

SOCIÉTÉ GÉNÉRALE CAPITAL PARTENAIRES (SGCP), OUEST CROISSANCE, BPIFRANCE AND TURENNE GROUPE RENEW THEIR CONFIDENCE IN DEMGY GROUP, EUROPEAN LEADER IN HIGH VALUE-ADDED PLASTICS PROCESSING

Press release

Saint-Aubin-sur-Gaillon, 07/12/2023

Société Générale Capital Partenaires (SGCP), Ouest Croissance, Bpifrance and Turenne Groupe's SLP Sélection & Opportunités are renewing their confidence in the management team as part of a fourth capital transaction to support DEMGY Group's development. At the same time, Bpifrance and Turenne Groupe are strengthening their capital positions.

Prior to this shareholding reorganisation, DEMGY acquired 100% of the shares in the German company E.I.S. Aircraft GmbH held by the Swiss company Etzelmin AG. This makes the DEMGY Group one of Europe's leading players in high added-value plastics processing for the aeronautics sector.

DEMGY, in tune with major industrial challenges, pools the know-how of its subsidiaries to offer its customers sustainable and intelligent solutions, in order to create circular value around plastic and composite materials. Its expertise is based on its recognised knowledge of materials and its mastery of the various technologies used to produce parts and sub-assemblies.

As part of its "Circular Multiplasturgy®" concept, the Group is positioning itself as one of the leading specialists in lightening parts and systems, in an approach that serves not only the performance of its customers but also a more responsible and sustainable society.

In line with its growth plan, DEMGY carried out an external growth operation in Germany with the acquisition of E.I.S.-Aircraft GmbH, which became DEMGY EIS GmbH in September 2023. Thanks to this acquisition, the Group is consolidating its activities in Europe's leading plastics market, while strengthening its European leadership in the field of high added-value plastics for the aeronautics, space and defence sectors. With over 40% of its sales generated in these sectors, DEMGY becomes one of the largest converters in the market.

E.I.S. Aircraft GmbH specialises in the manufacture of components, sub-assemblies and proprietary products in plastic and 100% composite for the civil and military aerospace industries. It comprises 2 sites: (i) the head office at Euskirchen near Cologne, also dedicated to the design and manufacture of aeronautical composite sub-assemblies, and (ii) a second site at Lemgo near Hanover specialising in the injection moulding of high-performance polymers. Together, the two sites employ around 130 people and are expected to generate sales of €25m in 2023, enabling the DEMGY Group to break through the €100m sales barrier.

Following this *build-up* operation, the Group reorganised its capital with the renewed participation of its investors (Ouest Croissance, Bpifrance, Turenne Capital and SGCP). Over the course of the tertiary LMBO initiated in 2015, DEMGY will have more than doubled in size through organic and external growth, with the acquisition of MET PLASTICS (USA, Illinois), CG TEC (France, Doubs), CTS DEVA (Romania) and SPN (France, Paris).

Since 2010, the common thread running through the Group's capital transactions has been the need to increase the value and long-term viability of the management team's stake, which is at the heart of the Group's success.

Pierre-Jean LEDUC, Chairman of DEMGY: "I am delighted, particularly proud and honoured by the renewed confidence shown by our investors in this MBO#4 transaction since 2004, which will enable us to continue our development through organic and external growth while allowing management to relaunch itself. The acquisition of E.I.S Aircraft GmbH, now DEMGY EIS GmbH, is a perfect illustration of our strategy to evolve as an international French ETI in line with the German Mittelstand. In 20 years and through these 4 successive MBOs, DEMGY will have multiplied its size by 4 while accelerating its internationalisation and its market and technological diversification to become a recognised European leader in lightweighting by replacing metal with high-performance plastics and composites".

Olivier Philippon, Director of Investments at Ouest Croissance: "As a partner of DEMGY since 2010, Ouest Croissance has been able to appreciate over the years the commitment of Pierre-Jean LEDUC and his teams, who have masterfully asserted the Group's strategic position in its market: The acquisition of EIS reinforces these strengths and strengthens DEMGY's role as a key player in its market. Ouest Croissance is delighted to have supported DEMGY's development over the years and is delighted to be involved in writing a new page in the Group's history".

Luis Batista, Managing Partner at Turenne Groupe: "We are delighted to be supporting the DEMGY Group, a leading technology player in innovative and sustainable plastics processing, with a strong growth dynamic supported by a seasoned management team. The acquisition of E.I.S. brings complementary strengths and further enhances its international dimension. DEMGY Group is thus positioned as a solid benchmark player in its market, with significant potential for both organic development and external growth. This new transaction, via our Evergreen Sélection & Opportunités vehicle, is part of our ongoing commitment to supporting the Group over the long term, while enabling the management team to grow.

Thibault Peroys & Nicolas Dardenne, Investment Directors at Bpifrance: "We are delighted with this new investment in the Demgy Group, which combines a number of strengths to make it a French champion of tomorrow's plastics industry. Its status as an international ETI in complementary markets in which the Group is a benchmark player, coupled with the fact that it has opened up its capital to a wider range of executives, confirm Bpifrance's determination to support the Group through its financing continuum.

