

ALBERTA FERRETTI



AEFFE First Half 2020 Consolidated Financial Results Presentation
5th August 2020

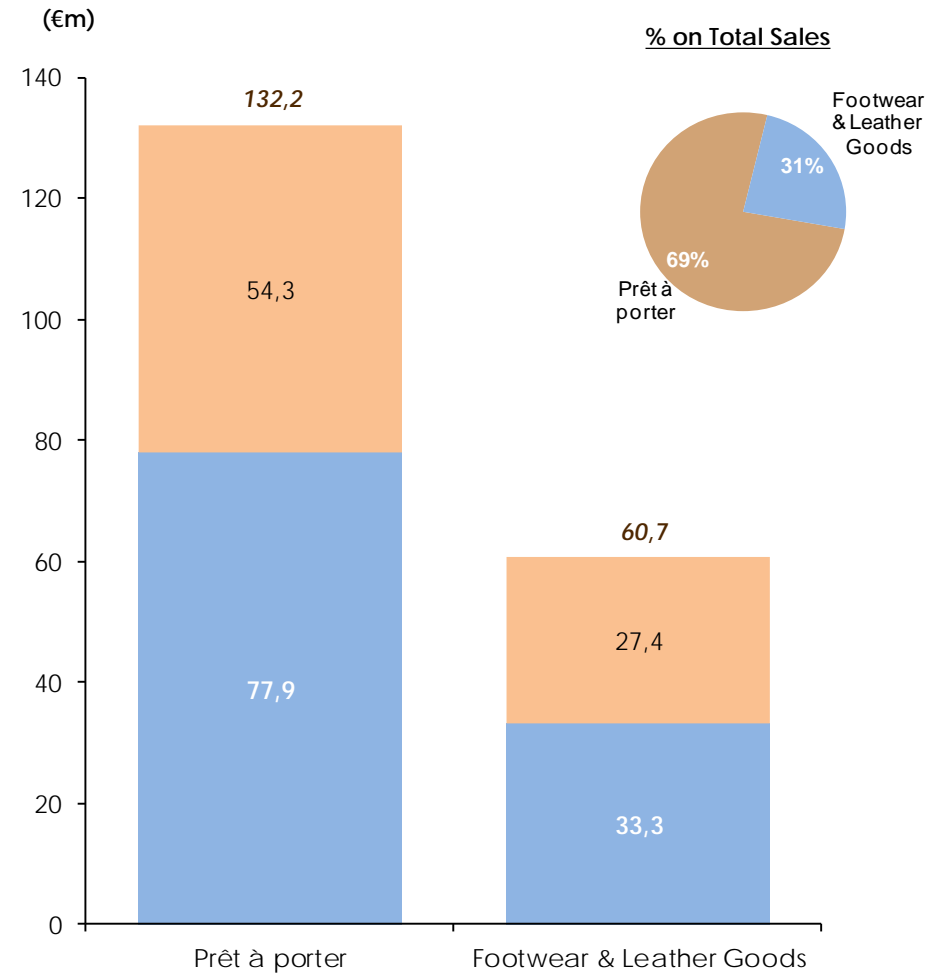
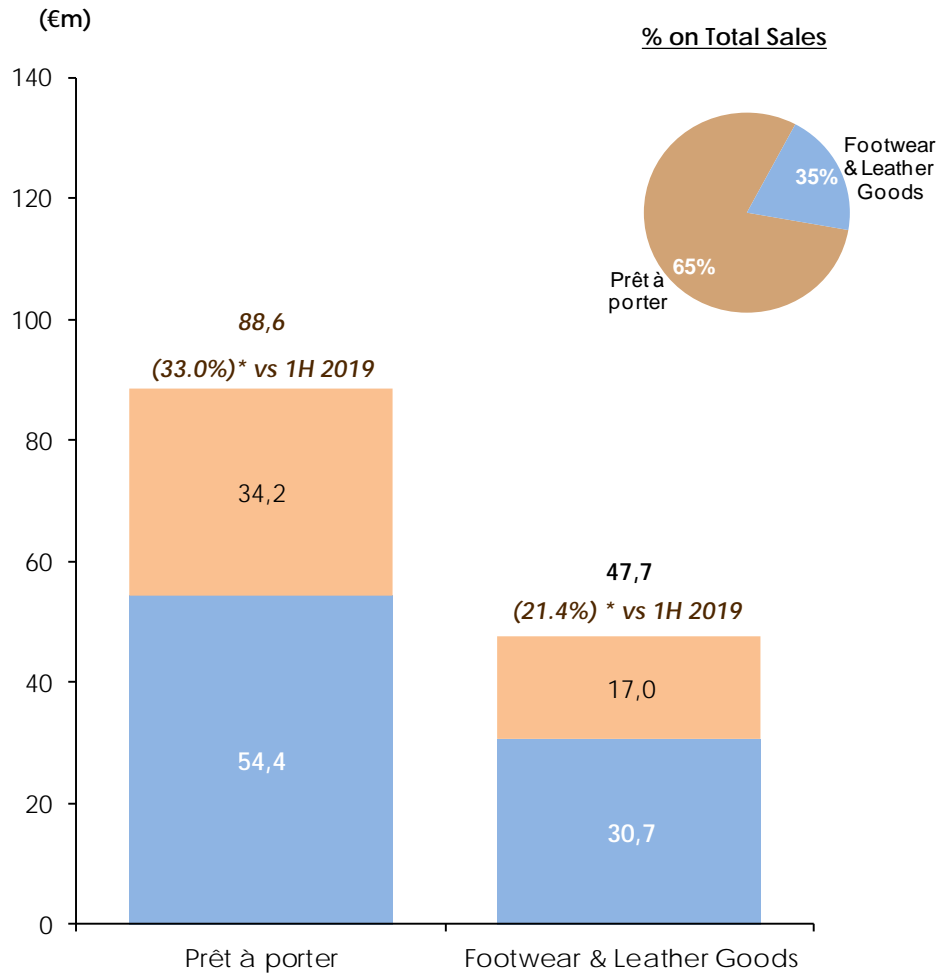
1H 2020 Key Facts

