



AEFFE

INTERIM FINANCIAL REPORT AT 30 SEPTEMBER 2024

Disclaimer

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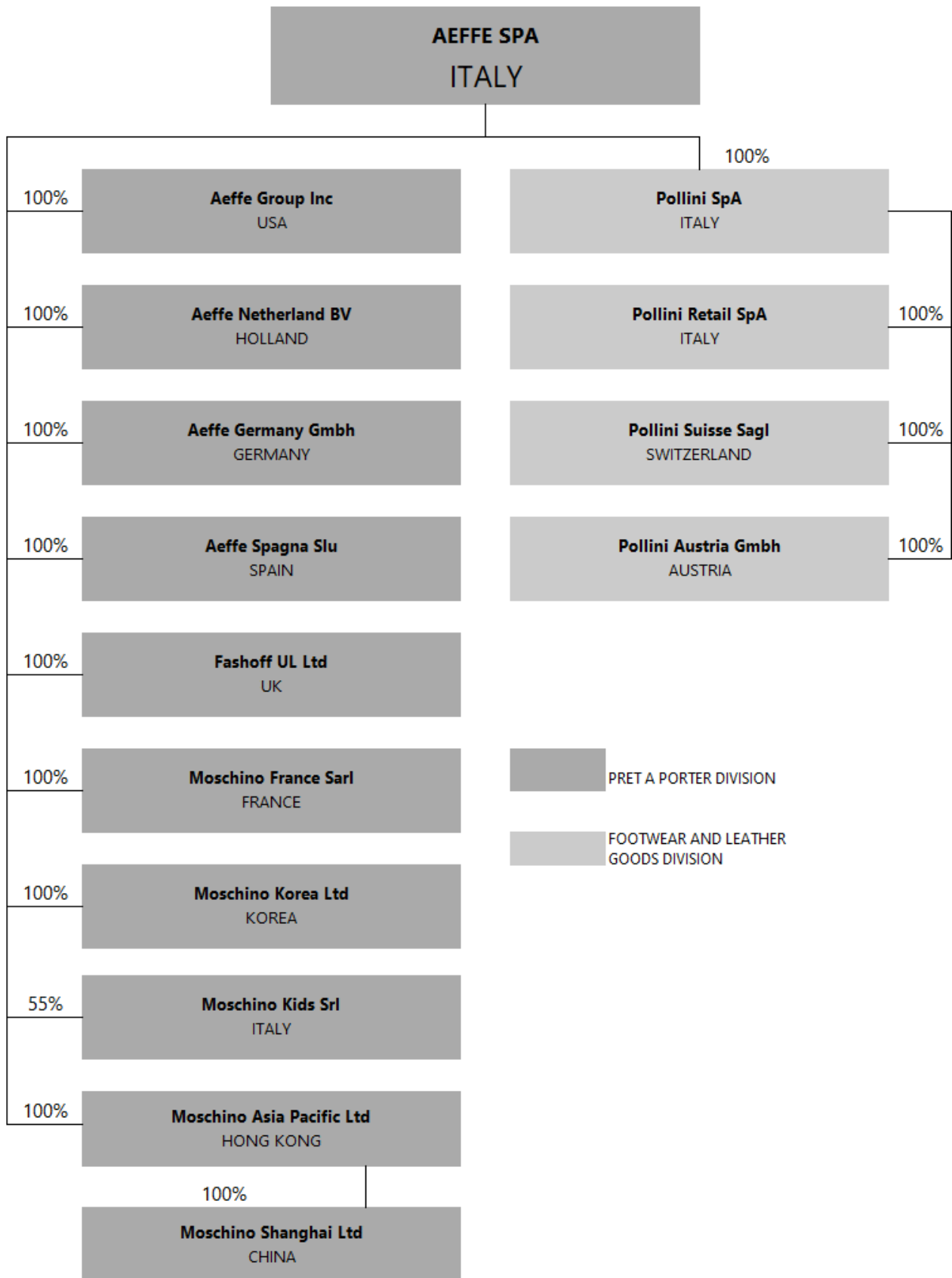
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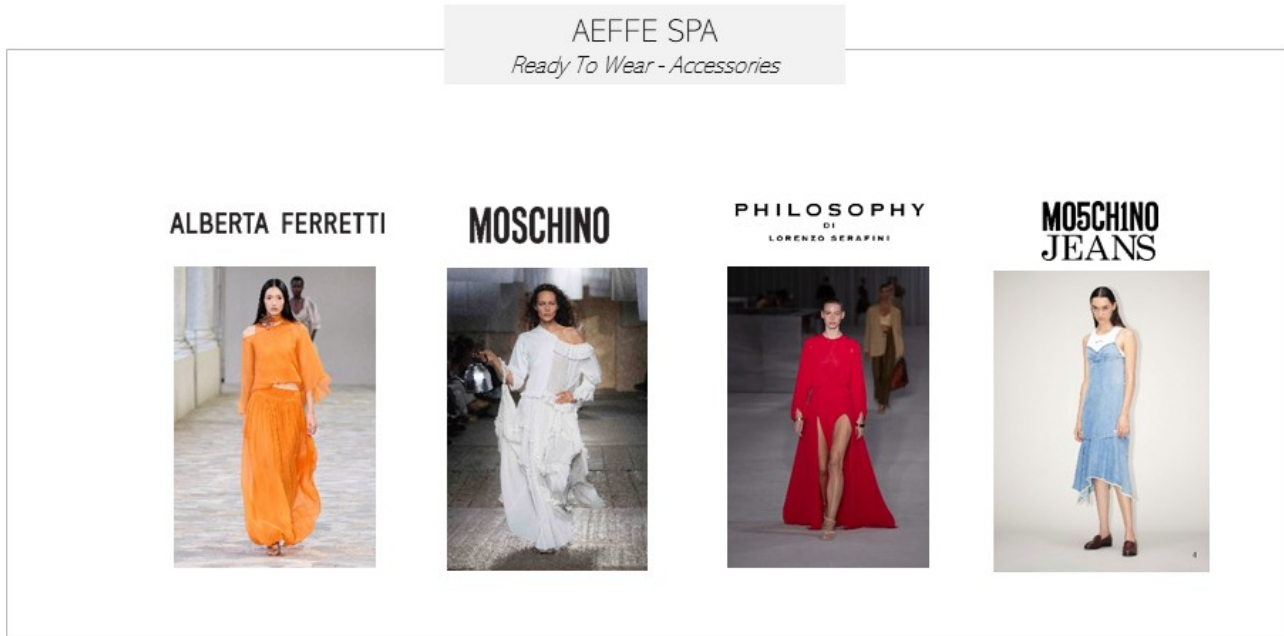
Corporate Boards of the Parent Company

