



Press Release

PROGRESSIO ACQUIRED A STAKE IN POLENGHI FOOD S.P.A., THE “LEMON SPECIALIST”

Milan, 1st August 2019. The Progressio Investimenti III Fund has acquired a minority stake in the capital of Polenghi Food S.p.A. from the Polenghi family.

The company, founded in 1976 and based in Piacenza, is one of the leading global players active in the distribution of lemon and lime juice products for the condiments industry. With more than 60 million Euro of revenues, Polenghi Food boasts production and commercial branches in Europe and the United States and distributes its products mainly through the most important large-scale retailers. The wide range of products - thanks to a solid Italian identity product perception, a strong positioning in the organic niche market segment as well as the strong know-how developed over the years - is globally recognized as a "premium" player compared to the main competitors. The Polenghi family - and in particular Giancarlo Polenghi (Founder) and Marco Polenghi (current group managing director) - has always promoted a growth strategy, also through acquisitions, oriented towards internationalization that has led the company to realize more than 90% of its turnover in over 80 countries, with an important presence in the United States, France and the United Kingdom.

The growth strategy, in line with the past, will focus on expansion in the United States, the most important market for the company and one of the main worldwide, and on consolidating its leadership in the European markets. The growth plan also includes consolidation strategies through acquisitions aimed at expanding the brand and product portfolio, or entering and/or strengthening its presence in certain geographical areas.

Marco Polenghi, President said: "I found in Progressio a team who immediately shared our philosophy and long-term vision. Thanks to their contribution, the Company aims to further accelerate growth and to reach important goals on which we are already actively working together".

Filippo Gaggini, Progressio Managing Partner said: "We are very happy to have the opportunity to support Marco in this ambitious project that targets the company in a new

phase of growth and consolidation. Polenghi is the fifth investment of the Progressio Investimenti III fund realized in the last 18 months. Once again we focus on Italian excellence and on markets where our companies have the right know-how to play as champions".

Beatrice Capretti, Progressio Investment Manager said: "Our goal is to focus on expanding into foreign markets by leveraging the strength of the brands, the "Italian identity" of the products and riding the new trends in organic and health food".

For Progressio the deal was executed by Alessandro Petraccia (Partner), Beatrice Capretti (Investment Manager) and Giovanni Vettore (Associate). Progressio was assisted by White & Case for legal aspects (Iacopo Canino, Alessandro Seganfredo, Cristina Riva and Fabrizia Faggiano), Bain & Co for business due diligence, Russo de Rosa Associati for tax aspects (Leo de Rosa, Federica Paiella, Luigi Cecere) and EY for financial and ESG issues.

The Polenghi family, as a seller, was assisted by Gobbi & Associati (financial advisor) and by Pedersoli Law Firm (Alessandro Marena, Francesca Leverone and Alice Fazzioli).

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.

Polenghi is the fifth investment - after Save The Duck (March 2018), Gampack (January 2019), Gelit (May 2019) and Damiano (July 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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