

PAI Partners to acquire majority stake in Beautynova

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PAI Partners (“PAI”), a pre-eminent private equity firm, and Bluegem Capital Partners (“Bluegem”), a specialist pan-European private equity firm focused on non-discretionary consumer staples, today announce that PAI has agreed to acquire a majority stake in Beautynova, a leading global professional haircare platform, from Bluegem.

The acquisition will be made through PAI’s fund dedicated to mid-market opportunities, PAI Mid-Market Fund (“PAI MMF”). Upon completion, PAI will be the majority shareholder owning a controlling stake, with Bluegem maintaining a significant shareholding alongside a syndicate of Bluegem co-investors.

Headquartered in Italy, Beautynova owns a premium portfolio of brands, including milk_shake[®], z.one concept[™] and Medavita. It is also a leading developer of professional haircare products across hair treatment, colouring and styling, with over 18,000 formulas. Beautynova exports to more than 70 countries, generating 70% of revenues outside Italy, mainly in the US and Europe, through professional and consumer channels.

Under Bluegem’s ownership since 2020, Beautynova has evolved into a leading professional haircare platform, more than tripling its sales and experiencing substantial geographical expansion, with a particular focus on the US which today generates 18% of the company’s sales.

The company now has a strong platform to accelerate that growth across all its major markets, including the US and Europe. PAI, together with Bluegem, will support Beautynova and its management team in achieving its growth strategy of further developing its brands. PAI, which has completed 38 buyouts in the Food & Consumer sector since inception, will draw on its significant experience in the sector to help Beautynova continue to adapt to evolving consumer trends.

Stefano Banfo, Beautynova CEO, said: “Emilio and Bluegem have been a true partner, bringing unwavering support for our innovative vision and enabling meaningful growth. Over the last four years, the company has strengthened the senior management team and invested in state-of-the-art production facilities, world-class ERP systems and innovative product development, ensuring we have the resources and expertise to push boundaries and set new industry standards. We look forward to working with PAI and Bluegem as we continue on this exciting journey of innovation and growth.”

Emilio Di Spiezio Sardo, Bluegem Founding Partner, said: “Beautynova exemplifies our playbook of creating alpha returns from everyday consumer staple businesses. Through partnering with a strong management team in an industry with robust fundamentals, we have delivered business transformation underpinned by international expansion, digitalisation and new product development. I would like to thank Stefano for his collaboration in driving this growth, which has swiftly delivered value for our investors. We are excited to share the second part of our journey with PAI Partners, a global investor with a strong track record in consumer businesses and a global footprint including the US, a strategic market for the company.”

Raffaele Vitale, a Founding Partner of PAI MMF, said: “Beautynova is an excellent business with a well-diversified offering and strong footprint in the attractive and resilient global professional haircare market. We look forward to working with Stefano and team, alongside Bluegem, on the next chapter of growth, continuing PAI MMF’s approach of partnering with strong brand platforms and building international leaders in the mid-market.”

Bluegem was advised by Houlihan Lokey (lead financial adviser), BPER Corporate & Investment Banking (co-lead financial adviser), Latham & Watkins, PwC, PedersoliGattai and ERM. PAI Partners was advised by Raymond James, Banca Akros Banco BPM, Unicredit, White & Case, New Deal Advisors, OC&C, PwC TLS, Latham & Watkins, Willkie Farr & Gallagher, and Ramboll. Beautynova was advised by Alvarez & Marsal and Boston Consulting Group.

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About Beautynova

Beautynova is a large and established player in the professional haircare market, headquartered in Milan, with a global footprint and a strong focus on USA. The Group operates across the full B2B2C value chain, combining a portfolio of leading complementary professional brands (such as milk_shake, Medavit and Depot) with a best-in-class contract development and manufacturer, Beautynova Elite, which supports indie brands from idea generation to aftersale, with >18,000 own formulations and an internal R&D team of +15 experienced chemists innovating +600 new formulas every year. Beautynova offers a high-quality and complete product portfolio of hair colour formulations and technical products, shampoos and conditioners, caring, curative and styling solutions.

About Bluegem Capital Partners

Bluegem is a European specialist private equity firm investing in consumer staple businesses across the value chain (B2C; B2B2C; B2B) underpinned by non-discretionary demand and supported by megatrend tailwinds. The Bluegem Investment Team work alongside experienced Portfolio Management and Functional Experts, to deploy a proven toolkit for accelerating value creation. The Bluegem value acceleration playbook is underpinned by data analytics and includes, among other things, 360-degree digitalisation of the businesses (including the use of artificial intelligence), international expansion and product innovation. With a track record of investing across Europe through different economic cycles, Bluegem focus on businesses with characteristics of consumable products; low ticket but premium products; non commodity items; with repeat purchase patterns within six distinct segments: Beauty & Personal Care, Home Care, Baby Care, Pet Care, Food & Beverage and Health & Wellbeing. For more information, visit Bluegemcp.com.

About PAI Partners

PAI Partners is a pre-eminent private equity firm investing in market-leading companies across the globe. The Firm has c. €27 billion of assets under management and, since 1994, has completed over 100 investments in 12 countries and realised more than €24 billion in proceeds from 60 exits. 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. Learn more about the PAI story, the team and their approach at: www.paipartners.com.