

THE ITALIAN HUB OF LUXURY FASHION ENGINEERING EXPANDS FURTHER

PATTERN GROUP CONSOLIDATES ITS POSITION IN THE LUXURY KNITWEAR SECTOR

PATTERN, THROUGH ITS SUBSIDIARY SMT S.R.L., SIGNS A BINDING INVESTMENT AGREEMENT FOR THE PURCHASE OF 100% OF ZANNI SRL, A COMPANY BASED IN EMILIA AND SPECIALISING IN PROTOTYPING AND PRODUCTION OF KNITWEAR



Turin, 20 January 2022 – **Pattern S.p.A (EGM: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 it has signed a **binding investment agreement** for the acquisition, through its subsidiary (80%) S.M.T. S.r.l, of **100% of Zanni S.r.l.**, a company based in Emilia Romagna specialising in the prototyping and production of luxury knitwear.

Luca Sburlati, CEO of the Pattern Group, commented: "*The entry of Zanni knitwear into the Pattern Group confirms the growth path we have embarked on: the **Italian Hub of Luxury Fashion Engineering** aims to bring together the best Italian skills in a long-term, absolutely **industrial** path. We have therefore chosen to invest further in a segment, knitwear, which has **performed** well thanks to its product characteristics and continues to do so despite the complex period that the sector is experiencing.*"

Francesco Martorella and Fulvio Botto, founders and majority shareholders of Pattern, added: "*Zanni knitwear represents **excellence in the use of seam-free technology applied to knitwear at an***

*international level, with high-profile **engineering and industrialisation skills**, just like every company in the Pattern Group in its own industry.*

*We believe this is a strategic choice because **investing in the technical skills** associated with product innovation in luxury and sustainability will be the real key to the success of **Made in Italy** products in the long term"*

Therefore, Pattern continues along the strategic path started in **2017 with the acquisition of Roscini Atelier** in Umbria, then confirmed in **2019** with the Group's entry into the luxury knitwear sector thanks to the purchase of 80% of the **Emilian company S.M.T. S.r.l.**, and in 2021 with its access to the third segment of fashion luxury - luxury leather goods - through the acquisition of **Idee Partners S.r.l.**

With the entry of Zanni S.r.l, **Pattern Group consolidates its position** in the knitwear sector by adding **a set of excellent technical skills**. Indeed, Zanni knitwear features an artisanal production process whose techniques are continuously updated. As a matter of fact, for over 20 years it has specialised in the **production of seam-free knitwear - 3D** with Shima Seiki's WholeGarment technology - and represents a European benchmark on this process.

DESCRIPTION OF THE INVESTMENT AGREEMENT

The Investment Agreement envisages **the purchase by Pattern, through S.M.T. S.r.l. (80% subsidiary of Pattern), of 100% of the share capital of Zanni S.r.l.** directly from the two founding partners Marco Zanni and Mauro Zanni.

The price agreed is € 4.3 million and will be paid by Società Manifattura Tessile S.r.l. to the sellers for 70% on the date of execution of the purchase and for the remaining 30% in three annual instalments starting on 31 January 2023 (subject to the continuation of the management relationship with Mauro Zanni). The price of the transaction takes into account the value of the property owned by Zanni S.r.l. that houses the company headquarters and where it develops both its prototyping and production activities.

The Investment Agreement envisages that the **date of execution of the transaction** (the closing of the Transaction) shall be no later than 28 February 2022.

In addition, the Investment Agreement establishes that, at the closing, a Directorship Agreement between Zanni S.r.l. and Mauro Zanni will be signed, providing, inter alia, **for the appointment of Mauro Zanni as Chief Executive Officer of Zanni S.r.l.** until the date of the shareholders' meeting called to approve the financial statements for the year ending 31 December 2024.

ZANNI S.R.L

Zanni S.r.l., an Emilian company with over **60 years of operation**, specialises in the **prototyping and production of knitwear**.

Zanni represents excellence in the engineering of seam-free knitwear; always at the forefront of innovation, for 20 years it has specialized in the use of the **WHOLEGARMENT®** technology **of the Japanese Shima Seiki**.

In addition to its focus on cutting-edge technology in knitwear engineering, it shares with Pattern Group a **serious path towards social and environmental sustainability**.

Zanni S.r.l. is expected to close the year 2021 as follows:

- Value of production: about € 2.4 mln
- Ebitda about € 0.5 million
- NFP positive for about € 1.3 mln

ADVISOR

Pattern was assisted by Studio Legale Gianni & Origoni for corporate matters and by Studio Baldi & Partners of Reggio Emilia for legal, accounting and tax due diligence.

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 ESEMPLARE, brand of excellence in research and innovation. The company, **founded in 2000 by Franco Martorella and Fulvio Botto**, began in 2017 a structured and **integrated growing process**: thanks to the acquisition of Roscini Atelier srl, leader in luxury womenswear, followed in 2019 by the entry in the Group of Società Manifattura Tessile (S.M.T.), Emilian company specialized in luxury knitwear, and in 2021 of Idee Partner, Tuscan excellence in leather goods, the Group gave birth to **The Italian Hub of luxury fashion engineering**.

Pattern Spa listed in 2019 on Euronext Growth Milan segment of Borsa Italiana and was the first Italian company of the sector to achieve in 2013 the SA8000/Social Accountability Certification and in 2019 a ESG rating, confirming the company's strategic choice to **invest in sustainability, technology and human resources**.

<https://www.pattern.it/>



For further information:

Euronext Growth Advisor

CFO SIM S.p.A.

e-mail ecm@cfosim.com

tel. +39 02 303431

Pattern Investor e Media Relations

Sara De Benedetti sara.debenedetti@pattern.it

IR Advisor – CDR Communication

Silvia Di Rosa silvia.dirosa@cdr-communication.it

Claudia Gabriella Messina claudia.messina@cdr-communication.it