OVS

FY 2024 Financial results

15th April 2025

A **conference call with analysts and investors will take place on the 16th April 2025 at 10:00 am local time**, during which the main results for the fiscal year ended 31 January 2025 will be presented.

The conference call can be accessed via the following link:
https://services.choruscall.it/DiamondPassRegistration/register?confirmationNumber=5668086&linkSecurityString=dc8720408

Disclaimer

This presentation is being provided to you solely for information only and may not be reproduced or redistributed to any other person.

This presentation may contain certain forward-looking statements that reflect the current views of the Company's management with respect to future events and the financial and operational performance of the Company and its subsidiaries. These forward-looking statements are based on OVS S.p.A.'s current expectations and projections about future events. Since the latter are subject to risks and uncertainties, actual future results or performances may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are outside the control of OVS S.p.A. or beyond its projection. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as at the date of this presentation.

OVS S.p.A. shall not be under any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation.

Any reference to past performance or trends or activities of the OVS S.p.A. shall not be taken as a representation or indication that such performance, trends or activities will continue in the future.

This presentation does not constitute an offer to sell or the solicitation of an offer to buy OVS's securities, nor shall the document form the basis of or be relied on in connection with any contract or investment decision relating thereto, or constitute a recommendation regarding the securities of OVS. OVS's securities referred to in this document have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

The manager in charge of preparing the corporate accounting documents, Nicola Perin, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the accounting figures, books and records.

This investor presentation contains measures that were not prepared in accordance with IAS/IFRS.

The information presented in this document has not been audited.

AGENDA

FY 2024 Financial results

Outlook and Current trading

Appendix

OVS

FY 2024 Financial results: OVS's growth continues

Net sales

€1,631m

+6.2% vs. FY 2023

Gross margin

58.2%

vs. 57.3% of FY 2023

EBITDA

€195.3m

+€13.0m vs. FY 2023

Cash flow

€68.6m

+7% vs. FY 2023

Proposed dividend

€0.11

per share

- **Net Sales at €1,631m**, +6.2% vs. 2023, as the combination of unfavorable weather in H1, which nevertheless saw an increase in sales, and H2 with a strong growth of 8.6%;
- The increase in sales and the improvement in the gross margin to 58.2% (+90bps vs. 2023) generated an adjusted **EBITDA of €195.3m**, +€13.0m vs. 2023;
- **Cash flow at €68.6m,** once again an increase compared to the previous year (+7% vs. 2023). 31 Jan 2025 leverage ratio remained at 0.8x on EBITDA after €25.3m dividends distribution and €46.1m treasury shares purchase;
- **Three-year cash generation near €200 million**, despite significant tech investments in operations;
- **New collections have been well-received by our customers**, and sales for the first quarter 2025 to date are in line with the excellent performance of 2024.

Moreover, the Board of Directors resolved to:

- propose to the Shareholders' Meeting a **dividend of €0.11 per share**;
- the **continuation of the current buyback program for additional €10 million**.

OVS

FY 2024 Key income statement items

Revenue growth and a gross margin of 58.2% generated an increase in EBITDA of €13.0 million.

€m	FY 2024 Adjusted	FY 2023 Adjusted	*Change Adjusted*	*Change % Adjusted*
Net Sales	**1,631.4**	**1,535.6**	***95.8***	***6.2%***
Gross Margin	**949.2**	**879.4**	***69.8***	***7.9%***
GM%	*58.2%*	*57.3%*		*+91ppt*
EBITDA	**195.3**	**182.2**	***13.0***	***7.2%***
EBITDA%	*12.0%*	*11.9%*		*+10ppt*
EBIT	**129.0**	**119.1**	***9.9***	***8.3%***
EBIT%	*7.9%*	*7.8%*		*+15ppt*
PBT	**109.5**	**101.3**	***8.2***	***8.0%***
Net Income	**77.9**	**75.9**	***2.0***	***2.6%***

