PRESS RELEASE - PRELIMINARY RESULTS FOR THE FIRST HALF OF 2020[1]

SALES AT EURO 243.6 MILLION (-39.0% AT CURRENT FOREX, -39.0% AT CONSTANT FOREX), DUE TO THE TEMPORARY STORE CLOSURES CAUSED BY THE COVID-19 EMERGENCY.

AS OF TODAY THE NETWORK OF DIRECTLY OPERATED STORES (DOS) IS FULLY OPERATIONAL AND PERFORMANCE IS GRADUALLY RECOVERING.

VERY POSITIVE PERFORMANCE FOR THE DIRECT E-COMMERCE CHANNEL: +40% AT THE END OF THE FIRST HALF OF THE YEAR (+59% IN THE SECOND QUARTER ALONE).

THE GROUP MAINTAINS ITS SOLID BALANCE SHEET AND FINANCIAL POSITION AND THE ACTIONS TAKEN HAVE ALSO KEPT THE LEVEL OF DEBT UNDER CONTROL, DESPITE THE NEGATIVE EFFECTS OF THE PANDEMIC. THE NET FINANCIAL POSITION AT 30 JUNE 2020 (BEFORE IFRS 16) STOOD AT EURO -88.8 MILLION (EURO - 30.8 MILLION AT 30 JUNE 2019). THE LINES OF CREDIT AVAILABLE ARE CONSIDERED ADEQUATE TO MANAGE THE EMERGENCY, WORKING CAPITAL REQUIREMENTS AND INVESTMENTS FOR THE NEXT THREE YEARS.

GEOX'S ONGOING COMMITMENT TO SUSTAINABILITY INITIATIVES IS PICKING UP EVEN MORE PACE. NEHEMIA (CHEMI) PERES HAS BEEN MADE A MEMBER OF THE GROUP'S ETHICS AND SUSTAINABLE DEVELOPMENT COMMITTEE.

Biadene di Montebelluna, 30 July 2020 – Geox S.p.A., a leading brand in classic and casual footwear, listed on the Milan Stock Exchange (GEO.MI), today examined its preliminary results (revenues and net financial position) for the first half of 2020.

Mario Moretti Polegato, Chairman and Founder of Geox, commented: "After the year got off to a good start, with our stores recording positive sales up until the start of February 2020, COVID-19 has had, and continues to have, significant health, economic and social repercussions on a global scale. The main market operators believe that global GDP will fall by over 3 percentage points in 2020.
The pandemic is creating unprecedented times, which are sure to mark a clear discontinuity with the past for both consumers and companies, speeding up a change that had already begun before the crisis. Innovation, sustainability and digitalisation will be increasingly important for companies if they want to meet the demand of more careful and selective consumers who pay close attention to the value and sustainability of their shopping experiences.
Geox is dealing with these exceptional circumstances, fully aware of the ongoing difficulties and changes involved yet paying close attention to the potential opportunities that this situation may present for a group as solid and important as ours.

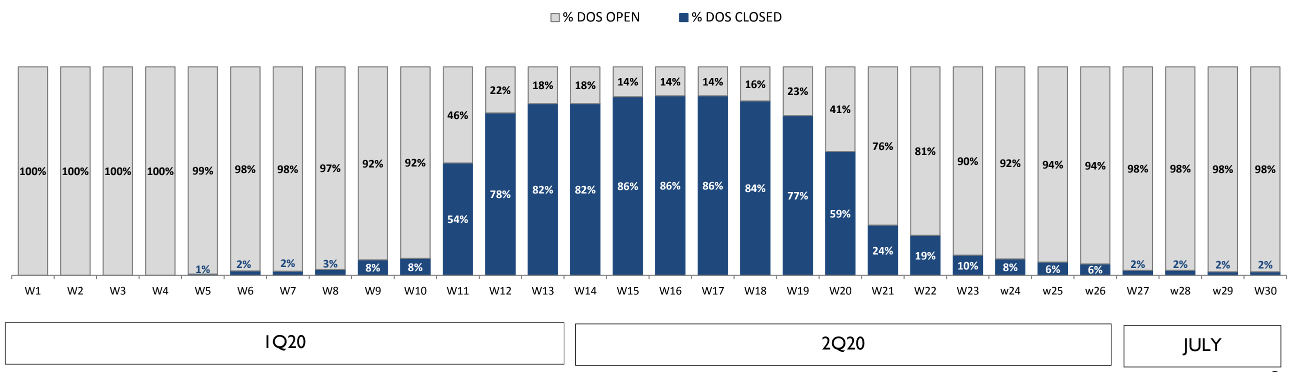
[1] Sales and net financial position; figures not subject to an external audit. The six-monthly report will be submitted to the Board of Directors for approval on 17 September 2020.

