



### **Atrium Innovations to be Acquired by Nestlé for \$2.3 Billion**

**MONTREAL– December 5, 2017** – Atrium Innovations, a globally recognized leader in the development, manufacturing and commercialization of innovative, science-based, natural health products, and Permira, the global investment firm, today announced that Atrium will be acquired by Nestlé from a group of investors including a company backed by the Permira Funds, Fonds de solidarité FTQ and Caisse de dépôt et placement du Québec, for USD 2.3 billion in cash.

Atrium is a world-wide leader in nutritional supplements and one of the fastest growing companies in the industry globally. Its brands and business model are complementary with Nestlé’s science-based nutritional solutions for consumers, patients, doctors, nurses and other partners in healthcare. With Nestlé’s significant resources, scale, breadth and capabilities, Atrium will continue to expand its brands and compete even more effectively in the global marketplace. Upon closing, Atrium will become an independent operating division within the Nestlé Health Science business. The Company will continue to operate as it has prior to the acquisition, with no changes to its strong brands and primary locations globally.

Over the last four years Atrium has undergone a period of tremendous growth and transformation, which included:

- Increasing revenue and EBITDA significantly through new product development and channel growth, particularly e-commerce;
- Accelerating the international expansion of leading brands, including Garden of Life and Pure Encapsulations;
- Strengthening the leadership team with strategic hires from world-class companies; and
- Enhancing operations across the Company, including implementing best-in-class manufacturing and quality and regulatory compliance.

“We are very pleased to be joining Nestlé Health Science as we share a common purpose of helping people lead healthier lives by providing good-for-you products that are made with the highest standards for quality and efficacy,” said Peter Luther, President and CEO of Atrium. “Nestlé will provide Atrium with the resources to continue the strong growth of our brands and reach more people globally.”

Luther continued, “This exciting next chapter for Atrium would not have been possible without our successful partnership with the Permira Funds. Their support, unique expertise and deep relationships around the world have helped us become one of the fastest growing companies in our space by focusing on the strength of our trusted brands, bringing our products to more customers in more markets, investing in operational excellence and building a first-rate organization and team. We are proud of our accomplishments and look forward to continued growth as part of Nestlé Health Science.”

John Coyle, Partner at Permira, said, “We are tremendously proud to have helped Atrium expand its leadership position and become one of the fastest growing companies in the global vitamins and supplements industry, driven by the popularity of market leading brands Garden of Life and Pure Encapsulations. The successful partnership with Atrium underscores our ability to combine our strong consumer brands and healthcare expertise and draw on our international network to back ambitious consumer healthcare businesses to expand globally while creating attractive returns for the Permira Funds’

investors. The growing interest in healthy living and wellness is one of our key investment themes across both our consumer and healthcare sectors and we will continue to look for opportunities to partner with innovative businesses. We are confident that with the backing of its new strategic owner Nestlé, a company with a 100-year history operating in Canada and over 1,000 employees in Québec, Atrium will continue its track record of success and commitment to Canada.”

Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and William Hood & Company, a division of AXIA Capital Markets, acted as financial advisers and Skadden, Arps, Slate, Meagher & Flom LLP and Stikeman Elliott LLP acted as legal advisers to Atrium.

The transaction is expected to close in the first quarter of 2018, subject to customary closing conditions, including regulatory review.

### **About Atrium Innovations**

Atrium Innovations Inc. is a globally recognized leader in the development, manufacturing and commercialization of innovative, science-based, natural health products that are distributed in more than 50 countries. The company owns healthcare practitioner and specialized retail product brands that are at the forefront of science, innovation and education. Atrium has over 1,400 employees and operates seven manufacturing facilities, all of which comply with Current Good Manufacturing Practices. The family of Atrium Innovations brands includes Garden of Life®, Pure Encapsulations®, Wobenzym®, Douglas Laboratories®, Genestra Brands™, Orthica®, AOV®, Minami® Klean Athlete®, Pharmax and Trophic™. Atrium also distributes UNDA® and Wild Rose® brands.

### **About Permira**

Permira is a global investment firm that finds and backs successful businesses with growth ambition. Founded in 1985, the firm advises funds with a total committed capital of approximately €32 billion (US\$35 billion). The Permira Funds make long-term investments in companies with the ambition of transforming their performance and driving sustainable growth. In the past 32 years, the Permira Funds have made over 200 private equity investments in five key sectors: Consumer, Financial Services, Healthcare, Industrials and Technology.

The Permira Funds have a long track record of successfully investing in consumer companies around the world. Since 1997, they have invested over €8.3bn in over 30 consumer companies including: global fashion brands such as Hugo Boss, Valentino and Dr. Martens; sushi restaurant company Akindo Sushiro; onmichannel fashion retailer, Schustermann & Borenstein; online marketplace, Allegro; and organic personal care brand, John Masters Organics.

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