andera INSIGHTS

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2025: A new era of growth and internationalization for Andera Partners.

As we embark on this new year, we are proud to take over from Laurent Tourtois and Raphaël Wisniewski in managing Andera Partners. We are honored to continue the work they have passionately undertaken, contributing to making Andera a leading player in the European private equity market.

2024 was a pivotal year, marked by major strategic advances despite a demanding economic environment. Building on the work accomplished by our teams, we approach this new cycle with a clear ambition: to accelerate our development, strengthen our international footprint, and continue our commitment to responsible private equity that creates sustainable value.

2024: A consolidated growth trajectory

Despite the challenges of a complex market, Andera Partners has maintained exceptional growth momentum. With €4.5 billion in assets under management, we reached in 2024 the goal initially set for 2025, effectively doubling our size in just five years. This progress is built on three key pillars: a rigorous investment strategy delivering consistent performance and liquidity, ongoing diversification of our expertise, and a strengthened commitment to international expansion.

Our 130 portfolio companies benefit from this proven model. In 2024, thanks to the efforts of our 120 employees, we invested €683 million across our six business activities, completing 24 investment operations and 50 reinvestment transactions. Additionally, we returned €436 million to our investors in a year that, like 2023, faced low liquidity returns.

Finally, Andera Partners stood out with the innovative and successful launch in late October of its first Unit-Linked Fund ("UC") eligible under the Green Industry Law ("LIV"): Andera Private Debt ("ADP"), based on the mezzanine sponsorless strategy of Andera Acto. It has already surpassed €160 million in subscriptions.

Strategic international expansion

Internationalization is at the heart of our strategy more than ever. After Antwerp (2019), Munich (2021), and Milan (2022), Madrid joined our European network in 2024.

This local presence strengthens our ability to support our portfolio companies in their cross-border growth. Already, 25% of our new investments in 2024 were made abroad, and we supported 29 international external growth operations.

But 2024 also marked a key milestone with our strategic partnership with **New York Life Investments** and its European subsidiary **Candriam**.

With over $750 billion in assets under management, New York Life and Candriam open new opportunities by combining our private equity expertise with the distribution power of a global asset manager present in 20 countries. This alliance represents a unique opportunity to accelerate our expansion and bring even more value to our investors, partner companies, and the entire ecosystem.

This partnership is a source of pride for Andera Partners: it inaugurates a new phase of our development, in a context where market consolidation and the growing prominence of private equity demand solid, sustainable, innovative, and internationally focused players.

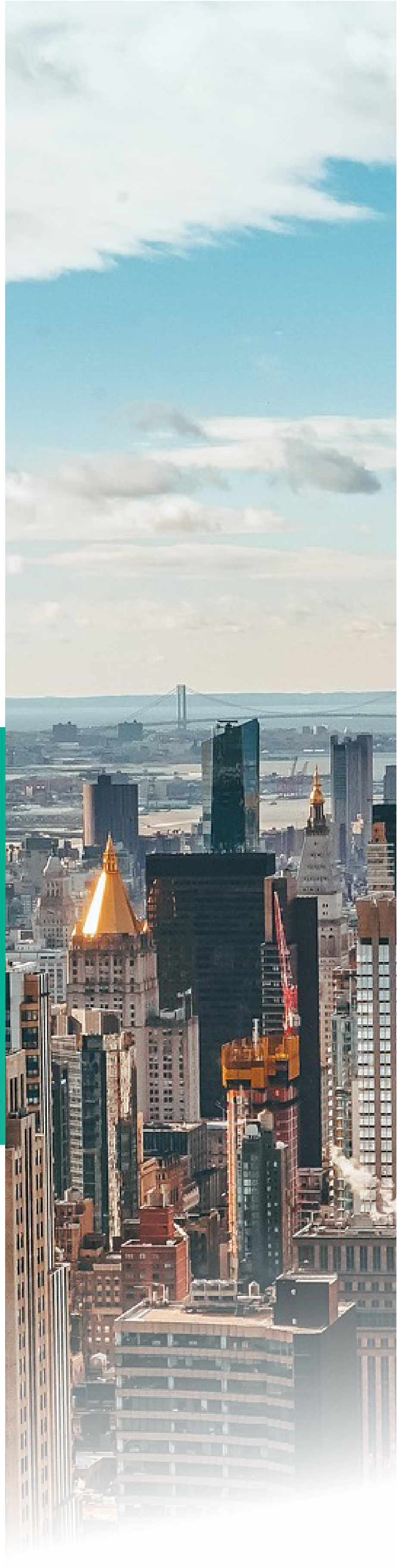
Investing with impact: a strengthened commitment

