

# GEOX

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## FY 2024 Financial Results

*March 5th, 2025*

**GEOX**



# Disclaimer



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# Speakers

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**Enrico Mistrion**  
CEO



**Andrea Maldì**  
CFO



**Luca Amadini**  
IR Manager

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# Agenda



**1. Executive summary**

**2. Business Review**

**3. Financial review**

**4. Outlook**

**5. Q&A**

# Executive Summary

## Business Overview

**FY 2024 sales results reflect the full-year trend, with challenges in the WHS channel, slightly positive retail performance (in terms of LFL), and exceptional sales volume growth in online channels, including both direct e-commerce and marketplaces.**

**The strong actions implemented by management to reduce and optimize the cost base (approx. €20 million saving) have partially offset the challenges affecting sales performance, resulting in a positive adjusted EBIT (net of non-recurring items).**

## Financial Results FY 2024

**NET SALES amount to €663.8m (-7.8% vs LY or -7.1% c.Fx);**

**GROSS MARGIN Adj at 50.9% increasing by 20 bps vs FY 2023;**

**EBITDA Ante IFRS16 Adj at €26.2m (€37.0 m in FY 2023);**

**EBIT Adj at €8.8m (€15.6m in FY2023);**

**EBIT Reported negative at -€4.2m (€15.6m in FY 2023);**

**Net result at -€30.3m (-€6.5m in FY 2023);**

**NFP (ante IFRS16) at Dec '24 amounts to -€90.9m vs -€93.1m at Dec'23 (Bank debt -€103.2m vs -€90.1m at Dec'23 – Fair Value of Hedging instruments €12.3m vs -€3m at Dec'23);**

**NET WORKING CAPITAL amounts to €104.4m or 15.7% as % of Net Sales (€116.7m or 16.2% at Dec'23).**

## Current Trading

**DOS B&M (W09) LFL YTD: -0.9% vs FY 2024 / DOS Digital (W09) LFL YTD: +4.6% vs FY 2024**

## Investor Day

**Scheduled on March 13<sup>th</sup>, 2025.**

## AGM

**Shareholders' Meeting called for April 17<sup>th</sup>, 2025.**

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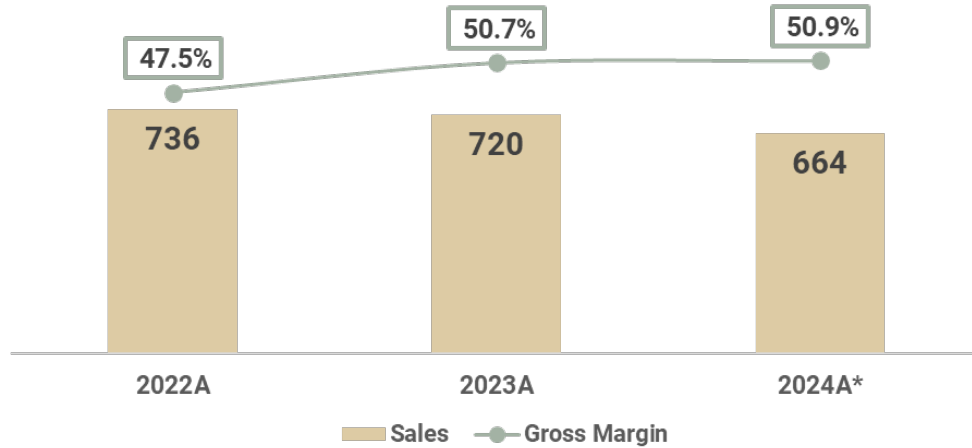
**5. Q&A**



# Business Review- Sales and Margins

Cost efficiencies mitigate Topline decline, supporting EBIT adjusted.

