

Milan/London/Paris/Munich, 12 December 2024

Ambienta completes Art 9 continuation fund to address substantial global need for investment in the water industry

- Ambienta III sells Waterialia to a combination of current and new investors
- Ambienta will continue to support Waterialia through a commitment from Ambienta IV
- The transaction includes investment from Ambienta Water Pumps, Ambienta's inaugural continuation fund, which at c. €500m in size represents one of the largest Article 9 continuation funds
- The water pumps sector continues steady expansion, expected to grow to \$45bn by 2029

Ambienta SGR SpA ("Ambienta" or the "Firm"), one of Europe's leading and largest asset managers solely focused on environmental sustainability investing, is pleased to announce the sale of platform company **Waterialia** from Ambienta III. Following the sale of platform company Nactarome in February 2022, this represents the fund's second exit and brings the fund to c. 0.8x DPI.

Waterialia has been sold to a combination of Ambienta IV and **Ambienta Water Pumps** (the "Continuation Fund"), a single-asset continuation fund. Waterialia's management, as well as the founding families of both Caprari and Calpeda, have re-invested substantially in the deal.

This transaction marks the sixth investment of Ambienta's latest flagship fund – Ambienta IV – less than two years after the start of its investment period.

At a size of c.€500m Ambienta Water Pumps represents one of the largest Art.9. continuation funds, led by StepStone Group and Lexington Partners. Testament to the fact that environmental investments aligned with strong, sustainability-driven growth trends, when clearly and demonstrably rooted in a science-based approach, continue to gain robust support from an expanding investor base.

The journey of Waterialia, a leading global player in the design, engineering and manufacturing of water pumps for the integrated water cycle, started in 2021 with Ambienta III acquiring family-owned business Caprari. Aligned with Ambienta's strategic vision and buy-and-build approach to scaling founder-owned businesses to international players, the Waterialia platform was created in 2022 through the amalgamation of two leading water pump manufacturers, Caprari and Calpeda. With c. €300m in revenues, over 1000 employees across five manufacturing plants and 25 subsidiaries, Waterialia serves clients in over 140 countries. In the three years under Ambienta's ownership, Waterialia achieved a 3x increase in revenues and a 6x growth in EBITDA. This positive trajectory is set to continue through an effective value creation strategy based on organic growth and internationalisation, combined with the continued focus on M&A aimed at aggregating small and mid-size players.



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Since making its first investment in the sector in 2011, Ambienta has consistently recognised water as a fundamental resource for life, and water scarcity as a significant challenge requiring targeted investments. The integrated management of the water cycle through domestic, industrial, agricultural, municipal and wastewater applications is critical to maintaining the quantity and quality of water, and to avoiding uncontrolled pollution of freshwater resources. Driven by long-term, sustainability related, secular macro trends, the water pumps sector is steadily expanding and projected to reach \$45 billion by 2029.

As with all Ambienta investments, the success of Waterialia extends beyond financial metrics to deliver clear and measurable positive environmental impact. For example, in 2023 alone, the platform contributed to (i) c.1.5bn m3 of Water Cleaned (equivalent to the annual water consumption of c.7m European 4-person households), (ii) c.21,300 toe Energy Saved (equivalent to the annual energy consumption of c.450k refrigerators) and (iii) c.180k tons of Food Saved (equivalent to the food consumption of c.230k EU citizens).

As climate change intensifies water stress globally, including in regions beyond traditionally water-scarce areas, the need for resilient, supportive water infrastructure and systems becomes ever more pressing. Waterialia will continue to play a vital role in advancing sustainable investment and efficient solutions to meet this challenge.

Mauro Roversi, Chief Investment Officer and Founding Partner of Ambienta commented: "We are proud to have raised one of the largest Article 9 continuation funds, further fuelling the growth trajectory for this global environmental champion with a very significant growth and value creation opportunity ahead."

Federico De Angelis, Group CEO of Waterialia commented: "We are thrilled to be building on the success achieved so far and to continue this journey with Ambienta to deliver on our fundamental mission on an ever-expanding scale: to provide people with water without wasting resources."

Laurent Donin de Rosière, Partner and Head of Investor Relations and Strategic Partnerships of Ambienta, added: "This is another milestone of success for Ambienta. We are delighted to have gained the support of Stepstone Group and Lexington Partners as well as a number of leading investors globally. We are also thrilled that all stakeholders including the management and the founding families of heritage brands Caprari and Calpeda can continue to be part of the growth for the business, and the achievement of a very positive and material environmental footprint."

Lazard and Intesa Sanpaolo acted as financial advisors to Ambienta in this transaction. Blackstone Inc. provided financing in the transaction. Kirkland & Ellis, Advant NCTM and Linklaters served as legal counsel. Lincoln International provided a fairness opinion to Ambienta IV. Roland Berger provided business due diligence. Greenberg Traurig provided legal debt advisory services. PwC provided financial and tax due diligence. Facchini Rossi Michelutti advised on structuring of the transaction.

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About Ambienta

Ambienta is a European environmental sustainability investor across private equity, public markets and private credit. Operating out of Milan, London, Paris and Munich, Ambienta manages over €3.0bn in assets with a focus on investing in private and public companies driven by environmental megatrends and whose products or services improve Resource Efficiency or Pollution Control. In private equity, Ambienta has completed 76 Investments to date. In public equity markets, Ambienta has pioneered one of the world's largest absolute return funds entirely focused on environmental sustainability and manages a full suite of sustainable products ranging from low-risk multi-asset funds to equity long-only. Ambienta has also recently established a private credit strategy with the same environmental sustainability focus as the other asset classes.

An industry pioneer, Ambienta was one of the first UN PRI signatories in 2012 and attained B-Corp status in 2019. In 2020, Ambienta became IIGCC member and in 2023, as one of very few asset managers, continued being a positive role model for the industry by committing to the Science-Based Targets initiative (SBTi). www.ambientasgr.com

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