

# H1 2024 RESULTS UPDATE

ANALYST  
PRESENTATION

AUGUST 01, 2024

# FERRAGAMO

# DISCLAIMER

*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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*This document has been prepared solely for this presentation and does not constitute any offer or invitation to sell or any solicitation to purchase any share in the Company.*

*The Manager in Charge of preparing the Company financial reports hereby certifies pursuant to paragraph 2 of art. 154-bis of Legislative Decree no. 58 of February 24, 1998, that the accounting disclosures of this document are consistent with the accounting documents, ledgers and entries.*

*“The second quarter showed again some of the encouraging underlying operating trends that we started to see earlier in the year. Retail primary full-price sales showed a positive trend in the US, Europe, Japan and Latin America; our refreshed shoes and handbags offerings have been attracting new, younger customers, contributing to shift a higher proportion of purchases to younger demographics. In the media, the increased brand desirability was confirmed once again by the excellent resonance of our Fall-Winter 2024 Collection.*

*Despite these positive operating trends, our aggregate financial results in the second quarter were significantly impacted by the challenging consumer environment, especially in Asia Pacific, which offset the positive trends in the rest of the world. We have also continued to experience weakness in the wholesale channel, exacerbated by a more selective distribution strategy.*

*In a general context of ongoing demand slowdown, we will continue to focus on top-line performance and profitability, expanding our audience and boosting engagement through a refreshed product offer, a full funnel marketing approach, an enriched customer experience with tailored CRM initiatives and a new store concept.”*

**Marco Gobbetti, Chief Executive Officer and General Manager**

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# H1 2024 BUSINESS UPDATE

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# BUSINESS UPDATE - 2024 REFRESH

## New Product Offer



THE HUG BAG



MULES



LOAFERS



THE NEW-VARA BOW  
BALLERINA



RAFIA ITEMS

CONSOLIDATE NEW ICONS AND REFRESH EXISTING PILLARS

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# BUSINESS UPDATE - 2024 REFRESH

## FW 2024 Collection – Reviews



The designer reworks the raised hems, fluid textiles, dropped waists and casual tailoring that defined the liberated era 100 years ago, **building a wardrobe that simultaneously references the past while looking to the future**



Davis **imagined women heading into speakeasies with their embroidered dance dresses hidden under enveloping, mannish coats**



The 5 curiosities seen at Maximilian Davis' Ferragamo fashion show, starting with the **fanzine as an invitation**

**LE FIGARO**

Ces ladies ont chacune **un it-bag sous le bras, dont le déjà très reconnaissable Hug dans un format pochette XXL**  
**Et de redorer l'aura de cet emblème du chic alla fiorentina**

Une nouvelle occasion de confirmer son génie. **Délicatesse, classe, goût. Les silhouettes de cette nouvelle collection sont tout à fait portables par le commun des mortels, et se projette facilement dedans.**  
Il sa faculté à moderniser la maison et proposer des collections reposant sur un savoir-faire technique rigoureux

**marie claire**

**BAZAAR**

**Vision for autumn was cemented in reality.** Davis' designs were rooted in something much more modern and refreshingly straightforward  
**A captivating wardrobe for intelligent, influential women whose worlds move fast**

Ferragamo Fall 2024 Rewrites the classic with new rules  
**Focus on the unforgettable silhouettes that define the luxury Italian house's reputation, one that now goes far beyond shoes and bags**

**W**

SOLID RECOGNITION FROM MEDIA AND INDUSTRY AND INCREASED BRAND DESIRABILITY

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# INNOVATING OUR MARKETING

## Full Funnel approach



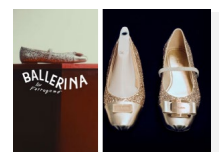
Using AI in targetting and personalization - successful NYT pilot



Varying our Marketing Mix for more efficient targetting (podcasts, communities)



Increasing Immersive Brand Experiences to consumers where most receptive



More agile brand and product content in expanded range of owned channels



Superior Customer Experience through New Store Concept & CRM

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# BUSINESS UPDATE - 2024 REFRESH

Build scale and relevance through empowered, full funnel communication



Ballerina since 1954

ONGOING PUSH ON HERITAGE COMBINING HIGH FASHION BRAND NARRATIVE WITH ENGAGING PRODUCT MILESTONES

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# BUSINESS UPDATE - 2024 REFRESH

## Enriching the Customer Journey



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**Prima Ballerina**  
She's always been the first. Designed in 1954 by Salvatore Ferragamo, the ballet flat fits to elegantly follow the curves of the feet. Today, she enters the collection with girlish grace and a new softly elongated shape, crafted with the house's heritage shoemaking skills.