- ❖ **Consolidated Revenues** -31.4% ex forex at € 118.9m, (-31.4% at current exchange rates) due to Covid-19 pandemic effects;
- ❖ **Consolidated EBITDA** at € 0.6m (0.5% of sales), compared to an EBITDA of € 26.7m (15.4% of sales) in 1H 2019
- ❖ **Net Loss for the Group** at € 10.9m, compared to a Net Profit of € 5.1m in 1H 2019
- ❖ **Consolidated Financial Debt net of IFRS 16 effect** of € 62.5m, compared to € 39.4m as of 31 December 2019, with a € 23.1m increase (€ 36.6m as of 30 June 2019)
- ❖ **212 Mono Brand Stores**

Net Sales Breakdown by Division⁽¹⁾

1H 2020

1H 2019



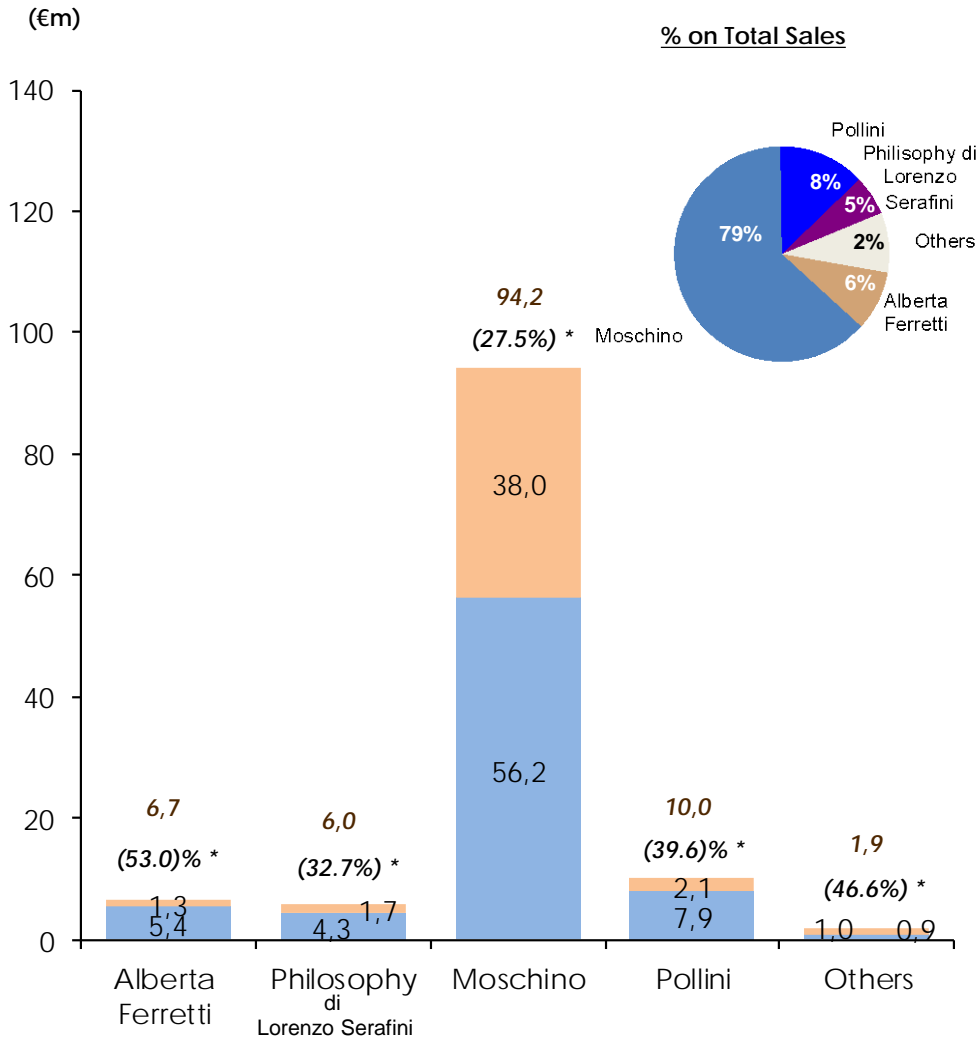
* At constant exchange rates

(1) Before inter-divisional eliminations

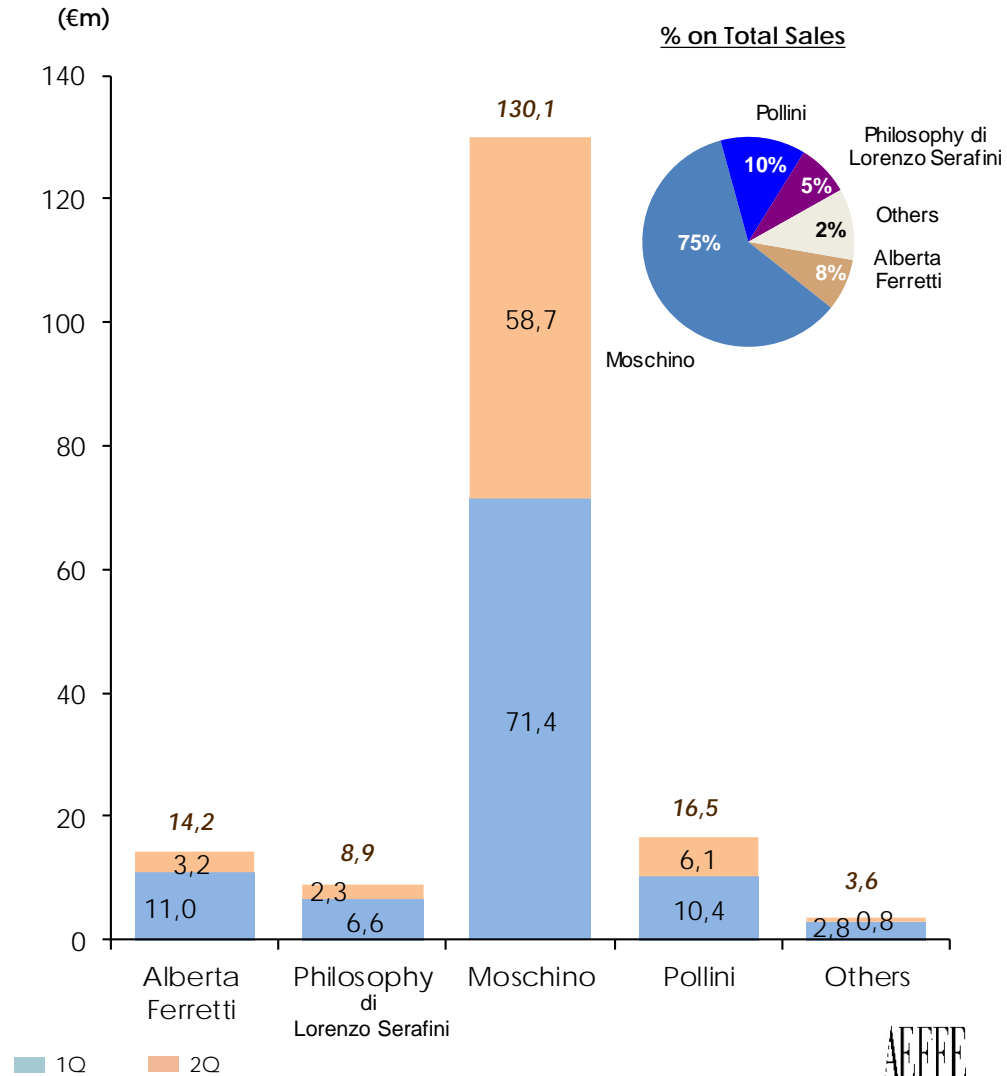
