

Moncler S.p.A

"Full Year 2024 Financial Results Conference Call"

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OPERATOR:

Good evening. This is the Chorus Call conference operator. Welcome and thank you for joining the Moncler Group Full Year 2024 Financial Results Conference Call. As a reminder, all participants are in listen-only mode. After the presentation, there will be an opportunity to ask questions. Should anyone need assistance during the conference call, they may signal an operator by pressing "*" and "0" on their telephone.

At this time, I would like to turn the conference over to Ms. Elena Mariani, Group Strategic Planning and Investor Relations Director. Please go ahead, Madam.

ELENA MARIANI:

Good evening, everybody, and thank you for joining our call today on Moncler's Full Year 2024 Financial Results. Let me introduce you to the speakers of today's call, Mr. Remo Ruffini, Moncler Group's Chairman and CEO; Luciano Santel, Chief Corporate and Supply Officer; Roberto Eggs, Chief Business Strategy and Global Market Officer; Gino Fisanotti, Moncler Chief Brand Officer; and Robert Triefus, Stone Island CEO.

Before starting, I need to remind you that this presentation may contain certain statements that are neither reported financial results, nor other historical information. Any forward-looking statements are based on Group current expectations and projections about future events.

By their nature, forward-looking statements are subject to risks uncertainties and other factors that could cause results to differ, even materially, from those expressed in, or implied by these statements, many of which are beyond the ability of the group to control or estimate. I also remind you that the press has been invited to participate to this conference in a listen-only mode.

Finally, I kindly ask you during the Q&A session to stick to a maximum of 2 questions per person to give all participants the opportunity to ask questions.

Let me now hand it over to our Chairman and CEO, Mr. Remo Ruffini. Mr. Ruffini, over to you.

REMO RUFFINI:

Good evening, everyone. I'm proud to say that in 2024, our Group achieved remarkable results despite a complex and volatile environment. Group revenues were above €3.1 billion, with both Moncler and Stone Island delivering double-digit growth in the DTC channel. We maintained a resilient EBIT margin at 29.5%. We reached €1.3 billion euros of cash on our balance sheet.

Our sustainability efforts continue and have been recognized in key rankings. These results prove the solidity of our business model and our operational discipline. But as always, results are more than just numbers. It is about our search for uniqueness, it is about pushing creative boundaries, never settling for the ordinary.

Over the past year, we have focused even more on what makes our brand truly distinctive. The events of Moncler Grenoble in St. Moritz and Moncler Genius in Shanghai were key moments, which reshaped the concept of brand experience. Stone Island also continued to reinforce its strong identity with powerful brand initiatives, building even stronger connections with new and loyal communities.

As we move into 2025, we see a global macro environment still uncertain. Yet, we are confident in our ability to navigate the future, inspired by what we believe since day 1, never compromise, never get bored, so we don't bore others, always dream to make others dream.

Thank you. I leave the floor to Gino.

GINO FISANOTTI

Good afternoon and good morning to everyone. Before we start, I will say two words and then we will see a kind of recap of the year. But before I present that, I would say, 2024 has been a special year for the brand. We are really proud of how we came across in the market and the connections we were able to create with customers out there. But before I keep talking about what we have done in Q4, let's take a look at this recap of the entire year together. [VIDEO]

Okay. Always hard to follow a recap video. But again, we will just highlight a few things. And of course, then we will go into questions later. But again, I mentioned before this was a very special year for the brand, as Mr. Ruffini mentioned just at the end of the video. I think that it was a proving point for us that creativity is the energy we use to be extremely distinctive in the luxury world. And as you can see, entering Q4 the City of Genius in Shanghai was a perfect example of that.

As we probably mentioned before, this has been the most impactful brand event, we were able to accomplish as a team. And, for us, it was incredible to see that we were able to drive an amazing level of brand awareness, not only in China but around globe, which was really important to see.

Again, then I will not go through the details right now, but as we discussed probably before, and we saw in the video, I think these have been incredible in terms of the total reach and engagement around the world and even the ability to leverage social media platforms in China, specifically to have over €67.5 million viewers live stream into the event, which is something unprecedented, of course, for us, for any other luxury show done before in China.

If we move to the next slide, as we presented this in Shanghai, we were able to launch 4 different collections that we were presenting in October during the City of Genius. Again, I will say just to summarize here, I think we saw very positive reception for all these collections across all regions, which is very important and very good for us to see, and more importantly we always bring a lot of energy into the retail landscape at a very important time of the year for the brand as well.

If we move to the next slide, I think you saw something briefly there in terms of Moncler Grenoble campaign. Fall/Winter 2024 has been our biggest brand effort for Grenoble so far in terms of the results we've seen on this campaign. Of course, the campaign came as a follow-up of the presentation we have done at the beginning of the year in St. Moritz. And I can say this because it's no secret. We're about to host Fall/Winter 2025 new show in Courchevel in just a few weeks in the middle of March.

So again, very happy with the work done around Grenoble. And I will say even happy of how we were able to create incredible extensions with key partners like Mytheresa, Neiman Marcus or Antonia in Milano, who were part of this Grenoble campaign.

Then, I think it's probably more for the Italians in the call, we had the incredible honor and pleasure to work with someone like Paolo Sorrentino to create this incredible welcome to winter on the 21st of December that we were able to leverage across our digital platforms. And as I mentioned before, it was an incredible honor for us as a brand to have the luxury to work with someone like Paolo to receive the most important season of the year.

Then, last but not least, from my end, regarding Moncler Collection, I just want to make a specific comment regarding RE/ICONS, but beyond that,

we are showcasing a very specific efforts in terms of how we are using Moncler Collection to elevate the brand as a whole, starting, of course, from product. And in this case, RE/ICONS represents a really good opportunity for us to celebrate our most iconic products and distort them. We really sign them, we recreate them both for the current, I would say, loyal customers of Moncler, but more importantly, even to bring new and more lovers of the Moncler brand.

So again, Moncler Collection remains another very important pillar for us, of course, not only for the business, but also in terms of brand elevation and product presentation. With that, I will let Robert start telling us a bit about Stone Island.

ROBERT TRIEFUS: Thank you, Gino, and good day to everyone. Before making my main comments, I will also take the opportunity to show a short video of the highlights of 2024. [VIDEO]

So before focusing on the Q4 highlights I just like to remind everyone a bit of the strategic journey we are on which I outlined a year ago. Since the acquisition, the transformation of Stone Island has been focused on 3 strategic pillars.

