Prospectus dated October 14, 2021

OVS

OVS S.p.A.

Up to EUR 200,000,000 senior unsecured fixed rate notes due 2027

Subject to the Minimum Offer Condition (as defined herein), OVS S.p.A. (the "**Issuer**") is expected to issue on or about November 10, 2021 (the "**Issue Date**") between Euro 150,000,000 (the "**Minimum Offer Amount**") and Euro 200,000,000.00 (the "**Maximum Offer Amount**") senior unsecured fixed rate notes due 2027 with a denomination of Euro 1,000 (the "**Notes**") (the "**Offering**"). The Maximum Offer Amount may be reduced by the Issuer prior to the Launch Date (as defined herein). The Notes will be issued at a price of 100.00 per cent. of their principal amount (the "**Issue Price**"). The Notes will bear interest from and including the Issue Date to, but excluding, November 10, 2027 at a minimum rate of 2 per cent. per annum (the "**Minimum Interest Rate**"), payable annually in arrear on November 10 each year, commencing on November 10, 2022. Payments on the Notes will be made in Euro without deduction for or on account of taxes imposed or levied by the Republic of Italy or the Republic of Ireland to the extent described under "*Terms and Conditions of the Notes – Taxation*". For any interest period commencing on or after the interest payment date immediately following the failure of the Issuer to achieve certain sustainability performance targets provided under the Terms and Conditions of the Notes by the year starting on 1 February 2024 and ending on 31 January 2025 (the "**Reference Year**"), or the failure of the Issuer to report on such sustainability performance targets in the required time periods (each, a "**Step Up Event**"), the rate of interest for the Notes on the Issue Date (the "**Initial Rate of Interest**") (which shall not be less than the Minimum Interest Rate) shall be increased by the relevant margin (each, the "**Step Up Margin**") as specified under the Terms and Conditions of the Notes. An external verifier, where required under the Terms and Conditions of the Notes, will assess whether the relevant sustainability performance targets have been met. An increase in the Initial Rate of Interest may occur no more than once in respect of the Notes.

The Notes, and any non-contractual obligations arising out of or in connection therewith, will be governed by the laws of England and Wales. The Issuer's obligations under the Notes will constitute direct, unconditional and unsecured obligations of the Issuer, ranking *pari passu* without any preference among themselves and *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, unless such obligations are accorded priority under mandatory statutory law. The Notes will be structurally subordinated to the Issuer's and its subsidiaries' (the "**Group**") existing and future secured obligations, that are secured by property and assets that do not secure the Notes to the extent of the value of the property or assets securing such debt. The Notes constitute *obbligazioni* pursuant to Articles 2410 et seq. of the Italian Civil Code.

Unless previously redeemed, or purchased and cancelled, the Notes will mature on November 10, 2027 but at any time on or after November 10, 2023, the Issuer may redeem the Notes in whole or in part from time to time at the redemption prices specified herein. In the event of the occurrence of certain developments in applicable tax law, the Issuer may redeem all, but not some only, of the Notes. See "*Terms and Conditions of the Notes*" for further information.

This prospectus (the "**Prospectus**") constitutes a prospectus within the meaning of Article 6.3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**"). This Prospectus is published in electronic form together with all documents incorporated by reference herein on the website of the Issuer (www.ovscorporate.it/en) (the "**Issuer's Website**") and the website of Euronext Dublin (as defined below) (https://live.euronext.com/)(the "**Euronext Dublin Website**") and will be available free of charge at the registered office of the Issuer. This Prospectus has been approved by the Central Bank of Ireland (the "**CBI**"), in its capacity as competent authority under the Prospectus Regulation. The CBI only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer nor of the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes. Moreover, such approval relates only to the Notes which are to be admitted to trading on the regulated market of Euronext Dublin (as defined below) or other regulated markets for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "**MiFID II**") or which are to be offered to the public in any member state of the European Economic Area. The Issuer has requested the CBI to provide the competent authority in Italy, *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") with a certificate of approval pursuant to Article 25 of the Prospectus Regulation attesting that this Prospectus has been drawn up in accordance with the Prospectus Regulation (the "**Notification**"). Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Notes to be admitted to the official list (the "**Official List**") and to be admitted to trading on its regulated market (the "**Regulated Market**"). Application has also been made to Borsa Italiana S.p.A. ("**Borsa Italiana**") for the Notes to be admitted to listing and trading on the Borsa Italiana's regulated *Mercato delle Obligazioni Telematico* market (the "**MOT**"). The Regulated Market and the MOT are regulated markets for the purposes of MiFID II. References in this Prospectus to the Notes being listed (and all related references) shall mean that the Notes have been admitted to trading on the Regulated Market and the MOT. The start date of official trading of the Notes on the MOT (the "**MOT Trading Start Date**") will be set by Borsa Italiana in accordance with Rule 2.4.3 of the Borsa Italiana rules and published on the Issuer's Website and the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana. The MOT Trading Start Date shall correspond to the Issue Date. The interest rate of the Notes (which shall not be less than the Minimum Interest Rate) and the yield will be set out in a notice, which will be filed with the CBI and published on the Company's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period (the "**Interest Rate and Yield Notice**"). The aggregate principal amount of the Notes, the number of Notes sold and the proceeds of the Offering will be set out in a notice, which will be filed with the CBI and published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana no later than the first business day after the end of the Offering Period (the "**Offering Results Notice**"). No trading in the Notes will start before the Offering Results Notice is published as set out above.

The Notes will be issued in new global note (NGN) form and are intended to constitute eligible collateral for the Eurosystem monetary policy, provided the other eligibility criteria are met. The Notes will be in bearer form in the denomination of Euro 1,000 each and will initially be represented by a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be deposited on or prior to November 10, 2021 (the "**Closing Date**" and the Issue Date) with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A.("**Clearstream, Luxembourg**"). Interests in the Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**"), without interest coupons, on or after a date which is expected to be 40 days after the Issue Date (the "**Exchange Date**"), upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances. See "*Summary of Provisions relating to the Notes while represented by the Global Notes*".

Subject to and as set forth in "*Terms and Conditions of the Notes—Taxation*", the Issuer will not be liable to pay any additional amounts to holders of the Notes (the "**Noteholders**" and each, a "**Noteholder**") in relation to any withholding or deduction required pursuant to Italian Legislative Decree No. 239 of 1 April 1996 (as the same may be amended or supplemented from time to time) where the Notes are held by a person or entity resident or established in a country that does not allow for satisfactory exchange of information with the Italian tax authorities and otherwise in the circumstance described in "*Terms and Conditions of the Notes—Taxation*".

The Notes have been assigned the following securities codes:

ISIN: XS2393520734; Common Code: 239352073.

This Prospectus shall be valid for 12 months after its approval by the CBI. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the validity of the Prospectus has expired or, if earlier, once the Notes are admitted to the Official List and trading on the regulated market of Euronext Dublin and the MOT. The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"). The Notes are in bearer form and are subject to United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended. The Notes are being offered outside the United States by Equita SIM S.p.A. (the "Placement Agent") in accordance with Regulation S under the Securities Act. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States of America (the "United States" or the "U.S.") or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")) or United States persons as defined in the US Internal Revenue Code of 1986, as amended (the US Code), and U.S. Treasury regulations thereunder. For a further description of certain restrictions on the offering and sale of the Notes and on the distribution of this Prospectus, see "*Sale and Offer of the Notes*".

Investing in the Notes involves certain risks. See "*Risk Factors*" beginning on page 1.

Placement Agent

EQUITA SIM

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Prospectus. In addition, the Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect the import of such information.

The Issuer accepts responsibility for the translations into English of the financial statements as of and for the years ended 31 January 2021, 31 January 2020 and as of and for the six months periods ended 31 July 2021 and 31 July 2020 incorporated by reference herein.

The Issuer further confirms that: (i) this Prospectus contains all relevant information with respect to the Group and the Notes which is material in the context of the issue and offering of the Notes, including all relevant information which, according to the particular nature of the Issuer and the Notes, is necessary to enable Investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and the Group and of the rights attached to the Notes; (ii) the information contained or incorporated by reference in this Prospectus relating to the Issuer, the Group and the Notes is accurate and complete in all material respects and is not misleading; (iii) any opinions, predictions and intentions expressed herein are honestly held and based on reasonable assumptions; (iv) there are no other facts in relation to the Issuer, the Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect; and (v) reasonable enquiries have been made by the Issuer to ascertain all such facts and to verify the accuracy of all such information.

To the fullest extent permitted by law, none of the Placement Agent or The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent (the "**Fiscal Agent**") accepts any responsibility for the contents of this Prospectus or for any other statements made or purported to be made by the Placement Agent or on its behalf or by the Fiscal Agent or on its behalf in connection with the Issuer or the issue and offering of the Notes. Each of the Placement Agent and the Fiscal Agent disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement.

CONSENT

The Issuer has granted its consent to the use of this Prospectus for the Offering of the Notes during the Offering Priod (as defined below) without conditions and accepts responsibility for the content of the Prospectus also with respect to the subsequent resale or final placement of the Notes by financial intermediary which was given consent to use this Prospectus.

NOTICE

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Incorporation by Reference*"). This Prospectus shall be read and construed on the basis that such documents are incorporated by reference in, and form part of, this Prospectus.

No person is or has been authorised by the Issuer, the Placement Agent (as defined in "Sale and offer of the Notes") or the Fiscal Agent to give any information or to make any representations other than those contained in or consistent with this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer, the Fiscal Agent or the Placement Agent.

Neither the delivery of this Prospectus nor any offering, sale or delivery of any Notes made hereunder shall, under any circumstances, create any implication that: (i) the information in this Prospectus is correct as of any time subsequent to the date hereof or, as the case may be, subsequent to the date on which this Prospectus has been most recently supplemented, (ii) there has been no adverse change in the financial situation of the Issuer or the Group which is material in the context of the issue and sale of the Notes since the date of this Prospectus or, as the case may be, the date on which this Prospectus has been most recently supplemented, or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Prospectus by reference, or (iii) any other information supplied in connection with the issue of the Notes is correct at any time subsequent to the date on which

it is supplied or, if different, the date indicated in the document containing the same. The Placement Agent expressly does not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

This Prospectus does not constitute an offer of, or an invitation by, or on behalf of, the Issuer, the Placement Agent or the Fiscal Agent to subscribe for, or purchase, any of the Notes. Neither this Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer to sell, and may not be used for the purpose of an offer to sell or a solicitation of an offer to buy, the Notes by anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful.

Certain numerical figures set out in this Prospectus, including financial data presented in millions or thousands and percentages, have been subject to rounding adjustments and, as a result, the totals of the data in this Prospectus may vary slightly from the actual arithmetic totals of such information.

Furthermore, this Prospectus contains industry related data taken or derived from industry and market research reports published by third parties ("**External Data**"). Commercial publications generally state that the information they contain originated from sources assumed to be reliable, but that the accuracy and completeness of such information is not guaranteed and that the calculations contained therein are based on a series of assumptions. The External Data has not been independently verified by the Issuer.

The External Data has been reproduced accurately by the Issuer in this Prospectus, and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced External Data inaccurate or misleading. The Issuer does not have access to the underlying facts and assumptions of numerical and market data and other information contained in publicly available sources. Consequently, such numerical and market data or other information cannot be verified by the Issuer.

None of the Placement Agent, the Fiscal Agent, any of their respective affiliates, or any other person mentioned in this Prospectus, except for the Issuer, is responsible for the information contained in this Prospectus or any other document incorporated herein by reference, and, accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons represents, warrants or undertakes, express or implied, or accepts any responsibility for, the accuracy and completeness of the information contained in any of these documents or any other information provided by the Issuer in connection with the Notes or their distribution.

Each Investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and the Group. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer, the Fiscal Agent or the Placement Agent to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer, the Fiscal Agent, the Placement Agent or any of their respective affiliates to a recipient hereof and thereof that such recipient should purchase any Notes.

The offer, sale and delivery of the Notes and the distribution of this Prospectus in certain jurisdictions are restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Placement Agent to inform themselves about and to observe any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States and the European Economic Area (including the Republic of Italy) and the United Kingdom (see "*Sale and Offer of the Notes*"). None of the Issuer, the Placement Agent or the Fiscal Agent represents that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Placement Agent or the Fiscal Agent which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Placement Agent has represented that all offers and sales by them will be made on the same terms.

For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "*Sale and Offer of the Notes—Public Offer and Selling Restrictions".*

Save for the Issuer, no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Placement Agent and the Fiscal Agent as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes or their distribution. The Placement Agent and the Fiscal Agent accept no liability in relation to the information contained or incorporated by reference in this Prospectus or any other information by the Issuer.

This Prospectus has been prepared on a basis that permits offers that are not made within an exemption from the requirement to publish a prospectus under Article 1(4) of the Prospectus Regulation ("**Non-exempt Offers**") in Italy and the Republic of Ireland (each a "**Non-exempt Offer Jurisdiction**" and together, the "**Non-exempt Offer Jurisdictions**"). Any person making or intending to make a Non-exempt Offer of Notes on the basis of this Prospectus must do so only with the Issuer's consent – see "*Consent given in accordance with Article 5(1) of the Prospectus Regulation (Retail Cascade)*" below.

The legally binding language of this Prospectus, according to Article 27 of the Prospectus Regulation, is English, however certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law. For the purposes of the offer of the Notes to the public in Italy a courtesy translation in Italian of the sections entitled "*Summary*" will be made available separately with this Prospectus.

This Prospectus may only be used for the purpose for which it has been published.

This Prospectus does not constitute, and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

In the event of an offer of the Notes being made by a financial intermediary, such financial intermediary will provide information to Investors on the terms and conditions of the offer at the time the offer is made. Any financial intermediary using this Prospectus has to state on its website that it uses this Prospectus in accordance with the consent and the conditions attached hereto.

IMPORTANT LEGAL INFORMATION

This Prospectus has been prepared on a basis that permits offers of the Notes that are not made within an exemption from the requirement to publish a prospectus under Article 1(4) of the Prospectus Regulation (a "**Public Offer**" and together, "**Public Offers**") in the Republic of Italy (the "**Public Offer Jurisdiction**"). Any person making or intending to make a Public Offer of Notes on the basis of this Prospectus must do so only with the Issuer's consent – see "*Consent given in accordance with Article 5(1) of the Prospectus Regulation (Retail Cascades)*" below.

CONSENT GIVEN IN ACCORDANCE WITH ARTICLE 5(1) OF THE PROSPECTUS REGULATION (RETAIL CASCADES)

Consent

In the context of any Public Offer of Notes, the Issuer accepts responsibility, in each of the Public Offer Jurisdictions, for the content of this Prospectus in relation to any person (an "**Investor**") who purchases any Notes in a Public Offer made by the Placement Agent (as defined below) or an Authorised Offeror (as defined below), where that offer is made during the Offering Period (as defined below).

Except in the circumstances described below, the Issuer has not authorised the making of any offer by any offeror and has not consented to the use of this Prospectus by any other person in connection with any offer of the Notes in any jurisdiction. Any offer made without the consent of the Issuer is unauthorised and neither the Issuer nor, for the avoidance of doubt, the Placement Agent accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Prospectus for the purpose of the

relevant Non-exempt Offer and, if so, who that person is. If an Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

Conditions to Consent

The Issuer consents to the use of this Prospectus in connection with any Non-exempt Offer of Notes in the Public Offer Jurisdictions during the Offering Period (as defined below) by:

(a) the Placement Agent; and

(b) any other financial intermediary appointed after the date of this Prospectus and whose name is published on the Issuer's website and identified as an Authorised Offeror in respect of the Non-exempt Offer (together with the financial intermediary specified in (a) above, the "**Authorised Offerors**").

Furthermore, the conditions to the Issuer's consent are that such consent:

(a) is only valid during the Offering Period (as defined below); and

(b) only extends to the use of this Prospectus to make Public Offers in the Republic of Italy.

Arrangements between an Investor and the Authorised Offeror who will distribute the Notes

Neither the Issuer nor, for the avoidance of doubt, the Placement Agent has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to such Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between that Authorised Offeror and such Investor including as to price, allocations and settlement arrangements (the "*Terms and Conditions of the Non-exempt Offer*"). The Issuer will not be a party to any such arrangements with such Investor and, accordingly, this Prospectus does not contain such information. The Terms and Conditions of the Non-exempt Offer shall be provided to such Investor by that Authorised Offeror at the time the offer is made. None of the Issuer or, for the avoidance of doubt, the Placement Agent or other Authorised Offerors has any responsibility or liability for such information.

MIFID II product governance / Retail investors target market, professional investors and ECPs target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Second party opinion and external verification

In connection with the Notes, the Issuer has requested a provider of second party opinions, Sustainalytics, to issue a second party opinion (the "**Second Party Opinion**") in relation to the OVS' sustainability-linked bond framework (the "**Sustainability-Linked Bond Framework**"). In addiction, in connection with the issue of the Notes, the Issuer will engage one or more Assurance Providers to carry out the relevant assessments required for the purposes of providing an Assurance Report (each as defined in the "*Terms and Conditions of the Notes*") in relation to the Notes. The Second Party Opinion and the Assurance Reports will be accessible through OVS' website at: www.ovscorporate.it/en following the issuance of the Notes. However any information on, or accessible through, such website and the information in such Second Party Opinion or any Assurance Reports do not form part of this Prospectus and should not be relied upon in connection with making any investment decision with respect to the Notes. **In addition, no assurance or representation is given by the Issuers, the Placement Agent, the Fiscal Agent, the second party opinion provider or any Assurance Provider as to the suitability or reliability for any purpose**

whatsoever of any report or certification of any third party in connection with the offering of the Notes. Any such opinion, report or certification and any other document related thereto is not, nor shall it be deemed to be, incorporated in and/or form part of this Prospectus.

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DEFINITIONS AND GLOSSARY

In this Prospectus, unless otherwise specified, all references to "**€**", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the Euro, as amended, and references to "**USD**" or "**U.S. dollar**" are to the legal currency of the United States of America.

Definitions

As used in this Prospectus:

- "**Agency Agreement**" refers to the fiscal agency agreemet dated as of the Issue Date between the Issuer and the The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent;
- "**Articles of Association**" refers to the Issuer's Articles of Association in force as of the date of this Prospectus, as most recently adopted by the Shareholders at the Shareholders' Meeting held on 15 December 2020;
- "**Authorized Intermediary**" refers to the authorised intermediaries participating in the Monte Titoli centralised management system;
- "**Borsa Italiana**" refers to Borsa Italiana S.p.A.;
- "**Board of Directors**" refers to the Issuer's Board of Directors;
- "**Board of Statutory Auditors**" refers to the Issuer's Board of Statutory Auditors;
- "**Business Plan**" or "**Plan**" refers to the Group's business plan for 2021-2023 approved by the Board of Directors of the Issuer on 11 February 2021;
- "**Capital Increase**" refers to a paid-up increase in the Issuer's share capital, in the total amount of €79,904,337.50, fully subscribed on 30 July 2021 (as specified below, see "*Information about the Issuer – Capital Increase*"), executed by issuing OVS common shares with the same characteristics as the shares outstanding on the issue date, without par value and normal dividend rights, offered as an option to those entitled thereto under Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code, as authorised at the Shareholders' Meeting of OVS on 15 December 2020;
- "**category manager**" refers to the person responsible for coordinating the various segments offered.
- "**CBI**" refers to the Central Bank of Ireland;
- "**Clearing Systems**" refers to Clearstream, Luxembourg and Euroclear;
- "**Cl**earst**ream, Luxembourg**" refers to Clearstream Banking S.A.;
- "**change of control**" refers to a contractual clause that gives the lender under a financing agreement the right to require the borrower to immediately repay the sums drawn in the event of a change in the borrower's control structure;
- "**cloud**" refers to in IT, an archetype of service delivery offered on demand by a supplier to an end customer via the Internet.
- "**Commission Delegated Regulation (EU) 2019/980**" refers to the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004;

- "**Conditions**" refers to the terms and conditions relating to the Notes set out in this Prospectus in the section "*Conditions of the Notes*" and any reference to a numbered "Condition" is to the correspondingly numbered provision of the Conditions;

- "**CONSOB**" refers to the Italian Commissione Nazionale per le Società e la Borsa;

- "**consumer experience**" refers to a consumer's perceptions and reactions resulting from the use or expectation of use of a product, system or service; it depends on the degree of the subjective fit between expectations and satisfaction when interacting with the system;

- "**Corporate Governance Code**" refers to the Corporate Governance Code of listed companies published on 31 January 2020 by the Corporate Governance Committee promoted by Borsa Italiana S.p.A.;

- "**CRM**" refers to Customer Relationship Management, a business strategy that makes use of new technologies to understand and anticipate the needs and desires of the company's customers' and to identify consumers who are potentially interested in purchasing the products or services offered by the company;

- "**cross default**" refers to a clause that may be inserted in a financing agreement or a bond in which a default in any other credit agreement or bond will be considered a default in relation to the loan or bond covered by the agreement containing this clause;

- "**designer**" refers to the person responsible for designing collections;"**e-commerce**" refers to commercial transactions (purchase, sale, order and payment) between producer and consumer carried out with the use of computers and electronic networks;

- "**ESMA**" refers to the European Securities and Market Authority, a body established by Regulation (EU) No. 1095/2010 of the European Parliament and of the Council of 24 November 2010, which, as of 1 January 2011, replaced the Committee of European Securities Regulators (CESR);

- "**EU**" refers to the European Union;

- "**Euroclear**" refers to Euroclear Bank SA/NV;

- "**European Economic Area**" or "**EEA**" refers to the economic area encompassing all of the members of the European Union and the European Free Trade Association;

- "**Financing Agreement**" refers to the financing agreement entered into between the Issuer and a pool of banks on 23 January 2015 in an original maximum amount of €475,000,000, subsequently amended on 19 September 2019 and subject to waivers on 24 June 2020 and 30 March 2021;

- "**Fiscal Agent**" refers to The Bank of New York Mellon, London Branch in its capacity as fiscal agent of the Notes;

- "**franchising**" refers to a contract in which two parties in a position of mutual legal and economic independence agree to a form of cooperation whereby one of them (the franchisor) provides a set of rights (e.g., exploitation of a trademark, trade name, etc.) and know-how in return for the payment of a fee by the other (the franchisee);

- "**Group**", "**us**", "**we**" and "**our**" refer to the Issuer and its consolidated subsidiaries, unless the context requires otherwise or is clear from context;

- "**IFRS**" refers to the International Financial Reporting Standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union in the procedure set forth in Article 6 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, which include all the International Accounting Standards (IAS), all the International Financial Reporting

Standards (IFRS) and all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC);

- "**Issue Date**" refers to the date the Notes are issued, initially set as November 10, 2021. In case of an extension of the Offering Period the Issue Date will be postponed to the fifth Business Day following the closure of the Offering Period, as extended. In case of an early closure of the Offering Period, the Issue Date will remain unchanged and the Notes will be issued on November 10, 2021;
- "**Issuer**" refers to OVS S.p.A.;
- "**Italy**" refers to the Republic of Italy;
- "**Italian Civil Code**" refers to Italian Royal Decree No. 262 of 16 March 1942, as amended;
- "**Interest Rate and Yield Notice**" refers to the notice which will sets out the interest rate of the Notes and the yield, which will be filed with the CBI and published on the Company's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period;
- "**Intermediary**" or "**Intermediaries**" refer to investment companies, banks, wealth management firms, registered financial intermediaries, securities houses and any other intermediary authorised to make Purchase Offers directly on the MOT or - if such institution is not qualified to perform transactions on the MOT - through an intermediary or agent authorised to do so;
- "**IT**" refers to the use of technology, including to manage and process information;
- "**Liquidity Decree**" refers to the Italian Law Decree No. 23 of 8 April 2020, converted with amendments into Italian Law No. 40 of 5 June 2020, on "*Urgent measures regarding access to credit and tax obligations for companies, special powers in strategic sectors, and measures regarding health and work, and extension of administrative and procedural deadlines*";
- "**Listing Agent**" refers to Arthur Cox Listing Services Limited;
- "**lock-down**" refers to the closure and restriction of business, particularly stores, ordered to contain the COVID-19 pandemic;
- "**marketplace**" refers to a technological platform that allows users to purchase products sold directly by the owner of the platform and products offered by third-party sellers;
- "**Maximum Offer Amount**" refers to Euro 200,000,000, being the maximum aggregate principal amount of Notes that will be offered by the Issuer, as such amount may be reduced by the Issuer prior to the Launch Date;
- "**Member State**" refers to a member state of the European Union;
- "**MiFID II**" refers to Directive 2014/65/EU on markets in financial instruments;
- "**Minimum Offer Amount**" refers to Euro 150,000,000, being the minimum aggregate principal amount of Notes that will be offered by the Issuer;
- "**Minimum Interest Rate**" refers to the minimum rate of 2 per cent. per annum;
- "**Minimum Offer Condition**" refers to the condition that, if, at the expiration of the Offering Period, Purchase Offers have not been placed sufficient for the sale of at least the Minimum Offer Amount, the Offering will be withdrawn;
- "**Monte Titoli**" refers to Monte Titoli S.p.A. with a registered office at Piazza Affari 6, Milan;

- "**MOT**" refers to the *Mercato Telematico Telematico delle Obbligazioni* segment of Borsa Italiana;
- "**MTA**" refers to the *Mercato Telematico Azionario* segment of the Borsa Italiana;
- "**multichannel**" refers to integrated multiple channels of distribution and interaction between the company and its customers;
- "**Offering Period**" refers to the period during which the Offering will be open, starting on October 27, 2021 at 09:00 (CET) (the "**Launch Date**") remaining open until November 3, 2021 at 17:30 (CET) (the "**Offering Period End Date**"), subject to postponement, anticipation or amendment by the Issuer and the Placement Agent;
- "**Official List**" refers to the official list of Euronext Dublin;
- "**OVS**" or **"Issuer"** or **"Company"** refers to OVS S.p.A. with registered office at Via Terraglio 17, Venice - Mestre (VE), tax code, VAT number and registration number with the Venice Companies' Register 04240010274;
- **"OVS Group"** or **"Group"** refers to the Issuer and the companies directly and/or indirectly controlled thereby pursuant to Article 2359 of the Italian Civil Code and Article 93 of the TUF as at the date of this Prospectus;
- "**Paying Agents**" refers to the Principal Paying Agent, together with any other paying agent appointed from time to time under the Agency Agreement;
- "**Placement Agent**" refer to Equita S.I.M. S.p.A.;
- "**Principal Paying Agent**" refers to The Bank of New York Mellon, London Branch;
- "**PRIIPs Regulation**" refers to Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014;
- "**Principal Paying Agent**" refers to The Bank of New York Mellon, London Branch;
- "**Prospectus**" refers to this prospectus, which constitutes a prospectus within the meaning of Article 6.3 of the Prospectus Regulation;
- "**Prospectus Regulation**" refers to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended);
- "**Purchase Offer**" refers to an offer to purchase the Notes;
- "**QR-code**" refers to a two-dimensional (matrix) barcode, consisting of black modules arranged within a white square pattern, typically used to store information to be read with a smartphone;
- "**SACE Financing Agreement**" refers to the loan agreement entered into between the Issuer and a pool of banks on 24 June 2020 for a total of €100,000,000, backed by SACE S.p.A.'s guarantee issued pursuant to the Liquidity Decree, subsequently subject to waiver on 30 March 2021;
- "**Self-Regulation Code**" refers to the Self-Regulation Code of Listed Companies approved in July 2018 by the Corporate Governance Committee promoted by Borsa Italiana S.p.A., ABI - *Associazione bancaria italiana* (Italian Banking Association), Ania - *Associazione Nazionale fra le Imprese Assicuratrici* (Italian National Insurance Companies' Association), Assogestioni - *Associazione del risparmio gestito* (Italian Asset Management Association), Assonime - *Associazione fra le Società Italiane per Azioni* (Italian Joint-Stock Companies' Association) and Confindustria;

- "**Supplement**" refers to any supplement to this Prospectus in accordance to Article 23 of the Prospectus Regulation;
- "**TUF**" refers to the Italian Consolidated Financial Act, Italian Legislative Decree No. 58 of 24 February 1998, as amended;
- "**Terms and Conditions**" refers to the terms and conditions governing the Notes, as set out in "*Terms and Conditions of the Notes*";
- "**VAT**" refers to value added tax.

SUMMARY

*This summary constitutes the general description of the offering programme for the purposes of Article 7 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and includes the key information that investors need in order to understand the nature and the risks of the Issuer and the Notes, and is to be read together with the other parts of the Prospectus to aid prospective investors when considering whether to invest in the Notes.*

Section A – Introduction and warnings

This summary should be read as an introduction to this prospectus (the "**Prospectus**").

Any decision to invest in the up to Euro 200,000,000 senior unsecured fixed rate notes due November 10, 2027 (ISIN: XS2393520734) (the "**Notes**") offered hereby by OVS S.p.A. (Legal Identity Identifier ("LEI"): 8156001A772766DCAA71) (the "**Issuer**" and the offering of the Notes, the "**Offering**") should be based on consideration of this Prospectus as a whole by the Investor.

The Investor could lose all or part of the capital invested in the Notes.

Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff Investor might, under the national legislation of its member state of the European Union ("**Member State**") to the Agreement on the European Economic Area, have to bear the costs of translating this Prospectus before the legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid Investors when considering whether to invest in the Notes.

You are about to purchase a product that is not simple and may be difficult to understand.

The Issuer's registered address is Mestre -Venice (VE), Via Terraglio 17, 30174, Italy. The Prospectus was approved by the Central Bank of Ireland ("**CBI**") on October 14, 2021. CBI's registered address is New Wapping Street, North Wall Quay, Dublin 1, D01 F7X3. CBI's contact details: (i) telephone: +353 (0)1 224 6000, (ii) fax: +353 (0)1 224 5550, (iii) e-mail: enquiries@centralbank.ie

The Issuer has not prepared a key information document (within the meaning of Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**")).

Section B - Who is the Issuer of the Notes?

Legal and commercial name

OVS S.p.A. is the legal name of the Issuer and OVS is the commercial name of the Issuer.

Domicile, legal form, legislation, country of incorporation

OVS S.p.A. (LEI: 8156001A772766DCAA71) is a joint stock company (*società per azioni*) governed by the laws of the Republic of Italy and registered with the Venice Companies Register (*Camera di Commercio – Registro Imprese*) under number 04240010274 - REA No. 378007 and has its ordinary shares listed on the Mercato Telematico Azionario segment of the Italian stock exchange managed and organized by Borsa Italiana S.p.A.. OVS.p.A. has its operational headquarters in Mestre - Venice (VE), Via Terraglio 17, 30174, Italy.

Principal activities

The Issuer is the market leading value fashion retailer in Italy. It creates, produces and sells clothing apparel for women, men and children under the brands OVS and UPIM. The Issuer operates according to an integrated business model, offering products created in-house, while also providing a physical and virtual platform that can accommodate complementary third-party brands, each with its own specific positioning and operates through its sales network throughout the national territory with stores that are characterized by different dimensions in terms of surface area and different management methods (direct or franchised sales). The Issuer is also the leader, in the child category in Italy.

Description of the Group and the Issuer's position within the Group

The Issuer is the parent company of the Group with, 11 subsidiaries and affiliated companies incorporated in Italy, China, Croatia, France, Hong Kong, India, Serbia, and Spain.

Controlling Persons

The table below sets forth the shareholders of the Issuer who hold, directly or indirectly, more than 5% of the Issuer's share capital represented by shares with voting rights, according to the most recent information available.

Name of beneficial owner	Direct shareholder	Shares*	Voting power
TIP – Tamburi Investment Partners S.p.A.	TIP – Tamburi Investment Partners S.p.A.	52.935.898	23,320%
Azimut Investment S.A.	AZ Fund 1 AZ Allocation Trend	12.314.695	5,425%
	AZ Fund 1 AZ Equity Best Value	1.343.557	0,592%
	Totale	13.658.252	6,017%
Cobas Asset Management SGIIC, SA	Cobas Asset Management SGIIC, SA	11.427.278	5,034%

* The information above reflect the number of shares communicated to OVS in connection with the shareholders' meeting of May 28, 2021 (without taking into account the Capital Increase)

As of the date of this Prospectus, the Issuer holds 809,226 OVS shares (treasury shares), representing 0,28% per cent. of total OVS shares, which do not vote.

Board of Directors

The Directors of the Issuer are:

Name	Position
Mr. Franco Moscetti	Chairman
Mr. Stefano Beraldo	Chief Executive Officer and General Manager
Mr. Giovanni Tamburi	Director and Vice Chairman
Mr. Carlo Achermann(1)	Director
Ms. Elena Angela Luigia Garavaglia(1)	Director
Ms. Vittoria Giustiniani	Director
Ms. Alessandra Gritti	Director
Mr. Massimiliano Magrini(1)	Director
Ms. Chiara Mio(1)	Director

(1) Independent Director pursuant to Art. 148, Section 3 of the Italian Financial Act and the Corporate Governance Code.

Auditors

The Issuer's auditor is PricewaterhouseCoopers S.p.A.

What is the key financial information regarding the Issuer?

The following tables set out selected financial information relating to the Group. The information below has been extracted from the audited consolidated financial statements of the Group as of and for the years ended 31 January 2021 and 2020, as well as from the unaudited interim consolidated financial statements as of and for the six-month periods ended 31 July 2021 and 31 July 2020, unless otherwise stated.

(thousands of euro)	Six months period ended 31 July, 2021	Six months period ended 31 July, 2020	Year ended 31 January, 2021	Year ended 31 January, 2020
Consolidated income statement				
Revenues	599,242	375,069	1,017,808	1,374,777
Total Revenues	630,631	394,457	1,069,652	1,442,431
Result before net financial expenses and taxes	56,888	(55,774)	(1,657)	(83,977)
Net result for the period before tax, net of non recurring components (*)	30,683	(92,620)	(66,566)	37,731
Net result for the period before tax	27,041	(97,613)	(78,718)	(134,430)
Net result for the period	17,010	(75,859)	35,108	(140,378)
Earning per share (in Euros)	Basic 0.08 Diluted 0.07	Basic (0.33) Diluited (0.32)	Basic 0.16 Diluted 0.16	Basic (0.62) Diluted (0.60)

(*) determined by considering only recurring components and excluding the impairment of intangible assets (recognized in the year ended 31 January 2020)

(thousands of euro)	As at 31 July, 2021	As at 31 January, 2021	As at 31 January, 2020
Consolidated statement of financial position			
Total assets	2,687,939	2,605,521	2,624,053
Total liabilities	1,824,760	1,841,236	1,895,224
Total shareholders' equity	863,179	764,285	728,829
Total liabilities and shareholders' equity	2,687,939	2,605,521	2,624,053

(thousands of euro)	Six months period ended 31 July, 2021	Six months period ended 31 July, 2020	Year ended 31 January, 2021	Year ended 31 January, 2020
Consolidated cash flow statement				
Cash flow generated (absorbed) by operating activities	139,78825	(41,222)	45,457	224,121
Cash flow absorbed by investment activities	(36,276)	(11,756)	(39,232)	(45,143)
Cash flow generated (absorbed) by financing activities	(36,203)	145,923	25,626	(161,198)

What are the key risks that are specific to the Issuer?

The following are risk factors relating to the Issuer and the Group that may affect the Issuer's ability to fulfil its obligations under the Notes.

- *Risks relating to the impact of the restrictive measures and orders to combat the COVID-19 pandemic on the financial position, results of operations and cash flow of the Issuer and the Group*: The earnings performance of the group headed by OVS S.p.A. ("**OVS**" or the "**Company**") in the financial year 1 February 2019 - 31 January 2020 ("**FY2019**"), was significantly impacted by the write-down of intangible non-current assets. The COVID-19 pandemic had significant adverse impacts on the Group's corporate business due to the closure of stores for extended periods of time. A continuation or worsening of the COVID-19 pandemic could have further material adverse impacts on the financial position, results of operations and cash flow of the Issuer and of the Group which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.
- *Risks relating to the measures adopted by the Issuer to balance the adverse effects of the COVID-19 pandemic on the Group's profitability and cash flow generation*: The Issuer has taken a number of actions to counter the adverse effects of the COVID-19 pandemic on the Group's profitability and cash flow generation. In particular, the Issuer signed agreements with it creditors to suspend its obligation to comply with certain financial covenant set forth in the financing agreements of the Group (the "**2021 Waiver**") and, therefore, failure to comply with such financial covenants will not result in an event of default under the financing agreements. However, these actions may not be sufficient to counter the adverse impacts of the COVID-19 pandemic over the Group and this may have a material adverse effect on its business, results of operations or financial condition which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes. Moreover, on 15 December 2020, the Shareholders' Meeting of OVS approved a capital increase of the Issuer in the maximum total amount of €80 million which was completed on 30 July 2021 (the "**Capital Increase**"). However, the proceeds from the Capital Increase may not be sufficient to sustain the expansion of operations of the Group and its profit margins and this could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.
- *Risks relating to non-implementation of the 2021-2023 Business Plan***:** On 11 February 2021, the Issuer's Board of Directors approved the business plan for the period between 2021 to 2023 (the "**2021-2023 Business Plan**" or the "**Plan**"). As set out in the Plan, strengthening the Group's sales network, to be implemented by opening new stores, is crucial to preserve the Group's profitability. Even if the OVS Group were to carry out the aforesaid growth through acquisitions, there is a risk that the Plan actions will not occur or will occur to an extent and with timing different from those expected. This could result in a deterioration in OVS financial position, results of operations and cash flow, which could, in turn, adversely affect the ability of the Issuer to fulfil its obligations under the Notes.
- *Risks relating to the Group's economic performance*: The FY2020 was marked by the unusual event of the health emergency linked to the spread of the COVID-19 pandemic, which led to the closure of stores in Italy, at times, for lengthy periods which also partially impacted the HY2021. Although the Issuer anticipates a reversal of the Result for the year before taxes (from negative to positive) for the FY2021 assuming that the OVS Group opens the planned number of new stores in that year, nevertheless, given the uncertainties as to the Plan actions and the development of the COVID-19 pandemic, at the date of this Prospectus there is a risk that in FY2021 the Group will achieve a pre-tax Result that is negative, and which may be significant and this may have a material adverse effect on its business, results of operations or financial condition which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.
- *Risks relating to the importance of intangible assets in the Group's total assets and shareholders' equity*: As at 31 July 2021, the OVS Group's intangible assets amounted to €1,750 million, representing 65% of total consolidated assets and 203% of consolidated equity. If the OVS Group's financial performance and the related cash flows should prove to be different from (worse than) the estimates used for the impairment test, also taking into account the uncertainties related to the development of the COVID-19 pandemic, the OVS Group may have to make write-downs, which may be significant, of goodwill and other intangible assets, with a significant adverse impact on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.
- *Risks relating to the Group's consolidated financial debt, compliance with obligations in the related contractual documentation and the availability of new financial resources*: The Group's gross financial debt at 31 July 2021 was €1,362 million (the non-current portion of which amounted to €1,144 million). At 31 July 2021, the portion of gross financial debt under financing agreements with clauses imposing limits on the use of financial resources (including financial covenants and cross-default clauses) and on the distribution of dividends and reserves amount to €533 million. As at 31 July 2021, without the benefit of the suspension of the covenant verification period as a result of the 2021 Waiver, the OVS Group would not have been in compliance with those covenants. As at the date of this Prospectus there is a risk that, as a result of the Group's operating/profitability performance differing significantly from (being worse than) expected the Group would not be able to comply with the financial covenants in the Group's financing agreements which, taking into account the cross-default clauses in certain of the Group's financial contracts, could result in a demand to prepay such Group debts, which could jeopardise the Issuer's and the Group's ability to operate as a going concern and which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.
- *Risks relating to the concentration of revenues in Italy*: The OVS Group generates its revenues almost exclusively in Italy. The Group is exposed to the risk that slowdowns in revenues and consumption of goods and services in Italy, the market where its revenues are concentrated (accounting for approximately 95% of the total for the years ended 31 January 2021 and 31 January 2020), could have material adverse effects on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Section C - What are the main features of the Notes?

Type and class of securities being offered including any security identification number

Subject to the condition that the Offering will be withdrawn if, at the expiration of the Offering Period, offers to purchase the Notes ("**Purchase Offers**") have not been placed sufficiently for the sale of at least Euro 150,000,000 aggregate principal amount of the Notes (the "**Minimum Offer Condition**"), the Issuer is expected to issue on or about November 10, 2021, between a minimum of Euro 150,000,000 and a maximum of Euro 200,000,000 (the "**Maximum Offer Amount**") fixed rate senior unsecured notes due November 10, 2027 (the "**Notes**"). The Notes will bear interest at a minimum rate of 2 per cent. per annum (the "**Minimum Interest Rate**"). The Maximum Offer Amount may be reduced by the Issuer prior October 27, 2021 at 09:00 (CET) (the "**Launch Date**"). The Notes will constitute direct, unconditional and unsecured obligations of the Issuer bearing fixed interest. The ISIN for the Notes is: XS2393520734; the Common Code for the Notes is: 239352073.

Ranking - Pursuant to the Terms and Conditions of the Notes (the "**Conditions**"), the Notes constitute direct, unconditional and (subject to negative pledge provisions set out below) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

Transferability - The Notes are freely transferable. However, the offer and the sale of the Notes and the distribution of the Prospectus is subject to specific restrictions that vary depending on the jurisdiction where the Notes are offered or sold or the Prospectus is distributed.

Negative Pledge - The Conditions contain a negative pledge pursuant to which neither the Issuer nor any of its Subsidiaries will create or have outstanding any mortgage, charge, lien, pledge or other security interest, upon, or with respect to, the whole or any part of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any relevant indebtedness or to secure any guarantee or indemnity in respect of any relevant indebtedness, without first securing the Notes equally.

Limitation on indebtedness - The Conditions contain limitations on indebtedness.

Taxation - All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of any of Ireland or Italy, unless the withholding or deduction of the Taxes (the "**Tax Deduction**") is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction. All the above is nevertheless subject to customary market exceptions.

Events of Default - Upon the occurrence of an Event of Default, then any (but not some only) of the Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent, be declared immediately due and payable at their principal amount together (if applicable) with accrued interest.

Cross Default - The Conditions contain a cross default provision.

Interest - Interest on the Notes will accrue at a fixed rate not less than the Minimum Interest Rate per annum starting from the Issue Date, payable annually in arrears on November 10 of each year commencing on November 10, 2022. The final interest rate will be set out in a notice, which will be filed with the CBI and published on www.ovscorporate.it/en, https://live.euronext.com/ and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period (as defined below). For any interest period commencing on or after the interest payment date immediately following the failure of OVS to achieve certain sustainability performance targets provided under the Terms and Conditions of the Notes by the year starting on 1 February 2024 and ending on 31 January 2025 (the "**Reference Year**"), or the failure of OVS to report on such sustainability performance targets in the required time periods (each, a "**Step Up Event**"), the rate of interest for the Notes on the Issue Date (the "**Initial Rate of Interest**") (which shall not be less than the Minimum Interest Rate) shall be increased by a margin equal to up to a maximum of 0.25 per cent. per annum (the "**Step Up Margin**") as specified under the Terms and Conditions of the Notes. An increase in the Initial Rate of Interest may occur no more than once in respect of the Notes. If a Step Up Event has occurred, the relevant Step Up Margin shall apply for the remaining term of the Notes and the rate of interest applicable to the Notes will not decrease to the Initial Rate of Interest, regardless of any following achievement of the sustainability performance targets provided under the Terms and Conditions of the Notes for any other calendar year following the occurrence of a Step Up Event. The Issuer will cause the occurrence of a Step Up Event and the related increase in the Initial Rate of Interest to be notified to the Paying Agents and the Noteholders as soon as reasonably practicable after such occurrence and in no event later than the date falling 120 days after 31 January in each calendar year, commencing with the calendar year in which the Notes are issued, up to and including the Reference Year. The relevant notice will be published on the Issuer's website (www.ovscorporate.it/en) and released through the SDIR-NIS system of Borsa Italiana.

Issue Price - The Notes will be issued at a price of 100.00 per cent. of their principal amount (the "**Issue Price**").

Maturity Date - Unless previously redeemed, or purchased and cancelled, the Notes will mature on November 10, 2027.

Indication of yield - On the basis of the Issue Price of the Notes of 100 per cent. of their principal amount and a Minimum Interest Rate of 2 per cent. per annum, the gross yield of the Notes will be a minimum of 2 per cent. per annum.

Redemption at the option of the Issuer - At any time on or after November 10, 2023, the Issuer may redeem the Notes, in whole or in part, at the redemption prices which will be set out in the Interest Rate and Yield Notice.

Redemption for taxation reasons - Early redemption of the Notes for reasons of taxation will be permitted, if as a result of any change in, or amendment to, the laws or regulations of Italy, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, the Issuer would be required to pay additional amounts on the Notes.

Redemption at the option of the Noteholders upon the occurrence of a Change of Control – Promptly and in any event within fifteen business days after the occurrence of a Change of Control, the Issuer will give written notice thereof to the holders of all outstanding Notes in accordance with the Conditions specifying the details for the exercise of such option.

Where will the securities be traded?

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Notes to be admitted to the official list (the "**Official List**") and admitted to trading on its regulated market (the "**Regulated Market**") and to Borsa Italiana S.p.A. for the listing and trading of the Notes on the regulated market *Mercato Telematico delle Obbligazioni* (the "**MOT**").

Is there a guarantee attached to the Notes?

No guarantee is attached to the Notes.

What are the key risks that are specific to the Notes?

An investment in the Notes involves certain risks associated with the respective characteristics of the Notes which could lead to substantial losses that Noteholders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Those risks include that:

- the Notes will be unsecured obligations of the Issuer and will rank equally with the Issuer's other unsecured senior indebtedness;
- the Notes are subject to optional redemption;
- investment in the Notes, which bear a fixed rate of interest, involves the risk that if market interest rates subsequently increase above the rate paid on the Notes, this will adversely affect the value of the Notes;
- the Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics;
- the Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors;
- an active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes.

If any of the risks described above were to materialise, this may affect the Issuer's ability to fulfil its payment obligations under the Notes and/or lead to a decline in the market price of the Notes.

Section D – Offer

Under which conditions and timetable can I invest in the Notes?

Terms and conditions of the offer

Offering of the Notes: The Offering is addressed to the general public in Italy and to qualified investors (as defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended) (the "**Prospectus Regulation**")) in Italy and other jurisdictions as indicated in the selling restrictions (the "**Investors**") following the approval of this Prospectus by the Central Bank of Ireland (the "**CBI**") according to the Prospectus Regulation and the Irish prospectus law, and the effectiveness of the notification of this Prospectus by the CBI to the competent authority in Italy, the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") according to Article 25 of the Prospectus Regulation.

Offering Period: The Offering will open on October 27, 2021 at 09:00 (CET) and will expire on November 3, 2021 at 17:30 (CET), subject to amendment, extension or postponement by the Issuer and the Equita S.I.M. S.p.A. (the "**Placement Agent**") (the "**Offering Period**"). Any such amendment, extension or postponement shall be carried out by way of the publication of a supplement to the Prospectus (a "**Supplement**"), to the extent such amendment, postponement or extension will be a significant new factor pursuant to Article 23 of the Prospectus Regulation.

The Issuer and the Placement Agent (i) have the right to withdraw the Offering at any time prior to 16:45 (CET) on the Offering Period End Date and (ii) shall withdraw the Offering if Purchase Offers are lower than the Minimum Offer Amount. Furthermore, the Placement Agent, in agreement with the Issuer, has the right to cancel the launch of the Offering before the Offering has taken place and upon the occurrence of certain extraordinary events. If the launch of the Offering is cancelled or the Offering is withdrawn, the Offering itself and all submitted purchase offers will be deemed cancelled.

If, prior to the Issue Date, Borsa Italiana has failed to set the MOT Trading Start Date (as defined below), the Offering will be automatically withdrawn by giving notice to the CBI, Euronext Dublin and, no later than the day after notice has been given to CBI and Euronext Dublin, by notifying the general public by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana.

Pricing Details: The Notes will be issued at a price of 100 per cent. of their principal amount.

Offeror of the Notes and person asking for admission to trading of the Notes on the MOT and the Regulated Market: OVS S.p.A., a public limited liability company under the laws of the Republic of Italy with registered office in Mestre - Venice (MI), Via Terraglio 17, 30174, Italy.

Disclosure of the Results of the Offering: The interest rate (which shall not be less than the Minimum Interest Rate) will be determined on the basis of the tenor of the Notes, the yield and the demand by Investors in the course of the determination of the conditions (the bookbuilding procedure) prior to the start of the Offering Period. In the course of the bookbuilding procedure, the Placement Agent will accept within a limited period of time indications of interest in subscribing for the Notes from Investors. Subsequently, the Placement Agent will determine, in consultation with the Issuer and based on, among other things, the quantity and quality of the expressions of interest received from Investors during the bookbuilding procedure, the interest rate (coupon) and the final yield. The interest rate of the Notes (which shall not be less than the Minimum Interest Rate) and the yield will be set out in the Interest Rate and Yield Notice, which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (www.ovscorporate.it/en), Euronext Dublin Website (https://live.euronext.com/) and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period. The aggregate principal amount of the Notes, the number of Notes sold and

the proceeds of the Offering will be set out in the Offering Results Notice which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (www.ovscorporate.it/en), the Euronext Dublin Website (https://live.euronext.com/) and released through the SDIR-NIS system of Borsa Italiana no later than the first business day after the end of the Offering Period. No trading in the Notes will start before the Offering Results Notice is published as set out above.

Conditions of the Offering: Except for the Minimum Offer Condition, the Offering is not subject to any conditions.

Subscription rights for the Notes will not be issued. Therefore, there are no procedures in place for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

Technical Details of the Offering on the MOT: The Offering will take place through Purchase Offers made by Investors on the MOT through Intermediaries (as defined below) and coordinated by the Placement Agent, who has been appointed by the Issuer to offer and display the Notes for sale on the MOT according to the trading rules of Borsa Italiana. Purchase Offers may only be made with the MOT through an investment company, bank, wealth management firm, registered financial intermediary, securities house and any other intermediary authorised to make Purchase Offers directly on the MOT or - if such institution is not qualified to perform transactions on the MOT - through an intermediary or agent authorised to do so (each an "**Intermediary**"). Purchase Offers must be made during the operating hours of the MOT for a minimum quantity of aggregate par value of Euro 1,000 of the Notes, and may be made for any multiple thereof.

During the Offering Period, Intermediaries may make irrevocable Purchase Offers directly or through any agent authorised to operate on the MOT, either on their own behalf or on behalf of third parties, in compliance with the operational rules of the MOT.

Plan of distribution: The Notes shall be assigned, up to their maximum availability, based on the chronological order in which Purchase Offers are made on the MOT. The acceptance of a Purchase Offer on the MOT does not alone constitute the completion of a contract with respect to the Notes requested thereby. The perfection and effectiveness of contracts with respect to the Notes are subject to confirmation of the correct execution of the Purchase Offer and issuance of the Notes. Each Intermediary through whom a Purchase Offer is made will notify Investors of the number of Notes they have been assigned within the Issue Date, which is also the date on which Investors will be required to remit payment in exchange for the issuance of Notes that have been accepted by the Issuer.

After the end of the Offering Period, the Euronext Dublin, in conjunction with the Issuer, shall set and give notice of the start date of the official admission to trading on the regulated market of Euronext Dublin of the Notes on the Regulated Market and Borsa Italiana shall set and give notice of the start date of official trading of the Notes on the MOT (the "**MOT Trading Start Date**"). The MOT Trading Start Date shall correspond to the Issue Date.

Investors wishing to make Purchase Offers who do not have a relationship with any Intermediary may be requested to open an account or make a temporary deposit for an amount equivalent to that of the Purchase Offer. In case of partial sale of the Notes or a cancellation or withdrawal of the Offering, all amounts paid as temporary deposits, or any difference between the amount deposited with the Intermediary and the aggregate value of the Notes actually sold to the Investor, will be repaid to the Investor who initiated the Purchase Offer by the Issue Date.

Any Purchase Offer received outside the Offering Period, or within the Offering Period but outside the operating hours of the MOT, will not be accepted.

Investors may place multiple Purchase Offers.

Purchase Offers placed by Italian Investors through telecommunication means are not subject to the existing withdrawal provisions applicable to distance marketing of consumer financial services, services in accordance with articles 67-*bis* and 67-*duodecies* of Italian Legislative Decree no. 206 of 6 September 2005 as regards the public offer in Italy.

Revocation of Purchase Offers: If the Issuer publishes any supplement to this Prospectus in accordance to Article 23(1) of the Prospectus Regulation (a "**Supplement**"), any Investor who has placed a Purchase Offer prior to the publication of the Supplement shall be entitled to revoke such Purchase Offer by delivering a written notice to the Intermediary through whom the Purchase Offer was made by no later than the third business day following the publication of the Supplement, in accordance with Article 23(2) of the Prospectus Regulation. Revocation of a Purchase Offer may be accomplished by delivering written notice to the Intermediary through whom the Investor made the Purchase Offer, who shall in turn notify the Placement Agent of such revocation.

Other than as described above, Purchase Offers, once placed, may not be revoked.

Payment and Delivery of the Notes: Investors will pay the Issue Price on the Issue Date.

In case of early closure of the Offering or extension of the Offering Period, a press release will be made to announce the action and inform Investors and potential Investors of the revised Issue Date. In case of an extension of the Offering Period the Issue Date will be postponed to the fifth Business Day following the closure of the Offering Period, as extended. In case of an early closure of the Offering Period, the Issue Date will remain unchanged and the Notes will be issued on November 10, 2021.

The Notes will initially be represented by a temporary global note, and will be exchangeable for interests in a permanent global note without interest coupons attached against certification of non-U.S. beneficial ownership in compliance with the U.S. Internal Revenue Code of 1986, as amended ("**TEFRA D**"). Ownership of interests in Notes (the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear and/or Clearstream, Luxembourg or persons that hold interests in the Notes through participants in Euroclear and/or Clearstream, Luxembourg, including Monte Titoli. Euroclear and Clearstream, Luxembourg will hold interests in the Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Book-Entry Interests will not be issued in definitive form. Payments and transfers of the Notes will be settled through Euroclear and Clearstream, Luxembourg.

None of the Issuer, The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent or any other paying agent appointed from time to time or any of their respective agents will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Estimated expenses charged to the Investor by the Issuer

The Issuer will not charge any costs, expenses or taxes directly to any Investor. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence related to the opening of a bank account or a temporary deposit account with an Intermediary, if necessary, and/or any costs related to the execution, acceptance and transmission of Purchase Offers imposed by such Intermediaries.

Why is this Prospectus being produced?

Reasons for the offer and use of proceeds

The Issuer intends to use the net proceeds from the Offering to refinancing of existing facilities of the Group and, in particular, refinancing in whole or in part the medium- to long-term credit facility of €250 million intended to refinance the financial debt of the OVS Group (the "**Term B1 Facility**") under the Financing Agreement entered into by the Issuer with a pool of banks on 23 January 2015 in the original maximum principal amount (including the Term B1 Facility) of €475 million (the "**Financing Agreement**").

A description of any interest that is material to the issue/ offer including conflicting interests

The Placement Agent and its affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Placement Agent and its affiliates have received or will receive customary fees and commissions.

There are no interests of natural and legal persons other than the Issuer and the Placement Agent involved in the issue, including conflicting ones that are material to the issue.

RISK FACTORS

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and the industry in which the Issuer operates, together with all other information contained in this Prospectus, including, in particular, the risk factors described below.

We have described below those risks that we currently consider to be specific to the Issuer and the Notes and which are material for taking an informed investment decision in the Notes. Additional risks and uncertainties that are not presently known to our Group or that our Group currently deems immaterial may also materially and adversely affect our Group's business, financial condition or results of operations. We have assessed the materiality of the risk factors below based on the probability of their occurrence and the expected magnitude of their negative impact.

Each of the risks discussed below could have a material adverse effect on the Issuer's business, financial condition, results of operations or prospects which, in turn, could have a material adverse effect on the principal amount and interest which Investors will receive in respect of the Notes. In addition, each of the risks discussed below could adversely affect the trading or the trading price of the Notes or the rights of Investors under the Notes and, as a result, Investors could lose some or all of their investment. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Prospectus have the same meanings in this section.

Prospective investors should read the entire Prospectus and reach their own views prior to making any investment decision.

