

JOINT PRESS RELEASE

**GREEN ARROW CAPITAL ACQUIRES POPLAST FROM EOS INVESTMENT MANAGEMENT AND LAUNCHES THE FIRST GREEN PACKAGING CENTRE IN ITALY**

***The GAPEF3 Private Equity fund, which has acquired the majority stake from EOS Private Equity Fund and from the founding operating partners of the firm, will support the management of Poplast in pursuing a path of growth in international markets and towards extending the offer of recyclable and compostable products.***

***With this acquisition, the Green Arrow Capital Team makes its 9<sup>th</sup> investment dedicated to eco-sustainability. The GAPEF3 Fund reaches over 70% of total commitment in only 4 years since the start of the fund.***

Milan / London, 4<sup>th</sup> December 2019 - Green Arrow Capital SGR, on behalf of the “Green Arrow Private Equity Fund 3”, announces the completion of the investment in the Poplast Group, with the acquisition of a majority stake from EOS Investment Management, a UK-based alternative investment fund, and from its operating partners, re-investors.

The investment, the ninth for the Green Arrow Private Equity Fund 3, foresees the establishment of the first Green Packaging centre in Italy. The stake in Poplast, which in turn controls 100% of FM Plastic, will be held through a holding company, Green Pack Holding Srl, which aims to aggregate other companies active in the flexible packaging conversion industry characterised by the use of recyclable, compostable and innovative materials.

The objective of Green Arrow Private Equity Fund 3 is to support the portfolio company in the process of dimensional growth, continuing the consolidation strategy embarked upon in Italy and international markets. The strategy also envisages a process of business integration with other production companies aimed at extending the product range and promoting the development of innovative sustainable products in line with ESG’s guiding principles.

The companies in the Group, with production sites in Castel San Giovanni (Piacenza, Italy) and in Lamporecchio (Pistoia, Italy), and with domestic and international end markets, particularly in the food industry, are an example of Italian excellence along the entire production chain: from the printing, coupling and lamination phases to the cutting of flexible film made with recyclable, compostable paper material which is used in the packaging of food products, tissue paper, and in the industrial sector. The companies also utilize highly innovative and developed dual printing technology through the use of latest-generation machinery (flexographic printing and rotogravure/intaglio).

The Poplast Group closed 2018 with a turnover of around Euro 63 million and an EBITDA of around Euro 10 million. The Group’s positive growth in the last few years, and particularly in the last three years (during which the economic-financial indicators doubled since the acquisition of EOS Investment Management completed in November 2016) is a result of organic growth and a process of consolidation in the reference market already embarked upon and pursued by the company’s management which - thanks also to the partnership with EOS Investment Management - has already executed two add-ons. The Group’s results have also benefited from a business model that is based on maximum flexibility and customer service, leading to halved delivery times compared to the average of competitors operating in the market, thereby achieving higher margins and competitive positioning. In addition, the Group’s management has demonstrated its ability to efficiently manage the pass-through of raw materials’ costs.

Impressive economic and financial success has been achieved in the context of sustainable investment policies established by EOS Investment Management, fully shared by Poplast’s management. In fact, significant investments have been made into the development of eco-sustainable, biodegradable and compostable materials

for which Poplast was given an award on a number of occasions and has been defined as an undisputed model in the sector. Indeed, in 2018 Poplast took part in the *Made Awards*, in the *Innovation Packaging 2018* category, winning the “*Film emballage Bio source et compostable*” award for the most natural and ecological film ever produced. This year Poplast also obtained the “*Great Industry Award*” and is competing for the *Packaging Oscar*, always in the category for the best barrier material, suitable for recycling.

In addition, this year **Daniele Camponeschi, Founding Partner of Green Arrow Capital and CIO of SGR** declared: “*We are very satisfied with the completion of this new transaction which is the first example of what will be the investment strategy of the fourth fund as well: investments in healthy companies that comply with ESG’s principles, with a strong management team, able to manage significant business integration operations in order to tackle exits involving pan-European financial sponsors or international trade buyers. With Poplast, the Fund achieves over 70% investment of its overall commitment paving the way for the launch of our fourth private equity fund. The portfolio is therefore reinforced with a new Made in Italy champion, a virtuous company with a distinctive business model and an innovative, green character, which matches the spirit of our Group. We have ambitious growth projects that the Fund can contribute to both financially and strategically, supporting the management in creating a team able to further accelerate the Group’s development.*”

**Ciro Mongillo, CEO & Founding Partner of EOS Investment Management** noted: “*Poplast is a typical operation of EOS IM: a medium-sized industrial company of high quality with a leading position in its reference market and an important growth potential where the business approach and experience of the managers have been successfully combined with the energy and skills of a new managerial group to achieve extraordinary results.*” **Gianni Galasso, Managing Director and Head of Private Equity of EOS Investment Management Group** added: “*In these 3 years Poplast has undergone rapid change which has seen it gain strength not only in its competitive positioning but also in terms of organisation, with a strong joint commitment – on the part of EOS and the management team – aimed at pushing the internationalisation of the business, with the share of foreign revenues increasing from 10% to 25%.*”

**The Management of Poplast (Carlo Callegari, Pierangelo Fantoni and Fabio Firenzuoli) declared:** “*Thanks to the strategic view aligned with Green Arrow Capital’s Team our Group will be able to continue its ambitious programme of growth and consolidation in domestic and international markets, including developing an increasingly innovative and sustainable product range through opportunistic acquisitions. We are ready to start this journey thanks to the valuable work done over these years together with Eos Investment Management.*”

The Green Arrow Capital SGR Team that has worked on the transaction was composed of **Daniele Camponeschi**, Founding Partner of Green Arrow Capital and CIO of SGR, **Francesca Chiara Gennaro**, Investment Director of the Private Equity area and **Giorgio Fenili**, Associate of the Private Equity Team. Poplast is the ninth deal executed by the Private Equity Team of Green Arrow Capital SGR, in addition to the 5 investments already in the GAPEF3 portfolio and three further add-ons. With this investment, the fund reaches 70% of its total commitment 4 years after the start of the fund.

