

**PRESS RELEASE**

*(published in accordance with Article 17 of EU Regulation 596/2014 by Cover 50 S.p.A. on behalf of Made in Italy Fund and Fhold S.p.A.)*

**MADE IN ITALY FUND (Quadrivio & Pambianco) INVESTS IN COVER50 (PT Torino) AND GETS READY TO LAUNCH THE MANDATORY PUBLIC OFFERING**

**The private equity fund managed by Quadrivio & Pambianco is back investing in the fashion sector: it has signed a deal to acquire the majority stake in the Turin-based company owning the brand PT Torino.**

*Milan and Turin, 15 March 2023*

**Made in Italy Fund, through its holding company Fine Sun, today signed an acquisition deal for the majority stake in the listed company COVER50.**

**COVER50, whose shares have been traded on the Euronext Growth Milan market since 2015, is headed by Pierangelo Fassino and his son Edoardo. The firm owns the PT Torino brand and is viewed as an international market leader in men's and women's high-end trousers and denim wear.**

Driven also by the success recognized to its iconic products, in 2021 the firm embarked on extending its range, expanding into 'total look' apparel. About 43% of PT Torino's turnover is generated in Italy, while the remaining 57% is contributed by foreign markets (Japan and the United States account for the highest portions; figures taken from the preliminary 2022 data). Distribution is mainly through the wholesale channel, with the recent addition of the e-commerce channel.

**This financial operation takes Made in Italy Fund to seal the eleventh transaction for the fund, and its seventh in the fashion sector.**

Five other companies belong to the Fine Sun group: *120% Lino*, an Italian leader in producing linen and natural-fibre clothing; *Rosantica*, a brand specialized in making gem bags and precious accessories; *Dondup*, a firm manufacturing denim garments; and *Autry* and *Ghoud*, which are primarily sneaker companies.

**The investment in COVER50 by the Fine Sun industrial group aims to reinforce the current structure, stepping up the PT Torino brand's international presence and bolstering the digital and retail channels, through a global strategy enabling the label to accomplish a further and fruitful climb in quality.** The goals set will be reached through targeted investments and by harnessing and optimizing the synergies that will emerge between the group's companies, while still respecting the individual identity of each.

**The agreement signed stipulates the terms for the purchase of 3,271,900 shares in COVER50, at €13.50 per share, by a special-purpose vehicle indirectly controlled by Fine Sun: this total is equal to 74.4% of the company capital and stands as the entire stake held by Fhold (the firm helmed by Pierangelo and Edoardo Fassino).**

Fhold will in turn reinvest in COVER50, to an amount equal to 20% of the capital (through the vehicle specifically for making the transaction, on equal conditions with Fine Sun). Edoardo Fassino will still play an important operative role (also remaining a member of the board), taking an active part in developing the project. Within a broader context of the transaction, Fhold and Fine Sun will also be signing a shareholders' agreement.

Subject to certain conditions, the transaction closing is expected to take place during the month of April. Following this, and in compliance with the procedures and timescale set out by law, the mandatory public offering of the remaining 25.6% of the capital will be organized at the same price of €13.50 per share (*cum* dividend, so with this amount possibly reduced by the sum of dividends, profits or reserves to be distributed),

which incorporates a premium of 23% and 33% compared to the weighted average of the official share price of the last 6 and 12 months respectively.

The whole transaction and the public offering are aimed at delisting the COVER50 shares and, for this purpose, the agreement signed contains, as a condition suspending transaction implementation, among others, amendments to the COVER50 statute in order to include provisions for sell-out and squeeze-out situations.

**Walter Ricciotti, Managing Partner at Made in Italy Fund and co-founder of Quadrivio Group**, commented: *“The PT Torino operation takes us to expand our portfolio with a strong Italian brand that is complementary to our previous acquisitions, confirming the fund's marked leaning to investing in enterprises representing Italian excellence. We also feel that this transaction stands as a development opportunity for the entire Fine Sun industrial group, which is increasingly able to introduce and foster significant synergies and streamlining mechanisms, making its subsidiaries even more competitive on their respective markets, especially at an international level.”*

**Edoardo Fassino** commented: *“We face this as a new experience, and one we are glad to explore. Becoming part of a financial and industrial group such as Fine Sun (Made in Italy Fund) was a necessary step in structuring a project to bring further growth. Size in all senses will be a key factor in the coming years, and we are convinced that this deal has helped us ensure a future rich in opportunities and satisfaction for the company.”*

Legal advisor for the transaction is Pedersoli Studio Legale (Ascanio Cibrario and Marcello Magro).

Financial and tax due diligence was conducted by PWC.

Fhold was assisted by Studio Dondona of Turin.

Financial Advisor to Made in Italy Fund is Banca Mediolanum Investment Banking.

#### **COVER50**

COVER 50 S.p.A. is an Italian enterprise trading under the PT Torino brand in the apparel sector and the 'high-end' men's and women's trousers segment, sold under the PT Torino and PT Torino Denim labels. Cover 50 sells its products in approx. 40 countries, including Italy, Japan, USA, Benelux, Germany, France, Austria, Spain, Portugal, Turkey, Russia, Switzerland, United Arab Emirates, South Korea and China. Cover 50 has showrooms in Milan, New York and Tokyo.

Cover 50 shares ISIN: IT0005105868.

Ticker: COV.

#### **Cover 50 S.p.A.**

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#### **MADE IN ITALY FUND | Quadrivio & Pambianco**

Quadrivio & Pambianco is a company combining over 20 years' experience in the private equity world with premium competences in consultancy sectors. The private equity-based Made in Italy Fund is supported and managed by Quadrivio & Pambianco, and focuses on investments in the fields of fashion, design, beauty and food & wine. Its management team is made up of Alessandro Binello, Walter Ricciotti, David Pambianco, Alessio Candi and Mauro Grange. Made in Italy Fund has invested in iconic Made in Italy sectors, so far acquiring a majority stake in 120% Lino ([120percento.com](http://120percento.com)), Mohd ([mohd.it](http://mohd.it)), Prosit ([prositgroup.com](http://prositgroup.com)), Rouji ([rouji.com](http://rouji.com)), Rosantica ([rosantica.com](http://rosantica.com)), GCDS ([gcds.it](http://gcds.it)), Dondup ([dondup.com](http://dondup.com)), Autry ([autry-usa.com](http://autry-usa.com)); Ghoud ([ghoud.com](http://ghoud.com)) and Xtrawine ([xtrawine.com](http://xtrawine.com)).

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#### **Fhold**

Fhold S.p.A. is a family-owned holding company belonging to Pierangelo Fassino and Edoardo Alberto Fassino. It has a stake in COVER50 and is active in the real estate and financial sectors, among others.