Growing and expanding internationally does not mean neglecting our responsibilities. We firmly believe that a successful private equity must also be a responsible private equity. Currently, 70% of emissions financed by our investments are covered by an advanced carbon footprint assessment, and 50% by decarbonization targets. These advancements illustrate our commitment to fully integrating environmental and social criteria into our strategy and sharing this approach with our new partner.

As we begin this new chapter for Andera Partners in early 2025, we reaffirm our ambition: to play a key role in financing the economy, supporting the growth of European SMEs, medical innovation, and the energy transition, with strengthened resources and an ever more international vision.

As 2025 begins, we are pleased to share these reflections and an overview of our activities. Enjoy your reading!

Stéphane Bergez & François-Xavier Mauron
Managing Partners – Andera Partners



After Munich, Antwerp, and Milan, Andera continues its international expansion with the opening of an office in Spain.

Andera Partners, a leading player in European private equity, has announced the expansion of its presence in Spain with the opening of an office in Madrid. With €4.5 billion in assets under management and a portfolio of 130 companies, Andera strengthens a decade of investments in this strategic market. This expansion builds on five current portfolio investments and 18 external growth operations that have reinforced its companies' positions in the Spanish market, accelerating their consolidation and expansion dynamics.

For nearly 10 years, Andera Partners has made five significant direct investments in Spain:

1. ***Sanifit (July 2015 - exited): A biotechnology and medical device company focused on vascular calcification disorders.***
2. ***The Reefer Group (February 2016 - May 2021): A leading manufacturer of refrigerated semi-trailers operating in the industrial sector.***
3. ***MedLumics (March 2017 - in portfolio): An innovative medical device company specializing in cardiology, particularly the treatment of atrial fibrillation.***
4. ***Palex (November 2023 - in portfolio): A major player in the distribution of medical equipment.***
5. ***Ingenostrum (December 2023 - in portfolio): Specializing in the development of photovoltaic energy projects, a rapidly growing sector.***

These investments highlight Andera Partners' ability to identify and support high-potential companies in promising sectors such as healthcare, services, industry, and renewable energy.

A local strategy inspired by Andera's success in Italy

With the opening of its Madrid office, Andera aims to replicate the model successfully implemented in Italy, where the Milan team, established in 2023, quickly contributed to the development of cross-border investments. "*Spain, with its strong network of mid-sized family-owned businesses, presents similar opportunities to those we have leveraged in Italy,*", explained **Laurent Tourtois**, Partner at Andera Partners.

Spain stands out as a dynamic economy within the European Union, providing a fertile ground for key sectors targeted by Andera Partners: business services, technology, healthcare, and niche industries. By tapping into these opportunities, Andera aims to strengthen its ability to support Spanish companies in their growth and international expansion plans.