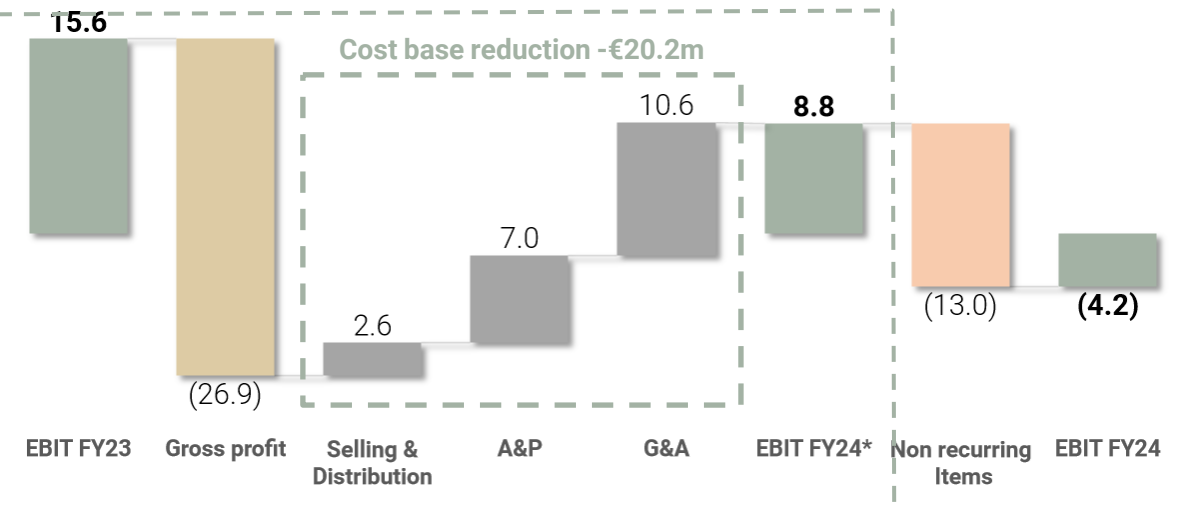
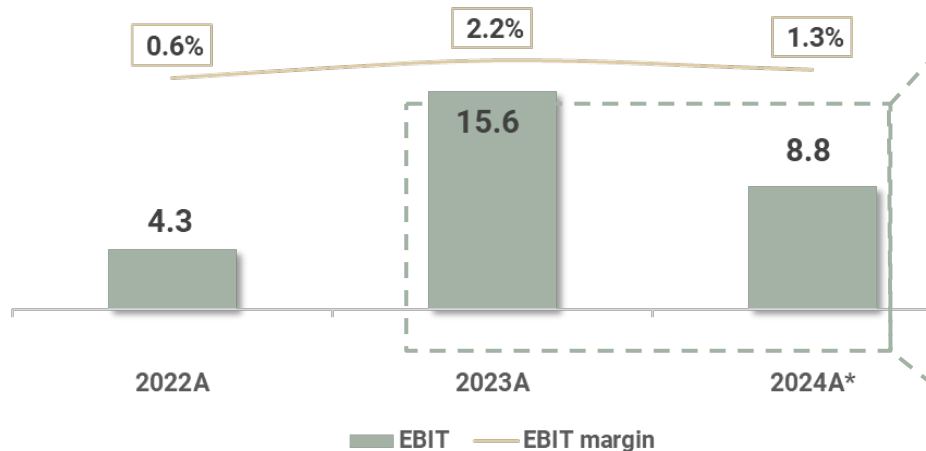
Sales & Gross Margin



The sales decline was primarily driven by challenges in the WHS channel and further impacted by a negative currency effect of -€5.3m and a perimeter reduction of -€19.6m (DOS B&M + Franchising). These effects were only partially offset by LFL performance improvements in DOS and an increase in WEB sales volume.

