



**PRESS RELEASE**

**Salvatore Ferragamo S.p.A.**

**The Board of Directors approves  
the Consolidated Interim Report as of 30 September 2021**

**Nine Months Revenue up 33.9% vs. 9M 2020, Operating Profit (EBIT) at 84 million Euros, Net Profit 40 million Euros and Positive Net Financial Position<sup>5</sup> of 265 million Euros**

**Third Quarter 2021 Operating Profit (EBIT) at 18.6 million Euros, strongly increasing vs. Third Quarter 2019**

**Unites States main growth driver in Third Quarter 2021**

- **Revenues: 785 million Euros (+33.9% vs. 587 million Euros at 30 September 2020, +35.3% at constant exchange rates<sup>2</sup>)**
- **Gross Operating Profit (EBITDA<sup>1</sup>): 202 million Euros (vs. 78 million Euros at 30 September 2020)**
- **Operating Profit (EBIT): 84 million Euros (vs. -69 million Euros at 30 September 2020)**
- **Net Profit: 40 million Euros (vs. -96 million Euros at September 2020)**
- **Net Financial Position<sup>5</sup>: positive for 265 million Euros (vs. 75 million Euros positive at 30 September 2020)**

**During the same meeting, the Board of Directors:**

- **Approved an update of the 2021 Remuneration Policy, to be submitted to the Shareholders' Meeting for approval**



- **Approved the proposal to be submitted to the Shareholders' Meeting for approval for the adoption of two stock incentive plans**
- **Called the Ordinary Shareholders' Meeting, to also decide on the appointment of two directors following co-opting pursuant to art. 2386 of the Italian Civil Code**

*Florence, 9 November 2021* – The Board of Directors of Salvatore Ferragamo S.p.A. (MTA: SFER), parent company of the Salvatore Ferragamo Group, one of the global leaders in the luxury sector, in a meeting chaired by Leonardo Ferragamo, examined and approved the Consolidated Interim Report as of 30 September 2021, drafted according to IAS/IFRS international accounting principles (Non Audited).

To be noted that all performance measures are reported excluding the Fragrance business both from the data relating to 2021 and from the 2020 comparative data, as the licensing of the business, as announced in the press release as of July 7th, 2021, is classified as “Discontinued Operations”, separately presented, in accordance with the accounting principle IFRS 5.

## **Notes to the Income Statement for the first nine months 2021**

### **Consolidated Revenue figures**

As of 30 September 2021, the Salvatore Ferragamo Group reported Total Revenues of 785 million Euros up 33.9% at current exchange rates (+35.3% at constant exchange rates<sup>2</sup>) vs. the 587 million Euros recorded in 9M 2020. Revenues in 3Q 2021 registered a 17.1% increase at current exchange rates (+17.4% at constant exchange rates<sup>2</sup>).

### **Revenues by distribution channel<sup>3</sup>**

As of 30 September 2021, the Group's Retail network counted on a total of 643 points of sales, including 404 Directly Operated Stores (DOS) and 239 Third Party Operated Stores (TPOS) in the Wholesale and Travel Retail channel, as well as the presence in Department Stores and high-level multi-brand Specialty Stores.

In 9M 2021 the Retail distribution channel posted consolidated Revenues up 37.2% (+38.4% at constant exchange rates<sup>2</sup>) vs. 9M 2020.

In 3Q 2021 Retail Revenues increased by 21.8% (+20.2% at constant exchange rates<sup>2</sup>), with four Areas (Greater China, North America, Latin America and Korea) exceeding the pre-Covid Revenues level.



The direct E-commerce channel continues to consolidate a solid growth at 30 September 2021, with Revenues up 53.7% (+58.2% at constant exchange rates<sup>2</sup>) vs. 9M 2020. In 3Q 2021 the direct E-commerce increased by 24.2% at constant exchange rates<sup>2</sup>.

The Wholesale channel registered an increase in Revenues of 27.1% (+28.9% at constant exchange rates<sup>2</sup>) vs. 9M 2020. In 3Q 2021 Wholesale Revenues were up 6.3% (+10.9% at constant exchange rates<sup>2</sup>) vs. 3Q 2020.

