



## 2020 RESULTS

March 11, 2021

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# A YEAR OF UNPRECEDENTED CHALLENGES DUE TO THE COVID-19 PANDEMIC

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*“2020 presented the most challenging market conditions we have ever experienced and I want to express my utmost gratitude to all our people, in the plants and in our offices around the world, for their dedication and the excellent job accomplished in such a difficult period of our lives.*

*The health and safety of our people, including the opportunity to manage professional and personal needs with the greatest flexibility, were and continue to be our first priority.*

*Considering the unprecedented business environment due to the Covid-19 pandemic, I am satisfied with our economic and financial results.”*

Angelo Trocchia, CEO

# AFTER Q3 REBOUND, RECOVERY OF SALES AND EARNINGS CONTINUED IN Q4

...NOTWITHSTANDING RENEWED EXTERNAL CHALLENGES DUE TO THE SECOND WAVE OF COVID-19 INFECTIONS



➤ FULL CONTRIBUTION OF OUR RECENT ACQUISITIONS:

- Strong online business continuing in a lower seasonal quarter

➤ SEQUENTIAL IMPROVEMENT OF OUR ORGANIC<sup>1</sup> BUSINESS:

- Rebound of US independent 3Os continuing
- Outstanding growth of Mainland China and Australia
- Still weak market environment in Europe
- Growth of prescription frames, while sunglasses lagging behind

➤ POSITIVE ADJUSTED<sup>2</sup> OPERATING PERFORMANCE

- Better operating leverage



# 2020 ECONOMIC AND FINANCIAL HIGHLIGHTS

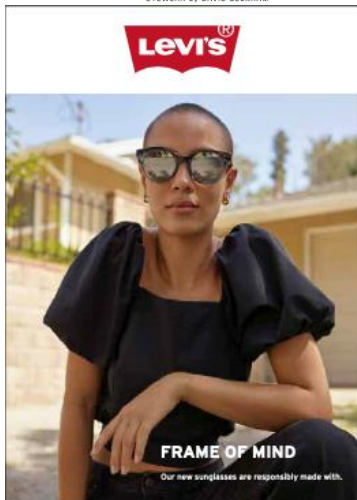
FY RESULTS REFLECT BUSINESS REBOUND POST H1 AND DECISIVE COST AND NWC INTERVENTIONS

(in millions of Euro, % change vs same periods of 2019/value change vs Dec.19)

	FY 2020	H2 2020	Q4 2020	Q3 2020	H1 2020
NET SALES	780.3	444.7	225.6	219.1	335.6
% change @constant FX	-15.2%	+4.5%	+3.0%	+6.0%	-32.7%
ADJUSTED <sup>2</sup> EBITDA	1.0	29.3	15.0	14.3	(28.3)
% change	-98.4%	+21.0%	+34.5%	+9.3%	n.s.
ADJUSTED <sup>2</sup> NET RESULT	(46.5)	17.2			(63.7)
% change	n.s.	n.s.			n.s.
GROUP NET DEBT	222.1				188.5
change	+147.2				+113.7

# ADVANCING OUR MEDIUM-TERM STRATEGIC AGENDA

WE REMAINED FOCUSED ON THE KEY STRATEGIES OF OUR 2019 GROUP BUSINESS PLAN



PORTS

## RENEW OUR BRANDS/ CHANNELS/ PRODUCT MIX

- ✓ Launch Levi's, David Beckham, Missoni, Ports
- ✓ Prepare Isabel Marant and Under Armour for 2021
- ✓ Phase-out of Dior
- ✓ Blenders, Privé Revaux and Smith to boost D2C business
- ✓ State-of-the-art B2B and CRM to boost business with 30 customers

## INITIATE THE OVERHAUL OF OUR PRODUCTION FOOTPRINT

- ✓ Sale of Martignacco plant
- ✓ Initial rightsizing of Longarone

2020 SALES PERFORMANCE

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## TOTAL NET SALES

(in millions of Euro and % change vs same period of 2019)

### H2 SALES REBOUND DRIVEN BY ACQUISITIONS AND THE SEQUENTIAL IMPROVEMENT OF THE ORGANIC<sup>1</sup> BUSINESS

	FY 2020	of which			H2 2020	of which			Q4 2020	of which		
		M&A	ORGANIC <sup>1</sup>	WHOLESALE <sup>3</sup>		M&A	ORGANIC <sup>1</sup>	WHOLESALE <sup>3</sup>		M&A	ORGANIC <sup>1</sup>	WHOLESALE <sup>3</sup>
NET SALES	780.3	61.8	718.5		444.7	40.6	404.1		225.6	14.1	211.5	
% change @current FX	-16.9%				+0.4%				-2.1%			
% change @constant FX	-15.2%	+6.7%	-21.9%	-21.5%	+4.5%	+9.6%	-5.1%	-3.5%	+3.0%	+6.6%	-3.6%	-1.6%