Board of Directors	<p>Chairman Massimo Ferretti – Member of Executive Committee</p> <p>Deputy Chairman Alberta Ferretti</p> <p>Chief Executive Officer Simone Badioli – Member of Executive Committee</p> <p>Directors Francesco Ferretti – Member of Executive Committee Giancarlo Galeone – Member of Executive Committee Roberto Lugano Bettina Campedelli Francesca Pace Marco Francesco Mazzù Daniela Saitta</p>
Board of Statutory Auditors	<p>President Stefano Morri</p> <p>Statutory Auditors Carla Trotti Fernando Ciotti</p> <p>Alternate Auditors Nevio Dalla Valle Daniela Elvira Bruno</p>
Compensation Committee	<p>President Daniela Saitta</p> <p>Members Roberto Lugano Marco Francesco Mazzù</p>
Risk and Sustainability Control Committee	<p>President Bettina Campedelli</p> <p>Members Daniela Saitta Francesca Pace</p>

Organization chart



Brands portfolio



Headquarters

AEFFE

Via Delle Querce, 51
47842 - San Giovanni in Marignano
Italy

MOSCHINO

Via San Gregorio, 28
20124 - Milano
Italy

POLLINI

Via Erbosa I° tratto, 92
47030 - Gatteo
Italy

Showrooms

MILAN

FERRETTI - PHILOSOPHY - POLLINI
Via Donizetti, 48
20122 - Milan
Italy

MILAN

MOSCHINO
Via San Gregorio, 28
20124 - Milan
Italy

NEW YORK

GROUP
30 West 56th Street
10019 - New York
USA

LONDON

MOSCHINO - FERRETTI - PHILOSOPHY
28-29 Conduit Street
W1S 2YB - London
UK

PARIS

GROUP
43, Rue du Faubourg Saint Honorè
75008 - Parigi
France



Main flagshipstore locations under direct management

MOSCHINO

Milan
Rome
Venice
Florence
Paris
London
New York
Seoul
Pusan
Daegu
Shanghai
Shenzen
Guangzhou
Beijing

ALBERTA FERRETTI

Milan
Rome
Paris

POLLINI

Milan
Venice
Bolzano



Main economic-financial data

		9 M	9 M
		2024	2023
Total revenues	(Values in millions of EUR)	299.3	260.2
Gross operating margin (EBITDA) (*)	(Values in millions of EUR)	90.9	12.2
Net operating profit (EBIT)	(Values in millions of EUR)	66.6	(11.7)
Profit before taxes	(Values in millions of EUR)	57.0	(19.3)
Net profit for the Group	(Values in millions of EUR)	35.0	(17.9)
Basic earnings per share	(Values in units of EUR)	0.355	(0.182)
Cash Flow (net profit + depreciation)	(Values in millions of EUR)	58.9	5.4
Cash Flow/Total revenues	Ratio	19.7	2.1

* EBITDA is represented by operating profit before provisions and depreciation. EBITDA thus defined is a measure used by management to monitor and evaluate the operational performance and is not identified as an accounting measure under both Italian Accounting Principles and IFRS and therefore should not be considered an alternative measure for evaluating the Group's results. Since EBITDA is not regulated by applicable accounting standards, the criteria used by the Group might not be consistent with that adopted by others and therefore may not be comparable.

