



Q1 2023 TRADING UPDATE

MAY 3, 2023

Safilo

SEE THE WORLD AT ITS BEST

DISCLAIMER

This presentation may contain forward looking statements based on current expectations and projects of the Group in relation to future events.

Due to their specific nature, these statements are subject to inherent risks and uncertainties, as they depend on certain circumstances and facts, most of which being beyond the control of the Group. Therefore actual results could differ, even to a significant extent, with respect to those reported in the statements.



“The first quarter of 2023 broadly met our expectations for the beginning of the year, reflecting the continuation of some of the main business drivers that had characterized the second half of last year. Our home brands and our core licenses again registered good progress in Europe and in emerging markets, while the business environment in the United States remained soft.

We also continued our journey to achieve an improved gross margin and we kept investing on our home brands and the Group’s digital transformation.”

Angelo Trocchia, CEO

A RESILIENT QUARTER DESPITE EXPECTED HEADWINDS

BRANDS

- Double-digit expansion for Carrera and Polaroid, and solid momentum for core licenses
- Smith soft on high comps, while Blenders unfavoured by weather conditions in key states

GEOGRAPHIES

- Sales growth continuing in Europe and the majority of emerging markets
- North America still affected by soft order taking

CHANNELS

- Physical eyewear channels largely positive and outpacing online
- Significant business decline in GrandVision, as expected



NET SALES

Q1 2023

287.2 €M

▲ +1.6%

◆ -0.4% @cFX

▲ +3.2% organic¹ vs the strongest quarter
in 2022 (Q1 2022 +14.3% vs 2021)

NET SALES IN EUROPE

Q1 2023
121.6 €M
▲ **+3.8%**
▲ **+4.0%@cFX**
▲ **+5.5% organic¹**

- Carrera and Polaroid, up double-digits
- Italy, Spain, France and CEE, best performing markets
- Broad-based growth by channel, particularly strong at independent opticians and chains.
Sales to GrandVision down as expected (ca -70%)



NET SALES IN NORTH AMERICA

Q1 2023
124.7 €M
▼ -3.4%
▼ -7.2% @cFX
◆ -0.9% organic¹

- Still soft order intake of entry and mid-tier products, plus phase-out sales in the base period.
Momentum continuing in premium/high-end segments
- Positive quarter for Smith in DTC, while normalizing in sport shops due to high comps, above all on bike products.



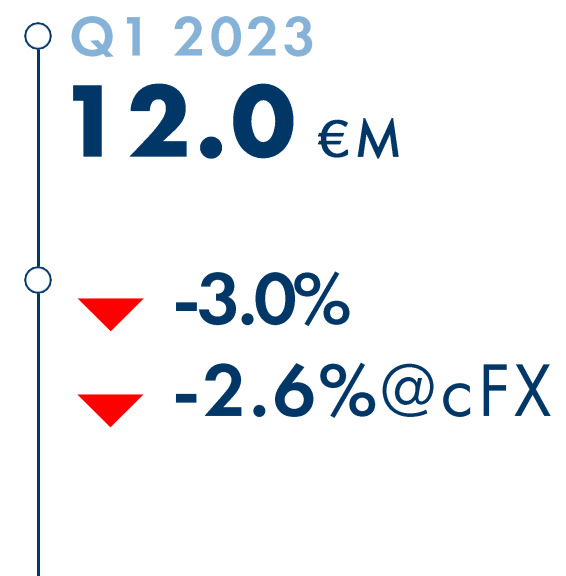
NET SALES IN THE REST OF WORLD

Q1 2023
28.8 €M
▲ **+20.3%**
▲ **+16.6%@cFX**

- Strong commercial development of Brazil and Mexico, with Carrera, Polaroid and core licenses up double-digits
- Focused events to engage with the main local partners delivering business growth in India and Middle East



NET SALES IN ASIA PACIFIC



- Still soft Chinese market due to prudent wholesale demand. Trend change expected from Q2, starting with the Shanghai optical fair in April
- Travel retail business and Australia the key positive drivers

GROSS MARGIN

Q1 2023 GROSS PROFIT

167.8 €M

GROSS MARGIN **58.4%**

▲ +7.9%

▲ +340 bps

- Positive price/mix sales dynamics
- Receding transport & energy costs



ADJUSTED² EBITDA MARGIN

Q1 2023 ADJ.² EBITDA

32.4 €M

ADJ.² EBITDA MARGIN **11.3%**

▲ +1.3%

= bps

- SG&A expenses ca +9% driven by ongoing investments in marketing & advertising and digital development



GROUP NET DEBT

	2022	Q1 2023
GROUP NET DEBT	113.4	112.4
Group net debt pre IFRS-16	69.6	70.2

- Slightly positive Free Cash Flow



CARRERA
EYEWEAR SINCE 1956

X
COACHELLA



Appendices

Safilo
SEE THE WORLD AT ITS BEST

NOTES TO THE PRESENTATION

- 1 Organic sales performance is provided at constant exchange rates and includes only the home brands and not terminated licenses, present in both of the compared periods, excluding the business attributable to the supply contract with Kering Eyewear.
- 2 In Q1 2023, the adjusted EBITDA excludes non-recurring costs for Euro 3.1 million related to some special projects and restructuring expenses. In Q1 2022, the adjusted EBITDA excludes non-recurring costs for Euro 3.3 million related to some special projects and restructuring expenses.