First of all, refining the architecture of the product offering. Second of all, elevating our distribution footprint with an omnichannel customer-centric approach. And thirdly, and most evident in 2024, establishing a distinctive brand positioning and greater visibility, therefore, for the brand.

If we think about product, we have focused specifically on restructuring the collection by strengthening and expanding our core iconic categories that are central to the brand's DNA, such as outerwear and knitwear, while also limiting collaborations to concentrate on dedicated strategies that

support the momentum of our 3 sub collections Ghost, Stellina and Marina. And each one of those is designed to drive consideration among new customer segments.

From a distribution standpoint, we've been taking control, as everyone knows, of our distribution by phasing out all third-party distributors and internalizing operations in all key markets, all the while dedicating our attention on our own DTC channel. And of course, part of that has meant rolling out our retail excellence program. At the same time, we streamlined the wholesale channel by adopting a more selective distribution approach while we have obviously been elevating the customer experience at wholesale.

And last but not least, a pivotal step in this journey has been the internalization of e-commerce which we completed in August 2024. So as I said, this past year has been a year of great focus on brand positioning and brand visibility. At the start of 2024, we embarked upon a new chapter for the brand with the launch of our first “Community as a Form of Research” advertising campaign, which is aimed at increasing the global brand visibility by engaging our community. Of course, we've seen a very visible participation from the likes of Liam Gallagher, Jason Statham, Peggy Gou. And of course, we have embarked upon other important brand initiatives, partnering with Frieze in 4 cities around the world, launching a documentary that tells the story of our research and innovation hub at Ravarino in Emilia Romagna, we've published a second edition of our Storia book with Rizzoli. And last but not least, we have extended our relationship with the music world partnering with Apple Music on Stone Island Sound.

The overarching goal is to expand our audience by reaching new consumer segments. While, of course, maintaining the strong bond with

the communities, the brand has cultivated over time, loyal enthusiasts who have worn the Stone Island badge with pride for years.

So in closing, the overarching philosophy is not to take shortcuts. We want to grow in a sustainable and healthy way, always doing what is right for the brand. And I'm confident that we have laid the right foundation to unlock the long-term potential of Stone Island. Thank you.

ROBERTO EGGS:

Well, thank you, Robert. Let me come now to the results of both brands after having seen all initiatives that have been driving the performance of Moncler and Stone Island during the year and especially in Q4.

For the full year result of Moncler, we reached €2.7 billion which is a plus 8% compared to 2023. Q4 were up 8% year-on-year, accelerating compared to Q3. Asia, which includes, for us, Asia Pacific, Japan and Korea grew by 11% in Q4, improving sequentially. This was supported by a return of solid double-digit growth in our Chinese Mainland territory. Despite a high comparable base and macroeconomic conditions, Japan and Korea and the rest of Asia Pacific also delivered a solid performance.

EMEA was up 3%, improving compared to Q3. The acceleration of the DTC channel has been driven both by the contribution of tourists and locals. The Americas was up 5% year-on-year with the performance of the DTC channel driving the improvement compared with the previous quarter, both in the physical and in the online channel.

If we look at the results by channel, Moncler DTC revenues rose to €2.3 billion in full year 2024, which is up plus 11% versus 2023. The comp sales have been up 3% for the full year. In Q4, DTC revenues increased by 9% year-on-year driven by sequential improvement across all regions

despite a progressively tougher comparable base. The physical channel continued to outperform the online channel.

Wholesale revenues reached €375 million in full year 2024, down 7% versus 2023. Q4 revenues declined by 7%, impacted by still challenging market trends and also by the upgrade of our distribution.

If we look at the result of Stone Island, total revenues reached €402 million, which is a minus 1% compared to 2023. Q4 revenues were up 10% year-on-year. In Q4, Asia grew up 23%, mainly driven by the ongoing strong performance of Japan and improving trends in the Chinese market. Korea continued to show softer trends even if improving towards the end of the year.

In Q4 EMEA revenues were up 4%, thanks to the solid performance of the DTC channel and improving trends in the wholesale. Italy was the best performing market of EMEA. The Americas revenues were up 2% in Q4.

If we look at the results per channel regarding Stone Island, we see that the Stone Island DTC revenues grew up 23% during the year for a total of €209 million. In Q4, revenues of these channels were up 15% with Asia and EMEA outperforming. The physical channel continued to outperform the online channel across all regions.

Wholesale revenues reached €193 million for the full year, which is a minus 19%. In Q4, wholesale revenues decreased by 1%, showing substantial improvement. We are continuing to work, as Robert was saying, for the improvement of the quality of the network.

Talking about the network, the total amount of stores that we reached at the end of the year was 286 for Moncler and 90 for Stone Island, in the

wholesale channel 56 shop-in-shops for Moncler and 9 for Stone Island. The most remarkable opening that we have had during the quarter were Shenyang, New Bond Street in the UK and Boca Raton.

We can see here some of the picture of the store we opened in New Bond Street, which is an additional store, we will keep the store that we've on Old Bond Street until the end of 2025, and the good results that we had were pure additional sales at the end of the year. The other opening was Boca Raton, in December as well. This year 2024, most of the openings took place in Q3. So we have been able to leverage this openings in Q4.

LUCIANO SANTEL: Thank you, Roberto. Good afternoon, everybody, and thank you for attending our call today. We are now at Page 24, where we report the profit and loss for 2024, which indicates a quite good profitability at all the different levels. Gross profit, as you see higher than last year, but due, of course, to the channel mix. Selling expenses grew compared to last year, but not more than the growth of gross profit, which, indicates a good solidity of the productivity of our DTC business.

G&A, that incorporates investments that we keep doing in our organization and marketing, is slightly higher than last year. Operating profit, €916 million with an EBIT margin of 29.5%, slightly behind the 30% of last year. But honestly, better than what we expected only a couple of months before the end of the year.

Something important to highlight is that the net profit is better than last year, also in terms of margin, at 20.6% against the 20.5% that we reported last year due to a good management of our cash cost and higher interest rates.

Let's move now to Page 25, where we report Capex. Capex still in the region of 6% on our revenues, which is one of our, let me say, golden rules, more and more equally distributed between our retail network and what we call infrastructure. Infrastructure, of course, as you know, includes investments in production, logistics and information technology. So, nothing special and nothing different from what I'm sure you also expected.

Next Page 26. Net working capital, still quite healthy, honestly, very good inventory management, a very good credit control and the overall net working capital slightly above 8%.

Net financial position, we touched at the end of the year €1.3 billion of cash with net cash generation of almost €300 million and after a distribution of €311 million dividends last year.

