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# 1Q-2023 Earnings Presentation

May 17, 2023

GOLDEN GOOSE ★



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# Key Highlights



## **/★ PURSUING OUR STRATEGIC PLAN**

**/★ CONTINUED INVESTMENT TO ENHANCE OUR OMNICHANNEL EXPERIENCE**

**/★ CONSISTENT EXPANSION OF OUR RETAIL CHANNEL**

**/★ COMPELLING PIPELINE TO HEIGHTEN GLOBAL BRAND AWARENESS**

## **/★ SOLID FINANCIAL PERFORMANCE**

**/★ STRONG START OF THE YEAR: €133M NET TURNOVER IN 1Q23, +20%**

**/★ SOLID PROFITABILITY: EBITDA MARGIN >34%**

**/★ STABLE LEVERAGE, DESPITE THE RECENT SUPPLY CHAIN INSOURCING**



# Key Figures

ACHIEVED 1Q23 TURNOVER GROWTH  
OF

**+20%**

VS 1Q22

DELIVERING DTC STRATEGY

EXPANSION:

DTC SALES ACCOUNTING FOR

**67%**

VS 62 % in 1Q22

1Q23 EBITDA MARGIN OF

**34.3 %**

VS 33.4 % in 1Q22

FREE CASH FLOW GENERATED IN 1Q23  
BEFORE IFT CONSOLIDATION OF

**€11.3M**

REFLECTING A GENERATION OF €54M  
ON A LTM BASIS

ACHIEVED A NET LEVERAGE RATIO  
OF

**2.9x**

A REDUCTION OF 0.1x VS DEC22

SOLID CASH POSITION OF

**€109.2M**

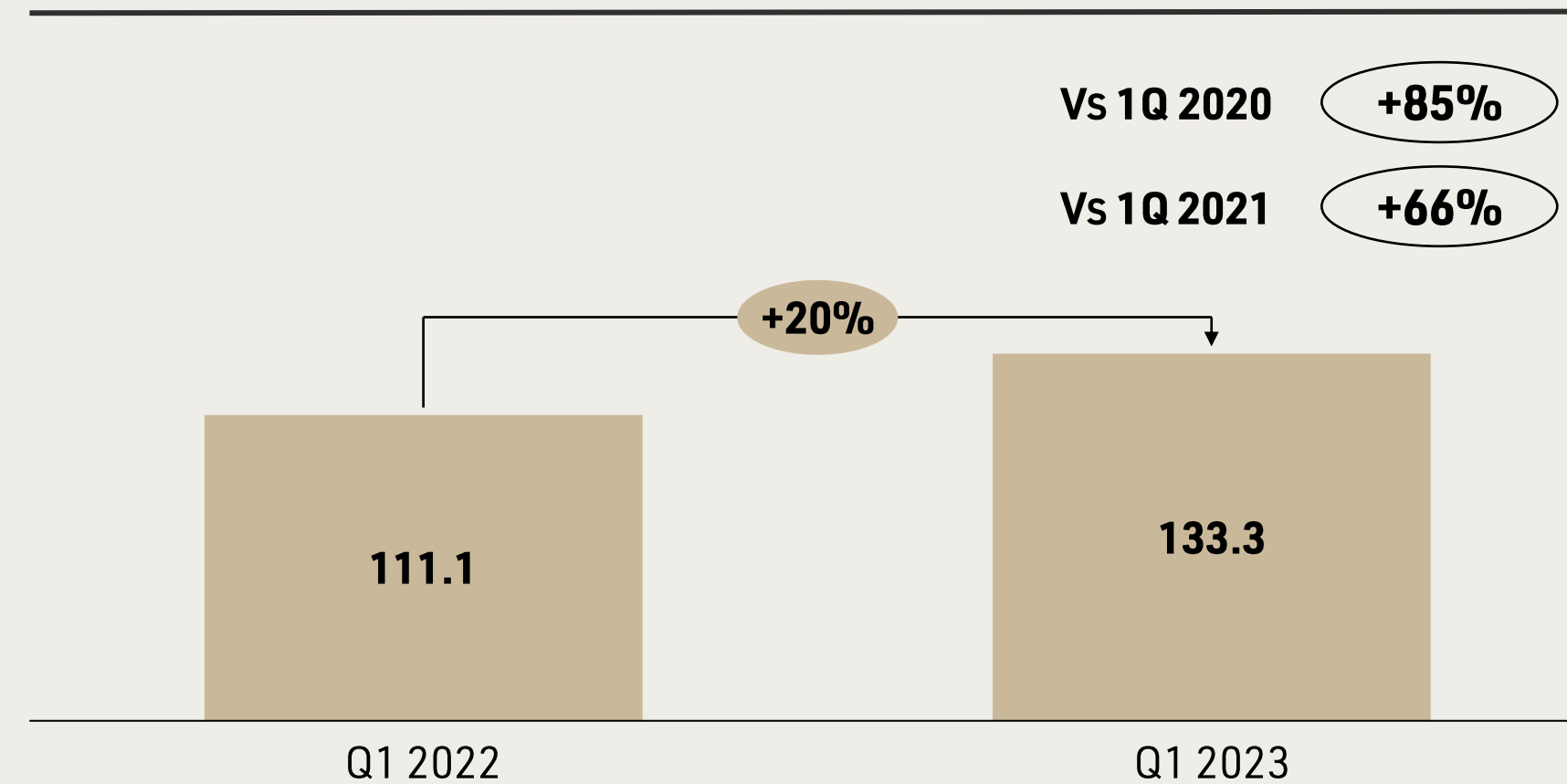
MAINTANING €63.8M AS UNDRAWN  
RCF FACILITY



