

# ALANTRA

A black and white photograph of a grand classical building, likely a government or institutional structure, featuring a prominent portico with tall, fluted columns and ornate capitals. The building's facade is detailed with carvings and arched windows. In the foreground, a dark metal fence runs across the bottom, and the silhouettes of a few people are visible. The overall tone is formal and authoritative.

## The Public Tender Offers Barometer

9<sup>th</sup> edition  
2020

# Introduction

- The *Public Tender Offers Barometer* is the opportunity for ALANTRA to provide all interested parties (e.g. issuers, shareholders, family offices, funds, lawyers, accountants) with quantitative and qualitative elements to better understand public tender offers in France
- This ninth edition of the barometer focuses on transactions completed during the full year 2020 (referred to as “2020”)
- We hope that this preliminary information will help your thinking with respect to listed companies, refine your planning of transactions. We stand ready to support you in their execution, as an advisor and as presenting and guaranteeing bank, by sharing with you the full and unique benefit of our teams' years of practical experience



**Olivier Guignon**  
*Managing Partner*



## Experience

**+25** years experience in public M&A

**42** public tender offers filed

Before joining **ALANTRA**, Olivier worked for Lazard and Oddo

Graduated from ESCP Europe and holds a law degree from *Barreau de Paris*



## Recent transactions

Simplified public tender offer followed by a squeeze-out initiated by **Long Path Partners** on **Dalet**

Squeeze-out offer by **Five Arrows<sup>(1)</sup>** on **Harvest**  
Simplified public tender offer initiated by **BGI** on **SABC**

Simplified public tender offer initiated by **Dickson** on **Oceasoftware**

Simplified public tender offer initiated by **BGI** on **SOBOA**

Simplified public tender offer initiated by **Five Arrows** on **Harvest**

Simplified public tender offer followed by a squeeze-out initiated by **Sangamo Therapeutics** on **TxCell**

Exemption of public tender offer filing for **LFPI** on **Umanis**



## Contact

+33 1 70 91 35 83

[olivier.guignon@alantra.com](mailto:olivier.guignon@alantra.com)

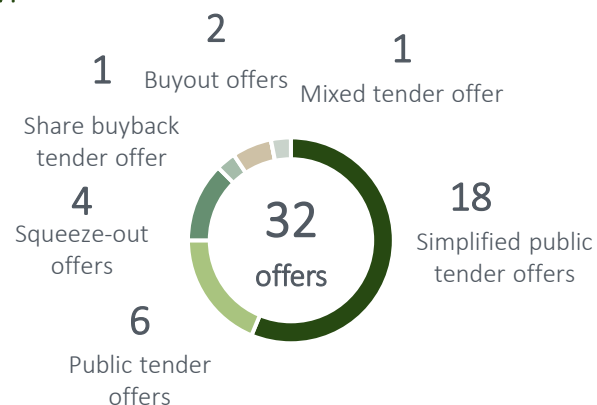
# 2020 key figures

39 offers announced and/or filed, of which 32 were effectively filed

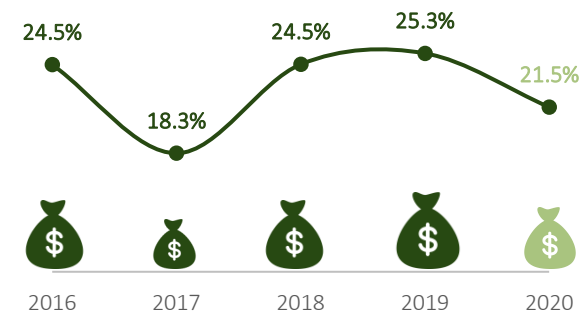
## Number of public tender offers announced and/or filed to the AMF



