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NEWSLETTER
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Good News from INDIA

by Philippe Delecourt
Managing Partner, LINKERS

CONTENTS

From the Helm... p.1

Good News from INDIA
P. Delecourt, LINKERS

In our Element... p.2

Successful Missions

Hellokids
Splendia
Phase 4
CARI Menuiserie
Quanteam
Wedia
LM2S
NEAVIA Technologies

Captain's Log p.3

Testimonial
A. Guesdon, LM2S
Missions in progress
On board with...
L. Munaretto, IndEU Capital

Over the Seas... p.4

An Olympian Victory
M&A WW Forum in New Delhi
Cross-border Missions
International Network
Our Crew

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India, the most populated country in the planet after its rival China, will soon be the first with a population of 1.4 billion five years from now. The country may be only tenth in terms of global wealth but it has one of the most dynamic economies in the world, with a growth-rate of 7.5%, the highest among the BRICs and double the average global growth-rate of 3.5%.

The Indian sub-continent has, therefore, huge market potential for French companies.

This positive outlook is compounded by a major improvement in the economic fundamentals of the largest democracy in the world dating from 2014 when the National Liberal Democratic Party came to power after ten years of Congress Party government. The trade balance is approaching a surplus, inflation is under control and Prime Minister Narendra Modi's conservative, pro-business government has initiated sweeping reforms. One of the reforms, the unification of the domestic fiscal policy, will transform its currently compartmentalized market into **single free inter-state trade market for 1.3 billion Indians!**

In 2014, Narendra Modi launched a major initiative called "Make in India" to loosen the grip of the obstructive bureaucracy inherited from the Nehru-Ghandi dynasty and also modernise the country's infrastructure in a bid to attract foreign capital and transform India into a global manufacturing hub capable of competing

with China, its principal rival. French companies already have 1000 sites in India representing more than 300,000 jobs, and plan on investing a further **€9 bn in the next five years!**

In fact, after a marked decline in exportations, France is now signing a number of large contracts with India. Other than the sale of 36 Rafale planes to the Indian Army by Dassault Aviation, Solairedirect has walked away with two solar projects in Rajasthan, and Engie Group has estimated that its photovoltaic projects will total 2 gigawatts by 2019. In addition, Alstom will be providing 800 electric locomotives to the Indian Railways Company from a future in-situ factory and Suez has signed important contracts for supplying water and sanitation to Bengaluru and for the construction of 150 potable water units in Rajasthan, among others.

Business France, a national agency which facilitates the international development of French companies, has identified **a number of sectors that are of particular interest:** telecommunications and the digital economy (India is the second largest user market with 900 million active mobile traffic connections and 10 billion phone apps downloaded every year!!!), renewable energy (35% growth in the solar sector), infrastructure (15 new metro projects are currently underway), health and pharmaceuticals (70% of all medical devices are imported), automobile (India will rise from sixth to third in terms of global production by 2020),

food-processing (there is strong growth in domestic demand), electronics (third largest import in India) and innovative technologies (India is the world leader in R&D outsourcing provision).

You don't have to be a big group to have big ambitions in India; **LINKERS and its Indian counterpart CORPORATE CATALYST INDIA assist small and mid-sized French companies to implement their projects in this compelling continent,** be they an operational marketing company seeking a partnership with a local manufacturer as a way to penetrate the market; a telecom specialist in need of joint-venture opportunity with a datacentre manager for service distribution; a meteorological company looking to buy in the same sector or an industrial holding company considering the acquisition of a car parts manufacturer...

At the moment India ranks 30th in terms of our sales (€3m) and 17th in acquisitions (€5m). However, the country is young (70% of the population is under 36), politically stable, has an independent judicial system and moderate tax rates. The working population is very highly qualified with 2.5m university graduates a year, who tend to gravitate naturally towards the innovative technology sector.

India is certainly among the most exciting sources of business opportunities for French companies, including our PME's and ETI's.



Successful Missions:

Internet Gaming Sale

HELLOKIDS the media division of COBALINK created by the 'serial entrepreneur' Augustin Ory has just been sold to ORANGE GAMES.

