# HALF YEAR FINANANCIAL REPORT AS OF 30 JUNE 2022

MONCLER
GROUP

# INDEX

# CORPORATE INFORMATION

## REGISTERED OFFICE

Moncler S.p.A
Via Enrico Stendhal, 47
20144 Milan – Italy
Phone: +39 02 422 03 500

## ADMINISTRATIVE OFFICE

Via Venezia, 1
35010 Trebaseleghe (Padua) – Italy
Phone: +39 049 9323111
Fax: +39 049 9323339

## LEGAL INFORMATION

Authorized and issued share capital EUR 54.736.558,00
VAT, Tax Code and Chamber of Commerce enrollment No.: 04642290961
R.E.A. Reg. Milan No. 1763158

## OFFICES AND SHOWROOMS

Milan Via Solari, 33
Milan Via Savona, 56

# CORPORATE BODIES

## BOARD OF DIRECTORS

| | |
|---|---|
| Remo Ruffini | Chairman and Chief Executive Officer |
| Marco De Benedetti | Vice President<br>Non-Executive Director<br>Control, Risk and Sustainability Committee<br>Nomination and Remuneration Committee |
| Roberto Eggs | Executive Director |
| Bettina Fetzer | Independent Director |
| Gabriele Galateri di Genola | Independent Director<br>Control, Risk and Sustainability Committee |
| Alessandra Gritti | Independent Director<br>Lead Independent Director<br>Nomination and Remuneration Committee<br>Related Parties Committee |
| Jeanne Jackson | Indipendent Director |
| Diva Moriani | Independent Director<br>Nomination and Remuneration Committee<br>Related Parties Committee |
| Guido Pianaroli | Independent Director<br>Control, Risk and Sustainability Committee<br>Related Parties Committee |
| Carlo Rivetti | Non-Executive Director |
| Luciano Santel | Executive Director |
| Maria Sharapova | Indipendent Director |

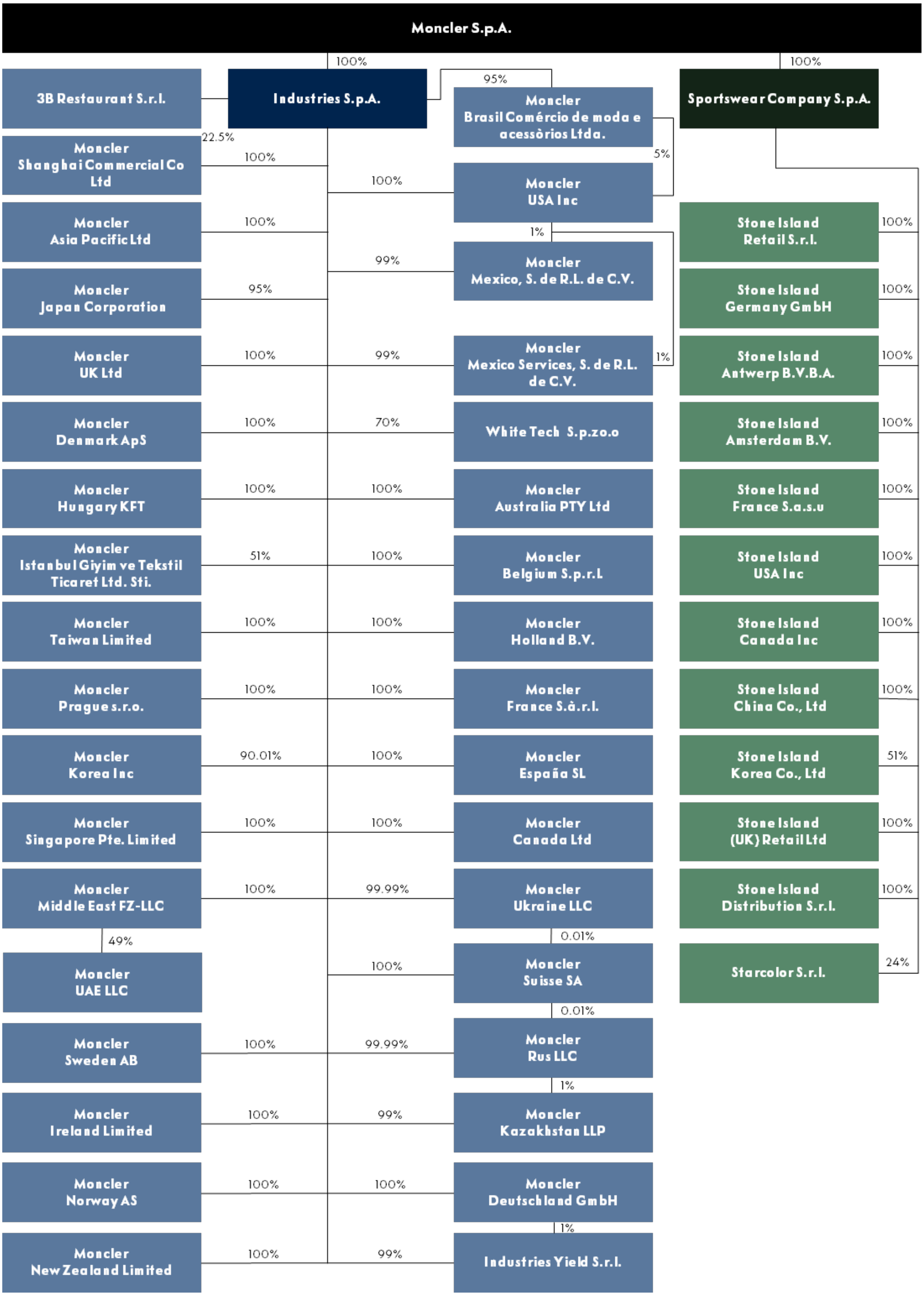
## BOARD OF STATUTORY AUDITORS

| | |
|---|---|
| Riccardo Losi | Chairman |
| Carolyn Dittmeier | Standing Auditor |
| Nadia Fontana | Standing Auditor |
| Federica Albizzati | Alternate Auditor |
| Lorenzo Mauro Banfi | Alternate Auditor |

## EXTERNAL AUDITORS

Deloitte&Touche S.p.A.

# GROUP CHART AS OF 30 JUNE 2022



# GROUP STRUCTURE

The Half-Year Financial Report of the Moncler Group as of 30 June 2022 includes Moncler S.p.A. (Moncler, Parent Company), Industries S.p.A., Sportswear Company S.p.A. sub-holding companies directly controlled by Moncler S.p.A., and 46 consolidated subsidiaries in which the Parent Company holds indirectly a majority of the voting rights, or over which it exercises control, or from which it is able to derive benefits by virtue of its power to govern both on a financial and an operating aspect.

Consolidation area

| | |
|---|---|
| Moncler S.p.A. | Parent company which holds the Moncler and Stone Island brands |
| Industries S.p.A. | Sub-holding company, directly involved in the management of foreign companies and distribution channels (retail, wholesale) in Italy and licensee of the Moncler brand |
| Industries Yield S.r.l. | Company that manufactures apparel products |
| Moncler Asia Pacific Ltd | Company that manages DOS in Hong Kong SAR and in Macau SAR |
| Moncler Australia PTY LTD | Company that manages DOS in Australia |
| Moncler Belgium S.p.r.l. | Company that manages DOS in Belgium |
| Moncler Brasil Comércio de moda e acessòrios Ltda. | Company that manages DOS in Brazil |
| Moncler Canada Ltd | Company that manages DOS in Canada |
| Moncler Denmark ApS | Company that manages DOS in Denmark |
| Moncler Deutschland GmbH | Company that manages DOS and promotes goods in Germany and Austria |
| Moncler España SL | Company that manages DOS in Spain |
| Moncler France S.à.r.l. | Company that manages DOS, distributes and promotes Moncler goods in France |
| Moncler Holland B.V. | Company that manages DOS in the Netherlands |
| Moncler Hungary KFT | Company that manages DOS in Hungary |
| Moncler Ireland Limited | Company that manages DOS in Ireland |
| Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti. | Company that manages DOS in Turkey |
| Moncler Japan Corporation | Company that manages DOS, distributes and promotes Moncler goods in Japan |
| Moncler Kazakhstan LLP | Company that manages DOS in Kazakhstan |
| Moncler Korea Inc | Company that manages DOS, distributes and promotes Moncler goods in South Korea |
| Moncler Mexico, S. de R.L. de C.V. | Company that manages DOS in Mexico |
| Moncler Mexico Services, S. de R.L. de C.V. | Dormant company |
| Moncler Middle East FZ-LLC | Holding Company for the Middle East |

| | |
|---|---|
| Moncler New Zealand Limited | Company that manages DOS in New Zealand |
| Moncler Norway AS | Company that manages DOS in Norway |
| Moncler Prague s.r.o. | Company that manages DOS in the Czech Republic |
| Moncler Rus LLC | Company that manages DOS in Russia |
| Moncler Shanghai Commercial Co. Ltd | Company that manages DOS in China |
| Moncler Singapore Pte. Limited | Company that manages DOS in Singapore |
| Moncler Suisse SA | Company that manages DOS in Switzerland |
| Moncler Sweden AB | Company that manages DOS in Sweden |
| Moncler Taiwan Limited | Company that manages DOS in Taiwan |
| Moncler UAE LLC | Company that manages DOS in the United Arab Emirates |
| Moncler UK Ltd | Company that manages DOS in the United Kingdom |
| Moncler Ukraine LLC | Company that manages DOS in Ukraine |
| Moncler USA Inc | Company that manages DOS, promotes and distributes goods in North America |
| White Tech Sp.zo.o. | Company that manages quality control of down |
| Sportswear Company S.p.A. | Sub-holding company that owned the Stone Island brand until 30 December 2021 (subsequently conferred to Moncler S.p.A.) and directly involved in the management of foreign companies and the wholesale distribution channel |
| Stone Island Amsterdam B.V. | Company that manages DOS in the Netherlands |
| Stone Island Antwerp B.V.B.A. | Company that manages DOS in Belgium |
| Stone Island Canada Inc | Company that manages the DOS in Canada |
| Stone Island China Co., Ltd | Company that manages the DOS in China |
| Stone Island Distribution S.r.l. | Company that carries out distribution activities |
| Stone Island France S.a.s.u. | Company that manages DOS in France |
| Stone Island Germany GmbH | Company that acts as Agent for Germany and Austria and manages DOS in Germany |
| Stone Island Korea Co., Ltd | Company that manages DOS, promotes and distributes Stone Island goods in South Korea |
| Stone Island Retail S.r.l. | Company that manages DOS in Italy |
| Stone Island (UK) Retail Ltd | Company that will manage DOS in the United Kingdom |
| Stone Island USA Inc | Company that manages DOS, promotes and distributes Stone Island goods in USA |

# HALF-YEAR DIRECTORS' REPORT

FINANCIAL RESULTS ANALYSIS[1]

SIGNIFICANT EVENTS OCCURRED DURING THE FIRST SIX MONTHS OF 2022

SIGNIFICANT EVENTS OCCURRED AFTER 30 JUNE 2022

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RELATED PARTIES TRANSACTIONS

ATYPICAL AND/OR UNUSUAL TRANSACTIONS

TREASURY SHARES

[1] This applies to all pages of this document: all data includes IFRS 16 impacts if not otherwise stated, growth rates at constant exchange rates if not otherwise stated, the net financial position excludes lease liabilities.

# FINANCIAL RESULTS ANALYSIS

## ECONOMIC RESULTS

Following is the consolidated income statement for the first half of 2022 and 2021.

| (EUR 000) | H1 2022 | % on revenues | H1 2021[2] | % on revenues |
|---|---|---|---|---|
| REVENUES | 918,374 | 100.0% | 621,768 | 100.0% |
| YoY performance | +48% | | +54% | |
| GROSS MARGIN | 677,706 | 73.8% | 467,647 | 75.2% |
| Selling expenses | (314,863) | (34.3%) | (229,913) | (37.0%) |
| General & Administrative expenses | (132,692) | (14.4%) | (106,719) | (17.2%) |
| Marketing expenses | (49,984) | (5.4%) | (38,215) | (6.1%) |
| EBIT | 180,167 | 19.6% | 92,800 | 14.9% |
| Net financial | (11,628) | (1.3%) | (9,742) | (1.6%) |
| EBT | 168,539 | 18.4% | 83,058 | 13.4% |
| Taxes | 42,724 | 4.7% | (24,151) | (3.9%) |
| Tax Rate | (25.3%) | | 29.1% | |
| GROUP NET RESULT | 211,254 | 23.0% | 58,724 | 9.4% |

## EBITDA RECONCILIATION

| (EUR 000) | H1 2022 | % on revenues | H1 2021[2] | % on revenues |
|---|---|---|---|---|
| EBIT | 180,167 | 19.6% | 92,800 | 14.9% |
| D&A | 51,041 | 5.6% | 48,417 | 7.8% |
| Rights-of-use-amortisation | 74,353 | 8.1% | 63,910 | 10.3% |
| Stock-based compensation | 16,029 | 1.7% | 14,898 | 2.4% |
| EBITDA Adj. | 321,590 | 35.0% | 220,025 | 35.4% |
| Rents associated to rights-of-use | (85,634) | (9.3%) | (71,734) | (11.5%) |
| EBITDA Adj. pre IFRS 16 | 235,956 | 25.7% | 148,291 | 23.8% |

[2] Net of the impact of the Purchase Price Allocation (PPA) adjustments and other costs related to the acquisition of the Stone Island brand in the first half of 2021 and the related tax impact.

## CONSOLIDATED REVENUE

In the first six months of 2022 Moncler Group reached consolidated revenues of EUR 918.4 million up 46% cFX compared with the same period in 2021 and +62% cFX compared with the first half of 2019. These results include Moncler brand revenues equal to EUR 724.3 million and Stone Island brand revenues equal to EUR 194.1 million.

In the second quarter, Group revenues were EUR 328.5 million, up 26% cFX compared with the same period of 2021 and +69% cFX compared with the second quarter of 2019, which did not include the Stone Island brand. In the second quarter, the Moncler and Stone Island brands registered revenues equal to EUR 250.9 million and EUR 77.6 million respectively.

MONCLER GROUP: REVENUE BY BRAND

| MONCLER GROUP | H1 2022 | | H1 2021 | | % vs 2021 | | % vs 2019 |
|---|---|---|---|---|---|---|---|
| | EUR 000 | % | EUR 000 | % | rep FX | cFX | cFX |
| Moncler | 724,261 | 78.9% | 565,540 | 91.0% | +28% | +27% | +28% |
| Stone Island | 194,113 | 21.1% | 56,228[3] | 9.0% | +35%[4] | +33%[4] | +61% |
| REVENUES | 918,374 | 100.0% | 621,768 | 100.0% | +48% | +46% | +62% |

## MONCLER BRAND

In the first six months of 2022, Moncler brand revenues were EUR 724.3 million, +27% cFX compared with the same period of 2021 and +28% cFX compared with H1 2019.

The growth in the second quarter registered an acceleration compared with pre-pandemic levels in all markets excluding APAC, marking revenues equal to EUR 250.9 million, up 23% cFX compared with Q2 2021 and +30% cFX compared with Q2 2019.

MONCLER GROUP: REVENUE BY GEOGRAPHY

| MONCLER | H1 2022 | | H1 2021 | | % vs 2021 | | % vs 2019 |
|---|---|---|---|---|---|---|---|
| | EUR 000 | % | EUR 000 | % | rep FX | cFX | cFX |
| Asia | 333.112 | 46.0% | 282.551 | 50.0% | +18% | +16% | +34% |
| EMEA | 264.547 | 36.5% | 187.774 | 33.2% | +41% | +42% | +13% |
| Americas | 126.602 | 17.5% | 95.215 | 16.8% | +33% | +28% | +50% |
| REVENUES | 724.261 | 100.0% | 565.540 | 100.0% | +28% | +27% | +28% |

In Asia (which includes APAC, Japan and Korea), first-half revenues grew 16% cFX compared with the first half of 2021 and +34% compared with H1 2019, driven by a strong double-digit growth in the second quarter in Korea and Japan. In particular, revenues in Korea more than doubled compared with pre-

[3] Stone Island Q2 revenues included in the Group's H1 results as the consolidation occurred on 1 April 2021.
[4] Pro-forma data determined comparing consolidated revenues of the first six months of 2021 equal to EUR 144.3 million.

pandemic levels in Q2. Japan followed with a solid and accelerating growth compared with the previous quarter. In APAC, the performance was negatively impacted by the lockdowns in the Chinese mainland that caused the closure of around a third of stores in April and May, while June showed a strong improvement with the reopening of all the stores.

