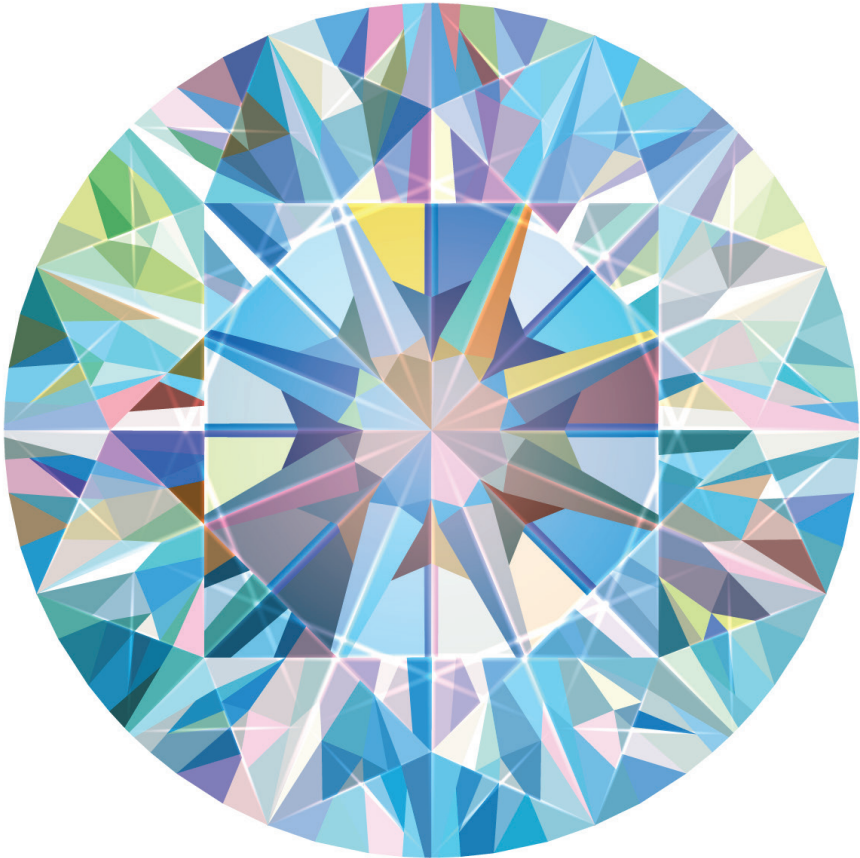


Deloitte.



Confidence down, experience up
Private Equity Confidence Survey
Central Europe

Summer 2020



**MAKING AN
IMPACT THAT
MATTERS**
since 1845

Confidence down, experience up

The private equity (PE) market in Central Europe (CE) has been impacted by the pandemic, with an initial extreme focus on portfolios and cash management in the first two months giving way to an emerging new paradigm. Confidence has been duly negatively impacted, though less so than at the onset of the Global Financial Crisis. While the index dropped significantly to 62, its slide from 87 in our last Survey was gentler and less deep than that witnessed in 2008.

Confidence is down and this will impact market activity, but we expect both to return and were encouraged by a number of the findings, namely hints of optimism around economic expectations. Though most respondents expect conditions to worsen over the next six months, a surprising 13% anticipate an improvement, up from “none” in our last Survey. And though an increased focus on portfolio management suggests a defensive stance by deal-doers, this is not a knee-jerk response; it is in fact the fifth Survey in a row whereby this metric has increased. An overwhelming majority (74%) are signalling that 2020 will be a good vintage, and this may be linked to expectations of vendor pricing continuing its descent.

Given the ongoing uncertainty which lingers over markets, as well as the omnipresent element of the Covid-19 crisis, we can only hypothesize that these current expectations

are buoyed by one variable which was less present in 2008: experience.

For many deal-doers in the region, 2008 marked their first downturn. They had enjoyed a period of unprecedented growth and surging popularity, with CE GPs top of many institutional investors’ wish lists for a number of years. This demand combined with the ability to ride a beta wave as economies converged with Western Europe led to ever-increasing fund sizes. It seemed to many, across the world over, that the only way was up. Alas the harsh receding of the proverbial tide revealed vulnerable exposure.

Much has changed since then. **Private equity and venture capital houses have built up significantly more experience, and can use this alongside the growth strategies they have honed to generate value.** Banks are less vulnerable now given changes since the last downturn, and credit funds – increasingly used to finance deals for the last decade in Western Europe and especially the US – may be entering the CE scene. With many GPs in CE well capitalized, their financial support combined with human capital by way of expertise in navigating through challenging times can be a powerful force in helping many companies in the region to recapitalize and emerge from this time. Many will do so stronger.

Pricing, which had been increasing over the last few years globally and until very recently in CE, is expected to come down further. This will mean existing portfolios are likely to be nurtured for longer; the flip side is that it is a better time to agree fresh partnerships with ambitious management teams still looking to grow. That activity is expected to decline in the coming months is likely a welcome sign of discipline by a cadre of experienced investors taking ample time to diligence businesses and conditions prior to investing. The deals that do get done are likely to be very high-quality teams with robust businesses – and so may attract a lot of competition. We expect these assets to retain their value.

The allure of the CE region is evidenced by a number of fund closes in the last year, meaning many of CE’s PE houses have capital to deploy. We have also seen a healthy number of exits furnishing LPs with distributions – including into lockdown - suggesting strong relationships had been built prior to the pandemic biting and endured through to signing.

Assessing and sourcing opportunities in this peculiar market and supporting their resilience and return to growth is a challenge for the region’s deal-doers. While many companies will have difficulties to overcome through the aftermath of the pandemic, there will be others that find opportunity at this time. They may be

looking to grow geographically, acquisitively, digitally – all areas where PEs have experience in supporting. We are standing by to connect investors with companies seeking a financial backer and then leverage our network and expertise to support the partnerships to thrive.



A handwritten signature in black ink, appearing to read 'Mark Jung', written over a white background.

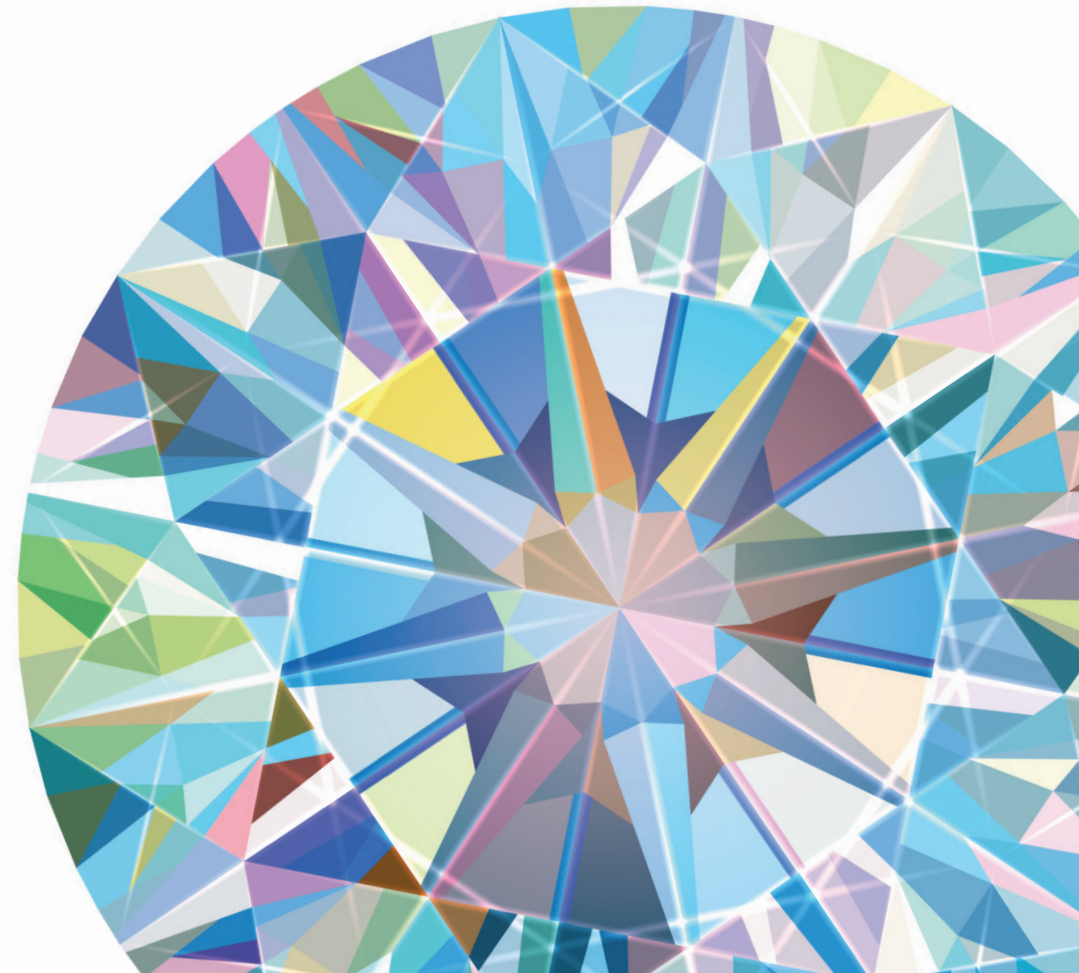
Mark Jung
Partner, Private Equity Leader
Deloitte Central Europe

Central European Private Equity Index: Key findings

It is a buyers' market, with the pricing bubble deflating as the pandemic takes its toll. Nearly half (45%) of respondents believe vendors have decreased their price expectations over the last six months, and over half (51%) believe they will continue to do so. The figures mark an acceleration of trends already hinted at in our last Survey, despite a lack of pandemic to catalyse change then.

Most people expect to focus on deal doing in the coming months. Three-quarters (74%) expect 2020 to be a good vintage, likely owing to the declining vendor price expectations. While this isn't ideal for sellers, it bodes well for GPs with capital to deploy (which is most of the PE firm that operate in CE).

Confidence is down, but economic expectations are sprinkled with optimism. While there is a sizeable increase in respondents expecting conditions to worsen (from 46% to 68%), and an even starker drop in the percentage expecting conditions to remain the same (from 54% in the last Survey to just 19% now), it is interesting to note that 13% actually expect conditions to improve. And the drop in economic expectations was starker in our last Survey, when no respondents expected an improvement.



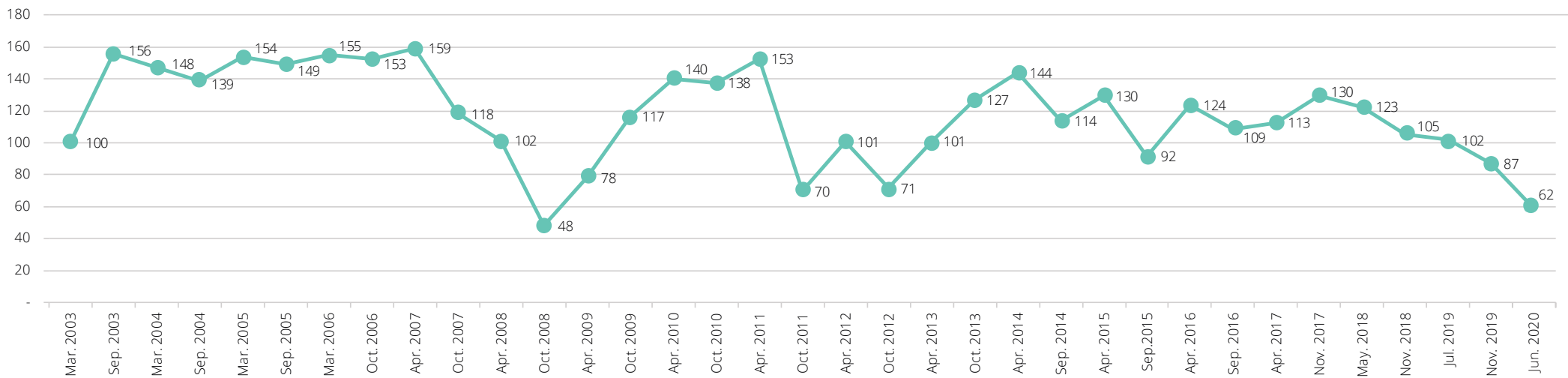
Sentiment has been very adversely affected by the coronavirus pandemic, with confidence slipping to the second lowest level since our Survey began over 17 years ago. The Index now stands at 62, marking a recently accelerated decline that initially began at the end of 2017.

Our Index has always moved in tandem with economic expectations, and with global economists agreeing on a contraction in global GDP growth, it is unsurprising that confidence has suffered.

