

Press Release

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TSG Partner Company Duckhorn Wine Company Completes Acquisition of Kosta Browne

SAN FRANCISCO — (BUSINESS WIRE, August 02, 2018) — TSG Consumer Partners (“TSG”), a leading private equity firm focused exclusively on the branded consumer sector, today announced that its partner company Duckhorn Wine Company (“DWC”), which includes Duckhorn Vineyards, Paraduxx, Goldeneye, Migration, Decoy, Canvasback and Calera, has closed its acquisition of iconic American Pinot Noir winery Kosta Browne.

Founded in 1997, Kosta Browne is recognized as one of the wine industry’s great success stories, making some of the New World’s most sought-after Pinot Noirs. The Kosta Browne sale includes the company, the winery, all assets and inventory, as well as 170 acres of vineyards through ownership or long-term leases that include Cerise Vineyard in the Anderson Valley and prized sections of Keefer Ranch Vineyard in the Russian River Valley and Gap’s Crown Vineyard on the Sonoma Coast.

“We have long admired Kosta Browne and its outstanding track record of producing exceptional Pinot Noirs,” said Dan Costello, Managing Director at TSG. “Kosta Browne is a remarkable business and its commitment to quality makes it a natural fit for DWC’s highly regarded portfolio of brands.”

“Building out our esteemed Pinot Noir and Chardonnay collection with the addition of Kosta Browne will further enhance our visibility and reach among all wine drinkers,” said Alex Ryan, President and CEO of DWC. “We thank TSG for its ongoing partnership across all aspects of our business, including its insightful counsel and support on this transaction.”

“DWC’s acquisition of Kosta Browne comes at an exciting time in the premium beverage sector,” said TSG President Jamie O’Hara. “We have been looking to expand our presence in this dynamic space, as evidenced by our recent investments in BrewDog and Nuun, adding to our existing portfolio which includes DWC, Pabst, and SweetWater. We believe Kosta Browne is the perfect partner for DWC and an ideal fit with our investment strategy.”

Jason Abt, Managing Director at Houlihan Lokey, acted as financial advisor to DWC. Paul Van Houten and Charles Boer, Partners at Ropes & Gray LLP, acted as legal advisors.

About TSG Consumer Partners

TSG Consumer Partners, LLC is a leading private equity firm focused exclusively on the branded consumer sector. Since its founding in 1987, TSG has been an active investor in the food, beverage, restaurant, beauty, personal care, household, apparel & accessories, and e-commerce sectors. Representative past and present partner companies include Duckhorn Wine Company, Planet Fitness, IT Cosmetics, REVOLVE, HUDA Beauty, BrewDog, Canyon Bicycles, Pabst, Backcountry, vitaminwater, thinkThin, popchips, Stumptown, Smashbox Cosmetics and e.l.f. Cosmetics. For more information, visit tsgconsumer.com.

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About Duckhorn Wine Company

Duckhorn Wine Company has helped set the standard for American fine wine for four decades. Founded by Dan and Margaret Duckhorn with the launch of Duckhorn Vineyards in 1976, the Duckhorn portfolio has evolved to include Goldeneye, Paraduxx, Migration, Decoy, Canvasback and Calera, each with its own dedicated winemaker. With 700 acres of acclaimed estate vineyards, along with grapes from the finest growers, each winery has its own focused winegrowing program. Duckhorn Wine Company wines are available throughout the United States, on five continents, and in over 50 countries. For more information, visit Duckhorn.com.

About Kosta Browne

Located in Sebastopol, Sonoma County, Kosta Browne is a trusted authority on California Pinot Noir and Chardonnay. They produce appellation and single-vineyard wines from the most coveted cool-climate vineyards across the Russian River Valley, Sonoma Coast, Anderson Valley, Sta. Rita Hills and Santa Lucia Highlands appellations. A commitment to quality, stewardship of the land, and customer relationships have made Kosta Browne an industry-leading producer of inspiring wines that transcend their origins and represent California on a global stage. For more information, visit KostaBrowne.com.