

PATTERN S.P.A.
CLOSING FOR THE PURCHASE OF A FURTHER 29% OF THE SHARE CAPITAL OF S.M.T., THUS REACHING 80% OF THE SHAREHOLDING

IN-KIND CAPITAL INCREASE OF PATTERN S.P.A. APPROVED

Turin, 5 March 2021– **Pattern S.p.A (AIM:PTR)**, an Italian company founded in 2000 by Francesco Martorella and Fulvio Botto, featuring among the leading players **in the pattern-making engineering, development, prototyping and production** of fashion lines for some of the most prestigious brands, exclusively top luxury segment, announces that today the closing was finalised for the purchase of a further **29% of the share capital of S.M.T. S.r.l.** (Società Manifattura Tessile or "SMT"), a company based in Reggio Emilia operating in the luxury knitwear sector, already 51% owned (see press release of 31 March 2020), **to reach 80% of the share capital** (see press release of 24 February 2020).

The closing of the transaction was achieved through: i) the signing of the deed of sale having as its object the transfer of 19% of SMT by Stefano Casini to Pattern against payment through cash of € 2,555,000; ii) the signing of the deed of contribution concerning the contribution of 10% of STM by Camer to Pattern against the assignment to Camer, on the effective date of the contribution, of newly issued ordinary shares of Pattern, as part of a capital increase in kind reserved to Camer to service the transaction, at a total price of € 1,345,000.

The effectiveness of the contribution is subject to the failure of shareholders – holding at least 5% of Pattern's share capital – to request a valuation pursuant to Article 2343 of the Italian Civil Code within 30 days of the registration of the notarial resolution of the Board of Directors for a capital increase in kind reserved for Camer to service the transaction. The contribution will take effect on the first working day following the fulfilment of this condition.

In particular, the Board of Directors, availing itself of the authority granted to it pursuant to article 2443 of the Civil Code by the Extraordinary Shareholders' Meeting of 4 December 2020, today resolved to increase Pattern's share capital against payment from €1,371,538.40 to €1,406,292.90, in exchange for Camer's contribution of 10% of SMT's share capital, by issuing 347,545 new Pattern ordinary shares in favour of the transferor with the same characteristics and the same rights as the shares already in circulation, at a total price of 1,345,000 euros, of which 34,754.50 euros as capital and 1,310,245.50 euros as a share premium, corresponding to a unit price, rounded to the second decimal place, of 3.87 euros. The capital increase will be executed upon the effectiveness of the contribution.

The capital increase is subject to the provisions of Articles 2343-ter, 2343-quater and 2440 of the Italian Civil Code. The new ordinary shares of Pattern allotted to Camer as part of the capital increase will be inalienable until the declaration referred to in article 2343-quater, paragraph 3, letter d) of the Civil Code is registered in the companies register, and will remain deposited with Pattern until such registration.

Finally, **two Shareholders' Agreements** were signed today:

- 1) **a pact between Pattern and Camer** – concerning the **SMT shareholdings** – regulating, among other things, i) the appointment of a new SMT Board of Directors made up of three members, two appointed by Pattern and one by Camer; ii) the appointment of the CEO among the members appointed by Camer and the Chairman of the Board among the members appointed by Pattern and iii) a lock-up obligation of four years from the closing on the SMT shareholdings for Pattern and Camer to guarantee the stability of the company, including its management;
- 2) **a pact between BO.MA. Holding S.r.l. and Camer** – concerning the **shareholdings of Pattern** – regulating among other things i) the right of Camer to designate and appoint a member of the Board of Directors of Pattern, by including a candidate from Camer in the majority list presented by the reference shareholder; ii) **a lock-up restriction of 12 months from the closing in relation to the shares of Pattern subscribed by Camer as part of the Capital Increase.**

The Transaction is not a "related party transaction" within the meaning of the procedure adopted by Pattern.

The notarial minutes of the Board of Directors meeting, together with the explanatory report of the Board of Directors itself, the report of the Board of Statutory Auditors on the fairness of the issue price of the shares, and the valuation report of the independent expert, are published on the company's website (www.pattern.it) in the section "Capital Increase 2021".

SOCIETÀ MANIFATTURA TESSILE SRL (S.M.T)

S.M.T. Srl, a historic company based in Correggio (Reggio Emilia) specialising in the prototyping and production of luxury knitwear, has grown over the years with a keen eye **on research and development as well as the well-being of human capital**, two values that have become strategic for the business.

It is a company based on technological innovation combined with heritage and craftsmanship, and these factors have been employed to design and manufacture luxury knitwear for the most important fashion houses. Today SMT has a workforce of over 110 employees with a team of over 20 programmers focusing on the development of new collections for customers.

ADVISOR

Pattern was advised by the law firm Gianni & Origoni on the corporate and regulatory aspects of the Capital Increase, and by Ricci Avvocati Associati for the negotiation and contractual aspects of the transaction, and the team was led by Giuseppe M. Ricci together with Andrea Alloati and Maria Tindara Manganaro.

About Pattern Group:

Pattern Spa is a leading company in **engineering, pattern-making and production of runways' collections** of the most **prestigious international fashion luxury brands** and, since 2014, is the owner of the outerwear brand ESEMPLARE.

The company, **founded in 2000 by Franco Martorella and Fulvio Botto**, began in 2017 a structured and integrated growing process thanks, first, to the acquisition of **Roscini Atelier Srl**, leader in the pattern-making and production of the women's lines, and then in 2019 to the merger in the group of **Società Manifattura Tessile (S.M.T.)**, historical company specialized into prototype and production of luxury knitwear, giving life to the **Italian hub of luxury fashion engineering**.

Pattern Spa listed on the **AIM segment of Borsa Italiana** on 2019 and was the first Italian company in its sector to have obtained in 2013 the **SA8000/Social Accountability** certification and the first Italian signatory in 2019 of the United Nations' Fashion Climate Action Charter.

Pattern is also one of the few Italian companies in the sector to have since 2019 an **ESG Rating issued by CDP** (in 2020 it obtained the B- level), confirming the company's strategic choice to invest in sustainability, technology and human resources.

For further information:

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