Crucially, the drop in confidence is not nearly as stark as that seen in the 2008 Global Financial Crisis. The current drop saw just over a quarter (29%) knocked off the Index, more than has

been witnessed in the halves since late 2017, but a substantially gentler fall than in autumn 2008, when the Index more than halved from 102 to 48. There may be myriad reasons for this, with our Survey offering some insight. One important factor which should not be overlooked is the experience of CE deal-doers in 2020. The market's evolution has seen many senior deal team members as well as institutions mark two decades or more of deal doing in the region. It should mean there is substantially more expertise in navigating uncertainty now than there was during the last downturn 12 years ago.

Central Europe PE Confidence Index



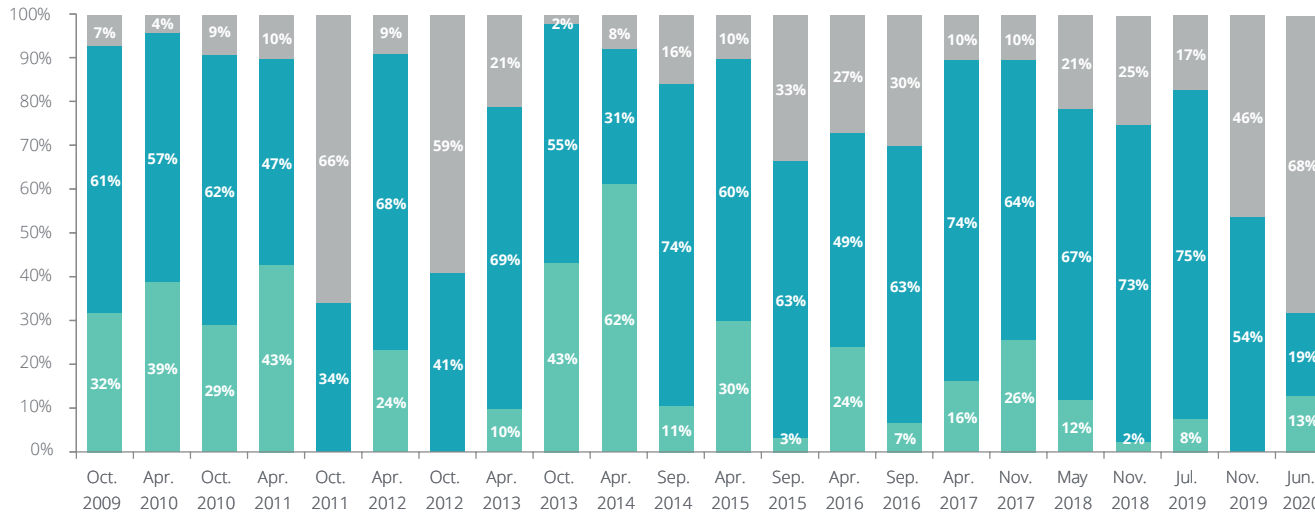
Survey Results

Economic climate

Economic expectations are mixed for the coming months. While there is a sizeable increase in respondents expecting conditions to worsen (from 46% to 68%), and an even starker drop in the percentage expecting conditions to remain the same (from 54% in the last Survey to just 19% now), it is interesting that 13% actually expect conditions to improve.

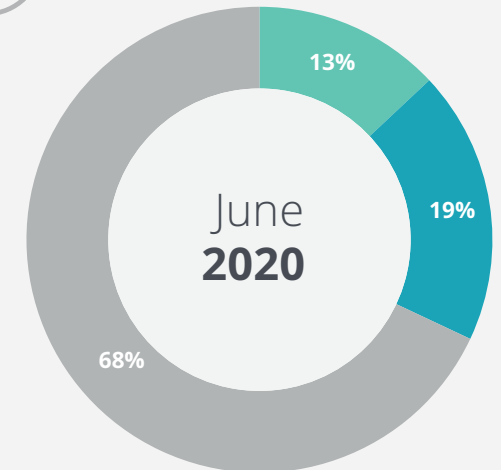
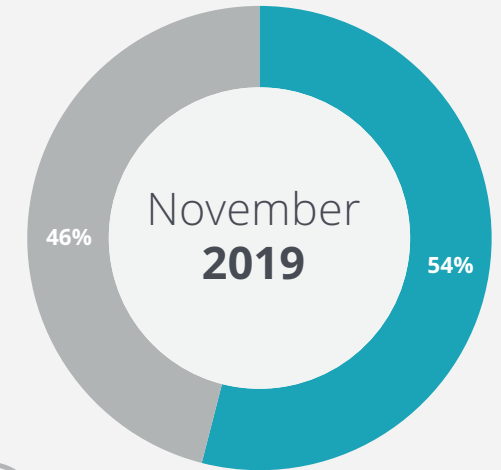
This is noteworthy because of the glint of optimism it represents. In our last Survey, which took place before coronavirus was even in the press, let alone catalysing lockdown, figures revealed the largest drop in economic confidence since our 2012 report. No one expected conditions to improve. The only time in the Survey's history this happened previously was in 2008 at the outset of the GFC.

For this period, I expect the overall economic climate to:



^{1,2} <https://www.focus-economics.com/regions/central-and-eastern-europe>

Economic climate (November 2019 vs June 2020)



- Improve
- Remain the same
- Decline

Debt availability

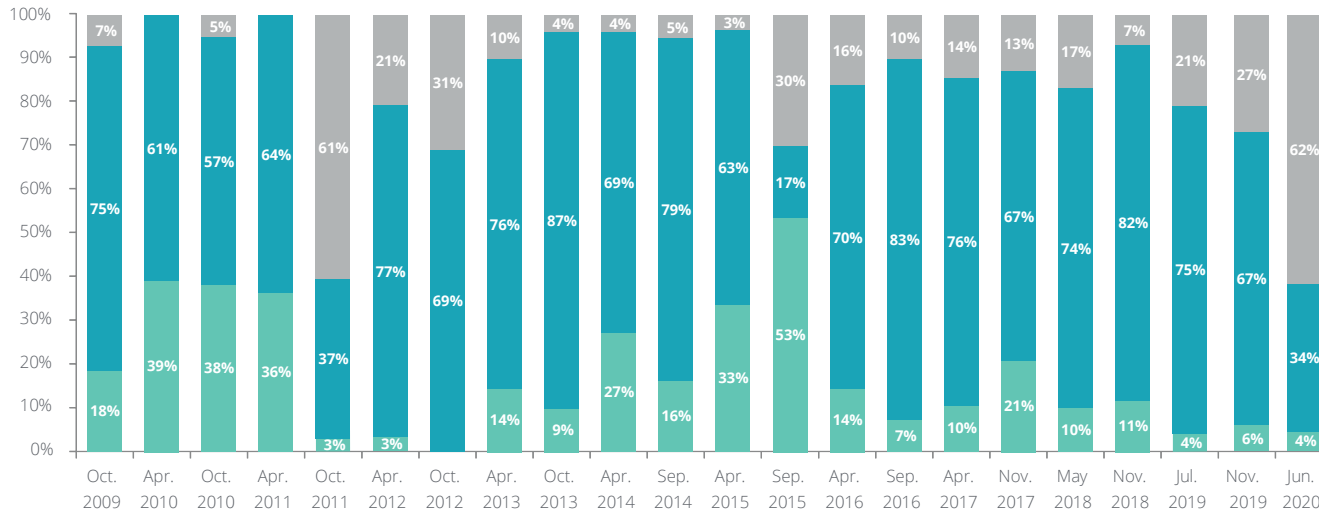
Respondents overwhelmingly expect liquidity to decrease over the coming months, with 62% anticipating a reduction in the availability of debt, up markedly from 27% in the last Survey. The last time the level was this low was in Autumn 2011, when confidence was also down.

Just a third of respondents expect liquidity to stay the same (34%), in stark contrast to most of our Surveys since 2003 which have seen the majority of respondents expecting leverage to maintain current levels.

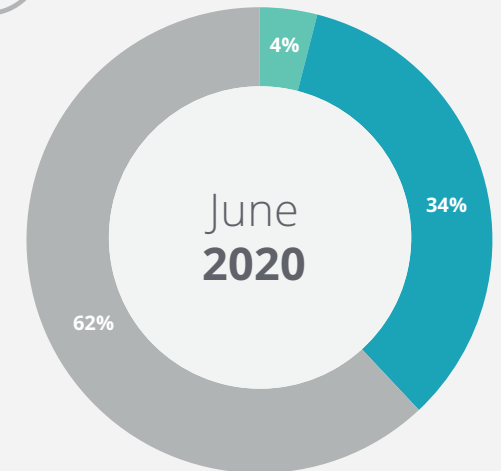
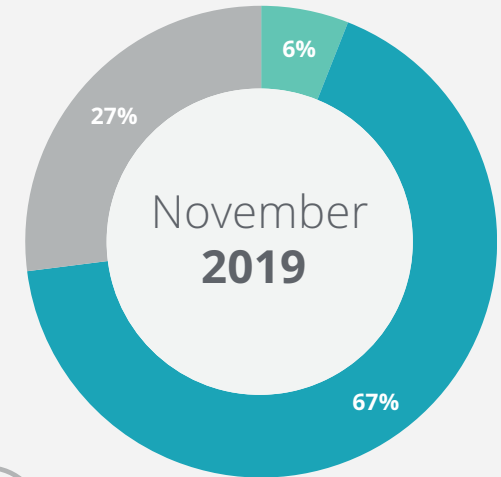
While leverage was substantially harder to secure following the GFC, there are reasons to hope this downturn will be different. The aftermath of that series of events spawned a generation

of credit funds, particularly in Europe, which had been lagging behind the US landscape for non-bank lending. Many of them have raised a number of funds since then and so have capital available to deploy, meaning the universe for lending is wider than it was 12 years ago. While this remains underdeveloped in Central Europe, there is evidence that this may be changing. Mezzanine Management, for example, which pioneered mezzanine in the region in 2000, has recently announced a private credit fund to back growing businesses in its core market of CE. The firm is reported to be targeting €400m for the fund, which will back established SMEs in the region with revenues of at least €20m³.

For this period, I expect availability of debt finance to:



Debt availability (November 2019 vs June 2020)



- Increase
- Remain the same
- Decrease

³ <https://www.unquote.com/cee/news/3019585/mezzanine-management-gears-up-for-direct-lending-fund>

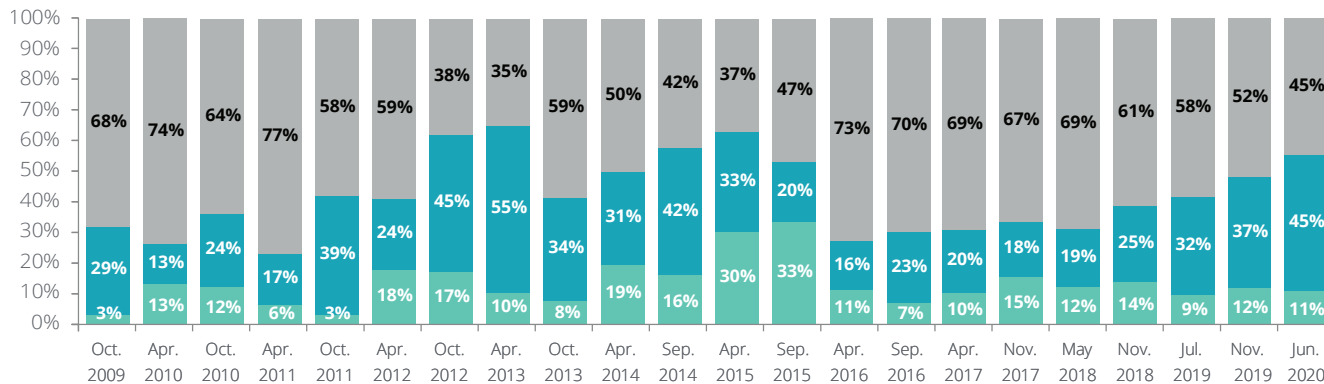
Investors' focus

The proportion of deal-doers expecting to focus on portfolio management in the coming months has risen for the fifth consecutive semester, with nearly half (45%) now prioritising this. This is up from 37% in the last Survey, and the growth has come at the expense of a focus on new investments, which has shrunk as a priority from 52% to 45% now.

That respondents expect to focus more on their existing portfolios is unsurprising: the shock of the pandemic will have initiated a shift to monitoring and nurturing in the first few weeks. It is a welcome surprise that the number is not higher; it is in fact tied with the proportion expecting to focus on new investments, and this may be down to the fact that valuations are coming down. While this is likely unwelcome news for would-be vendors, it marks a break in a period of high pricing across Europe and indeed globally. This may not be a bad thing.

In fact it may be precisely these reducing prices which are tempting investors to seek out fresh investment partnerships. Myriad data sources show that many GPs globally found the post-GFC period of 2009 as a strong vintage year – and the years preceding it less lucrative for many deals which may have been over levered in a backdrop which commanded eye-watering prices.