In EMEA, revenues increased by 42% cFX in H1 2022 versus H1 2021 (+13% cFX compared with H1 2019), with an increase in the second quarter of 32% cFX compared with Q2 2021 (+18% compared with Q2 2019), driven by a solid demand of both locals and American tourists. France, Middle-East and Germany contributed the most to the growth of the second quarter.

Revenues in the Americas grew by 28% cFX compared with H1 2021 (+50% cFX compared with H1 2019) with the second quarter growing +17% cFX compared with Q2 2021 (+65% cFX compared with Q2 2019). The United States led the growth of the region.

## MONCLER BRAND: REVENUE BY CHANNEL

| MONCLER | H1 2022 | | H1 2021 | | % vs 2021 | | % vs 2019 |
|---|---|---|---|---|---|---|---|
| | EUR 000 | % | EUR 000 | % | rep FX | cFX | cFX |
| DTC | 555,923 | 76.8% | 418,407 | 74.0% | +33% | +31% | +29% |
| Wholesale | 168,338 | 23.2% | 147,133 | 26.0% | +14% | +13% | +25% |
| REVENUES | 724,261 | 100.0% | 565,540 | 100.0% | +28% | +27% | +28% |

In the first half, the Direct-To-Consumer (DTC[5]) distribution channel registered revenues of EUR 555.9 million with a +31% cFX growth compared with the first half of 2021 and +29% cFX compared with the same period in 2019. The second quarter marked a +27% cFX growth compared with Q2 2021 and +24% cFX compared with Q2 2019, despite the negative effects derived from the closure of a third of the directly managed stores in the Chinese mainland, driven by the strong local demand in all other markets. In particular, Korea and Japan outperformed the other regions. E-commerce continued to register strong double-digit growth rates.

Revenues by stores open for at least 12 months (Comp-Store Sales Growth[6]) grew by 19% compared with the first half of 2021.

The wholesale channel reported revenues of EUR 168.3 million, an increase of 13% cFX compared with the first half of 2021 and +25% cFX compared with the same period in 2019 driven by the strong appreciation of the Spring / Summer collections.

At 30 June 2022, the network of mono-brand Moncler boutiques was made up of 238 directly operated stores (DOS), overall stable compared with 31 March 2022, but with a 1-unit increase in Asia with the opening of Sydney airport and a decrease of 1 unit in EMEA with the closure of Paris Printemps du Louvre. The Moncler brand also operates 64 wholesale shop-in-shops (SIS), a decrease of 1 unit compared with 31 March 2022.

[5] The DTC channel includes revenues from DOS, from direct online and from e-concessions.
[6] Comparable Store Sales Growth (CSSG) considers revenues growth from DOS (excluding outlets) open for at least 52 weeks and the online store; stores that have been expanded and/or relocated are not included.

### MONCLER BRAND: MONO-BRAND DISTRIBUTION NETWORK

| MONCLER | 30.06.2022 | 31.03.2022 | 31.12.2021 |
|---|---|---|---|
| Asia | 118 | 117 | 117 |
| EMEA | 84 | 85 | 84 |
| Americas | 36 | 36 | 36 |
| RETAIL | 238 | 238 | 237 |
| WHOLESALE | 64 | 65 | 64 |

## STONE ISLAND BRAND

In the first half of 2022, Stone Island brand revenues were equal to EUR 194.1 million up +33% cFX compared with EUR 144.3 million recorded in the same period of 2021 (of which EUR 88.1 million generated in the first quarter 2021 and not consolidated in the Group's results), and +61% compared with the first half of 2019.

### STONE ISLAND BRAND: REVENUE BY GEOGRAPHY

| STONE ISLAND | H1 2022 | | H1 2021[7] | | % vs 2021 | | % vs 2019 |
|---|---|---|---|---|---|---|---|
| | EUR 000 | % | EUR 000 | % | rep FX | cFX | cFX |
| EMEA | 138,231 | 71.2% | 112,167 | 77.7% | +23% | +23% | +44% |
| Asia | 33,308 | 17.2% | 18,166 | 12.6% | +83% | +78% | +182% |
| Americas | 22,574 | 11.6% | 13,984 | 9.7% | +61% | +52% | +77% |
| REVENUES | 194,113 | 100.0% | 144.316 | 100.0% | +35% | +33% | +61% |

EMEA, which is the most important region for the Brand, grew by 23% cFX in the first half compared with the same period of previous year pro-forma, with same growth rates in the first and second quarter. Italy, France and Germany led the growth of the region, together representing approximately 40% of the Brand's total revenues.

Asia reached EUR 33.3 million revenues growing 78% cFX compared with the first half of 2021 pro-forma. This result was driven both by the strong organic growth in Japan and by the conversion to retail of the Korean market occurred on 1 January 2022, while APAC suffered in the second quarter due to the Covid-19 restrictions.

Americas was up 52% cFX compared with H1 2021 pro-forma, driven by both channels.

[7] Pro-forma data related to the period from 1 January to 30 June 2021.

## STONE ISLAND BRAND: REVENUE BY CHANNEL

| STONE ISLAND | H1 2022 | | H1 2021[7] | | % vs 2021 | | % vs 2019 |
|---|---|---|---|---|---|---|---|
| | EUR 000 | % | EUR 000 | % | rep FX | cFX | cFX |
| DTC | 61,121 | 31.5% | 28,520 | 19.8% | +114% | +112% | +138% |
| Wholesale | 132,992 | 68.5% | 115,796 | 80.2% | +15% | +13% | +40% |
| REVENUES | 194,113 | 100.0% | 144,316 | 100.0% | +35% | +33% | +61% |

The wholesale channel, which still represents the most important channel for the Brand, with EUR 133.0 million in the first half grew by 13% cFX compared with the first half of 2021 pro-forma, driven by the strong appreciation of Spring / Summer collections in all markets and despite the retail conversion of the Korean market.

The DTC channel grew 112% cFX compared with the first half of 2021 pro-forma, representing 31% of the half-year total revenues, driven by the already mentioned conversion of the Korean market and the strong double-digit growth in the European and American markets. The direct online channel continued to register solid double-digit growth.

Continued also in the United Kingdom the implementation of the strategy aimed at direct control of the markets, with the transition to direct management of both the e-commerce and the relationships with some important wholesale partners at the end of June, that will be followed by the physical store in London shortly.

As of 30 June 2022, the network of mono-brand Stone Island stores was composed by 54 retail stores and 35 mono-brand wholesale stores, in line with the first quarter.

## STONE ISLAND BRAND: MONO-BRAND DISTRIBUTION NETWORK

| STONE ISLAND | 30.06.2022 | 31.03.2022 | 31.12.2021 |
|---|---|---|---|
| Asia | 28 | 28 | 4 |
| EMEA | 20 | 20 | 20 |
| Americas | 6 | 6 | 6 |
| RETAIL | 54 | 54 | 30 |
| WHOLESALE | 35 | 35 | 58 |

## MONCLER GROUP INCOME STATEMENT RESULTS

All consolidated performance and balance sheet figures of the first half of 2022 include the 6 months results for both the Moncler and the Stone Island brands, while the first-half results of 2021 included only the second quarter results for the Stone Island brand, since the consolidation occurred on 1 April 2021.

### COST OF GOODS SOLD AND GROSS MARGIN

In the first six months of 2022, the Group consolidated gross margin was EUR 677.7 million, with an incidence of 73.8% compared with 75.2% in the same period of 2021. The decrease in margin is entirely due to the higher incidence of the wholesale channel arising from the consolidation of the Stone Island brand for the entire reference period.

### OPERATING EXPENSES AND EBIT

Selling expenses were EUR 314.9 million compared with EUR 229.9 million in the first half of 2021, with a 34.3% incidence on revenues (37.0% in H1 2021). These selling expenses include EUR 138.0 million of rents costs (excluding IFRS 16 impacts) compared with EUR 106.5 million in the first half 2021. General and administrative expenses were EUR 132.7 million, with a 14.4% incidence on revenues, compared with EUR 106.7 million in the first half of 2021 (17.2% on revenues). The lower incidence of these costs is linked to a better operating leverage of the Group compared with the first half of the previous year, which had been mostly impacted by the Covid-19 containment measures in various markets around the world, and to the Stone Island consolidation.

The stock-based compensation plans, included in selling, general and administrative expenses, were equal to EUR 16.0 million in the first half of 2022, compared with EUR 14.9 million in the first half of 2021.

Marketing expenses were EUR 50.0 million, representing 5.4% of revenues, compared with 6.1% in the first half of 2021. Management expects an incidence of around 7% at year end, in line with the previous year.

Depreciation and amortisation, excluding those related to right-of-use assets ex IFRS 16, were EUR 51.0 million.

EBIT was EUR 180.2 million, with a margin of 19.6%, compared with EUR 92.8[8] million in the first half of 2021.

In the first half of 2022, net interests were EUR 11.6 million, compared with EUR 9.7 million in the corresponding period of 2021, mainly related to lease liabilities ex IFRS 16.

Taxes include the one-off positive impact of the Stone Island brand value realignment for EUR 92.3 million. Net of this effect, the tax rate would have been equal to 29%, in line with the previous year.

Group net result was then equal to EUR 211.3 million compared with EUR 58.7 million in the first half of 2021.

[8] Net of the impact of the Purchase Price Allocation (PPA) adjustments and other costs related to the acquisition of the Stone Island brand in the first half of 2021.

## MONCLER GROUP CONSOLIDATED BALANCE SHEET AND CASH FLOW ANALYSIS

Following is the reclassified consolidated statement of financial position as of 30 June 2022, 31 December 2021 and 30 June 2021.

| (EUR 000) | 30/06/2022 | 31/12/2021 | 30/06/2021 |
|---|---|---|---|
| Intangible assets | 1,671,859 | 1,673,491 | 1,681,873 |
| Tangible assets | 249,049 | 257,126 | 242,159 |
| Right-of-use assets | 681,793 | 656,196 | 675,536 |
| Other non-current assets/(liabilities) | 231,141 | (8,564) | (16,640) |
| TOTAL NON-CURRENT ASSETS | 2,833,842 | 2,578,249 | 2,582,928 |
| Net working capital | 187,183 | 148,842 | 179,979 |
| Other current assets/(liabilities) | (124,751) | (223,741) | (98,683) |
| TOTAL CURRENT ASSETS | 62,432 | (74,899) | 81,296 |
| INVESTED CAPITAL | 2,896,274 | 2,503,350 | 2,664,224 |
| Net debt/(net cash) | (356,269) | (729,587) | (233,878) |
| Lease liabilities | 739,930 | 710,069 | 734,925 |
| Pension and other provisions | 22,491 | 23,774 | 20,452 |
| Shareholders' equity | 2,490,122 | 2,499,094 | 2,142,725 |
| TOTAL SOURCES | 2,896,274 | 2,503,350 | 2,664,224 |

## NET WORKING CAPITAL

Net consolidated working capital was EUR 187.2 million compared with EUR 180.0 million at 30 June 2021, equal to 8.0% of last-twelve-months revenues (9.6% at 30 June 2021 and 7.0% at 31 December 2021). The decrease in the incidence reflects the continuous and rigorous control of the working capital levels at both brands, Moncler and Stone Island.

| (EUR 000) | 30/06/2022 | 31/12/2021 | 30/06/2021 |
|---|---|---|---|
| Payables | (334,235) | (348,953) | (268,017) |
| Inventory | 354,621 | 263,521 | 309,034 |
| Receivables | 166,797 | 234,274 | 138,962 |
| NET WORKING CAPITAL | 187,183 | 148,842 | 179,979 |
| % on LTM revenues | 8.0% | 7.0% | 9.6% |

## NET FINANCIAL POSITION

As of 30 June 2022, the net financial position was positive and equal to EUR 356.3 million compared with EUR 729.6 million of net cash at 31 December 2021 and with EUR 233.9 million at 30 June 2021. As required by the IFRS 16 accounting standard, at 30 June 2022 the Group accounted EUR 739.9 million of lease liabilities compared with EUR 710.1 million at 31 December 2021 and EUR 734.9 million at 30 June 2021.

| (EUR 000) | 30/06/2022 | 31/12/2021 | 30/06/2021 |
|---|---|---|---|
| Cash | 453,382 | 932,718 | 401,994 |
| Net financial debt (net of financial credit) | (97,113) | (203,131) | (168,116) |
| NET DEBT | 356,269 | 729,587 | 233,878 |
| Lease liabilities | (739,930) | (710,069) | (734,925) |

Following is the reclassified consolidated statement of cash flow for the first half of 2022 and 2021.

| (EUR 000) | H1 2022 | H1 2021 |
|---|---|---|
| EBIT | 180,167 | 92,800 |
| D&A | 51,041 | 41,968 |
| Other non-current assets/(liabilities) | 4,748 | 7,074 |
| Change in net working capital | (38,341) | 61,164 |
| Change in other curr./non-curr. assets/(liabilities) | (342,554) | (77,172) |
| Capex, net | (36,503) | (49,810) |
| OPERATING CASH FLOW | (181,442) | 76,024 |
| Net financial result | (1,082) | (425) |
| Taxes | 42,963 | (24,609) |
| FREE CASH FLOW | (139,561) | 50,990 |
| Dividends paid | (156,409) | (118,323) |
| Transazione Stone Island | - | (551,157) |
| Changes in equity and other changes | (77,348) | (2,907) |
| NET CASH FLOW | (373,318) | (621,397) |
| Net Financial Position - Beginning of Period | 729,587 | 855,275 |
| Net Financial Position - End of Period | 356,269 | 233,878 |
| CHANGE IN NET FINANCIAL POSITION | (373,318) | (621,397) |

Net cash flow in the first half of 2022 was negative for EUR 373.3 million after the payment of EUR 156.4 million of dividends, EUR 48.4 million of shares' buy-back, and EUR 124.1 million of payment for the aforementioned Stone Island brand tax value realignment.

## NET CAPITAL EXPENDITURE

In the first half of 2022, net capital expenditures were EUR 36.5 million compared with EUR 49.8 million in the first half of 2021, that included EUR 11.1 million of key money. The investment costs also include general infrastructure costs for EUR 17.1 million, in line with the first half of 2021 and mainly related to Information Technology and the expansion of the production sites.

| (EUR 000) | 30/06/2022 | 31/12/2021 | 30/06/2021 |
|---|---|---|---|
| Distribution | 19,433 | 75,976 | 32,224 |
| Infrastructure | 17,070 | 48,705 | 17,586 |
| NET CAPEX | 36,503 | 124,681 | 49,810 |
| % on revenues | 4.0% | 6.1% | 8.0% |

**Disclaimer**
This document contains forward-looking statements, in particular in the sections headed "Business Outlook" and "Significant events occured after 30 June 2022" relating to future events, the operating income and financial results of the Moncler Group. These statements are based on the Group's current expectations and forecasts regarding future events and, by their nature involve risks and uncertainties since they refer to events and depend on circumstances which may, or may not, happen or occur in the future and, as such, they must not be unduly rilied upon. The actual results ould differ significantly from those contained in these statements due to a variety of factors, including changes in the macroeconomics and in economic growth and other changes in business conditions, changes in legal and institutional framework (both in Italy and abroad), and many other factors, most of which are beyond the Group's control.

# SIGNIFICANT EVENTS OCCURRED DURING THE FIRST SIX MONTHS OF 2022

### STONE ISLAND KOREA

Starting from 1 January 2022, the distribution of the Stone Island brand in the Korean market has been internalised through the establishment of a joint venture with a local partner, in which the Group holds 51%.

### SUSTAINALYTICS

In January 2022, Moncler obtained the Industry Top-Rated Badge as well as for the Regional Top-Rated Badge from Sustainalytics, leading research and ESG and Corporate Governance rating company that supports investors in the development and implementation of responsible investment strategies.

### GEOPOLITICAL UPDATE

As a results of the conflict in Ukraine started on 24 February, all the Moncler Group commercial activities in Russia and in Ukraine have been temporarily closed. The Group was present in the two countries with dedicated e-commerce, and for the Moncler brand with two directly operated stores (DOS) and three wholesale mono-brand stores (SiS). Moreover, the Group had around 100 multi-brand wholesale doors.

The total exposure to the two countries, including revenues generated by Russian tourists buying outside Russia, was less than 2% of the Group's revenues in 2021. Although the uncertainty regarding the development of the situation and its possible impacts on global economies remains very high, significant consequences on FY 2022 results are currently not foreseen.

With regard to its supply chain, Moncler Group can confirm that it does not purchase raw materials in Ukraine or Russia, nor use third-parties producers based there. At the date of the approval of the Half-year Financial Report, both the direct production site located in Bacau, Romania, and all third-party manufacturers based in neighbouring areas are operating without any disruption due to the conflict in Ukraine. Moreover, whilst at logistics level the current situation could have an impact on the transportation systems and might lead to delays in the shipments of goods, there are currently no significant issues. Regarding the rising of the production costs, not only linked to the geopolitical situation, and to the potential increase in logistics costs, the Group confirms that at the moment it does not expect any impact on profitability for FY 2022.

