

## REVENUES IN THE FIRST QUARTER OF 2022 UP 30.6% COMPARED TO 2021 EXCELLENT SALES PERFORMANCE IN MAY

The Board of Directors of OVS S.p.A. approved the results for the first quarter of February – April 2022:

- **Net sales** for the quarter of **€ 299.9 million**, up 30.6% compared to 2021;
- **Adjusted EBITDA** for the quarter of **€ 20.1 million**, up more than € 14 million compared to 2021, with the EBITDA margin at 6.7% compared to 2.5% in 2021;
- **Adjusted EBITDA for the last 12 months**, May 2021 – April 2022, equal to **€ 161.7 million** and € 5.4 million higher than in fiscal year 2019;
- The **adjusted net financial position** is **€ 265.1 million**, compared to € 474.9 million as at 30 April 2021;
- **In May significant growth in sales compared to 2021.**



## Statement from the Chief Executive Officer, Stefano Beraldo

The portion of the year up to now represents the first test of consumer reaction to inflation dynamics, the related pressures on purchasing power and, last but not least, prices increase on our products.

During the first quarter sales increased on a like-for-like basis in both our main brands. The gross margin grew and benefited from excellent mark-down management with full-price sales continuing to be above 70%. We believe that the increase in the quality of our offering deserves a commercial policy that maximises the initiatives undertaken to date, including refurbished and more beautiful stores and a very attractive range of brands and products. We are also pleased to note that, as part of the overall positive increase in sell-through, products with higher prices are selling well, tangible proof that we are attracting also more demanding new customers.

The first quarter of 2022 completes the first full year without the negative impact of the closures that were imposed following the pandemic situation. During these twelve months (May 2021 – April 2022), EBITDA totalled € 161.7 million, higher than the € 156.3 million of the 2019 financial year.

Results accelerated further in May when, with summer weather conditions and with the recovery of delays in the arrivals of goods, sales were even higher than in 2021. This performance has allowed the first four months of the year to exceed pre-pandemic sales levels.

Despite geopolitical volatility and inflationary pressures, our results and actions to date provide indication that we can look to the remaining part of the year with confidence.



## Key Economic and Financial Results

The table shows the main adjusted operating and financial results to represent the Group's operating performance.

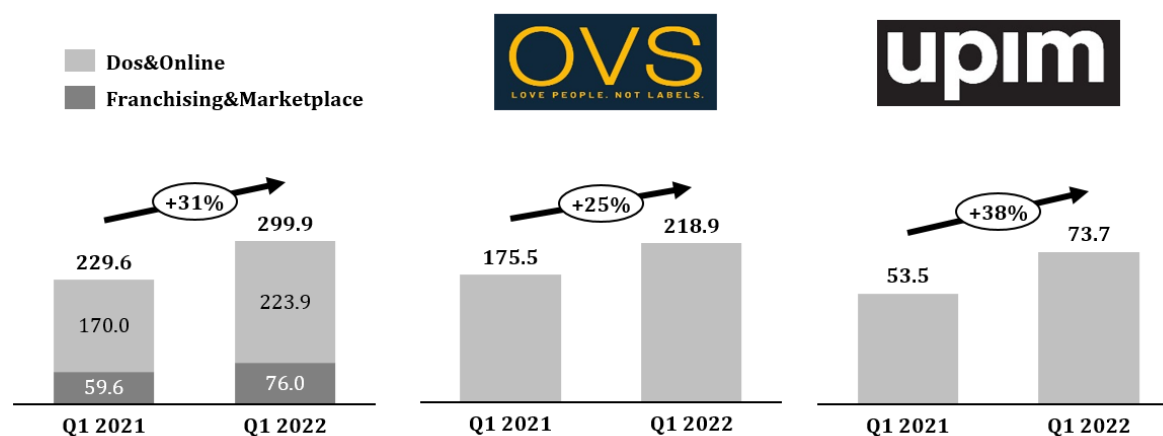
€m	30 April 2022 Adjusted	30 April 2021 Adjusted	Variation	Variation %
<b>Net Sales</b>	<b>299.9</b>	<b>229.6</b>	<b>70.3</b>	<b>30.6%</b>
<b>EBITDA</b>	<b>20.1</b>	<b>5.7</b>	<b>14.5</b>	<b>254.6%</b>
EBITDA%	6.7%	2.5%		+424ppt
<b>EBIT</b>	<b>5.7</b>	<b>(8.2)</b>	<b>13.9</b>	<b>n.a.</b>
EBIT%	1.9%	(3.6%)		
<b>PBT</b>	<b>0.7</b>	<b>(13.5)</b>	<b>14.2</b>	<b>n.a.</b>
<b>Net Financial Position</b>	<b>265.1</b>	<b>474.9</b>	<b>(209.8)</b>	<b>(44.2%)</b>
<b>Market Share</b>	<b>9.3%</b>	<b>8.7%</b>		<b>+56ppt</b>

*The adjusted results do not reflect the application of IFRS 16, non-recurring events that do not concern ordinary operations, and the mark-to-market accounting of derivatives at the net financial position level.*

## Net sales

Net sales for the quarter were € 299.9 million, up 30.6% compared to the same quarter last year, also considering a 2021 basis of comparison penalised by store closings. This performance characterised the OVS and Upim brands and all of the Group's distribution channels.