The first Internet media dedicated to 'Kid and Family' games, HELLOKIDS has an audience of 5,000,000 unique visits a month. The site, available in 7 languages, proposes 50,000 proprietary content pages organized in 7 categories: Colouring, Drawing, Crafts, Music-Videos, Online Games, Reading and Family excursions. ORANGE GAMES, a games content developer and editor, based in the Netherlands and Turkey, created after the merger between KeyGames, Gemlgygames and Youdagames, has principally developed through build-ups in the EMEA region since then.

Light; specialists in LED lighting effects.

It is uniquely positioned in France, with a massive equipment park managed from the Group's four sites (10,000 m² of warehouse space) enabling them to cover 3 essential techniques (sound, light & video) in three major segments (audiovisual, events and live performances).

Advisors to the Buyer
Philippe Delecourt
Sidney Serval

(AXA, Décathlon) to centralise photos, videos and content and to create print, web, email and mobile communication supports.

WEDIA has acquired iBrams, a German software editor specialising in brand management. This is their 4th acquisition under guidance from LINKERS, and has reinforced their international presence and given the company dominant status in the sector within Europe.



Advisor to the Buyer
Jérôme Luis

Construction: Exterior and Interior Fittings LMBO

CARI, a company acquired by FAYAT in 2010, is part of the FAYAT GROUP's construction division. Their fittings subsidiary which has sales of €9m and 48 staff, has just been acquired in an LBO by COB Pierre Carré and CEO David Charbonneaux.

Based in Reims and in the Paris area, CARI Menuiserie specialises in interior and exterior fittings for the private and public sector and has a superb portfolio of office, store network and hotel projects: L'Oréal, Orange, Roland-Garros, Unibail, Mariott, Château'Form...

Advisor to the Management
Didier Busquet

B2B 'Last Mile' Logistics OBO

LM2S has sales of €10m, 35 staff and provides 'last mile' logistics solutions for spare parts management for mobile maintenance engineers. With the assistance of their partners, LM2S has set up a unique national network of B2B distribution points.

After completion of a process which attracted a considerable amount of interest from investment funds under consultation, the founding director, Alexandre Gesdon, has joined forces with ISATIS Capital who is supporting the project through an OBO.

Advisors to the Company
Philippe Laurent
Florent Coudray

Internet Tourism Sale

Created by Elie de Coignac in 2004, Splendia.com has joined VPG (Voyage Privé Group). **SPLENDIA**, an OTA based in Barcelona accessing over 3,500 luxury hotels all over the world, has generated up to €40m a year in hotel reservations.

The acquisition will enable VPG (€500m in added value, 400 staff), the European leader in private sales of tourist products, to enlarge their offer: clients will be able to reserve specific hotels and luxury villas except during periods of private sales.



Advisor to the Vendor
Nicolas du Rivau

Information Technology Acquisition

QUANTEAM Group with sales of €37m and 350 staff over five sites (Paris, Brussels, London, New York and Casablanca), is in the unique position of having a dual consulting activity: in information technologies and for operational professionals in the financial sector. Its merger with SCALA, a digital transformation company, has resulted in a new multispecialty entity with sales of €50m, and a presence in the South-East with capabilities in all sectors, both private and public.

Acquired using a 'prepack' procedure, a recent, practical legal mechanism reserved for insolvent companies.



Advisor to the Buyer
Sidney Serval

Marketing Software Acquisition

WEDIA provides a SaaS platform for MRM which enables its clients



Advisors to the Vendor
Michèle Fine
Benjamin Le Guillou



Groupe **B L I V E**



An entrepreneur's testimonial:

LM2S: LINKERS advises the founder and his management team on structuring an OBO

LM2S, a 'Last Mile' logistics management company that I founded in 2006 has now reached a significant size with sales of more than €10m and an excellent profit margin. Our principal strategic objective is to diversify our sectors of activity. In addition, our clients would like us to be able to provide cross-border assistance. Therefore, we felt we needed a partner with sufficient resources to provide financial support for our many projects.

Philippe Laurent, whom I initially approached for the evaluation of an industrial merger, convinced me that an OBO was the most appropriate solution in our case. The transaction provided our company with a financial partner who had the right profile: ISATIS. As the founder, I made a rewarding financial transaction and remained the principal shareholder as well implicating my key management in the new adventure!

