



MONCLER

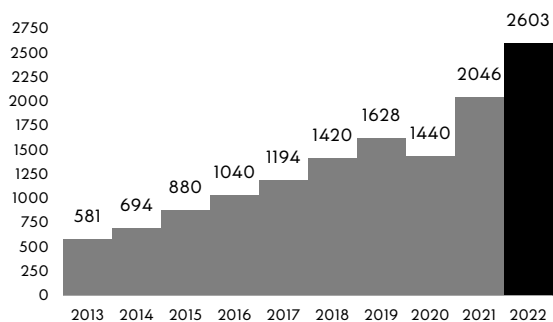
GROUP

MANAGEMENT REPORT
FY 2022

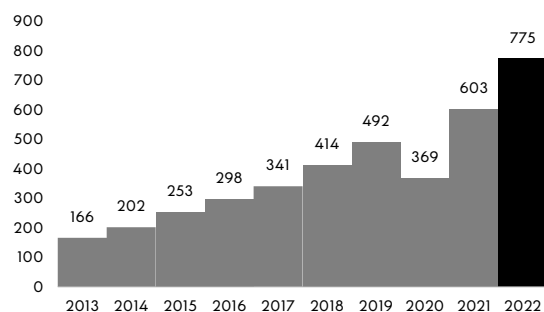


GROUP FINANCIAL HIGHLIGHTS¹

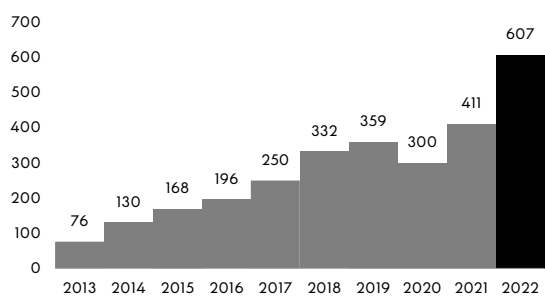
REVENUES (EUR M)



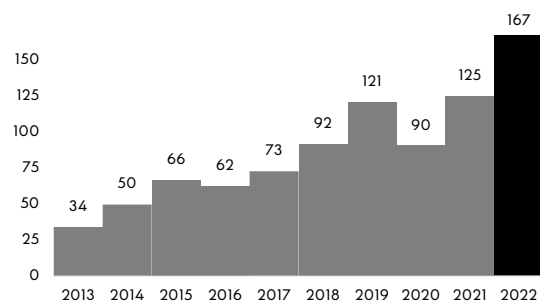
EBIT (EUR M)



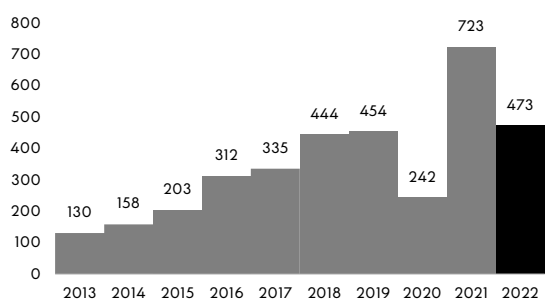
NET INCOME (EUR M)



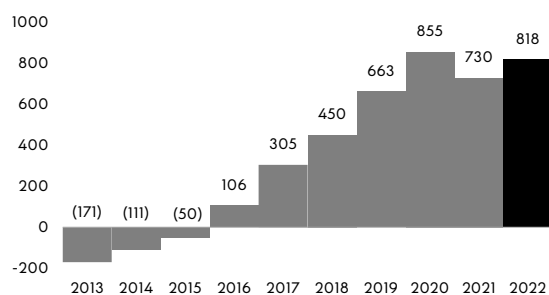
NET CAPITAL EXPENDITURE (EUR M)



OPERATING CASH FLOW (EUR M)



NET FINANCIAL POSITION (EUR M)



¹This note applies to all pages: data including IFRS 16 impacts from 2019. The net financial position excludes lease liabilities.

CORPORATE BODIES

BOARD OF DIRECTORS

Remo Ruffini	Chairman and Chief Executive Officer
Marco De Benedetti	Vice President Lead Independent Director Control, Risk and Sustainability Committee Nomination and Remuneration Committee
Nerio Alessandri	Independent Director
Roberto Eggs	Executive Director
Gabriele Galateri di Genola	Independent Director Control, Risk and Sustainability Committee
Alessandra Gritti	Independent Director Nomination and Remuneration Committee
Virginie Sarah Sandrine Morgon	Independent Director Related Parties Committee
Diva Moriani	Independent Director Related Parties Committee Nomination and Remuneration Committee
Stephanie Phair	Independent Director
Guido Pianaroli	Independent Director Control, Risk and Sustainability Committee Related Parties Committee
Carlo Rivetti	Non-Executive Director
Luciano Santel	Executive Director

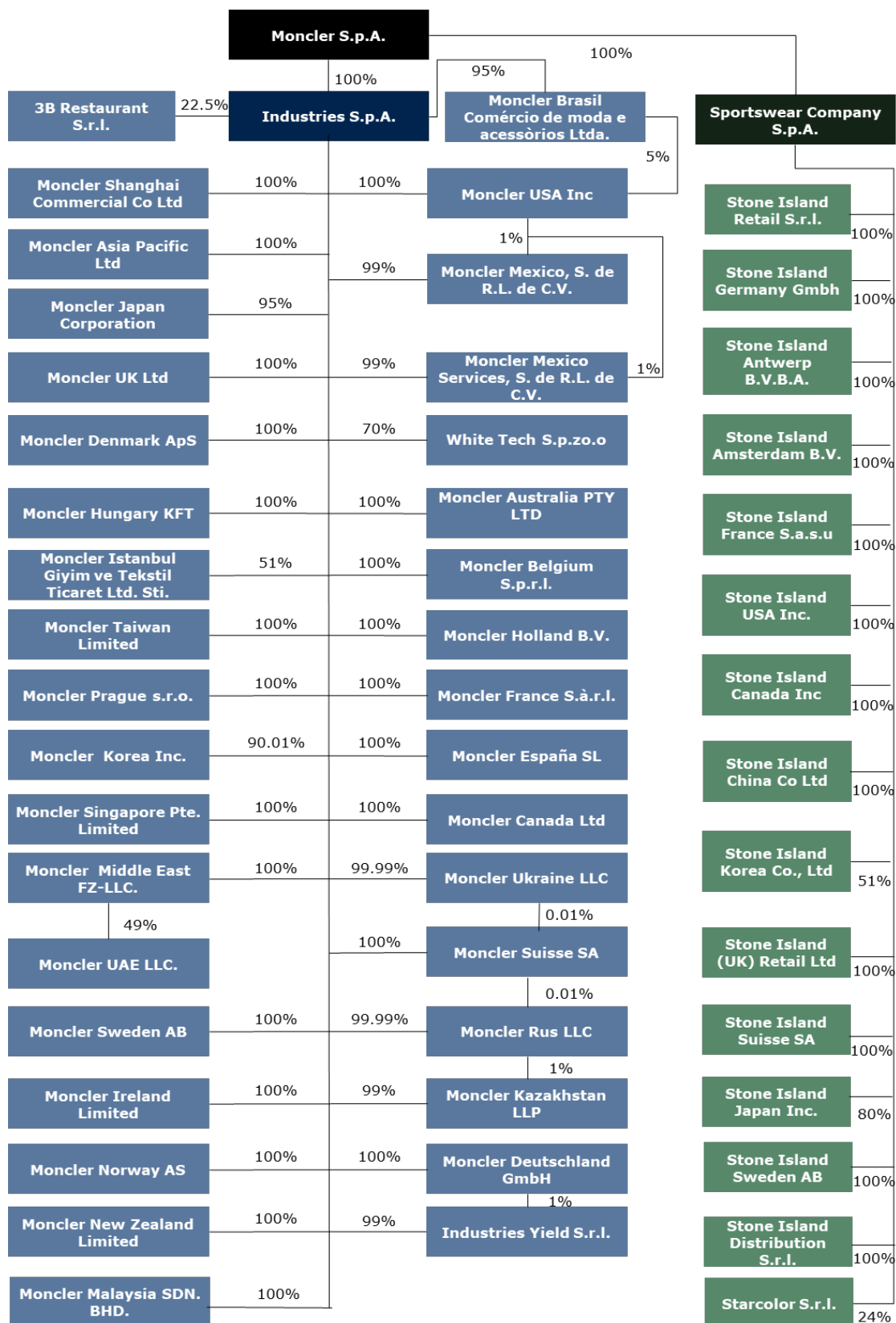
BOARD OF STATUTORY AUDITORS

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 AT 31 DECEMBER 2022



GROUP STRUCTURE

The Consolidated Financial Statements of the Moncler Group at 31 December 2022 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 49 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 will manage 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 that owned the Stone Island brand until 30 December 2021 (subsequently conferred to Moncler S.p.A.), and 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 Canada Inc	Company that manages DOS in Canada
Stone Island China Co., Ltd	Company that manages DOS in China
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

MONCLER GROUP

Born on 1 April 2021, Moncler Group, with its two brands – Moncler and Stone Island –, represents the expression of a new concept of luxury, which embraces the search for experientiality, inclusivity, a sense of belonging to a community and the mixing of diverse meanings and worlds including those of art, culture, music and sport. United by the "beyond fashion, beyond luxury" philosophy, these two Italian brands strengthen their ability to interpret the evolving cultural codes of the new generations.

Alongside maintaining their brands' identities highly independent and based on authenticity, on the constant search for uniqueness and on the extraordinary bond with the consumers' communities, the Group intends to bring together its entrepreneurial and managerial cultures as well as business knowledge and technical know-how of its brands to strengthen their competitiveness and enhance their important growth potential, also sharing the culture of sustainability.

MONCLER BRAND

The Moncler brand was born in 1952 in Monestier-de-Clermont, a small village in the mountains near Grenoble, with a focus on sports clothing for the mountain.

In 2003, Remo Ruffini purchased Moncler and started a process of repositioning through which the brand took on an even more distinctive and exclusive style, evolving from a line of products used purely for sport purposes to versatile lines that clients of all gender, age, identity and culture can wear on any occasion and where outerwear, while being the brand's identifying category, is gradually and naturally integrated with complementary products. Under his leadership, Moncler pursues a philosophy aimed at creating products that are unique, of the highest quality, versatile and constantly evolving while always remaining true to the brand's DNA guided by the motto "born in the mountains, living in the city".

Tradition, uniqueness, quality, consistency and energy have always been the distinctive features of the Moncler brand that over the years has been able to evolve while remaining consistent with its DNA, heritage and identity, in a continuous search for an open dialogue with its many consumers in the world.

STONE ISLAND BRAND

A culture of research, experimentation and usability are the matrixes that have always defined Stone Island, an informal clothing brand founded in 1982 by Massimo Osti and Carlo Rivetti, with its headquarter in Ravarino – a small town in the province of Modena – and intended to become a symbol of extreme research on fibres and fabrics, applied to an innovative design.

It is truly through the study of form and the "handling" of materials that Stone Island finds its own language, which has extreme research and maximum functionality as founding pillars. Each Stone Island piece is born from a perfect synthesis between experimentation and usability, between the study of fabrics and rationality.

An on-going and in-depth investigation on the transformation and ennobling of fibres and fabrics, and on the unique ability to intervene on the finished garment through continuous dyeing experiments have led, over the years, to the discovery of materials and production techniques never previously used and to develop more than 60,000 different dye recipes.

HISTORY

MONCLER BRAND

1952, THE ORIGINS	The origins of the name lie in its very roots: Moncler is in fact the abbreviation of Monestier-de-Clermont, a mountain village near Grenoble. Here, René Ramillon and André Vincent founded in 1952 the Company which gave life to the renowned down jacket, creating garments conceived to protect workers who wore them over their overalls, that offered high resistance and protection against the harshest climates and that were tested in a variety of expeditions.
1954, THE EXPEDITIONS	French mountaineer Lionel Terray first noticed Moncler products and foresaw their potential. The result was the specialist range “Moncler pour Lionel Terray”. In 1954, Moncler’s down jackets were chosen to equip the Italian expedition to K2, which culminated in the conquest of the world’s second highest summit by Achille Compagnoni and Lino Lacedelli. In 1955, they equipped the expedition on the Makalū.
1968, THE OLYMPICS	To mark the Grenoble Winter Olympic Games, Moncler became the official supplier to the French downhill ski team.
1980, CITY ICONS	In the 80s, under the stylistic direction of Chantal Thomass, Moncler made its entrance into the city, becoming the iconic garment of a generation of youth.
2003, REMO RUFFINI ACQUIRES MONCLER	The brand was acquired by the Italian entrepreneur Remo Ruffini, current Chairman and CEO of the Moncler Group, who began a strategy of global expansion in the luxury goods segment.
2006, HAUTE COUTURE	In 2006 with <i>Moncler Gamme Rouge</i> and in 2009 with <i>Moncler Gamme Bleu</i> , the Moncler universe was further enhanced with its Haute Couture collection, ended in 2017 when Moncler launched a new project. In 2010, the <i>Moncler Grenoble</i> collections made their debut in New York. Reinterpreting the styles of the past, <i>Grenoble</i> started to create technical skiing garments and après-ski wear with a contemporary take.
2013, THE LISTING	On 16 December 2013, Moncler was listed on the Italian Stock Exchange of Milan. Shares were offered at EUR 10.2 and rose over 40% the first day, representing Europe’s greatest success story in recent years.
2018, MONCLER GENIUS	In 2018, Moncler launched the new project <i>Moncler Genius – One House, Different Voices</i> , a hub of eight minds that, while retaining their individuality, reinterpreted the essence of the Moncler brand.

2020, STONE ISLAND JOINS THE MONCLER GROUP	In December, Moncler announced that it had signed an agreement for the acquisition of Stone Island. This agreement was finalised on 31 March 2021, when Stone Island became part of the Moncler Group.
2021, THE E-COMMERCE INTERNALISATION	Moncler completed the internalisation of its e-commerce (.com) and unveiled the brand's first-ever fragrances, <i>Moncler Pour Femme</i> and <i>Moncler Pour Homme</i> .
2022, THE 70TH ANNIVERSARY	Moncler celebrates the 70 th anniversary with an extraordinary event in the most iconic place in Milan, Piazza Duomo, dedicated product launches and a 70-day programme of events and worldwide experiences with the aim of engaging and connecting its communities.

STONE ISLAND BRAND

1982, THE ORIGINS	The first collection of Stone Island was born from the creative mind of Massimo Osti, inspired by the military uniforms and realised with Tela Stella – a fabric that recalls the waxed jackets corroded by the sea and by the sun – resulted from the study of a rigid, full-bodied, two-sided and two-tone truck tarpaulin which underwent a heavy stone wash procedure. To this, a “Badge” – a fabric label showing the Stone Island Wind Rose – was applied.
1983, GFT ACQUIRES 50% OF STONE ISLAND	GFT, Gruppo Finanziario Tessile – an Italian company controlled by the Rivetti family – acquired 50% of the Stone Island brand. These are the years of the foundation and consolidation of the brand's aesthetics characterised by the extreme research on textile, fabric treatment, and garment dyeing techniques.
1993, THE RIVETTI FAMILY TOOK FULL CONTROL	Carlo Rivetti, together with his sister Cristina, took full control of the Stone Island brand, through Sportswear Company S.p.A. In 1996 Paul Harvey took over as the brand's designer.
2005, THE JUNIOR COLLECTION	<i>Stone Island Junior</i> – a collection created for children and teenagers between 2 and 14 years old – was launched.
2008, THE EXPANSION	Carlo Rivetti took over the Creative Direction. The e-commerce platform stoneisland.com was launched, accessible from about 45 countries. The company also released the <i>Stone Island Shadow Project</i> – an exploration platform for a new generation of urban menswear that represents the continuous investigation of new aesthetic-functional codes.
2017, TEMASEK	Temasek, an investment company based in Singapore, acquired from the Rivetti family 30% of Sportswear Company S.p.A., the company owning the Stone Island brand.

