

PRESS RELEASE

**FLORENCE: THE FIRST LUXURY APPAREL PRODUCTION
PLATFORM BASED IN ITALY**

**VAM Investments and Fondo Italiano d'Investimento, establish the newly created holding
Florence SpA**

**Florence acquires Giuntini SpA, Ciemmecci Fashion Srl and Mely's Maglieria Srl, Tuscany's
leading producers of luxury clothing targeting Italian and international top fashion brands**

The founding families of the leading producers will take a 35% stake in Florence

Francesco Trapani appointed Chairman and Attila Kiss CEO of Florence

Milan, 13 October 2020 – VAM Investments, the private equity investor specialized in buyouts and growth capital led by Marco Piana, CEO and shareholder, controlled by Francesco Trapani and participated by Tages, together with Fondo Italiano d'Investimento SGR, the main institutional private equity investor in Italy, chaired by Andrea Montanino and led by Antonio Pace, are pleased to announce they have reached a partnership agreement with the shareholders of Giuntini SpA, Ciemmecci Fashion Srl and Mely's Maglieria Srl for the creation of Florence SpA, with the aim of establishing the first luxury clothing production platform in Italy.

Florence will have a 100% ownership of the three companies and will be 65% controlled by the consortium led by VAM Investments and Fondo Italiano d'Investimento (through Fondo Italiano Consolidamento e Crescita – FICC), while the remaining 35% stake will be controlled by the founding families of the three companies (Giuntini, Capezzuoli, Maltinti, Ciampolini and Sanarelli) who will significantly reinvest in the project. Italmobiliare also participates in the investing consortium.

Giuntini, leader in the production of outerwear, Ciemmecci Fashion, specializes in the production of leather clothing, and Mely's, Italian excellence in knitwear, has over fifty years of experience in the production of luxury clothing, combining tradition and innovation. The companies are a reference point also in the creative phase for designers from all over the world who rely on their know-how and research capabilities on new materials, technologies, colors and trends while designing their collections.

These first acquisitions mark the beginning of the Florence industrial project, which aims to develop a leading international platform in the supply of high quality products for the leading fashion brands, leveraging on the key features that have always defined the success of the Italian

craft tradition family businesses, such as high quality products offered at competitive prices, and the ability to ensure flexibility in delivery times and solutions used.

Thanks to the upcoming opening of a showroom in Milan, the first of its kind, Florence will provide Italian and international fashion designers the opportunity to access the impressive archive of the Group's products, covering over 50 years of the history of fashion.

Attila Kiss, who has gained extensive international experience in the *haute couture* industry and becoming highly skilled in the field of supply chain, has been appointed as CEO of Florence, that will reach an estimated turnover of approximately €150 million by the end of 2020 with 700 employees. The representatives of the three founding families of Giuntini, Ciemmecci and Mely's, will maintain their role at the operational leadership level of the three companies, and will report directly to the Group CEO.

Francesco Trapani, who will hold the role as the Chairman of Florence, commented: "Florence wants to become a production platform at the service of its customers as a hub of both creative knowledge and production capacity, with the necessary skills to ensure the highest levels of business sustainability, therefore protecting brands from any kind of reputational risk. We strongly believe that Florence can today represent an efficient response to the needs of fashion companies looking for quality, organizational efficiency and attention to sustainability".

Antonio Pace, CEO of Fondo Italiano d'Investimento SGR, declared: "Fondo Italiano d'Investimento is proud to be part of the most important project of consolidation in the luxury supply-chain sector with excellent companies and entrepreneurs, solid investors and experienced managers. It is a great opportunity to start consolidating the many excellent companies in the luxury apparel manufacturing sector in Italy and project their businesses globally, in line with our recently announced Strategic Plan *Forward 2023*".

Attila Kiss, CEO of Florence, said: "For me this is the beginning of a new and extraordinary professional adventure working with three companies which represent Italian excellences and contribute to the high level of quality that distinguishes the luxury industry in this country. I have been working alongside the founding families for a few months and I can say with absolute certainty that these companies can count on high-level skills and highly experienced professionals who will be able to create important synergies to enhance and further develop this platform of made in Italy luxury. Our goal is to strengthen and grow companies with the will, if there are opportunities, to make further acquisitions in the future. Thanks to the merger of these healthy and capable entrepreneurial excellence together with a group of investors with strong industrial and financial skills, we are confident that we can achieve important results".

Nicola Giuntini, Head of Giuntini SpA, added: "I am truly honored to be part of this long-term industrial project together with Vinicio Capezzuoli and Marco Sanarelli. Being part of a production platform dedicated to luxury clothing will strengthen our competences within a more structured group backed by solid investors and an experienced management who will support companies to create further value".

Advisors of VAM and Fondo Italiano d'Investimento

Transaction Legal: DWF, Luca Cuomo, Giovanni Cucchiarato

Legal Advisor for FII: GOP – Stefano Bucci

Accounting & legal due diligence: EY – Enrico Sliva

Business due diligence: Bain & Company – Claudia D'Arpizio e Fabrizio Fiano

Tax dd: Alonzo Committeri & Partners – Piero Alonzo

Structuring: Ludovici Piccone & Partners – Paolo Ludovici

Advisors of the entrepreneurs

Advisory: Palmer Corporate Finance – Sara Ciavarella e Sandro Scaccini

Legal: Hogan Lovells – Luca Picone

Financing

Società Generale, Intesa Sanpaolo, Banca Nazionale del Lavoro, Cassa Centrale Banca, Green Arrow SGR

Debt Advisory: Fineurop Sodic – Umberto Zanuso e Francesco Panizza

Studi legali:

DWF – Gianni Vettorello

Legance – Tommaso Bernasconi

GMAP – Marco Leonardi

VAM Investments

VAM is the private equity investment holding company led by Marco Piana, CEO and shareholder, controlled by chairman Francesco Trapani and participated by Tages, an international asset management company active in the alternative funds, infrastructure and, through its shareholders, in non-performing loans/NPL with Umberto Quadrino Chairman and Panfilo Tarantelli, CEO. VAM makes private equity investments alongside entrepreneurs and managers by bringing a mix of entrepreneurial, managerial and financial skills unique in the market. VAM invests alongside with a small number of high-profile Italian and international family offices gathered in the VAM Investments Club. www.vaminvestments.com

Fondo Italiano d'Investimento

Fondo Italiano d'Investimento SGR (“Fondo Italiano” or “FII SGR”) was created in 2010 on the initiative of the Italian Ministry of Economy and Finance (MEF), and its shareholders include CDP Equity, Intesa Sanpaolo, Unicredit, Abi and Confindustria. The main goal of Fondo Italiano is to favor the growth of the Italian economy by managing closed-ended funds. The funds managed by FII SGR are aimed at conveying patient capital to Italian companies of excellence with a return on investment in line with international benchmarks.

To date, FII SGR manages a total of 10 closed-ended investment funds reserved to qualified investors, with Assets Under Management in excess of 3 billion euros and operates both through direct investments and fund of funds' activity.

FII SGR considers sustainability a fundamental value and is committed to integrating environmental, social and governance (ESG) criteria into its investment activities.

For further information:

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