Arthur MILLERY, Investment Officer at SGCP: "While DEMGY has demonstrated the relevance of its *business model* over the last few years, SGCP is very proud to continue supporting Management in its consolidation strategy. There is still plenty of scope for diversification in terms of geography, business sectors, customer base, product families, technologies, etc. With the acquisition of E.I.S. and its current round of financing, the DEMGY Group now has critical mass, a significant geographical footprint and a long-term shareholder base, enabling it to present itself to its customers as a solid partner and a serious consolidator in its market".

About Société Générale Capital Partenaires

Société Générale Capital Partenaires (SGCP) supports the management shareholders of SMEs and SMIs in their development and local presence. SGCP acquires minority stakes in companies, for amounts ranging from €1m to €35m, in a variety of contexts: development through external or organic growth, transfer of capital, reorganisation of the shareholder base, optimisation of the financial structure. Each year, SGCP's teams, based in Paris, Lille, Strasbourg, Lyon, Marseille, Bordeaux and Rennes, invest between €150m and €200m in around twenty transactions, confirming their long-term commitment to financing companies and the economy.

For more information, visit <https://capitalpartenaires.societegenerale.com>

About Ouest Croissance

A subsidiary of the Banques Populaires du Grand Ouest, OUEST CROISSANCE has specialised for over 35 years in capital mobility operations (reclassification, transfer) and the financing needs of growing companies. It invests its own funds (€250m at 31/12/2022) and has supported more than 500 regional partners in this way. With a team of 17 experienced professionals, OUEST CROISSANCE is one of the leading players in the regional private equity market for companies valued at less than €100m. OUEST CROISSANCE currently invests in more than 100 companies in the Grand Ouest region for amounts ranging from €300k to €10m. Our philosophy is

based on the values of transparency, quality of human relations, proximity, attentiveness and efficiency, which enable us to offer managers a balanced, long-term partnership.

About Bpifrance

Bpifrance's equity investments are made by Bpifrance Investissement. Bpifrance finances companies - at every stage of their development - through loans, guarantees and equity. Bpifrance supports them in their innovation and international projects. Bpifrance now also supports their export activities through a wide range of products. Advice, universities, networking and acceleration programmes for start-ups, SMEs and ETIs are also part of the services offered to entrepreneurs.

Thanks to Bpifrance and its 48 regional offices, entrepreneurs have a single, close and efficient point of contact to help them meet their challenges.

For more information: www.Bpifrance.fr - Follow us on Twitter : @Bpifrance - @BpifrancePresse

About Turenne Groupe

Turenne Groupe, one of France's leading private equity firms, has been helping entrepreneurs to innovate, grow and transfer their businesses for over 23 years. An independent player owned by its own teams, Turenne Groupe has almost **€1.6 billion** under management. Its teams of 83 professionals, including 70 investors, based in Paris, Lille (through the management company Nord Capital Partenaires), Nantes, Lyon, Marseille, Bordeaux and Nice, support 210 companies, mainly in the regions, particularly in the healthcare, hotel, digital, environmental services, energy transition and technology start-up sectors.

As a committed investor, Turenne Groupe actively supports its portfolio companies in their ESG approach. As a responsible company, it finances and runs the Béatrice Denys Foundation for Therapeutic Innovation, which rewards the most successful projects in French academic medical research with a view to creating a company.

Speakers:

Management : Pierre-Jean LEDUC (CEO), Delphine AUBIN (CFO)

Investors: SGCP (Arthur MILLERY, Loris BAUDRY, Christelle MANUELLI, Arthur COLIN-SAUNIER), Ouest Croissance (Olivier Philippon, Laurent Bodin, Julie LECOMTE), Bpifrance (Thibault PEROYS, Nicolas DARDENNE), Turenne Capital (Luis BATISTA, Hector GALLICE)

Lenders: Banque Populaire Bourgogne Franche Comté, Banque Populaire Grand Ouest, Caisse d'Epargne et de Prévoyance Normandie, Caisse Régionale de Crédit Agricole Mutuel de Normandie Seine, Bpifrance Financement

DEMGY's advisors: Financial & Acquisition Engineering: Fulcio (Hervé MOREAU); Acquiring legal advisor: Theiselmann Attorneys (Dr. Ruediger THEISELMANN); Acquiring financial due diligence: Mazars (Dr. Christian BACK, Steffen KAHLEFENDT)

Investor Advisory: ACR Avocats (Emmanuelle BELLAND, Marie HOSTIOU)

Management Consulting : ALDA - FORTIUM Avocats (Luc DARTOIS, Alexandre DALION)

Press contacts :

Bpifrance

Raphaëlle Renaudin: 06 58 53 89 76

raphaelle.renaudin@bpifrance.fr

presse@bpifrance.fr

Turenne Group

Press agency

Taddeo: **Nizar Berrada:** 06 38 31 90 50 nizar.berrada@taddeo.fr

Sandra Capela scapela@turennecapital.com

Société Générale

Amandine Grison 01 41 45 92 40 amandine.grison@socgen.com

Bernard Gaudin 01 42 13 15 98 bernard.gaudin@socgen.com