### **Revenues by geographical area**<sup>3</sup>

The Asia Pacific area is confirmed as the Group's top market in terms of Revenues, up by 22.7% (+22.1% at constant exchange rates<sup>2</sup>) vs. 9M 2020. In 9M 2021 the retail channel in Greater China posted a Revenue growth of 22.6% vs. 9M 2020 at constant exchange rates<sup>2</sup>. In particular, the retail channel in China posted an increase in Revenues of 22.1% vs. 9M 2020 at constant exchange rates<sup>2</sup> and Korea also posted a solid growth trend in 9M 2021 (+16.1% vs. 9M 2020 at constant exchange rates<sup>2</sup>).

The Japanese market registered a 4.9% increase in Revenues (+8.5% at constant exchange rates<sup>2</sup>) in 9M 2021, with a negative trend in 3Q 2021, (-8.6% at current exchange rates and -6.4% at constant exchange rates<sup>2</sup>) vs. 3Q 2020, due to Covid-19 restrictions.

Overall, the Asian continent represents currently over 47% of total Group's revenues in 9M 2021.

EMEA posted an increase in Revenues of 16.8% (+14.9% at constant exchange rates<sup>2</sup>) vs. 9M 2020, with 3Q 2021 positive (+6.1% at constant exchange rates<sup>2</sup>) vs. 3Q 2020.

North America recorded a Revenue increase of 85.1% (+97.1% at constant exchange rates<sup>2</sup>) in 9M 2021 vs. the same period of last year. In 3Q 2021 revenues increased by 65.7% at constant exchange rates<sup>2</sup> vs. 3Q 2020.

Revenues in the Central and South America in 9M 2021 were up 59.3%, (+63.2% at constant exchange rates<sup>2</sup>). In 3Q 2021 revenues increased by 47.5% at constant exchange rates<sup>2</sup> vs. 3Q 2020.

### **Revenues by product category**<sup>3</sup>

All main product categories reported an increase in 9M 2021 vs. the same period of last year, with shoes and leather categories representing respectively 43% and 44% of the turnover in the first nine months.



### **Gross Profit**

In 9M 2021 the Gross Profit increased by 47.9% vs. 9M 2020, to 532 million Euros. Its incidence on Revenues was up 640 basis points, moving to 67.7%, from 61.3% of 9M 2020, mainly thanks to the increase of full price sales, to a more positive geographical, channel and product mix and also to lower provisions for obsolescence.

### **Operating Costs**

In 9M 2021 Operating Costs amounted to 447 million Euros, +4.3% at current exchange rate vs. 9M 2020, (+6.6% at constant exchange rates<sup>2</sup>).

In 3Q 2021, Operating Costs increased by 12.5% at current exchange rate due to higher variable costs and also to a lower contribution from positive extraordinary components, such as the Government subsidies to labor and rents' relief.

### **Gross Operating Profit (EBITDA<sup>1</sup>)**

The Gross Operating Profit (EBITDA<sup>1</sup>) amounted to 202 million Euros, from 78 million Euros of 9M 2020, with an incidence on Revenues of 25.7% from 13.3% in 9M 2020.

### **Operating Profit (EBIT)**

The Operating Profit (EBIT) was positive for 84 million Euros vs. 69 million Euros negative (-60 million Euros net of the effect of the impairment test) in 9M 2020.

### **Profit before taxes**

The Profit before taxes in 9M 2021 was positive for 69 million Euros vs. 95 million Euros negative in 9M 2020.

### **Net Profit for the Period**

The Net Profit for the period, including the Minority Interest, was positive for 40 million Euros vs. 96 million Euros negative in 9M 2020.

The 9M 2021 Group Net Profit was positive for 38 million Euros vs. 96 million Euros negative in 9M 2020.



## **Notes to the Balance Sheet for the first nine months 2021**

### **Net Working Capital<sup>4</sup>**

The Net Working Capital as of 30 September 2021 decreased by 26.9% to 250 million Euros, from 342 million Euros as of 30 September 2020. In particular the Inventories were down 23.6% (-26.3% at constant exchange rates, -21.0% at constant exchange rates excluding the Fragrance business), mainly thanks to an improvement in operational efficiency.

