



PRESS RELEASE

The Board of Directors of **Salvatore Ferragamo S.p.A.** approves the Consolidated Interim Report as of 31 March 2022

Salvatore Ferragamo Group first quarter Revenue up 23.2% vs. 2021

Increase in profitability with EBIT at 24 million Euros and Net Profit at 14 million Euros

- **Revenues: 289 million Euros (+23.2% vs. 235 million Euros at 31 March 2021⁶, +20.6% at constant exchange rates²)**
- **Gross Operating Profit (EBITDA¹): 66 million Euros (+40.4% vs. 47 million Euros at 31 March 2021⁶)**
- **Operating Profit (EBIT): 24 million Euros (vs. 7 million Euros at 31 March 2021⁶)**
- **Net Profit: 14 million Euros (vs. -0.6 million Euros at 31 March 2021⁶)**
- **Net Financial Position⁵: positive for 359 million Euros (vs. 169 million Euros positive at 31 March 2021)**

Marco Gobbetti, Chief Executive Officer and General Manager of Salvatore Ferragamo S.p.A commented: *"I'm excited to be part of this iconic brand, built on an exceptional heritage of creativity, craftsmanship and human values.*

In spite of the enduring pandemic and the conflict in Ukraine, in this first quarter we delivered good growth of revenues and operational margin.

Notwithstanding the rising geopolitical and economic volatility, we expect to increase our revenues for the current year, and today we are laying out the drivers to accelerate growth and realize the potential of Ferragamo."



Florence, 10 May 2022 – The Board of Directors of Salvatore Ferragamo S.p.A. (EXM: SFER), parent company of the Salvatore Ferragamo Group, in a meeting chaired by Leonardo Ferragamo, examined and approved the Consolidated Interim Report as of 31 March 2022, drafted according to IAS/IFRS international accounting principles (“non-audited”).

To be noted that all performance measures related to the first quarter 2021 were restated following the classification of fragrances business as discontinued operation, which occurred starting from the second quarter of 2021, in accordance with the accounting principle IFRS 5.

Notes to the Income Statement for 1Q 2022

Consolidated Revenue figures

As of 31 March 2022, the Salvatore Ferragamo Group reported Total Revenues of 289 million Euros up 23.2% at current exchange rates (+20.6% at constant exchange rates²) vs. the 235 million Euros recorded in 1Q 2021.

Revenues by distribution channel³

As of 31 March 2022, the Retail distribution channel posted consolidated Revenues up 15.8% (+12.1% at constant exchange rates²) vs. 1Q 2021.

The Wholesale channel registered an increase in Revenues of 40.2% (+41.0% at constant exchange rates²) vs. 1Q 2021.

Revenues by geographical area³

The Asia Pacific registered Revenues up by 0.9% (-2.0% at constant exchange rates²) vs. 1Q 2021. The slowdown is mainly due to the effects deriving from the resilience of the pandemic Covid-19, in particular in China, where the RTL performance was below the one registered in 1Q 2021.

The Japanese market in 1Q 2022 registered a 17.7% increase in Revenues (+20.9% at constant exchange rates²) vs. 1Q 2021.

EMEA posted an increase in Revenues of 41.3% (+45.0% at constant exchange rates²) vs. 1Q 2021.

North America in 1Q 2022 recorded a Revenue increase of 46.1% (+39.8% at constant exchange rates²) vs. 1Q 2021.

Revenues in the Central and South America in 1Q 2022 were up 52.3%, (+42.5% at constant exchange rates²) vs. 1Q 2021.



Revenues by product category³

All main product categories reported a significant increase in 1Q 2022 vs. the same period of last year, with shoes and leather categories representing 86% of the total turnover for the quarter.

Gross Profit

In 1Q 2022 the Gross Profit increased by 32.0% vs. 1Q 2021, to 203 million Euros. Its incidence on Revenues was up 460 basis points, moving to 70.1%, from 65.5% of 1Q 2021, mainly thanks to the improvement of the full/off price ratio.

Operating Costs

In 1Q 2022 Operating Costs amounted to 179 million Euros, +22.0% at current exchange rate vs. 1Q 2021 (+17.9% at constant exchange rates²).

