



Press release

Qualium Investissement and Lauxera Capital Partners back the buyout of VERDOT Ips², a leading provider of chromatographic purification solutions

Paris, Riom, San Francisco, September 13, 2022 - Qualium Investissement and Lauxera Capital Partners have announced their acquisition of a majority stake in VERDOT Ips², through an investment of over €65m, alongside its management team and existing shareholders Capital Export and SWEN Capital Partners to accelerate the group's international development.

With circa 30 years of expertise, VERDOT Ips² is specialized in the design, manufacturing and sale of purification solutions by liquid chromatography and tangential filtration, mainly for the biopharmaceutical sector.

The main technology used by VERDOT Ips² equipment is low pressure liquid chromatography (LPLC). This separation and filtration step is essential for the development and production of active ingredients used in the production of biomedicines and vaccines (including monoclonal antibodies, blood coagulation factors, recombinant protein and mRNA vaccines, gene therapy adenoviruses and insulin), as well as a wide variety of molecules derived from living matter (such as milk proteins, antioxidants and plant extracts).

As a leading player in its niche market, VERDOT Ips² benefits from a unique know-how and a proven track record of reliability of the equipment designed. In a market dominated by a few international players offering standard solutions, VERDOT Ips² is unique in its ability to design and develop customised separation and filtration solutions, within short deadlines for leading biotech companies and contract development and manufacturing companies (CDMO), in the clinical trial and production launch phases. These qualities have enabled VERDOT Ips² to build and retain a base of first-rate international customers, mainly composed of large pharmaceutical groups, CDMOs and biotechs.

VERDOT Ips²'s target market is experiencing strong growth, on average +10% per year, driven in particular by the growth in R&D spending in the biopharmaceutical sector, the dynamism of the segments addressed by LPLC chromatography (gene therapy), as well as the extensive pipeline of molecules at the preclinical and clinical trial stages.

In this dynamic market, the 'single-use' offer launched by VERDOT Ips² in 2019 has been highly successful, due to its numerous benefits in terms of flexibility, reduced risk of cross-contamination (single-use equipment), ergonomics and customers costs.

VERDOT Ips² has recorded a remarkable financial performance, showing an average annual growth of +15% since 2017. In 2021, the group's turnover reached €18.5m, more than 90% of which generated internationally, mainly in the US and China. The company, which has headquarters and production site based in Riom (Puy-de-Dôme) in France, has 42 employees, more than 30% of whom are engineers.

The investment made by the Qualium Investissement and Lauxera Capital Partners consortium is geared at accelerating VERDOT Ips²'s international development, particularly in the US where the group already achieves more than 50% of its turnover and completing the product range in complementary or adjacent technologies, either organically or through external growth. All the financial shareholders which joined in 2021 are reinvesting in the transaction: Capital Export, SWEN Capital Partners, CEPAL Capital, CELDA Capital.

Eric Merlot, Chairman of VERDOT Ips²: *"We are very pleased to partner with Qualium Investissement and Lauxera Capital Partners. Their experience and know-how in international development are assets for the structuring of the company and the continuation of our strong international growth".*

Pierre Moustial, Founder of Lauxera Capital Partners: *"VERDOT Ips² has nearly 30 years of innovation and expertise in the field of healthcare. We are delighted to accompany the management in this new phase of deployment, in a market driven by the increase of R&D expenses and a strong pipeline of molecules in preclinical and clinical trials".*

Jacques Pancrazi, Partner of Qualium Investissement: *" VERDOT Ips² benefits from a cutting-edge technology and a unique know-how. The spin-off carried out 18 months ago under the leadership of Capital Export has fully validated the new strategy driven by the management. We are very happy to give the group the means to accelerate its development and to materialize the important potential of value creation that it contains".*

Charles-Antoine Eliard, Partner at Capital Export: *"We applaud the work accomplished by the management team we invested in the group and are delighted to welcome Qualium Investissement and Lauxera Capital Partners by our side, and use their expertise and knowledge of health sector companies to further the new stage in VERDOT Ips²'s development."*

Buyers

Qualium Investissement: Jacques Pancrazi, Julie Khayat, Jean-Brice Lachaux

Lauxera Capital Partners: Pierre Moustial, Edoardo Fracchia, Charles Cornevin, Alessandra Petiot

Buyers' advisors

- **M&A and financing:** Natixis Partners (Driss Mernissi, Virginie Gasnier)

- **Strategic DD:** LEK (Arnaud Sergent, Jean-Guillaume Bayada, Anne Dhulesia)

- **Financial DD:** Advance Capital (Olivier Poncin, Pierre Lamain, Gauthier Tallon)

- **Lawyers:** Willkie Farr & Gallagher (Corporate: Gabriel Flandin, Marie Aubard. Financing: Igor Kukhta. Tax: Philippe Grudé)

Sellers

Capital Export: Charles-Antoine Eliard, Florian Weber

Sellers' advisors

- **Financial VDD:** Odéris (Julien Passerat, Norian Lebrot)
- **Lawyers:** Hogan Lovells (Stéphane Hutten, Florian Bréchon, Guillaume Denis, Shanna Hodara)
- **M&A:** Société Générale Investment & Corporate Banking (Marc Dunoyer, Jonathan Locteau, Thibault de Limairac)

Acquisition financing: Caisse d'Epargne et de Prévoyance d'Auvergne et du Limousin (Damien Reverdiau)

About Qualium Investissement

Qualium Investissement, a leading institutional fund, is a historic player in the French private equity market with €1 billion under management. Approved by the Autorité des Marchés Financiers, Qualium is 70% owned by its management and 30% by the Caisse des Dépôts et Consignations. Since its creation in 1998, Qualium has invested in more than 70 French companies in all sectors of activity. Qualium provides companies' management teams with all the expertise and resources they need to achieve ambitious development objectives, particularly internationally and through external growth.

More information: www.qualium-investissement.com

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About Lauxera Capital Partners

Founded in January 2020, Lauxera Capital Partners is an independent management company based in France (Paris) and the United States (San Francisco). Lauxera Capital Partners is committed to the growth of French and European companies in the HealthTech sector. Its first fund, Lauxera Growth I, a fund reserved for professional investors, has been awarded the "Tibi" label by the French government as part of the charter of commitments of institutional investors for the financing of technology companies. Led by a team of Life Sciences company builders and professional healthcare investors with more than 50 years of experience, the company aims to support the international expansion of European HealthTech nuggets.

More information: <https://lauxera.com/fr>

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About VERDOT Ips²

Founded in the 1950's, VERDOT became in the 1990s a company specialized in the design and manufacturing of purification solutions by liquid chromatography and tangential filtration, mainly for the biopharmaceutical sector. The equipment and consumables marketed by VERDOT Ips² are critical products in the production of active ingredients used in biomedicines and vaccines, as well as in the production of certain living molecules. Based in Riom (Puy-de-Dôme), the company employs 42 people and has achieved a turnover of 18.5 M€ in 2021, of which more than 90% is international.

More information: <https://www.verdotips2.com/fr>

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