

Press release

PINETTE PEI welcomes new financial partners to to speed up growth through innovation and international expansion

2019-09-16, Chalon-sur-Saône, France

In order to further support its ambitions for external growth overseas as well as to market its innovations, the PINETTE PEI has welcomed the investment firm GENEO Capital Entrepreneur into its capital which invests in high-potential SMEs to help them grow. GENEO joins GEI, and Demeter via the European Materials Fund (FEM), which have been part of PEI since 2016 and who also support the operation.

Successful transformation

Founded in 1863, PINETTE PEI has a 150-year history an industrial engineering group, and global leader in equipment for composite-material parts manufacturing, testbeds and assembly. PEI innovates, designs and delivers, turnkey production lines and plants to global technical and industrial centers in the aeronautical, spatial, defense, automotive, and energy sectors. The PINETTE PEI Group also includes the Jean Perrot brand, who is producing bending and folding machines.

Jérôme Hubert, who took over the company in 2011, has been able to continue its development, turning it into an engineering firm on the cutting edge of innovation.

Innovation and international outreach: Two drivers for growth for PINETTE PEI

Already boasting a solid export portfolio (constituting over 65% of sales), the French firm wants to accelerate its international outreach through external growth in Europe and the USA.

In recent years, the director and his teams have developed solid innovative capacities, which have made it possible to implement new, multi-award-winning patented technologies. PINETTE PEI has additionally entered into a host of partnerships with research centers. Its latest innovation, QSP, jointly developed with the Technical Center for Mechanical Industry of Nantes, has revolutionized industrial composite forming to allow for high-speed production without any loss of material. It is particularly aimed at the automotive and aeronautical sectors.

Via these two levers, and after achieving sales of €28 million in 2018, as well as an historic level of orders, PINETTE PEI wants to double its sales to €50 million by 2023.

Choosing a "capital entrepreneur"

In direct continuity of the works led with GEI and the FEM since 2016, Jérôme Hubert opted for GENEO Capital Entrepreneur to consolidate its governance and offer support in implementation of this growth strategy.

By offering directors real "entrepreneurial capital" GENEO wishes to provide them with the means to achieve their ambitions. GENEO Capital Entrepreneur therefore has the structure of an investment firm and provides "evergreen" capital that can be adapted to natural company cycles, thus allowing the companies to take opportunities, notably by making purchases at any time. PEI's "Growth Roadmap", jointly developed with Jérôme Hubert and joint investors, sets up support to implement the strategy of the company, which then has access to the platform of GENEO experts and the GENEO community (over 70 entrepreneurs and family-offices—performance-minded entrepreneurs—who share experiences and networks).

Jérôme Hubert, President of PINETTE PEI: "Development over the last five years has been focused on promoting our innovations. After this phase of organic growth, backed by our new financial entrepreneurial partners, PEI is entering a new phase. Our teams want to continuously provide more value to our industrial clients with a more well-rounded and global offer. We are determined to achieve external growth in Europe and North America."

François Rivolier, joint founder of GENEO: "The whole team at GENEO Capital Entrepreneur is proud to be able to offer support for PINETTE PEI's strategy for external growth, as an innovative actor in French industry, in line with a clear philosophy

of excellence, internationalization and build-up. The PEI innovation portfolio is impressive, and the QSP technology should constitute a solid lever. The Growth Roadmap jointly developed with Jérôme Hubert and our partners has been tailored to support this solid ambition."

Frédéric Dubuisson, associate joint founder of GEI: "PINETTE PEI was the last investment of our first fund, and given the time and resources required to achieve PEI's medium-term strategic objectives we decided, along with Jérôme Hubert and the FEM, to open up our capital sooner and bring in a new reference shareholder. In making our choice, we favored a new shareholder who shares in our values as entrepreneurs and who supports PEI's strategy. We are supporting this new phase of growth for PEI with a great deal of confidence via an investment from our second GEI fund."

Laurent Bocahut, partner at Demeter responsible for management of the FEM, adds: "We are delighted to continue to support the international expansion of PINETTE PEI led in recent years by Jérôme Hubert and his team. With the arrival of GENEO to our capital structure and the continued support of GEI and the FEM, PEI secures the resources to match its ambitions and seize the development opportunities which will certainly materialize in France, Europe and beyond. It will be an honor and delight for Demeter to contribute via the FEM!"

