



PRESS RELEASE

The Board of Directors of **Salvatore Ferragamo S.p.A.** approves the Half Year Financial Report as of 30 June 2022

Salvatore Ferragamo Group 1H 2022 Revenue increases 20.3% vs. 1H 2021

EBIT at 95 million Euros, increasing by 44.7%, and Net Profit at 62 million Euros, increasing by 85.2% vs. 1H 2021

- **Revenues: 630 million Euros (+20.3% vs. 524 million Euros at 30 June 2021, +17.0% at constant exchange rates²)**
- **Gross Operating Profit (EBITDA¹): 180 million Euros (+24.4% vs. 144 million Euros at 30 June 2021)**
- **Operating Profit (EBIT): 95 million Euros (+44.7% vs. 66 million Euros at 30 June 2021)**
- **Net Profit: 62 million Euros (+85.2% vs. 33 million Euros at 30 June 2021)**
- **Net Financial Position⁵: positive for 309 million Euros (vs. 205 million Euros positive at 30 June 2021)**

Marco Gobbetti, Chief Executive Officer and General Manager of Salvatore Ferragamo S.p.A commented:

“We are pleased with the continued growth of revenues and profitability in the second quarter, despite the enduring impact of the pandemic in China. All other geographies have shown positive performances.

We made excellent progress on our strategic priorities and will accelerate our investment in the second half of the year, as planned, to build strength in platforms and regions to support our growth agenda, whilst remaining mindful of the more volatile and challenging macroeconomic backdrop.

Our recently announced partnership with Farfetch provides us with a strong platform of technical capabilities and target audience to fuel our digital growth ambition“.



Florence, 6 September 2022 – The Board of Directors of Salvatore Ferragamo S.p.A. (EXM: SFER), parent company of the Salvatore Ferragamo Group, in a meeting chaired by Leonardo Ferragamo, examined and approved the Half Year Financial Report as of 30 June 2022, drafted according to IAS/IFRS international accounting principles (Limited Audit).

Notes to the Income Statement for 1H 2022

Consolidated Revenue figures

As of 30 June 2022, the Salvatore Ferragamo Group reported Total Revenues of 630 million Euros up 20.3% at current exchange rates (+17.0% at constant exchange rates²) vs. the 524 million Euros recorded in 1H 2021.

Net Sales by distribution channel³

As of 30 June 2022, the Retail distribution channel posted consolidated Net Sales up 16.5% (+9.4% at constant exchange rates²) vs. 1H 2021.

The Wholesale channel registered an increase in Net Sales of 40.9% (+36.2% at constant exchange rates²) vs. 1H 2021.

Net Sales by geographical area³

The Asia Pacific registered Net Sales down by 1.5% (-7.8% at constant exchange rates²) vs. 1H 2021.

The slowdown is mainly due to the effects deriving from the resilience of the pandemic Covid-19, in particular in China.

The Japanese market in 1H 2022 registered a 28.0% increase in Net Sales (+32.4% at constant exchange rates²) vs. 1H 2021.

EMEA posted an increase in Net Sales of 45.8% (+45.7% at constant exchange rates²) vs. 1H 2021.

North America in 1H 2022 recorded a Net Sales increase of 41.6% (+29.7% at constant exchange rates²) vs. 1H 2021.

Net Sales in the Central and South America in 1H 2022 were up 44.2%, (+31.2% at constant exchange rates²) vs. 1H 2021.



Net Sales by product category³

All main product categories reported a significant increase in 1H 2022 vs. the same period of last year, with shoes and leather categories representing 87% of Net sales in the first half.

Gross Profit

In 1H 2022 the Gross Profit increased by 25.4% vs. 1H 2021, to 453 million Euros. Its incidence on Revenues was up 290 basis points, moving to 71.8%, from 68.9% of 1H 2021, driven by the improvement of the full/off price ratio.

Operating Costs

In 1H 2022 Operating Costs amounted to 357 million Euros, +21.1% at current exchange rate vs. 1H 2021 (+16.0% at constant exchange rates²).

