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## PRESS RELEASE

The Board of Directors of **Salvatore Ferragamo S.p.A.** approves the draft Company Statutory Financial Statements and the Consolidated Financial Statements for the Year 2023

### **A year of progress in the execution of our strategy**

- **Revenues: 1,156 million Euros (-7.6% vs. 1,252 million Euros at 31 December 2022, -8.1% at constant exchange rates<sup>1</sup>), as the Company progresses in the product offer transition, while continuing in the optimisation of the network, in a context of softening luxury demand**
- **Gross Profit Margin: further increased to 72.6% of Revenues (+60bps vs. 72.0% at 31 December 2022)**
- **Operating Profit (EBIT): 72 million Euros (-43.7% vs. 128 million Euros at 31 December 2022), reflecting the planned higher investments, mainly in marketing and communication**
- **Gross Operating Profit (EBITDA<sup>2</sup>): 252 million Euros (-15.8% vs. 299 million Euros at 31 December 2022)**
- **Net Profit: 26 million Euros (-59.9% vs. 65 million Euros at 31 December 2022)**
- **Net Financial Position<sup>3</sup>: positive for 224 million Euros (vs. 371 million Euros at 31 December 2022), including the acquisition of the minorities stakes in the Greater China joint ventures**
- **Proposal of distribution of a Dividend of 0.10 Euros per Ordinary Share**
- **During the same meeting the Board of Directors has convened the Ordinary Shareholders' Meeting 2024 for 23 April 2024**

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Marco Gobetti, Chief Executive Officer and General Manager commented:

*“In 2023 we made good progress in our strategic priorities in terms of brand, product, communication and network. We improved quality of sales and invested to strengthen the brand while driving engagement and we have seen some pleasing results from new products. The Fall-Winter '24 Fashion Show held in February, along with the inauguration of the Milan Women's Boutique under the new store concept, gained excellent resonance and visibility.*

*We will continue to work on the full deployment and optimization of the product offer to drive desirability and engagement, generating interest through an impactful communication, also maximizing the potential of all digital touchpoints. We will continue the optimization of the network and at the same time accelerate the rollout of the new store concept.*

*Notwithstanding some impact of the current market backdrop on the timing of our initial assumptions, we continue to pursue our growth ambition, while also protecting profitability through ongoing attention to the quality of sales and disciplined focus on costs.”*

*Florence, 6 March 2024* – The Board of Directors of Salvatore Ferragamo S.p.A. (EXM: SFER), parent company of the Salvatore Ferragamo Group, in a meeting chaired by Leonardo Ferragamo, examined and approved the draft Company Statutory Financial Statements and the Consolidated Financial Statements for the Year ended 31 December 2023, both prepared according to IAS/IFRS international accounting principles, as well as the consolidated statement containing non-financial information pursuant to Legislative Decree No. 254 of December 30, 2016 relating to the year 2023.

## **Notes to the Income Statement for Full Year 2023**

### **Consolidated Revenue figures**

As of 31 December 2023, the Salvatore Ferragamo Group reported Total Revenues of 1,156 million Euros down 7.6% at current exchange rates and down 8.1% at constant exchange rates<sup>1</sup> vs. FY 2022, as the Company progresses in the transition of the product offer, while continuing the optimisation of the network, against the backdrop of a softening luxury market, especially in the second part of the year.

### **Net Sales by distribution channel**<sup>4</sup>

As of 31 December 2023, the **Retail** distribution channel posted consolidated Net Sales down 10.8% (-7.7% at constant exchange rates<sup>1</sup>) vs. FY 2022, penalized by a general weakening of the luxury demand in the last months of the year.

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The **Wholesale** channel registered a decrease in Net Sales of 12.2% (-10.3% at constant exchange rates<sup>1</sup>) vs. FY 2022, partly due to reduced international travel affecting the Duty-Free channel and the softening of the US market. In addition, the channel was also penalized by the planned rationalization and a more selective distribution strategy.

## Net Sales by geographical area<sup>4</sup>

**Asia Pacific** registered a 13.1% decrease in Net Sales (-8.3% at constant exchange rates<sup>1</sup>) vs. FY 2022. In 4Q 2023 Net Sales at constant exchange rates<sup>1</sup> reported a positive trend (+2.2%) vs. 4Q 2022, with Wholesale positive and Retail Sales in Greater China up double-digit.

The **Japanese market** in FY 2023 registered a 12.6% decrease in Net Sales (-3.7% at constant exchange rates<sup>1</sup>) vs. FY 2022. In 4Q 2023 Net Sales at constant exchange rates<sup>1</sup> were down 6.5% vs. 4Q 2022.

