

# MONCLER

GROUP

ANNUAL REPORT  
2023



# ANNUAL REPORT

## INDEX

BOARD OF DIRECTORS' REPORT.....	1
SECTION ONE.....	2
Chairman's letter .....	2
Group financial highlights .....	3
Corporate bodies.....	4
Group chart at 31 December 2023.....	5
Group structure .....	6
Moncler Group .....	9
History .....	10
Values.....	13
Group Strategy.....	15
Business model .....	16
Brand Protection.....	24
Human capital.....	26
Sustainability.....	31
Moncler and the financial markets.....	34
SECTION TWO .....	37
Introduction .....	37
Performance of the Moncler Group.....	38
Performance of the Parent Company Moncler S.p.A. ....	46
Main risks .....	48
Corporate governance.....	56
Related-party transactions.....	57
Atypical and/or unusual transactions .....	57
Treasury shares.....	57
Significant events occurred during the Financial Year 2023.....	58
Significant events occurred after the reporting date .....	59
Sustainability ratings update .....	60
Business outlook.....	61
Other information .....	62
Motion to approve the financial statements and the allocation of the result for the year ended 31 December 2023 .....	64

<b>CONSOLIDATED FINANCIAL STATEMENTS .....</b>	<b>65</b>
CONSOLIDATED FINANCIAL STATEMENTS .....	66
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS .....	72
1. General information about the Group .....	72
2. Summary of material accounting principles used in the preparation of the consolidated financial statements .....	78
3. Scope for consolidation .....	95
4. Comments on the consolidated income statement .....	97
5. Comments on the consolidated statement of financial position .....	103
6. Segment information .....	121
7. Commitments and guarantees given .....	121
8. Contingent liability .....	122
9. Information about financial risks .....	122
10. Other information .....	126
11. Significant events after the reporting date .....	134
<b>SEPARATE FINANCIAL STATEMENTS .....</b>	<b>135</b>
SEPARATE FINANCIAL STATEMENTS .....	136
EXPLANATORY NOTES TO THE SEPARATE FINANCIAL STATEMENTS .....	142
1. General information .....	142
2. Material accounting principles .....	146
3. Comments on the income statement .....	159
4. Comments on the statement of financial position .....	162
5. Commitments and guarantees given .....	176
6. Contingent liability .....	176
7. Information about financial risks .....	176
8. Other information .....	178
9. Significant events after the reporting date .....	185
10. Motion to approve the financial statements and the allocation of the result for the year ended 31 December 2023 .....	185

ATTESTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO  
ART. 154 BIS OF LEGISLATIVE DECREE 58/98

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL  
STATEMENTS

ATTESTATION OF THE SEPARATE FINANCIAL STATEMENTS PURSUANT TO ART.  
154 BIS OF LEGISLATIVE DECREE 58/98

INDEPENDENT AUDITORS' REPORT ON THE SEPARATE FINANCIAL  
STATEMENTS

REPORT OF THE BOARD OF STATUTORY

1

# BOARD OF DIRECTORS' REPORT

SECTION ONE

SECTION TWO

# SECTION ONE

## CHAIRMAN'S LETTER

Dear Shareholders,

As we reflect on the achievements of 2023, I cannot help but recall that this year marked a significant milestone for our company – the 10-year anniversary of our listing on the Milan Stock Exchange.

We are delighted to celebrate this important occasion with an excellent set of 2023 results.

Highlights of our performance include reaching a record of 2.98 billion euros in Group revenues, more than 5 times the level of ten years ago, registering an EBIT margin of 30%, and surpassing for the first time 1 billion euros of net cash.

While I am very proud of these financial achievements, I am even more proud of what they represent. They are a reflection of a decade of thinking beyond conventions, a constant search for product excellence, a consistent customer-centric focus, and above all, a brand-first strategy that continues to guide our Group and inspire our people.

Looking ahead, our journey continues. At Moncler, we remain committed to strengthening the three dimensions of our brand – *Collection*, *Genius* and *Grenoble* – ensuring continued resonance with existing communities while reaching new ones. Meanwhile, Stone Island is embarking on an exciting new chapter under a new brand and communication strategy, poised to unleash its full potential.

Sustainability remains key for our Group, as we continue to integrate social and environmental elements into our business model. Our collections are including more and more recycled, organic and other certified materials, and we continue to collaborate with our supply chain to make larger scale improvements. Even if our efforts have been recognized externally by major global ESG rating agencies, we know that there is much more to achieve.

The operating environment remains complex and unpredictable. We will continue to navigate through these uncertainties remaining vigilant while leveraging on our agility and reactivity. At the same time, we will continue to invest in our organisation, in our brands and in the exceptional talent within our Group.

Our long-term vision, our emotions, and our passion continue to drive us onward, just as they did back in 2013. We are fuelled by our dreams and determined to achieve new ambitious goals.

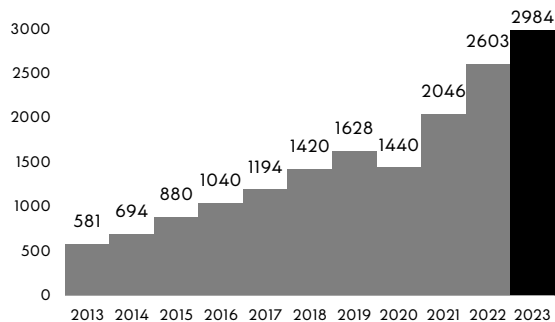
In closing, I extend my heartfelt gratitude to our shareholders, our customers, and all our employees for their unwavering support and commitment. Together, we will continue to push for higher peaks and create value for all stakeholders.

Thank you.

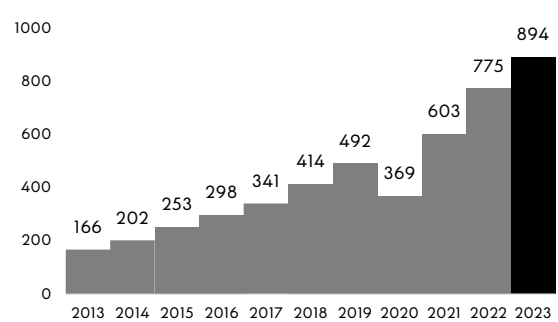
REMO RUFFINI  
CHAIRMAN AND CEO

# GROUP FINANCIAL HIGHLIGHTS<sup>1</sup>

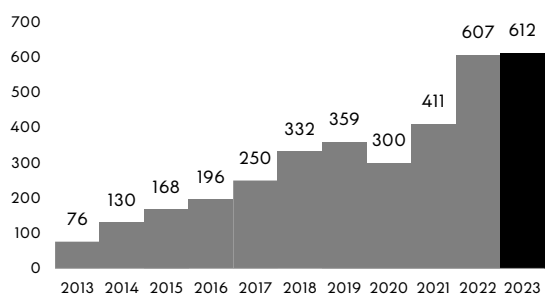
REVENUES (EUR M)



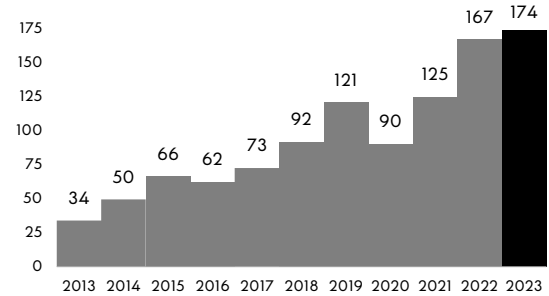
EBIT (EUR M)



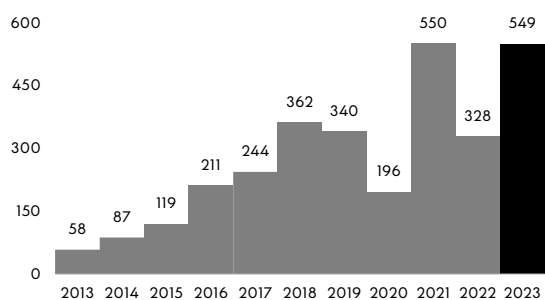
NET INCOME (EUR M)



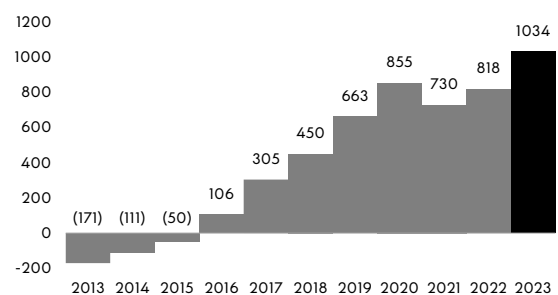
NET CAPITAL EXPENDITURE (EUR M)



FREE CASH FLOW (EUR M)<sup>2</sup>



NET FINANCIAL POSITION (EUR M)



<sup>1</sup> This note applies to all pages: data including IFRS 16 impacts from 2019. The net financial position excludes lease liabilities. Data are rounded at the first decimal.

<sup>2</sup> 2022 free cash flow reflects the impact of the Stone Island brand value realignment.

# CORPORATE BODIES

## BOARD OF DIRECTORS

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

## BOARD OF STATUTORY AUDITORS

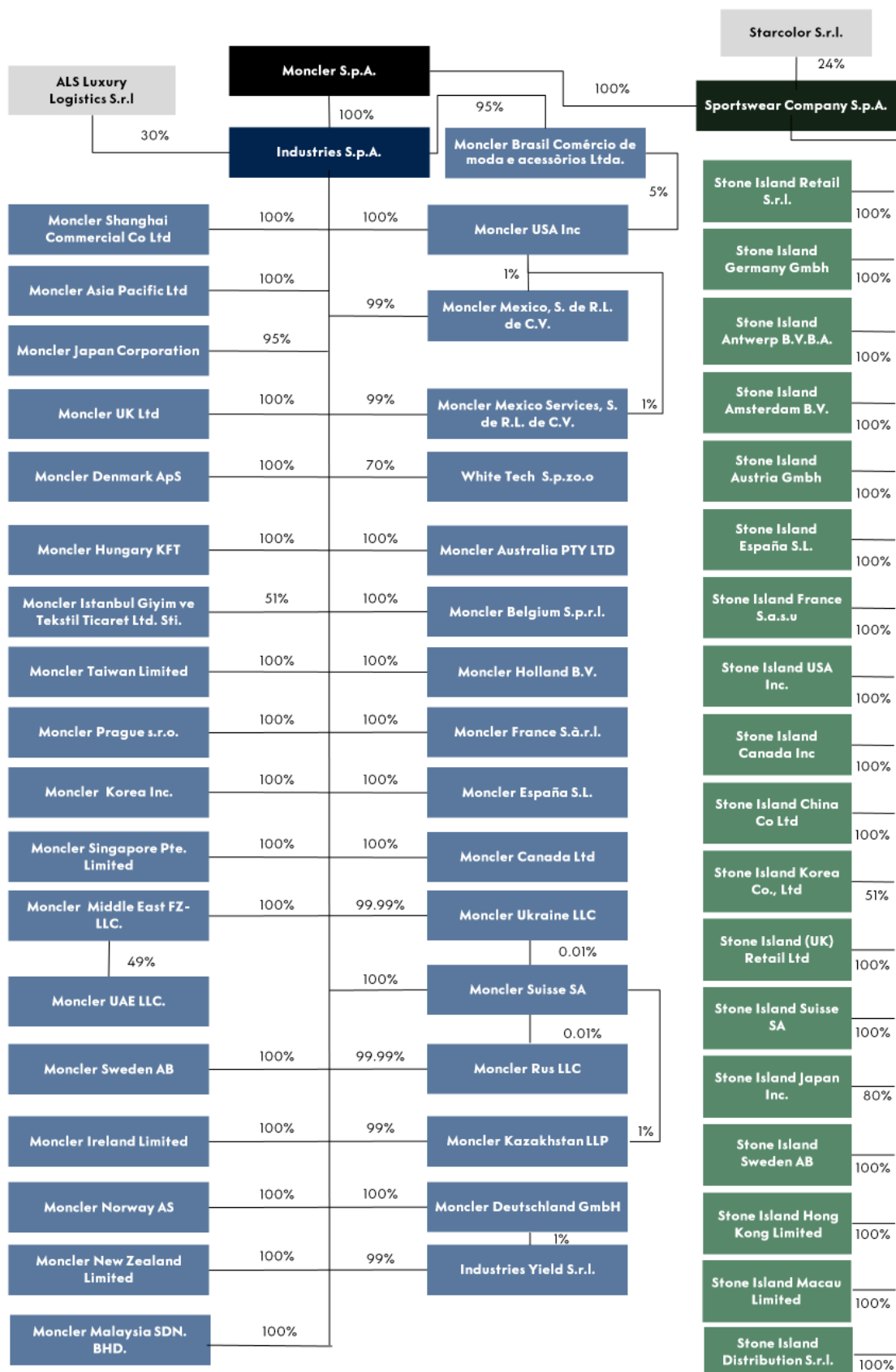
Riccardo Losi	Chairman
Carolyn Dittmeier	Standing Auditor
Nadia Fontana	Standing Auditor
Federica Albizzati	Alternate Auditor
Lorenzo Mauro Banfi	Alternate Auditor

## EXTERNAL AUDITORS

Deloitte&Touche S.p.A



# GROUP CHART AT 31 DECEMBER 2023



# GROUP STRUCTURE

The Consolidated Financial Statements of the Moncler Group at 31 December 2023 include Moncler S.p.A. (Parent Company), Industries S.p.A., Sportswear Company S.p.A. (sub-holding companies directly controlled by Moncler S.p.A.), and 53 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 will manage 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.	Inactive Company
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 Region
Moncler UAE LLC	Company that manages DOS in the United Arab Emirates
Moncler UK Ltd	Company that manages DOS in the United Kingdom
Moncler Ukraine LLC	Company that manages DOS in Ukraine
Moncler USA Inc	Company that manages DOS and promotes and distributes goods in North America
White Tech Sp.zo.o.	Company that manages quality control of down
Sportswear Company S.p.A.	Sub-holding company for the Stone Island brand that is directly involved in the management of foreign companies and the wholesale distribution channel through its subsidiary Stone Island Distribution S.r.l.
Stone Island Amsterdam B.V.	Company that manages DOS in the Netherlands
Stone Island Antwerp B.V.B.A.	Company that manages DOS in Belgium
Stone Island Austria GmbH	Company that manages DOS in Austria
Stone Island Canada Inc	Company that manages DOS in Canada
Stone Island China Co., Ltd	Company that manages DOS in China
Stone Island Distribution S.r.l.	Company that manages distribution
Stone Island España S.L.	Company that manages DOS in Spain
Stone Island France S.a.s.u.	Company that manages DOS in France
Stone Island Germany GmbH	Company that acts as Agent for Germany and Austria and manages DOS in Germany
Stone Island Hong Kong Limited	Company that manages DOS in Hong Kong

Stone Island Japan Inc.	Company that manages DOS and promotes and distributes goods in Japan
Stone Island Korea Co., Ltd	Company that manages DOS and promotes and distributes goods in Korea
Stone Island Macau Limited	Company that manages DOS in Macau
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, while 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 material research, innovation and functionality are the values that have always defined Stone Island, an apparel brand founded in 1982 by Massimo Osti and Carlo Rivetti, with a center of excellence 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. The study of uniforms and work clothes becomes the Stone Island observatory in defining a concept in which the function of the garment goes beyond aesthetics.

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 the development of 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, EVOLUTION OF THE BRAND INTO THREE DIMENSIONS AND THE 70 <sup>TH</sup> ANNIVERSARY	Moncler launches a new chapter, evolving the brand into three dimensions – <i>Collection</i> , <i>Genius</i> and <i>Grenoble</i> – to reach broader audiences. In the same year, Moncler celebrates the 70 <sup>th</sup> 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 was appointed 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 40<sup>TH</sup> ANNIVERSARY**

Stone Island celebrated its 40<sup>th</sup> anniversary with dedicated product launches and an iconic installation in Miami, followed by events that involved all the main communities of the brand.

**2023, ROBERT TRIEFUS APPOINTED CEO OF STONE ISLAND**

Robert Triefus was appointed Chief Executive Officer of Stone Island. Under his leadership, the brand started a new chapter in its evolution to drive worldwide resonance and strengthen its unique positioning.



# 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 BRAND

---

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 relentless 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 community of those who are proud to wear Stone Island. It is 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.

### ENDLESS PASSION FOR ENDLESS KNOW-HOW

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 leadership 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 change and biodiversity, circular economy and innovation, responsible supply chain, enhancement of diversity and support for 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 company, 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 search for shapes and functionality, innovation of materials and details with constant attention to the elevation of the collection in all its categories, expressing the brand's DNA to respond to the multiple needs of the global and local customers.

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* collections express creativity in its highest form by bringing together different interpretations and visions of the brand by talented co-creators, who contribute to reaching new communities and generating new creative energy, while always remaining true to the brand's uniqueness.

Transversal to the three brand's dimensions, the footwear collection – with the launch in September 2022 of the new family of Trailgrip products – takes on 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, while for accessories and shoes Moncler uses third parties manufacturers.

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.

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 1,800 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 supply<sup>3</sup>.

## 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.

---

<sup>3</sup>Based on Orders' Value.

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 2023, more than 1,300 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. (Please refer to [dist.moncler.com](http://dist.moncler.com))

## MONCLER – DISTRIBUTION

Moncler is present in all major markets both through the retail channel, consisting of directly operated stores (DOS<sup>4</sup>), 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 2023, the network of mono-brand Moncler boutiques counted 269 directly operated stores (DOS), +18 units compared to 31 December 2022. Some of the most important stores opened and/or converted to DOS in the year include Dallas Highland Park and Moncler Grenoble St. Moritz, in addition to some important relocations/expansions including Zurich Bahnhofstrasse, Shanghai Plaza 66, Miami Bal Harbour, Paris Galeries Lafayette and Wien Kohlmart. The brand operates 57 wholesale shop-in-shops (SiS).

MONCLER	31/12/2023	31/12/2022	Net openings 2023
Asia	130	125	5
EMEA	95	88	7
Americas	44	38	6
RETAIL	269	251	18
WHOLESALE	57	63	-6

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.

---

<sup>4</sup> Including free standing stores, concessions, travel retail stores and factory outlets.

## 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 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 aimed at continuing strengthening each brand's dimension: *Moncler Collection*, *Moncler Grenoble* and *Moncler Genius*.

In February 2023, Moncler unleashed a new vision for *Moncler Genius* through an immersive live event, *The Art of Genius*, that took place at Olympia London during London Fashion Week. Transforming its collaboration model into a platform for co-creation, Moncler challenged the boundaries of possibility at the intersection of Art, Design, Entertainment, Music, Sport, and Culture. A community of 10,000 guests came together to embrace this experience. *The Art of Genius* saw distinct artistic worlds collide under one roof as the 2023 lineup of creators took over the space, bringing together their unique interpretations of Genius. Moncler's heritage was reimaged in ways that went beyond fashion, including a futuristic journey into modes of transportation, and a psychedelic take on glamping in the wilderness. Each co-creator brought together their own unique brand of Genius to the potent mix, challenging the boundaries of what's possible while presenting immersive experiences and performances that represented their creative visions.

For Moncler Grenoble, 2023 saw the launch of collections across the entire first half of the year (Spring-Summer 2023 in February and Pre-Fall 2023 in June) for the first time ever, presenting essential outdoor layers for all seasons on the mountains. In December 2023, Moncler opened – in the heart of St. Moritz – its first-ever *Moncler Grenoble* flagship store entirely dedicated to the world of Moncler Grenoble and at the same time launched the new global campaign "Beyond performance". The new campaign stars four world-renowned winter athletes – Xuetong Cai, Perrine Laffont, Richard Permin, and Shaun White – and captures the group as they commune with the mountain and each other, cutting from adrenalin-fuelled descents to more intimate, off-duty moments.

In 2023, Moncler launched the first ever *Moncler Collection Summer*, creating a new space for the brand to serve Moncler customers all year around and celebrating Moncler summer in style by focusing on core items, from puffer to lightweight jackets, all the way into cut & sewn, beachwear and more.

## MONCLER – DIGITAL

The Group has always been looking for new ways to understand, communicate and engage with its consumer base as well as interact with new and existing communities.

In 2023 Moncler further accelerated its digital transformation by leveraging its new business organisation and finalising the expansion of the e-commerce activities in China with the launch of the Moncler digital flagship on Tmall at the end of 2022 followed by moncler.com openings in Hong-Kong and Singapore in 2023.

The goal is for every project or initiative – from the design of collections to product development or even event construction, to be digital native and to be designed with digital platforms as the first point of contact with clients to then be expanded across all other channels. This new approach opened the door to a future full of explorations, creativity, experimentations and more importantly, "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. The team is in charge of shaping "commerce experiences" blending commerce, branding and services whilst always putting consumer on the forefront. The team mainly manages content creation, buying, and merchandising.

*D-Marketing* contributes to further accelerating the expansion of the three brand dimensions by developing an immersive digital universe that – from owned platforms to external touchpoints – aims at growing the consumer reach both by reinforcing the brand identity, but also by increasing client engagement and conversion. Several projects have been developed and launched in 2023 the above goals, including the launch of the first ever immersive showroom for the Moncler x adidas Originals collection, the Snapchat Custom Augmented Reality Lens to push the footwear collection and the launch of the renewed membership program Moncler Peaks.

*D-Intelligence* through the analysis and management of qualitative and quantitative data gathers insights on the omnichannel clients behaviour to ultimately identify strategic growth opportunities and improve the client experience.

*D-Operations* manages the execution of the digital strategy to ensure a seamless customer experience across all touchpoints, through the development, maintenance, and improvement of Moncler's flagship .com site and mobile apps.

*Consumer Engagement* is a department in charge of understanding Moncler's current and potential new clients and engaging through digital initiatives and an elevated loyalty program, which offers exclusive benefits aimed at onboarding new clients and elevating the experience of loyal ones.

In particular, Moncler is present on the following social media platforms: Instagram, Facebook, X (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

Stone Island is a global leader of product design and garment innovation. It has consistently pushed fabric technology and experimentation, particularly focusing on functionality and utilitarianism. Design is driven by purpose, resulting in an immediately recognisable signature of cut, form, materiality and colour.

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 also faced 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 in 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 from 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 81 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, after the internalization of the distribution in the Korean and in the Japanese markets as well as the internalization of the DTC channel in UK in 2022, at the end of 2023 Stone Island started the process to take full control of the brand distribution in the Chinese market, which will be completed over the first months of 2024.

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 2023 the wholesale channel accounted for 58% of revenues while the remaining 42% was generated by directly managed stores and the online channel. As of 31 December 2023, the network of mono-brand Stone Island stores was composed of 15 wholesale stores and 81 retail stores, +9 units compared to 31 December 2022. Some of the most important stores opened and/or converted to DOS in the year include Stockholm and Chengdu Swire, in addition to some important relocations/expansions including Munich and Amsterdam Bijenkorf.

STONE ISLAND	31/12/2023	31/12/2022	Net openings 2023
Asia	48	44	4
EMEA	26	21	5
Americas	7	7	-
RETAIL	81	72	9
WHOLESALE	15	19	-4

## 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, X (Twitter), Pinterest, YouTube, TikTok 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.

In 2023, Stone Island announced a global multi-year partnership with Frieze, a leading international contemporary art and culture platform. Commencing at Frieze London in October 2023, Stone Island became the Official Partner of Focus, the section dedicated to galleries of younger talents, and of Frieze 91, the global membership program that provides access to the communities and art-shaping contemporary culture.

#### 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 2023 the Group continued to hold a significant number of training sessions for Italian and foreign customs officials and enforcement authorities. In particular, in 2023, 27 training sessions were held for the Moncler brand and 17 training sessions were held for the Stone Island brand.

In 2023 constant efforts to combat counterfeiting led, at the global level, to more than 3,300 cases of seizure for the Moncler brand and almost 1,400 cases for the Stone Island brand, removing from the market approximately 201,000 and 53,000 finished products, respectively, as well as nearly 125,000 and 88,000 counterfeit branded items respectively, such as logos and labels intended for the production of garments and accessories in infringement of the Group's IP 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, in 2023 the Group removed almost 45,000 online auction listings of counterfeit products, closed 190 sites in violation, delisted more than 18,000 pages linked to counterfeit products and removed over 86,000 posts, accounts and sponsored advertisements on major social networks. In the case of Moncler, 2023 saw a reduction of around 94,000 auction listings of counterfeit products, the blocking of more than 500 sites, the removal from major search engines of almost 39,000 links to sites offering non-original products for sale and the removal of around 127,000 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](https://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 the 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.

Confirming Moncler's and Stone Island's commitment to applying brand protection procedures, aimed at regulating the methods for verifying design and creative content, in 2023 Cultural Assessment and Risk Mitigation areas were strengthened. With the aim of raising internal awareness on IP and Brand Protection issues, a temporary exhibition called 'Fake Room' was set up in April 2023: an interactive experience that allowed the entire Group community to experience first-hand the counterfeiting phenomenon and the strategies implemented by the Group to fight it. The exhibition was held both in Milan and Trebaseleghe, for three and two days respectively, involving over 350 participants.

# 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 express 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;
- medium-to-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 medium-to-long-term performance conditions and ESG indicators as evidence of management's commitment to sustainability issues. The medium-to-long-term incentive system is an important component of the pay mix and makes up the majority of total compensation for the top management.

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 objectives assigned as targets

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.

International mobility – a pillar of the people development strategy – is regulated by the Global Mobility Policy, laying down the Company's commitment to ensure a fair, competitive, incentive-based and globally consistent economic treatment of expatriates.

Through its remuneration policy, the Group promotes and enhances an inclusive culture: during 2023, the analysis aimed at obtaining equal pay certification progressed further, confirming the approach aimed at closing the gender pay gap.

The progress made towards gender balance targets are measured through a DE&I dashboard, developed in 2022, which allows 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 2020-2025 sustainability plan dedicated to promoting diversity and inclusion.

During 2023, efforts continued in the area of diversity promotion to raise everyone's awareness of inclusiveness issues. A training session on promoting diversity within complex organisations was conducted, physically involving employees at the Headquarters and simultaneously broadcasting the content to all regions. This event represents the first step in a programme that will focus on inclusive leadership in 2024.

A specific module on Unconscious Bias continues to be available for the entire company population, which can be accessed via the internal training platforms.

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 2022. 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 71% of the population with permanent contracts and 57% of those with temporary contracts. 61% of the contracts transformed into permanent contracts in 2023 are for women. By analyzing the breakdown by gender in terms of company seniority, distribution by age group, level of education, no deviations from the general trend are observed.

## 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 2023 were:

- MONCampus: a programme now in its third year, designed for talented young people and managed entirely by internal trainers;
- Makers Lab: a programme where internal Company "experts" share their knowledge of specific activities, processes and tools;
- eMpower: the project, launched in February 2023, represents a tangible commitment to support and empower new employees through targeted training programmes. During 2023, the initiative involved 188 people for a total of 1,565 training hours.

In 2023, the third edition of the *MATE* project took place, an internal technical training academy for recent graduates from technical and vocational 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.

During 2023, efforts continued in the area of diversity promotion to raise everyone's awareness of inclusiveness issues. A training session on promoting diversity within complex organisations was conducted, physically involving employees at Headquarters and simultaneously broadcasting the content to all regions. This event represents the first step in a programme that will focus on inclusive leadership in 2024.

A specific module on Unconscious Bias continues to be available for the entire population, which can be accessed via internal training platforms.

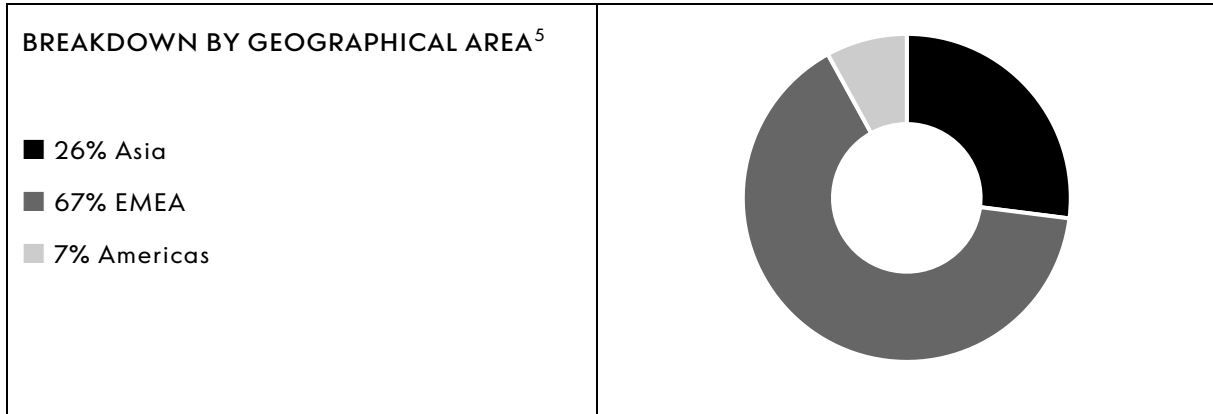
In 2023 the Group delivered 305,161 total training hours.

As at 31 December 2023 the Group had 7,510 employees (7,203 full-time equivalents or FTEs), of whom approximately 48% were employed in direct stores, compared with 49% in 2022. The Moncler brand had 6,754 employees (6,483 FTEs) and Stone Island 756 (720 FTEs).

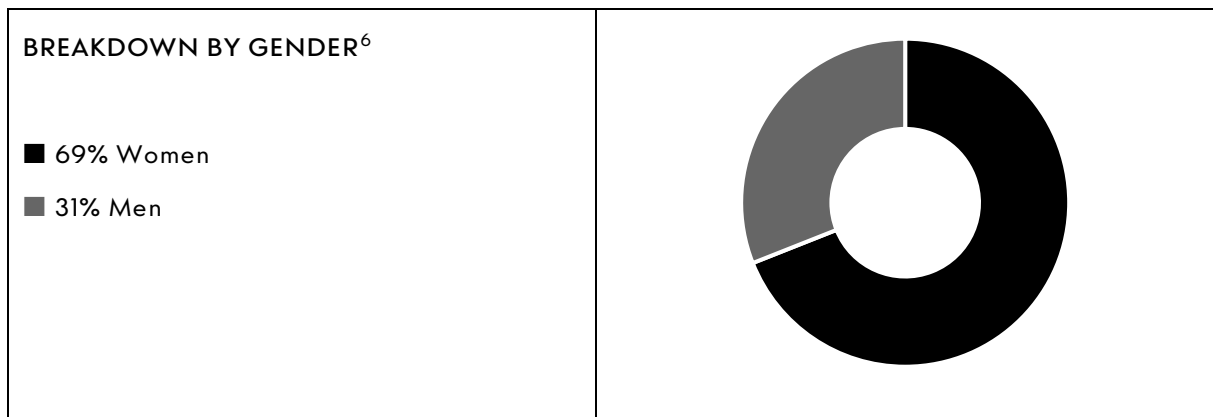
At Group level, the distribution by geographical area sees the EMEA area employing 67% of total FTEs, followed by Asia with 26% and the Americas with 7%.

FTE	2023	2022	2021
Asia	1,886	1,611	1,167
EMEA	4,791	3,939	3,115
Americas	526	485	353
TOTAL	7,203	6,035	4,635
of which DTC	3,295	2,860	2,006

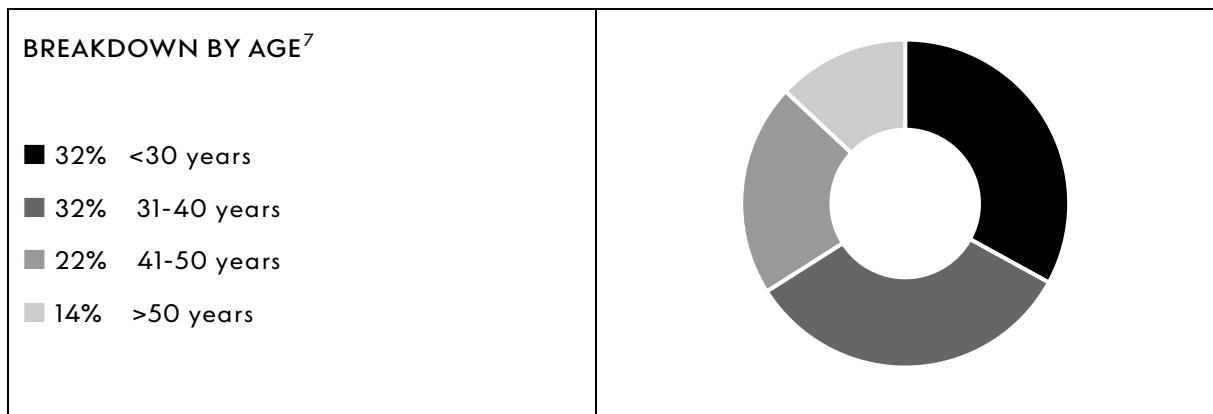




As at 31 December 2023, 69% of employees were women, in line with 2022.



As at 31 December 2023, the highest concentrations of employees are confirmed in the "31-40" age group and the "under-30" age group. In particular, the latter category is up by 18% compared to 2022, consistent with the Group's commitment to provide young people with professional opportunities. The average age is 37.



<sup>5</sup> Full-Time Equivalents as at 31/12/2023.

<sup>6</sup> Employee headcount as at 31/12/2023

<sup>7</sup> Employee headcount as at 31/12/2023

## 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 used to measure the internal company climate 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.

Each year, analysis allows us to identify the strengths and areas to work on to grow and improve.

Among the main areas of excellence that emerged were "quality and customer focus", "respect and recognition" and "flexibility and availability of one's manager". "Collaboration and communication between departments", although growing, continues to be the area to be strengthened, together with the Group's ability to organise "work in a structured manner and in line with the responsibilities required by the role covered" and the "remuneration and benefits system".

## VOLUNTEERING

Strong in its belief that corporate volunteering is key to social responsibility and the promotion of an inclusive culture, the Moncler Group has launched several partnerships with non-profit organisations since 2018, embracing a wide range of activities, from environmental to social.

Each Group employee worldwide has the opportunity to take advantage of two days a year to devote to the proposed volunteer activities, with a choice of different organisations and different types of activities.

With Legambiente, the Moncler Group has contributed to raising awareness of the environmental impact of waste, participating in the cleaning of parks and public spaces. At the same time, activities were carried out to restore and maintain schools and community centres in the cities of Milan, Padua and Modena. In May 2023, in collaboration with the Francesca Rava N.P.H. Foundation, the Group involved employees in the restoration activities of the places affected by the floods in Emilia-Romagna, recording great adhesion and active participation from people.

Since 2021, Moncler has launched the Be Warm project, carried out together with Officine Buone, thanks to which people make their artistic talents available to Italian hospitals, sharing their passion for art, painting, photography and music: in July 2023, the Group's volunteers performed in a musical concert at the RSA Mater Gratiae in Milan, donating a moment of entertainment and serenity to patients and doctors, while in December 2023, the selected visual and digital art works were exhibited at the Niguarda hospital in Milan.

During the year, numerous initiatives also saw the Group's Regions engaged in various activities, from social work to the cleaning and conservation of natural areas such as parks and beaches.

In 2023, globally, 476 employees took part in these programmes for a total of more than 2,083 volunteer hours.

# 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 Plan includes science-based greenhouse gas emission reduction targets, the commitment to achieve net zero emissions by 2050, as well as the recycling of nylon production waste at its own sites and in the production chain, the use of 50% low-impact fabrics and yarns by 2025, *i.e.* recycled, organic, from regenerative agriculture or certified according to specific standards. The Sustainability Plan also focuses on the traceability of raw materials and the continuous improvement of social and environmental standards along the supply chain through close cooperation with its production partners. Internal and external awareness-raising initiatives are also envisaged to favour and enhance diversity and promote an increasingly inclusive culture, in addition to obtaining Equal Pay certification. The Moncler Group is also committed to supporting local communities with projects of high social value in favour of the community and to protecting 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 related 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 within the Group. 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.

The annual incentive system (MBO) is strongly linked to ESG (Environmental, Social, and Governance) themes, using a KPI tied to achieving the annual goals of the 2020-2025 Sustainability Strategic Plan. The medium to long-term incentive system (which includes the stock incentive plan called "Performance Shares Plan 2022", approved by the Shareholders' Meeting on April 21, 2022) includes an ESG Performance Indicator linked to carbon neutrality for all directly managed company locations (offices, stores, production sites, and logistics hub), reducing single-use virgin plastic, and recycling nylon production waste. There is also an over-performance target linked to obtaining a high rating of the Group's overall sustainability performance from one of the primary ESG rating agencies, including S&P Global, CDP, MSCI, or Sustainalytics. This goal was achieved with the maximum percentage of attainment in 2023.

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 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 2023 Consolidated Non-Financial Statement is prepared "in compliance" with the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 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 Corporate Sustainability Reporting Directive - CSRD (EU Directive 2022/2464), approved and published in the EU Official Journal in December 2022, will come into force for the Moncler Group with the Sustainability Report for the fiscal year 2024. The same will have to be prepared according to the new European Sustainability Reporting Standards (ESRS) and be included within the Management Report. The Group has already begun the transition process to comply with the new requirements.

## 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 has been 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" (ABM<sup>8</sup>). 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 2023, 156 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 from 2023, all down suppliers of the Group will be compliant with the social and environmental requirements verified through audits.

---

<sup>8</sup> 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

2023 was another volatile year from a macroeconomic and geopolitical perspective.

The continuation of the conflict between Russia and Ukraine and the outbreak of the conflict between Israel and Palestine, which began on 7 October 2023, intensified geopolitical tensions and the nervousness of global financial markets.

Speculation regarding the pace of interest rate cuts to be implemented by central banks also exacerbated volatility on the financial markets throughout the year and resulted in an end-of-year rally as falling inflation data in the last months of 2023 fuelled expectations on earlier-than-expected rate cuts.

On the back of this rally, the major share indices ended the year recording double-digit gains, particularly in the Western world.

The global index (S&P Global Index, BMI) was up 32%. In Europe the EuroSTOXX50 was up 19%, the FTSE MIB ended the year at +28% and in the United States the S&P 500 came in at +24%.

In Asia, instead, markets struggled on the back of deteriorating local macroeconomic data. In Hong Kong the Hang Seng Index (HSI) closed down -14%, in China the Shanghai Stock Exchange index (SSE Composite) declined by 18%. Japan was an exception, with the NIKKEI 225 up 28%.

As for the luxury sector, 2023 was a year of two halves: during the first part of the year, the performance of the companies in the industry as well as investor sentiment were boosted by the re-opening in China – after the severe Covid-19 restrictions implemented by the government in the fourth quarter of 2022 – and the very resilient luxury demand among European customers, which continued to surprise on the upside.

In the second half of the year, starting over summer, the sector experienced a moderation of growth after the super cycle that characterised the three years post pandemic, with a visible normalisation in consumption trends particularly in Europe and in the US. The online channel also saw a sharp deterioration.

All of this resulted in many companies in the sector, including Moncler, experiencing the first earnings downgrades by research houses since the Covid-19 times. These earnings downgrades were cumulatively up to a low double-digit percentage for the large-cap stocks, and this was reflected in share price trends, which saw a major correction particularly post summer.

Taking everything into account, the sector was up only 1% in 2023, underperforming the MSCI Europe (+21%) and the FTSE MIB (+28%).

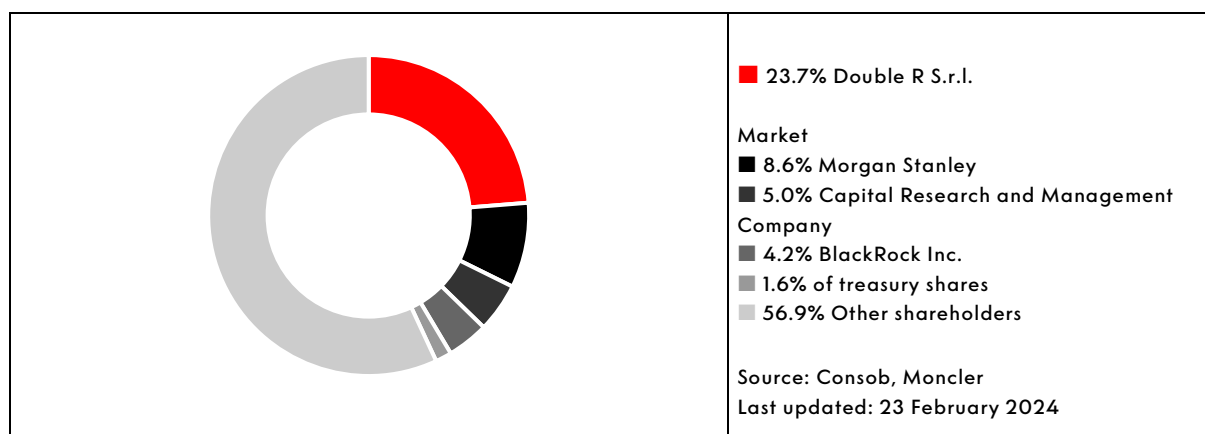
Moncler sits in the higher end of the spectrum, posting the fourth largest performance (+13%) after Hermès, Cucinelli, and Tod's.

