

**Motorsport Aftermarket Group Implements Debt Recapitalization  
Over \$300 Million of Debt to be Eliminated; Operations Unaffected  
Customer Services Continue Uninterrupted**

**Coppell, TX** – November 15, 2017 – Motorsport Aftermarket Group (“Company” or “MAG”), a leading independent manufacturer and distributor of branded aftermarket products and online retailer for the powersports industry, today announced it is implementing a comprehensive, consensual recapitalization to eliminate approximately \$300 million in debt through a debt for equity exchange supported by in excess of 90 percent of the principal amount of the Company’s prepetition first lien secured lenders, and its asset-backed lenders.

“Through this process, which we have been working very hard on with our key lenders to accomplish over the past month, we will de-lever our balance sheet allowing us to more effectively compete in today’s evolving powersports market. MAG’s businesses will continue to operate unaffected and the Company has sufficient liquidity to fund operations. Customer service and sales will continue, employees will receive wages and benefits as before, and vendors and suppliers will be paid in the ordinary course of business going forward,” said CEO Andrew Graves.

To implement the recapitalization, the Company and certain of its affiliates have filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the District of Delaware. The Company expects to move through the process quickly, and emerge in the first quarter 2018 as a stronger, better capitalized and competitive company.

To support operations through this process, MAG has secured up to \$135 million in debtor-in-possession (DIP) financing from certain of its current secured lenders.

“The U.S. Powersports market has been in persistent decline for the past few years. In response, MAG has been working diligently to adjust to the changing landscape and has implemented many initiatives to parallel today’s market. Unfortunately, the Company’s long-term debt continues to be an impediment to success,” added Graves. “As such, we believe that by availing the Company to the chapter 11 process, MAG has chosen the most efficient and expeditious way to right-size our balance sheet for the long term so that we remain an industry leader for many years to come. We and our key creditors are committed to what will hopefully be a short bankruptcy case.”

**Key Elements of the Recapitalization:**

- Employee wages and benefits will be paid in full in the ordinary course without interruption.
- Customer orders will be fulfilled consistent with past practice without delay or disruption.
- Vendors and suppliers will be paid timely and in full going forward.
- Company will emerge with new owners and a new board of directors.

Monomoy Capital Partners, BlueMountain Capital and Contrarian Partners will lead the new owners group, and have deep experience in consumer products and lifestyle companies including distribution, retail and manufacturing. “We are encouraged to have access to the resources the new owners bring, by their passion for the powersports industry, and for their shared vision for MAG’s future. Looking forward, MAG will be able to more aggressively capitalize on market and growth opportunities given our strong balance sheet post recapitalization,” said Graves.

“Importantly, MAG is very appreciative of its employees who have remained committed and professional during what has been a challenging few years. Moreover, we are grateful to our valued vendors and suppliers who have remained our partner, and we thank our customers who continue to trust and rely on us. We look forward to continuing to work together for many years to come,” added Graves.

Court filings as well as other information related to the restructuring are available at [www.donlinrecano.com/vhc](http://www.donlinrecano.com/vhc) or by calling the restructuring information hotline, (800) 581-5607 (toll free in North America) or (212) 771-1128 (International). Inquiries may also be submitted via e-mail to [vhcinfo@donlinrecano.com](mailto:vhcinfo@donlinrecano.com).

Proskauer Rose LLP and Cole Schotz P.C. are serving as legal counsel and AlixPartners LLP is serving as financial advisor to MAG.

### **About Motorsport Aftermarket Group**

Our mission is to build a group of brands and businesses that are recognized for quality, performance and innovation to meet the demands of powersports enthusiasts. Since 2000, Motorsport Aftermarket Group (MAG) has built a portfolio of the most desired brands in the motorsport parts and accessories aftermarket. No other industry participant owns as many dominant brands. Each MAG company is a leader in its market segments. The MAG companies enjoy long histories of leadership and innovation, some dating back to the 1960s. MAG’s businesses are operated worldwide and are focused on innovation, creative freedom and to be connected to their customers. Our teams also work together in product design and development, marketing and advertising, and special events to take advantage of our combined experience and resources. The MAG group office provides support in the areas of business development, finance, sourcing, information technology, sales, marketing and administration that is unmatched in the industry. For more information on MAG, visit [www.maggroupp.com](http://www.maggroupp.com).

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