Risks relating to the Issuer and the Group

Risks relating to the financial situation of the Issuer and of the Group

Risks relating to the impact of the restrictive measures and orders to combat the COVID-19 pandemic on the financial position, results of operations and cash flow of the Issuer and the Group

The earnings performance of the group headed by OVS S.p.A. ("**OVS**", the "**Company**" or the "**Issuer**"; "**OVS Group**", "**Group**") for the financial year 1 February 2019 - 31 January 2020 (the Issuer's financial year ends on 31 January) (the "**FY2019**"), thus prior to the spread of the COVID-19 pandemic, was significantly impacted by the write-down of intangible non-current assets in the amount of €161.4 million, caused by the results of an impairment test (the consolidated net result of the OVS Group in FY2019 was negative €140.4 million). Moreover, the COVID-19 pandemic had significant adverse impacts on the Group's corporate business due to the closure of stores for extended periods of time. In the financial year ended 31 January 2021 (the "**FY2020**"), the Group recorded the closure of an average of approximately 27% of its retail space, resulting in a 25.7% reduction in revenues (from €1,374.8 million in FY2019 to €1,017.8 million in FY2020), and the result for the year before taxes was a loss of €79 million, compared to the corresponding figure for FY2019 of a loss of €134 million (impacted by the aforementioned write-down).

For the financial year which will end on 31 January 2022 (the "**FY2021**"), the current restrictive measures imposed by the government have led to closure of OVS store retail area that is estimated, on average, and based on various parameters (including days closed and the square metres of the stores affected by the restrictive measures) in February 2021 of approximately 20%, in March 2021 of 60% and in April 2021 of 28%. February reported revenues of around €70 million, down around 10% from February 2020 and around 19% from February 2019. March, the month most affected by the restrictions, closed with revenues of approximately €69 million, up 72% from March 2020 and down 37% from March 2019. April revenues increased significantly from April 2020 thanks to the gradual reopening of stores (in April 2021 revenues amounted to around €91 million, while in April 2020, due to store closures, they were around €5 million) and decreased 27% from April 2019. In the six months ended on 31 July 2021 (the "**HY2021**") (which was partially affected by restrictions imposed to prevent the spread of the pandemic), the Group revenues increased by approximately 60% compared to revenues in the six months ended on 31 July 2020 (of €224 million) (the "**HY2020**").

A continuation or worsening of the pandemic could have further material adverse impacts on the financial position, results of operations and cash flow of the Issuer and the Group, which could, in turn, adversely affect the ability of the Issuer to fulfil its obligations under the Notes.

Risks relating to the measures adopted by the Issuer to balance the adverse effects of the COVID-19 pandemic on the Group's profitability and cash flow generation

The Issuer has taken a number of actions to counter the adverse effects of the COVID-19 pandemic on the Group's profitability and cash flow generation. In particular, following discussions with its creditors, the Issuer signed agreements with them (most recently on 29 March 2021) to suspend its obligation to comply with the financial covenant (concerning the ratio of average net financial debt to EBITDA, on a consolidated basis) to the extent set forth in the financing agreements containing that covenant (the "**2021 Waiver**"). The suspension of the obligation to comply with the financial covenant above to the extent set forth in the contractual documentation concerns the months of April, July and October 2021 and January 2022 and, therefore, failure to comply with the covenant as at January 2022 will not result in an event of default under the financing agreements of the Issuer in place as of the date of this Prospectus. By virtue of these agreements, OVS undertook: (i) solely as at 31 January 2022, to cause said covenant not to exceed 4.0x and (ii) to comply with an additional financial covenant, to be verified monthly from 31 March 2021 until 31 January 2022 (inclusive), pursuant to which the Group's available liquidity must not be less than €15 million on the relevant verification dates. However, these actions may not be sufficient to counter the adverse impacts of the COVID-19 pandemic over the Group and this may have a material adverse effect on its business, results of operations or financial condition which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

On 15 December 2020, the Shareholders' Meeting of OVS approved a capital increase of the Issuer in the maximum total amount of €80 million, including any share premium, to be completed no later than 31 July 2021, through the issue of new common shares with the same characteristics as the shares outstanding at the issue date, without par value and normal dividend rights, to be offered as an option to all shareholders of the Issuer, pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code (the "**Capital Increase**"). The Capital Increase was fully subscribed on 30 July 2021. The Issuer intends to use the proceeds from the Capital Increase to finance the acquisition of small- and medium-sized companies operating mainly in the Italian market in the Group's or related business areas and/or related sectors, with a market positioning and sales network consistent with those of the Issuer, or to finance the acquisition of specific assets. However, the proceeds from the Capital Increase may not be sufficient to sustain the expansion of operations of the Group and its profit margins and this could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to non-implementation of the 2021-2023 Business Plan

On 11 February 2021, the Issuer's Board of Directors approved the business plan for the period between 2021 to 2023 (the "**2021-2023 Business Plan**" or the "**Plan**") on which the Group's profitability projections for the aforementioned period are based. As set out in the Plan, strengthening the Group's sales network, to be implemented by opening new stores, is crucial to preserve the Group's profitability. The Issuer expects that the projected growth in revenues over the Plan period in existing stores and the cost efficiency measures to be implemented over the same period will generate adequate cash flows (given the liquidity already available to the Group as at the date of this Prospectus) that are consistent over time with cash outflows to carry out the investments (including strengthening the sales network) envisaged in the three-year period 2021-2023. Furthermore, the Plan assumes that no impairment of intangible assets will be recognised in the 2021-2023 financial years (at 31 January 2021, the OVS Group had intangible assets of €1,726 million, accounting for 66% of total consolidated assets and 226% of consolidated shareholders' equity; in the estimates used for the impairment test for the financial statements as at 31 January 2021, an increase in revenues of 29.6% was forecast for the year ending 31 January 2022, compared to the 22% expected for the Italian apparel market in the same period). The OVS Group's ability to counteract the deterioration in its financial position, results of operations and cash flow caused by the spread of the COVID-19 pandemic and the consequent closure of stores is closely linked to achievement of the Plan assumptions/actions (including a gradual return to normal store operations, which is already occurring as of the date of this Prospectus, and without any restrictions due to the COVID-19 health emergency over the Plan period, as well as the opening of new stores) based on the expected extent and timing. The OVS Group's ability to implement its growth strategy and develop its profit margins – to be pursued by means of business combinations ("external growth") – is closely linked to the successful implementation of the Plan actions. As at the date of this Prospectus, it is possible that the completion of the process of integrating the companies that

may ultimately be acquired will require further transactions to strengthen the Company's equity. Even if the OVS Group were to carry out the aforesaid growth through acquisitions, as at the date of this Prospectus it is not certain if and when the Group will be able to increase its profitability.

As at the date of this Prospectus, taking into account the uncertainties associated with the Plan assumptions, particularly regarding developments in the COVID-19 pandemic, there is a risk that the Plan actions will not occur or will occur to an extent and with timing different from those expected. In that event, the implementation of the Capital Increase has provided the Group with a liquidity reserve (in addition to the liquidity already available) to be used, rather than for financing growth through acquisitions, for actions aimed at countering the adverse impacts of the COVID-19 pandemic and preserving an economic and financial profile of the Group consistent with that envisaged over the Plan period and to bolster compliance with the financial covenants applicable from time to time over the Plan period. In that event and if, in addition, the Plan assumptions are also not achieved or are achieved to a significantly different extent and with timing other than expected, including as a result of the continuation or worsening of the COVID-19 pandemic, the Group may not be able to counteract the deterioration in its financial position, results of operations and cash flow, which could, in turn, adversely affect the ability of the Issuer to fulfil its obligations under the Notes.

Lastly, it should be noted that a significantly different (adverse) trend in the OVS Group's income and cash flows from projections could lead to non-compliance with the financial covenants (as per the contractual documentation) applicable from time to time during the Plan period. Failure to comply with the Group's financial commitments, given the presence of cross-default clauses in certain financing agreements could lead to a demand for early repayment of those Group debts, with significant adverse impacts on the Group's financial position, results of operations and cash flows, which could jeopardise the Issuer's and the Group's ability to operate as a going concern.

Risks relating to the Group's economic performance

The FY2020 was marked by the unusual event of the health emergency linked to the spread of the COVID-19 pandemic, which led to the closure of stores in Italy, at times for lengthy periods which also partially impacted the HY2021. In FY2020: (i) the OVS Group's revenues amounted to €1,017.8 million, down 26% from the revenues for the FY2019 of €1,374.8 million; the decrease in revenues is entirely attributable to the adverse effects of the COVID-19 pandemic; (ii) the net resut for the year before tax was negative €79 million, compared to the FY2019 net resut for the year before tax of negative €134 million, the latter being mainly affected by the write-down of intangible non-current assets; (iii) the net resut for the year before tax determined considering only recurring economic components was negative €67 million, compared to the corresponding figure for FY2019 which was positive €38 million, determined considering only recurring economic components and excluding the aforementioned write-down of intangible non-current assets. In HY2021: (i) the OVS Group's revenues were up 60% from the HY2020 revenues; (ii) the net resut for the period before tax was positive €27 million, compared to the HY2020 net resut for the period before tax of negative €98 million; (iii) the net resut for the period before tax determined considering only recurring economic components was positive €31 million, compared to the corresponding figure for FY2020 which was negative €93 million.

The vaccination campaign currently underway allows a reasonable assumption of a gradual return to normality by the end of 2021. In particular, the Issuer expects a positive pre-tax result in FY2021 compared to a negative result in FY2020. Although the Issuer anticipates a reversal of the Result for the year before taxes (from negative to positive) for FY2021 assuming that the OVS Group opens the planned number of new stores in that year, nevertheless, given the uncertainties as to the Plan actions and the development of the COVID-19 pandemic, at the date of this Prospectus there is a risk that in FY2021 the Group will achieve a pre-tax Result that is negative, and which may be significant. As at the date of this Prospectus, there is no certainty as to whether and when the OVS Group will report a positive pre-tax Result (determined considering only recurring economic components) and this may have a material adverse effect on its business, results of operations or financial condition which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the importance of intangible assets in the Group's total assets and shareholders' equity

As at 31 January 2021 and 31 July 2021, the OVS Group's intangible assets amounted to, respectively, €1,726 million and €1,750 million, representing 66% and 65% of total consolidated assets and 226% and 203% of consolidated equity. As at 31 January 2021 and 31 July 2021 these intangible assets consist of rights to use leased assets of, respectively,

€824.4 million and €849.7 million, intangible non-current assets of €604.1 and €599.7 million and goodwill of €297.5 and €300.1 million. The estimates used for the impairment test for the financial statements for the year ended 31 January 2021 forecast a 29.6% increase in revenues for the FY2021, as compared to growth of 22% in the apparel market in Italy for 2021 predicted by Sita Ricerche. As at the date of this Prospectus, the CGUs identified by the Issuer's management consist of the OVS and Upim operating segments, which include all services and products supplied to customers. The OVS and UPIM CGUs subject to impairment testing include, in addition to their respective brands, also their respective franchising networks.

For the OVS CGU, Plan flows also forecast growth rates for revenues and EBITDA that are higher than the historically realised growth rates. The results of the impairment test are also particularly sensitive to the assumptions concerning the discount rates used. Assumptions that are even slightly more conservative than those made by the Issuer at 31 January 2021 may lead to the need for write-downs. It should also be noted that the forecast of a positive pre-tax Result for the year ending 31 January 2022 is based, among other things, on the expectation that no impairment losses on intangible assets will be recognised in that year. If the OVS Group's financial performance and the related cash flows should prove to be different from (worse than) the estimates used for the impairment test, also taking into account the uncertainties related to the development of the COVID-19 pandemic, the OVS Group may have to make write-downs, which may be significant, of goodwill and other intangible assets, with a significant adverse impact on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the Group's consolidated financial debt, compliance with obligations in the related contractual documentation and the availability of new financial resources

The Group's gross financial debt at 31 July 2021 was €1,362 million (the non-current portion of which amounted to €1,144 million) . At 31 July 2021, the portion of gross financial debt under financing agreements with clauses imposing limits on the use of financial resources (including financial covenants and cross-default clauses) and on the distribution of dividends and reserves (until 30 September 2024) amounted to €533 million.

As anticipated above, in order to counteract the deterioration of the financial position, results of operations and cash flow caused by the COVID-19 pandemic, the OVS Group initiated discussions with its financial creditors, as a result of which the 2021 Waiver was signed, suspending its obligation to comply with the financial covenant covering debts that at 31 July 2021 amounted to a total of €533 million. As at 31 July 2021, without the benefit of the suspension of the covenant verification period, the OVS Group would not have been in compliance with those covenants. As at the date of this Prospectus there is a risk that, as a result of the Group's operating/profitability performance differing significantly from (being worse than) expected the Group would not be able to meet the conditions allowing it to suspend compliance with the covenants imposed by the financial agreements or, after benefiting from the period of suspension of the aforementioned obligation, would not be able to comply with the financial covenants in the Group's financing agreements. Failure to comply with the Group's financial commitments, taking into account the cross-default clauses in certain of the Group's financial contracts, could result in a demand to prepay such Group debts, with a significant adverse impact on the Group's financial position, results of operations and cash flow, which could jeopardise the Issuer's and the Group's ability to operate as a going concern and which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to oversized and obsolete inventories

The Group operates in the apparel industry, which is significantly influenced by changes, which can be sudden, in the tastes and preferences of customers and end consumers, as well as lifestyle changes, and is therefore subject to the risk of oversized inventories and obsolete stocks. In this regard, the Group has undertaken several actions to better match demand and supply of goods and reduce unsold goods, with a consequent reduction in the relative stocks. In particular, these actions consist of: (i) a single warehouse management system for all sales channels, which permits efficient allocation of volumes of goods where they are most needed; and (ii) investments in digitalisation of business processes, particularly those relating to the procurement of merchandise, which permits continuous improvement in predicting demand in order to anticipate assortment needs. Therefore, if those actions do not permit an adequate level of matching between the demand and supply of goods, correct sizing of inventory (regarding both the quantity and the assortment of products for subsequent sale) and gradual streamlining of the supply chain, inventory would be oversized and, therefore, there would be surplus stock subject to rapid obsolescence and depreciation of its value, with consequent adverse effects on the OVS Group's financial position, results of operations and cash flow.

The value of inventories at 31 January 2021 was €420.1 million (€410.3 million at 31 July 2021), an increase of €27 million from the value recorded at 31 January 2020. The ratio of this item to the Group's total assets was 15% at 31 July 2021, 16.1% at 31 January 2021 and 15.0% at 31 January 2020. Should the policies implemented by the Group be unable to ensure adequate matching between the demand and supply of goods, proper sizing of inventory and progressive streamlining of the supply chain, the Group may have to make write-downs, which could have significant adverse effects on the OVS Group's financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the Issuer's and the Group's operations and industry

Risks relating to movements in exchange rates

The Group's exposure to risks relating to fluctuations in foreign exchange rates arises from its business activities, some of which are conducted in currencies other than the Euro. The Group does business in international markets and, in particular, purchases part of its goods in countries that are not part of the Euro Area through purchase transactions in currencies such as, primarily, the US dollar (USD). In this regard: (i) in the year ended 31 January 2021, the Group purchased €398 million of goods denominated in USD, representing approximately 85% of the costs related to the goods and approximately 37% of the Group's total operating costs. As at 31 January 2021, the Group has €116.8 million of outstanding USD-denominated payables, amounting to approximately 6.5% of the Group's total payables; (ii) in the year ended 31 January 2020, the Group purchased €499.8 million of USD-denominated merchandise, representing approximately 85% of the costs related to the merchandise and approximately 32.7% of the Group's total operating costs. As at 31 January 2020, the Group has €152.7 million of outstanding USD-denominated payables, representing approximately 8.8% of the Group's total payables. In this regard, the OVS Group has adopted guidelines for its financial activities which require, among other things, execution of forward currency purchase derivative contracts to reduce the risks associated with movements in the EUR-USD exchange rate and to ensure reliability when planning sales prices and the associated "business" margin (i.e., the difference between the sales prices in EUR and the purchase costs of the products in USD).

In particular, the OVS Group is exposed to "foreign exchange translation risk" related to fluctuations in the EUR-Hong Kong Dollar ("**HKD**") exchange rate; the HKD is the functional currency of the investee company OVS Hong Kong Sourcing Limited. The Group is thus exposed to the risk that significant fluctuations in exchange rates may occur and that the policies it adopts to neutralise such fluctuations may prove to be insufficient, with consequent significant adverse effects on its business and growth prospects, as well as on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the concentration of revenues in Italy

The OVS Group generates its revenues almost exclusively in Italy (1,423 stores in the Group's revenues network are located in Italy and 399 stores are located abroad). The stores located abroad are mostly small and thus generate lower average revenues than the stores in Italy, which are generally larger and directly operated. In the financial year ended 31 January 2021 the Group's consolidated revenues were €1,017.8 million, down 25% from the revenues earned in the financial year ended 31 January 2020 (€1,374.8 million) , as a result of the 36% decline in revenues in the apparel market in Italy in the financial year 1 February 2020 - 31 January 2021 from the financial year 1 February 2019 - 31 January 2020 due to the COVID-19 pandemic (sorce: Sita Research, March 2021).

In the six months ended 31 July 2021, the Group's consolidated revenues were €599,2 million, up 60% from the revenues earned in the six months ended 31 July 2020 (€224,2 million).

The Group is exposed to the risk that slowdowns in sales and consumption of goods and services in Italy (which worsened starting in March 2020 due to the COVID-19 pandemic in Italy), the market where its revenues are concentrated (accounting for approximately 95% of the total for the years ended 31 January 2021 and 31 January 2020), could have material adverse effects on its financial position, results of operations and cash flow.

Deterioration in the performance of the Italian economy, including as a result of the COVID-19 pandemic, could have further significant adverse effects on customers' financial resources and consumption choices and could lead to a

further contraction in demand for the Group's products, which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the operation of IT systems and e-commerce platforms

To carry out its business, the OVS Group relies on its own IT systems, websites and e-commerce platforms, as well as on third-party IT platforms and infrastructure under service agreements and/or software licenses. In this regard, in view of the increasing importance of e-commerce for the Group's business – and also in view of the orders and restrictive measures to counter the spread of COVID-19 adopted (or that will be adopted) by the government and/or local authorities – and the digital transformation process that is underway, it is crucial that the e-commerce platforms and, more generally, multi-channel sales tools be in continuous operation and properly integrated with the Group's IT infrastructure. This IT infrastructure is exposed to multiple operational risks deriving from equipment failures, work or connectivity interruptions, programming errors, illegal actions of third parties and/or unusual events such as internal or external security breaches, computer viruses or other forms of cyber-attacks. Lastly, the Issuer's IT systems could be damaged or interrupted due to natural disasters, electrical damage, interruption of telecommunications lines, acts of terrorism, force majeure, physical intrusion or similar events or interruptions. Such malfunctions and/or attacks could result in the deactivation and/or compromise of the IT systems used by the OVS Group to conduct its business, as well as to the loss of large quantities of personal data or other sensitive information, potentially exposing the OVS Group to criminal or civil sanctions or other forms of liability.

However, any of such events could result in delays and/or interruptions in the product procurement, distribution and sale cycle, or in the suspension and/or interruption of the Group's business, with a consequent loss of revenue. Such events, therefore, could have significant adverse effects on the Group's business and on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the goal of growth by acquisitions

The use of the financial proceeds of the Capital Increase which was fully subscribed on 30 July 2021 to finance growth through acquisitions is uncertain and is subject to the OVS Group's economic and financial performance meeting expectations (and therefore that the assumptions in the 2021-2023 Business Plan will materialise, including those related to the COVID-19 pandemic), so that the proceeds of the Capital Increase will not have to be spent on actions to counter the adverse impacts of the COVID-19 pandemic and support the actions under the Plan. Since the selection of the targets of the Group's growth strategy via acquisitions may include equity stakes in companies or company divisions involved in restructuring operations and/or in financial distress, as at the date of this Prospectus there is a risk that the OVS Group profitability may deteriorate, including significantly, as a result of such acquisitions.

As at the date of this Prospectus, implementation of the Company's strategy of growth through acquisitions has resulted in the completion of two acquisitions: *(i)* the first, completed on 1 March 2021, involving the Stefanel brand and 23 directly-operated stores (for additional information about the acquisition, see "*Material Contracts – Agreement for the transfer of a business unit of Stefanel S.p.A. in extraordinary administration*"); and *(ii)* the second, completed on 9 March 2021, involving the Piombo brand (for additional information about the transaction, see "*Material Contracts – Creative management contract with Massimo Piombo"*). The Company is also conducting preliminary feasibility studies, analyses and related investigations to identify other potential targets (companies, business divisions, brands and sales networks). As at the date of this Prospectus, the Issuer is unable to estimate the impact of such transactions on the OVS Group's future operations/profitability. It should be noted that in the extraordinary administration procedure for Conbipel S.p.A., and specifically in the private bidding procedure called by the Extraordinary Commissioner in which OVS and other parties participated, OVS made a non-binding offer for certain assets of Conbipel S.p.A. in extraordinary administration.

There is no certainty that upon completion of the restructuring of the acquired businesses, the Group's profit margin development goals will be achieved or will be achieved to the anticipated extent and with the anticipated timing. Even if the net proceeds of the Capital Increase which was fully subscribed on 30 July 2021 are used in full to finance growth through acquisitions, it is possible that the processes needed to integrate the acquired businesses will require further operations to strengthen the Issuer's capital. Even if the net proceeds of the Capital Increase are used in full to finance external growth and the targets acquired do not include interests in companies or business divisions with the characteristics described above, there is no certainty that the profit margin development goals will be achieved or will

be achieved to the anticipated extent and with the anticipated timing which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the influence of weather conditions on sales

The apparel market is influenced by weather conditions. An excessively mild autumn/winter could have repercussions on sales volumes of winter clothing products and a cold and rainy spring/summer could affect sales volumes of summer clothing products. Specifically, this happens during the start of the season: an April with lower than average temperatures means a slower start to sales in the spring/summer season, while a September with summery temperatures means a delay in the start of autumn/winter season sales. The occurrence of these phenomena has repercussions throughout the apparel market. Moreover, retailers like the Issuer, which are particularly exposed in the children's category, may be even more affected by mild September months due to the fact that they coincide with the start of the school year in Italy: if temperatures are higher than the seasonal average, clothing purchases will be postponed until the following month. For the Group, sales in the months of April and September (the months when sales of new collections begin, in connection with the change of season) represent approximately 20% of total sales for the year.

The Group has adopted policies to diversify its product portfolio through a complete offering that can cover all seasons of the year. At the same time, the Group intends to continue to increase flexibility in merchandise procurement, reducing the relevant timing as much as possible based on actual needs. Even with the foregoing, the Group is exposed to the risk that those diversification policies, together with flexibility in procurement, may not be implemented effectively and/or may prove to be inadequate to eliminate or at least significantly reduce the effects of weather conditions, with consequent adverse effects on the profitability for the entire financial year, as well as on the Group's financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to independent third-party producers

The Group relies exclusively on third-party manufacturers (over 500) to complete the stages preceding the sale of the products, such as procurement of raw materials and production of garments (25% of the total purchase of goods is made from 214 suppliers located in China). These third-party manufacturers operate under the Issuer's close supervision, including the approximately 280 employees located abroad as at 31 January 2021, who, among other things, make sure that the production and delivery procedures and methods are adhered to and that the quality of the raw materials used and the garments made meet the Group's standards. Despite this supervision, and the inclusion of specific contractual undertakings in this regard, there is a risk that third-party producers may not comply with the agreed procedures and quality standards, may delay delivering the garments ordered or produce garments that cannot be sold, thus forcing the Group to resort to other suppliers, with consequent delays and/or interruptions in the product distribution cycle and adverse effects on the Group's business and growth prospects and on its financial position, results of operations and cash flow.

In addition to the above, the Group is also exposed to the risk that such third-party manufacturers, which are concentrated in Emerging Countries, despite the monitoring carried out by the Group, do not comply in whole or in part with employment, social security and/or workplace health and safety laws. Even if none of the events described above occurred during the financial year ended 31 January 2021 and through the date of this Prospectus, a violation by one or more third-party manufacturers of such laws or even merely the initiation of investigations and legal proceedings could have significant adverse repercussions on the Group's reputation which could, in turn, adversely affect the Group's financial position, results of operations and cash flow and the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to distribution channels

Risks relating to direct management of stores

The Group markets its products through its own sales network and digital channels throughout Italy and in certain foreign countries, with stores of different sizes in terms of surface area and different management methods (direct sales or franchising), proprietary websites integrated with the physical network and marketplaces it collaborates with, especially abroad. The OVS Group generated revenue of €1,017.8 million and €1,374.8 million as at 31 January 2021 and 31 January 2020, respectively. Of those revenues, in FY2020, revenues generated through the directly-operated

network and proprietary e-commerce channels amounted to €1,140 million (of which €7 million came from proprietary e-commerce channels); in FY2021, revenues made through the directly-operated network and proprietary e-commerce channels amounted to €828 million (of which €13 million was generated through proprietary e-commerce channels).

As at 31 January 2021, the Group's direct sales network consisted of 760 stores, located in buildings owned by third parties that are leased to the Group, and total sales generated by those stores represent approximately 80% of the Group's total revenues. The Group is exposed to the following risks: (i) it may lose the use of the real estate, owned by third parties, used as stores and leased by the Group, if the related leases terminate or are not renewed; (ii) any suspension and/or revocation of permits, licenses and authorisations needed to engage in commercial activities may result in the suspension or interruption of business at directly-managed stores; and (iii) if one or more stores should, for any reason whatsoever, incur a significant drop in sales volumes, potentially disproportionate costs associated with managing them could lead to their closure.

The occurrence of such events could have significant adverse effects on the Group's business and growth prospects, as well as on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to non-directly-managed stores and relationships with franchisees

Part of the Group network includes stores that are not managed directly by the Group, but rather indirectly through franchising. Franchised stores, which are generally smaller than those managed directly, are mainly located in central and southern Italy and abroad and are managed by local retailers (franchisees). As at 31 January 2021, the Group had 1,062 stores that it does not manage directly, but rather indirectly through franchising and marketplaces (i.e., third-party e-commerce platforms), and the Group's revenues generated by those stores represented approximately 19% of the Group's total revenues for the financial year ended 31 January 2021. As at 31 January 2020, there were 995 stores not operated directly by the Group, but indirectly through franchising and marketplaces, and the Group's revenues generated from these stores represented approximately 17.5% of the Group's total revenue for the year ended 31 January 2020. In line with industry practice, franchises with the franchisees are governed by franchising agreements, with an indefinite term. In this regard: *(i)* the Group's gross trade receivables from third parties were €113.2 million as at 31 January 2021, representing 93% of the Group's total receivables (€103.1 million as at 31 January 2020, representing 93% of the Group's total receivables); and *(ii)* as at 31 January 2021, the Issuer had a "bad debt provision" of €11.2 million to cover, *inter alia*, potential liabilities that may arise from failure to collect the aforementioned trade receivables (€17.2 million as at 31 January 2020).

The Group is exposed to the following risks: (i) franchisees' failure to adhere to a business policy that comports with the Group's image and quality standards may harm the Group's competitive positioning; (ii) in part due to current market conditions and the economic downturn, some franchisees may delay or fail to make payments on the agreed terms and conditions; and (iii) existing franchise agreements, although of indefinite or long term, may terminate for some reason.

The occurrence of such events would have significant adverse effects on the Issuer's and the Group's financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the purchase of merchandise from Emerging Countries

The Group has significant commercial relationships with third-party manufacturers located in Emerging Countries. For the collections for the Spring/Summer 2020 and Fall/Winter 2020 seasons, it purchased more than 50% of the products (offerings) from these countries. Therefore, it is exposed to the risk that possible changes in law or instability and social unrest could lead to the imposition of restrictions on the export and/or import of products, with potential adverse effects, which could be significant, on its financial position, results of operations and cash flow. For the collections relating to the Spring/Summer 2020 and Fall/Winter 2020 seasons, the Group purchased more than 50% of the products (offerings) from Emerging Countries, including 40% in Bangladesh and 5% in Myanmar. The Issuer uses more than 500 suppliers, and approximately 20% of these are located in Emerging Countries.

With that said, the precarious political stability in Emerging Countries is such that possible future changes in law and potential instability and social unrest cannot reasonably be ruled out, which could result in the imposition in those Emerging Countries of restrictions on the export of products or the introduction in the European Union of restrictions on product imports.

The occurrence of such events could have a significant adverse impact on the Group's commercial dealings with such third-party producers and, more generally, on the Group's ability to source merchandise in those Emerging Countries on favourable terms, with consequent adverse effects on the Group's business and growth prospects, as well as on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the variability of raw material costs

The Group's third-party manufacturers use a variety of raw materials and semi-finished products to produce the goods sold in the Group's stores. The costs to these third-party manufacturers to procure raw materials, primarily cotton, may affect the purchase price of the merchandise and the Group's results. Therefore, an increase in the prices of the same in the relevant markets may require the Group to either: (i) reflect those increases in the selling prices of the goods, thus increasing those prices, with consequent effects on the saleability of the goods, with potential adverse effects on sales volumes; or (ii) reduce margins on the sales of the merchandise, with consequent adverse effects on the Group's results. In general and specifically in the financial year ended 31 January 2021, the Group does not and has not hedged fluctuations in raw materials prices, because historically these fluctuations have been managed through commercial agreements with suppliers and adjustments in prices charged to final consumers. As at the date of this Prospectus, the Group has no market analysis that show the impact of the COVID-19 pandemic on raw materials prices.

In light of the foregoing, the Group believes that significant changes in the costs of raw materials, as well as any miscalculation by the Group as to whether such changes can be passed along in the prices of merchandise to be sold, could have an adverse effect on the Group's growth prospects and competitive position, as well as on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to changes in customer preferences, perceptions of new trends, and the Group's image and brand recognition

Because the apparel market is influenced by changes in trends and customer tastes and preferences, as well as lifestyles in the various geographic areas where the Group operates, any inability on the part of the Group to interpret changes in customer tastes and preferences and to identify and/or anticipate trends in the apparel market would result in a contraction of the Group's business, with significant adverse effects on its financial position, results of operations and cash flow. Even if the Group's business model and related commercial offering have a strong component focused on children and product categories that, being targeted to families, have a rather low "fashion content", which allows the Group to reoffer that merchandise in subsequent seasons, partly limiting the effects of changes in customer tastes and preferences and/or perception of market trends, should the Group not be able to maintain a favourable brand image, perception and recognition through its products, marketing and communications, there could be a decrease in sales volumes and, therefore, in the Group's revenues, with adverse effects on its financial position, results of operations and cash flow. All such events could adversely affect the ability of the Issuer to fulfill its obligations under the Notes

Risks relating to seasonality

The apparel market in which the Group operates is seasonal, which is typical for sales of retail products. Specifically, retail sales are usually higher in the third and fourth quarters of the year than in the first two quarters. Considering FY2019, which the Issuer believes was representative of the effects of the seasonality inherent in its business model (FY2020 was not typical due to extended store closures), the last two quarters contributed approximately 53% to the generation of consolidated revenues: out of total consolidated revenues of €1,374.8 million for the year ended 31 January 2020, consolidated revenues in the first half were €650.6 million and in the second half were €724.2 million (€317.5 million or 23.1% in the first quarter, €333.1 million or 24.2% in the second quarter, €340.3 million or 24.8% in the third quarter and €383.9 or 27.9% in the fourth quarter). Thus, in the year ended 31 January 2020, consolidated revenues in the second half of the year were €73.6 million higher than in the first half. In contrast to revenues, operating

expenses show a more linear trend due to a fixed cost component (personnel, rents and overhead) that is evenly distributed throughout the year. Consequently, the operating margin is also affected by this seasonality, which is typically higher in the third and fourth quarters of the year.

Given this seasonality, the occurrence of events causing a decrease in revenues in periods that normally have higher sales volumes could have an adverse impact on the Group's profitability for the entire financial year, with adverse effects on the Group's financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to judicial and arbitration proceedings and potential inadequacy of the Group's provisions for risks and charges

Provisions for litigation in which the Group was involved as at the date of this Prospectus amounted to a total of €4.9 million as at 31 January 2021, against a total amount in dispute on that date of approximately €20 million. The Company believes this provision is adequate because it reflects liabilities that, in its opinion, could arise from ordinary employment law proceedings, employment law charges, as well as other disputes about commercial positions and with local authorities. The Group is exposed to the risk that, if the litigation in which Group companies are involved as at the date of this Prospectus and/or any additional proceedings that may arise have an adverse outcome, these provisions will be insufficient to fully cover the Group's payment obligations.

The OVS Group could therefore incur adverse effects, which could be significant, on its financial position, results of operations and cash flow, as well as damage to its image and reputation which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to environmental, social and governance factors

Risks relating to the performance of the Italian, European and global economies

Revenues trends in Italy, the country where the Group generates approximately 95% of its consolidated revenues, appear to be affected by certain factors, primarily customers' propensity to spend, which is mainly influenced by uncertainties regarding future income and unemployment levels and, more generally, the economic situation. Uncertainty regarding developments in public health conditions, mortality rates and contagion as well as the orders and restrictive measures to counter the spread of COVID-19 adopted (or that will be adopted) by the government and/or local authorities affects the Group's customers' perception of the Italian economy, reducing their confidence in the recovery and discouraging spending other than for basic necessities. Moreover, any turbulence in the banking system due to, inter alia, a prolonging of the COVID-19 pandemic could result in restrictions on access to credit, a low level of liquidity and significant volatility in the financial markets. These events could produce adverse effects, including financial instability in Italy's economic and social fabric or significant difficulties (or, in the worst cases, inability) for Italian households in obtaining credit, with a consequent reduction in their spending capacity.

In light of the above, the Issuer believes that poor performance of the Italian economy, in part as a reflection of a possible worsening of the European or global macro-economic scenario, could have an adverse effect on the demand for the Group's products and, consequently, on sales, with adverse effects, which could be significant, on the Group's financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to dependence on key personnel

As at the date of this Prospectus, the Group is managed by senior management that has contributed and contributes significantly to the development and success of the Group's strategies, having gained significant experience in the business sector in which the Group operates. There are no agreements between the Company and senior managers that require payment of compensation in the event of early termination of employment or that contain non-competition clauses. However, if the relationship between the Group and one or more of such key management personnel should be terminated for any reason, and the Group is unable to attract equally qualified managers, there is no guarantee that the Group will be able to promptly replace them with equally qualified persons capable of providing the same operational and professional contribution, including over the medium-long term.

Therefore, termination of the relationship with any of these individuals could reduce the Group's competitive capacity and affect the achievement of the expected growth objectives, with consequent significant adverse effects on the Group's business and growth prospects as well as on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the legal and regulatory framework

Risks relating to the protection and processing of personal data

The Group is exposed to the risk that the measures and procedures it has adopted in relation to the laws on the protection and processing of personal data may be inadequate or non-compliant and/or are not properly implemented. The occurrence of such events could result in the imposition of fines, with consequent significant adverse impacts on the Group's financial position, results of operations and cash flow.

OVS collects and processes personal data primarily in relation to: (i) its employees, for purposes related to personnel management and administration, and (ii) its end customers, for purposes related to the management of loyalty programmes through loyalty cards – but only if the individual concerned has given express consent – as well as for marketing and/or profiling purposes. The Group's activities are subject to regulations on the protection and processing of personal data that are collected and stored. The activities considered to be processing of personal data (collection, storage and any form of use of the data, including their deletion) are governed by Regulation (EU) 2016/679 and Italian Legislative Decree No. 196/2003, as amended by Italian Legislative Decree No. 101/2018 and the implementing and prescriptive measures of the Italian Data Protection Authority.

The Group has conformed its internal procedures to applicable law and has adopted the technical organisational measures necessary to comply with that law. Despite the measures taken, the Group is still exposed to the potential risk of data being damaged, lost or stolen, disclosed or processed for purposes other than those authorised by customers, including by unauthorised persons, be they third parties or employees of the Issuer.

Violations of the laws on the collection, storage and processing of personal data could result in the imposition of fines of up to €20 million or 4% of total annual worldwide revenues for the year preceding the year in which the violation was ascertained, with a consequent significant adverse effect on the Group's business and growth prospects, as well as on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the protection of intellectual property rights

The Group's success also depends on its ability to protect and promote its intellectual property rights and particularly its trademarks, such as "OVS" and "Upim". The Group protects its intellectual property rights using resources it deems appropriate and adopting safeguards to protect those rights. Even with the foregoing, the Group is exposed to the risk that the aforementioned measures may be inappropriate or insufficient to prevent imitations and infringements of the Group's trademarks. Should the Group also wish to expand its business to countries where the Group's trademarks have not yet been registered, any prior use and/or registration of the same trademark (or trademarks that may be confused with it) by third parties could result in a limitation, or even an impediment, to the Group's engaging in business in those countries. In the Issuer's opinion, the laws in force in many foreign countries do not protect intellectual property rights as forcefully as Italian law or the laws of other European Union countries.

In addition to the foregoing, intellectual property rights may not be sufficient to ensure a competitive advantage to the Group, as third party companies may independently develop products with similar aesthetic and functional characteristics and competitors' brands may be or may become more attractive to the public than the Group's brands. If the Group is unable to adequately protect its intellectual property rights, they may lose value, which could affect: (i) the value of the equity; and, more generally, (ii) the Group's financial results which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to internal control

Risks relating to the administrative liability of legal entities and possible inadequacy of the 231 Model

The Group is exposed to the risk of incurring fines and, in certain cases, interdiction measures – including a prohibition on engaging in its business – if a crime is committed that gives rise to administrative liability of the entity pursuant to Italian Legislative Decree No. 231/2001, if the Judicial Authority determines that the organisation, management and control model adopted to prevent such an offence is inadequate, or the model was not implemented effectively, or the functioning of and compliance with the model were not monitored adequately. The occurrence of such events could have significant adverse effects on the Group's financial position, results of operations and cash flow.

Italian Legislative Decree No. 231/2001 imposes administrative liability on entities when one or more of the crimes listed therein is/are committed by directors, managers or employees of the entity in the interest or to the advantage of the entity. However, this law also provides that the entity may be exempt from such liability if it proves that it adopted and appropriately implemented an organisation, management and control model to prevent the commission of such crimes. For these purposes, on 27 October 2014, the Issuer adopted an organisation, management and control model pursuant to Italian Legislative Decree No. 231/2001 (the "**231 Model**") in order to create a system of rules to prevent unlawful conduct that could be subject to that law. The 231 Model was subsequently amended and supplemented to reflect regulatory updates; the most recent update was made on 18 April 2018.

Adoption of the 231 Model does not, by itself, prevent imposition of the sanctions set forth in Italian Legislative Decree No. 231/2001. If an offence is committed that gives rise to the entity's administrative liability under this Legislative Decree, the Judicial Authority must evaluate the substance of the 231 Model as well as how it was implemented in practice within the company. If the Judicial Authority believes that the 231 Model is inadequate to prevent such crimes or the 231 Model was not appropriately implemented, or if it believes that the body specifically appointed for that purpose did not adequately monitor the operation of and compliance with the 231 Model, the Issuer may be subject to fines and, in some cases, also to interdiction measures – including interdiction on engaging in its business and contracting with governmental entities and disqualification from public subsidies or loans – with consequent adverse effects on the Group's business and growth prospects, as well as on its financial position, results of operations and cash flow which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

Risks relating to the Notes

Risks relating to the nature and specific features of the Notes

The Notes are unsecured

The Notes will constitute (subject to "*Terms and Conditions of the Notes – Negative Pledge*") direct, unconditional and unsecured obligations of the Issuer and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights and, therefore, in the event of any insolvency or winding-up of the Issuer, the Notes will rank equally with the Issuer's other unsecured senior indebtedness.

The Notes are unsecured and, therefore, will be effectively subordinated to the liabilities of the Issuer and the Group's companies that are secured by property and assets that do not secure the Notes to the extent of the value of the property or assets securing such debt and, although they restrict the giving of security by the Issuer and its Subsidiaries over Relevant Indebtedness and guarantees in respect of such Relevant Indebtedness, a number of exceptions apply, as more fully described in "*Terms and Conditions of the Notes – Negative Pledge*".

Therefore, the Subsidiaries of the Issuer will not provide any security in respect of the Notes and will not have any obligation to pay any amounts due under the Notes or to make funds available to the Issuer for that purpose. Moreover, the holders of indebtedness of, and trade creditors of the Subsidiaries, including lenders under bank financing agreements, are, generally, entitled to payments of their claims from the assets of such Subsidiaries before these assets are made available for distribution to the Issuer, as a direct or indirect shareholder and the creditors of the Issuer will have no right to proceed against the assets of such Subsidiary.

Where security has been granted over assets of the Issuer to secure indebtedness, in the event of any insolvency or winding-up of the Issuer, such secured indebtedness will rank in priority over the Notes and other unsecured indebtedness of the Issuer in respect of such assets.

The Notes are subject to optional redemption

The Notes contain an optional redemption feature, as set out in Conditions 7(b) (*Redemption for taxation reasons*), and 7(c) (*Redemption at the option of the Issuer*) and 7(d) (*Redemption at the option of the Noteholders upon a Change of Control*) which is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Interest rate risks

Investment in the Notes, which bear a fixed rate of interest that will be determined prior to the start of the Offering Period, involves the risk that if market interest rates subsequently increase above the rate paid on the Notes (which shall not be less than the Minimum Interest Rate), this will adversely affect the value of the Notes. While the nominal interest rate of the Notes is fixed during their life, market interest rates typically change on a daily basis. As market interest rates change, the price of the Notes will change in the opposite direction. If market interest rates increase, the price of the Notes will typically fall, until the yield of such security will be approximately equal to the prevailing market interest rate. Conversely, if market interest rates fall, the price of the Notes will typically increase, until the yield of the Notes will be approximately equal to the prevailing market interest rate. Therefore, investors should be aware that the market price of the Notes may fall as a result of movements in market interest rates.

The Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics

Although the interest rate relating to the Notes is subject to upward adjustment in certain circumstances specified in the Terms and Conditions of the Notes, such Notes may not satisfy an investor's requirements or any future legal or quasi legal standards for investment in assets with sustainability characteristics and no representation is made by the Issuer, the Placement Agent and the Fiscal Agent as to the suitability of the Notes to fulfil environmental or sustainability criteria required by prospective investors. The Notes will not be marketed as green bonds since the Issuer expects to use the relevant net proceeds for refinancing and general corporate purposes and therefore the Issuer does not intend to allocate the net proceeds specifically to projects or business activities meeting environmental or sustainability criteria, or be subject to any other limitations associated with green bonds.

In addition, the interest rate adjustment in respect of the Notes depends on definitions of Scope 1 and Scope 2 GHG Emissions or Scope 3 GHG Emissions or Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume (each as defined in the Terms and Conditions of the Notes), as the case may be, that may be inconsistent with investor requirements or expectations.

OVS is reliant on third party sources of information to collect the data required to calculate a figure for Scope 1 and Scope 2 GHG Emissions and Scope 3 GHG Emissions and the ability to verify such data may be limited by the integrity of the data available at the relevant point in time and the status and evolution of global laws, guidelines and regulations in relation to the tracking and provision of such data. While the Issuer believes that the speed of collection and accuracy of the Scope 1 and Scope 2 GHG Emissions and the Scope 3 GHG Emissions will improve in years to come there can be no assurance that this will be the case.

No assurance or representation is given by either of the Issuers, the Placement Agent or the Fiscal Agent as to the suitability or reliability for any purpose whatsoever of any opinion (including the Second Party Opinion), report, certification or validation of any third party in connection with the offering of the Notes or the sustainability performance targets set to fulfil any green, social, sustainability, sustainability linked and/or other criteria.

The Second Party Opinion providers and providers of similar opinions, certifications and validations are not currently subject to any specific regulatory or other regime or oversight. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuers, the Placement Agent, the Fiscal Agent, any Second Party Opinion providers, the Assurance Provider or any other person to buy, sell or hold the Notes. Noteholders have no recourse against the Issuers, the Placement Agent, the Fiscal Agent or the provider of any such opinion or certification for the contents of any such opinion or certification, which is only current as at the date it was initially issued. Prospective investors must determine for themselves the relevance of any such opinion, certification or validation and/or the information contained therein and/or the provider of such opinion, certification or validation for the purpose of any investment in the Notes. Any withdrawal of any such opinion or certification or any such opinion, certification or validation attesting that the Group is not complying in whole or in part with any matters for which such opinion, certification or validation is opining on or certifying on may have a material adverse effect on the value of the Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Any such opinion, report or certification is not, nor shall it be deemed to be, incorporated in and/or form part of this Prospectus.

The Notes include certain triggers linked to sustainability key performance indicators

The Notes include certain triggers linked to sustainability key performance indicators (see "*The Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics*") which must be complied with by OVS, in respect of Notes for which a Step Up Event applies.

The failure to meet such sustainability performance targets for the relevant Observation Periods will result in increased interest amounts under the Notes, which would increase the Group's total cost of funding and may result in a significant negative impact on the reputation of the Group, either of which could have a material adverse effect on the Group, its business prospects, its financial condition or its results of operations and which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in Euro. This entails certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than Euro (the "**Investor's Currency**"). These include the risk that exchange rates may change significantly (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

In addition, government and monetary authorities may impose, as some have done in the past, exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The Notes are subject to inflation risks

The inflation risk is the risk of future money depreciation. The real yield from an investment, including the yield of the Notes that will be set out in the Interest Rate and Yield Notice, is reduced by inflation. Therefore, the higher the rate of inflation, the lower the real yield of the Notes. If the inflation rate is equal to or higher than the nominal yield of the Notes, the real yield of the Notes is zero or even negative. As at the date of this Prospectus, worldwide interest rates are low. Any increases in such interest rates would reduce the real amount of a Noteholder's return on an investment in the Notes.

The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Please consider that under Italian law Noteholders have the right to attend (in person or through audio systems or by proxy) and vote at meetings of Noteholders. Vote at the meeting can be given by Noteholders who have been notified to the Issuer of the Notes as being Noteholders by the relevant custodian bank through the release of proper proofs of holding of the Notes. Please also note that as a matter of practice, the attendance to this meeting is generally run through a proxy and the process to gather proxy is generally run through the clearing systems by depositary banks so that each person entitled to attend can vote in the meeting by proxy.

As a result, a Noteholder is subject to the risk of being outvoted and losing rights against the Issuer under the Notes, as the case may be, against its will in the event that Noteholders holding a sufficient aggregate principal amount of the Notes participate in the vote and agree to amend the Terms and Conditions in accordance with such provisions.

The value of the Notes could be adversely affected by a change in Italian law or administrative practice

The Terms and Conditions of the Notes are based on Italian law in effect as at the date of this Prospectus. In particular, Condition 13 (*Meetings of Noteholders, modification, waiver and substitution*) which sets forth the provisions concerning the meetings of Noteholders and the appointment of a Noteholders' Representative in respect of the Notes are subject to compliance with Italian law. No assurance can be given as to the impact of any possible judicial decision or change to Italian law or administrative practice after the date of this Prospectus and any such change could materially adversely impact the value of any Notes affected by it. See also "*Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances*" below.

Decisions at Noteholders' meetings bind all Noteholders

The Terms and Conditions of the Notes (at Condition 13 (*Meetings of Noteholders, modification, waiver and substitution*)) contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally, including modifications to the terms and conditions relating to the Notes and the waiver of rights that might otherwise be exercisable against the Issuer. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend or were not represented at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Any such modifications to the Notes may have an adverse impact on Noteholders' rights and on the market value of the Notes. See also "*Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances*" below.

Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances

As mentioned in "*The value of the Notes could be adversely affected by a change in Italian law or administrative practice*" above, the provisions relating to Noteholders' meetings (including quorums and voting majorities) are subject to compliance with certain mandatory provisions of Italian law, which may change during the life of the Notes. In addition, as currently drafted, the rules concerning Noteholders' meetings are intended to follow mandatory provisions of Italian law that apply to Noteholders' meetings where the issuer is an Italian listed company. As at the date of this Prospectus, the Issuer's ordinary shares are admitted to trading on the *Mercato Telematico Azionario* ("**MTA**") of Borsa Italiana S.p.A. but, if its shares are delisted while the Notes are still outstanding, then the mandatory provisions of Italian law that apply to Noteholders' meetings will be different (particularly in relation to the rules relating to the calling of meetings, participation by Noteholders at meetings, quorums and voting majorities). In addition, certain Noteholders' meeting provisions could change as a result of amendments to the Issuer's Articles of Association. Accordingly, Noteholders should not assume that the provisions relating to Noteholders' meetings - set out in the Agency Agreement and summarised in the Conditions - will correctly reflect mandatory provisions of Italian law applicable to Noteholders' meetings at any future date during the life of the Notes.

The Noteholder generally will not be entitled to a gross-up for any Italian withholding taxes or for any withholding or deduction for FATCA, unless the Italian withholding tax is caused by a failure of the Issuer to comply with certain procedures

The Issuer is organized under the laws of Italy and is Italian resident for tax purposes and therefore payments of principal and interest on the Notes and, in certain circumstances, any gain on the Notes, will be subject to Italian tax laws and regulations. All payments in respect of Notes will be made free and clear of withholding or deduction of Italian taxation, unless the withholding or deduction is required by law. In that event, subject to a number of exceptions, the Issuer will pay such additional amounts as will result in the holders of the Notes receiving such amounts as they would have received in respect of such Notes had no such withholding or deduction been required. The Issuer is not liable to pay any additional amounts to holders of Notes under certain circumstances set out under Condition 9 (*Taxation*), including if any withholding or deduction is required pursuant to Decree 239 (as defined in the section "*Taxation*"), except, where the procedures required under Decree 239 in order to benefit from an exemption have not been complied with due to the actions or omissions of the Issuer or its agents. In such circumstances where no additional amounts are due by the Issuer, investors subject to Italian withholding or deduction required under Decree 239 will only receive the net proceeds of their investment in the Notes.

Holders of Notes will bear the risk of any change in Decree 239 after the date hereof, including any change in the White List (as defined in the section "*Taxation*"). The regime provided by Decree 239 and in particular the exemption from *imposta sostitutiva*, which is in principle granted to holders of the Notes resident in White List countries, is also subject to certain procedural requirements being met. Should the procedural requirements not be met, Italian *imposta sostitutiva* may apply on the payments made on the Notes to foreign investors resident in White List countries.

Furthermore, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, or otherwise imposed pursuant to Sections 1471 to 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other Person will be required to pay any additional amounts in respect of FATCA Withholding.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

The Notes will be represented by the Global Notes, except in certain limited circumstances described in the Permanent Global Note, which will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg. While the Notes are represented by the Global Notes (i) investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg; and (ii) the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders.

A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Investors who hold less than the minimum specified denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

The Notes have denominations consisting of a minimum specified denomination of €1,000 each plus one or more higher integral multiples of another smaller amount and as such it is possible that such Notes may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case, a Noteholder who, as a result of trading such amounts, holds Notes in an amount which is less than the minimum specified denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the

minimum specified denomination such that its holding amounts to a specified denomination. Further, a Noteholder who, as a result of trading such amounts, holds Notes in an amount which is less than the minimum specified denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum specified denomination such that its holding amounts to the minimum specified denomination.

Risks related to the offer to the public and/or admission of the securities to trading on a regulated market

The market value of the Notes could decrease if the creditworthiness of the Issuer worsens or is perceived to worsen

If any of the risks regarding the Issuer described under "*Risk Factors – Risks relating to the Issuer*" above materialises, then the Issuer is less likely to be in a position to fully perform all obligations under the Notes when they fall due, and the market value of the Notes will suffer. In addition, even if the Issuer is not actually less likely to be in a position to fully perform all obligations under the Notes when they fall due, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business areas as the Issuer could adversely change and have resulting effects on the perceptions of the Issuer's creditworthiness, whether warranted or otherwise.

Furthermore, changes in accounting standards may lead to adjustments in the relevant accounting positions of the Issuer or the Group which could have an adverse effect on the Issuer's or the Group's financial condition, which could in turn affect the market value of the Notes.

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application has been made to Euronext Dublin for the Notes to be admitted to the official list and to trading on its Regulated Market and to Borsa Italiana for the listing and to trading of the Notes on the MOT, there is no assurance that an active trading market will develop, and if a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors including prevailing interest rates, the market for similar securities, general economic conditions and the creditworthiness of the Issuer as well as other factors such as the time remaining to maturity of the Notes, the outstanding amount of the Notes and the redemption features of the Notes. Such factors will also affect the market value of the Notes.

The Offering Period may be extended or amended, and the Offering may be terminated or withdrawn

The Issuer together with the Placement Agent has the right to extend or amend the Offering Period and to terminate, postpone or withdraw the Offering for a number of reasons, including a failure to satisfy the Minimum Offer Condition or any extraordinary change in the political, financial, economic, regulatory, currency or market situation of the markets in which the Group operates that could have a materially adverse effect on the conditions of the Group and their business activities. See "*Subscription and Sale — Offering of the Notes — Offering Period, Early Closure,* Extension and Withdrawal" below.

Transfers of the Notes may be restricted, which may adversely affect the secondary market liquidity and/or trading prices of the Notes

The ability to transfer the Notes may also be restricted by securities laws or regulations of certain jurisdictions or regulatory bodies. See "*Subscription and Sale*" below. The Notes have not been, and will not be, registered under the Securities Act. Noteholders may not offer the Notes in the United States or for the account or benefit of a U.S. person,

except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, transfers to certain persons in certain other jurisdictions may be limited by law, or may result in the imposition of penalties or liability. For a description of restrictions which may be applicable to transfers of the Notes, see "*Subscription and Sale*" below.

USE OF PROCEEDS

We expect the gross proceeds of the Offering will be between Euro 150,000,000 and Euro 200,000,000. We expect to pay around Euro 1.5 million of fees and expenses including the Placement Agent's commission and estimated expenses in respect of the Offering.

We intend to use the net proceeds from the Offering for refinancing of existing facilities of the Group and, in particular, refinancing in part the medium- to long-term credit facility of €250 million intended to refinance the financial debt of the OVS Group (the "**Term B1 Facility**") under the Financing Agreement entered into by the Issuer with a pool of banks on 23 January 2015 in the original maximum principal amount (including the Term B1 Facility) of €475 million.

Although the interest rate relating to the Notes is subject to upward adjustment in certain circumstances (specified in the Terms and Conditions of the Notes) relating to the failure of OVS to achieve certain sustainability performance targets by a reference year or the failure of OVS to report on such key performance indicators in the required time periods, the Notes will not be marketed as green bonds since we expect to use the relevant net proceeds for the refinancing purposes indicated above and therefore we do not intend to allocate the net proceeds specifically to projects or business activities meeting environmental or sustainability criteria, or be subject to any other limitations associated with green bonds.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Prospectus will have the meaning attributed to them in "*Terms and Conditions of the Notes*" or any other section of this Prospectus. In addition, in this Prospectus:

- all references to **euro**, **EUR**, **Euro** and **€** refer to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;
- certain figures have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them; and
- certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Forward-Looking Statements

This Prospectus contains certain forward-looking statements, including statements using the words "believes", "anticipates", "intends", "expects" or other similar terms. This applies in particular to statements under the captions "*Risk Factors*" and "*Information about the Issuer*" and statements elsewhere in this Prospectus relating to, among other things, the future financial performance, plans and expectations regarding developments in the business of the Issuer and the Group. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause the actual results, including the financial position and profitability of the Issuer or the Group, to be materially different from or worse than those expressed or implied by these forward-looking statements. The Issuer does not assume any obligation to update such forward-looking statements and to adapt them to future events or developments.

Market share information and statistics

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Issuer/Group's business contained in this Prospectus consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources, and on the Issuer's knowledge of its reference markets. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. While the Issuer has compiled, extracted and accurately reproduced market or other industry data from external sources, including third parties or industry or general publications, neither the Issuer nor the Placement Agent have independently verified that data. As far as each of the Issuer is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer cannot assure investors of the accuracy and completeness of, or take any responsibility for, such data other than the responsibility for the correct and accurate reproduction thereof.