	Q3 2020	of which			H1 2020	of which		
		M&A	ORGANIC <sup>1</sup>	WHOLESALE <sup>3</sup>		M&A	ORGANIC <sup>1</sup>	WHOLESALE <sup>3</sup>
NET SALES	219.1	26.5	192.6		335.6	21.2	314.4	
% change @current FX	+3.0%				-32.3%			
% change @constant FX	+6.0%	+12.7%	-6.7%	-5.5%	-32.7%	+4.2%	-36.9%	-37.7%

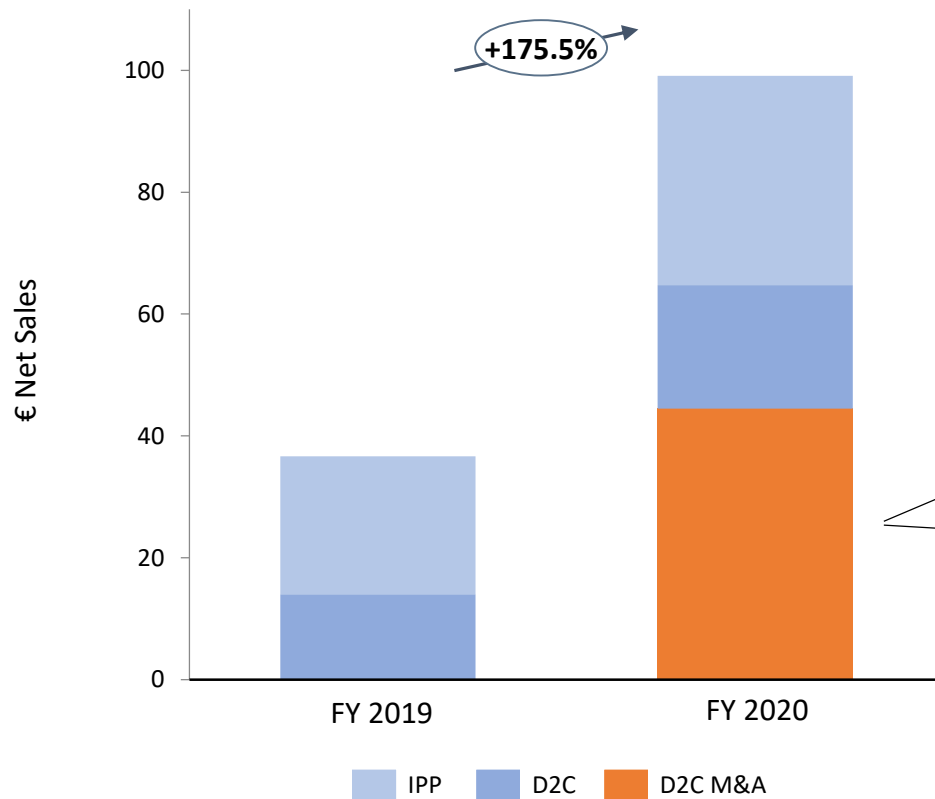


## OUR TOTAL ONLINE BUSINESS

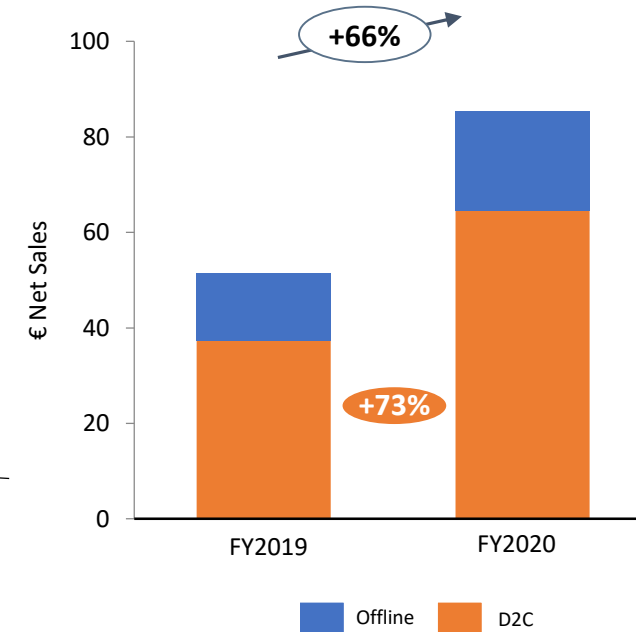
(% change vs 2019)

AS CONSUMERS SHIFT TO DIGITAL/SOCIAL AND D2C ECOMMERCE, OUR TOTAL ONLINE BUSINESS SHARPLY GREW IN 2020, REACHING CA €100M OR 13% OF TOTAL NET SALES

SAFILO'S TOTAL ONLINE BUSINESS



Pro-forma performance<sup>4</sup> of our acquisitions



## NORTH AMERICA

(in millions of Euro and % change vs same period of 2019)



UNITED STATES OUR BEST PERFORMING REGION BEHIND THE SIGNIFICANT H2 REBOUND DRIVEN BY ACQUISITIONS & OUR ORGANIC<sup>1</sup> BUSINESS. LEVERAGING A DYNAMIC MARKET AND STRONG CAPABILITIES TO BETTER SERVE OUR WHOLESALE CUSTOMERS.

