



MONCLER

GROUP

HALF-YEAR FINANCIAL REPORT
AS OF 30 JUNE 2023



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CORPORATE INFORMATION

REGISTERED OFFICE

Moncler S.p.A
Via Enrico Stendhal, 47
20144 Milan – Italy
Phone: +39 02 422 03 500

ADMINISTRATIVE OFFICE

Via Venezia, 1
35010 Trebaseleghe (Padua) – Italy
Phone: +39 049 9323111
Fax: +39 049 9323339

COMPANY INFORMATION

Authorized and issued share capital EUR 54,925,534.60
VAT, Tax Code and Chamber of Commerce enrollment n°: 04642290961
R.E.A. Reg. Milan No. 1763158

OFFICES AND SHOWROOMS

Milan Via Solari, 33
Milan Via Savona, 56

CORPORATE BODIES

BOARD OF DIRECTORS

Remo Ruffini	Chairman and Chief Executive Officer
Marco De Benedetti	Vice President Non-Executive Director Control, Risk and Sustainability Committee Nomination and Remuneration Committee
Roberto Eggs	Executive Director
Bettina Fetzer	Independent Director
Gabriele Galateri di Genola	Independent Director Control, Risk and Sustainability Committee
Alessandra Gritti	Independent Director Lead Independent Director Nomination and Remuneration Committee Related Parties Committee
Jeanne Jackson	Independent Director
Diva Moriani	Independent Director Nomination and Remuneration Committee Related Parties Committee
Guido Pianaroli	Independent Director Control, Risk and Sustainability Committee Related Parties Committee
Carlo Rivetti	Non-Executive Director
Luciano Santel	Executive Director
Maria Sharapova	Independent Director

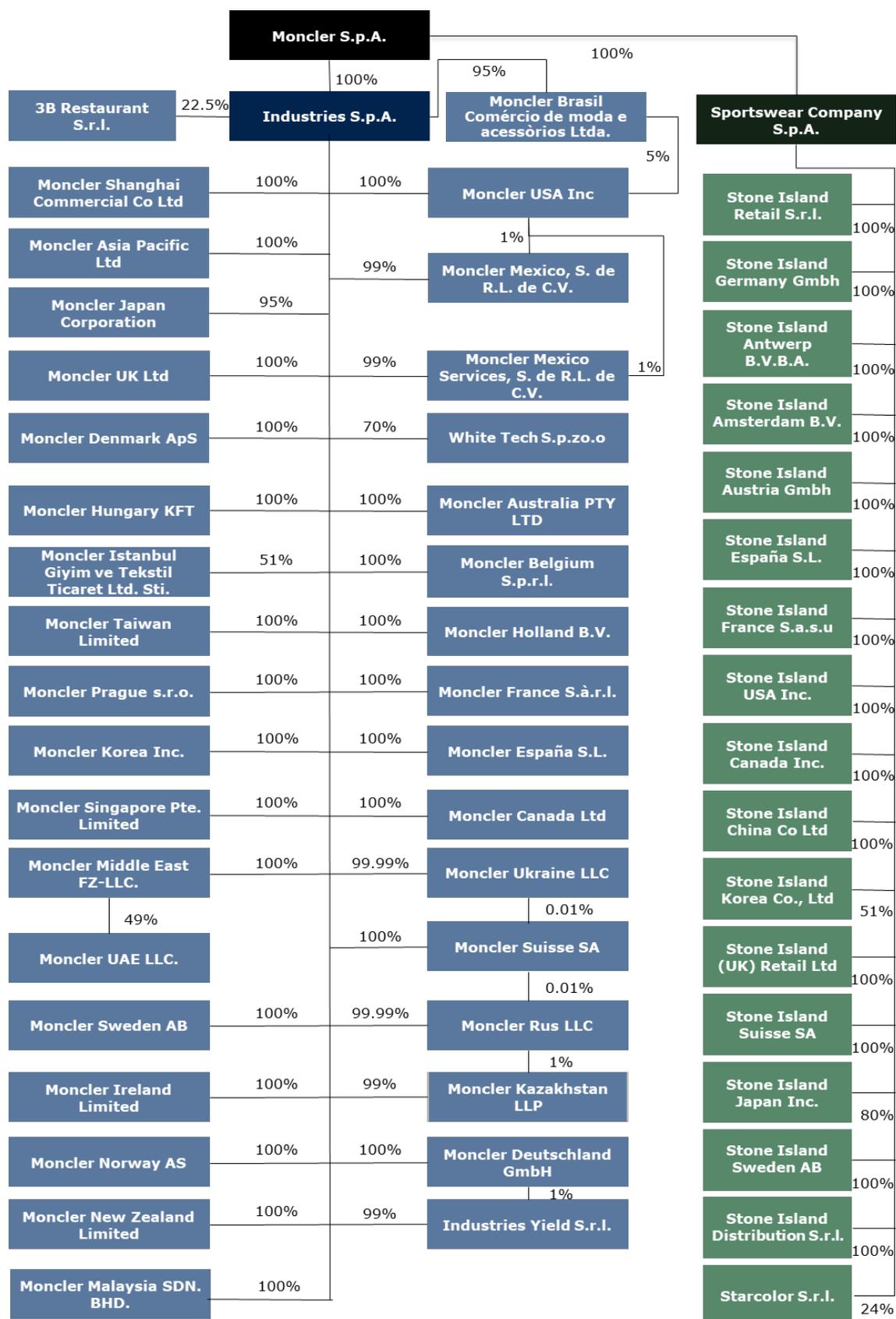
BOARD OF STATUTORY AUDITORS

Riccardo Losi	Chairman
Carolyn Dittmeier	Standing Auditor
Nadia Fontana	Standing Auditor
Federica Albizzati	Alternate Auditor
Lorenzo Mauro Banfi	Alternate Auditor

EXTERNAL AUDITORS

Deloitte & Touche S.p.A.

GROUP CHART AS OF 30 JUNE 2023



GROUP STRUCTURE

The Consolidated Financial Statements of the Moncler Group at 30 June 2023 include Moncler S.p.A. (Parent Company), Industries S.p.A., Sportswear Company S.p.A. (sub-holding companies directly controlled by Moncler S.p.A.), and 51 consolidated subsidiaries in which the Parent Company holds indirectly a majority of the voting rights, or over which it exercises control, or from which it is able to derive benefits through its power to govern both its financial and operating policies.

Consolidation area

Moncler S.p.A.	Parent company which holds the Moncler and Stone Island brands
Industries S.p.A.	Sub-holding company, directly involved in the management of foreign companies and distribution channels in Italy and licensee of the Moncler brand
Industries Yield S.r.l.	Company that manufactures apparel products
Moncler Asia Pacific Ltd	Company that manages DOS in Hong Kong SAR and in Macau SAR
Moncler Australia PTY Ltd	Company that manages DOS in Australia
Moncler Belgium S.p.r.l.	Company that manages DOS in Belgium
Moncler Brasil Comércio de moda e acessórios Ltda.	Company that manages DOS in Brazil
Moncler Canada Ltd	Company that manages DOS in Canada
Moncler Denmark ApS	Company that manages DOS in Denmark
Moncler Deutschland GmbH	Company that manages DOS and promotes goods in Germany and Austria
Moncler España SL	Company that manages DOS in Spain
Moncler France S.à.r.l.	Company that manages DOS and distributes and promotes goods in France
Moncler Holland B.V.	Company that manages DOS in the Netherlands
Moncler Hungary KFT	Company that manages DOS in Hungary
Moncler Ireland Limited	Company that manages DOS in Ireland
Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti.	Company that manages DOS in Turkey
Moncler Japan Corporation	Company that manages DOS and distributes and promotes goods in Japan
Moncler Kazakhstan LLP	Company that manages DOS in Kazakhstan
Moncler Korea Inc	Company that manages DOS and distributes and promotes goods in South Korea

Moncler Malaysia SDN. BHD.	Company that manages DOS in Malaysia
Moncler Mexico, S. de R.L. de C.V.	Company that manages DOS in Mexico
Moncler Mexico Services, S. de R.L. de C.V.	Company that provides services to Moncler Mexico, S. de R.L. de C.V.
Moncler Middle East FZ-LLC	Holding Company for the Middle East
Moncler New Zealand Limited	Company that manages DOS in New Zealand
Moncler Norway AS	Company that manages DOS in Norway
Moncler Prague s.r.o.	Company that manages DOS in the Czech Republic
Moncler Rus LLC	Company that managed DOS in Russia
Moncler Shanghai Commercial Co. Ltd	Company that manages DOS in China
Moncler Singapore Pte. Limited	Company that manages DOS in Singapore
Moncler Suisse SA	Company that manages DOS in Switzerland
Moncler Sweden AB	Company that manages DOS in Sweden
Moncler Taiwan Limited	Company that manages DOS in Taiwan
Moncler UAE LLC	Company that manages DOS in the United Arab Emirates
Moncler UK Ltd	Company that manages DOS in the United Kingdom
Moncler Ukraine LLC	Company that manages DOS in Ukraine
Moncler USA Inc	Company that manages DOS and promotes and distributes goods in North America
White Tech Sp.zo.o.	Company that manages quality control of down
Sportswear Company S.p.A.	Sub-holding company for the Stone Island brand that is directly involved in the management of foreign companies and the wholesale distribution channel
Stone Island Amsterdam B.V.	Company that manages DOS in the Netherlands
Stone Island Antwerp B.V.B.A.	Company that manages DOS in Belgium
Stone Island Austria Gmbh	Company that will manage DOS in Austria
Stone Island Canada Inc	Company that manages DOS in Canada
Stone Island China Co., Ltd	Company that manages DOS in China
Stone Island Distribution S.r.l.	Company that manages distribution
Stone Island España S.L.	Company that manages DOS in Spain
Stone Island France S.a.s.u.	Company that manages DOS in France
Stone Island Japan Inc.	Company that manages DOS in Japan
Stone Island Germany GmbH	Company that acts as Agent for Germany and Austria and manages DOS in Germany

Stone Island Korea Co., Ltd	Company that manages DOS and promotes and distributes goods in Korea
Stone Island Retail S.r.l	Company that manages DOS in Italy
Stone Island (UK) Retail Ltd.	Company that manages DOS in UK
Stone Island Suisse SA	Company that manages DOS in Switzerland
Stone Island Sweden AB	Company that manages DOS in Sweden
Stone Island USA Inc	Company that manages DOS and promotes and distributes goods in USA

HALF-YEAR DIRECTORS' REPORT

FINANCIAL RESULTS ANALYSIS¹

SIGNIFICANT EVENTS OCCURRED DURING THE FIRST SIX MONTHS OF 2023

SIGNIFICANT EVENTS OCCURRED AFTER 30 JUNE 2023

BUSINESS OUTLOOK

RELATED PARTIES TRANSACTIONS

ATYPICAL AND/OR UNUSUAL TRANSACTIONS

TREASURY SHARES

¹ This applies to all pages of this document: all data includes IFRS 16 impacts if not otherwise stated, growth rates at constant exchange rates if not otherwise stated, the net financial position excludes lease liabilities.

FINANCIAL RESULTS ANALYSIS

ECONOMIC RESULTS

Following is the Consolidated Income Statement for the first half of 2023 and 2022.

(EUR/000)	H1 2023	% on revenues	H1 2022	% on revenues
REVENUES	1,136,590	100.0%	918,374	100.0%
YoY performance	+24%		+48%	
GROSS MARGIN	850,989	74.9%	677,706	73.8%
Selling expenses	(374,746)	(33.0%)	(314,863)	(34.3%)
General and administrative expenses	(156,893)	(13.8%)	(132,692)	(14.4%)
Marketing expenses	(101,557)	(8.9%)	(49,984)	(5.4%)
EBIT	217,793	19.2%	180,167	19.6%
Net financial	(11,328)	(1.0%)	(11,628)	(1.3%)
EBT	206,465	18.2%	168,539	18.4%
Taxes	(61,116)	(5.4%)	42,724	4.7%
Tax Rate	29.6%		25.3%	
GROUP NET RESULT	145,351	12.8%	211,254	23.0%

EBITDA RECONCILIATION

(EUR/000)	H1 2023	% on revenues	H1 2022	% on revenues
EBIT	217,793	19.2%	180,167	19.6%
D&A	54,638	4.8%	51,041	5.6%
Rights-of-use-amortisation	88,049	7.7%	74,353	8.1%
Stock-based compensation	19,734	1.7%	16,029	1.7%
EBITDA Adj.	380,214	33.5%	321,590	35.0%
Rents associated to rights-of-use	(98,797)	(8.7%)	(85,634)	(9.3%)
EBITDA Adj. pre IFRS 16	281,417	24.8%	235,956	25.7%

CONSOLIDATED REVENUES

In the first six months of 2023, Moncler Group reached consolidated revenues of EUR 1,136.6 million, up 24% cFX compared with the same period in 2022. These results include Moncler brand revenues of EUR 935.0 million and Stone Island brand revenues of EUR 201.6 million.

In the second quarter, Group revenues were EUR 410.2 million, up 26% cFX compared with the same period of 2022. In the second quarter, the Moncler and Stone Island brands recorded revenues equal to EUR 330.2 million and EUR 80.0 million respectively.

MONCLER GROUP: REVENUES BY BRAND

MONCLER GROUP	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
Moncler	935,027	82.3%	724,261	78.9%	+29%	+29%
Stone Island	201,563	17.7%	194,113	21.1%	+4%	+5%
REVENUES	1,136,590	100.0%	918,374	100.0%	+24%	+24%

MONCLER

In the first six months of 2023, Moncler brand revenues were EUR 935.0 million, an increase of 29% cFX compared with the same period of 2022.

In the second quarter, revenues for the brand amounted to EUR 330.2 million, up 32% cFX YoY, accelerating sequentially compared to the growth recorded in Q1, mainly thanks to the improvement in Asia.