A senior local professional leading the Madrid office

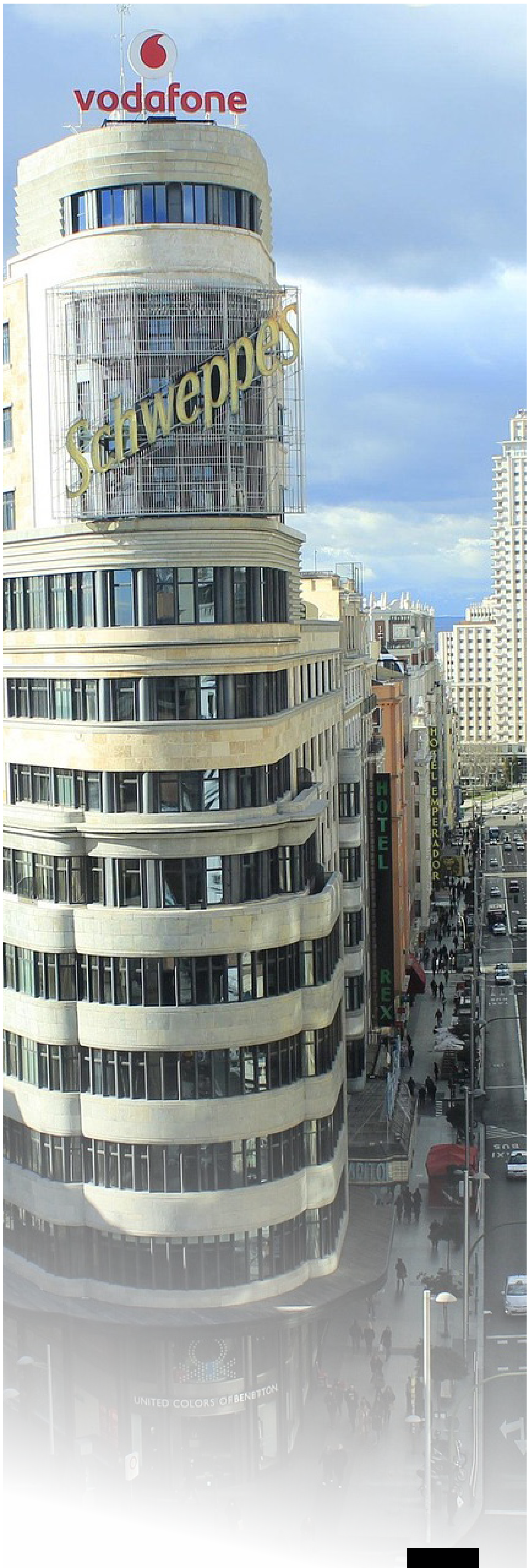
To drive this new phase, Gonzalo Boada joins Andera Partners as Director. With extensive experience at H.I.G. Capital and a strong track record in complex transactions, he will be responsible for developing Andera's strategy in Spain. "*Andera Partners' expertise in external growth projects and its investment flexibility are major assets in supporting local companies as they scale up,*" says **Gonzalo Boada**.

Promising prospects for Andera in Spain

With its establishment in Madrid, Andera Partners takes a decisive step in its European expansion strategy. This new office will not only allow the firm to capitalize on local opportunities but also support the international ambitions of its portfolio companies.

"*We are convinced that strengthening our presence in the Spanish market will help make Spain a cornerstone of our long-term strategy,*", concludes **Raphaël Wisniewski**, Partner at Andera Partners.

As Andera Partners continues to expand across European markets, it positions itself as a key partner for companies looking to accelerate growth and internationalization. The firm reinforces its role as a leading European private equity player, combining local expertise with a global reach.



POINT OF VIEW

CSRD: A sustainable transformation opportunity for european companies, but implementation challenges require support - Insights from Julien Denormandie and Noella de Bermingham

As large European companies are required to publish their first sustainability reports this year, they must integrate innovative concepts such as double materiality, complementing traditional financial statements. While the implementation of this regulation has sparked intense debate, it represents a unique opportunity to align sustainable transition with economic competitiveness.

