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Testo del comunicato

Vedi allegato.

PRESS RELEASE

NEWLAT FOOD ACQUIRES EM FOODS

A LEADING FRENCH PRODUCER OF BAKING & DESSERT MIXES

Reggio Emilia, 19 October 2022 – Newlat Food S.p.A. (“**Newlat Food**” or the “**Company**”), announces that it has reached an agreement (the “**Agreement**”) with Alsa France (the “**Seller**”), for the acquisition of **EM Foods S.A.S** (“**EM Foods**”), a leading player in the production of baking and dessert mixes.

In accordance with French law, Newlat Food signed today a put option pertaining to **100% of the ordinary shares and voting rights of EM Foods**. Before closing can occur, the works council information and consultation process on the level of EM Foods has to be completed. **The closing of the deal is expected by the end of the year.**

Additionally, a **preliminary agreement between Newlat Food and a Multinational Corporation** for a **Long Term Supply Agreement** (the “**LTSA**”) has been signed. The agreement will be finalized by the end of the year and it is a Newlat Food condition precedent for the closing of the deal. With this partnership, the Company will become a supplier of several products behind very famous brands. Additional details on the LTSA will be disclosed at closing.

The acquisition of **EM Foods’ industrial know-how** and the **important partnership** with a multinational corporation will allow **Newlat Food to enter, as a leading player,** in the growing segment of baking and dessert mixes. The Company will produce a very large range of products including brownies, pudding, muffins, baking powders and cake mixes, **leveraging on the strong awareness of the brand “Minuto”,** already used by Newlat Group in Germany to sell well-recognized, high quality ready meals.



The baking and dessert mixes segment is an **interesting niche of the food industry**, as it is reflective of the current social trends and new lifestyle habits. The Newlat Group has a strong strategic commitment to the **development of the “Minuto” brand in the most important Western European markets** and in particular in France, Germany and Italy, launching new recipes and formulations for tasty products that are also healthy, quick and easy to be prepared.

The acquisition will also allow Company to develop **additional synergies with the existing Symington’s division** (undisputed leader in the UK baking and dessert mixes segment with 75% of market share in the private label sector). Moreover, Symington’s will represent a **strong distribution platform for the “Minuto” brand in the UK market.**

With a **full Investment of Euro 20 million**, the Company expects EM Foods to generate **revenues of Euro 50 million in 2024**, as a combination of the LTSA and the new business which will derive from the development of the Newlat Food own brands. The **EBITDA is expected at Euro 5 million** in the same



year. EM Foods has a **neutral net financial position**. The Company will finance the deal with the existing cash available.

EM Foods is a company founded in 2021 in order to include all the assets of the Alsa production plant based in Ludres, France, which has been the main Alsa plant since 1972. Alsa is a long-standing producer of baking goods and cake mixes founded in 1897 and acquired by Dr. Oetker in 2018.

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The Chairman Angelo Mastrolia commented: *“EM Foods represents a great strategic opportunity thanks to which we will be able to further expand and diversify our product offering, which is continuously aligning with the ever-evolving lifestyles of our consumers. The industrial know-how acquired will be enhanced by a brand with a strong communication potential such as "Minuto", which combines the concepts of effortless and easy cooking. Newlat will also have the opportunity to officially enter the French market and to further consolidate its offering in very important markets such as Italy, the United Kingdom and Germany. The expectations for 2023 are that of a year of great uncertainty both on the macroeconomic front, where the inflationary wave continues to alarm both companies and consumers, and on the geopolitical front, with the persistence of the conflict in Ukraine. From Newlat's perspective, it will be a year of further growth and development in which, thanks to further and already planned price increases, new commercial initiatives and the initial contribution of EM Foods, the Company will be able to well exceed € 700 million in revenues. ”*

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CONFERENCE CALL

The strategic details of the transaction will be presented to analysts and investors during the conference call to be held tomorrow **October 20th 2022 at 10:00 (CEST)**.

To participate in the conference call (Meeting ID: 2360 492 2331; Password: 6TBhCesMK25; 68242376 from phones and video systems) it is necessary to connect, at least 10 minutes before the beginning of the call, to the following numbers: (i) for Italy: +39-069-974-8087; (ii) for the United Kingdom: +44-20-7660-8149; (iii) for Germany: +49-619-6781-9736; (iv) for France: +33-1-7091-8646; (v) for Switzerland: +41-2256-75905; or – to follow the presentation live-streaming – connect at the link:

<https://newlatfoodspa.my.webex.com/newlatfoodspa.my/j.php?MTID=m7fd510d7a820b54f10c7e5ce9591e8b7>

The presentation will be available on the Company's website (www.newlat.it) and in the storage system (www.emarketstorage.com) about half an hour before the start of the conference call.

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This press release is available on the Company's website at www.newlat.it, as well as at the authorized storage mechanism eMarket Storage at www.emarketstorage.com.

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Company subject to management and coordination by Newlat Group S.A. pursuant to articles 2497 et seq. of the Italian Civil Code.

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The Newlat Group

The Newlat Group is a relevant multinational, multi-brand, multi-product and multi-channel player in the Italian and European agri-food sector, having a large portfolio of products and brands well known in Italy and internationally. The Newlat Group holds a consolidated positioning in the domestic market, as well as a significant presence on the UK and German markets, with its products being sold in more than 60 countries. The Newlat Group is mainly active in the pasta, *milk&dairy*, instant noodles, cake mixes and baking kits, bakery and special products sectors, as well as in the health & wellness, gluten free and baby food sectors.

For more information, visit our website www.newlat.it.



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