

Press Release



Alta Growth Capital Successfully Exits AGH

Mexico City, Mexico, February 22, 2023 – Alta Growth Capital (“AGC”) announced today the completion of the sale of Grupo Industrial Artes Graficas, S.A.P.I. DE C.V. (“AGH”), a labels manufacturer in Mexico with an integrated service offering, to Sigma Q Packaging, S.A. (“SigmaQ”), a leading multi-packaging supplier with over 50 years of expertise. Financial terms were not disclosed.

Established in 1977 in Mexico City by the Hinojosa family, AGH has emerged as a prominent player in the label manufacturing industry, leveraging over six decades of industry expertise. Initially founded as a traditional printing house, the company transitioned to label printing in 1980 and later expanded its operations by inaugurating a facility in Guanajuato in 1989. Over the years, AGH has experienced significant growth, driven by both organic expansion and strategic acquisitions. In 2016, Alta invested in AGH, providing capital and expertise to accelerate the company's growth trajectory further.

Erik Carlberg, Managing Director of Alta Growth Capital, highlighted, “the results yielded by this investment in AGH show the benefits of company management and shareholders working together to yield exceptional returns. Through the investment period, we worked together in difficult and in promising situations. We expect that the company will continue thriving in partnership with SigmaQ.”

Throughout the investment period, AGH undertook various strategic actions and initiatives, including the appointment of a new CEO, pricing adjustments, process optimizations, and the establishment of a new customer service department. These efforts significantly improved AGH's overall results, with revenue and EBITDA achieving compounded annual growth rates of 15% and 37%, respectively, throughout the period.

“Working with Alta has been a great experience both for the company and the team,” stated Gerardo Hinojosa Valdés, CEO of AGH. “Through the years they actively contributed at every level of our projects and decision making, with a very strategic involvement and a hands-on attitude. Alta is now a big part of AGH's history and success.”

“We're quite satisfied with our increased presence in Mexico and very enthused to begin a long-term partnership with the Hinojosa family,” said Henry Yarhi, Chairman of SigmaQ.

Alta Growth Capital engaged Alfaro, Dávila & Scherer as financial advisor, while SigmaQ engaged advisory support from Deloitte.

About SigmaQ

SigmaQ is the leading multi-packaging supplier in its region, backed by over 50 years of expertise in packaging and displays. With operations in 16 facilities and offices across the United States, Central America, Mexico, and Asia, SigmaQ provides an extensive range of packaging solutions. From premium packaging and folding cartons to plastic containers, paper bags, displays, and retail fixtures, SigmaQ serves a diverse range of sectors including agriculture, food, beverage, retail, and healthcare.

About Alta Growth Capital

Alta Growth Capital manages private equity funds focused on buyouts and growth equity in middle-market companies in Mexico and Latin America. AGC has been operating since 2007 in Latin America and is now investing out of its third fund.

www.altagc.com

Contact Information

Alta Growth Capital
Scott McDonough
Managing Director
Tel: +52 55 5254 3280
Email: scottm@altagc.com

####