Discover your Ballerinas

We are happy to assist you in our boutiques, online or over the phone through our Customer Care team. 1-888-321-1242

Women  
Men  
Children  
Store locator  
Contact us  
Services

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Facebook  
Instagram  
Twitter  
LinkedIn  
Pinterest

To receive offers on your purchases, we will send you promotional emails from time to time. You can opt out of these emails at any time.

Ballerina NL



**Nuovi look per l'estate**  
Nuovi abiti estivi dai dettagli color oro, completi sartoriali e mocassini iconici.

Scopri i nuovi abiti donna

Scopri i nuovi abiti uomo



Summer NL



MILAN  
Montenapoleone Woman



FORTE DEI MARMI  
Via Carducci



TOKYO  
Shinjuku Isetan Woman

REDESIGNED & MORE EFFICIENT CUSTOMER EXPERIENCE THROUGH CRM OPTIMIZATION AND A NEW STORE CONCEPT

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# ESG ACHIEVEMENTS

## Ratings and Acknowledgements

February 2024



Grade A- in CDP Climate Change questionnaire 2023

March 2024



2023 Supplier Engagement Leader by CDP



Reintegration in Euronext MIB ESG Index

June 2024



Sustainable Made In Italy Award by Phygital Sustainability Expo



One of the 20 Italian companies included in the World's 500 Most Sustainable Companies according to Statista and Time

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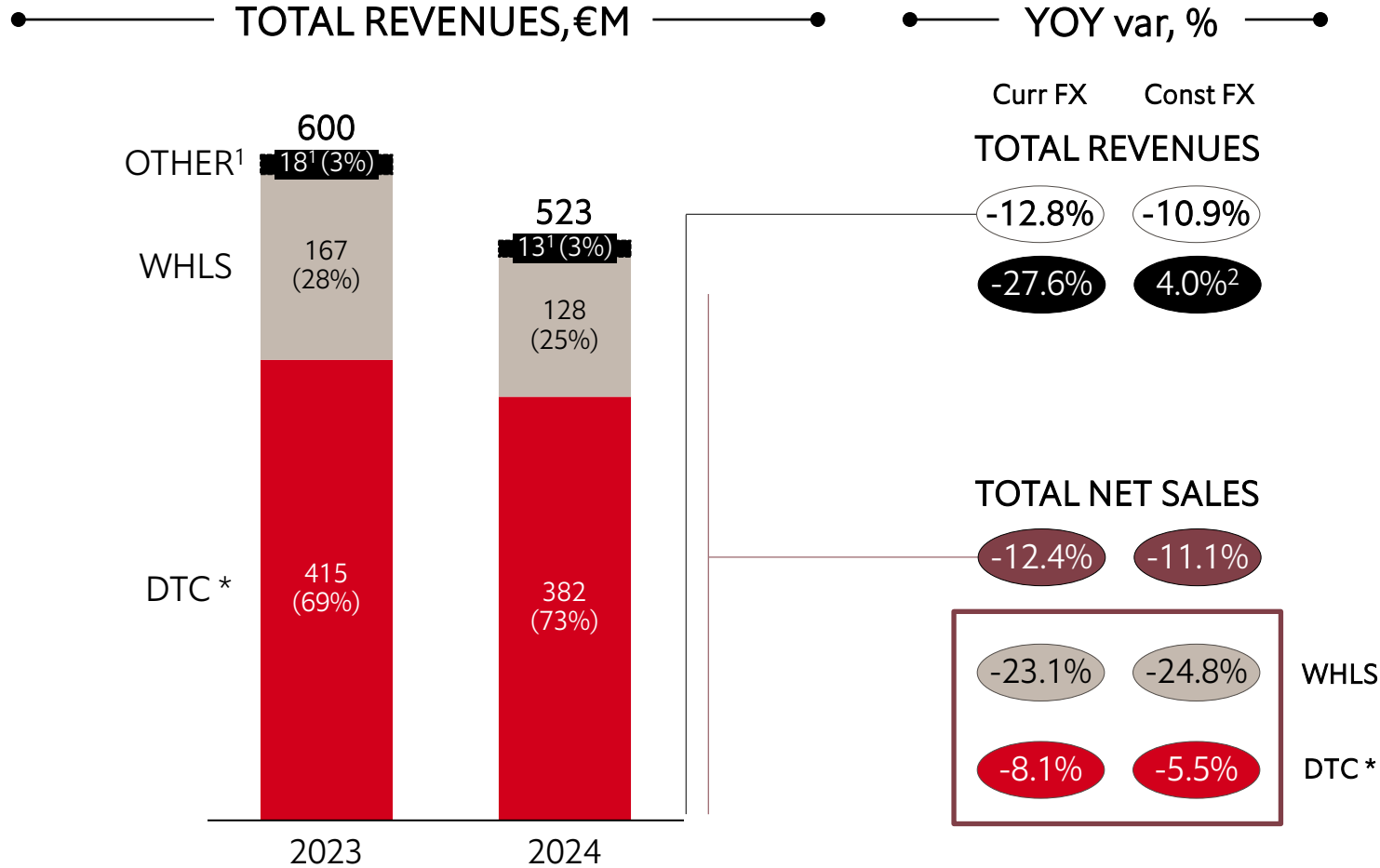




