

Milan – March 10th, 2021

TOD'S S.p.A. – solid growth of the Group in the fourth quarter of 2020 in China and e-commerce; great start of 2021, with excellent performance of the Roger Vivier brand

The Board of Directors approved the draft of 2020 Annual Report

Sales revenues: 637.1 million Euros
EBITDA *adjusted*¹: 69.5 million Euros
EBIT *adjusted*²: -93.7 million Euros
Group's Net Income: -73.2 million Euros

Net Financial Debt: 124.9 million Euros
(excluding 396.4 million Euros of lease liabilities)

Proposal not to distribute the dividend

Tod's S.p.A., the Italian company listed on the Milan Stock Exchange and holding of the luxury goods group of the same name operating in luxury and quality shoes, accessories and apparel with the Tod's, Hogan, Fay and Roger Vivier brands, today approved the draft of the Group's 2020 Annual Report.

All the financial figures are referred to the Financial Statements which include the IFRS16 accounting principle, applied starting from January 1st, 2019³.

Message from the Group's Chairman and CEO

Diego Della Valle, Chairman and CEO of the Group, commented as follows:

“The 2020 results were deeply influenced by the pandemic, which particularly hit the luxury goods industry, causing long periods of shop closures in different areas of the world and the almost total disappearance of purchases linked to tourist flows. In this context, the priority of our Group has been to protect the health of employees and customers and,

¹ EBITDA has been adjusted to exclude the 30 million Euros extraordinary inventory write-down, made due to the impact of the COVID-19 pandemic.

² EBIT has been adjusted to exclude the 30 million Euros extraordinary inventory write-down, made due to the impact of the COVID-19 pandemic, and the impairment of 11.7 million Euros related to the Fay brand.

³ With the introduction of the new IFRS 16 accounting principle, as of January 1st, 2019, leasing contracts are accounted differently from the past, with significant impacts on EBITDA, EBIT, Net Invested Capital, Net Financial Position and Operating Cash Flow.

subsequently, to face the decline in sales with careful cost control, always taking into consideration all the activities necessary to maintain the high quality, craftsmanship and creativity of our products. We have taken great caution in the collection of orders and in the quantities of product delivered to the stores, especially in the wholesale channel, which has suffered very long periods of closures.

In this scenario we have increased our investments in marketing, in all its forms, mainly digital, which we deem as a crucial communication tool to dialogue with the new generations of consumers, which we consider a priority to fuel the future growth of our turnover.

We are very happy with the results obtained with the e-commerce channel, which recorded a gradual acceleration during the year, reaching and exceeding our expectations and which is still continuing to grow at a very high rate.

We look positively at the current year, also strengthened by the excellent comments received from the new collections, although we must not forget the persistent context of great uncertainty, caused by the unknown Covid-19, still very present in many parts of the world.

While being aware of the financial strength of the Group, we decided to propose to the Shareholders' Meeting not to distribute dividends."

Comments to the Group's sales

In fiscal year 2020, consolidated sales were 637.1 million Euros, down 30.4% from 2019. In the fourth quarter of 2020, sales amounted to 184.5 million Euros, down 22.6% from Q4 2019.

In the current year, the impact of currency fluctuations is slightly negative and is more visible on the Tod's and Roger Vivier brands, which have the greatest presence abroad; at constant exchange rates, meaning by using FY 2019 average exchange rates, including the related effects of hedging contracts, sales would have been 640 million Euros (-30.1%).

As already commented in the previous quarters of this year, also in the fourth quarter sales results were heavily affected by the pandemic situation and are very uneven by geographical area.

In Mainland China the performance was definitely positive and revenues recorded solid double-digit growth, gradually accelerating, while the results of Europe and the USA were impacted by the closures imposed by the lockdowns and by the very low traffic even during the opening periods, given the absence of tourist purchases.

As regards the analysis of revenues by distribution channel, the performance of the DOS network was affected by the persistent pandemic scenario; after a good performance in October, new lockdowns were imposed in November in Europe and, subsequently, also in some Asian countries. The average store opening rate fell from 98% in October to 83% in November and 87% in December. Overall, however, the results of the DOS network in the fourth quarter showed a slight improvement compared to the third quarter figure.