2020, STONE ISLAND JOINS THE MONCLER GROUP In December, Stone Island announced its entry into the Moncler Group.

2022, THE 40TH ANNIVERSARY Stone Island celebrated its 40th anniversary with dedicated product launches and an iconic installation in Miami, followed by events that involved all the main communities of the brand.

VALUES

MONCLER BRAND

Moncler is by its nature an ever-evolving brand, pushing towards reinvention and continuous development. Over time, its values have been taking on new meanings while always remaining true to the brand identity.

Moncler has a very strong corporate culture and uniqueness characterised by its ability to unleash the extraordinary that is hidden in each one of us.

It is a uniqueness based on the commitment to set increasingly challenging goals, on the willingness to celebrate everyone's talent, on the awareness that every action has an impact on our society and our environment, on the capacity to create warmth in every relationship and on the strive for timeless brand distinction.

PUSH FOR HIGHER PEAKS We constantly strive for better, as individuals and as a team. Inspired by our continuous pursuit of excellence. We are always learning and committed to set new standards. We are never fully satisfied.

ONE HOUSE, ALL VOICES We love to bring all voices in, letting everyone's talent shine. We celebrate all perspectives, leverage our multiplicity and speak to every generation by letting all voices sing. We play a beautiful harmony.

EMBRACE CRAZY We strive for timeless brand distinction. We are unconventional and unique. We foster our inner genius and our creative edge. We bring bold dreams, crazy and apparently unreachable ideas to life, always with great rigor. We feed our energy as we believe that everything truly great was often born crazy.

BE WARM We were born to keep people warm. We are an emotional brand. We bring the warmth of human connections into everything we do, from the things we make, to the relationships we build. We celebrate everyone's achievements, big and small, with empathy and trust.

CREATE AND PROTECT TOMORROW We believe in a positive, brighter and better tomorrow. We are agents of real and meaningful change. We rise to and act on the social and environmental challenges the world and its societies are facing.

THE PURPOSE OF MONCLER IS TO UNLEASH THE EXTRAORDINARY IN EVERYBODY.

Stone Island is LAB & LIFE together. It is continuous research, identity, community. Stone Island is a transversal and authentic brand, that has its foundations in the product.

LAB LIFE CULTURE

LAB is the constant, deep and boundless research into the transformation and enhancement of fibres and fabrics, which leads to the discovery of new materials and production techniques that have never been previously used in the clothing industry.

LIFE is the lived experience, the identity, the perceived status of anyone who wears Stone Island. It's the strong and recognisable aesthetic that originates from the study of uniforms and working clothes, recreated with new needs in mind, to define a project where the function of the garment is never just aesthetic.

This is the Stone Island culture, where everyone lives on constant and continuous research, and believes in functionality as an expression of unique and inimitable beauty.

**ENDLESS PASSION FOR
ENDLESS KNOW-HOW**

Endless passion and endless know-how in design and in product have always been the basis of the Stone Island brand and the founding principles for all stakeholders of the brand.

The product-centred ethos spreads through both the Stone Island collection and all those living the brand, every day, inside and outside of the Company.

GROUP STRATEGY

The Moncler Group has, as main strategic objective, the development of its brands in an authentic way while enhancing their strong uniqueness, also through a constant contamination of diverse entrepreneurial and managerial cultures as well as business knowledge and technical know-how.

The Moncler Group strategy is underpinned by four pillars.

BECOME A LEADER IN THE NEW LUXURY SEGMENT

The Moncler Group with its two brands – Moncler and Stone Island – represents the expression of a new concept of luxury, far from the traditional stereotypes, which embraces the search for experientiality, inclusivity, sense of belonging to a community and contamination of different worlds including those of art, culture, music and sport.

United by "beyond fashion, beyond luxury" philosophy, Moncler and Stone Island intend to consolidate in the new luxury segment, strengthening their ability to interpret the evolving cultural codes of the new generations.

BUILD A GLOBAL GROUP ABLE TO FULLY ENHANCE ITS BRANDS' POTENTIAL AT GLOBAL LEVEL

Under the guidance of Remo Ruffini, Moncler has followed a growth strategy inspired by two key principles: to become a global brand and to be more direct to consumers.

The Moncler Group aims at sharing knowledge and experience with both its brands to fully capture their growth potential globally, maintaining their unique positioning while strengthening their direct to consumers' approach.

DEVELOP ALL DISTRIBUTION CHANNELS WITH AN OMNICHANNEL APPROACH, SUPPORTED BY A STRONG DIGITAL CULTURE

Engaging directly with clients through every channel and touch point, involving them, understanding their expectations – even when unspoken – and creating unique and distinctive experiences in its stores, are the cornerstones of the relationship that the Group strives to develop with its community to never stop surprising it. The Group is pursuing a strategy of integrated development of its distribution channels knowing that thinking, defining and implementing its strategy digitally is key to sustain future growth.

FOLLOW A SUSTAINABLE GROWTH PATH TO CREATE VALUE FOR ALL STAKEHOLDERS

Moncler has been progressively strengthening its commitment to a long-term, sustainable and responsible growth, fully integrated into the Group's strategy and entirely embraced by Stone Island as well. The Group's plan is based on five strategic priorities: climate action, circular economy, fair sourcing, enhancing diversity, and giving back to local communities.

BUSINESS MODEL

Moncler Group's integrated and flexible business model is geared towards having direct control of the phases adding the greatest value, putting the pursuit of ever-increasing quality and the satisfaction of consumers at the heart of all its work.

MONCLER BRAND

MONCLER – COLLECTIONS

Moncler's success is based on a unique brand strategy aimed at developing innovative products that are strongly "anchored" to the history of the brand. The journey, which began in 2003 when Remo Ruffini acquired the Group, has always been coherent and pursued without compromise. Heritage, uniqueness, quality, creativity and innovation are the terms used in Moncler to define the concept of "luxury".

The Moncler collections are divided into three parallel dimensions: *Moncler Collections*, *Moncler Grenoble* and *Moncler Genius*.

The *Moncler Men's*, *Women's* and *Enfant* Collections were born from the fusion of research, innovation and luxury expressing the brand's DNA: they meet the needs of different consumers, embracing multiple uses and lifestyles.

In *Moncler Grenoble*, the brand's DNA is even stronger and more defined. *Moncler Grenoble* has become a technology and style innovation lab for the sporty consumer with an interest in performance, design and innovation. The *Moncler Grenoble* Fall Winter collections are split into *High Performance*, products guaranteeing maximum performance, *Performance & Style*, for the sporty consumer who also cares about design, and *Après-Ski*, for the consumer who is looking for style with a sporting edge. *Day-namic* is the Spring Summer outdoor collection developed in the name of functionality and style.

Moncler Genius – One House, Different Voices collections bring together different interpretations and visions of the brand under the same "roof", generating a new synergetic creative energy, while always remaining true to the brand's uniqueness.

Transversal to the three brand's dimensions, the footwear collection – with the launch of the new family of Trailgrip products – takes on from this year an increasingly significant role in the brand's product offering, being developed taking into consideration not only the brand codes but also different potential usages. The Moncler collections are completed by the offering of bags, backpacks, accessories and eyewear, in addition to the perfumes introduced at the end of 2021.

Moncler's team of fashion designers is divided by collection and works under the close supervision of Remo Ruffini, who sets design guidelines and oversees their consistent implementation across all collections and product categories. The Moncler Style Department is assisted by the Merchandising and Product Development teams, which help create the collections and "transform" the designers' creative ideas into final products.

MONCLER – PRODUCTION

Moncler's products are designed, manufactured and distributed according to a business model featuring direct control of all phases where the greatest value is added.

Moncler directly manages the creative phase, the purchase of raw materials, as well as the development of prototypes. The two main product categories, outerwear and knitwear, are partly

managed internally and partly assigned to third party manufacturers (façon manufacturers) that take care of the “cut-make-trim” phase.

The purchase of raw materials is one of the main areas of the value chain. All raw materials must comply with the highest qualitative standards in the industry, be innovative and able to offer advanced functional and aesthetic features. Moncler only buys the best white goose down from Europe, North America and Asia. While textiles and garment accessories (buttons, zips, etc.) are purchased mainly in Italy and Japan.

Moncler currently uses more than 370 suppliers of raw materials: the top 50 suppliers account for approximately 80% of the value of suppliers.

DOWN

Throughout its history, down has been at the heart of Moncler outerwear, and has gradually come to be identified with the brand itself.

A combination of lengthy experience and continuous research and development has enabled the Company to gain unique expertise in this area, both in terms of knowledge of down as raw material and in terms of garment manufacturing process.

Moncler ensures that all its suppliers comply with the highest quality standards. Over the years, these standards have been – and indeed remain – a key point of product differentiation: only the best fine white goose down is used in the brand’s garments.

Fine-down content and fill power are the main indicators of down quality. Moncler down contains at least 90% fine-down and boasts a fill power equal to or greater than 710 (cubic inches per 30 grams of down), resulting in a warm, soft, light and uniquely comfortable garment.

Each batch of down is subjected to a two-step checking procedure to assess its compliance with 11 key parameters, set in accordance with the strictest international standards and the stringent quality requirements imposed by the Company. In 2022, a total of around 1,600 tests were performed.

But for the Company, “quality” is more than this: the origin of its down and the respect for animal welfare are also fundamental for Moncler. When sourcing and purchasing raw materials, Moncler considers these aspects as important as the quality of the material itself. Since 2016, all Moncler down is certified with the DIST internal protocol.

The “cut-make-trim” phase is conducted both by third party manufacturers (façon manufacturers) and in the Moncler manufacturing plant in Romania that currently employs more than 1,300 people. This hub was established in 2015, then was moved in 2016 to its current location, which has been expanded in 2022 to significantly increase its production capacity. Investments in R&D also continue to automate some stages of outerwear production, reducing processing times.

The third-party suppliers (façon manufacturers) working for Moncler are mainly located in Eastern European countries, which are currently able to ensure quality standards that are among the highest in the world for the production of down jackets. Moncler oversees these suppliers directly by conducting audits designed to check aspects related to product quality, brand protection and compliance with current laws, Moncler Code of Ethics (updated in 2017) and the Supplier Code of

Conduct (approved in 2016). For the production, the brand uses 130 suppliers, split between façon and finished products manufacturers: the first 30 suppliers cover about 80% of the value of supply².

MONCLER – DISTRIBUTION

Moncler is present in all major markets both through the retail channel, consisting of directly operated stores (DOS³), the online store and the e-concessions, and through the wholesale channel, represented by multi-brand doors, shop-in-shops in luxury department stores, airport locations and online luxury multi-brand retailers (e-tailers).

Moncler's strategy is aimed at the control of the distribution channel, not only retail but also wholesale and digital, which is operated through a direct organisation.

As of 31 December 2022, the network of mono-brand Moncler boutiques counted 251 directly operated stores (DOS), +14 units compared to 31 December 2021. Some of the most important stores opened in the year include Dusseldorf, Madrid, Miami Design District, Shanghai Swire, Seoul Galleria, Chengdu SKP, Niigata Isetan, in addition to some important relocations/expansions including Macau Galaxy. The brand operates 63 wholesale shop-in-shops (SiS).

MONCLER	31.12.2022	31.12.2021	Net openings 2022
Asia	125	117	8
EMEA	88	84	4
Americas	38	36	2
RETAIL	251	237	14
WHOLESALE	63	64	-1

Moncler also continues to develop the digital channel. Following the internalization of the .com site completed in 2021 and the subsequent implementation of the new front-end concept of the platform, the evolution continues with constant updates, in order to improve the experience and the customer journey inspired by the world of entertainment, guaranteeing smooth navigation with dedicated contents and services. These also include customization through the new Moncler by Me service launched in 2022.

MONCLER – MARKETING AND COMMUNICATION

Moncler was born in the mountains. Born to protect, to keep warm. Born to deal with extremes. A dynamic company by nature. At a time when the fashion world still recognized a two-season calendar as its only marketing model, Moncler broke old patterns. Since the launch of Moncler Genius in 2018, the Group has successfully delivered the industry's most compelling response to an increasingly digital world, where consumer expectations are shaped at the speed of Instagram. It strove towards increasingly ambitious goals, sought out more voices and embraced its boldest side – always with exacting precision. The marketing of Moncler has been revolutionised: monthly

² Based on Orders' Value.

³ Including free standing stores, concessions, travel retail stores and factory outlets.

collections' launches by visionary designers are transmitted from the feed straight to consumers with dedicated editorial plans. This approach has demanded absolute coordination between all departments and functions within marketing and in the whole Company.

The future of the brand will take shape through distinctive initiatives for each brand's dimension: *Moncler Collection*, *Moncler Grenoble* and *Moncler Genius*.

In 2022 Moncler celebrated its 70th anniversary, with an extraordinary event in Milan's most iconic location, Piazza Duomo – kicking off a calendar of 70 days of events and experiences on a global level. Consistent with its continuous pursuit of the extraordinary, Moncler delivered a live performance with a strong visual and emotional impact: 700 dancers, 200 musicians, 100 choralsists and 952 models, for a total of 1,952 people (a homage to the brand's birth year), choreographed by the renowned Sadeck Berrabah (Sadeck Waff). In order to continue to engage and connect its communities, Moncler opened the event to an enormous audience of nearly 18,000 people. The Moncler Maya down jacket was the star of the celebrations and the key theme of the following 70 days. This iconic garment for the brand, revisited for an anniversary version in 13 special colours, was then reinterpreted by seven designers from the brand's past, present and future: Thom Browne, Hiroshi Fujiwara, Rick Owens, Pierpaolo Piccioli, Francesco Ragazzi, Giambattista Valli and Pharrell Williams. The seven reinterpretations of the Moncler Maya 70 jacket were presented through photographer Platon's shots and shared with various communities around the world through a travelling exhibition, from New York to London to Seoul. An immersive experience involving videos and archive garments that recounted the most important moments in Moncler's history through multi-sensory technology, including a virtual event in China via WeChat.

The film *The brand of Extraordinary* – featuring artist and Grammy Award-winner Alicia Keys – was also shown on the brand's digital channels for the occasion and aired for the first time on Italian TV on 26th September. Moncler's first TV film presents a series of iconic images that depict the brand's history. From its Alpine origins in 1952, to equipping the legendary Italian expedition to the summit of K2 in 1954, to creating the uniforms of the French ski team that won the gold medal at the 1968 Winter Olympics in Grenoble. A sequence of unforgettable moments that tell the story of the brand's stylistic evolution.

MONCLER – DIGITAL

The Group has always been looking for new ways to communicate with its consumer base and interact with new and existing communities. In 2022 Moncler further accelerated its digital transformation by leveraging its new business organisation and finalising the internalization of the e-commerce activities.

The goal is for every project, from the design of collections to product development or even event construction, to be digital native, to be designed with digital platforms as the first point of contact with clients to then be spread across all other channels. This new approach opened the door to a future full of creativity, experimentation and "contamination" between content and channels.

