001,359	1,105,853
TOTAL ASSETS	57,096,705	58,228,720

LIABILITIES AND SHAREHOLDERS' EQUITY	31.12.2021	31.12.2020
A) Shareholders' Equity		
I Share capital	10,000,000	10,000,000
II Share premium reserve	9,063,125	9,063,125
III Revaluation reserve	3,969,582	2,959,446
IV Legal reserve	1,108,276	1,108,276
Translation differences	(1,269,329)	(1,159,058)
Other reserves	1,751,853	1,751,853
<i>Total other reserves</i>	<i>482,524</i>	<i>592,795</i>
VII Cash flow hedge reserve	11,727	(21,243)
VIII Profit (loss) carried forward	6,956,478	14,762,460
IX Profit (loss) for the period	(1,902,218)	(7,805,982)
X Negative reserve for own portfolio shares	(149,915)	(149,915)
Total Group Shareholder's Equity	29,539,579	30,508,962
Third Party capital and reserves	(1,776)	4,971
Profit (loss) attributable to minority interests	(586)	(6,717)
Total Minority Shareholder's Equity	(2,362)	(1,746)
Total Shareholder's Equity	29,537,218	30,507,216
B) Provisions for risks and charges		
1) Provisions for pensions or similar obligations	65,196	62,165
2) Provisions for taxes, including deferred	1,081,193	795,148
3) Provisions for derivative financial instruments	3,199	30,978
4) Other	270,229	461,855
Total provisions for risks and charges	1,419,817	1,350,145
C) Employee termination indemnities	2,237,153	2,020,841
D) Payables		
4) Payables due to banks	5,504,377	4,204,347
- within 12 months	8,007,615	10,140,004
- beyond 12 months	13,511,992	14,344,351
Total payables due to banks		
5) Payable due to other financial institutions		
- within 12 months	0	166,085
Total payable due to other financial institutions	0	166,085
6) Advances		
- within 12 months	429,437	407,195
Total advances	429,437	407,195
7) Trade payables		



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- within 12 months	7,289,430	6,788,986
Totale trade payables	7,289,430	6,788,986
12) Tax payables		
- within 12 months	429,106	506,745
Total tax payables	429,106	506,745
13) Payables to pension funds and social security agencies		
- within 12 months	538,777	634,852
Total payables to pension funds and social security funds	538,777	634,852
14) Other payables		
- within 12 months	1,374,820	1,114,499
- beyond 12 months	93,304	87,804
Total other payables	1,468,124	1,202,303
Total payables	23,666,866	24,050,518
E) Accrued liabilities and deferred income		
Accrued liabilities	21,110	0
Deferred Income	214,541	300,000
Total accrued liabilities and deferred income	235,652	300,000
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	57,096,705	58,228,720

Consolidated Cash Flow Statement

CASH FLOW STATEMENT CASH AND CASH EQUIVALENTS	31.12.2021	31.12.2020
A) Cash flow from operating activities (indirect method)		
Profit for the period	(1,902,804)	(7,812,699)
Income tax	(1,080,880)	933,602
Interest expenses/(income)	418,636	361,624
(Dividends)		
(Gains)/losses on asset disposals		
1) Profit for the period before taxes, interest, dividends and capital gains/losses on disposals	(2,565,048)	(6,517,473)
Non-cash adjustments not impacting working capital		
Provisions	609,342	581,423
Amortisation & depreciation	3,413,240	881,184
Impairments		324,379
Adjustments to non-cash financial instrument assets and liabilities	14,454	(24,542)
Other non-cash increases/(decreases)	(316,102)	(197,650)
Non-cash adjustments not impacting working capital	3,720,934	1,564,794
2) Cash flow before working capital changes	1,155,887	(4,952,679)
Change in net working capital		
Decrease/(Increase) in inventories	1,159,268	2,075,416
Decrease/(Increase) in trade receivables	(858,328)	2,408,662
Increase/(Decrease) in trade payables	500,444	(1,153,583)
Decrease/(Increase) in accrued income and prepaid expenses	104,494	(214,170)
Increase/(Decrease) in accrued liabilities and deferred income	(64,348)	(148,084)
Other Decreases/(Other Increases) in net working capital	660,373	(406,747)
Total changes in net working capital	1,501,903	2,561,494
3) Cash flow after net working capital changes	2,657,789	(2,391,186)
Other adjustments		
Interest received/(paid)	(418,636)	(361,624)
(Income taxes paid)	(271,020)	(169,723)
Dividends received		