Right from the start of the emergency, we have put people's health first and created an international team to identify immediate priorities and future objectives, as we wish to manage today's exceptional circumstances by looking at future potential.
The first six months of 2020 have confirmed the group's solid balance sheet and financial position, despite the complexities of the current scenario; the drop in revenues substantially reflects the percentage of stores that were temporarily closed during the lockdown period and, in any case, this was lower than our initial expectations thanks to physical stores performing better than expected upon reopening, the conversion rate greatly improving and the e-commerce channel recording excellent results. These trends confirm that Geox can count on an extensive base of loyal and long-standing customers, as well as its leadership position in the children's segment.
During the lockdown, we continued to invest in top-location stores, restyling many of them, including those in Venice, Verona, Catania, Florence, Turin, Bolzano, Budapest, Barcelona, Paris, Toulouse and Hong Kong. Sales are gradually recovering, and we are finally seeing some positive weekly performance in countries such as Austria, Germany, France, China and Eastern Europe. Other countries, on the other hand, have been penalised by the postponement of the summer sales, by the lack of footfall or by infections beginning to rise again, as is the case in Hong Kong.
The e-commerce channel, the only one to have remained fully operational and the only reliable gauge of how important the brand has been for customers during this period, recorded +40% growth during the first six months of the year, driven by three-digit growth in April (+102%) and May (+167%), with positive performance also continuing in July.
As well as confirming the strategic choice made in recent years to internationalise our e-commerce channel, this growth encourages us to face the upcoming challenges with greater determination, fully aware that promoting the sustainability of our products and brand, as well as contributing to people's well-being and taking inspiration from consumers, will play an increasingly important role in guiding our clients' purchasing decisions and lifestyles going forward.
In this regard, I would like to take this opportunity to remind you that Chemi Peres recently became a member of our Ethics and Sustainable Development Committee - a further sign of our commitment to ethical and sustainable initiatives."

<u>Updates on how COVID-19 has affected the business</u>

The first half of 2020 was an extremely difficult time. The health emergency caused by the spread of the COVID-19 virus led stores in our sector to temporarily close during the second quarter, all over the world; there was also a drastic reduction in people's mobility, as well as in domestic and international tourism. Geox scrupulously complied with the provisions issued by government authorities, in some cases even taking action beforehand, in an effort to contain the spread of the virus. It therefore temporarily closed its stores, first in China at the start of February followed by stores in Italy at the end of February, and then gradually the others in Europe, North America, Russia and Japan in March. These measures led to over 80% of Geox's directly operated stores being temporarily closed for approximately two months (from the second half of March until the first half of May).
As the spread of the virus began to subside and the governments in the various countries consequently began to ease restrictive measures, Geox gradually reopened its first stores across the world: at the beginning of March in China, followed step-by-step by a number of European countries (Austria, Germany) towards the end of April/mid-May, and then in Italy and the rest of Europe; the last stores to be reopened were in North America and Russia in June and in the UK in July, with stores in a number of shopping centres expected to reopen in August.

Please find below the percentage of DOS (out of the total) that have been temporarily closed, on a weekly basis, from the start of the year until today.



Today, the network is fully operational once again. However, on average, around 35% of DOS remained temporarily closed during the first half of the year (20% of the network in the first quarter; 50% of the network in the second quarter)[2].
The general situation continues to present a number of uncertainties. In fact, the global health emergency is still very much ongoing. This is inevitably leading the governments in each country to focus their attention on adopting measures to restrict people's mobility to a greater or lesser extent, and there are still next to no tourists in all large cities, with inevitable repercussions on the business.

In Italy, almost all Geox stores reopened on 18 May, except for those that will be opened at a later date to allow time for restyling (conversion to the "X-Store" format); this is a sign of the Group's desire to continue investing in strategic and profitable assets, based on its solid financial position, paying the utmost attention to satisfying its customers.