### **Investments (CAPEX)**

As of 30 September 2021, Investments (CAPEX) were 26 million Euros, vs. 15 million in 9M 2020, due to more investments in the retail network and in the digital channel.

### **Net Financial Position**

The Net Financial Position adjusted<sup>5</sup> at 30 September 2021 was positive for 265 million Euros, vs. 75 million Euros positive as of 30 September 2020. Including IFRS16 effect, the Net Financial Position at 30 September 2021 is negative for 302 million Euros.

### **Fragrance Business**

All performance measures of the Income Statement are reported, in accordance with the accounting principle IFRS 5, excluding the Fragrance business, defined as “Discontinued Operations” and separately presented, both from the data relating to 2021 and from 2020 comparative data, following the exclusive licensing agreement to Inter Parfums Inc., whereby an exclusive and worldwide license will be granted for the production and distribution of Ferragamo brand perfumes, as announced in the press release as of July 7<sup>th</sup>, 2021.

In 9M 2021 the Fragrance business reported Revenues up 27.7%, at 31.3 million Euros vs 9M 2020 and EBIT amounted to -5.2 million Euros vs. -0.9 million Euros in 9M 2020.

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The Management of the Company continues to pursue the reinforcement of the competitive positioning of the Salvatore Ferragamo Group among the leaders in the luxury market. The market scenario remains volatile, as a consequence of the pandemic, albeit in a phase of gradual normalization. Therefore the Management of the Company does not deem to provide detailed



forecasts regarding the expected performance for the current year, while the improvement in the most important markets in terms of contribution is confirmed.

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### **Notes to the press release**

<sup>1</sup> 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.

<sup>2</sup> Revenues/Operating Costs at "constant exchange rates" are calculated by applying to the Revenue/Operating Costs of the period 2020, not including the "hedging effect", the average exchange rates of the same period 2021.

<sup>3</sup> The variations in Revenues are calculated at current exchange rates including the hedging effect, unless differently indicated.

<sup>4</sup> 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.

<sup>5</sup> Net Financial Position is referring to Adjusted Net Financial Position: not including the IFRS16 effect. 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).

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### **Other resolutions**

**1) Approval of an update of the 2021 Remuneration Policy, to be submitted to the Shareholders' Meeting for approval**



The Board of Directors approved an update of the remuneration policy and the related report (the “**Report**”) in compliance with the provisions of art. 123-ter of Italian Legislative Decree no. 58/1998 as subsequently amended (the “**TUF**”), art. 84-quater and Annex 3A, Scheme 7-bis of Consob Regulation no. 11971/1999 as subsequently amended (the “**Issuers’ Regulation**”) and art. 5 of the Corporate Governance Code adopted by the Borsa Italiana S.p.A. Corporate Governance Committee.

In this regard, please note that the above-mentioned update is to be approved in order to make the Company’s 2021 Remuneration Policy consistent with the terms and conditions of the agreement entered into with the new Chief Executive Officer and General Manager Marco Gobbetti who will enter this position starting on 1 January 2022.

As a result, Section I of the Report will be submitted to the Shareholders' Meeting for its binding vote pursuant to the law, while Section II of the Report will continue to be that approved by non-binding advisory vote of the Shareholders' Meeting of 22 April 2021 and therefore will not be changed.

The above-mentioned Report will be made available to the public, within the terms envisaged by law, at the registered office of the Company, Via Dei Tornabuoni no. 2, 50123 Florence (FI), in the eMarket STORAGE storage mechanism at [www.emarketstorage.com](http://www.emarketstorage.com) and on the Company’s website <http://group.ferragamo.com>, “*Governance/Shareholders' Meeting*” section.

