

LBO France expands into Public Equity

Paris, 8 June 2021 – LBO France is moving into the area of Public Equity with the launch of the France Développement fund which has been granted the “Relance” Label

LBO France expands today beyond its ground-breaking private equity business in announcing the launch of a new listed investments business via France Développement. This initial fund has been granted the “Relance” Label, a French government stimulus program, and will take out minority stakes in a limited number of listed French small and mid caps with market caps between €100m and €3bn.

Initiated by a recognised equity manager, Pierre Nebout, backed by Stéphane Sumar, France Développement benefits from LBO France’s know-how as a major private equity player specialising in French small and mid caps. The fund will be managed with all the thoroughness of private equity, with the resources to play its investor role in full as an active, constructive and long-term shareholder.

Listed and non-listed market strategies are synthesized by private-equity experts and the fund manager on the Investment Committee. The Committee ensures a conviction-based management style while supervising risk-taking, which is a trademark of private equity.

Investment holdings will be monitored with a focus on value creation. With the backing of the LBO France Operating Performance team, France Développement aims to make invested companies: 1/ easier to understand and more visible by assisting them in their financial and extra-financial communication; 2/ better performing with its value proposition in operating strategy and financial management; and 3/ more attractive by promoting a constructive dialogue with managers and supervisory bodies, particularly on ESG issues that are essential to economic sustainability.

France Développement has undertaken the process of SRI certification, driven by its conviction that a company must meet the expectations of all stakeholders for its development model to be sustainable in the long term.

France Développement managers comment on the fund’s launch:

Pierre Nebout, Head of Public Equity at LBO France: *"I am particularly enthusiastic about the idea of giving new meaning to the profession of investor through contact with entrepreneurs. The context of the launch of France Développement is particularly attractive. The end of the health crisis has seen a return of investment flows to small and mid caps seeking equity capital to accelerate their growth. The increase in the number of deals reflects the vitality of this market. Our discipline in fundamental analysis is an asset in identifying good business models and assessing risks, a necessity reinforced by the weakening of market research. Finally, rarely has the valuation gap been so wide in favour of listed companies".*

Stéphane Sumar, Investment Director Public Equity: *"Joining LBO France just as the France Développement fund is being launched is the logical conclusion of my 20-plus-year career devoted to the financial research on listed small and mid caps."*

Robert Daussun, CEO at LBO France: *"France Développement stands astride the worlds of private and public equity. It adds a natural strategy to the LBO France platform by providing small and mid caps*

with patient, committed and long-term capital for their development projects and their financial and extra-financial valuation objectives."

Technical characteristics

France Développement is an FPVG (Fonds Professionnel à Vocation Générale). This FPVG format, which allows greater flexibility in the management rules, allows its subscription to professional investors with a minimum initial subscription of €100,000. LBO France is responsible for the financial management and relies on the operational resources of Twenty First Capital, the management company that has delegated the financial management and marketing of the France Développement fund to LBO France.

About LBO France

As a key player in private equity with €6.3bn of commitments, LBO France is an independent company that has been supporting French and Italian companies in their growth for more than 30 years. Its investment strategy is built on 5 distinct segments managed by dedicated teams: (i) Mid Cap Buyout through the White Knight funds and Small Cap Buyout through the Hexagone/Small Caps Opportunities funds, (ii) Venture Capital through the SISA/Digital Health funds, (iii) Real Estate through the White Stone, Lapillus and NewStone funds, (iv) Debt and (v) Public equity. Historically focused on Institutional and Family Office investors, LBO France has recently launched the FCPR White Caps Selection, a private equity fund accessible to individuals through multi-strategy funds. LBO France is 100% owned by its management and employs nearly 60 professionals. Find out more: www.lbofrance.com.

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