Gross Operating Profit (EBITDA¹)

The Gross Operating Profit (EBITDA¹) amounted to 66 million Euros, from 47 million Euros of 1Q 2021, with an incidence on Revenues of 22.7% from 19.9% in 1Q 2021.

Operating Profit (EBIT)

The Operating Profit (EBIT) was positive for 24 million Euros vs. 7 million Euros positive in 1Q 2021.

Profit before taxes

The Profit before taxes in 1Q 2022 was positive for 20 million Euros vs. 2 million Euros positive in 1Q 2021.

Net Profit for the Period

The Net Profit for the period, including the Minority Interest, was positive for 14 million Euros vs. 0.6 million Euros negative in 1Q 2021. The 1Q 2022 Group Net Profit was positive for 14 million Euros vs. 1.2 million Euros negative in 1Q 2021.



Notes to the Consolidated Balance Sheet for 1Q 2022

Net Working Capital⁴

The Net Working Capital as of 31 March 2022 decreased by 31.8% to 219 million Euros, from 321 million Euros as of 31 March 2021. In particular, the inventories were down 17.7% (-16.2% at constant exchange rates, -11.2% at constant exchange rates excluding the Fragrance business).

Investments (CAPEX)

As of 31 March 2022, Investments (CAPEX) were 6 million Euros, up by 8.5% vs. 1Q 2021, mainly due to renovations of the retail network and investments in the digital channel.

Net Financial Position

The Net Financial Position adjusted⁵ at 31 March 2022 was positive for 359 million Euros (vs. 169 million Euros positive as of 31 March 2021). Including IFRS16 effect, the Net Financial Position at 31 March 2022 is negative for 222 million Euros.

The new strategy of Ferragamo Group focuses on revenue growth in the medium-long term, to be achieved through the progressive engagement of new, young consumers.

This objective will be achieved through specific actions aimed at navigating the continuously evolving luxury market.

Strategy highlights

- Product at the heart
- Re-energize the brand
- Prioritize digital
- Customer experience enhancement

Enablers

- Supply chain excellence
- Strong focus on ESG dimensions
- Human capital enhancement and organization evolution



Investment plan ambition

- Double Marketing and Communication spending as % of revenues beginning in 2023
- Cumulative 400 million Euro investments in 2023-26 focused on store renovations, technology and supply chain
- Execution of the strategic plan to be self-financed through existing cash position and cash flow generation
- Capital allocation policy to prioritize growth targets and execution of the strategic plan

Medium-term financial highlights

- Double revenues in the medium term
- Progressive acceleration of top-line growth rate
- Meaningful operating profit expansion by the end of the plan

Notes to the press release

¹ We define EBITDA as operating profit before amortization and depreciation and write-downs of tangible/intangible assets and Right of use assets. EBITDA is an important managerial indicator for measuring the Group's performance. As EBITDA is not an indicator defined by the accounting principles used by our Group, our method of calculating EBITDA may not be strictly comparable to that used by other companies.

² Revenues/Operating Costs at "constant exchange rates" are calculated by applying to the Revenue/Operating Costs of the period 2021, not including the "hedging effect", the average exchange rates of the same period 2022.

³ The variations in Revenues are calculated at current exchange rates including the hedging effect, unless differently indicated.

⁴ Net working capital is calculated (in accordance with CESR Recommendation 05-054/b of February 10, 2005) as inventories, right of return assets and trade receivables net of trade payables and refund liabilities, excluding other current assets and liabilities and other financial assets and liabilities. As net working capital is not an indicator defined by the accounting principles used by our Group, our method of calculating net working capital may not be strictly comparable to that used by other companies.

⁵ Net Financial Position is referring to Adjusted Net Financial Position: not including the IFRS16 effect. The net Financial Position is calculated as the sum of Cash and cash equivalents and Other



current financial assets, including the positive fair value of derivatives (non-hedge component) net of Current and non current interest-bearing loans and borrowings plus Current and non current Lease Liabilities and Other current and non current financial liabilities including the negative fair value of derivatives (non-hedge component). Net Financial Position Adjusted is the Net Financial Position excluding Current and non current Lease Liabilities.

⁶ All performance measures related to the first quarter 2021 were restated following the classification of fragrances business as discontinued operation, which occurred starting from the second quarter of 2021, in accordance with the accounting principle IFRS 5.