# H1 2024 FINANCIAL REVIEW

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# H1 2024 REVENUE BY DISTRIBUTION CHANNEL



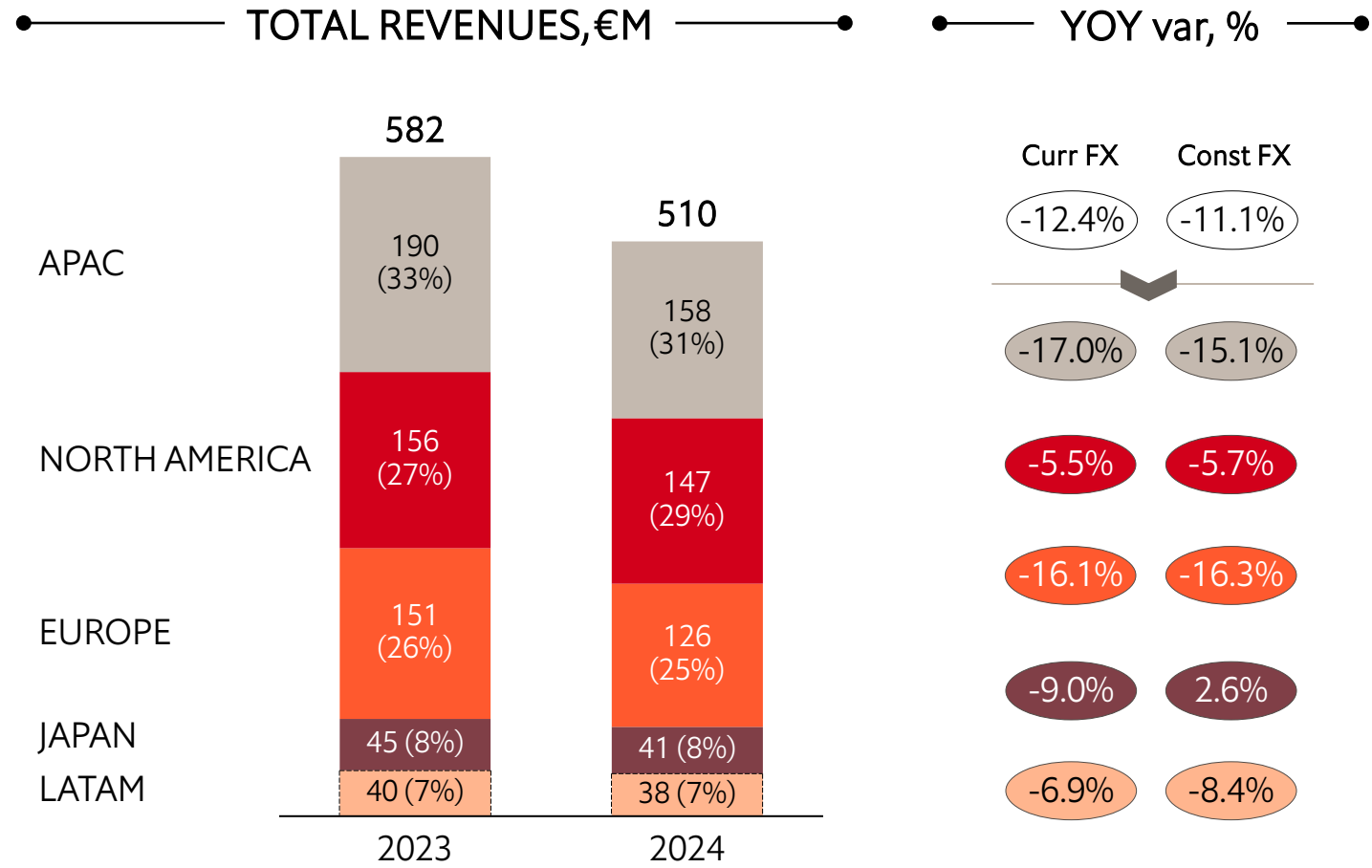
1. Other income includes: Hedging, licenses & other revenues, rental income investment properties  
 2. YoY var at Constant FX calculated only on licenses & other revenues, rental income components