MONCLER: REVENUES BY GEOGRAPHY

MONCLER	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
Asia	456,771	48.9%	333,112	46.0%	+37%	+39%
EMEA	340,651	36.4%	264,547	36.5%	+29%	+29%
Americas	137,605	14.7%	126,602	17.5%	+9%	+3%
REVENUES	935,027	100.0%	724,261	100.0%	+29%	+29%

In Asia (which includes APAC, Japan and Korea) H1 revenues grew by 39% cFX compared with the first half of 2022, including an acceleration of 55% YoY in Q2. APAC recorded a strong sequential improvement, favoured by an easy comparable base in the Chinese mainland, whose performance in 2022 was negatively impacted by the lockdowns that caused the closure of around a third of the local stores in April and May, while June had seen a strong improvement with the reopening of all the stores. Japan and Korea continued to record solid double-digit growth in Q2 2023.

In EMEA, revenues grew by 29% cFX in H1 2023 vs H1 2022, with an increase in the second quarter of 30% compared with Q2 2022, supported by solid demand from local customers and the continued improvement in tourist flows. American, Chinese and Korean customers were the strongest contributors to tourist purchases in the region.

Revenues in the Americas recorded a 3% cFX growth in H1 YoY and declined by 5% in Q2 YoY, due to the impact of the conversion of Nordstrom from a wholesale to a hybrid business model, which drove the wholesale channel to negative territory in the region in the quarter. The DTC channel continued to record solid double-digit growth in Q2, with a sequential acceleration compared to Q1. Excluding the impact of the Nordstrom conversion, growth in the Americas would have been positive in the second quarter.

MONCLER: REVENUES BY CHANNEL

MONCLER	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
DTC	757,494	81.0%	555,923	76.8%	+36%	+37%
Wholesale	177,533	19.0%	168,338	23.2%	+5%	+2%
REVENUES	935,027	100.0%	724,261	100.0%	+29%	+29%

In the first half of 2023, the DTC channel recorded revenues of EUR 757.5 million, up 37% cFX compared with H1 2022. Revenues in the second quarter of 2023 increased 45% compared with Q2 2022, supported by strong double-digit growth in all three regions, with Asia outperforming. The direct online channel also continued to grow double-digits.

In H1 2023, revenues by stores open for at least 12 months (Comp-Store Sales Growth²) grew by 34% compared with the first half of 2022.

The wholesale channel recorded revenues of EUR 177.5 million in H1 2023, an increase of 2% cFX compared with the first half of 2022. In the second quarter, revenues in this channel were flat YoY, impacted by the above-mentioned conversion of Nordstrom from a wholesale to a hybrid business model in the US, whilst the performance in EMEA and Asia remained solid. Excluding the impact of the Nordstrom conversion, growth in the wholesale channel would have been mid-single-digit positive in the second quarter.

As of 30 June 2023, the network of Moncler mono-brand boutiques comprised 257 directly operated stores (DOS), an increase of two units compared with 31 March 2023, including one conversion in the Americas (Nordstrom) and one opening in Korea (Daejeon Galleria Timeworld). The Moncler brand also operates 59 wholesale shop-in-shops (SiS).

² Comparable Store Sales Growth (CSSG) considers revenues growth from DOS (excluding outlets) open for at least 52 weeks and the online store; stores that have been expanded and/or relocated are not included.

MONCLER: MONO-BRAND DISTRIBUTION NETWORK

MONCLER	30.06.2023	31.03.2023	31.12.2022
Asia	128	127	125
EMEA	89	89	88
Americas	40	39	38
RETAIL	257	255	251
WHOLESALE	59	61	63

STONE ISLAND

In the first half of 2023, Stone Island brand revenues reached EUR 201.6 million, up 5% cFX compared with EUR 194.1 million in the same period of 2022.

Q2 revenues were up 5% cFX compared with same period last year, in line with the performance in Q1, driven by Asia and EMEA.

STONE ISLAND: REVENUES BY GEOGRAPHY

STONE ISLAND	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
EMEA	145,645	72.3%	138,231	71.2%	+5%	+5%
Asia	38,806	19.2%	33,308	17.2%	+17%	+21%
Americas	17,112	8.5%	22,574	11.6%	-24%	-25%
REVENUES	201,563	100.0%	194,113	100.0%	+4%	+5%

EMEA recorded revenues of EUR 145.6 million in H1 2023, an increase of 5% cFX compared with the first half of 2022. In the second quarter, revenues grew 8% vs 2022, driven by a positive contribution from both distribution channels, with DTC outperforming.

Asia (which includes APAC, Japan and Korea) reached EUR 38.8 million revenues in H1 2023, growing 21% cFX YoY. In the second quarter, the region grew 13%, due to solid performance in the Chinese mainland and Japan, and to some perimeter effects following the 2022 wholesale-to-DTC conversions in Japan. The performance of the Korean market was softer, also due to the ongoing changes in business model.

The Americas were down 25% cFX compared with H1 2022. The second quarter saw a decline of 31%, as wholesale performance continued to be impacted by a softer business trend and a more cautious approach from department stores as a result.

STONE ISLAND: REVENUES BY CHANNEL

STONE ISLAND	H1 2023		H1 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
DTC	73,716	36.6%	61,121	31.5%	+21%	+23%
Wholesale	127,847	63.4%	132,992	68.5%	-4%	-4%
REVENUES	201,563	100.0%	194,113	100.0%	+4%	+5%

The wholesale channel recorded revenues of EUR 127.8 million in the first half of the year, down 4% cFX compared with the first half of 2022. In the second quarter, revenues grew by 2% YoY, despite the impact of the 16 Japanese conversions from wholesale to DTC in 2022, the negative performance in the Americas and the strict volume control adopted in the management of this channel.

The DTC channel grew 23% cFX to EUR 73.7 million compared with H1 2022, representing 37% of total H1 2023 revenues. In the second quarter, revenues in this channel were up 9%, mainly due to solid double-digit growth in EMEA, APAC and Japan, which more than offset more difficult trends in the Americas and Korea.

As of 30 June 2023, the network of Stone Island mono-brand stores comprised 74 directly operated stores (DOS), a net increase of three units compared to 31 March 2023, and 19 mono-brand wholesale stores, in line with the first quarter.

STONE ISLAND: MONO-BRAND DISTRIBUTION NETWORK

STONE ISLAND	30.06.2023	31.03.2023	31.12.2022
Asia	46	43	44
EMEA	21	21	21
Americas	7	7	7
RETAIL	74	71	72
WHOLESALE	19	19	19

GROUP INCOME STATEMENT RESULTS

In the first six months of 2023, the consolidated gross profit was EUR 851.0 million, with an incidence of 74.9% compared with 73.8% in the same period of 2022. The increase in margin is primarily driven by the positive channel mix, with a higher incidence of the DTC channel.

Selling expenses in the first half of 2023 were EUR 374.7 million, compared with EUR 314.9 million in H1 2022, with a 33.0% incidence on revenues (34.3% in H1 2022). These expenses include EUR 169.9 million of rental costs (gross of the IFRS 16 impact equal to EUR 90.5 million) compared with EUR 138.0 million in the first half 2022. General and administrative expenses were EUR 156.9 million, with a 13.8% incidence on revenues, compared with EUR 132.7 million in the first half of 2022 (14.4% on revenues). The lower incidence of these costs is linked to a better operating leverage of the Group compared with the first half of the previous year, which had been impacted by the Covid-19 containment measures implemented in the Chinese mainland.

The stock-based compensation plans, included in selling, general and administrative expenses, led to expenses equal to EUR 19.7 million in the first half of 2023, compared with EUR 16.0 million in the first half of 2022.

Marketing expenses were EUR 101.6 million, representing 8.9% of revenues, compared with 5.4% in the first half of 2022. The higher marketing spending in the first half of 2023 vs 2022 is entirely due to a different phasing of marketing activities in H1 vs H2 compared to the previous year. Management expects an incidence on revenues of around 7% at year end, in line with the previous fiscal year.

Depreciation and amortisation, excluding those related to the rights of use recorded in application of IFRS 16, were EUR 54.6 million.

Group EBIT was EUR 217.8 million with a margin of 19.2%, compared with EUR 180.2 million in the first half of 2022.

In the first half of 2023, net interests were EUR 11.3 million, compared with EUR 11.6 million in the corresponding period of 2022.

The tax rate in H1 2023 was equal to 29.6%. In the first half of 2022, taxes reflected a one-off positive impact of the Stone Island brand value realignment for EUR 92.3 million.

The Group net result was then equal to EUR 145.4 million, compared with EUR 211.3 million in the first half of 2022 impacted by the above-mentioned non-recurring item.

MONCLER GROUP CONSOLIDATED BALANCE SHEET AND CASH FLOW ANALYSIS

Following is the reclassified consolidated statement of financial position as of 30 June 2023, compared with 31 December 2022 and 30 June 2022.

(EUR/000)	30/06/2023	31/12/2022	30/06/2022
Brands	999,354	999,354	999,354
Goodwill	603,417	603,417	603,417
Fixed assets	398,066	388,325	318,137
Right-of-use assets	771,034	773,517	681,793
Net working capital	242,193	191,674	187,183
Other assets/(liabilities)	134,262	4,470	106,390
INVESTED CAPITAL	3,148,326	2,960,757	2,896,274
Net debt/(net cash)	(470,745)	(818,223)	(356,269)
Lease liabilities	837,687	837,397	739,930
Pension and other provisions	36,316	39,297	22,491
Shareholders' equity	2,745,068	2,902,286	2,490,122
TOTAL SOURCES	3,148,326	2,960,757	2,896,274

NET WORKING CAPITAL

Net consolidated working capital as of 30 June 2023 was EUR 242.2 million compared with EUR 187.2 million as of 30 June 2022, equal to 8.6% of last-twelve-months revenues (8.0% at 30 June 2022 and 7.4% at 31 December 2022), reflecting the continuous and rigorous control of the working capital levels at both brands, Moncler and Stone Island. The increase in net working capital YoY was mainly driven by the inventory position, due to a different phasing of production compared to the previous year, while all other metrics improved.

(EUR/000)	30/06/2023	31/12/2022	30/06/2022
Payables	(422,453)	(482,425)	(334,235)
Inventory	486,797	377,549	354,621
Receivables	177,849	296,550	166,797
NET WORKING CAPITAL	242,193	191,674	187,183
% on LTM revenues	8.6%	7.4%	8.0%

NET FINANCIAL POSITION

As of 30 June 2023, the net financial position (excluding the effect related to IFRS 16) was positive and equal to EUR 470.7 million compared with EUR 818.2 million of net cash at 31 December 2022 and EUR 356.3 million at 30 June 2022. The variation recorded in the first half was mainly due to the payment of EUR 300.3 million of dividends. As required by the IFRS 16 accounting standard, the Group accounted lease liabilities which were equal to EUR 837.7 million at 30 June 2023 compared with EUR 837.4 million at 31 December 2022 and EUR 739.9 million at 30 June 2022.

(EUR/000)	30/06/2023	31/12/2022	30/06/2022
Cash	488,518	882,254	453,382
Net financial debt (net of financial credit)	(17,773)	(64,031)	(97,113)
NET FINANCIAL POSITION	470,745	818,223	356,269
Lease liabilities	(837,687)	(837,397)	(739,930)

Following is the reclassified consolidated statement of cash flow for the first half of 2023 and 2022.

(EUR/000)	H1 2023	H1 2022
EBIT	217,793	180,167
D&A	54,638	51,041
Other non-current assets / (liabilities)	8,986	4,748
Change in net working capital	(50,519)	(38,341)
Change in other current / non-current assets / (liabilities)	(135,674)	(342,554)
Capex, net	(69,474)	(36,503)
OPERATING CASH FLOW	25,750	(181,442)
Net financial result	2,244	(1,082)
Taxes	(61,850)	42,963
FREE CASH FLOW	(33,856)	(139,561)
Dividends paid	(300,270)	(156,409)
Changes in equity and other changes	(13,352)	(77,348)
NET CASH FLOW	(347,478)	(373,318)
Net financial position - Beginning of period	818,223	729,587
Net financial position - End of period	470,745	356,269
CHANGE IN NET FINANCIAL POSITION	(347,478)	(373,318)

Net cash flow in the first half of 2023 was negative for EUR 347.5 million after the payment of EUR 300.3 million of dividends.

NET CAPITAL EXPENDITURE

In the first half of 2023, net capital expenditures were EUR 69.5 million compared with EUR 36.5 million in H1 2022. Investments related to the distribution network were equal to EUR 37.9 million, of which more than half was dedicated to renovation and expansion projects. Investments related to infrastructure were equal to EUR 31.6 million, mainly related to Information Technology, production and logistics.

(EUR/000)	30/06/2023	31/12/2022	30/06/2022
Distribution	37,900	99,428	19,432
Infrastructure	31,574	67,670	17,070
NET CAPEX	69,474	167,098	36,502
% on revenues	6.1%	6.4%	4.0%

Disclaimer

This document contains forward-looking statements, in particular in the sections headed “Business Outlook” and “Significant events occurred after 30 June 2023” relating to future events, the operating income and financial results of the Moncler Group. These statements are based on the Group’s current expectations and forecasts regarding future events and, by their nature involve risks and uncertainties since they refer to events and depend on circumstances which may, or may not, happen or occur in the future and, as such, they must not be unduly relied upon. The actual results could differ significantly from those contained in these statements due to a variety of factors, including changes in the macroeconomics and in economic growth and other changes in business conditions, changes in legal and institutional framework (both in Italy and abroad), and many other factors, most of which are beyond the Group’s control.

SIGNIFICANT EVENTS OCCURRED DURING THE FIRST SIX MONTHS OF 2023

SUSTAINALYTICS

In January 2023, Sustainalytics confirmed to Moncler the Industry Top-Rated Badge as well as the Regional Top-Rated Badge. Sustainalytics is a leading research and ESG & Corporate Governance rating company that supports investors in the development and implementation of responsible investment strategies.

MONCLER KOREA

On 31 March 2023, Moncler S.p.A. (Moncler), through the subsidiary Industries S.p.A. (Industries), acquired from the Korean shareholder (Shinsegae International Inc.) a stake of its investment in Moncler Korea Inc. equal to 9.99% of the share capital, for an outlay of EUR 10.8 million. Following this purchase, Moncler now, through Industries, holds the entire share capital of Moncler Korea Inc.

DIVIDENDS

On 18 April 2023, the Ordinary Shareholders' Meeting approved Moncler's Financial Statements at 31 December 2022 and approved the distribution of a gross dividend of EUR 1.12 per share (EUR 0.60 per share in the previous year).

APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

On 18 April 2023, the Ordinary Shareholders' Meeting also appointed the Board of Statutory Auditors for the three-year period of 2023-2025. The new Board of Statutory Auditors, which will remain in office until the Shareholders' Meeting called to approve the Financial Statements at 31 December 2025, is made of three Standing Auditors (Riccardo Losi, Chairman, and Carolyn Dittmeier and Nadia Fontana, Standing Auditors) and two Alternate Auditors (Lorenzo Mauro Banfi and Federica Albizzati).

ROBERT TRIEFUS APPOINTED CEO OF STONE ISLAND

On 3 May 2023, Robert Triefus was appointed Chief Executive Officer of Sportswear Company S.p.A. (licensee of the Stone Island brand) with effect from 1 June 2023.

PERFORMANCE SHARES PLAN 2022 – SECOND ATTRIBUTION CYCLE

On 4 May 2023, Moncler's Board of Directors implemented the second attribution cycle of the stock grant plan called "2022 Performance Shares Plan", approved by the Shareholders' Meeting on 21 April 2022 after obtaining the positive opinion of the Nomination and Remuneration Committee, and approved the granting of a maximum number of shares amounting to 436,349.

SIGNIFICANT EVENTS OCCURRED AFTER 30 JUNE 2023

No significant events occurred after 30 June 2023.

BUSINESS OUTLOOK

The global macroeconomic context remains volatile, with uncertainties related to recession risks, continued inflationary pressure and geopolitical instability.

In light of this unpredictability, the Group continues to work on maintaining an agile, flexible and reactive organisation, underpinned by a portfolio of unique brands with clear and effective development strategies, in order to remain on a solid growth path.

These are the main strategic lines of development.

STRENGTHENING OF ALL MONCLER BRAND DIMENSIONS. During 2023 Moncler will further strengthen the three dimensions of the brand (*Moncler Collection*, *Moncler Grenoble* and *Moncler Genius*) through distinctive events and focused communication strategies. *Moncler Genius* is evolving the traditional concept of collaboration entering a new phase of co-creation, based on the involvement of new talents who embrace new forms of creativity between design, entertainment, music and sport going well beyond fashion, as presented in London on 20 February. *Moncler Collection* will see the celebration in a new and modern approach of other iconic styles that have built the brand's legacy to date. *Moncler Grenoble* will continue to strengthen its awareness, with dedicated marketing initiatives and a wider and more complete performance-oriented collection suitable for all the seasons of the year.

DEVELOPMENT OF THE STONE ISLAND BRAND AT INTERNATIONAL LEVEL AND IN THE DTC CHANNEL. During 2023, Stone Island will continue to strengthen its position in core markets, such as the European countries, and increase its penetration in less mature regions with high potential. Stone Island's DTC channel expansion will also continue, with the opening of some selected DOS under the new store design and with targeted clienteling and communication strategies. Under the leadership of its newly-appointed CEO, the brand will continue its evolution to drive worldwide resonance and strengthen its unique positioning, which has its own identity and value matrix rooted in the culture of research and experimentation.

SUSTAINABLE AND RESPONSIBLE GROWTH. Moncler Group believes in a sustainable and responsible development according to shared values that are reflective of stakeholder expectations and consistent with the Group's long-term strategy. An approach based on the commitment to set increasingly ambitious goals as well as on the awareness that every action has an impact on the society and the environment in which we operate. In 2023 Moncler commits to implement the actions and projects necessary to pursue the sustainability objectives published in the 2020-2025 Plan. The five strategic priorities of the Sustainability Plan are: climate change and biodiversity, circular economy and innovation, responsible supply chain, enhancement of diversity and support for local communities.

RELATED PARTIES TRANSACTIONS

Information relating to related party transactions are provided in Note 10.1 of the Half-Year Consolidated Financial Statements.

ATYPICAL AND/OR UNUSUAL TRANSACTIONS

There are no positions or transactions deriving from atypical and/or unusual transactions that could have a significant impact on the results and financial position of the Group and the Parent Company.

TREASURY SHARES

As at 30 June 2023, Moncler S.p.A. held a total of 4,490,875 treasury shares (1.6% of share capital).

Milan, 26 July 2023

For the Board of Directors

Remo Ruffini

Chairman and Chief Executive Officer

HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Consolidated income statement					
(Euro/000)	Notes	1H 2023	of which related parties (note 10.1)	1H 2022	of which related parties (note 10.1)
Revenue	4.1	1,136,590	517	918,374	628
Cost of sales	4.2	(285,601)	(8,294)	(240,668)	(5,595)
Gross margin		850,989		677,706	
Selling expenses	4.3	(374,746)	(1,287)	(314,863)	(1,162)
General and administrative expenses	4.4	(156,893)	(12,025)	(132,692)	(10,076)
Marketing expenses	4.5	(101,557)		(49,984)	
Operating result	4.6	217,793		180,167	
Financial income	4.7	4,984		2,800	
Financial expenses	4.7	(16,312)		(14,428)	
Result before taxes		206,465		168,539	
Income taxes	4.8	(61,116)		42,724	
Net Result including Minority		145,349		211,263	
Non-controlling interests		2		(9)	
Net result, Group share		145,351		211,254	
Earnings per share (unit of Euro)	5.16	0.54		0.78	
Diluted earnings per share (unit of Euro)	5.16	0.54		0.78	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of comprehensive income			
(Euro/000)	Notes	1H 2023	1H 2022
Net profit (loss) for the period		145,349	211,263
Gains/(Losses) on fair value of hedge derivatives	5.16	7,996	(169)
Gains/(Losses) on exchange differences on translating foreign operations	5.16	(27,613)	(49)
Items that are or may be reclassified to profit or loss		(19,617)	(218)
Other Gains/(Losses)	5.16	5	630
Items that will never be reclassified to profit or loss		5	630
Other comprehensive income/(loss), net of tax		(19,612)	412
Total Comprehensive income/(loss)		125,737	211,675
Attributable to:			
Group		125,733	211,668
Non controlling interests		4	7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated statement of financial position					
(Euro/000)	Notes	30 June 2023	of which related parties (note 10.1)	31 December 2022	of which related parties (note 10.1)
Brands and other intangible assets - net	5.1	1,086,078		1,086,706	
Goodwill	5.1	603,417		603,417	
Property, plant and equipment - net	5.3	1,082,376		1,074,490	
Investments (in associates for consolidation)		915		908	
Other non-current assets	5.9	46,076		46,863	
Deferred tax assets	5.4	239,692		205,932	
Non-current assets		3,058,554		3,018,316	
Inventories and work in progress	5.5	486,797		377,549	
Trade account receivables	5.6	177,849	26,202	296,550	20,136
Tax assets	5.12	12,924		5,940	
Other current assets	5.9	63,815		47,352	
Financial current assets	5.8	24,861		11,351	
Cash and cash equivalent	5.7	488,518		882,254	
Current assets		1,254,764		1,620,996	
Total assets		4,313,318		4,639,312	
Share capital	5.16	54,926		54,737	
Share premium reserve	5.16	745,309		745,309	
Other reserves	5.16	1,799,362		1,495,427	
Net result, Group share	5.16	145,351		606,697	
Equity, Group share		2,744,948		2,902,170	
Non controlling interests		120		116	
Equity		2,745,068		2,902,286	
Long-term borrowings	5.15	694,647		718,709	
Provisions non-current	5.13	24,998		27,261	
Pension funds and agents leaving indemnities	5.14	11,318		12,036	
Deferred tax liabilities	5.4	23,910		15,190	
Other non-current liabilities	5.11	166		117	
Non-current liabilities		755,039		773,313	
Short-term borrowings	5.15	185,674		194,070	
Trade account payables	5.10	422,453	31,165	482,425	22,431
Tax liabilities	5.12	87,511		158,855	
Other current liabilities	5.11	117,573	2,670	128,363	5,105
Current liabilities		813,211		963,713	
Total liabilities and equity		4,313,318		4,639,312	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Consolidated statement of changes in equity (Euro/000)	Notes	Share capital	Share premium	Legal reserve	Other comprehensive income			Other reserves			Result of the period, Group share	Equity, Group share	Equity, non controlling interest	Total consolidated Net Equity
					Cumulative translation reserve	Other OCI items	IFRS 2 reserve	FTA reserve	Retained earnings					
Group shareholders' equity at 1 January 2022	5.16	54,737	745,309	10,334	869	(11,133)	34,978	(21,636)	1,291,995	393,533	2,498,986	108	2,499,094	
Allocation of Last Year Result		0	0	613	0	0	0	0	392,920	(393,533)	0	0	0	
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	0	0	
Dividends		0	0	0	0	0	0	0	(161,288)	0	(161,288)	0	(161,288)	
Share capital increase		0	0	0	0	0	0	0	0	0	0	0	0	
Other movements in Equity		0	0	0	0	0	6,220	0	(65,579)	0	(59,359)	0	(59,359)	
Other changes of comprehensive income		0	0	0	(47)	461	0	0	0	0	414	(2)	412	
Result of the period		0	0	0	0	0	0	0	0	211,254	211,254	9	211,263	
Group shareholders' equity at 30 June 2022	5.16	54,737	745,309	10,947	822	(10,672)	41,198	(21,636)	1,458,048	211,254	2,490,007	115	2,490,122	
Group shareholders' equity at January 1, 2023	5.16	54,737	745,309	10,947	(11,514)	(559)	61,075	(21,636)	1,457,114	606,697	2,902,170	116	2,902,286	
Allocation of Last Year Result		0	0	38	0	0	0	0	606,659	(606,697)	0	0	0	
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	0	0	
Dividends		0	0	0	0	0	0	0	(302,525)	0	(302,525)	0	(302,525)	
Share capital increase		189	0	0	0	0	0	0	(189)	0	0	0	0	
Other movements in Equity		0	0	0	0	0	(21,861)	153	41,278	0	19,570	0	19,570	
Other changes of comprehensive income		0	0	0	(27,619)	8,001	0	0	0	0	(19,618)	6	(19,612)	
Result of the period		0	0	0	0	0	0	0	0	145,351	145,351	(2)	145,349	
Group shareholders' equity at 30 June 2023	5.16	54,926	745,309	10,985	(99,133)	7,442	39,214	(21,483)	1,802,337	145,351	2,744,948	120	2,745,068	

CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated statement of cash flows	H1 2023	of which related parties	H1 2022	of which related parties
<i>(Euro/000)</i>				
<i>Cash flow from operating activities</i>				
Consolidated result	145,349		211,263	
Depreciation and amortization	142,687		125,394	
Net financial (income)/expenses	11,328		11,628	
Equity-settled share-based payment transactions	19,634		15,898	
Income tax expenses	61,116		(42,724)	
Changes in inventories - (Increase)/Decrease	(106,443)		(96,058)	
Changes in trade receivables - (Increase)/Decrease	92,961	(6,066)	83,677	(7,876)
Changes in trade payables - Increase/(Decrease)	(50,449)	8,734	(14,782)	14,726
Changes in other current assets/liabilities	(23,141)	(2,435)	(38,681)	(3,018)
Cash flow generated/(absorbed) from operating activities	293,042		255,615	
Interest and other bank charges received	3,093		889	
Income tax paid	(170,384)		(262,993)	
Changes in other non-current assets/liabilities	(3,667)		(4,280)	
Net cash flow from operating activities (a)	122,084		(10,769)	
<i>Cash flow from investing activities</i>				
Purchase of tangible and intangible fixed assets	(71,738)		(36,797)	
Proceeds from sale of tangible and intangible fixed assets	2,264		294	
Net cash flow from investing activities (b)	(69,474)		(36,503)	
<i>Cash flow from financing activities</i>				
Repayment of borrowings	(6,590)		(6,003)	
Repayment of current and non-current lease liabilities	(99,124)		(82,504)	
Short-term borrowings variation	(15,585)		(2,567)	
Dividends paid to shareholders	(300,270)		(156,409)	
Treasury Shares variation	0		(48,352)	
Other changes in Net Equity	0		2,167	
Net cash flow from financing activities (c)	(421,569)		(293,668)	
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	(368,959)		(340,940)	
Cash and cash equivalents at the beginning of the period	882,254		802,715	
Effect of exchange rate changes	(24,777)		(10,204)	
Net increase/(decrease) in cash and cash equivalents	(368,959)		(340,940)	
Cash and cash equivalents at the end of the period	488,518		451,571	

On behalf of the Board of Directors of Moncler S.p.A.

Remo Ruffini

Chairman and Chief Executive Officer

EXPLANATORY NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2023

1. GENERAL INFORMATION ABOUT THE GROUP

1.1. THE GROUP AND ITS CORE BUSINESS

The parent company Moncler S.p.A. is a company established and domiciled in Italy. The address of the registered office is Via Stendhal 47 Milan, Italy, and its registration number is 04642290961.

Moreover, the parent company Moncler S.p.A. is de-facto controlled by Remo Ruffini through Ruffini Partecipazioni Holding S.r.l. (RPH) and Double R S.r.l. (DR): more specifically, Remo Ruffini owns the entire share capital of RPH, a company controlling DR which, in turn, as of 30 June 2023 holds a shareholding representing 23.7% of the share capital of Moncler S.p.A.

The Half-year Condensed Consolidated Financial Statements as of 30 June 2023 (“Half-year Consolidated Financial Statements”) include the parent company and the subsidiaries (hereafter referred to as the “Group”).

To date, the Group's core businesses are the creation, production and distribution of clothing for men, women and children, shoes, eyewear and other accessories under the Moncler and Stone Island brand name.

1.2. BASIS FOR THE PREPARATION OF THE HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

1.2.1. RELEVANT ACCOUNTING PRINCIPLES

The Half-year Consolidated Financial Statements as of 30 June 2023 have been prepared in accordance with Art. 154-ter of Legislative Decree 58 of 24 February 1998 (“Testo Unico della Finanza – TUF”), as amended, and in conformity with IAS 34. They do not include all the information that would be necessary for the yearly consolidated financial statements and should be read together with consolidated financial statements as 31 December 2022, which were prepared in accordance with the international financial reporting standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union.

The term “IFRS” is also used to refer to all revised international accounting standards (“IAS”), all interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), formerly known as the Standing Interpretations Committee (“SIC”).