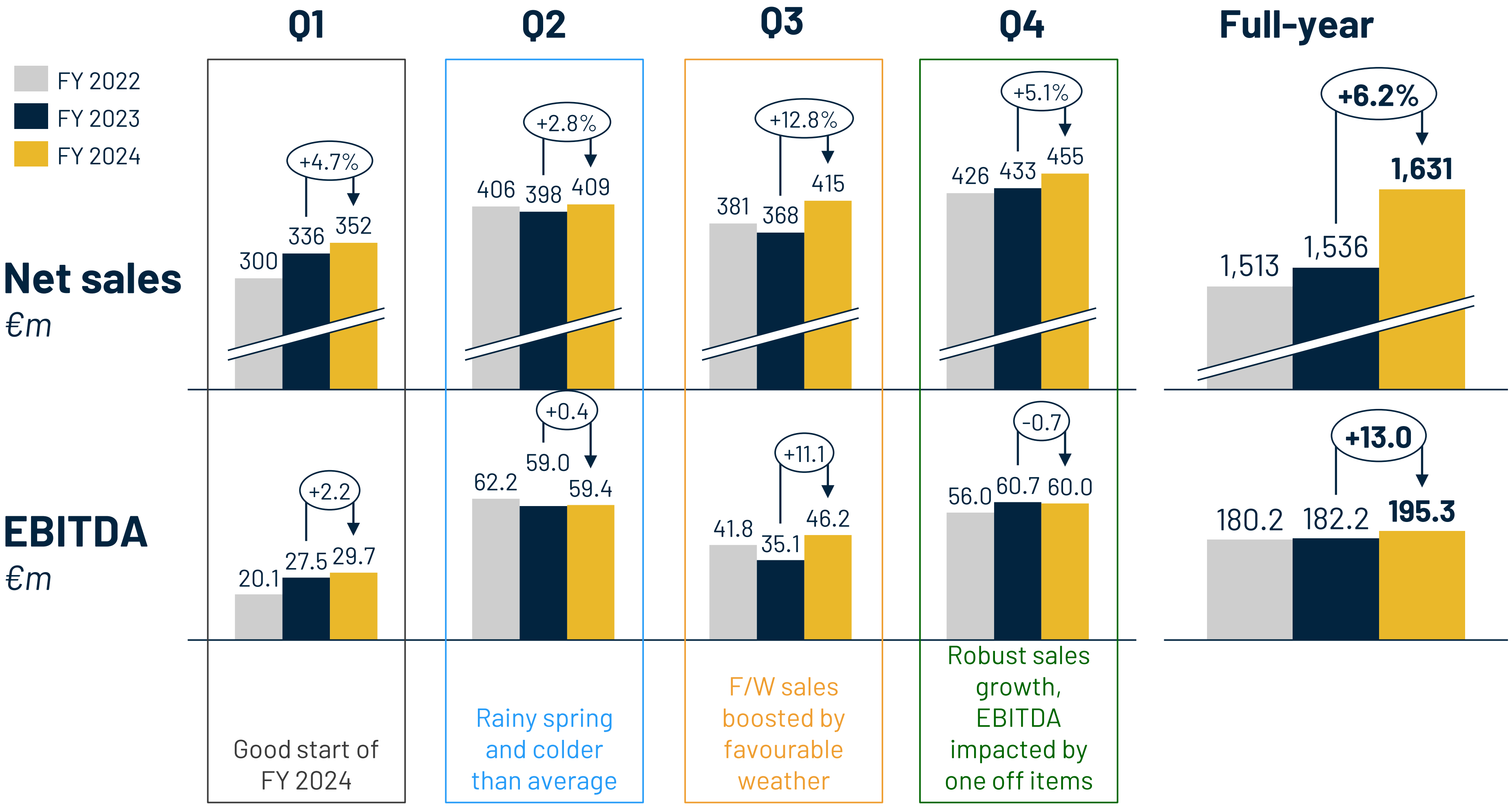
Adjusted results do not reflect the application of IFRS16 and non recurring items.

