
Investindustrial acquires CSM's European and International bakery ingredients business



6th October 2020 – An investment subsidiary (“Investindustrial”) of Investindustrial VII L.P. has signed an agreement to acquire the CSM Ingredients business (“CSM Ingredients”), the carve-out of a division of CSM Bakery Solutions Limited and its subsidiaries (“CSM Group”), a supplier of bakery solutions held by investment vehicles affiliated with Rhône Capital. CSM Ingredients comprises the European and International activities and assets of CSM Group dedicated to bakery ingredients. The transaction is subject to customary regulatory approval and is expected to close by Q1 2021.

CSM Ingredients is a manufacturer and distributor of bakery ingredients mainly to the artisanal traditional trade (pastry and bakery shops) and industrial channels, with a wide product portfolio focused primarily on bread ingredients, pastry mixes, bakery fats, fillings, glazes, toppings and icings. Key brands include Artisal, Arkady, Braims, Craigmillar, Marguerite, Masterline, MeisterMarken and Ulmer Spatz.

CSM Ingredients generates annual revenues of approximately €500 million with 8 manufacturing facilities, including one in China and one joint venture in Tunisia. The main markets in Europe are Germany, Italy, France, the UK and Benelux, with a growing presence in China and Asia.

Investindustrial has a deep sector experience in the food & beverage production sector with numerous past investments, and current investments in fruit-based ingredients company Italcanditi and chocolate maker Natra. Italcanditi recently announced its third add-on acquisition of a niche ingredients company since Investindustrial acquired a majority stake in 2019. The Italian market, in addition to being the second largest country in terms of sales, is of particular interest for CSM Ingredients for potential acquisition-led growth given the many niche producers currently lacking scale to fully access global markets.

In order to capture the expected opportunity set in China and Italy, CIICF, a newly formed strategic partnership with China Investment Corporation and UniCredit, will be investing alongside Investindustrial VII.

Andrea C. Bonomi, Chairman of the Investindustrial Industrial Advisory Board, commented: “CSM Ingredients is a leading player across Europe, with a growing international presence, over 400 salespeople and strong coverage of the region. This is a unique opportunity to become a long-term owner of a sizeable pan-European platform in the stable but still fragmented food ingredients sector. It is an ideal platform from which to pursue M&A-led growth and organically diversify further into higher value add ingredients and higher growth regions, including Italy and China.”

UBS acted as M&A financial advisor while Slaughter and May provided legal advice to Investindustrial on the transaction.

About Investindustrial

Investindustrial is a leading European group of independently managed investment, holding and advisory companies with €11 billion of raised fund capital. With ESG principles deeply embedded into the Firm's core approach, Investindustrial has a 30-year history of providing mid-market companies capital, industrial expertise, operational focus and global platforms to accelerate sustainable value creation and international expansion. Certain companies of the Investindustrial group are authorized by, and subject to regulatory supervision of the FCA in the United Kingdom and the CSSF in Luxembourg. Investindustrial's investment companies act independently from each other and each Investindustrial fund. Additional information is available at www.investindustrial.com.

About CSM Bakery Solutions Limited

(the parent company from which CSM Ingredients is being acquired)

CSM Bakery Solutions is a global supplier of bakery ingredients, products and services for retail and food service markets as well as artisan and industrial bakeries. CSM serves more than 45,000 customers in 100-plus countries and offers a broad portfolio of well-recognised brands providing specialised ingredients (dry mixes, fillings, icings, glazes, mélange, toppings, batter, frozen dough and more) and finished products (cakes, donuts, muffins, brownies, cookies, specialty bread, viennoiserie and more). CSM's mosaic of heritage bakery brands includes some of the industry's most trusted names: Brill, Henry & Henry, MeisterMarken, Multifoods, and Waldkorn, to name but a few. Additional information is available at www.csmbakerysolutions.com.

For further information please contact:

UK Media

Maitland/AMO

David Stürken

Mob: +44 (0)7990 595 913

Email: dsturken@maitland.co.uk

Jonathan Cook

Mob: +44 (0)7730 777 865

Email: jcook@maitland.co.uk

Investindustrial

Carl Nauckhoff

Senior Principal & Head of Investor Relations

Tel: +44 (0)20 7664 2138

Email: cnauckhoff@investindustrial.com

Investindustrial Advisors Limited is registered in England with its registered address at 16 Palace Street, London SW1E 5JD and company number 01316019. Investindustrial Advisors Limited is authorised and regulated by the United Kingdom's Financial Conduct Authority as an Alternative Investment Fund Manager (Financial Services Register number: 170924).