Presentation of Financial Information

Unless otherwise indicated, the financial information in this Prospectus relating to the Issuer has been derived from (i) the audited consolidated financial statements of the Issuer as of and for the years ended 31 January 2021 and 31 January 2020 (respectively, the "**Annual Report 2020**" and the "**Annual Report 2019**" and, together, the "**Annual Reports**"), and (ii) the unaudited interim consolidated financial statements of the Issuer as of and for the six-month periods ended 31 July 2021 and 31 July 2020 (respectively, the "**Interim Report as at 31 July 2021**" and the "**Interim Report as at 31 July 2020**" and, together, the "**Interim Reports**").

The Issuer's financial year ends on 31 January, and references in this Prospectus to any specific year are to the 12-month period starting on 31 January of such year and ending on 31 January of the following year. The Annual Reports and the Interim Reports have been prepared in accordance with International Financial Reporting Standards issued by

the International Accounting Standards Board (**IASB**) and endorsed by the European Union (**IFRS**). IFRS are understood to include international accounting standards (**IAS**) still in force, as well as all the interpretative documents issued by the International Financial Reporting Interpretations Committee (**IFRIC**), formerly known as the Standing Interpretations Committee (**SIC**).

Suitability of Investment

Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Group and of the rights attaching to the Notes.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands thoroughly the terms of the Notes and is familiar with the behavior of financial markets; and

(v) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes. A prospective investor may not rely on the Issuer, the Placement Agent, the Principal Paying Agent, or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.

Alternative Performance Measures

This Prospectus contains certain alternative performance measures (**APMs**) – as described in the European Securities and Markets Authority (**ESMA**) Guidelines on Alternative Performance Measures published by ESMA on 5 October 2015 and which entered into force on 3 July 2016 – in addition to the IFRS financial indicators (as defined in the documents incorporated by reference herein), obtained directly from the Annual Reports and the Interim Reports, each incorporated by reference in this Prospectus.

Such APMs have been identified by the Directors of the Issuer in order to facilitate understanding of the economic and financial performance of the Issuer. In particular, APMs are used to identify operational trends and to make investment and resource allocation decisions. To ensure that the APMs are correctly interpreted, it is emphasised that these measures are not indicative of the future performance of the Issuer. The APMs are not part of IFRS and are unaudited. They should not be taken as replacements of the measures required under the reference reporting standards. The APMs should be read together with the financial information prepared. Since they are not based on the reference financial reporting standards, APMs used by the Issuer may not be consistent with those used by other companies or

groups and therefore may not be comparable with them. The APMs and definitions used herein are consistent and standardised for all the period for which financial information in this Prospectus are included.

INFORMATION ABOUT THE ISSUER

Description of the Issuer

OVS S.p.A. ("**OVS**") is a joint stock company ("*società per azioni*") incorporated and established in Italy on May 14, 2014 and operating under Italian law.

OVS has its registered office at Via Terraglio n. 17, 30174, Mestre – Venezia (VE), is registered with the Companies Register of Venezia Rovigo under no. VE-378007. The Issuer's legal entity identifier (LEI) is 8156001A772766DCAA71.

The Issuer's financial year ends on 31 January of each year.

According to Article 4 of the OVS' by-laws, the OVS' purpose consists in the retail and wholesale trade, in all its forms, of any good or product, including food, for person, home, work and leisure; the provision of any service connected with the activities included in the purpose of the company; the organization and management of shopping centers, sales warehouses and related services; the production, directly or through third party providers, of all products that are the subject of trade of the company.

Principal business activities of the Group

Introduction

At 31 December 2020[1], the OVS Group operated in Italy with an 8.4% share of the clothing market. Group is active in the creation, manufacture and marketing of women's, men's and children's clothing, mainly through the OVS and Upim brands. The OVS brand was created within the Coin Group in 1972 and over time was able to consolidate its position as a leader in the Italian clothing market by gradually expanding its network and digital channels. OVS also owns Upim, a brand primarily aimed at families, which is positioned in a lower price segment in the Italian women's, men's and children's clothing market. Upim, which has been present in Italy since 1928, was acquired in January 2010, and the brand has enjoyed significant growth in recent years. The Stefanel and Piombo brands were also recently acquired (for more information, see also "*Material Contracts – Creative management contract with Massimo Piombo – Agreement for the transfer of a business unit of Stefanel S.p.A. in extraordinary administration*").

The Company operates according to an integrated business model, offering products created in-house, while also providing a physical and virtual platform that can accommodate complementary third-party brands, each with its own specific positioning.

A team of product managers, designers and merchandisers handles product development. With the support of an organisational structure specialised in sourcing with a strong presence in key geographic areas, they conceive, develop and manufacture the merchandise mix with external suppliers, under the artistic guidance of the Creative Director and the organisational guidance of the category managers. The synergies developed across the Issuer's supply chain have enabled OVS to develop environmentally and socially aware products that are in line with fashion trends, pursuing the goal of making affordable, more sustainable clothing.

OVS operates through its own sales network and through digital channels, throughout Italy and in some foreign countries, with shops that are differentiated in terms of surface area and operating methods (direct sales or franchising), proprietary websites integrated with the physical network, and the marketplaces with which it collaborates, especially abroad.

The Group consists of the Issuer and subsidiaries operating abroad, not only through management of the network of shops (mainly through franchising), but also through product development and manufacturing operations.

OVS intends to pursue its strategy of consolidation in the Italian market for men's, women's and children's clothing while pursuing growth in foreign markets, further strengthening its leadership through the following main actions: (i) further expansion of the distribution network with the opening of new points of sale, both directly managed and franchised; (ii) acquisition of companies or specific assets operating in, or relating to, the Group's areas of activity

[1] Source: Sita Research, March 2021.

and/or related sectors (external growth); (iii) strengthening of automated processes, for more effective relations with the Issuer's customers and for further streamlining of the company's organisation; (iv) further streamlining of operating and logistical processes, including through further investments; and (v) ongoing qualitative and quantitative improvement of the merchandise offering, with a view toward an increasingly integrated product and brand platform. For more information, see also "*Description of the Issuer – 2021-2023 Business Plan*".

OVS Brand

With the highest market share (6.6%) in Italy at 31 December 2020[2], OVS is the leader in the Italian clothing market. The brand operates mainly through the following labels:

- OVS, a brand that has been present in Italy since 1972, with a widespread sales network throughout the country. Throughout this period it has played a leading role in the evolution of increasingly stylish collections. The brand identity is reflected in the product portfolio, which is balanced in terms of gender, categories and offerings, combining basic garments with more stylish items. Price leadership underlies the strength of the brand, without sacrificing product quality;

- OVSkids, a brand dedicated to the children's segment, is the absolute leader in the Italian market, with a 16.5% share[3] in this sector. It serves as a go-to standard for mothers in Italy, with an offering that is always fresh, at accessible prices and with particular attention to sustainability;

- Piombo is a recently introduced brand dedicated to the men's segment. It is available in approximately 500 OVS full-format shops and through the e-commerce channel. Piombo is a collection of high-quality men's clothing created by the eponymous designer, available at extremely affordable prices; and

- Shaka Innovative Beauty, the Issuer's brand dedicated to fragrances, make-up products, professional make-up accessories and bath and skincare lines, is present in approximately 300 shops in Italy.

At 31 January 2021, the network consisted of a total of 1,263 points of sale, with 942 in Italy and 321 abroad. In fiscal year 2020 the brand generated revenues of €814.9 million (€1,122.1 million in FY 2019), of which €774.5 million (€1,051.6 million in FY 2019) was generated in Italy and €40.5 million (€70.5 million in FY 2019) abroad. In the six months ended 31 July 2021 the brand generated revenues of €472.4 million (€300.5 million in the six months ended 31 July 2020). Of the 1,263 points of sale considered, 768 are full-format OVS stores; i.e. they include the men's, women's and children's segments and operate under the OVS brand, and 495 are specifically dedicated to the children's segment and operate under the OVS kids brand. Of the total number of stores, 583 are directly operated and 680 are franchised, with the former accounting for 83.8% of the brand's total turnover in FY2020 (85.3% in FY2019) and the latter accounting for 13.8% (12.9% in FY2019). The remaining 2.4% of turnover as at 31 January 2021 (1.8% in FY2019), was achieved through the proprietary e-commerce channel and several marketplaces.

The brand focuses on target customers between 35 and 50 years of age, especially those with families. Deep knowledge of customers gained over the years, especially in Italy, has allowed the brand to align itself ever more closely with the actual needs of Italian families. The Issuer's commercial offering centres around its increasingly loyal customers, providing quality, versatile, Italian-style products that are easy to wear, with ever-new appeal, attentive to sustainability and at an affordable price. Over the years there has been a continuous improvement in the quality/price ratio, with an increase in the quality of the fabrics and workmanship of the garments offered, while maintaining an 'affordable' price point. This strategy has enabled the brand to avoid competing with competitors who opt for a high-volume, lower-quality offering with a shorter life cycle. This has also allowed the Group to introduce a higher-quality product range in all major categories, thereby expanding the proposed price range. The recently introduced Piombo brand is now part of the men's segment, representing the 'premium' quality range.

OVS brands and the revenues deriving from them are not significantly affected by seasonality. In particular, retail sales are usually higher in the third and fourth quarters of each fiscal year than in the first two quarters. It should also

[2] Source: Sita Research, March 2021.

[3] Source: Sita Research, December 2020.

be noted that, thanks to the Group's positioning and the transverse nature of the product range, this seasonality tends have a low impact on the Group.

Upim Brand

The Upim brand held a 1.8% share of the Italian market at 31 December 2020[4], experiencing a significant rebound in recent years. The brand was acquired in 2010. Despite its popularity throughout Italy, it was characterised by low profitability due to its highly visible promotional activities and a sales network located mainly in city centres and in upscale residential areas. The brand has grown over the years, with the repositioning of its prices, the improvement in product variety and a reorganisation of the sales network (thanks in part to the acquisition of the Bernardi network). It closed fiscal year 2020 with revenues of approximately €203 million (€253 million in fiscal year 2019) and €127 million as at 31 July 2021 (€75 million as at 31 July 2020) and with a gross margin that was essentially stable in both years at approximately 53% of revenues.

The brand operates in the market mainly through the following labels:

- Upim, created in 1928 as an acronym for the department store "Unico Prezzo Italiano Milano", is a historic brand in the clothing market in Italy, synonymous with convenience and affordable prices, with a functional, good-quality commercial offering;
- Blukids, a brand dedicated to the segment for children aged 0 to 14, joined the Group in 2009. In just a few years, it too has been able to interpret the tastes of mothers and children, increasing its market share year after year and becoming the sixth-largest player on the Italian market in the children's segment (with a 3.8% share[5]); and
- CROFF, a brand dedicated to the home segment.

At 31 January 2021, the network consisted of 559 points of sale, with 481 in Italy and 78 abroad. The brand's revenues in fiscal year 2020 were €202.8 million (€252.7 million in fiscal year 2019), of which €196.5 million (€245.7 million in fiscal year 2019) was generated in Italy and €6.4 million (€7 million in fiscal year 2019) abroad. The brand's revenues in the six months ended 31 July 2021 were €126.8 million (€75.2 million in the six months ended 31 July 2020). In terms of product categories, of the total network, 278 shops are full-format Upim stores (i.e., they offer the men's, women's and children's segments and operate under the Upim brand); 270 shops are under the Blukids brand, which is specifically dedicated to the children's segment; and 11 shops are under the CROFF brand, catering to the home segment. Of the total number of points of sale, 177 are directly managed and 382 are franchised. In fiscal year 2020 the direct network accounted for 65% of revenues (68.4% in fiscal year 2019), while the franchising network accounted for 30.4% (28.3% in fiscal year 2019). The remaining was achieved through the e-commerce channel.

The Upim brand is also aimed at families, with a versatile network of historic shops in the centre of large cities and shops in smaller markets. Thanks in part to this type of network, Upim is known as a more traditional and functional local store, with less "fashion content" than the OVS brand and less susceptibility to seasonality, also because of the homeware and perfumery collections. The sales network consists of large and small full-format shops, the latter of which can penetrate areas where competitors have less presence, and shops dedicated to children and the home – segments that are also featured in some of the full-format stores. Upim's local and functional presence has also recently enabled it to enter into new commercial agreements with Italian hypermarket chains, which increasingly need to outsource their clothing offering.

Upim's typical customer is a family that shops carefully, is focused on functional clothing, and values savings. The price range is medium to low, with little promotional activity and a focus on good quality at affordable prices. Price is in fact one of the main traffic generators at the points of sale, with 50% of the quantity of goods offered in the low-price bracket, including through commercial offerings involving the simultaneous sale of the same product in multiple units ("multipacks").

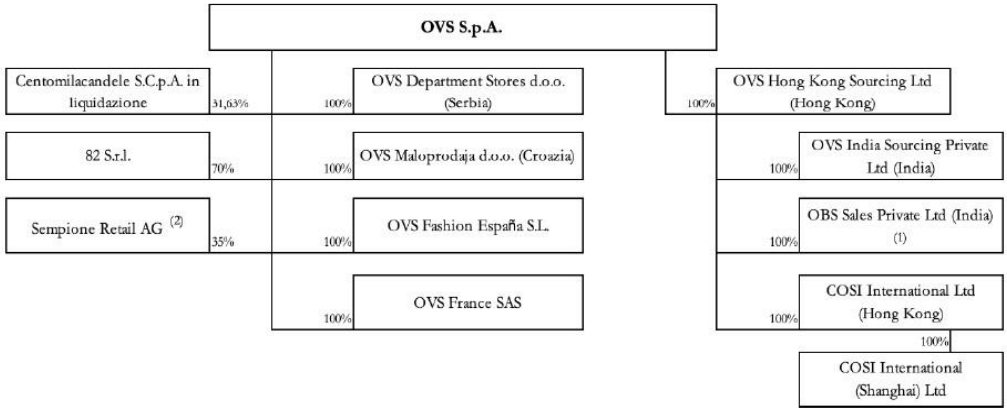
[4] Source: Sita Research, March 2021.

[5] Source: Sita Research, December 2020.

Upim's revenues are not affected by a significant level of seasonality. In particular, retail sales are usually higher in the third and fourth quarters of each financial year than in the first two quarters. It should also be noted that, thanks to its positioning and the transverse nature of its product range, this seasonality tends to have a low impact on the Group.

Group structure

The following chart shows how the Group is organised, and indicates the relative equity investments as percentages as at the date of this Prospectus.



(1) Liquidation procedure concluded on 5 February 2021.
(2) Declared bankrupt on 6 November 2018.

The Issuer does not belong to any group, and as of the date of this Prospectus it is the parent company of the OVS Group and directly or indirectly controls the companies indicated in the foregoing table.

The main subsidiaries of OVS are:

(i) OVS Hong Kong Sourcing Ltd. (headquartered in Hong Kong): operates in the Far East (mainly China, Bangladesh and India, and more generally in non-European areas), with the objective of selecting suppliers, acquiring orders and managing the entire product-development and quality-control phases, up to the shipping stage. OVS Hong Kong Sourcing Ltd., with its facilities in several countries, supports production activities and ensures that costs and product quality are in line with the Group's standards;

(ii) OVS Maloprodaja d.o.o. (based in Croatia): directly operates 7 OVS branded shops in Croatia as of 31 January 2021;

(iii) OVS Department Stores d.o.o. (based in Serbia): operates on the Serbian market with 7 directly operated OVS branded shops as of 31 January 2021;

(iv) OVS Fashion España S.L. (headquartered in Spain): was acquired during 2016 to ensure more direct management of the Spanish retail market. It manages the sales network in Spain with 69 franchised shops and 3 direct shops as of 31 January 2021;

(v) OVS France s.a.s. (headquartered in France): established in 2018 for the direct management of shops in France, it commenced operations in fiscal year 2019 with the opening of the first directly managed shop in Paris. It stopped selling to the public in December 2020, because the company is now pursuing its direct-operation development plan through the "Kids" format, with the first opening scheduled for the second half of 2021. The company is not currently significant for the purposes of the consolidated financial statements; and

(vi) 82 S.r.l. (headquartered in Italy): established in 2017 to undertake the development of the Piombo brand, its focus is on the upper casual men's clothing. It is controlled by OVS, which holds 70%; the remaining 30% is owned by Massimo Piombo. In 2018, 82 S.r.l., as the licensee of the Piombo brand, granted the Issuer a sub-licence to the brand in order to meet organisational needs.

Business model

The OVS Group operates according to a vertically integrated retail business model.

In particular, product development starts with the selection of fabrics and patterns based on an early analysis of market trends. When structuring the collection, product managers have the task of defining the garments by drawing inspiration from the trends provided by the style office, attending international trade fairs and scouting in fashion capitals and at suppliers' showrooms. Recent digital conversion developments are leading to a redefinition that includes the organisation, which will require less travelling. Specifically, in order to overcome the limitations imposed by the lock-down measures, a collaborative platform has been created, using cameras and interactive digital whiteboards, that remotely connects the Issuer's headquarters offices, foreign offices and suppliers, thereby automating the negotiation processes and allowing remote handling of product samples, with improved productivity and process innovation. Subsequently, the structure of the collection is created by dividing the products into 'image makers', 'best sellers' and 'basics'. The production phase of the garments is monitored in terms of quality and lead times, and is implemented by teams based in the various production countries.

The procurement process has evolved significantly in recent years. Once the collections and individual products are approved, the purchasing process begins with different types of agreements aimed at achieving greater flexibility in sourcing, reducing procurement times. For example, Fabric Commitment Agreements are agreements whereby the fabric is kept at the supplier's facilities and production is begun at the request of the product manager, whereas Virtual Built to Order Agreements are agreements whereby the finished goods remain in the supplier's warehouse to be delivered on demand. Furthermore, the fact that domestic and European suppliers guarantee delivery within six weeks makes it possible to postpone the release of the order and to gather more information on the season's performance. Other specific procedures allow average delivery times of eight weeks, using fabrics and reference samples that are already available to the supplier.

Thus, production cycles vary from a few weeks for clothing products with a higher 'fashion content' that are manufactured in neighbouring countries (Turkey, Romania and Italy), to 5 or 6 months for more standard, less cyclical products that are less characterised by 'fashion content', and for which price is the most critical variable and the need to plan ahead is greater.

Sourcing and production activities from foreign countries are managed with the support of the OVS Sourcing Offices, i.e. the offices that report to OVS Hong Kong Sourcing Ltd., a 100%-owned subsidiary of OVS. The structure had about 280 employees at 31 January 2021, working in 7 offices: Hong Kong, Shanghai, New Delhi, Tirupur, Dhaka, Karachi and Istanbul. For more information on the relationship with OVS Hong Kong Sourcing Ltd., see "*Material Contracts – Sourcing agreement*".

Finished products are shipped to the Group's central warehouse (located in Piacenza) and distributed from there to the network of direct and franchised shops (the average is 2.4 deliveries per week per shop), and directly to customers who buy online, with the support of six sorting centres located throughout the country.

The commercial policy is wholly managed by the Group and includes the definition of prices, and therefore of the margins; formulation of the commercial calendar; and the ongoing management of points of sale with the appropriate discounting activities, in order to allocate products during the season to points of sale that require restocking.

Digitalisation

For many years OVS has been making investments to support a well-defined, medium-to-long-term programme of digital transformation covering all areas of the value chain, with plans that include technological innovation and the redesigning of processes, roles and managerial skills.

In particular, numerous investments have been made in the area of e-commerce, CRM (Customer Relationship Management) and multi-channelling in order to integrate the shops with digital channels. The services and platforms that were set up proved to be of great importance, especially during the first lock-down, in terms of maintaining constant interaction with customers and seizing the opportunities for e-commerce growth during the shop closures, because these shop closures meant that for prolonged periods of time, customers had access to only one distribution channel, namely, the digital channel. These services and platforms also enabled OVS to attract new customers. In the six months ended 31 July 2020 and in the six months ended 31 July 2021, revenues through the company's own websites accounted for 2.6% and 2.5% of total revenues.

Projects were implemented and planned to transform back-end processes, including with the use of new digital technologies. That is, investments were made in planning, sourcing and logistics processes and systems to improve the ability to plan the purchasing and improve the distribution of goods, as well as to increase stock rotation. Digital conversion has also affected the shops, and seeks to increase the integration between the physical and online shops.

The acquisition of new skills and the transformation of infrastructures is continuing, with the adoption of data technologies, cloud solutions and new IT architectures to enable digital conversion, improve the turnaround time of IT projects and optimise operating costs. A major focus was also placed on preventing and mitigating the risks associated with cyber security.

The Group has three e-commerce platforms: *(i)* the ovs.it website for the Italian market, *(ii)* the ovsfashion.com website for online sales in 27 European countries, and *(iii)* the dedicated upim.it website, which was inaugurated at the end of 2019.

Over the years, the integration of the physical and digital channels has made it possible to offer some of the most advanced content and services available on the Italian market, responding to the customers' needs and expectations. The Issuer also note the following initiatives that are ongoing as at the date of this Prospectus:

(i) For the Issuer's loyalty programme, OVS has implemented the transition from a physical card to a digital card that tracks physical and online purchases, defining a direct relationship between the company and its subscribers, thanks to the renovated CRM (developed on the Salesforce platform) and the new loyalty programme;

(ii) OVS introduced the "chat and buy" service, which allows customers to contact and video call the shop on WhatsApp, choose clothes with the help of sales assistants and receive them at home within 48 hours;

(iii) Through the 'in-store mode' service, OVS lets customers view on their phone the products that are available in a specific shop;

(iv) OVS has also implemented 'click and collect / collect and pay' services, through which customers can collect their e-commerce purchases in the shop and decide whether they want to pay directly in the shop;

(v) With the 'click and collect today' option, the Company lets customers order online and collect the goods in the shop 4 hours later;

(vi) The 'find your size' option lets customers scan the QR code on a product in the shop in order to find the right size, either in the shop or online;

(vii) The Issuer introduced the 'pay later with OVS' option, for payment in interest free instalments; and

(viii) The 'return to shop' service, which lets customers return to a shop a product that was purchased online.

In a context of continuous improvement, through the integration of analytics and the use of data, OVS has undertaken specific activities aimed at improving the consumer experience and results. The Company is developing a new AI platform and software applications for the management and support of customers using the e-commerce channel in the pre- and post-purchase phases through online conversations, and is preparing additional value-added services, including delivery services.

A new checkout system is also being launched that will allow increasing digital conversion of the shops, with a view toward integrating the physical and online shops in order to offer customers a seamless and personalised shopping experience and increase digital and omnichannel sales by exploiting the competitive advantage the OVS enjoys over other players due to its expanded sales network in the country. Based on native mobile and in-cloud platforms, it will let sales assistants serve customers in real time across all channels, effectively bringing the concept of e-commerce even further into the shop. Each assistant will be able to place an order in real time, regardless of the physical location of the goods (in the same shop, in another shop or in a warehouse) and where the customer wishes to collect them (at home, in the same shop, or in another shop). The full integration of checkouts with CRM will also let assistants provide an increasingly personalised offering, with product recommendations based on the customer's profile. Self check-out systems are also included, to speed up and facilitate payment by customers at the point of sale.

It should be noted that OVS launched a data innovation programme beginning in 2019, which has been enhanced through the acquisition of specialised skills that focus on the development of solutions based on data technologies that improve predictive capacity in planning and distribution activities, support the sourcing function by decreasing travel and digitising certain processes, create in-cloud databases aimed at better correlating business signals and disseminating them within the company through new interfaces, and increasing direct communication with customers.

Sustainability

Sustainability has long been a strategic guideline of the OVS Group, which accordingly has developed a strategy in line with the three ESG (Environmental, Social and Governance) areas. In particular, to define the company's strategic priorities, OVS uses the 17 SDGs (Sustainable Development Goals) of the UN 2030 Agenda as a basis for developing policies, objectives and actions to create value.

The environment is one of the core values of the Group's strategy. The Issuer's commitment to reducing the impact of company processes and products on the environment is expressed through a series of actions that include improving energy efficiency, the responsible selection of quality raw materials (including organic cotton and other fibres from certified supply chains), prudent and proactive management regarding the use of chemicals, and the ongoing reduction of packaging, to ensure product safety and sustainability. The Company's business choices always consider environmental impacts throughout the life cycle of the products and shops, favouring solutions that contribute to the transition toward a business model that is increasingly in keeping with the circular economy.

The foregoing actions are shared through a transparent approach with communication tools such as ECOValue, which discloses to any interested parties the major environmental impacts of each product, in terms of water consumption, CO2 emissions and potential recyclability.

From a social point of view, people, corporate culture and the community are the OVS Group's key resources for achieving its strategic objectives and creating economic, social and environmental value. The Issuer promotes the development of human capital through the enhancement of diversity, communication and information on corporate objectives, training at all levels, feedback on results achieved, teamwork and the development of fair and competitive remuneration policies in the market. OVS recognises the close interdependence of all the actors involved in its supply chain in terms of the growth of the business, with the support of hundreds of suppliers who share the same vision and are active in programmes to improve their own performance in terms of sustainability. OVS promotes such actions with a transparent multi-stakeholder approach that is based on collaboration and is supported by certified third-party tools. For example, through its participation in the Sustainable Apparel Coalition, OVS can monitor up-to-date social performance indicators on the Higg platform for each production site with which it works and define plans for improvement where deemed necessary. Furthermore, through its participation in Accord (www.bangladeshaccord.org), for years the company has contributed to making Bangladeshi production facilities safer. As of the date of this Prospectus, the Issuer is evaluating the implementation of activities similar to those carried out in Bangladesh for production plants located in other countries.

Where governance is concerned, integrity and ethics are two standard values for OVS's business, which is guided by principles of honesty, professionalism and transparency, in compliance with the laws and regulations on social responsibility. In compliance with its corporate mission, OVS's governance involves transparent management of corporate activities and relations with the market. Through the Risk and Sustainability Control Committee, whose task is to assess policies and issues relating to sustainability, OVS aims to create value for shareholders and for all other stakeholders in the medium to long term, based on the principles of sustainable development.

Fashion Transparency Index

In 2021 OVS is at the top of the new Fashion Transparency Index of Fashion Revolution[6], a global movement that encourages the fashion industry to respect human rights and the environment at every stage in the production cycle.In particular, OVS scores 78% of targets achieved in 2021. The Index analyses and ranks 250 of the world's leading fashion brands and retailers (identified on the basis of turnover and brand awareness), assessing their degree of transparency in disclosing actions taken to respect human rights and environmental policies.

ESG Ratings

OVS has been ranked as one of the top performers worldwide in the apparel sector by many ESG rating agencies. In particular, in March 2021, OVS S.p.A. received an ESG Risk Rating of 11.22 (12.99 in 2020) that was rated as "Low Risk" by Sustainalytics[7], meaning a low risk of suffering material financial impacts from ESG factors. This result places OVS S.p.A. in 5th place (15th in 2019) out of 180 - where the company with the lowest level of risk is in 1st place - in the "Textile & Apparels" sector assessed by Sustainalytics.

The confirmation of the risk category is the result of the correct and effective management of ESG issues within the Group's strategy.

Circular Fashion System Commitment Report

Thanks to the OVS "Ecovalore" project, which allows for each product sold to track the CO2 emissions, the water consumption and the circularity index, the 2020 Circular Fashion System Commitment Report of the Global Fashion Agenda, has selected OVS among the ten most relevant and innovative best practices for the implementation of the product circularity index.

Higg platform

Since 2018, beside the internal audit and verification program, OVS adopted the Higg modules to enhance the level of transparency and to adopt a supply chain evaluation framework which is in common with other industry's brands.

Thanks to the information reported on the Higg platform OVS can have an overview of the performance of its supply chain, it can make its own benchmarks and identify intervention priorities in order to define targeted action plans and support suppliers through a positive change. This allows OVS to focus its people's activity on cases where direct action is deemed necessary, while continuing to monitor the entire supply chain, rewarding or phasing out suppliers according to their ESG performance.

The Higg platform allows OVS to improve and extend the external verification program relying on thirdparties accredited by the Sustainable Apparel Coalition and to cooperate within the industry coalition to push progress and transparency among suppliers, identifying specific actions for each supplier and production facility.

Significant changes affecting the Group's operations and main activities since the end of the period covered by the last published audited financial statements

Significant new products and services introduced

Multichannel services were significantly enhanced starting on 31 January 2020, partly due to the lock-down, which led to a substantial decrease in the mobility of the Group's customers. For more information regarding digital conversion, see "*Information about the Issuer – Digitalisation*".

It should also be noted that the Autumn/Winter 2020 collection was affected by the introduction of the new men's collection under the Piombo brand in approximately 500 directly operated shops. For more information, see "*Material Contracts – Creative management contract with Massimo Piombo*".

[6] Source: Fashion Transparency Index of Fashion Revolution, 2021.

[7] Source: Sustainalytics research, March 2021.

Status of the development of new products or services

The Issuer is constantly engaged in the development of new products and/or materials and services, in an effort to continuously improve its offering. New products and/or materials and services are also developed through various test phases conducted through our extensive sales network. Once these phases have been successfully completed in terms of results, the new products and services are introduced more broadly onto the market.

Substantive changes in the regulatory environment

As of 31 July 2021 and up to the date of this Prospectus, there have been no substantive changes in the regulatory environment in which the Issuer operates.

Major Shareholders

As of the date of this Prospectus, the Issuer is not directly or indirectly controlled by any person or entity pursuant to Article 2359 of the Italian Civil Code and Article 93 of the TUF (the Italian Consolidated Financial Act).

The table below sets forth the shareholders of the Issuer who hold, directly or indirectly, more than 5% of the Issuer's share capital represented by shares with voting rights, according to the most recent information available to the Issuer.

Name of beneficial owner	Direct shareholder	Shares*	Voting power
TIP – Tamburi Investment Partners S.p.A.	TIP – Tamburi Investment Partners S.p.A.	52.935.898	23,320%
Azimut Investment S.A.	AZ Fund 1 AZ Allocation Trend	12.314.695	5,425%
	AZ Fund 1 AZ Equity Best Value	1.343.557	0,592%
	Totale	13.658.252	6,017%
Cobas Asset Management SGIIC, SA	Cobas Asset Management SGIIC, SA	11.427.278	5,034%

* The information above reflect the number of shares communicated to OVS in connection with the shareholders' meeting of May 28, 2021 (without taking into account the Capital Increase)

As of the date of this Prospectus, the Issuer holds 809,226 OVS shares (treasury shares), representing 0,28%per cent. of total OVS shares, which do not vote.

Special voting rights of the main shareholders

As of the date of this Prospectus, the Issuer has not issued shares granting special rights of control, nor are there any persons holding special powers pursuant to current applicable legislation and the Issuer's Articles of Association.

The Issuer's Articles of Association do not provide for multiple or increased voting shares.

Issuer's controlling party pursuant to art. 93 of the Consolidated Financila Act

As of the date of this Prospectus, the Issuer is not directly or indirectly controlled by any entity pursuant to art. 2359 of the Italian Civil Code and art. 93 of the Consolidated Financial Act.

Employees

As at 31 July 2021, the Group employed a total of 5,935 employees.

Administration, management and supervisory bodies and senior management

The main information concerning the members of the Board of Directors, the Board of Statutory Auditors and the senior management of the Issuer as at the date of this Prospectus is set out below.

Board of Directors

Pursuant to Article 13 of the Articles of Association, the Board of Directors of the Issuer is comprised of between a minimum of 7 and a maximum of 15 members, as decided by the shareholders acting at a Shareholders' Meeting.

The members of the Board of Directors are appointed on the basis of lists proposed by shareholders in accordance with the procedures set forth in the Articles of Association and applicable law, including provisions on gender equality. The term in office is determined by the shareholders at the time of appointment, and may under no circumstances be longer than three financial years; the term in office expires on the date of the Shareholders' Meeting called to approve the financial statements relating to their final year in office. Directors may be re-elected.

As at the date of this Prospectus, the Board of Directors of the Issuer is comprised of 9 members and it was appointed at the Shareholders' Meeting held on 9 July 2020 and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the period ending on 31 January 2023.

On 9 July 2020 the shareholders appointed Franco Moscetti as Chairman of the Issuer and on the same date the Board of Directors, which met for the first time immediately after it was appointed by the shareholders, appointed the director Stefano Beraldo as CEO and the director Giovanni Tamburi as Vice Chairman.

The members of the Board of Directors in office on the date of this Prospectus are indicated in the following table.

First name and surname	Position	Place and date of birth
Franco Moscetti(**)(***)	Chairman	Tarquinia, 9 October 1951
Stefano Beraldo(*)	CEO and General Manager	Venice, 23 March 1957
Giovanni Tamburi(**)	Director and Vice Chairman	Rome, 21 April 1954
Carlo Achermann(**)(***)	Director	Rome, 1 February 1944
Elena Angela Luigia Garavaglia(**)(***)	Director	Milan, 22 March 1979
Vittoria Giustiniani(**)	Director	Ferrara, 8 October 1964
Alessandra Gritti(**)	Director	Varese, 13 April 1961
Massimiliano Magrini(**)(***)	Director	Rimini, 5 October 1968
Chiara Mio(**)(***)	Director	Pordenone, 19

(*) Executive Director.

(**) Non-Executive Director.

(***) Independent Director pursuant to Article 148(3) of the Italian Consolidated Financial Act (the "**TUF**") and Article 2 of the Corporate Governance Code.

The members of the Board of Directors have business addresses for the purposes of appointment at the registered office of OVS at Via Terraglio 17, Venice – Mestre (VE).

The members of the Board of Directors fulfil the prerequisites of professionalism, honesty and independence as prescribed under applicable legislation.

In this regard, on 4 August 2020 the Board of Directors conducted checks to ensure, based on the information received, that the directors Carlo Achermann, Elena Angela Luigia Garavaglia, Massimiliano Magrini and Chiara Mio fulfilled the prerequisites of independence provided for under Article 148(3) TUF and Article 3 of the Self-Regulation Code and that the Chairman of the Board of Directors Franco Moscetti fulfilled the prerequisites of independence provided for under Article 148(3) TUF. During the course of periodic checks, on 15 April 2021 the Board of Directors confirmed and ensured that the directors Carlo Achermann, Elena Angela Luigia Garavaglia, Massimiliano Magrini and Chiara Mio continued to fulfil the prerequisites of independence provided for under Article 148(3) TUF and Article 3 of the Self-Regulation Code and that they fulfilled the prerequisites of independence provided for under Article 2 of the Corporate Governance Code. At the same time, the Board of Directors also conducted checks to ascertain that the Chairman of the Board of Directors Franco Moscetti fulfilled the prerequisites of independence provided for under Article 148(3) TUF and Article 2 of the Corporate Governance Code. At its meeting held on 15 April 2021, the Board of Statutory Auditors took steps to verify that the assessment criteria and procedures adopted by the Board of Directors

for assessing the independence of the directors Carlo Achermann, Elena Angela Luigia Garavaglia, Massimiliano Magrini, Chiara Mio and Franco Moscetti were being properly applied.

It is noted that the composition of the Board of Directors on the date of this Prospectus complies with the rules that stipulate that members of the Board of Directors must be elected according to criteria that ensure gender balance according to the provisions of Article 147-*ter*(1-*ter*) TUF.

A summary curriculum vitae is set out below for each member of the Board of Directors.

Franco Moscetti – Born in Tarquinia on 9 October 1951. He holds a degree in Industrial Sciences specialising in economics and business from the Herisau Academy AR (Switzerland). From 2004 al 2015 he was General Manager and CEO of Amplifon S.p.A. From 2016 until 2018 he was CEO of the 24 Ore Group, and in 2017 was commended as "Manager of the Year" in the publishing sector in recognition of the results achieved. He founded Axel Glocal Business S.r.l. in 2015, a company in which he also serves as CEO. He is an independent director, is Chairman of the Control and Risks Committee and Chairman of the Related Party Transactions Committee of Diasorin S.p.A. In addition, he is the lead independent director and Chairman of the Remuneration and Appointments Committee at Zignago Vetro S.p.A., director and Vice Chairman at Fideuram Investimenti Sgr, and director and Vice Chairman at ASTM S.p.A. He has been Chairman of the Board of Directors of OVS since 31 May 2019 and a member of the Control, Risks and Sustainability Committee of OVS since 12 December 2019.

Stefano Beraldo – Born in Venice on 23 March 1957. He holds a degree in Economics and Business Studies from Ca' Foscari University of Venice, and is a member of the Alumni Association of Stanford University. He has been CEO of the Coin Group since 2005. He gained significant experience in the field of auditing and corporate consultancy at the auditing firm Arthur Andersen. Since 1988, he has worked at the holding company of the Benetton Group, dealing with finance, acquisitions and subsidiary control. From 1995, he played a leading role in the acquisition of Società Meridionale di Elettricità S.p.A. – SME (IRI Group) previously owned by the Ministry of Industry, subsequently working as General Manager at GS Euromercato S.p.A., where he oversaw a process of economic and financial restructuring. From June 2000 he was CEO and General Manager of the De Longhi Group until he joined the Coin Group in July 2005.

Giovanni Tamburi – Born in Rome on 21 April 1954. He holds a degree in Economics and Business Studies from the Sapienza University of Rome, and co-founded Tamburi Investment Partners S.p.A. in 1994, a company in which he also serves as Chairman and CEO. From February 1975 until July 1977 he worked as a financial analyst at S.O.M.E.A. S.p.A. From September 1977 until September 1980 he worked as an assistant to the General Manager of the Bastogi Group. From 1980 until 1991 he worked at Euromobiliare (Midland Bank Group), serving as director and Deputy General Manager of the parent company Euromobiliare S.p.A., also serving as director at Banca Euromobiliare S.p.A., and General Manager at Euromobiliare Montagu S.p.A., the Group's investment/merchant bank. He was a member of the government commission for Italian Law no. 35/1992 on privatisations established by the Minister for the Budget and Economic Planning, and in 1992-1993 was a member of the advisory board on privatisations of the Municipality of Milan. Between 1992 and 2004 he was a non-tenured professor in corporate finance at LIUC – Castellanza University and, between 1993 and 2003, a non-tenured professor of extraordinary financial transactions for the master's course organised by LUISS University of Rome. He is a director, *inter alia*, at Alpitour S.p.A., Fondazione Altagamma, Asset Italia S.p.A., Azimut Benetti S.p.A., Amplifon S.p.A., Beta Utensili S.p.A., Interpump Group S.p.A., Eataly S.r.l. and Elica S.p.A. Since 17 April 2019 he has been Vice Chairman of the Board of Directors of OVS, and since 13 March 2019 has also been a member of the Appointments and Remuneration Committee of OVS.

Carlo Achermann – Born in Rome on 1 February 1944. He holds a degree in Economics and Business Studies from the Sapienza University of Rome, and from 1979 until 1999 was CEO of the Italian branch of the Onward Kashiyama Co. Ltd. Group (IRI Group), a prestigious Japanese company active in the clothing sector. He founded e*Finance Consulting, which in 2000 was merged with Reply S.p.A. From 1999 until 2006 he served as senior partner at Reply S.p.A., heading the Finance Division. Since 2007 he has been Executive Chairman of the Be Shaping the Future Group and subsidiary companies, such as Be Solutions S.p.A., Juniper Extensible Solutions S.r.l. and Tesla Consulting S.r.l. He is also Managing Director at Be Consulting S.p.A. In addition, since 4 August 2020, he has been a member of the Appointments and Remuneration Committee and the Related Party Transactions Committee of OVS.

Elena Angela Luigia Garavaglia – Born in Milan on 22 March 1979. She holds a degree in Law from the University of Milan, and also completed a PhD in Corporate Law at the Bocconi University of Milan. She qualified as a lawyer in 2006. Her legal work focuses on Italian and international contract law, corporate governance and corporate compliance consultancy, as well as litigation in the field of private and corporate law, criminal law, corporate criminal law and industrial law. From 2016 until 2019 she served as Chairwoman of the Supervisory Board of A2A Energia S.p.A. From 2015 and 2019 she was an independent director and Chairwoman of the Control, Risks, Remuneration and Related Party Transactions Committee of Casa Damiani S.p.A., and also served from 2015 until 2017 as a non-executive director of Comitalia Compagnia Fiduciaria S.p.A. She has been a director at OVS since 2018 and, since 4 August 2020, has been Chairwoman of the Issuer's Related Party Transactions Committee.

Vittoria Giustiniani – Born in Ferrara on 8 October 1964. She holds a degree in Law from the University of Milan, and started her career at the firm run by Prof. Mario Casella in Milan, where she gained significant experience in corporate litigation. She qualified as a lawyer in 1993, and was ranked in first place amongst the candidates approved by the Milan Court of Appeal. She has been a partner at the law firm BonelliErede since January 2000 and her legal work focuses on the provision of ongoing advice to listed companies, with a particular emphasis on corporate governance aspects and compliance with legislation and best practices for public companies. She also assists on IPOs, takeover and/or stock swap bids, the placement of financial instruments and public M&A. She is also active in financial restructuring transactions and corporate reorganisations. She has been included on various occasions within the lists of professionals with the expertise and qualifications necessary in order to serve on management bodies at Italian public and private companies. She is an independent director and member of the Remuneration Committee of Maire Tecnimont S.p.A.

Alessandra Gritti – Born in Varese on 13 April 1961. She holds a degree in Economics and Business Studies from the Bocconi University of Milan. In 1984 she co-founded Tamburi Investment Partners S.p.A., a company in which she also serves as Vice Chairwoman and CEO. From October 1984 until May 1986 she worked at the research office of Mediocredito Lombardo. From January 1984 until October 1984 she worked as an analyst for a Sopaf Group company specialising in venture capital operations. From 1986 until 1994 she served as manager and subsequently as head of the Mergers and Acquisitions Department of Euromobiliare Montagu S.p.A., a company in which all investment-merchant banking activities of the Midland Hong Kong & Shanghai Bank Group involving Italy were concentrated. She is, *inter alia*, CEO of Asset Italia S.p.A., Vice Chairwoman of the boards of directors of Betaclub S.r.l. and Clubitaly S.p.A., director at Alpitour S.p.A., Beta Utensili S.p.A., Chiorino S.p.A., Eataly S.r.l., Sant'Agata S.p.A. and Moncler S.p.A., and a member of the Sustainability Advisory Board of Altagamma. She works with institutions and magazines specialising in financial issues, and has written numerous articles and publications in this area.

Massimiliano Magrini – Born in Rimini on 5 October 1968. He holds a degree in Political Science from the University of Bologna, and from 2000 until 2002 served as country manager for Altavista Italia. From 2002 until 2007 he worked as a country manager for Google Italy. From 2007 until 2007 he worked as a country director for Google Italy, Spain and Portugal. He set up Annapurna Ventures in 2009, a company at which he served as CEO until 2012. In 2013 he founded United Ventures SGR S.p.A., an independent venture capital company which provides support to entrepreneurs with the ambition of reinventing industries through technology and innovation on a global scale. He is a director at xFarm, Cloud4WI, Mainstreaming and EXEIN. Since 2011 he has been a member of the task force established by the Ministry for Economic Development under the law on innovative start-ups in Italy and, since 2012, a member of the Italian Association for Private Equity and Venture Capital (Associazione Italiana del Private Equity e Venture Capital). In addition, since 2019, he has been a founding partner and member of the management board of VC Hub Italia (Italian Association for Private Equity and Venture Capital). He was Chairman of the Related Party Transactions Committee of OVS from 12 December 2019 until 9 July 2020 and has been a member of the Control, Risks and Sustainability Committee of OVS since 4 August 2020.

Chiara Mio – Born in Pordenone on 19 November 1964. She holds a degree in Economics and Business Studies from the Ca' Foscari University of Venice, is a full professor in the Management Department of Ca' Foscari University of Venice and is the course coordinator for the courses in: Corporate Reporting, Management Control and Strategic Planning and Sustainability Management. Since 2010 she has been a member of the Editorial Committee and a reviewer for the journal *Corporate social responsibility and environmental management*. She is a member of *Accademia italiana di economia aziendale, AIDEA* (the Italian Academy of Business Economics), *Società Italiana Storia Ragioneria, SISR* (the Italian Society of Accounting History) and *Società Italiana di Ragioneria ed Economia*

Aziendale, SIDREA (the Italian Society of Bookkeeping and Business Economics). She is enrolled in the Register of Chartered Accountants and the Register of Auditors. She is Chairwoman of the "Environmental Consultancy" Board of the National Council of Chartered Accountants and Accounting Experts. Since October 2014 she has been Chairwoman of the Board of Directors of Crédit Agricole FriulAdria S.p.A. (Crédit Agricole Italia Banking Group). She is a non-executive director, *inter alia*, of Danieli S.p.A., Eurotech S.p.A., Piovan S.p.A. and Servizi Italia S.p.A. She has been a director at OVS since 31 May 2017, and has been Chairwoman of the Control, Risks and Sustainability Committee of OVS since 20 September 2017 and Chairwoman of the Appointments and Remuneration Committee and a member of the Related Party Transactions Committee of OVS since 12 December 2019.

The following table sets out the companies or partnerships at which the members of the Board of Directors have been members of the management, senior management or supervisory boards, or shareholders, during the last five years, including an indication of the status of their appointment as at the date of this.

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
Franco Moscetti	ASTM S.p.A.	Vice Chairman of the Board of Directors	*In office*
	Axel Glocal Business S.r.l.	Sole Director	*In office*
	Clessidra Capital Credits SGR S.p.A.	Director	*In office*
	Diasorin S.p.A.	Director	*In office*
	Fideuram Investimenti SGR S.p.A.	Vice Chairman of the Board of Directors	*In office*
	Fondazione Centro di Cardiologia e Cardichirurgia Angelo De Gasperis	Director	*In office*
	Pellegrini S.p.A.	Director	*In office*
	Zignago Vetro S.p.A.	Director	*In office*
	24 Ore Cultura S.r.l.	Chairman of the Board of Directors	*No longer in office*
	65Plus S.r.l.	Director	*No longer in office*
	Agenzia ANSA – Agenzia Nazionale Stampa Associata – società cooperativa	Director	*No longer in office*
	Ampliare S.r.l.	Managing Director	*No longer in office*
	Amplifon S.p.A.	Vice Chairman of the Board of Directors	*No longer in office*
	Business School24 S.p.A.	Director	*No longer in office*
	Capital For Progress 1 S.p.A.	Director	*No longer in office*
	Club I Cottages S.r.l.	Director	*No longer in office*
	GPI S.p.A.	Director	*No longer in office*
	Il Sole 24 Ore – Trading Network S.p.A.	Chairman of the Board of Directors	*No longer in office*
	Il Sole 24 Ore S.p.A.	CEO	*No longer in office*
	Newswire S.r.l. in liquidation	Chairman of the Board of Directors	*No longer in office*
	Newton S.p.A.	Director	*No longer in office*
	Società Iniziative Autostradali e Servizi S.p.A. – SIAS S.p.A.	Vice Chairman of the Board of Directors	*No longer in office*
	Hippocrates Holding S.p.A.	Shareholder	*In office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
	Petme S.r.l.	Shareholder	*In office*
	65Plus S.r.l.	Shareholder	*No longer in office*
Stefano Beraldo	Elica Società semplice società agricola	Director	*In office*
	Icon S.r.l.	Chairman of the Board of Directors and CEO	*In office*
	String S.r.l.	Chairman of the Board of Directors	*In office*
	Coin S.r.l.	Chairman of the Board of Directors	*No longer in office*
	Excelsior Verona S.r.l. in liquidation	Director	*No longer in office*
	Garofano S.r.l.	Chairman of the Board of Directors and CEO	*No longer in office*
	San Girolamo Società Agricola a Responsabilità Limitata	Director	*No longer in office*
	Elica Società semplice società agricola	Shareholder	*In office*
	OVS S.p.A.	Shareholder (*)	*In office*
	Ponte della Libertà S.r.l.	Shareholder	*In office*
	String S.r.l.	Shareholder	*In office*
	San Girolamo Società Agricola a Responsabilità Limitata	Shareholder	*No longer in office*
Giovanni Tamburi	Alpiholding S.r.l.	Vice Chairman of the Board of Directors	*In office*
	Alpitour S.p.A.	Vice Chairman of the Board of Directors	*In office*
	Amplifon S.p.A.	Director	*In office*
	Ampliter S.r.l.	Director	*In office*
	Asset Italia S.p.A.	Chairman of the Board of Directors	*In office*
	Azimut – Benetti S.p.A.	Director	*In office*
	Beta Utensili S.p.A.	Director	*In office*
	Bogogno Club S.r.l.	Chairman of the Board of Directors	*In office*
	Club3 S.p.A.	Sole Director	*In office*
	Clubitaly S.p.A.	Chairman of the Board of Directors	*In office*
	Eataly S.p.A.	Director	*In office*
	Fondazione Altagamma	Director	*In office*
	Golf Club Bogogno – Società Dilettantistica a Responsabilità Limitata	Director	*In office*
	Gruppo IPG Holding S.p.A.	Sole Director	*In office*
	Interpump Group S.p.A.	Vice Chairman of the Board of Directors	*In office*
	Itaca Equity Holding S.p.A.	Director	*In office*
	Lippitre S.r.l.	Sole Director	*In office*
	Lippiuno S.r.l.	Sole Director	*In office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
	Neos S.p.A.	Director	*In office*
	Roche Bobois Groupe SA	Member of the Supervisory Board	*In office*
	Tamburi Investment Partners S.p.A.	Chairman of the Board of Directors and CEO	*In office*
	TXR S.r.l.	Sole Director	*In office*
	Beta Utensili S.p.A.	Director	*No longer in office*
	Betaclub S.r.l.	Chairman of the Board of Directors	*No longer in office*
	Club7 S.r.l. in liquidation	Chairman of the Board of Directors	*No longer in office*
	Eataly S.r.l. (Italian tax ID 02933150043)	Director	*No longer in office*
	Elica S.p.A.	Director	*No longer in office*
	FIMAG S.p.A.	Director	*No longer in office*
	Furla S.p.A.	Director	*No longer in office*
	GH S.r.l.	Director	*No longer in office*
	iGuzzini Illuminazione S.p.A.	Director	*No longer in office*
	LTP Holding S.p.A.	Director	*No longer in office*
	Prysmian S.p.A.	Director	*No longer in office*
	Roche Boboís Group	Member of the Supervisory Board	*No longer in office*
	Ruffini Partecipazioni Holding S.r.l.	Director	*No longer in office*
	TIPO S.p.A.	Chairman of the Board of Directors	*No longer in office*
	Wish S.p.A.	Director	*No longer in office*
	Zignago Vetro S.p.A.	Director	*No longer in office*
	Lippiuno S.r.l.	Shareholder	*In office*
	Golf Club Bogogno S.r.l.	Shareholder	*In office*
Carlo Achermann	Be Digitech Solution S.p.A.	Chairman of the Board of Directors	*In office*
	Be Shaping the Future Corporate Services S.p.A.	Chairman of the Board of Directors	*In office*
	Be Shaping the Future Management Consulting S.p.A.	Managing Director	*In office*
	Be Shaping the Future S.p.A.	Chairman of the Board of Directors	*In office*
	Carma Consulting S.r.l.	Chairman of the Board of Directors	*In office*
	Doom enter S.r.l.	Director	*In office*
	IQUII S.r.l.	Chairman of the Board of Directors	*In office*
	Tesla Consulting S.r.l.	Chairman of the Board of Directors	*In office*
	Be Enterprise Process Solutions S.p.A.	Chairman of the Board of Directors	*No longer in office*
	Be Professional Services S.p.A.	Chairman of the Board of Directors	*No longer in office*
	BE SME S.p.A.	Director	*No longer in office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
	Human Mobility S.r.l.	Chairman of the Board of Directors	*No longer in office*
	IFuture Power in Action S.r.l.	Director	*No longer in office*
	Juniper Extensible Solutions S.r.l.	Chairman of the Board of Directors	*No longer in office*
	Music Lab Brigade S.r.l. in liquidation	Director	*No longer in office*
	Music Lab Holding S.r.l. in liquidation	Director	*No longer in office*
	VNTR Advanced Entertainment S.r.l. in liquidation	Chairman of the Board of Directors	*No longer in office*
	Be Shaping the Future S.p.A.	Shareholder	*In office*
	Carma Consulting S.r.l.	Shareholder	*In office*
Elena Angela Luigia Garavaglia	Comitalia S.p.A.	Director	*No longer in office*
	Damiani S.p.A.	Director	*No longer in office*
	Sempione S.a.s.	Shareholder	*In office*
Vittoria Giustiniani	Maire Tecnimont S.p.A.	Director	*In office*
	Alerion S.p.A.	Director	*No longer in office*
	Italiaonline S.p.A.	Director	*No longer in office*
Alessandra Gritti	Alpitour S.p.A.	Director	*In office*
	Asset Italia 1 S.r.l.	Sole Director	*In office*
	Asset Italia S.p.A.	CEO	*In office*
	Betaclub S.r.l.	Sole Director	*In office*
	Beta Utensili S.p.A.	Director	*In office*
	Chiorino S.p.A.	Director	*In office*
	Club 2 S.r.l.	Sole Director	*In office*
	Clubitaly S.p.A.	Vice Chairwoman of the Board of Directors	*In office*
	Eataly S.p.A.	Chairwoman of the Board of Directors	*In office*
	Itaca Equity S.r.l.	Director and Vice Chairwoman	*In office*
	Itaca Equity Holding S.p.A.	Director and Vice Chairwoman	*In office*
	Moncler S.p.A.	Director	*In office*
	Sant'Agata S.p.A.	Director	*In office*
	Startip S.r.l.	Sole Director	*In office*
	Tamburi Investment Partners S.p.A. – TIP S.p.A.	Vice Chairwoman of the Board of Directors and CEO	*In office*
	TIPO S.p.A.	Sole Director	*In office*
	Alpiholding S.r.l.	Sole Director	*No longer in office*
	Asset Italia 2 S.r.l. in liquidation	Sole Director	*No longer in office*
	Club7 S.r.l. in liquidation	Vice Chairwoman of the Board of Directors	*No longer in office*
	Eataly S.r.l.	Director	*No longer in office*
	Furla S.p.A.	Director	*No longer in office*
	Lippiuno S.r.l.	Shareholder	*In office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
	Talent Garden S.p.A.	Shareholder	*In office*
Massimiliano Magrini	Annapurna Ventures S.r.l.	Sole Director	*In office*
	Datrix S.p.A.	Director	*In office*
	Exein S.p.A.	Director	*In office*
	Insilicotrials Technologies S.p.A.	Director	*In office*
	Mainstreaming S.p.A.	Director	*In office*
	United Ventures One SICAF Euveca S.p.A.	Chairman of the Board of Directors	*In office*
	United Ventures SGR	CEO	*In office*
	XFarm S.r.l.	Director	*In office*
	Cloud4Wi Inc	Director	*No longer in office*
	Datawizard S.r.l.	Director	*No longer in office*
	Kuldat S.r.l. in liquidation	Director	*No longer in office*
	Paperlit S.r.l.	Director	*No longer in office*
	OVS S.p.A. (**)	Shareholder	*In office*
	Sarca 336 S.r.l.	Shareholder	*No longer in office*
	SVR Real Estate	Shareholder	*No longer in office*
Chiara Mio	Bluenergy Group S.p.A.	Managing Director	*In office*
	Corà Domenico e Figli S.p.A.	Chairwoman of the Board of Directors	*In office*
	Credit Agricole Friuladria S.p.A.	Chairwoman of the Board of Directors	*In office*
	Danieli & C. S.p.A.	Director	*In office*
	Eurotech S.p.A.	Director	*In office*
	MCZ Group S.p.A.	Director	*In office*
	Sofidel – Società per Azioni	Director	*In office*
	Anteo S.r.l.	CEO	*No longer in office*
	Nice S.p.A.	Director	*No longer in office*
	Piovan S.p.A.	Director	*No longer in office*
	Servizi Italia S.p.A.	Director	*No longer in office*
	Zanette Group S.p.A.	Director	*No longer in office*
	Zignago Vetro S.p.A.	Director	*No longer in office*

(*) As at the date of this Prospectus, Stefano Beraldo is the owner of 3,075,000 shares, comprising 1.06% of the Issuer's share capital, which are held indirectly through the company String S.r.l. (in which he holds a majority stake).

(**) As at the date of this Prospectus, Massimiliano Magrini is the owner of 38,476 shares.

As far as the Issuer is aware, none of the members of the Board of Directors currently in office has been convicted during the last 5 years of any fraud or bankruptcy offences, and has not been involved in any bankruptcy, receivership or involuntary liquidation procedures in relation to his or her appointments.

