

PATRIA

Patria Investments Announces Divestment of Delly's from Private Equity Fund V through a Transaction with CVC Capital Partners Fund VIII and Patria's Private Equity Fund VII

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Delly's is a Brazilian market leader and proven winner in Patria's Private Equity portfolio, and this transaction will deliver attractive returns to current investors, while positioning CVC Capital Partners and Patria's newest vintage fund in co-control for the new growth cycle ahead

GRAND CAYMAN, Cayman Islands, June 21, 2023 (GLOBE NEWSWIRE) -- Patria Investments Limited ("Patria") (NASDAQ: PAX), a global alternative asset manager and a leading private equity investor in Latin America, announced a definitive agreement for the sale of Delly's, a leading food service distribution company in Brazil, and the third largest holding in Patria's Private Equity Fund V portfolio. The transaction represents a full divestment from Private Equity Fund V to funds advised by CVC Capital Partners ("CVC"), a leading global alternative investment manager, and Patria's Private Equity Fund VII.

Together Patria, CVC and Delly's existing management team will lead Delly's into its next phase of growth, aiming to create one of the largest food distribution companies in South America, expanding on Delly's successful track record.

Delly's has grown from 1% market share at the time of Patria's initial investment in 2015 to 11% in 2022, following a buy-and-build consolidation strategy in a fragmented market which had more than 400 players. The consolidation strategy, together with Patria's intense hands-on operational approach, delivered consistent and robust operational growth of 67% Net Revenue CAGR and 60% EBITDA CAGR from 2015 to 2022.

"Delly's is a great example of diligent execution across each pillar of Patria's investment approach, including sector selection, consolidation strategy and operational value creation," said Ricardo Scavazza, Managing Partner and CEO of Private Equity at Patria. "We are very pleased to complete this chapter of growth into a market leader in Brazil and return capital for Private Equity Fund V, and also excited to partner with CVC to further expand Delly's into a leading regional player."

Fernando Pinto, Partner and Head of Latin America at CVC, said: "We have been impressed by Delly's compelling position across categories and a number of key markets, as well as its clear potential for growth. We are delighted to have agreed to invest in the business, alongside Patria Investments and in partnership with the management team. CVC has a deep history and success in investing in the food value chain and in distribution business globally and we look forward to bringing this expertise on board to help support Delly's long-term value creation strategy and continued success."

Delly's CEO Alessandro Chiaramitara said: "We are proud to have the trust of CVC and continued trust of Patria for our growth strategy and we value their support and partnership, as we look to build the largest food service distributor in South America in the coming years."

Patria's Private Equity Fund V is a US\$1.8 billion 2015 vintage fund which has invested in 9 portfolio companies. Based on valuations as of March 31, 2023, the fund has achieved a gross multiple of invested capital (MOIC) of 2.3x and a net IRR of 17%, resulting in \$212 million of Net Accrued Performance Fees. Together with previous divestments, the sale of Delly's, which was in line with its most recent quarterly valuation mark, results in nearly US\$600 million of cumulative proceeds secured for Fund V investors.

Over the last twelve months, Patria has now secured proceeds of nearly US\$2.2 billion for fund investors through divestments in both Private Equity Fund V and Infrastructure Fund III, reflecting great progress in the divestment phase of these funds.

About Patria Investments

Patria is a leading alternative investment firm focused on Latin America, with over 30 years of history and combined assets under management of \$27.3 billion, and a global presence with offices in 10 cities across 4 continents. Patria aims to provide consistent returns in attractive long term investment opportunities that allow for portfolio diversification through its Private Equity, Infrastructure, Credit, Public Equities and Real Estate products. Through its investments Patria seeks to transform industries and untangle bottlenecks, generating attractive returns for its investors, while creating sustainable value for society. Further information is available at www.patria.com.

About CVC Capital Partners

CVC is a leading private equity and investment advisory firm with a network of 25 offices throughout Europe, Asia and the US, with approximately €140 billion of assets under management. CVC has six complementary strategies across private equity, secondaries and credit, for which we have secured commitments in excess of €165 billion from some of the world's leading institutional investors across its private equity and credit strategies. Funds managed or advised by CVC are invested in over 125 companies worldwide, which have combined annual sales of approximately €100 billion and employ more than 550,000 people. For further information about CVC please visit: www.cvc.com.

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