	FY 2020	<i>of which</i> ORGANIC <sup>1</sup>	H2 2020	<i>of which</i> ORGANIC <sup>1</sup>	Q4 2020	<i>of which</i> ORGANIC <sup>1</sup>	Q3 2020	<i>of which</i> ORGANIC <sup>1</sup>	H1 2020	<i>of which</i> ORGANIC <sup>1</sup>
NET SALES	342.5		214.0		100.9		113.1		128.5	
% change @current FX	+2.5%		+30.1%		+19.2%		+41.5%		-24.2%	
% change @constant FX	+4.7%	-14.2%	+36.3%	+10.6%	+27.0%	+8.9%	+45.9%	+12.1%	-26.0%	-38.2%

## EUROPE

(in millions of Euro and % change vs same period of 2019)



BUSINESS RECOVERY IN EUROPE SLOWER, IMPACTED BY SECOND WAVE OF THE COVID-19 PANDEMIC. Q4 STILL DRIVEN BY LOW SUNGLASSES AND TRADING IN BOUTIQUES AND TRAVEL RETAIL, WHILE IPP AND OPTICAL BUSINESS OUTPERFORMED.

	FY 2020	<i>of which</i> WHOLESALE <sup>3</sup>	H2 2020	<i>of which</i> WHOLESALE <sup>3</sup>	Q4 2020	<i>of which</i> WHOLESALE <sup>3</sup>	Q3 2020	<i>of which</i> WHOLESALE <sup>3</sup>	H1 2020	<i>of which</i> WHOLESALE <sup>3</sup>
<b>NET SALES</b>	<b>330.4</b>		<b>165.4</b>		<b>86.1</b>		<b>79.3</b>		<b>165.0</b>	
% change @current FX	-26.4%		-18.3%		-19.4%		-17.0%		-33.0%	
% change @constant FX	<b>-25.9%</b>	<b>-25.8%</b>	<b>-17.3%</b>	<b>-15.6%</b>	<b>-18.0%</b>	<b>-16.0%</b>	<b>-16.4%</b>	<b>-15.2%</b>	<b>-32.9%</b>	<b>-34.0%</b>

## ASIA PACIFIC

(in millions of Euro and % change vs same period of 2019)

 HEALTHY INTERNAL CONSUMPTION AND LAUNCH OF NEW BRANDS SUPPORTED SURGE OF BUSINESS IN CHINA.  
FY PERFORMANCE ALMOST COMPLETELY DRIVEN BY COLLAPSE OF TRAVEL RETAIL ACTIVITIES DUE TO BANS ON TRAVEL.

	FY 2020	H2 2020	Q4 2020	Q3 2020	H1 2020
<b>NET SALES</b>	<b>60.7</b>	<b>36.9</b>	<b>21.1</b>	<b>15.9</b>	<b>23.7</b>
% change @current FX	-22.2%	+7.1%	+24.1%	-9.4%	-45.4%
% change @constant FX	<b>-20.9%</b>	<b>+10.6%</b>	<b>+28.1%</b>	<b>-6.4%</b>	<b>-45.9%</b>



## REST OF THE WORLD

(in millions of Euro and % change vs same period of 2019)



MILDER BUSINESS DECLINE IN Q4 SUPPORTED BY BRAZIL AND MEXICO AND FIRST SIGNS OF RECOVERY IN IMEA MARKETS.

	FY 2020	H2 2020	Q4 2020	Q3 2020	H1 2020
<b>NET SALES</b>	<b>46.8</b>	<b>28.4</b>	<b>17.5</b>	<b>10.9</b>	<b>18.4</b>
% change @current FX	-40.3%	-31.8%	-19.7%	-45.2%	-49.8%
% change @constant FX	<b>-32.6%</b>	<b>-20.4%</b>	<b>-6.5%</b>	<b>-35.6%</b>	<b>-46.4%</b>

2020 ECONOMIC PERFORMANCE

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## 2020 KEY DRIVERS OF OUR OPERATING RESULTS

- 1) OPERATING LEVERAGE STRONGLY IMPACTED BY SALES SETBACK IN H1, NORMALIZING IN H2 BEHIND BUSINESS RECOVERY**
- 2) STRUCTURAL OVERHEAD COST SAVINGS OF €15M, OUT OF THE GROUP'S MEDIUM-TERM PLAN OF €20M**
- 3) ONE-TIME COVID-19 RELATED SAVINGS OF APPROXIMATELY €28M ON TOP**
- 4) NON-RECURRING COSTS OF €25.5M (€21.1M AT THE EBITDA LEVEL)**