### SHARES' BUY-BACK PROGRAM

On 3 March 2022, Moncler S.p.A. announced the launch of a buy-back program up to 1,000,000 of ordinary shares (equal to the 0.4% of its share capital), servicing stock-based incentive schemes or other allocations of shares to employees, members of the Board of Directors and consultants of Moncler and of its subsidiaries. The program terminated on 25 March 2022 and at 30 June 2022 Moncler S.p.A. held 4,858,416 treasury shares.

## COMPOSITION OF THE BOARD OF DIRECTORS

On 21 April 2022, the Ordinary Shareholders' Meeting has appointed the new Board of Directors for the three-year period 2022-2024 and confirmed the composition of 12 members. The Board of Directors will remain in charge until the Shareholders' Meeting is called to approve the Financial Statements as of 31 December 2024. The Board is composed as follows: Remo Ruffini (Charmain and Chief Executive Officer), Diva Moriani (Independent Director), Carlo Rivetti (Non-Executive Director), Alessandra Gritti (Independent Director), Marco De Benedetti (Non-Executive Director), Jeanne Jackson (Independent Director), Maria Sharapova (Independent Director), Bettina Fetzer (Independent Director), Robert P. Eggs (Executive Director), Luciano Santel (Executive Director) and Gabriele Galateri di Genola (Independent Director).

## DIVIDENDS

On 21 April 2022, the Ordinary Shareholders' Meeting approved the Moncler S.p.A Financial Statements at 31 December 2021 and approved the distribution of a gross dividend of EUR 0.60 per share.

## 2022 PERFORMANCE SHARES PLAN

On 21 April 2022, the Ordinary Shareholders' Meeting approved, pursuant to Art. 114-bis of the TUF, the adoption of a stock grant plan called "Performance Shares 2022 Plan" reserved to Executive Directors, Executives with Strategic Responsibilities, employees, collaborators and consultants of Moncler and its subsidiaries.

## MOODY'S ESG SOLUTIONS

In June 2022, the Moncler Group ranked 2 in the Specialized Retail sector in Moody's ESG Solutions[9]' overall score ranking. Receiving a score of 62/100, the Group obtained an "advanced" level.

## REALIGNMENT OF THE TAX VALUE OF THE STONE ISLAND BRAND

On 28 June 2022, the Board of Directors approved the realignment of the tax value of the Stone Island brand to its statutory value in the financial statements, opting for the regime pursuant to Art. 15 of Italian Decree Law no. 185/2088.

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[9] Moody's ESG Solutions formerly known as Vigeo Eiris rating.

# SIGNIFICANT EVENTS OCCURRED AFTER 30 JUNE 2022

No significant events occurred after 30 June 2022.

# BUSINESS OUTLOOK

Despite the continuing uncertainty on the geopolitical, economic and health front, the Moncler Group believes it has a portfolio of unique brands and clear and effective development strategies to continue to grow also in 2022.

These are the main strategic lines of development.

**STRENGTHENING OF ALL MONCLER BRAND DIMENSIONS.** 2022 will be an important year for Moncler in which the development lines will be defined based on the strengthening of the three dimensions of the Brand: *Moncler Collections*, *Moncler Genius* and *Moncler Grenoble*. Moncler will also continue to consolidate its omnichannel approach supported by the digital business through many initiatives, also related to the celebration of the 70th anniversary of the Brand, aimed at strengthening the unique relationship with its customers and increasing knowledge and loyalty.

**DEVELOPMENT OF THE STONE ISLAND BRAND AT INTERNATIONAL LEVEL AND IN THE DTC.** During the year 2022, Stone Island will continue its path towards the internalisation of markets still managed by distributors, starting with Korea (run from 1/1/2022 by a joint venture of which Stone Island holds a majority stake), the strengthening of core markets, such as the European ones, and the penetration of less mature markets but with high potentials such as North America and China. The expansion of Stone Island in the Direct-To-Consumer (DTC) channel will also continue not only with selected DOS openings but also by researching – with a new store design, and with targeted clienteling and communication strategies –distinctive and unique languages to strengthen the unique positioning of the Brand, which has the culture of research and experimentation in its own identification and value matrix.

**SUSTAINABLE AND RESPONSIBLE GROWTH.** The Moncler Group believes in sustainable, responsible, long-term development, in pursuit of shared value that meets the expectations of its stakeholders. The five strategic priorities of its Sustainability Plan are: climate action, circular economy and innovation, fair sourcing, enhancing diversity, and giving back to local communities. In 2022, Moncler is committed to reach the sustainability target communicated in the 2020-2025 plan.

**PERVASIVE DIGITAL CULTURE.** Developing and implementing its strategy digitally is an increasingly important goal for a Group that believes in a “Digital First” approach. In 2021, the Group completed the internalisation of the Moncler brand's direct online. In 2022, the goal is to strengthen both brands in this channel also with new platforms.

# RELATED PARTIES TRANSACTIONS

Information relating to related party transactions are provided in Note 10.1 of the Half-Year Consolidated Financial Statements.

# ATYPICAL AND/OR UNUSUAL TRANSACTIONS

There are no positions or transactions deriving from atypical and/or unusual transactions that could have a significant impact on the results and financial position of the Group and the Parent Company.

# TREASURY SHARES

As at 30 June 2022, Moncler S.p.A. held a total of 4,858,416 treasury shares (1.8% of share capital).

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Milan, 27 July 2022

For the Board of Directors

Remo Ruffini

Chairman and Chief Executive Officer

# HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

| Consolidated income statement<br>(Euro/000) | Notes | 1H 2022 | of which related parties (note 10.1) | 1H 2021 | of which related parties (note 10.1) |
|---|---|---|---|---|---|
| Revenue | 4.1 | 918,374 | 628 | 621,768 | 609 |
| Cost of sales | 4.2 | (240,668) | (5,595) | (154,121) | (4,814) |
| Gross margin | | 677,706 | | 467,647 | |
| Selling expenses | 4.3 | (314,863) | (1,162) | (236,362) | (1,070) |
| General and administrative expenses | 4.4 | (132,692) | (10,076) | (110,338) | (7,171) |
| Marketing expenses | 4.5 | (49,984) | | (38,215) | |
| Operating result | 4.6 | 180,167 | | 82,732 | |
| Financial income | 4.7 | 2,800 | | 1,409 | |
| Financial expenses | 4.7 | (14,428) | | (11,151) | |
| Result before taxes | | 168,539 | | 72,990 | |
| Income taxes | 4.8 | 42,724 | | (22,352) | |
| Net Result including Minority | | 211,263 | | 50,638 | |
| Non-controlling interests | | (9) | | (183) | |
| Net result, Group share | | 211,254 | | 50,455 | |
| Earnings per share (unit of Euro) | 5.16 | 0.78 | | 0.19 | |
| Diluited earnings per share (unit of Euro) | 5.16 | 0.78 | | 0.19 | |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| Consolidated statement of comprehensive income | | | |
|---|---|---|---|
| (Euro/000) | Notes | 1H 2022 | 1H 2021 |
| Net profit (loss) for the period | | 211,263 | 50,638 |
| Gains/(Losses) on fair value of hedge derivatives | 5.16 | (169) | (5,943) |
| Gains/(Losses) on exchange differences on translating foreign operations | 5.16 | (49) | 5,372 |
| Items that are or may be reclassified to profit or loss | | (218) | (571) |
| Other Gains/(Losses) | 5.16 | 630 | 122 |
| Items that will never be reclassified to profit or loss | | 630 | 122 |
| Other comprehensive income/(loss), net of tax | | 412 | (449) |
| Total Comprehensive income/(loss) | | 211,675 | 50,189 |
| Attributable to: | | | |
| Group | | 211,668 | 50,005 |
| Non controlling interests | | 7 | 184 |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| Consolidated statement of financial position | | | | | |
|---|---|---|---|---|---|
| (Euro/000) | Notes | 30 June 2022 | of which related parties (note 10.1) | 31 December 2021 | of which related parties (note 10.1) |
| Brands and other intangible assets - net | 5.1 | 1,068,442 | | 1,070,074 | |
| Goodwill | 5.1 | 603,417 | | 603,417 | |
| Property, plant and equipment - net | 5.3 | 930,842 | | 913,322 | |
| Investments (in associates for consolidation) | | 908 | | 826 | |
| Other non-current assets | 5.9 | 41,075 | | 37,082 | |
| Deferred tax assets | 5.4 | 199,679 | | 179,312 | |
| Non-current assets | | 2,844,363 | | 2,804,033 | |
| Inventories and work in progress | 5.5 | 354,621 | | 263,521 | |
| Trade account receivables | 5.6 | 166,797 | 19,961 | 234,274 | 12,085 |
| Tax assets | 5.12 | 13,205 | | 4,963 | |
| Other current assets | 5.9 | 42,064 | | 27,758 | |
| Financial current assets | 5.8 | 6,730 | | 722 | |
| Cash and cash equivalent | 5.7 | 453,382 | | 932,718 | |
| Current assets | | 1,036,799 | | 1,463,956 | |
| Total assets | | 3,881,162 | | 4,267,989 | |
| Share capital | 5.16 | 54,737 | | 54,737 | |
| Share premium reserve | 5.16 | 745,309 | | 745,309 | |
| Other reserves | 5.16 | 1,478,707 | | 1,305,407 | |
| Net result, Group share | 5.16 | 211,254 | | 393,533 | |
| Equity, Group share | | 2,490,007 | | 2,498,986 | |
| Non controlling interests | | 115 | | 108 | |
| Equity | | 2,490,122 | | 2,499,094 | |
| Long-term borrowings | 5.15 | 644,866 | | 624,732 | |
| Provisions non-current | 5.13 | 10,742 | | 11,320 | |
| Pension funds and agents leaving indemnities | 5.14 | 11,749 | | 12,454 | |
| Deferred tax liabilities | 5.4 | 10,331 | | 225,621 | |
| Other non-current liabilities | 5.11 | 190 | | 163 | |
| Non-current liabilities | | 677,878 | | 874,290 | |
| Short-term borrowings | 5.15 | 198,907 | | 289,191 | |
| Trade account payables | 5.10 | 334,235 | 28,246 | 348,953 | 13,520 |
| Tax liabilities | 5.12 | 66,761 | | 131,182 | |
| Other current liabilities | 5.11 | 113,259 | 2,143 | 125,279 | 5,161 |
| Current liabilities | | 713,162 | | 894,605 | |
| Total liabilities and equity | | 3,881,162 | | 4,267,989 | |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| Consolidated statement of changes in equity (Euro/000) | Notes | Share capital | Share premium | Legal reserve | Other comprehensive income | | Other reserves | | | Result of the period, Group share | Equity, Group share | Equity, non controlling interest | Total consolidated Net Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Cumulative translation reserve | Other OCI items | IFRS 2 reserve | FTA reserve | Retained earnings | | | | |
| Group shareholders' equity at 1 January 2021 | 5.16 | 51,671 | 173,374 | 10,319 | (18,183) | 1,064 | 58,450 | (23,434) | 1,073,436 | 300,351 | 1,627,048 | 89 | 1,627,137 |
| Allocation of Last Year Result | | 0 | 0 | 15 | 0 | 0 | 0 | 0 | 300,336 | (300,351) | 0 | 0 | 0 |
| Changes in consolidation area | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 412 | 412 |
| Dividends | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (121,271) | 0 | (121,271) | 0 | (121,271) |
| Share capital increase | | 3,066 | 571,935 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 575,001 | 0 | 575,001 |
| Other movements in Equity | | 0 | 0 | 0 | 0 | 0 | (36,273) | 0 | 47,530 | 0 | 11,257 | 0 | 11,257 |
| Other changes of comprehensive income | | 0 | 0 | 0 | 5,371 | (5,821) | 0 | 0 | 0 | 0 | (450) | 1 | (449) |
| Result of the period | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50,455 | 50,455 | 183 | 50,638 |
| Group shareholders' equity at 30 June 2021 | 5.16 | 54,737 | 745,309 | 10,334 | (12,812) | (4,757) | 22,177 | (23,434) | 1,300,031 | 50,455 | 2,142,040 | 685 | 2,142,725 |
| | | | | | | | | | | | | | |
| Group shareholders' equity at 1 January 2022 | 5.16 | 54,737 | 745,309 | 10,334 | 869 | (11,133) | 34,978 | (21,636) | 1,291,995 | 393,533 | 2,498,986 | 108 | 2,499,094 |
| Allocation of Last Year Result | | 0 | 0 | 613 | 0 | 0 | 0 | 0 | 392,920 | (393,533) | 0 | 0 | 0 |
| Changes in consolidation area | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (161,288) | 0 | (161,288) | 0 | (161,288) |
| Share capital increase | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other movements in Equity | | 0 | 0 | 0 | 0 | 0 | 6,220 | 0 | (65,579) | 0 | (59,359) | 0 | (59,359) |
| Other changes of comprehensive income | | 0 | 0 | 0 | (47) | 461 | 0 | 0 | 0 | 0 | 414 | (2) | 412 |
| Result of the period | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 211,254 | 211,254 | 9 | 211,263 |
| Group shareholders' equity at 30 June 2022 | 5.16 | 54,737 | 745,309 | 10,947 | 822 | (10,672) | 41,198 | (21,636) | 1,458,048 | 211,254 | 2,490,007 | 115 | 2,490,122 |

# CONSOLIDATED STATEMENT OF CASH FLOWS

| Consolidated statement of cash flows | H1 2022 | of which related parties | H1 2021 | of which related parties |
|---|---|---|---|---|
| (Euro/000) | | | | |
| *Cash flow from operating activities* | | | | |
| Consolidated result | 211,263 | | 50,638 | |
| Depreciation and amortization | 125,394 | | 112,327 | |
| Net financial (income)/expenses | 11,628 | | 9,742 | |
| Equity-settled share-based payment transactions | 15,898 | | 14,786 | |
| Income tax expenses | (42,724) | | 22,352 | |
| Changes in inventories - (Increase)/Decrease | (96,058) | | (66,692) | |
| Changes in trade receivables - (Increase)/Decrease | 83,677 | (7,876) | 112,303 | (13,176) |
| Changes in trade payables - Increase/(Decrease) | (14,782) | 14,726 | 21,278 | 16,536 |
| Changes in other current assets/liabilities | (38,681) | (3,018) | (17,882) | 1,207 |
| Cash flow generated/(absorbed) from operating activities | 255,615 | | 258,852 | |
| Interest and other bank charges paid and received | 889 | | (644) | |
| Income tax paid | (262,993) | | (82,119) | |
| Changes in other non-current assets/liabilities | (4,280) | | (4,181) | |
| Net cash flow from operating activities (a) | (10,769) | | 171,908 | |
| *Cash flow from investing activities* | | | | |
| Purchase of tangible and intangible fixed assets | (36,797) | | (50,287) | |
| Proceeds from sale of tangible and intangible fixed assets | 294 | | 477 | |
| Acquisition of Business Unit and cash and cash equivalent acquired | 0 | | (496,728) | |
| Net cash flow from investing activities (b) | (36,503) | | (546,538) | |
| *Cash flow from financing activities* | | | | |
| Repayment of borrowings | (6,003) | | (10,089) | |
| Repayment of current and non-current lease liabilities | (82,504) | | (66,058) | |
| Short-term borrowings variation | (2,567) | | (44,774) | |
| Dividends paid to shareholders | (156,409) | | (118,323) | |
| Treasury Shares variation | (48,352) | | 0 | |
| Other changes in Net Equity | 2,167 | | 0 | |
| Net cash flow from financing activities (c) | (293,668) | | (239,244) | |
| Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c) | (340,940) | | (613,874) | |
| Cash and cash equivalents at the beginning of the period | 802,715 | | 923,483 | |
| Effect of exchange rate changes | (10,204) | | 2,370 | |
| Net increase/(decrease) in cash and cash equivalents | (340,940) | | (613,874) | |
| Cash and cash equivalents at the end of the period | 451,571 | | 311,979 | |

On behalf of the Board of Directors of Moncler S.p.A.

Remo Ruffini

Chairman and Chief Executive Officer

E-MARKET SDIR CERTIFIED

# EXPLANATORY NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2022

## 1. GENERAL INFORMATION ABOUT THE GROUP

### 1.1. THE GROUP AND ITS CORE BUSINESS

The parent company Moncler S.p.A. is a company established and domiciled in Italy. The address of the registered office is Via Stendhal 47 Milan, Italy, and its registration number is 04642290961.

Moreover, the parent company Moncler S.p.A. is de-facto controlled by Remo Ruffini through Ruffini Partecipazioni Holding S.r.l. (RPH) and Double R S.r.l. (DR, formerly Ruffini Partecipazioni S.r.l.): more specifically, Remo Ruffini owns the entire share capital of RPH, a company controlling DR which, in turn, as of 30 June 2022 holds a shareholding representing 23.8% of the share capital of Moncler S.p.A.