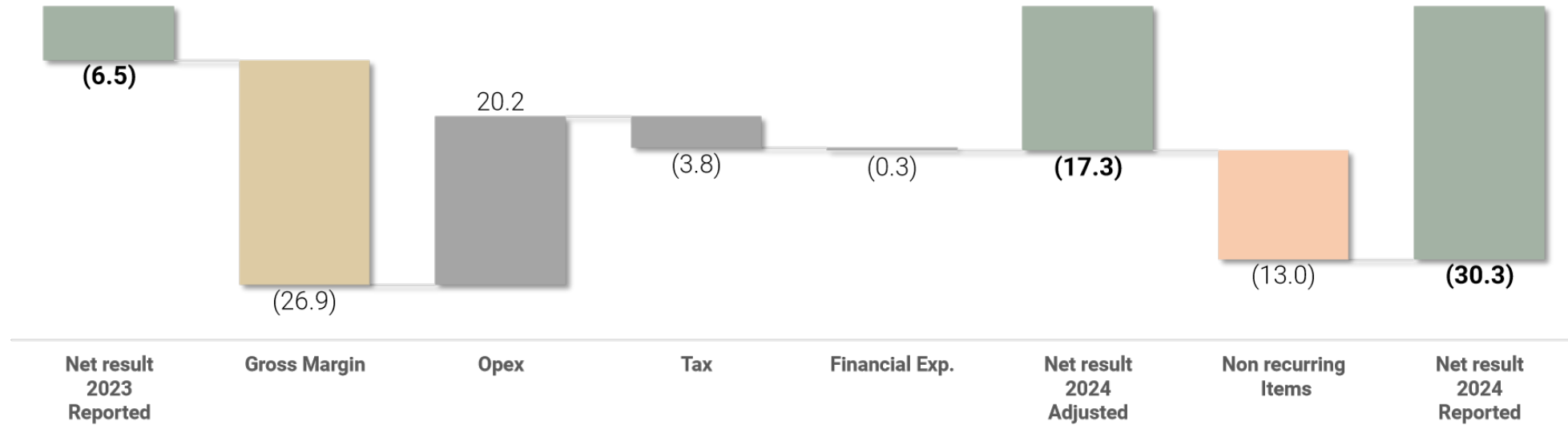
Significant cost reductions and targeted efficiencies in the cost structure by approx. €20.2 million mitigate the impact of topline decline and the corresponding gross profit reduction.

EBIT



# Business Review - Net result

Net result declined by €23.8 million, primarily due to lower business volumes and the impact of several extraordinary items



- **FY 2024 results were impacted by a significant sales decline of approx. €56 million (-7.8%) compared to the previous year, leading to a gross margin reduction of around €27 million. In response, the management implemented aggressive cost containment measures, achieving an over €20 million reduction in operating expenses year-over-year. Taxes increased by approximately €3.8 million. This non-cash expense is primarily attributable to the reversal of deferred tax assets related to balance sheet provisions.**
- **Additionally, FY 2024 was impacted by extraordinary and Non-recurring items (costs) totaling €13 m. These costs mainly refer to:**
  - **Business model transformation cost for €4m;**
  - **USA and China subsidiaries closing for approximately €4.4m;**
  - **Restructuring costs related to workforce for a total of €1.3m;**
  - **Fees paid to SACE and bank fees following the financial indebtedness rescheduling of approx. €1.7m;**
  - **Other costs related to perimeter changes, totaling €1.6m.**

