

Deloitte.



Great expectations
Private Equity Confidence Survey
Central Europe

January 2021

Great expectations

What a truly extraordinary year 2020 was. As an unprecedented and global health crisis quickly became a financial one, heavy tolls were felt on societies and economies. The private equity (PE) market in Central Europe (CE) has been impacted by the pandemic, though the latest Deloitte Survey suggests the hit was less steep and quicker to recover than in the 2008 Global Financial Crisis. There are myriad reasons for this, and confidence reflects it, with the Index doubling from 62 to 123, the steepest climb in the Survey's 17-year history.

The market's strongest defence during the course of 2020 has been its experience, and this wasn't as robust in 2008. Many PE firms have more than two decades' experience to draw on, and we've seen the positive impact that has – for investors in those funds benefitting from handsome distributions as well as on the businesses they back, which typically grow their revenues and profits as their PE backers help them to expand their offering and geographic footprint, creating wealth and employment along the way. As such, the capital and expertise of many GPs in CE may prove vital to many companies in the region to survive and even thrive in today's new backdrop.

Our assessment period for this Survey is telling as it runs from the summer to the end of November, a period of growth amidst ongoing uncertainty. In that time, we've seen

a larger-than-usual number of exits, defying expectations of lowered pricing to generate strong returns for backers of ambitious management teams. Many of CE's longest-established private equity houses have clocked up multiple divestments in the second half of 2020, enabling them to furnish their limited partners with lucrative distributions. These, in turn, should support future fundraisings and ensure that the healthy PE ecosystem in CE continues – crucial as recapitalizing many companies will be key in the coming months and years.

Appetite for private equity by global institutions has been growing and is expected continue to do so as investors seek superior risk-adjusted returns. A survey by data provider Preqin suggests such investors will further increase their PE allocations: 23% expect a significant increase and 56% a slight expansion.

Expectations for deal-doing in 2021 are great: nearly two-thirds of respondents to our Survey expect market activity to increase in the coming months, up from under a fifth in the summer. These deals will be supported by the region's leverage markets, as the proportion of deal-doers expecting liquidity to improve is the highest in three years. Such financing will be crucial to support high pricing. Despite initial expectations of reduced pricing as the crisis impacted companies, strong assets are going

for full prices: going forward, half of the people we surveyed expect pricing to increase over this year, up from a third in our last Survey, and just a fifth (22%) expect them to come down – down markedly from over half (51%) since the summer.

It is likely this pricing paradigm is because of firms' abilities to reduce costs quickly when they needed to, undertaking measures to protect existing revenues whilst assessing what costs could be cut to stabilize in the spring before re-evaluating plans back to growth. While the impact varied by sector, many firms have not only survived 2020 but even emerged stronger as they accelerated their plans to digital amidst a reduced cost base. The support of experienced private equity backers in many of these businesses will have been invaluable.

And it's shone in H2 2020, with a large number of PE-backed divestments showcasing the value-add experienced financial backers can bring. The headline-grabbing IPO of Allegro cast a very positive light on PE's ability to grow a CE business: the €9.8bn market capitalisation saw the share price swell thereafter.

This sentiment on market activity and pricing is consistent with our own recent experience, and watching vendors work with buyers to meet their expectations on pricing. Sourcing and assessing these opportunities is a challenge

and opportunity for the region's deal-doers. We are standing by to work with them on helping to recapitalize the many companies ripe for the right financial backer in this dynamic region.



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

Our latest Survey reveals a complete reversal on market sentiment since our last Index, with the vast majority of deal-doers (63%) expecting an increase in activity, up from just 17% in the last Survey. Likewise, just 17% expect a reduction, down from 70% over the summer. Backing this up, nearly three-quarters of deal-doers (73%) expect to buy more in the coming months, the highest proportion since 2011.

In a sign of dramatically renewed confidence, there has been a near 50% uptick on the proportion of respondents expecting to focus on new investments since our last Survey, with two thirds (65%) now prioritizing that over the coming months, up from 45% in our last Survey. This upturn comes as a portfolio management focus halves, from 45% over the summer to 22% now. This is likely a reflection of the fact that most GPs put a firm focus on nurturing their portfolios in the spring and summer as the pandemic unfolded, and now, in more robust shape and with a clearer picture of how firms are performing, houses can turn their sights to new deals once again.

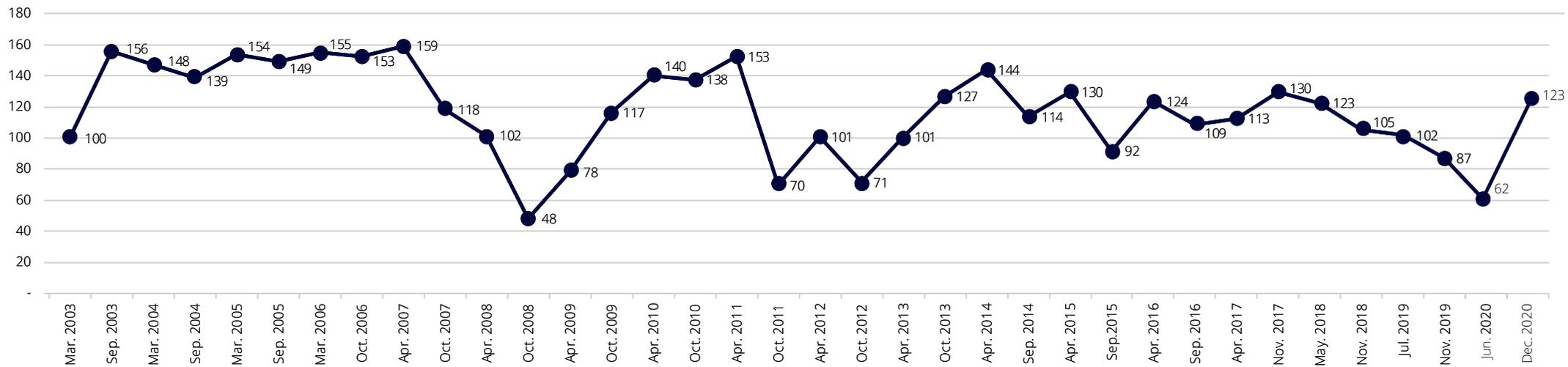
Deals will be supported by robust leverage markets, with 76% of respondents expecting the availability of debt finance to remain the same (63%) or increase (13%) over the coming months, a refreshing change from our last Survey, when most (62%) expected a decrease.



This Survey revealed a spectacular and welcome return to positivity, with the largest survey-on-survey climb in our report's history, nearly doubling from 62 to 123.

Myriad indicators in our Survey reflect this, including the heightened optimism around the economy, with 37% expecting an improvement in the economic backdrop, up three-fold on our last Survey. This confidence is fuelling expectations of renewed deal doing, with 63% of respondents expecting market activity to increase over the coming months, more than triple last Survey's 17%.

Central Europe PE Confidence Index



Survey Results

Economic climate

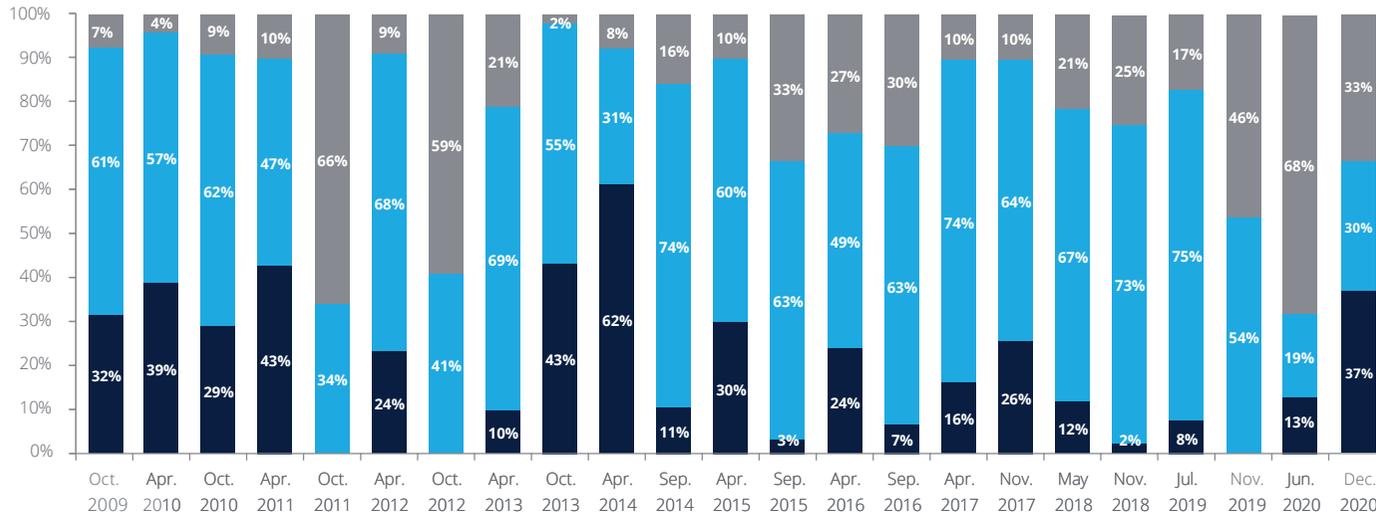
Sentiment around the economy is improving at last, with more than a third of respondents (37%) expecting an improvement in the economic climate, a near tripling from 13% in the last Survey and the highest level of optimism in six years. The increase in optimism is mirrored by a halving of those expecting conditions to worsen, from 68% in the summer Survey to 33% now.

Our Survey canvassed opinion at the end of an unprecedented year of difficulty, with mounting uncertainty eventually giving way to hope when a vaccine for the coronavirus was approved and a roll-out announced in early December. This hope, mixed with the learning that society can in fact adapt to extraordinary times, may be behind the welcome uptick in positivity.

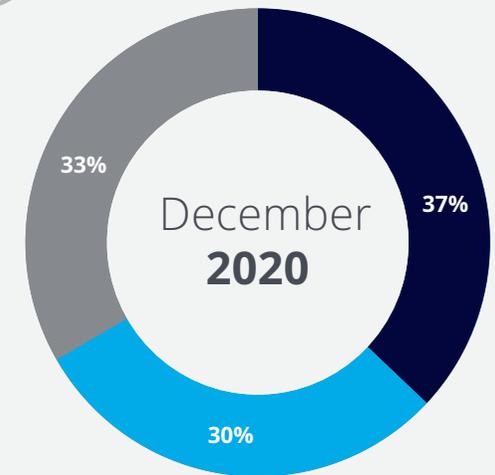
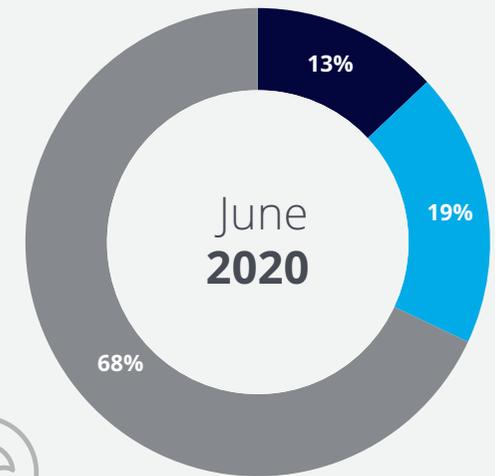
Economic expectations have always been correlated to confidence in our Survey, and just as the economic barometer is improving, we've seen a near doubling of the Index against last Survey's low result, from 62 to 123. This represents the single largest climb in our Survey's history.

Economic growth should resume this year, with Covid-19-induced contractions in 2020 giving way to a recovery. Preliminary data suggests Central Europe's reduction in output was less stark than that seen in wider Europe: Poland, CE's largest economy, saw GDP contract by 9% in Q2 2020, against 11.3% for the EU. The recovery subsequently recorded in Q3 was also less stark, with Poland's GDP growing by 7.9% in Q3 against the EU's Q3 rebound of 11.5%.

