

**PATTERN BOARD OF DIRECTORS  
APPROVES CONSOLIDATED HALF-YEAR REPORT  
AT 30 JUNE 2024**

**RESULTS IN LINE WITH 2023 PRO FORMA AND EXPECTATIONS  
WITH IMPROVED PERCENTAGE MARGINS**

**KNITWEAR DELIVERS REMARKABLE PERFORMANCE**

**FINANCIAL STRUCTURE REMAINS EXTREMELY SOLID, DESPITE UVM  
ACQUISITION, WITH GEARING RATIO AT 28%**

- **Total revenue:** € 60.3 million vs pro forma at 30 June 2023 (€ 62.1 million)<sup>1</sup> -2.9%
- **EBITDA**<sup>2</sup>: € 6.6 million (€ 7.6 million) vs pro forma at 30 June 2023 (€ 6.7 million) -1.8%
- **EBITDA Margin:** 10.9%, vs pro forma at 30 June 2023 (10.8%)
- **Net profit:** € 2.2 million vs pro forma at 30 June 2023 (€ 1.7 million) +25.8%
- **NFP negative** at € 12.9 million (positive € 0.6 million at end 2023), increase related mainly to the acquisition of Umbria Verde Mattioli (UVM) and 8% of S.M.T.

Turin, 25 September 2024 - The Board of Directors of **Pattern S.p.A. (EGM:PTR)**, an Italian company set up in 2000 by **Francesco Martorella and Fulvio Botto**, one of the leading players in the **engineering, development, prototyping and production** of clothing lines for the world's most prestigious high-end brands in the catwalk segment and in men's and women's first lines, met today and approved the **Consolidated Half-Year Report at 30 June 2024**, subject to limited audit.

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In the words of **Luca Sburlati** and **Fulvio Botto**, respectively **CEO and Chairman of Pattern**: *“The first half of 2024 closed in line with the 2023 pro forma and expectations, despite geopolitical challenges and a sharp decline in leather goods. We are pleased with Pattern's resilience to recent events, bolstered by robust engineering and product development capabilities, growth in **knitwear**, and initial volume recovery in **ready-to-wear** following the disposal of the business unit to Burberry. This first half of the year also fully benefited from the 2023 mergers by incorporation, simplifying management and enabling significant industrial and operational synergies among companies strategically located in the same district.*

*In the knitwear segment, we completed two key operations: launching an in-house production “Factory” in Carpi (Modena) and acquiring 100% of Umbria Verde Mattioli. Both operations enhance the vertical integration of our activities, boosting the Group's in-house production capabilities and consolidating our leadership in the high-end knitwear field. This creates one of the largest “one supply chains” in the international luxury segment. Lastly, **Pattern continues to invest in sustainability and supply chain control**, distinguishing itself as one of the few companies with **SA8000** certification*

<sup>1</sup> The figures in brackets refer to pro forma income figures at 30 June 2023, excluding the business unit sold to Burberry in early October 2023.

<sup>2</sup> EBITDA: Alternative Performance Measure: EBITDA (Earnings Before Interest Taxes Depreciations and Amortizations), an APM not defined by the Italian accounting standards, but used by Management to monitor and measure its performance, as it is not affected by volatility, due to the effects of the range of criteria for determining taxable income, the amount and nature of capital employed and the associated amortization/depreciation policies. This measure is defined by Pattern as Profit/(Loss) for the period before amortization and depreciation of tangible and intangible fixed assets, financial income and expense, and income tax.

across all locations in leather goods, ready-to-wear, and knitwear. Controlling the supply chain, initiated in 2012, has become a vital asset, particularly as most luxury brands place greater emphasis on this, now providing us with an additional **competitive advantage**".

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## CONSOLIDATED INCOME AND FINANCIAL FIGURES AT 30 JUNE 2024

To provide a more comprehensive view of the first half 2024 performance, **the income statement figures for first half 2024** are shown versus the **pro forma figures for first half 2023**, which **exclude the business unit later sold to Burberry in early October 2023**.