Share performance	1 year (2023)	2 years (2023-2022)	5 years (2023-2019)
Hermès	32.8%	24.9%	295.8%
Cucinelli	28.2%	46.0%	194.8%
Tod's	12.7%	-30.7%	-17.3%
Moncler	12.5%	-13.0%	92.5%
Zegna	10.5%	10.4%	n.a.
LVMH	7.9%	0.9%	184.1%
Prada	1.2%	-10.5%	73.1%
Richemont	-3.5%	-15.5%	83.7%
Swatch	-13.1%	-18.1%	-20.3%
Kering	-16.1%	-43.6%	-3.1%
Ferragamo	-26.0%	-45.8%	-30.8%
Burberry	-30.2%	-22.1%	-18.4%
Luxury goods sector average	1.4%	-9.8%	75.8%
FTSE MIB	28.0%	11.0%	65.6%

(source: FACTSET at 31 December 2023)

Moncler's market capitalisation was €15.3 billion as at 31 December 2023, compared to €13.6 billion as at 31 December 2022, and in the year recorded a Total Shareholder Return (TSR) of 14%. The number of shares was 274,627,673 as at 31 December 2023. Moncler's significant shareholders are shown in the chart below.

## SHAREHOLDING



During the course of 2023, 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. 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.

## FINANCIAL CALENDAR

The main events in 2024 related to the Moncler Group reporting timeline are provided below<sup>9</sup>:

Date	Event
Wednesday, 28 February 2024	Board of Directors for the Approval of the Draft Consolidated Results at 31 December 2023
Wednesday, 24 April 2024	Annual Shareholders' Meeting for Approval of the Full Year Financial Statements at 31 December 2023
Wednesday, 24 April 2024	Board of Directors for the Approval of the Interim Management Statement at 31 March 2024
Wednesday, 24 July 2024	Board of Directors for the Approval of the Half-Year Financial Report at 30 June 2024
Tuesday, 29 October 2024	Board of Directors for the Approval of the Interim Management Statement at 30 September 2024

---

<sup>9</sup> A conference call/meeting with institutional investors and equity research analysts will take place following the B.o.D.



## SECTION TWO

### INTRODUCTION

In accordance with Article 40, paragraph 2 bis of the Legislative Decree 127 of 09/04/91, the Parent Company has prepared the Directors' Report as a single document for both the separate financial statements of Moncler S.p.A. and the Group consolidated financial statements.

# PERFORMANCE OF THE MONCLER GROUP

## ECONOMIC RESULTS

Following is the consolidated income statement for FY 2023, compared with FY 2022 financial data.

(EUR 000)	FY 2023	% on revenues	FY 2022	% on revenues
REVENUES	2,984,217	100.0%	2,602,890	100.0%
YoY performance	+15%		+27%	
GROSS PROFIT	2,300,830	77.1%	1,987,843	76.4%
Selling expenses	(868,062)	(29.1%)	(757,393)	(29.1%)
General & Administrative expenses	(331,231)	(11.1%)	(283,967)	(10.9%)
Marketing expenses	(207,698)	(7.0%)	(171,936)	(6.6%)
EBIT	893,839	30.0%	774,547	29.8%
Net financial income / (expenses)	(23,204)	(0.8%)	(27,216)	(1.0%)
EBT	870,635	29.2%	747,331	28.7%
Taxes	(258,733)	(8.7%)	(140,625)	(5.4%)
Tax rate	29.7%		18.8%	
GROUP NET RESULT	611,931	20.5%	606,697	23.3%

## CONSOLIDATED REVENUES

In 2023, Moncler Group reached consolidated revenues of EUR 2,984.2 million, up 17% cFX compared with the same period in 2022. These results include Moncler brand revenues of EUR 2,573.2 million and Stone Island brand revenues of EUR 411.1 million.

In the fourth quarter, Group revenues were EUR 1,177.9 million, up 16% cFX compared with the same period of 2022. The Moncler and Stone Island brands recorded revenues equal to EUR 1,076.9 million and EUR 101.0 million respectively in Q4.

### MONCLER GROUP: REVENUES BY BRAND

MONCLER GROUP	FY 2023		FY 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
Moncler	2,573,159	86.2%	2,201,758	84.6%	+17%	+19%
Stone Island	411,058	13.8%	401,132	15.4%	+2%	+4%
REVENUES	2,984,217	100.0%	2,602,890	100.0%	+15%	+17%

### ANALYSIS OF MONCLER BRAND REVENUES

In 2023, Moncler brand revenues were EUR 2,573.2 million, an increase of 19% cFX compared to 2022.

In the fourth quarter, revenues for the brand amounted to EUR 1,076.9 million, up 17% cFX YoY, accelerating sequentially compared to the growth registered in Q3.

### MONCLER BRAND: REVENUES BY GEOGRAPHY

MONCLER	FY 2023		FY 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
Asia	1,291,377	50.2%	1,029,327	46.8%	+25%	+30%
EMEA	910,489	35.4%	804,361	36.5%	+13%	+14%
Americas	371,294	14.4%	368,070	16.7%	+1%	-1%
REVENUES	2,573,159	100.0%	2,201,758	100.0%	+17%	+19%

In 2023, revenues in Asia (which includes APAC, Japan and Korea) were EUR 1,291.4 million, up 30% cFX compared to 2022. In the fourth quarter, revenues in the region grew by 28% cFX YoY, accelerating compared to the third quarter, mainly thanks to a strong growth registered in the Chinese mainland, whose performance in Q4 2022 was affected by Covid restrictions. Japan, Korea and the rest of APAC continued to record a very solid performance, all growing at a double-digit pace in the fourth quarter.

EMEA recorded revenues of EUR 910.5 million, +14% cFX compared to 2022. In the fourth quarter, revenues in the region increased by 7% cFX YoY, slightly improving compared to the previous quarter, despite a very high Q4 2022 comparable base. This acceleration was driven by the DTC channel, with a positive contribution from both tourists and locals. Chinese, Korean and American customers remained the strongest contributors to tourist purchases in the region.

Revenues in the Americas declined by 1% cFX compared to 2022 to EUR 371.3 million. In the fourth quarter, revenues in the region were up 3% cFX YoY, with a positive DTC business offsetting the decline in the wholesale channel. The performance of the region in the two channels was influenced by the conversions of Nordstrom and part of Saks from a wholesale to a DTC business model.

#### MONCLER BRAND: REVENUES BY CHANNEL

MONCLER	FY 2023		FY 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
DTC	2,163,920	84.1%	1,772,003	80.5%	+22%	+25%
Wholesale	409,239	15.9%	429,755	19.5%	-5%	-6%
REVENUES	2,573,159	100.0%	2,201,758	100.0%	+17%	+19%

In 2023, the DTC channel recorded revenues of EUR 2,163.9 million, up 25% cFX compared to 2022. Revenues in the fourth quarter of 2023 increased by 20% cFX YoY, with both EMEA and Asia improving progressively compared to the previous quarter.

The direct online channel registered a positive performance in 2023. Trends in the fourth quarter improved compared to Q3.

In 2023, revenues by stores open for at least 12 months (CSSG) grew by 19% compared with 2022.

The wholesale channel recorded revenues of EUR 409.2 million, a decline of 6% cFX compared to 2022. In the fourth quarter, revenues in this channel declined by 15% cFX YoY, mainly impacted by the above-mentioned conversions of Nordstrom and part of Saks in the US and by the ongoing efforts to upgrade the quality of the distribution network. Excluding the effects of US conversions, revenues in the wholesale channel would have been slightly positive in 2023.

#### ANALYSIS OF STONE ISLAND BRAND REVENUES

In 2023, Stone Island brand revenues reached EUR 411.1 million, an increase of 4% cFX compared to 2022.

In the fourth quarter, revenues for the brand amounted to EUR 101.0 million, up 7% cFX YoY, led by double-digit growth in the DTC channel.

#### STONE ISLAND BRAND: REVENUES BY GEOGRAPHY

STONE ISLAND	FY 2023		FY 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
EMEA	287,506	69.9%	278,670	69.5%	+3%	+3%
Asia	89,441	21.8%	80,177	20.0%	+12%	+16%
Americas	34,111	8.3%	42,285	10.5%	-19%	-17%
REVENUES	411,058	100.0%	401,132	100.0%	+2%	+4%

In 2023, EMEA, which continues to be the most important region for the brand, recorded revenues of EUR 287.5 million, an increase of 3% cFX compared with 2022. In the fourth quarter, revenues were up 3% cFX YoY, with a solid double-digit performance in the DTC channel more than offsetting the decline in the wholesale channel.

Asia (which includes APAC, Japan and Korea) reached EUR 89.4 million revenues in 2023, growing 16% cFX compared to 2022. In the fourth quarter, the region grew by 22% cFX, mainly driven by the strong performance of Japan and the Chinese mainland.

The Americas were down 17% cFX compared to 2022. In the fourth quarter, the region saw a decline of 14% cFX YoY as performance continued to be impacted by challenging trends mostly among department stores, as well as by the ongoing efforts in upgrading the quality of this channel.

#### STONE ISLAND BRAND: REVENUES BY CHANNEL

STONE ISLAND	FY 2023		FY 2022		% vs 2022	
	EUR 000	%	EUR 000	%	rep FX	cFX
DTC	172,844	42.0%	149,153	37.2%	+16%	+19%
Wholesale	238,214	58.0%	251,979	62.8%	-5%	-5%
REVENUES	411,058	100.0%	401,132	100.0%	+2%	+4%

In 2023, the wholesale channel recorded revenues of EUR 238.2 million, down 5% cFX compared to 2022. In the fourth quarter, revenues declined by 6% YoY, primarily due to the strict volume control adopted in the management of this channel to continuously improve the quality of the distribution network.

The DTC channel grew by 19% cFX compared to 2022 to EUR 172.8 million, representing 42% of total 2023 revenues. In the fourth quarter, revenues in this channel were up 16% cFX YoY, mainly driven by the very solid performance of Asia and EMEA.

## MONCLER GROUP INCOME STATEMENT RESULTS

In 2023, the consolidated gross profit was equal to EUR 2,300.8 million, with an incidence on revenues of 77.1% compared with 76.4% in 2022. The increase in margin is primarily driven by the channel mix, with a higher incidence of the DTC channel.

In 2023, selling expenses were EUR 868.1 million, compared with EUR 757.4 million in 2022, with a 29.1% incidence on revenues (in line with 2022). General and administrative expenses were EUR 331.2 million, with a 11.1% incidence on revenues, compared with EUR 284.0 million in 2022 (10.9% on revenues). The higher incidence of these costs is mainly linked to the ongoing investments in the organization.

Marketing expenses were EUR 207.7 million, representing 7.0% of revenues, compared with 6.6% in 2022. The lower marketing spending in the second half of 2023 vs 2022 (and the related incidence on sales) is entirely due to a different phasing of marketing activities in H1 vs H2 compared to the previous year.

Depreciation and amortisation, excluding those related to the rights of use recorded in application of IFRS 16, were EUR 114.2 million.

Group EBIT was EUR 893.8 million with a margin of 30.0%, compared with EUR 774.5 million in 2022 with a margin of 29.8%.

In 2023, net financial expenses were EUR 23.2 million, partially compensated by interest income, compared with EUR 27.2 million in 2022, mainly related to lease liabilities ex IFRS 16.

The tax rate in 2023 was equal to 29.7% compared to 18.8% in 2022. In 2022, taxes reflected a one-off positive impact of the Stone Island brand value realignment for EUR 92.3 million.

The Group net result was equal to EUR 611.9 million, compared with EUR 606.7 million in 2022, which was impacted by the above-mentioned non-recurring item.

## MONCLER GROUP CONSOLIDATED BALANCE SHEET AND CASH FLOW ANALYSIS

Following is the reclassified consolidated balance sheet statement as of 31 December 2023 and 31 December 2022.

(EUR 000)	31/12/2023	31/12/2022
Brands	999,354	999,354
Goodwill	603,417	603,417
Fixed assets	442,098	388,325
Right-of-use assets	737,501	773,517
Net working capital	240,200	191,674
Other assets / (liabilities)	3,177	4,470
<b>INVESTED CAPITAL</b>	<b>3,025,747</b>	<b>2,960,757</b>
Net debt / (net cash)	(1,033,693)	(818,223)
Lease liabilities	805,177	837,397
Pension and other provisions	39,834	39,297
Shareholders' equity	3,214,429	2,902,286
<b>TOTAL SOURCES</b>	<b>3,025,747</b>	<b>2,960,757</b>

### NET WORKING CAPITAL

Net consolidated working capital was EUR 240.2 million compared with EUR 191.7 million as of 31 December 2022, equal to 8.0% of revenues (7.4% as of 31 December 2022). The increase in net working capital YoY was mainly driven by the inventory position, due to a different phasing of production compared to the previous year to better serve all global markets. All other metrics are in line with previous year, reflecting the continuous and rigorous control of the working capital levels.

(EUR 000)	31/12/2023	31/12/2022
Payables	(538,586)	(482,425)
Inventory	453,178	377,549
Receivables	325,608	296,550
<b>NET WORKING CAPITAL</b>	<b>240,200</b>	<b>191,674</b>
% on revenues	8.0%	7.4%

## NET FINANCIAL POSITION

As of 31 December 2023, the net financial position (excluding the effect related to IFRS 16) was positive and equal to EUR 1,033.7 million compared with EUR 818.2 million of net cash as of 31 December 2022. As required by the IFRS 16 accounting standard, the Group accounted lease liabilities equal to EUR 805.2 million as of 31 December 2023 compared with EUR 837.4 million as of 31 December 2022.

(EUR 000)	31/12/2023	31/12/2022
Cash	998,799	882,254
Financial debt net of financial credit	34,894	(64,031)
<b>NET FINANCIAL POSITION</b>	<b>1,033,693</b>	<b>818,223</b>
Lease liabilities	(805,177)	(837,397)

Following is the reclassified consolidated cash flow statement FY 2023 and FY 2022.

(EUR 000)	FY 2023	FY 2022
EBIT	893,839	774,547
D&A	114,170	105,644
Other non-current assets / (liabilities)	15,333	14,570
Change in net working capital	(48,526)	(42,832)
Change in other curr. / non-curr. assets / (liabilities)	3,694	(212,342)
Net capex	(174,068)	(167,099)
<b>OPERATING CASH FLOW</b>	<b>804,442</b>	<b>472,488</b>
Net financial result	5,788	(3,977)
Taxes	(260,791)	(140,786)
<b>FREE CASH FLOW</b>	<b>549,439</b>	<b>327,725</b>
Dividends paid	(303,443)	(160,960)
Changes in equity and other changes	(30,526)	(78,129)
<b>NET CASH FLOW</b>	<b>215,470</b>	<b>88,636</b>
Net Financial Position - Beginning of Period	818,223	729,587
Net Financial Position - End of Period	1,033,693	818,223
<b>CHANGE IN NET FINANCIAL POSITION</b>	<b>215,470</b>	<b>88,636</b>



Net cash flow in 2023 was positive and equal to EUR 215.5 million after the payment of EUR 303.4 million of dividends.

#### NET CAPITAL EXPENDITURE

In 2023, net capital expenditures were EUR 174.1 million compared with EUR 167.1 million in 2022. Investments related to the distribution network were equal to EUR 100.7 million, of which more than half dedicated to renovation and expansion projects. Investments related to infrastructure were equal to EUR 73.3 million, mainly related to Information Technology, production and logistics.

(EUR 000)	31/12/2023	31/12/2022
Distribution	100,738	99,428
Infrastructure	73,330	67,670
NET CAPEX	174,068	167,098
% on revenues	5.8%	6.4%

#### EBITDA RECONCILIATION

(EUR 000)	FY 2023	% on revenues	FY 2022	% on revenues
EBIT	893,839	30.0%	774,547	29.8%
D&A	114,170	3.8%	105,644	4.1%
Rights-of-use-amortisation	177,530	5.9%	159,273	6.1%
Stock-based compensation	39,966	1.3%	37,015	1.4%
EBITDA Adj.	1,225,505	41.1%	1,076,479	41.4%
Rents associated to rights-of-use	(202,163)	(6.8%)	(181,718)	(7.0%)
EBITDA Adj. pre IFRS 16	1,023,342	34.3%	894,761	34.4%

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

The Board of Directors also approved the 2023 results of the parent company Moncler S.p.A.

Revenues were equal to EUR 473.0 million in 2023, an increase of 13% compared to revenues of EUR 418.7 million in 2022, 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 80.0 million, equal to 16.9% on revenues (16.1% in 2022). Marketing expenses were EUR 98.4 million (EUR 73.8 million in 2022), equal to 20.8% on revenues (17.6% in 2022).

In 2023, net financial expenses were equal to EUR 24.2 million compared to EUR 4.4 million in 2022.

In 2023, taxes were equal to EUR 74.7 million compared to positive EUR 5.7 million in 2022, for the tax benefit deriving from the Stone Island brand value realignment.

Net income was EUR 195.7 million, a decrease of 30% compared to EUR 278.8 million in 2022, due to the above-mentioned non-recurring item.

Moncler S.p.A balance sheet includes shareholders' equity of EUR 1,398.6 million at 31 December 2023, compared to EUR 1,467.6 million at 31 December 2022, and a net financial position negative and equal to EUR 600.6 million (EUR 487.1 million as of 31 December 2022), including the lease liabilities derived from the application of the IFRS 16 accounting principle.

## MONCLER S.P.A.: FY 2023 INCOME STATEMENT

(EUR 000)	FY 2023	% on revenues	FY 2022	% on revenues
REVENUES	473,022	100.0%	418,707	100.0%
General & Administrative expenses	(80,003)	(16.9%)	(67,392)	(16.1%)
Marketing expenses	(98,421)	(20.8%)	(73,832)	(17.6%)
EBIT	294,598	62.3%	277,482	66.3%
Net financial income / (expenses)	(24,178)	(5.1%)	(4,391)	(1.0%)
EBT	270,420	57.2%	273,091	65.2%
Taxes	(74,685)	(15.8%)	5,745	1.4%
NET RESULT	195,735	41.4%	278,836	66.6%

## MONCLER S.P.A.: FY 2023 BALANCE SHEET STATEMENT

(EUR 000)	31/12/2023	31/12/2022
Intangible Assets	1,001,862	1,001,405
Tangible Assets	4,821	6,750
Investments	970,787	948,756
Other Non-current Assets / (Liabilities)	(47,370)	(2,699)
Total non-current assets/(liabilities)	1,930,100	1,954,212
Net working capital	55,829	65,185
Other current assets/(liabilities)	24,862	(53,569)
Total current assets/(liabilities)	80,691	11,616
INVESTED CAPITAL	2,010,791	1,965,828
Net debt/(net cash)	600,564	487,121
Pension and other provisions	11,639	11,092
Shareholders' equity	1,398,588	1,467,615
TOTAL SOURCES	2,010,791	1,965,828

## 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 RUSSIA-UKRAINE AND THE ISRAELI-PALESTINIAN CONFLICTS

The conflict between Russia and Ukraine, which began on 24 February 2022, and the conflict between Israel and Palestine, which began on 7 October 2023, have major global consequences not only in terms of severe humanitarian crisis, but also in terms of economic effects on the global markets, reflected among other things in increases in lead times and cost of transport, in energy and raw material costs.

The Moncler Group shut down its business activities in Russia after the conflict outbreak and it runs negligible activities in Israel and Palestine.

The Group has no suppliers of raw materials in Russia, Ukraine, Israel or Palestine, nor manufacturing sites located there. However, the escalation of the conflicts could have unpredictable repercussions on neighbouring countries where the Group produces, with an impact on production capacity, e.g. as a result of the temporary disruption in the power supply, and on procurement times and costs. The situation is constantly monitored in order to be able to react promptly to any intensification of the conflicts.

### 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 introduction by national or supranational entities of constraints on the movement of individuals – as a result, for example, of international crises or pandemics –, terrorist attacks, as well as the tensions in Asia-Pacific area and 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 2023, whereas

Stone Island, having only recently begun its international expansion, particularly in Asia and America, remains more exposed to the European market (70% of revenues in fiscal year 2023).

## CYBER RISKS AND PERSONAL DATA PROTECTION RISKS

The rapid technological evolution and growing organisational complexity of the Group, together with the increasing sophistication and frequency of cyber attacks, do not exclude the potential risk to the Group of cyber attacks through the use of innovative attack techniques.

Moncler is investing significantly in its model for managing cyber risks with a view to business continuity and data protection, adopting the best technologies and methodologies for vulnerability identification and system protection, ensuring the presence of qualified cyber security expertise, staff training and a careful process of periodic risk assessment and review also in relation 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 manufacturing 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 (58% of 2023 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 of average temperatures, 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 2023 Non-Financial Statement for more information.

## IMPACT OF CLIMATE CHANGE ISSUES ON THE GROUP'S CONSOLIDATED BALANCE SHEET

The Group defined a climate strategy aimed at reducing greenhouse gas (GHG) emissions, with the intention of positively contributing to the global goal of combating climate change, in line with the requirements of the Paris Agreement on climate. This strategy, integrated into the Group's business model, includes medium and long-term objectives.

In particular, the Group committed to reducing absolute CO<sub>2</sub>e emissions by 70% within Scope 1 and Scope 2 by 2030 (in line with the "1.5°C" ambition) and by 52% within Scope 3 (in line with the "Well-Below 2°C" ambition) per unit of product sold compared to 2021.

Furthermore, Moncler Group committed to achieving net zero emissions (Net Zero<sup>10</sup>) along the entire value chain by 2050.

These objectives have been formally approved by the Science Based Targets initiative (SBTi)<sup>11</sup> and deemed consistent with the contribution required of companies to limit the maximum increase in global temperature compared to pre-industrial levels.

The main actions undertaken to achieve these objectives include:

- use of electricity from renewable sources (both purchased and self-generated);
- implementation of energy efficiency activities (Building Management System - BMS, lighting systems, more efficient heating and cooling, improvement of building thermal insulation, and promotion of environmental standards for buildings);
- adoption of low-impact environmental vehicles in the Group's car fleet;
- obtaining LEED certifications for new stores<sup>12</sup> and all new corporate buildings.

For Scope 3 emissions:

- the progressive introduction of "preferred" materials in collections;
- promotion of regenerative agriculture projects;
- decarbonization of the supply chain through energy efficiency measures and the adoption of renewable energy sources.

The actions described above are reflected and will be reflected in the Group's Consolidated Financial Statements in terms of new investments and recurring operations (e.g., purchase of origin guarantee certificates, purchase of certified raw materials, etc.). The Group voluntarily reports on non-financial aspects in both the Non-Financial Statement and the CDP Climate Change questionnaire, addressing climate change-related business risks as per the requirements of 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 Objectives.

The impact of climate change has also been evaluated in relation to estimates and assessments made in the financial statements. Medium-term impacts have been taken into account in the business plan projections, which form the basis for the impairment test.

As of the reporting date, there are no significant effects on the figures presented in the Group's Consolidated Financial Statements.

Furthermore, to strengthen the Group's commitment to ESG issues, starting from 2020 Performance Share plan, an ESG Performance Indicator focused on carbon neutrality has been introduced for all directly managed Group locations worldwide (offices, stores, logistics hub, production sites), on

---

<sup>10</sup> Achieving Net Zero involves the overall balance between greenhouse gas (GHG) emissions produced and those absorbed by ecosystems, through neutralisation mechanisms. Specifically, to contribute to Net Zero, companies must reduce emissions and neutralise residual emissions.

<sup>11</sup> Promoted by CDP, United Nations Global Compact, World Resources Institute (WRI) and World Wide Fund for Nature (WWF), the Science Based Targets initiative establishes and promotes best-practice in defining science-based targets, as well as assessing companies' objectives.

<sup>12</sup> Excluding Shop-in-shop.



reducing single-use fossil origin plastic, and on recycling nylon production waste, taking into account the Group's inclusion in the Dow Jones Sustainability World and Europe indices.

#### **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 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 or personal data protection, 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 Chinese Yuan Renminbi, Japanese Yen, US Dollar, Korean Won and British Pound. 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 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.

#### **RISKS ASSOCIATED WITH TECHNOLOGICAL INNOVATION**

The Moncler Group pays particular attention to the technological innovation of its processes and collections, as well as to the constant improvement of its customers' experience. In this context, inadequate technological innovation could result in the loss of a competitive advantage over other companies operating in the sector. Conversely, the introduction of new technologies, such as the adoption of artificial intelligence tools, could generate some new risks that the Group will have to adequately identify and manage.

# CORPORATE GOVERNANCE

The corporate governance system adopted by Moncler S.p.A. (the "Company", "Moncler", or "Parent Company") plays a central role in the clear and responsible conduct of the Moncler group's (the "Group") operations, significantly contributing to the creation of sustainable value in the medium to long-term for both shareholders and all stakeholders.

Such system is constructed in accordance with the recommendations of the for listed companies approved by the Corporate Governance Committee of Borsa Italiana (the "Corporate Governance Code"), to which Moncler adheres, with the statutory and regulatory provisions governing Italian listed companies, and with national and international best practices and it is based on four pillars:

- (i) the pivotal role of administrative and control bodies;
- (ii) the transparency of managerial decisions;
- (iii) the careful and diligent monitoring of related-party transactions and handling of privileged information;
- (iv) compliance with the values defined in the Code of Ethics and company policies along with the effectiveness and efficiency of the internal control and risk management system (the "ICRS").

Moncler has adopted the traditional Italian system of managing and control, consisting of two corporate bodies appointed by the Shareholders' Meeting (which expresses through its resolutions the will of the Shareholders): a Board of Directors (currently composed of 12 members, 3 of whom are executive and 9 non-executives of whom 7 are independent) to whom broad powers are devolved under the Articles of Association and a Board of Statutory Auditors, with the function of supervising, among other things, the management and compliance with the law and the Articles of Association.

The statutory audit is carried out by Deloitte & Touche S.p.A., a registered auditing firm to which: the Ordinary Shareholders' Meeting, held on 22 April 2021, entrusted the relevant activity for the nine-year period 2022-2030, following a selection process coordinated by the Board of Statutory Auditors.

The Board has established three Board Committees with proposing, advisory, and investigative functions, namely the Control, Risks and Sustainability Committee, the Nomination and Remuneration Committee and the Related Party Transactions Committee.

The Chairman and Chief Executive Officer, Remo Ruffini, is assisted by a Strategic Committee, having primarily an advisory function, which on an ongoing basis supports the Chairman and Chief Executive Officer in defining and implementing strategic decisions. Its areas of responsibility include the review of the Business Plan and Sustainability Plan and all strategic decisions including, but not limited to, those related to the development of the distribution network, marketing plans, investments, entry into new markets, and environmental and social initiatives.

Within the ICRMS a Supervisory Body was established (composed of 3 members, 2 of whom are external including the Chairman) with the task of ensuring the effectiveness and adequacy of Moncler's mechanisms and internal controls, as well as of the organisational and management model pursuant to the Legislative Decree 231/2001 adopted by the Company, reporting on its implementation.

In addition to the Supervisory Body, the Compliance Function (which operates as a Level II control function), the Internal Audit Function (which operates as a Level III control function), the Director in

charge of the ICRMS, the Control, Risks and Sustainability Committee and the Board of Statutory Auditors play an important role within the ICRMS among others.

For further information regarding, among other things, the corporate governance system adopted by Moncler and the adherence to the principles and recommendations of the Corporate Governance Code, please refer to the "Report on Corporate Governance and Ownership Structure" prepared pursuant to Art. 123-bis of the Consolidated Law on Finance, available on the Company's website [www.monclergroup.com](http://www.monclergroup.com), "Governance / Documents and procedures" Section.

## RELATED-PARTY TRANSACTIONS

Information relating to related party transactions are provided in Note 10.1 to the Consolidated Financial Statements and Note 8.1 to the Separate Financial Statements.

## ATYPICAL AND/OR UNUSUAL TRANSACTIONS

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

## TREASURY SHARES

Moncler owns 4,490,875 Company shares at 31 December 2023, equal to 1.6% of the current share capital.

# SIGNIFICANT EVENTS OCCURRED DURING THE FINANCIAL YEAR 2023

## SUSTAINALYTICS

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

## MONCLER KOREA

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

## DIVIDENDS

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

## APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

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

## ROBERT TRIEFUS APPOINTED CEO OF STONE ISLAND

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

## PERFORMANCE SHARES PLAN 2022 – SECOND ATTRIBUTION CYCLE

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

## LICENSING AGREEMENT WITH ESSILORLUXOTTICA

In November 2023, EssilorLuxottica and Moncler announced the signing of an exclusive licensing agreement that includes the design, production, and global distribution of Moncler eyewear. The agreement is in effect from January 2024 until December 2028, with an automatic renewal option for additional five years. The first Moncler Lunettes collection produced with EssilorLuxottica will be the Fall-Winter 2024 one, available from September 2024. Leveraging EssilorLuxottica's consolidated experience and constant innovation, the partnership will further elevate the Moncler Lunettes collections, known for their perfect blend of functionality and contemporary aesthetics, with a mix of frames suitable for both city and mountain living.

## STONE ISLAND CHINA

At the end of December 2023, Stone Island started the process to take full control of the brand distribution in the Chinese market, which will be completed over the first months of 2024 and which will also include the closure of some wholesale mono-brand stores.

## SIGNIFICANT EVENTS OCCURRED AFTER THE REPORTING DATE

No significant events occurred after the reporting date.

# SUSTAINABILITY RATINGS UPDATE

## 2023 SUSTAINABILITY RATINGS

### DOW JONES SUSTAINABILITY INDICES WORLD AND EUROPE

For the fifth consecutive year, Moncler Group was confirmed in the Dow Jones Sustainability Indices World and Europe, maintaining the top rank in the “Textiles, Apparel & Luxury Goods” sector with the highest score (89/100) in the S&P Global Corporate Sustainability Assessment 2023 (data as of 7 February 2024).

### CDP

Moncler Group achieved the top score “A” in the 2023 global ranking by CDP, for its leadership in corporate transparency and management of climate change risks and opportunities.

### MOODY’S

Moncler Group ranked second in the Moody’s Analytics overall ranking for the sector of Specialised Retail Europe. Receiving a score of 65/100, the Group obtained an “Advanced” level.

### MSCI

Moncler Group was rated with the highest score “AAA” by MSCI ESG Research that provides MSCI ESG Ratings on global public and a few private companies and a scale of AAA to CCC, according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

### SUSTAINALYTICS

Moncler Group confirmed the Industry Top-Rated Badge as well as the Regional Top-Rated Badge from Sustainalytics.



# BUSINESS OUTLOOK

Entering 2024, the global macroeconomic and geopolitical landscape remains uncertain and unpredictable.

In response to this volatile environment, the Group remains focused on operational flexibility and responsiveness, and will keep investing in its organization and people to further strengthen its operating execution.

Leveraging its distinctive brands as well as its great talent, the Group will continue to navigate through this uncertain landscape and evolving market dynamics, aiming to remain on a solid growth trajectory.

These are the main strategic lines of development.

**STRENGTHENING OF ALL MONCLER BRAND DIMENSIONS ALL YEAR AROUND.** During 2024 Moncler will keep reinforcing the three dimensions of the brand (*Moncler Collection*, *Moncler Grenoble* and *Moncler Genius*) through distinctive events and focused marketing strategies. *Moncler Genius* will continue to evolve as a co-creation platform, playing a role of brand recruiter, based on the involvement of new talents who will embrace new forms of creativity between design, entertainment, music and sport going well beyond fashion. *Moncler Collection* will see the celebration in a contemporary approach of other iconic styles that have built the brand's legacy to date through relevant collections and concepts all year around. *Moncler Grenoble*, the dimension of the brand closest to its mountain DNA, post the extraordinary brand experience held in February 2024 in St. Moritz, 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, always mixing high technical content and style.

**DEVELOPMENT OF THE NEXT CHAPTER FOR STONE ISLAND LEVERAGING THE BRAND'S SOLID FOUNDATIONS.** 2024 marks the beginning of Stone Island's next chapter of evolution, which was officially opened in January 2024 during the Milan Fashion Week by revealing the new global advertising campaign and presenting the new brand manifesto called "The Compass Inside". The brand will continue powering the momentum built in January through a highly articulated marketing and communication plan with activations scheduled for every month of the year. The new communication and brand strategy will further support Stone Island in continuing its evolution to drive worldwide resonance and strengthen its unique positioning, which has its own identity and value matrix rooted in the culture of research and experimentation. The brand will continue its international development and the progressive upgrade of its distribution network, implementing a very selective strategy in the wholesale channel, while further strengthening the DTC one, both physical and online. The planned internalisation of the brand e-commerce platform will be instrumental in unlocking the full potential of the online channel and of the brand's omnichannel strategy.

**SUSTAINABLE AND RESPONSIBLE GROWTH.** Moncler Group believes in a sustainable and responsible development according to shared values that are reflective of stakeholder expectations and consistent with the Group's long-term strategy. An approach based on the commitment to set increasingly ambitious goals as well as on the awareness that every action has an impact on the society and the environment in which we operate. In 2024 Moncler remains committed 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.

## OTHER INFORMATION

### RESEARCH AND DEVELOPMENT

Since the Moncler Group's success depends in part on the image, prestige and recognition of the brands, and in part on the ability to manufacture a set of collections in line with market trends, the Group conducts research and development in order to design, create and implement new products and new collections. Research and development costs are expensed in the income statement as they occur on an accrual basis.

### RECONCILIATION BETWEEN NET RESULT AND SHAREHOLDERS' EQUITY OF THE PARENT COMPANY AND THE GROUP'S AMOUNTS

The reconciliation between the Group's net result and shareholders' equity at the end of the period and the parent Company Moncler's S.p.A. net result and shareholders' equity is detailed in the following table:

Reconciliation between result and new equity of the Parent and the Group	Result 2023	Net Equity 31/12/2023	Result 2022	Net Equity 31/12/2022
Parent Company balance	195,735	1,398,588	278,836	1,467,615
Inter-group dividends	(50,200)	0	(19,622)	0
Share of consolidated subsidiaries net of book value of relates equity interest	551,747	1,516,342	361,131	1,019,066
Allocation of the excess cost resulting from the acquisition of the subsidiaries and the corresponding Equity	0	605,298	0	605,298
Elimination of the intercompany profit and losses	(84,360)	(223,433)	(13,245)	(137,120)
Translation adjustments	0	(40,295)	0	(11,515)
Effects of other consolidation entries	(991)	(42,165)	(403)	(41,174)
<b>TOTAL GROUP SHARES</b>	<b>611,931</b>	<b>3,214,335</b>	<b>606,697</b>	<b>2,902,170</b>
Minority interest	(29)	94	9	116
<b>TOTAL</b>	<b>611,902</b>	<b>3,214,429</b>	<b>606,706</b>	<b>2,902,286</b>

### SECONDARY OFFICES

The Company does not have any secondary offices.

**CERTIFICATION PURSUANT TO ART. 2.6.2, PARAGRAPH 8 AND 9 OF THE RULES OF THE MARKETS ORGANISED AND MANAGED BY THE ITALIAN STOCK EXCHANGE**

In relation to art. 15 of Consob Regulation adopted with resolution n. 20249 on 28 December 2017 as amended and integrated, concerning the conditions for the listing of companies with subsidiaries established and regulated under the laws of countries outside the European Union and of significance for the consolidated financial statements, please note that the above mentioned regulation is applicable to five companies belonging to the Group (Moncler Japan, Moncler USA, Moncler Asia Pacific, Moncler Shanghai and Moncler Korea) and that adequate procedures to ensure full compliance with said rules have been adopted and that the conditions referred to in that Article 15 were met.

**CERTIFICATION PURSUANT TO ARTICLE 16, PARAGRAPH 4 OF THE MARKETS REGULATION ADOPTED BY CONSOB WITH RESOLUTION 20249 OF 28 DECEMBER 2017**

Moncler S.p.A. is controlled by Remo Ruffini through Ruffini Partecipazioni Holding S.r.l. (RPH) and Double R S.r.l. (DR, formerly Ruffini Partecipazioni Sr.l.). In particular, Remo Ruffini holds the entire share capital of RPH, which controls DR, that at 31 December 2023 held 23.7% of the share capital of Moncler S.p.A.

Moncler S.p.A. is not managed or coordinated by Ruffini Partecipazioni Holding S.r.l.; for relative evaluations, reference is made to the Report on Corporate Governance and Ownership Structure, available at [www.monclergroup.com](http://www.monclergroup.com), "Governance / Shareholders' Meeting" section.

# MOTION TO APPROVE THE FINANCIAL STATEMENTS AND THE ALLOCATION OF THE RESULT FOR THE YEAR ENDED 31 DECEMBER 2023

Shareholders,

We invite you to approve the Moncler Group consolidated financial statements as at and for the year ended 31 December 2023 and the Moncler S.p.A.'s separate financial statements.

We recommend that you approve the distribution of a gross dividend of EUR 1.15 per ordinary share based on the net results for the year 2023 of Moncler S.p.A. equal to EUR 195.7 million, and on the retained earnings reserve.

The total amount to be distributed as a dividend, having taken into consideration the number of shares as of today, net of the shares which are directly owned by the Company, is equal to EUR 310.7 million, with a 51% pay-out on the consolidated income<sup>13</sup>.

Milan, 28 February 2024

For the Board of Directors

The Chairman

Remo Ruffini

---

<sup>13</sup> Subject to change due to the possible use and/or purchase of treasury shares.