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



Economic climate (June 2020 vs December 2020)



- Improve
- Remain the same
- Decline

Debt availability

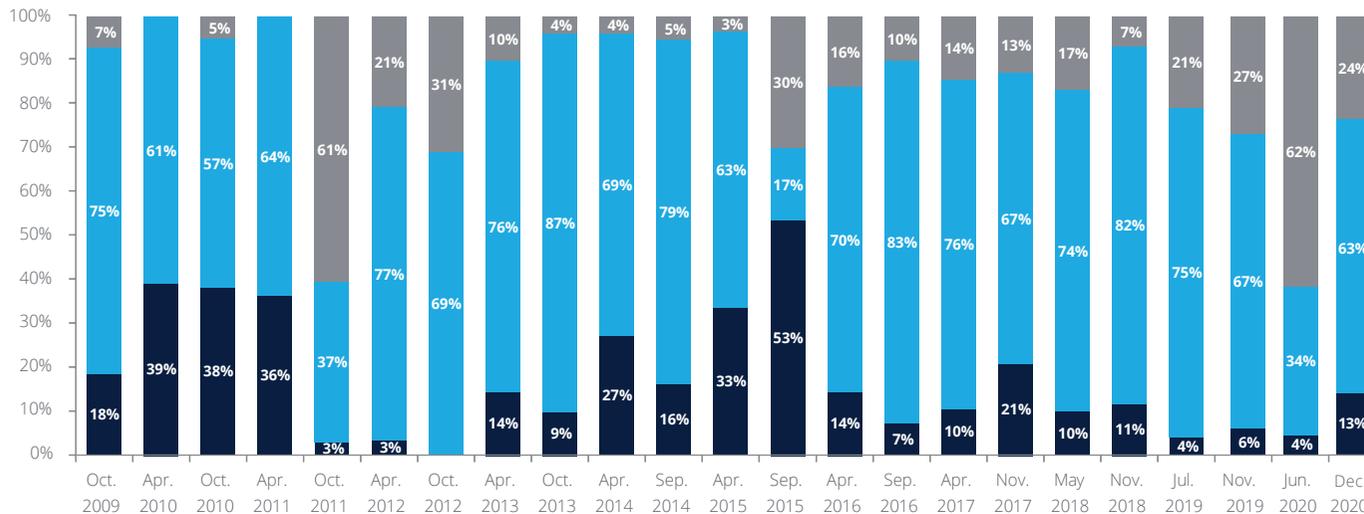
The lion's share of respondents (76%) expect the availability of debt finance to remain the same (63%) or increase (13%) over the coming months, a refreshing change from our last Survey, when most (62%) expected a decrease and a third (34%) expected then-subdued levels to remain the norm. In fact the proportion expecting liquidity to improve is the highest level in three years.

The sentiment is likely a reflection of banks regaining comfort as they have better visibility on the pandemic's impact on the economy. Appetite for risk will depend on sector, with those which are impacted by the lockdowns and restrictions remain closely scrutinized. It may also be that an abundance of liquidity is seeking a home with yield, as well as the fact that a small but

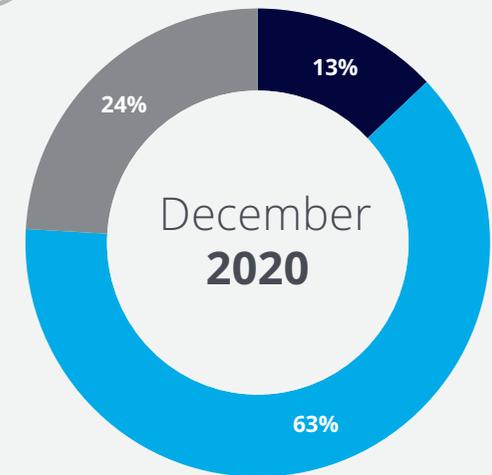
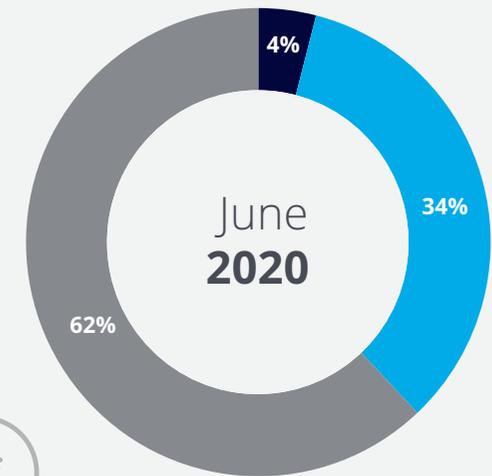
growing number of non-bank lenders are lending in CE. Once deemed 'alternative lenders' in Western Europe, credit funds are now commonplace in mature European markets, and their proliferation creates competition for terms – which can benefit borrowers. Because they are investing committed capital, credit funds may be more likely to continue to deploy funds across cycles than their traditional bank counterparts.

One such fund is currently being raised by Mezzanine Management, a CE mezzanine house active for over 20 years, and CQ Investment Group, a European multi-strategy asset manager. The direct lending fund, ACP Credit, will invest €10-40m per transaction in businesses with EBITDA of €3-50m and total debt leverage typically below 3.5-4x EBITDA.

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



Debt availability (June 2020 vs December 2020)



- Increase
- Remain the same
- Decrease

Investors' focus

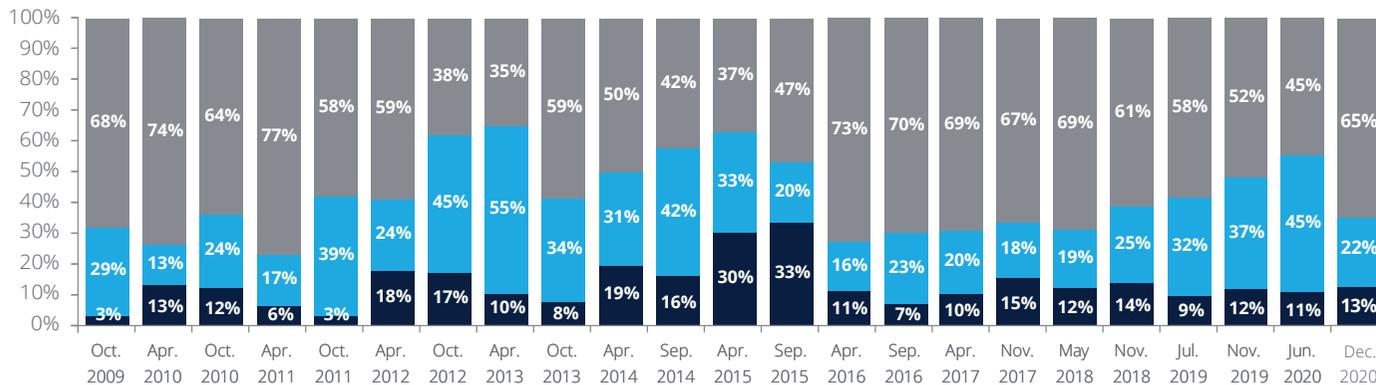
In a sign of renewed confidence, there has been a near 50% uptick on the proportion of respondents expecting to focus on new investments since our last Survey, with two thirds (65%) now prioritizing that over the coming months, up from 45% in our last Survey. This upturn comes as portfolio management halves, from 45% over the summer to 22% now. This is likely a reflection of the fact that most GPs put a firm focus on securing and nurturing their portfolios in the spring and summer as the pandemic unfolded, and now, in more robust shape and with a clearer picture of how firms are performing, houses can turn their sights to backing new deals once again.

Innova Capital announced three deals in Q4 in the region's two largest markets. The firm bought Polish cosmetics brand Bielenda Kosmetyki alongside management to finance the company's acquisition of Norwegian cosmetics group Orkla's Polish skin care brands Soraya and Dermika. Innova also acquired an undisclosed stake in Poland's largest software development house STX Next. The PE house also acquired PayPoint's Romanian business PayPoint Services for €52m.

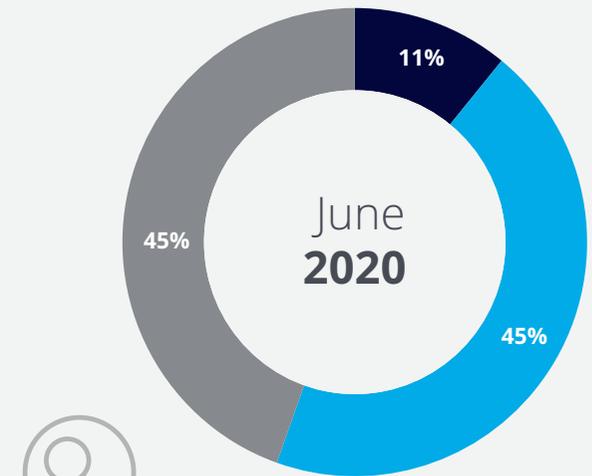
Mid Europa Partners announced two deals in H2: In December the firm acquired Symfonia, a cloud business management provider for SMEs in Poland, from Sage Group. In November Mid Europa purchased Displate from founders and incumbent VCs Credo Ventures and Miton Capital. Displate is an online metal prints marketplace that connects more than 40,000 creators and over 30 licensed brands to a customer base which spans more than 50 countries.

Enterprise Investors announced four transactions in the year, all in H2, including stake building: the firm increased its stake in Pan-Pek, a Croatian bakery it has been invested in since 2018, to 100%, and purchased additional ownership of Anwim, a Polish operator of petrol stations Enterprise has backed since 2018. Enterprise also announced a tender offer for fintech PragmaGo, and purchased a majority stake for €25m of Software Mind, a Polish provider of software development outsourcing services.

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



Investors' focus (June 2020 vs December 2020)



- Raising new funds
- Portfolio management
- New investments

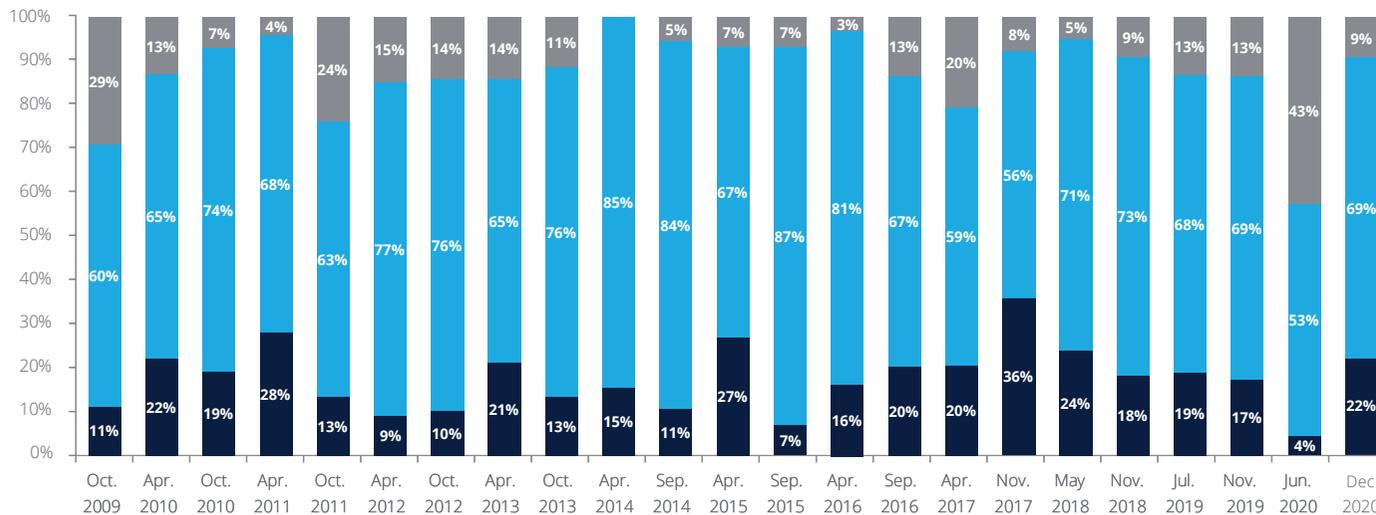
Size of transactions

The vast majority of respondents (69%) expect deal sizes to remain the same, though there is a five-fold increase in those expecting sizes to increase, from just 4% in the summer to 22% now. Likewise, just 9% expect average transaction values to reduce – a marked decrease from the 43% in the summer.

