



## A NewSpace jewel onboard with a major Earth-Space communications OEM

DEAL FLASH | AEROSPACE, DEFENSE & SECURITY | JANUARY 2023

### DEAL SNAPSHOT

**Syrlinks, a leading French NewSpace designer and manufacturer of cutting-edge radio communication and radio navigation solutions, has been acquired by Safran Electronics & Defense.**

Founded in 2011, Syrlinks' systems have been embedded in major space missions, such as Myriad, Rosetta, Argos, OneWeb and Kinéis. Regarded as a standard-bearer in the NewSpace industry, the company develops cutting-edge electronic systems for the aerospace, defense & security markets.

Following a successful development phase, Syrlinks' founders and shareholders were looking for a new partner to support the sector's strong growth, especially in the US market. After a competitive process, Safran was chosen as the best strategic fit to work alongside the company's management. The current shareholders are exiting the capital side but will remain involved in operational activities.

Safran is a leading French industrial and technology group with a worldwide presence operating in the aerospace and defense industries. Founded in 2005 and listed on the CAC 40 Index since September 2011, the group is one of the largest aerospace & defense groups in the world.

"We started this capital restructuring process to strengthen Syrlinks and accelerate our development, especially in the export markets. We appreciate the expertise, availability and responsiveness of the Oaklins team. This process was quite enriching but also intense, so it was important that we were well advised. This partnership with Oaklins in the final phase was decisive for us."

**GWÉNAËL GUILLOIS  
& GUY RICHARD**  
CEO & PRESIDENT  
SYRLINKS, FRANCE

### OAKLINS PLAYED A KEY ROLE IN FACILITATING THIS DEAL

Oaklins' aerospace, defense & security (ADS) team in France assisted Syrlinks and its shareholders throughout the sale process. The team approached financial and strategic buyers around the world, and structured the most attractive transaction for its client. Oaklins Janes Capital, our specialist ADS team in Irvine, California, supported the transaction. The company was successfully sold to an international group, confirming Oaklins' expertise in the sector.



## MARKET TRENDS & DEAL DRIVERS

Since its inception, the space sector has been mainly dictated by public research or governmental needs, with orders placed for limited quantities of large, expensive satellites developed through very long cycles.

The recent and disruptive NewSpace approach, based on privately operated constellations of thousands of smaller satellites using commercial, off-the-shelf technologies, has dramatically rattled the whole industry and its long-time players.

Fueled by a 90% reduction in launch costs thanks to reusable rockets, the global space market is now experiencing unprecedented growth, with the number of satellites in orbit expected to multiply by 17x over the next decade, and the total global space market by 6x by 2040.

## M&A VALUATION ASPECTS

The valuation level for this transaction was not disclosed but far exceeded shareholders' initial expectations.

Within the very fast-growing space market, valuations are at high levels, generally between 10 to 15x EBITDA, and sometimes even more for specific technologies with proprietary IP. However, the proposed technology or service must address the specific needs of NewSpace in terms of weight, size and power consumption.

## OUR INDUSTRY SPECIALISTS

### ✉ RAPHAËL PETIT

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Raphaël is a partner and co-founder of Oaklins France. He has been involved in corporate finance for more than 15 years. Responsible for the ADS sector at Oaklins France, Raphaël has closed approximately 20 transactions in this industry since 2015, including the sale of Mapaero to the Dutch group AkzoNobel, the acquisition of UK-based Graytone by ADDEV Materials, and the MBO of Reflex CES.

### ✉ STEPHEN PERRY

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Stephen leads Oaklins' ADS and aircraft systems teams. He has over 25 years of corporate finance and investment banking experience. Stephen has completed more than 50 aerospace, defense & security M&A deals valued at over US\$4 billion. Recent transactions include the acquisition of Thomson Aerospace & Defense, by UmbraGroup S.p.A; and the sales of Matrix Composites to ITT Inc.; of IntelliPower to AMETEK, Inc.; and of IDL Precision Machining to CORE Industrial Partners.



“As a forerunner in embedded equipment for NewSpace, Syrlinks is one of the French technological jewels in this young but very dynamic sector. As such, and benefiting from a significant size and growth, Syrlinks has generated a high level of interest, from both French and foreign manufacturers.

We are delighted that this beautiful story can now continue within this world champion that is Safran.”

**RAPHAËL PETIT**  
PARTNER  
OAKLINS, FRANCE

## OAKLINS HAS CLOSED 79 DEALS IN AEROSPACE, DEFENSE & SECURITY

United by a strong belief that we can achieve the extraordinary. Oaklins is a global team of 850+ financial advisory professionals in 45 countries providing M&A, growth equity, ECM, debt advisory and corporate finance services to support entrepreneurs, corporates and investors in reaching their goals.

# Oaklins

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