In the meantime, the e-commerce channel continued its very strong double-digit growth, with a further acceleration in the fourth quarter of the year, and generated particularly positive results.

On the contrary, the result of the wholesale channel remained visibly negative, also confirming the strategy of great caution that the Group has adopted towards this channel, which is experiencing a structural downsizing, especially in Europe and the USA. The result for the fourth quarter was also influenced by a different timing of deliveries and shipments between the different quarters of the year.

The pandemic affected sales results for all the Group's brands, across all product categories and distribution channels. The revenue trend of each brand reflects its geographical breakdown and its distribution structure.

The following tables show the usual breakdowns of turnover.

Breakdown of consolidated sales by brand

(million Euros)

	FY 2020		FY 2019	% change	
	reported rates	constant rates		reported rates	constant rates
Tod's	297.5	299.0	461.8	- 35.6%	- 35.3%
Roger Vivier	160.0	161.3	200.5	-20.2%	-19.5%
Hogan	141.5	141.7	196.5	- 28.0%	- 27.9%
Fay	37.6	37.5	56.3	- 33.2%	- 33.4%
Other	0.5	0.5	0.9	n.m.	n.m.
TOTAL	637.1	640.0	916.0	-30.4%	-30.1%

Breakdown of consolidated sales by product category

(million Euros)

	FY 2020		FY 2019	% change	
	reported rates	constant rates		reported rates	constant rates
Shoes	518.9	521.6	730.7	-29.0%	-28.6%
Leather goods and accessories	73.4	73.7	121.7	-39.7%	-39.5%
Apparel	44.3	44.2	62.7	-29.4%	-29.5%
Other	0.5	0.5	0.9	n.m.	n.m.
TOTAL	637.1	640.0	916.0	-30.4%	-30.1%

Breakdown of consolidated sales by region

(million Euros)

	FY 2020		FY 2019	% change	
	reported rates	constant rates		reported rates	constant rates
Italy	163.7	163.7	260.6	-37.2%	-37.2%
Europe (excl. Italy)	149.5	149.2	237.6	-37.1%	-37.2%
Americas (*)	36.6	36.8	70.6	-48.2%	-47.9%
Greater China (**)	196.5	198.3	215.1	-8.7%	-7.8%
Rest of World	90.8	92.0	132.1	-31.3%	-30.3%
TOTAL	637.1	640.0	916.0	-30.4%	-30.1%

(*) This line includes the whole American continent (Northern and Southern America).

(**) This line includes: mainland China, Hong Kong SAR, Macao SAR and Taiwan Region.

Breakdown of consolidated sales by distribution channel

(million Euros)

	FY 2020		FY 2019	% change	
	reported rates	constant rates		reported rates	constant rates
Retail (DOS+online)	448.7	451.8	645.8	-30.5%	-30.0
Third parties (Franchised stores + Independent retailers)	188.4	188.2	270.2	-30.3%	-30.3%
TOTAL	637.1	640.0	916.0	-30.4%	-30.1%

As of December 31st, 2020 the Group's distribution network was composed by 300 DOS and 103 franchised stores, compared to 290 DOS and 115 franchised stores as of December 31st, 2019.

Comments on the Profit & Loss key figures

In 2020, EBITDA adjusted⁴ was equal to 69.5 million Euros, or 10.9% of sales, which compares to the result of 157.9 million Euros in 2019, net of the extraordinary income of 97.5 million Euros accounted on the disposal of the Omotesando building. Despite a decrease of the industrial margin, mainly due to greater discount activities, EBITDA adjusted was hit by the higher incidence on sales of operating costs, despite the careful and prudent review of unnecessary costs adopted by the Group after the outbreak of the pandemic. In more details, the incidence on sales of costs for services was 27.2% in 2020, compared to 26.1% in 2019, despite the reduction of some communication expenses in the first half of the year. Personnel costs decreased in absolute value (189 million Euros in 2020 compared to 213.9 million Euros in 2019), both due to the decline in the Group's workforce⁵, and due to the benefit of government subsidies to face the pandemic, even if mostly supplemented by the Group to ensure the salary level of its employees. However, due to the reduction of sales, the incidence increased to 29.7% in 2020, compared to 23.4% in 2019. Including the 15.4 million Euros benefit as the result of the rent negotiations due to the lockdown, the incidence on sales of costs for the use of third party assets was 4.6% in 2020, compared to 6.1% in 2019.