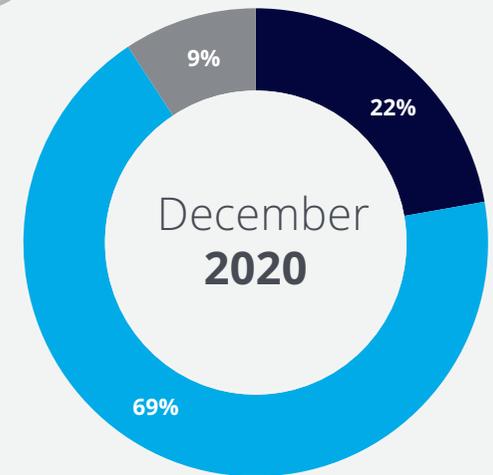
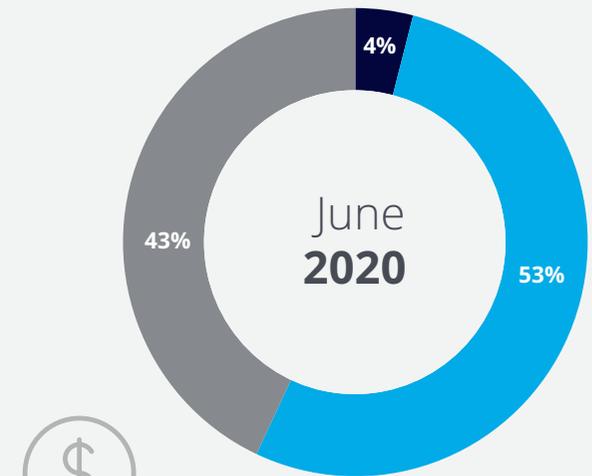
This is another metric which suggests confidence is growing, and a number of large deals in the pipeline back this up. InPost, a Polish parcel locker business backed by Advent International since 2017, is expected to fetch billions when it is eventually sold or floated, with a number of large PE houses showing interest in 2020. In December Advent was reported to be preparing it

for an Amsterdam flotation that could value InPost at up to \$10 billion. Such price tags will be supported by an accelerated shift to online in 2020, as well as evidence of what CE businesses can achieve, which has been highlighted in the last year: Bulgarian telco Vivacom was bought by BC Partners-backed United Group in a €1.2bn deal that completed this year, and more recently Mid Europa, Permira and Cinven floated Allegro on the Warsaw Stock Exchange in October with a market capitalization of PLN 44bn (€9.8bn) after purchasing the e-commerce business in 2016 for \$3.25bn.

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



Size of transactions (June 2020 vs December 2020)



- Increase
- Remain the same
- Decrease

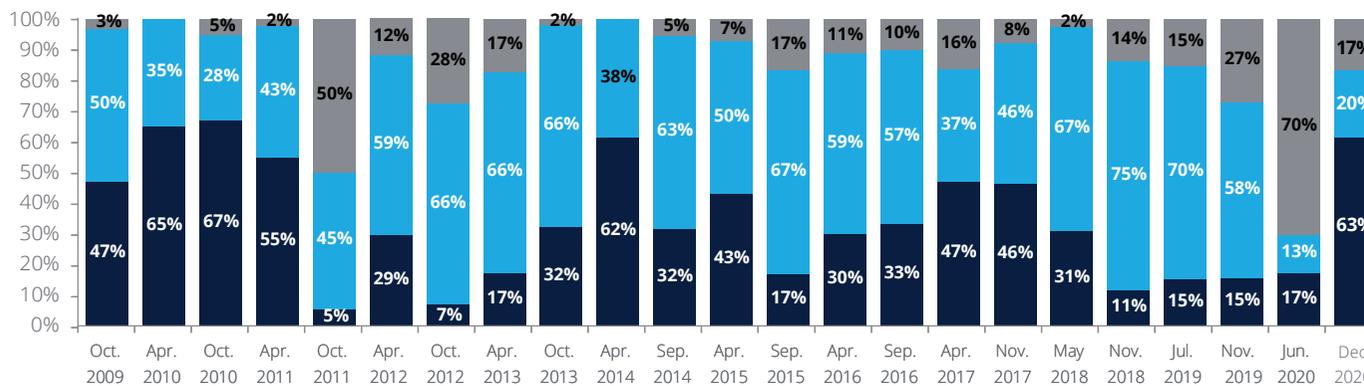
Market activity

Our latest Survey reveals a complete reversal in market sentiment since our last Index, with the vast majority of deal-doers (63%) expecting an increase in activity, up from just 17% in the last Survey. Likewise, just 17% expect a reduction, down from 70% over the summer. The level of positivity is tied with 2014, when activity was picking up pace.

The expected bounce-back of activity is another reflection of increased confidence as the dust settles on this extraordinary year. Many companies have proven adept at adapting to the new backdrop, with cost reductions and remote working in Q2 giving way, in many industries, to planning for the upturn and a return to growth in Q3 and Q4.

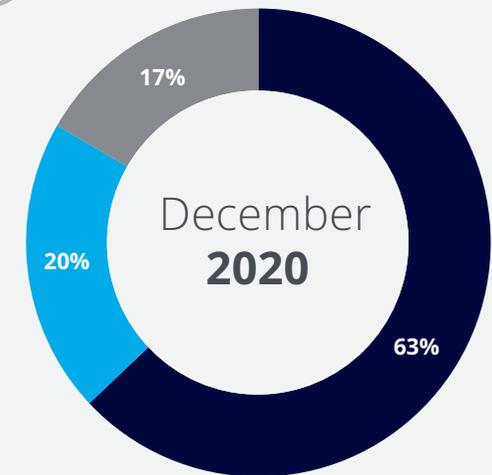
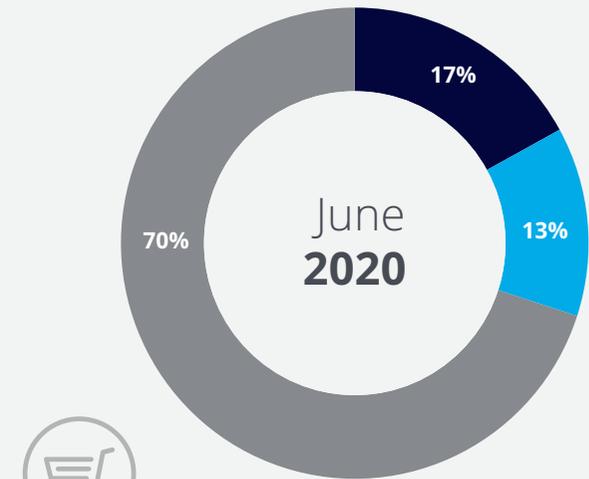
Market activity will be buoyed by liquid leverage markets, which now comprise banks as well as a handful of credit funds active in Central Europe. This may in turn support higher entry pricing: while Central Europe tends to have lower entry multiples than its Western European counterparts, pricing has risen in 2020 in most markets. Between Q1 and Q2, average entry multiples rose from 8.3x to 8.6x¹ in the region, and anecdotal evidence suggests this trend is continuing as buyers seek out safe assets which are heavily contested.

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



¹ https://www.unquote.com/digital_assets//Multiples_Heatmap_Analysis_Q2_2020.pdf

Market activity (June 2020 vs December 2020)



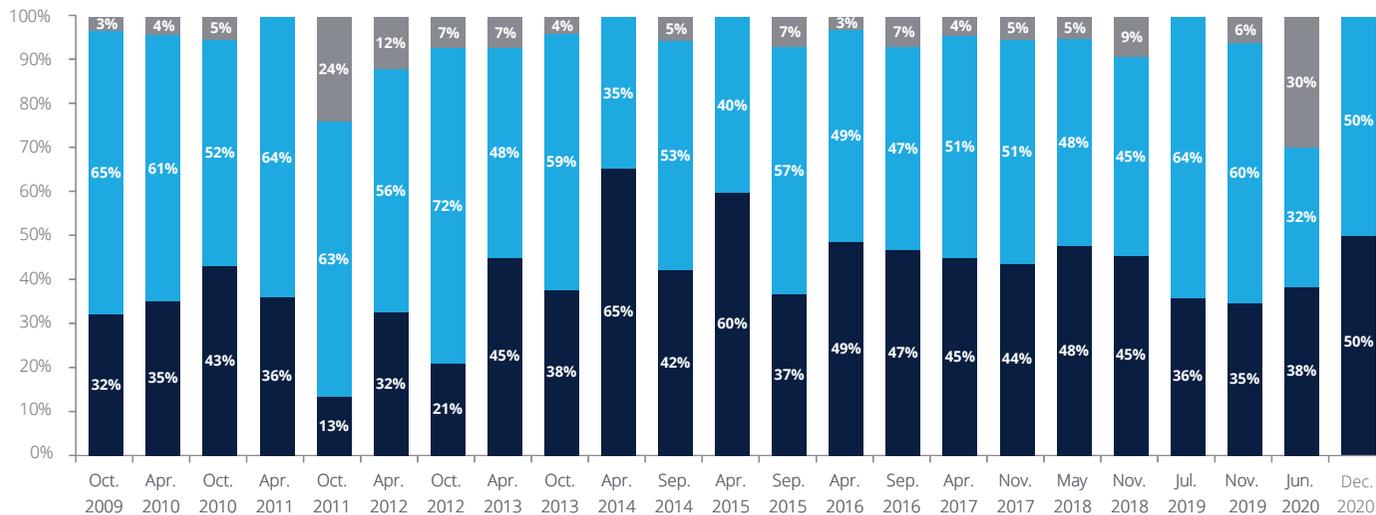
- Increase
- Remain the same
- Decrease

Investment return

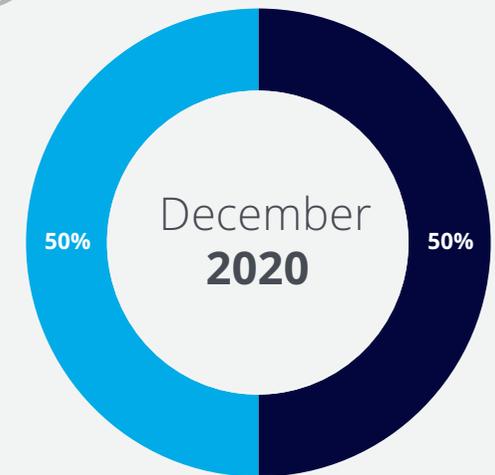
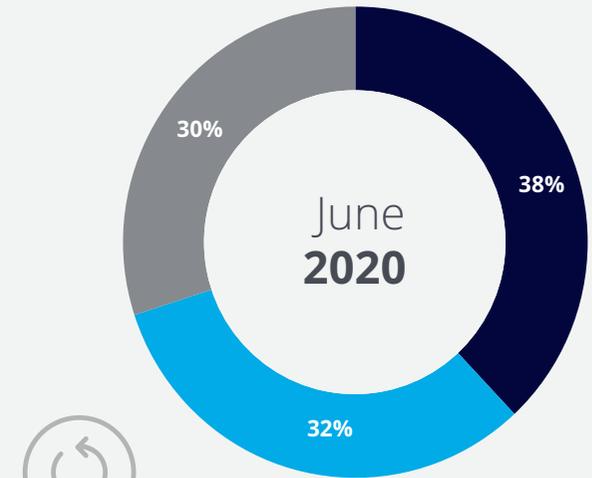
No deal-doers in Central Europe expect the financial efficiency of their investments to decrease over the coming months, only the 10th time in the 36 Surveys we've run since 2003. Additionally, half expect efficiency to improve, the highest level in over five years.

The data is very encouraging since our last Survey showed nearly a third (30%) anticipating a decrease in efficiency, the worst result since the Global Financial Crisis. Back then, it took a year for confidence in financial efficiency to return, whereas now the upturn in sentiment has been quick and sharp.

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



Investment return (June 2020 vs December 2020)



- Increase
- Remain the same
- Decrease

Investors' activities

Nearly three-quarters of deal-doers in CE (72%) expect to buy more in the coming months, the highest proportion since 2011. Just 6% expect to sell more, with over a fifth (22%) expecting to buy and sell equally.

The results come after a year of uncertainty and a number of lucrative exits for several local GPs. It may be now they have seen many of the companies they've been tracking stabilize so they are feeling empowered to commit capital once again. The deals recorded in 2020 reflect a variety of sectors, while exits completed in the year and particularly H2 show a strong appetite from trade buyers and financial alike, as well as public markets.

Mid Europa Partners achieved a hat trick each of investments and exits in 2020, with two divestments in October alone. The stand-out exit for the firm was the flotation of Polish e-commerce company Allegro, which achieved a market capitalization of nearly €10bn when it listed on the Warsaw Exchange. The firm had been backed by Mid Europa, Permira and Cinven since 2016. That same month, Mid Europa sold its stake in Hungarian freight and logistics business Waberer's International to real estate investment and development business Indotek following a nine-year hold.