In addition, as far as the Issuer is aware, none of the members of the Board of Directors currently in office has been officially charged and/or has been subject to any sanctions by public or regulatory authorities (including designated professional associations) in relation to their appointments, or has been disqualified from acting as a member of the Board of Directors, senior management or the Supervisory Board of the Issuer or from serving in a board or managerial capacity for issuers over the last 5 years.

Finally, none of the members of the Board of Directors has a family relationship with any other members of the Board of Directors, with any members of the Board of Statutory Auditors or with any senior managers of the Issuer, other than the marriage between the director Alessandra Gritti and the director Giovanni Tamburi.

Powers of the Board of Directors as at the date of this Prospectus

In addition to the powers vested in it according to law and the Articles of Association, the Board of Directors has exclusive authority in relation to the most important decisions from a financial and strategic perspective and in terms of structural impact on management, or that are conducive to the exercise of monitoring and oversight activity for the Company and the Group, including the determination of corporate governance.

The Board of Directors has a power and a duty to guide and direct the business, pursuing the objective of maximising shareholder value. For that purpose, the Board of Directors resolves upon any transactions that are necessary in order to give effect to the company object, unless expressly reserved to the shareholders acting at a Shareholders' Meeting according to law or the Articles of Association.

By resolution as of 9 July 2020, the Board of Directors was vested, alongside the powers provided for by law and those set forth in the Articles of Association, with authority over *(i)* the approval of long-term and annual economic, financial and investment strategies and plans of OVS and subsidiary companies, as formulated by the CEO; *(ii)* the approval of any transactions concluded subject to a potential conflict of interest, transactions with related parties of major importance and transactions with related parties of minor importance as well as exempt transactions, excluding transactions involving negligible amounts (defined by the Related Party Transaction Procedure (the "**RTP Procedure**") most recently approved on 17 June 2021 along with transactions with overall consideration not exceeding €250,000 for transactions with natural persons who are related parties and not exceeding €500,000 for transactions with legal entities, bodies or professional associations that are related parties, responsibility for which is vested in the CEO, as specified below), all in accordance with the RTP Procedure; *(iii)* the authorisation and conclusion of transactions, instruments and contracts involving a value above the authorised thresholds granted to the CEO (as specified below).

According to Articles 19 and 20 of the Articles of Association, the Board of Directors is competent to exercise the powers vested therein by law and also to decide on:

(a) any merger or demerger, under the circumstances provided for by law;

(b) the establishment or closure of secondary offices;

(c) the directors that have authority to represent the Company;

(d) a reduction in the share capital in the event of withdrawal by any shareholder or shareholders;

(e) the conformance of the Articles of Association to legislative requirements;

(f) the relocation of the registered office of the Issuer within Italy;

(g) subject to the limits laid down by Article 2381 of the Italian Civil Code, the delegation of its own powers to one or more of its members, specifying the content thereof and any limits and arrangements governing the exercise of such powers. Acting upon a proposal by the Chairman and in consultation with the bodies to which authority has been delegated, the Board of Directors may grant authority covering individual transactions or categories of transactions also to other members of the Board of Directors;

(h) the appointment and recall of general managers, senior managers of the Company, authorised representative and proxies granting them the necessary powers and/or authority to represent the Company; and

(i) the appointment and recall of a director charged with drawing up the Company's accounting documents.

Powers vested in the Chairman of the Board of Directors as at the date of this Prospectus

The Chairman of the Board of Directors performs the duties provided by applicable law and regulations as well by the Articles of Association. In particular:

(a) he has authority to represent the Company;

(b) he chairs the Shareholders' Meeting;

(c) he calls and chairs meetings of the Board of Directors; he sets the agenda for such meetings, coordinates their work and ensures that sufficient information concerning the matters included on the agenda is provided to all directors; and

(d) he oversees the implementation of the resolutions of the Board of Directors.

By resolution as of 9 July 2020, the Chairman of the Board of Directors was also vested with the following powers not relating to management: *(i)* to liaise between executive and non-executive directors; *(ii)* to ensure the effective conduct of the business of the Board of Directors, and in particular: *(a)* that the information provided in advance of Board meetings and any supplementary information provided during meetings is of such a nature as to enable directors to act in an informed manner when performing their roles; *(b)* that the activities of the Board's committees with responsibility for inquiries, proposals and consultation are coordinated with the activities of the Board of Directors; *(c)* acting in concert with the Chief Executive Officer, to ensure that the management of the Company and of subsidiary companies with competence over the relevant matters attends meetings of the Board, including upon request by individual directors, in order to provide appropriate detail concerning the matters included on the agenda; *(d)* that all members of management and control bodies are able to participate, following appointment and throughout their term in office, in initiatives aimed at providing them with adequate knowledge of the sectors in which the Company operates, dynamics within the Company and their development, including from the perspective of the Company's sustainable success and the principles of proper risk management along with the reference legislative and self-regulatory framework; *(e)* the adequacy and transparency of the Board of Director's self-assessment process, with the support of the Appointments and Remuneration Committee.

Powers vested in the CEO as at the date of this Prospectus

At its meeting held on 9 July 2020, following its appointment by the shareholders acting at the Shareholders' Meeting held on the same day, the Board of Directors confirmed Mr Stefano Beraldo as the CEO of the Company, vesting him with the following strategic powers in relation to OVS and the companies controlled thereby, subject to a duty to report to the Board at least on a quarterly basis: *(a)* to identify and implement strategies, formulating long-term and annual plans, and proposing them for approval by the Board of Directors; *(b)* to identify and implement the policy for coordinating and controlling financial resources; *(c)* to identify and implement the policy for managing and developing real estate holdings; *(d)* to identify and implement guidelines for operational management in general, including monitoring of the performance of the management structure, over which he has the power of direction, coordination and control;*(e)* to ensure that the personal data of all persons - natural persons and legal entities - held on Company databases are processed properly in accordance with Regulation (EU) No 2016/679; *(f)* with regard to transactions with related parties, to approve transactions involving negligible amounts (as defined by the RTP Procedure most recently approved on 17 June 2021, along with transactions with consideration not exceeding €250,000 for transactions with natural persons who are related parties and not exceeding €500,000 for transactions with legal entities, bodies or professional associations that are related parties), which must under all circumstances be concluded in accordance with the related party transactions procedure adopted by the Company, with the exception of those in which he is affected by a potential conflict of interest, competence over which remains with the Board of Directors.

At the same meeting, the Board of Directors also resolved to grant specific powers to Mr Stefano Beraldo – in addition to those indicated above – allowing him to exercise by his own individual signature and with a right to sub-delegate those powers, subject to the value limits specified for certain types of contracts, acts or transactions involving assets or management above a significance threshold and an obligation to report to the Board of Directors concerning his actions at least every three months.

Finally, at its meeting held on 9 July 2020 the Board of Directors confirmed Mr Stefano Beraldo as the General Manager (*Direttore Generale*) of the Company.

Board of Statutory Auditors

According to Article 24 of the Articles of Association, the Board of Statutory Auditors is comprised of 3 standing statutory auditors and 2 alternate statutory auditors.

Members of the Board of Statutory Auditors are appointed on the basis of lists proposed by shareholders in accordance with the procedures set forth in the Articles of Association and the applicable law, including provisions on gender equality. The term in office is equal to three financial years and expires on the date of the Shareholders' Meeting called to approve the financial statements relating to the last term in office. Statutory Auditors may be re-elected.

As at the date of this Prospectus, the Board of Statutory Auditors of the Issuer is comprised of 5 members, of which 3 standing members and 2 alternate members, was appointed by the shareholders at the Shareholders' Meeting held on 9 July 2020 and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the period ending on 31 January 2023.

The members of the Board of Board of Statutory Auditors of the Issuer in office on the date of this Prospectus are indicated in the following table.

First name and surname	Position	Place and date of birth
Stefano Poggi Longostrevi	Chairman of the Board of Statutory Auditors	Milan, 30 April 1965
Paola Tagliavini	Standing Statutory Auditor	Milan, 23 October 1968
Roberto Cortellazzo Wiel	Standing Statutory Auditor	Venice, 27 May 1958
Emilio Vellandi	Alternate Statutory Auditor	Treviso, 2 July 1968
Emanuela Italia Fusa	Alternate Statutory Auditor	Milan, 5 September 1958

The members of the Board of Statutory Auditors have business addresses for the purposes of appointment at the registered office of OVS at Via Terraglio 17, Venice – Mestre (VE).

The members of the Board of Statutory Auditors fulfil the prerequisites of professionalism, honesty and independence as prescribed under applicable legislation.

In that regard, on 9 July 2020 the Board of Directors carried out checks to ascertain, based on the information received, that all members of the Board of Statutory Auditors fulfilled the prerequisites of independence required under Article 148(3) TUF and Article 8 of the Self-Regulation Code in order to take up the appointment. The Board of Directors also carried out checks to ensure that all members of the Board of Statutory Auditors, as indicated in their respective curriculum vitae, fulfilled the prerequisites of honesty and professionalism required under Article 148 TUF and the implementing regulations adopted by Decree of the Ministry of Justice no. 162/2000. All statutory auditors declared that they fulfilled the prerequisites of honesty. On 1 April 2021, the Board of Statutory Auditors checked, in accordance with Article 2 of the Corporate Governance Code, that the prerequisites of independence were met by its members.

It is noted that the composition of the Board of Statutory Auditors on the date of this Prospectus complies with the rules that stipulate that members of the Board of Statutory Auditors must be elected according to criteria that ensure gender balance according to the provisions of Article 148(1-*bis*) TUF.

A summary *curriculum vitae* is set out below for each member of the Board of Statutory Auditors, establishing the member's competence and experience.

Stefano Poggi Longostrevi – Born in Milan on 30 April 1965. He holds a degree in Economics and Business Studies from the Bocconi University of Milan. Since 14 March 1990 he has been a chartered accountant enrolled in the Milan Register of Chartered Accountants. He is enrolled in the Register of Auditors, with the Milan Association of Journalists (since November 1997) and in the list of Specialist Experts of the Court of Milan in Corporate Law and Extraordinary Business Transactions. Since 1990, he has provided professional consultancy services in the area of tax law and commercial law for various companies and groups in Italy and abroad, mostly with international operations, including companies listed on regulated markets or controlled by foreign listed multinationals. As regards the auditing of accounts, since 1990 he has held appointments as a standing statutory auditor and as chairman of the board of statutory auditors at various companies. Since 2000 he has been a member of the Tax Law Rules of Conduct Committee of *Associazione Italiana Dottori Commercialisti, AIDC* (the Italian Association of Chartered Accountants) in Milan, serving as Vice Chairman of the Committee from 2005 until 2013, and has been designated as an expert by the AIDC Committee since October 2013. Since 2012 he has taught a master's course in tax law at the UCSC (Università Cattolica del Sacro Cuore) in Milan. He is Chairman of the Board of Statutory Auditors, *inter alia*, at Aquafil S.p.A.,

Cemital Privital Aureliana S.p.A. and Shiseido Italy S.p.A. and a Standing Statutory Auditor at Coca-Cola Italia S.r.l. and L'Oreal Italia S.p.A.

Paola Tagliavini – Born in Milan on 23 October 1968. She holds a degree in Business Economics, specialising in Finance, from the Bocconi University of Milan, and has been enrolled in the Register of Chartered Accountants since 1999. She is a non-tenured professor at the Accounting Department of the Bocconi University of Milan and teaches courses on "Enterprise Risk Management" for the master's degree in Accounting, Auditing & Control, "Internal Audit, Risk and Corporate Compliance" for the master's degree in Accounting, Auditing & Control, and "Corporate Auditing (Advanced Course)" for specialist degree courses. She is also a senior lecturer in Risk Management in the Administration, Control, Corporate Finance and Real Estate Area of the SDA Bocconi. From 2009 until 2011 she was a manager at AON Global Risk Consulting responsible for Italy and Turkey. Since 2011 she has been co-partner and head of the Risk Management Division at DGPA&co. She is a Standing Statutory Auditor at Brembo S.p.A. and RCS MediaGroup S.p.A. She is an independent director, Chairwoman of the Control, Risks and Related Party Transactions Committee and a member of the Remuneration and Appointments Committee of RAI Way S.p.A., and an independent director and Chairwoman of the Control, Risks and Related Party Transactions Committee of Interpump Group S.p.A.

Roberto Cortellazzo Wiel – Born in Venice on 27 May 1958. He holds a degree in Economics and Business Studies from the Ca' Foscari University of Venice, and has been enrolled in the Treviso Register of Chartered Accountants and the Register of Auditors since 1985. She actively works with the Court of Treviso, for which she has performed various tasks as receiver and court-appointed administrator within bankruptcy procedures, including on a significant scale, also working as a judicial auditor (*ispettore*) and court-appointed manager. Finally, he has been appointed as an appraisal expert and has worked frequently with the Office of the Public Prosecutor at the Court of Treviso as a specialist consultant for public prosecutors. He has frequently worked as an independent certifier (*attestatore*) for recovery plans and debt restructuring plans. As part of his professional activity he has held - and still holds - appointments as a statutory auditor at various companies limited by shares and limited liability companies (including companies within international groups) and at companies listed on regulated markets.

Emilio Vellandi – Born in Treviso on 2 July 1968. He holds a degree in Economics and Business Studies from the Ca' Foscari University of Venice, and has been enrolled in the Treviso Association of Chartered Accountants and the Register of Auditors since 1996. His professional work focuses mainly on corporate crisis management, company law, business contract law as well as assistance in relation to negotiations and corporate transactions. He has held – and still holds – appointments as a statutory auditor at various companies. He has been appointed by the Court of Treviso as a receiver in bankruptcy and as a court-appointed administrator. In addition, he has been appointed by the Court of Treviso, the Court of Pordenone and the Court of Vicenza as an independent certifier (*attestatore*) of plans used as a basis for debt restructuring operations. He is a lecturer at the Professional Training and Specialisation School for Chartered Accountants and Auditors of the Association for Treviso and Venice.

Emanuela Italia Fusa – Born in Milan on 5 September 1958. She holds a degree in Economics and Business Studies from the Bocconi University of Milan, and has been enrolled in the Milan Register of Chartered Accountants since 1987; she is also enrolled in the Register of Auditors. Since 1997 she has worked as a court-appointed technical expert at the Court of Milan and Monza, as an expert in business valuations, financial statement analysis, auditing and inspections of accounting records, as well as the analysis of restructuring plans. She is a non-tenured professor teaching on the master's degree in tax law at the UCSC (Università Cattolica del Sacro Cuore) in Milan. Since 2002 she has worked as a Chartered Accountant and writer focusing on, *inter alia*, business valuations, impairment tests, the analysis of restructuring plans, corporate organisation and reorganisation (extraordinary operations), the analysis and verification of management control systems and internal auditing. She is Vice Chairwoman of the "Enrico Gustarelli Study Group on Business Tax - Bocconi University", director and member of the Lombardy section of Associazione Nazionale Direttori Amministrativi e Finanziari, ANTI (the National Association of Italian Tax Specialists), and Vice Chairwoman of the study group on tax legislation of *Associazione Nazionale Direttori Amministrativi e Finanziari, ANDAF* (the National Association of Administrative and Financial Managers).

As at the date of this Prospectus, as far as the Issuer is aware, none of the standing members of the Board of Statutory Auditors exceeds the cumulative limit on management and control appointments laid down by Article 148-*bis* TUF and the related implementing provisions contained in the Issuers' Regulation.

The following table sets out the companies or partnerships at which the members of the Board of Statutory Auditors have been members of the management, senior management or supervisory boards, or shareholders, during the last five years, including an indication of the status of their appointment as at the date of this Prospectus.

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
Stefano Poggi Longostrevi	AMRI Italy S.r.l.	Sole Statutory Auditor	*In office*
	Aquafil S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Cemital Privital Aureliana S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Coca-cola Italia S.r.l.	Statutory Auditor	*In office*
	Compagnia Fiduciaria Nazionale S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Corning Pharmaceutical Glass S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Dental Leader S.p.A.	Statutory Auditor	*In office*
	GIMA S.p.A.	Statutory Auditor	*In office*
	Helena Rubinstein Italia S.p.A.	Statutory Auditor	*In office*
	I.M.E. – Industrie Meccaniche Elettriche – S.p.A.	Statutory Auditor	*In office*
	Insight Technology Solution S.r.l.	Sole Statutory Auditor	*In office*
	Logistica 93 S.r.l.	Chairman of the Board of Statutory Auditors	*In office*
	L'Oreal Italia S.p.A.	Statutory Auditor	*In office*
	L'Oreal Saipo Industriale S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Shiseido Italy S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Sick S.p.A.	Statutory Auditor	*In office*
	A.T.M. S.p.A.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Cofermetal S.r.l.	Statutory Auditor	*No longer in office*
	Gerli Antonio e Giuseppe S.p.A.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Imemont S.r.l.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Imequadri Duestelle S.p.A.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Leader Price Italia S.p.A.	Statutory Auditor	*No longer in office*
	Privital S.p.A.	Statutory Auditor	*No longer in office*
	PSC Ferroviaria S.p.A.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Triboniano 103 S.r.l.	Chairman of the Board of Statutory Auditors	*No longer in office*
Paola Tagliavini	Brembo S.p.A.	Statutory Auditor	*In office*
	Eurizon Capital SA (Luxembourg)	Director	*In office*
	Eurizon Capital SGR S.p.A.	Director	*In office*
	Fideuram Investimenti SGR	Director	*In office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
	Interpump Group S.p.A.	Director	*In office*
	RAI Way S.p.A.	Director	*In office*
	Saipem S.p.A.	Director	*In office*
	Amissima Assicurazioni S.p.A.	Director	*No longer in office*
	Amissima Holding S.r.l.	Director	*No longer in office*
	Amissima Vita S.p.A.	Director	*No longer in office*
	BDO Italia S.p.A.	Alternate Statutory Auditor	*No longer in office*
	BE Shaping the Future S.p.A.	Director	*No longer in office*
	DelClima S.p.A.	Director	*No longer in office*
	Dollmar S.p.A.	Statutory Auditor	*No longer in office*
	Eurizon Capital Real Asset SGR S.p.A.	Director	*No longer in office*
	Mehit Holding S.r.l.	Director	*No longer in office*
	RCS MediaGroup S.p.A.	Statutory Auditor	*No longer in office*
	SAVE S.p.A.	Director	*No longer in office*
Roberto Cortellazzo Wiel	Aciem S.r.l.	Receiver in Bankruptcy	*In office*
	Alberta Pacific Forniture S.p.A.	Court-Appointed Administrator	*In office*
	Antenna Tre Nord Est S.p.A.	Receiver in Bankruptcy	*In office*
	Biasuzzi S.p.A.	Statutory Auditor	*In office*
	Calzavara Costruzioni S.r.l.	Receiver in Bankruptcy	*In office*
	Ceotto S.r.l. in liquidation	Receiver in Bankruptcy	*In office*
	Divitech S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	F.I.N.B.I. S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Fisher & Paykel Appliances Italy S.p.A.	Statutory Auditor	*In office*
	Metalba S.p.A. in liquidation	Court-Appointed Administrator	*In office*
	Mitsubishi Electric Hydronics & IT Cooling System S.p.A.	Alternate Statutory Auditor	*In office*
	Mondial Immobiliare S.r.l. in liquidation	Receiver in Bankruptcy	*In office*
	Quaser S.r.l.	Statutory Auditor – External Auditor	*In office*
	S.A.R. S.r.l.	Receiver in Bankruptcy	*In office*
	Tierra S.p.A.	Statutory Auditor	*In office*
	TRA – Treviso Arte Ricerca	Chairman of the Board of Directors	*In office*
	Treviso Service S.r.l. in liquidation	Receiver in Bankruptcy	*In office*
	Vidue S.p.A.	Chairman of the Board of Statutory Auditors	*In office*
	Asolo S.r.l.	Court-Appointed Administrator	*No longer in office*
	Autobavaria S.r.l. in liquidation	Liquidator	*No longer in office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
	Bellavista – Casa di Riposo S.a.s. di G. Auchana & C.	Receiver in Bankruptcy	*No longer in office*
	Biasuzzi Cave S.r.l.	Statutory Auditor	*No longer in office*
	Bieffe S.r.l.	Statutory Auditor	*No longer in office*
	Cartiere Villa Lagarina S.p.A.	External Auditor	*No longer in office*
	Centenary S.p.A.	Statutory Auditor	*No longer in office*
	Coin S.p.A.	Statutory Auditor	*No longer in office*
	Cortina Tre Croci S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Così S.p.A. in liquidation	Chairman of the Board of Statutory Auditors	*No longer in office*
	DL Radiators S.r.l.	Sole Statutory Auditor	*No longer in office*
	Excelsior Milano S.r.l. in liquidation	Statutory Auditor	*No longer in office*
	Excelsior Verona S.r.l. in liquidation	Chairman of the Board of Statutory Auditors	*No longer in office*
	Fafin S.r.l.	Alternate Statutory Auditor	*No longer in office*
	Galletti Aurelio S.r.l.	Chairman of the Board of Statutory Auditors	*No longer in office*
	GCF S.p.A. in liquidation	Chairman of the Board of Statutory Auditors	*No longer in office*
	Icon S.p.A.	Statutory Auditor	*No longer in office*
	Idrotermica SICAF di G. Canzian & C. S.n.c.	Receiver in Bankruptcy	*No longer in office*
	IMS Scardellato S.r.l.	Court-Appointed Administrator	*No longer in office*
	International Opportunity S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Ivone Dal Negro Holding S.p.A.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Magis S.p.A.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Mark Color S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Mehit Holding S.r.l.	Alternate Statutory Auditor	*No longer in office*
	NET Engineering International S.p.A.	Statutory Auditor	*No longer in office*
	OM Impianti in liquidation	Receiver in Bankruptcy	*No longer in office*
	Pagnossin S.p.A. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Panto Finestre S.r.l.	Court-Appointed Administrator	*No longer in office*
	Planet bag S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	RC Group S.p.A.	Alternate Statutory Auditor	*No longer in office*
	Sinergia S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Teodomiro Dal Negro – Fabbrica Carte da Gioco S.r.l.	Chairman of the Board of Statutory Auditors	*No longer in office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
	Tommasi Maria Sole Tradership	Receiver in Bankruptcy	*No longer in office*
	Unterberger Giuseppe & C. S.n.c.	Court-Appointed Administrator	*No longer in office*
	Vecoper Italiana S.r.l.	Receiver in Bankruptcy	*No longer in office*
	Velpiave S.r.l.	Receiver in Bankruptcy	*No longer in office*
	MA.LÙ di Giacomin Annamaria & C. S.a.s.	Limited Partner	*In office*
	Immobiliare Esperidi S.r.l.	Shareholder	*In office*
	Venice Lagoon Village S.r.l.	Shareholder	*In office*
	Società Agricola Nob. Wiel S.r.l.	Shareholder	*In office*
	Consorzio Maiscoltori Cerealicoltori del Piave Società Consortile a r.l.	Shareholder	*In office*
Emilio Vellandi	Divitech S.p.A.	Alternate Statutory Auditor	*In office*
	DVO S.p.A.	Chairman of the Board of Directors	*In office*
	Elfra S.r.l.	Chairman of the Board of Directors	*In office*
	Gest.A S.r.l.	Receiver in Bankruptcy	*In office*
	Immobiliare Marin S.n.c. di Marin Giuseppe & C.	Receiver in Bankruptcy	*In office*
	Immobiliare Nuova Ponte 2001 S.a.s.	Receiver in Bankruptcy	*In office*
	Marconati Vetri S.r.l. in liquidation	Receiver in Bankruptcy	*In office*
	Nardini S.p.A.	Standing Statutory Auditor	*In office*
	Net Engineering International S.p.A.	Director	*In office*
	Tierra S.p.A.	Alternate Statutory Auditor	*In office*
	Carpe Diem S.r.l.	Receiver in Bankruptcy	*No longer in office*
	Consorzio Reti Nordest S.c. a r.l.	Director	*No longer in office*
	Dinamo S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Edida S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Frezza S.p.A.	External Auditor	*No longer in office*
	Geoservizi S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*
	Ivone Dal Negro Holding S.p.A.	Alternate Statutory Auditor	*No longer in office*
	Ivone Dal Negro S.p.A.	Alternate Statutory Auditor	*No longer in office*
	Leonardo 2000 S.r.l.	Receiver in Bankruptcy	*No longer in office*
	Michielin Cars S.r.l.	Receiver in Bankruptcy	*No longer in office*
	Salco S.r.l.	Chairman of the Board of Statutory Auditors	*No longer in office*
	Teodomiro Dal Negro S.p.A.	Alternate Statutory Auditor	*No longer in office*
	Zermanesa S.r.l. in liquidation	Receiver in Bankruptcy	*No longer in office*

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
Emanuela Italia Fusa	Anixter Italia S.r.l.	Alternate Statutory Auditor	*In office*
	Assolombarda Servizi S.p.A.	Statutory Auditor	*In office*
	Ece Projektmanagement Italia S.r.l.	Alternate Statutory Auditor	*In office*
	Fergos S.r.l.	Alternate Statutory Auditor	*In office*
	Guillin Italia S.p.A.	Alternate Statutory Auditor	*In office*
	Interseroh tsr Italia S.r.l.	Chairwoman of the Board of Statutory Auditors	*In office*
	Mediamarket S.p.A.	Alternate Statutory Auditor	*In office*
	Megalò Shopping Centre S.r.l.	Alternate Statutory Auditor	*In office*
	MSC Property S.r.l.	Alternate Statutory Auditor	*In office*
	Nespak S.p.A. Società Generale per l'Imballaggio	Alternate Statutory Auditor	*In office*
	Santa Vittoria S.p.A.	Alternate Statutory Auditor	*In office*
	Zodiac Italia S.r.l.	Alternate Statutory Auditor	*In office*
	Consorzio Remedia	Chairwoman of the Board of Statutory Auditors	*No longer in office*
	Guillin Italia S.p.A.	Alternate Auditor	*No longer in office*
	Remedia Tecnologie e Servizi per il Riciclo S.r.l.	Chairwoman of the Board of Statutory Auditors	*No longer in office*
	Zodiac Pool Systems Italia S.r.l.	Alternate Statutory Auditor	*No longer in office*

As far as the Issuer is aware, none of the members of the Board of Statutory Auditors currently in office has been receivership or involuntary liquidation procedures in relation to his or her appointments.

In addition, as far as the Issuer is aware, none of the members of the Board of Statutory Auditors currently in office has been officially charged and/or has been subject to any sanctions by public or regulatory authorities (including designated professional associations) in relation to their appointments, or has been disqualified from acting as a member of the Board of Directors, senior management or the Supervisory Board of the Issuer or from serving in a board or managerial capacity for issuers over the last 5 years.

Finally, none of the members of the Board of Statutory Auditors has a family relationship with any other members of the Board of Statutory Auditors , the Board of Directors or any senior managers of the Issuer.

Senior managers

The following table sets out information concerning the directors comprising the senior management of the Issuer as at convicted during the last 5 years of any fraud or bankruptcy offences, and has not been involved in any bankruptcy, the date of this Prospectus.

First name and surname	Function	Place and date of birth
Stefano Beraldo	General Manager	Venice, 23 March 1957
Massimo Iacobelli	Authorised representative /General Manager for UPIM brand	Naples, 27 August 1960
Nicola Perin	Chief Financial Officer	Padua, 19 January 1966
Ismail Seyis	Authorised representative /General Manager for OVS brand	London, 14 April 1972

The senior managers have service addresses for the purposes of appointment at the registered office of OVS at Via Terraglio 17, Venice – Mestre (VE).

A summary *curriculum vitae* is provided below for each senior manager, except the General Manager whose *curriculum vitae* has been provided under paragraph "*Board of Directors*" above, establishing the member's competence and experience.

Massimo Iacobelli – Born in Naples on 27 August 1960. He joined the Coin Group in 1982, where he remained initially until 1998, working first as the manager of an OVS shop, later as OVS area manager and finally as Head of Sales for Bimbus (an OVS brand). From 1998 until 2002 he worked as Chicco Head of Retail at the Artsana Group. In 2002 he returned to the Coin Group as OVS Head of Sales and, in 2011, took on responsibility for Children's Commercial Management with a view to developing the OVS Kids and Blukids network of shops and their subsequent incorporation into the Iana network. Since 2012 he has been General Manager of UPIM and of the related brands Blukids and Croff.

Nicola Perin – Born in Padua on 19 January 1966. He completed a degree in Economics and Business Studies at the University of Bologna in 1991. He was enrolled in the Register of Chartered Accountants from 1992 until 1998. Since 1999 he has been enrolled in the Register of Auditors. From December 1992 until February 1996 he worked as senior auditor at Ernst&Young, focusing on the certification of statutory and voluntary financial statements, M&A projects and listing processes. From March 1996 until November 1998 he worked as an assistant controller at De' Longhi S.p.A., with responsibility for drafting management reports, preparing and analysing the budget and preliminary period-end figures, analysing discrepancies and analysing internal control procedures of the company and six other companies from the group based in Italy and abroad. He has held the position of Chief Financial Officer since December 1998 at Gruppo Coin S.p.A. and since 2014 at OVS, with responsibility for all functions relating to administration, finance, treasury, planning and central control, as well as coordinating management control for the two operating divisions (OVS and UPIM).

Ismail Seyis – Born in London on 14 April 1972. He holds a degree in Economics from Thames Valley University. He has accumulated vast experience in the field of international retail through brand and franchising management (in both the retail and the wholesale sectors), and has direct experience in various countries and on international markets. From 2000 until 2007 he was Chief Executive Officer at SMYK Sp.z.o., a Polish company which is the principal retain sales chain specialising in children up to age 14. From 2007 until 2008 he worked as Managing Director at Alshaya, a Polish company which manages more than 65 retail brands with more than 3,000 franchise shops. From 2008 until 2013 he was Managing Director of the Fashion Division of the EM&F Group with responsibility, *inter alia*, for overall strategy and the performance of more than 350 company-owned stores under direct management. From 2013 until 2016 he served as Vice Chairman and General Manager of the Franchising Department at GAP, with responsibility for GAP brand performance and strategy in relation to franchising on 46 international markets and around 400 stores. Since 2016, he has held the position of General Manager for the OVS brand with responsibility, *inter alia*, for the development of short-term and long-term strategies for OVS on various retail platforms as well as the product range strategy and the development of the in-store experience.

The following table sets out the capital companies or partnerships at which senior managers (with the exception of the General Manager, concerning whom please refer to paragraph "*Board of Directors*" above) have been members of the management, senior management or supervisory boards, or shareholders, during the last five years, including an indication of the status of their appointment as at the date of this Prospectus.

First name and surname	Company in which office/equity interest is held	Position / equity interest held	Status of appointment /equity interest on the date of this Prospectus
Massimo Iacobelli	ICON S.r.l.	Shareholder	*In office*
	OVS S.p.A.	Shareholder (*)	*In office*
Nicola Perin	ICON S.r.l.	Director	*In office*
	ICON S.r.l.	Shareholder	*In office*
	OVS S.p.A.	Shareholder (**)	*In office*
Ismail Seyis	OVS S.p.A.	Shareholder (***)	*In office*

(*) As at the date of this Prospectus, Massimo Iacobelli is the owner of 236,441 shares, comprising 0.081% of the Issuer's share capital.

(**) As at the date of this Prospectus, Nicola Perin is the owner of 252,805 shares, comprising 0.087% of the Issuer's share capital.

(***) As at the date of this Prospectus, Ismail Seyis is the owner of 89,773 shares, comprising 0.031% of the Issuer's share capital.

As far as the Issuer is aware, none of the senior managers has been convicted during the last 5 years of any fraud or bankruptcy offences, and has not been involved in any bankruptcy, receivership or involuntary liquidation procedures in relation to his or her appointments.

In addition, as far as the Issuer is aware, none of the senior managers currently in office has been officially charged and/or has been subject to any sanctions by public or regulatory authorities (including designated professional associations) in relation to their appointments, or has been disqualified from acting as a member of the Board of Directors, senior management or the Supervisory Board of the Issuer or from serving in a board or managerial capacity for issuers over the last 5 years.

Finally, none of the senior managers has a family relationship with any other senior managers with any members of the Board of Directors or with any members of the Board of Statutory Auditors of the Issuer.

Conflicts of interest affecting members of the administrative, management and supervisory bodies and senior management

Conflicts of interest affecting members of the Board of Directors

As at the date of this Prospectus, some members of the Board of Directors have private interests that are in conflict with their obligations relating to the appointment or position held within the Issuer on the grounds that they directly or indirectly hold shares in the Company and/or hold any appointment in the management bodies of companies within the Issuer's chain of control.

In particular, the director and Vice Chairman Giovanni Tamburi and the director Alessandra Gritti perform respectively the role of Chairman of the Board of Directors and CEO and the role of Vice Chairwoman of the Board of Directors and CEO of TIP – Tamburi Investment Partners S.p.A., which holds an equity interest in the Issuer's capital of 23.912%.

In addition, as at the date of this Prospectus, the CEO and General Manager Stefano Beraldo is the owner of 3,075,000 shares, comprising 1.06% of the Issuer's share capital, which are held indirectly through the company String S.r.l. (in which he holds a majority stake). It is also reported that Stefano Beraldo has been vested with option rights (indirectly, through the company String S.r.l., in which he holds a majority stake) under the terms of a call option agreement concluded with TIP – Tamburi Investment Partners S.p.A. concerning some of the shares in OVS held by TIP – Tamburi Investment Partners S.p.A. For further information please refer to paragraph "*Board of Directors*".

It is also reported that, as at the date of this Prospectus, the director Massimiliano Magrini is the owner of 38,476 shares, comprising 0.013% of the Issuer's share capital.

For information concerning the services provided to the Company during financial year 2020 and as at the date of this Prospectus by the professional association in which the director Vittoria Giustiniani is a partner, please refer to paragraph "*Transactions with related parties*".

Conflicts of interest affecting members of the Board of Statutory Auditors

As far as the Issuer is aware, as at the date of this Prospectus no members of the Board of Statutory Auditors are subject to any actual or potential conflicts between their obligations towards the Issuer and their private interests and/or their obligations towards third parties.

Conflicts of interest affecting senior managers

As far as the Issuer is aware, as at the date of this Prospectus no senior managers are subject to any actual or potential conflicts between their obligations towards the Issuer and their private interests and/or their obligations towards third parties.

Subject to the comments made in relation to Stefano Beraldo above in this paragraph (to which reference is made), it is noted that as at the date of this Prospectus:

(i) Massimo Iacobelli is the owner of 236,441 shares, comprising 0.081% of the Issuer's share capital;

(ii) Nicola Perin is the owner of 252,805 shares, comprising 0.087% of the Issuer's share capital; and

(iii) Ismail Seyis is the owner of 89,773shares, comprising 0.031% of the Issuer's share capital.

It is also reported that Massimo Iacobelli, Nicola Perin and Ismail Seyis have been vested with rights of option under the terms of call option agreements concluded with TIP – Tamburi Investment Partners S.p.A. concerning some of the shares in OVS held by TIP – Tamburi Investment Partners S.p.A.

Agreements or arrangements with the principal shareholders, clients, suppliers or other parties according to which members of the governing bodies, management bodies, supervisory bodies and senior managers have been appointed

As at the date of this Prospectus, the Issuer is not aware of any agreements or arrangements with the principal shareholders, clients, suppliers or other parties according to which members of the Board of Directors or the Board of Statutory Auditors or senior managers have been appointed.

Restrictions agreed upon by the members of the governing bodies, management bodies, supervisory bodies and senior managers concerning the sale of stocks of the Issuer held by them

As at the date of this Prospectus, the Issuer is not aware of any restrictions agreed with the members of the Board of Directors or the Board of Statutory Auditors or senior managers concerning the sale of any shares held by them in portfolio, except as provided for under stock option plans.

In particular, the Company has adopted the following three stock option plans, the beneficiaries of which also include the CEO and senior managers, and which provide for lock-up obligations:

- 2015-2020 Stock Option Plan, approved by the shareholders at the Shareholders' Meeting held on 26 May 2015 ("**2015-2020 Stock Option Plan**");
- 2017-2022 Stock Option Plan, approved by the shareholders at the Shareholders' Meeting held on 31 May 2017 ("**2017-2022 Stock Option Plan**");
- 2019-2022 Stock Option Plan, approved by the shareholders at the Shareholders' Meeting held on 31 May 2019 ("**2019-2022 Stock Option Plan**").

The 2015-2020 Stock Option Plan and the 2017-2022 Stock Option Plan provide for a lock-up period for the CEO and for senior managers of 12 months from the date of exercise of the options in respect of 20% of the shares resulting from the exercise of said options, after accounting for shares transferable for payment *(a)* of the issue price for the options, and *(b)* of tax, social security and social welfare charges, where due, in relation to the exercise of those options. In addition, in accordance with the recommendations contained in the Self-Regulation Code, it is required that following expiry of the lock-up period mentioned above, the CEO must hold at least 20% of the shares to which the lock-up requirement applied until the end of his or her term in office.

The 2019-2022 Stock Option Plan provides for a lock-up period for the CEO and for senior managers of 12 months from the date of exercise of the options in respect of 30% of the shares resulting from the exercise of those options, after accounting for shares transferable for payment *(a)* of the issue price for the options, and *(b)* of tax, social security and social welfare charges, where due, in relation to the exercise of those options. In addition, in accordance with the recommendations contained in the Self-Regulation Code, it is required that following expiry of the lock-up period mentioned above, the CEO must hold at least 30% of the shares to which the lock-up requirement applied until the end of his or her term in office.

It is noted that, as at the date of this Prospectus, the above plans have not been implemented at all, and therefore no shares have been issued in relation thereto.

Related party transaction

Introduction

With reference to related party transactions – as defined by the international accounting standard on related party disclosures, adopted in accordance with the procedure set out in Article 6 of Regulation (EC) No. 1606/2002 (International Accounting Standard No. 24) – entered into by the Issuer from 31 July 2021 (the date of the latest approved financial statements) until the date of this Prospectus, the following is noted.

In accordance with the applicable legal and regulatory provisions, the Board of Directors of the Issuer approved a "Related Party Transactions Procedure" by resolution dated 23 July 2014, effective as from 2 March 2015, and subsequently approved new updated versions thereof by resolutions dated 19 September 2018 and 17 June 2021, effective as from 19 September 2018 and 17 June 2021, respectively (the "**RPT Procedure**").

The RPT Procedure was adopted by the Company in implementation of Article 2391-bis of the Italian Civil Code and of the Rules for Related Party Transactions adopted by CONSOB through Resolution No. 17221 of 12 March 2010, as amended and supplemented, also taking into account the instructions and clarifications provided by CONSOB in Communication No. DEM/10078683 of 24 September 2010.

The RPT Procedure is designed to ensure the transparency and substantive and procedural propriety of transactions with related parties carried out by the Issuer directly or through its subsidiaries, in the context of which unjustified transfers of wealth to such related parties or the pursuit of interests other than and/or conflicting with those of the Company might occur.

The RPT Procedure requires the establishment of a committee for transactions with related parties (the "Related Parties Committee"), called upon to exercise the following functions:

- express its prior opinion on the RPT Procedure and on any amendments and/or revisions thereto;
- express a reasoned and non-binding prior opinion on the interest of the Company in carrying out small transactions as well as on the suitability and substantive propriety of the conditions attached thereto;
- participate in the negotiation phase and in the preliminary activities carried out prior to the completion of large transactions and express a reasoned and binding prior opinion on the interest of the Company in the transaction and on the substantive and procedural propriety of the transaction;
- verify at least once a year the proper application of the conditions for exemption of large transactions that are part of ordinary operations;
- assess in advance the independence of any independent experts appointed by the Related Parties Committee or relied upon by the Company to assist in certain related party transactions;
- receive certain *ex post* information flows.

The RPT Procedure containing the above-mentioned provisions on transactions with related parties is available on the Company's website, www.ovscorporate.it, in the "*Governance / Procedures and Regulations*" section.

The OVS Group mainly carries out commercial activities with related parties that involve the sale of goods, as well as IT, the supply chain and the subletting of commercial space.

The nature and extent of transactions with related parties are set out in the half year financial report at 31 July 2021, which is available on the website of the Issuer, www.ovscorporate.it, in the "*Investor Relations / Annual Reports*" section.

The transactions by OVS with related parties, including transactions within the Group, during the fiscal year 2020, the six months ended 31 July 2021 and up to the date of this Prospectus cannot be qualified as either atypical or unusual, as they fall within the normal course of business of the Group's companies. These transactions are carried out at arm's length, taking into account the nature of the goods and services provided and in continuity with the past.

Subsequent to the half-year financial statements at 31 July 2021 and up to the date of this Prospectus, there are no related party transactions other than those described in the half-year financial report at 31 July 2021.

During the fiscal year 2020, the six months ended 31 July 2021 and up to the date of this Prospectus, no large transactions with related parties took place

It should be noted that on 1 August 2019, the Company was sanctioned by Consob (Resolution No. 21026) for the violation of *(i)* the combined provisions of Article 114, Section 5 of the Consolidated Financial Act and Article 5 of the Related Parties Regulation with regard to the failure to publish the information document relating to the Cooperation Agreement entered into on 18 April 2017; *(ii)* Article 114, Section 1 of the Consolidated Financial Act regarding late compliance with the disclosure obligations regarding public disclosure of inside information concerning the signing of the Consignment Agreement entered into on 13 April 2018. It should be noted that the actions described under *(i)* and *(ii)* relate to dealings with a company that ceased operations approximately 3 years ago and with which the Issuer therefore no longer has any relationship.

Related party transactions at 31 January 2021 and for the six months ended 31 July 2021

The following table summarises the OVS Group's payables and receivables involving related parties – as defined in IAS 24 – at 31 July 2021, 31 January 2021 and 2020:

(thousands of euro)	Related Parties					
	Coin S.p.A.	Centomila-candele S.c.p.a. in liquidation	Key personnel (*)	Total	Total balance sheet item	Effect on the balance sheet item
Trade receivables						
At 31 July 2021	-	-	-	-	95,480	3.5%
At 31 January 2021	1,617	—	—	1,617	102,061	1.6%
At 31 January 2020	1,836	—	—	1,836	85,981	2.1%
Financial assets through leasing – current						
At 31 July 2021	-	-	-	-	2,866	0.1%
At 31 January 2021	1,319	—	—	1,319	3,408	38.7%
At 31 January 2020	1,246	—	—	1,246	4,191	29.7%
Financial assets through leasing – non-current						
At 31 July 2021	-	-	-	-	5,301	0.2%
At 31 January 2021	1,303	—	—	1,303	6,086	21.4%
At 31 January 2020	2,620	—	—	2,620	10,623	24.7%
Trade payables						
At 31 July 2021	-	2	-	2	266,867	9.9%
At 31 January 2021	—	2	—	2	(263,996)	0.0%
At 31 January 2020	(99)	74	—	(25)	(321,146)	0.0%
Other current payables						
At 31 July 2021	-	-	(1,153)	(1,153)	129,569	4.8%
At 31 January 2021	—	—	(1,843)	(1,843)	(111,304)	1.7%
At 31 January 2020	—	—	(1,737)	(1,737)	(128,215)	1.4%

*Includes the Chief Executive Officer and Senior Management.

It should be noted that, as a result of the changes to the Consob Regulation for consistency with the provision of IAS 24 - "Related Party Transactions", effective from June 2021, Coin SpA no longer qualifies as a related party. As a consequence, profit and loss transactions are reported up to that date while balance sheet transactions as of July 31, 2021 are not reported.Centomilacandele S.C.p.A., in liquidation, is a not-for-profit consortium that provided electricity and methane gas to consortium members on the best possible terms and conditions. It was placed in liquidation in August 2020. The transactions incurred in the previous fiscal year referred to services for the purchase of electricity, which the OVS Group stopped using as of the end of the previous year.

During FY 2020, funding in the amount of €83,000 was also provided to a related company in the form of a shareholders' loan, to ensure the smooth progress of the liquidation process.

The following table summarises the economic relations of the OVS Group with related parties for the six months ended 31 July 2021 and for the year ended 31 January 2021:

(thousands of euro)	Related Parties					
	Coin S.p.A.	Centomila-candele S.c.p.a. in liquidation	Key personnel (*)	Total	Total balance sheet item	Effect on the balance sheet item
Six months ended 31 July 2021			-			
Revenues	395	-	-	395	**599,242**	**0.1%**
Other operating income and revenues	728	-	-	728	**31,389**	**2.3%**
Purchases of raw materials, consumables and goods	-	-	-	-	**(248,124)**	**0.0%**
Personnel costs	-	-	(2,335)	(2,335)	**(126,903)**	**1.8%**
Costs for services	(32)	128	-	96	**(86,134)**	**(0.1)%**

(thousands of euro)	Related Parties					
	Coin S.p.A.	Centomila-candele S.c.p.a. in liquidation	Key personnel (*)	Total	Total balance sheet item	Effect on the balance sheet item
Costs for the enjoyment of third-party assets	97	-	-	**97**	**4,408**	**2.2%**
Write-downs and allocations to provisions	-	28	-	28	**(1,472)**	**(1.9)%**
Other operating expenses	-	-	-	-	**(11,654)**	**0.0%**
Financial income	66	-	-	66	**215**	**30.7%**
Financial charges	-	-	-	-	**(34,143)**	**0.0%**
Year ended 31 January 2021						
Revenues	722	—	—	722	**1,017,808**	**0.1%**
Other operating income and revenues	1,533	—	—	1,553	**51,844**	**3.0%**
Purchases of raw materials, consumables and goods	—	—	—	—	**(454,393)**	**0.0%**
Personnel costs	—	—	(5,352)	(5,352)	**(228,907)**	**2.3%**
Costs for services	(81)	(77)	—	(158)	**(159,762)**	**0.1%**
Costs for the enjoyment of third-party assets	331	—	—	331	**3,369**	**9.8%**
Write-downs and allocations to provisions	—	(83)	—	(83)	**(2,882)**	**2.9%**
Other operating expenses	—	—	—	—	**(22,005)**	**0.0%**
Financial income	186	1	—	187	**672**	**27.8%**
Financial charges	—	—	—	—	**69,469**	**0.0%**
Income (expenses) from equity investments	—	(136)	—	(136)	**(136)**	**100.0%**

*Includes the Chief Executive Officer and Senior Management.

The main related party transactions for the six months ended 31 July 2021 relate to:

- commissions on merchandise purchase brokerage carried out by the subsidiary OVS Hong Kong Sourcing Limited to Coin S.p.A., included in the item "Revenues";
- provision of services and chargebacks to Coin S.p.A. costs for central IT, logistics and leasing services incurred by the OVS Group, included in the item “Other operating income and revenues”;
- interest accrued on active sub-leasing contracts with Coin S.p.A. accounted for according to the postulates of accounting standard IFRS 16 in the same way as active finance leases, included in the item “Financial income”.

Remuneration of the members of the Board of Directors totalled €1,002,000 in the financial year ended 31 January 2021. Remuneration paid to the members of the Board of Statutory Auditors amounted to €162,000 in the financial year ended 31 January 2021.

The total remuneration due to directors and key management personnel amounted to €5,352,000 in the financial year ended 31 January 2021. For more information in this regard, see the report on remuneration policy and compensation paid for the financial year ending 31 January 2021, available to the public on the Issuer’s website at the address www.ovscorporate.it in the “*Governance / Shareholders’ Meeting 2021*” section, and the information provided in the annual financial report.

It should be noted that, in view of the emergency caused by the spread of COVID-19, the directors and senior management have decided to reduce their remuneration and the Company has committed to donating an amount equal to the amount of the reduction in remuneration to support the employee needs relating to this emergency. In addition,

the Chief Executive Officer and Senior Executives declared their intention to reduce by 20% the amount that may be paid to them if they achieve the targets under the 2020 short-term monetary incentive plan ("**MBO 2020**").

It should be noted that in fiscal year 2020 the Company used a professional firm, of which the director Vittoria Giustiniani is a partner, for corporate advisory services and for assistance in the process related to the implementation of the Capital Increase (which was fully subscribed on 30 July 2021), and the fees paid were below the transaction threshold.

2021-2023 Business Plan

On 11 February 2021, the Issuer's Board of Directors approved the 2021-2023 Business Plan on which the Group's profitability projections for the aforementioned period are based. These forecasts – developed without considering the proceeds of the Capital Increase (which was fully subscribed on 30 July 2021) or the effects of possible growth through acquisitions – specifically highlight the Group's need to strengthen its revenues network by opening new stores, directly operated and franchised, to counteract the deterioration in its profitability (expressed by the profitability indicator represented by the "gross margin figure – namely, revenuesless cost of revenues – as a percentage of revenues"). Based on the Plan, this profitability indicator, which was 55.1% in FY2019 and 55.4% in FY2020, is assumed to increase in FY2021 from that recorded in 2020 and to decrease slightly in FY2022 and FY2023 from that forecast for FY2021, reaching a higher level in 2023 than in FY2019, i.e. 55.1%).

The Plan's assumptions include: (i) expectation of a gradual return to normal store operations (which has already begun as of the end of the quarter ended 30 April 2021) and without any restrictions due to the COVID-19 health emergency over the Plan period; (ii) revenue growth over the Plan period at a 2021-2023 CAGR of 6.9%, based on opening 521 new franchised stores net of closures and the opening of 126 new directly operated stores, as well as the closure of 38 directly operated stores. For FY2021, revenue is assumed to grow at a rate of 29.6%, compared to estimated growth of the apparel market of 22%. The forecast growth in revenues over the Plan period is almost entirely attributable to the aforementioned opening of new franchised and directly operated stores, net of closures; (iii) the expectation that the Group's liquidity and cash flows generated by operations from time to time will be sufficient to finance the opening of the new stores and the additional investments envisaged in the Plan, for a total of €178 million in the three-year period 2021-2023.

The 2021-2023 Business Plan also assumes that the trend in the Group's net financial debt and EBITDA over the Plan period will enable it to satisfy the conditions allowing it to suspend compliance with the financial covenants during and at the end of that suspension period. With specific reference to FY2021, the Plan projects that the pre-tax Result for the year will be positive (in FY2020 this figure was negative €78.7 million) on the assumption that: (i) revenues will increase as a result of opening 51 new directly operated stores, closing 18 directly operated stores, and opening, net of closures, 182 small-format franchised stores in Italy and abroad; (ii) costs connected with opening new stores and headquarters, logistics and marketing costs increase less than proportionately to revenues; (iii) there are no write-downs of intangible assets. It should be noted that even if the aforementioned strengthening of the revenues network is achieved, the 2021 pre-tax result (expected to be positive) is expected to be lower than the 2019 pre-tax result determined excluding the write-down of intangible non-current assets, which was positive by €27 million.

As set out in the Plan, strengthening the Group's sales network, to be implemented by opening new stores, is crucial to preserve the Group's profitability. The Issuer expects that the projected growth in revenues over the Plan period in existing stores and the cost efficiency measures to be implemented over the same period will generate adequate cash flows (given the liquidity already available) that are consistent over time with cash outflows to carry out the investments (including strengthening the sales network) envisaged in the three-year period 2021-2023. Furthermore, the Plan assumes that no impairment of intangible assets will be recognised in the 2021-2023 financial years.

On September 22, 2021, in the context of the announcement of the Group's results for the six months ended on 31 July 2021, the Board of Directors confirmed the Plan, on the basis of the Group's operating/income performance in the last semester and in the period from 1 August 2021 to September 22, 2021. While approving the Group's results for the six months ended on 31 July 2021, in light of the Group's performance during the course of the second quarter of 2021 and the current trading, the Group updated the FY21 guidance for the Group. In particular, as of the date of this Prospectus, the Issuer expects FY2021 (which ends on January 31, 2022) (i) net sales to be between €1.300 million and €1.320 million, (ii) a positive adjusted EBITDA (which does not include the impact deriving from the adoption of IFRS 16 accounting standard, and which does not consider non-recurring elements) between €120 million and €135

million, (iii) a positive cash generation (without taking into account the proceeds from the Capital Increase which was fully subscribed on July 31, 2021) between €65 million and €80 million, thanks to which the adjusted net financial position as at January 31, 2022 (which does not include the impact deriving from the IFRS16 accounting standard, and the impact of the mark to market due to hedging derivatives) would be between €255 million and €240 million and (iv) a leverage ratio between 2.1:1 and 1.8:1.

Such revised estimates do not take into consideration any further government restrictions due to COVID-19, and no further M&A transactions before January 31, 2022.

The profitability projections and estimates above have been compiled and prepared on a basis which is both: (a) comparable with the historical financial information of the Issuer; and (b) consistent with the Issuer's accounting policies.

Capital Increase

On 15 December 2020, the Shareholders' Meeting of OVS approved a paid-up increase in the Issuer's share capital, to be executed in tranches, in the maximum total amount of €80 million, including any share premium, by issuing OVS common shares with the same characteristics as the shares outstanding on the issue date, without par value and normal dividend rights, offered as an option to those entitled thereto under Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code (the "**Capital Increase**").

On 5 July 2021, the Board of Directors of OVS resolved on the final terms and conditions of the Capital Increase approved in its general terms by the Shareholders' Meeting of OVS on 15 December 2020 and, in particular, to increase the share capital for a maximum total amount of EUR 79,904,337.50, by issuing a maximum of 63,923,470 new shares, without any indication of their nominal value, with the same characteristics as the OVS shares already in circulation and regular dividend entitlement, to be offered as an option to the Issuer's shareholders at a ratio of 13 new shares for every 46 shares held, at the offer price of EUR 1.25 for each new share.

The option rights valid for the subscription of the new shares (the "**Option Rights**") were offered by the Issuer from 12 July 2021 to 26 July 2021, first and last day included (the "**Option Period**").

During the Option Period, 96.55% of the total number of new shares were subscribed.

The Option Rights not exercised by the end of the Option Period were offered on the MTA within the month following the end of the Option Period, for at least two trading days, unless prevously fully sold, pursuant to Article 2441, paragraph 3, of the Italian Civil Code.

On 28 July 2021 the Issuer announced that all remaining Option Rights not exercised during the Option Period (the "**Unexercised Rights**"), corresponding to approximately 3.45% of the total number of new shares resulting from the Capital Increase, were sold during the first trading session held on 28 July 2021. The exercise of the Unexercised Rights were acquired in the context of the auction on MTA and the subscription of the related new shares was made, within the following 30 July 2021.

Therefore, the Capital Increase was fully subscribed on 30 July 2021 through the subscription and payment of 63,923,470 new ordinary shares, for a total amount equal to Euro 79,904,337.50, of which Euro 63,923,470.00 to be allocated as share capital. Accordingly, the share capital of OVS is equal to Euro 290,923,470.00 and is divided into no. 290,923,470 shares without nominal value.

As of the date of this Prospectus, the Issuer has not issued shares granting special rights of control. The Issuer's Articles of Association do not provide for multiple or increased voting shares or special classes of shares.

The following table shows the current composition of the Issuer's share capital, along with its previous composition:

	Current OVS share capital	**Previous OVS share capital**

	Euro	No. of shares	Unit nominal value	Euro	No. of shares	Unit nominal value
Total of wich:	290,923,470.00	290,923,470	No nominal value	227,000,000.00	227,000,000	No nominal value
Common shares:	290,923,470.00	290,923,470	No nominal value	227,000,000.00	227,000,000	No nominal value

The Issuer intends to use the proceeds from the Capital Increase to finance the acquisition of small- and medium-sized companies operating mainly in the Italian market in the Group's or related business areas and/or related sectors, with a market positioning and sales network consistent with those of the Issuer, or to finance the acquisition of specific assets.

Dividends

Dividend policy

The distribution of dividends by the Issuer is governed by Article 26 of the Issuer's Articles of Association, which provides that "*net profits shall be distributed as follows: (a) legally required provisions shall be deducted, up to the legal limit; (b) the remainder, unless the shareholders, at the proposal of the Board, approve special withdrawals for extraordinary reserves or for another use, or decide to carry all or part of it forward to subsequent financial years, shall be distributed to all shares. The Board of Directors may distribute interim dividends to the shareholders during the financial year*". Article 27 of the Articles of Association of the Issuer also provides that "*dividends not collected within five years of the day they become payable shall be forfeited to the Company and shall be directly allocated to reserves*".

As of the date of this Prospectus, the Issuer has not adopted a dividend distribution policy.

The Financing Agreement and the SACE Financing Agreement impose certain restrictions on the distribution of dividends. Specifically, the Issuer (and the other companies in the OVS Group) is prohibited from paying dividends or, in general, making distributions, including from available reserves, paying any fee (including management and advisory fees), or redeeming, repurchasing or repaying any part of its share capital, except as provided below.