The manager charged to prepare the corporate accounting documents, Alessandro Corsi, pursuant to article 154-bis, paragraph 2, of Legislative Decree no. 58/1998 (Consolidated Financial Law), hereby declares that the information contained in this Press Release faithfully represents the content of documents, financial books and accounting records.

Furthermore, in addition to the conventional financial indicators required by IFRS, this Press Release includes some alternative performance indicators (such as EBITDA, for example) in order to allow for a better assessment of the performance of the economic and financial management. These indicators have been calculated according to the usual market practices.

This document may contain forecasts, relating to future events and operating results, which by their very nature are uncertain, in that they depend on future events and developments that cannot be predicted with certainty. Actual results may therefore differ with those forecasted, due to a variety of factors.

The Consolidated Interim Report as of 31 March 2022, approved by the Board of Directors on May 10 2022, will be available to anyone requesting it at the headquarters of the Company in Florence, Via Tornabuoni n. 2, on the authorized web-storage system eMarket STORAGE www.emarketstorage.com, and will also be accessible on the Salvatore Ferragamo Group's website <http://group.ferragamo.com> in the section "Investor Relations/Financial Documents", in compliance with the law.

The Results of 1Q 2022 will be illustrated today, 10 May 2022, at 6:00 PM (CET) in a conference call with the financial community. The presentation will be available on the Company's website <http://group.ferragamo.com> in the "Investor Relations/Presentations" section.

Salvatore Ferragamo

Salvatore Ferragamo S.p.A.

Salvatore Ferragamo S.p.A. is the parent Company of the Salvatore Ferragamo Group, one of the leaders in the luxury industry, and whose origins date back to 1927.

Salvatore Ferragamo is renowned for the creation, production and worldwide distribution of luxury collections of shoes, leather goods, apparel, silk products and other accessories for men and women, including also eyewear, watches and fragrances under license.

Embedding the spirit of its Founder, Ferragamo reinterprets its heritage with creativity, innovation and sustainable thinking. Uniqueness and exclusivity, along with the blend of style and exquisite 'Made in Italy' savoir-faire, are the hallmarks of all Ferragamo's products.

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This Press Release is also available on the website <http://group.ferragamo.com>, in the section "Investor Relations/Financial Press Releases".

Salvatore Ferragamo

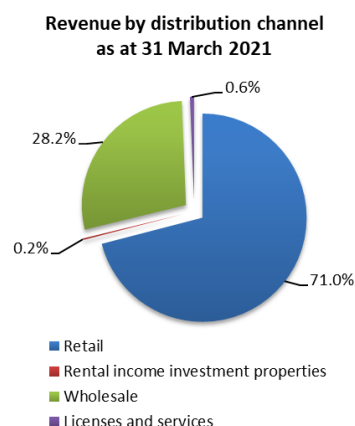
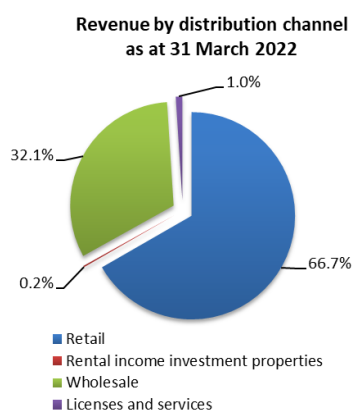
On the following pages, a more detailed analysis of Revenues, the consolidated income statement, the summary of statement of consolidated financial position, the net consolidated financial position, and the consolidated cash flow statement of the Salvatore Ferragamo Group as of 31 March 2022.

To be noted that all performance measures related to the first quarter 2021 were restated following the classification of fragrances business as discontinued operation, which occurred starting from the second quarter of 2021, in accordance with the accounting principle IFRS 5.

Revenue by distribution channel as of 31 March 2022

(In thousands of Euro)	Period ended at 31 March				% Change	at constant exchange rate % Change
	2022	% on Revenue	2021 Restated *	% on Revenue		
Retail	193,101	66.7%	166,701	71.0%	15.8%	12.1%
Wholesale	92,762	32.1%	66,162	28.2%	40.2%	41.0%
Licenses and services	2,953	1.0%	1,497	0.6%	97.3%	97.3%
Rental income investment properties	625	0.2%	566	0.2%	10.4%	2.7%
Total	289,441	100.0%	234,926	100.0%	23.2%	20.6%

* Data for the first quarter 2021 were restated following the classification of fragrances business as discontinued operation, which occurred starting from the second quarter of 2021.