EBITDA reported was equal to 39.5 million Euros.

⁴ EBITDA has been adjusted to exclude the 30 million Euros extraordinary inventory write-down, made due to the impact of the COVID-19 pandemic.

⁵ The Group has 4,588 employees as of December 31st, 2020, compared to 4,815 as of December 31st, 2019.

In 2020, EBIT adjusted⁶ was negative and equal to 93.7 million Euros, compared to a positive result of 3.6 million Euros in 2019, net of the already mentioned extraordinary income on the Omotesando building. The absolute value of ordinary depreciation, amortisation and provisions is slightly decreasing, net of the Depreciation for right of use assets (equal to 104.3 million Euros in 2020, compared to 105.3 million Euros in 2019). In 2020 writedowns for impairment were equal to 28.7 million Euros, compared to 3.2 million Euros of 2019.

EBIT reported was negative and equal to 135.4 million Euros.

The impact of currency fluctuations is not meaningful; at constant exchange rates, EBITDA and EBIT would show, respectively, a result of 40.1 million Euros and a negative balance of 136.1 million Euros.

The Group's result before taxes was negative and equal to 158 million Euros, also due to higher interests calculated on lease liabilities in compliance with IFRS16, and it compares with a negative result of 20.5 million Euros in 2019, excluding the above mentioned Omotesando extraordinary income.

In 2020, the Group benefitted from a positive result of the tax management for 85.2 million Euros, of which 63.2 million euros related to the extraordinary tax benefits deriving from the realignment of the tax value of the Group brands to their statutory value, as required by article 110 of Law Decree 104/220 ("August Decree").

The Group's net result was negative and equal to 73.2 million Euros, which compares with a positive result of 46.3 million Euros in 2019.

Comments on the Balance Sheet and Cash Flow key figures

In 2020, the Group invested 30.3 million Euros in tangible and intangible fixed assets, compared to 47.3 million Euros in 2019. As usual, the majority of these investments were devoted to the widening and update of the DOS network; the remaining investments are referred to the continuous renewal at industrial and corporate level, with particular focus on digital.

The net operating working capital totalled 322.4 million Euros as of December 31st, 2020, showing an improvement as compared to the 344.6 million Euros balance as of the end of 2019.

⁶ EBIT has been adjusted to exclude the 30 million Euros extraordinary inventory write-down, made due to the impact of the COVID-19 pandemic, and the impairment of 11.7 million Euros related to the Fay brand.

As required by the accounting standard IFRS 16, as of December 31st, 2020 the Group accounted for lease liabilities of 396.4 million Euros, compared to 439.1 million Euros as of the end of 2019.

Net of these liabilities, the Net Financial Debt was 124.9 million Euros as of December 31st, 2020 which compares to a Net Financial Debt of 12.1 million Euros as of December 31st, 2019; the increase is due to the impact of the pandemic. The Net Financial Position was negative and equal to 521.3 million Euros, compared to a Negative Financial Debt of 451.2 million Euros, as of December 31st, 2019.

As of December 31st, 2020, consolidated shareholders' equity was 1,007.2 million Euros, compared to the 1,080.5 million balance as of December 2019.

Impact of the pandemic on the Group's results

As regards this issue, we confirm all the indications provided on the occasion of the release of 2020 Half-Year Report, to which reference is made.

As of today, all the production activities are currently regular, with the adoption of all precautionary and preventive measures to protect the health of employees; commercial and corporate activities are performed with a significant amount of remote working, mainly in those areas where the spread of the virus is greater.

The network of stores has very different levels of operation and intensity in the various areas of the world, depending on the state of the contagions and in compliance with the containment measures implemented by local governments.

