

Press release

PROGRESSIO HAS ACQUIRED GARDA PLAST

Milan, July 4, 2017. Progressio Investimenti II Fund has acquired Garda Plast.

Garda Plast is the Italian leader in the production of preforms in P.E.T. for mineral water, soft drinks and detergents. Established in 1996 by the Tonoli Family, due to their extensive experience in the mineral water sector as bottlers, Garda Plast quickly emerged as a leading player in the domestic and European markets of preforms. The strong know-how built over the years and the high-tech production facilities guarantee a high quality level that represents one of the key success factors in such a competitive industry.

The growth strategy enacted by Progressio, building on past performance, aims at strengthening and consolidating its position on current markets and expanding into adjacent segments Progressio has acquired a 70% stake from the Tonoli family, with Amos and Luca Tonoli retaining a 30% stake in the business.

The Garda Plast management team will be further reinforced with the addition of Massimo Cutolo as Managing Director. Massimo has a long experience in the packaging industry and has also invested in the transaction along Progressio.

Amos and Luca will maintain their current operational roles in the Production department and in the commercial side of the business, respectively.

Filippo Gaggini, Managing Director of Progressio, said: "We have invested in Garda Plast because it is a clear Italian excellence, a hidden champion that we strongly believe to have the chance to support in a growth path also through add-on strategy, managed by an outstanding management team that will be further enforced by the joining of Massimo Cutolo. Such elements, are the pillars of our investment strategy, successful experienced in the past, that will be the fundamentals also of Progressio's new investment fund (Progressio Investimenti III), currently in fund raising stage, dedicated to institutional investors, family offices and private investors with a target of Euro 225,0 mln."

Alessandro Petraccia, Investment Director of Progressio, said: "It is an honor to be the new shareholder of Garda Plast and support Massimo, Amos and Luca in strengthening the company's growth path. We have invested in a company which fully embodies Italian excellence through the production of high quality products."

The **Tonoli Family** said: "The decision to partner with a private equity firm was led by the need to have a real support in managing the growth process that has made Garda Plast one of the industry's leading players in just a few years. We chose Progressio because - during these last months - we appreciated their industrial

approach, technical skills, but also the personal qualities of the team making it the perfect "team-mate" for this new venture."

Massimo Cutolo, the new CEO of Garda Plast, said: "Garda Plast is by far the best-in-class in terms of growth and profitability. This new adventure starts with great determination and an ambitious projects. The new management team will be leveraging on Garda Plast's long lasting experience and its strong industry knowledge to increasingly expand its horizons. Ad Maiora! "

The deal was conducted by Filippo Gaggini, Alessandro Petraccia and Mattia Balagion. Progressio was assisted by the lawyers Carlo Pappalettera, Filippo Grillo and Claudio Lichino of Carnelutti Law Firm. Due diligence was conducted by EY (financial and business due diligence), Russo De Rosa (tax and transaction structuring) and Greenwich (environment due diligence). The team of Fineurop Soditic (Umberto Zanuso, Francesco Panizza and Michela Agostini) assisted Progressio as Debt Advisors.

The Tonoli Family has been assisted by Antonio Gobbi of Gobbi and Associates, as a Financial Advisor, and by Alessandro Marena from Pedersoli Law Firm.

The acquisition financing has been provided by Crédit Agricole Cariparma, acting as arranger and agent bank, and Banco BPM. Iacopo Canino (White & Case) assisted the lenders on the legal aspects of the transaction.

Progressio SGR S.p.A., established in 2005, is a private equity firm focused on Italian SMEs. It is an independent company, entirely owned by the management team and led by Filippo Gaggini (Managing Partner), Angelo Piero La Runa (Partner) and Nino Mascellaro (Partner). The investment strategy aims to invest in "hidden champions" in market niches where *Made in Italy* is a competitive advantage in terms of know-how and market positioning. The goal is to support the portfolio companies in a value creation path through organic growth, M&A strategy and meanwhile strengthening the management organization.

Progressio has managed funds for a total of 350 million euros and completed 20 investments, of which 16 have already been realized. Among the successful investments made by the management team there are Moncler (luxury sportswear), Sanlorenzo (yachting industry), Chromavis (cosmetics specialist), Italchimici (branded generic pharmaceuticals and food supplements), Diplomatic (hydraulic sector components) and others.

Over the last 24 months Progressio has realized 4 investments (Italchimici, Giorgetti, Industrie Chimiche Forestali and Garda Plast) and 2 successful exit (Diplomatic, sold to Alcedo Private Equity SGR, and Italchimici, sold to Recordati S.p.A.).

The current portfolio companies of Progressio Investimenti II Fund, in addition to Garda Plast, are: Gens Aurea (jeweler-integrated player), Giorgetti (high-end furniture) and ICF (chemical products for the footwear, automotive and packaging industry).