Enterprise Investors clocked up three exits and four investments during the year, with half the deals stake building in existing portfolio businesses. The firm sold its remaining stake in Novartis, the largest tour operator in the

Baltics, through sales on the Nasdaq Baltic. Its other two divestments were both sales to trade buyers: in January, Enterprise sold Danwood, a maker of prefabricated turnkey houses in Germany and Poland, to South Korean construction company GS Engineering & Construction; and in the summer Enterprise sold the Skoczylody wind farm to local trade buyer PGE Energia Odnawialna for €50m.

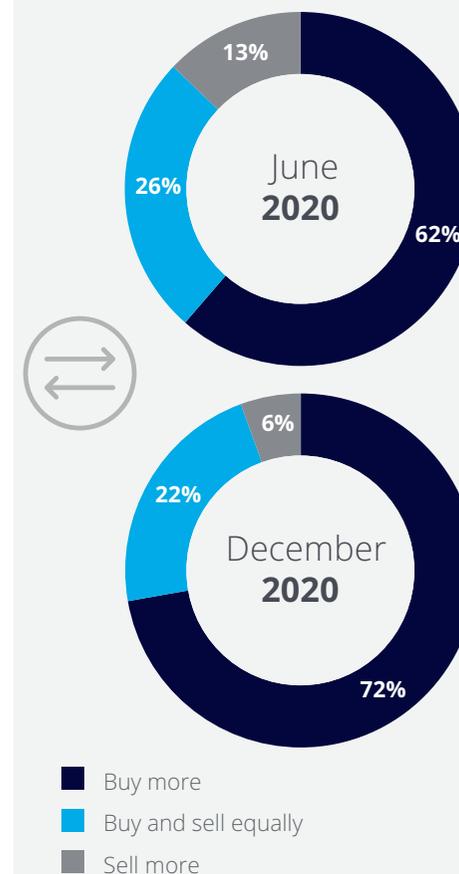
Trade buyers have long been purchasing robust assets from private equity firms. In August Innova Capital sold Slovenian facades business Trimo Group to trade buyer Kingspan Group following a five-year hold. In July Resource Partners sold its stake in Polish compound feed company Golpasz to De Heus Animal Nutrition, a Netherlands-based animal nutrition company, following a five-year partnership.

Financial buyers are also eager acquirers of assets backed by CE private equity firms, as illustrated with the Waberer's deal, with a number of such secondary buyouts taking place in the second half of 2020. Polish

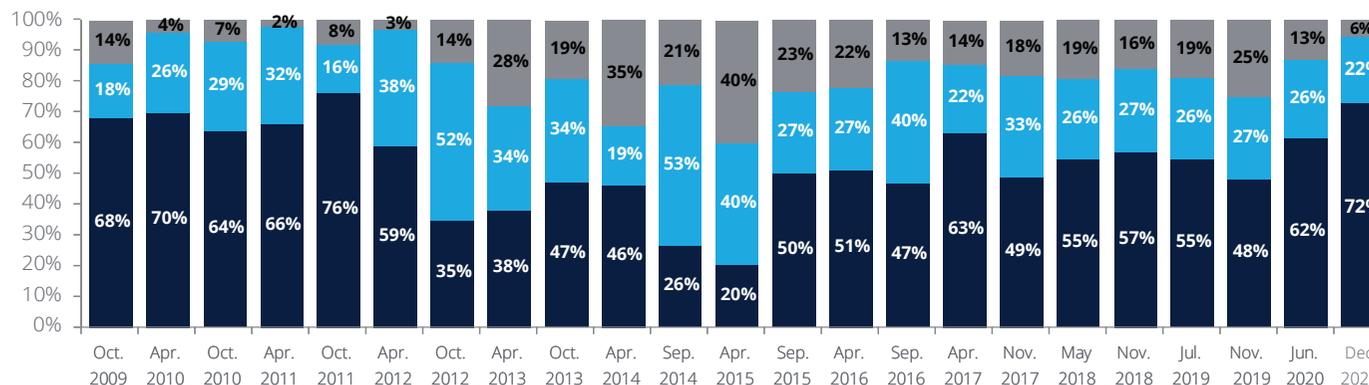
buyout firm Abris Capital Partners sold Polish locomotive lessor Cargounit to Three Seas Investment Fund (3SIIIF), the commercial vehicle of Amber infrastructure Group. During Abris's four-year stewardship, profits and revenues grew three-fold.

Mezzanine Management achieved a number of liquidity events in 2020, two of which were secondary buyouts in the second half of the year. The most recent was the sale of ATM by MCI and Mezzanine Management. The Polish data center was purchased by Global Compute Infrastructure LP, a platform backed by the Goldman Sachs Merchant Banking Division. ATM had been backed by MCI since 2016 and Mezzanine Management since 2017 and grew strongly on the back of Poland's increased adoption of digital over the last few years. Just weeks before the ATM sale, Mezzanine Management sold MBL Group, a European manufacturer of medical mobility devices, to INVL Baltic Sea Growth Fund. The investment over four years saw profits more than double as the firm expanded across CE.

Investors' activities (June 2020 vs December 2020)



For this period, I expect to:



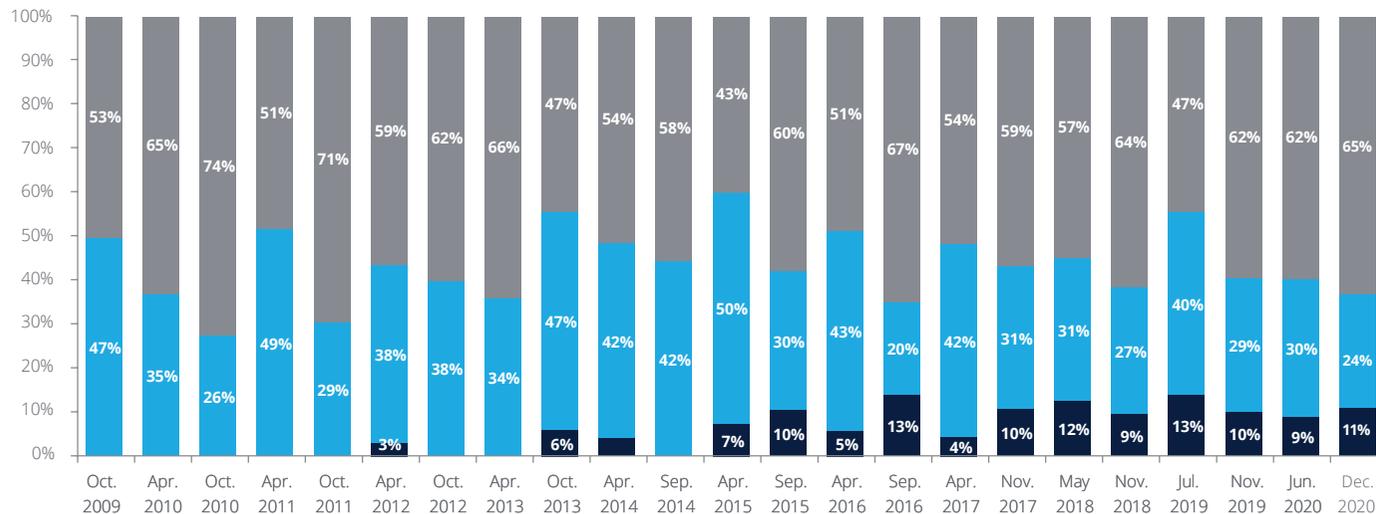
Competition for new investments

As is almost always the case across the 17 years we've been conducting our Survey, market leaders are the most in demand for new investment opportunities. Nearly two-thirds of respondents (65%) expect them to be the most competitive assets to secure in the coming months, up gently on last Survey's 62%.

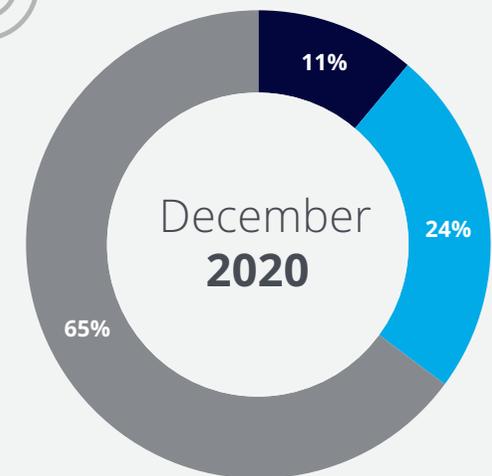
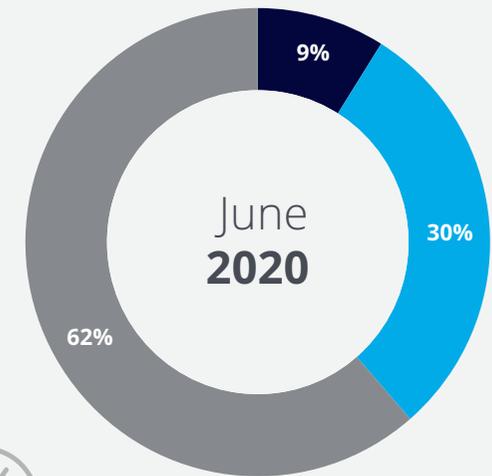
Middle-size growing companies are again in second place, with a quarter of respondents (24%) expecting them to be the most sought-after, down from 30% in our last Survey. The results back up the belief that average deal sizes may grow, given market leaders tend to be established and often sizeable companies. While the mid-market comprises the bulk of volume in CE, there have been a number of sizeable deals making headlines in the region (mostly sales) and a number currently in the pipeline.

A tenth of respondents (11%) expect start-ups to be the most sought-after, flat on our last Survey and similar to expectations over most of the last five years. Indeed a number of sizeable venture deals took place in CE during the second half of the year. In August, Croatian software company Infobip raised €200m from One Equity Partners in a series-A round, giving the tech company a valuation of more than \$1bn. Separately, EIT InnoEnergy, FirstFloor Capital, MM Grupp and Harju Elekter contributed to a €41.3m series-D financing round for Skeleton Technologies, an Estonian manufacturer of ultracapacitor-based energy storage products they had already been invested in. The deal brings Skeleton's total funding to €93m since it was founded in 2009, and there are reports the firm has considered a listing in 2021.

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



Competition for new investments (June 2020 vs December 2020)



- Start-ups
- Middle size growing companies
- Market leaders

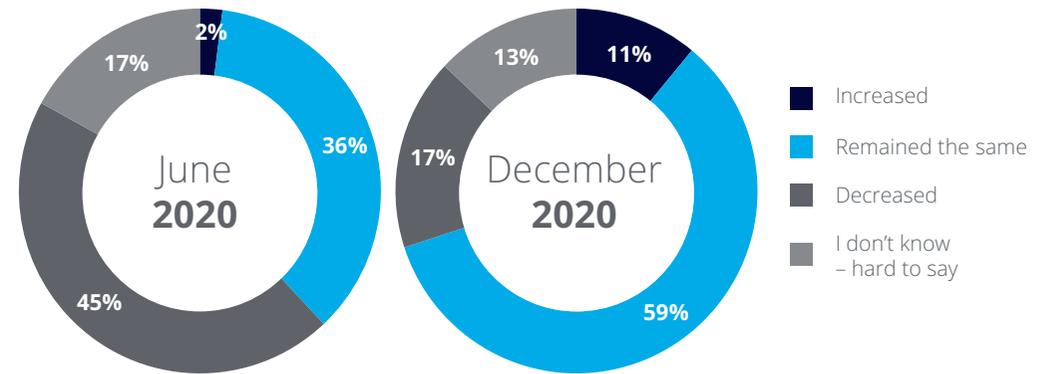
Vendor pricing

Most respondents (59%) feel vendor pricing expectations have remained constant, up markedly on the summer's results. Under a fifth (17%) feel they have come down, which is a sizeable decrease from the summer when nearly half (45%) felt pricing expectations had decreased. That was likely the result of a tremendously difficult Q2, whereas now many businesses have successfully managed their cost bases and found paths back to growth and so are holding their value. Over a tenth (11%) feel pricing has gone up – perhaps a reflection of a dip in the summer which has now rectified itself.

