



ALPHA PRIVATE EQUITY ENTERS INTO EXCLUSIVE NEGOTIATIONS WITH NAXICAP PARTNERS FOR THE ACQUISITION OF VERVENT AUDIO GROUP (HOLDING OF FOCAL JMLAB AND NAIM AUDIO), ONE OF THE WORLD LEADERS IN THE HIGH-END ACOUSTICS AND ELECTRONICS MARKET

Paris, October 18th, 2019 - Alpha Private Equity ("Alpha") has entered into exclusive negotiations to acquire a majority stake in Vervent Audio Group, the holding company of Focal JMLab and Naim Audio, respectively world leaders in the high-end acoustics and electronics markets. This operation, carried out alongside the management team led by Christophe Sicaud, aims to drive the group into a new phase of development and accelerate its growth.

Created through the merger between Focal, a French designer and manufacturer of speakers, and Naim, a British manufacturer of audio products, Vervent Audio Group is a leading manufacturer and distributor of high-end and luxury audio equipment. The group has over 40 years of experience in the design and manufacture of high end audio equipment such as home or professional studio speakers, headphones and car speakers.

Since its creation, Vervent Audio Group has gained international recognition through some of its flagship products such as the Utopia loudspeakers or the range of Mu-so connected speakers, which have won numerous awards around the world. With its 3 production sites located in France and the United Kingdom employing nearly 430 people, the group benefits from a unique integrated know-how in product development, ranging from the R&D phase to the launch and marketing of finished products.

The group, which distributes its products in over 160 countries through its distribution network composed of nearly 8,200 points of sale, is strongly focused on export markets with nearly 80% of its turnover generated internationally. Sales are expected to reach €110 million in 2019.

This change of shareholder will be an important step in the company's development and will enable Vervent Audio Group to strengthen its market positions by supporting its ambitious growth plan, particularly in the United States and Asia, while preserving an approach based on excellence, which is at the heart of its DNA.

Christophe Sicaud, CEO of Vervent Audio Group: *"After a successful partnership with Naxicap Partners, we are very pleased to be partnering with Alpha to accelerate our development. The fund's very solid knowledge of B2C sectors and its European presence made it a natural partner for us."*

Patrick Herman, President of Alpha Associés Conseil: *"Alpha is delighted to accompany Vervent Audio Group alongside its management for its next development phase. We have been impressed by the work done in recent years carried out by Christophe Sicaud and his team and Alpha will provide them with the means to implement their ambitious growth plan."*

Amélie Finaz, Director at Alpha Associés Conseil: *"Under the leadership of Christophe Sicaud and his management team, Vervent Audio Group has experienced a remarkable growth story based on solid fundamentals, including unique R&D capabilities, European manufacturing and a global distribution network. We are convinced that this French company has the assets to capture the organic growth opportunities within the markets in which it operates and to play a leading role in the consolidation of the sector."*

The transaction will be the seventh investment in Alpha Private Equity Fund 7 and is expected to be completed before the end of 2019 after consultation with employee representative bodies and approval by the relevant competition authorities.



PRESS RELEASE

Alpha Associés Conseil, advisor to Alpha in France:

Patrick Herman, Amélie Finaz, David Kusters, Antoine Klein, Matthieu Leroy

Buyside advisers:

M&A: DC Advisory (Fabrice Martineau, Nicolas Cofflard, Grégoire Philippe)

Financial due-diligence / taxes: PwC (Arnaud Thibesart, Maxence Pleyne / Arielle Ohayon-Cohen, Julie Givernaud)

Strategic due-diligence: Advancy (Stéphane Blanchard, Thibault Reinhart)

Environmental due-diligence : ERM (Julien Famy)

Corporate and financing advisors: Goodwin Procter (William Robert, Chloé Vu Thien and Frédéric Guilloux, Alexander Hahn)

ABOUT ALPHA

With over €2 billion in assets under management, Alpha is a major investor in Europe in the mid-market segment. In over 30 years of existence, Alpha has carried out more than 150 deals (notably in France, Italy, Germany, Benelux and Switzerland). Alpha invests across all sectors and focuses on continental Europe through its local teams in France, Italy, Germany and Benelux. Alpha supports entrepreneurs by accelerating their development projects through an active support policy, particularly in external growth project mainly as a majority shareholder.

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Vervent Audio Group

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