		30 September	31 December	30 September
		2024	2023	2023
Net capital invested	(Values in millions of EUR)	279.7	332.7	348.8
Net financial indebtedness	(Values in millions of EUR)	165.1	253.5	256.3
Group net equity	(Values in millions of EUR)	114.2	79.1	92.4
Group net equity per share	(Values in units of EUR)	1.1	0.7	0.9
Current assets/Current liabilities	Ratio	2.1	2.1	2.3
Current assets less invent./Current liabilities (ACID Test)	Ratio	1.0	1.0	1.1
Net financial indebtedness/Net equity	Ratio	1.4	3.2	2.8

Financial statements

Income statement for the first nine months

(Values in units of EUR)	Notes	9 M 2024	% on revenues	9 M 2023	% on revenues	Change	%
REVENUES FROM SALES AND SERVICES	(1)	207,776,176	100.0%	252,771,736	100.0%	(44,995,560)	(17.8%)
Other revenues and income		91,540,367	44.1%	7,445,911	2.9%	84,094,456	1,129.4%
TOTAL REVENUES		299,316,543	144.1%	260,217,647	102.9%	39,098,896	15.0%
Changes in inventory		(17,337,612)	(8.3%)	597,567	0.2%	(17,935,179)	n.a.
Costs of raw materials, cons. and goods for resale		(68,065,949)	(32.8%)	(100,897,794)	(39.9%)	32,831,845	(32.5%)
Costs of services		(64,828,118)	(31.2%)	(83,871,854)	(33.2%)	19,043,736	(22.7%)
Costs for use of third parties assets		(4,022,229)	(1.9%)	(4,838,756)	(1.9%)	816,527	(16.9%)
Labour costs		(51,654,084)	(24.9%)	(54,913,890)	(21.7%)	3,259,806	(5.9%)
Other operating expenses		(2,496,811)	(1.2%)	(4,092,823)	(1.6%)	1,596,012	(39.0%)
Total Operating Costs		(208,404,803)	(100.3%)	(248,017,550)	(98.1%)	39,612,747	(16.0%)
GROSS OPERATING MARGIN (EBITDA)	(2)	90,911,740	43.8%	12,200,097	4.8%	78,711,643	645.2%
Amortisation of intangible fixed assets		(3,274,585)	(1.6%)	(3,168,408)	(1.3%)	(106,177)	3.4%
Depreciation of tangible fixed assets		(3,977,963)	(1.9%)	(4,320,238)	(1.7%)	342,275	(7.9%)
Depreciation of right-of-use assets		(16,453,006)	(7.9%)	(15,656,724)	(6.2%)	(796,282)	5.1%
Revaluations/(write-downs) and provisions		(614,758)	(0.3%)	(778,774)	(0.3%)	164,016	(21.1%)
Total Amortisation, write-downs and provisions		(24,320,312)	(11.7%)	(23,924,144)	(9.5%)	(396,168)	1.7%
NET OPERATING PROFIT/LOSS (EBIT)		66,591,428	32.0%	(11,724,047)	(4.6%)	78,315,475	n.a.
Financial income		228,255	0.1%	299,886	0.1%	(71,631)	(23.9%)
Financial expenses		(7,961,137)	(3.8%)	(6,046,567)	(2.4%)	(1,914,570)	31.7%
Financial expenses on right-of-use asset		(1,865,975)	(0.9%)	(1,792,643)	(0.7%)	(73,332)	4.1%
Total Financial Income/(expenses)		(9,598,857)	(4.6%)	(7,539,324)	(3.0%)	(2,059,533)	27.3%
PROFIT/LOSS BEFORE TAXES		56,992,571	27.4%	(19,263,371)	(7.6%)	76,255,942	n.a.
Taxes		(21,785,046)	(10.5%)	1,494,361	0.6%	(23,279,407)	n.a.
NET PROFIT/LOSS	(3)	35,207,525	16.9%	(17,769,010)	(7.0%)	52,976,535	n.a.
(Profit) / loss attributable to minority shareholders		(240,448)	(0.1%)	(162,310)	(0.1%)	(78,138)	48.1%
NET PROFIT / LOSS FOR THE GROUP		34,967,077	16.8%	(17,931,320)	(7.1%)	52,898,397	n.a.
Basic earnings per share		0.355		(0.182)			
Dilutive earnings per share		0.355		(0.182)			