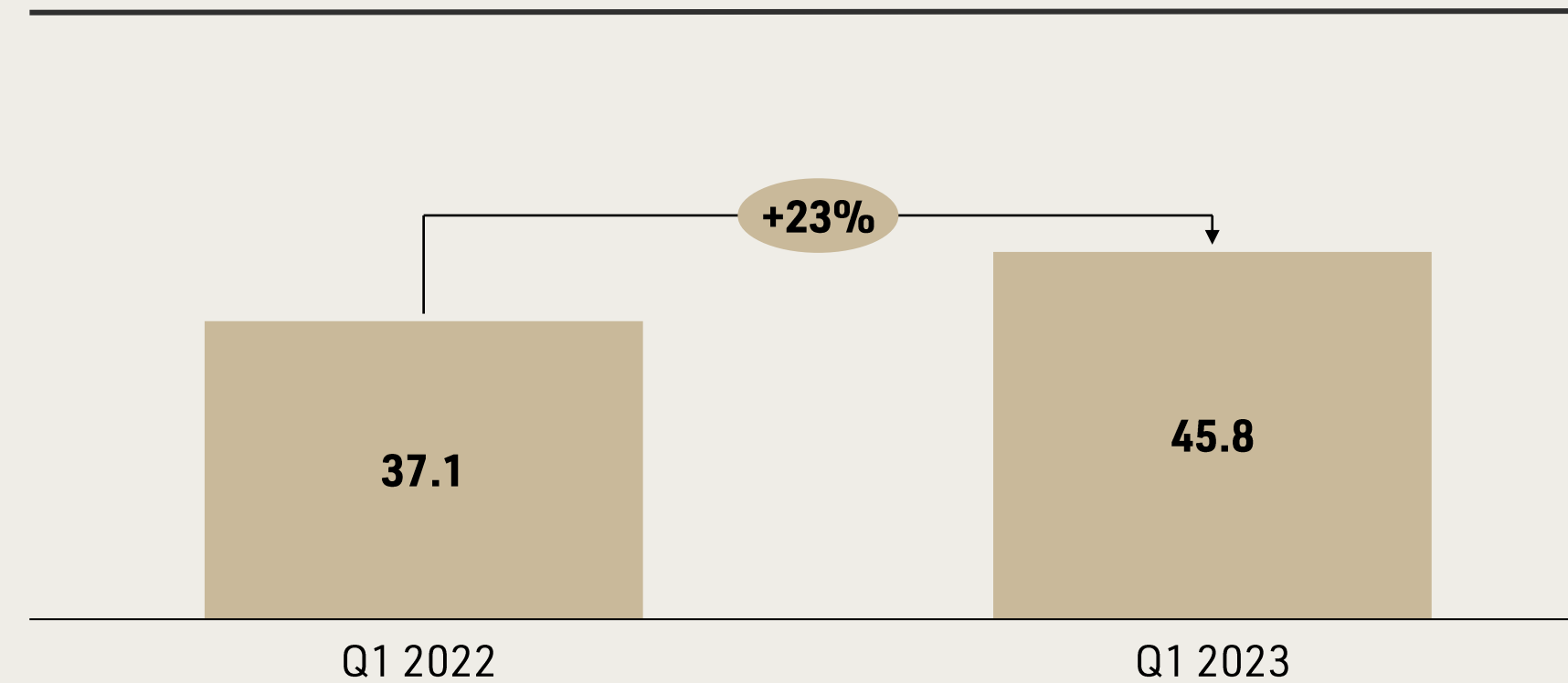
# 1Q23 Revenue and Ebitda Results



## NET TURNOVER (€M)



## ADJUSTED EBITDA (€M)



**+20%**  
**TURNOVER** Growth in FY  
2022

**+85%**  
**TURNOVER 3Y Stack**  
growth

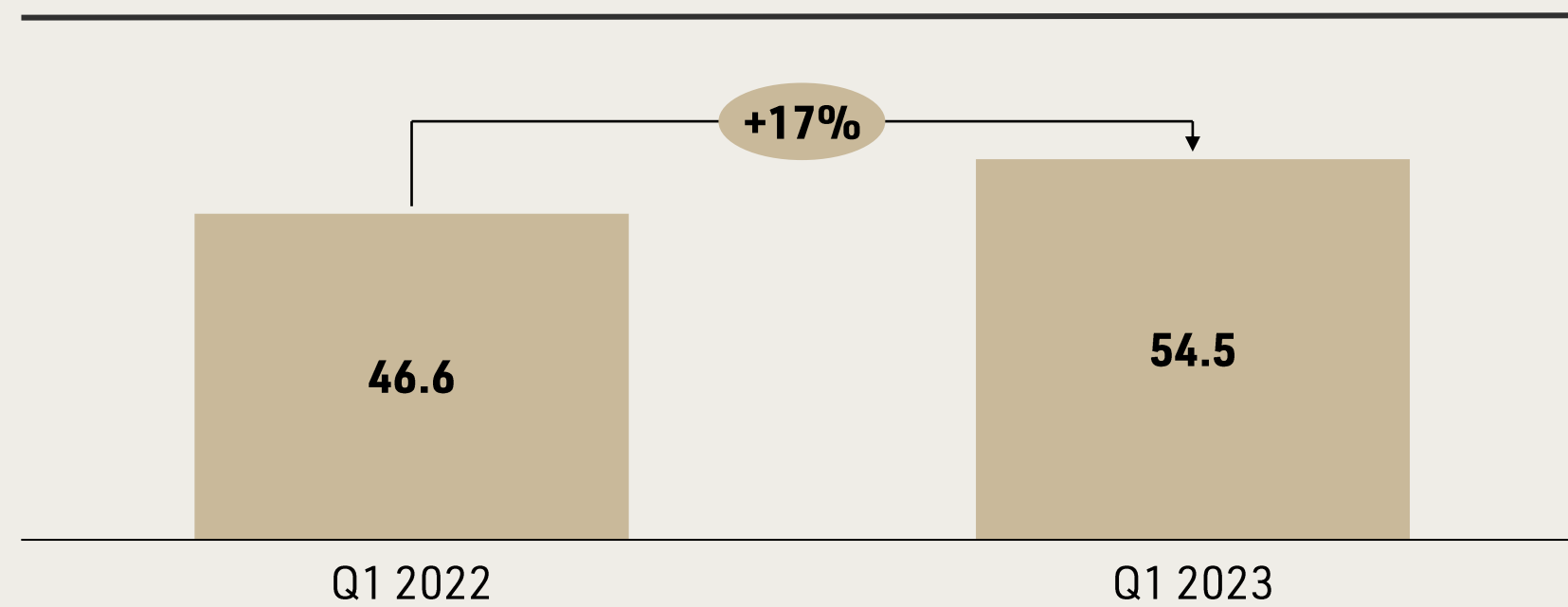
**34.3%**  
**Adjusted EBITDA Margin 1Q**  
2023

**HIGH TEENS GROWTH IN 1Q23 DELIVERED WITH A SOLID PROFITABILITY**



# Revenue by Geography

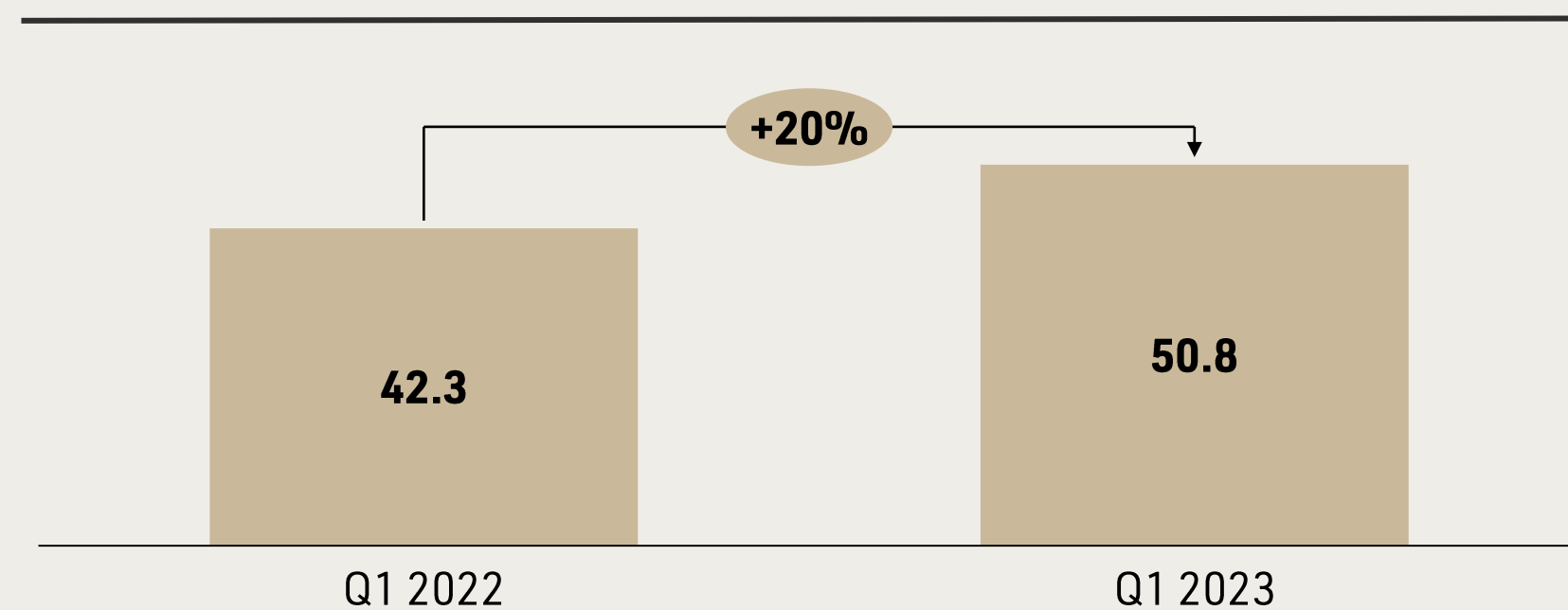
AMERICAS NET TURNOVER (€M)



**+17%**  
**AMERICAS** Turnover Growth  
in 1Q 2023

GOOD TRACTION IN US MARKET, DRIVEN BY POSITIVE  
PERFORMANCE IN DTC DISTRIBUTION

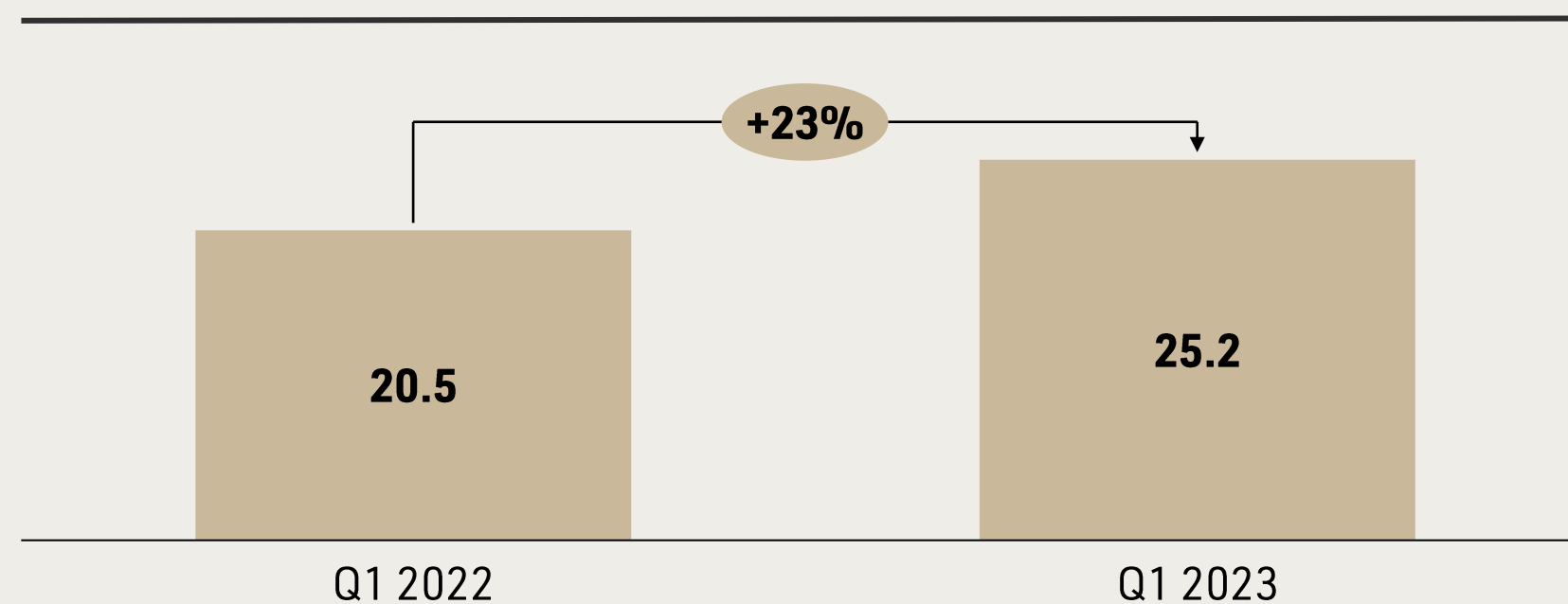
EMEA NET TURNOVER (€M)