- H1 2024 Total Revenues down 13% (-11% at const. FX) and down 8% (-6% at const. FX) in Q2, still penalized by a volatile Asian market and a weak WHL environment.
- DTC\*, at const. FX down 5% vs. H1 2023, and Q2 at -4% vs. last year, with the positive performances in Europe and Japan and in line in North America, offset by the weak Asia Pacific area.
- WHL, at const. FX, down 25% vs. H1 2023, and Q2 at -12% vs. last year due to weak general environment.

\* DTC (Direct To Consumer) channel consists of DOS and directly managed online boutique/e-commerce platforms.



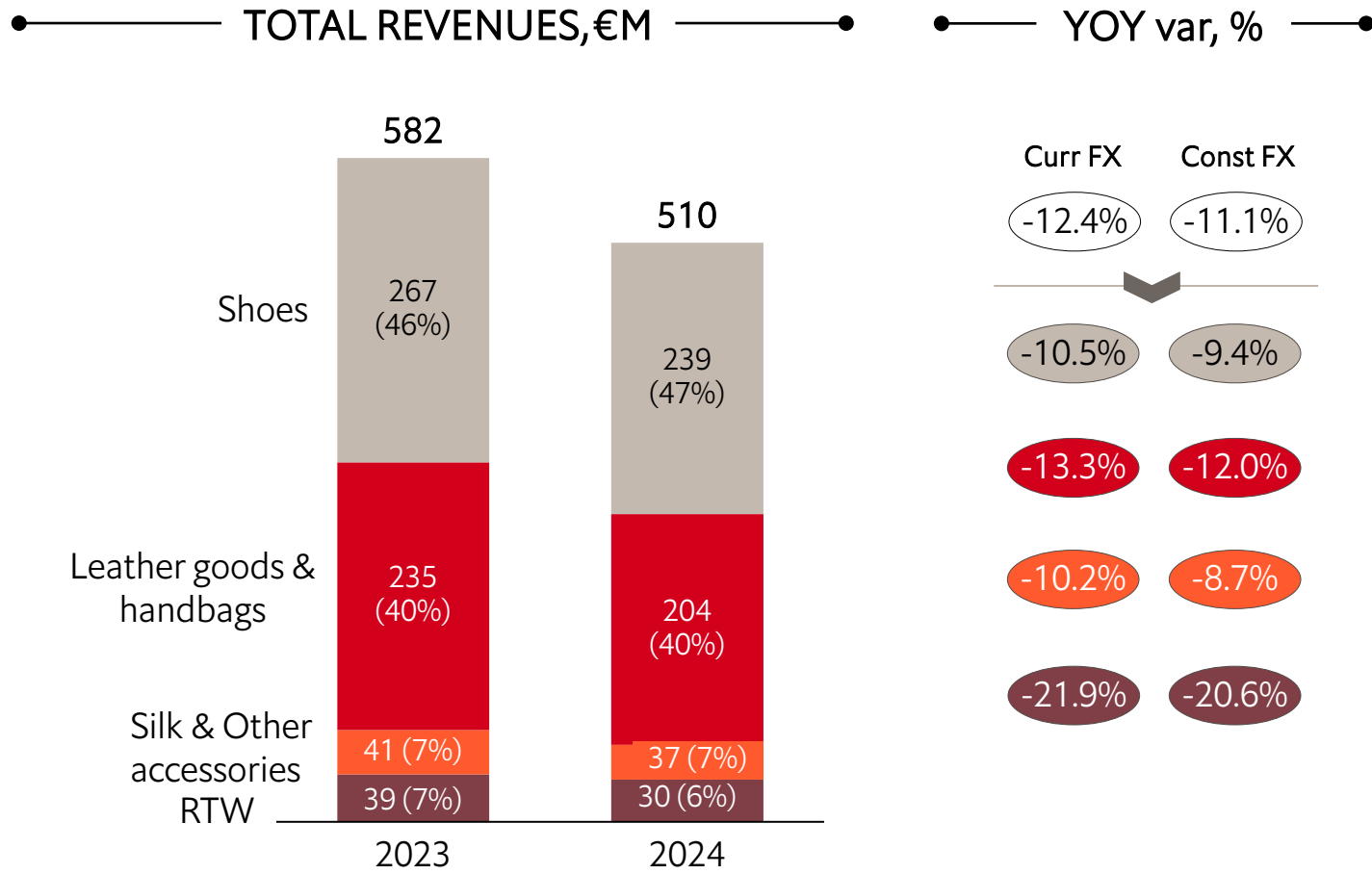
# H1 2024 NET SALES BY REGION



- EMEA down 16% in H1 2024 and down 3% in Q2, still penalized by a negative WHL, while DTC was up 5% vs. Q2 2023.
- North America down 6% in H1 2024 and down 3% in Q2, with DTC in line with last year and WHL still negative vs. Q2 2023.
- Latin America down 8% in H1 2024 and down 6% in Q2, penalized by a negative WHL, while DTC was up over 2% vs. Q2 2023.
- Asia Pacific down 15% both in H1 and Q2 2024, with the improvement in China (-4% in Q2 2024 from -21% in Q1) offset by the weakening trend in the other Asian countries.
- Japan up 3% in H1 2024 and up 10% in Q2, also thanks to the increase in travelers.

Note: all data at const. FX