Gross Operating Profit (EBITDA¹)

The Gross Operating Profit (EBITDA¹) amounted to 180 million Euros, from 144 million Euros of 1H 2021, with an incidence on Revenues of 28.5% from 27.5% in 1H 2021.

Operating Profit (EBIT)

The Operating Profit (EBIT) was positive for 95 million Euros, marking an increase of 44.7% vs. 66 million Euros positive in 1H 2021.

Profit before taxes

The Profit before taxes in 1H 2022 was positive for 88 million Euros vs. 56 million Euros positive in 1H 2021.

Net Profit for the Period

The Net Profit for the period, including the Minority Interest, was positive for 62 million Euros, marking an increase of 85.2% vs. 33 million Euros in 1H 2021. The 1H 2022 Group Net Profit was positive for 62 million Euros vs. 31 million Euros in 1H 2021.



Notes to the Consolidated Balance Sheet for 1H 2022

Net Working Capital⁴

The Net Working Capital as of 30 June 2022 decreased by 16.3% to 250 million Euros, from 298 million Euros as of 30 June 2021. In particular, the inventories were down 4.4%.

Investments (CAPEX)

As of 30 June 2022, Investments (CAPEX) were 18 million Euros vs. 13 million Euros in 1H 2021, mainly due to renovations of the retail network and investments in the digital channel.

Net Financial Position

The Net Financial Position adjusted⁵ at 30 June 2022 was positive for 309 million Euros (vs. 205 million Euros positive as of 30 June 2021). Including IFRS16 effect, the Net Financial Position at 30 June 2022 is negative for 290 million Euros.

Notes to the press release

¹ We define EBITDA as operating profit before amortization and depreciation and write-downs of tangible/intangible assets and Right of use assets. EBITDA is an important managerial indicator for measuring the Group's performance. As EBITDA is not an indicator defined by the accounting principles used by our Group, our method of calculating EBITDA may not be strictly comparable to that used by other companies.

² Revenues/Operating Costs at "constant exchange rates" are calculated by applying to the Revenue/Operating Costs of the period 2021, not including the "hedging effect", the average exchange rates of the same period 2022.

³ The variations in Net Sales are calculated at current exchange rates excluding the hedging effect, unless differently indicated.

For a better performance analysis, 1H 2022 Net Sales have been presented excluding the Cash flow hedging effect on revenues and 1H 2021 data have been restated for comparative purposes.



⁴ Net working capital is calculated (in accordance with CESR Recommendation 05-054/b of February 10, 2005) as inventories, right of return assets and trade receivables net of trade payables and refund liabilities, excluding other current assets and liabilities and other financial assets and liabilities. As net working capital is not an indicator defined by the accounting principles used by our Group, our method of calculating net working capital may not be strictly comparable to that used by other companies.

⁵ Net Financial Position is referring to Adjusted Net Financial Position: not including the IFRS16 effect. The net Financial Position calculated as the sum of Cash and cash equivalents and Other current financial assets, including the positive fair value of derivatives (non-hedge component) net of Current and non-current interest-bearing loans and borrowings plus Current and non-current Lease Liabilities and Other current and non-current financial liabilities including the negative fair value of derivatives (non-hedge component). Net Financial Position Adjusted is the Net Financial Position excluding Current and non-current Lease Liabilities.

The manager charged to prepare the corporate accounting documents, Alessandro Corsi, pursuant to article 154-bis, paragraph 2, of Legislative Decree no. 58/1998 (Consolidated Financial Law), hereby declares that the information contained in this Press Release faithfully represents the content of documents, financial books and accounting records.

Furthermore, in addition to the conventional financial indicators required by IFRS, this Press Release includes some alternative performance indicators (such as EBITDA, for example) in order to allow for a better assessment of the performance of the economic and financial management. These indicators have been calculated according to the usual market practices.

This document may contain forecasts, relating to future events and operating results, which by their very nature are uncertain, in that they depend on future events and developments that cannot be predicted with certainty. Actual results may therefore differ with those forecasted, due to a variety of factors.

