

GBL increases its exposure to sustainable mobility and digitalization by acquiring a majority stake in Canyon, a leading premium bicycle brand exclusively sold online

Groupe Bruxelles Lambert (“GBL”) has signed a definitive agreement to acquire a majority stake in Canyon Bicycles GmbH (“Canyon”). As part of the transaction, significant minority shareholder TSG Consumer Partners (“TSG”) will fully exit its stake. The founder, Roman Arnold, will remain the Chairman of the Advisory Board and reinvest a significant part of his proceeds alongside GBL. Together, Canyon's leading position is to be further expanded, with particular emphasis on continuing successful product development as well as on the advancement of customer service and sustainable mobility concepts.

Canyon is a leading and fast-growing German manufacturer of premium conventional and electric bikes with global reach. It is the largest direct-to-consumer (“DTC”) player worldwide, directly selling to end-consumers via its own e-commerce website, hence providing a unique channel advantage. Canyon aims to fulfill consumers’ passion for cycling through a broad portfolio of Road bikes, Mountain bikes, Gravel bikes and Urban bikes. Canyon’s premium brand heritage has enabled strong partnerships with bicycle enthusiasts and athletes, including the Movistar cycling team and 3-time cyclo-cross World Champion Mathieu van der Poel.

Canyon is at the crossroad of multiple structural trends in line with GBL’s strategic priorities, including health and wellness, sustainable mobility and online distribution. Over the past seven years, Canyon’s sales have grown at an average rate of 25% per annum, almost doubling in the last three years alone, exceeding EUR 400 million today. Canyon’s growth has been driven by technology leadership and innovative power, increasing brand awareness, capitalizing on the market shift towards e-commerce, increasing penetration of bicycles, especially in the e-bike category, and successful recent entries in the US markets. Canyon will have many growth levers in the coming years, including further growth in Europe and the US, as well as in the fast-growing e-bike market. Product and customer service will be fundamental drivers of the plan. Canyon has an experienced team in place, led by the CEO Mr. Armin Landgraf, to further expand its position as one of the world’s leading bicycle companies.

This transaction is aligned with GBL’s strategy developed by its CEO Ian Gallienne and his team: invest in structurally growing industries aligned with sustainability and partnering with founders and management teams.

As part of the transaction, Tony Fadell will also co-invest alongside GBL and be a member of the Advisory Board. Tony was the SVP of Apple’s iPod Division and led the teams that created the iPod and the iPhone. He founded Nest Labs in 2010 which he ultimately sold to Google. Tony now runs Future Shape, a global advisory and investment firm coaching engineers, scientists, and entrepreneurs working on foundational deep technology, with the goal to bring technology out of the lab and into our lives. Tony’s product expertise, alongside his team at Future Shape, will provide a great support to Canyon’s management team to further accelerate growth in the coming years.

Ian Gallienne, CEO of GBL, commented: *“Canyon is a fast-growing premium brand with an excellent track record, strong team and great potential. Canyon is very complementary to GBL’s existing portfolio, increasing our exposure to secular trends such as sustainable mobility, health awareness and digitalization. We are thrilled to become partners with Roman Arnold and the whole Canyon team as they take Canyon’s success story to the next level and, together with Tony Fadell, we look forward to our future partnership.”*

Tony Fadell, Principal at Future Shape, said: *“Roman and his team have built an incredible business over the past 20+ years. We are honored that we can help propel Canyon’s heart pumping brand to meet the surging interest in bikes - from the trail and the track to the commute, while keeping cars parked.”*

The passion for the business and long term commitment as key decision factors to join GBL:

Roman Arnold, founder of Canyon, added: *"I am very pleased about the partnership with GBL who have impressed me and my team with their passion for our business, their extensive experience and their long term orientation. At this juncture, I would also like to emphasize the important role TSG has played in our growth journey so far. Canyon remains on a strong trajectory and I am excited at executing on the future growth levers with GBL and the whole Canyon team to further expand our position as one of the world's leading bicycle companies."*

Blythe Jack, Managing Director at TSG Consumer Partners, added: *"We are incredibly grateful for the extraordinary partnership we have enjoyed for the past five years with Roman Arnold and the Canyon team, and are very proud of the many accomplishments we achieved together during a period of significant growth. We see a bright future ahead for Canyon and look forward to watching their continued success with GBL."*

The transaction is expected to be completed, once the necessary regulatory authorizations are received, during the course of Q1 2021.

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About GBL

GBL is an established investment holding company, with over sixty years of stock exchange listing, a net asset value of EUR 18 billion and a market capitalisation of EUR 12 billion at the end of September 2020. GBL is a leading investor in Europe, focused on long-term value creation and relying on a stable and supportive family shareholder base. GBL strives to maintain a diversified high-quality portfolio composed of global companies, leaders in their sector, in which it can contribute to value creation by being an active professional investor. GBL seeks to provide attractive returns to its shareholders through a combination of a sustainable dividend and growth in its net asset value. GBL is listed on the Euronext Brussels stock exchange (Ticker: GBLB BB ; ISIN code: BE0003797140) and is included in the BEL20 index.

About Canyon

What started life in founder Roman Arnold's garage as Radsport Arnold has evolved into one of the world's leading manufacturers of road, mountain, triathlon, fitness, urban and kids' bikes as well as modern e-bikes. Officially renamed in 2002, Canyon works hand-in-hand with the best athletes on the planet to produce an array of award-winning bikes that embody a pure passion for riding. With a strong reputation for true innovation, implementing leading technologies, clean and clear design as well as the highest standards in quality and service, Canyon continues to expand worldwide, selling more bikes outside of its native Germany than within since 2008. As a pioneering direct sales brand, Canyon products are exclusively available online at www.canyon.com

About Future Shape

Future Shape, led by Tony Fadell, is a global advisory and investment firm coaching engineers, scientists, and entrepreneurs working on foundational deep technology. With 250+ startups in its portfolio, Future Shape seeks to bring technology out of the lab and into our lives. Headquartered in Paris at Station F, Future Shape has grown over the past ten years to embolden companies beyond Silicon Valley. Future Shape mentors founders to get the fundamentals right for lasting innovation: a clear product definition, delightful user experience, thriving business ecosystems, and marketing that triggers both desire and need.

About TSG Consumer Partners

TSG Consumer Partners, LLC is a leading private equity firm that partners with founders and management teams to build and accelerate growth for best-in-class consumer-facing businesses. Since its founding in 1987, TSG has been an active investor in the food, beverage, restaurant, fitness, beauty, personal care, household, apparel & accessories, and e-commerce sectors. Representative past and present partner companies include American Technologies (ATI), Backcountry, BrewDog, Canyon Bicycles, CorePower Yoga, Duckhorn Wine Company, Dutch Bros, Huda Beauty, Pathway Vet Alliance, Planet Fitness, Power Stop, REVOLVE, Robinhood, Revolut, Scopely, Stumptown and vitaminwater. For more information, visit <https://www.tsgconsumer.com/>