

Paris, July 25, 2018

Strong growth in the first half of 2018:

15.7% revenue growth, with revenue reaching €609M

and +10.7% EBITDA growth, achieving €73M of EBITDA

2 new acquisitions and 1 build-up, totalling €121M invested,

and an agreement to sell Odealim (formerly AssurCopro)

Olivier Millet, Chairman of Eurazeo PME's Executive Board commented: *"Our strong momentum continued during this first half of the year, with new acquisitions and support for the development of companies of which we are shareholders. Two new companies have joined our group: Vitaprotech, a French leader in securing physical access to sensitive sites, and the 2RH Group (Shark, Bering, Segura and Cairn brands), one of the European leaders in motorcycling and outdoor protection gear. With our support, In'Tech Medical completed its acquisition of Bradshaw Medical and doubled its presence in the US. Our portfolio companies enjoyed an excellent half-year in their respective markets and have launched a large number of projects for the second half of the year."*

I. 2 NEW ACQUISITIONS AND 1 BUILD-UP: €121M invested

On 17 July 2018, Eurazeo PME acquired the 2RH Group (Shark, Bering, Segura and Cairn brands), one of the European leaders in motorcycle and outdoor protection equipment. Eurazeo PME invested €63M.

The ambition of Eurazeo PME and its executives is to accelerate the company's growth trajectory by strengthening its leading position in France and Europe, in particular through external growth operations.

Created from the Shark brand in 2008, the 2RH group designs and manufactures protective gear for motorcycling and outdoor activities. This equipment, in line with the company's innovative strategy and spirit, meets the most stringent requirements in terms of performance and safety. 2RH has over 600 employees and several production and logistics sites in France and abroad (i.e. Portugal, Thailand). It now generates over half of its sales outside of France, primarily in Europe, the world's largest market within this sector, where the group is one of the industry leaders.

With revenue of around €100M in 2017 and over 10% organic growth since 2011, the group has acquired two companies: Trophy (Bering, Segura, Bagster) in 2011 and Marlybag (Cairn) in 2016, allowing it to diversify its offerings while strengthening its distribution networks.

On 12 July 2018, Eurazeo PME acquired a stake in ST Group, renamed VITAPROTECH, for €40M. VITAPROTECH is the French leader in securing physical access to sensitive sites through its Sorhea, Protech and TIL Technologies brands. The company achieved revenue of €29M in 2017. The group designs high-end solutions and markets them through a network of integrators to key operators in France and their counterparts in other countries (power plants, logistical infrastructure, sovereign sites, banking and insurance centres, etc.). The group began internationalising a few years ago with three build-up operations (United States, Canada and Belgium) and currently conducts 22% of its business abroad. VITAPROTECH employs around 160 people at five different locations, two of which are in France.

VITAPROTECH aims to serve as an international standard in the field of sensitive site security. In order to achieve this goal, the company is focused on three main initiatives: increasing investment in technology and the associated development of new products and services, accelerating expansion in Europe and America, and the implementation of external growth operations. Eurazeo PME will support these initiatives through its international business network (in the United States, Brazil, China and Germany) and its expertise in operational support (governance, digital, CSR, assimilation of build-ups, etc.).

On 31 May 2018, In'Tech Medical accelerated its development with the financial support of Eurazeo PME, acquiring Bradshaw Medical, the American manufacturer of surgical instruments for orthopedics, specialising in silicone sleeves. The company generated revenue of \$30M in 2017.

Eurazeo PME is supporting In'Tech Medical in its development strategy, financing this operation with an equity investment of €18M. The transaction is an opportunity for In'Tech Medical to double its presence in the United States and strengthen its leading position in the market for orthopaedic surgery tools, providing solutions to its customers worldwide.

II. SIGNING OF AN AGREEMENT TO SELL ODEALIM (formerly AssurCopro)

On 16 July 2018, Eurazeo PME announced an agreement to sell Odealim (formerly AssurCopro), the leading French insurance broker for property professionals, to TA Associates. Eurazeo PME's sale price is €111M, generating returns of double its investment and a 41% IRR over a 2-year period. The transaction should be finalised in October 2018, once the preliminary operations have been completed.

With the backing of Eurazeo PME, Odealim consolidated its position as a market leader with five acquisitions, including InterAssurances, Jacques Boulard and Insor. These transactions facilitated the expansion of the group's customer base and product offering while strengthening its geographical positions in the greater Paris area and the Provence-Alpes-Côte d'Azur region and capturing new territories, including Lyon. Over the past two years, the company has also accelerated its digital transformation with the creation of a Web offering and the forthcoming launch of an innovative and powerful management space for its customers.

III. GROWTH ACTIVITIES IN THE PORTFOLIO COMPANIES

On 30 June 2018, Eurazeo PME's economic revenue reached €609M, up 15.7% on a comparable basis for Eurazeo and at constant exchange rates. Likewise, EBITDA increased by 10.7% to €73M.

