

Milan – January 25th, 2023

TOD'S S.p.A. – Group revenues exceed one billion euros in FY2022, up 13.9% from FY 2021. Tod's grew by 19.1%; leather goods: +33.7%

The Board of Directors approved Tod's Group preliminary sales results for the fiscal year 2022

Tod's Group joined the United Nations Global Compact

The Board of Directors of Tod's S.p.A., the Italian company listed on the Milan Stock Exchange and holding of the luxury goods group of the same name operating in luxury and quality shoes, accessories and apparel with the Tod's, Roger Vivier, Hogan and Fay brands, today approved the Group's preliminary sales results for the fiscal year 2022.

Message of the Group's Chairman and CEO

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

“I am very satisfied with the goal achieved: the Group's turnover has exceeded one billion euros, up by 13.9% compared to 2021. It is even more important to see the quality of these numbers: the growth, in fact, was driven by the retail channel and the Tod's brand, which recorded excellent results in all product categories.

We are reaping the first results of the medium-term strategy that we have launched in recent years, which aims to increasing the equity value of the Group and of each individual brand, allocating all the investments necessary to obtain this result.

We are pleased to note that our customers are increasingly appreciating the very high quality of our products, their craftsmanship and their iconic Italian lifestyle with a strong creative value.

We are continuing the development of our distribution network, with the opening of selected boutiques also in new markets and we are particularly focused on improving the organic growth. We are also increasingly strengthening our marketing and communication team, with particular attention to the digital world, to get closer and closer to the younger clientele.

Considering the excellent start to the year in our stores and the solidity of the order book for next season, we are very confident regarding the Group's future results.”

Comments to the Group's sales

In the fiscal year 2022, Tod's Group consolidated sales were 1,006.9 million Euros, up 13.9% from FY 2021¹ and approx. 10% higher than the pre-pandemic level of 2019.

The impact of currencies was positive, particularly for the Tod's and Roger Vivier brands, which have the largest presence abroad; at constant exchange rates, i.e. using the same average exchange rates as in FY 2021, including the effects of hedging, the Group's revenues amounted to 984.2 million Euros (+11.4% compared to FY 2021).

Breakdown of consolidated sales by brand: all brands registered a positive performance; outstanding growth for Tod's (+19.1%)

(million Euros)

	FY 2022		FY 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Tod's	509.9	498.6	428.3	+19.1%	+16.4%
Roger Vivier	246.0	237.2	229.6	+7.1%	+3.3%
Hogan	195.9	193.4	176.7	+10.9%	+9.4%
Fay	53.4	53.3	48.2	+10.7%	+10.6%
Other	1.7	1.7	1.0	n.m.	n.m.
TOTAL	1.006.9	984.2	883.8	+13.9%	+11.4%

Preliminary and unaudited figures

The performance of the individual brands reflects the geographical and distributive composition of their sales and is influenced by the situation of the consumer demand and the sanitary context of the geographical areas in which they are distributed.

The Tod's brand, which is the one with the most balanced geographical mix, recorded an excellent growth rate in all geographical areas, confirming the strong appreciation by customers for the brand's collections, both in shoes and in the new families of leather goods and accessories.

The Roger Vivier brand had a good start to the year in all geographical areas, but, given its high exposure to the Chinese market, its growth slowed down starting in March.

¹ In the comparison between the data of the different years, it must be taken into account the impact of the Covid-19 pandemic, which caused temporary lockdowns of stores in some regions; in the fiscal year 2022, the average opening rate of stores was 96%, as a world average (a value which is equal to 99% if reported to Europe alone and to 92% if reported to Greater China), while in the fiscal year 2021 this figure was 91%, as a world average (83% if reported to Europe alone and 98% if reported to Greater China).

Solid double-digit increase in the revenues of the Hogan and Fay brands, also thanks to the easy basis of comparison, due to their high exposure to the Italian and European markets, which, in 2021, had experienced some periods of store closures, due to the lockdowns following the Covid-19 pandemic.