Important to highlight that today, the Board decided to propose to the Shareholder Meeting a distribution of dividend for the year 2024 of €1.30 per share, last year it was €1.15, so an increase of 13%, with an expected cash out of about €350 million.

Next page, balance sheet, honestly, nothing to comment on this slide. And the cash flow statement, very interesting, very important but let me say, very self-explanatory. Of course, ready to answer your questions, if you have any. And then 2 slides on our sustainability commitment and effort, and let me say, great achievements. Thanks to the great job of our sustainability team. Thank you all and we are ready now to answer your questions.

ELENA MARIANI: Thank you. We will pause for a few seconds to gather questions from the audience. As a reminder, I kindly ask you to stick to 2 questions per person to give all participants the opportunity to ask questions. Thank you.

Q&A

OPERATOR: Thank you. This is the Chorus Call conference operator. We will now begin the Q&A session. Anyone who wishes to ask a question may press "*" and "1" on their touchtone telephone. To remove yourself from the question queue, please press "*" and "2." Please pick-up the receiver, when asking questions. Anyone who has a question may press "*" and "1" at this time. We will pause for a moment as participants are joining the queue.

First question is from Erwan Rambourg, HSBC. Please go ahead.

ERWAN RAMBOURG: Good evening everyone. I wanted to mention what Mr. Ruffini said about never getting bored, so well done on a very solid, impressive year. I will try to stick to 2 questions, even though it's a bit difficult. I'm wondering, given the vitality and the resonance of the brand, if you think differently about the long-term algorithm of growth. Can we still hope for mid-to-high single-digit base expansion year-after-year? And how do you think about pricing in the equation for the long-term? And then secondly, LVMH took a small stake a while ago, they are probably happy bunnies having done that in September. Is there any change in the relationship there? Is there any way to leverage the fact that you're cousins, if I could put it that way? Is there any way to leverage the Group in terms of possibly getting better locations in malls or sharing resources, whether human resources or other any comment on what you can do for each other with that long-term view? Thank you very much.

LUCIANO SANTEL: Hi, Erwan. Thank you for your question. About your first question, the shape of our growth in the future, let me say that talking about space, as you know, in the past and also for 2024, we said that space should represent mid-to-high single-digit. I can tell you that for this year will be more mid than mid to high. And I think that in the future will be the same, because our store base has been growing. So, the growth rate we expect is closer to mid than mid-to-high. Of course, the space contribution will come from still a selective number of new openings, but also more and more from the expansion and relocation of the existing stores to make them more visible, bigger and more adequate for our business model.

About the pricing, for 2025 we still expect price increase in the region of mid-single-digit, totally due to inflation in our production cycle. And for the future I can tell you that we will never plan to increase prices if not driven by inflation. Of course, there might be a mix effect because there are opportunities for Moncler to work on the architecture of the collection, introducing more and more high-end products. On the other side, we are happy to see the knitwear category that keeps growing and faster than outerwear, a category that has a lower price than outerwear. But overall the mix effect is expected to remain neutral.

REMO RUFFINI: Regarding your second question, this was a transaction at the holding level and the partnership reinforced for sure Double R positioning in Moncler, providing stability. It is important to flag that Moncler Group remains fully independent, and we do not expect any synergy, because they are not involved in our strategy. Having said that, in the next Board, we are going to have one board member from LVMH, but we do not expect any synergy at the operating level. Thank you.

OPERATOR: Next question is from Susy Tibaldi, UBS. Please go ahead.

SUSY TIBALDI:

Good evening. Thanks for taking my questions. My first one would be on the growth by the different nationality clusters. Your growth by region was strong across the board, but it standouts with APAC. You said China double-digit, if you can be any more specific on the Chinese, and also some of the other nationalities? And do you think the strength with the Chinese was at all perhaps influenced by the early timing of Chinese New Year? Maybe there was some earlier shopping versus last year? And secondly, I know you don't comment on current trends. There is this argument that the consumer spending is concentrating a bit more around key events, for example, Christmas or New Year. And I was wondering if it's something that you're observing too, because you had a weaker Q3 and then you more than caught up in Q4. So, maybe now after the holidays, is there any trends at all that you can flag to us, any observed change in consumer behavior?

ROBERTO EGGS:

Thank you for the questions, Susy. It's Roberto speaking. I would like to answer the first part of your question, which is the growth by nationalities. I'll give a little bit more color on the performance with the Chinese. Well, indeed, the performance of the Chinese has been good over Q4. It has been good not only in December, but throughout the Q4 quarter. So, I don't think we can attribute this performance only to the Chinese New Year, where we have seen the impact much more in January. It has been a double-digit growth that we have seen with Chinese, not only in China, but also offshore, a little bit in Korea and also in Europe. The Koreans were flattish, but improving sequentially versus Q3. Japanese have been a little bit weaker, but overall, the performance of Japan has been good, driven by the Southeast clients and especially by the Chinese. We have maintained a gap that is roughly 5% between China and Japan, not more than that. Europeans have been positive single-digit in most of the countries in Europe and the performance of EMEA has been also slightly helped by the performance of the Americans and of the Chinese. The

Americans were high single-digit positive, part of the growth was coming from the US market, and part of the growth was coming from the good performance that we have seen with the Americans in Europe, especially in Paris and in Milan.

GINO FISANOTTI: A couple of things to add in terms of consumer behavior or macro trends. The overall trend that we are seeing is a really strong reaction to every brand effort we have been putting in the market. And I think this is true across the three dimensions of the brand. Connected to what Roberto was saying, our investment in China really paid off. This was a very big effort that, of course, took a long time to commit to you, but this will definitely pay-off for us. I think the efforts around Grenoble that started at the beginning of the year with the presentation of the collection and all the way through to the launch at the beginning of December, we're seeing also into the beginning of this year a good reaction across the board. Regarding Moncler Collection, there are two different aspects to consider there, one is the brand efforts we have been doing, the other one is, of course, the seasonality of our product and the strength we have as a brand as we go into Q4. In terms of what we are seeing in consumer behaviors, customers are still reacting very positively to the efforts we are doing as a brand. Of course, this is end-to-end, from product all the way down to the retail experience provided and everything in between. And I will say the three dimensions of the brand for us in Q4 have been receiving a strong reaction across the entire market.

SUSY TIBALDI: Thank you.

OPERATOR: The next question is from Louise Singlehurst with Goldman Sachs. Please go ahead.