## INDUSTRIAL PERFORMANCE

(in millions of Euro, %/bps change vs same period of 2019)

H2 GROSS MARGIN STARTING TO RECOVER AFTER H1 IMPACT, REFLECTING A STRUCTURAL DECLINE IN D&A AND ACCRETIVE D2C ACQUISITION IMPACT. Q4 CONSTRAINED BY NEGATIVE SALES MIX AND NON-RECURRING COSTS

	FY 2020	H2 2020	Q4 2020	Q3 2020	H1 2020
<b>Gross profit</b>	<b>362.5</b>	<b>213.9</b>	<b>101.3</b>	<b>112.6</b>	<b>148.6</b>
% change	-24.0%	+1.5%	-0.4%	+3.3%	-44.2%
<b>Margin %</b>	<b>46.5%</b>	<b>48.1%</b>	<b>44.9%</b>	<b>51.4%</b>	<b>44.3%</b>
bps change	-430 bps	+50 bps	+70 bps	+20 bps	-940 bps



## ADJUSTED<sup>2</sup> OPERATING PERFORMANCE

(in millions of Euro, %/bps,pps change vs same period of 2019)

IN H2 2020, SG&A EXPENSES BENEFITTED FROM LOWER ROYALTIES AND MARKETING CONTRIBUTIONS OFFSETTING ADDITIONAL COSTS ASSOCIATED WITH ACQUISITIONS, AND HIGHER LOGISTICS COSTS

	FY 2020	H2 2020	Q4 2020	Q3 2020	H1 2020
<b>Adjusted<sup>2</sup> EBITDA</b>	<b>1.0</b>	<b>29.3</b>	<b>15.0</b>	<b>14.3</b>	<b>(28.3)</b>
% change	-98.4%	+21.0%	+34.5%	+9.3%	n.s.
<b>Margin %</b>	<b>0.1%</b>	<b>6.6%</b>	<b>6.6%</b>	<b>6.5%</b>	<b>(8.4%)</b>
<i>bps change</i>	<i>-690 bps</i>	<i>+110 bps</i>	<i>+180 bps</i>	<i>+30 bps</i>	<i>-16.7 pps</i>
<b>D&amp;A</b>	<i>+50 bps</i>	<i>-130 bps</i>			<i>+250 bps</i>
<b>Adjusted<sup>2</sup> EBIT</b>	<b>(54.3)</b>	<b>0.9</b>			<b>(55.2)</b>
% change	n.s.	n.s.			n.s.
<b>Margin %</b>	<b>(7.0%)</b>	<b>0.2%</b>			<b>(16.5%)</b>
<i>bps change</i>	<i>-740 bps</i>	<i>+240 bps</i>			<i>-19.2 pps</i>

## ADJUSTED<sup>2</sup> NET PERFORMANCE

(in millions of Euro, %/bps,pps change vs same period of 2019)

BELOW THE ADJUSTED<sup>2</sup> OPERATING LINE, SAFILO'S ADJUSTED<sup>2</sup> NET RESULT REFLECTED:

1. HIGHER NET FINANCIAL CHARGES DUE TO NEGATIVE EXCHANGE RATES DIFFERENCES AND HIGHER AVERAGE GROSS DEBT;
2. POSITIVE ACCOUNTING ADJUSTMENT OF €19.8M DUE TO REDUCED OPTION LIABILITY ON MINORITY INTERESTS;
3. TAX BENEFIT OF €14.4M MAINLY FROM THE US CARES\* ACT EXPECTED TO BE CASHED IN 2021;

	FY 2020	H2 2020	H1 2020
<b>Adjusted<sup>2</sup> Net result</b>	<b>(46.5)</b>	<b>17.2</b>	<b>(63.7)</b>
<i>% change</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
<b>Margin %</b>	<b>(6.0%)</b>	<b>3.9%</b>	<b>(19.0%)</b>
<i>bps change</i>	<i>-540 bps</i>	<i>+720 bps</i>	<i>-20.7 pps</i>

2020 FINANCIAL PERFORMANCE

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## FREE CASH FLOW

(in millions of Euro)

STRICT WORKING CAPITAL CONTROL - REDUCTION OF INVENTORIES AND NORMALIZATION OF CASH COLLECTION/ PAYABLES - DROVE FY POSITIVE OPERATING CASH FLOW. CASH ABSORPTION (EX M&A) STRONGLY IMPACTED BY THE COVID-19 PANDEMIC.