In particular, restyling was completed, for example, for the stores in Palermo, Bolzano, Turin, Florence, Catania, Venice and Verona. In fact, the "new" store in Venice (Mercerie-St. Mark's) has been completely redesigned and revamped, representing a clear sign of the Group's intention and willingness to relaunch in a key area that has had a particularly difficult time this year, first with the flooding and then with the COVID-19 epidemic.

Venice (Mercerie - St.Mark's)

Restyling work has also been carried out in other stores in significant locations throughout Europe (Barcelona, Paris, Budapest, Toulouse and Girona).

As was the case for DOS, the Group's franchised stores were also temporarily closed due to the pandemic. On average, around 35% of these stores were temporarily closed during the first half of the year. As of today, 98% of the network is now operational again.

Social responsibility and commitment to sustainability

Social responsibility and sustainability have been fundamental values for Geox ever since it was first founded.

Right from the very beginning of the health emergency, Geox made it a priority to implement a number of important measures to protect the health and safety of its co-workers, customers and business partners, also contributing to the huge collective effort being made to reduce the contagion. These various initiatives included: 1) the donations made by the founder and by the company for the purchase of respirators, intensive care beds and personal protective equipment; 2) temporarily closing stores, often before being ordered to do so by the authorities; 3) extensive recourse to remote working, made possible thanks to the investments made in technology; 4) implementing the health protocols issued by the authorities and social partners for those employees who continued to come to work, and integrating them with health screening measures such as serological tests; 5) refinancing the **Company Welfare Plan**, successfully increasing it and focusing it on health, safety and families. This was made possible thanks to the management team renouncing all variable fees for 2020 and reducing their fixed pay by 20% on a weekly basis, from the start of the emergency to date.

On 15 July 2020, the Group also appointed Nehemia (Chemi) Peres as the new member of the Ethics and Sustainable Development Committee. Since it was first set up in 2005 (just after the Group was floated), this committee has chartered a path that began with the adoption of the Code of Ethics, followed by the Code of Conduct for suppliers and the more recent signing of the Fashion Pact. Its aim is to ensure that respect and the well-being of people and the environment remain at the heart of the business and every strategic decision made.

[2] On 27 July, 5 DOS in St. Petersburg reopened, which had been closed up until that point due to the government restrictions in place on all stores present in shopping centres. Therefore, as of today, 3 DOS in London and 1 in New York are still closed; as things stand at the moment, and given the difficult context (lack of footfall), it is deemed more appropriate for the Group to keep these stores closed.

Chemi Peres has dedicated himself to continuing the legacy of his late father, Shimon Peres, former President of Israel and winner of the Nobel Peace Prize, fulfilling his vision through leading the implementation of his numerous initiatives and activities in the fields of peace and innovation. He is also the Chairman of the Board of Directors of the "Peres Center for Peace & Innovation", Israel's leading non-profit organisation, established in 1996 by Shimon Peres. The Peres Center develops and implements innovative and cutting-edge programmes in the fields of education and peacebuilding, innovation, medicine and the environment.
Before Chemi Peres became a member, Geox's Ethics and Sustainable Development Committee benefited from the contributions of Joaquin Navarro-Valls and then, more recently, Kofi Annan, Nobel Peace Prize winner and former Secretary General of the UN.
As member of the committee, Chemi Peres will be working alongside Geox's Chairman and Founder, Mario Moretti Polegato, engineer Umberto Paolucci and lawyer Renato Alberini.

Measures aimed at protecting the company's cash flow. Net financial position at 30 June 2020

The Group closed 2019 with shareholders' equity of Euro 303 million and with a positive net financial position of approximately Euro 6 million (before IFRS 16), thanks to the strong optimisation of working capital which had recorded its best performance of recent years, representing 22.7% of sales.
The COVID-19 emergency has led the entire sector to face a significant one-off absorption of cash, in addition to the normal seasonality of the business. In particular, the temporary closure of stores and the slowdown in receiving payments from wholesale and franchising clients led to a temporary negative cash flow during the second quarter. This was caused by the abnormal increase in working capital as a result of the lack of takings from stores, unsold stock and unpaid receivables.

