

Press Release

GREEN ARROW CAPITAL TO ACQUIRE A MAJORITY OF ITALIAN FOOD COMPANY RICHETTI SPA

Green Arrow Private Equity Fund 3 finalises its 7th investment, entering the fast-growing snacking market segment

The Fund will support an expansion plan centred on volume growth, with the aim of consolidating the company's position as the second largest European producer of chilled snacks

Milan, 3 October 2022 – Green Arrow Capital SGR S.p.A., one of the leading Italian independent alternative investments managers, announces the acquisition through *Green Arrow Private Equity Fund 3* (“GAPEF3” or the “Fund”) of a majority shareholding of **Richetti S.p.A. (“Richetti”)**. The founding Richetti family will retain a significant stake as well as continue to hold operational roles within the company.

Thanks to this acquisition GAPEF3 will be investing in a particularly dynamic segment of the food industry represented by healthy and “functional” snacks with strong growth credentials. The partnership between the Fund and the Richetti family aims at supporting the organic growth of the company by increasing its production capacity, enlarging the customers base and strengthening the organisational structure, in order to fully intercept the development opportunities offered by the category.

Richetti is the second biggest European manufacturer of chilled snacks, mainly milk slices/bars sold in the dairy aisles of supermarkets, for large food multinationals, mass retailers and discount chains. The company is also active in the production of frozen Italian finger food specialties for the foodservice sector. In 2021 Richetti reported over 50 million euros in sales with chilled snacks representing approximately 80% of the total and an EBITDA margin of about 15% of revenues. Approximately 60% of revenues were generated outside Italy.

In the past few years, Richetti's top line grew at a double-digit rate thanks to the rapid development of the European chilled snacks market with an estimated European value expected to reach 2 billion euros. These results were underpinned by positive underlying trends including the increasing snacking consumption habits, consumers' growing attention to the healthy features of products (in the case of milk slices absence of preservatives and artificial colours combined with the “functionality” of wholesome ingredients such as milk and yoghurt) and the “brand stretch” marketing strategy of large confectionery groups extending into adjacent and higher growth categories such as chilled dairy snacks and ice creams.

The recognised high quality standards of the company's products range was achieved thanks to its manufacturing expertise developed across two state of the art plants located in the centre and south of Italy, enabling the company to become a reliable partner for its customers by focusing on innovation and product development.

The Richetti family stated: *“Richetti is strongly rooted in its territories. Thanks to the vision of the founder Giuseppe Antonio Richetti, we built a company which is recognised as one of the leading European manufacturers of dairy chilled snacks. We are pleased to have found in Green Arrow Capital a solid partner sharing our strategy to foster further profitable growth”.*

Eugenio de Blasio, Chairman and CEO of Green Arrow Capital, commented: *“This acquisition is in line with the investment strategy pursued by Green Arrow Capital to back Italian champions in sectors where the country is second to none such as food”.*

Massimo Massari, Managing Director Private Equity of Green Arrow Capital, added: *“We strongly believe that the investment in Richetti represents an exciting opportunity to capitalise on the growth prospects of the healthy snacking market, also through the widening of the products range”.*

The transaction was financed by Crédit Agricole also acting as agent bank, BPER Banca and Banca Sella through an ESG-linked financing.

ADVISORS:

- Green Arrow Capital was assisted on legal matters by **Gianni & Origoni** (Francesco Selogna and Andrea Cerulli Irelli and on the financing Matteo Bragantini and Ambrogio Carrière); **Ethica Group Debt Advisory** led by Paola Pellegrini and Federica Carcani; **Strategy& PwC** for commercial due diligence; **Pirola Pennuto Zei & Associati** tax due diligence and structuring; **New Deal Advisor** accounting due diligence; **Montana** environmental due diligence.
- Richetti S.p.A. was assisted by Alberto Niccolini of **KPMG Advisory S.p.A.** as financial advisor and by Pietro Zanoni and Natali Prodan of **Advant NCTM** for legal matters.

RICHETTI S.P.A.

Richetti was founded in the '90 at the initiative of the entrepreneur Giuseppe Antonio Richetti, initially focusing on the production of frozen specialties in southern Italy. In 2006, the business enlarged its activity to the production of chilled dairy snacks and biscuits for ice creams.

Richetti is recognised as a leader in product quality, enabling the company to become the second European producer of chilled dairy snacks and counting amongst its customers some of the most important multinationals in the food and confectionery sectors, mass retailers and discount chains.

GREEN ARROW CAPITAL

Green Arrow Capital (“GAC”) is one of the leading Italian independent alternative investments managers, with assets raised totalling approximately €2 billion. To date, around 200 entities have invested into GAC’s funds, 90% of which are represented by institutions (Banks, Sovereign Funds, Funds of Funds, Banking Foundations, Insurance Funds, Pension Funds, and Insurance Companies) and around 20% are of international origin. Today, GAC operates three different investment strategies – Clean Energy & Infrastructure, Private Equity, and Private Credit – led by independent teams and it plans to expand through further funds initiatives dedicated to Alternative Investments in order to continue to invest in the real Italian and European economies.

Green Arrow Capital was founded in 2012 by Eugenio de Blasio, majority shareholder as well as Chairman and CEO, together with the co-founder Daniele Camponeschi (Group CIO). Aside from its founders, Green Arrow Capital includes partners Alessandro Di Michele (Group CFO), Luisa Todini (president of GAC SGR), Stefano Russo and Francesco Maria Giovannini.

For more information, please visit www.greenarrow-capital.com





FOR FURTHER INFORMATION

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