	FY 2020	FY 2019
CASH FLOW FROM OPERATING ACTIVITIES before change in WC	(41.6)	36.8
Change in WORKING CAPITAL	42.5	(10.2)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>0.9</b>	<b>26.5</b>
Organic CAPEX	(21.4)	(30.6)
Cash payments for the principal portion of lease liabilities IFRS 16	(10.7)	(16.9)
<b>FREE CASH FLOW before acquisitions/disinvestments</b>	<b>(31.3)</b>	<b>(21.0)</b>
<b>CASH FLOW FOR/FROM ACQUISITIONS/DISINVESTMENTS</b>	<b>(111.8)</b>	<b>7.2</b>
<b>FREE CASH FLOW</b>	<b>(143.1)</b>	<b>(13.8)</b>



## GROUP NET DEBT

(in millions of Euro)

### KEY COMPONENTS OF THE GROUP DEBT

	Dec.31, 2020	Dec.31, 2019
<b>GROSS DEBT</b>	<b>311.0</b>	<b>139.0</b>
- IFRS-16 effect	43.1	47.0
- Shareholder Loan for the acquisitions	93.5	-
- Term Loan facility, guaranteed by SACE	108.0	-
- "TL & RCF 2018" facility	65.0	85.0
- Other short/long-term borrowings	1.4	7.0
<b>NET CASH POSITION *</b>	<b>(89.0)</b>	<b>(64.2)</b>
<b>NET DEBT</b>	<b>222.1</b>	<b>74.8</b>
<b>NET DEBT pre-IFRS 16 and acquisitions</b>	<b>67.2</b>	<b>27.8</b>

\* Cash position, net of 21.8M cash out for the acquisitions

BUSINESS EVOLUTIONS AFTER THE YEAR-END

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## FURTHER ACTIONS OF OUR INDUSTRIAL PLAN

IN LINE WITH THE BUSINESS OBJECTIVE OF IMPROVING THE EFFICIENCY OF THE GROUP MANUFACTURING FOOTPRINT, TO ENABLE GROSS MARGIN RECOVERY AND THE GROUP ECONOMIC & FINANCIAL SOLIDITY



### REALIGNING OUR MANUFACTURING CAPACITY TO THE CURRENT AND FUTURE PRODUCTION NEEDS

#### ➤ FURTHER ACTION REQUIRED

- Intended closure of Ormož production site, in Slovenia

#### ➤ KEY IMPLICATIONS

- 557 expected redundancies

## BUSINESS UPDATE IN RELATION TO THE COVID-19 PANDEMIC

- ✓ The business environment at the beginning of 2021 remained affected by the containment actions still in place in many countries to halt the spread of Covid-19 and the uncertainties over the scale and timing of the expected rebound in consumer demand across the different geographies.
- ✓ Our business activity in January and February was in line with our expectations for a more moderate start to the year compared to the very positive sales trends recorded at the beginning of 2020, while the first ten days of March confirm a significant acceleration compared to the same period last year, the first to be highly impacted by the consequences of the pandemic.
- ✓ Based on the current visibility on the order book, the Group expects its total net sales for the first quarter of 2021 to grow, at constant exchange rates, in a high-single to low-double digit range compared to Q1 2020.
- ✓ As we continue to maintain a prudent stance on the prospects for the current year awaiting further market evidence of a solid sun season, the main assumption of our work today rests on the opportunity for our business, both owned and licensed, to effectively compensate for discontinued and exiting activities, and on the continuation of our cost reduction plan to recover this year a more positive economic profile.



Q&A

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FULL YEAR 2020 APPENDICES

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# NOTES TO THE PRESENTATION

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- <sup>1</sup> The organic business excludes the acquisitions of Privé Revaux and Blenders Eyewear, reported in the geographical area of North America, and the impact of exchange rates. In 2020, Safilo Group consolidated the above businesses as per the respective acquisition dates of February 10, 2020 and June 1, 2020.
- <sup>2</sup> In 2020, the adjusted economic results exclude non-recurring costs for Euro 25.5 million (Euro 21.1 million at the EBITDA level and Euro 22.8 million at the net result level) due to restructuring expenses related to the ongoing cost saving plan for Euro 16.6 million, and to charges due to the termination of activities related to exiting license brands, such as write-offs of industrial assets, for Euro 8.9 million. In Q4 2020, the adjusted EBITDA excludes non-recurring costs for Euro 9.3 million, the corresponding part of the above indicated Euro 21.1 million.
- In 2019, the adjusted economic results excluded: (i) the impairment of the entire goodwill allocated to the Group's cash generating units of Euro 227.1 million, (ii) the write-down of deferred tax assets of Euro 22.4 million, (iii) the write-down of fixed assets of Euro 9.0 million for the restructuring plan in Italy, announced on December 10, 2019, (iv) non-recurring costs of Euro 39.4 million, related to the above-mentioned restructuring plan in Italy for Euro 21 million, to the cost saving program undertaken by the Company during the year, and to activities linked to acquisitions and divestitures. At the net result level, there was a positive tax effect on the non-recurring costs themselves of Euro 1.9 million.
- In Q4 2019, the adjusted EBITDA excluded non-recurring costs for Euro 29.0 million, the corresponding part of the above indicated Euro 39.4 million.
- <sup>3</sup> The wholesale business excludes the acquisitions of Privé Revaux and Blenders Eyewear, and the supply agreement with Kering, reported in the geographical area of Europe.
- <sup>4</sup> Safilo Group has consolidated Privé Revaux and Blenders Eyewear in 2020, as per the respective acquisition dates of February 10, 2020 and June 1st, 2020. Privé Revaux and Blenders Eyewear 2020 pro-forma sales performance is calculated on a full year basis.