As part of the study **"Sustainability in action: mastering data to transform your business"**, conducted by Sweep in collaboration with Capgemini, more than 500 sustainability executives in France, Germany, the United States, and the United Kingdom were surveyed on this topic. The results are striking: 81% of companies believe they will not be able to survive in a low-carbon economy without major transformation, while 47% recognize that a well-designed ESG strategy also helps to reduce costs and gain competitiveness, highlighting the urgency to act in both the short and long term. However, a significant barrier remains: 72% of companies still do not measure emissions across their entire value chain (Scope 3). Regulation is emerging as a key driver, particularly in the United States (73%) and France (64%).

Following the publication of this report, Noëlla de Bermingham, Head of CSR at Andera Partners, had the opportunity to discuss with Julien Denormandie, former French Minister of Agriculture and Food, Chief Impact Officer at SWEEP, and Senior Advisor at RAISE, the challenges of the CSRD (Corporate Sustainability Reporting Directive) regulation, its application to companies, and the challenges it presents.

Noëlla de Bermingham, Head of CSR, Andera Partners.
Julien Denormandie, Former French Minister of Agriculture and Food, Chief Impact Officer at SWEEP, and Senior Advisor at RAISE.

For **Julien Denormandie**, leveraging regulation as a strategic asset, as Europe is doing with the CSRD, is essential for building sustainable and competitive businesses. He views the CSRD as a "strategic response to a global challenge". This directive is based on an extraterritorial approach, encompassing international value chains. It encourages companies to rethink their models, integrate sustainability into their strategies, and transform decarbonization into a competitive advantage.

Noëlla de Bermingham highlights the CSRD's role in shaping a competitive and sustainable economy. For her, the directive enables a shift from a cost-centered approach to a value-creation model that incorporates environmental and social externalities.

Implementation challenges

The CSRD applies, starting this year, to large companies and will be gradually extended to mid-sized enterprises (ETIs) according to specific criteria (revenue, balance sheet, and workforce).

The CSRD presents several challenges for companies:

- Dealing with the comprehensiveness of this regulation, which requires collecting, organizing, and making a vast amount of ESG data auditable. This task mobilizes human, technological, and financial resources, which are often limited in smaller companies.
- Meeting auditor expectations – While auditors play a crucial role, their approach must remain proportionate and gradual to prevent unnecessary over-interpretation of the regulation, which could become discouraging.
- Anticipating the implementation timeline

Although renegotiations and modifications regarding thresholds and content are ongoing following the Omnibus Directive proposal, it is still beneficial for some companies to continue preparing for compliance. A pragmatic approach will help businesses not only stay ahead of legislative changes but also leverage the structuring and strategic benefits of the process. Even if some SMEs and mid-sized companies (ETIs) choose to adopt the directive voluntarily, this effort could be valuable in strengthening their practices and market positioning.

Supporting businesses toward compliance

Julien Denormandie highlights the need for pragmatic support and adapted technological tools. This simplifies compliance with the CSRD and, beyond that, helps companies structure their ESG strategies. The time savings and return on investment for the company are significant.

For **Noëlla de Bermingham**, the importance of tailored support for SMEs is essential through simplified tools, targeted training, and progressive coaching to help these structures identify relevant indicators and transform regulatory constraints into strategic opportunities.

Addressing criticism

In response to critics who label the CSRD a "bureaucratic nightmare," **Julien Denormandie** emphasizes that this directive is not merely an administrative exercise—if it were, it would serve no real purpose. It must reflect, above all, an ambitious vision of sustainability and global competitiveness.

Although it requires efforts from companies, it promotes increased transparency and long-term sustainable value creation. Certainly, the implementation of the CSRD must be adapted to the realities of companies (this is essential), but its ambition must in no way be abandoned.

A strategic imperative for Europe

The CSRD positions Europe at the forefront of sustainability. By making decarbonization and environmental protection efforts more transparent across the entire value chain, it allows companies to showcase and capitalize on their sustainability initiatives. Moreover, its extraterritorial scope (a powerful strategic tool for Europe) gives a competitive advantage to businesses that integrate environmental, social, and governance (ESG) considerations into their development models.

