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ORSERO**

Press Release

THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED RESULTS AT 31 MARCH 2022
VERY SATISFACTORY RESULTS IN A COMPLEX MACROECONOMIC CONTEXT WHICH FURTHER
PROVE THE STRENGTH OF THE GROUP'S BUSINESS MODEL
IMPORTANT GROWTH IN REVENUES AND GROUP PROFITABILITY EVEN COMPARED TO A VERY
POSITIVE Q1 2021
THE EXCELLENT CASH GENERATION FURTHER STRENGTHENS THE FINANCIAL STRUCTURE
GUIDANCE FY 2022 CONFIRMED

- TOTAL REVENUES EQUAL TO **€ 264 MILLION**, UP BY ABOUT **10%** COMPARED TO Q1 2021
- ADJUSTED EBITDA EQUAL TO **€ 17.7 MILLION**:
 - **28.1%** INCREASE VS Q1 2021 THANKS TO THE POSITIVE PERFORMANCE OF THE SHIPPING BU AND THE RESILIENCE OF THE DISTRIBUTION BU VS AN EXTREMELY POSITIVE Q1 2021
 - EBITDA MARGIN OF **6.7%** IMPROVING BY **+95 BPS.** VS Q1 2021
- NET PROFIT OF **€ 8,4 MILLION** WITH A GROWTH OF MORE THAN **70%** COMPARED TO Q1 2021
- NET FINANCIAL POSITION OF **€ 73.8 MILLION**, A SIGNIFICANT IMPROVEMENT COMPARED TO € 84.3 MILLION AT 31 DECEMBER 2021 THANKS TO THE EXCELLENT CASH GENERATION

Consolidated Summary Results¹

€ Million	Q1 2022	Q1 2021	Changes	%
Net Sales	264.0	240.3	23.7	9.9%
Adjusted EBITDA ²	17.7	13.8	3.9	28.1%
Adjusted EBITDA Margin	6.7%	5.7%	+95 Bps.	
Adjusted EBIT ³	10.6	7.3	3.4	46.2%
EBIT	9.9	6.9	3.0	43.0%
Adjusted Net Profit ⁴	8.9	5.1	3.9	76.2%
Non-recurring profit/loss and Top Management Incentives	(0.6)	(0.3)	ns	ns
Net Profit	8.4	4.8	3.6	74.3%
Adjusted EBITDA Excl. IFRS 16 ⁵	14.5	11.9	2.6	22.2%

€ Million	31.03.2022	31.12.2021
Net Equity	187.3	175.9
Net Financial Position	73.8	84.3
NFP /Net Equity	0.39	0.48
NFP/Adjusted EBITDA	1.30	1.59
Net Financial Position Excl. IFRS 16	36.7	45.3

¹ Data without the effect of the IFRS 16 accounting are reported as "Excl. IFRS 16".

² Excluding depreciation, amortizations, provisions, exchange rate effect and non-recurring items and costs related to top management incentives.

³ Excluding non-recurring items and costs related to top management incentives.

⁴ Excluding non-recurring items and costs related to top management incentives, net of tax.

⁵ Excluding depreciation, amortizations, provisions, exchange rate effect and non-recurring items and costs related to top management incentives.

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Milan, 12 May 2022 – The Board of Directors of Orsero S.p.A. (Euronext STAR Milan, **ORS:IM**) today approved the consolidated financial results as at 31 March 2022.

Raffaella Orsero, CEO of Orsero, and Matteo Colombini, Co-CEO and CFO of Orsero commented: "We are satisfied with the excellent results achieved, which are the outcome of the Group's ability to act in a flexible and reactive way to a market environment that we already expected to be complex and that the ongoing conflict has further worsened, generating even greater impacts on the growth of raw material prices and energy costs. The policies we have implemented have succeeded to largely counteract the increase in operating costs, working on efficiency and increasing sales prices without speculation but with the aim of respecting the correct remuneration of the entire procurement supply chain and protect the profitability of our core business. Furthermore, it is important to underline how the Business model of the Orsero Group, thanks to the vertical integration of the Distribution and Shipping BUs, is allowing to take advantage of the current favourable situation of the sea freight, succeeding not only in protecting and improving the profitability of business but also in gaining a strategic advantage thanks to the excellent cash generation that will enable us to accelerate our growth and development plans."