Income statement for the third quarter

(Values in units of EUR)	Notes	III Q 2024	% on revenues	III Q 2023	% on revenues	Change	%
REVENUES FROM SALES AND SERVICES	(1)	69,185,581	100.0%	89,897,418	100.0%	(20,711,837)	(23.0%)
Other revenues and income		88,243,963	127.5%	1,751,133	1.9%	86,492,830	4,939.2%
TOTAL REVENUES		157,429,544	227.5%	91,648,551	101.9%	65,780,993	71.8%
Changes in inventory		(11,911,331)	(17.2%)	(9,471,599)	(10.5%)	(2,439,732)	25.8%
Costs of raw materials, cons. and goods for resale		(17,217,690)	(24.9%)	(30,165,666)	(33.6%)	12,947,976	(42.9%)
Costs of services		(19,839,983)	(28.7%)	(28,459,060)	(31.7%)	8,619,077	(30.3%)
Costs for use of third parties assets		(1,307,711)	(1.9%)	(1,446,763)	(1.6%)	139,052	(9.6%)
Labour costs		(15,895,170)	(23.0%)	(18,045,891)	(20.1%)	2,150,721	(11.9%)
Other operating expenses		(764,871)	(1.1%)	(358,018)	(0.4%)	(406,853)	113.6%
Total Operating Costs		(66,936,756)	(96.7%)	(87,946,997)	(97.8%)	21,010,241	(23.9%)
GROSS OPERATING MARGIN (EBITDA)	(2)	90,492,788	130.8%	3,701,554	4.1%	86,791,234	2,344.7%
Amortisation of intangible fixed assets		(1,109,358)	(1.6%)	(1,067,654)	(1.2%)	(41,704)	3.9%
Depreciation of tangible fixed assets		(1,364,228)	(2.0%)	(1,083,708)	(1.2%)	(280,520)	25.9%
Depreciation of right-of-use assets		(5,262,355)	(7.6%)	(5,260,708)	(5.9%)	(1,647)	0.0%
Revaluations/(write-downs) and provisions		(362,104)	(0.5%)	(143,200)	(0.2%)	(218,904)	152.9%
Total Amortisation, write-downs and provisions		(8,098,045)	(11.7%)	(7,555,270)	(8.4%)	(542,775)	7.2%
NET OPERATING PROFIT/LOSS (EBIT)		82,394,743	119.1%	(3,853,716)	(4.3%)	86,248,459	n.a.
Financial income		76,174	0.1%	9,100	0.0%	67,074	737.1%
Financial expenses		(2,525,398)	(3.7%)	(2,045,314)	(2.3%)	(480,084)	23.5%
Financial expenses on right-of-use asset		(604,218)	(0.9%)	(597,004)	(0.7%)	(7,214)	1.2%
Total Financial Income/(expenses)		(3,053,442)	(4.4%)	(2,633,218)	(2.9%)	(420,224)	16.0%
PROFIT/LOSS BEFORE TAXES		79,341,301	114.7%	(6,486,934)	(7.2%)	85,828,235	n.a.
Taxes		(23,990,540)	(34.7%)	319,850	0.4%	(24,310,390)	n.a.
NET PROFIT/LOSS	(3)	55,350,761	80.0%	(6,167,084)	(6.9%)	61,517,845	n.a.
(Profit) / loss attributable to minority shareholders		(25,279)	(0.0%)	(112,258)	(0.1%)	86,979	(77.5%)
NET PROFIT / LOSS FOR THE GROUP		55,325,482	80.0%	(6,279,342)	(7.0%)	61,604,824	n.a.

Reclassified balance sheet

(Values in units of EUR)	Notes	30 September 2024	31 December 2023	30 September 2023
Trade receivables		58,295,060	56,121,993	70,067,447
Stocks and inventories		93,793,997	112,249,596	113,762,897
Trade payables		(58,492,707)	(78,734,518)	(70,328,445)
Operating net working capital	(4)	93,596,350	89,637,071	113,501,899
Other short term receivables		22,680,421	26,200,359	27,171,758
Tax receivables		9,357,955	12,165,895	12,303,883
Derivative assets		-	63,229	-
Other short term liabilities		(22,289,594)	(16,511,021)	(21,580,705)
Tax payables		(5,427,831)	(3,232,628)	(4,521,515)
Derivative liabilities		(25,211)	-	-
Net working capital		97,892,090	108,322,905	126,875,320
Tangible fixed assets		58,064,502	60,437,231	60,982,600
Intangible fixed assets		49,900,151	62,911,753	63,567,907
Right-of-use assets		90,829,193	102,226,024	104,480,620
Equity investments		41,196	41,196	41,196
Other fixed assets		84,168	93,927	833
Fixed assets	(5)	198,919,210	225,710,131	229,073,156
Post employment benefits		(3,089,325)	(3,205,866)	(3,270,847)
Provisions		(2,290,303)	(2,179,554)	(2,754,254)
Assets available for sale		1,453,041	-	-
Long term not financial liabilities		(1,162,456)	(1,397,873)	(1,399,123)
Deferred tax assets		15,952,507	16,991,324	15,530,474
Deferred tax liabilities		(27,969,134)	(11,527,794)	(15,212,981)
NET CAPITAL INVESTED		279,705,630	332,713,273	348,841,745
Share capital		24,606,247	24,606,247	24,606,247
Other reserves		38,211,668	89,606,998	88,687,320
Profits/(Losses) carried-forward		16,392,529	(2,973,651)	(2,973,651)
Profit/(Loss) of the period		34,967,077	(32,143,947)	(17,931,320)
Group interest in shareholders' equity	(6)	114,177,521	79,095,647	92,388,596
Minority interest in shareholders' equity		457,441	144,661	153,259
Total shareholders' equity		114,634,962	79,240,308	92,541,855
Short term financial receivables		(37,866,629)	-	-
Cash		(40,042,642)	(14,625,807)	(11,268,694)
Long term financial liabilities		61,415,303	78,607,579	59,286,277
Short term financial liabilities		88,807,019	88,511,881	106,540,448
Financial debt without IFRS 16		72,313,051	152,493,653	154,558,031
Short term lease liabilities		18,721,181	17,791,381	16,441,360
Long term lease liabilities		74,036,436	83,187,931	85,300,499
Financial debt	(7)	165,070,668	253,472,965	256,299,890
Shareholders' equity and financial debt		279,705,630	332,713,273	348,841,745