For this period, I expect to spend the majority of my time focusing on:

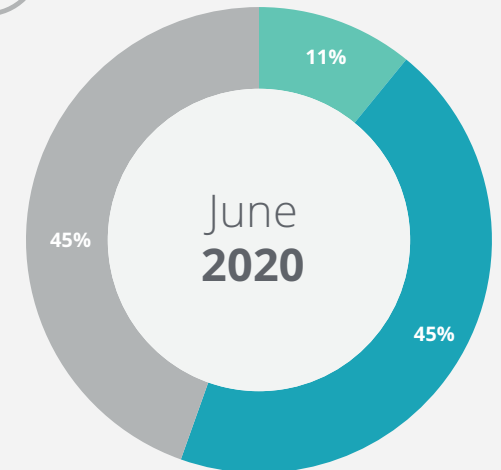
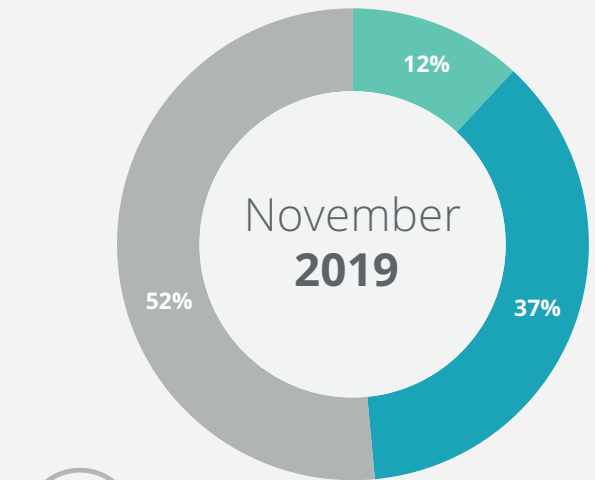


It may also be that in an effort to generate value in the existing portfolio, add-on opportunities may be sought out by firms at this time. A recent example of this was reported by Anwim, which announced its acquisition of [EMila](#), a network of self-service petrol stations in Poland. Anwim is backed by Enterprise Investors, which provided over €23m of minority funding to the business in late 2018.

In April, Value4Capital backed Hungarian medical services business Doktor 24 to support its acquisitions of Kastélypark Klinika and Svábhedgyi Gyermekegyógyintézet. The month also saw Green Group, a Romanian recycling business backed by Abris Capital since 2016, acquire Romanian waste management firm Eltex Recycling.

Just over a tenth (11%) of respondents expect to focus on fundraising. Recent announcements include INVL Asset Management's final close for its Baltic Sea Growth Fund on €165m; Avallon's first close on €80.6m in January for its MBO Fund III; Inovo Venture Partners' €40m FundWarsaw launch; OTB's \$100m raised to back CE tech; and Evolving Europe Principal Investments I from Integral Venture Partners.

Investors' focus (November 2019 vs June 2020)



- Raising New Funds
- Portfolio Management
- New Investments

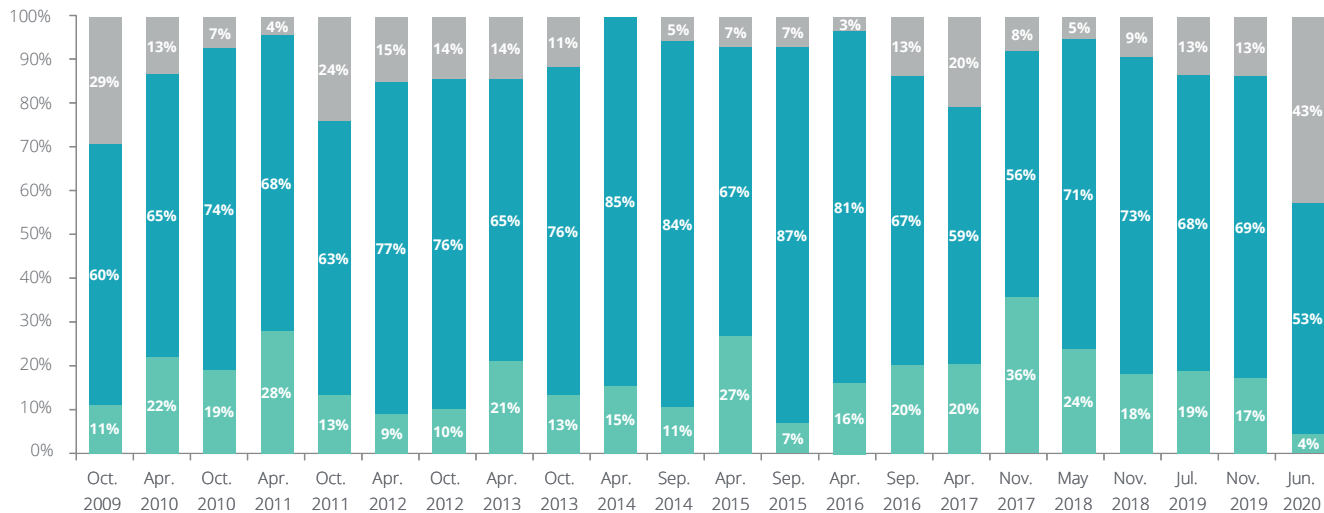
Size of transactions

The majority of deal-doers expect deal sizes to stay the same over the coming months, despite the adverse backdrop. This is alongside a tripling in the number expecting them to decrease, to 43% from 13% since the end of last year.

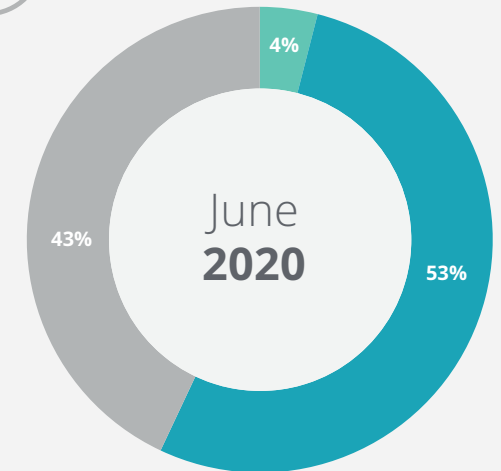
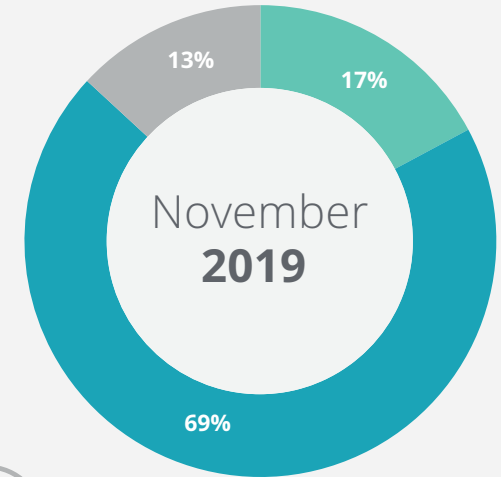
Our analysis period saw a variety of deal sizes, though mid-market remains the bread and butter of investors in the region. In February, Polish optician chain [Avenir Medical](#) was fully acquired by Private Venture Partners, which had already acquired a majority stake in 2018. The firm typically invests up to PLN 20m in SMEs.

That same week, Mezzanine Management supported the management of Polish cardboard packaging firm [Akomex](#) to buy itself out of Highlander Partners, which had backed the business since 2010. The firm generates an EBITDA of €10m and employs 600 people.

For this period, I expect the average size of transactions to:



Size of transactions (November 2019 vs June 2020)



- Increase
- Remain the same
- Decrease

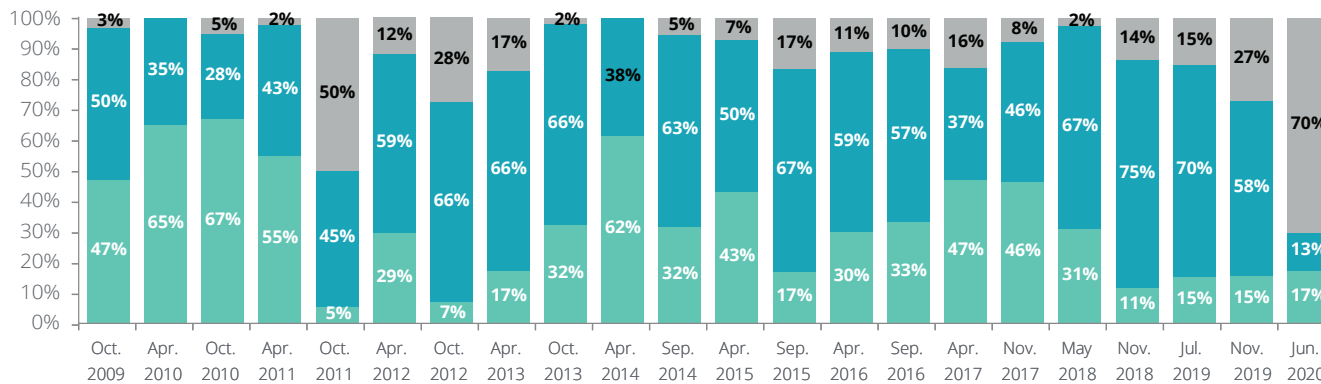
Market activity

The region's expectation of reduced market activity has dramatically picked up pace since our last Survey, with over two-thirds of respondents (70%) anticipating a decline in deal doing, up from a quarter (27%) at the end of last year. This acceleration of reduced expectations reflects sentiment in wider Europe, where an uncertain global backdrop from the pandemic is overlaid onto lingering Brexit negotiations.

The news is as unsurprising as it may be unwelcome – but there are silver linings. This marked uptick in negativity is gentler than that seen in autumn 2008, when the proportion more than quadrupled from 19% to 80%. And the figures are accompanied by a small rise in people expecting activity to increase: 17% expect activity to pick up, the highest portion in two years.

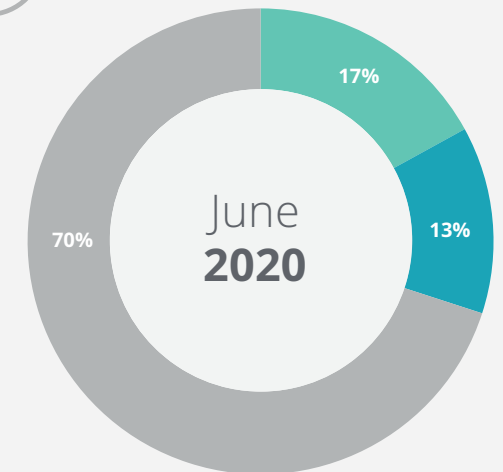
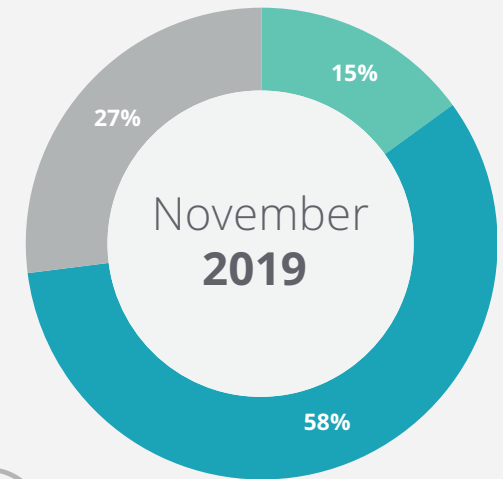
Given a number of firms have raised funds in the last couple of years and so have capital available to invest, it is likely that the expectations of reduced deal flow are down to the fact that negotiations are likely to take longer with management teams.