# 2

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED FINANCIAL STATEMENTS

Income Statement

Comprehensive Income

Financial Position

Changes in Equity

Cash Flows

## EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General information about the Group

Summary of significant accounting principles used in the preparation of the Consolidated Financial Statements

Scope for consolidation

Comments on the consolidated income statement

Comments on the consolidated statement of financial position

Segment information

Commitments and guarantees given

Contingent liabilities

Information about financial risks

Other information

Significant events after the reporting date

*This English version of the consolidated financial statements of Moncler Group constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. The official version of the financial statements, which was prepared in accordance with the aforementioned Regulation, has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

Consolidated income statement					
(Euro/000)	Notes	2023	of which related parties (note 10.1)	2022	of which related parties (note 10.1)
Revenue	4.1	2,984,217	1,399	2,602,890	1,394
Cost of sales	4.2	(683,387)	(16,133)	(615,047)	(14,318)
<b>Gross margin</b>		<b>2,300,830</b>		<b>1,987,843</b>	
Selling expenses	4.3	(868,062)	(2,648)	(757,393)	(2,697)
General and administrative expenses	4.4	(331,231)	(56,900)	(283,967)	(23,426)
Marketing expenses	4.5	(207,698)		(171,936)	
<b>Operating result</b>	4.6	<b>893,839</b>		<b>774,547</b>	
Financial income	4.7	11,341		3,537	
Financial expenses	4.7	(34,545)		(30,753)	
<b>Result before taxes</b>		<b>870,635</b>		<b>747,331</b>	
Income taxes	4.8	(258,733)		(140,625)	
<b>Net Result including Minority</b>		<b>611,902</b>		<b>606,706</b>	
Non-controlling interests		29		(9)	
<b>Net result, Group share</b>		<b>611,931</b>		<b>606,697</b>	
Earnings per share (unit of Euro)	5.16	2.27		2.26	
Diluted earnings per share (unit of Euro)	5.16	2.26		2.24	

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of comprehensive income			
(Euro/000)	Notes	2023	2022
Net profit (loss) for the period		611,902	606,706
Gains/(Losses) on fair value of hedge derivatives	5.16	(4,638)	10,238
Gains/(Losses) on exchange differences on translating foreign operations	5.16	(28,773)	(12,384)
Items that are or may be reclassified to profit or loss		(33,411)	(2,146)
Other Gains/(Losses)	5.16	(236)	336
Items that will never be reclassified to profit or loss		(236)	336
Other comprehensive income/(loss), net of tax		(33,647)	(1,810)
Total Comprehensive income/(loss)		578,255	604,896
Attributable to:			
Group		578,277	604,888
Non controlling interests		(22)	8

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated statement of financial position					
(Euro/000)	Notes	31 December 2023	of which related parties (note 10.1)	31 December 2022	of which related parties (note 10.1)
Brands and other intangible assets - net	5.1	1,096,473		1,086,706	
Goodwill	5.1	603,417		603,417	
Property, plant and equipment - net	5.3	1,082,480		1,074,490	
Investments (in associates for consolidation)		915		908	
Other non-current assets	5.9	49,493		46,863	
Deferred tax assets	5.4	252,197		205,932	
<b>Non-current assets</b>		<b>3,084,975</b>		<b>3,018,316</b>	
Inventories and work in progress	5.5	453,178		377,549	
Trade account receivables	5.6	325,608	4,492	296,550	20,136
Tax assets	5.12	9,251		5,940	
Other current assets	5.9	41,901		47,352	
Financial current assets	5.8	78,308		11,351	
Cash and cash equivalent	5.7	998,799		882,254	
<b>Current assets</b>		<b>1,907,045</b>		<b>1,620,996</b>	
<b>Total assets</b>		<b>4,992,020</b>		<b>4,639,312</b>	
Share capital	5.16	54,926		54,737	
Share premium reserve	5.16	745,309		745,309	
Other reserves	5.16	1,802,169		1,495,427	
Net result, Group share	5.16	611,931		606,697	
<b>Equity, Group share</b>		<b>3,214,335</b>		<b>2,902,170</b>	
<b>Non controlling interests</b>		<b>94</b>		<b>116</b>	
<b>Equity</b>		<b>3,214,429</b>		<b>2,902,286</b>	
Long-term borrowings	5.15	664,188		718,709	
Provisions non-current	5.13	27,690		27,261	
Pension funds and agents leaving indemnities	5.14	12,144		12,036	
Deferred tax liabilities	5.4	63,034		15,190	
Other non-current liabilities	5.11	103		117	
<b>Non-current liabilities</b>		<b>767,159</b>		<b>773,313</b>	
Short-term borrowings	5.15	184,403		194,070	
Trade account payables	5.10	538,586	50,326	482,425	22,431
Tax liabilities	5.12	134,531		158,855	
Other current liabilities	5.11	152,912	7,334	128,363	5,105
<b>Current liabilities</b>		<b>1,010,432</b>		<b>963,713</b>	
<b>Total liabilities and equity</b>		<b>4,992,020</b>		<b>4,639,312</b>	



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Consolidated statement of changes in equity  (Euro/000)	Notes	Share capital	Share premium	Legal reserve	Other comprehensive income		Other reserves			Result of the period, Group share	Equity, Group share	Equity, non controlling interest	Total consolidated Net Equity
					Cumulative translation adj. reserve	Other OCI items	IFRS 2 reserve	FTA reserve	Retained earnings				
Group shareholders' equity at January 1, 2022	5.16	54,737	745,309	10,334	869	(11,133)	34,978	(21,636)	1,291,995	393,533	2,498,986	108	2,499,094
Allocation of Last Year Result		0	0	613	0	0	0	0	392,920	(393,533)	0	0	0
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	0	0
Dividends		0	0	0	0	0	0	0	(161,288)	0	(161,288)	0	(161,288)
Share capital increase		0	0	0	0	0	0	0	0	0	0	0	0
Other movements in Equity		0	0	0	0	0	26,097	0	(66,513)	0	(40,416)	0	(40,416)
Other changes of comprehensive income		0	0	0	(12,383)	10,574	0	0	0	0	(1,809)	(1)	(1,810)
Result of the period		0	0	0	0	0	0	0	0	606,697	606,697	9	606,706
Group shareholders' equity at December 31, 2022	5.16	54,737	745,309	10,947	(11,514)	(559)	61,075	(21,636)	1,457,114	606,697	2,902,170	116	2,902,286
Group shareholders' equity at January 1, 2023	5.16	54,737	745,309	10,947	(11,514)	(559)	61,075	(21,636)	1,457,114	606,697	2,902,170	116	2,902,286
Allocation of Last Year Result		0	0	38	0	0	0	0	606,659	(606,697)	0	0	0
Changes in consolidation area		0	0	0	0	0	0	0	0	0	0	0	0
Dividends		0	0	0	0	0	0	0	(302,525)	0	(302,525)	0	(302,525)
Share capital increase		189	0	0	0	0	0	0	(189)	0	0	0	0
Other movements in Equity		0	0	0	0	0	(3,931)	154	40,190	0	36,413	0	36,413
Other changes of comprehensive income		0	0	0	(28,780)	(4,874)	0	0	0	0	(33,654)	7	(33,647)
Result of the period		0	0	0	0	0	0	0	0	611,931	611,931	(29)	611,902
Group shareholders' equity at December 31, 2023	5.16	54,926	745,309	10,985	(40,294)	(5,433)	57,144	(21,482)	1,801,249	611,931	3,214,335	94	3,214,429

# CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated statement of cash flows	Year 2023	of which related parties	Year 2022	of which related parties
<i>(Euro/000)</i>				
<i>Cash flow from operating activities</i>				
Consolidated result	611,902		606,706	
Depreciation and amortization	291,700		264,917	
Net financial (income)/expenses	23,204		27,216	
Equity-settled share-based payment transactions	39,966		37,015	
Income tax expenses	258,733		140,625	
Changes in inventories - (Increase)/Decrease	(72,862)		(120,225)	
Changes in trade receivables - (Increase)/Decrease	(47,934)	15,644	(88,124)	(8,051)
Changes in trade payables - Increase/(Decrease)	67,282	27,895	163,314	8,911
Changes in other current assets/liabilities	23,565	2,229	(21,574)	(56)
<b>Cash flow generated/(absorbed) from operating activities</b>	<b>1,195,556</b>		<b>1,009,870</b>	
Interest and other bank charges received	8,334		14	
Income tax paid	(285,112)		(342,127)	
Changes in other non-current assets/liabilities	(3,913)		(5,180)	
<b>Net cash flow from operating activities (a)</b>	<b>914,865</b>		<b>662,577</b>	
<i>Cash flow from investing activities</i>				
Purchase of tangible and intangible fixed assets	(176,423)		(169,853)	
Proceeds from sale of tangible and intangible fixed assets	2,355		2,754	
<b>Net cash flow from investing activities (b)</b>	<b>(174,068)</b>		<b>(167,099)</b>	
<i>Cash flow from financing activities</i>				
Repayment of borrowings	(8,197)		(11,803)	
Investments in government bonds	(68,605)		0	
Repayment of current and non-current lease liabilities	(200,796)		(170,502)	
Short-term borrowings variation	(15,584)		(2,565)	
Dividends paid to shareholders	(303,443)		(160,960)	
Treasury Shares variation	0		(48,352)	
Other changes in Net Equity	0		2,929	
<b>Net cash flow from financing activities (c)</b>	<b>(596,625)</b>		<b>(391,253)</b>	
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>144,172</b>		<b>104,225</b>	
Cash and cash equivalents at the beginning of the period	882,254		802,715	
Effect of exchange rate changes	(27,627)		(24,686)	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>144,172</b>		<b>104,225</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>998,799</b>		<b>882,254</b>	

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

Remo Ruffini

Chairman and Chief Executive Officer

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION ABOUT THE GROUP

### 1.1. THE GROUP AND ITS CORE BUSINESS

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

Moreover, the parent company Moncler S.p.A. is de-facto indirectly controlled by Remo Ruffini through Ruffini Partecipazioni Holding S.r.l. (RPH) and Double R S.r.l. (DR): more specifically, Remo Ruffini owns the entire share capital of RPH, a company controlling DR which, in turn, as of 31 December 2023 holds a shareholding representing 23.7% of the share capital of Moncler S.p.A.

The Consolidated Financial Statements as at and for the year ended 31 December 2023 include the Parent Company and its subsidiaries (hereafter referred to as the "Group").

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

### 1.2. BASIS FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### 1.2.1. RELEVANT ACCOUNTING PRINCIPLES

The 2023 Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. IFRS also includes all International Accounting Standards ("IAS") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The Consolidated Financial Statements include the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the explanatory notes to the Consolidated Financial Statements.

#### 1.2.2. PRESENTATION OF THE FINANCIAL STATEMENTS

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

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

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

In accordance with the provisions of IAS 24, related-party transactions with the Group and their impact, if significant, on the consolidated statement of financial position, consolidated income statement and consolidated statement of cash flows are reported below.

The consolidated financial statements are presented in thousands of Euros while, unless otherwise indicated, the data contained in the explanatory notes are presented in millions of Euros.

### 1.2.3. BASIS FOR MEASUREMENT

The Consolidated Financial Statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments (i.e. derivatives) as required by IFRS 9, and on a going concern basis.

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

### 1.2.4. DIRECTORS' ASSESSMENT ON THE ASSUMPTION OF BUSINESS CONTINUITY

Based on the results of the current year and forecasts for future years, the management believes that there are no factors rendering business continuity uncertain. In particular, the Group's financial strength and its cash and cash equivalents at the end of the year guarantee a high level of financial independence to support Moncler's operational needs and development programmes. For 2024, business operations are fully guaranteed, both in terms of product offerings across the various markets and distribution channels and in the ability to manage and organise business activities.

### 1.2.5. USE OF ESTIMATES AND VALUATIONS

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

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

The estimates pertain mainly to the following captions of the Consolidated Financial Statements:

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

### Impairment of non-current assets and goodwill

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

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

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

### Impairment of trade receivables

The bad debt provision represents management's best estimate of the probable loss for unrecoverable trade receivables. For the description of the criteria applied to estimate the bad debt provision, please refer to paragraph 2.10 Financial instruments - Trade receivables, financial assets and other current and non-current receivables.

### Allowance for returns

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

### Impairment of inventory

The Group manufactures and sells mainly clothing goods that are subject to changing consumer needs and fashion trends. As a result, it is necessary to consider the recoverability of the cost of inventories and the related required provision. Inventory impairment represents management's best estimate for

losses arising from the sales of aged products, taking into consideration their saleability through the Group's distribution channels.

#### Recoverability of deferred tax assets

The Group is subject to income taxes in numerous jurisdictions. Judgment is required in determining the provision for income taxes in each territory. The Group recognises deferred tax assets when it is expected that they will be realised within a period that is consistent with management estimates and business plans.

#### Provision for losses and contingent liabilities

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

#### Lease liabilities and right of use assets

The Group recognises the right of use asset and the liability for the lease. The right of use asset is initially valued at cost, and then subsequently at cost net of accumulated depreciation and impairment losses, and adjusted to reflect the revaluation of the lease liability.

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

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

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

#### Incentive systems and variable remuneration

For the description of the determination of the fair value of share-based incentive payments for the Moncler Group management, please see paragraph 2.13.

#### IAS 29 Hyperinflation

Furthermore, IAS 29, should have been applied for the Turkish subsidiary as at 31 December 2023, as well as 31 December 2022, because Turkey met the criteria for a hyperinflationary economy during the

year. However, the accounting effects of applying that accounting standard are not significant and thus have not been considered in the preparation of this Annual Report.

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

### 1.3. IMPACT OF CLIMATE CHANGE ISSUES

The Group defined a climate strategy aimed at reducing greenhouse gas (GHG) emissions, with the intention of positively contributing to the global goal of combating climate change, in line with the requirements of the Paris Agreement on climate. This strategy, integrated into the Group's business model, includes medium and long-term objectives.

In particular, the Group committed to reducing absolute CO<sub>2</sub>e emissions by 70% within Scope 1 and Scope 2 by 2030 (in line with the "1.5°C" ambition) and by 52% within Scope 3 (in line with the "Well-Below 2°C" ambition) per unit of product sold compared to 2021.

Furthermore, Moncler Group committed to achieving net zero emissions (Net Zero<sup>1</sup>) along the entire value chain by 2050.

These objectives have been formally approved by the Science Based Targets initiative (SBTi)<sup>2</sup> and deemed consistent with the contribution required of companies to limit the maximum increase in global temperature compared to pre-industrial levels.

The main actions undertaken to achieve these objectives include:

- use of electricity from renewable sources (both purchased and self-generated);
- implementation of energy efficiency activities (Building Management System - BMS, lighting systems, more efficient heating and cooling, improvement of building thermal insulation, and promotion of environmental standards for buildings);
- adoption of low-impact environmental vehicles in the Group's car fleet;
- obtaining LEED certifications for new stores<sup>3</sup> and all new corporate buildings.

For Scope 3 emissions:

- the progressive introduction of "preferred" materials in collections;
- promotion of regenerative agriculture projects;
- decarbonization of the supply chain through energy efficiency measures and the adoption of renewable energy sources.

---

<sup>1</sup> Achieving Net Zero involves the overall balance between greenhouse gas (GHG) emissions produced and those absorbed by ecosystems, through neutralisation mechanisms. Specifically, to contribute to Net Zero, companies must reduce emissions and neutralise residual emissions.

<sup>2</sup> Promoted by CDP, United Nations Global Compact, World Resources Institute (WRI) and World Wide Fund for Nature (WWF), the Science Based Targets initiative establishes and promotes best-practice in defining science-based targets, as well as assessing companies' objectives.

<sup>3</sup> Excluding Shop-in-shop.



The actions described above are reflected and will be reflected in the Group's Consolidated Financial Statements in terms of new investments and recurring operations (e.g., purchase of origin guarantee certificates, purchase of certified raw materials, etc.). The Group voluntarily reports on non-financial aspects in both the Non-Financial Statement and the CDP Climate Change questionnaire, addressing climate change-related business risks as per the requirements of 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 Objectives.

The impact of climate change has also been evaluated in relation to estimates and assessments made in the financial statements. Medium-term impacts have been taken into account in the business plan projections, which form the basis for the impairment test.

As of the reporting date, there are no significant effects on the figures presented in the Group's Consolidated Financial Statements.

Furthermore, to strengthen the Group's commitment to ESG issues, starting from 2020 Performance Share plan, an ESG Performance Indicator focused on carbon neutrality has been introduced for all directly managed Group locations worldwide (offices, stores, logistics hub, production sites), on reducing single-use fossil origin plastic, and on recycling nylon production waste, taking into account the Group's inclusion in the Dow Jones Sustainability World and Europe indices.

## 2. SUMMARY OF MATERIAL ACCOUNTING PRINCIPLES USED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The accounting principles set out below have been applied consistently for fiscal year 2023 and the prior year.

### 2.1. BASIS OF CONSOLIDATION

The Consolidated Financial Statements comprise those of the Parent Company and its subsidiaries, of which the Parent owns, directly or indirectly, a majority of the voting rights and over which it exercises control, or from which it is able to benefit by virtue of its power to govern the subsidiaries' financial and operating policies.

The financial results of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where the Group loses control of a subsidiary, the Consolidated Financial Statements include the results for the portion of the reporting period during which the Parent Company had control. In the Consolidated Financial Statements, non-controlling interests are presented separately within equity and in the statement of income. Changes in the parent's ownership interest, that do not result in a loss of control or changes that represent acquisition of non-controlling interests after the control has been obtained, are accounted for as changes in equity.

In preparing the Consolidated Financial Statements, the effects, the balances as well as the unrealised profit or loss recognised in assets resulting from intra-group transactions are fully eliminated.

#### Investments in associates

Investments in associates are accounted for using the equity method whereas the initial recognition is stated at acquisition cost and adjusted thereafter for the post-acquisition change in the investor's share of net assets. On acquisition of the investment any difference between the cost of the investment and the investor's share of the net fair value of the associate's assets and liabilities is included in the carrying amount of the investment. If the investor's share of losses of the associate equals or exceeds its interest in the associate, the investor's interest is reduced to zero and additional losses are provided for and a liability is recognised to the extent that the investor has incurred a legal obligation or has the intention to make payments on behalf of the associate.

### 2.2. FOREIGN CURRENCY

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

#### Transactions in foreign currencies

Foreign currency transactions are recorded by applying the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at year-

end, are translated into the functional currency at the exchange rate ruling at the reporting date. Exchange differences arising on the settlement on the translation of monetary transactions at a rate different from those at which they were translated at initial recognition are recognised in the consolidated income statement in the period in which they arise.

### Translation of the results of overseas businesses

Assets and liabilities of overseas subsidiaries included in the Consolidated Financial Statements are translated into the Group's reporting currency of Euros at the exchange rate ruling at the reporting date. Income and expenses are translated at the average exchange rate for the reporting period, as it is considered to approximate at best the actual exchange rate at the transaction date. Differences arising on the adoption of this method are recognised separately in other comprehensive income and are presented in a separate component of equity as translation reserve until disposal of the foreign operation. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate ruling at the reporting date.

The main exchange rates used to convert into Euro the Consolidated Financial Statements of foreign subsidiaries as at and for the years ended 31 December 2023 and 31 December 2022 are as follows:

	Average rate		Rate at the end of the period	
	Year 2023	Year 2022	As at 31 December 2023	As at 31 December 2022
AED	3.971000	3.867320	4.058100	3.917100
AUD	1.628800	1.516690	1.626300	1.569300
BRL	5.401000	5.439900	5.361800	5.638600
CAD	1.459500	1.369500	1.464200	1.444000
CHF	0.971800	1.004710	0.926000	0.984700
CNY	7.660000	7.078800	7.850900	7.358200
CZK	24.004300	24.565900	24.724000	24.116000
DKK	7.450900	7.439560	7.452900	7.436500
GBP	0.869790	0.852761	0.869050	0.886930
HKD	8.465000	8.245100	8.631400	8.316300
HUF	381.852700	391.286000	382.800000	400.870000
JPY	151.990000	138.027000	156.330000	140.660000
KRW	1,412.880000	1,358.070000	1,433.660000	1,344.090000
KZT	493.570000	485.587000	502.480000	492.900000
MOP	8.718900	8.492690	8.890300	8.565800
MXN	19.183000	21.186900	18.723100	20.856000
MYR	4.932000	4.627900	5.077500	4.698400
NOK	11.424800	10.102610	11.240500	10.513800
NZD	1.762200	1.658200	1.750400	1.679800
PLN	4.542000	4.686100	4.339500	4.680800
RON	4.946700	4.931310	4.975600	4.949500
RUB	92.599400	72.634900	100.550600	76.076500
SEK	11.478800	10.629600	11.096000	11.121800
SGD	1.452300	1.451160	1.459100	1.430000
TRY	25.759700	17.408790	32.653100	19.964900
TWD	33.698300	31.322300	33.874000	32.760300
UAH	39.540000	34.010500	41.996000	39.037000
USD	1.081300	1.053050	1.105000	1.066600

## 2.3. BUSINESS COMBINATIONS

Business combinations are accounted under the acquisition method.

Under this method, the identifiable assets acquired and the liabilities assumed are measured initially at their acquisition-date fair values. The costs incurred in a business combination are accounted as expenses in the periods in which the services are rendered.

Goodwill is determined as the excess of the aggregate of the considerations transferred, of any non-controlling interests and, in a business combination achieved in stages, the fair value of previously held equity interest in the acquiree compared to the net amounts of fair value of assets transferred and liabilities assumed at the acquisition date. If the fair value of the net assets acquired is greater than the acquisition cost, the difference is recognised directly in the statement of income at the acquisition date. Non-controlling interests could be measured either at their fair value at the acquisition date or at the non-controlling interests' proportionate share of the identifiable net assets. The election of either method is done for each single business combination.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurred, the Group shall report in the financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, that shall not exceed one year from the acquisition date, the provisional amounts are retrospectively adjusted to reflect new information obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of assets and liabilities recognised at that date.

## 2.4. NON-CURRENT ASSETS AVAILABLE FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets available for sale and discontinued operations are classified as available for sale when their values are recoverable mainly through a probable sale transaction. In such conditions, they are valued at the lower of their carrying value or fair value, net of cost to sell if their value is mainly recoverable through a sale transaction instead of continued use.

Discontinued operations are operations that:

- include a separate line of business or a different geographical area;
- are part of a single coordinated plan for the disposal of a separate major line of business or geographical area of activity;
- consist of subsidiaries acquired exclusively for the purpose of being sold.

In the consolidated income statement, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 to be defined as "discontinued operations", are presented in a single caption that includes both gains and losses, as well as losses or gains on disposal and the related tax effect. The comparative period is subsequently restated in accordance with IFRS 5.

As far as the financial position is concerned, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 are reclassified as current assets and liabilities in the period in which such requirements arise. The comparative financial statements are not restated or reclassified.

## 2.5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at acquisition or manufacturing cost, not revalued net of accumulated depreciation and impairment losses ("impairment"). Cost includes original purchase price and all costs directly attributable to bringing the asset to its working condition for its intended use.

### Depreciation

Depreciation of property, plant and equipment is calculated and recognised in the consolidated income statement on a straight-line basis over the estimated useful lives as reported in the following table:

Category	Depreciation period
Land	No depreciation
Buildings	From 25 to 33 years
Plant and equipment	From 8 to 12 years
Fixtures and fittings	From 5 to 10 years
Electronic machinery and equipment	From 3 to 5 years
Leasehold improvements	Useful life of improvements
Rights of use	Lease period
Other fixed assets	Depending on market conditions generally within the expected utility to the entity

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will take ownership of the asset by the end of the lease term.

Depreciation period is reviewed at each reporting period and adjusted if appropriate.

### Gain/losses on the disposal of property, plant and equipment

Gains and losses on the disposal of property, plant and equipment represent the difference between the net proceeds and net book value at the date of sale. Disposals are accounted when the relevant transaction becomes unconditional.

## 2.6. INTANGIBLE ASSETS

### Goodwill

Goodwill arising from business combination is initially recognised at the acquisition date as described in the notes related to "Business combinations".

Goodwill is included within intangible assets with an indefinite useful life, and therefore, is not amortised but subject to impairment test performed annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. After the initial recognition, goodwill is measured at acquisition cost less accumulated impairment.

As part of the IFRS first time adoption, the Group chose not to apply IFRS 3 "Business combinations" retrospectively regarding acquisitions made prior to the transition date (1 January 2009); consequently, goodwill resulting from acquisitions prior to the transition date to IFRS is still recorded under Italian GAAP, prior to any eventual impairment.

For further details please refer to note 2.7 "Impairment of non-financial assets".

## Brands

Separately acquired brands are shown at historical cost. Brands acquired in a business combination are recognised at fair value at the acquisition date.

Brands have an indefinite useful life and are carried at cost less accumulated impairment. Brands are not amortised but subject to impairment test performed annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable.

For further details please refer to note 2.7 "Impairment of non-financial assets".

## Intangible assets other than goodwill and brands

License rights are capitalised as intangible asset and amortised on a straight-line basis over their useful economic life. The useful economic life of license rights is determined on a case-by-case basis, in accordance with the terms of the underlying agreement.

Key money are capitalised in connection with the opening of new directly operated store ("DOS") based on the amount paid. Key money in general have a definite useful life which is generally in line with the lease period. However, in certain circumstances, key money have an indefinite useful life on the basis of legal protection or common practice that can be found in jurisdictions or markets that state that a refund could be received at the end of the lease period. In these limited cases, that need to be adequately supported, key money are not amortised but subject to impairment test at least annually in accordance with what set out in the note related to impairment of non-financial assets.

Software (including licenses and separately identifiable external development costs) is capitalised as intangible assets at purchase price, plus any directly attributable cost of preparing that asset for its intended use. Software and other intangible assets that are acquired by the Group and have definite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

## Amortisation of intangible assets with a definite useful life

Intangible assets with a definite useful life are amortised on a straight line basis over their estimated useful lives as described in the following table:

Category	Depreciation period
License rights	Based on market conditions within the licence period or legal limits to use the asset
Key money	Based on market conditions generally within the lease period
Software	From 3 to 5 years
Order backlog	Based on fulfillment of the order backlog identified in PPA
Other intangible assets	Based on market conditions generally within the period of control over the asset

## **2.7. IMPAIRMENT OF NON-FINANCIAL ASSETS**

At least once a year the Group verifies whether there is any indication that intangible assets with a definite useful life and property, plant and equipment have become impaired. If such evidence exists, the carrying amount of the assets is reduced to its recoverable amount.

Goodwill and assets with an indefinite useful life are not subject to amortisation and are tested annually or more frequently for impairment, whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

When the recoverable amount for individual asset cannot be reliably estimated, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The Group determines the value in use as the present value of future cash flows expected to be derived from the asset or from the cash-generating unit, gross of tax effects, by applying an appropriate discount rate that reflects market time value of money and the risks inherent to the asset. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount.

With the exception of impairment losses recognised on goodwill, when the circumstances that led to the loss no longer exist, the carrying amount of the asset is increased to its recoverable amount and cannot exceed the carrying amount that would have been determined had there been no loss in value. The reversal of an impairment loss is recognised immediately in the consolidated income statement.

For impairment testing purposes, the goodwill and brand of Moncler and Stone Island are measured with respect to the group of CGUs that compose the entire business.

As of 2019, IFRS 16 requires the recognition of a right of use asset and a liability for the obligation to pay rent in the financial statements. Any impairment of the asset for the right of use must be calculated and recognised in accordance with the provisions of IAS 36.

For the purpose of the rights-of-use impairment test related to Moncler and Stone Island business, the following CGUs have been defined, which coincide with the organisational units responsible for monitoring individual markets ("Regions"):

- EMEA Region;
- Americas Region;
- APAC Region;
- Japan Region;
- Korea Region.

The "rights-of-use" of each individual CGU is subject to impairment tests in the presence of triggering events (for the individual CGU) identified by a possible impairment and signalled by the following key performance indicators:

- divestment plans;
- below expectation performance indicators;
- operational losses.

The impairment test is carried out with the following methods:

- calculation of the CGU's gross value in use, excluding that related to the lease liability from cash flows;
- calculation of the CGU's recoverable amount, by deducting the carrying value of the lease liability from the gross value in use;
- comparison of the CGU's recoverable value with the carrying value, the latter calculated net of the carrying value of the lease liability.

In calculating the value in use, the discount rate used is the WACC for the geographical area to which it belongs, the aggregate value of which determines the Group WACC.

## 2.8. LEASED ASSETS

On 13 January 2016, the IASB published the new standard IFRS 16 Leases, which replaces IAS 17. This standard was endorsed by the European Union, with its publication on 9 November 2017. IFRS 16 is effective for financial statements commencing on or after 1 January 2019. The new standard eliminates the difference in the recognition of operating and finance leases, even despite elements that simplify its adoption, and introduces the concept of control in the definition of a lease. To determine whether a contract is a lease, IFRS 16 establishes that the contract must convey the right to control the use of an identified asset for a given period of time.

At the lease commencement date, the Group recognises the right of use asset and lease liability. The right of use asset is initially valued at cost, including the amount of the initial measurement of the lease liability, adjusted for the rent payments made on or before the commencement date, increased by the initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, net of the received lease incentives.

The right of use asset is amortised on a straight-line basis from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group at the end of the lease term. In this case, the right of use asset will be amortised over the useful life of the underlying asset, determined on the same basis as that of property and machinery. In addition, the right of use asset is regularly decreased for any impairment losses and adjusted to reflect any changes deriving from subsequent remeasurement of the lease liability.

The Group values the lease liability at the present value of the payments due for unpaid leases at the commencement date, discounting them using the interest rate implicit in the lease.

The payments due for the lease included in the measurement of the lease liability include:

- fixed payments (including substantially fixed payments);
- payments due for lease which depend on an index or rate, initially measured using an index or rate on the commencement date;
- amounts that are expected to be paid as a residual value guarantee; and
- the payments due for the lease in an optional renewal period if the Group is reasonably certain to exercise the renewal option, and early termination cancellation penalties, unless the Group is reasonably certain not to terminate the lease in advance.

The lease liability is measured at amortised cost using the effective interest criterion and remeasured in the event of a change in the future payments due for the lease deriving from a change in the index or rate, in the event of a change in the amount that the Group expects to pay as a guarantee on the residual value or when the Group changes its measurement with reference to the exercise or otherwise of a purchase, extension or cancellation option or in the event of revision of in-substance fixed payments due.

When the lease liability is remeasured, the lessee makes a corresponding change in right of use asset. If the right of use asset carrying value is reduced to zero, the lessee recognises the change in profit/(loss) for the year.



In the statement of financial position, the Group reports right of use assets that do not meet the definition of real estate investments in the item Property, plant and equipment and lease liabilities in the item Borrowings.

The Group recognises the related payments due for leases as a cost on a straight-line basis over the lease term.

For contracts signed before 1 January 2019, the Group establishes whether the agreement was or contained a lease by checking if:

- fulfilment of the agreement depended on the use of one or more specific assets; and
- the agreement transferred the right to use the asset.

Other assets subject to leases is classified as operating leases and is not recognised in the Group's statement of financial position. Payments relating to operating leases were recognised as a straight-line cost over the lease term, while incentives granted to the lessee were recognised as an integral part of the overall lease cost over the lease term.

## 2.9. INVENTORY

Raw materials and work in progress are valued at the lower of purchase or manufacturing cost calculated using the weighted average cost method and net realisable value. The weighted average cost includes directly attributable expenditures for raw material inventories and labour cost and an appropriate portion of production overhead based on normal operating capacity.

Provisions are recorded to reduce cost to net realisable value taking into consideration the age and condition of inventory, the likelihood to use raw materials in the production cycle as well as the saleability of finished products through the Group's distribution channels (outlet and stock).

## 2.10. FINANCIAL INSTRUMENTS

Trade receivables and debt securities issued are recognised when they are originated. All other financial assets and liabilities are initially recognised at the trade date, i.e., when the Group becomes a contractual party to the financial instrument.

Except for trade receivables that do not comprise a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issue of the financial asset. At the time of initial recognition, trade receivables that do not have a significant financing component are valued at their transaction price.

On initial recognition, a financial asset is classified based on its valuation: at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit/(loss) for the period (FVTPL).

Financial assets are not reclassified after initial recognition, unless the Group changes its business model for managing financial assets. In that case, all the financial assets concerned are reclassified on the first day of the first reporting period following the change in business model.

A financial asset shall be measured at amortised cost if both of the following conditions are met and if it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is to hold the financial assets in order to collect the related contractual cash flows; and

- the contractual terms of the financial asset provide for cash flows at certain dates consisting solely of payments of principal and interest on the amount of principal to be repaid.

At the time of subsequent measurement, assets belonging to this category are valued at amortised cost, using the effective interest rate. The effects of measurement are recognised among the financial income components. These assets are also subject to the impairment model described in the paragraph Trade receivables, financial assets and other current and non-current receivables.

A financial asset shall be measured at FVOCI if both of the following conditions are met and if it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is achieved both through the collection of the contractual cash flows and through the sale of the financial assets; and
- the contractual terms of the financial asset provide for cash flows at certain dates consisting solely of payments of principal and interest on the amount of principal to be repaid.

On initial recognition of a security not held for trading, the Group may make an irrevocable choice to present subsequent changes in fair value in the other components of the comprehensive income statement. This choice is made for each asset.

At the time of subsequent measurement, the measurement made at the time of recognition is updated and any changes in fair value are recognised in the statement of comprehensive income. As for the category above, these assets are subject to the impairment model described in the paragraph Trade receivables, financial assets and other current and non-current receivables.

All financial assets not classified as valued at amortised cost or at FVOCI, as indicated above, are valued at FVTPL. All derivative financial instruments are included. On initial recognition, the Group may irrevocably designate the financial asset as measured at fair value through profit/(loss) for the period if this eliminates or significantly reduces a misalignment in accounting that would otherwise result from measuring the financial asset at amortised cost or at FVOCI.

At the time of subsequent measurement, financial assets measured at FVTPL are valued at fair value. Gains or losses arising from changes in fair value are recognised in the consolidated income statement in the period in which they are recognised under financial income/expenses.

Financial assets are derecognised from the financial statements when the contractual rights to receive cash flows from them expire, when the contractual rights to receive cash flows from a transaction in which all the risks and rewards of ownership of the financial asset are materially transferred or when the Group neither transfers nor retains materially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

Financial liabilities are classified as valued at amortised cost or at FVTPL. A financial liability is classified at FVTPL when it is held for trading, it represents a derivative or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and any changes, including interest expense, are recognised in profit or loss for the period. Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and exchange rate gains/(losses) are recognised in profit/(loss) for the period, as are any gains or losses from derecognition.

The Group's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, other current and non-current assets and liabilities, investments, borrowings and derivative financial instruments.

### Cash and cash equivalents

Cash and cash equivalents include cash and short-term deposits held with banks and most liquid assets that are readily convertible into cash and that have insignificant risk of change in value. Bank overdrafts are recorded under current liabilities on the Group's consolidated statement of financial position.

### Trade receivables, financial assets and other current and non-current receivables

Trade and other receivables, generated when the Group provides money, goods or services directly to a third party, are classified as current assets, except for items with maturity dates greater than twelve months after the reporting date.

Current and non-current financial assets, other current and non-current assets, trade receivables, excluding derivatives, with fixed maturity or determinable payment terms, are recognised at amortised cost calculated using the effective interest method. When financial assets do not have a fixed maturity, they are valued at cost. Notes receivable (due date greater than a year) with interest rate below that of the market rate are valued using the current market rate.

The financial assets listed above are valued based on the impairment model introduced by IFRS 9 or by adopting an expected loss model, replacing the IAS 39 framework, which is typically based on the valuation of the incurred loss.

For trade receivables, the Group adopts the so-called simplified approach, which does not require the recognition of periodic changes in credit risk, but rather the accounting of an Expected Credit Loss ("ECL") calculated over the entire life of the credit (so-called lifetime ECL).

In particular, the policy implemented by the Group provides for the stratification of trade receivables based on the days past due and an assessment of the solvency of the counterparty and applies different write-down rates that reflect the relative expectations of recovery. The Group then applies an analytical valuation of impaired receivables based on a debtor's reliability and ability to pay the due amounts.

The value of receivables is shown in the statement of financial position net of the related bad debt provision. Write-downs, made in accordance with IFRS 9, are recognised in the consolidated income statement net of any positive effects associated with reversals of impairment.

### Financial liabilities, trade payables and other current and non-current payables

Trade and other payables arise when the Group acquires money, goods or services directly from a supplier. They are included within current liabilities, except for items with maturity dates greater than twelve months after the reporting date.

Financial liabilities, excluding derivatives, are recognised initially at fair value which represents the amount at which the asset was bought in a current transaction between willing parties, and subsequently measured at amortised cost using the effective interest method. Financial liabilities that are designated as hedged items are subject to the hedge accounting requirements.

### Derivatives instruments

Consistent with the provisions of IFRS 9, derivative financial instruments may be accounted for using hedge accounting only when:

- the hedged items and the hedging instruments meet the eligibility requirements;
- at the beginning of the hedging relationship, there is a formal designation and documentation of the hedging relationship, of the Group's risk management objectives and the hedging strategy;
- the hedging relationship meets all of the following effectiveness requirements:
  - there is an economic relationship between the hedged item and the hedging instrument;
  - the effect of credit risk is not dominant with respect to the changes associated with the hedged risk;
  - the hedge ratio defined in the hedging relationship is met, including through rebalancing actions, and is consistent with the risk management strategy adopted by the Group.

### Fair value hedge

A derivative instrument is designated as fair value hedge when it hedges the exposure to changes in fair value of a recognised asset or liability, that is attributable to a particular risk and could affect profit or loss. The gain or loss on the hedged item, attributable to the hedged risk, adjusts the carrying amount of the hedged item and is recognised in the consolidated income statement.

### Cash flow hedge

When a derivative financial instrument is designated as a hedging instrument for exposure to variability in cash flows, the effective portion of changes in fair value of the derivative financial instrument is recognised among the other components of the comprehensive income statement and stated in the cash flow hedge reserve. The effective portion of changes in fair value of the derivative financial instrument that is recognised in the other components of the comprehensive income statement is limited to the cumulative change in the fair value of the hedged instrument (at present value) since the inception of the hedge. The ineffective portion of changes in fair value of the derivative financial instrument is recognised immediately in the profit/(loss) for the period.

If the hedge ceases to meet the eligibility criteria or the hedging instrument is sold, matures or is exercised, hedge accounting ceases prospectively. When hedge accounting for cash flow hedges ceases, the accrued amount in the cash flow hedge reserve remains in equity until, in the case of a hedge of a transaction that results in the recognition of a non-financial asset or non-financial liability, it is included in the cost of the non-financial asset or non-financial liability on initial recognition or, in the case of other cash flow hedges, it is reclassified in profit or loss for the period in the same period or periods in which the hedged expected future cash flows affects profit/(loss) for the period.

If no more hedged future cash flows are expected, the amount shall be reclassified immediately from the cash flow hedge reserve and the reserve for hedging costs to profit/(loss) for the period.

If hedge accounting cannot be applied, gains or losses, arising from the fair value measurement of a derivative financial instrument, are immediately recognised in income statement.

Following the hedging relationships put in place, revenues in foreign currencies are translated in the consolidated financial statements at the corresponding forward rate for the relative hedged volume.

## 2.11. EMPLOYEE BENEFITS

Short-term employee benefits, such as wages, salaries, social security contributions, paid leave and annual leave due within twelve months of the consolidated statement of financial position date and all other fringe benefits are recognised in the year in which the service is rendered by the employee.

Benefits granted to employees, which are payable on or after the termination of employment through defined benefit and contribution plans, are recognised over the vesting period.

### Defined benefit schemes

Defined benefit schemes are retirement plans determined based on employees' remuneration and years of service.

The Group obligation to contribute to employees' benefit plans and the related current service cost are determined by using an actuarial valuation defined as the projected unit credit method. The cumulative net amount of all actuarial gains and losses are recognised in equity within other comprehensive income.

The amount recognised as a liability under the defined benefit plans is the present value of the related obligation, taking into consideration expenses to be recognised in future periods for employee service in prior periods.

### Defined contribution schemes

Contribution made to a defined contribution plan is recognised as an expense in the income statement in the period in which the employees render the related service.

Up to 31 December 2006 Italian employees were eligible to defined benefit schemes referred as post-employment benefit ("TFR"). With the act n. 296 as of 27 December 2006 and subsequent decrees ("Pension Reform") issued in early 2007, the rules and the treatment of TFR scheme were changed. Starting from contribution vested on or after 1 January 2007 and not yet paid at the reporting date, referring to entities with more than 50 employees, Italian post-employment benefits is recognised as a defined contribution plan. The contribution vested up to 31 December 2006 is still recognised as a defined benefit plan and accounted for using actuarial assumptions.

## 2.12. PROVISION FOR RISKS AND CHARGES

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic resources will be required to settle the obligation and where the amount of the obligation can be reliably estimated.

Restructuring provision is recognised when the Group has a detailed formal restructuring plan and the plan has been implemented or the restructuring plan has been publicly announced. Identifiable future operating losses up to the date of a restructuring are not included in the provision.

Changes in estimates are recognised in the income statement in the period in which they occur.

## 2.13. SHARE-BASED PAYMENTS

The fair value at grant date of the incentives granted to employees in the form of share-based payments, that are equity settled, is usually included in expenses with a matching increase in equity

over the period during which the employees obtain the incentives rights. The amount recognised as an expense is adjusted to reflect the actual number of incentives for which the continued service conditions are met and the achievement of non-market conditions, so that the final amount recognised as an expense, is based on the number of incentives that fulfil these conditions at the vesting date. In case the incentives granted as share-based payments whose conditions are not to be considered to maturity, the fair value at the grant date of the share-based payment is measured to reflect such conditions. With reference to the non-vesting conditions, any difference between amounts at the grant date and the actual amounts will not have any impact on the Consolidated Financial Statements.

The fair value of the amount payable to employees related to share appreciation rights, settled in cash, is recognised as an expense with a corresponding increase in liabilities over the period during which the employees unconditionally become entitled to receive the payment. The liability is measured at year-end and the settlement date based on the fair value of the share appreciation rights. Any changes in the fair value of the liability are recognised in profit or loss for the year.

## 2.14. REVENUE RECOGNITION

Based on the five-step model introduced by IFRS 15, the Group recognises revenues after identifying the contracts with its clients and the related services to be provided (transfer of goods and/or services), determining the consideration which it believes it is entitled to in exchange for the provision of each of these services and assessing the manner in which these services are provided (at a given time or over time).

Wholesale sales are recognised when goods are dispatched to trade customers, reflecting the transfer of risks and rewards. The provision for returns and discounts, recorded as a revenue adjustment, is estimated and accounted based on future expectation, taking into consideration historical return trends and is recorded as a variable component of the contractual consideration with the concurrent recognition of a liability for returns and of the corresponding asset in the statement of financial position.

Variable components of the consideration (for example, the effect of returns) are recognised in the financial statements only when it is highly probable that there will be no significant adjustment to the amount of revenue recognised in the future.

Retail sales are recognised at the date of transactions with final customers.

Royalties received from licensee are accrued as earned on the basis of the terms of the relevant royalty agreement which is typically based on sales volumes.

Upon receipt of an advance payment from a client, the Group recognises the amount of the advance payment for the obligation to transfer assets in the future under Other current liabilities and derecognises this liability by recognising the revenue when the assets are transferred.

The Group recognises the amounts paid to customers as a reduction in revenues when the costs for services cannot be reliably estimated or in costs when the costs for services can reliably be estimated.

## 2.15. BORROWING COSTS

Borrowing costs are recognised on an accrual basis taking into consideration interest accrued on the net carrying amount of financial assets and liabilities using the effective interest rate method.

## 2.16. TAXATION

Tax expense, recognised in the consolidated income statement, represents the aggregated amount related to current tax and deferred tax.

