



Introducing Citizen Capital

*First French venture capital fund to
provide capital to underserved businesses*

June 2011

Citizen
CAPITAL 

Introduction

Equity with a meaning

■ Financing SMEs

Citizen Capital believes that providing capital for high growth small firms has a strong impact on the economy and hence on job creation

■ Equity for social issues

Citizen Capital is also convinced that financing companies and outstanding entrepreneurs with limited access to equity and networks (location in deprived areas, self made, minority-owned) benefits to the whole of society. Citizen Capital has implemented an ESG approach and has signed the Principles for Responsible Investment (PRI).

■ Professionalism

Citizen Capital intends to implement private equity processes and professionalism to source, select, analyse and manage the companies it invests in, and expects to deliver market rates performance.



Providing capital to underserved businesses, targeting attractive financial and social returns

Market Opportunity

Filling the equity gap

■ Lack of equity financing for smaller SMEs

Investors and PE managers focus on LBO and larger deals

Weak expansion capital supply for smaller businesses

Proven growth potential of SMEs with ability to create wealth, jobs and new role models

■ Emerging generation of entrepreneurs with high growth potential but limited social network and access to equity

25% of French population entering the labour force stemming out of immigration

7 million inhabitants in deprived areas with high rate of businesses created and strong drive to succeed

Existing funds tend to invest in businesses with managers of the same background

■ A profitable segment in the USA and in the UK for c. 15 years

Identification of underserved businesses and areas, with limited access to financial services including venture capital

Over 100 dedicated funds and \$ 15 billion under management in the USA

Bridges Ventures (UK) launched in 2002 by Sir Ronald Cohen (£150m under management)

A profitable segment – 23,3% for the 1989-1995 period, according to Kaufmann Foundation (above the private equity performance)

An asset class attracting institutional investors (commitments from CalPERS, NY State Common Fund...)

Investment Strategy

Investment criterias

Financial Criteria	Extra-financial Criteria
<ul style="list-style-type: none">■ Ambitious entrepreneurs■ Strong competitive advantage■ Sales ranging from € 1 to 20 million■ Attractive development perspectives	<ul style="list-style-type: none">■ Geographical criteria Businesses located in deprived areas (urban or rural) <i>or</i>■ Entrepreneur's profile criteria Self-made entrepreneurs (low level of diploma), minority owned businesses... <i>or</i>■ Business content criteria Businesses with a strong social impact / CSR approach

Investment Strategy

Proactive partnership with portfolio companies

■ Adding value to portfolio companies

- Support in defining strategy and setting priorities (identification of attractive markets, hiring, external growth...)
- Support in defining key performance indicators and improve information systems
- Support in implementing performing governance rules

■ The Citizen Network

- Grouping entrepreneurs, advisers and private equity professionals, interested in Citizen Capital's philosophy and ready to share their experience and contacts with portfolio companies
- A number of blue chips companies ready to provide monitoring

■ Business development support

- Supplier diversity program – gathering 12 purchasing managers of blue chips

■ SRI approach

- Support portfolio companies in their sustainable & responsible policy (annual reporting)
- Social aspects : job creation, staff training, non discrimination & diversity, supplier policy, etc.
- Environmental aspects : environmental behavior among the staff, reduction of activity's environmental impact
- Governance aspects : quality of monitoring and reporting tools, implementation of governance bodies

Governance

Citizen Capital is a French FCPR managed by Citizen Capital Partenaires.

■ Managing Board

- **Pierre-Olivier Barennes**
- **Laurence Méhaignerie**

■ INVESTMENT COMMITTEE

- **Benoît Bassi**
CEO Bridgepoint France
- **Olivier Millet**
CEO Ofi Private Equity
- **Henry Peyroux**
General counsel GCE Capital (Caisse d'Épargne Group)

■ Supervisory Board

- **Jean-Louis de Bernardy**
Founding partner Activa Capital, 2009/10 Chairman of French venture capital association AFIC
- **Olivier Boré**
CEO of GCE Capital (Caisse d'Épargne Group)
- **Yazid Chir**
CEO Neocles, MEDEF 93, Nos Quartiers ont des Talents
- **Eric Licoys**
Independent board member, former Chairman of French venture capital association AFIC
- **Nordine Hachemi**
CEO Séchilienne Sidec (quoted company)
- **François Marbeck**
Alternative Investments Manager, La Banque Postale
- **Amadou Raimi**
Chairman Deloitte France, Vice-Chairman Deloitte Worldwide