CONSOLIDATED ECONOMIC SUMMARY DATA AS OF 31 MARCH 2022

Net Revenues, equal to **€ 264 million**, are up by about **10%** compared to the **€ 240.3 million** recorded in Q1 2021, with a growth that involved both the Distribution BU (+7.7%) and, more significantly, the Shipping BU (+26.2%).

The **Adjusted EBITDA**, equal to **€ 17.7 million**, shows an **increase of 28.1%** compared to **€ 13.8 million** of Q1 2021, with an outstanding **Adjusted EBITDA Margin** equal to **6.7%**, up by **95 bps** compared to Q1 2021.

The **Adjusted EBIT** equal to **€ 10.6 million** grows of **46.2%** compared to **€ 7.3 million** recorded in Q1 2021.

The **Adjusted Net Profit⁶** shows a positive result of **€ 8.9 million** compared to a net profit of **€ 5.1 million** in Q1 2021, with a remarkable **increase of € 3.9 million (+76.2%)** mainly driven by the increase of operating margin and the reduction of taxes (as an effect of the adoption of the "tonnage tax").

The **Net Profit** stands at **€ 8.4 million** with a significant **increase of € 3.6 million (+74.3%)** compared to a net profit of **€ 4.8 million** in Q1 2021.

CONSOLIDATED BALANCE SHEET SUMMARY DATA AS AT 31 MARCH 2022

Total Shareholders' Equity is equal to **€ 187.3 million**, with an increase of abt. **€ 11.4 million** compared to the Shareholders' Equity at 31 December 2021 equal to **€ 175.9 million**.

The **Net Financial Position⁷** is equal to **€ 73.8 million at 31 March 2022** compared to **€ 84.3 million** at 31 December 2021, of which IFRS 16 liabilities are respectively **€ 37.1 million** and **€ 39.1 million**. The improvement, corresponding to a reduction of about **€ 10.5 million**, is the result of the significant cash

⁶ The result is calculated net of non-recurring items (equal to a loss of approximately €-0.3 million in Q1 2022 and a loss of approximately €-0.3 million in Q1 2021) and costs related to the Q1 2022 share of the Top Manager rewards accrued in the years 2020 and 2021 (equal to approximately €-0.2 million in Q1 2022 and € 0 million in Q1 2021), including the related estimated tax effects.

⁷ Net Financial Position includes IFRS 16 effects.



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generation deriving from operating activities for about € 12.2 million, balanced mainly by operating investments of the period for approximately € 3.65 million, greater right of use IFRS 16 equal to € 1 million and the repurchase of treasury shares of about € 0.3 million.

CONSOLIDATED ECONOMIC DATA AS AT 31 MARCH 2022 BY BUSINESS UNIT

Revenues - Thousand of €	Q1 2022	Q1 2021
"Distribution" Segment	242,455	225,045
"Shipping" Segment	30,316	24,016
"Holding & Services" Segment	2,791	2,475
Adjustment intra-segment	(11,554)	(11,262)
Revenues	264,007	240,274

Adjusted EBITDA - Thousand of €	Q1 2022	Q1 2021
"Distribution" Segment	8,014	9,689
"Shipping" Segment	11,518	5,722
"Holding & Services" Segment	(1,858)	(1,617)
Adjusted EBITDA	17,673	13,794
Adjusted EBITDA Excl. IFRS 16⁸	14,503	11,871

The **Distribution segment** achieved net revenues of € 242.5 million, up by approximately € 17.4 million compared to Q1 2021 (+ 7.7%) resulting from an increase in average unit sales prices against slightly declining volumes.

Adjusted EBITDA is approximately € 8 million, down from € 9.7 million recorded in Q1 2021, in consideration of the performance of some product campaigns, notably that of the avocado which had been exceptionally positive in Q1 2021, and the higher energy costs incurred by the group's distribution platforms and the costs of maritime logistics. The Adjusted Ebitda Margin remains at a good level, equal to 3.3% of revenues.

