

Joint Press Release

SELLE ROYAL AND WISE EQUITY CHART GROWTH PATH TOGETHER

The Wise Equity V Fund acquires 33% of the global leader in the production and distribution of accessories for cyclists

Pozzoleone, 14 May 2021 – **DEC 28, 1928 HOLDING S.p.A.**, Selle Royal S.p.A.'s sole shareholder, and **Wise Equity**, the Management Company for the Wisequity V Fund, announce the signing of an agreement for the purchase of 33% of **Selle Royal's** share capital **by Wise Equity**.

Selle Royal, thanks to its know-how developed in over 60 years of activity, is the global leader in the production and marketing of branded saddles and accessories for cyclists (Selle Royal, fi'zi:k, Crank Brothers, BROOKS e PedALED), with production and distribution sites in Italy, England, the United States, Brazil, China and Taiwan.

The company expects to close its fiscal year ended 30 June 2021 with consolidated revenues of over Euro 190 million - a growth rate of 50% versus the prior year.

The Selle Royal Group's recognized leadership position in the cycling sector led Wise Equity to invest in the project, thanks to the company's significant growth prospects, both organically and through acquisitions.

Barbara Bigolin, Selle Royal's Chairwoman, CEO, and reference shareholder declared: "In Wise, we met and came to know the ideal partner to share our entrepreneurial project, respecting our traditions, and our enthusiasm to propel us forward together to tackle new challenges."

The investment transaction was led by Paolo Gambarini, Partner at Wise Equity, and by the investment managers Bruno Barago and Paolo Zucchi.

Paolo Gambarini asserted: "Selle Royal is an absolute leader in the cycling sector and at the same time is experiencing a phase of significant growth and development. The investment in Selle Royal is consistent with the Fund's investment philosophy of partnering with leading companies in niche markets that demonstrate strong growth potential. We believe in the company's growth project and are confident that its commitment to research and technological innovation will translate into an increasingly rapid expansion of its product offerings, with quality products presenting a considerable competitive advantage."

Advisors:

DEC Holding S.p.A. was assisted by:

- UBS, transaction advisory services, Franco Cappiello, Dino Di Giovanni, Tommaso Paziienza;
- Fieldfisher, legal and fiscal assistance, Ruggiero Cafari Panico, Alessandro Mulinacci, Giuseppe Limido, Niccolò Gruppi, Marta Cubisino;

- PWC, vendor accounting and commercial due diligence, Federico Mussi, Fabrizio Franco De Belvis, Matteo Gubitta, Claudia Frattini and Enrico Simionato.

Wise Equity was assisted by:

- Simmons&Simmons, legal due diligence and contract, Andrea Accornero, Augusto Santoro, Bernadetta Troisi, Paolo Guarneri, Ida Montanaro;
- Studio Spada Partners, accounting and fiscal due diligence, Guido Sazbon, Antonio Zecca, Francesco Podagrosi, Andrea Moretta, Gaetano Piazzolla, Gabriele Conca.

Selle Royal

The Selle Royal Group is present in over 90 countries around the globe, through its own direct distribution network (Italy, France, Austria, Switzerland, the United States, Canada and Brazil) and through commercial partnerships. Thanks to its brand portfolio, unique in the sector, and its wide range of products, the Selle Royal Group is a point of reference for the diverse communities of cyclists for its saddles, hard goods (pedals, wheels, pumps and equipment) and soft goods (shoes and clothing).

Wise Equity

Wise Equity SGR (wisesgr.com) specializes in the management of closed-end Private Equity funds through investments in small- and medium-sized companies, with a focus on Italy. The funds managed by Wise Equity are typically involved in Leverage Buy-Out and Development Capital transactions, dedicated to companies that are leaders in their niche markets. The two major objectives are to increase a company's critical mass through "build-up" transactions and to improve the acquired company's competitive position and marginality, favoring international development. Wise Equity currently has three funds under management: i) Wisequity III, with committed capital of over Euro 180 million and one investment remaining in its portfolio (NTC), having already completed disinvestments in Eidos Media, Kiian, Primat, Biolchim, Alpitour, Colcom Group and Controls; ii) Wisequity IV, with Euro 215 million in committed capital, has deployed roughly 92% of this capital across 8 investments: Corob, Imprima, Tapi, Tatuus Racing, Aleph, Trime, Innovery and Waycap; iii) Wisequity completed fundraising for the Wisequity V Fund in July 2019 with a capital commitment of Euro 260 million and has already undertaken three investments: Fimotec, Vittoria and Cantiere del Pardo.

FOR FURTHER INFORMATION

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