The new *Digital, Engagement and Transformation* function was created in July 2020 to support the evolution of Moncler's strategic vision and create new digital opportunities for the Group. The function defined and implemented the brand's strategy across all digital channels and spread the digital culture throughout the whole organisation, overseeing the five strategic pillars: *D-Commerce*, *D-Marketing*, *Consumer Engagement*, *D-Intelligence* and *D-Operations*.

D-Commerce aims at defining innovative and unique solutions for handling the online business and mainly deals with buying, merchandising management.

D-Marketing is involved in the creation of digital first content, aiming at accelerating the consumer reach, and also assisting in increasing client engagement and conversion. Several projects were developed in 2022 to increase the impact of social media, in-store traffic and media campaign performance. A notable example is the launch of “Moncler Curators”, a new section on moncler.com that invites the most lively personalities in the worlds of sport, fashion, business and entertainment to curate their own personal Moncler product selection.

D-Intelligence identifies strategic growth levers through the analysis and management of qualitative and quantitative data to maximize the knowledge and behaviour of omnichannel clients, identify demand for new trends and products thus improving the client experience.

D-Operations, aimed at running all digital and omnichannel operations, among which the personalisation service “Moncler By Me”.

Consumer Engagement is a department aimed at improving the understanding of, and connection with, the brand's current and future clients, while developing a new Loyalty Program, which will include exclusive benefits for the clients most loyal to the Moncler brand.

Significant energy in terms of resources and investment have been devoted to the development of the digital functions. From digital marketing to online advertising, to services, to CRM, to new platforms and social networks, the company is now benefiting from a leading set of new technical infrastructures, processes and a strong digital organization.

In particular, Moncler is present on the following social media platforms: Instagram, Facebook, Twitter, YouTube, LinkedIn, TikTok; in China on WeChat, Weibo, Douyin and RED; in Japan on LINE while in Korea on Kakao Talk account.

STONE ISLAND BRAND

STONE ISLAND – COLLECTIONS

At the forefront of menswear, Stone Island redefines, with its point of view, the concept of man luxe, always contemporary and with a strong tendency to research and experimentation.

The brand is characterised by its different iconic visual codes. Stone Island expresses itself not only through the usage of its atypical branding, the “Badge”, a removable rectangular label that exhibits the embroidery of the Stone Island Compass, but also, for the wide exploration of colour, with unique treatments and techniques, finishes and details of the garments, and for its unique design lexicon.

Alongside Stone Island men collections, the brand offers the *Stone Island Junior* collection – a declination of the brand for children and teenagers from 2 to 14 years old.

STONE ISLAND – RESEARCH AND DEVELOPMENT

Four decades dedicated to textile research, experimentation, study of the garment's function and innovation, often investigating worlds far from clothing, have made Stone Island a brand defined by its unique and distinctive research and an essential point of reference for the world of apparel and design today.

Important challenges faced also thanks to the commitment of the creative team, who managed to transfer its vision into the product, with passion and enthusiasm, pushing its research efforts on uncharted territories.

STONE ISLAND – PRODUCTION

The complete product development cycle is managed internally, at its headquarter in Ravarino (province of Modena).

Stone Island's mission has always been to pursue product innovation through continuous deployment of know-how and all-around research on fibres, yarns, fabrics, finishes and dye whilst cultivating the ambition to offer a product that is unique in its category.

In order to achieve this mission, product development has been carefully managed through an internal and integrated system in which modelling, prototypes and dyeing combine with established external partnerships in both research and execution.

The value chain – when it comes to the selection of ancillary materials and components, as well as to manufacture and dyeing – is managed under the strict supervision of Company technicians at established partners that are aligned with the Company's ethical and regulatory codes.

Fabrics and yarns are supplied by the best Italian and foreign companies, in particular in Japan and Korea.

Manufacturing is in Italy, in the Mediterranean basin and in the Far East, at established third-party companies trained in the know-how needed to satisfy the brand's standards of quality and sustainability.

STONE ISLAND – DISTRIBUTION

The Stone Island brand is distributed globally both through the wholesale channel and with direct presence (retail stores). Furthermore, in some markets the brand is managed by distribution contracts with qualified and long-standing partners, selected on the basis of their high knowledge of the fashion sector. The brand is currently present in the most important department stores in the world, also with dedicated spaces (shop-in-shops), in the best multi-brand boutiques and in the main e-tailers, besides having developed a network of 72 directly managed mono-brand stores as well as the online store.

In line with the Group's strategy aimed at the integrated development of its distribution channels, Stone Island has begun a path that will lead the brand to a greater control of distribution on international markets, through a progressive direct management of the markets currently managed by distributors and through the expansion of the DTC channel. Indeed, since 1 January 2022 Stone Island internalised the management of Korea and since 1 August the management of Japan through two joint ventures controlled by Stone Island. In the UK the implementation of this strategy led to the internalisation of the DTC business, composed at the moment of the store in London and the e-commerce.

At the same time, the Company is enhancing its control and doors' selection in the wholesale segment, a channel of strategic importance for Stone Island, with the aim of further elevating the positioning of the brand itself.

In 2022 the wholesale channel accounted for 63% of revenues while the remaining 37% was generated by directly managed stores and the online channel. As of 31 December 2022, the network of mono-brand Stone Island stores was composed of 72 retail stores and 19 mono-brand wholesale stores. In the fourth quarter, Stone Island opened its first DOS under the new format in Chicago.

STONE ISLAND	31.12.2022	31.12.2021	Aperture nette Esercizio 2022
Asia	44	4	40
EMEA	21	20	1
Americas	7	6	1
RETAIL	72	30	42
WHOLESALE	19	58	-39

STONE ISLAND – MARKETING, COMMUNICATION AND DIGITAL MEDIA

“The image is the product”, is the absolute protagonist in every marketing activity, starting from communication.

Over the years, the brand has created a strong and recognisable iconography entrusted to the multiculturalism expressed by the faces of the models and the direct photo shoot on a white background where the garments are perfectly legible.

The detailed description of the fabric and the treatment of each individual garment are also present in the advertising campaigns.

Stone Island’s tone of voice is direct and informative. Without adjectives, it is closer to the rigour of industrial design than to the world of fashion and lifestyle: a solid brand visual identity is also expressed in the videos.

The product remains at the centre not only of marketing activities but also of installations, special projects in flagship stores and pop-ups with clients of international importance.

Both its website and its social media platforms reflect the clean and industrial aesthetics of Stone Island.

The social media of reference is Instagram, flanked by the main platforms: Facebook, Twitter, Pinterest, YouTube and Vimeo, in addition to Chinese social media: WeChat, Weibo and Little Red Book.

Stone Island has a very active fan base that interacts intensely with the official account and that promotes the brand through many spontaneous fan-based groups on social networks.

Over time Stone Island got closer to the music world, an important brand’s communication tool, with STONE ISLAND PRESENTS, a project for international music events featuring since 2015 high profile talents from the electronic music scene and more, and with STONE ISLAND SOUND, founded in 2020, a project that supports contemporary music production with the aim of promoting local communities while building an ideal world sound map.

STONE ISLAND – THE COLAB

The common thread that runs through the history of Stone Island’s collaborations is that they take place with mutual respect between collaborators. This was the case for the *ante litteram* collaborations launched, already in 2009, with Adidas and New Balance; and this further strengthened with other important collaborations including Supreme from 2014 to today, Nike from

2016 to 2019, Head Porter from 2015 to 2020, Persol in 2020 and from 2021, a new long-term partnership with New Balance.

BRAND PROTECTION

The Moncler Group dedicates significant effort and considerable resources to safeguarding the value, uniqueness and authenticity of its products and protecting its intellectual and industrial property (IP) rights relating to both Group brands, an essential foundation for protecting its clients.

The internal department specialising in IP and brand Protection focuses above all on administrative protection: protecting Group brands in current and potential countries and product categories of commercial interest, including product forms and characteristics and product and process inventions, in addition to protecting copyrighted works.

Enforcement of IP rights and the fight against counterfeiting involve a wide range of activities, such as training and coordinating customs authorities, filing the relevant applications in the various countries, monitoring and taking investigative action in the physical and online market, removing illegal content from the Web, organising raids and seizures with the local authorities in many countries and, finally, taking civil, criminal and administrative actions. In 2022 the Group continued to hold a significant number of training sessions for Italian and foreign customs officials and enforcement authorities. In particular, in 2022, 41 training sessions were held for the Moncler brand and 36 training sessions were held for the Stone Island brand.

In 2022 constant efforts to combat counterfeiting led, at the global level, to approximately 3,000 cases of seizure for the Moncler brand and almost 1,000 cases for the Stone Island brand, removing from the market approximately 145,000 and nearly 64,000 finished products, respectively, as well as nearly 130,000 and 220,000 counterfeit branded items, respectively (such as logos and labels intended for the production of garments and accessories in infringement of the Group's PI rights).

Increasing attention is paid to the digital channel, monitored on a daily basis to undertake enforcement activities on search engines, marketplaces, websites and social networks every day. In the case of Stone Island, the Group removed in 2022 more than 61,000 online auction listings of counterfeit products, 48 sites in violation, more than 6,800 pages linked to counterfeit products and over 39,000 posts, accounts and sponsored advertisements on major social networks. In the case of Moncler, 2022 saw a reduction of over 8,000 auction listings of counterfeit products, the blocking of 300 sites, the removal from major search engines of more than 23,200 links to sites offering non-original products for sale and the removal of around 87,000 posts, ads and accounts promoting fake Moncler products through social networks.

To strengthen its strategy of fighting online counterfeiting, both brands are continuing their plans to bring civil lawsuits for counterfeiting in the United States against sellers who promote the international sale of counterfeit products on digital platforms, resulting in a strong deterrent for counterfeiters.

To increase protection of its end clients, in 2021 Moncler began to enhance its authenticity-traceability system, now characterised by a unique alphanumeric code and an NFC (Near Field Communication) tag, allowing the end consumer to immediately receive feedback on the nature of the garment purchased by scanning the NFC with a smartphone or tablet and keeping the verification mode active on the code.moncler.com website, managed directly by Moncler. Where necessary, Moncler also compiles expert reports for defrauded customers who wish to recover sums paid in the unwitting purchase of a counterfeit garment from the relevant electronic payment services companies. Similarly, since Spring-Summer 2014 Stone Island has been using the Certilogo® technology and experience to provide clients with the opportunity to verify the authenticity of Stone Island and Stone Island Shadow Project products. Starting in Autumn-Winter 2020-2021, this technology was also extended to Stone Island Junior garments, allowing – for all garments – the

generation of an "anti-counterfeiting report" that can be used with payment institutions to obtain credit for the purchase of an unauthentic garment.

Moncler also remains committed to applying procedures governing how design and creative content is verified, underscoring the increasing importance of the issues of cultural assessment and risk mitigation. These procedures – introduced in 2020 and now fully implemented – are the subject of constant updates and training for all functions concerned, given also the company turnover. The same process was implemented at an operational level also for Stone Island starting in the second half of 2022. To raise awareness internally among all departments involved in applying these procedures, four training sessions were developed also through the MAKERS programme, in addition to the important training and awareness-raising activities on IP & BP issues and activities carried out by the department.

HUMAN CAPITAL

As people are a fundamental resource for the creation of long-term value, the Moncler Group has always devoted attention, energy and resources to selecting the best talent, to the professional and personal growth of its staff and to promoting company well-being. The Group has clear policies in place to provide a healthy, safe, meritocratic and stimulating working environment, where everyone feels free to realise their skills, potential and talent to the fullest, and where everyone's diversity is valued.

Welcoming everyone, always valuing diversity and free expression are integral aspects of the company's culture and crucial to its model of growth and way of doing business. Moncler thrives in a multicultural environment and engages in a dialogue with all generations and cultures, aware that diversity is a critical factor for success.

The search for most talented people worldwide and the ability to retain them have always been at the top of the Group's business agenda. The opportunity to work in an international, dynamic, multicultural and meritocratic environment, together with Moncler's strong commitment to sustainable development, are key elements in the process of attracting talent, especially among younger generations. The Group needs their strong technical, professional and managerial skills, as well as their passion, dynamism, flexibility, vision, drive for innovation and harmony with the Group's values.

To identify top talent, the Group has been using a performance evaluation system that measures the skills demonstrated in achieving assigned objectives for years for the Moncler brand and it is now gradually implementing this system at Stone Island as well.

Knowledge, problem-solving and impact on the business are the meta-dimensions taken into account by the evaluation model underlying the remuneration review process, providing it with a solid basis of fairness, equal opportunities, meritocracy and competitiveness with the market.

The Group's REMUNERATION SYSTEM includes:

- **short-term variable remuneration systems, annual MBO** (management by objectives) for executives, managers and professionals, mainly based on the achievement of measurable qualitative and quantitative economic objectives linked to activities and processes of strategic importance to the business, identified according to a balanced scorecard. All those involved in implementing the Sustainability Plan in the MBO system are assigned social or environmental objectives related to the implementation of the Plan. Risk management indicators are also included in the schemes, with the aim of spreading a culture of risk assessment and management in decision-making;
- **team and individual sales commission systems** that reward service excellence and quality and business development for sales network employees;
- **long-term incentive systems**, such as performance share plans, for top management and key roles, which have a particular impact on the business, regardless of organisational level. These systems are linked to long-term performance conditions and ESG indicators as evidence of management's commitment to sustainability issues. Long-term incentive systems are an important component of the pay mix and make up the majority of total compensation at the top management level.

All of Moncler's variable remuneration systems are designed to encourage the achievement of distinctive results through mechanisms that reward overperformance by increasing the value of the bonus that can be obtained, starting from a certain threshold, if the assigned objectives are

exceeded. Finally, the compensation package offered to employees is rounded out by various benefits, including life insurance, pension and welfare plans and information and prevention programmes.

In the area of international mobility – increasingly a pillar for the development of individuals and the Group's success – Moncler has adopted a Global Mobility Policy, laying down the Company's commitment to ensuring a fair, competitive, supportive and consistent economic treatment of expatriates at the global level.

Through this remuneration policy, the Group promotes and enhances an inclusive culture. To this end, in 2022 it launched a project aimed at obtaining equal pay certification, confirming the approach aimed at closing the gender pay gap.

In addition, in order to monitor the progress made towards gender balance targets, in 2022 the Group began an analysis that led to the design of a DE&I dashboard used to analyse the most important KPIs in this area.

DE&I

Moncler is committed to strengthening the culture of inclusion and enhancing diversity, inside and outside of the company, through a Diversity, Equity & Inclusion (DE&I) program. "Nurture Uniqueness" is indeed one of the five pillars of the 2020-25 sustainability plan dedicated to promoting diversity and inclusion.

The drivers of ongoing activity affect the following areas:

- strengthening of a culture of DE&I through training and awareness activities;
- promotion of representation through various tools including collaborations with universities that have a very heterogeneous student pool, selection processes aimed at ensuring fair and impartial evaluations;
- definition of new ways of working through initiatives that encourage exchange and sharing between people such as the creation of interdisciplinary working groups, the creation of project groups representative of company diversity by age, skills, gender, company seniority, cultural background etc.;
- definition of processes and policies to support DE&I and compliance with these principles including a global parental policy, the strengthening of internal protective mechanisms and systems for reporting incorrect conduct, equal pay certification, etc.
- valorisation of talents with various initiatives including job posting, extension of the performance evaluation programme, celebration of individual achievements, etc.;

As regards the differences between genders, the percentage weight of women on the total workforce is predominant. In fact, the female presence stands at 69%, substantially in line with 2021. The percentage of women is high in all geographical areas and in the managerial bracket (managers, executives and senior executives) is equal to 51%. Women represent 70% of the population with permanent contracts and 60% of those with temporary contracts. 70% of the contracts transformed into permanent contracts in 2022 are for women. Analyzing the subdivision by gender in terms of company seniority, distribution by age group, level of education, there are no phenomena different from the general trend.