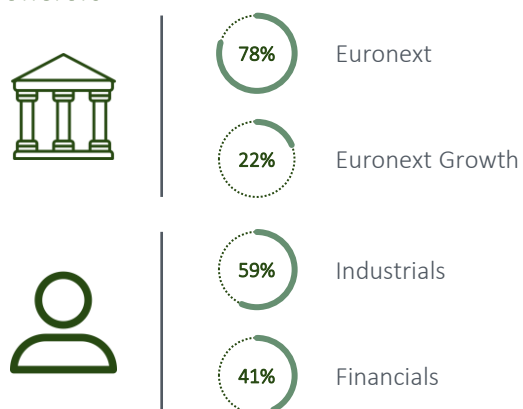
## Types of offers filed in 2020



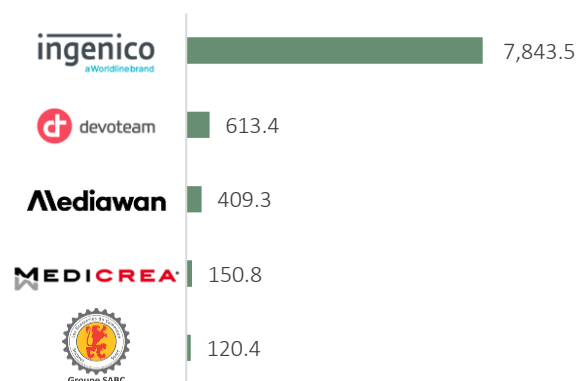
## Median premiums offered on the spot price



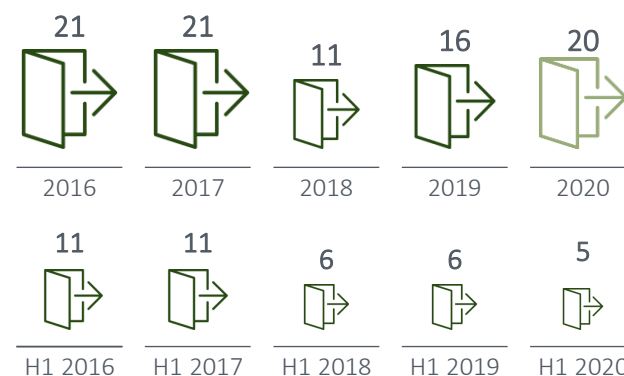
## Stock exchange compartments & types of offerors



## Top 5 largest deals (€m)<sup>(1)</sup>



## Number of delisted companies following public tender offers





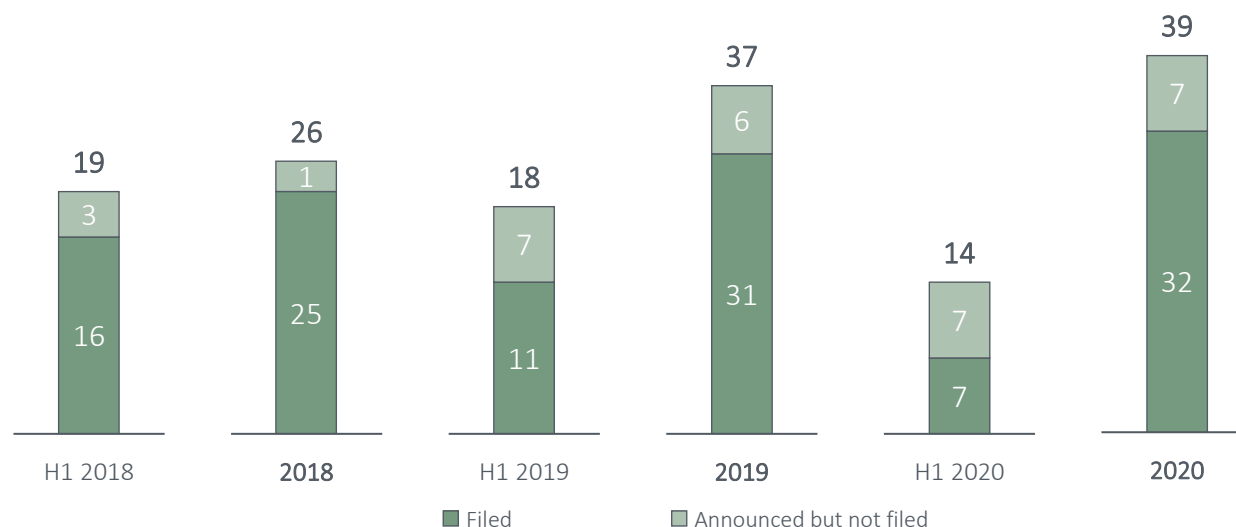
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# 2020 Review