However, the Group promptly implemented a significant and thorough plan to reduce future financial requirements. These measures are designed to:

- postpone non-essential investments, such as store revamps or new openings. Overall, the investments initially planned for 2020, amounting to Euro 40 million, will be reduced by approximately Euro 15 million (-40%). Investments in digital infrastructure and the omnichannel approach, on the other hand, have been confirmed, as these are instrumental to the evolution of Geox's business model, with the aim of perfectly integrating physical and digital stores as well as the warehouses for the various channels;
- limit the increase in working capital. In this regard, Geox is working closely with its suppliers to reduce purchases for the upcoming autumn-winter collection by approximately Euro 40 million (-21%), compared with both initial forecasts and the previous year;
- offer clients a package of support measures and strengthen partnerships, aimed at encouraging the payment of receivables as well as defending and protecting the backlog of orders to be delivered for the spring-summer and autumn-winter collections. Generally speaking, receivables are nonetheless insured;
- carefully assess the strategy to release products to the distribution network, in order to reduce future purchases on the basis of the availability of products from the current season, given that the latter has effectively not been presented to the market; these products may be partly considered as a transition to move towards the next autumn-winter collection (for which purchases have already been significantly reduced) and partly re-proposed as part of the 2021 spring-summer collection;
- renew the vendor financing programmes in place, aimed at extending payment terms with suppliers.

These combined measures, together with better than expected sales performance in directly operated stores, have allowed the Group to keep its net financial position under control, despite the exceptional circumstances; at 30 June 2020 (before IFRS 16), this amounted to Euro -88.8 million (Euro -30.8 million at 30 June 2019). It should be noted that the Group has made all payments to its supply chain on time and has not had to resort to suspending loan repayments. The only exception to this was the suspension of rent payments for stores during the time they were closed (April and the first half of May) and the partial payment of rent during the second half of May and June after they were reopened, based on sales performance. This approach is in line with the ongoing talks being held with the various landlords, aimed at renegotiating the contractual agreements in place, bringing them more in line with the changes to the economic scenario; this involves introducing variable rents based on the level of turnover, at least while there is reduced footfall caused by the restrictive measures and the strong reduction in tourist numbers. As of today, these closed talks with landlords have undoubtedly proven to be challenging, but the Group has already signed a number of agreements and many others are in an advanced phase of negotiation. The Group is also convinced that the right thing is to terminate the relative agreement if solutions cannot be found that reflect current market values.

At 30 June 2020, unpaid rent amounted to Euro 12 million, referring exclusively to the second quarter (i.e. during the most severe phase of the lockdown).

The Group has adequate lines of credit available thanks to the fact that, since the beginning of the emergency, it has implemented a strategy to cover its financing needs. The aim of this strategy is to ensure that the sources of financing remain as coherent as possible with funding requirements, in order to have the right balance between short-term lines of credit to deal with normal business seasonality, medium-term financing to manage the temporary one-off absorption of cash caused by the COVID-19 emergency and long-term financing to also support the investments required to develop a truly omnichannel business model that perfectly integrates physical and digital stores.

The short-term and medium-term committed lines of credit were finalised with the support of the Cassa Depositi e Prestiti, Banco BPM, Banca Monte dei Paschi di Siena and Cassa di Risparmio di Bolzano.

New loan agreement with SACE guarantee

Today, the Group completed its already solid financial structure to support its business and investments over the next three years, by signing a loan agreement for a total of Euro 90 million, obtained thanks to its solid track record in terms of balance sheet and financial indicators. Pursuant to the provisions of Italian Decree Law no. 23 of 8 April 2020, SACE *[export credit insurance company]* promptly issued a so-called "Italy guarantee", through the simplified procedure, for 90% of the amount granted by the banks, following an in-depth investigation. This loan will mainly be used to cover personnel costs and investments, as well as working capital dynamics for production facilities and business activities in Italy. The loan, agreed on a club-deal basis, has a maximum duration of 6 years, with a 24-month grace period and quarterly repayments. Intesa Sanpaolo acted as bookrunner, mandated lead arranger, bank agent and SACE agent, and BNL Gruppo BNP Paribas as mandated lead arranger. The Orrick law firm supported Geox S.p.A., while the banks were supported by the Gianni, Origoni, Grippo and Cappelli & Partners law firm.