TRAINING

Training plays a key role in the process of harnessing the potential of individuals. It is fundamental to developing and consolidating individual skills to encourage the constant upskilling of key knowledge necessary to support a constantly changing business.

The head office training strategy, *MAKE (Moncler Academy for Knowledge and Excellence)*, continued to evolve. This strategy has three main pillars:

- Leadership as a key factor in organisational development;
- Recognising that learning is a part of every activity;
- Individual knowledge becomes a collective asset through sharing.

The main activities carried out in 2022 were:

- **MONCampus:** a programme now in its third year, designed for talented young people and managed almost entirely by internal trainers;
- **Lead Accelerator:** an exclusive development programme dedicated to improving the cross-functional leadership abilities of 14 executives and senior managers and supporting them as agents of change within the organisation;
- **Makers Lab:** a programme where internal Company "experts" share their knowledge of specific activities, processes and tools.

The strategic importance of technical training led to the *MATE* project, an internal academy for recent graduates of technical and professional institutions.

The Company remains committed to completion of mandatory training: GDPR, Law 231, Health and Safety and the Code of Ethics are the main chapters developed by the Group at a global level.

OHSAS 45001 health and safety certification has also extended to the Italian Stone Island facilities since 2021. Specific training programmes were promoted during the year to maintain this certification.

As part of the efforts to promote diversity, training linked to the DE&I strategy was consolidated in 2022. The *Unconscious Bias* webinar was extended to all Group managers in 2022. To promote and understand the values of diversity and inclusion and provide the tools to develop an inclusive organisation, the *Unconscious Bias* webinar was delivered to 745 managers worldwide, for a total of 1,155 hours of training, and the same content was also made available in e-learning format to the entire non-management population.

In an effort to ensure that initiatives related to inclusive leadership are extended to all and provide an important reference, guidelines were drawn up to make the concept of inclusive leadership more tangible and accessible to the general company population. The *Inclusive Leadership Guidelines* contextualise the importance of the concept to the Moncler Group, explore the positive impact of being an inclusive leader and describe best practices for managers and teams.

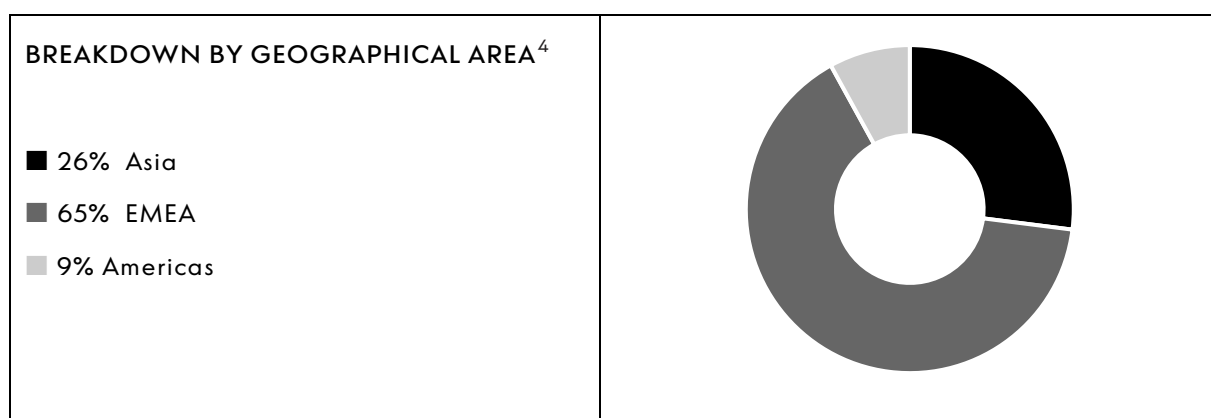
In addition, the *Inclusive Leadership Guidelines* were the blueprint for creating the Inclusive Leadership module within Building Leadership, one of the flagship management training programs. This module offers participants different perspectives on how to manage their teams and how to ensure that DE&I safeguards and goes beyond the fundamental, non-negotiable values of the diversity of cultures, ethnicities, ages, sexual orientation, physical ability, religion, respect and kindness.

In 2022 the Group delivered 170,843 total training hours.

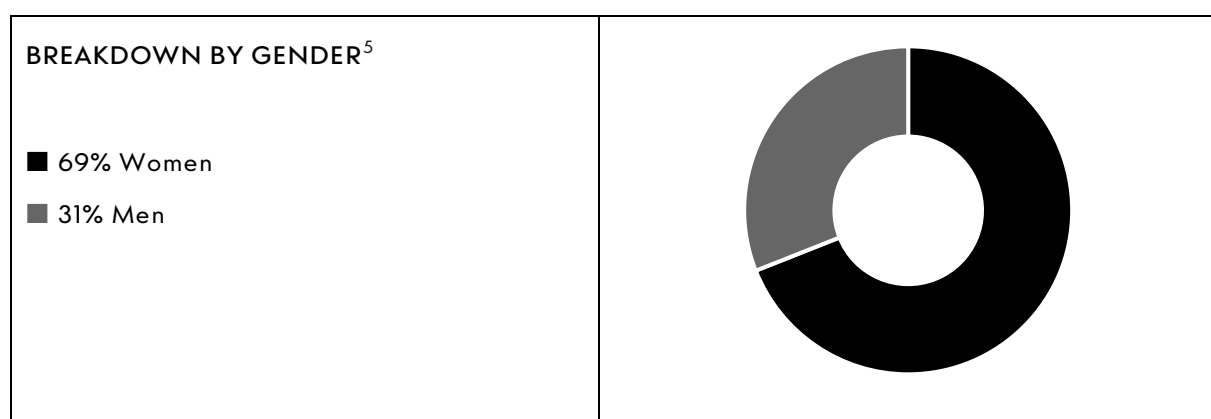
As at 31 December 2022 the Group had 6,310 employees (6,035 full-time equivalents or FTEs), of whom approximately 65% were employed in direct stores, compared with 49% in 2021. The Moncler brand had 5,767 employees (5,511 FTEs) and Stone Island 543 (524 FTEs).

At Group level, the distribution by geographical area sees the EMEA area employing 65% of total FTEs, followed by Asia with 27% and the Americas with 8%.

FTE	2022	2021	2020
Asia	1.611	1.167	1.102
EMEA	3.939	3.115	2.682
Americhe	485	353	307
TOTALE	6.035	4.635	4.091
di cui Retail Diretto	2.860	2.006	1.825



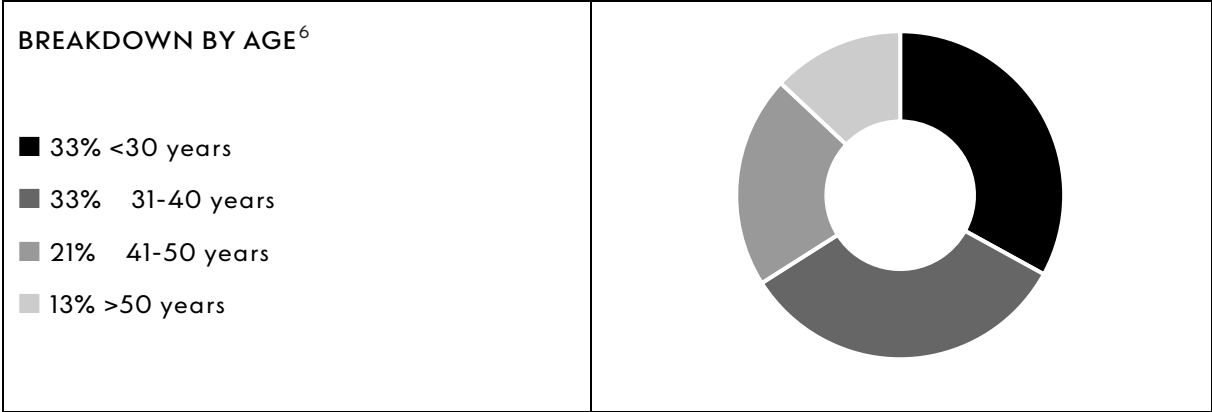
As at 31 December 2022, 69% of employees were women. This percentage is essentially unchanged on 31 December 2021.



⁴ Full-Time Equivalents as at 31/12/2022.

⁵ Employee headcount as at 31/12/2022

As at 31 December 2022, the greatest concentration of employees was in the 31-40 age bracket, which represents 33% of the population, down slightly on 2021 (35%). Employees under the age of 30 continue to increase, accounting for 33% of the population. The average age is 36.8, down from last year.



WELLBEING OF OUR PEOPLE

The Moncler Group continues to implement a number of programmes to ensure the health, safety and well-being of its people. Health also means psychological and physical well-being. This is why it was decided to include a dedicated psychological counselling service and yoga activities among the services available to all.

MONVOICE

MONVOICE - *Employee Opinion Survey* is a questionnaire, introduced in 2017, used to measure the internal company climate. The goal of the questionnaire is to capture the Company’s positioning in relation to two aspects: engagement and enablement of employees. By analysing the individual components of each of these two aspects, the Moncler Group identifies the strengths and areas on which to work to increase and improve its overall positioning.

In 2021 the survey was also extended to Stone Island and its subsidiaries to expand the internal climate analysis throughout the Group. Each year, analysis allows us to identify the strengths and areas to work on to grow and improve.

As in previous years, the main areas of excellence brought to light at the global Group level continued to include “quality and client care”, “the flexibility and availability of managers” and a sense of “pride in being part of the Group”.

VOLUNTEERING

In 2022 the Moncler Group developed a volunteering programme focused on four areas in collaboration with CISOM, Fondazione Francesca Rava, Legambiente and Officine Buone:

⁶ Employee headcount as at 31/12/2022.

- Vaccine campaign. Moncler and its volunteers continued to work with vaccine campaign organisers at the Palazzo delle Scintille hub in the first part of the year, while also continuing to support volunteers and health care professionals to ensure that the vaccine cycle was as smooth as possible.
- Support for patients from nursing homes and hospitals in Italy through donations of talent. In collaboration with the association Officine Buone, Moncler volunteers brought their music to the nursing home Mater Gratiae in Milan, offering patients an entertaining, calming experience. The Moncler community also donated its artistic talent in order to spread art in Italian hospitals. On 25 October 2022 the travelling exhibition "*Be Warm*" was inaugurated at the National Cancer Institute in Milan, featuring paintings, photographs and drawings created, with warmth and passion, by Moncler employees, to promote beauty and creativity in hospitals.
- Support for the Ukrainian people. Through its volunteers, Moncler supported Fondazione Francesca Rava in collecting and storing basic goods to be sent to Ukraine in order to support its population in the current emergency.
- Protection and conservation of the environment. Moncler continues to support the park and beach cleaning projects promoted by Legambiente, organising corporate group activities (*Park & Beach litter*).

In 2022 company volunteering was extended to the entire Group population, Corporate and Retail, with opportunities to volunteer for two working days a year. The project resulted in 1,624 hours of volunteering work globally, including 1,352 hours at the main headquarter.

SUSTAINABILITY

For the Moncler Group, the true value of the Company lies also in the way the Group does business, in its contribution to society as a whole and in the determination to honour its commitments.

The growing integration of social and environmental impact assessments into business decisions is what underpins the Group's ability to create long-term value for all stakeholders.

The Group firmly believes that the quality of its products goes beyond their technical characteristics. A quality product is one that is made responsibly and with respect for human rights, workers' rights, the environment and animal welfare.

In 2021, the 2020-2025 Strategic Sustainability Plan was extended also to Stone Island and integrated with new objectives confirming the commitment to sustainable development and how environmental and social responsibility is increasingly an integral part of the Group's business model. The strategy focuses on five strategic drivers: climate action, circular economy, fair sourcing, enhancing diversity, and giving back to local communities.

The Group's Sustainability Plan, which includes the Net Zero target by 2050 and an intermediate commitment to reduce CO₂ emissions by 2030, defines ambitious targets that require important choices by the Moncler Group, ranging from the use of 100% renewable energies for direct use to a demanding commitment on the product and the supply chain where lies the greatest impacts. Another target linked to the reduction of the environmental impact is to have more than 50% of yarns and fabrics with lower impact compared to conventional solutions. The Plan also envisages continuing to work with the supply chain on the traceability of raw materials and on the front of social standards, with the emerging topic of the living wage. Awareness-raising initiatives are also envisaged to encourage and enhance diversity and promote an increasingly inclusive culture, for this reason commitments have been defined on training and awareness-raising courses on Diversity Equity and Inclusion and on obtaining the Equal Pay certification. The Group also undertakes to support local communities with projects of high social value in favor of the community and to protect children and families in vulnerable situations from the cold

Moncler joined the Fashion Pact, a coalition of leading global fashion and textile companies, which together with suppliers and distributors, is committed to achieving shared goals focused on three main areas: contain global warming, protecting biodiversity and the oceans.

In order to increasingly integrate sustainability into its business, the Moncler Group has implemented a governance that involves the interaction of different bodies dedicated to supervising and managing social and environmental issues.

The Sustainability Unit has the responsibility of proposing the sustainability strategy of the Group, identifying, promptly reporting to top management and managing, together with the relevant functions, the risks related to sustainability, including those relating to climate change and biodiversity, as well as finding areas and actions for improvement, thus contributing to the creation of long-term value. It also prepares the Consolidated Non-Financial Statement, and fosters a culture of sustainability at the Company. Lastly, the unit promotes a dialogue with stakeholders and, together with the Investor Relations division, handles the requests of sustainability rating agencies and Socially Responsible Investors (SRI).

"Ambassadors" have been selected from each Company's department to raise awareness of social and environmental issues in the departments where they operate and to promote sustainability initiatives that are in keeping with the Group's objectives. Moreover, starting from 2017, "Sustainability data owners" have also been picked, each responsible in their area, for data and

information published in the Consolidated Non-Financial Statement and for achieving the objectives in the Sustainability Plan, for areas in their responsibility.

As further evidence of the degree to which the Company's senior management supports and promotes sustainability, the Control, Risks, and Sustainability Committee was established as a committee of the Board of Directors. The Committee is composed of three non-executive and independent Directors and was entrusted by the Board of Director to supervise sustainability issues associated with the business activities of the Group and its interactions with stakeholders, to define strategic sustainability guidelines and the relevant action plan (Sustainability Plan) including issues on climate change, biodiversity and human rights, and to review the Consolidated Non-Financial Statement.

In terms of financial instruments, Moncler is testing and adopting new mechanisms linked to sustainability performance. In July 2020, the Company has signed a financial credit line that consists of a sustainability-linked revolving credit facility with a rewarding mechanism linked to the achievement of environmental impact reduction targets. In November 2020, Moncler signed an agreement for forex risk hedging which provides for a premium in terms of improvement in hedging strikes on currencies based on the recognition of high sustainability standards by an external and independent assessment body.

