

Press Release
Paris, 24th June 2022

Vestack raises over €10 million to become a leader in low-carbon construction

Vestack, a tech company specializing in the design and construction of low-carbon buildings, announces raising over €10 million with impact funds and historical investors. The proptech is now looking **to accelerate its growth, increase its production capacity, and finance research and development projects.**

“A tech revolution is necessary to reconcile sustainable construction with affordable housing”, said Sylvain Bogeat, Nicolas Guinebretière, and Jean-Christophe Pierron, Vestack’s co-founders.

This latest round of more than €10 million was led by the first Impact Private Equity fund of Mirova, an affiliate of Natixis Investment Managers dedicated to impact investing, supported by Ring Capital’s VC Impact fund Ring Mission, and Karista. It will allow the company to accelerate:

- The **development of new features in its digital design software,**
- **R&D** on the construction system and **commercialization** of new products,
- **Increase in production capacity,** by financing new assembly sites and establishing new sub-contracting partnerships.

These developments will allow Vestack to become a tech leader in the design and construction of low-carbon buildings.

The *Paris Region Venture Fund* supported Vestack in a previous round in 2020, which enabled the business to develop its design and build solution and open a first assembly site East of Paris. The company has constructed its first projects and signed around 20 contracts in a booming market, supported by France’s new environmental regulations.

Vestack uses a digital design technology and a modular construction system to transform how our cities are built. **The business allows its clients, real estate developers, to construct buildings with a three times lower carbon footprint, twice as fast, and without any extra cost compared to traditional construction.** The Greentech constructs residential, accommodation, and tertiary buildings (e.g. offices, nurseries) of up to five floors. Incorporated in 2019, the company has around 40 employees across different sites in the Paris region.

The solution developed by Vestack relies on two innovations. On the one hand, the business has developed a software that facilitates the design of a **building’s digital twin** (i.e. a Building Information

Model) which is then turned into production instructions. This design for manufacturing approach allows the specifics of modular construction to be anticipated from the first draft of the building design. On the other hand, the group assembles the modules off-site in the form of floor and wall panels made of bio-sourced materials.

The **productivity gains from digitization, industrialization and robotization absorb any extra costs related to the use of more environmentally-friendly materials.** Modular construction also aids the eco-conception of buildings by optimizing the use of resources and reducing supply chain flows, as proven by the solution's many awards and certifications. Off-site construction also reduces the nuisances associated with a building site and cuts construction time by half.

Joanna Parent, Investment Director of Mirova's Private Equity Impact, *"The goal of Mirova's environmental impact capital investment strategy¹ is to accelerate the scaling of innovative environmental solutions with positive impact. A quarter of global greenhouse gas emissions and 75% of waste are linked to the construction sector². The issues Vestack is dealing with are vital to control our carbon emissions in the years to come and we are particularly happy to support it"*.

Charlotte Lafont, Principal, Ring Mission, *"Vestack's mission is to democratize low carbon construction. Their buildings, while respecting the environment, remain affordable and competitive. Beyond having an environmental impact, they have a social impact and provide an answer to the housing crisis. The solution fits perfectly with Ring Mission's aims. We are delighted to partner with Karista and Mirova to support Vestack in this ambition."*

Benjamin Zerbib, Investment Director, and Yvan-Michel Ehkirch, Managing Partner, Karista : *" Since 2020, we are proud to support Vestack with the Paris Region in its mission to become a leader in low-carbon construction. These new resources should increase production capacity and confirm Vestack's position as a key player in the sector. We are delighted to welcome Mirova and Ring for this new phase."*

About Vestack

Vestack designs and builds low-carbon buildings in the form of modules assembled off-site from bio-based materials. The company allows its clients real estate developers to construct buildings with a carbon footprint divided by three, twice faster, and without any additional cost compared to the traditional construction. To do so, Vestack integrates in the same construction process a design software and an industrialized construction technology. As a general contractor, Vestack ensures the entire construction process as well as the final delivery of residential buildings, offices, housing estates and educational facilities.

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¹ L'investissement dans cette stratégie est soumis notamment à un risque de perte en capital

² Source : UNEP

About Mirova

Mirova is a management company dedicated to sustainable investment and an affiliate of Natixis Investment Managers. Through conviction management, Mirova's goal is to combine long-term value creation and sustainable development. Pioneers in many areas of sustainable finance, Mirova's talents aim to continue innovating in order to offer their clients solutions with high environmental and social impact. Mirova and its affiliates manage €27.2 billion as of March 31, 2022. Mirova is a mission-driven company, labeled B Corp^{1,3}.

¹ The reference to a ranking or a label does not prejudice the future performance of the funds or its managers

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Mirova is an affiliate of Natixis Investment Managers.