Working with Philippe Laurent and Florent Coudray was truly a pleasure for all of us. They know exactly what business owners need. I was a Finance novice but the savoir-faire and level headedness of Philippe and Florent gave me the confidence I needed for this project. Philippe intervened authoritatively to protect both my interests and those of LM2S every step of the way. The competitive process between candidate funds, which was methodical and strategic, unlocked the value of our company.

Alexandre Guesdon, Founder of LM2S - October 2016



Alexandre Guesdon
Founder of LM2S

Missions in progress:

Ref.	Buy-side Mandates
A255	Undergraduate Training
A271	Travel Agency
A272	White goods for Hyper & Supermarkets
A279	Specialist Veterinary Products Manufacturer: medication, food supplements, medical apparatus

Ref.	Buy-side Mandates
A773	Industrial Cleaning
A868	B2B Climate Control Distribution
A976	Wealth Management Advisory Services
A977	Insurance brokerage
A978	Climate Control/Refrigeration Maintenance

LINKERS deals mainly in sell-side opportunities. For reasons of confidentiality no information on these transactions is divulged before they are finalised.

On board with...

IndEU Capital, a growth capital fund dedicated to "Made in India" Luxury & Premium brands, by Luisa Munaretto, Cofounder & Managing Partner

IndEU Capital is a growth capital fund dedicated to 'Made in India' Luxury and Premium brand segments in India, including Beauty, Accessories, Jewellery, Designers, Gourmet Food, Home Improvement, Spa and digital brands.

The Indian luxury market is the fastest growing market in Asia, expected to become the 5th largest consumer market for luxury by 2025. The industry has crossed US\$ 18 billion in 2016, growing at 25% every year.

The investment thesis of IndEU Capital is based on the conviction that India's domestic market will become the third 'luxury creation' centre in the world with France and Italy, thanks to its deep tradition of luxury and a large pool of skilled craftsmen, artisans and designers,

whose traditional expertise have been recognized internationally. Louis Vuitton, Cartier, Hermès and Etro have long been incorporating elements of Indian DNA in their collections. And India's influence on beauty is increasingly apparent on the international scene as proven by Chanel, Jean Paul Gaultier, the late Alexander McQueen, and Jason.

The IndEU Capital founders, Luisa Munaretto, François Arpels, Shiv Dayal and Amit Khanna, present a powerful combination of skills as PE Investors, lifestyle brands experts and asset managers in India. Through its 'development capital' approach, the team, together with the advisory board, are providing to the portfolio companies the required skills to transform a business in a 'branded business' able

to cover leading position in domestic and international market. India will be a prominent part of the next 'chapter' of style!

The aim is to target the entire value chain of Indian lifestyle, crafts and luxury industry segments where successful brands have been emerging: *Janavi* (Luxury shawls and pashmina scarves), *Forest Essentials* (Ayurvedic cosmetics), *Good Earth* (Interior decoration & design), *Hemant & Nandita* (Fashion designers), *Shivan & Narresh* (Luxury Swimwear), *L'Opéra* (High-end Salon de Thé), *Rockn'Shop* (digital brand organized as an e-commerce platform), *The Label Life* (digital brand). These brands require western know-how to build 'brand power' and leading market position.



Luisa Munaretto
Cofounder & Managing Partner

IndEU Capital
Paris 8, New Delhi
www.indeucapital.com



An Olympian Victory:



The **LINKERS OPEN INTERNATIONAL DE DEAUVILLE** from June 23 to 26 2016, held a stone's throw away from the celebrated Deauville boardwalk (les Planches) was won by a living legend of navigation; the double Olympic champion Poul-Richard Hoj Jensen (1976: Montreal, 1980: Moscow). Valliant sailors from all over Europe competed in our Dragon regatta with a true a spirit of fair-play equalled

only by their good humour when back on shore! The Dragon, also known as the 'Yacht of Kings' or the 'King of Yachts' is an elegant nine-metre, sloop-rigged keel boat raced by teams of three. This magnificent sailboat, first made in 1929, still fascinates skilful helmsmen and lovers of beautiful boats all over the world.