**+20%**  
**EMEA** Turnover Growth in 1Q  
2023

CONTINUED STRONG MOMENTUM IN EMEA, LARGELY  
ORGANIC

APAC NET TURNOVER (€M)

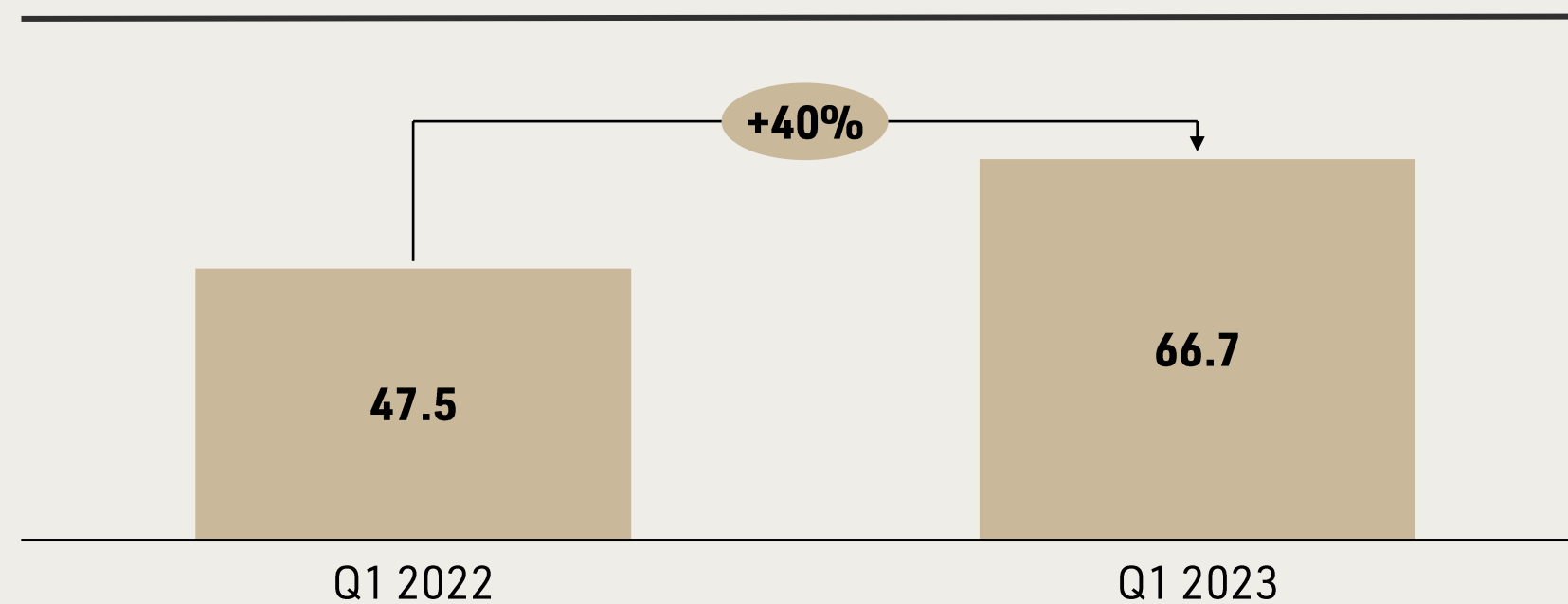


**+23%**  
**APAC** Turnover Growth in 1Q  
2023

APAC BACK TO GROWTH ON GRADUAL CHINA RECOVERY

# Revenue by Channel

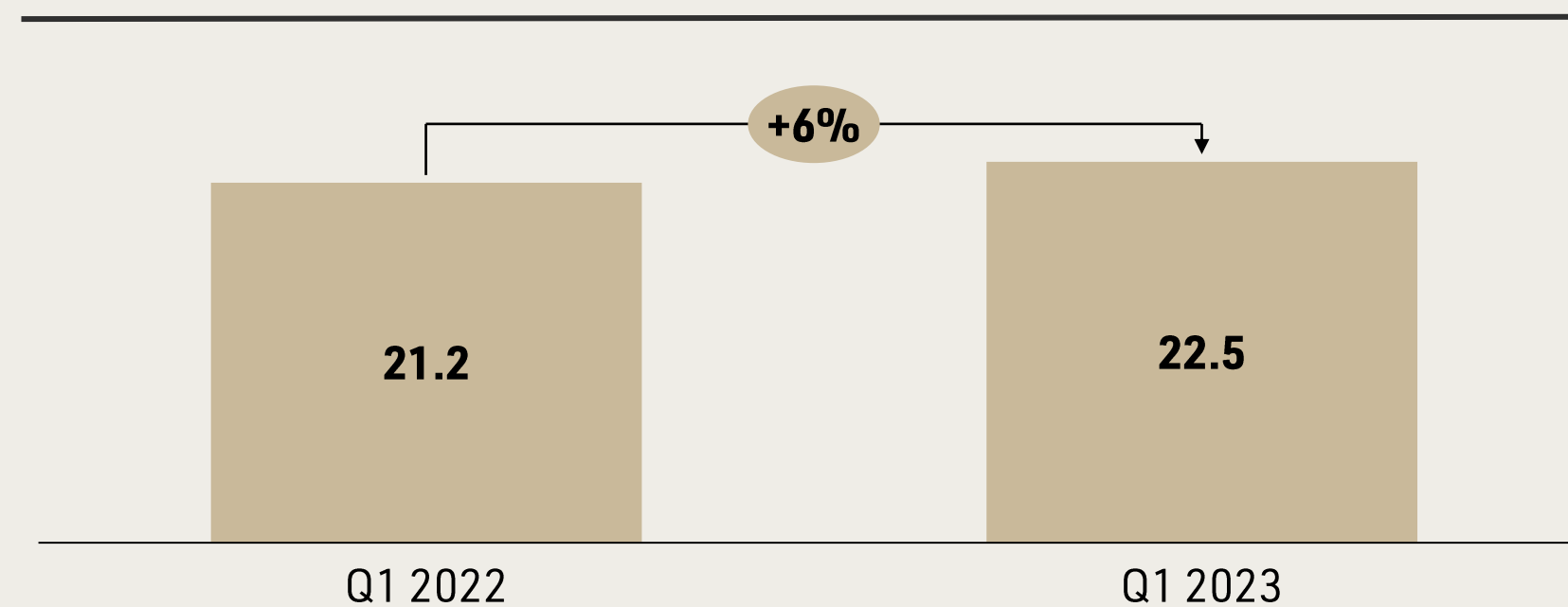
RETAIL NET TURNOVER (€M)<sup>(1)</sup>



**+40%**  
**RETAIL** Turnover  
Growth in 1Q 2023

**POSITIVE GROWTH IN ALL REGIONS: CONTINUED  
ORGANIC GROWTH IN EASTERN REGIONS,  