Current taxes are determined in accordance with enforced rules established by local tax authorities. Current taxes are recognised in the consolidated income statement for the period, except to the extent that the tax arises from transactions or events which are recognised directly either in equity or in other comprehensive income.

Deferred tax liabilities and assets are determined based on temporary taxable or deductible differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group Consolidated Financial Statements. Current and deferred tax assets and liabilities are offset when income taxes are levied by the same tax authority and when there is a legally enforceable right to offset the amounts.

Deferred tax liabilities and assets are determined using tax rates that have been enacted by the reporting date and are expected to be enforced when the related deferred income tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are not discounted.

Deferred tax assets recognised on tax losses and on deductible differences are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Tax liabilities include the estimate of risks associated with uncertainties on the tax treatments adopted for determining income taxes in accordance with the new IFRIC 23. These uncertainties can arise from: i) unclear or complex tax rules; ii) changes in tax regulations or clarifications by tax authorities; iii) ongoing tax audits and/or disputes; iv) public information on ongoing tax assessments and/or disputes involving other entities.

Legislative Decree no. 209 of 27 December 2023 implemented Directive no. 2022/EU/2523, regarding "Global Minimum Tax", with the explicit aim of ensuring, starting from 1 January 2024, a minimum level of taxation for groups with revenues exceeding Euro 750 million. The legislation originates from the rules formulated in the OECD and is commonly known as "Pillar II".

The Company falls within the scope of application of this regulation.

Based on the information known or reasonably estimable at the date of preparation of these financial statements, the Company's exposure to any taxes arising from the "Pillar II" regulation is assessed as not significant.

The Group has applied the temporary exception introduced in 2023 to IAS 12 with respect to the accounting requirements for deferred taxes related to "Pillar II" rules.

## 2.17. EARNINGS PER SHARE

The Group presents the basic and diluted earnings per share. The basic earnings per share is calculated by dividing the profit or loss attributable to holders of the Company shares by the weighted average of the number of shares for the financial year (defined as equal to the share capital), adjusted to consider any treasury shares held. The diluted earnings per share is calculated by adjusting the profit or loss attributable to shareholders and the weighted average of the number of company shares as defined above, to consider the effects of all potential shares with a dilution effect.

## 2.18. SEGMENT INFORMATION

For the purposes of IFRS 8 Operating Segments, the Group's business can be classified to two operating segments, relating to the Moncler and the Stone Island business, aggregated into a single segment, with similar characteristics to those required by the Standard.

## 2.19. FAIR VALUE

IFRS 13 is the only point of reference for the fair value measurement and related disclosures when such an assessment is required or permitted by other standards. Specifically, the principle defines fair value as the consideration received for the sale of an asset or the amount paid to settle a liability in a regular transaction between market participants at the measurement date. In addition, the new standard replaces and provides for additional disclosures required in relation to fair value measurements by other accounting standards, including IFRS 7.

IFRS 13 establishes a hierarchy that classifies within different levels the inputs used in the valuation techniques necessary to measure fair value. The levels, presented in a hierarchical order, are as follows:

- level 1: Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2: it Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- level 3: Fair values measured using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

## 2.20. PUT AND CALL AGREEMENTS WITH MINORITY SHAREHOLDERS

The Group records the financial liabilities relating to put options granted to minority shareholders at the present value of the option exercise price. On the initial recognition of the liability, this value is reclassified from equity by reducing the minority share if the terms and conditions of the put option give the Group access to the economic benefits associated with the share of the capital option. The Group accounts for this share as if it had already been purchased in application of the anticipated interest method. According to IAS 32, the recognized financial liability is equal to the best estimate of the option's strike price and is subsequently remeasured at each closing date in accordance with IFRS 9. The accounting policy adopted by the Group provides for the recognition to equity of any change in the value of the liability.



## 2.21. ACCOUNTING STANDARDS AND RECENTLY PUBLISHED INTERPRETATIONS

### Accounting standards, amendments and interpretations effective from 1 January 2023

TITLE	ISSUED DATE	EFFECTIVE DATE	ENDORSEMENT DATE	EU REGULATION AND DATE OF PUBLICATION
Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2)	February 2021	1 January 2023	2 March 2022	(UE) 2022/357 3 March 2022
Definition of accounting estimates (Amendments to IAS 8)	February 2021	1 January 2023	2 March 2022	(UE) 2022/357 3 March 2022
Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12 Income taxes)	May 2021	1 January 2023	11 August 2022	(UE) 2022/1392 12 August 2022
IFRS 17 – Insurance contracts (including amendments published on 25 June 2020)	May 2017 June 2020	1 January 2023	19 November 2021	(UE) 2021/2036 23 November 2021
Initial Application of IFRS 17 and IFRS 9— Comparative Information (Amendment to IFRS 17)	December 2021	1 January 2023	8 September 2022	(UE) 2022/1491 9 September 2022
International Tax Reform— Pillar Two Model Rules (Amendments to IAS 12)	May 2023	1 January 2023	8 November 2023	UE) 2023/2468 9 November 2023

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

The changes introduced to IAS 12 relating to the recognition of deferred taxation on leasing contracts had no impact since the Group had already previously recognized these effects.

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

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

TITLE	ISSUED DATE	EFFECTIVE DATE	ENDORSEMENT DATE	EU REGULATION AND DATE OF PUBLICATION
Lease liability in a sale and leaseback (Amendments to IFRS 16)	September 2022	1 January 2024	20 November 2023	(UE) 2023/2579 21 November 2023
Classification of liabilities as current or non-current (Amendments to IAS 1) and Non current liabilities with covenants (Amendments to IAS 1)	January 2020 October 2022	1 January 2024	19 December 2023	(UE) 2023/2822 20 December 2023

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

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

TITLE	ISSUE DATE	EFFECTIVE DATE OF IASB DOCUMENT	APPROVAL DATE BY EU
Standards			
IFRS 14 Regulatory deferral accounts	January 2014	1 January 2016	Postponed pending the conclusion of the IASB project on "rate-regulated activities".
Amendments			
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	September 2014	Deferred until the completion of the IASB project on the equity method	Postponed pending the conclusion of IASB project on the equity method
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	May 2023	1 January 2024	TBD
Lack of Exchangeability (Amendment to IAS 21)	August 2023	1 January 2025	TBD

The Group will comply with these new standards and amendments based on their relevant effective dates when endorsed by the European Union and it will evaluate their potential impacts on the Consolidated Financial Statements.

### 3. SCOPE FOR CONSOLIDATION

As at 31 December 2023 the Consolidated Financial Statements of the Moncler Group include the figures, on a line-by-line basis, of the parent company Moncler S.p.A. and 55 subsidiaries, as detailed in the following table:

Investments (in associates for consolidation)	Registered office	Share capital	Currency	% of ownership	Parent company
Moncler S.p.A.	Milan (Italy)	54,925,535	EUR		
Industries S.p.A.	Milan (Italy)	15,000,000	EUR	100.00%	Moncler S.p.A.
Moncler Deutschland GmbH	Munich (Germany)	700,000	EUR	100.00%	Industries S.p.A.
Moncler España S.L.	Barcelona (Spain)	50,000	EUR	100.00%	Industries S.p.A.
Moncler Asia Pacific Ltd	Hong Kong (China)	300,000	HKD	100.00%	Industries S.p.A.
Moncler France S.à.r.l.	Paris (France)	8,000,000	EUR	100.00%	Industries S.p.A.
Moncler USA Inc	New York (USA)	1,000	USD	100.00%	Industries S.p.A.
Moncler UK Ltd	London (United Kingdom)	2,000,000	GBP	100.00%	Industries S.p.A.
Moncler Japan Corporation (*) (**)	Tokyo (Japan)	104,776,859	JPY	94.94%	Industries S.p.A.
Moncler Shanghai Commercial Co. Ltd	Shanghai (China)	82,483,914	CNY	100.00%	Industries S.p.A.
Moncler Suisse SA	Chiasso (Switzerland)	9,500,000	CHF	100.00%	Industries S.p.A.
Moncler Belgium S.p.r.l.	Bruxelles (Belgium)	1,800,000	EUR	100.00%	Industries S.p.A.
Moncler Denmark ApS	Copenhagen (Denmark)	2,465,000	DKK	100.00%	Industries S.p.A.
Moncler Holland B.V.	Amsterdam (Holland)	18,000	EUR	100.00%	Industries S.p.A.
Moncler Hungary KFT	Budapest (Hungary)	150,000,000	HUF	100.00%	Industries S.p.A.
Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti. (*)	Istanbul (Turkey)	1,000,000	TRY	51.00%	Industries S.p.A.
Moncler Brasil Comércio de moda e acessórios Ltda. òrios Ltda.	Sao Paulo (Brazil)	20,000,000	BRL	95.00% 5.00%	Industries S.p.A. Moncler USA Inc
Moncler Taiwan Limited	Taipei (China)	10,000,000	TWD	100.00%	Industries S.p.A.
Moncler Rus LLC	Moscow (Russian Federation)	590,000,000	RUB	99.99% 0.01%	Industries S.p.A. Moncler Suisse SA
Moncler Canada Ltd	Vancouver (Canada)	1,000	CAD	100.00%	Industries S.p.A.
Moncler Prague s.r.o.	Prague (Czech Republic)	200,000	CZK	100.00%	Industries S.p.A.
White Tech Sp.zo.o.	Katowice (Poland)	369,000	PLN	70.00%	Industries S.p.A.
Moncler Korea Inc. (**)	Seoul (South Korea)	2,550,000,000	KRW	100.00%	Industries S.p.A.
Moncler Middle East FZ-LLC	Dubai (United Arab Emirates)	50,000	AED	100.00%	Industries S.p.A.
Moncler Singapore PTE, Limited	Singapore	5,000,000	SGD	100.00%	Industries S.p.A.
Industries Yield S.r.l.	Bacau (Romania)	25,897,000	RON	99.00% 1.00%	Moncler Deutschland GmbH
Moncler UAE LLC (*)	Dubai (United Arab Emirates)	1,000,000	AED	49.00%	Moncler Middle East FZ-LLC
Moncler Ireland Limited	Dublin (Ireland)	350,000	EUR	100.00%	Industries S.p.A.
Moncler Australia PTY LTD	Melbourne (Australia)	2,500,000	AUD	100.00%	Industries S.p.A.
Moncler Kazakhstan LLP	Almaty (Kazakhstan)	250,000,000	KZT	99.00% 1.00%	Industries S.p.A. Moncler Rus LLC
Moncler Sweden AB	Stockholm (Sweden)	1,000,000	SEK	100.00%	Industries S.p.A.
Moncler Norway AS	Oslo (Norway)	3,000,000	NOK	100.00%	Industries S.p.A.
Moncler Mexico, S. de R.L. de C.V.	Mexico City (Mexico)	33,000,000	MXN	99.00% 1.00%	Industries S.p.A. Moncler USA Inc
Moncler Mexico Services, S. de R.L. de C.V.	Mexico City (Mexico)	11,000,000	MXN	99.00% 1.00%	Industries S.p.A. Moncler USA Inc

Moncler Ukraine LLC	Kiev (Ukraine)	47,367,417	UAH	99,99%	Industries S.p.A.
				0,01%	Moncler Suisse SA
Moncler New Zealand Limited	Auckland (New Zealand)	2,000,000	NZD	100.00%	Industries S.p.A.
Moncler Malaysia Sdn. Bhd.	Kuala Lumpur (Malesia)	1	MYR	100.00%	Industries S.p.A.
Sportswear Company S.p.A.	Bologna (Italy)	10,084,166	EUR	100.00%	Moncler S.p.A.
Stone Island Retail S.r.l.	Bologna (Italy)	99,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Germany Gmbh	Monaco (Germany)	500,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Antwerp Bvba	Antwerp (Belgium)	400,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Amsterdam BV	Amsterdam (Holland)	25,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Usa Inc	New York (USA)	2,500,000	USD	100.00%	Sportswear Company S.p.A.
Stone Island Canada Inc	Toronto (Canada)	500,000	CAD	100.00%	Sportswear Company S.p.A.
Stone Island China Co. Ltd	Shanghai (China)	2,500,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island France S.a.s.	Saint Priest (France)	50,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Distribution S.r.l.	Bologna (Italy)	50,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Korea Co., Ltd. (*)	Seoul (South Korea)	30,500,000	KRW	51.00%	Sportswear Company S.p.A.
Stone Island (UK) Retail Limited	London (United Kingdom)	1,000,000	GBP	100.00%	Sportswear Company S.p.A.
Stone Island Japan Inc. (*)	Tokyo (Japan)	400,000,000	JPY	80.00%	Sportswear Company S.p.A.
Stone Island Suisse SA	Chiasso (Switzerland)	3,000,000	CHF	100.00%	Sportswear Company S.p.A.
Stone Island Sweden AB	Stockholm (Sweden)	3,000,000	SEK	100.00%	Sportswear Company S.p.A.
Stone Island España S.L.	Barcelona (Spain)	3,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Austria GmbH	Vienna (Austria)	500,000	EUR	100.00%	Sportswear Company S.p.A.
Stone Island Hong Kong Limited	Hong Kong (China)	500,000	HKD	100.00%	Sportswear Company S.p.A.
Stone Island Macao Limited	Macao (China)	5,500,000	MOP	100.00%	Sportswear Company S.p.A.

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

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

In relation to the scope of consolidation, please note that during the 2023, compared to 31 December 2022, the companies Stone Island Austria Gmbh, Stone Island España S.L., Stone Island Macao Limited and Stone Island Hong Kong Limited were established.

We highlighted that, in the first quarter of 2023, the Group, in accordance with pre-existing agreements, acquired, from the local partner, the last tranche (equal to 9.99% of total share capital) of the partner's stake in in Moncler Korea Inc., bringing the percentage of ownership to 100%.

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

## 4. COMMENTS ON THE CONSOLIDATED INCOME STATEMENT

### 4.1. REVENUES

#### *Revenues by brand*

(Euro/000)	2023	%	2022	%
Total revenues	2,984,217	100.0%	2,602,890	100.0%
Moncler	2,573,159	86.2%	2,201,758	84.6%
Stone Island	411,058	13.8%	401,132	15.4%

In 2023, Moncler Group reached consolidated revenue of EUR 2,984.2 million up 14.7% compared to the 2022. These results include Moncler brand revenue equal to EUR 2.573,2 million and Stone Island brand revenue equal to EUR 411.1 million.

### ANALYSIS OF MONCLER BRAND REVENUES

In 2023, Moncler brand revenues were equal to EUR 2,573.2 million, up 16.9% growth compared to 2022.

#### *Revenues by geography*

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

Revenues by geography						
(Euro/000)	2023	%	2022	%	Variation	% Variation
Asia	1,291,377	50.2%	1,029,327	46.8%	262,050	25.5%
EMEA	910,488	35.4%	804,361	36.5%	106,127	13.2%
Americas	371,294	14.4%	368,070	16.7%	3,224	0.9%
Total	2,573,159	100.0%	2,201,758	100.0%	371,401	16.9%

In 2023, revenues in Asia (which includes APAC, Japan and Korea) were equal to EUR 1,291.4 million registering a +25.5% growth compared to the 2022, thanks to a strong growth registered in the Chinese mainland. The performance in the APAC region in 2022 was penalized by the severe Covid restrictions in Mainland China occurred in the last months of the year. Japan, Korea and the rest of APAC continued to record a very solid performance.

EMEA reported revenues of EUR 910.5 million in 2023, growing +13.2% compared to 2022. This acceleration was driven by the DTC channel, with a positive contribution from both tourists and locals. Chinese, Korean and American customers remained the strongest contributors to tourist purchases in the region.

Americas registered revenues of EUR 371.3 million in 2023, +0.9% compared to 2022, driven mainly by the DTC channel. The performance of the region in the two channels was influenced by the conversions of Nordstrom and part of Saks from a wholesale to a DTC business model.

### Revenues by channel

Revenues by distribution channels are broken down as follows:

(Euro/000)	2023	%	2022	%
Total revenues	2,573,159	100.0%	2,201,758	100.0%
of which:				
- Wholesale	409,239	15.9%	429,755	19.5%
- DTC	2,163,920	84.1%	1,772,003	80.5%

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 2023, the DTC channel recorded revenues of EUR 2,163,9 million growing +22.1% compared to 2022.

The wholesale channel registered revenues equal to EUR 409.2 million a decline of 4.8% compared to 2022. This decrease is mainly impacted by the above-mentioned conversions of Nordstrom and part of Saks in the US and by the ongoing efforts to upgrade the quality of the distribution network. Excluding the effects of US conversions, revenues in the wholesale channel would have been slightly positive in 2023.

### ANALYSIS OF STONE ISLAND BRAND REVENUE

In 2023, Stone Island brand revenues were equal to EUR 411.1 million up +2.5% compared with EUR 410.1 million recorded in 2022.

### Revenues by geography

Revenues by geography						
(Euro/000)	2023	%	2022	%	Variation	% Variation
Asia	89,441	21.8%	80,177	20.0%	9,264	11.6%
EMEA	287,506	69.9%	278,670	69.5%	8,836	3.2%
Americas	34,111	8.3%	42,285	10.5%	(8,174)	(19.3)%
Total	411,058	100.0%	401,132	100.0%	9,926	2.5%

EMEA continues to be the most important region for the brand and contributed EUR 287.5 million to 69.9% of revenues in 2023.

Asia reached EUR 89.4 million revenues with the strong performance of Japan and the Chinese mainland fully compensating for a weaker performance of the Korean market.

Americas registered revenues of EUR 34.1 million, with a decline of -19.3% as performance continued to be impacted by challenging trends mostly among department stores, as well as by the ongoing efforts in upgrading the quality of this channel.

### Revenues by channel

(Euro/000)	2023	%	2022	%
Total revenues	411,058	100.0%	401,132	100.0%
of which:				
Wholesale	238,214	58.0%	251,979	62.8%
DTC	172,844	42.0%	149,153	37.2%

The wholesale channel recorded revenues of EUR 238.2 million down -5.5% compared to 2022, primarily due to the strict volume control adopted in the management of this channel to continuously improve the quality of the distribution network.

The DTC channel reported sales of EUR 172.8 million, representing 42% of total 2023 revenues. In the fourth quarter, mainly driven by the very solid performance of Asia and EMEA.

#### 4.2. COST OF SALES

In 2023, cost of sales increased by EUR 68.4 million in absolute terms (+11.1%), going from EUR 615.0 million in 2022 to EUR 683.4 million in 2023. Cost of sales as a percentage of sales has decreased, going from 23.6% in 2022 to 22.9% in 2023.

#### 4.3. SELLING EXPENSES

In 2023 selling expenses amounted to EUR 868.1 million (EUR 757.4 million in 2022), with an increase of EUR 110.7 million compared to 2022.

Selling expenses in 2023 represented 29.1%, as in the 2022.

Selling expenses mainly include rent costs excluded from the application of the IFRS 16 for EUR 247.3 million (EUR 195.4 million of total rent costs in 2022), personnel costs for EUR 217.9 million (EUR 177.2 million in 2022) costs for depreciation of the right of use for EUR 162.3 million (EUR 146.6 million in 2022) and other amortisation and depreciation for EUR 80.2 million (EUR 77.9 million in 2022).

The item also includes costs related to stock-based compensation plans for EUR 6.1 million (EUR 6.2 million in 2022).

#### 4.4. GENERAL AND ADMINISTRATIVE EXPENSES

In 2023, general and administrative expenses amounted to EUR 331.2 million, up EUR 47.2 million when compared to last year.

General and administrative expenses represented 11.1% of turnover, in respect to 10.9% in 2022.

The item also includes costs related to stock-based compensation plans for EUR 33.8 million (EUR 30.8 million in 2022).

#### 4.5. MARKETING EXPENSES

Marketing expenses were EUR 207.7 million, representing 7.0% of revenues in respect to 6.6% recorded in 2022.

#### 4.6. OPERATING RESULT

In 2023, the operating result of the Moncler Group amounted to EUR 893.8 million, compared to EUR 774.5 million in 2022, representing an EBIT margin of 30.0% (29.8% in 2022).

#### 4.7. FINANCIAL INCOME AND EXPENSES

The caption is broken down as follows:

(Euro/000)	2023	2022
Interest income and other financial income	11,341	3,537
Foreign currency differences - positive	0	0
Total financial income	11,341	3,537
Interests expenses and other financial charges	(4,077)	(4,328)
Foreign currency differences - negative	(2,210)	(4,480)
Total financial expenses	(6,287)	(8,808)
Total net excluded interests on lease liabilities	5,054	(5,271)
Interests on lease liabilities	(28,258)	(21,945)
Total net	(23,204)	(27,216)

#### 4.8. INCOME TAX

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

(Euro/000)	2023	2022
Current income taxes	(266,827)	(380,856)
Deferred tax (income) expenses	8,094	240,231
Income taxes charged in the income statement	(258,733)	(140,625)

The tax rate in 2023 was equal to 29.7%. In 2022, taxes reflected a one-off positive impact of the Stone Island brand value realignment for EUR 92.3 million.

For the breakdown of deferred tax assets and liabilities by nature, please see paragraph 5.4.

The reconciliation between the theoretical tax burden by applying the theoretical rate of the parent company, and the effective tax burden is shown in the following table:



Reconciliation theoretic-effective tax rate	Taxable Amount 2023	Tax Amount 2023	Tax rate 2023	Taxable Amount 2022	Tax Amount 2022	Tax rate 2022
(Euro/000)						
Profit before tax	870,635			747,331		
Income tax using the Company's theoretic tax rate		(208,952)	24.0%		(179,359)	24.0%
Temporary differences		(6,012)	0.7%		(23,920)	3.2%
Permanent differences		(26,048)	3.0%		(6,669)	0.9%
Other differences		(25,814)	3.0%		(170,908)	22.9%
Deferred taxes recognized in the income statement		8,094	(0.9)%		240,231	(32.1)%
Income tax at effective tax rate		(258,733)	29.7%		(140,625)	18.8%

Deferred taxes in 2022 mainly included the benefit deriving from the release of deferred tax liabilities resulting from the realignment of Stone Island trademark's tax value to the statutory value.

#### 4.9. PERSONNEL EXPENSES

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

(Euro/000)	2023	2022
Wages and salaries and Social security costs	(339,286)	(265,408)
Accrual for employment benefits	(25,655)	(20,977)
<b>Total</b>	<b>(364,941)</b>	<b>(286,385)</b>

During the period, personnel expenses increased by 27.4%, from EUR 286.4 million in 2022 to EUR 364.9 million in 2023.

The remuneration related to the members of the Board of Directors is commented separately in the related-party section (note 10.1).

The costs related to the stock based compensation plans, equal to EUR 40.0 million (EUR 37.0 million in 2022) are separately commented in note 10.2.

The following table analyses the number of employees (full-time-equivalent) in 2023 compared to the prior year:

Average FTE by area	2023	2022
FTE		
Italy	1,951	1,609
Other European countries	2,445	1,876
Asia and Japan	1,706	1,343
Americas	439	395
<b>Total</b>	<b>6,541</b>	<b>5,223</b>

The actual number of employees of the Group as at 31 December 2023 was 7,510 unit (6,310 as at 31 December 2022).

#### 4.10. DEPRECIATION AND AMORTISATION

Depreciation and amortisation are broken down as follows:

(Euro/000)	2023	2022
Depreciation of property, plant and equipment	(265,314)	(242,754)
Amortization of intangible assets	(26,386)	(22,163)
<b>Total Depreciation and Amortization</b>	<b>(291,700)</b>	<b>(264,917)</b>

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 177.5 million (EUR 159.3 million in 2022), as explained in paragraph 5.3.

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

## 5. COMMENTS ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 5.1. GOODWILL, BRANDS AND OTHER INTANGIBLE ASSETS

Brands and other intangible assets	31 December 2023			31 December 2022
	Gross value	Accumulated amortization and impairment	Net value	Net value
(Euro/000)				
Brands	999,354	0	999,354	999,354
Licence rights	12	(12)	0	0
Key money	67,939	(56,181)	11,758	15,042
Software	169,096	(98,127)	70,969	61,541
Other intangible assets	34,102	(31,362)	2,740	2,275
Assets in progress	11,652	0	11,652	8,494
Goodwill	603,417	0	603,417	603,417
<b>Total</b>	<b>1,885,572</b>	<b>(185,682)</b>	<b>1,699,890</b>	<b>1,690,123</b>

Intangible assets changes are shown in the following tables:

As at 31 December 2023

Gross value Brands and other intangible assets								
	Brands	Licence rights	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
(Euro/000)								
1 January 2023	999,354	12	75,563	138,062	32,759	8,494	603,417	1,857,661
Acquisitions	0	0	0	27,777	1,371	8,628	0	37,776
Disposals	0	0	(4,656)	(137)	(112)	(1)	0	(4,906)
Changes in consolidation area	0	0	0	42	(42)	0	0	0
Translation adjustment	0	0	155	(611)	59	(7)	0	(404)
Other movements, including transfers	0	0	(3,123)	3,963	67	(5,462)	0	(4,555)
<b>31 December 2023</b>	<b>999,354</b>	<b>12</b>	<b>67,939</b>	<b>169,096</b>	<b>34,102</b>	<b>11,652</b>	<b>603,417</b>	<b>1,885,572</b>

---

Accumulated amortization and impairment Brands and other intangible assets

	Brands	Licence rights	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
(Euro/000)								
1 January 2023	0	(12)	(60,521)	(76,521)	(30,484)	0	0	(167,538)
Amortization	0	0	(3,302)	(22,091)	(993)	0	0	(26,386)
Disposals	0	0	4,656	88	112	0	0	4,856
Changes in consolidation area	0	0	0	0	0	0	0	0
Translation adjustment	0	0	(110)	396	3	0	0	289
Other movements, including transfers	0	0	3,096	1	0	0	0	3,097
31 December 2023	0	(12)	(56,181)	(98,127)	(31,362)	0	0	(185,682)

As at 31 December 2022

---

Gross value Brands and other intangible assets

	Brands	Licence rights	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
(Euro/000)								
1 January 2022	999,354	0	68,576	105,728	31,455	6,961	603,417	1,815,491
Acquisitions	0	0	3,883	26,186	921	7,622	0	38,612
Disposals	0	0	(116)	(170)	0	(336)	0	(622)
Changes in consolidation area	0	0	0	0	0	0	0	0
Translation adjustment	0	0	106	(123)	(2)	(2)	0	(21)
Other movements, including transfers	0	12	3,114	6,441	385	(5,751)	0	4,201
31 December 2022	999,354	12	75,563	138,062	32,759	8,494	603,417	1,857,661

---

Accumulated amortization and impairment Brands and other intangible assets

	Brands	Licence rights	Key money	Software	Other intangible assets	Assets in progress and advances	Goodwill	Total
(Euro/000)								
1 January 2022	0	0	(53,557)	(59,298)	(29,145)	0	0	(142,000)
Depreciation	0	0	(3,724)	(17,514)	(925)	0	0	(22,163)
Disposals	0	0	94	131	0	0	0	225
Changes in consolidation area	0	0	0	0	0	0	0	0
Translation adjustment	0	0	(249)	118	0	0	0	(131)
Other movements, including transfers	0	(12)	(3,085)	42	(414)	0	0	(3,469)
31 December 2022	0	(12)	(60,521)	(76,521)	(30,484)	0	0	(167,538)

The increase in the caption software pertained to the investments in information technology to support the business and the corporate functions.

Please refer to the Directors' report for additional information related to investments made during the year.

## 5.2. IMPAIRMENT OF INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE AND GOODWILL

The captions Brands, Other intangible fixed assets with an indefinite useful life and Goodwill deriving from previous acquisitions have not been amortised, but have been tested for impairment by management.

The impairment tests on the Moncler brand and on the Stone Island brand were performed by comparing its carrying value with that derived from the discounted cash flow method applying the Royalty Relief Method, based on which the cash flows are linked to the recognition of a royalty percentage applied to revenues that the brand is able to generate.

The recoverable amount of Moncler goodwill and of Stone Island goodwill have been tested based on the "asset side" approach which compares the value in use of the corresponding group of cash-generating unit with the carrying amount of its net invested capital.

For the 2023 valuation of the Moncler and Stone Island brand and goodwill, the expected cash flows and revenues are based on the 2024-2026 Business Plan approved by the Board of Directors on 14 December 2023 and for the years from 2027-2028 on the basis of management estimates consistent with the expected development plans.

The "g" rate used was 2.5%.

The discount rate was calculated using the Weighted Average Cost of Capital (WACC), by weighting the expected rate of return on invested capital, net of hedging costs from a sample of companies within the same industry. The calculation took into account fluctuation in the market as compared to the previous year and the resulting impact on interest rates. The weighted average cost of capital (WACC) was calculated at 8.9% for the Moncler brand and at 9.5% for Stone Island.

The results of the sensitivity analysis indicated that the carrying amounts of the Moncler brand and goodwill are confirmed in all scenarios of reasonable changes of the benchmarks. The Stone Island brand and goodwill up to a WACC of 9.7% and 9.9% respectively, all other parameters being equal.

It is also underlined that the market capitalisation of the Company, based on the average price of Moncler share in 2023, showed a significant positive difference with respect to the Group net equity, implicitly confirming again the value of the intangibles registered.

### 5.3. NET PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipments (Euro/000)	31 December 2023			31 December 2022
	Gross value	Accumulated depreciation and impairment	Net value	Net value
Land and buildings	1,413,415	(648,266)	765,149	800,742
Plant and Equipment	63,313	(38,686)	24,627	22,249
Fixtures and fittings	192,141	(132,117)	60,024	46,210
Leasehold improvements	441,456	(278,323)	163,133	141,008
Other fixed assets	49,679	(38,038)	11,641	11,002
Assets in progress	57,906	0	57,906	53,279
<b>Total</b>	<b>2,217,910</b>	<b>(1,135,430)</b>	<b>1,082,480</b>	<b>1,074,490</b>

The change in property, plant and equipment is included in the following tables:

As at 31 December 2023

#### Gross value Property, plant and equipment

(Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
1 January 2023	1,296,502	53,936	166,449	386,389	43,717	53,279	2,000,272
Acquisitions	171,572	5,767	29,924	61,723	7,178	31,597	307,761
Disposals	(28,170)	(365)	(4,622)	(11,393)	(1,071)	(120)	(45,741)
Translation adjustment	(27,169)	17	(2,595)	(13,216)	(510)	(749)	(44,222)
Other movements, including transfers	892	3,958	3,300	17,426	365	(26,101)	(160)
<b>31 December 2023</b>	<b>1,413,415</b>	<b>63,313</b>	<b>192,141</b>	<b>441,456</b>	<b>49,679</b>	<b>57,906</b>	<b>2,217,910</b>

#### Accumulated depreciation and impairment PPE

(Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
1 January 2023	(495,760)	(31,687)	(120,239)	(245,381)	(32,715)	0	(925,782)
Depreciation	(180,504)	(7,571)	(18,077)	(52,490)	(6,672)	0	(265,314)
Disposals	11,172	611	4,306	11,116	874	0	28,079
Translation adjustment	15,354	(20)	1,894	8,418	323	0	25,969
Other movements, including transfers	1,472	(19)	2	11	152	0	1,618
<b>31 December 2023</b>	<b>(648,266)</b>	<b>(38,686)</b>	<b>(132,117)</b>	<b>(278,323)</b>	<b>(38,038)</b>	<b>0</b>	<b>(1,135,430)</b>

As at 31 December 2022

Gross value Property, plant and equipment	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
<b>(Euro/000)</b>							
01 January 2022	1,024,942	47,437	154,740	333,106	37,239	29,410	1,626,874
Acquisitions	286,875	4,064	13,706	53,497	5,483	42,280	405,905
Disposals	(14,886)	(760)	(4,880)	(10,403)	(851)	(2,254)	(34,034)
Changes in consolidation area	5,554	33	1,659	266	120	323	7,955
Other movements, including transfers	(5,983)	3,162	1,224	9,923	1,726	(16,480)	(6,428)
<b>31 December 2022</b>	<b>1,296,502</b>	<b>53,936</b>	<b>166,449</b>	<b>386,389</b>	<b>43,717</b>	<b>53,279</b>	<b>2,000,272</b>
<b>Accumulated depreciation and impairment PPE</b>							
	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
<b>(Euro/000)</b>							
01 January 2022	(349,475)	(25,266)	(106,310)	(205,286)	(27,215)	0	(713,552)
Acquisitions	(162,618)	(7,058)	(17,903)	(49,037)	(6,138)	0	(242,754)
Disposals	8,485	421	4,618	10,250	718	0	24,492
Changes in consolidation area	1,771	(22)	(1,255)	(118)	(40)	0	336
Other movements, including transfers	6,077	238	611	(1,190)	(40)	0	5,696
<b>31 December 2022</b>	<b>(495,760)</b>	<b>(31,687)</b>	<b>(120,239)</b>	<b>(245,381)</b>	<b>(32,715)</b>	<b>0</b>	<b>(925,782)</b>

The changes related to the right of use assets arising from the application of the IFRS 16 are reported here below:

Right of use assets	Land and buildings	Other fixed assets	Total
<b>(Euro/000)</b>			
1 January 2023	772,212	1,305	773,517
Acquisitions	168,176	2,209	170,385
Disposals	(15,595)	(112)	(15,707)
Depreciation	(178,700)	(1,411)	(180,111)
Changes in consolidation area	0	0	0
Translation adjustment	(12,433)	0	(12,433)
Other movements, including transfers	1,850	0	1,850
<b>31 December 2023</b>	<b>735,510</b>	<b>1,991</b>	<b>737,501</b>

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

In addition to the above mentioned effect arising from the application of the IFRS 16, the changes in property plant and equipment in 2023 show an increase in the items fixture and fittings, leasehold improvements and assets in progress and advances: all of these items are mainly related to the

development of the distribution network, the relocation/expansion of already existing stores and the investments in logistic, operation and the enlargement of the production facility in Bacau, Romania and Italy.

Please refer to the Directors' report for an analysis of investments made during the year.

Based on the business performance recorded in the periods under analysis and the updated forecasts of future trends, no potential indicators of impairment were identified and no specific impairment tests were performed on these items.

#### 5.4. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities are offset only when there is a law within a given tax jurisdiction that provides for such right to offset. The balances were as follows as at 31 December 2023 and 31 December 2022:

Deferred taxation (Euro/000)	31 December 2023	31 December 2022
Deferred tax assets	252,197	205,932
Deferred tax liabilities	(63,034)	(15,190)
<b>Net amount</b>	<b>189,163</b>	<b>190,742</b>

In view of the nature of the net deferred tax assets and the expectation of future taxable income under the Business Plan 2024-2026 (approved by the Board of Directors on 14 December 2023), no indicators have been identified regarding the non-recoverability of the deferred tax assets recognised in the financial statements.

The change in deferred tax assets and liabilities, without taking into consideration the right of offset of a given tax jurisdiction, is detailed in the following table:

Deferred tax assets (liabilities) (Euro/000)	Opening balance - January 1, 2023	Taxes charged to the income statement	Taxes accounted for in Equity	Effect of currency translation	Other movements	Closing balance - December 31, 2023
Tangible and intangible assets	24,220	4,030	0	(654)	1	27,597
Financial assets	0	0	0	0	0	0
Inventories	135,993	53,191	0	(8,572)	73	180,685
Trade receivables	2,157	2,341	0	(126)	0	4,372
Derivatives	2,018	(63)	(1,686)	0	0	269
Employee benefits	2,791	874	78	(201)	6	3,548
Provisions	20,881	745	0	(1,566)	0	20,060
Trade payables	7,997	(12)	0	(4)	0	7,981
Other temporary items	9,482	(2,206)	0	(602)	115	6,789
Tax loss carried forward	393	533	0	(17)	(13)	896
<b>Tax assets</b>	<b>205,932</b>	<b>59,433</b>	<b>(1,608)</b>	<b>(11,742)</b>	<b>182</b>	<b>252,197</b>



Tangible and intangible assets	(10,338)	(46,438)	0	338	1	(56,437)
Financial assets	(378)	75	0	0	0	(303)
Inventories	(1,425)	1,688	0	0	0	263
Trade receivables	0	0	0	0	0	0
Derivatives	(1,605)	(5)	1,080	0	0	(530)
Employee benefits	(109)	95	0	0	0	(14)
Provisions	(279)	279	0	0	0	0
Trade payables	(48)	(5,151)	0	2	0	(5,197)
Other temporary items	(1,008)	(1,882)	2,070	(9)	13	(816)
Tax loss carried forward	0	0	0	0	0	0
<b>Tax liabilities</b>	<b>(15,190)</b>	<b>(51,339)</b>	<b>3,150</b>	<b>331</b>	<b>14</b>	<b>(63,034)</b>
<b>Net deferred tax assets (liabilities)</b>	<b>190,742</b>	<b>8,094</b>	<b>1,542</b>	<b>(11,411)</b>	<b>196</b>	<b>189,163</b>
<b>Deferred tax assets (liabilities)</b>						
	Opening balance - January 1, 2022	Taxes charged to the income statement	Taxes accounted for in Equity	Effect of currency translation	Other movements	Closing balance - December 31, 2022
<b>(Euro/000)</b>						
Tangible and intangible assets	23,417	335	0	(13)	481	24,220
Inventories	116,976	17,809	0	1,220	(12)	135,993
Trade receivables	2,619	(458)	0	7	(11)	2,157
Derivatives	2,776	0	(748)	0	(10)	2,018
Employee benefits	1,695	1,150	20	(71)	(3)	2,791
Provisions	16,863	4,812	0	(794)	0	20,881
Trade payables	6,200	1,798	0	(2)	1	7,997
Other temporary items	8,514	1,417	0	(88)	(361)	9,482
Tax loss carried forward	252	213	0	(11)	(61)	393
<b>Tax assets</b>	<b>179,312</b>	<b>27,076</b>	<b>(728)</b>	<b>248</b>	<b>24</b>	<b>205,932</b>
Tangible and intangible assets	(222,547)	212,164	0	(139)	184	(10,338)
Financial assets	(384)	6	0	0	0	(378)
Inventories	(1,102)	(323)	0	0	0	(1,425)
Trade receivables	0	0	0	0	0	0
Derivatives	(150)	151	(1,606)	0	0	(1,605)
Employee benefits	0	0	(109)	0	0	(109)
Provisions	0	74	0	0	(353)	(279)
Trade payables	(46)	1	0	(3)	0	(48)
Other temporary items	(1,392)	1,082	(878)	(2)	182	(1,008)
Tax loss carried forward	0	0	0	0	0	0
<b>Tax liabilities</b>	<b>(225,621)</b>	<b>213,155</b>	<b>(2,593)</b>	<b>(144)</b>	<b>13</b>	<b>(15,190)</b>
<b>Net deferred tax assets (liabilities)</b>	<b>(46,309)</b>	<b>240,231</b>	<b>(3,321)</b>	<b>104</b>	<b>37</b>	<b>190,742</b>

The taxable amount on which deferred tax assets have been calculated is detailed in the following table:

Deferred tax assets and liabilities				
(Euro/000)	Taxable Amount 2023	Closing balance - December 31, 2023	Taxable Amount 2022	Closing balance - December 31, 2022
Tangible and intangible assets	105,883	27,597	91,866	24,220
Financial assets	0	0	0	0
Inventories	725,407	180,685	548,879	135,993
Trade receivables	15,860	4,372	8,769	2,157
Derivatives	1,119	269	8,409	2,018
Employee benefits	13,892	3,548	10,692	2,791
Provisions	69,542	20,060	72,163	20,881
Trade payables	28,545	7,981	28,657	7,997
Other temporary items	25,799	6,789	41,536	9,482
Tax loss carried forward	3,896	896	1,748	393
<b>Tax assets</b>	<b>989,943</b>	<b>252,197</b>	<b>812,719</b>	<b>205,932</b>
Tangible and intangible assets	(218,050)	(56,437)	(55,066)	(10,338)
Financial assets	(1,264)	(303)	(1,534)	(378)
Inventories	945	263	(5,106)	(1,425)
Trade receivables	0	0	0	0
Derivatives	(2,210)	(530)	(6,687)	(1,605)
Employee benefits	(57)	(14)	(454)	(109)
Provisions	0	0	(1,163)	(279)
Trade payables	(18,464)	(5,197)	(194)	(48)
Other temporary items	(3,103)	(816)	(3,456)	(1,008)
Tax loss carried forward	0	0	0	0
<b>Tax liabilities</b>	<b>(242,203)</b>	<b>(63,034)</b>	<b>(73,660)</b>	<b>(15,190)</b>
<b>Net deferred tax assets (liabilities)</b>	<b>747,740</b>	<b>189,163</b>	<b>739,059</b>	<b>190,742</b>

## 5.5. INVENTORY

As at 31 December 2023 Inventory amounted to EUR 453.2 million (EUR 377.5 million as at 31 December 2022) and is broken down as follows:

Inventory (Euro/000)	31 December 2023	31 December 2022
Raw materials	141,913	134,521
Work-in-progress	54,173	60,714
Finished products	519,529	424,143
<b>Inventories, gross</b>	<b>715,615</b>	<b>619,378</b>
Obsolescence provision	(262,437)	(241,829)
<b>Total</b>	<b>453,178</b>	<b>377,549</b>

Inventory (gross amount) increased by approximately EUR 96.2 million (+15.5%) 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, 2023	Other movements	Accrued	Used	Translation Difference	December 31, 2023
Obsolescence provision	(241,829)	0	(63,917)	36,915	6,394	(262,437)
<b>Total</b>	<b>(241,829)</b>	<b>0</b>	<b>(63,917)</b>	<b>36,915</b>	<b>6,394</b>	<b>(262,437)</b>

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)
<b>Total</b>	<b>(229,650)</b>	<b>(427)</b>	<b>(41,416)</b>	<b>28,824</b>	<b>840</b>	<b>(241,829)</b>

## 5.6. TRADE RECEIVABLES

As at 31 December 2023 Trade receivables amounted to EUR 325.6 million (EUR 296.6 million as at 31 December 2022) and they are as follows:

Trade receivables (Euro/000)	31 December 2023	31 December 2022
Trade account receivables	341,155	311,691
Allowance for doubtful debt	(14,764)	(15,009)
Allowance for discounts	(783)	(132)
<b>Total, net value</b>	<b>325,608</b>	<b>296,550</b>

Trade receivables are related to the Group's wholesale and concession business and they include balances with a collection time not greater than three months. During 2023 and 2022, 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, 2023	Changes in consolidation area	Accrued	Used	Translation Difference	December 31, 2023
Allowance for doubtful debt	(15,009)	0	(280)	433	92	(14,764)
Allowance for discounts	(132)	0	(654)	0	3	(783)
<b>Total</b>	<b>(15,141)</b>	<b>0</b>	<b>(934)</b>	<b>433</b>	<b>95</b>	<b>(15,547)</b>

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)
<b>Total</b>	<b>(13,963)</b>	<b>0</b>	<b>(1,637)</b>	<b>540</b>	<b>(81)</b>	<b>(15,141)</b>

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" to take into account the changed economic context and also covers any risk of revocation on trade receivables.