LOUISE SINGLEHURST: Hi, good evening to you all. Thank you very much for taking my questions. Two for me then, please. Just following up from Susy's question in terms of the consumer behavior and Q4, obviously, we've come a long way from the implied negative like-for-like in Q3, with a very nice acceleration into Q4. We know we're up against the tough comparable for Q1. What can you tell us, I realize there's the timing impact of the Chinese New Year, so January alone isn't a good start for us to consider, but what color can you give us for the year-to-date, given how important this quarter is, please? And then just on the space expansion point, are you thinking any differently about the geographical allocation of stores, last year, we did hear a lot about the potential for the US expansion? We know you've got some exciting developments opening up in the US over the next year or two? Is there any change in thought process about where you are opening space? Thank you.

ROBERTO EGGS: Well, thank you for the question, Louise. I will answer to both of them. First of all, what we have seen throughout the 2024 was an abnormal very very strong growth that we had in Q1 that was helped by a series of factors, which were linked to a very cold weather in China, the fact that we had a fall/winter season that started late in 2023, so we had enough stock to fully fulfill the demand. We were also very, very well-prepared last year because we had a base of comparison in Q1 2023, that was so high that we put a lot of marketing activities more at the CRM level, and we had the St. Moritz event that helped the performance of Q1. So, I would say that this performance of Q1 was a little bit abnormal and influenced also the way you see the performance throughout the year. Q3 clearly has been impacted by the economic environment. But what we have seen is a return of clients in the season, that is the go-to-market season for Moncler. We are really top of mind. So, if there is a consumer behavior that we start to sense is that in this more difficult moment, consumer tend to go to the brands at their peak moments. And clearly, we

are top of mind during those months, and this has helped the performance of Q4. Regarding the performance of the start of the year, we are fairly happy about the performance. With the Chinese, we have seen a trend that is a little bit the same that we have seen at the end of the year. But I would not like that you take this as a proxy for the Q1 results, because this year, the full impact of the Chinese New Year has been seen in January. February will be probably more difficult, because we will have a base of comparison when we had some effect of the Chinese New Year of last year. So, we'll have a better reading by the end of February.

Regarding the space expansion, I will talk more in terms of projects that we have in the pipeline and the way we have been approaching the market in these past years. The results that you see are always the final results of a lot of elements that we have been putting in place. With the 70th anniversary of Moncler, with the flagship openings that we have had, and with all the events we have had in 2023, that was the year of the performance of EMEA, and we had a lot of projects also that were opening during that time. In 2024 we had a lot of projects of relocation and expansion in the Chinese market. We were able to get ground floor location and much better visibility in Shanghai, in Beijing, Plaza 66, China World, plus at the end of the year also the event that we have had with the Genius Show in Shanghai that has helped clearly also to give more visibility to the brand. In the way we foresee our investment in 2025-2026, and this is a multi-year investment that we are going to do, not only in terms of retail expansion, but also in terms of visibility that we want to give to the brand, we are going to focus on the Americas, and mainly in the US with a city approach. We don't want to cover the full US, but there will be some key cities where we would like to increase the visibility of the brand. So clearly, in terms of the retail footprint expansion, Americas, mainly US, but also Vancouver, where we have some nice projects, and also Mexico and Sao Paulo will be top on the radar screen of Moncler.

LOUISE SINGLEHURST: Thank you, very much.

OPERATOR: Next question is from Edouard Aubin, Morgan Stanley. Please go ahead.

EDOUARD AUBIN: Good evening. So first question is for Gino. Year-after-year, Moncler has continued to impress in terms of the brand building efforts. Could you please just comment in terms of the past 3 months to 6 months in terms of the communication, what you've changed and come back, if you wouldn't mind, on Genius? I know it's just one event, but it looks like you had a great activation campaign. So, if you can share a little bit of your secret sauce, because you know, really you delivered there. And question number two, is for Robert, on Stone Island. You talked about all of the efforts you've made in the past few quarters about repositioning the brand in terms of distribution and communication and product. Is 2025 going to be another year of repositioning or are we going to start to see a pickup in terms of the growth or should we have to wait for 2026-2027? Thank you.

GINO FISANOTTI: Edouard, thank you for the question. I don't know if I'm able to give you the secret sauce, but I will try at least to explain a bit of what happened there. I think the first thing is this is something that we plan a lot of time in advance. It was a massive team effort for over 18 months to put this together. And of course, what you see is an effort that starts normally in terms of communication and engagement with customers three to four weeks before and last three to four weeks after, right? And this is what allows us to create a very strong brand awareness, and we always discuss about the reach, about how we can go and connect with more customers and then, of course, try to double down on the engagement we get there.

You always have many challenges when you try to do this, but one of the concerns was that normally it's not easy to do something from China for

China, but that can transcend into the world, right? And I think this is something that we took to the extreme into the detail to make sure that this effort was something that can go way beyond. And this is something that we're proud of, of all the work that the team was able to do, but I think one of the areas where we're extremely proud is not only to see the impact that this definitely had in China for all the conversations we have had so far, but also how this story was able to travel from all the different markets around the globe. And this was something that came from the content created with local talents, with local producers, with local film makers, and with local talent in their mother language. At the same time, that was supplied through a filter over a global takedown, which was super important.

I always remind the night we did the event in Shanghai, at the same time, we were taking over Harrods in London to showcase live and turn the facade into a catwalk where people were able to see the different looks from the show. So, I'm giving you just nuances to make you understand that this was a very comprehensive, end-to-end effort across the entire organization. This wasn't just on marketing or just retail or just digital or just product, it was all the things across multiple designers.

Last comment there, probably more related to China itself, I think the level of obsession around Douyin, Weibo, Red and WeChat for us was very important. Having a live stream session of 67.5 million people, it's not something that we take for granted, neither that we are looking forward to repeating every year because it's not easy. The understanding of how we can create specific content that resonates with these platforms - and we know that the penetration of these platforms and the usage of these platforms in China are very deep in a specific segment - was something that took us a lot of time with the local team to understand, but it was a lot of different levels of obsession that allowed us to create this level of detail. Of course, we can share more, but those were the main things, I would

say, a very extreme level of detail in every aspect of the plan from the event, to before and especially after.