Measures to significantly cut operating costs

Geox's management team believes that it is fundamentally important to react to these changing market conditions by implementing extremely decisive and appropriate measures to mitigate the negative effects on the year's results. In particular, the Group is:

- obtaining and renegotiating substantial rent reductions for stores in the areas affected by the temporary closures and, subsequently, by the considerable drop in footfall;
- working towards making HR costs flexible in relation to the opening hours and turnover of each store. In particular, it is accessing the various forms of government aid and the measures to protect workers which were either already in place in the various countries or have been implemented by the various governments to address the current exceptional circumstances, such as the "cassa integrazione" *(fund to supplement earnings)* in Italy and the other measures provided for by foreign legal systems;
- postponing non-essential investments until a more favourable moment in time, including investments in advertising aimed at increasing in-store footfall;
- further analysing the profitability of the store network to assess additional rationalisation measures[3];

[3] Please be reminded that, on 16 January 2020, the Board of Directors of Geox S.p.A. examined and approved a rationalisation plan for the Group's network of stores (DOS). On the same date, approximately 130 stores (CGUs) were identified with negative P&L performance or other indications that they needed to be subjected to an impairment test. Out of these stores, around 100 have either been fully or partially written down and around 80 (including DOS and corners) have been identified as no longer complying with the Group's strategy in terms of significance and profitability. The latter shall be closed over the course of the three-year period 2020-2022, with decreasing intensity.
In order to properly assess the financial statements as of 31 December 2019, the Board of Directors approved a simulation of income for each of the Group's directly operated stores, which provides for substantially stable operating results and cash flows in the future, compared with the actual performance recorded over the course of the last year. This income simulation, adopted in order to make budgetary assessments before the new strategic business plan is drawn up, provided reasonably prudent forecasts regarding the cash flows that may be achieved. For each store analysed, a time frame was adopted that is in line with the new duration stated by the relative lease agreement, and a different WACC rate was used for each country, ranging from 4.34% to 6.24%.

- carrying out an in-depth assessment into its geographical presence and the relationship between revenue performance and structural costs in the various areas, in order to be able to make all the appropriate decisions necessary to boost the Group's profitability profile;
- implementing all other strict cost control measures necessary to achieve significant rationalisation in order to free up resources for the most significant investments, while preparing to adjust the intensity of reorganisation processes based on the close monitoring of the situation as it evolves.

Supply of raw materials, finished products and distribution[4]

Geox Group purchases approximately 4% of its finished products from China (mainly apparel) and it uses Chinese suppliers for some of the raw materials used for manufacturing in other areas of the Far East. Production activities have gradually recovered and all of Geox's suppliers in China are now operational, with only a few restrictions remaining on people's mobility.
Since the end of March, the contagion has also begun to spread significantly in other countries in the Far East. In particular, India imposed its first restrictive measures, suspending all production activities from 24 March until 12 May. Production activities restarted on 13 May, but with a number of limitations on the presence of workers in order to contain the spread of the virus. The authorities recently tightened restrictive measures in the south of the country, where significant peaks in infections had been recorded.
In Serbia, home to the plant owned by the Group, the precautionary measure was taken to halt production in April in order to safeguard employees' health and avoid production inefficiencies linked to potential absenteeism due to the health risk and to the fact that certain borders had temporarily closed for the transport of goods. The production lines started up again at the beginning of May and became fully operational at the end of May. However, the situation has worsened again over recent weeks and Geox is taking all the actions and precautions necessary to protect the health of its workers, in line with the instructions received from the local authorities, thereby reducing its levels of production.
Other production sites are currently up and running, albeit in a context of general instability.

The pandemic has also affected transportation. On the one hand, all economic operators are experiencing longer transport times for sea freight due to the fewer number of departures and the higher number of stop-offs in order to make best use of the space available. On the other hand, there are less opportunities to make up for production delays with air freight, due to the limited number of cargo and passenger flights.

As mentioned above, the situation is constantly evolving and requires a great deal of prudence and care throughout the supply chain; events are being continuously monitored in order to promptly identify the inevitable delays in production and deliveries, and to implement any appropriate actions to mitigate them. Given the context, the practically across-the-board decision by the sector to continue selling summer season goods until September, the reduced number of items from the autumn-winter collection being introduced early and the presence of ongoing models, will help mitigate the effects of the delivery delays.

All of the Group's distribution centres across the world have remained operational at all times.

Business outlook

With regard to full-year performance estimates, the current situation and the uncertainties about how long the pandemic will last mean that it is extremely complex to make any kind of forecast.
On 17 September, the Board of Directors will meet to approve the full six-monthly report, at which time the management team will have more information available to be able to provide the financial community with some additional indications. In particular, sales figures for August (sales season) and the beginning of September (back-to-school season) will be available, representing an important time of the year, and the Italian government is also expected to issue the so-called "August Decree", which should contain further measures/extensions to support the economy and production activities.

