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Oggetto : APPROVED REFINANCING PLAN TO
SUPPORT THE NEW 2025-2029 INDUSTRIAL
PLAN

Testo del comunicato

Vedi allegato



PRESS RELEASE

APPROVED REFINANCING PLAN TO SUPPORT THE NEW 2025–2029 INDUSTRIAL PLAN

REFINANCING PLAN

- **RESCHEDULING OF THE MEDIUM-TO-LONG-TERM DEBT REPAYMENT PLANS CURRENTLY IN PLACE WITH CERTAIN BANKING INSTITUTIONS.**
- **COMMITMENT FROM THE CONTROLLING SHAREHOLDER TO SUPPORT THE IMPLEMENTATION OF THE NEW 2025–2029 INDUSTRIAL PLAN WITH A CAPITAL CONTRIBUTION OF UP TO €60 MILLION.**

NEW INDUSTRIAL PLAN

- **STRUCTURED IN TWO PHASES: THE FIRST, "STRATEGY RE-ROOTING AND PERFORMANCE IMPROVEMENT" AND THE SECOND, "ACCELERATION" TARGETS REVENUES EXCEEDING €850 MILLION BY 2029.**
- **SOLID OPERATING PROFITABILITY, WITH EXPECTED EBIT MARGIN OVER 7% BY 2029.**
- **PLANNED INVESTMENTS OF APPROXIMATELY €120 MILLION THROUGHOUT THE PLAN'S HORIZON.**

NEW COMMERCIAL AGREEMENT TO STRENGTHEN PRESENCE IN CHINA

- **A FIVE-YEAR PARTNERSHIP AGREEMENT HAS BEEN SIGNED FOR THE EXCLUSIVE DISTRIBUTION OF GEOX COLLECTIONS IN CHINA.**

Biadene di Montebelluna, December 30, 2024 – Geox S.p.A., leading brand in classic and casual footwear listed on the Euronext Milan (GEO.MI) market managed by Borsa Italiana, heading a group (the "Group") among the leaders in the classic and casual footwear sector, announces that today, the Company and the Group's financing banks (i.e., Banca Monte dei Paschi di Siena S.p.A., Banca Nazionale del Lavoro S.p.A., Banco BPM S.p.A., BPER Banca S.p.A., Credit Agricole Italia S.p.A., Intesa Sanpaolo S.p.A., UniCredit S.p.A. e Deutsche Bank S.p.A. collectively, the "Banks") have executed binding agreements related to a refinancing plan (the "Refinancing Plan") necessary to implement the actions outlined in the Group's new 2025–2029 Industrial Plan (the "New Industrial Plan"), approved by the Board of Directors on December 19, 2024.

As part of the Refinancing Plan, the controlling shareholder LIR S.r.l. ("LIR"), which holds approximately 71% of Geox's share capital, has committed to support the implementation of the New Industrial Plan with capital resources of up to Euro 60 million.

NEW INDUSTRIAL PLAN 2025-2029

On December 19, 2024, the Company's Board of Directors approved the New Industrial Plan, covering the 2025–2029 timeframe, which builds upon the previous 2022–2024 plan approved on December 1, 2021.

In this context, the 2024 financial year, the final year covered by the 2022–2024 Strategic Plan, represents a pivotal transition, marking the launch of the New Industrial Plan. Revenue and profitability expectations for this year are broadly in line with the guidance provided to the financial community on November 14, 2024

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(see press release dated the same). However, during the year, extraordinary actions were undertaken, including the rationalization of the commercial perimeter and the reorganization of the operational structure. While these measures will determine a significantly negative impact on 2024 results, they lay the groundwork for benefits to be fully realized during the New Industrial Plan's timeframe (2025–2029).

The New Industrial Plan is structured into two phases:

- Phase 1 (2025–2026), “Strategy Re-Rooting and Performance Improvement” will focus on updating GEOX's business model pillars through the implementation of a renewed value proposition and enhanced operational efficiency.
- Phase 2 (2027–2029), “Acceleration” will concentrate on strengthening the presence in key markets and driving renewed international expansion.

The main guidelines of the New Industrial Plan include:

- Revenues exceeding Euro 850 million by 2029, with a compound annual growth rate (CAGR) of 5% over the plan's horizon, and an EBIT margin exceeding 7% by 2029. Planned investments amount to a total of Euro 120 million over the plan's duration.
- The ambition to reaffirm Geox as a leading brand in the 'Everyday Premium Footwear' segment and to strengthen the brand identity “RESPIRA” with content that is not only functional and technological but also emotional.
- A progressive expansion and rejuvenation of the customer base (targeting 35-50 years old) while simultaneously reinforcing the existing core customer segment (50+ years old).
- Recalibrating marketing resources, with increased allocation to digital channels supported by PR and influencers.
- Strengthening Geox's leadership through further improvement in the quality-to-price ratio and simplification of collections, leveraging the development of iconic products.
- Leverage on the Ready-to-Wear line to enhance brand positioning and support cross-selling opportunities.
- Enhancement and expansion of the current, highly efficient Retail network.
- Implementation of a full-omnichannel commercial strategy aimed at ensuring sustainable growth across all channels over time.
- Focus on the Wholesale channel with a shift toward a “Wholesale-like-Retail” model.
- Further acceleration of the digital strategy, including the integration of AI into high-ROI processes.
- Positioning the ESG agenda at the core of the company's strategy and corporate culture.

