

INVESTINDUSTRIAL ACQUIRES PARKER FOOD GROUP, A LEADING DEVELOPER OF VALUE-ADDED INGREDIENTS IN NORTH AMERICA



11th August 2022 – An investment company indirectly held by Investindustrial VII L.P. (“Investindustrial”) has acquired the US-based Parker Food Group (“PFG” or the “Company”) from The Riverside Company. PFG is a leading developer and manufacturer of specialty, value-added ingredients in the North American market, with a focus on inclusions and toppings.

The Company’s product offering includes baked inclusions, toppings, crumbs/streusels, pralines and cookie components that are sold to industrial branded B2C customers, foodservice clients and industrial B2B customers.

PFG has best-in-class profitability in the industry, and over the past 10 years consistently showed double-digit top line growth. The Company employs approximately 370 employees and is led by Greg Hodder (CEO), who joined PFG in 1999.

PFG’s R&D team collaborates with customers’ product development teams to develop products that address specific customer requirements, which typically involves 150+ touch points between PFG and the customer from new product ideation to commercialisation, with PFG in most cases developing a unique ingredient starting from the Company’s broad portfolio of product format capabilities.

The North American specialty inclusions and toppings market was worth \$1.7 billion in 2021 and is expected to continue growing at approximately 10% CAGR '21-26, driven by volume growth of end markets, higher penetration of specialty inclusions ingredients compared to traditional ingredients driven by premiumisation trends and increased need for taste differentiation.

The Company, headquartered in Fort Worth (Texas), significantly invested in its manufacturing facilities and has a state-of-the-art manufacturing footprint with 3 factories in US, located respectively in Mexico (Missouri), Perry (New York) and Fort Worth.

PFG will form part of Investindustrial’s broader group of food ingredients companies including CSM Ingredients, Hi-Food and Italcanditi, which jointly have a turnover of close to € 1 billion.

Andrea C. Bonomi, Chairman of Investindustrial’s Industrial Advisory Board, commented: *“Our extensive experience in the food ingredients sector and our track record of growing our portfolio companies, makes us the perfect steward for a new, exciting and more global chapter in PFG’s development. We are building an Ingredient-Tech platform with the vision to create unique and innovative solutions for the food industry. PFG will become part of and contribute to our family of existing ingredients investments with CSM Ingredients, Hi-Food and Italcanditi.”*

Greg Hodder, CEO PFG, said: *“With strong experience in the sector, Investindustrial is our partner of choice and with its help as a responsible investor and sector specialist, we look forward to accelerating PFG’s growth and entering into new markets.”*

Investindustrial was advised by Lazard and Kirkland & Ellis LLP 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 more than 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 Parker Food Group

Parker Food Group develops value-added ingredients solutions for its customers. PFG’s product families include candy toppings & inclusions, baked items, crumbs & streusels, pralines & coated items, liquid bases & variegates and whole cookies. PFG supplies specialty ingredients to various segments of the Food Industry including: CPG, Food Service and Specialty Distributors. The two brands that make up PFG are Parker Products and Creative Food Ingredients. Parker Food Group services the ice cream, bakery, dairy fresh, food service beverage & dessert, snacking confection nutraceutical and general package goods industries.

Additional information is available at <https://www.parkerfoodgroup.com>.

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