

MONCLER

GROUP

GROUP H1 2023 REVENUES REACH OVER 1.1 BILLION EUROS (+24% cFX) MONCLER BRAND ACCELERATES TO +32% IN THE SECOND QUARTER

The Board of Directors of Moncler S.p.A. has approved the Half-Year Financial Report for the period ended 30 June 2023¹.

- **GROUP CONSOLIDATED REVENUES:** EUR 1,136.6 million in the first half of 2023, an increase of 24% compared with EUR 918.4 million in the first half of 2022 at both current and constant exchange rates (cFX).
- **MONCLER REVENUES:** EUR 935.0 million in the first half of 2023, +29% compared with the first half of 2022 at both current and constant exchange rates;
 - Strong double-digit growth continuing in the second quarter (+32% cFX YoY), accelerating sequentially compared to the previous quarter.
 - Direct-To-Consumer (DTC²) channel up 45% cFX YoY in the second quarter driven by solid double-digit growth in all three regions.
- **STONE ISLAND REVENUES:** EUR 201.6 million in the first half of 2023, up 5% cFX (+4% at current exchange rates) compared with the first half of 2022;
 - Second quarter up 5% cFX compared with same period of the previous year, in line with Q1, driven by Asia and EMEA.
 - On 1 June 2023 Robert Triefus joined the Group as CEO of Stone Island.
- **GROUP EBIT:** EUR 217.8 million in the first half of 2023 compared with EUR 180.2 million in the previous year. EBIT margin on revenues of 19.2% vs 19.6% in H1 2022, due to a different phasing of marketing expenses in H1 vs H2 compared to the previous year.
- **GROUP NET RESULT:** EUR 145.4 million in the first half of 2023 compared with EUR 211.3 million in the first half of 2022 which included an extraordinary tax benefit of EUR 92.3 million for the Stone Island brand tax value realignment.
- **GROUP NET FINANCIAL POSITION³:** EUR 470.7 million in net cash at 30 June 2023 (EUR 818.2 million at 31 December 2022 and EUR 356.3 million at 30 June 2022), after EUR 300.3 million in dividend payments. At 30 June 2023, lease liabilities are EUR 837.7 million (EUR 837.4 million at 31 December 2022 and EUR 739.9 million at 30 June 2022).

¹ This applies to all pages of this press release: all data includes IFRS 16 impact if not otherwise stated, growth rates at constant exchange rates if not otherwise stated, rounded figures to the first decimal place.

² The DTC channel includes revenues from DOS, direct online and e-concessions.

³ Excluding lease liabilities.

REMO RUFFINI, Chairman and Chief Executive Officer of Moncler S.p.A., commented:

"For the first time in our history, Group revenues exceeded the 1 billion euro mark in the first half of the year. I am proud of this significant milestone, a testament to the great teamwork, innovative thinking, and customer-centric approach that defines our Group.

At Moncler, we are driving a new level of engagement with our customers all around the globe, leveraging all the dimensions of the brand. At Stone Island, we have just started the second chapter of the evolution of this unique brand under the leadership of the newly-appointed CEO.

While remaining mindful of a still uncertain and complex environment, we will continue to invest in our organisation and in our people to enable our brands to express their full potential".

Milan, 26 July 2023 – The Board of Directors of Moncler S.p.A. met today to review and approve the Half-Year Financial Report as of 30 June 2023.

In the first six months of 2023, Moncler Group reached consolidated revenues of EUR 1,136.6 million, up 24% cFX compared with the same period in 2022. These results include Moncler brand revenues of EUR 935.0 million and Stone Island brand revenues of EUR 201.6 million.

In the second quarter, Group revenues were EUR 410.2 million, up 26% cFX compared with the same period of 2022. In the second quarter, the Moncler and Stone Island brands recorded revenues equal to EUR 330.2 million and EUR 80.0 million respectively.

MONCLER GROUP: REVENUES BY BRAND

MONCLER GROUP	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
Moncler	935,027	82.3%	724,261	78.9%	+29%	+29%
Stone Island	201,563	17.7%	194,113	21.1%	+4%	+5%
REVENUES	1,136,590	100.0%	918,374	100.0%	+24%	+24%

MONCLER

In the first six months of 2023, Moncler brand revenues were EUR 935.0 million, an increase of 29% cFX compared with the same period of 2022.

In the second quarter, revenues for the brand amounted to EUR 330.2 million, up 32% cFX YoY, accelerating sequentially compared to the growth recorded in Q1, mainly thanks to the improvement in Asia.