The Half Year Financial Report as of 30 June 2022, approved by the Board of Directors on September 6, 2022, will be available to anyone requesting it at the headquarters of the Company in Florence, Via Tornabuoni n. 2, on the authorized web-storage system eMarket STORAGE www.emarketstorage.com, and will also be accessible on the Salvatore Ferragamo Group's website <http://group.ferragamo.com> in the section "Investor Relations/Financial Documents", in compliance with the law.

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The Results of 1H 2022 will be illustrated today, 6 September 2022, at 6:00 PM (CET) in a conference call with the financial community. The presentation will be available on the Company's website <http://group.ferragamo.com> in the “Investor Relations/Presentations” section.

Salvatore Ferragamo S.p.A.

Salvatore Ferragamo S.p.A. is the parent Company of the Salvatore Ferragamo Group, one of the leaders in the luxury industry, and whose origins date back to 1927.

Salvatore Ferragamo is renowned for the creation, production and worldwide distribution of luxury collections of shoes, leather goods, apparel, silk products and other accessories for men and women, including also eyewear, watches and fragrances under license.

Embedding the spirit of its Founder, Ferragamo reinterprets its heritage with creativity, innovation and sustainable thinking. Uniqueness and exclusivity, along with the blend of style and exquisite 'Made in Italy' savoir-faire, are the hallmarks of all Ferragamo's products.

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This Press Release is also available on the website <http://group.ferragamo.com>, in the section “Investor Relations/Financial Press Releases”.

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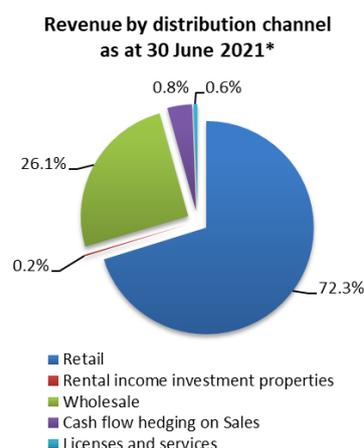
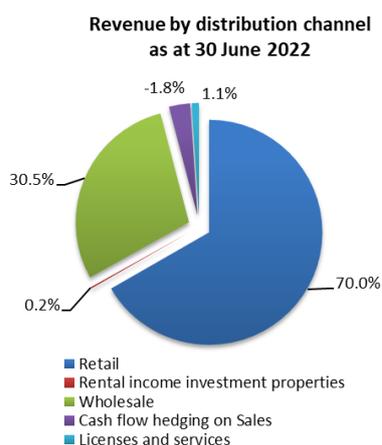
On the following pages, a more detailed analysis of Revenues, the consolidated income statement, the summary of statement of consolidated financial position, the net consolidated financial position, and the consolidated cash flow statement of the Salvatore Ferragamo Group as of 30 June 2022.

For a better performance analysis, 1H 2022 Net Sales by distribution channel, geographical area and product category have been presented excluding the Cash flow hedging effect on revenues, which is negative 11 million euros in 1H 2022 and positive 4 million euros in the same period of 2021. 1H 2021 data have been restated for comparative purposes.

Revenue by distribution channel as of 30 June 2022

(In thousands of Euro)	Half-year period ended 30 June				% Change	at constant exchange rate % Change
	2022	% on Revenue	2021*	% on Revenue		
Retail	441,080	70.0%	378,623	72.3%	16.5%	9.4%
Wholesale	192,303	30.5%	136,521	26.1%	40.9%	36.2%
Net sales	633,383	100.5%	515,144	98.4%	23.0%	16.4%
Cash flow hedging effect	(11,304)	(1.8%)	4,307	0.8%	na	-
Licenses and services	6,884	1.1%	3,223	0.6%	113.6%	113.6%
Rental income investment properties	1,316	0.2%	1,143	0.2%	15.1%	4.5%
Revenues	630,279	100.0%	523,817	100.0%	20.3%	17.0%

* Half year 2021 data were restated for comparative purpose following a different presentation of revenues by channel.