It is therefore important to maintain a balance between the ambition of the regulation and the pragmatism of its implementation.

Anticipation, proportionality, a data-driven approach, and adapted governance: the keys to success

Companies must prepare now, by identifying material indicators and defining the associated transition plans. To do this, they must "have a data-driven approach" and "adapt corporate governance". The CSRD is not just an administrative exercise, it is more than that:

- Reporting, according to the framework required by the European Commission
- Auditability of all data, an essential element ensuring transparency
- Action to reduce environmental footprints, which remains the core of the matter.

The CSRD must not be an insurmountable constraint, but an opportunity to support European companies through the necessary transitions without losing competitiveness, quite the opposite. It is this balance that we must preserve.

Medical innovation and strategic investments: strengthening Europe's leadership to stay at the forefront

Europe has significant advantages in the medical innovation sector: its scientific researchers, who shine on the global stage, its leading clinicians and advanced healthcare system, and its biotech and medtech start-ups, which abound with innovations and are successfully incubated thanks to numerous early-stage funding opportunities

Scaling up to build European champions

To support these start-ups in their scaling-up process to become champions on the global innovation stage, the increase in large-scale funds in Europe specializing in financing and supporting therapeutic innovation, such as the BioDiscovery funds, is crucial. These funds indeed provide young innovative companies with the financing and experience necessary to scale up, particularly in their transition from the early stage of therapeutic innovation to clinical validation in humans, and finally to regulatory approval before commercial launch.

This is evidenced by the recent successes of the Andera Life Sciences team: the €128M fundraising by **Tubulis** in Germany to finance the clinical entry of its antibody-drug conjugate program in oncology; the €116M fundraising by the Irish company **Fire1** to finance its registration trial for its heart failure monitoring system; the largest sale of a French biotech company to date, with the acquisition of **Amolyt Pharma** by AstraZeneca for more than $1 billion at the registration trial stage of its lead product in rare endocrine diseases; the participation in the record €348M fundraising of the listed French company **Inventiva** to finance its Phase 3 clinical trial for an innovative treatment for metabolic-associated steatohepatitis (MASH). This strong positive momentum is expected to continue as European success stories multiply.

Three key drivers to further accelerate at the European level

To maintain its momentum in the global race for therapeutic innovation, Europe must activate three strategic levers. First and foremost, it must allocate funding at the European level and encourage larger-scale investments in funds and infrastructure and encourage the creation of a European stock exchange for innovation, modeled after the American Nasdaq. Secondly, it is essential to facilitate and promote the movement of talent between start-ups and large pharmaceutical companies. Finally, to enhance the attractiveness of the European market for our innovative companies, EU member states could initiate discussions on a potential European-wide reimbursement system for newly approved medicines by the European Medicines Agency (EMA).

Regarding financing, examples such as France's Tibi initiative, which aims to mobilize private funds to finance technological innovation, or Germany's Wachstumfonds Deutschland ("Growth Fund Germany"), a €1 billion fund dedicated to financing institutional investors specializing in innovation, could be expanded at the European level. This would allow capital to be attracted on an even greater scale, a necessary condition for establishing a strong growth financing market, both private and public (a "European Nasdaq"), where our champions could secure the financial resources needed for their development.

Large European pharmaceutical companies must also play an active role by forming closer and earlier alliances with European therapeutic innovation companies, supporting early-stage innovation, and facilitating the availability of their talent within biotech companies.

Finally, it is important to remember that this battle for European competitiveness is ultimately in the interest of patients. Today, many innovative treatments become available in the United States long before reaching Europe, even when the innovation originates in Europe. This highlights the need, given that the majority of the potential market for innovative therapeutic products is currently in the U.S., to consider a European-wide reimbursement system for newly approved therapies.