**EMEA** posted an increase in Net Sales of 3.4% both at current and constant exchange rates<sup>1</sup> vs. FY 2022, despite a reduction of the perimeter in both channels, in a context of soft local demand and tourism spending still below pre-Covid levels. In Q4 2023 Net Sales at constant exchange rates<sup>1</sup> increased 4.8% vs. Q4 2022.

**North America** in FY 2023 recorded a Net Sales decrease of 19.3% (-17.0% at constant exchange rates<sup>1</sup>) vs. FY 2022, in a context of general softening of the market. In Q4 2023 Net Sales at constant exchange rates<sup>1</sup> were down 14.0% vs. Q4 2022.

Net Sales in **Central and South America** in FY 2023 were down 7.2%, (-11.5% at constant exchange rates<sup>1</sup>) vs. FY 2022, partially impacted by a reduction of perimeter. In Q4 2023 Net Sales at constant exchange rates<sup>1</sup> decreased 13.1% vs. Q4 2022.

## Gross Profit

Gross Profit incidence on Revenues in FY 2023 reached 72.6% further improving from 72.0% registered in FY 2022.

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## **Operating Costs**

In FY 2023 Operating Costs amounted to 767 million Euros vs. 773 million Euros in FY 2022 (-0.7% at current exchange rate, +1.9% at constant exchange rates<sup>1</sup>). We continued to invest, as planned, in marketing and communication - aimed at supporting the visibility of the new brand image - which increased by 23.5%, reaching 9.8% incidence on Revenues from 7.4% in FY 2022, while taking a very disciplined approach on the other operating costs.

## **Gross Operating Profit (EBITDA<sup>2</sup>)**

Gross Operating Profit (EBITDA<sup>2</sup>) amounted to 252 million Euros, from 299 million Euros of FY 2022, with an incidence on Revenues of 21.8% vs. 23.9% in FY 2022.

## **Operating Profit (EBIT)**

Operating Profit (EBIT) amounted to 72 million Euros, a 43.7% decrease vs. the 128 million Euros reported in FY 2022, reflecting the planned higher investments, mainly in marketing and communication.

## **Profit before taxes**

Profit before taxes in FY 2023 amounted to 46 million Euros vs. 101 million Euros in FY 2022.

## **Net Profit for the Period**

Net Profit for the period, including the Minority Interest, amounted to 26 million Euros, a decrease of 59.9% vs. 65 million Euros in FY 2022. FY 2023 Group Net Profit was 26 million Euros vs. 70 million Euros in FY 2022.

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## **Notes to the Consolidated Balance Sheet for FY 2023**

### **Net Working Capital<sup>5</sup>**

Net Working Capital as of 31 December 2023 increased 19.3% to 228 million Euros, from 191 million Euros as of 31 December 2022.

### **Investments (CAPEX)**

As of 31 December 2023, Investments (CAPEX) were 72 million Euros vs. 56 million Euros in FY 2022, mainly focusing on the renovations of the retail network.

### **Net Financial Position**

Net Financial Position adjusted<sup>3</sup> at 31 December 2023 was positive for 224 million Euros (vs. 371 million Euros positive as of 31 December 2022), including the cash out of 39 million Euros for the acquisition of the minorities stakes in the three Greater China joint ventures. Including IFRS16 effect, Net Financial Position at 31 December 2023 is negative for 487 million Euros.

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

<sup>1</sup> Revenues/Operating Costs at “constant exchange rates” are calculated by applying to the Revenue/Operating Costs of the period 2022, not including the “hedging effect”, the average exchange rates of the same period 2023.

<sup>2</sup> We define EBITDA as operating profit before amortization and depreciation and write-downs of tangible/intangible assets and Right of use assets. EBITDA is an important managerial indicator for measuring the Group’s performance. As EBITDA is not an indicator defined by the accounting principles used by our Group, our method of calculating EBITDA may not be strictly comparable to that used by other companies.

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<sup>3</sup> Net Financial Position is referring to Adjusted Net Financial Position: not including the IFRS16 effect. The net Financial Position calculated as the sum of Cash and cash equivalents and Other current financial assets, including the positive fair value of derivatives (non-hedge component) net of Current and non-current interest-bearing loans and borrowings plus Current and non-current Lease Liabilities and Other current and non-current financial liabilities including the negative fair value of derivatives (non-hedge component). Net Financial Position Adjusted is the Net Financial Position excluding Current and non-current Lease Liabilities.

<sup>4</sup> The variations in Net Sales are calculated at current exchange rates excluding the hedging effect, unless differently indicated.

<sup>5</sup> Net working capital is calculated (in accordance with CESR Recommendation 05-054/b of February 10, 2005) as inventories, right of return assets and trade receivables net of trade payables and refund liabilities, excluding other current assets and liabilities and other financial assets and liabilities. As net working capital is not an indicator defined by the accounting principles used by our Group, our method of calculating net working capital may not be strictly comparable to that used by other companies.

