

GROWTH REMAINS ROBUST IN THE FIRST QUARTER: SALES +5% AND EBITDA €29.7M

The Board of Directors of OVS S.p.A. approved the consolidated results for the **first quarter February – April 2024**:

- **Net sales** are **€352.2** million, up by 5% on the first quarter of 2023, when they were already up sharply compared with the previous year. Upim brand performed particularly well;
- Adjusted **EBITDA** reached **€29.7** million, up from €27.5 million in the first quarter of 2023. The EBITDA margin increased to 8.4%;
- Adjusted **profit before tax** was **€10.1** million, up from €7.7 million in the first quarter of 2023;
- **Net cash flow** improved by €3.5 million compared to the same period of last year. During the quarter, the parent company purchased treasury shares for €20.6 million and paid dividends for €7.8 million. The adjusted **net financial position** at 30 April 2024 is **€254.2** million;
- Sales performance, as of today, remains strong.



Statement by the Chief Executive Officer, Stefano Beraldo, on the results for the period and the business outlook

The group's main brands showed sales growth, despite delays in delivery caused by the Suez Canal crisis. This performance appears even more significant in view of the sharp increase recorded in the same period of the previous year.

The Upim brand delivered an excellent performance, both at direct stores and franchising ones.

The sales of the OVS flagship store in Venice opened in April exceeded all expectations. The store, which consists of four floors and 2,000 square meters, has given new life to a historic building that houses the complete range of apparel offering, including the new Piombo Contemporary collection - featuring a more minimal style and which is achieving great results throughout Italy - and a large beauty area, which occupies more than 150 square meters.

Owing also to the improvement of the commercial margin, the group increased its EBITDA compared to the first quarter of 2023.

Although for the second consecutive year May weather was decidedly unfavourable, the increase in sales remains robust.

During the quarter, national contracts relating to the trade sector were renewed, with an impact that was more diluted over time than initially expected.



Key Economic and Financial Results

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

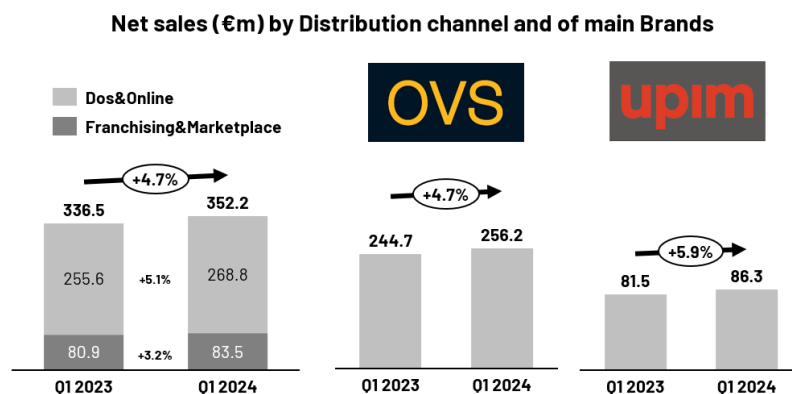
€m	30 April 2024 Adjusted	30 April 2023 Adjusted	Change	Change %
Net Sales	352.2	336.5	15.8	4.7%
EBITDA	29.7	27.5	2.2	8.1%
EBITDA%	8.4%	8.2%		+26ppt
EBIT	14.2	11.7	2.5	21.2%
EBIT%	4.0%	3.5%		+55ppt
PBT	10.1	7.7	2.4	31.1%
Net Financial Position	254.2	250.9	3.3	1.3%

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 amounted to €352.2 million, up 4.7% compared with the same period of 2023. Directly operated stores drove this growth, with sales up 5.1%. After a year of decline in 2023, the franchise channel resumed growth, with sales up 3.2%.

The OVS brand achieved sales growth mainly on a like-for-like basis. The Upim brand was supported by the like-for-like sales performance, the expansion of the sales network and the positive trend in the franchising business.

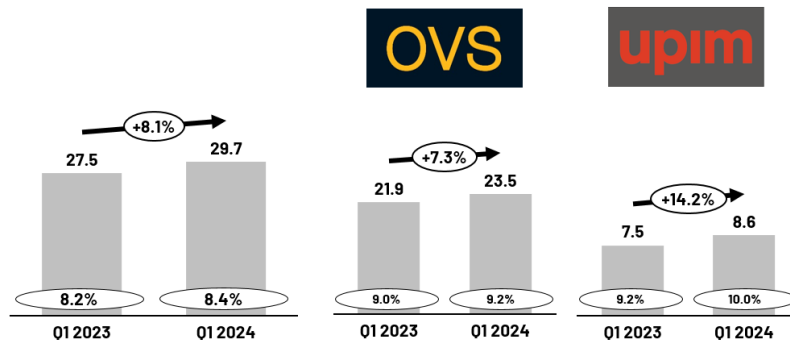


EBITDA

Adjusted EBITDA in the quarter came in at €29.7 million, up by €2.2 million compared with the €27.5 million recorded for the first quarter of 2023. The EBITDA margin also increased to 8.4% compared to 8.2% in the first quarter of 2023.

Both main brands shaped this result, with Upim's EBITDA benefiting from higher sales growth.

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



Profit before tax

Adjusted profit before tax rose to €10.1 million compared with €7.7 million in the first quarter of 2023, an improvement mainly driven by higher EBITDA.

Adjusted net financial position

As at 30 April 2024, the Group's net financial position, adjusted for the impact of the mark-to-market and of the adoption of IFRS 16, was €254.2 million.

Cash absorption of the first quarter, which reflects the typical seasonality of our business, was €3.5 million lower than in the first quarter of the previous year. In the same period, the parent company purchased treasury shares for €20.6 million (8,955,000 shares purchased at an average price of €2.298) and distributed dividends for €7.8 million.