M&A Worldwide Forum in New Delhi - November 2016

On the 17th and 18th of November CCI (Corporate Catalyst India) will be welcoming fellow members of the M & A Worldwide network to Delhi for their biennial forum.

CCI are organising the 'Global Investment and Acquisitions Forum 2016' which, in addition to Merger and Acquisition professionals from 40 countries, will unite nearly 200 key players in the Indian economy (entrepreneurs, investors, bankers, lawyers). More than 200 divestment, acquisition and financial partner-

ships opportunities will be presented to participants who will have the opportunity of meeting the professionals managing these projects, at their convenience. Five partners from LINKERS will attend the event, in collaboration with teams from the CCI, to assist French entrepreneurs wishing to take advantage of a favourable environment to transact business with their Indian counterparts. CCI, established in the eight principal Indian cities, is their passport to successful positioning in the sub-continent.

Cross-border Missions:

SALES: CEMM THOME to AMPHENOL (USA); AGIS-Di Pasto to TER BEKE (Belgium); FRANCE HYBRIDES to HENDRIX Genetics (Netherlands); CORIANCE to A2A (Italy); ECONOCOM Switzerland to LEASE-IT (Germany); LA CELLIOSE to CIN (Portugal); AXYS to META 4 (Spain); TISYS to ULTRA Electronics (GB); ELYSEES WEST to HOTUSA Hotels (Spain); FILEC to AMPHENOL (USA); EBOUTIC to MAUS (Switzerland); GENETEL to ANITE Plc (GB); PACKINOX to ALFA LAVAL (Sweden)...

ACQUISITIONS: IBRAMS (Germany) and BRAND PROJECT (Sweden) by WEDIA; PC GARANT (Germany), CITYMAIN (GB) and CAP PROTECTION (Belgium) by the group SPB; FRÖHLICH u. WALTER (Germany) by CUC...

International Network:

- **Argentina:** Finanzaz & Gestión
- **Australia:** Johnsons Corporate
- **Belgium:** Omnicap
- **Brazil:** Cypress Associates
- **Bulgaria:** Transacta OOD
- **Canada:** Maxima Divestitures
- **China:** Morgen Evan Advisory
- **Denmark:** Gigno
- **Egypt:** FinCorp Investment
- **Finland:** Armatori Corp. Finance
- **France:** LINKERS; MBA Capital
- **Germany:** Active M&A Experts S&P Mergers & Acquisitions
- **Hong Kong:** SCS Global
- **Hungary:** International M&A
- **India:** Corporate Catalyst India
- **Israel:** M&A Team
- **Italy:** Avvalor Corp. Solutions; Bridge Kennedy International
- **Japan:** SCS Global Consulting KK
- **Malaysia:** SCS Global Advisory (M)
- **Mexico:** Corp. Finance Services
- **Morocco:** Actipar
- **Norway:** DHT Corp. Services
- **Poland:** Capital One Advisers; JP Weber Investments
- **Romania:** FRD Center
- **Russia:** Rye, Man & Gor Securities
- **Saudi Arabia:** Amwal
- **Singapore:** SCS Global
- **South Africa:** IBN Consulting
- **Spain:** ARS Corporate
- **Sweden:** Stockholm Corp. Finance
- **Switzerland:** Adbodmer Capital
- **The Netherlands:** Aeternus BV; T&T M&A Transactions
- **Tunisia:** Emergence North Africa
- **Turkey:** Crossborder Corporate
- **UK:** Bluebox Corporate Finance; Rickitt Mitchell & Part
- **USA:** Focus LLC

Our Crew:



N. du Rivau P. Laurent J. Luis S. Servat M. Belbéoc'h D. Busquet
P. Delecourt M. Fine G. Sangiovanni B. Le Guillou F. Coudray



LINKERS draws on the experience of its consultants to assist companies from all sectors and offers them personal advises concerning:

- **Financial Engineering:** independent valuations (LINK Value ®), LBO, MBO, MBI & OBO packages...
- **Mergers & Acquisitions:** selling and buying mandates, group restructuring...
- **Fundraising:** search for external funding, shareholders' agreements, management packages...



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