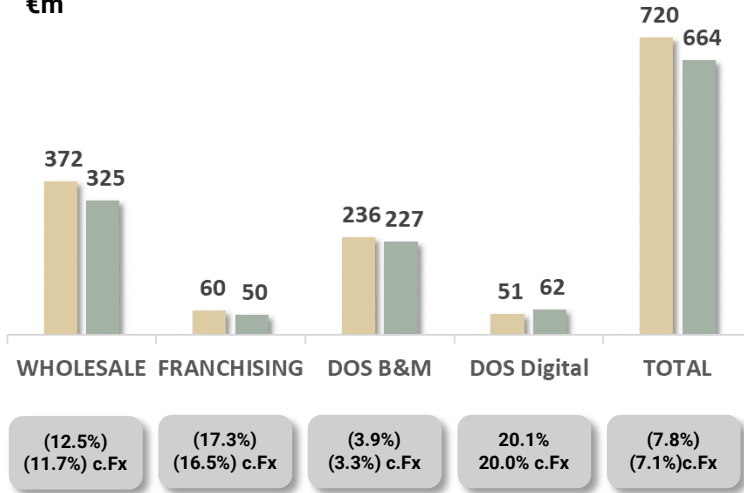


# Business Review- Net sales

## By channel

FY23 FY24

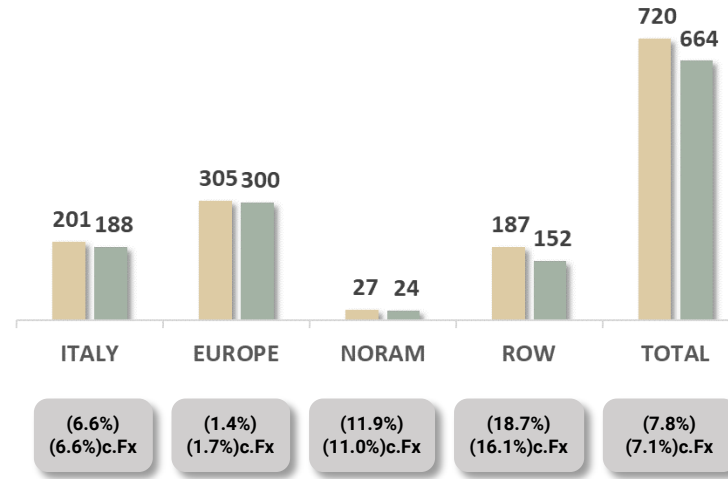
€m



WHOLESALE 49% | FRANCHISING 8% | DOS B&M 34% | DOS Digital 9%

## By region

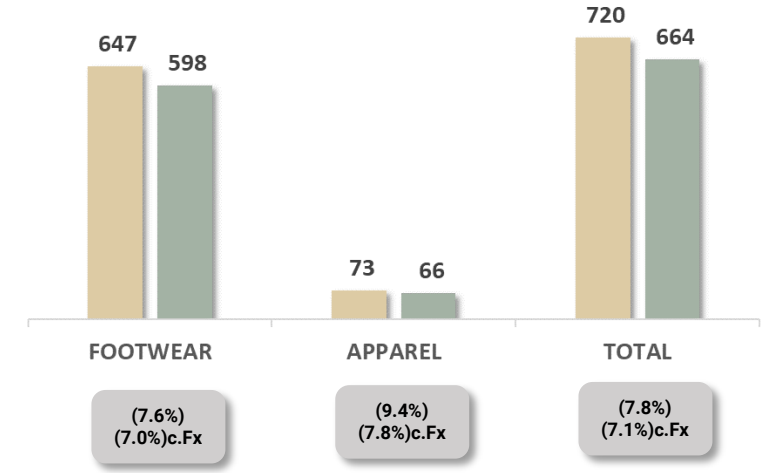
FY23 FY24



ITALY 28% | EUROPE 45% | NORAM 4% | ROW 23%

## By product

FY23 FY24

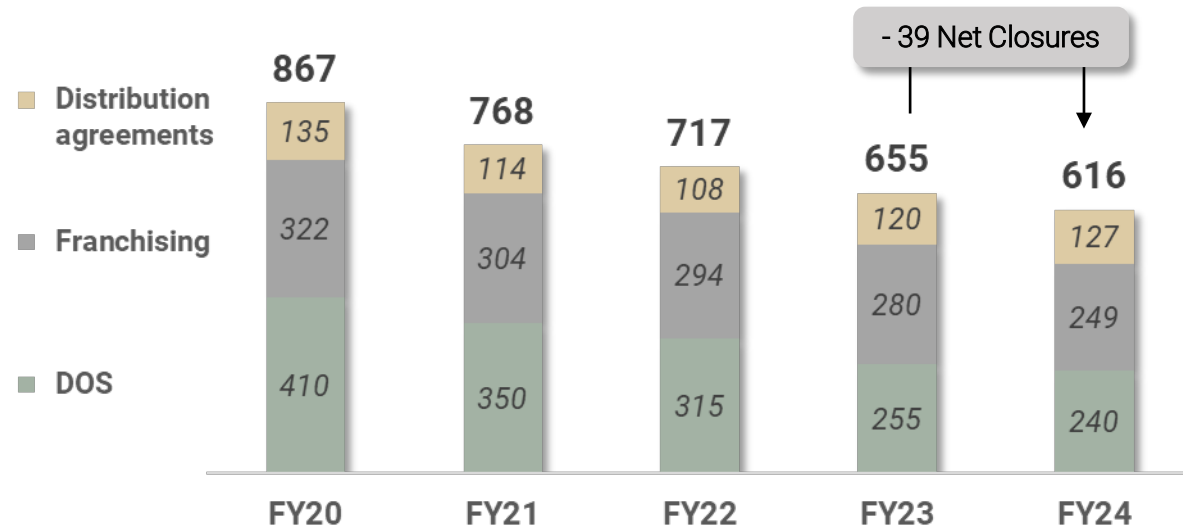


FOOTWEAR 90% | APPAREL 10%

- The sharp decline in the WHS channel is directly linked to the weak sales performance of both the SS24 and FW24 collections, with the impact particularly evident in key markets such as Italy, Germany, and Russia.
- The DOS Digital channel recorded strong growth, reaching 20.1% vs. last year, driven by solid LFL performance (+8.3%) and an expanded perimeter through new marketplace openings in key markets.
- DOS B&M achieved an overall positive LFL performance of +1.9% vs. last year, though it was not sufficient to offset the negative perimeter effect. Similar to the WHS channel, it faced greater challenges, particularly in the DACH region, APAC, and Russia.

# Business Review - Distribution network

Sales were affected by €19.6 million perimeter effect largely attributable to FY 2023 closures



- Footprint at 31 December'24 results smaller by 39 doors in respect to 31 December '23 due to:**
- **#15 DOS net closures** partially contributed to the perimeter effect, which amounts to a total of -€14.3 million, with the majority of this (€8.7 million) is due to closures in FY 2023 (60). This loss is only partially mitigated by a +1.9% increase in B&M LFL (€6.4 million).
  - **#7 doors opened under Distribution agreements** signed mainly in new strategic regions.