The Half-year Condensed Consolidated Financial Statements as of 30 June 2022 ("Half-year Consolidated Financial Statements") include the parent company and the subsidiaries (hereafter referred to as the "Group").

To date, the Group's core businesses are the creation, production and distribution of clothing for men, women and children, shoes, leather goods and other accessories under the Moncler and Stone Island brand name.

### 1.2. BASIS FOR THE PREPARATION OF THE HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

#### 1.2.1. RELEVANT ACCOUNTING PRINCIPLES

The Half-year Consolidated Financial Statements as of 30 June 2022 have been prepared in accordance with Art. 154-ter of Legislative Decree 58 of 24 February 1998 ("Testo Unico della Finanza – TUF"), as amended, and in conformity with IAS 34. They do not include all the information that would be necessary for the yearly consolidated financial statements and should be read together with consolidated financial statements as 31 December 2021, which were prepared in accordance with the international financial reporting standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union.

The term "IFRS" is also used to refer to all revised international accounting standards ("IAS"), all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), formerly known as the Standing Interpretations Committee ("SIC").

It should be noted that the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows are prepared in accordance and are the same as those used in the consolidated financial statements as of and for the year ended 31 December 2021. The following notes to the consolidated financial statements are presented in a summary format and do not include all the information required in an annual set of financial statements. It should be noted, as required by IAS 34, in order to avoid duplicating the information already provided, the notes refer exclusively to the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and the consolidated statement of cash flows, whose nature and changes are essential in order to understand the financial position and results of operations of the Group.

The Half-year Consolidated Financial Statements as of 30 June 2022 are made up of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes thereto. The comparative information included in these consolidated financial statements, as required by IAS 34, compares 31 December 2021 for the consolidated statement of financial position and the half-year ended 30 June 2021 for the consolidated changes in equity, the consolidated statement of income, the consolidated statement of comprehensive income and the consolidated statement of cash flows.

### 1.2.2. PRESENTATION OF THE FINANCIAL STATEMENTS

The Group presents the consolidated income statement by destination, the method that is considered most representative for the business. This method is in fact consistent with the internal reporting and management of the business.

With reference to the consolidated statement of financial position, a basis of presentation has been chosen which makes a distinction between current and non-current assets and liabilities, in accordance with the provisions of paragraph 60 and thereafter of IAS 1.

The consolidated statement of cash flows is prepared under the indirect method.

According to the provisions of IAS 24 and Consob, the next few paragraphs describe related party transactions with the Group and their impact, if significant, on the consolidated statement of financial position, results of operations and cash flows.

### 1.2.3. BASIS FOR PREPARATION

The Half-year Consolidated Financial Statements have been prepared on the historical cost basis except for the measurement of certain financial instruments (i.e. derivative measured at fair value) as required by IFRS 9 and on a going concern basis.

The Half-year Consolidated Financial Statements are presented in thousand euro, which is the functional currency of the markets where the Group mainly operates.

### 1.2.4. USE OF ESTIMATES AND VALUATIONS

The preparation of Half-year Consolidated Financial Statements and the related notes in conformity with IFRS requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date. The estimates and related assumptions are based on historical experience and other relevant factors. The actual results could differ from those estimates. The estimates and underlying assumptions are reviewed periodically and any variations are reflected in the consolidated income statement in the period in which the estimate is revised if the revision affects only that period or even in subsequent periods if the revision affects both current and future periods.

In the event that management's estimate and judgment had a significant impact on the amounts recognized in the Half-year Consolidated Financial Statements or in case that there is a risk of future adjustments on the amounts recognized for assets and liabilities in the period immediately after the reporting date, the following notes will include the relevant information.

The estimates pertain mainly to the following items of the consolidated financial statements:

- impairment of non-current assets and goodwill;
- impairment of trade receivables (bad debt provision);
- allowance for returns;
- impairment of inventories (obsolescence provision);
- recoverability of deferred tax assets;
- provision for losses and contingent liabilities;
- lease liabilities and assets for right of use;
- Incentive systems and variable remuneration;
- IAS 29 hyperinflation;
- financial liabilities for the purchase of minority interests;
- IFRIC 23: uncertainty over income tax treatments.

Impairment of non-current assets and goodwill

Non-current assets include property, plant and equipment, intangible assets with indefinite useful life and goodwill, investments and other financial assets.

Management periodically reviews non-current assets for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is estimated based on the present value of future cash flows expected to derive from the asset or from the sale of the asset itself, at a suitable discount rate.

When the recoverable amount of a non-current asset is less than its carrying amount, an impairment loss is recognized immediately in profit or loss and the carrying amount is reduced to its recoverable amount determined based on value-in-use calculation or its sale's value in an arm's length transaction, with reference to the most recent Group business plan.

Impairment of trade receivables

The bad debt provision reflects management's best estimate of the probable loss for unrecoverable trade receivables.

Allowance for returns

The allowance for returns reflects management's best estimate of the asset arising from expected product returns and the associated liability for future refunds.

Impairment of inventory

The Group manufactures and sells mainly clothing goods that are subject to changing consumer demands and fashion trends. Inventory impairment represents management's best estimate for losses arising from the sales of aged products, taking into consideration their sale ability through the Group's distribution channels.

Recoverability of deferred tax assets

The Group is subject to income taxes in numerous jurisdictions. Judgment is required in determining the provision for income taxes in each territory. The Group recognizes deferred tax assets when there is a reasonable expectation of realisation within a period that is consistent with management estimation and business plans.

Provision for losses and contingent liabilities

The Group is subject to legal and tax litigations arising in the countries where it operates. Litigations are inevitably subject to risk and uncertainties surrounding the events and circumstances associated with the claims and associated with local legislation and jurisdiction. In the normal course of the business, management requests advice from the Group legal consultants and tax experts. The recognition of a provision is based on management's best estimate when an outflow of resources is probable to settle the obligation and the amount can be estimated with reliability. In those circumstances where the outflow of resources is possible or the amount of the obligation cannot be measured with sufficient reliability, the contingent liabilities is disclosed in the notes to the Half-year Consolidated Financial Statements.

Lease liabilities and assets for right of use

The Group recognises the asset for the right of use and the liability for the lease. The asset for the right of use is initially valued at cost, and then subsequently at cost net of accumulated depreciation and impairment losses, and adjusted to reflect the revaluation of the lease liability.

The Group values the lease liability at the present value of the payments due for unpaid leases at the effective date, discounting them using an interest rate determined taking into account the term of the lease contracts, the currency in which they are denominated, the characteristics of the economic environment in which the contract was stipulated and the credit adjustment.

The lease liability is subsequently increased by the interest accrued on this liability and decreased by the payments due for the lease made and is revalued in the event of a change in the future payments due for the lease deriving from a change in the index or rate, in the event of a change in the amount that the Group expects to pay as a guarantee on the residual value or when the Group changes its valuation with reference to the exercise or otherwise of a purchase, extension or cancellation option.

Lease contracts in which the Group acts as a lessee may provide for renewal options with effects, therefore, on the duration of the contract. Relative certainty that this option will (or won't) be exercised can influence, even significantly, the amount of lease liabilities and right of use assets.

With regard to rent concessions obtained from landlords, the Group has adopted the practical expedient brought in by the amendment to IFRS 16 published by the IASB on 28 May 2020 and ratified on 12 October 2020.

Incentive systems and variable remuneration

For the description of the determination of the fair value of share-based incentive payments for the Moncler Group management, please see paragraph 2.13 of the consolidated financial statements as 31 December 2021.

IAS 29 Hyperinflation

Furthermore, IAS 29, which was irrelevant on 31 December 2021 as no Group company was operating on hyperinflationary markets on that date, should have been applied for the Turkish subsidiary as at 30 June 2022, because Turkey met the criteria for a hyperinflationary economy during the half-year. However, the accounting effects of applying that accounting standard are not significant and thus have not been considered in the preparation of this Half-yearly Financial Report.

For an estimate of financial liabilities related to the purchase of minority interests and IFRIC 23: uncertainty over income tax treatments see paragraphs 2.20 and 2.16 of the consolidated financial statements as 31 December 2021.

# 2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES USED IN THE PREPARATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The accounting principles adopted for the preparation of the Half-Year Condensed Consolidated Financial Statements are consistent with those used for the preparation of the Consolidated Financial Statements of the Moncler Group as at 31 December 2021, notwithstanding the adoption of the new standards, amendments and interpretations approved by the IASB and endorsed in Europe, whose adoption is mandatory for accounting periods beginning on or after 1 January 2022, as listed in the paragraph below.

## 2.1. ACCOUNTING STANDARDS AND RECENTLY PUBLISHED INTERPRETATIONS

<u>Accounting standards, amendments and interpretations effective from 1 January 2022</u>

The following accounting standards, amendments and IFRS interpretations were applied by the Group for the first time from 1 January 2022.

| DOCUMENT TITLE | ISSUED DATE | EFFECTIVE DATE | APPROVAL DATE | EU REGULATION AND DATE OF PUBLICATION |
|---|---|---|---|---|
| Annual Improvements to IFRS Standards (2018–2020 Cycle)<br><br>[Amendments to IFRS 1, IFRS 9, IFRS 7, IFRS 16 and IAS 41] | May 2020 | 1 January 2022 | 28 June 2021 | (UE) 2021/1080<br><br>2 July 2021 |
| Property, plant and equipment: proceeds before intended use<br><br>(Amendments to IAS 16) | May 2020 | 1 January 2022 | 28 June 2021 | (UE) 2021/1080<br><br>2 July 2021 |
| Onerous contracts - Cost of fulfilling a contract<br><br>(Amendments to IAS 37) | May 2020 | 1 January 2022 | 28 June 2021 | (UE) 2021/1080<br><br>2 July 2021 |
| Reference to the Conceptual Framework (Amendments to IFRS 3) | May 2020 | 1 January 2022 | 28 June 2021 | (UE) 2021/1080<br><br>2 July 2021 |

The adoption of these amendments has had no effect on the Group's consolidated financial statements.

## New standards and interpretations not yet effective and not early adopted by the Group

At the date when this document was prepared, the European Union's competent authorities concluded the approval process needed for the adoption of the accounting standards and amendments described below. With reference of the applicable principles, the Group has decided not to exercise the option of the early adoption, if applicable.

| DOCUMENT TITLE | ISSUE DATE BY IASB | EFFECTIVE DATE OF IASB DOCUMENT | APPROVAL DATE BY EU | DOCUMENT TITLE |
|---|---|---|---|---|
| Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2 e Definition of Accounting Estimates—Amendments to IAS 8 | February 2021 | 1 January 2023 | 2 March 2022 | (UE) 2022/357<br>3 March 2022 |
| IFRS 17 Insurance contracts (incuding amendments published in June 2020) | May 2017<br>June 2020 | 1 January 2023 | 19 November 2021 | (UE) 2021/2036<br><br>23 November 2021 |

We do not expect to see any significant effects on the Group's consolidated financial statements, from adopting these amendments.

In addition, at the date of these financial statements, the competent bodies of the European Union had not yet completed their endorsement process for the following accounting standards and amendments:

| DOCUMENT TITLE | ISSUE DATE BY IASB | EFFECTIVE DATE OF IASB DOCUMENT | APPROVAL DATE BY EU |
|---|---|---|---|
| Standards | | | |
| IFRS 14 Regulatory Deferral Accounts | January 2014 | 1 January 2016 | Postponed pending the conclusion of the IASB project on "rate-regulated activities". |
| Amendments | | | |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) | September 2014 | Deferred until the completion of the IASB project on the equity method | Postponed pending the conclusion of IASB project on the equity method |
| Classification of Liabilities as Current or Non-current (Amendments to IAS 1), including subsequent amendment issued in July 2020 | January 2020<br><br>July 2020 | 1 January 2023 | TBD |

| | | | |
|---|---|---|---|
| Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2) | February 2021 | 1 January 2023 | TBD |
| Definition of Accounting Estimates (Amendments to IAS 8) | February 2021 | 1 January 2023 | TBD |
| Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12) | May 2021 | 1 January 2023 | TBD |
| Initial Application of IFRS 17 and IFRS 9— Comparative Information (Amendment to IFRS 17) | December 2021 | 1 January 2023 | TBD |

We do not expect to see any significant effects on the Group's consolidated financial statements, from adopting these amendments.

## 2.2. EXCHANGE RATES

The main exchange rates used to translate in Euro the financial statements of foreign subsidiaries as at and for half-year period ended 30 June 2022 are as follows:

| | Average rate | | Rate at the end of the period | | Rate at the end of the period | |
|---|---|---|---|---|---|---|
| | I half 2022 | I half 2021 | As at 30 June 2022 | As at 30 June 2021 | As at 31 December 2021 | As at 31 December 2020 |
| AED | 4.015490 | 4.426630 | 3.814600 | 4.364400 | 4.159500 | 4.506500 |
| AUD | 1.520390 | 1.562650 | 1.509900 | 1.585300 | 1.561500 | 1.589600 |
| BRL | 5.556480 | 6.490170 | 5.422900 | 5.905000 | 6.310100 | 6.373500 |
| CAD | 1.390000 | 1.503000 | 1.342500 | 1.472200 | 1.439300 | 1.563300 |
| CHF | 1.031870 | 1.094570 | 0.996000 | 1.098000 | 1.033100 | 1.080200 |
| CNY | 7.082260 | 7.795990 | 6.962400 | 7.674200 | 7.194700 | 8.022500 |
| CZK | 24.648500 | 25.854100 | 24.739000 | 25.488000 | 24.858000 | 26.242000 |
| DKK | 7.440180 | 7.436820 | 7.439200 | 7.436200 | 7.436400 | 7.440900 |
| GBP | 0.842397 | 0.868010 | 0.858200 | 0.858050 | 0.840280 | 0.899030 |
| HKD | 8.555880 | 9.355100 | 8.149300 | 9.229300 | 8.833300 | 9.514200 |
| HUF | 375.129000 | 357.880000 | 397.040000 | 351.680000 | 369.190000 | 363.890000 |
| JPY | 134.307000 | 129.868000 | 141.540000 | 131.430000 | 130.380000 | 126.490000 |
| KRW | 1,347.840000 | 1,347.540000 | 1,351.600000 | 1,341.410000 | 1,346.380000 | 1,336.000000 |
| KZT | 493.126000 | 511.409000 | 487.000000 | 509.160000 | 492.750000 | 517.040000 |
| MOP | 8.813050 | 9.635760 | 8.393800 | 9.506200 | 9.098300 | 9.799600 |
| MXN | 22.165300 | 24.327000 | 20.964100 | 23.578400 | 23.143800 | 24.416000 |
| NOK | 9.981680 | 10.175910 | 10.348500 | 10.171700 | 9.988800 | 10.470300 |
| NZD | 1.649100 | 1.681000 | 1.670500 | 1.702600 | 1.657900 | 1.698400 |
| PLN | 4.635400 | 4.537400 | 4.690400 | 4.520100 | 4.596900 | 4.559700 |
| RON | 4.945720 | 4.901650 | 4.946400 | 4.928000 | 4.949000 | 4.868300 |
| RUB | 83.856200 | 89.550200 | 53.858000 | 86.772500 | 85.300400 | 91.467100 |
| SEK | 10.479600 | 10.130800 | 10.730000 | 10.111000 | 10.250300 | 10.034300 |
| SGD | 1.492080 | 1.605940 | 1.448300 | 1.597600 | 1.527900 | 1.621800 |
| TRY | 16.257890 | 9.522640 | 17.322000 | 10.321000 | 15.233500 | 9.113100 |
| TWD | 31.369700 | 33.775500 | 30.878800 | 33.158400 | 31.367100 | 34.480700 |
| UAH | 31.702500 | 33.459100 | 30.401700 | 32.361800 | 30.921900 | 34.768900 |
| USD | 1.093390 | 1.205350 | 1.038700 | 1.188400 | 1.132600 | 1.227100 |