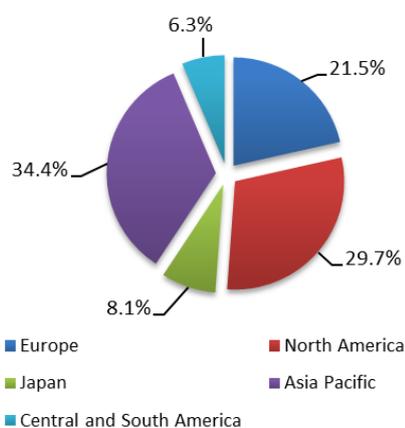
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Net Sales by geographic area as of 30 June 2022

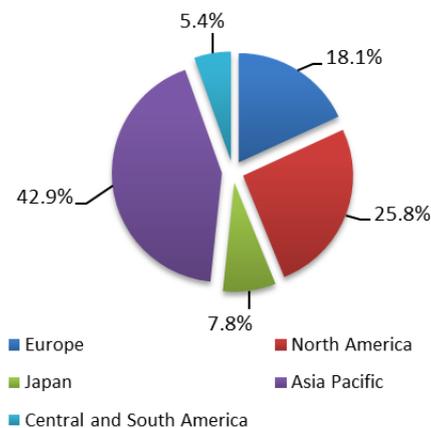
(In thousands of Euro)	Half-year period ended 30 June				% Change	at constant exchange rate % Change
	2022	% on Net sales	2021*	% on Net sales		
Europe	135,934	21.5%	93,243	18.1%	45.8%	45.7%
North America	188,124	29.7%	132,875	25.8%	41.6%	29.7%
Japan	51,271	8.1%	40,040	7.8%	28.0%	32.4%
Asia Pacific	217,867	34.4%	221,110	42.9%	(1.5%)	(7.8%)
Central and South America	40,187	6.3%	27,876	5.4%	44.2%	31.2%
Net sales	633,383	100.0%	515,144	100.0%	23.0%	16.4%

* For a better performance analysis, Net Sales by geographical area have been presented excluding Cash flow hedge effect on revenues; Half year 2021 data were restated only for comparative purpose.

Net Sales by geographic area as at 30 June 2022



Net Sales by geographic area as at 30 June 2021*

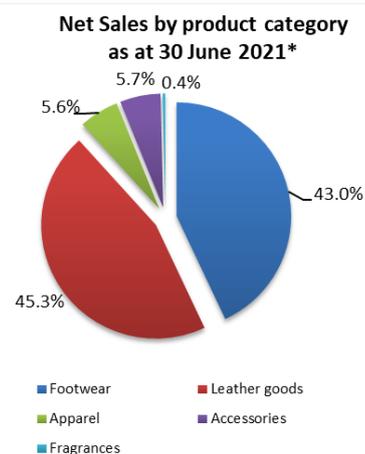
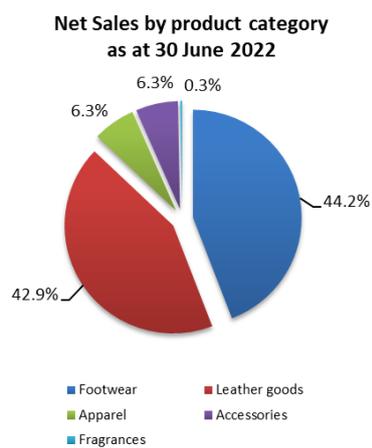


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Net Sales by product category as of 30 June 2022

(In thousands of Euro)	Half-year period ended 30 June				% Change	at constant exchange rate % Change
	2022	% on Net sales	2021*	% on Net sales		
Footwear	279,691	44.2%	221,591	43.0%	26.2%	18.5%
Leather goods	271,851	42.9%	233,344	45.3%	16.5%	11.0%
Apparel	40,084	6.3%	28,860	5.6%	38.9%	32.8%
Accessories	39,854	6.3%	29,454	5.7%	35.3%	29.1%
Fragrances	1,903	0.3%	1,895	0.4%	0.4%	(6.7%)
Net sales	633,383	100.0%	515,144	100.0%	23.0%	16.4%

* For a better performance analysis, Net Sales by product category have been presented excluding Cash flow hedge effect on revenues; Half year 2021 data were restated only for comparative purpose.