Europe has the talent, infrastructure, and capabilities to maintain its position in the global race for therapeutic innovation. A shared and ambitious vision will allow it to accelerate further—a vision that specialized healthcare funds will be ideally positioned to implement for the benefit of their investors, European sovereignty, and, most importantly, patients.

The democratization of private equity – A new era for investment?

Private equity is undergoing a major transformation, shifting from an asset class traditionally reserved for institutional investors to a more accessible option for private and even retail investors. This evolution, driven by financial innovations and regulatory initiatives such as France's Loi Industrie Verte, is reshaping the sector and broadening its accessibility. The transition is fueled by several key industry dynamics: product innovation, process simplification, and investor education. While this democratization presents new opportunities, it also introduces significant challenges for industry players.

Loi Industrie Verte: A catalyst for private equity

Promulgated in October 2023, the Loi Industrie Verte requires wealth managers to better integrate private assets, including private equity, into individual investment portfolios. This provision aims to direct savings flows toward investments with economic and environmental impact, while democratizing access to private equity.

"*The law encourages the gradual integration of private equity into savings vehicles such as life insurance policies and retirement plans (PER), creating a favorable framework for introducing this asset class to new investor categories,*" explains **Sophie Elkrief**, Partner at Andera Partners in charge of development. By expanding access to private equity, this regulatory framework meets both companies' financing needs and savers' growing demand for high-performing, sustainable investments.

Private equity is gradually opening up to private investors through channels such as wealth management advisors (CGP), private banks, and family offices. These networks make it possible to reach a demanding clientele, often willing to invest significant amounts, beyond 100,000 euros, a clientele on which Andera Partners chose to invest as early as 2018 after gaining independence, by creating the Andera Coinvest product dedicated to private clients, by forging numerous partnerships for its historical funds, and by investing significantly in digital subscription tools. However, even for this audience, private equity remains relatively new.

The major challenge is to adapt products to this clientele without altering their essence. Traditional funds, with multiple capital calls, could evolve toward simplified solutions, easier to understand and manage. This notably involves increased digitalization of processes and improvement of back-office tools, sometimes outsourced to specialized third parties.

The entry of retail investors into private equity is another aspect of this democratization. In France, the issue of life insurance contracts and PERs, which require a certain level of liquidity, has long limited the integration of private equity into these vehicles. However, solutions are emerging, such as specific unit-linked accounts or semi-liquid funds, already popular in Germany and Italy.

These products allow private assets to be integrated into portfolios while addressing liquidity constraints and ease of execution. Private debt funds, for example, offer a good compromise between return and liquidity, meeting the expectations of retail investors without compromising performance.

availability are essential tools to familiarize this network with private equity.

Industry players must also strengthen their visibility among this broader audience. While institutional investors are well aware of private equity's strengths, private and retail investors require a more accessible and transparent approach to gain their trust.

A local and international market

Retail private equity is also developing internationally, but remains strongly influenced by local specificities.

It is in this context that we launched **Andera Dette Privée** in October 2024, in **partnership with MACSF**. Our historical mezzanine sponsorless strategy, Andera Acto, is indeed perfectly suited to the challenges of this type of product, serving the long-term performance of savers.

Towards a hybrid and tailored offering

One of the most striking trends is the shift towards hybrid solutions that combine private and liquid assets. This pivot towards integrated offerings addresses the growing need for customization among investors, whether private or institutional. Evergreen semi-liquid funds illustrate this transition, allowing managers to offer high-performing products while ensuring a certain flexibility in capital access.

However, this financial creativity must remain aligned with performance. "*The key lies in the ability to innovate without diluting the value proposition of private equity, which is based on an attractive risk-return profile,*" explains **Sophie Elkrief**.

The democratization of private equity cannot succeed without significant efforts in education and support. Wealth management advisors (CGP), often at the frontline with private clients, must be trained to understand and explain these complex products. Webinars, educational materials, and manager

While giants like Blackstone rely on international partnerships, the European market is still dominated by local approaches adapted to regulations and the specific expectations of each country.