Q 1 2023 NET SALES BY GEOGRAPHY

					Change at current forex	Change at constant forex	
(Euro million)	Q1 2023	%	Q1 2022	%	Reported	Reported	Organic ¹
North America	124.7	43.4	129.0	45.7	-3.4%	-7.2%	-0.9%
Europe	121.6	42.3	117.2	41.5	+3.8%	+4.0%	+5.5%
Rest of the world	28.8	10.0	23.9	8.5	+20.3%	+16.6%	+16.7%
Asia Pacific	12.0	4.2	12.4	4.4	-3.0%	-2.6%	-2.5%
Total	287.2	100.0	282.6	100.0	+1.6%	-0.4%	+3.2%

Q 1 2023 TRADING UPDATE

(Euro million)	Q1 2023	% on net sales	Q1 2022	% on net sales	% Change
Net sales	287.2		282.6		+1.6%
Gross Profit	167.8	58.4%	155.5	55.0%	+7.9%
EBITDA	29.3	10.2%	28.7	10.2%	+1.9%
Adjusted EBITDA ²	32.4	11.3%	32.0	11.3%	+1.3%
IFRS 16 impact on EBITDA	3.0		2.6		
IFRIC SaaS impact on EBITDA	(3.3)		(1.9)		

EXCHANGE RATES

Currency	Code	As of		(Appreciation)/ Depreciation	Average for		(Appreciation)/ Depreciation
		March 31, 2023	December 31, 2022	%	March 31, 2023	March 31, 2022	%
US Dollar	USD	1.0875	1.0666	2.0%	1.0730	1.1217	-4.3%
Hong-Kong Dollar	HKD	8.5367	8.3163	2.7%	8.4106	8.7551	-3.9%
Swiss Franc	CHF	0.9968	0.9847	1.2%	0.9925	1.0364	-4.2%
Canadian Dollar	CAD	1.4737	1.4440	2.1%	1.4513	1.4207	2.2%
Japanese Yen	YEN	144.8300	140.6600	3.0%	141.9806	130.4636	8.8%
British Pound	GBP	0.8792	0.8869	-0.9%	0.8831	0.8364	5.6%
Swedish Krown	SEK	11.2805	11.1218	1.4%	11.2030	10.4807	6.9%
Australian Dollar	AUD	1.6268	1.5693	3.7%	1.5701	1.5491	1.4%
South-African Rand	ZAR	19.3275	18.0986	6.8%	19.0602	17.0819	11.6%
Russian Ruble	RUB	84.6559	78.4308	7.9%	78.6589	98.2985	-20.0%
Brasilian Real	BRL	5.5158	5.6386	-2.2%	5.5751	5.8696	-5.0%
Indian Rupee	INR	89.3995	88.1710	1.4%	88.2438	84.3944	4.6%
Singapore Dollar	SGD	1.4464	1.4300	1.1%	1.4302	1.5169	-5.7%
Malaysian Ringgit	MYR	4.7986	4.6984	2.1%	4.7087	4.7027	0.1%
Chinese Renminbi	CNY	7.4763	7.3582	1.6%	7.3419	7.1212	3.1%
Korean Won	KRW	1,420.2600	1,344.0900	5.7%	1,369.9326	1,352.2919	1.3%
Mexican Peso	MXN	19.6392	20.8560	-5.8%	20.0431	22.9919	-12.8%
Turkish Lira	TRY	20.8632	19.9649	4.5%	20.26272	15.67247	29.3%
Dirham UAE	AED	3.9938	3.9171	2.0%	3.94061	4.11939	-4.3%
Polish Zloty	PLN	4.6700	4.6808	-0.2%	4.70814	4.62299	1.8%

STRONG BRAND PORTFOLIO

TO REACH A BROAD AUDIENCE OF TARGET CONSUMERS

- The **right offer for all distribution channels**, for all customer types
- **Centered on contemporary segment** where the highest demand of eyewear is
- **Broad based offer** across genders, ages, categories & price segments
- **Appealing to the most** fashion-driven consumers and functional for the more traditional ones
- **Assuring trends** (sustainability, outdoor, celebrities and digital) **and service** (size, fit, optician-friendly features)

CARRERA
EYEWEAR SINCE 1956

SMITH

Polaroid
The Original Polarized since 1937

//Blenders

PRIVÉ REVAUX
EYEWEAR

SEVENTH STREET
by **Safilo**

BANANA REPUBLIC

BOSS

CAROLINA HERRERA

CHIARA FERRAGNI

EYEWEAR by DAVID BECKHAM

DSQUARED2

FOSSIL

havaianas

HUGO

ISABEL MARANT

JIMMY CHOO

Juicy Couture

kate spade
NEW YORK

Levi's

LIZ CLAIBORNE

LOVE MOSCHINO

MARC JACOBS

MISSONI

M
MISSONI

MOSCHINO

pierre cardin
PARIS

PORTS
EYEWEAR

rag & bone
NEW YORK

TOMMY HILFINGER

TOMMY JEANS

UNDER ARMOUR