For this period, I expect the overall market activity to:



⁴<https://www.clearwaterinternational.com/assets/pdfs/Q1-2020-Multiples-Heatmap-Analysis.pdf>

Market activity (November 2019 vs June 2020)

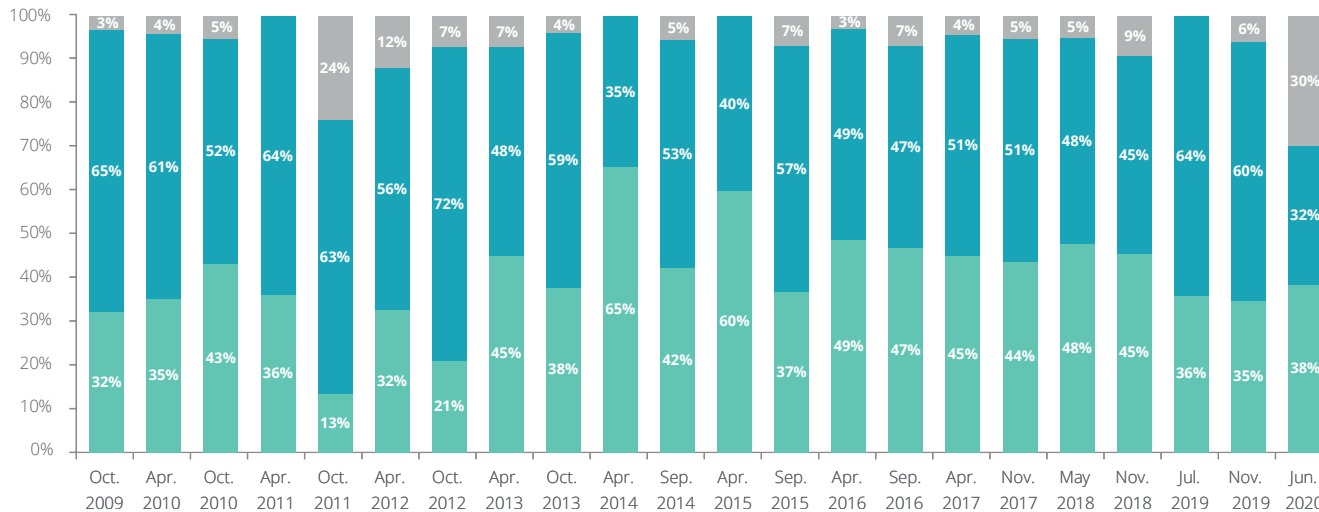


- Increase
- Remain the same
- Decrease

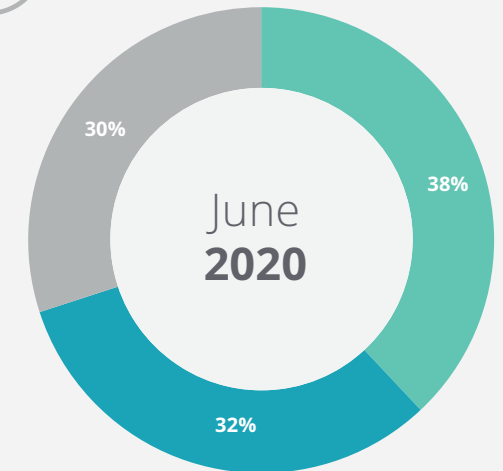
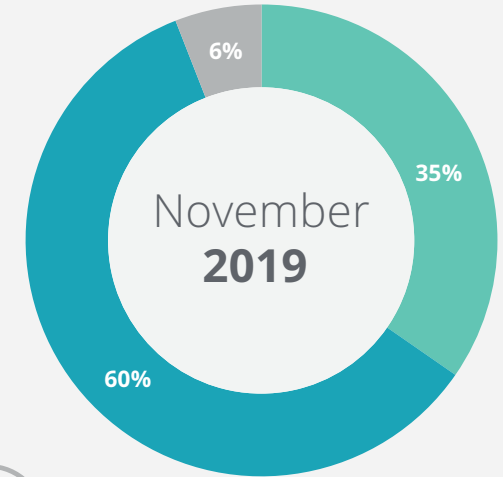
Investment return

There has been a steep increase in the proportion of respondents who feel the efficiency of CE financial investments will decline, the second-highest percentage in our Survey's history - second only to autumn 2008. Nearly a third (30%) expect efficiency to decline, up from just 6% in the last Survey and 0% a year ago. Interestingly, there was a small increase in those expecting efficiency to increase, from 35% to 38%, the first increase in two years. A third (32%) expect the efficiency to remain the same – perhaps due to proactive steps taken to manage operations and costs of portfolio companies.

For this period, I expect efficiency of my financial investments to:



Investment return (November 2019 vs June 2020)



- Improve
- Remain the same
- Decline

Investors' activities

Our Survey shows an about-face on the previous quarter's increase in selling appetite, with a halving of the portion of deal-doers expecting to sell more in the coming months, from 25% to just 13%. This is likely down to the aforementioned reduced pricing, which lends itself better to buying – and indeed we see a commensurate rise in expectations of buying more, from 48% in the last Survey to 62% now.

Last Survey's increase in expectations of selling had been the largest such figure since 2015, which was part of a strong bull run for private equity sales across Europe.

It may also be because many businesses were sold over the last six months, including a flurry of strong divestments since May – impressive for their ability to get over the line.

At the end of June 2020, Polish retailer Eurocash finalised the purchase of an additional 56% stake in [Frisco](#), an online grocery business backed by MCI since 2012. Eurocash already held 44% of the company's shares following a strategic partnership agreed in [2014](#). The latest deal was worth over PLN 120m, which is over 3x MCI's initial investment, and generated an IRR of over 20% for MCI investors.

In early June, Livonia Partners announced it is selling its

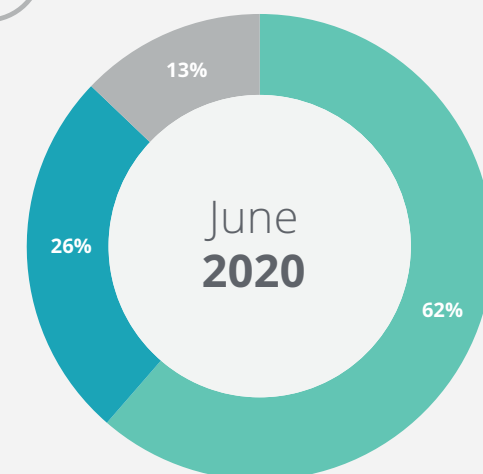
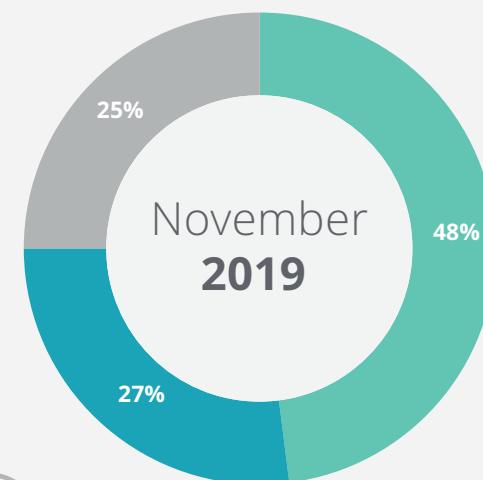
investment in Thermory, an Estonian maker of specialist wood and sauna products it backed in 2015. The business acquired Finnish wood processor Siparila with Livonia's support and is now set to be sold to UG Investeeringud, a domestic holding company which has held a minority stake in Thermory since the end of 2019.

In May, clinical research organisation [Optimapharm](#) was sold by Mezzanine Management to asset manager Rohatyn following an 18-month hold. The exit was the firm's sixth in around eight months. Also in May, LitCapital generated a 4x return on the sale of chilled logistics firm [NNL LT](#) in a sale back to management.

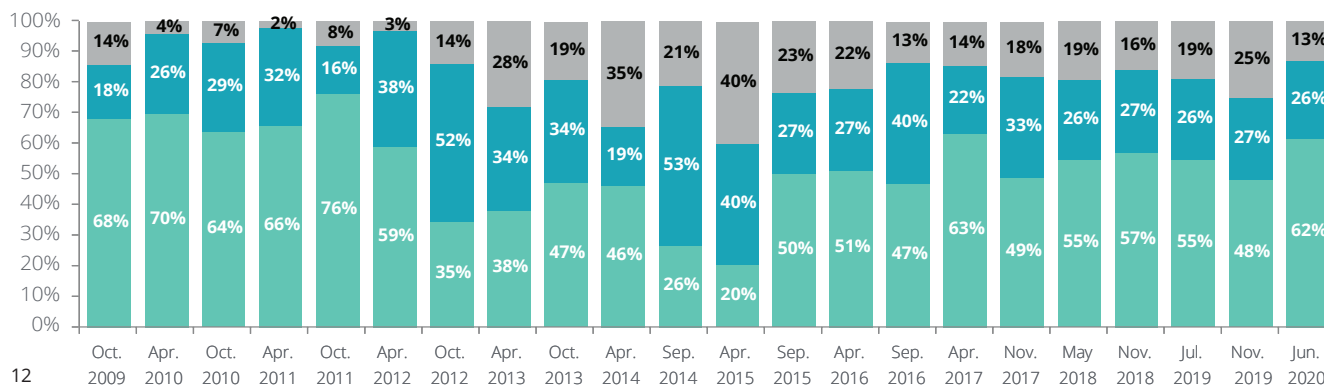
As lockdown took hold, Arx Equity Partners announced the sale of Slovenian healthcare business [Diagnosticni Center Bled](#) to insurance companies Sava Re and Triglav, generating a 3.6x multiple on capital for the five-year investment. Early March also saw Innova sell Polish payment provider Polskie ePlatnosci ([PeP](#)) to Danish trade buyer Nets in a deal that valued PeP at €405m after a nearly four-year hold.

Pre-lockdown, Enterprise Investors sold Polish pre-fab house maker Danwood to GS Engineering, a South Korean construction company, for €140m after carving it out of Budimex in 2013.

Investors' activities (November 2019 vs June 2020)



For this period, I expect to:



- Buy more
- Buy and sell equally
- Sell more

Competition for new investments

The expectation of competition around company type has remain remarkably unchanged since our last Survey, with market leaders still the most competitive according to 62% of respondents. A riskier backdrop was deemed the reason for the uplift in our last Survey, with high pricing and a cloudy economic landscape pushing deal-doers towards 'safer' assets with steadier revenues. It is interesting the proportion hasn't grown now the clouds have given way to a powerful storm.

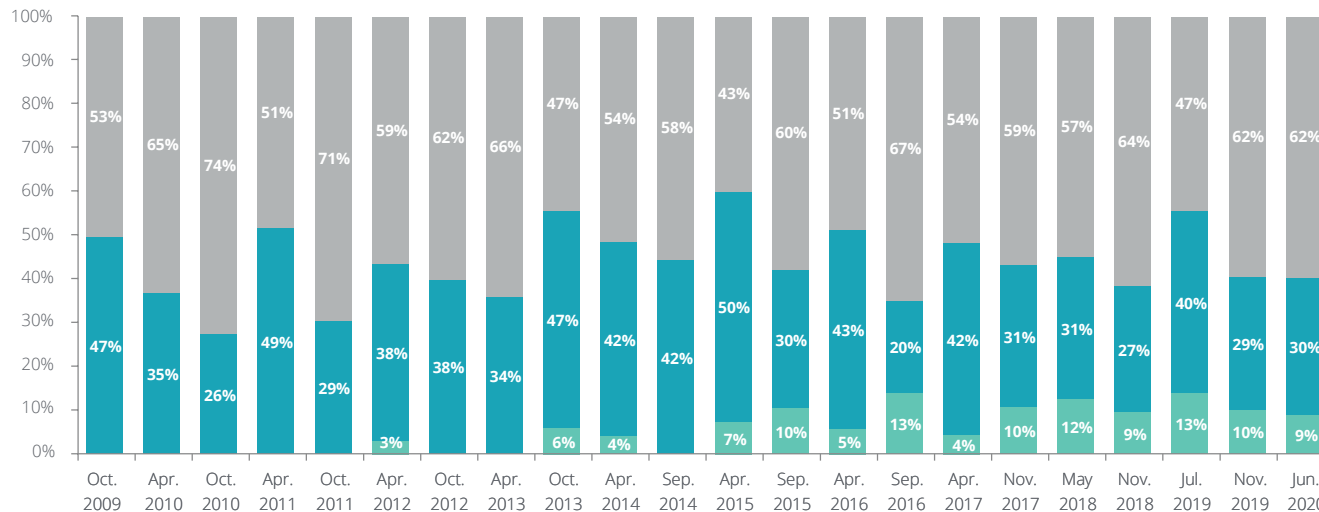
Middle-size growing companies are again in second place, with 30% expecting them to be the most sought-after, the same as our last Survey.

