



## Gap Inc. and OVS Sign Agreement for Acquisition of Gap Stores in Italy

*Building on Successful Franchise Shop-in-Shop Experiences in OVS Stores and Online*

**Venice – November 3rd, 2021** – Gap Inc. (NYSE: GPS) and OVS, announced that the two companies have signed an agreement for OVS to acquire all Gap stores in Italy subject to completion of the unions' consultation process that will start in the next few weeks. The transfer is anticipated to take place in February 2022.

The two companies have worked together since early 2020. Through a franchise agreement signed in 2020, OVS offers GapKids in its stores and Gap Adult and Kids through its e-commerce site. With this new agreement, OVS will take on Gap standalone stores in the country.

Stefano Beraldo, CEO OVS said, "Every Italian that has ever visited the USA knows and loves this iconic brand. In the development of our overall business model, we believe that this agreement will be another element of value creation for our company and that it represents a further step in the evolution of the OVS platform strategy to partner with other brands consistent with our positioning and values. We will leverage our unparalleled experience as a retailer and our creativity to strengthen GAP brand development in our country through both physical and digital channels".

On October 20, 2020, Gap Inc. announced the Strategic Review of its company-operated Gap business in Europe. The transfer of all the 11 Gap stores in Italy to OVS will allow Gap to operate its business through a more capital efficient partner model and to benefit from the expertise of OVS, a leading Italian apparel company. Gap's store in Milan, however, is anticipated to cease trading in November 2022 when the lease agreement comes to an end.

Mark Breitbard, President and CEO of Gap Global, commented, "Gap has served customers in Italy since 2010 and we are looking forward to expanding our partnership with OVS, a valued partner who has demonstrated their ability to deliver outstanding omni-channel Gap brand experiences to customers in Italy. The decision to transfer our Gap business is an example of how we are partnering to amplify and grow our brand in international markets."

Today, Gap brings its Modern American style to customers in more than 40 countries through a combination of company-operated and franchise stores and e-commerce platforms.

### **About OVS**

OVS S.p.A. is the leading company in the Italian women's, men's and kids' apparel market share of 9%. It operates multiple fashion brands including OVS, OVS Kids, Upim, BluKids, CROFF. OVS manages a portfolio of brands representing different

### **OVS SpA**

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lifestyles which are developed internally. PIOMBO, symbol of the Italian menswear style and elegance. Everlast, a sportswear must have. Grand & Hills, casual wear inspired by the American colleges. Baby Angel, young contemporary woman collection. Shaka Innovative Beauty, easy make up and skincare brand. The company is the undisputed leader in the Italian market also for kids' clothes where it can boast a double-digit market share. OVS S.p.A. counts over 1,800 stores in Italy and overseas with net sales of 1,370 million euros in 2019. It was floated on the Italian Stock Exchange in March 2015.

#### **About Gap Inc.**

Gap Inc., a collection of purpose-led lifestyle brands, is the largest American specialty apparel company offering clothing, accessories, and personal care products for men, women, and children under the Old Navy, Gap, Banana Republic, and Athleta brands. The company uses omni-channel capabilities to bridge the digital world and physical stores to further enhance its shopping experience. Gap Inc. is guided by its purpose, Inclusive, by Design, and takes pride in creating products and experiences its customers love while doing right by its employees, communities, and planet. Gap Inc. products are available for purchase worldwide through company-operated stores, franchise stores, and e-commerce sites. Fiscal year 2020 net sales were \$13.8 billion. For more information, please visit [www.gapinc.com](http://www.gapinc.com).

Today, 3 November 2021 at 3 PM local time (CET) a conference call will take place during which the deal will be presented by OVS. The conference call may be joined by dialing +39 02 805 88 11 (from Italy), +44 121 281 8003 (from the UK) or +1 718 7058794 (from the US).

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