

Sofindev creates new Sofindev VI fund with € 250 million capital

Diegem, 23 December 2022 – Sofindev, a leading investment company specialized in private equity investments (buy-outs and growth capital) in small and medium-sized enterprises based in the Benelux, is creating a new fund, Sofindev VI, with a capital of € 250 million. The new fund aims to continue Sofindev's strategy of creating meaningful value through reliable partnerships with ambitious entrepreneurs in small and medium-sized companies in the Benelux region. To support the growth of Sofindev and its portfolio companies, the Sofindev team was expanded in recent months and a Dutch partner has been recruited.

Sofindev Management, the fund manager of the Sofindev funds, is pleased to announce that a new fund, Sofindev VI, has been created with a capital of € 250 million, significantly more than the previous fund Sofindev V and the maximum amount that was set. To raise this fund, Sofindev's management received a lot of demand from existing investors of its previous funds, as well as from new investors, which well exceeds the target amount of € 250 million.



A first closing of Sofindev VI took place in December 2022 and a final closing will take place in early 2023. The strong interest of current investors of the Sofindev IV and Sofindev V funds form the basis, and the vast majority of the capital of the new Sofindev VI fund. The investor base consists of a mix of well-established entrepreneurs and family investors, as well as a limited number of leading institutional investors. As with the

previous Sofindev funds, a considerable part of the capital of Sofindev VI has also been provided by entrepreneurs and family shareholders of the companies in which Sofindev has invested.

Sofindev IV has invested in eight companies in the period from 2015 to 2019 and realized five successful exits to date, with the sale of HR services company House of Talents in February 2019, the sale of software company GeoDynamics in December 2020, the sale of cooker hood manufacturer Novy in July 2021, the sale of the interest in the roof and facade materials group Fedrus International in October 2021 and the sale of food wholesaler Group Claes in February 2022. Sofindev IV's portfolio to date still includes the following three investments: the business and credit information provider Companyweb, Mabo Group, specialist in space-saving and efficiency improving forklift trucks and automatic guided vehicles and WVT Group, manufacturer of cleaning agents for the industry, food and maritime sector.

In December 2019, Sofindev Management launched the Sofindev V fund (closed in January 2020) with a capital of €170 million. Three years later, Sofindev V has acquired participations in eight companies based in the Benelux, which in turn have realized numerous acquisitions. Investments were made in IT services companies Christiaens and Harmonize It, the wholesaler in decorative wood panel company Vanrobaeys and the recently acquired Gesibois, globally active software company MediaGeniX and recently acquired Bebanjo, active in solutions for content management in the media sector, specialist in fire safety and sprinkler systems Altebra, digital transformation and marketing services agency Loyals Group, machine building company Delta Engineering (which recently acquired Isytech) and supplier to the food retail and food processing sector Foodpartners International. The most recent investment in Arco, a specialist in refrigeration installations, service and maintenance, was announced on December 1, 2022.

Fully in line with the successful investment strategy of Sofindev IV and V and backed by the extensive experience and skills of the Sofindev team, the new Sofindev VI fund will continue to focus on establishing partnerships with ambitious entrepreneurs and managers of small and medium-sized companies that are active within attractive market segments. Sofindev VI will continue the path that Sofindev V has taken and also make direct investments in Dutch companies, next to the historical focus on its Belgian home market, in which Sofindev wants to continue to play a leading role. Sofindev VI will take majority stakes as well as significant minorities and 50% participations. Sofindev approaches the market as a generalist, but has built up relevant experience in various sectors such as digitally driven business services, service and trading companies that form an indispensable link in the logistics and supply chain of various sectors (food, pharmaceuticals, construction,...) and niche companies in the manufacturing industry. These sectors and niches are also characterized by a number of fundamental macro trends that support growth in these sectors. Examples include the need to digitally transform across all industries, a greater focus on sustainability in all aspects of business, and the drive for efficiency, which often drives outsourcing of non-core tasks. Moreover, these sectors are often characterized by high fragmentation, which supports the potential to create value through consolidation and economies of scale via mergers and acquisitions.

In order to continue to fulfill its investment strategy, Sofindev Management, the manager of the Sofindev funds, has significantly expanded its team in the past year. The year 2022 was started with a team of nine people, seven of whom are active in the investment team. At the beginning of 2023, the Sofindev team will consist of fourteen people, eleven of which will be part of the investment team. We previously announced that two analysts, Hugo Thys and Hector Bostoën, have joined us in September 2022 and also that Nicolas De Bruyne has joined Sofindev as investment manager from November 2022. From January 2023, Lodewijk Koeman will start as a partner at Sofindev, to help put Sofindev on the map in the Netherlands.

Eric Van Droogenbroeck and Jan Camerlynck, Managing Partners of Sofindev: “We are extremely grateful to our existing shareholder base for the support we have enjoyed over the past years and continue to experience. In doing so, they show their continued confidence in our team and our strategy. Naturally, we are also very happy and grateful for the confidence of a significant number of new, high-quality investors. Despite the challenging economic, social and geopolitical environment in which we find ourselves today and which leads to great uncertainty, we have experienced massive confidence from our investors to continue our growth and development as a leading private equity firm in the lower mid-market in the Benelux. In addition, we are also especially grateful to the partners in our portfolio companies, for the fantastic collaboration and for their contribution to the meaningful value we try to create together for all stakeholders”.

About Sofindev

Sofindev is a leading independent private equity firm, specializing in buy-out and growth capital for small and medium-sized companies in the Benelux. Sofindev was founded in 1991 by Sofina – controlled by the Boël family – and the Colruyt family. Since then, the Sofindev team has evolved towards full independence and has surrounded itself with a larger number of respected family and (international) institutional investors. These investors include entrepreneurs and owners of family businesses in which Sofindev has invested in the past.

The three most recent Sofindev funds together represent a committed capital of more than € 500 million. Since 2015, the Sofindev IV and V funds have invested more than € 230 million in capital in 16 small and medium-sized companies, which in turn have completed more than 20 acquisitions, both nationally and internationally. With the establishment of Sofindev VI, the Sofindev team manages three successive funds: the Sofindev IV fund (*2015), with a committed capital of € 107 million and three investments still in the portfolio, the Sofindev V fund raised at the end of 2019, with total commitments of €170 million and eight portfolio companies and the Sofindev VI fund launched at the end of 2022 with a capital of €250 million. Like Sofindev IV and Sofindev V, Sofindev VI will invest in the capital of successful small and medium-sized companies in the Benelux, in partnership with the entrepreneurs and management teams of these companies, to support their further growth.

More information on our website: www.sofindev.com