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A propos de Ring Capital

Ring Capital is an ecosystem dedicated to investing in high-growth tech and impact companies. It has three investment vehicles. Ring Altitude (€165m) is positioned in the growth tech segment and supports French impact "scale-ups" in their scaling up phase, notably through internationalization and external growth. Ring Mission (€40m at the first closing) is a VC Impact that finances start-ups whose core business addresses a social or environmental issue. Finally, Ring Foundation is a philanthropic fund dedicated to financing and supporting tech associations promoting inclusion.

The founders, Geoffroy Bragadir, a successful web entrepreneur (founder and ex-CEO of Empruntis) and Nicolas Celier, ex-partner of Alven Capital, are surrounded by a complementary team composed of top-tier tech operators (ex-Criteo CTO, webmarketing and data experts, etc.) and recognized investors. This team is supported by a community of experts and mentors gathered within Ring2Success, the support program dedicated to the portfolio companies.

The funds under management come from institutional players such as Tikehau Capital and BPI France, as well as from family or private investors.

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About Karista

Karista is an independent early-stage venture capital firm. For the past 20 years, we have been backing and guiding more than 100 companies in Western Europe from inception to success in Digital, Technology, Spacotech and Healthcare. Because we believe that investment is not only about money but also about people, we provide support to our founders and entrepreneurs very early-on. Karista has signed the Sista collective charter.

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³ Reference to a certification does not prejudice the future performance of the funds or their managers

About the Paris Region Venture Fund (managed by Karista)

As part of its policy to support innovation, the Paris Region wishes to assist the emergence of tomorrow's leaders in the key sectors of the Paris Region economy with high competitiveness stakes, such as the sustainable and intelligent city, aeronautics, digital, cyber security, tourism, agri-food, health, and the mobility sector. It has chosen to focus its support primarily on projects involving breakthrough technologies that will shape the products and services of tomorrow. To support this ambition, the Paris Region has set up the Paris Region Venture Fund, with the support of the ERDF (FEDER), which is designed to provide equity support to young innovative companies in the Paris Region. With investment capacity increased to €50M in 2017, the PRVF supports growth and employment with the creation of 30 jobs on average per portfolio company and a turnover growth rate of more than 200% (source: EDATER).

About Natixis Investment Managers

Natixis Investment Managers' multi-affiliate approach connects clients to the independent thinking and focused expertise of more than 20 active managers. Ranked among the world's largest asset managers¹ with more than \$1.3 trillion assets under management² (€1.187 trillion), Natixis Investment Managers delivers a diverse range of solutions across asset classes, styles, and vehicles, including innovative environmental, social, and governance (ESG) strategies and products dedicated to advancing sustainable finance. The firm partners with clients in order to understand their unique needs and provide insights and investment solutions tailored to their long-term goals.

Headquartered in Paris and Boston, Natixis Investment Managers is part of the Global Financial Services division of Groupe BPCE, the second-largest banking group in France through the Banque Populaire and Caisse d'Épargne retail networks. Natixis Investment Managers' affiliated investment management firms include AEW; AlphaSimplex Group; DNCA Investments;³ Dorval Asset Management; Flexstone Partners; Gateway Investment Advisers; Harris Associates; Investors Mutual Limited; Loomis, Sayles & Company; Mirova; MV Credit; Naxicap Partners; Ossiam; Ostrum Asset Management; Seeyond; Seventure Partners; Thematics Asset Management; Vauban Infrastructure Partners; Vaughan Nelson Investment Management; and WCM Investment Management. Additionally, investment solutions are offered through Natixis Investment Managers Solutions and Natixis Advisors, LLC. **Not all offerings are available in all jurisdictions.** For additional information, please visit Natixis Investment Managers' website at im.natixis.com | LinkedIn: [linkedin.com/company/natixis-investment-managers](https://www.linkedin.com/company/natixis-investment-managers).

Natixis Investment Managers' distribution and service groups include Natixis Distribution, LLC, a limited purpose broker-dealer and the distributor of various U.S. registered investment companies for which advisory services are provided by affiliated firms of Natixis Investment Managers, Natixis Investment Managers S.A. (Luxembourg), Natixis Investment Managers International (France), and their affiliated distribution and service entities in Europe and Asia.

¹ Cerulli Quantitative Update: Global Markets 2021 ranked Natixis Investment Managers as the 15th largest asset manager in the world based on assets under management as of December 31, 2020.

² Assets under management ("AUM") of current affiliated entities measured as of March 31, 2022 are \$1,320 billion (€1,187 billion). AUM, as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of non-regulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers. MUSIAAE66-22d

³ A brand of DNCA Finance.