### Net sales (€m) aggregated and of main Brands

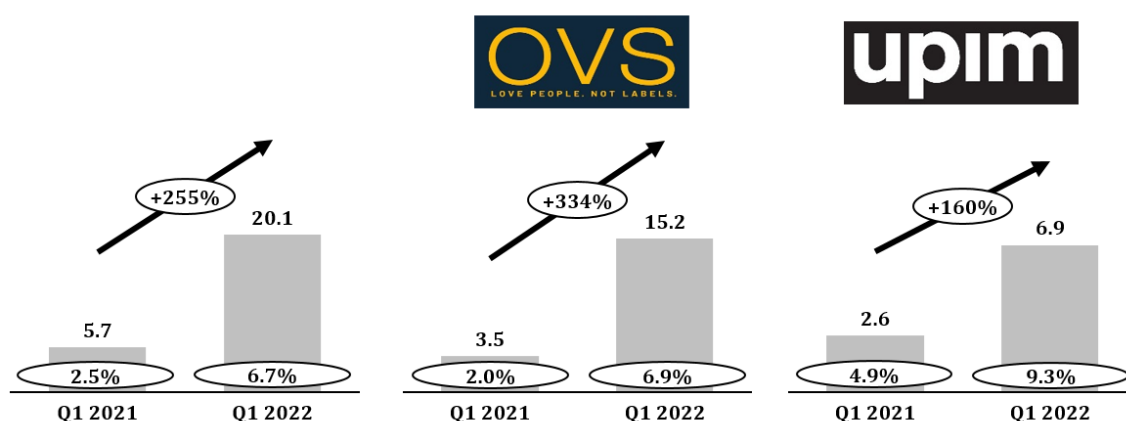


## EBITDA

Adjusted EBITDA is € 20.1 million, 3.5x compared to the first quarter of 2021.

Excellent performance characterised both brands, with OVS's EBITDA increasing by € 11.6 million (from 2.0% to 6.9% of sales) and Upim's by € 4.2 million (from 4.9% to 9.3% of sales).

### EBITDA (€m) and EBITDA margin (%) aggregated and of main Brands



## EBIT

Adjusted EBIT before tax was € 0.7 million, compared to the loss of € 13.5 million in the first quarter of 2021.

## Net Financial Position and Cash Flow

At 30 April 2022, the Group's net financial position adjusted for the impact of mark-to-market and for the impact of the application of IFRS 16 was € 265.1 million, while the ratio between the Adjusted Net Financial Position and adjusted EBITDA for the last 12 months was 1.70x.

Cash absorption in the first quarter of 2022, excluding the buyback plan, was € 69.4 million, which reflects the typical seasonality of the company's cash flows.

€m	30 April 2022	30 April 2021
<b>Net Debt adjusted</b> for MtM Derivatives and IFRS16	265.1	474.9
<b>Leverage on EBITDA</b> Net Debt adjusted / EBITDA Adjusted last 12 months	1.64x	4.22x
<b>Leverage last 12 months on EBITDA</b> Average Net Debt adjusted of last 12 months / EBITDA Adjusted last 12 months	1.70x	3.64x

At 30 April 2022 the Net financial position includes € 6.9 million of treasury shares (n. 3,485,351 shares purchased at the average price of € 1.979).

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## **The beneficiaries and the maximum number of shares for the first three-year cycle of the “2022-2026 Performance Shares Plan” have been identified**

With reference to the incentive plan named “Performance Shares Plan 2022-2026” (the “**Plan**”), approved by the shareholders’ meeting on 31 May 2022, the Company announces, pursuant to Article 84-*bis* of CONSOB Regulation No. 11971/1999 (the “**Issuers’ Regulation**”), that on today’s date the Board of Directors, following the favourable opinion of the Nomination and Remuneration Committee, has identified 85 beneficiaries, in addition to the Chief Executive Officer, for the three-year period of 2022-2024. Beneficiaries include managers with strategic responsibilities, employees and consultants.