## 5.7. CASH AND CASH EQUIVALENT

As at 31 December 2023 the caption cash and cash equivalent amounted to EUR 998.8 million (EUR 882.3 million as at 31 December 2022) and included cash and cash equivalents as well as the funds available at banks.

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

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

The following table shows the reconciliation between cash and cash in bank with those included in the consolidated statement of cash flows:

---

**Cash and cash equivalents included in the Statement of cash flows**

(Euro/000)	31 December 2023	31 December 2022
Cash on hand and at banks	998,799	882,254
Bank overdraft and short-term bank loans	0	0
<b>Total</b>	<b>998,799</b>	<b>882,254</b>

---

## 5.8. FINANCIAL CURRENT ASSETS

The caption financial current assets refers to the receivables arising from the market valuation of the existing derivative financial instruments to hedge the exchange rate risk equal to Euro 9.7 million (Euro 11.4 million in 2022) and the deposit of government bonds equal to Euro 68.6 million (not present in 2022).

## 5.9. OTHER CURRENT AND NON-CURRENT ASSETS

---

Other current and non-current assets (Euro/000)	31 December 2023	31 December 2022
Prepayments and accrued income - current	15,909	16,135
Other current receivables	25,992	31,217
Other current assets	41,901	47,352
Prepayments and accrued income - non-current	113	87
Security / guarantees deposits	43,454	44,615
Investments in associated companies	2,531	36
Other non-current receivables	3,395	2,125
Other non-current assets	49,493	46,863
<b>Total</b>	<b>91,394</b>	<b>94,215</b>

---

Other current receivables mainly comprise the receivable due from the tax authority for value added tax.

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

The caption investments in associated companies includes the 30.0% interest in the company ALS Luxury Logistic S.r.l., acquired in 2023, while the investment in the company 3B Restaurant S.r.l., which dealt with catering, was sold during the year. The sale took place at its book value.

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

## 5.10. TRADE PAYABLES

As at 31 December 2023 Trade payables amounted to EUR 538.6 million (EUR 482.4 million as at 31 December 2022) and included current payables due to suppliers for goods and services. These payables pertained to amounts that are payable within the upcoming year and did not include amounts that will be paid after 12 months.

In 2023 and 2022 there were no outstanding positions associated to individual suppliers that exceed 10% of the total value.

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

Please refer to note 9.1 for an analysis of trade payable denominated in foreign currencies.

## 5.11. OTHER CURRENT AND NON-CURRENT LIABILITIES

Other current and non-current liabilities (Euro/000)	31 December 2023	31 December 2022
Deferred income and accrued expenses - current	699	2,078
Advances and payments on account to customers	23,636	18,658
Employee and social institutions	78,575	56,039
Tax accounts payable, excluding income taxes	36,978	39,776
Other current payables	13,024	11,812
Other current liabilities	152,912	128,363
Deferred income and accrued expenses - non-current	103	117
Other non-current liabilities	103	117
<b>Total</b>	<b>153,015</b>	<b>128,480</b>

The caption taxes payable includes mainly value added tax (VAT) and payroll tax withholding.

## 5.12. TAX ASSETS AND LIABILITIES

Tax assets amounted to EUR 9.3 million as at 31 December 2023 (EUR 5.9 million as at 31 December 2022).

Tax liabilities amounted to EUR 134.5 million as at 31 December 2023 (EUR 158.9 million as at 31 December 2022). They are recognised net of current tax assets, where the offsetting relates to the same tax jurisdiction and tax system.

The subsidiary Industries S.p.A. received in 2023 a Tax Assessment Notice related to the 2016 financial year, which reports some findings related to transfer price methodologies. The Company believes that the findings raised are unfounded and has therefore taken action in the appropriate forums to protect its position and, also supported by the opinion of the primary consultants in charge, is confident that the correctness of its actions will emerge as a result of the dispute initiated.

### 5.13. NON-CURRENT PROVISIONS

Provision changes are shown in the following table:

Provision for contingencies and losses						
(Euro/000)	January 1, 2023	Increase	Decrease	Translation differences	Other movements	December 31, 2023
Tax litigations	(11,164)	0	0	0	0	(11,164)
Other non current contingencies	(16,097)	(1,724)	1,656	736	(1,097)	(16,526)
<b>Total</b>	<b>(27,261)</b>	<b>(1,724)</b>	<b>1,656</b>	<b>736</b>	<b>(1,097)</b>	<b>(27,690)</b>

Provision for contingencies and losses						
(Euro/000)	January 1, 2022	Increase	Decrease	Translation differences	Other movements	December 31, 2022
Tax litigations	0	(11,164)	0	0	0	(11,164)
Other non current contingencies	(11,320)	(4,649)	1,253	335	(1,716)	(16,097)
<b>Total</b>	<b>(11,320)</b>	<b>(15,813)</b>	<b>1,253</b>	<b>335</b>	<b>(1,716)</b>	<b>(27,261)</b>

The item Tax litigations includes the provision carried out in the 2022 for the possible repayment of the research and development tax credit referring to the years 2015-2019 by virtue of Resolution No. 41 of 26 July 2022, in which the Italian Revenue Agency revises its position on eligibility for the benefit.

The caption other non current contingencies includes costs for restoring stores, costs associated with ongoing disputes and product warranty costs.

### 5.14. PENSION FUNDS AND AGENTS LEAVING INDEMNITIES

The changes in the funds are depicted in the following table:

Employees pension funds						
(Euro/000)	January 1, 2023	Increase	Decrease	Translation differences	Other movements	December 31, 2023
Pension funds	(6,618)	(1,791)	567	171	16	(7,655)
Agents leaving indemnities	(5,418)	(1,037)	1,966	0	0	(4,489)
<b>Total</b>	<b>(12,036)</b>	<b>(2,828)</b>	<b>2,533</b>	<b>171</b>	<b>16</b>	<b>(12,144)</b>

Employees pension funds						
(Euro/000)	January 1, 2022	Increase	Decrease	Translation differences	Other movements	December 31, 2022
Pension funds	(6,773)	(1,712)	1,316	1	550	(6,618)
Agents leaving indemnities	(5,681)	(276)	539	0	0	(5,418)
<b>Total</b>	<b>(12,454)</b>	<b>(1,988)</b>	<b>1,855</b>	<b>1</b>	<b>550</b>	<b>(12,036)</b>

The pension funds pertain mainly to the Italian entities of the Group. Following the recent welfare reform, beginning on 1 January 2007, the liability has taken the form of a defined contribution plan. Therefore, the amount of pension fund (TFR) accrued prior to the application of the reform and not yet

paid to the employees as at the date of the Consolidated Financial Statements is considered as a defined benefit plan, changes in which are shown in the following table:

Employees pension funds - movements (Euro/000)	31 December 2023	31 December 2022
Net recognized liability - opening	(4,337)	(4,956)
Changes in consolidation area	0	0
Interest costs	(163)	(27)
Service costs	(866)	(741)
Payments	558	837
Actuarial Gains/(Losses)	16	550
<b>Net recognized liability - closing</b>	<b>(4,792)</b>	<b>(4,337)</b>

The actuarial valuation of employee termination benefits (TFR) is based on the Projected Unit Credit Cost method. Reported below are the main economic and demographic assumptions utilised for actuarial valuations.

Assumptions	
Discount rate	3.10%
Inflation rate	2.25%
Nominal rate of wage growth	2.25%
Labour turnover rate	11.88%
Probability of request of advances of TFR	3.00%
Percentage required in case of advance	70.00%
Life Table - Male	M2019
Life Table - Female	F2019

(\*) Table ISTAT - resident population

The following table shows the effect of variations, within reasonable limits, in key actuarial assumptions on defined benefit plan obligations at year end.



Sensitivity analysis (Euro/000)	Variation
Discount rate +0.5%	(162)
Discount rate -0.5%	172
Rate of payments Increases x (+0.5%)	3
Rate of payments Decreases x (-0.5%)	(3)
Rate of Price Inflation Increases (+0.5%)	116
Rate of Price Inflation Decreases (-0.5%)	(114)
Rate of Salary Increases (+0.5%)	29
Rate of Salary Decreases (-0.5%)	(28)
Increase the retirement age (+1 year)	(3)
Decrease the retirement age (-1 year)	4
Increase longevity (+1 year)	(0)
Decrease longevity (-1 year)	0

## 5.15. FINANCIAL LIABILITIES

Financial liabilities are detailed in the following table:

Borrowings (Euro/000)	31 December 2023	31 December 2022
Bank overdraft and short-term bank loans	0	0
Short-term portion of long-term bank loans	1,514	7,429
Short-term financial lease liabilities	167,659	163,194
Other short-term loans	15,230	23,447
<b>Short-term borrowings</b>	<b>184,403</b>	<b>194,070</b>
Long-term portion of long-term bank loans	0	2,264
Long-term financial lease liabilities	637,672	674,285
Other long-term borrowings	26,516	42,160
<b>Long-term borrowings</b>	<b>664,188</b>	<b>718,709</b>
<b>Total</b>	<b>848,591</b>	<b>912,779</b>

Short-term borrowings include bank overdraft and short-term bank loans, the current portion of long-term bank loans, short-term financial lease liabilities arising from the application of IFRS 16 and, under other short-term loans, mainly the current portion of financial liabilities payable to non-banking third parties.

Long-term borrowings include long-term financial lease liabilities arising from the application of IFRS 16 and financial liabilities payable to non-bank third parties.

Financial lease liabilities amounted to EUR 805.3 million (EUR 837.5 million in 2022) and are detailed in the following table:

Financial lease liabilities (Euro/000)	31 December 2023	31 December 2022
Short-term financial lease liabilities	167,659	163,194
Long-term financial lease liabilities	637,672	674,285
<b>Total</b>	<b>805,331</b>	<b>837,479</b>

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

(Euro/000)	IFRS 16	Ex IAS 17	Financial lease liabilities
1 January 2023	837,397	82	837,479
Acquisitions	153,757	139	153,896
Disposals	(200,719)	(77)	(200,796)
Financial expenses	28,992	10	29,002
Changes in consolidation area	0	0	0
Translation adjustment	(14,250)	0	(14,250)
<b>31 December 2023</b>	<b>805,177</b>	<b>154</b>	<b>805,331</b>

The following table shows the breakdown of the long-term borrowings in accordance with their maturity date:

Ageing of the Long-term borrowings (Euro/000)	31 December 2023	31 December 2022
Within 2 years	146,829	163,333
From 2 to 5 years	295,161	334,904
Beyond 5 years	222,198	220,472
<b>Total</b>	<b>664,188</b>	<b>718,709</b>

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

Ageing of Long-term borrowings excluded lease liabilities (Euro/000)	31 December 2023	31 December 2022
Within 2 years	6,437	14,871
From 2 to 5 years	20,079	29,553
Beyond 5 years	0	0
<b>Total</b>	<b>26,516</b>	<b>44,424</b>

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

Ageing of the lease liabilities not discounted		
(Euro/000)	31 December 2023	31 December 2022
Within 1 year	192,969	186,391
From 1 to 5 years	475,915	507,103
Beyond 5 years	245,300	237,991
<b>Total</b>	<b>914,184</b>	<b>931,485</b>

Long-term bank loans include outstanding amounts to be repaid to banks relating to unsecured loans taken out by the sub-group Stone Island companies.

Finally, the caption other short-term loans includes also the negative fair value, equal to EUR 4.4 million (compared to EUR 9.0 million negative as at 31 December 2022), related to the contracts to hedge the exchange rate risk. Please refer to note 9.3 for more details.

The net financial position is detailed in the following table:

Net financial position		
(Euro/000)	31 December 2023	31 December 2022
A. Cash	998,799	882,254
B. Cash equivalents	0	0
C. Other current financial assets	78,308	11,351
D. Liquidity (A)+(B)+(C)	1,077,107	893,605
E. Current financial DEBT	(15,230)	(23,447)
F. Current portion of non-current financial debt	(169,173)	(170,623)
G. Current financial indebtedness (E)+(F)	(184,403)	(194,070)
H. Net current financial indebtedness (G)+(D)	892,704	699,535
I. Non current financial debt	(637,672)	(676,549)
J. Debt instruments	0	0
K. Non-current trade and other payables	(26,516)	(42,160)
L. Non-current financial indebtedness (I)+(J)+(K)	(664,188)	(718,709)
<b>M. Total financial indebtedness (H)+(L)</b>	<b>228,516</b>	<b>(19,174)</b>

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

## 5.16. SHAREHOLDERS' EQUITY

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

As at 31 December 2023 the subscribed share capital constituted by 274.627.673 shares was fully paid and amounted to EUR 54,925,535 with a nominal value of EUR 0.20 per share.

As at 31 December 2023 4,490,875 treasury shares were held, equal to 1.6% of the share capital, for a total value of EUR 173.3 million.

The legal reserve and premium reserve pertain to the parent company Moncler S.p.A.

In 2023 the Parent Company distributed dividends to the Group Shareholders for a gross unit amount of EUR 1.12 per ordinary share, for an amount of EUR 302.5 million (EUR 303.4 million dividends paid in

2023), compared to EUR 0.60 per share of EUR 161.3 million distributed in 2022 (EUR 161.0 million dividends paid in 2022).

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

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

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

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

Other comprehensive income (Euro/000)	Cumulative translation adj. reserve			Other OCI items		
	Value before tax effect	Tax effect	Value after tax effect	Value before tax effect	Tax effect	Value after tax effect
Reserve as at January 1, 2022	869	0	869	(14,628)	3,495	(11,133)
Changes in the period	(12,383)	0	(12,383)	13,895	(3,321)	10,574
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	0	0	0
Reserve as at December 31, 2022	(11,514)	0	(11,514)	(733)	174	(559)
Reserve as at January 1, 2023	(11,514)	0	(11,514)	(733)	174	(559)
Changes in the period	(28,780)	0	(28,780)	(6,416)	1,542	(4,874)
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	0	0	0
Reserve as at December 31, 2023	(40,294)	0	(40,294)	(7,149)	1,716	(5,433)

### Earning per share

Earning per share for the years ended 31 December 2023 and 31 December 2022 is included in the following table and is based on the relationship between net income attributable to the Group and the average number of shares, net of treasury shares owned.

The diluted earnings per share is in line with the basic earnings per share as at 31 December 2023 as there were no significant dilutive effects arising from stock based compensation plans.

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

Earnings per share	2023	2022
Net result of the period (Euro/000)	611,931	606,697
Average number of shares related to parent's Shareholders	270,106,476	268,974,283
Earnings attributable to Shareholders (Unit of Euro)	2.27	2.26
Diluted earnings attributable to Shareholders (Unit of Euro)	2.26	2.24

## 6. SEGMENT INFORMATION

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

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

## 7. COMMITMENTS AND GUARANTEES GIVEN

### 7.1. COMMITMENTS

The Group does not have significant commitments arising from operating lease contract or other contractual cases that do not fall within the scope of IFRS 16.

### 7.2. GUARANTEES GIVEN

As at 31 December 2023 the Group had given the following guarantees:

Guarantees and bails given (Euro/000)	31 December 2023	31 December 2022
Guarantees and bails given for the benefit of:		
Third parties/companies	56,615	53,817
Total guarantees and bails given	56,615	53,817

Guarantees pertain mainly to lease agreements for the new stores.

## 8. CONTINGENT LIABILITIES

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

## 9. INFORMATION ABOUT FINANCIAL RISKS

The Group's financial instruments include cash and cash equivalents, loans, receivables and trade payables and other current receivables and payables and non-current assets as well as derivatives.

The Group is exposed to financial risks related to its operations: market risk (mainly related to exchange rates and interest rates), credit risk (associated with both regular client relations and financing activities), liquidity risk (with particular reference to the availability of financial resources and access to the credit market and financial instruments) and capital risk.

Financial risk management is carried out by Headquarters, which ensures primarily that there are sufficient financial resources to meet the needs of business development and that resources are properly invested in income-generating activities.

The Group uses derivative instruments to hedge its exposure to specific market risks, such as the risk associated with fluctuations in exchange rates and interest rates, on the basis of the policies established by the Board of Directors.

### 9.1. MARKET RISK

#### *Foreign exchange rate risk*

The Group operates internationally and is exposed to foreign exchange rate risk primarily related to the U.S. Dollar, the Japanese Yen and the Chinese Renminbi and to a lesser extent to the Hong Kong Dollar, the British Pound, Korean Won, Canadian Dollars, the Swiss Franc, Taiwan Dollars, Singapore Dollars, Australian Dollars, Mexican Pesos, Norwegian Kroner, New Zealand Dollars and Swedish Kroner.

The Group regularly assesses its exposure to financial market risks and manages these risks through the use of derivative financial instruments, in accordance with its established risk management policies.

The Group's policy permits derivatives to be used only for managing the exposure to fluctuations in exchange rates connected with future cash flows and not for speculative purposes.

During 2023, the Group put in place a policy to hedge the exchange rates risk on transactions with reference to the major currencies to which it is exposed: USD, JPY, CNY, HKD, GBP, KRW, CAD, CHF, TWD, SGD, AUD, MXN, NOK, NZD and SEK.

The instruments used for these hedges are mainly Currency Forward Contracts and Currency Option Contracts.

The Group uses derivative financial instruments as cash flow hedges for the purpose of redetermining the exchange rate at which forecasted transactions denominated in foreign currencies will be accounted for.

Counterparties to these agreements are major and diverse financial institutions.

The exposure of contingent assets and liabilities denominated in currencies is detailed in the following table (the Euro amount of each currency):

Details of the balances expressed in foreign currency											
31 December 2023											
(Euro/000)	Euro	JP Yen	US Dollar	CN Yuan	HK Dollar	CH Franc	GB Pound	KR Won	CA Dollar	Other	Total
Cash and cash equivalent	577,531	117,177	48,184	113,717	17,433	12,250	16,745	47,383	7,403	40,976	998,799
Financial assets	78,308	0	0	0	0	0	0	0	0	0	78,308
Trade receivable	101,951	46,566	12,349	110,865	1,052	316	7,991	31,807	4,819	7,892	325,608
Other current assets	17,311	3,717	2,802	10,324	(118)	244	1,962	1,549	432	3,678	41,901
Other non-current assets	8,785	11,486	2,256	11,148	6,178	393	1,532	1,331	939	5,445	49,493
<b>Total assets</b>	<b>783,886</b>	<b>178,946</b>	<b>65,591</b>	<b>246,054</b>	<b>24,545</b>	<b>13,203</b>	<b>28,230</b>	<b>82,070</b>	<b>13,593</b>	<b>57,991</b>	<b>1,494,109</b>
Trade payables	(357,784)	(54,493)	(36,062)	(50,308)	(5,113)	(7,345)	(7,134)	(5,766)	(3,614)	(10,967)	(538,586)
Borrowings	(408,964)	(30,575)	(167,234)	(67,889)	(16,727)	(38,375)	(50,693)	(3,016)	(11,384)	(53,734)	(848,591)
Other current payables	(97,597)	(6,404)	(18,725)	(7,703)	(1,652)	(1,416)	(5,876)	(6,740)	(496)	(6,303)	(152,912)
Other non-current payables	(103)	0	0	0	0	0	0	0	0	0	(103)
<b>Total liabilities</b>	<b>(864,448)</b>	<b>(91,472)</b>	<b>(222,021)</b>	<b>(125,900)</b>	<b>(23,492)</b>	<b>(47,136)</b>	<b>(63,703)</b>	<b>(15,522)</b>	<b>(15,494)</b>	<b>(71,004)</b>	<b>(1,540,192)</b>
<b>Total, net foreign positions</b>	<b>(80,562)</b>	<b>87,474</b>	<b>(156,430)</b>	<b>120,154</b>	<b>1,053</b>	<b>(33,933)</b>	<b>(35,473)</b>	<b>66,548</b>	<b>(1,901)</b>	<b>(13,013)</b>	<b>(46,083)</b>

Details of the balances expressed in foreign currency											
31 December 2022											
(Euro/000)	Euro	JP Yen	US Dollar	CN Yuan	HK Dollar	CH Franc	GB Pound	KR Won	CA Dollar	Other	Total
Cash and cash equivalent	429,795	89,626	63,264	103,026	11,232	14,413	18,023	84,038	22,624	46,213	882,254
Financial assets	10,777	0	0	0	574	0	0	0	0	0	11,351
Trade receivable	94,246	60,210	19,710	72,701	1,468	757	8,578	28,247	4,722	5,911	296,550
Other current assets	27,164	3,292	1,433	10,686	895	115	1,746	618	279	1,124	47,352
Other non-current assets	7,625	12,701	2,383	11,920	6,088	461	1,178	1,122	906	2,479	46,863
<b>Total assets</b>	<b>569,607</b>	<b>165,829</b>	<b>86,790</b>	<b>198,333</b>	<b>20,257</b>	<b>15,746</b>	<b>29,525</b>	<b>114,025</b>	<b>28,531</b>	<b>55,727</b>	<b>1,284,370</b>
Trade payables	(339,545)	(41,566)	(32,272)	(39,655)	2,071	(3,889)	(7,369)	(5,243)	(1,812)	(13,145)	(482,425)
Borrowings	(444,813)	(47,651)	(176,309)	(79,695)	(30,181)	(38,978)	(25,817)	(4,905)	(9,818)	(54,612)	(912,779)
Other current payables	(76,011)	(7,019)	(18,585)	(5,001)	(636)	(803)	(7,387)	(6,342)	(584)	(5,995)	(128,363)
Other non-current payables	(112)	0	0	(3)	0	0	(2)	0	0	0	(117)
<b>Total liabilities</b>	<b>(860,481)</b>	<b>(96,236)</b>	<b>(227,166)</b>	<b>(124,354)</b>	<b>(28,746)</b>	<b>(43,670)</b>	<b>(40,575)</b>	<b>(16,490)</b>	<b>(12,214)</b>	<b>(73,752)</b>	<b>(1,523,684)</b>
<b>Total, net foreign positions</b>	<b>(290,874)</b>	<b>69,593</b>	<b>(140,376)</b>	<b>73,979</b>	<b>(8,489)</b>	<b>(27,924)</b>	<b>(11,050)</b>	<b>97,535</b>	<b>16,317</b>	<b>(18,025)</b>	<b>(239,314)</b>

At the reporting date, the Group had outstanding hedges for EUR 205.0 million (EUR 202.5 million as at 31 December 2022) against receivables still to be collected and outstanding hedges for EUR 552.3 million (EUR 583.9 million as at 31 December 2022) against future revenues; the Group also had outstanding hedges in place on trade payables in foreign currency for Euro 10.1 million (7.2 million at 31 December 2022) against payables still to be paid and hedges for Euro 10.0 million (Euro 13.8 million at 31 December 2022) against future costs.

As far as the currency transactions are concerned, it should be noted that a + / -1% change in their exchange rates would have the following effects:

Details of the transactions expressed in foreign currency							
(Euro/000)	JP Yen	US Dollar	CN Yuan	HK Dollar	KR Won	GB Pound	Other
Effect of an exchange rate increase amounting to +1%							
Revenue	3,165	3,404	5,291	588	2,800	802	2,047
Operating profit	1,987	1,779	3,300	315	1,633	408	763
Effect of an exchange rate decrease amounting to -1%							
Revenue	(3,229)	(3,472)	(5,398)	(600)	(2,857)	(818)	(2,088)
Operating profit	(2,027)	(1,815)	(3,367)	(321)	(1,666)	(417)	(778)

With reference to the provisions of IFRS 13, it should be pointed out that the category of financial instruments measured at fair value are mainly attributable to the hedging of exchange rates risk. The valuation of these instruments is based on the discounting of future cash flows considering the exchange rates at the reporting date (level 2 as explained in the section related to principles).

#### *Interest rate risk*

The Group's exposure to interest-rate risk is mainly related to cash and cash equivalents and it is centrally managed.

As at 31 December 2023, there was limited hedging on interest rates, given the limited exposure to financial institutions.

## 9.2. CREDIT RISK

The Group has no significant concentrations of financial assets (trade receivables and other current assets) with a high credit risk. The Group's policies related to the management of financial assets are intended to reduce the risks arising from non solvency of wholesale customers. Sales in the retail channel are made through cash and credit cards. In addition, the amount of loans outstanding is constantly monitored, so that the Group's exposure to bad debts is not significant and the percentage of writeoffs remains low. The maximum exposure to credit risk for the Group at 31 December 2023 is represented by the carrying amount of trade receivables reported in the Consolidated Financial Statements.

As far as the credit risk arising from other financial assets other than trade receivables (including cash and short-term bank deposits) is concerned, the theoretical credit risk for the Group arises from default of the counterparty with a maximum exposure equal to the carrying amount of financial assets recorded in the Consolidated Financial Statements, as well as the nominal value of guarantees given for third parties debts or commitments indicated in note 7 of the Explanatory Notes. The Group's policies limit the amount of credit exposure in different banks.



### 9.3. LIQUIDITY RISK

Liquidity risk arises from the ability to obtain financial resources at a sustainable cost in order for the Group to conduct its daily business operations. The factors that influence this risk are related to the resources generated/absorbed by operating activities, by investing and financing activities and by availability of funds in the financial market.

Following the dynamic nature of the business, the Group has centralised its treasury functions in order to maintain the flexibility in finding financial sources and maintain the availability of credit lines. The procedures in place to mitigate the liquidity risk are as follows:

- centralised treasury management and financial planning. Use of a centralised control system to manage the net financial position of the Group and its subsidiaries;
- obtaining adequate credit lines to create an adequate debt structure to better use the liquidity provided by the credit system;
- continuous monitoring of future cash flows based on the Group budget.

Management believes that the financial resources available today, along with those that are generated by the current operations will enable the Group to achieve its objectives and to meet its investment needs and the repayment of its debt at the agreed upon maturity date.

It should also be noted that, with reference to the provisions of IFRS 13, financial liabilities relating to commitment to purchase minority interests are accounted for at fair value based on valuation models primarily attributable to level 3, as explained in the section related to principles.

It is reported in the following table an analysis of the contractual maturities (including interests), for financial liabilities.

Non derivative financial liabilities	Total book value	Contractual cash flows				
		Total	within 1 year	1-2 years	2-5 years	more than 5 years
<b>(Euro/000)</b>						
Bank overdraft	0	0	0	0	0	0
Self-liquidating loans	0	0	0	0	0	0
Financial debt to third parties	0	0	0	0	0	0
Unsecured loans	1,514	1,514	1,514	0	0	0
Financial lease liabilities	805,331	805,331	167,659	140,392	275,082	222,198

Derivative financial liabilities	Total book value	Contractual cash flows				
		Total	within 1 year	1-2 years	2-5 years	more than 5 years
<b>(Euro/000)</b>						
Interest rate swap hedging	0	0	0	0	0	0
Forward contracts on exchange rate hedging	(5,312)	(5,312)	(5,312)	0	0	0
- Outflows	4,391	4,391	4,391	0	0	0
- Inflows	(9,703)	(9,703)	(9,703)	0	0	0

## 9.4. OPERATING AND CAPITAL MANAGEMENT RISKS

In the management of operating risk, the Group's main objective is to manage the risks associated with the development of business in foreign markets that are subject to specific laws and regulations.

The Group has implemented guidelines in the following areas:

- appropriate level of segregation of duties;
- reconciliation and constant monitoring of significant transactions;
- documentation of controls and procedures;
- technical and professional training of employees;
- periodic assessment of corporate risks and identification of corrective actions.

As far as the capital management risk is concerned, the Group's objectives are aimed at the going concern issue in order to ensure a fair economic return to shareholders and other stakeholders while maintaining a good rating in the capital debt market. The Group manages its capital structure and makes adjustments in line with changes in general economic conditions and with the strategic objectives.

## 10. OTHER INFORMATION

### 10.1 RELATED PARTY TRANSACTIONS

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

The "Related-party procedure" is available on the Company's website ([www.monclergroup.com](http://www.monclergroup.com), under "Governance/Corporate documents").

Transactions and balances with consolidated companies have been eliminated during consolidation and are therefore not commented here.

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

- Yagi Tsusho Ltd, counterparty to the transaction, which led to the establishment of Moncler Japan Ltd., acquires finished products from Moncler Group companies (EUR 138.3 million in 2023 and 122.3 million in 2022) and then sells them to Moncler Japan Ltd. (EUR 154.4 million in 2023 and 136.6 million in 2022) pursuant to the contract agreed upon the company's establishment.
- Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi, company held by the minority shareholder of Moncler Istanbul Giyim ve Tekstil Ticaret Ltd. Sti, provides services to that company by virtue of the contract signed at the time of incorporation of the company. Total costs recognised for 2023 amounted to EUR 0.2 million (EUR 0.1 million in 2022).
- The company La Rotonda S.r.l., owned by a manager of the Moncler Group, acquires finished products from Industries S.p.A. and provides services to the same. Total revenues recognised for 2023 amounted to EUR 1.4 million (EUR 1.4 million in 2022) and total costs recognised amounted to EUR 0.2 million (EUR 0.2 million in 2022).

- The company Rivetex S.r.l., a company referable to Carlo Rivetti and his family members, rents a building to Moncler Group; in 2023 total costs amounted to EUR 0.5 million (EUR 0.5 million in 2022).
- Mr Fabrizio Ruffini, brother of the Chairman of the Board of Directors and Chief Executive Officer of Moncler S.p.A., provides consultancy services relating to research, development and quality control for Moncler branded products. Total costs recognised for 2023 amounted to EUR 0.6 million (EUR 0.6 million in 2022).
- The company ALS Luxury Logistics S.r.l., is an associated company that provides logistics services; in 2023 the total costs amounted to Euro 28.4 million.

The companies Industries S.p.A., Sportswear Company S.p.A., Stone Island Retail S.r.l. and Stone Island Distribution S.r.l. adheres to the Parent Company Moncler S.p.A. VAT and fiscal consolidation.

#### Compensation paid to directors, board of statutory auditors and executives with strategic responsibilities

Compensation paid to the members of the Board of Directors in 2023 amounted to EUR 9,635 thousand (EUR 8,052 thousand in 2022).

Compensation paid to the members of the Board of Auditors in 2023 amounted to EUR 182.8 thousand (EUR 142 thousand in 2022).

In 2023 total compensation paid to executives with strategic responsibilities amounted to EUR 4,066 thousand (EUR 2,787 thousand in 2022).

In 2023 the costs relating to performance share plans (described in paragraph 10.2) referring to members of the Board of Directors and Key management personnel amounted to EUR 15,915 thousand (EUR 13,833 thousand in 2022).

The following tables summarise the afore-mentioned related-party transactions that took place during 2023 and the prior year.

(Euro/000)	Type of relationship	Note	31 December 2023	%	31 December 2022	%
Yagi Tsusho Ltd	Distribution agreement	a	138,251	(20.2)%	122,310	(19.9)%
Yagi Tsusho Ltd	Distribution agreement	a	(154,384)	22.6%	(136,628)	22.2%
Gokse Tekstil Kozmetik Sanayi ic ve dis ticaret limited sirketi	Service agreement	b	(161)	0.0%	(117)	0.0%
La Rotonda S.r.l.	Trade transactions	c	1,399	0.0%	1,394	0.1%
La Rotonda S.r.l.	Trade transactions	d	(151)	0.0%	(157)	0.0%
Rivetex S.r.l.	Trade transactions	d	(494)	0.0%	(480)	0.0%
Fabrizio Ruffini	Service agreement	b	(553)	0.2%	(554)	0.2%
ALS Luxury Logistics S.r.l.	Service agreement	b	(28,391)	8.6%	0	0.0%
Directors, board of statutory auditors and executives with strategic responsibilities	Labour services	b	(27,795)	8.4%	(22,755)	8.0%
Executives with strategic responsibilities	Labour services	d	(2,003)	0.2%	(2,060)	0.3%
Total			(74,282)		(39,047)	

a effect in % based on cost of sales

b effect in % based on general and administrative expenses

c effect in % based on revenues

d effect in % based on selling expenses

(Euro/000)	Type of relationship	Note	31 December 2023	%	31 December 2022	%
Yagi Tsusho Ltd	Trade payables	a	(35,845)	6.7%	(22,532)	4.7%
Yagi Tsusho Ltd	Trade receivables	b	4,429	1.4%	20,103	6.8%
La Rotonda S.r.l.	Trade receivables	b	63	0.0%	33	0.0%
La Rotonda S.r.l.	Trade payables	a	(37)	0.0%	(38)	0.0%
Fabrizio Ruffini	Trade payables	a	(137)	0.0%	139	0.0%
ALS Luxury Logistics S.r.l.	Trade payables	a	(14,307)	2.7%	0	0.0%
Directors, board of statutory auditors and executives with strategic responsibilities	Other current liabilities	c	(7,334)	4.8%	(5,105)	4.0%
<b>Total</b>			<b>(53,168)</b>		<b>(7,400)</b>	

a effect in % based on trade payables

b effect in % based on trade receivables

c effect in % based on other current liabilities

The following tables summarise the weight of related-party transactions on the Consolidated Financial Statements as at and for the years ended 31 December 2023 and 2022:

(Euro/000)	31 December 2023			
	Revenue	Cost of sales	Selling expenses	General and administrative expenses
Total related parties	1,399	(16,133)	(2,648)	(56,900)
Total consolidated financial statements	2,984,217	(683,387)	(868,062)	(331,231)
Weight %	0.0%	2.4%	0.3%	17.2%

(Euro/000)	31 December 2023		
	Trade receivables	Trade Payables	Other current liabilities
Total related parties	4,492	(50,326)	(7,334)
Total consolidated financial statements	325,608	(538,586)	(152,912)
Weight %	1.4%	9.3%	4.8%

(Euro/000)	31 December 2022			
	Revenue	Cost of sales	Selling expenses	General and administrative expenses
Total related parties	1,394	(14,318)	(2,697)	(23,426)
Total consolidated financial statements	2,602,890	(615,047)	(757,393)	(283,967)
Weight %	0.1%	2.3%	0.4%	8.2%

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

## 10.2 STOCK-BASED COMPENSATION PLANS

The Consolidated Financial Statements at 31 December 2023 reflects the values of the Performance Shares Plans approved in 2020 and 2022.

The costs related to stock-based compensation plans in 2023 are equal to EUR 40.0 million compared to EUR 37.0 million in 2022.

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 regards the first allocation cycle:

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

As at 31 December 2023 there are still in circulation 391,368 rights related to the second cycle of attribution, which effect on the 2023 income statement amount to EUR 9.0 million. There are no rights in circulation related to the first cycle of attribution, which effect on the 2023 income statement amount to Euro 4.0 million.

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

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

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

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

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

As at 31 December 2023 there are still in circulation 885,327 rights related to the first cycle of attribution, which effect on the 2023 income statement amount to EUR 19.0 million and 404,202 rights related to the second cycle of attribution, which effect on the 2023 income statement amount to EUR 5.9 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](http://www.monclergroup.com), in the "Governance/Shareholders' Meeting" section.

### 10.3 SUBSIDIARIES AND MINORITY INTERESTS

Following are the financial information of the subsidiaries that have significant minority interests.

Summary of subsidiary's financial information				31 December 2023		
(Euro/000)	Assets	Liabilities	Net equity	Revenues	Profit/(Loss)	Profit/(Loss) attributable to minority
White Tech Sp.zo.o.	414	100	314	215	(97)	(29)

Summary of subsidiary's financial information				31 December 2022		
(Euro/000)	Assets	Liabilities	Net equity	Revenues	Profit/(Loss)	Profit/(Loss) attributable to minority
White Tech Sp.zo.o.	467	82	385	225	30	9

#### Cash Flow 2023 (\*)

(Euro/000)	White Tech Sp.zo.o.
Operating Cash Flow	(105)
Free Cash Flow	(132)
Net Cash Flow	(106)

Cash Flow 2022 (*)	
(Euro/000)	White Tech Sp.zo.o.
Operating Cash Flow	28
Free Cash Flow	29
Net Cash Flow	23

(\*) Amounts showed according to the Cash Flow Statements included in the Directors' Report

#### 10.4 SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

It should be noted that in the Group, during the 2023, there were no significant non-recurring events and transactions.

#### 10.5 ATYPICAL AND/OR UNUSUAL TRANSACTIONS

It should be noted that during 2023 the Group did not enter into any atypical and/or unusual transactions.

#### 10.6 FINANCIAL INSTRUMENTS

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

(Euro/000)				
December 31, 2023	Current	Non-current	Fair value	Level
Financial assets measured at fair value				
Interest rate swap used for hedging	-	-	-	
Forward exchange contracts used for hedging	9,703	-	9,703	2
Sub-total	9,703	-	9,703	
Financial assets not measured at fair value				
Trade and other receivables (*)	325,608	43,454		
Cash and cash equivalents (*)	1,067,404	-		
Sub-total	1,393,012	43,454	-	
Total	1,402,715	43,454	9,703	

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

(Euro/000)				
December 31, 2023	Current	Non-current	Fair value	Level
Financial liabilities measured at fair value				
Interest rate swap used for hedging	-	-	-	2
Forward exchange contracts used for hedging	(4,392)	-	(4,392)	2
Other financial liabilities	(10,838)	(26,516)	(37,354)	3
Sub-total	(15,230)	(26,516)	(41,746)	
Financial liabilities not measured at fair value				
Trade and other payables (*)	(575,246)	-		
Bank overdrafts (*)	-	-		
Short-term bank loans (*)	-	-		
Bank loans (*)	(1,514)	-		
IFRS 16 financial loans (*)	(167,659)	(637,672)		
Sub-total	(744,419)	(637,672)	-	
<b>Total</b>	<b>(759,649)</b>	<b>(664,188)</b>	<b>(41,746)</b>	

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

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



## 10.7 FEES PAID TO INDEPENDENT AUDITORS

Fees paid to independent auditors are summarised below:

Audit and attestation services		
(Euro)	Entity that has provided the service	Fees 2023
Audit	Deloitte & Touche S.p.A.	465,545
	Network Deloitte & Touche S.p.A.	231,635
Attestation services	Deloitte & Touche S.p.A.	180,500
	Network Deloitte & Touche S.p.A.	-
Other services	Deloitte & Touche S.p.A.	-
	Network Deloitte & Touche S.p.A.	-
<b>Total</b>		<b>877,680</b>

## 10.8 DISCLOSURE PURSUANT TO ITALIAN LAW N. 124/2017

With regard to the requirements of Law 124/2017, it should be noted that in 2023:

- Moncler S.p.A. benefited from a tax credit related to research and development of EUR 1,827 thousand, the art bonus credit of EUR 26 thousand and the advertising bonus of 33 thousand;
- Industries S.p.A. benefited from the "Industria 4.0" tax credit of EUR 422 thousand, the energy and gas bonus of EUR 691 thousand and the tax credit related to research and development of EUR 353 thousand;
- Sportswear Company S.p.A. benefited from the tax credit related to research and development of EUR 216 thousand and the energy and gas tax credit in the amount of EUR 154 thousand;
- Stone Island Retail S.r.l. benefited from the energy and gas bonus of EUR 7 thousand.

