

**THE ITALIAN HUB OF LUXURY FASHION ENGINEERING IS BORN.
CLOSING FOR THE ENTRANCE OF THE MAGLIFICIO S.M.T. IN THE PATTERN GROUP**

Turin March 31, 2020 - **Pattern SpA (AIM: PTR)**, an Italian company, **founded in 2000 by Francesco Martorella and Fulvio Botto**, among the most important operators in the field of **engineering, development, prototyping and production** of fashion lines for the most prestigious brands worldwide exclusively for the top luxury range, announces that the final contract between Pattern and SMT has been signed for the purchase of 51% of S.M.T. Srl (Società Manifattura Tessile), a Reggio Emilia company operating in the luxury knitwear sector.

Following the signing of the preliminary binding agreement, which took place on 19 December 2019, today the closing was held for the purchase by **Pattern of 51% of S.M.T. Srl**, with the payment of the price balance of € 4.4 million and the simultaneous **sale of the shares** by the founder of S.M.T. Stefano Casini.

S.M.T. Srl is therefore 51% owned by Pattern S.p.A and 49% by Stefano Casini.

The total price of the transaction (see press release of 19 December 2019) was € 5.5 million with an Equity value of S.M.T. Srl equal to € 10.8 million.

Also today, the shareholders' agreement was formalized to regulate, among other things, i) the designation of a new Board of Directors of S.M.T. made up of 3 members, 2 of whom are appointed by Pattern and one is appointed by Stefano Casini; ii) the appointment of Stefano Casini as CEO and iii) a 5-year lock-up restriction for S.M.T. to guarantee a stable management of the company.

SOCIETÀ MANIFATTURA TESSILE SRL (S.M.T)

S.M.T. srl, a historical company of Correggio (Reggio-Emilia) specialized in prototyping and production of luxury knitwear, has grown over the years with a keen eye on research and development and attention to the human capital well-being, two values that have become strategic for the business. Working with the most important international luxury brands today, SMT has a workforce of over 110 employees, including a team of over 20 programmers dedicated to the development of new customer collections.

S.M.T. Srl approved the 2019 financial statements which highlighted: Revenues of € 17.9 million (€ 11.3 million FY 2018) an EBITDA of € 1.8 million with an EBITDA margin of 10%, and an Adjusted¹ EBITDA of € 2.6 million with an Adjusted EBITDA margin of 14.5%. In addition, it closed with an operating profit of about € 0.65 million and a negative NFP 2019 of approximately € 3.4 million (negative NFP of € 3.5 million FY 2018).

About Pattern Group:

Pattern Spa is a leading company in **engineering, pattern-making and production of runways' collections** of the most **prestigious 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.

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 confirming the company's strategic choice to **invest in sustainability, technology and human resources**.

For further information:

Nominated Adviser

CFO SIM S.p.A.

e-mail ecm@cfosim.com

tel. +39 02 30343 1

Pattern Investor e Media Relations

Sara De Benedetti sara.debenedetti@pattern.it

¹ The adjustment concerns non-recurring revenues and costs