

# Salvatore Ferragamo

## 1H 2022 Results Update

### Analyst Presentation

September 6, 2022 - 6.00 PM CET



# Disclaimer

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*This presentation contains forward-looking statements regarding future events and results of the Company that are based on the current expectations, projections and assumptions of the management of the Company.*

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# 1H 2022 Business Update

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- Continued solid growth of revenues and profitability in 2Q'22, with positive performances across all geographies, with the exception of China
- Full-price RTL sales overperformance driving Gross Margin and EBIT expansion in 1H'22
- Encouraging overall RTL performance in 3Q'22 to-date, and mindful of the more volatile and challenging macroeconomic backdrop
- Steady progressing in our strategic priorities and on track across all workstreams, building strength across platforms and regions
- Maximilian Davis SS'23 collection to be presented at the fashion show in Milan later this month, with capsule delivery in November '22
- Farfetch agreement providing strong platform of technical capabilities and target audience
- Significant step up of investments in 2H'22, with increase of communication spend to support the launch of our new collections in 1Q'23
- Excellent progress on building the foundational elements to accelerate our growth

# 1H 2022 Financial Review



Salvatore Ferragamo FW 22 Collection

# 1H 2022 Revenue By Distribution Channel

(Euro MM)	June YTD				Const FX	Weight on Tot 2022	Weight on Tot 2021
	2022	2021	Δ %				
Retail	441.1	378.6	16.5%	9.4%	70.0%	72.3%	
Wholesale	192.3	136.5	40.9%	36.2%	30.5%	26.1%	
<b>Net Sales</b>	<b>633.4</b>	<b>515.1</b>	<b>23.0%</b>	<b>16.4%</b>	<b>100.5%</b>	<b>98.3%</b>	
Hedging	(11.3)	4.3	nm	nm	-1.8%	0.8%	
Licences & Other Rev.	6.9	3.2	113.6%	113.6%	1.1%	0.6%	
Rental income	1.3	1.1	15.2%	4.5%	0.2%	0.2%	
<b>Total Revenue</b>	<b>630.3</b>	<b>523.8</b>	<b>20.3%</b>	<b>17.0%</b>	<b>100.0%</b>	<b>100.0%</b>	

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

# 1H 2022 Net Sales By Region

(Euro MM)	June YTD				Weight on Tot 2022	Weight on Tot 2021
	2022	2021	Δ %	Δ % Const FX		
Europe	135.9	93.2	45.8%	45.7%	21.5%	18.1%
North America	188.1	132.9	41.6%	29.7%	29.7%	25.8%
Japan	51.3	40.0	28.0%	32.4%	8.1%	7.8%
Asia Pacific	217.9	221.1	-1.5%	-7.8%	34.4%	42.9%
Latin America	40.2	27.9	44.2%	31.2%	6.3%	5.4%
<b>Net Sales</b>	<b>633.4</b>	<b>515.1</b>	<b>23.0%</b>	<b>16.4%</b>	<b>100.0%</b>	<b>100.0%</b>

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

# 1H 2022 Net Sales By Product

(Euro MM)	June YTD			Δ % Const FX	Weight on Tot 2022	Weight on Tot 2021
	2022	2021	Δ %			
Shoes	279.7	221.6	26.2%	18.5%	44.2%	43.0%
Leather goods & handbags	271.9	233.3	16.5%	11.0%	42.9%	45.3%
RTW	40.1	28.9	38.9%	32.8%	6.3%	5.6%
Silk & other access.	39.9	29.5	35.3%	29.1%	6.3%	5.7%
Fragrances	1.9	1.9	0.4%	-6.7%	0.3%	0.4%
<b>Net Sales</b>	<b>633.4</b>	<b>515.1</b>	<b>23.0%</b>	<b>16.4%</b>	<b>100.0%</b>	<b>100.0%</b>

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

# 1H 2022 P&L

(Euro MM)	June YTD				
	2022	%	2021	%	Δ %
<b>Total revenue</b>	<b>630.3</b>	<b>100.0%</b>	<b>523.8</b>	<b>100.0%</b>	<b>20.3%</b>
Cost of goods sold	(177.5)	-28.2%	(162.9)	-31.1%	9.0%
<b>Gross profit</b>	<b>452.8</b>	<b>71.8%</b>	<b>361.0</b>	<b>68.9%</b>	<b>25.4%</b>
Total operating costs	(357.4)	-56.7%	(295.0)	-56.3%	21.1%
<b>EBIT</b>	<b>95.4</b>	<b>15.1%</b>	<b>65.9</b>	<b>12.6%</b>	<b>44.7%</b>
Financial income (expenses)	(0.7)	-0.1%	(3.4)	-0.7%	-79.5%
Financial ROU	(6.5)	-1.0%	(6.5)	-1.2%	0.2%
<b>EBT</b>	<b>88.2</b>	<b>14.0%</b>	<b>56.0</b>	<b>10.7%</b>	<b>57.5%</b>
Taxes	(26.3)	-4.2%	(18.7)	-3.6%	40.3%
Net profit(loss) from discontinued operations, net of taxes	(0.0)	0.0%	(3.9)	-0.7%	nm
<b>Net income</b>	<b>61.9</b>	<b>9.8%</b>	<b>33.4</b>	<b>6.4%</b>	<b>85.2%</b>
Group net income	61.6	9.8%	30.7	5.9%	>100%
Income to minorities	0.3	0.1%	2.7	0.5%	-87.4%
<b>EBITDA</b>	<b>179.5</b>	<b>28.5%</b>	<b>144.3</b>	<b>27.5%</b>	<b>24.4%</b>