Comments on the key figures of the Parent Company Tod's SpA

The Board of Directors also approved the draft of the 2020 Annual Report for the parent company Tod's SpA, whose sales were 384 million Euros, compared to 606.8 million Euros sales of 2019.

Net result was negative and equal to 116.8 million Euros; income per share was negative for 3.53 Euro.

In 2020, the parent company invested a total amount of 15.1 million Euros in tangible and intangible fixed assets, which compares to 23.8 million Euros invested in the previous year.

Net of lease liabilities, as of December 31st, 2020 the parent company's Net Financial Debt was 169.3 million Euros, compared to 77.8 million Euros of 2019. The shareholders' equity of the parent company was 842.8 million Euros, which compares to 959 million Euros as of December 31st, 2019.

Dividend proposal

The Board approved also to propose not to distribute a dividend.

This proposal will be submitted to the approval of the Ordinary Shareholders' Meeting, convened in first call for next April 21st, 2021, at the registered office, and, if necessary, in second call for April 28th, 2021. Please note that, in compliance with the containment measures imposed by the exceptional epidemiological emergency situation by Covid-19, pursuant to art. 106, paragraph 4 of the Law Decree no. 18 (the so-called "Cura Italia Decree", converted into Law no. 27 of April 24th, 2020 as last amended by Law Decree no. 183 of December 31st, 2020), the participation in the Shareholders' Meeting of those who have the right to vote will be allowed only through the representative designated by the Company, pursuant to art. 135-undecies of the TUF.

Other resolutions

Furthermore, the Board of Directors today approved: (i) the Report on Corporate Governance and Ownership Structures for fiscal year 2020 prepared pursuant to article 123-bis of Legislative Decree no. 58/1998, and (ii) the Remuneration Report prepared pursuant to Article 123-ter of Legislative Decree no. 58/1998.

The above documents shall be made available to the public, together with the 2020 Financial Annual Report (including, the non-financial statement pursuant to Legislative Decree no. 254/16, the Report of the Board of the Statutory Auditors and the Report of the Independent Auditors), by March 31st, 2021, at the Company's registered office, in the Company's website www.todsgroup.com and in the authorized storage device 1info at www.1info.it.

Please note that the audit process on the data presented in this press release has not been completed yet.

The manager responsible for preparing the company's financial reports, Mr. Rodolfo Ubaldi, declares, pursuant to article 154 bis, paragraph 2, of Legislative Decree n. 58/98 (the "Unified Financial Act"), that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Should you need explanations, please contact: Investor Relations Office - tel. +39 02 77 22 51
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Corporate website: www.todsgroup.com

PLEASE FIND BELOW THE FINANCIAL STATEMENTS OF TOD'S GROUP AND TOD'S SPA

TOD'S Group

Consolidated Income Statement

Unaudited

euro 000's	Year 20	Year 19
Revenues		
Sales revenue	637,111	915,983
Other income	9,932	108,641
Total revenue and income	647,043	1,024,624
Operating Costs		
Change in inventories of work in progress and finished goods	(19,948)	19,130
Cost of raw materials, supplies and materials for consumption	(174,619)	(244,114)
Costs for services	(173,225)	(238,732)
Costs of use of third party assets	(29,343)	(55,736)
Personnel costs	(189,025)	(213,884)
Other operating charges	(21,378)	(35,891)
Total operating costs	(607,538)	(769,228)
EBITDA	39,504	255,396
Amortisation, depreciation and write-downs		
Amortisation of intangible assets	(8,444)	(8,775)
Depreciation of tangible assets	(32,024)	(35,113)
Depreciation of right of use assets	(104,297)	(105,269)
Other adjustments	(28,673)	(3,210)
Total amortisation, depreciation and write-downs	(173,439)	(152,367)
Provisions	(1,427)	(1,969)
EBIT	(135,362)	101,060
Financial income and expenses		
Financial income	26,986	21,855
Financial expenses	(49,599)	(45,945)
Total financial income (expenses)	(22,613)	(24,090)
Income (losses) from equity investments		
Profit before taxes	(157,975)	76,971
Income taxes	84,785	(31,312)
Profit/(loss) for the period	(73,190)	45,659
Non-controlling interests		625
Profit/(loss) of the Group	(73,190)	46,283
EPS (in euro)	-2.21	1.40
EPS diluted (in euro)	-2.21	1.40

