



EDMOND DE ROTHSCHILD CORPORATE FINANCE ADVISES THE SHAREHOLDERS OF GROUPE SOFILEC IN CONNECTION WITH EQUITY INVESTMENTS BY BNP PARIBAS DÉVELOPPEMENT, SOFIPACA AND BTP CAPITAL INVESTISSEMENT

Edmond de Rothschild Corporate Finance is advising the shareholders of Groupe Sofilec in connection with equity investments by BNP Paribas Développement, Sofipaca and BTP Capital Investissement alongside longstanding investors IRDI, Multicroissance, Sud Croissance and Sofilaro.

Founded by Antoine Le Quellec in 1997, Groupe Sofilec has established itself as a regional specialist in short- and long-term equipment and vehicle hire. The group also offers additional technical inspection services for on-site equipment and electrical installations.

With a workforce now exceeding 270 people, in recent years the Montpellier-based company has delivered sustained growth averaging close to 30% a year. This success story has been spearheaded by a seasoned leadership team, supported since 2020 by regional funds IRDI, Multicroissance, Sud Croissance and Sofilaro. Groupe Sofilec is forecasting revenue in excess of €50 million this year.

Through its network of around 30 branches operating under the Loc+, Apex Location and Covetech (technical inspection) brands, Groupe Sofilec has over 5,800 machines and 1,800 vehicles. This huge network reflects the group's culture of local service and consistent commitment to meeting customers' needs.

These equity investments by BNP Paribas Développement, Sofipaca and BTP Capital Investissement herald a new phase in the company's expansion. Thanks to their increased financial and operational support, Groupe Sofilec is now well placed to step up its business development, notably by opening new branches in France and pursuing external growth opportunities.

Antoine Le Quellec, Chairman of Groupe Sofilec, says: "I'm delighted to welcome these new financial partners, whose support will enable Groupe Sofilec to pursue its growth trajectory. The entire management team is determined to continue with our regional expansion into southwest

France and the Rhône valley. We're also working to diversify our offering to provide hire solutions in the industrial sector. This could involve pursuing targeted external growth opportunities."

Luc Pascal, Head of Investment at BNP Paribas Développement, adds: "We were quickly won over by Groupe Sofilec's track record and the ability of its management team, led by Antoine Le Quellec, to transform the group into a great regional mid-market company. We were particularly impressed by the group's adoption of digital technology and its agility in a sector known for its cyclical nature."

The deal also confirms Edmond de Rothschild Corporate Finance's expertise in supporting regional SMEs and mid-market firms, particularly through capital restructuring operations involving investment funds, and further strengthens its expertise in services to the construction sector.

About BNP Paribas Développement

An independent subsidiary of international banking group BNP Paribas, BNP Paribas Développement is a public limited company (*société anonyme*) with over 35 years' experience of directly investing its own funds as a minority investor to support the development of high-performing SMEs and mid-market firms and help them secure their future by facilitating transfers of ownership. Over and above providing the company with funding to put it on a stable and secure financial footing, BNP Paris Développement's mission is to provide the management team with ongoing support to help it deliver on its medium-term strategic goals. Our role as a minority investor leaves our investees free to put in place appropriate governance arrangements without fear of interference in day-to-day management while benefiting from the strength of a recognised group and the experience of a partner with a diversified portfolio of over 550 investments.

About Sofipaca

Since 1984, Sofipaca, a subsidiary of the Crédit Agricole Provence Côte d'Azur et Crédit Agricole Alpes Provence Regional Banks, has helped more than 300 SMEs and mid-market firms in the Provence-Alpes-Côte d'Azur region with their growth capital, buyout capital and shareholder restructuring projects.

Sofipaca manages in excess of €125 million, including €70 million in own funds, which it invests in regional businesses to help them develop. The capital we invest comes from our own funds, which means we're not bound by time constraints and can adapt to each company's particular economic trajectory rather than having to cater to the demands of an assortment of funding providers.

As a long-term financial investor and active minority shareholder with a responsive and independent team, Sofipaca adapts to each company's plans and helps management teams implement their growth strategies without interfering in their day-to-day management. In keeping with its values, Sofipaca's investment model prioritises local relationships, patient capital, support and empowerment. We are currently supporting around 40 companies, mainly based in southern France.

Sofipaca is part of Crédit Agricole's powerful private equity ecosystem, which encompasses both regional own-funds investment vehicles (Socadif, Carvest, C2AD, Sofipaca, Sofilaro, GSO Capital, Unexo and Nord Capital) and a national vehicle (IDIA). Together, they form one of France's leading minority private equity investors, with over a thousand investments totalling €6.5 billion. Although it usually invests in deals with a ticket size of between €1 million and €7 million, by co-investing with these vehicles Sofipaca can invest up to €50 million. This ecosystem also enables Sofipaca to introduce its investees to an extensive network of businesses and expertise.

About BTP Capital Investissement

Established in 1974, BTP Capital Investissement is a venture capital firm that makes equity and near-equity investments in SMEs and mid-market companies operating in the construction sector and related segments. Its shareholders are the industry's leading institutional investors (Fédération Française du Bâtiment, Fédération Nationale des Travaux Publics, BTP Banque, SMA BTP and ProBTP).

BTP Capital Investissement mainly invests in scenarios that involve internal or external growth or transfers of ownership. Its expertise, experience and highly skilled workforce make it a respected player in its market.

About IRDI

With offices in Toulouse, Montpellier and Bordeaux, management company IRDI Capital Investissement makes equity investments in companies in the wider southeastern region of France at all stages of development (seed funding, venture capital, growth capital, buyout capital and turnaround capital). With €550 million under management, IRDI Capital Investissement can support investments from €200k up to €15 million. IRDI Capital Investissement partners with nearly 200 SMEs in various industry sectors.

About Multicroissance/Sud Croissance

Established in 2019, Sud Croissance is the investment business of Banque Populaire du Sud. Its mission is to make equity investments that support growing businesses and those seeking to transfer ownership. Because Sud Croissance invests its own funds, it is free of the liquidity constraints that typically affect third-party fund managers, enabling it to invest for the long term. Sud Croissance is managed and represented by the team that runs Multicroissance, the investment business of Banque Populaire Occitane. The team thus now covers the entire Occitanie region.

Multicroissance and Sud Croissance are currently invested in more than 75 Occitanie-based companies.

Sud Croissance and Multicroissance share the same investment strategy, enabling them to jointly support Occitanie-based businesses with unit investment amounts of between €0.7 million and €3 million.

About Sofilaro

Sofilaro is the specialist private equity subsidiary of the Crédit Agricole du Languedoc and Crédit Agricole Sud Méditerranée Regional Banks. Established in 1983, its mission is to support the region's entrepreneurs by investing early stage, growth and buyout capital in businesses in all sectors. With €200 million under management, Sofilaro is a key private equity player in its region, particularly in relation to energy transition.

PARTIES TO THE TRANSACTION

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