

PRESS RELEASE

**Capital Dynamics portfolio company, Italcer Group, helps fight COVID-19
with innovative product**

ADVANCE[®], Italcer Group's anti-viral, anti-bacterial, and anti-pollutant ceramic "super material" passes the most stringent international tests

RUBIERA (REGGIO EMILIA), Italy and ZUG, Switzerland – February 9, 2021 -- Excellent news from the U.S. for ADVANCE[®], the new line of anti-viral, anti-bacterial and anti-pollutant porcelain stoneware developed by Italcer, a leading Italian ceramics and luxury bathroom furnishings designer.

After several months of rigorous testing by the Tile Council of North America (TCNA), it has been confirmed that ADVANCE[®] ceramic material is capable of eliminating 100% of coronaviruses after six hours of light exposure and 90% after just 15 minutes. Further, ADVANCE[®] has also been proven to combat various types of bacteria – ranging from 95% to 100% after eight hours of exposure.

ADVANCE[®] also has an anti-pollutant effect due to its photocatalytic action, certified by the University of Turin, yielding a 20% decrease in NOx — the main pollutants generated by car combustion and industrial production gases — in three hours.

All the reports on the tests, conducted according to the relevant ISO and UNI standards, may be consulted on the dedicated site www.advanceceramic.it.

ADVANCE[®] - Antibacterial & Bio-Air Purifying — for which a patent was filed in late 2019 — is the ideal result of years of commitment and investment within the Italcer Group in the area of environmental sustainability. The new product is an innovative, next-generation ceramic tile, single-fired at a temperature of over 1,200°C, which stands out with anti-viral, anti-bacterial and anti-pollutant properties, and is also environmentally sustainable and eco-friendly, as it consists of over 40% recycled raw materials.

This significant innovation for indoor and outdoor uses offers environments with healthier, safer surfaces, in both residential and other settings, such as schools, hotels, restaurants, shopping centres and public places, in keeping with the high levels of hygiene demanded by all consumers.

The Italcer Group will apply ADVANCE[®] to various collections of its brands (Ceramica Rondine, La Fabbrica Ceramiche, AVA and Elios Ceramica), thus offering important new opportunities in contemporary architecture, hospitality and dining, in view of the performance of this new technology.

Graziano Verdi, Italcer Group's Chief Executive Officer, commented: *"We are very pleased and satisfied that the tests done at the Tile Council of North America's scientific laboratories met and exceeded our best expectations. This is an extraordinary result made possible by the important work done by our team led by Prof. Isidoro Giorgio Lesci and our extensive R&D investments exceeding 3% of our sales in recent years. This discovery will make it possible to improve the safety and hygiene of floor, wall and furnishing surfaces in both public and private settings, considering its possible applications not only in a home environment, but also in common facilities and spaces, thereby expanding the Group's business at an international level."*

David Smith, Capital Dynamics' Senior Managing Director, states: "We are delighted by the news from our portfolio company, Italcer Group. Achieving this endorsement from the U.S. association, TCNA, is testament to the innovation of Italcer's ADVANCE® product and its strength in helping to combat COVID-19. As a longstanding responsible investor, this is further evidence of the impact that our investments in middle-market companies has on the individuals and communities around us, particularly at a time when this is needed most."

In the meantime, the Italcer hub created in 2017 by top manager Graziano Verdi, along with Alberto Forchielli and Lorenzo Stanca of the Mandarin Capital Partners fund, has set its sights on international growth. In addition to Europe, and in particular Spain as a possible next destination, the focus is on the US market with the goal of creating a 4.0 facility for large formats in the coming years.

About Italcer Group

The Italcer Group, currently Italy's sixth-largest group in the sector, with 587 employees, aggregate revenues of approximately €200 million and EBITDA of over €32 million, has a track record of hundreds of completed projects and over 3,000 clients worldwide. Today, it operates through leading brands and historical industrial companies in the ceramic sector that produce high-quality indoor and outdoor products: in addition to Devon&Devon, it includes La Fabbrica Ceramiche, Elios Ceramica, Ceramica Rondine and Bottega. In recent years alone, the Group has invested over €25 million in Industry 4.0. Over the next three years, investments of a further €10 million a year are planned.

About Capital Dynamics

Capital Dynamics is an independent global asset management firm focusing on private assets including private equity, private credit, and clean energy infrastructure. Capital Dynamics offers a diversified range of tailored offerings and customized solutions for a broad, global client base. The firm oversees more than USD 15 billion in assets under management and advisement (as of December 31, 2020). Capital Dynamics' roots go back to 1988, the year our predecessor (Westport Private Equity) was founded in the UK. Our headquarters were established in Zug, Switzerland in 1999. The firm employs approximately 160 professionals globally and maintains offices in New York, London, Paris, Tokyo, Hong Kong, San Francisco, Munich, Milan, Florida, Birmingham, Dubai and Seoul. In 2020, Capital Dynamics was awarded the highest rating (A+) from the Principles for Responsible Investment for (i) Strategy & Corporate Governance, (ii) private equity strategy, and (iii) clean energy infrastructure strategy. For more information, please visit: www.capdyn.com