

OVS

First quarter 2021: strong growth in sales.
Market share continues to rise, now to 8.7%.
Excellent recovery of EBITDA.

- ✓ Our company's market share recorded further growth **in the first quarter** (February - April), now reaching **8.7%**, without any increase in store surface area.
- ✓ **Net sales of €229.6 million** were up sharply over the same period of the previous year (**+123.6%**). The decline recorded compared to the same period of 2019 (when sales amounted to €317.5m) was much lower than the reduction in opening hours (sales at minus 27.7% compared to a decrease in average opening hours of 36%). Sales generated through the ovs.it website were up 45%.
- ✓ The **EBITDA of €5.7 million** recorded a significant recovery compared with 2020, due to a growth in gross margin and a continuous focus on costs. 30 April 2021 last twelve months EBITDA amounted to €112.6m, **+54%** compared with the one reported in January 2021 (which amounted to €72.9 million).
- ✓ The **net financial position** was **€474.9 million**, with payment extensions fully recovered. Cash flow in the first quarter of 2021 was substantially the same as in 2019 (-€73.9m in 1Q21 vs. -€69.6m in 1Q19).
- ✓ The month of **May** benefited from a progressive strong increase in sales, with double-digit growth compared to 2019.

CONSOLIDATED RESULTS

€ mln	30.04.2021 (A)	30.04.2020 (A)	Chg.	Chg. %
Net Sales	229.6	102.7	126.9	123.6%
EBITDA	5.7	(34.0)	39.7	116.7%
EBITDA%	2.5%	-33.2%		
EBIT	(8.2)	(47.7)	39.4	82.7%
EBIT%	-3.6%	-46.4%		
PBT	(13.5)	(52.4)	38.9	74.2%
Net Financial Position	474.9	428.8	(46.1)	
Market Share	8.7%	8.1%		+63ppt



(A) Only the adjusted results (so-called managerial results) have been reported, as they are considered representative of the actual performance of the business: for 2020, they do not reflect (i) the adoption of IFRS16 and (ii) mark-to-market accounting at the level of the net financial position (-€5.5 million).

Statement from the Chief Executive Officer, **Stefano Beraldo**

I believe that the continued growth in our company's market share, in the absence of new selling surfaces, is one of the most significant figures for this quarter. It is a sign that our positioning and the actions we are taking, even in terms of discontinuity, are delivering the expected results.

The sales performance was excellent, with strong growth compared to 2020 in all product categories and, compared to 2019, recording a limited decline considering the decrease in opening hours. The strong recovery in profitability was also good, thanks to fewer promotions and attention to costs. Cash flow was remarkable, in line with that of 2019 despite lower sales, also thanks to the decision to limit purchases to a minimum given the situation of uncertainty with which the year began.

Finally, the extraordinary results of the month of May have to be highlighted, reporting double-digit sales growth compared with 2019, supported by the excellent performance of the new brands that were recently added to the offering.

There is a general recovery in the market and our company is taking advantage of very strongly. OVS has solid foundations to be one of the main players in the recovery of the entire sector: (i) our extended network of stores enables consumers to benefit from a multi-channel offering unique in Italy, and reducing the environmental impact of one-to-one deliveries made by more traditional digital channels; (ii) the evolution of our network, will continue with the development of stores, which will be directly managed when large in size, and managed by our partner businesses when smaller. The latter, leveraging the Group's different brands, will meet the needs of local communities, areas often presided over by less efficient operators and characterised by less competition from international players than in large metropolitan areas; (iii) the opening of the Group's commercial and distribution platform to third-party brands and new owned brands, through an offering that includes both international brands and emerging ones, will enable these brands to benefit from the multi-channel approach provided by the Group, and will increasingly attract diverse customers, who are not only looking for the right price, but also for Piombo's style, products dedicated to young people such as Grand & Hills and Utopia for boys and Baby Angel and Tally Weijl for girls, international icons such as GAP, or up-and-coming brands; (iv) finally, we will pursue our focus on sustainability, both in terms of the production chain and the commercial offering, in the belief that the end consumer will also be increasingly willing to spend more than in the past on quality products that are more durable over time and that have a low environmental impact.