- Four of the ten holdings showed very strong revenue growth of over 20% on a comparable basis for Eurazeo and at constant exchange rates:

(1) **Redspher** (formerly Flash Europe): the group's core business, Premium Freight, is growing strongly both in France and abroad. Since Eurazeo PME's initial investment, the group has accelerated its internationalisation and its digital strategy via both external and organic growth. (2) **Odealim** (formerly AssurCopro): The largest French insurance broker for co-ownership groups has increased its pace of add-on acquisitions following Eurazeo PME's investment. (3) **Smile** (purchased in July 2017). Continuous growth of over 20% driven by strong market demand. (4) **In'Tech Medical** (purchased in July 2017) has made two external acquisitions since its Eurazeo PME's initial investment: Pyxidis, a manufacturer of sterilisation containers for orthopaedic surgery, and Bradshaw, an American manufacturer of surgical instruments for orthopaedics.

- Two companies show revenue growth of 10% to 20%:

(1) **Vignal Lighting Group** is progressing well both in Europe and the United States across all of its business segments. (2) **Peters Surgical** is showing strong growth, particularly within its export business.

- For three companies, revenue growth sits between 0% and 10%:

(1) **Orolia** was awarded a \$34M multi-year contract by the US Army for the manufacture of Personnel Recovery Devices. This contract will start in 2019. (2) **MK Direct** grew during the first half of the year through the integration of the Envie de Fraise group, with this growth partly offset by the decline in activity of Françoise Saget, the group's entry-level brand. (3) **Léon de Bruxelles** has experienced an adverse impact of transport strikes.

Dessange International experienced a decline in revenue due to its product distribution and logistics activity, which suffered from the inclement weather conditions at the beginning of the year.

Lastly, the **VITAPROTECH** Group (formerly ST Group) and the **2RH Group** in which Eurazeo PME purchased shares on 12 and 17 July 2018 respectively, will be consolidated from 1 July 2018.

IV. HALF-YEAR NAV GROWTH OF 19%

As of 30 June 2018, total assets under management reached €878M: Eurazeo's shares €456M and management on behalf of Investment Partners €424M. Uncalled commitments on the funds under management amounted to €228M, including €200M for Eurazeo PME III.

Eurazeo PME's NAV was up 16.6% from 31 December 2017 (+€89M) mainly as a result of the increase in Odealim's value, corresponding to the price of the sale agreement, +64% compared to NAV at 31 December 2017. Changes in the scope of consolidation are related, among others, to Eurazeo's share of the Intech Medical build-up (€11M).

V. DEVELOPMENT OF THE EURAZEO PME II AND EURAZEO PME III FUNDS

Eurazeo PME II's (vintage 2013 + initial fund raised €520M) NAV reached €433M (including €130M managed on behalf of Investment Partners), up €89M due, among others, to the 1.8x gross increase in the value of Odealim. After the sale of Odealim, IPR will be 0.9x. As of 30 June, 18, the performance of the Investment Partners was 24%. Eurazeo PME II has called 85% of committed capital.

Launched in May 2017, Eurazeo PME III (€658M) has invested in four companies (two of which were acquired in July 2018) and has called 36% of capital to date. Its NAV, restated by €105M with the two most recent acquisitions, stands at €242M, €92M of which is held by Investment Partners.

VI. DEVELOPMENT OF THE TEAMS

Eurazeo PME is composed of 19 professionals, including 4 members of the Management Board, with broad expertise in both private equity and supporting the transformation of SMEs into mid-size companies.

Eurazeo PME's investment team currently includes 12 members, expanded in July with the **arrival of Associate Kristen Meredith**. Kristen was previously an Associate at BlackRock Private Equity Partners' New York office.

Alexandre Bret will also be joining the investment team as Senior Associate. Alexandre was previously an Associate at Rothschild & Cie.

About Eurazeo PME

Eurazeo PME, a subsidiary of Eurazeo, is an investment company dedicated to making majority investments in French SMEs with a value of up to €200M. As a professional, long-term shareholder, it provides its investments with all the financial, human and organisational resources they need for long-term transformation, and supports the companies in its portfolio in deploying sustainable, and therefore responsible, growth. This commitment is formalised and deployed through a CSR (Corporate Social Responsibility) policy.

Eurazeo PME achieved a consolidated turnover of €1.191M in 2017 and supported the development of: Dessange International, Léon de Bruxelles, Péters Surgical, Vignal Lighting Group, Redspher, MK Direct, Orolia, Odealim, Smile, In'Tech Medical, Vitaprotech and 2RH. These companies are solidly positioned in their markets and led by experienced management teams.

For further information, please visit our website: www.eurazeo-pme.com
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