- **Net Sales at €1,631m**, +6.2% vs. 2023, thanks to the positive contribution of all main brands, OVS and Upim, as well as Stefanel;
- The **main growth driver** once again **is the women segment**, with particular appreciation for collections targeting young women, as B-Angel. Turnover and margins also for men's and kids' clothing increased. **Beauty segment maintains a double-digit growth trend** and confirms its importance as a cross-selling segment;
- **Gross margin at 58.2%** on net sales vs 57.3% of 2023, thanks to the normalization of purchasing conditions in H1 2024 vs. H1 2023;
- **SG&A expenses** growing vs. 2023 for network expansion and inflationary pressures on store costs, particularly on personnel due to the renewal of the national collective labor agreement;
- **EBITDA of €195.3m**, 12.0% on net sales, absorbing **over €4 million one off losses** related to financially distressed customers and to the reversal of previous 'R&D' tax benefits, which affected the whole fashion sector;
- **Net income** penalized by the increase in tax rate due to international as national regulatory changes.

OVS

FY 2024 Net sales and EBITDA per quarter

Good Q1 and best Q3 ever resulted in a FY 2024 EBITDA exceptionally growing vs. last year despite headwinds in Q2 for unfavourable weather and Q4 affected by one off items



Q4 2024 results:

- **Net sales €455.1m**, +5.1% vs. the strong performance in 4Q 2023, thanks to sales growth during sale period;
- **EBITDA €60.0m**, €(0.7)m vs. 4Q 2023, due to the one-off effect of losses on receivables and tax benefit reversal.

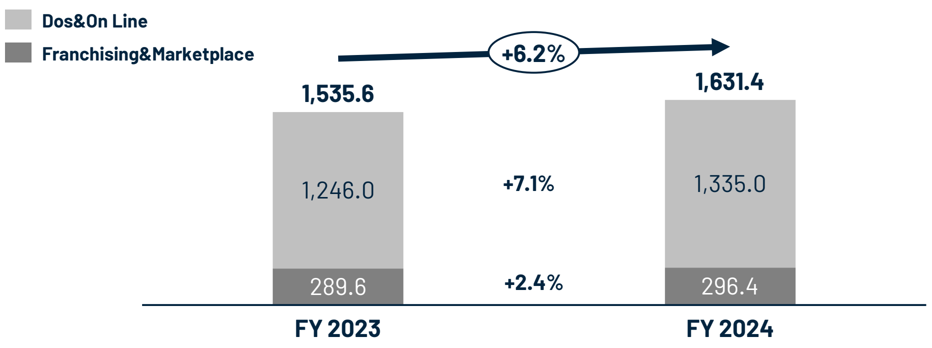
OVS

FY 2024 Sales and EBITDA performance

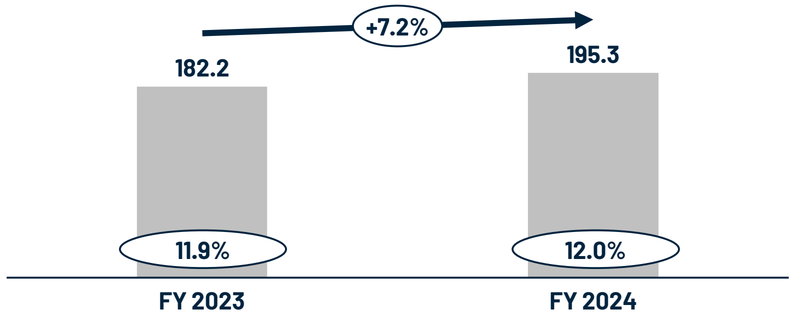
Both main brands, OVS and Upim, recorded a strong performance.
Stefanel showed a particularly positive second half thanks to the new stylistic direction.