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## 2) Stock incentive plans

The Board of Directors which met today decided to submit to the Ordinary Shareholders' Meeting for approval the adoption pursuant to article 114-*bis* of the TUF of two stock incentive plans (the first named “Special Award 2022-2026” and the second named “Restricted Shares Plan”), which call for the attribution to the Chief Executive Officer and General Manager (or to any additional beneficiaries that may be identified) of ordinary shares of the Company in addition to monetary amounts when objectives are met and provided the conditions pre-established by the Board of Directors continue to be fulfilled; the financial instruments in connection with such plans will come from any treasury shares purchased by the Company in execution of shareholders’ resolutions and/or any dedicated share capital increases pursuant to art. 2349, par. 1 of the Italian Civil Code.

The information documents relating to the above-mentioned plans will be made available to the public, within the terms envisaged by law, at the registered office of the Company, Via Dei Tornabuoni no. 2, 50123 Florence (FI), in the eMarket STORAGE storage mechanism at [www.emarketstorage.com](http://www.emarketstorage.com) and on the Company’s website <http://group.ferragamo.com>, “*Governance/Shareholders' Meeting*” section.

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### 3) Calling of the Ordinary Shareholders' Meeting

Lastly, the Board of Directors resolved to call the Ordinary Shareholders' Meeting of Salvatore Ferragamo S.p.A. on 14 December 2021, in a single call, to decide on: (1) the update of the 2021 Remuneration Policy; (2) the approval of the stock incentive plan named "Special Award 2022-2026" and the stock incentive plan named "Restricted Shares Plan"; and (3) the appointment of two Directors pursuant to art. 2386, paragraph 1 of the Italian Civil Code and art. 20 of the Articles of Association, following the co-opting of two directors on 29 September 2021.

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The Notice of Call of the Shareholders' Meeting accompanied by all information required by art. 125-bis of the TUF, as well as all documentation that will be submitted to the Shareholders' Meeting, will be made available to the public, within the terms envisaged by law, at the registered office of the Company, Via Dei Tornabuoni no. 2, 50123 Florence (FI), on the Company's website <http://group.ferragamo.com>, "Governance/Shareholders' Meeting" section and in the eMarket STORAGE storage mechanism at [www.emarketstorage.com](http://www.emarketstorage.com).

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*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.*

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*The Interim Report as of 30 September 2021, approved by the Board of Directors on November 9 2021, 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](http://www.emarketstorage.com), and will also be accessible on the Salvatore Ferragamo Group's website*



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<http://group.ferragamo.com> in the section “Investor Relations/Financial Documents”, in compliance with the law.

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The Results of 9M 2021 will be illustrated today, 9 November 2021, 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 world's leaders in the luxury industry and whose origins date back to 1927.

The Group is active in the creation, production and sale of shoes, leather goods, apparel, silk products and other accessories for men and women. The Group's product offer also includes eyewear, watches and perfumes, manufactured by licensees.

The uniqueness and exclusivity of our creations, along with the perfect blend of style, creativity and innovation enriched by the quality and superior craftsmanship of the 'Made in Italy' tradition, have always been the hallmarks of the Group's products.

With approximately 3.750 employees and a network of 643 mono-brand stores as of 30 September 2021, the Ferragamo Group operates in Italy and worldwide through companies that allow it to be a leader in the European, American and Asian markets.

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## **For further information:**

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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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# Salvatore Ferragamo

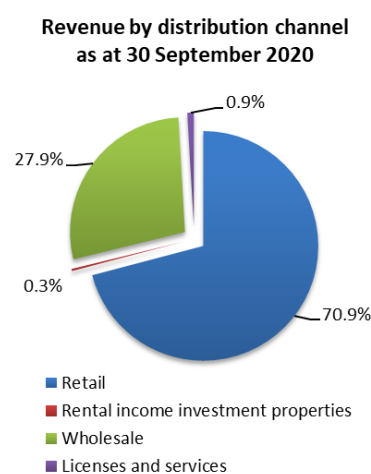
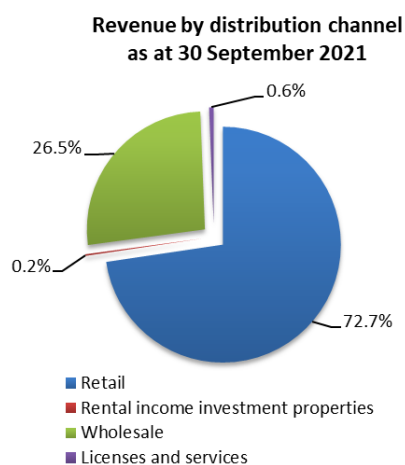
On the following pages, a more detailed analysis of Revenues, the consolidated income statement, the summary of statement of financial position, the net financial position, and the consolidated cash flow statement of the Salvatore Ferragamo Group as of 30 September 2021.