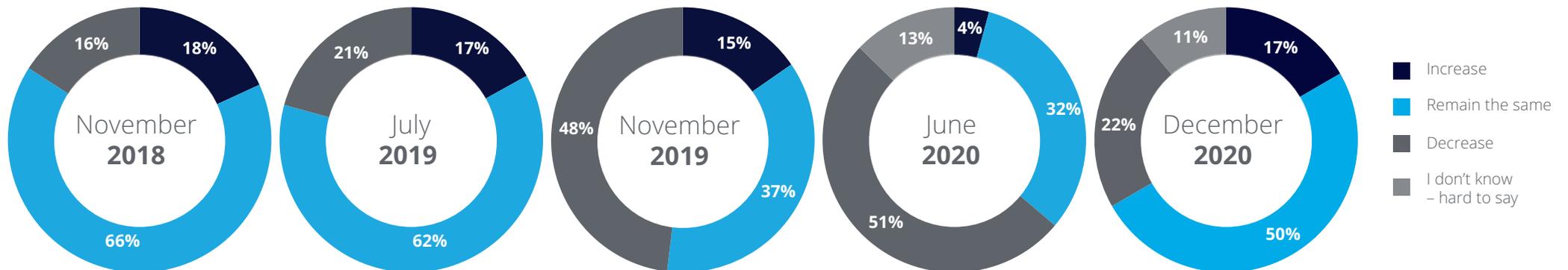
Pricing tends to be supported by high levels of capital, which in CE is a combination of well capitalized deal doers and liquid leverage markets. As houses vie to put money to work in a limited number of strong opportunities, it follows that pricing will be robust. Data to the end of Q2 reveals that pricing did increase a bit between Q1 and Q2, with average entry multiples rising from 8.3x to 8.6x² in the region.

Going forward, half expect pricing to increase over this year, up from a third in our last Survey, and just a fifth (22%) expect them to come down – a marked decrease from over half (51%) since the summer.

Relative to 6 months ago, vendor pricing expectations have:



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



² https://www.unquote.com/digital_assets//Multiples_Heatmap_Analysis_Q2_2020.pdf

Covid Sentiment



As 2020 drew to a close, we again asked the CE PE community about its thoughts on the impact of Covid-19 on the industry. Refreshingly, a fifth (19%) felt their portfolio had successfully pivoted into future growth, roughly in line with our summer Survey, which suggested a similar proportion of respondents said there was no negative impact on their existing portfolios.

What's more, four-fifths of respondents (81%) expect their investment plans to be unchanged – likely a reflection of sophisticated diligence and a firm belief in the backers' abilities to work with management teams to preserve and drive value.

It seems that CE PE is in a more robust position to navigate today's challenges than in the last crisis, with experience a crucial determinant to resilience in the current uncertainty.

- Private equity is revered for investing across all cycles, and CE deal-doers during a pandemic are no exception: 81% say the pandemic has not dampened investment plans.



Has the pandemic decreased your expected investment plans for the upcoming 12 months?

- Disruption to supply chains and reassessing growth plans for international or acquisitive expansion have been the biggest challenges for portfolio companies in 2020. A lack of visibility on the coming semester or even year featured as a challenge in terms of planning, as did pressure on margins. Despite these concerns, nearly a fifth (19%) felt their portfolio had pivoted into future growth.

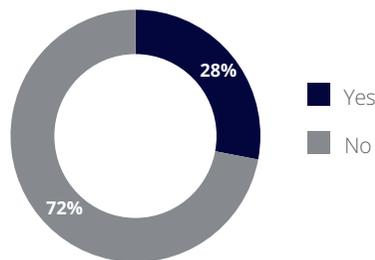
What is the biggest challenge facing your portfolio companies during the pandemic?



Specified challenges: Lack of clarity regarding the next 6-12 months economic climate and resulting purchasing power/habits; Expect Travel and Transport no challenges; Drop of sales; Pressure on margins; The ability to plan and budget - low visibility on 12 month outlook; Doing deals - possible but challenging; Volatility in customer demand.

- The pandemic has catalyzed over a quarter of respondents (28%) to consider investing in new areas, with supply chain, B2B and B2C featuring high up on the list.

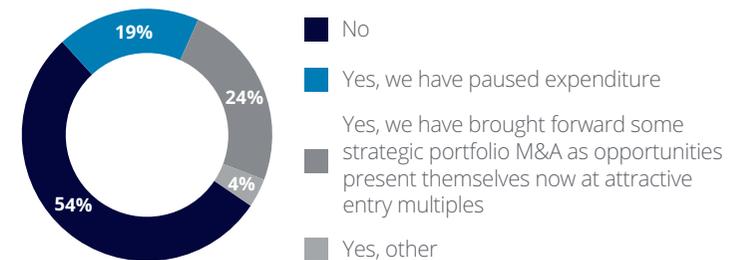
Has the pandemic caused you to consider more investment opportunities in specific sectors which you had not considered as seriously prior to the pandemic?



Specified sectors include: Supply chain, B2B and B2C; E-commerce driven products and services; Online; IT and related; SaaS; Marketplaces; Healthcare; Technology; Without a sector preference - restructuring cases; TMT; Digital; Covid-affected sectors.

- While a fifth of deal-doers have paused expenditure, the majority (54%) suggest no change to portfolio's growth plans, and a quarter (24%) have brought forward portfolio M&A as new, attractive opportunities arise.

Is the pandemic imposing change on your growth plans for your current portfolio?



Other: Some companies need to reconfigure their growth plans.

Sustainability and Technology in Covid era



Sustainability & ESG agenda

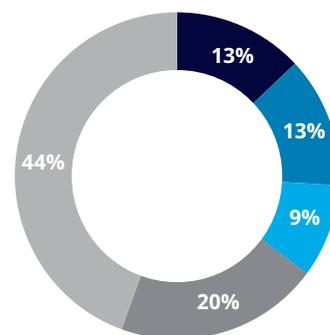
Nearly half (44%) of respondents are unaware of the requirements set out in the EU Regulation on sustainability-related disclosures for PE funds, while a fifth are familiar with these obligations, but did not take them into account as part of their activities.

Moreover, the 9% of participants who actually considered these requirements were not aware of the Regulatory Technical Standard. Over a tenth (13%) considered these regulations as part of their activities, but did not take into account the Regulatory Technical Standard despite being aware of them. These results show that additional market education and focus in the areas of sustainability and ESG may be needed in order to for market participants to meet new upcoming regulations and related obligations.

Three-quarters (76%) of participants confirmed that their fund implemented an investment policy which specifically includes ESG factors, a reflection of the perceived importance of this area, particularly by investing LPs. It is perhaps surprising then that over a tenth (11%) have neither implemented such regulations and have no plans to do so. Almost a tenth (9%) stated that their fund implemented an investment policy, but it did not specifically include ESG factors. Only 4% of participants answered that they have not applied a policy, but they intend to do so in the near future.

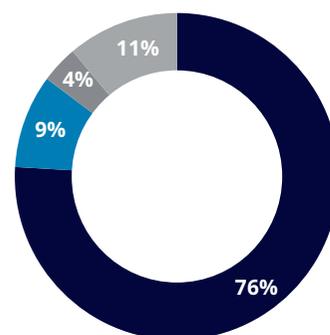
Current EU regulatory changes create a great opportunity to increase the transparency of the financial market. In addition, the Sustainable Finance Disclosure Regulation (SFDR) reflects that the financial industry must integrate sustainability into financial considerations. Therefore, in the upcoming months we may expect that the importance of ESG and climate issues will grow significantly, and will start playing an increasingly important role as a business driver.

Are you aware of the requirements set out in the EU Regulation on sustainability-related disclosures for Private Equity funds which are expected to be implemented by 10th March 2021*?



- Yes, and we developed an approach to report over 30 indicators
- Yes, and we took them into account as part of our activities, we are aware of the Regulatory Technical Standard, but did not take them into account
- Yes, and we took them into account, but we are not aware of the Regulatory Technical Standard
- Yes, but so far we did not take them into account as part of our activities
- No, I'm not really up to speed on the details of the EU Regulation on sustainability-related disclosures in the financial services sector

Has your fund implemented a formal investment policy which incorporates ESG (E-environmental, S-social, G-governance) and sustainability factors as part of investment decision considerations?



- Yes - we implemented an investment policy which specifically includes ESG factors
- No - we implemented an investment policy, however, it doesn't specifically include ESG factors
- Not yet, however, we will be moving in this direction
- No, and I don't think it's something we will implement anytime soon

* EU Regulation on sustainability-related disclosures in the financial services sector Regulation (SFDR), which aims to strengthen protection for end-investors and improve the disclosures that they receive from a broad range of financial market participants and financial advisers, as well as regarding financial products. Regulatory Technical Standard covers suggestion of over 30 adverse sustainability indicators related to social and employee, respect for human rights, anti-corruption and anti-bribery matters, climate and other environment-related factors. <https://eur-lex.europa.eu/legal-content/PL/TXT/?uri=CELEX%3A32019R2088>

Technology

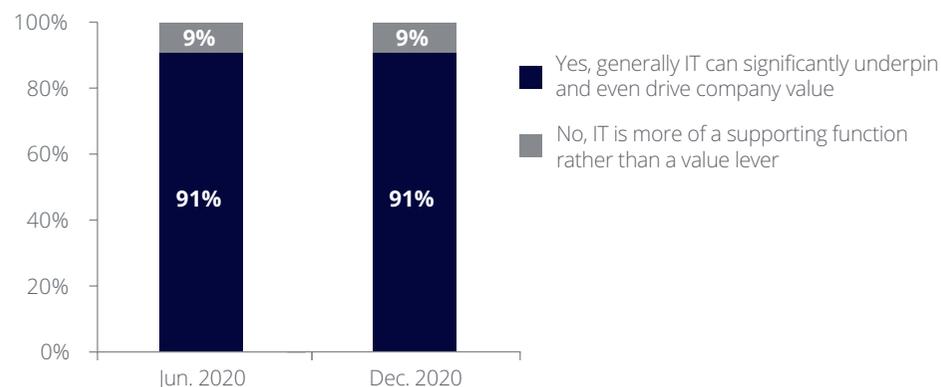
Strategic investors dominated global M&A in the IT space last year, though private equity funds were also active. For example, in the beginning of the year, Insight Partners acquired a US-based tech firm Armis for \$1.1bn, and just two months later announced the acquisition of Veeam, Swiss cloud data management company, for another \$5bn. 2020 ended with Vista Equity Partners buy Pluralsight for \$3.5bn. Investors were also active in Central Europe: Innova Capital acquired PayPoint's business in Romania and an undisclosed stake in Poland's largest software development house STX Next, while Global Compute acquired Polish ATM and Mid Europa Partners acquired Symfonia. We have also seen private equity funds riding the tide of technology based e-commerce companies - with IPO exits of Allegro and Answear.com.

Respondents continue to believe that IT can be used as a value creation lever, with its capabilities able to significantly underpin or even drive company value.

IT became more accepted as a value driver in our summer Survey, likely as companies across the globe responded to the pandemic and had to pivot to remote working and enhanced technology to service clients to protect revenues. Ultimately Covid-19 accelerated the shift to digitizing companies, and our latest Survey shows respondents remain confident that it will stay the same in the coming months.

Technology is widely regarded as a key enabler for unlocking merger synergies, with a healthy and resilient IT being a backbone of most businesses. The quality of the IT environment may play a critical role in the success of future M&A deals.