Aggregated performance

Net Sales *€m*

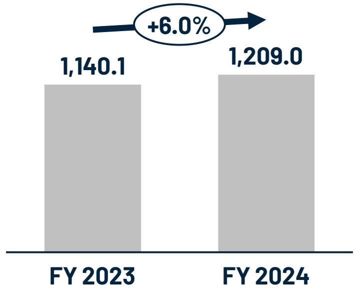


EBITDA *€m*

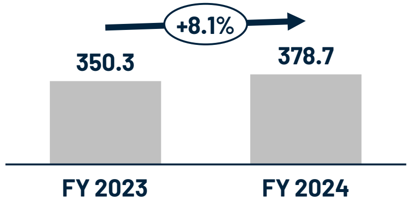


Performance by main Brands

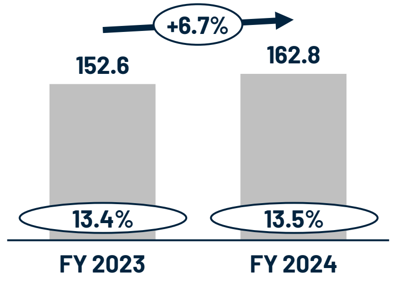
Net Sales – OVS



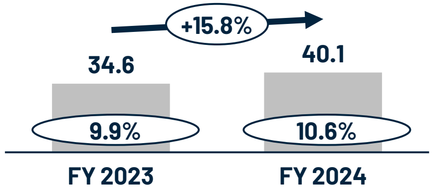
Net Sales – upim



EBITDA – OVS



EBITDA – upim



31 January 2025 Trade working capital

Trade working capital as at 31 January 2025 is improving vs. 31 January 2024

€m	31 January 2025	31 January 2024	Change
Trade Receivables	78.2	80.1	(1.9)
Inventory	486.7	461.0	25.7
Trade Payables	(441.6)	(405.4)	(36.2)
Trade Working Capital	**123.3**	**135.7**	**(12.4)**

Trade Working Capital does not reflect the application of IFRS 16 and Trade receivables are net of IFRS 15 provision.