  - **#31 Franchisee net closures** mainly in European countries result in negative -€5.3 million perimeter effect.

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# Financial Review - Income statement

## Profit and Loss

€m	2024	non recurring items	2024*	as % of sales	2023	as % of sales
Sales	663.8	-	663.8	100.0%	719.6	100.0%
Cost of sales	(328.6)	2.4	(326.1)	(49.1%)	(355.0)	(49.3%)
Gross profit	335.2	2.4	337.6	50.9%	364.6	50.7%
Selling and distr. costs	(33.6)	-	(33.6)	(5.1%)	(36.2)	(5.0%)
A&P	(25.8)	-	(25.8)	(3.9%)	(32.8)	(4.6%)
G&A	(284.1)	10.6	(273.5)	(41.2%)	(286.5)	(39.8%)
Other income	4.1	-	4.1	0.6%	6.5	0.9%
Operating costs	(339.4)	10.6	(328.8)	(49.5%)	(349.0)	(48.5%)
EBIT	(4.2)	13.0	8.8	1.3%	15.6	2.2%
Net financial expenses	(21.7)	-	(21.7)	(3.3%)	(21.4)	(3.0%)
PBT	(25.9)	13.0	(12.9)	(1.9%)	(5.8)	(0.8%)
Income tax	(4.4)	-	(4.4)	(0.7%)	(0.6)	(0.1%)
Net result	(30.3)	13.0	(17.3)	(2.6%)	(6.5)	(0.9%)
EBITDA	63.3	13.0	76.3	11.5%	89.0	12.4%
EBITDA excl. IFRS 16	13.2	13.0	26.2	4.0%	37.0	5.1%

\* Numbers Adjusted by non-recurring items

### Gross Margin increased by 20bps

- Gross profit as % of sales slightly increases mainly driven by positive mix effect.

### Operating costs decrease by €20.2m driven by:

- Selling and distribution costs primarily include expenses related to the sales force and outbound transportation. These costs declined in line with the reduction in sales volume.
- A&P expenses saw a significant reduction (-70 bps), mainly driven by lower marketing expenditures.
- G&A expenses decreased, primarily due to lower costs associated with DOS operations (linked to perimeter reduction), along with reductions in logistics and consultancy expenses. It is worth noting that G&A expenses were adjusted by approximately €10.6 million in non-recurring items.