## 3. SCOPE OF CONSOLIDATION

As at 30 June 2022 the Half-year Consolidated Financial Statements of the Moncler Group include the parent company Moncler S.p.A. and 47 consolidated subsidiaries as detailed in the following table:

| Investments (in associates for consolidation) | Registered office | Share capital | Currency | % of ownership | Parent company |
|---|---|---|---|---|---|
| Moncler S.p.A. | Milan (Italy) | 54,736,558 | EUR | | |
| Industries S.p.A. | Milan (Italy) | 15,000,000 | EUR | 100.00% | Moncler S.p.A. |
| Moncler Deutschland GmbH | Munich (Germany) | 700,000 | EUR | 100.00% | Industries S.p.A. |
| Moncler España S.L. | Madrid (Spain) | 50,000 | EUR | 100.00% | Industries S.p.A. |
| Moncler Asia Pacific Ltd | Hong Kong (China) | 300,000 | HKD | 100.00% | Industries S.p.A. |
| Moncler France S.à.r.l. | Paris (France) | 8,000,000 | EUR | 100.00% | Industries S.p.A. |
| Moncler USA Inc | New York (USA) | 1,000 | USD | 100.00% | Industries S.p.A. |
| Moncler UK Ltd | London (United Kingdom) | 2,000,000 | GBP | 100.00% | Industries S.p.A. |
| Moncler Japan Corporation (*) (**) | Tokyo (Japan) | 104,776,859 | JPY | 94.94% | Industries S.p.A. |
| Moncler Shanghai Commercial Co. Ltd | Shanghai (China) | 82,483,914 | CNY | 100.00% | Industries S.p.A. |
| Moncler Suisse SA | Chiasso (Switzerland) | 3,000,000 | CHF | 100.00% | Industries S.p.A. |
| Moncler Belgium S.p.r.l. | Bruxelles (Belgium) | 1,800,000 | EUR | 100.00% | Industries S.p.A. |
| Moncler Denmark ApS | Copenhagen (Denmark) | 2,465,000 | DKK | 100.00% | Industries S.p.A. |
| Moncler Holland B.V. | Amsterdam (Holland) | 18,000 | EUR | 100.00% | Industries S.p.A. |
| Moncler Hungary KFT | Budapest (Hungary) | 150,000,000 | HUF | 100.00% | Industries S.p.A. |
| Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti. (*) | Istanbul (Turkey) | 1,000,000 | TRY | 51.00% | Industries S.p.A. |
| Moncler Rus LLC | Moscow (Russian Federation) | 590,000,000 | RUB | 99,99%<br>0,01% | Industries S.p.A.<br>Moncler Suisse SA |
| Moncler Brasil Comércio de moda e acessòrios Ltda. | Sao Paulo (Brazil) | 10,000,000 | BRL | 95,00%<br>5,00% | Industries S.p.A.<br>Moncler USA Inc |
| Moncler Taiwan Limited | Taipei (China) | 10,000,000 | TWD | 100.00% | Industries S.p.A. |
| Moncler Canada Ltd | Vancouver (Canada) | 1,000 | CAD | 100.00% | Industries S.p.A. |
| Moncler Prague s.r.o. | Prague (Czech Republic) | 200,000 | CZK | 100.00% | Industries S.p.A. |
| White Tech Sp.zo.o. | Katowice (Poland) | 369,000 | PLN | 70.00% | Industries S.p.A. |
| Moncler Korea Inc. (*) | Seoul (South Korea) | 2,833,000,000 | KRW | 90.01% | Industries S.p.A. |
| Moncler Middle East FZ-LLC | Dubai (United Arab Emirates) | 3,050,000 | AED | 100.00% | Industries S.p.A. |
| Moncler Singapore PTE, Limited | Singapore | 5,000,000 | SGD | 100.00% | Industries S.p.A. |
| Industries Yield S.r.l. | Bacau (Romania) | 25,897,000 | RON | 99,00%<br>1,00% | Industries S.p.A.<br>Moncler Deutschland GmbH |
| Moncler UAE LLC (*) | Abu Dhabi (United Arab Emirates | 1,000,000 | AED | 49.00% | Moncler Middle East FZ-LLC |
| Moncler Ireland Limited | Dublin (Ireland) | 350,000 | EUR | 100.00% | Industries S.p.A. |
| Moncler Australia PTY LTD | Melbourne (Australia) | 2,500,000 | AUD | 100.00% | Industries S.p.A. |
| Moncler Kazakhstan LLP | Almaty (Kazakhstan) | 250,000,000 | KZT | 99,00%<br>1,00% | Industries S.p.A.<br>Moncler Rus LLC |
| Moncler Sweden AB | Stockholm (Sweden) | 1,000,000 | SEK | 100.00% | Industries S.p.A. |
| Moncler Norway AS | Oslo (Norway) | 3,000,000 | NOK | 100.00% | Industries S.p.A. |
| Moncler Mexico, S. de R.L. de C.V. | Mexico City (Mexico) | 33,000,000 | MXN | 99,00%<br>1,00% | Industries S.p.A.<br>Moncler USA Inc |
| Moncler Mexico Services, S. de R.L. de C.V. | Mexico City (Mexico) | 11,000,000 | MXN | 99,00%<br>1,00% | Industries S.p.A.<br>Moncler USA Inc |
| Moncler Ukraine LLC | Kiev (Ukraine) | 47,367,417 | UAH | 99,99%<br>0,01% | Industries S.p.A.<br>Moncler Suisse SA |
| Moncler New Zealand Limited | Auckland (New Zealand) | 2,000,000 | NZD | 100.00% | Industries S.p.A. |
| Sportswear Company S.p.A. | Bologna (Italy) | 10,084,166 | EUR | 100.00% | Moncler S.p.A. |
| Stone Island Retail S.r.l. | Bologna (Italy) | 99,000 | EUR | 100.00% | Sportswear Company S.p.A. |
| Stone Island Germany Gmbh | Monaco (Germany) | 500,000 | EUR | 100.00% | Sportswear Company S.p.A. |
| Stone Island Antwerp Bvba | Antwerp (Belgium) | 400,000 | EUR | 100.00% | Sportswear Company S.p.A. |
| Stone Island Amsterdam BV | Amsterdam (Holland) | 25,000 | EUR | 100.00% | Sportswear Company S.p.A. |
| Stone Island Usa Inc | New York (USA) | 2,500,000 | USD | 100.00% | Sportswear Company S.p.A. |
| Stone Island Canada Inc | Toronto (Canada) | 500,000 | CAD | 100.00% | Sportswear Company S.p.A. |
| Stone Island China Co. Ltd | Shanghai (China) | 2,500,000 | EUR | 100.00% | Sportswear Company S.p.A. |
| Stone Island France S.a.s. | Saint Priest (France) | 50,000 | EUR | 100.00% | Sportswear Company S.p.A. |
| Stone Island Korea Co., Ltd. (*) | Seoul (South Korea) | 6,100,000,000 | KRW | 51.00% | Sportswear Company S.p.A. |
| Stone Island Distribution S.r.l. | Bologna (Italy) | 50,000 | EUR | 100.00% | Sportswear Company S.p.A. |
| Stone Island (UK) Retail Limited | London (United Kingdom) | 1,000,000 | GBP | 100.00% | Sportswear Company S.p.A. |

(*) Fully consolidated (without attribution of interest to third parties)
(**) Share capital value and % of ownership take into consideration the treasury shares held by Moncler Japan Corporation.

In relation to the scope of consolidation, the following changes occurred in the first half of 2022 compared to 31 December 2021:

- Stone Island Korea Co. Ltd. was set up as a joint venture, in which the majority interest is held by Sportswear Company S.p.A., which manages the Stone Island business directly in Korea;
- Officina della Maglia S.r.l. and Stone Island Logistic S.r.l. were merged into Sportswear Company S.p.A.;

- Stone Island Distribution S.r.l. and Stone Island (UK) Retail Ltd were incorporated.

Please note that Moncler Korea Inc., Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. sti. and Moncler Japan Corporation, same as in the previous periods, and Stone Island Korea are fully consolidated, without attribution of interest to third parties, in accordance with the anticipated interest principle in light of the agreements in place between those companies' shareholders.

# 4. COMMENTS ON THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

The figures for the first half of 2022 have been compared against those for the same period of the previous financial year. For better comparison, note that the figures for the Stone Island brand were included, post-acquisition, from 1 April 2021 and thus only for the first 3 months of the first half of 2021, whereas they have been included for the whole of the first half of 2022.

## 4.1. REVENUES

### REVENUES BY BRANDS

| (Euro/000) | 1H 2022 | % | 1H 2021 | % |
|---|---|---|---|---|
| Total revenues | 918,374 | 100.0% | 621,768 | 100.0% |
| Moncler | 724,261 | 78.9% | 565,540 | 91.0% |
| Stone Island | 194,113 | 21.1% | 56,228 | 9.0% |

In the first six months of 2022 Moncler Group reached consolidated revenues of EUR 918.4 million up 47.7% compared with the same period in 2021. These results include Moncler brand revenues equal to EUR 724.3 million and Stone Island brand revenues equal to EUR 194.1 million.

### ANALYSIS OF MONCLER BRAND REVENUE

In the first six months of 2022, Moncler brand revenues were EUR 724.3 million, +28.1% compared with EUR 565.5 million in the same period of 2021.

### REVENUES BY REGION

Sales are broken down by region as reported in the following table:

| Revenues by region | | | | | | |
|---|---|---|---|---|---|---|
| (Euro/000) | 1H 2022 | % | 1H 2021 | % | Variation | % Variation |
| Asia | 333,112 | 46.0% | 282,551 | 50.0% | 50,561 | 17.9% |
| EMEA | 264,547 | 36.5% | 187,774 | 33.3% | 76,773 | 40.9% |
| Americas | 126,602 | 17.5% | 95,215 | 16.8% | 31,387 | 33.0% |
| Total | 724,261 | 100.0% | 565,540 | 100.0% | 158,721 | 28.1% |

In Asia (which includes APAC, Japan and Korea), first-half revenues grew 17.9% compared with the first half of 2021, driven by a strong double-digit growth in the second quarter in Korea and Japan. In particular, revenues in Korea more than doubled compared with pre-pandemic levels in Q2. Japan followed with a solid and accelerating growth compared with the previous quarter. In APAC, the performance was negatively impacted by the lockdowns in the Chinese mainland that caused the closure of around a third of stores in April and May, while June showed a strong improvement with the reopening of all the stores.

In EMEA, revenues increased by 40.9% in the first half of 2022 versus the same period of 2021, with an increase in the second quarter, driven by a solid demand of both locals and American tourists. France, Middle-East and Germany contributed the most to the growth of the second quarter.

Revenues in the Americas grew by 33% compared with the first semester of 2021. The United States led the growth of the region.

## REVENUES BY DISTRIBUTION CHANNEL

Revenues per distribution channels are broken down as follows:

| (Euro/000) | 1H 2022 | % | 1H 2021 | % |
|---|---|---|---|---|
| Total revenues | 724,261 | 100.0% | 565,540 | 100.0% |
| of which: | | | | |
| - Wholesale | 168,338 | 23.2% | 147,133 | 26.0% |
| - DTC | 555,923 | 76.8% | 418,407 | 74.0% |

In the first half, the Direct-To-Consumer (DTC) distribution channel registered revenues of EUR 555.9 million with a +32.9% growth compared with the first semester of 2021, despite the negative effects derived from the closure of a third of the directly managed stores in the Chinese mainland, driven by the strong local demand in all other markets. In particular, Korea and Japan outperformed the other regions. E-commerce continued to register strong double-digit growth rates.

The wholesale channel reported revenues of EUR 168.3 million compared to EUR 147.1 million in the first semester of 2021, with an increase of 14.4% compared with the first semester of 2021, driven by the appreciation of the Spring / Summer collections.

## REVENUES ANALYSIS OF THE STONE ISLAND BRAND

In the first semester of 2022, Stone Island brand revenues were equal to EUR 194.1 million with respect to EUR 56.2 million recorded in the second quarter 2021 (which corresponds to the period since the date of consolidation into the Moncler Group).

EMEA is the most important region for Stone Island, contributing to 71% of the revenues in the first half 2022. Asia contributed 17% of Stone Island revenues and Americas the remaining 12%.

The wholesale channel still represents the most important channel for the Brand, with EUR 133.0 million in the first semester 2022 (equal to 68.5% of the total) thanks to the strong appreciation of Spring / Summer collections in all markets and despite the retail conversion of the Korean market.

The DTC channel registered strong performances in the first half 2022, thanks to the already mentioned conversion of the Korean market and the strong double-digit growth in the European and American markets. The direct online channel continued to register solid double-digit growth.

See the Management Report for a comparison of the revenues for the first half of 2022 compared to the same period in 2021 (including the revenues for the first quarter of 2021 not consolidated in the Moncler Group).

## 4.2. COST OF SALES

In the first half of 2022, cost of sales increased by EUR 86.5 million in absolute terms (+56.2%), from EUR 154.1 million in the first half of 2021 to EUR 240.7 million in the first half of 2022.

Cost of sales incidence on revenues increased from 24.8% in the first half of 2021 to 26.2% in the first half of 2022. This increase is entirely due to the higher incidence of the wholesale channel arising from the consolidation of the Stone Island brand for the entire reference period.

## 4.3. SELLING EXPENSES

Selling expenses were EUR 314.9 million compared with EUR 236.4 million in the first half of 2021, with a 34.3% incidence on revenues (38.0% in the first half of 2021).

Selling expenses mainly include rent costs excluded from the application of the IFRS 16 for EUR 63.5 million (EUR 41.2 million in the first half of 2021), personnel costs for EUR 81.3 million (EUR 59.8 million in the first half of 2021) and costs for depreciation of the right of use for EUR 63.7 million (EUR 59.1 million in the first half of 2021) and other amortization and depreciation for EUR 37.8 million (EUR 36.8 million in the first half of 2021).

During the year, the Group continued the negotiations with main landlords to review rents, in light of the effects of the Covid-19 pandemic. The economic benefits, equal to EUR 4.3 million (EUR 8.4 million in 2021), have been reflected in the results of the period and were recognised under this item in application of the practical expedient introduced by the amendment to IFRS 16 published in 2020.

This item also includes costs related to stock-based compensation plans for EUR 2.8 million (EUR 2.8 million in the first half of 2021).

## 4.4. GENERAL AND ADMINISTRATIVE EXPENSES

In the first half of 2022 general and administrative expenses were equal to EUR 132.7 million, with 14.4% incidence on revenues, compared with EUR 110.3 million, with 17.7% incidence, in the first half of 2021.

This item also includes costs related to stock-based compensation plans for EUR 13.2 million (EUR 12.1 million in the first half of 2021).

## 4.5. MARKETING EXPENSES

Marketing expenses amounted to EUR 50.0 million in the first half of 2022, with 5.4% incidence on revenues, compared with 6.1% of the first half of 2021.

## 4.6. OPERATING RESULT

The operating result was EUR 180.2 million, with a margin of 19.6%, compared with EUR 82.7 million, with a margin of 13.3%, in the first half of 2021.

## 4.7. FINANCIAL INCOME AND EXPENSES

The Financial income and expenses are detailed as follows:

| (Euro/000) | 1H 2022 | 1H 2021 |
|---|---|---|
| Interest income and other financial income | 2,800 | 608 |
| Foreign currency differences - positive | 0 | 801 |
| Total financial income | 2,800 | 1,409 |
| Interests expenses and other financial | (2,382) | (1,442) |
| Foreign currency differences - negative | (1,844) | 0 |
| Total financial expenses | (4,226) | (1,442) |
| Total net excluded interests on lease liabilities | (1,426) | (33) |
| Interests on lease liabilities | (10,202) | (9,709) |
| Total net | (11,628) | (9,742) |

## 4.8. INCOME TAX

The income tax effect on the consolidated income statement is as follows:

| (Euro/000) | 1H 2022 | 1H 2021 |
|---|---|---|
| Current income taxes | (190,166) | (35,197) |
| Deferred tax (income) expenses | 232,889 | 12,845 |
| Income taxes charged in the income statement | 42,723 | (22,352) |

On 28 June 2022, the Board of Directors of Moncler S.p.A. approved the realignment of the tax value of the Stone Island brand to its statutory value, opting for the regime pursuant to Art. 15 of Italian Decree Law 185/2008; this option entailed the payment of a substitute tax for 16% of the brand's value, equal to EUR 124.1 million, registered under current taxes and the release of EUR 216.4 million in previously-recognised deferred taxes payable. The net positive effect of the transaction was thus EUR 92.3 million.

## 4.9. PERSONNEL EXPENSES

The following table lists the detail of the main personnel expenses by nature, compared with those of the same period of the previous year:

| (Euro/000) | 1H 2022 | 1H 2021 |
|---|---|---|
| Wages and salaries and Social security costs | (126,182) | (96,384) |
| Accrual for employment benefits | (9,707) | (8,349) |
| Total | (135,889) | (104,733) |

During the period, personnel expenses increased by 29.7%, from EUR 104.7 million in the first half of 2021 to EUR 135.9 million in 2022.

The remuneration related to the members of the Board of Directors is commented separately in the related party section.

The costs related to the stock-based compensation plans, equal to EUR 16.0 million (EUR 14.9 million in the first half of 2021) are separately commented in paragraph 10.2.