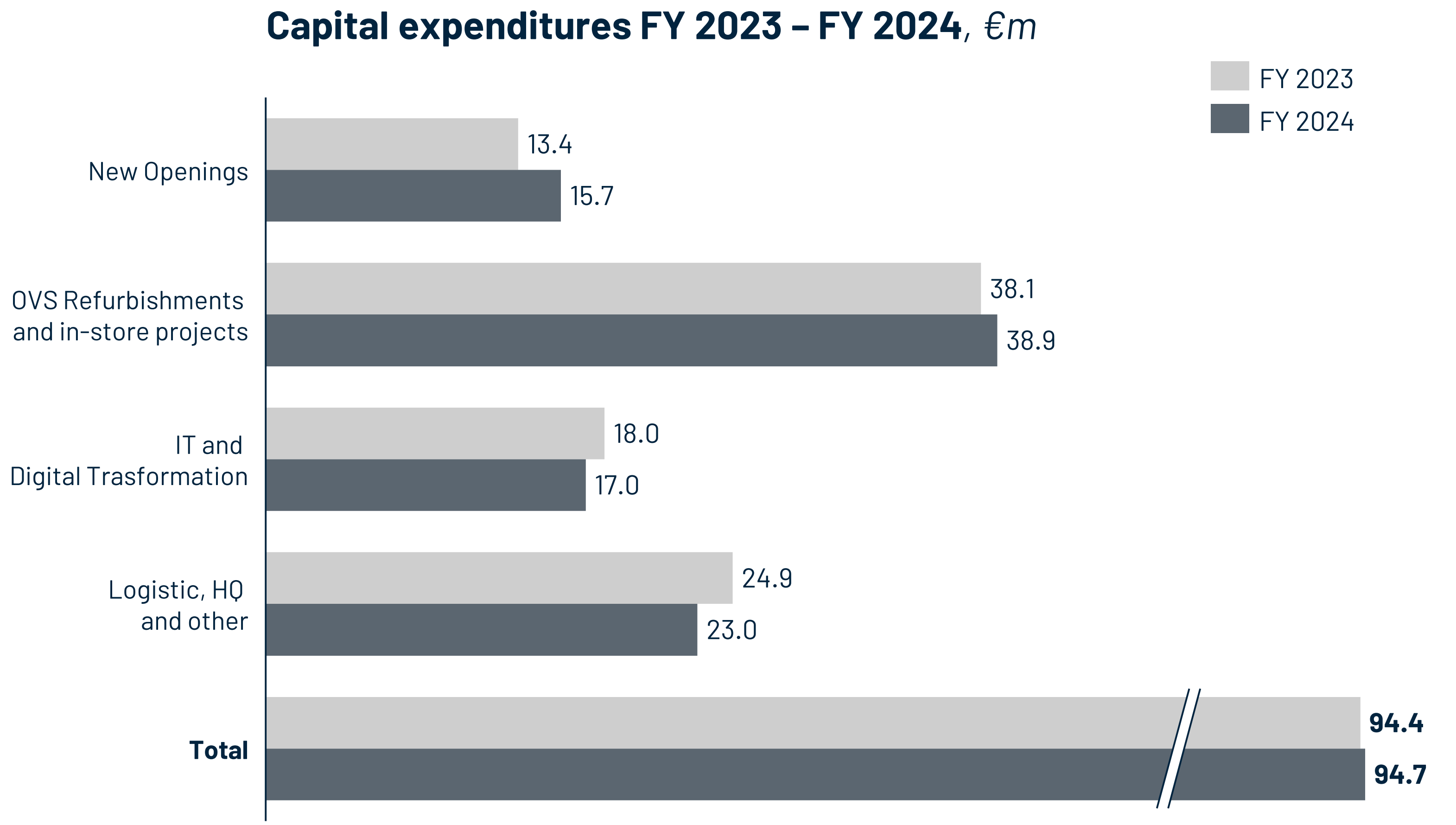
Trade Working Capital as at 31 January 2025 is slightly improving vs. 31 January 2024, as the net result of:

- **Trade receivables** flattish compared to 31 January 2024 in a context of growing franchising business;
- **Inventory** trend is related to higher €20m stock in transit due to longer ship-time and beauty set up;
- **Trade payables** increasing vs. last year for general business growth (sales growth +6%) and for the above mentioned longer transit times.

OVS

FY 2024 Capital expenditures

Constant focus on network and investments in special projects completed in 2024, as the new plant for the garments refurbishment in Puglia and the new Points of sale system



OVS

FY 2024 Cash flow statement

Over the three-year period, the company generated nearly €200 million in cash, after substantial investments in special technological innovation projects aimed at improving operations

€m	FY 2024	FY 2023
EBITDA Adjusted	**195.3**	**182.2**
Non recurring items	(6.6)	(3.6)
Change in Trade Working Capital	12.4	15.5
Change in Other Working Capital	6.6	(1.2)
Capex	(94.7)	(94.4)
Operating Cash Flow	**112.9**	**98.5**
Financial charges	(17.7)	(16.2)
Taxes	(24.2)	(6.4)
Other	(2.4)	(11.6)
Net Cash Flow excluding buyback and dividends	**68.6**	**64.3**

The table shows the adjusted cash flows in order to represent the Group's operating performance net of non-recurring and non-operating events, net of the application of IFRS 16 and reclassifying the liabilities for returns under IFRS 15 among the components of Working Capital.

- FY 2024 cash flow benefitting from the **higher EBITDA**, +€13.0m vs. 2023;
- **Working capital** trend **cash positive** and in line with previous year;
- Still significant level of **investments** also in 2024 for the completion of operations improvement projects;
- Higher cash absorption in **taxes** following the termination in FY2023 of past year losses effect.