**Total revenue** at € 60.3 million was down slightly by 2.9% versus € 62.1 million at 30 June 2023 pro forma.

Instead, Revenue dropped by 16.3% versus the amount of "revenues reported at 30 June 2023" (€ 72.1 million), including the Burberry business unit later sold.

In the breakdown of revenue by business sector versus last half-year's pro-forma figures, leather goods declined significantly by approximately € 5 million. This was almost fully offset by a € 4.1 million growth by knitwear, which now represents over 50% of total sales revenue. Clothing, on the other hand, declined slightly, amounting to just under € 1 million.

Revenue from sales by business sector	30.06.2024	30.06.2023 Pro forma	% chg
(€)			
Clothing	18,300,569	19,275,553	-5.1%
Knitwear	29,652,330	25,529,225	16.2%
Leather Goods	11,299,278	16,252,450	-30.5%
<b>Total revenue from sales</b>	<b>59,252,176</b>	<b>61,057,228</b>	<b>-3.0%</b>

**EBITDA** remained basically steady at € 6.6 million versus € 6.7 million at 30 June 2023 pro forma (€ 7.6 million reported at 30 June 2023). The **EBITDA margin** improved slightly to **10.9%** versus 10.8% at 30 June 2023 pro forma. This improvement stems from higher volumes and margins in knitwear and reduced operating and management costs, which more than offset the decline in leather goods.

**Profit** of € 2.2 million and **Group profit** of € 1.4 million improved sharply by 25.8% and 26.6%, respectively, versus 30 June 2023 pro forma, driven by effective financial management and a reduced tax burden.

**Net capital employed** stood at € 58.4 million, up by 39.5% versus € 41.9 million at end 2023.

**Fixed assets** amounted to € 58.6 million, increasing by 39.6% versus € 42.0 million at 31 December 2023. A point worth mentioning is the 66.2% increase in intangible fixed assets and the 15.0% increase in tangible fixed assets, due to the expansion of the consolidation scope, the start of the construction of Pattern's new headquarters, and the development of the Factory in S.M.T..

The **net working capital** of € 5.8 million increased by 10.3% (€ 5.3 million) as a result of the consolidation of UVM, while remaining small in absolute value and in relation to the volume of revenues produced.

**Inventory** amounted to € 10.6 million, up by 58.8% versus € 6.7 million at end 2023. This growth is due for € 1.7 million to the consolidation of UVM and for € 1.5 million to the increase in production volumes recorded in the other knitwear companies.

**Equity** amounted to € 45.4 million, up by 6.9% (€ 42.5 million). **Group equity** instead amounted to € 38.9 million (€ 37.5 million).

The **net financial position** stood at a negative € 12.9 million versus a positive € 0.6 million at 31 December 2023. This change is related mainly to the latest major acquisition of UVM and the acquisition of 8% of S.M.T., transactions that took place simultaneously last 12 June.

**Cash** amounted to € 17.6 million (€ 19.4 million), down slightly by 9.5%.

The **Group's financial structure remains extremely solid**, with a gearing ratio at 28%.

The consolidation scope at 30 June 2024 includes Umbria Verde Mattioli at the balance sheet level only, while the figures reported at 30 June 2023 include those for the Burberry business unit, later sold in early October of the prior year.

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#### **INCOME FIGURES AT 30 JUNE 2024 OF UMBRIA VERDE MATTIOLI**

Shown below are the results of the newly acquired UVM, which were quite positive in terms of both volumes and margins, similar to the general performance of the Group's knitwear companies. Comparative figures at 30.06.2023 are not available, so full-year figures are shown.

<b>INCOME STATEMENT OF UMBRIA VERDE MATTIOLI SRL</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
(€)		
Total revenue	9,140,053	17,436,733
Value of production	9,423,814	17,797,623
EBITDA	2,831,121	4,822,398
EBIT	2,662,662	4,508,569
Net profit	1,851,239	3,142,391

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#### **SIGNIFICANT EVENTS IN AND AFTER FIRST HALF 2024**

**10 January 2024** - Resignation of Innocenzo Tamborrini as Director of the Company, effective immediately, for personal reasons, remaining in all other corporate roles held within Pattern Group.

