

ELEVENTH DEAL FOR ENTANGLED CAPITAL SGR WITH S.I.P.A. INTERNATIONAL ENTERING THE COUSCOUS FOOD INDUSTRY

Entangled Capital SGR acquires 51% of Sipa International, owner of the Martino brand

Milan, October 15th, 2024 - Entangled Capital SGR, through its EC I fund, proudly announces the acquisition of 51% of the capital of Sipa International, a leading company in the production of high-quality couscous distributed both for third parties and under its family brand Martino. The investment represents the eleventh transaction, including add-ons, for the EC I fund, consolidating its portfolio in a wide range of strategic and dynamic sectors.

Founded in 1870 and established as a mill in 1904 in the province of Termoli, Sipa International is a family-owned business now in its fourth generation, with a long history of tradition and entrepreneurial skill.

Initially a mill for grinding semolina, under the leadership of Pasquale Martino, it transitioned into a couscous producer, serving various markets, particularly Italy, France, and Germany, with over 70% of its revenues realized abroad.

Today, the family, represented by sisters Emma (CEO) and Giordana Martino (CFO), has successfully enhanced the know-how accumulated over the years, positioning itself as a reference point in the sector with a wide and diversified product portfolio, including traditional, whole-grain, organic, gluten-free, and baby couscous, as well as a range of snacks and ready-to-eat meals. With more than 70% of revenue generated from international markets and a presence in over 80 countries, the company has secured a prominent role on international level.

The Martino family will retain 49% of the company, while the majority will be held by the EC I Fund to support the company's growth through organizational strengthening and the development of new products, both through organic growth and future acquisitions. The investment of the fund will accelerate Martino's development plans, promoting new product lines aligned with global wellness, health, and sustainability trends. Entangled Capital will contribute not only with financial resources but also with managerial and strategic expertise, with the aim of guiding the company through a phase of structured and sustainable growth. The family will continue to manage the company's operations, preserving the identity and values that have made Martino a globally recognized brand of excellence.

The acquisition is part of Entangled Capital's strategy to invest in companies with strong growth potential in dynamic and sustainable sectors. The EC I fund aims to strengthen Martino's position in key markets, expanding its product offerings and developing new lines in line with global food trends. Roberto Giudici, CEO of Entangled Capital, commented: "*We are thrilled to welcome a company like Sipa International into our portfolio. This transaction allows us to enter a strategic segment of the food industry, characterized by dynamism and growth potential, with a particular focus on organic and health-conscious products. Our goal is to further strengthen Martino's global position by leveraging new synergies, targeted investments, and a strong focus on innovation.*"

Emma Martino, CEO of Sipa International, added: "*The investment by Entangled Capital marks a turning point for our company. We are confident that, thanks to their support and experience, we will be able to further strengthen our competitive position in international markets, continuing to innovate and maintain the highest standards of quality and sustainability.*"

The entry of Entangled Capital SGR represents not only an opportunity for dimensional growth but also a lever for fostering a strategic evolution of the company in terms of sustainability and social responsibility.

By sharing the principles of responsible investment and promoting best ESG (Environmental, Social, and Governance) practices, Entangled Capital will collaborate with Sipa International to develop projects aimed at sustainable innovation, creating value for all stakeholders involved.



Entangled Capital's support will also allow Martino to explore targeted acquisition opportunities and strategic partnerships, promoting both organic growth and external growth strategies. This approach will enable the company to further expand its offerings, strengthen its penetration in key markets, and consolidate its position as one of the leading players in the international food industry.

The EC I Fund of Entangled Capital was assisted by Spada Partners, Russo De Rosa e Associati, HPC Italia, and PedersoliGattai for financial, fiscal, ESG, and legal due diligence activities.

The Martino family was assisted in the transaction by UBS as financial advisor and Legance Avvocati Associati for legal, corporate, and fiscal activities.

The transaction was financed by BPER Banca.

About Entangled Capital SGR

Entangled Capital SGR, founded by Roberto Giudici and Anna Guglielmi, promotes Private Equity funds focused on small and medium-sized Italian companies, investing in industrial, productive, and technological realities. It combines the professionalism of the management team with the experience of entrepreneurs and managers involved in the target companies, who reinvest in partnership with the Fund. The first Fund, called EC I, has been operational since January 2020 and has completed 11 investment transactions, including add-ons, having raised over €100 million.

The investment strategy of EC I is focused on Italian companies with revenues between €15 million and €50 million and an average EBITDA margin between €3 million and €7 million. The team aims to support the portfolio companies in their professional and dimensional growth journey, with the goal of creating value and thus returns for the Fund's investors.

The SGR is preparing the fundraising activities for Fund II, with a target of €200 million. Entangled Capital SGR has signed the Principles for Responsible Investment (UnPRI) and is a member of the UN Global Compact Network for Italy, actively engaging in investment activities that aim to increase the sustainability of both the portfolio companies and the SGR itself.

The team, in addition to Roberto and Anna, includes Paolo Bortolani as investment manager, Micki Mineo as investment associate, Gianluca Croci as investment analyst, and Alessandro Elli as back-office manager. For more information, visit: www.entangledcapital.com.

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