Consolidated results for Salvatore Ferragamo Group

Consolidated income statement as of 30 June 2022

(In thousands of Euro)	Half-year period ended 30 June				
	2022	% on Revenue	2021	% on Revenue	% Change
Revenue from contracts with customers	628,963	99.8%	522,674	99.8%	20.3%
Rental income investment properties	1,316	0.2%	1,143	0.2%	15.1%
Revenues	630,279	100.0%	523,817	100.0%	20.3%
Cost of goods sold	(177,474)	(28.2%)	(162,857)	(31.1%)	9.0%
Gross profit	452,805	71.8%	360,960	68.9%	25.4%
Style, product development and logistics costs	(25,679)	(4.1%)	(19,845)	(3.8%)	29.4%
Sales & distribution costs	(215,485)	(34.2%)	(192,206)	(36.7%)	12.1%
Marketing & communication costs	(31,069)	(4.9%)	(27,380)	(5.2%)	13.5%
General and administrative costs	(83,835)	(13.3%)	(59,687)	(11.4%)	40.5%
Other operating costs	(11,448)	(1.8%)	(10,521)	(2.0%)	8.8%
Other income	10,100	1.6%	14,604	2.8%	(30.8%)
Total operating costs (net of other income)	(357,416)	(56.7%)	(295,035)	(56.3%)	21.1%
Operating profit	95,389	15.1%	65,925	12.6%	44.7%
Net financial charges	(7,183)	(1.1%)	(9,906)	(1.9%)	(27.5%)
Profit before taxes	88,206	14.0%	56,019	10.7%	57.5%
Income taxes	(26,272)	(4.2%)	(18,729)	(3.6%)	40.3%
Profit from continuing operations	61,934	9.8%	37,290	7.1%	66.1%
Net profit/(loss) from discontinued operation, net of tax	-	-	(3,851)	(0.7%)	-
Net profit/(loss) for the Period	61,934	9.8%	33,439	6.4%	85.2%
Net profit/(loss) - Group	61,590	9.8%	30,714	5.9%	100.5%
Net profit/(loss) - minority interests	344	0.1%	2,725	0.5%	(87.4%)
EBITDA*	179,505	28.5%	144,302	27.5%	24.4%

* EBITDA is operating profit before amortization and depreciation and write-downs of tangible/intangible assets and Right of use assets. EBITDA so defined is a parameter used by the management to monitor and assess the operating performance and is not identified as an accounting measurement under IFRS and, therefore, must not be considered as an alternative measurement to assess Group performance. Since the composition of EBITDA is not regulated by reference accounting standards, the determination criterion applied by the Group may differ from that adopted by others and therefore may not be comparable.

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Summary of consolidated statement of financial position as of 30 June 2022

(In thousands of Euro)	30 June 2022	31 December 2021	% Change
Property, plant and equipment	185,467	186,854	(0.7%)
Investment property	30,699	30,223	1.6%
Right of use assets	497,219	500,047	(0.6%)
Goodwill	6,679	6,679	-
Intangible assets with definite useful life	30,257	33,423	(9.5%)
Inventories and Right of return assets	302,713	279,790	8.2%
Trade receivables	120,066	112,670	6.6%
Trade payables and Refund liabilities	(173,095)	(193,102)	(10.4%)
Other non current assets/(liabilities), net	81,746	78,321	4.4%
Other current assets/(liabilities), net	(37,283)	(24,543)	51.9%
Net invested capital	1,044,468	1,010,362	3.4%
Group shareholders' equity	731,809	764,313	(4.3%)
Minority interests	23,088	21,566	7.1%
Shareholders' equity (A)	754,897	785,879	(3.9%)
Net financial debt/(surplus) (B) (1)	289,571	224,483	29.0%
Total sources of financing (A+B)	1,044,468	1,010,362	3.4%
Net financial debt/(surplus) (B)	289,571	224,483	29.0%
<i>Lease Liabilities (C)</i>	<i>598,992</i>	<i>597,242</i>	<i>0.3%</i>
Net financial debt/(surplus) adjusted (B-C) (2)	(309,421)	(372,759)	(17.0%)
Net financial debt/(surplus) adjusted/ Shareholders' equity	(41.0%)	(47.4%)	

(1) The Net financial debt/(surplus) is calculated as the sum of Current and non current interest-bearing loans and borrowings plus Current and non current Lease Liabilities and Other current and non current financial liabilities including the negative fair value of derivatives (non-hedge component), net of Cash and cash equivalents and Other current financial assets, including the positive fair value of derivatives (non-hedge component).