The **Shipping segment** generated net revenues of € 30.3 million, with an increase of approximately € 6.3 million (+26.2%) compared to 31 March 2021, due to the increase in freight rates - particularly those relating to dry container caused by the conjunctural disruption of international maritime logistics - and the favourable trend in the dollar exchange rate, the currency in which maritime freight rates are typically denominated.

Adjusted EBITDA of € 11.5 million increased significantly (+ 101.3%) compared to the € 5.7 million recorded in Q1 2021, achieving an Adjusted EBITDA Margin equal to 38% of revenues, in consideration of the above.

The **Holding & Services segment** achieved net revenues of € 2.8 million and a negative Adjusted EBITDA of abt. € 1.9 million. It should be noted that the result of the sector is physiologically negative at the Adjusted EBITDA level as it includes the activities of the Parent Company, the result of which is linked to the extent of dividends received by the companies of the Group.

⁸ The positive effect of IFRS 16 on the Adjusted Ebitda for the Q1 2022 amounts to approximately € 3.2 million, consisting of approximately € 1.1 million for the Distribution BU, approximately € 2 million for the BU Shipping and approximately € 0.1 million for the Holding & Services BU. Please note that in the Q1 2021, the same values were equal to approximately € 1.9 million in total, of which approximately € 1.1 million for the Distribution BU, approximately € 0.8 million for the Shipping BU and approximately € 0.1 million for the Holding & Services BU.

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MAIN SIGNIFICANT EVENTS OCCURRED DURING Q1 2022

On **11 January 2022** Orsero announced the start of a further **treasury share buyback program** in execution of the resolution of the Shareholders' Meeting of 29 April 2021. This program ended on **25 January 2022**: in the period between 12 and 25 January (inclusive) a total of 25.000 treasury shares were purchased, for an average unit price of € 10.9145 and for a total value of approximately € 273.000 (including commissions).

At the date of this press release, considering the above purchases, Orsero holds a total of no. 327.514 treasury shares equal to 1.85% of the share capital, The companies controlled by Orsero do not hold shares in the parent company.

On **2 February 2022** Orsero presented his first **Strategic Sustainability Plan**, with medium - long-term goals in line with the *Sustainable Development Goals* of the 2030 United Nations Agenda. The Plan, approved by the Board of Directors of Orsero S.p.A., was created with the aim of combining business growth with social and environmental sustainability.

MAIN SIGNIFICANT EVENTS OCCURRED AFTER THE END OF Q1 2022

The Shareholders' Meeting on **28 April 2022** resolved, inter alia: (i) the distribution of an ordinary dividend of € 0.3 per share for a total amount of about € 5.2 million, whose payment was made on 11 May 2022 ; (ii) the renewal of the authorization to the Board of Directors to purchase ordinary treasury shares, also in several tranches, for a period of 18 months and for a maximum number of shares which does not exceed the maximum value of € 4 million (having considered the shares in the Company portfolio); and the authorization to dispose of treasury shares held without time limits and for all purposes permitted by law.

COVID 19 AND UKRANIAN CONFLICT

The year 2022 had opened in the sign of a widespread climate of uncertainty about the possible inflationary risks linked to the costs in the context of the post-Covid global recovery and the advent of the conflict in Ukraine, which had an impact on the generalized price increases, especially related to energy, causing an upward reflection on the cost structure of the sector, which largely managed to pass on to sales prices.

The Group's business has not suffered - at least until now - effects of significant magnitude and such as to cause disruption of the business, both due to the absence of direct relationships with countries in conflict, and due to the nature of its business related to the marketing of basic food products.

The management of the Group continues to carry out an activity of unerring monitoring of the situation from a financial, commercial and organizational point of view, as well as the treasury situations relating to collections from customers and, finally, to any subsidy measures in favour of companies in discussion with the government authorities of each country to better evaluate the investment policy.