To be noted that all performance measures are reported excluding the Fragrance business both from the data relating to 2021 and from 2020 comparative data (Restated), separately presenting it as “Discontinued Operations”.

## Revenue by distribution channel as of 30 September 2021

(In thousands of Euro)	Period ended at 30 September					at const. exchange rate % Change
	2021	% on Revenue	2020 Restated *	% on Revenue	% Change	
Retail	570,571	72.7%	415,928	70.9%	37.2%	38.4%
Wholesale	208,121	26.5%	163,737	27.9%	27.1%	28.9%
Licenses and services	4,904	0.6%	5,370	0.9%	(8.7%)	(8.7%)
Rental income investment properties	1,745	0.2%	1,695	0.3%	2.9%	9.4%
<b>Total</b>	<b>785,341</b>	<b>100.0%</b>	<b>586,730</b>	<b>100.0%</b>	<b>33.9%</b>	<b>35.3%</b>

\* The data for the nine months ended 30 September 2020 were restated following the classification of the fragrances business as operation to be disposed of.



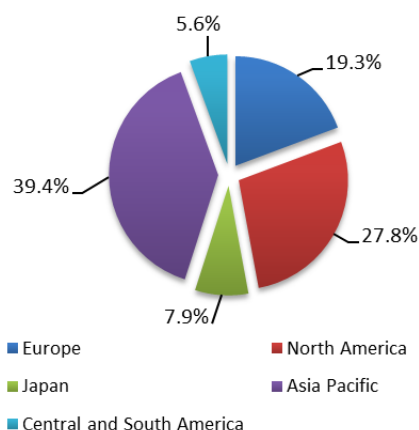
## Revenue by geographic area as of 30 September 2021

(In thousands of Euro)	Period ended at 30 September					at const. exchange rate % Change
	2021	% on Revenue	2020 Restated *	% on Revenue	% Change	
Europe	151,628	19.3%	129,839	22.1%	16.8%	14.9%
North America	218,069	27.8%	117,809	20.1%	85.1%	97.1%
Japan	61,837	7.9%	58,947	10.0%	4.9%	8.5%
Asia Pacific	309,998	39.4%	252,640	43.1%	22.7%	22.1%
Central and South America	43,809	5.6%	27,495	4.7%	59.3%	63.2%
<b>Total</b>	<b>785,341</b>	<b>100.0%</b>	<b>586,730</b>	<b>100.0%</b>	<b>33.9%</b>	<b>35.3%</b>

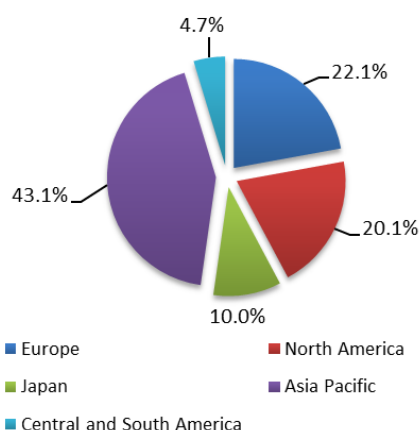
\* The data for the nine months ended 30 September 2020 were restated following the classification of the fragrances business as operation to be disposed of.