1Q 2Q

Net Sales Breakdown by Brand

1H 2020

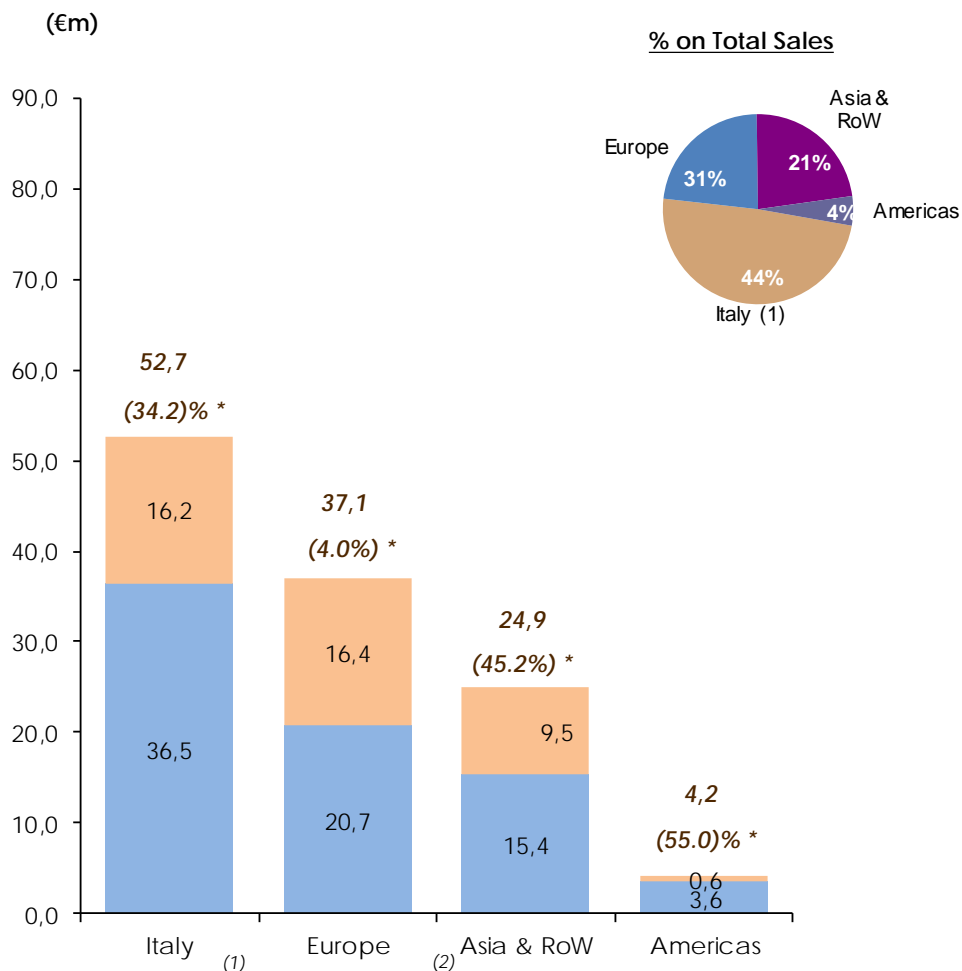


1H 2019

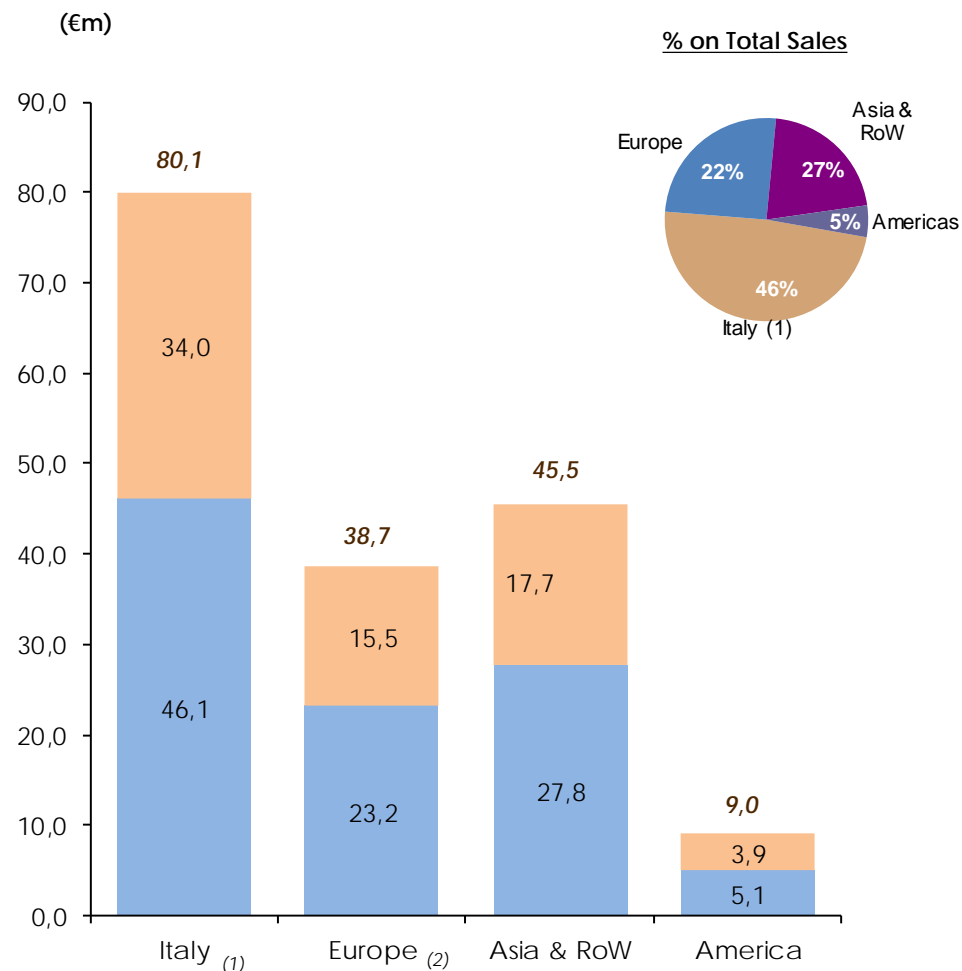


Net Sales Breakdown by Region

1H 2020



1H 2019



(1) ITALY sales incidence on total revenues ADJUSTED by foreign customers effect and royalties income is estimated equal to 36% both in 1H 2020 and in 1H 2019