ENCOURAGING REBOUND IN CHINA**

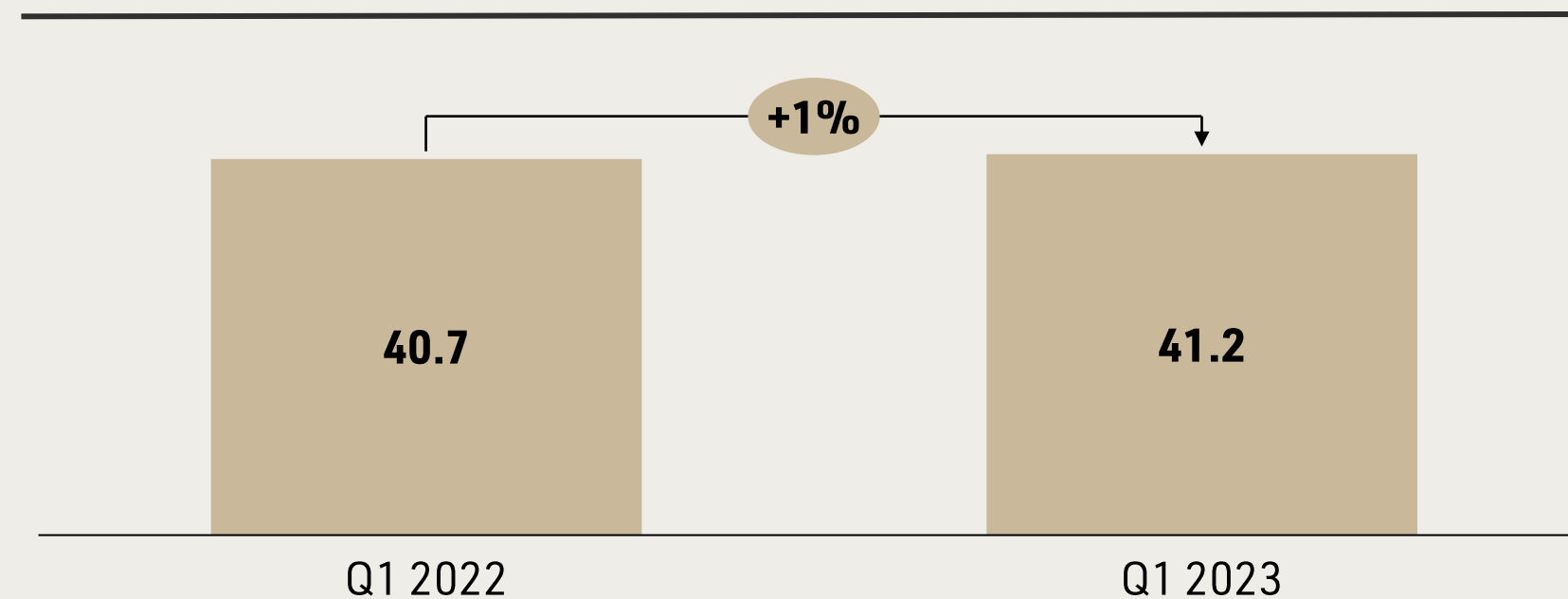
DIGITAL NET TURNOVER (€M)<sup>(2)</sup>



**+6%**  
**DIGITAL** Turnover  
Growth in 1Q 2023

**SOLID DIGITAL PERFORMANCE ACROSS THE BOARD.  
1Q 2023 GROWTH +17% EXCLUDING CONCESSIONS**

WHOLESALE NET TURNOVER (€M)



**+1%**  
**WHOLESALE** Turnover  
Growth in 1Q 2023

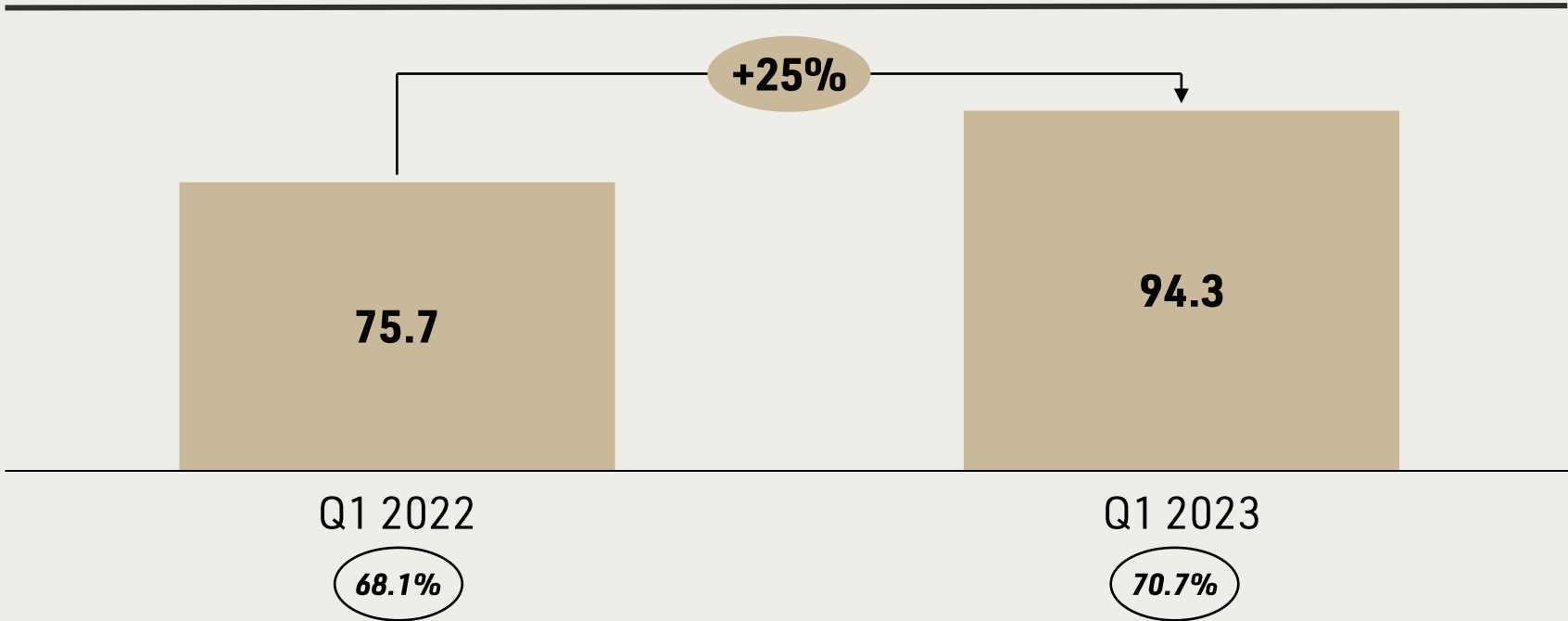
**WHOLESALE FLAT AS STRATEGICALLY PLANNED**