# H1 2024 NET SALES BY PRODUCT



- Shoes down 9% in H1 2024 and down 4% in Q2, mainly penalized by the performance in the WHL channel in Q1 and of the DTC secondary channel in Q2.
- Leather Goods down 12% in H1 2024, and down 8% in Q2, mainly penalized by the performance in the WHL channel.
- RTW down 21% in H1 2024 and down 13% in Q2.
- Silk & other accessories down 9% in H1 2024 and down 3% in Q2.

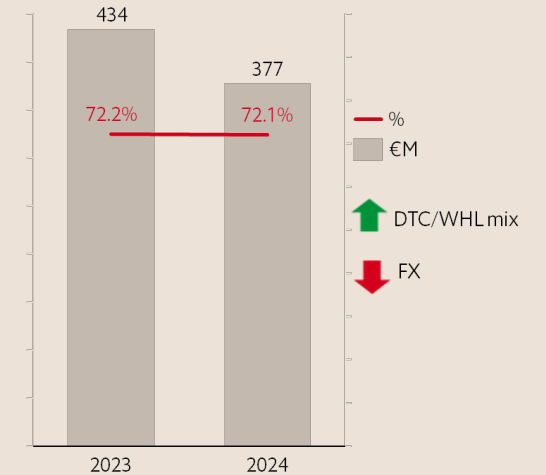
Note: all data at const. FX

# H1 2024 P&L

(Euro MM)	June YTD				
	2024	%	2023	%	24 vs 23
Net Revenues	523.1	100.0%	600.1	100.0%	-12.8%
Cost of goods sold	-145.8	-27.9%	-166.6	-27.8%	-12.5%
<b>Gross profit</b>	<b>377.4</b>	<b>72.1%</b>	<b>433.5</b>	<b>72.2%</b>	<b>-13.0%</b>
Total Costs	-349.7	-66.8%	-386.6	-64.4%	-9.5%
<b>EBIT</b>	<b>27.7</b>	<b>5.3%</b>	<b>47.0</b>	<b>7.8%</b>	<b>-41.0%</b>
Financial	-2.0	-0.4%	-3.1	-0.5%	-34.2%
Financial ROU	-11.0	-2.1%	-9.8	-1.6%	12.1%
<b>Profit before taxes</b>	<b>14.7</b>	<b>2.8%</b>	<b>34.1</b>	<b>5.7%</b>	<b>-56.8%</b>
Income taxes	-9.0	-1.7%	-12.7	-2.1%	-29.2%
<b>Net profit for the year</b>	<b>5.7</b>	<b>1.1%</b>	<b>21.4</b>	<b>3.6%</b>	<b>-73.2%</b>
Group net income	5.7	1.1%	22.5	3.7%	-74.5%
Income to minorities	0.0	0.0%	-1.1	-0.2%	nm
<b>EBITDA</b>	<b>117.2</b>	<b>22.4%</b>	<b>133.6</b>	<b>22.3%</b>	<b>-12.3%</b>

- Gross Profit at € 377M, 72.1% on Revenue, stable vs. last year, mainly thanks to a better DTC/WHL mix, compensating the negative FX effect.