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(Utilisation of provisions)	(432,550)	(363,905)
Other receipts/(payments)	-	727,295
Total other adjustments	(1,122,206)	(167,957)
Cash flow from operating activities (A)	1,535,584	(2,559,143)
Tangible fixed assets	(482,011)	(398,083)
(Investments)	(489,459)	(423,147)
Divestments	7,448	25,064
Intangible fixed assets	(479,942)	(919,190)
(Investments)	(480,845)	(924,762)
Divestments	903	5,572
Financial fixed assets	739,909	(54,042)
(Investments)	-	(54,042)
Divestments	739,909	
Current financial assets		
(Investments)		
Divestments		
Cash flow from investing activities (B)	(222,044)	(1,371,316)
Third party funds		
Increase/(Decrease) in short-term bank payables	1,300,030	(3,884,029)
New loans	697,427	7,170,295
(Repayment of loans)	(2,829,816)	(3,633,804)
Own funds		
Paid-in share capital increase		
(Repayment of share capital)		
Disposal/(Acquisition) of treasury shares		
(Dividends and advances on dividends paid)		
Cash flow from financing activities (C)	(832,359)	(347,538)
Increase/(decrease) in cash and cash equivalents (A ± B ± C)	481,181	(4,277,996)
Opening cash and cash equivalents	4,078,887	8,356,885
Bank and postal deposits	4,044,177	8,280,643
Cheques	0	0
Cash on hand	34,711	76,242
Closing cash and cash equivalents	4,560,070	4,078,887
Bank and postal deposits	4,138,313	4,044,177
Checks	354,666	0
Cash on hand	67,090	34,711



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Reclassification of Income Statement Monnalisa S.p.A.

INCOME STATEMENT	31.12.2021	31.12.2020
A) Value of Production		
1) Revenues from sales	36,957,086	28,504,349
2) Changes in inventories of work in progress, semi-finished goods and finished products	(354,633)	(1,511,025)
5) Other revenues and income	1,555,558	1,007,653
Total value of production	38,158,012	28,000,977
B) Costs of Production		
6) Raw materials, consumables and goods for resale	11,455,523	10,371,881
7) Services	11,701,600	10,281,516
8) Use of third-party assets	3,149,480	2,489,456
9) Personnel Costs		
a) Wages and salaries	6,043,911	5,088,519
b) Social security charges	1,760,458	1,499,737
c) Termination indemnities	478,942	263,234
d) Pensions and similar obligations	36,882	189,921
e) Other costs	30,229	32,419
<i>Total personnel Costs</i>	<i>8,350,422</i>	<i>7,073,830</i>
10) Amortization, depreciation and write-downs		
a) Amortization of intangible fixed assets	1,025,440	0
b) Depreciation of tangible fixed assets	1,679,860	0
d) Write-downs of receivables in current assets and cash and cash equivalents	197,000	502,274
<i>Totale amortization, depreciation and write-downs</i>	<i>2,902,300</i>	<i>502,274</i>
11) Change in inventory of raw, ancillary, consumable materials and goods	326,046	138,184
14) Other operating costs	342,391	311,667
Total production costs	38,227,762	31,168,808
Difference between value and production costs (A-B)	(69,750)	(3,167,831)
C) Financial income and expenses		
16) Other financial income:		
a) from receivables classified as fixed assets	-	8,800
b) from securities classified as fixed assets	-	30,000
d) others	44,332	34,259
<i>Totale financial income</i>	<i>44,332</i>	<i>73,059</i>
17) Interests and other financial expenses		
-other	385,806	364,255
<i>Total financial expenses</i>	<i>385,806</i>	<i>364,255</i>
17-bis) Losses and gains on currency exchange	262,826	(543,562)
Total financial income and expenses	(78,648)	(834,758)
D) Value adjustments to financial assets		
19) Write-downs:		
a) equity investments in subsidiary companies	198,895	1,451,299
d) financial derivative instruments	-	19,744
<i>Total write-downs</i>	<i>198,895</i>	<i>1,471,043</i>
Total value adjustments to financial assets (D)	(198,895)	(1,471,043)
Profit/(Loss) before taxes (A-B±C±D)	(347,293)	(5,473,632)
a) Current taxes	29,306	
b) Deferred taxes	(1,075,203)	(929,427)
<i>Total Income, current, deferred taxes</i>	<i>(1,045,897)</i>	<i>(929,427)</i>
21) Profit (loss) for the period	698,603	(4,544,205)

Reclassification of Balance Sheet Monnalisa S.p.A.



