

PRESS RELEASE

Fischerhude/Frankfurt am Main, March 14, 2019

CIC Capital and PESCA Equity Partners invest in growth and internationalisation of Brüning Group

CIC Capital, the international private equity arm of Crédit Mutuel Alliance Fédérale, and PESCA Equity Partners (PESCA), a firm dedicated to minority and majority investments in midmarket companies, have acquired a significant minority stake in Brüning Group in an owner buyout. Headquartered near Bremen, Germany, Brüning Group is the German market leader in trading of energy-yielding bulk materials (e.g. pellets, residual wood, and substitute fuels) with around 200 employees and a revenue in the high double-digit million range. Founder and CEO Arnd Brüning (48) remains the majority shareholder and will continue to manage the group. As part of the transaction, members of the broader management team are becoming shareholders as well. With the growth financing and the strategic expertise of the new co-shareholders, the company wants to strengthen its successful positioning in a promising market and expand its business into new geographic markets. The transaction is expected to close in April.

Originally founded in 1992 as a plant nursery, Brüning Group has since developed into a service provider active throughout Europe in trading of wood raw materials, both for material and thermal use and for a range of applications in gardening, landscaping and agriculture. It offers its customers and suppliers a reliable supply and disposal service as well as logistics from a single source. As a result of its transregional strategy, Brüning Group is able to react quickly and efficiently to market changes. Thanks to its size and geographic reach, it is one of few players who are able to deal with high volumes and manage the sourcing and offering of materials as an intermediary in a supplier- and customerwise highly fragmented market. All of this makes Brüning Group unique in the market.

Arnd Brüning, so far sole shareholder, had the objective to ensure the long-term independence of the business he had founded and to bring its growth to the next level. To achieve this, he has identified equity partners who can provide the financial means as well as the network to tap organic and external growth. As longstanding and proven shareholders in fast growing companies, CIC Capital and PESCA deliver the expertise in accompanying this process and the international connections it takes, and thus will support Arnd Brüning and the management team in implementing this strategy.

Arnd Brüning, founder and CEO of Brüning Group, emphasised: “In CIC Capital and PESCA Equity Partners we have found strong partners for the future of our company, who will support our growth in the long term. From the first meeting on we found that our strategic view on the company is the same and our personalities matched. I am looking forward to this cooperation and the strategic dialogue with our new co-shareholders.”

Sébastien Neiss, Managing Director for Germany at CIC Capital in Frankfurt, said: “PESCA offered us the opportunity to invest in Brüning Group, an established and fast growing company in a promising market. The positioning and the long-term value creation potential of the company as well as the performance and vision of Arnd Brüning and his management team have been very convincing. These are just the characteristics we, as an evergreen investor, look for in minority investments. We are very pleased to add Brüning Group to our investment portfolio of international SMEs.”

Peter Beusch, Partner at PESCA Equity Partners, added: “In structuring and pooling the flow of goods in a complex multilateral market from start to end, Brüning Group has developed a sophisticated business model. The combination of a transregional supplier network, a broad customer portfolio, a diverse product range, an experienced sales organization and strong innovative strength have convinced us and we feel very confident for the further growth of the company, both in its domestic market and abroad. We will take an active role in accompanying Brüning Group on this path.”

For this transaction, CIC Capital und PESCA were advised by P+P Pöllath + Partners (legal and structuring), RSM (financial and tax) as well as PWC (Commercial Due Diligence). Transaction advice for the Brüning Group was provided by Kloepfel Corporate Finance GmbH, legal advice by Blanke Meier Evers Rechtsanwälte in Partnerschaft mbB and tax advice by RKH GmbH & Co. KG Wirtschaftsprüfungsgesellschaft.

About Brüning Group

Starting out as a one-man firm, Arnd Brüning e.K. was founded in 1992 in the northern German village of Fischerhude, and has evolved to become Brüning Group, embracing Brüning-Euromulch GmbH, Brüning-Megawatt GmbH, Brüning-Logistik GmbH, and Brüning-International GmbH. As an international sourcer and supplier, Brüning Group handles mainly wooden energy-yielding bulk commodities, and has become a leading biomass power plant supplier in the German market with around 200 employees and a revenue in the high double-digit million range. The company structures the market through its unique position and acts as a link between producers and customers. Its extensive range of products also includes mulch, bark goods and pellets. It operates at six different locations. In 2018, Brüning Group acquired Gebrüder Meyer GmbH in Mölln, whose product portfolio fits into that of Brüning Group and thus promotes the targeted growth process. For further information visit www.brueening-group.com.

About CIC CAPITAL

CIC Capital, the international private equity arm of CM-CIC Investissement, the equity financing arm of the Crédit Mutuel-Alliance Fédérale, covers the needs of companies in all areas of equity financing. The company's success is based on a pronounced focus on people, professionalism, close ties with the management team and long-term support for portfolio companies. CM-CIC Investissement invests its own capital (over €3.0 billion) in currently around 360 portfolio companies. CM-CIC Investissement has expanded its international activities under the CIC Capital brand from its original base in Canada (Montreal and Toronto) into the USA (New York and Boston), Germany (Frankfurt), Switzerland (Geneva and Zurich) and the United Kingdom (London).

For more information see: www.ciccapital.fund

About PESCA Equity Partners

PESCA Equity Partners is a private company led by its owners working for a network of successful investors and entrepreneurs. PESCA invests own capital as well as private and institutional funds as minority or majority equity stakes in SMEs in German-speaking countries.

For more information, go to www.pesca-partners.com

Press contact for CIC Capital and Brüning Group:

Charles Barker

Jan P. Sefrin, Georg Schattney

Tel. +49 (0)69 79 40 90-26 /-44

E-Mail jan.sefrin@charlesbarker.de, georg.schattney@charlesbarker.de

Press contact for PESCA Equity Partners:

Pesca Equity Partners

Peter Beusch

Tel. +49 (0) 89 20030 230

E-Mail pb@pesca-partners.com