The Moncler Group, in compliance with article 5, paragraph 3, letter b of Legislative Decree no. 254/2016, has issued a Consolidated Non-Financial Statement, which comprises a separate report and describes the year's main environmental and social activities and also publishes the results achieved in relation to Sustainability Plan objectives. The 2022 Consolidated Non-Financial Statement is prepared "in compliance" with the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) – core option – and is partially audited by Deloitte & Touche S.p.A.

In order to continue to improve the transparency of the ESG (Environmental Social Governance) performance and facilitate the comparability of the data and information provided to different stakeholders, starting from 2020 Moncler has also begun to consider some indicators provided by Sustainability Accounting Standards Board (SASB) with the aim of gradually expanding disclosures in subsequent publications.

THE DIST PROTOCOL

As part of its commitment to ensuring animal welfare and the full traceability of the down, Moncler requires and ensures that all its down suppliers comply with the strict standards of the Down Integrity System & Traceability (DIST) Protocol. Applied since 2015, the DIST Protocol sets out standards for farming and animal welfare, traceability and the technical quality of down. Moncler only purchases down that is DIST-certified.

Key requirements that must be met at all levels of the supply chain include:

- down must be derived exclusively from farmed geese and as a by-product of the food chain;
- no live-plucking or force-feeding of animals is permitted.

Moncler's down supply chain is particularly vertically integrated, and includes various types of entities: white geese farms, slaughterhouses, the companies responsible for washing, cleaning, sorting and processing the raw materials. Moreover, the supply chain includes façon manufacturers, which, using the down, manufacture finished products. All suppliers must comply scrupulously with the Protocol, to ensure the traceability of the raw materials, respect for animal welfare and the

highest possible quality throughout the down supply chain: from the farm to the down injection into the garments.

The Protocol, defined taking into consideration the peculiarities of the supply chain structure, was the outcome of open, constructive engagement with a multi-stakeholder forum, established in 2014 that meets annually to review and reinforce the protocol. The forum considered the expectations of all the various stakeholders and ensured a scientific and comprehensive approach to the issue of animal welfare and product traceability. Starting from 2023, the Protocol will be integrated with three specific modules on human rights, environment, and the DIST down recycling procedure.

The Protocol assesses animal welfare in an innovative way. Alongside a traditional approach that focuses on the farming environment, the DIST, following the European Union guidelines, also evaluates animal welfare through careful observation of “Animal-Based Measures” (ABM⁷).

Moncler is constantly involved in the on-site auditing process to certify compliance with the DIST Protocol. To ensure maximum audit impartiality:

- audits are commissioned and paid directly by Moncler and not by the supplier;
- certification is conducted by a qualified third-party organisation whose auditors are trained by veterinarians and animal husbandry experts from the Department of Veterinary Medicine at the University of Milan;
- the certification body’s work is in turn audited by an accredited external organisation.

The presence of certified down in Moncler garments is guaranteed by the “DIST down certified” label.

In 2022, 136 audits were conducted by third-parties along the entire supply chain.

As another important step towards a more circular economy, Moncler started recycling DIST-certified down through an innovative mechanical process that requires 70% less water compared to traditional down recycling processes.

Stone Island is also committed to ensuring that the down used in its products is obtained with respect for animal welfare. The Company purchases only certified duck down according to the Responsible Down Standard (RDS) protocol. Starting in 2023, all suppliers of the brand will have to be compliant with the social and environmental requirements verified through audits.

⁷ The “Animal-Based Measures” are indicators of the real welfare of an animal, determined through the direct observation of its capacity to adapt to specific farming environments. The measures include physiological, pathological and behavioural indicators.

MONCLER AND THE FINANCIAL MARKETS

In 2022 Moncler faced a year of extreme volatility and unpredictability in the macroeconomic situation, which affected both the global financial markets and the luxury sector.

Russia's invasion of Ukraine in February 2022 created a strong, long-lasting global political instability.

The sanctions imposed on Russia as a result of the conflict and the strong repercussions on the energy market generated strong tensions on raw materials, primarily energy-related ones, leading to significant price increases in Europe and America and to the highest inflation levels recorded in many years.

The operating environment was particularly volatile also in China, where an unexpected increase in Covid cases in the second and fourth quarters of the year led the Chinese government to implement again severe restrictions in all the country's major cities to contain the spread of the virus, with a strong negative impact on travel, consumption, and the country's entire economic and social backbone.

The complicated macroeconomic dynamics and the threat of a possible global recession resulted in severe volatility on financial markets throughout the year.

In 2022 all Western equity indices recorded double-digit decreases: the global index (S&P Global Index, BMI) was down by -29%. In Europe the EuroSTOXX50 was down -12%, the FTSE MIB ended the year at -13% and in the United States the S&P 500 came in at -19%.

Markets also struggled in Asia: in Japan, the NIKKEI 225 fell by -9%, in Hong Kong the Hang Seng Index (HSI) closed down -15% and in China the Shanghai Stock Exchange index (SSE Composite) declined by 13%, with the uncertainty related to the Covid situation and the deteriorating macroeconomic data in the country weighing heavily.

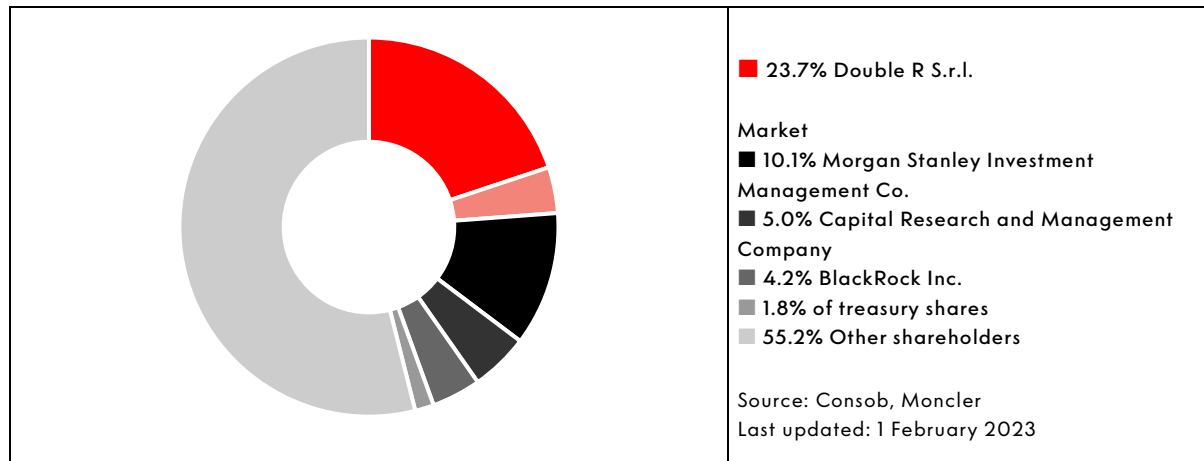
Despite their operational resilience, luxury stocks on average declined and valuation multiples contracted. In 2022 the value of the shares of companies operating in the luxury goods sector decreased by -13% on average. Brunello Cucinelli and Burberry were the only two companies to post a positive performance, up +14% and +12% respectively, while all other stocks saw a decline in value. Tod's, Kering and Salvatore Ferragamo in particular underperformed, with their stock values falling by -39%, -33% and -27%, respectively. The Moncler stock also performed negatively, reaching €49.5 at the end of 2022, down by -23% over the previous 12 months.

Share performance	1 year (2022)	2 years (2022-2021)	5 years (2022-2018)
Brunello Cucinelli	13.8%	93.6%	155.8%
Burberry Group	11.7%	13.4%	13.3%
Ermenegildo Zegna	-0.1%	n.a.	n.a.
Swatch Group	-5.7%	8.9%	-33.8%
Hermès	-5.9%	64.3%	223.8%
LVMH	-6.5%	33.1%	177.1%
Prada	-11.6%	-13.9%	55.8%
Compagnie Financiere Richemont	-12.4%	49.7%	35.8%
Moncler	-22.7%	-1.3%	89.8%
Salvatore Ferragamo	-26.8%	4.0%	-25.6%
Kering	-32.7%	-20.0%	30.1%
TOD'S	-38.6%	6.4%	-50.3%
Luxury goods sector average	-11.5%	21.7%	61.1%
FTSE MIB average	-13.3%	6.6%	8.5%

(source: FACTSET at 31 December 2022)

Moncler's market capitalisation was €13.5 billion as at 31 December 2022, compared to €17.5 billion as at 31 December 2021, and in the year recorded a Total Shareholder Return (TSR) of -22%. The number of shares was 273,682,790 as at 31 December 2022. Moncler's significant shareholders are shown in the chart below.

SHAREHOLDING



During the course of 2022, the Group maintained an ongoing dialogue with the financial community (investors and analysts), also in light of the volatility of the sector and the unpredictability of global macroeconomic events, which required continuous dialogue with investors and analysts. The *Investor Relations* team, assisted by Group management, participated in industry conferences, roadshows in major financial markets and meetings and calls with fund managers, buy-side and sell-side analysts. Such events were in either physical presence or virtual format, depending on the health measures in the country of reference.

On 5 May 2022 the Group organised a *Capital Markets Day* attended by over 80 representatives of the financial community (from analysts to investors) and an audience of over 450 people connected via webcast.

FINANCIAL CALENDAR

As a partial amendment of the information contained in the 2023 calendar of corporate events published on 26 October 2022, Moncler S.p.A. hereby notifies that the Annual Shareholders' Meeting of Shareholders will be held on 18 April 2023 instead of 20 April 2023.

The main events in 2022 related to the Moncler Group reporting timeline are provided below⁸:

Date	Event
Tuesday, 28 February 2023	Board of Directors for the Approval of the Draft Consolidated Results at 31 December 2022
Tuesday, 18 April 2023	Annual Shareholders' Meeting for Approval of the Full Year Financial Statements at 31 December 2022
Thursday, 4 May 2023	Board of Directors for the Approval of the Interim Management Statement at 31 March 2023
Wednesday, 26 July 2023	Board of Directors for the Approval of the Half-Year Financial Report at 30 June 2023
Thursday, 26 October 2023	Board of Directors for the Approval of the Interim Management Statement at 30 September 2023

⁸ A conference call/meeting with institutional investors and equity research analysts will take place following the B.o.D.

PERFORMANCE OF THE MONCLER GROUP

ECONOMIC RESULTS

Following is the consolidated income statement for FY 2022 and FY 2021.

(EUR/000)	FY 2022	% on revenues	FY 2021 ⁹	% on revenues
REVENUES	2,602,890	100.0%	2,046,103	100.0%
YoY performance	+27%		+42%	
GROSS MARGIN	1,987,843	76.4%	1,566,906	76.6%
Selling expenses	(757,393)	(29.1%)	(588,269)	(28.8%)
General & Administrative expenses	(283,967)	(10.9%)	(233,490)	(11.4%)
Marketing expenses	(171,936)	(6.6%)	(142,082)	(6.9%)
EBIT	774,547	29.8%	603,065	29.5%
Net financial	(27,216)	(1.0%)	(21,608)	(1.1%)
EBT	747,331	28.7%	581,457	28.4%
Taxes	(140,625)	(5.4%)	(170,070)	(8.3%)
Tax Rate	18.8%		29.2%	
GROUP NET RESULT	606,697	23.3%	411,367	20.1%

⁹ Net of the impact of the Purchase Price Allocation (PPA) adjustments and other costs related to the acquisition of the Stone Island brand in the first half of 2021.

CONSOLIDATED REVENUE

In 2022, Moncler Group reached consolidated revenue of EUR 2,602.9 million up 25% at constant FX ("cFX") compared to 2021. These results include Moncler brand revenue equal to EUR 2,201.8 million and Stone Island brand revenue equal to EUR 401.1 million.

In the fourth quarter the Group reached revenue equal to EUR 1,046.3 million up 19% cFX compared to Q4 2021. This result includes Moncler brand revenues equal to EUR 949.3 million, and Stone Island brand revenue equal to EUR 97.0 million.

MONCLER GROUP: REVENUE BY BRAND

MONCLER GROUP	FY 2022		FY 2021		% vs 2021		% vs 2019
	EUR 000	%	EUR 000	%	rep FX	cFX	cFX
Moncler	2,201,758	84.6%	1,824,166	89.2%	+21%	+19%	+36%
Stone Island	401,132	15.4%	221,936	10.8%	+29% ¹⁰	+28% ⁵	+63%
REVENUES	2,602,890	100.0%	2,046,103	100.0%	+27%	+25%	+61%

ANALYSIS OF MONCLER BRAND REVENUE

In 2022, Moncler brand revenues were equal to EUR 2,201.8 million, up 19% cFX growth compared to 2021. In the fourth quarter, the brand revenue amounted to EUR 949.3 million increasing +16% cFX compared to Q4 2021 and +52% compared to Q4 2019.

MONCLER: REVENUE BY GEOGRAPHY

MONCLER	FY 2022		FY 2021		% vs 2021		%vs 2019
	EUR 000	%	EUR 000	%	rep FX	cFX	cFX
Asia	1,029,327	46.8%	894,817	49.1%	+15%	+14%	+45%
EMEA	804,361	36.5%	624,469	34.2%	+29%	+29%	+27%
Americas	368,070	16.7%	304,881	16.7%	+21%	+12%	+35%
REVENUES	2,201,758	100.0%	1,824,166	100.0%	+21%	+19%	+36%

In 2022, revenues in Asia (which includes APAC, Japan and Korea) were EUR 1,029.3 million, +14% cFX compared to 2021. In the fourth quarter, Asia grew 12% cFX versus Q4 2021 and +56% cFX versus Q4 2019, driven by the acceleration of Korea and a solid performance in Japan. The performance in the APAC region was penalized during the months of October and November by the severe Covid restrictions

¹⁰ Pro-forma growth calculated on 12-month revenues of the period from 1 January to 31 December 2021 equal to EUR 310 million.

in Mainland China, which were eased at the beginning of December, prompting a recovery in stores traffic.

EMEA reported revenues of EUR 804.4 million in 2022, growing +29% cFX compared to 2021, driven by a solid performance of the DTC channel (both physical and online), while wholesale was impacted by the conversions of some shop-in-shops and e-tailers. Revenues in the fourth quarter accelerated sequentially, up 30% versus Q4 2021 and +52% versus Q4 2019, driven by strong local demand. Italy, France and Germany contributed the most to the quarterly growth.

Americas registered revenues of EUR 368.1 million in 2022, +12% cFX compared to 2021 and +35% cFX versus 2019. In the fourth quarter the region grew +5% cFX compared to the last quarter of 2021 and +38% cFX compared to Q4 2019, driven mainly by the DTC channel.

MONCLER: REVENUE BY CHANNEL

MONCLER	FY 2022		FY 2021		% vs 2021		% vs 2019
	EUR 000	%	EUR 000	%	rep FX	cFX	cFX
DTC	1,772,003	80.5%	1,429,219	78.3%	+24%	+22%	+43%
Wholesale	429,755	19.5%	394,947	21.7%	+9%	+6%	+14%
REVENUES	2,201,758	100.0%	1,824,166	100.0%	+21%	+19%	+36%

In 2022, the Direct-To-Consumer (DTC¹¹) channel achieved revenues of EUR 1,772.0 million, +22% cFX compared to 2021 and +43% cFX compared to 2019. The fourth quarter registered +18% cFX versus Q4 2021 and +55% cFX versus Q4 2019, despite the Covid restrictions implemented in Mainland China, mostly in the months of October and November.

The CSSG¹² for the DTC channel was +15% compared to 2021.

