

PRESS RELEASE

Palladio Holding becomes strategic partner of RCF Group

3 May 2017 – Palladio Holding S.p.A. (“PFH”) has become a 30% shareholder of RCF Group S.p.A. (“RCF Group” or the “Company”).

The partnership aims at bringing together the know-hows and competences of all shareholders in order to consolidate and accelerate the ambitious growth targets of the Company.

This is a new important investment for PFH, carried out through a dedicated vehicle and without utilizing any financial leverage, also in light of RCF Group’s growth plans, which could include acquisitions in the short or medium term.

RCF Group, with offices in Reggio Emilia and Bologna, operates through the “RCF” and “dB Technologies” brands and is among the international leaders in the design, manufacturing and sale of professional audio systems and products and public sound installations.

The Company has shown an impressive growth path in the last few years reaching in 2016 a turnover of euros 118 million and EBITDA in excess of euros 22 million. The Company generates over 80 per cent of its revenues outside of Italy in 120 countries, through a commercial network including subsidiaries in the United States and Germany.

Arturo Vicari, main architect of the Company’s international success, will continue to lead RCF Group management team as CEO. The Board of Directors, made of 8 members, will also include, in addition to Alfredo Macchiaverna as Chairman and Remo Morlini as CFO, three representatives of PFH: Nicola Iorio as Vice-President, Giorgio Drago and Nadia Buttignol.

“RCF Group is a unique company which, thanks to the know-how and competence of its management, has successfully implemented an outstanding growth and internationalisation process, gradually achieving brands recognition in all of its main markets. We are therefore enthusiastic to have the opportunity to work alongside RCF Group in its further development and we are keen to contribute to the achievement of the Company’s goals”, affirms **Giorgio Drago, Managing Director of PFH**. “RCF Group is ideally equipped and positioned to take advantage of the excellent growth prospects of its reference sector. Furthermore, Arturo Vicari has been able to build a team of excellent professionals, and we believe this to be another key ingredient of the success of the Company.”

“We have found in PFH - confirms **Arturo Vicari, CEO of RCF Group**, - an experienced partner willing to support us in achieving new goals; a partner who is able to listen, assess and analyse our enthusiasm, and ready to believe in our ambitions. We are convinced that we produce the excellence of sound – as demonstrated by the success we achieved in these years – but now we have found the support of a financial partner with complementary experience. We have highly appreciated the approach of PFH’s management and we are very proud of this partnership.”

RCF Group's shareholders were assisted by BNP Paribas as financial advisor and Studio Legale Chiomenti as legal advisor.

PFH was assisted by Orsinger Ortu as legal advisor, New Deal Advisors for financial and tax due diligence, A.T. Kearney for business and market due diligence and Alvarez & Marsal for organisational matters.

RCF Group

The Company is recognised worldwide as one of the most reliable professional audio players thanks to the outstanding quality and a wide range of its products for musicians, concerts and big events. In addition RCF Group operates in the sound installations for public use sector offering products and systems, ranging from small and medium systems to large-scale projects for airports, railway stations, shopping centres and conference halls. The Company also utilizes and develops cutting edge electronic and digital technology.

Among the Company's most prestigious references are included the sound systems and installation for the spectacular dome of the legendary Fremont Street in Las Vegas, the Juventus Stadium in Turin; the Signal Iduna Park stadium (Borussia Dortmund), the Borussia-Park in Mönchengladbach, the Baku Olympic Stadium in Azerbaijan; the Museo del Novecento in Milan, Ligabue's concert in Reggio Emilia with an audience of more than 150,000, the Basilica of San Marco in Venice and the Audi Aréna in Győr, Hungary.

www.rcf-group.it

Palladio Holding – PFH

PFH is an independent investment holding company, which has been operating in Italy for more than 30 years, with a group asset value of about 400 million euros and assets under management of 800 million euros.

PFH operates through a portfolio of specialist instruments with the mission of bringing not just capital but also sector know-how and strategic vision to companies, in order to assist their development. A diversified, generalist and flexible approach that includes investments in both minority-interest and majority-interest transactions.

Currently in its portfolio are shares in Fila, Rina, Snaitech, Finproject, Costa Edutainment, Mar-Ter, Cogeme Set and Eleventy.

www.pfh.eu

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