Under the Financing Agreement, the above limitations do not apply to: *(i)* dividend payments by a company in the OVS Group (other than the Issuer) to its direct parent company and/or the Issuer; and *(ii)* dividend payments by the Issuer during a financial year: *(a)* which are fully financed through the use of the Issuer's available cash surplus and only after the related loan prepayment obligation contractually required for that financial year is satisfied; *(b)* provided that the leverage ratio on the date of the payment is less than 2.25:1 (including the proposed distribution on a pro forma basis); and *(c)* provided that no default exists on the date of the payment and such payment will not result in a default.

Under the Financing Agreement, subject to the foregoing, for distributions to be made by the Issuer during the financial year ending 31 January 2021, with respect to the preceding financial year (ending 31 January 2020), such distributions may not, in the aggregate, exceed the lesser of *(i)* €10 million, or *(ii)* 3% of the dividend yield (i.e., the ratio of the dividend paid per share to the share's market price).

Under the SACE Financing Agreement, the above limitations do not apply to: *(i)* dividend payments by a company in the OVS Group (other than the Issuer) to its direct parent company and/or the Issuer; and *(ii)* repayments of shareholder loans made by a subsidiary of the Issuer; and *(iii)* dividend payments made by the Issuer: *(a)* which are fully financed through the use of the Issuer's available cash surplus; *(b)* provided that the leverage ratio on the date of the payment is less than 2.25:1 (including the proposed distribution on a pro forma basis); and *(c)* provided that no default exists on the date of the payment and such payment will not result in a default.

Under the SACE Financing Agreement, subject to the foregoing, for the financial year ended 31 January 2021 only, the Issuer (and all subsidiaries or companies subject to management and co-ordination based in Italy) are also prohibited from making such payments. Lastly, it provides that, during the financial year ending 31 January 2021, the Issuer may not repay and/or authorise the repayment of any shareholder loans received (and must ensure that its Italian-based subsidiaries also comply with this prohibition).

For further information on the Financing Agreement and the SACE Financing Agreement, see "*Material Contracts – Financing Agreements – Financing Agreement – SACE Financing Agreement*".

On 8 May 2020 and on 15 April 2021, the Board of Directors of the Issuer decided not to make dividend distributions to shareholders, either in the form of distributions of profits or distributions of reserves, for FY2020 (from profits earned in FY2019) and FY2021 (from profits earned in FY2020).

Amount of the dividend per share for the most recent financial year

As proposed by the Board of Directors, the shareholders at a Shareholders' Meeting on 28 May 2021 resolved to allocate OVS' profit for the financial year ending 31 January 2021 of €35,901,908.00 as follows: €1,795,095.00 to the legal reserve and €34,106,813.00 to retained earnings, and authorised the Board of Directors to make the appropriate accounting recognition or disclosure related to the tax realignment of the book value of the brands pursuant to Article 110, paragraph 8 of Italian Law Decree No. 104/2020. Therefore, no dividends were distributed for the most recently ended financial year.

Material Contracts

Material contracts, other contracts entered into in the ordinary course of business, to which the Issuer or any member of the Group is a party

A brief summary is provided below of material contracts other than contracts entered into in the ordinary course of business to which the Issuer or any company of the Group is a party.

Financing agreements

As at the date of this Prospectus, the OVS Group benefits from banking credit and financing facilities totalling approximately €548 million, provided mainly pursuant to the following contracts:

(i) a financing agreement concluded on 23 January 2015, subsequently amended on 19 September 2019, which was subject to a waiver on 24 June 2020 and 30 March 2021, up to an overall principal limit of €450 million; and

(ii) a financing agreement concluded on 24 June 2020, which was subject to a waiver on 30 March 2021, up to an overall principal limit of €100 million.

As at the date of this Prospectus, there have been no violations of the clauses in these financing agreements (including covenants) limiting the use of funds, including in light of the amendments made and the waivers granted.

A brief description of the principal terms and conditions of said financing agreements is provided below.

Financing Agreement

On 23 January 2015 the Issuer entered into a financing agreement governed by English law with a pool of banks in the original maximum principal amount of €475 million, subsequently amended for the first time on 19 September 2019 by the conclusion of an amendment agreement (the "**Amendment and Restatement Agreement**"), which provided, *inter alia*, for repayment of €25 million in principal amount, resulting in a reduction in the overall principal amount from €475 million to €450 million, and later on 24 June 2020 and on 30 March 2021 by the grant of a waiver (respectively, the "**2020 Waiver**" and the "**2021 Waiver**", and jointly the "**Waivers**") (based on the version in effect on the date of this Prospectus, hereinafter, the "**Financing Agreement**").

As at the date of this Prospectus, pursuant to the Financing Agreement, Banca IMI S.p.A. (now Intesa Sanpaolo S.p.A.) has the role of financing bank and agent bank (the "**Agent Bank**") and UniCredit S.p.A., Natixis S.A., Milan Branch, HSBC

France, Milan Branch, Crèdit Agricole Corporate and Investment Bank, Milan Branch, Credit Agricole Fiuladria S.p.A., BNP Paribas, Italian Branch, Banca Monte dei Paschi di Siena S.p.A., MPS Capital Services – Banca per le Imprese S.p.A., Intesa San Paolo S.p.A., Banco BPM S.p.A., Banca Popolare di Sondrio S.C.p.A., Banca Popolare dell'Alto Adige S.p.A., Commerzbank Aktiengesellschaft, Luxembourg Branch and Banco di Sardegna S.p.A. have the role of financing banks (together with Banca IMI S.p.A., collectively, the "**Financing Banks**").

As at the date of this Prospectus, the Financing Agreement involves the grant of credit facilities to OVS Group in the overall maximum amount of €450 million, broken down as follows:

- a medium- to long-term credit facility of €250 million (the "**Term B1 Facility**");
- an amortising credit facility of €100 million (the "**Term B2 Facility**"); and
- a revolving credit facility of €100 million, available for use in various currencies (the "**Revolving Facility**").

The Term B1 Facility and the Term B2 Facility were intended to refinance the financial debt of the OVS Group, while the Revolving Facility may be used to finance the working capital of the OVS Group and related day-to-day cash requirements.

Repayment

The Financing Agreement provides that repayment of the credit facilities is to occur for the: *(i)* Term B1 Facility definitively and in full by 2 March 2023; *(ii)* Term B2 Facility by 28 August 2022 by way of half-yearly repayments in equal amounts falling due on 28 February and 28 August of each year; and *(iii)* Revolving Facility definitively and in full by 2 March 2023 (it being acknowledged that, under all circumstances, until that date any amount drawn from that credit facility must be repaid on the expiry date of the relevant interest period).

As at the date of this Prospectus, following the repayment of the first instalment under the Term B2 Facility, the Financing Agreement has a total of €433 million in principal outstanding, of which €250 million for the Term B1 Facility, €83 million for the Term B2 Facility (of which only one instalment has been repaid as at the date of this Prospectus, since the repayment of the instalments falling due in August 2020 and February 2021 was suspended) and €100 million for the Revolving Facility.

Financial terms

The interest rate applicable to the Term B1 Facility is equal to the sum total of *(i)* a fixed nominal annual rate of 3.75 percent and *(ii)* the EURIBOR rate or, for currencies other than the Euro, the LIBOR rate. The interest rate applicable to the Term B2 Facility and the Revolving Facility is equal to the sum total of *(i)* a fixed nominal annual rate equal to the margin described below and *(ii)* the EURIBOR rate or, for currencies other than the Euro, the LIBOR rate. In the event that the applicable EURIBOR or LIBOR is negative, it is agreed that both rates will be deemed to be equal to zero.

Unless otherwise agreed between the parties, EURIBOR or LIBOR is calculated on a quarterly or half-yearly basis for the Term B1 Facility and the Term B2 Facility, and on a monthly, quarterly or half-yearly basis for the Revolving Facility.

The margin applicable to the credit facilities may be reduced or increased depending upon the ratio of Average Total Net Debt to EBITDA (as defined in the relevant agreement), calculated quarterly, as applicable, based on the consolidated financial statements for the period ending on 31 January and the half-yearly report to 31 July (both subject to audit) as well as the consolidated quarterly reports (not subject to audit) to 30 April and to 31 October. In particular, the Financing Agreement provides that the first test of the covenant (also known as a "Leverage test") for the Term B1 Facility is to be carried out 18 months after the effective date of the Amendment and Restatement Agreement (i.e., 3 October 2019) regarding the ratio of Average Total Net Debt to EBITDA: if it is higher than 2.50, the margin will increase to 4.00%. Starting from 1 February 2020, the margin for the Term B2 Facility and the Revolving Facility is determined as follows:

- if the ratio of Average Total Net Debt to EBITDA is 3.00:1 or higher, the applicable margin is 3.75%;
- if the ratio of Average Total Net Debt to EBITDA is lower than 3.00:1 but higher than or equal to 2.00:1, the applicable margin is 3.50%;
- if the ratio of Average Total Net Debt to EBITDA is lower than 2.00:1 but higher than or equal to 1.50:1, the

applicable margin is 3.00%; and

- if the ratio of Average Total Net Debt to EBITDA is lower than 1.50:1, the applicable margin is 2.50%.

The interest accruing (at the rate described above) in relation to each drawdown on a credit facility covered by the Financing Agreement must be paid on the expiry date of the relative interest period agreed between the parties (unless otherwise agreed, equal to 3 or 6 months for the Term B1 Facility and the Term B2 Facility, and 1, 3 or 6 months for the Revolving Facility).

As at the date of this Prospectus, the margin applicable to the three credit facilities is 3.75%.

Taking account that the Financing Agreement does require the Issuer to hedge against the risk of changes in the interest rate and in consideration of the projections for the 6-months Euribor rate until the expiry of the Financing Agreement, the Issuer has not considered it necessary to hedge against the risk of changes in the interest rate.

Security

The Financing Agreement provides that, to secure compliance with the relevant obligations, the Issuer shall provide the Financing Banks with the following security in its assets, intergroup financing, patents, current accounts and trade and insurance receivables:

1. the collateral assignment of receivables relating to any intergroup financing for which OVS is the financing party;

2. the collateral assignment of trade and insurance receivables of OVS (comprised predominantly of receivables for the supply of goods to affiliates according to franchising arrangements and insurance receivables);

3. the establishment of a special pledge of certain company assets (mainly furnishings and equipment related to the operations carried on by OVS) under Group ownership;

4. the pledge of 100% of the shares in OVS Hong Kong Sourcing Limited held by OVS;

5. the pledge of 100% of the shares in any other companies controlled by OVS that may subsequently fall within the definition of "*relevant subsidiaries*" pursuant to the Financing Agreement (with "*relevant subsidiaries*" meaning any company controlled by OVS that makes a material contribution to Group EBITDA or the assets held under the terms of the Financing Agreement);

6. the pledge of certain trademarks owned by OVS (in particular, the OVS and Upim trademarks); and

7. the pledge of certain current accounts held by the Company.

The creation of the above-mentioned collateral does not result in any limitations or restrictions on the ordinary and operational management of the Issuer's liquidity. In particular, the revolving pledge of current accounts as collateral security for the Financing Agreement (see no. 7 in the list above) does not contain any provision establishing any obligation to maintain a positive balance of a particular amount on the relevant current accounts pledged. It is nonetheless acknowledged that, upon the occurrence of certain types of breach provided for under the Financing Agreement, in line with industry practice for similar transactions, these guarantees may entitle the secured creditors to invoke contractual remedies resulting in the enforcement of the guarantees and/or the loss of the full availability to the respective guarantors of the relevant assets pledged and/or the loss of the ability to exercise voting rights associated with the equity interests pledged.

As at the date of this Prospectus, OVS is the only guarantor under the terms of the Financing Agreement.

Representations and warranties

Under the terms of the Financing Agreement, the Issuer has made representations and warranties in line with market practice for similar transactions. These include representations and warranties concerning: *(i)* the absence of "*events of default*" (as contractually defined) continuing over time or that may reasonably be expected to occur following the disbursement of funds drawn from the credit facility covered by the Financing Agreement, or the conclusion or execution of any transaction provided for under the "*financial documents*"(as contractually defined); *(ii)* the absence of breaches of the law or secondary

regulations by the Issuer and/or its "*subsidiaries*" (as contractually defined) that could have any significant adverse effect, including, for example, a limitation and/or exclusion of the ability of the Issuer itself or of any guarantors to comply with its or their contractual obligations under the Financing Agreement; *(iii)* the absence of any violations of laws on money laundering, corruption and/or terrorism; *(iv)* the absence of any bankruptcy proceedings, whether pending or threatened, or of any enforcement actions commenced against the Issuer and/or any "*relevant subsidiaries*" (as contractually defined); *(v)* the absence of any judicial or administrative proceedings, whether pending or threatened, that could have any significant adverse effect, including, for example, the limitation and/or exclusion of the ability of the Issuer itself or of any guarantors to comply with its or their contractual obligations under the Financing Agreement; *(vi)* the absence of any financial debt that has not been approved under the terms of the Financing Agreement; and *(vii)* the failure to provide any security interest, which failure is not permitted under the terms of the Financing Agreement.

Reporting obligations

As regards disclosure obligations, the Issuer is required under the terms of the Financing Agreement to, *inter alia*, *(i)* send to the Agent Bank its financial statements and its consolidated half-yearly or quarterly reports, together with the statutory reports (where available); and *(ii)* to report the occurrence of any significant adverse events or of any events of default that may limit and/or exclude the ability of OVS or any guarantors to comply with its or their contractual obligations under the Financing Agreement.

The Waivers also require the Issuer to present, within 30 days of the end of each month starting from the month ending on 28 February 2021 and until the month ending on 31 January 2022 (inclusive): *(a)* a liquidity forecast reporting the Group's forecast liquidity for the quarter immediately following the month concerned and *(b)* historical liquidity information during the month concerned. Any failure to comply with this obligation constitutes an event of default, which cannot be cured.

It is reported that the reporting obligations have been met as at the date of this Prospectus.

Financial covenant

As regards financial obligations, the only parameter that OVS is required to comply with under the Financing Agreement is a leverage ratio, i.e. the ratio of Average Total Net Debt to EBITDA, on a consolidated basis. Starting from 31 July 2015, that ratio must be 3.50:1 or lower for each 12-month period prior to a calculation date (i.e. 31 January, 30 April, 31 July and 31 October of each year), based on a calculation made on the basis of the consolidated financial statements and the quarterly or half-yearly consolidated interim reports for the OVS Group. For calculations of the leverage ratio made 18 months or more after the effective date for the Amendment and Restatement Agreement (*i.e.*, 3 October 2019), that parameter must be 3.00:1 or lower. As described in greater detail below, the Waivers have however suspended the obligation to comply with the above-mentioned financial covenant until April 2022 (*i.e.*, most recently under the 2021 Waiver, in relation to the tests for April, July and October 2021 and January 2022), and therefore any breach of the levels described above on those dates will not give rise to an event of default under the terms of the Financing Agreement.

By way of information, it is reported that as at 31 January 2021 the leverage ratio, calculated pursuant to the terms of the Financing Agreement, was 5.5.

Under the terms of the 2021 Waiver, OVS undertook to ensure that, only on 31 January 2022, the ratio of *(i)* total Group financial debt less available liquidity (Total Net Debt, as specified in greater detail in the 2021 Waiver) to *(ii)* EBITDA will not be greater than 4. Any failure to comply with said obligation constitutes an event of default, which cannot be cured.

The 2021 Waiver provides for an additional financial covenant to be met monthly from 31 March 2021 until 31 January 2022 (inclusive), according to which the Group's available liquidity must not be lower than €15 million on the relevant control dates. Any failure to comply with said obligation constitutes an event of default, which cannot be cured. It is reported that this financial covenant has been met as at the date of this Prospectus.

Other covenants

The Financing Agreement also contains a number of clauses and covenants for the debtor (*i.e.* the Issuer) that are standard for these types of financings. In particular, it provides for, *inter alia*: *(i)* undertakings by the Issuer to refrain from entering into any extraordinary transactions, other than certain permitted transactions falling within the contractual definition of "*permitted transaction*" including, *inter alia*, *(1)* voluntary liquidations, reorganisations and mergers between companies of

the OVS Group other than borrowers or guarantors; and *(2)* reorganisations and mergers involving a guarantor or borrower, provided that *(a)* the company is not OVS, *(b)* the transaction is implemented within the same jurisdiction in which that guarantor or borrower company has been organised, *(c)* the assets of that company have been transferred and/or otherwise assigned to another guarantor or borrower company and/or, on a proportional basis, to the respective minority shareholders, and *(d)* where that guarantor or borrower company or any of its respective assets have been provided as collateral security for obligations under the Financing Agreement, the respective creditors will continue to benefit from equivalent security; *(ii)* restrictions on the assumption of additional financial debt, except under specific permitted circumstances; and *(iii)* limits on the granting of encumbrances and the creation of collateral security, except under specific permitted circumstances.

As regards the restrictions on the assumption of additional financial debt, the Financing Agreement imposes a prohibition against guarantor and/or borrower companies, including the Issuer (which has committed to ensure that companies of the OVS Group abide by said prohibition), on incurring new financial debt, except any financial debt falling under the definition of "*permitted financial debt*" or a "*permitted transaction*" (as contractually defined). In particular, the Financing Agreement allows, *inter alia*, *(i)* entering into bilateral financing agreements and/or obtaining unsecured current account overdraft facilities in an overall amount not exceeding €50 million; *(ii)* entering into financial leasing contracts and/or similar contracts in an overall amount not exceeding €70 million; *(iii)* obtaining letters of credit or bank guarantees to cover non-financial obligations during the course of ordinary business operations, provided that the debts concerned have not otherwise been secured; *(iv)* entering into trade receivable factoring contracts in an overall amount not exceeding €30 million; *(v)* incurring additional financial debt in an overall amount not exceeding €100 million, €20 million of which may be secured; *(vi)* the rollover of the financial debt *(a)* of a company that joins the OVS Group as a result of acquisition, provided that the debt concerned is repaid within 90 days of the date of acquisition, or *(b)* incurred towards sellers within the context of an acquisition, provided that the repayment of that debt is entirely subordinate to repayment under the Financing Agreement; and *(vii)* incurring additional financial debt resulting from the issue of bonds, notes or other debt instruments, provided that *(a)* the related proceeds are used to prepay the Term B1 Facility (on a priority basis) and subsequently the Term B2 Facility, *(b)* the instruments issued provide for a "*bullet*" repayment with a final maturity that is in all cases later than the date for definitive and full repayment of the credit facilities provided for under the Financing Agreement, and *(c)* the instruments issued are not guaranteed by companies of the OVS Group other than guarantors and/or borrowers or are not backed by any guarantee, unless it also benefits the Financing Banks *pari passu*.

For the sake of completeness, it is reported that, under the terms of the relevant definition, "*permitted financing*" comprises: *(i)* any trade receivable due to a company of the OVS Group from its own clients under ordinary commercial terms during the course of ordinary business activity; *(ii)* any financing/loan provided to a permitted joint venture; *(iii)* any financing/loan provided by a company of the OVS Group to another company of the OVS Group provided that *(1)* it is provided by a guarantor and/or borrower company to another guarantor and/or borrower company, or *(2)* is provided by a company of the OVS Group (other than a guarantor and/or borrower company) to another company of the OVS Group, or *(3)* is provided by a guarantor and/or borrower company to a company of the OVS Group (other than a guarantor and/or borrower company), provided that the relative overall amount (calculated together with all other financing/loans of that type in existence) does not exceed €15 million; *(iv)* any financing/loan provided by a company of the OVS Group to employees or directors of any company of the OVS Group, provided that the relative overall amount (calculated together with all other financing/loans of that type in existence) does not exceed €5 million; *(v)* any other financing/loan the amount of which does not exceed €15 million, in addition to the above scenarios; and *(vi)* any financing approved by a qualified majority of the Financing Banks.

As regards the limits on the grant of encumbrances and the creation of collateral security, the Financing Agreement imposes a prohibition on guarantor and/or borrower companies, and a commitment by the Issuer to ensure that companies of the OVS Group abide by said prohibition, against the creation of security in its or their own assets and/or the provision of personal guarantees, except any security falling within the definition of "*permitted security*" as well as personal guarantees falling within the definition of "*permitted guarantees*".

By way of example, the definition of "*permitted security*" includes, but is not limited to, any security that, without prejudice to the terms and conditions of the Financing Agreement, *(i)* is imposed by law and/or has arisen during the course of ordinary business operations; *(ii)* has been established in any assets acquired by a company of the OVS Group following the conclusion of the Financing Agreement; *(iii)* has been established during the course of ordinary business operations and involve reservations of title, purchases subject to a right of redemption, conditional sales and/or similar arrangements; *(iv)* in relation to escrow agreements concluded within the context of transactions falling within the definition of "*permitted transactions*"; *(v)* is imposed by law in favour of tax or governmental authorities, and are disputed in good faith; *(vi)* has been established with the prior written approval of a qualified majority of the Financing Banks; *(vii)* in relation to a

lease/rental agreement for the purpose of guaranteeing payment obligations arising under that agreement; *(viii)* in shares or other joint venture interests for the purpose of securing obligations towards the other partners; and *(ix)* has been established for the purpose of securing debts up to a total amount (taking account of all secured debt of the OVS Group, security for which is not permitted under the Financing Agreement) not exceeding €25 million.

For the purposes of the definition of "*permitted guarantees*", without prejudice to the terms and conditions set out in the Financing Agreement, it is permitted to provide guarantees, *inter alia*, *(i)* within the context of netting or set-off agreements; *(ii)* to cover obligations taken on by another guarantor and/or borrower company, provided that the financial debt concerned falls within the definition of "*permitted financial debt*"; *(iii)* to cover obligations of a company of the OVS Group (other than a guarantor and/or borrower company), provided that the related financial debt falls within the definition of "*permitted financial debt*" and does not exceed the overall amount of €15 million; *(iv)* during the course of its own ordinary business operations (not in order to cover financial debt); *(v)* to cover obligations relating to a financial debt falling within the definition of "*permitted financial debt*"; *(vi)* to cover indemnification provided to a seller in relation to a transfer falling within the definition of "*permitted transfers*" (provided that liability under the above-mentioned guarantee or indemnification does not exceed the price received for that sale); *(vii)* in a total amount not exceeding €3 million; and *(viii)* provided with the approval of a qualified majority of the Financing Banks.

The definition of "*permitted transfers*" comprises, *inter alia*, any transfer, lease, sale or disposal: *(i)* by a company of the OVS Group during the course of its ordinary business operations; *(ii)* of an asset of a company of the OVS Group to a guarantor and/or borrower company according to standard commercial terms; *(iii)* of assets (other than shares, businesses or intellectual property rights) in exchange for other assets that are of comparable or superior quality, type or value; *(iv)* of obsolete assets for cash; *(v)* of cash equivalent investments or cash; *(vi)* involving licences for intellectual property rights; *(vii)* by a company that is not a guarantor and/or borrower to another company that is not a guarantor and/or borrower; *(viii)* of assets (other than shares) by a guarantor and/or borrower company to a company that is not a guarantor and/or borrower in an amount not exceeding €5 million during each financial year; *(ix)* in relation to sale and leaseback agreements pertaining to financial leases where the asset has been acquired or leased from a company of the OVS Group; *(x)* of leases, sub-leases or licences relating to real estate during the course of ordinary business operations; *(xi)* of receivables under the terms of a factoring agreement, according to standard market conditions, the amount of which does not exceed in total (taking account also of factoring agreements permitted under the definition of "*permitted financial debt*") €70 million; *(xii)* of assets (other than shares) for cash consideration where the market value, or if higher the net price received, does not exceed (when calculated together with any amount received under any other "*permitted transfer*") €35 million during each financial year; and *(xiii)* that is approved by a qualified majority of the Financing Banks.

The Financing Agreement clarifies that the transaction involving the acquisition by OVS of the business assets of Stefanel S.p.A. in Extraordinary Administration as described in "*Material Contracts – Agreement for the transfer of a business unit of Stefanel S.p.A. in extraordinary administration*", is permitted under the terms of the Financing Agreement. The scope of the business assets being acquired does not include any financial debt. The Issuer has not used debt financing for the transaction.

Events of default

According to a decision and instruction given by a qualified majority of the Financing Banks, the Agent Bank is entitled to terminate the Financing Agreement and to demand the immediate repayment of all amounts due upon the occurrence of any events of default. These include: *(i)* the failure to pay any amounts due under the terms of the Financing Agreement and/or any agreements related thereto ("*financial documents*", as contractually defined); *(ii)* the failure of any contractual representations and warranties made by the Issuer (or any other guarantor and/or borrower company) (as described above) to be truthful and accurate; *(iii)* the failure to abide by the contractually specified financial parameter; *(iv)* the occurrence of a cross default affecting contracts relating to the financial debt taken on by the Issuer or by a company of the OVS Group (for example, non-payment, early termination or the triggering of an acceleration clause or the acquisition by a creditor of the right to terminate a contract or to trigger an acceleration clause), provided that these breaches of obligations – calculated cumulatively and in the aggregate – relate to a financial debt in an amount exceeding €5 million (limit increased to €20 million until 31 December 2020 inclusive by virtue of the 2020 Waiver), and provided that the obligations concerned were incurred between companies of the OVS Group; *(v)* the inability of any of the "*relevant subsidiaries*" to make prompt payment of their own debts; *(vi)* the breach of any obligation incurred under the terms of the Financing Agreement and/or or agreements related thereto ("*financial documents*", as contractually defined) that is not cured within 21 days of a written request by the Agent Bank or of the time when the party in breach became aware of the breach; *(vii)* the grant of a moratorium in respect of payment obligations incurred by "*relevant subsidiaries*"; *(viii)* the expropriation, seizure or pledge of the assets

of any "*relevant subsidiaries*" with a value exceeding €5 million; *(ix)* the commencement of any corporate or legal proceeding concerning, *inter alia*, *(1)* the appointment of a liquidator (other than a liquidator appointed within the context of voluntary liquidation), a receiver, a court-appointed administrator, an extraordinary administrator or any other person with similar functions in relation to "*relevant subsidiaries*", *(2)* a suspension of payments, moratorium, liquidation, dissolution or reorganisation of "*relevant subsidiaries*", or *(3)* the enforcement of guarantees with a value exceeding €5 million that is not resolved within 14 days of the date on which the relevant proceeding was commenced; *(x)* the existence of any judicial, administrative, regulatory or other procedure, whether pending or threatened, relating to "*financial documents*" (as contractually defined), that could result, in the event of an unfavourable outcome, in any significant adverse effect, including, for example, the limitation and/or exclusion of the ability of the Issuer itself or of any guarantors to comply with its or their contractual obligations under the Financing Agreement; *(xi)* the existence of any circumstance or fact that may reasonably have a substantially adverse effect on the ability of the Issuer to comply with its payment obligations (taking account, under all circumstances, of the financial resources of the other companies of the OVS Group); and *(xii)* the issue by the auditing company of the OVS Group of an opinion concerning consolidated annual financial statements of the Issuer that gives reasonable grounds to conclude that there has been a substantially adverse effect to the detriment of the interests of the parties to the Financing Agreement owing to a failure to provide information or in relation to the Group's viability as a going concern.

It is reported that no events of default have occurred as at the date of this Prospectus.

Mandatory prepayment

The Financing Agreement also provides for certain forms of mandatory prepayment of the credit facilities upon the occurrence of particular events. In particular, it provides that all credit facilities are to be revoked, and all amounts due in relation to the Financing Agreement (including interest) and any agreements related thereto ("*financial documents*", as contractually defined) will become immediately due and payable in the event of the occurrence of an event consisting of a change in control, which refers to a situation in which a person, or a group of persons acting in concert with one another (other than a shareholder of the Issuer which, upon conclusion of the Financing Agreement, holds at least 15% of its capital), (a) acquire ownership of a percentage of the voting rights that can be exercised at meetings of OVS on such a scale as to be subject to an obligation to commence a takeover bid for the OVS shares under the terms of the TUF, or (b) secure the right to appoint and recall all of, or a majority of, the directors of OVS; or *(ii)* the removal of the OVS shares from trading on the MTA; or *(iii)* the sale of all, or substantially all, of the assets of the OVS Group.

In addition to the above, the Financing Agreement provides, with effect from the financial year ending on 31 January 2021 (inclusive), for the prepayment of the Term B1 Facility and the Term B2 Facility under certain circumstances. In particular, in the event of "*excess cashflow*" (as contractually defined), it provides for: *(i)* the repayment of a percentage equal to 66% of the "*excess cashflow*" available if the leverage ratio, i.e. the ratio of Average Total Net Debt to EBITDA of the OVS Group, exceeds 2.00:1, or *(ii)* the repayment of a percentage equal to 50% of the "*excess cashflow*" available if the leverage ratio is less than 2.00:1. It is noted that such a scenario has not arisen as at the date of this Prospectus.

It is reported that no events have occurred as at the date of this Prospectus that would give the right to demand mandatory prepayment of the credit facilities.

Distribution of dividends

The Financing Agreement provides for certain limitations on the distribution of dividends. In particular, the Issuer is (and other companies of the OVS Group are) prohibited from paying out dividends, or in general from making any distributions, including from available reserves, or from paying out any other commission (including management and advisory fees), or from redeeming, repurchasing or repaying part of the share capital, except as specified below.

The above limitations illustrated do not apply in relation *(i)* to dividend payments made by a company of the OVS Group (other than the Issuer) to its own direct parent company and/or that of the Issuer; and *(ii)* to dividend payments made by the Issuer during the course of each year *(a)* that are financed entirely by the available cash surplus of the Issuer, and only after it has complied with the related prepayment obligation described above for that financial year; *(b)* provided that, at the time of the payment concerned, the leverage ratio is less than 2.25:1 (taking the expected distribution into account on a *pro forma* basis); and *(c)* provided that there is no continuing default at the time of the payment concerned, and that no such default may arise as a result of said payment.

Without prejudice to the foregoing, it is stipulated solely in relation to distributions to be made by the Issuer during the course of the financial year ending on 31 January 2021, with regard to the previous financial year (ending on 31 January 2020), that such distributions may not under any circumstances exceed, in the aggregate, *(i)* €10 million or, if lower, *(ii)* 3% of the dividend yield parameter (obtained from the ratio of the dividend paid on a share and the market price of that share).

Waivers

As a result of the grant of the Waivers under the 2020 Waiver concluded on 8 May 2020, which took effect on 24 June 2020, and the 2021 Waiver concluded on 29 March 2021, which took effect on 30 March 2021, the Financing Agreement has been subject to, *inter alia*, the following amendments:

- a suspension of the obligation to comply with the financial covenant provided for under the Financing Agreement until April 2022 (i.e., most recently under the 2021 Waiver, with regard to tests scheduled for April 2021, July 2021, October 2021 and January 2022);
- a commitment to ensure that, only on 31 January 2022, the ratio of *(i)* total Group financial debt less available liquidity (Total Net Debt, as specified in greater detail in the 2021 Waiver) to *(ii)* EBITDA will not be greater than 4;
- the provision of an additional financial covenant, to be met monthly from 31 March 2021 until 31 January 2022 (inclusive), according to which the Group's available liquidity must not be less than €15 million on the relevant control dates;
- the suspension of repayment instalments for the Term B2 Facility falling due on 28 August 2020 and on 28 February 2021. These instalments will be cumulated with the last two instalments provided for under the Financing Agreement (*i.e.*, falling due on 28 February 2022 and on 28 August 2022); accordingly, the repayment plan provides for an instalment of €16.6 million on 27 August 2021 and two instalments of €33.3 million, one payable on 28 February 2022 and the other on 28 August 2022;
- an increase in the ability to access additional financial debt from €75 million to €100 million, in accordance with the definition of "*permitted financial debt*" in the Financing Agreement;
- an increase of the threshold above which a cross default is deemed to have occurred from €5 million to €20 million, valid from the date of execution of the 2020 Waiver until 31 December 2020, in accordance with the definition of "*events of default*" in the Financing Agreement;
- an obligation to present, within 30 days of the end of each month starting from the month ending on 28 February 2021 and until the month ending on 31 January 2022 (inclusive): *(a)* a liquidity forecast reporting the Group's forecast liquidity for the quarter immediately following the month concerned and *(b)* historical liquidity information during the month concerned.

SACE Financing Agreement

On 24 June 2020 the Issuer entered into a financing agreement governed by Italian law with a pool of banks concerning a medium- to long-term credit facility in the maximum principal amount of up to €100 million, which was disbursed on 25 June 2020 and subsequently subjected to a waiver on 30 March 2021 (the "**Waiver**") (in the version applicable on the date of this Prospectus, hereafter the "**SACE Financing Agreement**").

As at the date of this Prospectus, pursuant to the SACE Financing Agreement UniCredit S.p.A. has the role of financing bank and agent bank (the "**Agent Bank**") and Credit Agricole Fiuladria S.p.A., Banca Monte dei Paschi di Siena S.p.A., MPS Capital Services – Banca per le Imprese S.p.A., Intesa San Paolo S.p.A., Banco BPM S.p.A., Cassa di Risparmio di Bolzano S.p.A. and Cassa Depositi and Prestiti S.p.A. have the role of financing banks (together with UniCredit S.p.A., collectively the "**Financing Banks**").

In accordance with the provisions of Italian Decree-Law no. 23 of 8 April 2020, converted with amendments into Italian Law no. 40 of 5 June 2020 setting forth "*Urgent measures regarding access to credit and tax obligations of undertakings,*

special powers in strategic sectors, and initiatives in relation to health and employment, concerning the extension of administrative and procedural time limits" (the "**Liquidity Decree**"), the credit facility provided under the terms of the SACE Financing Agreement may be used by the Issuer exclusively: *(i)* to cover staff costs; *(ii)* to make new investments (part of which must be aimed at securing growth for the Issuer in Italy, through investments focusing on research, development and innovation as well as environmental protection); and *(iii)* to finance the working capital of the OVS Group and the related ordinary cash requirements (including tax costs) in relation to operations conducted in Italy.

Security

The SACE Financing Agreement is supported by an irrevocable first-demand guarantee of SACE S.p.A., which became operational on 11 June 2020 under the terms of the Liquidity Decree to cover 80% of the financing provided, and thus up to the amount of €80 million. The guarantee has a cost of 0.5% for the first year, 1% for the second and third years and 2% from the fourth year onwards, in each case calculated on the principal amount of the financing covered by the guarantee provided by SACE S.p.A. from time to time, based on the repayment plan.

Repayment and financial terms

The SACE Financing Agreement provides that full and final repayment of the credit facility must occur by 30 September 2024. In particular, it provides that, following a pre-repayment period of 24 months, the principal is to be repaid in 10 quarterly instalments in an equal amount of €10 million each, with the first instalment falling due on 30 June 2022 (and the following on 31 March, 30 June, 30 September and 31 December of each year) and the last on 30 September 2024.

It also provides for the quarterly payment of interest at the variable rate specified under the contract (described below), which is payable from 30 June 2020 until 30 September 2024.

The applicable interest rate is equal to the sum of *(i)* a fixed nominal annual rate of 2.25 percent and *(ii)* the EURIBOR rate (as contractually defined). However, in the event that the applicable EURIBOR is negative, it is agreed that this rate will be deemed to be equal to zero. The fixed nominal rate is valid for the full term of the SACE Financing Agreement and is not subject to change, either upwards or downwards.

Taking into account the fact that the SACE Financing Agreement does not subject the Issuer to any obligations to hedge against the risk of changes in the interest rate and in consideration of the projections for the 6-months Euribor rate until the expiry of the SACE Financing Agreement, the Issuer has not considered it necessary to hedge against the risk of changes in the interest rate.

Representations and warranties

Under the terms of the SACE Financing Agreement, the Issuer has made representations and warranties in line with market practice for similar transactions. These include representations and warranties concerning: (i) the absence of "events of default" (as contractually defined) continuing over time or that may reasonably be expected to occur following disbursement under the credit facility covered by the SACE Financing Agreement, or the conclusion or execution of any transaction provided for under the "financial documents"(as contractually defined); (ii) the absence of breaches of the law or secondary regulations by the Issuer and/or its "subsidiaries" (as contractually defined) that could have any significant adverse effect, including, for example, a limitation and/or exclusion of the ability of the Issuer itself to comply with its contractual obligations under the SACE Financing Agreement or "financial documents" (as contractually defined); (iii) the absence of any violations of laws on money laundering, corruption and/or terrorism; (iv) the absence of any bankruptcy proceedings, whether pending or threatened, or of any enforcement actions commenced against the Issuer and/or any "relevant subsidiaries" in accordance with the SACE Financing Agreement (with "relevant subsidiaries" meaning any company controlled by OVS that makes a material contribution to Group EBITDA or the assets held); (v) the absence of any judicial or administrative proceedings, whether pending or threatened, that could have any significant adverse effect, including, for example, the limitation and/or exclusion of the ability of the Issuer itself to comply with its contractual obligations under the SACE Financing Agreement; (vi) the absence of any financial debt that has not been approved under the terms of the SACE Financing Agreement; and (vii) the failure to provide any security interest, which failure is not permitted under the terms of the SACE Financing Agreement.

In addition to the above, in consideration of the special nature of the financing that, as mentioned above, is backed by a guarantee issued by SACE S.p.A. under the terms of the Liquidity Decree, the Issuer has also made certain representations,

which were made in the financing application, including: *(i)* that the financing was requested in order to address needs provided for under the Liquidity Decree; *(ii)* that, at the time the financing was requested, the Issuer was not benefiting from any additional financing guaranteed by SACE S.p.A.; *(iii)* that the amount financed did not exceed the higher of *(a)* 25% of the annual revenues of the Issuer during the financial year ending on 31 January 2020, or *(b)* two times the staff costs incurred by the Issuer during the financial year ending on 31 January 2020; *(iv)* that it employed more than 5,000 employees in Italy and/or had annual revenues in excess of €1.5 billion; and *(v)* that neither it nor any other company based in Italy under its control or subject to direction and coordination by it has approved or paid dividends or made any other distribution or repurchased any shares since 9 April 2020.

Reporting obligations

As regards reporting obligations, the Issuer is obliged under the terms of the SACE Financing Agreement to, *inter alia (i)* send to the Agent Bank its financial statements and its consolidated half-yearly or quarterly reports, accompanied by the statutory reports (where available); and *(ii)* to report the occurrence of any significant adverse events or of any events of default that could limit and/or exclude the ability of OVS to comply with its contractual obligations under the SACE Financing Agreement.

The Waiver also requires the Issuer to present, within 30 days of the end of each month starting from the month ending on 28 February 2021 and until the month ending on 31 January 2022 (inclusive): *(a)* a liquidity forecast reporting the Group's forecast liquidity for the quarter immediately following the month concerned and *(b)* historical liquidity information during the month concerned. Any failure to comply with said obligation constitutes an event of default, which cannot be cured.

It is reported that the reporting obligations have been met as at the date of this Prospectus.

Financial covenant

As regards financial obligations, the SACE Financing Agreement imposes a requirement to comply with the leverage ratio, i.e. the ratio of Average Total Net Debt to EBITDA of the OVS Group, on a consolidated basis. As of 30 April 2021, that ratio must be 3.00:1 or lower for each 12-month period prior to a calculation date (i.e. 31 January, 30 April, 31 July and 31 October of each year), based on a calculation made on the basis of the consolidated financial statements and the quarterly or half-yearly consolidated interim reports for the OVS Group. As will be described in greater detail below, the Waiver has however suspended the obligation to comply with the above-mentioned financial covenant until April 2022 (*i.e.*, in the relation to the tests for April, July and October 2021 and January 2022), and therefore any breach of the levels described above on those dates will not give rise to an event of default under the terms of the SACE Financing Agreement.

By way of information, it is reported that as at 31 January 2021 the leverage ratio, calculated under the terms of the SACE Financing Agreement, was 5.5.

Under the terms of the Waiver, OVS undertook to ensure that, only on 31 January 2022, the ratio of *(i)* total Group financial debt less available liquidity (Total Net Debt, as specified in greater detail in the Waiver) to *(ii)* EBITDA will not be greater than 4. Any failure to comply with said obligation constitutes an event of default, which cannot be cured.

The Waiver provides for an additional financial covenant, to be met monthly from 31 March 2021 until 31 January 2022 (inclusive), according to which the Group's available liquidity must not be lower than €15 million on the relevant control dates. Any failure to comply with said obligation constitutes an event of default, which cannot be cured. It is reported that this financial covenant has been met as at the date of this Prospectus.

Other covenants

The SACE Financing Agreement also contains a number of clauses and covenants for the debtor (i.e. the Issuer) that are standard for these types of financings. In particular, it provides for, *inter alia*: *(i)* undertakings to refrain from entering into any extraordinary transactions, other than certain permitted transactions falling within the contractual definition of "*permitted transaction*" including, *inter alia*, voluntary liquidations, reorganisations and mergers between companies of the OVS Group other than the Issuer or guarantor and/or borrower companies under the terms of the Financing Agreement described above; *(ii)* restrictions on the assumption of additional financial debt, except under specific permitted circumstances; and *(iii)* limits on the granting of encumbrances and the creation of collateral security, except under specific permitted circumstances.

As regards the restrictions on the assumption of additional financial debt, the SACE Financing Agreement imposes a prohibition against the Issuer incurring new financial debt (and a commitment to ensure that all companies of the OVS Group abide by said prohibition), except any financial debt falling under the definition of "*permitted financial debt*" or a "*permitted transaction*" (as contractually defined). In particular, the SACE Financing Agreement allows, *inter alia*, *(i)* entering into bilateral Financing Agreements and/or obtaining unsecured current account overdraft facilities in an overall amount not exceeding €50 million; *(ii)* entering into financial leasing contracts and/or similar contracts in an overall amount not exceeding €70 million; *(iii)* obtaining letters of credit or bank guarantees to cover non-financial obligations during the course of ordinary business operations, provided that the debts concerned have not otherwise been secured; *(iv)* entering into trade receivable factoring contracts in an overall amount not exceeding €30 million; *(v)* incurring additional financial debt in an overall amount not exceeding €75 million, €20 million of which may be secured; *(vi)* the rollover of the financial debt *(a)* of a company that joins the OVS Group as a result of an acquisition, provided that the debt concerned is repaid within 90 days of the date of acquisition, or *(b)* incurred towards sellers within the context of an acquisition, provided that the repayment of said debt is entirely subordinate to repayment under the SACE Financing Agreement; and *(vii*) incurring additional financial debt resulting from the issue of bonds, notes or other debt instruments, provided that*(a)* the related proceeds are used to repay the credit facilities provided under the terms of the Financing Agreement described above, *(b)* the instruments issued provide for a "*bullet*" repayment with a final maturity that is in all cases later than the date for definitive and full repayment of the credit facility provided for under the SACE Financing Agreement, and *(c)* the debt in question has ranking equal to the credit facility provided for under the SACE Financing Agreement.

For the sake of completeness, it is reported that, under the terms of the relevant definition, "*permitted financing*" comprises: *(i)* any trade receivable due to a company of the OVS Group from its own clients under ordinary commercial terms during the course of ordinary business activity; *(ii)* any financing/loan provided to a permitted joint venture; *(iii)* any financing/loan provided by a company of the OVS Group to the Issuer for the purpose of complying with its payment undertakings in relation to "*financial documents*" (as contractually defined); *(iv)* any financing/loan provided by a company of the OVS Group, provided that *(1)* it is provided by the Issuer or by a guarantor and/or borrower company under the terms of the Financing Agreement described above to the Issuer or to another guarantor and/or borrower company under the terms of the Financing Agreement described above, or *(2)* it is provided by a company of the OVS Group (other than the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above) to another company of the OVS Group other than the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above, or *(3)* is provided by the Issuer or by a guarantor and/or borrower company under the terms of the Financing Agreement described above to a company of the OVS Group (other than the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above) provided that the relative overall amount (calculated together with all other financing/loans of that type in existence) does not exceed €15 million; *(v)* any financing/loan provided by a company of the OVS Group to employees or directors of any company of the OVS Group, provided that the relative overall amount (calculated together with all other financing/loans of that type in existence) does not exceed €5 million; *(vi)* any other financing/loan the amount of which does not exceed €15 million, in addition to the above scenarios; and *(vii)* any financing approved by a qualified majority of the Financing Banks.

As regards the limits on the grant of encumbrances and the creation of collateral security, the SACE Financing Agreement imposes a prohibition on the Issuer (and a commitment for it to ensure that all companies of the OVS Group abide by said prohibition) against the creation of security in its own assets and/or the provision of personal guarantees, except any security falling within the definition of "*permitted security*" as well as personal guarantees falling within the definition of "*permitted guarantees*".

By way of example, the definition of "*permitted security*" includes, but is not limited to, any security that, without prejudice to the terms and conditions of the SACE Financing Agreement, *(i)* is imposed by law and/or has arisen during the course of ordinary business operations; *(ii)* has been established in any assets acquired by a company of the OVS Group following the conclusion of the SACE Financing Agreement; *(iii)* has been established during the course of ordinary business operations and involve reservations of title, purchases subject to a right of redemption, conditional sales and/or similar arrangements; *(iv)* in relation to escrow agreements concluded within the context of transactions falling within the definition of "*permitted transactions*"; *(v)* is imposed by law in favour of tax or governmental authorities, and are disputed in good faith; *(vi)* has been established with the prior written approval of a qualified majority of the Financing Banks; *(vii)* in relation to a lease/rental agreement for the purpose of guaranteeing payment obligations arising under that agreement; *(viii)* in shares or other joint venture interests for the purpose of guaranteeing obligations towards the other partners; and *(ix)* has been established for the purpose of securing debts up to a total amount (taking account of all secured debt of the OVS Group, security for which is not permitted under the SACE Financing Agreement) not exceeding €25 million.

For the purposes of the definition of "*permitted guarantees*", without prejudice to the terms and conditions laid down by the Financing Agreement, it is permitted to provide guarantees, *inter alia, (i)* within the context of netting or set-off agreements; *(ii)* by the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above to cover obligations taken on by the Issuer or another guarantor and/or borrower company under the terms of the Financing Agreement described above, provided that the financial debt concerned falls within the definition of "*permitted financial debt*"; *(iii)* by a company of the OVS Group (other than the Issuer or another guarantor and/or borrower company under the terms of the Financing Agreement described above) to cover obligations assumed by another company of the OVS Group (other than the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above) in relation to financial debt falling within the definition of "*permitted financial debt*"; *(iv)* by the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above to cover obligations of a company of the OVS Group (other than the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above) provided that the financial debt concerned falls within the definition of "*permitted financial debt*" and does not exceed the overall amount of €15 million; *(v)* during the course of its own ordinary business operations (not in order to cover financial debt); *(vi)* to cover obligations relating to financial debt falling within the definition of "*permitted financial debt*"; *(vii)* to cover indemnification provided to a seller in relation to a transfer falling within the definition of "*permitted transfers*" (provided that liability under the above-mentioned guarantee or indemnification does not exceed the price received for that sale); *(viii)* in a total amount not exceeding €3 million; *(ix)* provided with the approval of a qualified majority of the Financing Banks; and *(x)* provided for under the terms of the Financing Agreement described above.

The definition of "*permitted transfers*" comprises, *inter alia,* any transfer, lease, sale or disposal *(i)* by a company of the OVS Group during the course of its ordinary business operations; *(ii)* of an asset of a company of the OVS Group to the Issuer or to a guarantor and/or borrower company under the terms of the Financing Agreement described above, according to standard commercial terms; *(iii)* of assets (other than shares, businesses or intellectual property rights) in exchange for other assets that are of comparable or superior quality, type or value; *(iv)* of obsolete assets for cash; *(v)* of cash equivalent investments or cash; *(vi)* involving licences for intellectual property rights; *(vii)* by a company of the OVS Group (other than a guarantor and/or borrower under the terms of the Financing Agreement described above or the Issuer) to another company of the OVS Group (other than a guarantor and/or borrower under the terms of the Financing Agreement described above or to the Issuer); (viii) of assets (other than shares) by the Issuer or a guarantor and/or borrower company under the terms of the Financing Agreement described above to a company of the OVS Group (other than a guarantor and/or borrower under the terms of the Financing Agreement described above or to the Issuer) in an amount not exceeding €5 million during each financial year; (ix) in relation to sale and leaseback agreements pertaining to financial leases where the asset has been acquired or leased from a company of the OVS Group; (x) of leases, sub-leases or licences relating to real estate during the course of ordinary business operations; (xi) of receivables under the terms of a factoring agreement, according to standard market conditions, the amount of which does not exceed in total (taking account also of factoring agreements permitted under the definition of "permitted financial debt") €70 million; (xii) of assets (other than shares) for cash consideration where the market value, or if higher the net price received, does not exceed (when calculated together with any amount received under any other "permitted transfer") €35 million during each financial year; and (xiii) that is approved by a qualified majority of the Financing Banks.

It is clarified that the transaction involving the acquisition by OVS of the business assets Stefanel S.p.A. in Extraordinary Administration as described below is permitted under the terms of the SACE Financing Agreement. The scope of the business assets being acquired does not include any financial debt. The Issuer has not used debt financing for the transaction.

Events of default

According to a decision and instruction given by a qualified majority of the Financing Banks, the Agent Bank is entitled, upon the occurrence of certain events of default, to: *(a)* declare the occurrence of an "*event of default*" (as contractually defined); and/or *(b)* terminate the SACE Financing Agreement; and/or *(c)* trigger an acceleration clause against the Issuer; and/or *(d)* in the event of the failure to pay any amounts due under the terms of the SACE Financing Agreement and/or any agreements related thereto ("*financial documents*", as contractually defined), terminate the SACE Financing Agreement in accordance with Article 1456 of the Italian Civil Code; and/or *(e)* upon the occurrence of any other "*events of default*" (as contractually defined) other than non-payment falling under letter (d) above, terminate the SACE Financing Agreement due to a breach of its undertakings.

Events of default include: *(i)* the failure to pay any amounts due under the terms of the SACE Financing Agreement and/or any agreements related thereto ("*financial documents*", as contractually defined); *(ii)* the failure of any contractual representations and warranties made by the Issuer (as described above) to be truthful and accurate; *(iii)* the failure to abide

by the contractually specified financial parameter; *(iv)* the occurrence of a breach affecting contracts relating to the financial debt taken on by the Issuer or by a company of the OVS Group (for example, non-payment, early termination or the triggering of an acceleration clause or the acquisition by a creditor of the right to terminate a contract early or to trigger an acceleration clause), provided that these breaches of obligations – calculated cumulatively and in the aggregate – relate to financial debt in an amount exceeding €20 million until 31 December 2020 inclusive and exceeding €5 million after 31 December 2020, and provided that the obligations concerned were not incurred between companies of the OVS Group; *(v)* the inability of any of the "*relevant subsidiaries*" to make prompt payment of their own debts; *(vi)* the breach of any obligation incurred under the terms of the SACE Financing Agreement and/or any agreements related thereto ("*financial documents*", as contractually defined) that is not cured within 21 days of a written request by the Agent Bank or of the time when the party in breach became aware of the breach; *(vii)* the grant of a moratorium in respect of payment obligations taken on by "*relevant subsidiaries*"; *(viii)* the expropriation, seizure or pledge of the assets of any "*relevant subsidiaries*" with a value exceeding €5 million; *(ix)* the commencement of any corporate or legal proceeding concerning, *inter alia*, *(1)* the appointment of a liquidator (other than a liquidator appointed within the context of voluntary liquidation), a receiver, a court-appointed administrator, an extraordinary administrator or any other person with similar functions in relation to "*relevant subsidiaries*", *(2)* a suspension of payments, moratorium, liquidation, dissolution or reorganisation of "*relevant subsidiaries*", or *(3)* the enforcement of guarantees with a value exceeding €5 million that is not resolved within 14 days of the date on which the relevant proceeding was commenced; *(x)* the existence of any judicial, administrative, regulatory or other procedure, whether pending or threatened, relating to "*financial documents*" (as contractually defined) that could result, in the event of an unfavourable outcome, in any significant adverse effect, including, for example, the limitation and/or exclusion of the ability of the Issuer itself or of any guarantors to comply with its or their contractual obligations under the SACE Financing Agreement; *(xi)* the existence of any circumstance or fact that may reasonably have a substantially adverse effect on the ability of the Issuer to comply with its payment obligations (taking account, under all circumstances, of the financial resources of the other companies of the OVS Group); and *(xii)* the issue by the auditing company of the OVS Group of an opinion concerning consolidated annual financial statements of the Issuer that gives reasonable grounds to conclude that there has been a substantially adverse effect to the detriment of the interests of the parties to the SACE Financing Agreement owing to a failure to provide information or in relation to the Group's viability as a going concern.

Upon receipt of notice concerning the termination of the SACE Financing Agreement, or of the triggering of an acceleration clause, the credit facility provided under that contract must be deemed to have been terminated and any amount due in relation to the agreement (including) interest and any agreements related thereto ("*financial documents*", as contractually defined), will become immediately due and payable.

It is reported that no events of default have occurred as at the date of this Prospectus.

Mandatory prepayment

The SACE Financing Agreement also provides, upon the occurrence of particular events, for certain forms of mandatory prepayment of the credit facility. In particular, it provides that all credit facilities are to be revoked, and all amounts due in relation to the SACE Financing Agreement (including interest) and any agreements related thereto ("*financial documents*", as contractually defined) will become immediately due and payable in the event of (i) the occurrence of an event consisting of a change in control, which refers to a situation in which a person, or a group of persons acting in concert with one another (other than a shareholder of the Issuer which, upon conclusion of the SACE Financing Agreement, holds at least 15% of its capital), *(a)* acquire ownership of a percentage of the voting rights that can be exercised at meetings of OVS on such a scale as to be subject to an obligation to commence a takeover bid for the OVS shares under the terms of the TUF, or *(b)* secure the right to appoint and recall all of, or a majority of, the directors of OVS; or *(ii)* the removal of the OVS shares from trading on the MTA; or *(iii)* the sale of all, or substantially all, of the assets of the OVS Group; or *(iv)* there is an event of prepayment by SACE S.p.A.

In particular, under the terms of the SACE Financing Agreement, in this latter instance mandatory prepayment will occur if: *(a)* it is or it becomes illegal for SACE S.p.A. to comply with its obligations under the terms of the guarantee provided, or for one of the parties to the SACE Financing Agreement to benefit from that guarantee; *(b)* any obligation whatsoever of SACE S.p.A. in relation to the guarantee provided is not or ceases to be legal, valid, binding or applicable, or the guarantee is not or ceases to be valid and effective; *(c)* SACE S.p.A. cancels, revokes, repudiates, suspends or terminates the guarantee provided either in full or in part; or *(d)* at any time, the obligations or SACE S.p.A. relating to the guarantee cease to be counter-guaranteed by the Italian Republic in accordance with the provisions of Italian law applicable to SACE S.p.A. and/or the guarantee issued by it.

It is reported that no events have occurred as at the date of this Prospectus that would give the right to demand mandatory prepayment of the credit facility.

Distribution of dividends

The SACE Financing Agreement provides for certain limitations on the distribution of dividends. In particular, the Issuer is (and other companies of the OVS Group are) prohibited from paying out dividends, or in general from making any distributions, including from available reserves, or from paying out any other commission (including management and advisory fees), or from redeeming, repurchasing or repaying part of the share capital, except as specified below.

The above limitations do not apply in relation *(i)* to dividend payments made by a company of the OVS Group (other than the Issuer) to its own direct parent company and/or that of the Issuer; *(ii)* to repayments of shareholder loans made by a company controlled by the Issuer; and *(iii)* to dividend payments made by Issuer *(a)* that are financed entirely by the available cash surplus of the Issuer; *(b)* provided that, at the time of the payment concerned, the leverage ratio is lower than 2.25:1 (taking the expected distribution into account on a *pro forma* basis); and *(c)* provided that there is no continuing default at the time of the payment concerned, and that no such default may arise as a result of the said payment.

Without prejudice to the above, the Issuer (and all subsidiaries or bodies based in Italy subject to its direction and coordination) are also prohibited from making any such payments solely in relation to the financial year ending on 31 January 2021. Finally, provision has been made that, during the financial year ending on 31 January 2021, the Issuer cannot (and must ensure that any subsidiaries based in Italy also do not) repay and/or resolve to repay any loans received from shareholders.