The wholesale channel revenues were EUR 429.8 million with +6% cFX growth compared to 2021 and +14% cFX versus 2019. In the fourth quarter revenues generated by this channel were up 1% cFX compared to Q4 2021 and +21% cFX compared to Q4 2019.

¹¹ The DTC channel includes revenues from DOS, from direct online and from e-concessions.

¹² CSSG considers DOS (excluding outlets) open for at least 52 weeks and the online store; stores that have been expanded and/or relocated are not included.

ANALYSIS OF STONE ISLAND BRAND REVENUE

In 2022, Stone Island brand revenues were equal to EUR 401.1 million up +28% cFX compared with EUR 310.0 million recorded in the 12-month proforma of 2021 (of which EUR 88.1 million generated in the first quarter 2021 and not consolidated in the Group's results), and +63% cFX compared 2019. In the fourth quarter the brand registered +48% cFX compared to Q4 2021.

STONE ISLAND BRAND: REVENUE BY GEOGRAPHY

STONE ISLAND	FY 2022		FY 2021 ¹³		% vs 2021		% vs 2019
	EUR 000	%	EUR 000	%	rep FX	cFX	cFX
EMEA	278,670	69.5%	241,162	77.8%	+16%	+16%	+42%
Asia	80,177	20.0%	39,912	12.9%	+101%	+101%	+210%
Americas	42,285	10.5%	28,951	9.3%	+46%	+34%	+69%
REVENUES	401,132	100.0%	310,024	100.0%	+29%	+28%	+63%

EMEA, which is the most important region for the brand contributing EUR 278.7 million of revenues, grew by 16% cFX in 2022 compared with the same period of the previous year pro-forma, accelerating in the fourth quarter with +21% cFX versus Q4 2021. Italy, UK and France led the growth of the region in the year.

Asia reached EUR 80.2 million revenues growing 101% cFX compared with 2021 pro-forma, driven by the conversion into retail of Korea and Japan, while APAC suffered in the fourth quarter due to the Covid-19 restrictions in Mainland China.

Americas registered revenues of EUR 42.3 million, up 34% cFX compared with 2021 pro-forma, with growth driven by a good performance of the collections in the wholesale channel.

STONE ISLAND BRAND: REVENUE BY CHANNEL

STONE ISLAND	FY 2022		FY 2021 ⁸		% vs 2021		%vs 2019
	EUR 000	%	EUR 000	%	rep FX	cFX	cFX
DTC	149,153	37.2%	76,678	24.7%	+95%	+93%	+157%
Wholesale	251,979	62.8%	233,346	75.3%	+8%	+7%	+33%
REVENUES	401,132	100.0%	310,024	100.0%	+29%	+28%	+63%

The wholesale channel, which continues to represent the majority of the brand revenues (63% of total), with EUR 252,0 million sales in 2022, grew by 7% cFX compared with 2021 pro-forma, driven by a good success of the collections across all markets, and despite the conversions into retail occurred during the year.

¹³ Pro-forma data related to the period from 1 January to 31 December 2021.

The DTC channel (representing 37% of the total revenues) reported sales of EUR 149.2 million, +93% cFX compared with 2021 pro-forma, driven by the already-mentioned conversion of Korea and Japan and the solid double-digit performance in EMEA and Americas. The direct online channel registered a strong double-digit growth.

Even excluding the impact from the conversions from wholesale to DTC performed during the year, growth would have been double-digit in both channels both in full year and in Q4.

As of 31 December 2022, the network of mono-brand Stone Island stores was composed of 72 retail stores and 19 mono-brand wholesale stores. In the fourth quarter, Stone Island opened its first DOS under the new format in Chicago.

MONCLER GROUP INCOME STATEMENT RESULTS

2022 data reflects the 12-month consolidation of Stone Island results (vs. 9-month in 2021 as consolidation occurred on 1 April 2021).

In 2022, the Group consolidated gross margin reached EUR 1,987.8 million, equal to 76.4% of revenues compared to 76.6% in 2021.

In 2022, selling expenses were EUR 757.4 million, 29.1% of revenues substantially in line compared to 28.8% in 2021.

General and administrative expenses were EUR 284.0 million, equal to 10.9% of revenues compared to 11.4% in 2021.

The selling, general and administrative expenses include stock-based compensation costs equal to EUR 37.0 million in 2022 (EUR 28.6 million in 2021).

Marketing expenses were EUR 171.9 million, representing 6.6% of revenues compared to 6.9% recorded in 2021.

EBIT was equal to EUR 774.5 million, 29.8% margin, compared to EUR 603.1 million in 2021 (29.5% margin in 2021).

In 2022, net financial expenses were EUR 27.2 million, compared to EUR 21.6 million in 2021, mainly related to lease liabilities ex IFRS 16.

Taxes include the one-off positive impact of the Stone Island brand value realignment for EUR 92.3 million. Net of this effect, the tax rate would have been substantially in line with the previous year.

Group net result was then equal to EUR 606.7 million compared with EUR 411.4 million in 2021.

MONCLER GROUP CONSOLIDATED BALANCE SHEET AND CASH FLOW ANALYSIS

Following is the reclassified consolidated statement of financial position as of 31 December 2022 and 31 December 2021.

(EUR/000)	31/12/2022	31/12/2021
brands	999,354	999,354
Goodwill	603,417	603,417
Fixed Assets	388,325	327,846
Right-of-use assets	773,517	656,196
Net working capital	191,674	148,842
Other assets/(liabilities)	4,470	(232,305)
INVESTED CAPITAL	2,960,757	2,503,350
Net debt/(net cash)	(818,223)	(729,587)
Lease liabilities	837,397	710,069
Pension and other provisions	39,297	23,774
Shareholders' equity	2,902,286	2,499,094
TOTAL SOURCES	2,960,757	2,503,350

NET WORKING CAPITAL

Net working capital increased to EUR 191.7 million, equivalent to 7.4% of revenues compared to 7.0% as of 31 December 2021, demonstrating the strict control over working capital at both brands.

(EUR/000)	31/12/2022	31/12/2021
Payables	(482,425)	(348,953)
Inventory	377,549	263,521
Receivables	296,550	234,274
NET WORKING CAPITAL	191,674	148,842
% on LTM revenues	7.4%	7.0%

NET FINANCIAL POSITION

The net financial position as of 31 December 2022 was positive and equal to EUR 818.2 million compared to EUR 729.6 million as of 31 December 2021. As required by the accounting standard IFRS 16, as of 31 December 2022, the Group accounted lease liabilities of EUR 837.4 million compared to EUR 710.1 million as of 31 December 2021.

(EUR/000)	31/12/2022	31/12/2021
Cash	882,254	932,718
Net financial debt (net of financial credit)	(64,031)	(203,131)
NET DEBT	818,223	729,587
Lease liabilities	837,397	710,069

Following is the reclassified consolidated statement of cash FY 2022 and FY 2021.

(EUR/000)	FY 2022	FY 2021
EBIT	774,547	603,065
D&A	105,644	88,803
Other non-current assets/(liabilities)	14,570	11,810
Change in net working capital	(42,832)	92,301
Change in other curr./non-curr. assets/(liabilities)	(212,342)	51,844
Capex, net	(167,099)	(124,681)
OPERATING CASH FLOW	472,488	723,142
Net financial result	(3,977)	(2,139)
Taxes	(140,786)	(170,685)
FREE CASH FLOW	327,725	550,318
Dividends paid	(160,960)	(120,679)
Stone Island transaction	-	(551,157)
Changes in equity and other changes	(78,129)	(4,170)
NET CASH FLOW	88,636	(125,688)
Net Financial Position - Beginning of Period	729,587	855,275
Net Financial Position - End of Period	818,223	729,587
CHANGE IN NET FINANCIAL POSITION	88,636	(125,688)

Net cash flow in 2022 was equal to EUR 88.6 million following the payment of EUR 161.0 million of dividends, EUR 48.4 million of buyback and EUR 124.1 million of extraordinary tax payment for the Stone Island brand tax value realignment.

NET CAPITAL EXPENDITURE

In 2022, net capital expenditure was EUR 167.1 million, increasing from EUR 124.7 million in 2021, with the main investments related to the expansion of the retail network, IT projects and the enlargement of the production facility in Bacau, Romania.

(EUR/000)	31/12/2022	31/12/2021
Distribution	99,428	75,976
Infrastructure	67,670	48,705
NET CAPEX	167,098	124,681
% on revenues	6.4%	6.1%

EBITDA RECONCILIATION

(EUR/000)	FY 2022	% on revenues	FY 2021	% on revenues
EBIT	774,547	29.8%	603,065	29.5%
D&A	105,644	4.1%	88,803	4.3%
Rights-of-use-amortisation	159,273	6.1%	137,490	6.7%
Stock-based compensation	37,015	1.4%	28,587	1.4%
EBITDA Adj.	1,076,479	41.4%	857,945	41.9%
Rents associated to rights-of-use	(181,718)	(7.0%)	(154,267)	(7.5%)
EBITDA Adj. pre IFRS 16	894,761	34.4%	703,678	34.4%

PERFORMANCE OF THE PARENT COMPANY MONCLER S.P.A.

The Board of Directors also approved the 2022 financial statements of the parent company Moncler S.p.A.

Revenues rose to EUR 418.7 million in 2022, an increase of 39% compared to revenues of EUR 302.1 million in 2021, mainly including the proceeds of the licensing of the Moncler and Stone Island brands.

General and administrative expenses, including stock-based compensation costs, were EUR 67.4 million, equal to 16.1% on revenues (18.2% in 2021). Marketing expenses were EUR 73.8 million (EUR 58.6 million in 2021), equal to 17.6% on revenues (19.4% in 2021).

In 2022, net financial interest was equal to EUR 4.4 million compared to EUR 1.7 million in 2021.

In 2022, taxes were positive and equal to EUR 5.7 million (compared to negative EUR 50.4 million in 2021), for the tax benefit deriving from the Stone Island brand value realignment.

Net income was EUR 278.8 million, an increase of 104% compared to EUR 136.5 million in 2021.

Moncler S.p.A balance sheet includes shareholders' equity of 1,467.6 million euros at 31 December 2022, compared to 1,363.5 million euros at 31 December 2021, and a net financial position negative and equal to EUR 487.1 million (compared to EUR 370.4 million as of 31 December 2021), including the lease liabilities derived from the application of the IFRS 16 accounting principle.

MONCLER S.P.A.: FY 2022 INCOME STATEMENT

(EUR/000)	FY 2022	% on revenues	FY 2021	% on revenues
REVENUES	418,707	100.0%	302,093	100.0%
General & Administrative expenses	(67,392)	(16.1%)	(54,996)	(18.2%)
Marketing expenses	(73,832)	(17.6%)	(58,600)	(19.4%)
EBIT	277,482	66.3%	188,497	62.4%
Net financial	(4,391)	(1.0%)	(1,651)	(0.5%)
EBT	273,091	65.2%	186,846	61.9%
Taxes	5,745	1.4%	(50,364)	(16.7%)
NET RESULT	278,836	66.6%	136,482	45.2%

MONCLER S.P.A.: FY 2022 STATEMENT OF FINANCIAL POSITION

(Euro/000)	31/12/2022	31/12/2021
Intangible Assets	1,001,405	1,001,460
Tangible Assets	6,750	6,957
Investments	948,756	924,670
Other Non-current Assets / (Liabilities)	(2,699)	(217,709)
Total non-current assets/(liabilities)	1,954,212	1,715,378
Net working capital	65,185	52,704
Other current assets/(liabilities)	(53,569)	(32,516)
Total current assets/(liabilities)	11,616	20,188
INVESTED CAPITAL	1,965,828	1,735,566
Net debt/(net cash)	487,121	370,397
Pension and other provisions	11,092	1,658
Shareholders' equity	1,467,615	1,363,511
TOTAL SOURCES	1,965,828	1,735,566

MAIN RISKS

The regular management of its business and the development of its strategy expose the Moncler Group to various types of risks that could adversely affect the Group's operating results and its financial position. These risks are integrated into the corporate enterprise risk management (ERM) process. The entity responsible for managing ERM promotes coordination between the internal functions involved, in order to ensure consistency and effectiveness in overseeing and monitoring the main risks within the corporate organisation.

The most important business risks are monitored by the Control, Risks and Sustainability Committee and periodically examined by the Board of Directors, which takes them into account in developing the strategy.

RISKS RELATED TO THE COVID-19 PANDEMIC

The Covid-19 pandemic, which has spread globally since January 2020 and is still ongoing, has led all countries in the world, including Italy, to face a complex health emergency, with social, geopolitical and economic implications. Although the spread of vaccines has reduced the danger of the virus and led to a relaxation of measures by governments at a global level, the uncertainty of the evolution of the pandemic situation, linked to the transmission of new variants of the virus, could again affect the results in the coming financial years, for example by restricting the international mobility of customers or by limiting the operation of stores in some periods. In this context, the Moncler Group continues to maintain business continuity plans aimed at safeguarding the health and safety of its employees, management flexibility and production processes ready for implementation.

RISKS RELATED TO THE RUSSIA-UKRAINE CONFLICT

The conflict between Russia and Ukraine, which began on 24 February 2022, is having major global consequences not only in terms of severe humanitarian crisis, but also in terms of economic effects on global markets, which have immediately been reflected not only in the increase in the costs of certain commodities such as natural gas and oil, and consequently in electricity, but also in sharp declines in share values on the world's major markets.

The Moncler Group shut down its business shortly after the conflict broke out, closing both its Kiev and Moscow direct stores, halting online channel activity and shipping to the wholesale channel in Russia. The exposure to the Russian and Ukrainian markets, including tourists of Russian nationality buying in other markets, was less than 2% of the Group's annual turnover in 2021 (before the start of the conflict).

The Group does not have suppliers of raw materials in Russia and Ukraine or any manufacturing sites located there. However, the escalation of the conflict could have unforeseeable repercussions on other neighbouring countries where the Group has production, with an impact on production capacity, for example as a result of the temporary disruption the power supply, and on procurement costs. The situation is constantly monitored to react promptly to any intensification of the conflict.

RISKS ASSOCIATED WITH THE MARKETS IN WHICH THE GROUP OPERATES AND GENERAL GEOPOLITICAL AND ECONOMIC CONDITIONS

The Group operates in the luxury goods sector, where there is a significant correlation between the demand for goods and the level of wealth, the level of economic growth and political stability in

the countries where demand is generated. The Group's ability to develop its business also depends on the political stability and economic situation of the various countries in which it operates.

Although Moncler operates in a significant number of countries around the world, reducing the risk of a high concentration of the business in limited geographical areas, any deterioration in economic, social or political conditions in one or more markets in which it operates could have negative consequences for sales and economic and financial results.

The possible reintroduction by national or supranational entities of constraints on the movement of individuals – as a result, for example, of international crises or pandemics – as well as the introduction of any export limitations as a result of trade or financial sanctions, could also affect sales, particularly in relation to specific geographical areas. In particular, in recent years the importance of Asian markets for the luxury goods sector has increased, reaching around half of turnover for the Moncler brand at the end of 2022, whereas Stone Island, having only recently begun its international expansion, particularly in Asia and America, remains more exposed to the European market (69% of revenues in fiscal year 2022).

CYBER RISKS AND PERSONAL DATA PROTECTION RISKS

Following a sophisticated malware attack in December 2021, which had no significant effects on the business but resulted in the exfiltration of personal information, the Group started a process of strengthening cybersecurity measures and technical expertise in this area, which during 2022 significantly increased the level of protection from this type of attack.