Appendix

# Volumes of public tender offers announced and/or filed to the AMF

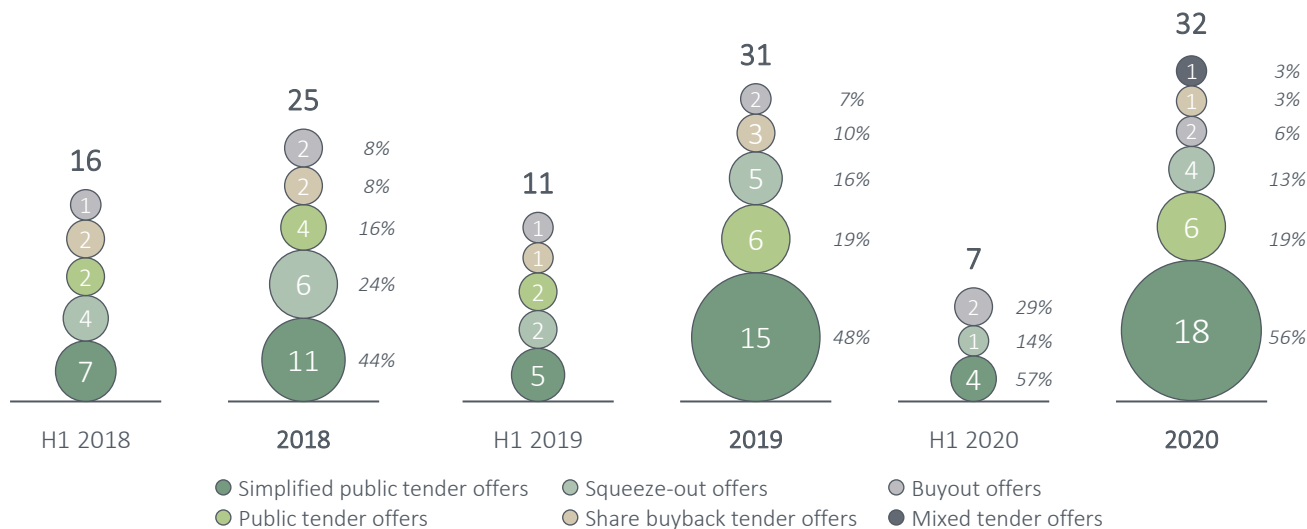
2020 was marked by a continued increase in the volume of offers announced and/or filed<sup>(1)</sup>



- We observe a continued increase in the number of offers announced and/or filed compared to 2019: 39 offers in 2020 vs. 37 offers in 2019 (i.e. +5%)
- The mix of offers announced/filed offers is almost equal (7 offers announced but not yet filed in 2020 vs. 6 in 2019), highlighting the important number of offers announced in late 2020
- **Offers announced in 2020 but not yet filed to the AMF:** Casigrangi (Groupe Philippe Ginestet) on Société Française de Casinos, HLD Europe on Microwave Vision, Veolia on Suez, Long Path Partners on Dalet, Sergo France on Sofibus Patrimoine, Alphatec Holdings (ATEC) on EOS Imaging, Fortune Legend Limited on Baccarat
- Note that **offers have been announced but finally cancelled in H1 2020** due to the impact of Covid-19 on targets: Alphatec Holdings on EOS Imaging, Circus Casino France on Société Française de Casinos