Transfer abroad

Finally, under the terms of the SACE Financing Agreement, the Issuer has undertaken, also on behalf of companies of the OVS Group, to refrain from transferring outside Italy any substantial part of its own business that is located in Italy.

Waiver

As a result of the grant of the Waiver concluded on 29 March 2021, which took effect on 30 March 2021, the SACE Financing Agreement has been subject to, *inter alia*, the following amendments:

- a suspension of the obligation to comply with the financial covenant provided for under the SACE Financing Agreement until April 2022 (i.e., with regard to tests scheduled for April 2021, July 2021, October 2021 and January 2022);
- a commitment to ensure that, only on 31 January 2022, the ratio of *(i)* total Group financial debt less available liquidity (Total Net Debt, as specified in greater detail in the Waiver) to *(ii)* EBITDA will not be greater than 4;
- the stipulation of an additional financial covenant, to be met monthly from 31 March 2021 until 31 January 2022 (inclusive), according to which the Group's available liquidity must not be less than €15 million on the relevant control dates;
- an obligation to present, within 30 days of the end of each month starting from the month ending on 28 February 2021 and until the month ending on 31 January 2022 (inclusive): *(a)* a liquidity forecast reporting the Group's forecast liquidity for the quarter immediately following the month concerned and *(b)* historical liquidity information during the month concerned.

Framework agreement with Margherita Distribuzione S.p.A. relating to the conclusion of contracts concerning the lease of business units

On 6 October 2020 the Issuer entered into an agreement (the "**Framework Agreement**") concerning the lease by the Issuer, as lessee, of 18 business units resulting from the fractioning of certain superstores located in Italy owned by Margherita Distribuzione S.p.A. ("**Margherita**") (each individually, a "**Business Unit**"). These Business Units will be operated under the "OVS", "Upim" and/or "Croff" brands and will sell clothing and/or household products, as applicable, within real estate units (each individually a "**Property**").

The Framework Agreement, which has been amended solely as regards the Delivery Dates (as defined below) for some of the Properties by an amendment addendum concluded between the parties by an exchange of correspondence on 6 May 2021, provides for, *inter alia*:

(a) the delivery to the Company of the Properties, in part during January 2021, in part during June 2021 and in part during July and December 2021, without prejudice to the parties' right, where certain preconditions are met, to bring forward or postpone those dates (each individually a "**Delivery Date**"), and subject to an undertaking by Margherita to contribute to the costs, up to a maximum amount determined in advance on the basis of the surface area in square metres authorised for retail use, of carrying out work ("**Work**") necessary for the issue to Margherita of a trade permit (or equivalent authorisation) for the retail sale of non-food products within each Property ("**New Permits**");

(b) the opening to the public of the Business Units within 130 days of each of the Delivery Dates, subject to the fulfilment of the Conditions Precedent (as defined below) and following completion of the Work;

(c) an undertaking by the parties to enter into a definitive lease for each Business Unit (each individually a "**Definitive Contract**"), subject to the fulfilment of the following conditions precedent (the "**Conditions Precedent**"): *(i)* the issue to Margherita of New Permits within 120 days of each Handover Date and *(ii)* where necessary, the issue by the Italian Competition and Market Authority (*Autorità Garante della Concorrenza e del Mercato*) of authorisation for OVS to manage the Business Units, or a ruling that the matter does not require further consideration, by the end of January 2021. In the event that any of the Conditions Precedent is not fulfilled in relation to any Definitive Contract or Contracts, there is a contractual provision for alternative instruments, to be negotiated in good faith, which will enable the interests pursued by the Framework Agreement to be maintained and OVS to sell its own products within the Properties, subject to any penalty payments and/or compensation. As regards the Condition Precedent referred to in point (i), it is noted that New Permits have been issued in relation to all Properties scheduled for delivery during January 2021 and, as regards the Condition Precedent referred to in point (ii), it is noted that on 15 December 2020 the Italian Competition and Market Authority resolved not to commence an investigation concerning the operation;

(d) an undertaking by the parties to enter into a rent-free agreement (*contratto di comodato*) for each Property in order to enable the Work to be performed;

(e) the hiring by the Company of Margherita staff identified according to the criteria and needs specified in the Framework Agreement as its employees, along with specific commitments by the parties for the benefit of OVS, which will be applicable in the event that additional staff must be hired as a result of trade union consultation; and

(f) the payment of penalties in the event of any breach by OVS or Margherita of the commitment to enter into any Definitive Contract or Contracts.

The Definitive Contracts, which will be concluded in due course, will provide, *inter alia*:

(i) a term of 10 years starting from the signing of the Definitive Contract, without any provision for automatic renewal, and without prejudice to the right of the Issuer to terminate upon expiry of a term of the Definitive Contract of 2 or 5 years, as the case may be; in this case, termination will be valid and effective upon expiry of 12 months from receipt of the notice of termination sent by the Issuer to Margherita;

(ii) a rental payment comprised of a minimum guaranteed amount – increasing over the first 4 years of the term of the Definitive Contract and subject, from the start of the fifth year of the lease, to automatic annual adjustments, only to increase their amount, by the application to the minimum guaranteed rental payment for the previous year, inclusive of any previous increases, of the full percentage increase of any change in the Italian Statistics Institute (ISTAT) consumer price index occurring during the previous year – and a variable amount equal to the difference, if positive, between a predetermined percentage of the annual revenues realised by the Company within the individual Business Unit and the minimum guaranteed share due for the same period; and

(iii) an obligation for the Company to deliver to Margherita, as security for compliance with the obligations resulting under the individual Definitive Contract, of a revolving surety payable upon first demand, subject to a formal

waiver of the requirement of prior enforcement pursuant to Article 1944 of the Italian Civil Code, in an amount equal to 8 monthly instalments of the minimum guaranteed rental payment, in addition to expenses relating to the management of the common areas of the shopping centres within which the Properties are located.

Provision will also be made, in line with similar transactions, for the making by Margherita of certain representations and warranties, the assumption by it of the related indemnification obligations, including specific undertakings in the event that any employment law disputes should arise, along with a prohibition on the assignment by the Issuer of the Definitive Contract, and a prohibition on the sub-letting or transfer under bailment of all or part of the Business Unit without the prior written approval of Margherita.

It is reported that, as at the date of this Prospectus, all Properties scheduled for transfer to the Company during January, June and July 2021 have been delivered and all Definitive Contracts have been signed for the properties scheduled for transfer to the Company during January, June and July 2021. It is also reported that, as at the date of this Prospectus, all retail stores relating to the above-mentioned Properties have been opened to the public.

The Issuer anticipates that the lease of the 18 retail stores under the Framework Agreement will not have any significant impacts on the economic and financial structure of the Group. In particular, under the Investment Plan the Issuer intends to carry out refurbishing and renovation work on the premises totalling approximately €12 million, to be financed through the liquidity available to the Company on the date of this Prospectus. During the quarter ended 30 April 2021 and through the date of this Prospectus, the Issuer has already made investments totalling approximately €3 million solely in relation to the Framework Agreement concluded with Margherita. In addition, under that Plan OVS expects that, over twelve months of operations, these retail stores will make a cumulative contribution of overall additional net revenues totalling approximately €39 million and of overall additional EBITDA of approximately €5 million.

Creative management contract with Massimo Piombo

On 12 April 2018, the Issuer entered into a creative management contract with Massimo Piombo ("**MP**"), a stylist and creative director who has been active in the fashion industry for a number of years, concerning the provision by MP, in his capacity as a creative director, of intellectual property services in relation to certain collections of products involving brands owned by or licensed to the Issuer, and in particular with respect to *(i)* the creation of OVS menswear collection products and, under the terms of an amendment dated 30 September 2020, also for the women's category; *(ii)* the design and implementation of the layout, mood and overall image of OVS brand shops; *(iii)* marketing activity, public relations, communication and promotion concerning the launch and development of brands and, in general, of the OVS Group; and *(iv)* the general supervision of all lines of clothing, including the Stefanel brand, in conjunction with the creative heads for each of them (the "**OVS Creative Management Contract**"). The OVS Creative Management Contract has subsequently been amended and supplemented.

This work is being performed by MP exclusively for the Issuer. An exception applies for any work that MP may perform in relation to the "MP di Massimo Piombo" brand, which, under the terms of the OVS Creative Management Contract, must be carried out in such a manner as not to give rise to any interference with the brand to which his appointment as creative director relates, and which he has undertaken to dedicate most of his professional efforts to.

Under the terms of the OVS Creative Management Contract, the Issuer automatically acquires all rights relating to the economic exploitation of the creations distinguished by the trade marks provided for under contract as devised by the creative director, including any idea relating to the mood and layout of shops.

The remuneration of MP is currently comprised – as modified under the terms of a subsequent amendment agreement - of *(i)* a fixed component, *(ii)* a variable component consisting in an annual bonus, for the whole duration of the agreement, based on the cash margin for the menswear collection and for the women's category (OVS shops and online sales channels) and *(iii)* an annual bonus, for the whole duration of the agreement, based on the performance of the OVS shares on the Mercato Telematico Azionario managed and organised by Borsa Italiana S.p.A..

The term of the OVS Creative Management Contract, originally set to expire on 31 December 2022, was modified under the terms of a subsequent amendment agreement and transformed into an indefinite-term contract, it being understood, however, that the minimum guaranteed duration of the OVS Creative Management Contract is fixed at 31 December 2024 and that OVS may, as from 1 January 2023, terminate the agreement with a 24 months prior notice.

Following an initial experimental phase at a limited number of small retail stores, the OVS Creative Management Contract was implemented in widespread form only as from September 2020. Over the following months, the contribution to Group profitability has not been significant, mainly due to the effect of the pandemic that occurred during the Autumn/Winter 2020 season.

Under the terms of the OVS Creative Management Contract, the Issuer has the right to terminate the contract following the occurrence of particular events, such as: *(i)* the failure by MP of to provide services under the contract for a period in excess of 30 consecutive days; *(ii)* the making of any statements or the carrying out of any acts by MP that are harmful or detrimental to the Issuer's image; or *(iii)* the breach by MP of the *(a)* non-compete obligations and *(b)* the obligations under intellectual property law relating to the economic exploitation of creations distinguished by the trademarks provided for under the OVS Creative Management Contract as created by the creative director.

On 22 October 2020, MP sent a proposal to the Issuer concerning the assignment of the OVS Creative Management Contract to the company Blu S.r.l.s., of which MP is the sole shareholder and legal representative.

That proposal concerning the assignment of the OVS Creative Management Contract also includes an irrevocable undertaking by MP to the Issuer to: *(i)* refrain from any transfer to a third party of the equity interest held in the transferee Blu S.r.l.s. during the entire term of the OVS Creative Management Contract, including any renewals and extensions; and *(ii)* remain jointly and severally liable with the transferee Blu S.r.l.s. for all obligations under the OVS Creative Management Contract. It is provided that a breach by MP of the above-mentioned undertakings will result in the automatic termination of the contract in accordance with Article 1456 of the Italian Civil Code.

On 22 October 2020 OVS signed, and thereby accepted, the above-mentioned proposal concerning the assignment of the OVS Creative Management Contract. Blu S.r.l.s. therefore replaced MP as the Issuer's counterparty for the entire term of the OVS Creative Management Contract.

Sourcing agreement

With effect from 1 August 2014, a contract has been in place between the Issuer and OVS Hong Kong Sourcing Ltd, formerly Oriental Buying Services Ltd ("**OVS Sourcing**"), which is fully controlled by the Issuer, concerning various services provided by OVS Sourcing in relation to the sourcing of suppliers in countries that are not Member States of the European Union, the monitoring and quality control thereof, as well as the provision of support in organising the shipment of supplies.

The contract is a permanent contract, and each party has the right to terminate upon advance notice of at least 9 months.

The Issuer also has the right to terminate the contract at any time, subject to the provision of notice to OVS Sourcing, upon the occurrence of particular events, namely: *(i)* any breach by OVS Sourcing of any of the terms and conditions of the contract that is not cured within 15 days of receipt of written notice from the Issuer; *(ii)* the voluntary or mandatory liquidation of OVS Sourcing; *(iii)* the inability of OVS Sourcing to meet its obligations under the contract for three consecutive months or for an overall period totalling six months during any given 12-month calendar period; *(iv)* the performance by OVS Sourcing of any acts that are harmful or detrimental to the Issuer's image; or *(v)* the outbreak of hostilities that could affect or impede supplies in any countries in which services falling under the contract are provided.

OVS Sourcing is prohibited from providing third parties with any services that are identical or similar to those covered by the agreement without the prior written approval of OVS; for its part, the Issuer is not subject to any requirement of exclusivity towards OVS Sourcing, and therefore has the right to engage third parties to provide services that are identical or similar to those covered by the agreement in the countries in which those services are provided.

The agreement provides for the payment of consideration by the Issuer to OVS Sourcing at a rate of 6.5% of the gross price of the goods acquired through OVS Sourcing.

It is noted that the transaction provided for under the agreement has not been subject to the RPT Procedure as said RPT Procedure was approved by the Board of Directors on 23 July 2014, subject to the start of trading of the Company's shares on the MTA, which took place on 2 March 2015.

As at the date of this Prospectus the Issuer does not have any plans to terminate the agreement and has not received notice from OVS Sourcing concerning the exercise of that right.

Agreement for the transfer of a business unit of Stefanel S.p.A. in extraordinary administration

Following the selection of OVS within the context of a sales procedure concerning the acquisition of business assets of Stefanel S.p.A., a company in extraordinary administration ("**Stefanel**") and the approval of that transaction issued by the Ministry of Economic Development on 1 March 2021, the Issuer as buyer and Stefanel as seller concluded and implemented a definitive contract concerning the sale of a business unit (the "**Stefanel Transfer Agreement**"), which provided for the transfer of business assets comprising the Stefanel business unit, including assets and legal relations organised in order to carry on the business of producing and marketing items of clothing under the "Stefanel" brand (the "**Stefanel Business Assets**").

In particular, the Stefanel Business Assets include: *(i)* 23 retail stores, including any tangible assets present therein and any active contracts/licences; *(ii)* tangible assets such as equipment, machinery, utensils and furniture relating to the above-mentioned retail stores; *(iii)* stock; *(iv)* all "Stefanel" trademarks; *(v)* contracts essential for the conduct of business activity (including leases relating to the retail stores and employment relationships with the employees transferred, subject to the completion of the trade union information and consultation procedure provided for under Article 47 of Italian Law no. 47 of 29 December 1990, as amended and supplemented (the "**Trade Union Agreement**"); *(vi)* all authorisations, licences, concessions and permits necessary to conduct the activities of the retail stores. Under the terms of the Stefanel Transfer Agreement, the scope of the Stefanel Business Assets expressly exclude: *(i)* any debts relating to the conduct of business activities arising prior to the effective date of the Stefanel Transfer Agreement; *(ii)* any receivables falling due on or before, or scheduled to fall due after, the effective date of the Stefanel Transfer Agreement; *(iii)* all rights in any way related to the commencement of any clawback or liability actions, or any litigation pursued until that time or thereafter on any basis; *(iv)* tax credits; *(v)* ownership of the property in which administrative and technical/organisational activity has been carried out for Stefanel, which has been leased to the Issuer under a separate lease; *(vi)* equity interests held by Stefanel in foreign companies.

Under the terms of the Stefanel Transfer Agreement, the consideration due from OVS for the purchase of the Stefanel Business Assets is set at a fixed and final amount of €2,900,000.00 (the "**Consideration**"), the balance of which was paid on the effective date of the Agreement, namely 1 March 2021 (the "**Effective Date**").

In entering into the Stefanel Transfer Agreement, OVS undertook to: *(i)* continue business operations for at least two years after the transfer of the Stefanel Business Assets; *(ii)* guarantee the employment levels for non-managerial staff specified in the Trade Union Agreement for a period of at least two years after the Effective Date, upon penalty of the payment of compensation for any losses arising for Stefanel from individual or collective actions commenced by workers or by the social security body, without prejudice to any instances of incentivised departure by mutual consent and/or the voluntary resignation of individual employees, as well as any dismissals ordered with good cause or on justified disciplinary grounds; *(iii)* allow the full and effective control by the extraordinary administrator of Stefanel of strict compliance with the undertakings mentioned above.

Under the terms of the Stefanel Transfer Agreement, the Issuer made a number of representations and warranties to Stefanel in line with those generally provided for in relation to similar market transactions. In addition, OVS also undertook to indemnify and hold harmless Stefanel in respect of any adverse consequences that might arise in the event of the commencement of any litigation by employees pertaining to the Stefanel Business Assets who, despite their entitlement, are not transferred into the employment of the Issuer due to reasons for which the latter is at fault.

It is further provided that, without prejudice to the right to claim compensation for any greater losses, any breach, including any partial breach, of the obligations incurred by the Issuer in relation to the continuation of business operations and the maintenance of employment levels will result in the application of penalties to OVS equal to: *(i)* a percentage of the Consideration in the event of any violation of the undertaking to continue the business activities of the Stefanel Business Assets for a period of at least two years from the Effective Date; *(ii)* a fixed amount for each employee dismissed or redeployed in breach, including any partial breach, of the undertakings made by OVS under the terms of the Stefanel Transfer Agreement, without prejudice to any rights of the worker against the Issuer, including the right to obtain a declaration that any notice of dismissal is ineffective or in any case unlawful.

The obligation to pay the above-mentioned penalties, to comply with all any contractual obligations, and to provide compensation for any losses that may arise out of any failure to comply with, including any partial failure, or any improper compliance with, the Stefanel Transfer Agreement are guaranteed by a demand guarantee with a "waiver of all objections" issued by a leading banking institution in accordance with market practice for similar transactions.

Transfer agreement and licensing agreement for the "Piombo" brand

On 29 December 2020 Ciro Paone S.p.A. ("**Ciro Paone**"), as transferor, and 82 S.r.l.[8], as transferee, entered into a preliminary agreement for the sale to 82 S.r.l. of the "Piombo" trademark, exercising the call option that Ciro Paone had granted to 82 S.r.l. under the terms of a licence agreement dated 3 October 2017 for the grant to 82 S.r.l. of a licence for the exclusive use of the "Piombo" trademark (the "**Piombo Brand**").

Subsequently, on 9 March 2021, Ciro Paone as transferor and 82 S.r.l. as transferee entered into a definitive agreement for the transfer to 82 S.r.l. of full and exclusive ownership of the Piombo Brand, free of any *in rem* or third-party restrictions, for the price of €2,350,000.00 (the "**Definitive Piombo Brand Transfer Agreement**").

Under the terms of the Definitive Piombo Brand Transfer Agreement, Ciro Paone undertook towards 82 S.r.l. to refrain from registering or using in any country as trade marks or distinctive signs any signs identical to the Piombo Brand in order to distinguish any goods or services.

On 9 March-15 April 2021 82 S.r.l. as licensor and OVS as licensee entered into an agreement for the grant to the Issuer of an exclusive licence to the Piombo Brand for the purpose of: *(i)* manufacturing, or arranging the manufacture by third party suppliers of, any goods distinguished by the Piombo Brand (the "**Licensed Goods**"); *(ii)* marketing, distributing and selling the Licensed Goods; *(iii)* promoting the Piombo Brand, including online and social network messaging (the "**Piombo Licence Agreement**").

The term of the Piombo Licence Agreement began on 9 March 2021 and was concluded on an open-ended basis, without prejudice to the right of the parties to exercise a right of termination upon 12-months' advance written notice. Each party is therefore entitled to terminate the agreement upon 6 months' advance written notice in the event of a serious breach by the counterparty that is not cured thereby within 60 days of receipt of the notice.

There are specific provisions in relation to the reporting and management of any infringement, counterfeiting or falsification of the Piombo Brand that may come to the attention of OVS. OVS has also undertaken to: *(i)* advertise the sale of the Licensed Goods on an ongoing basis and in a manner that is attractive for consumers and consistent with the Piombo Brand image and market trends, making use of creative works, documents and materials for the purpose of securing a Piombo Brand image that is as consistent as possible, and *(ii)* maintain the quality of the Licensed Goods at a competitive level in a manner commensurate with the quality, positioning and under all circumstances the value and prestige of the Piombo Brand.

Under the terms of the Piombo Licence Agreement, the Issuer is obliged to pay to 82 S.r.l., in consideration for the licence, royalties calculated on net revenues resulting from the sale of the Licensed Goods and to make investments to support the marketing of the Licensed Goods in accordance with Piombo Brand development plans drawn up by the Issuer. No provision has been made for any minimum guaranteed royalties or any minimum sales revenues.

During the term of the Piombo Licence Agreement, 82 S.r.l. may not transfer ownership of the Piombo Brand to any third party or otherwise dispose of the brand on any basis without the prior written approval of OVS. It has been stipulated that the Issuer is entitled under all circumstances to grant sub-licences or to assign rights resulting from the Piombo Licence Agreement to the extent necessary in order to market and promote sales of the Licensed Goods in accordance with the terms of the Piombo Licence Agreement.

Distribution agreement

On 13 November 2020 (the "**Effective Date**") GPS Strategic Alliances LLC ("**GPS**"), GAP (ITM) Inc. ("**GAP**" and, together with GPS, the "**GAP Companies**") as licensor and OVS as distributor entered into a distribution agreement (the "**Distribution Agreement**") for the grant to the Issuer of a non-exclusive right to purchase products of the "GAP" brand (the "**Brand**") from the GAP Companies and/or from distributors authorised by those companies (the "**Products**") and to sell them in Italy in dedicated corners situated within OVS stores ("**Corners**") and through dedicated online sales channels of the Issuer. OVS is obliged to pay a royalty fee to GAP as described below.

[8] 82 S.r.l. is 70% owned by OVS and 30% by Massimo Piombo.

The Distribution Agreement has a term of 3 years from the Effective Date, and does not contain any provision for automatic renewal upon expiry.

Under the terms of the Distribution Agreement, OVS has undertaken to open and manage at least 20 Corners in Italy during each financial year ending on 31 January, which must occur in accordance with the development process stipulated by GPS under the terms of the Distribution Agreement, including the receipt of written approval from GPS of the location proposed by OVS, which must comply with the standards set by GPS regarding the design, structure, furnishing and minimum surface area of each Corner. For purposes of the grant of such approval, GPS is thus required to verify (including by inspection visits to the Corners) that: *(i)* the above-mentioned structural standards are being met, *(ii)* staff have been properly trained and *(iii)* the insurance policies required under the terms of the Distribution Agreement (*e.g.*, for product liability) have been issued and the related premiums have been paid. The Issuer is responsible for identifying and acquiring the space in which the Corners are to be opened and for bearing all costs associated with the opening and management of each Corner, including those relating to any damage caused to them. The prior written approval of GPS is also required for the closure or suspension of operation of any Corner.

The Distribution Agreement sets out specific rules, in line with those generally provided for in similar commercial agreements, concerning: *(i)* the sourcing of Products by OVS; *(ii)* the minimum number of orders per season; *(iii)* the return and/or reimbursement of damaged or faulty Products; *(iv)* the management of Corners and online sales channels and the maintenance of their quality standards; *(v)* marketing campaigns relating to the Corners and online sales channels.

OVS is required to pay a royalty fee (the "**Royalty**") to GAP comprising a percentage of the overall purchase price of the Products. To secure the payment of all amounts due under the terms of the Distribution Agreement, the Issuer is required to present to the GAP Companies an irrevocable stand-by letter of credit (the "**Letter of Credit**") in favour of the GAP Companies, issued by a leading financial institution, which must be maintained throughout the entire term of the Distribution Agreement and for any renewal period thereof, in order to guarantee the payment of the precise amount of any sums due under the terms of the Distribution Agreement (including in particular the purchase price of the Products). The Distribution Agreement provides that the GAP Companies may satisfy any of their claims against OVS by drawing on the Letter of Credit (which must contain a clause providing for payment upon first demand), under the following circumstances, among others: *(i)* the failure by OVS to pay any amount required under the terms of the Distribution Agreement; *(ii)* the occurrence of any Event of Default (as defined below).

The Distribution Agreement also sets out specific rules governing intellectual property rights relating to the Brand, pursuant to which OVS is entitled to use the Brand exclusively in accordance with the terms of the Distribution Agreement and in relation to the distribution and sale of Products in the Corners and through online sales channels, and hence any unauthorised use of the Brand will be deemed a breach of contract and an infringement of the intellectual property rights of GAP to the Brand.

The Issuer has made a number of representations and warranties to the GAP Companies in line with those generally provided for in similar commercial agreements, including in relation to the compliance by OVS with applicable statutory provisions *(i)* on marketing, distribution and sale, safety standards, exporting and Product labelling and *(ii)* on anti-corruption and export control.

The Issuer is required to implement the Distribution Agreement in accordance with the commercial code of conduct of the GAP Companies and has undertaken (including after the expiry or termination of the Distribution Agreement) to indemnify and hold harmless the GAP Companies in respect of any cost, expense, loss, obligation or damage resulting from, inter alia: (i) the obligations of OVS provided for in the Distribution Agreement; (ii) any claims brought by employees of OVS against the GAP Companies; (iii) the publication, marketing or promotion of Products and Corners; (iv) the sale of damaged or faulty Products, although only where GPS has previously reported the damage or fault concerned to OVS; (v) an Event of Default (as defined below); (vi) the breach of any representations or warranties made by the Issuer. GPS has undertaken (including after the expiry or termination of the Distribution Agreement) to indemnify and hold harmless OVS in respect of any cost, expense, loss, obligation or damage resulting from any harm, infringement or other consequence arising for any third party as a result of the use of a Product for which GPS is found to be liable by the competent judicial authorities.

GPS and/or GAP are entitled to assign the Distribution Agreement to any third party without any limitation and, in such an event, the assignee will subrogate to all obligations under the Distribution Agreement with the resulting discharge of the GAP Companies. OVS is however only entitled to assign the Distribution Agreement with the prior written approval of the GAP Companies.

The GAP Companies are entitled to terminate the Distribution Agreement upon written notice to OVS, following the occurrence of, *inter alia*, any of the following circumstances ("**Events of Default**"): *(i)* a declaration concerning the bankruptcy of OVS, the appointment of a receiver for all or a substantial part of the assets of the Issuer, or the execution of agreements with creditors in order to avoid potential insolvency; *(ii)* the opening and management of Corners by OVS without the prior written approval of the GAP Companies; *(iii)* the commission by the Issuer of any offence or any act that could have an adverse effect on the Brand's goodwill or on the operations and/or reputation of the GAP Companies; *(iv)* the breach by the Issuer of the confidentiality obligations provided for in the Distribution Agreement; *(v)* the unauthorised use of the Brand by OVS; *(vi)* the assignment of the Distribution Agreement by the Issuer without the prior written approval of the GAP Companies; *(vii)* the failure by OVS to maintain the Letter of Credit in accordance with the terms and conditions set forth in the Distribution Agreement; *(viii)* the breach by the Issuer of the representations or warranties made under the terms of the Distribution Agreement; *(ix)* the failure by OVS to open the minimum number of 20 Corners during each financial year ending on 31 January; *(x)* the failure to pay any amounts due under the terms of the Distribution Agreement within 15 days of receipt of a letter of formal notice from the GAP Companies.

In addition to the right of the GAP Companies to terminate the Distribution Agreement, upon the occurrence of the following Events of Default the GAP Companies have the additional remedies respectively illustrated: *(i)* in the event of the failure by OVS to open the minimum number of 20 Corners during each financial year ending on 31 January, the GAP Companies will be entitled to terminate the Issuer's right to develop and open new Corners or to continue to manage Corners that have previously been opened and are already operational; *(ii)* in the event of the commission by the Issuer of any offence or of any act that could have an adverse effect on the Brand's goodwill, or on the operations and/or reputation of the GAP Companies, the latter will be entitled to suspend or terminate the right of OVS to use the Brand; *(iii)* in the event of the failure to pay any of the amounts due under the Distribution Agreement within 15 days of receipt of a letter of formal notice from the GAP Companies, the latter will be entitled to suspend any further deliveries of Products to OVS until such payment has been made.

Legal and arbitration proceedings

In the ordinary course of business, as at the date of this Prospectus, the Issuer and the other companies part of the Group are involved in various legal proceedings of a civil (including relating to employment law), tax and administrative nature, which could give rise to obligations against them to pay compensation and/or penalties. Based on the Issuer's business and the industry in which the Group operates, the proceedings relate to disputes with former employees, public entities and commercial suppliers.

As at 31 July 2021, a specific "*Provision for risks and charges*", amounting to a total of €5.1 million, was made in the consolidated half-year financial report to cover risks for disputes with suppliers related to the sale of products, and with public entities, former employees and third parties in various capacities. On that date, the amount in dispute in those proceedings totalled approximately € 25 million. The Company believes this provision is adequate because, firstly, it reflects liabilities that could arise from: *(i)* ordinary employment disputes, for which the provisions made amount to €1.2 million (against claims in the same amount), *(ii)* employment disputes of € 1.5 million (against claims of € 2.9 million, and *(iii)* other disputes on commercial positions and with local authorities totalling € 2.4 million (against claims amounting to approximately €20.9 million), and secondly, it does not consider proceedings for which the possibility of losing the case is deemed merely possible or remote (in relation to which the Group has decided not to make ad hoc provisions in the financial statements, in accordance with applicable accounting principles that require accrual of liabilities for probable and quantifiable risks).

The amount of the provisions is determined by the individual companies of the Group based on procedures that consider the guidance received from legal advisors and internal departments, which estimate the liabilities the OVS Group could incur depending on the risk and nature of the dispute.

As at the date of this Prospectus, there are no legal or arbitration proceedings pending that may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

Investments

Significant investments made since the end of the period covered by the last audited financial statements up to the date of this Prospectus

There was a partial decrease in investments in fiscal year 2020 financial due to the uncertainty surrounding the spread of the COVID-19 pandemic, which led the Group to take a more cautious approach to financial outlays. For this reason, some of the investments planned at the beginning of the year have been postponed until 2021.

Investments of €34.3 million were made during the six months ended 31 July 2021. Of this amount, €9.7 million relates to the restructuring of the sales network, €10.4 million to the opening of new shops, and €8.9 million to IT and digital investments. During the same period, investments totalling €5 million were also made for the acquisition of the Piombo and Stefanel brands (for more information, see "*Material Contracts – Creative management contract with Massimo Piombo – Agreement for the transfer of a business unit of Stefanel S.p.A. in extraordinary administration*").

The investments made during fiscal year 2020 and the first six months of 2021 were financed through the financial resources available to the Group.

Investments in progress

As at the date of this Prospectus, investments in progress amounted to approximately €4 million, of which €3.3 million related to the sales network (mainly new openings and renovations The investments in progress have been and will continue to be financed by the liquidity available to the Group.

Future investments

As at the date of this Prospectus the Group has no commitments for future investments.

Financial information concerning assets and liabilities, financial position, profits and losses of the Issuer

The following information has been derived from the Annual Report 2020 and Annual Report 2019.

Consolidated statement of financial position as at 31 January, 2021 and 2020

(thousand of euro)

ASSETS	As at 31 January, 2021	of which related parties	As at 31 January, 2020	of which related parties
Current assets				
Cash and cash equivalents	77,507		45,656	
Trade receivables	102,061	1,617	85,981	1,836
Inventories	420,110		393,094	
Financial assets	43		7,572	
Financial assets for leases	3,408	1,319	4,191	1,246
Current tax assets	15,637		14,683	
Other receivables	10,707		13,984	
Total current assets	**629,473**		**565,161**	
Non-current assets				
Property, plant and equipment	234,702		255,070	
Right of use	824,352		866,316	
Intangible assets	604,139		618,053	
Goodwill	297,541		297,541	
Equity investments	-		136	
Financial assets	-		34	
Financial assets for leases	6,086	1,303	10,623	2,620
Other receivables	9,228		11,119	
Total non-current assets	**1,976,048**		**2,058,892**	
TOTAL ASSETS	**2,605,521**		**2,624,053**	
LIABILITIES AND SHAREHOLDERS' EQUITY	**As at 31 January, 2021**	**of which related parties**	**As at 31 January, 2020**	**of which related parties**
Current liabilities				

Financial liabilities	71,617		38,871	
Financial liabilties for leases	171,497		133,808	
Trade payables	263,996	(2)	321,146	25
Current tax liabilities	3,927		-	
Other payables	111,304	2,813	128,215	1,737
Total current assets	**622,341**		**622,040**	
Non-curren liabilities				
Financial liabilities	414,105		313,773	
Financial liabilities for leases	745,365		772,998	
Employee benefits	35,146		37,044	
Provisions for risks and charges	4,927		4,687	
Deferred tax liabilities	2,485		127,799	
Other payables	16,867		16,883	
Total non-current liabilities	**1,218,895**		**1,273,184**	
TOTAL LIABILITIES	**1,841,236**		**1,895,224**	
SHAREHOLDERS' EQUITY				
Share Capital	227,000		227,000	
Treasury shares	(1,496)		(1,496)	
Other reserves	503,941		643,982	
Net result for the year	35,037		(140,389)	
GROUP SHAREHOLDERS' EQUITY	**764,482**		**729,097**	
MINORITY INTEREST	(197)		(268)	
TOTAL SHAREHOLDERS' EQUITY	**764,285**		**728,829**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,605,521**		**2,624,053**	

Consolidated income statement for the years ended 31 January 2021 and 2020

(thousand of euro)	Year ended 31 January, 2021	of which non-recurring	of which related parties	Year ended 31 January, 2020	of which non-recurring	of which related parties
Revenues	1,017,808	(679)	722	1,374,777	4,687	1,699
Other operating income and revenues	51,844	479	1,553	67,654		1,597
Total revenues	**1,069,652**	**(200)**		**1,442,431**	**4,687**	
Purchase of raw materials, consumables and goods	454,393			616,746	2,682	
Staff costs	228,907	679	6,322	290,526	3,649	3,962
Depreciation, amortisation and write-downs of assets	206,729			376,931	1,518	
Other operating expenses						
Service costs	159,762	8,971	158	179,087	2,195	13,222
Cost for the use of third-party assets	(3,369)		(331)	29,595		(406)
Write-downs and provisions	2,882		83	6,988	4,015	
Other operating charges	22,005	2,302		26,535	1,187	17
Result before net financial expenses and taxes	**(1,657)**	**(12,152)**		**(83,977)**	**(10,559)**	
Financial income	672		187	1,139		254
Financial expenses	(69,469)			(72,428)	(1,328)	(20)
Exchange rate gains and losses	(8,128)			19,741		
Gains (losses) from equity	(136)		(136)	1,095	1,095	
Net resut for the year before tax	**(78,718)**	**(12,152)**		**(134,430)**	**(10,792)**	
Taxes	113,826	2,916		(5,948)	2,590	
Net result for the year	**35,108**	**(9,236)**		**(140,378)**	**(8,202)**	
Net result for the year attributable to the Group	**35,037**			**(140,389)**		
Net result for the year attributanle to minority interests	**71**			**11**		
Earnings per share (in euros)						
- basic	0.16			(0.62)		
- diluted	0.16			(0.60)		

Consolidated statement of comprehensive incomet for the years ended 31 January, 2021 and 2020

(thousands of euro)	Year ended 31 January, 2021	Year ended 31 January, 2020
Net result for the year (A)	**35,108**	**(140,378)**
Other gains (losses) that will not be subsequently reclassified in the income statement:		
- Actuarial gains (losses) for employee benefits	(236)	(1,485)
- Tax on items recognised in the reserve for actuarial gains (losses)	57	356
Total other comprehensive gains (losses) that will not be subsequently reclassified in the income statement	**(179)**	**(1,129)**
Other gains (losses) that will be subsequently reclassified in the income statement:		
- Change in translation reserve	(1,614)	52
Total other comprehensive gains (losses) that will be subsequently reclassified in the income statement	**(1,614)**	**52**
Total other items of comprehensive income (B)	**(1,793)**	**(1,077)**
Total comprehensive income for the year (A) + (B)	**33,315**	**(141,455)**
Total comprehensive income attributable to the Group	33,244	(141,455)
Total comprehensive income attributable to the minority interests	71	11

Consolidated statement of cash flows for the years ended 31 January, 2021 and 2020

(thousands of euro)	**Year ended 31 January, 2021**	**Year ended 31 January, 2020**
Operating activities		
Net result for the year	35,108	(140,378)
Provision for taxes	(113,826)	5,948
Adjustments for:		
Net depreciation, amortisation and write-downs for fixed assets, leasing effects included	206,729	376,931
Net capital losses (gains) on fixed assets, leasing effects included	891	(1,707)
Write-off of equity investment	136	-
Losses/(gains) on equity investment	-	-
Net financial expenses (income), leasing effects included	68,796	70,194
Expenses (income) from foreign exchange differences and currency derivatives	(8,607)	(22,875)
Loss (gain) on derivative due to change in fair value	16,736	3,134
Allocations to provisions	268	1,033
Utilisation of provisions	(2,169)	(4,364)
Cash flows from oprating activities before changes in working capital	**204,062**	**287,916**
Cash flow generated by change in working capital	(114,881)	(11,642)
Taxes paid	-	(6,863)
Net interest received (paid), leasing effects included	(51,613)	(69,643)
Realised foreign exchange differences and cash flows from currency derivatives	7,363	24,175
Other changes	526	178
Cash flow generated (absorbed) by operating activities	**45,457**	**224,121**
Investment activities		
(Investments) in fixed assets	(40,088)	(46,441)
Disposal of fixed assets	1,856	1,298
(Increase) decrease in equity investments	-	-
Cash out due to business combination during the period	(1,000)	-
Cash flow generated (absorbed) by investment activities	**(39,232)**	**(45,143)**
Financing activities		
Net change in financial assets and liabilities	124,579	(51,936)
(Repayment) of lease liabilities/Collection of assets for leases	(98,953)	(109,262)
(Purchase)/Disposal of treasury shares	-	-
Dividend distribution	-	-
Cash flow generated (absorbed) by financing activities	**25,626**	**(161,198)**
Increase (decrease) in cash and cash equivalents	**31,851**	**17,780**
Cash and cash equivalents at the beginning of the year	**45,656**	**27,876**
Cash and cash equivalents at the end of the year	**77,507**	**45,656**

Consolidated statement of changes in sharholders' equity for the years ended 31 January, 2021 and 2020

	Share capital	Share premium reserve	Legal reserve	Treasury shares	Reserve for actuarial gains (losses)	Translation reserve	IFRS 2 reserve	Other reserves	Retained earnings	Net result for the year	Total shareholders' equity attributable to the OVS Group	Minority interests	Total shareholders' equity
Balance at 1 February 2019	**227,000**	**511,995**	**7,917**	**(1,496)**	**(2,532)**	**549**	**7,095**	**1,882**	**90,028**	**25,540**	**867,978**	**(279)**	**867,699**
- Allocation of earnings for financial year 2018	-	-	1,967	-	-	-	-	-	23,573	(25,540)	-	-	-
- Management incentive plan	-	-	-	-	-	-	(739)	-	865	-	126	-	126
Relations with Shareholders	**-**	**-**	**1,967**	**-**	**-**	**-**	**(739)**	**-**	**24,438**	**(25,540)**	**126**	**-**	**126**
IFRS 16 impact	-	-	-	-	-	-	-	2,459	-	-	2,459	-	2,459
- Net result for the year	-	-	-	-	-	-	-	-	-	(140,389)	(140,389)	11	(140,378)
- Other items of comprehensive income	-	-	-	-	(1,129)	52	-	-	-	-	(1,077)	-	(1,077)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(1,129)**	**52**	**-**	**-**	**-**	**(140,389)**	**(141,466)**	**11**	**(141,455)**
Balance at 31 January 2020	**227,000**	**511,995**	**9,884**	**(1,496)**	**(3,661)**	**601**	**6,356**	**4,341**	**114,466**	**(140,389)**	**729,097**	**(268)**	**728,829**
Balance at 1 February 2020	**227,000**	**511,995**	**9,884**	**(1,496)**	**(3,661)**	**601**	**6,356**	**4,341**	**114,466**	**(140,389)**	**729,097**	**(268)**	**728,829**
- Allocation of earings for financial year 2019	-	-	-	-	-	-	-	-	(140,389)	140,389	-	-	-
- Management incentive plan	-	-	-	-	-	-	2,030	-	111	-	2,141	-	2,141
Relations with Shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**2,030**	**-**	**(140,278)**	**140,389**	**2,141**	**-**	**2,141**
- Net result for the year	-	-	-	-	-	-	-	-	-	35,037	35,037	71	35,108
- Other items of comprehensive income	-	-	-	-	(179)	(1,614)	-	-	-	-	(1,793)	-	(1,793)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(179)**	**(1,614)**	**-**	**-**	**-**	**35,037**	**33,244**	**71**	**33,315**
Balance at 31 January 2021	**227,000**	**511,995**	**9,884**	**(1,496)**	**(3,840)**	**(1,013)**	**8,386**	**4,341**	**(25,812)**	**35,037**	**764,482**	**(197)**	**764,285**

The following information has been derived from the Interim Report as at 31 July 2021 and from the Interim Report as at 31 July, 2020.

Consolidated statement of financial position as at 31 July, 2021 and 31 January,2021

(thousand of euro)

ASSETS	**As at 31 July, 2021**	**of which related parties**	**As at 31 January, 2021**	**of which related parties**
Current assets				
Cash and cash equivalents	144,813		77,507	
Trade receivables	95,480		102,061	1,617
Inventories	410,272		420,110	
Financial assets	2,852		43	
Financial assets for leases	2,866		3,408	1,319
Current tax assets	14,849		15,637	
Other receivables	15,041		10,707	
Total current assets	**686,173**		**629,473**	
Non-current assets				
Property, plant and equipment	238,621		234,702	
Right of use	849,696		824,352	
Intangible assets	599,730		604,139	
Goodwill	300,142		297,541	
Equity investments	-		-	
Financial assets	-		-	
Financial assets for leases	5,301		6,086	1,303
Other receivables	8,276		9,228	
Total non-current assets	**2,001,766**		**1,976,048**	
TOTAL ASSETS	**2,687,939**		**2,605,521**	
LIABILITIES AND SHAREHOLDERS' EQUITY	**As at 31 July, 2021**	**of which related parties**	**As at 31 January, 2021**	**of which related parties**
Current liabilities				
Financial liabilities	89,292		71,617	
Financial liabilties for leases	127,983		171,497	
Trade payables	266,867	(2)	263,996	(2)
Current tax liabilities	5,654		3,927	
Other payables	129,569	1,153	111,304	2,813
Total current assets	**619,365**		**622,341**	
Non-curren liabilities				
Financial liabilities	371,840		414,105	
Financial liabilities for leases	772,582		745,365	
Employee benefits	34,343		35,146	
Provisions for risks and charges	5,147		4,927	
Deferred tax liabilities	9,023		2,485	
Other payables	12,460		16,867	
Total non-current liabilities	**1,205,395**		**1,218,895**	
TOTAL LIABILITIES	**1,824,760**		**1,841,236**	
SHAREHOLDERS' EQUITY				
Share Capital	290,923		227,000	
Treasury shares	(1,496)		(1,496)	
Other reserves	556,939		503,941	
Net result for the year	16,993		35,037	
GROUP SHAREHOLDERS' EQUITY	**863,359**		**764,482**	
MINORITY INTEREST	(180)		(197)	
TOTAL SHAREHOLDERS' EQUITY	**863,179**		**764,285**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,687,939**		**2,605,521**	

Consolidated income statement for the six months periods ended 31 July, 2021 and 2020

(thousand of euro)	Six months period ended 31 July, 2021	of which non-recurring	of which related parties	Six months period ended 31 July, 2020	of which non-recurring	of which related parties
Revenues	599,242		395	375,069	(679)	161
Other operating income and revenues	31,389		728	19,388	359	769
Total revenues	**630,631**			**394,457**	**(320)**	
Purchase of raw materials, consumables and goods	248,124			158,327		
Staff costs	126,903	461	2,335	105,479		3,256
Depreciation, amortisation and write-downs of assets	103,864			103,839		
Other operating expenses						
Service costs	86,134	2,845	(96)	68,800	2,579	85
Cost for the use of third-party assets	(4,408)		(97)	2,309		(63)
Write-downs and provisions	1,472		(28)	1,398		
Other operating charges	11,654	336		10,079	2,094	
Result before net financial expenses and taxes	**56,888**	**(3,642)**		**(55,774)**	**(4,993)**	
Financial income	215		66	377		102
Financial expenses	(34,143)			(35,186)		
Exchange rate gains and losses	4,081			(7,030)		
Gains (losses) from equity	-			-		
Net resut for the year before tax	**27,041**	**(3,642)**		**(97,613)**	**(4,993)**	
Taxes	(10,031)	874		21,754	(1,198)	
Net result for the year	**17,010**	**(2,768)**		**(75,859)**	**(3,795)**	
Net result for the year attributable to the Group	**16,993**			**(75,866)**		
Net result for the year attributanle to minority interests	**17**			**7**		
Earnings per share (in euros)						
- basic	0.08			(0.33)		
- diluted	0.07			(0.32)		

Consolidated statement of comprehensive incomet for the six months periods ended 31 July, 2021 and 2020

(thousands of euro)	Six months period ended 31 July, 2021	Six months period ended 31 July, 2020
Net result for the year (A)	**17,010**	**(75,859)**
Other gains (losses) that will not be subsequently reclassified in the income statement:		
- Actuarial gains (losses) for employee benefits	(163)	351
- Tax on items recognised in the reserve for actuarial gains (losses)	39	(84)
Total other comprehensive gains (losses) that will not be subsequently reclassified in the income statement	**(124)**	**267**
Other gains (losses) that will be subsequently reclassified in the income statement:		
- Change in translation reserve	1,078	**(1,191)**
- Change in consolidated reserve	(40)	
Total other comprehensive gains (losses) that will be subsequently reclassified in the income statement	**1,038**	**(1,191)**
Total other items of comprehensive income (B)	**914**	**(924)**
Total comprehensive income for the year (A) + (B)	**17,924**	**(76,783)**
Total comprehensive income attributable to the Group	17,907	(76,790)
Total comprehensive income attributable to the minority interests	17	7

Consolidated statement of cash flows for the six months period ended 31 July, 2021 and 2020

(thousands of euro)	**Six months period ended 31 July, 2021**	**Six months period ended 31 July, 2020**
Operating activities		
Net result for the year	17,010	(75,859)
Provision for taxes	10,031	(21,754)
Adjustments for:		
Net depreciation, amortisation and write-downs for fixed assets, leasing effects included	103,864	103,839
Net capital losses (gains) on fixed assets, leasing effects included	857	142
Write-off of equity investment	-	-
Losses/(gains) on equity investment	-	-
Net financial expenses (income), leasing effects included	33,927	34,808
Expenses (income) from foreign exchange differences and currency derivatives	6,972	(14,581)
Loss (gain) on derivative due to change in fair value	(11,053)	21,612
Allocations to provisions	250	15
Utilisation of provisions	(1,001)	(764)
Cash flows from oprating activities before changes in working capital	**160,857**	**47,458**
Cash flow generated by change in working capital	33,176	(75,350)
Taxes paid	(3,714)	-
Net interest received (paid), leasing effects included	(49,361)	(25,945)
Realised foreign exchange differences and cash flows from currency derivatives	(2,575)	12,180
Other changes	1,402	435
Cash flow generated (absorbed) by operating activities	**139,785**	**(41,222)**
Investment activities		
(Investments) in fixed assets	(34,494)	(11,779)
Disposal of fixed assets	927	23
(Increase) decrease in equity investments	-	-
Cash out due to business combination during the period	(2,709)	-
Cash flow generated (absorbed) by investment activities	**(36,27316)**	**(11,756)**
Financing activities		
Net change in financial assets and liabilities	(21,035)	195,494
(Repayment) of lease liabilities/Collection of assets for leases	(95,774)	(49,571)
(Purchase)/Disposal of treasury shares	80,606	-
Dividend distribution	-	-
Cash flow generated (absorbed) by financing activities	**(36,203)**	**145,923**
Increase (decrease) in cash and cash equivalents	**67,306**	**92,945**
Cash and cash equivalents at the beginning of the year	**77,507**	**45,656**
Cash and cash equivalents at the end of the year	**144,813**	**138,601**

Consolidated statement of changes in sharholders' equity for the six months periods ended 31 July, 2021 and 2020

	Share capital	Share premium reserve	Legal reserve	Treasury shares	Reserve for actuarial gains (losses)	Translation reserve	IFRS 2 reserve	Other reserves	Retained earnings	Net result for the year	Total shareholders' equity attributable to the OVS Group	Minority interests	Total shareholders' equity
Balance at 1 February 2020	**227,000**	**511,995**	**9,884**	**(1,496)**	**(3,661)**	**601**	**6,356**	**4,341**	**114,466**	**(140,389)**	**729,097**	**(268)**	**728,829**
- Allocation of earnings for financial year 2019	-	-	-	-	-	-	-	-	(140,389)	140,389	-	-	-
- Management incentive plan	-	-	-	-	-	-	1,631	-	-	-	1,631	-	1,631
Relations with Shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**1,631**	**-**	**(140,389)**	**140,389**	**1,631**	**-**	**1,631**
IFRS 16 impact	-	-	-	-	-	-	-	-	-	-	-	-	-
- Net result for the period	-	-	-	-	-	-	-	-	-	(75,866)	(75,866)	7	(75,859)
- Other items of comprehensive income	-	-	-	-	267	(1,191)	-	-	-	-	(924)	-	(924)
Total comprehensive income for the year	-	-	-	-	**267**	**(1,191)**	-	-	-	**(75,866)**	**(76,790)**	**7**	**(76,783)**
Balance at 31 July 2020	**227,000**	**511,995**	**9,884**	**(1,496)**	**(3,394)**	**(590)**	**7,987**	**4,341**	**(25,923)**	**(75,866)**	**653,938**	**(261)**	**653,677**
Balance at 1 February 2021	**227,000**	**511,995**	**9,884**	**(1,496)**	**(3,840)**	**(1,013)**	**8,386**	**4,341**	**(25,812)**	**35,037**	**764,482**	**(197)**	**764,285**
- Allocation of earings for financial year 2020	-	-	1,795	-	-	-	-	-	33,242	(35,037)	-	-	-
- Capital increase	63,923	16,683	-	-	-	-	-	-	-	-	80,606	-	80,606
- Management incentive plan	-	-	-	-	-	-	428	-	(64)	-	364	-	364
Relations with Shareholders	**63,923**	**16,683**	**1,795**	**-**	**-**	**-**	**428**	**-**	**33,178**	**-(35,037)**	**80,970**	**-**	**80,970**
- Net result for the period	-	-	-	-	-	-	-	-	-	16,993	16,993	17	17,010
- Other items of comprehensive income	-	-	-	-	(124)	1,078	-	360	(400)	-	914	-	914
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(124)**	**1,078**	**0**	**360**	**(400)**	**16,993**	**17,907**	**17**	**17,924**
Balance at 31 July 2021	**290,923**	**528,678**	**11,679**	**(1,496)**	**(3,964)**	**65**	**8,814**	**4,701**	**6,966**	**16,993**	**863,359**	**(180)**	**863,179**

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which (subject to modification and inclusion of the Initial Rate of Interest and final amount of the Notes) will be endorsed on each Note in definitive form:

The Senior Unsecured Notes due 2027 in an aggregate principal amount of up to €200,000,000 (the "**Notes**", which expression shall in these terms and conditions (the "**Conditions**"), unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further issues*) and forming a single series with the Notes of OVS S.p.A. (the "**Issuer**" or "**OVS**")) are issued on November 10, 2021 (the "**Issue Date**") and are subject to, and have the benefit of, an agency agreement dated on or about the Issue Date (as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") between the Issuer and The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent (the "**Fiscal Agent**") and the other initial paying agents named in the Agency Agreement (together with the Fiscal Agent, the "**Paying Agents**"). The holders of the Notes (the "**Noteholders**") and the holders of the interest coupons appertaining to the Notes (the "**Couponholders**" and the "**Coupons**", respectively) are entitled to the benefit of a deed of covenant (the "**Deed of Covenant**") dated on or about the Issue Date and made by the Issuer. The issue of the Notes was authorised by a resolution of the board of directors' meeting of the Issuer passed on October 11, 2021. These Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement, which includes the form of the Notes and the Coupons. Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours by the Noteholders and the Couponholders at the specified office of each of the Paying Agents and on the website of the Issuer (the "**Issuer's Website**"). The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. References in these Conditions to the Fiscal Agent and the Paying Agents shall include any successor appointed under the Agency Agreement.

1 Definitions and interpretation

(a) **Definitions:** In these Conditions:

"**Acceptable Bank**" means:

(a) a bank or financial institution which has a rating for its long term unsecured and non-credit enhanced debt obligations of BB or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or Ba2 or higher by Moody's Investor Services Limited or a comparable rating from an internationally recognised credit rating agency; or

(b) any bank or financial institution at which the Issuer holds a bank account as at the Issue Date; or

(c) any other bank or financial institution approved by the Noteholders (or, if appointed, the Noteholders' Representative);

"**Accounting Principles**" means IFRS as at the Issue Date (except for the adoption of the IFRS 16 (Leases)) or (in respect of the unconsolidated accounts of Italian members of the Group) generally accepted accounting principles in Italy on the Issue Date;

"**Acquired Indebtedness**" means Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Subsidiary of the Issuer or at the time it merges or consolidates with or into the Issuer or any of its Subsidiaries or assumed in connection with the acquisition of assets from such Person and in each case not incurred by such Person, including any guarantee granted by the Issuer in connection to the same, in connection with, or in anticipation or contemplation of, such Person becoming a Subsidiary of the Issuer or such acquisition, merger or consolidation;

"**Business Day**" means, a day that is not a Saturday and Sunday on which commercial banks and foreign exchange markets in London and Milan are open for general business and which is a TARGET Settlement Day;

"**Capital Stock**" means:

(i) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of Common Stock and Preferred Stock of such Person, and all options, warrants or other rights to purchase or acquire any of the foregoing; and

(ii) with respect to any Person that is not a corporation, any and all partnership, membership or other equity interests of such Person, and all options, warrants or other rights to purchase or acquire any of the foregoing;

"**Certified Date**" means 31 January in each year, starting on 31 January 2022;

"**Common Stock**" of any Person means any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock, whether outstanding on the Issue Date or issued after the Issue Date, and includes, without limitation, all series and classes of such common stock;

"**Compliance Certificate**" means the compliance certificate to be delivered on each Reporting Date and signed by a duly authorised signatory of the Issuer certifying the matters set out in Condition 4(b) (*Compliance Certificate*);

"**Consolidated Adjusted EBITDA**" means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation:

(a) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period:

(b) not including any accrued interest owing to any member of the Group;

(c) after adding back any amount attributable to provisions and the amortisation, depreciation or impairment of assets;

(d) before taking into account any Exceptional Items;

(e) before taking into account any unrealised gains or losses on any derivative instrument; and

(f) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset;

(g) including any synergies deriving from mergers and acquisitions;

for the avoidance of any doubt, the Consolidated Adjusted EBITDA shall not include any impact deriving from the adoption of IFRS 16 Leases;

"**Consolidated Cash**" means, in respect of any Relevant Period, cash in hand or at bank and (in the latter case) credited to an account in the name of a member of the Group with a bank and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

(a) that cash is repayable within 30 Business Days after the relevant date of calculation;

(b) repayment of that cash is not contingent on the prior discharge of any other indebtedness (other than that included in the Consolidation Indebtedness of Operations) of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;

(c) there is no Security Interest over that cash except for any Permitted Security Interest constituted by a netting or set-off arrangement entered into by members of the Group in the ordinary course of their banking arrangements; and

(d) the cash is freely and (except as mentioned in paragraph (a) above and for cash in transit which would become available within 15 Business Days) immediately available to be applied in repayment or prepayment of the Notes;

"**Consolidated Cash Equivalent Investments**" means, in respect of any Relevant Period:

(a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;

(b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area or any government of a country which has a rating for its short-term unsecured and non credit-enhanced debt obligations of A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P- 1 or higher by Moody's Investor Services Limited or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable into any other security;

(c) commercial paper, bonds or notes not convertible or exchangeable into any other security:

(i) for which a recognised trading market exists;

(ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area or a country, the government of which has a rating for its short-term unsecured and non credit-enhanced debt obligations of A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited or by an instrumentality or agency of any such government having an equivalent credit rating;

(iii) which matures within one year after the relevant date of calculation; and

(iv) which has a credit rating of either "A-1" (for short term debt) or “A” (for long-term debt) or higher by Standard & Poor's Rating Services or "F1" (for short term debt) or “F” (for long-term debt) or higher by Fitch Ratings Ltd or "P-1" (for short term debt) or “A2” (for long-term debt) or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;

(d) sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank (or their dematerialised equivalent);

(e) any investment in money market funds which (i) have a credit rating of either "A-1" or higher by Standard & Poor's Rating Services or "F1" or higher by Fitch Ratings Ltd or "P-1" or higher by Moody's Investors Service Limited, (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (d) above and (iii) can be turned into cash on not more than 30 days' notice; or

(f) any other debt security approved in advance by an Extraordinary Resolution, in each case, to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security Interest;

"**Consolidated Indebtedness of Operations**" means, in respect of any Relevant Period:

(a) moneys borrowed and debit balances at banks or other financial institutions (including any overdraft);

(b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);

(c) any indebtedness which is in the form of, or represented or evidenced by, bonds, convertible bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

(d) receivables sold or discounted (only on a recourse basis);

(e) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles;

for the avoidance of any doubt, the Consolidated Indebtedness of Operations shall not include any indebtedness deriving from the adoption of IFRS 16 Leases;

"**Consolidated Net Leverage Ratio**" means for any Relevant Period, the ratio of the Net Consolidated Financial Position of Operations of the Group for such period to the Consolidated Adjusted EBITDA of the Group for such period;

"**Determination Date**" means 31 January in each year;

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock of such Person which, by its terms (or by the terms of any security into which it is convertible or for which it is redeemable or exchangeable), or upon the happening of any event: (1) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (2) is convertible or exchangeable for Indebtedness or Disqualified Stock of such Person or (3) is redeemable at the option of the holder thereof, in whole or in part (other than solely as a result of a change of control), in each case prior to 91 days after the earlier of the maturity date of the Notes or the date the Notes are no longer outstanding; provided, however, that only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock;

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock);

"**Enterprise Value**" means an amount determined as follows:

(a) the purchase price to be paid by the Issuer or any of its Subsidiaries in relation to the acquisition of a company or a business unit, not including the net financial position of such company or business unit; plus

(b) the financial indebtedness, conditional payments, deferred payments of such company or business unit; plus

(c) securities (if any) granted by such company or business unit to the Issuer and/or any of its Subsidiaries; less

net cash and cash equivalents of such company or business unit;

"**Event of Default**" has the meaning given to it in Condition 10 (*Events of Default*);

"**Exceptional Items**" means, in respect of any Relevant Period, any exceptional, one off, non-recurring, non-cash or extraordinary items arising for example on:

(a) the restructuring of the activities of an entity (including the refocusing or restructuring of the Group's product portfolio) and reversals of any provisions for the cost of restructuring;

(b) disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write down or impairment; and

(c) any costs related to the annual component of any long-term incentive plan, including stock option plans and stock grant plans in favour of directors and key personnel of the Issuer and any of its Subsidiaries;

(d) any costs related to extraordinary transactions, including mergers and acquisitions;

"**Extraordinary Resolution**" has the meaning ascribed to it in the Agency Agreement;

"**Financial Year**" means the annual accounting period of the Group ending on 31 January in each year.

