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### **NextStage announces the registration of its *document de base* in the context of its planned initial public offering on the regulated market of Euronext in Paris**

Paris, France, on November 22, 2016 – NextStage, an investment company that specialises in long-term investments in MSCs<sup>1</sup> (Mid-Sized Companies), announces the registration of its *document de base* with the French Financial Markets Authority (“**AMF**”) under No. I. 16-077 dated 21 November, 2016.

The registration of the *document de base* is the first step towards an initial public offering of NextStage’s shares on the regulated market of Euronext Paris, subject to market conditions and to preliminary regulatory requirements, including the AMF’s approval of the prospectus to be prepared in respect of the contemplated offering.

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<sup>1</sup> MSC: Mid-Sized Company: Revenues ranging between €10 million and €500 million

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### NextStage specialises in long-term investments in MSCs<sup>2</sup>

NextStage, which was founded in March 2015, is an investment company and platform that enables entrepreneurs and investors to meet one another. NextStage provides an innovative solution for equity investments in mid-sized companies (MSCs) based in France and Europe. It grants access to a category of assets that is unlisted and hard to access, which offers growth and performance. NextStage invests with no time limit (or “patient capital”), in order to support MSCs over the long-term and provide them with all the equity capital resources necessary from both a strategic and operating standpoint, so that they become the leaders on their market.

NextStage identifies and selects talented entrepreneurs at the head of companies with a tried and tested business model, and which have a significant growth potential. The aim is to drive the growth of leading MSCs via boosting their equity capital, on the basis of one or several of the four fundamental cross-sector trends arising from the 3<sup>rd</sup> Industrial Revolution, e.g. the economy linked to the value of our emotions and to the quality of the customer experience, the industrial Internet, the on-demand and sharing economy<sup>3</sup>, and positive growth (or green growth).

NextStage is a Partnership Limited by Shares (a “*Société en commandite par actions*”), where the sole Managing Partner (the “*Gérant*”) is NextStage AM, a Management Company founded in 2002, and authorised by the AMF<sup>4</sup>. NextStage relies on NextStage AM’s know-how, and on the expertise of its Partner Managers, Grégoire Sentilhes, Jean-David Haas, Vincent Bazi, and Nicolas de Saint Etienne. NextStage drives value creation thanks to innovation, internationalisation, external growth, and strengthening the teams from an operating standpoint by relying on a strong entrepreneur-investor culture: NextStage AM’s partner managers combine their experience as business founders and equity investors in Europe, as well as in the United States and Asia.

NextStage’s share capital has been held by major institutional investors since the outset, including Amundi, AXA, advised by Ardian, the French Insurance Management Fund (FGA), and well-known private investors such as Artémis and Téthys, together with NextStage AM’s founding partners. These shareholders, who are confident in the company’s prospects, have actively supported its development strategy, which is based on MSCs that are part of the 3<sup>rd</sup> Industrial Revolution, since its foundation. NextStage has opted for the tax status of a venture-capital company (“*Société de capital-risque*”), in order to benefit from the favourable tax arrangements attached to that

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<sup>2</sup> Mid-Size Company or MSC: A company that generates revenues of between €10 million and €500 million.

<sup>3</sup> On-demand and sharing economy: This is primarily the so-called quaternary sector of the economy, the products of which are neither goods nor services, but new services that include goods, as well as the temporary availability of goods or people.

<sup>4</sup> In view of the Company’s legal form, NextStage Partners, the General Partner, and NextStage AM, the Managing Partner, have considerable powers compared with those of the other corporate bodies (General Meeting of Limited Partners, and/or Supervisory Board). In addition, it is appropriate to remind you that NextStage’s Managing Directors are identical to NextStage AM’s Managing Directors. Due to the existence of a Supervisory Board that includes a majority of independent members, and is assisted by specialised committees, the Company nonetheless believes that the Managing Partner and General Partner’s control over the Company may not be exercised in an abusive manner. However, the governance system does not provide the same structural and legal guarantees for the protection of the Limited Partners’ rights and powers as that provided by other corporate forms.

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status in the event that profits or capital gains are generated<sup>5</sup>. It is specified that the tax status attached to venture-capital companies allows for a tax exemption or reduction on certain proceeds and capital gains distributed by the venture-capital company, subject to certain conditions, including a five-year holding period (for further information, please see Section 4.3.4 – “Risks relating to the arrangements for venture-capital companies” of the *document de base*). Furthermore, in view of the Company's specific features and of the tax arrangements applicable to the holding period for its shares, it is likely that the Company's shares will enjoy a low level of liquidity. It is also appropriate to note that the Company's shareholders may be diluted as a result of the issuance or conversion of preferred shares. Lastly, NextStage does not intend to pay dividends over the coming years, in order to reinvest those dividends within the Company.