Breakdown of consolidated sales by product category: leather goods: +33.7%; double-digit growth across all categories

(million Euros)

	FY 2022		FY 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Shoes	776.8	756.8	703.2	+10.5%	+7.6%
Leather goods and accessories	160.6	158.3	120.1	+33.7%	+31.8%
Apparel	67.8	67.4	59.5	+13.9%	+13.2%
Other	1.7	1.7	1.0	n.m.	n.m.
TOTAL	1.006.9	984.2	883.8	+13.9%	+11.4%

Preliminary and unaudited figures

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

Breakdown of consolidated sales by region: very strong results in Italy, Europe and Japan

(million Euros)

	FY 2022		FY 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Italy	251.7	251.7	217.2	+15.9%	+15.9%
Europe (excl. Italy)	216.8	215.0	172.5	+25.7%	+24.6%
Americas (*)	81.9	74.9	62.5	+31.2%	+19.9%
Greater China (**)	287.2	269.6	313.4	-8.4%	-14.0%
Rest of World	169.3	173.0	118.2	+43.3%	+46.4%
TOTAL	1.006.9	984.2	883.8	+13.9%	+11.4%

Preliminary and unaudited figures

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

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

Italy and the rest of Europe recorded a progressive improvement in results, starting from the second quarter of the year, thanks to the dynamism of the domestic customers demand and the good presence of intra-European, American and Middle Eastern tourists.

The American market also recorded excellent results, also helped by the favorable comparison base, despite the shift of purchases of the American cluster abroad, especially during the summer months.

The Chinese market, after a good start to the year, suffered a significant slowdown in growth, starting in March, due to the strict government restrictions taken to face the Covid-19 pandemic. Even after the progressive easing of these measures, in the second half of the year, the trend of consumer demand remained volatile and impacted by local and temporary lockdowns in various primary cities.

On the other hand, the “Rest of the World” area was very strong throughout the year, driven by the excellent results of Japan and Korea.

Breakdown of consolidated sales by distribution channel: double-digit growth on both channels; good results also for e-commerce

(million Euros)

	FY 2022		FY 2021	% change	
	reported rates	constant rates		reported rates	constant rates
Retail (DOS+online)	743.3	724.5	659.4	+12.7%	+9.9%
Third parties (Franchised stores + Independent retailers)	263.6	259.7	224.4	+17.5%	+15.8%
TOTAL	1.006.9	984.2	883.8	+13.9%	+11.4%

Preliminary and unaudited figures

The retail channel totaled 743.3 million euros in revenues in 2022, representing approx. 74% of Group turnover, with growth of 12.7% compared to 2021. The figure for organic growth in the Group's stores was clearly positive, despite the impact of Chinese market weakness. The e-commerce channel registered positive results, too, also thanks to the important investments made by the Group in the digital world.

As of 31 December 2022, the Group's distribution network consisted of 333 DOS and 89 franchised stores, compared to 318 DOS and 88 franchised stores as of 31 December 2021.

Double-digit growth also for the revenues of the wholesale channel, which has returned to registering positive results, after the rationalization of the previous years.

The Group joins the United Nations Global Compact

Consistently with its constant commitment to sustainability, on 16 January 2023 the Tod's Group joined the United Nations Global Compact, the largest strategic sustainability and corporate citizenship initiative in the world, born from the desire to promote a sustainable global economy, respectful of human rights, labor standards, environmental protection and committed to the fight against corruption.

This initiative further strengthens the Group's commitment to responsible and sustainable management of its decision-making and operational processes, aligning them with the ten principles of the Global Compact and the United Nations Sustainable Development Goals, defined globally.

"Our commitment to adopting responsible behavior for the protection of human rights, health, safety and well-being in the workplace, also promoting the protection of the environment and ecosystems, is part of our culture and reflects the values that our organization has always translated into concrete and virtuous projects for the benefit of the communities and territories in which we operate" - Diego Della Valle, Chairman and CEO of the Group, commented.

The Board of Directors also approved the new Policy for the Protection of Diversity, Equity and Inclusion of the TOD'S Group, created to formalize the Group's commitment to promoting the values of inclusion and equality among people, in line with the Universal Declaration of Human Rights, the ILO Conventions on non-discrimination and with what is declared in the Code of Ethics and in the Group's Sustainability Policy.

Please note that all the figures related to FY 2022 sales reported in the present press release are preliminary and unaudited. FY 2022 results will be approved by the Board of Directors scheduled on 13 March 2023.

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

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