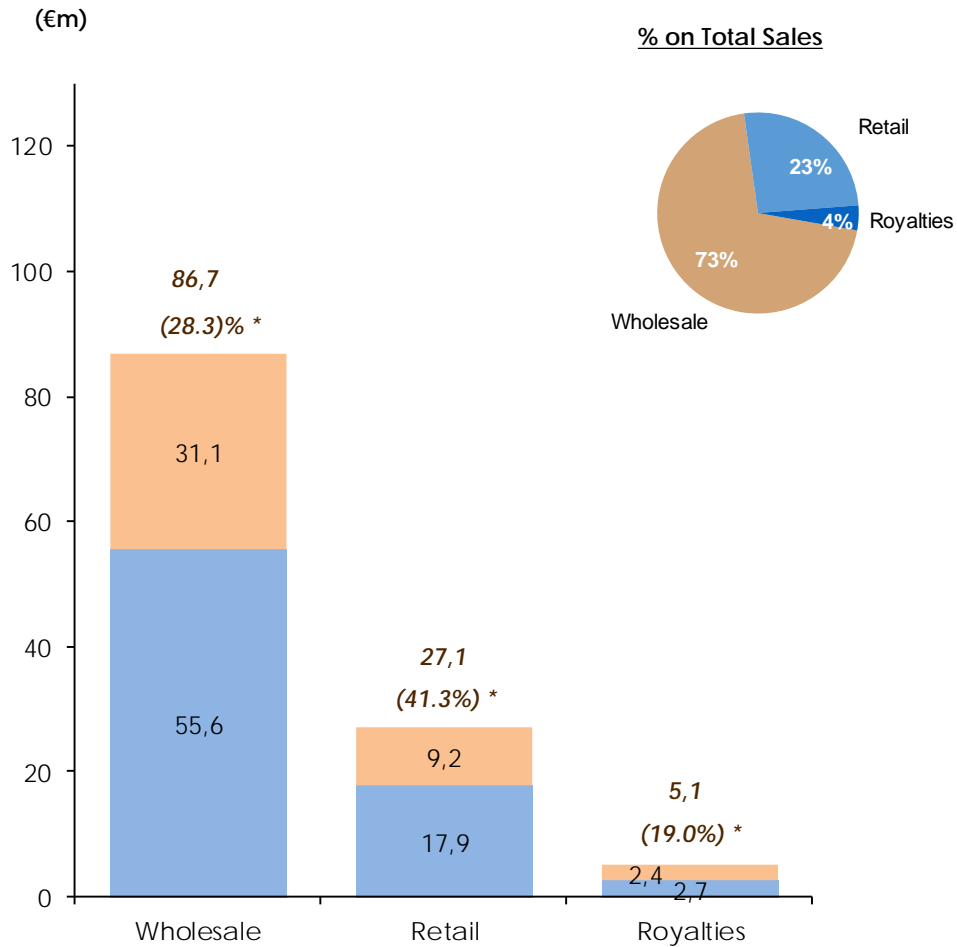
(2) Italy excluded

■ 1Q ■ 2Q

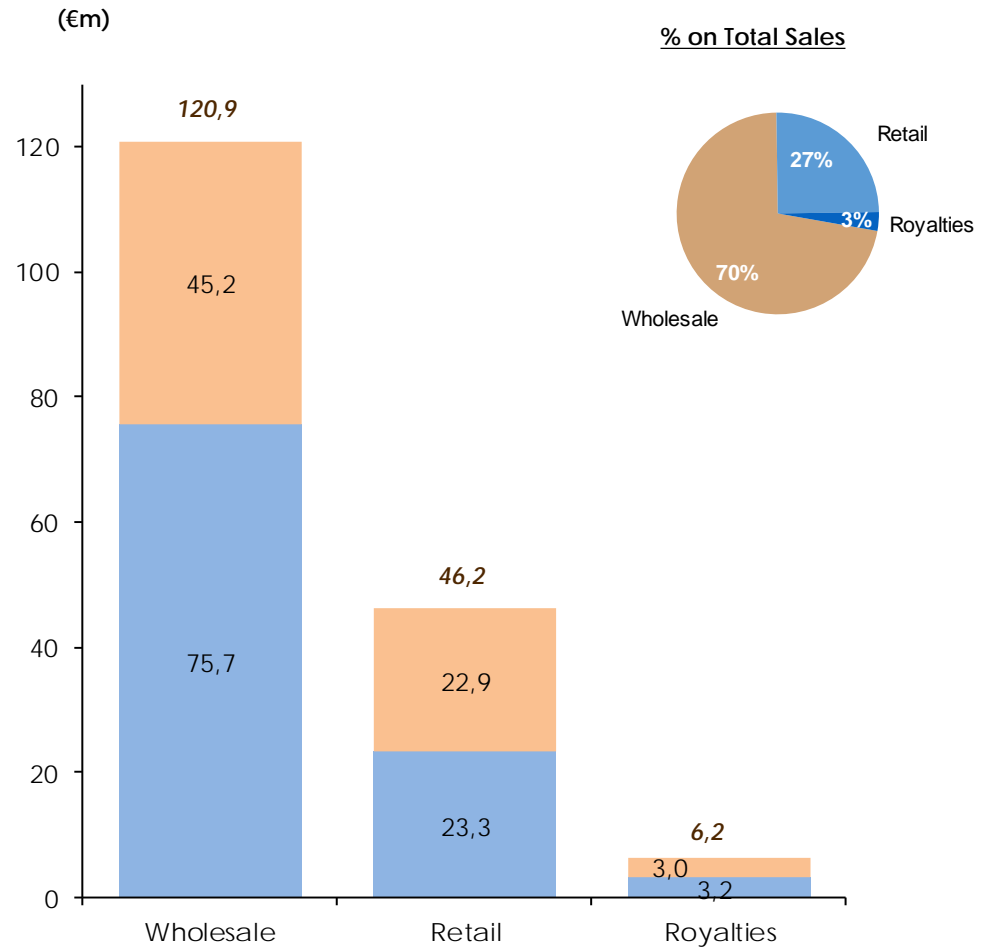
* At constant exchange rates

Net Sales Breakdown by Channel

1H 2020



1H 2019



1Q 2Q

Mono-brand Stores Network

DOS

	<u>1H20</u>	<u>FY19</u>
Europe	42	42
America	1	3
Asia	16	16
Total	59	61

Franchising

	<u>1H20</u>	<u>FY19</u>
Europe	40	40
America		1
Asia	113	122
Total	153	163



Income Statement – 1H 2020/2019

(€m)

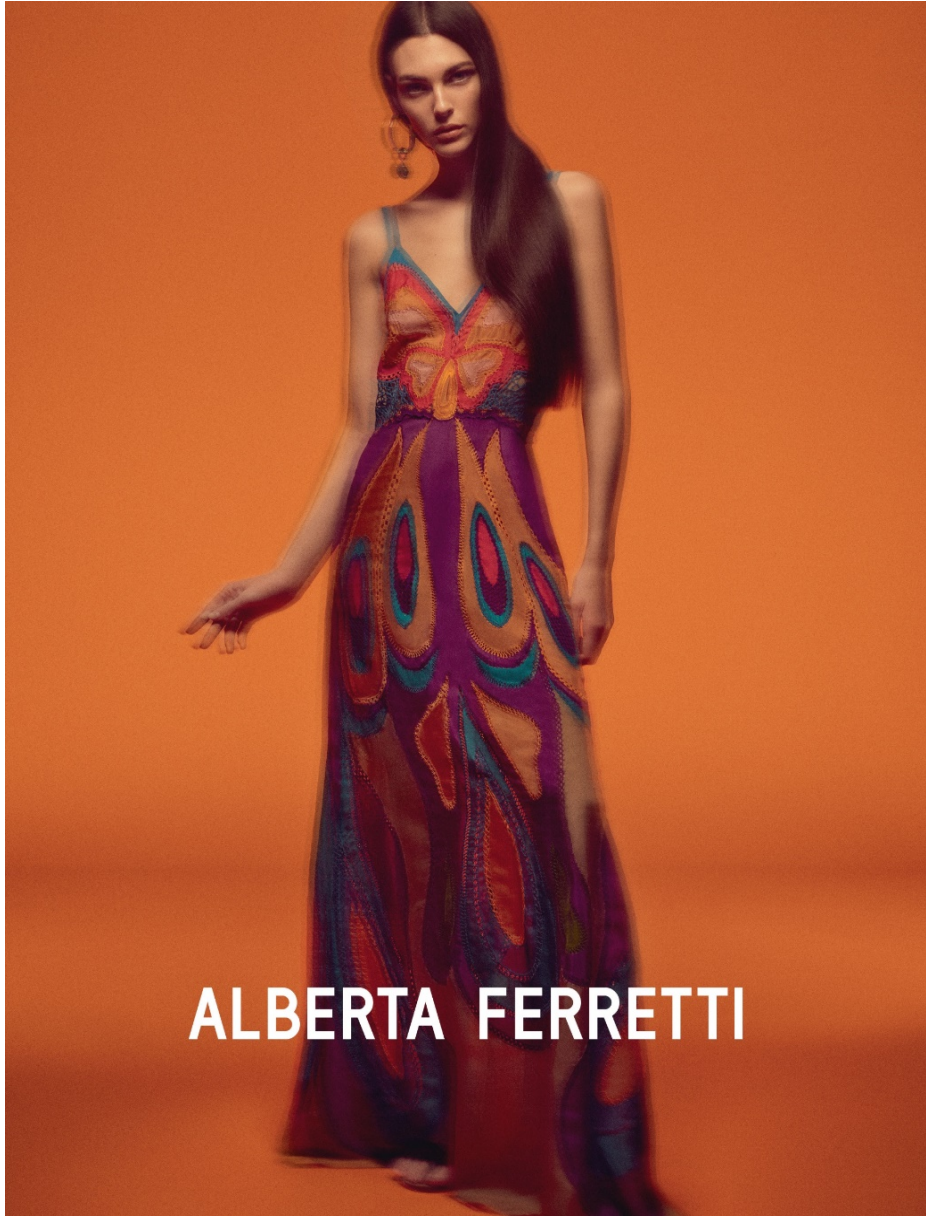
	1H 20	1H 19
Net Sales	118,9	173,3
<i>% change</i>	(31,4%)	
Other Revenues	4,7	4,3
Total Revenues	123,5	177,6
<i>% change</i>	(30,4%)	
Raw Materials Costs	(42,0)	(55,4)
Service Costs	(45,4)	(53,7)
Costs for use of third parties	(2,7)	(4,2)
Personnel	(29,5)	(35,9)
Other Operating Expenses	(3,3)	(1,7)
Total Operating Expenses	(123,0)	(150,9)
EBITDA	0,6	26,7
<i>Margin (% of Net sales)</i>	0,5%	15,4%
Depreciation and Amortisation	(13,4)	(13,5)
EBIT	(12,8)	13,2
<i>Margin (% of Net sales)</i>	(10,8%)	7,6%
Net Financial Income / (Expenses)	(1,3)	(1,7)
Profit before taxes	(14,1)	11,5
<i>Margin (% of Net sales)</i>	(11,9%)	6,7%
Taxes	1,7	(6,3)
Net income/(loss) before Minorities	(12,5)	5,3
<i>Margin (% of Net sales)</i>	(10,5%)	3,0%
Minority Interests	1,6	(0,2)
Net Income/(Loss) for the Group	(10,9)	5,1
<i>Margin (% of Net sales)</i>	(9,2%)	3,0%