"**Group**" means the Issuer and each of its Subsidiaries from time to time;

"**Hedging Obligations**" means, with respect to any Person, the obligations of such Person under currency exchange or interest rate swap, cap and collar agreements, and other similar or like agreements or arrangements;

"**Indebtedness**" means with respect to any Person, without duplication,

(i) the principal of indebtedness of such Person for borrowed money;

(ii) the principal of indebtedness of such Person evidenced by bonds, debentures, notes or other similar instruments;

(iii) the principal component of obligations representing the deferred purchase price of property or services due more than one year after such property is acquired or, if later, delivered or such services are completed (but excluding trade accounts payable and other accrued liabilities arising in the ordinary course of business that are not overdue by 180 days or more after delivery of the relevant goods or completion of the relevant services or are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted);

(iv) obligations representing reimbursement obligations in respect of any letter of credit, banker's acceptance or similar credit transaction (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 120 days of incurrence);

(v) all Receivables Financing;

(vi) the mark-to-market value of any Hedging Obligations of such Person;

(vii) guarantees of the principal component of Indebtedness referred to in paragraphs (i) through (vi) above;

(viii) the principal component of indebtedness of the type referred to in paragraphs (i) through (vii) above which are secured by any lien on any property or asset of such Person, the amount of such obligation

being deemed to be the lesser of the fair market value (as determined in good faith by the Board of Directors of the Issuer) of such property or asset and the amount of the obligation so secured; and

(ix) the principal component of obligations or liquidation preference with respect to all Preferred Stock or Disqualified Stock issued by any Subsidiary of the Issuer (but excluding in each case any accrued dividends) to, and held by, third parties which are not members of the Group;

"**Interest Period**" means the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date;

"**Interest Rate and Yield Notice**" means the notice setting out the Initial Rate of Interest and the yield to be published by the Issuer prior to the start of the offering period of the Notes and prior to the Issue Date;

"**Minimum Interest Rate**" means 2 per cent.

"**Net Consolidated Financial Position of Operations**" means, in respect of any Relevant Period, Consolidated Indebtedness of Operations, less Consolidated Cash, less Consolidated Cash Equivalent Investments, less current and non-current financial assets. For the avoidance of doubt, the calculation excludes the effects of any outstanding derivatives contracts;

"**Permitted Indebtedness**" means:

(i) Indebtedness under the Notes, *provided that* this shall not include any Notes issued after the Issue Date pursuant to Condition 14 (*Further Issues*);

(ii) Indebtedness of the Issuer or any Subsidiaries outstanding on the Issue Date after giving effect to the use of proceeds of the Notes;

(iii) Hedging Obligations of the Issuer or any of its Subsidiaries entered into for non-speculative purposes;

(iv) Indebtedness of the Issuer to a Subsidiary of the Issuer or Indebtedness of a Subsidiary of the Issuer to the Issuer or another Subsidiary of the Issuer for so long as such Indebtedness is held by a Subsidiary of the Issuer or the Issuer; *provided that* any Indebtedness of the Issuer to any Subsidiary of the Issuer is unsecured and subordinated, pursuant to a written agreement, to the Issuer's obligations under the Notes;

(v) Indebtedness of the Issuer or any of its Subsidiaries in respect of performance bonds, performance and completion guarantees, bankers' acceptances, workers' compensation claims, surety or appeal bonds, payment obligations in connection with self-insurance or similar obligations, accrued and unpaid tax liabilities, leasing obligations and bank overdrafts (and letters of credit in respect thereof to the extent undrawn, or if and to the extent drawn, is honoured in accordance with its terms and, if to be reimbursed, is reimbursed no later than the 30th Business Day following receipt of a demand for reimbursement) in the ordinary course of business;

(vi) Refinancing Indebtedness;

(vii) Indebtedness of the Issuer and its Subsidiaries in respect of any customary cash management, cash pooling or netting or setting off arrangements;

(viii) Acquired Indebtedness of any Person outstanding on the date on which such Person becomes a Subsidiary of the Issuer or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer

or any of its Subsidiaries provided, however, that at the time of the acquisition or other transaction pursuant to which such Indebtedness was deemed to be incurred, the Issuer would have been able to incur €1.00 of additional Indebtedness pursuant to Condition 4(a) (*Covenants – Limitation on Indebtedness*) after giving effect to the incurrence of such Indebtedness pursuant to this paragraph; and

(ix) Subordinated Indebtedness incurred by any member of the Group;

"**Permitted Reorganisation**" means (A) any disposal required, Indebtedness incurred, guarantee, indemnity or security or quasi-security given, or other transaction arising, under the Conditions or in relation to the Notes and (B) any solvent liquidation, amalgamation, merger, demerger or reconstruction involving the Issuer or any Subsidiary under which all or part of the assets and liabilities of the Issuer or the relevant Subsidiary are assumed by the entity resulting from such liquidation, amalgamation, merger, demerger or reconstruction, and, where the same involves the Issuer, such entity assumes all the obligations of the Issuer in respect of the Notes;

"**Permitted Security Interest**" means any Security Interest:

(a) arising by operation of law;

(b) existing on the Issue Date;

(c) to secure Indebtedness over or with respect to any present or future assets, receivables, remittances or payment rights of the Issuer or any of its Subsidiaries (the "**Charged Assets**") which is created pursuant to any financing, leasing, factoring, securitisation or similar arrangements whereby all or substantially all the payment obligations in respect of such Indebtedness are to be discharged solely from the Charged Assets;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Preferred Stock**" of any Person means any Capital Stock of such Person that has preferential rights to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation;

"**Receivables Financings**" means factoring, securitisations of receivables or any other receivables financing (including, without limitation, through the sale of receivables in a factoring arrangement or through the sale of receivables to lenders or to special purpose entities formed to borrow from such lenders against such receivables, including *'linee di credito autoliquidanti', 'sbf',* etc.), but in each case only to the extent that such factoring, securitisation or financing would either be treated as financial payables under Accounting Principles or as indebtedness under IFRS;

"**Refinance**" means, in respect of any security or Indebtedness, to refinance, extend, renew, refund, repay, prepay, redeem, defease or retire, or to issue a security or Indebtedness in exchange or replacement for, such security or Indebtedness in whole or in part. "**Refinanced**" and "**Refinancing**" shall have correlative meanings;

"**Refinancing Indebtedness**" means any Refinancing by the Issuer or any Subsidiary of the Issuer of Indebtedness incurred in accordance with Condition 4(a) (*Covenants – Limitation on Indebtedness*) and under paragraphs (i), (ii), (vi) and (viii) of the definition of "**Permitted Indebtedness**", in each case that does not:

(i) result in an increase in the aggregate principal amount of Indebtedness of such Person as of the date of such proposed Refinancing (plus the amount of any premium or accrued interest required to be paid under the terms of the instrument governing such Indebtedness and plus the amount

of reasonable fees and expenses incurred by the Issuer in connection with such Refinancing); or

(ii) create Indebtedness with: (a) a Weighted Average Life to Maturity that is less than the Weighted Average Life to Maturity of the Indebtedness being Refinanced; or (b) a final maturity earlier than the final maturity of the Indebtedness being Refinanced; provided that if such Indebtedness being Refinanced is subordinate or junior to the Notes, then such Refinancing Indebtedness shall be subordinate to the Notes, as the case may be, at least to the same extent and in the same manner as the Indebtedness being Refinanced;

"**Relevant Date**" means whichever is the later of (A) the date on which such payment first becomes due and (B) if the full amount payable has not been received by the Paying Agents on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders;

"**Relevant Indebtedness**": means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are or are intended by the issuer thereof to be quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and (ii) any guarantee or indemnity in respect of any such indebtedness;

"**Relevant Jurisdiction**" means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes and Coupons;

"**Relevant Period**" means a 12-month period ending on (and including) a Determination Date;

"**Reporting Date**" means a date falling no later than sixty days after the approval by the Issuer's Board of Directors of its consolidated financial statements relating to a Relevant Period ending on 31 January, and, in any event, falling no later than 31 July of the calendar year immediately following the end of such Relevant Period, *provided that* the first Reporting Date shall be the date falling no later than 60 days after the approval by the Issuer's Board of Directors of the its audited annual consolidated financial statements as of and for the Financial Year ended 31 January 2022 and, in any event, falling no later than 31 July 2022;

"**Security Interest**" means, without duplication, a mortgage, charge, pledge, lien or other security interest or other preferential interest or arrangement having a similar economic effect, excluding any right of set-off, but including any conditional sale or other title retention arrangement or any finance leases;

"**Subordinated Indebtedness**" means Indebtedness of the Issuer or any of its Subsidiaries that is subordinated or junior in right of payment to the Notes *provided that* such Subordinated Indebtedness:

(i) does not mature or require any amortisation or other payment of principal prior to the expiry of the sixth month following the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Issuer or such Subsidiary or for any other security or instrument meeting the requirements of the definition);

(ii) does not require the payment of cash interest prior to the expiry of the sixth month following the maturity of the Notes;

(iii) is subordinated in right of payment to the prior payment in full in cash of the Notes in the event of any default, bankruptcy, reorganisation, liquidation, winding up or other disposition of assets of the Issuer; and

(iv) does not restrict the payment of amounts due in respect of the Notes or compliance by the Issuer with its obligations under the Notes and the Agency Agreement;

"**Subsidiary**" means in relation to any person (the "**first person**") at any particular time, any other person (the "**second person**"):

(a) which is controlled, directly or indirectly, by the first person; or

(b) more than half of the issued share capital of which is beneficially owned, directly or indirectly, by the first person; or

(c) which is a subsidiary of another subsidiary of the first person,

and, for these purposes, a company, corporation or legal entity shall be treated as being controlled by another if that other company, corporation or legal entity is able to direct its affairs and/or control the composition of its board of directors or equivalent body;

"**TARGET Settlement Day**" means any day on which the TARGET System is open;

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto;

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the then outstanding aggregate principal amount of such Indebtedness into (b) the sum of the total of the products obtained by multiplying (i) the amount of each then remaining instalment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the making of such payment.

(b) **Interpretation:** In these Conditions:

(i) any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition or any undertaking given in addition to or substitution for it under the Agency Agreement; and

(ii) any reference in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to Condition 14 (*Further issues*) and forming a single series with the Notes.

2 Form, Denomination and Title

(a) **Form and denomination:** The Notes are in bearer form, serially numbered, in the denomination of €1,000 each with Coupons attached on issue. No Notes in definitive form will be issued with a denomination above €1,000.

(b) **Title:** Title to the Notes and Coupons passes by delivery.

(c) **Holder Absolute Owner:** The Issuer and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon) and shall not be required to obtain any proof thereof or as to the identity of such bearer and no Person shall be liable for so treating such Noteholder.

3 Status of the Notes

The Notes and Coupons constitute direct, unconditional and (subject to Condition 5 (*Negative pledge*)) unsecured obligations of the Issuer and (subject as provided above) shall at all times rank *pari passu* and without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

4 Covenants

(a) **Limitation on Indebtedness:** So long as any of the Notes or Coupons remain outstanding, the Issuer shall not, and the Issuer shall procure that none of its Subsidiaries will, incur any additional Indebtedness (other than Permitted Indebtedness) *provided however* that each of the Issuer and any of its Subsidiaries may incur additional Indebtedness if, as at the date of such incurrence, the following requirements are met (each an "**Indebtedness Requirement**"):

(i) the Consolidated Net Leverage Ratio is equal to or lower than 3.75 as referred to in the Compliance Certificate relating to the immediately preceding Relevant Period; or

(ii) to the extent that the Issuer or one of its Subsidiaries has completed in a Relevant Period the acquisition of a company or a business unit or a Group of companies or of business units having, in aggregate, an Enterprise Value of at least €30,000,000 (the "**Relevant Acquisition**"), the Consolidated Net Leverage Ratio is equal to or lower than 4.50 as referred to in the Compliance Certificate relating to the immediately preceding Relevant Period, such ratio to apply until the end of the Relevant Period following the Relevant Acquisition.

Notwithstanding the above, after an Indebtedness Trigger has occurred, as resulting from the Compliance Certificate delivered on a Reporting Date, the Issuer may give notice that such Indebtedness Trigger is cured by delivering on the following Reporting Date a Compliance Certificate pursuant to Condition 4(b) (*Compliance Certificate*) below. Upon delivery of such Compliance Certificate the Indebtedness Requirement shall be deemed met for the purpose of this Condition 4(a).

For the purpose of this Condition 4(a):

(i) the Consolidated Net Leverage Ratio for the applicable Relevant Period shall be determined giving a *pro forma* effect to the incurrence of such additional Indebtedness (together with any other additional Indebtedness already incurred since the end of such Relevant Period) as if the same had been incurred, and the net proceeds thereof applied, on the first day of such Relevant Period and the Consolidated Adjusted EBITDA for the applicable Relevant Period shall be determined giving a *pro forma* effect to any acquisition(s) completed since the end of such Relevant Period as if any such acquisition(s) had been completed on the first day of the Relevant Period; and

(ii) "**Indebtedness Trigger**" means that the Indebtedness Requirement under Condition 4(a)(ii), as applicable, is not met for a Relevant Period.

For the avoidance of doubt, the non-compliance by either the Issuer or any of its Subsidiaries of the Indebtedness Requirements under this Condition 4(a) shall not constitute an Event of Default pursuant to Condition 10(b) (*Breach of other obligations*) below *provided that* a breach of the Issuer of any of its other obligations under this Condition 4(a) shall constitute an Event of Default pursuant to Condition 10(b) (*Breach of other obligations*) below.

(b) **Compliance Certificate:** For so long as any Notes or Coupons remain outstanding, the Issuer will on each Reporting Date thereafter according to Condition 4(a) (*Covenants – Limitation on Indebtedness*), provide the Noteholders, in accordance with Condition 15 (*Notices*), with a Compliance Certificate confirming:

(i) among other things, the Issuer's compliance with Condition 4(a) (*Covenants – Limitation on Indebtedness*) since the previous Reporting Date, or in the case of the first Reporting Date, since the Issue Date;

(ii) that as at the Certified Date the Issuer has complied with its obligations under the Agency Agreement and that as at such date there did not exist, nor had there existed since the Certified Date of the last Compliance Certificate, or in the case of the first Compliance Certificate since the Issue Date, any Event of Default or potential Event of Default, or if such an event has occurred or if the Issuer is not in compliance, specifying such event or the nature of such non-compliance; and

(iii) the Consolidated Net Leverage Ratio for the Relevant Period (stating also the Net Consolidated Financial Position of Operations of the Group and the Consolidated Adjusted EBITDA of the Group, in each case for such period).

For the avoidance of doubt, any certification by the Issuer given in the Compliance Certificate with respect to the compliance by the Issuer with its obligations under the Conditions (including, but not limited to, the covenants in Condition 4(a) (*Covenants – Limitation on Indebtedness*)) shall include a statement that the Issuer, as the case may be, has complied with its obligation to procure that its respective Subsidiaries comply with the relevant covenant, requirement or obligation as to which the relevant certification is given.

(c) The Noteholders shall have no duty to monitor compliance by the Issuer or any of its Subsidiaries with the covenants set out in Condition 4(a) (*Covenants – Limitation on Indebtedness*) and shall rely without liability to any Person and without further enquiry on the Compliance Certificates as to the compliance by the Issuer and/or its respective Subsidiaries or non-compliance as aforementioned.

5 Negative pledge

So long as any Note or Coupon remains outstanding, the Issuer will not, and will procure that none of its Subsidiaries will create or permit to subsist any mortgage, charge, lien, pledge or other security interest (each a "Security Interest"), upon, or with respect to, the whole or any part of its assets to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness (other than Refinancing Indebtedness), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that (a) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or (b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) shall be provided as is approved by an Extraordinary Resolution of the Noteholders; provided that, the foregoing provisions shall not apply to any Security Interest (i) arising by operation of law or (ii) created by an entity which becomes a Subsidiary after the date of creation of such Security Interest where the Security Interest was not created in connection with or in contemplation of such entity becoming a Subsidiary and does not extend to or cover any undertaking, assets or revenues (including any uncalled capital) of the Issuer or any of its other Subsidiaries or (iii) is a Permitted Security Interest or related to a Permitted Reorganisation.

6 Interest

(a) **Interest Rate and Interest Payment Dates**: The Notes bear interest on their principal amount outstanding from and including the Issue Date, at a rate of interest per annum (the "**Initial Rate of Interest**") which is a minimum rate of 2 per cent. per annum (the "**Minimum Interest Rate**"),

The Initial Rate of Interest is payable in equal instalments annually in arrear on November 10 in each year, commencing on November 10, 2022 (each an "**Interest Payment Date**"). The Initial Rate of Interest will be determined prior to the Issue Date and will be set out in the Interest Rate and Yield Notice and will be included in the final form of these Conditions.

(b) **Interest Accrual**: Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of principal in respect of the Notes is improperly withheld or refused or

unless default is otherwise made in respect of payment. In such event, interest shall continue to accrue until whichever is the earlier of (a) the day on which all amounts due in respect of such Note up to that day are received by or on behalf of the relevant holder, and (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15 (*Notices*).

(c) **Method of calculation**: Save as provided above in relation to equal instalments, the day-count fraction will be calculated on an "Actual/Actual (ICMA)" basis as follows:

1) if the Accrual Period is equal to or shorter than the Determination Period during which it falls, the day-count fraction will be the number of days in the Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

2) if the Accrual Period is longer than one Determination Period, the day-count fraction will be the sum of:

(i) the number of days in such Accrual Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(ii) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (a) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

where:

"**Accrual Period**" means the relevant period for which interest is to be calculated (from and including the first such day to but excluding the last);

"**Determination Period**" means the period from and including 10 November in each year to but excluding the immediately following 10 November in each year.

Interest in respect of any Note shall be calculated per €1,000 in principal amount of the Notes (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the Initial Rate of Interest, the Calculation Amount and the day-count fraction (calculated on an "Actual/Actual (ICMA)" basis, as set out above) for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

(d) **Step Up Provision**

The Notes bear interest on their outstanding principal amount from the Issue Date at the Initial Rate of Interest, provided that if a Step Up Event has occurred, then for any Interest Period commencing on or after the Interest Payment Date immediately following the Notification Deadline after the Reference Year, the Initial Rate of Interest shall be increased by the relevant Step Up Margin (such increase, a step up), up to a maximum Step Up Margin equal to 0.25 per cent. per annum. For the avoidance of doubt, a Step Up Event may only occur once during the term of the Notes. During the term of the Notes, zero, one, two or three Step Up Events may potentially occur such that the related combination of Step Up Margins may be applicable for the remaining term of the Notes.

If a Step Up Event has occurred, the relevant Step Up Margin shall apply for the remaining term of the Notes and the rate of interest applicable to the Notes will not decrease to the Initial Rate of Interest, regardless of any following achievement of the key performance indicators specified below (which are the Scope 1 and Scope 2 GHG Emissions, the Scope 3 GHG Emissions and the Higg Tier 1 Housebrand Apparel Suppliers

Production Volume and Related Verified Production Volume) (the "**KPIs**") for any other calendar year following the occurrence of a Step Up Event.

The Issuer will cause the occurrence of a Step Up Event and the related increase in the rate of interest applicable to the Notes to be notified to the Fiscal Agent, and, in accordance with Condition 11, the Noteholders as soon as reasonably practicable after such occurrence and in no event later than the relevant Notification Deadline.

where:

"Assurance Provider" means (i) in respect of the Scope 1 and 2 GHG Emissions Condition, or (ii) in respect of the Scope 3 GHG Emissions Condition, or (iii) in respect of the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Condition a qualified provider of third-party assurance or attestation services appointed by OVS;

"GHG Protocol Corporate Standard" means the document titled "The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard (Revised Edition)" published by the World Business Council for Sustainable Development and the World Resources Institute (as amended and updated as at the Issue Date);

"**Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume**" means the volume of housebrands apparel products purchased by the Group valued at retail price (i) from suppliers with a direct commercial relationship with the Group and which share their sustainability performance with the Higg platform adopted by the Sustainable Apparel Coalition and (ii) from suppliers with a direct commercial relationship with the Group and who completed a third party verification on the Higg FEM module (Facility Environmental Module) and on the Higg FSLM module (Facility Social and Labour Module);

"Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Condition" means the condition that:

(i) the SLB Progress Report relating to the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period for each Reporting Year has been published by OVS in accordance with the applicable Reporting Requirements by no later than the relevant Notification Deadline; and

(ii) the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage in respect of the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period for the Reference Year, as shown in the relevant SLB Progress Report referred to in paragraph (i) above, was equal to the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage Threshold in respect of the Reference Year,

and if the requirements of paragraph(s) (i) and/or (ii) are not met, OVS shall be deemed to have failed to satisfy the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Condition in respect of the relevant Reporting Year or the Reference Year, as applicable;

"Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Event" occurs if OVS fails to satisfy the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Condition in respect of any Reporting Year or the Reference Year, as applicable. For the avoidance of any doubt, if the Higg platform is not available in respect of any Reporting Year or the Reference Year for reasons not attributable to OVS, the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage will be calculated in good faith by OVS and reported by OVS in the relevant SLB Progress Report;

"Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Event Step-Up Margin" means 0.05 per cent.;

"Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period" means for any Reporting Year (including, for the avoidance of doubt, the Reference Year), the period commencing on 1 February in the previous calendar year and ending on 31 January in such Reporting Year;

"Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage" means, in respect of any Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period, the proportion of Total Suppliers Production Volume that the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume represent for such Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period (expressed as a percentage and rounded to the nearest whole number, with 0.5 rounded upwards), as calculated in good faith by OVS and reported by OVS in the relevant SLB Progress Report;

"Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage Threshold" means (i) 100 per cent. of volume of housebrands apparel products purchased by the Group valued at retail price sourced from suppliers with a direct commercial relationship with the Group which share their sustainability performance with the Higg platform adopted by the Sustainable Apparel Coalition and (ii) 80 per cent. of volume of housebrands apparel products purchased by the Group valued at retail price sourced from suppliers with a direct commercial relationship with the Group who completed a third party verification on both the Higg FEM module (Facility Environmental Module) and the Higg FSLM module (Facility Social and Labour Module); for the avoidance of doubt, any significant or structural change to the Group will not result in any adjustment to Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage Threshold, neither in the recalculation of the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Baseline;

"Notification Deadline" means, in relation to any Reporting Year, the date falling 120 days after 31 January in such Reporting Year;

"Observation Period" means the Scope 1 and 2 GHG Emissions Observation Period and/or Scope 3 GHG Emissions Observation Period and/or the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period, applicable;

"**Reference Year**" means the year starting on 1 February 2024 and ending on 31 January 2025;

"Reporting Year" means each calendar year, commencing with the year starting on 1 February 2021 and ending on 31 January 2022, up to and including the Reference Year;

"Reporting Requirements" means in respect of each Observation Period for any Reporting Year, the requirement that OVS publish on its website, and in accordance with applicable laws, (i) (A) the then current Scope 1 and 2 Baseline, the Scope 1 and 2 GHG Emissions and the Scope 1 and 2 GHG Emissions Percentage for the relevant Scope 1 and 2 GHG Emissions Observation Period; (B) the then current Scope 3 Baseline, the Scope 3 GHG Emissions and the Scope 3 GHG Emissions Percentage for the relevant Scope 3 GHG Emissions Observation Period, (C) the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage for the relevant Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period, as well as in each case, the relevant calculation methodology, all as indicated in its sustainability-linked bond progress report (the "**SLB Progress Report**"), (ii) an assurance report issued by the Assurance Provider (the "**Assurance Report**") in respect of its Scope 1 and 2 GHG Emissions, Scope 1 and 2 GHG Emissions Percentage, Scope 3 GHG Emissions and Scope 3 GHG Emissions Percentage and the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Percentage included in the SLB Progress Report; and (iii) in the event of any recalculation of the Scope 1 and 2 Baseline

or the Scope 3 Baseline due to lack of integrity of the third party sources of information used by OVS to collect the data required to calculate the Scope 1 and 2 Baseline or the Scope 3 Baseline or significant changes in the relevant calculation methodology, an assurance report issued by the Assurance Provider confirming OVS's recalculation of (A) the Scope 1 and 2 Baseline (the "**Scope 1 and 2 Baseline Assurance Report"**) and/or (B) the Scope 3 Baseline (the "**Scope 3 Baseline Assurance Report"**) and in either case, confirming that there has been a significant change in OVS Group's structure during the relevant Observation Period (that is, a change driving an increase or decrease in Scope 1 and 2 GHG Emissions or Scope 3 GHG Emissions, as the case may be, of 5 per cent. or more), which warrants recalculation of the relevant baseline. The SLB Progress Report, the Assurance Report and (if applicable) the Scope 1 and 2 Baseline Assurance Report and the Scope 3 Baseline Assurance Report relating to any Observation Period will be published by OVS on the Issuer's website no later than the date falling 120 days after 31 January in the calendar year immediately following the calendar year in which such Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Observation Period, Scope 1 and 2 GHG Emissions Observation Period or Scope 3 GHG Emissions Observation Period ends;

"Scope 1 and 2 Baseline" means, in thousands of metric tons of carbon dioxide equivalent (**kt CO2e**), the sum of Scope 1 Emissions and Scope 2 Emissions (calculated using the market-based method) for the period from 1 February 2019 to 31 January 2020, as initially reported in the Sustainability-Linked Bond Framework and, if applicable, recalculated in good faith by OVS to reflect any significant or structural changes to the Group in the relevant Scope 1 and 2 GHG Emissions Observation Period, confirmed by the Assurance Provider in a Scope 1 and 2 Baseline Assurance Report and published by OVS in the latest SLB Progress Report in accordance with the applicable Reporting Requirements;

"Scope 1 and 2 Baseline Assurance Report" has the meaning given to it in the definition of Reporting Requirements above;

"Scope 1 and 2 GHG Emissions" means in kt CO2e, the sum of:

(i) direct greenhouse gas emissions, calculated taking into account only the effective opening days of the Issuer's central warehouse, headquarter office and directly operated stores located in Italy that are included in the list of the Issuer's headquarters office, directly operated stores by OVS in Italy for the period from 1 February 2019 to 31 January 2020 as reported under the Sustainability-Linked Bond Framework, from sources owned or controlled by the Group as defined by the GHG Protocol Corporate Standard (the **Scope 1 Emissions**); and

(ii) indirect greenhouse gas emissions, calculated taking into account only the effective opening days of the Issuer's central warehouse, headquarter office and directly operated stores located in Italy that are included in the list of the Issuer's headquarters office, directly operated stores by OVS in Italy for the period from 1 February 2019 to 31 January 2020, as reported under the Sustainability-Linked Bond Framework, from purchased electricity and district heating used by the Group in the central warehouse, headquarter office and directly operated stores located in Italy, as defined by the GHG Protocol Corporate Standard (the **Scope 2 Emissions**),

in each case as calculated in good faith by OVS in respect of a Scope 1 and 2 GHG Emissions Observation Period, confirmed by the Assurance Provider and reported by OVS in the relevant SLB Progress Report;

"Scope 1 and 2 GHG Emissions Condition" means the condition that:

(i) the SLB Progress Report and the Assurance Report relating to the Scope 1 and 2 GHG Emissions Observation Period for each Reporting Year and (if applicable) the related Scope 1 and 2 Baseline Assurance Report have been published by OVS in accordance with the applicable Reporting Requirements by no later than the relevant Notification Deadline; and

(ii) the Scope 1 and 2 GHG Emissions Percentage in respect of the Scope 1 and 2 GHG Emissions Observation Period for the Reference Year, as shown in the relevant SLB Progress Report referred to in

paragraph (i) above, was equal to or more than the Scope 1 and 2 GHG Emissions Percentage Threshold in respect of the Reference Year, and if the requirements of paragraph(s) (i) and/or (ii) are not met, OVS shall be deemed to have failed to satisfy the Scope 1 and 2 GHG Emissions Condition in respect of the relevant Reporting Year or the Reference Year, as applicable;

"Scope 1 and 2 GHG Emissions Event" occurs if OVS fails to satisfy the Scope 1 and 2 GHG Emissions Condition in respect of any Reporting Year or the Reference Year, as applicable;

"Scope 1 and 2 GHG Emissions Event Step-Up Margin" means 0.10 per cent.;

"Scope 1 and 2 GHG Emissions Observation Period" means for any Reporting Year (including, for the avoidance of doubt, the Reference Year), the period commencing on 1 February in the previous calendar year and ending on 31 January in such Reporting Year;

"Scope 1 and 2 GHG Emissions Percentage" means, in respect of any Scope 1 and 2 GHG Emissions Observation Period, the percentage (rounded to the nearest whole number, with 0.5 rounded upwards) by which Scope 1 and 2 GHG Emissions for such Scope 1 and 2 GHG Emissions Observation Period are reduced in comparison to the Scope 1 and 2 Baseline, as calculated in good faith by OVS, confirmed by the Assurance Provider and reported by OVS in the relevant SLB Progress Report;

"Scope 1 and 2 GHG Emissions Percentage Threshold" means 21 per cent.***;***

For the avoidance of doubt, any significant or structural change to the Group will not result in any adjustment to the Scope 1 and 2 GHG Emissions Percentage Threshold, but may result in the recalculation of the Scope 1 and 2 Baseline;

"Scope 3 Baseline" means, in kt CO2e, the Scope 3 GHG Emissions (calculated using an external consultant) for the period from 1 February 2019 to 31 January 2020, as initially reported in the Sustainability-Linked Bond Framework, and, if applicable, recalculated in good faith by OVS to reflect any significant or structural changes to the Group in the relevant Scope 3 GHG Emissions Observation Period, confirmed by the Assurance Provider in a Scope 3 Baseline Assurance Report and published by OVS in the latest SLB Progress Report in accordance with the applicable Reporting Requirements;

"Scope 3 Baseline Assurance Report" has the meaning given to it in the definition of Reporting Requirements above;

"Scope 3 GHG Emissions" means in kt CO2e, indirect greenhouse gas emissions related to Purchased goods and services (raw materials, garment manufacturing, packaging manufacturing) and Upstream transportation and distribution of the Group for housebrand apparel products, as defined by the GHG Protocol Corporate Standard, as calculated in good faith by OVS in respect of a Scope 3 GHG Emissions Observation Period, confirmed by the Assurance Provider and reported by OVS in the relevant SLB Progress Report;

"**Scope 3 GHG Emissions Condition"** means the condition that:

(i) the SLB Progress Report and the Assurance Report relating to the Scope 3 GHG Emissions Observation Period for each Reporting Year and (if applicable) the related Scope 3 Baseline Assurance Report have been published by OVS in accordance with the applicable Reporting Requirements by no later than the relevant Notification Deadline; and

(ii) the Scope 3 GHG Emissions Percentage in respect of the Scope 3 GHG Emissions Observation Period for the Reference Year, as shown in the relevant SLB Progress Report referred to in paragraph (i) above, was equal to or more than the Scope 3 GHG Emissions Percentage Threshold in respect of the Reference Year, and if the requirements of paragraph(s) (i) and/or (ii) are not met, OVS shall be deemed to have failed

to satisfy the Scope 3 GHG Emissions Condition in respect of the relevant Reporting Year or the Reference Year, as applicable;

"Scope 3 GHG Emissions Event" occurs if OVS fails to satisfy the Scope 3 GHG Emissions Condition in respect of any Reporting Year or the Reference Year, as applicable;

"Scope 3 GHG Emissions Event Step-Up Margin" means 0.10 per cent.;

"Scope 3 GHG Emissions Observation Period" means for any Reporting Year (including, for the avoidance of doubt, the Reference Year), the period commencing on 1 February in the previous calendar year and ending on 31 January in such Reporting Year;

"Scope 3 GHG Emissions Percentage" means, in respect of any Scope 3 GHG Emissions Observation Period, the percentage (rounded to the nearest whole number, with 0.5 rounded upwards) by which Scope 3 GHG Emissions for such Scope 3 GHG Emissions Observation Period are reduced in comparison to the Scope 3 Baseline, as calculated in good faith by OVS, confirmed by the Assurance Provider and reported by OVS in the relevant SLB Progress Report;

"Scope 3 GHG Emissions Percentage Threshold" means 21 per cent.;

For the avoidance of doubt, any significant or structural change to the Group will not result in any adjustment to the Scope 3 GHG Emissions Percentage Threshold, but may result in the recalculation of the Scope 3 Baseline;

"SLB Progress Report" has the meaning given to it in the definition of Reporting Requirements above;

"Step Up Event" occurs if one or more of a Scope 1 and 2 GHG Emissions Event or a Scope 3 GHG Emissions Event or a Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Event occurs;

"Step Up Margin" means:

(i) where a Scope 1 and 2 GHG Emissions Event has occurred, the Scope 1 and 2 GHG Emissions Event Step-Up Margin;

(ii) where a Scope 3 GHG Emissions Event has occurred, the Scope 3 GHG Emissions Event Step-Up Margin; and

(iii) where a Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Event has occurred, the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume Event Step-Up Margin;

"**Sustainability-Linked Bond Framework**" means the OVS' sustainability-linked bond framework; and

"Total Suppliers Production Volume" means the total volume of housebrands apparel products purchased by the Group valued at retail price from suppliers with a direct commercial relationship with the Group.

7 Redemption and Purchase

(a) **Final redemption:** Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 10 November 2027 (the "**Maturity Date**"). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 7.

(b) **Redemption for taxation reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice

shall be irrevocable), at their principal amount, together with interest accrued to the date fixed for redemption, if

(i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 7(b), the Issuer shall (A) deliver to the Fiscal Agent a certificate signed by a duly authorised signatory of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it, and (B) obtain an opinion, addressed to the Issuer, of independent legal advisers of recognised international standing to the effect that the Issuer has or will be obliged to pay such additional amounts as a result of such change or amendment. Further to the publication of any such notice of redemption pursuant to this Condition 7(b) the certificate referred to in (A) above will be made available to the Noteholders upon request.

(c) **Redemption at the option of the Issuer:** The Issuer may, at any time on or after 10 November 2023, on giving:

(i) not more than 60 nor less than 30 days' irrevocable notice to the Noteholders in accordance with Condition 15 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption, the principal amount of the Notes to be redeemed and the aggregate principal amount of the Notes which will be outstanding after the partial redemption, if any); and

(ii) notice to the Fiscal Agent not less than 15 days before giving the notice referred in (i) above,

redeem the Notes in whole or in part at the following redemption prices (expressed as a percentage of the principal amount of the Notes outstanding as at the date fixed for redemption) plus any accrued and unpaid interest as at the relevant date for redemption specified in the above notices:

Redemption Period	**Redemption prices**
10 November 2023 (included) - 9 November 2024 (included)	principal amount of the Notes outstanding on the date fixed for redemption plus 50% of the Initial Rate of Interest
10 November 2024 (included) - 9 November 2025 (included)	principal amount of the Notes outstanding on the date fixed for redemption plus 25% of the Initial Rate of Interest
10 November 2025 (included) – 9 November 2026(included)	principal amount of the Notes outstanding on the date fixed for redemption plus 12.5% of the Initial Rate of Interest

(d) **Redemption at the option of the Noteholders upon a Change of Control:** Promptly and in any event within fifteen Business Days after the occurrence of a Change of Control (as defined below), the Issuer will give written notice thereof (a "**Change of Control Notice**") to the holders of all outstanding Notes in accordance with Condition 15 (*Notices*), which Change of Control Notice shall:

(i) refer specifically to this Condition 7(d),

(ii) describe in reasonable detail the event or circumstances resulting in the Change of Control,

(iii) specify the date for redemption of the Notes, which shall be a Business Day not less than 30 days and not more than 90 days after the date of such Change of Control Notice ("**Change of Control Redemption Date**"),

(iv) offer to redeem, on the Change of Control Redemption Date, all Notes at 101 per cent. of their principal amount (the "**Change of Control Redemption Amount**") together with interest accrued thereon to the Change of Control Redemption Date, and

(v) specify the date by which holders must provide written notice to the Issuer of such holder's redemption, which shall be not less than fifteen days prior to the Change of Control Redemption Date (the "**Change of Control Response Date**").

For so long as the Notes are listed on the regulated market (the "**Regulated Market**") of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") and/or the *Mercato Telematico delle Obbligazioni* (the "**MOT**") of Borsa Italiana S.p.A. ("**Borsa Italiana**") and/or any other stock exchange and the rules of such exchange so require, the Issuer shall also notify promptly Euronext Dublin and/or Borsa Italiana and/or any other stock exchange of any Change of Control. The Issuer shall redeem on the Change of Control Redemption Date, if so requested by the holders of at least 20% in principal amount of the Notes outstanding on the Change of Control Response Date, all of the Notes held by Noteholders that require redemption at the Change of Control Redemption Amount. If any holder does not require early redemption on or before the Change of Control Response Date, such holder shall be deemed to have waived its rights under this Condition 7(d) to require early redemption of all Notes held by such holder in respect of such Change of Control but not in respect of any subsequent Change of Control.

To exercise the right to require early redemption of any Notes, the holder of the Notes must deliver at the specified office of any Paying Agent, on any Business Day before the Change of Control Response Date, a duly signed and completed notice of exercise in the form (for the time being current and which may, if such Notes are held in a clearing system, be in any form acceptable to such clearing system and may be delivered in any manner acceptable to such clearing system) obtainable from the specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition 7(d) (accompanied by such Notes or evidence satisfactory to the Paying Agent concerned that such Notes will, following the delivery of the Put Notice, be held to its order or under its control). A Put Notice given by a holder of any Notes shall be irrevocable except where, prior to the Change of Control Redemption Date, an Event of Default has occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Put Notice.

For the purposes of this Condition 7(d):

a "**Change of Control**" shall be deemed to have occurred if (i) a Person, or a group of Persons acting together, other than a shareholder of the Issuer who holds at least 15% of the share capital of the Issuer, (a) becomes the owner of a percentage of voting rights exercisable in the shareholders' meetings of OVS so that he is subject to the obligation to launch a public tender offer on the shares of the Issuer pursuant to the applicable provisions of law provided under the Italian Legislative Decree No. 58 of February 24, 1998 (the "**Italian Consolidated Financial Act**"); or (b) has the power to appoint or remove all, or the majority of, the directors of the Issuer; or (ii) the shares of the Issuer are withdrawn from trading on the MTA; or (iii) all, or substantially all, of the assets of the Group are sold.

No other redemption: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Condition 7(b) (*Redemption for taxation reasons*), Condition 7(c) (*Redemption at the option of the Issuer*) and Condition 7(d) (*Redemption at the option of the Noteholders upon a Change of Control*).

(e) **Notice of redemption:** All Notes in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition 7.

(f) **Purchases:** The Issuer and each of its Subsidiaries may at any time purchase Notes in the open market or otherwise at any price (provided that, if they should be cancelled under Condition 7(h) (*Cancellation*) below, they are purchased together with all unmatured Coupons relating to them). The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of these Conditions. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to the Fiscal Agent for cancellation.

(g) **Cancellation:** All Notes which are (i) redeemed pursuant to Condition 7(d) (*Redemption at the option of the Noteholders upon a Change of Control*) or (ii) purchased by or on behalf of the Issuer or any its Subsidiaries and, at the option of the Issuer, surrendered for cancellation pursuant to Condition 7(g) (*Purchases*) or (iii) redeemed, together with any unmatured Coupons attached to or surrendered with them, will be cancelled and may not be re-issued or resold.

(h) **Provisions relating to Partial Redemption:** In the case of a partial redemption of Notes, Notes to be redeemed will be selected individually by lot in such place and in such manner as the Fiscal Agent may decide not more than 30 days before the date fixed for redemption. Notice of any such selection will be given not less than 15 days before the date fixed for redemption. Each notice will specify the date fixed for redemption and the aggregate principal amount of the Notes to be redeemed, the serial numbers of the Notes called for redemption, the serial numbers of Notes previously called for redemption and not presented for payment and the aggregate principal amount of the Notes which will be outstanding after the partial redemption.

8 Payments

(a) **Method of payment:** Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Notes or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by transfer to a Euro account specified by the payee with a bank in a city in which banks have access to the TARGET System. Payments of interest due in respect of any Note other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Note.

(b) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(c) **Surrender of unmatured Coupons:** Each Note should be presented for redemption together with all unmatured Coupons relating to it, failing which, the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of the relevant Note (whether or not the Coupon would otherwise have become void pursuant to Condition 11 (*Prescription*)) or, if later, 5 years after the date on which the Coupon would have become due, but not thereafter.

(d) **Payments on Business Days:** A Note or Coupon may only be presented for payment on a day which is a Business Day in the place of presentation and, in the case of payment by credit or transfer to a Euro account as described above, is a TARGET Settlement Day. No further interest or other payment will be made as a consequence of the day on which the relevant Note or Coupon may be presented for payment under this Condition 8 falling after the due date.

(e) **Paying Agents:** The names of the initial Paying Agents and their initial specified offices are set out in the Agency Agreement. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that:

(a) there will at all times be a Fiscal Agent;

(b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be at least one Paying Agent (which may be the Fiscal Agent) having a specified office in the place (if any) to the extent required by the rules and regulations of the relevant stock exchange or any other relevant authority; and

(c) there will at all times be a Paying Agent (which may be the Fiscal Agent) authorised to carry out its services in a jurisdiction within Europe.

Notice of any variation, termination, appointment and/or of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 15 (Notices).

9 Taxation

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of OVS (acting as the Issuer) shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction, shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

(a) the holder of which is liable for Taxes in respect of such Note or Coupon by reason of having some connection with the Relevant Jurisdiction other than a mere holding of the Notes; or

(b) presented for payment in the Republic of Italy or in any Relevant Jurisdiction; or

(c) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so upon presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or

(d) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Business Day for payment as provided in Condition 8(d) (*Payments on Business Days*); or

(e) for or on account of "*imposta sostitutiva*" pursuant to Decree No. 239, as amended and/or supplemented or, for the avoidance of doubt, Italian Legislative Decree 21 November 1997, No. 461 as amended and supplemented and in all circumstances in which the procedures set forth in Decree 239, in order to benefit from an exemption from "*imposta sostitutiva*" have not been met or complied with; or

(f) where such withholding or deduction is required to be made pursuant to Italian Law Decree 30 September 1983, No. 512 converted into law with amendments by Law 25 November 1983, No. 649; or

(g) for any Taxes that are imposed or withheld pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as of the Relevant Date (or any amended or successor version of such sections that is substantively comparable and not materially more onerous to comply with), any regulations promulgated thereunder, any official interpretations thereof, any similar law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to the foregoing or any agreements entered into pursuant to Section 1471(b)(1) of the Code.

10 Events of Default

If any of the following events occurs and is continuing (each an "**Event of Default**"), then, in the case of Condition 10(f) (*Insolvency*) the Notes shall automatically become immediately due and payable and, in the case of each of the other Events of Default, any Noteholder may, by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent and specifying one or more of the Events of Default to which such notice relates, request that all (but not some only) of the Notes then outstanding become due and payable at their principal amount together (if applicable) with accrued interest (each such notice being a separate "**Acceleration Request**" in respect of each Event of Default specified therein (even if contained in a single document)) and all of the Notes then outstanding shall become due and payable at their principal amount together (if applicable) with accrued interest upon the earlier to occur of:

(i) Acceleration Requests being received by the Issuer from Noteholders representing not less than 30% in principal amount of the Notes then outstanding specifying the same Event of Default;

(ii) the Issuer delivering to the specified office of the Fiscal Agent notice that it accepts any Acceleration Request (or more than one);

(iii) if neither of events (i) nor (ii) above has occurred in respect of any Acceleration Request, the relevant Acceleration Request(s) (which shall be notified by the Issuer to the other Noteholders within 30 days from the receipt of the relevant Acceleration Request specifying the relevant Event of Default by delivery of a written notice, hereinafter a "**Potential Acceleration Notice**", which may specify more than one Acceleration Request and shall specify the relevant Event of Default for each Acceleration Request), being ratified by Noteholders representing at least 30% in principal amount of the Notes then outstanding by delivery of a written notice to the Issuer or the specified office of the Fiscal Agent by no later than fifteen days following the date of the delivery of a Potential Acceleration Notice,

and the Issuer shall immediately upon the occurrence any the earlier of (i) to (iii), send a notice to the Noteholders of the same in accordance with Condition 15 (*Notices*) (an "**Acceleration Notice**"):

(a) **Non-payment:** any default is made in the payment of any principal and such default continues for a period of five Business Days or interest due in respect of the Notes, and such default continues for a period of ten Business Days; or

(b) **Breach of other obligations:** except as otherwise specified in these Conditions, the Issuer does not perform or comply with any one or more of its other obligations relating to the Notes, which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after notice of such default shall have been given to the Issuer by any Noteholder; or

(c) **Cross-default of the Issuer or a Subsidiary:**

(i) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default or event of default (howsoever described); or

(ii) any such Indebtedness is not paid when due nor, as the case may be, within any applicable grace period; or

(iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred equals or exceeds €5,000,000 or its equivalent; or

(d) **Enforcement proceedings:** an attachment, execution or other enforcement process (which is executive ('*esecutivo*')) is levied or enforced on or against any part of the assets of the Issuer having an aggregate value of at least €5,000,000 or its equivalent, other than any attachment, execution or other enforcement process under or in connection with (i) a Permitted Reorganisation or (ii) any matter described in Condition 10(e) (*Security Enforced*) below and in any such case unless such attachment, execution or other enforcement process (i) is being disputed in good faith with a reasonable prospect of success as confirmed by an opinion of independent legal advisers of recognised standing or (ii) is discharged or stayed within 120 days after the date on which the Issuer is notified thereof or, if later, the date specified therein for payment; or

(e) **Security enforced:** any mortgage, charge, pledge, lien or other encumbrance created or assumed by the Issuer having individually or in aggregate a value of at least €5,000,000 becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar Person) unless such enforcement is discharged or stayed within 120 days after the date on which the Issuer is notified thereof; or

(f) **Insolvency:** other than for the purposes of, or pursuant to, a Permitted Reorganisation, the Issuer is insolvent or bankrupt or unable to pay its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; or

(g) **Cessation of business:** the Issuer ceases to carry on all or a substantial part of its business (other than for the purposes of, or pursuant to, a Permitted Reorganisation); or

(h) **Unlawfulness:** it is or will become unlawful for the Issuer to maintain issued the Notes or perform or comply with its obligations under any of the Notes; or

(i) **Delisting**: the Notes cease to be listed on one of either (i) the official list of the Irish Stock Exchange plc. trading as Euronext Dublin (and admitted to trading on the Regulated Market) or (ii) the MOT of Borsa Italiana, unless the Issuer, within 30 days after notice of any such de-listing have been given to the Issuer by Euronext Dublin and/or Borsa Italiana, causes the Notes to be listed and admitted to trading on any other regulated market for the purposes of Directive 2014/65/EU (as amended or supplemented from time to time).

11 Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 8 (*Payments*) within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

12 Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent, subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

13 Meetings of Noteholders, modification, waiver and substitution

(a) **Meetings of Noteholders**: In accordance with the rules of the Italian civil code, the Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes or Coupons or any of the provisions of the Agency Agreement.

All meetings of the Noteholders will be held in accordance with applicable provisions of Italian law in force at the time and, where applicable Italian law so requires, the Issuer's by-laws in force from time to time and, as long as the Issuer has shares listed on a regulated market of the Republic of Italy or any other EU member country regulated markets, by Legislative Decree No. 58 of 24 February 1998, as amended and implemented. In accordance with Article 2415 of the Italian civil code, the meeting of Noteholders is empowered to resolve upon the following matters: (i) the appointment and revocation of the appointment of the Noteholders' Representative (as defined below), (ii) any amendment to these Conditions, (iii) motions for the composition with creditors (*concordato*) of the Issuer; (iv) establishment of a fund for the expenses necessary for the protection of the common interests of the Noteholders and the related statements of account; and (v) any other matter of common interest to the Noteholders.

Such a meeting may be convened by the Board of Directors of the Issuer or the Noteholders' Representative (as defined below) at their discretion and, in any event, upon the request of any Noteholder(s) holding not less than one-twentieth of the principal amount of the Notes for the time being remaining outstanding. If the meeting has not been convened following such request of the Noteholders, the same may be convened by the board of the statutory auditors (or other analogous body or supervisory body) of the Issuer or, if they so default, by a decision of the competent court in accordance with the provisions of Article 2367 of the Italian civil code. Every such meeting shall be held at a place as provided pursuant to Article 2363 of the Italian civil code.

As long as the Issuer has shares listed on a regulated market located in a EU member state or held by a significant number of investors (*diffuse tra il pubblico in misura rilevante*) as per Article 2325-*bis* of the Italian civil code, such a meeting will be validly held if (subject to mandatory laws, legislation, rules and regulations of Italian law in force from time to time and, where applicable Italian law so requires, the Issuer's by-laws in force from time to time) there are one or more persons present being or representing Noteholders holding more than one half of the aggregate nominal amount of the Notes for the time being outstanding. The majority required to pass a resolution at any meeting convened to vote on any resolution will be one or more persons holding or representing at least two thirds of the aggregate nominal amount of the Notes for the time being outstanding represented at the meeting; provided, however, that certain proposals (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons) may only be sanctioned by a resolution passed at a meeting (including any adjourned meeting as provided under Article 2415, paragraph 1 item 2 and paragraph 3 of the Italian Civil Code) of Noteholders by one or more persons holding or representing not less than one half of the aggregate nominal amount of the Notes for the time being outstanding.

Officers and statutory auditors of the Issuer shall be entitled to attend the Noteholders' meetings but not participate or vote with reference to the Notes held by the Issuer.

To the extent permitted under applicable laws, the Issuer's by-laws may in each case provide for higher majorities and such higher majorities shall prevail.

Any resolution duly passed at any such meeting shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

A representative of the Noteholders (*rappresentante comune*) (the "**Noteholders' Representative**"), subject to applicable provisions of Italian law, may be appointed pursuant to Articles 2417 and 2418 of the Italian civil code in order to represent the Noteholders' interests under these Conditions and to give effect to resolutions passed at a meeting of the Noteholders.

The Noteholders' Representative may be a person who is not a Noteholder and may be (i) a company duly authorised to carry on investment services (*servizi di investimento*) or (ii) a trust company (*società fiduciaria*). The Noteholders' Representative is appointed by a resolution passed at a Noteholders' meeting. If a Noteholders' meeting fails to appoint the Noteholders' Representative, the appointment is made by a competent court upon the request of one or more Noteholders or the directors of the Issuer. The Noteholders' Representative shall remain in office for a period not exceeding three financial years from appointment and may be reappointed; remuneration shall be determined by a meeting of Noteholders.

(b) **Modification and waiver**: The Issuer may agree, without the consent of the Noteholders or Couponholders, to:

(a) any modification of the Notes, the Coupons or the Agency Agreement which could not reasonably be expected to be prejudicial to the interests of the Noteholders, save in respect of any mandatory provisions of Italian law which may apply to any meeting of Noteholders; or

(b) any modification of the Notes, the Coupons or the Agency Agreement which, in the opinion of the Issuer, is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

14 Further issues

The Issuer may, from time to time, without the consent of the Noteholders or Couponholders, create and issue further securities, either having the same terms and conditions as the Notes in all respects (or in all respects except for the amount and the date of the first payment of interest on them), and so that such further issue shall be consolidated and form a single series with the outstanding Notes. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Notes.

15 Notices

Except as otherwise provided in the Conditions, all notices to the Noteholders will be valid if duly published on the Issuer's Website. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are, for the time being, listed. Any such notice shall be deemed to have been given on the date of first publication (or if published more than once or on different dates, on the first date on which publication shall have been made). Couponholders will be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Fiscal Agent or, if the Notes are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedures.

16 Contracts (Rights of Third Parties) Act 1999

No Person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any Person which exists or is available apart from that Act.

17 Governing law and submission to jurisdiction

(a) **Governing law:** The Agency Agreement, the Deed of Covenant, the Notes and the Coupons, and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with English law.

Condition 13(a) (*Meetings of Noteholders*) and the provisions of clause 21 (*Meetings of Noteholders*) of the Agency Agreement which relate to the convening of meetings of Noteholders and the appointment of a Noteholders' representative are subject to compliance with Italian law.

(b) **Jurisdiction:**

(i) Subject to Condition 17(b)(ii) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a "**Dispute**") and the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(ii) For the purposes of this Condition, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(iii) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

(c) **Appointment of process agent**: The Issuer irrevocably appoints Law Debenture Corporate Services Limited, Fifth Floor, 100 Wood Street, London EC2V 7EX as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Law Debenture Corporate Services Limited being unable or unwilling for any reason so to act, it will promptly appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Condition shall affect the right to serve process in any other manner permitted by law.

(d) **Other documents**: The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent in England for service of process, in terms substantially similar to those set out above.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES

The Notes will initially be in the form of a Temporary Global Note which will be deposited on or around the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg.

The Notes will be issued in new global note ("**NGN**") form. On 13 June 2006, the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ECB credit operations" of the central banking system for the Euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The Notes are intended to be held in a manner which would allow Eurosystem eligibility – that is, in a manner which would allow the Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Notes will be represented by the Global Notes except in certain limited circumstances described in the Permanent Global Note. The Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by the Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

The Temporary Global Note will be exchangeable in whole or in part for interests in the Permanent Global Note not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership in compliance with the U.S. Internal Revenue Code of 1986, as amended ("**TEFRA D**"). No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Note will become exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of Euro 1,000 each, at the request of the bearer of the Permanent Global Note against presentation and surrender of the Permanent Global Note to the Fiscal Agent if Euroclear or Clearstream, Luxembourg or any alternative clearing system through which the Notes are held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business.