# NET SALES BY GEOGRAPHIC AREA

(Euro in millions)	FY 2020	%	FY 2019	%	% change at current forex	% change at constant forex
Europe	330.4	42.3	448.8	47.8	-26.4%	-25.9%
North America	342.5	43.9	334.0	35.6	+2.5%	+4.7%
Asia Pacific	60.7	7.8	78.0	8.3	-22.2%	-20.9%
Rest of the world	46.8	6.0	78.3	8.3	-40.3%	-32.6%
<b>Total</b>	<b>780.3</b>	<b>100.0</b>	<b>939.0</b>	<b>100.0</b>	<b>-16.9%</b>	<b>-15.2%</b>

(Euro million)	Q4 2020	%	Q4 2019	%	% change at current forex	% change at constant forex
Europe	86.1	38.2	106.9	46.4	-19.4%	-18.0%
North America	100.9	44.7	84.7	36.8	+19.2%	+27.0%
Asia Pacific	21.1	9.3	17.0	7.4	+24.1%	+28.1%
Rest of the world	17.5	7.8	21.8	9.5	-19.7%	-6.5%
<b>Total</b>	<b>225.6</b>	<b>100.0</b>	<b>230.4</b>	<b>100.0</b>	<b>-2.1%</b>	<b>+3.0%</b>

(Euro in millions)	H2 2020	%	H2 2019	%	% change at current forex	% change at constant forex
Europe	165.4	37.2	202.5	45.7	-18.3%	-17.3%
North America	214.0	48.1	164.5	37.1	+30.1%	+36.3%
Asia Pacific	36.9	8.3	34.5	7.8	+7.1%	+10.6%
Rest of the world	28.4	6.4	41.6	9.4	-31.8%	-20.4%
<b>Total</b>	<b>444.7</b>	<b>100.0</b>	<b>443.1</b>	<b>100.0</b>	<b>0.4%</b>	<b>+4.5%</b>

(Euro in millions)	H1 2020	%	H1 2019	%	% change at current forex	% change at constant forex
Europe	165.0	49.2	246.3	49.7	-33.0%	-32.9%
North America	128.5	38.3	169.5	34.2	-24.2%	-26.0%
Asia Pacific	23.7	7.1	43.5	8.8	-45.4%	-45.9%
Rest of the world	18.4	5.5	36.7	7.4	-49.8%	-46.4%
<b>Total</b>	<b>335.6</b>	<b>100.0</b>	<b>495.9</b>	<b>100.0</b>	<b>-32.3%</b>	<b>-32.7%</b>

# INCOME STATEMENT

(Euro in Millions)

	2020	%	2019	%	% Change
<b>Net sales</b>	<b>780.3</b>	<b>100.0</b>	<b>939.0</b>	<b>100.0</b>	<b>-16.9%</b>
Cost of sales	(417.8)	(53.5)	(462.1)	(49.2)	-9.6%
<b>Gross profit</b>	<b>362.5</b>	<b>46.5</b>	<b>476.9</b>	<b>50.8</b>	<b>-24.0%</b>
Selling and marketing expenses	(311.9)	(40.0)	(367.0)	(39.1)	-15.0%
General and administrative expenses	(114.0)	(14.6)	(120.7)	(12.9)	-5.5%
Other operating income (expenses)	(16.4)	(2.1)	(33.8)	(3.6)	-51.4%
Impairment loss on goodwill	-	-	(227.1)	(24.2)	-100.0%
<b>Operating profit/(loss)</b>	<b>(79.8)</b>	<b>(10.2)</b>	<b>(271.7)</b>	<b>(28.9)</b>	<b>-70.6%</b>
Gains/(losses) on liabilities for options on non-controlling interests	19.8	2.5	-	-	n.s.
Financial charges, net	(24.1)	(3.1)	(7.3)	(0.8)	n.s.
<b>Profit/(Loss) before taxation</b>	<b>(84.1)</b>	<b>(10.8)</b>	<b>(279.0)</b>	<b>(29.7)</b>	<b>-69.9%</b>
Income taxes	14.4	1.9	(22.9)	(2.4)	n.s.
<b>Net profit/(loss) of the period</b>	<b>(69.7)</b>	<b>(8.9)</b>	<b>(302.0)</b>	<b>(32.2)</b>	<b>-76.9%</b>
Non-controlling interests	(0.3)	(0.0)	(0.1)	(0.0)	n.s.
<b>Net profit/(loss) attributable to owners of the Parent</b>	<b>(69.4)</b>	<b>(8.9)</b>	<b>(301.9)</b>	<b>(32.2)</b>	<b>-77.0%</b>
<b>EBITDA</b>	<b>(20.1)</b>	<b>(2.6)</b>	<b>26.1</b>	<b>2.8</b>	<b>n.s.</b>
<b>Adjusted<sup>2</sup> economic indicators</b>	<b>2020</b>	<b>%</b>	<b>2019</b>	<b>%</b>	<b>% Change</b>
<b>Adjusted<sup>2</sup> EBITDA</b>	<b>1.0</b>	<b>0.1</b>	<b>65.4</b>	<b>7.0</b>	<b>-98.4%</b>
<b>Adjusted<sup>2</sup> Operating profit/(loss)</b>	<b>(54.3)</b>	<b>(7.0)</b>	<b>3.7</b>	<b>0.4</b>	<b>n.s.</b>
<b>Adjusted<sup>2</sup> Net profit/(loss) attributable to the Group</b>	<b>(46.5)</b>	<b>(6.0)</b>	<b>(6.0)</b>	<b>(0.6)</b>	<b>n.s.</b>