TOD'S Group
Consolidated Statement of Comprehensive Income

Unaudited

euro 000's	Year 20	Year 19
Profit (loss) for the period (A)	(73,190)	45,659
Other comprehensive income that will be reclassified subsequently to profit and loss:		
Gains/(Losses) on derivative financial instruments (cash flow hedge)	763	481
Gains/(Losses) on currency translation of foreign subsidiaries	(1,191)	4,801
Gains/(Losses) on net investments in foreign operations	3,284	(1,190)
Total other comprehensive income that will be reclassified subsequently to profit and loss (B)	2,856	4,092
Other comprehensive income that will not be reclassified subsequently to profit and loss:		
Cumulated actuarial gains/(losses) on defined benefit plans	(123)	383
Total other comprehensive income that will not be reclassified subsequently to profit and loss (C)	(123)	383
Total Comprehensive Income (A) + (B) + (C)	(70,457)	50,134
Of which:		
Attributable to Shareholders of the Parent company	(70,457)	50,772
Attributable to non-controlling interests		(638)

TOD'S Group

Consolidated Statement of Financial Position

Unaudited

euro 000's	12.31.20	12.31.19
Non current assets		
<i>Right of use assets</i>		
Right of use assets	382,521	446,126
Total Right of use assets	382,521	446,126
<i>Intangible fixed assets</i>		
Assets with indefinite useful life	554,234	565,934
Key money		
Other intangible assets	25,628	24,619
Total Intangible fixed assets	579,862	590,552
<i>Tangible fixed assets</i>		
Buildings and land	53,706	55,533
Plant and machinery	9,563	11,086
Equipment	10,700	11,945
Leasehold improvement	31,507	37,229
Others	30,652	34,796
Total Tangible fixed assets	136,127	150,589
<i>Other assets</i>		
Investment properties	11	15
Equity investments		
Deferred tax assets	108,524	51,913
Others	18,329	19,027
Total other assets	126,865	70,955
Total non current assets	1,225,375	1,258,222
Current assets		
Inventories	353,982	384,632
Trade receivables	73,653	97,170
Tax receivables	15,437	12,954
Derivative financial instruments	2,739	1,393
Others	65,987	67,355
Cash and cash equivalents	330,940	184,072
Total current assets	842,739	747,576
Total assets	2,068,114	2,005,798

To be continued

euro 000's	12.31.20	12.31.19
Equity		
Share capital	66,187	66,187
Capital reserves	416,588	416,588
Hedging and translation reserves	18,297	15,441
Other reserves	579,294	537,138
Profit/(loss) attributable to the Group	(73,190)	46,283
Total Equity attributable to the Group	1,007,176	1,081,637
Non-controlling interests		
Share capital and reserves		(464)
Profit/(loss) attributable to non-controlling interests		(625)
Total Equity attributable to non-controlling interests		(1,089)
Total Equity	1,007,176	1,080,548
Non-current liabilities		
Provisions for risks	12,692	11,530
Deferred tax liabilities	6,900	39,047
Employee benefits	15,234	16,416
Derivative financial instruments		225
Bank borrowings	9,375	84,023
Non-current lease liabilities	305,013	344,201
Others	12,801	13,779
Total non-current liabilities	362,014	509,221
Current liabilities		
Trade payables	105,270	137,191
Tax payables	11,426	22,869
Derivative financial instruments	1,827	2,385
Others	40,350	45,409
Banks	446,501	112,130
Current lease liabilities	91,337	94,879
Provisions for risks	2,213	1,166
Total current liabilities	698,924	416,028
Total Equity and liabilities	2,068,114	2,005,798

