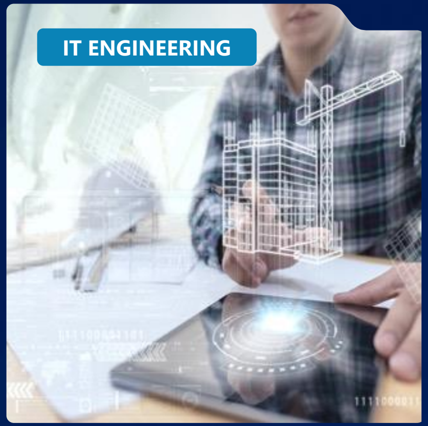
BRYAN, GARNIER & CO

QUARTERLY UPDATE

Q3 2023 | OCTOBER 2023



4 Myths about alternative proteins

1. Fermentation is only useful to produce beer, kombucha and yogurts

Fermentation has historically been used to produce beer and yogurts, but new, more engineered end uses are now being developed with precision fermentation. By modifying microorganisms, companies have been able to create high protein, high fiber ingredients that can enhance plant-based alternatives, but also cruelty-free dairy proteins. Such ingredients account for roughly 12% of the ingredients market and a limited portion of plant-based alternatives, but penetration could increase sharply as products obtain regulatory approval.

2. Mushrooms are only a great addition to my risotto

Mushrooms, or more specifically fungi, has been used for over 40 years to produce mycoprotein, a protein and fiber rich product similar to tempeh or tofu. Although Quorn has been leading the market, new players are entering the field with direct-to-consumer products and ingredients that can be used to produce hybrid plant-based alternatives with better taste and enhanced nutritional profile.

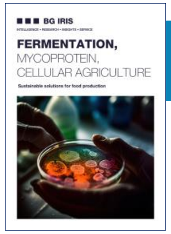
Luxury companies, in particular Kering, are also showing a growing interest in fungi derived leather alternatives and working with key players in the space, as shown by the collaboration between SQIM and Balenciaga.

3. Cultivated meat is not really meat

Cultivated meat has exactly the same nutritional properties, taste and texture as conventional meat. Companies have been working hard to find the perfect growth media formulation to grow a bifteck or chicken breast and clients who've tried it so far (in the US) confirm! Not only do companies look at meat, but also seafood, fat and even leather replication: the cultivated protein landscape offers an unlimited set of opportunities supported by a rapidly evolving regulatory landscape.

4. There are limited investment opportunities in the space

Although fermentation, mycoprotein and cultivated meat have attracted over EUR5bn of investment since 2020, financing needs and opportunities remain in the space. On one side Venture Capitalists will find great novel companies in Europe that need support to reach pilot plant. On another side, later stage investors might want to contribute funding the USD5-12bn CAPEX investments required in the space by 2030. Even large corporates in the food and ingredients space.



Read more in our White Paper

Philippine Adam

Food & Nutrition Analyst
BG IRIS

Energy Transition & Sustainability

Banking for a better future

Leadership

Olivier Beaudouin
Partner,
Head of Industrial Tech,
Energy Transition & Sustainability

“Amid a volatile market environment, we see several reasons to remain optimistic about the future. Climate-focused funds have continued building their AuM, resulting in a significant pile of dry powder earmarked for climate tech investment. The IRA has given a new impetus to the market in the US and beyond.

Finally, while investors have become more demanding on valuation and route to profitability, several landmark transactions have been successfully closed, demonstrating that climate and sovereignty-driven opportunities remain potent themes, notably in verticals like recycling (notably plastics) and circularity, batteries, or rare earths.

Key figures

+20
Transactions since 2020

+90%
Growth Financing

+€1.8 bn
Deal value since 2020

+20
Dedicated bankers and research experts

Selected Deals

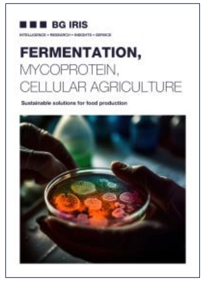
CARBIOS
Rights Issue
EURONEXT
€ 141 000 000
Joint Global Coordinator & Joint Bookrunner

Hydrogen pro
Follow-on Offering
OSLO BØRS
NOK 126 000 000
Joint Global Coordinator & Joint Bookrunner

eve.
Acquired by
ABB
Undisclosed
Sole Financial Advisor to the Sellers

SHARK SOLUTIONS
Private Placement
AXA Investment Managers
CIRCULARITY CAPITAL
BLUE
€ 20 000 000
Financial Advisor

White Papers



BRYAN, GARNIER & CO

Healthcare

Backing innovation in Healthcare

Leadership

Hervé Ronin
Partner, Head of Healthcare

Alex Cogut
Head of Healthcare Research, BG IRIS

“It was a challenging quarter for the market with healthcare indices trading down in line with the general indices as macro-economic uncertainty persisted. That said, it was an unusually robust quarter for public capital raises for European healthcare companies on the back of strong clinical data or following growth pockets in the healthcare services segment.