For the purposes of the above requirements and with regard to any other grants received falling among the cases provided for, reference is also made to the specific Italian national register, which can be consulted by the public.

## 11. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after the reporting date.

\*\*\*

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

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

Remo Ruffini

Chairman and Chief Executive Officer

# 3

# SEPARATE FINANCIAL STATEMENTS

## SEPARATE FINANCIAL STATEMENTS

Income statement

Comprehensive income

Financial position

Changes in equity

Cash flows

## EXPLANATORY NOTES TO THE SEPARATE FINANCIAL STATEMENTS

General information

Significant accounting principles

Comments on the income statement

Comments on the statement of financial position

Commitments and guarantees given

Contingent liabilities

Information about financial risks

Other information

Significant events after the reporting date

Motion to approve the financial statements and the allocation of the result for the year ended 31 December 2023

Moncler S.p.A.

Registered office: Via Stendhal 47, MILAN – ITALY

Share capital: EUR 54,925,534.60 fully paid-in – Registration number CCIAA: MI-1763158

Tax code: 04642290961

*This English version of the financial statements of Moncler S.p.A. constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. The official version of the financial statements, which was prepared in accordance with the aforementioned Regulation, has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

# SEPARATE FINANCIAL STATEMENTS

## INCOME STATEMENT

Income statement			of which related parties (note 8.1)		of which related parties (note 8.1)
(Euro)	Notes	2023		2022	
Revenue	3.1	473,022,005	469,309,520	418,706,683	414,471,815
General and administrative expenses	3.2	(80,002,616)	(22,998,521)	(67,392,269)	(16,719,331)
Marketing expenses	3.3	(98,421,380)	(997,194)	(73,832,431)	(4,349,396)
<b>Operating result</b>		<b>294,598,009</b>		<b>277,481,983</b>	
Financial income	3.5	699,909	681,977	4,651	4,651
Financial expenses	3.5	(24,877,636)	(24,170,605)	(4,395,888)	(3,571,786)
<b>Result before taxes</b>		<b>270,420,282</b>		<b>273,090,746</b>	
Income taxes	3.6	(74,685,686)		5,744,959	
<b>Net result</b>		<b>195,734,596</b>		<b>278,835,705</b>	

## COMPREHENSIVE INCOME

Statement of comprehensive income (Euro)	Note	2023	2022
Net profit (loss) for the period		195,734,596	278,835,705
Gains/(Losses) on fair value of hedge derivatives	4.16	0	0
Items that are or may be reclassified to profit or loss		0	0
Actuarial Gains/(Losses) on pension funds	4.16	49,745	22,825
Items that will never be reclassified to profit or loss		49,745	22,825
Other comprehensive income/(loss), net of tax		49,745	22,825
Total Comprehensive income/(loss)		195,784,341	278,858,530

## FINANCIAL POSITION

Statement of financial position (Euro)	Notes	31 December 2023	of which related parties (note 8.1)	31 December 2022	of which related parties (note 8.1)
Brands and other intangible assets - net	4.1	1,001,862,310		1,001,405,282	
Property, plant and equipment - net	4.3	4,821,335		6,749,883	
Investments in subsidiaries	4.4	970,786,533		948,755,953	
Other non-current assets	4.9	208,600		257,900	
Deferred tax assets	4.5	1,858,864		1,957,703	
<b>Non-current assets</b>		<b>1,979,537,642</b>		<b>1,959,126,721</b>	
Trade accounts receivable	4.6	1,535,319		1,910,103	
Intra-group accounts receivable	4.6	96,772,391	96,772,391	111,688,675	111,688,675
Income taxes	4.14	5,365,258		0	
Other current assets	4.9	610,519		1,849,521	
Other current assets intra-group	4.9	42,424,724	42,424,724	28,000,606	28,000,606
Intra-group financial receivables	4.8	53,524,852	53,524,852	159,741	159,741
Cash and cash equivalent	4.7	964,198		12,966,224	
<b>Current assets</b>		<b>201,197,261</b>		<b>156,574,870</b>	
<b>Total assets</b>		<b>2,180,734,903</b>		<b>2,115,701,591</b>	
Share capital	4.16	54,925,535		54,736,558	
Premium reserve	4.16	745,308,990		745,308,990	
Other reserve	4.16	402,618,519		388,733,560	
Net result	4.16	195,734,596		278,835,705	
<b>Equity</b>		<b>1,398,587,640</b>		<b>1,467,614,813</b>	
Long-term borrowings	4.14	3,475,266		4,985,590	
Intra-group long-term borrowings	4.14	250,000,000	250,000,000	50,000,000	50,000,000
Provisions non-current	4.13	9,266,402		9,266,402	
Employees pension fund	4.12	2,372,829		1,825,276	
Deferred tax liabilities	4.5	49,437,369		4,914,807	
<b>Non-current liabilities</b>		<b>314,551,866</b>		<b>70,992,075</b>	
Short-term borrowings	4.14	933,973		1,146,328	
Intra-group short-term borrowings	4.14	400,643,573	400,643,573	444,114,569	444,114,569
Trade accounts payable	4.10	38,161,686		41,137,651	
Intra-group accounts payable	4.10	4,317,357	4,317,357	7,275,648	7,275,648
Tax liabilities	4.15	1,723,246		42,655,805	
Other current liabilities	4.11	17,618,266	5,203,326	16,845,378	3,752,387
Other current liabilities intra-group	4.11	4,197,296	4,197,296	23,919,324	23,919,324
<b>Current liabilities</b>		<b>467,595,397</b>		<b>577,094,703</b>	
<b>Total liabilities and equity</b>		<b>2,180,734,903</b>		<b>2,115,701,591</b>	

## CHANGES IN EQUITY

Statement of changes in equity											
(Euro)	Notes	Share capital	Premium reserve	Legal reserve	Other comprehensive income	Other reserves IFRS 2 reserve	Revaluation reserve	FTA reserve	Retained earnings	Result of the period	Net Equity
Shareholders' equity at 1 January 2022	4.15	54,736,558	745,308,990	10,334,105	(201,400)	34,979,736	85,963	(19,585)	381,804,606	136,481,615	1,363,510,588
Allocation of Last Year Result		0	0	613,207	0	0	0	0	135,868,408	(136,481,615)	0
Share capital and reserves increase		0	0	0	0	0	0	0	0	0	0
Dividends		0	0	0	0	0	0	0	(161,288,158)	0	(161,288,158)
Other movements in Equity		0	0	0	22,825	26,097,047	0	0	(39,563,194)	0	(13,443,322)
Result of the period		0	0	0	0	0	0	0	0	278,835,705	278,835,705
Shareholders' equity at 31 December 2022	4.15	54,736,558	745,308,990	10,947,312	(178,575)	61,076,783	85,963	(19,585)	316,821,662	278,835,705	1,467,614,813
Shareholders' equity at 1 January 2023	4.15	54,736,558	745,308,990	10,947,312	(178,575)	61,076,783	85,963	(19,585)	316,821,662	278,835,705	1,467,614,813
Allocation of Last Year Result		0	0	37,795	0	0	0	0	278,797,910	(278,835,705)	0
Share capital and reserves increase		188,977	0	0	0	0	0	0	0	0	188,977
Dividends		0	0	0	0	0	0	0	(302,525,331)	0	(302,525,331)
Other movements in Equity		0	0	0	49,745	(4,034,366)	0	0	41,559,206	0	37,574,585
Result of the period		0	0	0	0	0	0	0	0	195,734,596	195,734,596
Shareholders' equity at 31 December 2023	4.15	54,925,535	745,308,990	10,985,107	(128,830)	57,042,417	85,963	(19,585)	334,653,447	195,734,596	1,398,587,640

# CASH FLOWS

Statement of cash flow	2023	of which related parties (note 8.1)	2022	of which related parties (note 8.1)
(Euro)				
<i>Cash flow from operating activities</i>				
Net result of the period	195,734,596		278,835,705	
Depreciation and amortization	2,110,879		2,173,448	
Net financial (income)/expenses	24,177,727		4,391,237	
Equity-settled share-based payment transactions	15,683,236		10,799,165	
Income tax expenses	74,685,686		(5,744,959)	
Changes in trade receivables - (Increase)/Decrease	15,291,068	14,916,284	(28,501,769)	(27,810,906)
Changes in trade payables - Increase/(Decrease)	(6,162,133)	(2,958,291)	15,893,747	4,866,703
Changes in other current assets/liabilities	3,057,685	121,586	3,924,394	121,586
<b>Cash flow generated/(absorbed) from operating activities</b>	<b>324,578,744</b>		<b>281,770,968</b>	
Interest paid	(24,574,432)		(4,259,534)	
Interest received	699,909		4,651	
Income tax paid	(181,811,354)		(241,954,657)	
Income tax received from fiscal consolidation	81,378,952	81,378,952	59,529,068	59,529,068
VAT received from Fiscal Consolidation	(10,075,846)	(10,075,846)	(761,345)	(761,345)
Changes in other non-current assets/liabilities	528,191		254,326	
<b>Net cash flow from operating activities (a)</b>	<b>190,724,164</b>		<b>94,583,477</b>	
<i>Cash flow from investing activities</i>				
Purchase of tangible and intangible fixed assets	(1,259,364)		(1,265,748)	
Stone Island transaction	0		0	
<b>Net cash flow from investing activities (b)</b>	<b>(1,259,364)</b>		<b>(1,265,748)</b>	
<i>Cash flow from financing activities</i>				
Repayment of current and non-current lease liabilities	(1,186,812)		(1,360,098)	
Borrowings variation, other than bank borrowings	103,163,893	103,163,893	129,419,761	129,419,762
Transaction related to equity	0		(48,351,741)	
Dividends paid to shareholders	(303,443,916)		(160,960,599)	
<b>Net cash flow from financing activities (c)</b>	<b>(201,466,835)</b>		<b>(81,252,677)</b>	
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>(12,002,035)</b>		<b>12,065,052</b>	
Cash and cash equivalents at the beginning of the period	12,966,182		901,130	
Net increase/(decrease) in cash and cash equivalents	(12,002,035)		12,065,052	
Cash and cash equivalents at the end of the period	964,147		12,966,182	



On behalf of the Board of Directors

Remo Ruffini

Chairman and Chief Executive Officer

# EXPLANATORY NOTES TO THE SEPARATE FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

### 1.1. MONCLER S.P.A.

Moncler S.p.A. (the "Company" or "Moncler") is a company established and domiciled in Italy, with its registered office located at Via Stendhal 47 Milan, Italy, and registration number of 04642290961.

The Company is de-facto indirectly controlled by Remo Ruffini through Ruffini Partecipazioni Holding S.r.l. (RPH) and Double R S.r.l. (DR): more specifically, Remo Ruffini owns the entire share capital of RPH, a company controlling DR which, in turn, as of 31 December 2023 holds a shareholding representing 23.7% of the share capital of Moncler S.p.A.

It is the Parent Company for the Moncler Group (hereinafter referred to as the "Group") and 55 other subsidiaries.

The main activity of the Company is the Moncler and Stone Island brands management, including increasing awareness through dedicated communication and marketing campaigns.

The Moncler Group companies run their businesses in accordance with the guidelines and the strategies set up by Moncler's Board of Directors.

The Company also prepares the Consolidated Financial Statements and the Management Report as a single document as permitted by 40/2 bis, letter. B Legislative Decree 127/91.

### 1.2. BASIS FOR THE PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS

#### 1.2.1. RELEVANT ACCOUNTING PRINCIPLES

The 2023 separate financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. IFRS also includes all International Accounting Standards ("IAS") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The financial statements include the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the explanatory notes to the financial statements.

## 1.2.2. PRESENTATION OF THE FINANCIAL STATEMENTS

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

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

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

## 1.2.3. BASIS FOR MEASUREMENT

The financial statements have been prepared on the historical cost basis except for the measurement of certain financial instruments (i.e. derivative measured at fair value in accordance with IFRS 9) and on a going concern basis.

The financial statements are presented in thousand euros, which is the functional currency of the markets where the Company mainly operates.

The explanatory notes have been prepared in thousands of Euros unless stated otherwise.

## 1.2.4. DIRECTORS' ASSESSMENT ON THE ASSUMPTION OF BUSINESS CONTINUITY

Based on the results of the current year and forecasts for future years, the management believes that there are no factors rendering business continuity uncertain. In particular, the Companies's financial strength and its cash and cash equivalents at the end of the year guarantee a high level of financial independence to support Moncler's operational needs and development programmes. For 2024, business operations are fully guaranteed, both in terms of product offerings across the various markets and distribution channels and in the ability to manage and organise business activities.

## 1.2.5. USE OF ESTIMATES AND VALUATIONS

The preparation of the financial statements and the related explanatory notes in conformity with IFRS requires that management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date. The actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed periodically and any variation is reflected in the income statement in the period in which the estimate is revised if the revision affects only that period or even in subsequent periods if the revision affects both current and future periods.

In the event that management's estimate and judgment have a significant impact on the amounts recognised in the financial statements or in case that there is a risk of future adjustments on the amounts recognised for assets and liabilities in the period immediately after the reporting date, the following notes will include the relevant information.

The estimates pertain mainly to the following captions of the Consolidated Financial Statements:

- impairment of non-current assets with indefinite useful lives and investments;
- provision for losses and contingent liabilities.

- Incentive systems and variable remuneration.

### *Recoverable amount of non-current assets with indefinite useful lives and investments ("impairment")*

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

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

### *Provision for losses and contingent liabilities*

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

### *Incentive systems and variable remuneration*

For the description of the determination of the fair value of share-based incentive payments for the Moncler Group management, please see paragraph 2.9.

## 1.3. IMPACT OF CLIMATE CHANGE ISSUES

The Group defined a climate strategy aimed at reducing greenhouse gas (GHG) emissions, with the intention of positively contributing to the global goal of combating climate change, in line with the requirements of the Paris Agreement on climate. This strategy, integrated into the Group's business model, includes medium and long-term objectives.

In particular, the Group committed to reducing absolute CO<sub>2</sub>e emissions by 70% within Scope 1 and Scope 2 by 2030 (in line with the "1.5°C" ambition) and by 52% within Scope 3 (in line with the "Well-Below 2°C" ambition) per unit of product sold compared to 2021.

Furthermore, Moncler Group committed to achieving net zero emissions (Net Zero<sup>1</sup>) along the entire value chain by 2050.

---

<sup>1</sup> Achieving Net Zero involves the overall balance between greenhouse gas (GHG) emissions produced and those absorbed by ecosystems, through neutralisation mechanisms. Specifically, to contribute to Net Zero, companies must reduce emissions and neutralise residual emissions.

These objectives have been formally approved by the Science Based Targets initiative (SBTi)<sup>2</sup> and deemed consistent with the contribution required of companies to limit the maximum increase in global temperature compared to pre-industrial levels.

The main actions undertaken to achieve these objectives include:

- use of electricity from renewable sources (both purchased and self-generated);
- implementation of energy efficiency activities (Building Management System - BMS, lighting systems, more efficient heating and cooling, improvement of building thermal insulation, and promotion of environmental standards for buildings);
- adoption of low-impact environmental vehicles in the Group's car fleet;
- obtaining LEED certifications for new stores<sup>3</sup> and all new corporate buildings.

For Scope 3 emissions:

- the progressive introduction of "preferred" materials in collections;
- promotion of regenerative agriculture projects;
- decarbonization of the supply chain through energy efficiency measures and the adoption of renewable energy sources.

The actions described above are reflected and will be reflected in the Group's Consolidated Financial Statements in terms of new investments and recurring operations (e.g., purchase of origin guarantee certificates, purchase of certified raw materials, etc.). The Group voluntarily reports on non-financial aspects in both the Non-Financial Statement and the CDP Climate Change questionnaire, addressing climate change-related business risks as per the requirements of 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 Objectives.

The impact of climate change has also been evaluated in relation to estimates and assessments made in the financial statements. Medium-term impacts have been taken into account in the business plan projections, which form the basis for the impairment test.

As of the reporting date, there are no significant effects on the figures presented in the Financial Statements.

Furthermore, to strengthen the Group's commitment to ESG issues, starting from 2020 Performance Share plan, an ESG Performance Indicator focused on carbon neutrality has been introduced for all directly managed Group locations worldwide (offices, stores, logistics hub, production sites), on reducing single-use fossil origin plastic, and on recycling nylon production waste, taking into account the Group's inclusion in the Dow Jones Sustainability World and Europe indices.

---

<sup>2</sup> Promoted by CDP, United Nations Global Compact, World Resources Institute (WRI) and World Wide Fund for Nature (WWF), the Science Based Targets initiative establishes and promotes best-practice in defining science-based targets, as well as assessing companies' objectives.

<sup>3</sup> Excluding Shop-in-shop.

## 2. MATERIAL ACCOUNTING PRINCIPLES

The accounting principles set out below have been applied consistently for fiscal year 2023 and the prior year.

### 2.1. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at acquisition or manufacturing cost, not revalued net of accumulated depreciation and impairment losses ("impairment"). Cost includes original purchase price and all costs directly attributable to bringing the asset to its working condition for its intended use.

#### Depreciation

Depreciation of property, plant and equipment is calculated and recognised in the income statement on a straight-line basis over the estimated useful lives as reported in the following table:

Category	Depreciation period
Land	No depreciation
Buildings	From 25 to 33 years
Plant and equipment	From 8 to 12 years
Fixtures and fittings	From 5 to 10 years
Electronic machinery and equipment	From 3 to 5 years
Leasehold improvements	Useful life of improvements
Rights of use	Lease period
Other fixed assets	Depending on market conditions generally within the expected utility to the entity

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will take ownership of the asset by the end of the lease term.

Depreciation methods, useful lives and residual value are reviewed at each reporting period and adjusted if appropriate.

#### *Gain/Losses on the disposal of property, plant and equipment*

Gains and losses on the disposal of property, plant and equipment represent the difference between the net proceeds and net book value at the date of sale. Disposals are accounted when the relevant transaction becomes unconditional.

## 2.2. INTANGIBLE ASSETS

### *Brands*

Separately acquired brands are shown at historical cost. Brands acquired in a business combination are recognised at fair value at the acquisition date.

Brands have an indefinite useful life and are carried at cost less accumulated impairment. Brands are not amortised but subject to impairment test performed annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable.

For further details please refer to note 2.5 "Impairment of non-financial assets".

### *Intangible assets with a definite useful life*

Software (including licenses and separately identifiable external development costs) is capitalised as intangible asset at purchase price, plus any directly attributable cost of preparing that asset for its intended use. Software and other intangible assets that are acquired by the Group and have definite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

### Amortisation of intangible assets with a definite useful life

Intangible assets with a definite useful life are amortised on a straight line basis over their estimated useful lives as described in the following table:

Category	Depreciation period
License rights	Based on market conditions within the licence period or legal limits to use the assets
Software	From 3 to 5 years
Other intangible assets	Based on market conditions generally within the period of control over the asset

## 2.3. NON-CURRENT ASSETS AVAILABLE FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets available for sale and discontinued operations are classified as available for sale when their values are recoverable mainly through a probable sale transaction. In such conditions, they are valued at the lower of their carrying value or fair value, net of cost to sell if their value is mainly recoverable through a sale transaction instead of continued use.

Discontinued operations are operations that:

- include a separate line of business or a different geographical area;
- are part of a single coordinated plan for the disposal of a separate major line of business or geographical area of activity;
- consist of subsidiaries acquired exclusively for the purpose of being sold.

In the income statement, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 to be defined as "discontinued operations", are presented in a single caption that includes both gains and losses, as well as losses or gains on disposal and the related tax effect. The comparative period is subsequently restated in accordance with IFRS 5.

As far as the financial position is concerned, non-current assets held for sale and disposal groups that meet the requirements of IFRS 5 are reclassified as current assets and liabilities in the period in which such requirements arise. The comparative financial statements are not restated nor reclassified.

## 2.4. INVESTMENTS

Investments in subsidiaries, associates and others are accounted for as follows:

- at cost, inclusive of any additional charges; or
- in accordance with IFRS 9.

The Company recognises dividends from subsidiaries, associates and others in its income statement when the right to receive such dividends has materialised.

## 2.5. IMPAIRMENT OF NON-FINANCIAL ASSETS

At least once a year the Company verifies whether there is any indication that intangible assets with a definite useful life, property, plant and equipment and investments have become impaired. If such evidence exists, the carrying amount of the assets is reduced to its recoverable amount.

Assets with an indefinite useful life are not subject to amortisation and are tested annually or more frequently for impairment, whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

When the recoverable amount for individual asset cannot be reliably estimated, the Company determines the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The Group determines the value in use as the present value of future cash flows expected to be derived from the asset or from the cash-generating unit, gross of tax effects, by applying an appropriate discount rate that reflects market time value of money and the risks inherent to the asset. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount.

With the exception of impairment losses recognised on goodwill, when the circumstances that led to the loss no longer exist, the carrying amount of the asset is increased to its recoverable amount and cannot exceed the carrying amount that would have been determined had there been no loss in value. The reversal of an impairment loss is recognised immediately in the income statement.

## 2.6. LEASED ASSETS

On 13 January 2016, the IASB published the new standard IFRS 16 Leases, which replaces IAS 17. This standard was endorsed by the European Union, with its publication on 9 November 2017. IFRS 16 is effective for financial statements commencing on or after 1 January 2019. The new standard eliminates the difference in the recognition of operating and finance leases, even despite elements that simplify its adoption, and introduces the concept of control in the definition of a lease. To determine whether a contract is a lease, IFRS 16 establishes that the contract must convey the right to control the use of an identified asset for a given period of time.

At the lease commencement date, the Company recognises the right of use asset and lease liability. The right of use asset is initially valued at cost, including the amount of the initial measurement of the lease liability, adjusted for the rent payments made on or before the commencement date, increased by the



initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, net of the received lease incentives.

The right of use asset is amortised on a straight-line basis from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company at the end of the lease term. In this case, the right of use asset will be amortised over the useful life of the underlying asset, determined on the same basis as that of property and machinery. In addition, the right of use asset is regularly decreased for any impairment losses and adjusted to reflect any changes deriving from subsequent remeasurement of the lease liability.

The Company values the lease liability at the present value of the payments due for unpaid leases at the commencement date, discounting them using the interest rate implicit in the lease.

The payments due for the lease included in the measurement of the lease liability include:

- fixed payments (including substantially fixed payments);
- payments due for lease which depend on an index or rate, initially measured using an index or rate on the commencement date;
- amounts that are expected to be paid as a residual value guarantee; and
- the payments due for the lease in an optional renewal period if the Company is reasonably certain to exercise the renewal option, and early termination cancellation penalties, unless the Company is reasonably certain not to terminate the lease in advance.

The lease liability is measured at amortised cost using the effective interest criterion and remeasured in the event of a change in the future payments due for the lease deriving from a change in the index or rate, in the event of a change in the amount that the Company expects to pay as a guarantee on the residual value or when the Company changes its measurement with reference to the exercise or otherwise of a purchase, extension or cancellation option or in the event of revision of in-substance fixed payments due.

When the lease liability is remeasured, the lessee makes a corresponding change in right of use asset. If the right of use asset carrying value is reduced to zero, the lessee recognises the change in profit/(loss) for the year.

In the statement of financial position, the Company reports right of use assets that do not meet the definition of real estate investments in the item Property, plant and equipment and lease liabilities in the item Borrowings.

The Company recognises the related payments due for leases as a cost on a straight-line basis over the lease term.

For contracts signed before 1 January 2019, the Company established whether the agreement was or contained a lease by checking if:

- fulfilment of the agreement depended on the use of one or more specific assets; and
- the agreement transferred the right to use the asset.

Other assets subject to leases are classified as operating leases and are not recognised in the Company's statement of financial position. Payments relating to operating leases are recognised as a straight-line cost over the lease term, while incentives granted to the lessee are recognised as an integral part of the overall lease cost over the lease term.

## 2.7. FINANCIAL INSTRUMENTS

Trade receivables and debt securities issued are recognised when they are originated. All other financial assets and liabilities are initially recognised at the trade date, i.e., when the Company becomes a contractual party to the financial instrument.

Except for trade receivables that do not comprise a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issue of the financial asset. At the time of initial recognition, trade receivables that do not have a significant financing component are valued at their transaction price.

On initial recognition, a financial asset is classified based on its valuation: at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit/(loss) for the period (FVTPL).

Financial assets are not reclassified after initial recognition, unless the Company changes its business model for managing financial assets. In that case, all the financial assets concerned are reclassified on the first day of the first reporting period following the change in business model.

A financial asset shall be measured at amortised cost if both of the following conditions are met and if it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is to hold the financial assets in order to collect the related contractual cash flows; and
- the contractual terms of the financial asset provide for cash flows at certain dates consisting solely of payments of principal and interest on the amount of principal to be repaid.

At the time of subsequent measurement, assets belonging to this category are valued at amortised cost, using the effective interest rate. The effects of measurement are recognised among the financial income components. These assets are also subject to the impairment model described in the paragraph Trade receivables, financial assets and other current and non-current receivables.

A financial asset shall be measured at FVOCI if both of the following conditions are met and if it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is achieved both through the collection of the contractual cash flows and through the sale of the financial assets; and
- the contractual terms of the financial asset provide for cash flows at certain dates consisting solely of payments of principal and interest on the amount of principal to be repaid.

On initial recognition of a security not held for trading, the Company may make an irrevocable choice to present subsequent changes in fair value in the other components of the comprehensive income statement. This choice is made for each asset.

At the time of subsequent measurement, the measurement made at the time of recognition is updated and any changes in fair value are recognised in the statement of comprehensive income. As for the category above, these assets are subject to the impairment model described in the paragraph Trade receivables, financial assets and other current and non-current receivables.

All financial assets not classified as valued at amortised cost or at FVOCI, as indicated above, are valued at FVTPL. All derivative financial instruments are included. On initial recognition, the Company may irrevocably designate the financial asset as measured at fair value through profit/(loss) for the

period if this eliminates or significantly reduces a misalignment in accounting that would otherwise result from measuring the financial asset at amortised cost or at FVOCI.

At the time of subsequent measurement, financial assets measured at FVTPL are valued at fair value. Gains or losses arising from changes in fair value are recognised in the consolidated income statement in the period in which they are recognised under financial income/expenses.

Financial assets are derecognised from the financial statements when the contractual rights to receive cash flows from them expire, when the contractual rights to receive cash flows from a transaction in which all the risks and rewards of ownership of the financial asset are materially transferred or when the Company neither transfers nor retains materially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

Financial liabilities are classified as valued at amortised cost or at FVTPL. A financial liability is classified at FVTPL when it is held for trading, it represents a derivative or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and any changes, including interest expense, are recognised in profit or loss for the period. Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and exchange rate gains/(losses) are recognised in profit or loss for the period, as are any gains or losses from derecognition.

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, other current and non-current assets and liabilities, investments, borrowings and derivative financial instruments.

### *Cash and cash equivalents*

Cash and cash equivalents include cash and short-term deposits held with banks and most liquid assets that are readily convertible into cash and that have insignificant risk of change in value. Bank overdrafts are recorded under current liabilities on the Company's statement of financial position.

### *Trade receivables and other current and non-current receivables*

Trade and other receivables generated when the Company provides money, goods or services directly to a third party are classified as current assets, except for items with maturity dates greater than twelve months after the reporting date.

Receivables are valued if they have a fixed maturity, at amortised cost calculated using the effective interest method. When financial assets do not have a fixed maturity, they are valued at cost. Receivables with a maturity of over one year, which are non-interest bearing or which accrue interest below market rates, are discounted using market rates.

The financial assets listed above are valued based on the impairment model introduced by IFRS 9 or by adopting an expected loss model, replacing the IAS 39 framework, which is typically based on the valuation of the incurred loss.

For trade receivables, the Company adopts the so-called simplified approach, which does not require the recognition of periodic changes in credit risk, but rather the accounting of an Expected Credit Loss ("ECL") calculated over the entire life of the credit (so-called lifetime ECL).

In particular, the policy implemented by the Company provides for the stratification of trade receivables based on the days past due and an assessment of the solvency of the counterparty and applies different write-down rates that reflect the relative expectations of recovery. The Company then applies an analytical valuation of impaired receivables based on a debtor's reliability and ability to pay the due amounts.

The value of receivables is shown in the statement of financial position net of the related bad debt provision. Write-downs made in accordance with IFRS 9 are recognised in the consolidated income statement net of any positive effects associated with reversals of impairment.

### *Trade payables and other current and non-current payables*

Trade and other payables arise when the Company acquires money, goods or services directly from a supplier. They are included in current liabilities, except for items with maturity dates greater than twelve months after the reporting date.

Payables are stated, at initial recognition, at fair value, which usually comprises the cost of the transaction, inclusive of transaction costs. Subsequently, they are stated at amortised cost using the effective interest method.

### *Financial liabilities*

The classification of financial liabilities has not changed since the introduction of IFRS 9. Amounts due to banks and other lenders are initially recognised at fair value, net of directly attributable incidental costs, and are subsequently measured at amortised cost, applying the effective interest rate method. If there is a change in the expected cash flows, the value of the liabilities is recalculated to reflect this change on the basis of the present value of the new expected cash flows and the internal rate of return initially determined. Amounts due to banks and other lenders are classified as current liabilities, unless the Company has an unconditional right to defer their payment for at least 12 months after the reference date. Loans are classified as non-current when the company has an unconditional right to defer payments for at least twelve months from the reporting date.

### *Derivative instruments*

Consistent with the provisions of IFRS 9, derivative financial instruments may be accounted for using hedge accounting only when:

- the hedged items and the hedging instruments meet the eligibility requirements;
- at the beginning of the hedging relationship, there is a formal designation and documentation of the hedging relationship, of the Company's risk management objectives and the hedging strategy;
- the hedging relationship meets all of the following effectiveness requirements:
  - there is an economic relationship between the hedged item and the hedging instrument;
  - the effect of credit risk is not dominant with respect to the changes associated with the hedged risk;
  - the hedge ratio defined in the hedging relationship is met, including through rebalancing actions, and is consistent with the risk management strategy adopted by the Company.

### Fair value hedge

A derivative instrument is designated as fair value hedge when it hedges the exposure to changes in fair value of a recognised asset or liability, that is attributable to a particular risk and could affect profit or loss. The gain or loss on the hedged item, attributable to the hedged risk, adjusts the carrying amount of the hedged item and is recognised in the consolidated income statement.

### Cash flow hedge

When a derivative financial instrument is designated as a hedging instrument for exposure to variability in cash flows, the effective portion of changes in fair value of the derivative financial instrument is recognised among the other components of the comprehensive income statement and stated in the cash flow hedge reserve. The effective portion of changes in fair value of the derivative financial instrument that is recognised in the other components of the comprehensive income statement is limited to the cumulative change in the fair value of the hedged instrument (at present value) since the inception of the hedge. The ineffective portion of changes in fair value of the derivative financial instrument is recognised immediately in the profit/(loss) for the period.

If the hedge ceases to meet the eligibility criteria or the hedging instrument is sold, matures or is exercised, hedge accounting ceases prospectively. When hedge accounting for cash flow hedges ceases, the accrued amount in the cash flow hedge reserve remains in equity until, in the case of a hedge of a transaction that results in the recognition of a non-financial asset or non-financial liability, it is included in the cost of the non-financial asset or non-financial liability on initial recognition or, in the case of other cash flow hedges, it is reclassified in profit or loss for the period in the same period or periods in which the hedged expected future cash flows affects profit/(loss) for the period.

If no more hedged future cash flows are expected, the amount shall be reclassified immediately from the cash flow hedge reserve and the reserve for hedging costs to profit/(loss) for the period.

If hedge accounting cannot be applied, gains or losses arising from the fair value measurement of a derivative financial instrument are immediately recognised in income statement.

## 2.8. EMPLOYEE BENEFITS

Short-term employee benefits, such as wages, salaries, social security contributions, paid leave and annual leave due within twelve months of the statement of financial position date and all other fringe benefits are recognised in the year in which the service is rendered by the employee.

Benefits granted to employees which are payable on or after the termination of employment through defined benefit and contribution plans are recognised over the vesting period.

### Defined benefit schemes

Defined benefit schemes are retirement plans determined based on employees' remuneration and years of service.

The Company's obligation to contribute to employees' benefit plans and the related current service cost is determined by using an actuarial valuation defined as the projected unit credit method. The cumulative net amount of all actuarial gains and losses are recognised in equity within other comprehensive income.

With reference to defined benefit plans, the increase in present value of the defined benefit obligation for employee service in prior periods (past service cost) is accounted as an expense on a straight-line basis over the average period until the benefits become vested.

The amount recognised as a liability under the defined benefit plans is the present value of the related obligation, taking into consideration expenses to be recognised in future periods for employee service in prior periods.

### *Defined contribution schemes*

Contribution made to a defined contribution plan is recognised as an expense in the income statement in the period in which the employees render the related service.

Up to 31 December 2006 Italian employees were eligible to defined benefit schemes referred as post-employment benefit ("TFR"). With the act n. 296 as of 27 December 2006 and subsequent decrees ("Pension Reform") issued in early 2007, the rules and the treatment of TFR scheme were changed. Starting from contribution vested on or after 1 January 2007 and not yet paid at the reporting date, referring to entities with more than 50 employees, Italian post-employment benefits is recognised as a defined contribution plan. The contribution vested up to 31 December 2006 is still recognised as a defined benefit plan and accounted for using actuarial assumptions.

## 2.9. SHARE-BASED PAYMENTS

The fair value at grant date of the incentives granted to employees in the form of share-based payments that are equity settled is usually included in expenses, with a matching increase in equity, over the period during which the employees obtain the incentives rights. The amount recognised as an expense is adjusted to reflect the actual number of incentives for which the continued service conditions are met and the achievement of non-market conditions, so that the final amount recognised as an expense is based on the number of incentives that fulfill these conditions at the vesting date. In case the incentives granted as share-based payments whose conditions are not to be considered to maturity, the fair value at the grant date of the share-based payment is measured to reflect such conditions. With reference to the non-vesting conditions, any differences between amounts at the grant date and the actual amounts will not have any impact on the financial statements.

The fair value of the amount payable to employees related to share appreciation rights, settled in cash, is recognised as an expense with a corresponding increase in liabilities over the period during which the employees unconditionally become entitled to receive the payment. The liability is measured at year-end and the settlement date based on the fair value of the share appreciation rights. Any changes in the fair value of the liability are recognised in profit or loss for the year.

## 2.10. PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and where the amount of the obligation can be reliably estimated.

Changes in estimates are recognised in the income statement in the period in which they occur.

## 2.11. REVENUE RECOGNITION

Based on the five-step model introduced by IFRS 15, the Group recognises revenues after identifying the contracts with its clients and the related services to be provided (transfer of goods and/or services), determining the consideration which it believes it is entitled to in exchange for the provision of each of these services and assessing the manner in which these services are provided (at a given time or over time). Variable components of the consideration are recognised in the financial statements only when it is highly probable that there will be no significant adjustment to the amount of revenue recognised in the future.

Royalties received from licensee are accrued as earned on the basis of the terms of the relevant royalty agreement which is typically based on sales volumes.

## 2.12. BORROWING COSTS

Borrowing costs are recognised on an accrual basis taking into consideration interest accrued on the net carrying amount of financial assets and liabilities using the effective interest rate method.

## 2.13. TAXATION

Tax expense recognised in the consolidated income statement represents the aggregate amount related to current tax and deferred tax.

Current tax is determined in accordance with enforced rules established by local tax authorities. Current taxes are recognised in the consolidated income statement for the period, except to the extent that the tax arises from transactions or events which are recognised directly either in equity or in other comprehensive income.

Deferred tax liabilities and assets are determined based on temporary taxable or deductible differences arising between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. Current and deferred tax assets and liabilities are offset when income taxes are levied by the same tax authority and when there is a legally enforceable right to offset the amounts.

Deferred tax liabilities and assets are determined using tax rates that have been enacted by the reporting date and are expected to be enforced when the related deferred income tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are not discounted.

Deferred tax assets recognised on tax losses and on deductible differences are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Tax liabilities include the estimate of risks associated with uncertainties on the tax treatments adopted for determining income taxes in accordance with the new IFRIC 23. These uncertainties can arise from: i) unclear or complex tax rules; ii) changes in tax regulations or clarifications by tax authorities; iii) ongoing tax audits and/or disputes; iv) public information on ongoing tax assessments and/or disputes involving other entities.

## 2.14. FOREIGN CURRENCY

The amounts included in the financial statements of each Group company are prepared using the currency of the country in which the company conducts its business.

### *Foreign currency transactions*

Foreign currency transactions are recorded at the exchange rate in effect at the transaction date. The assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rate prevailing at that date. Exchange differences arising from the conversion or settlement of these items due to different rates used from the time of initial recognition are recorded in the income statement.

## 2.15. FAIR VALUE

IFRS 13 is the only point of reference for the fair value measurement and related disclosures when such an assessment is required or permitted by other standards. Specifically, the principle defines fair value as the consideration received for the sale of an asset or the amount paid to settle a liability in a regular transaction between market participants at the measurement date. In addition, the new standard replaces and provides for additional disclosures required in relation to fair value measurements by other accounting standards, including IFRS 7.

IFRS 13 establishes a hierarchy that classifies within different levels the inputs used in the valuation techniques necessary to measure fair value. The levels, presented in a hierarchical order, are as follows:

- level 1: Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2: it Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- level 3: Fair values measured using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).



## 2.16. ACCOUNTING STANDARDS AND RECENTLY PUBLISHED INTERPRETATIONS

### Accounting standards, amendments and interpretations effective from 1 January 2023

TITLE	ISSUED DATE	EFFECTIVE DATE	ENDORSMENT DATE	EU REGULATION AND DATE OF PUBLICATION
Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2)	February 2021	1 January 2023	2 March 2022	(UE) 2022/357 3 March 2022
Definition of accounting estimates (Amendments to IAS 8)	February 2021	1 January 2023	2 March 2022	(UE) 2022/357 3 March 2022
Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12 Income taxes)	May 2021	1 January 2023	11 August 2022	(UE) 2022/1392 12 August 2022
IFRS 17 – Insurance contracts (including amendments published on 25 June 2020)	May 2017 June 2020	1 January 2023	19 November 2021	(UE) 2021/2036 23 November 2021
Initial Application of IFRS 17 and IFRS 9— Comparative Information (Amendment to IFRS 17)	December 2021	1 January 2023	8 September 2022	(UE) 2022/1491 9 September 2022
International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12)	May 2023	1 January 2023	8 November 2023	UE) 2023/2468 9 November 2023

The adoption of these amendments had no impacts on the Company financial statements.

The changes introduced to IAS 12 relating to the recognition of deferred taxation on leasing contracts had no impact since the Company had already previously recognized these effects.

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

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

TITLE	ISSUED DATE	EFFECTIVE DATE	ENDORSEMENT DATE	EU REGULATION AND DATE OF PUBLICATION
Lease liability in a sale and leaseback (Amendments to IFRS 16)	September 2022	1 January 2024	20 November 2023	(UE) 2023/2579 21 November 2023
Classification of liabilities as current or non-current (Amendments to IAS 1) and Non current liabilities with covenants (Amendments to IAS 1)	January 2020 October 2022	1 January 2024	19 December 2023	(UE) 2023/2822 20 December 2023

The adoption of these amendments had no impacts on the Company financial statements.

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

TITLE	ISSUE DATE	EFFECTIVE DATE OF IASB DOCUMENT	APPROVAL DATE BY EU
Standards			
IFRS 14 Regulatory deferral accounts	January 2014	1 January 2016	Postponed pending the conclusion of the IASB project on "rate-regulated activities".
Amendments			
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	September 2014	Deferred until the completion of the IASB project on the equity method	Postponed pending the conclusion of IASB project on the equity method
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	May 2023	1 January 2024	TBD
Lack of Exchangeability (Amendment to IAS 21)	August 2023	1 January 2025	TBD

The Company will comply with these new standards and amendments based on their relevant effective dates when endorsed by the European Union and it will evaluate their potential impacts on the Financial Statements.

## 3. COMMENTS ON THE INCOME STATEMENT

### 3.1. REVENUE

The company's revenues mainly include royalty income from the use of Moncler trademark and Stone Island trademark.

The increase of EUR 54,315 thousand compared with the previous year is due to the increase in business volumes.

### 3.2. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses amounted to EUR 80,003 thousand (EUR 67,392 thousand in 2022) and primarily include designing and product development expenses in the amount of EUR 19,655 thousand (EUR 16,924 thousand in 2022), the personnel expenses of other functions in the amount of EUR 19,349 thousand (EUR 14,722 thousand in 2022), legal, financial and administrative expenses in the amount of EUR 3,763 thousand (EUR 3,817 thousand in 2022), directors' fees in the amount of EUR 8,846 thousand (EUR 8,077 thousand in 2022), auditing and attestation service, statutory auditors expenses, costs for supervisory body and internal audit in the amount of EUR 573 thousand (EUR 543 thousand in 2022).