Cash flow

(Values in thousands of EUR)	9 M 2024	9 M 2023
Opening balance	14,626	21,658
Profit/loss before taxes	56,993	(19,263)
Amortisation / write-downs	24,320	23,924
Accrual (+)/availment (-) of long term provisions and post employment benefits	(6)	103
Paid income taxes	(2,110)	(592)
Financial income (-) and financial charges (+)	9,599	7,539
Change in operating assets and liabilities	5,932	(15,013)
Cash flow (absorbed) / generated by operating activity	94,728	(3,302)
Increase (-)/ decrease (+) in intangible fixed assets	9,737	(715)
Increase (-)/ decrease (+) in tangible fixed assets	(1,605)	(4,052)
Increase (-)/ decrease (+) in right-of-use assets	(5,056)	(9,571)
Investments and write-downs (-)/ Disinvestments and revaluations (+)	-	(2)
Cash flow (absorbed) / generated by investing activity	3,076	(14,340)
Other variations in shareholders' equity	187	505
Dividends paid	-	-
Proceeds (+)/repayment (-) of financial payments	(16,897)	17,252
Proceeds (+)/ repayment (-) of lease payments	(8,221)	(3,164)
Increase (-)/ decrease (+) in long term financial receivables	(37,857)	199
Financial income (+) and financial charges (-)	(9,599)	(7,539)
Cash flow (absorbed) / generated by financing activity	(72,387)	7,253
Closing balance	40,043	11,269

Changes in shareholders' equity

<i>(Values in thousands of EUR)</i>	Share capital	Share premium reserve	Cash flow reserve	Other reserves	Fair Value reserve	IAS reserve	Reamusement of defined benefit plans reserve	Translation reserve	Profits/(Losses) carried-forward	Net profit / loss for the Group	Group interest in shareholders' equity	Minority interests in shareholders' equity	Total shareholders' equity
At December 31, 2023	24,606	62,264	46	13,475	7,901	7,607	(1,339)	(347)	(2,974)	(32,144)	79,095	145	79,240
Allocation of 31/12/23 profit/(loss)	-	(51,581)	-	-	-	-	-	-	19,437	32,144	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury stock (buy-back)/ sale	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) at 30/09/24	-	-	(64)	-	-	-	-	249	-	34,967	35,152	240	35,392
Other changes	-	-	-	-	-	-	-	-	(69)	-	(69)	72	-
At September 30, 2024	24,606	10,683	(18)	13,475	7,901	7,607	(1,339)	(98)	16,394	34,967	114,178	457	114,635

<i>(Values in thousands of EUR)</i>	Share capital	Share premium reserve	Cash flow reserve	Other reserves	Fair Value reserve	IAS reserve	Reamusement of defined benefit plans reserve	Translation reserve	Profits/(Losses) carried-forward	Net profit / loss for the Group	Group interest in shareholders' equity	Minority interests in shareholders' equity	Total shareholders' equity
At December 31, 2022	24,606	67,599	(125)	12,690	7,901	7,607	(1,225)	(930)	735	(9,044)	109,814	(9)	109,805
Allocation of 31/12/22 profit/(loss)	-	(5,335)	-	-	-	-	-	-	(3,709)	9,044	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury stock (buy-back)/ sale	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) at 30/09/23	-	-	125	-	-	-	-	381	-	(17,931)	(17,425)	162	(17,263)
Other changes	-	-	-	-	-	-	-	-	-	-	-	-	-
At September 30, 2023	24,606	62,264	-	12,690	7,901	7,607	(1,225)	(549)	(2,974)	(17,931)	92,389	153	92,542

Interim management report

In the first nine months of 2024, consolidated revenues are equal to 207,776 thousand euros compared to 252,772 thousand euros in the first nine months of 2023, with a decrease of 17.8% at current exchange rates (-17.6% at constant exchange rates).

In the first nine months of 2024 consolidated EBITDA was positive for 90,912 thousand euros (with a margin of 43.8% on turnover), compared to the EBITDA of the first nine months of 2023 equal to 12,200 thousand euros (with an incidence of 4.8% on turnover).

EBITDA of the first nine months of 2024 includes the capital gain realized following the sale by Aeffe of ownership of the "Moschino" brand in relation to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes, as well as scented candles and rooms and textile perfumes, for an amount of 98,000,000 euros.

At September 30 2024, operating net working capital amounts to 93,596 thousand euros (34.2% of LTM sales) down compared to 113,502 thousand euros at September 30, 2023 (34.6% of LTM sales).

The financial debt net of IFRS 16 effects at the end of September 2024 amounts to 72,313 thousand euros (152,494 thousand euros at the end of December 2023).

On November 29, 2024, Euroitalia S.r.l. will pay Aeffe Spa the remaining portion of the consideration equal to 37.867 thousand euros.

Explanatory notes

Income statement

1. Revenues from sales and services

Nine months 2024 vs 2023

In the first nine months of 2024, consolidated revenues are equal to 207,776 thousand euros compared to 252,772 thousand euros in the first nine months of 2023, with a decrease of 17.8% at current exchange rates (-17.6% at constant exchange rates).

Sales by brand

(Values in thousands of EUR)	9 M		9 M		Change	%
	2024	%	2023	%		
Alberta Ferretti	15,667	7.5%	19,168	7.6%	(3,501)	(18.3%)
Philosophy	13,620	6.6%	14,927	5.9%	(1,307)	(8.8%)
Moschino	153,524	73.9%	189,328	74.9%	(35,804)	(18.9%)
Pollini	23,616	11.4%	26,097	10.3%	(2,481)	(9.5%)
Other	1,349	0.6%	3,252	1.3%	(1,903)	(58.5%)
Total	207,776	100.0%	252,772	100.0%	(44,996)	(17.8%)

In the first nine months of 2024, Alberta Ferretti brand decreases by 18.3%, generating 7.5% of consolidated sales, while Philosophy brand decreases by 8.8%, generating 6.6% of consolidated sales.

In the same period, Moschino brand sales decrease by 18.9%, contributing to 73.9% of consolidated sales.