The EOS Investment Management Group Team that worked on the operation was composed of **Gianni Galasso**, Managing Director and Head of Private Equity, **Micole Perina**, Associate Director, and **Alessandro Candido**, Associate.

#### **ADVISORS:**

The Green Arrow Capital SGR team was assisted by lawyers from the law firm Gattai, Minoli, Agostinelli & Partners, Bruno Gattai, Federico Bal, Diletta Camicia and Michele Ventura for the M&A part, Marco Leonardi, Giorgia Gentilini and Pasquale Spiezio, for the Finance part, UBI Banca as M&A advisor of the GAPEF3 Fund, the professionals of KPMG for the finance and tax part (Massimiliano Battaglia, Alessandro Saporoso, Giacomo Perrone and Riccardo Cola), the Van Campen Liem Luxembourg firm for the foreign tax part (Raffaele Gargiulo and Etienne Hein), Tauw for the ESG part (Milena Brambilla and Jacopo Gerbi) and the business advisor, Long Term Partners (Christian Christodulopoulos and Anna Mirenda). Crédit Agricole Italia (Paolo Marcoli and Andrea D’Avanzo) and Deutsche Bank (Laura Lazzarini) financed the operation, assisted by Marina Balzano of Orrick. Willis Tower Watson (Marco Radice and Victoria Lebed) has acted as broker for buyer insurance issues.

EOS Investment Management was assisted by:

- Vitale&Co: Alberto Gennarini, Riccardo Martinelli, Raffaele Ciccarelli, Ilaria Morelli
- Studio Grimaldi: Francesco Sciaudone, Giovanni Bocciardo, Paolo Sani, Silvia Beccio, Celeste Mastrangelo
- Deloitte FDD (Italia + Lux): Guido Manzella, Alessandro Foffa, Enrico Cannavacciuolo
- Deloitte TDD (Italia): Valentina Santini, Gregorio Mazza
- Deloitte TDD (Lux): Dany Teillant, Cedric Tussiot, Tomas Papousek, Sabrina Echement
- EY: Quirino Imbimbo, Gennaro Aragione, Christophe Joosen, Alessandro Sampietro
- Goetzpartners: Giovanni Calia
- Van Campen Liem (lawyers Lux): Andrew De Vries, Marcello Di Staso, Lisa Klemman

Poplast's Management was assisted by Vitale&Co with Alberto Gennarini, Riccardo Martinelli, Raffaele Ciccarelli, Ilaria Morelli; by Niccolò Piccone of the Alpeggiani law firm; by Francesco Saltarelli and Andrea Bravo of Deloitte Tax Firm for the tax aspects of the transaction; by Andrea Manzella and Alessandro Foffa of Deloitte Financial Advisory for the financial aspects of the transaction; and by Giovanni Calia and Michele Zanin of Goetz Partners for the business area.

**Green Arrow Capital SGR**

Green Arrow Capital is one of the major independent Italian operators in the field of alternative investments, with approximately 1.7 billion euros of historically raised capital. Out of around 200 investors in the Group's funds as of today, 90% are institutional clients including sovereign funds, funds of funds, bank foundations, social welfare funds, pension and insurance funds; around 20% of its investors are coming from outside of Italy. Green Arrow Capital today operates in three different segments – Private Equity, Private Debt and Energy & Infrastructure – with dedicated and independent teams, and plans to expand its activities with further launches of Funds dedicated to Alternative Investments aimed to support the Italian and European real economy.

Green Arrow Capital was founded in 2013 by Eugenio de Blasio, Major shareholder of the Green Arrow Capital Group together with co-founders Daniele Camponeschi and Alessandro Di Michele who hold the top operating positions in the Group. Besides the founders, the partners Luisa Todini (Chairwoman of GAC SGR), Stefano Russo and Francesco Giovannini form part of Green Arrow Capital. SGR closed the fundraising of the Private Equity fund 3 with a total commitment of 230.6 million euros; the Fund is invested in 9 portfolio companies (including three add-ons and main investments already in the portfolio as well as the latest acquisition of Poplast) and reaches 70% of commitment 4 years from the start of the fund. The portfolio is an ever-rich set of companies representing Italian excellence and a clear strategy of international growth and market consolidation.

**EOS Investment Management Ltd**

EOS Investment Management Ltd (EOS IM) is an independent management company of alternative investment funds governed by Luxembourg law reserved for qualified and institutional investors and focused on the real economy and on companies strongly oriented towards sustainability. EOS IM is based in London and is authorised and regulated by the FCA (Financial Conduct Authority). EOS IM is part of the EOS IM Group, an international group operating at a European level in the Private Equity, renewable energy and infrastructures sectors, with specialised teams that employ a strong industrial and hands-on approach. The top management holds the capital of the EOS IM Group, determining full alignment between internal interests and those of the investors. The EOS IM Group acts as a long-term partner for its investors and boasts a consolidated presence in Great Britain, Luxembourg and Italy. In April 2019 EOS Investment Management Ltd have become signatories to the UN-backed Principles for Responsible Investments (PRI), confirming EOS IM's commitment to corporate social responsibility.

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**For more information**

**GREEN ARROW CAPITAL PRESS OFFICE**

**Close to Media – company founded by Elisabetta Neuhoff**

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