€m	30 April 2024	30 April 2023
Net Debt adjusted for MtM hedging instruments and IFRS16	254.2	250.9
Leverage on EBITDA Net Debt adjusted / EBITDA Adjusted last 12 months	1.38x	1.34x
Leverage last 12 months on EBITDA Average Net Debt adjusted of last 12 months / EBITDA Adjusted last 12 months	1.37x	1.23x

Treasury shares

Treasury shares in portfolio as at 30 April 2024 stood at 37,955,437, or 13.0465% of share capital. As at 11 June 2024, the Company's treasury shares increased to 39,844,894, equal to 13.6960% of share capital.

The beneficiaries and maximum number of rights for the “2024-2026 Performance Share Plan” have been identified

With reference to the incentive plan named “Performance Shares Plan 2024-2026” (the “Plan”), approved by the shareholders’ meeting on 30 May 2024, we hereby announce that - 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 Hiring and Compensation Committee, has identified 19 beneficiaries, in addition to the Chief Executive Officer. The beneficiaries include managers with strategic responsibilities, employees and contractors.

The Board of Directors also resolved to grant beneficiaries rights to receive Company shares for the maximum number of 2,956,008 for the Chief Executive Officer, 1,644,280 for Managers with Strategic Responsibilities and a total of 1,688,618 for the other beneficiaries.

For further information on the Plan, please see (i) the press releases of 17 April and 30 May 2024, (ii) the explanatory report on the fourth item on the agenda of the ordinary Shareholders’ Meeting of OVS of 30 May 2024, and (iii) the information document prepared pursuant to Article 84 of the Issuers’ Regulation, available on the Company’s website, www.ovscorporate.it, and on the authorised storage facility 1Info at www.1info.it.

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



Other information

Company information

OVS S.p.A. is an Italian registered company (VAT No. 04240010274), with its 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 indicated in the calendar of corporate events and pursuant to Article 82-ter of the Issuers' Regulation, OVS S.p.A. has decided to publish, on a voluntary basis, a quarterly update of its main economic and financial performance indicators, with a view to maintaining a timely and transparent dialogue on the dynamics of the Company's business with the financial community and with key stakeholders.

Declaration by the Financial Reporting Officer

The Financial Reporting Officer, Mr. Nicola Perin, declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance (TUF), that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

Conference call

Tomorrow, 13 June 2024, at 15:00, a conference call will be held with analysts and investors, at which the main results for the period ended 30 April 2024 will be presented.

The conference call may be joined by dialling +39 02 8020911 from Italy, +44 1 212818004 from the UK and +1 718 7058796 from the USA (for journalists, +39 02 8020927).

A presentation will be available and can be downloaded from the "Investor Relations", "Presentations" section of the Company website at www.ovscorporate.it. A recording of the conference call will also be made available on the website the day after the call.

Forthcoming events in the financial calendar

Thursday, 19 September 2024 – Half-year report at 31 July 2024

Monday, 16 December 2024 – Interim management report for the third quarter of 2024

For further information

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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. By their very nature, such forecasts include an element of risk and uncertainty, as they depend on the occurrence of future events and developments. Actual results may differ significantly from those announced due to a variety of factors.

Appendix

€m	30 April 2024 Reported pre-IFRS16	of which adjustments, normalizations and reclass	30 April 2024 Adjusted	30 April 2023 Reported pre-IFRS16	of which adjustments, normalizations and reclass	30 April 2023 Adjusted
Net Sales	352.3	0.0	352.2	336.5	-	336.5
EBITDA	25.8	(3.9)	29.7	25.0	(2.5)	27.5
EBITDA%	7.3%	n.a.	8.4%	7.4%	n.a.	8.2%
EBIT	8.3	(6.0)	14.2	7.2	(4.6)	11.7
EBIT%	2.3%	n.a.	4.0%	2.1%	n.a.	3.5%
PBT	6.3	(3.8)	10.1	3.1	(4.6)	7.7

The table shows the results adjusted to represent the Company's operating performance net of the effects of the application of the IFRS 16 international accounting standard, as well as non-recurring events unrelated to the core business.

EBITDA for the first quarter of 2024 is adjusted mainly for: (i) €3.2 million in net foreign exchange differences for forward hedging of goods in foreign currency sold in the period; (ii) €0.3 million in costs related to stock option plans (non-cash costs); and (iii) €0.4 million relating to discontinued businesses and other minor one-off charges.

Other adjustment items that impacted EBIT and PBT relate to: (i) costs of €2.1 million related to the amortisation of intangible assets linked to purchase price allocation, (ii) adjusted net financial income of €2.2 million, mainly relating to foreign exchange differences arising from the valuation of items denominated in foreign currency, including with respect to forward derivatives and foreign exchange differences.

SECURITIES-BASED COMPENSATION PLANS

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

Date: 12/06/2024

Name and Surname or category	Position (to be specified only for those indicated by name)	BOX 1						
		Financial instruments other than stock options						
		Section 2						
		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	30 May 2024	Right to receive OVS shares free of charge, subject to specific terms and conditions	2,956,008	12 June 2024	–	€ 2.828	2024-2026
Managers with strategic responsibilities (4)	N/A	30 May 2024	Right to receive OVS shares free of charge, subject to specific terms and conditions	1,644,280	12 June 2024	–	€ 2.828	2024-2026
Top management, employees, and contractors (15)	N/A	30 May 2024	Right to receive OVS shares free of charge, subject to specific terms and conditions	1,688,618	12 June 2024	–	€ 2.828	2024-2026

(*) market price of OVS shares at the Euronext Milan on 12 June 2024 (i.e. the date of the assignment)