# Profitability Profile

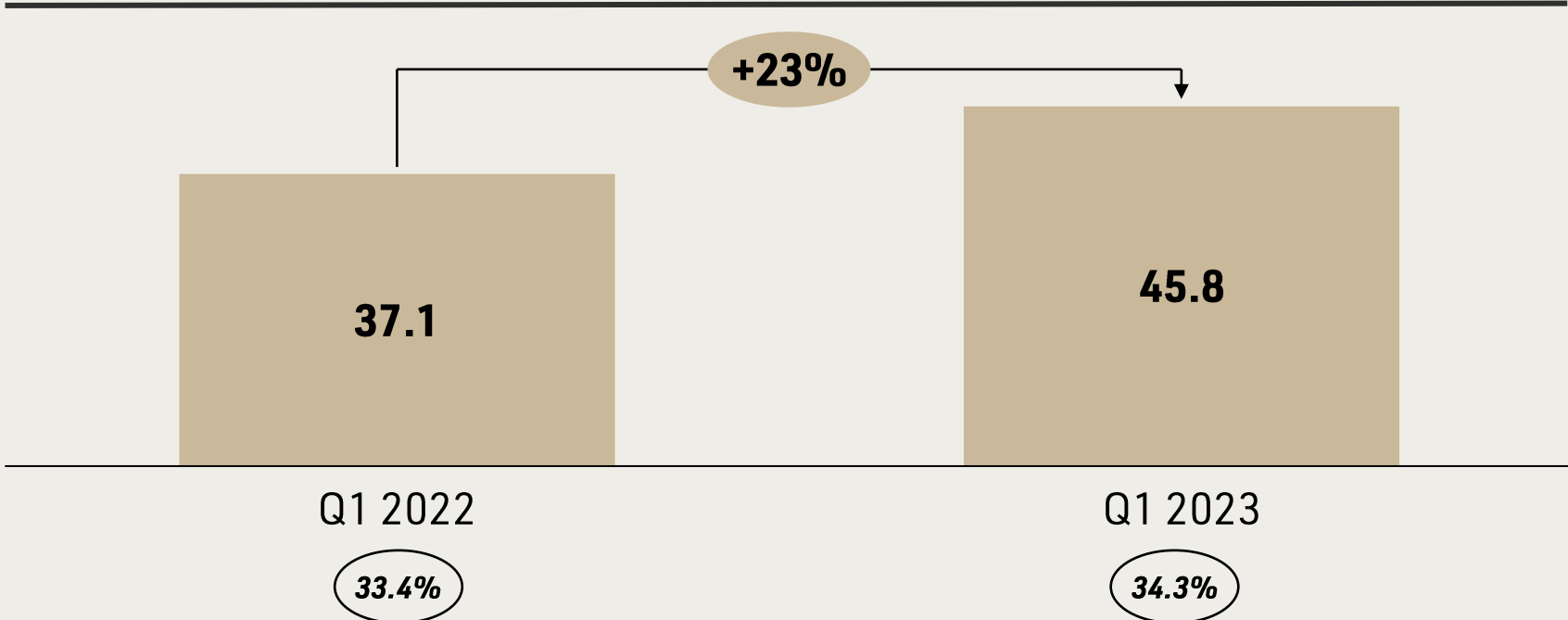


## NET MARGIN (€M)



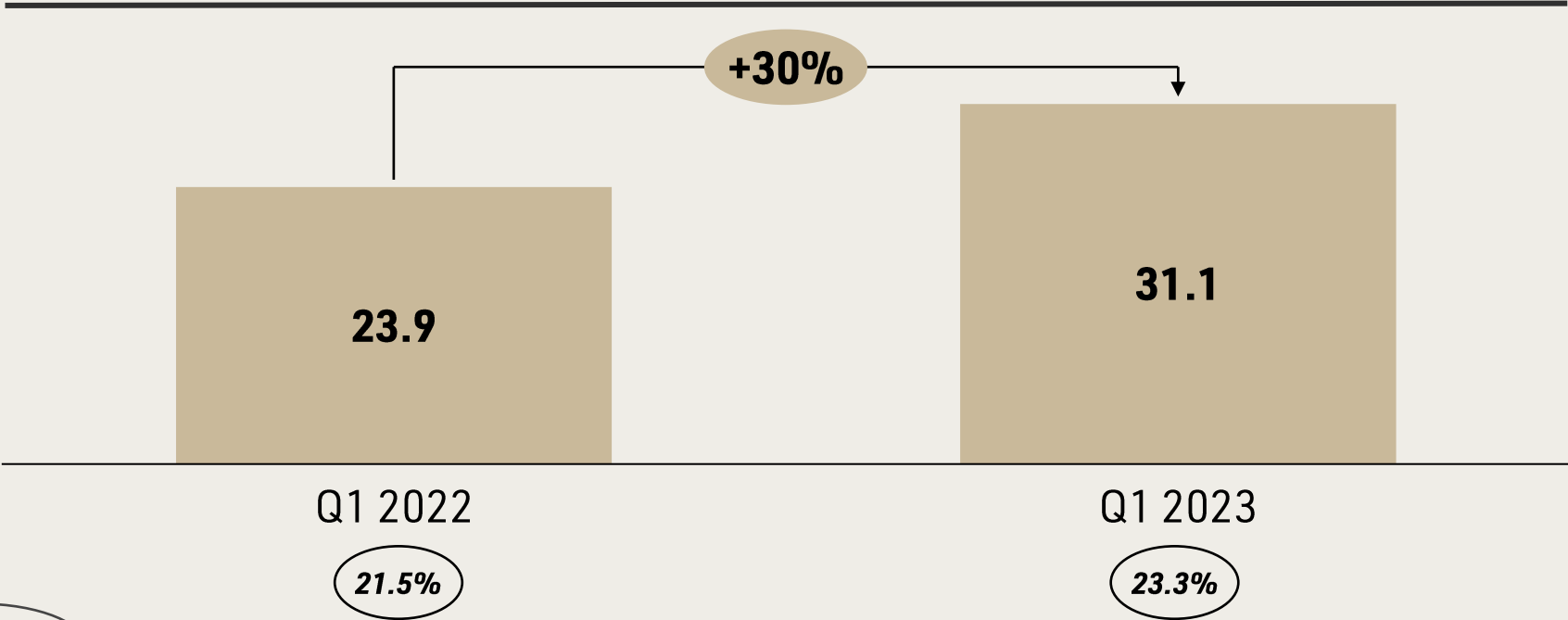
**70.7%**  
**NET MARGIN**  
**1Q 2023**

## ADJUSTED EBITDA (€M)



**34.3%**  
**EBITDA MARGIN**  
**1Q 2023**

## ADJUSTED EBIT (€M)



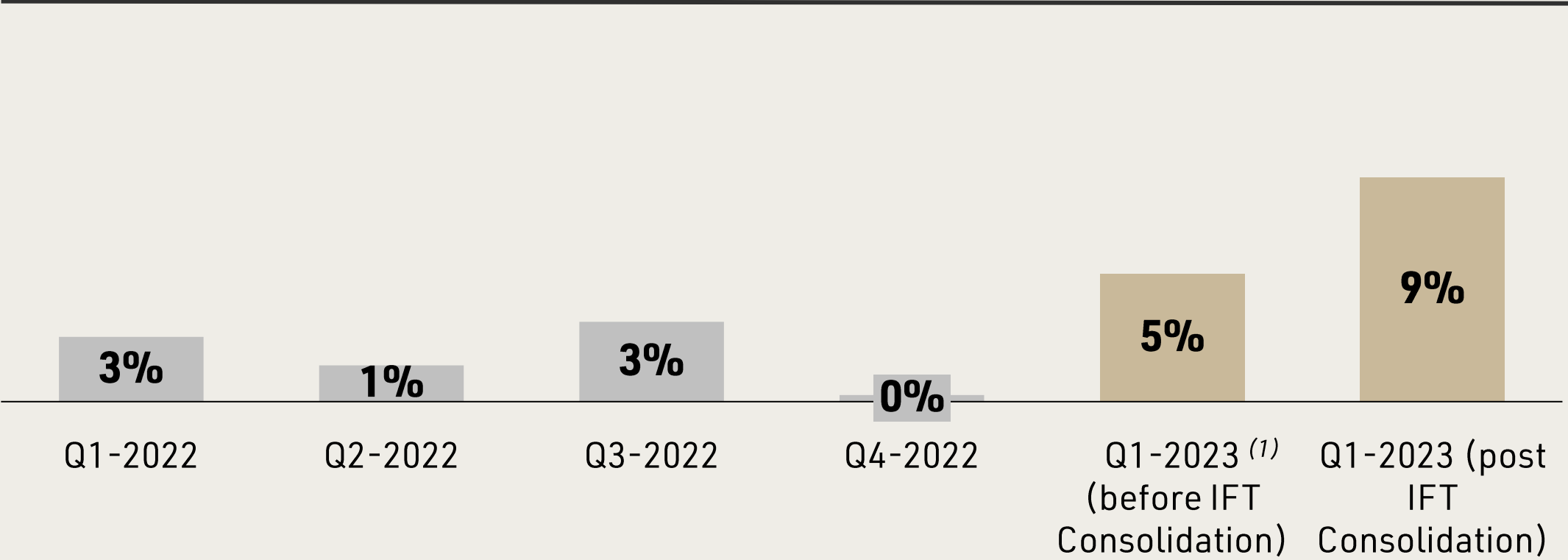
**23.3%**  
**EBIT MARGIN**  
**1Q 2023**



# Net Working Capital

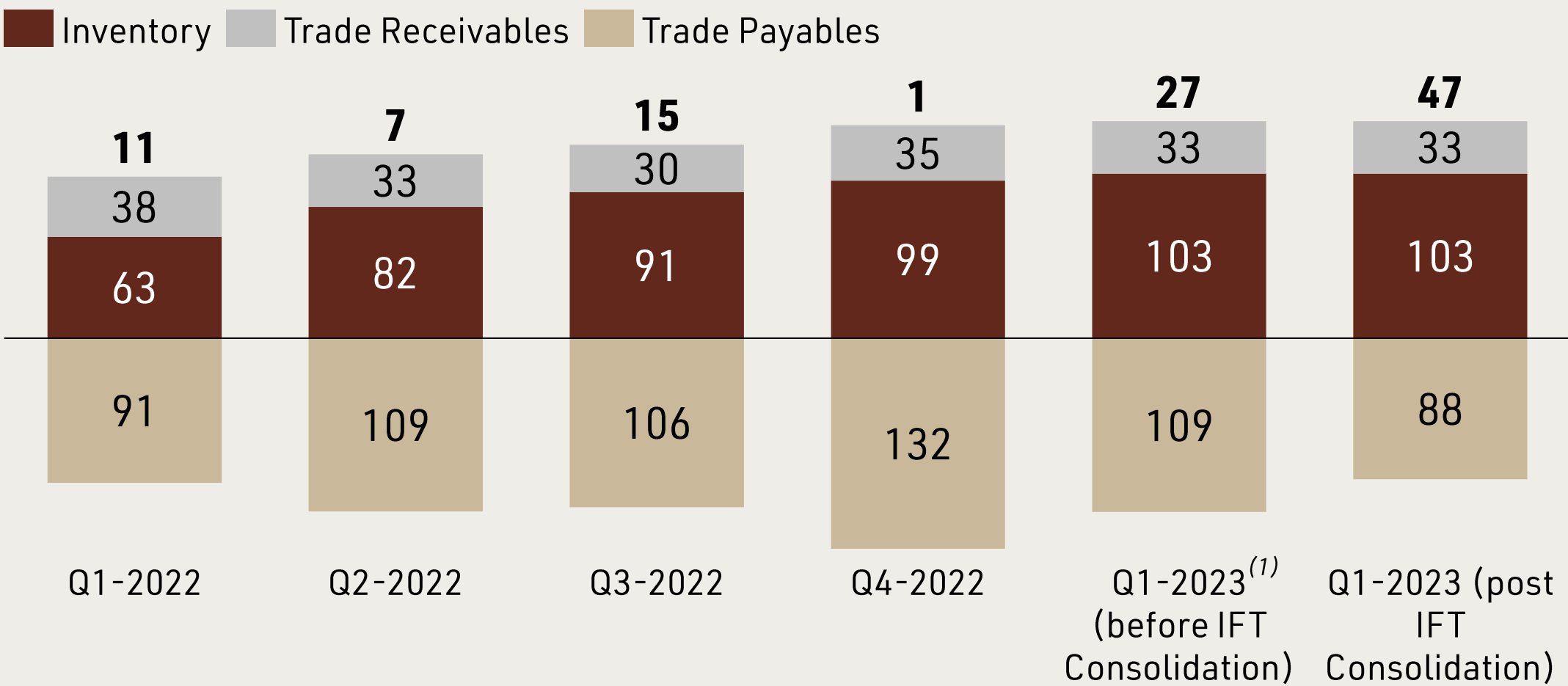


ADJUSTED NET WORKING CAPITAL ON LTM REVENUES %



**5%**  
**Adjusted NWC on LTM Net Turnover, before IFT consolidation**

ADJUSTED NET WORKING CAPITAL (€M)



