

Press Release

In 2023, Siparex stayed on course and continued increasing its assets under management thanks to an active fundraising policy and strong fundamentals

In spite of a slowdown in Private Equity after 10 years of strong growth, Siparex had a satisfactory year with fundraising that remained high at €500 M and sustained operational investment activity. The Group's dynamic in 2023 demonstrates the strength of the platform, which draws on diversified, complementary strategies.

The year was marked by an active fundraising policy, with a total of almost €500 M raised by means of several strategies. This volume of fundraising can be explained, in particular, by the success of the **TiLT Capital 1 energy transition fund**, which exceeded its hard cap to reach €320 M, six months after having reached its first fundraising goal of €250 M€. The **Siparex Midcap 4 Fund** also exceeded its target size with €260 M in less than one year, i.e. an increase of 50% compared to the previous fund, and **Fund ETI 5** increased its investment capacity from €450 M to €500 M. Finally, the Obligations Relance Fund, "**Groupement Territoires de Croissance**", steered by Siparex, has attained a second tranche.

The fundraising's success is down to the loyalty of institutional investors (58 %), despite a general downward trend in their allocations, the continued appetite of family investors (22 %), Funds of Funds for 10%, and the support of Siparex Associés (sponsor of the funds managed by Siparex Group) for 10 %.

The Energy Transition strategy, which is a result of subscriber interest in new areas of investment, counts for 60 % of first-time LPs.

This provides Siparex with a dry powder of over €1 Bn, which is a strong and differentiating asset in a market where liquidity is increasingly rare. It currently has €3.7 Bn of assets under management compared to €3.2 Bn in 2022, having doubled its assets under management over the past four years.

Siparex has a sustained investment volume of €380 M in 2023.

All of the business lines were active for the investment operations, in particular:

Siparex ETI invested €100 M in 3 new majority operations (Passman, Sodikart, and Piercan) to accompany their development and external growth projects, with a strong focus on energy transition.

In a market segment that was resilient in 2023, **Siparex Midcap** was relatively unaffected by the general slowdown and achieved a good investment rate, with over €30 M invested in three companies in order to accompany their transformation from SMEs to ISEs (Cevino Glass, Groupe Rondot, and Syscom Prorep). During the course of the year, the **Entrepreneurs** team also invested €40 M in regional SMEs. As regards the **Fonds France Nucléaire**, it continues its rollout and has completed three new investments for a total of €22 M (Gault Industries, Piercan, and Vulcain) and **Siparex Territoires** invested a total of €25 M.

Driven by the increase in sponsorless operations, **Siparex Mezzanine** has also achieved a good level of investments of €40 M in Kitsuné, HB Aesthetics, Ekstend, and Distriwatt. The team has also invested in five operations through the Obligations Relance fund (Groupement Territoires de Croissance).

Confirming the attractiveness of the energy transition market segment, **TiLT** has significant deal flow and is experiencing considerable drive, with €40 M invested in three new operations (Volta, EODev, and Deltalys).

Finally, **XAnge** was also active in 2023, with around 40 investments and reinvestments (of which Homaio, Sirona, Elba, and Le Fourgon) for a total amount of €34 M.

Siparex completed a large volume of divestments for a total of €270 M despite 2023 having been marked by a slowdown in activity for all players in the sector and by a lifeless Venture Capital market. For example, Siparex ETI completed two excellent divestments for an amount of almost €100 M (NG Travel, and Synchronie). Several operations were deferred to the first half of 2024, and Siparex Midcap disinvested €70 M (Rondot, Nowak, and Locabri in France, Bracchi and HNH in Italy), with a good performance level. Siparex Mezzanine and Siparex Entrepreneurs also had a good year with €45 M and €40 M of divestments, respectively.

Robust, dynamic companies

In this context, the portfolio companies proved robust and dynamic. The Group's portfolio companies (exclusive of TiLT and XAnge) experienced average growth in turnover of 16 % in 2023, and XAnge and TiLT's portfolio companies experienced respective growth of 70 % and 27 %.

The investment teams, supported by the Operating team, actively provided support to their portfolio companies and contributed to value creation, in particular in 4 main areas: Digital, Business Development, Recruitment, and Climate. Siparex provided specific support given to 75 portfolio companies, contributed to 30 key management staff recruitments, and over 60 external growth operations were led by portfolio company CEOs in 2023 of which 40 are part of the ETI portfolio.

Outlook for 2024

2024 appears more hopeful for private equity. Company equity requirements remain significant, in particular in order to finance a large number of upcoming company transmissions and energy transition. With this goal in mind, during the first half of 2024, Siparex is drawing together a Climate team to assist portfolio companies with their transformation issues.

Siparex anticipates a more substantial volume of investments and divestments in 2024. The group continues diversifying its platform, in particular with fundraising for the new Mezzanine Fund, Siparex Intermezzo 3 Carbon Transition, and current reflection on new products.

The company continues considerable international development with supplementary means in Italy and Germany, and its partnership in Canada.

"Siparex has planned ahead for and accelerated its fundraising and has substantial dry powder to allow it to continue its roadmap and accompany business transformation, in particular by strengthening its work on Climate issues in all of its investment strategies, accelerating digital transition, and integrating value sharing within companies. Siparex has strong fundamentals that will allow it to pursue its growth and reach €5 Bn under management," concluded **Bertrand Rambaud**, CEO of Siparex.

About Siparex

Siparex Group, an independent French private equity specialist, has €3.7 billion of capital under management. Siparex enjoys strong organic growth and has carried out significant acquisitions allowing it to work to support companies in their growth and transformation. From start-ups to ISEs, it finances and provides backing for great entrepreneurial adventures thanks to its different business lines: Private Equity: Private Equity (Tilt, Entrepreneurs, Territoires, Midcap, and ETI), Venture Capital (XAnge), and Private Debt.

The Group can count on its significant presence around the country, with six offices in France (Paris, Lyon, Nantes, Lille, Strasbourg and Toulouse), and abroad, with three sites in Europe (Milan, Berlin and Brussels), and partnerships in Africa and North America.

For more information, please visit our website: www.siparex.com.

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