## Gross Profit



- Total Operating Costs at € 350M, down 10% vs. last year, thanks to cost control and normalized Marketing & Communication expenses vs. H1 2023.
- EBIT at € 28M vs. € 47M last year.
- Net Profit at € 6M vs. € 21M last year.

# H1 2024 BALANCE SHEET

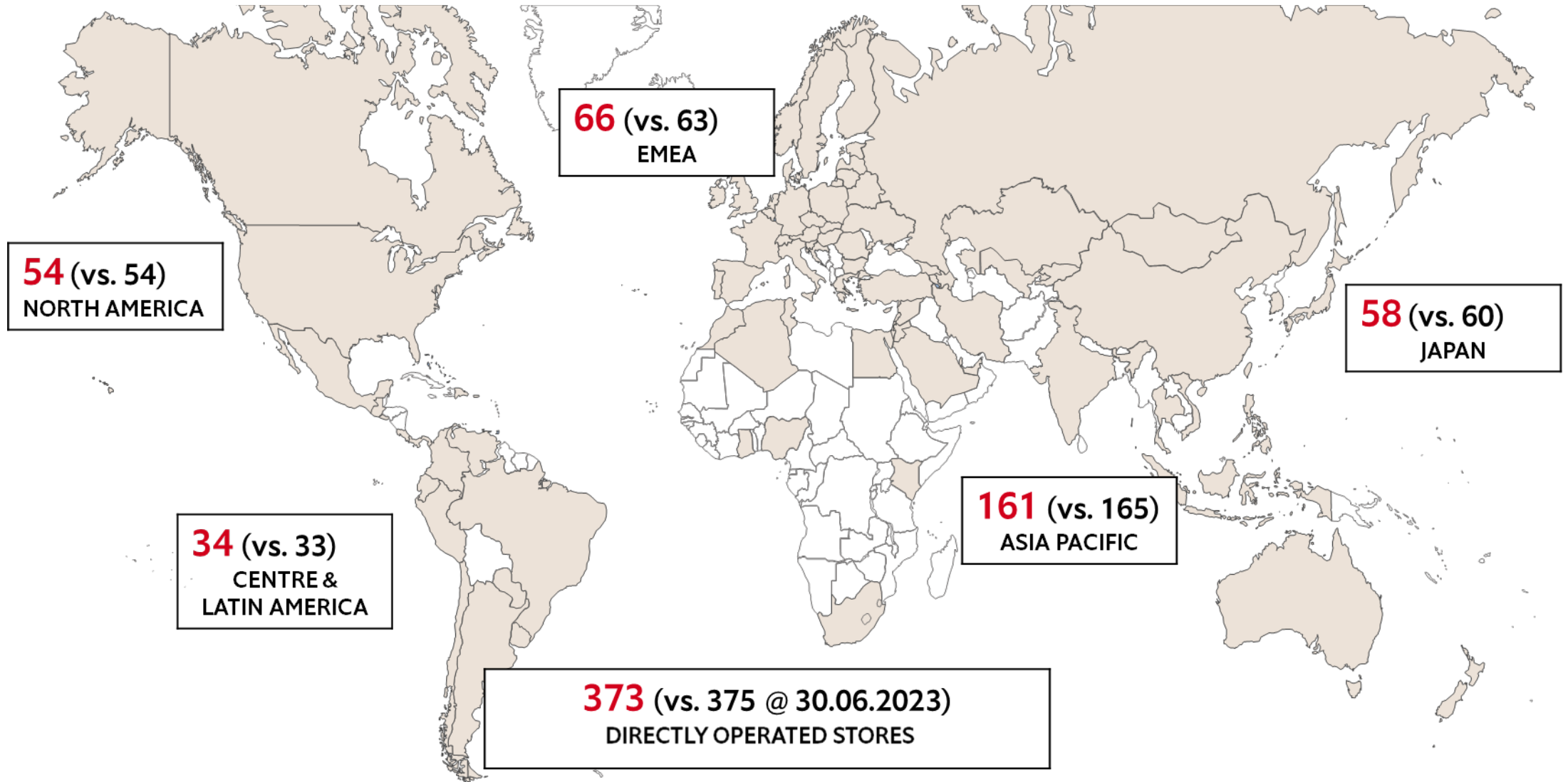
(Euro MM)	June 24 YTD	June 23 YTD	24 vs 23
Tangible assets	218.956	205.390	6.6%
Intangible assets	38.752	40.948	-5.4%
Right of Use	584.844	630.989	-7.3%
Financial assets	-	-	-
<b>Fixed assets</b>	<b>842.552</b>	<b>877.327</b>	<b>-4.0%</b>
Inventory	318.425	294.979	7.9%
Trade receivables	91.548	101.152	-9.5%
Trade payables	(142.032)	(170.436)	-16.7%
<b>Operating working capital</b>	<b>267.941</b>	<b>225.695</b>	<b>18.7%</b>
Other assets (liabilities)	138.590	127.124	9.0%
Net Asset Disposal for Sales	0.065	-	nm
Employee Benefit Liabilities	(6.299)	(7.061)	-10.8%
Provisions for risks and charges	(22.984)	(19.283)	19.2%
<b>Net invested capital</b>	<b>1,219.865</b>	<b>1,203.802</b>	<b>1.3%</b>
<b>Shareholders' equity (A)</b>	<b>707.752</b>	<b>755.664</b>	<b>-6.3%</b>
Group equity	706.832	734.968	-3.8%
Minority interest	0.920	20.696	-95.6%
Current financial liabilities	(223.767)	(149.426)	49.8%
Non current financial liabilities	(560.089)	(609.690)	-8.1%
Cash & Cash equivalents	271.743	310.978	-12.6%
<b>Net debt (B)</b>	<b>(512.113)</b>	<b>(448.138)</b>	<b>14.3%</b>
<b>Financial sources (A-B)</b>	<b>1,219.865</b>	<b>1,203.802</b>	<b>1.3%</b>
<b>Net debt (B)</b>	<b>(512.113)</b>	<b>(448.138)</b>	<b>14.3%</b>
Non Current Lease Liabilities	560.089	609.690	-8.1%
Current Lease Liabilities	119.174	115.982	2.8%
<b>Lease Liabilities</b>	<b>679.263</b>	<b>725.672</b>	<b>-6.4%</b>
<b>Net debt Adjusted</b>	<b>167.150</b>	<b>277.534</b>	<b>-39.8%</b>