The following table reports the number of employees (full-time-equivalent, FTE) for the first half of 2022 compared to the same period of last year:

| Average FTE by area | | |
|---|---|---|
| FTE | 1H 2022 | 1H 2021 |
| Italy | 1,522 | 1,332 |
| Other European countries | 1,795 | 1,714 |
| Asia and Japan | 1,256 | 1,097 |
| Americas | 369 | 323 |
| Total | 4,942 | 4,466 |

The actual number of FTEs of the Group as at 30 June 2022 is 5,033 (4,561 as at 30 June 2021).

The total number of employees increased largely as a result of the new directly operated stores openings, the expansion of the production sites and the overall growth of the corporate structure.

## 4.10. DEPRECIATION AND AMORTIZATION

Depreciation and amortization are broken down as follows:

| (Euro/000) | 1H 2022 | 1H 2021 |
|---|---|---|
| Depreciation of property, plant and equipment | (115,018) | (97,395) |
| Amortization of intangible assets | (10,376) | (14,932) |
| Total Depreciation and Amortization | (125,394) | (112,327) |

The increase in total depreciation and amortization is due to investments made for the development of the distribution network, IT investments and to the investments for the expansion of the production sites.

The caption amortisation of intangible assets in the first half of 2021 included the amortisation of the order backlog, which was recognised as a result of the aforementioned acquisition and which was fully amortised in 2021.

The amortisation related to the right of use amounts to EUR 74.4 million.

Please refer to comments made in paragraphs 5.1 and 5.3 for additional details related to investments made during the period.

# 5. COMMENTS ON THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 5.1. GOODWILL, BRANDS AND OTHER INTANGIBLE ASSETS

| Brands and other intangible assets | 30 June 2022 | | | 31 December 2021 |
|---|---|---|---|---|
| (Euro/000) | Gross value | Accumulated amortization and impairment | Net value | Net value |
| Brands | 999,354 | 0 | 999,354 | 999,354 |
| Key money | 69,661 | (56,355) | 13,306 | 15,019 |
| Software | 117,330 | (67,523) | 49,807 | 46,430 |
| Other intangible assets | 32,027 | (29,577) | 2,450 | 2,310 |
| Assets in progress | 3,525 | 0 | 3,525 | 6,961 |
| Goodwill | 603,417 | 0 | 603,417 | 603,417 |
| Total | 1,825,314 | (153,455) | 1,671,859 | 1,673,491 |

The movements in intangible assets over the comparable periods are summarized in the following table:

As at 30 June 2022

| Gross value Brands and other intangible assets (Euro/000) | Brands | Key money | Software | Other intangible assets | Assets in progress and advances | Goodwill | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2022 | 999,354 | 68,576 | 105,728 | 31,455 | 6,961 | 603,417 | 1,815,491 |
| Acquisitions | 0 | 0 | 5,318 | 547 | 2,008 | 0 | 7,873 |
| Disposals | 0 | (96) | (30) | 0 | 0 | 0 | (126) |
| Changes in consolidation area | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Translation adjustement | 0 | 1,181 | 85 | 1 | (2) | 0 | 1,265 |
| Other movements, including transfers | 0 | 0 | 6,229 | 24 | (5,442) | 0 | 811 |
| 30 June 2022 | 999,354 | 69,661 | 117,330 | 32,027 | 3,525 | 603,417 | 1,825,314 |

| Accumulated amortization and impairment Brands and other intangible assets (Euro/000) | Brands | Key money | Software | Other intangible assets | Assets in progress and advances | Goodwill | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2022 | 0 | (53,557) | (59,298) | (29,145) | 0 | 0 | (142,000) |
| Amortization | 0 | (1,725) | (8,219) | (432) | 0 | 0 | (10,376) |
| Disposals | 0 | 96 | 6 | 0 | 0 | 0 | 102 |
| Changes in consolidation area | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Translation adjustement | 0 | (1,169) | (12) | 0 | 0 | 0 | (1,181) |
| Other movements, including transfers | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 June 2022 | 0 | (56,355) | (67,523) | (29,577) | 0 | 0 | (153,455) |

As at 30 June 2021

| Gross value Brands and other intangible assets (Euro/000) | Brands | Key money | Software | Other intangible assets | Assets in progress and advances | Goodwill | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2021 | 223,900 | 56,837 | 77,839 | 10,888 | 4,153 | 155,582 | 529,199 |
| Acquisitions | 0 | 0 | 7,549 | 302 | 2,953 | 0 | 10,804 |
| Disposals | 0 | 0 | (113) | (588) | 0 | 0 | (701) |
| Changes in consolidation area | 775,454 | 10,799 | 6,799 | 20,226 | 3 | 447,835 | 1,261,116 |
| Translation adjustement | 0 | 302 | (13) | (15) | 2 | 0 | 276 |
| Other movements, including transfers | 0 | 0 | 1,025 | 0 | (1,766) | 0 | (741) |
| 30 June 2021 | 999,354 | 67,938 | 93,086 | 30,813 | 5,345 | 603,417 | 1,799,953 |

| Accumulated amortization and impairment Brands and other intangible assets (Euro/000) | Brands | Key money | Software | Other intangible assets | Assets in progress and advances | Goodwill | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2021 | 0 | (41,733) | (40,835) | (8,741) | 0 | 0 | (91,309) |
| Amortization | 0 | (2,078) | (6,044) | (6,810) | 0 | 0 | (14,932) |
| Disposals | 0 | 0 | 45 | 588 | 0 | 0 | 633 |
| Changes in consolidation area | 0 | (7,211) | (5,144) | 0 | 0 | 0 | (12,355) |
| Translation adjustement | 0 | (135) | 8 | 10 | 0 | 0 | (117) |
| Other movements, including transfers | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 June 2021 | 0 | (51,157) | (51,970) | (14,953) | 0 | 0 | (118,080) |

The increase in the item Software, net of the effects above reported, pertains to the investments in information technology for the management of the business and the corporate functions.

## 5.2. IMPAIRMENT OF INTANGIBLE FIXED ASSETS WITH AN UNDEFINED USEFUL LIFE AND GOODWILL

The items Brands, Other intangible fixed assets with undefined useful life and Goodwill have not been amortised, but have been tested for impairment by management at least annually when the year-end financial statements are prepared.

The business performance recorded in the first half 2022 are consistent with the assumptions made when testing the recoverability of the value of Moncler and Stone Island goodwill and of Moncler and Stone Island brands during the preparation of the Annual Consolidated Financial Statements as at 31 December 2021. Therefore, no potential indicators of impairment were identified and no specific impairment tests were performed on these items for the purposes of preparing these Consolidated Half-Year Financial Statements.

It is also underlined that the Company's stock market capitalisation, based on the average price of Moncler share in the first half 2022, shows a significant positive difference with respect to the Group net equity, confirming again the value of the goodwill. From our simulations, the increase in interest rates seen in the last period, and the resulting effect on WACC does not pose a risk to the resilience of these tests, which demonstrated ample coverage as at 31 December 2021.

## 5.3. NET PROPERTY, PLANT AND EQUIPMENT

| Property, plant and equipments (Euro/000) | 30 June 2022 | | | 31 December 2021 |
|---|---|---|---|---|
| | Gross value | Accumulated depreciation and impairment | Net value | Net value |
| Land and buildings | 1,130,470 | (429,647) | 700,823 | 675,467 |
| Plant and Equipment | 51,470 | (28,305) | 23,165 | 22,171 |
| Fixtures and fittings | 162,671 | (116,674) | 45,997 | 48,430 |
| Leasehold improvements | 352,285 | (231,550) | 120,735 | 127,820 |
| Other fixed assets | 40,707 | (30,027) | 10,680 | 10,024 |
| Assets in progress | 29,442 | 0 | 29,442 | 29,410 |
| Total | 1,767,045 | (836,203) | 930,842 | 913,322 |

The movements in tangible assets over the comparable periods are summarized in the following table:

As at 30 June 2022

| Gross value Property, plant and equipment (Euro/000) | Land and buildings | Plant and Equipment | Fixtures and fittings | Leasehold improvements | Other fixed assets | Assets in progress and advances | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2022 | 1,024,942 | 47,437 | 154,740 | 333,106 | 37,239 | 29,410 | 1,626,874 |
| Acquisitions | 93,729 | 1,078 | 3,825 | 7,757 | 1,756 | 14,853 | 122,998 |
| Disposals | (9,360) | (560) | (1,575) | (3,033) | (451) | (168) | (15,147) |
| Changes in consolidation area | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Translation adjustement | 20,884 | 220 | 3,893 | 7,494 | 144 | 617 | 33,252 |
| Other movements, including transfers | 275 | 3,295 | 1,788 | 6,961 | 2,019 | (15,270) | (932) |
| 30 June 2022 | 1,130,470 | 51,470 | 162,671 | 352,285 | 40,707 | 29,442 | 1,767,045 |

| Accumulated depreciation and impairment PPE (Euro/000) | Land and buildings | Plant and Equipment | Fixtures and fittings | Leasehold improvements | Other fixed assets | Assets in progress and advances | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2022 | (349,475) | (25,266) | (106,310) | (205,286) | (27,215) | 0 | (713,552) |
| Depreciation | (76,674) | (2,791) | (8,645) | (23,364) | (3,544) | 0 | (115,018) |
| Disposals | 5,372 | 220 | 1,540 | 2,909 | 342 | 0 | 10,383 |
| Changes in consolidation area | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Translation adjustement | (8,870) | (468) | (3,259) | (5,930) | 390 | 0 | (18,137) |
| Other movements, including transfers | 0 | 0 | 0 | 121 | 0 | 0 | 121 |
| 30 June 2022 | (429,647) | (28,305) | (116,674) | (231,550) | (30,027) | 0 | (836,203) |

As at 30 June 2021

| Gross value Property, plant and equipment (Euro/000) | Land and buildings | Plant and Equipment | Fixtures and fittings | Leasehold improvements | Other fixed assets | Assets in progress and advances | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2021 | 790,863 | 33,273 | 127,187 | 263,157 | 31,079 | 23,617 | 1,269,176 |
| Acquisitions | 81,909 | 986 | 2,489 | 6,741 | 1,711 | 28,017 | 121,853 |
| Disposals | (7,916) | (104) | (1,345) | (3,095) | (608) | (18) | (13,086) |
| Changes in consolidation area | 86,248 | 9,728 | 7,148 | 15,365 | 1,124 | 2,179 | 121,792 |
| Translation adjustement | 8,226 | (63) | 1,458 | 2,373 | 189 | 125 | 12,308 |
| Other movements, including transfers | 639 | 0 | 2,337 | 2,618 | 701 | (5,553) | 742 |
| 30 June 2021 | 959,969 | 43,820 | 139,274 | 287,159 | 34,196 | 48,367 | 1,512,785 |

| Accumulated depreciation and impairment PPE (Euro/000) | Land and buildings | Plant and Equipment | Fixtures and fittings | Leasehold improvements | Other fixed assets | Assets in progress and advances | Total |
|---|---|---|---|---|---|---|---|
| 1 January 2021 | (192,835) | (12,268) | (83,671) | (155,703) | (21,712) | 0 | (466,189) |
| Depreciation | (64,497) | (2,680) | (8,203) | (19,719) | (2,296) | 0 | (97,395) |
| Disposals | 4,992 | 53 | 1,106 | 3,085 | 276 | 0 | 9,512 |
| Changes in consolidation area | (13,348) | (7,401) | (5,212) | (8,115) | (768) | 0 | (34,844) |
| Translation adjustement | (3,224) | 62 | (1,159) | (1,676) | (176) | 0 | (6,173) |
| Other movements, including transfers | 0 | 0 | 37 | (38) | 0 | 0 | (1) |
| 30 June 2021 | (268,912) | (22,234) | (97,102) | (182,166) | (24,676) | 0 | (595,090) |

The movements relating to the assets for the right of use arising from the application of the IFRS 16 are reported here below:

| Right of use assets (Euro/000) | Land and buildings | Other fixed assets | Total |
|---|---|---|---|
| 1 January 2022 | 654,770 | 1,426 | 656,196 |
| Acquisitions | 93,634 | 440 | 94,074 |
| Disposals | (4,446) | (48) | (4,494) |
| Depreciation | (75,561) | (498) | (76,059) |
| Changes in consolidation area | 0 | 0 | 0 |
| Translation adjustement | 12,013 | 3 | 12,016 |
| 30 June 2022 | 680,470 | 1,323 | 681,793 |

The increases in the first half of 2022 refer to new lease agreements for the opening or relocation of retail stores and the renewal of existing lease agreements, mainly in the region EMEA and APAC.

In addition to the above mentioned effect arising from the application of the IFRS 16, the changes in property plant and equipment in the first half of 2022 show an increase in gross value of the items fixture and fittings, leasehold improvements and assets in progress and advances: all of these items are mainly related to the development of the distribution network and the investments for the expansion of the production sites.

The business performance recorded in the periods under analysis are consistent with the assumptions made when testing the recoverability of the value of the rights of use during the preparation of the Annual Consolidated Financial Statements as at 31 December 2021. Therefore, no potential indicators of impairment were identified and no specific impairment tests were performed on these items.

## 5.4. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

The balances of the Deferred tax assets and liabilities as at 30 June 2022, over the comparable period of last year are reported below:

| Deferred taxation<br>(Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Deferred tax assets | 199,679 | 179,312 |
| Deferred tax liabilities | (10,331) | (225,621) |
| Net amount | 189,348 | (46,309) |

Deferred tax assets and deferred tax liabilities are offset only when there is a law within a given tax jurisdiction, which provides for such right to offset.

The decrease in deferred tax liabilities derives from the release resulting from the above mentioned realignment of the Stone Island trademark's tax value to the statutory value.

In view of the nature of the net deferred tax assets and the expectation of future taxable income under the Business Plan 2022-2024 (approved by the Board of Directors on 24 february 2022), no indicators have been identified regarding the non-recoverability of the deferred tax assets recognised in the financial statements.

## 5.5. INVENTORY

Inventory as at 30 June 2022 amounts to EUR 354.6 million (EUR 263.5 million as at 31 December 2021) and is broken down as follows:

| Inventory<br>(Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Raw materials | 105,463 | 98,688 |
| Work-in-progress | 73,856 | 52,335 |
| Finished products | 411,538 | 342,148 |
| Inventories, gross | 590,857 | 493,171 |
| Obsolescence provision | (236,236) | (229,650) |
| Total | 354,621 | 263,521 |

Finished products and work-in-progress in inventory in the first half of each year are impacted by seasonality; specifically, they tend to increase compared to December as the average production cost of the products of the Autumn/Winter collection, in stock in June, is higher than the average production cost of the products of the Spring/Summer collection, in stock in December.

The obsolescence provision is calculated using management's best estimate based on the season needs and the inventory balance based on passed sales trends through alternative channels and future sales outlook, consistent with the actions defined to support the volumes provided for in the Business Plan.

## 5.6. TRADE RECEIVABLES

Trade receivables as at 30 June 2022 amounted to EUR 166.8 million (EUR 234.3 million as at 31 December 2021) and are as follows:

| Trade receivables (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Trade account receivables | 181,542 | 248,237 |
| Allowance for doubtful debt | (14,677) | (13,871) |
| Allowance for discounts | (68) | (92) |
| Total, net value | 166,797 | 234,274 |

Trade receivables are related to the Group's wholesale business and they include balances with a collection period not greater than three months. During the first half of 2022 there were no concentration of credit risk greater than 10% associated to individual customers.

The allowance for doubtful debts was calculated in accordance with management's best estimate based on the ageing of accounts receivable as well as the solvency of the oldest accounts and also taking into consideration any balances turned over into collection proceedings. Trade receivables written down are related to specific balances that were past due and for which collection is uncertain.

The allowance for doubtful debts also includes a component related to the "expected credit loss", connected to the particular situation of the period and to the American market.

## 5.7. CASH AND BANKS

As at 30 June 2022, cash on hand and cash at banks amount to EUR 453.4 million (EUR 932.7million as at 31 December 2021) and includes cash and cash equivalents as well as the funds available at banks.

The amount included in the Half-year Condensed Consolidated Financial Statements represents the fair value at the date of the financial statements. The credit risk is very limited since the other parties are class A financial institutions.

The consolidated statement of cash flows includes the changes in cash and cash at banks as well as the bank overdrafts.

The following table shows the reconciliation between cash and cash at banks with those included in the consolidated statement of cash flows:

| Cash and cash equivalents included in the Statement of (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Cash on hand and at banks | 453,382 | 932,718 |
| Bank overdraft and short-term bank loans | (1,811) | (130,003) |
| Total | 451,571 | 802,715 |

## 5.8. FINANCIAL CURRENT ASSETS

The financial current assets consist of the receivables arising from the market valuation of the derivatives on exchange rates hedges.

