

## **SSI Group, Inc. (SSI) 1<sup>st</sup> Half 2021 Results**

*The SSI Group saw improvements in sales, gross profit margin and operating expenses during the 2<sup>nd</sup> quarter of 2021, despite the two (2) week ECQ period in April, and the subsequent MECQ period. As such, in the 2<sup>nd</sup> quarter, the Group broke even on a recurring basis, posting a recurring loss of only P2.8 million. Results during the 1<sup>st</sup> half of the year continue to highlight the resilience of SSI's core customer base and the execution of strategies meant to optimize expenses, to generate cashflow, and to build new channels through which to reach the Group's customers.*

- 2Q 2021 sales of P2.9 billion, +294 y-o-y
- 2Q 2021 EBIT of P192 million +134% y-o-y
- 2Q 2021 recurring loss of P2.8 million
- 2Q 2021 operating cash flows of P645 million, resulting from strategies meant to optimize working capital
- 2Q 2021 net loss, after non cash write-offs of P74 million, as compared to P586m in 2Q 2020
- 1H 2021 sales of P6.4B +28% y-o-y
- 1H 2021 recurring loss of P88.7 million
- 1H 2021 net loss, after one-time non-cash write-offs of P173.7m, as compared to losses of P476.3 million during the same period in 2020.
- 1H 2021 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, superga.ph, zara.com/ph, payless.ph, and 3<sup>rd</sup> party marketplaces posted growth of 298%

“While we began the 2<sup>nd</sup> quarter with a 2 week ECQ in April that caused the closure of our brick and mortar stores, followed by a 4 week MECQ, sales for the

2<sup>nd</sup> quarter increased by 294% y-o-y with sales for the first half increasing by 28%. The Group's performance during the 1<sup>st</sup> half of the year reflected the resilience of SSI's core customer base, and the pace at which demand, especially for premium and high-end products, is able to recover.

The Group entered the August ECQ having experienced good sales momentum in June and July. While the current ECQ has temporarily halted that momentum, we now have several very clear examples of how quickly our different categories can bounce back when our stores are open and COVID cases are relatively controlled. We will be leveraging on this knowledge and on initiatives meant to optimize our store network, our cost base and to expand our digital channels as we navigate through the rest of 2021." said Anthony T. Huang, President of SSI Group, Inc.