- CAPEX in H1 2024 at € 21M up from € 17M last year, mainly for POS renewals.
- Net Inventory at € 318M, up 8% vs. last year, partly reflecting new, higher value collections.
- Net Financial Position Adjusted\* at 30 June 2024 positive for € 167M (vs. € 278M positive at 30 June 2023), including € 39M cashout for the purchase of the minorities in the JVs in Greater China. Including IFRS16 effect, Net Financial Position at 30 June 2024 negative for € 512M.

\* Net Financial Position Adjusted is the Net Financial Position excluding Current and non-current Lease Liabilities.



# DOS NETWORK @ 30.06.2024



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# H1 2024 Q&A

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# ANNEX

# H1 2024 REVENUE BY DISTRIBUTION CHANNEL

(Euro MM)	June YTD			Δ % Const FX	Weight on Tot 2024	Weight on Tot 2023
	2024	2023	Δ %			
DTC*	381.6	415.1	-8.1%	-5.5%	73.0%	69.2%
Wholesale	128.3	166.8	-23.1%	-24.8%	24.5%	27.8%
<b>Net Sales</b>	<b>510.0</b>	<b>581.9</b>	<b>-12.4%</b>	<b>-11.1%</b>	<b>97.5%</b>	<b>97.0%</b>
Hedging	3.0	8.5	-64.1%	nm	0.6%	1.4%
Licences & Other Rev.	8.4	8.4	0.1%	0.1%	1.6%	1.4%
Rental income	1.7	1.3	29.0%	29.1%	0.3%	0.2%
<b>Total Revenues</b>	<b>523.1</b>	<b>600.1</b>	<b>-12.8%</b>	<b>-10.9%</b>	<b>100.0%</b>	<b>100.0%</b>

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