The Board of Directors also resolved to grant beneficiaries rights to receive Company shares for the first three-year cycle of the 2022-2024 Plan, for the maximum number of 250,000 shares for the Chief Executive Officer; 230,000 shares for Managers with Strategic Responsibilities and 970,000 shares for the other beneficiaries.

For further information on the Plan, please see (i) the press releases of 21 April and 31 May 2022, (ii) the explanatory report on the 4th (fourth) item on the agenda of the Ordinary Shareholders’ Meeting of OVS of 31 May 2022, and (iii) the information document drafted pursuant to Article 84-*bis* of the Issuers’ Regulation, available on the Company’s website [www.ovscorporate.it](http://www.ovscorporate.it) and on the “1Info” authorised data storage mechanism at [www.1info.it](http://www.1info.it).

The information required by Schedule 7 of Annex 3A to the Issuers’ Regulation is attached to this press release.

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## **Other information**

### **Company information**

OVS S.p.A. is an Italian registered company (VAT No. 04240010274), with registered office in Venice-Mestre, Italy. OVS S.p.A. shares have been listed on the Milan Euronext (formerly the Milan Electronic Stock Exchange) since 2 March 2015. It is hereby noted that OVS has adopted the regime derogating from Article 70, paragraph 6 and Article 71, paragraph 1 of the Issuer’s Regulation, as indicated in the informational prospectus.

### **Quarterly reporting**

As announced in the corporate events calendar and pursuant to Article 82-*ter* of the Issuers’ Regulation, OVS S.p.A. has decided to publish, on a voluntary basis, an update of the main economic and financial performance indicators on a quarterly basis, with the aim of maintaining a timely and transparent dialogue on the business dynamics of the Company with the financial community and the main stakeholders.

### **Attestation by the manager responsible for preparing the Company’s accounting statements**

The manager responsible for preparing the Company’s accounting statements, Nicola Perin, declares, pursuant to paragraph 2 of article 154-*bis* of the Consolidated Finance Act, or TUF, that the accounting information contained in this press release corresponds to the accounting figures, books and records.

### **Conference call for the presentation of results**

Tomorrow, 15 June 2022, at 15:00 local time (CET), there will be a conference call with analysts and investors, during which the main results for the quarter ended 30 April 2022 will be presented. The conference call may be joined by dialling +39 02 802 09 11 (in Italy), +44 121 281 8004 (from the UK), +1 718 7058796 (from the USA), (and for journalists +39 02 802 09 27). A presentation will be available and can be downloaded from the “Investor Relations/Results and Presentations” section of the Company website at [www.ovscorporate.it](http://www.ovscorporate.it). A recording of the conference call will also be made available on the website on the day after the call.

**Forthcoming events in the financial calendar**

20 September 2022 - Half-Year Financial Report at 31 July 2022

15 December 2022 - Interim management report for the third quarter of the year at 31 October 2022

**For further information****Federico Steiner**

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*Disclaimer*

- *The information presented in this document has not been audited.*
- *The document may contain forward-looking statements relating to future events and OVS's operating, financial and income results. These forecasts, by their nature, involve risk and uncertainty, as they depend on future events and developments. The actual results may differ, sometimes substantially, from those announced, due to multiple factors.*

## SECURITIES-BASED COMPENSATION PLANS

**TABLE 1 OF SCHEDULE 7 OF APPENDIX 3A TO CONSOB REGULATION NO. 11971/99**

Date: 14/06/2022

Name and Surname or category	Position (to be specified only for those indicated by name)	<b>BOX 1</b>						
		Financial instruments other than stock options						
		<b><u>Section 2</u></b>						
		New assignment instruments on the basis of the decision: <input type="checkbox"/> of the board of directors to propose to the shareholders' meeting <input checked="" type="checkbox"/> of the competent body for the implementation of the shareholders' meeting resolution						
		Date of the relevant shareholders' meeting resolution	Type of financial instruments	Number of financial instruments assigned	Date of assignment	Purchase price (if any) of the instruments	Market price at assignment (*)	Vesting period
Stefano Beraldo	Chief Executive Officer	31 May 2022	Right to receive OVS shares free of charge, subject to specific terms and conditions	250,000	14 June 2022	–	€ 1.7870	2022-2024
Managers with strategic responsibilities (4)	N.A.	31 May 2022	Right to receive OVS shares free of charge, subject to specific terms and conditions	230,000	14 June 2022	–	€ 1.7870	2022-2024
Top management, employees, and contractors (81)	N.A.	31 May 2022	Right to receive OVS shares free of charge, subject to specific terms and conditions	970,000	14 June 2022	–	€ 1.7870	2022-2024

(\*) market price of OVS shares at the Euronext Milan on 14 June 2022 (i.e. the date of assignment of the rights)