A tenth of respondents expect start-ups to be the most sought-after, flat on our last Survey and similar to expectations over most of the last four years since this part of the market started

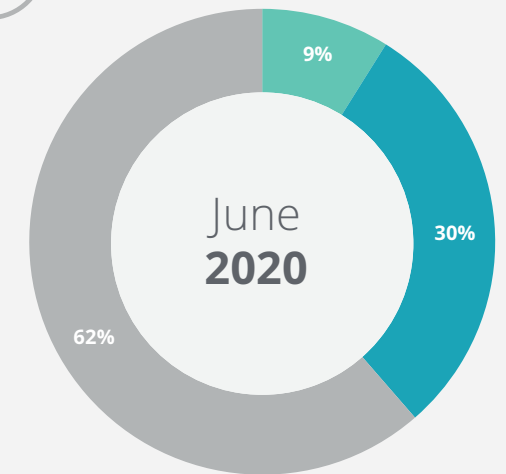
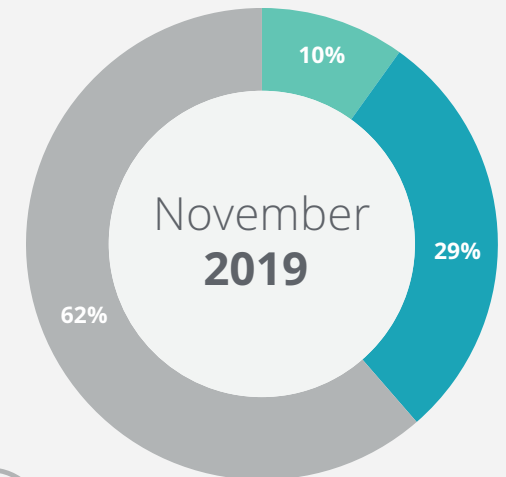
to blip on investors' radars. To back start-ups, Inovo Venture Partners has launched FundWarsaw, a €40m follow-on vehicle to its €50m debut fund which launched in September 2018. The firm backs CE-based tech companies with late seed and series A capital. In February, OTB Ventures raised \$100m for its debut fund to back tech companies in CE. The Warsaw-based investor has been a co-investor into other deals, with its first standalone fund aimed at helping regional start-ups to scale globally.

Another fund announced to back venture opportunities was Evolving Europe Principal Investments I from Integral Venture Partners. The fund held a first close and is seeking €150m to back businesses in the TMT, healthcare, consumer, B2B and niche manufacturing sectors with up to €25m per investment.

For this period, I expect the highest competition for new investment opportunities in:



Competition for new investments (November 2019 vs June 2020)



- Start-ups
- Mid-sized growing companies
- Market leaders

Vendor pricing

Covid-19 may be deflating the pricing bubble, with 45% of respondents believing vendors have decreased their price expectations over the last six months, triple last Survey's response of 15%, and over half (51%) believe they will continue to do so. The figures mark an acceleration of trends already hinted at in our last Survey, despite a lack of pandemic to catalyze change then.

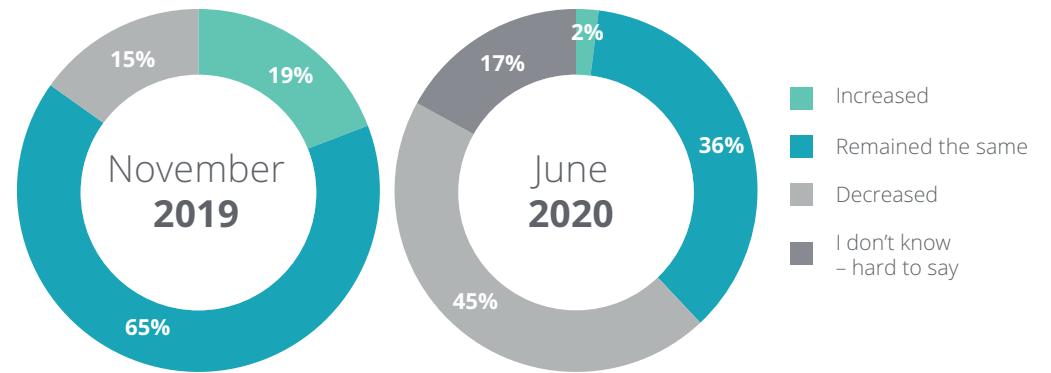
Over a third (36%) feel expectations have remained at previous levels, down from 65% last Survey, and nearly a third (32%) expect them to remain for the coming year. It may still be the case that pricing for some assets remains high – particularly for established firms with robust growth plans, or those for which the current situation creates an opportunity – though just 2% feel they have increased, down from 19% at the end of last year, and only 4% expect them to increase over

the coming year, down from 15% at the end of 2019.

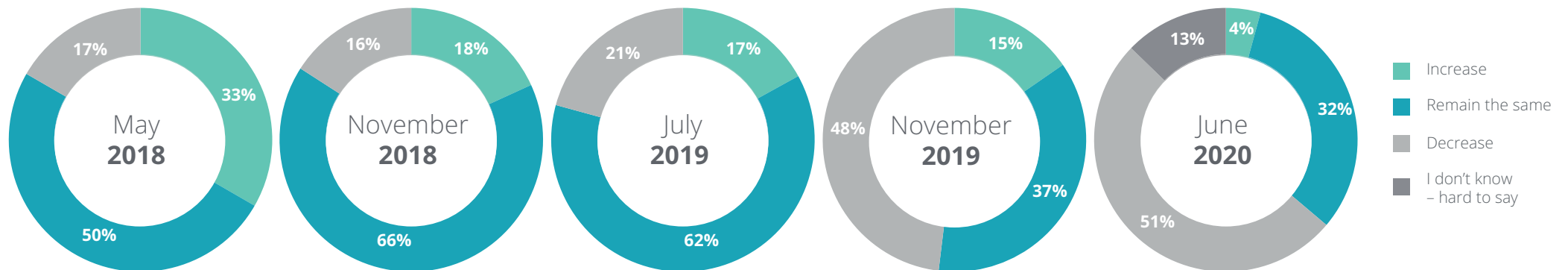
While this may not be what would-be vendors want to hear, it should mean firms putting money to work should find this a good time to do so. It will also mean that hold periods for existing portfolio companies may increase as backers work with management teams for longer to create more value as they await the right opportunity to sell. Such backdrops may mean LPs are advised to focus on multiples rather than IRRs as the latter tend to decline over longer hold periods.

Our findings reflect a recent report which revealed entry multiples for CE have dropped from over 10x in 2018 to 9x in Q2 2019 and stood at 8.3x for Q1 2020 (before lockdown). Across Europe, they remain above the 10x mark but are sliding gently, from 10.4x in Q1 2019 to 10.3x in Q1 2020.

Relative to 6 months ago, vendor pricing expectations have:



Over the next 12 months, we expect vendor pricing expectations to:



⁵ <https://www.clearwaterinternational.com/assets/pdfs/Q1-2020-Multiples-Heatmap-Analysis.pdf>

Covid Sentiment



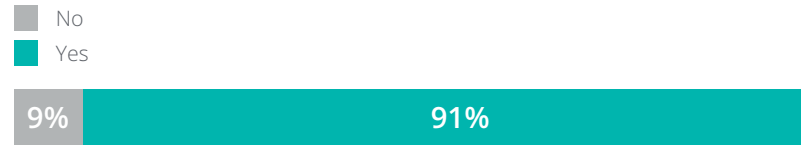
In light of recent events, we asked the CE PE community about its thoughts on the impact of Covid-19 on the industry. While it is clear it will affect deal-doing, over a fifth of respondents said there was no negative impact on their existing portfolios, and 62% felt that less than a quarter of their portfolios were severely impacted.

Crucially, there are aspects of positivity: not only do most investors expect 2020 to be a good vintage (74%), but over a third (36%) expect the best opportunities to come from companies not yet on their radars as they cast their nets wider. Additionally, the current situation may lend itself well to carve-outs, with nearly a fifth (17%) expecting this to be the best source of new deals.

It may be that PE is a much-needed source of capital and expertise in a time when a large number of businesses need restructuring and guidance to find a path back to growth – precisely what PE has proven itself very capable of doing well.

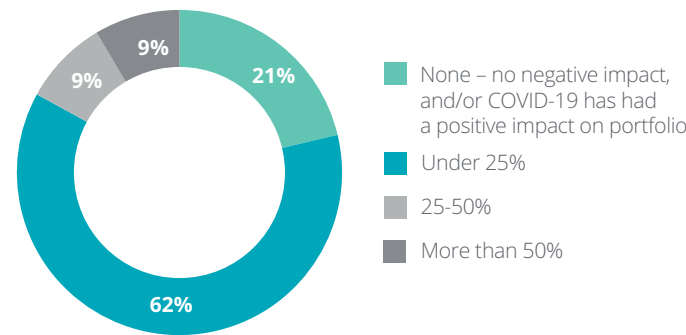
Hold periods will increase

On average, do you expect hold periods for portfolio companies to increase due to the impact of COVID-19?



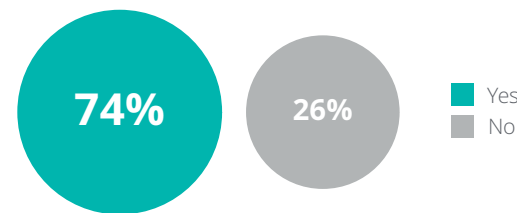
Existing portfolios are largely robust

On average, do you expect hold periods for portfolio companies to increase due to the impact of COVID-19?



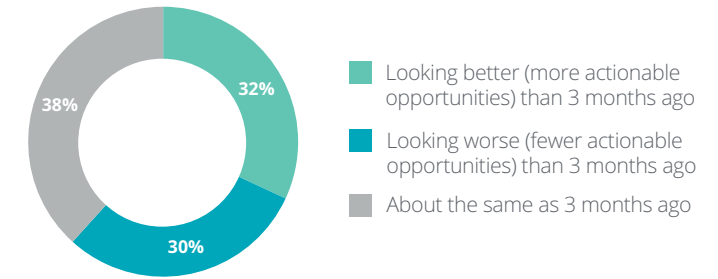
This is expected to be a strong vintage for deal doing

Will 2020 be a good vintage for Private Equity fund investments?



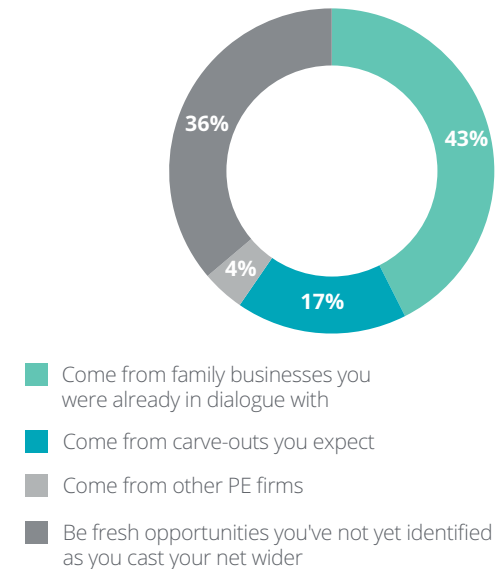
Pipelines are impacted differently, with no overriding consensus

Your deal pipeline is:



Family businesses already identified are expected to provide the best opportunities, though casting origination nets wider should generate strong new dealflow

The best opportunities now will:



Sustainability and Technology in Covid era



Sustainability

Over 60% of respondents believe that the implementation of an ESG strategy can definitely lead to higher investment returns. Meanwhile, a third of them say that there is no significant difference between the value of companies that implement such a strategy and those who do not. It is quite interesting that more than 30% of respondents do not consider an ESG strategy to be a value driver. Current research shows that companies that embrace ESG principles do operate better during periods of financial downturns and economic instability. This is especially important during the uncertainty caused by the COVID-19 pandemic. As markets become more volatile, pressure on firms and investors to diversify and ensure resilience in their operations will further increase demand for ESG-focused approaches in investment that will help ensure exposure to higher quality companies.

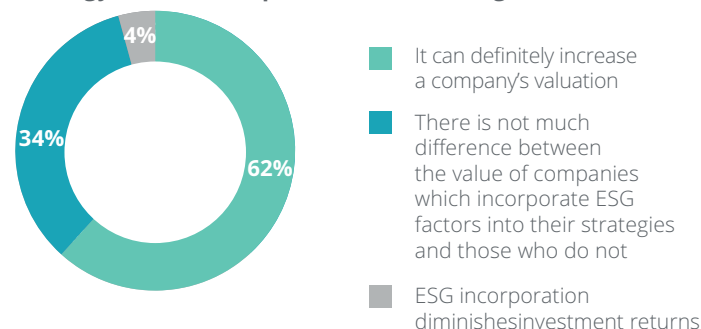
Recently the importance of ESG factors has significantly increased in the first four months of 2020, with over 70% of ESG funds achieving better results than similar funds managed without taking ESG considerations into account. Only 4% of all respondents view the incorporation of an ESG strategy in business operations as harmful to investment returns.