This item also includes costs related to stock-based compensation plans for EUR 15,887 thousand (EUR 10,891 thousand in 2022).

### 3.3. MARKETING EXPENSES

Marketing expenses amounted to EUR 98,421 thousand (EUR 73,832 thousand in 2022) and are mostly made up of expenses related to media-plan and events.

### 3.4. PERSONNEL EXPENSES, DEPRECIATION AND AMORTISATION

The total personnel expenses, included under general and administrative expenses, amounted to EUR 25,011 thousand (EUR 18,976 thousand in 2022) including social security contribution and leaving indemnity expenses.

The average number of FTE ("full-time-equivalent") in 2023 was 188 (166 in 2022).

In 2023 depreciation and amortisation, again included under general and administrative expenses, amounted to EUR 2,111 thousand (EUR 2,173 thousand in 2022).

### 3.5. FINANCIAL INCOME AND EXPENSES

The caption is broken down as follows:

(Euro/000)	2023	2022
Interest income and other financial income	700	5
Foreign currency differences - positive	0	0
<b>Total financial income</b>	<b>700</b>	<b>5</b>
Interests expenses and bank charges	(24,566)	(4,186)
Foreign currency differences - negative	(228)	(127)
<b>Total financial expenses</b>	<b>(24,794)</b>	<b>(4,313)</b>
<b>Total net excluded interests on lease liabilities</b>	<b>(24,094)</b>	<b>(4,308)</b>
Interests on lease liabilities	(84)	(83)
<b>Total net</b>	<b>(24,178)</b>	<b>(4,391)</b>

The item Interest expense mainly refers to interest accrued on the loan received from the subsidiary Industries S.p.A.

In 2023 and 2022 the company did not received dividends.

### 3.6. INCOME TAX

The tax impact on the income statement is detailed as follows:

(Euro/000)	2023	2022
Current income taxes	(30,064)	(209,134)
Deferred tax income (expenses)	(44,622)	214,879
<b>Income taxes charged in the income statement</b>	<b>(74,686)</b>	<b>5,745</b>

In 2022, income taxes reflected the one-off positive net impact of the realignment of the tax value of the Stone Island brand equal to EUR 92.3 million. This operation 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.

For the breakdown of deferred tax assets and liabilities by nature, please see paragraph 4.5.

The reconciliation between the theoretical tax burden by applying the theoretical rate of the Parent Company, and the effective tax burden is shown in the following table:

Reconciliation theoretic-effective tax rate	Taxable Amount 2023	Tax Amount 2023	Tax rate 2023	Taxable Amount 2022	Tax Amount 2022	Tax rate 2022
<b>(Euro/000)</b>						
Profit before tax	270,420			273,091		
Income tax using the Company's theoretic tax rate		(64,901)	24.0%		(65,542)	24.0%
Temporary differences		38,404	14.2%		1,298	(0.5)%
Permanent differences		(47)	(0.0)%		(101)	0.0%
Other differences		(3,520)	(1.3)%		(144,789)	53.0%
Deferred taxes recognized in the income statement		(44,622)	(16.5)%		214,879	(78.7)%
Income tax at effective tax rate		(74,686)	27.6%		5,745	(2.1)%

The caption Other differences includes current IRAP and, in 2022, the substitute tax paid in relation to the realignment of the Stone Island trademark's tax value to the statutory value.

## 4. COMMENTS ON THE STATEMENT OF FINANCIAL POSITION

### 4.1. BRANDS AND OTHER INTANGIBLE ASSETS

Brands and other intangible assets (Euro/000)	2023		2022	
	Gross value	Accumulated depreciation and impairment	Net value	Net value
Brands	999,354	0	999,354	999,354
Software	641	(524)	117	158
Other intangible assets	11,010	(8,619)	2,391	1,893
<b>Total</b>	<b>1,011,005</b>	<b>(9,143)</b>	<b>1,001,862</b>	<b>1,001,405</b>

Intangible assets changes for the years 2023 and 2022 are shown in the following tables:

As at 31 December 2023

Gross value Brands and other intangible assets (Euro/000)	Brands	Software	Other intangible assets	Total
1 January 2023	999,354	641	9,614	1,009,609
Acquisitions	0	0	1,366	1,366
Disposals	0	0	0	0
Impairment	0	0	0	0
Other movements, including transfers	0	0	30	30
<b>31 December 2023</b>	<b>999,354</b>	<b>641</b>	<b>11,010</b>	<b>1,011,005</b>

Accumulated amortization Brands and other intangible assets (Euro/000)	Brands	Software	Other intangible assets	Total
1 January 2023	0	(483)	(7,721)	(8,204)
Depreciation	0	(41)	(898)	(939)
Disposals	0	0	0	0
Other movements, including transfers	0	0	0	0
<b>31 December 2023</b>	<b>0</b>	<b>(524)</b>	<b>(8,619)</b>	<b>(9,143)</b>

As at 31 December 2022

Gross value Brands and other intangible assets	Brands	Software	Other intangible assets	Total
(Euro/000)				
1 January 2022	999,354	641	8,788	1,008,783
Acquisitions	0	0	826	826
Disposals	0	0	0	0
Impairment	0	0	0	0
Other movements, including transfers	0	0	0	0
31 December 2022	999,354	641	9,614	1,009,609

Accumulated amortization Brands and other intangible assets	Brands	Software	Other intangible assets	Total
(Euro/000)				
1 January 2022	0	(438)	(6,885)	(7,323)
Depreciation	0	(45)	(836)	(881)
Disposals	0	0	0	0
Other movements, including transfers	0	0	0	0
31 December 2022	0	(483)	(7,721)	(8,204)

#### 4.2. IMPAIRMENT OF INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE

The caption Brands, which has an indefinite useful life, has not been amortised, but has been tested for impairment by management.

The impairment tests on the Moncler brand and on the Stone Island brand were performed by comparing its carrying value with that derived from the discounted cash flow method applying the Royalty Relief Method, based on which the cash flows are linked to the recognition of a royalty percentage applied to revenues that the brand is able to generate.

For the 2023 valuation of the Moncler and Stone Island brand, the expected cash flows and revenues are based on the 2024-2026 Business Plan approved by the Board of Directors on 14 December 2023 and for 2027-2028 on the basis of management estimates consistent with the expected development plans.

The "g" rate used was 2.5%.

The discount rate was calculated using the Weighted Average Cost of Capital (WACC), by weighting the expected rate of return on invested capital, net of hedging costs from a sample of companies within the same industry. The calculation took into account fluctuation in the market as compared to the previous year and the resulting impact on interest rates. The weighted average cost of capital (WACC) was calculated at 8.9% for the Moncler brand and at 9.5% for Stone Island.

The results of the sensitivity analysis indicated that the carrying amount of the Moncler brand is confirmed in all scenarios of reasonable changes of the benchmarks. The Stone Island brand up to a WACC of 9.7%, all other parameters being equal.

### 4.3. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (Euro/000)	2023		2022	
	Gross value	Accumulated depreciation and impairment	Net value	Net value
Land and buildings	6,040	(1,889)	4,151	5,916
Plant and Equipment	125	(118)	7	9
Fixtures and fittings	243	(192)	51	63
Leasehold improvements	151	(67)	84	69
Other fixed assets	1,007	(749)	258	237
Assets in progress	270	0	270	456
<b>Total</b>	<b>7,836</b>	<b>(3,015)</b>	<b>4,821</b>	<b>6,750</b>

The changes in property, plant and equipment for 2023 and 2022 is included in the following tables:

As at 31 December 2023

Gross value Property, plant and equipment (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
1 January 2023	7,665	123	234	114	928	456	9,520
Acquisitions	546	2	9	37	239	(156)	677
Disposals	(2,171)	0	0	0	(160)	0	(2,331)
Other movements, including transfers	0	0	0	0	0	(30)	(30)
<b>31 December 2023</b>	<b>6,040</b>	<b>125</b>	<b>243</b>	<b>151</b>	<b>1,007</b>	<b>270</b>	<b>7,836</b>

Accumulated depreciation and impairment PPE (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
1 January 2023	(1,749)	(114)	(171)	(45)	(691)	0	(2,770)
Depreciation	(928)	(4)	(21)	(22)	(197)	0	(1,172)
Disposals	788	0	0	0	139	0	927
Other movements, including transfers	0	0	0	0	0	0	0
<b>31 December 2023</b>	<b>(1,889)</b>	<b>(118)</b>	<b>(192)</b>	<b>(67)</b>	<b>(749)</b>	<b>0</b>	<b>(3,015)</b>



As at 31 December 2022

Gross value Property, plant and equipment (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
1 January 2022	7,160	123	234	106	833	26	8,482
Acquisitions	609	0	0	8	138	430	1,185
Disposals	(104)	0	0	0	(43)	0	(147)
Other movements, including transfers	0	0	0	0	0	0	0
31 December 2022	7,665	123	234	114	928	456	9,520

Accumulated depreciation and impairment PPE (Euro/000)	Land and buildings	Plant and Equipment	Fixtures and fittings	Leasehold improvements	Other fixed assets	Assets in progress and advances	Total
1 January 2022	(739)	(110)	(146)	(27)	(503)	0	(1,525)
Depreciation	(1,045)	(4)	(25)	(18)	(200)	0	(1,292)
Disposals	35	0	0	0	12	0	47
Other movements, including transfers	0	0	0	0	0	0	0
31 December 2022	(1,749)	(114)	(171)	(45)	(691)	0	(2,770)

The changes related to the right of use assets arising from the application of the IFRS 16 are reported here below:

Right of use assets (Euro/000)	Land and buildings	Other fixed assets	Total
1 January 2023	5,916	204	6,120
Acquisitions	546	239	785
Disposals	(1,385)	(19)	(1,404)
Depreciation	(927)	(181)	(1,108)
31 December 2023	4,150	243	4,393

#### 4.4. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are detailed in the following table:

Investments in subsidiaries (Euro/000)	Country	% ownership		Carrying amount	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
Industries S.p.A.	Italia	100%	100%	377,045	356,374
Sportswear Company S.p.A.	Italia	100%	100%	593,742	592,382
<b>Total</b>				<b>970,787</b>	<b>948,756</b>

Financial information related to the subsidiaries are detailed in the following table:

Summary of subsidiary's financial information (Euro/000)	31 December 2023				
	Assets	Liabilities	Net equity	Revenues	Profit/(Loss)
Industries S.p.A.	2,268,256	835,075	1,433,181	1,629,954	305,894
Sportswear Company S.p.A.	354,634	91,957	262,677	393,839	47,156
<b>Total</b>	<b>2,622,890</b>	<b>927,032</b>	<b>1,695,858</b>	<b>2,023,793</b>	<b>353,050</b>

Summary of subsidiary's financial information (Euro/000)	31 December 2022				
	Assets	Liabilities	Net equity	Revenues	Profit/(Loss)
Industries S.p.A.	1,904,017	795,233	1,108,784	1,351,046	150,154
Sportswear Company S.p.A.	328,550	113,675	214,875	327,225	40,751
<b>Total</b>	<b>2,232,567</b>	<b>908,908</b>	<b>1,323,659</b>	<b>1,678,271</b>	<b>190,905</b>

The carrying amounts of the investments in Industries S.p.A. and Sportswear Company S.p.A. also include the greater value recognised upon their acquisition (2008 and 2021), allocated to the goodwill associated with the Moncler and the Stone Island businesses, respectively.

At the reporting date, management found that there were no risks of impairment of the amounts recognised, based on the performance of the Moncler and Stone Island businesses and expectations of the development plans. These considerations are also supported by the impairment tests carried out on the Moncler and Stone Island business cash generating units described in the Moncler Group's consolidated financial statements. The increase in the value of the investment was due to the accounting treatment of the stock option and performance share plans adopted by the Company and described in section 8.2.

Furthermore, the market capitalisation of the Company, based on the average price of Moncler share in 2023, shows a positive difference with respect to the net equity, indirectly confirming the value of the goodwill.

Please refer to the Consolidated Financial Statements for a complete list of the Group companies directly and indirectly controlled by the Company.

#### 4.5. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities are offset only when there is a law within a given tax jurisdiction which provides for such right to offset. The balances were as follows as at 31 December 2023 and 31 December 2022:

Deferred taxation (Euro/000)	31 December 2023	31 December 2022
Deferred tax assets	1,859	1,958
Deferred tax liabilities	(49,437)	(4,915)
<b>Net amount</b>	<b>(47,578)</b>	<b>(2,957)</b>

Changes in deferred tax assets and deferred tax liabilities are detailed in the following table:

Deferred tax assets (liabilities) (Euro/000)	Opening balance - 1 January 2023	Taxes charged to the income statement	Taxes accounted for in Equity	Other movements	Closing balance - 31 December 2023
Tangible assets	0	1	0	0	1
Employee benefits	34	0	0	0	34
Other temporary items	1,924	(101)	0	1	1,824
<b>Tax assets</b>	<b>1,958</b>	<b>(100)</b>	<b>0</b>	<b>1</b>	<b>1,859</b>
Intangible assets	(2,500)	(44,522)	0	0	(47,022)
Financial assets	(2,415)	0	0	0	(2,415)
<b>Tax liabilities</b>	<b>(4,915)</b>	<b>(44,522)</b>	<b>0</b>	<b>0</b>	<b>(49,437)</b>
<b>Net deferred tax assets (liabilities)</b>	<b>(2,957)</b>	<b>(44,622)</b>	<b>0</b>	<b>1</b>	<b>(47,578)</b>

Deferred tax assets (liabilities) (Euro/000)	Opening balance - 1 January 2022	Taxes charged to the income statement	Taxes accounted for in Equity	Other movements	Closing balance - 31 December 2022
Tangible assets	2	(2)	0	0	0
Employee benefits	34	0	0	0	34
Other temporary items	2,142	(218)	0	0	1,924
<b>Tax assets</b>	<b>2,178</b>	<b>(220.0)</b>	<b>0</b>	<b>0</b>	<b>1,958</b>
Intangible assets	(217,599)	215,099	0	0	(2,500)
Financial assets	(2,415)	0	0	0	(2,415)
<b>Tax liabilities</b>	<b>(220,014)</b>	<b>215,099</b>	<b>0</b>	<b>0</b>	<b>(4,915)</b>
<b>Net deferred tax assets (liabilities)</b>	<b>(217,836)</b>	<b>214,879</b>	<b>0</b>	<b>0</b>	<b>(2,957)</b>

The taxable amount on which deferred tax have been calculated is detailed in the following table:

Deferred tax assets (liabilities) (Euro/000)	Taxable Amount 2023	Closing balance - 31 December 2023	Taxable Amount 2022	Closing balance - 31 December 2022
Tangible assets	4	1	0	0
Employee benefits	143	34	143	34
Other temporary items	7,597	1,824	8,015	1,924
<b>Tax assets</b>	<b>7,744</b>	<b>1,859</b>	<b>8,158</b>	<b>1,958</b>
Intangible assets	(168,538)	(47,022)	(8,960)	(2,500)
Financial assets	(10,064)	(2,415)	(10,064)	(2,415)
<b>Tax liabilities</b>	<b>(178,602)</b>	<b>(49,437)</b>	<b>(19,024)</b>	<b>(4,915)</b>
<b>Net deferred tax assets (liabilities)</b>	<b>(170,858)</b>	<b>(47,578)</b>	<b>(10,866)</b>	<b>(2,957)</b>

The caption other temporary items mainly refers to the Directors' remunerations.

#### 4.6. TRADE RECEIVABLES

Trade receivables (Euro/000)	31 December 2023	31 December 2022
Trade receivables, third parties	1,535	1,910
Trade receivables, intra-group	96,772	111,689
<b>Total, net value</b>	<b>98,307</b>	<b>113,599</b>

Trade receivables are originated from the marketing and communication operations of the Company related to the brand development and Group operations and are mostly considered intercompany transactions.

There are no trade receivables with a due date greater than five years. There is no difference between the book value and the fair value of trade receivables.

Trade receivables from Group companies mainly relates to the receivable from the subsidiaries Industries S.p.A. and Sportswear Company S.p.A. resulting from the royalties for the use of the Moncler and Stone Island trademarks.

These receivables do not present collectability risks.

#### 4.7. CASH AND CASH EQUIVALENT

As at 31 December 2023, the caption cash and cash equivalent amounted to EUR 964 thousand (EUR 12,966 thousand as at 31 December 2022) and includes funds available at banks. Please refer to the statement of cash flows for further information related to cash fluctuation.

Cash and cash equivalents included in the Statement of cash flow (Euro/000)	31 December 2023	31 December 2022
Cash in hand and at the bank	964	12,966
<b>Total</b>	<b>964</b>	<b>12,966</b>

#### 4.8. INTRA-GROUP FINANCIAL RECEIVABLES

The financial receivables item, amounting to EUR 53.525 thousand, relates to the financial receivable from the subsidiary Industries S.p.A. for cash pooling. In 2022 (Euro 160 thousand) the item referred to the financial receivable from Stone Island Retail S.r.l..

#### 4.9. OTHER CURRENT AND NON-CURRENT ASSETS

Other current assets (Euro/000)	31 December 2023	31 December 2022
Advances on account to vendors	165	60
Prepaid expenses	117	1,434
Tax receivables excluding income taxes	281	258
Other current assets	47	97
Other current assets, intra-group	42,425	28,001
<b>Total other current assets</b>	<b>43,035</b>	<b>29,850</b>
Security / guarantees deposits	99	148
Other non current assets	110	110
Other non-current assets	209	258
<b>Total</b>	<b>43,244</b>	<b>30,108</b>

The caption other current taxes consists mainly of the receivable due from the tax authority related to IRES receivable for personnel expenses not deducted for IRAP purposes as well as the VAT receivable.

The caption other current assets, intra-group includes mainly amounts related to the fiscal consolidation and VAT consolidation.

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

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

#### 4.10. TRADE PAYABLES

As at 31 December 2023, the caption trade payables pertains mostly to marketing and communication services.

Trade payables (Euro/000)	31 December 2023	31 December 2022
Trade payables, third parties	38,162	41,138
Trade payables, intra-group	4,317	7,276
<b>Total</b>	<b>42,479</b>	<b>48,414</b>

Details of the transactions with subsidiaries are provided in the note 8.1 on related parties.

#### 4.11. OTHER CURRENT LIABILITIES

As at 31 December 2023, the caption other current liabilities included the following:

Other current liabilities (Euro/000)	31 December 2023	31 December 2022
Directors and audit related payables	5,203	3,752
Amounts payable to employees and consultants	6,606	4,079
Employees taxation payables	1,890	1,158
Other current liabilities	3,920	7,857
Other current liabilities, intra-group	4,197	23,919
<b>Total</b>	<b>21,816</b>	<b>40,765</b>

As at 31 December 2023 the caption other current liabilities intra-group mainly included the amounts related to the VAT consolidation and as at 31 December 2022 also the amounts related to fiscal consolidation. For additional information please see note 8.1.

#### 4.12. EMPLOYEES PENSION FUND

As at 31 December 2023, the caption includes the employee pension fund as detailed in the following table:

Employees pension funds - movements (Euro/000)	31 December 2023	31 December 2022
Net recognized liability - opening	1,825	1,658
SPW Incorporation	0	0
Interest costs	75	10
Service costs	736	615
Payments	(213)	(435)
Actuarial (Gains)/Losses	(50)	(23)
<b>Net recognized liability - closing</b>	<b>2,373</b>	<b>1,825</b>

The actuarial valuation of employee termination benefits (TFR) is based on the Projected Unit Credit Cost method. Reported below are the main economic and demographic assumptions utilised for actuarial valuations.

Assumptions	
Discount rate	3.10%
Inflation rate	2.25%
Nominal rate of wage growth	2.25%
Labour turnover rate	19.60%
Probability of request of advances of TFR	4.40%
Percentage required in case of advance	70.00%
Life Table - Male	M2019 (*)
Life Table - Female	F2019 (*)

(\*) Table ISTAT - resident population

The following table shows the effect of variations, within reasonable limits, in key actuarial assumptions on defined benefit plan obligations at year end.

Sensitivity analysis (Euro/000)	Variation
Discount rate (+0.5%)	(50)
Discount rate (-0.5%)	52
Rate of payments Increases x (+0.5%)	0
Rate of payments Increases x (-0.5%)	(0)
Rate of Price Inflation Increases (+0.5%)	39
Rate of Price Inflation Decreases (-0.5%)	(38)
Rate of Salary Increases (+0.5%)	18
Rate of Salary Decreases (-0.5%)	(17)
Increase the retirement age (+1 year)	0
Decrease the retirement age (-1 year)	(1)
Increase longevity (+1 year)	(0)
Decrease longevity (-1 year)	0

#### 4.13 PROVISIONS NON-CURRENT

The item Provisions non-current amounting to EUR 9.266 thousand includes the provision made in 2022 for the possible repayment of the research and development tax credit referring to the years 2015-2019 by virtue of Resolution No. 41 of 26 July 2022, in which the Italian Revenue Agency revises its position on eligibility for the benefit.



#### 4.14. FINANCIAL LIABILITIES

Borrowings (Euro/000)	31 December 2023	31 December 2022
Short-term financial lease liabilities	934	1,146
Intra-group short-term borrowings	400,644	444,115
<b>Short-term borrowings</b>	<b>401,578</b>	<b>445,261</b>
Long-term financial lease liabilities	3,475	4,986
Intra-group long-term borrowings	250,000	50,000
<b>Long-term borrowings</b>	<b>253,475</b>	<b>54,986</b>
<b>Total</b>	<b>655,053</b>	<b>500,247</b>

Borrowings amounted to EUR 655,053 thousand (EUR 500,247 thousand in 2022) and mainly refer to the financial debt with Industries S.p.A. and with Sportswear Company S.p.A. and to the financial lease liabilities.

Financial lease liabilities are detailed in the following table:

Financial lease liabilities (Euro/000)	
Short-term financial lease liabilities	934
Long-term financial lease liabilities	3,475
<b>Total</b>	<b>4,409</b>

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

(Euro/000)	IFRS 16	Ex IAS17	Financial lease liabilities
1 January 2023	6,132	0	6,132
Acquisitions	(619)	0	(619)
Disposals	(1,188)	0	(1,188)
Financial expenses	84	0	84
Other movements, including transfers	0	0	0
<b>31 December 2023</b>	<b>4,409</b>	<b>0</b>	<b>4,409</b>

The following table show the breakdown of the long-term borrowings in accordance with their maturity date:

Ageing of the Long-term borrowings (Euro/000)	31 December 2023	31 December 2022
Within 2 years	636	1,074
From 2 to 5 years	251,665	51,958
Beyond 5 years	1,174	1,954
<b>Total</b>	<b>253,475</b>	<b>54,986</b>

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

Ageing of the lease liabilities not discounted (Euro/000)	31 December 2023	31 December 2022
Within 1 year	997	1,222
From 1 to 5 years	2,441	3,224
Beyond 5 years	1,193	2,009
<b>Total</b>	<b>4,631</b>	<b>6,455</b>

#### 4.15. TAX ASSETS AND LIABILITIES

Tax assets amount to EUR 5,365 thousand as at 31 December 2023 (not present as at 31 December 2022).

Tax liabilities amount to EUR 1,723 thousand as at 31 December 2023, net of current tax assets (EUR 42,656 thousand as at 31 December 2022). The balance pertains to IRES and IRAP payable.

#### 4.16. SHAREHOLDERS' EQUITY

As at 31 December 2023 the subscribed share capital constituted by 274,627,673 shares was fully paid and amounted to EUR 54,925,535 with a nominal value of EUR 0.20 per share.

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

As at 31 December 2023, 4,490,875, treasury shares were held, equal to 1.6% of the share capital, for a total value of EUR 173,321 thousand.

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

The change in retained earnings mainly relates to the allocation of 2022 result, the dividend distributions and the above-mentioned reclassification of the IFRS 2 reserve.

In 2023 the Company distributed dividends to the shareholders for an amount of EUR 302,525 thousand (EUR 303,443 thousand dividends paid in 2023) compared to EUR 161,288 thousand distributed in 2022 (EUR 160,960 thousand dividends paid in 2022).

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

The following table includes details about how the shareholders reserve should be used:

Information on reserves						
(Euro)	Amount	Possible use	Available amount	Non-available amount	Amounts used in the previous 3 years to hedge losses	Amounts used in the previous 3 years for other reason
Share capital	54,925,535	-	-	54,925,535	-	-
<i>Reserves:</i>						
Legal reserve	10,985,107	B	-	10,985,107	-	-
Share premium	745,308,990	A, B, C	745,308,990 (*)	-	-	-
OCI Reserve	(128,830)	-	-	(128,830)	-	-
Revaluation reserve	85,963	A, B	85,963	-	-	-
FTA Reserve	(19,585)	A, B, C	-	(19,585)	-	-
IFRS 2 Reserve	57,042,417	A, B, C	-	57,042,417	-	-
Retained earnings	334,653,447	A, B, C	334,524,617	128,830	-	282,562,848
<b>Total share capital and reserves</b>	<b>1,202,853,044</b>		<b>1,079,919,570</b>	<b>122,933,474</b>	<b>-</b>	<b>282,562,848</b>
Non distributable amount			35,677			
Distributable remaining amount			1,079,883,893			

Explanation: A share capital increase - B hedge of losses - C distribution to the shareholders

(\*) Share premium reserve entirely available after allocating to legal reserve up to 20% of the share capital

In view of the realignment of the Moncler trademark's tax value to the statutory value, as required by Law Decree 104/2020 (the so-called "August" Decree), art. 110, par. 8, the Retained earnings reserve has been appointed as deferred tax reserve for an amount equal to EUR 217,150,636.

The caption OCI ("Other Comprehensive Income") reserve includes the actuarial risks related to the employee pension fund.

Changes in that reserve are as follows:

Other comprehensive income  (Euro/000)	Employees pension fund - actuarial valuation			Fair value IRS		
	Value before tax effect	Tax effect	Value after tax effect	Value before tax effect	Tax effect	Value after tax effect
Reserve as at 1 January 2022	(239)	38	(201)	0	0	0
Reclassification to Other reserves	0	0	0	0	0	0
Changes in the period	23	0	23	0	0	0
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	0	0	0
Reserve as at 31 December 2022	(216)	38	(178)	0	0	0
Reserve as at 1 January 2023	(216)	38	(178)	0	0	0
Reclassification to Other reserves	0	0	0	0	0	0
Changes in the period	50	0	50	0	0	0
Translation differences of the period	0	0	0	0	0	0
Reversal in the income statement of the period	0	0	0	0	0	0
Reserve as at 31 December 2023	(166)	38	(128)	0	0	0

## 5. COMMITMENTS AND GUARANTEES GIVEN

### 5.1 COMMITMENTS

The Company does not have significant commitments arising from operating lease contract or other contractual cases that do not fall within the scope of IFRS 16.

### 5.2 GUARANTEES GIVEN

As at the date of the financial statements, the Company had no guarantees toward the Group companies nor third parties.

## 6. CONTINGENT LIABILITY

The Company is subject to risks which may arise during the performance of its ordinary activities. Based on information available to date, management believes that there currently are no contingent liabilities that need to be accrued in the financial statements.

## 7. INFORMATION ABOUT FINANCIAL RISKS

The Company's financial instruments include cash and cash equivalents, loans, receivables and trade payables and other current receivables and payables and non-current assets as well as derivatives.

The Company is mostly exposed to interest rate risk, liquidity risk and capital risk.

## Market risk

### *Exchange rate risk*

The Company operated mostly with companies in euros and, as such, the exposure to exchange rate risk is limited. As at 31 December 2023, a small portion of the Company's assets and liabilities (i.e. trade receivables and payables) were denominated in a currency different from its functional currency.

### *Interest rate risk*

The Company's exposure to interest rate risk during 2023 is connected mostly to changes in interest rates relate to outstanding loans.

As at 31 December 2023 the Company had no bank loans and therefore there were no interest rate hedges, consequently any changes in interest rates at the year-end date would not have significant effects on the result of the year.

The Company is not exposed to changes in currency interest rates.

## Credit risk

The Company has no significant concentrations of credit risk with companies that are not part of the Group. The maximum exposure to credit risk is represented by the amount reported in the financial statements.

As far as the credit risk arising from other financial assets (including cash, short-term bank deposits and some financial derivative instruments) is concerned, the credit risk for the Company arises from default of the counterparty with a maximum exposure equal to the carrying amount of financial assets recorded in the financial statements.

## Liquidity risk

Liquidity risk arises from the ability to obtain financial resources at a sustainable cost in order for the Group to conduct its daily business operations. The factors that influence this risk are related to the resources generated/absorbed by operating activities, by investing and financing activities and by availability of funds in the financial market.

Management believes that the financial resources available today, along with those that are generated by the current operations will enable the Company to achieve its objectives and to meet its investment needs and the repayment of its debt at the agreed upon maturity date.

## Operating and capital management risks

In the management of operating risk, the Company's main objective is to manage the risks associated with the development of business in foreign markets that are subject to specific laws and regulations.

The Group has implemented guidelines in the following areas:

- appropriate level of segregation of duties;
- reconciliation and constant monitoring of significant transactions;
- documentation of controls and procedures;
- technical and professional training of employees;

- periodic assessment of corporate risks and identification of corrective actions.

As far as the capital management risk is concerned, the Company's objectives are aimed at the going concern issue in order to ensure a fair economic return to shareholders and other stakeholders while maintaining a good rating in the capital debt market. The Company manages its capital structure and makes adjustments in line with changes in general economic conditions and with the strategic objectives.

## 8. OTHER INFORMATION

### 8.1 RELATED-PARTY TRANSACTIONS

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

The "Related-party procedure" is available on the Company's website ([www.monclergroup.com](http://www.monclergroup.com), under "Governance/Corporate documents").

Transactions with subsidiaries are of a commercial nature and are conducted at market conditions similar to those conducted with third parties and are detailed as follows:

Intercompany balances (Euro/000)	31 December 2023		
	Receivables	Payables	Net value
Industries S.p.A.	177,980	(602,919)	(424,939)
Sportswear Company S.p.A.	11,740	(51,527)	(39,787)
Stone Island Retail S.r.l.	450	0	450
Stone Island Distribution S.r.l.	2,494	(4,084)	(1,590)
Other Group companies	58	(628)	(570)
<b>Total</b>	<b>192,722</b>	<b>(659,158)</b>	<b>(466,436)</b>

Intercompany transactions (Euro/000)	2023		Net value
	Revenues	Expenses/Other revenues net	
Industries S.p.A.	403,713	(25,625)	378,088
Sportswear Company S.p.A.	65,597	(2,950)	62,647
Other Group companies	0	(777)	(777)
<b>Total</b>	<b>469,310</b>	<b>(29,352)</b>	<b>439,958</b>

Moncler S.p.A. granted to the subsidiary Industries S.p.A. a license to use the Moncler brand and to the subsidiary Sportswear Company S.p.A. a license to use the Stone Island brand. Based on the license agreements, the Company is remunerated through payments of royalties.

The total amount of royalties for fiscal year 2023 amounted to EUR 469.3 million (EUR 414.5 million in 2022).

Please note that Moncler S.p.A. is part of the Group's fiscal and VAT consolidation and is responsible with Industries S.p.A., Sportswear Company S.p.A., Stone Island Retail S.r.l. and Stone Island Distribution S.r.l. for taxes payable and the related interests.

Compensation paid to the members of the Board of Directors in 2023 are EUR 8,917 thousand (EUR 7,380 thousand in 2022).

Compensation paid to the members of the Board of Auditors in 2023 are EUR 183 thousand (EUR 142 in 2022).

In 2023 the costs relating to Performance Shares (described in note 8.2) referring to members of the Board of Directors amount to EUR 9,032 thousand (EUR 5,083 thousand in 2022).

There are no other related-party transactions.

The following tables summarise the afore-mentioned related-party transactions that took place during 2023 and the prior year:

(Euro/000)	Type of relationship	Note	31 December 2023	%	31 December 2022	%
Industries S.p.A.	Trade transactions	c	403,713	85.3%	350,291	83.7%
Industries S.p.A.	Trade transactions	b	(4,002)	2.2%	(3,261)	2.3%
Industries S.p.A.	Interest income	d	578	82.6%	5	100.0%
Industries S.p.A.	Interest expense	a	(22,201)	89.2%	(3,572)	81.3%
Other Group companies	Trade transactions	b	(779)	0.4%	(371)	0.3%
Other Group companies	Interest income	d	2	0.3%	0	0.0%
Sportswear Company S.p.A.	Trade transactions	c	65,597	13.9%	64,181	15.3%
Sportswear Company S.p.A.	Trade transactions	b	(1,082)	0.6%	(4,832)	3.4%
Sportswear Company S.p.A.	Interest income	d	102	14.6%	0	0.0%
Sportswear Company S.p.A.	Interest expense	a	(1,970)	7.9%	0	0.0%
Directors and board of statutory auditors	Labour services	b	(9,100)	5.1%	(7,522)	5.3%
Directors	Labour services	b	(9,032)	5.1%	(5,083)	3.6%
<b>Total</b>			<b>421,826</b>		<b>389,836</b>	

a- % calculated based on total financial costs

b- % calculated on operating costs

c- % calculated on revenues

d- % calculated based on total financial income

(Euro/000)	Type of relationship	Note	31 December 2023	%	31 December 2022	%
Industries S.p.A.	Trade payables	b	(2,272)	5.3%	(4,323)	8.9%
Industries S.p.A.	Financial debt	a	(600,647)	91.7%	(445,345)	89.0%
Industries S.p.A.	Financial receivables	f	53,525	100.0%	0	0.0%
Industries S.p.A.	Debt from fiscal consolidation	d	0	0.0%	(14,036)	34.4%
Industries S.p.A.	Credit from fiscal consolidation	e	3,102	7.2%	0	0.0%
Industries S.p.A.	Trade receivables	c	88,690	90.2%	91,922	80.9%
Industries S.p.A.	Credit from fiscal consolidation	e	32,663	75.9%	24,005	80.4%
Sportswear Company S.p.A.	Financial receivables	f	0	0.0%	0	0.0%
Sportswear Company S.p.A.	Trade receivables	c	8,021	8.2%	19,713	17.4%
Sportswear Company S.p.A.	Trade payables	b	(1,417)	3.3%	(2,625)	5.4%
Sportswear Company S.p.A.	Financial debt	a	(49,997)	7.6%	(48,770)	9.7%
Sportswear Company S.p.A.	Credit from fiscal consolidation	e	3,719	8.6%	0	0.0%
Sportswear Company S.p.A.	Debt from fiscal consolidation	d	0	0.0%	(9,883)	24.2%
Sportswear Company S.p.A.	Debt from VAT consolidation	d	(113)	0.5%	0	0.0%
Sportswear Company S.p.A.	Credit from VAT consolidation	e	0	0.0%	2,932	9.8%
Stone Island Retail S.r.l.	Trade receivables	c	3	0.0%	1	0.0%
Stone Island Retail S.r.l.	Financial receivables	f	0	0.0%	160	100.0%
Stone Island Retail S.r.l.	Credit from VAT consolidation	e	283	0.7%	0	0.0%
Stone Island Retail S.r.l.	Credit from fiscal consolidation	e	164	0.4%	360	1.2%
Stone Island Retail S.r.l.	Debt from fiscal consolidation	d	0	0.0%	216	-0.5%
Stone Island Distribution S.r.l.	Credit from fiscal consolidation	e	2,494	5.8%	488	1.6%
Stone Island Distribution S.r.l.	Debt from VAT consolidation	d	(4,084)	18.7%	0	0.0%
Other Group companies	Trade receivables	c	58	0.1%	53	0.0%
Other Group companies	Trade payables	b	(628)	1.5%	(328)	0.7%
Directors and board of statutory auditors	Other current liabilities	d	(5,203)	23.8%	(3,752)	9.2%
<b>Total</b>			<b>(471,639)</b>		<b>(389,212)</b>	

a effect in % based on total financial debt

b effect in % based on trade payables

c effect in % based on trade receivables

d effect in % based on other current liabilities

e effect in % based on other current assets

f effect in % based on total financial receivables



The following tables summarise the weight of related-party transactions on the financial statements as at and for the years ended 31 December 2023 and 2022:

(Euro/000)	31 December 2023									
	Revenues	Operating expenses	Financial expenses	Financial income	Trade receivables	Other current assets	Trade payables	Other payables, current	Total financial debt	Total financial receivables
Total related parties	469,310	(23,995)	(24,171)	682	96,772	42,425	(4,317)	(9,400)	(650,644)	53,525
Total financial statement	473,022	(178,424)	(24,878)	700	98,308	43,035	(42,479)	(21,816)	(655,053)	53,525
Weight %	99.2%	13.4%	97.2%	97.4%	98.4%	98.6%	10.2%	43.1%	99.3%	100.0%

(Euro/000)	31 December 2022									
	Revenues	Operating expenses	Financial expenses	Financial income	Trade receivables	Other current assets	Trade payables	Other payables, current	Total financial debt	Total financial receivables
Total related parties	414,472	(21,069)	(3,572)	5	111,689	27,785	(7,276)	(27,455)	(494,115)	160
Total financial statement	418,707	(141,225)	(4,396)	5	113,599	29,850	(48,413)	(40,765)	(500,246)	160
Weight %	99.0%	14.9%	81.3%	100.0%	98.3%	93.1%	15.0%	67.3%	98.8%	100.0%

## 8.2 STOCK-BASED COMPENSATION PLANS

The Financial Statements at 31 December 2023 reflects the values of the Performance Shares Plan approved in 2020 and 2022.

The costs related to stock-based compensation plans are equal to EUR 15,887 thousand in the 2023, compared with EUR 10,891 thousand in 2022.

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

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

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

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

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

As regards the first allocation cycle:

- The 3-year vesting period ended with the approval of the Draft Financial Statements as at December 31, 2022.
- The performance targets were met, together with the over-performance condition. Therefore, No. 1,312,424 shares (including No. 218,738 shares deriving from over-performance) were

assigned to the beneficiaries through a share capital increase (No. 944,833 shares) and the allocation of treasury shares (No. 367,541 shares).

As at 31 December 2023 there are still in circulation 391,368 rights related to the second cycle of attribution. With reference to Moncler S.p.A., as at 31 December 2023 there are still in circulation 230,812 rights related to the second cycle of attribution. The effect on the income statement on the year 2023 amount to EUR 5,459 thousand.

There are no rights in circulation related to the first cycle of attribution, which effect on the income statement in 2023 amounts to Euro 650 thousand.

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

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

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

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

The Plan provides for a maximum of 3 cycles of attribution; as regards the first attribution cycle, on 4 may 2022 the Board of Directors resolved the granting of 971,169 Moncler Rights. On 4 may 2023, putting into effect the second cycle of attribution, the Moncler Board of Directors approved the assignation of a maximum number of Moncler Rights of 436,349.

As at 31 December 2023 there are still in circulation 885,327 rights related to the first cycle of attribution and 404,202 rights related to the second cycle of attribution. With reference to Moncler S.p.A. as at 31 December 2023 there are still in circulation 329,886 rights related to the first cycle of attribution and 106,647 rights related to the second cycle of attribution.

The effect on the income statement in 2023 amounted to Euro 9,574 thousand.

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](http://www.monclergroup.com), in the "Governance/Shareholders' Meeting" section.

### 8.3 SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

It should be noted that in the Group, during the 2023, there were no significant non-recurring events and transactions.

### 8.4 ATYPICAL AND/OR UNUSUAL TRANSACTIONS

It should be noted that during 2023 the Company did not enter into any atypical and/or unusual transactions.