# 1H 2022 Balance Sheet

(Euro MM)	June 22 YTD	June 21 YTD	%
Tangible assets	216.2	204.2	5.9%
Intangible assets	36.9	41.4	-10.8%
Right of Use	497.2	469.6	5.9%
Financial assets	–	–	
<b>Fixed assets</b>	<b>750.3</b>	<b>715.2</b>	<b>4.9%</b>
Inventory	302.7	316.6	-4.4%
Trade receivables	120.1	109.9	9.3%
Trade payables	(173.1)	(128.0)	35.2%
<b>Operating working capital</b>	<b>249.7</b>	<b>298.5</b>	<b>-16.3%</b>
Other assets (liabilities)	73.6	103.5	-28.9%
Net Asset Disposal for Sales	–	18.3	-100.0%
Employee Benefit Liabilities	(8.6)	(10.0)	-14.1%
Provisions for risks and charges	(20.5)	(13.1)	56.1%
<b>Net invested capital</b>	<b>1,044.5</b>	<b>1,112.3</b>	<b>-6.1%</b>
<b>Shareholders' equity (A)</b>	<b>754.9</b>	<b>754.8</b>	<b>0.0%</b>
Group equity	731.8	734.7	-0.4%
Minority interest	23.1	20.1	14.9%
Current financial liabilities	(160.9)	(159.1)	1.1%
Non current financial liabilities	(538.4)	(568.8)	-5.3%
Cash & Cash equivalents	409.7	370.4	10.6%
<b>Net debt (B)</b>	<b>(289.6)</b>	<b>(357.5)</b>	<b>-19.0%</b>
<b>Financial sources (A-B)</b>	<b>1,044.5</b>	<b>1,112.3</b>	<b>-6.1%</b>
<b>Net debt (B)</b>	<b>(289.6)</b>	<b>(357.5)</b>	<b>-19.0%</b>
Non Current Lease Liabilities	486.7	459.9	5.8%
Current Lease Liabilities	112.3	102.4	9.7%
<b>Lease Liabilities</b>	<b>599.0</b>	<b>562.2</b>	<b>6.5%</b>
<b>Net debt Adjusted</b>	<b>309.4</b>	<b>204.8</b>	<b>51.1%</b>

# Appendix – Quarterly 2022 Revenue By Distribution Channel



(Euro MM)	1Q				2Q			
	2022	2021	Δ %	Δ % Const FX	2022	2021	Δ %	Δ % Const FX
Retail	195.4	165.6	18.0%	12.2%	245.6	213.0	15.3%	7.2%
Wholesale	94.0	65.2	44.2%	41.0%	98.3	71.3	37.8%	31.9%
<b>Net Sales</b>	<b>289.5</b>	<b>230.8</b>	<b>25.4%</b>	<b>20.3%</b>	<b>343.9</b>	<b>284.3</b>	<b>21.0%</b>	<b>13.4%</b>
Hedging	-3.6	2.0	nm	nm	-7.7	2.3	nm	nm
Licences & Other Rev.	3.0	1.5	97.3%	97.3%	3.9	1.7	127.8%	127.8%
Rental income	0.6	0.6	10.3%	2.7%	0.7	0.6	19.9%	6.1%
<b>Total Revenue</b>	<b>289.4</b>	<b>234.9</b>	<b>23.2%</b>	<b>20.7%</b>	<b>340.8</b>	<b>288.9</b>	<b>18.0%</b>	<b>14.0%</b>

For a better performance analysis, 1Q and 2Q 2022 Net Sales have been presented excluding Cash flow hedge effect on revenues and 1Q and 2Q 2021 data were restated for comparative purpose.

# Appendix – Quarterly 2022 Net Sales By Region

(Euro MM)	1Q				2Q			
	2022	2021	Δ %	Δ % Const FX	2022	2021	Δ %	Δ % Const FX
Europe	57.6	41.4	39.2%	43.0%	78.3	51.8	51.0%	47.8%
North America	84.0	54.7	53.5%	40.2%	104.2	78.2	33.2%	22.4%
Japan	25.5	21.5	18.4%	20.9%	25.8	18.5	39.2%	45.4%
Asia Pacific	105.1	101.8	3.3%	-1.9%	112.8	119.3	-5.5%	-12.8%
Latin America	17.3	11.4	51.6%	42.6%	22.9	16.5	39.0%	23.2%
<b>Net Sales</b>	<b>289.5</b>	<b>230.8</b>	<b>25.4%</b>	<b>20.3%</b>	<b>343.9</b>	<b>284.3</b>	<b>21.0%</b>	<b>13.4%</b>

For a better performance analysis, 1Q and 2Q 2022 Net Sales have been presented excluding Cash flow hedge effect on revenues and 1Q and 2Q 2021 data were restated for comparative purpose.

# Appendix – Quarterly 2022 Net Sales By Product

(Euro MM)	1Q				2Q			
	2022	2021	Δ %	Δ % Const FX	2022	2021	Δ %	Δ % Const FX
Shoes	125.4	98.3	27.5%	20.8%	154.3	123.3	25.2%	16.6%
Leather goods & handbags	126.3	105.8	19.3%	15.4%	145.5	127.5	14.1%	7.5%
RTW	17.8	12.3	45.0%	40.4%	22.2	16.6	34.4%	27.2%
Silk & other access.	19.1	13.6	40.6%	36.4%	20.7	15.9	30.8%	23.1%
Fragrances	0.9	0.8	12.3%	7.3%	1.0	1.1	-7.6%	-15.9%
<b>Net Sales</b>	<b>289.5</b>	<b>230.8</b>	<b>25.4%</b>	<b>20.3%</b>	<b>343.9</b>	<b>284.3</b>	<b>21.0%</b>	<b>13.4%</b>

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