

Milan, 1 May 2020

Nactarome completes the acquisition of Create Flavours, expanding into the strategic UK market

- AromataGroup was acquired in Nov 2018 by Ambienta SGR and by its managing founders to create a leading European platform in natural ingredients for the food and beverage industries. Create Flavours is the third add-on acquisition after IPAM (Italy) and Nactis Flavours (France and BNL).
- Create Flavours significantly boosts Nactarome's R&D capabilities and represents a strong base in the UK market, also offering the opportunity to cross-sell the combined group's products.
- Nactarome serves as an industry consolidator, offering to smaller players the opportunity to access new markets, expand product range and fuel growth.

The Milan based Nactarome SPA is pleased to announce the 100% acquisition of Create Flavours, a leading UK producer of natural top-notes flavours for the food and beverage sector.

The acquisition of Create Flavours further solidifies Nactarome's position as a leading independent player in the European flavours and ingredients arena, with revenues in excess of €110m, and a diversified customer base of over 4,200 clients served through ten specialised plants across Europe.

The food industry is being significantly impacted by strong, long-term sustainability trends, as demand is radically shifting towards more natural and healthier products.

This is one of the highest growth segments within the food industry: in 2019, the market for natural flavours and colours grew twice as much as the food industry as a whole. Nactarome's market for natural flavours and colours, mostly with small and medium sized companies, grew at double digits in the same time

In 2018, Ambienta identified AromataGroup ("Aromata") as the perfect platform to implement a buy-and-build project to create a leading player in natural, healthy and tasty food ingredients serving mainly small and mid-size food companies across Europe. Following this strategic plan, in July 2019 Aromata expanded into the savoury market through the acquisition of IPAM, the Italian market leader in breading and battering solutions and functional ingredients for the food industry. In December 2019, Aromata strengthened its international presence and further expanded its product offering through the

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AromataGroup Srl con socio unico

Head Office & Production Site:	Via C. Romani, 35, 20091 Bresso (MI) Italia	Tel: +39 02 6650 1970	Fax: +39 02 6650 0943
Production Site & Sales Office:	Via G. Rossa 10, 20863 Concorezzo (MB) Italia	Tel: +39 039 5169 601	Fax: +39 039 5169 672
Production Site & Sales Office:	Via Italia 28, 20060 Gessate (MI) Italia	Tel: +39 029592901	Fax: +39 0295382688

www.aromatagroup.com - info@aromatagroup.com - PEC: aromatagroup@legalmail.it - Cap.Soc.: €133.980 i.v.- REA MI-769078 – VAT N.: IT01563600152

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acquisition of Nactis Flavours, a leading player in France and Belgium in flavours, colours, extracts and functional ingredients and solutions for the food industry.

The combined group, renamed Nactarome, has made a further step in its strategic plan with the acquisition of Create Flavours, expanding the group's presence to the large, strategic UK market and amplifying its product offering particularly with an interesting range of top-notes.

Headquartered in Clevedon, UK, Create Flavours is a producer of natural top-notes flavours for the Sweet, savoury and beverage end markets. Top-notes are the highest value-adding component within the overall flavour profile of a product and their production requires significant skills and technological know-how.

With a product portfolio of over 20,000 SKUs, proprietary technologies for optimisation of powder flavours and a client base of 200 of important UK and international food brands, Create Flavours will significantly boost Nactarome's R&D capabilities and represent a strong base in the UK market to cross-sell the combined group's products.

Jonathan Jones, Founder and Chairman of Create Flavours, commented: "We are delighted to join forces with Nactarome to tap into its significant technical and operational resources. This move will strengthen our innovations, products and abilities to provide our clients across UK and Ireland with the highest service standards. Together, we have a tremendous opportunity to develop a significant position in many of the most dynamically growing segments of the food and beverage markets providing leading-edge clean label and natural solutions.

Dr. Hans Udo Wenzel, Founder of AromataGroup and Executive Chairman of Nactarome, added: "We are proud to have been able to convince Jonathan and his team to join our strategy to build a European player in the market for Flavours, Colours and Ingredients for the Food industries. Create Flavours with its focus on natural top notes solutions will be able to strengthen our competence in this strategically important area".

Mauro Roversi, Partner and Chief Investment Officer at Ambienta, commented: "Despite the uncertainty of these times, we believe that natural ingredients represent solid long-term growth drivers in the food industry, and are proud to continue our project in creating a leading European platform in this space. Create Flavours represents for Nactarome the most complementary and suitable way to expand in one of the largest food industries."