INVEST EUROPE

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PRIVATE EQUITY IN ACTION - CASE STUDY

Euromed

eUROMED

Country	Spain
Region	Cataluna
Investor	The Riverside Company

Riverside invested in Euromed, a producer of standardised herbal extracts and natural active substances for the pharmaceutical, nutraceutical, food and cosmetic industries, in 2015. Euromed processes more than 5,000 tons of raw materials every year to produce high-quality extracts to meet the needs of more than 300 customers in 35 countries worldwide.

During Riverside's three-year hold, Euromed's sales grew at a CAGR in excess of 16% and earnings doubled. Euromed also acquired ProbelteBio as an add-on, enhancing production capacity by approximately 30% and providing complementary products to the portfolio. The add-on brought the necessary production capacity to sustain growth for the future. Riverside sold the business to trade buyer Dermapharm in 2018, realising a strong return for investors.

What did the business need?

- Investment for new product launches
- International expansion
- Increased production capacity
- Enhancing sales of value-added products

How did private equity backing create lasting value?

- Added new processes and best practices – especially relating to R&D and new product development

- Increased the R&D team and built a new R&D centre
- Enhanced management, adding a new CFO, COO, Scientific Marketing Officer

30%

increase in production capacity

16%

CAGR in sales

"It has been a wonderful journey with The Riverside Company. We've come so far in just three years achieving so many strategic initiatives, including the add–on investment and the launch of the

Innovation Centre."

JAVIER ROIG

- Enhanced the international sales team
- Completed the add-on acquisition of ProbelteBio

What outcomes did private equity investment achieve?

- Increased sales by more than 16% CAGR and doubled EBITDA in three years
- Developed an innovation culture at the company
- Enhanced the dietary supplements and functional food extracts business line
- Improved working capital management

More information

Euromed

The Riverside Company

CEO
Euromed