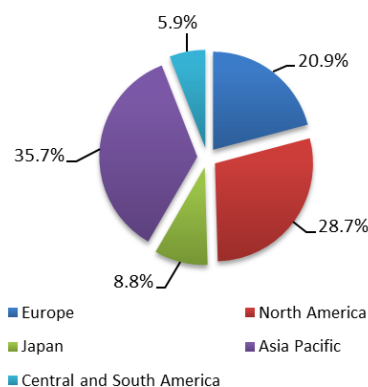
Revenue by geographic area as of 31 March 2022

(In thousands of Euro)	Period ended at 31 March				% Change	at constant exchange rate % Change
	2022	% on Revenue	2021 Restated *	% on Revenue		
Europe	60,404	20.9%	42,752	18.2%	41.3%	45.0%
North America	82,984	28.7%	56,799	24.2%	46.1%	39.8%
Japan	25,524	8.8%	21,685	9.2%	17.7%	20.9%
Asia Pacific	103,410	35.7%	102,452	43.6%	0.9%	(2.0%)
Central and South America	17,119	5.9%	11,238	4.8%	52.3%	42.5%
Total	289,441	100.0%	234,926	100.0%	23.2%	20.6%

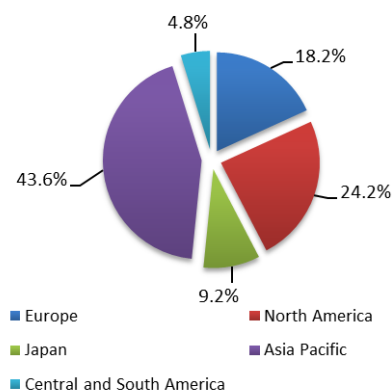
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Salvatore Ferragamo

Revenue by geographic area
as at 31 March 2022



Revenue by geographic area
as at 31 March 2021

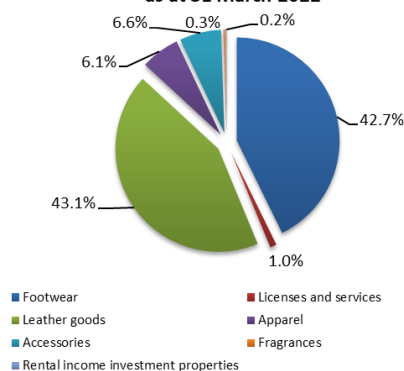


Revenue by product category as of 31 March 2022

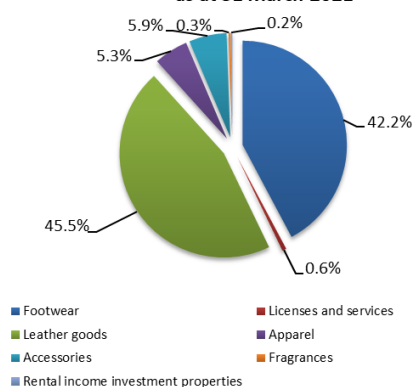
(In thousands of Euro)	Period ended at 31 March				% Change	at constant exchange rate % Change
	2022	% on Revenue	2021 Restated *	% on Revenue		
Footwear	123,665	42.7%	99,186	42.2%	24.7%	20.7%
Leather goods	124,769	43.1%	106,786	45.5%	16.8%	15.3%
Apparel	17,654	6.1%	12,429	5.3%	42.0%	40.1%
Accessories	18,930	6.6%	13,688	5.9%	38.3%	36.4%
Fragrances	845	0.3%	774	0.3%	9.2%	7.6%
Licenses and services	2,953	1.0%	1,497	0.6%	97.3%	97.3%
Rental income investment properties	625	0.2%	566	0.2%	10.4%	2.7%
Total	289,441	100.0%	234,926	100.0%	23.2%	20.6%

* Data for the first quarter 2021 were restated following the classification of fragrances business as discontinued operation, which occurred starting from the second quarter of 2021.