It should be noted that the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows are prepared in accordance and are the same as those used in the consolidated financial statements as of and for the year ended 31 December 2022. The following notes to the consolidated financial statements are presented in a summary format and do not include all the information required in an annual set of financial statements. It should be noted, as required by IAS 34, in order to avoid duplicating the information already provided, the notes refer exclusively to the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and the consolidated statement of cash flows, whose nature and

changes are essential in order to understand the financial position and results of operations of the Group.

The Half-year Consolidated Financial Statements as of 30 June 2023 are made up of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes thereto. The comparative information included in these consolidated financial statements, as required by IAS 34, compares 31 December 2022 for the consolidated statement of financial position and the half-year ended 30 June 2022 for the consolidated changes in equity, the consolidated statement of income, the consolidated statement of comprehensive income and the consolidated statement of cash flows.

1.2.2. PRESENTATION OF THE FINANCIAL STATEMENTS

The Group presents the consolidated income statement by destination, the method that is considered most representative for the business. This method is in fact consistent with the internal reporting and management of the business.

With reference to the consolidated statement of financial position, a basis of presentation has been chosen which makes a distinction between current and non-current assets and liabilities, in accordance with the provisions of paragraph 60 and thereafter of IAS 1.

The consolidated statement of cash flows is prepared under the indirect method.

According to the provisions of IAS 24 and Consob, the next few paragraphs describe related party transactions with the Group and their impact, if significant, on the consolidated statement of financial position, results of operations and cash flows.

1.2.3. BASIS FOR PREPARATION

The Half-year Consolidated Financial Statements have been prepared on the historical cost basis except for the measurement of certain financial instruments (i.e. derivative measured at fair value) as required by IFRS 9 and on a going concern basis.

The Half-year Consolidated Financial Statements are presented in thousand euro, which is the functional currency of the markets where the Group mainly operates.

1.2.4. USE OF ESTIMATES AND VALUATIONS

The preparation of Half-year Consolidated Financial Statements and the related notes in conformity with IFRS requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date. The estimates and related assumptions are based on historical experience and other relevant factors. The actual results could differ from those estimates. The estimates and underlying assumptions are reviewed periodically and any variations are reflected in the consolidated income statement in the period in which the estimate is revised if the revision affects only that period or even in subsequent periods if the revision affects both current and future periods.

In the event that management's estimate and judgment had a significant impact on the amounts recognized in the Half-year Consolidated Financial Statements or in case that there is a risk of future adjustments on the amounts recognized for assets and liabilities in the period immediately after the reporting date, the following notes will include the relevant information.

The estimates pertain mainly to the following items of the consolidated financial statements:

- impairment of non-current assets and goodwill;
- impairment of trade receivables (bad debt provision);
- allowance for returns;
- impairment of inventories (obsolescence provision);
- recoverability of deferred tax assets;
- provision for losses and contingent liabilities;
- lease liabilities and assets for right of use;
- Incentive systems and variable remuneration;
- IAS 29 hyperinflation;
- financial liabilities for the purchase of minority interests;
- IFRIC 23: uncertainty over income tax treatments.

Impairment of non-current assets and goodwill

Non-current assets include property, plant and equipment, intangible assets with indefinite useful life and goodwill, investments and other financial assets.

Management periodically reviews non-current assets for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is estimated based on the present value of future cash flows expected to derive from the asset or from the sale of the asset itself, at a suitable discount rate.

When the recoverable amount of a non-current asset is less than its carrying amount, an impairment loss is recognized immediately in profit or loss and the carrying amount is reduced to its recoverable amount determined based on value-in-use calculation or its sale's value in an arm's length transaction, with reference to the most recent Group business plan.

Impairment of trade receivables

The bad debt provision reflects management's best estimate of the probable loss for unrecoverable trade receivables.

Allowance for returns

The allowance for returns reflects management's best estimate of the asset arising from expected product returns and the associated liability for future refunds.

Impairment of inventory

The Group manufactures and sells mainly clothing goods that are subject to changing consumer demands and fashion trends. Inventory impairment represents management's best estimate for losses arising from the sales of aged products, taking into consideration their sale ability through the Group's distribution channels.

Recoverability of deferred tax assets

The Group is subject to income taxes in numerous jurisdictions. Judgment is required in determining the provision for income taxes in each territory. The Group recognizes deferred tax assets when there is a reasonable expectation of realisation within a period that is consistent with management estimation and business plans.

Provision for losses and contingent liabilities

The Group is subject to legal and tax litigations arising in the countries where it operates. Litigations are inevitably subject to risk and uncertainties surrounding the events and circumstances associated with the claims and associated with local legislation and jurisdiction. In the normal course of the business, management requests advice from the Group legal consultants and tax experts. The recognition of a provision is based on management's best estimate when an outflow of resources is probable to settle the obligation and the amount can be estimated with reliability. In those circumstances where the outflow of resources is possible or the amount of the obligation cannot be measured with sufficient reliability, the contingent liabilities is disclosed in the notes to the Half-year Consolidated Financial Statements.

Lease liabilities and assets for right of use

According to IFRS 16 accounting standard, with reference to multi-annual lease agreement, the Group recognises the asset for the right of use and the liability for the lease. The asset for the right of use is initially valued at cost or at the present value of the rental costs provided by the contract, and then subsequently at cost net of accumulated depreciation and impairment losses, and adjusted to reflect the revaluation of the lease liability.

The Group values the lease liability at the present value of the payments due for unpaid leases at the effective date, discounting them using an interest rate determined taking into account the term of the lease contracts, the currency in which they are denominated, the characteristics of the economic environment in which the contract was stipulated and the credit adjustment.

The lease liability is subsequently increased by the interest accrued on this liability and decreased by the payments due for the lease made and is revalued in the event of a change in the future payments due for the lease deriving from a change in the index or rate, in the event of a change in the amount that the Group expects to pay as a guarantee on the residual value or when the Group changes its valuation with reference to the exercise or otherwise of a purchase, extension or cancellation option.

Lease contracts in which the Group acts as a lessee may provide for renewal options with effects, therefore, on the duration of the contract. Relative certainty that this option will (or won't) be exercised can influence, even significantly, the amount of lease liabilities and right of use assets.

Incentive systems and variable remuneration

For the description of the determination of the fair value of share-based incentive payments for the Moncler Group management, please see paragraph 2.13 of the consolidated financial statements as 31 December 2022.

The accounting policy adopted by the Group provides for the IFRS2 reserve to be released and reclassified as retained earnings when the Board of Directors resolves on the allocation of Moncler Rights to each beneficiary.

IAS 29 Hyperinflation

Furthermore, IAS 29, should have been applied for the Turkish subsidiary as at 30 June 2023, as well as at 31 December 2022, because Turkey continued to meet the criteria for a hyperinflationary economy during the half-year. However, the accounting effects of applying that accounting standard are not significant and thus have not been considered in the preparation of this Half-year Consolidated Financial Statements.

For an estimate of financial liabilities related to the purchase of minority interests and IFRIC 23: uncertainty over income tax treatments see paragraphs 2.20 and 2.16 of the consolidated financial statements as 31 December 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES USED IN THE PREPARATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The accounting principles adopted for the preparation of the Half-Year Condensed Consolidated Financial Statements are consistent with those used for the preparation of the Consolidated Financial Statements of the Moncler Group as at 31 December 2022, notwithstanding the adoption of the new standards, amendments and interpretations approved by the IASB and endorsed in Europe, whose adoption is mandatory for accounting periods beginning on or after 1 January 2023, as listed in the paragraph below.

2.1. ACCOUNTING STANDARDS AND RECENTLY PUBLISHED INTERPRETATIONS

Accounting standards, amendments and interpretations effective from 1 January 2023

The following accounting standards, amendments and IFRS interpretations were applied by the Group for the first time from 1 January 2023.

TITLE	ISSUED DATE	EFFECTIVE DATE	ENDORSEMENT DATE	EU REGULATION AND DATE OF PUBLICATION
IFRS 17 – Insurance contracts (including amendments published on June 2020)	May 2017 June 2020	1 January 2023	19 November 2021	(UE) 2021/2036 23 November 2021
Definition of accounting estimates (Amendments to IAS 8)	February 2021	1 January 2023	2 March 2022	(UE) 2022/357 3 March 2022
Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2)	February 2021	1 January 2023	2 March 2022	(UE) 2022/357 3 March 2022
Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12 Income taxes)	May 2021	1 January 2023	11 August 2022	(UE) 2022/1392 12 August 2022
Initial Application of IFRS 17 and IFRS 9— Comparative Information (Amendment to IFRS 17)	December 2021	1 January 2023	8 September 2022	(UE) 2022/1491 9 September 2022

The adoption of these amendments has had no effect on the Group's consolidated financial statements.

New standards and interpretations not yet effective and not early adopted by the Group

At the date when this document was prepared, the European Union's competent authorities concluded the approval process needed for the adoption of the accounting standards and amendments described below. With reference of the applicable principles, the Group has decided not to exercise the option of the early adoption, if applicable.

DOCUMENT TITLE	ISSUE DATE BY IASB	EFFECTIVE DATE OF IASB DOCUMENT	APPROVAL DATE BY EU
Classification of liabilities as current or non-current (Amendments to IAS 1) and Non current liabilities with covenants (Amendments to IAS 1)	January 2020 July 2020 October 2022	1 January 2024	TBD
Lease liability in a sale and leaseback (Amendments to IFRS 16)	September 2022	1 January 2024	TBD
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	May 2023	1 January 2024	TBD

We do not expect to see any significant effects on the Group's consolidated financial statements, from adopting these amendments.

In addition, at the date of these financial statements, the competent bodies of the European Union had not yet completed their endorsement process for the following accounting standards and amendments:

DOCUMENT TITLE	ISSUE DATE BY IASB	EFFECTIVE DATE OF IASB DOCUMENT	APPROVAL DATE BY EU
Standards			
International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12)	May 2023	23 May 2023	TBD
Amendments			
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	September 2014	Deferred until the completion of the IASB project on the equity method	Postponed pending the conclusion of IASB project on the equity method

We do not expect to see any significant effects on the Group's consolidated financial statements, from adopting these amendments.

2.2. EXCHANGE RATES

The main exchange rates used to translate in Euro the financial statements of foreign subsidiaries as at and for half-year period ended 30 June 2023 are as follows:

	Average rate		Rate at the end of the period		Rate at the end of the period	
	I half 2023	I half 2022	As at 30 June 2023	As at 30 June 2022	As at 31 December 2022	As at 31 December 2021
AED	3.968700	4.015490	3.990500	3.814600	3.917100	4.159500
AUD	1.598900	1.520390	1.639800	1.509900	1.569300	1.561500
BRL	5.482700	5.556480	5.278800	5.422900	5.638600	6.310100
CAD	1.456500	1.390000	1.441500	1.342500	1.444000	1.439300
CHF	0.985600	1.031870	0.978800	0.996000	0.984700	1.033100
CNY	7.489400	7.082260	7.898300	6.962400	7.358200	7.194700
CZK	23.687300	24.648500	23.742000	24.739000	24.116000	24.858000
DKK	7.446200	7.440180	7.447400	7.439200	7.436500	7.436400
GBP	0.876380	0.842397	0.858280	0.858200	0.886930	0.840280
HKD	8.470900	8.555880	8.515700	8.149300	8.316300	8.833300
HUF	380.848400	375.129000	371.930000	397.040000	400.870000	369.190000
JPY	145.760000	134.307000	157.160000	141.540000	140.660000	130.380000
KRW	1,400.430000	1,347.840000	1,435.880000	1,351.600000	1,344.090000	1,346.380000
KZT	488.750000	493.126000	492.200000	487.000000	492.900000	492.750000
MOP	8.725000	8.813050	8.771200	8.393800	8.565800	9.098300
MXN	19.645700	22.165300	18.561400	20.964100	20.856000	23.143800
MYR	4.818800	4.669400	5.071700	4.578100	4.698400	4.718400
NOK	11.319500	9.981680	11.704000	10.348500	10.513800	9.988800
NZD	1.731800	1.649100	1.785800	1.670500	1.679800	1.657900
PLN	4.624400	4.635400	4.438800	4.690400	4.680800	4.596900
RON	4.934200	4.945720	4.963500	4.946400	4.949500	4.949000
RUB	84.002800	83.856200	95.105200	53.858000	76.076500	85.300400
SEK	11.332900	10.479600	11.805500	10.730000	11.121800	10.250300
SGD	1.444000	1.492080	1.473200	1.448300	1.430000	1.527900
TRY	21.566200	16.257890	28.319300	17.322000	19.964900	15.233500
TWD	33.026400	31.369700	33.815800	30.878800	32.760300	31.367100
UAH	39.516000	31.702500	39.695200	30.401700	39.037000	30.921900
USD	1.080700	1.093390	1.086600	1.038700	1.066600	1.132600

3. SCOPE OF CONSOLIDATION

As at 30 June 2023 the Half-year Consolidated Financial Statements of the Moncler Group include the parent company Moncler S.p.A. and 53 consolidated subsidiaries as detailed in the following table:

Partecipazioni in società controllate	Sede legale	Capitale sociale	Valuta	% di possesso	Società controllante
Moncler S.p.A.	Milano (Italia)	54,736,558	EUR		
Industries S.p.A.	Milano (Italia)	15,000,000	EUR	100.00%	Moncler S.p.A.
Moncler Deutschland GmbH	Monaco (Germania)	700,000	EUR	100.00%	Industries S.p.A.
Moncler España S.L.	Madrid (Spagna)	50,000	EUR	100.00%	Industries S.p.A.
Moncler Asia Pacific Ltd	Hong Kong (Cina)	300,000	HKD	100.00%	Industries S.p.A.
Moncler France S.à.r.l.	Parigi (Francia)	8,000,000	EUR	100.00%	Industries S.p.A.
Moncler USA Inc	New York (USA)	1,000	USD	100.00%	Industries S.p.A.
Moncler UK Ltd	Londra (Regno Unito)	2,000,000	GBP	100.00%	Industries S.p.A.
Moncler Japan Corporation (*) (**)	Tokyo (Giappone)	104,776,859	JPY	94.94%	Industries S.p.A.
Moncler Shanghai Commercial Co. Ltd	Shanghai (Cina)	82,483,914	CNY	100.00%	Industries S.p.A.
Moncler Suisse SA	Chiasso (Svizzera)	9,500,000	CHF	100.00%	Industries S.p.A.
Moncler Belgium S.p.r.l.	Bruxelles (Belgio)	1,800,000	EUR	100.00%	Industries S.p.A.
Moncler Denmark ApS	Copenhagen (Danimarca)	2,465,000	DKK	100.00%	Industries S.p.A.
Moncler Holland B.V.	Amsterdam (Olanda)	18,000	EUR	100.00%	Industries S.p.A.
Moncler Hungary KFT	Budapest (Ungheria)	150,000,000	HUF	100.00%	Industries S.p.A.
Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti. (*)	Istanbul (Turchia)	1,000,000	TRY	51.00%	Industries S.p.A.
Moncler Brasil Comércio de moda e acessórios Ltda.	San Paolo (Brasile)	10,000,000	BRL	95,00% 5,00%	Industries S.p.A. Moncler USA Inc
Moncler Taiwan Limited	Taipei (Cina)	10,000,000	TWD	100.00%	Industries S.p.A.
Moncler Rus LLC	Mosca (Russia)	590,000,000	RUB	99,99% 0,01%	Industries S.p.A. Moncler Suisse SA
Moncler Canada Ltd	Vancouver (Canada)	1,000	CAD	100.00%	Industries S.p.A.
Moncler Prague s.r.o.	Praga (Repubblica Ceca)	200,000	CZK	100.00%	Industries S.p.A.
White Tech Sp.zo.o.	Katowice (Polonia)	369,000	PLN	70.00%	Industries S.p.A.
Moncler Korea Inc.	Seoul (Corea del Sud)	2,833,000,000	KRW	100.00%	Industries S.p.A.
Moncler Middle East FZ-LLC	Dubai (Emirati Arabi Uniti)	50,000	AED	100.00%	Industries S.p.A.
Moncler Singapore PTE, Limited	Singapore	5,000,000	SGD	100.00%	Industries S.p.A.
Industries Yield S.r.l.	Bacau (Romania)	25,897,000	RON	99,00% 1,00%	Moncler Deutschland GmbH
Moncler UAE LLC (*)	Abu Dhabi (Emirati Arabi Uniti)	1,000,000	AED	49.00%	Moncler Middle East FZ-LLC
Moncler Ireland Limited	Dublino (Irlanda)	350,000	EUR	100.00%	Industries S.p.A.
Moncler Australia PTY LTD	Melbourne (Australia)	2,500,000	AUD	100.00%	Industries S.p.A.
Moncler Kazakhstan LLP	Almaty (Kazakhstan)	250,000,000	KZT	99,00% 1,00%	Industries S.p.A. Moncler Rus LLC
Moncler Sweden AB	Stoccolma (Svezia)	1,000,000	SEK	100.00%	Industries S.p.A.
Moncler Norway AS	Oslo (Norvegia)	3,000,000	NOK	100.00%	Industries S.p.A.
Moncler Mexico, S. de R.L. de C.V.	Città del Messico (Messico)	33,000,000	MXN	99,00% 1,00%	Industries S.p.A. Moncler USA Inc
Moncler Mexico Services, S. de R.L. de C.V.	Città del Messico (Messico)	11,000,000	MXN	99,00% 1,00%	Industries S.p.A. Moncler USA Inc

Moncler Ukraine LLC	Kiev (Ucraina)	47,367,417	UAH	99,99% 0,01%	Industries S.p.A. Moncler Suisse SA
Moncler New Zealand Limited	Auckland (Nuova Zelanda)	2,000,000	NZD	100.00%	Industries S.p.A.
Moncler Malaysia Sdn. Bhd.	Kuala Lumpur (Malesia)	1	MYR	100.00%	Industries S.p.A.
Sportswear Company S.p.A.	Bologna (Italia)	10,084,166	EUR	100.00%	Moncler S.p.A.
Stone Island Retail S.r.l.	Bologna (Italia)	99,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Germany Gmbh	Monaco (Germania)	500,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Antwerp Bvba	Anversa (Belgio)	400,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Amsterdam BV	Amsterdam (Olanda)	25,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Usa Inc	New York (USA)	2,500,000	USD	100.00%	Sportswear Company S.p.A.
Stone Island Canada Inc	Toronto (Canada)	500,000	CAD	100.00%	Sportswear Company S.p.A.
Stone Island China Co. Ltd	Shanghai (Cina)	2,500,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island France S.a.s.	Saint Priest (Francia)	50,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Distribution S.r.l.	Bologna (Italia)	50,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Korea Co., Ltd. (*)	Seoul (Corea del Sud)	30,500,000	KRW	51.00%	Sportswear Company S.p.A.
Stone Island (UK) Retail Limited	Londra (Regno Unito)	1,000,000	GBP	100.00%	Sportswear Company S.p.A.
Stone Island Japan Inc.	Tokyo (Giappone)	400,000,000	JPY	80.00%	Sportswear Company S.p.A.
Stone Island Suisse SA	Chiasso (Svizzera)	3,000,000	CHF	100.00%	Sportswear Company S.p.A.
Stone Island Sweden AB	Stoccolma (Svezia)	12,000,000	SEK	100.00%	Sportswear Company S.p.A.
Stone Island España S.L.	Madrid (Spagna)	3,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Austria GmbH	Vienna (Austria)	500,000	EUR	100.00%	Sportswear Company S.p.A.

(*) Fully consolidated (without attribution of interest to third parties)

(**) Share capital value and % of ownership take into consideration the treasury shares held by the same.

In relation to the scope of consolidation, it should be noted that during the first half of 2023 compared to 31 December 2022, the companies Stone Island Austria GmbH and Stone Island España S.L. were established.

We highlighted that, in the first quarter of 2023, the Group, in accordance with pre-existing agreements, acquired, from the local partner, the last tranche (equal to 9,99% of total share capital) of the partner's stake in in Moncler Korea Inc., bringing the percentage of ownership to 100%.

Please note that Moncler Japan Corporation, Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. sti., Stone Island Korea and Stone Island Japan Inc are fully consolidated, without attribution of interest to third parties, in accordance with the anticipated interest principle in light of the agreements in place between those companies' shareholders.

4. COMMENTS ON THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

4.1. REVENUES

REVENUES BY BRAND

(Euro/000)	1H 2023	%	1H 2022	%
Total revenues	1,136,590	100.0%	918,374	100.0%
Moncler	935,027	82.3%	724,261	78.9%
Stone Island	201,563	17.7%	194,113	21.1%

In the first six months of 2023 Moncler Group reached consolidated revenues of EUR 1,136.6 million up 23.8% compared with the same period in 2022. These results include Moncler brand revenues equal to EUR 935.0 million and Stone Island brand revenues equal to EUR 201.6 million.

ANALYSIS OF MONCLER BRAND REVENUE

In the first six months of 2023, Moncler brand revenues were EUR 935.0 million, an increase of 29,1% compared with EUR 724.3 million in the same period of 2022.

REVENUES BY REGION

Sales are broken down by region as reported in the following table:

Revenues by region						
(Euro/000)	1H 2023	%	1H 2022	%	Variation	% Variation
Asia	456,771	48.9%	333,112	46.0%	123,659	37.1%
EMEA	340,651	36.4%	264,547	36.5%	76,104	28.8%
Americas	137,605	14.7%	126,602	17.5%	11,003	8.7%
Total	935,027	100.0%	724,261	100.0%	210,766	29.1%

In Asia (which includes APAC, Japan and Korea), H1 revenues grew 37.1% compared with the first half of 2022. APAC recorded a strong sequential improvement, favoured by an easy comparable base in the Chinese mainland, whose performance in 2022 was negatively impacted by the lockdowns that caused the closure of around a third of the local stores in April and May, while June had seen a strong improvement with the reopening of all the stores. Japan and Korea continued to record a double-digit growth in the first semester of 2023.

In EMEA, revenues increased by 28.8% in the first half of 2023 versus the same period of 2022, supported by solid demand from local customers and a continued improvement in tourist flows. American, Chinese and Korean customers were the strongest contributors to tourist purchases in the region.

Revenues in the Americas recorded a 8.7% growth in the first semester 2023. The DTC channel continued to record solid double-digit growth in the first semester of 2023, with a sequential acceleration compared to Q1.

REVENUES BY DISTRIBUTION CHANNEL

Revenues per distribution channels are broken down as follows:

(Euro/000)	1H 2023	%	1H 2022	%
Total revenues	935,027	100.0%	724,261	100.0%
of which:				
- Wholesale	177,533	19.0%	168,338	23.2%
- DTC	757,494	81.0%	555,923	76.8%

In the first half, the DTC channel recorded revenues of EUR 757.5 million, up 36.3% compared with H1 2022 supported by strong double-digit growth in all three regions. The direct online channel also continued to grow double digits.

The wholesale channel recorded revenues of EUR 177.5 million, with an increase of 5.5% compared with the first semester of 2022.

REVENUES ANALYSIS OF THE STONE ISLAND BRAND

In the first half of 2023, Stone Island brand revenues reached EUR 201.6 million with respect to EUR 194.1 million in the same period of 2022.

REVENUES BY REGION

Sales are broken down by region as reported in the following table:

Revenues by region						
(Euro/000)	1H 2023	%	1H 2022	%	Variation	% Variation
Asia	38,806	19.2%	33,308	17.2%	5,498	16.5%
EMEA	145,645	72.3%	138,231	71.2%	7,414	5.4%
Americas	17,112	8.5%	22,574	11.6%	(5,462)	(24.2)%
Total	201,563	100.0%	194,113	100.0%	7,450	3.8%

EMEA recorded revenues of EUR 145.6 million in the first half of 2023, an increase of 5.4% compared with the first half of 2022.

Asia (which includes APAC, Japan and Korea) reached EUR 38.8 million revenues in the first semester of 2023, growing 16.5% compared with the first semester 2022, due to solid performance in the Chinese mainland and Japan, and to some perimeter effects (following the 2022 wholesale to DTC conversion in Japan). The performance of the Korean market was softer, also due to the ongoing changes in business model.

The Americas were down -24.2% compared with H1 2022, as wholesale performance continued to be impacted by a softer business trend and a more cautious approach from department stores as a result.

REVENUES BY DISTRIBUTION CHANNEL

Revenues per distribution channels are broken down as follows:

(Euro/000)	1H 2023	%	1H 2022	%
Total revenues	201,563	100.0%	194,113	100.0%
of which:				
Wholesale	127,847	63.4%	132,992	68.5%
DTC	73,716	36.6%	61,121	31.5%

The wholesale channel recorded revenues of EUR 127.8 million in the first half of the year, down -3.9% compared with the first half of 2022.

The DTC channel grew 20.6% to EUR 73.7 million compared with H1 2022, representing 36.6% of total H1 2023 revenues, mainly due to solid double-digit growth in EMEA, APAC and Japan, which more than offset more difficult trends in the Americas and Korea.

4.2. COST OF SALES

In the first half of 2023, cost of sales increased by EUR 44.9 million in absolute terms (+18.7%), from EUR 240.7 million in the first half of 2022 to EUR 285.6 million in the first half of 2023. Cost of sales incidence on revenues decreased from 26.2% in the first half of 2022 to 25.1% in the first half of 2023.

4.3. SELLING EXPENSES

Selling expenses in the first half of 2023 were EUR 374.7 million compared with EUR 314.9 million in H1 2022, with a 33.0% incidence on revenues (34.3% in the first half of 2022).

Selling expenses mainly include rent costs excluded from the application of the IFRS 16 for EUR 79.4 million (EUR 63.5 million in the first half of 2022), personnel costs for EUR 103.0 million (EUR 81.3 million in the first half of 2022), costs for depreciation of the right of use for EUR 80.4 million (EUR 63.7 million in the first half of 2022) and other amortization and depreciation for EUR 39.0 million (EUR 37.8 million in the first half of 2022).

This item also includes costs related to stock-based compensation plans for EUR 3.1 million (EUR 2.8 million in the first half of 2022).

4.4. GENERAL AND ADMINISTRATIVE EXPENSES

In the first half of 2023 general and administrative expenses were equal to EUR 156.9 million, with 13.8% incidence on revenues, compared with EUR 132.7 million, with 14.4% incidence, in the first half of 2022. The lower incidence of these costs is linked to a better operating leverage of the Group compared with the first half of the previous year, which had been impacted by the Covid-19 containment measures implemented in the Chinese mainland.

This item also includes costs related to stock-based compensation plans for EUR 16.6 million (EUR 13.2 million in the first half of 2022).

4.5. MARKETING EXPENSES

Marketing expenses amounted to EUR 101.6 million in the first half of 2023, with 8.9% incidence on revenues, compared with 5.4% of the first half of 2022. The higher marketing spending in the first half of 2023 vs 2022 is entirely due to a different phasing of marketing activities in H1 vs H2 compared to the previous year. Management expects an incidence on revenues of around 7% at year end, in line with the previous fiscal year

4.6. OPERATING RESULT

The operating result was EUR 217.8 million, with a margin of 19.2%, compared with EUR 180.2 million, with a margin of 19.6%, in the first half of 2022.

4.7. FINANCIAL INCOME AND EXPENSES

The Financial income and expenses are detailed as follows:

(Euro/000)	1H 2023	1H 2022
Interest income and other financial income	4,984	2,800
Total financial income	4,984	2,800
Interests expenses and other financial charges	(2,404)	(2,382)
Foreign currency differences - negative	(522)	(1,844)
Total financial expenses	(2,926)	(4,226)
Total net excluded interests on lease liabilities	2,058	(1,426)
Interests on lease liabilities	(13,386)	(10,202)
Total net	(11,328)	(11,628)

4.8. INCOME TAX

The income tax effect on the consolidated income statement is as follows:

(Euro/000)	1H 2023	1H 2022
Current income taxes	(99,024)	(190,166)
Deferred tax (income) expenses	37,908	232,889
Income taxes charged in the income statement	(61,116)	42,723

The tax rate in H1 2023 was equal to 29.6%. In the first half of 2022, taxes reflected a one-off positive impact of the Stone Island brand value realignment for EUR 92.3 million.