\*\*\*\*

## **Calling of the Ordinary Shareholders' Meeting 2024**

The Board of Directors also resolved to mandate the Chairman to convene the Ordinary Shareholders' Meeting on April 23, 2024, at 9:00 a.m., in a single call in the form prescribed by Article 106, Paragraph 4, of Decree-Law No. 18 of March 17, 2020, extended by Law No. 18 of February 23, 2024 until April 30, 2024, with the right to attend and vote through exclusively designated representative, to deliberate on the following

### **agenda**

- 1) Financial Statements of Salvatore Ferragamo S.p.A. as of December 31, 2023, accompanied by the Directors' Report on Operations for the year 2023, including the consolidated statement containing non-financial information in accordance with to Legislative Decree No. 254 of December 30, 2016 relating to the year 2023, the Report of the Board of Statutory Auditors and the Independent Auditors. Presentation of the Consolidated Financial Statements as of December 31, 2023. Related and consequent resolutions.
- 2) Allocation of the profit for the year and distribution of part of the Extraordinary Reserve. Related and consequent resolutions.
- 3) Report on remuneration policy and compensation paid. Related and consequent resolutions:

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- 3.1 resolutions concerning to the Company's remuneration policy referred to in the first section of the report pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of Legislative Decree No. 58 of February 24, 1998 ("TUF");
- 3.2 resolutions referred to the second section of the report pursuant to Article 123-ter, paragraph 6, of the TUF.
- 4) Appointment of the Board of Directors, after determining the number of members, term of office and determination of remuneration. Appointment of the Chairman and Vice Chairman. Related and consequent resolutions:
- 4.1 determination of the number of members of the Board of Directors;
  - 4.2 determination of the term of office of Directors;
  - 4.3 appointment of Directors;
  - 4.4 determination of the compensation payable to the members of the Board of Directors;
  - 4.5 appointment of the Chairman of the Board of Directors;
  - 4.6 appointment of the Vice Chairman of the Board of Directors;
  - 4.7 any resolutions pursuant to Article 2390 of the Civil Code.
- 5) Reduction, based on the reasoned proposal of the Board of Statutory Auditors, of the remuneration of KPMG S.p.A., the auditing company appointed for the period 2020-2028. Related and consequent resolutions.

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With reference to item No. 2) on the agenda, a proposal was resolved to allocate the profit for the year of 86,999,603 euros to the "Extraordinary Reserve" and to distribute a gross dividend of 0.10 Euros per share, corresponding to a total of 16,552,896.60 Euros, from the same "Extraordinary Reserve." In this regard, the Board of Directors proposed to make payment as of May 22, 2024, with "ex-dividend date" of coupon No. 11 coinciding with May 20, 2024 and record date coinciding with May 21, 2024. In accordance with the law, the treasury shares that will be in the portfolio on the record date last mentioned shall not contribute to this balance.

\*\*\*\*

With regard to the appointment of the Board of Directors under item No. 4) on the agenda, list voting will be applied pursuant to Article 147-ter and Article 20 of the Articles of Association. The lists, accompanied by the information prescribed by current regulations and the Articles of Association, will be made available to the public at the Company's registered office, on the Company's website <http://group.ferragamo.com>, Governance/Shareholders' Meeting 2024 section, and the authorized eMarket Storage mechanism (<https://www.emarketstorage.it/>), within the terms of the law.

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The Notice of Call accompanied by all the information prescribed by Article 125-bis of the TUF, as well as all the documents that will be submitted to the Shareholders' Meeting pursuant to Articles 125-ter and 125-quer of the TUF will be made available to the public, within the legal deadlines, at the Company's registered office, Via Dei Tornabuoni No. 2, 50123 Florence (FI), on the Company's website <http://group.ferragamo.com>, Section "Governance/Shareholders' Meeting 2024" and the authorized eMarket Storage mechanism (<https://www.emarketstorage.it/>). The excerpt of the Notice of Meeting will also be published in the daily newspaper Milano Finanza within the terms of the law.

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

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

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

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*The draft Company Statutory Financial Statements and the Consolidated Financial Statements for the Year ended 31 December 2023, approved by the Board of Directors on March 6 2024, will be available to anyone requesting it at the headquarters of the Company in Florence, Via Tornabuoni n. 2, on the authorized web-storage system eMarket STORAGE [www.emarketstorage.com](http://www.emarketstorage.com), and will also be accessible on the Salvatore Ferragamo Group's website <http://group.ferragamo.com> in the section "Investor Relations/Financial Documents", in compliance with the law.*

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The Results of FY 2023 will be illustrated today, 6 March 2024, at 6:00 PM (CET) in a conference call with the financial community. The presentation will be available on the Company's website <http://group.ferragamo.com> in the "Investor Relations/Presentations" section.