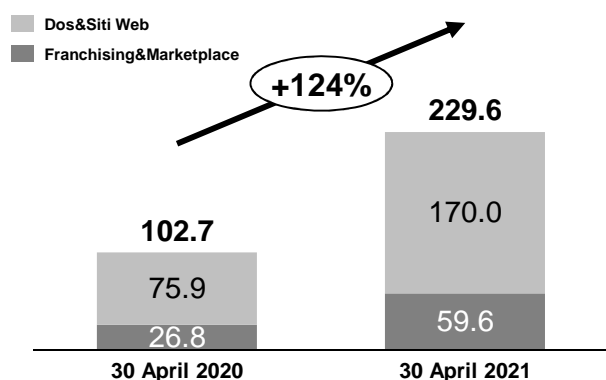
We believe that the implementation of these and other strategies will enable us to strengthen OVS's role in the Italian economic scenario, actively contributing to our country's recovery.



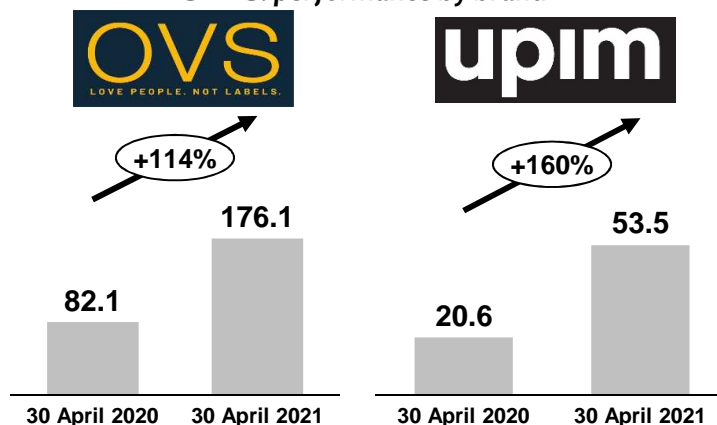
NET SALES

Total sales in the first quarter of 2021 amounted to €229.6 million, up 124% compared with the same period in 2020. When compared to the performance in 2019, value declined by just 27.7%, demonstrating excellent performance in the absence of restrictions.

NET SALES: aggregate performance



NET SALES: performance by brand

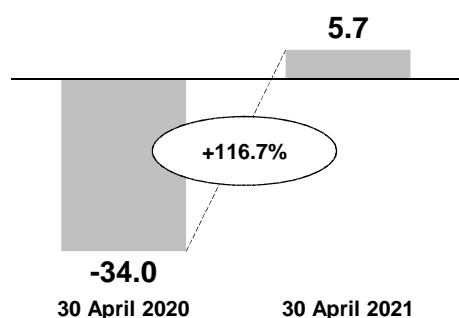


EBITDA

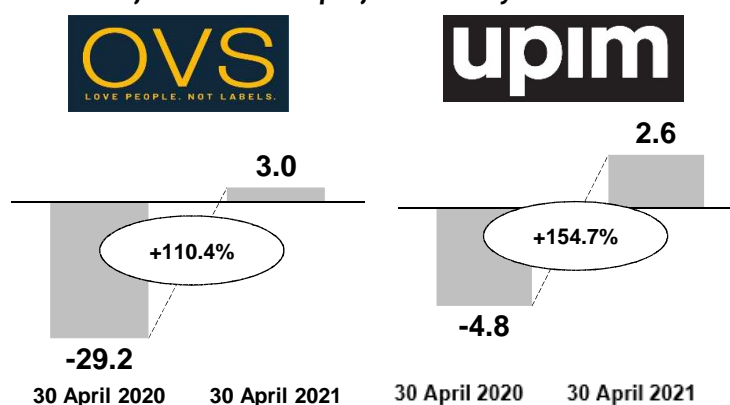
Adjusted EBITDA came in at €5.7 million, recording a strong recovery compared with the loss recorded the previous year. EBITDA for the last twelve months totalled €112.6 million, confirming the expected marked recovery in profitability compared to that reported at year end (+54%).

Proven cost flexibility, a solid first margin, together with good sales performance in periods when stores could remain open, were all key to achieving this result.

Adjusted EBITDA: aggregate performance



Adjusted EBITDA: performance by brand



OPERATING RESULT AND RESULT BEFORE TAX

Adjusted EBIT and pre-tax profit amounted to -€8.2m and -€13.5m respectively, reflecting, even if still negative, the recovery of profitability recorded at the EBITDA level.

NET FINANCIAL POSITION AND CASH FLOW

At 30 April 2021, the Group's net financial position adjusted for the impact of the mark-to-market and the impact of the application of IFRS 16, was €474.9 million, while the ratio between the adjusted net financial position and adjusted EBITDA for the last 12 months was 4.2x, reporting a marked decrease (1.3x) compared with 31 January 2021.

