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PRESS RELEASE

NB RENAISSANCE PARTNERS, VALENTINO SCIOTTI AND PLATINUM EQUITY: AGREEMENT REACHED FOR FARNESE VINI

Milan, January, 2, 2020 – NB Renaissance Partners ("NBRP", the Italian private equity firm, part of Neuberger Berman), the family of co-founder Valentino Sciotti and other minority shareholders have signed in the past few days a binding agreement to sell the entire share capital of Farnese Vini ("Farnese") to Platinum Equity, the American investment firm with more than $19 billion of assets under management.

Founded in Ortona (Abruzzo) in 1994 by a group of wine entrepreneurs led by Valentino Sciotti and Filippo Baccalaro, Farnese is a leading Italian boutique winery, producing and distributing high-quality wines from six Southern and Central Italian regions to more than 80 countries worldwide through importers and distributors. The company generates 97% of revenues outside of Italy. Its main markets are Germany, Switzerland, Canada, the Netherlands, Belgium and Japan. Farnese sells both to the on-trade (restaurants, wine bars, hotels) and the off-trade (retail chains) channels.

The company built its success on an innovative, flexible and asset-light business model: Farnese does not own vineyards, but rather sources grapes and wines through long-term relationships with approx. 200 small grape growers and winemakers, mainly based in Southern Italian regions characterized by high wine quality.

The company maintains a balanced mix between in-house and outsourced winemaking and directly operates two own production facilities. A leading team of 21 oenologists ensures that Farnese has tight control over the entire winemaking chain and performs the core R&D, innovation and quality control activities fully in-house.

Farnese has a consumer-driven approach, constantly grasping consumer tastes and winemaking trends worldwide to inspire and orient its wine offering.

During NBRP's three-year tenure, revenues increased at 13% CAGR (from €52 million in 2016 to more than €76 million in 2019) and EBITDA increased at 18% CAGR to more than €17 million in 2019. EBITDA margin increased from 20.6% in 2016 to 23.0% in 2019. Key growth and margin enhancement drivers were:

- Selective penetration of the off-trade (retail chains) channel, with own-brands proposition and premium price positioning;
- Premiumization of the product mix;
- Growth step-up in under-penetrated, high-potential markets;
- Product range extension to premium Tuscany wines, in partnership with a renown local winemaker;
- Operational improvements and cost savings.

Co-founder Valentino Sciotti will reinvest alongside Platinum Equity and remain as Executive Chairman to lead the company to its next stage of development.

Stefano Bontempelli, Senior Partner of NBRP, and Luca Deantoni, Partner of NBRP, said: *"We are proud to have contributed to Farnese's development during the last three years: Farnese has become the clear leader of the Southern Italian wine industry thanks to its innovative business model and its first class products, exporting the "Made in Italy" brand and excellence all over the world. Farnese represents a success story not only as a company itself, but also as driver of*

social development and economic growth for the local communities in Southern Italy. We believe that Farnese will continue its successful path in the future led by a best-in-class management team".

Valentino Sciotti, Executive Chairman of Farnese, said: *"After the outstanding results reached also thanks to NBRP's support, we believe there are significant untapped opportunities for us to growth in new markets and segments especially in emerging countries where millennials are now adopting the wine experience as a new habit. We are delighted to start this new phase of growth with Platinum Equity as new partner."*

NBRP, the Sciotti Family and the other minority shareholders were assisted by Gatti Pavesi Bianchi (legal), EY Parthenon (commercial) and EY (accounting and tax). Lazard and Ethica acted as financial advisors to the selling shareholders.

Platinum Equity was assisted by Latham & Watkins (legal), Estin & Co., Pearson Ham and Efeso (commercial) and Deloitte (accounting and tax). Fineurop Soditic and Equita acted as financial advisors to the buyer.

NB Renaissance Partners
NB Renaissance Partners is a fund formed in 2015 from the strategic partnership in private equity in Italy between Neuberger Berman and Intesa Sanpaolo. The NBRP platform currently manages total commitments of €1.5 billion across three funds, NBRP Fund III, NBRP Annex Fund and the first NB Renaissance Partners fund. Neuberger Berman is a global independent investment manager, entirely owned by its employees. The firm manages equities, fixed income, private equity and hedge fund portfolios for institutions and advisors worldwide. With offices in 22 countries, Neuberger Berman has more than 2,000 professionals. As of September 30, 2019 Neuberger Berman manages approximately $339 billion in clients assets, including over $83 billion in alternatives (mainly private equity). For additional information, www.nb.com.

Platinum Equity
Founded in 1995 by Tom Gores, Platinum Equity is a global investment firm with more than $19 billion of assets under management and a portfolio of approximately 40 operating companies that serve customers around the world. The firm is currently investing from Platinum Equity Capital Partners IV, a $6.5 billion global buyout fund, and Platinum Equity Small Cap Fund, a $1.5 billion buyout fund focused on investment opportunities in the lower middle market. Platinum Equity specializes in mergers, acquisitions and operations – a trademarked strategy it calls M&A&O® – acquiring and operating companies in a broad range of business markets, including manufacturing, distribution, transportation and logistics, equipment rental, metals services, media and entertainment, technology, telecommunications and other industries. Over the past 25 years Platinum Equity has completed more than 250 acquisitions.

For additional information on NB Renaissance:
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