Pollini brand decreases by 9.5%, generating 11.4% of consolidated sales.

Sales related to other brands decrease by 58.5%, contributing to 0.6% of consolidated sales.

Sales by geographical area

(Values in thousands of EUR)	9 M		9 M		Change	%
	2024	%	2023	%		
Italy	89,518	43.1%	107,921	42.7%	(18,403)	(17.1%)
Europe (Italy excluded)	63,634	30.6%	77,920	30.8%	(14,286)	(18.3%)
Asia and Rest of the World	42,750	20.6%	52,910	20.9%	(10,160)	(19.2%)
America	11,874	5.7%	14,021	5.6%	(2,147)	(15.3%)
Total	207,776	100.0%	252,772	100.0%	(44,996)	(17.8%)

Sales in ITALY, with an incidence of 43.1% on turnover, reported a decrease by 17.1% compared to 2023 at 89,518 thousand euros: the wholesale channel recorded a contraction of 23%, while the retail channel decreased by 7% compared to the first nine months of 2023.

Sales in EUROPE, with an incidence on turnover of 30.6%, reported a decrease by 18.3% at 63,634 thousand euros. The decrease is linked to specific countries and markets at both wholesale and retail levels.

In ASIA and in the REST OF THE WORLD, the Group achieved revenues of 42,750 thousand euros, with an incidence on turnover of 20.6%, down by 19.2% compared to 2023.

At current exchange rates, sales in AMERICA, with an incidence on turnover of 5.7%, recorded a decrease by 15.3%.

Sales by distribution channel

(Values in thousands of EUR)	9 M		9 M		Change	%
	2024	%	2023	%		
Wholesale	137,619	66.2%	172,836	68.4%	(35,217)	(20.4%)
Retail	62,970	30.3%	72,174	28.5%	(9,204)	(12.8%)
Royalties	7,187	3.5%	7,762	3.1%	(575)	(7.4%)
Total	207,776	100.0%	252,772	100.0%	(44,996)	(17.8%)

In the first nine months of 2024 the Group recorded a decrease in the three distribution channels.

The revenues of the WHOLESALE CHANNEL, which represents 66.2% of turnover (137,619 thousand euros), recorded a decrease by 20.4%.

The revenues of the RETAIL CHANNEL, which represents 30.3% of Group sales (62,970 thousand euros), showed a decrease by 12.8% compared to the corresponding period of the previous year.

The revenues for ROYALTIES, which represent 3.5% of consolidated turnover (7,187 thousand euros), decreased by 7.4% compared to the same period of 2023.

Third quarter 2024 vs 2023

In the third quarter of 2024, revenues from sales and services are equal to 69,185 thousand euros with a decrease of 23.0% compared with 89,898 thousand euros in the third quarter of 2023.

Sales by brand

(Values in thousands of EUR)	III Q		III Q		Change	%
	2024	%	2023	%		
Alberta Ferretti	5,815	8.4%	7,402	8.2%	(1,587)	(21.4%)
Philosophy	5,446	7.9%	6,155	6.8%	(709)	(11.5%)
Moschino	48,753	70.5%	66,207	73.7%	(17,454)	(26.4%)
Pollini	8,777	12.7%	8,920	9.9%	(143)	(1.6%)
Other	394	0.5%	1,214	1.4%	(820)	(67.5%)
Total	69,185	100.0%	89,898	100.0%	(20,713)	(23.0%)

In the third quarter of 2024, Alberta Ferretti brand decreases by 21.4% generating 8.4% of consolidated sales, while Philosophy brand decreases by 11.5% generating 7.9% of consolidated sales.

In the same period, Moschino brand sales decrease by 26.4% contributing to 70.5% of consolidated sales.

Pollini brand decreases by 1.6% generating 12.7% of consolidated sales, while the other brands sales decrease by 67.5% contributing to 0.5% of consolidated sales.

Sales by geographical area

(Values in thousands of EUR)	III Q		III Q		Change	%
	2024	%	2023	%		
Italy	31,920	46.1%	39,744	44.2%	(7,824)	(19.7%)
Europe (Italy excluded)	21,528	31.1%	27,703	30.8%	(6,175)	(22.3%)
Asia and Rest of the World	11,391	16.4%	18,551	20.6%	(7,160)	(38.6%)
America	4,346	6.4%	3,900	4.3%	446	11.4%
Total	69,185	100.0%	89,898	100.0%	(20,713)	(23.0%)

In the third quarter of 2024 sales in Italy decrease by 19.7% to 31,920 thousand euros, contributing to 46.1% of consolidated sales.

Sales in Europe decrease by 22.3% contributing to 31.1% of consolidated sales to 21,528 thousand euros.

In Asia and Rest of the World, sales are equal to 11,391 thousand euros with a decrease of 38.6% and a contribution of 16.4% of consolidated sales.

Sales in America are equal to 4,346 thousand euros, contributing to 6.4% of consolidated sales, with an increase of 11.4%.

Sales by distribution channel

(Values in thousands of EUR)	III Q		III Q		Change	%
	2024	%	2023	%		
Wholesale	45,935	66.4%	62,258	69.3%	(16,323)	(26.2%)
Retail	21,027	30.4%	25,172	28.0%	(4,145)	(16.5%)
Royalties	2,223	3.2%	2,468	2.7%	(245)	(9.9%)
Total	69,185	100.0%	89,898	100.0%	(20,713)	(23.0%)

By distribution channel in the third quarter of 2024, wholesale sales decrease by 26.2% contributing to 66.4% of consolidated sales.