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

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

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

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

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## **For further information:**

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**Media Relations**

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[ferragamo@imagebuilding.it](mailto:ferragamo@imagebuilding.it)

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

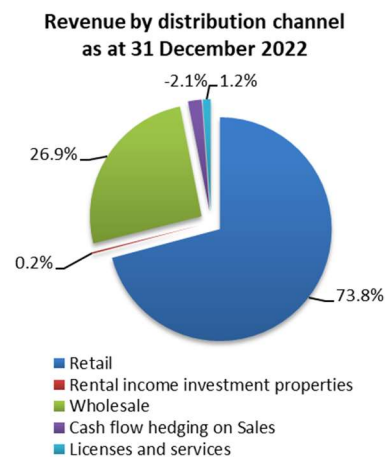
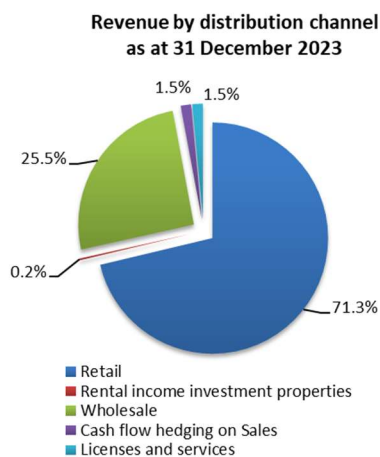
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In the following pages, a more detailed analysis of Revenues, the consolidated income statement, the summary of statement of consolidated financial position, the net consolidated financial position, and the consolidated cash flow statement of the Salvatore Ferragamo Group as of 31 December 2023.

## Revenues by distribution channel as of 31 December 2023

(In thousands of Euro)	2023	% on Revenue	2022	% on Revenue	% Change	at constant exchange rate % Change
Retail	824,204	71.3%	923,507	73.8%	(10.8%)	(7.7%)
Wholesale	295,290	25.5%	336,174	26.9%	(12.2%)	(10.3%)
<b>Net sales</b>	<b>1,119,494</b>	<b>96.8%</b>	<b>1,259,681</b>	<b>100.7%</b>	<b>(11.1%)</b>	<b>(8.4%)</b>
Cash flow hedging effect	16,845	1.5%	(25,664)	(2.1%)	na	na
Licenses and services	17,218	1.5%	14,890	1.2%	15.6%	15.6%
Rental income investment properties	2,714	0.2%	2,901	0.2%	(6.4%)	(3.9%)
<b>Revenues</b>	<b>1,156,271</b>	<b>100.0%</b>	<b>1,251,808</b>	<b>100.0%</b>	<b>(7.6%)</b>	<b>(8.1%)</b>

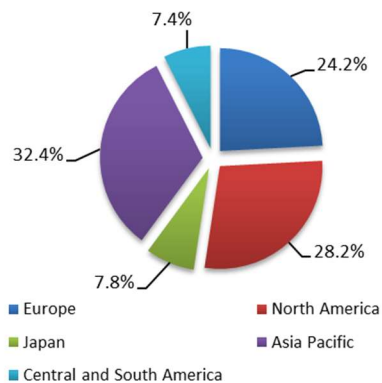


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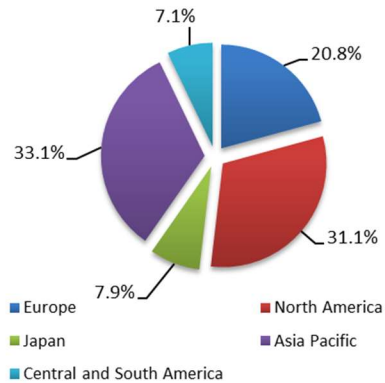
## Net Sales by geographic area as of 31 December 2023

(In thousands of Euro)	2023	% on Net sales	2022	% on Net sales	% Change	at constant exchange rate % Change
Europe	270,596	24.2%	261,800	20.8%	3.4%	3.4%
North America	315,882	28.2%	391,308	31.1%	(19.3%)	(17.0%)
Japan	86,646	7.8%	99,123	7.9%	(12.6%)	(3.7%)
Asia Pacific	362,974	32.4%	417,632	33.1%	(13.1%)	(8.3%)
Central and South America	83,396	7.4%	89,818	7.1%	(7.2%)	(11.5%)
<b>Net sales</b>	<b>1,119,494</b>	<b>100.0%</b>	<b>1,259,681</b>	<b>100.0%</b>	<b>(11.1%)</b>	<b>(8.4%)</b>