57% of respondents declared that their companies always perform ESG checks as part of due diligence before moving forward with a buy side transaction. On the other hand, 28%

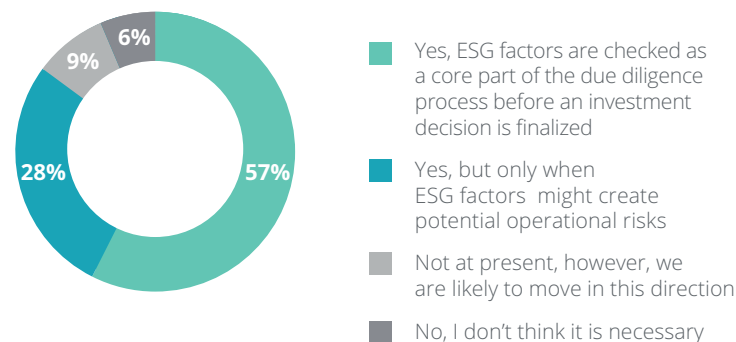
answered that they only consider ESG factors when they could create potential operational risks. This means that as much as 85% of companies perform ESG checks as part of due diligence, either consistently or occasionally. Even though it demonstrates great interest in ESG factors, it is worth mentioning that there are broad discrepancies in the quality of available ESG data. Therefore, on the global market, the biggest private equity funds define their own ESG policy and screening procedures in terms of ensuring a minimum baseline for each buy side transaction. Some respondents do not perform ESG checks at all, with 9% saying they are likely to start in the future, and only 6% is considering ESG checks unnecessary.

When it comes to measuring the significance of ESG in investment decisions, only 30% of all respondents view them as very important and value-driving factors. This is a surprising result, especially when looking back at two previous questions where about 60% of respondents viewed them as something impacting a company's value. The majority of respondents (66%) say that ESG related matters are important, but are not value levers in their own right. Only 4% of all respondents regard ESG as insignificant.

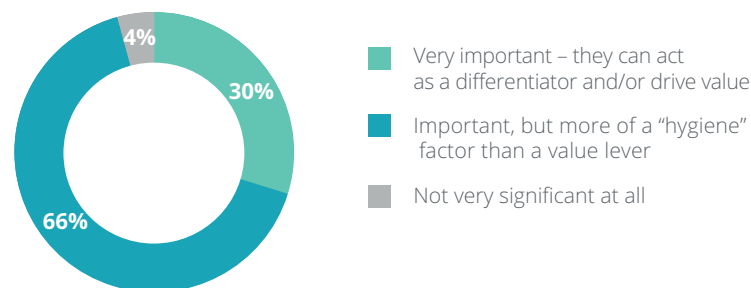
Do you agree that implementation of ESG (E-environmental, S-social, G-governance) strategy in business operations leads to higher investment returns / value?



Do you perform ESG (E-environmental, S-social, G-governance) as a core part of due diligence prior to executing a buy side transaction?



How significant a factor in your investment decisions are ESG (E-environmental, S-social, G-governance) related matters?



⁶ https://www.wsj.com/articles/esg-investing-shines-in-market-turmoil-with-help-from-big-tech-11589275801?mod=djemMoneyBeat_us

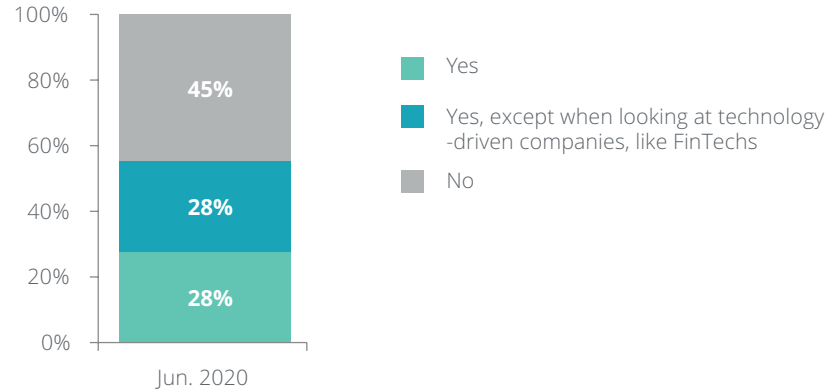
Technology

Regardless of business type, technology infusion deepens every day. The growing impact of “digital” on all aspects of business, from strategy to operations, is driving change in organizations that goes beyond the traditional IT model. Moreover, the current situation caused by the COVID-19 pandemic underlines the importance of technology and technology-enablement in everyday business operations. As the pandemic shuts down the physical world, it is assumed that the digital world will step in and fill the chasm, reducing losses caused by a potential economic slowdown.

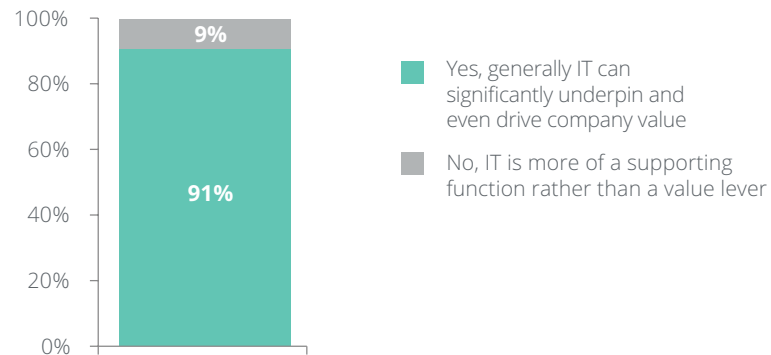
In a Survey conducted in Winter of 2018, only 20% of respondents considered digitization a key factor influencing IRR estimation in an investment thesis of a deal. Now, 91% of Survey participants believe that portfolio company IT capabilities significantly underpin or even drive company value. Correctly played, the technology card may be a trump when used against other market players.

It appears that IT environment quality will definitely play a major role in the success of future deals. Failing to keep up with the rapid pace of technological change is a key challenge facing PE investors. 73% of Deloitte Survey respondents acknowledge not having suitable internal resources to fully assess the technology potential of acquisition targets, while proven external expertise in that area may help them unravel the technological puzzle and keep their investments safe.

Do you have suitable internal resources to assess how technology supports a target’s value chain and back-office operations when investigating potential acquisition targets?



Do you believe that IT capabilities of a portfolio company can be used as a value creation lever?



Deals watch

Investments

PE House	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Sandberg Capital; sprav. spol.; a.s.	Czech Republic	Revolgy Business Solutions s.r.o.	June 2020	n/d	35%	Sandberg Capital has acquired a 35% stake in Revolgy Business Solutions, a Czech provider of cloud services. The transaction will allow Revolgy Business Solutions to expand their business by offering superior services to its client base and also to accelerate the business growth with the help of Sandberg Capital's strategic support.
Jet Investment AS	Czech Republic	2 JCP, a.s.	June 2020	n/d	70%	Czech investment company Jet Investment has acquired a 70% stake in 2 JCP for an undisclosed consideration. 2 JCP is a Czech-based global supplier of equipment for gas turbines, submarine systems and pressure pipes, food and packaging structures. It employs a total of 315 employees and has achieved approximately CZK 100m (€ 3.93m) in EBITDA.
Quaero Capital SA	Lithuania	Duomenu Logistikos Centras UAB	June 2020 - pending	10,1	100%	Lithuanian state-owned energy group Ignitis Grupe has sold its data center operator Duomenu Logistikos Centras (DLC) to a Quaero Capital-managed subsidiary. Ignitis sold a 79.64% stake in DLC, while the state-owned grid operator Litgrid another 20.36% of DLC shares.
Enterprise Investors	Poland	Anwim - Emila	June 2020	n/d	n/d	Anwim announced its acquisition of EMila, a network of self-service petrol stations in Poland. Anwim is backed by Enterprise Investors, which provided over €23m of minority funding to the business in late 2018
UAB Orion Asset Management	Lithuania	Admen UAB	May 2020	n/d	44%	UAB Orion Asset Management through its private equity fund Orion Private Equity Fund I has acquired a 44% stake in Admen UAB for an undisclosed consideration. Admen UAB is a Lithuania-based manufacturer of custom signage.
Tar Heel Capital	Poland	Radpol SA	May 2020 - pending	11,4	n/d	Tar Heel Capital has acquired Radpol SA in a tender offer for a consideration of € 11.4m. Radpol SA is a producer of heat shrinkable goods.
Providence Equity Partners L.L.C. (via UAB Bite Lietuva)	Lithuania	Mezon	May 2020 - pending	20	n/d	UAB Bite Lietuva, a portfolio company of Providence Equity Partners L.L.C., has acquired Mezon from Lietuvos radijo ir televizijos centras AB (Telecentras) for a minimum consideration of € 20m. Mezon is a Lithuania-based company providing internet and data transmission services.

PE House	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Genesis Capital s.r.o.	Czech Republic	Conectart s.r.o.	May 2020 - pending	n/d	n/d	Genesis Capital has acquired Conectart s.r.o. from KKCG Group for an undisclosed consideration. Conectart s.r.o. is a Czech Republic-based operator of contact centres. Post-transaction, the company aims to further expand its operations in the central and eastern European region.
MCI, TA Associates	Czech Republic/ Slovakia	Klik	May 2020	n/d	n/d	MCI and TA Associates acquired Klikpojisteni.cz (Klik), online insurance broker operating in the Czech Republic and Slovakia.
Optima Investments Limited	Poland	Globe Trade Centre S.A.	April 2020 - pending	1429	61,49%	Optima Investments Limited has acquired a 61.49% stake in Global Trade Centre S.A. from Lone Star Funds. Global Trade Centre S.A. is a Polish real estate developer.
BaltCap	Lithuania	Krekenavos agrofirma, AB	April 2020	n/d	81%	BaltCap has acquired Krekenavos agrofirma, AB from Edvertita UAB for an undisclosed consideration. Krekenavos agrofirma is a Lithuanian meat processing company. The company generated a turnover of € 114.51m with the net profit of € 5.37m in 2018.
Accursia Capital GmbH	Bulgaria	Optimas OE Solutions, LLC (Selected European businesses in Italy, Germany, Belgium and Bulgaria)	April 2020	n/d	n/d	Accursia Capital has acquired four European Business Units in Italy, Germany, Belgium and Bulgaria of Optimas OE Solutions for an undisclosed consideration. The acquired business has been rebranded as Stronghold. The company is a strategic supply chain partner and an expert in reducing the complexity of supply chains.
Mezzanine Management	Poland	Akomex	April 2020	n/d	n/d	Mezzanine Management supported the management of Polish cardboard packaging firm Akomex to buy itself out of Highlander Partners, which had backed the business since 2010. The firm generates an EBITDA of €10m and employs 600 people.
Value4Capital & Ananda Ventures GmbH (via Doktor24 Medicina Korlatolt Felelossegu Tarsasag)	Hungary	Kastelypark Klinika Kft.	March 2020	n/d	n/d	Doktor24 Medicina Korlatolt Felelossegu Tarsasag, a portfolio company of Value4Capital and Ananda Ventures GmbH, has acquired Kastelypark Klinika Kft. for an undisclosed consideration. Kastelypark Klinika Kft. is a healthcare clinic with focus on sports surgery and other fields of musculoskeletal surgery.
Value4Capital & Ananda Ventures GmbH (via Doktor24 Medicina Korlatolt Felelossegu Tarsasag)	Hungary	Svabhegyi Gyermekgyogyintezet	March 2020	n/d	n/d	Doktor24 Medicina Korlatolt Felelossegu Tarsasag, a portfolio company of Value4Capital and Ananda Ventures GmbH, has acquired Svabhegyi Gyermekgyogyintezet from B-Med ltd for an undisclosed consideration. Svabhegyi Gyermekgyogyintezet is a Hungarian healthcare provider.

PE House	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Value4Capital Ananda Ventures GmbH	Hungary	Doktor24 Medicina Korlatolt Felelossegu Tarsasag	March 2020	10	56,50%	Ananda Ventures GmbH, Value4Capital and Dr. Otto Skorán(private investor) have acquired a 56.5% stake in Doktor24 Medicina Korlatolt Felelossegu Tarsasag for a consideration of € 10m.
H.I.G. Capital, LLC	Poland	Meyra Group S.A.	March 2020	n/d	n/d	H.I.G. Capital has acquired Meyra Group S.A. from Avallon Sp. z o.o. for an undisclosed consideration. Meyra Group is a Poland-based maker and seller of electricity-powered wheelchairs, rehabilitation equipment and orthopaedics.
Sun Capital Partners, Inc. (via Coveris Holdings S.A.)	Hungary	Plasztik-Tranzit Kft	March 2020	n/d	n/d	Sun Capital Partners, Inc. backed Coveris Holdings S.A. has acquired Plasztik-Tranzit Kft for an undisclosed consideration. Plasztik-Tranzit Kft is a Hungarian entity engaged in manufacturing packaging products. Under the terms, Plasztik-Tranzit will be renamed as Coveris Pírto.
Abris Capital Partners (via Green Group)	Romania	Eltex Recycling S.R.L.	March 2020	n/d	n/d	Romanian waste processing company Green Group, sponsored by Abris Capital Partners, has acquired its peer Eltex Recycling from Hungary-based parent Eltex for an undisclosed consideration. Eltex Recycling closed 2018 with a net profit of RON 4.3m (€ 900,176) on a turnover of RON 26.6m (€ 5.5m), with 138 employees.
Genesis Capital (via GTH catering a.s.)	Slovak Republic	Sodexo s.r.o.	February 2020	n/d	n/d	GTH catering a.s., a portfolio company of Genesis Capital s.r.o., has acquired Sodexo s.r.o from Sodexo SA for an undisclosed consideration. Sodexo s.r.o. is a Slovakia-based company engaged in catering and facility management services.
Private Venture Partners	Poland	Avenir Medical Poland sp. z o.o.	February 2020	n/d	44%	Private Venture Partners has acquired a 44% stake in Avenir Medical Poland sp. z o.o. for an undisclosed consideration. Avenir Medical Poland sp. z o.o. is a Poland-based company managing the Twoje Soczewki and Gafas chains of opticians and online store twojesoczewki.com. The financial terms of the transaction are not disclosed. As a result of the transaction, PVP now owns 100% stake in Avenir.
Cinven, Permira, Mid Europa Partners and HarbourVest Partners (via Allegro Group Sp. z oo)	Poland	FinAi S.A.	February 2020	n/d	n/d	Allegro, a portfolio of Cinven, Permira, Mid Europa Partners and HarbourVest Partners, has acquired FinAi from Fidiasz FIZ and founders for an undisclosed consideration. FinAi is a Poland-based provider of IT services to entities on the financial market. As a part of the transaction, all the employees of FinAi will join Allegro.