# Types of offers filed to the AMF

A stabilization of so-called “closing” offers<sup>(1)</sup> number in 2020

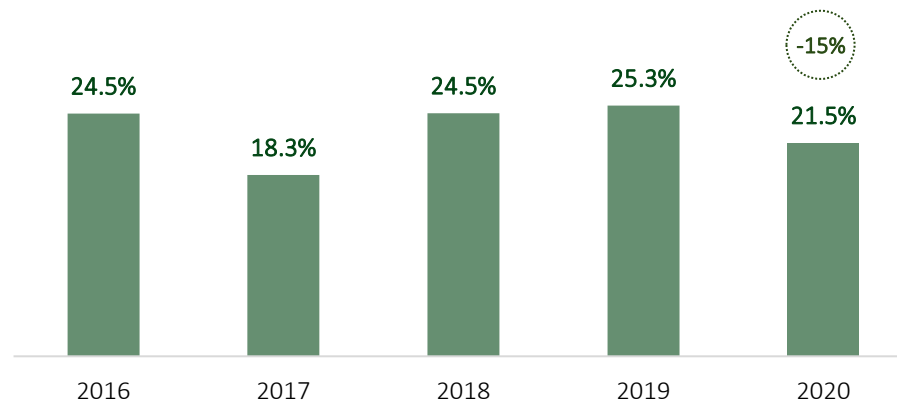


## ... Demonstrating the strong willingness of offerors to secure the offer success<sup>(2)</sup>

- A proportion of “closing” offers<sup>(1)</sup> in 2020 comparable to the level of 2019 representing:
  - 60% in 2020 (41% of simplified public tender offers with squeeze-out intention, 13% of squeeze-out offers and 6% of buyout offers) vs.
  - 62% in 2019 (39% of simplified public tender offers with squeeze-out intention, 16% of squeeze-out offers and 7% of buyout offers)
- Given the high complexity of their execution and, perhaps, their lower attractiveness, **takeover offers (Public exchange offers/Simplified public exchange offers/Mixed tender offers) remain rarely used**
  - However, note the mixed tender offer of Worldline on Ingenico in July 2020 and the public exchange offer announced in September 2019 but not yet filed by Prologue on M2I

# Median premiums on the last spot price before announcement

A significant drop in premiums offered in 2020

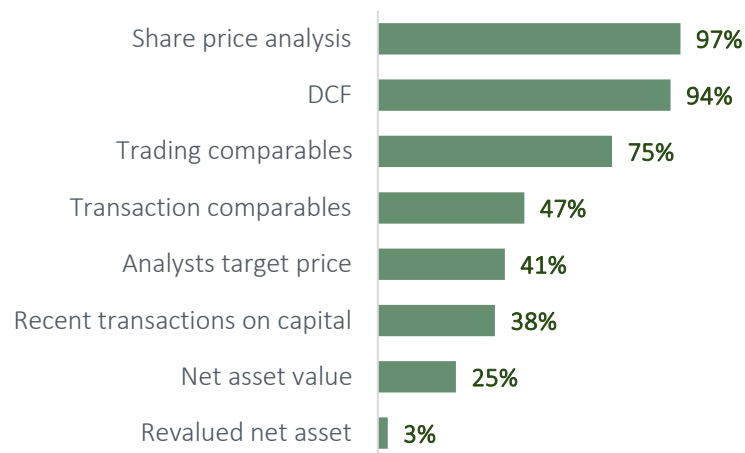


## Declining premiums

- A drop in the premiums offered of about 15% on the spot price in 2020 to reach 21.5%, considering:
  - An increase in offers initiated by financial investors (see details in the following slides), who are less able to take advantage of potential synergies or pay a premium for the acquisition of a competitor
  - An increase in the number of closing offers, not requiring a high premium to be successful (the 90% threshold is sometimes reached even before the offer is filed)
  - A decline in stock market indexes:
    - -7.14% for the CAC 40 in 2020
    - -6.57% for the SBF 120 in 2020

# Retained valuation methods in 2020 offers

The share price analysis, the DCF and trading comparables remain the main valuation methods

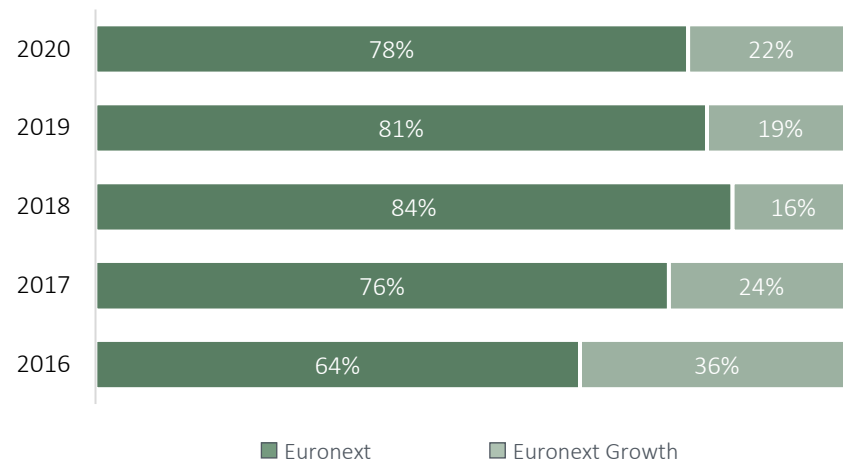


## The share price analysis, the DCF and trading comparables remain the main valuation methods retained in the multi-criteria valuation approach

