

#reneweddevelopment

**IN 2021 TEDDY GROUP RECOVERED ITS DEVELOPMENT PATH AFTER THE PANDEMIC,
ACHIEVING A REMARKABLE PROFITABILITY
(ADJUSTED EBITDA 60 Mil Euros, 11.1% OF THE TURNOVER)
INCREASE IN CONSOLIDATED REVENUES (540.2 Mil Euros, +9.3%)**

- **The Corporate Group controlling the brands Terranova, Rinascimento, Calliope, Kitana and QB24 looks at a renewed development path with confidence.**
- **Investments planned for 2022: digital, sustainability and strengthening brand positioning.**
- **The sales network was further expanded in Italy and worldwide in 2021, adding 110 new stores. A very positive performance on the Italian national market.**

Rimini, July 25th, 2022 - Teddy Group, one of the leading companies in the clothing industry, and its brands recorded very important and positive results in 2021, far better than what expected, thus confirming once again the soundness of its business models and competitive strategies.

The Group faced firmly the challenges coming from Covid19 pandemic and its variants, focusing on keeping customer loyalty high. Teddy managed to stay on track to pursue the dream of its founder Vittorio Tadei, “building a large and global company that earns enough money to create jobs and to use a part of the net profits to help charities operating in Italy and abroad”. “I’d like to thank all our collaborators, all our franchisees, all our suppliers and partners for the dedication and determination with which each one of us faced and is still facing extraordinary challenges and events”, said Alessandro Bracci, Teddy CEO and Chairman.

Teddy sticks to its strategy pillars that are long-term growth, focus on customer, shared entrepreneurship/leadership and attention to efficiency, which has increasingly gained more attention in the latest years.

Consolidated revenues in 2021 increased by over 46 Mil Euros (+9.3%) compared to financial year 2020, totaling 540 Mil Euros (544.5 Mil Euros on a like-for-like exchange rate basis) and could even improve if there had not been slowdowns in the supply chains in the Far East and the resulting delays in the delivery of the new collections.

Consolidated revenues positively increased on the Italian national market, totaling 323.4 Mil Euros in 2021, recording an increase by 15.1% compared to 2020 (281 Mil Euros).

Such a performance can be explained by both an increasing return to a new post-pandemic normal and the development of the distribution network of flagships in Italy, which went from 374 to 405 points of sale. The share out of the total revenues of the corporate group shifts from 56.9% of 2020 to 59.9% of financial year 2021.

Foreign net revenues show a more contained increase, equal to +1.7%, reaching 216.8 Mil Euros in 2021 (compared to 213.2 Mil Euros of the past financial year), accounting for 40.1% of the total corporate revenues (43.1% in 2020).

Profitability was strong with an Adjusted EBITDA (which takes into consideration foreign exchange effect) increasing by 61.9%, totaling 60 Mil Euros compared to 37.1 Mil Euros in 2020 (with a increasing profit effect on turnover, reaching 11.1% vs 7.5% of the past financial year).

When including the gross margin made in the points of sales by our clients, both franchised and multi-branding stores, the sales referred to retail prices (including VAT) of the products sold around the world totaled about 320 Mil Euros.

Strategic guidelines for 2022

“Teddy has never stopped and will keep on marching over towards a renewed development, relying on the experience and strength gained thanks to the challenges it had to go through over the last years”, said Alessandro Bracci, Teddy CEO. “We will keep on strengthening our brand positioning and the development of our sales network, with 100 new openings planned in 2022. Furthermore, we will keep on investing in digital business solutions, as we started doing in 2021 with the creation of a unique digital team able to support our brands in their growth in the world of digital. We also designed and launched our own 5-year strategic plan for sustainability, through which we aim at making the most of and consolidating the environmental and social efforts already done over the years, aware of the hard work we still need to do, as well as setting new, additional goals. Each one of us has to play their own part and we have a great responsibility. Therefore for our commitment we chose as a payoff line the words “Everyone Can”, which has been adopted both at a corporate level and by our single brands.

In 2021, investments had already reached 22.8 Mil Euros (+2.9 Mil Euros compared to 2020), mainly dedicated to the development of our brand distribution network.

From a financial point of view, 2021 was an extraordinary year, with a total consolidated cash flow of about 99.6 Mil Euros, which made the corporate Net Financial Position to be reduced by over 95.5%, reaching 4.6 Mil Euros at 31/12/2021 against 104.3 Mil Euros at the end of the past financial year.

Teddy brands kept following their development track with the opening of a total amount of 110 new flagship stores in Italy and abroad, thus making the three brand networks reach an overall number of 757 points of sales.

At 31/12/2021 Teddy Group employed 3,163 people in total, 66% of whom located in Italy.