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RSBC PRIVATE EQUITY CZ A.S.	Czech Republic	Umbrella Mobility s.r.o.	February 2020	n/d	50%	RSBC PRIVATE EQUITY CZ A.S. has acquired a 50% stake in Umbrella Mobility s.r.o. for an undisclosed consideration. Umbrella Mobility s.r.o. is a Czech based bus service provider running long distance bus services all over Europe for German company FlixBus.
Highlander Partners	Romania	Sanovita	February 2020	n/d	n/d	Highlander Partners, L.P., announced the acquisition of a majority stake in SanoVita- food brand in Romania.
KhoslaVentures, HoxtonVentures, DN Capital, CapnamicVentures, Manta Ray, Bitspiration Booster	Poland	Nomagic	February 2020	\$6.8m	n/d	Nomagic, a startup out of Poland, picks up \$8.6M for its pick-and-place warehouse robots.
The Carlyle Group (via Logoplaste SA)	Poland	Masterchem Logoplaste Sp. z o.o.	February 2020	n/d	n/d	Logoplaste SA backed by The Carlyle Group has acquired a majority stake in PW Masterchem SJ for an undisclosed consideration. PW Masterchem SJ, subsequently renamed to Masterchem Logoplaste, is a Polish manufacturer of PET containers for cosmetics, household chemicals, food products, pharmaceuticals and dietary supplements.
Genesis Capital, ESPIRA Investments	Poland	Summa Linguae Technologies S.A.	February 2020	n/d	n/d	Genesis Capital and ESPIRA Investments have acquired an unspecified minority stake in Polish multilingual data management company Summa Linguae Technologies from PE firm V4C. The entry of Genesis and ESPIRA completes V4C original plans to work with co-investors on the transaction.
Mid Europa Partners	SEE	M+Group	January 2020	n/d	30%	Mid Europa Partners announced the agreement to merge its portfolio company, CMC İletişim ve Çağrı Merkezi Hizmetleri A.Ş. ("CMC"), with Meritus Upravljanje d.o.o. ("M+ Group"), in return for a 30% equity stake in the combined group. M+ Group is a regional business process outsourcing service provider.
OXX, Kennet	Poland	Codility	January 2020	\$22m	n/d	Codility, a platform that enables companies to build better engineering teams, announced a \$22 m Series A funding round led by Oxx and Kennet Partners.
TDJ Pitango Ventures, Rheingau Founders, btov Partner's Digital Tech Fund	Poland	Neptune	January 2020	\$3m	n/d	Neptune, the data science collaboration hub, has completed a post-seed financing round of \$3M.

PE House	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Avallon Sp. z o.o.	Poland	Clovin S.A.	January 2020	n/d	60%	Avallon has acquired Clovin in a management buyout transaction for an undisclosed consideration. Avallon has acquired a 60% stake through its Avallon MBO Fund III, while the remaining stake is held by the founders. Clovin is a Poland-based manufacturer of washing powders and other cleaning agents for water laundries, hotels, and hospitals. For the year 2018, Clovin posted revenues of PLN 111m (€ 26.02 m) and net profit of PLN 10.4m (€ 2.43m). It employs more than 230 people.
BHS Fund II	Czech Republic	DCK Holoubkov Bohemia a.s.	January 2020	n/d	80%	BHS Private Equity Fund (BHS Fund II) along with minority co-investors have acquired a 100% stake in DCK Holoubkov Bohemia for an undisclosed consideration. DCK Holoubkov Bohemia is a Czech-based company engaged in the production of all-plastic low-voltage outdoor distribution boards.
MCI Capital (via Netrisk.hu Elso Online Biztositasi Alkusz Zrt.)	Hungary	Biztositas.HU Biztosítási Alkusz Kft.	December 2019	n/d	n/d	MCI Capital backed Netrisk has acquired Biztositas for an undisclosed consideration. Biztositas is a Hungarian provider of an insurance broking services.
Resource Partners Sp. z o.o.	Poland	Maced Sp. z o.o.	December 2019	n/d	n/d	Resource Partners Sp. z o.o. has acquired a majority stake in Maced Sp. z o.o. for an undisclosed consideration. Maced Sp. z o.o. is a producer and distributor of natural dog treats offering its products under the Maced and Dogway brands, as well as under private label of retail chains and specialized zoological chains in Poland and abroad.
Arca Capital Slovakia A.S.	Slovak Republic	ACS plyn s.r.o.	December 2019	n/d	n/d	Arca Capital Slovakia has acquired VNG Slovakia from VNG Handel & Vertrieb for an undisclosed consideration. VNG Slovakia, now renamed to ACS plyn s.r.o., distributes gas to the Nitra region of Slovakia in partnership with the municipal administration. After the acquisition, Arca Capital Slovakia will control 49% of the shares in Nitrianska teplarenska spolocnost a.s., a gas distributor in Nitra, Slovakia.
Value4Capital	Poland	Summa Linguae Technologies S.A.	December 2019	13	51,99%	Value4Capital has acquired a 51.99% stake in Summa Linguae Technologies S.A. for a consideration of € 13m. Summa Linguae Technologies S.A. is a listed Poland-based provider of translation services, headquartered in Krakow.
Livonia Partners	Estonia	Klaasimeister AS	December 2020	n/d	100%	Livonia Partners has acquired a 100% stake in Klaasimeister from its founders for an undisclosed consideration. Klaasimeister is an Estonian glass processing company that regularly provides glass units for façade projects in Europe.

PE House	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Accel; Insight Partners; Lightspeed Venture Partners; Burda Principal Investments GmbH & Co.; Sprints Capital Management Limited	Lithuania	Vinted	November 2019	128	n/d	Vinted has raised an investment of € 128m from a group of investors led by Lightspeed Venture Partners. Vinted is an online marketplace for secondhand clothes and accessories.
PORTIVA Private Equity a.s.	Slovenia	Vipap Videm Krško dd	November 2019	10	96,50%	PORTIVA Private Equity a.s. and International Project and Investment Development Corporation have acquired a 96.5% stake in VIPAP VIDEM KRŠKO d.d. from Ministry of Finance of the Czech Republic for a consideration of € 10m. VIPAP VIDEM KRŠKO d.d. is a Slovenia-based manufacturer of newsprint, coated graphic paper and wrapping paper.
BC Partners (via United Group B.V.)	Bulgaria	Bulgarian Telecommunications Company (Vivacom)	November 2019	1200	n/d	United Group, an Amsterdam-based telecoms and media provider active in south-eastern Europe and a portfolio company of BC Partners, has acquired Vivacom for a consideration of € 1.2bn. Vivacom is a Bulgaria-based company providing services including fibre broadband, mobile communications and digital TV to private and commercial customers. The company generated BGN 948m (€ 485m) consolidated revenues and BGN 359.8m (€ 184m) consolidated adjusted EBITDA in 2018, according to its annual report. It employs 6,000 people.
Tar Heel Capital	Poland	Suret Sp. z o.o.	November 2019	n/d	n/d	Tar Heel Capital through its fund Tar Heel Capital III has acquired Suret Sp. z o.o. for an undisclosed consideration. Suret Sp. z o.o. is a Polish provider of industrial logistics services mainly in the field of outsourcing of internal transport logistics, comprehensive warehouse logistics and relocation of technological lines and machines.
Oriens Im Hungary Kft. (via Imecon s.r.o.)	Czech Republic	Pegas Container, s.r.o. Sharkmetal s.r.o.	October 2019	n/d	100%	Imecon, a Czech producer of modular buildings, and a portfolio of Oriens Im Hungary Kft., a Hungary-based private equity firm, acquired two Czech companies (i) Pegas Container s.r.o., a Czech Republic-based manufacturer of living and sanitary containers and modular buildings, and (ii) Sharkmetal s.r.o., a Czech Republic-based manufacturer of metal structures and parts. Both companies were merged together post-transaction.

Selected Exits

Company	Country	Seller	Buyer	Date	Value EUR m	Stake	Deal Description
Aero Vodochody a.s.	Czech Republic	Penta Investments, s. r. o.	OMNIPOL a.s.; Andras Tombor (Private investor)	June 2020	n/d	n/d	Penta Investments has sold Aero Vodochody to OMNIPOL and Andras Tombor, for an undisclosed consideration. Post acquisition the acquired business will be managed by the OMNIPOL group which will own 49% in Aero Vodochody while remaining 51% will be owned by Andras Tombor. Aero Vodochody is a Czech-based manufacturer of military and civilian aircrafts and aircraft parts.
UXPin Inc	USA	True Ventures; Andreessen Horowitz LLC; Freestyle Capital; Ridge Ventures; Innovation Nest VC	Xenon Partners	June 2020	n/d	n/d	Xenon Partners has acquired US-based developer of a collaborative design and prototyping platform, UXPin from shareholders including, Andreessen Horowitz, Freestyle Capital, Ridge Ventures and Innovation Nest VC (Poland-based venture capital firm). Founded in 2010 in Poland and currently based in California, UXPin is a developer of a collaborative design and prototyping platform that allows users to build better digital products. It helps power the web and mobile application design, and serves brands such as Microsoft, Autodesk, Apple, Ford, Netflix and PayPal.
Frisco S.A.	Poland	MCI Capital S.A.	Eurocash S.A.	June 2020	30	55,6%	MCI Management has sold 55.6% stake in Frisco.pl to the listed Eurocash for a consideration of € 30.24m. The sale has generated an estimated return for MCI.TechVentures fund on this investment was 22.5% IRR and 2.7 times the original investment amounting to PLN 43m. Frisco.pl is an online supermarket that provides Internet home-delivery grocery services in Poland.
Fortumo OU	Estonia	Intel Capital and Greycroft Partners LLC	Boku, Inc.	June 2020	36,52	n/d	Boku Inc., the California-based independent direct carrier billing company, has acquired Fortumo from Intel Capital and Greycroft Partners LLC for a consideration of €37m. Fortumo is an Estonia-based provider of mobile payment solutions for web services and mobile applications.
Novaturas	Lithuania	Enterprise Investors	public offering on Nasdaq Baltic	June 2020	n/d	n/d	Polish Enterprise Fund VI, a private equity fund managed by Enterprise Investors, has sold its remaining 34.4% stake in Novaturas, the largest tour operator in the Baltic States, through a series of secondary transactions on Nasdaq Baltic.