OVS

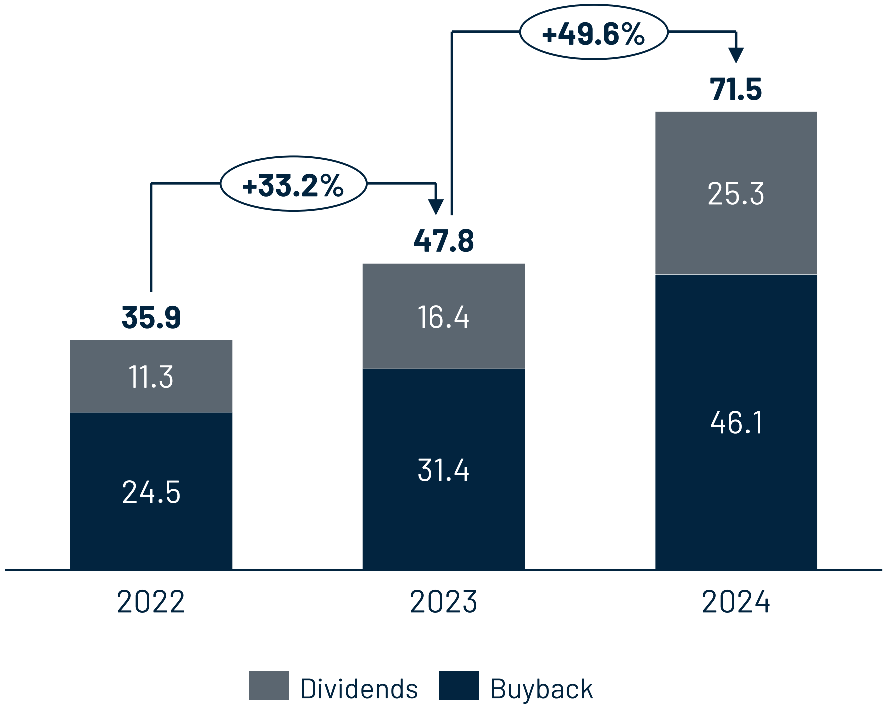
Shareholders remuneration

Increasing both direct remuneration by higher dividends and indirect reward through constant shares buyback

€m	FY 2024	FY 2023
Net Cash Flow excluding buyback and dividends	**68.6**	**64.3**
Dividends	(25.3)	(16.4)
Buyback	(46.1)	(31.4)
Change in Net debt excluding MtM hedging instruments	**(2.9)**	**16.5**
Change in MtM hedging instruments and FX differences	14.6	9.5
Change in Net debt including MtM hedging instruments	**11.7**	**25.9**

The table shows the adjusted cash flows in order to represent the Group's operating performance net of non-recurring and non-operating events, net of the application of IFRS 16 and reclassifying the liabilities for returns under IFRS 15 among the components of Working Capital.