	H2 2020	%	H2 2019	%	% Change
<b>Net sales</b>	<b>444.7</b>	<b>100.0</b>	<b>443.1</b>	<b>100.0</b>	<b>0.4%</b>
Cost of sales	(230.8)	(51.9)	(232.4)	(52.4)	-0.7%
<b>Gross profit</b>	<b>213.9</b>	<b>48.1</b>	<b>210.7</b>	<b>47.6</b>	<b>1.5%</b>
Selling and marketing expenses	(162.0)	(36.4)	(174.2)	(39.3)	-7.0%
General and administrative expenses	(57.3)	(12.9)	(59.8)	(13.5)	-4.3%
Other operating income (expenses)	(6.1)	(1.4)	(29.7)	(6.7)	-79.4%
Impairment loss on goodwill	-	-	-	-	-
<b>Operating profit/(loss)</b>	<b>(11.4)</b>	<b>(2.6)</b>	<b>(52.9)</b>	<b>(11.9)</b>	<b>-78.5%</b>
Gains/(losses) on liabilities for options on non-controlling interests	19.8	4.5	-	-	n.s.
Financial charges, net	(12.5)	(2.8)	(4.4)	(1.0)	n.s.
<b>Profit/(Loss) before taxation</b>	<b>(4.1)</b>	<b>(0.9)</b>	<b>(57.3)</b>	<b>(12.9)</b>	<b>-92.8%</b>
Income taxes	8.8	2.0	2.3	0.5	n.s.
<b>Net profit/(loss) of the period</b>	<b>4.6</b>	<b>1.0</b>	<b>(55.0)</b>	<b>(12.4)</b>	<b>n.s.</b>
Non-controlling interests	(0.7)	(0.2)	(0.1)	(0.0)	n.s.
<b>Net profit/(loss) attributable to owners of the Parent</b>	<b>5.4</b>	<b>1.2</b>	<b>(55.0)</b>	<b>(12.4)</b>	<b>n.s.</b>
<b>EBITDA</b>	<b>18.5</b>	<b>4.2</b>	<b>(10.2)</b>	<b>(2.3)</b>	<b>n.s.</b>
<b>Adjusted<sup>2</sup> economic indicators</b>	<b>H2 2020</b>	<b>%</b>	<b>H2 2019</b>	<b>%</b>	<b>% Change</b>
<b>Adjusted<sup>2</sup> EBITDA</b>	<b>29.3</b>	<b>6.6</b>	<b>24.2</b>	<b>5.5</b>	<b>21.0%</b>
<b>Adjusted<sup>2</sup> Operating profit/(loss)</b>	<b>0.9</b>	<b>0.2</b>	<b>(9.6)</b>	<b>(2.2)</b>	<b>n.s.</b>
<b>Adjusted<sup>2</sup> Net profit/(loss) attributable to the Group</b>	<b>17.2</b>	<b>3.9</b>	<b>(14.5)</b>	<b>(3.3)</b>	<b>n.s.</b>

## Q4 ECONOMIC KPIs

(Euro in Millions)	Q4 2020		%	Q4 2019		%	% Change
Net sales	225.6	100.0		230.4	100.0		-2.1%
Gross profit	101.3	44.9		101.8	44.2		-0.4%
EBITDA	5.7	2.5		(17.9)	(7.8)		n.s.
Adjusted <sup>2</sup> EBITDA	15.0	6.6		11.1	4.8		34.5%

## BALANCE SHEET

(Euro in Millions)

