

## SSI Group, Inc. (SSI) 9 Months 2021 Results

*The SSI Group saw significant sales growth during the 3<sup>rd</sup> quarter of 2021, despite the two (2) week ECQ and four (4) week MECQ periods in August and September. Sales growth, even during a period of high COVID cases and related restrictions, 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.*

*On the back of strong sales growth during the quarter, the Group saw significantly lower YTD Sept 2021 losses, as well as strong operating cash flow generation during the first 9 months of the year.*

- 3Q 2021 sales of P2.9 billion, +28 y-o-y
- 3Q 2021 operating cash flows of P654 million, resulting from strategies meant to optimize working capital
- YTD September 2021 sales of P9.3B +28% y-o-y
- YTD September 2021 operating cash flows of P1.3B
- 3Q 2021 net loss of P271 million
- YTD September 2021 net loss of P445m an improvement of 42% vs. net loss of P762m during the same period in 2020
- YTD Sept 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 142%

"In the face of the challenges presented by COVID during the 3<sup>rd</sup> quarter, the Group continued to implement the strategies we have put in place to drive sales, within low foot traffic environments, to grow cashflows, and to optimize costs and expenses.

These strategies enabled strong sales growth and cashflow generation, however, within a low gross profit margin environment.

Since the downgrade of Metro Manila's quarantine status to Level 3 on Nov. 6, we have seen significant growth in sales as more customers return to malls and to working from their offices, and as people have begun to socialize and prepare for the Christmas season.

With covid cases hopefully controlled through Christmas, we expect that the sales momentum that started at the beginning of October will continue until the end of the year. " Said Anthony T. Huang, President of SSI.