ROBERT TRIEFUS: In regard to Stone Island, as I said at the end of my remarks, I do believe that the foundations in terms of those 3 strategic pillars are largely in place. We have a collection now that is very representative of the DNA of the brand. As I highlighted, we have doubled down on core categories that are perceived to be the DNA of the brand. And we're seeing good traction, particularly in those core categories. In terms of the distribution, as I have mentioned, the selective framework that we introduced last year has already allowed us to develop more strategic partnerships with our key wholesale partners. That is helping us to deliver a strong performance in their locations. Those partnerships were evidenced in my slides, for example, Holt Renfrew in Canada. We brought an archive exhibition to their location in Montreal. Those kinds of initiatives now are unlocked because we have these very, I would say, fruitful discussions about how the brand can be best represented. In terms of the marketing and the brand positioning, you know, Rome wasn't built in a day, and it takes time to ensure that a brand positioning is visible and well understood. I think that given that we launched this more intentional approach to our marketing last January, we now have a year under our belt and the metrics that we look at in terms of the brand reach, brand engagement are all pointing in the right direction. We also have a brand perception, a research that takes place every 6 months that is also helping us to track how successful we're being in reaching the new customer segments, what we considered to be our personas and we're being effective in that. So overall, I would look at 2025 as a year where we would expect the momentum that we're now beginning to see in the DTC channel continuing. And albeit the wholesale will continue to remain negative, I would hope that the foundations that I've just described with our partners will also begin to see fruits in that channel. Last and not least, the integration of .com, which took place in

August, which is a very important undertaking both from a back end and a front end standpoint. We are now able to provide omnichannel services that we weren't able to in the past. And from a brand storytelling perspective, obviously, operating your own front end is allowing us to do, I think, a much better job of underlining the core DNA of Stone Island, both from a product and a community standpoint.

OPERATOR: Next question is from Melania Grippo of BNP Paribas. Please go ahead.

MELANIA GRIPPO: Good evening, everyone. This is Melania Grippo from BNP Paribas. I have two questions. The first one is on the wholesale performance for the Moncler brand. What are you expecting for 2025?
And the second one is on the use of your cash. You have a cash pile of over €1 billion. Can you tell us what are the uses you plan to do with this cash, also if you are considering any M&A? Thank you.

ROBERTO EGGS: Thank you for the questions, Melania. On the wholesale part, regarding Moncler – but I think the remarks that we'll be doing are also valid for Stone Island – first for Moncler, we are expecting results that are going to be in line with the result of 2024. So high-single-digit negative because we'll continue to enhance and increase the quality of our network. This is the main focus that we have. So there will be some further decrease in terms of doors, we will continue also to move our airport business more into DTC to get a better control on our distribution, and there are a couple of conversions that are planned in the Middle East, because it's a region that's still relatively small for us, but that is growing and where we want to get the direct-to-consumer approach. So we are going to move a couple of stores in the Middle East into a DTC business.

Regarding Stone Island, we'll continue to upgrade the distribution. We foresee first half of the year a little bit more negative than the second half

of the year. Overall, the decrease that we have seen in the wholesale business for Stone Island is going to improve. It will remain negative but not as negative as we have seen in 2024, which was very much linked to the upgrade and the elevation of the distribution, but also the fact that we have been converting a business that was mainly a wholesale business 3 years ago. It was at more than 85% wholesale business and now for the first year, we are more DTC than wholesale. So, it's really part of the strategy we want to put in place to be closer to the consumer and to be more in control of the brand.

LUCIANO SANTEL: Hi Melania, thank you for your question. I'm not sure you will be happy with the answer. Cash right now may be a problem. Honestly, it's a nice problem. And what is nice for us, but I think also for the market, is not the cash itself but the capability of this company, of this business to keep generating cash as we did again last year. As you know, we don't have a M&A strategy, and we never make an acquisition only because we are in a hurry due to the expansion of our cash. Right now, we are and we want to remain very focused on the two great brands that we have, because we see huge opportunities for Moncler and huge opportunities for Stone Island. But in order to fully develop and take advantage of these opportunities, we need to work hard and to remain, all of us, very focused on the two brands and what may make them more and more successful.

And something more financial, I hope the market will appreciate that considering the good results of profit, but of cash too, we are significantly increasing our pay-out for the dividends we will be distributing in the upcoming May. This is the answer, Melania.

MELANIA GRIPPO: Thank you. Thanks a lot.

OPERATOR: Next question is from Luca Solca, Bernstein. Please go ahead.

LUCA SOLCA:

Good evening. Luca Solca from Bernstein. I would like to focus my two questions on the strategic growth avenues that you have in front. Please correct me if I'm wrong, but when it comes to the opportunity to allocate capital, I see two major avenues. One, which seems to be immediately available is the continuing stretching up of the Moncler brand. I see the experiment you carried out in London and what Roberto was referring to as doubling revenues and the look and feel, the high-level look and feel of your new flagship, the higher price products within Grenoble very encouraging, and this seems to be an opportunity that you could potentially exploit elsewhere. I think you also have two stores, one with a higher-end dedication in St. Moritz in Switzerland. I wonder if this indeed is an opportunity that is immediately available and that you could dedicate capital to and that could potentially allow you to drive growth in the top line for at least another 3 or 5 years, well above average.

The second question is about Stone Island. What you're saying about - maybe I'm reading a little bit in between the lines here -, but it seems that this growth opportunity has yet to mature. You've done a lot of homework. You have developed quite a compelling product. But the brand heat, the in-store traffic and the retail productivity doesn't necessarily seem to be there. So, are we right to anticipate that as far as new capital allocation is concerned, you're probably going to pause and wait and see for this brand momentum to ignite, and at that point, you could potentially push the development forward? Thank you very much.

ROBERTO EGGS:

Thank you, Luca, for the questions. In terms of capital allocation, clearly, as you know, the retail expansion is one element. We always privileged the quality over the quantity of projects. So, yes, we had seen some very encouraging examples. You mentioned two of them where we doubled down on the retail presence and without cannibalization effect because the product offer is slightly different. We work to really distinguish the two

product offers. I know it's a very good example with one store dedicated to Grenoble and another one dedicated to the main Collection and Genius. And we have other projects with this idea for the years to come, but they are going to be very selective. Another good example is London. We know also that when we increase footprint or we are able to negotiate ground floor location with the example of China, but not only, we have had some very good examples in Europe, the increase of traffic and visibility is further increasing the performance of Moncler without any dilution of the sales density. So, it is something we are working on. We know that there is a lot also of enhancement of the current distribution that we need to do. So, this is why this year, we are going to have slightly more relocation projects than only openings, and we are very selective in the choice we are making.