- EBIT Adjusted amounts to €8.8m (+15.6m in FY 2023).
- EBITDA Adjusted amounts to €76.3m (€89.0m in FY 2023).
- EBITDA Adjusted ante IFRS amounts to €26.2m (€37.0m in FY 2023).

### Net financial expenses in line with prior year

- Cost of debt substantially in line with prior year.
- Negative exchange rate differences on RUB (€4.9m) slightly lower in respect to prior..

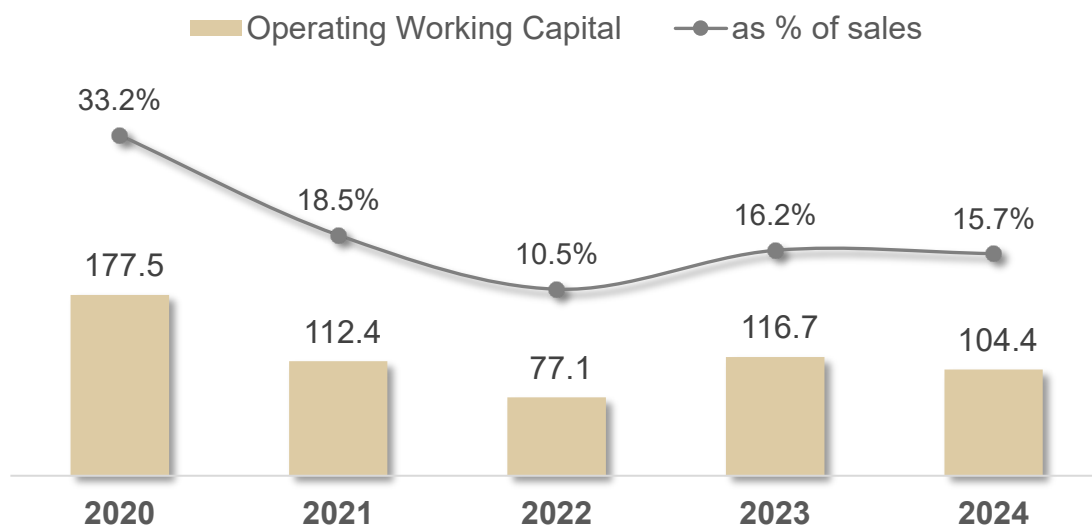
# Financial Review – Balance sheet



<i>Balance sheet</i>		
€m	31 Dec 2024	31 Dec 2023
<b>Intangible assets</b>	25.9	30.4
<b>Property, plant and equipment</b>	29.3	31.3
<b>Right-of-use assets</b>	228.1	235.5
<b>Other non-current assets - net</b>	30.1	36.4
<b>Total Non-Current assets</b>	313.3	333.6
<b>Net operating working capital</b>	104.4	116.7
<b>Other current assets (liabilities), net</b>	(16.8)	(15.9)
<b>Net Invested Capital</b>	400.9	434.4
<b>Equity</b>	67.9	90.6
<b>Provisions for severance indemnities, liabilities and charges</b>	6.0	6.7
<b>Lease liabilities</b>	236.2	243.9
<b>Net Debt (Cash)</b>	90.9	93.1
<b>Net Financial Position</b>	327.1	337.1
<b>Net Invested Capital</b>	400.9	434.4

