

25 SEP 2023 Naimish Keswani

Tikehau targets €350m for cybersecurity growth fund

- Brienne IV to invest in cybersecurity businesses based in Europe
- Target gross IRR at 30%, with 3x multiple
- Prior fund closed with €175m in capital commitments

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Tikehau Capital is looking to raise at least €350m for a new cybersecurity-focused growth equity fund, With Intelligence has learned.

Brienne IV began fundraising this year, and will invest in startups and scaleups in cybersecurity, cyber-enabling tech, and cyber-enabled technology sectors, according to a pitch deck seen by With.

The new vehicle would target double the amount compared to the prior fund in the series, Brienne III, which closed with €175m in capital commitments.

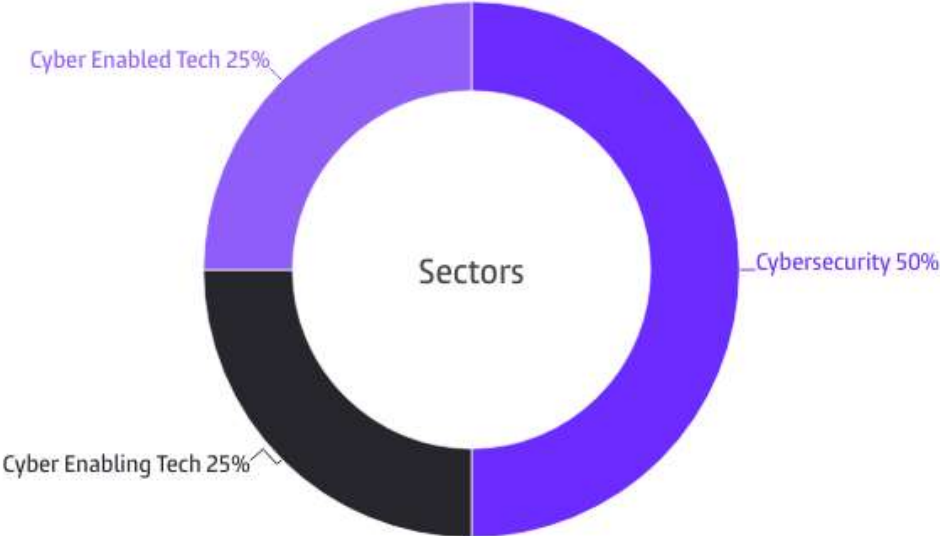
The Brienne series is a legacy strategy from French cybersecurity, aerospace, and defense specialist ACE Management, which Tikehau acquired in 2018.

Geographically, the manager will predominantly focus on cybersecurity-focused businesses based in Europe, with 25% of the vehicle earmarked for investments outside Europe.

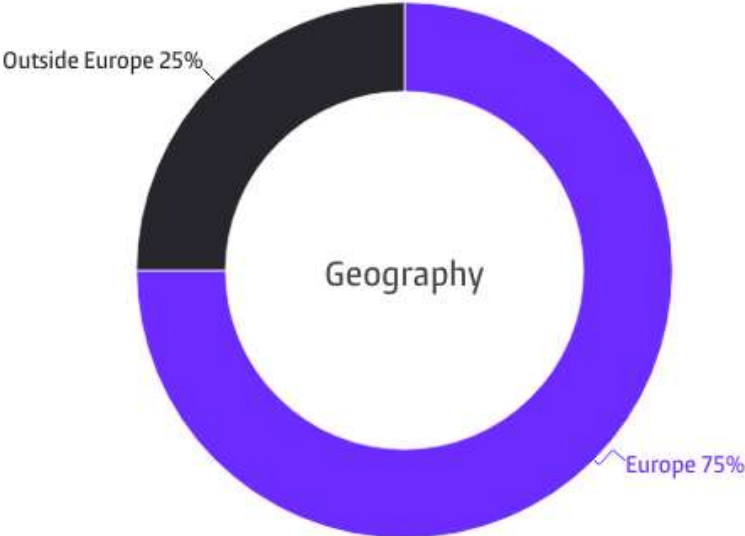
Tikehau is particularly looking for companies that have a proven technology and revenue model, with annual recurring revenues of €2m to €3m, and potential to become a market leader in its segment.

Fund IV will target 10 to 15 core positions for primary investments, with ticket sizes ranging from €10m to €50m.

Sector



Geography



Brienne IV has a target gross MOIC of 3.0x, and a target gross IRR of 30%. Carried interest for the fund is 20% above the 8% hurdle.

The vehicle has an investment period of five years from the date of first close and a total term of 10 years with two one-year extension options.

Tikehau charges management fees based on the share class, ranging from 1.8% to 3% on committed capital and on remaining invested capital thereafter.

The manager will also commit its own capital to the fund, adding up to 15% of the total fund size, with €50m allocated for the first close of the vehicle.

According to [With Intelligence data](#), known investors in Tikehau products include [Bpifrance](#), [Fonds de Solidarité FTQ](#), and [Société Fédérale de Participations et d'Investissement](#), among others.

Elsewhere, With also reported that the manager is [expanding its presence in North America](#), with a strategic partnership with Nashville-based [Whistler Capital Partners](#).

Whistler makes growth and buyout investments in US healthcare, and is led by former [Goldman Sachs](#) partners Eric Dobkin and Geoff Clark, and ex-[UBS](#) pro Darshan Prabhu.

Whistler is [targeting \\$500m](#) for its inaugural [private equity healthcare fund](#) focused on the lower middle market.

Tikehau has €41.1bn in AuM. The firm declined to comment.

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