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



Deals watch



Deals watch

Investments

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
INVL Asset Management UAB	Latvia	ECO Baltia Grupa, SIA	June 2020	n/a	52,81%	<p>UAB INVL Asset Management, a Lithuania-based private equity fund, has acquired 52.81% stake in ECO Baltia Grupa, SIA. The transaction was made by INVL Asset via its INVL Baltic Sea Growth Fund. Financial terms for the transaction were not disclosed.</p> <p>ECO Baltia is a multi-service waste management group, including waste recovery, waste collection, recyclables sorting and trading, and recycling. The company has an employee base of 800 people across its subsidiaries including PET Baltia, Eco Baltia Vide, Nordic Plast, and Latvijas Zalais Punkts. In 2019, the company reported its revenues of EUR 70.62m.</p> <p>As part of transaction, European Bank for Reconstruction and Development (EBRD) will retain its 30.51% stake in Eco Baltia and Mr. Maris Simanovics, Chairman of the Management board of Eco Baltia, will retain a 16.68% stake via Penvi Investment Ltd.</p>
Jet Investment AS	Czech Republic	TEDOM a.s.	July 2020	n/a	45,00%	<p>Jet Investment has acquired 45% stake in Czech electricity co-generation manufacturer Tedom from MOUFLECO HOLDINGS LIMITED. The purchase price was not disclosed. The GP invested capital from its fund Jet 2. The acquisition makes Jet Investment the sole owner Tedom. Founded in 1991, Tedom is engaged in producing and operating gas cogeneration units and heat-energy sources. Headquartered in Vycapy with manufacturing plants in Trebic, Horovice and Jablonec nad Nisou, the company exports equipment for efficient electricity, heat and cooling production to more than 40 countries. With about 900 employees, the company generated an EBITDA of CZK 450m (EUR 17.72m) from revenues of nearly CZK 4bn (EUR 157.51m) in 2019.</p>
Tar Heel Capital	Poland	Centrum Estetique	July 2020	n/a	70,00%	<p>Tar Heel Capital (THC), a Poland-based private equity firm, has acquired a majority 70% stake in Estetique, a dental business in Polanica-Zdroj. The financial details of the Estetique transaction were not disclosed. Estetique, which has three dental practices, operates in the high-margin part of the dental market, focusing on aesthetic dentistry.</p>
The Carlyle Group	Czech Republic	Memsorce a.s.	July 2020	n/a	n/a	<p>The Carlyle Group has acquired a majority stake in Prague-based translation software developer Memsorce. The company is a translation software developer able to automate the localisation of large volumes of multilingual content. It employs 120 staff across offices located in Europe, Japan and the US. Financial terms of the transaction were not disclosed.</p> <p>The GP deployed capital from Carlyle Europe Technology Partners IV. With this financing and the GP's support, Memsorce plans to accelerate its growth across its key markets and further expand internationally, primarily in North America and Asia. Memsorce management, led by founder and CEO David Canek, will retain a minority holding in the business.</p>

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Natland Management s.r.o.	Czech Republic	SCF Service (99.28% Stake); Ekoklima, a.s. (34% Stake)	July 2020	n/a	n/a	The Czech investment company Natland has acquired the most valuable assets of the bankrupt Czech construction firm PSJ. In 2018, Natland provided PSJ with a CZK 400m (EUR 15m) loan and following that, also bought PSJ debt from the financing bank Raiffeisen. Among others, Natland become an owner of the facility management company SCF Service, owner of a 34% stake in the air-conditioning producer Ekoklima as well as real estate assets in the Czech Republic and Slovakia.
Value4Capital	Poland	Lubelska Agencja Ochrony Srodowiska S.A.	July 2020	n/a	69,46%	KOM-EKO has acquired a 69.46% stake in Lubelska Agencja Ochrony Srodowiska S.A., Poland-based environmental protection and waste management agency. KOM-EKO is a Polish waste-management company that is part of Value4Capital, a private equity firm focused on the Polish and Central European mid-market. The transaction value is not disclosed.
Alfi Distressed Assets Fund	Slovenia	Engrotus D.O.O.	July 2020	n/a	n/a	Alfi Distressed Assets Fund acquired an undisclosed majority stake in Engrotus D.O.O., a food retailer in Slovenia, via debt equity swap transaction. As part of the transaction, Engrotus's USD 300m debt will be converted into Equity. The creditors include Anacap, Abanka, wherein Anacap holds 10% of the receivables. Alfi will acquire more than 75% stake and Mr. Mirko Tus, the founder of Engrotus will acquire the remaining 15-20% stake in the company.
Karma Ventures ; ByFounders LLC; Crowberry Capital; Preceptor Capital	Iceland	Lucinity Holding ehf.	July 2020	5,344	n/a	Lucinity, an Iceland-based AI company, has raised USD 6.1m in a Series-A funding round led by Karma Ventures, an Estonia-based venture capital fund, and by Founders. Existing investors Crowberry Capital and Perceptor Capital also took part in the round. The company aims to use the capital to sell its anti-money laundering software to more companies. Lucinity is an AI company providing financial services companies and their surveillance teams with a surveillance cloud product to improve regulatory compliance and tackle money laundering.
One Equity Partners LLC	Croatia	Infobip Limited	July 2020	200	n/a	One Equity Partners has invested around EUR 200m in Infobip, the Croatian software company, in a series-A funding round. The round gives the company a valuation of more than USD 1bn. One Equity Partners has plans to accelerate Infobip's pre-IPO growth in North America and globally through a series of strategic acquisitions. Infobip is a B2B software company that provides a cloud communications platform to businesses. The company has offices in more than 60 locations globally. It generated revenues of EUR 602m in 2019.

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Genesis Capital s.r.o.	Czech Republic	R2B2 s.r.o.	August 2020	n/a	n/a	Genesis Growth Equity Fund I (GGEFI) has acquired a majority stake in Czech digital advertising company R2B2. The transaction value was not disclosed. R2B2 is active in the Czech Republic and Slovakia, and is ready to expand into other CEE countries. The company posted sales of CZK 200m (USD 9.1m) last year.
The European Bank for Reconstruction and Development; Dreamit Ventures; Karma Ventures ; heal.capital Management GmbH; Inovo Venture Partners		Infermedica Sp. z o.o.	August 2020	8,706	n/a	Infermedica, a Polish developer of an AI-driven patient triage chatbot, has raised USD 10.25m in Series A funding. The participants of the funding round include the company's existing investors - Karma Ventures, Inovo Venture Partners, and DreamIT Ventures, as well as two new co-lead investors – the European Bank for Reconstruction and Development (EBRD), and European PE investor Heal Capital.
Genesis Capital s.r.o.	Czech Republic	Home Care Promedica, s.r.o.	August 2020	n/a	89,00%	Genesis Capital has acquired Home Care Promedica, a Czech provider of home care services, mainly in Prague. The terms were not disclosed. Genesis Capital deployed capital from its Genesis Growth Equity Fund I. Home Care Promedica plans to expand its regional presence and portfolio of offered services.
Morphosis Capital SRL	Romania	Medima Health SA	August 2020	n/a	n/a	Morphosis Capital has acquired a majority stake in the Medima Health, a Romania-based chain of medical imaging and radiology clinics, specialized in imaging and radiology by MRI and CT scanning, oncological diagnosis and teleradiology. The financial terms of the deal were not disclosed. Morphosis deployed capital from its EUR 50m Morphosis Capital Fund I, which invested EUR 5 to 10m per transaction.
Mid Europa Partners LLP	Serbia	Hleb & kifle	August 2020	1,833	50,00%	SEE Bakery International d.o.o, a Croatian company backed by MID Europa fund, has acquired 50% of the Serbian baking goods store chain Hleb % kifle. The remaining 46% belong to Hleb i kifle doo Beograd, whereas 4% belongs to Tamara Zujovic.
OTB Ventures; TDJ Pitango Ventures Advisory Sp. z o.o.; Tiga Investments	US / Hong Kong	Cosmose, Inc	September 2020	12,547	n/a	Cosmose, the New York and Hong Kong -based advertising technology company, has raised USD 15m in its Series A funding round, valuing the firm at over USD 100m. The round was led by institutional capital from Tiga Investments, OTB Ventures and TDJ Pitango, a Poland based private equity and venture capital fund. Proceeds are earmarked towards expansion in Asia and product evolution.

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Reneso, UAB	Denmark	MBL A/S	September 2020	n/a	48,00%	<p>INVL backed - Renoso has acquired a 48% stake in MBL from Mezzanine Management and Lauritsen family. The financial terms of the transaction are not disclosed.</p> <p>INVL invested via its fund - INVL Baltic Sea Growth Fund, which closed on EUR 165m in February 2020. Prior to the transaction, MBL was 70% owned by the Lauritsen family, while the remaining 30% was held by Mezzanine Management. Now, the family will own 52% stake in MBL.</p> <p>MBL is engaged in the production of wheelchairs, rollators, aged care beds and other rehabilitation equipment. It has manufacturing facilities located in Poland and China. For the year ended 31 December 2019, MBL reported revenues of EUR 65.75m in 2019 and has around 1400 employees.</p>
Northzone Ventures AS; Cherry Ventures Management GmbH; Inven Capital, SICAV, a.s.; Cavalry Ventures Management GmbH; Maersk Growth	Germany	Forto GmbH	September 2020	min. EUR 25m	n/a	<p>Forto, a German online freight forwarder, received a double-digit million euro financing round. The amount of investment is estimated at least EUR 25m. The financing comes from the Czech investor Inven Capital, as a new investor, and existing investors Cherry Ventures, Northzone and Cavalry Ventures. Maersk Growth, the investment arm of the Danish logistics group A.P. Moller - Maersk [MAERSK-B:CPH], also reinvested.</p> <p>Forto, founded in 2016 under the name FreightHub, serves over 2,000 customers at nine offices worldwide and employs more than 300 people.</p>
Inven Capital, SICAV, a.s.; Contrarian Ventures	Sweden	Eliq AB	September 2020	5	n/a	<p>Eliq, a Sweden-based energy monitoring service software company has secured EUR 5m in Series A funding led by Inven Capital and Contrarian Ventures.</p> <p>The proceeds will be used to bring more solutions to the market, expand geographically and recruit more people to its offices in Gothenburg and London. Inven Capital is a venture capital firm backed by CEZ Group and European Investment Bank (EIB). Contrarian Ventures is a VC fund from Lithuania specialising in smart energy investment.</p>
Omikron Capital	Poland	ZAP-Mechanika Sp. z o.o.	September 2020	n/a	n/a	<p>Omikron Capital, a Poland based private equity fund, has acquired ZAP-Mechanika Sp. z o.o., a service provider including mechanical machining, heat treatment, precision measurement and metallographic examination. Financial terms of the transaction are undisclosed.</p> <p>In 2019, the company generated an EBITDA of PLN 9.7m (EUR 2.2820m). It has an employee-base of around 140 employees.</p>

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Deutsche Invest Mittelstand	Czech Republic and Slovakia	BIS Holding International	September 2020	n/a	n/a	Deutsche Invest Mittelstand GmbH, a subsidiary of Deutsche Invest Capital Partners GmbH, has acquired BIS Holding International, the Czech Republic and Slovakia-based industrial services activities of Bilfinger SE, for an undisclosed consideration. BIS Holding comprises of Bilfinger Industrial Services Czech s.r.o., Bilfinger Euromont a.s. and Bilfinger Slovensko s.r.o., the providers of comprehensive and modular construction and maintenance services of industrial and energy equipment in the Czech Republic and Slovakia. It employs a workforce of approximately 1,100 people.
Abris Capital Partners	Poland	R2G Polska Sp. z o.o.	October 2020 - pending	n/a	n/a	Abris Capital Partners has acquired a majority stake in Poland-based logistic company, R2G Polska, which operates under the brand Apaczka, from 21 Invest and its founders. Abris Capital deployed capital from its Abris CEE Mid-Market III LP fund. Financial terms of the acquisition were not disclosed. Apaczka offers comprehensive shipment services for e-commerce stores, SMEs and SOHO (small office/home office) clients. The company generated revenues exceeding EUR 30m in 2019.
Enterprise Investors	Croatia	PAN-PEK	October 2020 - pending	n/a	35,00%	Polish Enterprise Fund VII (PEF VII), a private equity fund managed by Enterprise Investors, has acquired the remaining 35% stake in PAN-PEK, a Croatian bakery producer and retailer from the company's founder Ivan Parać. PEF VII originally bought a 65% stake in the company in May 2018. Upon completion of the transaction, PEF VII will become 100% owner of PAN-PEK. The value of the transaction is undisclosed. Completion of the deal remains subject to obtaining customary anti-monopoly permit. PAN-PEK posted 2019 sales of EUR 36m.
Macquarie Infrastructure and Real Assets	Romania	Romanian power assets of CEZ a.s.	October - pending	n/a	n/a	Macquarie Infrastructure and Real Assets (MIRA) has agreed to acquire the Romanian power assets of the listed Czech energy company, CEZ. Financial details of the acquisition were not disclosed. The transaction is subject to receipt of customary regulatory approvals. MIRA invested through Macquarie European Infrastructure Fund 6. The integrated energy infrastructure portfolio is comprised of an 86,665km regulated electricity distribution network and an electricity and gas supply business with 1.4 million residential and industrial connections in the South West of Romania. The acquired assets also include a renewable energy platform, with 622 MW of primarily onshore wind farms.
Portfolion Venture Capital Fund Management Company	Hungary	NAGISZ Zrt	October 2020	n/a	n/a	Portfolion Venture Capital Fund Management Company, Hungary-based venture capital arm of OTP Bank Plc, has acquired NAGISZ Zrt. The financial terms of the transaction are not disclosed. Formed in 1992 and headquartered in Nadudvar, Hungary, NAGISZ is engaged in animal husbandry and poultry farming activities. It currently has 637 employees.