(2) The Net financial debt/(surplus) adjusted is calculated as the Net financial debt/(surplus) excluding Current and non current Lease Liabilities.

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Consolidated Net financial position as of 30 June 2022

(In thousands of Euro)	30 June 2022	31 December 2021	Change 2022 vs 2021
A. Cash	374,878	471,808	(96,930)
B. Cash equivalents	34,829	39,988	(5,159)
C. Other current financial assets	-	596	(596)
D. Current financial assets (A+B+C)	409,707	512,392	(102,685)
E. Current financial debt (including debt instruments)	26,449	53,955	(27,506)
F. Current portion of non current financial debt	134,414	132,174	2,240
G. Current financial debt (E+F)	160,863	186,129	(25,266)
H. Current financial debt, net (G-D)	(248,844)	(326,263)	77,419
I. Non current financial debt (excluding debt instruments)	538,415	550,746	(12,331)
J. Debt instruments	-	-	-
K. Trade payables and other current debts	-	-	-
L. Non-current financial debt (I+J+K)	538,415	550,746	(12,331)
M. Net financial debt (H+L)	289,571	224,483	65,088
<hr/>			
(In thousands of Euro)	30 June 2022	31 December 2021	Change 2022 vs 2021
Net financial debt/(surplus) (a)	289,571	224,483	65,088
Non current lease liabilities	486,691	487,230	(539)
Current lease liabilities	112,301	110,012	2,289
Lease liabilities (b)	598,992	597,242	1,750
Net financial debt/(surplus) adjusted (a-b)	(309,421)	(372,759)	63,338



Consolidated statement of cash flows as of 30 June 2022

(In thousands of Euro)	Half-year period ended 30 June	
	2022	2021
Net profit / (loss) for the period	61,934	33,439
Depreciation, amortization and write down of property, plant and equipment, intangible assets, investment properties	25,182	26,410
Depreciation of Right of use assets	58,934	53,845
Income Taxes	26,272	18,729
Net change in provision for employee benefit plans	(218)	(876)
Loss/(gain) on disposal of tangible and intangible assets	442	483
Net Interest expenses/income and Interest on lease liabilities	6,776	7,366
Other non cash items	123	(5,889)
Net change in net working capital	(44,643)	19,153
Net change in other assets and liabilities	(10,502)	216
Income Taxes paid	(11,606)	(15,880)
Net Interest expenses/income and Interest on lease liabilities paid	(6,967)	(7,483)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	105,727	129,513
Purchase of tangible assets	(13,938)	(10,500)
Purchase of intangible assets	(3,609)	(2,695)
Proceeds from the sale of tangible and intangible assets	-	57
Purchase of Arts S.r.l. and Aura1 S.r.l. deferred consideration	-	(3,629)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(17,547)	(16,767)
Net change in financial receivables	-	284
Net change in financial payables	(39,734)	(20,704)
Repayment of lease liabilities	(55,172)	(49,724)
Payment of dividends	(56,391)	-
Purchase of Treasury shares	(38,574)	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(189,871)	(70,144)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(101,691)	42,602
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	511,796	327,880
Net increase / (decrease) in cash and cash equivalents	(101,691)	42,602
Net effect of translation of foreign currencies	(398)	(209)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	409,707	370,273
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	105,727	129,513
Repayment of lease liabilities	(55,172)	(49,724)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES ADJUSTED (*)	50,555	79,789

* Net cash provided by (used in) operating activities adjusted is calculated as Net cash provided by (used in) operating activities net of the Repayment of lease liabilities (showed in the Net Cash provided by (used in) financing activities).