Despite the limited operations of stores that characterised the first quarter of the year, the period reported a cash absorption in line with that of 2019, therefore reflecting the normal seasonality of OVS's business. The excellent sales in May are accelerating the Group's deleverage.

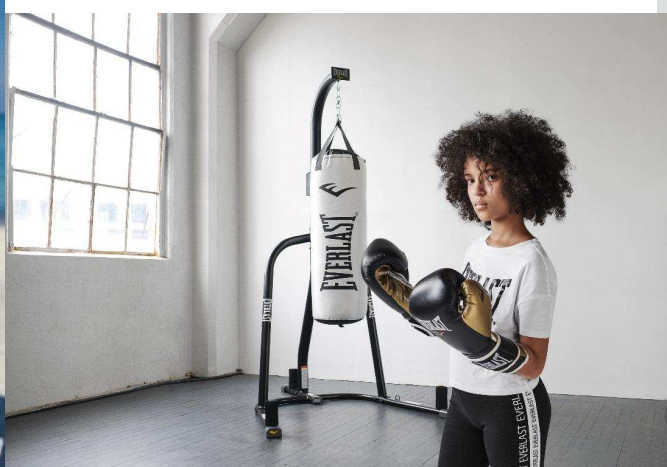
€ mln	30 April 2021	30 April 2020
Net Debt excluding MtM & IFRS16	474.9	428.8
Leverage on EBITDA (*) Adjusted Net Debt/EBITDA Adjusted LTM	4.22X	4.42X
Leverage on EBITDA (**) Adj. Average last 12 months Net Debt/EBITDA Adjusted LTM	3.64X	4.07X

(*) Net debt does not include the accounting effects of mark-to-market valuation and the effect of the first-time adoption of IFRS 16. The adjusted EBITDA taken into account is the cumulative EBITDA over the last 12 months

(**) The net debt used to calculate the leverage on EBITDA is calculated using average debt over the last 12 months and cumulative adjusted EBITDA over the last 12 months.



Grand & Hills



Everlast



GAP



INFORMATION RELATING TO THE TIMING EXPECTED IN REFERENCE TO THE CAPITAL INCREASE

We inform that, in consideration of the Capital Increase up to a maximum of Euro 80 million, which was approved by the Extraordinary Shareholders' Meeting held on 15 December 2020, and which has to be carried out no later than 31 July 2021, in order to execute the aforementioned operation, the Company is proceeding with all the activities necessary to obtain the authorization for the publication of the Information Prospectus by the Authority. The Company considers it reasonable to assume the start of the operation between the last week of June and the first one of July.

OTHER INFORMATION

Company information

OVS S.p.A. is an Italian registered company (VAT no. 04240010274), with its registered office in Venice-Mestre (Italy). The shares of OVS S.p.A. have been listed on the Milan Electronic Stock Market since 2 March 2015.

OVS has opted to adopt the regime derogating from Article 70, paragraph 6 and Article 71, paragraph 1 of the Regulation for Issuers, as set out in the prospectus.

Quarterly reporting

OVS S.p.A. advises that, as announced in the corporate events calendar and pursuant to Article 82-ter of the Regulation for Issuers, it 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 with the financial community and the main stakeholders on the business dynamics of the Company.

Nicola Perin, the Financial Reporting Officer, hereby declares, pursuant to Article 154-bis, paragraph 2, of Legislative Decree 58 of 1998, that the information contained in this press release corresponds to the documentary results, books and accounting records

Conference call for presentation of results

Tomorrow, 18 June 2021, at 14:30 local time (CET), there will be a conference call with analysts and investors, during which the main results for the quarter ended 30 April 2021 will be presented. The conference call may be joined by dialling +39 02 805 88 11 (from Italy), + 44 121 281 8003 (from UK), +1 718 7058794 (from USA), (for journalists +39 02 8058827). 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. 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

Half-year Financial Report as at 31 July 2021

22 September 2021

Interim Report on Operations for the third quarter of the year to 31 October 2021

14 December 2021

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Disclaimer

- i) The information presented in this document has not been audited.
- ii) The document may contain forward-looking statements relating to future events and the operating, economic and financial results of OVS. By their very nature, such forecasts include an element of risk and uncertainty, as they depend on the occurrence of future events and developments. The actual results may differ significantly from those announced due to a variety of factors.