Revenue by product category
as at 31 March 2022



Revenue by product category
as at 31 March 2021





Consolidated results for Salvatore Ferragamo Group

Consolidated income statement as of 31 March 2022

(In thousands of Euro)	Period ended at 31 March				
	2022	% on Revenue	2021 Restated*	% on Revenue	% Change
Revenue from contracts with customers	288,816	99.8%	234,360	99.8%	23.2%
Rental income investment properties	625	0.2%	566	0.2%	10.4%
Revenues	289,441	100.0%	234,926	100.0%	23.2%
Cost of goods sold	(86,453)	(29.9%)	(81,148)	(34.5%)	6.5%
Gross profit	202,988	70.1%	153,778	65.5%	32.0%
Style, product development and logistics costs	(12,040)	(4.2%)	(10,061)	(4.3%)	19.7%
Sales & distribution costs	(104,881)	(36.2%)	(94,639)	(40.3%)	10.8%
Marketing & communication costs	(15,678)	(5.4%)	(15,112)	(6.4%)	3.7%
General and administrative costs	(44,336)	(15.3%)	(30,770)	(13.1%)	44.1%
Other operating costs	(5,671)	(2.0%)	(5,102)	(2.2%)	11.2%
Other income	3,243	1.1%	8,613	3.7%	(62.3%)
Total operating costs (net of other income)	(179,363)	(62.0%)	(147,071)	(62.6%)	22.0%
Operating profit	23,625	8.2%	6,707	2.9%	252.2%
Net financial charges	(3,428)	(1.2%)	(4,343)	(1.8%)	(21.1%)
Profit before taxes	20,197	7.0%	2,364	1.0%	754.4%
Income taxes	(6,102)	(2.1%)	(3,657)	(1.6%)	66.9%
Profit from continuing operations	14,095	4.9%	(1,293)	(0.6%)	na
Net profit/(loss) from discontinued operation, net of tax	-	-	708	0.3%	(100.0%)
Net profit/(loss) for the Period	14,095	4.9%	(585)	(0.2%)	na
Net profit/(loss) - Group	13,676	4.7%	(1,235)	(0.5%)	na
Net profit/(loss) - minority interests	419	0.1%	650	0.3%	(35.5%)
EBITDA (**)	65,684	22.7%	46,785	19.9%	40.4%

* Data for the first quarter 2021 were restated following the classification of fragrances business as discontinued operation, which occurred starting from the second quarter of 2021.

(**) EBITDA is operating profit before amortization and depreciation and write-downs of tangible/intangible assets and Right of use assets. EBITDA so defined is a parameter used by the management to monitor and assess the operating performance and is not identified as an accounting measurement under IFRS and, therefore, must not be considered as an alternative measurement to assess Group performance. Since the composition of EBITDA is not regulated by reference accounting standards, the determination criterion applied by the Group may differ from that adopted by others and therefore may not be comparable.

Salvatore Ferragamo

Summary of consolidated statement of financial position as of 31 March 2022

(In thousands of Euro)	31 March 2022	31 December 2021	% Change
Property, plant and equipment	183,775	186,854	(1.6%)
Investment property	29,780	30,223	(1.5%)
Right of use assets	484,952	500,047	(3.0%)
Goodwill	6,679	6,679	-
Intangible assets with definite useful life	31,462	33,423	(5.9%)
Inventories and Right of return assets	293,062	279,790	4.7%
Trade receivables	98,451	112,670	(12.6%)
Trade payables and Refund liabilities	(172,741)	(193,102)	(10.5%)
Other non current assets/(liabilities), net	80,817	78,321	3.2%
Other current assets/(liabilities), net	(27,024)	(24,543)	10.1%
Net invested capital	1,009,213	1,010,362	(0.1%)
Group shareholders' equity	764,179	764,313	(0.0%)
Minority interests	22,754	21,566	5.5%
Shareholders' equity (A)	786,933	785,879	0.1%
Net financial debt/(surplus) (B) (1)	222,280	224,483	(1.0%)
Total sources of financing (A+B)	1,009,213	1,010,362	(0.1%)
Net financial debt/(surplus) (B)	222,280	224,483	(1.0%)
<i>Lease Liabilities (C)</i>	<i>581,319</i>	<i>597,242</i>	<i>(2.7%)</i>
Net financial debt /(surplus) adjusted (B-C) (2)	(359,039)	(372,759)	(3.7%)
Net financial debt /(surplus) adjusted/ Shareholders' equity	(45.6%)	(47.4%)	

(1) The Net financial debt/(surplus) is calculated as the sum of Current and non current interest-bearing loans and borrowings plus Current and non current Lease Liabilities and Other current and non current financial liabilities including the negative fair value of derivatives (non-hedge component), net of Cash and cash equivalents and Other current financial assets, including the positive fair value of derivatives (non-hedge component).

