

PRESS RELEASE

Sale of shares

VR Equitypartner entered into a definitive agreement to sell its stake in dried herb specialist Groneweg

Frankfurt am Main/Greven, June 27, 2023 – Frankfurt-based private equity firm VR Equitypartner has entered into a definitive agreement to divest its significant minority stake in Groneweg Group (Greven), a leading global specialist in high-quality freeze- and air-dried herbs, vegetables and fruits. The transaction with the U.S. company Thrive Foods will create a strong and competitive player in food freeze-drying - from fruits, vegetables and spices to pet treats and probiotics. The transaction is still subject to customary closing conditions including regulatory approvals. The parties have agreed not to disclose details of the contract.

Groneweg was founded in 1969 and is a global player for freeze-dried herbs. The broad product range extends from herbs and spices to vegetables and fruits. With an international sales team at six locations in Europe, North America and Latin America, the Groneweg Group has a broad distribution network. Groneweg's know-how covers the entire value chain, from the high-quality raw materials secured in contract farming, through preparation, drying and further processing, to the sale of the finished products. Strict internal testing systems and intensive cooperation with suppliers have also enabled the company to continually expand its market position.

Thrive Foods is a manufacturer of freeze-dried products, including fruits & vegetables, proteins, pet treats, probiotics, enzymes, and prepared meals. Thrive currently has facilities in Modesto, California, American Fork, Utah, and in Albion, New York.

The sellers of the Groneweg Group are Ursula Groneweg with her two daughters and VR Equitypartner. In the course of the transaction with the American company Thrive Foods, sellers will relinquish their shares in full.

„We are happy about this next important step in the development of our company. I am sure our company founder Dieter Groneweg would have been delighted to see his life's work as part of this new group of companies revolutionizing the market,“ says Ursula Groneweg. Groneweg Managing Director Karl- Heinz Waszik adds: „Over the past few years, we have implemented a stringent growth strategy with our top management and shareholders, and worked permanently on the development of new products. This is now paying off: The Groneweg Group is a perfect partner for the common goals with Thrive Foods.“

VR Equitypartner had acquired a significant minority stake in November 2017. Since then, a consistent growth strategy has taken place with market entry in further European countries, an expansion of the presence throughout North America and the further acquisition of shares in companies in Latin America. In addition, the product range was expanded and new strategic supply partnerships ensured a high level of supply capability, which has proved particularly valuable in the challenging past years.

„In our five years together with the founding family, we have achieved a lot,“ says Peter Sachse, managing director of VR Equitypartner. „It is hard to imagine a better strategic fit than the acquisition of Groneweg by Thrive Foods. In addition to the geographical expansion, the two companies complement each other perfectly in terms of product ranges and associated know-how. From our point of view, this is a forward-looking decision with the best prospects for further growth.“

VR Equitypartner at a glance:

VR Equitypartner is one of the leading equity financiers in Germany, Austria and Switzerland. The company supports medium-sized family businesses in a goal-oriented manner and with decades of experience in the strategic solution of complex financing issues. Investment opportunities include growth and expansion financing, corporate succession or shareholder changes. VR Equitypartner offers majority and minority shareholdings as well as mezzanine financing. As a subsidiary of DZ BANK, the central institution of the cooperative banks in Germany, VR Equitypartner consistently puts the sustainability of corporate development before short-term exit thinking. VR Equitypartner's portfolio currently comprises around 60 commitments with an investment volume of EUR 400 million.

For more information, visit www.vrep.de.

The transaction team at VR Equitypartner:

Tim Feld, Hedwig Holkenbrink, Daniel Seifert, Jens Osthoff

Advisory firms involved in the transaction by VR Equitypartner: M&A:

Squarefield (Dr. Boris Hippel, Dorian Bindemann)

Finance: Grant Thornton (Klaus Schaldt, Johannes Kost, Felix Bickel Carioni)

Tax: Grant Thornton (Dr. Stefan Hahn, Dr. Nicolas Brüggen)

Legal: Noerr (Dr. Martin Neuhaus, Gerrit Henze, Florian Döpking, Hannah Besting, Philipp Buchs, Claudia Rinkens)

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