**9 February 2024** - Pattern S.p.A. announces the mutual termination of the Euronext Growth Advisor assignment to CFO SIM S.p.A., which will remain in office up to and including 29 February 2024, and the granting of the new Euronext Growth Advisor assignment to Invest Italy SIM S.p.A., which will take over as of 1 March 2024.

**16 April 2024** - Pattern S.p.A. announces the new composition of the share capital resulting from the allocation of 50,000 ordinary shares to CEO Luca Sburlati - related to the first tranche of the 2023-2025 Stock Grant Plan, approved by the Shareholders' Meeting of 06/12/2023.

**30 May 2024** - Pattern S.p.A. announces the signing of a binding investment agreement to acquire, through its subsidiary (80%) **S.M.T. S.r.l., 100% of Umbria Verde Mattioli S.r.l. (UVM)**, a Umbrian company specialized in the production, processing and marketing of luxury knitwear. The agreed price is € 20.0 million, and the transaction is expected to close no later than June 2024. As part of the agreements on the acquisition of UVM, on the same date, a binding agreement was signed with Camer Srl, which owned 20% of S.M.T., to acquire 8% of the latter company. This acquisition allowed Pattern to retain the same 80% stake in S.M.T..

**12 June 2024** - Completion of the acquisition, through its subsidiary (80%) S.M.T. S.r.l., of 100% of Umbria Verde Mattioli S.r.l. (UVM), an Umbrian company specialized in the production, processing and marketing of luxury knitwear, by its two founding partners Simone and Leonardo Mattioli (the "Sellers").

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## OUTLOOK FOR THE YEAR

The Group's outlook for the end of the current year anticipates no change in the market trend during the second half of 2024 and likely into the first half of 2025.

Specifically, the Group does not expect China to return to the growth rates seen in prior years in its product categories.

Additionally, the strong acceleration seen in the second half of 2023, primarily driven by the knitwear business and concentrated autumn-winter sales at Pattern prior to the sale of the business unit to Burberry, is not expected to recur in the second half of 2024, despite the significant increase in the knitwear business in the first half.

In light of this scenario, the Company is continuing to envision a flexible organization suited for a "normalized market" similar to current conditions.

During the second half of the year, two positive impacts are expected: a) the full consolidation of Umbria Verde Mattioli, which in the first half was only at the balance sheet level; b) an initial partial recovery in leather goods, which should help offset the less favourable results from the first half.

Lastly, mention should be made that during this second half of the year, construction of Pattern's new headquarters will ramp up, with the facility expected to become operational by next summer.

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## FILING OF DOCUMENTATION

A copy of the Directors' Report on Operations at 30 June 2024, including the Independent Auditors' Report, will be made publicly available within the time limits of law at the Company's registered office in Turin, as well as by publication on the Company website [www.patterngroup.it](http://www.patterngroup.it) "Investor/Bilanci e Relazioni Periodiche" section, and on the authorized storage mechanism [www.linfo.it](http://www.linfo.it).

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The Group's results for first half 2024 will be presented to the financial community on 26 September 2024 during a conference call at 11:00 a.m. CEST (UTC +01:00). Please contact the individuals listed at the end of this press release for further information.

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**About Pattern Group:**

Pattern Spa is a leading company in prototyping, engineering and production of fashion show collections for the most important international luxury fashion brands. The company, founded in 2000 by Franco Martorella and Fulvio Botto, and joined in 2012 by CEO Luca Sburlati, began in 2017 a structured growth process, which ended in 2022 with the creation of the **Italian Hub of Luxury Fashion Engineering and Production**. Following the listing on the Euronext Growth Milan Market of Borsa Italiana in 2019, Pattern continued its strong growth by external lines with the acquisition of 10 companies, each leader in Engineering and Production in the luxury fashion segment. Pattern Group is therefore present today with **12 companies** (13 locations) in **7 regions of the Italian territory**, and is positioned on the **main luxury product categories** (men's and womenswear, clothing and accessories, still fabric, knitwear and leather goods) starting from the **Research and Engineering phase up to Production**. Pattern Spa is also the first Italian company in the sector to have obtained the **SA8000/Social Accountability Certification** in 2013 and an **ESG Rating** from 2019, confirming the company's strategic choice to invest in sustainability, technology and human resources.