Net Sales by geographic area as at 31 December 2023



Net Sales by geographic area as at 31 December 2022

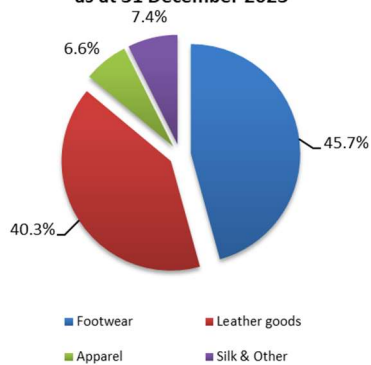


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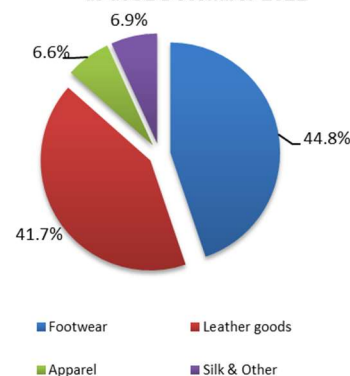
## Net Sales by product category as of 31 December 2023

(In thousands of Euro)	2023	% on Net sales	2022	% on Net sales	% Change	at constant exchange rate % Change
Footwear	511,801	45.7%	564,263	44.8%	(9.3%)	(6.6%)
Leather goods	451,233	40.3%	525,520	41.7%	(14.1%)	(11.4%)
Apparel	73,506	6.6%	83,672	6.6%	(12.1%)	(9.4%)
Silk & Other	82,954	7.4%	86,226	6.9%	(3.8%)	(1.1%)
<b>Net sales</b>	<b>1,119,494</b>	<b>100.0%</b>	<b>1,259,681</b>	<b>100.0%</b>	<b>(11.1%)</b>	<b>(8.4%)</b>

Net Sales by product category as at 31 December 2023



Net Sales by product category as at 31 December 2022



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## Consolidated results for Salvatore Ferragamo Group

### Consolidated income statement as of 31 December 2023

(In thousands of Euro)	2023	% on Revenue	2022	% on Revenue	% Change
Revenue from contracts with customers	1,153,557	99.8%	1,248,907	99.8%	(7.6%)
Rental income investment properties	2,714	0.2%	2,901	0.2%	(6.4%)
<b>Revenues</b>	<b>1,156,271</b>	<b>100.0%</b>	<b>1,251,808</b>	<b>100.0%</b>	<b>(7.6%)</b>
Cost of goods sold	(316,839)	(27.4%)	(350,693)	(28.0%)	(9.7%)
<b>Gross profit</b>	<b>839,432</b>	<b>72.6%</b>	<b>901,115</b>	<b>72.0%</b>	<b>(6.8%)</b>
Style, product development and logistics costs	(53,086)	(4.6%)	(49,263)	(3.9%)	7.8%
Sales & distribution costs	(454,649)	(39.3%)	(453,167)	(36.2%)	0.3%
Marketing & communication costs	(113,695)	(9.8%)	(92,064)	(7.4%)	23.5%
General and administrative costs	(137,142)	(11.9%)	(168,819)	(13.5%)	(18.8%)
Other operating costs	(29,721)	(2.6%)	(29,024)	(2.3%)	2.4%
Other income	20,883	1.8%	19,160	1.5%	9.0%
<b>Total operating costs (net of other income)</b>	<b>(767,410)</b>	<b>(66.4%)</b>	<b>(773,177)</b>	<b>(61.8%)</b>	<b>(0.7%)</b>
<b>Operating profit</b>	<b>72,022</b>	<b>6.2%</b>	<b>127,938</b>	<b>10.2%</b>	<b>(43.7%)</b>
Net financial charges	(26,438)	(2.3%)	(26,776)	(2.1%)	(1.3%)
<b>Profit before taxes</b>	<b>45,584</b>	<b>3.9%</b>	<b>101,162</b>	<b>8.1%</b>	<b>(54.9%)</b>
Income taxes	(19,349)	(1.7%)	(35,810)	(2.9%)	(46.0%)
<b>Net profit/(loss) for the Period</b>	<b>26,235</b>	<b>2.3%</b>	<b>65,352</b>	<b>5.2%</b>	<b>(59.9%)</b>
Net profit/(loss) - Group	26,060	2.3%	69,609	5.6%	(62.6%)
Net profit/(loss) - minority interests	175	0.0%	(4,257)	(0.3%)	na
<b>EBITDA (*)</b>	<b>251,811</b>	<b>21.8%</b>	<b>298,900</b>	<b>23.9%</b>	<b>(15.8%)</b>

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

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## Summary of consolidated statement of financial position as of 31 December 2023

