



DEFENCE: FRENCH INSTITUTIONAL INVESTORS LAUNCH A DEDICATED PARIS FINANCIAL CENTRE FUND WITH THE EMERGENCE SICAV

Paris, 4 December 2025 - Following on from the meeting held at Bercy on 20/03/2025 on the financing of the defence industrial and technological base (BITD), under the aegis of the Ministers of the Economy and the Armed Forces, numerous major French institutional investors have decided to mobilise to structure a dedicated fund for defence industrial companies in line with the State's strategic priorities. Faced with the growing challenges of industrial sovereignty, national security and the transformation of defence models, this collective initiative highlights that the financing of French and European defence capabilities is becoming a key strategic issue for these investors.

Recent developments in the organisation of the Emergence SICAV and the broadening of its scope of activity have facilitated the choice of investment vehicle. The new and seventh sub-fund, Emergence Défense, is launched within a remarkably short timeframe.

This fund will finance, through equity or quasi-equity, SMEs and mid-sized enterprises falling within an expanded scope of the BITD, either listed by the Directorate General of Armaments (DGA) or likely to be so. It aims to support their organic growth, technological development, transmission or consolidation, as well as their adaptation to the new industrial and operational paradigm of the defence and national security sector. Its first closing will take place in January 2026 with a target of raising €400 million.

Investors have chosen to target a diversified portfolio in unlisted companies already profitable over the past two years, based on active majority or minority stakes. Its scope will cover, in the defence sector, both traditional industrial players and innovative technology companies, the entire value chain (R&D, production, maintenance, etc.) and all operational areas (land, sea, air, cyber, space, etc.). Selected companies, with no capitalisation constraint, must report a turnover of at least €5 million from their civil and military activities. The investment period is a maximum of five years.

The sub-fund will be based on a selective investment strategy, relying on stringent criteria of sovereignty, alignment with the armed forces' capability requirements and integration of ESG standards, while excluding areas of armament that do not comply with international conventions ratified by France. The geographical allocation of Emergence Défense's investments is expected to reflect a primary focus on France, with a minimum of 70% of the total portfolio invested in companies whose registered office or main business activity is located there. In addition, and on a strategic basis, investments may be made in countries that are members of the European Union and NATO.

The Emergence Défense fund benefits from specific strategic and technical governance, in accordance with the organisational and internal operating provisions governed by the articles of association of the Emergence SICAV. The Community of Subscriber Investors is autonomous in

defining the investment policy and in making decisions about the running of the sub-fund. The Emergence Experts Committee, composed of four former professionals from the top management bodies of major defence manufacturers or the DGA, and independent of the delegate in charge of the sub-fund's financial management, will issue opinions of an advisory nature to investors on defence matters.

Latour Capital has just been officially selected to manage the Emergence Défense sub-fund following a call for tenders to which 11 French private equity players with an international reputation responded, demonstrating the market's interest in and support for the initiative. In making this choice, the voting investors favoured a candidate with a strong track record in private equity and a well-structured, robust proposal to enter the defence sector. In this respect, Latour Capital's mission is to deploy the capital committed by investors with a requirement to create financial and extra-financial value while exercising a long-term strategic vision on defence and sovereignty issues.

Bertrand du Guerny, Chief Executive Officer of Emergence, said: *"In a context where the State is calling for support of our sovereignty and industrial resilience to drive the transition towards a more autonomous defence model, there is a strong shared willingness among institutional investors to mobilise capital and direct it towards this strategic sector. By choosing Emergence to structure our investments towards BITD companies, investors ready to commit have expressed their interest in making use of the flexibilities offered by this SICAV. Its new structure enabled us to quickly carry out a call for tenders and lead to the selection of Latour Capital, which agreed to apply the operating partnership collectively requested. The announcement of the launch of this sub-fund is a real success, which will be confirmed at the first closing scheduled for early 2026."*

The new Défense d'Emergence sub-fund is the seventh created by the SICAV, marking the launch of its first private equity fund. Classified under SFDR, Article 8, this sub-fund will have a duration of 10 years, with the possibility of a one-year extension, renewable once.

Emergence Défense has already brought together ten investors, including Caisse des Dépôts and insurers. Nearly ten other institutional investors have begun exploring the possibility of joining the initiative.

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ABOUT EMERGENCE

Created in 2012, the Emergence SICAV is a specialised professional fund (FPS) with sub-funds, established in the form of a simplified joint stock company (SAS), which currently comprises 17 leading institutional investors, a number expected to increase rapidly in 2026. Since 2024, the chairmanship has been held by MACIF, represented by Ms Sabine Castellan-Poquet, and since 2018, its general management has been entrusted to Mr Bertrand du Guerny.

Originally, the objective of this SICAV, which is designed as a market-oriented fund, was to entrust capital (seed money) to young, entrepreneurial, talented and distinctive asset management companies in order to accelerate their growth. Since January 2025, its scope of activity has been expanded so that its new sub-funds prioritise investment proposals that create financial and extra-financial value, centred on investors' common needs and addressing strategic issues.

In April 2025, Emergence appointed Fundsight SA (formerly Lemanik AM) to assume the role of "lead" asset management company, with the financial management of each of its created sub-funds being entrusted by delegation from Fundsight SA to an asset management company selected on the basis of a call for tenders. NewAlpha AM is the financial manager of the five longstanding sub-funds: Performance Absolue (€307m), Actions (€200m – liquidated on 31/12/2024), Equities II (€320m), Europe (€221m) and Techs for Good (€150m). Latour Capital was officially appointed on 17 October 2025 to become the manager of the Emergence Défense sub-fund, which will be launched in January 2026 with a minimum target of €400m.

By actively contributing to the growth of talent in entrepreneurial asset management and to the mobilisation of institutional capital around major issues, Emergence has become a recognised asset that strengthens the attractiveness of the Paris financial centre and its positioning as an essential hub for asset management in the European Union.
<https://www.emergence-acceleration.com>