# Financial Review – Working capital & Bank Net Debt

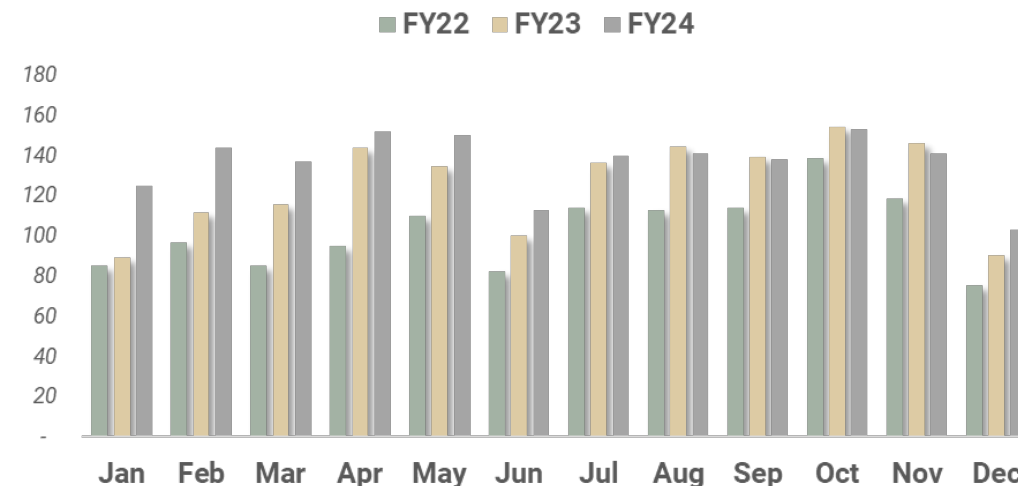
## Operating Working Capital



	31 Dec 22	31 Dec 23	31 Dec 24
<b>Operating Working capital</b>	<b>77.1</b>	<b>116.7</b>	<b>104.4</b>
Inventories	290.2	276.0	243.7
Trade Receivables	84.0	72.1	70.6
Trade Payables	(297.1)	(231.3)	(210.0)
<b>as % of LTM Net sales</b>	<b>10.5%</b>	<b>16.2%</b>	<b>15.7%</b>
- yearly average			

\* Net debt ante IFRS16, excluding derivatives accounting

## Bank Net Debt\*



- As of 31 December 2024, Bank Net Debt stood at €103.2m, increasing by €13.1m compared to December 2023. The fair value of derivatives was positive at €12.3m, resulting in a pre-IFRS 16 Net Financial Position of -€90.9m.
  - Cash absorption of €13.1m mainly determined by:**
    - **Negative operating performance of €14.4m.**
    - **Capex of €16.5 million, reduced by approx.12% compared to FY 2023.**
    - **Bank financial interest by €8.4m.**
- These cash absorptions were partially offset by positive Net working capital dynamics of €25.8m.**



# Financial Review – Cash flow

## Cash Flow

€m	31 Dec 2024	31 Dec 2023
Net result	(30.3)	(6.5)
Depreciation, amortization and impairment	67.5	73.4
Other non-cash items	(14.4)	8.6
Cash flow from economics	22.8	75.6
Change in net working capital	21.3	(35.3)
Change in other assets/liabilities	4.5	13.8
Cash flow from operations	48.5	54.1
Capital expenditure	(16.5)	(18.7)
Net capital expenditure	(16.5)	(18.7)
Free cash flow	32.0	35.4
Increase in right-of-use assets	(37.5)	(62.0)
Change in net financial position	(5.5)	(26.6)
Initial net financial position - prior to fair value adjustment of derivatives	(334.0)	(308.0)
Change in net financial position	(5.5)	(26.6)
Translation differences	0.2	0.6
Final net financial position - prior to fair value adjustment of derivatives	(339.3)	(334.0)
Fair value adjustment of derivatives	12.3	(3.0)
Final Net financial position	(327.1)	(337.1)