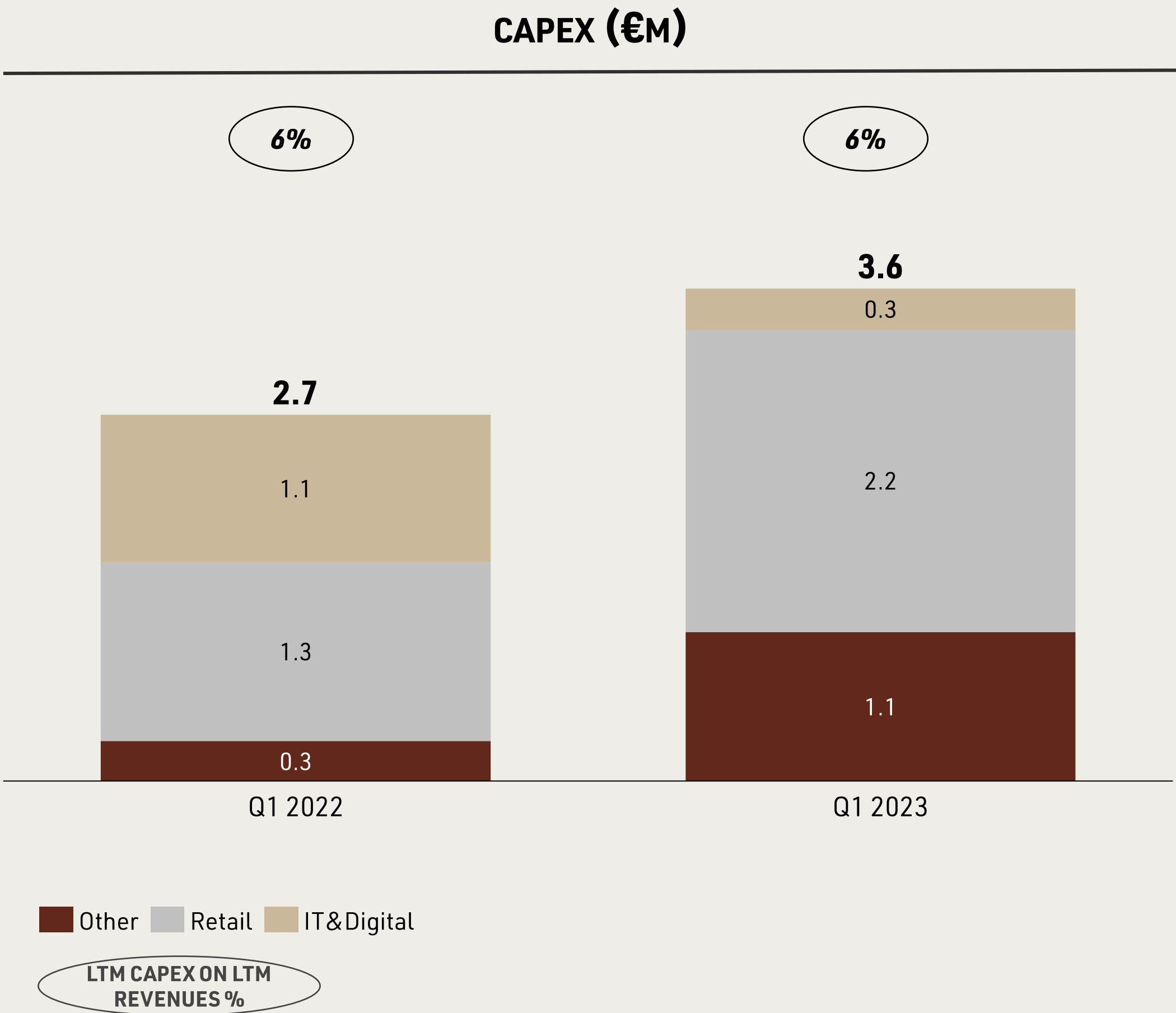
**GOOD CONTROL OF INVENTORY**  
**CREDIT CONTROL**  
**DPO REDUCTION DUE TO SUPPLY CHAIN INSOURCING**

ONE OFF INCREASE IN WORKING CAPITAL CHANGE DUE TO CONSOLIDATION OF OUR SUPPLY CHAIN

(1) please see slide in Appendix for further details regarding one-off effect on working capital resulting from IFT consolidation



# Capital Expenditure



**€3.6**  
Capital Expenditure  
1Q 2023

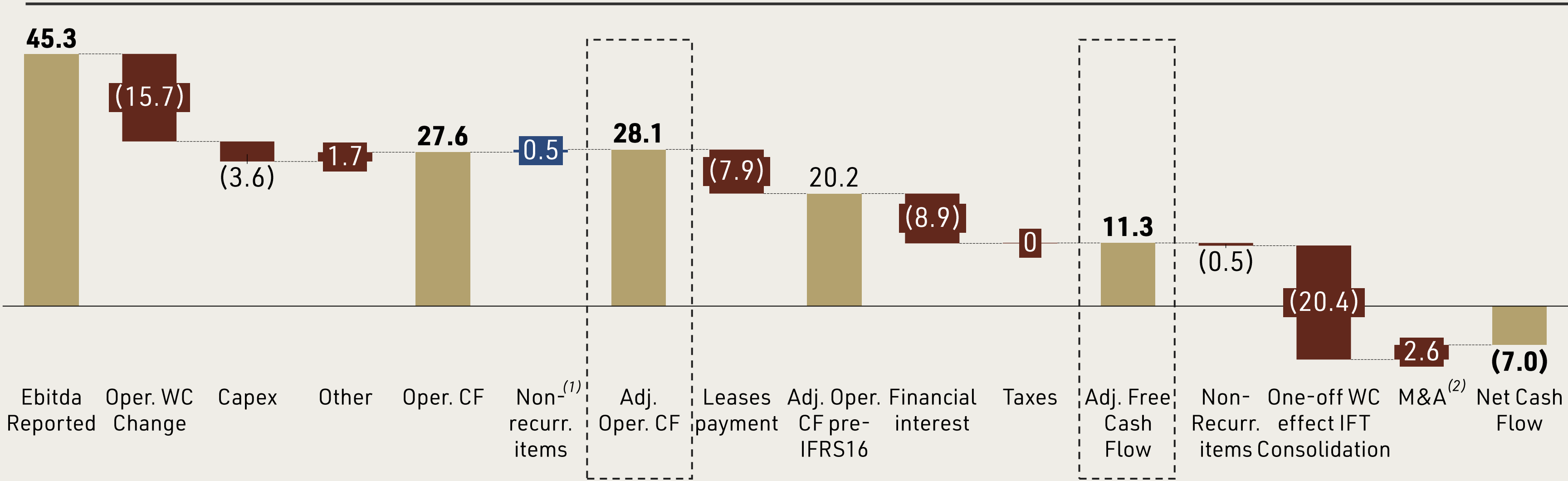
**6%**  
Capital Expenditure On  
LTM Revenues

CONTINUED RETAIL EXPANSION, STARTED A NEW PROJECT FOR VENICE HQ



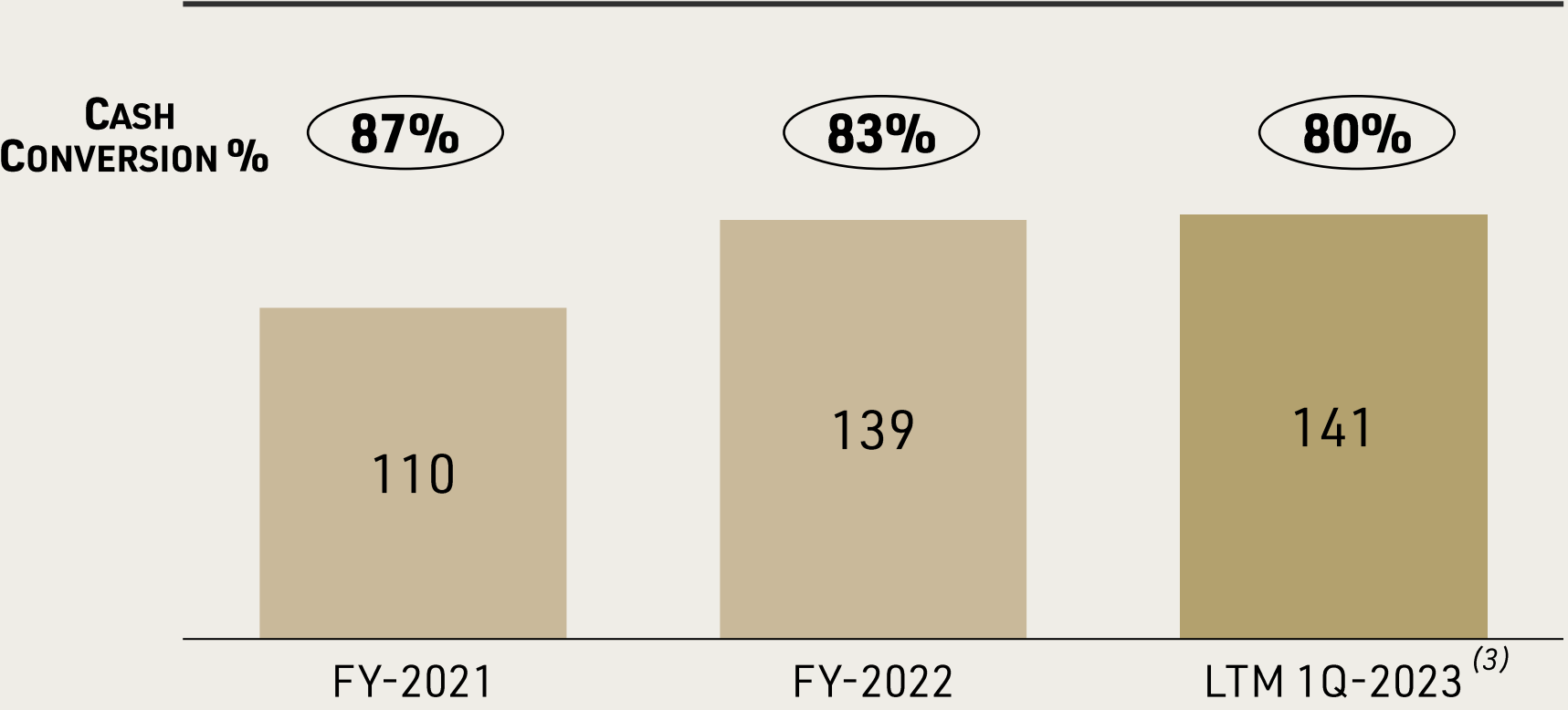
# Cash Flow Development

YTD CASH FLOW BRIDGE (€M)