GINO FISANOTTI: One thing probably, Luca, Gino here, to add to what we were discussing. Internally we always talk about brand elevation, and I think there is a very tangible effort regarding our Moncler Collection and everything we're putting in the market when we are starting to communicate Moncler Collection every single season. Grenoble definitely represents an incredible opportunity for us not only to reclaim what is ours and what is coming from our DNA, but the opportunity to keep bringing the brand to new places from product to the brand, to the experiences you were able to see in St. Moritz and what you are about to see in just few weeks. And then even in exercises like Genius, despite the big effect that Genius normally creates, I think you can see efforts regarding certain collections we were able to present in Shanghai. And I will use the example of Jil Sander about how we can keep trying to not only extend, but push up and elevate the brand very consciously across all the efforts we're trying to put together.

LUCIANO SANTEL: Hi Luca. About Stone Island, of course a different story, honestly not that much different story, but let me say, different stage of development of a story that may be similar to Moncler. Of course, as you know, right now, we are investing, we are allocating resources to the brand much more than in the past, still on a qualitative way. And I think that the result of this activity is quite visible. I think that you may appreciate the activity, the work that Robert and his team have developed over the past couple of years. Another allocation of resources and capital is something that we plan to develop on the retail network. But right now, we want first to properly develop the retail culture, to bring the culture that has been developed over the years in Moncler to Stone Island to make the existing stores more and more productive on all the different metrics of retail. It's something that requires a culture that takes time. And so, for this year, for example, except for some very selective new openings that we expect to develop to reinforce the identity of the brand, we are not planning to open many stores.

This kind of capital allocation may happen next year, may happen more the year after. It's something that we want to do only when we are confident that the machine may work properly. Of course, Stone Island has great opportunities. But again, just to mention one valuable metric, the sales density of Stone Island is growing, is doing better and better, but it is still below what Moncler is delivering. And so again, this is something that keeps us all, Robert and his team very busy and very focused.

ROBERT TRIEFUS: Luca, just too quickly reinforce what was just said. I think that we have very clear objectives and priorities in 2025. As was just said, we are beginning to see metrics that give us encouragement in the retail network. I do just want to reinforce that the wholesale footprint that we are arriving at, which is the one that has taken a couple of years to get to, is one that we are confident in. And if we look at sell-through, sell out in the fourth

quarter at wholesale, we continue to be one of the top 3 brands in all of our key accounts. So, I definitely believe there is work to be done. But again, I'm very optimistic that the conditions are in place to allow us to be successful across all of the strategic pillars that I've outlined.

LUCA SOLCA: That is very reassuring, Robert. Thank you very much indeed for this additional content and thank you all for your in-depth replies. Thank you.

OPERATOR: Next question is from Thomas Chauvet, Citi. Please go ahead.

THOMAS CHAUVET: Good evening, and congratulations on a strong festive season. Two questions, please. Firstly, on the Moncler brand retail KPIs, could you kindly provide some of the KPI for 2024 as you usually do, Roberto, notably, volume, price mix, traffic conversion, UPT, etc., and ideally sales density. I know it's a lot, but that would be very useful.

And secondly, on your Moncler brand DTC performance, you indicated 3% like-for-like for the year, so that would imply around 8% space. Was it around that level in Q4? Space of around 8%, 9%, that would imply flat like-for-like or slightly up in Q4 after the Q3 decline? And how does your DTC business look like at the start of 2025 compared to the comments you made, Roberto, about the performance by cluster? I think it was a comment about Q4 you made, any color on January and beginning of February. I'm aware that, obviously, the Chinese performance is difficult to read, but maybe the other clusters. Thank you.

ROBERTO EGGS: Thank you for the questions. On the DTC for the start of the year, I think I already said more than enough, I will stick to what was said in the previous question. Regarding the retail KPIs for 2024, most of them were positive, one was slightly negative, which is the traffic, but it was more than offset by the conversion rate. So at the end, this helped the overall

performance. Clearly, it's a year where the performance was driven by price. We have seen very positive average selling price increases during the year. UPT was flat during the year and average transaction value went up to the extent of the price increase that we have had. So overall, you have seen that the effect on the sales density has been to the highest level we have ever had with Moncler. It was on the comp base of plus 1%, but in line with the record year of 2023. That was, by the way, higher than the previous record that was back in 2019. So, the €40,000 we mentioned during the Capital Markets Day remains an ambition. We are not far from it. We still are missing some of the tourists we had in the past, especially in Europe because, yes, there is a presence of Chinese in Europe, but absolutely not to the extent that we had before. This will come back. This will definitely help also the overall performance and KPIs. But we are very happy about the overall performance, thanks to all the efforts that have been done in terms of retail excellence, helped also by the lot of novelties that we're bringing to the market. Clearly, we are leveraging a lot also on the Genius moment – there were a few Genius launches in Q4, this also helped the performance of Q4.

THOMAS CHAUVET: Thank you.

OPERATOR: Next question is from Chris Gao, CLSA. Please go ahead.

CHRIS GAO: Hi, good evening and this is Chris Gao from CLSA. Congrats on the impressive peak season performance and also I have two questions, please, both related to China. So, the first thing is related to Moncler brand. We just want to understand more about the growth engine behind the China outperformance. So definitely, we observed an overall traffic improvement in retail environment in Q4? And also, just wonder if supply improvement of iconic products could also help with your Q4 performance? If you look into channels, can you help us to break down the online, offline growth by

channel so that we can understand the growth from different channels that contribute to your strong acceleration in Q4.

And the second question is about the Stone Island plans in China. We're very happy to see a very strong pickup in APAC growth, which with some of the contributions from China, so heading into 2025 and also in the midterm, I want to know more about your store opening plans in this market. And also in terms of the CRM initiatives because we are also at a development stage in this market, so anything in your plan to differentiate it from other men's lifestyle brands in terms of CRM, in terms of consumer education on Stone Island in China? Thank you.

ROBERTO EGGS

Thank you for the question, Chris. I will take the first part, maybe also I don't know if Gino wants to add something after my answer. I think the results of the Chinese market are not coming by chance. I think it's the overall result of a number of elements that we have been putting in place since a long time in this market. First, I believe a good understanding about the Chinese consumer, and this is helped by the local team, the Chinese local team that knows it very well. We also developed a lot the culture around China and Chinese consumer here in the Head Office. This is now embedded in all the different departments. So, we always have as part of our thought regarding what we developed: is it relevant or not also for our Chinese consumer?

We developed, also in the past, specific capsule, we are leveraging on strong momentum and what is relevant for the market in terms of events all along the year. And I think we have been able to develop a trust and quality perception of Moncler that is very, very high in the market. But this is not the only element. I think we are one of the few brands, or maybe even the only go-to brand in China for luxury outerwear. When the cold is coming and when people start thinking about full winter wear, we are

absolutely top of mind. And there is not a real competitor in the market, at least not in our positioning.