## 5.9. OTHER CURRENT AND NON-CURRENT ASSETS

| Other current and non-current assets (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Prepayments and accrued income - current | 15,866 | 12,117 |
| Other current receivables | 26,198 | 15,641 |
| Other current assets | 42,064 | 27,758 |
| Prepayments and accrued income - non-current | 98 | 70 |
| Security / guarantees deposits | 38,942 | 35,989 |
| Investments in associated companies | 36 | 36 |
| Other non-current receivables | 1,999 | 987 |
| Other non-current assets | 41,075 | 37,082 |
| Total | 83,139 | 64,840 |

The other current receivables mainly consists of receivable due from the tax authority for VAT.

Deposits are mostly related to the amounts paid on behalf of the lessee as a guarantee to the lease agreement. There are no differences between the amounts included in the Half-year Consolidated Financial Statements and their fair values.

## 5.10. TRADE PAYABLES

Trade payables amounted to EUR 334.2 million as at 30 June 2022 (EUR 349.0 million as at 31 December 2021) and pertain to current amounts due to suppliers for goods and services. These payables are all due in the short term and do not include amounts that will be paid over 12 months.

In the first half of 2022 there are no outstanding positions associated to individual suppliers that exceed 10% of the total value. There are no difference between the amounts included in the Half-year Consolidated Financial Statements and their respective fair values.

## 5.11. OTHER CURRENT AND NON-CURRENT LIABILITIES

As at 30 June 2022, the Other current and non-current liabilities are detailed as follow:

| Other current and non-current liabilities (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Deferred income and accrued expenses - current | 3,929 | 1,595 |
| Advances and payments on account to customers | 32,989 | 18,079 |
| Employee and social institutions | 43,171 | 53,018 |
| Tax accounts payable, excluding income taxes | 10,069 | 33,711 |
| Other current payables | 23,101 | 18,876 |
| Other current liabilities | 113,259 | 125,279 |
| Deferred income and accrued expenses - non-current | 190 | 163 |
| Other non-current liabilities | 190 | 163 |
| Total | 113,449 | 125,442 |

The item tax accounts payable includes mainly value added tax (VAT) and payroll tax withholding.

## 5.12. CURRENT TAX ASSETS AND LIABILITIES

Tax assets amount to EUR 13.2 million as at 30 June 2022 (EUR 5.0 million as at 31 December 2021) and pertain to receivables for advances paid on taxes.

Tax liabilities amounted to EUR 66.8 million as at 30 June 2022 (EUR 131.2 million as at 31 December 2021). Tax liabilities are recognized net of current tax assets, where the offsetting relates to the same tax jurisdiction and tax system.

## 5.13. PROVISIONS NON-CURRENT

Non-current provisions as at 30 June 2022 are detailed in the following table:

| Provision for contingencies and losses (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Other non current contingencies | 10,742 | 11,320 |
| Total | 10,742 | 11,320 |

The other non-current contingencies include the costs for restoring stores, the costs associated with ongoing disputes and product warranty costs.

## 5.14. PENSION FUNDS AND AGENTS LEAVING INDEMNITIES

Pension funds and agents leaving indemnities as at 30 June 2022 are detailed in the following table:

| Employees pension funds (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Pension funds | 6,224 | 6,773 |
| Agents leaving indemnities | 5,525 | 5,681 |
| Total | 11,749 | 12,454 |

The pension funds pertain mainly to Italian entities of the Group. With the application of the welfare reform from 1 January 2007, the liability has taken the form of a defined contribution plan. Therefore, the amount of pension fund (TFR) accrued prior to the application of the reform and not yet paid to the employees as of the date of the consolidated financial statements is considered as a defined benefit plan.

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## 5.15. FINANCIAL LIABILITIES

Financial liabilities as at 30 June 2022 are detailed in the following table:

| Borrowings (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Bank overdraft and short-term bank loans | 1,811 | 130,003 |
| Short-term portion of long-term bank loans | 11,144 | 11,801 |
| Short-term financial lease liabilities | 141,855 | 125,597 |
| Other short-term loans | 44,097 | 21,790 |
| Short-term borrowings | 198,907 | 289,191 |
| Long-term portion of long-term bank loans | 4,368 | 9,713 |
| Long-term financial lease liabilities | 598,205 | 584,679 |
| Other long-term borrowings | 42,293 | 30,340 |
| Long-term borrowings | 644,866 | 624,732 |
| Total | 843,773 | 913,923 |

The caption other borrowings (short and long term) mainly include the financial liabilities versus non-bank third parties.

Financial lease liabilities amounted to EUR 739.9 million (EUR 710.1 million in 2021) and financial lease liabilities ex IAS 17 amounted to EUR 0.1 million (EUR 0.2 million in 2021); total financial lease liabilities are detailed in the following table:

| Financial lease liabilities (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Short-term financial lease liabilities | 141,855 | 125,597 |
| Long-term financial lease liabilities | 598,205 | 584,679 |
| Total | 740,060 | 710,276 |

The changes in financial lease liabilities during the first half of 2022 are reported in the following table:

| (Euro/000) | IFRS 16 | Ex IAS 17 | Financial lease liabilities |
|---|---|---|---|
| 1 January 2022 | 710,069 | 207 | 710,276 |
| Acquisitions | 89,580 | 0 | 89,580 |
| Disposals | (82,426) | (79) | (82,505) |
| Financial expenses | 10,544 | 2 | 10,546 |
| Changes in consolidation area | 0 | 0 | 0 |
| Translation adjustement | 12,163 | 0 | 12,163 |
| 30 June 2022 | 739,930 | 130 | 740,060 |

The following tables show the break-down of the borrowing in accordance with their maturity date:

| Ageing of the Long-term borrowings | | |
|---|---|---|
| (Euro/000) | 30 June 2022 | 31 December 2021 |
| Within 2 years | 158,952 | 139,137 |
| From 2 to 5 years | 299,047 | 289,848 |
| Beyond 5 years | 186,867 | 195,747 |
| Total | 644,866 | 624,732 |

The following tables show the breakdown of the long-term borrowings, excluded financial lease liabilities, in accordance with their maturity date:

| Ageing of Long-term borrowings excluded lease liabilities | | |
|---|---|---|
| (Euro/000) | 30 June 2022 | 31 December 2021 |
| Within 2 years | 24,287 | 18,026 |
| From 2 to 5 years | 22,374 | 22,027 |
| Beyond 5 years | 0 | 0 |
| Total | 46,661 | 40,053 |

The non-discounted cash flows referring to the lease liabilities are shown below.

| Ageing of the lease liabilities not discounted | | |
|---|---|---|
| (Euro/000) | 30 June 2022 | 31 December 2021 |
| Within 1 year | 164,105 | 149,378 |
| From 1 to 5 years | 451,349 | 432,758 |
| Beyond 5 years | 201,094 | 210,691 |
| Total | 816,549 | 792,827 |

The net financial position (including financial lease liabilities) is detailed in the following table:

| Net financial position | | |
|---|---|---|
| (Euro/000) | 30 June 2022 | 31 December 2021 |
| A. Cash | 453,382 | 932,718 |
| B. Cash equivalents | 0 | 0 |
| C. Other current financial assets | 6,730 | 722 |
| D. Liquidity (A)+(B)+(C) | 460,112 | 933,440 |
| E . Current financial DEBT | (45,909) | (151,793) |
| F. Current portion of non-current financial debt | (152,998) | (137,398) |
| G. Current financial indebtedness (E)+(F) | (198,907) | (289,191) |
| H. Net current financial indebtedness (G)+(D) | 261,205 | 644,249 |
| I. Non current financial debt | (602,573) | (594,392) |
| J. Debt instruments | 0 | 0 |
| K. Non-current trade and other payables | (42,293) | (30,340) |
| L. Non-current financial indebtedness (I)+(J)+(K) | (644,866) | (624,732) |
| M. Total financial indebtedness (H)+(L) | (383,661) | 19,517 |

Net financial position as defined by the new ESMA Guidelines of 4 March 2021 (Consob Warning notice no. 5/21 to the Consob Communication DEM/6064293 of 28 July 2006).

The net financial position (excluding financial lease liabilities) is equal to EUR 356.3 million as at 30 June 2022, respect to EUR 729.6 million as at 31 December 2021.

## 5.16. SHAREHOLDERS' EQUITY

Changes in shareholders' equity for the first half of 2022 and the comparative period are included in the consolidated statements of changes in equity.

As at 30 June 2022 the subscribed share capital constitute by 273.682.790 shares was fully paid and amounted to EUR 54.736.558,00, with a nominal value of EUR 0.20 per share.

As at 30 June 2022 4.858.416 treasury shares were held, equal to 1,8% of the share capital, for a total value of EUR 186.2 million.

The legal reserve (which was brought up to the level required by law when the 2021 earnings were allocated) and premium reserve pertain to the parent company Moncler S.p.A.

In the first half 2022 the parent company distributed dividends to the Group Shareholders for an amount of EUR 161.3 million of which EUR 156.4 paid in the first half 2022 (EUR 121.3 million distributed in 2021, of which EUR 118.3 paid in the first half 2021).

The change in the IFRS 2 reserve is due to the accounting treatment of the performance share plans, i.e., to the recognition of the figurative cost for the period relating to these plans and the reclassification to retained earnings of the cumulative figurative cost of the plans already closed.

The change in retained earnings mainly relates to the allocation of 2021 result, the dividends distribution, the above-mentioned reclassification of the IFRS 2 reserve and the adjustment to the market value of the financial liabilities to non-banking third parties. It also includes the purchase of treasury shares, net of the amount used to service the Performance shares plans.

The FTA reserve includes the effects of the initial application of the IFRS 16.

Other reserves include other comprehensive income comprising the translation reserve referred to foreign entities, the reserve for exchange rate risks hedging and the reserve for actuarial gains/losses. The translation reserve includes the exchange differences emerging from the translation of the financial statements of the foreign consolidated companies. The hedging reserve includes the effective portion of the net differences accumulated in the fair value of the derivative hedging instruments. Changes to these reserves were as follows:

| Other comprehensive income | Cumulative translation reserve | | | Other OCI items | | |
|---|---|---|---|---|---|---|
| (Euro/000) | Value before tax effect | Tax effect | Value after tax effect | Value before tax effect | Tax effect | Value after tax effect |
| Reserve as at 1 January 2021 | (18,183) | 0 | (18,183) | 1,431 | (367) | 1,064 |
| Changes in the period | 5,371 | 0 | 5,371 | (7,589) | 1,768 | (5,821) |
| Translation differences of the period | 0 | 0 | 0 | 0 | 0 | 0 |
| Reversal in the income statement of the period | 0 | 0 | 0 | 0 | 0 | 0 |
| Reserve as at 30 June 2021 | (12,812) | 0 | (12,812) | (6,158) | 1,401 | (4,757) |
| Reserve as at 1 January 2022 | 869 | 0 | 869 | (14,628) | 3,495 | (11,133) |
| Changes in the period | (47) | 0 | (47) | 311 | 150 | 461 |
| Translation differences of the period | 0 | 0 | 0 | 0 | 0 | 0 |
| Reversal in the income statement of the period | 0 | 0 | 0 | 0 | 0 | 0 |
| Reserve as at 30 June 2022 | 822 | 0 | 822 | (14,317) | 3,645 | (10,672) |

Earnings per share

Earnings per share for the half-year ended 30 June 2022 and 30 June 2021 is included in the following table and is based on the relationship between net income attributable to the Group and the average number of outstanding shares.

The diluted earnings per share is in line with the basic earnings per share as at 30 June 2022 as there are no significant dilutive effects arising from stock-based compensation plans.

It should be noted that, for the diluted earnings per share calculation, the treasury share method has been applied, prescribed by IAS 33 paragraph 45 for stock-based compensation plans.

| Earnings per share | | |
|---|---|---|
| | 1H 2022 | 1H 2021 |
| Net result of the period (Euro/000) | 211,254 | 50,455 |
| Average number of shares related to parent's Shareholders | 269,126,678 | 261,498,883 |
| | | |
| Earnings attributable to Shareholders (Unit of Euro) | 0.78 | 0.19 |
| Diluited earnings attributable to Shareholders (Unit of Euro) | 0.78 | 0.19 |

## 6. SEGMENT INFORMATION

For the purposes of IFRS 8 "Operating segments", the activity carried out by the Group can be identified in the operating segments referring to the Moncler business and the Stone Island business. However, these operating segments were aggregated into a single reportable segment, consistent with the core principle of IFRS 8, as the segments have similar economic characteristics and share common features, i.e.:

- the nature of the products;
- the nature of the production processes;
- the type of customers;
- the distribution channels.

## 7. SEASONALITY

Moncler Group's results are influenced by various seasonal factors, linked to its business model and to the industry in which the Group operates.

Over the years, the Moncler brand has preserved its inherent connotation and heritage, linked to the mountains and cold weather, and therefore a strong exposure to products associated with the winter season. The outerwear, especially the duvet coat, continues to be an important element of the brand's product range although this has been extended over the years to other product categories and the spring/summer collections.

Given the importance of outerwear, and of winter products in general, Moncler's DTC revenues are more concentrated in the first and mainly fourth quarters of each financial year. In the wholesale channel, revenues are concentrated in the third quarter, when third-party retailers are invoiced for Autumn/Winter collections and, at a lower level, in the first quarter, when third-party retailers are invoiced for Spring/Summer collections.

The Stone Island brand, on the other hand, has developed a balanced presence across the different seasons, while still generating a significant portion of its turnover through the wholesale channel. This implies that the first and third quarters are the two main quarters for the Stone Island brand, when the Spring/Summer and Fall/Winter collections are shipped to wholesale customers.

Given the Group's significant seasonality, substantially linked to the seasonality of the Moncler brand, and the possible influence of exogenous factors on quarterly results, such as weather conditions, individual interim results may not make a uniform contribution to annual results and may not be directly comparable with those of previous quarters.

Finally, the revenues trend and the dynamics of the production cycles have an impact on net working capital and net debt. Group’s cash generation peaks in March and December, linked to the cash flow of the Moncler brand, while the months of June and July are characterised by high cash absorption.

# 8. COMMITMENTS AND GUARANTEES GIVEN

## 8.1. COMMITMENTS

The Group does not have significant commitments arising from operating lease contract or other contractual cases that do not fall within the scope of IFRS 16 (mainly related to temporary stores and pop-up stores with a term of less than one year).

## 8.2. GUARANTEES GIVEN

As at 30 June 2022 the Group had given the following guarantees:

| Guarantees and bails given (Euro/000) | 30 June 2022 | 31 December 2021 |
|---|---|---|
| Guarantees and bails given for the benefit of: | | |
| Third parties/companies | 38,982 | 36,403 |
| Total guarantees and bails given | 38,982 | 36,403 |

Guarantees pertain mainly to lease agreements for the new stores.

# 9. CONTINGENT LIABILITIES

As the Group operates globally, it is subject to legal and tax risks which may arise during the performance of its ordinary activities. Based on information available to date, the Group believes that at the date of preparation of this document there are no further potential liabilities in addition to those already recorded in the provisions accrued in the Half-year Consolidated Financial Statements.

# 10. OTHER INFORMATION

## 10.1. RELATED PARTY TRANSACTIONS

Set out below are the transactions with related parties deemed relevant for the purposes of the “Procedure with related party” adopted by the Group.

The "Procedure with related party" is available on the Company's website (www.monclergroup.com, under "Governance/Corporate documents").

Transactions and balances with consolidated companies have been eliminated upon consolidation, therefore there are no comments there.

During the first-half of 2022 related party transactions mainly relate to trading transactions carried out on an arm's length basis with the following parties:

- Yagi Tsusho Ltd, counterparty to the transaction which led to the establishment of Moncler Japan Ltd. acquires finished products from Moncler Group companies (EUR 48.0 million in the first half of 2022 and EUR 44.0 million for the same period last year) and then sells them to Moncler Japan Ltd. (EUR 53.6 million in the first half of 2022 and EUR 48.9 million in the same period of 2021) pursuant to contracts agreed upon the companies' establishment.
- Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi, company held by the minority shareholder of Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti, provide services to that company. Total costs recognized for the first half of 2022 amount to EUR 0.06 million (EUR 0.05 million in the first half of 2021).
- The company La Rotonda S.r.l., owned by a manager of the Moncler Group, acquires finished products from Industries SpA and provides services to the same. Total revenues recognized for the first half of 2022 amount to EUR 0.6 million (EUR 0.6 million in the first half of 2021) and total costs recognized for the first half of 2022 amount to EUR 0.08 million (EUR 0.08 million in the first half of 2021).
- The company Rivetex S.r.l., a company referable to Carlo Rivetti and his family members, rents a building to Moncler Group; in the first half of 2022, total costs amounted to EUR 0.2 million (EUR 0.1 million in the first half 2021).
- Mr Fabrizio Ruffini, brother of the Chairman of the Board of Directors and Chief Executive Officer of Moncler S.p.A., provides consultancy services relating to research, development and quality control for Moncler branded products. Total costs recognised in the first half of 2022 amounted to EUR 0.3 million (EUR 0.3 million in the first half of 2021).

