

## PRESS RELEASE

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### **Headpoint has advised Essential Supply Products Ltd, on its sale to Lucart S.p.A.**

Headpoint Advisors have advised Carl Theakston, the founder and Chairman of Essential Supply Products Limited (ESP), on its sale to Italian company Lucart Group for an undisclosed sum.

Malvern based ESP was established by Carl in 1990 and has grown to become the UK's leading independent manufacturer of professional hygiene products. ESP is a converter of disposable tissue paper products and supplier of dispenser systems to wholesale distributors, who in turn, serve the Away from Home (AFH), non-consumer market. The current manufacturing plant was set up in 2017 and is spread over an area of 20 acres. The company employs 85 people on five different processing lines and generates revenues in excess of £25m annually.

Lucart is a family-owned company who share the same key values as ESP, with a strong emphasis on protecting the environment and offering consistent, high quality products. It is the second largest AFH manufacturer in Europe. Founded in Italy in 1953, with headquarters in Lucca, Tuscany Lucart has 12 paper mills and over 55 converting lines located in Italy, France, Hungary, Spain and now the UK. It employs 1,685 staff and generated revenues of €670m in 2020.

Mark Wilson, Managing Director at Headpoint who led the deal said: "We are delighted to have advised Carl on the deal with Lucart. The businesses have a relationship that goes back many years so the strong rationale of a sale to Lucart was evident. We are very pleased to have negotiated a transaction structure that worked for Carl and for Lucart and delivered the deal as planned."

Carl Theakston stated "Over the years, we have made numerous transactions to allow ESP to continue to compete at the highest level. However, I realised that the standard of investment required to make my ambitions for this company a reality needed an investor who shared ESP's family values and had the vision and desire to grow the company sustainably and to its full potential. Lucart is a family-owned multinational group that has been operating for 68 years. Its history, vision and commitment to sustainable development models make it the ideal investor for ESP's adventure to continue in the best possible way."

Massimo Pasquini, CEO of Lucart commented. "The operation is of strategic importance for the entire Group because it allows us to consolidate our presence in Great Britain, that is the second-largest market in Europe for tissue paper products. Our financial solidity and our willingness to pursue the strategic objectives of the Group, together with the awareness that the difficulties related to the historical moment we are living should not make us lose sight of our long-term vision", Pasquini added. "We have overcome even the uncertainties generated by Brexit and the COVID-19 pandemic, completing this important further step for the future development of the Lucart Group".

Mark Wilson was supported by associates Oliver Stephens and Leander Ots on all corporate finance aspects. Headpoint worked closely with the legal advisors Higgs & Sons, led by Richard Griffiths (Head

of Corporate) and an advisory team comprised Damien Beard (Corporate), Craig Thomas (Tax) and Amy Brokenshire (Employment). Michelle Andrews from Magma provided tax advice.

## About Headpoint

Headpoint provides specialist corporate finance advice to owners of private companies. Our clients include business founders, family owner / managers and investors. We advise on company sales, acquisitions, management buy-outs, business valuations and raising growth capital.

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