Sales of our directly-operated stores (retail channel) amount to 21,027 thousand euros with a decrease of 16.5% contributing to 30.4% of consolidated sales.

Royalty income is 9.9% lower than in the corresponding period of the previous year, representing 3.2% of consolidated sales.

2. Gross Operating Margin (EBITDA)

Nine months 2024 vs 2023

In the first nine months of 2024 consolidated EBITDA was positive for 90,912 thousand euros (with a margin of 43.8% on turnover), compared to the EBITDA of the first nine months of 2023 equal to 12,200 thousand euros (with an incidence of 4.8% on turnover).

EBITDA of the first nine months of 2024 includes the capital gain realized following the sale by Aeffe of ownership of the "Moschino" brand in relation to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes, as well as scented candles and rooms and textile perfumes.

For the prêt-à-porter division, in the first nine months of 2024, EBITDA is equal to 83,052 thousand euros compared to 1,421 thousand euros negative in 2023.

For the footwear and leather goods division, in the first nine months of 2024, EBITDA amounts to 7,860 thousand euros compared to 13,621 thousand euros in 2023.

Third quarter 2024 vs 2023

In the third quarter of 2024 consolidated EBITDA is 90,493 thousand euros, showing an increase compared to 3,701 thousand euros in the third quarter of 2023.

3. Net Result

Nine months 2024 vs 2023

The net result posts a profit of 35,208 thousand euros compared to a loss of 17,769 thousand euros in the first nine months of 2023.

Third quarter 2024 vs 2023

In the third quarter of 2024 the net result is a profit of 55,351 thousand euros compared to a loss of 6,167 thousand euros in the third quarter of 2023.

Segment information

Economic performance by Divisions

At international level, the Group is divided into two main business sectors:

- (i) *Prêt-à porter* Division;
- (ii) Footwear and leather goods Division.

Nine months 2024 vs 2023

The following tables indicate the main economic data for the first nine months of 2024 and 2023 of the *Prêt-à porter* and Footwear and leather goods Divisions.

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
9M 2024				
SECTOR REVENUES	139,896	86,685	(18,805)	207,776
Intercompany revenues	(8,251)	(10,554)	18,805	-
Revenues with third parties	131,645	76,131	-	207,776
Gross operating margin (EBITDA)	83,052	7,860	-	90,912
Amortisation	(19,663)	(4,043)	-	(23,706)
Other non monetary items:				
Revaluations / write-downs	(372)	(243)		(615)
Net operating profit / loss (EBIT)	63,017	3,574	-	66,591
Financial income	68	160	-	228
Financial expenses	(7,943)	(1,883)	-	(9,826)
Profit / loss before taxes	55,142	1,851	-	56,993
Income taxes	(20,706)	(1,079)	-	(21,785)
Net profit / loss	34,436	772	-	35,208

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
9M 2023				
SECTOR REVENUES	169,518	112,049	(28,795)	252,772
Intercompany revenues	(11,294)	(17,501)	28,795	-
Revenues with third parties	158,224	94,548	-	252,772
Gross operating margin (EBITDA)	(1,421)	13,621	-	12,200
Amortisation	(18,708)	(4,437)	-	(23,145)
Other non monetary items:				
Revaluations / write-downs	(504)	(275)		(779)
Net operating profit / loss (EBIT)	(20,633)	8,909	-	(11,724)
Financial income	73	227	-	300
Financial expenses	(6,447)	(1,392)	-	(7,839)
Profit / loss before taxes	(27,007)	7,744	-	(19,263)
Income taxes	3,857	(2,363)	-	1,494
Net profit / loss	(23,150)	5,381	-	(17,769)

Prêt-à porter Division

Revenues of the prêt-à-porter division decrease by 17.5% (-17.2% at constant exchange rates) from 169,518 thousand euros in the first nine months of 2023 to 139,896 thousand euros in the first nine months of 2024.

For the prêt-à-porter division, in the first nine months of 2024 EBITDA is equal to 83,052 thousand euros compared to 1,421 thousand euros negative in the first nine months of 2023.

Footwear and leather goods Division

Revenues of the footwear and leather goods division decrease by 22.6% (-22.7% at constant exchange rates) from 112,049 thousand euros in the first nine months of 2023 to 86,685 thousand euros in the first nine months of 2024.

For the footwear and leather goods division, the EBITDA amounts to 7,860 thousand euros compared to 13,621 thousand euros in the first nine months of 2023, with a decrease of 5,761 thousand euros.

Third Quarter 2024 vs 2023

The following tables indicate the main economic data for the third quarter of 2024 and 2023 of the *Prêt-à porter* and Footwear and leather goods Divisions.