## Cash Flow - ante IFRS 16

€m	2024	IFRS16 impact	excl. IFRS16 2024	excl. IFRS16 2023
Net result	(30.3)	(1.0)	(31.3)	(4.7)
Depreciation, amortization and impairment	67.5	(44.1)	23.4	23.9
Other non-cash items	(14.4)	-	(14.4)	8.6
Cash flow from economics	22.8	(45.1)	(22.3)	27.8
Change in net working capital	21.3	-	21.3	(35.3)
Change in other assets/liabilities	4.5	-	4.5	13.8
Cash flow from operations	48.5	(45.1)	3.4	6.3
Capital expenditure	(16.5)	(0.1)	(16.6)	(19.9)
Net capital expenditure	(16.5)	(0.1)	(16.6)	(19.9)
Free cash flow	32.0	(45.2)	(13.1)	(13.5)
Increase in right-of-use assets	(37.5)	37.5	-	-
Change in net financial position	(5.5)	(7.7)	(13.1)	(13.5)
Initial net financial position - prior to fair value adjustment of derivatives	(334.0)	243.9	(90.1)	(75.7)
Change in net financial position	(5.5)	(7.7)	(13.1)	(13.5)
Translation differences	0.2	(0.1)	0.1	(0.8)
Final net financial position - prior to fair value adjustment of derivatives	(339.3)	236.2	(103.2)	(90.1)
Fair value adjustment of derivatives	12.3	-	12.3	(3.0)
Final Net financial position	(327.1)	236.2	(90.9)	(93.1)

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# Outlook



**PLEASE WOULD YOU CONSIDER VERY HIGH FORECAST UNCERTAINTY DUE TO GEO-POLITICAL SITUATION AND VARYING INFLATIONARY ENVIRONMENT**

## **Giving the followings:**

- The short-term geopolitical and macroeconomic scenario remains uncertain in the short-medium term, continuing to affect our key reference markets.
- 2025 marks the first year of the New Industrial Plan, structured into two distinct phases with the first one (2025-2026) focusing on updating Geox's Business Model pillars and enhancing operational efficiency.

## **In light of that 2025 forecasts consider:**

- Maintaining the current DOS B&M distribution perimeter while improving LFL performance.
- Continuing the strategy of upgrading the quality of Wholesale distribution through selective market and partner rationalization.
- Expanding direct sales channels, primarily through the launch of new digital marketplaces.

## **OUTLOOK**

**FY 2025 sales are forecasted to decline in the low single digits area compared to FY 2024 while FY 2025 Adjusted EBIT margin is expected to decrease by approximately 80 bps year-over-year.**



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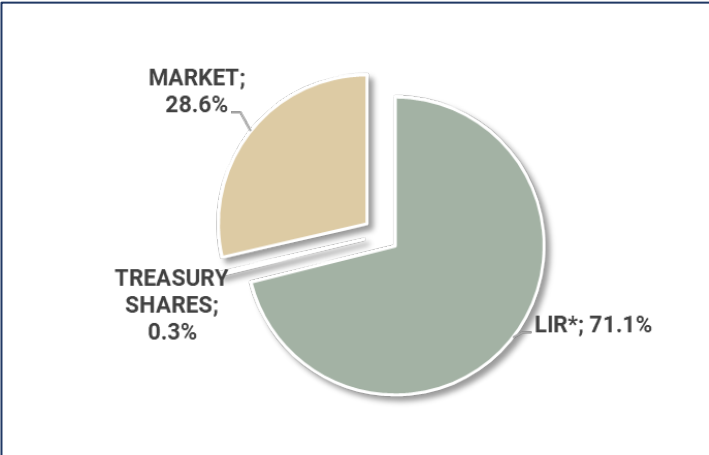
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# Governance and Contacts



## SHAREHOLDERS



\*MORETTI POLEGATO'S FAMILY

## BOARD OF DIRECTORS

<b>CHAIRMAN</b>	<b>MARIO MORETTI POLEGATO</b>
<b>CEO</b>	<b>ENRICO MISTRON</b>
<b>DEPUTY CHAIRMAN</b>	<b>ENRICO MORETTI POLEGATO</b>
<b>DIRECTOR</b>	<b>CLAUDIA BAGGIO</b>
<b>DIRECTOR</b>	<b>ALESSANDRO GIUSTI</b>
<b>DIRECTOR</b>	<b>LARA LIVOLSI</b>
<b>INDIPENDENT DIRECTOR</b>	<b>SILVIA RACHELA</b>
<b>INDIPENDENT DIRECTOR</b>	<b>FRANCESCA MENEGHEL</b>
<b>INDIPENDENT DIRECTOR</b>	<b>SILVIA ZAMPERONI</b>

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