(In thousands of Euro)	31 December 2023	31 December 2022	% Change
Property, plant and equipment	200,688	191,564	4.8%
Investment property	22,666	27,747	(18.3%)
Right of use assets	616,612	479,724	28.5%
Goodwill	6,679	6,679	-
Intangible assets with definite useful life	36,872	34,903	5.6%
Inventories and Right of return assets	304,389	281,026	8.3%
Trade receivables	106,821	94,490	13.1%
Trade payables and Refund liabilities	(182,886)	(184,116)	(0.7%)
Other non current assets/(liabilities), net	86,668	78,489	10.4%
Other current assets/(liabilities), net	10,244	(31,023)	na
Assets/(liabilities) held for sale, net	63	-	na
<b>Net invested capital</b>	<b>1,208,816</b>	<b>979,483</b>	<b>23.4%</b>
Group shareholders' equity	721,166	751,810	(4.1%)
Minority interests	997	23,599	(95.8%)
<b>Shareholders' equity (A)</b>	<b>722,163</b>	<b>775,409</b>	<b>(6.9%)</b>
<b>Net financial debt/(surplus) (B) (1)</b>	<b>486,653</b>	<b>204,074</b>	<b>&gt;100%</b>
<b>Total sources of financing (A+B)</b>	<b>1,208,816</b>	<b>979,483</b>	<b>23.4%</b>
<b>Net financial debt/(surplus) (B)</b>	<b>486,653</b>	<b>204,074</b>	<b>&gt;100%</b>
<i>Lease Liabilities (C)</i>	<i>711,042</i>	<i>575,323</i>	<i>23.6%</i>
<b>Net financial debt/(surplus) adjusted (B-C) (2)</b>	<b>(224,389)</b>	<b>(371,249)</b>	<b>(39.6%)</b>
<b>Net financial debt/(surplus) adjusted/Shareholders' equity</b>	<b>(31.1%)</b>	<b>(47.9%)</b>	

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

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

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## Consolidated Net financial position as of 31 December 2023

(In thousands of Euro)	31 December	31 December	Change
	2023	2022	2023 vs 2022
A. Cash	139,122	300,312	(161,190)
B. Cash equivalents	129,866	91,042	38,824
C. Other current financial assets	36,812	10,255	26,557
<b>D. Current financial assets (A+B+C)</b>	<b>305,800</b>	<b>401,609</b>	<b>(95,809)</b>
E. Current financial debt (including debt instruments)	81,411	30,360	51,051
F. Current portion of non current financial debt	114,439	106,586	7,853
<b>G. Current financial debt (E+F)</b>	<b>195,850</b>	<b>136,946</b>	<b>58,904</b>
<b>H. Current financial debt, net (G-D)</b>	<b>(109,950)</b>	<b>(264,663)</b>	<b>154,713</b>
I. Non current financial debt (excluding debt instruments)	596,603	468,737	127,866
J. Debt instruments	-	-	-
K. Trade payables and other current debts	-	-	-
<b>L. Non-current financial debt (I+J+K)</b>	<b>596,603</b>	<b>468,737</b>	<b>127,866</b>
<b>M. Net financial debt (H+L)</b>	<b>486,653</b>	<b>204,074</b>	<b>282,579</b>
<hr/>			
(In thousands of Euro)	31 December	31 December	Change
	2023	2022	2023 vs 2022
<b>Net financial debt/(surplus) (a)</b>	<b>486,653</b>	<b>204,074</b>	<b>282,579</b>
Non current lease liabilities	596,603	468,737	127,866
Current lease liabilities	114,439	106,586	7,853
<b>Lease liabilities (b)</b>	<b>711,042</b>	<b>575,323</b>	<b>135,719</b>
<b>Net financial debt/(surplus) adjusted (a-b)</b>	<b>(224,389)</b>	<b>(371,249)</b>	<b>146,860</b>