TOD'S Group

Consolidated Statement of Cash Flows

Unaudited

euro 000's	Year 2020	Year 2019
Profit/(Loss) for the period	(73,190)	45,659
Adjustments to reconcile net profit (loss) to net cash provided by (used in) operating activities		
Amortiz., deprec., revaluat., and write-downs	210,708	157,798
Other non monetary expenses/(income)	(3,479)	(83,798)
Income taxes for the period	(84,785)	31,312
Changes in operating assets and liabilities		
Trade receivables	24,264	4,514
Inventories	(7,366)	(28,356)
Tax receivables and tax payables	(1,994)	(1,397)
Trade payables	(31,921)	(11,797)
Other assets and liabilities	(2,983)	(373)
Change in reserve for employee	(1,305)	1,830
Cash flows from operating activities	27,949	115,391
Interests (paid)/collected	(2,054)	(847)
Interests (paid) on lease liabilities	(13,202)	(13,105)
Income taxes (paid)/refunded	(15,867)	(2,902)
Net cash flows from operating activities (A)	(3,174)	98,537
Net investments in intangible and tangible assets	(29,695)	(48,682)
Acquisition of other subsidiaries		
Other changes in fixed assets		
Sale of the building in Omotesando		141,400
Cash flows generated (used) in investing activities (B)	(29,695)	92,718
Dividends paid		(33,094)
Capital increase		
Other changes in equity		
Repayment of lease liabilities	(77,030)	(91,645)
Repayment of financial liabilities	(241,792)	(225,961)
Proceeds from financial liabilities	507,000	150,000
Cash flows generated (used) in financing (C)	188,178	(200,700)
Translation difference (D)	253	(3,291)
Cash flows from continuing operations (E) = (A)+(B)+(C)+(D)	155,563	(12,735)
Cash flow from assets held for sales (F)		
Cash flows generated (used) (G) = (E)+(F)	155,563	(12,735)
Net cash and cash equivalents at the beginning of the period	160,609	173,344
Net cash and cash equivalents at the end of the period	316,172	160,609
Change in net cash and cash equivalents	155,563	(12,735)

TOD'S Group

Consolidated Statement of changes in equity

Unaudited

Year 2020 euro 000's	Share Capital	Capital reserves	Hedging and reserve for translation	Retained earnings	Group interests	Non- controlling interests	Total
Balances as of 01.01.20	66,187	416,588	15,441	583,423	1,081,637	(1,089)	1,080,548
Profit & Loss account				(73,190)	(73,190)		(73,190)
Directly in equity			2,856	(123)	2,733		2,733
Total Comprehensive Income			2,856	(73,313)	(70,457)		(70,457)
Dividend paid							
Capital increase							
Share based payments							
Other				(4,005)	(4,005)	1,089	(2,916)
Balances as of 12.31.20	66,187	416,588	18,297	506,104	1,007,176		1,007,176

Year 2019 euro 000's	Share Capital	Capital reserves	Hedging and reserve for translation	Retained earnings	Group interests	Non- controlling interests	Total
Balances as of 01.01.19	66,187	416,588	11,348	571,027	1,065,150	(452)	1,064,698
Profit & Loss account				46,283	46,283	(625)	45,659
Directly in equity			4,092	396	4,488	(13)	4,475
Total Comprehensive Income			4,092	46,679	50,772	(638)	50,134
Dividend paid				(33,094)	(33,094)		(33,094)
Capital increase							
Share based payments							
Other				(1,190)	(1,190)		(1,190)
Balances as of 12.31.19	66,187	416,588	15,441	583,423	1,081,637	(1,089)	1,080,548

TOD'S S.p.A.