- The analysis of the share price remains the main method used given its mandatory nature (the offer price must be higher than the 60-day VWAP<sup>(1)</sup>)
- The DCF<sup>(2)</sup> and comparables (trading and, to a lesser extent, transactions) are highly used due to their relevance in a valuation approach
- As mid-market companies remain poorly covered by financial analysts, this method is often disqualified or only retained for information purposes only
- The valuation approach through recent significant transactions on capital of the target company represents a reference method but is often disqualified because of a lack of recent data points
- The net asset value, an asset valuation method (used for the valuation of companies with a strong real estate component), was particularly used in 2020 (i.e. for the valuation of Spir Communication, ECA Group, Bouygues Construction, 1000Mercis, Groupe Open, Digigram, Business & Decision and SABIC)

# Stock exchange compartments

A slight increase in offers filed on Euronext Growth

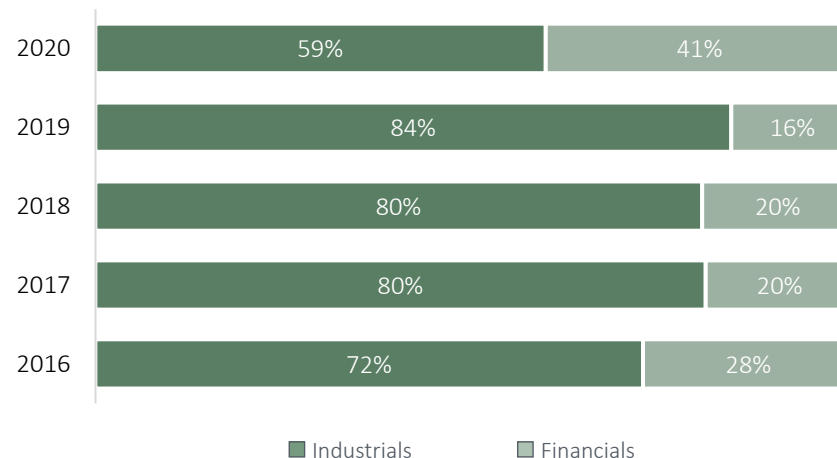


## A slight increase in the proportion of offers filed on Euronext Growth

- After a banner year in 2016 and two declining years in 2017 and 2018, the share of offers initiated on Euronext Growth has increased since 2019 to account for more than 22% of offers filed in 2020
- This growth can be explained by several reasons:
  - Controlled companies with significant blocks, making it easier to reach the 90% threshold
  - Companies that are sometimes less valued because they are less covered by analysts
  - A market on which we find many technology companies, more sought-after in 2020 because of Covid
- Offers filed on Euronext Growth:
  - The share buyback tender offer on 1000Mercis, the simplified public tender offer of Eurazeo PME on Easyvista, the public tender offer of Mercure Energie on Mint, the simplified public tender offer of Ateame on Anevia, the simplified public tender offer of The Carlyle Group on Envea, the public tender offer of Oncodna on Integragen, the squeeze-out offer of Five Arrows<sup>(1)</sup> on Harvest

# Breakdown of offers by offeror type

A significant increase in offers initiated by financial investors



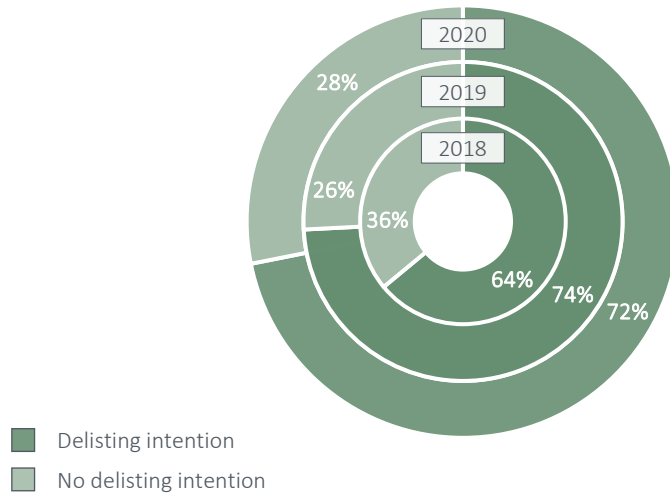
## A sharp increase in the proportion of offers initiated by financial investors

