

# Nestlé and PAI to create joint venture for frozen pizza in Europe

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Nestlé and private equity firm PAI Partners (“PAI”) have agreed to set up a joint venture for Nestlé’s frozen pizza business in Europe, creating a dedicated player in a popular and dynamic category. Nestlé and PAI, through its fund dedicated to mid-market opportunities, PAI Mid-Market Fund (“PAI MMF”), will have equal non-controlling stakes with equal voting rights. The transaction is subject to employee consultations and the approval of regulatory authorities and is expected to close in the second half of 2023. Financial details are not being disclosed.

Nestlé’s pizza business spans several countries across Europe, with an annual turnover of around CHF 400 million. The pizzas are currently distributed under the Wagner, Buitoni and Garden Gourmet brands, including in Germany, Italy, France, Spain, Switzerland, Portugal, Austria, Belgium and The Netherlands. The business will be headquartered in Germany and led by a strong and experienced management team. It will operate two manufacturing facilities, in Nonnweiler, Germany and Benevento, Italy.

Marco Settembri, Executive Vice President, Chief Executive Officer Zone Europe at Nestlé, said: “We took a thorough look at our European pizza business and concluded that partnering with PAI provides the best platform to develop its full potential. Nestlé will remain invested in this business and participate in future growth and value creation as the joint venture continues to provide the very best pizza for consumers and retail partners.”

Frédéric Stévenin, a Managing Partner at PAI Partners, said: “This transaction is testimony to our relationship with Nestlé and brings together Nestlé’s iconic brands with PAI’s depth of expertise in creating leaders in Food & Consumer. We are delighted to once again partner with Nestlé to replicate our previous success.”

Raffaele Vitale, a Founding Partner of PAI MMF, added: “This investment is what we set out to do with PAI’s Mid-Market Fund – to continue PAI’s approach of partnering with strong brand platforms and building international leaders in the mid-market. We look forward to working closely with Nestlé and the management team to develop a leader in the European frozen pizza segment.”

PAI has built a strong reputation for supporting management teams to rapidly scale and build global industry leaders in Food & Consumer and has completed 35 buyouts in this sector since inception. PAI will draw on this expertise, working closely with Nestlé and the management team to replicate the success of its previous investments and joint venture opportunities.

This partnership follows the creation of Froneri in 2016, a highly successful joint venture between PAI Partners and Nestlé. Today, Froneri is a global leader in ice cream with iconic brands and world-class category expertise.

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## **About PAI Partners**

PAI Partners is a pre-eminent private equity firm, investing in market-leading companies across the globe. It manages €24.7 billion of dedicated buyout funds and, since 1994, has completed 95 investments in 11 countries, representing over €81 billion in transaction value. PAI has built an outstanding track record through partnering with ambitious management teams where its unique perspective, unrivalled sector experience and long-term vision enable companies to pursue their full potential – and push beyond.

PAI Mid-Market Fund, PAI's first vehicle fully dedicated to investing in mid-market companies across Europe, draws on PAI's core investment DNA and capabilities, leveraging the firm's European expertise, its local market presence, and its specialist sector knowledge to create an extension of the firm's platform across the mid-market. Learn more about the PAI story, the team and their approach at: [www.paipartners.com](http://www.paipartners.com).