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

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**Attached:**

**Reclassified Consolidated Income Statement at 30 June 2024 with 2023 and 2023 pro forma comparison  
Consolidated Statement of Sources and Utilizations at 30 June 2024**

<b>INCOME STATEMENT OF PATTERN GROUP</b>	<b>30.06.2024</b>	<b>30.06.2023</b> Pro forma figures	<b>% chg</b>
(€)			
Revenue from sales	59,252,176	61,057,228	-3.0%
Other revenue	1,067,222	1,070,870	-0.3%
<b>Total revenue</b>	<b>60,319,398</b>	<b>62,128,098</b>	<b>-2.9%</b>
Change in inventory of semi-finished and finished products	1,441,184	2,275,128	-36.7%
<b>Value of production</b>	<b>61,760,582</b>	<b>64,403,226</b>	<b>-4.1%</b>
- Purchases of raw materials	11,892,313	14,109,885	-15.7%
- Change in inventory of raw materials	-832,899	-761,668	9.4%
Consumption of raw materials	11,059,414	13,348,217	-17.1%
Service costs	24,057,409	24,499,253	-1.8%
Rentals and leases	1,525,333	1,423,364	7.2%
Personnel expense	18,077,975	17,247,162	4.8%
Sundry operating expense	446,069	1,167,264	-61.8%
<b>EBITDA</b>	<b>6,594,382</b>	<b>6,717,966</b>	<b>-1.8%</b>
Amortization, depreciation and write-downs	2,956,408	2,922,860	1.1%
<b>EBIT</b>	<b>3,637,974</b>	<b>3,795,106</b>	<b>-4.1%</b>
Financial income	400,231	35,890	1015.2%
Financial expense	-401,129	-365,676	9.7%
Value adjustments on financial assets	-535	0	n.c.
<b>Profit (loss) before tax</b>	<b>3,636,541</b>	<b>3,465,320</b>	<b>4.9%</b>
Current and deferred tax	1,477,332	1,748,927	-15.5%
<b>Profit for the period</b>	<b>2,159,209</b>	<b>1,716,393</b>	<b>25.8%</b>
<b>Group profit for the period</b>	<b>1,441,864</b>	<b>1,138,683</b>	<b>26.6%</b>

<b>INCOME STATEMENT OF PATTERN GROUP</b>	<b>30.06.2024</b>	<b>30.06.2023</b>	<b>% chg</b>
(€)			
Revenue from sales	59,252,176	71,006,330	-16.6%
Other revenue	1,067,222	1,070,870	-0.3%
<b>Total revenue</b>	<b>60,319,398</b>	<b>72,077,200</b>	<b>-16.3%</b>
Change in inventory of semi-finished and finished products	1,441,184	2,222,493	-35.2%
<b>Value of production</b>	<b>61,760,582</b>	<b>74,299,693</b>	<b>-16.9%</b>
- Purchases of raw materials	11,892,313	18,020,412	-34.0%
- Change in inventory of raw materials	-832,899	-946,768	-12.0%
Consumption of raw materials	11,059,414	17,073,644	-35.2%
Service costs	24,057,409	27,990,509	-14.1%
Rentals and leases	1,525,333	1,637,381	-6.8%
Personnel expense	18,077,975	18,808,527	-3.9%
Sundry operating expense	446,069	1,182,659	-62.3%
<b>EBITDA</b>	<b>6,594,382</b>	<b>7,606,973</b>	<b>-13.3%</b>
Amortization, depreciation and write-downs	2,956,408	3,067,603	-3.6%
<b>EBIT</b>	<b>3,637,974</b>	<b>4,539,370</b>	<b>-19.9%</b>
Financial income	400,231	35,890	1007.7%
Financial expense	-401,129	-365,676	9.0%
Value adjustments on net financial assets	-535	0	100.0%
<b>Profit (loss) before tax</b>	<b>3,636,541</b>	<b>4,209,584</b>	<b>-13.6%</b>
Current and deferred tax	1,477,332	1,956,577	-24.5%
<b>Profit for the period</b>	<b>2,159,209</b>	<b>2,253,007</b>	<b>-4.2%</b>
<b>Group profit for the period</b>	<b>1,441,864</b>	<b>1,675,297</b>	<b>-13.9%</b>