MONCLER: REVENUES BY GEOGRAPHY

MONCLER	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
Asia	456,771	48.9%	333,112	46.0%	+37%	+39%
EMEA	340,651	36.4%	264,547	36.5%	+29%	+29%
Americas	137,605	14.7%	126,602	17.5%	+9%	+3%
REVENUES	935,027	100.0%	724,261	100.0%	+29%	+29%

In Asia (which includes APAC, Japan and Korea) H1 revenues grew by 39% cFX compared with the first half of 2022, including an acceleration of 55% YoY in Q2. APAC recorded a strong sequential improvement, favoured by an easy comparable base in the Chinese mainland, whose performance in 2022 was negatively impacted by the lockdowns that caused the closure of around a third of the local stores in April and May, while June had seen a strong improvement with the reopening of all the stores. Japan and Korea continued to record solid double-digit growth in Q2 2023.

In EMEA, revenues grew by 29% cFX in H1 2023 vs H1 2022, with an increase in the second quarter of 30% compared with Q2 2022, supported by solid demand from local customers and the continued improvement in tourist flows. American, Chinese and Korean customers were the strongest contributors to tourist purchases in the region.

Revenues in the Americas recorded a 3% cFX growth in H1 YoY and declined by 5% in Q2 YoY, due to the impact of the conversion of Nordstrom from a wholesale to a hybrid business model, which drove the wholesale channel to negative territory in the region in the quarter. The DTC channel continued to record solid double-digit growth in Q2, with a sequential acceleration compared to Q1. Excluding the impact of the Nordstrom conversion, growth in the Americas would have been positive in the second quarter.

MONCLER: REVENUES BY CHANNEL

MONCLER	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
DTC	757,494	81.0%	555,923	76.8%	+36%	+37%
Wholesale	177,533	19.0%	168,338	23.2%	+5%	+2%
REVENUES	935,027	100.0%	724,261	100.0%	+29%	+29%

In the first half of 2023, the DTC channel recorded revenues of EUR 757.5 million, up 37% cFX compared with H1 2022. Revenues in the second quarter of 2023 increased 45% compared with Q2 2022, supported by strong double-digit growth in all three regions, with Asia outperforming. The direct online channel also continued to grow double-digits.

In H1 2023, revenues by stores open for at least 12 months (Comp-Store Sales Growth⁴) grew by 34% compared with the first half of 2022.

The wholesale channel recorded revenues of EUR 177.5 million in H1 2023, an increase of 2% cFX compared with the first half of 2022. In the second quarter, revenues in this channel were flat YoY, impacted by the above-mentioned conversion of Nordstrom from a wholesale to a hybrid business model in the US, whilst the performance in EMEA and Asia remained solid. Excluding the impact of the Nordstrom conversion, growth in the wholesale channel would have been mid-single-digit positive in the second quarter.

As of 30 June 2023, the network of Moncler mono-brand boutiques comprised 257 directly operated stores (DOS), an increase of two units compared with 31 March 2023, including one conversion in the Americas (Nordstrom) and one opening in Korea (Daejeon Galleria Timeworld). The Moncler brand also operates 59 wholesale shop-in-shops (SiS).

MONCLER: MONO-BRAND DISTRIBUTION NETWORK

MONCLER	30.06.2023	31.03.2023	31.12.2022
Asia	128	127	125
EMEA	89	89	88
Americas	40	39	38
RETAIL	257	255	251
WHOLESALE	59	61	63

⁴ Comparable Store Sales Growth (CSSG) considers revenues growth from DOS (excluding outlets) open for at least 52 weeks and the online store; stores that have been expanded and/or relocated are not included.

STONE ISLAND

In the first half of 2023, Stone Island brand revenues reached EUR 201.6 million, up 5% cFX compared with EUR 194.1 million in the same period of 2022.

Q2 revenues were up 5% cFX compared with same period last year, in line with the performance in Q1, driven by Asia and EMEA.

STONE ISLAND: REVENUES BY GEOGRAPHY

STONE ISLAND	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
EMEA	145,645	72.3%	138,231	71.2%	+5%	+5%
Asia	38,806	19.2%	33,308	17.2%	+17%	+21%
Americas	17,112	8.5%	22,574	11.6%	-24%	-25%
REVENUES	201,563	100.0%	194,113	100.0%	+4%	+5%

EMEA recorded revenues of EUR 145.6 million in H1 2023, an increase of 5% cFX compared with the first half of 2022. In the second quarter, revenues grew 8% vs 2022, driven by a positive contribution from both distribution channels, with DTC outperforming.