However, the Group's rapid technological evolution and increasing organisational complexity, together with the increasing sophistication and frequency of cyber attacks, mean it is not possible to exclude the potential risk for the Group of cyber attacks using innovative attack techniques.

Moncler is investing significantly in its model for managing cyber risks with a view to business continuity, adopting the best technologies and methodologies for identifying and protecting the Group, along with procedures, staff training, and careful assessment and periodic review of risks, including with regard to third parties.

RISKS RELATED TO THE COST AND AVAILABILITY OF HIGH QUALITY RAW MATERIALS, SUPPLY CHAIN CONTROL AND SUPPLIER RELATIONS

Moncler and Stone Island brand products require high-quality raw materials, including, but not limited to, down, nylon, cotton and wool. The price and availability of raw materials depend on a wide variety of factors, which are largely beyond the Group's control and difficult to predict.

Although the Group has always managed to ensure a supply of raw materials adequate to its production requirements in terms of quantity and quality, hypothetical further tensions on the supply side could lead to difficulties in supply and a further increase in costs, with negative consequences for the Group's economic results. In order to minimise the risks associated with the potential unavailability of raw materials in the timescales required for production, Moncler adopts a multi-sourcing strategy for supplier diversification and plans purchases with a medium-term time horizon. In addition, suppliers of raw materials must meet precise contractual quality, composition and performance requirements and comply with applicable laws on worker protection, working conditions, local labour laws, respect for animal welfare, the environment and the use of hazardous chemicals.

In the area of workers' rights, the Moncler Group includes, among its supplier qualification criteria, company audits carried out by qualified professionals.

With regard to respect for animals, the Moncler brand formed a multi-stakeholder forum that approved and continuously monitors and integrates the DIST (*Down Integrity System & Traceability*) protocol, to which suppliers must adhere strictly, ensuring the traceability of the raw material, respect for animals and the finest quality throughout the supply chain. With regards to hazardous chemicals, the Group requires its suppliers to operate in absolute compliance with the most restrictive international laws applicable to hazardous or potentially hazardous chemicals, including the European REACH regulation, Chinese GB standards, Japanese JIS standards, as well as with the Product Restricted Substance List (PRSL) and the corporate Manufacturing Restricted Substances List (MRSL), which include not only legal parameters, but also many more restrictive voluntary requirements, in line with a precautionary approach.

RISKS RELATED TO BRAND IMAGE, REPUTATION AND RECOGNITION

The luxury goods sector is influenced by changing consumer tastes, preferences and lifestyles in the various regions in which it operates. The Moncler Group's success is significantly influenced by the image, reputation and recognition of its brands. If in the future the Group is not able, through its products and initiatives, to maintain the image, reputation and recognition of its brands, sales and economic results may be affected.

The Group therefore constantly strives to maintain and increase the strength of the Moncler and Stone Island brands, with a focus on product quality, innovation, communication and the development of its distribution model according to criteria of selectivity, quality and sustainability, including when it comes to the selection of counterparties with which to operate. The Group integrates sustainability assessments, including those related to compliance with local values (religious, cultural and social) into its communication and marketing strategies, out of a belief that the continuous creation of value for all its stakeholders is a fundamental priority in strengthening its reputation.

RISKS RELATED TO RELATIONS WITH THIRD-PARTY PRODUCERS

The Moncler Group directly manages the development of its collections as well as the purchase or selection of raw materials, whereas for the garment packaging phase it relies on both own factories and independent third parties that operate under the Group's close supervision (façon manufacturers).

Although the Group does not depend to a significant extent on any façon manufacturer, the suspension or termination of a relationship with some of the most significant façon manufacturers could adversely affect the Group's business, with consequences for its sales and earnings.

The Moncler Group constantly monitors the supply chain of third-party manufacturers in order to ensure, in addition to requirements of high quality and financial reliability, full compliance with labour laws, worker safety and the environment and the principles of its Supplier Code of Ethics and Conduct through audits at third party contractors and their sub-suppliers. However, there is still a risk that a counterparty will not fully comply with the contracts entered into with Moncler in terms of quality, timeliness of deliveries and compliance with the applicable regulations.

RISKS ASSOCIATED WITH THE RETAIL DISTRIBUTION NETWORK

With the Moncler brand, the Moncler Group generates most of its revenues through the retail channel, consisting of directly operated single-brand stores (DOSs) and the online store, whereas the Stone Island brand is more exposed to the wholesale channel (63% of 2022 revenues). Over the years, the Group has demonstrated its ability to open new stores in the most prestigious locations in major world cities and in top-tier department stores, despite the competition between operators in the luxury goods sector to secure such positions, which is very strong. The Group thus may encounter difficulties in opening new stores in the future, with negative consequences for its business growth prospects.

In addition, by its nature, the retail business has a higher incidence of fixed costs, mainly relating to lease agreements. Although management has demonstrated its ability to develop profitable retail business over the years, a potential slowdown in sales in specific geographical areas could reduce the Group's ability to turn a profit.

ENVIRONMENTAL RISKS

Environmental issues and the related risks are also subject to assessment and formulation of mitigation plans.

With reference to the environmental risks linked to climate change, in 2021 the Group began voluntarily reporting company risks related to climate change in both its Non-Financial Statement and the CDP Climate Change Questionnaire, as required by the European Securities and Market Authority (ESMA) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board: Governance, Strategy, Risk Management, Metrics and Targets.

The potential and actual risks analysed concern the intensification of extreme climatic phenomena, the increase in the cost of certain types of raw materials, the introduction of regulations aimed at containing climate change and possible changes in customer purchasing habits.

In addition to the risks associated with climate change, the Group also identifies among environmental risks the failure to comply or incomplete compliance with relevant rules and laws which could result in possible criminal penalties and/or financial outlays; environmental pollution phenomena related, for example, to uncontrolled emissions, inadequate disposal of waste and wastewater or spills of dangerous substances into the ground.

The Group is committed to preventing and mitigating any environmental risks through various initiatives and projects.

In 2020 Moncler joined the Science-Based Targets initiative (SBTi), setting targets for reducing greenhouse gas emissions in line with the United Nations' commitment to limiting the maximum increase in global temperatures from pre-industrial levels.

The Group formulated rules, processes and control activities to prevent and manage any environmental risks from its processing and raw materials suppliers, through the adoption of the Code of Ethics, the Supplier Code of Conduct and the Environmental Policy, updated in July 2022, containing binding rules observance of which is verified through environmental compliance audits carried out by specialised third-party entities.

The Group also manages risks arising from the temporary disruption of operations arising from external events or natural events through various initiatives, including business continuity plans, as

well as insurance policies covering the loss of the integrity of company assets and damage arising from the disruption of business.

Please refer to the 2022 Non-Financial Statement for more information.

RISKS ASSOCIATED WITH DEPENDENCE ON KEY PERSONNEL

The Moncler Group's results also depend on the ability of its management, which plays a crucial role in the Group's development and which has significant experience in the luxury goods sector. If the relationship with some of these professionals is terminated without a timely, appropriate replacement, the Group's ability to compete and its growth prospects may be affected.

The Moncler Group has an operational and management structure capable of ensuring business continuity, including through the definition of succession plans and the adoption of retention plans for key professionals, as well as talent management aimed at developing skills and retaining talent.

RISKS RELATED TO THE COUNTERFEITING OF BRANDS AND PRODUCTS AND THE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The luxury goods market is characterised by the counterfeiting of brands and products.

The Moncler Group has made significant investments in the adoption of innovative technologies that enable tracking of products throughout the value chain to prevent and mitigate the effects of counterfeiting of its brands and products and to protect its intellectual property rights in the territories where it operates. However, the presence on the market of significant quantities of counterfeit products could still adversely affect the brand image, with a negative impact on sales and financial performance.

RISKS RELATED TO THE EVOLUTION OF THE REGULATORY FRAMEWORK

The Moncler Group operates in a complex international context and is subject, in the various jurisdictions in which it operates, to laws and regulations that are constantly monitored, especially with regard to the health and safety of workers, environmental protection, rules on the manufacture and composition of products, consumer protection, personal data protection, industrial and intellectual property rights protection, competition rules, tax and customs rules, and in general all the relevant regulatory provisions.

The Group operates in accordance with applicable provisions of law and has established processes that ensure knowledge of the specific local regulations in the contexts in which it operates and of the regulatory changes that are gradually made. However, since legislation on certain matters, for example taxation, is characterised by a high degree of complexity, an interpretation other than that applied by the Group may still have a significant impact on economic results. In this regard, the Moncler Group is involved in a programme to negotiate advance pricing agreements with the tax authorities of the main countries in which the Group operates, some finalised and some still in progress.

In addition, the enactment of new legislation or amendments to existing legislation that impose more stringent standards – for example with regard to product compliance – may entail, by way of example, costs of adapting the production methods or characteristics of the products or may limit the Group's operations, with negative consequences for its financial performance.

RISKS ASSOCIATED WITH EXCHANGE RATE PERFORMANCE

The Moncler Group also operates on international markets in currencies other than the euro, mainly the renminbi, yen, US dollar, Korean yuan and pound sterling. It is therefore exposed to risk arising from the fluctuation of exchange rates, to an extent equal to the amount of transactions (mainly revenues) not covered by transactions of the opposite sign expressed in the same currency. The Group has a strategy in place aimed at gradually hedging the risks associated with exchange rate trends, limited to "transaction" risks, and has adopted a strict policy on currency risk that sets the minimum hedging limit per currency at the beginning of each sales campaign at 75%, and the minimum hedging limit per currency at the end of the sales campaign at 90%.

However, due in part to "translation" risk – deriving from the conversion into euro of the financial statements of foreign companies expressed in local currency – significant changes in exchange rates may entail changes (positive or negative) in the Group's results and financial position.

For further information, see the specific section of the Notes to the Financial Statements 9.1.

RISKS ASSOCIATED WITH INTEREST RATE PERFORMANCE

The Group does not avail itself of significant lines of credit as it is fully able to finance its own operations. In addition, the Group has the option of using loans from third parties, specifically banks. If it chose to use such loans, it would be subject to the risk of interest rate changes. In order to hedge part of the risk relating to an increase in rates, the Group may carry out certain hedging activities. However, any significant fluctuations in interest rates could lead to an increase in financial expenses, with negative consequences for the Group's results.

For further information, see the specific section of the Notes to Financial Statements 9.1.

CREDIT RISKS

The Moncler Group operates in accordance with credit monitoring policies aimed at reducing the risks arising from the insolvency of its wholesale customers. These policies are based on preliminary analysis of the reliability of customers and on guaranteed forms of insurance cover and/or payment methods. In addition, the Group does not have significant credit concentrations.

However, the emergence of significant delinquency by certain customers could still result in losses on receivables, with negative consequences for the Group's results. The Moncler Group monitors and manages its exposure to wholesale customers with significant positions with particular care, including by applying for and obtaining bank guarantees and cash deposits in advance of shipments.

For further information, see the specific section of the Notes to the Financial Statements 9.2.

LIQUIDITY RISKS

The Group implements financial planning activities aimed at reducing liquidity risk, including in view of the seasonal nature of the business, particularly for the Moncler brand. Based on evolving financial needs, where necessary, lines of credit are planned with the banking system to meet these needs, according to a corresponding distinction between short-term and long-term lines of credit.

In addition, to face the risk of loss of available capital, the Group follows strict rules to spread its deposits and cash and cash equivalents in a balanced manner over an adequate number of highly rated banks, while avoiding concentration and using only risk-free financial products.

For further information, see the specific section of the Notes to the Financial Statements 9.3.

SUSTAINABILITY RATINGS UPDATE

DOW JONES SUSTAINABILITY INDICES WORLD AND EUROPE

For the fourth year in a row, Moncler has been confirmed in the Dow Jones Sustainability Indices DJSI World and Europe, obtaining in the *S&P Global Corporate Sustainability Assessment 2022* the highest score (91/100) of the 'Textiles, Apparel & Luxury Goods' (data as of 14 February 2023).

CDP

In CDP Climate Change questionnaire 2022, the Group has maintained the leadership level with an A- score for its environmental transparency and actions to mitigate climate risks. CDP is a global non-profit that runs the world's leading environmental disclosure platform.

MOODY'S

Moncler ranked second in the Moody's ESG Solutions' 2022 ESG Overall Score ranking for the sector of Specialised Retail with a score of 62/100, obtaining the level "Advanced".

MSCI

In 2022 Moncler was rated AA by MSCI ESG Research that provides MSCI ESG Ratings on global public companies and a limited number of private companies on a scale of AAA (leader) to CCC, according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

SUSTAINALYTICS

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

BUSINESS OUTLOOK

The global macroeconomic context at the beginning of 2023 remains complex, with uncertainties related to recession risks, inflationary pressure and a volatile geopolitical situation.

With regards to the Chinese market, after three years of extremely restrictive pandemic containment measures, we observed an encouraging reopening in the first few months of the year, although the health situation remains unstable.

In light of this uncertainty and unpredictability, the Group continues to work to maintain an agile, flexible and reactive organization, fostered by a portfolio of unique brands and by 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, thanks to 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 key of other iconic garments that have made the history of the brand. 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 DIRECT-TO-CONSUMER (DTC). During 2023 Stone Island will continue to strengthen its position in core markets, such as the European countries, and increase its penetration in the ones less mature but with a high potential. The expansion of Stone Island in the DTC channel will also continue, with the opening of some selected DOS under the new store design and with targeted clienteling and communication strategies, as well as distinctive and characterizing languages to strengthen the unique positioning of the brand, which has its own identity and value matrix rooted in the culture of research and experimentation.

SUSTAINABLE AND RESPONSIBLE GROWTH. The Moncler Group believes in a sustainable and responsible development, under shared values that are reflective of stakeholder expectations and consistent with the Group long-term strategy. An approach based not only on the commitment to set increasingly challenging goals, but also 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.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Consolidated income statement		
(Euro/000)	2022	2021
Revenue	2,602,890	2,046,103
Cost of sales	(615,047)	(479,197)
Gross margin	1,987,843	1,566,906
Selling expenses	(757,393)	(608,495)
General and administrative expenses	(283,967)	(237,109)
Marketing expenses	(171,936)	(142,082)
Operating result	774,547	579,220
Financial income	3,537	3,061
Financial expenses	(30,753)	(24,669)
Result before taxes	747,331	557,612
Income taxes	(140,625)	(164,059)
Net Result including Minority	606,706	393,553
Non-controlling interests	9	20
Net result, Group share	606,697	393,533
Earnings per share (unit of Euro)	2.26	1.48
Diluted earnings per share (unit of Euro)	2.24	1.47

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated statement of financial position

(Euro/000)	31 December 2022	31 December 2021
Brands and other intangible assets - net	1,086,706	1,070,074
Goodwill	603,417	603,417
Property, plant and equipment - net	1,074,490	913,322
Investments (in associates for consolidation)	908	826
Other non-current assets	46,863	37,082
Deferred tax assets	205,932	179,312
Non-current assets	3,018,316	2,804,033
Inventories and work in progress	377,549	263,521
Trade account receivables	296,550	234,274
Tax assets	5,940	4,963
Other current assets	47,352	27,758
Financial current assets	11,351	722
Cash and cash equivalent	882,254	932,718
Current assets	1,620,996	1,463,956
Total assets	4,639,312	4,267,989
Share capital	54,737	54,737
Share premium reserve	745,309	745,309
Other reserves	1,495,427	1,305,407
Net result, Group share	606,697	393,533
Equity, Group share	2,902,170	2,498,986
Non controlling interests	116	108
Equity	2,902,286	2,499,094
Long-term borrowings	718,709	624,732
Provisions non-current	27,261	11,320
Pension funds and agents leaving indemnities	12,036	12,454
Deferred tax liabilities	15,190	225,621
Other non-current liabilities	117	163
Non-current liabilities	773,313	874,290
Short-term borrowings	194,070	289,191
Trade account payables	482,425	348,953
Tax liabilities	158,855	131,182
Other current liabilities	128,363	125,279
Current liabilities	963,713	894,605
Total liabilities and equity	4,639,312	4,267,989

COMMENTS ON THE MAIN CAPTIONS OF CONSOLIDATED INCOME STATEMENT

REVENUES

REVENUES BY BRAND

(Euro/000)	2022	%	2021	%
Total revenues	2,602,890	100.0%	2,046,103	100.0%
Moncler	2,201,758	84.6%	1,824,166	89.2%
Stone Island	401,132	15.4%	221,936	10.8%

In 2022, Moncler Group reached consolidated revenue of EUR 2,602.9 million up 27.2% compared to the same period of 2021. These results include Moncler brand revenue equal to EUR 2,201.8 million and Stone Island brand revenue equal to EUR 401.1 million.