# Salvatore Ferragamo

Revenue by geographic area  
as at 30 September 2021



Revenue by geographic area  
as at 30 September 2020

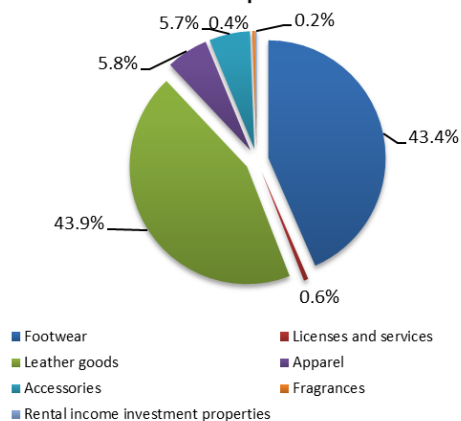


## Revenue by product category as of 30 September 2021

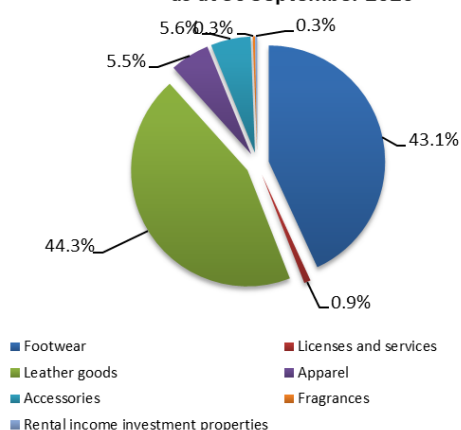
(In thousands of Euro)	Period ended at 30 September				at const. exchange rate %	
	2021	% on Revenue	2020 Restated *	% on Revenue	% Change	% Change
Footwear	341,187	43.4%	253,179	43.1%	34.8%	36.7%
Leather goods	344,766	43.9%	259,839	44.3%	32.7%	33.5%
Apparel	45,491	5.8%	32,240	5.5%	41.1%	43.1%
Accessories	44,279	5.7%	32,606	5.6%	35.8%	37.4%
Fragrances	2,969	0.4%	1,801	0.3%	64.9%	67.4%
Licenses and services	4,904	0.6%	5,370	0.9%	(8.7%)	(8.7%)
Rental income investment properties	1,745	0.2%	1,695	0.3%	2.9%	9.4%
<b>Total</b>	<b>785,341</b>	<b>100.0%</b>	<b>586,730</b>	<b>100.0%</b>	<b>33.9%</b>	<b>35.3%</b>

\* The data for the nine months ended 30 September 2020 were restated following the classification of the fragrances business as operation to be disposed of.

