

Sant'Elpidio a Mare – May 11<sup>th</sup>, 2022

## **TOD'S S.p.A. – Outstanding sales results in the first quarter of 2022 (+23% compared to Q1 2021). Solid retail revenue growth across all brands, product categories and regions**

### The Board of Directors approves the Interim Management Statement for the first quarter of 2022

The Board of Directors of 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, Roger Vivier, Hogan and Fay brands, today approved the Interim Management Statement for the first quarter of 2022 (January 1<sup>st</sup> - March 31<sup>st</sup>, 2022).

### **Message of the Group's Chairman and CEO**

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

*“In the first quarter of the year, the Group recorded solid double-digit growth in revenues, which returned to above pre-pandemic values. The first two months were very strong for all our brands, all over the world, confirming the great appreciation of customers for the creativity of our collections and the quality of our products. The month of March was affected by the slowdown in the luxury sector in the Chinese market, due to the new and severe restrictions imposed by the government to deal with the new cases of Covid in various cities. We are waiting for the reopening of the stores to recover the growth also in this region.*

*The revenues of our stores were particularly good; in the quarter they were double-digit higher than in the first quarter of 2019, also thanks to the investments made in the distribution network and an accurate communication, marketing and CRM policy.*

*While we wait to better assess the impact of the war in Ukraine and the signals arriving from China on the Covid front, we continue to develop each brand in a way that is consistent with its strategy and its DNA, making all the necessary investments.*

*The aim we have set ourselves is to focus on the greatest asset value we can give the individual brands and, therefore, the Tod's Group as a whole. And to achieve this goal, we will do everything that is necessary. We also hope that this tragic war can end as soon as possible, restoring peace to all people. “*

## Comments to the Group's sales

In the first three months of 2022, the consolidated turnover of the Tod's Group amounts to 219.6 million Euros, up 23% from Q1 2021<sup>1</sup>. The impact of currencies is positive and is particularly visible for the Tod's and Roger Vivier brands, which have the greatest presence abroad; at constant exchange rates, i.e. using the same average exchange rates as in Q1 2021, including the effects of hedging, the Group's revenues amounted to 214.4 million Euros, up 20% compared to Q1 2021.

### **Breakdown of consolidated sales by brand: excellent growth of Tod's (+36%); all brands were positive**

(million Euros)

	Q1 2022		Q1 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Tod's	104.6	101.9	76.7	+36%	+33%
Roger Vivier	52.4	50.6	48.6	+8%	+4%
Hogan	51.6	50.9	44.3	+16%	+15%
Fay	10.9	10.9	9.0	+20%	+20%
Other	0.1	0.1	0.1	n.m.	n.m.
<b>TOTAL</b>	<b>219.6</b>	<b>214.4</b>	<b>178.7</b>	<b>+23%</b>	<b>+20%</b>

Excellent results recorded by the Tod's brand, confirming the strong appreciation by customers for the brand's collections; solid growth in all product categories and in all geographic areas.

The Roger Vivier brand had a good start to the year in all geographies, but, given its strong exposure to the Chinese market, experienced a slowdown in its growth in March.

Solid double-digit increase in revenues of the Hogan and Fay brands, also thanks to the easy basis of comparison, given their strong exposure to the Italian and European markets, which in 2021 had suffered from some periods of store closure due to the lockdown following the pandemic.

<sup>1</sup> As also highlighted in recent years, the analysis of the data of the individual quarters is not fully meaningful, given the imperfect homogeneity in the different months of the year of the revenues from industrial activity. This reminder is even more important for the first quarter of the year, when the amount of sales volumes represents only a small

**Breakdown of consolidated sales by product category: leather goods: +63%; double-digit growth of all categories**

(million Euros)

	Q1 2022		Q1 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Shoes	173.4	169.0	148.1	+17%	+14%
Leather goods and accessories	31.6	31.0	19.5	+63%	+60%
Apparel	14.4	14.3	11.0	+31%	+29%
Other	0.1	0.1	0.1	n.m.	n.m.
<b>TOTAL</b>	<b>219.6</b>	<b>214.4</b>	<b>178.7</b>	<b>+23%</b>	<b>20%</b>

All product categories reported solid double-digit growth; excellent customer feedback for the new collections of leather goods and accessories worldwide.

The results of shoes in the retail channel were also very good, with excellent results from iconic families.

**Breakdown of consolidated sales by region: very strong acceleration of the American market (+68%); significant growth in all areas**

(million Euros)

	Q1 2022		Q1 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Italy	50.9	50.9	43.4	+17%	+17%
Europe (excl. Italy)	48.4	48.0	37.7	+29%	+27%
Americas (*)	15.7	14.9	9.3	+68%	+59%
Greater China (**)	68.5	64.1	62.8	+9%	+2%
Rest of World	36.1	36.5	25.5	+42%	+43%
<b>TOTAL</b>	<b>219.6</b>	<b>214.4</b>	<b>178.7</b>	<b>+23%</b>	<b>+20%</b>

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

part of the annual turnover, and becomes even more so in these years, given the significant impact of the Covid-19 pandemic on the results.

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

The trend in revenues by geographic area is still affected by the impact of the pandemic, which resulted in long periods of store closures in the comparison base of 2021, especially in European markets<sup>2</sup>; new restrictions, starting from the second half of the first quarter of 2022, in some Asian countries, explain the lower growth of Greater China, while the absence of Asian tourists in Western markets persists.

Revenues in the domestic and European markets recorded double-digit growth, thanks to solid purchases by local customers and the return of intra-European and American tourism. The growth in sales in the American market was also very strong, also thanks to the good momentum in consumption.

China had an excellent start to the year, but revenues suffered a significant slowdown in growth in the second half of March, due to the strict restrictions imposed by the authorities to deal with the new Covid cases. At the moment, around 30% of the Group's stores in this region are closed. We are waiting for the complete reopening of the stores to return to the growth levels of January and February.

Finally, the business in the “Asia and Rest of the World” region was excellent, driven by Japan and Korea, markets in which revenues have largely exceeded both the values of 2021 and those of 2019.

**Breakdown of consolidated sales by distribution channel: excellent trend of retail (+33%); wholesale volumes stable. E-commerce continues to grow double-digit**

(million Euros)

	Q1 2022		Q1 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Retail (DOS+online)	156.1	151.3	117.3	+33%	+29%
Third parties (Franchised stores + Independent retailers)	63.5	63.1	61.4	+3%	+3%
<b>TOTAL</b>	<b>219.6</b>	<b>214.4</b>	<b>178.7</b>	<b>+23%</b>	<b>+20%</b>

<sup>2</sup> In comparing the different financial years, it should be borne in mind that in the first quarter of 2021 the average opening rate of the stores was 83% as a world average (57% if referring only to Europe), while in the first quarter of 2022 it was equal to 97% as a world average.

Excellent results for the retail channel, with solid growth in all geographic areas, driven by local demand, local marketing initiatives and pop-up stores.

As of March 31<sup>st</sup>, 2022, the Group's distribution network was made up of 318 DOS and 86 franchised stores, compared to 300 DOS and 99 franchised stores as of March 31<sup>st</sup>, 2021.

Revenues from the wholesale channel are up slightly compared to 2021; the benefit of the different timing of deliveries between the two years partially offset the physiological downsizing of the channel, which is taking place worldwide.

*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.*

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