Company	Country	Seller	Buyer	Date	Value EUR m	Stake	Deal Description
Thermory	Estonia	Livonia Partners	UG Investeeringud	June 2020	n/d	n/d	Livonia Partners announced it is selling its investment in Thermory, an Estonian maker of specialist wood and sauna products it backed in 2015. The business acquired Finnish wood processor Siparila with Livonia's support and is now set to be sold to UG Investeeringud, a domestic holding company which has held a minority stake in Thermory since the end of 2019.
Optimapharm	Croatia	Mezzanine Management	The Rohatyn Group	May 2020	n/d	n/d	Croatian clinical research organisation Optimapharm was sold by Mezzanine Management to asset manager Rohatyn following an 18-month hold. The exit was the firm's sixth in around eight months
NNL	Lithuania	LitCapital	sale to management	May 2020	n/d	n/d	LitCapital generated a 4x return on the sale of chilled logistics firm NNL LT in a sale back to management.
Diagnostični Center Bled	Slovenia	Arx Equity Partners	Sava Re and Triglav	May 2020	n/d	n/d	Arx Equity Partners announced the sale of Slovenian healthcare business Diagnostični Center Bled to insurance companies Sava Re and Triglav, generating a 3.6x multiple on capital for the five-year investment.
Globe Trade Centre S.A.	Poland	Lone Star Funds	Optima Investments Limited	April 2020 - pending	1 429	61,49%	Optima Investments Limited has acquired 61.49% stake in Global Trade Centre S.A. from Lone Star Funds for a consideration of €1,429m. Global Trade Centre S.A. is a real estate developer, headquartered in Warsaw, Poland.
Akomex sp. z o.o.	Poland	Highlander Partners, L.P.	Sebastian Sliwa (Private Investor)	April 2020	n/d	n/d	Highlander Partners has sold its investment in Akomex to Mr. Sebastian Sliwa, the founder of the company for an undisclosed consideration. Akomex is a leading manufacturer of cardboard packaging in Poland.
Ondrasovka a.s; Karlovarska Korunni, s.r.o.	Czech Republic	Arca Investments a.s.	Kofola CeskoSlovensko a.s	April 2020	n/d	n/d	Arca Investments has sold Karlovarska Korunni and Ondrasovka via trade sale to Kofola for an undisclosed consideration. Karlovarska Korunni and Ondrasovka are Czech-based food & beverages companies. The transaction will enable Kofola to expand the portfolio with traditional Czech brands of mineral water and strengthen its position in the category of bottled water on the Czech market.
Centrum Rozliczen Elektronicznych Polskie ePlatnosci S.A.	Poland	Innova Capital Sp z o.o.; OPTeam S.A.	Nets A/S	March 2020 - pending	405	n/d	Nets A/S has acquired Polskie ePlatnosci from Innova Capital and the listed OPTeam for a consideration of € 405m. Polskie ePlatnosci is a Polish payment service provider with a base of over 125,000 point-of-sales terminals.

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Walmart, a.s.	Czech Republic	Mid Europa Partners LLP	STADA Arzneimittel AG	March 2020	n/d	100%	Mid Europa Partners LLP has sold its stake in Walmart, a.s. to STADA Arzneimittel AG for an undisclosed consideration. Post-transaction, STADA plans to integrate Walmart's manufacturing facility located in Trinec into its global production network. The group also intends to broaden its portfolio of branded consumer health products and further internationalise its overall business. Walmart is a Czech based manufacturer, distributor and seller of nutritional supplements and pharmaceuticals drugs.
RTC Proffice Experience SA	Romania	ORESA Ventures N.V.	SC Complet Electro Serv SA	March 2020	n/d	n/d	ORESA Ventures N.V. has sold its portfolio company, RTC Proffice Experience SA, to SC Complet Electro Serv SA, a subsidiary of SC Altex Romania SRL for an undisclosed consideration. RTC Proffice Experience SA is a distributor of office supplies and furniture.
Meyra Group S.A.	Poland	Avallon Sp. z o.o.	H.I.G. Capital, LLC	March 2020	n/d	n/d	H.I.G. Capital has acquired Meyra from Avallon for an undisclosed consideration. Meyra designs, manufactures and sells active and electricity-powered wheelchairs, rehabilitation equipment and orthopaedics.
Geewa a.s.	Czech Republic	MCI Capital S.A.; Springtide Ventures s.r.o.; Milos Enderle (Private Investor)	AppLovin Corporation	February 2020	n/d	n/d	AppLovin Corporation has acquired Geewa a.s. from MCI Capital S.A., Springtide Ventures s.r.o. and Milos Enderle for an undisclosed consideration. MCI held 62% stake in Geewa, while Springtide and Milos Enderle owned 32% and 6% stakes respectively in the company. Geewa is a developer and publisher of competitive multiplayer mobile games.
Green Horizon Renewables a.s.	Czech Republic	Green Horizon Renewables a.s.	Energy Development GmbH	February 2020	n/d	n/d	Green Horizon Renewables has sold its all six Czech-based solar plants of 21.1 MW capacity as well as its both two Slovakia-based solar plants with capacity 4.1MW to Austria-based Energy Development GmbH for an undisclosed consideration. The transaction marks Green Horizon's exit from Czech and Slovakia solar market.
MSV Metal Studenka, a.s.	Czech Republic	Jet Investment AS	Moravia Steel a.s.	February 2020	n/d	n/d	Jet Investment has sold its 100% stake in MSV Metal Studenka to Moravia Steel for an undisclosed consideration. MSV Metal Studenka is a Czech Republic-based manufacturer of forgings and components for rail vehicles.
Danwood Holding S.A.	Poland	Enterprise Investors Sp. z o.o.	GS Engineering & Construction Co Ltd	January 2020 - pending	140	n/d	Enterprise Investors has sold Danwood Holding to GS Engineering & Construction Co for a consideration of €140m. Total gross proceeds generated by the investment amount to € 238m yielding a 9x total gross multiple of cost. Danwood is a supplier of prefabricated turnkey homes of wood construction, headquartered in Bielsk Podlaski, Poland.

Company	Country	Seller	Buyer	Date	Value EUR m	Stake	Deal Description
Microinvest	Moldavia	Balkan Financial Sector Equity Fund	Banca Transilvania S.A.	January 2020 - pending	n/d	n/d	Banca Transilvania has acquired Microinvest from Balkan Financial Sector Equity Fund for an undisclosed consideration. Microinvest is a non-banking financing company from Moldavia. It has more than 25,000 clients, almost 200 employees, 13 branches and granted so far over 30,000 loans.
RESIDOMO, s.r.o.	Czech Republic	Blackstone Group L.P.; Round Hill Capital LLC	Heimstaden Bostad AB	January 2020 - pending	1 300	n/d	Round Hill Capital LLC and Blackstone Group L.P. have sold their portfolio company RESIDOMO to Heimstaden Bostad AB for a consideration of approximately € 1.3bn. The acquisition includes an operational platform, including property and asset management as well as facility management teams of close to 500 employees. RESIDOMO owns and operates 4,515 assets with 42,584 residential units and 1,675 commercial units.
Netrisk.hu Elso Online Biztositasi Alkusz Zrt.	Hungary	MCI Capital S.A.; AMC Capital IV S.C.Sp.	TA Associates Management, LP.	January 2020	55	75%	MCI Capital SA has partially sold its stake in Netrisk.hu Elso Online Biztositasi Alkusz Zrt. to TA Associates Management, LP. for a consideration of € 55m. Post-transaction TA Associates will hold a 75% stake in the company, while Netrisk's management will hold a 1.3% stake. MCI Capital will retain a 23.7% stake in the company and has realized a 3x return on its investment and 73% IRR, as a result of its partial exit. Netrisk.hu is an independent online insurance broker in Hungary, distributing non-life insurance products.
Tomma Diagnostyka Obrazowa SA	Poland	Tar Heel Capital	PZU Zdrowie SA	January 2020	n/d	n/d	Tar Heel Capital has sold Tomma Diagnostyka Obrazowa SA to PZU Zdrowie SA for an undisclosed consideration. The transaction also includes acquisition of Tomma's subsidiaries, i.e. Bonus Diagnosta and Asklepios Diagnostyka. Post acquisition, the the total number of branches of PZU Zdrowie will increase by one-third to reach approximately 130. Tomma Diagnostyka Obrazowa SA is a provider of medicalimaging diagnostics services.
Litcargus, UAB	Lithuania	Royalton Partners Limited	Gateway Airport Services, UAB	December 2019	n/d	n/d	Royalton Partners Limited has sold Litcargus, UAB to Gateway Airport Services, UAB for an undisclosed consideration. Litcargus, UAB is a company engaged in providing ground handling services for airlines.
SC Digital Cable Systems SA	Romania	Pinebridge Capital Partners, Inc.; Look TV	RCS & RDS S.A.	November 2019 - pending	n/d	100%	RCS & RDS S.A. has acquired SC Digital Cable Systems SA from Pinebridge Capital Partners and Look TV for an undisclosed consideration. SC Digital Cable Systems is a provider of video re-transmission services for cable television, direct-to-home (DTH) and internet services subscribers.

Company	Country	Seller	Buyer	Date	Value EUR m	Stake	Deal Description
TEB Energy Business	Romania	GED Iberian Private Equity, S.A., SGECR	Clarke Energy Limited	November 2019	n/d	58,5%	GED Iberian Private Equity, S.A., SGECR has sold its 58.50% stake in TEB Energy Business to Clarke Energy Limited for an undisclosed consideration. TEB Energy Business is a Romanian developer of cogeneration machinery and equipment.

Fundraising

Company	Fund	Value (EURm)	Status	Time	Description
MCI Capital	n/a	€400m	Open	2020 launch	MCI Capital is launching a technology-focused fund with a target of €400m. The firm's first traditional buyout fund will primarily focus on investing in businesses in Central and Eastern Europe.
Inovo Venture Partners	FundWarsaw	€40m	Open	2020 launch	Inovo Venture Partners, a Warsaw-based VC firm focused on Central and Eastern European tech companies, has announced a second fund of \$40m, including \$15m from the European Investment Fund (EIF). Typically participating in late seed and Series A rounds, the Polish firm plans to seal six deals in 2020, ultimately investing in 20 companies over the next years.
Mezzanine Management	Direct Lending Fund	€400m	pre-marketing	launch H2 2020	Mezzanine Management is set to launch a private credit fund to back growing businesses in its core market of CE. The firm is reported to be targeting €400m for the fund, which will back established SMEs in the region with revenues of at least €20m.
Integral Venture Partners	Evolving Europe Principal Investments I	€150m (hard cap)	first close	March 2020	Integral Venture Partners (Integral) has held a first close of its first private equity and growth capital fund, Evolving Europe Principal Investments I (EEPI I) and is seeking €150m at final close. The fund will be make equity investments of up to €25m in companies in Central and South Eastern Europe with significant growth potential across TMT, healthcare, consumer goods and services, B2B services and niche manufacturing sectors.
INVL Asset Management	INVL Baltic Sea Growth Fund	€165m	Final close	February 2020	INVL Baltic Sea Growth Fund ("the Fund"), the largest private equity investment fund for the Baltic region, managed by one of Lithuania's leading asset management companies INVL Asset Management ("INVL"), has successfully completed its final close reaching a total of €164.7m. The Fund will be targeting deals with a ticket size of €10m to €30m focusing on growth capital, buyout, and "buy and build" investments. It is expected that the portfolio of the Fund will comprise 8-12 investments in total.
OTB Ventures	OTB Ventures I	€92m (\$100m)	Final close	February 2020	Warsaw-headquartered OTB Ventures, a venture capital house dedicated to investments in technology companies in CEE, has closed its first early growth technology fund on its \$100m target. The fund will focus on post-product start-ups working in industries spanning fintech, cybersecurity, artificial intelligence (AI), Big Data, Internet of Things (IoT), robotics, cloud and Software-as-a-Service (SaaS). The fund plans to initially invest between \$1m (€ 0.92m) and \$5m (€ 4.59m) along with additional investments of up to USD 15m (€13.59m) via series A round in 16 early-stage companies.
Avallon	MBO Fund III	€80.6m (first close)	first close	January 2020	Avallon announced a first close on €80.6m for its MBO III Fund in January. The vehicle will back MBO investment opportunities in Poland-based SMEs to support their long-term capital growth.

Company	Fund	Value (EURm)	Status	Time	Description
Bolt	Environmental Impact Fund	€10m	Final close	November 2019	Bolt, a European on-demand transportation platform, has launched a dedicated environmental impact fund with seed capital of €10m aimed at initiatives which deliver global social and environmental benefits. The fund's first transaction will finance a forest creation project that plants trees to increase natural carbon sequestration, increase biodiversity, stop pollutants from entering water courses, and prevent the erosion of topsoil.
Tar Heel Capital	THC 3	€100m	Final close	November 2019	Polish GP Tar Heel Capital has reportedly raised €100m for its third fund, THC 3. The lifespan of the growth fund is 12 years.
Enern	Fourth Venture fund	€80m	Open	n/a	Enern is nearing a close for its fourth venture fund with a target of €80m. The fund aims to invest between €1m and €4m into companies in consumer and B2B segments. The businesses should be located in CEE region including Poland, the Czech Republic, Romania, Bulgaria and Ukraine.

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“Given the ongoing uncertainty which lingers over markets, as well as the omnipresent element of the Covid-19 crisis, we can only hypothesize that these current expectations are buoyed by one variable which was less present in 2008: experience. The 2008 Global Financial Crisis was most CE deal-doers first crisis. These investment professionals have built up significant experience since then, and this will make them much better placed to navigate the coming months. Simply put, the battle-hardened may be better able to keep a steady hand, identify opportunities – and capitalise on them.”

Mark Jung, Partner, Private Equity Leader Deloitte Central Europe



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