However, healthcare M&A activity was globally one of the lowest in recent years in terms of value but rebounded in transactions volume. In biopharma, we saw a continuation of a well established pattern by now of big pharma acquiring clinically derisked or commercial stage biotechs.

Key figures

#1
European Healthcare Growth ECM investment bank

+60
Transactions since 2020

€2.5bn
Raised in public capital since 2020

+40
Dedicated bankers and research experts

Selected Deals

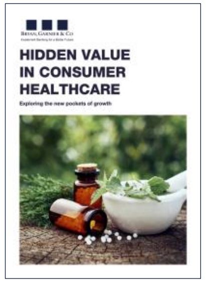
EGETIS THERAPEUTICS
PIPE & Debt Financing
Nasdaq
SEK 462 000 000
Sole Global Coordinator & Sole Bookrunner

ABIVAX
Structured Debt Financing
BlackRock / Claret Capital Partners / SIG
€ 150 000 000
Sole Advisor & Sole Placement Agent

median
Follow-on Offering & Convertible bonds issuance
EURONEXT
€ 21 600 000
Sole Global Coordinator & Sole Bookrunner

PhysioAssist
Acquired by
inogen
$ 45 000 000
(Pending)
Sole Financial Advisor to the Company and its Shareholders

White Papers



Software & FinTech

Delivering for our clients through challenging times

Leadership

Thibaut De Smedt
Partner,
Co-Head of Software & FinTech

Stanislas de Gmeline
Partner,
Co-Head of Software & FinTech

"Acknowledging high but stabilised interest rates, investors in public and private equity remain keen on paying premium valuations to high-performing software vendors.

On the fintech industry, although valuation multiples are nearing an all-time-low, public market investors continue shunning the sector. The deterioration in financing conditions and consumer spending cast a shadow on near term prospects while commoditisation risks put further pressure on sub-scaled players. In that context, fintech companies are natural takeover opportunities for private equity investors.

Key figures

#1
European investment bank in France for Software companies

+15
Transactions as of Q3 2023

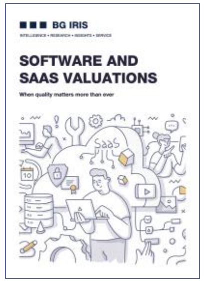
3
Deals involving international strategic buyers

+35
Dedicated professionals

Selected Deals

nehs DIGITAL xperis	EXPLORE DATA FOR SUCCESS	Sinari	KEENSIGHT CAPITAL
Acquired by enovacom	Acquired by INTESCIA	Acquired by	Investment in
Subsidiary of Orange Business	Portfolio company of Five Arrows	Bridgepoint	eAttestations
		Undisclosed	Undisclosed
		July 2023	July 2023
Sole Financial Advisor to the Sellers	*Sole Financial Advisor to the Sellers*	*Sole Financial Advisor to the Sellers*	*Financial Advisor to the Buyer*

White Papers



Investors aim for the stars

The space challenges

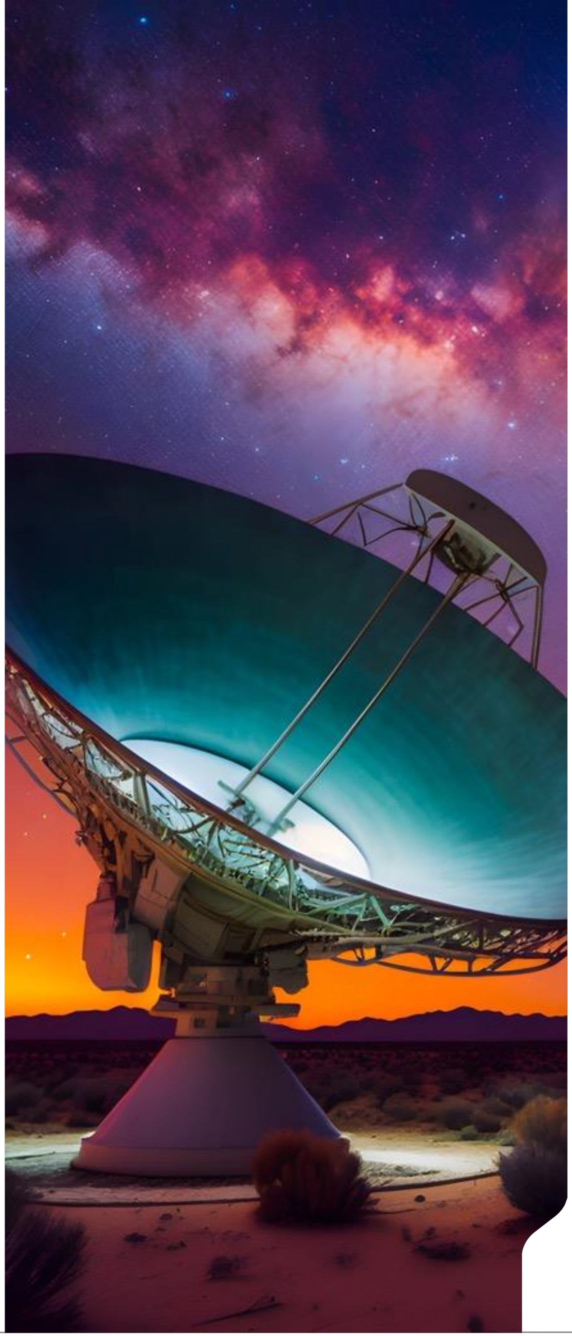
Space has emerged as a notable investment category, drawing capital inflows of tens of billions of dollars since the beginning of NewSpace. Nevertheless, the challenges of investing in space were apparent during a tumultuous 2022. That year was characterized by a more stringent capital environment and the collapse of growth-oriented technological stocks, with a particular impact on Special Purpose Acquisition Companies (SPACs).

