

## Portobello Capital completes its second international direct investment in Italy through the acquisition of Farmol

- Based in Italy, Farmol is a leading CMO platform for aerosol and liquid branded products in Europe with presence in Personal Care, Home Care and Health Care
- This transaction represents Portobello's second investment in Italy in the past year, and consolidates its position in the market as a leading private equity investor in Southern Europe

**Milan and Madrid – July 27<sup>th</sup>, 2021.** Spanish private equity firm Portobello Capital has acquired a 100% stake in Farmol, a leading contract manufacturer of aerosol and liquid branded products for Personal Care, Home Care, and Health Care in Europe.

Founded in 1946 and based in Comun Nuovo (Italy), Farmol is one of the leading European players in aerosol formulation and filling. The company employs c.700 people and operates across six manufacturing facilities located in Italy, Hungary, Slovakia, and Tunisia, with approximately 500 million units of annual manufacturing capacity. Thanks to a solid track record in the past few years, Farmol has managed to grow organically at double digit rates and consolidate its position as a partner of choice for some of the largest multinational consumer goods companies globally. Thanks to its customer-centric approach, Farmol is recognized by its clients as a flexible and reliable partner with a strong focus on quality, cost effectiveness, product innovation and environmentally-friendly solutions.

In 2020, Farmol generated more than €110m revenues, launched several new product solutions and further diversified its business, proving the resiliency of its activity to different market conditions. In 2021, Farmol won an ADF Paris Innovation Award for a deodorant with natural propellant conforming to Cosmos Organic BIO and Vegan standards, jointly developed with a key customer. Additionally, Farmol continued to invest in its Health Care division, with the aim to become a key developer of aerosol solutions (sterilized sprays, pressurized products and medical devices) in partnership with top tier pharmaceutical companies.

Portobello's investment aims to further consolidate Farmol as a leading platform in the Aerosol space, through further organic expansion, development of the Health Care franchise and value accretive acquisitions. Furthermore, Portobello will help Farmol consolidate its leadership in environmentally-friendly solutions as part of its commitment to responsible investment and ESG best practices. Portobello will continue investing in developing Farmol's innovation capabilities, with a particular focus on circular economy and de-carbonization of the supply chain.

*"We are excited to announce the investment of Portobello Capital in Farmol. Portobello's growth focus, value creation approach, network and financial resources will greatly enhance Farmol capabilities to better serve our customers and consolidate our leadership in Europe"* highlights Francesco Maestri, Farmol's CEO.

*"Portobello believes Farmol has the potential to capitalize on the growth opportunities available in the Consumer Contract Manufacturing industry. We are looking forward to partnering with an experienced and committed management team to consolidate Farmol's position as an industry leader"*, points out Luis Peñarrocha, Founding Partner at Portobello Capital.

*“Farmol strong focus on customer service has allowed the company to establish itself as a partner of choice for many of its current customers, and we are keen to support the company in expanding its business further, including in new product categories, segments and geographies”* added Antonio Todisco, Director at Portobello Capital.

Farmol represents Portobello’s second direct investment in Italy, a priority market for its internationalization strategy and where it has developed a strong network, reputation and execution capabilities allowing to continue to expand the business in the future.

*“We are delighted to have found in Portobello Capital a reputable investor capable of developing further Farmol along the growth path we embarked upon five years ago. This transaction marks the first and successful exit for Green Arrow Private Equity Fund 3 underscoring Green Arrow Capital’s ability to manage portfolio companies with a growth driven approach and execute divestments in uncertain markets”* said Daniele Camponeschi and Massimo Massari, founder and Chief Investment Officer and Managing Director of Private Equity respectively of Green Arrow Capital.

Portobello has been advised by Ethica Group. Green Arrow Capital has been advised by Mediobanca and Intesa Sanpaolo (IMI Corporate & Investment Banking Division).

### **About Portobello Capital**

Founded in 2010, Portobello Capital is a leading independent mid-market private equity manager based in Spain. Portobello Capital operates across Spain, Portugal and Italy, and has assets under management worth c.€1.5bn across 5 different active funds. The firm has an experienced team of 35 professionals and a portfolio of 18 companies across various sectors.

### **About Green Arrow Capital**

Green Arrow Capital is an independent investment platform focused on alternative investments across the Private Equity, Clean Energy & Infrastructure and Private Credit asset classes with €1.8bn funds raised since inception and about 200 clients/investors. Approaching the full deployment of Fund 3, Green Arrow Capital is about to launch its 4<sup>th</sup> private equity initiative with a focus on the mid-cap Italian market.