



A multibrand company

Sede Centrale: Via J. F. Kennedy, 16 – 42124 Reggio Emilia – Telefono: 0522.7901 Fax: 0522.790266

Cap. Soc € 27.000.000,00 i.v. – REA di RE n° 277595 – P.IVA e Cod. Fis. 00183410653

Società soggetta all'attività di direzione e coordinamento da parte di Newlat Group S.A. ai sensi degli artt. 2497 ss. del codice civile.

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The range of indicative valuation of Newlat's shares has been set

- Between a minimum price of Euro 5.80 per share and a maximum price of Euro 7.30 per share
- Borsa Italiana issued the approval for the admission to listing of Newlat's ordinary shares on the *Mercato Telematico Azionario*
- Newlat filed with Borsa Italiana the application for the admission to trading of its Shares on the MTA

Milan, 8 October 2019 - Newlat Food S.p.A. ("**Newlat**" and, together with its subsidiaries, "**Newlat Group**"), a leading player in the Italian and European agri-food sector, announces that on 7 October 2019, Borsa Italiana S.p.A. ("**Borsa Italiana**") issued the approval for the admission to listing of Newlat's ordinary shares (the "**Shares**") on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana (the "**MTA**") and, on the same date, Newlat filed with Borsa Italiana the application for the admission to trading of its Shares on the MTA.

Newlat has also identified, in consultation with Equita SIM SpA, HSBC and Société Générale (jointly, the "**Joint Global Coordinators**"), an indicative valuation range of the offering which is reserved to institutional investors (the "**Institutional Offering**") and aimed at creating, subject to the approval of the prospectus by Consob, the free float necessary for the listing of Shares on MTA and, if the relevant conditions are met, on the STAR segment.

The indicative valuation range, before the Capital Increase (as defined below), is between approximately Euro 157 million and Euro 197 million, equal to a minimum of



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approximately Euro 5.80 per share and a maximum of Euro 7.30 per share.

The Institutional Offering will comprise up to 17,000,000 newly issued Shares resulting from a capital increase with the exclusion of the pre-emption right pursuant to art. 2441, fifth paragraph, of the Civil Code (the "**Capital Increase**"), corresponding to approximately 41% of the Company's share capital, following the Institutional Offering and assuming full subscription of the offered Shares and full exercise of the Greenshoe option.

In the context of the Institutional Offering, the Company has granted Equita SIM S.p.A. as stabilization manager on behalf of the Joint Global Coordinators an option to subscribe for up to 2,000,000 additional shares at the Offering Price, representing approximately 12% of the Shares offered in the Institutional Offering (the "**Greenshoe**"). This option may be exercised, in whole or in part, within 30 days following the listing date. Furthermore, Newlat Group S.A. has granted the Joint Global Coordinators an option to borrow up to 2,000,000 Shares at the offering price, representing approximately 12% of the Shares offered in the Institutional Offering to cover over-allotments in the Institutional Offering, if any (the "**Lending Option**"). This Lending Option will be exercised on the listing date.

The final offer price will be determined according to the open price mechanism at the end of the Institutional Offering, taking into consideration, inter alia: (a) the economic results achieved by the Company and the Group; (b) the prospects for the current and subsequent years; (c) the domestic and international market conditions; (d) the evaluation methods most commonly recognized at domestic and international level; and (e) the quantity and quality of demand received by Italian and institutional foreign professional investors and any other factor necessary for the successful completion of the transaction.

The Company expects that the Institutional Offering will be completed by the end of October 2019, subject to the market conditions at the time of the start of the Institutional Offering and the receipt of the necessary approvals of the documentation by Consob.



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In connection with the Institutional Offering, Equita SIM S.p.A., HSBC and Société Générale will act as Joint Global Coordinators and Joint Bookrunners. Equita SIM S.p.A. will also act as Sponsor for the purposes of the Listing.