# FERRAGAMO

## Consolidated statement of cash flows as of 31 December 2023

(In thousands of Euro)	2023	2022
<b>Net profit/(loss) for the period</b>	<b>26,235</b>	<b>65,352</b>
Depreciation, amortization and write down of property, plant and equipment, intangible assets, investment properties	57,021	50,652
Depreciation of Right of use assets	122,768	120,310
Income Taxes	19,349	35,810
Net change in provision for employee benefit plans	(469)	(239)
Loss/(gain) on disposal of tangible and intangible assets	475	1,334
Net Interest expenses/income and Interest on lease liabilities	15,102	14,091
Other non cash items	8,546	2,270
Net change in net working capital	(48,864)	10,793
Net change in other assets and liabilities	(11,737)	(863)
Income Taxes paid	(56,678)	(18,513)
Net Interest expenses/income and Interest on lease liabilities paid	(14,245)	(13,925)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>117,503</b>	<b>267,072</b>
Purchase of tangible assets	(58,086)	(41,608)
Purchase of intangible assets	(13,655)	(14,255)
Proceeds from the sale of tangible and intangible assets	53	-
Net change in other current financial assets	(25,278)	(9,999)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(96,966)</b>	<b>(65,862)</b>
Net change in financial payables	51,563	(109,265)
Repayment of lease liabilities	(116,403)	(114,610)
Payment of dividends	(46,350)	(56,733)
Purchase of minority interests in companies consolidated on a line-by line basis	(38,904)	-
Purchase of Treasury shares	-	(42,670)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>(150,094)</b>	<b>(323,278)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(129,557)</b>	<b>(122,068)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>391,354</b>	<b>511,796</b>
Net increase/(decrease) in cash and cash equivalents	(129,557)	(122,068)
Net effect of translation of foreign currencies	5,662	1,626
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>267,459</b>	<b>391,354</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>117,503</b>	<b>267,072</b>
Repayment of lease liabilities	(116,403)	(114,610)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES ADJUSTED (*)</b>	<b>1,100</b>	<b>152,462</b>

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

# FERRAGAMO

On the following pages, the income statement, the summary of statement of financial position, the net financial position and the cash flow statement of the Salvatore Ferragamo S.p.A as of 31 December 2023.

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

**Income statement as of 31 December 2023**

(In thousands of Euro)	2023	% of revenues	2022	% of revenues	% Change
<b>Revenue from contracts with customers</b>	<b>734,820</b>	<b>100.0%</b>	<b>740,234</b>	<b>100.0%</b>	<b>(0.7%)</b>
Change in inventories of finished products	(297)	0.0%	8,033	1.1%	(103.7%)
Costs for raw materials, goods and consumables	(185,853)	(25.3%)	(190,138)	(25.7%)	(2.3%)
Costs for services	(255,208)	(34.7%)	(269,309)	(36.4%)	(5.2%)
Personnel costs	(86,646)	(11.8%)	(98,425)	(13.3%)	(12.0%)
Amortization, depreciation and write-downs	(42,316)	(5.8%)	(39,288)	(5.3%)	7.7%
Other operating costs	(63,596)	(8.7%)	(29,752)	(4.0%)	113.8%
Other income and revenues	13,794	1.9%	22,519	3.0%	(38.7%)
<b>Total costs (net of other income)</b>	<b>(620,122)</b>	<b>(84.4%)</b>	<b>(596,360)</b>	<b>(80.6%)</b>	<b>4.0%</b>
<b>Operating profit</b>	<b>114,698</b>	<b>15.6%</b>	<b>143,874</b>	<b>19.4%</b>	<b>(20.3%)</b>
Financial income (charges)	(1,350)	(0.2%)	(18,165)	(2.5%)	(92.6%)
<b>Profit before taxes</b>	<b>113,348</b>	<b>15.4%</b>	<b>125,709</b>	<b>17.0%</b>	<b>(9.8%)</b>
Income taxes	(26,348)	(3.6%)	(36,470)	(4.9%)	(27.8%)
<b>Net profit/(loss) for the period</b>	<b>87,000</b>	<b>11.8%</b>	<b>89,239</b>	<b>12.1%</b>	<b>(2.5%)</b>
<b>EBITDA (*)</b>	<b>157,014</b>	<b>21.4%</b>	<b>183,162</b>	<b>24.7%</b>	<b>(14.3%)</b>

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

# FERRAGAMO

## Salvatore Ferragamo S.p.A.

### Summary of statement of financial position as of 31 December 2023

(In thousands of Euro)	31 December 2023	31 December 2022	% Change
Property, plant and equipment	102,921	94,978	8.4%
Right of use assets	144,677	117,210	23.4%
Goodwill	6,679	6,679	-
Intangible assets with definite useful life	34,502	32,815	5.1%
Inventories and Right of return assets	91,694	86,032	6.6%
Trade receivables	182,345	161,114	13.2%
Trade payables and Refund liabilities	(201,054)	(166,041)	21.1%
Other non current assets/(liabilities), net	123,867	117,838	5.1%
Other current assets/(liabilities), net	2,890	(28,620)	(110.1%)
<b>Net invested capital</b>	<b>488,521</b>	<b>422,005</b>	<b>15.8%</b>
<b>Shareholders' equity (A)</b>	<b>717,585</b>	<b>674,881</b>	<b>6.3%</b>
<b>Net financial debt/(surplus) (B) (1)</b>	<b>(229,064)</b>	<b>(252,876)</b>	<b>(9.4%)</b>
<b>Total sources of financing (A+B)</b>	<b>488,521</b>	<b>422,005</b>	<b>15.8%</b>
<b>Net financial debt/(surplus) (B)</b>	<b>(229,064)</b>	<b>(252,876)</b>	<b>(9.4%)</b>
<i>Lease Liabilities (C)</i>	158,889	125,925	26.2%
<b>Net financial debt (surplus) adjusted (B-C) (2)</b>	<b>(387,953)</b>	<b>(378,801)</b>	<b>2.4%</b>
<b>Net financial debt (surplus)adjusted /Shareholders' equity</b>	<b>(54.1%)</b>	<b>(56.1%)</b>	