Grégoire Sentilhes, the Chairman of NextStage, made the following comments: *“We have built an innovative platform with NextStage, which enables us to support entrepreneurs over the long-term, while offering investors ongoing liquidity. Our approach is in line with an overall and consistent view intended to finance the development, and drive the growth of MSCs that are positioned on the trends of the 3<sup>rd</sup> Industrial Revolution in France and Europe. It is among these MSCs, which represent between 30% and 40% of European GDP on average, that we find the best performing operators in terms of competitiveness and job creation. However, their main challenge is to finance their growth by boosting their equity capital. We are currently seeing an inflection point in the structure for financing the economy in Europe, and particularly in France; the structure is becoming closer to the US model, which involves fewer intermediaries, more equity, and is more market-driven. This trend is reflected in lower recourse to financing growth via debt, and greater recourse to equity investment. At NextStage, we provide unique strategic and operating value-added, which enables us to create value for both entrepreneurs and investors as part of a virtuous circle”.*

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<sup>5</sup> It is specified that the tax status attached to venture-capital companies allows for a tax exemption or reduction on certain proceeds and capital gains distributed by the venture-capital company, subject to certain conditions, including a five-year holding period (for further information, please see Section 4.3.4 – “Risks relating to the arrangements for venture-capital companies” in the pathfinder prospectus).

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### The neglected growth potential of French and European MSCs

MSCs are the best performing operators in terms of competitiveness and job creation, thanks to their flexibility from an innovation standpoint, and their ability to penetrate global markets. Accordingly, among the 140,700 MSCs based in the four largest European economies, i.e. Germany, the United Kingdom, France, and Italy, around 39,000 MSCs, including 8,800 in France, have a growth rate that is three times higher than their country's economic growth rate<sup>6</sup>, and have the potential to become leaders on their market.

However, these European MSCs lack equity capital. By investing with no time limits ("patient capital" investment), NextStage's role is to provide the entrepreneurs at the companies that it supports over the long-term with the necessary equity capital resources. By remaining systematically represented, and playing an active role in the governance systems of the companies in which it invests<sup>7</sup>, NextStage also supports these companies from a strategic and operating standpoint, in order to enable them to become the future leaders on their markets.

### A new approach to equity investment in MSCs, via an entrepreneur-investor strategy

NextStage offers a new approach to equity investment in MSCs, thanks to:

- Unique value creation via "patient capital": investing with no time limits enables the Company to drive growth at MSCs over the long-term, and to maximise value creation for investors;
- The tried and tested know-how of the NextStage AM teams in terms of selecting, and driving growth at MSCs. The NextStage AM teams have raised €510 million since the management company was founded in 2002, and have made 107 investments in both unlisted and listed companies. The exit multiple for listed investments has been 1.94 times, while the exit multiple for unlisted investments has been 1.85 times since early 2009<sup>8</sup>;
- Over the past 15 years, the NextStage AM team has built a virtuous entrepreneurial ecosystem, which feeds a substantial deal flow, most often without any intermediaries (involving 300 deals on average every year compared with only 5 to 10 investments made every year, following a thorough selection process);

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<sup>6</sup> Source: GE Capital 2012, Mighty Middle Report

<sup>7</sup> Systematically for unlisted investments

<sup>8</sup> As at 31.12.2015, according to the figures audited by KPMG on an annual basis

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- Close alignment between the interests of NextStage, entrepreneurs, and investors: a light cost structure with sliding management fees<sup>9</sup>, dividends and capital gains that are reinvested and capitalised within NextStage, in order to maximise their value, and lastly, a carried interest<sup>10</sup>, which strengthens the alignment between the investment team and shareholders.

### **A portfolio that already includes 8 investments made in 16 months, and a Net Asset Value of €117.9 million as at 30.09.2016**

NextStage has built a portfolio of eight companies in just 16 months. First, NextStage selects talented entrepreneurs at the head of companies where the business model is tried and tested and robust, and which have significant growth potential. The investment consists almost exclusively in equity capital (shares or convertible bonds), while the use of leverage is nil or limited. The amount invested may range between €4 million<sup>11</sup> and €40 million. NextStage is systematically represented, and plays an active role in the governance system of the companies in which it invests<sup>12</sup>.

All of the companies in NextStage's portfolio, where an investment has been made on the basis of a weighted average EV/EBITDA<sup>13</sup> multiple of less than 6 times, are listed in an Appendix to this press release.

These companies generated average revenues of €38.6 million in 2015, and reported an average revenue growth rate of 25.3%. All of the companies offer strong growth potential over the coming years.

NextStage's NAV amounted to €117.9 million as at 30 September 2016, i.e. €100.228 per share, including €45.6 million in unlisted investments, and €75.1 million in available cash.

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<sup>9</sup> Management fees: on a sliding scale of 1.25% up to €300 million, 1% between €300 million and €500 million, and 0.75% above €500 million.