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Innova Capital Sp z o.o.	Poland	STX Next Sp. z o.o.	October 2020	n/a	n/a	Innova Capital has acquired a stake in STX Next, the Poland-based software company, for an undisclosed consideration. STX Next specialises in designing and creating digital solutions in the Python programming language. It is headquartered in Poznan, Poland and employs around 330 people.
Innova Capital Sp z o.o.	Romania	PayPoint Services Romania SRL	October 2020 - pending	51,819	n/a	Innova Capital has agreed to acquire the Romanian business of the Listed UK-based payment solution provider, PayPoint. The cash consideration is expected to be approximately GBP 47m based on current exchange rates on a debt-free cash-free basis. The Romanian business that comprises of PayPoint Services SRL and its subsidiary PayZone SA, enable people to make cash bill payments, money transfers, road tax payments and mobile phone top-ups. PayPoint has been operating in Romania since 2007, post-acquisition of Pay Store, and has partnered with local retailers through circa 19,000 sites. For the year ended 31 March 2020, the business generated gross revenue of GBP 69.7m and adjusted EBITDA of GBP 7.3m. The transaction, which is subject to competition and regulatory approvals, is expected to complete on 31 March 2021.
H2 Equity Partners B.V.	Poland, Czech Republic, UK	Optegra UK Limited	November 2020 - pending	n/a	100,00%	H2 Equity Partners B.V. has agreed to acquire Optegra UK Limited from Eight Roads Ventures. The financial terms of transaction are not disclosed. The deal will result into further expansion of Optegra in UK, Germany and Poland. The transaction includes acquisition of Optegra's Lexum subsidiaries in Poland and the Czech Republic. H2 Equity Partners invested through its H2 Equity Partners Fund V. The deal is expected to complete in early 2021.
Fenestra AS	Finland	Kuopion Rakennuskonttori Oy	November 2020	n/a	n/a	Livonia Partners-controlled Estonian manufacturer of wooden-aluminium windows and doors, Fenestra, has agreed to acquire the Finnish window sales and installation specialist Kuopion Rakennuskonttori. Livonia Partners is a Latvia based private equity fund. Kuopion's sales stood at EUR 5.4m in 2019, it has a team of 13 employees. Fenestra had FY19 sales of EUR 18.8m and employs a team of 170 in Estonia, Finland and Sweden.

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Iris Capital Management; Northzone Ventures AS; Cherry Ventures Management GmbH; Inven Capital, SICAV, a.s.; H14 S.p.A.; Unbound Ventures; Maersk Growth; Rider Global	Germany	Forto GmbH	November 2020	42,141	n/a	<p>Forto, a German online freight forwarder, has secured USD 50m in a Series B-1 financing. In addition to new investors Inven Capital (lead investor) and Iris Capital, current investors Maersk, Northzone, Cherry Ventures and Italian venture fund H14 also participated in the financing round.</p> <p>The fresh capital is primarily intended to drive the development of the company's own supply chain management solutions forward and increase the expansion of its European and Asian presence.</p> <p>Forto has become the largest digital freight forwarder on the Asia - Europe route in just four years. The easy-to-use and intuitive platform enables the now more than 2,500 customers, including companies such as Viessmann, Miele and Home24, to control and optimize their entire global supply chain themselves. Forto by now employs over 300 people at nine locations.</p>
Helvetia Venture Fund; Lead Ventures	Germany	Chargery GmbH	November 2020	5	n/a	<p>Lead Ventures led a transaction along with existing investor Helvetia Venture Fund to acquire an undisclosed stake in Chargery GmbH for a consideration of EUR 5m.</p> <p>Of the total, Lead Ventures has contributed EUR 4m for the transaction.</p> <p>Chargery GmbH is a mobile e-vehicle charging startup. The company currently employs around 300 employees all over Europe.</p>
Kartesia Advisor LLP	Poland	NU-MED Grupa SA	November 2020	32	n/a	<p>Nu-Med Grupa, a Polish radiotherapy clinic chain backed by Enterprise Investors, has secured EUR 32m from Kartesia, the UK-based PE firm, via its KCO IV & V funds.</p> <p>The company will use the funds to refinance all existing debt and to bolster its growth. Through its 4 hospitals and 8 outpatient clinics located outside major cities of Poland, Nu-Med provides both cancer diagnostics and cancer treatments, including chemotherapy and radiotherapy, to almost 20,000 patients every year.</p>
Partech Partners SAS; Inventure Oy; Day One Capital Venture Capital Fund Management Ltd.; Norrsken VC; Lyra Ventures	Sweden	Material Exchange Ventures AB	November 2020	5	n/a	<p>Material Exchange Ventures, the Swedish sustainable fashion technology company, has secured EUR 5m in funding led by Norrsken VC and Partech. Day One Capital Venture Capital Fund Management Ltd., a Hungary-based venture capital fund, and Lyra Ventures and Inventure also participated in the funding round. The company will use the funds to accelerate its growth plans.</p>
	Estonia	Skeleton Technologies	November 2020	41,3		<p>EIT InnoEnergy, FirstFloor Capital, MM Grupp and Harju Elekter contributed to a €41.3m series-D financing round for Skeleton Technologies, an Estonian manufacturer of ultracapacitor-based energy storage products they had already been invested in. The deal brings Skeleton's total funding to €93m since it was founded in 2009</p>

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
PIB Group Limited	Poland	WDB S.A.	November 2020	n/a	n/a	The Carlyle Group, through its portfolio company PIB Group Limited, has acquired WDB S.A., a Polish insurance broker, from Mariusz Muszynski, Mateusz Holly and Piotr Kumiega, for an undisclosed consideration. The company has around 40 employees. The acquisition enables PIB to expand its operations into Europe over the next ten years and provides them with opportunity of further growth within Poland. Pursuant to the deal, WDB will be joining Marx Re-Insurance Brokers and Optis Insurance companies of PIB Group.
Mid Europa Partners LLP	Poland	GWD Concept Sp z o.o. (Displate)	November 2020 - pending	n/a	n/a	PE firm Mid Europa has acquired a majority stake in GWD Concept Sp z o.o. ("Displate"), the Polish online metal prints marketplace, from the founders, Credo Ventures and Miton Capital. Financial terms of the deal were not disclosed. The transaction is expected to close in Q4 2020. Displate is a leading online metal prints marketplace that connects more than 40,000 visual creators and more than 30 licensed brands to a customer base of enthusiasts in more than 50 countries. The Company is active in a number of verticals including gaming, movies, anime, music, travel and sport. The platform has over 1.4 million artist-generated designs which it prints on high-quality metal plates.
Abris Capital Partners	Poland	Scanmed S.A	November 2020 - pending	76.18 (PLN 340m)	100%	Abris CEE Mid-Market III LP fund, managed by Abris Capital Partners has signed an agreement to acquire 100% of the shares in Scanmed S.A., a Poland-based healthcare network operator – from Life Healthcare Group Holdings Limited. The transaction is subject to regulatory approvals and is expected to close in the first quarter of 2021. Scanmed operates in 42 locations across Poland and offers comprehensive medical services in acute facilities, cardiac centres, monoclinics and outpatient facilities.
Enterprise Investors Sp. z o.o.	Poland	PragmaGo S.A.	November 2020 - pending	8,31	74,44%	Enterprise Investors Sp. z o.o. has agreed to acquire a 74.44% stake in PragmaGo S.A. in a tender offer from Pragma Inkaso S.A. The company is investing via its fund, Polish Enterprise Fund VIII. PragmaGo S.A. offers non-banking facilities to its clients such as factoring or purchase financing, it provides companies with working and investment capital.
Enterprise Investors Sp. z o.o.	Poland	ANWIM S.A.	November 2020 - pending	n/a	n/a	PE firm Enterprise Investors will become the majority shareholder of Anwim, the Polish independent operator of petrol stations trading under the MOYA brand. Financial terms of the deal were not disclosed. Enterprise Investors executed the transaction via its Polish Enterprise Fund VIII. Founded in 1992, Anwim reported revenues of EUR 900m in 2019.

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Enterprise Investors Sp. z o.o.	Poland	Software Mind SA	December 2020 - pending	25	n/a	Enterprise Investors Sp. z o.o. has agreed to acquire a majority stake in Software Mind from Ailleron. Enterprise Investors will invest EUR 25m from Polish Enterprise Fund VIII for the transaction. The value of the separated part of the business was estimated at PLN 221m (EUR 50m) after the contribution. The transaction will consist of a EUR 9m buyout of 26.7% of Software Mind shares from Ailleron and a EUR 16m capital increase, raising the Enterprise Investors' stake to 50.2%. The deal is subject to approval at Ailleron's extraordinary general meeting. Software Mind develops software for finance and technology companies. The company has a headcount of 370 IT employees and sales of EUR 15m for the first nine months of 2020.
Black Sea Fund I	Romania	DigiRay	December 2020	n/a	n/a	Romanian private equity fund Black Sea Fund I has acquired a majority stake in DigiRay. Financial terms of the transaction were not disclosed. Founded in 2008 and based in Zalau, DigiRay is an operator of dental clinics across Romania, specialising in radiology and digital dental techniques. The company has 11 clinics in six Romanian cities. The GP is investing from its maiden fund, Black Sea Fund I, which held a first close in 2018 on €43m.
D1 Capital Partners L.P., Darsana Capital Partners LP	Estonia	Bolt Technology OU	December 2020	150	n/a	D1 Capital Partners, US-based hedge fund sponsor and a private equity firm, has led a EUR 150m founding round in Bolt, an Estonian taxi-hailing service. Darsana Capital Partners also participated in the round. Bolt will deploy the capital to further build on safety features as it looks to expand its footprint in Europe along with Africa.
Innova Capital Sp z o.o.	Poland	Bielenda Kosmetyki	November 2020			Innova Capital bought Polish cosmetics brand Bielenda Kosmetyki alongside management to finance the company's acquisition of Norwegian cosmetics group Orkla's Polish skin care brands Soraya and Dermika.
Mid Europa Partners LLP	Poland	Sage Poland (Symfonia)	December 2020	€66m		Mid Europa Partners is carving out Sage Sp. z o.o. ("Sage Poland", also known as "Symfonia") from The Sage Group plc. Sage Poland is a leader in cloud business management solutions for SMEs in Poland, operating under the well-recognised "Symfonia" brand.
Fidiasz EVC, SpeedUp Energy Innovation, Movens Capital, and RST Ventures for Earth.	Poland	VersaBox	September 2020	€2.5m		Polish startup VersaBox, a smart robotics company, has received €2.5 million from Fidiasz EVC, SpeedUp Energy Innovation, Movens Capital, and RST Ventures for Earth.
Tar Heel Capital Pathfinder	Poland	Homly.to	November 2020	PLN1.2m		

Bidder Company (PE)	Country	Company	Period	Est. Value EUR m.	Stake	Deal Description
Cogito Capital Partners	Poland	Home Doctor	November 2020	€3.7m		HomeDoctor, a Warsaw and Amsterdam-based digital healthcare provider announced a €3,7m Series A funding round led by Cogito Capital Partners with participation from the Company's founders.
Montis Capital and Weston Investment Management	Poland	Plum Research	July 2020	PLN10m		Plum Research, an innovative audience analytics tool for the entertainment industry, raises PLN 10 million (approx. USD 2.6 million) from Montis Capital and Weston Investment Management to conquer the global entertainment industry.
Learn Capital, Prosus Ventures, Runa Capital, MantaRay, and General Catalyst Partners	Poland	Brainly	December 2020	USD80m		Brainly, the world's largest online learning platform, announced today the successful completion of an \$80M Series D round led by existing Brainly investor, Learn Capital, and included Prosus Ventures, Runa Capital, MantaRay, and General Catalyst Partners.
Hoxton Ventures and Inovo Venture Partners	Poland	Spacelift	November 2020	USD1.6m		Poland-born software startup Spacelift has raised \$1.6 million in pre-seed funding from Hoxton Ventures and Inovo Venture Partners.

