

ENTANGLED CAPITAL SGR FINALISED ITS SECOND DEAL BY ACQUIRING NUOVA PASQUINI&BINI

Milan July the 22nd, 2021 – The second investment for EC I Fund managed by Entangled Capital SGR has been realized today with the acquisition of 73% stake of Nuova Pasquini & Bini (“NP&B”), a company located in Altopascio near Lucca, leader in the design and production of recycled plastic pots for plants growers and for green areas.

NP&B was established in the ‘60s and in 1998 was acquired by Checchi and Silvi families who, thanks to their deep knowledge and presence in the nursery sector, enhanced the industrial growth of the company, contributing to the development, innovation and presence on the international market. Today the Checchi and Silvi families have decided to re-invest 27% maintaining their important presence within the company and supporting the EC I Fund in expanding and strengthening the company's presence on the market, in particular outside of Italy.

Despite the forced closure caused by the health emergency, Nuova Pasquini & Bini increased its 2020 revenues to € 22 million with a significant margin. With approximately 10,000 tons of plastic moulded in a year of which 80% recycled and regenerated, the company produces over 22,000,000 pots for more than 4,000 customers worldwide, making over 50% of its turnover outside Italy.

The goal of NP&B is the design and production of quality pots capable of contributing to the optimization of the production processes of nurseries, all over the world. Since 2008, the company started the production of pots through rotational process, enriching its catalogue with items designed for furnishing green areas.

The main product of the company is represented by injection pots, produced with highly technological and robotized machinery which used regenerated plastic to guarantee a high seal even in climatic conditions that alternate different temperatures on the same day. Pots of this type can also be used for hydroponic and greenhouse cultivation or for special crops.

The company has a strong vocation in R&D, studying and designing how to improve and to optimize the cultivation of plants in containers. Recently, a new pot line in collaboration with the Department of Civil and Industrial Engineering of the University of Pisa, have been produced with bio composite compounds, with a high content of biobased materials and from renewable sources. Those pots and containers have been designed to be moulded with completely biodegradable and compostable materials in industrial compost.

EC I fund promoted and managed by Entangled Capital SGR aims to invest in several sectors such as agribusiness, cosmetics, pharma and machineries but in particular in industries which present elements of sustainability that can be corroborated and consolidated with the contribution of the Fund itself.

"We decided to invest in NP&B for its ability to constantly innovate and grow - comments Roberto Giudici, CEO of Entangled Capital SGR - especially in a sector, such as the agribusiness one, characterized by traditional elements. NP&B has a strong inclination for research and development of solutions that anticipate customer requests. Our goal is to enhance this innovative drive by bringing NP&B to increase its competitive positioning, especially in international markets."

"We are happy to have Entangled Capital as a partner to share with our growth path - declare Silvano Checchi and Gabriele Silvi - Thanks also to its characteristics hands-on approach, close to the needs of portfolio companies, there is a strong alignment of interests, and we are united by the passion to carry out every activity with attention and commitment. We are confident of strengthening the managerial aspects and continuing our growth path without forgetting our roots, continuing to listen to the requests and needs of our customers".

The acquisition was financed by a pool of banks consisting of Banco BPM SpA, in the role of agent bank, and Deutsche Bank SpA.

Legance – Avvocati Associati, PwC, Studio Russo De Rosa and ERM acted as legal, tax, financial and ESG advisors to Entangled Capital SGR

Legal firm Galgano with Professor Massimo Aragiusto and the lawyer serve as legal advisors of the Checchi and Silvi families.

Federico Cerbella of Maelius S.r.l. acted as sole advisor.

About Entangled Capital SGR

Entangled Capital SGR was established in 2019 by Roberto Giudici and Anna Guglielmi to promote and manage a private equity fund with a more operative approach focusing on Italian SMEs in the industrial, manufacturing and technology sectors. The team is supported by a group of Operating Partners, entrepreneurs and managers who are involved in the initial evaluation phase of potential new investments.

The first Fund, named EC I, was approved and launched in December 2019 with a target size of Euro 100 million (hard cap Euro 150 million) and it's collecting commitments for about Euro 70 million.

EC I will invest in profitable Italian SMEs with annual revenues of between Euro 10 million and Euro 50 million, generally commanding annual EBITDA of between Euro 2 million and 6 million. The Team aims to support portfolio companies in their process of dimensional and professional growth in order to create value and, therefore, attractive risk-adjusted returns for the fund's investors.

In September 2020 the Fund acquired 66% of SM Pack SpA, a company active in the production and sterilization of glass ampoules and vials for the pharmaceutical and cosmetic sectors.

Nuova Pasquini & Bini represents the second investment for the EC I Fund.

Co-founders Roberto Giudici and Anna Guglielmi have worked together, sharing professional experience in another SGR, since 2012, managing two private equity funds with total AUM of Euro 380 million.

In August 2020 Entangled Capital SGR has been listed as PRI signatory.

For more information, please visit: www.entangledcapital.com.

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