About the PINETTE PEI Group

The PINETTE PEI Group, which has a total of 120 engineers and technicians, is a global leader in composite material forming, testbeds and assembly equipment. PEI innovates, designs and delivers turnkey productions lines and plants to global technical and industrial centers in the aeronautical, spatial, defense, automotive, and energy sectors. The PEI Group also includes the Jean Perrot brand, who is producing bending and folding machines.

It creates value in its global markets through innovation, its global involvement capacity, as integrator, provider and its expertise. PEI is a member of Bpifrance Excellence and many international networks.

PEI has also undertaken an overall CSR commitment and has been awarded the Ecovadis GOLD medal.

For further information, please visit www.pinetteemidecau.com – www.jeanperrot.eu

About GENEO Capital Entrepreneur

GENEO Capital Entrepreneur is an investment company offering support to SMEs in France and Benelux to grow their capital and family or managerial transfer projects. It takes minority stakes in companies with minimum sales of €10 million, minimum operating profits of €1 million, and which are primarily owned by directors and/or their families. It may invest €1 to €15 million, in the form of shares or quasi-equity. Its legal form as a company (rather than a fund per se) allows it to manage time and implement long-term strategies.

Each company involved receives personalized support pathway, jointly created with the entrepreneur, taking the form of a Growth Roadmap which can be assisted by experts from the GENEO panel.

GENEO also capitalizes on the experience of its team and the support of 55 entrepreneurs or families, who are convinced about the attractiveness of "entrepreneurial capital" and who share experience and commercial networks. Its capital has already been injected with €130 million and the investment company is constantly raising new capital so as to expand the GENEO Community.

GENEO is committed to granting each generation the means to achieve its ambitions!

For further information, please visit: www.geneocapitalentrepreneur.com

About GEI

An independent investment fund with €150 million in assets, primarily used by entrepreneurs, GEI offers industry- or profession-specific expertise to directors of holdings. Based in Nancy, Strasbourg, and Lille, the fund acts as a majority and minority shareholder, for unit amounts of between €3 and €15 million. Without any exclusive industry-specific approach or dogma in terms of the use of funds contributed, the investment strategy in place consists of supporting profitable SMEs and intermediary firms undergoing growth in the context of development and transfers. Actions are tailored to each case and focus on the alignment of interests between directors and investors.

For further information, please visit: www.fonds-gei.com

About DEMETER and the FEM

Demeter is an independent management company specializing in the management of private equity funds dedicated to the environment (water, waste, air, soil) and energy transition sectors (renewable energy, energy efficiency, clean transportation). Demeter manages €1 billion around 3 divisions covering the entire value chain of private equity: Innovation (start-ups financing), Growth Capital (SMEs & Midcaps financing) and Infrastructure (projects financing). Demeter has already invested in more than 130 companies and infrastructure projects in the environment and energy transition sectors.

Demeter also has a strong European presence through its offices in France (Paris – Grenoble – Metz), Spain (Madrid) and Germany (Munster), but also through its partnerships with Cycle Capital investment funds in Canada and eCapital in Germany, giving the company a real international standing.

The Fonds Européen de Matériaux (European Materials Fund) is a private equity investment fund focusing on innovation capital and growth capital, active mainly in France and Benelux. With investment capacity of approximately €1 to €3 million per deal, the FEM is supporting entrepreneurial ventures in the industry with a specific interest and know-how in the fields of materials and industrial processes (metals, plastics, wood and composites...).

Further information available at: www.demeter-im.com

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Stakeholders:

GENEO Capital Entrepreneur (Fanny Letier, François Rivolier, Rodolphe Vernazza), GEI (Frédéric Dubuisson, Pierrick Jeannot), Demeter (Laurent Bocahut), PEI Financial Advisor: Canaccord Genuity (Christian Menard, Erwan Robertet), PEI Legal Advisor: Lamartine (Olivier Renault, Bintou Niang, Aude Marcheux), VDD: Grant Thornton (Laurent Prost), Investor Legal Advisor; Duteil Avocats (François Duteil, David Merlet, Benoît Lespinasse), Investor Financial Audit: Next! (Hervé Krissi, Victor Reveret).

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