There are also some long-term trends in the market that are helping our performance. All these interest of Chinese consumers regarding outdoor that has been emerging post-COVID is definitively helping also the performance, and we believe that is a trend that is there to stay. We have a very strong team also in terms of retail excellence in the stores that are mastering this in the best way. And the distribution footprint has been improving a lot in this past year. I was mentioning before all the efforts that have been done and also the discussion with the landlords that have completely changed over the past 5 years where they are now the one proposing a better location for Moncler, because we are interesting and we are providing an alternative in their mall. Not being part of the big groups, in this case, could be sometimes also something that is positive. And we are also a traffic builder. So they know that when they place us in some position, we are also driving traffic towards their malls.

The increase and elevation of the premium location is something that has been definitively helping. The event that was done in Shanghai has enhanced the visibility of the brand on the market. Results have been positive in China with the Chinese double digit up, but also the performance of the Chinese outside of China that have been also growing double digit in Q4.

GINO FISANOTTI: Hard to add more there. I think the only thing I will say - and I think this is connected to what Roberto was mentioning before about the obsession in terms of Europe and then China - we always say that when we try to do things, we use an end-to-end kind of approach, right? We always start from consumer knowledge into product, the right product and to make

sure that we have the right brand voice, retail experience, brand experiences and of course, the leverage of local channels.

The most important outcome is how we can be a meaningful and distinctive brand for that specific regional market. I think this is the way we like to look and when we go and double down in the market. And then, of course, the day by day, the execution of the team, that's the difference because at the end, it's easy to say, but very difficult to secure on a daily basis. But I think this idea of approaching things more from end to end, it's not only one thing that can make the difference, is what probably can help us to achieve some of the results we're sharing with you today.

ROBERT TRIEFUS: Just a couple of words on Stone Island's strategy in China. As you know, we opened our regional office at the end of 2023. We have a lean but effective team now in place. As Luciano said a little while ago, we are concentrating now on the stores that we have in our network. And above that, as we think about the opportunity in China, the database, the CRM focus, now that we're operating, obviously, our own distribution is an important future opportunity. We have contactability rates in the 90 percentile frame. And we are integrating talent within the "Community as a Form of Research" project from China. Most recently, Ethan Ruan, who is in the spring/summer campaign, and we've had a very positive reaction. So, this will continue to be the strategy, a localized approach as evidenced also by the introduction of a WeChat mini program always in coincidence with the launch of our new website in August.

CHRIS GAO: Thank you. Super helpful.

OPERATOR: Next question is from Chiara Battistini, JPMorgan. Please go ahead.

CHIARA BATTISTINI: Hi. Good evening. Thank you very much for taking my questions. First question I have is on the U.S. and your positioning with the American consumers and especially as you approach to open more stores possibly and dedicate and provide more visibility to the brand. Are you happy today about your positioning in the US pricing wise, product wise, how you're comparing versus competition? How do you see yourself and what are the main working areas that you see ahead besides the store openings?

And the second question, sorry, just a clarification following up on Thomas question, sorry if I missed. On the space contribution in the second half, Q4, it looks like there was a big acceleration of space contribution in the second half. Is that related to a pickup in traffic that then boosted the new stores that have been opened? Or is there anything else in that space contribution that we should be keeping in mind, please? Thank you.

ROBERTO EGGS: Thank you, Chiara, for the questions. I think it's going to be again a question we are going to answer together with Gino. The U.S. market represents probably one of the largest opportunities for Moncler for the years to come. And I think we have been working now to set some of the base. This will be a multi-year effort, similar to what it took for us in China and Europe to get to where we are. Here as well, it's going to be a multiyear effort, but we believe in that market.

We have first completely revamped and reviewed what constituted half of the business a couple of years ago, the wholesale approach we had in the U.S., through a good collaboration with Saks and moving part of this business, the Saks Fifth Avenue and the online, into a directly operated business. So it's a concession now. We have also been moving Nordstrom into a hybrid model where we are managing the stock, the sales, the client adviser on the field, even if it's in a multi-brand area. Furthermore, we

have now the integration of Neiman Marcus with Saks, which we believe could represent a good opportunity maybe to have an approach that is slightly different than the one we had in the past.

So, on that part of the work, I think a lot has been done even if it's not entirely visible. We have also conducted some good experimentation in warmer cities such as Houston, Dallas, Atlanta, which have yielded good results. This has clearly opened up new opportunities for us in our market approach. That being said, the footprint approach is not the only one, it's one element of many, Gino will develop what we are going to do in terms of branding.

We believe also that Grenoble could represent a big opportunity for North America, including both the U.S. and Canada. I think the multi-layering approach we have had in the product development this past year is helping us to cover more months in terms of sales and more opportunities on the market.

Coming back to the footprint expansion, I think the Fifth Avenue opening, that is going to take place at the beginning of 2026, will present a big opportunity to take more visibility and ownership of New York City, which is the first part of the conquest of the US market for us.

GINO FISANOTTI: Just a few words to add. I think the same example we just used for China about the idea of an end-to-end approach applies here as well. I would say that's the way we are approaching this mid-to long-term journey in the US. On top of the city focus that Roberto was mentioning, and everything he was mentioning even from the retail landscape perspective, I think, we have a big opportunity in terms of the level of brand awareness we need to bring to this market compared to other more mature markets like Europe or China for us.

You will see, though it's not the right time to disclose details qualitatively, very specific efforts connected to this, beyond retail, how we can bring a different level of brand awareness into 2025-2026, and beyond. We will also mention that we truly believe in the opportunity of Grenoble to be a key driver into the US for multiple reasons.

And then last but not least, we believe that as we move into 2025 and even 2026, Genius can be another strong cultural connector to the market, and the relevance of some of the designers we have in the mix and even the launch we have for this year and some of the efforts we have later, we'll double-down on that opportunity.

So for us, again, it goes back to the same story we discussed for China, and Europe before, as Roberto mentioned. This is definitely an opportunity for us to go end-to-end, and it's not one silver bullet that will solve it all. It's a collective effort across the entire organization to make sure that we bring this market to its potential.

LUCIANO SANTEL: About the space contribution and the acceleration in Q4, as you know, we have tended also in the past to open our stores more in the second half than in the first half. So, it is quite usual to see some kind of acceleration in space contribution in the second half of the year. That being said, 8% it's not exactly the right number, but as we said before, it remains in the region of mid-to high single digit.

Again, for this year, we see the space contribution to decrease slightly to be closer to mid-single-digit rather than the higher range. However, the space acceleration in Q4 in the second half was totally planned and strictly related to our plan in retail, and expansion, new openings and of course, important projects of expansion, and relocation of some stores.