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

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

# FERRAGAMO

## Salvatore Ferragamo S.p.A.

### Net financial position as of 31 December 2023

(In thousands of Euro)	31 December 2023	31 December 2022	Change 2023 vs 2022
A. Cash	76,180	183,833	(107,653)
B. Cash equivalents	127,000	85,000	42,000
C. Other current financial assets	185,142	132,454	52,688
<b>D. Current financial assets (A+B+C)</b>	<b>388,322</b>	<b>401,287</b>	<b>(12,965)</b>
E. Current financial debt (including debt instruments)	369	22,486	(22,117)
F. Current portion of non current financial debt	18,256	14,251	4,005
<b>G. Current financial debt (E+F)</b>	<b>18,625</b>	<b>36,737</b>	<b>(18,112)</b>
<b>H. Current financial debt, net (G-D)</b>	<b>(369,697)</b>	<b>(364,550)</b>	<b>(5,147)</b>
I. Non current financial debt (excluding debt instruments)	140,633	111,674	28,959
J. Debt instruments	-	-	-
K. Trade payables and other current debts	-	-	-
<b>L. Non-current financial debt (I+J+K)</b>	<b>140,633</b>	<b>111,674</b>	<b>28,959</b>
<b>M. Net financial debt (H+L)</b>	<b>(229,064)</b>	<b>(252,876)</b>	<b>23,812</b>

(In thousands of Euro)	31 December 2023	31 December 2022	Change 2023 vs 2022
<b>Net financial debt/(surplus) (a)</b>	<b>(229,064)</b>	<b>(252,876)</b>	<b>23,812</b>
Non current lease liabilities	140,633	111,674	28,959
Current lease liabilities	18,256	14,251	4,005
<b>Lease liabilities (b)</b>	<b>158,889</b>	<b>125,925</b>	<b>32,964</b>
<b>Net financial debt/(surplus) adjusted (a-b)</b>	<b>(387,953)</b>	<b>(378,801)</b>	<b>(9,152)</b>

# FERRAGAMO

## Salvatore Ferragamo S.p.A.

### Statement of cash flows as of 31 December 2023

(In thousands of Euro)	2023	2022
<b>Net profit / (loss) for the period</b>	<b>87,000</b>	<b>89,239</b>
Depreciation, amortization and write down of property, plant and equipment and intangible assets	21,838	22,321
Depreciation of Right of use assets	20,478	16,967
Income Taxes	26,348	36,470
Net change in provision for employee benefit plans	(592)	(390)
Loss/(gain) on disposal of tangible and intangible assets	19	3
Net interest expenses/ (income) and Interest on lease liabilities	(5,327)	1,583
Dividends from investments in subsidiaries	(25,512)	(11,212)
Write-down / (revaluation) of investments in subsidiaries	23,564	14,536
Other non cash items	11,659	9,731
Net change in net working capital	(4,003)	5,939
Net change in other assets and liabilities	(6,327)	6,312
Income Taxes paid	(48,900)	(6,429)
Net interest expenses/ (income) and Interest on lease liabilities paid	6,674	(1,342)
Dividends received	25,512	11,212
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>132,431</b>	<b>194,940</b>
Purchase of tangible assets	(18,855)	(8,361)
Purchase of intangible assets	(12,685)	(12,459)
Net change in financial receivables	(81,364)	(33,892)
Investments in subsidiaries	(1,159)	(25,551)
Proceeds from the sale of tangible and intangible assets	53	52
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(114,010)</b>	<b>(80,211)</b>
Net change in financial payables	(21,390)	(87,784)
Repayment of lease liabilities	(16,334)	(14,814)
Payment of dividends	(46,350)	(56,733)
Purchase of Treasury shares	-	(42,670)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>(84,074)</b>	<b>(202,001)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(65,653)</b>	<b>(87,272)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>268,833</b>	<b>356,105</b>
Net increase / (decrease) in cash and cash equivalents	(65,653)	(87,272)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>203,180</b>	<b>268,833</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>132,431</b>	<b>194,940</b>
Repayment of lease liabilities	(16,334)	(14,814)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES adjusted (*)</b>	<b>116,097</b>	<b>180,126</b>

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

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Numero di Pagine: 22