Asia (which includes APAC, Japan and Korea) reached EUR 38.8 million revenues in H1 2023, growing 21% cFX YoY. In the second quarter, the region grew 13%, due to solid performance in the Chinese mainland and Japan, and to some perimeter effects following the 2022 wholesale-to-DTC conversions in Japan. The performance of the Korean market was softer, also due to the ongoing changes in business model.

The Americas were down 25% cFX compared with H1 2022. The second quarter saw a decline of 31%, as wholesale performance continued to be impacted by a softer business trend and a more cautious approach from department stores as a result.

STONE ISLAND: REVENUES BY CHANNEL

STONE ISLAND	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
DTC	73,716	36.6%	61,121	31.5%	+21%	+23%
Wholesale	127,847	63.4%	132,992	68.5%	-4%	-4%
REVENUES	201,563	100.0%	194,113	100.0%	+4%	+5%

The wholesale channel recorded revenues of EUR 127.8 million in the first half of the year, down 4% cFX compared with the first half of 2022. In the second quarter, revenues grew by 2% YoY, despite the impact of the 16 Japanese conversions from wholesale to DTC in 2022, the negative performance in the Americas and the strict volume control adopted in the management of this channel.

The DTC channel grew 23% cFX to EUR 73.7 million compared with H1 2022, representing 37% of total H1 2023 revenues. In the second quarter, revenues in this channel were up 9%, mainly due to solid double-digit growth in EMEA, APAC and Japan, which more than offset more difficult trends in the Americas and Korea.

As of 30 June 2023, the network of Stone Island mono-brand stores comprised 74 directly operated stores (DOS), a net increase of three units compared to 31 March 2023, and 19 mono-brand wholesale stores, in line with the first quarter.

STONE ISLAND: MONO-BRAND DISTRIBUTION NETWORK

STONE ISLAND	30.06.2023	31.03.2023	31.12.2022
Asia	46	43	44
EMEA	21	21	21
Americas	7	7	7
RETAIL	74	71	72
WHOLESALE	19	19	19

GROUP INCOME STATEMENT RESULTS

In the first six months of 2023, the consolidated gross profit was EUR 851.0 million, with an incidence of 74.9% compared with 73.8% in the same period of 2022. The increase in margin is primarily driven by the positive channel mix, with a higher incidence of the DTC channel.

Selling expenses in the first half of 2023 were EUR 374.7 million, compared with EUR 314.9 million in H1 2022, with a 33.0% incidence on revenues (34.3% in H1 2022). These expenses include EUR 169.9 million of rental costs (gross of the IFRS 16 impact equal to EUR 90.5 million) compared with EUR 138.0 million in the first half 2022. General and administrative expenses were EUR 156.9 million, with a 13.8% incidence on revenues, compared with EUR 132.7 million in the first half of 2022 (14.4% on revenues). The lower incidence of these costs is linked to a better operating leverage of the Group compared with the first half of the previous year, which had been impacted by the Covid-19 containment measures implemented in the Chinese mainland.

The stock-based compensation plans, included in selling, general and administrative expenses, led to expenses equal to EUR 19.7 million in the first half of 2023, compared with EUR 16.0 million in the first half of 2022.

Marketing expenses were EUR 101.6 million, representing 8.9% of revenues, compared with 5.4% in the first half of 2022. The higher marketing spending in the first half of 2023 vs 2022 is entirely due to a different phasing of marketing activities in H1 vs H2 compared to the previous year. Management expects an incidence on revenues of around 7% at year end, in line with the previous fiscal year.

Depreciation and amortisation, excluding those related to the rights of use recorded in application of IFRS 16, were EUR 54.6 million.

Group EBIT was EUR 217.8 million with a margin of 19.2%, compared with EUR 180.2 million in the first half of 2022.

In the first half of 2023, net interests were EUR 11.3 million, compared with EUR 11.6 million in the corresponding period of 2022.

The tax rate in H1 2023 was equal to 29.6%. In the first half of 2022, taxes reflected a one-off positive impact of the Stone Island brand value realignment for EUR 92.3 million.

The Group net result was then equal to EUR 145.4 million, compared with EUR 211.3 million in the first half of 2022 impacted by the above-mentioned non-recurring item.

GROUP CONSOLIDATED BALANCE SHEET AND CASH FLOW ANALYSIS

As of 30 June 2023, the net financial position (excluding the effect related to IFRS 16) was positive and equal to EUR 470.7 million compared with EUR 818.2 million of net cash at 31 December 2022 and EUR 356.3 million at 30 June 2022. The variation recorded in the first half was mainly due to the payment of EUR 300.3 million of dividends. As required by the IFRS 16 accounting standard, the Group accounted lease liabilities which were equal to EUR 837.7 million at 30 June 2023 compared with EUR 837.4 million at 31 December 2022 and EUR 739.9 million at 30 June 2022.