<sup>10</sup> Carried interest: a mechanism that offers the teams an equity stake in the performance of their portfolio. This mechanism works as follows: the individuals concerned subscribe to preferred shares that are convertible into ordinary shares on an annual basis at the end of a financial year, where the value created for shareholders over one year, as measured by the increase in market capitalisation (excluding any external capital transactions) plus any dividends paid exceeds 8% of the market capitalisation at the beginning of the financial year. It is worth specifying in this context that the carried interest is not paid in cash, but in shares with a lock-up period of two years.

<sup>11</sup> €4 million exclusively dedicated to unlisted investments

<sup>12</sup> Systematically for unlisted investments

<sup>13</sup> The weighted average EV/EBITDA multiple refers to the ratio between the total enterprise value of the eight companies in NextStage's portfolio weighted according to the size of those companies in the overall portfolio, on the one hand, and the total EBITDA weighted by the size of the investments in the eight companies in the portfolio, on the other.

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### **An ambitious development plan**

NextStage is entering a new stage of its development, by strengthening its financial resources with a view to new investments, in order to gradually reach a target equity capital level of €500 million by 2020, and build a portfolio of between 40 and 50 companies, with a target breakdown of 75% in the unlisted sector, and 25% in the listed sector on Euronext or Alternext. The company wishes to become a standard-setting investor in MSCs in France and Europe.

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### APPENDIX: Table showing the companies in the portfolio

Company name	Underlying trend	Business	Figures
Fountaine Pajot	<ul style="list-style-type: none"> <li>- emotion-led economy</li> <li>- positive economy</li> <li>- industrial Internet</li> </ul>	The company, which is based in La Rochelle and employs 450 people, is the third-largest global operator (85% of its revenues are generated abroad) specialising in the design and manufacture of sailing and motorised cruising catamarans, and one of the Top 50 export companies in France.	2015 revenues: €71.0 million Interest held: 36.9% in Compagnie du Catamaran, the holding company for Fountaine Pajot Amount invested: €7.0 million
Acorus	<ul style="list-style-type: none"> <li>- on-demand and sharing economy</li> <li>- positive economy</li> </ul>	Acorus has established a solid reputation by adopting a pioneering position as a building services company (which combines integrated expertise in all building trades), and enjoys a high rate of repeat business.	2015 revenues: €95.0 million Interest held: 9.6% Amount invested: €4.1 million
BOW (Be Over the World)	<ul style="list-style-type: none"> <li>- on-demand and sharing economy</li> <li>- industrial Internet</li> </ul>	BOW is the standard-setter in the wearables sector, and offers a comprehensive range of smart watches and activity trackers, in the designer, fashion, and affordable categories. BOW operates in Europe (No. 2 in France), the United States, and Asia.	2015 revenues: €15.0 million Interest held: 23.3% Amount invested: €5.3 million
Linxea	<ul style="list-style-type: none"> <li>- on-demand and sharing economy</li> </ul>	Linxea is an independent fintech company, which was founded in 2001 and is a pioneer in the digital distribution of savings and insurance products. The company is positioned as one of the French leaders in the online life insurance distribution market (21,600 customers and €860 million in assets under management).	Net inflow: 2015: €132.0 million Interest held: 27.6% Amount invested: €5.1 million
Adopt'	<ul style="list-style-type: none"> <li>- emotion-led economy</li> <li>- on-demand and sharing economy</li> </ul>	Adopt' is a unique fragrance and own-brand cosmetics creation, manufacturing, and distribution company, which combines quality and entry-level price points, and is expanding in France and abroad (100 retail outlets and online).	2015 revenues: €22.6 million Interest held: 43.1% Amount invested: €6.1 million

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Companies	Underlying trends	Business	Figures
EFESO	- industrial Internet - on-demand and sharing economy	The Group's business (Franco-Italian entrepreneurs, 450 employees, 300 customers, and 25 countries) is based on three kinds of services: managing change, improving operating performance, and strategy consulting.	2015 revenues: €75.4 million Interest held: 5.7% Amount invested: €3.0 million
Glass Partners Solutions (GPS)	- on-demand and sharing economy - positive economy	The Group is one of the independent leaders in the French flat glass distribution market, thanks to its unique model as a distributor and processor of standard and specialty flat glass in France, Spain, and Portugal.	2015 revenues: €34.5 million Interest held: 23.3% Amount invested: €5.66 million
Coorpacademy	- on-demand and sharing economy	The European leader in the corporate MOOC sector, which relies on an innovative technological educational platform, and on a business model with a high rate of repeat business. The company's portfolio includes 40% of customers in the CAC 40 Index and Fortune 500.	2015 revenues: €3.9 million Interest held: 14.2% Amount invested: €4.6 million

Availability of the *document de base* – NextStage's *document de base*, which was registered with the AMF on 21 November, 2016 under number I.16-077, is available free of charge from NextStage (19 avenue George V, 75008 Paris) on request, as well as on the Company's websites ([www.nextstage.com/sca](http://www.nextstage.com/sca) and [www.nextstage-ipo.com](http://www.nextstage-ipo.com)) and from the AMF ([www.amf-france.org](http://www.amf-france.org)). The *document de base* contains a detailed description of NextStage, its business activities, its strategy, its financial position, its results, and the risk factors relating to its business activities.

