

PRESS RELEASE

GIORGETTI ANNOUNCES ITS ACQUISITION OF BATTAGLIA INTERIOR CONTRACTORS

Meda, 25 June 2018. Giorgetti, a brand leader in high quality Made in Italy design, founded in 1898 and owned by Fondo Progressio, continues its strategy for growth in the contract sector and announces its 100% acquisition of Battaglia Interior Contractors. The historic Italian firm, which specialises in creating interior designs for homes, hotels, retail and the nautical industry, provides a way for Giorgetti to respond in an increasingly effective manner to requests for turnkey solutions.

Founded in 1973 by Salvatore Battaglia as an artisanal workshop for making bespoke furniture, today, after almost forty years, the company has become a modern, technologically advanced manufacturer, which continues to have customisation and the pursuit of the highest standards of quality as its strengths. With a turnover of around 20 million euros, Battaglia is considered the benchmark brand for bespoke production in the contract sector, thanks to its staff of highly specialised cabinet makers, carpenters, metalworkers and artisans, who are able to translate the designers' ideas into exceptional interiors.

Sharing with Giorgetti a vision of excellence that focuses on the finest quality materials, sartorial attention to detail and the creation of a timeless aesthetic, Battaglia Interior Contractors is able to provide refined interior solutions for large living areas, which demonstrate the value of Made in Italy design, even in relation to complex, bespoke, large-scale designs, which require architectural input in addition to the interior design.

With a high level of know-how, Battaglia has created impressive designs for hotels in Paris, New York, Venice and Milan, as well as Switzerland and Greece; no less impressive are its designs for the retail sector, thanks to projects completed for famous international brands, such as Dolce & Gabbana, Gucci, Brioni, DSquared2 and Dior, to name just a few. The company's expertise also extends to designing luxury interiors for mega-yachts and cruise ships, which requires specific know-how and the highest standards of precision.

"For Giorgetti, this acquisition represents an extraordinary opportunity for growth in the contract sector, which makes our 120th anniversary even more special and fits perfectly into our strategy for making Giorgetti a brand that can design space around products, creating unique, personalised interiors. Our plan is to maintain a clear distinction between the identities of the two brands, which share the same strong, founding values of ensuring the finest quality in materials and execution, meticulous attention to detail and original design that is never ordinary, and creating significant synergies between the two. In an exchange of skills, Giorgetti will also enable Battaglia to effectively penetrate international markets, especially in those geographical areas where Made in Italy is the indisputable sign of quality and style. In fact, Giorgetti has an increasing presence in foreign markets, which will be further strengthened by the imminent opening of new monobrand outlets in Paris and North America, with two monobrand, one of which will be in Los Angeles," said Giovanni del Vecchio, Managing Director of Giorgetti.

"The search for a potential target for Giorgetti was extremely selective, but from the very beginning we realised that Battaglia would naturally complement our product range and be the platform for further international development," said Nino Mascellaro, Senior Partner at Progressio. He added,

“Progressio, with its third fund, currently raising investment with a target of 225 million euros, has already made its first investment in Save The Duck and will continue to invest in hidden yet outstanding examples of Made in Italy.”

The exceptional pursuit of excellence has always been an essential part of Giorgetti's strategies and it also played an important role in the decision to acquire Battaglia. It was with this spirit that last April Giorgetti became part of Altagamma, the foundation that unites Italy's finest businesses from the cultural and creative sectors. The member companies of Altagamma stand out for their innovation, quality, design and service, thus becoming embassies around the world for Italian style and, by encouraging competition, contribute to the economic and social growth of the country.

Giorgetti was assisted by Daniele Raynaud, Barbara degli Esposti and Andrea Cicardi from the law firm Studio Legale Raynaud, by E&Y for financial due diligence, by the firm Russo De Rosa for tax due diligence and the transaction structure and by Greenwich for environmental due diligence. The transaction was financed by Banco BPM, as the agent bank, Unicredit and Creval, assisted by the law firm Studio Legale Simmons & Simmons.

Progressio SGR S.p.A., founded in 2005, is a Private Equity firm, which focuses on Italian SMEs. It is an independent company, entirely held by the management team and led by Filippo Gaggini (Managing Partner), Nino Mascellaro and Angelo Piero La Runa as Senior Partners. The investment strategy seeks to invest in "hidden examples" of Italy's most outstanding sectors with the aim of accompanying these businesses on a journey to create value. Progressio has managed funds worth a total of 350 million euros and completed 21 investments, of which 17 have already been realised. Among its successful investments are Moncler (luxury sportswear), Chromavis (cosmetics), Sanlorenzo (nautical) and Italchimici (branded generic pharmaceutical products).