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ASSETS	31.12.2021	31.12.2020
A) Subscribed capital unpaid		
B) Fixed Assets		
I - Intangibles Assets		
1) Start-up and expansion costs	400,859	801,718
3) Industrial Patent and Intellectual Property Rights	581,721	629,266
5) Goodwill	643,141	816,599
7) Other	516,278	714,818
Total Intangible assets	2,141,999	2,962,401
II - Tangible Assets		
1) Land and Buildings	11,929,275	10,998,874
2) Plants and equipment	2,958,350	3,662,783
3) Industrial and commercial equipment	34,151	50,461
4) Other Assets	2,425,190	2,764,134
5) Work in progress and advance payments	-	-
Total Tangible Assets	17,346,967	17,476,252
III - Financial Assets		
1) Equity investments in:		
a) Subsidiary companies	9,765,502	9,765,502
d bis) other companies	8,624	8,624
Total Equity Investments	9,774,126	9,774,126
2) Receivables		
a) due from subsidiary companies		
- within 12 months	2,275,344	621,701
- beyond 12 months	2,743,754	2,671,939
d bis) due from others	5,019,098	3,293,640
- within 12 months	236,372	260,380
- beyond 12 months	236,372	260,380
3) Other Securities	-	1,200,000
Total Financial Assets	15,029,595	14,528,146
B) Total Fixed Assets	34,518,561	34,966,799
C) Current Assets		
I - Inventory		
1) Raw, supplies and consumable materials	1,872,776	2,198,822
2) Work in progress and semi-finished products	1,176,661	805,726
4) Finished products and goods	9,593,981	10,433,565
5) Advances	104,498	27,493
Total inventory	12,747,916	13,465,606
II - Receivables		
1) Due from customers		
- within 12 months	7,934,318	7,157,968
Total Due from customers	7,934,318	7,157,968
2) due from subsidiary companies		
- within 12 months	8,299,764	6,180,777
Total Due from subsidiary companies	8,299,764	6,180,777
5-bis) Tax Receivables		
- within 12 months	1,048,308	1,519,121
Total Tax Receivables	1,048,308	1,519,121
5-ter) Deferred tax assets		
- within 12 months	91,539	273,233
- beyond 12 months	2,762,462	1,592,933

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Total Deferred tax assets	2,854,001	1,866,166
5-quater) Due from others		
- within 12 months	331,786	113,233
- beyond 12 months	360,520	
Total Due from others	692,306	113,233
Total Receivables	20,828,697	16,837,265
III - Financial Assets (other than fixed assets)		
5) Derivative financial instrument assets	19,436	3,833
Total financial assets (other than fixed assets)	19,436	3,833
IV - Cash and cash equivalents		
1) Bank and postal deposits	2,411,289	2,593,078
2) Checks	354,666	-
3) Cash on hand	31,503	19,713
Total cash and cash equivalents	2,797,458	2,612,791
C) Totale current assets	36,393,507	32,919,495
D) Accrued income and prepaid expenses		
Prepaid expenses	874,564	964,229
D) Total accrued income and prepaid expenses	874,564	964,229
TOTAL ASSETS	71,786,632	68,850,523

LIABILITIES AND SHAREHOLDERS' EQUITY	31.12.2021	31.12.2020
A) Shareholders' equity		
I Share capital	10,000,000	10,000,000
II Share premium reserve	9,063,125	9,063,125
III Revaluation reserve	3,969,582	2,959,446
IV Legal reserve	1,108,276	1,108,276
VI Other reserves, indicated separately		
Other reserves	1,751,853	1,751,858
Total other reserves	1,751,853	1,751,858
VII - Cash flow hedge reserve	11,727	(21,243)
VIII Profit (loss) carried forward	16,849,238	21,393,442
IX Profit (loss) for the period	698,602	(4,544,205)
X Negative reserve for own portfolio shares	(149,915)	(149,915)
Total Equity	43,302,489	41,560,784
B) Provisions for risks and charges		
1) Provisions for pensions or similar obligations	65,196	62,165
2) Provisions for taxes, including deferred	1,055,638	741,709
3) Provisions for derivative financial instrument liabilities	3,199	30,978
4) Other	270,229	571,479
Total provisions for risks and charges	1,394,263	1,406,331
C) Employee termination indemnities	2,234,548	2,020,841
D) Payables		
4) Payables due to banks		
- within 12 months	5,504,377	4,204,347
- beyond 12 months	8,007,615	10,140,004
Total payables due to banks	13,511,992	14,344,351
6) Advances		
- within 12 months	360,825	302,758
Total advances	360,825	302,758
7) Trade payables		
- within 12 months	6,849,925	6,213,397