Greater market potential

However, the space sector demonstrated commendable resilience. Investment within this sphere experienced a slower rate of decline compared to the global tech industry. Aeronautics and Space stocks managed to outperform the broader market. While space-based value-added services, distinguished by their greater market potential and lower capital intensity, continue to exude strong appeal, our contention is that upstream markets, although often narrower and fragmented, can also be highly attractive due to robust government support.

Increased M&A activity

We anticipate an increasing number of M&A deals to take place in the coming months and years, although transaction activity in the New Space sector has recently been mainly financing oriented.



Consolidation will mainly take place between complementary players resulting in the emergence of category leaders which will become much more relevant for later stage investors, or perhaps even for public markets investors.

Lack of additional required funding may also force certain entrepreneurs to accelerate their M&A plans. Lastly, Satellite incumbents are undoubtedly expected to take an active role by adding innovative capabilities to their existing core offerings.

A record year

The spacetech M&A is witnessing an all-time high, primarily driven by well-capitalised ‘New Space’ acquirers. Space deals in the twelve months leading to Q3 2023 have increased by 45% year-on-year. When putting this trend in the current M&A context, we cannot help but notice that investors are indeed aiming for the stars.

Read more in our White Paper

Florent Roulet

Partner
London

Thomas Coudry

Head of Tech Research
BG IRIS

Antoine Lebourgeois

Associate
BG IRIS

Industrial Tech

Automating industries

Leadership

Olivier Beaudouin
Partner,
Head of Industrial Tech,
Energy Transition & Sustainability

“We're witnessing a resurgence in mid-market M&A as companies embark on strategic transformations to accelerate their growth.

The market is displaying resilience, particularly for cash-rich corporate acquirers and mid-market transactions. We also denote a steady increase in business owners’ willingness to transact in 2024.

Key figures

+20
Transactions since 2020

+€1bn
Deal value since 2020

50%
M&A

+20
Dedicated professionals

Selected Deals

INTEGRITY Investment in AUT *Sole Financial Advisor*	eve. Acquired by ABB *Sole Financial Advisor to the Sellers*	TELOPS Acquired by PHOTONIS *A portfolio company of* HLD *Sole Financial Advisor to the Sellers*	polar Acquired by 3D SYSTEMS *Sole Financial Advisor to the Sellers*

White Papers

IT Engineering - Business & Tech-Enabled Services

A resilient sector

Leadership

Guillaume Nathan
Partner,
Head of Business & Tech-Enabled Services

"Investor interest in IT and Engineering Services firms stays high, since digital transformation and the development of products which include more digital content remain top priorities for organisations. Private equity investors are still actively investing in the sector, although they are increasingly selective in the quality and the potential of their investment.

Finally, M&A momentum is still there, driven by the needs of potential acquirers for additional capacity in targeted areas, provided that sellers are less demanding on valuation.

Key figures

+40
Transactions in the last 3 years

€1.5bn
Deal value since initiation

75%
Sell-side M&A with trade buyers

5
Equity Analysts

Selected Deals

rts
Acquired by
advania
Backed by
Goldman Sachs — IK Partners — VIA equity
Sole Advisor to the Seller

iplan
Acquired by
VULCAIN
EQUISTONE — Sagard
Sole Financial Advisor to the Buyer

room
Private Placement
MARONDO — TGFS — bmlt
Sole Financial Advisor

Canon
Sold
Canon
to
PARAGON
Sole Financial Advisor to the Seller

White Papers

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