

Investindustrial exits Neolith, global leader in the sintered stone surfaces sector, to CVC



17th April 2022 - International Design Surfaces Holdings S.á r.l. (“Investindustrial”), an independently managed investment company of Investindustrial VI L.P. (“Fund VI” or the “Fund”), has reached an agreement for the sale of its investment in International Design Surfaces Investments S.L. (“Neolith” or “the Company”) to CVC Capital Partners Fund VIII. The closing is subject to customary approvals.

Neolith is a global leading design brand that produces and commercialises large-format sintered stone surfaces with a mission to offer the most innovative solutions to meet the needs and demands of the architecture and interior design worlds as well as end consumers. The Company has a state-of-the-art plant for the design and manufacturing of its products, an international commercial footprint distributing its products in more than 100 countries and employs approximately 650 professionals. One of Neolith’s distinct features is the sustainability characteristics of its products, being plastic-free, fully recyclable, and containing only natural minerals.

Since Investindustrial entered the Company in 2019, a series of value creation actions have been identified and executed providing platform for Neolith’s ascent to the next level of development, including growth in the North American and Asian markets, launching innovative products and reinforcing brand positioning. Investindustrial’s operational improvement team worked closely with management and the deal team on internationalisation, sustainability, supply chain, digitisation, efficiency improvements and attracting and retaining talent.

The successful strategy has allowed the Company to deliver strong financial performance driven by continuous internationalisation and market growth where Neolith has demonstrated an excellent resilience of the business throughout the pandemic. The Company had €145 million in revenues in 2021 and enjoys industry-leading growth rates and profitability. Under Investindustrial’s ownership, Neolith achieved an EBITDA CAGR of approximately 20%.

Neolith has been progressing on its sustainability commitments with SDG 11 - creating sustainable cities - and communities and in 2021 published its first [Sustainability Report](#). The Company is applying for B-Corp status in 2022.

Andrea C. Bonomi, Chairman of the Industrial Advisory Board of Investindustrial, commented: *“We identified the sintered stone sector as the fastest growing niche within high-end design surfaces solutions, due to its strong technical and sustainable features. Within the sector, Neolith is a global leader based on a strong culture of quality and R&D built by the founding Esteve family, and carried on by the excellent management team in place.”*

Jose Luis Ramon, CEO of Neolith, added: *“During the last three years under Investindustrial’s ownership, we have had an amazing journey accelerating organic growth at international level. In addition, we have built a strong, modern and unique platform to further capture growth. Our sintered stone products offer strong technical characteristics and attractive designs to end users and above all are a sustainable solution that is substituting traditional materials. We look forward to further accelerate our growth with CVC, whose strong global expansion capabilities makes them an ideal partner for the long term.”*

Investindustrial was advised by Evercore Partners Inc. and legal advisors were Uría Menéndez. Bain & Company and KPMG provided commercial and financial and tax vendor assistance.

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 Neolith

Neolith is a pioneer and global leader in the sintered stone surfaces sector, which Investindustrial identified as the fastest growing segment of stone performance surfaces. The Company, headquartered in Castellón, the industrial ceramic heartland of Spain, was founded in 2009 with the aim of designing and producing large-format sintered surfaces created from 100% natural raw materials and with unique characteristics serving multiple end-markets, including bathrooms, wall claddings, furniture, floorings, facades and with a particular focus on high-end kitchens. Additional information is available at www.neolith.com.

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