[4] Update to the press releases on this issue dated 27 March 2020 and 7 May 2020.

GEOX RESPIRA

GROUP PERFORMANCE: PRELIMINARY SALES FIGURES

Preliminary consolidated sales in the first half of 2020 amounted to Euro 243.6 million, down 39% compared with the previous year (-39% at constant forex), affected by the spread of the Covid-19 pandemic.

Sales by distribution channel

(Thousands of Euro)	I half 2020	%	I half 2019	%	Var. %
Wholesale	**121,442**	**49.8%**	**185,765**	**46.5%**	**(34.6%)**
Franchising	17,818	7.3%	37,898	9.5%	(53.0%)
DOS*	104,358	42.8%	175,779	44.0%	(40.6%)
Geox Shops	**122,176**	**50.2%**	**213,677**	**53.5%**	**(42.8%)**
Net sales	**243,618**	**100.0%**	**399,442**	**100.0%**	**(39.0%)**

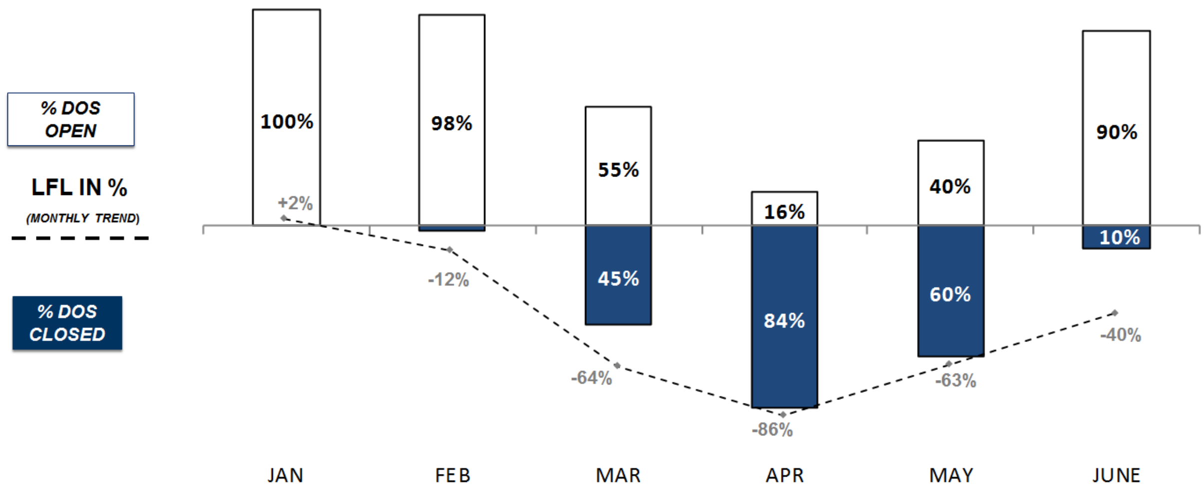
* Directly Operated Store

Sales generated by wholesale stores, representing 49.8% of Group revenues (46.5% in the first half of 2019), amounted to Euro 121.4 million (-34.6% at current forex, -34.7% at constant forex), compared with Euro 185.8 million in the first half of 2019. The trend during the first half of the year was fully down to the temporary closure of wholesale stores for approximately two months, which led our clients to: extend the sell-out period for the spring collection; postpone deliveries for the FW20 collection; request cancellations of part of the orders scheduled during the period of closure; drastically reduce stock replenishment for the SS20 collection. The Group also recorded fewer sales of stock from previous seasons.

Sales in the franchising channel, accounting for 7.3% of Group revenues, amounted to Euro 17.8 million, reporting a decline of 53.0% (-52.9% at constant forex), compared with Euro 37.9 million in the first half of 2019. Performance in the first half of the year was affected by the temporary closures (an average of 35% of franchised stores were temporarily closed during the period), by a negative timing effect regarding early deliveries of items from the FW20 collection (corresponding to around Euro 5 million), and by the reduction in the store network (around Euro 4 million, or 13%), down from 406 stores in June 2019 to 354 in June 2020.

Sales generated by directly operated stores (DOS), representing 42.8% of Group revenues, amounted to Euro 104.4 million, compared with Euro 175.8 million in the first half of 2019 (-40.6% at current forex, -40.7% at constant forex). Like-for-like sales at the end of June 2020 were equal to -41%, substantially in line with the overall trend for this channel (considering that there were no significant changes to the store network); this figure reflects the high percentage of stores that were temporarily closed during the first six months of the year (around 35%). As of today, four stores remain closed, as mentioned above.