CHIARA BATTISTINI: Great. Thank you, very much.

OPERATOR: Next question is from Rogerio Fujimori, Stifel. Please go ahead.

ROGERIO FUJIMORI: Hi, good evening, everyone. So, one perhaps a follow-up for Gino. Accelerating growth for footwear was one of the opportunities you outlined for Moncler a couple of years ago. So is there anything to call out in terms of achievements in footwear last year and plans for 2025?

And one for Luciano. Luciano, how should we think about Opex inflation in 2025, in particular, the rate of inflation for G&A and selling costs, given that I presume marketing will be kept at 7% of sales? Thank you.

GINO FISANOTTI: Rogerio, thank you for the question. I may repeat myself compared to the last call we had. Over the past 2 years we have been investing in trying to elevate our footwear segment, both in terms of quality and its connection to our brand DNA. We are happy with the evolution of what we call the Trailgrip family, which has almost become the synonymous of Moncler footwear to a point where this is something that we're seeing evolving pretty well.

The Trailgrip shoe that started as one shoe just 2 years ago, today is a full family with around 8 different SKUs from winter to summer. So that was the first evolution. I think, of course, as we discussed before, we are not planning to become a complete footwear player. We believe footwear is a very important aspect of our offering. That said as we go through the year, you will see a new family of products coming in as we go into full winter. There's more to come, but so far, we are really happy that we were able to establish in the past few years a very iconic family and a very iconic product that represents the DNA of the brand.

LUCIANO SANTEL: Yes, Rogerio, on to your second question, for 2025, we still see the importance to keep investing in our G&A because behind the G&A, there are not only costs, but also the value of our organization. As we grow, the complexity of our business model grows, so we need to keep investing across all areas, from retail to digital, supply chain, and marketing. We see the contribution and incidence not much different from the past, but again, no expected decrease.

As you know, behind the selling, for the most part we report the cost of operating our stores. So as we grow in our DTC business, in our retail business, these selling expenses grow. You may remember that in 2023, the growth of selling expenses was lower than the growth in gross profit, which indicated very strong productivity of our stores, but this was due to the very strong like-for-like we reported that year.

This year like-for-like was positive but lower than in 2023. But overall you may have seen some kind of stability in terms of the productivity of our stores. Selling expenses grew but not more than what our gross margin did. So overall, this is what we expect also for 2025. Talking about marketing, as you know, our golden rule is to stay within the 7%. Last year, we spent a little bit more, but again, 7% is our benchmark.

ROGERIO FUJIMORI: Thank you.

OPERATOR: Next question is from Paola Carboni, Equita. Please go ahead.

PAOLA CARBONI: Hi, good afternoon, everybody. Thank you for taking my questions so late. I have 2 very quick ones. The first one is, if you can come back again on the performance in the U.S., in particular with the US cluster. You've mentioned that your performance has accelerated from flattish, if I remember correctly, in the previous quarter to up high-single digit. So I

was wondering what is driving this performance in terms of product mix, especially if you are seeing a bigger interest by the U.S. customer on Grenoble, on footwear or which price points and so on?

And secondly, how do you think about Stone Island for 2025 in terms of pricing on one side, meaning pure pricing as much as lower discounts, for example, and about mix on the other side. So how much can these components support the brand performance in the current year? Thank you very much.

ROBERTO EGGS: Thank you, Paola, for the questions. You are right, US cluster was flattish and it went up to very high single digits towards the end of the year. This is why you see a positive performance on the US market for Moncler at the end of the year. And also a positive flow of our American tourists mainly in Europe.

Regarding product, I must say that for Grenoble it is probably one of the regions where it has been most successful. So, clearly, the performance of Grenoble also helped.

We had also, as you may recall, in St. Moritz the presentation of the collection related to the show, and a few events that were run, not only in the Americas, but also in the rest of Europe and Asia. The Grenoble show that was very successful. Also, as an anecdote, for the first time we had a ticket with one client above \$100,000, it was thanks to the one-to-one trunk show that we ran for these clients when they were invited and we presented the show. So, they didn't only buy products from the show, but they also bought other items. It was a good way to enhance the visibility of Moncler and create connection with consumers.

ROBERT TRIEFUS: Just to respond to the question regarding Stone Island and pricing and mix. In terms of pricing, we don't anticipate any meaningful price increase. And in terms of mix, as I anticipated earlier, we are seeing good traction in our strategy on core categories. So, we anticipate a positive contribution from mix as we advance that strategy.

PAOLA CARBONI: Thank you very much.

OPERATOR: The next question is from Oriana Cardani, Intesa Sanpaolo. Please go ahead.

ORIANA CARDANI: Yes, good evening. Thank you for taking my questions. The first one is about EBIT margin. What do you consider a realistic level for this year? And the second question is about price gap. So, at what level is now the price gap between Europe, America and China? Thank you very much.

LUCIANO SANTEL: Thank you again. About EBIT for this year, of course, it's quite early to predict what it may be. Needless to say, but important to remind to everyone is that we have a mission that is to protect our operating profitability in the region of 29-30%, which has been the case over the past 11 years. And so, this is not going to change for this year. We still have in our set of ambitions an EBIT in that range. Of course, it will totally depend on the top line development.

Regarding the future of the business for this year, it is quite difficult to predict at this stage, except for what Roberto said about the current trading, that is pretty good, but again, very early to anticipate any results.

The price gap for this year with China, which is the most important region to highlight, is below 140, but still closer to 140 than 130. I mention this because, as you know, 130 is our target. Of course, we will not be ready to

achieve the 130 target this year, also because of the appreciation of the local currency. But we expect to be for all the year below 140.

And for Japan, the price gap is slightly lower, for what Roberto said before. We had a price gap between Japan and China of about 5%. For Korea we normally tend to maintain the same pricing we have in China. So, again, what I'm saying regards all the Asia region. On United States, we are in the region of 130, a little bit higher than 130.

ORIANA CARDANI: Thank you very much.

ELENA MARIANI: Okay. I think there are no more questions. So, thank you very much to everyone for participating in this call. Let me just give you a quick reminder of the next release. Our Q1 2025 Interim Management Statement will be released on April 16 after market close. And our quiet period will start on March 18. Thank you again for all your questions. And for any follow-up feel free to contact me, and the IR team any time tonight and also tomorrow. Thank you again, and have a great evening, everybody.

OPERATOR: Ladies and gentlemen, thank you for joining. The conference is now over. You may disconnect your telephones.