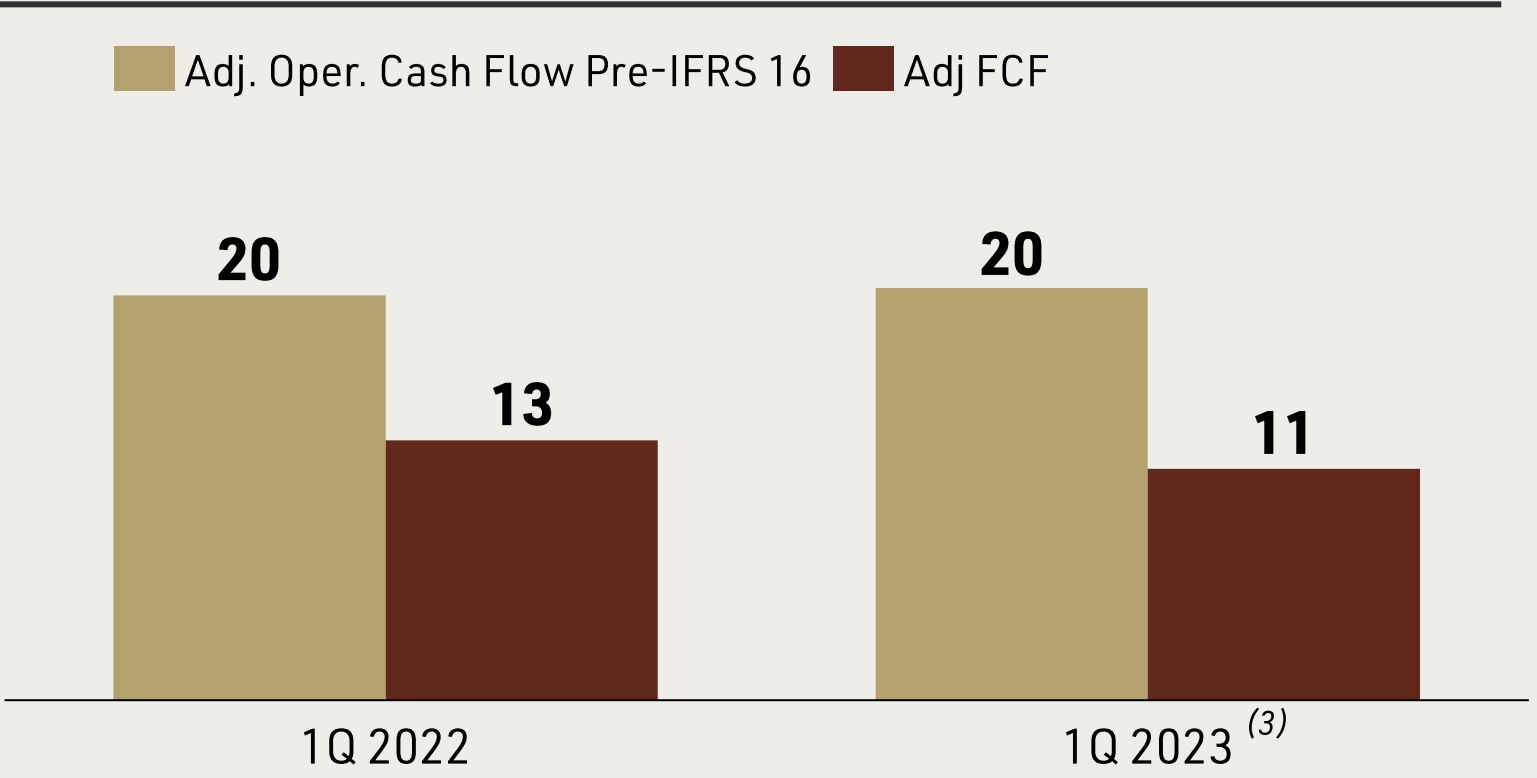


**€11m**  
Adj. YTD Free Cash Flow Generated in 1Q 2023, before IFT consolidation

HISTORICAL ADJ OPERATING CASH FLOW (€M)



CASH GENERATED IN 3M 2023 (€M)



**80%**  
Cash Conversion LTM 1Q23, before IFT consolidation

(1) Non-recurring items include expenses related to M&A activities, (2) Net of €1.4m cash outflows related to investment in Clarosa (industrial warehouse) and €4m connected to consolidation of cash position in IFT (3) Before one-off effect on Working Capital emerging from IFT consolidation (please see slide in Appendix for further details)



# Debt Profile

€m	Dec-2022	Mar-2023
Cash and Cash Equivalents	115.4	109.2
Senior Secured Floating Rate Notes	480.0	480.0
Other financial liabilities	-	4.6
Lease Liabilities	144.4	138.1
Gross Debt	624.4	622.6
Net Debt	508.9	513.4
LTM Adjusted EBITDA	167.5	176.1
Net Leverage Ratio	3.0x	2.9x

2.9x

Net Leverage Ratio

€63.8m

Available RCF

-0.1x

Deleverage vs Dec22

€375.3m

Net Debt Pre-IFRS 16



# Q&A

## /★ Q&A

For questions during the call: Please dial \*1 on your telephone keypad. The operator will prompt you when to speak.



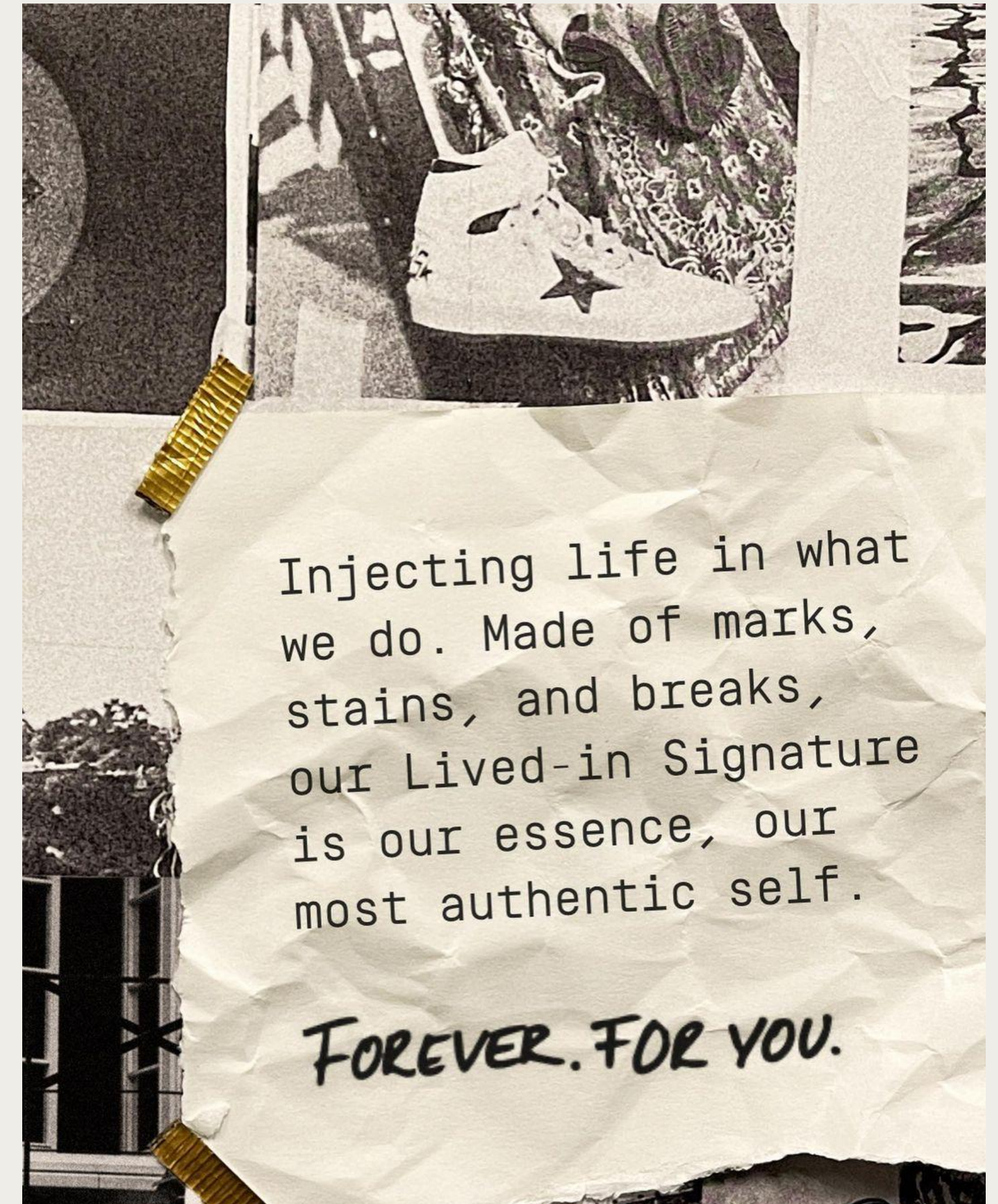
**SILVIO CAMPARA**  
CHIEF EXECUTIVE OFFICER