Buybacks and Dividends 2022 – 2024, *€m*



OVS

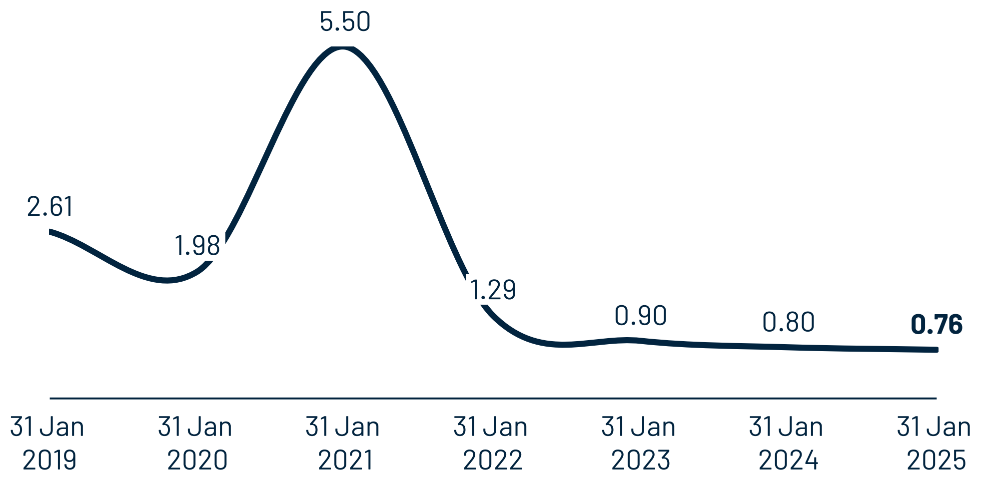
31 January 2025 Net debt and Leverage

Broadly flat leverage ratio despite €71.5 million for dividends and share buyback

€m	31 January 2025	31 January 2024
Net Debt reported	1,179.4	1,141.9
Net Debt adjusted for MtM hedging instruments and IFRS16	**148.3**	**145.5**
Leverage on EBITDA Net Debt adjusted / EBITDA Adjusted last 12 months	**0.76x**	**0.80x**
Leverage last 12 months on EBITDA Average Net Debt adjusted of last 12 months / EBITDA Adjusted last 12 months	**1.32x**	**1.39x**

- **Net Debt adjusted €148.3m**, despite €25.3 million paid in dividends and €46.1 million in treasury shares during the year;
- **Leverage on EBITDA** remained broadly flat at **0.8x**.

Leverage on EBITDA 31 Jan 2019 – 31 Jan 2025



AGENDA

FY 2024 Financial results

Outlook and Current trading

Appendix

OVS

Economic uncertainty and tariffs

The macroeconomic context

- The current environment, characterized by uncertainties and increased costs for households, could translate into a slowdown in consumption; **OVS is well positioned with respect to these dynamics**, proving increasingly capable of attracting consumer segments from higher price points.

OVS and tariffs

- OVS is not exposed to US export tariffs due to the absence of sales in the American market;
- Tariffs on Asian goods are increasing supplier availability for European companies, creating better sourcing opportunities;
- the strengthening of the Euro against the Dollar is positive for the sourcing of future collections.

OVS

Outlook and Current trading

- OVS will **continue to expand its offering dedicated to women**, a key segment that accounts for over half of the market.
  This includes the successful **Les Copains** launch and the further strengthening of the **beauty** segment, also with dedicated store openings;
- The **strengthening of OVS and Upim networks will continue**. Some new commercial relationships with **international partners** are proving very promising;
- Projected sales growth from product and network development, as well as by expected weather normalization, is the main driver for **2025 EBITDA growth**.
  This despite the ongoing personnel cost increases from the national contract renewal.
- The **cash flow for 2025 will benefit from the reduction in special investments**.
  No improvement is yet foreseeable regarding the continued substantial blockage of the Suez Canal.

- The **new collections have been well-received by our customers**, and sales for the first quarter 2025 to date are in line with the excellent performance of 2024, which in the same period achieved strong growth compared to 2023 due to a particularly favorable start of April.

OVS

AGENDA

FY 2024 Financial results

Outlook and Current trading

Appendix

OVS

Reconciliation between Adjusted and Reported Profit and Loss and Net financial position