Investisseurs

Citizen Capital manages €19 million

INSTITUTIONAL INVESTORS



INDIVIDUALS INVESTORS

Including leading entrepreneurs :

- **Didier Ferré**
CEO Ferimo
- **Louis Le Duff**
CEO Le Duff-Brioche Dorée Group
- **J.-C. Volot**
CEO Dedienné Aérospace

Including leading private equity professionals:

- **B. Bassi**
CEO Bridgepoint France
- **J.-L. de Bernardy**
Founding partner Activa Capital, 2009/10 AFIC Chairman
- **E. Licoys**
Independent board member
- **O. Millet**
CEO OFI Private Equity

Introduction

Management Team



■ **Laurence Méhaignerie, President and co-founder**

- Laurence had a key role since 2003 in diversity promotion in France : research fellow at the Institut Montaigne think tank, co-author of « *Les oubliés de l'égalité des chances* » report in 2004 (« Bypassed by equal opportunity ») with Yazid Sabeg, co-author and launching of the Diversity Chart in October 2004 (initially signed by 35 blue chip groups' CEOs, now by over 5,000 companies)
- She was Advisor to the French Ministry in charge of equal opportunity in 2005-2006, expert in diversity & employment. She co-founded and chairs Equity Lab and leads a workshop on French «Supplier diversity».
- She started her career as a journalist at the French leading newspaper for public local authorities



■ **Pierre-Olivier Barennes, CEO and co-founder**

- Prior to creating Citizen Capital, Pierre-Olivier was a Director at Bridgepoint Capital, a leading European private equity firm, where he completed a number of midcap transactions in France and Europe in various sectors.
- His previous experience includes financial positions first in a legal consultancy firm and then at Schneider Electric in Istanbul (Turkey).



■ **Mohamed Abdesslam, Associate**

- Prior to joining Citizen Capital in 2009, Mohamed performed internal audits and strategic analysis at Credit Agricole CIB during 2 years.
- Graduated from French engineering school Centrale Nantes and Sciences Po Paris.

Investments

G2J

■ Integrated videoconferencing service provider

Created by **José Jacques-Gustave**, entrepreneur stemming out of French Caraibs

Facilitating videoconferencing sessions regardless of infrastructures, equipments or access protocols

Monitoring corporate companies videoconferencing systems

Offices in Paris, French Caraibs and Shanghai



■ Videoconference more and more implemented

Enabling significant savings in terms of travel expenditure and CO2 emissions

Market growth doubled at world level since 2005 thanks to the internet and technology progress

■ French leader in providing videoconferencing services

High expertise and level of quality (24/24*7/7, flexibility, multilinguism)

Over 4.500 sites under monitoring, 90,000 hours of videoconference a year

Top clients portfolio including blue chips and public administrations: IMF, Auchan, Alstom, French Department of Justice, EDF...



Investments

Rungis Nature

■ Wholesaler in organic fruits and vegetables

Created by a multicultural team

Located in Rungis International Market (Paris suburbs)



■ A growing market

French market doubled over the past 5 years (€ 518 Million in 2009) due to consumers demand for organic / healthy / environment-friendly products

60% of French consumption imported due to shortage of organic fruit and vegetables production

Wholesalers hold a key role in order to access organic farmers

■ Company strengths

Close relationship with suppliers due to managers' background allow to have access to large volumes and offer high quality products

Strong position in serving organic outdoor markets and specialized food stores



Investments

Trace TV

■ International music TV channel focused on urban and tropical music

Launched in 2003 by Olivier Laouchez, entrepreneur stemming out from French Caraïbs

2 channels: Trace TV (rap, R&B...) and Trace Tropical (salsa, zouk, reggae) broadcast through 28 satellites and distributed by over 200 pay TV operators.

20 million subscribers in 130 countries (including 9 million in Europe, 6 in Africa and 1 in Asia)



■ N°1 music channel in Africa

Strong reputation / sympathy with young people (15-34y)

N°1 music channel in Africa - 2nd most watched musical channel in France

50% of revenues coming from emerging countries

■ Growth opportunities

Pay-TV undergoing a strong growth especially in Africa and Asia

Trace partnership on mobile phone with MTN (N°1 mobile operator in Africa - 130 million subscribers)

Launching of Trace Sports in June 2011, new TV channel dedicated to sports celebrities' intimacy and lifestyle



Contacts

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