In France, for example, the core of development is based on proximity with clients and active management of distribution networks. In this context, the quality of relationships with distributors and local expertise become differentiating assets.

The democratization of private equity is far more than just an expansion of the client base. It is a transformation of the financial ecosystem, where innovation, education, and adaptation play a central role. With the emergence of new hybrid solutions, simplification of processes, and increased focus on distributor training, the industry is preparing to meet the expectations of a diverse clientele, while maintaining the excellence and track record of performance that have driven its success.

By integrating private assets into retail portfolios, while maintaining high standards of performance and service, private equity is establishing itself as a long-term driver of high-impact and high-return investments.

Interview with Philippe Desnos, CEO of Senstronic

1. Can you tell us about your career path leading up to your role at Senstronic and what brought you there?

As an engineer by training, I spent 20 years in the automotive sector, notably within a major equipment manufacturer, where I had the opportunity to lead various business units, ranging from small entities to large-scale operations. It was an enriching experience, marked by both organic and external growth, in often challenging environments with highly technical products. I also had the opportunity to work internationally, in France, the UK, the US, and the Netherlands.

Joining Senstronic was, in a way, a return to my roots. Originally from Alsace, I first encountered the company at the start of my career as an engineer. Back in 1996, I needed to develop a test bench, and Senstronic stood out with its strong customer-oriented approach. During the pandemic, I felt a desire to reconnect with my roots, and through my network, I met Rémy Kirchdoerffer, the company's founder, at a pivotal moment as he was preparing for a primary LBO transaction. Since 2022, we have successfully transformed the company while staying true to its core values.

2. What are the key strategic challenges for Senstronic?

We are a specialized group in sensors, detection, and connectivity, delivering high-value solutions and services tailored to our clients' needs. Our priority is to sustain our strong growth momentum, both organically and externally, through geographical expansion and strategic acquisitions—like the two we recently completed in Italy.

At the same time, we are working to maximize synergies between our different subsidiaries to optimize costs and enhance competitiveness. While 2024 is expected to be a more stable year in terms of growth, certain sectors, such as railway, remain highly dynamic. Over the past two years, we have already increased our revenue from €22 million to €48 million—with €30 million coming purely from organic growth.

3. What sets Senstronic apart in its market?

Senstronic positions itself as the "haute couture" of sensors. While major competitors—particularly in Germany and the US—focus on volume and cost, we emphasize customization and close customer support. Our sensors are designed to maximize our clients' return on investment, for example, by reducing machine downtime.

What truly differentiates us is our ability to develop tailor-made solutions that meet the precise needs of our international customers. We don't manufacture products just to fill a catalog; we design solutions to solve real-world challenges, backed by a strong local service presence. A great example of this is our dedicated team in Mexico, which works directly with automotive suppliers. This customer-centric approach is what makes us stand out.

4. How would you describe the partnership between Senstronic and Andera Partners?

This partnership has been exceptional. During the primary LBO, Andera Partners demonstrated a deep understanding of our business and a strong ability to deliver solutions efficiently. Andera is not just a shareholder but a fully engaged partner. Their support extends beyond financial backing to include organizational expertise, efficiency in acquisition and development processes, and a strong ESG advisory role.

Together, we have elevated Senstronic to a new level of growth, combining organic expansion and strategic acquisitions. This type of collaboration is essential for building a strong and sustainable future.

5. What are your future plans with Andera Partners?

Our objective is to continue creating value, particularly through commercial synergies and cost optimization. In the short term, we are considering acquisitions in regions where our presence is still limited. In the long run, we aim to integrate more advanced technologies and expand into new market segments, such as medical and aerospace.

Our ambition is clear: to build an integrated group with strong expertise, capable of reaching new heights and establishing itself as a key player in the industry.