



2019 FINANCIAL RESULTS CONFIRM GOOD MOMENTUM FOR THE GROUP

Breganze (Italy), March 10, 2020. The 2019 financial results proved particularly positive for OTB, the Italian fashion group and parent company of Diesel, Maison Margiela, Marni, Viktor&Rolf, Amiri, Staff International and Brave Kid.

The group's turnover exceeded 1.5 billion euro, coming in at 1,530 million, up 6,4% compared to 2018, and growing in all businesses, channels (retail grew by 9%), and regions.

Consolidated EBITDA landed at 190 million euro, while EBIT was positive at 18 million, with a significant change in trend compared to the previous year. The group's net financial position improved further reaching 124 million euro (excluding any IFRS16 effect), confirming the strong capitalization of the group, and its ability to support future growth. 2019 saw important investments such as the acquisition of a stake in Amiri, an increased stake in Viktor&Rolf (from 51% to 70%), and the opening of over 70 single brand stores around the world.

DIESEL returned to growth, recording a 2.6% increase in turnover and intensifying the reorganization of its distribution network. It opened 45 single brand stores with a new interior design concept, moving many existing stores to locations more consistent with the brand positioning, and closing those no longer in line with strategy and expected results. In the wholesale channel, the company continued its work of selecting strategic partners, while e-commerce recorded growth of 24.3% for the direct channel which, added to the indirect e-commerce business, made the total online business account for over 11% of the brand's turnover. 2019 witnessed important marketing initiatives and collaborations ranging from the three guest designers of the Red Tag platform (Gosha Rubchinskiy, Readymade and A-Cold-Wall*), to the major sustainability partnership with Coca-Cola (a capsule collection made from recycled PET), to the launch of a collection for the new Netflix series of 'La Casa de Papel' ('Moneyheist'), to global collaborations with Playstation, Alpinestars and Swarovski.

2019 was a strong year of growth for MAISON MARGIELA, which confirmed the market's appreciation of the creative direction taken by the couture house led by John Galliano, with whom the group has recently renewed a long-time contract and commitment. The brand's turnover increased by over 36% compared to the previous year, reaching 200 million euro, with strong acceleration in retail and online channels, and exponential growth in the accessories collections which represent 60% of turnover.

MARNI continued its evolutionary creative path which is rejuvenating its international consumers, 50% of whom are currently below 35. Sales increased by more than 8% - with accessories accounting for 58% of the total - while retail strategic development continued apace: last year, 8 new stores opened, including a very important flagship store in Omotesando, Tokyo, and the first store in Maximilianstraße, Munich.

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Last year VIKTOR&ROLF implemented many successful initiatives and collaborations, confirming the brand's alternative business model, characterized by 'conscious design', which generated business volumes (retail value) of 200 million euro. Besides their iconic and unique couture collections and fashion shows, it is worth mentioning 'Mariage', the bridal collection sold in more than 60 retail outlets, and the 'Tulle' capsule collection, distributed in 100 of the world's most prestigious multi-brand stores.

Having joined the group in the middle of last year (as a minority share acquisition of the group), AMIRI, the L.A.-based luxury brand founded in 2014 by Mike Amiri, and loved by rock stars, athletes and celebrities all over the world, recorded major growth, increasing its turnover by 49%. 2019 marked a turning point for the designer who showed his collections during Paris Men's Fashion Weeks and was nominated Menswear Designer of The Year at the American CFDA awards.

STAFF INTERNATIONAL ended another year of significant growth, increasing turnover by 9%, based on a dual business model: on one hand, managing the research and development, production and worldwide omnichannel distribution of licensed brands such as Dsquared, Just Cavalli and the new entry Koché; on the other hand, as a licensed manufacturer for the group-owned brands Maison Margiela, Marni and Diesel (the latter limited to accessories), with a special talent for Made in Italy, which accounts for more than 90% of its production.

Last but not the least, BRAVE KID, the group company specializing in the development, production and distribution of kids clothing and accessories, confirmed solid prospects with great potential. Turnover grew by 6,4% during 2019 making it a strong platform for contemporary kidswear, and the ideal partner for licensed brands looking for the highest expertise in this market segment.

2019 was a very important year for OTB, the first of a pluriannual development plan whose results allow the group to be confident of its future growth objectives. Bolstered by this result, OTB will continue to develop the businesses (brands and companies) which are currently within its current company purview, and to evaluate any market opportunities in line with the group's strategic vision.

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