4.9. PERSONNEL EXPENSES

The following table lists the detail of the main personnel expenses by nature, compared with those of the same period of the previous year:

(Euro/000)	1H 2023	1H 2022
Wages and salaries and Social security costs	(161,467)	(126,182)
Accrual for employment benefits	(12,919)	(9,707)
Total	(174,386)	(135,889)

During the period, personnel expenses increased by 28.3%, from EUR 135.9 million in the first half of 2022 to EUR 174.4 million in 2023.

The remuneration related to the members of the Board of Directors is commented separately in the related party section.

The costs related to the stock-based compensation plans, equal to EUR 19.7 million (EUR 16.0 million in the first half of 2022) are separately commented in paragraph 10.2.

The following table reports the number of employees (full-time-equivalent, FTE) for the first half of 2023 compared to the same period of last year:

Average FTE by area		
FTE	1H 2023	1H 2022
Italy	1,853	1,522
Other European countries	2,323	1,795
Asia and Japan	1,617	1,256
Americas	413	369
Total	6,206	4,942

The actual number of FTEs of the Group as at 30 June 2023 is 6,440 (5,033 as at 30 June 2022).

The total number of employees increased largely as a result of the new directly operated stores openings, the expansion of the production sites and the overall growth of the corporate structure.

4.10. DEPRECIATION AND AMORTIZATION

Depreciation and amortization are broken down as follows:

(Euro/000)	1H 2023	1H 2022
Depreciation of property, plant and equipment	(130,170)	(115,018)
Amortization of intangible assets	(12,517)	(10,376)
Total Depreciation and Amortization	(142,687)	(125,394)

The increase in total depreciation and amortization is due to investments made for the development of the distribution network, IT investments and to the investments for the logistics and the expansion of the production sites.

The amortisation related to the right of use amounts to EUR 88.0 million.

Please refer to comments made in paragraphs 5.1 and 5.3 for additional details related to investments made during the period.

5. COMMENTS ON THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5.1. GOODWILL, BRANDS AND OTHER INTANGIBLE ASSETS

Brands and other intangible assets	30 June 2023			31 December 2022
	Gross value	Accumulated amortization and impairment	Net value	Net value
<i>(Euro/000)</i>				
Brands	999,354	0	999,354	999,354
Licence rights	12	(12)	0	0
Key money	70,566	(57,188)	13,378	15,042
Software	147,979	(86,430)	61,549	61,541
Other intangible assets	33,616	(30,946)	2,670	2,275
Assets in progress	9,127	0	9,127	8,494
Goodwill	603,417	0	603,417	603,417
Total	1,864,071	(174,576)	1,689,495	1,690,123

The movements in intangible assets over the comparable periods are summarized in the following table:

As at 30 June 2023

Gross value Brands and other intangible assets	Brands	Licence rights	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
<i>(Euro/000)</i>								
1 January 2023	999,354	12	75,563	138,062	32,759	8,494	603,417	1,857,661
Acquisitions	0	0	0	8,176	391	3,430	0	11,997
Disposals	0	0	(1,653)	(96)	0	0	0	(1,749)
Translation adjustment	0	0	(221)	(605)	(1)	(5)	0	(832)
Other movements, including transfers	0	0	(3,123)	2,442	467	(2,792)	0	(3,006)
30 June 2023	999,354	12	70,566	147,979	33,616	9,127	603,417	1,864,071

Accumulated amortization and impairment Brands and other intangible assets	Brands	Licence rights	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
(Euro/000)								
-								
1 January 2023	0	(12)	(60,521)	(76,521)	(30,484)	0	0	(167,538)
Amortization	0	0	(1,667)	(10,387)	(463)	0	0	(12,517)
Disposals	0	0	1,653	88	0	0	0	1,741
Changes in consolidation area	0	0	0	0	0	0	0	0
Translation adjustment	0	0	251	390	1	0	0	642
Other movements, including transfers	0	0	3,096	0	0	0	0	3,096
30 June 2023	0	(12)	(57,188)	(86,430)	(30,946)	0	0	(174,576)

As at 30 June 2022

Gross value Brands and other intangible assets	Brands	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
(Euro/000)							
-							
1 January 2022	999,354	68,576	105,728	31,455	6,961	603,417	1,815,491
Acquisitions	0	0	5,318	547	2,008	0	7,873
Disposals	0	(96)	(30)	0	0	0	(126)
Changes in consolidation area	0	0	0	0	0	0	0
Translation adjustment	0	1,181	85	1	(2)	0	1,265
Other movements, including transfers	0	0	6,229	24	(5,442)	0	811
30 June 2022	999,354	69,661	117,330	32,027	3,525	603,417	1,825,314

Accumulated amortization and impairment Brands and other intangible assets	Brands	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
(Euro/000)							
-							
1 January 2022	0	(53,557)	(59,298)	(29,145)	0	0	(142,000)
Amortization	0	(1,725)	(8,219)	(432)	0	0	(10,376)
Disposals	0	96	6	0	0	0	102
Changes in consolidation area	0	0	0	0	0	0	0
Translation adjustment	0	(1,169)	(12)	0	0	0	(1,181)
Other movements, including transfers	0	0	0	0	0	0	0
30 June 2022	0	(56,355)	(67,523)	(29,577)	0	0	(153,455)

The increase in the item Software, net of the effects above reported, pertains to the investments in information technology for the management of the business and the corporate functions.

5.2. IMPAIRMENT OF INTANGIBLE FIXED ASSETS WITH AN UNDEFINED USEFUL LIFE AND GOODWILL

The items Brands, Other intangible fixed assets with undefined useful life and Goodwill have not been amortised, but have been tested for impairment by management at least annually when the year-end financial statements are prepared.

The business performance recorded in the first half 2023 are consistent with the assumptions made when testing the recoverability of the value of Moncler and Stone Island goodwill and of Moncler and Stone Island brands during the preparation of the Annual Consolidated Financial Statements as at 31 December 2022. Therefore, no potential indicators of impairment were identified and no specific impairment tests were performed on these items for the purposes of preparing these Consolidated Half-Year Financial Statements.

Finally, it is also underlined that the Company's stock market capitalisation, based on the average price of Moncler share in the first half 2023, shows a significant positive difference with respect to the Group net equity, confirming again the value of the goodwill.

5.3. NET PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipments	30 June 2023			31 December 2022
	Gross value	Accumulated depreciation and impairment	Net value	Net value
(Euro/000)				
Land and buildings	1,359,574	(561,947)	797,627	800,742
Plant and Equipment	58,320	(35,286)	23,034	22,249
Fixtures and fittings	173,038	(126,280)	46,758	46,210
Leasehold improvements	401,753	(256,897)	144,856	141,008
Other fixed assets	45,410	(34,948)	10,462	11,002
Assets in progress	59,639	0	59,639	53,279
Total	2,097,734	(1,015,358)	1,082,376	1,074,490

The movements in tangible assets over the comparable periods are summarized in the following table:

As at 30 June 2023

Gross value Property, plant and equipment	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
(Euro/000)							
1 January 2023	1,296,502	53,936	166,449	386,389	43,717	53,279	2,000,272
Acquisitions	104,903	4,322	7,570	20,371	2,542	25,313	165,021
Disposals	(15,339)	(36)	(987)	(6,435)	(455)	(996)	(24,248)
Changes in consolidation area	0	0	(308)	308	0	0	0
Translation adjustment	(25,405)	(10)	(2,358)	(12,535)	(468)	(746)	(41,522)
Other movements, including transfers	(1,087)	108	2,672	13,655	74	(17,211)	(1,789)
30 June 2023	1,359,574	58,320	173,038	401,753	45,410	59,639	2,097,734

Accumulated depreciation and impairment PPE	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
(Euro/000)							
1 January 2023	(495,760)	(31,687)	(120,239)	(245,381)	(32,715)	0	(925,782)
Depreciation	(89,661)	(3,860)	(8,651)	(24,987)	(3,011)	0	(130,170)
Disposals	8,536	274	883	5,442	347	0	15,482
Changes in consolidation area	0	0	(8)	8	0	0	0
Translation adjustment	13,382	6	1,733	8,013	279	0	23,413
Impairment	0	0	0	0	0	0	0
Other movements, including transfers	1,556	(19)	2	8	152	0	1,699
30 June 2023	(561,947)	(35,286)	(126,280)	(256,897)	(34,948)	0	(1,015,358)

As at 30 June 2022

Gross value Property, plant and equipment	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
(Euro/000)							
1 January 2022	1,024,942	47,437	154,740	333,106	37,239	29,410	1,626,874
Acquisitions	93,729	1,078	3,825	7,757	1,756	14,853	122,998
Disposals	(9,360)	(560)	(1,575)	(3,033)	(451)	(168)	(15,147)
Translation adjustment	20,884	220	3,893	7,494	144	617	33,252
Other movements, including transfers	275	3,295	1,788	6,961	2,019	(15,270)	(932)
30 June 2022	1,130,470	51,470	162,671	352,285	40,707	29,442	1,767,045

Accumulated depreciation and impairment PPE	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
(Euro/000)							
1 January 2022	(349,475)	(25,266)	(106,310)	(205,286)	(27,215)	0	(713,552)
Depreciation	(76,674)	(2,791)	(8,645)	(23,364)	(3,544)	0	(115,018)
Disposals	5,372	220	1,540	2,909	342	0	10,383
Changes in consolidation area	0	0	0	0	0	0	0
Translation adjustment	(8,870)	(468)	(3,259)	(5,930)	390	0	(18,137)
Other movements, including transfers	0	0	0	121	0	0	121
30 June 2022	(429,647)	(28,305)	(116,674)	(231,550)	(30,027)	0	(836,203)

The movements relating to the assets for the right of use arising from the application of the IFRS 16 are reported here below:

Right of use assets	Land and buildings	Other fixed assets	Total
(Euro/000)			
1 January 2023	772,212	1,305	773,517
Acquisitions	104,520	881	105,401
Disposals	(6,803)	(57)	(6,860)
Depreciation	(88,763)	(553)	(89,316)
Changes in consolidation area	0	0	0
Translation adjustment	(12,057)	(1)	(12,058)
Other movements, including transfers	350	0	350
30 June 2023	769,459	1,575	771,034

The increases in the first half of 2023 refer to new lease agreements for the opening or relocation of retail stores and the renewal of existing lease agreements, mainly in the region EMEA, APAC and Americas.

In addition to the above mentioned effect arising from the application of the IFRS 16, the changes in property plant and equipment in the first half of 2023 show an increase in gross value of the items plant and equipment, fixture and fittings, leasehold improvements and assets in progress and advances: all of these items are mainly related to the development of the distribution network and the investments for the expansion of the production sites.

The business performance recorded in the periods under analysis are consistent with the assumptions made when testing the recoverability of the value of the rights of use during the preparation of the Annual Consolidated Financial Statements as at 31 December 2022. Therefore, no potential indicators of impairment were identified and no specific impairment tests were performed on these items.

5.4. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

The balances of the Deferred tax assets and liabilities as at 30 June 2023, over the comparable period of last year are reported below:

Deferred taxation		
(Euro/000)	30 June 2023	31 December 2022
Deferred tax assets	239,692	205,932
Deferred tax liabilities	(23,910)	(15,190)
Net amount	215,782	190,742

Deferred tax assets and deferred tax liabilities are offset only when there is a law within a given tax jurisdiction, which provides for such right to offset.

In view of the nature of the net deferred tax assets and the expectation of future taxable income, no indicators have been identified regarding the non-recoverability of the deferred tax assets recognised in the financial statements.

5.5. INVENTORY

Inventory as at 30 June 2023 amounts to EUR 486.8 million (EUR 377.5 million as at 31 December 2022) and is broken down as follows:

Inventory		
(Euro/000)	30 June 2023	31 December 2022
Raw materials	130,284	134,521
Work-in-progress	85,666	60,714
Finished products	509,917	424,143
Inventories, gross	725,867	619,378
Obsolescence provision	(239,070)	(241,829)
Total	486,797	377,549

Finished products and work-in-progress in inventory in the first half of each year are impacted by seasonality; specifically, they tend to increase as at 30 June compared to December as the average production cost of the products of the Autumn/Winter collection, in stock in June, is higher than the average production cost of the products of the Spring/Summer collection, in stock in December.

The obsolescence provision is calculated using management's best estimate based on the season needs and the inventory balance based on passed sales trends through alternative channels and future sales outlook, consistent with the actions defined to support the volumes provided for in the Business Plan.

5.6. TRADE RECEIVABLES

Trade receivables as at 30 June 2023 amounted to EUR 177.8 million (EUR 296.5 million as at 31 December 2022) and are as follows:

Trade receivables (Euro/000)	30 June 2023	31 December 2022
Trade account receivables	193,164	311,691
Allowance for doubtful debt	(14,945)	(15,009)
Allowance for discounts	(370)	(132)
Total, net value	177,849	296,550

Trade receivables are related to the Group's wholesale business and they include balances with a collection period not greater than three months. During the first half of 2023 there were no concentration of credit risk greater than 10% associated to individual customers.

The allowance for doubtful debts was calculated in accordance with management's best estimate based on the ageing of accounts receivable as well as the solvency of the oldest accounts and also taking into consideration any balances turned over into collection proceedings. Trade receivables written down are related to specific balances that were past due and for which collection is uncertain.

The allowance for doubtful debts also includes a component related to the "expected credit loss", connected to the particular situation of the period and to the American market.

5.7. CASH AND BANKS

As at 30 June 2023, cash on hand and cash at banks amount to EUR 488.5 million (EUR 882.3 million as at 31 December 2022) and includes cash and cash equivalents as well as the funds available at banks.

The amount included in the Half-year Condensed Consolidated Financial Statements represents the fair value at the date of the financial statements. The credit risk is very limited since the other parties are class A financial institutions.

The consolidated statement of cash flows includes the changes in cash and cash at banks as well as the bank overdrafts.

5.8. FINANCIAL CURRENT ASSETS

The financial current assets consist of the receivables arising from the market valuation of the derivatives on exchange rates hedges.

