

## Mandarin Capital Partners invests in Croci S.p.A.

Milan, 21 December 2021 - The independent Private Equity firm Mandarin Capital Partners invests, acquiring a 70% stake, in Croci S.p.A., a leading Italian company in the field of accessories for pets and aquariums with the aim of accelerating its expansion on international markets.

The transaction represents the eighth investment for the fund Mandarin Capital Partners III.

Croci S.p.A. was founded more than 30 years ago near Varese by the entrepreneur Dario Croci and over the years has transformed its business model evolving from a distributor to a brand company specialized in the development and creation of a wide range of pet accessories (among other kennels, leashes, aquariums, games, snacks and hygiene products) characterized by a strong component of innovation, sustainability and design.

The company sells its products under the brands Croci, Amtra (for aquariology) and Bobby, the latter recently introduced thanks to the acquisition of Canifrance, a historic transalpine company specializing in high quality collars and leashes and a widespread and consolidated presence on the French market. In recent years, the company and the group have experienced significant growth and are set to close 2021 with a turnover of around 50 million euros, 35% of which achieved abroad.

The entry of Mandarin will favor the internationalization process of Croci which, in addition to Canifrance, had previously acquired Amtra, a German company specialized in accessories for aquariums and opened a subsidiary in China to develop a market that grows by about 15% per annum, as well as consolidating the presence on the online channel.

Pet accessories is a rapidly growing sector, extremely resilient and characterized by some trends, first of all that of the humanization of pets, which are destined to last in the long term.

Mandarin Capital Partners (MCP), established in 2007, was the first European fund to focus on international development strategies with a particular focus on China and the Far East. Since then, MCP has developed extensive experience in the internationalization processes of portfolio companies, thanks to the integrated presence of its highly diversified investment team between Luxembourg, Milan and Shanghai.

Following this operation, Dario Croci, in addition to maintaining an important minority stake, will continue to lead the group with the role of CEO.

*«We are very satisfied and proud to be able to communicate the entry of Mandarin Capital Partners into our corporate structure - declares Dario Croci - We are confident that this will lead us to further strong development on international markets, to exponentially grow our diffusion on the territory and to further implement our ability to create increasingly innovative, trendy and sustainable products».*

*«We invest in an Italian excellence, a company characterized by a unique R&D capacity in the sector and with a strong growth potential - declares Andrea Tuccio, Managing Partner of Mandarin Capital Partners - Our plan provides for an acceleration of the internationalization process with a focus on Asian market and a push on the online channel, both through a proprietary platform and marketplaces such as Amazon and Tmall. We will also evaluate possible acquisition opportunities in*

*an extremely fragmented sector and we are convinced that Croci can become the leading company in Europe in the pet industry, thanks to its brands and its capacity for innovation».*

\*\*\*

Dario Croci was assisted in the sale process by UBS's mid-market M&A team, as financial advisor, and by the law firm Advant Nctm.

Mandarin Capital Partner was assisted by Pavia e Ansaldo for the legal aspects, by Gitti for the tax aspects concerning the structure of the transaction, by KPMG for the financial and fiscal DD, by LTP for the business DD and by ERM for the environmental DD.

The notarial aspects of the operation were followed by Milano Notai.