

SSI Group, Inc. (SSI) 1st Half 2023 Financial Results

The SSI Group continued to post strong growth during the second quarter of 2023, with net income for the quarter increasing by +30% y-o-y to P550.3 million, and net income for the 1st half increasing by +105% y-o-y to P1.0 billion.

The SSI Group's focus on delivering compelling customer experiences, backed by a unique brand portfolio and strategic store network, allowed the Group to continue to capture strong discretionary spending during the 1st half of the year. Revenue for the 1st half of 2023 was at P12.4 billion, a y-o-y increase of 24%, while revenue for the 2nd quarter of 2023 was at P6.2 billion, an increase of +11% y-o-y.

During the 2nd quarter of 2023, the SSI Group generated healthy sales growth through its brick and mortar stores, restaurants and online properties. The increase in sales, coupled with higher gross profit margins and lower interest expenses drove earnings growth during the period.

- 1st half 2023 revenues of P12.4 billion, +24% y-o-y
- 2nd quarter 2023 revenues of P6.2 billion, +11%y-o-y
- Gross profit margin of 46.4% during 1st half 2023, as compared to 42.1% during the same period in 2022
- Gross profit margin of 47.7% during 2nd quarter 2023, as compared to 46.3% during the same period in 2022
- 1st half 2023 sales from e-commerce sites trunc.ph, bananarepublic.com.ph, beautybar.com.ph, dunelondon.ph, gap.com.ph, lacoste.com.ph, lush.com.ph, marksandspencer.com.ph, massimodutti.com/ph, oldnavy.com.ph, superga.ph, zara.com/ph, payless.ph, and 3rd party marketplaces at P888.7 million, accounting for 7.2% of 1st half 2023 sales

"Our 1st half results continue to demonstrate the value of the Group's renewed focus on delivering world-class customer experiences that are able to capture the resilient discretionary spending of SSI's core customer base, and that reflect the

ethos of each of the brands in our portfolio. Our results also reflect the benefits of the Group's optimized expense base and strong cash position."

"Within the 2nd quarter environment of normalizing sales growth, the Group capitalized on other levers of profitability, with higher gross profit margins and lower interest expenses. I believe our 2nd quarter performance highlights the Group's resilience and ability to leverage on evolving market conditions" said Anthony T. Huang, President of SSI Group.