Net consolidated working capital as of 30 June 2023 was EUR 242.2 million compared with EUR 187.2 million as of 30 June 2022, equal to 8.6% of last-twelve-months revenues (8.0% at 30 June 2022 and 7.4% at 31 December 2022), reflecting the continuous and rigorous control of the working capital levels at both brands, Moncler and Stone Island. The increase in net working capital YoY was mainly driven by the inventory position, due to a different phasing of production compared to the previous year, while all other metrics improved.

In the first half of 2023, net capital expenditures were EUR 69.5 million compared with EUR 36.5 million in H1 2022. Investments related to the distribution network were equal to EUR 37.9 million, of which more than half was dedicated to renovation and expansion projects. Investments related to infrastructure were equal to EUR 31.6 million, mainly related to Information Technology, production and logistics.

Net cash flow in the first half of 2023 was negative for EUR 347.5 million after the payment of EUR 300.3 million of dividends.

SIGNIFICANT EVENTS OCCURED IN THE FIRST HALF OF 2023

SUSTAINALYTICS

In January 2023, Sustainalytics confirmed to Moncler the Industry Top-Rated Badge as well as the Regional Top-Rated Badge. Sustainalytics is a leading research and ESG & Corporate Governance rating company that supports investors in the development and implementation of responsible investment strategies.

MONCLER KOREA

On 31 March 2023, Moncler S.p.A. (Moncler), through the subsidiary Industries S.p.A. (Industries), acquired from the Korean shareholder (Shinsegae International Inc.) a stake of its investment in Moncler Korea Inc. equal to 9.99% of the share capital, for an outlay of EUR 10.8 million. Following this purchase, Moncler now, through Industries, holds the entire share capital of Moncler Korea Inc.

DIVIDENDS

On 18 April 2023, the Ordinary Shareholders' Meeting approved Moncler's Financial Statements at 31 December 2022 and approved the distribution of a gross dividend of EUR 1.12 per share (EUR 0.60 per share in the previous year).

APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

On 18 April 2023, the Ordinary Shareholders' Meeting also appointed the Board of Statutory Auditors for the three-year period of 2023-2025. The new Board of Statutory Auditors, which will remain in office until the Shareholders' Meeting called to approve the Financial Statements at 31 December 2025, is made of three Standing Auditors (Riccardo Losi, Chairman, and Carolyn Dittmeier and Nadia Fontana, Standing Auditors) and two Alternate Auditors (Lorenzo Mauro Banfi and Federica Albizzati).

ROBERT TRIEFUS APPOINTED CEO OF STONE ISLAND

On 3 May 2023, Robert Triefus was appointed Chief Executive Officer of Sportswear Company S.p.A. (licensee of the Stone Island brand) with effect from 1 June 2023.

PERFORMANCE SHARES PLAN 2022 – SECOND ATTRIBUTION CYCLE

On 4 May 2023, Moncler's Board of Directors implemented the second attribution cycle of the stock grant plan called "2022 Performance Shares Plan", approved by the Shareholders' Meeting on 21 April 2022 after obtaining the positive opinion of the Nomination and Remuneration Committee, and approved the granting of a maximum number of shares amounting to 436,349.

BUSINESS OUTLOOK

The global macroeconomic context remains volatile, with uncertainties related to recession risks, continued inflationary pressure and geopolitical instability.

In light of this unpredictability, the Group continues to work on maintaining an agile, flexible and reactive organisation, underpinned by a portfolio of unique brands with clear and effective development strategies, in order to remain on a solid growth path.

These are the main strategic lines of development.

STRENGTHENING OF ALL MONCLER BRAND DIMENSIONS. During 2023 Moncler will further strengthen the three dimensions of the brand (*Moncler Collection*, *Moncler Grenoble* and *Moncler Genius*) through distinctive events and focused communication strategies. *Moncler Genius* is evolving the traditional concept of collaboration entering a new phase of co-creation, based on the involvement of new talents who embrace new forms of creativity between design, entertainment, music and sport going well beyond fashion, as presented in London on 20 February. *Moncler Collection* will see the celebration in a new and modern approach of other iconic styles that have built the brand's legacy to date. *Moncler Grenoble* will continue to strengthen its awareness, with dedicated marketing initiatives and a wider and more complete performance-oriented collection suitable for all the seasons of the year.