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Totale trade payables	6,849,925	6,213,397
9) Payables to subsidiary companies		
- within 12 months	1,696,618	590,885
Total payables to subsidiary companies	1,696,618	590,885
12) Tax payables		
- within 12 months	374,623	417,411
Total tax payables	374,623	417,411
13) Payables to pension funds and social security agencies		
- within 12 months	532,794	634,852
Total payables to pension funds and social security funds	532,794	634,852
14) Other payables		
- within 12 months	1,220,711	971,109
- beyond 12 months	93,304	87,804
Total other payables	1,314,014	1,058,913
Total payables	24,640,792	23,562,567
E) Accrued liabilities and deferred income		
Accrued liabilities		-
Deferred income	214,541	300,000
Total accrued liabilities and deferred income	214,541	300,000
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	71,786,632	68,850,523

Monnalisa S.p.A. Cash Flow Statement

CASH FLOW STATEMENT CASH AND CASH EQUIVALENTS	31.12.2021	31.12.2020
A) Cash flow from operating activities (indirect method)		
Profit for the period	698,602	(4,544,205)
Income tax	(1,045,897)	929,427
Interest expenses/(income)	385,806	291,196
(Dividends)		
(Gains)/losses on asset disposals		-
1) Profit for the period before taxes, interest, dividends and capital gains/losses on disposals	38,511	(3,323,582)
Non-cash adjustments not impacting working capital		
Provisions	609,295	691,047
Amortisation & depreciation	2,705,300	-
Impairments	198,895	2,265,328
Adjustments to non-cash financial instrument assets and liabilities	(24,147)	(24,542)
Other non-cash increases/(decreases)	1,362	(1,978,793)
Non-cash adjustments not impacting working capital	3,490,706	953,040
2) Cash flow before working capital changes	3,529,218	(2,370,542)
Change in net working capital		
Decrease/(Increase) in inventories	717,690	1,706,108
Decrease/(Increase) in trade receivables	(776,350)	2,328,439
Increase/(Decrease) in trade payables	636,528	(1,327,481)
Decrease/(Increase) in accrued income and prepaid expenses	89,665	(198,536)
Increase/(Decrease) in accrued liabilities and deferred income	(85,459)	(1,967)
Other Decreases/(Other Increases) in net working capital	(700,455)	(1,536,252)
Total changes in net working capital	(118,382)	970,313
3) Cash flow after net working capital changes	3,410,836	(1,400,230)
Other adjustments		

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Interest received/(paid)	(385,806)	(291,196)
(Income taxes paid)	0	-
Dividends received	0	
(Utilisation of provisions)	(435,107)	(590,683)
Other receipts/(payments)	0	
Total other adjustments	(820,913)	(881,879)
Cash flow from operating activities (A)	2,589,923	(2,282,109)
Tangible fixed assets	(326,409)	(280,545)
(Investments)	(326,409)	(286,170)
Divestments	0	5,625
Intangible fixed assets	(205,038)	(445,253)
(Investments)	(205,038)	(445,253)
Divestments	0	
Financial fixed assets	(1,041,451)	(511,159)
(Investments)	(1,731,858)	(511,159)
Divestments	690,408	0
Current financial assets		
(Investments)		
Divestments		
Cash flow from investing activities (B)	(1,572,898)	(1,236,957)
Third party funds		
Increase/(Decrease) in short-term bank payables	1,300,031	(3,884,029)
New loans	697,426	7,170,295
(Repayment of loans)	(2,829,817)	(3,633,804)
Own funds		
Paid-in share capital increase		
(Repayment of share capital)		
Disposal/(Acquisition) of treasury shares		
(Dividends and advances on dividends paid)		
Cash flow from financing activities (C)	(832,359)	(347,538)
Increase/(decrease) in cash and cash equivalents (A ± B ± C)	184,666	(3,866,603)
Opening cash and cash equivalents	2,612,791	6,479,394
Bank and postal deposits	2,593,078	6,429,861
Cheques		
Cash on hand	19,713	49,533
Closing cash and cash equivalents	2,797,458	2,612,791
Bank and postal deposits	2,411,289	2,593,078
Checks	354,666	
Cash on hand	31,503	19,713



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