5.9. OTHER CURRENT AND NON-CURRENT ASSETS

Other current and non-current assets (Euro/000)	30 June 2023	31 December 2022
Prepayments and accrued income - current	19,662	16,135
Other current receivables	44,153	31,217
Other current assets	63,815	47,352
Prepayments and accrued income - non-current	150	87
Security / guarantees deposits	42,930	44,615
Investments in associated companies	36	36
Other non-current receivables	2,954	2,125
Other non-current assets	46,070	46,863
Total	109,885	94,215

The other current receivables mainly consist of receivable due from the tax authority for VAT.

Deposits are mostly related to the amounts paid on behalf of the lessee as a guarantee to the lease agreement.

There are no differences between the amounts included in the Half-year Consolidated Financial Statements and their fair values.

5.10. TRADE PAYABLES

Trade payables amounted to EUR 422.5 million as at 30 June 2023 (EUR 482.4 million as at 31 December 2022) and pertain to current amounts due to suppliers for goods and services. These payables are all due in the short term and do not include amounts that will be paid over 12 months.

In the first half of 2023 there are no outstanding positions associated to individual suppliers that exceed 10% of the total value.

There are no difference between the amounts included in the Half-year Consolidated Financial Statements and their respective fair values.

5.11. OTHER CURRENT AND NON-CURRENT LIABILITIES

As at 30 June 2023, the Other current and non-current liabilities are detailed as follow:

Other current and non-current liabilities (Euro/000)	30 June 2023	31 December 2022
Deferred income and accrued expenses - current	2,384	2,078
Advances and payments on account to customers	31,398	18,658
Employee and social institutions	54,463	56,039
Tax accounts payable, excluding income taxes	13,627	39,776
Other current payables	15,701	11,812
Other current liabilities	117,573	128,363
Deferred income and accrued expenses - non-current	166	117
Other non-current liabilities	166	117
Total	117,739	128,480

The item tax accounts payable includes mainly value added tax (VAT) and payroll tax withholding.

5.12. CURRENT TAX ASSETS AND LIABILITIES

Tax assets amount to EUR 12.9 million as at 30 June 2023 (EUR 5.9 million as at 31 December 2022) and pertain to receivables for advances paid on taxes.

Tax liabilities amounted to EUR 87.5 million as at 30 June 2023 (EUR 158.9 million as at 31 December 2022). Tax liabilities are recognized net of current tax assets, where the offsetting relates to the same tax jurisdiction and tax system.

5.13. PROVISIONS NON-CURRENT

Non-current provisions as at 30 June 2023 are detailed in the following table:

Provision for contingencies and losses (Euro/000)	30 June 2023	31 December 2022
Tax litigations	11,164	11,164
Other non current contingencies	13,834	16,097
Total	24,998	27,261

The other non-current contingencies include the costs for restoring stores, the costs associated with ongoing disputes and product warranty costs.

5.14. PENSION FUNDS AND AGENTS LEAVING INDEMNITIES

Pension funds and agents leaving indemnities as at 30 June 2023 are detailed in the following table:

Employees pension funds (Euro/000)	30 June 2023	31 December 2022
Pension funds	6,759	6,618
Agents leaving indemnities	4,559	5,418
Total	11,318	12,036

The pension funds pertain mainly to Italian entities of the Group. With the application of the welfare reform from 1 January 2007, the liability has taken the form of a defined contribution plan. Therefore, the amount of pension fund (TFR) accrued prior to the application of the reform and not yet paid to the employees as of the date of the consolidated financial statements is considered as a defined benefit plan.

5.15. FINANCIAL LIABILITIES

Financial liabilities as at 30 June 2023 are detailed in the following table:

Borrowings (Euro/000)	30 June 2023	31 December 2022
Short-term portion of long-term bank loans	2,617	7,429
Short-term financial lease liabilities	168,324	163,194
Other short-term loans	14,733	23,447
Short-term borrowings	185,674	194,070
Long-term portion of long-term bank loans	505	2,264
Long-term financial lease liabilities	669,426	674,285
Other long-term borrowings	24,716	42,160
Long-term borrowings	694,647	718,709
Total	880,321	912,779

The caption other borrowings (short and long term) mainly include the financial liabilities versus non-bank third parties.

Financial lease liabilities amounted to EUR 837.8 million (EUR 837.5 million in 2022) and financial lease liabilities ex IAS 17 amounted to EUR 0.08 million (EUR 0.08 million in 2022); total financial lease liabilities are detailed in the following table:

Financial lease liabilities		
(Euro/000)	30 June 2023	31 December 2022
Short-term financial lease liabilities	168,324	163,194
Long-term financial lease liabilities	669,426	674,285
Total	837,750	837,479

The changes in financial lease liabilities during the first half of 2023 are reported in the following table:

(Euro/000)	IFRS 16	Ex IAS 17	Financial lease liabilities
1 January 2023	837,397	82	837,479
Acquisitions	98,770	0	98,770
Disposals	(99,106)	(4)	(99,110)
Financial expenses	13,571	1	13,572
Changes in consolidation area	0	0	0
Translation adjustment	(12,943)	0	(12,943)
30 June 2023	837,689	79	837,768

The following tables show the break-down of the borrowing in accordance with their maturity date:

Ageing of the Long-term borrowings		
(Euro/000)	30 June 2023	31 December 2022
Within 2 years	151,879	163,333
From 2 to 5 years	309,837	334,904
Beyond 5 years	232,931	220,472
Total	694,647	718,709

The following tables show the breakdown of the long-term borrowings, excluded financial lease liabilities, in accordance with their maturity date:

Ageing of Long-term borrowings excluded lease liabilities		
(Euro/000)	30 June 2023	31 December 2022
Within 2 years	4,880	14,871
From 2 to 5 years	20,341	29,553
Beyond 5 years	0	0
Total	25,221	44,424

The non-discounted cash flows referring to the lease liabilities are shown below.

Ageing of the lease liabilities not discounted		
(Euro/000)	30 June 2023	31 December 2022
Within 1 year	193,807	186,391
From 1 to 5 years	496,801	507,103
Beyond 5 years	257,684	237,991
Total	948,292	931,485

The net financial position (including financial lease liabilities) is detailed in the following table:

Net financial position		
(Euro/000)	30 June 2023	31 December 2022
A. Cash	488,518	882,254
B. Cash equivalents	0	0
C. Other current financial assets	24,861	11,351
D. Liquidity (A)+(B)+(C)	513,379	893,605
E. Current financial DEBT	(14,733)	(23,447)
F. Current portion of non-current financial debt	(170,941)	(170,623)
G. Current financial indebtedness (E)+(F)	(185,674)	(194,070)
H. Net current financial indebtedness (G)+(D)	327,705	699,535
I. Non current financial debt	(669,931)	(676,549)
J. Debt instruments	0	0
K. Non-current trade and other payables	(24,716)	(42,160)
L. Non-current financial indebtedness (I)+(J)+(K)	(694,647)	(718,709)
M. Total financial indebtedness (H)+(L)	(366,942)	(19,174)

Net financial position as defined by the new ESMA Guidelines of 4 March 2021 (Consob Warning notice no. 5/21 to the Consob Communication DEM/6064293 of 28 July 2006).

The net financial position (excluding financial lease liabilities) is equal to EUR 470.7 million as at 30 June 2023, respect to EUR 818.2 million as at 31 December 2022.

5.16. SHAREHOLDERS' EQUITY

Changes in shareholders' equity for the first half of 2023 and the comparative period are included in the consolidated statements of changes in equity.

As at 30 June 2023 the subscribed share capital constitute by 274.627.673 shares was fully paid and amounted to EUR 54.925.534,60, with a nominal value of EUR 0.20 per share.

As at 30 June 2023 4.490.875 treasury shares were held, equal to 1.6% of the share capital, for a total value of EUR 173.3 million.

The legal reserve (integrated with the legal values when allocating the 2022 profit) and premium reserve pertain to the parent company Moncler S.p.A.

In the first half 2023 the parent company distributed dividends to the Group Shareholders for an amount of EUR 302.5 million of which EUR 300.3 paid in the first half 2023 (EUR 161.3 million distributed in 2022, of which EUR 156.4 paid in the first half 2022).

The change in the IFRS 2 reserve is due to the accounting treatment of the performance shares plans, i.e., to the recognition of the figurative cost for the period relating to these plans and the reclassification to retained earnings of the cumulative figurative cost of the plans already closed.

The change in retained earnings mainly relates to the allocation of 2022 result, the dividends distribution, the above-mentioned reclassification of the IFRS 2 reserve and the adjustment to the market value of the financial liabilities to non-banking third parties.

The FTA reserve includes the effects of the initial application of the IFRS 16.

Other reserves include other comprehensive income comprising the translation reserve referred to foreign entities, the reserve for exchange rate risks hedging and the reserve for actuarial gains/losses. The translation reserve includes the exchange differences emerging from the translation of the financial statements of the foreign consolidated companies. The hedging reserve includes the effective portion of the net differences accumulated in the fair value of the derivative hedging instruments. Changes to these reserves were as follows:

Other comprehensive income (Euro/000)	Cumulative translation reserve			Other OCI items		
	Value before tax effect	Tax effect	Value after tax effect	Value before tax effect	Tax effect	Value after tax effect
Reserve as at 1 January 2022	869	0	869	(14,628)	3,495	(11,133)
Changes in the period	(47)	0	(47)	311	150	461
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	0	0	0
Reserve as at 30 June 2022	822	0	822	(14,317)	3,645	(10,672)
Reserve as at January 1, 2023	(11,514)	0	(11,514)	(733)	174	(559)
Changes in the period	(27,619)	0	(27,619)	10,297	(2,296)	8,001
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	0	0	0
Reserve as at 30 June 2023	(39,133)	0	(39,133)	9,564	(2,122)	7,442

Earnings per share

Earnings per share for the half-year ended 30 June 2023 and 30 June 2022 is included in the following table and is based on the relationship between net income attributable to the Group and the average number of outstanding shares.

The diluted earnings per share is in line with the basic earnings per share as at 30 June 2023 as there are no significant dilutive effects arising from stock-based compensation plans.

It should be noted that, for the diluted earnings per share calculation, the treasury share method has been applied, prescribed by IAS 33 paragraph 45 for stock-based compensation plans.

Earnings per share	1H 2023	1H 2022
Net result of the period (Euro/000)	145,351	211,254
Average number of shares related to parent's Shareholders	270,075,651	269,126,678
Earnings attributable to Shareholders (Unit of Euro)	0.54	0.78
Diluted earnings attributable to Shareholders (Unit of Euro)	0.54	0.78

6. SEGMENT INFORMATION

For the purposes of IFRS 8 "Operating segments", the activity carried out by the Group can be identified in the operating segments referring to the Moncler business and the Stone Island business. However, these operating segments were aggregated into a single reportable segment, consistent with the core principle of IFRS 8, as the segments have similar economic characteristics and share common features, i.e.:

- the nature of the products;
- the nature of the production processes;
- the type of customers;
- the distribution channels.

7. SEASONALITY

Moncler Group's results are influenced by various seasonal factors, linked to its business model and to the industry in which the Group operates.

Over the years, the Moncler brand has preserved its inherent connotation and heritage, linked to the mountains and cold weather, and therefore a strong exposure to products associated with the winter season. The outerwear, especially the duvet coat, continues to be an important element of the brand's product range although this has been extended over the years to other product categories and the spring/summer collections.

Given the importance of outerwear, and of winter products in general, Moncler's DTC revenues are more concentrated in the first and mainly fourth quarters of each financial year. In the wholesale channel, revenues are concentrated in the third quarter, when third-party retailers are invoiced for Autumn/Winter collections and, at a lower level, in the first quarter, when third-party retailers are invoiced for Spring/Summer collections.

The Stone Island brand, on the other hand, has developed a balanced presence across the different seasons, while still generating a significant portion of its turnover through the wholesale channel. This implies that the first and third quarters are the two main quarters for the Stone Island brand, when the Spring/Summer and Fall/Winter collections are shipped to wholesale customers.

Given the significant seasonality of the Group's business, substantially linked to the seasonality of the Moncler brand, and the possible influence of exogenous factors on quarterly results, such as weather conditions, individual interim results may not make a uniform contribution to annual results and may not be directly comparable with those of previous quarters.

Finally, the revenues trend and the dynamics of the production cycles have an impact on net working capital and net debt. Group's cash generation peaks in March and December, linked to the cash flow of the Moncler brand, while the months of June and July are characterised by high cash absorption.

8. COMMITMENTS AND GUARANTEES GIVEN

8.1. COMMITMENTS

The Group does not have significant commitments arising from operating lease contract or other contractual cases that do not fall within the scope of IFRS 16 (mainly related to temporary stores and pop-up stores with a term of less than one year).

8.2. GUARANTEES GIVEN

As at 30 June 2023 the Group had given the following guarantees:

Guarantees and bails given (Euro/000)	30 June 2023	31 December 2022
Guarantees and bails given for the benefit of:		
Third parties/companies	55,183	53,817
Total guarantees and bails given	55,183	53,817

Guarantees pertain mainly to lease agreements for the new stores.

9. CONTINGENT LIABILITIES

As the Group operates globally, it is subject to legal and tax risks which may arise during the performance of its ordinary activities. Based on information available to date, the Group believes that at the date of preparation of this document there are no further potential liabilities in addition to those already recorded in the provisions accrued in the Half-year Consolidated Financial Statements.

10. OTHER INFORMATION

10.1. RELATED PARTY TRANSACTIONS

Set out below are the transactions with related parties deemed relevant for the purposes of the "Procedure with related party" adopted by the Group.

The "Procedure with related party" is available on the Company's website (www.monclergroup.com, under "Governance/Corporate documents").

Transactions and balances with consolidated companies have been eliminated upon consolidation, therefore there are no comments there.

