

Press Release

PROGRESSIO ACQUIRED DAMIANO S.P.A.

Milan, July 25th 2019 - The private equity fund Progressio Investimenti III acquired Damiano S.p.A., alongside with the entrepreneur Riccardo Damiano who will maintain the leadership of the Group as CEO together with the management team that contributed to the success achieved by the Company over the last few years.

Established in 1964 in Torrenova (Messina), Damiano is a B Corporation (benefit corporation), engaged in the production and distribution of organic almonds and a wide range of other organic dried fruit based products for a large network of industrial food processing companies as well as specialized and non-specialized retail customers. A pioneering vision of the founder Pasquale Damiano, led the group to focus exclusively on organic and today the Company is the market leader for organic dried fruits, pursuing environmental, sustainability and social goals. The Company development mainly focused on several key international markets, such as USA, France and Germany where the Company achieves over 80% of its turnover.

The growth strategy, in line with the past, aims at consolidating the Company's position in the most important geographies for the group, USA and France, where the company can already rely on its own logistics and production facilities. The strategy also includes the strengthening of historic partnerships and the development of new collaborations with important industrial customers for which Damiano has become over the years a reference partner and a strategic supplier. This approach will also give further impetus to the development of Damiano branded products. Finally, the development plan may also include potential M&A opportunities aimed at strengthening Damiano's product offer.

Michel Klersy, a manager with a long experience in the food sector, holding key roles for international players, will join the company as non-executive board member to support the team in the strategy development.

Alessandro Petraccia, Partner of Progressio said: *"The Damiano Group perfectly fits our investment strategy, embodies the main key success factors we look for. The company has demonstrated in recent years to be able to over-perform the market reaching a leading position worldwide. Progressio will support Riccardo Damiano, heading on the path already undertaken by the current management team, to further accelerate the growth"*.

Massimo Dan, Investment Manager of Progressio said: *"We are excited to start this new journey alongside a partner like Riccardo Damiano, who has shown an uncommon vision and foresight in strategic decision"*.

Riccardo Damiano, CEO of Damiano said: *"With Progressio on our side, we become an even stronger player that combines tradition and ethical finance. A great opportunity to speed up our growth strategy, strengthening and enlarging our network and finally focusing on new organic and sustainable products development"*.

For Progressio, the deal was executed by the CEO Filippo Gaggini, Alessandro Petraccia and Massimo Dan. Progressio was assisted by Legance on the legal aspects, by Russo de Rosa Associati (tax due diligence and deal structuring), by PWC (financial due diligence), EY (ESG due diligence). The business due diligence was performed by Long Term Partners.

The deal was financed by Mediocredito, as *mandated lead arranger*. Fineurop Soditic (Umberto Zanuso, Francesco Panizza and Maria Pia Biguzzi) acted as Debt Advisor for Progressio.

On the sell side, Riccardo Damiano was assisted by Emintad (financial advisor) and by Grimaldi Studio Legale (legal advisor).

Progressio SGR

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 that includes Filippo Gaggini (Managing Partner), Angelo Piero La Runa (Senior Partner), Nino Mascellaro (Senior Partner), Alessandro d'Arco (Partner) and Alessandro Petraccia (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 our portfolio companies in a value creation path through organic growth, M&A strategy, meanwhile strengthening the management organization.

Progressio has managed funds for around Euro 600 million and completed 24 investments - to which it added 11 add-ons - of which 17 have already been realized.

Damiano is the fourth investment - after Save The Duck (March 2018), Gampack (January 2019) and Gelit (May 2019) - of Progressio Investimenti III Fund, which reached a Euro 250 million hard cap, exceeding the expected target of Euro 225 million.

For further information: www.progressiosgr.it

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