DEVELOPMENT OF THE STONE ISLAND BRAND AT INTERNATIONAL LEVEL AND IN THE DTC CHANNEL. During 2023, Stone Island will continue to strengthen its position in core markets, such as the European countries, and increase its penetration in less mature regions with high potential. Stone Island's DTC channel expansion will also continue, with the opening of some selected DOS under the new store design and with targeted clienteling and communication strategies. Under the leadership of its newly-appointed CEO, the brand will continue its evolution to drive worldwide resonance and strengthen its unique positioning, which has its own identity and value matrix rooted in the culture of research and experimentation.

SUSTAINABLE AND RESPONSIBLE GROWTH. Moncler Group believes in a sustainable and responsible development according to shared values that are reflective of stakeholder expectations and consistent with the Group's long-term strategy. An approach based on the commitment to set increasingly ambitious goals as well as on the awareness that every action has an impact on the society and the environment in which we operate. In 2023 Moncler commits to implement the actions and projects necessary to pursue the sustainability objectives published in the 2020-2025 Plan. The five strategic priorities of the Sustainability Plan are: climate change and biodiversity, circular economy and innovation, responsible supply chain, enhancement of diversity and support for local communities.

TABLES

CONSOLIDATED INCOME STATEMENT

(EUR/000)	H1 2023	% on revenues	H1 2022	% on revenues
REVENUES	1,136,590	100.0%	918,374	100.0%
YoY performance	+24%		+48%	
GROSS MARGIN	850,989	74.9%	677,706	73.8%
Selling expenses	(374,746)	(33.0%)	(314,863)	(34.3%)
General and administrative expenses	(156,893)	(13.8%)	(132,692)	(14.4%)
Marketing expenses	(101,557)	(8.9%)	(49,984)	(5.4%)
EBIT	217,793	19.2%	180,167	19.6%
Net financial	(11,328)	(1.0%)	(11,628)	(1.3%)
EBT	206,465	18.2%	168,539	18.4%
Taxes	(61,116)	(5.4%)	42,724	4.7%
Tax Rate	29.6%		25.3%	
GROUP NET RESULT	145,351	12.8%	211,254	23.0%

CONSOLIDATED BALANCE SHEET STATEMENT

(EUR/000)	30/06/2023	31/12/2022	30/06/2022
Brands	999,354	999,354	999,354
Goodwill	603,417	603,417	603,417
Fixed assets	398,066	388,325	318,137
Right-of-use assets	771,034	773,517	681,793
Net working capital	242,193	191,674	187,183
Other assets / (liabilities)	134,262	4,470	106,390
INVESTED CAPITAL	3,148,326	2,960,757	2,896,274
Net debt / (net cash)	(470,745)	(818,223)	(356,269)
Lease liabilities	837,687	837,397	739,930
Pension and other provisions	36,316	39,297	22,491
Shareholders' equity	2,745,068	2,902,286	2,490,122
TOTAL SOURCES	3,148,326	2,960,757	2,896,274

CONSOLIDATED CASH FLOW STATEMENT

(EUR/000)	H1 2023	H1 2022
EBIT	217,793	180,167
D&A	54,638	51,041
Other non-current assets / (liabilities)	8,986	4,748
Change in net working capital	(50,519)	(38,341)
Change in other current / non-current assets / (liabilities)	(135,674)	(342,554)
Capex, net	(69,474)	(36,503)
OPERATING CASH FLOW	25,750	(181,442)
Net financial result	2,244	(1,082)
Taxes	(61,850)	42,963
FREE CASH FLOW	(33,856)	(139,561)
Dividends paid	(300,270)	(156,409)
Changes in equity and other changes	(13,352)	(77,348)
NET CASH FLOW	(347,478)	(373,318)
Net financial position - Beginning of period	818,223	729,587
Net financial position - End of period	470,745	356,269
CHANGE IN NET FINANCIAL POSITION	(347,478)	(373,318)

The manager in charge of preparing corporate accounting documents, Luciano Santel, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the accounting figures, books and records.

FOR ADDITIONAL INFORMATION:

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About Moncler

With its brands Moncler and Stone Island, the latter acquired in March 2021, Moncler Group represents the expression of a new concept of luxury. True to its philosophy "Beyond Fashion, Beyond Luxury", the Group strategy is centered on experience, a strong sense of purpose and belonging to a community while taking inspiration from the worlds of art, culture, music, and sports. Alongside supporting the individual brands sharing corporate services and knowledge, Moncler Group aims to maintain its brands' strong independent identities based on authenticity, constant quest for uniqueness, and formidable ties with their consumer's communities. Operating in all key international markets, the Group distributes its brands' collections in more than 70 countries through directly operated physical and digital stores as well as selected multi-brand doors, department stores and e-tailers.