(2) The Net financial debt/(surplus) adjusted is calculated as the Net financial debt/(surplus) excluding Current and non current Lease Liabilities.

Salvatore Ferragamo

Consolidated Net financial position as of 31 March 2022

(In thousands of Euro)	31 March 2022	31 December 2021	Change 2022 vs 2021
A. Cash	413,892	471,808	(57,916)
B. Cash equivalents	41,702	39,988	1,714
C. Other current financial assets	619	596	23
D. Current financial assets (A+B+C)	456,213	512,392	(56,179)
E. Current financial debt (including debt instruments)	23,006	53,955	(30,949)
F. Current portion of non current financial debt	128,267	132,174	(3,907)
G. Current financial debt (E+F)	151,273	186,129	(34,856)
H. Current financial debt, net (G-D)	(304,940)	(326,263)	21,323
I. Non current financial debt (excluding debt instruments)	527,220	550,746	(23,526)
J. Debt instruments	-	-	-
K. Trade payables and other current debts	-	-	-
L. Non-current financial debt (I+J+K)	527,220	550,746	(23,526)
M. Net financial debt (H+L)	222,280	224,483	(2,203)

(In thousands of Euro)	31 March 2022	31 December 2021	Change 2022 vs 2021
Net financial debt/(surplus) (a)	222,280	224,483	(2,203)
Non current lease liabilities	475,022	487,230	(12,208)
Current lease liabilities	106,297	110,012	(3,715)
Lease liabilities (b)	581,319	597,242	(15,923)
Net financial debt/(surplus) adjusted (a-b)	(359,039)	(372,759)	13,720

Salvatore Ferragamo

Consolidated statement of cash flows as of 31 March 2022

(In thousands of Euro)	Period ended at 31 March	
	2022	2021
Net profit / (loss) for the period	14,095	(585)
Depreciation, amortization and write down of property, plant and equipment, intangible assets, investment properties	12,508	12,727
Depreciation of Right of use assets	29,551	27,637
Income Taxes	6,102	3,657
Net change in provision for employee benefit plans	(68)	(611)
Loss/(gain) on disposal of tangible and intangible assets	80	15
Net Interest expenses/income and Interest on lease liabilities	3,467	3,775
Other non cash items	(264)	(3,857)
Net change in net working capital	(19,352)	22,362
Net change in other assets and liabilities	(8)	1,552
Income Taxes paid	(4,083)	119
Net Interest expenses/income and Interest on lease liabilities paid	(3,570)	(3,869)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	38,458	62,922
Purchase of tangible assets	(4,974)	(4,539)
Purchase of intangible assets	(1,122)	(1,082)
Proceeds from the sale of tangible and intangible assets	-	11
Purchase of Arts S.r.l. and Aura1 S.r.l. deferred consideration	-	(3,629)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(6,096)	(9,239)
Net change in financial receivables	-	142
Net change in financial payables	(41,855)	(15,416)
Repayment of lease liabilities	(29,436)	(24,713)
Purchase of Treasury shares	(17,913)	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(89,204)	(39,987)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(56,842)	13,696
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	511,796	327,880
Net increase / (decrease) in cash and cash equivalents	(56,842)	13,696
Net effect of translation of foreign currencies	640	(1,450)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	455,594	340,126
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	38,458	62,922
Repayment of lease liabilities	(29,436)	(24,713)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES ADJUSTED (*)	9,022	38,209

(*) Net cash provided by (used in) operating activities adjusted is calculated as Net cash provided by (used in) operating activities net of the Repayment of lease liabilities (showed in the Net Cash provided by (used in) financing activities).