ANALYSIS OF MONCLER BRAND REVENUES

In 2022, Moncler brand revenues were equal to EUR 2,201.8 million, up 20.7% growth compared to 2021.

REVENUES BY GEOGRAPHY

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

Revenues by geography						
(Euro/000)	2022	%	2021	%	Variation	% Variation
Asia	1,029,327	46.8%	894,817	49.1%	134,510	15.0%
EMEA	804,361	36.5%	624,469	34.2%	179,892	28.8%
Americas	368,070	16.7%	304,881	16.7%	63,189	20.7%
Total	2,201,758	100.0%	1,824,166	100.0%	377,591	20.7%

In 2022, revenues in Asia (which includes APAC, Japan and Korea) were equal to EUR 1,029.3 million registering a +15.0% growth compared to the same period of 2021, thanks to the continued excellent performance of Korea and Japan. The performance in the APAC region was penalized during the months of October and November by the severe Covid restrictions in Mainland China, which were eased at the beginning of December, prompting a recovery in stores traffic.

EMEA reported revenues of EUR 804.4 million in 2022, growing +28.8% compared to 2021, driven by a solid performance of the DTC channel (both physical and online), while wholesale was impacted by the conversions of some shop-in-shops and e-tailers.

Americas registered revenues of EUR 368.1 million in 2022, +20.7% compared to 2021, driven mainly by the DTC channel.

REVENUES BY CHANNEL

Revenues by distribution channels are broken down as follows:

(Euro/000)	2022	%	2021	%
Total revenues	2,201,758	100.0%	1,824,166	100.0%
of which:				
- Wholesale	429,755	19.5%	394,947	21.7%
- DTC	1,772,003	80.5%	1,429,219	78.3%

Revenues are made through two main distribution channels, DTC and wholesale. The DTC channel includes stores that are directly managed by the Brand (free-standing stores, concessions, e-commerce and factory outlet), while the wholesale channel includes stores managed by third parties that sell Moncler products either in single-brand spaces (i.e. shop-in-shop) or inside multi-brand stores (both physical and online).

In 2022, the DTC channel recorded revenues of EUR 1,772,0 million growing +24.0% compared to 2021.

The wholesale channel registered revenues equal to EUR 429.8 million with a 8.8% growth compared to 2021.

ANALYSIS OF STONE ISLAND BRAND REVENUE

In 2022, Stone Island brand revenues were equal to EUR 401.1 million up +29% compared with EUR 310.0 million recorded in the 12-month proforma of 2021 (of which EUR 221.9 million generated from 1 April 2021 and consolidated in the Moncler Group).

REVENUES BY GEOGRAPHY

Revenues by geography

(Euro/000)	2022	%	2021	%	Variation	% Variation
Asia	80,177	20.0%	28,517	12.8%	51,660	181.2%
EMEA	278,670	69.5%	172,236	77.6%	106,434	61.8%
Americas	42,285	10.5%	21,183	9.5%	21,102	99.6%
Total	401,132	100.0%	221,936	100.0%	179,196	80.7%

EMEA is the most important region for Stone Island and contributed EUR 278.7 million to 69.5% of revenues in 2022. Italy, UK and France led the growth of the region in the year.

Asia reached EUR 80.2 million revenues, driven by the conversion into retail of Korea and Japan, while APAC suffered in the fourth quarter due to the Covid-19 restrictions in Mainland China.

Americas registered revenues of EUR 42.3 million, with growth driven by a good performance of the collections in the wholesale channel.

REVENUES BY CHANNEL

(Euro/000)	2022	%	2021	%
Total revenues	401,132	100.0%	221,936	100.0%
Of which:				
- Wholesale	251,979	62.8%	158,069	71.2%
- DTC	149,153	37.2%	63,867	28.8%

The wholesale channel, which continues to represent the majority of the revenues (62.8% of total), with EUR 252.0 million sales in 2022, grew compared with 2021 pro-forma, driven by a good success of the collections across all markets, and despite the conversions into retail occurred during the year.

The DTC channel (representing 37.2% of the total revenues) reported sales of EUR 149.2 million, driven by the already-mentioned conversion of Korea and Japan and the solid double-digit performance in EMEA and Americas. The direct online channel registered a strong double-digit growth.

INCOME STATEMENT RESULTS

COST OF SALES

In 2022, cost of sales increased by EUR 135.9 million in absolute terms (+28.3%), going from EUR 479.2 million in 2021 to EUR 615.0 million in 2022. Cost of sales as a percentage of sales has increased, going from 23.4% in 2021 to 23.6% in 2022.

SELLING EXPENSES

In 2022 selling expenses amounted to EUR 757.4 million (EUR 608.5 million in 2021), with an increase of EUR 148.9 million compared to 2021.

Selling expenses in 2022 represented 29.1%, substantially in line compared to 28.8% in 2021.

Selling expenses mainly include rent costs excluded from the application of the IFRS 16 for EUR 195.4 million (EUR 143.6.7 million of total rent costs in 2021), personnel costs for EUR 177.2 million (EUR 136.9 million in 2021) costs for depreciation of the right of use for EUR 146.6 million (EUR 126.4 million in 2021) and other amortisation and depreciation for EUR 77.9 million (EUR 66.3 million in 2021).

The item also includes costs related to stock-based compensation plans for EUR 6.2 million (EUR 5.4 million in 2021).

GENERAL AND ADMINISTRATIVE EXPENSES

In 2022, general and administrative expenses amounted to EUR 283.9 million, up EUR 46.8 million when compared to last year.

General and administrative expenses represented 10.9% of turnover, in respect to 11.6% in 2021.

The item also includes costs related to stock-based compensation plans for EUR 30.9 million (EUR 23.2 million in 2021).

MARKETING EXPENSES

Marketing expenses were EUR 171.9 million, representing 6.6% of revenues in respect to 6.9% recorded in 2021.

OPERATING RESULT

In 2022, the operating result of the Moncler Group amounted to EUR 774.5 million, compared to EUR 579.2 million in 2021, representing an EBIT margin of 29.8% (28.3% in 2021).

FINANCIAL INCOME AND EXPENSES

The caption is broken down as follows:

(Euro/000)	2022	2021
Interest income and other financial income	3,537	3,061
Foreign currency differences - positive	0	0
Total financial income	3,537	3,061
Interests expenses and other financial charges	(4,328)	(3,750)
Foreign currency differences – negative	(4,480)	(1,332)
Total financial expenses	(8,808)	(5,082)
Total net excluded interests on lease liabilities	(5,271)	(2,021)
Interests on lease liabilities	(21,945)	(19,587)
Total net	(27,216)	(21,608)

INCOME TAX

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

(Euro/000)	2022	2021
Current income taxes	(380,856)	(178,961)
Deferred tax (income) expenses	240,231	14,902
Income taxes charged in the income statement	(140,625)	(164,059)

On 28 June 2022, the Board of Directors of Moncler S.p.A. approved the realignment of the tax value of the Stone Island brand to its statutory value, opting for the regime pursuant to Art. 15 of Italian Decree Law 185/2008; this option entailed the payment of a substitute tax for 16% of the brand's value, equal to EUR 124.1 million, registered under current taxes and the release of EUR

216.4 million in previously-recognised deferred taxes payable. The net positive effect of the transaction was thus EUR 92.3 million.

PERSONNEL EXPENSES

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

(Euro/000)	2022	2021
Wages and salaries and Social security costs	(265,408)	(216,920)
Accrual for employment benefits	(20,977)	(15,956)
Total	(286,385)	(232,876)

During the period, personnel expenses increased by 23.0%, from EUR 232.9 million in 2021 to EUR 286.4 million in 2022.

The costs related to the stock based compensation plans, equal to EUR 37.0 million (EUR 28.6.0 million in 2021) are separately commented in the paragraph "Stock-based compensation".

The following table analyses the number of employees (full-time-equivalent) in 2022 compared to the prior year:

Average FTE by area	2022	2021
Italy	1,609	1,395
Other European countries	1,876	1,720
Asia and Japan	1,343	1,167
Americas	395	353
Total	5,223	4,635

The actual number of employees of the Group as at 31 December 2022 was 6,310 unit (5,290 as at 31 December 2021).

DEPRECIATION AND AMORTISATION

Depreciation and amortisation are broken down as follows:

(Euro/000)	2022	2021
Depreciation of property, plant and equipment	(242,754)	(208,276)
Amortization of intangible assets	(22,163)	(38,243)
Total Depreciation and Amortization	(264,917)	(246,519)

The increase in both depreciation and amortisation was mainly due to investments made for the new store openings or the relocation/expansion of already existing stores, in IT, logistic and operation.

The amortisation related to the right of use amounted to EUR 159.3 million (EUR 137.5 million in 2021).

COMMENTS ON THE MAIN CAPTIONS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

INVENTORY

As at 31 December 2022 Inventory amounted to EUR 377.5 million (EUR 263.5 million as at 31 December 2021) and is broken down as follows:

Inventory (Euro/000)	31 December 2022	31 December 2021
Raw materials	134,521	98,688
Work-in-progress	60,714	52,335
Finished products	424,143	342,148
Inventories, gross	619,378	493,171
Obsolescence provision	(241,829)	(229,650)
Total	377.549	263.521

Inventory (gross amount) increased by approximately EUR 126.2 million (+25.6%) and mainly included raw materials and finished products for the forthcoming seasons.

The obsolescence provision was 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 volumes. This assumption is expressed differently for the Regions in which the Group operates, taking into account the characteristics of each market.

The change in the obsolescence provision is summarised in the following table:

Obsolescence provision - movements (Euro/000)	January 1, 2022	Other movements	Accrued	Used	Translation Difference	December 31, 2022
Obsolescence provision	(229,650)	(427)	(41,416)	28,824	840	(241,829)
Total	(229,650)	(427)	(41,416)	28,824	840	(241,829)

Obsolescence provision - movements (Euro/000)	January 1, 2021	Other movements	Accrued	Used	Translation Difference	December 31, 2021
Obsolescence provision	(184.116)	(17.928)	(40.834)	16.347	(3.119)	(229.650)
Total	(184.116)	(17.928)	(40.834)	16.347	(3.119)	(229.650)

TRADE RECEIVABLES

As at 31 December 2022 Trade receivables amounted to EUR 296.6 million (EUR 234.3 million as at 31 December 2021) and they are as follows:

Trade receivables (Euro/000)	31 December 2022	31 December 21
Trade account receivables	311,691	248,237
Allowance for doubtful debt	(15,009)	(13,871)
Allowance for discounts	(132)	(92)
Total, net value	296,550	234,274

Trade receivables are related to the Group's wholesale business and they include balances with a collection time not greater than three months. During 2022 and 2021, there were no concentration of credit risk greater than 10% associated to individual customers. Please refer to note 9.1 for information regarding the exposure of trade receivables to currency risks.

The change in the allowance for doubtful debt and sales return is detailed in the following tables:

Doubtful debt and discounts allowance (Euro/000)	January 1, 2022	Changes in consolidation area	Accrued	Used	Translation Difference	December 31, 2022
Allowance for doubtful debt	(13,871)	0	(1,601)	540	(77)	(15,009)
Allowance for discounts	(92)	0	(36)	0	(4)	(132)
Total	(13,963)	0	(1,637)	540	(81)	(15,141)

Doubtful debt and discounts allowance (Euro/000)	January 1, 2021	Changes in consolidation area	Accrued	Used	Translation Difference	December 31, 2021
Allowance for doubtful debt	(10,699)	(2,016)	(1,721)	635	(70)	(13,871)
Allowance for discounts	(200)	0	0	114	(6)	(92)
Total	(10,899)	(2,016)	(1,721)	749	(76)	(13,963)

The allowance for doubtful debt was calculated in accordance with management's best estimate based on the ageing of accounts receivable as well as the solvency of the most aged 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. In addition, the bad debt provision includes an estimate of the expected loss relating to trade receivables "in bonis", increased in 2022 to take into account the changed economic context. The fund also covers any risk of revocation on trade receivables mainly related to North American customers.

STOCK-BASED COMPENSATION PLANS

The Consolidated Financial Statements at 31 December 2022 reflects the values of the Performance Share Plans approved in 2018, in 2020 and 2022.

The costs related to stock-based compensation plans in 2021 are equal to EUR 37.0 million compared to EUR 28.6 million in 2021.

On 16 April 2018 the Shareholders' Meeting of Moncler approved the adoption of a Stock Grant Plan entitled "2018-2020 Performance Shares Plan" ("2018 Plan") addressed to Executive Directors and/or Key Managers, and/or employees, and/or collaborators, and/or external consultants of Moncler S.p.A. and of its subsidiaries, which have strategically relevant roles or are otherwise capable of making a significant contribution, with a view of pursuing the Group's strategic objectives.

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 earning per share index ("EPS") of the Group in the vesting period, adjusted by the conditions of over/under performance.

The proposed maximum number of shares serving the Plan is equal to n. 2,800,000 resulting from the allocation of treasury shares.

The Plan provides for a maximum of 3 cycles of attribution; the first attribution cycle, approved during 2018, ended with the assignment of 1,365,531 Moncler Rights. The second attribution cycle, approved during 2019, ended with the assignment of 341,514 Moncler Rights.

As regards the first allocation cycle, the plan ended in 2021 and for further information please refer to 2021 Annual Report.

As regards the second allocation cycle:

- The 3-year vesting period ended with the approval of the Draft Financial Statements as at December 31, 2021.
- The performance targets were met at 97.3%, therefore, No. 248,264 shares were assigned to the beneficiaries through the allocation of treasury shares.

As at 31 December 2022 there are no rights in circulation; the effect of the closed plans on the income statement in 2022 amounts to EUR 0.1 million.

On 11 June 2020, the Ordinary Shareholders' Meeting 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 at 31 December 2022 there are still in circulation 1,093,686 rights related to the first cycle of attribution (the effect on the income statement of 2022 amounts to EUR 15.4 million) and 414,583 rights related to the second cycle of attribution (the effect on the income statement of 2022 amount to EUR 9.5 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.

As at 31 December 2022 there are still in circulation 928,950 rights related to the first cycle of attribution, which effect on the 2022 income statement amount to EUR 9.8 million

As stated by IFRS 2, these plans are defined as Equity Settled.

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