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
III Q 2024				
SECTOR REVENUES	45,861	30,218	(6,894)	69,185
Intercompany revenues	(3,122)	(3,772)	6,894	-
Revenues with third parties	42,739	26,446		69,185
Gross operating margin (EBITDA)	86,206	4,287		90,493
Amortisation	(6,706)	(1,030)		(7,736)
Other non monetary items:				
Revaluations / write-downs	(199)	(164)		(363)
Net operating profit / loss (EBIT)	79,301	3,093		82,394
Financial income	42	34	-	76
Financial expenses	(2,598)	(531)	-	(3,129)
Profit / loss before taxes	76,745	2,596		79,341
Income taxes	(22,955)	(1,035)		(23,990)
Net profit / loss	53,790	1,561		55,351

(Values in thousand of EUR)	Prêt-à porter Division	Footwear and leather goods Division	Elimination of intercompany transactions	Total
III Q 2023				
SECTOR REVENUES	60,698	36,786	(7,586)	89,898
Intercompany revenues	(3,284)	(4,302)	7,586	-
Revenues with third parties	57,414	32,484		89,898
Gross operating margin (EBITDA)	(2,392)	6,093		3,701
Amortisation	(5,928)	(1,484)		(7,412)
Other non monetary items:				
Revaluations / write-downs	(23)	(120)		(143)
Net operating profit / loss (EBIT)	(8,343)	4,489		(3,854)
Financial income	(34)	43	-	9
Financial expenses	(2,306)	(336)	-	(2,642)
Profit / loss before taxes	(10,683)	4,196		(6,487)
Income taxes	1,517	(1,197)		320
Net profit / loss	(9,166)	2,999		(6,167)

Balance sheet

4. Operating net working capital

At September 30 2024, operating net working capital amounts to 93,596 thousand euros (34.2% of LTM sales) compared to 113,502 thousand euros at September 30, 2023 (34.6% of LTM sales).

5. Fixed assets

The change in fixed assets of 26,791 thousand euros at September 30, 2024 compared to December 31, 2023 is due to the amortisation of the period, the capex realised during the first nine months of 2024 and to the sale of class 3 of the Moschino brand.

6. Shareholders' equity

The Group's shareholders' equity moved mainly due to the profit of the period changing from 79,240 thousand euros at December 31, 2023 to 114,635 thousand euros at September 30, 2024.

The number of shares is 107,362,504.

7. Net financial position

The financial debt net of IFRS 16 effects at the end of September 2024 amounts to 72,313 thousand euros (152,494 thousand euros at the end of December 2023).

On September 26, 2024, Aeffe Spa and Euroitalia S.r.l. have reached and also executed a framework agreement for Aeffe to transfer ownership of the "Moschino" brand in relation to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes, as well as scented candles and rooms and textile perfumes, for an amount of 98,000,000 euros.

On November 29, 2024, Euroitalia S.r.l. will pay Aeffe Spa the remaining portion of the consideration equal to 37.867 thousand euros.

Other information

Earnings per share

Reference earnings

The calculation of basic and dilutive earnings per share is based on the following elements:

(Values in thousands of EUR)	9M 2024	9M 2023
From continuing activities		
Earnings for determining basic earnings per share	34,967	(17,931)
Earnings for determining earnings per share	34,967	(17,931)
Dilutive effects	-	-
Earnings for determining dilutive earnings per share	34,967	(17,931)
From continuing and discontinued activities		
Earnings for the period	34,967	(17,931)
Earnings from discontinued operations	-	-
Earnings for determining basic earnings per share	34,967	(17,931)
Dilutive effects	-	-
Earnings for determining dilutive earnings per share	34,967	(17,931)
Number of reference share		
Average number of shares for determining earnings per share	98,425	98,425
Share options	-	-
Average number of shares for determining diluted earnings per share	98,425	98,425

Basic results per share

The profit attributable to holders of ordinary shares of parent company AEFPE S.p.A., amounts to 34,967 thousand euros (September 2023: -17,931 thousand euros).

Dilutive results per share

The calculation of diluted earnings per share for the period January - September 2024, matches with the calculation of basic earnings per share, as there are no tools with potential dilutive effects.

Significant events of the period

On September 24, 2024, the Board of Directors of Aeffe S.p.A. has communicated Alberta Ferretti's decision to leave the Creative Direction of the brand she founded, with the Spring/Summer 2025 fashion show it has been concluded the stylistic journey of the Italian designer, protagonist of an entrepreneurial and creative adventure that began in 1980.

On September 26, 2024, Aeffe Spa and Euroitalia S.r.l. have reached and also executed a framework agreement for Aeffe to transfer ownership of the "Moschino" brand in relation to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes, as well as scented candles and rooms and textile perfumes, for an amount of 98,000,000 euros.

Significant events subsequent to the balance sheet date

On October 15, 2024, it has been announced the appointment of Lorenzo Serafini as Creative Director of the Alberta Ferretti brand. Aeffe Group, in collaboration with Lorenzo Serafini and interpreting the needs of the current market, have developed a new strategy. This includes the integration of the Philosophy line within the Alberta Ferretti brand from the Fall/Winter 2025 season, with the aim of strengthening the brand's appeal and positioning for the future.

Outlook

The slowdown in global consumption in the fashion and luxury sectors had an impact on the performance of our group in the first nine months of 2024. We are aware of the complexities of this historical moment, also characterized by significant political and social instability, but the strategic decisions we have made over the last few months and the finalized operations reflect a profound awareness of the potential we know we have within our structure. I am sure that

the reorganization of the Moschino brand and the rebranding of the Alberta Ferretti label will open up new interesting scenarios.

The executive responsible for preparing the company's accounting documentation Matteo Scarpellini declares, pursuant to paragraph 2 of art. 154b of the Consolidated Finance Law, that the accounting information contained in this document agrees with the underlying documentation, records and accounting entries.