RECLASSIFIED STATEMENT OF FINANCIAL POSITION OF PATTERN GROUP	30.06.2024	31.12.2023	% chg
(€)			
Intangible fixed assets	34,614,605	20,824,203	66.2%
Tangible fixed assets	21,006,896	18,260,136	15.0%
Financial fixed assets	2,993,734	2,913,890	2.7%
<b>Total fixed assets</b>	<b>58,615,235</b>	<b>41,998,229</b>	<b>39.6%</b>
Inventory	10,640,440	6,701,644	58.8%
Receivables from customers	23,881,610	20,388,413	17.1%
Other receivables	7,345,032	11,049,638	-33.5%
Accrued income and deferred expense	1,611,285	1,377,539	17.0%
<b>Working capital</b>	<b>43,478,367</b>	<b>39,517,234</b>	<b>10.0%</b>
Payables to suppliers	-21,038,162	-18,891,593	11.4%
Other payables	-13,149,826	-11,479,334	14.6%
Accrued expense and deferred income	-3,470,570	-3,870,014	-10.3%
<b>Net working capital</b>	<b>5,819,809</b>	<b>5,276,293</b>	<b>10.3%</b>
Provisions for risks and post-employment benefits	-6,056,707	-5,420,863	11.7%
<b>Net capital employed</b>	<b>58,378,337</b>	<b>41,853,659</b>	<b>39.5%</b>
<b>Equity</b>	<b>45,433,898</b>	<b>42,495,257</b>	<b>6.9%</b>
- of which Group	38,859,018	37,458,694	3.7%
Financial debt less than 12 months	13,229,620	8,006,753	65.2%
Financial debt more than 12 months	22,359,501	17,887,928	25.0%
Other financial payables	8,000,000	0	n.c.
Current financial assets	-13,050,627	-7,088,494	84.1%
Cash	-17,594,055	-19,447,785	-9.5%
<b>Net financial position</b>	<b>12,944,439</b>	<b>-641,598</b>	<b>n.c.</b>
<b>Equity and net financial position</b>	<b>58,378,337</b>	<b>41,853,659</b>	<b>39.5%</b>



<b>CHANGE IN NET FINANCIAL POSITION OF PATTERN GROUP (€)</b>	<b>30.06.2024</b>	<b>30.06.2023</b>	<b>% chg</b>
<b>Opening NFP (A)</b>	<b>641,598</b>	<b>-13,852,986</b>	<b>-104.6%</b>
NFP of newly-consolidated companies (B)	1,289,508	1,874,496	-31.2%
Cash flow before changes in NWC	7,460,214	9,042,628	-17.5%
Change in net working capital	520,376	2,745,644	-81.0%
Other adjustments to the statement of cash flows	-1,025,101	-2,730,418	-62.5%
Intangible and tangible investments net of divestments	-2,315,899	-5,178,494	-55.3%
<b>Cash flow from operations (C)</b>	<b>4,639,590</b>	<b>3,879,360</b>	<b>19.6%</b>
Cash flow from investing activities (D)	-18,540,939	-6,827,851	171.5%
Cash flow from changes in equity (F)	-974,196	-746,600	30.5%
Other items (G)	0	280,088	-100.0%
<b>Reduction (Increase) in debt (H=B+C+D+E+F+G)</b>	<b>-13,586,037</b>	<b>-1,540,507</b>	<b>781.9%</b>
<b>Closing NFP (A+H)</b>	<b>-12,944,439</b>	<b>-15,393,493</b>	<b>-15.9%</b>