

Press Release

PROGRESSIO INVESTS IN INDUSTRIE CHIMICHE FORESTALI

Milan (Italy), January 28, 2016. The private equity fund Progressio Investimenti II, led by Filippo Gaggini, has finalized the agreement with Industrie Chimiche Forestali (“**ICF**”) to become shareholder of the Group alongside Mandarin Capital Partners II with the aim of strengthening the growth plan of ICF.

The other shareholders of the Group include Private Equity Partners and the Management Team, specifically the CEO Guido Cami and the Chairman Carlo Sironi.

ICF was established in Maccagno (Varese, Italy) in 1918 to extract pyro-ligneous acid from wood, becoming throughout the years one of the main players active in the production of industrial adhesives and special fabrics for the footwear, automotive, flexible packaging and many other sectors, exporting its products in more than 60 countries. The Company has achieved a solid sales and profitability growth in the last few years, reporting in 2015 total sales of Eur 70 mln, of which 65% were generated abroad. Nowadays ICF is headquartered in Marcallo con Casone (Milan) and employs 120 people.

The joint growth strategy of the Management Team and the shareholders envisages a strengthening and consolidation of the Group positioning on international markets through organic growth as well as a development plan through selected add-ons, maintaining unchanged ICF focus and commitment on environmental and safety issues.

The CEO Guido Cami stated: “We are happy to welcome Progressio on board into the shareholding structure as this event demonstrates great appreciation of the results achieved up until today and it represents a further boost towards reaching new goals as part of our development plan taken up over a year ago with the current shareholders”.

Enrico Ricotta, Mandarin Managing Partner, stated: “Following our entry into the Group, better than expected results - compared with initial targets - have been achieved in terms of growth and international expansion. Progressio’s entry shows how the Management Team and the shareholders are willing to carry on what has been realized until now promoting new projects in order to play a key role in the current consolidation process in this sector”.

Filippo Gaggini, Progressio CEO, stated: “We are very honored to join ICF. Ours is a long term investment based on a company with an outstanding Management Team and a solid growth capacity demonstrated over the last few years. Our investment aims to support the Management Team driving the Group towards realizing the industrial plan shared by all the investors”.

Progressio currently manages the private equity fund Progressio Investimenti II, with a total commitment of Eur 205 mln, of which approximately 80% invested . Progressio focus is on SMEs with unique and specific know how or expertise and with resilient competitive position The investment in ICF is the last one of a series of 4 deals completed by Progressio in the last 6 months and which, apart from ICF, include the acquisition of: Giorgetti, leading player in the high-end furniture sector, Italchimici, an established pharmaceutical company in the Italian branded generics market and food supplements and OCS, active in the production and sale of hydraulic cylinders through the portfolio company Diplomatic.

Progressio has been supported by Pirola Pennuto Zei & Associati, E&Y, Russo De Rosa Associati and Long Term Partners. Mandarin, Private Equity Partners and the other shareholders have been supported by Eversheds, Tremonti Vitali Romagnoli Piccardi & Associati and Danovi & Giorgianni Associati.