Summary Balance Sheet

	<u>1H 20</u>	<u>FY 19</u>	<u>1H 19</u>
(€m) Net Working Capital	117,5	107,2	98,6
Net Tangible Assets	63,1	62,8	60,0
Net Intangible Assets	74,2	76,1	77,8
Net Intangible Assets for Rights of use	102,0	110,7	126,8
Net Financial Assets	2,8	2,9	3,2
Severance Staff, Provisions & Others	(17,9)	(20,3)	(21,1)
Net Capital Employed	341,6	339,3	345,4
Group Shareholders' Equity	159,9	171,4	165,9
Minorities	31,1	32,7	32,4
Shareholders' Equity & Minorities	191,0	204,1	198,3
Net financial Debt excluding IFRS 16	62,5	39,4	36,6
Net financial debt for Lease liabilities	88,1	95,8	110,6
Net Financial Debt and Shareholders' Equity	341,6	339,3	345,5
Accounts Receivables	37,7	41,5	42,3
Accounts Payables	(70,0)	(74,3)	(67,2)
Inventory	122,7	112,1	110,6
Operating NWC	90,4	79,3	85,7
<i>As % of LTM sales</i>	30,5%	22,6%	24,6%
Other Current Assets/Liabilities	27,1	27,9	12,9
Net Working Capital	117,5	107,2	98,6

Summary Cash Flow

(€m)	<u>1H 20</u>	<u>FY 19</u>	<u>1H 19</u>
PBT	(14,1)	21,8	11,5
Operating Cash Flow	(10,6)	19,2	6,8
Capital Expenditure	(3,6)	(9,7)	(2,3)
Capital Expenditure for Rights of use	0,7	(1,1)	(1,8)
Free Cash Flow	(13,5)	8,5	4,5
Cash Flows from Financing Activities	13,1	(8,1)	(1,4)
Cash and cash equivalents at the beginning of the year	28,4	28,0	28,0
Cash Flow of the Period	(0,4)	0,4	1,4
Cash and cash equivalents at the end of the year	28,0	28,4	29,4