During the first-half of 2023 related party transactions mainly relate to trading transactions carried out on an arm's length basis with the following parties:

- Yagi Tsusho Ltd, counterparty to the transaction which led to the establishment of Moncler Japan Ltd. acquires finished products from Moncler Group companies (EUR 66.8 million in the first half of 2023 and EUR 48.0 million for the same period last year) and then sells them to Moncler Japan Ltd. (EUR 75.1 million in the first half of 2023 and EUR 53.6 million in the same period of 2022) pursuant to contracts agreed upon the company's establishment.
- Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi, company held by the minority shareholder of Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti, provide services to that company. Total costs recognized for the first half of 2023 amount to EUR 0.08 million (EUR 0.06 million in the first half of 2022).
- The company La Rotonda S.r.l., owned by a manager of the Moncler Group, acquires finished products from Industries SpA and provides services to the same. Total revenues recognized for the first half of 2023 amount to EUR 0.5 million (EUR 0.6 million in the first half of 2022) and total costs recognized for the first half of 2023 amount to EUR 0.07 million (EUR 0.07 million in the first half of 2022).
- The company Rivetex S.r.l., a company referable to Carlo Rivetti and his family members, rents a building to Moncler Group; in the first half of 2023, total costs amounted to EUR 0.2 million (EUR 0.2 million in the first half 2022).
- Mr Fabrizio Ruffini, brother of the Chairman of the Board of Directors and Chief Executive Officer of Moncler S.p.A., provides consultancy services relating to research, development and quality control for Moncler branded products. Total costs recognised in the first half of 2023 amounted to EUR 0.3 million (EUR 0.3 million in the first half of 2022).

Company Industries S.p.A. adhere to the Parent Company Moncler S.p.A. fiscal consolidation and VAT consolidation.

COMPENSATION PAID TO DIRECTORS, BOARD OF STATUTORY AUDITORS AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Compensation paid of the members of the Board of Directors in the first half of 2023 are EUR 3,674 thousand (EUR 3,465 thousand in the first half of 2022).

Compensation paid of the members of the Board of Auditors in the first half of 2023 are EUR 82 thousand (EUR 71 thousand in the first half of 2022).

In the first half of 2023 total compensation paid to executives with strategic responsibilities amounted to EUR 1.262 thousand (EUR 1.252 thousand in the first half of 2022).

In the first half of 2023 the costs relating to Performance shares plan (described in section 10.2) referring to members of the Board of Directors and Key management personnel amount to EUR 7,623 thousand (EUR 5,813 thousand in the first half of 2022).

The following tables summarize the aforementioned related party transactions that took place during the first half of 2023 and the comparative period.

(Euro/000)	Type of relationship	Note	30 June 2023	%	30 June 2022	%
Yagi Tsusho Ltd	Distribution agreement	a	66,774	(23.4)%	48,028	(20.0)%
Yagi Tsusho Ltd	Distribution agreement	a	(75,068)	26.3%	(53,623)	22.3%
Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi	Service agreement	b	(77)	0.0%	(58)	0.0%
La Rotonda S.r.l.	Trade transactions	c	517	0.0%	628	0.1%
La Rotonda S.r.l.	Trade transactions	d	(73)	0.0%	(74)	0.0%
Rivetex S.r.l.	Trade transactions	d	(245)	0.0%	(230)	0.0%
Fabrizio Ruffini	Service agreement	b	(276)	0.2%	(276)	0.2%
Directors, board of statutory auditors and executives with strategic responsibilities	Labour services	b	(11,672)	7.4%	(9,742)	7.3%
Executives with strategic responsibilities	Labour services	d	(969)	0.3%	(858)	0.3%
Total			(21,089)		(16,205)	

a effect in % based on cost of sales

b effect in % based on general and administrative expenses

c effect in % based on revenues

d effect in % based on selling expenses

(Euro/000)	Type of relationship	Note	30 June 2023	%	31 December 2022	%
Yagi Tsusho Ltd	Trade payables	a	(31,042)	7.3%	(22,532)	4.7%
Yagi Tsusho Ltd	Trade receivables	b	26,201	14.7%	20,103	6.8%
La Rotonda S.r.l.	Trade receivables	b	1	0.0%	33	0.0%
La Rotonda S.r.l.	Trade payables	a	(35)	0.0%	(38)	0.0%
Fabrizio Ruffini	Trade payables	a	(88)	0.0%	139	0.0%
Directors, board of statutory auditors and executives with strategic responsibilities	Other current liabilities	c	(2,670)	2.3%	(5,105)	4.0%
Total			(7,633)		(7,400)	

a effect in % based on trade payables

b effect in % based on trade receivables

c effect in % based on other current liabilities

The following tables details the weight of related party transactions on the items of the consolidated financial statements.

(Euro/000)	30 June 2023			
	Revenue	Cost of sales	Selling expenses	General and administrative expenses
Total related parties	517	(8,294)	(1,287)	(12,025)
Total consolidated financial statements	1,136,590	(285,601)	(374,746)	(156,893)
Weight %	0.0%	2.9%	0.3%	7.7%

(Euro/000)	30 June 2023		
	Trade receivables	Trade Payables	Other current liabilities
Total related parties	26,202	(31,165)	(2,670)
Total consolidated financial statements	177,849	(422,453)	(117,573)
Weight %	14.7%	7.4%	2.3%

(Euro/000)	30 June 2022			
	Revenue	Cost of sales	Selling expenses	General and administrative expenses
Total related parties	628	(5,595)	(1,162)	(10,076)
Total consolidated financial statements	918,374	(240,668)	(314,863)	(132,692)
Weight %	0.1%	2.3%	0.4%	7.6%

(Euro/000)	31 December 2022		
	Trade receivables	Trade Payables	Other current liabilities
Total related parties	20,136	(22,431)	(5,105)
Total consolidated financial statements	296,550	(482,425)	(128,363)
Weight %	6.8%	4.6%	4.0%

10.2. STOCK OPTION PLANS

The Half-year Consolidated Financial Statements at 30 June 2023 reflects the values of the Performance Shares Plans approved in 2020 and in 2022.

The costs related to stock-based compensation plans are equal to EUR 19.7 million in the first half of 2023, compared with EUR 16.0 million in the first half of 2022.

On 11 June 2020, the Ordinary Shareholders' Meeting has approved, pursuant to art. 114-bis of the Consolidated Law on Finance, the adoption of a Stock Grant Plan denominated "2020 Performance Shares Plan" addressed to Executive Directors, Key Managers, employees and collaborators, therein including Moncler's external consultants and of its subsidiaries.

The object of the Plan is the free granting of the Moncler shares in case certain Performance Targets are achieved at the end of the vesting period of 3 years.

The Performance Targets are expressed base on the following index of the Group in the Vesting Period, adjusted by the conditions of over/under performance: (i) Net Income, (ii) Free Cash Flow and (iii) ESG (Environmental Social Governance).

The proposed maximum number of shares serving the Plan is equal to n. 2,000,000 resulting from capital increase and/or allocation of treasury shares.

The Plan provides for a maximum of 3 cycles of attribution; as regards the first attribution cycle, on 11 June 2020 the Board of Directors resolved the granting of 1,350,000 Moncler Rights. The second attribution cycle, approved during 2021, ended with the assignment of 463,425 Moncler Rights.

As regards the first allocation cycle:

- The 3-year vesting period ended with the approval of the Draft Financial Statements as at December 31, 2022;
- The performance targets were met, together with the over-performance condition. Therefore, No. 1,312,424 shares (including No. 218,738 shares deriving from over-performance) were assigned to the beneficiaries through a share capital increase (No. 944,833 shares) and the allocation of treasury shares (No. 367,541 shares).

As at 30 June 2023 there are still in circulation 397,934 rights related to the second cycle of attribution, which effect on the income statement on the first half of 2023 amount to EUR 4.6 million. There are no rights in circulation related to the first cycle of attribution, which effect on the income statement in the first half of 2023 amount to Euro 4.0 million.

On 21 April 2022, the Ordinary Shareholders' Meeting has approved, pursuant to art. 114-bis of the Consolidated Law on Finance, the adoption of a Stock Grant Plan denominated "2022 Performance Shares Plan" addressed to Executive Directors, Key Managers, employees and collaborators, therein including Moncler's external consultants and of its subsidiaries.

The object of the Plan is the free granting of the Moncler shares in case certain Performance Targets are achieved at the end of the vesting period of 3 years.

The Performance Targets are expressed base on the following index of the Group in the Vesting Period, adjusted by the conditions of over/under performance: (i) Net Income, (ii) Free Cash Flow and (iii) ESG (Environmental Social Governance).

The proposed maximum number of shares serving the Plan is equal to n. 2,000,000 resulting from allocation of treasury shares.

The Plan provides for a maximum of 3 cycles of attribution. As regards the first attribution cycle, on 4 May 2022 the Board of Directors resolved the granting of 971,169 Moncler Rights. On 4 May 2023, executing the second attribution cycle, the Board of Directors approved the assignment of a maximum of 436,349 Moncler Rights.

As at 30 June 2023 there are still in circulation 918,361 rights related to the first cycle of attribution, which effect on the income statement on the first half of 2023 amount to EUR 8.8 million and 436,349 rights related to the second cycle of attribution, which effect on the income statement on the first half of 2023 amount to EUR 1.5 million.

As stated by IFRS 2, these plans are defined as equity settled share-based payments.

For information regarding the plan, please see the company's website, www.monclergroup.com, in the "Governance" section.

10.3. SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

We point out that, in the first half of 2023, there were no significant non-recurring events and transactions.

10.4. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

No atypical and/or unusual transactions were carried out by the Group during the first half of 2023.

10.5. FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Furthermore, in the current period, it is not necessary to expose the fair value of the lease liabilities.

(Euro/000)				
June 30, 2023	Current	Non-current	Fair value	Level
Financial assets measured at fair value				
Interest rate swap used for hedging	-	-	-	
Forward exchange contracts used for hedging	24,861	-	24,861	2
Sub-total	24,861	-	24,861	
Financial assets not measured at fair value				
Trade and other receivables (*)	177,849	42,930		
Cash and cash equivalents (*)	488,518	-		
Sub-total	666,367	42,930	-	
Total	691,228	42,930	24,861	

(Euro/000)				
December 31, 2022	Current	Non-current	Fair value	Level
Financial assets measured at fair value				
Interest rate swap used for hedging	-	-	-	
Forward exchange contracts used for hedging	11,351	-	11,351	2
Sub-total	11,351	-	11,351	
Financial assets not measured at fair value				
Trade and other receivables (*)	296,550	44,615		
Cash and cash equivalents (*)	882,252	-		
Sub-total	1,178,802	44,615	-	
Total	1,190,153	44,615	11,351	

(Euro/000)				
June 30, 2023	Current	Non-current	Fair value	Level
Financial liabilities measured at fair value				
Interest rate swap used for hedging	-	-	-	2
Forward exchange contracts used for hedging	(4,031)	-	(4,031)	2
Other financial liabilities	(10,702)	(24,716)	(35,418)	3
Sub-total	(14,733)	(24,716)	(39,449)	
Financial liabilities not measured at fair value				
Trade and other payables (*)	(469,552)	-		
Bank overdrafts (*)	-	-		
Short-term bank loans (*)	-	-		
Bank loans (*)	(2,617)	(505)		
IFRS 16 financial loans (*)	(168,324)	(669,426)		
Sub-total	(640,493)	(669,931)	-	
Total	(655,226)	(694,647)	(39,449)	

(Euro/000)				
December 31, 2022	Current	Non-current	Fair value	Level
Financial liabilities measured at fair value				
Interest rate swap used for hedging	-	-	-	2
Forward exchange contracts used for hedging	(8,965)	-	(8,965)	2
Other financial liabilities	(14,482)	(42,160)	(56,642)	3
Sub-total	(23,447)	(42,160)	(65,607)	
Financial liabilities not measured at fair value				
Trade and other payables (*)	(512,895)	-		
Bank overdrafts (*)	-	-		
Short-term bank loans (*)	-	-		
Bank loans (*)	(7,435)	(2,258)		
IFRS 16 financial loans (*)	(163,194)	(674,285)		
Sub-total	(683,524)	(676,543)	-	
Total	(706,971)	(718,703)	(65,607)	

(*) Such items refer to short-term financial assets and financial liabilities whose carrying value is a reasonable approximation of fair value, which was therefore not disclosed.

11. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after the reporting date.

These Half-Year Consolidated Financial Statements, comprised of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and explanatory notes to the consolidated financial statements give a true and fair view of the financial position and the results of operations and cash flows and corresponds to the accounting records of the Parent Company and the companies included in the consolidation.

On behalf of the Board of Directors of Moncler S.p.A.

Remo Ruffini

Chairman and Chief Executive Officer

ATTESTATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
PURSUANT TO ARTICLE 81-TER OF THE CONSOB REGULATION 11971 OF 14 MAY 1999 AS
AMENDED

1. The undersigned, Remo Ruffini, in his capacity as the Chief Executive Officer of Moncler S.p.A. and Luciano Santel, as the executive officer responsible for the preparation of Moncler S.p.A.'s financial statements, having also taken into account the provisions of Article 154-bis, paragraphs 3 and 4, of the Italian Legislative Decree 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the characteristics of the company and
- the effective implementation of the administrative and accounting procedures for the preparation of the half-year condensed consolidated financial statements, during the first half of 2023.

2. With regard to the above, there are no remarks.

3. It is also certified that:

3.1 the Half-year Condensed Consolidated Financial Statement:

- a) has been drawn up in accordance with the international accounting standards recognised in the European Union under the EC regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- b) is consistent with the entries in the accounting books and records;
- c) is capable of providing a true and fair representation of the assets and liabilities, profits and losses and financial position of the issuer and the group of companies included in the consolidation.

3.2 The half-year directors' report includes a reliable analysis of the significant events that took place in the first six months of the financial year and their impact on the half-year condensed consolidated financial statements, together with a description of the main risks and uncertainties for the remaining six months of the financial year. The half-year directors' report also includes a reliable analysis of the disclosure on significant related party transactions.

Milan, 26 July 2023

CHAIRMAN OF THE BOARD OF
DIRECTOR AND CHIEF EXECUTIVE OFFICER

Remo Ruffini

EXECUTIVE OFFICER RESPONSIBLE
FOR THE PREPARATION OF THE
COMPANY'S FINANCIAL STATEMENTS

Luciano Santel

REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Moncler S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Moncler S.p.A. and subsidiaries (Moncler Group), which comprise the consolidated statement of financial position as of June 30, 2023 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six month period then ended, and a summary of significant accounting policies and other explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of Moncler Group as of June 30, 2023 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Barbara Moscardi
Partner

Treviso, Italy
July 28, 2023

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.