## 8.5 FINANCIAL INSTRUMENTS

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

(Euro/000)				
31 December 2023	Current	Non-current	Fair value	Level
Financial assets measured at fair value				
Interest rate swap used for hedging	-	-	-	
Forward exchange contracts used for hedging	-	-	-	2
Sub-total	-	-	-	
Financial assets not measured at fair value				
Trade and other receivables (*)	98,308	-		
Cash and cash equivalents (*)	964	-		
Financial receivables (*)	53,525			
Sub-total	152,797	-	-	
<b>Total</b>	<b>152,797</b>	<b>-</b>	<b>-</b>	

(Euro/000)				
31 December 2022	Current	Non-current	Fair value	Level
Financial assets measured at fair value				
Interest rate swap used for hedging	-	-	-	
Forward exchange contracts used for hedging	-	-	-	
Sub-total	-	-	-	
Financial assets not measured at fair value				
Trade and other receivables (*)	113,599	148		
Cash and cash equivalents (*)	12,966	-		
Financial receivables (*)	160			
Sub-total	126,725	148	-	
<b>Total</b>	<b>126,725</b>	<b>148</b>	<b>-</b>	

(Euro/000)				
31 December 2023	Current	Non-current	Fair value	Level
Financial liabilities measured at fair value				
Interest rate swap used for hedging	-	-	-	2
Forward exchange contracts used for hedging	-	-	-	2
Other financial liabilities	-	-	-	3
Sub-total	-	-	-	
Financial liabilities not measured at fair value				
Trade and other payables (*)	(46,398)	-		
Financial payables (*)	(400,644)	(250,000)		
Bank overdrafts (*)	-	-		
Short-term bank loans (*)	-	-		
Bank loans (*)	-	-		
IFRS 16 financial loans (*)	(934)	(3,475)		
Sub-total	(447,976)	(253,475)	-	
<b>Total</b>	<b>(447,976)</b>	<b>(253,475)</b>	<b>-</b>	

(Euro/000)				
31 December 2022	Current	Non-current	Fair value	Level
<b>Financial liabilities measured at fair value</b>				
Interest rate swap used for hedging	-	-	-	2
Forward exchange contracts used for hedging	-	-	-	2
Other financial liabilities	-	-	-	3
Sub-total	-	-	-	
<b>Financial liabilities not measured at fair value</b>				
Trade and other payables (*)	(56,270)	-		
Financial payables (*)	(444,115)	(50,000)		
Bank overdrafts (*)	-	-		
Short-term bank loans (*)	-	-		
Bank loans (*)	-	-		
IFRS 16 financial loans (*)	(1,146)	(4,986)		
Sub-total	(501,531)	(54,986)	-	
<b>Total</b>	<b>(501,531)</b>	<b>(54,986)</b>	<b>-</b>	

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

## 8.6 FEES PAID TO INDEPENDENT AUDITORS

Fees paid to independent auditors are summarised below:

<b>Audit and attestation services</b>		
(Euro)	Entity that has provided the service	Fees 2023
Audit	Deloitte & Touche S.p.A.	269,455
	Network Deloitte & Touche S.p.A.	0
Attestation services	Deloitte & Touche S.p.A.	102,000
	Network Deloitte & Touche S.p.A.	0
Other services	Deloitte & Touche S.p.A.	0
	Network Deloitte & Touche S.p.A.	0
<b>Total</b>		<b>371,455</b>

## 8.7 DISCLOSURE PURSUANT TO ITALIAN LAW N. 124/2017

Pursuant to the requirements of Law no. 124/2017, in 2023 the company Moncler S.p.A. benefited from the tax credit relating to research and development of EUR 1,827, the art bonus credit for EUR 26 thousand and the advertising bonus for EUR 33 thousand.

For the purposes of the above requirements and with regard to any other grants received falling among the cases provided for, reference is also made to the specific Italian national register, which can be consulted by the public.

## 9. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after the reporting date.

## 10. MOTION TO APPROVE THE FINANCIAL STATEMENTS AND THE ALLOCATION OF THE RESULT FOR THE YEAR ENDED 31 DECEMBER 2023

In conclusion to these explanatory notes, we invite you to approve the Moncler S.p.A.'s separate financial statements.

We propose that you resolve to distribute a gross dividend of EUR 1.15 per ordinary share based on the 2023 profit of Moncler S.p.A., which amounts to EUR 195,734,596 and on the retained earnings reserve.

The total amount to be distributed as a dividend, having taken into consideration the number of shares as of today, net of the shares which are directly owned by the Company, is equal to EUR 310.7 million<sup>4</sup>.

\*\*\*

The financial statements, comprised of the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and explanatory notes to the financial statements give a true and fair view of the financial position and the results of operations and cash flows and corresponds to the Company's accounting records.

On behalf of the Board of Directors

Remo Ruffini

Chairman and Chief Executive Officer

---

<sup>4</sup> Subject to change due to the possible use and/or purchase of treasury shares.

## ATTESTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ART. 154 BIS OF LEGISLATIVE DECREE NO. 58/98

1. The undersigned, Remo Ruffini, in his capacity as the Chief Executive Officer of the Company, and Luciano Santel, as the executive officer responsible for the preparation of Moncler S.p.A.'s financial statements, pursuant to the provisions of Article 154-bis, clauses 3 and 4, of Legislative Decree no. 58 of 1998, hereby attest:

- the adequacy with respect to the Company structure
- and the effective application

of the administrative and accounting procedures applied in the preparation of the Company's consolidated financial statements at 31 December 2023.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the consolidated financial statements at 31 December 2023 was based on a process defined by Moncler S.p.A. in accordance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, an internationally-accepted reference framework.

3. The undersigned moreover attest that:

3.1 the consolidated financial statements:

- a) have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Council, dated 19 July 2002
- b) correspond to the amounts shown in the Company's accounts, books and records; and
- c) provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company and its consolidated subsidiaries as of 31 December 2023 and for the year then ended.

3.2 the director's report includes a reliable operating and financial review of the Company and of the Group as well as a description of the main risks and uncertainties to which they are exposed.

28 February 2024

CHAIRMAN OF THE BOARD OF  
DIRECTORS AND CHIEF EXECUTIVE  
OFFICER

Remo Ruffini

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

Luciano Santel

**INDEPENDENT AUDITOR'S REPORT  
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010  
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of  
Moncler S.p.A.**

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Opinion**

We have audited the consolidated financial statements of Moncler S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Abc S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Impairment test on the brand and the goodwill related to Stone Island CGU****Description of the key audit matter**

The consolidated financial statements of the Group as at December 31, 2023 show “Brands and other intangible assets – net” equal to Euro 1,096 million and “Goodwill” equal to Euro 603 million. These captions include the brand and goodwill allocated to the Stone Island cash generating unit (“CGU”) for the Euro 775 million and Euro 448 million respectively. These assets are considered to be intangibles of the indefinite useful life and are therefore not amortized; nevertheless, as required by the International Accounting Standard “IAS36 impairment of assets”, those are tested for impairment at least annually comparing the recoverable amount of the CGU - determined according to the value in use methodology - and the book value of its net invested capital, which includes the above mentioned brand and goodwill among fixed assets.

Management evaluation process is articulated and is based on assumptions regarding, among other things, forecasting CGU’s expected cash flows and determining an appropriate discount rate (WACC) and long-term growth rate (g-rate). These assumptions are influenced by future expectations about the Stone Island business and market conditions.

In light of the magnitude of the goodwill and brand value recorded in the consolidated financial statements pertaining to the Stone Island CGU, the level of judgement involved in the estimates pertaining to the determination of CGU future cashflows and the key parameters of the impairment model, we considered the impairment test a key audit matter of the consolidated financial statements.

Note 5.2 of the consolidated financial statements provides information on the tests carried out in respect of intangible assets, including a sensitivity analysis which illustrates the effects of changes in key parameters used for the impairment test.

**Audit procedures performed**

We have examined how management determined the CGU’s value in use, analyzing methods and assumptions used in developing the impairment test.

As part of our audit, we have, among others, carried out the following procedures, also with the support of experts:

- detection and understanding of the process adopted by Moncler Group in executing the impairment test;
- analysis of the reasonableness of main assumptions adopted in forecasting cashflows also with analysis of sector data and information obtained from management;
- comparison of actual results with original plans in order to assess the nature of deviations and the reliability of the planning process;



- assessment of the reasonableness of the discount rate (WACC) and long-term growth rate (g-rate);
- verification of the clerical accuracy of the model used to determine the CGU's value in use;
- verification of the correct determination of the CGU's carrying amount;
- verification of the sensitivity analysis prepared by management.

We have also examined the adequacy and compliance of the disclosure provided by the Group on the impairment test with respect to IAS 36 provisions.

### **Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements**

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

**Other information communicated pursuant to art. 10 of the EU Regulation 537/2014**

The Shareholders' Meeting of Moncler S.p.A. has appointed us on April 22, 2021 as auditors of the Company for the years from December 31, 2022 to December 31, 2030.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS****Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815**

The Directors of Moncler S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the “Delegated Regulation”) to the consolidated financial statements as at December 31, 2023, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2023 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information contained in the explanatory notes to the consolidated financial statements, when extracted from XHTML format in an XBRL instance, may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

**Opinion pursuant to art. 14 paragraph 2 (e) of Legislative Decree 39/10 and art. 123-bis, paragraph 4, of Legislative Decree 58/98**

The Directors of Moncler S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of Moncler Group as at December 31, 2023, including their consistency with the related consolidated financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations and some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98, with the consolidated financial statements of Moncler Group as at December 31, 2023 and on their compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned report on operations and some specific information contained in the report on corporate governance and the ownership structure are consistent with the consolidated financial statements of Moncler Group as at December 31, 2023 and are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

**Statement pursuant to art. 4 of the Consob Regulation for the implementation of Legislative Decree 30 December 2016, no. 254**

The Directors of Moncler S.p.A. are responsible for the preparation of the non-financial statement pursuant to Legislative Decree 30 December 2016, no. 254.

We verified the approval by the Directors of the non-financial statement.

Pursuant to art. 3, paragraph 10 of Legislative Decree 30 December 2016, no. 254, this statement is subject of a separate attestation issued by us.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Barbara Moscardi**  
Partner

Treviso, Italy  
March 25, 2024

*As disclosed by the Directors, the accompanying consolidated financial statements of Moncler S.p.A. constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

## ATTESTATION OF THE SEPARATE FINANCIAL STATEMENTS PURSUANT TO ART. 154 BIS OF LEGISLATIVE DECREE NO. 58/98

1. The undersigned, Remo Ruffini, in his capacity as the Chief Executive Officer of the Company, and Luciano Santel, as the executive officer responsible for the preparation of Moncler S.p.A.'s financial statements, pursuant to the provisions of Article 154-bis, clauses 3 and 4, of Legislative Decree no. 58 of 1998, hereby attest:

- the adequacy with respect to the Company structure
- and the effective application

of the administrative and accounting procedures applied in the preparation of the Company's separate financial statements at 31 December 2023.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the separate financial statements at 31 December 2023 was based on a process defined by Moncler S.p.A. in accordance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, an internationally-accepted reference framework.

3. The undersigned moreover attest that:

3.1 the separate financial statements:

- a) have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Council, dated 19 July 2002
- b) correspond to the amounts shown in the Company's accounts, books and records; and
- c) provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company as of 31 December 2023 and for the year then ended.

3.2 the director's report includes a reliable operating and financial review of the Company, as well as a description of the main risks and uncertainties to which they are exposed.

28 February 2024

CHAIRMAN OF THE BOARD OF  
DIRECTORS AND CHIEF EXECUTIVE  
OFFICER

Remo Ruffini

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

Luciano Santel

**INDEPENDENT AUDITOR'S REPORT  
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010  
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of  
Moncler S.p.A.**

**REPORT ON THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS**

**Opinion**

We have audited the separate financial statements of Moncler S.p.A. (the "Company"), which comprise the statement of financial position as at December 31, 2023, statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Impairment test on the Stone Island brand****Description of the key audit matter**

In the separate financial statements as at December 31, 2023, the caption "Brands and other intangibles assets – net" includes for the Euro 775 million the value assigned to the Stone Island brand (hereinafter referred to as the "Brand") contributed by Sportswear Company S.p.A. to the Company following the demerger enacted at the end of 2021.

Such Brand, being an intangible asset with an indefinite useful life, is not amortized but, as provided by International Accounting Standard "IAS 36 Impairment of assets", is tested for impairment at least annually comparing its carrying amount with the recoverable value, determined as value in use using the discounted cash flows method, estimated through the application of the so-called *royalty relief method*.

Management evaluation process is articulated and is based on assumptions regarding, among other things, forecasting the Brand's expected cash flows and determining an appropriate discount rate (WACC) and long-term growth rate (g-rate). These assumptions are influenced by the expectations on future sales performance, which is the basis of the calculation, and by market conditions.

In light of the magnitude of the value included in the separate financial statements, the subjectivity of the estimates for the determination of the Brand cash flows as well as key variables of the impairment model, we considered the impairment test a key audit matter of the Company's separate financial statements.

Note 4.2 of the separate financial statements provides the information on the test carried out, including a sensitivity analysis which illustrates the effects of changes in the key parameters used for the impairment test.

**Audit procedures performed**

We have examined how management determined the Brand value in use, analyzing methods and assumptions used in developing the impairment test.

As part of our audit, we have, among others, carried out the following procedures, also with the support of experts:

- detection and understanding of the process adopted by the Company in executing the impairment test;
- analysis of the reasonableness of the main assumptions adopted in forecasting cash flows also with analysis of sector data and with information obtained from management;
- comparison of actual results with original plans in order to assess the nature of deviations and the reliability of the planning process;
- assessment of the reasonableness of the discount rate (WACC) and long-term growth rate (g-rate);

- verification of the clerical accuracy of the model used to determine the value in use of the Brand;
- verification of the sensitivity analysis prepared by management.

We have also examined the adequacy and compliance of the disclosure provided by the Company on the impairment test with respect to IAS 36 provisions.

### **Responsibilities of the Directors and the Board of Statutory Auditors for the Separate Financial Statements**

The Directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or for the termination of the operations or have no realistic alternative to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

#### **Other information communicated pursuant to art. 10 of the EU Regulation 537/2014**

The Shareholders' Meeting of Moncler S.p.A. has appointed us on April 22, 2021 as auditors of the Company for the years from December 31, 2022 to December 31, 2030.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the separate financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS****Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815**

The Directors of Moncler S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the “Delegated Regulation”) to the separate financial statements as at December 31, 2023, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the separate financial statements with the provisions of the Delegated Regulation.

In our opinion, the separate financial statements as at December 31, 2023 have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

**Opinion pursuant to art. 14, paragraph 2 (e), of Legislative Decree 39/10 and art. 123-bis, paragraph 4, of Legislative Decree 58/98**

The Directors of Moncler S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and ownership structure of Moncler S.p.A. as at December 31, 2023, including their consistency with the related separate financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations and some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the separate financial statements of Moncler S.p.A. as at December 31, 2023 and on their compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned report on operations and information contained in the report on corporate governance and ownership structure are consistent with the separate financial statements of Moncler S.p.A. as at December 31, 2023 and are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Barbara Moscardi**  
Partner

Treviso, Italy  
March 25, 2024

*As disclosed by the Directors, the accompanying separate financial statements of Moncler S.p.A. constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

**MONCLER S.p.A.**

**Head office at Via Stendhal 47, Milan**

**Companies Register of Milan registration number and Tax Identification**

**04642290961**

**Economic Administrative Index 1763158**

**\* \* \***

**REPORT OF THE BOARD OF STATUTORY AUDITORS**

**TO THE SHAREHOLDERS' MEETING**

In accordance with Article 153 of Legislative Decree No. 58 of 24 February 1998

Shareholders,

This report, which was prepared in accordance with Article 153 of Legislative Decree 58/1998 (the “Finance Consolidation Act” or “TUF”) relates to the activities of the Board of Statutory Auditors (the “Board”) of Moncler S.p.A. (hereinafter “Moncler” and also the “Company”) for the year ending 31 December 2023. The Board of Statutory Auditors, in its current composition, was appointed by the Shareholders' Meeting of 18 April 2023 and will remain in office until the approval of the financial statements as at 31 December 2025.

During the 2023 financial year, the Board of Statutory Auditors performed its duties in accordance with the Italian Civil Code, Legislative Decree 58/1998 (TUF), the guidelines issued by Consob in its communication No. 1025564 of 6 April 2001 as amended, Legislative Decree 39/2010 (the decree enacting Directive 2006/43/EC on the legal auditing of annual and consolidated financial reports, as amended by Directive 2014/56/EU) as amended, the statutory provisions and the provisions issued by the Supervisory Authorities. It also took into account the Corporate Governance Code for listed companies published in 2020 by the Corporate Governance Committee, compliance with which was confirmed by the Company (the “Code of Corporate Governance”), as well as the rules of conduct for the board of statutory auditors of listed companies laid down by the Italian National Council of Accountants and Tax Consultants, most recently updated in December 2023 (the “Rules of Conduct”).

The Board of Statutory Auditors also complied with the regulations applicable to entities of public interest (Article 16 of Legislative Decree 39/2010) such as Moncler as a publicly listed company, in its capacity as the “Committee for Internal Control and Accounts Auditing” by performing additional specific control and monitoring duties with regard to financial reporting and legal auditing, as

provided for in Article 19 of Legislative Decree 39/2010 as amended by Legislative Decree 135/2016, and with regard to non-financial reporting pursuant to Legislative Decree 254/2016 as amended.

The Board of Statutory Auditors now reports on its activities in 2023. The relevant information is provided below in accordance with the applicable provisions.

## **1. Activities of the Board of Statutory Auditors during the year ending 31 December 2023** (*point 10 of Consob Communication No. 1025564/01*)

The Board of Statutory Auditors performed its activities by holding 10 meetings during the 2023 financial year.

The Board also attended 7 meetings of the Board of Directors, and was present, either through all of its members or through its chairman and/or another auditor:

- at 6 meetings of the Control, Risks and Sustainability Committee;
- at 7 meetings of the Appointments and Remuneration Committee (CNR);
- at 1 meetings of the Related Parties Committee.

As part of its control activity the Board, among other things:

- oversaw compliance with laws, the company bylaws and industry regulations;
- oversaw compliance with the principles of sound administration;
- oversaw the adequacy of the Company's organisational structure for the aspects within its capacities, the internal control and administrative-accounting system, as well as the reliability of the latter in reporting operations accurately;
- in accordance with Article 149, paragraph 1 c-bis) of the T.U.F., oversaw the methods to implement the Corporate Governance Code;
- checked that the criteria and verification procedures used by the Board to assess the independence requirements for directors have been properly applied;
- checked that the Board of directors' policy on related-party transactions conformed to the principles of Consob resolution No. 17221 of 12 March 2010 as amended, and oversaw compliance with the policy;
- oversaw the adoption of remuneration policies that are subject to approval by the shareholders' meeting;

Furthermore, the Board of Statutory Auditors:

- met with the Supervisory Body set up in accordance with Legislative Decree 231/2001, for the purposes of exchanging information;
- held meetings and exchanged information with the supervisory bodies of the main subsidiaries;

- held meetings and obtained information – also by attending the meetings of the Control, Risks and Sustainability Committee – from the Financial Reporting Officer, and from the Head of Internal Audit and the heads of other company departments involved from time to time in the Board’s supervisory activities;
- in the context of the relations between the supervisory body and auditor (Article 150, third paragraph of the TUF) and in the light of the Board of Statutory Auditors’ powers as the Internal Control and Accounts Auditing Committee (Article 19 of Legislative Decree 39/2010), held periodic meetings with the appointed auditors, Deloitte&Touche S.p.A. (“DT”), to exchange information and data relevant to their respective duties.

## **2. Transactions of major financial significance. Other notable events** *(point 1 of Consob Communication No. 1025564/01)*

### *2.1 Activities of the Board*

The Board of Statutory Auditors oversaw the Company’s compliance with the law, the company bylaws and the principles of sound administration, with particular reference to operations that were significant in terms of profit or loss, financial aspects or equity, by regularly attending the meetings of the Board of Directors and by examining the documents provided.

In this regard, the Board of Statutory Auditors received information from the Managing Directors and the Board of directors on the activities carried out and on the most significant economic, financial and asset operations resolved and implemented by the Company, including through directly or indirectly controlled companies; that information is represented in detail in the Directors’ Report, to which please refer.

On the basis of the information made available to the Board, it can reasonably be considered that these operations were carried out in accordance with the law and the company bylaws, and that they were not manifestly imprudent, reckless nor did they conflict with the resolutions passed by the shareholders’ meeting, nor would they compromise the integrity of the Company’s assets.

### *2.2 Significant events*

Information about the significant events involving the Company and the Group in 2023 is contained in the Annual Report and Consolidated Financial Statements for 2023. These events include, in particular:

- (i) on 31 March 2023, Moncler acquired an interest in Moncler Korea Inc. of 9.99% of its share capital, for an outlay of Euro 10.8 million. The interest was acquired from the Korean shareholder (Shinsegae International Inc.) through Moncler's subsidiary Industries S.p.A. As a result of the acquisition, Moncler now holds the entire share capital of Moncler Korea Inc. through Industries S.p.A;
- (ii) On 3 May 2023, Robert Triefus was appointed Chief Executive Officer of Sportswear Company S.p.A. (licensee of the Stone Island trademark) effective 1 June 2023;
- (iii) on 4 May 2023, the Board of Directors of Moncler implemented the second allocation cycle of the *stock grant* plan called "*Performance Shares 2022 Plan*", approved by the Shareholders' Meeting of 21 April 2022, after obtaining the favourable opinion of the Nomination and Remuneration Committee, and approved the allocation of a maximum number of 436,349 shares;
- (iv) In November 2023, Essilor Luxottica and Moncler announced the signing of an exclusive licensing agreement covering the design, production and global distribution of Moncler eyewear. The agreement is effective from January 2024 until December 2028, with an automatic renewal option for a further five years.

### **3. Related-party and intragroup transactions. Atypical and/or unusual operations** (*points 2 and 3 of Consob Communication No. 1025564/01*)

As required by Consob Regulation 17221/2010 as amended and by Article 2391-*bis* of the Italian Civil Code, the Company has a "*Related Parties Procedure*", which was last updated on 14 June 2021 to take into account the changes made to Consob Regulation 17221/2010 by Consob Deliberation No. 21624 of 10 December 2020 (effective from 1 July 2021).

The Board of Statutory Auditors considers that the procedure meets the requirements of Consob Regulation 17221/2010 in its current form: during the year the Board oversaw the Company's compliance with these procedures.

The Annual Report, which includes the Directors' Report, the Consolidated Financial Statements and the 2023 Separate Financial Statements of Moncler, contains information about the income-related and equity effects of related-party transactions and also describes the main relationships.

In 2023, no operations classified as "major" under the Related Parties Procedure were brought to the attention of the Related Parties Committee. Conversely, a

transaction classifiable as 'minor' was submitted to the Related Parties Committee. In this regard, the Board of Statutory Auditors, in accordance with Article 4, paragraph 6 of Consob Related Parties Regulation, oversaw compliance with the Related Parties Procedure, by monitoring the process that led to the Related Parties Committee's opinion issued pursuant to Article 7 of Consob Related Parties Regulation.

No related-party transactions were executed on an urgent basis.

The Board judged as adequate the information given by the Board of Directors in the 2023 Annual Report of the Company in relation to intragroup and related party transactions.

As far as we are aware, during the financial year 2023 no atypical and/or unusual operations were carried out.

**4. Oversight of the adequacy of the organisational structure Organisational structure of the Company and Group, relations with subsidiaries** *(points 12 and 15 of Consob Communication No. 1025564/01)*

The Board of Statutory Auditors gained knowledge on and oversaw, within the scope of its capacities, the adequacy of the Company's organisational structure through information obtained from the Board of Directors, the Managing Director and the heads of corporate functions, as well as during meetings with the Boards of Statutory Auditors of the subsidiaries.

The organisational structure of the Company and of the Group, and the related developments have been described in detail in the Report on Corporate Governance and Ownership.

The Company's organisational structure includes the duties and responsibilities of the Company's functions, the hierarchical and functional relations between them, and the coordination arrangements.

The Board of Statutory Auditors oversaw the overall adequacy of the organisational structure of the Company and of the Group and also monitored the process for the setting and granting of authorities.



Within the scope of its supervisory activity, the Board of Statutory Auditors further met with the Supervisory Body, which was set up pursuant to Legislative Decree 231/2001 and whose task is to oversee the functioning and observance of the 231 Model adopted in accordance with Legislative Decree 39/2010 and of the Code of Ethics. It also obtained information about the organisational and procedural activities carried out pursuant to Legislative Decree 231/2001.

The Board oversaw the adequacy of the instructions given by the Company to its subsidiaries pursuant to Article 114 paragraph 2 TUIF, in order to duly obtain the information required to fulfil the disclosure obligations provided for by law and by Regulation (EU) No. 596/2014. In addition, in accordance with Article 151 T.U.F., the Board of Statutory Auditors exchanged information through specific meetings with the members of the Boards of Statutory Auditors of some of the main subsidiaries on, inter alia, company operations and the adequacy of the organisational structure. On 25 March 2024, the Board of Statutory Auditors obtained the Report to the Financial Statements prepared by the control body of the subsidiary Industries S.p.A. and, on 25 March 2024, the Report to the Financial Statements prepared by the control body of the subsidiary Sportswear Company S.p.A. The content of those reports confirm the information exchanged in the course of discussions and did not reveal any issue to be mentioned in this Report.

**5. Oversight of the adequacy of the internal control and risk management system, and of the administration and accounting system; monitoring of the financial and non-financial reporting process** *(points 13 and 14 of Consob Communication No. 1025564/01)*

*5.1 Internal control and risk management system (ICRMS)*

The Report on Corporate Governance and Ownership Structure describes the main characteristics of the system for internal control and risk management.

The ICRMS is the set of rules, procedures and organisational structures, which operates in order to allow the effective functioning of the Company and of the Group and in order to identify, manage and monitor the main risks to which they are exposed. The ICRMS is an integrated system that involves the whole of the organisational structure; the bodies of the Company and its departments, including the control functions, are required to make a coordinated and interdependent contribution to the functioning of this system.

The Board of Statutory Auditors oversaw the adequacy of the ICRMS adopted by the Company and the Group and checked that it functioned correctly. In particular, the Board of Statutory Auditors:

- (i) noted the adequacy rating given by the Board of Directors in relation to the ICRMS, after consulting the control, Risks And Sustainability Committee; in this regard, refer to the Report on Corporate Governance and Ownership Structure;
- (ii) examined the semi-annual report of the Control, Risks And Sustainability Committee provided to assist the Board of Directors;
- (iii) examined the documents summarising the assessment of the adequacy and efficacy of the ICRMS, prepared by the Internal Audit Function;
- (iv) attended all the meetings of the Control, Risks and Sustainability Committee, obtaining information about any project the Committee considered appropriate to arrange or request in response to specific issues;
- (v) obtained knowledge of the trend in the organisational structures and activities performed by the Internal Audit and Compliance Functions;
- (vi) examined the reports on the work done by the Internal Audit and Compliance Functions which were brought to the attention of the Control, Risks and Sustainability Committee and of the Board of Directors;
- (vii) verified the autonomy, independence and functionality of the Internal Audit Function, and maintained and implemented adequate, regular connections with that function. In particular, the Board of Statutory Auditors verified the updates made by the *Internal Audit* Function to the document "*Mandate to the Internal Audit Department of the Moncler Group*", approved by the Board of Directors on 26 October 2023;
- (viii) examined the Audit Plan prepared by Internal Audit and approved by the Board of Directors, observed the compliance with the Plan and received information on the results of the audits and on the effective implementation of any mitigating or corrective actions;
- (ix) obtained information about the changes to the set of Group procedures.

In light of the above, taking into account that the ICRMS is a constantly evolving system, our analysis and the information we have obtained did not reveal anything that would lead this Board to consider that the Company's overall system of internal controls and risk management is inadequate.

### *5.2 Administration and accounting system, and the financial reporting process*

With regard to the accounting and administration system and the financial reporting process, the Board of Statutory Auditors oversaw the adequacy of the mentioned system and its ability to report operations accurately.

The Board of Statutory Auditors performed its oversight activity by, inter alia, examining the reports of the Financial Reporting Officer.

The Report on Corporate Governance and Ownership Structure describes the main characteristics of the system.

The Board of Statutory Auditors held periodic meetings with the managers of the independent auditors for the legally required exchange of information. Discussions with the above managers to exchange information relevant to the performance of our respective duties pursuant to Article 150, paragraph 3 of the TUF, did not reveal any issue that would require a mention in this report.

At the meeting on 21 March 2024, the Board of Statutory Auditors examined the content of the draft supplementary report prepared by the external auditing firm Deloitte & Touche under Article 11 of EU Regulation 537/2014 and issued on 25 March 2024, and found that the report did not reveal any significant deficiencies in the internal control system with regard to the financial reporting process. The content of that report was then discussed and investigated further during the periodic exchanges of information between the Board of Statutory Auditors and the external auditing firm.

### *5.3 Non-financial reporting process*

The Board of Statutory Auditors would like to remind the shareholders that under Legislative Decree 254/2016 as amended and the related enacting regulation issued by CONSOB in its deliberation No. 20267 of 18 January 2018, the Company is required to prepare and publish a consolidated Non-Financial Report (“NFR”). Under Article 4 of Legislative Decree 254/2016, the NFR provides non-financial information about the Company and its subsidiaries “*to the extent necessary to ensure a clear understanding of the Group’s activities, its performance, its results and the impact thereof*”.

As provided for in Article 3, paragraph 7 of Legislative Decree 254/2016, the Board of Statutory Auditors, in performing its legal functions, oversaw the compliance with the regulations requiring the preparation and publication of a non-financial report, also taking into account the provisions of EU Regulation 2020/852 (so-called Taxonomy Regulation).

The Board of Directors approved the NFR on 28 February 2024; it was prepared in compliance with Legislative Decree 254/2016, in accordance with Article 8 of the Taxonomy Regulation and EU Delegated Regulation 2021/2178, and taking into account the applicable international reporting standards (GRI Universal Standard).

The Board of Statutory Auditors reports that, on 16 December 2022, Directive 2022/2464 of the European Parliament and of the Council on Corporate Sustainability Reporting ("CSRD") amending Regulation (EU) No. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU was published in the Official Journal of the European Union. The CSRD must be implemented in national legislation by 6 July 2024. To this end, the CSRD implementing decree has been put out for consultation by the Treasury Department of the Ministry of Economy and Finance until 18 March 2024.

Under the CSRD, companies with similar characteristics to those already subject to the *Non-Financial Reporting Directive* ('NFRD') are now required to report sustainability information as part of their report on operations. This obligation will apply as of the financial year beginning 1 January 2024; accordingly, information for the financial year 2024 will be included in the report on operations that will be prepared in 2025. The sustainability reporting required by the CSRD must comply with the *European Sustainability Reporting Standards* (ESRS), developed by EFRAG for the purpose of achieving a single, EU mandatory reporting standard. At present, the sustainability reporting will be subject to *limited assurance* by an auditor.

The Board also noted that on 25 March 2024, the external auditing firm issued the Report required under Article 3, paragraph 10 of Legislative Decree 254/2016, the content of which confirms the information exchanged in previous discussions. In that report, Deloitte & Touche attested that on the basis of its work, nothing had come to its attention that would lead it to consider that the NFR had not been

drafted, in all its material aspects, in accordance with the requirements of Articles 3 and 4 of Legislative Decree 254/2016 or with the Group reporting standards.

The Board of Statutory Auditors observed, in turn, that on the basis of its activities it had not received any indications of any elements of non-conformity of the NFR compared to the regulatory provisions governing its preparation and publication.

## **6. Legal auditing of the accounts** (*points 4, 7, 8 and 16 of Consob Communication No. 1025564/01*)

### *6.1 Activities of the Board of Statutory Auditors in the 2023 financial year*

The mandate for the legal audit of the Company's financial statements and of the Group's consolidated financial report was granted to the external auditing firm Deloitte & Touche on 21 April 2021, for the nine-year period 2022-2030; during 2023 the same auditing firm also checked that the company accounts had been duly kept, and that the management events had been correctly reported in the accounting records.

In accordance with Article 19 of Legislative Decree 39/2010, the Board of Statutory Auditors in its capacity as the "Internal Control and Accounts Auditing Committee" performed the required oversight of the work of the External Auditing Firm, within the limits required by the applicable regulations.

During the year, the Board held meetings with the managers of the external auditing firm as required by Article 150, paragraph 3 of the TUF. In the context of its supervisory role (Article 19 of Legislative Decree 39/2010) the Board of statutory auditors acquired information from Deloitte & Touche with reference to the planning and execution of the audit activity. During the meetings, appropriate exchanges of data and information relevant to the performance of their respective duties were carried out, and no issue which requires a mention in this report was raised.

On 25 March 2024 the auditing firm issued reports pursuant to articles 14 and 16 of legislative decree 39/2010, for the separate financial statements and for the consolidated financial report to 31 December 2023. The content of the reports confirms the information exchanged in previous discussions.

In particular, the external auditing firm, in its reports:

- gave an opinion which indicates that the Separate and the Consolidated

Financial Statements of Moncler provide a true and accurate representation of the financial and equity situation of Moncler and of the Group to 31 December 2023, and of the profit and loss result and the cash flow for the year ending on the same date, in accordance with the International Financial Reporting Standards adopted by the European Union and with the provisions issued in implementation of Article 9 of Legislative Decree 38/05;

- issued a declaration of consistency, which shows that the Board of Directors’ Report accompanying the Separate and the Consolidated Financial Statements as of 31 December 2023 and some of the specific information in the “Report on Corporate Governance and Ownership” indicated in Article 123-bis, paragraph 4 of the TUF, for which the Company’s directors are responsible, was prepared in accordance with the provisions of law;
- issued an opinion on the conformity of the separate and consolidated financial statements with the provisions of EU Regulation 2019/815 (“ESEF Regulation”), stating the following: *“We are aware that certain information contained in the notes to the consolidated financial statements, when extracted from XHTML format into an XBRL file, may not be reproduced identically to the corresponding information presented in the consolidated financial statements in XHTML format due to certain technical limitations”*;
- declared that they had nothing to report, in terms of any significant errors in the Board of Directors’ Report, on the basis of their knowledge and understanding of the business and its context acquired during the course of the audit activity;
- verified the directors’ approval of the Non-Financial Report.

After attending the meetings of the Control, Risks and Sustainability Committee, which were attended by the Financial Reporting Officer and the managers of the independent auditors, the Board of Statutory Auditors has no observations to make as to the proper use of the accounting standards or their consistent use in the preparation of the consolidated financial report.

On 25 March 2024, the External Auditing Firm also gave the Board of Statutory Auditors a supplementary report as required by Article 11 of Regulation (EU) No. 537/2014. In an annex to that report, the external audit firm also gave the Board of Statutory Auditors a declaration on independence, as required by Article 6 of Regulation (EU) No. 537/2014, which did not reveal any situation that could compromise independence. In accordance with the provisions of Article 19, paragraph 1a) of Legislative Decree 39/2010, the Board duly sent the

supplementary report to the Board of Directors, without making any observations.

In accordance with Article 19, paragraph 1e) of Legislative Decree 39/2010, the Board of Statutory Auditors – again in its role as “Internal Control and Accounts Auditing Committee” – verified and monitored the independence of the auditing firm. In conducting these audits, no situations were found that would compromise the independence of the auditing firm, nor were there any causes of incompatibility, within the meaning of the applicable regulations. This has also been confirmed by the declaration given by Deloitte & Touche under Article 6, paragraph 2a) of EU Regulation 537/2014.

#### *6.2 Activities of the Board of Statutory Auditors with reference to non-audit services*

With reference to non-audit services, at the request and with the support of the Board, in June 2021 the Company adopted a specific procedure governing the awarding of mandates to auditing firms and their networks, in relation to non-audit services (*“Internal Procedure for the awarding of mandates for non-audit services to the auditors of the Group and companies in its network”*).

During 2023, in accordance with the provisions of Article 19, paragraph 1e) of Legislative Decree 39/2010 and Article 5, paragraph 4 of EU Regulation 537/2014, the Board of Statutory Auditors, in its role as the Internal Control and Accounts Auditing Committee, pre-reviewed the proposals submitted for its attention regarding the conferral of non-audit services to the Auditing Firm or to companies in its network.

In its assessment, the Board of Statutory Auditors verified that these services were compatible with the prohibitions imposed in Article 5 of EU Regulation 537/2014, and also the absence of potential risks to the auditors’ independence deriving from the provision of non-audit services, in view of the provisions of Legislative Decree 39/2010 (Articles 10 et seq) in the Issuers’ Regulation (Article 149-bis et seq) and the "Code of professional ethics, confidentiality and professional secrecy, as well as the independence and objectivity of persons authorised to perform the legal auditing of accounts" published on 30 March 2023 and adopted by decision of the State General Accounting Office of the Ministry of Economy and Finance on 23 March 2023.

Where the legal requirements were met, the Board approved the conferral of the services to Deloitte & Touche or to other companies in its network.

The fees paid for the non-audit services provided to the Company and its subsidiaries in 2023, by the External Auditing Firm or by other companies in its network, have been itemised, with details of audit services, attestation and other services, in paragraph 10.7 of the Notes to the consolidated accounts, to which please refer.

7. Adoption of the Corporate Governance Code. **Composition of the Board of Directors. Remuneration. Board Self Assessment** (*point 17 of Consob Communication No. 1025564/01*)

Moncler has adopted the Corporate Governance Code.

The Board of Statutory Auditors has assessed the way in which Moncler has implemented the Corporate Governance Code, in the terms illustrated in the Report on Corporate Governance and Ownership Structure, and has no observations to make in that regard.

The Board of Statutory Auditors notes that the Board of Directors has assessed the function, size and composition of the Board and of its Committees in accordance with Article 4 of the Code of Corporate Governance. The Board self-assessment process is described in the Report on Corporate Governance and Ownership Structure, to which please refer.

The process and results of the Board's self-assessment for the 2023 financial year were presented, discussed and agreed by the Board of Directors with the assistance of the external advisor at the Board meeting on 28 February 2024 which was attended by the Board of Statutory Auditors.

The Board of Statutory Auditors has verified the correct application of the criteria and procedure used by the Board of Directors to evaluate the independence of the directors qualified as "independent".

The Board of Statutory Auditors, in particular at the meeting held on 28 February 2024, took note of the information received regarding satisfaction of independence requirements for the directors Gabriele Galateri di Genola and Diva Moriani, who



have exceeded nine years in office by the year 2023 (see Recommendation 7e) of Article 2 of the Corporate Governance Code). In the opinion of the Statutory Auditors, the Board has provided non-contradictory, logical and plausible reasons to confirm that these directors continue to meet the independence requirements. The Statutory Auditors were able to verify that, in compliance with the principles of the Corporate Governance Code, the Board of Directors has clearly argued and justified in its Report on Corporate Governance and Ownership Structure that, notwithstanding deviation from the Recommendation in question, the objectives underlying the provisions of the Corporate Governance Code continue to be met in light of the reasons identified for each of the directors concerned. For more details on this point, refer to the contents of the above-mentioned Report.

Early in 2024 and in line with the recommendations of Standard Q.1.7 of the Rules of Conduct for the Boards of Statutory Auditors of Listed Companies prepared by CNDCEC, the Board of Statutory Auditors, with reference to the 2023 financial year, also conducted its own self-assessment with regard to its functioning and composition. It also issued declarations about the compliance with independence, probity and integrity criteria required by the applicable regulatory and legal framework, and discussed and shared the results of the meeting held on 26 February 2024.

It is noted that on 3 March 2023, the Board of Statutory Auditors issued its end of mandate report for the previous three years 2021-2023 containing the *“Considerations of the Outgoing Board of Statutory Auditors in Consistency with the CNDCEC Rules of Conduct for the Board of Statutory Auditors of Listed Companies of 26 April 2018”*.

Through the participation of the Chairman and/or a delegate auditor at all the meetings of the Nomination and Remuneration Committee and the Control, Risks and Sustainability Committee, the Board of Statutory Auditors has verified the corporate procedures that led to the definition of the Company’s remuneration policies, with particular reference to the criteria for the remuneration and bonuses of the heads of the Control Functions, and of the Financial Reporting Officer.

**8. Opinions given by the Board of Statutory Auditors during the year (point 9 of Consob Communication No. 1025564/01)**

On 23 February 2023, the Board of Statutory Auditors, pursuant to the Corporate

Governance Code (Article 6, Recommendation 33c), gave its favourable opinion on the approval of the Audit Plan for 2023.

On 26 February 2024, the Board of Statutory Auditors gave its favourable opinion on the Audit Plan for 2024, approved by the Board of Directors on 28 February 2024.

**9. Complaints pursuant to Article 2408 of the Italian Civil Code. Any omissions, reprehensible facts or irregularities found** (*points 5, 6 and 18 of Consob Communication No. 1025564/01*)

The Board of Statutory Auditors did not receive any complaints under Article 2408 of the Italian Civil Code during the 2023 financial year nor during the first months of 2024.

During the course of the activities performed, and on the basis of the information obtained, no omissions, reprehensible events, irregularities or any other significant circumstances have emerged that would require a mention in this report.

\*\*\*\*\*

Referring to all the considerations made in this Report, the Board of Statutory Auditors, taking into account the specific duties of the External Auditing Firm with regard to the control of accounting and verification of the reliability of the financial statements, has no observations to make to the Shareholders' Meeting pursuant to Article 153 of the TUF regarding approval of the Financial Statements for the year ended 31 December 2023, accompanied by the Board of Directors' Report, or on the proposed allocation of profits for the year and the distribution of dividends as made by the Board.

\*\*\*

25 March 2024

**BOARD OF STATUTORY AUDITORS**

Riccardo Losi

Carolyn Dittmeier

Nadia Fontana