The Newlat Group

The Newlat Group is a relevant multinational, multi-brand 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 Italian and German markets and sells products in more than 60 countries. The Newlat Group is mainly active in the pasta, dairy, bakery and special products sectors, and in particular in the health & wellness, gluten free and baby food sectors.

The table below sets forth the Newlat Group's selected financial information for the periods set out below:

€/million	Years ended 31 December			Six-month period ended 30 June	
	2016	2017	2018 Proforma	2018	2019 Proforma
Revenues	292.2	303.1	325.6	151.1	158.9
Normalized EBITDA	25.7	23.5	26.9	11.9	12.4
Normalized EBITDA Margin	8.8%	7.8%	8.3%	7.9%	7.8%

€/million	Years ended 31 December			Six-month period ended 30 June 2019 (*)
	2016	2017	2018 Proforma (*)	
Net financial indebtedness	26.5	(33.2)	39.2	22.2

(*) The liabilities recognized following the application of IFRS 16 since 1 January 2018 amount to Euro 23.5 million as of 31 December 2018 and Euro 21.2 million as of 30 June 2019.



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The proceeds of the Institutional Offering will be entirely used by the Company to continue and support: mainly (i) its growth by M&A strategy, with a view to further increasing the Newlat Group's geographical diversification and strengthen its offer of products and services. Although Newlat has not adopted any binding resolution in respect of potential acquisitions, it has already identified as potential targets for the Newlat Group's acquisition plan: (a) a company operating in the Pasta, Bakery Products and ready-to-use Pasta sauces sectors in Southern Europe, with revenues of approximately €300 million; (b) a company operating in the Dairy Products sector in Southern Europe, with revenues of approximately €300 million; (c) a company operating in the Pasta, Bakery Products and Instant Cups sectors in Northern Europe, with revenues of approximately €100 million; (d) a company operating in the fresh Pasta sector in Central Europe, with revenues of approximately €100 million; and (e) a company operating in the Pasta and Special Products sector in Central Europe; and secondly (ii) its organic growth strategy, aimed at increasing efficiency and enhancing the value of the Newlat Group's organization.

* * *

For more information:

Investors

Benedetta Mastrolia

Newlat Food Investor Relator

Mob. +393319559164

investors@newlat.com

Media

Close to Media

Nicola Guglielmi

Tel. +390270006237;

Mob. +393666190711

nicola.guglielmi@closetomedia.it



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sale of, or a solicitation of an offer to purchase or subscribe for, any securities in the United States. No securities of the Company have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or under the applicable securities laws of Australia, Canada or Japan and may not be offered or sold in the United States unless the securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available. Newlat Food S.p.A. does not intend to register any portion of the offering of the securities in the United States or to conduct a public offering of the securities in the United States, Australia, Canada or Japan or elsewhere. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from Newlat Food S.p.A. and will contain detailed information about the bank and management, as well as financial statements. This announcement does not constitute a recommendation concerning the Institutional Offering or the shares of the Company. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Institutional Offering cannot be relied upon as a guide to future performance. Potential investors should consult a professional advisor as to the suitability of the Institutional Offering for the person concerned. Each of Equita SIM S.p.A., HSBC and Société Générale and their respective affiliates (together, the “**Joint Global Coordinators**”), Newlat Food S.p.A. and each company of the Newlat Food S.p.A.'s group expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise. Any subscription of shares of the Company in the proposed Institutional Offering should be made solely on the basis of the information contained in the Prospectus, as approved by CONSOB, to be issued by the Company in connection with the admission to trading on the MTA. The approval of the Prospectus by CONSOB shall not constitute an evaluation of the economic and financial soundness of the transaction and the quality or solvency of the Company. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change. None of the Joint Global Coordinators or any of their respective directors, officers, employees, advisers agents, affiliates or any other person acting on their behalf accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of, the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to Newlat Food S.p.A., whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith. Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval



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process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II to such target market (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline, and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Global Coordinators will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.



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