



Press release

PAI Partners acquires majority stake in Euro Ethnic Foods, the grocery business of Grand Frais, alongside founders Léo and Patrick Bahadourian

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PAI Partners ("PAI"), a leading European private equity firm, announces the acquisition of a majority stake in Euro Ethnic Foods ("EEF"), the company which owns and operates the grocery section of leading food retailer Grand Frais.

PAI will hold a 60% stake in EEF with the company's founders Léo & Patrick Bahadourian continuing to own the remaining 40% of the business. Having helped to oversee the strong growth to date, the founders will remain closely involved in the strategy and the development of EEF.

Founded by the Bahadourian family, EEF operates primarily the grocery section of the Grand Frais stores (in France, Belgium and Luxembourg). In addition, EEF supplies grocery products to independent shops as well as networks of organic and bulk-purchase stores, using its sizeable distribution platform. This strategy has led to a fivefold increase in revenues in the last 10 years to reach €450m in 2020. The business model has proven particularly resilient in the current environment.

The acquisition of a majority stake by PAI will enable EEF to accelerate its growth plans, both organically and externally. PAI will provide support to the company as it further expands through the opening of new Grand Frais stores and continues to develop its B2B operations, both in France and internationally. PAI will also back the company's objective of implementing selective vertical integration, which will allow EEF to cover its entire value chain, from production to sales in store, as well as the ability to transform its most strategic products.

The company will continue to be led by the current management team composed of CEO Christelle Le Hir and Managing Director Arnaud Pascal, both of whom have been at the helm of EEF for more than 10 years. They have helped the company deliver strong and sustainable long-term growth and have successfully managed the challenges brought on by the COVID-19 pandemic. PAI and EEF's founders are very supportive and trusting of the management team's ability to continue to lead the business through the next stages of its development.

Léo and Patrick Bahadourian, founders of EEF and co-founders of Grand Frais, commented: "We have built EEF, and more broadly Grand Frais, on strong values, convinced that consumers expect more transparency from distributors regarding their products. Today, we believe more than ever that EEF and Grand Frais retain considerable growth potential. That is why we have chosen a pan-European partner with long-standing experience and recognised expertise in the sector to help to further expand the business and to seize the best future development opportunities for EEF, Grand Frais and the group's wider ecosystem."

Christelle Le Hir, CEO of EEF, and Arnaud Pascal, Managing Director of EEF, jointly added: "We are pleased that the quality of our business and the group's development prospects are recognised by a leading investment player in Europe. We are convinced that the PAI team, who share our commitments, will bring their know-how to help us seize the many opportunities ahead."



Gaëlle d'Engremont, Partner and Head of Food & Consumer at PAI Partners, commented: "We are pleased to be part of this new stage of EEF's development and look forward to working alongside its management and wider team. EEF is a remarkable example of a responsible company, which has been able to successfully adapt to new trends in food consumption, while integrating them at the very heart of a sustainable distribution model. PAI is committed to providing its expertise and international network to enable EEF to reinforce its strengths and develop the full potential of its model. The experience and strategic vision of Léo and Patrick Bahadourian, whom I would like to thank for welcoming us, are invaluable."

Bertrand Monier, Principal in PAI Partners' Food & Consumer Team, added: "We are convinced by EEF's many development prospects and we look forward to beginning our collaboration with Christelle Le Hir, Arnaud Pascal and the wider team. Their dynamism and expertise will be vital as we approach all the projects to come."

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About PAI Partners

PAI Partners is a leading European private equity firm with offices in Paris, London, Luxembourg, Madrid, Milan, Munich, New York and Stockholm. It manages €13.9 billion of dedicated buyout funds and, since 1994, has completed 75 transactions in 11 countries, representing over €50 billion in transaction value. PAI Partners is characterised by its industrial approach to ownership combined with its sector-based organisation. It provides the companies it owns with the financial, operational and strategic support required to pursue their development and enhance value creation.

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