- 13 out of the 32 offers filed in 2020 were initiated by financial investors, a proportion that has increased significantly compared to previous years (i.e. 41% in 2020 vs. 16% in 2019 and 20% in 2018 and 2017)
- Examples of offers initiated by financial investors in 2020: Sofiouest on Spir Communication, E.J. Barbier (Argos Wityu) on Société Anonyme d'Explosifs et de Produits Chimiques, PAI Partners on Amplitude Surgical, Eurazeo PME on Easyvista, The Carlyle Group on Envea, Andromeda Investissements (CVC Capital Partners) on April, Winnipeg Participations (Five Arrows Principal Investments) on Harvest and Evergreen on Digigram
- Possible explanations:
  - A better understanding and mastery of public M&A
  - A lower threshold for squeeze-outs at 90% of capital and voting rights
  - A growing appetite from investors from the private sector, where many transactions have been put on hold due to Covid-19 while stock exchanges never stop

# Delisting intentions and success rates

The number of offers with delisting intention is stable compared to 2019

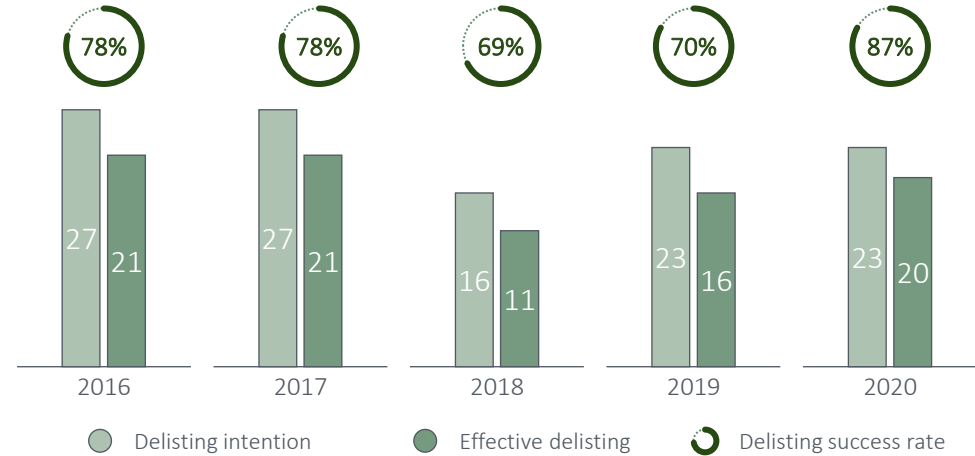
## Proportion of offers with delisting intention



### A stabilization in the % of offers with delisting intention...

- 23 offers with delisting intention, similar to 2019
- The remaining substantial share of offers filed without delisting intention results from:
  - The willingness to take control, without necessarily delist the target
  - A desire to reduce/avoid a counter bid

