



SANTONI FINALIZES ACQUISITION OF TERROT, A PIVOTAL REALIGNMENT OF THE CIRCULAR KNITTING MACHINE INDUSTRY

Acquisition establishes Santoni as the world's top circular knitting machine producer, unifying the fragmented industry through its robust Ecosystem Strategy

CHEMNITZ, NOVEMBER 19, 2023, Santoni Shanghai Knitting Machinery Co., Ltd., made an appearance at the ITMA Asia + CITME, and is honored to announce that it has received regulatory approval from Chinese authorities for its proposed acquisition of Terrot GmbH, a leading manufacturer of circular knitting machines in Germany.

The acquisition represents a pivotal step in Santoni's strategy to advance the circular knitting machine industry. The integration of Terrot into the Santoni ecosystem is projected to increase Santoni's production capacity and boost its market share, and in conjunction with other strategic objectives, firmly solidify Santoni's position as the leading manufacturer in the industry, with unrivaled scale, depth of innovation and expertise.

Seeking to meet rising demand for high-end circular knitting products, Santoni has pursued an Ecosystem Strategy in recent years, aiming to unify a highly fragmented industry and enhance innovation, sustainability and digitalization to more effectively meet market needs. The deployment of both parties' latest innovation practices, textile automation offerings, integrated enterprise services, C2M solutions, and a platform for designers "Materialliance", will allow Santoni Shanghai and Terrot to connect and bridge demand and offer of circular knitted products, delivering substantial added value to clients.

By incorporating Terrot's offerings, particularly in the double jersey and jacquard sector, Santoni stands to gain a competitive edge in offering high-efficiency machines known for their superior performance, low maintenance, and cost-effectiveness. Highlighting this shift, Terrot's patented UCC 572-T will be showcased during ITMA Asia + CITME in the Santoni's Shanghai premises. This state of the art high-feeder transfer jacquard machine for sports and leisurewear in fine gauges will offer a glimpse into the potential of future collaboration.

"I am very excited about today's announcement," said Gianpietro Belotti, CEO of Santoni Shanghai. The acquisition of Terrot, including the reputable Pilotelli brand, will allow us to deliver on our commitment to building a stronger, more consolidated global ecosystem



capable of yielding a sustained competitive advantage in the circular knitting machine industry. Looking ahead, we aim to cultivate an even more extensive talent pool and solutions portfolio, creating synergies that empower us to deliver a superior knitting experience to our customers."

"Today's excellent news represents the coming together of two outstanding teams," said Robert Czajkowski, Managing Director of Terrot GmbH. "Santoni Shanghai's strategic acquisition broadens our global manufacturing capabilities, augments our technological expertise, and strengthens every link along the supply chain, allowing us to offer innovative textile performances to the global market more effectively."

"We look forward to upholding Terrot's 'Made in Germany' heritage while further growing its strong brand at Santoni," said Dirk Lange, Terrot GmbH Co-Managing Director. "With our shared passion for innovation and our mutual vision for a more efficient and sustainable textile and apparel industry, we are poised to drive incredible transformation by enhancing the production of superior textile machinery and inspiring customers with fresh approaches to growth."

Following the acquisition, Terrot will continue to operate under the leadership of managing directors Robert W. Czajkowski and Dirk Lange. Santoni plans to maintain Terrot's headquarters in Chemnitz, Germany, along with its facilities, brands, and practices.

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ABOUT SANTONI CHINA

Established in 2005, Santoni Shanghai Knitting Machineries Co., Ltd. offers a full range of innovative textile knitting products and solutions to its customers. With two decades of journey, its business expanded with multidimensional organic growth and through acquisitions. Today Santoni Shanghai owns several circular knitting machines brands, particularly JingMei for the large diameter, Hengsheng for the mid and SOOSAN for the small diameter before adding up Terrot and Pilotelli both focused on large diameter production. Fueled by this enormous combination of capabilities Santoni Shanghai aims to take the experience of its customers to a different level with the development of the ecosystem that offers a Knitting Platform for the intelligent manufacturing plant, "Materialliance" a portal connecting designers and makers, an Innovation Lab, C2M solutions like the recently launched "MyKnit" program, and Textile Automation offerings.

<http://www.santoni.cn>



ABOUT TERROT

For over 160 years, Terrot GmbH has been a premium partner to the textile industry worldwide. With its Terrot and Pilotelli product lines, the company is present in 120 countries. The innovative circular knitting machines offer the most flexible solutions for different customer requirements. The trademark and Unique Selling Points of Terrot GmbH are highly efficient, durable and particularly versatile circular knitting machines with the focus on high-quality products and services. The product range extends from the finest single and double jersey circular knitting machines to highly developed electronic double jacquard machines. Top manufacturers and well-known brands from all over the world produce their knitted fabrics for sports, leisure and fashion industries on Terrot machines. Mattress covers, home and technical textiles, including those for the medical and automotive sectors, are also produced on Terrot circular knitting machines. A network of more than 50 qualified sales agencies guarantees the worldwide contact and professional support of customers, the service of existing machines, the supply of spare parts as well as the commissioning of new machines.

<http://www.terrot.de>