**PAOLO DAL FERRO**  
CHIEF CORPORATE OFFICER

INVESTOR RELATIONS CONTACT:

[INVESTORS@GOLDENGOOSE.COM](mailto:INVESTORS@GOLDENGOOSE.COM)



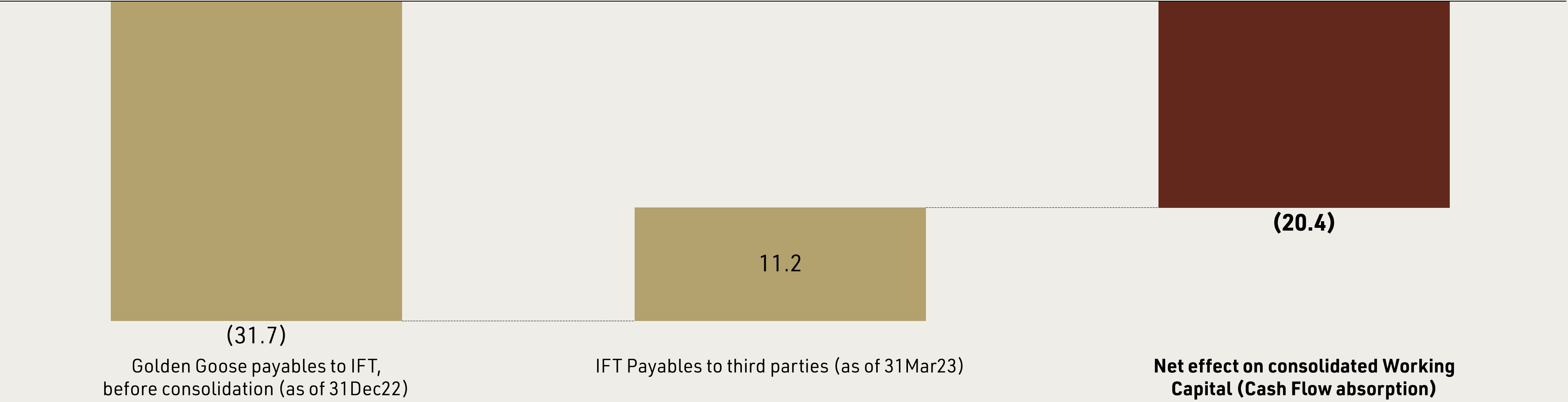


# Appendix



# IFT CONSOLIDATION IMPACT ON WORKING CAPITAL

## 1Q23 PAYABLES IMPACT FROM IFT CONSOLIDATION



Amount of **GG payables to IFT** (as of 31Dec22, i.e. before consolidation) with an underlying DPO of **210 days**, which has been **consolidated from 1Jan23 as intercompany payables**

Amount of **IFT payables to its suppliers** as of 31Mar23 with an underlying **DPO** of **~30 days**, consolidated in the **Golden Goose Group**



# IFT CONSOLIDATION IMPACT ON INCOME STATEMENT

## 1Q23 IMPACT ON P&L FROM IFT CONSOLIDATION

€m	IFT Standalone	Intercompany Adj	Post Intercompany Adj	Revaluation of EoP Inventory value	Consolidated <i>(differential values)</i>
Net Turnover	12.7	(9.8)	2.8	-	2.8
COGS	(7.4)	9.8	2.4	(1.8)	0.6
Contribution Margin	5.3	-	5.3	(1.8)	3.4
G&A	(2.6)	-	(2.6)	-	(2.6)
Ebitda	2.6	-	2.6		0.8



# Income Statement

<i>€ millions</i>	<b>1Q23</b>	<b>1Q22</b>
<b>Net Turnover</b>	<b>133.3</b>	<b>111.1</b>
Cost of Good sold	(39.0)	(35.4)
<b>Net Margin</b>	<b>94.3</b>	<b>75.7</b>
Selling and distribution expenses	(38.1)	(29.8)
General and Administration expenses	(18.5)	(15.5)
Marketing and Advertising	(7.1)	(6.5)
<b>Operating Result (EBIT)</b>	<b>30.6</b>	<b>23.9</b>
Financial Income	4.2	5.1
Financial Expenses	(20.7)	(11.3)
<b>Profit before tax</b>	<b>14.1</b>	<b>17.8</b>
Income taxes	(1.7)	(5.2)
<b>Net result</b>	<b>12.4</b>	<b>12.5</b>
<b>Minority result of the period</b>	<b>-</b>	<b>0.0</b>
<b>Results for the year</b>	<b>12.4</b>	<b>12.5</b>
Depreciations and devaluations	14.7	13.2
<b>IFRS EBITDA Reported</b>	<b>45.3</b>	<b>37.1</b>
Non recurring items	0.5	-
<b>IFRS EBITDA Adjusted</b>	<b>45.8</b>	<b>37.1</b>
<b>IFRS EBIT Adjusted</b>	<b>31.1</b>	<b>23.9</b>



# Balance Sheet

€ millions	31-03-2023	31-12-2022
<b>ASSETS</b>		
Intangible assets	1,438.4	1,416.7
Tangible assets	71.3	66.1
Right of use	124.5	131.5
Deferred tax asset	62.6	54.8
Non-current financial assets	18.1	17.3
Other non-current assets	8.5	8.8
<b>Non-current assets</b>	<b>1,723.5</b>	<b>1,695.2</b>
Inventories	103.1	98.6
Accounts receivable	32.7	34.6
Current Tax assets	-	-
Other current non-financial assets	31.6	33.5
Current financial assets	8.3	38.8
Cash and cash equivalents	109.2	115.4
<b>Current assets</b>	<b>284.9</b>	<b>321.0</b>
<b>Total Assets</b>	<b>2,008.4</b>	<b>2,016.2</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Share capital	1.0	1.0
Share premium	182.6	182.6
Other reserves	819.9	768.8
Results for the year	12.4	47.7
<b>Shareholders' equity</b>	<b>1,015.9</b>	<b>1,000.1</b>
Minority reserves	-	-
Minority result of the period	-	-
<b>Minority's equity</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>1,015.9</b>	<b>1,000.1</b>
Provisions for severance indemnities	4.0	2.6
Deferred tax liabilities	204.4	198.2
Non current Provisions for risks and charges	3.7	3.8
Non-current financial debt	595.7	588.8
<b>Non-current liabilities</b>	<b>807.8</b>	<b>793.4</b>
Trade payables	80.5	111.0
Other current non-financial liabilities	30.2	31.4
Current Tax liabilities	21.7	17.0
Current provisions for risks and charges	13.3	14.3
Current financial liabilities	38.9	49.0
<b>Current liabilities</b>	<b>184.6</b>	<b>222.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,008.4</b>	<b>2,016.2</b>



# Cash Flow Statement

€ millions	1Q23	1Q22
<b><u>A. Cash flow generated (absorbed) by operations</u></b>		
Profit (loss) for the year	12.4	12.5
Income taxes	1.7	5.2
Interest expense (interest income)	16.5	6.1
Accruals to provision	3.3	2.5
Depreciation of fixed assets	14.7	13.2
Other adjustments for non-monetary items	(0.4)	0.8
Change in net working capital	(36.2)	(12.3)
Interest collected / (paid)	(10.8)	(7.7)
(Income tax paid)	0.1	(0.9)
(Use of provision)	(2.1)	(0.1)
<b>CASH FLOW GENERATED (ABSORBED) BY OPERATIONS (A)</b>	<b>(0.9)</b>	<b>19.4</b>
<b><u>B. Cash flow from investing activities</u></b>		
Tangible assets	(4.6)	0.5
Intangible assets	(0.3)	(1.4)
Non-current financial assets	0.9	(0.9)
Merger / Acquisitions / Cessation of subsidiaries or business units net of cash and cash equivalents	4.4	-
<b>CASH FLOW GENERATED (ABSORBED) BY INVESTMENT ACTIVITIES (B)</b>	<b>0.3</b>	<b>(1.8)</b>
<b><u>C. Cash flow from financing activities</u></b>		
Debt		
Proceeds of borrowings	-	-
Repayment of borrowings	(6.4)	(4.9)
<b>CASH FLOW GENERATED (ABSORBED) BY FINANCIAL ACTIVITIES (C)</b>	<b>(6.4)</b>	<b>(4.9)</b>
<b>INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS (A +B +C)</b>	<b>(7.0)</b>	<b>12.7</b>
Exchange Effect	0.7	0.7
Cash and cash equivalent at the beginning of the year	115.5	99.8
<b>Cash and cash equivalent at the end of the period</b>	<b>109.2</b>	<b>113.2</b>



**Thank**  
GOLDEN GOOSE **you!**