## Delisting success rates (closed offers)

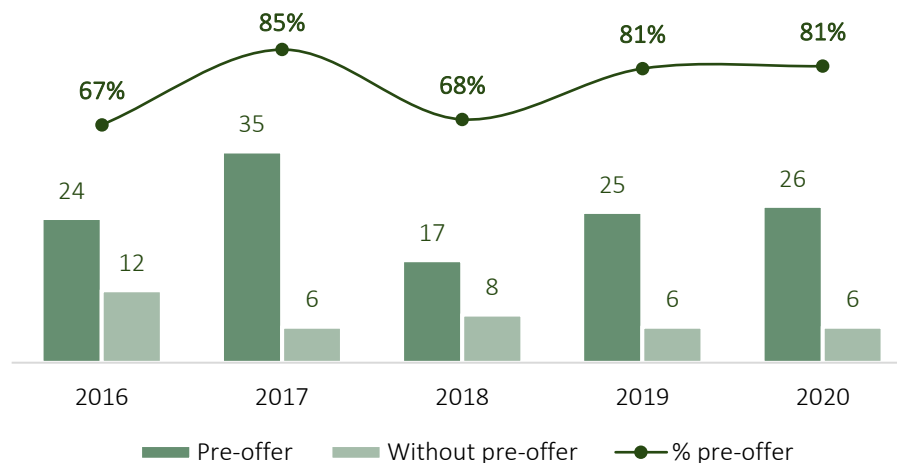


### ...and an increase of delisting success rate

- In 2020, 87% of filed and closed offers (20 out of 23) led to an effective delisting, i.e. a historically high success rate, which can be explained by:
  - The important weight of closing offers
  - Market uncertainties related to Covid

# Use of the pre-offer mechanism

The pre-offer mechanism remains just as much used by public offers initiators in 2020

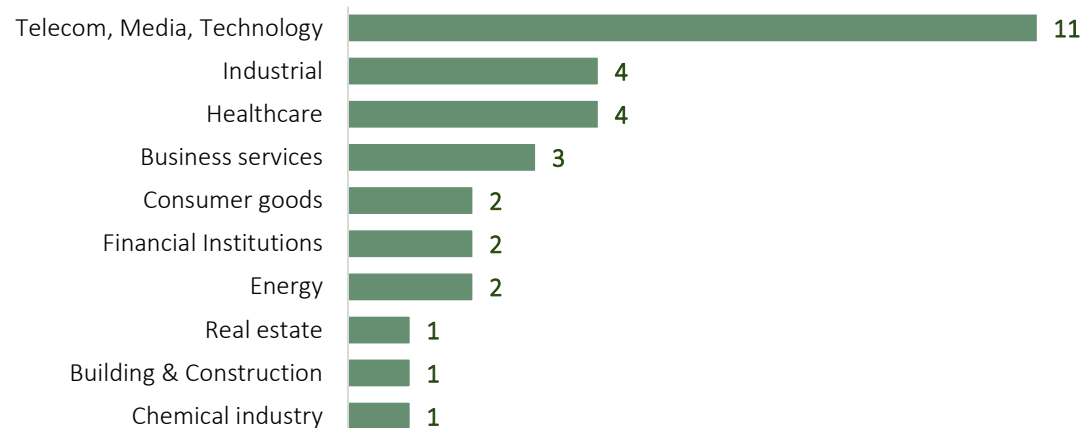


## A continued strong use of the pre-offer mechanism

- The use of the pre-offer mechanism is comparable to that of 2019 and represents 81% of offers
- This increase may be linked to the decrease of squeeze-out offers (13% in 2020 vs. 16% in 2019) which usually do not require a pre-offer mechanism as the offeror holds more than 90% of capital and voting rights before the announcement:
  - Therefore, no conditions precedent (anti-trust, foreign investment, consultation of employees' representative bodies) are required to trigger a pre-offer

# Offers submitted by sector of activity

An important number of offers in the Telecom, Media & Technology (TMT) sector



## An important number of offers in the Telecom, Media, Technology (TMT) sector

- As in recent years, Telecom, Media and Technology (TMT) remains the most widely represented sector in 2020 with 11 offers (i.e. 34% of offers submitted)
- Examples of offers initiated in the TMT sector:
  - The buyout offer of Orange Business Services on Business & Decision
  - The squeeze-out offer of Five Arrows<sup>(1)</sup> on Harvest
  - The simplified public tender offer of Dedalus on Dedalus France
  - The simplified public tender offer of Evergreen on Digigram
  - The mixed tender offer of Worldline on Ingenico
  - The public tender offer of BidCo Breteuil on Mediawan
  - The simplified public tender offer of Sopra Steria on Sodi France



