

Advent International to acquire leading artisanal food ingredients company IRCA from Carlyle

Milan, 11th April, 2022 – Advent International (“Advent”), one of the largest and most experienced global private equity investors, today announced that it has agreed to acquire IRCA, a leading Italian provider of specialty ingredients for artisanal pastries, cakes and gelatos, from global investment firm Carlyle (NASDAQ: CG). Terms of the transaction were not disclosed.

For more than 100 years, IRCA has been supplying attractive professional B2B channels (including gelato parlours, patisseries, hotels, restaurants, caterers and artisans) with a portfolio of hundreds of products, spanning a wide range of categories, from decorations, to cake and leavened mixes, confectioners’ creams, various types of chocolate and swirls and flavouring bases and toppings for gelato. It is a unique force in the industry because, under a clear “one-stop-shop” strategy, it provides simple, complete, professional solutions for the preparation of products that would otherwise be far more complex, costly and time-consuming to produce.

Headquartered in Gallarate, Italy, IRCA currently supports artisan chefs in over 100 countries. It employs over 1000 people and has seven production plants and four innovation and demonstration kitchens in Europe, North America and Asia.

Carlyle invested in IRCA in June 2017 through Carlyle Europe Partners IV (CEP IV), a European-focused, upper mid-market buyout fund. During Carlyle’s period of ownership, IRCA has delivered exceptional growth, establishing itself as a leading European manufacturer in the artisanal pastry and gelato markets. Carlyle has supported IRCA’s organic growth through investment in product innovation, geographic expansion, notably in the US, and strengthening management, as well as through M&A, including the acquisition of Dobra, the global supplier and producer of premium chocolate decorations. Carlyle has also supported IRCA implement organizational changes to strengthen IRCA’s management capabilities and create a more flexible organisational structure for streamlining overall decision-making processes.

Advent will work with the current IRCA management team to continue scaling the business in Italy and abroad, and expand its already broad portfolio of artisanal pastry, baking and gelato ingredients into further attractive high value-add adjacencies.

Francesco Casiraghi, Managing Director at Advent, comments: *“We have identified IRCA as a structural winner in a sector with secular growth tailwinds. IRCA’s long-term growth track record comes from a consistent focus on understanding customer needs, creative innovation, and Italian excellence in high-quality food ingredients. We believe IRCA is perfectly placed for further expansion, reaching a growing number of chefs globally with increasingly innovative solutions. We are very excited to support the management team in the next phase of IRCA’s journey.”*

Paolo Perego, CEO at IRCA, comments: *“I would like to thank Carlyle for having supported me and the management team in building IRCA into a European ingredients leader. We are delighted to be working with Advent, who we believe are the ideal partner for us given their track record in continuing to build and*

grow businesses, both in Italy and internationally. We believe their in-depth sector expertise and strong global footprint will help us take the next step to become a truly global leader in this exciting sector.”

Filippo Penatti, Managing Director of the Carlyle Europe Partners advisory team, said: *“We are proud to have partnered with Paolo and his outstanding management team in the transformation of IRCA over the past five years, supporting the business become a leading European B2B manufacturer in its sector. Through investment in its manufacturing capabilities, diversifying its product offering also through the strategic acquisition of Dobra, expanding the company’s global footprint with inroads into the US, and strengthening management, IRCA has delivered excellent and above market growth. Given the quality of the team in place, we are confident that IRCA will continue its strong growth trajectory with the support of its new shareholders.”*

Advent has been actively investing in Italy since 1990 and has completed 11 investments in the country, including Nexi, a leading player in European payment services, and Industria Chimica Emiliana (“ICE”), a global leader in the production of specialty pharma ingredients used primarily for the treatment of gastroenterological diseases.

The sale of IRCA continues an active beginning of the year for CEP following the acquisitions of Theramex, and Dainese Group, and the partial sale of Hunkemöller, in March 2022.

Vitale and Morgan Stanley are serving as financial advisors to Advent and Bonelli Erede is serving as legal counsel. Rothschild and BNP Paribas are serving as financial advisors to Carlyle, and Latham & Watkins are serving as legal advisors.

The transaction, which is subject to customary regulatory approvals, is expected to close in Q3 2022.

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ABOUT ADVENT INTERNATIONAL

Founded in 1984, Advent International is one of the largest and most experienced global private equity investors. The firm has invested in 390 private equity investments across 42 countries, and as of December 31, 2021, had €78 billion in assets under management. With 15 offices in 12 countries,

Advent has established a globally integrated team of over 255 private equity investment professionals across North America, Europe, Latin America and Asia. The firm focuses on investments in five core sectors, including business and financial services; health care; industrial; retail, consumer and leisure; and technology. For over 35 years, Advent has been dedicated to international investing and remains committed to partnering with management teams to deliver sustained revenue and earnings growth for its portfolio companies.

For more information, visit Advent's global website, www.adventinternational.com, tech website, www.adventtech.com, or LinkedIn page, www.linkedin.com/company/advent-international

About Carlyle

Carlyle (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across three business segments: Global Private Equity, Global Credit and Global Investment Solutions. With \$301 billion of assets under management as of December 31, 2021, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies and the communities in which we live and invest. Carlyle employs nearly 1,850 people in 26 offices across five continents. Further information is available at www.carlyle.com. Follow Carlyle on Twitter @OneCarlyle.

About IRCA

IRCA is the Italian leader in food ingredients for the artisanal pastry, bakery and gelato markets. For over 100 years IRCA has been supplying semi-finished food ingredients to a wide array of professional B2B channels including artisanal bakeries and pastry shops, gelato parlours, hotels, restaurants, caterers and chains. The company offers a broad product portfolio including chocolate specialties, toppings, flavouring creams & pastes, edible decorations, fillings as well as gelato bases and swirls. IRCA's differentiated offering provides simple, complete, and professional solutions for the preparation of products that would otherwise be far more complex, costly and time-consuming to produce.