

LA PERLA

FASHION HOLDING N.V.

La Perla Fashion Holding N.V.
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Press Release

October 11, 2019

Interim Results for the Six Months ended 30 June 2019

Paris, October 11, 2019 – La Perla Fashion Holding N.V. (“La Perla” and together with its consolidated subsidiaries, the “Group”), a luxury fashion holding company and leading designer, manufacturer and retailer of luxury lingerie, nightwear and swimwear, announces its interim results for the six months ended 30 June 2019.

Financial overview

€ 000 unless stated	Consolidated La Perla Group	Combined La Perla Fashion Holding N.V. and La Perla Global Management Ltd.*
	HY 2019	HY 2018
Revenue	40,314	59,487
Gross profit margin (%)	42	36
Operating profit/(loss)	(42,179)	(47,940)
Profit/(loss) for the half year	(46,712)	(45,478)
Earnings (loss) per share in €	(0.46)	(0.45)
Total assets	122,468 ¹	152,915 ²

¹ As at 30 June 2019

² As at 31 December 2018

**On February 25, 2018 the Company acquired 100% of the voting shares of La Perla Global Management (UK) Ltd., a non-listed company based in the United Kingdom. For the purposes of a comparable analysis of year-on-year performance, the half year summary is presented on a pro-forma basis as if the acquisition had taken place on 1 January 2018. The La Perla Fashion Holding N.V. consolidated accounts are published from page 5 onwards.*

The accounts can be viewed in full at the following link: <https://laperlafashionholding.com/financial-reports-presentations/>

Operational report

After a challenging year in 2018, the Group has been implementing a restructuring program to transform its business. Restructuring activity included:

- Simplifying and resizing La Perla’s organizational structure, including rationalizing its workforce;
- Re-establishing its production and sourcing capability;
- Streamlining La Perla’s points of sale in order to focus on high-potential locations;
- Improving La Perla’s inventory management.

At the same time, La Perla is in the early stages of implementing its business revitalization strategy, which includes the following elements:

- Modernizing the La Perla brand to engage a broader audience;
- Revitalizing the product to be more relevant for today's luxury consumer;
- Bringing a digital mindset to all stages of La Perla's consumer interaction;
- Enhancing La Perla's retail proposition;
- Building operational excellence, which includes investment in back-of-house infrastructure.

La Perla's first half results (on pro-forma basis) reflect these transformation initiatives and are in line with management expectations. Factors underlying the revenue decline include the effect of discontinued product categories, the reduction in selling space, production complications reducing the supply of fresh merchandise to stores and a decline in promotional activity. Gross margin benefitted from the reduced promotional activity and supply chain rationalization. The reduction in sales, general, and administrative expenses was largely driven by the retail space rationalization and reduction in headcount. The small improvement in operating profit resulted from these factors.

La Perla's management team is continuing to implement its revitalization strategy and will update investors on progress in line with market practice.

Enquiries

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About La Perla:

La Perla Fashion Holding N.V., a luxury fashion holding company, is the direct shareholder of La Perla Global Management (UK) Limited and its subsidiaries (the "Operating La Perla Group"). La Perla, through the Operating La Perla Group, is a leading designer, manufacturer and retailer of luxury lingerie, nightwear and swimwear. The group operates under the brand "La Perla". Founded in 1954 in Bologna, Italy, the brand is renowned for its heritage and craftsmanship.

This release may contain forward-looking statements, i.e., statements that do not relate to historical facts or events. By their nature, forward-looking statements involve known and unknown risks and uncertainties, both general and specific. La Perla Fashion Holding N.V. bases these statements on its current plans, estimates, projections and expectations and they relate to events and are based on current assumptions that may not occur in the future. These forward-looking statements may not be indicative of future performance; the actual outcome of the financial condition and results of operations of La Perla Fashion Holding N.V. and its consolidated subsidiaries, and the development of economic conditions, may differ materially from, in particular be more negative than, those conditions expressly or implicitly assumed or described in such statements. Even if the actual results of the La Perla Fashion Holding N.V. or its consolidated subsidiaries, including the financial condition, results of operations and economic conditions, develop in line with the forward-looking statements contained in this press release, there can be no assurance that this will be the case in the future.