	December 31, 2020	December 31, 2019	Change
Net working capital	188.5	250.8	(62.3)
Tangible, Right of Use, and Intangible fixed assets	316.5	240.6	76.0
Goodwill	30.3	0.0	30.3
Non-current assets held for sale	6.6	5.5	1.0
Other assets / (liabilities), net	(133.5)	(80.1)	(53.4)
<b>Net invested capital</b>	<b>408.4</b>	<b>416.8</b>	<b>(8.4)</b>
Net financial position	(222.1)	(74.8)	(147.2)
Group Shareholders' equity	(147.3)	(342.1)	194.7
Non-controlling interests	(39.0)	0.1	(39.1)



## NET WORKING CAPITAL

(Euro in Millions)	December 31, 2020	December 31, 2019	Change
Trade receivables	172.6	188.2	(15.5)
Inventories	197.3	235.8	(38.5)
Trade payables	(181.4)	(173.1)	(8.3)
<b>Net working capital</b>	<b>188.5</b>	<b>250.8</b>	<b>(62.3)</b>
<i>% on net sales</i>	<i>24.2%</i>	<i>26.7%</i>	

## FREE CASH FLOW

(Euro in Millions)	2020	2019
Cash flow from operating activities before changes in working capital	(41.6)	36.8
Changes in working capital	42.5	(10.2)
Cash flow operating activities	0.9	26.5
Cash flow investing activities	(21.4)	(30.6)
Cash flow from repayment principal portion of IFRS 16 lease liabilities	(10.7)	(16.9)
<b>Free Cash Flow (before acquisitions/disinvestments)</b>	<b>(31.3)</b>	<b>(21.0)</b>
Cash flow for/from acquisitions/disinvestments	(111.8)	7.2
<b>Free Cash Flow</b>	<b>(143.1)</b>	<b>(13.8)</b>

## EXCHANGE RATES

Currency	Code	As of		(Appreciation) /Depreciation	Average for		(Appreciation) /Depreciation
		December 31, 2020	December 31, 2019	%	2020	2019	%
US Dollar	USD	1.2271	1.1234	9.2%	1.1422	1.1195	2.0%
Hong-Kong Dollar	HKD	9.5142	8.7473	8.8%	8.8587	8.7715	1.0%
Swiss Franc	CHF	1.0802	1.0854	-0.5%	1.0705	1.1125	-3.8%
Canadian Dollar	CAD	1.5633	1.4598	7.1%	1.5300	1.4855	3.0%
Japanese Yen	YEN	126.4900	121.9400	3.7%	121.8458	122.0058	-0.1%
British Pound	GBP	0.8990	0.8508	5.7%	0.8897	0.8778	1.4%
Swedish Krown	SEK	10.0343	10.4468	-3.9%	10.4848	10.5891	-1.0%
Australian Dollar	AUD	1.5896	1.5995	-0.6%	1.6549	1.6109	2.7%
South-African Rand	ZAR	18.0219	15.7773	14.2%	18.7655	16.1757	16.0%
Russian Ruble	RUB	91.4671	69.9563	30.7%	82.7248	72.4553	14.2%
Brasilian Real	BRL	6.3735	4.5157	41.1%	5.8943	4.4134	33.6%
Indian Rupee	INR	89.6605	80.1870	11.8%	84.6392	78.8361	7.4%
Singapore Dollar	SGD	1.6218	1.5111	7.3%	1.5742	1.5273	3.1%
Malaysian Ringgit	MYR	4.9340	4.5953	7.4%	4.7959	4.6374	3.4%
Chinese Renminbi	CNY	8.0225	7.8205	2.6%	7.8747	7.7355	1.8%
Korean Won	KRW	1,336.0000	1,296.2800	3.1%	1,345.5765	1,305.3173	3.1%
Mexican Peso	MXN	24.4160	21.2202	15.1%	24.5194	21.5565	13.7%
Turkish Lira	TRY	9.1131	6.6843	36.3%	8.05472	6.35777	26.7%
Dirham UAE	AED	4.5065	4.1257	9.2%	4.19472	4.11127	2.0%

# BRANDS PORTFOLIO

**CARRERA**  
EYEWEAR SINCE 1956

**BOSS**  
HUGO BOSS

ISABEL MARANT

**MISSONI**

**FENDI**

**SMITH**

JIMMY CHOO

**MOSCHINO**

**PORTS**

ELIE SAAB

**Polaroid**

TOMMY HILFIGER



EYEWEAR by DAVID BECKHAM

kate spade  
NEW YORK

rag & bone  
NEW YORK

**GIVENCHY**  
PARIS

**BLENDERS**  
EYEWEAR



**TOMMY**  
JEANS

REBECCA MINKOFF

THE  
**MARC JACOBS**

**PRIVÉ REVAUX**  
EYEWEAR

**HUGO**  
HUGO BOSS

Juicy Couture

LOVE  
**MOSCHINO**

**SAFILO**  
MADE IN ITALY DAL 1924



**FOSSIL**



pierre cardin  
PARIS

BANANA REPUBLIC

SEVENTH STREET  
by Safilo

LIZ CLAIBORNE

**havaianas**