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BUSINESS OUTLOOK: GUIDANCE 2022

Please note that, on the basis of the approved budget projections for the financial year 2022, in line with its practice of dialogue with shareholders, on 1 February 2022 the Company announced the Guidance on the main economic and financial indicators expected for the current financial year. Here below the main consolidated forecast indicators:

Guidance FY 2022⁹:

- Net Sales between € 1.100 million and € 1.130 million
- Adjusted Ebitda¹⁰ between € 65 million and € 68 million¹¹
- Net profit between € 30 million and € 32 million
- Net Financial Position between € 63 million and € 68 million¹²
- Investments in operating fixed assets between € 12 million and € 13 million¹³, of which € 3.7 million related to the multi-year sustainability plan.

The estimates consider - as far as possible today - a very uncertain current and prospective macroeconomic and social context due to the pandemic situation, to the ongoing conflict in Ukraine and the repercussions of the same events on the economy which has seen an inflationary pressure by cost unparalleled in the last 25 years, in addition of course to the geopolitical risks that are currently impossible to determine.

The management and the Company constantly monitor the main economic, equity and market indicators in order to be able to promptly react to any new scenarios that are currently not foreseeable, and which will be communicated to shareholders if they involve a significant deviation of the Group's results compared to the FY 2022 Guidance.

In the light of the above and the results of Q1 2022, the Company therefore believes that it can confirm the Guidance FY 2022.

FILING OF DOCUMENTS

A brief presentation of the consolidated Results of Q1 2022, in English, will be made available to the public on the institutional website www.orserogroup.it, section "Investors/Financial Documents".

The Copy of the Interim Financial Report as at 31 March 2022 will be made available to the public in accordance with the law through publication on the institutional website www.orserogroup.it, section "Investors/Financial Documents" and on the authorized storage system eMarket Storage (www.emarketstorage.com) other than at the registered office in Milan, Corso Venezia 37.

⁹ Constant scope of consolidation excluding possible M&A transactions.

¹⁰ It does not include depreciation, provisions, income and charges of a non-recurring nature including any figurative costs of the long-term incentive plans.

¹¹ Excluding the IFRS 16 effect, between € 52 million and € 55 million.

¹² Excluding the IFRS 16 effect, between € 28 million and € 33 million.

¹³ Excluding the increase in fixed assets due to the application of IFRS 16.

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The Manager in charge of preparing the corporate accounting documents of Orsero S.p.A., Mr. Giacomo Ricca certifies, pursuant to art. 154-bis, paragraph 2, of Legislative Decree 58/98 that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

The Group's results for Q1 2022 will be presented to the financial community on 13 May 2022 during a conference call at 9.30 CEST (UTC +02:00).

For information, please contact the references at the bottom of this press release.

ORSERO is the holding company of the Italian and international group with the same name, a leader in Mediterranean Europe for the import and distribution of fresh fruit and vegetables. The Orsero Group was created more than 50 years ago at the initiative of the Orsero family, which had been operating since the 1940s in the fruit and vegetable sector, in partnership with other entrepreneurs. Over the decades, the Orsero Group has expanded its business both in terms of area covered, which today includes Italy, France, Spain, Portugal, Greece, Mexico, Costa Rica and Colombia, and in terms of product categories and sectors, according to a model known as vertical integration. Along with the distribution of fresh produce, the Orsero Group's business model also includes the import of bananas and pineapples using its owned ships. In 2012, the Orsero Group launched the brand "F.lli Orsero" for bananas and pineapples. The name intends to convey a sense of tradition and the passion of a large Italian family-run company for high-end produce.

ORSERO ordinary shares are listed on the Euronext STAR Milan segment of the Market Euronext Milan: ISIN - IT0005138703; Bloomberg Ticker "ORS.IM"; Thomson Reuters Ticker "ORSO.MI".