Revenue by product category  
as at 30 September 2021



Revenue by product category  
as at 30 September 2020





## Consolidated results for Salvatore Ferragamo Group

### Consolidated income statement as of 30 September 2021

(In thousands of Euro)	Period ended at 30 September				
	2021	% on Revenue	2020 Restated*	% on Revenue	% Change
Revenue from contracts with customers	783,596	99.8%	585,035	99.7%	33.9%
Rental income investment properties	1,745	0.2%	1,695	0.3%	2.9%
<b>Revenues</b>	<b>785,341</b>	<b>100.0%</b>	<b>586,730</b>	<b>100.0%</b>	<b>33.9%</b>
Cost of goods sold	(253,628)	(32.3%)	(227,246)	(38.7%)	11.6%
<b>Gross profit</b>	<b>531,713</b>	<b>67.7%</b>	<b>359,484</b>	<b>61.3%</b>	<b>47.9%</b>
Style, product development and logistics costs	(28,879)	(3.7%)	(25,668)	(4.4%)	12.5%
Sales & distribution costs	(290,042)	(36.9%)	(277,536)	(47.3%)	4.5%
Marketing & communication costs	(42,559)	(5.4%)	(36,327)	(6.2%)	17.2%
General and administrative costs	(90,009)	(11.5%)	(84,462)	(14.4%)	6.6%
Other operating costs	(15,734)	(2.0%)	(17,597)	(3.0%)	(10.6%)
Other income	19,986	2.5%	12,970	2.2%	54.1%
<b>Total operating costs (net of other income)</b>	<b>(447,237)</b>	<b>(56.9%)</b>	<b>(428,620)</b>	<b>(73.1%)</b>	<b>4.3%</b>
<b>Operating profit</b>	<b>84,476</b>	<b>10.8%</b>	<b>(69,136)</b>	<b>(11.8%)</b>	<b>na</b>
Net financial charges	(15,538)	(2.0%)	(25,536)	(4.4%)	(39.2%)
<b>Profit before taxes</b>	<b>68,938</b>	<b>8.8%</b>	<b>(94,672)</b>	<b>(16.1%)</b>	<b>na</b>
Income taxes	(23,775)	(3.0%)	(344)	(0.1%)	>100%
<b>Profit from continuing operations</b>	<b>45,163</b>	<b>5.8%</b>	<b>(95,016)</b>	<b>(16.2%)</b>	<b>na</b>
Net profit/(loss) from discontinued operation	(5,309)	(0.7%)	(1,040)	(0.2%)	>100%
<b>Net profit/(loss) for the Period</b>	<b>39,854</b>	<b>5.1%</b>	<b>(96,056)</b>	<b>(16.4%)</b>	<b>na</b>
Net profit/(loss) - Group	37,537	4.8%	(96,463)	(16.4%)	na
Net profit/(loss) - minority interests	2,317	0.3%	407	0.1%	>100%
<b>EBITDA (**)</b>	<b>201,913</b>	<b>25.7%</b>	<b>77,810</b>	<b>13.3%</b>	<b>&gt;100%</b>
<b>Adjusted Operating profit (***)</b>	<b>84,476</b>	<b>10.8%</b>	<b>(59,868)</b>	<b>(10.2%)</b>	<b>na</b>

\* The data for the nine months ended 30 September 2020 were restated following the classification of the fragrances business as operation to be disposed of.

(\*\*) 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.

(\*\*\*) Adjusted Operating profit is the Operating profit gross of the impairment losses, as per IAS 36, on Property, plant and equipment and Intangible assets with definitive useful life, because of the effects of Covid-19 pandemic.



## Summary of consolidated statement of financial position as of 30 September 2021

(In thousands of Euro)	30 September 2021	31 December 2020	% Change
Property, plant and equipment	177,294	183,121	(3.2%)
Investment property	30,576	31,824	(3.9%)
Right of use assets	472,813	475,240	(0.5%)
Goodwill	6,679	6,679	-
Intangible assets with definite useful life	33,220	38,891	(14.6%)
Inventories and Right of return assets	284,192	346,181	(17.9%)
Trade receivables	92,863	113,909	(18.5%)
Trade payables and Refund liabilities	(127,143)	(145,538)	(12.6%)
Other non current assets/(liabilities), net	86,520	91,973	(5.9%)
Other current assets/(liabilities), net	(14,083)	(3,418)	>100%
Net Assets/(liabilities) held for sale	17,138	-	-
<b>Net invested capital</b>	<b>1,060,069</b>	<b>1,138,862</b>	<b>(6.9%)</b>
Group shareholders' equity	737,336	693,582	6.3%
Minority interests	20,275	16,114	25.8%
<b>Shareholders' equity (A)</b>	<b>757,611</b>	<b>709,696</b>	<b>6.8%</b>
<b>Net financial debt/(surplus) (B) (1)</b>	<b>302,458</b>	<b>429,166</b>	<b>(29.5%)</b>
<b>Total sources of financing (A+B)</b>	<b>1,060,069</b>	<b>1,138,862</b>	<b>(6.9%)</b>
<b>Net financial debt/(surplus) (B)</b>	<b>302,458</b>	<b>429,166</b>	<b>(29.5%)</b>
<i>Lease Liabilities (C)</i>	<i>567,678</i>	<i>567,909</i>	<i>(0,0%)</i>
<b>Net financial debt/(surplus) adjusted (B-C) (2)</b>	<b>(265,220)</b>	<b>(138,743)</b>	<b>91.2%</b>
<b>Net financial debt/(surplus) adjusted/ Shareholders' equity</b>	<b>(35.0%)</b>	<b>(19.5%)</b>	

(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.