So long as the Notes are represented by a Global Note and the relevant clearing system(s) so permit, the Notes will be tradeable only in the minimum authorised denomination of Euro 1,000.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent

Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the occurrence of the relevant Exchange Event.

In addition, the Temporary Global Note and the Permanent Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Note and the Permanent Global Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Temporary Global Note and the Permanent Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Temporary Global Note or (as the case may be) the Permanent Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Temporary Global Note or (as the case may be) the Permanent Global Note, the Issuer shall procure that the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

Payments on Business Days: In the case of all payments made in respect of the Temporary Global Note and the Permanent Global Note Condition 8(d)) (*Payments on Business Days*) shall not apply, and all such payments shall be made on a day on which the TARGET System is open.

Redemption of the option of the Issuer: In order to exercise the option contained in Condition 7(b) (*Redemption for taxation reasons*) and 7(c) (*Redemption at the option of the Issuer*) the Issuer shall give notice to the Noteholders, the relevant clearing system and the Fiscal Agent (or procure that such notice is given on its behalf) within the time limits set out in and containing the information required by that condition and Condition 7(e) (*Notice of redemption*). In the case of Condition 7(c) (*Redemption at the option of the Issuer*) and a partial exercise of an option, the rights of accountholders with the relevant clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and Clearstream, Luxembourg and shall be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion. Following the exercise of any option, the Issuer shall procure that the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note shall be reduced accordingly.

Redemption at the option of the Noteholders: The option of the Noteholders in Condition 7(d) (*Redemption at the option of the Noteholders*) may be exercised by the holder of the Permanent Global Note giving notice to the Agent of the principal amount of Notes in respect of which the option is exercised within the time limits specified in Condition 7(d) (*Redemption at the option of the Noteholders*).

Notices: Notwithstanding Condition 15 (*Notices*), while all the Notes are represented by the Permanent Global Note (or, as the case may be, by the Permanent Global Note and/or the Temporary Global Note) and the Permanent Global Note is (or, as the case may be, the Permanent Global Note and/or the Temporary Global Note are) held on behalf of Euroclear or Clearstream, Luxembourg or an alternative clearing system, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg or such alternative and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 15 (*Notices*) on the day after the day of delivery to Euroclear and Clearstream, Luxembourg except that, for so long as such Notes are listed on any stock exchange or admitted to listing or to trading by any other relevant authority and such stock exchange or relevant authority so requires, any such notices shall be duly published in a manner which complies with the rules and regulations of any such stock exchange or other relevant authority.

TAXATION

The following is a general discussion of certain tax consequences under the tax laws of Italy and the European Union of the acquisition, holding and disposal of the Notes (for the purposes of this section including, for the avoidance of doubt, Coupons). This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase the Notes. The following section only provides general information on the possible tax treatment of the Notes on the basis of the tax laws of Italy. Prospective purchasers are advised to consider that the tax consequences arising from the purchase, ownership and disposal of the Notes must be determined also having regard to the tax laws applicable in each purchaser's country of tax residence. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser and does not consider the tax implications arising on the basis of the laws of each purchaser's country of tax residence. This summary is based on the laws of Italy and the European Union currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive effect.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISERS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSAL OF THE NOTES INCLUDING THE EFFECT OF ANY TAXES, UNDER THE TAX LAWS APPLICABLE IN ITALY AND EACH COUNTRY IN WHICH THEY ARE RESIDENT.

Italy

The statements herein regarding Italian taxation are based on the laws in force in Italy and on published practices of the Italian tax authorities in effect in Italy as of the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The Issuer will not update this summary to reflect changes in laws and if such a change occurs the information in this summary could become invalid. The following is a summary of certain material Italian tax consequences of the purchase, ownership, redemption and disposition of Notes for Italian resident and non-Italian resident beneficial owners only and it is not intended to be, nor should it be constructed to be, legal or tax advice. This summary also assumes that the Issuer is resident in Italy for tax purposes, is structured and conducts its business in the manner outlined in this Prospectus. Changes in the Issuer's organisational structure, tax residence or the manner in which it conducts its business may invalidate this summary. This summary also assumes that each transaction with respect to the Notes is at arm's length. This summary also assumes that the Notes are listed from their issue and traded on a regulated market or on a multi-lateral trading platform of member states of the EU or the EEA which allow a satisfactory exchange of information with Italian tax authority, as listed in the Decree of the Minister of Finance of 4 September 1996, as ultimately amended by Ministerial Decree of March 23, 2017 and possibly further amended by future decrees issued pursuant to Article 11 par. 4 (c) of Decree No. 239. Where in this summary English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian law. The following summary does not purport to be a comprehensive description of all tax considerations which may be relevant to make a decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to additional or special rules. Prospective Investors are advised to consult their own tax advisors concerning the overall tax consequences of their acquiring, holding and disposing of Notes and receiving payments on interest, principal and/or other amounts under the Notes, including, in particular, the effect of any state, regional and local tax laws.

Tax Treatment of Interest

Decree No. 239 sets out the applicable regime regarding the tax treatment of interest, premium and other income (including the difference between the redemption amount and the Issue Price, hereinafter collectively referred to as "**Interest**") deriving from Notes falling within the category of bonds (*obbligazioni)* and similar securities (*titoli similari alle obbligazioni*), pursuant to Article 44 of Italian Presidential Decree No. 917 of 22 December 1986, as amended and supplemented ("**Decree 917**"), issued, *inter alia*, by Italian resident companies whose shares are listed on a regulated market or on a multi-lateral trading platform of member states of the EU or the EEA which allow a satisfactory exchange of information with the Italian tax authorities.

For this purpose, pursuant to Article 44 of Decree 917, bonds or debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and which

do not grant the Noteholder any direct or indirect right of participation to (or control of) management of the Issuer or of the business in connection with which they are issued.

Italian Resident Noteholders

Noteholders Not Engaged in an Entrepreneurial Activity

Where an Italian resident Noteholder is:

- an individual not engaged in an entrepreneurial activity to which the Notes are connected;
- a partnership (*società semplice*) or a *de facto* partnership not carrying out commercial activities;
- a professional association;
- a non-commercial private or public institution; or
- an Investor exempt from Italian corporate income taxation,

then Interest derived from the Notes, and accrued during the relevant holding period, are subject to a substitute tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent., unless the relevant Noteholder has opted for the application of the *risparmio gestito* regime provided for by Article 7 of Italian Legislative Decree No. 461 of 21 November 1997 ("**Decree 461**").

An Italian resident Noteholder not engaged in an entrepreneurial activity that has opted for the so-called *risparmio gestito* is subject to a 26 per cent. annual substitute tax on the increase in value of the managed assets accrued at the end of each tax year. The substitute tax is applied on behalf of the taxpayer by the managing authorised intermediary. For more information, see also "*—Tax Treatment of Capital Gains*".

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individual not engaged in an entrepreneurial activity may be exempt from taxation on income (including the *imposta sostitutiva*) if the Notes are included in a long-term individual savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth in Article 1 (100-114) of Law No. 232 of December 11, 2016.

Noteholders Engaged in an Entrepreneurial Activity

In the event that an Italian-resident Noteholder is an individual or a non-commercial entity engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and may be deducted from the overall taxation on income due.

Where a Noteholder is an Italian resident company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are deposited with an authorised intermediary, Interest from the Notes will not be subject to *imposta sostitutiva*. It must, however, be included in the relevant Noteholder's income tax return and is therefore subject to general Italian corporate taxation and, in certain circumstances, depending on the "status" of the Noteholder, also to the Italian regional tax on productive activities ("**IRAP**").

Where an Italian resident Noteholder is an individual engaged in an entrepreneurial activity to which the Notes are connected, Interest relating to the Notes is subject to *imposta sostitutiva* on a provisional basis and will be included in its relevant income tax return. As a consequence, Interest will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Real Estate Investment Funds and Real Estate SICAFs

Under the current regime provided by Law Decree No. 351 of 25 September 2001 ("**Decree No. 351**"), assubsequently amended, payments of Interest on the Notes made to Italian resident real estate investment funds are subject neither to *imposta sostitutiva* nor to any other income tax at the level of the real estate investment fund *provided that* the Notes, together with the relevant coupons, are timely deposited with an authorised intermediary.

The same regime discussed above is applicable to Italian real estate *Società di Investimento a Capitale Fisso* qualified as such from a civil law perspective ("**Real Estate SICAF**").

The income of the real estate fund or the SICAF is subject to tax, in the hand of the unitholder or shareholder (as the case may be), depending on the status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Funds, SICAVs and SICAFs (other than Real Estate SICAFs)

Where an Italian-resident Noteholder is an open-ended or a closed-ended collective investment fund ("**Fund**") or a *Società di Investimento a Capitale Variabile* ("**SICAV**") or a *Società di Investimento a Capitale Fisso* which not exclusively or primarily invests in real estate ("**SICAF**"), established in Italy and subject (or whose manager is subject) to the supervision of a regulatory authority, and the Notes are deposited with an authorised intermediary, Interest accrued during the holding period on the Notes should not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund, the SICAV or the SICAF (as the case may be). The Fund, the SICAV or the SICAF will not be subject to taxation on such management results, but a withholding at the rate of 26 per cent. will instead apply, in certain circumstances, to distributions made in favour of their unitholders or shareholders (as the case may be).

Pension Funds

Where an Italian-resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to the *imposta sostitutiva*, but will be included in the results of the relevant portfolio accrued at the end of the relevant tax period, which will be subject to a 20 per cent. substitute tax on the increase in value of the managed assets accrued at the end of each tax year.

Application of the Imposta Sostitutiva

Pursuant to Decree No. 239, the *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* ("**SIM**"), fiduciary companies, *società di gestione del Risparmio* ("**SGR**"), stockbrokers and other entities identified by a decree of the Ministry of Finance (each, an "**Italian Tax Intermediary**").

An Italian Tax Intermediary must:

- be resident in Italy, or be a permanent establishment in Italy of banks or intermediaries resident outside of Italy or by organizations or companies non resident in Italy, acting through a system of centralized administration of securities and directly connected with the Department of Revenue of the Ministry of Finance (which includes Euroclear and Clearstream) having appointed an Italian representative for the purposes of Decree no. 239, and

- participate, in any way, in the collection of Interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change in ownership of the relevant Notes or in a change of the Italian Tax Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Italian Tax Intermediary, the *imposta sostitutiva* is applied and withheld by the relevant Italian financial intermediary (or permanent establishment in Italy of a non-Italian resident financial intermediary) paying interest to a Noteholder or, absent that, by the Issuer.

Non-Italian Resident Noteholders

Where the Noteholder is a non-Italian resident without a permanent establishment in Italy to which the Notes are connected, an exemption from the *imposta sostitutiva* applies *provided that* the non-Italian resident Noteholder is:

- a beneficial owner of Interest resident, for tax purposes, in a country which allows for a satisfactory exchange of information with the Italian tax authorities; or

- an international body or entity set up in accordance with international agreements which have entered into force in Italy; or

- an "institutional investor", whether or not subject to tax, which is established in a country which allows a satisfactory exchange of information with the Italian tax authorities, even if it does not possess the status of a taxpayer in its own country of establishment; or

- a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State.

For the purposes of exemption from *imposta sostitutiva* countries allowing a satisfactory exchange of information with the Italian tax authorities currently include those identified by the "white list" provided for by Italian Ministerial Decree of 4 September 1996, as ultimately amended by Ministerial Decree of March 23, 2017 and possibly further amended by future decrees issued pursuant to Article 11 par. 4 (c) of Decree 239.

In order to ensure gross payment, non-Italian resident Noteholders must timely deposit the Notes, together with the coupons relating to such Notes, directly or indirectly with:

- an Italian or foreign bank or a financial institution (which could be a non-EU resident—the "**First Level Bank**"), acting as intermediary in the deposit of the Notes held, directly or indirectly, by the Noteholder with a Second Level Bank (as defined below); or

- an Italian-resident bank or brokerage company ("**SIM**"), or a permanent establishment in Italy of a non-resident bank or a SIM, acting as depositary or sub-depositary of the Notes appointed to maintain direct relationships, via telematic link, with the Department of Revenue of the Ministry of Economy and Finance (the "**Second Level Bank**").

Non-Italian resident organisations and companies, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Economy and Finance (which include Euroclear and Clearstream, Luxembourg) are treated as Second Level Banks, *provided that* they appoint an Italian representative (an Italian-resident bank or SIM, or permanent establishment in Italy of a non-resident bank or SIM, or a central depositary of financial instruments pursuant to Article 80 of Legislative Decree No. 58 of 24 February 1998) for the purposes of the application of Decree No. 239. In the event that a non-Italian-resident Noteholder deposits the relevant Notes directly with a Second Level Bank, the latter shall be treated both as a First Level Bank and a Second Level Bank.

The exemption from the *imposta sostitutiva* for non-Italian-resident Noteholders is conditional upon:

- the timely deposit of the Notes, either directly or indirectly, with an institution which qualifies as a Second Level Bank; and

- the submission to the First Level Bank or the Second Level Bank (as the case may be) of a statement of the relevant Noteholder (*autocertificazione*).

Such statement must comply with the requirements set forth by the Ministerial Decree of 12 December 2001, is valid until withdrawn or revoked (unless some information provided therein has changed) and does not need to be submitted where a certificate, declaration or other similar document for the same or equivalent purposes was previously submitted to the same depository. The above statement is not required for non-Italian resident Investors that are international bodies or entities set up in accordance with international agreements entered into force in Italy or Central Banks or entities also authorised to manage the official reserves of a foreign State. Additional declarations may be required for "institutional investors" (see Circular Letter No. 23/E of 1 March 2002 and No. 20/E of 27 March 2003).

The *imposta sostitutiva* will be applicable at the rate of 26 per cent. to Interest paid to non-Italian Noteholders who do not qualify for the foregoing exemption or do not timely and properly satisfy the relevant conditions.

Noteholders who are subject to the *imposta sostitutiva* may, nevertheless, be eligible for full or partial relief under an applicable tax treaty, *provided that* the relevant conditions are satisfied.

Fungible Issues

Pursuant to Article 11, paragraph 2 of Decree 239, where the relevant Issuer issues a new tranche forming part of a single series with a previous tranche of notes, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva*, the issue price of the new tranche of notes will be deemed to be the same amount as the issue price of the original tranche of notes. This rule applies where (a) the new tranche of notes is issued within twelve months from the issue date of the previous tranche of notes and (b) the difference between the issue price of the new tranche of notes and that of the original tranche of notes does not exceed 1% multiplied by the number of years of the duration of the Notes.

Certain Italian Tax Considerations on Capital Gains on the Notes

Italian Resident Noteholders

Noteholders not Engaged in an Entrepreneurial Activity

Where an Italian-resident Noteholder is:

- an individual not engaged in an entrepreneurial activity to which the Notes are connected;
- a partnership (società semplice) or a *de facto* partnership not carrying out commercial activities;
- a professional association; or
- a non-commercial private or public institution.

any capital gain realised by such Noteholder from the disposal or redemption of the Notes would be subject to the *imposta sostitutiva*, levied at a rate of 26 per cent.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the *imposta sostitutiva* on interest, premium and other income relating to the Notes if the Notes are included in a long-term individual savings account (piano individuale di risparmio a lungo temrine) that meets the requirements set forth in Article 1 (100-114) of Law No. 231 of December 11, 2016 (the "**Finance Act 2017**").

In respect of the application of the *imposta sostitutiva*, taxpayers may opt, under certain conditions, for any of the three regimes described below.

Tax Declaration Regime

Under the "tax declaration regime" (*regime della dichiarazione*), which is the standard regime for Italian-resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains (net of any incurred capital loss) realised by the Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity pursuant to investment transactions, including sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same nature, in their annual tax return and pay the *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward and set off against capital gains of the same nature realised in any of the four succeeding tax years.

Risparmio Amministrato Regime

As an alternative to the tax declaration regime, Italian-resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each disposal or redemption of the Notes (the "*risparmio amministrato*" regime) according to Article 6 of Decree 461. Such separate taxation of capital gains applies when:

- the Notes are deposited with an Italian bank, SIM or certain authorised financial intermediary; and
- an express election for the *risparmio amministrato* regime is timely made in writing by the relevant Noteholder.

The depository must account for the *imposta sostitutiva* in respect of capital gains realised on each disposal or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss. The depository must also pay the *imposta sostitutiva* to the Italian tax authorities on behalf of the Noteholder, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, any possible capital loss resulting from a disposal or redemption of the Notes may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains/losses in its annual tax return.

Risparmio Gestito Regime

In the *risparmio gestito* regime, any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity and who have entrusted the management of their financial assets (including the Notes) to an authorised intermediary, will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at tax year-end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Any depreciation of the managed assets accrued at the tax year-end may be carried forward against any increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Noteholder is not required to declare the capital gains or losses realised in its annual tax return.

Noteholders Engaged in an Entrepreneurial Activity

Any gain obtained from the disposal or redemption of the Notes will be treated as part of taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of net value of the production for IRAP purposes) if realised by an Italian company, a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian-resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Real Estate Investment Funds and Real Estate SICAFs

Any capital gains realised by a Noteholder which is an Italian real estate investment fund or an Italian Real Estate SICAF to which the provisions of Decree No. 351, as subsequently amended, apply, will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the real estate investment fund or Real Estate SICAF.

Funds, SICAVs and SICAFs (other than Real Estate SICAFs)

Any capital gains realised by a Noteholder who is an Italian Fund, a SICAV or a SICAF subject (or whose manager is subject) to the supervision of a regulatory authority, will be included in the result of the relevant portfolio accrued at the end of the relevant tax period. Such result will not be subject to taxation at the level of the Fund, the SICAV or the SICAF, but a withholding at the rate of 26 per cent. will instead apply, in certain circumstances, to distributions made in favour of their unitholders or shareholders (as the case may be).

Pension Funds

Any capital gains on Notes held by a Noteholder who is an Italian pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the relevant tax period (which will be subject to a 20 per cent. substitute tax).

Non-Italian Resident Noteholders

A 26 per cent. *imposta sostitutiva* on capital gains may be payable on capital gains realised on the disposal or redemption of the Notes by non-Italian resident persons or entities without a permanent establishment in Italy to which the notes are effectively connected, if the notes are held in Italy.

However, pursuant to Article 23, letter f), No. 2 of Decree 917, capital gains realised by non-Italian resident Noteholders without a permanent establishment in Italy to which the notes are effectively connected from the disposal or redemption of notes issued by an Italian resident issuer and traded on regulated markets in Italy or abroad are not subject to the *imposta sostitutiva*, in certain cases (in particular, where the "*risparmio amministrato*" regime applies or where option is made for the "*risparmio gestito*" regime) subject to timely filing of required documentation (in particular, a self-declaration that the Noteholder is not resident in Italy for tax purposes).

Capital gains realised by non-Italian resident Noteholder without a permanent establishment in Italy to which the notes are effectively connected from the disposal or redemption of notes issued by an Italian-resident issuer, even if the notes are not traded on a regulated market, are not subject to the *imposta sostitutiva*, *provided that* the Noteholder is:

- a beneficial owner resident, for tax purposes, in a country allowing an adequate exchange of information with the Italian tax authorities;
- an international body or entity set up in accordance with international agreements which have entered into force in Italy;
- an "institutional investor", whether or not subject to tax, which is established in a country allowing an adequate exchange of information with the Italian tax authorities, even if it does not possess the status of a taxpayer in its own country of establishment; or
- a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign state.

In order to ensure gross payment, such non-Italian resident Noteholders may in certain cases (in particular, where the "*risparmio amministrato*" regime applies or where option is made for the "*risparmio gestito*" regime) be required to file a self-declaration as the one required in order to benefit from the exemption from the *imposta sostitutiva* in accordance with Decree No. 239. See "*Tax Treatment of interest—Non-Italian Resident Noteholders*" above.

If the conditions above are not met, capital gains realised by non-Italian resident Noteholder without a permanent establishment in Italy to which the notes are effectively connected from the disposal or redemption of notes issued by an Italian-resident issuer and not traded on a regulated market may be subject to the *imposta sostitutiva* at the current rate of 26 per cent. However, Noteholder may be able to benefit from an applicable double tax treaty with Italy providing that capital gains realised upon the sale or redemption of the notes are taxed only in the country where the recipient is tax resident, subject to satisfying certain conditions. In order to benefit from the applicable treaty regime, such non-Italian resident Noteholder may in certain cases (in particular, where the "*risparmio amministrato*" regime applies or where option is made for the "*risparmio gestito*" regime) be required to file a certificate of tax residence issued by the foreign competent tax authority.

The *risparmio amministrato* regime is the ordinary regime automatically applicable to non-Italian resident persons and entities holding notes deposited with an Italian Tax Intermediary, but non-Italian-resident Noteholder retain the right to waive its applicability.

Certain Reporting Obligations for Italian-Resident Noteholders

Pursuant to Law Decree No. 167 of 28 June 1990 (as lastly amended by Italian Law no. 225 of December 1 2016), individuals, non-profit entities and certain partnerships (in particular, *società semplici* or similar partnership in accordance with Article 5 of Decree 917) resident in Italy holding financial assets, including the Notes, outside Italy (without the intervention of an Italian-resident intermediary) are required to report, in their Italian tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return), the value of their financial assets held abroad. The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument under the Italian money-laundering law.

The above reporting requirement is not required to be complied with in respect of Notes deposited for management or administration with qualified Italian financial intermediaries, upon condition that the items of income derived from the Notes have been subject to withholding or substitute tax by the same intermediaries and with respect to foreign

investments which are only composed by deposits and/or bank accounts when their aggregate value never exceeds a Euro 15.000 threshold throughout the year.

Italian Inheritance Tax and Gift Tax

Pursuant to Law Decree No. 262 of 3 October 2006, as subsequently amended, subject to certain exceptions, the transfer of Notes by reason of gift, donation or succession proceedings is generally subject to Italian inheritance tax and gift tax as follows:

- 4 per cent. for transfers in favour of spouses and direct descendants and ascendants on the value of the inheritance or the gift exceeding, for each beneficiary, a threshold of Euro 1 million;
- 6 per cent. for transfers in favour of siblings on the value of the inheritance or the gift exceeding, for each beneficiary, a threshold of Euro 100,000;
- 6 per cent. for transfers in favour of relatives up to the fourth degree and to all relatives in law in direct line and to other relatives in law up to the third degree, on the entire value of the inheritance or the gift; and
- 8 per cent. for transfers in favour of any other person or entity, on the entire value of the inheritance or the gift.

If the heir/heiress and/or the donee is a person with a severe disability, inheritance tax or gift tax is applied to the extent that the value of the inheritance or gift exceeds Euro 1.5 million.

Moreover, an anti-avoidance rule is provided for by Italian Law no. 383 of October, 201 for any gift of assets (such as the Notes) which, if sold for consideration, would give rise to capital gains to the *imposta sostitutiva* provided for by Decree No. 461. In particular, if the done sells the Notes for consideration within five years from the receipt thereof as a gift, the done is required to pay the relevant *imposta sostitutiva* on capital gains as if the gift was not made.

With respect to Notes listed on a regulated market, the value for inheritance tax and gift tax purposes is the average stock exchange price of the last quarter preceding the date of the succession or of the gift (including any accrued interest). With respect to unlisted Notes, the value for inheritance tax and gift tax purposes is generally determined by reference to the value of listed debt securities having similar features or based on certain elements as presented in the Italian tax law.

Italian inheritance tax and gift tax applies to non-Italian-resident individuals for bonds issued by Italian resident companies.

Wealth Tax on Securities Deposited Abroad

According to Article 19 of Law Decree No. 201 of 6 December 2011 ("**Decree No. 201**"), as subsequently amended, Italian-resident individuals holding financial assets – including the Notes – outside of Italy without the involvement of an Italian financial intermediary are required to pay a wealth tax currently at the rate of 0.20 per cent. The wealth tax applies on the market value at the end of the relevant year or, in the absence of a market value, on the nominal value or redemption value of such financial assets held outside Italy. Taxpayers are entitled to deduct from the wealth tax a tax credit equal to any wealth taxes paid in the country where the financial assets are held (up to the amount of the Italian wealth tax due).

Stamp Taxes and Stamp Duties—Holding Through Financial Intermediary

According to Article 13 par. 2-ter of the tariff Part 1 attached to the Italian Presidential Decree No. 642 of October 26, 1972 (as amended by Article 19 of Decree No. 201, and Article 1, par. 581 of Italian Law No. 147 of December 27, 2013) a proportional stamp duty generally applies on a yearly basis currently at the rate of 0.20 per cent. calculated on the market value or – in the absence of a market value – on the nominal value or the redemption amount of any financial product or financial instruments (including the Notes) deposited by either Italian or non-Italian residents

with an Italian financial intermediary. For Investors other than individuals, the annual stamp duty cannot exceed Euro 14,000.00.

Based on the law and the implementing decree issued by the Italian Ministry of Finance on 24 May 2012, the stamp duty applies to any Investor who is a client (as defined in the regulations issued by the Bank of Italy on 20 June 2012) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Registration Tax

Contracts relating to the transfer of the Notes are subject to the registration tax as follows:

- public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) are subject to fixed registration tax at rate of Euro 200.00; and

- private deeds (*scritture private non autenticate*) are subject to fixed registration tax of Euro 200.00 only (i) in case of voluntary registration, or (ii) in case of cross reference in a deed, agreement or other document entered into, executed or signed by the same parties thereto and registered with the competent Registration Tax Office or in a judicial decision (*enunciazione*), or (iii) in case of use. According to Article 6 of the Presidential Decree No. 131 of 26 April 1986, a "case of use" would generally occur if the relevant document is deposited with a central or local government office or with a court chancery in connection with an administrative procedure, except for the case that the deposit is compulsory required by law or regulation.

Payments by an Italian - Resident Guarantor

If an Italian resident guarantor (if any) makes any payments in respect of interest on the Notes (or any other amounts due under the Notes other than the repayment of principal) it is possible that such payments may be subject to withholding tax applied at a rate not exceeding 26 per cent. (to be applied as final or on account depending on the status of the relevant beneficial owner), subject to such relief as may be available under the provisions of any applicable double taxation treaty.

EU Directive on automatic exchange of information and OECD Common Reporting Standard

On 9 July 2015, the Italian Parliament adopted Law No. 114 delegating the Italian Government to implement in Italy certain EU Directives, including Directive 2014/107/EU. Such Directive is aimed at broadening the scope of the operational mechanism of intra-EU automatic exchange of information in order to fight cross-border tax fraud and evasion. The implementation has been completed with the issue of the Decree dated 28 December 2015 as lastly amended by Decree dated 9 May 2019.

Following implementation of said Directive, the Italian Authorities may communicate to other Member States information about interest and other categories of financial income of Italian source, including income from the Notes.

With the above mentioned Decree issued on 28 December 2015, Italian Government has also implemented the Law No. 95 of June 18, 2015 for the implementation of the Common Reporting Standard (CRS), an instrument developed from the OECD in order to address the issue of offshore tax evasion on a global basis. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of the common due diligence and reporting procedures.

In the event that the holders of the Notes hold the Notes through an Italian financial institution (as meant in the Italian Ministerial Decree of December 28, 2015), they may be required to provide additional information to such financial institution to enable it to satisfy its obligation.

EU Savings Directive

The EU Savings Directive has been repealed with effect from 1 January 2016 in order to prevent overlap with the new automatic exchange of information implemented under Council Directive 2014/107/EU.

SALE AND OFFER OF THE NOTES

General

In connection with the Offering, Equita S.I.M. S.p.A. as the placement agent (the "**Placement Agent**") has, according to Article 2.4.3 of the trading rules of Borsa Italiana, been appointed by the Issuer to offer and display the Notes for sale on the MOT.

The fees payable to the Placement Agent in connection with the structuring and placement of the Offering will be equal overall to 0.65 per cent. of the total principal amount of the Notes issued pursuant to offers to purchase the Notes ("**Purchase Offers**"). In any case the fees are subject to a minimum total amount of €1,000,000.00. In addition to the foregoing, the Issuer may grant to the Placement Agent an additional fee up to a maximum amount of Euro 200,000.

The Placement Agent considers its clients to be each of the Issuer and potential investors in the Notes. The Placement Agent and its affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer or its affiliates, for which the Placement Agent and its affiliates have received or will receive customary fees and commissions.

In addition, in the ordinary course of their business activities, the Placement Agent and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Typically, the Placement Agent and its affiliates would hedge and do hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Placement Agent and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

There are no interests of natural and legal persons other than the Issuer and the Placement Agent involved in the issue of the Notes, including conflicting ones that are material to the issue.

Offering of the Notes

Offering Amount

Subject to the Minimum Offer Condition, the Issuer is offering for subscription and listing and admission to trading on the MOT a minimum of Euro 150,000,000 aggregate principal amount of the Notes (the "**Minimum Offer Amount**") and a maximum of Euro 200,000,000 aggregate principal amount of the Notes (the "**Maximum Offer Amount**"). The Maximum Offer Amount may be reduced by the Issuer prior to the Launch Date (as defined below). If the Maximum Offer Amount is reduced below Euro 150,000,000, the Issuer will publish a notice specifying the revised Maximum Offer Amount on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana. Moreover, in such a case a supplement to this Prospectus will be published by the Issuer in accordance with Article 23 of the Prospectus Regulation.

For the purpose of this section "Minimum Offer Condition" shall occur if, at the expiration of the Offering Period, Purchase Offers have not been placed sufficient for the sale of at least the Minimum Offer Amount, the Offering will be withdrawn.

Pricing Details

The Notes will be issued at a price of 100 per cent. of their principal amount (the "**Issue Price**").

Disclosure of the Results of the Offering

The interest rate (which shall not be less than the Minimum Interest Rate) will be determined on the basis of the tenor of the Notes, the yield and the demand by Investors in the course of the determination of the conditions (the bookbuilding procedure) prior to the start of the Offering Period. In the course of the bookbuilding procedure, the

Placement Agent will accept within a limited period of time indications of interest in subscribing for the Notes from Investors. Subsequently, the Placement Agent will determine, in consultation with the Issuer and based on, among other things, the quantity and quality of the expressions of interest received from Investors during the bookbuilding procedure, the interest rate (coupon) and the final yield.

The interest rate of the Notes (which shall not be less than the Minimum Interest Rate) and the yield will be set out in the Interest Rate and Yield Notice, which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (www.ovscorporate.it/en), the Euronext Dublin Website (https://live.euronext.com/) and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period.

The aggregate principal amount of the Notes, the number of Notes sold and the proceeds of the Offering will be set out in the Offering Results Notice which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (www.ovscorporate.it/en), the Euronext Dublin Website (https://live.euronext.com/) and released through the SDIR-NIS system of Borsa Italiana no later than the first business day after the end of the Offering Period. No trading in the Notes will start before the Offering Results Notice is published as set out above.

Step Up Provision

For any interest period commencing on or after the interest payment date immediately following the failure of OVS to achieve certain sustainability performance targets in relation to three separate key performance indicators (which are the Scope 1 and Scope 2 GHG Emissions, the Scope 3 GHG Emissions and the Higg Tier 1 Housebrand Apparel Suppliers Production Volume and Related Verified Production Volume, each as defined in the Terms and Conditions of the Notes) (the "**KPIs**") by the year starting on 1 February 2024 and ending on 31 January 2025 (the "**Reference Year**"), or the failure of OVS to report on such key performance indicators in the required time periods (each, a "**Step Up Event**"), the rate of interest for the Notes on the Issue Date (the "**Initial Rate of Interest**") (which shall not be less than the Minimum Interest Rate) shall be increased by the relevant margin (each, a "**Step Up Margin**") up to a maximum margin of 0.25 per cent. per annum as specified under the Terms and Conditions of the Notes. During the term of the Notes, zero, one, two or three Step Up Events may potentially occur such that the related combination of Step Up Margins, as specified under the Terms and Conditions of the Notes, may be applicable for the remaining term of the Notes.

An increase in the Initial Rate of Interest may occur no more than once in respect of the Notes.

If a Step Up Event has occurred, the relevant Step Up Margin shall apply for the remaining term of the Notes and the rate of interest will not decrease to the Initial Rate of Interest regardless of any following achievement of the KPIs above for any other calendar year following the occurrence of a Step Up Event.

The Issuer will cause the occurrence of a Step Up Event and the related increase in the Initial Rate of Interest to be notified to the Paying Agents and the Noteholders as soon as reasonably practicable after such occurrence and in no event later than the date falling 120 days after 31 January in each calendar year, commencing with the calendar year in which the Notes are issued, up to and including the Reference Year. The relevant notice will be published on the Issuer's website (www.ovscorporate.it/en) and released through the SDIR-NIS system of Borsa Italiana.

Notwithstanding the above, the Notes will not be marketed as green bonds since the Issuer expects to use the relevant net proceeds for refinancing of existing facilities of the Group (see "*Use of Proceeds*") and therefore the Issuer does not intend to allocate the net proceeds specifically to projects or business activities meeting environmental or sustainability criteria, or be subject to any other limitations associated with green bonds.

Reporting

OVS will report on the KPIs on at least an annual basis on its website (www.ovscorporate.it/en) and in its annual reports or sustainability reports. Reporting may include: (i) up-to-date information on the performance of the selected KPIs, including the baseline where relevant, (ii) a verification assurance report relative to the KPIs, and (iii) any relevant information to enable investors to monitor the progress of the applicable KPI.

Reported information might also include, when feasible and possible: (i) qualitative or quantitative explanation of the contribution of the main factors, including merger and acquisition activities, behind the evolution of the performance

and/or KPIs on an annual basis, (ii) illustration of the positive sustainability impacts of the performance improvement, and/or (iii) any re-assessment of KPIs and/or pro-forma adjustments of baselines or KPIs' scope, if relevant.

Verification

External assurance firms will verify the KPIs prior to the relevant publication date of such KPIs.

In connection with the Notes, the Issuer has requested a provider of second party opinions, Sustainalytics, to issue a second party opinion (the "*Second Party Opinion****") in relation to the OVS' sustainability-linked bond framework (the "****Sustainability-Linked Bond Framework****"). The Sustainability-Linked Bond Framework will be reviewed by Sustainalytics who will provide a second party opinion, confirming the alignment with the ICMA's Sustainability-Linked Bond Principles (the "****ICMA SLBP****"). Such second party opinion will be available on the Issuer's website (www.ovscorporate.it/en) following the issuance of the Notes.Conditions of the Offering***

Except for the Minimum Offer Condition, the Offering is not subject to any conditions.

Subscription rights for the Notes will not be issued. Therefore, there are no procedures in place for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

Offering Period, Early Closure, Extension and Withdrawal

The Offering will open on October 27, 2021 at 09:00 (CET) (the "**Launch Date**") and will expire on November 3, 2021 at 17:30 (CET) (the "**Offering Period End Date**"), subject to amendment, extension or postponement by the Issuer and the Placement Agent (the "**Offering Period**").

The Investors will be required to remit payment in exchange for the issuance of the Notes for which they have placed Purchase Offers on the Issue Date, which will initially be November 10, 2021. In the case of an extension of the Offering Period the Issue Date will be the fifth business day following the closure of the Offering Period. Notwithstanding any early closure of the Offering, the Notes will be issued on the original Issue Date (November 10, 2021).

The Offering Period is an approximate period and has been determined by the Issuer. The Issuer expressly reserves the right to postpone or extend the Offering Period in light of the market conditions or modify the Launch Date and/or the Offering Period End Date in agreement with the Placement Agent by giving due notice to the CBI, Euronext Dublin and Borsa Italiana, the Fiscal Agent - through the publication of a supplement to this Prospectus (a "**Supplement**"), to the extent such postponement or extension will be a significant new factor, as defined in Article 23 of the Prospectus Regulation - and, by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana, to the general public. Any notice of postponement or modification of the Offering Period will be given no later than the business day prior to the Launch Date. If, following the Launch Date and before the Offering Period End Date, the Notes have not been placed for an amount equal to the Maximum Offer Amount or the Minimum Offer Amount because of the market conditions and the Issuer decides to extend the Offering Period in agreement with the Placement Agent, a notice of extension of the Offering Period will be published before the last day of the Offering Period.

If, during the Offering Period, Purchase Offers exceed the Maximum Offer Amount, the Placement Agent, in agreement with the Issuer, will close the Offering prior to the expiration of the Offering Period, and all Purchase Offers in excess of the Maximum Offer Amount will not be executed. The Issuer will promptly communicate an early closure of the Offering Period to the CBI, Euronext Dublin and Borsa Italiana, the Fiscal Agent and, by way of a dedicated notice published on the Issuer's Website, to the general public.

The Issuer and the Placement Agent (i) expressly reserve the right to withdraw the Offering at any time prior to 16:45 (CET) on the Offering Period End Date and (ii) shall withdraw the Offering if Purchase Offers are lower than the Minimum Offer Amount. The Issuer will promptly communicate a withdrawal of the Offering to the CBI, Euronext Dublin and Borsa Italiana and the Fiscal Agent, first, and, subsequently, to the general public, by way of a dedicated notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana.

The Placement Agent, in agreement with the Issuer, expressly reserves the right to cancel the launch of the Offering at any time between the date of this Prospectus and the Launch Date or to withdraw the Offering at any time after the Launch Date and before 16:45 (CET) on the Offering Period End Date in the case of (i) any extraordinary change in the political, financial, economic, regulatory, currency or market situation of the markets in which the Issuer and/or the Group operates which could have a materially adverse effect on the Offering, or the economic, financial and/or management conditions of the Issuer and/or the Group or on its/their business activities, or (ii) any act, fact, circumstance, event, opposition or any other extraordinary situation which has not yet occurred at the date of this Prospectus which may have a materially adverse effect on the Offering, or the economic, financial and/or management conditions of the Issuer and/or the Group or on its/their business activities. If the launch of the Offering is cancelled or the Offering is withdrawn, the Offering itself and all submitted Purchase Offers will be deemed cancelled. Prompt notice of any decision to cancel the launch of the Offering or withdraw the Offering after the Launch Date will be communicated to the CBI, Euronext Dublin, Borsa Italiana, the Fiscal Agent and, by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana, to the general public.

If, prior to the Issue Date, Borsa Italiana has failed to set the MOT Trading Start Date, the Offering will be automatically withdrawn by giving notice to the CBI, Euronext Dublin, the Fiscal Agent and, no later than the day after notice has been given to the CBI and Euronext Dublin, by notifying the general public by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana.

Technical Details of the Offering on the MOT

The Offering will take place through Purchase Offers made by Investors on the MOT through Intermediaries (as defined below) and coordinated by the Placement Agent, who has been appointed by the Issuer to offer and display the Notes for sale on the MOT according to the trading rules of Borsa Italiana. Purchase Offers may only be made with the MOT through an investment company, bank, wealth management firm, registered financial intermediary, securities house and any other intermediary authorised to make Purchase Offers directly on the MOT or - if such institution is not qualified to perform transactions on the MOT - through an intermediary or agent authorised to do so (each an "**Intermediary**"). Purchase Offers must be made during the operating hours of the MOT for a minimum quantity of aggregate par value of Euro 1,000 of the Notes, and may be made for any multiple thereof.

During the Offering Period, Intermediaries may make irrevocable Purchase Offers directly or through any agent authorised to operate on the MOT, either on their own behalf or on behalf of third parties, in compliance with the operational rules of the MOT.

The Notes shall be assigned, up to their maximum availability, based on the chronological order in which Purchase Offers are made on the MOT. The acceptance of a Purchase Offer on the MOT does not alone constitute the completion of a contract with respect to the Notes requested thereby. The perfection and effectiveness of contracts with respect to the Notes are subject to confirmation of the correct execution of the Purchase Offer and issuance of the Notes. Each Intermediary through whom a Purchase Offer is made will notify Investors of the number of Notes they have been assigned within the Issue Date.

After the end of the Offering Period, the Euronext Dublin, in conjunction with the Issuer, shall set and give notice of the start date of the official admission to trading on the regulated market of Euronext Dublin and Borsa Italiana shall set and give notice of the start date of official trading of the Notes on the MOT (the "**MOT Trading Start Date**"). The MOT Trading Start Date shall correspond to the Issue Date.

Investors wishing to make Purchase Offers who do not have a relationship with any Intermediary may be requested to open an account or make a temporary deposit for an amount equivalent to that of the Purchase Offer. In case of partial sale of the Notes or a cancellation or withdrawal of the Offering, all amounts paid as temporary deposits, or any difference between the amount deposited with the Intermediary and the aggregate value of the Notes actually sold to the Investor, will be repaid to the Investor who initiated the Purchase Offer by the Issue Date. See "*Terms and Conditions of the Payment and Delivery of the Notes*" below.

Except as otherwise set forth herein, Purchase Offers, once placed, may not be revoked. See "*—Revocation of Purchase Offers*".

Any Purchase Offer received outside the Offering Period, or within the Offering Period but outside the operating hours of the MOT, will not be accepted.

Investors may place multiple Purchase Offers.

Purchase Offers placed by Italian Investors through telecommunication means are not subject to the existing withdrawal provisions applicable to distance marketing of consumer financial services, services in accordance with articles 67-*bis* and 67-*duodecies* of Italian Legislative Decree no. 206 of 6 September 2005 as regards the public offer in Italy.

Revocation of Purchase Offers

If the Issuer publishes any Supplement to this Prospectus in accordance with Article 23(1) of the Prospectus Regulation, any Investor who has placed a Purchase Offer prior to the publication of the Supplement shall be entitled to revoke such Purchase Offer by no later than the third business day following the publishing of the Supplement, in accordance with Article 23(2) of the Prospectus Regulation. Revocation of a Purchase Offer may be accomplished by delivering written notice to the Intermediary through whom the Investor made the Purchase Offer, who shall in turn notify the Placement Agent of such revocation.

Terms and Conditions of the Payment and Delivery of the Notes

Investors will pay the Issue Price to the Intermediaries through whom they have placed Purchase Offers on the Issue Date.

In case of early closure of the Offering or extension of the Offering Period, a press release will be made to announce the action and inform Investors and potential Investors of the revised Issue Date. In case of an extension of the Offering Period the Issue Date will be postponed to the fifth Business Day following the closure of the Offering Period, as extended. In case of an early closure of the Offering Period, the Issue Date will remain unchanged and the Notes will be issued on November 10, 2021. For more information about the circumstances in which the Offering Period may be closed early or extended, see "*Offering Period, Early Closure, Extension and Withdrawal*" above.

Ownership of interests in the Notes (the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear and/or Clearstream, Luxembourg or persons that hold interests in the Notes through participants in Euroclear and/or Clearstream, Luxembourg, including Monte Titoli. Euroclear and Clearstream, Luxembourg will hold interests in the Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Book-Entry Interests will not be issued in definitive form. Payments and transfers of the Notes will be settled through Euroclear and Clearstream, Luxembourg.

None of the Issuer, the Fiscal Agent, the Paying Agents or any of their respective agents will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Costs and Expenses Related to the Offer

The Issuer will not charge any costs, expenses or taxes directly to any Investor. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence related to the opening of a bank account or a temporary deposit account with an Intermediary, if necessary, and/or any costs related to the execution, acceptance and transmission of Purchase Offers imposed by such Intermediaries. See "—*Technical Details of the Offering on the MOT*".

Consent to the Use of this Prospectus

The Issuer has granted its consent to the use of this Prospectus for the Offering of the Notes during the Offering Priod (as defined below) without conditions and accepts responsibility for the content of the Prospectus also with respect to the subsequent resale or final placement of the Notes by any financial intermediary which was given consent to use this Prospectus in Italy. Public Offer and Selling Restrictions

Public Offer and Selling Restrictions

The Offering is addressed to the general public in Italy and to qualified investors (as defined in the Prospectus Regulation) in Italy, following the approval of this Prospectus by the CBI for the purposes of the Prospectus Regulation, and the effectiveness of the notification of this Prospectus by the CBI to CONSOB according to Article 25 of the Prospectus Regulation. Purchase Offers may only be placed through Intermediaries. Any persons who, at the moment of making a Purchase Offer, even if they are resident in Italy, may be considered as being resident in the United States or in any other country – such as Australia, Canada or Japan - in which the offer of financial instruments is not permitted to be made unless it has been authorised by the competent authorities of such country (the "Other Countries") are not entitled to subscribe for the Notes in the Offering.

If, according to the Intermediaries, Purchase Offers were made by persons resident in Italy in breach of the provisions in force in the United States or in Other Countries, the Intermediaries shall adopt any adequate measure to remedy the unauthorised Purchase Offers and shall promptly notify the Placement Agent.

The Notes are not intended to qualify as packaged retail and insurance-based investment products (PRIIPs) and, as such, no key information document required by the Regulation (EU) No 1286/2014 has been or will be prepared by the Issuer.

European Economic Area

The Offering contemplated by this Prospectus has not been, and will not be, made to the public in any member state of the EEA (a "**Member State**") other than the offers contemplated in this Prospectus in Italy from the time this Prospectus has been approved by the CBI and published in another Member State and notified to the competent authority in that Member State in accordance with Article 25 of the Prospectus Regulation, and provided that the Issuer has consented in writing to the use of this Prospectus for any such offers, except that offers may be made to the public in that Member State at any time:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation, subject to obtaining the prior consent of the Placement Agent; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of the Notes shall require the Issuer or the Placement Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement this Prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129 and includes any relevant implementing measure in the Member State.

United States and its Territories

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes have not been, and will not be, offered or sold within the United States or to U.S. Persons except in accordance with Rule 903 of Regulation S. Neither the Issuer, the Placement Agent or the Intermediaries, nor any persons acting on their behalf, have engaged, or will engage, in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are in bearer form and are subject to United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended, and may not be offered, sold or

delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including TEFRA D.

In accordance with TEFRA D, the Placement Agent and each Intermediary represents and agrees that:

- except to the extent permitted under TEFRA D, (a) it has not offered or sold, and until 40 days after the later of the commencement of the offering and the Closing Date (the "**Restricted Period**") will not offer or sell, the Notes to a person who is within the United States or its possessions or to, or for the account or benefit of, a United States person and (b) it has not delivered and will not deliver within the United States or its possessions definitive Notes (if any) that are sold during the Restricted Period;

- it has, and throughout the Restricted Period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling the Notes are aware that such Notes may not be offered or sold during the Restricted Period to a person who is within the United States or its possessions or to, or for the account or benefit of, a United States person, except as permitted by the TEFRA D;

- if the Intermediary is a United States person, it represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and, if such Intermediary retains the Notes for its own account, it will only do so in accordance with TEFRA D;

- with respect to each affiliate (if any) that acquires from such Intermediary the Notes for the purpose of offering or selling such Notes during the Restricted Period, such Intermediary either (a) hereby represents and agrees on behalf of such affiliate to the effect set forth in the three bullet points above or (b) agrees that it will obtain from such affiliate, for the benefit of the Issuer, the representations and agreements contained in the three bullet points above; and

- such Intermediary will obtain for the benefit of the Issuer the representations and agreements contained in the four bullet points above from any person other than its affiliate with whom it enters into a written contract, as defined under TEFRA D, for the offer and sale during the Restricted Period of the Notes.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including TEFRA D. In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

United Kingdom

The Placement Agent has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

(a) to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the Placement Agent; or

(c) in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (the "**FSMA**"),

provided that no such offer of Notes shall require the Issuer or the Placement Agent to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be

offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Placement Agent has represented, warranted and undertaken that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

GENERAL INFORMATION

Authorisation of the Notes

The issue of the Notes was duly authorised by a resolution of the Board of Directors of the Issuer dated October 11, 2021.

Listing and Admission to Trading

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on its Regulated Market and to Borsa Italiana S.p.A. for the listing and trading of the Notes on the MOT. The Regulated Market and the MOT are regulated markets for the purposes of MiFID II.

Arthur Cox Listing Services Limited is acting solely in its capacity as Irish listing agent for the Issuer in relation to only the admission to listing of the Notes on the Regulated Market and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Regulated Market of Euronext Dublin.

Eurosystem Eligibility

The Notes are issued in NGN form and intended to be held in a manner which would allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue of the Notes or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN of the Notes is XS2393520734 and the Common Code is 239352073. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

Legal Entity Identifier (LEI)

The Issuer's Legal Entity Identifier (LEI) is 8156001A772766DCAA71. The CFI Code for the Notes is DBFXFB.

Significant or Material Change

There has been no significant change in the financial position or financial performance of the Group since 31 July 2021 and there has been no material adverse change in the prospects of the Issuer or the Group since 31 January 2021.

Legal Proceedings

Save as disclosed in section "*Description of the Issuer – Legal Proceedings*" of this Prospectus, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have, or have in such period had, a significant effect on the financial position or profitability of the Issuer and/or the Group.

Independent Auditors

PricewaterhouseCoopers S.p.A. (**PWC**) has audited, in accordance with International Standards on Auditing (ISA Italia) implemented in accordance with Article 11 of Legislative Decree No. 39 dated 27 January 2010, the Issuer's consolidated financial statements for the financial years ended on 31 January 2020 and 31 January 2021 as stated in the English translation of their reports incorporated by reference herein. The financial statements as of 31 January 2020 and 31 January 2021 and for the years then ended were prepared in accordance with IFRS as adopted in the European Union Regulation No. 1606/2002 and the requirements of Italian regulations issued pursuant to Article 9 of Italian Legislative Decree no. 38/2005. The English translation of the annual financial statements referred to above,

together with the English translation of the relevant independent auditors' report, are incorporated by reference in this Prospectus.

PWC is authorised and regulated by The Italian Ministry of Economy and Finance (**MEF**) and registered on the special register of auditing firms held by the MEF. The registered office of PWC is at Piazza Tre Torri 2, 20145, Milan, Italy.

PWC is a member of ASSIREVI, the Italian association of auditing firms.

Notices to Noteholders

For so long as the Notes are listed on the regulated market of the Regulated Market of Euronext Dublin and the MOT segment of Borsa Italiana, all notices to the Noteholders regarding such Notes shall be published on the website of the Issuer, the website of the Euronext Dublin (https://live.euronext.com/) and published through the SDIR-NIS system of Borsa Italiana as appointed mechanism for storing and disseminating regulated information.

Interests of natural and legal persons involved in the issue

Affiliates of the Issuer (including its shareholder) have expressed interest in the Notes and may end up subscribing a material amount of Notes or purchasing a material amount of the Notes on the secondary market at price which may differ from the Issue Price.

Potential Conflicts of Interest

The Placement Agent and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions (including, without limitation, the provision of loan facilities) with, and may perform services for, the Issuer and their respective affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Placement Agent and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates or any entity related to the Notes. The Placement Agent and its affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Placement Agent and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Placement Agent and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. In particular, the Placement Agent will receive a commission (as further described under "*Sale and Offer of the Notes*" above).

Yield

On the basis of the issue price of the Notes of 100 per cent. of their principal amount and a Minimum Interest Rate of 2 per cent. per annum, the gross real yield of the Notes is a minimum of 2 per cent. on an annual basis. The final yield will be set out in the Interest Rate and Yield Notice (see "*Sale and Offer of the Notes*"). The yield indicated in this paragraph is calculated, and the final yield set out in the Interest Rate and Yield Notice will be calculated, as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Expenses

The expenses of the issue of the Notes are expected to amount to around Euro 1.5 million to be paid in connection with the offer of the Notes.

Listing and Admission to Trading

The MOT Trading Start Date will be published on the Issuer's Website and released through the SDIR-NIS system of Borsa Italiana. The MOT Trading Start Date will be set by Borsa Italiana, and shall correspond to the settlement date

of the purchase agreements with respect to the Notes and the Issue Date. See "*Sale and Offer of the Notes—Offering of the Notes—Technical Details of the Offering on the MOT*".

As of the date of this Prospectus, the Notes are not listed on any other Irish and Italian or equivalent, market and the Issuer has no intention of applying for admission to list the Notes on any regulated market other than the Regulated Market and the MOT.

Post-issuance Information

The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

Rating

None of the Issuer or the Notes is rated.

Documents on Display

For so long as any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be obtained (and in the case of (c) and (d) can be found on the Issuer's Website and at the offices of the Fiscal Agent and free of charge during normal business hours at the specified office of the Issuer, namely:

(a) the constitutional documents of the Issuer;

(b) the Agency Agreement;

(c) the Deed of Covenant; and

(d) this Prospectus, any supplement thereto, if any, and any document incorporated by reference therein.

A copy of this Prospectus will also be electronically available for viewing on the website of Euronext Dublin (https://live.euronext.com/). A copy of the documents listed above and a copy of the documents incorporated by reference in this Prospectus will be electronically available for viewing on the Issuer's website (www.ovscorporate.it/en).

Legend Concerning US Persons

Each Note and Coupon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended".

INCORPORATION BY REFERENCE

The following documents have been filed with the CBI and shall be deemed to be incorporated in, and to form part of, this Prospectus, in each case to the extent specified in the table below, together with the accompanying notes and the convenience translation into English of the audit reports thereto:

1. the unaudited interim consolidated financial statements of the Issuer as of and for the six-month periods ended 31 July 2021 (the **Interim Report as at 31 July 2021**), previously published on the Issuer's Website (see the following hyperlink:

   https://www.ovscorporate.it/sites/oviesse2014corp/files/downloads/ovs_half-year_financial_report_at_31.07.2021_eng.pdf);

2. the unaudited interim consolidated financial statements of the Issuer as of and for the six-month periods ended 31 July 2020 (the **Interim Report as at 31 July 2020**), previously published on the Issuer's Website (see the following hyperlink:

   https://www.ovscorporate.it/sites/oviesse2014corp/files/downloads/ovs_half-year_financial_report_at_31.07.2020_final_0.pdf);

3. the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 January 2021 (the **Annual Report 2020**), previously published on the Issuer's Website (see the following hyperlink:

   https://ovscorporate.it/sites/oviesse2014corp/files/sfogliatore2020/en_2020/bilancio_ovs_2020_eng.pdf);

4. the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 January 2020 (the **Annual Report 2019**), previously published on the Issuer's Website (see the following hyperlink:

   https://ovscorporate.it/sites/ovs2014/files/documenti/bilancio_ovs_2019_eng.pdf).

provided, however, that any statement contained in this Prospectus or in any information or in any of the documents incorporated by reference in, and forming part of, this Prospectus shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement, provided that such modifying or superseding statement is made by way of a supplement to this Prospectus pursuant to Article 23 of the Prospectus Regulation.

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Cross reference list

The following table shows where the information incorporated by reference in this Prospectus can be found in the above mentioned documents.

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Document	Information incorporated by reference	Page numbers
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Any information incorporated by reference that is not included in the above cross-reference list is considered as additional information and is not required by the relevant schedules of the Commission Delegated Regulation (EU) 2019/980.

As long as any Notes are listed on the Regulated Market of Euronext Dublin and on the MOT of Borsa Italiana and any applicable laws so require the documents incorporated by reference are available on the website of the Issuer (www.ovscorporate.it/en) and the website of the Euronext Dublin (https://live.euronext.com/) and may be inspected and are available free of charge during normal business hours at the registered office of the Issuer (Mestre -Venice (VE), Via Terraglio 17, 30174, Italy).

Unless specific information is expressly incorporated by reference herein, the information on the website of the Issuer (www.ovscorporate.it/en), as well as any information on any other website mentioned in this Prospectus does not form part of this Prospectus. Any website mentioned in this Prospectus does not form part of this Prospectus and has not been scrutinised or approved by the CBI.

NAMES AND ADDRESSES

Issuer

OVS S.p.A.
Via Terraglio 17,
Mestre -Venice (VE),
30174, Italy

Fiscal Agent and
Principal Paying Agent

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Placement Agent

Equita S.I.M. S.p.A.
Via Turati, 9
20121 Milan
Italy

Independent Auditor to the Issuer

PricewaterhouseCoopers S.p.A.
Piazza Tre Torri 2,
20145, Milan
Italy

Legal Advisers

To the Issuer as to U.S., English and Italian Law
Latham & Watkins (London) LLP
Corso Matteotti, 22
20121 Milan
Italy

To the Issuer as to Italian Taxation Law
Visentin & Partners
Via Coletti, 41
31100, Treviso
Italy

Listing Agent

Arthur Cox Listing Services Limited
Ten Earlsfort Terrace
Dublin 2
Ireland