Income Statement

Unaudited

euro 000's	Year 20	Year 19
Revenues		
Sales revenues (1)	383,983	606,834
Other income	8,982	6,997
Total revenues and income	392,965	613,831
Operating costs		
Change in inventories of work in progress and finished good	(12,235)	3,026
Cost of raw materials, supplies and material for consumptic	(155,617)	(223,267)
Costs for services	(141,607)	(191,990)
Costs of use of third party assets	(14,736)	(25,533)
Personnel costs	(93,966)	(107,088)
Other operating charges	(11,772)	(17,492)
Total operating costs	(429,934)	(562,344)
EBITDA	(36,969)	51,488
Amortisation, depreciation and write-downs		
Amortisation of intangible assets	(8,141)	(8,407)
Depreciation of tangible assets	(13,480)	(13,623)
Depreciation of right of use assets	(24,284)	(24,753)
Revaluations (Devaluations)	(16,528)	
Total amortisation, depreciation and write-downs	(62,433)	(46,783)
Provisions	(935)	(1,907)
EBIT	(100,337)	2,797
Financial income and expenses		
Financial income	24,359	15,838
Financial expenses	(38,406)	(31,180)
Total financial income (expenses)	(14,047)	(15,341)
Income (losses) from equity investments	(62,826)	37,757
Profit before taxes	(177,209)	25,213
Income taxes	60,421	5,131
Profit/(loss) for the period	(116,788)	30,344
EPS (Euro)	(3.53)	0.92
EPS diluted (Euro)	(3.53)	0.92

Note:

(1) Sales revenues include transactions with Group's entities for 126 and 236.1 million euros, respectively, in the fiscal year 2020 and 2019

TOD'S S.p.A. – SHARE CAPITAL EURO 66,187,078 ENTIRELY PAID – REGISTERED OFFICE: SANT'ELPIDIO A MARE (FM)–VIA FILIPPO DELLA VALLE N. 1
FISCAL CODE AND REGISTRATION NUMBER WITH THE FERMO REGISTER: 01113570442 - CORPORATE WEBSITE: www.todsgroup.com

TOD'S S.p.A.
Statement of Comprehensive Income

Unaudited

euro 000's	Year 20	Year 19
Profit (loss) for the period (A)	(116,788)	30,344
Other comprehensive income that will be reclassified subsequently to profit and loss:		
Gains/(Losses) on derivative financial instruments (cash flow hedge)	787	328
Total other comprehensive income that will be reclassified subsequently to profit and loss (B)	787	328
Other comprehensive income that will not be reclassified subsequently to profit and loss:		
Cumulated actuarial gains/(losses) on defined benefit plans	(117)	(474)
Total other comprehensive income that will not be reclassified subsequently to profit and loss (C)	(117)	(474)
Total Comprehensive Income (A) + (B) + (C)	(116,118)	30,198

TOD'S S.p.A.
Statement of Financial Position

Unaudited

euro 000's	12.31.20	12.31.19
Non current assets		
<i>Right of use assets</i>		
Right of use assets	132,394	158,839
Total Right of use assets	132,394	158,839
<i>Intangible fixed assets</i>		
Assets with indefinite useful life	139,219	150,919
Other intangible assets	23,864	22,928
Total Intangible fixed assets	163,083	173,847
<i>Tangible fixed assets</i>		
Buildings and land	53,616	55,432
Plant and machinery	8,939	10,278
Equipment	8,314	9,421
Leasehold improvement	9,311	12,058
Others	7,385	8,306
Total Tangible fixed assets	87,566	95,494
<i>Other assets</i>		
Investment properties	11	15
Investment in subsidiaries	463,534	505,699
Deferred tax assets	59,628	
Others	6,315	8,053
Total other assets	529,487	513,767
Total non current assets	912,531	941,946
Current assets		
Inventories	229,648	252,306
Trade receivables (1)	177,513	186,062
Tax receivables	9,350	9
Derivative financial instruments	2,739	1,246
Others	62,226	74,617
Cash and cash equivalents	252,488	86,426
Total current assets	733,964	600,667
Total assets	1,646,495	1,542,613

To be continued

Note:

(1) Trade receivables include transactions with Group's entities for 130.8 and 119.6 million euros, respectively, in the fiscal year 2020 and 2019.