## Consolidated Net financial position as of 30 September 2021

(In thousands of Euro)	30 September 2021	31 December 2020	Change 2021 vs 2020
A. Cash	380,258	296,692	83,566
B. Cash equivalents	51,830	31,188	20,642
C. Other current financial assets	371	566	(195)
<b>D. Current financial assets (A+B+C)</b>	<b>432,459</b>	<b>328,446</b>	<b>104,013</b>
E. Current financial debt (including debt instruments)	81,695	48,972	32,723
F. Current portion of non current financial debt	129,277	114,938	14,339
<b>G. Current financial debt (E+F)</b>	<b>210,972</b>	<b>163,910</b>	<b>47,062</b>
<b>H. Current financial debt, net (G-D)</b>	<b>(221,487)</b>	<b>(164,536)</b>	<b>(56,951)</b>
I. Non current financial debt (excluding debt instruments)	523,945	593,702	(69,757)
J. Debt instruments	-	-	-
K. Trade payables and other current debts	-	-	-
<b>L. Non-current financial debt (I+J+K)</b>	<b>523,945</b>	<b>593,702</b>	<b>(69,757)</b>
<b>M. Net financial debt (H+L)</b>	<b>302,458</b>	<b>429,166</b>	<b>(126,708)</b>
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(In thousands of Euro)	30 September 2021	31 December 2020	Change 2021 vs 2020
<b>Net financial debt/(surplus) (a)</b>	<b>302,458</b>	<b>429,166</b>	<b>(126,708)</b>
Non current lease liabilities	460,393	464,400	(4,007)
Current lease liabilities	107,285	103,509	3,776
<b>Lease liabilities (b)</b>	<b>567,678</b>	<b>567,909</b>	<b>(231)</b>
<b>Net financial debt/(surplus) adjusted (a-b)</b>	<b>(265,220)</b>	<b>(138,743)</b>	<b>(126,477)</b>



## Consolidated statement of cash flows as of 30 September 2021

(In thousands of Euro)	Period ended at 30 September	
	2021	2020
<b>Net profit / (loss) for the period</b>	<b>39,854</b>	<b>(96,056)</b>
Depreciation, amortization and write down of property, plant and equipment, intangible assets, investment properties	38,204	57,851
Depreciation of Right of use assets	81,139	90,018
Income Taxes	23,775	344
Net change in provision for employee benefit plans	(941)	(20)
Loss/(gain) on disposal of tangible and intangible assets	547	1,198
Net Interest expenses/income and Interest on lease liabilities	10,977	12,167
Other non cash items	(7,235)	(180)
Net change in net working capital	70,259	(19,986)
Net change in other assets and liabilities	4,667	(7,254)
Income Taxes paid	(21,191)	(18,147)
Net Interest expenses/income and Interest on lease liabilities paid	(11,309)	(13,535)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>228,746</b>	<b>6,400</b>
Purchase of tangible assets	(22,056)	(11,819)
Purchase of intangible assets	(4,453)	(3,725)
Proceeds from the sale of tangible and intangible assets	91	18
Purchase of Arts S.r.l. and Aura1 S.r.l. net of cash and cash equivalent acquired	(3,629)	(7,581)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(30,047)</b>	<b>(23,107)</b>
Net change in financial receivables	287	(430)
Net change in financial payables	(20,162)	242,740
Repayment of lease liabilities	(74,308)	(89,865)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>(94,183)</b>	<b>152,445</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>104,516</b>	<b>135,738</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>327,880</b>	<b>222,332</b>
Net increase / (decrease) in cash and cash equivalents	104,516	135,738
Net effect of translation of foreign currencies	(294)	11,287
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (*)</b>	<b>432,102</b>	<b>369,357</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>228,746</b>	<b>6,400</b>
Repayment of lease liabilities	(74,308)	(89,865)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES ADJUSTED (**)</b>	<b>154,438</b>	<b>(83,465)</b>

(\*) Cash and cash equivalents at 30 September 2021 reported for the Consolidated statement of cash flows include cash and cash equivalents related to the discontinued operation and reported in Net Assets held for sale.

(\*\*) 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).