€m	31 Jan 2025 Reported	Reclass income from rents	of which IFRS 16 Impact	of which non recurring	of which Stock Option, Derivatives, PPA, Forex	31 Jan 2025 Adjusted	31 Jan 2024 Reported	Reclass income from rents	of which IFRS 16 Impact	of which non recurring	of which Stock Option, Derivatives, PPA, Forex	31 Jan 2024 Adjusted
Net Sales	**1,632.0**	**-**	**-**	**0.6**	**-**	**1,631.4**	**1,535.2**	**-**	**-**	**(0.4)**	**-**	**1,535.6**
Purchases of consumables	689.1	-	-	0.7	6.3	682.2	665.7	-	-	0.3	9.3	656.1
Gross Margin	**942.8**	**-**	**-**	**(0.1)**	**(6.3)**	**949.2**	**869.4**	**-**	**-**	**(0.7)**	**(9.3)**	**879.4**
Personnel costs	337.9	-	-	0.9	3.1	333.9	312.2	-	(0.0)	0.8	1.5	309.8
Costs for services	247.5	-	(1.0)	1.7	-	246.9	233.7	-	(0.9)	1.2	-	233.3
Rent costs	41.9	15.8	(196.1)	0.8	-	221.3	38.5	16.3	(193.1)	0.8	-	214.5
Provisions	9.5	-	-	2.0	-	7.5	2.8	-	-	-	-	2.8
Other operating income	(92.0)	(15.8)	(1.7)	-	-	(74.4)	(95.6)	(16.3)	1.4	-	-	(80.7)
Other operating costs	21.0	-	1.0	1.2	-	18.8	18.4	-	0.8	0.1	-	17.5
Total operating costs	565.8	-	(197.8)	6.5	3.1	754.0	510.0	-	(191.7)	2.9	1.5	697.2
EBITDA	**377.0**	**-**	**197.8**	**(6.6)**	**(9.4)**	**195.3**	**359.5**	**-**	**191.7**	**(3.6)**	**(10.8)**	**182.2**
Depreciation & Amortization	229.1	-	152.8	0.8	9.3	66.2	232.5	-	158.2	2.6	8.6	63.1
EBIT	**147.9**	**-**	**45.1**	**(7.4)**	**(18.7)**	**129.0**	**126.9**	**-**	**33.5**	**(6.3)**	**(19.4)**	**119.1**
Net financial (income)/charges	70.1	-	63.9	-	(13.4)	19.5	54.6	-	40.9	-	(4.1)	17.8
PBT	**77.9**	**-**	**(18.8)**	**(7.4)**	**(5.4)**	**109.5**	**72.3**	**-**	**(7.4)**	**(6.3)**	**(15.4)**	**101.3**
Taxes	25.8	-	(2.7)	(1.8)	(1.3)	31.6	19.9	-	(0.3)	(1.5)	(3.7)	25.5
Net Income	**52.1**	**-**	**(16.1)**	**(5.6)**	**(4.1)**	**77.9**	**52.4**	**-**	**(7.1)**	**(4.8)**	**(11.7)**	**75.9**
Net Financial Position	**1,179.4**	**-**	**1,045.9**	-	**(14.8)**	**148.3**	**1,141.9**	**-**	**996.7**	-	**(0.3)**	**145.5**

OVS

Reconciliation between Adjusted and Reported Profit and Loss and Net financial position

In the 2024 financial year, the results were adjusted mainly to strip out the impact of IFRS 16, in particular: (i) 197.8 million euros on EBITDA mainly to reflect rental costs, (ii) 45.1 million euros on EBIT due to the reversal of depreciation and amortisation of 152.8 million euros, and (iii) 18.8 million on PBT due to the reversal of 63.9 million euros related to net financial expenses.

EBITDA for the 2024 financial year is adjusted mainly by: (i) €6.3 million in positive net foreign exchange differences for forward hedging of goods in foreign currency sold in the year; (ii) €3.1 million in costs related to stock option plans (non-cash costs); and (iii) €6.6 million mainly relating to discontinued businesses and other minor one-off charges.

Other adjustment items that impacted EBIT and EBT relate to (i) €9.3 million related to the amortisation of intangible assets linked to past Purchase Price Allocations, (ii) €13.4 million in adjusted net financial income, mainly related to foreign exchange differences arising from the valuation of items denominated in foreign currency, including with respect to forward derivatives and foreign exchange differences.

Finally, the adjusted result for the year was affected by €5.8 million in recalculated taxes following the above adjustments.

The reported net financial debt as of 31 January 2025 stood at €1,179.4 million, of which €1.045.9 million is the result of the application of IFRS 16 and represents the present value of future lease payments. Management believes that approximately €600 million of the €1,179.4 million does not represent a real financial liability, as the Company holds early withdrawal rights.