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2020 Review

# Appendix

# List of offers announced and filed in 2020

Announced date	Filing date	Target	Offeror	Offer type	Market
24/12/2020	Pending	Baccarat	Fortune Legend Limited	Simplified public tender offer	Euronext
17/12/2020	Pending	EOS Imaging	Alphatec Holdings	Public tender offer	Euronext
14/12/2020	Pending	Sofibus Patrimoine	Segro France	Simplified public tender offer	Euronext
22/10/2020	Pending	Dalet	Long Path Partners	Simplified public tender offer	Euronext
05/10/2020	Pending	Suez	Veolia	Simplified public tender offer	Euronext
30/07/2020	Pending	Microwave Vision	HLD Europe	Simplified public tender offer	Euronext Growth
23/07/2020	Pending	Société Française de Casinos	Casigrangi	Public tender offer	Euronext
09/12/2020	18/12/2020	Selectirente	Sofidy	Buyout offer	Euronext
15/11/2019	18/12/2020	Société Anonyme d'Explosifs et de Produits	E.J. Barbier SA	Simplified public tender offer	Euronext
09/12/2020	09/12/2020	Bouygues Construction	Bouygues	Squeeze-out offer	Euronext
31/07/2020	07/12/2020	Amplitude Surgical	PAI Partners	Simplified public tender offer	Euronext
02/12/2020	02/12/2020	1000Mercis	1000Mercis	Share buyback tender offer	Euronext Growth
24/09/2020	17/11/2020	Advenis	Inovalis	Simplified public tender offer	Euronext
28/09/2020	13/11/2020	Mint	Mercure Energie	Public tender offer	Euronext Growth
10/11/2020	10/11/2020	Spir Communication	Sofiouest SA	Simplified public tender offer	Euronext
31/07/2020	09/11/2020	Anevia	Ateme	Simplified public tender offer	Euronext Growth
13/08/2020	03/11/2020	Genkyotex	Calliditas Therapeutics	Simplified public tender offer	Euronext
29/06/2020	19/10/2020	Envea	The Carlyle Group	Simplified public tender offer	Euronext Growth
09/12/2019	07/10/2020	Le Bélier	Wencan Holding	Simplified public tender offer	Euronext
12/06/2020	07/10/2020	Horizontal software	HSW Développement	Simplified public tender offer	Euronext
22/07/2020	06/10/2020	Groupe Open	New Go	Public tender offer	Euronext
17/02/2020	05/10/2020	Sodifrance	Sopra Steria	Simplified public tender offer	Euronext
25/09/2020	02/10/2020	Lafuma	Calida Group	Squeeze-out offer	Euronext
22/07/2020	29/09/2020	Easyvista	Eurazeo PME	Simplified public tender offer	Euronext Growth
23/09/2020	23/09/2020	ECA Group	ECA	Simplified public tender offer	Euronext

# List of offers announced and filed in 2020

Announced date	Filing date	Target	Offeror	Offer type	Market
31/03/2020	22/09/2020	Antalis	Kokusai Pulp & Paper	Simplified public tender offer	Euronext
15/07/2020	11/09/2020	Medicrea International	Medtronic	Public tender offer	Euronext
09/07/2020	11/09/2020	Devoteam	Castillon	Public tender offer	Euronext
06/03/2019	24/08/2020	AGTA Record	ASSA Abloy	Simplified public tender offer	Euronext
09/07/2020	09/07/2020	Integrigen	Oncodna	Public tender offer	Euronext Growth
03/02/2020	08/07/2020	Ingenico	Worldline	Mixed tender offer	Euronext
22/06/2020	03/07/2020	Mediawan	BidCo Breteuil	Public tender offer	Euronext
11/02/2020	23/06/2020	Digigram	Evergreen	Simplified public tender offer	Euronext
18/05/2020	18/05/2020	Dedalus France	Dedalus	Simplified public tender offer	Euronext
31/12/2019	14/05/2020	Société Française de Casinos	Circus Casino France	Public tender offer	Euronext
06/04/2020	07/05/2020	Harvest	Winnipeg Participations	Squeeze-out offer	Euronext Growth
28/02/2020	27/04/2020	EOS Imaging	Alphatec Holdings	Public tender offer	Euronext
12/03/2020	08/04/2020	Blue Solutions	Bolloré	Simplified public tender offer	Euronext
28/12/2018	24/03/2020	April	Andromeda Investissements	Squeeze-out offer	Euronext
12/02/2020	12/03/2020	Business & Decision	Orange Business Services	Buyout offer	Euronext
16/01/2020	21/01/2020	Société Anonyme des Brasseries du Cameroun (SABC)	Société des Brasseries & Glacières Internationales (BGI)	Simplified public tender offer	Euronext

 Cancelled offers

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