Risk Factors – The company draws the public's attention to Section 4 "Risk Factors" of the *document de base* registered with the AMF. The materialisation of all or some of these risks could have an adverse impact on the company's business activities, reputation, operating income, financial position or future prospects. Readers are specifically invited to familiarise themselves with the following risk factors: risks relating to the business activities (risk of capital loss, and liquidity and valuation risk), to the Company's specific legal (Partnership Limited by Shares) and tax (venture-capital company) features, and to its dividend policy (the Company does not intend to pay dividends).

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### **About NextStage**

*NextStage is an investment company that was founded in March 2015 and specialises in Mid-Sized Companies (MSCs); it provides access to a category of unlisted assets that are hard to access, and offer growth and potential. Its investments consist of equity capital with little or no leverage, and with no time limits, alongside visionary entrepreneurs. NextStage relies on the know-how and strength of the NextStage AM management company, which was founded in 2002. NextStage had already made eight investments as at 30 September 2016. It benefits from attractive venture-capital company tax arrangements. The Company's share capital is held by top-tier investors such as Artémis, Thétys, AXA, Amundi, etc. NextStage intends to implement an ambitious plan with a view to driving the growth of leading MSCs, based on four fundamental cross-sector trends arising from the 3<sup>rd</sup> Industrial Revolution: the economy led by our emotions and the quality of the customer experience, the on-demand and sharing economy, the industrial Internet, and positive growth (or green growth).*

For further information, please go to [www.nextstage-ipo.com](http://www.nextstage-ipo.com) or to [info-investor@NextStage.com](mailto:info-investor@NextStage.com)

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This press release, and the information that it contains, does not amount to an offer for sale or subscription, or to the solicitation of a purchase or subscription order for shares in NextStage (the “**Company**”) in any country. No shares have been or will be offered in France prior to obtaining the French Financial Markets Authority’s (“**AMF**”) approval of a prospectus that consists of the pathfinder prospectus that is the subject of this press release, and of an offering circular that will be submitted to the AMF at a later date.

This press release does not amount to an offer for sale of transferable securities, or any solicitation of a purchase or subscription order for transferable securities in the United States. Shares or any other transferable securities issued by the Company can only be offered or sold in the United States following registration pursuant to the US Securities Act 1933, as amended, or in the event of an exemption to this registration requirement. The Company’s shares have not been, and will not be registered under the US Securities Act 1933, as amended, and the Company does not intend to launch any public offering of its shares in the United States.

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This press release amounts to a promotional communication and not to a prospectus within the meaning of Directive 2003/71/EC issued by the European Parliament and Council on 4 November 2003 (as specifically amended by Directive 2010/73/EU to the extent that this Directive has been transposed in each Member State of the European Economic Area) (the “**Prospectus Directive**”).

In the case of European Economic Area Member States that have transposed the Prospectus Directive, no measures have been undertaken or will be undertaken in order to enable a public offering of the transferable securities that are the subject of this press release, and which requires NextStage to publish a prospectus in any Member State other than France. As a result, the Company’s shares cannot be offered and will not be offered in any Member State other than France, except in accordance with the exemptions provided for in Article 3(2) of the Prospectus Directive, if such exemptions have been transposed in that Member State, or in other cases that do not require the Company to publish a prospectus under Article 3(2) of the Prospectus Directive, and/or the regulations applicable in that Member State.

In the case of the United Kingdom, this press release is only intended for persons who (i) are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as currently in effect, hereinafter the “**Financial Promotion Order**”), (ii) are referred to in Article 49(2) (a) to (d) (“*high net worth companies, unincorporated associations, etc.*”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or incentive to engage in investment activities (within the meaning of Section 21 of the Financial Services and Markets Act 2000) as part of the issuance or disposal of any transferable securities may be legally issued, either directly or indirectly (all of these persons are jointly referred to as the “**Authorised Persons**”). This press release is exclusively intended for Authorised Persons, and cannot be used by any other person than an Authorised Person. Any investment or

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This press release contains forward-looking statements. No guarantee is given regarding the realisation of these forward-looking statements, which involve risks, including those described in the pathfinder prospectus registered with the AMF under No. I.16-077 on November 21, 2016, and which depend on changes in the economic conditions, the financial markets, and the sector in which NextStage operates.