Please find below the LFL sales performance and operational status of stores during the first half of the year.



Further recovery has been recorded so far in July (-29% to date), despite the basis for comparison being penalised by the postponement of the summer sales in many significant markets.

The Group's direct e-commerce channel continues to record significant growth: +40% compared with the end of June 2019 (+21% in the first quarter and +59% in the second quarter). Particularly positive performance was recorded in April (+102%) and May (+167%), coinciding with the most severe phase of the lockdown; performance in June, on the other hand, albeit still positive (+12%), was affected by the reopening of stores absorbing some of the sales.

Sales by region

(Thousands of Euro)	I half 2020	%	I half 2019	%	Var. %
Italy	59,932	24.6%	116,221	29.1%	(48.4%)
Europe (*)	113,796	46.7%	174,846	43.8%	(34.9%)
North America	11,768	4.8%	22,053	5.5%	(46.6%)
Other countries	58,122	23.9%	86,322	21.6%	(32.7%)
Net sales	**243,618**	**100.0%**	**399,442**	**100.0%**	**(39.0%)**

(*) Europe includes: Austria, Benelux, France, Germany, UK, Iberia, Scandinavia, Switzerland.

Sales generated in Italy, representing 24.6% of Group revenues (29% in the first half of 2019), amounted to Euro 59.9 million, compared with Euro 116.2 million in 2019. Performance in Italy was more seriously affected by the Covid-19

emergency than in other European countries, as this was the first country in the area where the epidemic began to spread and is also the country where the Group has the highest number of stores (150 DOS and 108 franchises).
In this context, all channels have been affected by the emergency. Directly operated stores, which had recorded a positive start to the year, were affected by the temporary closures, recording a drop in sales for the first six months of the year in line with the Group figure. On average, approximately 41% of the DOS network was temporarily closed during the first half of the year. With regard to performance in the wholesale and franchising channels, on the other hand, the drop in sales was mainly down to the factors already described. In Italy, performance of the e-commerce channel was particularly impressive, recording +83% at the end of June 2020 (+33% at the end of March).

Sales generated in Europe, representing 46.7% of Group revenues (43.8% in the first half of 2019), amounted to Euro 113.8 million, compared to Euro 174.8 million in the first half of 2019, recording a decline of 34.9%, mainly due, as was the case for Italy, to the effects of the spread of the epidemic, which led to stores being temporarily closed from the second half of March.
After the year got off to a positive start (approximately +5%), sales generated by directly operated stores recorded a decline of around 37% for the first six months of 2020. On average, approximately 32% of the DOS network was temporarily closed during the first half of the year.
The direct e-commerce channel for the European market also recorded the same, excellent trend (+35% at the end of June and +26% at the end of March). Lastly, with regard to the wholesale and franchising channels, performance has been negative but slightly better than on the Italian market, benefiting from the fact that deliveries to counterparties were brought forward (especially in Germany and Austria), which at least partly avoided the suspension of deliveries experienced in mid-March.

North America recorded a turnover of Euro 11.8 million, down 46.6% (-47.1% at constant forex). The period of closure was longer in the USA and Canada, starting from mid-March and lasting until mid-June. As of today, the entire network is now operational, with the exception of the store in New York, as mentioned above.
During the first half of the year, sales generated by directly operated stores were down by around 55% due to the lockdown, which caused 46% of the DOS network to close during the period.
Thanks to excellent performance in the second quarter, the e-commerce channel recorded 31% growth at the end of June (+6% at the end of March). The wholesale channel recorded a 22% drop in sales, performing better than the Group figure thanks to a favourable basis for comparison.

A 32.7% reduction in turnover was recorded in the Rest of the World compared with the first half of 2019 (-32.4% at constant forex), with a particularly different trend between the Asia Pacific area and Eastern Europe.