Selected Exits

Company	Country	Seller Company	Buyer	Date	Value EUR m	Stake	Deal Description
Skoczylody Wind Farm	Poland	Enterprise Investors Sp. z o.o.	PGE Energia Odnawialna SA	July 2020	50	n/a	The Polish Enterprise Fund VI, a private equity fund managed by Enterprise Investors Sp. z o.o. has sold the Skoczylody Wind Farm to PGE Energia Odnawialna SA, a subsidiary of PGE Polska Grupa Energetyczna S.A.. Skoczylody is a wind farm with a total capacity of 36 MW, located in the Skierniewice District, near Rawa Mazowiecka, Poland. It consists of twelve three-megawatt turbines. The enterprise value is EUR 50m.
TrademarkNow Oy	Finland	Balderton Capital (UK) LLP; Lifeline Ventures Oy; Karma Ventures	Corsearch, Inc.	August 2020	n/a	n/a	Balderton Capital, Lifeline Ventures, and Karma Ventures have sold their stake in TrademarkNow to Corsearch. TrademarkNow is a developer of a trademark management platform that is used by enterprise companies, law firms, and branding agencies for instant trademark search and watch results. It employs more than 40 people. The financial terms of the transaction were not disclosed. Corsearch is a portfolio of Yukon Partners Management, and Audax Private Equity.
Digitalas ekonomikas attistibas centrs SIA	Latvia	BPM Capital OU; Solo Investicijas; KFP; Astondesmit Astoni; Duo Investicijas	Quaero Capital SA	August 2020	n/a	n/a	Quaero Capital SA via Quaero European Infrastructure Fund II has acquired Digitalas ekonomikas attistibas centrs SIA (DEAC) from a group of investors which included Estonia-based BPM Capital OU, Lativa based- Solo Investicijas, Astondesmit Astoni and Duo Investicijas, KFP. DEAC is a provider of secure data center services to customers. In 2019 it reported estimated revenues of EUR 7.898m and net loss of EUR 0.37m. In 2018 it generated revenues of EUR 7.6m and EBITDA of EUR 2.3m. The financial terms of the transaction were not disclosed.
Trimo d.d.	Slovenia	Innova Capital	Kingspan Group Plc	August 2020 - pending	n/a	100%	Polish private equity firm Innova Capital has agreed to sell its 100% stake in Trimo Group, a Slovenia-based producer of facades and building envelopes, to Kingspan Group. The amount of sale was not disclosed. The transaction remains subject to regulatory approvals is expected to take place during the fourth quarter of 2020. Trimo is a provider of building envelopes, including fireproof roofs and facades, and metal modular units for non-residential buildings. The products of the company, manufactured in Slovenia and Serbia, are mostly exported to Western Europe and CEE.

Company	Country	Seller Company	Buyer	Date	Value EUR m	Stake	Deal Description
Ygle Pastatu Valdymas UAB	Lithuania	BaltCap; Agne Grendele (Private Investor)	SOL Baltics OU	September 2020	n/a	75%	BaltCap Lithuania SME Fund has sold its 75% stake in Ygle Pastatu Valdymas (YPV), a Lithuanian building management and engineering services company, to SOL Baltics. SOL Baltics also acquires the remaining 25% of the company's shares previously owned by CEO Agne Grendel and will gain 100% ownership of YPV. SOL Baltics is a subsidiary of the Finnish property management, security and staffing services SOL. As result of this transaction, SOL Baltics will become the leading provider of cleaning and maintenance services in Lithuania. Deal consideration was not disclosed. YPV's sales stood in a range of EUR 2m-EUR 3m last year.
Pekaes	Poland	Innova Capital	GEODIS	October 2020 - pending	n/a	65%	Innova Capital has sold its entire stake in Pekaes, a Polish logistics and intermodal transport company, to French peer GEODIS. The transaction value is not disclosed. The deal is subject to regulatory approvals. Pekaes employs more than 1,200 people in its 20 Polish branches, three railway terminals and six logistic warehouses.
Plumbr OU	Estonia	Karma Ventures	Splunk Inc.	October 2020	n/a	n/a	Karma Ventures, an Estonian based venture capital fund, has sold its stake in Plumbr OU, the Estonia-based software developer, to Splunk Inc., for an undisclosed consideration. The transaction will enable Splunk to significantly expand its APM and DEM capabilities. Concurrently Splunk has acquired Rigor, a digital experience monitoring (DEM) company offering advanced synthetic monitoring and optimization tools.
Roger Payment Institution a.s.	Czech Republic	Echilon Capital s.r.o	KB SmartSolutions, s.r.o	October 2020	n/a	25%	Echilon Capital s.r.o., a venture capital fund based in the Czech Republic, has sold its 25% stake in Roger Payment Institution a.s. to KB SmartSolutions, a subsidiary of Komerční banka a.s. Roger Payment Institutions is a leading fintech company providing factoring services. By connecting investors with companies, especially small and medium-sized ones, it provides an innovative form of operational financing for companies whose business is affected by long invoice maturities and the associated lack of cash. In 2020, the company obtained a full PSD2 licence, which will significantly expand the range of offered payment services.

Company	Country	Seller Company	Buyer	Date	Value EUR m	Stake	Deal Description
Carsmile S.A.	Poland	Solter Capital	OLX Global B.V.	October 2020	n/a	n/a	Solter Capital, a Poland-based private equity fund has sold its stake in Polis online car leasing service Carsmile to OLX Group, an Amsterdam-headquartered online marketplace belonging to South Africa's multinational consumer Internet companyNaspers [JSE:NPN]. The value of the transaction has not been officially announced. Puls Biznesu has learned that the deal value reached several dozen million zlotys (PLN).
ATM S.A.	Poland	MCI.EuroVentures, Mezzanine Management	Global Compute Infrastructure	October 2020 - pending	n/a	n/a	Goldman Sachs Infrastructure Partners through its platform company Global Compute Infrastructure LP, has agreed to acquire ATM S.A., from MCI Capital S.A. and Mezzanine Management Poland. Sp. z o.o., for an undisclosed consideration. MCI Capital S.A. has sold its stake through its fund MCI.EuroVentures 1.0 and Mezzanine Management sold its stake through Accession Mezzanine Capital IV fund. The deal is expected to complete by end of 2020, subject to antitrust clearance. ATM S.A. is a data center operator providing data transmission, Internet access and other telecommunications and value-added B2B service. In 2019, the company reported a revenue of PLN 149m (EUR 35.05m).
Industrial Division Sp. z o.o.	Poland	Abris Capital Partners, Jacek Szczegodzinski (Private Investor), Arkadiusz Ignasiak (Private Investor), Piotr Ignasiak (Private Investor)	Amber Infrastructure Limited	October 2020 - pending	n/a	n/a	Abris Capital Partners, Mr. Jacek Szczegodzinski, Mr. Arkadiusz Ignasiak, and Mr. Piotr Ignasiak have agreed to sell its stake in Poland-based Industrial Division dba Cargounit, to Three Seas Investment Fund (3SIF). Three Seas Investment Fund is a fund managed by Amber Infrastructure Group. The financial terms of the transaction were not disclosed. Cargounit is a locomotive leasing business in Central and Eastern Europe. It operates more than 180 units including electric and diesel traction locomotives, as well as diesel shunting locomotives. Its clients are major industrial groups in Poland and leading rail freight operators in Europe. For the year 2019, the business generated revenues of PLN 103m (EUR 24.23m), and an operating profit of PLN 50.3m (EUR 11.83m).

Company	Country	Seller Company	Buyer	Date	Value EUR m	Stake	Deal Description
Waberer's International Zrt.	Hungary	Mid Europa Partners LLP	Indotek Zrt	October 2020 - pending	13	24%	Mid Europa Partners, the UK PE investor, has agreed to sell 24% of the issued share capital in Waberer's International Nyrt [FRA: 3WB], the Hungary-based provider of international full truckload transportation, to Trevelin Holding Zrt, the Hungary-based member of Indotek Group. The company also granted a call option to Indotek over its residual 47.99% issued share capital. Financial details of the deal were not disclosed. The deal is likely to close in 1Q21, subject to customary anti-trust clearance.
Televizijos ir rysio sistemos, UAB	Lithuania	Practica Capital KUB	Broadcast Solutions Group	November 2020	n/a	25%	Broadcast Solutions Group has acquired Televizijos ir rysio sistemos, UAB from shareholders including 25% stake held by Practica Capital KUB. The financial terms of transaction are not disclosed. The company is engaged in providing on-contract integration and installation of broadcast systems and supplying radio equipment. It currently has 50 employees. Following the acquisition, Televizijos will be integrated operation of Broadcast Solutions, however, will continue as independent entity under its name.
Churchill Square	Czech Republic	Penta Real Estate	CFH Blenheim	December 2020 - pending	150	100%	Penta Real Estate has sold the Churchill Square office complex near Prague's main railway station for more than €150 million (CZK 4 billion) to Českomoravská Nemovitostní and Corporate Finance House Group. This was the largest office transaction on the Czech investment market this year. The acquisition was financed by German bank Helaba.
Allegro	Poland	Mid Europa Partners LLP	Warsaw Stock Exchange	October 2020	9,800 (market cap)		Mid Europa, Permira and Cinven floated Allegro on the Warsaw Stock Exchange in October with a market capitalization of PLN 44bn (€9.8bn) after purchasing the e-commerce business in 2016 for \$3.25bn
Golpasz	Poland	Resource Partners	De Heus Animal Nutrition	July 2020			Resource Partners sold its stake in Polish compound feed company Golpasz to De Heus Animal Nutrition, a Netherlands-based animal nutrition company, following a five-year partnership.
MBL	Poland, Denmark	Mezzanine Management	INVL Baltic Sea Growth Fund	September 2020			Mezzanine Management sold MBL Group, a European manufacturer of medical mobility devices, to INVL Baltic Sea Growth Fund. The investment over four years saw profits more than double as the firm expanded across CE.
Apaczka	Poland	21 Concordia	Abris Capital Partners	October 2020			21 Concordia has signed an agreement to sell its stake in Apaczka, the #1 e-commerce logistics and shipping platform operator, to Abris Capital Partners, a leading independent private equity fund manager.

Company	Country	Seller Company	Buyer	Date	Value EUR m	Stake	Deal Description
Polskie ePlatnosci	Poland	Innova Capital	Nets Group	October 2020			Acquisition of Polskie ePłatności by Nets Group. The acquisition of PeP was announced in March 2020, valuing PeP's Enterprise Value at EUR 405m. The sellers were Innova Capital private equity and minority shareholders, including Polish IT company OPTeam. The transaction was finalised on 26 October 2020.
answear.com	Poland	MCI	IPO	December 2020			

Fundraising

Company	Fund	Value (EURm)	Status	Time	Description
LitCapital	LitCapital LcX Opportunity Fund	34	Closed	October 2020	Private equity fund management company LitCapital successfully closed its second fund - LitCapital LcX Opportunity Fund at EUR 34m. All investors of the predecessor fund have made commitments into the new fund, almost all of them have increased their commitments. In addition, LitCapital managed to attract key institutional Baltic pension fund investors. The fund aims to invest between EUR 3m and EUR 10m per investment. In addition, LitCapital LcX Opportunity Fund geography has expanded into all Baltic countries, Nordics and Poland.
Longevitytech.fund	Longevitytech.fund	9.19 (~USD 11m)	Open	Resume from September 2020	The fund plans to invest in up to 30 companies via pre-seed, seed and series A rounds. It largely co-invests and plans to participate in follow-on rounds. The fund aims to hold a second close on \$2-3m by February 2021 and to raise the remainder within a year. It could potentially raise more than \$10m if the firm sees enough opportunities. First close was on \$1m. The fund aims to invest in tech companies focusing on biotech, ageing diagnostics, AI, age-tech, regenerative therapies, wealth-tech, fintech.
Lithuanian State Investment Management Agency	Aid Fund for Business	500	Open	October 2020 - launch	The main aim of the Fund is to help medium-sized and large enterprises active in Lithuania affected by the coronavirus outbreak. In addition to other measures for financing small and medium-sized enterprises already in place, the Fund will invest in Lithuanian companies having experienced financial difficulties that pose a threat to continuity of their activities. Investment period expected to end on 30th September 2021.
Mezzanine Management	Direct Lending Fund	€400m	pre-marketing	launch H2 2020	Mezzanine Management has launched 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.

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