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Appendices

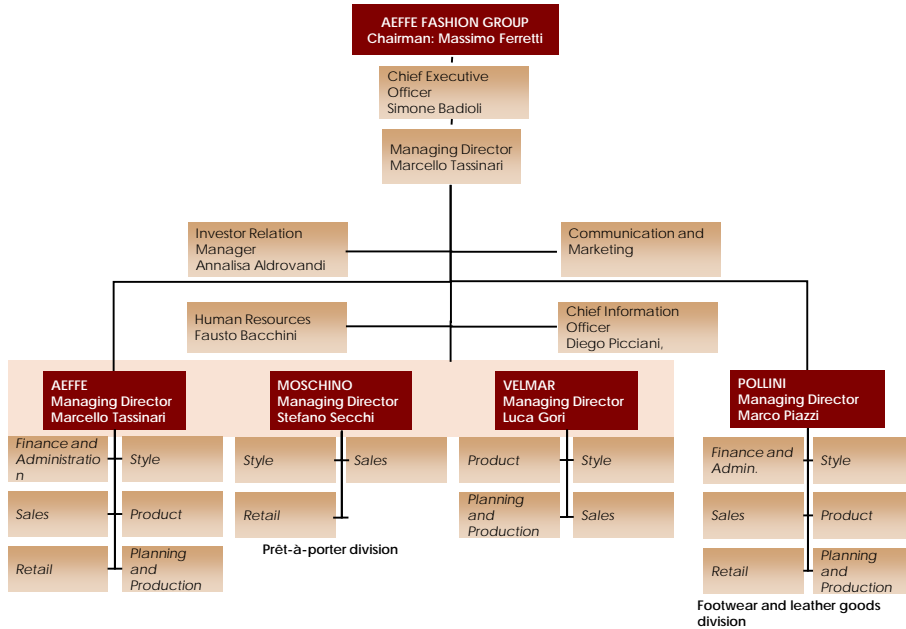
Income Statement – Full Year 2017-2019

(€m)

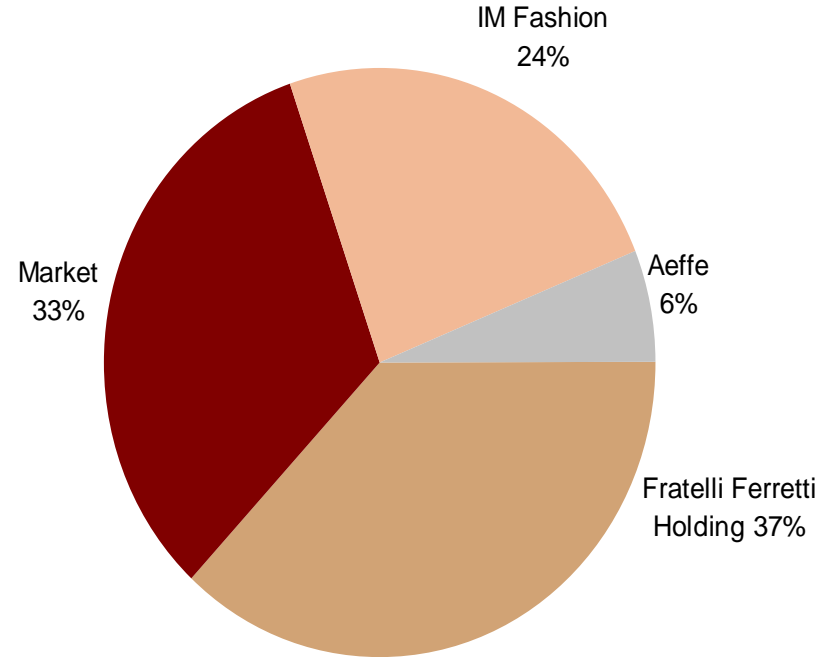
	<u>FY 19 net of IFRS 16 effects</u>	<u>2018A</u>	<u>2017A</u>
Net Sales	351,4	346,6	312,6
% change	1,7%	10,9%	11,4%
Other Revenues	10,1	5,4	3,8
Total Revenues	361,5	352,0	316,4
% change	2,8%	11,2%	10,1%
Raw Materials Costs	(115,3)	(110,3)	(96,1)
Service Costs	(108,3)	(100,6)	(91,0)
Cost for use of third parties assets	(25,6)	(25,4)	(23,3)
Personnel	(72,4)	(68,5)	(65,3)
Other Operating Expenses	(3,3)	(3,9)	(4,1)
Total Operating Expenses	(324,9)	(308,7)	(279,8)
EBITDA	36,6	43,3	36,6
Margin (% of Net sales)	10,4%	12,5%	11,7%
Depreciation and Amortisation	(13,0)	(13,7)	(13,9)
EBIT	23,6	29,6	22,7
Margin (% of Net sales)	6,7%	8,5%	7,3%
Net Financial Income / (Expenses)	(1,0)	(0,9)	(3,7)
PBT	22,7	28,7	19,0
Margin (% of Net sales)	6,4%	8,3%	6,1%
Taxes	(10,0)	(11,6)	(7,4)
Net income before Minorities	12,6	17,1	11,5
Margin (% of Net sales)	3,6%	4,9%	3,7%
Minority Interests	(0,3)	(0,4)	(0,0)
Net Income for the Group	12,3	16,7	11,5
Margin (% of Net sales)	3,5%	4,8%	3,7%

Company Profile

Organisational Structure



Ownership Structure



Share Information

N° of shares outstanding: 107,362,504

Italian Stock Exchange – STAR Segment

Specialist: Mediobanca S.p.A.

Tickers: AEF IM (Bloomberg) AEF MI (Reuters), AEF (Borsa Italiana)

Investor Relations

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