Company Industries S.p.A. adhere to the Parent Company Moncler S.p.A. fiscal consolidation and VAT consolidation.

## COMPENSATION PAID TO DIRECTORS, BOARD OF STATUTORY AUDITORS AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Compensation paid of the members of the Board of Directors in the first half of 2022 are EUR 3,465 thousand (EUR 2,976 thousand in the first half of 2021).

Compensation paid of the members of the Board of Auditors in the first half of 2022 are EUR 71 thousand (EUR 71 thousand in the first half of 2021).

In the first half of 2022 total compensation paid to executives with strategic responsibilities amounted to EUR 1.252 thousand (EUR 755 thousand in the first half of 2021).

In the first half of 2022 the costs relating to Performance shares plan (described in section 10.2) referring to members of the Board of Directors and Key management personnel amount to EUR 5,813 thousand (EUR 3,923 thousand in the first half of 2021).

The following tables summarize the aforementioned related party transactions that took place during the first half of 2022 and the comparative period.

| (Euro/000) | Type of relationship | Note | 30 June 2022 | % | 30 June 2021 | % |
|---|---|---|---|---|---|---|
| Yagi Tsusho Ltd | Distribution agreement | a | 48,028 | (20.0)% | 44,037 | (28.6)% |
| Yagi Tsusho Ltd | Distribution agreement | a | (53,623) | 22.3% | (48,851) | 31.7% |
| GokseTekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi | Service agreement | b | (58) | 0.0% | (51) | 0.0% |
| La Rotonda S.r.l. | Trade transactions | c | 628 | 0.1% | 609 | 0.1% |
| La Rotonda S.r.l. | Trade transactions | d | (74) | 0.0% | (77) | 0.0% |
| Rivetex S.r.l. | Trade transactions | d | (230) | 0.0% | (113) | 0.0% |
| Fabrizio Ruffini | Service agreement | b | (276) | 0.2% | (275) | 0.2% |
| Directors, board of statutory auditors and executives with strategic responsibilities | Labour services | b | (9,742) | 7.3% | (6,845) | 6.2% |
| Executives with strategic responsibilities | Labour services | d | (858) | 0.3% | (880) | 0.4% |
| Total | | | (16,205) | | (12,446) | |

a effect in % based on cost of sales
b effect in % based on general and administrative expenses
c effect in % based on revenues
d effect in % based on selling expenses

| (Euro/000) | Type of relationship | Note | 30 June 2022 | % | 31 December 2021 | % |
|---|---|---|---|---|---|---|
| Yagi Tsusho Ltd | Trade payables | a | (28,295) | 8.5% | (13,609) | 3.9% |
| Yagi Tsusho Ltd | Trade receivables | b | 19,864 | 11.9% | 12,078 | 5.2% |
| La Rotonda S.r.l. | Trade receivables | b | 97 | 0.1% | 7 | 0.0% |
| La Rotonda S.r.l. | Trade payables | a | (37) | 0.0% | (37) | 0.0% |
| Fabrizio Ruffini | Trade payables | a | 86 | 0.0% | 126 | 0.0% |
| Directors, board of statutory auditors and executives with strategic responsibilities | Other current liabilities | c | (2,143) | 1.9% | (5,161) | 4.1% |
| Total | | | (10,428) | | (6,596) | |

a effect in % based on trade payables
b effect in % based on trade receivables
c effect in % based on other current liabilities

The following tables details the weight of related party transactions on the items of the consolidated financial statements.

| (Euro/000) | 30 June 2022 | | | |
|---|---|---|---|---|
| | Revenue | Cost of sales | Selling expenses | General and administrative expenses |
| Total related parties | 628 | (5,595) | (1,162) | (10,076) |
| Total consolidated financial statements | 918,374 | (240,668) | (314,863) | (132,692) |
| Weight % | 0.1% | 2.3% | 0.4% | 7.6% |

| (Euro/000) | 30 June 2022 | | |
|---|---|---|---|
| | Trade receivables | Trade Payables | Other current liabilities |
| Total related parties | 19,961 | (28,246) | (2,143) |
| Total consolidated financial statements | 166,797 | (334,235) | (113,259) |
| Weight % | 12.0% | 8.5% | 1.9% |

| (Euro/000) | 30 June 2021 | | | |
|---|---|---|---|---|
| | Revenue | Cost of sales | Selling expenses | General and administrative expenses |
| Total related parties | 609 | (4,814) | (1,070) | (7,171) |
| Total consolidated financial statements | 621,768 | (154,121) | (236,362) | (110,338) |
| Weight % | 0.1% | 3.1% | 0.5% | 6.5% |

| (Euro/000) | 31 December 2021 | | |
|---|---|---|---|
| | Trade receivables | Trade Payables | Other current liabilities |
| Total related parties | 12,085 | (13,520) | (5,161) |
| Total consolidated financial statements | 234,274 | (348,953) | (125,279) |
| Weight % | 5.2% | 3.9% | 4.1% |

## 10.2. STOCK OPTION PLANS

The Half-year Consolidated Financial Statements at 30 June 2022 reflects the values of the Performance Share Plans approved in 2018, in 2020 and in 2022

The costs related to stock-based compensation plans are equal to EUR 16.0 million in the first half of 2022, compared with EUR 14.9 million in the first half of 2021.

On 16 April 2018 the Shareholders' meeting of Moncler approved the adoption of a stock grant plan entitled "2018-2020 Performance Shares Plan" ("2018 Plan") addressed to Executive Directors and/or Key Managers, and/or employees, and/or collaborators, and/or external consultants of Moncler S.p.A. and of its subsidiaries, which have strategically relevant roles or are otherwise capable of making a significant contribution, with a view of pursuing the Group's strategic objectives.

The object of the Plan is the free granting of the Moncler shares in case certain Performance Targets are achieved at the end of the vesting period of 3 years.

The Performance Targets are expressed base on the earning per share index ("EPS") of the Group in the Vesting Period, adjusted by the conditions of over/under performance.

The proposed maximum number of shares serving the Plan is equal to n. 2,800,000 resulting from the allocation of treasury shares.

The Plan provides for a maximum of 3 cycles of attribution; the first attribution cycle, approved during 2018, ended with the assignment of 1,365,531 Moncler Rights. The second attribution cycle, approved during 2019, ended with the assignment of 341,514 Moncler Rights.

As regards the first allocation cycle, the plan ended in 2021 for further information please refer to 2021 Annual Report.

As regards the second allocation cycle:

- The 3-year vesting period ended with the approval of the Draft Financial Statements as at December 31, 2021.
- The performance targets were met at 97,3%, therefore, No. 248.264 shares were assigned to the beneficiaries through the allocation of treasury shares.

As at 30 June 2020 there are no rights in circulation; the effect of the closed plans on the income statement in the first half of 2022 amounts to EUR 0.2 million.

On 11 June 2020, the Ordinary Shareholders' Meeting has approved, pursuant to art. 114-bis of the Consolidated Law on Finance, the adoption of a Stock Grant Plan denominated "2020 Performance Shares Plan" addressed to Executive Directors, Key Managers, employees and collaborators, therein including Moncler's external consultants and of its subsidiaries.

The object of the Plan is the free granting of the Moncler shares in case certain Performance Targets are achieved at the end of the vesting period of 3 years.

The Performance Targets are expressed base on the following index of the Group in the Vesting Period, adjusted by the conditions of over/under performance: (i) Net Income, (ii) Free Cash Flow and (iii) ESG (Environmental Social Governance).

The proposed maximum number of shares serving the Plan is equal to n. 2,000,000 resulting from capital increase and/or allocation of treasury shares.

The Plan provides for a maximum of 3 cycles of attribution; as regards the first attribution cycle, on 11 June 2020 the Board of Directors resolved the granting of 1,350,000 Moncler Rights. The second attribution cycle, approved during 2021, ended with the assignment of 463,425 Moncler Rights.

As at 30 June 2022 there are still in circulation 1.125.977 rights related to the first cycle of attribution, which effect on the income statement on the first half of 2022 amount to EUR 7.6 million and 437.803 rights related to the second cycle of attribution (the effect on the income statement in the first half of 2022 amounts to EUR 4,9 million).

On 21 April 2022, the Ordinary Shareholders' Meeting has approved, pursuant to art. 114-bis of the Consolidated Law on Finance, the adoption of a Stock Grant Plan denominated "2022 Performance Shares Plan" addressed to Executive Directors, Key Managers, employees and collaborators, therein including Moncler's external consultants and of its subsidiaries.

The object of the Plan is the free granting of the Moncler shares in case certain Performance Targets are achieved at the end of the vesting period of 3 years.

The Performance Targets are expressed base on the following index of the Group in the Vesting Period, adjusted by the conditions of over/under performance: (i) Net Income, (ii) Free Cash Flow and (iii) ESG (Environmental Social Governance).

The proposed maximum number of shares serving the Plan is equal to n. 2,000,000 resulting from allocation of treasury shares.

The Plan provides for a maximum of 3 cycles of attribution; as regards the first attribution cycle, on 4 may 2022 the Board of Directors resolved the granting of 971,169 Moncler Rights.

As at 30 June 2022 there are still in circulation 965,693 rights related to the first cycle of attribution, which effect on the income statement on the first half of 2022 amount to EUR 2.4 million.

As stated by IFRS 2, these plans are defined as equity settled share-based payments.

For information regarding the plan, please see the company's website, www.monclergroup.com, in the "Governance" section.

## 10.3. SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

We point out that, on May 4 2022, Moncler S.p.A. Board of Directors, putting into effect the resolutions adopted by the Shareholders' Meeting of 21 Apri1 2022, resolved, with reference to the stock grant plan denominated "2022 Performance Shares Plan", the granting of 971.169 shares to 90 beneficiaries.

The description of the stock-based compensation plans and the related costs are included in note 10.2.

On 28 June 2022, the Board of Directors of Moncler S.p.A. approved the realignment of the tax value of the Stone Island brand to its statutory value, opting for the regime pursuant to Art. 15 of Italian Decree Law 185/2008; this option entailed the payment of a substitute tax for 16% of the brand's value, equal to EUR 124.1 million, registered under current taxes and the release of EUR 216.4 million in previously-recognised deferred taxes payable. The net positive effect of the transaction was thus EUR 92.3 million.

## 10.4. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

No atypical and/or unusual transactions were carried out by the Group during the first half of 2022.

## 10.5. FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Furthermore, in the current period, it is not necessary to expose the fair value of the lease liabilities.

| (Euro/000)<br>June 30, 2022 | Current | Non-current | Fair value | Level |
|---|---|---|---|---|
| Financial assets measured at fair value | | | | |
| Interest rate swap used for hedging | - | - | - | |
| Forward exchange contracts used for hedging | 6,730 | - | 6,730 | 2 |
| Sub-total | 6,730 | - | 6,730 | |
| Financial assets not measured at fair value | | | | |
| Trade and other receivables (*) | 166,797 | 38,942 | | |
| Cash and cash equivalents (*) | 453,382 | - | | |
| Sub-total | 620,179 | 38,942 | - | |
| Total | 626,909 | 38,942 | 6,730 | |

| (Euro/000)<br>December 31, 2021 | Current | Non-current | Fair value | Level |
|---|---|---|---|---|
| Financial assets measured at fair value | | | | |
| Interest rate swap used for hedging | - | - | - | |
| Forward exchange contracts used for hedging | 722 | - | 722 | 2 |
| Sub-total | 722 | - | 722 | |
| Financial assets not measured at fair value | | | | |
| Trade and other receivables (*) | 234,919 | 35,989 | | |
| Cash and cash equivalents (*) | 932,718 | - | | |
| Sub-total | 1,167,637 | 35,989 | - | |
| Total | 1,168,359 | 35,989 | 722 | |

| (Euro/000)<br>June 30, 2022 | Current | Non-current | Fair value | Level |
|---|---|---|---|---|
| Financial liabilities measured at fair value | | | | |
| Interest rate swap used for hedging | - | - | - | 2 |
| Forward exchange contracts used for hedging | (30,666) | - | (30,666) | 2 |
| Other financial liabilities | (13,431) | (42,293) | (55,724) | 3 |
| Sub-total | (44,097) | (42,293) | (86,390) | |
| Financial liabilities not measured at fair value | | | | |
| Trade and other payables (*) | (390,325) | - | | |
| Bank overdrafts (*) | (1,811) | - | | |
| Short-term bank loans (*) | - | - | | |
| Bank loans (*) | (11,144) | (4,368) | | |
| IFRS 16 financial loans (*) | (141,855) | (598,205) | | |
| Sub-total | (545,134) | (602,573) | - | |
| Total | (589,232) | (644,866) | (86,390) | |

| (Euro/000)<br>December 31, 2021 | Current | Non-current | Fair value | Level |
|---|---|---|---|---|
| Financial liabilities measured at fair value | | | | |
| Interest rate swap used for hedging | - | - | - | 2 |
| Forward exchange contracts used for hedging | (18,959) | - | (18,959) | 2 |
| Other financial liabilities | (2,831) | (30,340) | (33,171) | 3 |
| Sub-total | (21,790) | (30,340) | (52,130) | |
| Financial liabilities not measured at fair value | | | | |
| Trade and other payables (*) | (385,908) | - | | |
| Bank overdrafts (*) | (3) | - | | |
| Short-term bank loans (*) | (130,000) | - | | |
| Bank loans (*) | (11,801) | (9,713) | | |
| IFRS 16 financial loans (*) | (125,597) | (584,679) | | |
| Sub-total | (653,309) | (594,392) | - | |
| Total | (675,099) | (624,732) | (52,130) | |

(*) Such items refer to short-term financial assets and financial liabilities whose carrying value is a reasonable approximation of fair value, which was therefore not disclosed.

## 11. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after the reporting date.

***

These Half-Year Consolidated Financial Statements, comprised of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and explanatory notes to the consolidated financial statements give a true and fair view of the financial position and the results of operations and cash flows and corresponds to the accounting records of the Parent Company and the companies included in the consolidation.

On behalf of the Board of Directors of Moncler S.p.A.

Remo Ruffini

Chairman and Chief Executive Officer

ATTESTATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-TER OF THE CONSOB REGULATION 11971 OF 14 MAY 1999 AS AMENDED

1. The undersigned, Remo Ruffini, in his capacity as the Chief Executive Officer of Moncler S.p.A. and Luciano Santel, as the executive officer responsible for the preparation of Moncler S.p.A.'s financial statements, having also taken into account the provisions of Article 154-bis, paragraphs 3 and 4, of the Italian Legislative Decree 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the characteristics of the company and
- the effective implementation of the administrative and accounting procedures for the preparation of the half-year condensed consolidated financial statements, during the first half of 2022.

2. With regard to the above, there are no remarks.

3. It is also certified that:

3.1 the Half-year Condensed Consolidated Financial Statement:

a) has been drawn up in accordance with the international accounting standards recognised in the European Union under the EC regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002;
b) is consistent with the entries in the accounting books and records;
c) is capable of providing a true and fair representation of the assets and liabilities, profits and losses and financial position of the issuer and the group of companies included in the consolidation.

3.2 The half-year directors' report includes a reliable analysis of the significant events that took place in the first six months of the financial year and their impact on the half-year condensed consolidated financial statements, together with a description of the main risks and uncertainties for the remaining six months of the financial year. The half-year directors' report also includes a reliable analysis of the disclosure on significant related party transactions.

Milan, 27 July 2022

CHAIRMAN OF THE BOARD OF DIRECTOR AND CHIEF EXECUTIVE OFFICER

Remo Ruffini

EXECUTIVE OFFICER RESPONSIBLE FOR THE PREPARATION OF THE COMPANY'S FINANCIAL STATEMENTS

Luciano Santel

Deloitte.

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# REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Moncler S.p.A.

## Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Moncler S.p.A. and subsidiaries (Moncler Group), which comprise the consolidated statement of financial position as of June 30, 2022 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six month period then ended, and a summary of significant accounting policies and other explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange (“Consob”) for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of Moncler Group as at June 30, 2022 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

## Other Matters

The consolidated financial statements of Moncler Group for the period ended on December 31, 2021 and the half-yearly condensed consolidated financial statements as at June 30, 2021 have been respectively audited and reviewed by other auditors that on March 30, 2022 and on July 30, 2021 expressed an unmodified opinion and an unmodified conclusion on those consolidated financial statements.

DELOITTE & TOUCHE S.p.A.

Signed by
Barbara Moscardi
Partner

Treviso, Italy
July 29, 2022

*This report has been translated into the English language solely for the convenience of international readers.*