continue

euro 000's	12.31.20	12.31.19
Equity		
Share capital	66,187	66,187
Capital reserves	416,507	416,507
Treasury stock		
Hedging reserves	660	(128)
Other reserves	475,843	446,072
Profit/(loss) for the period	(116,788)	30,344
Shareholder's equity	842,408	958,983
Non-current liabilities		
Provisions for risks	5,813	5,912
Deferred tax liabilities		5,816
Employee benefits	8,048	9,725
Derivative financial instruments		225
Bank borrowings	9,375	84,023
Non-current lease liabilities	117,585	136,272
Others	15,522	14,015
Total non-current liabilities	156,343	255,988
Current liabilities		
Trade payables (2)	109,181	137,733
Tax payables	8,214	13,194
Derivative financial instruments	769	2,186
Others	62,757	63,913
Bank borrowings	428,481	87,822
Current lease liabilities	22,282	22,084
Provisions for risks	16,059	710
Total current liabilities	647,744	327,643
Total Equity and liabilities	1,646,495	1,542,613

Note:

(2) Trade payables include transactions with Group's entities for 23 and 22.4 million euros, respectively, in the fiscal year 2020 and 2019.

TOD'S S.p.A.

Statement of Cash Flows

Unaudited

euro 000's	12.31.20	12.31.19
Profit/(Loss) for the period	(116,788)	30,344
Adjustments to reconcile net profit (loss) to net cash provided by (used in) operating activities		
Amortiz., deprec., revaluat., and write-downs	154,279	52,450
Other non monetary expenses/(income)	2,037	664
Income taxes for the period	(60,421)	(5,131)
Changes in operating assets and liabilities		
Trade receivables	9,402	6,442
Inventories	(9,503)	(1,366)
Tax receivables and tax payables	(2,346)	(7,699)
Trade payables	(29,009)	(18,711)
Other assets and liabilities	22,328	(29,622)
Change in reserve for employee	(1,794)	1,596
Cash flows from operating activities	(31,816)	28,967
Interests (paid)/collected	(1,806)	(805)
Interests (paid) on lease liabilities	(5,678)	(5,247)
Income taxes (paid)/refunded	(16,995)	(1,055)
Net cash flows from operating activities (A)	(56,295)	21,861
Net investments in intangible and tangible assets	(14,762)	(21,539)
(Increase)/decrease deriving from mergers		135,329
(Increase) decrease of equity investments	(3,566)	
Reduction/Increase in other non current assets	1,738	(3,733)
Cash flows generated (used) in investing activities (B)	(16,589)	110,057
Dividends paid		(33,094)
Capital increase		
Other changes in equity		
Loan to subsidiaries	(8,720)	7,422
Repayment of lease liabilities	(17,481)	(20,543)
Repayment of financial liabilities	(241,792)	(216,042)
Proceeds from financial liabilities	507,000	150,000
Cash flows generated (used) in financing (C)	239,007	(112,256)
Translation difference (D)		
Cash flows from continuing operations (E) = (A)+(B)+(C)+(D)	166,124	19,661
Cash flow from assets held for sales (F)		
Cash flows generated (used) (G) = (E)+(F)	166,124	19,661
Net cash and cash equivalents at the beginning of the period	86,364	66,703
Net cash and cash equivalents at the end of the period	252,488	86,364
Change in net cash and cash equivalents	166,124	19,661

TOD'S S.p.A.
Statement of changes in equity

Unaudited

Year 2020 euro 000's	Share Capital	Capital reserves	Hedging reserve	Retained earnings	Total
Balances as of 01.01.20	66,187	416,507	(128)	476,417	958,983
Profit & Loss account				(116,788)	(116,788)
Directly in equity			787	(117)	670
Total Comprehensive Income			787	(116,905)	(116,118)
Dividend paid					
Capital increase					
Share based payments					
Other				(457)	(457)
Balances as of 12.31.20	66,187	416,507	660	359,055	842,409

Year 2019 euro 000's	Share Capital	Capital reserves	Hedging reserve	Retained earnings	Total
Balances as of 01.01.19	66,187	416,507	(456)	442,987	925,225
Profit & Loss account				30,344	30,344
Directly in equity			328	(474)	(146)
Total Comprehensive Income			328	29,870	30,198
Dividend paid				(33,094)	(33,094)
Capital increase					
Share based payments					
Other				36,653	36,653
Balances as of 12.31.19	66,187	416,507	(128)	476,417	958,983