

VAA – VISTA ALEGRE ATLANTIS, SGPS, S.A.

Public Company
Head Office: Lugar da Vista Alegre
District: Aveiro, Municipality: Ílhavo
Parish: Ílhavo (São Salvador)
3830 292 ILHAVO
Registered with the C.R.C. [Commercial Registry] of Ílhavo
Share Capital: 134,120,048 Euros
NIPC [Legal Person No.] and Registry No: 500.978.654

VISTA ALEGRE REACHES A TURNOVER OF 5.7 MILLION EUROS IN JANUARY 2021

In January 2021, turnover was **5.7 million euros**, which represents a decrease of **36.3% (-3.2 million euros)** compared to the same month in 2020. Sales are being negatively affected by the ongoing pandemic situation, the renewal of successive states of emergency and mandatory containment measures, which have necessitated the closure of the physical Retail network in Portugal of VAA - Vista Alegre Atlantis SGPS, S.A. ("VAA" or "Company"),.

Segments	Janeiro 2021	Janeiro 2020
Porcelain and other products	1.993	2.678
Earthenware	550	815
Ovenware	728	1.973
Tableware	1.816	2.355
Crystal and Glass	567	1.049
Total	5.653	8.871
Variation 2021/2020	-36,3%	

Nonetheless, Online sales continued to show excellent performance during January, posting a **253%** growth compared to January 2020, partially offsetting the decrease in the Retail channel, where in-store sales decreased **25%** compared to the same period the previous year.

The Private Label channel was the most affected in January, recording a **37%** decrease compared to the same month of the previous year.

The worsening of the pandemic situation in Portugal, together with the suspension of Retail trade activities and closure of Vista Alegre stores has also obligated VAA to implement preventive measures in response to the situation at several subsidiaries.

The increase in contagion levels registered at the Satão industrial plant of Cerutil - Cerâmicas Utilitárias, S.A., in the Ovenware segment, led to a 60% reduction of normal working hours for 97.8% of its employees (cf. Paragraph a) of article 5 of Decree-Law no. 46-A / 2020 of the 30th of July, as amended), measures which will remain in force during February, after which the operations of this production unit will be reassessed.

Regarding the Stoneware segment, 1.82% of employees in the Ria Stone production plant, Fábrica de Louça de mesa em Grés, S.A. in Ílhavo, are reducing their normal working hours by 30% during February (as per the aforementioned legal statute). However, production capacity and the volume of IKEA orders/deliveries remain unaffected.

These measures are in addition to the initiatives already carried out by the Company in the Porcelain and Crystal segments, and in the Earthenware segment of Bordalo Pinheiro, S.A., the result of the closure of VAA's national Retail network of stores. These subsidiaries resorted to the simplified lay-off measures (see paragraph a) of no 1 of article 4, Decree-Law no. 10-G / 2020, of the 26th of March (as amended)), and temporary reduction of the normal weekly working hours (see paragraph a) of the article 5 of the aforementioned Decree-Law no. 46-A / 2020, of the 30th of July (as amended)). The result was the temporary suspension of employment contracts for 12.5% of workers at Vista Alegre Atlantis S.A. and 1.75% of workers at Faianças Artísticas Bordalo Pinheiro, S.A. (representing all staff assigned to the store network). The remaining workers of these subsidiaries are working full-time or, in the case of 14.02% of the employees of Vista Alegre Atlantis S.A. and 4.20% of the employees of Faianças Artísticas Bordalo Pinheiro, S.A., with a temporary reduction of their normal weekly working hours.

These measures have been adopted to maintain workers' health and to preserve jobs, which will in turn also contribute to a reduction of the operating expenses at VAA and its subsidiaries.

VAA will, with the caution required by this atmosphere of uncertainty, continue to monitor the calamitous impact of the current the COVID-19 pandemic. Moreover, it will adopt all relevant measures necessary to maintain its business, to the extent possible within this context, and promote the resilience and sustainability

of the Company. In particular, VAA will monitor any temporary adjustments to VAA production that may be required, should the suspension of commercial activity of the store network in Portugal be prolonged (while the on-line channel remains open) and taking into consideration the evolution of the pandemic situation and the legal framework of the crisis response in Portugal and in other countries in which VAA operates.

Ílhavo, 05th of February 2021

VAA – Vista Alegre Atlantis, SGPS, SA