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ANNEXES
ORSERO GROUP - CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

Thousands of euro	31.03.2022	31.12.2021
ASSETS		
Goodwill	48,245	48,245
Intangible assets other than Goodwill	9,469	9,022
Property, plant and equipment	162,173	164,407
Investments accounted for using the equity method	14,334	14,753
Non-current financial assets	6,398	6,243
Deferred tax assets	9,110	8,492
NON-CURRENT ASSETS	249,729	251,161
Inventories	49,348	43,333
Trade receivables	109,794	113,677
Current tax assets	13,821	11,254
Other receivables and other current assets	18,565	14,182
Cash and cash equivalents	58,186	55,043
CURRENT ASSETS	249,713	237,489
Non-current assets held for sale	-	-
TOTAL ASSETS	499,442	488,650
EQUITY		
Share Capital	69,163	69,163
Other Reserves and Retained Earnings	109,109	87,733
Profit/loss attributable to Owners of Parent	7,899	18,290
Equity attributable to Owners of Parent	186,171	175,186
Non-controlling interests	1,091	668
TOTAL EQUITY	187,262	175,854
LIABILITIES		
Financial liabilities	94,829	98,248
Other non-current liabilities	944	1,057
Deferred tax liabilities	4,517	4,081
Provisions	5,027	5,326
Employees benefits liabilities	9,762	9,761
NON-CURRENT LIABILITIES	115,079	118,473
Financial liabilities	41,854	42,518
Trade payables	123,731	126,854
Current tax liabilities	6,189	4,142
Other current liabilities	25,327	20,811
CURRENT LIABILITIES	197,101	194,324
Liabilities directly associated with non-current assets held for sale	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	499,442	488,650



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ORSERO GROUP - CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2022

Thousands of euro	Q1 2022	Q1 2021
Net sales	264,007	240,274
Cost of sales	(236,087)	(216,550)
Gross profit	27,921	23,724
General and administrative expense	(18,197)	(16,742)
Other operating income/expense	149	(76)
Operating result	9,873	6,906
Financial income	53	35
Financial expense and exchange rate differences	(1,129)	(781)
Other investment income/expense	1	2
Share of profit/loss of associates and joint ventures accounted for using equity method	422	159
Profit/loss before tax	9,220	6,322
Income tax expense	(852)	(1,520)
Profit/loss from continuing operations	8,368	4,802
Profit/loss from discontinued operations	-	-
Profit/loss for the period	8,368	4,802
Profit/loss attributable to non-controlling interests	470	103
Profit/loss attributable to Owners of Parent	7,899	4,699


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ORSERO GROUP - CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022

Thousands of euro	Q1 2022	Q1 2021
A. Cash flows from operating activities (indirect method)		
Profit/loss for the period	8,368	4,802
Adjustments for income tax expense	852	1,520
Adjustments for interest income/expense	821	877
Adjustments for provisions	561	388
Adjustments for depreciation and amortisation expense and impairment loss	6,482	6,136
Change in inventories	(6,015)	(6,414)
Change in trade receivables	3,572	(2,055)
Change in trade payables	(3,123)	(896)
Change in other receivables/assets and in other liabilities	1,424	828
Interest received/(paid)	(478)	(376)
(Income taxes paid)	(277)	(181)
Cash flow from operating activities (A)	12,187	4,629
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(4,078)	(3,934)
Proceeds from sales of property, plant and equipment	66	529
Purchase of intangible assets	(682)	(375)
Proceeds from sales of intangible assets	-	-
Purchase of interests in investments accounted for using equity method	(422)	(159)
Proceeds from sales of investments accounted for using equity method	842	631
Purchase of other non-current assets	(412)	173
Proceeds from sales of other non-current assets	-	-
(Acquisitions)/disposal of investments in controlled companies, net of cash	-	-
Cash Flow from investing activities (B)	(4,687)	(3,134)
C. Cash Flow from financing activities		
Increase/decrease of financial liabilities	(4,453)	1,150
Drawdown of new long-term loans	1,194	2,540
Pay back of long-term loans	(4,139)	(3,755)
Capital increase and other changes in increase/decrease	3,313	1,547
Disposal/purchase of treasury shares	(273)	-
Dividends paid	-	-
Cash Flow from financing activities (C)	(4,358)	1,481
Increase/decrease in cash and cash equivalents (A ± B ± C)	3,143	2,976
Cash and cash equivalents at 1° January 22-21	55,043	40,489
Cash and Cash equivalents at 31 March 22-21	58,186	43,465