REFINANCING PLAN

As part of the preparation of the New Industrial Plan, the Company has initiated discussions with its lending banks (the “Banks”) to ensure alignment between the Plan's actions, funding sources, and the obligations arising from existing debt.

The Company and the Banks have agreed on the terms of a refinancing plan (the “Refinancing Plan”), which includes the following key measures:

- i. Rescheduling of medium- to long-term loan repayment plans, extending final maturities by 24 months and adjusting repayment schedules with specific banks.
- ii. Equity contribution to the Company, amounting to Euro 30 million at the beginning of 2025 and an additional Euro 30 million in the autumn of 2026, backed by the commitment undertaken by the controlling shareholder, LIR, as detailed below.

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The Refinancing Plan, together with the equity strengthening ensured by LIR's contributions, will substantially cover the Company's financial needs while maintaining sufficient liquidity levels to support the Company's scale and business complexity.

On this date, the Company and the Banks involved in the Refinancing Plan signed a framework agreement outlining the binding terms and conditions for its implementation and the ancillary documentation.

Equity Strengthening and Commitments by LIR

As part of the Refinancing Plan, the Company's General Meeting is expected to resolve on a capital increase with payment and in divisible form for a maximum amount of Euro 30 million (inclusive of share premium), offered on a pre-emptive basis to shareholders and to be executed by June 30, 2025 (the "**Rights Issue**"). It is further envisaged that each newly issued share will be freely coupled with one warrant (collectively, the "**Warrants**"), defined as financial instruments that entitle the holder to subscribe for one new share at a subscription price to be determined. The Warrants may be exercised within a specific time window, which will not start before July 1, 2026, and will close no later than September 30, 2026 (the "**Exercise Period**"). To facilitate warrant exercises, the Company is expected to resolve on a reserved capital increase of up to Euro 30 million (the "**Warrant Capital Increase**").

In this regard, the controlling shareholder, LIR, has committed to the Banks to: (i) Subscribe to and pay for its proportional share of the Rights Issue. (ii) Underwrite any unexercised shares from the Rights Issue for a maximum total commitment of Euro 30 million, inclusive of its proportional share.

Furthermore, LIR has committed to fully exercise – or ensure the exercise by a third party, upon prior notice to the Banks – all Warrants it holds during the Exercise Period and to subscribe to the related new shares arising from the Warrant Capital Increase. Should the total amount contributed to Geox from the Rights Issue and warrant exercises fall below Euro 60 million, LIR has pledged to contribute the shortfall by October 15, 2026, as an interest-free, subordinated shareholder loan.

The commitments undertaken by LIR, as described above, constitute a related party transaction of greater significance under Consob Regulation No. 17221/2010 and the Company's Related Party Transactions Procedure (the "**RPT Procedure**"), as LIR holds a controlling interest in the Company. The Company will publish the required disclosure document under Article 5 of Consob Regulation No. 17221/2010 following the applicable procedures and timelines.

For authorization purposes, the RPT Procedure requires that such transactions of "greater significance" receive prior approval from the Board of Directors, supported by a reasoned and binding opinion from a committee composed exclusively of independent, unrelated directors (the "**Major RPT Committee**"). Following its assessment, the Major RPT Committee expressed its favorable opinion on the transaction on December 19, 2024.

NEW COMMERCIAL AGREEMENT

Finally, the Company announces that on December 13, 2024, it entered into a partnership agreement with a leading Chinese operator with international expertise aimed at strengthening the Geox Group's presence in the People's Republic of China. The partnership includes an exclusive distribution agreement, effective for five years starting from the Spring/Summer 2025 season, for GEOX collections.

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DECLARATION BY THE MANAGER RESPONSIBLE FOR THE PREPARATION OF COMPANY ACCOUNTING DOCUMENTS

The manager responsible for the preparation of the company's financial documents, Dott. Massimo Nai, hereby declares, in accordance with paragraph 2, article 154 bis of the "Testo Unico della Finanza" (*Italian Consolidated Law on Financial Intermediation*), that, based on his knowledge, the accounting information contained in this document corresponds to the results documented in the books, accounting and other records of the company.

FOR MORE INFORMATION

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GEOX GROUP

Geox Group operates in the classic and casual footwear sector for men, women and children, with a medium/high price level, and in the apparel sector. The success of Geox is due to the constant focus on the application of innovative solutions and technologies on the product that guarantee both impermeability and breathability.

Geox is one of the leading brands in the "International Branded Casual Footwear Market". Geox technology is protected by 61 different patents and by 6 more recent patent applications.

DISCLAIMER

This document includes forward-looking statements, relative to future events and income and financial operating results of Geox Group. These forecasts, by their nature, include an element of risk and uncertainty, since they depend on the outcome of future events and developments. The actual results may differ even quite significantly from those stated due to a multiplicity of factors
