

ARDIAN

PRESS RELEASE

ARDIAN SELLS SCHLEICH TO PARTNERS GROUP

70 percent increase in sales within five years underlines the successful repositioning of one of the world's oldest toy companies and the successful expansion of Schleich's themed worlds

Frankfurt am Main / Schwäbisch Gmünd, July 09, 2019 – Ardian, a world-leading independent investment company, is selling toy manufacturer Schleich to Partners Group, a global private markets investment manager. No financial details will be disclosed, and the closing of the transaction is still subject to antitrust clearance.

Schleich looks back on a rich tradition. Founded in 1935, it is one of the largest toy manufacturers in Germany and an internationally leading supplier of realistic figurines and playsets. Since Ardian invested in Schleich in 2014, the company has increased its sales from €106 million to €183 million today. The number of employees increased from around 340 to 400 over the same period.

This positive development is driven by strong sales growth in Schleich's home market – in 2018 alone, sales in Germany increased by 26 percent and the market share in the toys market increased from 2.9 percent to 3.4 percent. In addition, the company has expanded into new markets and, for example by the successful launch of new product lines, boosted sales in existing foreign markets. Particularly popular is the new product category of playsets that has been introduced in 2014 and now accounts for a meaningful proportion of total product sales. Although Germany is still the primary sales market for the playsets, the international market launch is subsequently being implemented. This offers further significant growth potential, which Schleich will be able to build on in the coming years with the support of Partners Group.

The playsets exemplify Ardian's successful collaboration with the management team led by CEO Dirk Engehausen, CFO/COO Sascha Krines, and CSO Udo Rother in revitalizing and expanding the product range. In recent years, Schleich has further developed the product range of classic single figurines such as animals and dinosaurs into play worlds. These play worlds offer not only figurines but also playing environments such as a horse farm with show grounds, a farmhouse with stable and animals or the elves' flower house. Furthermore, all-new themed worlds were introduced. The product range now covers a wide range of age and interest groups: Horse Club for horse fans has become one of the strongest play lines in the range, the Eldrador and bayala product lines are aimed at fantasy

lovers and the themed worlds Farm World and Wild Life expand the play concept of the traditional animal figurines.

Moreover, Schleich Management, together with Ardian, has carried out numerous strategic, structural and organizational measures. For example, the products now cover a much larger price range to appeal to a wide segment of buyers and buying occasions, from low-priced spontaneous purchases to Christmas gifts. Thanks to the optimization of the supply and value chain, the creation of new key positions in extended management, and the introduction of SAP, Schleich is now in an outstanding position to enter the next phase of growth.

Fabian Wagener, Managing Director in Ardian's Buyout team, said: "After five years of continued growth, Schleich is in a great position. We would like to thank Schleich's management and employees for the great job they did over the past five years – be it in the further development of the product range, marketing and sales work, internal processes and structures or the supply chain. With the playsets and play worlds, Schleich has secured a place in the hearts of parents and children. We are happy to have contributed to the successful development of this history-rich company."

Dirk Engehausen, CEO of Schleich, said: "At the product and the company level, Schleich is more than ever competing on equal terms with the best-known brands in the toys industry while remaining true to its tradition and values. Without the active support of Ardian, this development would not have been possible at this speed and consistency. We would like to thank Ardian for its confidence in the management, the great candour and close interaction in the cooperation. Schleich and our team are well prepared and highly motivated to take the next step on this path with Partners Group and we are looking forward to this cooperation."

ABOUT ARDIAN

Ardian is a world-leading private investment house with assets of US\$ 90bn managed or advised in Europe, the Americas and Asia. The company is majority-owned by its employees. It keeps entrepreneurship at its heart and focuses on delivering excellent investment performance to its global investor base.

Through its commitment to shared outcomes for all stakeholders, Ardian's activities fuel individual, corporate and economic growth around the world.

Holding close its core values of excellence, loyalty and entrepreneurship, Ardian maintains a truly global network, with 610 employees working from fifteen offices across Europe (Frankfurt, Jersey, London, Luxembourg, Madrid, Milan, Paris and Zurich), the Americas (New York, San Francisco and Santiago) and Asia (Beijing, Singapore, Tokyo and Seoul). It manages funds on behalf of around 880

clients through five pillars of investment expertise: Funds of Funds, Direct Funds, Infrastructure, Real Estate and Private Debt.

Ardian on Twitter @Ardian

www.ardian.com

ABOUT PARTNERS GROUP

Partners Group is a global private markets investment management firm with USD 83 billion in investment programs under management in private equity, private real estate, private infrastructure and private debt. The firm manages a broad range of customized portfolios for an international clientele of institutional investors. Partners Group is headquartered in Zug, Switzerland and has offices in Denver, Houston, Toronto, New York, São Paulo, London, Guernsey, Paris, Luxembourg, Milan, Munich, Dubai, Mumbai, Singapore, Manila, Shanghai, Seoul, Tokyo and Sydney. The firm employs over 1,200 people and is listed on the SIX Swiss Exchange (symbol: PGHN) with a major ownership by its partners and employees.

www.partnersgroup.com

ABOUT SCHLEICH

Founded more than 80 years ago by Friedrich Schleich in Schwäbisch Gmünd, the company is one of the largest toy manufacturers in Germany and a leading international provider of original play worlds. The famous figurines from Schleich are sold in more than 50 countries and have conquered children's bedrooms the world over. The design of Schleich play worlds, the creation of the required tools and the quality and safety tests are done in Germany. The production itself takes place at the company's headquarters in Schwäbisch Gmünd and in a number of production facilities in other countries.

www.schleich-s.com

ADVISORS TO THE TRANSACTION

Ardian team: Fabian Wagener, Stefan Kappis

M&A: J.P. Morgan (Michele Iozzolino)

Legal: Milbank (Dr. Norbert Rieger, Dr. Sebastian Heim, Dr. Matthias Schell)

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