In China, Hong Kong and Macau, there was a particularly significant reduction in turnover (over 40%) due to the restrictions on people's mobility and the closure of stores at the end of January/start of February. Stores were reopened at the beginning of March, but with a strong reduction in footfall. From the beginning of April until mid-May, stores in Japan were temporarily closed, again following the containment measures imposed by the government to reduce the spread of the pandemic. Overall, sales generated by directly operated stores recorded around a 40% drop at the end of the first half of the year, with an average reduction in footfall of 55%. The situation in Hong Kong remains challenging, while signs of recovery can be seen in China, where LFL sales for directly operated stores increased from -50% in the first quarter to around -10% in the second quarter, thanks also to the positive performance in June (+4%).
While negative performance had been recorded by the direct e-commerce channel in the Asia Pacific area at the end of March (around -30%), this figure increased to 13% at the end of June thanks to excellent results in the second quarter.

With regard to Eastern Europe, a 28.6% decline in sales was recorded in this area during the first six months of the year. All directly operated stores temporarily closed towards the end of March, and then gradually reopened in June. Sales generated by directly operated stores amounted to around -36%, a figure that was nonetheless better than the percentage of stores that were closed during the period (approximately 39%), reflecting the Group's good performance in this area. The e-commerce channel also recorded very good performance (+132% compared with June 2019).

GEOX RESPIRA

Sales by product category

(Thousands of Euro)	I half 2020	%	I half 2019	%	Var. %
Footwear	220,510	90.5%	364,251	91.2%	(39.5%)
Apparel	23,108	9.5%	35,191	8.8%	(34.3%)
Net sales	**243,618**	**100.0%**	**399,442**	**100.0%**	**(39.0%)**

Footwear sales represented 90.5% of consolidated sales, amounting to Euro 220.5 million, down 39.5% compared with the first half of 2019 (-39.5% at constant forex). Apparel sales represented 9.5% of consolidated sales, amounting to Euro 23.1 million, compared with Euro 35.2 million in the first half of 2019 (-34.3% at current forex, -34.0% at constant forex).

Mono-brand store network - Geox shops

As of 30 June 2020, there was a total of 936 "Geox Shops", of which 450 DOS. During the first half of 2020, 13 new Geox Shops were opened and 51 were closed, in line with the store network optimization planned in more mature markets and the expansion in countries where the Group's presence is still limited but developing well.

	06-30-2020		12-31-2019		I Half 2020		
	Geox Shops	of which DOS	Geox Shops	of which DOS	Net Openings	Openings	Closings
Italy	258	150	272	148	(14)	-	(14)
Europe (*)	263	156	270	159	(7)	2	(9)
North America	32	32	37	37	(5)	-	(5)
Other countries (**)	383	112	395	110	(12)	11	(23)
Total	**936**	**450**	**974**	**454**	**(38)**	**13**	**(51)**

(*) Europe includes: Austria, Benelux, France, Germany, UK, Iberia, Scandinavia, Switzerland.

(**) Includes Under License Agreement Shops (132 as of June 30 2020, 134 as of December 31 2019). Sales from these shops are not included in the franchising channel.

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It should also be noted that the updated 2019 report on corporate governance and ownership set-ups shall be made available to the public by the end of today, on the authorised storage system www.emarketstorage.it, the Corporate Governance section of the company's website and at the company's headquarters, after the checks carried out by the Board of Directors regarding 'SME' status pursuant to article 1, paragraph 1, letter w-quater.1) of the 'Testo Unico della Finanza' (Italian Consolidated Law on Financial Intermediation and pursuant to article 2-ter of the CONSOB issuers' regulations).

DECLARATION BY THE MANAGER RESPONSIBLE FOR THE PREPARATION OF COMPANY ACCOUNTING DOCUMENTS

The manager responsible for the preparation of the company's financial documents, Dott. Massimo Nai, hereby declares, in accordance with paragraph 2, article 154 bis of the "Testo Unico della Finanza" *(Italian Consolidated Law on Financial Intermediation)*, that, based on his knowledge, the accounting information contained in this document corresponds to the results documented in the books, accounting and other records of the company.

FOR MORE INFORMATION

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GEOX GROUP

Geox Group operates in the classic and casual footwear sector for men, women and children, with a medium/high price level, and in the apparel sector. The success of Geox is due to the constant focus on the application of innovative solutions and technologies on the product that guarantee both impermeability and breathability.
Geox is one of the leading brands in the "International Branded Casual Footwear Market". Geox technology is protected by 40 different patents and by 25 more recent patent applications.

DISCLAIMER

This document includes forward-looking statements, relative to future events and income and financial operating results of Geox Group. These forecasts, by their nature, include an element of risk and uncertainty, since they depend on the outcome of future events and developments. The actual results may differ even quite significantly from those stated due to a multiplicity of factors.